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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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FEDERAL RESERVE BULLETIN

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REVIEW OF THE MONTH.

With the rapid progress toward more normal conditions in business and banking that has been characteristic of the past

Establishment of normal credit. few months, there has been associated a change in the character of credit and collection conditions. This improvement throws a valuable light upon the general banking situation. As business improves, collections after a certain period become better and business more truly liquid. Banking is correspondingly nearer to the standards of liquidity which represent or correspond to real soundness in mercantile and financial organization. Changes in business credit are, therefore, of significance, not merely in themselves, but also because of their direct bearing upon the banking position. This closeness of relationship has long been recognized by all who were interested in central banking practice or theory. The Federal reserve act recognized the necessity of scientific study and analysis of credit and laid a basis for regular and careful collection of data on the subject, while the regulations and rulings of the Federal Reserve Board have steadily called for the complete analysis of commercial credit conditions. Of fundamental importance in the study of such conditions are the situation as to terms of sale, varying as it does from time to time; the methods employed for the systematic study and analysis of credit conditions (to both of which the board has devoted continuous study for a long time past); and the position as to business embarrassments. The latter are most frequently taken as an index of change in business conditions, although the other elements just cited are to be regarded as of equal or greater importance, though not usually so treated.

The following compilation shows the present situation with respect to failures, contrasted with that which existed after the panic of 1907 and after 1920-21. **Credit and the depression of 1920-21.** that of 1893. The figures used are those of R. G. Dun & Co., and seem to

show that the upward movement of failures reached its peak in number during December, 1921, and January, 1922, and has since been steadily receding, while in amount of liabilities a definite "peak" was reached in December, 1921, with distinct, although somewhat irregular, recession since that month. This conclusion also agrees with data derived from other sources. Comparing the present situation with that which existed after 1907, it is interesting from a chronological standpoint that the peak in number of failures was reached in January, 1908, subsidence occurring quite steadily and largely from that month onward. The early symptoms of trouble in 1907 had hardly made themselves felt much before June, while bank suspension was agreed upon in October. After the panic of 1893, a peak in number of failures was reached about the close of that year, the most acute stage of the panic occurring during the early spring, with bank suspension later. In both 1907-8 and 1893-94 liabilities showed roughly the same course as the number of failures. During the troubles of 1920-21 the arrival at the peak in commercial failures has been somewhat longer deferred than on either of the other two preceding occasions. Recession of prices started, it will be recalled, in May, 1920, while a high point in liabilities of failed concerns was not reached until March of the following year, and was again exceeded at the close of 1921 and opening of 1922.

COMMERCIAL FAILURES.

[R. G. Dun & Co.]

NUMBER.

Month.	1893	1894	1907	1908	1920	1921	1922
January.....			1,355	1,916	569	1,895	2,723
February.....	3,202	4,304	924	1,621	492	1,641	2,331
March.....			853	1,339	566	1,338	2,463
April.....			799	1,309	504	1,487	2,167
May.....	3,199	2,731	857	1,379	547	1,356	1,960
June.....			815	1,112	674	1,320	1,740
July.....			777	1,232	681	1,444	.....
August.....	4,015	2,868	850	1,199	673	1,562	.....
September.....			856	1,026	677	1,466	.....
October.....			1,139	1,187	923	1,713	.....
November.....	4,826	3,979	1,180	1,126	1,059	1,988	.....
December.....			1,316	1,217	1,525	2,444	.....
Total.....	15,212	13,883	11,721	15,690	8,881	19,622	13,384

COMMERCIAL FAILURES—Continued.

LIABILITIES.

[In thousands of dollars.]

Month.	1893	1894	1907	1908	1920	1921	1922
January.....			13,628	27,100	7,240	52,137	73,796
February.....	47,338	64,137	10,284	27,065	9,763	60,852	72,608
March.....			8,164	21,542	12,090	67,409	71,608
April.....			11,083	20,316	13,221	38,568	73,050
May.....	121,541	37,596	9,965	13,613	10,826	57,056	44,403
June.....			16,446	14,709	32,991	31,639	38,213
July.....			12,335	14,222	21,906	42,774	
August.....	82,469	29,411	15,198	23,782	28,373	42,901	
September.....			18,953	12,299	29,551	37,021	
October.....			27,415	15,899	38,915	53,059	
November.....	95,431	41,848	17,637	12,600	30,758	53,470	
December.....			136,297	14,140	58,873	87,502	
Total.....	346,780	172,963	197,383	222,316	295,122	627,461	373,717

The facts thus set forth have an important bearing upon the working of the Federal reserve system; partly as afford-

Working of the Federal reserve system. ing a test of the system, partly as showing how the system itself has reacted upon the

commercial situation. Federal reserve extension of credit, it will be recalled, did not reach its highest level until about six months after recession of credit had set in, or at about the beginning of November, 1920, when the portfolio of bills held was \$3,127,000,000 (November 5). When this fact is considered it will be observed that the working of the banking system as now organized has tended to make the approach to a "peak" more gradual. The high record for any month of 1920-21 in volume of liabilities was in December, 1921; while the low point, subsequent to May, 1920, was in July of the same year. Failures for the former date were approximately one-fourth in value those of the latter. For the disturbance of 1907, the high point (in value) was about three and one-half times the aggregate during the lowest month of the period. The relatively slower advent of widespread commercial embarrassment is the more remarkable when the larger volume of assets employed by the community as well as the larger volume involved in failures during 1920-21 is considered. Bankers met the situation more adequately than ever before, carrying concerns that were in difficulties until it became certain that they could not be saved. The organization of creditors committees, created to give to bankers and others a participation in the operation of enterprises that were financially embarrassed,

had the effect of giving time for the extrication of these concerns from their difficulties if they held out prospects of future recovery. It undoubtedly avoided great numbers of industrial catastrophes which would have occurred under the old system and which would have entailed great losses. It was at one time felt that this process might go too far and result in preserving a good many concerns that actually had no claim to existence. Study of the figures of failures and consideration of the relatively long period of months over which they have been protracted shows that such a fear was without foundation.

The financial situation of business houses, as a whole, after this period of severe strain and its effect upon them, is

Situation of business houses. indicated in the financial statements submitted by such houses to their banks in 1922. In spite of the marked increase in both the number and liability of failures at the opening of the present year, the 1922 statements show material improvement over a year ago in most lines. Especially is this true with respect to the "liquid" position, as shown by the current ratio, or comparison of quick assets with current liabilities. As is well known, this test is very frequently employed by credit men. The current ratio is materially higher this year than last, reflecting changes in several other items in the statement. Merchandise inventory had already been written off to some extent in 1920 to correspond with lower values resulting from the drop in prices experienced in many lines during that year. But, by and large, the January, 1921, statements showed considerable inventory on hand. In fact, in some lines it was greater in point of physical volume, even if not when measured in terms of dollar volume, than it had been at the opening of 1920. In 1921 considerable further writing off occurred, and, furthermore, stocks themselves were considerably reduced. This was a usual reaction from the situation which had existed when business reached its peak of activity. Business houses at that time had placed orders aggregating several times their actual requirements, and then found that the entire quantity ordered was delivered. As a result, business men have cur-

tailed greatly the volume of their "forward" orders, in addition to keeping smaller stocks on hand. In seasonal lines especially, wholesalers and retailers have compelled manufacturers to carry stocks of goods, because they themselves have ordered their own supplies only from time to time as needed.

At the same time that inventory was written down, sales decreased (reflecting in part the lower price level prevailing), while "payables" remained at their full amount. Accordingly, the current position became lower. At the present time, however, stocks are much smaller, and inventory has been pretty well written off. Corresponding to this decrease, although somewhat less in amount, there has been a decrease in the volume of accounts and notes payable. As inventory has been reduced, obligations have been repaid. The great decrease came in 1921, and is reflected in the January, 1922, statements. This decrease in payables, however, has been much more largely in the nature of a reduction of indebtedness of business houses to banks than of business houses to each other. Receivables show a relatively smaller decrease than do payables. This corresponds in part to the smaller dollar volume of business, but also reflects a lagging in paying merchandise creditors. The relatively greater decrease in merchandise than in payables has resulted in a decrease in net worth. Many firms showed deficits from current operations during the past two years, and the surplus account suffered correspondingly. Since the opening of the present year, however, volume of business has increased, and actual earnings are again generally shown.

The above analysis indicates that the financial position of business houses is decidedly better than a year ago. Inventory on the whole has been written off sufficiently. It has also moved from distributors' hands, so that stocks maintained have been considerably reduced. Trade obligations have not yet shown a corresponding decrease, but liquidation of indebtedness to banks has made great progress. Finally, the bankers in general do not at present need to make certain allowances when considering the net worth

shown by the borrower, while profits are taking the place of previous operating deficits. This process of readjustment has gone further in some industries than in others. Some lines experienced price decreases at an early date and wrote off inventory correspondingly, but in others prices changed more slowly and readjustment to the new conditions was delayed. Accordingly, in these lines the January, 1922, statements show improvement far less than the average, but a better outlook is indicated for the mid-year statements. In such lines progress has been made only since the opening of the present year.

During the last few years the length of the credit period granted the buyer by the seller has increased perceptibly.

Mercantile credit conditions. This is not, however, reflected to a very marked degree in the regular terms of sale which are quoted in different industries. On the contrary, these tend in many cases to continue unchanged; if business houses do not universally adhere to them, it is nevertheless felt that they represent an ideal or standard condition and as such exert a wholesome influence. Furthermore, the shortening of terms evident during the period of prosperity generally did not go far enough to supplant the regular terms, but rather represented exceptions to them. Accordingly, the record of collections affords a much more accurate indication of the trend of mercantile credit conditions. Collections have two aspects: The extent to which buyers take cash discounts or anticipate the due dates of their bills, and the promptness with which they pay at the time the bills are due net. Business houses obtain from the banks the major part of the funds they use to take advantage of the cash discount. As heavier demands are made upon the banks toward the peak of prosperity, funds are less easy to obtain and accordingly the number of those who discount their bills tends to decrease. Such, in fact, appears to have been the case early in 1920. In 1921, after business conditions had unmistakably changed, the number of those taking the cash discount may likewise be expected to have been relatively small, and during the present year only gradual improvement is shown. Collections,

as distinct from discounting of bills, show a similar condition. The relatively slower decrease in receivables already noted affords an indication of this tendency, and trade reports confirm it. In short, merchandise creditors had to carry their customers when the latter were unable to move their inventory. This condition is reflected in the reports at various times in the past that new purchases were paid more promptly, while old accounts already outstanding were but slowly reduced. Collections have continued to lag relatively until late this spring, May and June in particular evidencing improvement.

The period under consideration affords interesting evidence of the relative degree of liquidity of the various classes

Banks and business borrowers. of loans made by banking institutions. There is always difference of opinion as to this matter. The view generally accepted for many years was that loans growing out of commercial transactions were most liquid; more recently this has been seriously questioned. No hard and fast rule can be laid down. It is, of course, true that loans made for capital purposes are not liquid. This has been amply demonstrated by the experience of the last several years. Borrowers who undertook plant expansion with funds borrowed from the banks, hoping to repay the loans shortly out of anticipated profits, were in a difficult situation when general conditions changed and profits did not materialize. The plant did not provide the wherewithal to repay the loan. But those who borrowed apparently for commercial purposes in many cases likewise experienced difficulty. In the expectation that prices would continue to rise, they accumulated stocks of commodities, which, when economic reaction set in and prices fell, proved far in excess of market demand and had to be revalued at the new and lower price levels. Loans meanwhile remained unchanged in amount, and current operations, especially in view of diminished sales, did not provide the means of repayment. Accordingly it became necessary for creditors to carry such borrowers temporarily while the loans remained "frozen." Some light upon the relative degree of liquidation of each class

of loan is afforded by the following figures for national banks taken from the annual report of the Comptroller of the Currency for 1921.

[In thousands of dollars.]

	Paper with one or more individual or firm names (not secured by collateral).	Paper secured by stocks and bonds.	Paper secured by other personal securities, including merchandise, warehouse receipts, etc.	Total.
June 30, 1919.....	5,848,884	3,438,385	1,331,359	10,618,628
1920.....	8,312,200	3,117,890	1,782,399	13,212,489
1921.....	7,214,148	2,699,167	1,662,717	11,606,032

In considering these data it should be remembered that the figures in the first and third columns may represent in part loans, the proceeds of which were employed by the recipients for capital purposes. The decrease in loans secured by stocks and bonds between 1919 and 1920, in the face of an increase in unsecured loans and commodity loans, therefore possesses only limited significance. Most important appears the fact that the decrease in commodity loans between 1920 and 1921 was relatively smaller than in the case of either of the other two classes of loans. But, as just indicated, in considering the above figures it should be borne in mind that loans are not classified according to the actual use made of the proceeds, and thus the source from which the borrower is enabled to liquidate the loan can not be fully determined.

A prominent aspect of the general situation this spring has been the issue of bonds by industrial enterprises. The proceeds of many of these have been used to pay up bank loans or to supply working capital. The experience of the last several years has shown the need of keeping a sufficient margin of working capital, at the same time that the necessity for writing off inventories, etc., has in some cases decreased the capital invested in the business. Accordingly outstanding short-term indebtedness has been funded, or obligations incurred to supply additional funds. While this process is relatively more expensive than bank borrowing, it has the advantage of providing the business house with funds for a longer period of time, and permitting the concern to retire the

obligations when convenient out of future earnings.

While this development has been taking place, banks' loans direct to customers have been decreasing until lately. In fact, both the issue of bonds and the flotation of paper in the open market have played a considerable rôle in enabling business houses to liquidate their indebtedness to the banks. As pointed out in the July BULLETIN, banks have otherwise invested the funds so released. This has taken the form of increased purchase of paper in the open market and of heavier purchase of securities of one kind or another, as well as of increase in loans on securities. But enlargement of commercial demand may now be expected, with the increase in business activity which is taking place. In these circumstances the question now confronts our banking institutions, what is the "portfolio policy" which they should pursue? How should they endeavor to strike a balance between the different uses to which they put their funds, in order to render maximum service to the business community?

The open market for commercial paper reflects clearly both the general business situation in relation to the borrower and

The commercial paper market. the existence of surplus funds in the hands of banking institutions. While dealers' outstandings on the whole show a steady increase from the low point reached in the latter part of 1921, paper remains scarce. The increased volume of paper in the market is due, not to increased business demands, but rather to a shift of borrowing from customers' own banks to the open market because of the lower level of rates prevailing in the latter. Many firms are reported to have taken advantage of the situation to "clean up" with their own banks. Added to this is the fact that, with the present volume of business carried on at lower unit cost, many houses find at most a small amount of bank accommodation suffices in addition to the funds they can obtain in the open market. New borrowing is strictly limited and confined largely to current requirements. Several months ago it was felt by some banks that poorer names were in relatively better supply than first-class names, but

little difference is now reported. Paper of the very "largest" names, however, is on the whole scarce. These concerns are in a strong financial position now, especially where they adopted a conservative dividend policy and did not pay out completely the substantial profits they made. Furthermore, in view of the decreased volume of business, their requirements are less. At the same time it may be noted that the market on the demand side at present shows a more normal tendency. Large city banks are now purchasing for their own account, while there is less country bank buying.

Bank credit methods have been adapted to the changes in general business conditions. At

certain times some information is more important; at other times other information. Two years ago market conditions were unstable and constant shifting occurred. Special attention was therefore given to obtaining statements more frequently and supplementing them with operating data and data as to the probable high point of borrowings. At the present time, while more data are probably obtained, emphasis is chiefly placed upon the ability and character of the men behind the concern. Older business houses are approved by reason of the fact that they succeeded in passing through the previous period of stress, but close scrutiny is made of the past history of those connected with new concerns. A development of the past two years has also been the use, when applying for credit, of a financial budget by business houses to supplement the statement proper. This practice has been confined largely to those houses whose statement is only fair. It is probably largely the outcome of inquiries by banks as to what the peak of the concern's indebtedness would probably be, and how the concern would liquidate the debt. The shifting conditions found two years ago further caused banks to follow commodity price fluctuations more closely, as well as to consider particularly the influence of general business conditions in the industry, which often overshadow the immediate situation of the individual concern. Slight change in loan forms is, however, shown, only minor modification in the interest of greater security to the lend-

ing bank being reported in more or less isolated cases.

Changes which have occurred on the foreign side of the credit practice of banks are also noteworthy—particularly so in view of the developments which have been taking place in the organization of our banks for the treatment of foreign credits. The experience of the past two years has resulted in credit study of the same sort that has been employed in the analysis of domestic conditions. Heavy losses suffered in connection with foreign advances are currently ascribed to lack of information analogous to that obtained through domestic credit study by those most conversant with the situation. The fact that banks in extending commercial accommodations against foreign shipments have almost uniformly insisted upon retaining right of recourse to the local house engaged in the particular transaction and have, of course, extended such accommodation in the majority of cases to concerns whose credit was known to be sound, has in large measure acted as a buffer against loss, but only indirectly, since the local exporting or importing house has had to bear the brunt of losses. Such houses, however, which do not themselves have good credit connections abroad have found it necessary to rely on the banks for credit information as to foreign customers. Experience has shown that where such credit information was obtained from foreign branches of American banks it has usually been of satisfactory character. This has increased regret at the tendency to reduction in the number of foreign branches, but has led business houses largely engaged in the export trade to feel the necessity of attempting a more thorough organization of their credit system to cover the foreign field. In some cases they are dispatching skilled credit men to travel abroad in the territory in which the business is being done; while American banks, in those countries in which they still maintain branches, are tending more and more to develop their credit systems on the lines pursued in domestic trade. The experience of 1920-21 has unquestionably emphasized the necessity of such action and is tending to bring about a marked alteration of methods.

Foreign bank credits.

The above survey indicates clearly that the credit problems confronting both business houses and banking institutions change to a marked degree from time to time during the course of the business cycle. Furthermore, it is seen that the methods adopted, both by banks and business houses, to deal with these credit problems change accordingly. New devices are introduced from time to time, and varying importance is attached to existing devices and methods in an effort to provide the maximum degree of safety and liquidity in the credit system. It is clearly desirable that central banking institutions be fully cognizant of developments. No less is it desirable that the banking system maintain close contact with the various methods used, and that it itself employ such of these methods from time to time as it deems desirable. Only in this way may it maintain the most effective regulation of the general credit system. Activity along the lines indicated is necessary to supplement the more general regulation of credit by the traditional method of the discount rate. To the extent that this is realized the functioning of the banking system is made more effective.

The Federal Reserve Board's usual indexes of general production and marketing conditions are shown in the following table. Coal production was slightly higher than in May, whereas shipments of grain and lumber were somewhat lower. Iron and steel production continued to be much higher than in the corresponding month of 1921.

[000 omitted.]

	June, 1921.		June, 1922.		May, 1922.	
	Total.	Relative.	Total.	Relative.	Total.	Relative.
Receipts of live stock at 15 western markets (head) . . .	4,928	100.0	5,141	104.3	4,991	101.3
Receipts of grain at 17 interior centers (bushels)	93,405	100.0	78,019	83.5	86,458	92.6
Sight receipts of cotton (bales) shipments of lumber reported by 3 associations (M feet)	660	100.0	507	76.8	594	90.0
Bituminous coal production (short tons)	679	100.0	957	140.9	1,101	162.2
Anthracite coal production (short tons)	33,852	100.0	22,309	65.9	20,290	59.9
Crude petroleum production (barrels)	7,786	100.0	84	1.1	35	.4
Pig-iron production (long tons)	40,354	100.0	45,247	112.1	46,473	115.2
Steel-ingot production (long tons)	1,065	100.0	2,361	221.7	2,307	216.6
Cotton consumption (bales)	1,003	100.0	2,634	262.6	2,711	270.3
	402	100.0	508	116.0	496	107.4

Net gold imports for the month of June totaled \$11,368,000, as compared with net imports of \$5,587,000 in May.

Gold and silver movements. Nearly 70 per cent of the total gold imports for the month, \$12,969,000, came from Europe. Arrivals of gold from Great Britain, mainly of South African origin, after a practical suspension for two months, totaled \$4,160,000, while other imports from Europe consisted chiefly of shipments from Danish and French ports. Gold exports for the month totaled \$1,601,000, most of which was consigned to Hongkong and Mexico. Net imports of gold since August 1, 1914, totaled \$1,654,949,000, as may be seen from the following exhibit:

[In thousands of dollars.]

	Imports.	Exports.	Excess of imports.
Aug. 1, 1914, to Dec. 31, 1918.....	1,776,616	705,210	1,071,406
Jan. 1 to Dec. 31, 1919.....	76,534	368,185	¹ 291,651
Jan. 1 to Dec. 31, 1920.....	417,068	322,091	94,977
Jan. 1 to Dec. 31, 1921.....	691,248	23,891	667,357
Jan. 1 to June 30, 1922.....	123,005	10,145	112,830
Total.....	3,084,471	1,429,522	1,654,949

¹ Excess exports.

Silver imports for the month were valued at \$6,346,000 and silver exports at \$6,004,000, leaving thus an excess of imports of \$342,000, as against an excess of exports of \$165,000 for the preceding month. Over 70 per cent of the silver imports is credited to Mexico and over 12 per cent to Peru, the remainder coming mainly from Canada and Central America. Nearly three-fourths of the silver exported during the month was consigned to China and Hongkong, while shipments to England and British India account for nearly 20 per cent of the total silver exports for the month. Net exports of silver since August 1, 1914, totaled \$440,530,000, as shown in the following exhibit:

[In thousands of dollars.]

	Imports.	Exports.	Excess of exports.
Aug. 1, 1914, to Dec. 31, 1918.....	203,592	483,353	279,761
Jan. 1 to Dec. 31, 1919.....	89,410	239,021	149,611
Jan. 1 to Dec. 31, 1920.....	88,060	113,616	25,556
Jan. 1 to Dec. 31, 1921.....	63,242	51,575	¹ 11,667
Jan. 1 to May 31, 1922.....	34,892	32,161	¹ 2,731
Total.....	479,196	919,726	440,530

¹ Excess imports.

Developments in the banking field during the five weeks ending July 19 differed but little from those described in the BULLETIN a month ago. Liquidation of commercial loans by

The banking situation. the member banks continued, but was more than offset by the increase in investments, mainly in United States securities. Total loans and discounts of about 800 member banks in leading cities show a total reduction during the five weeks under review of \$136,000,000, of which \$46,000,000 represents a reduction in loans secured by Government obligations, \$7,000,000 a reduction in loans secured by corporate and other obligations, and \$83,000,000 a reduction in all other loans and discounts, composed largely of commercial loans proper. Under the general head of investments United States bond holdings of the reporting banks show a continuous growth, aggregating \$46,000,000 for the five-week period. Changes in the other classes of Government securities are traceable largely to the refunding operations of the Government, involving the exchange of Victory notes for Treasury notes bearing a lower rate of interest and maturing three and one-half years from June 15, and to the issuance on that date of a new series of Treasury certificates. Investments in corporate securities showed an upward trend until July 5, but declined during the two subsequent weeks, and the July 19 total is only about \$10,000,000 larger than five weeks before. Total loans and investments of the reporting banks fluctuated between \$15,264,000,000 on June 21 and \$15,188,000,000 a week after and stood at \$15,197,000,000 on July 19, a decline of about \$16,000,000 for the five weeks, but an increase of \$247,000,000 since July 20 of last year. Investments in Government securities constituted 14 per cent of total loans and investments on July 19, 1922, compared with 8 per cent about a year ago, while the corresponding share of "all other" loans and discounts shows a decline during the same period from 54 to 46 per cent. As against substantial reductions in Government and other demand deposits, time deposits show a steady advance of \$205,000,000 for the period under review. Borrowings of the reporting banks from the Federal reserve banks advanced to \$206,000,000

on July 5, mainly in connection with the large holiday demands for currency. Since then the return flow of currency has enabled the banks to reduce substantially the borrowings from the reserve banks. The proportion which the borrowings of reporting member banks constitute of the total discounts held by the reserve banks was 35.5 per cent on July 19, compared with 27.9 per cent five weeks earlier.

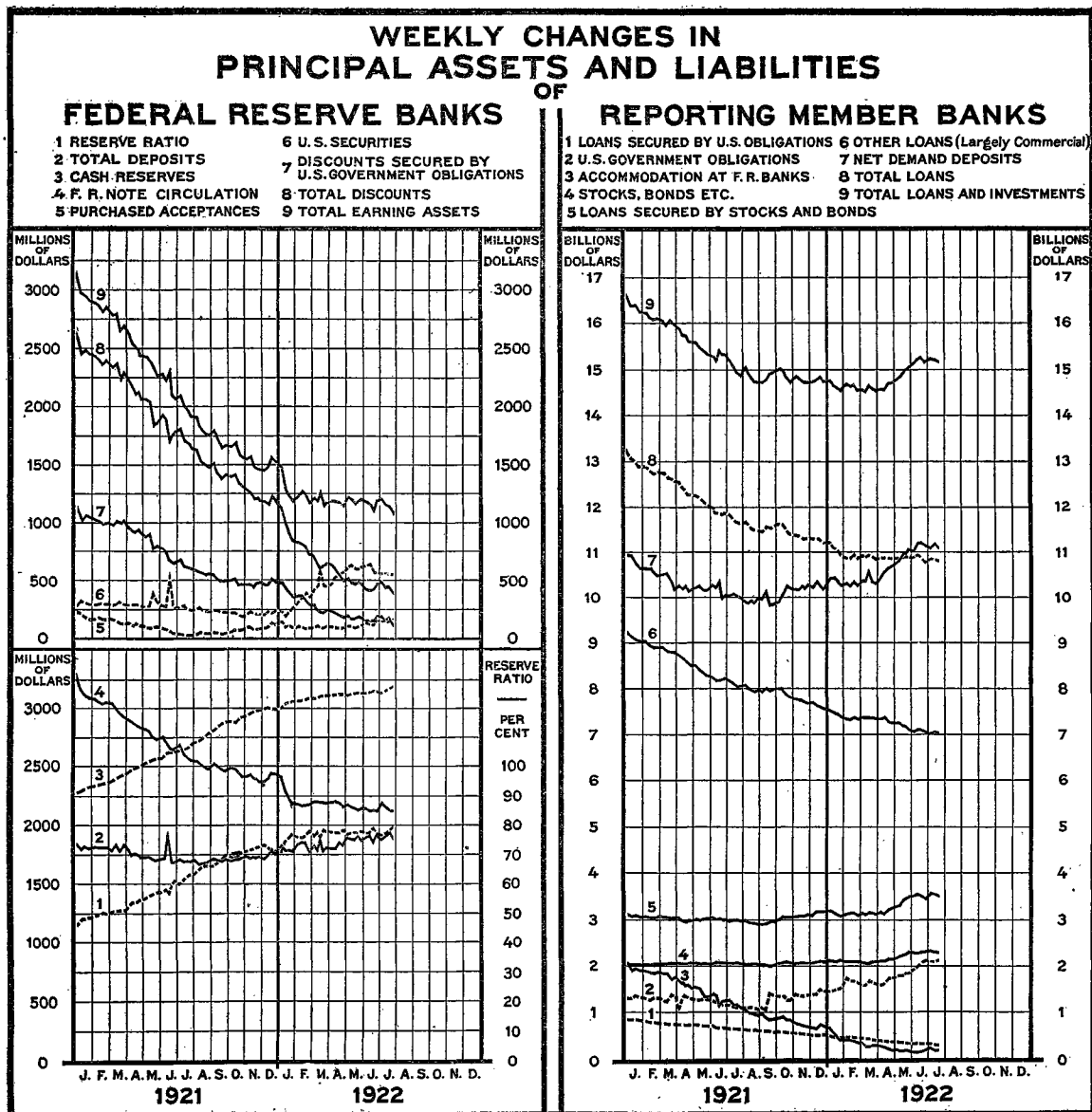
The following exhibit presents the principal changes in the condition of reporting member banks during the five weeks under review:

REPORTING MEMBER BANKS.

[In millions of dollars.]

Date.	Number of reporting banks.	Loans and discounts. ¹	Investments.	Rediscounts and bills payable with Federal reserve banks.	Ratio of accommodation (4+2+3).	Net demand deposits.
	1	2	3	4	5	6
June 14.....	800	10,944	4,289	116	0.8	11,198
June 21.....	799	10,885	4,379	123	.8	11,192
June 28.....	799	10,783	4,405	165	1.1	11,124
July 5.....	796	10,839	4,401	206	1.4	11,088
July 12.....	795	10,839	4,372	142	.9	11,199
July 19.....	795	10,808	4,389	158	1.0	11,101

¹ Including rediscounts with Federal reserve banks.



At the Federal reserve banks the principal developments for the five weeks ending July 26 include a further reduction of \$41,600,000 in discounted paper and of \$14,700,000 in Government securities, as against an increase of \$34,700,000 in acceptances purchased in open market. Total earning assets of the reserve banks on July 26 stood at \$1,076,900,000, as compared with \$1,098,600,000 five weeks earlier and \$3,421,600,000 at the peak reached on November 5, 1920. Decreases in discounts for the five weeks under review are shown for all the Federal reserve banks except Boston and Dallas, which show small increases, by far the largest reduction being reported for the Cleveland bank, whose discounts declined from \$42,100,000 on June 21 to \$25,000,000 on July 26. During the first two weeks of the period discounts showed an upward tendency, partly as the result of end of fiscal year settlements and of currency demands in connection with the July 4 holiday, but for the next three weeks a reduction from \$498,900,000 on July 5 to \$380,000,000 on July 26 is shown.

Federal reserve note circulation, which had increased to \$2,194,300,000 on July 5 in response to the holiday demand for currency, declined to \$2,126,800,000 on July 26, this amount being but \$500,000 in excess of the June 21 figure. Increases of \$36,100,000 in Government deposits and of \$3,200,000 in members' reserve deposits, together with a reduction of \$5,600,000 in other deposits, resulted in an advance of \$33,700,000 in the reserve banks' total deposit liability. Gold reserves

show an increase of \$34,600,000 for the period and cash reserves an increase of \$33,800,000. The Chicago bank reports the largest increase in gold reserves, \$59,300,000, smaller increases being shown for five other reserve banks, while the New York, Philadelphia, Atlanta, St. Louis, Minneapolis, and Dallas banks show decreases in their gold reserves. With Federal-reserve note circulation practically unchanged and the increase in deposits practically offsetting gains in reserves, the reserve ratio of the reserve banks shows but a nominal advance from 79.1 to 79.2 per cent. Net liability of the reserve banks on Federal reserve bank notes declined from \$67,700,000 on June 21 to \$63,600,000 five weeks later.

Weekly changes in the principal asset and liability items of the Federal reserve banks are shown in the following exhibit:

FEDERAL RESERVE BANKS.

[In millions of dollars.]

Date.	Cash reserves.	Bills discounted, total.	Government securities.	Total deposits.	Federal reserve notes in actual circulation.	Reserve ratio.
June 21.....	3,147.7	421.6	555.5	1,854.4	2,126.3	79.1
June 28.....	3,148.4	463.1	556.6	1,939.3	2,124.4	77.5
July 5.....	3,133.9	498.9	550.5	1,884.7	2,194.3	76.8
July 12.....	3,157.0	429.9	556.8	1,924.9	2,158.1	77.3
July 19.....	3,169.3	443.5	541.8	1,942.5	2,132.8	77.3
July 26.....	3,181.5	380.0	540.8	1,888.1	2,126.8	79.2

Mr. W. J. Bailey has been elected Governor of the Federal Reserve Bank of Kansas City, effective July 1, 1922, to succeed Mr. J. Z. Miller, Jr., resigned.

Personnel.

BUSINESS, INDUSTRY, AND FINANCE, JULY, 1922.

The outstanding feature of the greater part of the month has been the continuance of business and industrial activity at the relatively high rate recently attained. In fact, production has shown further increases in some lines, while in those which normally would be noticeably affected by seasonal influences, decreases on the whole have been relatively slight. At the same time, prices have continued their upward tendency, the index number of the Federal Reserve Board for June being 162, an increase of 4 points over the May figures, further increases being indicated for July. As the current month progressed, the effects of the coal and railroad strikes began to make themselves felt. This influence has served recently to restrain productive activities in various lines, noticeably iron and steel. The plans recently announced by the administration are expected to relieve the situation.

The output in various lines of manufacture showed further improvement in June. This was particularly noticeable in the case of iron and steel, copper, automobiles, and tanning. In the textile industries, increased output of both cotton and woolen goods was reported during June, although some seasonal recessions have been experienced since the opening of July. Construction activity has been well sustained, only slight recessions occurring in June, and the production of lumber and other building materials accordingly has continued at a high level. The amount of bituminous coal mined in June showed a considerable increase, but since the opening of the present month has fallen off greatly. Coal stocks have consequently been further drawn upon. Anthracite production has been negligible, and stocks, with the exception of pea sizes, are practically exhausted. Petroleum output continues large, and stocks are, in fact, accumulating.

A further reduction in the number of persons out of work was reported during June, and scarcity of labor continued to be noted, especially in the building trades. Certain districts also reported a scarcity of agricultural labor. Unemployment remained a factor only in those lines, such as textiles, coal, and transportation, in which labor difficulties exist.

Agricultural prospects are still very satisfactory for the country as a whole, although there has been a considerable deterioration in the condition of wheat and oats. Fruit crops are reported to be above the average, and the tobacco outlook in general excellent. The cotton crop shows some improvement during June, but it is still too early to estimate the amount of damage from the boll weevil.

In wholesale trade there was a general improvement in most lines during June. Grocery sales in particular were large and showed increases in all districts over last year. The majority of the districts likewise reported an increase in dry goods sales as compared with May. Boot and shoe sales declined during the month of June, and the situation in respect to hardware in most of the districts was not so satisfactory as in recent months, although generally better than a year ago. The volume of retail trade was well sustained during June, although slightly less than in May.

Financially there have been few new developments noted for the month. The Federal Reserve Banks of Dallas and San Francisco reduced the discount rate to $4\frac{1}{2}$ and 4 per cent, respectively. Of much interest has been the announcement by the Treasury on July 26 calling for redemption on December 15, 1922, of approximately \$1,000,000,000 of the $4\frac{3}{4}$ per cent Victory notes. Federal reserve bank portfolios show little change, while member bank loans, other than those secured by stocks and bonds, show a downward tendency. Foreign exchange rates have remained steady, except for the mark, which reached the lowest figure to date. The foreign trade figures for June show a substantial increase over May both for imports and exports.

AGRICULTURE.

The average condition of winter wheat on July 1 was 77, compared with a condition on June 1 of 81.9 and a condition of 77.2 on July 1, 1921, and is four points below the 10-year average for July 1. The production estimate for the entire United States is 569,276,000 bushels—practically 38,000,000 bushels under the June 1 estimate. The major part of this loss occurred in district No. 10 (Kansas City), due to premature ripening and shriveling of the grain during the dry weather and to the difficulty of securing sufficient workers when the crop rapidly matured. The harvesting of spring wheat in district No. 8 (St. Louis) is completed. Early returns show uneven conditions, the chief source of complaint being the light weight of the grain, due here also to premature ripening. District No. 7 (Chicago) and district No. 12 (San Francisco) report deterioration of the crops during June. A long period of unusually dry weather in the latter district has seriously damaged the condition of spring wheat and has reduced the yield of winter wheat both in quality and quantity.

The condition of the oats crop has greatly deteriorated throughout the oats-growing section, and some fields have been abandoned. Corn has made good progress during June in district No. 8 (St. Louis) and in district No. 10 (Kansas City). In the latter district, however, the rains, which were badly needed in early July, did considerable damage through floods and soil washing, so that in spite of the increased acreage the yield will be less than in 1921. The barley harvest in California has been practically completed, and the yield is estimated at 36,720,000 bushels, an increase of 7,020,000 over last year's crop. The white potato crop is generally very good, and the sweet potato crop is unusually good in district No. 8 (St. Louis). The sugar-cane crop in Louisiana is estimated at 19 per cent less than last year, due to unfavorable weather conditions.

COTTON.

During June weather conditions were favorable, and the cotton prospects improved in most districts. The price of middling upland cotton at New Orleans on July 12 was 21.7 cents, as compared with 19.4 cents on June 14. Cotton stores at mills and public warehouses on June 30 amounted to 3,268,000 bales—about 41 per cent less than on June 30, 1921. The Texas acreage is estimated to be approximately 11 per cent greater than last year's, with a forecasted yield of 3,525,000 bales, compared with a total production of 2,200,000 bales in 1921.

In district No. 8 (St. Louis) cotton made good progress under improved weather conditions. Fields in this district, as a rule, show the results of intensive cultivation and are clean and clear of weed growth. Numerous reports of the presence of boll weevils have been received, but it is impossible as yet to determine the extent of the damage. District No. 10 (Kansas City) reports an increased acreage, while the condition of the crop indicates an improvement over the May condition and is a shade better than a year ago. The weevils appeared much earlier in this district than last year, but are being actively combated, and in some sections their number has decreased since their first appearance. The condition of the crop in district No. 6 (Atlanta) is less favorable than in May, due to excessive rains and the activities of the weevil. Tennessee alone of the States in that district reports that the crop as a whole is in splendid condition—decidedly above the average. The Georgia crop has suffered the most, due to continuous rains which prevented cultivation, induced the growth of grass, and leached out much of the fertilizer.

TOBACCO.

Reports from tobacco-growing districts are very favorable, and in district No. 5 (Richmond) the growth is well advanced. The slight damage from heavy rains is confined to low and poorly drained fields. The estimated production from the increased acreage is 161,515,000 pounds. The South Carolina crop, which is at present being cured, is reported as of rather inferior quality, due to excessive moisture during the growing season. The burley tobacco crop in district No. 4 (Cleveland) is in excellent condition. It is believed that a large part of the crop will be cut in August, and early cutting means good quality. Practically all of the old burley has been sold and the farmers appear well satisfied with the work of the marketing association. A continuation of the June increase in business still prevails among the cigar manufacturers in district No. 3 (Philadelphia). The larger firms, especially those located in Philadelphia, and having a national distribution, report that their business has shown a decided improvement. Demand during the summer months is stimulated by a large vacation trade in the better grades of cigars. Orders are still very largely for immediate delivery, but there is a growing tendency on the part of jobbers and wholesalers to order ahead and return to the old practice of placing orders for regular weekly shipments.

FRUIT.

In district No. 12 (San Francisco) the warm weather has hastened the maturity of the fruit crops, and there have been no reductions in previously estimated yields. The estimates for the peach and pear crops are well above last year's production. Car-lot shipments of fresh deciduous fruits are expected to be unusually large this season, and grape growers estimate that they will require over 40,000 cars to move their crops. The apple prospect in Georgia continues to improve and the production will probably be greater than for several years. The crop for the entire United States is estimated at 94,239,000 bushels, compared with the 1921 yield of 63,612 bushels. The yield of Georgia peaches, however, has been less satisfactory than was anticipated a month ago. Production of watermelons is running above that of last year, due chiefly to increased acreage, and the cantaloupe production has been three or four times that of last year. The fruit crop in district No. 10 (Kansas City) is the best for several years and is bringing very large revenue to the growers. Prices of deciduous fruits are expected, however, to be slightly lower than in 1921, due to the abundant crop. The condition of oranges in Florida improved during June, but there was no similar improvement in the condition of grapefruit, which is below that of a year ago. Shipments of citrus fruits from California are somewhat smaller than during May and substantially less than in June last year. Prices of oranges are well above last year's price, but there is a reduction in prices of lemons.

GRAIN MOVEMENTS.

Grain receipts at 17 interior centers totaled 78,018,402 bushels, a decrease of 10 per cent compared with last month, but are still well above the April figure. Receipts of corn and barley increased, but there was a marked decline in receipts of wheat, oats, and rye, with flour receipts showing practically no change. In the cases of wheat, corn, and oats, receipts at Chicago register the most important changes and are responsible for the difference between total receipts this month and last, other increases and decreases practically offsetting each other. June wheat receipts at the 17 centers totaled 21,092,993 bushels, a decrease of 30 per cent as compared both with May and with June, 1921. Receipts of corn during June amounted to 32,693,596 bushels, an increase of 19.5 per cent compared with last month and a decrease of 12.8 per cent compared with last year. Although June wheat

receipts at four leading markets in district No. 10 (Kansas City) show decreases as compared with last month and with June, 1921, receipts for the wheat year 1921-22 ending June 30 show an increase of 23,734,350 bushels, or 6.7 per cent over the receipts for the previous 1920-21 wheat year. "This increase reflects something of the activities of farmers in disposing of their wheat under the more favorable market prices of recent months." Grain prices, which continued to decline early in July, have shown a tendency to recover since the middle of the month.

FLOUR.

Flour production during June was 8,136,000 barrels, compared with 8,073,000 barrels during May and 8,087,000 barrels during June, 1921. In district No. 9 (Minneapolis), however, output decreased from 1,889,755 barrels in May to 1,829,635 barrels in June, an increase of 7.1 per cent over June last year. The mills in district No. 10 (Kansas City) manufactured 1,535,506 barrels of flour in June, a decrease of 1.2 per cent compared with last month, but an increase of 7.8 per cent compared with June last year. Output of 11 leading mills in district No. 8 (St. Louis) was 223,428 barrels, or 23 per cent less than during May. Forty-two mills in district No. 7 (Chicago) produced 412,456 barrels, an increase of 12 per cent over last month and of 22.9 per cent over the corresponding period last year. In district No. 12 (San Francisco) production of 63 mills amounted to 480,738 barrels, compared with 520,800 barrels produced by 65 mills in May. Throughout June the demand for flour from all sources was quiet in district No. 8 (St. Louis). Domestic buyers there and in district No. 12 (San Francisco) were taking only what they needed for immediate distribution. Reduced flour buying during the month is probably the result of an anticipated price decline, in response to falling wheat prices. Export interests have made some inquiries, especially since the first of July, for flour to be milled from the new crop, but in both districts contracting for future requirements has been unusually light.

LIVE STOCK.

Movement of cattle, calves, and hogs to market during June was greater than during June, 1921, but the reverse was true of sheep. Receipts of cattle and calves at 15 western markets declined during June, but receipts of hogs and sheep this month were slightly larger than during May. Receipts of cattle and calves during June totaled 1,228,489 head, a decrease of 6 per cent compared with last month and an increase of 5 per cent compared

with June a year ago. June receipts of hogs were 2,865,301 head, an increase of 3.6 per cent over May receipts and of 7 per cent over those of June, 1921. Receipts of sheep amounted to 1,038,519 head, an increase of 11 per cent as compared with last month and a decrease of 8 per cent as compared with June last year. A survey recently completed by the United States Department of Agriculture shows a net increase of 14.5 per cent in the number of pigs raised in the Corn Belt States during the first half of 1922 as compared with the first half of 1921. It is suggested that this increase may overcome the present shortage in meat stocks. District No. 12 (San Francisco) reports that unusually hot and dry weather has caused a rapid deterioration of pastures in the Pacific Northwest and in the Intermountain States during June, and hay crops in these sections will be light. At present, however, live stock is reported to be in good condition, dry grass and stubble forage affording a sufficient supply of feed for current needs.

Sales of 31 packers show an increase of 0.2 per cent in June as compared with May, and of 7.1 per cent as compared with June, 1921. A few companies report improvement in rural buying, but this has been offset to some extent by a falling off in sales in the coal mining districts. Storage stocks of cured meats and lard at principal packing points in the west show substantial increases over those on June 1, but are still below those for a year ago.

COAL.

Production of bituminous coal in June amounted to 22,309,000 tons, as compared with 20,290,000 tons in May and 33,852,000 tons in June, 1921. The steady acceleration of mining activity, which was the feature of the months of May and June, was not maintained during July, and there was a continuous decline in average daily production from the week ending June 24 to the week ending July 22. This decrease in output during July was largely due to congestion of railroad traffic at the mines of Kentucky and West Virginia, which is a result of the strike of railway shopmen. Demand for all grades of bituminous coal increased substantially after the reduction of freight rates on July 1. Railroads, steel mills, and cement plants have been particularly active buyers. High-grade steam coals have been in great demand, but are now difficult to obtain.

Anthracite production is still practically negligible on account of the strike, and consists mainly of river dredgings. The June output amounted to 84,000 tons, as compared

with 35,000 tons in May and 7,786,000 tons in June, 1921. The number of unbilled cars of anthracite at the mines was reduced from 2,815 on April 8 to 525 on July 8. All anthracite mine workers, except maintenance men, are reported by district No. 3 (Philadelphia) to be still on strike.

Stocks of both anthracite and bituminous coal have shrunk steadily since April 1 and are now very low. This condition is most serious in New England and the Northwest. District No. 1 (Boston) reports that hard coal stocks are nearly exhausted, except for pea sizes, while soft coal reserves are "dangerously low." Reports from district No. 9 (Minneapolis) indicate that stocks at Duluth and Superior on July 1 were only about one-third as large as a year ago, while stocks at Minneapolis and St. Paul were only one-fifth as great as on July 1, 1921.

By-product coke production increased from 2,537,000 tons in May to 2,580,000 tons in June, and is now very near the maximum monthly output. Beehive coke production also increased, and amounted to 458,000 tons in June, as compared with 432,000 tons in May. Prices of Connellsville furnace coke advanced from \$6.50 per ton on June 13 to \$9.50 per ton on July 11.

PETROLEUM.

Crude petroleum production continued through June and the first half of July at about the same high level as in May. The total flow of United States wells amounted to 45,247,000 barrels for 30 days of June, as compared with 46,473,000 barrels for 31 days of May. Drilling operations continued to increase during June, and the number of new wells completed totaled 1,662 in comparison with 1,511 in May. Stocks of oil continue to accumulate rapidly.

District No. 12 (San Francisco) reports little change in the June level of production from that prevailing in May, while the number of new wells completed increased from 64 to 68. In district No. 10 (Kansas City), also, drilling activity showed considerable acceleration and 753 wells, with 149,020 barrels of production, were completed in June, as compared with 669 wells which had a 144,780 barrel output in May. The number of new wells drilled in district No. 11 (Dallas), on the other hand, declined from 507 in May to 473 in June. In that district there has been a marked reduction in the output of the Mexia field, but the Pioneer field continues to add important new producing wells.

There has been some divergence in movement of crude-oil prices during July. On July

15 the leading refining company in California announced a general reduction of 25 cents per barrel in its buying prices for all grades of oil in the San Joaquin Valley and Whittier-Fullerton fields. A similar reduction of 25 cents per barrel was announced early in July for leading grades of mid-continent crude oil. District No. 11 (Dallas), on the other hand, reports an increase of 25 cents per barrel in Curry crude oil, and the prevalence of increased premiums for both Mexia and North Texas crude oil. Refinery prices for gasoline have shown a tendency to soften during July, but there has been an increase of 25 cents per barrel in the price of bunker oil at New York.

IRON AND STEEL.

Conditions in the iron and steel industry have continued to be encouraging, although there is temporarily some curtailment of activity due to the coal and railroad strikes. Unfilled orders of the United States Steel Corporation increased 7.3 per cent during June and amounted to 5,635,531 tons at the end of the month. June production of pig iron and steel ingots totaled 2,361,028 tons and 2,634,477 tons, respectively. This represented an increase in average daily output as compared with May, although the total production of steel ingots showed a slight decline. A number of blast furnaces were forced to bank during the third week in July, and operations of steel mills are reported to have slackened somewhat, due to the shortage of fuel and of shipping facilities. District No. 3 (Philadelphia) reports that one of the most encouraging factors in the present situation is the diversity of demand, while district No. 4 (Cleveland) states that in some lines, particularly certain types of steel bars, deliveries on new orders require three or four months. The continued activity of automobile factories has resulted in an active market for sheets, while builders continue to purchase large quantities of shapes. Railroad demand continues good, and orders for over 100,000 new cars were placed during the first six months of this year. The market for machinery and machine tools is improving, and the stocks of tools are being gradually reduced. Prices of most iron and steel products have advanced during July, while premiums are being paid for prompt delivery of certain grades of steel. Slight recessions have been reported, however, in certain grades of pig iron.

AUTOMOBILES.

Automobile production continued to expand during June for the sixth consecutive

month. The output of passenger cars amounted to 262,384, an increase of 13.2 per cent over May, while the June production of trucks totaled 25,372, an increase of 9.4 per cent. Carload shipments registered a slight decline, but this was partly counterbalanced by increases in the number of driveaways and shipments by boat. Replacement buying continues to be an important factor in the enlarged demand. Reports from 230 dealers in district No. 8 (St. Louis) indicate that sales of new cars increased in both cities and rural districts, while the used-car market was stronger than in any previous month this year. There has been a large increase in the percentage of closed cars to total passenger cars, and this has caused a very great improvement in the body industry. District No. 4 (Cleveland) reports that most of the increase in volume of truck production is confined to the three-quarter ton trucks.

NONFERROUS METALS.

Production of all important nonferrous metals continued to increase during June and mine operations were, as a whole, on a larger scale than in any month since August, 1920. Copper production totaled 93,739,847 pounds, which was 5.7 per cent in excess of the May output and 420 per cent larger than in June, 1921. Demand continues to be about sufficient to absorb the increased production, as is evidenced by a maintenance of the general selling price of electrolytic copper delivered at New York at about 13.875 cents per pound since early in June. There has recently, moreover, been considerable improvement in the average price received for copper exports. Domestic inquiries are generally for moderate tonnage, but orders are numerous. Conditions in the zinc industry are also improving steadily, although the revival is much more gradual than in the case of copper. The June output of retorts was 28,547 tons, which was 4.1 per cent higher than in May and 48 per cent greater than in June, 1921. Stocks of zinc declined from 40,409 tons on May 31 to 29,576 tons on June 30, and are now less than the amount required for one month's consumption. The general selling price at St. Louis rose from 5.425 cents on June 14 to 5.80 cents on July 19. Shipments of zinc ore from district No. 10 (Kansas City) were slightly larger in June than in May, while the average price per ton rose from \$29.51 to \$31.96.

Pig lead production was about 1.6 per cent higher in June than in May. The market price at New York is unchanged at 5.75 cents per pound, while the price at St. Louis has shown a decided decline. District No. 10

(Kansas City) reports that the surplus stocks of lead ore were entirely exhausted during June. Drilling operations are under way in many parts of the district. June silver production amounted to 4,760,160 ounces, an increase of 12 per cent over the May output.

COTTON TEXTILES.

Cotton consumption and active spindles in June showed an increase over the May figures, and consumption was greater than during June of last year, but in July uncertainty as to the prospects for the new cotton crop and fluctuations in raw cotton prices have been deterrent influences in the cotton textile markets. In district No. 1 (Boston) more cotton was consumed in June than during any month since the strike started early in February, and, although the questions involved are not yet settled, the industry in that district is now operating at close to 70 per cent of maximum capacity. Uncertainty as to the raw cotton situation is discouraging future buying of cotton goods. Orders for yarns in district No. 3 (Philadelphia) are more numerous than they were prior to June 15, but individual sales are smaller in size. On the other hand, extreme quietness is reported to be the distinguishing feature of the cotton goods business in that district. The price question is also of importance there and in district No. 5 (Richmond). District No. 6 (Atlanta) reports that cotton cloth production in 35 mills was 8 per cent greater during June than in May and 46.2 per cent in excess of the June, 1921, output, but shipments were 13 per cent and orders 7.8 per cent smaller than during May. These items showed an increase, respectively, of 34 per cent and 65 per cent over the figures for last June. The situation among the yarn manufacturers was more favorable, and June production exceeded the May output by 30 per cent, while shipments were only 3.6 per cent less and orders were slightly larger than in May. As compared with June, 1921, all items showed marked betterment and production was 77.6 per cent, shipments 37 per cent, and orders over 40 per cent greater. Prices in general are firm and many items are advancing, reflecting the recent rise in the raw cotton market.

COTTON FINISHING.

Reports from 35 of the 58 members of the National Association of Finishers of Cotton Fabrics show an increase in total finished yards billed from 92,254,873 yards in May to 99,874,093 in June. The improvement occurred in all three of the groups, namely,

white goods, dyed goods, and printed goods. Orders received increased slightly, whereas shipments fell off a little. There was an average of 9.4 days' work ahead at the end of the month as compared with 9.1 days at the end of June. The greatest increases in total finished yards billed occurred in district No. 1 (Boston), and the average percentage of capacity operated during the month declined in all reporting districts except No. 1 (Boston) and No. 8 (St. Louis).

WOOLEN TEXTILES.

The active buying noted in the raw-wool market during May, when the domestic clip was coming into the market, has subsided. District No. 1 (Boston), however, reports that a fair amount of wool is still being sold each week. In district No. 3 (Philadelphia) trading is reported to be extremely quiet. District No. 7 (Chicago) also reports a decline in actual sales, although shipments of raw wool from Chicago are larger than in May. From district No. 10 (Kansas City) comes the information that sheep growers have been selling their wool this season at prices ranging around 40 cents a pound as compared with 11 cents, the prevailing quotation in the spring of 1921. It is generally reported, however, from the central markets that the recent rapid price advances have been halted, and some moderate recessions have occurred since the latter part of June.

The event of chief importance in the woolen-goods market was the announcement on July 17 of prices on spring lines by the largest producer. The opening quotations, reflecting the recent advances in raw wool to only a small extent, were on the whole a little higher than those at last year's opening, but were lower on many lines than prices prevailing more recently. The woolen industry in district No. 1 (Boston) is operating at over 80 per cent of capacity, which is less than last summer and is at a much lower rate than that prevailing during the early months of this year. In district No. 3 (Philadelphia) there has been a slight improvement in the demand for worsteds and a decline in that for woolens, but woolen mills are operating at 80 per cent of capacity, whereas the worsted output is only about 50 per cent of the possible maximum. The third district further reports that the yarn markets are inactive. Yarn prices have been unchanged since July 1. District No. 7 (Chicago) reports that manufacturers are receiving a satisfactory volume of orders for fall delivery, although less than usual at this time of the year.

Department of Commerce statistics indicate a slight increase in production in June, as the percentage of idle machine hours on July 1 to total hours reported continued the decline noted during the previous month. For looms wider than 50-inch reed space there was a decline in the percentage of idle hours to total from 37.6 on June 1 to 36.2 on July 1. For smaller looms the percentage fell from 44.8 to 40.1. The rate of decline in idle hours was practically the same for both woolen and worsted spindles. The former fell from 11.4 to 10.1 per cent and the latter from 34.7 to 31.5 per cent of the total reported. Despite improvement within the last two months, manufacturing activity, as indicated by the above figures, is still less than that prevailing during the 12 months prior to April of this year, except in the case of woolen spindles, which are more active than at any time within the last two years.

CLOTHING.

Inactivity generally prevailed in the clothing trade during June and July. In district No. 2 (New York), sales by 21 firms in June were 93 per cent of those of June, 1921. The position of the trade in that district has also declined since last month, as May sales were 114 per cent of those during the corresponding month of 1921. Sales of men's clothing by 8 firms were 9 per cent less in June than they were last June, but those of women's clothing by 14 firms were only 2 per cent less. Manufacturers, however, report that orders are now beginning to be placed in larger volume. In district No. 7 (Chicago) there was an increase in the production of men's clothing by 5 firms of 173 per cent over May, but a decline of 20 per cent in the number of suits shipped. As compared to June, 1921, there were decreases of 20.7 per cent in production and 11.6 per cent in shipments. Orders for fall received this season were 18.8 per cent less than those booked during the corresponding period last year. Seven tailors to the trade in that district reported a falling off from May of 31 per cent in orders, 27 per cent in production, and 29 per cent in shipments, but as compared to last June there were increases of approximately 40 per cent in all three of these items. Clothing firms in district No. 8 (St. Louis) report that orders for future delivery are in excess of those of last year.

SILK TEXTILES.

Raw silk consumption fell from 33,284 bales in May to 29,529 bales in June. This figure is also smaller than that for last June, 31,192 bales, but exceeds the amount consumed during

any month since last October, with the exception of January and May. The advance in prices of raw silk noted in June caused a lull in buying, according to reports from district No. 3 (Philadelphia), and since July 10 a decline in quotations has resulted.

Broad silk manufacturers in district No. 3 (Philadelphia) are beginning to receive more orders as jobbers' stocks, which have been large for some months, become smaller. Most orders continue to be for delivery immediately or in the near future. Production has also increased in that district, and plant operations now average 50 per cent of capacity as compared with 40 per cent during the previous month. Manufacturers' stocks are large because of continued production during the period in which jobbers were supplying retailers' demands.

Statistics from Paterson show that operations on July 15 amounted to 24.83 per cent of total available loom hours, as compared with 24.25 per cent on July 1, 21.39 on June 17, and 42.54 on July 16, 1921. Out of a total of 15,000 looms 3,993 were operating on July 15. In the north Hudson section, 2,048 looms from a total of 4,115 were producing on July 15, and the percentage of loom hours operated to the total was 45.23, to be compared with 51.65 per cent a year before. No material change occurred in this percentage during the preceding month.

HOSIERY.

New business received by hosiery manufacturers in July fell below the volume of the preceding month. Reports from district No. 3 (Philadelphia) indicate that manufacturers of woolen and full-fashioned silk hosiery are not affected by the present dullness as much as are producers of seamless silk and artificial silk hosiery, because the former were booked to capacity for the next three months, whereas the latter have nearly filled the few contracts they have which call for future delivery. June figures for the Philadelphia district in the case of 36 firms selling to the wholesale trade show little change in production as compared with May, a slight reduction in finished stocks, increases of 10 per cent in orders booked and of 6 per cent in shipments, and a decline of 16 per cent in unfilled orders on hand at the end of the month. All items are larger than were the corresponding figures for June, 1921. The 12 firms selling to the retail trade reported increases of 13 per cent in production, 15 per cent in orders, 9 per cent in shipments, and 20 per cent in unfilled orders on hand as compared to the May figures, with a decline of 8 per cent in finished product on hand. Production was

31 per cent greater than during June, 1921, and stocks were larger by 38 per cent; orders and shipments showed little or no change, but unfilled orders were nearly 30 per cent less than they were a year ago. Cancellations for both groups of firms were smaller in June than during May.

Reports from four mills in district No. 6 (Atlanta) reflect a decline in business said to be usual during the summer months. Manufactures were smaller than in May by 5.5 per cent, orders booked declined 20 per cent and unfilled orders on hand 4 per cent, whereas stocks of hosiery were 2.3 per cent and of raw material 34 per cent larger than at the end of May. Increases over June, 1921, ranged from 22 per cent in production to 56 per cent in unfilled orders. Finished stocks were slightly smaller than a year ago.

UNDERWEAR.

Production of underwear during June by 47 producers totaled 564,893 dozens, which was an increase of 46,743 dozens over the May output of the same number of mills, and 5,302 dozens over the figures for 60 mills in June, 1921. The output for June of this year was only 72.2 per cent of normal, a decline from 74.2 per cent in May, but an improvement over June, 1921, in which month production was only 65.5 per cent of normal. Manufactures of winter underwear increased from 298,080 dozens in May to 345,605 during June. On the other hand, the output of summer garments was only 219,288 dozens, a nominal reduction from the previous month, which is, of course, to be expected at this time of the year.

Comparative reports for 26 mills show a loss in new orders booked, which, together with an increase of 54,524 dozens in shipments, caused a decline in the volume of unfilled orders on hand at the end of the month. All of these items showed exactly opposite tendencies during May. Cancellations decreased further. The percentage of new orders received in June to normal production for that month, as reported by 38 mills, was 77.9 per cent; shipments were 66.5 per cent; cancellations, 1.9 per cent, and production, 80.5 per cent of the normal production for these same mills.

Returns from 14 firms making summer underwear in district No. 3 (Philadelphia) show a decrease in production during June of 40 per cent below May and 55 per cent below June, 1921. Orders booked, however, increased 35 per cent and shipments fell off 30 per cent as compared with May, resulting in an increase of unfilled orders on hand of 53 per cent. Orders booked were 20 per cent greater in volume than

during last June, whereas shipments were 55 per cent and unfilled orders 47 per cent less than the June, 1921, figures. Seven firms producing winter underwear report increases in June over the May figures of 7.5 per cent in output, 21 per cent in finished stocks, and 145 per cent in orders, which with only a 47 per cent growth in shipments resulted in a 15 per cent larger volume of unfilled orders on hand. The better position of the group making winter garments is, of course, seasonal. Prices for fall weights are firm and generally higher than the opening quotations of last January.

SHOES AND LEATHER.

Sales of hides and skins were large during the first three weeks of July and prices of Chicago packer hides have continued their strong upward swing which began in April. Calfskin prices have advanced even more rapidly than hides, and goatskins have been sold during July at prices from 10 to 20 per cent higher than those prevailing in the early part of June.

Demand for leather continued to improve during June and July. Prices have advanced from 5 to 15 per cent, and the volume of both domestic and foreign sales has increased. The improvement has been shared by almost all branches of the industry, but is perhaps most pronounced for calf, kid, and glove leathers. District No. 3 (Philadelphia) reports that prices of all heavy leather are from 2 to 3 cents per pound higher than in June. Leather belting sales continue to increase, reflecting a general improvement in industrial activity.

The volume of shoe production in June showed a seasonal decline of about 5 per cent for the country as a whole, and amounted to 25,559,094 pairs. Reports from eight important concerns in district No. 1 (Boston) indicate that the output of New England factories was about 0.7 per cent larger than in May and 19.1 per cent larger than in June, 1921. Shipments and new orders of seven of these reporting firms increased 12 per cent and 5.3 per cent, respectively, above the figures for May. In district No. 3 (Philadelphia) 46 manufacturers report reductions of 8.6 per cent in production and 9.8 per cent in shipments during June, but new orders were 17 per cent larger than those received in May. Orders for early autumn delivery continued to be placed in considerable volume during July, and factories are reported to be better supplied with business than for several months. Production of 25 shoe firms in district No. 7 (Chicago) increased

6.1 per cent during June, but the volume of shipments continued to decline. There was a substantial increase in the volume of unfilled orders. June sales of shoes reported by 11 manufacturers in district No. 8 (St. Louis) were from 3 to 14 per cent larger than in May, while the volume of new orders was much stimulated by an increasing firmness in prices. Factory operation in that district was at from 92 to 100 per cent of capacity.

LUMBER.

Lumber cut, shipments, and new orders were all slightly less in June than in May, but were each about 50 per cent larger than in June, 1921. The total cut of the slightly varying number of mills which report to the National Lumber Manufacturers Association was about 1,032,868,000 feet in June, as compared with 1,055,854,000 feet in May and 748,680,000 feet in June, 1921. The volume of new orders reported weekly to the association has shown a downward tendency since the latter part of May and only amounted to 161,756,252 feet in the week ending July 8, as compared with 301,837,237 feet in the week ending May 20. Railroad shipments of forest products also registered a moderate decline in June, aggregating 271,358 cars, as compared with 273,204 cars in May.

Conditions in the lumber industry of district No. 12 (San Francisco) continued to improve during June, and both production and shipments of 194 reporting mills were higher than in May. New orders were less than the cut for the first time this year. Lumber was shipped in large quantities from the Pacific Northwest to the Atlantic Coast States and southern California, but there was a considerable reduction in foreign shipments. Log production is now reported to amount to about 95 per cent of normal capacity, and present prices for logs are the highest in the history of the industry.

