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FEDERAL RESERVE BOARD.

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The Federal Reserve Bulletin is distributed without charge to member banks of the system and to the officers and directors of Federal Reserve Banks. In sending the Bulletin to others the Board feels that a subscription should be required. It has accordingly fixed a subscription price of \$2 per annum. Single copies will be sold at 20 cents. Foreign postage should be added when it will be required. Remittances should be made to the Federal Reserve Board. Member banks desiring to have the Bulletin supplied to their directors may have it sent to not less than ten names at a subscription price of \$1 per year.

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FEDERAL RESERVE BULLETIN

VOL. 2

DECEMBER 1, 1916.

No. 12

BANK INVESTMENTS IN FOREIGN OBLIGATIONS.¹

In view of contradictory reports which have appeared in the press regarding its attitude toward the purchase by banks in this country of Treasury bills of foreign Governments, the Board deems it a duty to define its position clearly. In making this statement the Board desires to disclaim any intention of discussing the finances or of reflecting upon the financial stability of any nation, but wishes it understood that it seeks to deal only with general principles which affect all alike.

The Board does not share the view frequently expressed of late, that further importations of large amounts of gold must of necessity prove a source of danger or disturbance to this country. That danger, the Board believes, will arise only in case the inflowing gold should remain uncontrolled and be permitted to become the basis of undesirable loan expansions and of inflation. There are means, however, of controlling accessions of gold by proper and voluntary cooperation of the banks or, if need be, by legislative enactment. An important step in this direction would be the anticipation of the final transfer of reserves required by the Federal Reserve Act to become effective on November 16, 1917. This date could be advanced to February or March, 1917. Member banks would then be placed on the permanent basis of their reserve requirements and fictitious reserves would be eliminated. The banks would thus have a clearer conception of actual reserve

and financial conditions. It will then appear that while a large increase in the country's gold holdings has taken place, the expansion of loans and deposits has been such that there will not remain any excess of reserves, apart from the important reserve loaning power of the Federal Reserve Banks.

In these circumstances the Board feels that member banks should pursue a policy of keeping themselves liquid; of not loaning down to the legal limit, but of maintaining an excess of reserves—not with reserve agents, where their balances are loaned out and constitute no actual reserve, but in their own vaults or preferably with their Federal Reserve Banks. The Board believes that at this time banks should proceed with much caution in locking up their funds in long-term obligations or in investments, which are short term in form or name but which, either by contract or through force of circumstances, may in the aggregate have to be renewed until normal conditions return. The Board does not undertake to forecast probabilities or to specify circumstances which may become important factors in determining future conditions. Its concern and responsibility lies primarily with the banking situation. If, however, our banking institutions have to intervene because foreign securities are offered faster than they can be absorbed by investors—that is, their depositors—an element would be introduced into the situation which, if not kept under control, would tend toward instability, and ultimate injury to the economic development of this country. The natural absorbing power of the

¹ Statement issued to the press for use Nov. 23.

investment market supplies an important regulator of the volume of our sales to foreign countries in excess of the goods that they send us. The form which the most recent borrowing is taking, apart from reference to its intrinsic merits, makes it appear particularly attractive as a banking investment. The Board, as a matter of fact, understands that it is expected to place the issues primarily with banks. These would appear so attractive that unless a broader and national point of view be adopted, individual banks might easily be tempted to invest to such an extent that the banking resources of this country employed in this manner might run into many hundreds of millions of dollars. While the loans may be short in form, and severally may be collected at maturity, the object of the borrower must be to attempt to renew them collectively, with the result that the aggregate amount placed here will remain until such time as it may be advantageously converted into a long-term obligation. It would, therefore, seem, as a consequence, that liquid funds of our banks, which should be available for short credit facilities to our merchants, manufacturers, and farmers, would be exposed to the danger of being absorbed for other purposes to a disproportionate degree, especially in view of the fact that many of our banks and trust companies are already carrying substantial amounts of foreign obligations, and of acceptances which they are under agreement to renew. The Board deems it, therefore, its duty to caution the member banks that it does not regard it in the interest of the country at this time that they invest in foreign Treasury bills of this character.

The Board does not consider that it is called upon to advise private investors, but as the United States is fast becoming the banker of

foreign countries in all parts of the world it takes occasion to suggest that the investor should receive full and authoritative data—particularly in the case of unsecured loans—in order that he may judge the future intelligently in the light of present conditions and in conjunction with the economic developments of the past.

The United States has now attained a position of wealth and of international financial power which in the natural course of events it could not have reached for a generation. We must be careful not to impair this position of strength and independence. While it is true that a slowing down in the process of credit extension may mean some curtailment of our abnormally stimulated export trade to certain countries, we need not fear that our business will fall off precipitately should we become more conservative in the matter of investing in loans, because there are still hundreds of millions of our own and foreign securities held abroad which our investors would be glad to take over, and, moreover, trade can be stimulated in other directions.

In the opinion of the Board it is the duty of banks to remain liquid in order that they may be able to continue to respond to our home requirements. The nature and scope of these requirements none can foresee. Such a course is moreover necessary in order that our present economic and financial strength may be maintained when, at the end of the war, we shall wish to do our full share in the work of international reconstruction and development which will then lie ahead of us. At that time there will be a clearer understanding of economic conditions as they will then exist and this will enable the country more safely and intelligently to do its proper part in the financial rehabilitation of the world.

REVIEW OF THE MONTH.

The outstanding feature of the month of November, as during October, ^{Foreign trade and gold payments.} both in respect to foreign trade and domestic banking conditions, has been the continued development of a large export balance in favor of the United States, and the discussion of means for the control of the compensating inward movement of gold. What the effect of this movement will be upon credit conditions, domestic prices, and other fundamental factors in the immediate economic situation, is proving a matter of primary interest; and closely allied to it is the question in what form the United States should accept payment for the goods it continues to send to foreign countries.

This whole question constituted, among other topics of interest, a basis of discussion at the meeting of the Federal Advisory Council which closed its regular quarterly session at Washington on November 21, and which devoted its attention to a survey of business conditions throughout the country, to reserve conditions in the several districts, and, in this connection, to a consideration of the situation produced by the large and continued imports of gold. It was agreed that the first and most obvious step toward gold control to be taken in the near future, should be that of requesting Congress at its approaching session to amend the Federal Reserve Act so as to provide that the final steps specified in the Act be taken early in the year 1917 instead of in November of that year as now provided, so that balances with reserve agents should cease to be counted as reserve after February or March, 1917. This change would reduce materially the present excess reserves, and the so-called "reserves" now kept by country banks with correspondent banks would henceforth be considered properly as bank balances only. This is a change which, under the law must be made not later than November 16, 1917. In the opinion of the Federal Advisory Council and of the Federal Reserve, Board it could be effected now or in

the near future without inconvenience and to the real benefit of the country. Both bodies agreed that it would be highly desirable to make this change at a time when it would cause no shock, and when the increase of real reserves with the Federal Reserve Banks would be effective in strengthening the control of the country's gold supply, and would at the same time minimize any apprehensions that might be felt because of its increasing volume.

Members of the Board and of the Council expressed the view that there are no dangers necessarily inherent in further importations of gold in settlement of our heavy trade balances, provided proper methods be employed to control the gold and to prevent undue expansion. The consensus of opinion was that a general adherence to a policy of prudence and conservatism is desirable at this time.

While all members of the Council reported excellent business conditions in their districts, statements were made that here and there some indications of increasing demand for credit facilities are to be noted, as well as a tendency on the part of some banks toward overinvestment of funds. Such overinvestment is apparently manifesting itself most decidedly in connection with foreign obligations of various kinds. There appears to be a danger that such unsecured foreign debts may be too largely assumed by American banks to the detriment of their liquid condition, and that should such overinvestment be too long continued it would tend to place the banking and credit system of the United States in a position analogous to that of sundry foreign countries. Special danger would seem to lie in the absorption of securities which appear to be of a self-liquidating nature, but which actually are not so. In this connection the Advisory Council announced itself as in entire accord with the views expressed by the Board prior to this meeting, suggesting caution and moderation in the use of those credits which, being open for a long period of renewals; lose their character

as essentially self-liquidating transactions of short maturity.

Total gold imports into the United States for the four weeks between October 20 and November 17 were \$82,601,000, while total gold exports for the same period were \$16,329,000. Net gold imports for the four weeks were \$66,272,000, while net gold imports since January 1, 1916, were \$386,004,000, compared with \$359,292,000 for the corresponding period in 1915.

Between October 20 and November 24 the Federal Reserve Banks increased their gold reserves from \$384,284,000 to \$459,935,000, while the amounts of gold held by the Federal Reserve Agents against Federal Reserve notes increased from \$215,329,000 to \$241,566,000, so that the aggregate gold holdings of the Federal Reserve System show an increase from \$599,613,000 on October 20 to \$701,501,000 on November 24, 1916.

While the outstanding obligations of the national banks of the country are steadily increasing, reserves (by percentages) are either declining or are approximately steady at a point not far from that existing in the recent past. The latest complete figures are those furnished by the Comptroller of the Currency for September 12, 1916, and are as follows:

	Percentages held on—	
	June 30, 1916.	Sept. 12, 1916.
Banks in Central Reserve cities	21.32	20.39
Banks in reserve cities	23.80	24.80
Country banks	25.75	26.62
All national banks	23.86	24.29

Since the date of the Comptroller's last report actual changes in the reserve situation can be noted only as shown by the weekly reports of certain clearing houses. According to reports of the New York Clearing House, the reserve percentage of the 60 members of that institution, as compared with net demand deposits, which was, on September 16, 20.5, had

declined on October 14 to 20.1 and on November 18 stood at 20.6. This included the returns from 31 banks which are members of the Federal Reserve system and 29 nonmembers. Very similar changes are shown by reports of the New York State banking department for State banks and trust companies in Greater New York. In Philadelphia there was between September 18 and November 20 a distinct falling off of the reserves of trust companies, while national banks little more than held their own. At the end of October both trust companies and national banks in Philadelphia showed a heavy reduction in reserves. In Boston reserves on November 18 were about \$300,000 lower than on September 16.

Total discount operations of the Federal Reserve Banks during October were \$11,862,900, which is 18.7 per cent of the total investments made by the banks during the month. Of the total paper discounted, \$2,284,900 were advances to member banks upon their own notes, \$2,921,000 commodity—chiefly cotton—paper, and \$383,200 trade acceptances (two-name paper). These three classes of paper, totaling 47 per cent of the total discounts for the month, were discounted at special rates, while about 53 per cent of the paper was discounted at the regular rates.