District No. 6 (Atlanta) reports that the cut of 117 mills belonging to the Southern Pine Association aggregated 308,552,342 feet in June, as compared with 346,992,585 feet cut by 122 mills in May. Excessive rainfall has greatly hindered logging in certain sections and has forced some mills to reduce operations. The production of 41 reporting southern pine mills in district No. 11 (Dallas) increased slightly during June, while orders and shipments were slightly smaller than in May. Prices of southern pine have continued steady with a few minor reductions.

Production of reporting lumber manufacturers in district No. 9 (Minneapolis) was some-

what smaller in June than in May, while shipments and orders both increased. The physical volume of lumber sold by 18 reporting retail companies in that district was 26 per cent larger than in May and 8 per cent larger than in June, 1921.

BUILDING.

Building operations continued at a record rate throughout June in almost all sections of the United States. The value of contracts awarded in seven Federal reserve districts (compiled from statistics gathered by the F. W. Dodge Co.) amounted to \$311,688,517 in June, as compared with \$323,044,164 in May and \$207,985,005 in June, 1921. In four of these seven districts there was some decline in the value of contracts let, but June contracts for district No. 7 (Chicago) totaled more than in any month since October, 1919; while figures for district No. 3 (Philadelphia) were the largest since April, 1920. Residential building reached a new high level during June, and contracts awarded for such purposes in seven Federal reserve districts aggregated \$128,632,327, which was 86 per cent greater than in June, 1921, 218 per cent greater than in June, 1920, and 34 per cent greater than in June, 1919. Construction of houses and apartments is now proceeding at a rate which is considerably higher than is necessary to care for the estimated annual growth in population. However, as a result of the accumulated shortage of the war years, the present rate would have to be maintained several years before housing accommodations could be restored to as high a level as that existing in 1914. Statistics of number and value of building permits issued in 166 cities are published on page 985.

District No. 1 (Boston) reports that building continued to be very active during July, and that the total volume of construction under way in New England is larger than for several years. The cost of construction is slowly rising, as a result of increased costs for labor and materials. Higher building costs are also reported from district No. 3 (Philadelphia), but they have not as yet resulted in any noticeable curbing of activity. District No. 4 (Cleveland) reports an unprecedented volume of suburban house building. A number of large business structures are under way in Pittsburgh and Columbus. Building operations in district No. 8 (St. Louis) have been somewhat retarded by delayed deliveries of materials. A shortage of skilled workers in building crafts is reported from many sections of the country.

EMPLOYMENT.

Employment conditions continued to improve during June and the first two weeks of July, despite a considerable amount of voluntary unemployment due to strikes in the coal, railroad, and textile industries. The supply of agricultural labor seems about sufficient to meet the demand for the country as a whole, but a scarcity has developed in certain sections. There has also been a shortage of skilled or semiskilled workers in the building trades, railroad equipment plants, machine and tool factories, textile mills, and lumber plants.

District No. 1 (Boston) reports that the demand for men in the metal-working industry is very large and that the supply of dependable farm labor is totally inadequate to meet current needs. There has been some decline in the call for men skilled in the building trades, and a surplus of carpenters, painters, and paper hangers is reported from Springfield. Reports from district No. 2 (New York) indicate a growing scarcity of unskilled workers, whereas there are still more applicants than vacant positions in the clerical and skilled manual occupations. The New York State Department of Labor reports that employment in factories throughout the State increased 2 per cent, and that average wage payments also continued to increase. The most important increase in employment was noted at railroad equipment factories and repair shops. The New York Merchants Association estimate the number of unemployed in New York City during June at about 295,000; a decline of 14 per cent since October, 1921. In district No. 3 (Philadelphia) the Pennsylvania State Department of Labor estimates that 82,400 persons were unemployed on July 15 in the cities of Altoona, Harrisburg, Johnstown, Philadelphia, Scranton, and Williamsport, a decrease of 20.8 per cent from the total on June 15. Labor shortages are reported in the steel, building, and textile industries.

District No. 5 (Richmond) reports that textile mills, lumber plants, tobacco factories, and furniture factories are employing approximately their average number of workers, while there is a shortage of labor in certain of the building trades. The number of employed has increased in all the leading cities of district No. 6 (Atlanta). There has been a substantial increase in employment at Alabama and Tennessee coal mines, while operations of Mississippi lumber mills are deterred by a shortage of labor.

Reports from 173 firms in district No. 7 (Chicago) show that there was an increase of 6.1 per cent in the number employed during June, while the average pay per worker increased 2.5 per cent. The largest gain in employment was reported by railway repair shops, while the most marked decline occurred at box and container factories. Some difficulty is being experienced in obtaining a sufficient number of bricklayers and plasterers. District No. 8 (St. Louis) reports a scarcity of both skilled and unskilled workers in the steel and building industries, but states that there has been a satisfactory supply of farm laborers at the same wage rates as prevailed last year. A strong demand is reported from district No. 9 (Minneapolis) for plasterers, plumbers, and electricians and for permanent farm labor.

A survey of 311 industrial plants in district No. 10 (Kansas City) on July 1 shows that there was very little change in the number employed from that on June 1. The unemployed in the cities have been absorbed by the harvest and threshing demand of rural districts. District No. 11 (Dallas) reports increased employment of metal miners, as a result of the reopening of several mines in Arizona and New Mexico. District No. 12 (San Francisco) states that the number of men on the pay rolls of 40 manufacturing firms in Los Angeles, Portland, San Francisco, and Seattle was 43,410 on June 30, an increase of 1.6 per cent as compared with figures for May 31. An improvement is noted in the demand for both skilled and unskilled workers in the agricultural, lumber, and building industries.

WHOLESALE TRADE.

PERCENTAGE OF INCREASE (OR DECREASE) IN NET SALES IN JUNE, 1922, AS COMPARED WITH THE PRECEDING MONTH (MAY, 1922).

[Minus sign (-) denotes decrease.]

District.	Groceries.		Dry goods.		Hardware.		Boots and shoes.	
	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.
No. 2.....	14.1	42	2.1	8	-4.6	11	3.6	10
No. 3.....	9.2	51	8.3	14	-7.5	28	.....	.....
No. 4.....	11.8	25	4.8	13	0.8	12	.....	.....
No. 5.....	0.7	44	9.5	16	-4.0	18	-2.8	19
No. 6.....	-1.3	34	-4.6	23	-4.1	21	-9.4	8
No. 7.....	15.2	40	6.8	12	1.5	21	-3.1	10
No. 9.....	18.2	42	14.0	2	8.1	11	-11.6	5
No. 10.....	9.4	12	16.0	6	6.0	13	.....	.....
No. 11.....	3.1	12	-2.8	12	-1.8	11	.....	.....
No. 12.....	10.9	30	1.5	16	7.8	21	0.7	16

PERCENTAGE OF INCREASE (OR DECREASE) IN NET SALES
IN JUNE, 1922, AS COMPARED WITH THE SAME MONTH
LAST YEAR (JUNE, 1921).

District.	Groceries.		Dry goods.		Hardware.		Boots and shoes.	
	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.
No. 2.....	7.1	42	-11.7	8	11.5	11	-17.7	10
No. 3.....	1.9	51	-11.9	14	0.5	28	.....	.....
No. 4.....	0.1	25	-7.6	13	10.1	12	.....	.....
No. 5.....	3.8	44	0.04	16	-0.08	18	-8.7	19
No. 6.....	7.0	34	5.4	23	-2.3	21	-7.3	8
No. 7.....	7.3	39	6.4	12	18.9	21	17.2	10
No. 9.....	7.9	42	-2.9	2	10.8	11	-11.4	5
No. 10.....	5.9	12	2.9	6	15.9	13	.....	.....
No. 11.....	1.2	12	-9.1	12	0.5	11	.....	.....
No. 12.....	18.4	30	2.7	16	18.9	21	-5.0	16

Improvement in sales of wholesale groceries occurred during June in every reporting district with the exception of district No. 6 (Atlanta), where there was a slight decline as compared to the May figures. Some of this increase is attributed by district No. 3 (Philadelphia) to the active demand for sugar for preserving and canning. There has also been a substantial rise in the price of this staple. An encouraging feature of the June returns is the increase over last June reported in every district. This is the first time since 1920 for some districts that sales have been larger than in the corresponding month of the previous year. This, too, may be attributed to the better demand for sugar and, according to district No. 2 (New York), to the higher level of prices.

Dry goods sales also improved in June, except in districts No. 6 (Atlanta) and No. 11 (Dallas), whereas in comparison with figures for last June increases and decreases were evenly divided among the reporting districts, with the size of the changes heavier in case of the declines. Hardware sales receded or improved only slightly in most sections of the country. Districts No. 9 (Minneapolis), No. 10 (Kansas City), and No. 12 (San Francisco), however, report substantial improvement in June sales over those for May. District No. 3 (Philadelphia) attributes the falling off in June sales to the coal strike and states that dull business in July is also reported. Credit is generally given to the present building boom for the larger volume of hardware sales this June as compared with June, 1921, which is found in all districts except No. 5 (Richmond) and No. 6 (Atlanta).

Wholesale business in boots and shoes declined during June in four out of the six reporting districts. This falling off in sales is said to be seasonal by district No. 6 (Atlanta), as the booking of fall orders has not yet begun. Sales are also smaller than they were last June in every dis-

trict except No. 7 (Chicago), where there was an increase of 17 per cent, which, however, was the first gain in this item since January and is attributed to improvement among the larger stores. Drug sales show slight and varying changes among the reporting districts, ranging from an increase of 5.6 per cent for five stores in district No. 10 (Kansas City) to a decrease of 5.5 per cent for 15 stores in district No. 3 (Philadelphia). They are larger than they were last June in all districts except No. 5 (Richmond), No. 10 (Kansas City), and No. 11 (Dallas). Furniture sales increased 12 per cent for 14 stores in district No. 12 (San Francisco) and slightly in district No. 5 (Richmond), but fell off in No. 6 (Atlanta), No. 10 (Kansas City), and No. 11 (Dallas). A substantial improvement as compared with June, 1921, is noted for all reporting districts. Farm implements are in much better demand than a year ago, but June sales were materially below those of May.

RETAIL TRADE.

Distribution at retail continued in large volume during June, but was on a smaller scale than in May. The decrease under last June's sales was due partly to unfavorable weather, but particularly to the coal and railroad strikes. Vacation needs have been a factor in the purchasing for the month, and the increases in residential building have been reflected in the buying of house furnishings. In agricultural districts the excellent crop prospects have increased the purchasing power of the farmers during the past few months.

Reports from 464 department stores in the United States indicate a decrease of 1.3 per cent in the dollar value of sales as compared with a year ago. Reference to the table on page 987 shows trade in district No. 7 (Chicago) to have registered the most important increase, 3.9 per cent, while the trade of district No. 11 (Dallas) suffered a decrease of 10.2 per cent. The selling value of stocks on hand at the end of June throughout the United States was 1.4 per cent less than on the same date a year ago and 5.3 per cent less than at the end of May, 1922. The rate of turnover has improved in spite of the decreased sales, as the ratio of stocks to sales is 405.1 as compared with 426.8 for last month. The increasing ratio of outstanding orders to purchases for 1921 reflects the continued placing of fall orders.

PRICES.

The Federal Reserve Board index number of wholesale prices for June stood at 162. This is 4 points higher than the index for May, and represents an increase of 2.5 per cent.

Cotton, cattle, lumber, pig iron, coke, and coal show a marked rise in price. Slight increases have also taken place in hides, leather, tobacco, cement, silk, and yarns. Prices of grains have dropped decidedly, while nonferrous metals have remained unchanged.

The Bureau of Labor Statistics index rose in June to 150, an increase of 2 points. The largest gains among groups of commodities are fuel and lighting (9 points) and building materials (7 points). Foods, cloths and clothing, and metals also increased. Farm products fell 1 point, while chemicals and house furnishing goods did not change.

FOREIGN TRADE.

The official returns for June disclose a substantial gain over the preceding month in the value of exports, while a somewhat smaller increase is reported for imports. Specifically, exports rose from \$308,000,000 in May to \$334,000,000 in June, and for the same months imports increased from \$253,000,000 to \$260,000,000. The excess of exports over imports for June amounted, therefore, to \$74,000,000, which is larger than the export balance in any previous month since last October, with the exception of April, when the balance was approximately \$100,000,000. In the fiscal year ending with June, exports were valued at \$3,770,000,000, as compared with \$6,517,000,000 in the previous fiscal year. This reduction by nearly 50 per cent in the value of our export trade is partly accounted for by the lower price level prevailing in 1921-22. There has nevertheless been a material shrinkage in the volume of our overseas trade. Imports have also diminished in value, the total for the fiscal year just closed being \$2,608,000,000 as against \$3,654,000,000 in 1920-21.

Fiduciary Powers Granted to National Banks.

During the month of July the Federal Reserve Board approved applications of the national banks listed below for permission to exercise one or more of the fiduciary powers named in section 11 (k) of the Federal reserve act as amended, as follows:

1. Trustee.
2. Executor.
3. Administrator.
4. Registrar of stocks and bonds.
5. Guardian of estates.
6. Assignee.
7. Receiver.
8. Committee of estates of lunatics.
9. In any other fiduciary capacity in which State banks, trust companies, or other corporations which come into competition with national banks are permitted to act under the laws of the State in which the bank is located.

The numerals opposite the name of each bank indicate the power or powers it is authorized to exercise, as given below:

Place.	District No.	Name of bank.	Powers granted.
Larchmont, N. Y....	2	Larchmont National Bank	1 to 9.
New York, N. Y....	2	Lincoln National Bank....	1 to 9.
Riverton, N. J.....	3	Cinnaminson National Bank.	1 to 9.
Philadelphia, Pa....	3	Southwestern National Bank.	1 to 8.
Stroudsburg, Pa....	3	Stroudsburg National Bank.	1 to 9.
Lexington, Ky.....	4	Phoenix National Bank & Trust Co.	1 to 9.
Raleigh, N. C.....	5	Citizens National Bank....	1 to 9.
Aurora, Ill.....	7	Merchants National Bank.	1 to 9.
Freeport, Ill.....	7	Second National Bank....	1 to 9.
Washington, Iowa..	7	Washington National Bank.	5 to 8.
Corning, Ark.....	8	First National Bank.....	1 to 9.
Columbia, Ky.....	8	do.....	1 to 3, 5 to 8.
Sedalia, Mo.....	8	Third National Bank.....	1 to 3, 5 to 7.
Bismarck, N. Dak...	9	First National Bank.....	1 and 9.
Durango, Colo.....	10	Burns National Bank.....	1 to 7.
Okanogan, Wash....	12	First National Bank.....	1 to 9.
Rosalie, Wash.....	12	Whitman County National Bank.	1 to 9.

State Banks and Trust Companies.

ADMISSIONS.

The following list shows the State banks and trust companies which were admitted to membership in the Federal Reserve System during the month ending July 31, 1922, on which date 1,655 State institutions were members of the system:

	Capital.	Surplus.	Total resources.
<i>District No. 3.</i>			
Hightstown Trust Co., Hightstown, N. J.	\$100,000	\$16,000	\$319,853
<i>District No. 6.</i>			
Planters Bank, Carlton, Ga.....	25,000	3,000	92,732
Farmers Bank of Crawford, Crawford, Ga.....	100,000	50,000	544,317
Bank of Locust Grove, Locust Grove, Ga.....	25,000	5,000	129,722

Consolidation and change of name.—The First State Savings Bank, Ewart, Mich., a member bank, and the Ewart Savings Bank of Ewart, a nonmember bank, have consolidated under the name of Ewart State Bank, which continues membership.

Converted into national banks.—Northwestern State Bank, Bellingham, Wash.; First State Bank, Garfield, Wash.; Citizens Bank, Emporia, Va.

Insolvent.—Stockmens State Bank, Browning, Mont.

Withdrawals.—Midwest Reserve Trust Co., Kansas City, Mo.; Battery Park Bank, Asheville, N. C.

Change of name.—Jenkinson Trust Co., Jenkintown, Pa., to Jenkintown Bank & Trust Co.; Old Dominion Trust Co., Richmond, Va., to State & City Bank & Trust Co.

Commercial Failures Reported.

A further narrowing of the margin of increase in number of failures over those of last year has recently been witnessed, the 1,205 defaults reported to R. G. Dun & Co. during three weeks of July comparing with a total of 985 for the corresponding period of 1921. The returns for June, the latest month for which complete statistics are available, disclose 1,740 commercial insolvencies in the

United States for \$38,242,450 of liabilities. The number of June failures is less than that of all months since last October, though being considerably in excess of the 1,320 defaults of June, last year, and the indebtedness is the smallest of all months back to last September. In June, 1921, the liabilities aggregated \$34,639,375. Separated according to Federal reserve districts, the June statement reveals numerical increases, as compared with last year's returns, in all districts except the third district, while the indebtedness is larger in the first, second, fifth, seventh, ninth, and twelfth districts.

FAILURES DURING JUNE.

District.	Number.		Liabilities.	
	1922	1921	1922	1921
First.....	150	136	\$4,888,902	\$2,546,879
Second.....	273	232	7,642,247	4,736,685
Third.....	57	71	1,573,360	1,939,408
Fourth.....	136	98	3,521,377	4,744,487
Fifth.....	137	82	2,183,739	1,478,512
Sixth.....	147	130	2,041,013	3,522,511
Seventh.....	230	140	6,369,831	4,476,283
Eighth.....	125	102	1,525,233	1,974,278
Ninth.....	79	31	1,307,894	454,553
Tenth.....	86	73	2,149,987	4,764,647
Eleventh.....	114	105	2,481,679	2,588,787
Twelfth.....	206	120	2,557,188	1,412,345
Total.....	1,740	1,320	38,242,450	34,639,375

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 24 to July 28, 1922, inclusive:

	Number of banks.	Amount of capital.
New charters issued.....	15	\$1,210,000
Restored to solvency.....	0	0
Increases of capital approved.....	46	6,534,850
Aggregate of new charters, banks restored to solvency, and banks increasing capital.....	61	7,744,850
Liquidations.....	19	2,825,000
Reducing capital ¹	3	2,065,000
Total liquidations and reductions of capital.....	22	4,890,000
Consolidations of national banks under act of Nov. 7, 1918.....	3	11,025,000
Aggregate increased capital for period.....		7,744,850
Reduction of capital owing to liquidations, etc.....		4,890,000
Net increase.....		2,854,850

¹ Includes 1 reduction in capital aggregating \$2,000,000 incident to consolidation under act of Nov. 7, 1918.

Acceptances to 100 Per Cent.

Since the issuance of the July BULLETIN the following banks have been authorized by the Federal Reserve Board to accept drafts and bills of exchange up to 100 per cent of their capital and surplus:

- Republic National Bank, Dallas, Tex.
- Central National Bank, Richmond, Va.

Chattanooga Discontinued as Reserve City.

Effective August 1, the designation of Chattanooga as a reserve city has been terminated.

INTERNATIONAL PRICE INDEXES.

The French Index Number.¹

The fourth in the series of wholesale price indexes, being constructed by the Federal Reserve Board for purposes of international comparison, traces the course of prices in France from January, 1920, up to the present time. The indexes previously published in this series, those for the United States, Great Britain, and Canada, include 1919, but the industrial disorganization which prevailed in France in that year made it impractical to compute the French index before the beginning of 1920.

The purpose of this series of index numbers is to provide a more accurate means of comparing changes in the level of wholesale prices on an international basis, by constructing price indexes for several different countries according to a uniform plan, thus eliminating any variations in the series which might be due to differences in construction. The method which has been used in the construction of the Federal Reserve Board's price indexes has been explained in previous issues of the BULLETIN.² Each index in this series is a weighted arithmetic average of from 90 to 100 price quotations for about 70 commodities. The weights represent the quantity of production and trade for each commodity in 1913 in the country to which the index applies; for example, the indexes of "goods imported" represent the relationship of the quantity of goods imported in 1913 at their prices in that year to the same quantity of goods at their prices in 1920 and the succeeding years. When this method of weighting was chosen it was recognized that important changes had occurred in the quantity of production and trade since 1913, but it was felt that the situation in that year was more nearly typical of the normal industrial life of the countries concerned than in any year since that time. Another and very important reason for using the 1913 figures as weights is that complete production figures are not available for any postwar year.

The "All commodities indexes" represent the successive values of "goods produced" plus "goods imported." Six group indexes are regularly published for each country, giving price variations for (1) raw materials, (2) producers' goods, (3) consumers' goods, (4) goods imported, (5) goods produced, and (6) goods exported. The weights for each one of these groups have been checked, wherever possible,

¹ Prepared under the direction of F. M. Williams, of the Division of Analysis and Research, with the assistance of R. F. Cornwall.

² See FEDERAL RESERVE BULLETIN, May, 1920; June, 1920; June, 1921; February, 1922; May, 1922; and July, 1922.

by multiplying the given quantity figure by the 1913 commodity price and comparing the result with pre-war value figures obtained from other sources, and, if necessary, revising the quantity figure. In certain cases the weights for semifinished goods have been increased for the purpose of giving representation to highly manufactured products for which price quotations are not available. In weighting hay and certain other agricultural products (in the case of the French index these include live stock, meat, and potatoes) estimates of the amounts leaving the farms, rather than the actual production figures, have been used as weights.

THE CONSTRUCTION OF THE FRENCH INDEX.

In the case of France, the weighting of a wholesale price index with 1913 production and trade figures is especially open to question. The change wrought by the war in French industrial life was greater than that which occurred in the United States, England, or Canada. On that account allowances have been made to include the production, imports, and exports of Alsace-Lorraine in the case of raw cotton, cotton manufactures, iron ore, iron and soft steel products, potash, and coal. On the other hand, the omission of flax from the import group, woolen yarn from the "goods produced" group, and wheat and wheat flour from the "goods exported" group testify to the changes which have taken place in the business life of France itself in the last eight years. The only other deviation from the 1913 figures occurs in the weights for linen yarn, which have been reduced by two-thirds in the "goods produced" and "goods exported" groups. This change seemed advisable because of the fact that France is still to a great extent cut off from her normal supply of Russian flax and because many of the linen yarn producers in the Lille district have not yet returned to their pre-war productive capacity.

The Federal Reserve Board French index number is made up of 39 raw materials price quotations, 36 price quotations of producers' (semifinished) goods, and 23 price quotations for consumers' (finished) goods. The mechanism of price reporting was not so well developed in France in 1914 as in the United States and England, and the reporting services which did exist at that time were badly disrupted by war, so that the task of collecting prices for France has been a particularly difficult one. The

board is indebted to the Bulletin de la Statistique Générale for certain price quotations for 1920 which appeared in its January, 1921, issue and which are not available elsewhere. All the quotations used in the index (with two exceptions) have been obtained from published sources. The broad-silk quotations (those for tafeta and mousseline) are furnished by a private firm in Lyon, through the courtesy of the American consul in that city. The most conspicuous omissions from the index, aside from those mentioned above, are shoes, woolen cloth, and linen cloth. It has been impossible to obtain regular quotations for these commodities either before or since the war.

Practically all of the production figures used in weighting the French index have been obtained from three publications of the French Government, the *Annuaire Statistique de la France*, the *Statistique Agricole Annuelle de la France*, and the *Rapport Général sur l'Industrie Française; sa Situation, son Avenir*, published by the French Ministry of Commerce in 1919. Production figures for finished and semifinished manufactured products have in most cases been obtained from the last-named volume. French statisticians have criticized the figures of the *Rapport Général* as being incomplete, but the fact remains that they furnish the best information obtainable in regard to French production in many lines. The production figures for butter and cheese are estimates based on the number of milch cows in France, since there has been no census of dairy products in France since 1892.

The import and export weights represent the "general trade" of France (minus the transit trade when that item is of any importance). This method was used in making up the import and export weights in order to include the re-export trade and yet to eliminate goods which are shipped through France without actually entering into French trade. The following tables list the price quotations which make up the various groups of the French index. The least satisfactory is the export group, for the reason that French export trade is so largely made up of highly manufactured commodities that do not lend themselves readily to price comparisons over a period of years. In 1913 the value of the commodities included in the export index totaled only 33 per cent of total French exports in that year, as compared with 62 per cent in the case of the import index.

A. GOODS PRODUCED.

Commodity.	Grade.	Unit.	Market.	Source.	Weight (000's omitted).
<i>I. Raw materials.</i>					
Wheat	Native, red	100 kilos	Chartres	Bulletin des Halles, Bourses et Marchés.	70,000
Rye	For grinding	do	do	do	12,700
Oats	Gray	do	do	do	51,800
Barley	Native, for grinding	do	do	do	10,400
Corn	Native	do	Briennon	do	5,400
Cattle	Live, third quality	1 kilo	La Villette	do	1,171,000
Sheep	do	do	do	do	181,000
Hogs	do	do	do	do	917,000
Hides	Cattle, 110-119 d. k.; cow, 59 d. k. and under	50 kilos	Halle aux Cuirs, Paris.	Marcel Delamaire	1,920
Skins	Calf, 16-24 d. k.	do	do	do	240
Do	Goat	Piece	do	do	1,030
Silk	Raw, Cevennes (extra and first grade), 11-13, 12-16.	1 kilo	Lyon	Bulletin des Halles, Bourses et Marchés.	647
Flax	White, superior quality	do	Lille	do	22,000
Hay	First quality	520 kilos	Montrouge	do	5,300
Iron ore	Briey	Metric ton	At mine	La Metallurgie	43,000
Coal	Semibituminous, run of mine, 30-35	do	Nord and Pas de Calais districts.	L'Usine, La Metallurgie.	44,700
Do	Bituminous, run of mine, 30-35	do	do	do	
Coke	Metallurgical	do	do	do	4,000
Pig iron	P. R. 3, ordinary	do	Mourthe-et-Moselle	La Metallurgie	9,000
Zinc	Good grades	100 kilos	La Place de Paris	L'Economiste Français	679
Lead	Ordinary grades	do	do	do	300
Aluminum	93-99 per cent, in ingots of 3 kilos or more	do	do	do	135
Lumber	Oak, ordinary up to 0.29 in width and up to 8 meters long.	Cubic meter	Nancy	La Technique Moderne	7,900
Do	Poplar planks, all sizes	do	do	do	
<i>II. Producers' goods.</i>					
Sugar	Beet, raw, No. 3	100 kilos	Paris	Bulletin des Halles, Bourses et Marchés.	9,300
Cotton yarns	American cotton, warp, 28 bobin	1 kilo	Epinal	L'Industrie Textile	295,000
Do	American cotton, warp, divided, No. 20	do	Rouen	do	
Silk yarns	France, extra	1 kilo	Lyon	Bulletin des Halles, Bourses et Marchés.	625
Linen yarn	No. 35, woof, wet	Package of 16 kilos	Lille	do	1,500
Leather	Native, crust	1 kilo	Paris	L'Index des Industries aux Cuirs	45,800
Do	Native, smooth	do	do	do	
Iron and soft steel products	Beams, ordinary I and P. N.	do	La Place de Paris	La Metallurgie	
Do	Plates, 3 m/m	do	do	do	73,800
Do	Shapes	do	do	do	
Do	Rails	do	do	do	
Hard steel	Special grade for tools	do	do	do	8,400
Tin plate	0.25 m.m., 510 by 710 m., 112 sheets to a case	Case of 82 kilos	Paris	do	463
Copper products	Copper wire, red, 9-10 and over	100 kilos	do	do	1,090
Glass	Window, 3d choice	Case	Syndicat des Négociants des verres à vitres.	La Technique Moderne	390
Brick	Domestic, 1st quality	Per thousand	Paris	do	475
Cement	Portland, 2d quality	Metric ton	do	do	1,930
Paper	White, for printing, 48-55 gr. and over	100 kilos	do	Le Papier	7,000
Sulphate of ammonia	20-21 per cent	do	Paris	La Technique Moderne	750
Sulphuric acid	53° Baumé	do	do	do	11,600
Tartaric acid	First, white, crystallized, powdered, or granulated	1 kilo	do	do	8,580
Muriate of potash	50 to 60 per cent of potash (Alsace)	100 kilos	do	do	1,500
Alcohol	Denatured, 90°	Hectoliter	do	do	3,000
Turpentine	H. P.	100 kilos	Chambre Syndicale des Couleurs et Vernis.	do	250
Glycerine	Brown, 23°	do	Marseille	do	200
Colza oil	Refined	do	do	do	
Peanut oil	Industrial	do	do	do	4,000
<i>III. Consumers' goods.</i>					
Wheat flour	Good	100 kilos	Paris	La Reforme Economique	64,910
Sugar	Refined	do	Lyon	Bulletin de la Statistique Générale	9,700
Beef	Hiindquarters, 3d quality	1 kilo	Halles Centrales, Paris.	Bulletin des Halles, Bourses et Marchés.	619,000
Mutton	3d quality	do	do	do	96,000
Pork products	Hain	do	do	do	486,000
Butter	Normandy	do	do	do	154,000
Cheese	Camembert, Normandy	100 cheeses	do	do	800
Margarine	Oleo	100 kilos	Marseille	La Reforme Economique	265
Potatoes	Common white	100 kilos	Halles Centrales, Paris.	Bulletin des Halles, Bourses et Marchés	68,000
Wine	Red and white	1 hectoliter	Beziers	do	44,000
Soap	Brown, extra pure	100 kilos	Marseille	do	3,600
Cotton cloth	Renforcé 3-4, 20-20, 20-26	do	do	do	
Do	Calicot, 3, 20-20	1 meter	Epinal	L'Industrie Textile	2,400,000
Broad silk	Mousseline, good quality, plain color	1 meter	Lyon	Private firm	48,000
Do	Tafteta, all silk, plain color	do	do	do	

B. GOODS IMPORTED.

Commodity.	Grade.	Unit.	Market.	Source.	Weight (000's omitted).
I. Raw materials.					
Wheat.....	Plata, soft.....	100 kilos.....	Marseille.....	L'Economiste Français.....	20,800
Corn.....	Plata, red.....	do.....	Bordeaux.....	Bulletin des Halles, Bourses et Marchés.....	6,150
Cotton, raw.....	Louisiana.....	50 kilos.....	Havre.....	L'Economiste Français.....	8,330
Wool, raw.....	Buenos Aires, grease.....	1 kilo.....	do.....	do.....	3,300
Silk, raw.....	Japanese filature 13, 13-15.....	do.....	Lyon.....	do.....	6,800
Do.....	Canton, best, 7-11, 9-11, 16-18.....	do.....	do.....	do.....	3,700
Oil seeds.....	Peanuts, Coromandel.....	100 kilos.....	Marseille.....	Bulletin des Halles, Bourses et Marchés.....	3,200
Cattle hides.....	Río de Janeiro, salt.....	50 kilos.....	Havre.....	L'Index des Industries aux Cuir.....	100
Tin.....	English Cornwall.....	100 kilos.....	La Place de Paris.....	L'Economiste Français.....	970
Copper.....	Ingots, suitable for brass.....	do.....	do.....	do.....	803
Lead.....	Ordinary grades.....	do.....	do.....	do.....	380
Zinc.....	Good grades.....	do.....	do.....	do.....	30,000
Coal.....	German, run of mine, bituminous, 20-25.....	Metric ton.....	By rail at frontier.....	L'Usine, La Metallurgie.....	3,078
Do.....	German Ruhr, coking coal, 8-25.....	do.....	do.....	do.....	
Coke.....	Ruhr foundry.....	do.....	do.....	La Metallurgie.....	
II. Producers' goods.					
Linseed oil.....	H. P.....	100 kilos.....	Chambre Syndicale des Couleurs et Vernis.....	La Technique Moderne.....	1,200
Hemp.....	Naples, extra.....	do.....	Marseille.....	Bulletin des Halles, Bourses et Marchés.....	261
Jute.....	British Indian.....	do.....	do.....	do.....	1,330
Rubber.....	Para, fine.....	1 kilo.....	Paris.....	La Technique Moderne.....	16,900
Tin plate.....	0.25 m/m, 510 by 710 m.....	Case of 82 kilos.....	do.....	La Metallurgie.....	418
Leather.....	Box calf, black, plain, grade B.....	Foot.....	do.....	L'Index des Industries aux Cuir.....	46,000
Do.....	Kid, black, first choice.....	do.....	do.....	do.....	
Gasoline.....	Refined.....	1 hectoliter.....	do.....	Bulletin des Halles, Bourses et Marchés.....	2,600
Nitrate of soda.....		100 kilos.....	do.....	La Technique Moderne.....	3,240
III. Consumers' goods.					
Coffee.....	Santos, good average.....	50 kilos.....	Havre.....	L'Economiste Français.....	3,600
Cacao.....	Caraque, natural.....	do.....	do.....	do.....	683
Cheese.....	Gruyere, Swiss.....	100 kilos.....	Halles Centrales, Paris.....	Bulletin des Halles, Bourses et Marchés.....	210
Kerosene.....	Refined, available.....	1 hectoliter.....	Paris.....	do.....	1,300
Lard.....	American, in tiers.....	100 kilos.....	do.....	La Reforme Economique.....	64
Rice.....	Indo-China.....	do.....	Lyon.....	Bulletin de la Statistique Générale.....	1,660
Wine.....	Spanish, red and white, 12 per cent.....	1 hectoliter.....	Bordeaux.....	Bulletin des Halles, Bourses et Marchés.....	5,600
Olive oil.....	Tunis, Spanish.....	100 kilos.....	Marseille.....	do.....	230

C. GOODS EXPORTED OR REEXPORTED.

Commodity.	Grade.	Unit.	Market.	Source.	Weight (000's omitted).
I. Raw materials.					
Cotton, raw.....	Louisiana, ordinary.....	50 kilos.....	Havre.....	L'Economiste Français.....	1,520
Wool, raw.....	Grease, Buenos Aires.....	100 kilos.....	do.....	do.....	430
Silk, raw.....	Ceyenne, average extra and first order, 11-13, 12-16.....	1 kilo.....	Lyon.....	Bulletin des Halles, Bourses et Marchés.....	2,500
Do.....	Canton, best, 7-11, 9-11, 16-18.....	do.....	do.....	L'Economiste Français.....	
Do.....	Japan, filature, 13, 11-13.....	do.....	do.....	do.....	
Hides and skins.....	Cattle hides, 110-119 d. k.....	50 kilos.....	Halle aux Cuir, Paris.....	Marcel Delamare.....	1,607
Do.....	Cowhides, 59 d. k. and under.....	do.....	do.....	do.....	
Do.....	Calfskins, 16-24, d. k.....	do.....	do.....	do.....	
Iron ore.....	Briey.....	1 metric ton.....	At mine.....	La Metallurgie.....	18,600
Pig iron.....	P. R., No. 3, ordinary.....	do.....	Meurthe-et-Moselle.....	do.....	1,400
II. Producers' goods.					
Vegetable oils.....	Colza oil, refined.....	100 kilos.....	Marseille.....	La Technique Moderne.....	818
Do.....	Peanut oil, industrial.....	do.....	do.....	Bulletin des Halles, Bourses et Marchés.....	
Glycerine.....	Brown, 28°.....	do.....	do.....	La Technique Moderne.....	88
Rubber.....	Para.....	1 kilo.....	Havre.....	do.....	11,000
Linen yarn.....	No. 35 wool, wet.....	1 package, weighing 16 kilos.....	Lille.....	Bulletin des Halles, Bourses et Marchés.....	300
Iron and soft steel products.....	Beams, ordinary, I and P. N.....	100 kilos.....	Paris.....	La Metallurgie.....	7,000
Do.....	Plates, 3 m/m.....	do.....	do.....	do.....	
Do.....	Shapes, first quality.....	do.....	do.....	do.....	
Do.....	Rails.....	do.....	do.....	do.....	

C. Goods exported or reexported—Continued.

Commodity.	Grade.	Unit.	Market.	Source.	Weight (000's omitted).
II. Producers' goods—Continued.					
Hard steel.....	Special, for tools.....	100 kilos.....	Paris.....	La Metallurgie.....	3,423
Semifinished copper products.....	Copper wire, red, 9-10 and over.....	.....do.....	.....do.....	.....do.....	269
Cotton yarn.....	American cotton warp, 28-bobbin.....	1 kilo.....	Epinal.....	L'Industrie Textile.....	12,000
Do.....	American cotton warp, divided, No. 20.....	.....do.....	Rouen.....	.....do.....	
III. Consumers' goods.					
Cotton cloth.....	Calicot, 3, 20-20.....	Meter.....	Epinal.....	.....do.....	875,000
Do.....	Renforce, 3, 20x20, 20-26.....	.....do.....	.....do.....	.....do.....	
Broad silk.....	Plain taffeta, all silk, 100 cm. wide.....	.....do.....	Lyon.....	Private firm.....	24,000
Do.....	Mousseline, pure silk, 100 cm. wide.....	.....do.....	.....do.....	.....do.....	
Cheese.....	Camembert, Normandy.....	100 kilos.....	Halles Centrales, Paris.....	Bulletin des Halles, Bourses et Marchés.....	234
Butter.....	Normandy.....	1 kilo.....	.....do.....	.....do.....	17,770
Wine.....	Red and white.....	Hectoliter.....	Beziers.....	.....do.....	3,030
Sugar.....	Refined.....	100 kilos.....	Lyon.....	La Statistique Générale.....	1,630
Coffee.....	Santos, good average.....	50 kilos.....	Le Havre.....	L'Economiste Français.....	1,200
Cacao.....	Caraque, natural.....	.....do.....	.....do.....	.....do.....	443
Soap.....	Brown, extra.....	100 kilos.....	Marseille.....	Bulletin des Halles, Bourses et Marchés.....	520

REPRESENTATION OF INDUSTRIES IN THE PRICE INDEX.

The index thus constructed gives the following representation to the various branches of French business life:

RELATIVE VALUE OF COMMODITY GROUPS REPRESENTED IN THE FRENCH INDEX NUMBER OF WHOLESALE PRICES.

	In 1913.	In May, 1920.
Grains.....	23.3	15.5
Live stock and meats.....	14.0	14.3
Other foods.....	15.2	12.3
Total foods.....	52.5	42.1
Textiles.....	13.8	25.7
Iron and steel products.....	13.3	10.3
Coal and coke.....	6.4	9.4
Other metals and minerals.....	2.9	2.3
Hides and leather.....	2.8	2.4
Building materials.....	2.5	3.3
Chemicals.....	1.4	1.0
Miscellaneous.....	4.4	3.5
Grand total.....	100.0	100.0

The change in the relationship of the value of foods to the total value of the commodities included in the index from 1913 to May, 1920, is accounted for by the regulation of grain prices by the Government, which persisted up to August, 1921. The relative importance of agricultural and food products in the 1913 index seems to be in accordance with the organization of French life at that time. M. René Pupin in his study, "La Richesse de la France devant la guerre," estimates that in 1911 the products of French agriculture were worth 12,500,000,000 francs and the products of French industry 11,500,000,000 francs, and

that of 34,000,000,000 francs spent in France in that year 18,900,000,000 francs, or 55.9 per cent, were spent for food.

THE EFFECT OF GOVERNMENT CONTROL ON FRENCH PRICES.

Throughout the first 18 months of the period covered by this index number prices in France were very largely affected by the price control exercised by the French Government. They are still affected by that control to some extent because of the Government regulation of the price of alcohol, and its control and sale of the German coal, coke, and sulphate of ammonia delivered on reparations account. The commodities included in the Federal Reserve Board's price index for France which were still being regulated by the Government in 1920 are kerosene, gasoline, coal and coke, alcohol, sulphate of ammonia, wheat, wheat flour, rye, and sugar. Government control of sugar prices ceased in August, 1920, and of prices for wheat, wheat flour, and rye in August, 1921. Control of gasoline and kerosene was relaxed in July, 1921, and an announcement of January 11, 1922, stated that the State's supply of kerosene had been entirely disposed of and that importers were no longer required to purchase from the State a quantity equal to their imports.

The effect of Government control of the prices of these important commodities during 1920 was to keep the general level of French prices somewhat lower than it would otherwise have been. It also changed the movement of the general level of prices in 1920. Most commodities not controlled by the Gov-

ernment reached their highest prices in France in April or May, 1920, while the Government-controlled prices were at their peak in the autumn of that year, and the upward movement of French price indexes in August, 1920, is to be explained by a radical increase in Government prices of wheat, wheat flour, and rye in that month.

COMPARISON WITH THE STATISTIQUE GÉNÉRALE INDEX NUMBER.

The only other wholesale price index published for France at the present time is that compiled by the Bureau de la Statistique Générale, the French Government's statistical office. Although the general trend of the Federal Reserve Board's new index follows that of the index of the Statistique Générale in several important respects,¹ the level of the Board's index is distinctly lower than that of the other number and the trend is different in the spring and summer of 1920 and in the autumn of 1921. The difference in the level of the two indexes is to be explained by the fact that, while the Statistique Générale index consists exclusively of food and raw materials prices, the Board's index represents wholesale prices of semifinished and finished products as well. The difference in the trend of the two indexes is caused largely by the difference in the representation of nonferrous metals and of iron and steel in the two indexes. The Statistique Générale is an unweighted arithmetic index of 45 price quotations, of which two represent iron products and four represent nonferrous metals. In 1920 nonferrous metal prices fell very rapidly, while iron and steel prices did not begin to decline until the end of the summer. The fact that nonferrous metals are relatively so important in the Statistique Générale index caused it to break sharply in April, 1920, while in the case of the Federal Reserve Board index the decline began a month later and was more gradual. In this connection it is interesting to note that the Statist index in England, which is constructed in much the same way as the Statistique Générale index, gave April as the peak for prices in that country, while the indexes of the Board of Trade and the Federal Reserve Board for England gave May as the month when the high point of the general price level was reached.

¹ See the graph on p. 928.

THE COURSE OF FRENCH PRICES.

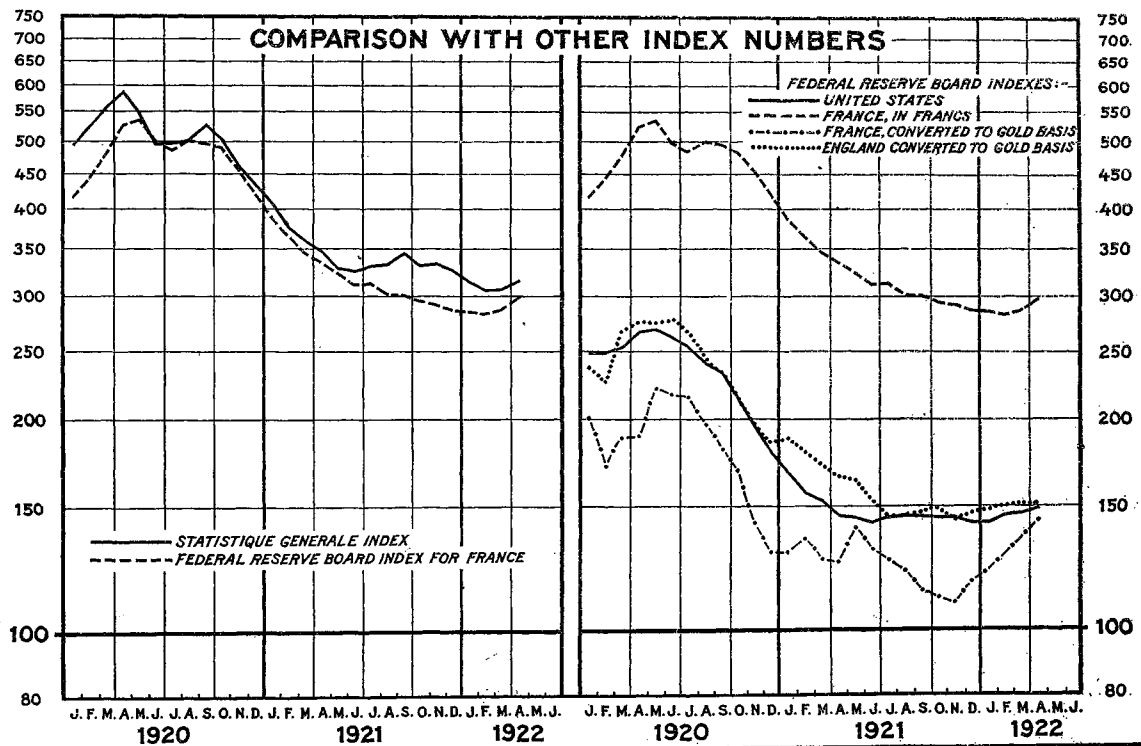
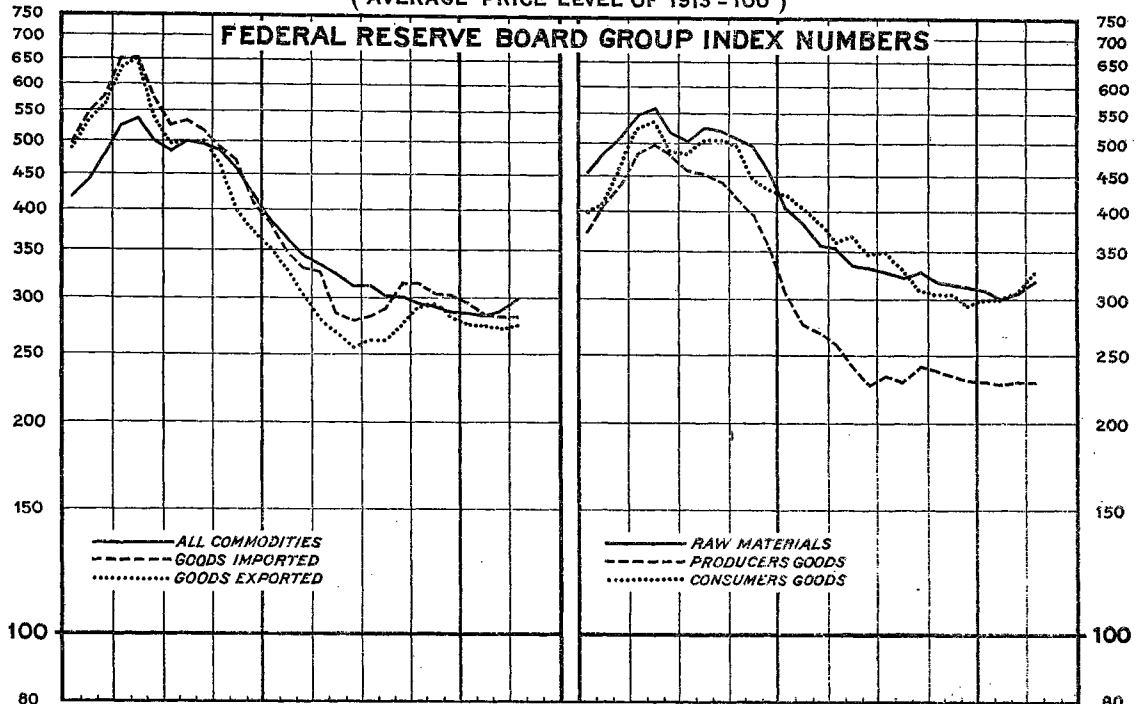
The accompanying graphs trace the course of French prices, according to the groups into which the Federal Reserve Board index is divided. The highest point was reached by the index for imported goods, which registered 655 in May, 1920, but the "goods exported" index was not far below it, and it reached 653 in the same month. The fact that the index for goods produced in France was at that time 140 points below the indexes for goods entering into foreign trade is accounted for, in the first place, by the fact that prices of some of the most important commodities in the "goods-produced" index were still being kept very low by the French Government in the spring of 1920, and, in the second place, by the fact that prices of textiles, which are imported into France in large quantities in their raw state and exported as semifinished and finished goods, rose to great heights at this time.

In France prices of raw materials rose higher as compared with their 1913 level than did either consumers' or producers' goods, in spite of the fact that the Government regulated the prices of raw sugar, wheat, rye, coal, and coke. The shortage of raw materials in France in 1919 and 1920, which caused the extreme price rise, is too well known to need comment. The index for prices of consumers' goods did not rise so high as that for raw materials, while the index for semifinished goods at its peak was the lowest of the three groups. This latter fact is the result, in part at least, of the Government regulation of coal prices, which influence the price of semifinished goods to such a large extent. During the spring of 1920, before the industrial depression and the break in raw materials prices began, the Government kept domestic coal prices relatively low, and this helped to keep down the prices of some of the important producers' goods, notably those of iron and steel products, at the time when textiles and nonferrous metal prices were at their height.

The fact that French prices in the late spring of 1922 were about 200 per cent above their 1913 level, while prices in the United States were only about 60 per cent above that level, should be considered in connection with the great increase in the note circulation of the Bank of France. In 1913 the average note circulation in France amounted to 5,565,000,000 francs; in 1920 it averaged 38,066,000,000 francs; in 1921, 37,404,000,000

INDEX NUMBERS OF WHOLESALE PRICES IN FRANCE 1920 - 1922

(AVERAGE PRICE LEVEL OF 1913 = 100)



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francs; and at the end of June, 1922, although it had fallen to 36,039,356,000 francs, it remained at about 650 per cent of its 1913 level. The course of French prices during the period covered by the Federal Reserve Board's index has been affected also by Government price regulation, by a shortage of commodities, and later by business depression and falling off in demand.

The following table gives the all-commodities' index and the various group indexes for 1920, 1921, and through May, 1922.

INDEX NUMBERS OF WHOLESALE PRICES IN FRANCE.

[Constructed by the Federal Reserve Board for the purpose of international comparison. Average prices in 1913=100.]

Month.	Goods produced.	Goods imported.	Goods exported.	Raw materials.	Producers' goods.	Consumers' goods.	All commodities.
1920.							
January	401	495	480	455	373	398	417
February	419	542	535	483	408	409	441
March	458	579	563	510	437	468	479
April	498	651	633	549	482	522	525
May	512	655	653	559	498	535	537
June	484	574	539	518	482	488	500
July	477	524	496	503	459	481	485
August	494	532	500	523	453	503	500
September	493	517	501	520	441	506	497
October	481	489	463	508	417	496	483
November	454	406	400	496	396	447	456
December	422	408	373	432	350	430	420
1921.							
January	387	383	352	406	304	422	387
February	366	349	330	382	276	404	364
March	348	336	305	358	269	384	345
April	354	326	280	354	259	361	333
May	330	285	269	335	240	368	323
June	317	279	256	332	226	347	311
July	317	282	261	328	232	348	312
August	304	290	261	322	229	330	302
September	298	314	276	328	240	309	301
October	291	314	291	319	238	304	295
November	290	304	294	315	233	305	292
December	284	303	283	313	230	294	287
1922.							
January	284	295	277	308	229	299	286
February	282	286	275	300	227	300	283
March	288	282	272	305	229	306	287
April	302	282	274	318	228	327	299
May	305	288	279	322	226	333	302

The final chart on page 928 shows the Federal Reserve Board index for the United States, for England, and for France, the last two adjusted in accordance with their respective foreign exchange rates on New York. The spread between the lines showing the three indexes indicates the difference between gold prices in the three countries and shows that French gold prices were relatively low during 1920 and 1921. At the present time gold prices in France appear to be coming closer to the level of prices in the United States. The following table gives the figures upon which this graph is based.

FEDERAL RESERVE BOARD INDEX OF AMERICAN PRICES AND THE BRITISH AND FRENCH INDEXES REDUCED TO A GOLD BASIS.

[1913 average prices=100.]

Month.	Federal Reserve Board index of American prices.	Federal Reserve Board index of British prices converted to gold.	Federal Reserve Board index of French prices converted to gold.
1920.			
January	248	237	201
February	248	227	171
March	253	267	188
April	267	276	189
May	269	274	221
June	262	278	217
July	254	265	215
August	240	245	197
September	232	231	181
October	214	214	169
November	196	198	142
December	179	186	129
1921.			
January	168	188	129
February	157	180	135
March	152	172	126
April	146	166	125
May	145	164	140
June	142	153	130
July	145	146	126
August	146	146	121
September	146	148	113
October	145	149	111
November	145	144	109
December	142	147	117
1922.			
January	142	148	121
February	146	150	128
March	147	151	134
April	149	151	143
May	158	156	143

TREASURY REFUNDING OPERATIONS.

In announcing on July 26 the call for redemption before maturity of about half the Victory notes outstanding, and the offering of a new issue of \$300,000,000 or thereabouts of short-term Treasury notes, the Secretary of the Treasury addressed the following letter to banks and trust companies:

DEAR SIR: The Treasury is announcing to-day a call for the redemption on December 15, 1922, of about half of the 4½ per cent Victory notes which remain outstanding, and at the same time is offering on the usual terms a new issue of \$300,000,000, or thereabouts, of short-term Treasury notes bearing interest at 4½ per cent, with provision for additional allotments up to a limited amount in exchange for 4½ per cent Victory notes.

These two operations mark an important further step in the development of the Treasury's refunding program, and I am sending this letter to the president of every banking institution in the country in order to draw attention to the significance of the announcements and ask the cooperation of the banks in affording to their customers ample facilities for investing in the new notes. The call for the partial redemption of 4½ per cent Victory notes affects about \$1,000,000,000 face amount of notes, and

makes the notes thus called for redemption payable on December 15, 1922, leaving the balance of the Victory Liberty loan to mature on May 20, 1923, according to its terms. The notes called for redemption bear the distinguishing letters A, B, C, D, E, or F prefixed to their serial numbers, and can thus be readily distinguished from the notes not affected by the call. Copies of the official circulars will come to you from the Federal reserve bank of your district and additional copies may be obtained upon application.

The notes now offered for subscription are designated Treasury notes of Series B-1926, are dated August 1, 1922, will mature September 15, 1926, and will not be subject to call for redemption before maturity. The amount of the offering is \$300,000,000, or thereabouts, but the Secretary of the Treasury reserves the right to allot additional notes up to a limited amount to the extent that 4½ per cent Victory notes are tendered in payment. Subscriptions may be closed at any time without notice, and the right is reserved to reject any subscription and to allot less than the amount applied for. Holders of outstanding 4½ per cent Victory notes, whether or not called for redemption, thus have an opportunity now, within the limitations of the offering, to exchange their notes for new securities of the Government bearing interest at 4½ per cent and running for a period of over three years after Victory notes would mature or be redeemed. Applications for the Treasury notes now offered will be received in regular course through the several Federal reserve banks, as fiscal agents of the United States, from which further particulars concerning the offering may be obtained. This is the fourth exchange offering which the Treasury has made in order to facilitate the refunding of the Victory Liberty loan, and on this offering, as on previous offerings, I hope that banks and trust companies throughout the country will extend to their customers every possible assistance in effecting exchanges.

The Treasury's program for dealing with the short-dated debt of the Government has now progressed to such a point that I believe it is worth while to recite what has already been accomplished and call attention to what remains to be done within the current fiscal year. On April 30, 1921, when the situation was first outlined in my letter of that date to the chairman of the Committee on Ways and Means, the gross public debt on the basis of daily Treasury statements amounted to about \$23,995,000,000, of which over \$7,500,000,000 was short-dated debt maturing within about two years, made up of over \$4,050,000,000 in Victory notes, over \$2,800,000,000 in Treasury certificates of indebtedness, and about \$650,000,000 in war savings certificates. By June 30, 1922, the gross public debt had been reduced to about \$22,963,000,000, a reduction of about \$1,032,000,000 during the period of 14 months. This reduction has taken place, for the most part, in the short-dated debt, and has been

accomplished through the operation of the sinking fund and other public-debt expenditures chargeable against ordinary receipts, the application of surplus revenues to the retirement of debt, and the reduction of the balance in the general fund. At the same time the Treasury has been engaged, through its refunding operations, in distributing substantial amounts of the remaining short-dated debt into more convenient maturities, and in this manner has refunded about \$2,250,000,000 of early maturing debt into Treasury notes of various series maturing in 1924, 1925, and 1926. As a result of these operations the amount of outstanding Victory notes has been reduced from over \$4,050,000,000 on April 30, 1921, to about \$1,990,000,000 on June 30, 1922, and the amount of outstanding Treasury certificates from over \$2,800,000,000 to about \$1,825,000,000. In addition there are about \$625,000,000 of war savings certificates of the series of 1918 which become payable on January 1, 1923, so that on June 30, 1922, there still remained outstanding about \$4,440,000,000 of short-dated debt, all of which matures in the current fiscal year.

The refunding of this debt, most of which will have to be accomplished within the next 10 months, presents a problem of first importance. The \$300,000,000, or thereabouts, of Treasury notes offered for subscription on the usual terms will provide for the Treasury certificates maturing August 1 and for the Treasury's remaining cash requirements between now and September 15, 1922, while the offering to allot additional notes in exchange for 4½ per cent Victory notes should accomplish the refunding of some more of the Victory Liberty loan and correspondingly reduce the amount of Victory notes to be provided for upon redemption or maturity. At the same time the call for the redemption of about half of the outstanding Victory notes before maturity will make that much of the Victory loan payable on December 15 of this year, and enable the Treasury to deal with it before maturity by appropriate refunding loans. This will mean that by January 1, 1923, the outstanding Victory notes will have been reduced to about \$1,000,000,000, or, in other words, a manageable maturity which can be dealt with as opportunity offers without spectacular refunding operations that would upset the security of markets and disturb the course of business and industry.

The current offering of notes is thus an essential part of the refunding program on which the Treasury is engaged, and the banking institutions of the country by extending their facilities for the exchange of outstanding 4½ per cent Victory notes for the new notes will be performing an important service for the country as well as for their customers.

Cordially yours,

A. W. MELLON, *Secretary.*

To the president of the bank or trust company addressed.

RULINGS OF THE FEDERAL RESERVE BOARD.

Eligibility of paper of cooperative marketing associations.

Several questions were recently submitted to the Federal Reserve Board with reference to the eligibility of paper created by a tobacco growers' cooperative marketing association for rediscount at Federal reserve banks.

The association in question, like that described in the ruling published on page 1199 of the FEDERAL RESERVE BULLETIN for October, 1921, is a nonstock and nonprofit corporation, and its members consist exclusively of growers of tobacco who have agreed to sell and deliver to the association all the tobacco grown by or for them, or acquired by them as landlords or lessors. The agreements between the growers and the association provide for the distribution of the proceeds of each pool pro rata among the growers who have contributed to that pool. The association is given power to sell the tobacco in such form and upon such terms as may be deemed most advantageous to the growers, it being contemplated that a part of the tobacco will be sold without being redried and that such of the tobacco as can not be sold at a reasonable price in that form will be redried and stored by the association and sold as there is a demand for redried tobacco. The association is also specifically given the right to "borrow money in its name on the tobacco, through drafts, acceptances, notes, or otherwise, or on any warehouse receipts or bills of lading or upon any accounts for the sale of tobacco or on any commercial paper delivered therefor"; and it is agreed that the association "shall prorate the money so received among the growers equitably, as it may determine, for each district and period of delivery."

(1) The first question is as to the eligibility for rediscount at Federal reserve banks of notes made by the association and discounted at banks for the purpose of obtaining funds with which to make payments to the growers for tobacco delivered by them. This question depends upon whether the payments are to be regarded as payments on account of the purchase price of goods bought by the association, in which case the proceeds of the association's notes may be said to be used for a commercial purpose, which would make the notes eligible, or are to be regarded as advances or loans, in which case the proceeds must be said to be used for a finance purpose, which would make the notes ineligible.

The agreement between the association and the growers puts the transaction in the form

of a sale and transfers title in the tobacco to the association and gives the association full control over the tobacco and over the resale thereof, so that unless the form of the transaction is to be disregarded the proceeds of the association's notes may be said to be used for the commercial purpose of buying the tobacco from the growers and the association's notes may be considered eligible for rediscount when they have maturities not in excess of 90 days and when they otherwise comply with the provisions of the law and the board's regulations. It is true that the sales of tobacco by the growers to the association have the unusual feature that the purchase price is not fixed at the time of delivery, but is dependent upon the price at which the tobacco is resold by the association, so that the risks incident to resale by the association are borne by the growers; and for this reason the board has held that for some purposes the transactions between growers and such associations should be regarded in substance as consignments rather than sales. Considering, however, that a cooperative marketing association is a nonprofit corporation and in the last analysis the participating members rather than the association itself must assume the ultimate risk of loss and must benefit directly from any gain resulting from the operation of the association, these transactions between the association and its members conform to the usual type of sale as closely as they can consistently with the nature and purposes of an association of this character. In other words, there is no material difference between these transactions and ordinary sales except that the sellers, the growers, have the ultimate hope of gain and risk of loss resulting from resale by the purchaser, the association, and this difference exists by reason of the relation that necessarily exists between the association and its members; so that to conclude that the transactions are not sales when considered from the point of view of the association would be in effect to say that it is impossible for the association and its members to engage in purchase and sale transactions between themselves.

The board is of the opinion, therefore, that the notes of the association, the proceeds of which have been or are to be used to make payments to the growers for tobacco delivered to the association, may be considered eligible for discount by Federal reserve banks with maturities not in excess of 90 days, provided, of course, that the notes comply in other re-

spects with relevant provisions of law and the regulations of the Federal Reserve Board.

(2) The second question relates to the eligibility of drafts drawn upon the association by the growers, accepted by the association, and discounted by the growers at their banks. As was held in the ruling published in the October, 1921, BULLETIN, such drafts are eligible for rediscount as agricultural paper if the proceeds are used by the growers for an agricultural purpose. The point is made, however, that practically the only use which the growers are likely to make of the proceeds of such drafts when discounted is to pay debts previously incurred by them in growing and harvesting the crop, and that, unless this can be held to be using such funds for an agricultural purpose, little or no agricultural paper can be created in this way.

In defining the character of notes, drafts, and bills of exchange eligible for rediscount, in Section II of its Regulation A, the board has determined that "(a) It must be a note, draft, or bill of exchange which has been issued or drawn, or the proceeds of which have been used or are to be used in the first instance, in producing, purchasing, carrying, or marketing goods in one or more of the steps of the process of production, manufacture, or distribution, or for the purpose of carrying or trading in bonds or notes of the United States." The board has held heretofore that for all practical purposes any note which is secured by Government bonds usually may be considered to be drawn either for the purpose of carrying or trading in those bonds within the meaning of the Federal reserve act, and it should not be incumbent upon a Federal reserve bank to look further than that fact in order to determine the technical eligibility of such a note. That holding was based on the theory that if the owner of bonds has obligations which he can not meet without either selling his bonds or borrowing money on them, the borrowing of money on such bonds with which to meet his obligations enables him to "carry" the bonds. Similarly, money borrowed by a grower to enable him to meet his obligations without selling his crop immediately enables him to "carry" the crop. When a grower delivers his crop to a cooperative marketing association which is actually engaged in orderly marketing, therefore, and when the grower is obliged to borrow money for ordinary general purposes, such as the payment of obligations previously incurred in growing or harvesting the same crop, a draft drawn by the grower on the association for a part of the market value of the crop may properly be considered to be drawn for an agricultural purpose.