Reports from all quarters show a continuance of active business conditions accompanied by high prices and full employment of labor, as is shown by reports of Federal Reserve agents published elsewhere in this issue. Marked features of the conditions now prevailing throughout the country are the continuous advance of prices accompanied by steadily higher wages and larger business operations, scarcity of labor in nearly all industries, and general car shortage.

Increasing service is being rendered by the gold settlement fund, which during the past five weeks has settled obligations amounting to well over \$1,000,000,000. The change in ownership of gold resulting from settling operations

Gold settlement operations.

was \$67,604,000, or 6.32 per cent of the total settlement. An interesting aspect of the work of the gold settlement fund is seen in the tendency to equalize the supply of gold throughout the country, drawing it away from the financial centers where it has accumulated. This distribution of gold followed and partly resulted from the payment of the final installment of reserves into the Federal Reserve Banks by their members on November 16, to which reference has elsewhere been made.

Development of Dollar Exchange.

During the past month there has been a preliminary development of the plan for furnishing dollar exchange provided by the amendment to the Federal Reserve Act passed on September 7. The act in question contains the following provision intended to facilitate the development of the business referred to:

Any member bank may accept drafts or bills of exchange drawn upon it having not more than three months' sight to run, exclusive of days of grace, drawn under regulations to be prescribed by the Federal Reserve Board by banks or bankers in foreign countries or dependencies or insular possessions of the United States for the purpose of furnishing dollar exchange as required by the usages of trade in the respective countries, dependencies, or insular possessions. Such drafts or bills may be acquired by Federal Reserve Banks in such amounts and subject to such regulations, restrictions, and limitations as may be prescribed by the Federal Reserve Board: *Provided, however,* That no member bank shall accept such drafts or bills of exchange referred to in this paragraph for any one bank to an amount exceeding in the aggregate ten per centum of the paid-up and unimpaired capital and surplus of the accepting bank unless the draft or bill of exchange is accompanied by documents conveying or securing title or by some other adequate security: *Provided further,* That no member bank shall accept such drafts or bills in an amount exceeding at any time the aggregate of one-half of its paid-up and unimpaired capital and surplus.

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Applications have come to the Board from various sources for power to make acceptances of this class. Each such case has been considered on its merits, and in light of the intent of Congress as indicated in the provision in question where it is specified that the purpose in view in making such acceptances is that of "furnishing dollar exchange as required by the usages of trade." The following letter states the action taken by the board in this class of cases:

The Board is in receipt of your letter of October 31 making application for the privilege of accepting bank or banker's drafts to run not longer than 90 days and drawn upon you by banks or bankers in the following countries: Chile, Brazil, Venezuela, Argentina, and Bolivia.

You are hereby advised that, reserving the right to modify or revoke its approval on 90 days' notice, the Board has decided to permit member banks to accept for drafts drawn upon them by banks or bankers in the following countries: Porto Rico, Santo Domingo, Costa Rica, Peru, Chile, Brazil, Venezuela, Argentina, and Bolivia.

It is understood that such drafts are to be drawn for the purpose of furnishing dollar exchange as required by the usages and trade in the respective countries.

The list thus given comprises all countries upon which the Board has thus far issued the authority to draw such drafts for the purpose of furnishing dollar exchange.

On the other hand, certain applications for the making of drafts of this kind have been declined, the following letter illustrating the action taken in such instances:

Under Regulation C, series of 1916, member banks, desiring to accept drafts drawn by banks or bankers in foreign countries for the purpose of furnishing dollar exchange, are required to make application to the Board setting forth the usages of trade in the countries in which the foreign banks or bankers are located, and the Board grants applications only when it determines "that the usages of trade in such countries * * * require the granting of the acceptance facilities applied for.

The purpose of this Act and the regulation made pursuant thereto was to enable the

American banks to provide dollar exchange in countries where the check is not the current means of remittance in payment of foreign debts, but where the three months' bankers' draft is generally used for that purpose.

The Board is of the opinion that this custom does not exist in England or in France. If anyone in either of these countries desires to make remittance to the United States in payment of a debt or obligation, it is not customary, according to the information of the Board, to send a three months' draft, and there should be no difficulty in securing in London or Paris cable transfers or checks on the United States. The Board is informed that the bankers' custom of selling three months' drafts in preference to checks originated in countries where the mail connections were irregular and the foreign-exchange market was a limited one, and where it would have been difficult for the drawing banker to be certain that he could find a cover against the checks drawn by him in time to forward it by the same mail, whereas, in drawing a three months' draft, he would feel assured of being able to forward remittances before his obligation fell due. Such conditions do not exist in relations between England and France and the United States, and after consideration of all the circumstances the Board does not feel justified in granting your application.

Question has been raised by some Federal Reserve Banks as to their power to purchase acceptances drawn for the purpose of furnishing dollar exchange in this way. On that point the following ruling indicates the Board's position:

Regulation B, series of 1916, section IV, authorizes the purchase of acceptances drawn "by a bank or banker in a foreign country or dependency or insular possession of the United States for the purpose of furnishing dollar exchange" on "a bank or trust company or a firm, person, company, or corporation engaged in the business of granting bankers' acceptance credits."

The Board intended by this regulation to authorize the purchase in the open market of acceptances of member or nonmember banks or bankers drawn for the purpose of furnishing dollar exchange, provided the drawer is a bank or banker located in a foreign country or dependency or insular possession of the United States whose usages of trade have been de-

termined by the Board to require the drawing of bills of this character. The Board has already ruled that banks or bankers in Buenos Aires may draw such bills, so that there would seem to be no objection to purchasing the acceptance in question.

The time has so far been too short to ascertain what the development of the acceptance business thus indicated will be. Purchases of paper growing out of such operations at Federal Reserve Banks have naturally been small in the aggregate, but some of the banks have now considerable individual holdings.

Refunding of Government Bonds for 1917.

Numerous inquiries have reached the Federal Reserve Board with respect to the policy to be pursued during the year 1917 in dealing with the conversion of Government 2 per cent bonds into 3 per cent securities, and the prescribed purchase of 2 per cent bonds by Federal Reserve Banks. The accompanying documents and letters are intended to furnish a complete statement of the status of the conversion question at the present time.

A letter received from Assistant Secretary of the Treasury Malburn addressed to the Governor of the Federal Reserve Board on October 28, states the position of the Treasury Department as follows:

The Secretary directs me to advise you that during the year beginning January 1, 1917, he will permit Federal Reserve Banks to submit \$30,000,000 in United States 2 per cent bonds for conversion into 3 per cent conversion bonds and one-year Treasury notes in the proportion of half each. The Board may allot the total for the year to the banks and conversion of any portion of each bank's allotment will be permitted at any period date during the year—the period dates as heretofore being January 1, April 1, July 1, and October 1. If, on October 1, 1917, any bank has not taken its full allotment, the Board may reallocate the balance to other applying banks. Until further notice the policy will be continued of permitting no exchanges of one year Treasury notes for 3 per cent conversion bonds.

As heretofore required, applications for conversions must be submitted to the department at least 10 days before the conversion date and the 2 per cent bonds to be converted must be delivered not later than the day before the conversion date. The department will then be able to deliver the definitive bonds and notes within approximately 10 days after the date of conversion, and the issue of temporary or interim certificates will be obviated. Suspense accounts will be continued as a matter of convenience, but operations thereunder will be restricted to those connected with 2 per cent bonds available for conversion.

Regarding the form and denomination of the one-year Treasury notes, experience of the past year has demonstrated that the coupon form in the \$1,000 and the \$10,000 denominations meets the requirements of the Federal Reserve Banks and, so far as it is possible to judge, the requirements of others. Accordingly, until the situation in this respect is changed, future issues of one-year Treasury notes will be made in coupon form and in the \$1,000 and \$10,000 denominations, and no provision will be made for issuing such notes in registered form. It further appears that practically without exception applications for conversion bonds have been for those in coupon form and in the \$100 and \$1,000 denominations. Accordingly, only these two denominations in the coupon form will in future be available. In the registered form provision will be made for the issue of conversion bonds in \$100, \$1,000, \$5,000, and \$10,000 denominations.

A communication sent to all Federal Reserve Agents under date of November 3, to the effect that the policy of the Board is based upon the letter from the Assistant Secretary of the Treasury, already quoted, is as follows:

I inclose herewith copy of letter received from the Treasury Department from which you will see that the Secretary of the Treasury will permit Federal Reserve Banks during the year 1917 to submit offerings up to 30 million dollars in United States 2 per cent bonds, for conversion half into 3 per cent bonds and half into one-year Treasury notes.

The Board will approve the application of any bank for the conversion of all, or any portion of its full annual allotment on January 1, 1917, or at the beginning of any other quarterly period, to wit, April 1, July 1, and October 1. In exercising its discretion to

determine how much of the 25 million dollars in bonds it will require all 12 Federal Reserve Banks to purchase from member banks through the Treasurer during 1917, and in order to enable the Federal Reserve Banks, if they so desire, to accumulate more bonds than they now hold for conversion on January 1, the Board will consider the amount of bonds purchased by all Federal Reserve Banks during November and December, 1916. However, each Federal Reserve Bank must purchase its pro rata share, as determined by the Board, of the total amount of bonds allotted, deducting only the amount of bonds purchased by it after January 1, 1917.

Meeting of Federal Advisory Council.¹

The Federal Advisory Council, which held its regular quarterly session in Washington on November 20-21, devoted its attention to a survey of business conditions throughout the country, to reserve conditions in the several districts, and, in this connection, to a consideration of the situation produced by the large and continuing imports of gold.

The Council considered means for making effective in a greater degree the transfer of vault money by member banks to their respective Federal Reserve Banks—a process rendered possible by the recent amendment to the Federal Reserve Act. It was agreed that this is a desirable development and that it should be encouraged.

The Council announced itself as in entire accord with the views already expressed by the Board, suggesting caution and moderation in the use of those credits which, being open for a long period of renewals, lose their character as essentially self-liquidating transactions of short maturity.

The Council renewed its recommendation that the National Bank Act be amended so as to enable national banks in reserve and central reserve cities to establish branches within those cities.

¹ Statement issued to the press for use on Nov. 22.

Another recommendation made by the Council was to ask Congress at its approaching session to amend the Federal Reserve Act so as to provide that the final steps specified in the Act be taken early in the year 1917, instead of in November of that year as now provided, so that balances with reserve agents should cease to be counted as reserve after February or March, 1917. This change would reduce materially the present excess reserves, and the so-called "reserves" now kept by country banks with correspondent banks would henceforth be considered properly as bank balances only.

This is a change which under the law must be made not later than November 16, 1917. In the opinion of the Federal Advisory Council, and of the Federal Reserve Board, it could be effected now or in the near future without inconvenience and to the real benefit of the country. Both bodies agreed that it would be highly desirable to make this change at a time when we are certain that it can be done without any shock or jar, and when the increase of real reserves with the Federal Reserve Banks would be so effective in strengthening the control of the country's gold supply, and would at the same time minimize any apprehensions that might be felt because of its increasing volume.

While all members of the Council reported excellent business conditions in their districts, statements were made that here and there some indications of increasing demand for credit facilities are to be noted, as well as a tendency on the part of some banks toward overinvestment of funds.

Members of the Board and of the Council expressed the view that there are no dangers that need come from further importations of gold in settlement of our heavy trade balances, provided proper methods are employed to control the gold and to prevent undue expansion. The consensus of opinion was that a general adherence to a policy of prudence and conservatism would be the surest means of maintaining our present prosperous conditions.

Method of Reporting Reserves.

Under date of November 2 the Governor of the Federal Reserve Board received a letter from the Comptroller of the Currency stating that it is his "intention to permit the banks, when they make statements under the next call, to show, on the face of their reports in their published statements, lawful reserve in the vault and with the Federal Reserve Bank as one item. Of course, in the schedule on the back of the report they will be required to show how much of their reserve is in their vault and how much in the Federal Reserve Bank."

It will be remembered that Congress, in the Act approved September 7, 1916, authorized the member banks to carry vault reserves in Federal Reserve Banks if they desired, amending the Act to read as follows:

Upon the affirmative vote of not less than five of its members the Federal Reserve Board shall have power, from time to time, by general ruling, covering all districts alike, to permit member banks to carry in the Federal Reserve Banks of their respective districts any portion of their reserves now required by section 19 of this Act to be held in their own vaults.

Shortly after the adoption of this provision, the Federal Reserve Board issued a general authority to member banks to make the transfer in question, saying:

The recent amendments to the Federal Reserve Act provide in part that the Federal Reserve Board shall have power "by general ruling covering all districts alike, to permit member banks to carry in the Federal Reserve Banks of their respective districts any portion of their reserves now required by section 19 of this Act to be held in their own vaults."

In pursuance of the authority vested in it by this section the Board hereby rules that, effective September 18, 1916, and until further notice, any member bank so desiring shall be permitted to carry in the Federal Reserve Bank of its district any portion of its reserves now required by law to be held in its own vaults.

Please inform the officers of your bank that they may advise the member banks of your district.

Sundry considerable transfers of vault reserves have occurred, particularly on the part of the larger city banks. Country banks have, however, hesitated to make the transfer. They are to-day obliged to report their vault cash as a separate item in published statements. The action of the Comptroller, as now announced, is intended to alter the mode of publishing statements of member banks.

Hon. Paul M. Warburg, vice governor of the Board, in an address at Kansas City before the American Bankers' Association, referred to the question of reserve transfers as follows:

Financial history has shown that each crisis develops larger demands than its predecessor, and with our constantly growing pyramid of deposits and loans, and with the gigantic scale upon which financial transactions are now conducted, it is our duty to be prepared for ever larger demands. The fact that we are strongly forearmed, far beyond a limit expected to be actually reached, will be the only means of restraining these demands to safe and reasonable bounds. We ought to be able, therefore, to lose \$300,000,000 to \$500,000,000 and still have \$200,000,000 or \$300,000,000 of free gold to serve as a basis for emergency operations.

I can not urge you too strongly, therefore, to cooperate to the utmost of your abilities in keeping your balances with the Federal Reserve Banks high and your vault money down to the minimum that your own till requirements will safely and conveniently permit. It is obvious that in strengthening the Federal Reserve Banks you are strengthening yourselves.

If a country bank with \$25,000 in capital and \$150,000 in deposits keeps in its vaults \$5,000 or \$10,000 of gold, does it expect that, in case of a national emergency, it could protect itself with that amount of legal tender in the event the Federal Reserve Banks stopped paying in gold or stopped rediscounting? If a country bank's depositors want cash they will be perfectly satisfied to take Federal Reserve notes. But the power to furnish these notes, or credit, is limited by the amount of gold held by the Federal Reserve Banks. While the \$5,000 gold in vault of the member bank will not, therefore, protect it, the specie and legal tender notes held by all of them collectively (about \$770,000,000) can be made to form the strongest possible bulwark of protection for all if deposited in the Federal Reserve Banks.

The following circular, covering the carrying of vault reserves in Federal Reserve Banks, was issued on November 20 by the Federal Reserve Bank of New York:

Your attention is invited to the amendment of the Federal Reserve Act approved September 7, 1916, which authorizes the Federal Reserve Board to permit member banks to carry in the Federal Reserve Banks of their respective districts any portion of their reserves now required by section 19 of the Act to be held in their own vaults.

We take pleasure in advising you that the Federal Reserve Board, exercising the authority vested in it by this amendment, has ruled that until further notice any member bank so desiring shall be permitted to carry in the Federal Reserve Bank of its district any portion of its reserves now required by law to be held in its own vaults.

The permission thus given offers an opportunity to all member banks both to be relieved of the responsibility for unused funds held in individual vaults, and to strengthen their reserves with their Federal Reserve Banks. It should also tend to encourage the concentrating of the reserves of each district with the Federal Reserve Bank, where they will serve as a proper basis for elasticity when demands for currency are made and will, of course, be immediately available in case of emergency.

A number of our member banks are already availing themselves of this option, and it is hoped that others will also do so, by depositing with us from time to time such portion of their vault reserves as are not needed in the ordinary conduct of their business.

Growing Use of Acceptances.

In Fall River and New Bedford, Mass., and Providence, R. I., use is now being made of trade and domestic acceptances to finance the cotton requirements of local mills. This, possibly, grows out of the demand for credit which reports indicate has increased during the last half of this month.

The trade acceptances have been created by the cotton brokers, who have arranged to do so with the mill supplied. Local banks are said to have been able to market these acceptances

without their indorsement at rates about one-fourth of 1 per cent below the current rates for commercial paper. Arrangements are also being made to finance cotton mills with domestic acceptances against their purchases, these being sold to the banks in the larger cities in lieu of rediscounts.

Some banks in larger cities which have taken nearly all the acceptances which they are permitted to hold, the Board is informed, have arranged to turn over a portion of their own business to some of their correspondent banks in other cities.

Liability Under Acceptances.

The Comptroller of the Currency's September 12 condition report for national banks just issued shows that the aggregate liabilities of all national banks on acceptances in the foreign trade were \$76,608,000, as against \$69,303,000 on June 30, 1916. In addition, acceptance liabilities are reported by the Comptroller for other member banks as follows:

In central reserve cities.....	\$2,268,000
In other reserve cities.....	2,358,000
Outside of reserve cities.....	58,000
Total.....	4,684,000

The New York State Banking Department reports, as of September 20, acceptance liabilities of the following trust companies, non-members of the Federal Reserve System:

Bankers Trust Company.....	\$8,957,600
Guaranty Trust Company.....	32,436,400
Columbia Trust Company.....	1,351,700
Central Trust Company.....	1,450,000
Equitable Trust Company.....	7,021,600
Total.....	51,217,300

Classification of Member Banks.

There is printed below the classification of member banks of the Federal Reserve System into three groups by the several Federal Reserve Banks for the election of directors. The polls for these elections close early in December.

Classification of member banks for electing directors.

Federal Reserve Bank.	Groups.	Number of banks.	Maximum capital.	Minimum capital.
Boston	Group 1.	134	Over \$250,000...	\$250,000.
	Group 2.	134	\$250,000.....	\$120,000.
	Group 3.	134	\$120,000.....	Less than \$120,000.
New York.....	Group 1.	210	Over \$200,000...	\$200,000.
	Group 2.	208	\$200,000.....	\$75,000.
	Group 3.	209	\$75,000.....	Less than \$75,000.
Philadelphia..	Group 1.	210	Over \$200,000...	\$200,000.
	Group 2.	211	\$200,000.....	\$75,000.
	Group 3.	211	\$75,000.....	Less than \$75,000.
Cleveland.....	Group 1.	235	Over \$150,000...	\$150,000.
	Group 2.	235	\$150,000.....	\$65,000.
	Group 3.	256	\$65,000.....	Less than \$65,000.
Richmond....	Group 1.	172	\$4,000,000.....	\$140,000.
	Group 2.	170	\$140,000.....	\$60,500.
	Group 3.	178	\$60,500.....	\$15,250.
Atlanta	Group 1.	139	Over \$130,000...	\$130,000.
	Group 2.	136	\$130,000.....	\$60,000.
	Group 3.	114	\$60,000.....	Less than \$60,000.
Chicago	Group 1.	349	Over \$120,000...	\$120,000.
	Group 2.	325	\$120,000.....	\$59,000.
	Group 3.	323	\$59,000.....	Less than \$59,000.
St. Louis.....	Group 1.	149	Over \$100,000...	\$100,000.
	Group 2.	157	\$100,000.....	\$50,000.
	Group 3.	163	\$50,000.....	Less than \$50,000.
Minneapolis...	Group 1.	301	Over \$60,000.....	\$60,000.
	Group 2.	222	\$60,000.....	\$30,000.
	Group 3.	232	\$30,000.....	Less than \$30,000.
Kansas City...	Group 1.	300	\$3,600,000.....	\$77,000.
	Group 2.	323	\$75,000.....	\$36,000.
	Group 3.	314	\$35,000.....	\$25,000.
Dallas.....	Group 1.	210	Over \$120,000...	\$120,000.
	Group 2.	215	\$120,000.....	\$60,000.
	Group 3.	196	\$60,000.....	Less than \$60,000.
San Francisco.	Group 1.	175	Over \$120,000...	\$120,000.
	Group 2.	172	\$120,000.....	\$53,499.
	Group 3.	172	\$53,499.....	Less than \$53,499.

Operation of the Clearing Plan.

The following table shows briefly the clearing operations of the Federal Reserve system for the monthly period ending November 15, 1916, with comparative figures for each of the three preceding months:

Operations of the Federal Reserve interdistrict clearing system, Oct. 16 to Nov. 15, 1916.