It is well recognized that agricultural products should not be dumped upon the market as soon as grown, but on the contrary should be marketed gradually as and when there is a normal demand. Consequently, the carrying of tobacco and other agricultural products for such periods as are reasonably necessary in order to accomplish the orderly marketing thereof is a legitimate and necessary step incident to normal distribution, and the board has held heretofore that a farmer's note which is drawn, or the proceeds of which are used, to finance the carrying of the farmer's products for such reasonable period is a note which has been issued or drawn for an agricultural purpose within the meaning of section 13 of the Federal reserve act and which may, therefore, be eligible for discount by Federal reserve banks. It is hard to imagine how a grower could use the proceeds of a loan to finance the carrying of a crop except by using them to meet obligations or make necessary expenditures which would necessitate the immediate sale of his crop if he did not obtain a loan.

It must be recognized, however, that there is a distinction between carrying agricultural products for such periods as are reasonably necessary to effect orderly marketing and mere speculative withholding from the market, at a time when there is a normal demand, in the hope ultimately of obtaining a higher price. Such withholding is not an agricultural purpose within the meaning of section 13, and if a marketing association should engage in such a speculative holding of a crop instead of marketing it in an orderly manner, drafts drawn to finance the growers of such a crop during the holding of it for speculation should not be considered to be drawn for an agricultural purpose. The exact dividing line between legitimate carrying and speculative withholding is, of course, very difficult to determine. The question of whether a doubtful case falls on one side or the other of this line is a question of fact which it is not for the Federal Reserve Board to determine but which should be determined rather by the local bank whose customer desires the loan and by the Federal reserve bank if the paper representing the loan is offered for rediscount.

(3) The third question relates to the eligibility of paper created by the association and secured by warehouse receipts for tobacco stored in warehouses which, although they may be owned by the association or by corporations organized and controlled by the association, yet have independent management and organization. Inasmuch as the eligibility of paper other than bankers' acceptances is not dependent upon the existence of character of

collateral security, the question whether such paper of the association is technically eligible for rediscount is not dependent upon whether the warehouse issuing the receipt offered as collateral security is independent of the borrower. The character of a warehouse receipt or other security offered as collateral for paper other than bankers' acceptances is material only as bearing upon the acceptability of the paper as distinguished from its eligibility, and the question of the acceptability is for the determination of the Federal reserve banks rather than the Federal Reserve Board.

The subject of the eligibility of bankers' acceptances drawn by cooperative marketing associations against warehouse receipts covering agricultural commodities was discussed in a ruling published on page 963 of the FEDERAL RESERVE BULLETIN for August, 1921, and acceptances drawn by the association now under consideration against warehouse receipts issued

by warehouse corporations organized by it would come within the principles set forth in that ruling. Inasmuch as this association takes title to the tobacco and is given full control thereof and is, moreover, specifically given the right to borrow money in its own name on warehouse receipts issued against the tobacco, it is clear that it can store the tobacco and obtain negotiable warehouse receipts conveying security title. The board has indicated already the general principles to be applied by Federal reserve banks in determining under what circumstances warehouses are to be considered independent of the borrowers in passing upon bankers' acceptances, and the application of those principles to specific cases involves questions of fact which are primarily for the determination of the Federal reserve banks. (See rulings on pages 31, 634, and 862, respectively, of the 1918 BULLETIN.)

LAW DEPARTMENT.

The act approved July 1, 1922, broadens the rediscount privilege of member State banks and puts them upon a basis of equality with national banks in this respect.

The act approved July 1, 1922, the text of which was published in the Law Department of the FEDERAL RESERVE BULLETIN for July, 1922, amended section 9 of the Federal reserve act by striking out the following proviso in the tenth paragraph:

That no Federal reserve bank shall be permitted to discount for any State bank or trust company notes, drafts, or bills of exchange of any one borrower who is liable for borrowed money to such State bank or trust company in an amount greater than 10 per centum of the capital and surplus of such State bank or trust company, but the discount of bills of exchange drawn against actually existing value and the discount of commercial or business paper actually owned by the person negotiating the same shall not be considered as borrowed money within the meaning of this section.

and substituting in lieu thereof the following:

That no Federal reserve bank shall be permitted to discount for any State bank or trust company notes, drafts, or bills of exchange of any one borrower who is liable for borrowed money to such State bank or trust company in an amount greater than that which could be borrowed lawfully from such State bank or trust company were it a national banking association.

The provisions of section 5200 of the Revised Statutes determine the amount which a single customer may legally borrow from a national bank, and the effect of the amendment to section 9 of the Federal reserve act is, therefore, to permit a Federal reserve bank to rediscount for a member State bank the eligible paper of a customer of that State bank whenever the total loans of the State bank to that customer are not in excess of the limits prescribed by section 5200 of the Revised Statutes. This

section excludes from consideration as money borrowed, as did the old provision of section 9 of the Federal reserve act, the discount of bills of exchange drawn in good faith against actually existing values, and the discount of commercial or business paper actually owned by the person negotiating the same, and provides also that certain other kinds of paper, which were not referred to in section 9, may be discounted in excess of the normal limit of 10 per cent of the bank's capital and surplus. The effect of the amendment is, therefore, to broaden the rediscount privilege of member State banks and to place these banks on an equality with national banks in this respect. The amendment does not, of course, affect any part of section 9 except the proviso which is specifically referred to, and under the terms of the sentence that immediately followed this proviso it is still necessary that "The Federal reserve bank, as a condition of the discount of notes, drafts, and bills of exchange for such State bank or trust company, shall require a certificate or guaranty to the effect that the borrower is not liable to such bank in excess of the amount provided by this section, and will not be permitted to become liable in excess of this amount while such notes, drafts, or bills of exchange are under discount with the Federal reserve bank."

ANALYSIS OF SECTION 5200 R. S.

In view of this amendment, and for the information of member State banks particularly, the Federal Reserve Board deems it appropriate at this time to republish the analysis of the provisions of section 5200 of the Revised

Statutes which was previously published on page 1055 of the FEDERAL RESERVE BULLETIN for November, 1919.

The analysis states the amount which may be loaned to any person, company, firm, or corporation (including in the liability of a company or firm the liability of the several members thereof) under the various clauses of section 5200, as last amended by the act approved October 22, 1919. These amounts are stated in terms of the percentage of the paid-in and unimpaired capital and surplus of the lending bank.

Character of loans.	Amount loanable.
(A) Accommodation or straight loans, whether or not single name.	Maximum limit, 10 per cent of bank's paid-up and unimpaired capital and surplus.
(B) "Bills of exchange drawn in good faith against actually existing values." The law expressly provides that this phrase shall also include: (a) Drafts and bills of exchange secured by shipping documents conveying or securing title to goods shipped. (b) Demand obligations, when secured by documents covering commodities in actual process of shipment. (c) Bankers' acceptances of the kinds described in section 13 of the Federal Reserve Act.	No limit imposed by law.
(C) Commercial or business paper (of other makers) actually owned by the person, company, corporation, or firm negotiating the same.	No limit imposed by law.
(D) Notes secured by shipping documents, warehouse receipts, or other such documents conveying or securing title covering readily marketable non-perishable staples, including live stock. No bank may make any loan under (D), however: (a) Unless the actual market value of the property securing the obligation is not at any time less than 115 per cent of the face amount of the note, and (b) Unless the property is fully covered by insurance, and in no event shall the privilege afforded by (D) be exercised for any one customer for more than 6 months in any consecutive 12 months.	15 per cent of bank's capital and surplus, in addition to the amount allowed under (A); or if the full amount allowed under (A) is not loaned, then the amount which may be loaned in the manner described under (D) is increased by the loanable amount not used under (A). In other words, the amount loaned under (A) must never be more than 10 per cent, but the aggregate of (A) and (D) may equal, but not exceed, 25 per cent.
(E) Notes secured by not less than a like face amount of bonds or notes of the United States issued since April 24, 1917, or by certificates of indebtedness of the United States.	10 per cent of bank's capital and surplus, in addition to the amount allowed under (A); or if the full amount allowed under (A) is not loaned, then the amount which may be loaned in the manner described under (E) is increased by the loanable amount not used under (A). In other words, the amount loaned under (A) must never be more than 10 per cent, but the aggregate of (A) and (E) may equal, but not exceed, 20 per cent.
(F) Notes secured by United States Government obligations of the kinds described under (E) the face amount of which is at least equal to 105 per cent of the amount of the customer's notes.	No limit, but this privilege, under regulations of the Comptroller of the Currency, expires December 31, 1922.

SOME EXAMPLES OF WHAT MAY BE LOANED TO ANY ONE CUSTOMER UNDER SECTION 5200 OF THE REVISED STATUTES, EXPRESSED IN TERMS OF PERCENTAGE OF THE LENDING BANK'S CAPITAL AND SURPLUS.

	Illustration 1.	Illustration 2.	Illustration 3.
	Percent.	Percent.	Percent.
(A) Accommodation or straight loans.....	10	5	5
(D) Notes secured by warehouse receipts, etc..	15	20	15
(E) Notes secured by a like face amount of United States Government obligations.....	10	10	15
Total.....	35	35	35

(B) Bills of exchange drawn against actually existing values.	No limit imposed by law. Do. Do.
(C) Commercial or business paper.....	
(F) Notes secured by at least 105 per cent of United States Government obligations.....	

WHAT A FEDERAL RESERVE BANK MAY REDISCOUNT FOR ITS MEMBER BANKS.

A Federal reserve bank may not, of course, under any circumstances, rediscount paper other than that which is eligible under the terms of the Federal reserve act. So also the limitations imposed upon the amounts of rediscounts which Federal reserve banks may make for member banks, whether State or National, are determined by the provisions of the Federal reserve act and are not in any way affected by the amendment to section 5200.

Under the provisions of section 13 of the Federal reserve act any Federal reserve bank may rediscount for any member bank, whether State or National, eligible paper of any one borrower to the extent of 10 per cent of the member bank's capital and surplus, but it is expressly provided that "this restriction shall not apply to the discount of bills of exchange drawn against actually existing values."

In the opinion of the Federal Reserve Board this phrase "bills of exchange drawn against actually existing values" includes "drafts or bills of exchange secured by shipping documents conveying or securing title to goods shipped" and "bankers' acceptances of the kinds described in section 13 of the Federal reserve act," even though section 13 (unlike the amendment to section 5200) does not expressly state that those two classes of paper are bills of exchange drawn against actually existing values. In the opinion of the board, however, accepted demand bills on which the drawer is released from liability are not "bills of exchange" within the meaning of section 13, and must, therefore, be included in determining the limits on the amount of paper of any one borrower which a Federal reserve bank may rediscount for any member bank.

BUSINESS AND FINANCIAL CONDITIONS ABROAD.

THE HAGUE CONFERENCE.

In accordance with plans made at Genoa the non-Russian commission of economic experts, representing 25 nations, met at The Hague on June 15 to discuss the program and procedure to be followed in subsequent sessions with the Russian delegates. The conference was organized on the basis of a general commission, with three subcommissions on credits, debts, and private property. In its preliminary sessions the general commission decided to formulate no program or order of procedure until the Russians came.

On June 26 the Russians arrived at The Hague. They insisted on meeting the commission on credits first, since for them credits were of prime importance. On the other hand, from the point of view of the other powers represented at the conference the recognition of Russian debts was regarded as a prerequisite in any discussion of credits. The Russians, however, in meeting with the subcommissions on debts and private property refused to recognize the debts of former Governments or the principle of the restitution of private property. They would be willing to make certain concessions along these lines provided that they were granted sufficient credits and were assured of a moratorium of 20 to 50 years. Even so, they stated, it would be as a matter of expediency, not of right.

In order to understand the economic situation in Russia more fully, the non-Russian commission asked for a statement of the Russian budget and of other financial affairs of the Government. The figures that were presented, although inconsistent with other data previously made public in Russia and elsewhere, nevertheless served to emphasize the deplorable condition of the country. The circulation of paper money was shown to have increased so enormously that currency stabilization and the rehabilitation of the country are hopeless without financial assistance from abroad. In spite of this fact and the repeated warnings from the non-Russian experts that credits could be obtained only when confidence was restored, the Russians refused to retreat materially from their position with respect to debts and property rights.

Finally, on July 13, after trying ineffectually for three weeks to obtain any basis for an agreement, the other delegates sent word to the Russians that they would not meet them again unless the Russians had new proposals to

present. On July 16 the Russians asked to meet the conference again, and on July 19 they presented their proposals. They stated then that if the experts would refer their proposals to their Governments they would ask the Russian Government whether, assuming that credits in the sense intended were not forthcoming, the debts due by former Russian Governments would be recognized; and whether, furthermore, the Russian Government would agree to give effectual compensation to foreigners for nationalized property, provided that terms were left to be decided between the Russian Government and the persons concerned. The non-Russians did not feel that these proposals were a satisfactory basis on which to continue negotiations, especially as they would have to wait seven days to hear from Moscow. At the same time they stated that if the Russians loyally carried out their proposals it would contribute to the establishment of confidence necessary for reconstruction and would create an atmosphere favorable for further negotiations. The non-Russians then proceeded to bring the conference to a close. On the recommendation of the subcommissions, resolutions were adopted to the effect that the delegates from the various countries would use their influence to prevent their nationals from accepting concessions from the Soviet Government involving property in Russia formerly owned by foreigners.

The Hague conference, therefore, came to an end without arriving at a basis for negotiations between the Russian Government and the other nations. The Russians and the other groups of delegates, it should be remembered, came to the conference with views diametrically opposed as to the logical and proper approach to the problems in hand. The non-Russian delegates took the position that recognition of debts by Russia must precede any discussion or negotiation with regard to credits. They felt that such recognition was essential to show Russia's good faith and to restore confidence abroad as to Russia's intention to meet her obligations. The Russian delegates, on the other hand, regarded credits as the matter of most vital importance; but they were unwilling to recognize Russia's debts in advance of receiving credits to an amount approximating their requirements. They went to The Hague expecting to bargain for credits in return for industrial, mining, and other economic concessions in Russia. They based their hopes upon the rich natural resources of their country, in which they expected foreign

capitalists would be willing to invest. The non-Russians refused to conduct negotiations along these lines, and, since neither side would modify its position, the conference ended in a deadlock.

RUSSIA'S INDEBTEDNESS AND FOREIGN TRADE.

One of the results of the conferences at Genoa and The Hague, and especially of the commercial treaties concluded by representatives of the soviet régime with a number of western European nations, has been to lift many of the barriers which have surrounded Russia for more than three years. The vast natural resources of the country and the lack of domestic funds have always attracted foreign capital. As a result, foreigners have always been particularly interested in the political and business conditions of this country. The World War and the Russian revolution inflicted severe losses upon the old Russian Empire. Valuable territory was lost; production in most industries ceased; transportation, including railroads and navigation, reached an extremely low degree of efficiency; and, instead of being, as it once was, the granary of a large part of Europe, exporting largely food and food products, Russia is at present forced to import bread for the starving population.

Russia to-day may be said to be without production or transportation. With a currency whose purchasing power approaches zero, and with the unstable business and political conditions now prevailing, it is not a country for the business man who looks toward immediate trade and interchange of commodities, but merely a potential market for the investor. Russia, above all, is in need of capital to rebuild her railroads, to stabilize her currency, and to increase the productive power of the country.

This is the first of a series of articles which will survey the most important phases of economic conditions in Russia. It should be kept in mind, however, that the country is in a chaotic condition, and that figures bearing on Russia's economic life are far from being wholly reliable.

GENERAL ECONOMIC SURVEY.

It is very difficult to compare the present "Russian Socialist Federal Soviet Republic" with the Imperial Russian Empire as it existed before the war. Not only has the economic structure with respect to distribution of wealth and income been changed entirely, but the political borders of the country have also undergone important changes. Shortly before the war the population of the Russian Empire

was stated to be 182,000,000, whereas the number of persons at present under control of the soviet régime does not exceed 130,000,000, according to Russian official figures. It is not necessary to survey the territory under Russian rule. Nothing in this respect is fixed and changes are likely to take place from day to day. In western Europe, countries like Finland, Esthonia, Latvia, and Lithuania have been entirely carved out of Russia. Poland received her most important territory from former Russian lands, while Rumania acquired the Russian Province of Bessarabia. In the Caucasus and Ukraine several attempts were made to establish new border States, but in most cases without success. In Siberia, also, important changes took place. Subsequently, however, the number of persons under soviet control has increased considerably. The extent of more recent territorial changes can be seen by comparing the figures of 1919 with those of later date. In 1919 the total population under soviet control was 85,000,000; at the end of 1920, 100,000,000; while at the present time, June, 1922, 130,000,000.

The economic policy of the soviet government underwent important changes since 1918, and three distinct periods can be traced: (1) The breaking up and destroying of the old system through nationalization and confiscation; (2) the creation of a new, highly centralized apparatus entirely operated and controlled by the State; (3) the new economic policy tending toward decentralization of industry and trade, restitution of private property, and a more friendly attitude toward foreign concessions.

These three phases of Russian economic development can be seen in the internal as well as the external policy of the soviet régime. The internal policy is expressed in the attitude of the Government toward banking, currency, production, and transportation, while the attitude toward foreign trade and foreign indebtedness marks its external policies. The foreign trade of Russia, as will be seen later in this survey, has dwindled to a very small percentage of its pre-war volume and can recover only after the productive power of the country has been increased. This, however, can take place only with the aid of foreign capital, which will not go into the country until the status of property held by foreigners and Russia's indebtedness to other countries are fixed. Hence these two points were the main topics of discussion at the Genoa and Hague conferences and seem to be the crux of the Russian question.

I. RUSSIA'S FOREIGN INDEBTEDNESS.

As in the case of the indebtedness of most European countries, Russia's domestic as well

as foreign debts were incurred mainly during the war. In January, 1914, the total debts of the Russian Government were:

	Rubles.
General loans.....	5,726,661,481
State railway loans.....	3,097,862,866
State guaranteed loans.....	3,803,216,579
Total.....	12,627,744,926

They were largely long-term loans, bearing interest from 3 to 6 per cent. It is difficult to state how much of these debts was held abroad. France claims that about one-third of Russia's total pre-war indebtedness was owned by French citizens, and the "Bureau des Biens et Interêts Privés," an association for the protection of French capital invested in Russia, estimates the total holdings of Russian pre-war Government securities at 8,926,728,650 gold francs. As British and Belgian citizens held large blocks of Russian Government or Government-guaranteed securities, one might safely state that between one-third and one-half of Russia's pre-war debt was held abroad.

From the outbreak of the war in August, 1914, until November, 1917, debts of about 25,000,000,000 rubles were incurred as follows:

	Rubles.
Loans raised, in rubles of one-tenth an imperial or in foreign currency.....	2,794,931,228
Loans, raised in rubles of one-fifteenth of an imperial.....	11,696,041,767
Short-term loans at home.....	6,500,000,000
Short-term loans abroad.....	4,179,963,000
Total.....	25,220,936,895

The above figures include domestic and foreign loans. The exact sums subscribed or floated abroad can easily be traced, as they were issued in the currencies of the respective foreign countries. Government loans floated by Russia during the war in some of the allied countries are:

	Original currency.
Great Britain (pounds).....	568,200,000
France (francs).....	3,950,000,000
Japan (yen).....	255,000,000
Italy (lire).....	36,000,000
United States ¹ (dollars).....	223,000,000

Russia's total indebtedness in November, 1917, at the time of the accession of the present régime to power, thus consisted of two elements, as follows:

	Rubles.
Pre-war loans.....	12,627,740,926
War loans.....	25,220,936,895
Total.....	37,848,677,821

Out of this total indebtedness about 13,000,000,000 rubles, or 32 per cent, were held abroad. The foreign holdings may be classified as follows:

	Rubles.
Pre-war debts.....	4,200,000,000
Foreign war loans.....	7,428,000,000
Guaranteed loans.....	870,000,000
Municipal loans.....	422,000,000
Total.....	12,920,000,000

These debts represent merely Government or Government-guaranteed loans. They do not include loans of private organizations, railroads, public utilities, etc., floated and held abroad.

After the inauguration of the soviet régime, the question of cancellation of debts became acute, and in January, 1918, the Council of the People's Commissaries passed a decree whereby the entire indebtedness of the Russian Government, domestic as well as foreign, was canceled. The principal clauses of the decree, translated from the original Russian, follow:

(1) All state loans concluded by the Government of the Russian landowners and Russian bourgeoisie, which are enumerated in the inclosed statement, are being annulled (canceled) as of December 1, 1917. The December coupons are not subject to payment.

(2) In the same way all guaranties are being annulled, which have been given by the above-mentioned Governments on the loans of various concerns and institutions.

(3) Absolutely and without any exceptions all foreign loans are being annulled.

(4) Short-time obligations and series of the state chancellery are remaining in force. Interest on them is not paid, but their obligations have the same validity as the credit notes.

Paragraph 4 was included mainly to provide additional currency, as the printing press could not put out enough currency to meet the demands of the Government. Certificates of short-term notes were declared legal tender and put on an equal basis with the notes already in circulation. The rest of the decree deals mainly with the rights of holders of small amounts of internal loans, and does not refer to foreigners. Attention is called to the wording of the decree which explicitly states that "all foreign loans are canceled absolutely and without any exceptions." This decree imposes a loss upon foreign investors as well as Governments, especially Great Britain, France, Belgium, and the United States, of about 13,000,000,000 gold rubles.

The soviet régime was not satisfied with the cancellation of the total Government indebtedness, but also nationalized all private property in the country. Thus all enterprises owned or controlled by foreigners became the property of the Russian state. The nationalization was carried through without any

¹ Of this amount, loans with private banks and the United States Treasury were: (1) Five-year 5½ per cent gold Treasury bonds, \$25,000,000; (2) internal 5½ per cent ruble bonds of 1916; (3) three-year 6½ per cent credit, \$50,000,000.

compensation to the original owners. In addition, the Government confiscated the property and deposits of domestic and foreign banks, thus increasing the total losses suffered by foreigners.

The countries most affected by the cancellation of debts and the nationalization of private property are France, Great Britain, Belgium, the United States, and, to a smaller degree, Italy. In these and other countries protective committees have been formed by the holders of claims against Russia. Germany, it may be noted, was never a large investor in Russian enterprises. Her total investments in Russia at the end of the war probably did not exceed 1,000,000,000 rubles, but as all debts between Russia and Germany were provisionally canceled by the treaty of Rapallo no further consideration need here be given to German holdings.

CLAIMS OF FOREIGN COUNTRIES AGAINST RUSSIA.

France.—The cancellation of debts and the nationalization of private property by Russia affected to a very large extent the national wealth of France. A large proportion of her pre-war savings were invested in Russian Government, railway, and municipal securities. They were widely distributed among small and large investors and actively traded in on the Paris stock exchange. It is difficult to obtain accurate figures of the total claims of French citizens against Russia. There are many elements of uncertainty, such as the value of stocks and property left in Russia, which can not be accurately valued. It is, however, possible to give more or less reliable figures of the amount of Russian pre-war Government obligations held in France. According to estimates of the "committee for the protection of French property in Russia," based upon sums paid in interest, the par value of these securities amounted to 8,926,728,650 gold francs. Their actual value decreased rapidly and they were quoted in June, 1914, at 8,000,000,000 francs; in February, 1917, at 5,210,000,000 francs; and in January, 1920, at 3,170,000,000 francs. After that period Russian securities ceased to be quoted regularly on the Paris stock exchange. If the sum of 750,000,000 francs for bonds not quoted in France and 1,675,000,000 francs for various Russian industrial shares are added, the total of French investments in Russia before the war amounts to 11,351,728,650 gold francs, consisting of the following items:

	Francs.
Russian State bonds.....	6,480,212,000
Russian railway bonds.....	212,575,000
Russian railway bonds quoted "en Ganque".....	42,333,000
Russian railway bonds quoted officially...	1,676,706,000
Bonds of Russian land credit banks.....	451,791,000
Credit Foncier Mutuel bonds.....	63,111,000
Bonds not quoted in France.....	750,000,000
Various Russian industrial securities.....	1,675,000,000
Total.....	11,351,729,000

All these debts were held by private citizens. The French Government appeared as Russia's creditor only after the outbreak of the war, when it advanced to the Russian Government funds of an approximate value of 4,000,000,000 francs. This amount consisted mainly of treasury bonds negotiable through the Bank of France, transfers for all unpaid materials, and Russian coupons accepted in payment of subscriptions to French loans. The total Russian indebtedness to France, therefore, according to the above figures, is:

	Francs.
Pre-war debts.....	11,351,728,650
War debts.....	4,000,000,000
Total.....	15,351,728,650

These figures do not differ materially from estimates of the Russian Government, of about 13,000,000,000 francs, in which sum, however, the item "various Russian securities" is not included. But the above total does differ from data taken from other French sources. Thus, for instance, the French Minister of Foreign Affairs estimated Russia's war debts to France at 5,000,000,000 francs and the total pre-war indebtedness at 16,000,000,000 francs. The total indebtedness would thus be 21,000,000,000 francs, not including Russian interior war loans subscribed in France and various French properties and concessions estimated at 7,000,000,000 gold francs.

Belgium.—As in the case of France, it is difficult to determine with accuracy the total value of Belgian capital invested in Russia. Unlike France, however, Belgium was not mainly interested in Government securities, but invested largely in industrial, mining, and public utility enterprises. M. Witneur, secretary of the Association for the Protection of Belgian Owners in Russia, estimated the total value of the claims of Belgian citizens against Russia at 3,500,000,000 francs. It is difficult to check the accuracy of this sum, since the bulk of the claim consists of properties, largely of industrial and mining enterprises, the value of which can be only roughly estimated. M. Witneur divides the Belgian claims into four

categories and estimates the respective values as follows:

(1) Industrial property (properties of industrial and public utility enterprises).....	Francs. 2,350,000,000
(2) Government obligations and similar funds.....	640,000,000
(3) Financial properties.....	450,000,000
(4) Miscellaneous properties.....	105,000,000
Total.....	3,545,000,000

A further analysis of these four groups shows the following details. Group 1 is composed of the following items:

37 mining, coal, and metallurgical enterprises.....	Francs. 1,160,000,000
81 various industrial enterprises.....	680,000,000
43 public utility enterprises.....	582,000,000
Total.....	2,350,000,000

Group 2 comprises the following securities:

Government loans.....	Francs. 385,000,000
Railway loans.....	103,000,000
Municipal loans.....	37,000,000
Loans not specified (mainly war loans)....	115,000,000
Total.....	640,000,000

APPROXIMATE CREDITS OF THE ITALIAN GOVERNMENT AND OF ITALIAN CITIZENS AGAINST RUSSIA.

Creditors and classes of credits.	Currency.				
	Lire.	Rubles.	Sterling.	French francs.	German marks.
(a) Credit of the State, subscription to bonds of national Russian loans.....				34,855,500	
(b) Credit of syndicate of Italian banks for war materials furnished Russian Government.....	65,000,000				
(c) Credits of banking institutions and private persons:					
(1) Bank deposits in bonds and in cash in Russian institutions and active accounts opened in Italy.....	441,617	19,235,444	138,500	2,713,591	600
(2) Commercial (supplies, goods billed, various operations).....	368,256	4,537,522	10,728	1,950,938	147,373
(3) Bonds of Russian public debt (nominal value).....		200,000,000			
(4) Expropriations and forced abandonments of industrial establishments, real property, administrations, and other property.....	5,826,340	45,523,808 13,912,255			
Total.....	72,136,213	273,209,029	149,228	39,520,029	147,973

¹ Value of real property.

Great Britain.—The claims of the British Government and British citizens against Russia have not been published in detail. Russian Government loans held in Great Britain, including the advances of the British Government, have been estimated by Russian officials to be about 5,000,000,000 gold rubles, while British sources place the figure at £650,000,000. To judge from various statements made by high British officials at Genoa and The Hague, the total amount of British capital invested in Russian industrial and mining enterprises must be very high, and probably surpasses by far the total claims of France and Belgium.

United States of America.—Russia's indebtedness to the United States is comparatively

The items specified in group 3 are:

Cash deposits in banks and other institutions.....	Francs. 193,000,000
Safe deposits in special boxes.....	87,000,000
Amounts due from Russian debtors to Belgian creditors.....	125,000,000
Total.....	405,000,000

Group 4 includes such items as houses, furniture, land property, and other valuables left by Belgian citizens in Russia.

Although the aggregate of group 1 is very large, it nevertheless seems plausible, since it is generally known that Belgian capital controlled many Russian industrial and public utility enterprises. With regard to the other three groups, however, there are certain items which appear more or less open to question.

Italy.—The claims of the Italian Government and Italian citizens against Russia are not large and are classified in the table below. They are stated mainly in foreign currencies, the actual value of which can not very well be determined. Russian bonds are given at nominal value, although it is a well-known fact that they were sold considerably below par.

small and was incurred mainly during the war. Including the claims of American citizens filed with the Treasury Department, estimated at \$350,000,000, all debts probably do not exceed \$800,000,000.

Russian loans floated either entirely or partly in the United States have been as follows:

(1) \$25,000,000, 5½ per cent 5-year gold Treasury bonds. They were issued in November, 1916; fell due on December 1, 1921. Principal and interest was made payable in New York in United States gold coin. The semiannual interest payment due December 1, 1919, was defaulted on that date.

(2) Internal 5½ per cent ruble bonds of 1916. The total issue amounted to 2,000,000,000 rubles. How much was subscribed in the United States is uncertain. These

bonds are redeemable in Russia and in rubles. Their value in United States currency depends thus upon the ruble exchange.

(3) \$50,000,000, 6½ per cent 3-year short-term notes, due July 10, 1919. Interest was payable in United States gold coin. This loan is a direct external obligation of the Russian Government.

The advances made by the United States to the Russian Government may be seen from the following figures showing the situation at the beginning of February, 1922:

Principal amount of obligations.....	\$192,601,297
Interest accrued and unpaid up to and including the last interest period.....	30,558,955
Total indebtedness.....	223,160,252
Interest paid prior to February, 1922.....	5,107,536

II. RUSSIAN FOREIGN TRADE.

Having considered Russia's indebtedness to foreign countries, we pass now to the commercial relations of Russia with other countries. By the decree of the Peoples' Commissariat of April 24, 1918, the entire foreign trade of Soviet Russia was made a Government monopoly. Private persons, corporations, and trade organizations were strictly prohibited from undertaking any transactions involving the shipment of goods to or from Russia. A Commissariat for Foreign Trade was established, vested with unrestricted power regarding all matters of export and import. It prohibited the foreign trade operations of cooperative societies and thus completed the Government monopoly. A subordinate organization called "The Foreign Trade Council" was established, with the duty to pass on the various applications of Government institutions for the exportation and importation of goods.

During 1918, 1919, and 1920 very little international trade was carried on between Russia and other countries. Most of the border territories were occupied by antisoviet troops, and the blockade by the western European countries made any business transactions with Soviet Russia practically impossible. That under such conditions Russian foreign trade should shrink to almost nothing is self-evident, and can be seen from the following figures: In 1913 Russia's total exports amounted to 1,476,081,000 pood, but in 1919 to only 1,252,000 pood, or 0.07 per cent of the pre-war volume, and in 1920 to only 676 pood.

The treaty with Esthonia and the trade agreement with Great Britain, concluded in March, 1921, practically ended the foreign blockade. Other countries, such as Germany and the border States, established trade relations with Russia a little later.

The lifting of the blockade did not materially improve the foreign-trade situation, and

the soviet officials soon recognized that Government monopoly and high centralization of international trade were the main obstacles to any further development. In 1921 the severe restrictions regarding domestic trade were superseded by more liberal provisions, which, however, did not affect the attitude of the soviet with regard to the monopoly and the centralization of foreign trade. This policy of the soviet officials as to foreign trade was severely criticized at the Ninth Soviet Congress in December, 1921. It indorsed the monopoly of foreign trade, but objected to its centralization, and decided that other institutions should be created for the carrying on of foreign trade between Russia and other countries. As a first step, the Central Organization of Cooperative Societies, or Centrosoyous, endeavored to regain its old rights and privileges, and started to operate as an independent institution. In addition, new corporations were created by the State in which private individuals, domestic as well as foreign, were permitted to participate.

According to the decree of March 13, 1921, the following organizations and institutions were permitted to engage in foreign trade: (1) The Commissariat for Foreign Trade; (2) cooperative societies; (3) State institutions; (4) combinations of such State institutions (so-called trusts); (5) provincial soviets; and (6) stock companies founded by the Government for that purpose. All these organizations and institutions, with the exception of the Central Organization of Cooperative Societies, are subject to the supervision of the Commissariat for Foreign Trade.

The greatest hope of the soviet régime seems to be based upon the foreign trade corporations. They may be founded only by State institutions, who hold at least 51 per cent of the total stock. The rest of the shares may be offered to private individuals, domestic as well as foreign. A number of foreign trade corporations have been established up to the present time, the most important of which are:

(1) The Russian Export & Import Co. All shares are held by soviet institutions.

(2) The German-Russian Trading Co., the minority stock of which is held by German capitalists.

(3) Naphtexport, organized for the collection and sale of all mineral-oil products. The shareholders are the Commissariat for Foreign Trade, the State Fuel Board, and the Azerbayan and Grosny Petroleum Administration.

(4) Koshirio. Its main business is the buying and selling of hides, leather, and other animal products and raw materials. The share holdings are divided between the Commissariat for Foreign Trade, the Supreme Economic

Council, and the Central Soyous, which institutions hold shares for 9,000,000 gold rubles. The rest of the shares, par value 6,000,000 gold rubles, are held by a group of German merchants. Among the comparatively large number of corporations in which foreign capital has been invested, the following may be mentioned as among the most important: (1) Russangloyles, a Russian-English company, carrying on trade between Russia and Great Britain; and (2) the Russhollandlyes, a company of similar nature, which carries on trade with Holland. German capitalists are now very active in Russia, their interests covering practically every branch of industry and transportation.

A translation of the soviet decree of March 13, 1922, superseding that of June 11, 1920, is reproduced below.

TEXT OF SOVIET DECREE ON FOREIGN TRADE CONTROL.

I. The foreign trade of the Russian Socialist Federal Soviet Republic is a state monopoly, conducted by the Commissariat of Foreign Trade on the following principles:

(a) *Export.*—(1) The Commissariat of Foreign Trade disposes on foreign markets of export merchandise produced by State organizations or by itself. The proceeds are put into the State "valuta" fund.

(2) The Commissariat of Foreign Trade disposes on foreign markets on a commission basis, under contract, of merchandise turned over to it by State organizations or prepared by itself, by trusts, or by cooperatives, and uses the proceeds to buy goods in foreign markets, according to orders of the above-mentioned organizations.

(3) The Commissariat of Foreign Trade is given the right to permit Government organs, trusts, or cooperatives to engage in direct dealings in foreign markets, their contracts and agreements being subject to previous approval of the Commissariat of Foreign Trade or its representatives.

(4) The Centrosoyus is given the right to market its export goods by direct contract with foreign cooperatives in agreement with and under the control of the Commissariat of Foreign Trade and under its general direction.

(b) *Import.*—(1) The import orders of the several People's Commissariats and central organizations, made in accordance with state plans, are executed (by the Commissariat of Foreign Trade) with participation of experts and specialists chosen by those organizations. These specialists are entitled to initiative as far as technique is concerned.

(2) Purchases of State organizations on commission basis (see subdivision (a), par. 2) in more important cases are conducted with direct participation of the members of those organizations.

(3) The Commissariat of Foreign Trade is given the right to permit the above-mentioned organizations to make their purchases in foreign markets directly, but on condition that their contracts and agreements must be approved in advance by the Commissariat of Foreign Trade.

(4) The same procedure is applied to the Centrosoyus and other all-Russian cooperative unions. At the same time, the Centrosoyus is given the right to deal directly with foreign cooperatives, and in order to carry on such dealings it may have agencies abroad, but working in agreement with the Commissariat of Foreign Trade and under its general control.

ORGANIZATION OF STOCK COMPANIES.

II. The Commissariat of Foreign Trade also organizes with the confirmation of the Soviet of Labor and Defense, special stock companies—Russian, foreign, or combined—for the purpose of attracting foreign capital, of preparing export goods within the country, of selling them abroad, and of importing articles necessary for the reestablishment of national economy and for internal barter. Such companies may be organized for trading in general, or for special operations, or for special lines of trade; and for their transactions within the country and abroad these stock companies may use the facilities of the Commissariat of Foreign Trade or establish their own offices. They may also organize and operate industrial establishments for the production of export goods. Such stock companies may be organized, also, by other State organizations, on condition that they receive the approval of the Soviet of Labor and Defense and that they work under the control of the Commissariat of Foreign Trade. The Commissariat of Foreign Trade is to participate in the discussions of the Soviet of Labor and Defense when the by-laws of such companies are under consideration.

RECENT DEVELOPMENT OF FOREIGN TRADE.

To foster foreign trade and to facilitate credit for institutions engaged in international commerce, the Commissariat for Foreign Trade contemplates the establishment of a bank for foreign trade with a capital of 25,000,000 gold rubles. The organization of this institution is the same as that of other corporations. The capital stock will be divided into 50,000 shares, of which 25,500, or 51 per cent, will be held by the Commissariat for Foreign Trade, the remainder to be offered to domestic and foreign investors. The bank will be under control of a board of directors elected by the shareholders. Negotiations are also proceeding for the establishment of a Central Asiatic bank to facilitate foreign trade in central Asia.

Statistics of Russian foreign trade are not very accurate, and due allowance must be made for that fact in dealing with them. The figures for 1921, however, are more reliable than those of previous years, for the reason that since 1921 the frontiers of the Russian Empire have been more or less fixed and have not undergone such changes as were frequently taking place before. This analysis will, therefore, be confined mainly to the trade of 1921 and of the first two months of 1922.

According to Russian sources, the foreign trade of Soviet Russia for 1921 was:

	Quantity (1,000 pood).	Value (1,000 gold rubles).
Imports.....	55,306	248,557
Exports.....	12,963	20,200
Total.....	68,269	268,757

Although these figures show a decided increase over the last three years, they are very small and insignificant when compared with pre-war figures. During 1913, the last normal year, Russia's foreign trade amounted to 1,220,500,000 gold rubles in imports and 1,420,900,000 rubles in exports. The trade figures for 1921 constitute, however, only 2.8 per cent of the quantity and 9.6 per cent of the value of the pre-war figures of foreign trade. Even after making allowances for loss of important territories, these figures show how great the decrease of Russia's foreign trade has been.

A further analysis of imports and exports to and from Russia shows another very important change. Before the war imports into Russia were mainly machinery, finished products, and food products, ranking in the order named. The food products imported consisted of luxuries such as tea, coffee, wine, and spices. Exports were made up largely of grain, which amounted to 56 per cent of the total, forest products and raw materials coming next in rank. At the present time, 44.8 per cent of the total volume of imports consists of food and food products, while such goods as are exported are mostly partly finished forest products, which amount to 70 per cent of exports. The following table analyzes the imports of Russia in 1921, according to the main classes of commodities:

Class of commodities.	Quantity (in 1,000 pood).	Value (in 1,000 gold).	Percentage.	
			Quantity.	Value.
Food and animals.....	20,041.4	32,122	36.3	12.9
Food products.....	669.0	79,210	1.2	31.9
Wood, wood products, and seed.....	793.2	1,008	1.4	.4
Pottery.....	76.5	453	.1	.2
Fuel.....	16,399.3	5,571	29.6	2.2
Raw products and chemicals. Ores, metals, and metal prod- ucts.....	608.7	4,005	1.1	1.6
Paper.....	11,148.4	58,367	20.3	23.5
Flax.....	1,763.8	7,954	3.3	3.2
Clothing.....	398.6	30,411	1.0	12.2
Various, including 2,653,329 pood for starving population	72.1	26,263	.1	10.6
Total.....	3,135.3	3,133	5.6	1.3
	55,306.3	248,497	100.0	100.0

As seen from this table, necessities of daily life constituted three-fourths of Russia's total imports. The exports of Russia consisted mainly of half-finished forest products. The principal items of the 12,963,000 pood of goods exported were 9,577,809 pood of wood and half-finished wood products; 618,000 pood of flax; 48,000 pood of wool, hides, and skins; 396,000 pood of benzine. Oil products amounted to only 157,000 pood.

The countries sharing the bulk of Russian imports were Great Britain, Germany, and the United States.

DISTRIBUTION OF IMPORTS INTO RUSSIA, BY COUNTRIES, IN 1921.

Country.	Food.	Per cent of total imports.
Great Britain.....	19,478,000	35.2
Germany.....	13,253,000	24.0
United States.....	8,725,000	15.0

The share of the Scandinavian countries was 10 per cent. The United States shipped chiefly food and food products. Fifty per cent of the imports from Germany were agricultural machinery and implements, while 62 per cent of shipments from Great Britain were food and clothing. Russia's best customers during this period were Great Britain, taking 47 per cent of Russia's total exports; Latvia, 22.7 per cent; Norway, 12.9 per cent; and Germany, 5 per cent.

The foreign trade for January and February, 1922, showed a further increase of imports over exports. The total imports for the two months amount to 14,039,500 pood, against exports of 1,241,100 pood. Exports, therefore, during these two months are only 8.85 per cent of the total volume of trade. They were in January 18.98 per cent, but dropped in February to 2.39 per cent. The reason for this situation is the increased imports of food products shipped mainly from the United States. In February alone 4,021,500 pood of food products, or 47 per cent of the total imports, were shipped from the United States to Russia.

FRANCE.

ECONOMIC CONDITIONS DURING THE FIRST SIX MONTHS OF 1922.

A review of the past six months shows little change in French economic conditions. Although it appears that at no time since the war has France passed through a period of depression so severe as in a number of other countries, conditions are now noticeably better than a year ago and somewhat better than at the beginning of this year. Consideration of a number of leading factors in the economic situation offers a measure of the extent of this improvement.

Unemployment.—Foremost among the indexes of prosperity are unemployment statistics. Figures on this subject are not complete, as they show only those persons who come within the scope of certain governmental funds. These exist in only 31 departments out of 90 and in 233 municipalities. As out of 264 funds in existence only 73 are actually functioning, it will be appreciated that their

reports are more in the nature of an index than of a complete picture.

In December, 1920, 39,522 persons were receiving unemployment allowances. The accompanying table shows the trend of these figures since that time.

1921:		1921—Continued.	
January.....	63, 962	November.....	10, 346
February.....	89, 039	December.....	10, 032
March.....	91, 225	1922:	
April.....	84, 896	January.....	9, 640
May.....	70, 383	February.....	9, 244
June.....	47, 331	March.....	7, 915
July.....	33, 731	April.....	6, 354
August.....	28, 665	May.....	5, 686
September.....	21, 797	June.....	4, 534
October.....	14, 322		

Since these figures cover the important industrial centers where unemployment is most likely to appear, notably in Paris, where about two-thirds of those receiving allowances reside, the data are fairly satisfactory. A still more encouraging evidence of industrial activity is found in the figures for June 30, showing that while 10,139 were out of work, 10,085 positions were reported seeking workers.

Various reasons may be given to account for this situation. The following may be mentioned—the number killed and disabled in the war, the vast amount of labor required to restore the devastated regions and to repair the accumulated deterioration of physical wealth from the war period, and the facility with which the French workman turns to agriculture if other work is slack. Further, French relief systems have been by no means prodigal of unemployment doles, thus offering little encouragement to idleness.

An enormous amount of materials and labor have been, and for some years will continue to be, required for the restoration of the devastated regions and other repair work. If capital is available this will keep France busy for some time; and capital seems to be in large supply.

The materials for this work have been largely of French origin. Practically the only reparations in kind received by France have been coal, the latest available figures for which were published in last month's BULLETIN. To the end of April general reparations in kind received in France totaled 9,000,000 gold marks. In addition to the reconstruction of the devastated regions, there is throughout France an enormous amount of what may be called deferred maintenance work. Railroads, farms, dwellings, and factories depreciated seriously during the war period.

Production of pig iron.—The activity in restoration is appearing distinctly in the increase in the production of pig iron, the value of which as an index is too well known to re-

quire elaboration. The two following tables show the production of pig iron in metric tons:

Year.	Monthly averages.
1913.....	434, 000
1919.....	201, 000
1920.....	276, 000
1921.....	280, 000
1922 (5 months).....	369, 000

These last three years include the Alsace-Lorraine production, with a monthly average of 93,000 metric tons. A statement by months shows steady progress in this industry.

1921:		1921:	
January.....	293, 000	December.....	301, 000
February.....	292, 000	Average.....	280, 000
March.....	300, 000		
April.....	292, 000	1922:	
May.....	283, 000	January.....	312, 000
June.....	285, 000	February.....	323, 000
July.....	267, 000	March.....	385, 000
August.....	255, 000	April.....	383, 000
September.....	244, 000	May.....	442, 000
October.....	256, 000		
November.....	295, 000		

From the low point of last September, the figures show a marked and steady advance. It will be noted, however, that even with the addition of the valuable fields of Alsace and Lorraine, production is below the 1913 figure.

Clearing-house returns.—Clearing-house figures are not perfect indexes of business activity, for the reason that they include items of speculation. In France, their usual disadvantages are aggravated by fluctuations in the gold value of the franc (external value) and its commodity value (internal value). The comparatively small use, also, which the French people make of checks impairs the value of this indicator. Since, however, clearing-house figures have some utility for comparative purposes, the following table is presented showing the clearings of Paris, in millions of francs. To make these comparisons more effective, the index number of wholesale prices is also given (1913 base).

Month.	Clearings.	Wholesale price index.
1921.		
January.....	16, 426	407
February.....	14, 187	377
March.....	14, 447	360
April.....	15, 599	347
May.....	15, 976	329
June.....	15, 144	325
1922.		
January.....	12, 229	314
February.....	11, 745	306
March.....	12, 286	307
April.....	9, 859	314
May.....	11, 805	317
June.....	11, 855	325

Taking into consideration the decline in prices, the figures for the first quarter of 1922 tend to show that the volume of business activity is about the same as that of last year.

Balance of trade.—French foreign trade is showing marked improvement. It is impossible to come to any definite conclusions from a study of the monetary value of French foreign trade, as exports were still computed on a table of prices established in 1919 until the end of June, 1922. But a comparison of ton-nages gives ground for encouragement.

[Thousands of metric tons.]

	Imports.	Exports.
First five months:		
1913.....	17,992	8,330
1921.....	15,243	6,476
1922.....	20,138	7,977

This shows that in quantity French foreign trade is approximating pre-war levels.

In addition to this healthy trend of foreign trade, revenue from tourists has been very large this year, affecting the invisible balance of trade in favor of France. Although definite statistics of tourists and their expenditures are not published, it is believed that the figures of 1913 are largely surpassed, and perhaps multiplied several times. Before the war one of the largest invisible items of the trade balance was the income from foreign securities. So many of these held by France are now in default that their importance in the balance of trade has been reduced; but it is by no means improbable that, even though visible foreign trade figures run against France, the income from external securities and from tourists will swing the balance in her favor for the year.

Freight receipts.—Although not a perfect index, the gross receipts of all French railways are also useful in showing the activity of trade.

1922:	Francs.
January.....	454,323,000
February.....	468,175,000
March.....	472,779,000
April.....	608,764,000
May.....	472,607,000
June.....	504,430,000

These indexes indicate recent improvement but do not show anything in the nature of a boom in business as yet. In fact, a boom based upon the reconstruction of ruins and the repair of general deterioration of the physical equipment existing in 1913 would not be entirely sound.

Financial conditions.—While production and trade show improvement, the financial situation is less distinct. The statements of the Bank of France as of the end of December, 1921, and June 29, 1922, follow:

[In thousands of francs.]

	Dec. 31, 1921.	June 29, 1922.
Note circulation.....	36,487,457	36,039,355
Deposits.....	2,743,206	2,448,373
Discounts.....	2,505,826	2,331,739
Loans.....	2,228,043	2,174,769

The greatest volume of note circulation was in the first week of the year, reaching 37,421,-830,000 francs, declining to a low of 35,281,-790,000 francs in the third week in March, a total maximum decrease of 2,140,040,000 francs, or about 6 per cent. On June 29 note circulation had advanced again to 36,039,-355,000 francs, as compared with 37,422,-087,000 francs at the end of June, 1921. But while the note circulation was undergoing this small contraction, the volume of short-term treasury bills was mounting. The net increase of treasury bills in each of the first five months of the year, as compared with the preceding month, has been as follows:

1922:	Francs.
January.....	1,366,829,900
February.....	305,430,000
March.....	746,706,000
April.....	689,242,000
May.....	1,362,000,000

Total increase, first 5 months..... 4,470,207,900

The increase in treasury bills and the decrease in note circulation have tended, in fact, to offset each other, but the item of treasury bills is often ignored. Such bills may be used by the Government in settling its obligations in lieu of opening credits with the Bank of France, which would result in an increased note circulation. In some respects these treasury bills resemble interest-bearing currency, although their influence upon credit, prices, and exchange is difficult to measure.

Capital issues.—During the period under consideration a large number of new capital issues have been put out. As was implied in earlier paragraphs of this article, a great part of this capital goes, not into creating new capital assets, but rather for repairing the wreckage and forced undermaintenance of the war period. Recent figures are given in the following exhibit:

[In thousands of francs.]		
	Industrials and mis- cellaneous.	Railroads.
1922.		
First quarter.....	6, 198, 738	1 918, 069
April.....	458, 559	1 150, 708
May.....	643, 824	185, 971

¹ Does not include 94,340,875 francs issue sold in England by the Paris-Lyon-Méditerranée.

² Does not include figures for the Orleans line, nor the 336,352,658 francs issue floated in the United States by the Paris-Lyon-Méditerranée.

Foreign exchange.—In attempting to analyze the economic situation of France at the present time, with a view to discovering the trend of conditions, very little help can be derived from a study of exchange rates. During the first five months of the year the gold value of the franc advanced and then in one month canceled its gain. The following table shows the course of the franc in New York from the beginning of the year:

January 3.....	\$0.0803
January average.....	.0816
February average.....	.0873
March average.....	.0900
April average.....	.0923
May average.....	.0912
June average.....	.0876

The high point reached this year was \$0.0935 on April 24, though the May high (May 1) was \$0.0922, and the June high (June 6) was \$0.0915.

From the first trading day of the year to the high point the advance was about 16 per cent. Several reasons were given for the rise. Among these the decline in note circulation was given a very prominent place and was an undoubted aid to speculation for the advance.

Starting from the June high of \$0.0915 on June 6, and following the adjournment of the bankers' conference, which had failed to produce an acceptable plan of action, the franc declined precipitately. This decline was ascribed to the uncertainties of German politics, to purchases of dollars in anticipation of grain and cotton movements, to the reparation payments, to English pressure for interest on her loans to France, and to other causes. While it is impossible to state a positive conclusion, it is by no means improbable that a part of the rise of the franc was caused by speculative sentiment encouraged by several promising factors, which neither individually nor collectively justified the advance, and that what had been built on such an insecure foundation crumpled easily on bad news.

Summary.—From the foregoing survey no very distinct conclusions appear. The financial or monetary indexes have registered little change during the past six months. The pop-

ulation, however, is well employed; there is a great amount of necessary work at hand and apparently a large amount of available capital to facilitate that work. There are indications (in pig-iron production and railroad revenues) that distinct improvement may soon appear. The volume of foreign trade is near pre-war levels, and the balance of trade is being favorably affected by the expenditures of tourists in France. On the other hand, it must be remembered that a great part of the labor, energy, and capital of France are now, and for some years to come will be, devoted to restoring the real assets of the country to the physical condition of 1913. Until that is done relatively little can be undertaken in the way of new projects.

REPARATIONS.

Reparations are always uppermost in French thought, although so far their direct influence on French economic conditions has been much less than the discussion devoted to the problem would lead one to suppose. It is true that coal deliveries have been important. The total amount of coal delivered to France, including the credits for the Saar mines, is valued at 2,300,000,000 gold marks, according to a dispatch of June 30, 1922, from Berlin. From November 11, 1918, to April 31, 1922, reparations in kind, excluding coal, dyestuffs, etc., delivered under Appendix IV of the treaty, were as follows:

	Gold marks.
Belgium.....	389, 000
Italy.....	6, 327, 000
Serbia.....	37, 204, 000
France.....	0

Deliveries in kind for the devastated regions to the same date have been apportioned as follows:

	Gold marks.
Belgium.....	18, 041, 000
Italy.....	6, 327, 000
Serbia.....	1, 233, 000
France.....	8, 991, 000

Cash reparations which, with the July 15 payment of 32,000,000 gold marks, have reached a total of almost 1,500,000,000 gold marks, are held by the Reparations Commission. The Wiesbaden agreement, providing for reparations in kind according to a rather elaborate plan, had not been adopted by France up to June 30, 1922, and consequently has never gone into operation. It may be made effective in the near future.

Meanwhile, the uncertainty of the present outlook is apparent. In three and a half years France has received approximately 9,000,000 gold marks in kind, while the program calls for 950,000,000 gold marks delivered

in kind this year alone. Consequently a new plan is being sought. The latest proposal provides for the construction by German workmen, with German materials at German cost, of great public works throughout France. The press accounts mention water-power developments, harbor developments, inland waterways, and the channel tunnel. The cost of this interesting program is estimated at 18,500,000,000 paper francs. The plan has not matured sufficiently to make possible any definite conclusions with regard to the practicability of such proposals.

ITALY.

The industrial situation in Italy is still unsatisfactory. The severity of the depression may be measured by three indexes—the volume of new capital available for industry, the market price of industrial shares, and the volume of unemployment.

Capital investment.—In Italy very accurate figures are at hand, not only of capital issues (including both new enterprises and new capital added to old concerns), but of “disinvestments.” “Disinvestments” are reductions of investment capital by failure, reorganization, etc. The difference between investment and “disinvestments” is the net investment of the month.

The war caused an enormous increase in industrial activity in Italy, which was shown in the increase of new capital available. The totals of new capital issues (net investments) were in 1911, 159,300,000 lire; in 1912, 168,900,000 lire; and in 1913, 133,600,000. The outbreak of the war virtually stopped investment; the total for 1915 reaching only 72,300,000 lire, or one-half that of 1913. In 1916 the war boom set in, with a net investment of 276,050,000 lire. In 1917 the figure was 1,333,700,000 lire, almost exactly ten times the amount of 1913. This was the result partly of the increase in prices, but still more of the enormous activity generated by war demands. By this time inflation was an important factor, but the true situation was not generally realized, for two reasons: (a) the pegging of the lire exchange concealed the external measure of values, and (b) the utility of index figures in measuring the value of money was not so well appreciated as it is now. As a matter of fact, too, such artifices as subsidies, Government price fixing, etc., combined to befog the indexes. The following table shows the amount of subsequent new capital issues:

[Millions of lire.]	
First semester, 1918.....	1, 149. 0
Second semester, 1918.....	1, 886. 4
Total.....	3, 035. 4
First semester, 1919.....	1, 497. 6
Second semester, 1919.....	1, 533. 2
Total.....	3, 030. 8
First semester, 1920.....	2, 557. 1
Second semester, 1920.....	2, 400. 4
Total.....	4, 957. 5
First semester, 1921.....	1, 939. 9
Second semester, 1921.....	583. 0
Total.....	2, 522. 9

The greatest volume of capital available for industrial development was in 1920, when the figure was thirty-seven times that of 1913. In 1921 the total, though enormously greater than 1913, was only about one-half that of the peak year.

One of the best available measures of this industrial expansion is the index of wholesale prices. The figures of Professor Bachi, based on 1901–1910 prices, show an index of 120 for 1913 and 748 for 1920. During that period, therefore, prices had advanced about six times, while the volume of capital issues had expanded thirty-seven times, showing distinctly that the increase of commodity prices was only one factor of this great expansion.

By 1920, also, the volume of “disinvestments” began to be significant, though it was not until the latter half of 1921 that it became ominous.

[Millions of lire.]		
Period.	Capital increase.	Capital decrease.
First semester, 1919.....	1, 558	79. 0
Second semester, 1919.....	1, 603	70. 6
First semester, 1920.....	2, 707	149. 9
Second semester, 1920.....	2, 512	111. 7
First semester, 1921.....	2, 130	191. 0
Second semester, 1921.....	1, 330	746. 7

In the latter half of last year the ratio of capital increase to capital decrease was as 2 to 1. The first column in the table above shows that the flow of new capital into Italian industry had been checked; the second column, which corresponds in part to figures of the volume of business failures in the United States, reflects the depression which had already become acute, particularly in the iron industry.

Enormously overdeveloped to meet war needs, that was the first industry to feel the severity of peace-time readjustments. It should be noted that the index of wholesale commodity prices shows only a moderate decline from the 1920 average of 748 to a 1921 average of 692. Consequently this sudden decline in the last half of 1921 seems to represent a drying up of capital investment rather than any deflation of commodity prices. As a matter of fact, the strong deflationary movement seems to have started with February, 1922, the January, 1922, average being identical with the average for the whole year 1921. The decline from the average of 1920 (748) to the average for January, 1922, was only 56 points. The decline during the months of February and March, 1922, alone was 53 points. The financial effects of this decline in commodity prices must be awaited in later figures.

The distribution of capital investment is instructive, as it shows which lines of industry have so far felt the depression most severely:

Industry or business.	New capital (millions of lire).	
	1920	1921
Banking.....	1,015.5	198.2
Chemical.....	372.1	237.4
Electrical.....	407.4	465.7
Textile.....	551.3	272.5
Manufacturing.....	236.1	137.0
Transportation.....	300.0	44.7
Commercial.....	267.7	261.2
Miscellaneous.....	368.4	181.2

The only industry which still was capable of attracting large amounts of capital in 1921 was the electrical.

Although the concerns which engaged most extensively in war work were overdeveloped, it may be doubted if Italian industry as a whole is overdeveloped. Not only is there a certain amount of war devastation to be reconstructed but there is a great amount of undermaintenance, taking the word in its broadest sense, accumulated during the war period. But it appears that Italian industry is not at present attracting much capital for such undertakings.

Current valuation of industrial shares.—The same causes which have discouraged the investment of new capital have reduced the valuation of the shares of existing concerns. At the recent General Assembly of the Associazione Bancaria Italiana interesting figures were brought out showing the current values of the principal groups of industrial shares. The figures of December, 1918, are taken as a base.

Industry or business.	December, 1919.	December, 1920.	December, 1921.	March, 1922.
Banks.....	109	103	94	90
Railroads.....	92	62	50	52
Transportation:				
Land.....	85	70	58	61
Sea.....	103	83	54	47
Cotton.....	119	137	125	115
Jute.....	95	118	102	108
Wool.....	104	101	118	118
Linen.....	421	152	155	124
Silk.....	147	172	153	128
Mining.....	104	74	53	50
Iron.....	87	47	17	14
Machinery.....	90	55	32	18
Automobiles.....	112	72	56	47
Electrical.....	93	67	67	68
Chemical.....	93	80	59	54
Sugar.....	107	108	101	97
Other food products.....	112	106	107	98
Waterworks.....	100	87	90	87
Realty.....	105	100	100	93
Miscellaneous.....	104	130	112	103
Average.....	104	96	85	78

The average of security prices has declined 22 per cent since the end of December, 1918. At that time the exchange was still pegged near its parity. As the above percentages are based on prices in paper lire, it is evident that they do not reflect gold values.

However, very little satisfaction can be found in deductions based on the gold exchange value of seriously depreciated currencies. A better index is that of wholesale commodity prices. In the period under discussion the averages were (1901-1910 base):

1918 ¹	491
1919.....	438
1920.....	748
1921.....	692
1922:	
January.....	692
February.....	674
March.....	639

It will be noted that, while during 1920, prices were making a sensational rise of about 300 points, most securities were nearly stationary in price. During the next year, while wholesale prices showed little change, the decline in security values was noticeable. In the first quarter of 1922 the decline both in prices and securities was severe. The total decrease in commodities by this scale is about 15 per cent, while the drop of security prices in paper lire is about 25 per cent. In spite of this drastic decline, there is little evidence that foreign capital is being attracted into Italian industries in any considerable amounts.

Unemployment.—The figures for unemployment are further evidence of the severity of the depression. Although Italy has a comparatively small devastated area, it suffered,

¹ As Italian industry changed so radically during the war, there is no advantage in making comparisons with 1913 figures in this connection.

like the other belligerents, a long period of severe undermaintenance, which has by no means been made up. It appears that, as yet, capital is not available to undertake the needed work of restoration. The following figures show the situation:

UNEMPLOYMENT IN ITALY AT FIRST OF EACH MONTH.

1921.	Number.	1922.	Number.
July.....	388,744	January.....	541,775
August.....	435,194	February.....	606,819
September.....	470,543	March.....	576,284
October.....	473,216	April.....	498,606
November.....	462,368	May.....	431,724
December.....	512,260		

The peak of unemployment was reached about the first of February, but a serious proportion of a population of less than 40,000,000 is still without work. It remains to be seen whether this decrease in unemployment represents an improvement in industry or a readjustment of labor, by the return to the farms of workmen drawn into industry during the period of war-time inflation.

GERMANY.

ECONOMIC CONDITIONS DURING THE FIRST SIX MONTHS OF 1922.

German economic conditions during the past half year were largely governed by two factors: (1) The steady decrease in the exchange value of the mark, and (2) the rapid increase in prices. It may be said that the prevailing business activity and "prosperity" of the country were wholly the result of these two basic phenomena. The effects of continued and progressive currency inflation, such as is now taking place in Germany, are cumulative, and have resulted in foreign exchange depreciation, accompanied by a more rapid increase in prices and wages. This fact is illustrated in the following table, which compares indexes of the volume of outstanding paper notes, the value of the dollar in Berlin, and wholesale prices in Germany at the opening of each month in the current year. The figures for January, 1922, are put equal to 100.

Month.	Notes in circulation.	Value of the dollar in Berlin. ¹	Wholesale prices in Germany.
1922.			
January.....	100.0	100.0	100.0
February.....	103.6	109.5	111.0
March.....	107.8	143.1	136.7
April.....	116.5	153.3	171.2
May.....	125.9	153.7	184.4
June.....	136.9	167.4	191.0

¹ Monthly average.

No reliable comparative figures are available for wages, but it is a known fact that they also have increased between 30 and 50 times over the pre-war level. In so far as the increase in wages and salaries has followed closely the rise in the cost of living, the purchasing power of the population was not impaired.

The steady rise in prices created a desire to exchange paper notes for tangible commodities, which resulted in a great activity in production and in imports and exports. The volume of imports into Germany decreased in January and February but increased during the following four months, and their value, due to the depreciation of the mark, rose rapidly. The quantity of imports showed an upward movement, with a monthly average so far this year amounting to 2,895,000,000 metric tons, as compared with 2,194,000,000 metric tons for 1921 and 6,073,000,000 metric tons for 1913. The exports of the country show the same upward tendency and indicate an improvement over 1921. However, they were unable to offset the balance of imports and thus caused a further decline in the value of the mark. The monthly average quantity of exports was 2,013,000,000 metric tons in the first half of 1922, as compared with 1,715,000,000 metric tons in the year 1921 and 6,141,000,000 metric tons in 1913.