Bank.	Average number of items handled daily.	Average amount of daily clearing.	Member banks in the district.	Nonmember banks from which checks are collected at par.
Boston.....	36,358	\$11,816,884	402	1,242
New York.....	40,036	24,164,709	626	313
Philadelphia.....	29,567	15,348,837	632	292
Cleveland.....	15,102	8,128,766	754	490
Richmond.....	16,784	7,850,981	519	303
Atlanta.....	12,825	4,442,127	391	451
Chicago.....	* 21,065	12,659,964	993	1,286
St. Louis.....	9,388	6,904,131	469	851
Minneapolis.....	14,500	8,208,962	757	1,100
Kansas City.....	12,962	7,081,905	938	1,414
Dallas.....	13,638	7,022,967	621	229
San Francisco.....	5,264	1,430,991	521	1,088
Total, Oct. 16 to Nov. 15.	227,489	115,061,224	7,623	8,059
Sept. 16 to Oct. 15.	204,891	97,666,107	7,618	7,459
Aug. 16 to Sept. 15.	177,397	78,559,704	7,618	7,449
July 15 to Aug. 15.	133,113	59,301,696	7,624	7,032

* All State banks in district.

† Does not include Government checks averaging 2,413.

Fiscal Operations of Federal Reserve Banks.

Transactions carried on by Federal Reserve Banks on behalf of the Government are proving of considerable volume, and have, during the past period, resulted in transfers of further funds from subtreasuries to several of the banks. In the following table is furnished a detailed statement of the balance of each Federal Reserve Bank at the end of the summer quarter (Sept. 30) and of the transfers to and receipts by each Federal Reserve Bank, as well as of checks paid and transfers by each, with the resulting balance at the end of October:

Transactions of Federal Reserve Banks during October, 1916.

Bank.	Balance Sept. 30, 1916.	Debits.	
		Transfers.	Receipts.
Boston.....	\$3,032,384.03		\$1,594,566.48
New York.....	5,500,610.79	\$7,000,000.00	16,695,453.83
Philadelphia.....	6,018,024.91		2,672,281.41
Cleveland.....	2,241,487.51		728,564.12
Richmond.....	3,996,403.57		2,648,488.93
Atlanta.....	1,153,607.54		161,929.47
New Orleans, branch.....	2,720,364.64		1,573,396.00
Chicago.....	3,067,045.14	4,000,000.00	3,978,382.12
St. Louis.....	3,795,098.81		1,187,473.95
Minneapolis.....	1,096,320.92		559,066.36
Kansas City.....	982,437.45		2,797,885.37
Dallas.....	2,204,974.33		252,050.98
San Francisco.....	2,823,280.06		1,955,100.50
Total.....	\$38,632,539.75	\$11,000,000.00	\$36,804,639.52

Bank.	Credits.		Balance Oct. 31, 1916.
	Checks paid.	Transfers.	
Boston.....	\$3,020,295.34		\$1,606,655.17
New York.....	25,767,779.57		13,428,285.05
Philadelphia.....	2,636,167.53	\$2,000,000.00	14,054,138.79
Cleveland.....	488,178.87	1,000,000.00	11,481,872.76
Richmond.....	520,256.63	12,076,000.00	14,048,635.82
Atlanta.....	505,514.49		1,810,022.52
New Orleans, branch.....	480,618.86	1,000,000.00	12,813,141.78
Chicago.....	8,784,559.81		12,260,867.45
St. Louis.....	235,791.88	2,000,000.00	12,746,780.88
Minneapolis.....	715,367.89		1,940,519.39
Kansas City.....	2,990,355.22		1,789,967.60
Dallas.....	615,119.04		11,841,906.32
San Francisco.....	956,245.53	1,000,000.00	12,822,135.03
Total.....	\$47,716,250.71	\$19,076,000.00	\$29,644,928.56

¹ Includes transfer of \$40,000 in national-bank notes to Treasurer of United States for redemption and \$36,000 transferred to depositary banks.

The following condensed summary shows the details of the shifting of funds necessary to meet the Government's obligations:

Transfers to and from Federal Reserve Banks during month of October, 1916.

Received by Federal Reserve Bank at—	From—	Amount.
New York.....	Assistant Treasurer, New York...	\$2,000,000
Do.....	Federal Reserve Bank, Cleveland...	1,000,000
Do.....	Federal Reserve Bank, Richmond...	2,000,000
Do.....	Branch Federal Reserve Bank, New Orleans.	1,000,000
Do.....	Federal Reserve Bank, San Francisco.	1,000,000
Chicago.....	Federal Reserve Bank, Philadelphia.	2,000,000
Do.....	Federal Reserve Bank, St. Louis...	2,000,000
Total.....		11,000,000

Paid by Federal Reserve Bank at—	To—	Amount.
Philadelphia.....	Federal Reserve Bank, Chicago...	\$2,000,000
Cleveland.....	Federal Reserve Bank, New York...	1,000,000
Richmond.....	Treasurer of United States	40,000
Do.....	Federal Reserve Bank, New York...	2,000,000
Do.....	National Exchange Bank, Baltimore, Md.	36,000
New Orleans Branch.....	Federal Reserve Bank, New York...	1,000,000
St. Louis.....	Federal Reserve Bank, Chicago...	2,000,000
San Francisco.....	Federal Reserve Bank, New York...	1,000,000
Total.....		9,076,000

Fiduciary Powers.

The applications of the following banks for permission to act under section 11 (k) of the Federal Reserve Act have been approved since the issue of the November Bulletin:

DISTRICT No. 1.

- Trustee, executor, and registrar of stocks and bonds:
Portland National Bank, Portland, Me.
- Trustee:
Chapin National Bank, Springfield, Mass.

DISTRICT No. 4.

- Trustee and registrar of stocks and bonds:
Merchants National Bank, Hillsboro, Ohio.

DISTRICT No. 7.

- Trustee, executor, administrator, and registrar of stocks and bonds:
Whiteland National Bank, Whiteland, Ind.

DISTRICT No. 12.

- Trustee, executor, administrator, and registrar of stocks and bonds:
First National Bank, Walla Walla, Wash.

New National Bank Charters.

The Comptroller of the Currency reports the following increases and reductions in the number of national banks and the capital of national banks during the period from October 21 to November 24, 1916, inclusive:

	Banks.	
New charters issued to.....	11	
With capital of.....		\$460, 000
Increase of capital approved for.....	7	
With new capital of.....		2, 040, 000
<hr/>		
Aggregate number of new charters and banks increasing capital.....	18	
With aggregate of new capital authorized.....		2, 500, 000
<hr/>		
Number of banks liquidating (other than those consolidating with other national banks).....		
Capital of same banks.....		415, 000
Number of banks reducing capital.....	2	
Reduction of capital.....		100, 000
<hr/>		
Total number of banks going into liquidation or reducing capital (other than those consolidating with other national banks). 9		
Aggregate capital reduction.....		515, 000
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The foregoing statement shows the aggregate of increased capital for the period of the banks embraced in statement was.....		2, 500, 000
Against this there was a reduction of capital owing to liquidations (other than for consolidation with other national banks) and reductions of capital of.....		515, 000
<hr/>		
Net increase.....		1, 985, 000

In addition to the changes noted above, one bank, with capital of \$30,000, was placed in the hands of a receiver during this period.

Commercial Failures During October.

Failure returns for the month of October made a more favorable exhibit than any corresponding period for several years, business

defaults, as reported by R. G. Dun & Co., numbering only 1,240, while the liabilities aggregated but \$10,775,654. This compares with 1,599 suspensions in the same month last year, 1,686 in 1914, and 1,434 in 1913, while the amounts involved were, respectively, \$25,522,380, \$29,245,466, and \$20,245,466. While October failures were less numerous in all years prior to 1913, this is only to be expected when the marked expansion in the number of business concerns during the past few years is taken into consideration. One feature that clearly reflects the improvement in conditions that has been taking place for many months past is the fact that the amount of October liabilities is much smaller than in any year back to 1916.

Detailed figures by Federal Reserve districts follow:

District.	Number of failures.	Liabilities.
No. 1.....	110	\$825, 361
No. 2.....	175	2, 358, 642
No. 3.....	40	410, 820
No. 4.....	77	1, 030, 850
No. 5.....	100	1, 568, 475
No. 6.....	119	530, 163
No. 7.....	169	1, 438, 967
No. 8.....	71	332, 163
No. 9.....	45	273, 594
No. 10.....	61	263, 126
No. 11.....	89	599, 966
No. 12.....	184	1, 143, 527
<hr/>		
Total, 1916.....	1, 240	10, 775, 654
1915.....	1, 599	25, 522, 380
1914.....	1, 686	29, 702, 178
1913.....	1, 434	20, 245, 466
1912.....	1, 150	15, 762, 337
1911.....	1, 169	19, 270, 106
1910.....	1, 122	18, 977, 696

Reserves of National Banks.

The following comparative computation of reserves of national banks, based upon official figures published by the Comptroller of the Currency as of June 30 and September 12, 1916, is intended to show actual reserve conditions throughout the country in their relations to the Federal Reserve System:

Reserves.	Central reserve cities.		Reserve cities.		Reserves.	Country banks.		Total.	
	June 30.	Sept. 12.	June 30.	Sept. 12.		June 30.	Sept. 12.	June 30.	Sept. 12.
In vault:					In vault:				
Held.....	\$350,294	\$326,127	\$173,853	\$189,563	Held.....	\$233,856	\$252,433	\$758,003	\$768,123
Required.....	155,794	159,683	150,276	159,550	Required.....	180,064	194,222	486,134	513,355
Excess.....	194,500	166,544	23,577	30,013	Excess.....	53,792	58,211	271,869	254,768
With Federal Reserve Bank:					With Federal Reserve Bank:				
Held.....	203,258	216,180	123,441	150,151	Held.....	149,404	164,697	476,103	531,028
Required.....	181,760	186,180	125,230	132,958	Required.....	143,826	155,136	450,816	474,274
Excess.....	21,498	30,000	-1,789	17,193	Excess.....	5,578	9,561	25,287	56,754
Either in vault or with Federal Reserve Bank:					Either in vault or with Federal Reserve Bank:				
Required.....	129,828	132,985			Required.....			129,828	132,985
Excess ^a	129,828	132,985			Excess ^a			129,828	132,985
With approved reserve agents:					With approved reserve agents:				
Held ^b			100,184	106,366	Held ^b	108,291	116,806	208,475	223,172
Required.....			100,184	106,366	Required.....	108,291	116,806	208,475	223,172
Excess.....					Excess.....				
Total reserve:					Total reserve:				
Held.....	553,552	542,307	397,478	446,080	Held.....	491,551	533,936	1,442,581	1,522,323
Required.....	467,382	478,748	375,690	398,874	Required.....	432,181	466,164	1,275,253	1,343,786
Excess.....	86,170	63,559	21,788	47,206	Excess.....	59,370	67,772	167,328	178,537

^a Not included in total excess reserve shown below.

^b Portion of the total amounts held which under the Federal Reserve Act is counted as member banks' reserve.

GOLD SETTLEMENT FUND.

During the past five weeks the Federal Reserve Banks have settled obligations through the Gold Settlement Fund amounting to \$1,070,317,000, an amount somewhat larger than the total obligations settled during the first eight months of the fund's operations. The change in ownership of gold incidental to the settlement was \$67,604,000, or 6.32 per cent of the obligations settled. The tide of domestic exchange set heavily against the Federal Reserve Bank of New York, which parted with gold amounting to \$67,604,000, which was divided among the other eleven banks.

The heaviest settlement thus far made was that of November 23, with total obligations settled amounting to \$259,447,000. The payment of the reserve installment, due Novem-

ber 16, by member banks was in large part responsible for the heavy volume of transactions and probably also for the heavy movement of gold from the Federal Reserve Bank of New York.

Amount of clearings and transfers, Federal Reserve Bank, from Oct. 20, 1916, to Nov. 23, 1916, inclusive.

[In thousands of dollars.]

	Total clearings.	Balances.	Transfers.
Settlement of—			
Oct. 26, 1916	194,653	13,955	6,156
Nov. 2, 1916	199,060	17,631	450
Nov. 9, 1916	193,691	22,721	3,600
Nov. 16, 1916	203,148	11,755	3,062
Nov. 23, 1916	259,447	33,775	7,050
Total	1,049,999	99,837	20,318
Previously reported	3,328,769	322,614	106,050
Total since Jan. 1, 1916	4,478,768	422,451	126,368
Total transfers, 1916	126,368		
Total for 1915, including transfers	1,052,649		
Total clearings and transfers, May 20, 1915, to Nov. 23, 1916	5,657,785		

Changes in ownership of gold.

[In thousands of dollars.]

Federal Reserve Bank of—	To Oct. 19, 1916.		From Oct. 20, 1916, to Nov. 23, 1916, inclusive. ¹				Total changes from May 20, 1915, to Nov. 23, 1916. ²	
	Decrease.	Increase.	Balance to credit Oct. 19, 1916, plus net deposits of gold since that date.	Balance Nov. 23, 1916.	Decrease.	Increase.	Decrease.	Increase.
Boston		17,600	13,830	18,080		4,250		21,850
New York	223,816		75,184	7,580	67,604		291,420	
Philadelphia		48,187	8,237	15,537		7,250		55,437
Cleveland		11,733	10,203	19,898		9,695		21,428
Richmond		24,021	13,361	23,169		9,808		33,829
Atlanta		21,175	635	5,767		5,132		26,307
Chicago	7,206		28,164	30,230		2,066	5,140	
St. Louis		10,439	2,939	4,778		1,839		12,278
Minneapolis		6,152	2,652	8,988		6,336		12,488
Kansas City		25,260	6,927.5	19,484.5		12,537		37,797
Dallas		35,406	9,208.5	14,507.5		5,299		40,705
San Francisco		31,049	4,589	7,981		3,392		34,441
Total	231,022	231,022	175,980	175,980	67,604	67,604	296,560	296,560

¹ Changes in ownership of gold during period Oct. 20, 1916, to Nov. 23, 1916, equal 6.32 per cent of obligations settled.

² Total changes in ownership of gold equal 5.24 per cent of total obligations settled.

Gold settlement fund—Summary of transactions from Oct. 20, 1916, to Nov. 23, 1916, inclusive.

[In thousands of dollars.]

Federal Reserve Bank of—	Balance last statement, Oct. 19, 1916.	Gold.		Transfers.		Settlement of Oct. 26, 1916.				Oct. 26, 1916, balance in fund after clearing.	Changes in ownership of gold.	
		With-drawn.	Depos-ited.	Debit.	Credit.	Net debits.	Total debits.	Total credits.	Net credits.		Decrease.	Increase.
Boston.....	13,830				550		14,005	14,850	845	15,225		1,395
New York.....	7,184				4,500		35,571	37,645	2,074	13,758		6,574
Philadelphia.....	13,687	720	140			11,216	31,124	19,908		1,891	11,216	
Cleveland.....	11,033		70				15,244	16,094	850	11,953		850
Richmond.....	17,481	1,100	100				14,210	16,344	2,134	18,615		2,134
Atlanta.....	2,795	500			1,106	946	8,280	7,334		2,455		160
Chicago.....	25,164			4,000			24,298	25,792	1,494	22,658	2,506	
St. Louis.....	4,739	1,000					20,689	23,231	2,542	6,281		2,542
Minneapolis.....	4,552						5,919	6,321	402	4,954		402
Kansas City.....	8,327.5						13,259	16,548	3,289	11,616.5		3,289
Dallas.....	10,668.5			1,056			8,228	8,553	325	9,937.5	731	
San Francisco.....	4,049	560	240	1,000		1,793	3,826	2,033		836	2,893	
Total.....	123,510	3,880	550	6,156	6,156	13,955	194,653	194,653	13,955	120,180	17,346	17,346

Federal Reserve Bank of—	Balance last statement, Oct. 26, 1916.	Gold.		Transfers.		Settlement of Nov. 2, 1916.				Nov. 2, 1916, balance in fund after clearing.	Changes in ownership of gold.	
		With-drawn.	Depos-ited.	Debit.	Credit.	Net debits.	Total debits.	Total credits.	Net credits.		Decrease.	Increase.
Boston.....	15,225					2,935	20,478	17,543		12,290	2,935	
New York.....	13,758		10,000			13,904	47,498	33,594		9,854	13,904	
Philadelphia.....	1,891						23,371	31,131	7,760	9,651		7,760
Cleveland.....	11,953	100					13,493	13,835	342	12,195		342
Richmond.....	18,615	900	20				14,253	16,308	2,555	20,290		2,555
Atlanta.....	2,455	500			450		7,446	9,229	1,783	4,188		2,233
Chicago.....	22,658			250		279	26,751	26,472		22,129	529	
St. Louis.....	6,281		200				17,972	19,588	1,616	8,097		1,616
Minneapolis.....	4,954	600					5,249	6,180	931	5,285		931
Kansas City.....	11,616.5						12,249	13,637	1,388	13,004.5		1,388
Dallas.....	9,937.5		500				6,761	8,017	1,256	11,693.5		1,256
San Francisco.....	836	660	2,000	200		513	3,539	3,026		1,463	713	
Total.....	120,180	2,760	12,720	450	450	17,631	199,060	199,060	17,631	130,140	18,081	18,081

Federal Reserve Bank of—	Balance last statement Nov. 2, 1916.	Gold.		Transfers.		Settlement of Nov. 9, 1916.				Nov. 9, 1916, balance in fund after clearing.	Changes in ownership of gold.	
		With-drawn.	Depos-ited.	Debit.	Credit.	Net debits.	Total debits.	Total credits.	Net credits.		Decrease.	Increase.
Boston.....	12,290					4,252	23,192	18,940		8,038	4,252	
New York.....	9,854		15,000	1,200	2,000	15,578	47,273	31,695		10,076	14,778	
Philadelphia.....	9,651	1,680	120				23,037	29,135	6,098	14,189		6,098
Cleveland.....	12,195						11,639	15,899	4,260	16,455		4,260
Richmond.....	20,290	1,380	80	2,000			10,863	13,375	2,512	19,582		512
Atlanta.....	4,188	500				2,891	9,580	6,689		797	2,891	
Chicago.....	22,129			400			24,487	26,535	2,048	23,777		1,648
St. Louis.....	8,097						17,006	17,876	870	8,967		870
Minneapolis.....	5,285	800					4,784	7,476	2,692	7,377		2,692
Kansas City.....	13,004.5	400					12,295	13,060	765	13,369.5		765
Dallas.....	11,693.5		10				5,902	8,166	2,264	13,947.5		2,264
San Francisco.....	1,463	480			1,600		3,633	4,845	1,212	3,795		2,812
Total.....	130,140	4,970	15,200	3,600	3,600	22,721	193,691	193,691	22,721	140,370	21,921	21,921

Gold settlement fund—Summary of transactions from Oct. 20, 1916, to Nov. 23, 1916, inclusive—Continued.

[In thousands of dollars.]

Federal Reserve Bank of—	Balance last statement Nov. 9, 1916.	Gold.		Transfers.		Settlement of Nov. 16, 1916.				Nov. 16, 1916, balance in fund after clearing.	Changes in ownership of gold.	
		With-drawn.	Deposited.	Debit.	Credit.	Net debits.	Total debits.	Total credits.	Net credits.		Decrease.	Increase.
Boston.....	8,038						15,215	18,338	3,123	11,161		3,123
New York.....	10,076		5,000	3,062		6,983	47,004	40,021		5,031	10,045	
Philadelphia.....	14,189	2,460					31,108	33,200	2,092	13,821		2,092
Cleveland.....	16,455					1,116	14,352	13,236		15,339	1,116	
Richmond.....	19,582	500	300				15,029	16,159	1,139	20,521		1,139
Atlanta.....	797				300		7,318	10,033	2,715	3,812		3,015
Chicago.....	23,777						24,452	24,616	164	23,941		164
St. Louis.....	8,967	1,000				1,927	20,107	18,180		6,040	1,927	
Minneapolis.....	7,377						6,058	6,878	820	8,197		820
Kansas City.....	13,369.5	1,000					12,623	14,325	1,702	14,071.5		1,702
Dallas.....	13,947.5	1,230				715	7,232	6,517		12,002.5	715	
San Francisco.....	3,795				2,762	1,014	2,659	1,645		5,543		1,743
Total.....	140,370	6,190	5,300	3,062	3,062	11,755	203,148	203,148	11,755	139,480	13,803	13,803

Federal Reserve Bank of—	Balance last statement Nov. 16, 1916.	Gold.		Transfers.		Settlement of Nov. 23, 1916.				Nov. 23, 1916, balance in fund after clearing.	Changes in ownership of gold.	
		With-drawn.	Deposited.	Debit.	Credit.	Net debits.	Total debits.	Total credits.	Net credits.		Decrease.	Increase.
Boston.....	11,161				1,000		19,722	25,641	5,919	18,080		6,919
New York.....	5,031		38,000	5,550		29,901	73,033	43,132		7,587	35,451	
Philadelphia.....	13,821	940	140				32,395	34,911	2,516	15,537		2,516
Cleveland.....	15,339	800					16,833	22,192	5,359	19,898		5,359
Richmond.....	20,521	1,100	280	1,000			15,791	20,259	4,468	23,169		3,468
Atlanta.....	3,812	660					8,760	11,384	2,615	5,767		2,615
Chicago.....	23,941		3,000				30,728	34,017	3,289	30,230		3,289
St. Louis.....	6,040					1,262	28,455	27,193		4,778	1,262	
Minneapolis.....	8,197	700					6,530	8,021	1,491	8,988		1,491
Kansas City.....	14,071.5			500			14,842	19,735	4,893	19,464.5		5,393
Dallas.....	12,002.5	720					8,688	11,913	3,225	14,507.5		3,225
San Francisco.....	5,543			500	5,550	2,612	3,661	1,049		7,981		2,438
Total.....	139,480	4,920	41,420	7,050	7,050	33,775	259,447	259,447	33,775	175,980	36,713	36,713

Federal Reserve Agents' Fund—Summary of transactions, Oct. 20, 1916, to Nov. 23, 1916, inclusive.