The capital market throughout the six months was active, but very irregular. The total amount of securities issued was 24,253,000,000 marks and exceeded by 12,654,000,000 marks the issues of the same period in 1921. Prices of bonds, domestic as well as foreign, increased considerably. An interesting feature in the bond market was the rise in the price of Government bonds. Their average monthly quotation for 1922 showed an increase of 49 points over 1921. Prices of stocks, on the other hand, showed no important movement, and were influenced to a very large extent by the money situation prevailing in Germany. The monthly average index number of the Frankfurter Zeitung, based on 25 stocks, stood at 222 in January, 263 in March, 238 in May, and 229 in June. These figures show an upward movement at the beginning of the year and a downward tendency at the end. They further indicate that stocks were more or less independent of the valuation of the mark.

The shortage of money, which appeared at the end of 1921, became more acute during 1922. The increase in the amount of paper notes, from 113,000,000,000 marks in January to 169,000,000,000 marks on June 30, did not offset the more rapid increase in prices and wages. The money stringency was further

aggravated because a number of banks were loaded with a considerable amount of new securities which they could not dispose of in the open market. Interest rates for commercial and stock exchange purposes increased in some instances from 4 per cent to 9 per cent. The forced loan, combined with heavy taxation and the hoarding of money abroad, tend further to curtail the supply of money available for industrial and business purposes.

The figures of the Reichsbank, issued from week to week, reflect clearly the prevailing situation. The amount of discounted treasury bills has risen constantly, increasing during the past six months by 68,278,000,000 marks. The shortage of money caused a further increase in the amount of discounted commercial paper, which increased from 1,746,000,000 marks at the beginning of the year to 4,752,000,000 marks at the end of June.

GERMAN REPARATIONS.

Recent developments in the reparations situation may briefly be reviewed as follows: At Cannes the Allied Supreme Council fixed the reparations payments for 1922 at 720,000,000 gold marks in cash and 1,450,000,000 marks in kind. In accordance with the Cannes agreement, Germany paid 31,000,000 gold marks every 10 days from January 16 to April 15. For the rest of the year she was to pay 50,000,000 gold marks at the 15th of each month up to November, and 60,000,000 gold marks monthly in November and December. Germany paid the installments due in May and June, but on July 12 she presented to the Reparations Commission a formal request for complete relief from the remaining cash payments during 1922, including the reduced installment of 32,000,000 gold marks due July 15. Her representatives further asked "that the moratorium be extended for the cash payments provided for 1923 and 1924 under the schedule of May 5, 1921." In its reply to the German Government the Reparations Commission insisted that the July installment be paid, but promised to consider the rest of the German request after the guaranties committee had made its report. Upon receipt of the latter's report the Reparations Commission issued a memorandum on July 22 outlining the conditions under which it would be willing to consider a moratorium. The memorandum gives the guaranties committee full supervision over Germany's revenues and expenditures and is divided into

two parts. The first part explains the manner in which the control over Germany's finances will be exercised by the guaranties committee. This committee will have full access to all records connected with the Government's finances and will have two members accredited to the Reich's Finance Ministry. The second part of the memorandum deals with the exportation of capital. In addition, Germany is to furnish the committee at short intervals with full statements regarding revenues, expenditures, and floating debt. The control is to be effective November 1, 1922. The German Government, it was announced, has accepted the terms of the memorandum.

GERMAN BANKING DURING 1921.

The financial statements of the largest German banking institutions, made public at the end of June, together with the annual report of the Reichsbank, show to what extent Germany's economic situation has differed from that in other countries. While the rest of the world went through a period of readjustment and deflation, which caused heavy losses to both banks and mercantile institutions, Germany witnessed one of the greatest boom periods since the "Gründerjahre." The flood of new paper notes, closely followed by a rapid rise in prices, increased the business activities of the banks, with the result that items such as deposits and loans advanced into billions of marks and the turnover into trillions. The issue of 32 billion new securities further increased the business of the banks.

The increase in the amount of the various items in the case of certain banks is partly due to the concentration of banking in fewer hands, a movement which continued throughout the year. The larger banking institutions absorbed a number of smaller banks and replaced them by their own branches. The most important merger which occurred during the year is the fusion of the Bank für Handel und Industrie (Darmstädter Bank) with the National Bank für Deutschland. The final fusion took place in November, 1921. The merged institutions have a combined capital and surplus of 1,050,000,000 marks and operate under the name of "Darmstädter and National Bank."

The principal items of the combined statement of the largest German banking institutions, presented below, depict very well the unsound and "feverish" economic situation prevailing in Germany throughout the entire year.

FINANCIAL STATEMENTS OF PRINCIPAL GERMAN BANKS, DECEMBER 31, 1921.

[In millions of marks.]

	Deutsche Bank.		Disconto-Gesellschaft.		Dresdner Bank.		Darmstädter Bank.		National Bank.		Commerz und Privat Bank.	
	1921	Increase over 1920.	1921	Increase over 1920.	1921	Increase over 1920.	1921	Increase over 1920.	1921	Increase over 1920.	1921	Increase over 1920.
ASSETS.												
Cash, and with Reichsbank.....	1,479	269	2,531	1,433	839	169	714	277	683	348	345	123
Other bank deposits.....	3,863	2,678	3,340	2,163	2,734	1,839	2,626	2,203	566	353	578	394
Bills and treasury notes.....	24,244	8,216	8,878	2,648	3,480	1,712	3,670	674	1,201	598	3,012	606
Other quick assets.....	1,222	394	839	540	1,901	1,309	2,685	2,212	1,620	1,074	2,422	1,772
Total quick assets.....	30,808	11,586	15,588	6,783	13,953	4,835	9,695	5,367	4,070	2,375	6,357	2,685
Nonliquid assets.....	8,027	5,515	6,678	3,211	5,506	2,928	4,648	2,906	1,580	665	3,243	1,682
LIABILITIES.												
Capital stock.....	400		400	90	550	290	368	148	262	112	350	150
Surplus.....	450	72	240	100	361	281	196	149	55	25	322	272
Deposits, etc.....	38,835	17,101	22,266	10,153	19,454	7,793	14,345	8,274	5,651	3,040	3,601	4,368
Percentage of quick assets to liabilities.....	76	85	66	69	62	70	49	64	44	45	41	58
PROFIT AND LOSS STATEMENT.												
Miscellaneous earnings.....	465	195	3,052	123	323	148	223	111	105	60	141	60
Earnings on interest.....	695	251	364	144	478	248	359	204	160	94	311	183
Gross profit.....	1,172	449	679	275	836	412	577	314	267	155	453	2,422
Net profit.....	278	104	222	68	203	96	89	34	78	40	98	50
Dividends (per cent).....	24	18	20	16	16	12	14	10	14	10	16	12
Reserves.....	130	504	99	29	50	20	50	20	50	30	30	10
Turnover, in billions.....	2,125	844	1,463	623	1,664	1,574					737	355

The capital and surplus of all banks, although largely increased, were entirely out of proportion to deposits. This situation impaired to a large extent the liquidity of practically all banks. The percentage of quick assets to quick liabilities decreased and reached a dangerously low point in some institutions. This decrease in the liquidity is the more remarkable, as it occurred for the first time in many years.

The increase in deposits, coupled with a great demand for capital, increased the earnings and expenditures of all banks. The bulk of the income was derived from interest and commissions charged to the customers, who at the prevailing stage of business activity could easily bear the burden. The ever increasing expenditures of the banks must ultimately prove fatal when the income decreases more rapidly than expenditures can be reduced. German banks were perfectly aware of the unsound conditions upon which their earnings are based, and made ample provisions for the coming storm. Their dividends, although high, were small if compared with the huge sums set aside for reserves and the large depreciation charges made during the year.

A more detailed analysis of the assets of the banks shows one wholesome fact, namely, the increasing tendency toward private as against government financing. Government paper held by banks decreased steadily and released

funds for private business transactions. The large banks were unwilling to discount treasury bills of the State to the same extent as in former years, which resulted in ever increasing holdings of treasury notes by the Reichsbank.

Another item of interest is the rapid increase of deposits carried with other banks. Such deposits undoubtedly consist to a large extent of funds deposited with foreign banks by customers who prefer to hold them abroad. From the available data, however, it is impossible to determine the amount of funds kept abroad, since both domestic and foreign deposits are combined in one item. A separation of these two classes of funds would be very desirable, inasmuch as the foreign deposits are not so liquid as the domestic, which can be withdrawn upon demand.

The resumption of business relations with foreign countries continued steadily during the year. New affiliations were made abroad, especially in Holland. The branches in London and in other former enemy countries were not reopened, so that a large percentage of Germany's foreign trade which before the war would have been financed through London was financed through Amsterdam. The foreign business of the banks consisted largely in providing foreign credits to German importers and in the buying and selling of foreign exchange. The latter was carried on very extensively and

caused the failure of at least one important banking institution, the Pfälzische Bank.

ANNUAL REPORT OF THE REICHSBANK.

The report of the Reichsbank for the past year reflects the same situation as do the statements of the large commercial banks. The steady decline in the value of the mark both at home and abroad, coupled with the huge deficits of the Government and the increasing unfavorable balance of trade, created requirements which the Reichsbank met by the issue of paper notes. During the year the number of notes in circulation rose rapidly and increased by 44,834,000,000 marks. The tremendous inflation and the depreciation of the currency also accounted for the huge turnover figures of the Reichsbank, which during 1921 reached 20 trillion marks. The increase of notes outstanding and the turnover for the last four years can be seen from the following figures:

Year.	Notes in circulation.	Turnover.
1918.....	22,187,000,000	3,342,900,000,000
1919.....	35,698,000,000	
1920.....	68,805,000,000	12,770,736,000,000
1921.....	113,639,000,000	20,090,601,000,000

Except for the great increase in the amounts of the various items, especially in the number of discounted treasury bills and in the volume of income and expenditures, no important changes took place.

The metallic reserves fluctuated only slightly and stood at a monthly average of 1,073,345,000 gold marks, as against 1,104,037,000 in 1920. The gold reserves, however, decreased from 1,091,600,000 in December, 1920, to 995,400,000 in December, 1921, or by 96,200,000 gold marks. This decline was largely due to the use of 68,000,000 gold marks for reparations payments.

Discounted treasury notes held by the bank rose from 57,626,000,000 gold marks at the beginning of the year to 132,330,000,000 at the end. This upward movement runs parallel with changes in the floating debt of the Reich, which increased from 152,000,000,000 marks at the beginning of 1921 to 247,000,000,000 in December of the same year. The increase in the holdings of treasury bills by the Reichsbank is due to the inability of the public or banks further to absorb treasury bills. At the beginning of 1921, 62 per cent of the total floating debt was held by the public, whereas at the end of the year only 46 per cent was so held.

Gross profits of the Reichsbank for the year were 9,800,000,000 marks, as against 7,800,-

000,000 marks in 1920 and 4,500,000,000 marks in 1919. The sources of these huge earnings were the large amount of discounted treasury bills held in the portfolios of the bank, the profits from foreign exchange transactions, and the sale of 24,000 kilograms of gold to the Reich. The expenditures, including losses of 8,100,000,000 marks incurred in guaranteeing foreign currency credits for the Reich, amounted to 9,712,921,629 marks. The net profits for the year were 64,806,169 marks.

SWEDEN.

Current reports from Sweden reflect a noticeable improvement in the industrial outlook and gradual progress toward the completion of business readjustment. In general, wage deflation, the settlement of important labor conflicts, an increase of employment, the reduction of freight rates and taxation, and the stabilization of commodity prices are some of the outstanding developments in the first half of 1922.

THE PULP AND PAPER INDUSTRIES.

Evidence of a distinct revival of productive activity is apparent in several of the basic industries. The betterment is particularly noticeable in the chemical pulp industry, which came almost to a complete standstill in the early part of last year and has been laboring under the greatest difficulties in its history. In the first half of 1921 the demand for sulphite cellulose, which is the particular specialty of the Swedish pulp industry, was adversely affected by the general curtailment of output in the paper mills throughout the world. For this reason large stocks of sulphite pulp were necessarily on hand in the paper mills, and no further orders were placed in the open market. A large part of such orders as were placed, moreover, went to Germany, Norway, and Finland on account of the foreign exchange advantage afforded by their depreciated currencies. But for the fact that the market in Sweden was sustained by the demand from the United States, the industry would have been in a disastrous position. Not only was it affected by the depressed conditions in the paper market, but it also was handicapped by prolonged labor conflicts, a combination of circumstances which curtailed production of sulphite during 1921 to an amount representing about two-thirds of the normal annual output. The production in the first quarter of the present year, notwithstanding the continuance of the exchange advantages of the competitive pulp-producing nations, has increased to a point which indicates that the industry is

approaching the period of recovery. The manufacture of sulphite pulp in the first quarter of the present year amounted to 151,000 tons, or 70 per cent of the factory capacity, in contrast to about 126,000 tons, representing the quarterly average of production in 1921.

A similar revival has taken place in the manufacture of sulphate pulp, the production of which normally amounts to somewhat less than one-fourth of the output of sulphite. Production of sulphate in 1921 amounted to only about 43 per cent of the productive facilities of the plants, but according to the statistics for the first quarter of the present year there is every indication that the total output will approximate three-fourths of the mill capacity. Not only do production figures give prospects of better conditions in the pulp industry, but also the foreign trade returns warrant the same conclusion. In the first four months of 1921 exports of paper pulp, including mechanical and the two kinds of chemical pulp, amounted to 24,900 tons, while for the corresponding months of the present year exports totaled about 95,000 tons, an increase of 171 per cent.

The same influence of renewed demand is being felt in mechanical wood-pulp production. This branch of the industry, it should be noted, was at no time during 1921 quite so seriously affected as were the chemical pulp lines. This is attributable to the fact that the newsprint paper market, the outlet for ground pulp, was better able to sustain itself than the market for the more specialized grades of paper upon which the chemical pulp industry depends. This circumstance and the general absence of labor troubles, except in a few local and sporadic instances, combined to keep the mechanical pulp industry from approaching collapse. The productive output was, nevertheless, greatly curtailed, amounting to only about 48 per cent of normal capacity. During the first quarter of 1922 production had increased to 70 per cent of the facilities of the plants.

In the paper industry, which is closely allied with pulp production, a similar improvement in production may be noted. In the case of wrapping and newsprint paper, the output in the middle of April, 1922, amounted to 90 per cent of the normal capacity of the factories. Production of other varieties of paper increased to a point twice as great in April, 1922, as in the summer of the preceding year. As in the case of pulp, the exports of paper in the first four months of this year also showed a small but nevertheless perceptible increase as compared with corresponding periods of last year.

EXPORTS OF LUMBER.

The lumber industry, which is the most important in the national economy of Sweden, has likewise experienced a decided stimulus during the first quarter of the current year. In 1921 the industry suffered from the effects of the overproduction of the first half of the preceding year. Foreign trade in 1921 reflects particularly the difficult position in which the industry was placed. The quantity of lumber exported in 1921 amounted to only a little over one-half of the quantity normally exported, namely, 544,000 standards, which is the lowest figure reported since lumber production became a key industry. The present year, on the other hand, has seen a marked improvement in foreign trade in Swedish lumber products. About 54,000 standards were exported during the first three months of the present year, as compared with about 31,000 in the corresponding period of the previous year. Altogether the wood shipments for the first four months represent about 22 per cent of the calculated shipments of the present year, while in 1921 only 4 per cent of the year's shipments had left the export centers in the same period. The foreign trade figures for 1922 thus far published, however, do not give a true indication of the extent of the revival in the industry, since lumber shipments do not gain momentum until May, with the opening of navigation to the northern Baltic ports. An acceleration of export activity, already well begun, may therefore reasonably be expected within the present summer. Considerable demand for Swedish lumber products is being manifested in France, due to the progress of reconstruction work in the devastated regions. England also has been buying recently in larger volume, while Spain, heretofore chiefly a customer of Finland, has lately been placing her orders with Sweden as a result of her tariff controversy with the former country.

IRON AND STEEL PRODUCTION.

The iron and steel industry was characterized by an unprecedented period of depression in 1921. Pig-iron production amounted to but 313,000 metric tons, the lowest figure in half a century. Only 68 blast furnaces, or about half of the total number available, were in operation during 1920. Production of pig iron in March, 1922, still continued on a small scale, but showed an improvement over the output in any of the eight preceding months, thus indicating a slight upward trend in the industry. Evidences of revival are more dis-

tinctly apparent in the March production figures for steel manufacture, which show an output of 24,000 tons, the highest yield since December, 1920, but still only a little more than half of the monthly average in 1913. In contrast to low production in the iron and steel industry, 1921 witnessed a considerable increase in the amount of iron ore mined. The quantity of iron ore produced was no less than 43 per cent greater than in the preceding year, and came close to the volume produced in 1913 and the three subsequent years. This increase was mainly to be noted in the mines operating for the production of export ore of high phosphoretic content, for which there was a considerable foreign demand during 1921. In the iron industry the number of persons employed may be taken as accurately reflecting the position of the industry. The number of workers in the iron mines operating chiefly for the export trade had increased to 76 per cent of the normal number on May 1, 1922, as compared with 59 per cent on September 1, 1921. The mines operating mainly for domestic consumption, on the other hand, showed a decrease from 37 per cent of normal employment on January 1, 1921, to 33 per cent on May 1 of the present year. In the iron works an increase of 12 per cent had occurred in the period between September 1, 1921, and the beginning of May. Not only did the iron-mining industry show a very striking increase in production during 1921 but also a noteworthy expansion in the volume of foreign shipments.

A total of 4,333,000 metric tons of ore was exported in 1921, as compared with 3,736,000 tons in 1920.

CONDITION OF OTHER INDUSTRIES.

Many of the manufacturing industries, on the other hand, are still in an uncertain position. On April 1, 1922, the labor personnel in this group of industries had fallen to 25,200, which represents a decrease of 58 per cent from the number employed on September 1, 1920. In certain lines, especially those filling orders for Soviet Russia, there is a considerable concentration of employment, but the manufacturing industries as a whole continue in a slack condition. During 1921 the competition from German sources was relatively keen, but this has not been aggravated on any large scale during the present year. Difficulties relating to German export trade control, in addition to delays in production, render the delivery of German goods less satisfactory, thereby counterbalancing to a certain extent the competitive exchange advantage which the German goods enjoy. Moreover, the differential between the prices of German goods and

Swedish goods has recently been considerably reduced.

The textile manufactures of Sweden are experiencing a decided quickening of activity. This industry, in fact, is one of the few which has recently shown a steady increase in labor personnel. A rapid reduction in the number of unemployed textile workers began as early as the middle of 1921, and during the last half of the year unemployment figures fell from 40 per cent to about 8 per cent at the close of December. This ratio was still further reduced on the 1st of April of this year. The revival of productive activity is, however, more or less uneven within the textile industry as a whole, particular branches such as woolen manufacturing still being obliged to face serious difficulties. The significance of the general increase in textile manufactures is all the more noteworthy when considered in conjunction with the fact that imports of textile goods in 1921 and the first quarter of 1922 have been very heavy. This indicates that the Swedish market is at present able to assimilate large quantities of foreign textiles and clothing in addition to the normal domestic output.

All of the more important industries of Sweden have already made drastic wage reductions in order to bring expenses of production down to a more reasonable basis. Up to May, 1922, new wage agreements have affected about 200,000 workers. The following table indicates the wages within a number of the more important industries expressed as an index with the wages of January, 1914, as a base:

INDEX OF HOURLY WAGES IN REPRESENTATIVE INDUSTRIES.

[January, 1914=100.]

Industries.	Peak wages.	Latest wage agreements.
Textile:		
Men.....	376	226
Women.....	415	250
Tanning: Men.....	348	258
Boots and shoes:		
Men.....	325	238
Women.....	383	254
Sugar:		
Men.....	432	243
Women.....	374-439	207-243
Building trades:		
Masons.....	358	239
Carpenters.....	387	258
Laborers.....	440	290
Tinners.....	369	246
Painters.....	320	220
Coal mining.....	383	217

Distribution as well as production has begun to show evidences of the beginning of trade revival. The total volume of goods carried

on the State railroads in March amounted to 730,000 tons, which is the highest figure recorded since the end of 1920. Freight tariffs have already been subjected to a series of downward revisions, but railway rates are still maintained at a height which seems out of relation to the reduced level of wholesale prices. According to an official report of the Swedish Tariff and Treaty Commission dated March 2, 1922, index numbers for different freight tariffs on the State railways vary from 204 to 458, using 1913 rates as the base. The average freight rate for carload lots in comparison with pre-war figures stands at 253, while the rate on smaller shipments is represented by the index 327. As a result of its findings, the commission has officially recommended extensive and early reductions in freight rates by both State and private railways in order to hasten the revival of agricultural and industrial activity.

ARGENTINA.

MEAT AND WOOL INDUSTRIES.

A general feeling of depression still seems to prevail in the meat producing circles throughout the Argentine Republic. Cattle prices have not materially increased. Estancia owners, not having been successful in finding sufficient purchasers, have had to keep part of their herds and flocks over the winter, involving heavy additional expenses. Prices for cattle prevailing in Argentina at present are not exceedingly low if compared with prices in pre-war years. The considerable difference between prices for meat and its by-products in producing centers and those in consuming centers is mostly due to the excessive cost of distribution and transportation, a condition which would be improved, in the opinion of Argentine financial authorities, if the cattle industry in that country were organized upon a basis of more extended cooperation. Cost of production is higher than in pre-war years, thus increasing the financial difficulties of cattle raisers. Exports of frozen and chilled meat showed a general decrease during 1921, although an appreciable increase in exports of frozen beef took place in the last quarter of the year, as shown in the following table:

EXPORTS OF FROZEN AND CHILLED MEAT FROM ARGENTINA DURING 1921.

	Frozen lamb (carcasses).	Frozen beef (quarters).	Chilled beef (quarters).
First quarter.....	873,500	1,294,500	304,900
Second quarter.....	633,300	659,300	463,700
Third quarter.....	598,600	483,600	768,600
Fourth quarter.....	320,800	528,900	610,800

The Banco de la Nación Argentina has adopted resolutions providing for substantial assistance to cattle raisers in the way of long-term credits not to exceed five years and for amounts not over 50,000 pesos (paper) in each case.

The wool industry, on the other hand, has shown remarkable improvement lately, due to the reopening of the German and Belgian markets. Exports of wool amounted to 378,465 bales during 1921, against 232,691 bales in the previous year and 349,200 during 1919. Heavy stocks of this commodity that were held over since 1919 have been disposed of. This fact, coupled with decreased production as a result of the commercial depression of 1920, leads to the belief that supply will not exceed demand in the coming years and the wool industry will be active and prosperous.

FINANCIAL AND BANKING CONDITIONS.

According to authoritative reports from Buenos Aires, the Federal Government is in negotiation with London bankers for a loan of £10,000,000, one-half of which will be used in the extension of State railroads and the other half to cancel certain Government short-term obligations. The floating debt at the beginning of the current year has been reported at 650,417,478 paper pesos, about \$232,947,000 at prevailing exchange rates, as follows:

Advances to the Government by the Banco de la Nación Argentina on current account.....	Paper pesos. 110,644,928
Other advances of the same institution.....	71,999,663
Loan of \$50,000,000.....	117,772,728
Treasury bills.....	12,630,272
Short-term loans.....	275,769,887
External debt service.....	7,600,000
Balance from previous years.....	19,000,000
Other credits.....	35,000,000
Total.....	650,417,478

Argentina paid off 2,500,000 paper pesos in reimbursement of short-term loans maturing on May 31, and renewed 15,000,000 pesos for six months, with interest at the rate of 5½ per cent.

The floating debt of the Province of Buenos Aires is estimated at about 80,000,000 paper pesos, and the exigencies of the situation seem to indicate the advisability of contracting a new loan to consolidate such indebtedness. It has been reported that this Province will cancel within six months its outstanding foreign loan of 1913 for £421,890, which originally amounted to 11,100,000 francs and was floated through the Crédit Mobilier Français, and that an internal loan for 50,000,000 pesos has been recommended by the governor.

The floating debt of the Province of Santa Fe amounts to 17,000,000 paper pesos, accord-

ing to the message delivered by the governor to the provincial legislature, and it is very likely that provincial loans for that amount will be floated in the near future.

The Banco de la Nación Argentina has been successful in meeting the difficulties created by the severe financial depression during the last year. Reference has already been made to the financial assistance rendered by this institution to cattle raisers, who have profited by the provisions of Law No. 9644 on rural property guaranties, and have obtained long-term loans amounting to 132,867,723 pesos on December 31, 1921.

Other industries also received substantial help from the Banco de la Nación. During 1921 loans were granted by this institution to finance production and marketing of staples to the following extent:

	Paper pesos.
Cotton.....	373,090
Rice.....	278,050
Sugar.....	409,221
Chick peas.....	185,038
Tobacco.....	77,600
Wines.....	2,440,284
Lumber.....	50,394
Cheese.....	485,000

The movement of loans and discounts, deposits, and cash on hand of the Banco de la Nación for the years 1905, 1913, and 1919 to 1921 is shown below:

End of—	Loans and discounts, legal currency.	Deposits, legal currency.	Cash.	
			Gold.	Legal currency.
1905.....	164,295,894	176,781,405	11,328,868	51,257,251
1913.....	477,695,736	541,383,243	32,272,702	180,056,047
1919.....	676,005,331	1,249,730,567	38,958,628	267,963,298
1920.....	803,846,069	1,412,351,161	24,725,707	403,731,497
1921.....	904,104,160	1,310,049,978	23,174,114	410,159,748

The following statement shows the condition of the Banco de la Nación Argentina at the close of business on May 31, 1922:

	Gold.	Legal currency.
ASSETS.		
Due from foreign correspondents.....	6,725,316.89	
Advances on current accounts.....	330.83	326,699,293.02
Bills receivable.....		2,560,614.36
Accounts for collection guaranteed.....		15,638,218.60
Bills discounted and rediscounted.....	39,712.00	562,183,382.14
Rediscounts (law 9479 and 9577).....		17,560,757.68
Doubtful debts.....		14,328,963.39
Real estate.....		23,799,403.33
National public funds.....	9,802,701.05	21,740,389.15
Mobilization of conversion fund, laws 9479 and 10251.....	20,000,000.00	
Furniture and fixtures.....		988,166.70
Due from the Treasury, law 10251.....		71,999,663.25
Conversion account.....		81,574,507.48
Due, according to the agreement with England and France, law 10350.....	33,839,115.29	
Cash on hand.....	23,257,116.75	386,179,182.40
Other assets.....	536,670.00	7,902,185.10
Total.....	94,200,962.81	1,533,154,726.60

	Gold.	Legal currency.
LIABILITIES.		
Capital.....		150,038,942.14
Surplus.....	24,262,541.67	
Conversion fund, law 3871.....	30,000,000.00	
Conversion account.....	35,892,783.59	
Mobilization of the conversion fund, laws 9479 and 10251.....		45,454,545.45
Deposits, time and demand.....	3,197,210.05	1,294,143,388.97
Discounts, interest unearned but collected.....	848,371.54	29,839,720.27
Due to branches.....	25.00	13,150,369.47
Other liabilities.....	30.96	527,760.30
Total.....	94,200,962.81	1,533,154,726.60

According to statements of the Treasury Department of Argentina, the total custom receipts during 1921 amounted to 243,458,791 paper pesos, as compared with 297,685,843 pesos in 1920. This decrease has been explained by a reduction in the returns from duties on exports, which only amounted to about 50 per cent of the estimates. Internal revenue during the month of March amounted to 8,525,268 paper pesos, as compared with 7,644,409 pesos for the same period in 1921, or a difference in favor of the former of 880,858 pesos. On the other hand, the Buenos Aires customhouse collected to April 20, 57,550,610 paper pesos as against 65,514,676 pesos for the same period last year, or a decrease of 7,964,066 pesos.

Liabilities of commercial failures during the month of May are placed at 12,592,032 pesos, against assets of 11,182,169 pesos. A schedule indicating liabilities of commercial failures since January, 1922, was published in the July issue of this BULLETIN.

BRAZIL.

The general situation in Brazil appears to be easier than at the beginning of the year, and, according to local opinion, the worst is over. Recent political developments in Brazil have contributed to hinder the process of financial readjustment, but with the help of the Government confidence has been restored and a general improvement is expected shortly.

FOREIGN TRADE.

Although it is true that Brazilian markets have reached a point where depletion of stocks would make new purchases necessary, the figures of Brazil's foreign trade during the first four months of 1922 do not show an appreciable improvement in the import situation. Foreign exchange is undoubtedly the basic factor operating against buying on a large scale, importers purchasing only in amounts sufficient to meet current demands. Although in terms of volume imports into Brazil during the period above referred to indicated a substantial increase over the same period in 1921, in terms

of value a decrease of £14,817,000 was registered, or a reduction of over 50 per cent. Exports, on the other hand, decreased in volume during the same period, but increased in value, as may be seen in the following comparative table:

FOREIGN TRADE OF BRAZIL.

METRIC TONS (GROSS WEIGHT).

	Imports.					Exports.					Balance in favor of or against exports.	
	1913	1919	1920	1921	1922	1913	1919	1920	1921	1922	1921	1922
January.....	456,754	218,520	163,735	268,033	187,592	124,292	193,704	147,483	180,022	162,344	-88,011	-25,249
February.....	452,035	194,802	246,811	236,581	213,038	93,899	177,273	117,800	149,147	142,733	-87,434	-70,305
March.....	518,293	223,011	259,569	205,262	305,995	85,556	179,256	178,336	175,549	150,516	-29,713	-155,480
April.....	521,344	216,659	248,084	190,938	265,456	76,205	157,649	162,653	148,428	186,166	-42,510	-79,290
Total.....	1,948,431	852,992	918,199	900,814	972,081	379,952	707,882	606,272	653,146	641,759	-247,668	-330,324

VALUE IN POUNDS STERLING (000 OMITTED).

January.....	6,236	6,000	6,520	10,451	2,833	7,829	8,814	12,272	4,949	6,168	-5,502	+3,335
February.....	5,354	6,757	8,641	6,990	3,152	5,561	10,859	10,930	4,591	5,022	-2,399	+1,870
March.....	6,187	6,559	7,645	6,732	4,197	4,403	10,923	13,854	5,111	5,511	-1,621	+1,314
April.....	5,849	6,204	8,278	4,759	3,933	3,515	10,296	10,621	4,501	5,915	-258	+1,982
Total.....	23,626	25,520	31,084	28,932	14,115	21,308	40,892	47,677	19,152	22,616	-9,780	+8,501

The total import trade during the first four months of 1922 increased in volume over the same period in 1921 by 71,267 tons; the unfavorable balance of trade, consequently, turned from 247,668 tons in 1921 to 330,324 tons for the same period of four months in 1922. In terms of value, however, the figures show a balance favorable to Brazil of 8,501,000 pounds sterling as compared with a debit balance of 9,780,000 at the end of April, 1921. A final table is presented showing exports of Brazilian products by groups of commodities during the periods of January 1 to March 31 in the years 1913 and 1919 to 1922.

	Quantity.					Value f. o. b., contos of reis (paper).				
	1913	1919	1920	1921	1922	1913	1919	1920	1921	1922
Animals and their products (tons).....	10,431	47,578	39,611	40,816	16,057	10,109	73,695	72,982	49,131	34,824
Minerals and their products (tons).....	23,664	89,204	32,574	106,063	37,571	2,275	10,920	5,065	12,631	4,780
Vegetables and their products (tons) ¹	252,585	376,501	353,068	339,279	375,994	102,385	115,926	163,157	102,976	115,715
Coffee (1,000 bags).....	2,744	4,088	2,877	3,304	3,475	149,260	342,692	253,357	195,962	364,612
Sundries.....	14,323	32,862	15,489	15,256	22,496	2,862	19,803	10,202	8,518	11,937
Total of exports (26 commodities and sundries).....	303,747	550,233	443,619	504,718	455,593	266,891	563,036	504,763	369,218	531,868

	Value f. o. b., equivalent in £1,000.					Increase (+) or decrease (-) in 1922 compared with 1921.		
	1913	1919	1920	1921	1922	Quantity.	Contos of reis (paper).	£1,000.
Animals and their products (tons).....	674	4,000	5,361	1,947	1,094	-24,759	-14,307	-853
Minerals and their products (tons).....	152	593	371	502	150	-68,492	-7,851	-352
Vegetables and their products (tons) ¹	6,824	6,294	11,983	4,087	3,635	+36,715	+12,739	-452
Coffee (1,000 bags).....	9,951	18,637	18,591	7,775	11,446	+171	+168,650	+3,671
Sundries.....	192	1,072	750	340	376	+7,240	+3,419	+36
Total of exports (26 commodities and sundries).....	17,793	30,596	37,056	14,651	16,701	-49,125	+162,650	+2,050

¹ Coffee excepted.

PERMANENT VALORIZATION PLAN.

The Brazilian National Congress has passed a bill providing for permanent protection of prices of coffee and other produce. This plan authorizes the Government to buy coffee up to a maximum of 300,000 contos paper for valorization purposes. A translation of the bill in question follows:

Chapter II, article 6, of the project for permanent protection of national agricultural and pastoral products provides for the establishment of an institution which will be administered by a commission composed of the Secretary of Finance as president, the Secretary of Agriculture as vice president, and five other members of recognized important financial and commercial standing, to be appointed by the President of Brazil.

I. The Institution for the Permanent Protection of Coffee will be domiciled in the Federal Capital. Branches and agencies may be opened in such important towns as considered necessary by the Government.

II. (Omitted in source.)

III. The functions of the Institution for the Permanent Protection of Coffee will be as follows:

(a) To grant loans, at moderate rates of interest and for periods to be determined by the commission, against coffee stored in reliable warehouses or establishments owned by the Brazilian Union or the States.

(b) To purchase coffee and withhold it from the market at any time the commission may deem necessary for purposes of price stabilization.

(c) To inaugurate an information and propaganda bureau, with a view to increasing consumption and suppressing substitutes.

IV. The capital of the Institution for the Permanent Protection of Coffee will be 300,000,000 milreis paper.

V. This amount will be obtained from the following sources:

(a) Profits derived from sale of stock already held by the Government.

(b) Net benefits from other coffee operations.

(c) Contributions by the States.

(d) Internal or external loans, provided the Executive is able to obtain suitable terms as to time and interest; and, should it be considered necessary,—

(e) To issue paper currency in amounts sufficient to complete the amount required as capital. The Government is hereby authorized to issue the necessary amounts.

VI. Emissions will be guaranteed by that part of the gold reserves tendered as guaranty for paper currency, not referred to as guaranty under decree No. 3546 of October 22, 1916, as well as by 80 per cent of the coffee purchased by the commission, or by warrants in favor of other parties.

VII. As operations are concluded, notes corresponding to the emissions will be burnt monthly.

VIII. Should it be considered necessary to obtain warrants against coffee purchased by the commission in order to raise funds, such warrants shall be on a basis of 50 per cent of the current prices of coffee.

Vehement criticism has been expressed by some of the most conservative financial authorities of Brazil with regard to the advisability of adopting such a project. They seem to object strongly to the issuing of new Government paper currency, which would only aggravate the already serious exchange situation. Furthermore, although the planter would undoubtedly be benefited by the proposed plan, consumption would decline and the economic

structure of the country would suffer in consequence of a decrease in exports and the resulting adverse effect upon the balance of trade.

EXCHANGE SITUATION.

In spite of the increased gold reserve, the exchange situation has not shown improvement. Local financial authorities contend that so long as banks and exchange are under official restrictions, those factors which under normal conditions would favorably affect the exchange situation will lose most of their force.

In the June issue of the FEDERAL RESERVE BULLETIN a table was published showing the monthly range of Brazilian exchange rates in New York from January, 1916, to March, 1922. The following table indicates the changes which occurred during the three subsequent months, and serves as a supplement to the table referred to.

Month.	High.	Low.
1922		
April.....	13.690	13.470
May.....	13.940	13.550
June.....	14.125	13.875

The total amount of paper currency in circulation at the close of 1921 has been placed at 1,900,000 contos. The following indicates the gradual increase in paper currency since 1913:

	Milreis.
1913.....	601,488,304
1914.....	822,496,019
1915.....	982,089,528
1916.....	1,122,559,762
1917.....	1,389,414,967
1918.....	1,679,176,059
1919.....	1,729,061,523
1920.....	1,730,000,000
1921.....	1,900,000,000

The gold reserves of Brazil have increased since the beginning of the present year. On May 31, the total gold reserves in the Caixa de Conversão and the Treasury was 85,203 contos, against 83,766 contos at the close of 1921. Of that amount, 1,011 contos, the equivalent of £113,710, are in the hands of the agents of the Brazilian Treasury in London. This represents profits accrued from purchases of Brazilian Government securities in that market to the amount of £1,500,000. The ratio of gold reserve to total circulation is at present 4.4 per cent.

ESTIMATED BUDGET FOR 1923.

The estimates for expenditures for 1923 have been sent to the National Congress for discussion. Reducing all amounts to paper

currency, the 1923 budget shows a net deficit of 171,252:000 paper milreis, as follows:

	Gold contos.	Paper contos.
Revenue.....	95,156	652,755
Expenditure.....	87,191	847,902
Deficit.....		195,147
Surplus.....	7,965	
Premium on gold, 200 per cent, at 9d. ex- change.....	15,930	23,895
Net deficit.....		171,252

The budget estimate for 1923 is based on figures for the 1922 budget, vetoed by the President, and still under discussion in Congress. It is to be expected that substantial changes will be made to reduce the deficit for 1923 to a considerable extent. The proposed expenditures by the different ministries for 1923 have been as follows:

Ministry.	In contos of reis.	
	Gold.	Paper.
Justice and Interior.....	3,240	94,438
Foreign Affairs.....	5,398	2,467
Marine.....	4,100	84,074
War.....	1,700	128,150
Public Works.....	474	288,946
Agriculture.....	363	47,710
Finance.....	61,916	202,117
Total.....	77,191	847,902

A comparison of estimated budget figures for 1923 can not be made with those for 1922, since the latter are still under discussion by the National Congress, but the revenue for 1922, which is not expected to undergo material change, will compare with that of 1923, as follows:

Year.	In contos of reis.	
	Gold.	Paper.
1922.....	92,276	652,755
1923.....	95,156	727,673
Increase or decrease for 1923.....	+2,880	-74,918

CHILE.

FOREIGN TRADE.

The annual message of the President of Chile was read at the formal opening of the National Congress on June 1. According to his exposition of the country's economic and financial developments during 1921, the foreign commerce of Chile with the entire world in that year was placed at 825,055,642 gold pesos (of 18d.), of which 381,302,506 pesos represent imports and

443,753,136 pesos represent exports. These figures are 73,776,428 pesos and 347,768,236 pesos, respectively, below those of 1920. This decrease is distributed as follows:

IMPORTS.		Pesos.
Products of extractive industries.....		27,021,662
Manufactured products.....		45,711,892
Coin and precious metals.....		1,042,874
Total.....		73,776,428

EXPORTS.		Pesos.
Products of extractive industries.....		342,788,168
Manufactured products.....		4,378,315
Coin and precious metals.....		601,753
Total.....		347,768,236

The general reduction in the foreign trade of Chile is almost entirely due to the precarious situation of the nitrate industry. Chile's mainstay is nitrate, and until the heavy stocks still held in Europe and in the "oficinas" in Chile are completely disposed of, no material improvement may be expected. Out of the total decrease of 347,768,236 pesos in exports for the year 1921 the sum of 342,788,168 pesos corresponds to extractive industries. Of this figure nitrate showed a reduction of 253,033,602 pesos from the total of the previous year, copper followed with a decrease of 56,610,903 pesos, and wool with a decrease of 22,242,341 pesos. The purchasing power of the country has been, consequently, substantially reduced. Stocks of nearly all kinds of manufactured articles are still heavy, and in a considerable number of commodities sales have been made at a loss in order to create ready cash. The following table gives the figures of Chile's trade with several important countries in 1921. The increasing volume of trade between Germany and Chile during that year is worth noticing.

Countries.	[In gold pesos of 18d.]	
	Imports.	Exports.
United States.....	105,096,104	74,462,652
Great Britain.....	102,771,205	67,524,549
Germany.....	38,034,092	15,051,267
France.....	22,341,017	21,867,342
Belgium.....	10,432,403	3,307,798
Italy.....	7,092,220	9,030,186
Spain.....	6,920,936	2,558,673
Holland.....	3,256,304	15,722,138
Sweden.....	2,846,224	779,934
Norway.....	2,442,696	686,794
Japan.....	1,993,231	5,332,612

These figures do not include nitrate exports. Exportation of that commodity to all countries totaled 182,758,629 pesos during 1921.

The following is a comparative table showing the figures of Chile's foreign trade from 1911 to 1920 in terms of United States currency, converting the Chilean gold peso at the par rate

of 36.5 cents United States currency (18d. sterling).

Year.	Imports.	Exports.	Difference in favor of (+) or against exports (-).
1913.....	\$120,274,001	\$144,653,312	+\$24,379,311
1914.....	98,461,195	109,381,534	+10,920,339
1915.....	55,922,218	119,529,892	+63,607,674
1916.....	81,220,102	187,458,432	+106,238,330
1917.....	129,603,115	259,985,495	+130,382,380
1918.....	159,167,034	291,863,277	+132,696,243
1919.....	146,483,331	115,696,658	-30,786,673
1920.....	166,103,811	288,905,301	+122,801,490

Due to the complete closing of the German and central European markets, the foreign trade of Chile during 1914 showed a considerable reduction. The favorable balance of trade of the country was reduced by over \$13,000,000 and the purchasing power of Chile was thus considerably impaired. The effects of this situation were reflected in the following year, when imports fell by over \$42,000,000, while exports, on the other hand, showed substantial increases. The result was that the favorable balance increased from \$10,920,339 in 1914 to \$63,607,674 in 1915. Purchasing power was greater, and consequently imports showed considerable increase during the next year. Exports also increased due to the growing demand by the belligerent nations for Chilean nitrates for the manufacture of war materials, and at the end of 1916 the favorable balance increased to \$106,238,330. The year 1917 marked the beginning of a period of overtrading and expansion. Nitrate was exported in unprecedented quantities at high prices. Corresponding war wages were paid to the workers who spent freely, and purchases abroad were made in great quantities. Imports at the end of the year reached the figure of \$129,603,115. This abnormal situation continued until 1919, when the demand for nitrate became far more limited and a period of liquidation and readjustment was inaugurated. The balance of trade for this year underwent a very severe change. As compared with a favorable balance of \$130,382,380 in 1918, the foreign trade figures shifted to an adverse balance of \$30,786,673 for 1919. Exports of nitrates in 1920 are placed at 535,602,880 pesos against 127,077,042 in 1919.

The following table presents imports to and exports from Chile for the years 1916 to 1920, by countries of origin and destination:

IMPORTS INTO CHILE.

[In thousands of dollars.]

Country of origin.	1916	1917	1918	1919	1920
United States.....	34,459	63,535	74,260	70,027	51,199
United Kingdom.....	20,050	23,566	29,728	28,423	42,401
Peru.....	5,596	10,176	11,588	11,788	12,398
France.....	3,462	5,152	5,037	6,277	10,320
India.....	4,551	5,341	6,829	9,183	8,814
Germany.....	453	68	11	255	7,692
Argentina.....	2,513	7,692	11,307	3,853	6,224
Spain.....	2,033	3,251	4,421	4,488	3,353
Mexico.....	477	2,454	2,666	1,687	3,230
Brazil.....	1,134	863	789	1,437	3,208
Sweden.....	717	800	1,173	789	3,102
Belgium.....	67	4	4	9	2,500
Norway.....	541	295	212	232	2,062
Italy.....	1,752	1,652	1,302	1,305	2,061
Japan.....	500	1,193	4,293	2,941	1,538
Bolivia.....	199	659	1,327	1,355	1,070
Netherlands.....	351	116	256	66	1,007
All others.....	2,274	2,795	3,965	2,367	3,923
Total.....	81,220	129,603	159,167	146,483	166,104

EXPORTS FROM CHILE.

[In thousands of dollars.]

Country of destination.	1916	1917	1918	1919	1920
United States.....	92,034	154,943	178,483	47,623	125,737
United Kingdom.....	48,147	55,269	66,476	25,984	59,823
France.....	14,088	11,643	1,548	5,758	11,543
Netherlands.....	2,415	2,764	.....	3,391	7,602
Spain.....	1,507	1,570	771	3,123	6,151
Japan.....	1,409	3,639	3,019	3,090	5,461
Argentina.....	4,492	7,577	9,616	5,005	6,207
Peru.....	942	1,266	6,632	5,218	4,780
Egypt.....	330	1,231	962	356	3,968
Belgium.....	.....	.....	.....	509	3,540
Italy.....	1,886	4,795	475	1,064	3,473
Germany.....	.....	.....	.....	37	2,673
Hawaii.....	1,393	1,697	869	944	2,587
Denmark.....	1,419	660	.....	606	2,291
Bolivia.....	757	1,453	2,905	2,922	2,183
Australia.....	1,178	1,333	654	195	1,604
All others.....	8,565	5,054	6,052	4,152	6,150
Foreign merchandise exported.....	2,782	3,192	13,141	5,664	4,612
On orders.....	4,055	1,897	258	167	29,520
Total.....	187,458	259,985	291,863	115,697	288,905

PUBLIC FINANCE.

The Chilean National Congress has still under consideration the budget for the current year. According to a statement of the Minister of Finance before Congress, the total expenditures for 1922, excepting those which will be met with special funds, will amount to approximately 322,714,849 paper pesos and 55,747,976 gold pesos. The balances resulting from special laws enacted in 1921, creating obligations for 1922, amounting to 6,596,474 pesos, should be added to the probable total expenditures. Those for 1922, representing expenditures of 1,173,537 pesos, should also be added. Un-

The figures for the budget of 1921-22 are represented, as readjusted by the President on January 9, 1922, and those for the budget of 1922-23 are estimates submitted to Congress on November 14, 1921. The Cuban budget for the current year has been balanced at \$54,800,000 and represents a cut of \$9,622,665 from the original project.

A comparison of the percentages for the 1919-20 budget and those for 1921-22 reveals that the appropriations for nearly every division were increased at the expense of provisions for public debt, agriculture, public

health, and public works. Provision for the reserve fund was made only for the year 1914-15. The following table indicates the changes made in the budget during the war period. The first column shows the budget figures for the first year of war when conditions in Cuba were normal. The second column presents figures for the year 1918-19, when Cuba was enjoying a period of wide prosperity and inflated trade. The fiscal year 1921-22 was a period of liquidation and adjustment. The budget figures for the year 1921-22 are shown in the third column of this table:

Items of expenditure.	Budget.			Percentages.		
	1914-15	1918-19	1921-22 ¹	1914-15	1918-19	1921-22
Public debt.....	\$4,457,963	\$6,044,210	\$8,623,651	11.07	9.38	14.36
Congress.....	889,620	1,541,438	2,178,060	2.21	2.39	3.63
Judiciary.....	1,843,480	2,450,261	3,421,672	4.58	3.80	5.69
Total.....	7,191,063	10,035,909	14,223,383	17.86	15.57	23.68
Executive:						
Presidency.....	168,080	209,620	200,620	.42	.33	.33
State.....	911,679	1,261,804	1,275,201	2.26	1.96	2.12
Justice.....	229,000	265,260	403,100	.57	.41	.67
Interior.....	3,870,960	6,261,586	6,639,624	9.61	9.72	11.05
Treasury.....	3,022,098	4,018,728	3,225,101	7.51	6.23	5.37
Treasury, additional.....	419,299	2,263,204	1,758,701	1.04	3.52	2.93
Public instruction.....	5,196,421	10,406,127	9,528,317	12.91	16.15	15.87
Public works.....	5,101,666	7,056,140	4,059,225	12.67	10.95	6.76
Public health and charities.....	4,264,388	6,152,344	5,354,207	10.59	9.55	8.92
Agriculture, commerce, and labor.....	1,056,280	1,400,880	1,116,450	2.62	2.17	1.85
War and navy.....	7,431,992	15,099,171	12,273,346	18.46	23.44	20.44
Total.....	31,671,843	54,394,864	45,833,895	78.66	84.43	76.32
Reserve fund.....	1,400,000			3.48		
Grand total.....	40,262,906	64,430,773	60,657,278	100.00	100.00	100.00

¹ Projected.

The budget for 1922-23, according to the project presented to the Congress of Cuba, made provisions for expenses totaling \$64,422,665. As revenues were placed at \$54,000,000, there was a deficit of over \$10,000,000. The Government of Cuba, taking into account this fact and also that actual yearly expenditures always exceed those provided for in the budget, started negotiations for a loan in the United States, with which to

provide for current expenditures and also for the payment of the floating debt. No satisfactory solution has as yet been reached in regard to this loan, but the budget has been finally balanced at \$54,800,000. The following table serves to compare the budget figures for 1921-22 with the projected budget for 1922-23 and with a suggested budget presented by a high official of the United States Government for the same period:

Items of expenditure.	Budget of 1921-22 as readjusted by decree No. 19.	Project, 1922-23.	Suggested budget for 1922-23.	Per cent for—		
				Budget, 1921-22.	Project, 1922-23.	Project, 1922-23.
Public debt.....	\$8,623,651	\$8,623,651	\$8,623,651	14.36	13.39	15.97
Congress.....	2,178,060	2,178,060	1,700,000	3.63	3.38	3.14
Judiciary.....	3,421,672	3,435,671	2,600,000	5.69	5.33	4.82
Total.....	14,223,383	14,237,382	12,923,651	23.68	22.10	23.93
Executive:						
Presidency.....	200,620	200,620	200,000	.33	.31	.37
State.....	1,275,201	1,371,604	1,000,000	2.12	2.13	1.85
Justice (including census).....	403,100	286,100	360,000	.67	.44	.72
Interior.....	6,639,624	7,389,440	5,400,000	11.05	11.78	10.00
Treasury.....	3,225,101	3,670,777	2,900,000	5.37	5.70	5.37
Treasury, additional.....	1,758,701	1,767,701	1,500,000	2.93	2.74	2.79
Public instruction.....	9,528,317	9,529,717	8,600,000	15.87	14.79	15.92
Public works.....	4,059,225	4,813,840	4,800,000	6.76	7.47	8.89
Health and charities.....	5,354,207	5,752,042	4,800,000	8.92	8.93	8.89
Agriculture, etc.....	1,116,450	1,013,900	1,000,000	1.86	1.58	1.85
War and navy.....	12,273,346	14,189,542	8,500,000	20.44	22.03	15.74
Total.....	45,833,895	50,185,283	39,090,000	76.32	77.90	72.39
Reserve or surplus.....			1,986,349			3.68
Total.....	60,657,278	64,422,665	54,000,000	100.00	100.00	100.00

The imperative need of limiting expenditures for the current year is all too obvious. In the proposed budget, high salaries paid to Government officials and employees during the war, when living expenses in Cuba were exorbitant, were not reduced. The provision for army and navy was increased by almost \$5,000,000 over the previous year, which amount alone exceeds the total sums allotted to a number of important departments of the Cuban Government. Appropriations for the departments of interior and state were also considerably increased. It is not only in the matter of salaries, which amounted to 61 per cent of the total budget for 1921-22, but in the proper control of Government finances with a view to keeping within the limits prescribed by the budget figures, that immediate consideration will have to be given by the Cuban Government. Heretofore the President of the Republic has had the power to create special appropriations outside of budget figures, there being no reserve fund with which to meet such expenditures.

The indebtedness of the Cuban Government on July 1, 1922, the beginning of a new fiscal year, were considerable. It remains to be seen whether the revenue collected during the fiscal year of 1921-22 has been sufficient to meet expenditures, which, according to the budget provisions alone, will amount to \$60,057,278. The following table indicates the revenue obtained by the Government during the first nine months of the fiscal year 1921-22:

1921:		1922:	
July.....	\$5,518,055	January.....	\$4,334,506
August.....	5,361,653	February.....	4,570,067
September...	4,630,486	March.....	5,599,478
October.....	4,239,669		
November.....	4,350,931		
December....	4,133,004	Total.....	42,737,849

Placing the average monthly receipts at \$4,800,000, by the end of the year the total revenue would amount to \$57,137,849, which will not be sufficient to cover the expenditures provided for by the budget as readjusted by decree No. 19.

The table in the next column indicates the present status of the Cuban debt.

[Amounts in United States dollars.]

	Amount.	Due date.	Inter- est.	Paid for amortiza- tion.
FOREIGN DEBT.				
Loans of Speyer & Co....	35,000,000	Mar. 1, 1944	5	12,076,500
	16,500,000	Aug. 1, 1949	4½	812,000
Loans of Morgan & Co....	10,000,000	Feb. 1, 1949	5	860,000
	5,000,000	Jan. 22, 1923	6	
Total foreign debt.....	66,500,000			
Total amounts paid for amorti- zation on foreign debt.....				13,748,500
INTERNAL DEBT.				
Internal debt, 1905.....	11,169,800		5	798,500
Extension of internal debt, 1917.....	7,000,000	Nov. —, 1931	5	2,000,000
Treasury bonds, 1917....	30,000,000	Dec. 31, 1929	6	4,434,800
Total internal debt.....	48,169,800			
Total amounts paid for amorti- zation on inter- nal debt.....				7,233,300
Total foreign and internal debt.....	114,669,800			
Total amounts paid for amorti- zation on foreign and internal debt.....				20,981,800

The most immediate payment of importance, a loan of \$5,000,000 by Morgan & Co., falls due on January 22, 1923. Against this loan, which was floated at 99½, the Government of Cuba gave its note for one year for \$5,000,000, with interest at 6 per cent, and deposited bonds as collateral security, the majority of which were Cuban Government obligations.

IMPORTS AND EXPORTS OF FOREIGN CURRENCIES.

According to statements of the chief of the Coinage Bureau of the Cuban Treasury Department, the total of foreign currencies exported from Cuba during the calendar year 1921 amounted to \$91,740,230. The table below indicates in detail the distribution of currency exports in gold, silver, and paper currency. Imports of currency into Cuba during 1921 were placed at \$20,088,015, of which \$17,645,082 were American currency.

Currency of—	Gold.		Silver.			Paper currency.			Total in U. S. currency.
	Amounts in respective foreign units.	Equiva- lent in U. S. cur- rency.	Amounts in respective foreign units.	Rate of ex- change.	Equiva- lent in U. S. cur- rency.	Amounts in respective foreign units.	Rate of ex- change.	Equiva- lent in U. S. cur- rency.	
United States.....	255,000	\$255,000				90,701,213		\$90,701,213	\$90,956,213
Spain.....	57,580	10,940	92,222	\$0.145	\$13,372	4,711,615	\$0.1525	718,521	742,833
France.....	114,260	21,881				399,617	.091	3,637	25,518
Mexico.....	13,776	6,819	218	.40	87	5,500	.1825	1,004	7,910
England.....	940 10 0	4,552	12 10 0	4.325	54	182 10 0	4.395	802	5,408
Other countries.....		1,264						1,084	2,348
Total.....		300,456			13,513			91,426,261	91,740,230

PRICE MOVEMENT AND VOLUME OF TRADE.

INTERNATIONAL WHOLESALE PRICE INDEXES—UNITED STATES, ENGLAND, AND CANADA.

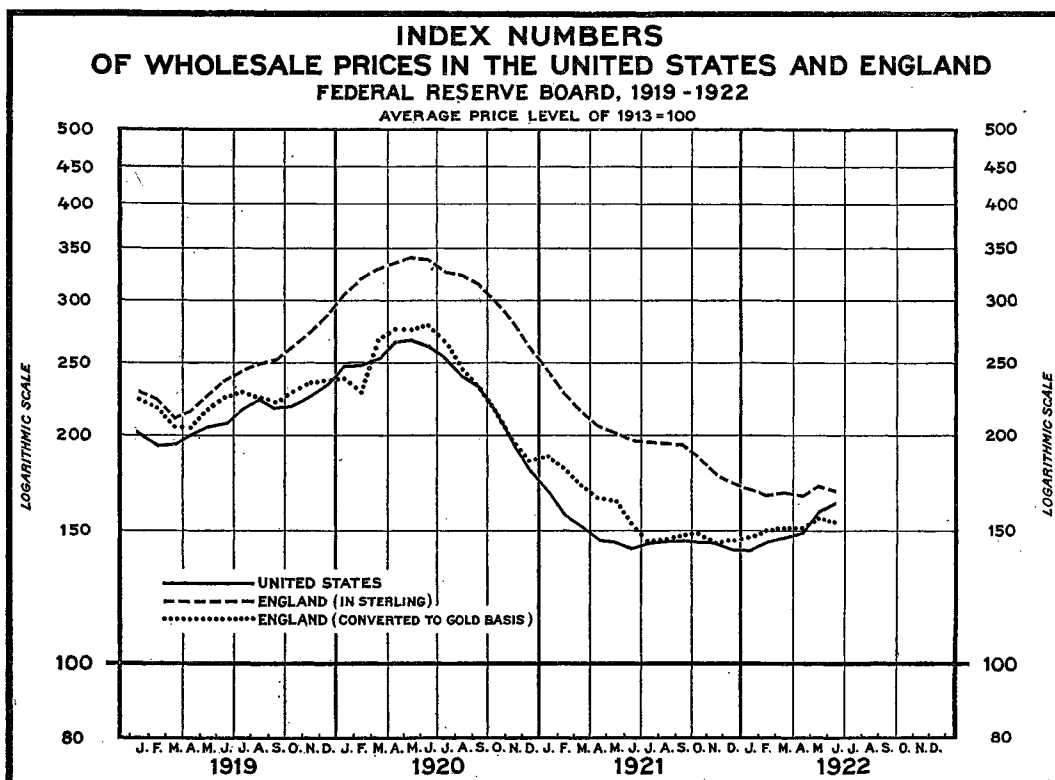
In June our index number of wholesale prices in the United States stood at 162, which was an increase of 4 points over the May number. Prices in England moved in the opposite direction, our index number showing a decrease of 2 points, while prices in Canada remained nearly the same, falling 1 point.

In the group index numbers it is to be noted that raw materials declined 2 points in both England and Canada, and rose 5 points in the United States. Producers' goods, on the other hand, rose in all three countries, while consumers' goods followed closely the trend of the all-commodities index numbers.

In the United States prices advanced for wool and cotton, coal and coke, and also for lumber, cattle, and pig iron. In England prices of raw materials showed an increase in some of the metals, but wool decreased and lumber remained the same. In Canada the only increases are found in furs, lumber, cattle, copper, and lead.

Among producers' goods there is a rise in leather, yarns, paper, cement, and sugar in the United States and Canada, but in England only cotton yarn and jute show an increase.

In the group of consumers' goods, the general trend of prices in the three countries is entirely dissimilar. The United States index for this group was influenced principally by increases in the prices of fruits, cotton cloth, sugar and butter.



INDEX NUMBER OF WHOLESALE PRICES IN THE UNITED STATES—CONSTRUCTED BY THE FEDERAL RESERVE BOARD FOR THE PURPOSE OF INTERNATIONAL COMPARISONS.¹
 [Average prices in 1913=100.]

Year and month.	Goods produced.	Goods imported.	Goods exported.	Raw materials.	Producers' goods.	Consumers' goods.	All commodities.
1919, average.....	214	174	221	209	198	221	211
1920, average.....	242	191	235	235	237	244	239
1921, average.....	148	108	136	141	142	160	148
1921.							
June.....	140	102	126	133	140	154	142
July.....	143	103	126	134	136	162	145
August.....	144	104	127	133	133	167	146
September.....	144	103	149	138	133	162	146
October.....	143	107	146	140	132	158	145
November.....	142	108	143	141	128	157	145
December.....	140	111	141	140	127	153	142
1922.							
January.....	139	110	139	141	127	150	142
February.....	143	110	142	145	127	155	146
March.....	144	111	144	147	126	157	147
April.....	146	115	144	150	129	156	149
May.....	155	119	155	164	137	160	158
June.....	150	123	165	169	141	164	162

¹ The index number of the Federal Reserve Board has been constructed primarily with a view to international comparisons of wholesale prices. The number has been published monthly since May, 1920, but is computed for the years 1913, 1919, and the first of 1920 as well.

For detailed information regarding the make-up 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, June, 1921, and May, 1922.

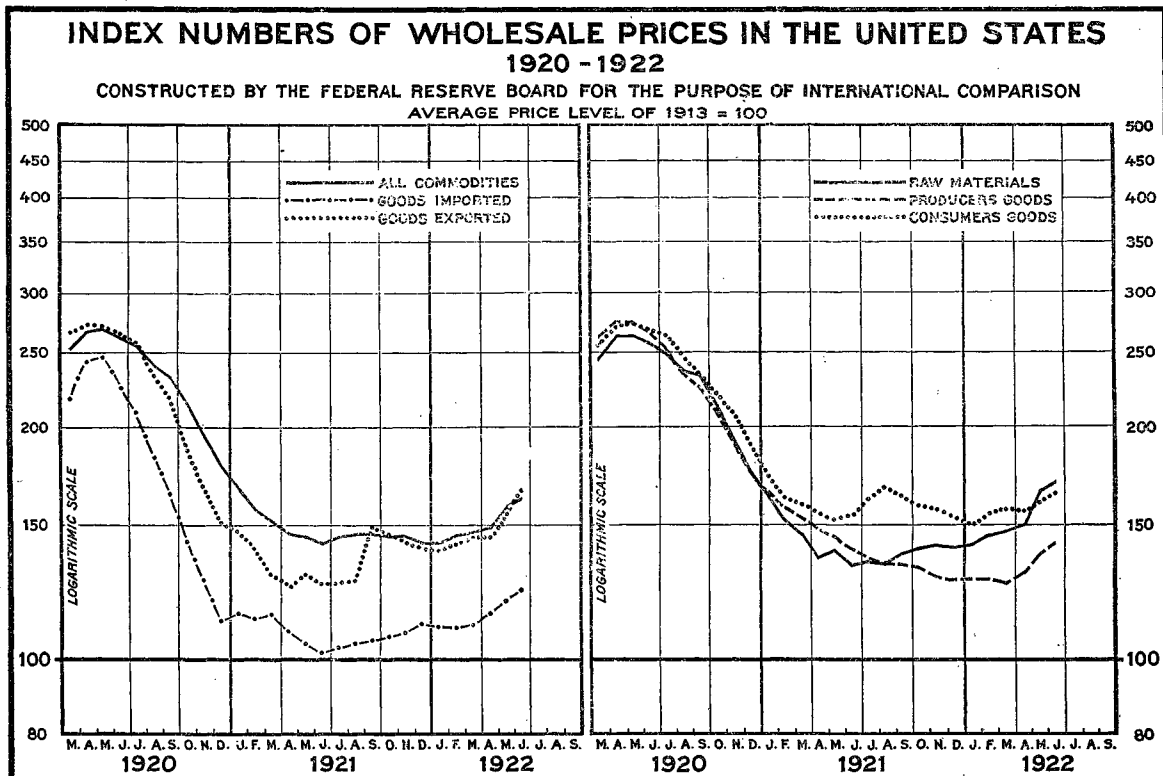
The index of "goods produced" consists of 85 quotations (30 raw materials, 24 producers' and 31 consumers' goods). These include agricultural products (such as grains, live stock, and textiles), minerals, and lumber, among the raw materials; yarns, leather, semifinished steel products, refined oils, chemicals, building materials, etc., among the producers' goods; and potatoes, meats, flour, rice, eggs, dairy products, fruits, cotton and woolen cloths, underwear and hosiery, boots and shoes, and kerosene among the consumers' goods.

The index of "goods imported" consists of 19 quotations (10 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 39 quotations (17 raw materials, 11 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 include 40 quotations, the producers' goods 31, and the consumers' goods 33.

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.



INDEX NUMBERS OF WHOLESALE PRICES IN GREAT BRITAIN—CONSTRUCTED BY THE FEDERAL RESERVE BOARD FOR THE PURPOSE OF INTERNATIONAL COMPARISONS.¹

[Average prices in 1913=100.]

Year and month.	Goods produced.	Goods imported.	Goods exported.	Raw materials.	Producers' goods.	Consumers' goods.	All commodities.	Converted to gold basis.
1919, average.....	238	247	275	226	261	241	241	221
1920, average.....	315	294	438	291	355	292	314	242
1921, average.....	207	171	183	197	178	219	201	159
1921.								
June.....	205	161	179	196	173	213	197	153
July.....	204	164	174	192	165	222	196	146
August.....	202	165	168	193	161	223	195	146
September.....	199	170	171	195	165	212	194	148
October.....	192	163	175	187	166	200	187	149
November.....	182	154	164	177	153	191	177	144
December.....	176	152	158	173	147	186	172	147
1922.								
January.....	174	149	158	171	147	181	170	148
February.....	171	148	151	168	144	181	167	150
March.....	172	147	153	170	142	183	168	151
April.....	171	148	152	167	143	183	167	151
May.....	174	153	155	169	146	191	171	156
June.....	172	154	158	167	147	183	169	154

¹ The British index number is the second of the series of wholesale price indexes to be completed by the Federal Reserve Board for the purpose of international comparisons. It was published for the first time in the FEDERAL RESERVE BULLETIN for February, 1922, but is also computed for the years 1913, 1919, 1920, and 1921.

Detailed information regarding the make-up of the number may be found in the FEDERAL RESERVE BULLETIN for February, 1922, pages 147-153. The entire list of commodities included in the different groups is furnished there with exact specifications and markets indicated. The "weights" assigned to the different commodities in constructing the index numbers are also given in detail.

The commodities which form the basis for the index number are for the most part the same as those used in the Federal Reserve Board index of American prices.

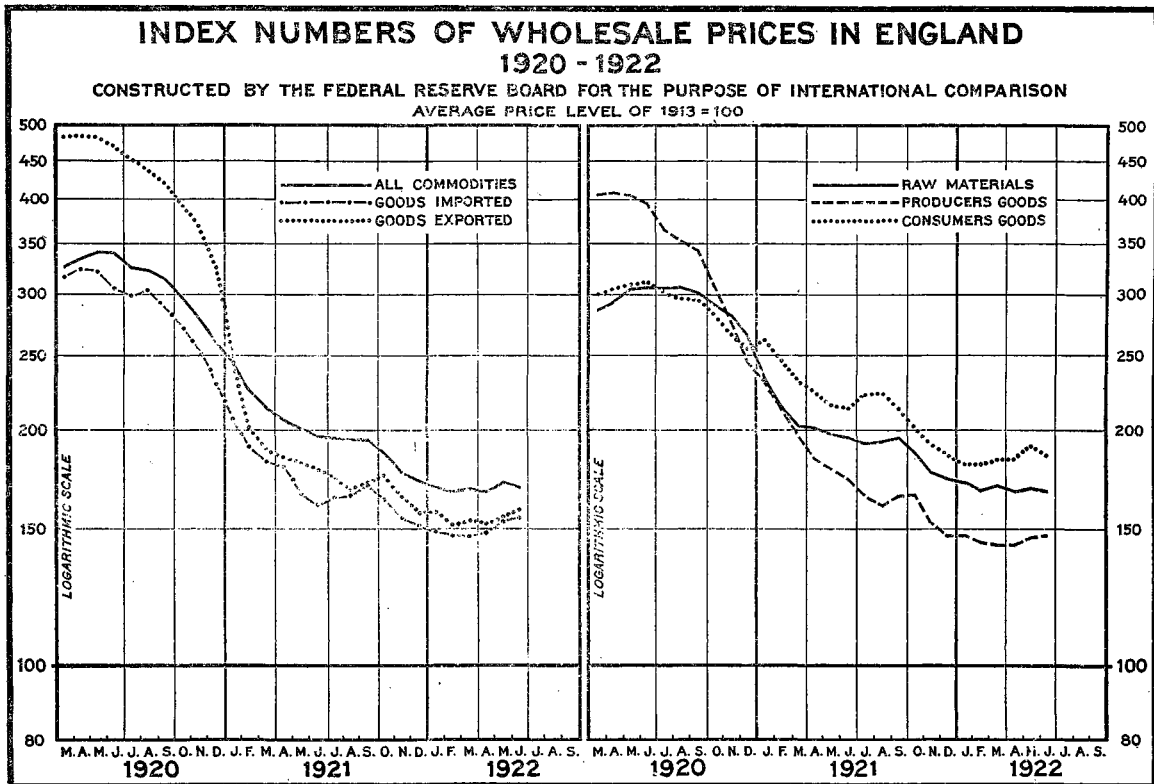
The index of "goods produced" consists of 55 quotations (16 raw materials, 26 producers' and 13 consumers' goods). These include agricultural products (grains, live stock, wool, and hides), pig iron, coal and coke among the raw materials; cotton yarns, woolen yarns and wool tops, semi-finished iron and steel products, building materials, chemicals, leather, etc., among the producers' goods; cotton cloth, boots and shoes, food products, and tobacco among the consumers' goods.

The index of "goods imported" consists of 43 quotations (23 raw materials, 9 producers' and 11 consumers' goods). These include American and Australian wheat, American tobacco, American and Egyptian cotton, Australian wool, Straits tin, American copper, Swedish lumber, etc., among raw materials; West Indian sugar, India jute, Para and plantation rubber, American petroleum products, etc., among the producers' goods; and Argentine beef, American pork products, coffee, tea, kerosene, etc., among the consumers' goods.

The index of "goods exported or reexported" includes cotton, wool, coal, pig iron, etc., among raw materials; cotton and woolen yarns, iron and steel products, rubber, etc., among the producers' goods; and cotton cloth, boots and shoes, coffee, tea, and tobacco among 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 35, and the consumers' goods 24.

The "all commodities" index is obtained by combining the group indexes of domestic and foreign goods. It consists of 98 different quotations. As a general rule quotations have been obtained from trade journals which have well organized price collecting services, or from individual firms. The American consul in London supervises the collection of the prices each month and cables them to the United States about the 7th of the following month. The index number is constructed here and is ordinarily ready for publication by the 10th or 15th of each month.



INDEX NUMBERS OF WHOLESALE PRICES IN CANADA—CONSTRUCTED BY THE FEDERAL RESERVE BOARD FOR THE PURPOSE OF INTERNATIONAL COMPARISONS.¹

[Average prices in 1913=100.]

Year and month.	Goods produced.	Goods imported.	Goods exported.	Raw materials.	Producers' goods.	Consumers' goods.	All commodities.
1919, average.....	224	204	220	197	188	227	207
1920, average.....	249	253	268	235	255	270	250
1921, average.....	168	164	181	155	174	183	167
1921.							
June.....	166	160	190	157	168	176	165
July.....	164	158	185	153	164	177	163
August.....	167	158	188	155	162	182	166
September.....	158	155	175	147	159	174	158
October.....	148	153	149	136	153	166	149
November.....	144	151	138	131	152	164	145
December.....	144	151	137	131	149	164	145
1922.							
January.....	143	151	139	132	147	161	144
February.....	148	150	152	138	147	164	149
March.....	150	150	151	140	146	166	150
April.....	152	151	153	142	146	169	152
May.....	153	157	154	145	147	168	154
June.....	151	162	149	143	150	168	153

¹ A complete description of the Canadian index may be found in the July, 1922, BULLETIN, pp. 801-806.

INDEX NUMBERS OF WHOLESALE PRICES IN THE UNITED STATES FOR PRINCIPAL CLASSES OF COMMODITIES—BUREAU OF LABOR STATISTICS—REGROUPED BY FEDERAL RESERVE BOARD.¹

[Average prices in 1913=100.]

Year and month.	Raw materials.					Producers' goods.	Consumers' goods.	All commodities.
	Agricultural products.	Animal products.	Forest products.	Mineral products.	Total raw materials.			
1920, average ²	256	183	333	235	240	235	252	243
1921, average ²	133	108	208	187	151	140	161	153
1921.								
May.....	131	104	205	188	149	140	153	151
June.....	125	102	204	182	145	137	152	148
July.....	122	109	203	177	145	134	153	148
August.....	123	112	200	175	145	132	162	152
September.....	142	104	194	172	146	133	160	152
October.....	134	105	193	176	145	133	158	150
November.....	129	103	200	178	145	130	157	149
December.....	129	102	208	178	146	130	155	149
1922.								
January.....	129	107	207	177	147	127	151	148
February.....	139	117	207	176	153	127	153	151
March.....	141	118	207	176	153	128	153	152
April.....	143	115	206	181	154	128	151	152
May.....	151	116	203	192	159	132	154	(*)

¹ As the old index number of the Bureau of Labor Statistics (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, 1918, contains a list of the commodities in each group. The weights are the same as those used by the Bureau of Labor Statistics.

² These reclassified averages, with the exception of those for the "all commodities," are based on the 12 monthly, not the weekly, figures for the year, as are the original averages compiled by the Bureau of Labor Statistics.

³ On account of the revision of the Bureau of Labor Statistics index, the old "all commodities" series was discontinued with the April number. The revised index of the Bureau of Labor Statistics is being regrouped by the Federal Reserve Board in the same manner as the old index presented in this table. The board's new regrouping will appear in the next issue of the Bulletin and regularly thereafter.

COMPARATIVE WHOLESALE PRICE LEVELS IN PRINCIPAL COUNTRIES.

ALL-COMMODITIES INDEX NUMBERS.¹

Year and month.	EUROPE.												
	Belgium; Department of Statistics. ² (130)	Bulgaria; General Statistical Bureau.	Denmark; Finans-tidende. ³ (33)	France; General Statistical Bureau. ⁴ (45)	Germany; Frankfurter Zeitung. ⁵ (77)	Germany; Federal Statistical Bureau. ⁶ (38)	Holland; Central Bureau of Statistics. ⁷ (53)	Italy; Professor Bachi. ⁸ (100)	Norway (Christiania); Okonomisk Revne. ⁹ (93)	Poland; Central Statistical Office. (58)	Spain; Institute of Geography and Statistics. ¹⁰ (74)	Sweden; Svensk Handelstidning. ¹¹ (47)	Switzerland; Dr. Lorenz. ¹² (71)
1913.....		100		100		100	100	100		100		100	
1914.....	¹⁴ 100	103	¹⁵ 100	101	¹⁶ 100	106	105	95	¹⁷ 115	¹⁸ 100	101	¹⁹ 100	100
1915.....		137	138	137		142	145	133	159		119		145
1916.....		¹⁹ 268	164	187		153	222	202	233		139		185
1917.....		667	228	262		179	286	299	341		160		244
1918.....		830	293	339		217	392	409	345		204		339
1919.....		1,166	294	357		416	297	364	322		195		330
1920.....		1,940	382	510	1,580	1,486	282	624	377		222		347
1921.....		2,006	250	345	1,862	1,911	181	578	269		190		195
1921.													
June.....		1,680	254	325	1,438	1,366	182	509	294		188	218	185
July.....		1,721	253	330	1,517	1,428	176	520	300		187	211	179
October.....	³³⁸	2,052	202	331	2,067	2,400	169	599	286		185	175	184
November.....	368	2,061	186	332	2,798	3,416	165	595	276		183	174	182
December.....	368	2,155	188	326	3,348	3,487	165	595	269		182	172	178
1922.													
January.....	361	2,172	178	314	3,562	3,665	161	577	260	59,231	179	170	176
February.....	350	2,272	177	306	3,955	4,103	162	562	253	63,445	177	166	171
March.....	347	2,287	182	307	4,876	5,433	162	533	240	73,465	176	164	171
April.....	340	2,514	178	314	6,101	6,355	159	527	236	75,106		165	163
May.....	343	2,695	177	317	6,573	6,458	165	524	231	78,634		164	161
June.....	350	2,436	179	325	6,809	7,030	166	537	230	87,820		164	160
July.....			180	325	7,978				232				161

Year and month.	EUROPE—continued.		NORTH AND SOUTH AMERICA.			ASIA AND OCEANIA.					AFRICA.		
	United Kingdom; Board of Trade. (150)	United Kingdom; Statist. ⁴ (45)	United States; Bureau of Labor Statistics. (104)	Canada; Department of Labor. ¹¹ (272)	Peru; Department of Statistics. ²¹ (58)	Australia; Bureau of Census and Statistics. ⁴ (92)	China (Shanghai); Ministry of Finance. ²² (147)	Dutch East Indies; Statistical Bureau. ³	India (Calcutta); Department of Statistics. ⁶ (75)	Japan (Tokyo); Bank of Japan. ⁶ (56)	New Zealand; Department of Statistics. (106)	Egypt (Cairo); Department of Statistics. (23)	South Africa; Office of Census and Statistics. (187)
1913.....	100	100	100	100	100		²³ 100			100	100		
1914.....		101	98	101	104		²⁴ 100	²⁵ 100	²⁶ 100	96	104	²⁷ 100	1,000
1915.....		126	101	110	120		141		112	97	123		1,174
1916.....		159	127	135	146		132		128	117	134		1,945
1917.....		206	177	177	176		155		147	147	151		1,542
1918.....		226	194	206	212		170		232	180	175		1,679
1919.....		242	206	217	220		180	133	281	198	236		1,808
1920.....	314	291	226	246	238		218	140	226	204	259		2,449
1921.....	292	188	147	182	205		167	145	166	181	200		1,922
1921.													
June.....	202	183	148	179	202	162	148	183	178	192	200	166	
July.....	198	186	148	176	201	159	145	183	183	196	200	164	1,688
October.....	185	163	150	169	203	156	146	175	184	219	195	186	1,553
November.....	176	161	149	168	195	151	144	170	180	214	191	181	
December.....	171	157	149	170	190	148	146	166	180	209	189	170	
1922.													
January.....	168	156	148	168	190	147	149	164	178	206	186	168	
February.....	165	155	151	169	191	147	150	163	179	204	181	169	
March.....	163	157	152	166	190	146	152	164	182	201	180	153	
April.....	163	158	152	166	187	148	150	164	182	197	180	148	1,435
May.....	164	159	148	167	186	155		166	187	194	177	141	
June.....	163	159	150	165		156		144		197	175	139	
July.....								115					

¹ The number of commodities or quotations used in the computation of each index is indicated by figures in parenthesis at head of each column.
² Average of last half of month.
³ First of month.
⁴ End of month.
⁵ Beginning of month—not always the 1st.
⁶ Average for the month.
⁷ Based upon price of 52 commodities during 1920; 53 during 1921.
⁸ 38 commodities prior to 1920; 76 commodities during 1921. Average for the month.
⁹ End of year and end of month.
¹⁰ 15th of the month.
¹¹ Middle of month.
¹² Prices as of the 1st of month.

¹³ July 1, 1913, to June 30, 1914=100.
¹⁴ April, 1914=100.
¹⁵ July 1, 1912, to June 30, 1914=100.
¹⁶ Middle of 1914=100.
¹⁷ Dec. 31, 1913, to June 30, 1914=100.
¹⁸ January, 1914=100.
¹⁹ December figure.
²⁰ Average for month until September, 1921; thereafter prices as of 15th of month.
²¹ As of last Wednesday in month.
²² February, 1913=100.
²³ July, 1914=100.
²⁴ As of Jan. 1.
²⁵ End of July, 1914=100.
²⁶ Jan. 1, 1913, to July 31, 1914=100.

INTERNATIONAL PRICE INDEX NUMBERS—FEDERAL RESERVE BOARD.

Year and month.	In terms of local currencies.			United States.	Converted to gold basis.		
	Canada.	France.	England.		England.	France.	Canada.
1913.....	100	100	100	100	100	100	100
1919.....	207		241	211	221		199
1920.....	250	478	314	239	242	185	223
1921.....	167	321	201	148	159	124	150
1921.							
June.....	165	311	197	142	153	130	147
July.....	163	312	196	145	146	126	144
August.....	166	302	195	146	146	121	150
September.....	158	301	194	146	148	113	141
October.....	149	295	187	145	149	111	136
November.....	145	292	177	145	144	109	133
December.....	145	287	172	142	147	117	135
1922.							
January.....	144	286	170	142	148	121	137
February.....	149	283	167	146	150	128	145
March.....	150	287	168	147	151	134	145
April.....	152	299	167	149	151	143	148
May.....	154	302	171	158	156	143	152
June.....	153		169	162	154		

The foreign index numbers published on the preceding page are constructed by various foreign statistical offices, and are sent to the Federal Reserve Board by cable. The BULLETIN for January, 1920, contains a description of the French, Australian, Japanese, and Canadian indexes. A description of the method used in the construction of the Swedish index number appeared in the BULLETIN for February, 1921; the new Italian index number was discussed 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 of February and March, 1921. The newly revised index of the United States Bureau of Labor Statistics appears in the July, 1922, BULLETIN. The Danish index is weighted roughly according to consumption. The British index number, compiled by the Board of Trade, was described in the March, 1921, BULLETIN. The December, 1921, issue contains a description of the index published by the Federal Statistical Bureau for Germany, and the indexes for Switzerland, Holland, Norway, Bulgaria, Cairo, the Union of South Africa, the Dominion of New Zealand, and Peru. The index numbers for the Dutch East Indies and Belgium were

described in the BULLETIN for March, 1922, while a description of the Polish index may be found in the July, 1922, BULLETIN. Lack of space prevents the publication of group index numbers for these countries, but they can be obtained at any time upon request. In the case of the two American index numbers, 1913 is used as the basis in the original computations. In most 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 certain cases July, 1914, or the year immediately preceding that, is used as the base. Since the figures are for the most part received by cable, the latest are subject to revision.

A description of the international price index numbers of the Federal Reserve Board for the United States, England, and Canada may be found in the BULLETINS for May, 1920, February, 1922, and July, 1922, respectively. The board's index for France is fully described on pages 922-929 of this issue.

Index numbers showing the price levels of separate groups of commodities in some of the more important countries are presented below.

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

Year and month.	Farm products.	Foods.	Cloths and clothing.	Fuel and lighting.	Metals and metal products.	Building materials.	Chemicals and drugs.	House furnishing goods.	Miscellaneous.	All commodities.
1913.....	100	100	100	100	100	100	100	100	100	100
1920.....	218	220	295	241	192	264	200	254	196	226
1921.....	124	144	180	199	129	165	136	195	128	147
1921.										
June.....	114	137	172	191	133	163	133	196	125	142
July.....	119	141	172	186	124	160	129	180	123	141
August.....	123	146	171	184	117	156	129	179	119	142
September.....	124	142	178	181	116	156	151	179	118	141
October.....	124	140	180	189	116	159	131	180	118	142
November.....	121	139	180	197	114	163	129	178	119	141
December.....	120	136	180	199	113	158	127	178	121	140
1922.										
January.....	122	131	176	195	112	157	124	178	117	138
February.....	131	135	174	191	110	156	123	177	117	141
March.....	130	137	172	191	109	155	125	175	117	142
April.....	129	137	171	194	113	156	124	175	116	143
May.....	132	138	175	216	119	160	122	176	116	148
June.....	131	140	179	225	120	167	122	176	114	150

GROUP INDEX NUMBERS—UNITED KINGDOM—BOARD OF TRADE.

[1913=100.]

Year and month.	Cereals.	Meat and fish.	Other foods.	Total food.	Iron and steel.	Other metals and minerals.	Cotton.	Other textiles.	Other articles.	Total not food.	All commodities.
1913 average.....	100	100	100	100	100	100	100	100	100	100	100
1920 average.....	273	263	278	272	406	252	480	362	274	340	314
1921 average.....	195	222	214	210	243	180	193	174	197	198	202
1921.											
June.....	200	218	220	213	240	189	180	162	199	196	202
July.....	202	213	215	210	228	185	180	161	194	192	198
August.....	205	216	210	210	222	172	176	159	189	186	194
September.....	195	200	201	199	207	161	213	163	190	187	191
October.....	170	184	193	183	194	158	225	170	190	186	185
November.....	157	178	195	177	181	153	199	169	183	176	176
December.....	153	181	186	173	172	152	188	167	178	171	171
1922.											
January.....	149	176	182	169	166	149	180	169	174	167	168
February.....	155	178	187	174	162	145	168	164	169	161	165
March.....	159	166	186	171	159	143	172	159	167	159	163
April.....	156	171	186	172	158	143	173	160	164	159	163
May.....	159	174	181	172	158	142	179	166	163	160	164
June.....	154	173	179	169	157	139	187	167	163	160	163

GROUP INDEX NUMBERS—FRANCE—GENERAL STATISTICAL BUREAU.

[1913=100.]

Year and month.	Animal foods.	Vegetable foods.	Sugar, coffee, and cocoa.	Foods (20).	Minerals.	Textiles.	Sundries.	Raw materials (25).	All commodities.
1913 average.....	100	100	100	100	100	100	100	100	100
1920 average.....	503	427	422	459	449	737	524	550	510
1921 average.....	380	330	343	355	275	355	371	338	345
1921.									
July.....	353	364	393	366	253	290	343	301	330
August.....	371	337	352	355	215	321	356	312	331
September.....	373	311	389	352	253	388	370	338	344
October.....	315	305	305	323	262	391	365	338	331
November.....	331	306	324	321	277	388	362	341	332
December.....	324	303	300	313	269	375	364	337	326
1922.									
January.....	309	289	306	302	258	363	350	324	314
February.....	303	288	318	301	242	345	341	311	306
March.....	341	285	326	317	242	326	328	300	307
April.....	362	310	320	335	245	319	324	297	314
May.....	362	310	319	334	249	338	323	303	317
June.....	363	318	334	341	255	372	322	313	325
July.....	359	293	339	330	265	392	326	322	325

GROUP INDEX NUMBERS—ITALY—RICCARDO BACHI.

[1921=100.]

Year and month.	Vegetable foods.	Animal foods.	Chemicals.	Textiles.	Minerals and metals.	Building materials.	Other vegetable products.	Sundries.	All commodities.
1921.....	100	100	100	100	100	100	100	100	100
1922.									
January.....	112	114	73	72	64	92	112	94	92
February.....	109	112	73	68	62	91	111	92	90
March.....	107	97	72	65	59	80	103	87	85
April.....	105	103	70	63	58	82	92	88	84
May.....	106	94	67	66	58	79	96	88	84
June.....	109	97	76	74	57	76	105	87	86

GROUP INDEX NUMBERS—GERMANY—FRANKFURTER ZEITUNG.

[Middle of 1914=100.]

Year and month.	Agricultural products.	Textiles, leather.	Minerals.	Miscellaneous.	All commodities.	Year and month.	Agricultural products.	Textiles, leather.	Minerals.	Miscellaneous.	All commodities.
July, 1914.....	100	100	100	100	100	1922. Beginning of— January..... February..... March..... April..... May..... June..... July.....	3,351 3,551 4,712 5,794 5,829 6,073 7,260	6,427 6,827 7,200 9,147 10,053 10,347 11,920	4,025 4,520 5,650 7,028 7,709 7,771 10,124	2,984 3,393 4,016 4,983 5,934 6,221 6,639	3,562 3,955 4,876 6,101 6,573 6,809 7,978
1920 average.....	1,223	3,107	1,925	1,417	1,580						
1921 average.....	1,678	2,880	2,268	1,672	1,862						
Beginning of—											
August.....	1,867	2,240	1,811	1,525	1,798						
September.....	1,841	2,560	1,935	1,582	1,843						
October.....	1,981	3,200	2,337	1,705	2,067						
November.....	2,766	4,613	3,251	2,057	2,798						
December.....	3,159	6,427	5,635	2,418	3,348						

GROUP INDEX NUMBERS—GERMANY—FEDERAL STATISTICAL BUREAU.

[1913=100.]

Year and month.	Goods produced (16 commodities).	Goods imported (22 commodities).	All commodities (38 commodities).	Year and month.	Goods produced (16 commodities).	Goods imported (22 commodities).	All commodities (38 commodities).
1913 average.....	100	100	100	1922. January..... February..... March..... April..... May..... June.....	3,383 3,763 5,027 5,985 6,026 6,540	5,075 5,800 7,463 8,203 8,617 9,479	3,665 4,103 5,433 6,355 6,458 7,030
1920 average.....	1,253	2,652	1,486				
1921 average.....	1,786	2,533	1,911				
July.....	1,369	1,721	1,428				
August.....	1,913	1,935	1,917				
September.....	1,952	2,643	2,067				
October.....	2,235	3,585	2,460				
November.....	2,967	5,662	3,416				
December.....	3,170	5,071	3,487				

GROUP INDEX NUMBERS—SWEDEN—SVENSK HANDELSTIDNING.

[July 1, 1913-June 30, 1914=100.]

Date.	Vegetable foods.	Animal foods.	Raw materials for agriculture.	Coal.	Metals.	Building materials.	Wood pulp.	Hides and leather.	Textiles.	Oils.	All commodities.
1913-14.....	100	100	100	100	100	100	100	100	100	100	100
1920.....	262	296	312	1,007	278	371	675	215	324	294	347
1921.....	210	220	227	285	159	243	310	107	144	228	211
June.....	237	203	236	371	149	224	286	108	129	207	218
July.....	236	227	216	315	149	199	197	112	133	191	211
August.....	217	230	214	250	130	198	183	107	132	191	198
September.....	183	208	207	223	130	191	178	108	166	191	182
October.....	167	198	200	202	130	211	169	119	161	187	175
November.....	161	196	197	194	133	239	181	108	149	179	174
December.....	156	186	202	197	134	243	189	110	146	179	172
January.....	168	173	202	179	131	228	189	104	144	179	170
February.....	170	159	170	186	130	223	178	97	138	179	166
March.....	173	153	168	170	129	225	167	91	140	179	164
April.....	174	153	169	177	128	229	159	90	140	162	165
May.....	176	154	170	179	124	212	147	86	156	154	164
June.....	174	165	170	155	121	209	144	87	172	154	164

GROUP INDEX NUMBERS—CANADA—DEPARTMENT OF LABOR.¹

[1913=100.]

Year and month.	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.	All commodities.
1913.....	100	100	100	100	100	100	100	100	100	100	100	100	100
1920.....	263	198	204	261	258	303	192	203	245	268	255	204	246
1921.....	150	149	157	172	181	189	110	150	240	211	218	177	182
1921.													
July.....	146	143	133	157	174	179	106	147	236	217	207	175	176
August.....	152	143	142	182	173	181	101	145	237	192	206	176	174
September.....	144	133	141	170	170	183	100	143	235	189	206	171	172
October.....	127	134	149	171	162	185	100	143	234	190	210	169	169
November.....	125	113	158	176	158	179	100	146	232	180	211	165	168
December.....	181	122	170	188	159	176	100	141	232	180	211	166	170
1922.													
January.....	133	129	149	186	155	176	99	142	231	180	206	163	168
February.....	145	140	141	204	155	174	97	141	216	179	204	164	169
March.....	149	138	122	204	158	174	96	137	213	174	206	166	166
April.....	152	143	127	208	157	174	95	135	213	174	206	165	166
May.....	153	144	116	202	154	175	95	136	213	173	221	166	167
June.....	143	144	117	180	153	180	99	137	213	173	221	162	165

¹ Unimportant groups omitted.

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:

INDEX NUMBERS OF RETAIL PRICES AND COST OF LIVING.

[July, 1914=100.]

Year and month.	United States; retail prices. ¹	United Kingdom; cost of living. ²	France (Paris); retail prices. ¹	Sweden; retail prices.	Germany; Federal Statistical Bureau; cost of living. ³	Italy; retail prices. ⁴
1920.....	199	249	371	298	⁵ 813	454
1921.....	150	226	337	237	1,047	548
1921.						
July.....	145	219	306	232	963	501
August.....	152	222	317	234	1,045	534
September.....	150	220	329	228	1,062	542
October.....	150	210	331	218	1,146	581
November.....	149	203	326	211	1,397	583
December.....	147	199	323	202	1,550	585
1922.						
January.....	139	192	319	190	1,640	576
February.....	139	188	307	189	1,989	559
March.....	136	186	294	185	2,302	546
April.....	136	182	304	182	3,175	.....
May.....	136	181	317	178	3,462	.....
June.....	.....	180	307	179	3,779	.....
July.....	.....	184	.....	.....	.....	.....

¹ Average for the month. ² Beginning of month. ³ 1913-14=100. ⁴ 1913=100. ⁵ Average for 11 months.

Three of these index numbers—those for the United Kingdom, France, 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 1913-1914, 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 "weight" applied has 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 cost of living index furnished by the Federal Statistical Bureau is based upon the average for 46 cities and includes food, fuel, light, and rent.

The Italian retail price index for the most important cities, computed by the Italian Ministry of Labor, consists of retail prices of 21 commodities. Of the commodities included, 20 are foods and the other commodity is charcoal.

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

In the following table are presented figures showing the monthly value of the foreign trade of a group of important European countries and Japan.¹

¹ 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, dated 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.

FOREIGN TRADE OF THE UNITED KINGDOM.

[In thousands of pounds sterling.]

Year and month.	Imports.					Exports.					Reexports.
	Food, drink, and tobacco.	Raw materials and articles mainly unmanufactured.	Articles wholly or mainly manufactured.	Miscellaneous, including parcel post.	Total.	Food, drink, and tobacco.	Raw materials and articles mainly unmanufactured.	Articles wholly or mainly manufactured.	Miscellaneous, including parcel post.	Total.	
Monthly average:											
1913.....	24,184	23,485	16,134	259	64,061	2,716	5,825	34,281	949	43,770	9,131
1920.....	63,817	59,196	37,787	254	161,387	4,245	12,126	93,312	1,523	111,206	18,563
1921.....	47,271	22,598	20,421	268	90,557	3,122	5,297	49,055	1,126	58,600	8,921
1921.											
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	990	43,172	9,362
August.....	50,584	19,589	18,194	214	88,581	3,124	7,058	30,936	1,228	51,346	9,998
September.....	48,410	20,465	17,905	338	87,119	3,300	6,997	44,009	942	55,248	8,595
October.....	44,475	21,256	18,691	320	84,742	3,466	7,359	50,328	1,113	62,265	10,386
November.....	41,246	29,946	17,913	151	89,259	3,586	7,046	51,094	1,169	62,895	9,823
December.....	39,063	27,792	18,291	165	85,312	3,187	7,446	47,364	1,378	59,375	9,204
1922.											
January.....	33,972	24,565	17,710	241	75,488	2,861	7,082	51,824	1,429	63,147	8,459
February.....	32,257	20,220	16,576	322	69,375	2,754	6,869	48,000	712	58,335	10,174
March.....	45,261	22,095	20,309	215	87,879	3,270	8,465	51,760	1,085	64,581	10,154
April.....	40,097	21,404	18,962	199	80,661	3,011	7,376	44,336	785	55,508	9,200
May.....	43,075	25,358	20,207	176	88,814	3,045	8,757	45,073	1,171	58,015	8,965
June.....	39,936	25,242	18,557	264	84,298	3,044	7,671	40,555	875	52,146	8,720

FOREIGN TRADE OF FRANCE.¹

Year and month.	Imports.					Exports.					In thousands of metric tons.
	In thousands of francs.				In thousands of metric tons.	In thousands of francs.					
	Food.	Raw materials.	Manufactured articles.	Total.		Food.	Raw materials.	Manufactured articles.	Parcel post.	Total.	
Monthly average:											
1913 ²	151,465	412,144	138,169	701,778	3,685	69,908	154,841	301,420	47,182	573,351	1,840
1920 ⁴	989,576	2,096,379	1,072,787	4,158,741	4,211	217,733	509,485	1,413,548	100,479	2,241,245	1,071
1921 ³	517,158	1,033,170	412,045	1,962,373	3,165	161,031	463,219	1,067,413	104,430	1,796,092	1,333
1921.											
June.....	490,615	871,374	361,545	1,723,534	2,047	148,237	540,722	977,129	84,376	1,750,464	1,405
July.....	434,001	704,069	331,047	1,469,117	2,164	123,303	439,534	925,868	74,350	1,563,055	1,194
August.....	555,545	855,697	320,052	1,731,294	2,593	112,654	445,312	1,084,193	82,933	1,725,092	1,035
September.....	691,972	1,204,213	329,494	2,225,679	3,993	146,467	444,891	1,087,443	95,852	1,774,653	1,172
October.....	717,091	1,191,860	318,000	2,226,951	2,809	132,424	482,376	1,041,594	103,078	1,769,472	1,252
November.....	564,012	1,443,125	323,593	2,330,730	5,161	157,180	478,875	992,256	120,343	1,745,654	1,515
December.....	754,671	1,856,148	543,445	3,154,264	5,197	259,605	549,495	1,193,161	180,059	2,182,320	2,507
1922.⁵											
January.....	352,572	887,253	247,827	1,487,652	3,306	121,526	458,460	994,852	63,903	1,638,741	1,554
February.....	385,021	1,137,855	324,150	1,847,026	4,126	153,892	448,455	1,106,507	144,458	1,853,312	1,520
March.....	460,785	1,005,463	465,737	1,931,965	4,434	130,505	456,930	1,189,712	99,431	1,876,668	1,570
April.....	438,000	983,000	323,000	1,744,000	3,787	136,000	461,000	1,231,000	134,000	1,962,997	1,794
May.....	504,000	996,000	310,000	1,810,000	4,306	132,000	498,000	1,127,000	111,000	1,880,964	1,538

¹ Not including gold, silver, or the reexport trade. Latest figures subject to revision.

² Calculated in 1913 value units.

³ Calculated in 1919 value units. French foreign trade figures are originally recorded in quantity units, 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.

⁴ Calculated in 1920 value units.

⁵ Exports calculated in 1919 value units. Imports calculated on basis of actual declared values.

FOREIGN TRADE OF ITALY, SWEDEN, NORWAY, AND JAPAN.¹

Year and month.	Italy. (In millions of lire.)		Sweden. (In millions of kronor.)		Norway. (In millions of kroner.) ⁴		Japan. (In millions of yen.)	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
Monthly average:								
1913.....	304	210	71	68	46	33	61	53
1920.....	² 1,322	² 650	281	191	253	104	195	162
1921.....			106	91	128	63	135	104
1921.								
June.....			93	69	104	36	148	107
July.....	³ 557	³ 441	98	94	134	61	110	99
August.....	³ 981	³ 587	103	113	148	72	132	106
September.....	³ 962	³ 659	126	105	176	82	129	96
October.....	³ 1,101	³ 683	101	99	153	82	130	112
November.....	³ 1,125	³ 718	95	103	146	65	152	121
December.....	³ 1,521	³ 856	112	108	129	82	161	146
1922.								
January.....	1,309	620	77	61			179	87
February.....	1,056	716	49	38			198	101
March.....	1,169	719	109	71			208	115
April.....	1,313	691	102	60			185	129
May.....			97	90			169	154
June.....							157	146

¹ Subject to revision. ² Based on 1919 values. ³ Based on actual current prices. ⁴ Estimates of Farmand.

FOREIGN TRADE OF GERMANY.¹

Year and month.	Imports. ²				Exports. ³	
	Gold and silver (in thousands of marks).	Merchandise.		Gold and silver (in thousands of marks).	Merchandise.	
		In millions of marks.	In thousands of metric tons.		In millions of marks.	In thousands of metric tons.
Monthly average:						
1913.....	36,553	890	6,073	8,450	841	6,141
1920.....			1,570	17,773	5,776	1,651
1921 ⁴	17,756	9,910	2,194	34,901	8,295	1,715
1921.						
June.....	154	6,409	1,824	30,081	5,438	1,509
July.....	8,376	7,572	1,925	37,567	6,175	1,553
August.....	35,765	9,382	2,111	13,514	6,670	1,828
September.....	26,674	10,642	2,533	26,832	7,492	1,871
October.....	60,693	13,814	3,005	30,013	9,681	1,973
November.....	5,312	12,273	2,535	44,073	11,886	1,908
December.....	4,922	13,702	2,086	86,227	14,468	1,930
1922.						
January.....	132,336	12,641	2,309	134,054	14,394	2,027
February.....	46,409	12,001	1,475	57,425	14,482	1,747
March.....	7,566	22,919	2,645	46,898	21,285	2,153
April.....	12,315	28,266	2,889	51,451	22,955	2,760
May.....	31,747	32,412	3,810	75,844	27,076	2,093
June.....		34,364	4,030		30,232	1,880

¹ Latest figures subject to revision.
² Not including philanthropic gifts.
³ Not including deliveries on reparations account.
⁴ Average for 8 months. Figures covering first 4 months of 1921 are not available.

INDEXES OF INDUSTRIAL ACTIVITY.

ENGLAND.

Year and month.	Production (long tons, 000 omitted).					Raw cotton visible supply (thousands of bales). ⁴	Ship tonnage under construction (gross tons).	Railways net ton miles (000,000 omitted).	Exports.			Per cent of unemployed among approximately 12,000,000 insured persons.
	Coal.	Pig iron.	Steel ingots and castings.	Finished steel.	Iron and steel manufactures (long tons, 000 omitted).				Cotton manufactures (sq. yds., 000,000 omitted).	Coal (long tons, 000 omitted).		
Monthly average:												
1913.....	23,953	855	639			1,397	12,002,699	414	596	6,117		
1920.....	19,108	670	756	646		1,397	3,603,131	271	374	2,078		
1921.....	13,696	218	302	238		1,234	3,312,983	1,108	142	244	2,055	
1921.												
June.....		1	3	185		1,379	3,530,047	520	65	151	8	17.8
July.....	² 15,215	10	117	137		1,310		1,088	64	179	816	14.8
August.....	16,589	94	434	321		1,194		1,311	77	214	3,103	13.2
September.....	16,517	158	429	322		1,080	³ 3,282,972	1,297	133	268	3,407	12.2
October.....	² 21,090	236	405	304		1,123		1,325	156	345	3,466	12.8
November.....	17,875	272	444	330		1,216		1,368	194	366	3,594	15.7
December.....	² 22,594	275	381	292		1,271	³ 2,640,319	1,306	205	333	4,309	16.2
1922.												
January.....	17,693	288	328	271		1,298			253	342	4,021	16.0
February.....	19,764	300	415	321		1,240			224	254	4,014	15.2
March.....	19,921	390	549	369		1,112	² 2,235,998		296	307	5,201	14.6
April.....	² 22,875	394	404	292		1,181			258	305	4,097	14.4
May.....	19,146	408	462			1,143			272	345	5,057	13.5
June.....	15,827	369	400				1,919,504					12.7

¹ Average of 4 quarterly estimates.² Five weeks.³ Work suspended on all but 2,094,000 tons.⁴ End of month.⁵ Work suspended on all but 1,918,319 tons.⁶ Yards.⁷ Work suspended on all but 1,619,000 tons.FRANCE.¹

Year and month.	Pig iron production.	Crude steel production.	Coal imported for consumption.	Raw cotton imported for consumption.	Cotton stocks at Havre. ²	Raw silk imported for consumption.	Total imports.	Total exports.	Receipts of the principal French railways. ³	Number of unemployed receiving municipal aid in Paris. ⁴
	Thousands of metric tons.			Metric tons.	Thousands of bales of 50 kilograms.	Metric tons.	Thousands of metric tons.	Thousands of metric tons.	Thousands of francs.	
Monthly average:										
1913.....	⁴ 434	⁴ 391	1,558	27,428	274	629	3,685	1,840	⁵ 165,892	
1920.....	286	254	2,005	19,577	225	390	4,211	1,071	479,894	3,022
1921.....	280	255	1,472	16,666	169	206	3,165	1,333	516,397	20,671
1921.										
June.....	285	245	608	14,013	136	174	2,047	1,405		
July.....	267	223	660	6,539	131	51	2,164	1,194		10,616
August.....	255	232	1,065	10,700	132	202	2,593	1,035		9,706
September.....	244	236	1,874	11,769	131	261	3,993	1,172		7,486
October.....	256	260	1,301	25,767	181	385	2,809	1,252		5,348
November.....	295	277	3,291	29,059	192	277	5,161	1,515		3,730
December.....	301	302	2,895	30,835	208	382	5,197	2,507		4,175
1922.										
January.....	312	315	1,676	14,870	188	502	3,396	1,554	454,323	4,658
February.....	323	317	2,153	14,714	163	467	4,126	1,520	468,175	4,385
March.....	386	367	2,081	20,978	127	408	4,434	1,570	472,779	3,546
April.....	383	324	1,538	17,391	138	207	3,787	1,794	608,764	2,447
May.....	442	364	2,058	18,090	169	304	4,396	1,538	472,607	1,636
June.....					145					958

¹ Latest figures subject to revision.² End of month.³ Railways included are: State railways, Paris-Lyon-Mediterranee, Nord, Orleans, Est, Midi, Alsace-Lorraine, and Guillaume-Luxembourg Railways.⁴ Does not include Lorraine.⁵ Excludes the Alsace-Lorraine and Guillaume-Luxembourg Railways.

GERMANY.

Year and month.	Production (000's of metric tons).		Imports (metric tons). ¹				Exports (metric tons). ¹				Ship arrivals in Hamburg.		Unemployment.	
	Coal and coke.	Lignite.	Raw wool.	Half manufac-tured silk.	Iron ore. ²	Cot-ton. ³	Iron and iron manufac-tures.	Machin-ery and electri-cal sup-plices.	Dyes and dye stuffs.	Coal. ⁴	Number of ships.	Ton-nage (net regis-tered tons) (000 omit-ted).	Number of appli-cants for every 100 avail-able posi-tions.	Number of unem-ployed persons receiv-ing State aid (000 omit-ted).
Monthly average:														
1913.....	17,003	7,266	16,608	920	1,224,951	43,424	541,439	60,919	21,812	2,881,126	1,256	1,182		
1920.....	13,043	9,303	4,025	232	537,535	12,490	145,883	46,772	8,402	608,749	401	371	169	366
1921.....	13,664	10,241	11,860	393	619,194	30,894	203,681	39,037	8,530	518,937	700	794	165	310
1921.														
June.....	12,518	10,055	8,529	288	462,741	25,025	162,297	43,455	6,877	355,582	612	588	169	357
July.....	12,949	10,065	10,815	354	493,434	35,176	177,773	51,416	7,353	453,173	800	888	151	314
August.....	13,974	10,606	14,725	328	356,397	52,433	240,071	37,456	9,618	613,730	942	955	142	267
September.....	13,885	10,359	17,688	447	564,827	28,766	225,331	34,615	10,156	640,158	957	1,018	132	232
October.....	14,373	10,567	12,506	774	919,822	29,739	246,115	33,067	10,255	576,048	915	1,047	128	186
November.....	14,052	10,479	12,628	346	937,268	27,242	233,204	35,697	9,953	569,657	838	881	136	150
December.....	14,343	11,029	10,984	388	790,811	28,313	214,812	46,397	9,212	640,877	503	873	148	149
1922.														
January.....	14,640	10,978	10,400	317	941,972	23,426	221,743	39,470	9,552	752,340	745	875	150	165
February.....	13,655	10,091	26,202	383	492,705	17,915	172,709	45,689	9,332	669,433	461	716	145	200
March.....	15,931	12,260	26,988	440	809,722	26,130	211,979	48,813	12,299	793,200	894	969	113	209
April.....	13,800	10,634	24,091	462	865,778	24,070	200,677	46,112	11,095	795,940				
May.....	14,666	11,440	25,619	486	1,319,365	26,112	209,432	47,354	12,629	701,941				
June.....	9,037										1,092	1,287		

¹ Import and export figures for first 4 months of 1921 not available; 1921 averages based on 8 months.

² Includes manganese ore.

³ Includes linters.

⁴ Not including coal for reparations account.

⁵ Average base on 6 months.

⁶ Coal, excluding coke.

SWEDEN.

Year and month.	Exports.		Imports, coal (000's of metric tons).	Shipping.		Railway traffic, volume of freight carried on State railways (000's metric tons).	Production (000's of metric tons).		Blast furnaces in operation (per cent of total).	Unem-ployment, number of workmen per 100 vacan-cies.
	Unplaned boards (000's of cubic meters).	Paper pulp (000's of metric tons).		Net tonnage of loaded vessels in foreign trade (000 omitted).			Pig iron.	Iron and steel ingots.		
				Entered.	Cleared.					
Monthly average:										
1913.....	328	71	408	1,147	1,147	830	61	49	112	
1920.....	306	73	234	677	692	991	39	37	107	
1921.....	162	40	122	519	482	589	26	17	276	
1921.										
May.....	44	18	6	463	431	423		17		
July.....	119	41	20	455	487	503	19	16	14.9	
August.....	205	66	148	592	536	575	17	15	15.7	
September.....	325	49	279	609	536	566	16	16	16.4	
October.....	370	54	219	670	595	691	16	16	15.7	
November.....	361	99	192	601	578	721	18	22	384	
December.....	356	104	246	575	582	558	19	17	16.5	
1922.										
January.....	87	28	114	442	409	485	18	13	482	
February.....	25	11	62	285	255	630	17	17	479	
March.....	63	36	197	617	509	730	22	22	381	
April.....	66	21	206	524	485	622				
May.....	99	76	230							

FOREIGN TRADE INDEX.

There are presented below the usual indexes designed to reflect the movements in foreign trade of the United States, with the 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.¹

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 (5 commodities).	Total (27 commodities).
1913, year..	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1919, year..	88.9	155.1	183.6	115.3	157.5	192.9	147.5	168.4
1920, year..	92.2	158.7	133.6	107.5	135.8	227.5	138.8	168.8
1921, year..	103.1	116.9	124.1	108.9	113.6	162.8	141.4	135.6
1921.								
January....	105.2	208.6	126.2	120.2	74.5	130.9	123.9	102.6
February....	91.0	162.4	119.4	101.1	118.2	143.7	135.4	130.1
March.....	78.0	135.1	120.2	92.7	160.6	177.2	178.9	169.5
April.....	76.5	132.5	116.4	90.5	153.3	177.6	185.1	167.1
May.....	97.6	96.4	110.8	100.3	98.7	150.0	162.1	127.2
June.....	107.9	94.2	132.2	111.5	94.5	152.3	130.4	120.8
July.....	111.6	78.6	133.8	112.9	99.3	126.6	121.4	112.6
August.....	142.7	99.6	160.7	142.1	116.8	165.1	129.3	136.0
September..	115.7	89.7	142.3	118.6	102.8	137.7	99.3	114.6
October....	121.7	107.0	113.2	118.4	96.1	173.5	116.5	126.9
November..	95.1	100.2	106.2	98.1	115.1	199.4	149.2	150.6
December..	93.8	96.0	107.8	96.9	133.0	219.1	164.8	168.7
1922.								
January....	82.6	104.3	129.7	94.5	118.4	228.7	135.2	160.1
February....	68.5	86.0	127.6	82.6	123.3	281.3	133.5	183.4
March.....	89.8	121.7	156.5	106.9	148.1	306.8	161.1	206.5
April.....	90.5	120.9	150.5	106.0	125.5	236.1	152.0	169.1
May.....	78.3	128.8	155.4	99.4	144.6	227.9	168.0	177.9
June.....	86.3	124.3	160.2	107.4	148.7	273.3	137.3	191.0

The volume of exports during June not only recovered the loss sustained last month but reached the highest point since October. The largest relative increase was in consumers' goods, exports of which were greater than during any month since May, 1920. With the exception of wheat flour and boots and shoes, every commodity in this group showed increased exports as compared with last month. Exports of hams and shoulders were the largest since August, 1919, with the exception of August, 1921, and sugar exports were the largest on record. Exports of raw materials, which registered an increase of 10.3 per cent over last month, are still below the figure for May. The

¹ The list includes 27 of the most important imports the value of which in 1913 formed 49.3 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. The classification of 11 additional commodities of imports was given in the April, 1921, BULLETIN, and 2 additional commodities in the November, 1921, BULLETIN. Exports of gasoline have been altered to include naphtha.

most important increase was in exports of wheat, which were the largest on record. Exports of other grains, cotton, copper, and bituminous coal also showed increases as compared with last month, and exports of leaf tobacco suffered the most important decline. There was a slight decrease in exports of producers' goods, resulting from decreases in exports of sole leather, structural iron and steel, steel plates, cottonseed oil, fuel and gas, oil and gasoline. Exports of steel rails registered the only important increase in the group.

The volume of imports continued to increase during June, and with the exception of last April reached the highest point since June, 1920. Substantial gains were recorded in imports of raw materials and producers' goods, but consumers' goods, the least important group, showed a marked decline. The increase in imports of raw materials resulted from increases in imports of copper, tin, hides and skins, silk, and lumber, in the face of very substantial decreases in imports of tobacco and wool. Imports of hides and skins and lumber were the largest since July and August, 1920, respectively. In the group of producers' goods, India rubber, cane sugar, and burlap, the most important items, showed the largest gains. The only losses were in the imports of quebracho, nitrate of soda, and manila hemp. The decrease in imports of consumers' goods was due to losses in four of the five commodities included, ranging from 4.7 per cent in tea imports to 33.7 per cent in imports of cocoa. Imports of bananas alone showed an increase.

SAVINGS DEPOSITS.

Savings deposits of 852 banks on July 1, 1922, are compared with deposits for the same banks on June 1, 1922, and July 1, 1921, in the following table. The figures for districts No. 1 and No. 2 are exclusively those of large mutual savings banks, but in all other districts reports of other banks are included to make the figures thoroughly representative. In all districts where reporting commercial banks subdivide their time deposits, statistics of savings deposits subject to notice (excluding time certificates of deposit) are used. This is in accordance with the definition given in the board's regulation D, series of 1920.

During June the volume of savings deposits increased in all Federal reserve districts. The most important increases during the month were 2.9 per cent in district No. 12 (San Francisco) and 3.0 per cent in district No. 5 (Richmond).

District.	Number of banks.	July 1, 1922.	June 1, 1922.	July 1, 1921.
No. 1.....	64	\$1,097,919,000	\$1,091,620,000	\$1,067,743,000
No. 2.....	30	1,738,814,000	1,701,562,000	1,672,087,000
No. 3.....	80	424,063,000	423,582,000	414,354,000
No. 4.....	18	381,994,000	377,299,000	392,492,000
No. 5.....	93	276,648,000	268,659,000	243,289,000
No. 6.....	78	154,099,000	150,698,000	150,251,000
No. 7.....	¹ 189	751,070,000	737,848,000	753,315,000
No. 8.....	35	115,556,000	114,341,000	106,343,000
No. 9.....	14	71,300,000	70,825,000	69,880,000
No. 10.....	60	81,769,000	80,379,000	75,614,000
No. 11.....	116	72,576,000	70,946,000	66,619,000
No. 12.....	75	768,704,000	747,296,000	726,318,000
Total.....	852	5,934,512,000	5,835,055,000	5,738,305,000

¹ Two banks previously included have been merged into one.

INDEX OF OCEAN FREIGHT RATES.

The accompanying table shows the monthly fluctuations in ocean freight rates prevailing between United States Atlantic ports and the principal European trade regions. The figures are derived from the actual rates quoted on the following commodities: Grain, provisions, cotton, cottonseed oil, and sack flour. For the methods used in construction the index see the August, 1921, BULLETIN, pages 931-934.

RELATIVE OCEAN FREIGHT RATES IN UNITED STATES AND EUROPE TRADE.

[January, 1920, rates=100.]

Month.	United States Atlantic ports to—					
	United Kingdom.	French Atlantic.	Netherlands and Belgium.	Scandinavia.	Mediterranean.	All Europe.
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
July.....	42.5	33.2	37.0	29.0	34.7	36.8
August.....	42.9	33.4	36.7	28.4	34.3	36.7
September.....	41.8	32.7	35.8	28.2	33.6	36.0
October.....	37.0	28.5	30.7	26.7	33.3	32.3
November.....	38.5	25.0	25.2	24.0	32.9	28.8
December.....	32.4	22.7	22.9	23.3	32.3	27.2
1922.						
January.....	31.7	22.7	23.3	23.4	32.2	27.1
February.....	34.7	25.7	25.2	23.3	31.8	29.1
March.....	33.1	26.5	24.9	23.4	30.1	28.3
April.....	27.3	24.8	22.7	24.0	27.1	25.4
May.....	27.9	25.5	22.8	23.4	27.4	25.7
June.....	27.5	26.1	23.0	23.4	27.4	25.7
July.....	28.8	25.9	22.6	23.0	26.4	25.9

As the foregoing table indicates, changes in ocean freight rates during July were comparatively small. In most trades the tendency was toward slightly lower levels, but grain rates from American ports to the United Kingdom advanced somewhat toward the end of July, counterbalancing the declines registered

in other trades and leaving the all-Europe index practically unchanged from the level of the previous month. Pronounced activity was displayed in the charter market for steamers to carry coal from British ports to the United States. A very considerable number of vessels were chartered for such business, and charter rates on coal advanced materially as a result of the active demand for shipping space.

REPORT OF KNIT GOODS MANUFACTURERS OF AMERICA.

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

	Number of mills reporting.	Actual production (dozens).	Per cent of normal.
December.....	49	519,231	67.0
1922.			
January.....	55	642,490	68.4
February.....	53	663,346	72.0
March.....	54	756,249	74.3
April.....	53	522,035	73.0
May.....	47	518,150	74.2
June.....	47	564,893	72.2
Winter underwear (June).....	38	345,605	72.4
Summer underwear (June).....	25	219,288	71.9

Order and production report for month ended June 30, 1922, follows. The number of mills producing was 38.

	Dozens.	Per cent of normal.
Unfilled orders first of month.....	808,500	
New orders received during month.....	413,254	77.9
Total (A).....	1,221,754	
Shipments during month.....	352,604	66.5
Cancellations during month.....	10,218	1.9
Total (B).....	362,912	
Balance orders on hand July 1 (A minus B).....	858,842	
Production.....	426,845	80.5

Twenty-six representative mills which reported for May and June, 1922, furnish the data for the following table:

[In dozens.]

	May (26 mills).	June (26 mills).	Gain.	Loss.
Unfilled orders end of month.....	692,265	646,306		45,959
New orders.....	435,296	386,369		48,927
Shipments.....	261,291	315,815	54,524	
Cancellations.....	11,032	9,834		1,198
Production.....	369,409	372,969	3,560	

PRODUCTION AND SHIPMENTS OF FINISHED COTTON FABRICS.¹

	May, 1922.				June, 1922.			
	White goods.	Dyed goods.	Printed goods.	Total.	White goods.	Dyed goods.	Printed goods.	Total.
Total finished yards billed during month:								
District 1.....	12,193,986	22,141,927	9,098,392	47,999,916	13,937,588	22,599,446	10,200,643	53,727,846
2.....	5,551,175	2,236,646	3,523,557	18,849,771	4,999,045	2,344,550	4,197,156	19,885,144
3.....	7,458,408	5,853,521	.....	13,311,929	7,793,552	6,528,034	.....	14,321,586
5.....	7,336,431	89,157	.....	7,425,588	8,239,917	64,820	.....	8,304,737
6.....	1,492,083	1,753,654	.....	3,245,737	788,244	1,128,238	.....	1,916,482
8.....	.....	.....	.....	1,421,932	.....	.....	.....	1,768,298
Total.....	34,037,083	32,074,905	12,621,949	92,254,873	35,758,346	32,665,088	14,457,799	99,874,093
Total average per cent of capacity operated:								
District 1.....	60	71	52	60	65	79	62	67
2.....	63	52	47	68	48	62	56	60
3.....	99	73	.....	86	97	72	.....	84
5.....	75	.....	.....	75	68	.....	.....	68
6.....	96	.....	.....	111	0	.....	.....	45
8.....	.....	.....	.....	62	.....	.....	.....	75
Average for all districts.....	70	68	51	67	66	75	61	67
Total gray yardage of finishing orders received:								
District 1.....	14,290,521	22,585,536	9,346,662	51,696,875	15,667,611	23,036,942	11,016,873	57,381,660
2.....	7,071,043	4,943,311	5,724,508	22,466,873	6,910,760	3,592,237	5,073,582	19,026,664
3.....	7,998,093	5,840,979	.....	13,839,072	8,078,178	6,895,391	.....	14,973,560
5.....	9,240,976	153,383	.....	9,394,359	6,905,446	58,076	.....	6,963,522
6.....	172,890	1,550,497	.....	1,723,387	116,646	1,493,820	.....	1,610,466
8.....	.....	.....	.....	1,721,442	.....	.....	.....	2,811,679
Total.....	38,773,523	35,073,706	15,071,170	100,842,008	37,678,641	35,076,466	16,090,455	102,767,560
Number of cases of finished goods shipped to customers (case equals approximately 3,000 yards):								
District 1.....	6,032	6,617	2,703	27,126	6,277	7,347	2,972	28,162
2.....	3,090	598	.....	11,416	2,691	501	.....	8,820
3.....	4,594	2,216	.....	6,810	4,664	2,219	.....	6,873
5.....	1,967	.....	.....	4,215	1,976	.....	.....	4,306
6.....	000	.....	.....	000	000	.....	.....	000
8.....	.....	.....	.....	292	.....	.....	.....	326
Total.....	15,683	9,431	2,703	49,859	15,608	10,067	2,972	48,487
Number of cases of finished goods held in storage at end of month:								
District 1.....	5,100	6,047	1,953	24,437	4,768	5,767	2,790	24,667
2.....	4,573	1,021	.....	12,615	4,735	1,051	.....	11,409
3.....	360	393	.....	5,940	243	402	.....	6,338
5.....	263	.....	.....	1,755	316	.....	.....	1,857
6.....	000	.....	.....	900	000	.....	.....	315
8.....	.....	.....	.....	168	.....	.....	.....	206
Total.....	10,296	7,461	1,953	45,815	10,062	7,220	2,790	44,792
Total average work ahead at end of month (expressed in days):								
District 1.....	4.0	10.0	13.0	8.3	4.8	11.0	14.0	9.2
2.....	11.0	10.0	11.0	8.1	17.0	5.5	8.3	8.4
3.....	10.0	7.9	.....	9.1	11.0	11.0	.....	11.0
5.....	16.0	.....	.....	16.0	6.8	.....	.....	6.8
6.....	.0	.....	.....	20.0	.0	.....	.....	26.0
8.....	.....	.....	.....	4.4	.....	.....	.....	12.0
Average for all districts.....	8.6	9.8	12.0	9.1	8.1	10.0	13.0	9.4

¹ The National Association of Finishers of Cotton Fabrics at the request of the Federal Reserve Board have 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 35 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.

PHYSICAL VOLUME OF TRADE.

The business indexes for June showed little change. The comparative stability was due to a balancing of increased demand by increased impediments to production, which resulted from a shortage of fuel and transportation facilities.

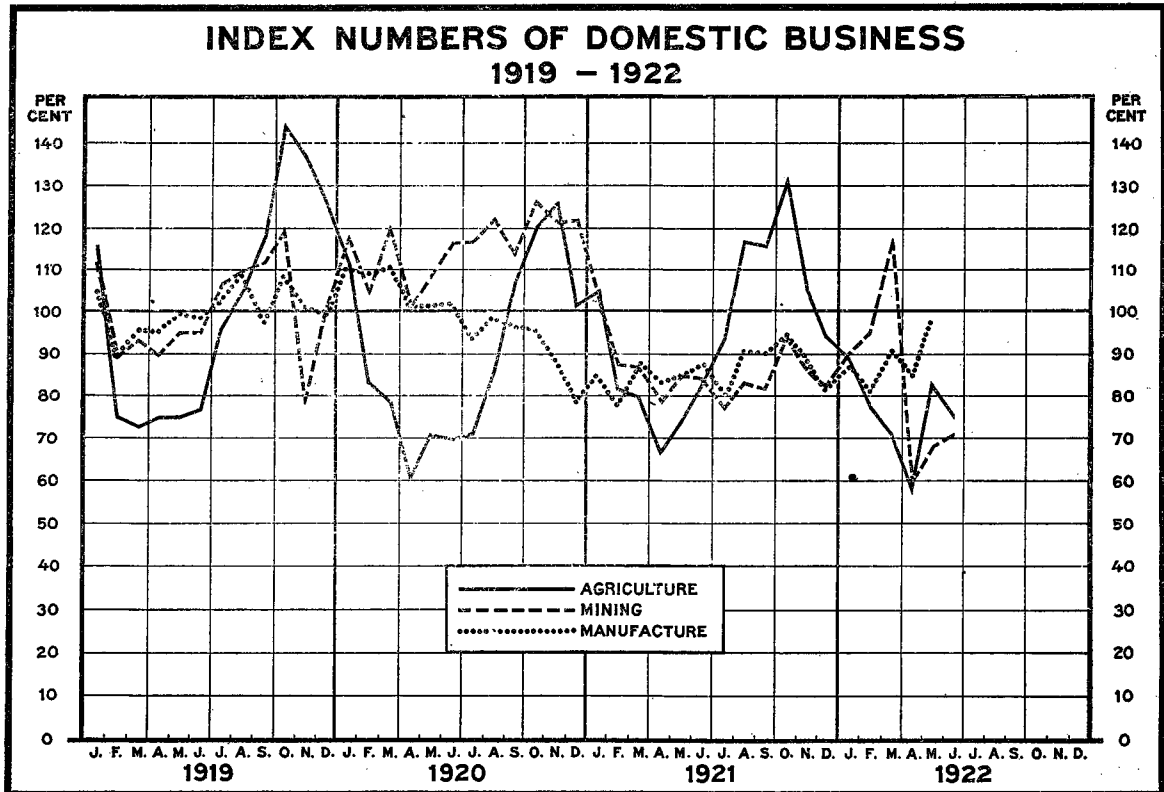
With the exception of corn, the receipts of all grains at 17 interior markets experienced a drop in June as compared with the unusually high figures for May. Receipts of flour for June were only slightly different from the May figure, but showed a total which was 152 per cent in excess of the receipts for June, 1921. Receipts of live stock at 59 markets and shipments at 54 markets showed a small decrease as compared to last month's figure, but were higher than for June, 1921. Receipts of butter and cheese at five principal markets showed higher figures than in any month for several years, and amounted to 93,139,000 pounds of butter and 22,756,000 pounds of cheese.

The anthracite production for June was 84,000 tons, which was more than double the May output but only about 1 per cent of the usual production. Output of bituminous coal for June, while 2,000,000 tons above the May figure, was only 65 per cent of the production

for June of last year. Beehive coke production increased moderately during June compared with the May figure, and showed an output twice as large as that for June, 1921. Total crude petroleum production showed little change, but 151 more producing wells were completed than in May.