[In thousands of dollars.]

Federal Reserve Agent at—	Oct. 19, 1916, balance.	Week ending Oct. 26, 1916.			Week ending Nov. 2, 1916.			Week ending Nov. 9, 1916.			Week ending Nov. 16, 1916.			Week ending Nov. 23, 1916.		
		With-drawn.	Deposited.	Balance.	With-drawn.	Deposited.	Balance.	With-drawn.	Deposited.	Balance.	With-drawn.	Deposited.	Balance.	With-drawn.	Deposited.	Balance.
Philadelphia.....	3,700	240	720	4,180		4,180	120	1,680	5,740	300	2,460	7,900	140	940	8,700	
Richmond.....	10,000	100	1,100	11,000	700	11,700		1,300	13,000	500	13,500		1,100	14,600		
Atlanta.....	12,550		500	13,050	500	13,050		500	13,550		13,550		660	14,210		
Chicago.....	2,950			2,950		2,950			2,950		2,950			2,950		
St. Louis.....	3,810		1,000	4,810	300	4,510	200		4,310	1,000	5,310			5,310		
Minneapolis.....	2,350			2,350	600	2,950		600	3,550		3,550		700	4,250		
Kansas City.....	11,500			11,500		11,500		400	11,900	1,000	12,900			12,900		
Dallas.....	11,380			11,380	500	10,880			10,880	200	11,080		100	11,480		
San Francisco.....	9,590	240	560	9,910		9,910		480	10,390		10,390		150	10,900		
Total.....	67,830	580	3,880	71,130	1,300	72,290	320	4,960	76,930	300	81,790	390	3,850	85,250		

DISCOUNT RATES.

Discount rates of each Federal Reserve Bank in effect Nov. 27, 1916.

	Maturities of 10 days and less.	Maturities of 15 days and less.	Maturities of over 10 to 30 days, inclusive.	Maturities of over 15 to 30 days, inclusive.	Maturities of over 30 to 60 days, inclusive.	Maturities of over 60 to 90 days, inclusive.	Agricultural and live-stock paper over 90 days.	Trade acceptances.			Commodity paper maturing within 90 days.	Paper bought in open market.	Member banks, collateral loans.
								To 30 days, inclusive.	Over 30 to 60 days, inclusive.	Over 60 to 90 days, inclusive.			
Boston.....	3		3½		4	4	5	3½	3½	3½	3½		3½
New York.....		3		4	4	4	5	3½	3½	3½			3
Philadelphia.....		3½		4	4	4	4½	3½	3½	3½	3½		3½
Cleveland.....		3½		4	4½	4½	5	3	3½	4			3½
Richmond.....		4		4	4	4	4½	3½	3½	3½	3½		3½
Atlanta.....		4		4	4	4	5	3½	3½	3½		1 3½-5½	
Atlanta (New Orleans branch).....												2 3½-4	3½
Chicago.....		3½		4	4	4½	5	3½	3½	3½			3½
St. Louis.....		3		4	4	4	4½	3	3	3½	3		3
Minneapolis.....		4		4	4	4½	5	3½	3½	3½	3½		4
Kansas City.....		4		4½	4½	4½	5	4	4	4	4		4
Dallas.....		4		4	4	4	4½	3½	3½	3½	3		3½
San Francisco.....	3		3½		4	4½	5½	3	3	3½	(3)	3-5	4

¹ Rate for bills of exchange in open-market operations.

² Rate for trade acceptances bought in open market without member bank indorsement.

³ Rate for commodity paper maturing within 30 days, 3½ per cent; over 30 to 60 days, 4 per cent; over 60 to 90 days, 4½ per cent; over 90 days, 5 per cent.

NOTE.—Rate for bankers' acceptances, 2 to 4 per cent.

INFORMAL RULINGS OF THE BOARD.

Below are reproduced letters sent out from time to time over the signatures of the officers or members of the Federal Reserve Board which contain information believed to be of general interest to Federal Reserve Banks and member banks of the system:

Dividends to Banks Transferred.

Referring to your letter of October 23 in regard to liability for accrued dividends due to Oklahoma banks up to the time of transfer to district No. 10.

A somewhat similar question arose in connection with the transfer of certain banks from the Philadelphia to the New York district, but in this case the Federal Reserve Banks concerned voluntarily entered into an agreement under which the New York bank assumed part of the expenses of organization and current expenses of the Philadelphia bank, and the Philadelphia bank allowed as a set-off to such expenses a proportion of its gross earnings. Other Federal Reserve Banks have been permitted to make a similar adjustment of accounts in cases where member banks have been transferred from one district to another. In each case, however, this adjustment has been a matter of voluntary agreement and the Federal Reserve Board is not of the opinion that it can require, as a matter of law, the Federal Reserve Bank of Kansas City to assume any part of the expenses of the Federal Reserve Bank of Dallas; nor does it believe that it can require the Federal Reserve Bank of Dallas to pay any part of its gross earnings to the Federal Reserve Bank of Kansas City.

The Board is, however, of the opinion that the Federal Reserve Bank of Dallas is liable to the member banks transferred for unpaid dividends up to the date of transfer, and that the banks so transferred are entitled to present their claims for such unpaid dividends to the Federal Reserve Bank of Dallas, which institution is being advised accordingly.

OCTOBER 31, 1916.

Fiduciary Powers in Kentucky.

As stated on page 523 of the October, 1916, Bulletin, the Federal Reserve Board, upon advice of its Counsel, has determined that there is nothing in the laws of the State of Kentucky which prohibits either directly or by necessary implication a national bank from exercising the

fiduciary powers authorized by section 11(k) of the Federal Reserve Act, and in accordance with this ruling the Board has issued permits to various national banks located in that State to exercise the powers of trustee, executor, administrator, and registrar of stocks and bonds.

The opinion of the attorney general of Kentucky, to which you refer, reaches the conclusion that the exercise of the powers enumerated would be in contravention of certain statutes of Kentucky. In the opinion of the Board, however, these statutes do not either expressly or by necessary implication prohibit the exercise of these powers by national banks and following the established policy of the Board, adopted after a careful investigation of the situation, it could not consistently adopt the opinion of your attorney general and decline to grant these permits. It is, of course, understood that neither the opinion of the attorney general of Kentucky nor a ruling of the Federal Reserve Board would be conclusive in any case in which action was taken against the bank for the exercise of these powers. The court, in the last analysis, would have to determine this question.

It is therefore necessary for the member bank obtaining these permits to act under the advice of its counsel in determining whether the powers should be exercised.

NOVEMBER 3, 1916.

When Acceptances are Commercial Paper.

Your letter of October 5 was duly received. The Board has found it necessary to adhere to its established policy of not making any general ruling on the question of how much a bank may invest in any particular security, unless the inquiry should come from the bank desiring to make such investment; but I will state for your information that the Board has recently informed a bank that if a firm is a bona fide owner for value of the acceptances of any particular institution and such acceptances are sold to or discounted with a member bank, the acceptances could no doubt be treated as commercial or business paper actually owned by the party negotiating them, and would therefore be excepted from the limitations of section 5200. In other words, if such paper is in fact commercial or business paper, actually owned by the person negotiating it, it may be disposed of by a member bank and none of the parties thereto, i. e., neither the drawer,

acceptor, or indorser, would thereby become liable to the member bank for money borrowed, within the meaning of section 5200, and in such cases the member bank could acquire such paper without limit.

November 4, 1916.

Clayton Act and Executive Committees.

I wish to acknowledge receipt of your letter of October 31, 1916, asking whether a person who is ineligible under the provisions of section 8 of the Clayton Anti-Trust Act to serve as a director of your bank may properly be made a member of its executive committee.

That section of the Clayton Act provides in part that no member bank located in a city of more than 200,000 inhabitants shall have as "a director or other officer or employee" any private banker or any director or other officer or employee of any bank or trust company located in the same place.

It will be observed that the prohibition of the statute is not merely against directors but also "other officers or employees."

Even though there may be some doubt as to the exact technical status of a person not a director who is made a member of an executive committee of a bank, the Federal Reserve Board can not give its sanction to an arrangement which, in substance, is a subterfuge to avoid the operation of the law relating to eligibility of "directors, other officers, or employees" of member banks. Whatever his official title may be, a member of an executive committee of a bank would seem, in effect, to be an officer within the meaning of the Clayton Act.

November 13, 1916.

Mortgage Loans.

Your letter of the 14th instant has been duly received and considered.

While the Board is very glad to be of any possible assistance to the banks in the matter of the exercise of powers granted by Federal statute you will, of course, realize that it can not undertake to pass upon or suggest any particular form of mortgage or deed of trust, since this involves a consideration of the laws of the several States relating to this subject matter.

The suggestion contained in the Bulletin, to which you call attention, was made in response to an inquiry received by the Board and was, of course, merely intended to outline in a general way a procedure that might be adopted, provided the laws of the State in which the mortgage or deed of trust executed will permit

the transaction to be consummated in the form suggested.

The Board is advised that in some States it is customary for the borrower to execute a deed of trust to a trustee securing to the holder or holders of certain notes described in the deed the payment of such notes with interest and of any renewal or renewals of same. Where this is done a bank may discount a note thus secured provided it matures within the time specified and is otherwise eligible under the terms of the Act. In such case the payment or cancellation of any particular note would not release the security. When all notes secured by a deed have been paid and canceled, under the laws of many of the States the trustee may execute a release deed, or, upon presentation of the canceled notes, the clerk of the court, the recorder of deeds, or some other authorized official, may provide for a statutory release of the deed of trust or mortgage.

As pointed out in the Bulletin to which you refer, where banks discount notes under such circumstances they should not enter into any agreement at the time of discount to renew such notes and should only discount those which will mature within the time specified in the statute.

NOVEMBER 21, 1916.

Agricultural Paper.