Production of pig iron showed a small increase in spite of fuel difficulties, reaching a total of 2,361,028 tons, which was larger than any month since January, 1921; 2,634,477 tons of steel ingots were produced in June, a figure somewhat less than that for May, but larger than for any other month since October, 1920. Unfilled orders of the United States Steel Corporation were approximately 300,000 tons in excess of the May figure and larger than in any month since April, 1920. All nonferrous metals showed further increases in production and zinc was at its highest point since the close of 1920. The production of both passenger automobiles and trucks was greater in June than in May. A total of 114 locomotives were completed in June as compared to 80 for May. Cotton consumption increased during June and reached a higher total than in any month this year except April.

Shipments of ore again this month were responsible for practically the whole increase in car loading figures.



INDEXES OF DOMESTIC BUSINESS.

[Monthly average of 1919=100.]

AGRICULTURAL MOVEMENTS.

Date.	Total agriculture, ¹	Total animals.	Total grains.	Cotton.	Fruit.	Leaf-tobacco.
January	105.0	96.5	97.9	110.8	94.6	195.7
February	81.1	73.9	66.7	77.1	95.5	297.4
March	79.4	76.4	77.5	57.8	137.4	181.1
April	66.3	74.2	60.5	51.3	175.1	24.1
May	73.6	77.3	71.7	67.4	139.0	8.9
June	82.2	81.9	96.0	57.8	183.3	4.1
July	93.4	68.1	151.9	52.7	123.8	12.1
August	116.7	85.4	195.5	56.0	86.4	54.7
September	115.3	85.9	151.6	114.7	79.9	79.3
October	130.9	107.0	121.3	195.3	69.9	107.6
November	104.6	99.2	65.3	163.2	34.7	188.5
December	93.9	82.0	79.0	133.4	83.6	117.0
1922.						
January	88.9	91.8	83.8	76.8	96.1	113.2
February	77.7	76.5	92.3	43.3	55.5	101.2
March	70.7	79.2	73.0	42.8	130.4	27.5
April	57.4	71.8	49.6	37.0	103.0	5.5
May	82.6	90.2	92.5	50.1	105.7	3.9
June	75.1	88.7	77.1	43.0	93.8	1.5

¹ Combination of 14 independent series.

MINERAL PRODUCTS.

Date.	Total mineral products, ¹	Bituminous coal.	Anthracite coal.	Crude petroleum.	Iron.	Copper.	Zinc.	Lead. ²
January	102.8	105.5	100.8	120.3	94.8	80.0	65.9	109.1
February	87.5	80.8	104.8	111.2	76.0	71.2	45.2	94.3
March	86.8	79.6	100.8	130.2	62.6	83.0	40.0	86.1
April	78.7	72.2	104.8	127.3	46.8	47.6	42.1	77.8
May	84.7	87.3	102.0	133.6	47.9	22.6	45.9	78.0
June	83.9	88.7	105.9	128.4	41.8	18.1	49.5	74.6
July	76.7	79.6	95.9	128.1	33.9	16.6	39.4	72.4
August	82.8	90.5	97.9	130.2	37.4	19.9	37.2	87.8
September	81.6	91.9	96.9	116.3	38.7	19.5	36.6	79.7
October	93.9	114.6	103.1	113.2	48.9	22.9	37.0	100.4
November	86.0	94.2	93.3	120.0	55.5	20.8	53.8	103.3
December	82.0	81.1	81.4	133.3	64.7	17.3	56.0	103.2
1922.								
January	90.0	98.5	85.1	137.1	64.3	24.1	60.3	101.0
February	94.9	107.3	92.0	129.7	63.9	34.8	57.3	93.4
March	117.1	131.5	119.1	149.1	79.9	57.6	67.5	93.0
April	58.6	41.3	3	141.9	81.3	71.3	65.6	88.8
May	67.9	53.1	6	147.7	90.5	82.6	69.8	89.0
June	70.6	58.4	1.1	143.8	92.6	92.7	72.6	90.4

¹ Combination of 7 independent series.

² Revised figures.

PRODUCTION OF MANUFACTURED GOODS.

Date.	Total manufacture, ¹	Steel.	Lumber.	Paper.	Petroleum.	Textiles.	Leather.	Food.	Tobacco.
January	84.5	87.6	67.7	87.8	127.7	72.0	63.5	88.2	87.8
February	77.4	69.6	75.7	79.5	106.8	73.1	62.8	77.4	94.1
March	87.8	62.5	89.3	84.4	113.0	90.8	72.0	88.1	106.1
April	83.1	48.3	87.5	81.7	113.8	91.5	75.8	84.0	95.5
May	84.4	45.3	100.4	72.4	114.7	95.0	83.2	82.2	99.3
June	87.1	39.9	89.6	70.2	110.1	101.9	81.1	85.1	106.8
July	80.1	31.9	85.3	65.6	108.3	94.5	76.3	85.5	100.6
August	90.7	45.3	99.7	75.6	110.6	103.4	85.7	98.5	117.2
September	90.2	46.7	92.9	78.6	110.2	105.5	80.3	92.8	111.6
October	94.6	64.3	103.1	90.8	119.7	104.8	86.2	99.8	115.8
November	89.5	66.0	100.6	95.8	117.1	100.4	90.9	89.4	102.9
December	81.3	56.8	92.2	94.7	119.6	99.7	93.0	85.2	76.8
1922.									
January	87.0	63.4	100.7	95.0	119.0	112.2	88.2	91.3	90.6
February	80.2	69.3	95.4	90.0	108.6	96.8	78.1	88.5	83.8
March	90.9	94.3	102.5	108.4	123.9	107.6	78.7	96.5	98.4
April	84.7	97.0	98.1	99.9	124.4	91.3	70.7	84.9	89.6
May	98.1	107.8	121.1	112.3	132.2	108.9	70.4	96.8	108.1
June	104.8	104.4	110.6	110.6	107.4	107.4	72.4	98.9	108.1

¹ Combination of 24 independent series.

COMMODITY MOVEMENTS.

	June, 1922.	May, 1922.	June, 1921.	Relative index.		
				June, 1922.	May, 1922.	June, 1921.
GRAIN AND FLOUR.						
Receipts at 17 interior centers (000 omitted):						
Wheat (bu.)	21,093	30,126	30,342	106.4	156.8	153.0
Corn (bu.)	32,694	27,364	35,817	116.5	189.4	127.7
Oats (bu.)	19,139	21,471	21,922	94.5	125.2	108.2
Rye (bu.)	1,824	4,561	1,465	73.6	145.5	59.1
Barley (bu.)	3,269	2,933	3,859	50.4	64.6	59.5
Total grain (bu.)	78,019	86,458	93,405	101.2	147.8	121.2
Flour (bbls.)	2,198	2,204	865	135.0	112.9	53.1
Total grain and flour (bu.)	83,411	90,377	97,299	98.8	143.2	115.2
Shipments at 11 interior centers (000 omitted):						
Wheat (bu.)	22,562	26,268	21,550	135.5	110.5	129.4
Corn (bu.)	17,048	21,988	21,381	127.5	223.8	159.9
Oats (bu.)	21,716	22,836	11,656	162.4	137.1	87.2
Rye (bu.)	2,986	7,783	1,428	93.3	147.7	44.6
Barley (bu.)	2,277	2,800	2,225	49.6	85.5	48.6
Total grain (bu.)	66,589	81,677	58,240	130.1	138.9	113.8
Flour (bbls.)	3,551	3,624	2,114	118.3	111.7	70.4
Total grain and flour (bu.)	82,584	97,984	67,752	127.7	133.5	104.7
Stocks at 11 interior centers at close of month (000 omitted):						
Wheat (bu.)	10,487	17,563	3,853	180.2	156.9	66.2
Corn (bu.)	21,356	15,819	17,914	260.9	325.8	219.3
Oats (bu.)	34,857	40,369	29,274	212.5	320.2	203.7
Rye (bu.)	643	1,747	240	17.1	39.4	6.4
Barley (bu.)	856	641	1,407	31.9	24.8	52.4
Total grain (bu.)	68,199	76,139	52,718	197.7	213.4	152.8
Total visible supply at close of month (000 omitted):						
Wheat (bu.)	48,816	67,853	21,027	175.0	155.4	75.4
Corn (bu.)	33,068	31,170	27,363	288.8	364.4	239.0
Oats (bu.)	53,365	62,424	.....	.....	.....	.....
Receipts at 9 seaboard centers (000 omitted):						
Wheat (bu.)	13,391	12,708	16,629	99.8	95.7	123.9
Corn (bu.)	5,264	6,223	5,386	189.9	260.6	194.3
Oats (bu.)	7,280	8,731	1,904	112.3	283.3	37.2
Rye (bu.)	4,278	3,771	1,180	113.1	82.7	31.2
Barley (bu.)	1,494	2,063	658	53.3	111.7	23.5
Total grain (bu.)	31,707	33,491	25,757	113.7	133.1	92.3
Flour (bbls.)	1,579	1,870	1,715	85.5	104.8	92.8
Total grain and flour (bu.)	38,814	41,907	33,474	107.2	126.3	92.4
Stocks at 8 seaboard centers at close of month (000 omitted):						
Wheat (bu.)	5,919	5,020	3,489	109.9	67.0	61.7
Corn (bu.)	3,403	5,907	2,136	363.3	855.6	228.1
Oats (bu.)	3,199	2,745	1,059	129.1	137.8	42.7
Rye (bu.)	364	761	157	40.3	55.5	17.4
Barley (bu.)	1,224	1,382	1,665	38.1	62.5	51.8
Total grain (bu.)	14,109	15,815	8,503	109.2	114.9	65.8
Wheat flour production (bbls.)	8,136	8,073	8,087	100.5	89.3	108.8
LIVE STOCK.						
Receipts at 59 principal markets (head, 000 omitted):						
Cattle and calves	1,750	1,867	1,573	104.6	109.4	94.0
Hogs	3,763	3,720	3,497	102.6	98.1	95.3
Sheep	1,676	1,646	1,812	98.7	104.2	96.7
Horses and mules (43 markets)	14	20	13	49.8	62.8	47.0
Total	7,203	7,253	6,895	101.9	102.0	97.5

COMMODITY MOVEMENTS—Continued.

	June, 1922.	May, 1922.	June, 1921.	Relative index.		
				June, 1922.	May, 1922.	June, 1921.
LIVE STOCK—con.						
Shipments at 54 principal markets (head, 000 omitted):						
Cattle and calves...	699	775	591	104.6	107.8	88.5
Hogs.....	1,110	1,114	1,107	92.7	92.6	93.4
Sheep.....	770	804	750	101.6	104.7	98.8
Horses and mules (43 markets).....	14	19	13	53.1	63.4	47.4
Total.....	2,593	2,712	2,461	98.3	100.4	93.3
Receipts at 15 western markets (head, 000 omitted):						
Cattle and calves...	1,228	1,308	1,117	104.6	111.4	95.1
Hogs.....	2,865	2,734	2,672	101.9	98.5	95.1
Sheep.....	1,039	936	1,131	95.8	99.9	104.3
Horses and mules.....	9	13	8	46.4	64.2	42.6
Total.....	5,141	4,991	4,928	101.1	101.7	96.9
Shipments at 15 western markets (head, 000 omitted):						
Cattle and calves...	489	552	415	108.3	112.5	91.8
Hogs.....	705	695	704	92.8	95.4	92.6
Sheep.....	412	322	404	104.7	95.7	102.8
Horses and mules.....	8	10	8	45.4	53.8	44.3
Total.....	1,614	1,579	1,531	99.5	100.3	94.3
Shipments of stockers and feeders from 34 markets (head, 000 omitted):						
Cattle and calves...	307	359	195	125.8	111.5	80.0
Hogs.....	55	66	32	136.0	121.9	77.8
Sheep.....	182	115	88	101.7	93.1	49.4
Total.....	544	570	315	117.4	107.2	68.0
Slaughter at principal centers under Federal inspection (head, 000 omitted):						
Cattle.....	725	702	640	111.9	110.5	98.9
Calves.....	389	401	370	103.5	105.9	98.3
Hogs.....	4,046	3,717	3,618	111.2	105.2	99.5
Sheep.....	1,028	872	1,116	107.7	102.6	116.9
Total.....	6,188	5,692	5,744	110.2	105.5	102.3
Meats, cold-storage holdings at close of month (lbs., 000 omitted):						
Beef.....	56,892	64,506	109,552	37.3	36.1	72.0
Pork products.....	634,845	591,241	801,387	63.8	65.6	80.6
Lamb and mutton.....	2,312	2,071	15,877	23.7	17.6	162.4
Exports of certain meat products (lbs., 000 omitted):						
Beef—						
Canned.....	237	268	187	5.3	6.7	4.1
Fresh.....	189	217	167	2.0	3.4	1.8
Pickled or other cured.....	2,567	1,928	2,004	82.5	73.8	64.4
Hog products—						
Bacon.....	24,067	19,070	35,012	26.9	36.5	39.2
Hams and shoulders.....	31,553	24,988	18,537	69.3	90.8	40.7
Lard.....	57,249	50,817	67,656	75.6	95.8	89.4
Pork, pickled..	3,006	2,342	3,338	86.8	83.0	96.3
DAIRY PRODUCTS.						
Receipts at 5 principal markets (000 omitted):						
Butter (lbs.).....	93,139	68,893	82,882	120.8	125.8	107.5
Cheese (lbs.).....	22,756	18,809	21,619	106.4	100.8	101.1
Eggs (cases).....	1,929	2,587	1,539	111.7	128.0	89.1
Cold-storage holdings at close of month (000 omitted):						
Creamery butter (lbs.).....	13,125	3,830	21,682	61.5	46.1	101.7
American cheese (lbs.).....	15,346	10,867	17,814	105.1	88.8	122.0
Eggs (cases).....	8,043	4,648	6,844	133.4	134.6	113.5

COMMODITY MOVEMENTS—Continued.

	June, 1922.	May, 1922.	June, 1921.	Relative index.		
				June, 1922.	May, 1922.	June, 1921.
OTHER AGRICULTURAL PRODUCTS.						
Cotton seed (tons):						
Received at mills...	17,935	13,559	77,484	33.0	15.8	142.5
Crushed.....	21,823	36,210	98,646	26.3	23.9	118.7
On hand at mills at close of month.....	19,431	23,319	109,300	31.8	25.9	178.7
Cottonseed oil (lbs.):						
Production.....	7,115	12,389	30,411	26.7	25.9	114.0
Stocks.....	12,194	23,801	47,851	24.6	29.0	96.5
Oleomargarine consumption (lbs., 000 omitted).....		12,765	7,614		52.8	45.6
Tobacco sales at loose-leaf warehouses (lbs., 000 omitted):						
Virginia dark.....		49			10.7	
Bright belt.....						
Virginia.....						
North Carolina.....						
South Carolina.....						
Total.....		49				
Burley.....	833	2,265	1,353		169.7	
Western dark.....	364	943	2,014		23.1	
Grand total.....	1,197	3,257	3,367		55.4	59.6
Sales of revenue stamps for manufactures of tobacco, excluding Porto Rico and Philippine Islands (lbs., 000 omitted):						
Cigars (large).....		569,209	618,495		95.8	97.5
Cigars (small).....		56,503	50,175		98.0	99.2
Cigarettes (small).....		4,601,373	4,219,728		127.1	110.6
Manufactured tobacco.....		32,511	31,738		100.7	97.9
Fruit shipments (citrus) from California (carloads):						
Oranges.....	2,191	3,151	5,628	52.3	60.4	134.3
Lemons.....	1,829	1,829	2,230	103.0	133.7	125.6
Apples, shipments (carloads).....	1,096	1,163	422	424.7	108.4	163.5
Apples, cold-storage holdings (bbbs.).....	314	944	445			
White potatoes, shipments (carloads).....	21,645	20,322	17,629	139.4	195.8	115.8
Strawberries shipments (carloads).....	2,677	12,857	1,763	107.1	270.8	70.5
Sugar, 7 ports (long tons):						
Receipts.....	508,299	556,511	264,462			
Meltings.....	532,052	577,330	301,835			
Raw stocks at close of month.....	277,150	276,890	244,253			
FOREST PRODUCTS.						
Lumber (M feet):						
Number of mills—						
Southern pine..	157	172	190			
Western pine..	51	52	55			
Douglas fir.....	120	119	114			
Production—						
Southern pine..	379,838	437,479	365,970	102.5	106.3	98.8
Western pine..	163,127	158,153	121,648	103.1	109.4	76.9
Douglas fir.....	350,284	411,529	232,407	119.9	116.0	79.5
Shipments—						
Southern pine..	413,617	507,767	371,183	114.4	124.0	102.6
Western pine..	172,205	160,809	76,874	150.8	144.2	67.3
Douglas fir.....	371,418	431,975	230,970	134.2	117.6	83.5
Stocks at end of month—						
Southern pine..	931,068	1,023,370	1,220,355	83.0	91.4	108.8
Receipts at Chicago and St. Louis.....	626,992	587,407	372,453	160.6	171.9	95.4
Shipments at Chicago and St. Louis.....	403,305	383,748	253,848	167.4	176.1	105.4
Oak flooring—						
Production....	23,405	21,914	13,636			
Shipments.....	28,646	25,251	13,767			
Stocks at end of month.....	20,245	23,534	37,588			
Unfilled orders.....	38,434	40,417	11,095			

COMMODITY MOVEMENTS—Continued.

	June, 1922.	May, 1922.	June, 1921.	Relative index.		
				June, 1922.	May, 1922.	June, 1921.
FOREST PRODUCTS—continued.						
Naval stores at 3 south-eastern ports:						
Spirits of turpentine (casks)—						
Receipts.....	28,823	29,295	33,533	97.6	130.1	113.6
Stocks at close of month.....	13,359	4,795	36,949	44.4	15.7	122.7
Rosin (bbls.)—						
Receipts.....	90,588	95,712	80,943	114.6	159.3	102.4
Stocks at close of month.....	293,083	253,787	308,341	137.7	122.8	144.8
FUEL AND POWER.						
Coal and coke (short tons, 000 omitted):						
Bituminous coal production (est.).....	22,309	20,290	33,852	57.7	55.4	87.5
Anthracite coal—						
Production (est.).....	84	35	7,786	1.1	.5	100.1
Shipments.....			6,032			100.7
Coke—						
Beehive production (est.).....	458	432	232	44.5	33.0	22.5
By-product, production (est.).....	2,580	2,537	1,408			
Crude petroleum:						
Production (bbbls., 000 omitted).....	45,247	46,473	40,354	125.1	128.5	111.1
Stocks at close of month (000 omitted).....	254,901	246,059	162,463	130.7	180.0	115.2
Producing oil wells (No.).....	1,662	1,511	1,471	88.0	81.0	78.0
Oil refineries:						
Total production (000 omitted)—						
Crude oil run (bbbls.).....		42,562	36,941		125.4	110.1
Gasoline (gals.).....		513,659	430,344		130.1	109.1
Kerosene (gals.).....		173,824	141,637		101.0	86.0
Gas and fuel (gals.).....		936,742	826,355		129.1	115.4
Lubricating (gals.).....		79,848	63,089		101.6	85.0
Stocks at close of month (000 omitted):						
Crude oil (bbbls.).....		35,475	21,009		202.6	116.8
Gasoline (gals.).....		856,607	750,644		130.3	121.8
Kerosene (gals.).....		318,890	435,057		85.7	117.7
Gas and fuel (gals.).....		1,321,438	1,248,664		154.2	138.6
Lubricating (gals.).....		226,293	260,883		118.8	137.4
Electric power produced by public utility power plants (kw. hours):						
Produced by water power.....	1,584,827	1,646,616	1,215,972	107.2	106.3	82.3
Produced by fuels.....	2,246,681	2,179,145	2,028,121	125.0	122.5	112.8
Total.....	3,831,508	3,825,761	3,244,093	117.0	115.2	99.1
METALS.						
Iron and steel (long tons, 000 omitted): ¹						
Pig-iron production.....	2,400	2,361	865	113.2	113.8	40.8
Steel-ingot production.....	2,487	2,634	803	122.0	127.4	39.4
Unfilled orders U. S. Steel Corporation.....	5,776	5,636	4,830	80.5	80.5	67.3
Structural steel (long tons):						
Fabricated structural steel contracted for (tonnage).....		119,000	146,200		66.0	81.0
Silver production of the U. S. (troy ounces, 000 omitted).....	4,760	4,258	4,022			

¹ Figures for July, 1922, June, 1922, July, 1921.

COMMODITY MOVEMENTS—Continued.

	June, 1922.	May, 1922.	June, 1921.	Relative index.		
				June, 1922.	May, 1922.	June, 1921.
METALS—continued.						
Copper production (lbs., 000 omitted).....	93,740	88,714	19,434	121.5	114.8	25.2
Zinc (lbs., 000 omitted):						
Production.....	57,004	54,838	38,996	84.5	77.3	57.5
Stocks at close of month.....	59,152	80,818	179,778			
Tin (lbs., 000 omitted):						
Imports.....	12,552	8,490	4,133	243.3	220.1	80.1
Deliveries to factories.....	11,491	10,618	3,562	188.6	296.6	58.5
Stocks at close of month.....	5,311	4,303				
TEXTILES.						
Cotton (bales, 000 omitted):						
Sight receipts.....	507	584	660	95.4	103.9	124.5
Port receipts.....	365	491	433		106.3	
Overland movement.....	82	67	113		83.9	
American spinners (takings).....	372	367	411		158.0	
Stocks at ports and interior points.....	1,187	1,503	2,660		62.6	
Stocks at mills.....	1,332	1,420	4,205	96.9	97.4	87.7
Stocks at warehouses.....	1,936	2,561	4,306	62.0	139.8	137.8
Visible supply.....	2,568	3,001	4,454	67.6	74.8	117.2
Consumption by mills.....	508	496	462	103.1	101.2	93.8
Spindles active during month.....	31,877	31,653	32,761	94.5	94.5	97.1
Wool:						
Percentage of idle machinery on first of month to total reported—						
Looms wider than 50-inch reed space.....	36.4	37.3	18.7	131.5	145.7	67.1
Looms 50-inch reed space or less.....	33.4	35.3	25.2	120.1	142.9	90.6
Sets of cards.....	14.2	13.9	21.3	61.7	71.7	92.6
Combs.....	25.0	27.1	11.0	139.7	205.3	61.4
Spinning spindles, woolen.....	14.3	14.5	20.5	60.1	74.0	86.1
Spinning spindles, worsted.....	31.9	33.2	9.8	170.5	219.9	52.4
Percentage of idle hours on first of month to total reported—						
Looms wider than 50-inch reed space.....	36.2	37.6	17.5			
Looms 50-inch reed space or less.....	40.1	44.8	26.3			
Sets of cards.....	9.0	10.3	17.9			
Combs.....	18.8	20.8	4.1			
Spinning spindles, woolen.....	10.1	11.4	18.2			
Spinning spindles, worsted.....	31.5	34.7	6.6			
Raw silk:						
Imports (lbs., 000 omitted).....	5,077	4,217	3,871	139.5	107.0	106.6
Consumption (bales).....	29,529	33,284	31,192			
Stocks at close of month.....	26,895	20,826	15,521			
HIDES AND LEATHER.						
Sales of raw hides and skins during month (number, 000 omitted):						
Cattle hides.....	77,370	769,971	724,543			
Calfskins.....	1,019,279	1,001,155	960,363			
Kip skins.....	182,634	151,743	206,709			
Goat and kid.....	1,234,299	1,069,211	909,064			
Cabretta.....	27,650	61,125	38,334			
Sheep and lamb.....	2,737,603	2,134,002	978,536			

COMMODITY MOVEMENTS—Continued.

	June, 1922.	May, 1922.	June, 1921.	Relative index.		
				June, 1922.	May, 1922.	June, 1921.
HIDES AND LEATHER—continued.						
Stocks of raw hides and skins at close of month (number, 000 omitted):						
Cattle hides.....	5,347	5,362	7,078	89.2	90.2	118.0
Calfskins.....	3,598	3,320	3,891	116.3	114.3	125.7
Kip skins.....	876	903	1,026	105.2	116.2	123.2
Goat and kid.....	10,799	9,839	9,680	73.9	73.6	66.3
Cabretta.....	878	919	1,219	52.8	49.7	73.3
Sheep and lamb.....	10,971	11,142	13,755	100.1	110.0	125.6
Production of leather:						
Sole leather (sides).....	1,358,973.1	320,635	1,521,521			
Skinners (dozens).....	16,815	16,099	14,753			
Oak and Union harness (sides stuffed)	95,953	90,813	57,196			
Boots and shoes, output (pairs, 000 omitted):						
Men's.....	6,214	6,495				
Women's.....	8,257	8,714				
Other.....	11,088	11,692				
MISCELLANEOUS MANUFACTURES.						
Wood pulp (short tons):						
Production.....	313,259	331,694	189,389	116.9	113.9	70.
Consumption.....	250,978	257,986	163,406	118.1	119.0	76.
Shipments.....	48,662	54,151	36,640	82.1	90.8	61.
Stocks, end of month.....	246,072	232,453	275,559	103.2	95.5	114.9
Paper (short tons):						
Newsprint—						
Production.....	127,230	129,950	87,724	114.6	124.2	79.0
Shipments.....	128,644	130,043	92,293	114.4	119.3	82.1
Stocks, end of month.....	23,367	24,781	26,629	91.4	91.7	104.1
Book production.....	83,517	82,374	53,934	113.5	111.4	73.3
Paper board production	183,759	178,790	130,177	110.6	108.8	78.4
Wrapping paper production	68,371	71,494	50,332	111.5	119.0	82.1
Fino paper production.	31,291	30,129	17,511	119.2	122.0	66.7
Building materials (000 omitted):						
Clay fire brick—						
Production.....	48,367	46,794	26,967	107.8	111.3	60.1
Shipments.....	45,772	44,120	21,802	105.4	102.9	50.4
Stocks, end of month.....	153,517	152,259	142,283	109.8	110.0	101.7
New orders.....	57,805	51,041	22,397	141.9	111.1	55.0
Unfilled orders.	56,861	45,300	34,365	48.7	38.6	29.4
Silica brick—						
Production.....	11,578	12,233	4,150			
Shipments.....	10,676	10,704	2,621			
Stocks, close of month.....	38,747	37,845	45,928			
Face brick—						
Production.....	59,756	54,867	41,303	129.7	123.7	89.7
Shipments.....	56,762	56,433	34,266			
Stocks in sheds and kilns.....	118,756	121,540	118,192	106.2	107.9	105.7
Unfilled orders at close of month.....	80,860	87,626	42,476	96.9	96.8	45.8
Cement (bbls., 000 omitted)—						
Production.....	11,245	11,176	9,296			
Shipments.....	13,470	12,749	10,577			
Stocks at close of month.....	10,668	12,897	11,150			
Rubber (lbs., 000 omitted):						
Imports of crude rubber.....	51,986	36,727	34,625	135.9	89.2	90.5
Consumption by tire manufacturers.....	39,655	29,068	21,208			
Pneumatic tires (000 omitted):						
Production.....	2,839	2,722	2,313			
Shipments, domestic.....	3,133	2,639	2,644			
Stocks.....	5,042	5,523	4,154			

¹ Figures for May, 1922, April, 1922, and May, 1921.

COMMODITY MOVEMENTS—Continued.

	June, 1922.	May, 1922.	June, 1921.	Relative index.		
				June, 1922.	May, 1922.	June, 1921.
MISCELLANEOUS MANUFACTURES—con.						
Inner tubes (000 omitted):						
Production.....	3,131	2,971	2,360			
Shipments, domestic.....	3,974	2,939	3,233			
Stocks.....	6,187	7,190	3,835			
Solid tires (000 omitted):						
Production.....	66	58	28			
Shipments, domestic.....	63	61	50			
Stocks.....	170	171	240			
Automobiles:						
Production, number—						
Passenger cars.....	262,334	231,829				
Trucks.....	25,372	23,189				
Shipments—						
Railroad (car-loads).....	33,000	34,321	20,268			
Drive ways (machines).....	30,500	28,760	18,834			
Boat (machines).....	7,900	7,366	3,947			
Locomotives (number):						
Domestic shipped.....	67	64	43	66.3	55.7	42.6
Foreign completed.....	47	16	36	92.2	29.6	70.6
Vessels built in the United States and officially numbered by the Bureau of Navigation:						
Number.....	129	133	160	61.4	72.7	76.2
Gross tonnage.....	16,959	21,419	173,885	5.9	9.0	60.4
TRANSPORTATION.						
Railroad operating statistics: ¹						
Net ton-miles, revenue and non-revenue (000,000 omitted).....		614	674		85.2	93.5
Net tons per train.....		24.4	27.8			87.1
Net tons per loaded car.....						99.3
Revenue freight loaded, and received from connections, classified according to nature of product (short tons):						
Grain and grain products.....	171,658	189,845	179,488	112.5	128.6	117.6
Live stock.....	126,535	132,967	120,169	105.2	107.3	100.0
Coal.....	406,190	371,230	687,063	53.9	53.0	91.2
Coke.....	40,873	39,587	20,833	110.9	112.9	56.5
Forest products.....	271,358	273,204	221,350	109.0	113.5	88.9
Ore.....	234,236	82,735	130,750	96.4	46.7	53.8
Merchandise, l. c. l.....	1,060,194	1,084,292	951,366	147.3	157.6	132.2
Miscellaneous.....	1,379,654	1,348,151	1,099,554	103.3	105.6	82.3
Total.....	3,690,698	3,522,011	3,410,567	102.2	103.9	94.5
Revenue freight loaded, classified according to geographical divisions:						
Eastern.....	830,063	833,405	827,575	94.1	102.7	93.9
Allegheny.....	712,928	664,281	703,872	95.6	93.8	94.4
Pocahontas.....	188,196	183,278	155,152	126.4	129.4	104.2
Southern.....	563,910	577,888	492,212	111.4	115.8	97.2
Northwestern.....	648,497	528,288	505,309	107.6	100.4	83.8
Central western.....	485,431	478,354	474,921	100.5	105.1	98.3
Southwestern.....	261,673	256,517	251,526	103.3	103.3	104.1
Total.....	3,690,698	3,522,011	3,410,567	102.2	103.9	94.5

COMMODITY MOVEMENTS—Continued.							COMMODITY MOVEMENTS—Continued.							
	June, 1922.	May, 1922.	June, 1921.	Relative index.				June, 1922.	May, 1922.	June, 1921.	Relative index.			
				June, 1922.	May, 1922.	June, 1921.					June, 1922.	May, 1922.	June, 1921.	
TRANSPORTATION—con.							TRANSPORTATION—con.							
Freight car surplus:							Commerce of canals at Sault Ste. Marie (000 omitted): ²							
Total.....	239,225	305,198	373,791	108.5	119.9	169.5	Eastbound—							
Box.....	60,101	69,714	146,298	64.4	67.7	156.7	Grain other than wheat (bu.).....	6,087	12,632	10,839				
Coal.....	147,558	195,439	162,537	170.2	184.5	187.4	Wheat (bu.).....	17,209	12,438	7,879				
Freight car shortage:							Flour (bbls.).....	986	924	1,119				
Total.....	4,803	1,714	663	11.5	4.8	1.6	Iron ore (short tons).....	8,943	6,618	4,357				
Box.....	1,397	1,094	187	6.4	5.6	.9	Total (short tons).....	9,827	7,597	5,012				
Coal.....	3,148	423	310	24.5	3.9	2.4	Westbound—							
Bad-order cars, total.....	340,822	327,704	341,337	144.8	159.9	145.0	Hard coal (short tons).....	6		446				
Vessels cleared in foreign trade (net tons):							Soft coal (short tons).....	172	248	2,487				
American.....	2,625,434	2,621,206	3,058,679	91.6	108.1	106.7	Total (short tons).....	408	468	3,127				
Foreign.....	3,028,052	2,533,505	3,094,452	103.8	98.0	106.1	Total freight (short tons).....	10,235	8,066	8,139				
Total.....	5,653,486	5,174,711	6,153,131	97.8	102.9	106.4								
Percent of American to total.....	46.4	50.7	49.7	93.8	105.3	100.5								
Panama Canal traffic (tons 000 omitted): ¹														
Total cargo traffic.....	1,159	1,046	793	144.3	137.8	98.8								
American vessels.....	609	499	416											
British vessels.....	319	297	230											

¹ Figures for May, 1922, April, 1922, May, 1921.

² Figures for July, 1922, June, 1922, July, 1921.

AUGUST CROP REPORT, BY FEDERAL RESERVE DISTRICTS.

Forecasts of crop production, issued by the United States Department of Agriculture as of August 1, 1922, are shown in the table below, together with estimates of production in 1921.

The forecast of corn production is considerably better than was expected a month ago, and the present forecast falls only about 63,000,000 bushels below the 1921 estimate. For the Chicago, St. Louis, and Kansas City districts, in which the larger part of the corn crop is raised, the August forecasts are considerably better than were expected in July. The wheat forecast, on the other hand, is not so good as that of a month ago and only slightly

in excess of last year's estimated production. While the forecast of spring wheat production in the Minneapolis district was considerably larger than was expected a month ago, there is a material decline in winter wheat crop expectations in the Kansas City district. The cotton forecast for the year is 11,449,000 bales, which is about 400,000 bales better than was expected a month ago and about 3,500,000 bales more than last year's production. Both the oats and the hay crops are expected to be better than last year, the latest forecast being even higher than July expectations.

PRODUCTION OF CORN, WHEAT, COTTON, OATS, AND HAY, BY FEDERAL RESERVE DISTRICTS—FORECASTS OF THE DEPARTMENT OF AGRICULTURE AS OF AUGUST 1, 1922, COMPARED WITH ESTIMATED PRODUCTION FOR 1921.

[In thousands of units of measurement.]

Federal reserve district.	Corn (bushels).		Total wheat (bushels).		Winter wheat (bushels).		Spring wheat (bushels).		Cotton (bales).		Oats (bushels).		Hay, tame and wild (tons).	
	1922	1921	1922	1921	1922	1921	1922	1921	1922	1921	1922	1921	1922	1921
Boston.....	12,842	14,447	492	313			492	313			9,569	8,247	4,940	3,372
New York.....	34,809	42,872	10,006	9,778	9,605	9,416	401	362			39,301	26,500	7,937	5,295
Philadelphia.....	64,495	69,416	23,228	21,126	23,021	20,944	207	182			26,302	22,216	3,319	2,643
Cleveland.....	211,957	209,377	42,532	35,254	42,032	34,786	500	468			66,606	53,402	7,111	5,787
Richmond.....	182,563	173,687	28,922	24,863	28,922	24,863			1,699	1,547	21,988	19,830	3,845	3,418
Atlanta.....	220,712	250,255	5,716	5,677	5,716	5,677			2,330	1,693	19,025	21,987	3,154	3,190
Chicago.....	952,302	967,277	72,468	62,922	66,913	58,102	5,555	4,820			480,822	385,091	19,762	16,034
St. Louis.....	429,388	416,543	72,448	66,442	72,140	66,110	308	332	2,241	1,662	40,538	59,090	7,861	6,934
Minneapolis.....	285,464	302,344	215,438	153,483	9,180	7,208	206,258	146,275			336,294	229,772	20,055	16,877
Kansas City.....	468,418	442,158	226,636	271,130	212,482	258,286	14,154	12,844	870	469	140,060	163,401	16,934	15,589
Dallas.....	142,252	180,803	8,894	21,986	8,649	21,664	245	322	4,190	2,499	41,442	36,858	1,604	1,641
San Francisco.....	11,548	11,193	98,421	121,919	63,149	79,976	35,272	41,943	199	167	29,209	34,343	13,946	16,022
Total.....	3,016,950	3,080,372	805,201	794,893	541,809	587,032	263,392	207,861	² 11,449	² 7,946	1,251,156	1,060,737	110,368	96,802

¹ In addition, the following amounts were estimated grown in Lower California (Mexico): 1921, 50,000 bales; 1922, 79,000 bales.
² Cotton grown outside of cotton belt included as follows: 1921, 9,000 bales; 1922, 20,000 bales.

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).
1921.													
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
1922.													
January.....	878	4,176	1,623	1,724	2,188	2,155	3,498	1,141	523	1,336	1,653	8,298	28,884
February.....	1,024	4,210	2,081	2,619	2,305	2,566	4,815	1,434	517	1,758	2,114	7,600	33,043
March.....	2,367	13,284	3,557	4,986	4,101	3,211	8,806	2,218	1,493	2,711	2,623	11,196	60,453
April.....	3,011	9,056	4,396	6,149	4,397	3,215	11,546	2,650	3,342	3,103	2,586	10,966	64,407
May.....	2,018	10,136	3,991	6,666	5,321	3,443	13,799	2,955	3,391	3,554	2,794	11,266	69,334
June.....	2,945	9,572	3,624	5,839	4,509	3,085	11,898	2,507	2,422	2,888	2,545	10,156	61,990

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).
1921.							
June.....	\$6,602,647	\$48,312,504	\$7,875,639	\$15,658,897	\$8,779,653	\$4,723,709	\$20,593,319
1922.							
January.....	7,380,701	50,145,296	6,878,523	5,713,209	8,352,615	3,734,262	18,905,561
February.....	9,280,827	50,372,553	8,275,338	7,829,585	7,513,542	4,630,052	20,419,417
March.....	10,995,500	119,964,783	14,116,292	13,814,868	11,329,049	6,021,211	33,747,135
April.....	13,812,829	54,704,292	17,020,500	15,693,183	11,971,471	4,951,558	35,099,303
May.....	9,109,108	57,843,585	13,814,813	22,614,084	13,348,592	7,262,167	53,806,499
June.....	10,657,535	73,352,564	18,177,759	22,428,251	15,736,766	6,498,677	49,934,583

	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).
1921.						
June.....	\$4,448,228	\$5,602,586	\$5,452,181	\$4,155,740	\$15,450,694	\$147,655,797
1922.						
January.....	2,579,894	2,110,424	5,023,603	4,960,078	22,872,876	138,631,902
February.....	4,150,487	1,569,774	4,336,011	4,419,789	18,917,868	141,715,243
March.....	5,012,607	4,528,209	7,165,925	5,630,336	27,432,286	259,754,421
April.....	6,076,684	8,196,110	8,384,552	6,228,385	30,195,052	212,323,919
May.....	7,443,855	9,913,853	10,807,084	4,752,642	28,271,238	239,017,520
June.....	5,855,459	6,020,186	8,894,131	5,276,819	29,598,278	252,431,008

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.	District No. 7.	District No. 9.	Total (7 districts).
1921.								
July.....	\$19,298,334	\$54,500,566	\$13,563,100	\$35,669,377	\$16,026,969	\$41,119,866	\$12,651,007	\$192,829,219
1922.								
January.....	15,802,453	54,962,847	12,128,900	21,066,282	14,002,399	29,182,324	3,613,148	150,258,353
February.....	14,799,476	60,152,424	11,828,700	20,602,823	16,518,079	32,344,424	5,192,824	161,438,750
March.....	26,212,330	90,088,870	24,558,100	29,661,058	24,116,011	58,081,526	11,933,270	264,651,165
April.....	42,196,915	117,814,585	24,795,800	33,089,754	25,618,120	64,236,566	9,873,501	322,630,241
May.....	31,539,783	91,441,141	25,739,294	58,432,714	32,268,767	71,117,055	12,455,410	323,044,164
June.....	36,259,420	81,614,205	26,630,900	30,668,191	46,801,800	77,560,940	12,153,061	311,638,517
July.....	24,910,926	79,819,084	28,708,377	25,362,187	52,224,001	83,159,795	9,304,325	303,548,695

VALUE OF CONTRACTS FOR RESIDENTIAL BUILDINGS.

	District No. 1.	District No. 2.	District No. 3.	District No. 4.	District No. 5.	District No. 7.	District No. 9.	Total (7 districts).
1921.								
July.....	\$6,672,758	\$22,546,142	\$2,971,900	\$8,319,248	\$5,335,545	\$7,382,427	\$3,758,504	\$56,986,524
1922.								
January.....	4,767,597	35,652,203	6,280,200	6,279,459	6,597,861	10,601,761	1,049,594	71,228,675
February.....	4,179,944	38,657,156	5,647,700	5,545,073	7,299,608	9,388,615	962,757	71,680,853
March.....	11,897,086	51,116,514	9,552,500	10,941,177	9,796,405	17,225,204	2,348,511	112,577,397
April.....	13,524,827	53,677,473	10,408,700	16,127,627	10,297,280	17,661,586	4,175,963	125,878,466
May.....	14,018,303	39,943,547	11,168,868	19,121,798	13,009,760	24,574,835	4,240,047	126,077,158
June.....	12,518,840	40,433,063	11,275,517	16,036,790	17,434,095	28,206,838	2,677,184	128,632,327
July.....	12,644,574	33,364,787	7,826,581	8,074,163	15,406,301	20,639,345	2,415,438	100,365,139

¹ Montana not included.

RETAIL TRADE.

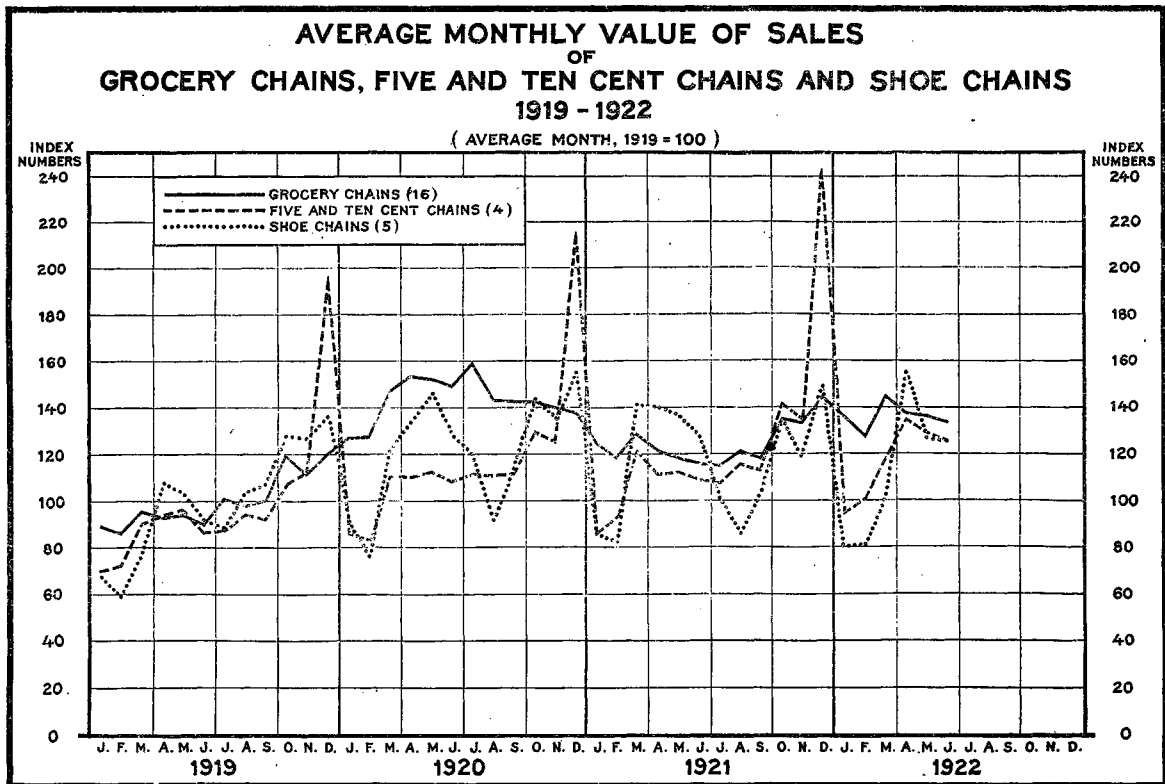
The following tables are a summary of the data obtained from 463 representative department stores in the 12 Federal reserve districts. In districts Nos. 1, 2, 5, 6, 7, 9, 11, and 12 the data were received in (and averages computed from) actual dollar amounts. In districts Nos. 3, 4, 8, and 10 most of the material was received in the form of percentages, and the averages for the cities and districts computed from such percentages were weighted according to volume of business done during the calendar year 1921. The changes in retail trade for the United States as a whole are obtained by combining the district percentages after multiplying them by a system of weights based partly on population and partly on banking resources. The tables for the month of June are based on reports from 25 stores in district No. 1 (Boston), 64 stores in district No. 2 (New York), 104 stores in district No. 3 (Philadelphia), 33 stores in district No. 4 (Cleveland), 25 stores in district No. 5 (Richmond), 37 stores in district No. 6 (Atlanta), 63 stores in district No. 7 (Chicago), 20 stores in district No. 8 (St. Louis), 21 stores in district No. 9 (Minneapolis), 17 stores in district No. 10 (Kansas City), 22 stores in district No. 11 (Dallas), and 32 stores in district No. 12 (San Francisco). Figures for Reading in district No. 3 (Philadelphia) are shown separately for the first time this month.

A comparison of monthly changes in activity of different types of retail business since Janu-

ary, 1919, is shown in the second of the following tables. The 159 department stores are located in districts Nos. 1, 2, 5, 6, 9, 11, and 12, while the mail-order houses do business in all parts of the United States. Chain-store figures are based upon the total sales of the same reporting chains for each month, but the actual number of stores in these chains varies slightly.

There was a pronounced improvement in mail-order business during June, which is quite unusual at this season of the year. Cigar business showed a rather marked reduction and was smaller than in any month since September, 1919. Comparison with June, 1921, shows an increase in business of all types of reporting stores, except cigar and shoe stores.

The course of business of grocery chains, 5 and 10 cent chains, and shoe chains is shown on the accompanying chart by months since January, 1919. Allowance should be made for the fact that many new stores have been added by reporting chains in making comparisons between the level of the curves in different years, but the seasonal trends indicated within any single year are nevertheless highly significant. It will be noted that Christmas buying causes a very sharp peak in the sales of 5 and 10 cent stores each December, while shoe chains have seasons of heavy selling every spring and autumn. Grocery business, on the other hand, has no marked seasonal tendencies.



AVERAGE MONTHLY VALUE OF RETAIL TRADE.

[Average month, 1919=100.]

	Department stores (159 stores).	Mail-order houses (4 houses).	Chain stores.					
			Grocery (16 chains).	Five and ten (4 chains).	Drug (7 chains).	Cigar (3 chains).	Shoe (5 chains).	Music (4 chains).
1921.								
January	103.7	69.1	124.6	86.1	117.3	119.9	85.8	79.0
February	88.4	64.8	118.4	92.9	110.7	116.5	82.5	78.3
March	116.9	95.1	128.7	121.1	123.6	131.8	141.0	81.9
April	112.5	77.5	121.7	111.9	121.8	134.7	139.7	75.1
May	112.5	60.2	118.8	112.2	119.2	129.5	136.5	65.1
June	110.9	62.1	116.0	109.7	120.6	127.8	127.6	59.9
July	79.2	49.3	115.1	108.0	122.1	128.5	100.9	55.6
August	82.0	56.4	121.4	116.0	119.8	127.6	86.6	71.6
September	94.5	72.7	118.3	113.4	119.4	128.0	103.1	82.3
October	130.4	88.6	135.2	141.9	124.2	138.0	135.4	99.2
November	125.0	83.3	133.5	134.1	115.2	124.8	119.1	107.0
December	182.4	80.3	144.5	241.6	146.1	172.7	149.6	172.6
1922.								
January	93.9	65.3	135.8	94.6	117.0	111.0	80.0	71.7
February	81.8	59.4	127.6	100.8	114.5	109.3	80.7	75.0
March	105.1	83.5	145.4	118.4	123.2	124.3	102.0	80.6
April	113.6	77.0	137.4	134.9	120.3	124.5	156.3	78.9
May	116.9	169.4	136.5	129.6	122.9	128.8	127.1	80.9
June	110.9	191.7	133.2	124.9	123.5	105.8	123.1	81.3

¹ Partly estimated.

CONDITION OF WHOLESALE TRADE.

PERCENTAGE OF INCREASE (OR DECREASE) IN NET SALES IN JUNE, 1922, AS COMPARED WITH THE PRECEDING MONTH (MAY, 1922).

District.	Groceries.		Dry goods.		Hardware.		Boots and shoes.		Furniture.		Drugs.		Auto supplies.		Stationery.		Farm implements.		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.	Per cent.	Number of firms.
No. 2	14.1	42	2.1	8	-4.6	11	3.6	10			4.6	6			-12.1	6				
No. 3	9.2	51	8.3	14	-7.5	28					-5.5	15								
No. 4	11.8	25	4.8	13	0.8	12					1.1	13								
No. 5	0.7	44	9.5	16	-4.0	18					-1.8	11								
No. 6	-1.3	34	-4.6	23	-4.1	21					-9.4	8								
No. 7	18.2	38	6.8	12	1.5	21					-3.1	10								
No. 9	18.2	42	14.0	2	8.1	13					-11.6	5								
No. 10	9.4	12	16.0	6	6.0	13					-6.9	7								
No. 11	3.1	12	-2.8	12	-1.8	11					-4.4	3								
No. 12	10.9	30	1.5	16	7.8	21					0.7	16								

PERCENTAGE OF INCREASE (OR DECREASE) IN NET SALES IN JUNE, 1922, AS COMPARED WITH THE SAME MONTH LAST YEAR (JUNE, 1921).

District.	Groceries.		Dry goods.		Hardware.		Boots and shoes.		Furniture.		Drugs.		Auto supplies.		Stationery.		Farm implements.		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.	Per cent.	Number of firms.
No. 2	7.1	42	-11.7	8	11.5	11	-17.7	10			10.0	6			-6.6	6				
No. 3	1.9	51	-11.9	14	0.5	28					1.6	15								
No. 4	0.1	25	-7.6	13	10.1	12					8.3	13								
No. 5	3.8	44	0.04	16	-0.08	18	-8.7	19	9.3	9	-1.6	11								
No. 6	7.0	34	5.4	23	-2.3	21	-7.3	8	27.2	17	8.5	4			19.1	3	66.7	6		
No. 7	9.4	38	6.4	12	18.9	21	17.2	10			7.8	11	57.7	10						
No. 9	7.9	42	-2.9	2	10.8	11	-11.4	5												
No. 10	5.9	12	+2.9	6	15.9	13			12.9	7	-2.0	5								
No. 11	1.2	12	-9.1	12	0.5	11			+3.0	3	-6.5	7								
No. 12	18.4	30	2.7	16	18.9	21	-5.0	16	11.9	14	7.3	8	7.3	18	7.0	26	13.8	25	1.1	22

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, 1922:

VOLUME OF OPERATIONS DURING JUNE, 1922.

Federal reserve bank.	Bills discounted for member banks.	Bills bought in open market.	United States securities purchased.		Municipal warrants purchased.	Total.	
			Bonds and notes.	Certificates of indebtedness.		June, 1922.	June, 1921.
Boston.....	\$82,738,512	\$30,022,774	\$1,108,100	\$75,939,500		\$189,808,886	\$333,568,864
New York.....	345,164,080	66,858,834	95,493,000	464,429,500		971,945,414	2,066,886,840
Philadelphia.....	186,639,246	14,165,210	10,626,350	10,062,000		221,492,806	431,834,973
Cleveland.....	121,959,918	5,072,614	500,000	35,605,500		163,138,032	372,482,872
Richmond.....	71,671,628	513,200				72,184,828	247,186,656
Atlanta.....	21,845,215	2,581,474	1,352,500	2,997,000		28,776,189	132,348,665
Chicago.....	93,238,347	35,663,234	15,729,700	38,146,500		182,777,781	455,443,258
St. Louis.....	90,922,695	609,936	3,259,250	31,454,500		126,243,381	177,168,747
Minneapolis.....	21,288,029		4,413,150	3,758,000		29,459,179	68,661,719
Kansas City.....	14,393,268		11,919,250	6,307,000		32,619,518	77,410,094
Dallas.....	16,825,424	1,910,971		2,075,000		20,811,395	67,654,755
San Francisco.....	92,632,354	18,065,779	2,500,000	8,689,500		121,917,633	368,886,171
Total, June, 1922.....	1,159,318,716	175,494,026	146,898,300	679,464,000		2,161,175,042	
June, 1921.....	3,674,977,034	64,673,129	15,263,900	1,044,619,500			4,799,533,563
6 months ending June 30, 1922.....	9,760,140,334	809,108,076	675,509,100	1,761,258,500	\$111,029	13,006,127,039	
6 months ending June 30, 1921.....	36,588,772,400	767,364,052	24,158,550	2,475,074,557			39,855,369,559

VOLUME OF BILLS DISCOUNTED DURING JUNE, 1922, 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.....	\$301,910	\$38,765,900		\$43,112,712	\$380,927	\$106,381			
New York.....	1,220,186	206,934,535		74,927,537	970,907	13,117			
Philadelphia.....	326,590	138,927,560		47,042,171	302,373				
Cleveland.....	310,576	93,407,890	\$129,173	26,856,717	256,083	84,471			
Richmond.....	272,021	54,804,150	520,000	12,263,663	3,420,949	38,153			
Atlanta.....	84,418	7,395,050	283,300	9,676,606	3,625,760	543,776			
Chicago.....	1,496,562	32,667,536	590,000	30,767,306	7,635,816				
St. Louis.....	140,456	81,916,361	6,500	5,897,904	2,002,034	135,523			
Minneapolis.....	10,672	11,356,240	843,102	3,967,092	3,193,578	1,895,514		\$25,000	
Kansas City.....	76,055	6,173,130	16,000	3,958,907	1,446,062	2,723,114			
Dallas.....	21,899	4,398,844	768,540	4,028,960	4,485,589	3,103,391			
San Francisco.....	159,187	36,749,742	22,853,412	27,559,332	3,856,085	1,141,022	\$89,974		
Total: June, 1922.....	4,426,532	793,496,941	26,010,057	280,063,907	32,176,163	9,784,462	\$89,974	25,000	
May, 1922.....	3,946,347	732,368,832	26,652,038	301,251,671	35,599,567	10,398,643	44,987	112,520	
June, 1921.....	96,160,831	1,961,999,011	29,408,562	1,490,444,999	56,233,595	26,926,398			\$3,790,373
May, 1921.....	129,890,303	2,578,728,882	23,152,575	1,127,211,911	50,828,201	27,794,905			6,562,956

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.	
							Number.	Per cent.
Boston.....		\$70,682	\$82,738,512	\$63,397,823	5.5	433	205	47.3
New York.....		1,097,798	345,164,080	167,652,073	14.4	803	328	40.8
Philadelphia.....		40,552	186,639,246	106,270,285	9.2	711	347	48.8
Cleveland.....		915,008	121,959,918	92,559,279	8.0	884	331	37.4
Richmond.....		352,692	71,671,628	81,058,354	7.0	630	356	56.5
Atlanta.....		236,305	21,845,215	68,936,346	5.9	532	300	56.4
Chicago.....		81,127	93,238,347	189,941,009	16.4	1,444	754	52.2
St. Louis.....		198,914	90,922,695	56,733,350	4.9	605	249	41.2
Minneapolis.....		15,831	21,288,029	70,134,762	6.0	1,023	415	40.6
Kansas City.....			14,393,268	49,526,554	4.3	1,152	381	33.1
Dallas.....		18,201	16,825,424	76,137,698	6.6	862	431	50.0
San Francisco.....		223,570	92,632,354	136,971,183	11.8	849	339	39.9
Total: June, 1922.....		3,250,680	1,159,318,716	1,159,318,716	100.0	9,928	4,436	44.7
May, 1922.....		3,556,680	1,113,931,285			9,909	4,636	46.8
June, 1921.....		\$10,013,265	3,674,977,034			9,770	5,745	58.8
May, 1921.....		9,693,998	4,233,863,731			9,770	5,632	57.6

¹ Total discounts multiplied by ratio of average maturity of bills discounted by each bank to average maturity (15.61) for system.

VOLUME OF BILLS DISCOUNTED DURING JUNE, 1922, BY RATES OF DISCOUNT CHARGED; ALSO AVERAGE RATES AND MATURITIES.

Federal reserve bank.	4 per cent.	4½ per cent.	5 per cent.	Total.	Average rate (365-day basis).	Average maturity
					<i>Per cent.</i>	<i>Days.</i>
Boston.....	\$30,810,653	\$51,927,859		\$82,738,512	4.32	11.96
New York.....	135,266,909	209,897,171		345,164,080	4.24	7.58
Philadelphia.....		186,639,246		186,639,246	4.50	8.89
Cleveland.....		121,959,918		121,959,918	4.50	11.85
Richmond.....		71,671,628		71,671,628	4.50	17.66
Atlanta.....		21,845,215		21,845,215	4.50	49.27
Chicago.....		93,238,347		93,238,347	4.50	31.81
St. Louis.....		90,922,695		90,922,695	4.50	9.74
Minneapolis.....			\$21,288,029	21,288,029	5.00	51.44
Kansas City.....			14,393,268	14,393,268	5.00	53.73
Dallas.....			16,825,424	16,825,424	5.00	70.66
San Francisco.....		92,632,354		92,632,354	4.50	23.09
Total: June, 1922.....	166,077,562	940,734,433	52,506,721	1,159,318,716	4.54	15.61
May, 1922.....		1,058,472,669	53,458,616	1,113,931,285	4.59	17.44

VOLUME OF BANKERS' AND TRADE ACCEPTANCES PURCHASED DURING JUNE, 1922, 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.....	\$20,460,106	\$8,102,668	\$1,460,000	\$30,022,774				\$30,022,774	\$31,247,778	17.8
New York.....	52,462,557	11,739,359	1,879,560	66,081,476	\$777,358		\$777,358	66,858,834	39,841,882	22.7
Philadelphia.....	10,694,686	2,932,868	505,000	14,132,554	32,656		32,656	14,165,210	17,319,513	9.9
Cleveland.....	3,459,316	1,408,298	205,000	5,072,614				5,072,614	4,912,898	2.8
Richmond.....	165,450	347,750		513,200				513,200	501,889	.3
Atlanta.....	2,309,974	271,500		2,581,474				2,581,474	1,886,760	1.1
Chicago.....	26,761,196	8,360,814	541,224	35,663,234				35,663,234	59,718,544	34.0
St. Louis.....	574,936	35,000		609,936				609,936	1,714,660	1.0
Minneapolis.....										
Kansas City.....										
Dallas.....	1,012,950	673,021	225,000	1,910,971				1,910,971	2,029,981	1.1
San Francisco.....	14,007,824	3,962,955	125,000	18,095,779				18,095,779	16,329,121	9.3
Total: June, 1922.....	131,908,995	37,834,233	4,940,784	174,684,012	810,014		810,014	175,494,026	175,494,026	100.0
May, 1922.....	114,746,968	32,239,091	3,620,502	150,606,561				150,606,561		
June, 1921.....	43,000,328	17,263,676	4,334,512	64,598,516	74,613		74,613	64,673,129		
May, 1921.....	85,207,323	27,224,489	25,547,853	137,979,665	621,540		621,540	138,601,205		

¹ Total purchases multiplied by ratio of average maturity of bills purchased by each bank to average maturity (37.57) for system.

VOLUME OF ACCEPTANCES PURCHASED DURING JUNE, 1922, BY RATES OF DISCOUNT CHARGED; ALSO AVERAGE RATES AND MATURITIES.

Federal reserve bank.	3 per cent.	3½ per cent.	3¾ per cent.	3⅘ per cent.	3½ per cent.	3⅘ per cent.	3¾ per cent.
Boston.....	\$4,334,006	\$20,383,391	\$5,020,816	\$114,408	\$84,267	\$55,000	
New York.....	80,429	16,720,022	1,825,256	373,141	47,567,861	220,000	\$72,125
Philadelphia.....	3,575,261	8,898,116	1,659,176	19,490	13,167		
Cleveland.....		4,608,355	87,440	19,355	188,210	7,457	144,347
Richmond.....							
Atlanta.....		1,298,375	314,451		123,500		
Chicago.....	21,464,655	10,461,129	1,670,450	2,067,000			
St. Louis.....		609,936					
Minneapolis.....							
Kansas City.....							
Dallas.....		1,910,971					
San Francisco.....	1,240,566	12,813,051	1,893,093	1,700,668	191,501	256,880	
Total: June, 1922.....	30,694,937	77,703,346	12,470,682	4,294,062	48,168,506	539,337	216,472
May, 1922.....	9,749,970	43,238,498	37,481,554	8,029,787	50,378,729	294,434	201,419

VOLUME OF ACCEPTANCES PURCHASED DURING JUNE, 1922, BY RATES OF DISCOUNT CHARGED; ALSO AVERAGE RATES AND MATURITIES—Continued.

Federal reserve bank.	3½ per cent.	4 per cent.	4½ per cent.	Total.	Average rate (365-day basis).	Average maturity.
					<i>Per cent.</i>	<i>Days.</i>
Boston.....	\$30,886			\$30,022,774	3.19	39.10
New York.....				66,858,834	3.37	22.39
Philadelphia.....				14,165,210	3.19	45.94
Cleveland.....		\$17,450		5,072,614	3.19	36.39
Richmond.....			\$513,200	513,200	4.56	36.74
Atlanta.....			845,148	2,581,474	3.97	27.50
Chicago.....				35,603,234	3.12	62.91
St. Louis.....				609,936	3.17	10.56
Minneapolis.....						
Kansas City.....						
Dallas.....				1,910,971	3.17	39.73
San Francisco.....				18,095,779	3.19	33.90
Total: June, 1922.....	30,886	17,450	1,358,348	175,494,026	3.22	37.57
May, 1922.....	7,686	71,149	871,043	150,606,561	3.28	37.01

¹ Includes \$233,292 and \$19,000 of acceptances purchased at 4½ and 5 per cent, respectively.
NOTE.—All Federal reserve banks use 360 days to the year in calculating interest on bills bought in open market.

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 during June, 1922.

AVERAGE DAILY HOLDINGS OF EACH CLASS OF EARNING ASSETS, EARNINGS THEREON, AND ANNUAL RATES OF EARNINGS DURING JUNE, 1922.