Your letter of November 17 to the Federal Reserve Board, asking information as to loans, is received.

The 12 Federal Reserve Banks do not deal directly with individuals. They do, however, discount the paper of national banks and other banks which are members of the system.

Loans on cattle for breeding, raising, or fattening may be made under the classification of six months' agricultural paper, and the paper rediscounted by a national bank or State bank which is a member of the system, at its Federal Reserve Bank. The Government does not fix the rate of interest which national banks may charge upon such loans, but the rate at which such loans may be rediscounted by a national bank with the Federal Reserve Bank of your district is at this time 5 per cent. This means that after the loan has been made to you, the bank may send the note, if it complies with the regulation of the Board, to the Federal Reserve Bank and receive the proceeds thereof, at the rate of 5 per cent and reloan them to another customer. The rate of interest which may be charged in a given State is fixed by the laws of the State.

NOVEMBER 21, 1916.

LAW DEPARTMENT.

The following opinions of counsel have been authorized for publication by the Board since the last edition of the Bulletin:

Acceptances of Member Banks.

(a) The limitations imposed by section 5202, Revised Statutes, on the liabilities incurred by any national bank do not apply to acceptances of such banks.

(b) A member bank may legally purchase its own acceptances, but such a transaction is equivalent to a loan or advance to the customer for whom the acceptance was made and the liability of such customer becomes subject to the limitations of section 5200, Revised Statutes.

(c) The limitations imposed by section 5200, Revised Statutes, on the amount of money which may be borrowed by any individual from a member bank do not apply to acceptances of such bank.

(d) The power of member banks to accept drafts or bills of exchange should not be confused with the power to discount the acceptances of others.

OCTOBER 27, 1916.

SIR: Section 13 of the Federal Reserve Act, as amended by the Act of September 7, 1916, vests in member banks the power to accept drafts or bills of exchange in certain specified transactions. This section reads in part as follows:

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

A number of member banks have submitted questions for the Board's consideration in reference to the circumstances under which these acceptances may be made. Briefly summarized the questions submitted are as follows:

(1) Does section 5202, Revised Statutes, which limits the liabilities that may be incurred by national banking associations, apply to acceptances made by member banks under

authority of section 13 of the Federal Reserve Act?

(2) May a member bank purchase and hold its own acceptances, carrying them as newly acquired assets of the bank?

(3) Are acceptances of member banks, made under authority of section 13, subject to the limitations imposed by section 5200, Revised Statutes, which limits the amount that any person, firm, or corporation may borrow from a national bank?

(4) If a member bank has the right to purchase and hold its own acceptances, are such acceptances, when purchased, subject to the limitations imposed by section 5200 above referred to?

In order to answer these questions it is necessary to consider the nature of the obligation assumed by a member bank when it accepts a draft or bill of exchange drawn against it and the purpose of that part of section 13 which adds this new power to those heretofore vested in national banks.

Under the negotiable instruments law and the decisions of the courts, a bank accepting a draft or bill of exchange enters into a contract substantially similar to that of the maker of a note. An acceptance is defined by Norton on Bills and Notes (fourth ed., p. 116) as "an undertaking by the drawee to pay the bill when due."

The maker of a note assumes a similar obligation, so that while the form of the instrument differs the legal effect is the same.

The use of a bank's acceptance, however, differs from the use of its promissory note. A bank desiring to borrow money will ordinarily execute its promissory note or bill payable and discount this note with another bank, receiving the proceeds in cash or in the form of a credit balance. Where a bank accepts a draft or bill of exchange for one of its customers, however, it merely lends its credit responsibility to its customer in order that he may procure the funds elsewhere.

The holder of a bank's acceptance has the same legal rights against the bank as the holder of a bank's promissory note or bill payable, but

banks are not authorized by section 13 to use their acceptance power for the purpose of borrowing money for their own use. They are specifically limited by the terms of the Act to the acceptance of drafts or bills of exchange—

(a) Which grow out of transactions involving the importation or exportation of goods;

(b) Which grow out of transactions involving the domestic shipment of goods;

(c) Which are secured at the time of acceptance by a warehouse receipt or other such document conveying or securing title covering readily marketable staples;

(d) Which are drawn upon it * * * by banks or bankers in foreign countries * * * for the purpose of furnishing dollar exchange, as required by the usages of trade in the respective countries.

The use of the bank's acceptance is limited to the foregoing purposes which are expressly enumerated in the Act, and where it appears that this form of obligation is used for unauthorized purposes, or for the purpose of evading restrictions imposed by statute upon the exercise of other banking powers, the substance of the transaction engaged in rather than the form of the obligation assumed should be considered in determining whether such other statutory limitations are applicable.

Considering the foregoing questions in the order in which they appear—

1. Does section 5202, Revised Statutes, which limits the liabilities that may be incurred by national banking associations, apply to acceptances made by member banks under authority of section 13 of the Federal Reserve Act?

Section 5202, Revised Statutes, as amended by the Federal Reserve Act, provides that—

No national banking association shall at any time be indebted, or in any way liable, to an amount exceeding the amount of its capital stock at such time actually paid in and remaining undiminished by losses or otherwise, except on account of demands of the nature following:

First. Notes of circulation.

Second. Moneys deposited with or collected by the association.

Third. Bills of exchange or drafts drawn against money actually on deposit to the credit of the association.

Fourth. Liabilities to the stockholders of the association for dividends and reserve profits.

Fifth. Liabilities incurred under the provisions of the Federal Reserve Act.

If, therefore, a member bank assumes the liability of an acceptor in any of the transactions authorized by the Federal Reserve Act, as amended, such liability is expressly exempt from the limitations imposed by section 5202 above referred to by the fifth exception to this section, namely, "Liabilities incurred under the provisions of the Federal Reserve Act."

Under authority of section 13 of the Federal Reserve Act, therefore, a member bank may incur authorized acceptance liabilities to an amount equal to one-half of its paid-up and unimpaired capital stock and surplus in addition to those liabilities which are limited by section 5202 to 100 per cent of its capital and surplus.

2. May a member bank purchase and hold its own acceptances, carrying them as newly acquired assets of the bank?

In order to answer this question, it is necessary to determine the legal effect of such a purchase; that is to say, whether or not the purchase of a bill by the acceptor before maturity extinguishes the debt and releases the drawer and indorsers. When a bill is paid before maturity by the drawer or indorser, there is no question but that the payer may reissue and further negotiate it. (*French v. Jarvis*, 29 Conn., 347; *Palmer v. Gardiner*, 7 Ill., 143; *West Boston Savings Bank v. Thompson*, 124 Mass., 506; *Am. & Eng. Enc. of Law*, 2d ed., vol. 4, p. 500.)

While the authorities are not entirely agreed in the case of a payment before maturity by the acceptor, the weight of authority seems to be that such a payment operates as a mere purchase of the bill and not a payment of the debt, and that the acceptor may in such case properly reissue the instrument before maturity. The transferee may recover on it against all parties as a bona fide holder for value. (*Morley v. Culverwell*, 7 M. & W., 174; *Rogers v. Gallagher*, 49 Ill., 182; *Eckert*

v. Cameron, 43 Pa. St., 120; *Am. & Eng. Enc. of Law*, vol. 4, 2d ed., p. 501.)

In such a case the parties to the instrument are bound as though it had not passed through the hands of the acceptor. (*Rogers v. Gallagher*, 49 Ill., 182.)

A few jurisdictions hold that the payment by the acceptor before maturity extinguishes the instrument, and that a subsequent transferee can not hold the other parties liable. (*Beebe v. Real Estate Bank*, 4 Ark., 546; *Long v. Cynthiana Bank*, 1 Litt. (Ky.), 29.)

The purchasing bank, however, does not acquire any new or additional assets by this transaction. It uses its cash resources to purchase its own obligation, thus reducing its assets and its outstanding liabilities by the amount of the acceptance purchased.

It is assumed that when the draft or bill of exchange was accepted the customer procuring the acceptance entered into a collateral contract with the bank to place it in funds by or before maturity to pay the acceptance when due. As a result of this transaction the acceptance of the bank would constitute a liability and it would have as an offsetting asset the liability or guaranty of the customer. When the bank anticipates payment of or purchases its acceptance it reduces its outstanding liabilities and reduces its cash resources by a corresponding amount, but retains its rights against the customer as one of its assets.

If it should be claimed that since the bank has the right to reissue or to sell this acceptance at any time before maturity it should continue to show it as an outstanding liability, it would, of course, be necessary for it to show the acceptance itself as an offsetting asset in order to balance its books.

The better practice, however, would seem to be to treat the liability as acceptor as discharged and not to show the acceptance purchased as an additional asset.

3. Are acceptances of member banks, made under authority of section 13, subject to the limitations imposed by section 5200, Revised Statutes, which limits the amount that any person, firm, or corporation may borrow from a national bank?

From the foregoing it seems clear that if a member bank merely contracts to pay an obligation at maturity by accepting a draft or bill of exchange drawn against it and this acceptance is discounted with a third party, the customer procuring the acceptance can not be said to have borrowed money from the accepting bank but has merely borrowed its credit, and such an acceptance should not be treated as a liability for money borrowed from such bank within the meaning of section 5200.

4. If a member bank has the right to purchase and hold its own acceptances, are such acceptances, when purchased, subject to the limitations imposed by section 5200 above referred to?

When a bank purchases its own acceptance, however, it has ceased to lend merely its credit responsibility and has utilized its own funds in purchasing the rights of the holder of the acceptance.

As holder it would have recourse only on the collateral contract for reimbursement against the customer for whom the acceptance was made, and not against the other parties to the bill, since the bank as the acceptor is the party primarily liable. Even though the bill were secured by shipping documents, warehouse or trust receipts, this security could be realized on only in the event that the customer defaulted in his contract to furnish funds to pay the acceptance at maturity. Accordingly, when the bank purchases its own acceptance it uses its funds to anticipate the payment of a liability which its customer has agreed to pay at a later date, and in effect makes a loan of its funds to such customer. The evidence of the debt thus created is the customer's contract to place the bank in funds to pay the acceptance when it matures or to repay the advance or loan made by the bank when it purchased the acceptance. The liability of the customer under such circumstances should be treated as subject to the limitations of section 5200, which provides in part that—

The total liabilities to any association of any person, or of any company, corporation, or

firm, for money borrowed * * * shall at no time exceed one-tenth part of the amount of the capital stock of the association actually paid in and unimpaired and one-tenth part of its unimpaired surplus.