Federal reserve bank.	Average daily holdings of—				Earnings on—				Annual rate of earnings on—			
	All classes of earning assets.	Discounted bills.	Purchased bills.	United States securities.	All classes of earning assets.	Discounted bills.	Purchased bills.	United States securities.	All classes of earning assets.	Discounted bills.	Purchased bills.	United States securities.
Boston.....	\$93,826,065	\$21,798,524	\$20,006,769	\$52,020,772	\$287,886	\$80,089	\$52,576	\$155,221	3.73	4.47	3.20	3.63
New York.....	278,125,909	51,099,960	35,996,026	191,029,923	845,736	184,128	101,250	560,358	3.70	4.38	3.42	3.57
Philadelphia.....	96,251,724	46,228,790	18,827,697	31,195,237	321,323	170,650	51,084	99,594	4.06	4.50	3.30	3.88
Cleveland.....	127,636,038	39,169,163	13,754,312	74,712,563	414,807	144,911	36,237	233,609	3.93	4.50	3.20	3.80
Richmond.....	47,943,896	42,234,323	916,173	4,793,400	170,990	159,424	3,563	8,003	4.34	4.59	4.73	2.03
Atlanta.....	39,276,645	30,910,932	913,617	7,452,095	131,577	115,160	3,233	13,182	4.08	4.53	4.31	2.15
Chicago.....	159,856,554	61,019,738	18,516,716	80,320,100	525,518	230,433	48,441	246,644	4.00	4.59	3.18	3.74
St. Louis.....	57,440,526	20,831,844	8,332,955	23,273,727	189,857	77,770	21,847	90,240	4.02	4.54	3.19	3.88
Minneapolis.....	40,106,000	26,169,600		13,936,400	144,335	107,885		36,450	4.38	5.01		3.18
Kansas City.....	65,046,104	22,550,616	5,000	42,490,488	222,002	92,351	21	129,630	4.15	5.00	5.04	3.71
Dallas.....	39,432,733	31,918,125	2,084,113	5,430,500	149,907	133,015	5,479	11,413	4.63	5.07	3.20	2.56
San Francisco.....	121,674,304	44,856,800	15,827,475	60,990,029	413,181	166,196	41,483	205,500	4.13	4.51	3.19	4.10
Total: June, 1922.....	1,166,616,503	438,788,415	135,180,833	592,647,235	3,817,124	1,662,012	365,268	1,789,844	3.98	4.61	3.29	3.67
May, 1922.....	1,188,849,317	481,627,272	103,073,301	604,148,744	4,119,881	1,912,902	306,461	1,900,518	4.08	4.68	3.50	3.70
June, 1921.....	2,175,175,179	1,817,748,880	54,715,853	302,710,446	10,131,273	9,265,160	268,315	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

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. c. s.	Agricultural paper.	Live stock paper.	Bankers' acceptances.			Trade acceptances.	
			Secured by Government obligations.	Otherwise secured.				Foreign.	Domestic.	Dollar exchange.	Foreign.	Domestic.
Boston.....	30,796	748	9,993		19,353	529	106					67
New York.....	66,289	677	46,400		17,035	1,118						459
Philadelphia.....	48,241	416	32,813		14,155	712						145
Cleveland.....	37,301	634	22,803	30	11,462	915	404					1,053
Richmond.....	41,216	454	12,800	244	17,955	9,043	63					657
Atlanta.....	29,110	147	2,217	100	14,793	9,761	1,800					292
Chicago.....	63,130	191	16,052	291	20,812	25,437						347
St. Louis.....	18,529	173	6,988	3	4,115	6,514			81			184
Minneapolis.....	27,850	22	3,277	398	4,028	12,751						193
Kansas City.....	20,841	221	2,572	16	2,815	5,103	10,114					
Dallas.....	32,264	34	1,088	368	4,880	14,743	11,113					38
San Francisco.....	45,851	266	6,255	11,140	15,120	9,156	3,592					322
Total: June 30, 1922.....	461,418	3,983	163,258	12,590	147,123	95,782	34,844		81			3,757
May 31, 1922.....	471,490	5,009	166,097	12,228	150,224	98,620	33,974		103			5,235
June 30, 1921.....	1,751,350	113,803	523,787	15,226	842,096	157,871	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

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.....	25,150	25,083	67	25,083	16,713	6,827	1,543	67		67
New York.....	46,995	46,536	459	45,866	36,962	7,750	1,154	1,129	670	459
Philadelphia.....	19,148	19,003	145	18,893	14,333	3,980	580	255	110	145
Cleveland.....	17,769	16,716	1,053	16,716	14,244	2,167	305	1,053		1,053
Richmond.....	1,368	711	657	711	226	485		657		657
Atlanta.....	937	645	292	645	389	256		292		292
Chicago.....	21,822	21,475	347	21,475	15,135	5,916	424	347		347
St. Louis.....	11,804	11,539	265	11,620	10,291	965	364	184		184
Minneapolis.....	193		193					193		193
Kansas City.....	5	5		5						
Dallas.....	2,914	2,876	38	2,876	2,127	724	25	38		38
San Francisco.....	16,845	16,523	322	16,523	13,722	2,661	140	322		322
Total: June 30, 1922.....	164,950			160,413	124,142	31,736	4,535	4,537	780	3,757
May 31, 1922.....	123,520			118,204	88,004	26,599	3,601	5,316	81	5,235
June 30, 1921.....	62,532			48,586	36,249	9,169	3,168	13,946	173	13,773
Purchased in open market:										
June 30, 1922.....		161,112		160,332	124,142	31,655	4,535	780	780	
May 31, 1922.....		118,182		118,101	88,004	26,496	3,601	81	81	
June 30, 1921.....		40,223		40,130	28,470	8,492	3,168	93	93	
Discounted for member banks:										
June 30, 1922.....			3,838	81		81		3,757		3,757
May 31, 1922.....			5,338	103		103		5,235		5,235
June 30, 1921.....			22,309	8,456	7,779	677		13,853	80	13,773

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 banks.	Branches and agencies of foreign banks.
		National.	Non-national.			
Boston.....	25,083	13,076	8,358	3,304	154	191
New York.....	45,866	21,610	12,864	4,910	3,305	3,177
Philadelphia.....	18,893	6,622	5,361	2,703	1,581	2,626
Cleveland.....	16,716	7,871	5,942	1,706	847	350
Richmond.....	711	711				
Atlanta.....	645	356	289			
Chicago.....	21,475	10,402	9,378	1,154	256	285
St. Louis.....	11,620	4,583	5,104	1,284	596	53
Minneapolis.....						
Kansas City.....	5	5				
Dallas.....	2,876	909	1,525	200	167	75
San Francisco.....	16,523	6,337	5,829	1,699	1,285	1,373
Total, June 30, 1922.....	160,413	72,482	54,650	16,960	8,191	8,130
May 31, 1922.....	118,204	53,780	37,750	14,683	6,117	5,874
June 30, 1921.....	48,586	18,871	13,949	9,009	3,470	3,287
Purchased in open market:						
June 30, 1922.....	160,332	72,444	54,607	16,960	8,191	8,130
May 31, 1922.....	118,101	53,768	37,659	14,683	6,117	5,874
June 30, 1921.....	40,130	15,280	11,507	6,960	3,391	2,992
Discounted for member banks:						
June 30, 1922.....	81	38	43			
May 31, 1922.....	103	12	91			
June 30, 1921.....	8,456	3,591	2,442	2,049	79	295

BANKING CONDITIONS BY FEDERAL RESERVE DISTRICTS.

Developments in Federal reserve and member bank conditions for the country as a whole are discussed in the paragraphs on the banking situation in the review of the month, page 907, and graphically shown in the chart on page 908. The text tables here presented show changes in condition of individual Federal reserve banks and of reporting member banks in each reserve district.

As is stated in the review of the month, the principal change in the condition of member banks for the five-week period ending July 19 was a decrease of \$136,000,000 in loans and discounts and an increase of \$110,000,000 in Government securities held. Liquidation of loans is shown for reporting member banks in all the districts except Cleveland, Atlanta, and San

Francisco, but the bulk of it, amounting to \$104,000,000, is reported for New York City banks, the decrease for the Boston district being \$22,000,000 and for the Chicago district \$14,000,000. Demand deposits of reporting member banks declined by \$97,000,000 during the period under review, a much larger decline in New York City being partially offset by increases elsewhere. Time deposits, on the other hand, increased by \$206,000,000, of which \$160,000,000 represented the share of New York City banks.

A table comparing total loans and discounts of reporting member banks on January 7, 1921, the earliest date for which separate figures for loans and discounts are available, and on July, 1922, with demand deposits for the same dates is given below:

TOTAL LOANS AND DISCOUNTS, NET DEMAND DEPOSITS, AND RATIO OF DEPOSITS TO LOANS OF REPORTING MEMBER BANKS IN LEADING CITIES.

[In millions of dollars.]

Federal reserve district.	Total loans and discounts.				Net demand deposits.				Ratio of deposits to loans— per cent.		
	Jan. 7, 1921.	July 19, 1922.	Decrease.		Jan. 7, 1921.	July 19, 1922.	Increase.		Jan. 7, 1921.	Sept. 21, 1921.	July 19, 1922.
			Amount.	Per cent.			Amount.	Per cent.			
Boston.....	934	783	151	16.2	784	799	15	1.9	83.9	84.9	102.0
New York.....	4,987	3,954	1,033	20.7	4,954	4,971	17	.3	99.3	106.2	125.7
New York City.....	4,488	3,492	996	22.2	4,453	4,470	17	.4	99.2	107.6	128.0
Philadelphia.....	682	558	124	18.2	673	686	13	1.9	95.7	98.7	122.9
Cleveland.....	1,111	996	115	10.4	898	852	46	5.2	80.8	74.5	85.5
Richmond.....	488	424	64	13.1	340	331	9	2.6	69.7	61.1	78.1
Atlanta.....	453	356	97	21.4	238	246	8	3.4	52.5	53.8	69.1
Chicago.....	1,932	1,565	367	19.0	1,322	1,448	126	9.5	68.4	74.3	92.5
City of Chicago.....	1,269	1,052	217	17.1	925	983	58	6.3	72.9	77.8	93.4
St. Louis.....	507	413	94	18.5	325	312	13	4.0	64.1	62.1	75.5
Minneapolis.....	308	234	74	24.0	187	190	3	1.6	60.7	60.7	81.2
Kansas City.....	536	427	109	20.3	399	436	37	9.3	74.4	80.0	102.1
Dallas.....	288	234	54	18.8	212	207	5	2.4	73.6	73.9	88.5
San Francisco.....	993	864	129	13.0	606	623	17	2.8	61.0	62.7	72.1
Total.....	13,219	10,808	2,411	18.2	10,938	11,101	163	1.5	82.7	85.2	102.7

1 Decrease.

Loans and discounts of reporting member banks declined by \$2,411,000,000, or 18.2 per cent, between January 7, 1921, which was not far from the peak date, and July 19, 1922. Declines are shown for all of the reserve districts, but are less pronounced in the Cleveland, Richmond, and San Francisco districts than in the rest of the country. While loans were declining throughout this period, demand deposits of reporting banks reached their lowest level in September, 1921, and increased in most of the districts since that time. Since January, 1921, deposits show an increase of \$163,000,000, or 1.5 per cent, declines being shown only for the Cleveland, Richmond, St. Louis, and Dallas districts.

The increase in deposits, which is shown for the latter part of 1921 and for 1922 in the face of loan liquidation, reflects three major features of recent financial developments: (1) An increase in the banks' investment in Government and other securities. Between January 7, 1921, and July 19, 1922, the investment account of the reporting banks increased by \$1,048,000,000, of which \$795,000,000 represents the increase in holdings of United States obligations. Since a substitution of investments for loans in a bank's portfolio does not affect the deposit account, this growth of investments explains over \$1,000,000,000 of the difference between the changes shown in loans and in deposits. (2) Contraction of the currency, chiefly the reduction of Federal reserve note circulation, which declined by \$1,137,000,000 between January 7, 1921, and July 19, 1922. Currency contraction represents the excess of cash deposits received by the banks over cash withdrawals.

(3) The importation of gold from abroad. Net imports of gold to the United States were \$780,000,000 between the beginning of 1921 and the end of June, 1922. Another way of stating this is to say that deposits can increase either through loans granted by the banks to their customers and credited to their accounts; through the purchase of securities by the banks and the crediting of the sellers' accounts with the proceeds, or through the deposit of cash. Cash deposits in turn can consist either of currency withdrawn from domestic circulation, or of gold imported from abroad. During the period under discussion the liquidation of loans exerted an influence toward the reduction of deposits, but this was somewhat more than offset by the increase in investments and the deposit of domestic currency and of foreign gold.

The economic causes back of these developments are worthy of consideration. Deposits generally tend to increase in relation to loans in times of depression. This is due partly to the gradual reduction of inventories by merchants, who pursue a hand-to-mouth policy and build up their deposit accounts in preparation for the revival of business. It is due also in part to the gradual liquidation of frozen domestic and foreign loans, especially as the upward swing of business begins to manifest itself. This liquidation of loans, to which no deposits correspond on the books of the banks, as these deposits have been previously drawn out, tends to increase the ratio of deposits to loans. In addition, in a depression there is less strain on the resources of business, with a consequent slowing down in the turnover of deposits and an increase

in the length of time that deposits remain in the banks. This also results in a relative increase of deposits as compared with loans. During the past two years the decline in prices reduced the public demand for currency and correspondingly reduced withdrawals of deposits in currency from the banks by business concerns and private individuals, who needed less cash to transact their business.

All these causes have operated to increase the ratio of deposits to loans, which was 82.7 per cent on January 7, 1921, rose to 85.2 per cent on September 21, 1921, when deposits began to increase, and advanced further to 102.7 per cent on the latest report date. It is interesting to compare this ratio for different sections of the country. On July 19, 1922, deposits in New York City banks constituted 128 per cent of loans and in the entire district of New York 125.7 per cent; in the Philadelphia district the ratio was

122.9 per cent, in the Boston district 102 per cent, and in the Kansas City district 102.1 per cent. None of the other districts show deposits in excess of loans. In the Atlanta district they constituted only 69.1 per cent of loans, the ratio being relatively low in all the southern districts and in the middle and far west, although in Chicago the ratio was 92.5 per cent. In general, the table shows that, while there has been nearly as much loan liquidation in the interior of the country as in the industrial centers on the coast, the relative increase in deposits has been more pronounced in the latter. An explanation of this difference may be found in part in the fact that the liquidation of foreign loans was largely confined to the industrial centers, and that this liquidation of foreign obligations by the shipment of gold was an important factor in the reduction of loans out of proportion to deposits.

CHANGES IN PRINCIPAL RESOURCES AND LIABILITIES OF REPORTING MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT BETWEEN JUNE 14 AND JULY 19, 1922.

[In millions of dollars.]

Federal reserve district.	Loans and discounts.		United States Government securities.		Other bonds, stocks, and securities.		Demand deposits.		Time deposits.		Accommodation at Federal reserve banks.	
	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.
Boston.....		22	7			1		9	10			1
New York.....		102	69			7		191	168		56	
New York City.....		104	64			5		203	160		62	
Philadelphia.....			6		7		18		1			3
Cleveland.....	9		9			1	34		8			3
Richmond.....		2		2	1		15					3
Atlanta.....	1		2		1				2		3	
Chicago.....		14	12		3		25		7			2
City of Chicago.....		20	8		4		17		1		1	
St. Louis.....			2					6	3			2
Minneapolis.....		8	2					1				
Kansas City.....		2	9		3		11		2			1
Dallas.....		1				1		3				
San Francisco.....	5			5	5		10		4			2
Total.....		136	110		10			97	206		42	

Liquidation of loans and discounts, amounting to \$41,600,000, for the 12 Federal reserve banks combined during the five-week period ending July 26 was reported, the Boston and Dallas banks being the only ones reporting increases. The heaviest decline, amounting to \$17,100,000, was reported by the Cleveland bank. Government security holdings show a decrease of

\$14,700,000, the largest decrease amounting to \$38,800,000 being reported for the Chicago bank, while the St. Louis, Minneapolis, and San Francisco banks showed smaller reductions. For the other eight reserve banks increased totals of Government securities are shown, the principal increase, amounting to \$15,900,000, being shown for the New York bank.

CHANGES IN PRINCIPAL RESOURCES AND LIABILITIES OF EACH FEDERAL RESERVE BANK BETWEEN JUNE 21 AND JULY 26, 1922.

[Amounts in millions of dollars.]

Federal reserve bank.	Total reserves.		Discounts.		Government securities.		Total deposits.		Federal reserve notes in circulation.		Reserve percentage.	
	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.	June 21.	July 26.
Boston.....	8.0		2.3		3.4		.9		10.2		72.2	72.2
New York.....		11.3		3.0	15.9		24.2			1.0	87.9	85.6
Philadelphia.....		21.0		2.9	4.1			.7		1.3	80.7	74.0
Cleveland.....	11.2			17.1	4.3		5.7				69.7	71.7
Richmond.....	3.7			4.8			4.2			5.2	75.5	78.8
Atlanta.....		5.4		.9	1.3			.5		3.3	83.0	81.6
Chicago.....	60.5			7.8		38.8	11.7		3.4		81.3	89.0
St. Louis.....		11.1		2.9		3.8		9.2		1.8	68.4	65.6
Minneapolis.....				.8		1.1		1.7		.2	70.3	71.7
Kansas City.....	1.7			2.9	1.1			1.3	.8		64.5	66.0
Dallas.....		2.3		.9	1.0		2.2			.2	61.8	57.0
San Francisco.....		.2		1.7		2.1		1.8		.9	70.2	70.6
Total.....	33.8			41.6		14.7	33.7		.5		79.1	79.2

No substantial change in Federal reserve note circulation is shown, increases shown for the Boston, Chicago, and Kansas City banks being practically offset by declines reported for the other banks. The reserve ratio, which advanced from 79.1 to 79.2 per cent for the system as a whole, shows varying changes for the different districts. For the New York bank a decline from 87.9 to 85.6 per cent is shown as a result of a decrease in

reserves and an increase in deposit liabilities. Other banks for which reduced reserve ratios are shown are the Philadelphia, Atlanta, St. Louis, and Dallas banks. The Boston bank's reserves remained unchanged at 72.2 per cent. The largest increase in reserve ratio, from 81.3 to 89 per cent, is shown for the Chicago bank, reflecting chiefly the increase of \$60,500,000 in the bank's cash reserves.

CASH RESERVES, TOTAL DEPOSITS, FEDERAL RESERVE NOTE CIRCULATION, AND RESERVE PERCENTAGES FOR JULY AND JUNE, 1922.

[Daily averages. Amounts in thousands of dollars.]

Federal reserve bank.	Total cash reserves.		Total deposits.		Federal reserve notes in circulation.		Reserve percentages.	
	July.	June.	July.	June.	July.	June.	July.	June.
Boston.....	207,436	195,846	124,461	121,327	162,942	153,470	72.2	71.3
New York.....	1,136,406	1,173,711	739,801	762,334	627,653	621,970	83.1	84.8
Philadelphia.....	221,195	225,616	110,713	109,187	180,393	180,283	76.0	77.9
Cleveland.....	244,702	240,715	145,616	142,027	198,095	197,745	71.2	70.8
Richmond.....	107,879	108,366	61,058	60,026	80,664	84,660	76.1	74.9
Atlanta.....	136,783	139,834	50,914	50,762	113,238	115,419	83.3	84.1
Chicago.....	557,730	501,244	266,532	262,790	371,527	364,012	87.4	80.0
St. Louis.....	88,441	96,179	65,261	70,637	67,725	69,074	66.5	68.8
Minneapolis.....	68,640	67,289	46,260	45,985	49,627	49,139	71.6	70.7
Kansas City.....	92,900	87,959	83,772	79,965	58,935	57,850	65.1	63.8
Dallas.....	42,577	45,985	47,562	47,328	26,440	26,339	57.5	62.4
San Francisco.....	253,587	253,631	140,168	140,223	220,166	218,469	70.4	70.7
Total: 1922.....	3,158,276	3,136,375	1,882,118	1,892,591	2,157,405	2,138,430	78.2	77.8
1921.....	2,655,179	2,605,779	1,696,481	1,723,271	2,604,750	2,682,560	61.7	59.1
1920.....	2,118,899	2,102,985	1,909,221	1,974,537	3,143,465	3,113,949	43.7	43.3
1919.....	2,176,779	2,248,265	1,959,758	1,940,647	2,523,960	2,500,969	50.4	52.6

¹ Calculated on basis of net deposits and Federal reserve notes in circulation.

FEDERAL RESERVE NOTES.

FEDERAL RESERVE AGENTS' ACCOUNTS ON WEDNESDAYS, JUNE 28 TO JULY 26, 1922.

[In thousands of dollars.]

	Total.	Boston.	New York.	Phila- delphia.	Cleve- land.	Rich- mond.	At- lanta.	Chi- cago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Francisco.
Net amount of F. R. notes received from Comptroller of Currency:													
June 28.....	3,294,062	261,557	1,131,490	247,982	245,708	121,305	185,946	490,819	106,025	62,683	87,074	48,124	305,349
July 5.....	3,301,379	264,800	1,141,332	245,969	246,304	120,373	184,938	491,981	104,877	62,443	86,299	47,753	304,310
July 12.....	3,341,921	263,176	1,149,418	244,050	250,369	120,008	190,149	498,299	110,884	62,866	87,293	50,369	315,040
July 19.....	3,350,935	271,351	1,149,583	247,700	249,412	119,070	189,332	501,167	111,000	62,945	86,542	50,040	312,793
July 26.....	3,338,365	268,402	1,152,345	251,127	247,057	118,097	188,337	495,214	111,035	62,360	85,858	49,627	308,906
F. R. notes on hand:													
June 28.....	756,577	91,650	271,150	45,120	33,405	31,520	67,049	86,120	22,450	11,650	17,900	19,633	58,930
July 5.....	739,542	90,850	271,250	42,920	32,140	31,520	66,914	84,460	22,450	9,695	16,800	18,413	52,130
July 12.....	752,412	81,650	277,650	34,920	33,620	31,470	70,994	88,900	27,250	9,695	16,800	21,333	58,130
July 19.....	767,067	91,250	277,650	34,920	35,120	30,910	72,404	88,900	27,250	10,500	16,400	20,833	60,930
July 26.....	766,402	88,250	277,650	40,920	36,720	30,610	71,724	88,180	27,150	10,035	16,400	20,433	58,330
F. R. notes outstanding:													
June 28.....	2,537,485	169,907	860,340	202,862	212,303	89,785	118,897	404,699	83,575	51,033	69,174	28,491	246,419
July 5.....	2,561,837	173,950	870,082	203,049	214,164	88,853	118,024	407,521	82,427	52,748	69,499	29,340	252,180
July 12.....	2,589,509	181,526	871,768	209,130	216,749	88,538	119,155	409,399	83,634	53,171	70,493	29,036	256,910
July 19.....	2,583,868	180,101	871,933	212,780	214,292	88,160	116,928	412,267	83,750	52,445	70,142	29,207	251,863
July 26.....	2,571,963	180,152	874,695	210,207	210,337	87,487	116,613	407,034	83,885	52,325	69,458	29,194	250,576
Collateral security for F. R. notes outstanding:													
Gold and gold certificates—													
June 28.....	416,123	5,300	363,184	.....	13,275	.....	2,400	.....	11,210	13,052	.....	7,702	.....
July 5.....	416,122	5,300	363,184	.....	13,275	.....	2,400	.....	11,210	13,052	.....	7,701	.....
July 12.....	416,122	5,300	363,184	.....	13,275	.....	2,400	.....	11,210	13,052	.....	7,701	.....
July 19.....	416,122	5,300	363,184	.....	13,275	.....	2,400	.....	11,210	13,052	.....	7,701	.....
July 26.....	416,522	5,300	363,184	.....	13,275	.....	2,400	.....	11,610	13,052	.....	7,701	.....
Gold redemption fund—													
June 28.....	127,309	16,170	39,972	14,926	11,735	1,751	4,127	14,959	3,560	1,400	2,577	1,519	14,613
July 5.....	124,985	13,413	39,762	12,912	11,751	3,819	3,118	15,622	4,412	880	3,802	2,148	13,346
July 12.....	126,010	11,789	39,587	10,993	14,337	2,954	2,330	15,200	4,020	1,623	3,096	1,844	18,237
July 19.....	127,651	7,964	39,403	13,643	12,779	5,016	4,512	16,207	3,136	1,142	4,345	2,515	16,989
July 26.....	124,016	15,015	39,256	11,071	11,424	4,043	3,518	13,255	4,671	1,557	3,661	2,102	14,443
Gold fund—F. R. Board—													
June 28.....	1,579,941	108,000	401,000	138,389	145,000	52,795	94,500	349,645	42,800	16,000	48,360	10,000	173,452
July 5.....	1,582,709	108,000	401,000	143,389	145,000	49,795	95,000	344,645	41,800	16,000	46,360	10,000	181,720
July 12.....	1,619,428	123,000	401,000	148,389	145,000	54,795	95,000	351,644	44,800	15,000	50,360	10,000	180,440
July 19.....	1,651,289	133,000	431,000	147,389	145,000	51,795	92,000	352,645	43,300	15,000	48,360	10,000	181,800
July 26.....	1,657,107	128,000	431,000	150,889	145,000	51,795	92,500	362,644	39,800	15,000	50,360	10,000	180,119
Eligible paper—Amount required—													
June 28.....	414,112	40,437	56,184	49,547	42,293	35,239	17,870	40,095	26,005	20,581	18,237	9,270	58,354
July 5.....	438,021	47,237	66,136	46,748	44,138	35,239	17,506	47,254	25,005	22,816	19,337	9,491	57,114
July 12.....	427,949	41,437	67,997	49,748	44,137	30,789	19,425	42,555	23,604	23,496	17,037	9,491	58,233
July 19.....	388,806	33,837	38,346	51,748	43,238	31,349	18,016	43,415	26,104	23,251	17,437	8,991	53,074
July 26.....	374,318	31,837	41,255	48,247	40,638	31,649	18,195	31,135	27,804	22,716	15,437	9,391	56,014
Excess amount held—													
June 28.....	192,536	10,991	73,481	3,468	9,806	5,507	12,704	33,041	5,110	5,798	2,879	26,248	3,503
July 5.....	197,610	9,984	84,320	3,931	13,230	3,060	12,783	31,912	4,690	2,680	698	24,997	5,325
July 12.....	148,684	4,440	50,165	3,030	6,093	8,502	9,964	30,190	7,163	1,386	1,480	25,518	763
July 19.....	196,436	4,671	93,959	3,165	7,892	6,729	13,541	28,347	5,407	1,329	939	27,045	3,412
July 26.....	149,486	13,348	24,439	9,776	5,006	4,414	12,516	37,001	3,561	2,987	2,768	27,331	6,339

PRINCIPAL RESOURCES AND LIABILITIES OF MEMBER BANKS IN LEADING CITIES ON WEDNESDAYS, FROM JUNE 21 TO JULY 19, 1922—Continued.

ALL REPORTING MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT—Continued.

[Amounts in thousands of dollars.]

	Total.	Boston.	New York.	Phila- delphia.	Cleve- land.	Rich- mond.	At- lanta.	Chicago.	St. Louis.	Minne- apolis.	Kansa- City.	Dallas.	San Fran- cisco.
Reserve with F. R. banks:													
June 21.....	1,385,971	88,343	658,682	69,408	99,185	33,524	31,578	182,264	45,833	21,224	50,900	22,305	82,730
June 28.....	1,440,290	82,822	743,876	64,051	99,068	33,516	29,821	177,046	41,770	18,073	46,686	23,072	80,489
July 5.....	1,400,669	89,080	663,417	69,604	99,895	34,296	33,766	200,430	40,441	21,894	45,147	22,287	80,412
July 12.....	1,438,146	83,614	707,154	65,787	99,215	35,129	30,057	206,338	34,921	20,310	45,795	23,684	86,142
July 19.....	1,432,051	86,322	696,012	68,587	102,761	35,903	31,036	200,961	36,626	19,359	46,906	22,394	85,204
Cash in vault:													
June 21.....	276,845	17,364	87,529	14,861	28,573	13,999	9,005	52,801	6,603	5,860	11,871	8,675	19,704
June 28.....	278,457	18,064	88,857	14,863	28,324	14,137	9,190	50,953	6,555	6,291	12,215	8,655	20,353
July 5.....	296,258	18,116	94,471	15,172	28,278	13,736	9,794	56,170	7,820	5,903	11,909	9,725	25,104
July 12.....	298,115	20,056	96,669	15,687	29,803	14,084	10,010	54,943	6,841	6,589	12,558	9,258	21,617
July 19.....	283,549	18,892	87,221	15,268	29,051	13,741	9,332	52,059	6,647	5,826	16,194	9,196	20,122
Net demand deposits:													
June 21.....	11,192,404	791,933	5,187,646	665,015	831,752	320,904	244,500	1,387,760	318,786	189,114	434,399	207,855	612,740
June 28.....	11,123,877	786,609	5,107,474	667,252	844,801	327,080	244,819	1,400,916	307,995	186,643	433,281	208,737	608,270
July 5.....	11,087,684	802,067	4,999,952	675,705	840,633	329,278	250,953	1,421,586	320,758	190,343	436,586	206,697	613,126
July 12.....	11,199,139	808,316	5,037,857	684,436	849,135	330,408	248,298	1,459,849	319,500	192,234	442,617	209,523	616,966
July 19.....	11,101,473	799,125	4,971,466	686,153	852,096	330,940	245,717	1,447,486	311,926	190,226	436,060	206,983	623,295
Time deposits:													
June 21.....	3,328,680	232,245	619,751	50,787	488,278	148,280	149,576	677,051	161,743	78,086	114,485	64,680	543,718
June 28.....	3,380,434	231,462	665,806	50,838	486,157	149,473	150,442	681,109	159,965	77,417	115,966	64,964	546,845
July 5.....	3,470,561	233,252	749,856	50,684	493,400	146,329	149,987	680,179	163,037	77,282	115,138	65,544	545,887
July 12.....	3,482,541	233,239	762,387	51,086	490,648	144,961	150,796	679,276	162,397	77,307	114,916	65,525	550,003
July 19.....	3,487,015	229,391	769,398	51,232	490,342	144,750	151,872	679,718	163,156	77,278	115,777	65,419	548,682
Government deposits:													
June 21.....	178,444	15,589	61,450	14,063	17,583	5,404	5,562	20,586	6,765	4,763	7,139	4,633	14,857
June 28.....	123,674	11,208	41,452	9,478	13,262	3,460	3,760	14,165	4,610	4,207	4,889	3,159	10,024
July 5.....	121,428	11,208	41,452	8,527	11,830	3,629	3,755	14,057	4,610	4,288	4,889	3,159	10,024
July 12.....	110,070	10,089	37,900	7,675	11,543	3,315	3,372	12,546	4,131	3,844	4,397	2,843	9,015
July 19.....	100,245	9,079	33,566	7,675	10,681	3,048	3,035	11,383	3,730	3,414	3,959	2,559	8,116
Bills payable with F. R. banks:													
Secured by U. S. Govern- ment obligations—													
June 21.....	50,230	1,310	6,495	9,165	10,471	4,577	653	6,298	2,918	2,225	644	900	4,574
June 28.....	96,534	3,325	54,835	10,727	11,579	4,312	153	3,854	3,768	963	744	.....	2,274
July 5.....	94,862	1,605	55,145	8,949	11,699	3,127	145	5,059	3,925	143	522	298	4,240
July 12.....	73,752	1,534	46,705	8,658	3,724	5,095	145	2,519	2,034	38	72	.....	3,178
July 19.....	96,049	980	59,745	9,257	10,386	4,187	745	3,454	2,025	338	22	60	4,850
All other—													
June 21.....	205	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	205
June 28.....	204	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	204
July 5.....	184	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	184
July 12.....	365	.....	.....	.....	.....	200	.....	.....	.....	.....	.....	.....	165
July 19.....	182	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	182
Bills rediscounted with F. R. banks:													
Secured by U. S. Govern- ment obligations—													
June 21.....	656	78	6	225	.....	109	30	.....	31	.....	105	10	62
June 28.....	967	71	359	225	20	91	2	.....	31	.....	96	10	62
July 5.....	1,183	89	506	225	55	102	.....	.....	31	.....	102	10	63
July 12.....	979	89	528	55	11	97	3	.....	7	.....	82	10	97
July 19.....	1,030	87	7	55	11	88	.....	.....	65	500	78	16	93
All other—													
June 21.....	72,183	11,079	8,270	6,620	11,965	6,934	3,952	6,224	2,232	1,233	1,817	3,283	8,574
June 28.....	66,368	9,327	9,814	6,808	5,916	6,695	3,003	6,166	2,028	1,887	2,317	3,589	9,318
July 5.....	110,164	19,073	32,909	8,669	11,222	6,035	3,628	6,872	2,060	1,823	2,608	3,477	11,788
July 12.....	66,786	10,705	8,355	4,729	12,797	5,496	3,053	4,044	1,555	1,660	2,099	3,684	8,609
July 19.....	60,339	5,918	18,648	2,794	7,879	5,506	4,516	2,705	1,482	1,190	2,328	3,222	4,151

MEMBER BANKS IN FEDERAL RESERVE BANK CITIES.

[Amounts in thousands of dollars.]

Number of reporting banks:													
June 21.....	273	26	66	43	8	10	8	50	13	10	16	8	15
June 28.....	274	26	67	43	8	10	8	50	13	10	16	8	15
July 5.....	273	26	66	43	8	10	8	50	13	10	16	8	15
July 12.....	272	26	65	43	8	10	8	50	13	10	16	8	15
July 19.....	272	26	65	43	8	10	8	50	13	10	16	8	15
Loans and discounts, includ- ing bills rediscounted with F. R. banks:													
Secured by U. S. Govern- ment obligations—													
June 21.....	194,984	13,857	82,403	16,046	8,101	2,186	1,644	43,810	12,498	5,608	2,424	1,480	4,927
June 28.....	190,542	13,125	79,590	16,989	7,958	2,134	1,926	40,592	12,511	6,807	2,416	1,610	4,884
July 5.....	183,632	13,646	79,691	16,028	7,150	2,155	1,622	36,179	12,432	5,912	2,411	1,575	4,836
July 12.....	176,539	12,657	75,941	14,091	7,137	2,308	1,575	36,032	12,222	5,652	2,329	1,545	5,050
July 19.....	165,467	11,744	69,780	13,470	6,918	2,328	1,599	32,926	12,006	5,768	2,416	1,477	5,035

PRINCIPAL RESOURCES AND LIABILITIES OF MEMBER BANKS IN LEADING CITIES ON WEDNESDAYS, FROM JUNE 21 TO JULY 19, 1922—Continued.

MEMBER BANKS IN FEDERAL RESERVE BANK CITIES—Continued.

[Amounts in thousands of dollars.]

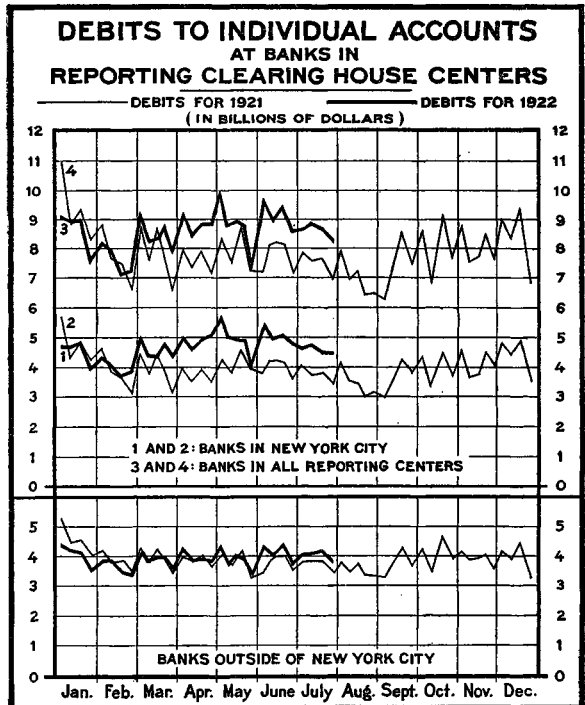
Number of reporting banks.	Total.	Boston.	New York.	Phila- delphia.	Clevo- land.	Rich- mond.	At- lanta.	Chicago.	St. Louis.	Minno- apolis.	Kansas City.	Dallas.	San Fran- cisco.
Time deposits:													
June 21.....	1,583,779	103,689	419,781	34,333	284,536	23,376	23,415	322,500	91,605	28,449	11,356	8,562	232,067
June 28.....	1,624,965	102,752	465,108	34,402	281,899	23,417	23,481	324,492	89,279	27,638	11,353	8,397	232,547
July 5.....	1,715,143	103,454	547,052	34,078	289,734	24,049	23,272	322,481	91,838	27,430	11,319	8,698	231,738
July 12.....	1,727,635	103,876	555,821	34,513	288,625	24,036	23,142	321,025	91,493	27,469	11,337	8,914	237,384
July 19.....	1,726,364	98,950	560,705	34,732	288,267	23,869	23,134	320,648	91,837	27,532	11,297	8,963	236,430
Government deposits:													
June 21.....	128,418	13,713	57,355	12,885	2,735	2,045	1,674	14,200	4,330	2,138	5,610	3,552	8,181
June 28.....	89,161	9,942	38,695	8,685	2,879	1,382	1,130	9,854	2,965	1,926	3,787	2,397	5,519
July 5.....	87,887	9,942	38,695	7,814	2,583	1,382	1,132	9,746	2,965	1,925	3,787	2,397	5,519
July 12.....	79,213	8,948	34,818	7,032	2,583	1,243	1,013	8,682	2,653	1,716	3,407	2,157	4,961
July 19.....	72,052	8,053	31,336	7,032	2,329	1,120	913	7,892	2,400	1,500	3,068	1,941	4,468
Bills payable with F. R. banks:													
Secured by U. S. Govern- ment obligations—													
June 21.....	25,901	200	4,520	8,135	1,039	493	.....	4,985	695	1,000	34	500	4,300
June 28.....	67,238	1,715	48,720	9,554	1,124	678	.....	2,910	565	38	34	.....	1,900
July 5.....	70,024	1,195	50,110	8,071	200	238	.....	4,240	1,750	148	19	253	3,800
July 12.....	57,488	1,095	43,330	7,930	624	171	.....	1,565	196	38	19	.....	2,520
July 19.....	73,438	580	57,520	8,529	350	687	.....	1,625	140	38	19	.....	3,950
All other—													
June 21.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
June 28.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
July 5.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
July 12.....	200	.....	.....	.....	.....	200	.....	.....	.....	.....	.....	.....	.....
July 19.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Bills rediscounted with F. R. banks:													
Secured by U. S. Govern- ment obligations—													
June 21.....	409	78	.....	225	.....	.....	.....	.....	23	.....	.....	83	.....
June 28.....	745	71	353	225	.....	.....	.....	.....	23	.....	.....	73	.....
July 5.....	919	89	499	225	.....	.....	.....	.....	23	.....	.....	83	.....
July 12.....	729	89	522	55	.....	.....	.....	.....	.....	.....	.....	63	.....
July 19.....	201	87	.....	55	.....	.....	.....	.....	.....	.....	.....	59	.....
All other—													
June 21.....	40,685	10,227	2,774	6,617	5,823	1,569	75	3,593	1,088	150	1,488	35	7,246
June 28.....	35,917	8,063	3,506	6,806	1,986	1,890	111	3,069	912	773	1,336	85	7,380
July 5.....	74,686	17,846	26,782	8,669	3,719	1,787	261	4,824	801	750	1,468	.....	7,779
July 12.....	33,265	9,972	3,506	4,729	3,052	1,508	326	2,236	653	638	1,386	.....	5,199
July 19.....	29,790	5,414	14,021	2,778	1,453	1,525	301	1,211	569	50	1,298	.....	1,080

BANK DEBITS.

Volume of business for the five weeks ending July 26 was on a level about 3 per cent lower than that maintained for the preceding four weeks. The 3 per cent decline reported last month was thus repeated, the downward trend being attributable largely to the mid-summer dullness of business. For New York City the decline was 4 per cent, compared with 6 per cent shown last month.

That this reduction in the volume of business is largely seasonal rather than cyclical is indicated by the fact that the figures for the system as a whole are 16 per cent higher and for New York City 24 per cent higher than corresponding figures for 1921. The spread between the two years shown last month was 12 per cent for the system and 18 per cent for New York City alone, so that when related to last year's trend the most recent five weeks show an increase in business activity as compared with the immediately preceding weeks.

The volume of business is measured by debits to individual accounts as reported to the Federal Reserve Board for banks in leading centers.



DEBITS TO INDIVIDUAL ACCOUNTS BY BANKS IN REPORTING CENTERS.

SUMMARY BY FEDERAL RESERVE DISTRICTS.

[In thousands of dollars.]

	Number of centers included.	1922 Week ending—					1921 Week ending—				
		June 28.	July 5.	July 12.	July 19.	July 26.	June 29.	July 6.	July 13.	July 20.	July 27.
Boston.....	14	412,576	481,991	449,698	493,701	482,210	401,918	432,780	431,939	467,988	374,231
New York.....	7	4,940,708	4,816,262	4,906,346	4,649,606	4,582,601	3,742,943	4,217,547	3,874,472	3,946,421	3,592,910
Philadelphia.....	12	389,293	359,656	398,819	468,148	374,513	369,089	383,503	364,908	386,721	328,947
Cleveland.....	13	469,940	506,901	471,379	475,626	454,569	391,946	423,415	418,283	414,091	384,273
Richmond.....	11	194,677	201,934	217,824	204,928	184,397	201,660	215,763	211,296	200,962	176,911
Atlanta.....	15	167,986	186,111	180,553	175,252	161,662	155,526	180,540	167,774	181,486	156,621
Chicago.....	24	904,466	927,844	959,780	980,563	907,821	802,780	855,469	913,871	920,427	844,077
St. Louis.....	8	206,613	239,598	231,925	228,729	193,935	185,158	203,360	207,199	213,175	185,548
Minneapolis.....	12	121,419	122,986	137,609	129,340	125,165	118,491	120,782	129,609	125,172	119,536
Kansas City.....	16	241,452	244,476	264,186	254,828	234,350	209,658	221,590	235,860	241,590	232,189
Dallas.....	13	113,987	123,770	128,985	127,226	114,064	121,191	119,686	128,771	131,267	112,234
San Francisco.....	20	442,287	443,916	500,640	483,612	427,455	406,109	433,595	460,642	398,969	398,092
Total.....	165	8,605,404	8,655,495	8,847,744	8,671,559	8,242,940	7,106,469	7,808,030	7,544,624	7,628,269	6,993,569

DATA FOR EACH REPORTING CENTER.

[In thousands of dollars.]

	1922 Week ending—					1921 Week ending—				
	June 28.	July 5.	July 12.	July 19.	July 26.	June 29.	July 6.	July 13.	July 20.	July 27.
District No. 1—Boston:										
Bangor, Me.....	2,774	3,408	3,367	3,235	2,931	3,242	3,514	4,093	3,348	3,184
Boston, Mass.....	284,194	330,678	297,377	344,497	352,006	281,563	288,633	295,258	330,913	257,183
Brockton, Mass.....	3,787	4,212	4,465	4,633	3,941					
Fall River, Mass.....	6,417	6,833	7,470	6,681	5,926	5,017	4,661	5,542	5,923	5,729
Hartford, Conn.....	20,511	25,559	22,775	22,787	21,069	18,417	27,791	22,276	20,863	18,221
Holyoke, Mass.....	2,623	3,440	3,301	3,173	2,968	2,819	2,887	2,931	2,956	2,507
Lowell, Mass.....	3,383	4,346	5,265	4,718	4,150	3,846	3,853	4,496	4,743	4,001
Lynn, Mass.....	5,479	5,456	5,901	5,745	5,606					
Manchester, N. H.....	3,280	3,988	3,834	3,783	3,313	3,873	4,105	4,559	4,382	4,512
New Bedford, Mass.....	5,663	6,679	6,436	6,902	5,920	4,947	5,085	5,987	6,594	5,138
New Haven, Conn.....	13,656	18,102	20,401	23,105	18,106	13,727	18,231	17,198	18,178	15,094
Portland, Me.....	7,259	9,069	8,697	7,822	7,451	5,239	5,701	7,309	6,499	6,792
Providence, R. I.....	29,699	31,948	33,163	31,075	25,237	29,238	33,319	30,043	31,515	25,664
Springfield, Mass.....	13,548	15,890	17,209	14,170	14,082	11,624	13,851	12,800	11,590	10,222
Waterbury, Conn.....	5,093	6,209	6,258	6,456	5,925	5,239	6,313	5,188	5,639	4,366
Worcester, Mass.....	14,471	15,842	14,145	15,297	12,526	13,127	14,836	14,259	14,845	11,618
District No. 2—New York:										
Albany, N. Y.....	20,955	31,051	21,285	34,767	20,729	31,373	37,006	23,673	18,563	18,264
Binghanton, N. Y.....	3,635	4,111	4,418	4,154	3,624	3,361	4,274	3,977	3,747	3,447
Buffalo, N. Y.....	54,207	76,799	67,292	63,180	59,287	49,498	69,064	61,146	56,115	49,708
Elmira, N. Y.....	3,501	3,464	3,624	3,609	3,048					
Jamestown, N. Y.....	3,082	3,542	3,749	3,817	3,645					
Montclair, N. J.....	2,241	2,304	2,681	2,351	2,199					
Newark, N. J.....	50,784	59,792	54,864	56,209	51,272					
New York, N. Y.....	4,815,943	4,647,704	4,763,690	4,496,357	4,454,686	3,617,372	4,050,119	3,737,133	3,821,102	3,483,112
Northern New Jersey Clearing House Association.....	33,073	36,740	35,677	35,218	38,041					
Passaic, N. J.....	5,880	3,747	5,551	5,361	5,345	4,616	5,070	5,694	5,968	4,514
Rochester, N. Y.....	28,271	36,740	28,081	32,852	26,177	24,599	35,991	28,580	27,700	23,050
Stamford, Conn.....	2,442	2,731	2,835	2,718	2,304					
Syracuse, N. Y.....	11,817	16,110	16,029	12,935	12,753	12,124	16,023	14,269	13,226	10,815
District No. 3—Philadelphia:										
Allentown, Pa.....	5,779	6,802	6,638	5,932	5,228					
Altoona, Pa.....	3,042	2,630	3,347	3,116	2,997	3,187	2,759	3,209	3,116	2,895
Camden, N. J.....	9,046	8,344	9,932	10,670	9,180					
Chester, Pa.....	3,813	4,024	4,693	4,796	3,788	3,881	3,800	4,078	4,753	3,914
Harrisburg, Pa.....	6,560	7,299	7,765	8,657	6,795	6,541	6,835	6,853	7,115	5,919
Hazleton, Pa.....	1,829	2,389	2,325	2,255	1,716					
Johnstown, Pa.....	4,443	4,471	4,791	4,964	4,441	5,102	4,765	4,962	4,913	4,068
Lancaster, Pa.....	5,110	5,040	5,268	5,306	4,309	4,277	4,391	4,390	4,217	3,966
Lebanon, Pa.....	1,288	1,351	1,358	1,180	1,127					
Norristown, Pa.....	851	755	835	873	772					
Philadelphia, Pa.....	321,312	283,133	324,151	395,117	307,090	295,195	311,122	289,668	312,507	259,427
Reading, Pa.....	7,354	7,330	7,998	7,824	7,185	8,486	8,630		8,134	6,147
Scranton, Pa.....	11,244	12,133	12,920	10,614	10,662	16,096	14,213	17,474	11,959	17,145
Trenton, N. J.....	11,103	11,887	11,992	12,099	11,383	10,013	9,793	10,552	14,521	10,254
Wilkes-Barre, Pa.....	7,493	8,148	7,046	6,801	5,842	8,135	7,000	8,578	8,178	8,182
Williamsport, Pa.....	4,447	4,094	4,380	4,321	3,464	3,529	4,089	4,295	3,925	3,388
Wilmington, Del.....	6,790	8,189	8,098	8,062	9,649	9,651	11,019	7,132	7,378	6,362
York, Pa.....	3,936	3,608	4,368	4,295	4,093	3,479	3,717	3,717	4,139	3,427
District No. 4—Cleveland:										
Akron, Ohio.....	14,717	12,278	15,982	13,294	14,673	12,976	14,700	13,662	15,216	13,683
Butler, Pa.....	2,249	2,710	2,812	2,186	2,093					
Canton, Ohio.....	7,313	8,134	9,424	9,344	9,062					
Cincinnati, Ohio.....	73,770	65,820	67,345	72,222	61,711	56,149	58,132	59,871	63,294	55,021

DEBITS TO INDIVIDUAL ACCOUNTS BY BANKS IN REPORTING CENTERS—Continued.

DATA FOR EACH REPORTING CENTER—Continued.

[In thousands of dollars.]

	1922 Week ending—					1921 Week ending—				
	June 28.	July 5.	July 12.	July 19.	July 26.	June 29.	July 6.	July 13.	July 20.	July 27.
District No. 4—Cleveland—Con.										
Cleveland, Ohio.....	124,263	148,367	131,172	141,308	122,822	102,281	117,554	122,985	112,857	104,438
Columbus, Ohio.....	35,403	28,877	32,546	31,977	29,736	27,343	27,242	29,242	31,350	26,401
Connellsville, Pa.....	1,308	906	1,121	1,178	1,202					
Dayton, Ohio.....	12,082	16,354	15,932	14,071	13,035	11,196	13,568	12,952	13,137	12,839
Erie, Pa.....	5,788	6,240	6,142	6,021	5,558	5,449	5,892	6,405	5,536	5,606
Greensburg, Pa.....	3,726	3,721	3,981	4,485	4,125	3,881	3,882	4,924	5,109	3,919
Homestead, Pa.....	625	1,044	808	797	587					
Lexington, Ky.....	3,780	5,476	5,182	4,457	3,689	3,143	4,166	3,697	3,595	3,134
Lima, Ohio.....	3,006	3,251	3,680	3,560	3,022					
Lorain, Ohio.....	1,233	1,410	1,195	1,226	1,080					
New Brighton, Pa.....	1,982	2,704	2,354	2,196	2,028					
Oil City, Pa.....	3,071	3,525	3,086	2,900	3,013	2,161	2,453	1,992	1,934	2,033
Pittsburgh, Pa.....	169,242	177,738	162,563	158,401	167,515	145,776	152,123	139,406	141,526	136,825
Springfield, Ohio.....	3,585	5,372	4,957	4,776	4,614	3,377	4,007	4,400	4,171	3,344
Toledo, Ohio.....	32,026	33,926	39,804	43,869	36,575					
Warren, Ohio.....	2,169	2,578	2,412	3,122	2,221					
Wheeling, W. Va.....	9,221	9,052	8,724	9,512	10,123	7,544	7,273	7,305	6,521	7,214
Youngstown, Ohio.....	11,292	24,081	13,817	12,302	13,955	10,670	12,423	11,492	9,845	9,816
Zanesville, Ohio.....	2,397	2,969	2,724	2,465	2,473					
District No. 5—Richmond:										
Asheville, N. C.....	3,487	4,137	4,348	4,734	4,156					
Baltimore, Md.....	88,225	80,876	92,514	83,068	76,267	93,899	99,260	101,330	94,092	87,814
Charleston, S. C.....	4,330	6,199	6,955	6,380	6,111	5,000	7,019	6,742	5,220	5,149
Charleston, W. Va.....	6,809	6,550	6,308	6,014	7,266					
Charlotte, N. C.....	6,267	7,877	7,281	6,880	8,387	5,750	5,865	4,994	4,555	4,433
Columbia, S. C.....	4,155	5,151	4,100	4,073	3,450	5,630	4,300	4,985	4,653	3,713
Cumberland, Md.....	1,805	2,156	2,317	2,047	1,099					
Danville, Va.....	1,015	1,492	2,192	1,719	1,498					
Durham, N. C.....	4,211	3,921	4,526	4,176	5,741					
Greensboro, N. C.....	3,242	3,285	3,714	4,293	3,104					
Greenville, S. C.....	2,908	4,112	3,700	3,317	3,437	2,543	3,640	2,574	2,472	2,390
Hagerstown, Md.....	1,829	2,326	2,360	2,003	1,710					
Huntington, W. Va.....	4,842	4,903	4,742	4,661	4,711	4,353	4,540	4,960	4,995	4,229
Lynchburg, Va.....	3,796	5,096	5,243	4,018	3,457					
Newport News, Va.....	1,820	2,024	2,183	1,596	1,406					
Norfolk, Va.....	15,230	15,296	16,642	17,096	12,774	12,131	13,888	15,147	13,799	11,582
Raleigh, N. C.....	3,900	3,700	3,800	3,000	4,100	4,400	4,350	4,100	4,900	3,870
Richmond, Va.....	20,848	27,044	25,318	24,809	23,224	21,766	26,505	23,087	24,259	19,036
Roanoke, Va.....	4,371	5,514	5,227	5,455	4,485					
Spartanburg, S. C.....	2,009	2,232	2,082	2,060	1,781					
Washington, D. C.....	40,021	42,927	47,434	43,480	37,909	41,548	41,357	37,830	37,621	30,443
Wilmington, N. C.....	3,953	3,899	5,248	4,164	4,227	4,640	5,039	5,547	4,396	4,252
Winston-Salem, N. C.....	5,086	6,386	5,245	5,001	4,471					
District No. 6—Atlanta:										
Albany, Ga.....	760	807	792	787	688					
Atlanta, Ga.....	21,627	27,927	25,894	25,887	21,538	20,473	24,697	23,577	23,652	20,230
Augusta, Ga.....	4,789	4,438	5,535	5,081	4,840	4,007	5,308	5,326	5,116	4,408
Birmingham, Ala.....	17,098	18,184	17,520	16,093	15,616	11,991	14,552	10,696	12,025	10,595
Brunswick, Ga.....	512	600	752	640	599					
Chattanooga, Tenn.....	6,471	6,864	6,754	6,483	6,174	6,539	7,906	8,222	8,205	6,460
Columbus, Ga.....	1,861	2,405	2,684	2,148	2,026					
Cordele, Ga.....	154	149	216	198	146					
Dothan, Ala.....	366	502	450	506	368					
Elberton, Ga.....	121	183	212	136	155					
Jackson, Miss.....	2,172	2,171	2,967	2,331	1,635					
Jacksonville, Fla.....	9,510	10,861	10,002	10,713	8,905	8,804	9,788	9,965	9,954	7,887
Knoxville, Tenn.....	6,190	6,925	5,928	6,014	5,505	4,495	6,197	4,688	6,721	4,570
Macon, Ga.....	3,910	4,503	4,634	3,208	4,127	3,731	4,166	3,997	4,599	3,519
Meridian, Miss.....	1,580	1,695	1,918	1,788	1,655					
Mobile, Ala.....	5,265	6,187	5,677	5,601	5,349	5,097	5,709	5,820	5,733	4,702
Montgomery, Ala.....	3,081	3,185	3,164	3,259	2,844	2,602	2,400	2,171	2,547	2,390
Nashville, Tenn.....	14,170	16,572	15,843	15,465	13,096	23,844	24,992	22,277	33,177	26,821
Newnan, Ga.....	283	706	417	325	330					
New Orleans, La.....	60,549	62,376	62,021	59,835	56,219	48,954	56,872	54,601	52,866	50,027
Pensacola, Fla.....	1,258	1,553	1,362	1,283	1,268	1,234	1,406	1,464	1,407	1,382
Savannah, Ga.....	8,604	9,996	9,758	7,943	8,222	8,172	10,329	8,761	9,186	8,453
Tampa, Fla.....	4,400	5,186	5,222	5,174	6,687	4,237	4,908	4,976	5,110	4,238
Valdosta, Ga.....	827	917	1,116	915	770					
Vicksburg, Miss.....	1,069	1,354	1,239	1,163	1,272	1,046	1,310	1,233	1,188	939
District No. 7—Chicago:										
Adrian, Mich.....	599	746	750	706	551					
Aurora, Ill.....	2,625	2,555	2,992	2,605	2,531					
Bay City, Mich.....	2,098	2,231	2,495	2,166	2,162	2,027	2,224	2,624	2,292	2,044
Bloomington, Ill.....	1,916	2,210	2,285	2,484	2,087	2,144	2,720	2,074	2,465	2,054
Cedar Rapids, Iowa.....	4,293	5,780	8,637	8,344	6,245	8,403	9,613	10,347	9,025	8,253
Chicago, Ill.....	583,940	575,910	595,836	611,936	555,001	523,449	544,121	548,414	536,027	546,417
Danville, Ill.....	2,400	3,100	3,300	2,900	2,100					
Davenport, Iowa.....	6,069	9,887	7,605	8,623	8,982	5,562	7,151	6,056	5,937	6,034
Decatur, Ill.....	2,996	3,060	3,498	3,301	3,380	2,550	3,673	3,035	3,996	3,436
Des Moines, Iowa.....	15,694	15,328	17,362	15,991	14,675	14,396	13,391	15,386	15,787	14,237
Detroit, Mich.....	116,981	127,100	130,381	139,130	141,881	89,665	104,800	160,515	122,774	106,407
Dubuque, Iowa.....	2,754	3,150	3,300	3,022	2,247	2,379	3,212	2,581	2,603	2,499
Flint, Mich.....	5,914	5,302	5,116	5,575	5,040	4,876	5,639	5,074	7,465	4,994

DEBITS TO INDIVIDUAL ACCOUNTS BY BANKS IN REPORTING CENTERS—Continued.

DATA FOR EACH REPORTING CENTER—Continued.

[In thousands of dollars.]

	1922 Week ending—					1921 Week ending—				
	June 28.	July 5.	July 12.	July 19.	July 26.	June 29.	July 6.	July 13.	July 20.	July 27.
District No. 7—Chicago—Con.										
Port Wayne, Ind.	6,829	7,951	7,917	7,151	7,207	6,159	7,279	6,800	6,567	5,839
Gary, Ind.	2,916	3,218	2,743	3,308	2,479					
Grand Rapids, Mich.	13,406	12,682	14,372	15,133	13,479	17,063	17,390	14,868	17,273	17,310
Hammond, Ind.		3,278	3,602	3,160	3,100					
Indianapolis, Ind.	32,876	32,922	35,863	36,379	31,336	31,676	32,244	34,221	33,381	31,544
Jackson, Mich.	5,584	4,120	4,063	4,323	4,871	4,038	3,182	3,275	4,082	4,250
Kalamazoo, Mich.	4,270	3,888	4,203	4,416	3,876	3,279	3,807	3,650	3,929	3,471
Lansing, Mich.	6,524	6,735	6,507	6,264	5,695	4,580	6,100	4,509	5,079	4,567
Mason City, Iowa.	2,256	2,139	2,329	2,023	1,864					
Milwaukee, Wis.	49,329	59,526	57,927	56,546	57,040	45,307	50,956	50,688	54,421	46,834
Moline, Ill.	1,328	1,969	3,129	2,569	1,680	1,405	1,948	1,673	1,938	1,462
Muscatine, Iowa.	887	1,108	1,386	1,170	1,018					
Oshkosh, Wis.	2,100	2,300	1,900	2,500	1,900					
Peoria, Ill.	7,864	8,175	8,770	8,655	7,994	7,143	7,948	7,969	8,279	6,670
Rockford, Ill.	4,373	4,791	5,190	4,771	4,300	4,144	5,811	4,994	5,103	4,520
Sioux City, Iowa.	15,383	15,762	16,612	16,433	14,549	9,384	8,162	9,062	8,053	7,820
South Bend, Ind.	6,264	8,216	8,802	8,055	6,093	5,705	5,372	6,707	5,131	5,288
Springfield, Ill.	4,639	7,415	6,317	5,761	5,054	4,697	6,957	6,193	6,071	5,779
Waterloo, Iowa.	3,142	3,734	3,573	3,535	2,947	2,749	2,769	3,156	2,729	2,348
District No. 8—St. Louis:										
East St. Louis and National										
Stock Yards, Ill.	9,648	8,349	10,704	8,896	8,094	8,356	6,971	8,816	8,462	8,248
Evansville, Ind.	7,398	9,100	8,542	7,221	5,541	4,811	5,694	6,832	5,037	4,885
Fort Smith, Ark.	2,473	2,351	2,302	2,124	2,248					
Greenville, Miss.	601	674	1,226	699	490					
Helena, Ark.	795	878	939	1,040	1,008					
Little Rock, Ark.	8,475	8,048	8,251	8,416	7,129	8,259	7,337	9,194	8,063	7,710
Louisville, Ky.	32,394	34,511	33,543	32,101	28,697	28,821	29,307	31,397	28,698	25,330
Memphis, Tenn.	22,044	24,295	23,860	23,057	19,603	17,401	19,887	16,915	22,471	16,158
Owensboro, Ky.	991	1,097	1,633	1,244	1,069					
Quincy, Ill.	1,984	2,030	2,323	2,220	1,906	1,789	2,093	2,286	2,623	2,016
St. Louis, Mo.	122,239	150,414	141,666	143,884	120,426	113,397	129,196	129,121	135,318	116,855
Springfield, Mo.	2,431	2,851	3,036	2,934	2,537	2,324	2,875	2,638	2,493	2,346
District No. 9—Minneapolis:										
Aberdeen, S. Dak.	1,087	1,229	1,537	1,339	1,266	1,229	1,167	1,536	1,397	1,024
Billings, Mont.	1,802	1,767	1,973	1,824	1,383	1,486	1,667	1,854	1,574	1,573
Dickinson, N. Dak.	193	288	298	318	221					
Duluth, Minn.	14,643	15,437	15,977	15,756	14,537	16,301	15,498	17,559	15,381	13,780
Fargo, N. Dak.	1,993	2,861	2,930	3,029	2,291	2,133	2,654	3,041	2,466	2,387
Grand Forks, N. Dak.	948	1,397	1,392	1,303	1,153	905	1,146	1,216	1,219	1,034
Great Falls, Mont.	1,554	1,487	1,498	1,346	1,314	1,514	1,352	1,526	1,636	1,568
Helena, Mont.	1,903	2,002	2,601	2,083	2,093	2,136	2,657	2,481	2,287	1,845
Jamestown, N. Dak.	390	372	537	418	410					
Levinstown, Mont.	653	852	794	755	664					
Minneapolis, Minn.	60,012	62,664	69,430	64,188	62,616	58,837	60,946	65,153	64,686	58,582
Minot, N. Dak.	594	988	829	858	816					
Redwing, Minn.	496	607	557	492	354					
St. Paul, Minn.	37,555	33,275	39,968	37,677	37,623					
Do.	132,530	127,366	133,254	131,691	132,860	26,693	26,069	27,682	27,533	31,227
Sioux Falls, S. Dak.	2,502	3,750	4,082	3,970	3,340	4,587	4,602	4,149	3,957	3,728
Superior, Wis.	1,641	1,702	1,638	1,851	1,406	1,794	1,797	2,007	1,893	1,996
Winona, Minn.	804	1,324	1,297	955	906	876	1,227	1,405	1,173	792
District No. 10—Kansas City:										
Atchison, Kans.	1,121	1,116	1,216	1,279	1,047	1,104	970	1,204	1,558	1,126
Bartlesville, Okla.	3,007	3,072	2,587	2,519	2,186	1,965	2,219	2,073	2,645	1,812
Casper, Wyo.	3,428	3,413	3,150	2,915	3,222					
Cheyenne, Wyo.	1,973	1,721	2,007	2,288	2,230	1,920	2,538	2,132	1,746	1,382
Colorado Springs, Colo.	2,279	2,922	3,307	2,713	2,622	2,269	2,316	2,719	2,696	2,645
Denver, Colo.	33,324	34,676	38,608	34,229	34,186	32,657	32,115	31,020	30,838	30,216
Enid, Okla.	2,420	2,986	3,115	3,421	3,016					
Fremont, Nebr.	621	772	843	715	739					
Grand Island, Nebr.	1,199	1,152	1,216	1,264	1,118					
Grand Junction, Colo.	511	577	653	462	563					
Guthrie, Okla.	579	565	612	471	471					
Hutchinson, Kans.	2,610	2,674	3,804	3,364	3,716					
Independence, Kans.	1,803	2,439	1,943	2,437	1,708					
Joplin, Mo.	2,734	2,636	2,844	2,477	2,248	1,750	1,673	2,042	2,028	1,681
Kansas City, Kans.	4,826	3,217	3,175	5,128	3,752	3,582	3,339	3,012	3,719	2,896
Kansas City Mo.	71,948	71,149	70,297	71,501	66,630	60,689	63,567	72,010	76,533	74,037
Lawrence, Kans.	1,016	1,001	847	818	818					
McAlester, Okla.	699	1,803	921	769	683					
Muskogee, Okla.	5,947	4,815	5,964	6,160	6,275	3,050	3,825	3,202	2,859	2,823
Oklahoma City, Okla.	16,986	20,533	21,149	20,938	18,097	16,465	21,058	20,570	19,466	17,768
Okmulgee, Okla.	1,626	1,984	2,133	1,709	1,758					
Omaha, Nebr.	44,302	49,183	48,152	46,503	43,520	38,595	38,052	41,316	44,663	45,073
Parsons, Kans.	860	916	1,001	880	968					
Pittsburg, Kans.	1,014	1,049	1,211	1,081	971					
Pueblo, Colo.	3,417	3,707	4,512	4,251	3,602	2,788	4,482	4,192	3,790	3,923
St. Joseph, Mo.	9,931	13,153	16,177	14,826	12,401	12,887	13,551	16,453	16,971	17,372

¹ Debits of banks which submitted reports in 1921.

DEBITS TO INDIVIDUAL ACCOUNTS BY BANKS IN REPORTING CENTERS—Continued.

DATA FOR EACH REPORTING CENTER—Continued.

[In thousands of dollars.]

	1922 Week ending—					1921 Week ending—				
	June 28.	July 5.	July 12.	July 19.	July 26.	June 29.	July 6.	July 13.	July 20.	July 27.
District No. 10—Kansas City—Continued.										
Topeka, Kans.....	2,849	3,249	4,163	3,381	3,046	2,620	3,985	4,495	3,409	2,773
Tulsa, Okla.....	26,531	22,591	27,602	24,831	22,394	18,669	17,378	16,954	15,134	14,954
Wichita, Kans.....	10,277	12,736	12,426	11,804	10,114	8,648	10,522	12,466	13,535	11,713
District No. 11—Dallas:										
Albuquerque, N. Mex.....	1,764	2,280	2,734	2,312	1,767	1,357	1,891	2,124	1,744	1,398
Austin, Tex.....	2,472	2,997	3,485	2,407	2,326	2,268	2,541	3,265	2,271	2,163
Beaumont, Tex.....	2,612	3,110	3,610	3,363	2,907	2,649	2,908	3,350	3,133	2,482
Corsicana, Tex.....	762	856	1,016	773	575					
Dallas, Tex.....	29,243	30,017	31,258	32,104	27,391	27,799	27,819	27,607	33,960	25,022
El Paso, Tex.....	6,528	7,768	8,313	6,871	6,863	7,405	7,750	7,093	6,343	5,695
Fort Worth, Tex.....	21,486	20,970	21,876	19,795	21,170	19,941	18,420	18,920	20,110	21,420
Galveston, Tex.....	11,991	14,251	14,542	17,574	12,896	15,980	16,344	19,222	20,965	17,474
Houston, Tex.....	19,848	23,450	21,450	21,872	20,998	25,176	24,342	28,045	24,258	20,500
Rosewell, N. Mex.....	465	466	585	775	611					
San Antonio, Tex.....	4,901	4,801	6,930	7,008	5,430	7,306	5,646	6,875	6,401	5,559
Shreveport, La.....	7,205	7,420	7,261	7,652	6,722	5,684	6,034	5,957	5,555	5,299
Texarkana, Tex.....	1,469	1,571	1,742	1,811	1,508	1,140	1,580	1,182	1,515	975
Tucson, Ariz.....	1,767	1,767	1,824	1,705	1,649	1,782	1,089	2,038	1,852	1,462
Waco, Tex.....	2,701	3,368	3,960	2,752	2,437	2,704	3,322	3,093	3,160	2,785
District No. 12—San Francisco:										
Bakersfield, Calif.....	2,974	2,493	2,602	2,408	2,245					
Bellingham, Wash.....	1,631	1,603	1,497	1,848	1,587					
Berkeley, Calif.....	3,033	3,581	4,186	3,918	2,793	2,325	2,774	3,234	2,970	2,391
Boise, Idaho.....	3,267	3,034	3,229	2,731	2,526	2,675	2,388	3,207	3,034	2,705
Eugene, Oreg.....	1,786	1,518	2,181	1,862	1,862					
Fresno, Calif.....	8,156	9,200	10,057	9,915	8,584	6,865	7,971	9,170	8,300	7,599
Long Beach, Calif.....	6,563	8,537	9,151	9,704	8,254	4,924	6,441	6,042	5,866	5,137
Los Angeles, Calif.....	115,046	106,408	123,252	120,451	108,231	92,355	98,610	104,876	99,727	93,122
Oakland, Calif.....	17,218	18,955	23,093	19,708	17,146	16,629	19,942	18,682	18,109	16,111
Ogden, Utah.....	4,168	3,501	4,348	3,973	3,270	2,731	2,908	3,208	3,088	1,938
Pasadena, Calif.....	5,206	5,646	6,963	6,019	5,053	4,390	5,337	5,303	5,195	3,965
Phoenix, Ariz.....	4,344	4,513	3,884	4,142	3,564					
Portland, Oreg.....	30,551	32,495	32,969	32,171	28,010	29,523	30,702	31,650	29,503	28,179
Reno, Nev.....	2,446	2,991	2,713	2,625	2,569	2,718	3,517	3,084	2,170	2,323
Ritzville, Wash.....	109	149	167	129	106					
Sacramento, Calif.....	12,327	12,611	15,739	15,266	12,790	11,231	11,275	13,705	12,769	11,810
Salt Lake City, Utah.....	12,224	13,543	13,728	13,489	11,305	11,468	13,514	13,937	13,181	11,357
San Bernardino, Calif.....	1,400	1,275	1,911	1,528	1,334					
San Diego, Calif.....	9,340	9,804	10,680	9,590	7,970	7,271	8,490	9,503	7,841	6,636
San Francisco, Calif.....	153,783	158,885	171,043	170,191	148,682	158,310	158,645	169,216	126,400	152,789
San Jose, Calif.....	4,016	5,093	5,966	4,610	3,922	3,517	5,012	5,039	4,169	3,910
Seattle, Wash.....	31,818	25,688	35,145	31,529	32,937	27,989	29,335	33,727	31,577	26,763
Spokane, Wash.....	9,240	8,967	9,968	11,116	8,998	8,984	10,961	11,250	10,357	9,000
Stockton, Calif.....	4,321	4,539	5,870	5,149	4,150	3,642	4,405	4,890	4,156	3,965
Tacoma, Wash.....	7,841	8,269	10,079	8,995	8,257	6,611	9,373	8,744	8,637	6,749
Yakima, Wash.....	1,723	2,169	2,461	2,467	2,007	1,951	1,995	2,166	1,920	1,643

GOLD SETTLEMENT FUND.

INTERBANK TRANSACTIONS FROM JUNE 23, 1922, TO JULY 27, 1922, INCLUSIVE.

[In thousands of dollars.]

Federal reserve bank.	Transfers.		Daily settlements.		Changes in ownership of gold through transfers and settlements.		Balance in fund at close of period.
	Debits.	Credits.	Debits.	Credits.	Decrease.	Increase.	
Boston.....	5,000	2,000	530,313	544,042		10,729	32,629
New York.....	7,000	10,000	2,113,326	2,084,473	25,853		86,324
Philadelphia.....	8,000		660,541	657,257	11,284		34,056
Cleveland.....	4,000		581,060	587,322		2,262	47,965
Richmond.....	2,000	3,000	432,048	436,246		5,198	40,475
Atlanta.....			208,207	207,026	1,181		20,923
Chicago.....	5,000	6,000	1,108,768	1,143,975		36,207	134,632
St. Louis.....		6,000	484,871	463,785	15,086		11,443
Minneapolis.....			146,572	148,789		2,217	28,665
Kansas City.....	4,000	2,000	380,501	386,735		4,234	31,948
Dallas.....			181,611	175,296	6,315		4,571
San Francisco.....		6,000	285,121	277,993	1,128		30,676
Total five weeks ending— July 27, 1922.....	35,000	35,000	7,112,939	7,112,939	60,847	60,847	504,307
June 22, 1922.....	136,000	136,000	7,296,400	7,296,400			529,732
July 28, 1921.....	380,084	380,084	5,765,340	5,765,340			421,776
June 23, 1921.....	413,598	413,598	6,005,904	6,005,904			403,621

GOLD AND SILVER IMPORTS AND EXPORTS.

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

Countries.	Gold.				Silver.			
	June.		Twelve months ending June—		June.		Twelve months ending June—	
	1921	1922	1921	1922	1921	1922	1921	1922
IMPORTS.								
Denmark.....	\$232,891	\$4,089,626	\$3,361,748	\$18,924,110			\$370	\$844
France.....	7,482,146	667,019	103,836,999	129,650,473	\$4,568	\$7,223	142,021	245,113
Germany.....			14,982	19,924,893	82,997	18,045	252,811	5,744,385
Greece.....			1,139,445	5,003	15,435		267,474	
Netherlands.....	449,907		16,653,867	4,186,976			24,846	1,669
Spain.....	57,763		3,514,600	330,167		158	110,555	71,955
Sweden.....	6,347,500	15,851	41,656,613	55,294,298			36,645	1,934
United Kingdom:								
England.....	18,509,346	4,008,638	322,704,592	124,503,143	10,627	10,882	1,281,246	181,987
Scotland.....		151,320		151,320				
Canada.....	4,236,452	388,664	31,862,135	19,509,099	506,118	350,362	3,964,019	3,872,923
Central America.....	491,224	297,638	6,030,581	6,173,833	115,836	204,103	2,627,300	1,706,562
Mexico.....	308,278	591,106	5,489,812	5,812,318	2,261,534	4,519,223	36,239,127	48,151,597
West Indies.....	1,277,712	27,621	6,055,219	3,662,209	65,624	79,717	148,718	654,183
Argentina.....	1,549		2,473,380	265,191			30,486	12,638
Chile.....	10,033	233,605	204,284	659,233	131,346	67,314	2,848,522	1,469,192
Colombia.....	764,580	422,969	14,507,936	9,251,464	8,715	17,673	704,828	245,009
Peru.....	78,118	137,758	1,485,673	1,714,696	309,280	776,875	7,250,413	6,744,878
Uruguay.....	6,567		2,969,997	4,112,636			2,763	25,347
Venezuela.....	36,673	45,561	1,202,843	1,036,316	2,057	1,199	3,347	2,866
China.....	454,186	322,116	14,186,275	7,340,884	1,183	16	1,289,881	3,057
British India.....	1,545,988		17,145,788	14,863,765	224		650	11,718
Dutch East Indies.....	169,376	77,818	941,373	1,700,488	30,000	47,640	1,031,094	531,815
Hongkong.....		14,730	1,702,483	549,159		75	192	279
Philippine Islands.....	111,994	60,428	1,157,991	1,174,067	2,019	1,146	19,981	17,499
British Oceania.....	99,041	189,885	10,627,836	13,011,302	1,332	136	4,515	1,793
All other.....	904,952	1,223,283	14,633,323	24,473,230	74,728	243,957	1,149,046	1,032,145
Total.....	43,576,476	12,968,636	638,559,805	468,310,273	3,627,272	6,345,744	59,430,850	70,681,298
EXPORTS.								
United Kingdom—England.....			85,565		236,857	788,505	8,859,387	11,790,722
Canada.....	158,430	69,368	3,955,607	2,373,040	167,943	123,472	2,780,647	4,491,258
Central America.....			12,127	1,000	2,500		371,005	11,043
Mexico.....	600,473	419,885	7,029,928	5,305,513	33,269	171,876	2,097,819	2,205,162
West Indies.....		2,000	793,494	5,350	2,800	1,066	898,715	39,266
Colombia.....						33,000	239,500	795,703
Peru.....			3,653,376					
China.....			12,000,000		147,825	2,681,089	15,352,082	19,557,838
British India.....		100,400	1,414,461	5,519,339	60,298	440,719	2,095,480	6,528,011
Dutch East Indies.....		40,000	600,000	360,010				
French East Indies.....			2,290,000					3,168,000
Hongkong.....	14,700	893,180	9,004,120	10,025,595	480,130	1,759,624	13,207,132	11,845,174
Japan.....			92,537,289		293,888		6,603,136	1,610,204
All other.....		75,921	174,062	3,744,308		2,370	31,268	652,266
Total.....	773,603	1,600,754	133,537,902	27,345,282	1,424,010	6,004,421	52,536,171	62,694,677

FEDERAL RESERVE CLEARING SYSTEM.

OPERATIONS DURING JUNE, 1922.

[Numbers in thousands. Amounts in thousands of dollars.]

Federal reserve bank or branch.	Items drawn on banks located in own district.				Items drawn on banks of United States.		Total items handled, exclusive of duplications.		Items forwarded to other Federal reserve banks and their branches.		Items forwarded to parent bank or to branch in same district.		Total items handled, including duplications.				Number of member banks.		Number of nonmember banks.			
	In Federal reserve bank or branch city.		Outside Federal reserve bank or branch city.										Number.	Amount.	1922	1921 ²			1922	1921 ²	June 30, 1922.	June 15, 1921.
	Number.	Amount.	Number.	Amount.																		
Boston	606	552,049	3,835	405,566	181	24,210	4,622	981,855	200	54,123			4,822	4,479	1,035,978	984,347	433	438	258	255		
New York	2,036	4,253,458	5,075	652,092	1,053	105,240	8,164	5,010,790	1,093	121,118	26	4,741	9,283	8,047	5,136,649	2,935,669	719	707	255	251		
Buffalo	257	88,805	470	53,583	14	2,300	747	144,688	127	21,877	40	18,168	914	805	181,733	182,463	84	84	77	77		
Philadelphia	1,933	767,588	2,325	274,776	156	30,972	4,414	1,073,333	652	135,173			5,066	4,762	1,208,509	1,134,401	711	700	474	455		
Cleveland	757	246,654	1,438	157,232	91	6,850	410,736	33	7,278	29	5,510	2,318	1,627	423,524	349,290	316	315	511	523			
Cincinnati	216	115,346	861	74,282	75	7,458	1,163	198,987	13	5,280	13	3,706	1,049	207,973	203,351	223	222	312	325		1	
Pittsburgh	546	235,690	907	97,082	51	4,586	1,501	337,358	81	41,666	38	6,657	1,613	1,390	385,681	389,315	345	342	251	239		
Richmond	120	122,892	1,980	263,787	50	5,793	2,150	392,442	155	39,839	37	9,061	2,342	2,226	461,342	435,042	468	460	706	756	577	554
Baltimore	274	149,739	770	71,284	64	7,059	1,108	228,082	108	35,351	83	7,644	1,300	1,092	271,080	256,103	192	160	263	274		
Atlanta	683	139,692	354	38,789	36	9,163	1,073	187,644	25	8,550	23	4,030	1,121	536	200,224	107,007	231	217	91	107	485	520
Birmingham	255	31,879	162	11,463	11	1,111	428	47,455	18	11,492	20	21,515	475	456	80,462	66,511	82	72	32	33	119	122
Jacksonville	61	20,249	162	16,051	9	767	232	37,067	23	5,145	7	1,343	262	251	43,555	45,381	76	68	63	64	145	145
Nashville	60	27,882	229	18,559	12	1,053	301	47,496	16	2,654	8	991	325	335	51,141	53,127	87	84	145	146	162	157
New Orleans	59	41,570	113	13,410	38	13,444	213	68,424	39	10,322	5	539	257	259	79,285	76,505	56	52	51	51	223	221
Chicago	1,084	619,958	4,177	330,451	378	31,290	5,639	981,696	299	33,290	10	3,563	5,945	5,026	1,021,532	955,413	1,318	1,309	3,975	4,005		
Detroit	308	189,837	592	53,967	41	3,788	941	247,592	15	5,114	4	1,529	960	745	254,235	200,974	128	121	254	258		
St. Louis	323	233,759	1,470	82,310	124	8,486	1,917	324,555	40	4,238	12	1,335	1,969	1,696	330,128	288,096	382	364	1,712	1,750		
Little Rock	64	19,979	295	15,289	7	680	366	35,948	9	1,146	33	1,999	408	351	39,093	41,463	70	70	230	232		
Louisville	104	56,881	466	25,306	29	4,875	599	87,062	12	1,339	2	128	613	525	88,529	79,539	95	95	342	342		
Memphis	80	27,372	174	9,265	10	1,756	254	38,393	2	1,323	1	246	267	234	38,965	32,891	58	54	188	183	156	167
Minneapolis	246	109,710	1,571	80,489	44	6,643	1,863	197,782	77	17,075	6	222	1,948	1,823	215,079	210,887	827	814	2,419	2,547	175	79
Helena	24	8,408	215	11,283	7	1,081	246	20,772	6	2,790	1	1,033	253	239	24,595	24,090	196	201	208	223	4	
Kansas City	330	213,162	1,417	92,862	81	10,682	1,828	316,706	238	35,820	66	13,068	2,132	3,025	365,594	376,076	333	332	1,434	1,458		
Denver	141	44,385	352	20,706	25	3,278	518	68,369	73	18,545	44	10,115	635	512	97,029	89,198	161	162	266	289		
Oklahoma City	76	45,985	961	65,440	8	1,308	1,045	112,733	48	7,031	17	6,695	1,110	1,028	126,459	142,474	408	338	434	548	8	
Onaha	101	53,223	592	36,496	33	2,305	727	92,444	44	5,926	19	5,005	790	748	103,375	96,616	250	261	912	1,112	166	
Dallas	135	63,946	1,319	154,431	28	5,764	1,482	224,141	79	9,198	42	4,299	1,603	1,828	237,638	238,127	661	661	754	868	42	
El Paso	44	10,073	137	9,751	15	1,573	196	21,397	11	1,684	6	621	213	197	23,702	24,706	66	72	61	76		
Houston	72	36,147	340	26,598	52	1,852	464	64,597	15	2,597	6	1,004	485	453	68,198	76,059	135	135	257	270		
San Francisco	207	111,891	501	38,883	76	110,204	784	290,978	25	3,077	30	4,245	839	787	268,300	245,172	203	213	273	280		
Los Angeles	372	129,543	1,361	96,581	48	15,930	1,781	242,054	103	16,384	65	8,185	1,949	1,350	266,623	211,683	170	176	180	163		
Portland	67	33,568	236	12,944	21	6,566	324	53,078	5	1,696	44	4,768	373	316	59,542	51,283	133	128	151	171	12	
Salt Lake City	50	24,047	403	24,971	17	3,089	470	52,107	15	3,232	9	1,833	494	479	57,172	72,469	166	184	104	115		
Seattle	117	38,682	244	16,222	42	11,825	403	66,729	22	5,438	48	5,124	473	410	77,291	64,759	66	63	92	101		
Spokane	42	17,255	204	10,657	11	1,520	257	29,432	12	1,818	17	2,490	286	247	33,740	31,264	107	101	154	166		
Total: June	11,856	8,884,274	35,717	3,362,860	2,938	457,533	50,519	12,707,928	3,730	697,635	811	161,412	55,060	49,336	13,566,975	10,772,403	9,925	9,775	17,889	18,716	2,275	1,965
May	11,523	8,419,776	34,418	3,213,236	2,788	344,845	48,741	11,981,129	3,739	663,510	786	162,873	53,266	46,434	12,807,562	10,209,953	9,909	9,747	17,918	18,781	2,280	1,937

¹ Incorporated banks other than mutual savings banks.

² May 16 to June 15, 1921.

³ Includes items drawn on banks in other Federal reserve districts forwarded direct to drawee banks, as follows: Cincinnati, 11,000 items, \$1,901,000; Minneapolis, 2,000 items, \$940,000; Omaha, 1,000 items, \$420,000.

NOTE.—Number of business days in period for Boston, Atlanta, Birmingham, Jacksonville, Nashville, New Orleans, Little Rock, Memphis, Dallas, El Paso, and Houston was 25, and for other Federal bank and branch cities, 26 days.

MONEY IN CIRCULATION JULY 1, 1922.

The table printed below showing money in circulation presents figures comparable with those previously printed under the title "Money held outside the United States Treasury and the Federal reserve system." This change in title is occasioned by the fact that the United States Treasury revised its circulation statement beginning with the issue for July 1, 1922. In commenting on this change the Treasury says:

On the new form of statement only money outside of the Treasury and the Federal reserve banks is included in circulation. In previous circulation statements money

held by the Federal reserve banks (other than money held by or for Federal reserve agents, and Federal reserve notes held by the issuing banks in their own vaults) was included in the amount in circulation. Under that method of computing money in circulation transfers of gold between a Federal reserve bank and a Federal reserve agent resulted in an apparent change in the amount of money in circulation, and there are instances where the circulation statement owing to such transfers showed a decline in money in circulation when, as a matter of fact, there had been an actual increase, and an increase when in fact there had been a decrease. The new form shows a per capita circulation on July 1, 1922, of \$39.87, whereas under the form of statement heretofore used, it would have been \$49.17.

[Source: United States Treasury Department circulation statement.]

Kind of money.	Stock of money in the United States.	Money held by the U. S. Treasury and the F. R. system.	Money in circulation.	
			Amount.	Per capita.
Gold coin and bullion.....	\$3,785,520,512	\$3,368,394,320	\$417,126,192	\$3.80
Gold certificates.....	² (695,000,480)	521,658,270	173,342,219	1.58
Standard silver dollars.....	381,176,851	323,103,509	58,073,342	.53
Silver certificates.....	² (304,066,593)	38,731,219	265,335,374	2.42
Treasury notes of 1890.....	² (1,510,543)	1,000	1,509,543	.01
Subsidiary silver.....	271,464,942	41,900,963	229,563,979	2.09
United States notes.....	346,681,016	54,338,020	292,342,996	2.66
Federal reserve notes.....	2,555,061,660	416,348,629	2,138,713,031	19.49
Federal reserve bank notes.....	80,495,400	8,627,459	71,867,941	.66
National bank notes.....	758,202,027	30,520,991	727,681,036	6.63
Total.....	8,178,602,408	\$ 4,803,624,380	4,375,555,653	39.87
Comparative totals:				
June 1, 1922.....	8,126,500,982	³ 4,750,990,689	4,370,469,991	39.87
July 1, 1921.....	8,096,033,684	³ 4,176,065,219	4,839,611,851	44.78
Apr. 1, 1917.....	5,312,109,272	³ 3,896,318,653	4,100,590,704	39.54
July 1, 1914.....	3,738,288,871	³ 1,843,452,323	3,402,013,427	34.35
Jan. 1, 1879.....	1,007,084,483	³ 212,420,402	816,266,721	16.92

¹ Does not include gold bullion or foreign coin outside of vaults of the Treasury, Federal reserve banks, and Federal reserve agents.

² These amounts are not included in the total, since the money held in trust against gold and silver certificates and Treasury notes of 1890 is included under gold coin and bullion and standard silver dollars, respectively.

³ Includes gold held in trust against gold certificates and standard silver dollars held in trust against silver certificates and Treasury notes of 1890, the aggregate of which should be deducted from the sum of money held by the United States Treasury and the Federal reserve system and money in circulation to arrive at the stock of money in the United States. The amounts of such gold and silver held in trust as of the date of this statement are shown in parentheses in the first column.

DISCOUNT RATES OF FEDERAL RESERVE BANKS IN EFFECT AUGUST 1, 1922.

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.....	4	4	4	4	4	4
New York.....	4	4	4	4	4	4
Philadelphia.....	4½	4½	4½	4½	4½	4½
Cleveland.....	4½	4½	4½	4½	4½	4½
Richmond.....	4½	4½	4½	4½	4½	4½
Atlanta.....	4½	4½	4½	4½	4½	4½
Chicago.....	4½	4½	4½	4½	4½	4½
St. Louis.....	4½	4½	4½	4½	4½	4½
Minneapolis.....	5	5	5	5	5	5
Kansas City.....	5	5	5	5	5	5
Dallas.....	4½	4½	4½	4½	4½	4½
San Francisco.....	4	4	4	4	4	4

EARNINGS AND EXPENSES OF EACH FEDERAL RESERVE BANK FOR THE SIX MONTHS ENDING JUNE 30, 1922.

EARNINGS.

	Total.	Boston.	New York.	Phila- delphia.	Cleve- land.	Rich- mond.	Atlanta.	Chicago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Francisco.
Discounted bills.....	\$15,456,378	\$750,377	\$1,963,078	\$1,362,821	\$1,426,348	\$1,631,510	\$1,212,102	\$2,316,208	\$760,592	\$861,061	\$942,032	\$979,772	\$1,250,477
Purchased bills.....	1,942,651	225,223	656,286	334,840	101,714	50,843	46,029	300,097	41,225	3,514	6,173	176,607	176,607
United States securities.....	8,361,672	753,709	2,799,191	457,058	894,879	48,815	110,172	1,374,850	343,053	153,415	573,671	59,081	793,778
Transfers, net earnings.....	7,163				4,749				803		628		
Deficient reserve penalties.....	313,391	4,987	2,708	6,777	13,398	47,060	24,779	23,893	24,048	60,724	23,652	24,765	31,600
Miscellaneous.....	557,120	8,235	197,774	6,718	2,778	1,847	1,240	152,560	8,671	1,044	92,853	29,222	54,178
Total earnings.....	26,638,275	1,742,531	5,644,037	2,168,214	2,443,866	1,780,075	1,394,322	4,168,411	1,177,589	1,077,227	1,636,350	1,099,013	2,306,640

CURRENT EXPENSES.

Salaries:													
Bank officers.....	\$1,237,733	\$70,250	\$247,244	\$64,749	\$110,050	\$77,317	\$81,375	\$184,681	\$77,794	\$54,140	\$85,535	\$65,701	\$118,897
Clerical staff.....	7,337,209	474,131	1,836,419	499,162	549,871	383,305	254,897	987,784	436,180	236,977	514,089	350,772	811,622
All other.....	1,039,478	68,306	224,907	69,177	104,658	60,092	34,133	178,728	32,100	19,803	79,805	68,554	99,155
Governors' conferences.....	2,647	173	222	64	216	44	206	70	159	202	302	261	728
Federal reserve agents' conferences.....	5,717	197		40	88		84						308
Federal Advisory Council.....	5,012	250	250	374	516		444	623	542	710	590	250	283
Directors' meetings.....	76,583	3,648	11,465	3,074	4,511	2,941	11,215	4,341	6,289	6,043	14,046	3,419	5,391
Traveling expenses ¹	153,517	5,356	14,969	9,249	10,655	12,992	10,549	22,479	11,073	14,982	9,066	14,597	17,610
Assessment for Federal Reserve Board expenses.....	331,471	25,395	90,803	27,749	35,119	17,117	13,835	45,066	14,551	11,479	14,819	12,061	23,477
Legal fees.....	40,185	766	3,482	841		11,900	8,150	1,365	2,816	6,002	2,486	512	1,805
Insurance (life, fidelity, casualty, workmen's compensation and general liability).....	265,588	16,791	42,772	37,616	8,902	15,986	16,094	49,406	24,037	12,053	14,966	11,236	15,729
Banking house:													
Taxes.....	136,379	38,900	14,592	10,729	17,441	20,451	5,400		1,222	810	7,279	15,979	3,576
Fire insurance.....	4,174	1,169	174		614	604	175		85		1,173	7	173
Light, heat, and power.....	91,842	13,957	10,184	18,061	4,235	6,815	5,353		1,071	375	15,960	11,590	3,441
Repairs and alterations (not of permanent character).....	48,420	22	732	11,139	3,599	11,265	200		14	1,237	18,099	1,428	685
All other.....	17,273	360	2,265		9,938	727	761		102	10	3,110		340
Rent.....	539,106	37,995	180,319	749	83,254	2,496	12,536	155,117	35,920	21,509	8,808	3,003	47,340
Fire insurance—furniture and equipment.....	5,784	185	173	17	482	241	149	1,791	481	223	735	410	897
Office and other supplies.....	236,900	17,111	27,505	18,458	21,126	17,060	8,262	42,391	10,296	12,595	19,403	17,148	24,945
Printing and stationery.....	413,132	44,390	44,932	29,004	34,611	24,601	15,747	65,545	19,535	23,829	28,898	28,360	52,780
Telephone.....	106,471	11,127	25,069	11,778	8,127	3,058	2,521	16,352	4,217	3,994	5,329	6,255	8,444
Telegraph.....	298,228	4,567	34,637	8,886	19,519	16,101	31,264	31,538	21,744	11,205	38,549	32,418	47,780
Postage (other than on money and security shipments).....	535,031	39,082	61,627	37,411	39,112	43,652	28,053	68,465	45,151	38,539	59,221	34,716	40,002
Expressage (other than on money and security shipments).....	23,639	1,743	2,141	1,979	1,326	1,418	973	1,824	1,497	425	2,626	1,844	5,843
Security shipments.....	74,087	6,737	20,875	3,633	8,853	3,949	1,816	3,855	4,368	2,393	7,089	2,249	8,270
Currency and coin shipments.....	463,896	59,801	97,162	59,406	44,499	24,627	25,736	55,737	18,414	9,841	17,381	24,986	26,286
Federal Reserve currency:													
Original cost, including shipping charges.....	803,347	6,228	325,379	76,894	77,099	37,162	43,111	59,604	4,400	26,363	35,443	3,664	108,000
Cost of redemption, including shipping charges.....	267,243	30,465	52,654	36,259	28,955	16,385	19,953	9,239	5,331	13,349	22,190	10,197	22,266
Taxes on Federal reserve bank note circulation.....	190,550	17,723	45,523	17,750	13,971	7,575	14,857	19,754	9,000	9,190	22,323	6,879	6,000
All other expenses.....	383,275	20,578	66,131	22,278	35,920	13,854	14,915	63,663	18,135	19,155	23,583	27,203	57,860
Total current expenses.....	15,178,317	1,017,463	3,484,567	1,077,426	1,277,467	836,239	662,700	2,069,438	807,124	557,633	1,072,768	755,699	1,539,793

¹ Other than those connected with governors' and agents' conferences and meetings of directors and of the advisory council.

RECAPITULATION.

Earnings.....	\$26,638,275	\$1,742,531	\$5,644,037	\$2,168,214	\$2,443,866	\$1,780,075	\$1,394,322	\$4,168,411	\$1,177,589	\$1,077,227	\$1,636,350	\$1,099,013	\$2,306,640
Current expenses.....	15,178,317	1,017,463	3,484,567	1,077,426	1,277,467	836,239	662,700	2,069,438	807,124	557,633	1,072,768	755,699	1,559,793
Current net earnings.....	11,459,958	725,068	2,159,470	1,090,788	1,166,399	943,836	731,622	2,098,973	370,465	519,594	563,582	343,314	746,847
Dividends paid.....	3,120,797	239,020	815,267	265,940	342,172	164,971	127,095	434,511	139,494	107,016	138,074	125,918	221,319

REIMBURSABLE EXPENDITURES OF FISCAL AGENCY DEPARTMENT.

Total expenses Jan. 1 to June 30, 1922.....	\$429,364	\$19,780	\$53,159	\$19,305	\$33,319	\$19,580	\$20,474	\$51,166	\$28,833	\$68,157	\$49,137	\$26,636	\$39,818
Amounts reimbursable Jan. 1, 1922.....	63,113	2,216	3,910	2,101	7,148	1,299	3,485	11,488	5,280	8,737	10,319	3,113	4,017
Total.....	492,477	21,996	57,069	21,406	40,467	20,879	23,959	62,654	34,113	76,894	59,456	29,749	43,835
Reimbursements received during 1922.....	362,284	18,996	19,798	19,059	33,483	16,465	16,323	53,440	27,815	63,763	46,371	18,424	28,347
Balances reimbursable July 1, 1922.....	130,193	3,000	37,271	2,347	6,984	4,414	7,636	9,214	6,298	13,131	13,085	11,325	15,488

DISCOUNT AND INTEREST RATES.

In the following table are presented actual discount and interest rates prevailing during the 30-day period ending July 15, 1922, 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.

A comparison between rates prevailing during the 30-day period ending July 15 and the 30-day period ending June 15 shows that relatively little change has occurred. Rates for indorsed bankers' acceptances were generally lower. Prime commercial paper in the open market, which has shown the most marked decline during the past year, averaged about the same as last month. Compared with the corresponding period last year, all the rates are lower.

DISCOUNT AND INTEREST RATES PREVAILING IN VARIOUS CENTERS DURING 30-DAY PERIOD ENDING JULY 15, 1922.

District.	City.	Prime commercial paper.				Interbank loans.	Bankers' acceptances, 60 to 90 days.		Collateral loans—stock exchange.			Cattle loans.	Secured by warehouse receipts.	Ordinary loans to customers secured by Liberty bonds.
		Customers'.		Open market.			Indorsed.	Unindorsed.	Demand.	3 months.	3 to 6 months.			
		30 to 60 days.	4 to 6 months.	30 to 60 days.	4 to 6 months.									
No. 1.	Boston	H. 5½, L. 4½, C. 4½	H. 5½, L. 4½, C. 5	H. 4½, L. 4, C. 4	H. 4½, L. 4, C. 4½	H. 5, L. 4½, C. 4½	H. 3, L. 3, C. 3	H. 3½, L. 3, C. 3	H. 4½, L. 4½, C. 4½	H. 5½, L. 4½, C. 5	H. 5½, L. 4½, C. 5	H. 5, L. 4½, C. 4½	H. 5, L. 4½, C. 4½	H. 5, L. 4½, C. 4½
No. 2.	New York ¹	6½, 4½, 4½-5½	6½, 4½, 4½-5½	4½, 4, 4-4½	4½, 4, 4-4½	6½, 4½, 4½-5	5½, 3, 3½-3½	5½, 3, 3½-3½	8, 7, 5, 6	6, 7, 5, 6	6, 4, 4-6			5, 4, 4½-5½
No. 3.	Buffalo	7, 5, 6	6, 5, 6	4½, 4½	4½, 4½	6, 5, 5-5½			6, 4½, 4½	6, 5, 6				6, 5, 6
No. 4.	Philadelphia	6, 4½, 5½	6, 4½, 5½	5, 4, 4	4½, 4, 4½	6, 5, 5-5½			6, 4½, 4½	6, 4½, 5		6, 4½, 5-5½		6, 5, 6
	Cleveland	7, 5, 6	7, 5, 6						6, 5, 6	6, 4½, 5				6, 5, 6
	Pittsburgh	6, 5, 6	6, 5, 6	4½, 4½, 4½	4½, 4½, 4½	6, 5, 6	3, 3, 3	2½, 3½, 3½	6, 5, 6	6, 5, 6		6, 6, 6		6, 5, 6
	Cincinnati	6, 5, 6	6, 5, 6	6, 5, 6	6, 5, 6	6, 5, 6	4, 4, 4	4, 4, 4	6, 5, 6	6, 5, 6		6, 6, 6		6, 5, 6
No. 5.	Richmond	6, 5, 6	6, 5, 6		4½, 4, 4½	6, 5, 6			6, 5, 6	6, 5, 6		6, 6, 6		6, 5, 6
	Baltimore	6, 4½, 5½	6, 4½, 5½			6, 5, 5½			6, 5, 5½	6, 5, 5½		6, 6, 6		6, 5, 6
No. 6.	Atlanta	7, 4½, 6	7, 4½, 6	5, 4½, 4½	5, 4½, 4½	7, 5, 5½			7, 5, 6	7, 5, 6		7, 5, 6		7, 5, 6
	Birmingham	7½, 6½, 6½	7½, 6½, 6½	6½, 5½, 5½	6½, 5½, 5½	6½, 6½, 6½		5, 5, 5	6½, 6½, 6½	7, 6, 6		7½, 6, 6		6½, 6½, 6½
	Jacksonville	7½, 5½, 6½	7½, 5½, 6½	4½, 4½, 4½	4½, 4½, 4½	7, 5, 6			7½, 6, 6	7, 6, 6		7½, 6, 6		7, 5, 6
	New Orleans	7½, 5, 5½-6	7½, 5, 5½-6	4½, 4½, 4½	4½, 4½, 4½	7, 5, 6	5, 3½, 3-5	7, 6, 6½	8, 5, 6	7, 6, 6		7½, 5, 6		7, 5, 6
	Nashville	8, 6, 7	8, 6, 7			8, 6, 6			8, 6, 7	8, 6, 7		8, 6, 6		8, 6, 6
No. 7.	Chicago	6, 4½, 5-5½	6, 4½, 5-5½	4½, 4, 4½	4½, 4, 4½	6, 5, 5½			6, 4½, 5-5½	6, 4, 4½-5½		6, 5, 5½		6, 5, 5½
	Detroit	7, 5, 6	7, 5, 6	4½, 4, 4½	4½, 4, 4½	6, 5, 5½	3, 2½, 3	3, 3, 3	6, 4, 5½	6, 4, 5½		6, 5, 6		6, 5, 6
No. 8.	St. Louis	6, 4½, 5½	6, 4½, 5½	6, 4, 5	5½, 4, 4½	6, 4½, 5½			6, 4½, 5½	6, 4½, 5½		7, 5½, 6		6, 5, 6
	Louisville	6, 5, 6	6, 5, 6	4½, 4½, 4½	4½, 4½, 4½	6, 5, 6			6, 5, 6	6, 5, 6		6, 6, 6		6, 5, 6
	Memphis	6, 6, 6	6, 6, 6			7, 6, 6			6, 6, 6	6, 6, 6		6, 6, 6		6, 6, 6
	Little Rock	7, 6, 7	8, 6, 6-7	5, 4½, 5	5, 4½, 5	7, 6, 6			8, 6, 7	8, 6, 7		8, 6, 7		8, 6, 7
No. 9.	Minneapolis	5½, 5½, 5½	6, 5½, 6	4½, 4½, 4½	4½, 4½, 4½	6, 6, 6	4½, 3½, 4	4½, 4, 4½	6, 6, 6	6, 6, 6		6, 5½, 5½		5½, 5, 5½
	Helena	8, 7, 8	8, 7, 7½	8, 7, 7½	8, 7, 7½	8, 7, 7½			8, 7, 7½	8, 7, 7½		8, 7, 7½		8, 7, 7½
No. 10.	Kansas City	8, 5, 6	8, 5, 6	4½, 4, 4½	4½, 4, 4½	8, 7, 5, 6-7			8, 5, 6	8, 5, 6		8, 6, 6		8, 5, 6
	Omaha	7, 5, 6	7, 5, 6	4½, 4½, 4½	4½, 4½, 4½	7, 6, 6			8, 6, 7	8, 6, 7		8, 6, 6		8, 5, 6
	Denver	8, 5, 6	8, 5, 6	4½, 4, 4½	4½, 4, 4½	8, 6, 6-7			8, 5, 6½	8, 5, 6½		8, 6, 6		8, 5, 6
	Oklahoma City	10, 4½, 8	10, 6, 8	6, 4½, 4½	6, 4½, 4½	8, 6, 6			10, 6, 8	10, 7, 8		10, 5, 8		10, 6, 8
No. 11.	Dallas	6, 5, 6	6, 5, 6	6, 5, 6	6, 5, 6	7, 6, 6			7, 6, 6	8, 5, 6½		8, 8, 8		8, 6, 6
	El Paso	10, 6, 8	10, 8, 8	5½, 4½, 5	10, 8, 8	9, 6, 6			10, 6, 8	10, 6, 8		10, 6, 8		10, 7, 8
	Houston	7, 5½, 6	7, 6, 6			7, 5, 6			8, 6, 7	8, 6, 7		8, 6, 7		8, 6, 7
No. 12.	San Francisco	6½, 5, 5½	6½, 5, 6	5, 4½, 4½	5, 4½, 4½	6, 5, 6	4½, 3, 3½	5, 3½, 3½	6½, 5, 7	6½, 5, 6		6, 5½, 6		6, 6, 6
	Portland	8, 5, 6½	8, 5, 7	4½, 4, 4½	4½, 4, 4½	7, 6, 6½			7, 6, 7	8, 5, 7		8, 6, 6		8, 6, 6
	Seattle	8, 6, 7	8, 6, 7	5½, 4, 4½	5½, 4, 4½	7, 6, 6½			8, 6, 7	8, 6, 7		8, 6, 6		8, 6, 6
	Spokane	8, 5½, 6½	8, 6½, 7	5½, 4, 4½	5½, 4, 4½	7, 6, 6			8, 7, 7	8, 7, 7		8, 7, 7		8, 7, 7
	Salt Lake City	8, 6, 7	8, 6, 7	4½, 4, 4	4½, 4, 4	7, 6, 6			8, 7, 7	8, 7, 7		8, 7, 7		8, 7, 7
	Los Angeles	8, 4½, 6½	8, 4½, 6	7, 4½, 5	7, 4½, 5	8, 7	4, 4, 4	3½, 3½, 3½	7, 3½, 6½	8, 5, 6½		10, 6½, 7		10, 6, 6½

¹ Rates for demand paper secured by prime bankers' acceptances, 4½, 2½, 3 3½.

FOREIGN EXCHANGE RATES.

[General index for July, 1922, 54; for June, 1922, 56; for July, 1921, 59. Rates in cents per unit of foreign currency.]

COUNTRIES INCLUDED IN COMPUTATION OF INDEX.

	Monetary unit.	Par of exchange.	Low.		High.		Average.		Index (per cent of par). ¹		Weight.	
			July.	June.	July.	June.	July.	June.	July.	June.	July.	June.
Belgium.....	Franc.....	19.30	7.4400	7.9400	8.0200	8.4400	7.8068	8.2212	40.45	42.60	30	28
Denmark.....	Krone.....	26.80	21.4200	21.1500	21.7000	22.1800	21.5364	21.6562	80.36	80.81	17	13
France.....	Franc.....	19.30	7.8000	8.3500	8.5300	9.1500	8.2372	8.7046	42.68	45.41	72	77
Germany.....	Reichsmark.....	23.82	.1527	.2645	.2497	.3740	.2041	.3185	.86	1.34	81	83
Great Britain.....	Pound.....	486.65	442.4000	438.3800	446.0500	450.9500	444.6368	445.1862	91.37	91.48	231	240
Italy.....	Lira.....	19.30	4.4000	4.6400	4.7400	5.2300	4.5748	4.9619	23.70	25.71	36	36
Netherlands.....	Florin.....	40.20	38.5000	38.1800	38.8900	39.0900	38.7684	38.7069	96.44	96.29	40	32
Norway.....	Krone.....	26.80	16.3900	16.0300	17.1300	17.9000	16.6832	17.0654	62.25	63.68	9	9
Spain.....	Peseta.....	19.30	15.4700	15.4600	15.6700	15.8700	15.5632	15.6869	80.64	81.28	19	14
Sweden.....	Krona.....	26.80	25.0000	25.4900	26.1100	26.1400	25.9128	25.8092	96.69	96.30	10	14
Switzerland.....	Franc.....	19.30	18.9700	18.9000	19.2100	19.1800	19.0952	19.0388	98.94	98.65	8	7
Canada.....	Dollar.....	100.00	98.2514	97.9965	99.3472	99.1347	98.9231	98.8401	98.92	98.84	171	174
Argentina.....	Peso (gold).....	96.48	80.8900	80.3400	83.0900	83.3200	81.8468	81.8554	84.83	84.84	36	34
Brazil.....	Milreis.....	32.44	13.4900	13.5600	13.6200	13.9000	13.5520	13.7215	41.78	42.30	26	34
Chile.....	Peso (paper).....	² 19.53	12.7000	11.9375	13.6100	13.0000	12.9701	12.6394	66.41	64.68	20	17
China.....	Shanghai tael.....	² 66.85	77.1100	77.9800	79.7100	79.9500	77.8176	79.0342	116.41	118.23	51	49
India.....	Ruppee.....	48.66	28.6600	28.5600	29.0400	29.1800	28.8908	28.9112	59.37	59.41	31	30
Japan.....	Yen.....	49.85	47.6500	47.5000	47.9300	47.9800	47.7688	47.7504	95.83	95.79	112	109

OTHER COUNTRIES.

	Monetary unit.	Par of exchange.	Low.		High.		Average.		Index (per cent of par). ¹	
			July.	June.	July.	June.	July.	June.	July.	June.
Austria.....	Krone.....	20.26	0.0028	0.0048	0.0052	0.0093	0.0038	0.0067	0.02	0.03
Bulgaria.....	Lev.....	19.30	.7200	.7096	.7483	.7293	.7358	3.78	3.81	
Czechoslovakia.....	Krone.....		1.9103	1.9081	2.4122	1.9483	2.1845	1.9236		
Finland.....	Markka.....	19.30	2.0750	2.1031	2.2513	2.2768	2.1462	2.1616	11.12	11.20
Greece.....	Drachma.....	19.30	2.7200	3.0300	3.1800	4.2300	2.9596	3.5346	15.33	19.87
Hungary.....	Krone.....	20.26	.0581	.0953	.0978	.1228	.0760	.1079	.38	.53
Poland.....	Polish mark.....		.0163	.0220	.0221	.0255	.0185	.0237		
Portugal.....	Escudo.....	108.05	7.0400	7.0700	7.3300	7.7300	7.1568	7.5096	6.62	6.95
Rumania.....	Leu.....	19.30	.5550	.6129	.6475	.6869	.6045	.6584	3.13	3.41
Yugoslavia.....	Krone.....		.2940	.3153	.3243	.3622	.3053	.3446		
	Dinar.....	19.30	1.1771	1.2675	1.3029	1.4471	1.2218	1.3801	6.33	7.15
Cuba.....	Peso.....	100.00	99.7750	99.7750	99.8250	99.8906	99.7981	99.8357	99.80	99.84
Mexico.....	do.....	49.85	48.2625	48.3350	48.8625	48.7188	48.5229	48.4812	97.34	97.25
Uruguay.....	do.....	103.42	80.2500	79.8800	81.9000	82.6300	81.3956	80.9450	78.70	78.27
China.....	Mexican dollar.....	² 48.11	56.3000	56.5500	57.7500	57.9000	56.7528	57.1938	117.96	118.88
Hongkong.....	Dollar.....	² 47.77	57.6000	57.3400	58.6600	58.3900	57.9404	57.7208	121.29	120.83
Straits Settlements.....	Singapore dollar.....	56.78	50.3300	50.5800	51.0000	51.6300	50.7184	51.1435	89.32	90.07

¹ Based on average.² 1913 average.

Average price of silver per fine ounce: In London (converted at average rate of exchange), \$0.71311; in New York, \$0.70693.

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

A summary of banking and financial conditions abroad is presented statistically in the accompanying tables.

BRITISH FINANCIAL SITUATION.

[Amounts in millions of pounds sterling.]

Year and month.	Deposit and note accounts, Bank of England and Treasury.			Government floating debt.		Nine London clearing banks. ³				London bankers' clearing house return.	Discount rates.			Statist index number of foreign exchange value of £.	Net profits industrial companies. ⁵		
	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.	London bankers' clearing house return.	Capital issues of United Kingdom. ⁴				
													Three months' Treasury bills.			Three months' bank bills.	Six months' trade bills.
Average of end of month figures:																	
1913.....	29		57	38	15												
1920.....	103	348	147	146	1,078	219	1,237									11.7	
1921.....	108	327	136	157	1,139	182	1,322	97	1,176	309	1,768	2,911	32	01	67	15.2	
1921, end of—																10.3	
July.....	109	325	122	157	1,202	150	1,355	131	1,191	306	1,785	2,961	7	41	44	112.9	
August.....	107	319	137	157	1,166	180	1,347	100	1,179	302	1,764	2,787	3	42	44	113.0	
September.....	106	314	118	157	1,159	161	1,321	99	1,186	302	1,771	2,641	10	43	44	114.6	
October.....	104	312	175	157	1,124	214	1,338	102	1,196	306	1,802	2,938	33	38	36	121.7	
November.....	106	313	144	157	1,108	193	1,300	96	1,205	311	1,793	2,921	19	38	38	123.1	
December.....	107	326	123	157	1,060	200	1,260	105	1,191	315	1,818	3,173	19	38	38	127.3	
1922, end of—																	
January.....	103	305	135	157	1,039	116	1,154	114	1,192	333	1,826	3,399	42	31	38	132.6	
February.....	102	298	138	157	957	112	1,099	111	1,152	357	1,802	3,088	26	23	33	132.9	
March.....	103	300	151	157	882	147	1,030	103	1,097	369	1,747	3,452	25	27	33	134.6	
April.....	102	303	134	157	759	193	911	107	1,065	378	1,737	3,305	17	23	23	132.7	
May.....	103	298	130	157	771	172	943	109	1,061	392	1,745	3,307	36	23	23	133.1	
June.....	103	295	131	157	761	205	965	113	1,070	388	1,755	2,917	22	15	21	133.5	

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 Joint City and Midland Bank, British Government loans for national purposes excluded.

⁵ Compilation of London Economist. Ratio of net profits to ordinary and preferred capital of industrial companies, exclusive of railways, mines, insurance companies, and banks. Applies to earnings disclosed during the quarter and has therefore a probable lag of six months.

FRENCH FINANCIAL SITUATION.

[Amounts in millions of francs.]

Year and month.	Bank of France. ¹				Situation of the Government.				Value of new stock and bond issues placed upon the French market. ⁷	Savings banks, excess of deposits (+) or withdrawals (-).	Average daily clearings of the Paris banks.
	Gold reserves.	Silver reserves.	Deposits. ²	Circulation.	Advances to the Government for purposes of the war. ³	Government revenue. ⁴	Internal debt.	External debt. ⁵				Price of 3 per cent perpetual rente.^{6}
1913, average.....	3,343	629	830	5,565		320	35,000		86.77	- 65	59
1920, average.....	^a 3,586	253	3,527	38,066	26,000	1,005			57.34	+ 48	¹⁰ 554
1921, average.....	^b 3,568	274	2,927	37,404	25,300	1,103			56.56	+ 67	550
1921,											
July.....	^c 3,573	275	3,252	36,941	25,100	1,242	229,055	35,286	56.35	+ 52	438
August.....	^c 3,574	277	2,749	36,783	24,900	1,016			56.50	+ 72	467
September.....	^c 3,575	278	2,509	37,129	24,900	1,011			56.20	+ 68	553
October.....	^c 3,575	278	2,563	37,154	25,100	1,305			54.30	+ 33	463
November.....	^c 3,576	279	2,563	36,336	24,500	1,051			54.90	- 0.5	505
December.....	^c 3,576	280	2,743	36,487	24,600	1,228	¹¹ 242,758		54.75	+ 38	527
1922,											
January.....	^c 3,576	280	2,392	36,433	23,000	1,323			56.55	+ 41	489
February.....	^c 3,577	281	2,429	36,151	22,500	1,014			59.55	+100	459
March.....	^c 3,578	282	2,236	35,528	21,500	1,154	243,837	35,716	56.70	+ 49	455
April.....	^c 3,579	283	2,412	35,787	22,100	1,381			57.60	+ 58	411
May.....	^c 3,579	284	2,303	35,982	23,100	1,176			57.70	+ 50	454
June.....	3,580	285	2,448	36,039	23,300				57.95	+ 53	

¹ End of month figures.

² Includes Treasury and individual deposits.

³ Under the laws of Aug. 5 and Dec. 26, 1914, July 10, 1915, and Feb. 16, 1917.

⁴ From indirect taxation and Government monopolies.

⁵ Foreign debt converted to francs at par.

⁶ Last Wednesday in the month.

⁷ Figures of the "Association Nationale des Porteurs Français de Valeurs Mobilières." Bonds issued by the Government and the railroad companies not included.

⁸ Not including 1,978,000,000 francs held abroad from January through August and 1,948,000,000 francs from September through December.

⁹ Not including about 1,948,000,000 francs held abroad.

¹⁰ Average for 11 months.

¹¹ Estimate in the French Senate.

ITALIAN FINANCIAL SITUATION.^a

[Amounts in millions of lire.]

Year and month.	Leading private banks. ¹			Banks of issue.					Government finances.					Index numbers of securities prices. ⁴
	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.^{3}
1913, end of Dec.	129	2,007	1,674	857	1,375	1,661	318	2,284		499	117			
1920, end of Dec.	1,308	13,539	15,810	7,074	1,058	2,077	2,563	8,988	10,743			13,200		
1921, average.	1,200	16,242	16,001	7,509	1,074	2,020	2,352	9,301	9,061				1,019	87.12
1921, end of—														
June.....	1,078	18,047	17,391	7,438	1,073	1,989	2,366	9,437	8,722				1,525	80.76
July.....	1,140	16,851	16,704	7,156	1,076	1,990	2,290	9,433	8,507		348	20,276	693	78.71
August.....	1,131	17,024	16,672	7,315	1,079	1,964	2,143	9,491	8,352		348	21,173	1,381	82.87
September.....	1,052	17,223	16,825	7,327	1,073	1,966	2,124	9,785	8,395			21,612	564	87.04
October.....	1,364	17,185	17,022	7,816	1,086	1,990	2,243	9,746	8,554	2,546		22,997	1,401	91.07
November.....	1,174	12,844	12,778	7,810	1,089	1,948	2,151	9,435	8,485				648	83.99
December.....	1,997	11,797	12,002	10,020	1,092	1,999	2,913	10,304	8,505		24,600	11,900	1,458	80.13
1922, end of—														
January.....	1,426	11,334	11,616	10,156	1,109	1,996	2,848	10,183	8,570				909	96.61
February.....	1,081	11,446	11,482	10,029	1,100	1,971	2,532	9,631	8,626				1,366	94.10
March.....	965	11,407	11,403	9,833	1,118	1,976	2,687	9,589	8,523				759	88.82
April.....	908	11,752	11,708	10,113	1,122	1,964	2,473	9,360	8,350				1,337	88.43
May.....	811	11,732	11,699	9,323	1,104	1,963	2,572	9,259	8,061				667	93.13
June.....				9,545	1,124	1,977	2,741	9,615	8,049				1,454	94.83

^a Latest figures subject to revision.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 domain; from import duties on grain; and from Government sales of sugar are not included.³ Excluding Banca Italiana di Sconto.⁴ Figures for 1921 are based on quotations of Dec. 31, 1920=100. Those for 1922 are based on quotations of Dec., 1921=100.⁵ Revised.GERMAN FINANCIAL SITUATION.^a

[Amounts in millions of marks.]

Year and month.	Reichsbank statistics.						Darlehenskassenscheine in circulation. ¹	Situation of the Government.			Value of new stock and bond issues placed on German market.		Index numbers of securities prices. ²	
	Gold reserve. ¹	Discounts. ¹		Note circulation. ¹	Deposits. ¹	Clearings.		Receipts from taxes.	Revenue of state railways.	Treasury bills outstanding. ¹	25 stocks.	15 bonds.		
1913, average...	1,068			1,958	668	6,136		207	13	220				
1920, average...	1,092	47,980		53,964	17,702	57,898	13,145	6,285	2,358	192,832	2,655			
1921, average...	1,056	83,133		80,952	20,213	89,297	8,861							
1921, end of—														
June.....	1,092	81,173		75,321	20,393	68,764	8,705	5,735	2,028	185,127	2,238			
July.....	1,092	79,982	1,136	77,391	15,824	78,337	8,358	5,566	2,269	190,770	1,507			
August.....	1,024	84,044	1,002	80,073	13,650	79,172	7,837	5,145	2,416	202,872	1,228			
September.....	1,024	98,422	1,142	86,384	19,980	98,004	7,610	4,908	2,599	210,504	1,534			
October.....	994	98,705	881	91,528	18,303	119,496	7,316	6,185	2,825	218,000	2,889			
November.....	994	114,023	1,446	100,944	25,313	140,493	7,330	7,044	3,397	226,676	7,135	4269	4181	
December.....	995	132,331	1,062	113,639	32,906	120,835	8,325	8,016	4,329	246,921	5,965	5206	5147	
1922, end of—														
January.....	996	126,160	1,592	115,376	23,412	116,680	8,046	8,802	4,415	255,678	4,831	223	152	
February.....	996	134,252	1,857	120,026	28,526	109,816	7,977	9,614	4,659	262,817	2,101	222	154	
March.....	997	146,531	2,152	130,671	33,358	170,357	8,701	14,065	7,096	271,935	6,416	274	169	
April.....	1,001	155,618	2,403	140,420	31,616	175,977	9,183	13,193	8,997	280,935	3,992	265	268	
May.....	1,003	167,794	3,377	151,949	33,128	179,370	9,440	17,619	10,984	289,246	4,152	242	297	
June.....	1,004	186,126	4,752	169,212	37,174	191,414	10,374			311,600	2,762	224	268	
July.....	1,005	207,858	8,122	189,795	39,976		12,234				282	430		

^a Latest figures subject to revision.¹ End of month.² Calculated by the Frankfurter Zeitung with prices of 25 stocks, 10 domestic and 5 foreign bonds (prices as of Jan. 1, 1921=100). These figures, recently revised, now include subscription privileges which were heretofore omitted. Figures are as of beginning of month.³ End of March, 1913.⁴ As of Nov. 10, 1921.⁵ As of Dec. 30, 1921.

SWEDISH FINANCIAL SITUATION.

[Amounts in millions of kroner.]

Year and month.	Riksbank.			Situation of the Government.			Joint-stock banks.		Protested bills during month. ¹		Business failures during month. ¹	Foreign exchange index. ¹	Index number of stock prices—A list. ¹	Value of stock issues registered during the month.
	Gold coin and bullion.	Note circulation	Deposits	Clearings.	Funded State debt.	Floating State debt.	Bills discounted with Riksbank.	Loans and discounts.	Number.	Value.	Number.	Value of the krona abroad (foreign currencies =100).		
1913, end of December..	102	235	108	.....	628	20	139	2,287	4,314	2	309	.....	258	24
1920, average.....	209	733	226	3,596	1,281	248	476	6,008	3,586	6	186	112.9	176	61
1921, average.....	280	661	193	2,715	.....	.....	389	5,948	6,907	15	432	121.8	121	31
1921, end of—														
June.....	281	679	157	2,479	1,331	128	365	5,949	7,376	18	433	122.6	110	33
July.....	280	629	177	2,528	1,341	134	363	5,930	7,383	17	413	119.3	125	67
August.....	285	632	152	2,316	1,300	137	345	5,937	6,515	16	353	119.5	120	31
September.....	276	672	113	2,609	1,368	60	330	5,901	5,786	10	493	121.4	114	13
October.....	276	650	126	2,310	1,393	63	341	5,837	6,449	13	505	124.9	107	17
November.....	275	628	188	2,364	1,409	77	354	5,735	6,089	13	491	124.0	104	19
December.....	275	628	331	3,395	1,433	78	464	5,656	6,298	10	528	126.3	107	21
1922, end of—														
January.....	275	563	337	2,332	1,434	84	421	5,654	6,345	9	509	126.6	109	18
February.....	274	579	346	2,122	1,435	87	429	5,572	6,272	10	398	129.2	94	18
March.....	274	626	312	2,354	1,435	91	447	5,474	7,559	13	513	128.3	89	23
April.....	274	582	301	1,936	1,433	92	404	5,430	6,965	12	400	126.6	100	15
May.....	274	567	203	.....	.....	.....	381	5,378	7,581	10	430	124.8	115	9
June.....	274	585	.....	.....	.....	.....	.....	5,388	.....	.....	.....	.....	.....	.....

¹ Source: Kommersiella Meddelanden.

NORWEGIAN FINANCIAL SITUATION.

[Amounts in millions of kroner.]

Year and month.	Norges Bank.					Private commercial banks (103).			Bankruptcies.
	Gold holdings.	Note circulation.	Deposits.	Loans and discounts.	Clearings at Christiania.	Loans and discounts.	Deposits.	Total aggregate resources.	
1914, end of July.....	184	123	14	88	.....	.....	.....	.....	Number.
1920, average.....	147	451	102	419	652	3,921	3,382	.....	32
1921, average.....	147	417	111	443	537	3,840	3,338	.....	86
1921, end of—									
June.....	147	418	107	440	508	3,883	3,303	.....	116
July.....	147	428	100	452	541	3,958	3,343	5,249	96
August.....	147	421	110	455	580	3,954	3,340	5,256	101
September.....	147	416	85	426	637	3,844	3,319	5,224	102
October.....	147	411	113	453	589	3,742	3,275	5,196	78
November.....	147	395	121	439	538	3,677	3,231	5,113	89
December.....	147	410	141	476	551	3,508	3,305	4,944	81
1922, end of—									
January.....	147	378	131	433	524	3,413	3,202	4,805	88
February.....	147	376	141	428	494	3,346	3,172	4,754	76
March.....	147	385	151	449	628	3,280	3,124	4,690	108
April.....	147	386	143	447	516	3,302	3,118	4,755	.....
May.....	147	375	152	446	.....	3,367	3,086	.....	.....

¹ Includes balances abroad.

JAPANESE FINANCIAL SITUATION.¹

[Amounts in millions of yen.]

Year and month.	Bank of Japan.					Tokyo banks.			
	Note circulation.	Specie reserve for notes. ²	Ordinary loans and discounts.	Advances on foreign bills.	Current Government deposits in Japan.	Private deposits in Japan.	Total loans Tokyo associated bank.	Tokyo bank clearings, total in the month.	Average discount rate (Tokyo market).
1913, average.....	363	216	47	33	(³)	7	333	364	8.38
1921, average.....	1,226	1,200	107	39	297	50	1,932	2,572	9.00
1921.									
End of—									
July.....	1,172	1,172	43	23	330	76	1,987	2,341	8.36
August.....	1,192	1,192	107	31	345	35	1,951	2,816	8.43
September.....	1,232	1,232	101	32	293	30	1,955	2,627	8.28
October.....	1,255	1,255	157	30	309	31	1,993	2,679	8.50
November.....	1,283	1,264	197	30	325	37	1,989	2,783	8.79
December.....	1,546	1,246	298	26	203	35	2,000	3,340	9.20
1922.									
End of—									
January.....	1,377	1,241	224	56	277	35	1,984	2,246	9.02
February.....	1,246	1,223	172	26	328	27	1,950	2,438	9.02
March.....	1,289	1,289	248	58	422	29	1,963	3,099	9.09
April.....	1,226	1,263	267	61	520	30	1,980	2,809	9.34
May.....	1,203	1,203	178	50	469	33	1,973	3,143	9.42
June.....	1,344	1,223	179	98	377	43	1,998	3,178	
July.....	1,224	1,220	133	82	427	35			

¹ Figures apply to last day of month in case of Bank of Japan, to last Saturday of the month in the case of the other items.

² This includes the specie segregated against notes only. It includes gold credits abroad as well as bullion and coin at home.

³ During January, February, April, October, November, and December, 1913, Government deposits averaged 4,193,000 yen. During the remainder of the year there was an average monthly overdraft of 8,942,000 yen.

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Number in each district.....	989		
State banks admitted to system.....	921		

FEDERAL RESERVE DISTRICTS