The same result would be reached if the accepting bank was called upon to pay the acceptance at maturity and the customer who procured the acceptance had not furnished to the bank the necessary funds with which to pay it. In either case the liability of the customer would be subject to the limitations of section 5200. It necessarily follows that where a bank accepts a draft or bill of exchange for one of its customers and immediately discounts such acceptance for the customer the transaction constitutes merely a subterfuge for permitting the customer to borrow money from the bank. Acceptances discounted in this manner should be treated as money loaned to the customer subject to the limitations imposed by section 5200, above referred to.

DISCOUNT OF ACCEPTANCES.

The purchase or discount of a bank's own acceptance should not be confused with the purchase or discount of acceptances of third parties.

From some of the inquiries submitted there appears to be a tendency to confuse the acceptance power of a member bank with the power of member banks to discount acceptances, and it therefore seems advisable to consider in this opinion the question of whether or not bills of exchange and acceptances discounted by a member bank are subject to the limitations of section 5200, above referred to.

It should be remembered that national banks have had the power to discount bills of exchange and acceptances of third parties ever since the national banking system was created in 1864. The right to lend their credit by assuming the obligation of an acceptor, however, was not authorized until the passage of the Federal Reserve Act on December 23, 1913. According to the original provisions of this Act this power was limited to the acceptance of drafts or bills of exchange which grew out of transactions involving the importation or exportation of goods.

By the Act of September 7, 1916, it was extended to include acceptances in certain domestic transactions and those made for the purpose of creating dollar exchange. The exercise of this power, however, is in no sense the same as the exercise of the power heretofore vested in member banks to discount bills of exchange and acceptances.

In determining whether the limitations of section 5200 apply to the discount of bills of exchange or acceptances it is necessary to consider the circumstances in each transaction. Section 5200 excepts from its limitations "the discount of bills of exchange drawn in good faith against actually existing value, and the discount of commercial or business paper actually owned by the person negotiating the same." It is clear, therefore, that a bill secured by shipping documents, or by the pledge of goods actually sold, might be discounted by a member bank before acceptance without being subject to the limitations imposed by section 5200 since this would constitute a bill drawn in good faith against actually existing value. When such bill has been accepted by the drawee, and the documents attached have been removed, though the direct obligation of the drawee to pay such bill at maturity may be said to be substituted for the "actual value" against which the bill was originally drawn, nevertheless, when discounted by a bona fide owner for value, its discount would not be subject to the limitations of section 5200, since it would still come within the classification of "commercial or business paper actually owned by the person negotiating the same."

Should the drawee who accepts the bill, however, attempt to discount it with a member bank it would be subject to the limitations of section 5200, since in that case the party primarily liable would in effect borrow money from the bank on his own obligation, and while such an acceptance might be in the form of commercial or business paper it could not be said to be "actually owned by the person negotiating it." In other words, a bill or an acceptance when offered for discount to a

member bank must be in fact as well as in form what it purports or is represented to be, if it is to be treated as coming within the exceptions to section 5200.

For example, a bill secured by warehouse receipts and drawn by the owner of the goods against his agent or against a fictitious drawee for the purpose of borrowing money would not be a bill drawn in good faith within the meaning of section 5200. An accommodation acceptance not growing out of a commercial transaction and not representing any debt actually due from the drawee to the drawer of the bill, but drawn solely for the purpose of enabling one of the parties to the bill to borrow money from the member bank, would not be "commercial or business paper actually owned by the person negotiating it." Where, however, the bill is drawn in good faith against actually existing value, or where the person discounting the commercial paper is the actual owner of the debt represented by the acceptance, it would come within the exceptions to section 5200.

Respectfully,

M. C. ELLIOTT, *Counsel.*

To Hon. W. P. G. HARDING,
Governor Federal Reserve Board.

Banker's Acceptance Secured by Bill of Sale.

A banker's acceptance drawn for the purpose of purchasing goods secured by a bill of sale of stock in hand is not eligible for purchase by Federal Reserve Banks under the provisions of Regulation B, series of 1916.

NOVEMBER 4, 1916.

SIR: One of the Federal Reserve Banks has purchased a number of time drafts accepted by a certain corporation which are marked "For the purchase of cotton seed and supplies for manufacturing purposes."

The corporation in question holds a so-called bill of sale executed by the drawers conveying all their stock on hand consisting of cotton seed, cottonseed products, and other supplies. This bill of sale is in effect a chattel mortgage by the drawers covering their stock on hand.

As indicated by Regulation B, 1916, Federal Reserve Banks may buy in the open market

bankers' acceptances growing out of transactions involving—

- (1) Foreign shipment of goods;
- (2) Domestic shipment of goods;
- (3) The storage of readily marketable goods provided the acceptor of the bill is secured by warehouse, terminal, or other similar receipts; and
- (4) The storage of goods which have been actually sold provided the acceptor of the bill is secured by the pledge of such goods.

The question presented is whether the acceptor of the bills in question is secured by a "warehouse, terminal, or other similar receipt."

A bill of sale is not a receipt similar to a warehouse or terminal receipt; it is merely in substance a chattel mortgage to goods in the hands of the drawer and not a receipt for goods sold in the hands of some third party "independent of the borrower" as contemplated by Regulation B and by special instructions No. (2).

It has been suggested that even if not secured by a warehouse or similar receipt the acceptor is secured by a pledge of goods sold and in storage as provided in Regulation B, paragraph 4, quoted above.

It is the opinion of this office that the acceptances in question do not come within this paragraph of the regulation because it is evident that the Board contemplated that "storage" means storage with some party other than the borrower or drawer.

It would seem, therefore, that even if the bill of sale covering any and all supplies on hand should be construed to be a pledge of the goods sold, nevertheless, they can not be said to be goods in storage within the meaning of the regulation. Moreover, it is the opinion of this office that a general chattel mortgage of goods on hand securing the payment of any and all debts due to the acceptor is not a pledge of specific goods sold and in storage as contemplated by Regulation B.

Respectfully,

M. C. ELLIOTT, *Counsel.*

To Hon. W. P. G. HARDING,
Governor.

Advances to Member Banks.

Eligible paper pledged as security for a promissory note of a member bank on which an advance is being made by a Federal Reserve Bank need not be indorsed by such member bank if such eligible paper is already in negotiable form.

OCTOBER 26, 1916.

SIR: The attached letter raises the question whether eligible paper pledged by a member bank as collateral security for its promissory note, on which advances are being made by its Federal Reserve Bank, should be indorsed by such member bank.

If the paper to be pledged as security is made payable to the order of the member bank, it must, of course, be indorsed by such member bank in order that the Federal Reserve Bank may have legal title and be in a position to realize upon the security in case of default. This question was discussed in detail in an opinion of this office printed on page 363 of the November, 1915, Bulletin.

The only question to be considered is whether the member bank should indorse paper to be pledged as security, even though it is in negotiable form without such indorsement.

Section 13 of the Federal Reserve Act, as amended, provides that any Federal Reserve Bank may make advances to its member banks on their promissory notes, provided such notes "are secured by such notes, drafts, bills of exchange, or bankers' acceptances as are eligible for rediscount or for purchase by Federal Reserve Banks under the provisions of this act," etc. There is no doubt, of course, that bills of exchange and bankers' acceptances, as distinguished from promissory notes, need not be indorsed to be acceptable as security, because such paper is eligible not only for rediscount under the provisions of section 13, but is also eligible for purchase under the provisions of section 14 without the indorsement of a member bank. In no event, therefore, need a member bank indorse bankers' acceptances or bills of exchange which are already in negotiable form in order to make them eligible as security for its promissory notes.

The question, therefore, resolves itself solely into a consideration of whether or not promis-

sory notes may be used as security without the indorsement of the borrowing member bank. Promissory notes can not be purchased by Federal Reserve Banks in the open market either with or without the indorsement of a member bank, but section 13 provides in part that:

"Upon the indorsement of any of its member banks, which shall be deemed a waiver of demand, notice and protest by such bank as to its own indorsement exclusively, any Federal Reserve Bank may discount notes, drafts, and bills of exchange arising out of actual commercial transactions," etc.

The test of eligibility of a note is the nature of the use to which its proceeds are put. If it is drawn for a commercial purpose, as defined by the Act, it is eligible paper, though of course in procuring its rediscount the member bank must comply with certain conditions precedent required either by the Act or the regulations of the Board.

In the opinion of this office the indorsement of a member bank is a condition precedent to the rediscount of eligible paper and is not one of the essential elements of eligible paper. It is merely a statutory condition precedent to the rediscount of paper which is eligible for rediscount under the terms of the law; that is, it is one of the steps incident to the rediscount of eligible paper.

It would seem, therefore, that the amendment to Section 13, authorizing Federal Reserve Banks to advance money to their member banks on the security of their promissory notes secured by such paper "as is eligible for rediscount or for purchase by Federal Reserve Banks," makes eligible as security all notes, bills, and acceptances of the kinds made eligible for rediscount or purchase by Federal Reserve Banks and does not require the additional indorsement of the member bank of such security. If the security is in negotiable form without the indorsement of the member bank, that is sufficient because the Federal Reserve Bank would then have the requisite legal title.

As long as the member bank is bound on its note, its indorsement on the security would in no way strengthen the position of the Federal Reserve Bank. There is only one obligation,

and that is on the note, and in case of default the Federal Reserve Bank could bring suit against the member bank upon that note only. It could not also recover on the member bank's obligation as an indorser upon the security for that note. So in the case of insolvency the Federal Reserve Bank could file its claim only for the amount of the original note and not for the amount of the note plus the amount of the security. It seems clear, therefore, that it would be futile to require the additional indorsement of the member bank if the paper pledged as security is already in negotiable form, and that the law does not require such indorsement.

Respectfully,

M. C. ELLIOTT, *Counsel.*

To Hon. W. P. G. HARDING,
Governor, Federal Reserve Board.

Time Deposits—Open Accounts.

In order to consider an open account a time deposit under the provisions of Regulation D, series of 1916, the bank in which the deposit is made must require 30 days' notice of an intended withdrawal.

NOVEMBER 13, 1916.

SIR: In reference to a letter from a certain national bank relating to the establishment of time deposits—open accounts, it appears from the copy of the bank's rules that the depositor agrees "that no withdrawals may be made except on written notice given by the depositor at least 30 days in advance."

Regulation D, series of 1916, in defining "Time deposits—open accounts," provides that that term shall—

include all accounts not evidenced by certificates of deposit or savings passbooks, in respect to which a written contract is entered into with the depositor at the time the deposit is made that neither the whole nor any part of such deposit may be withdrawn, by check or otherwise, except on a given date or on written notice given by the depositor a certain specified number of days in advance, in no case less than 30 days.

It is evident, therefore, that the rules of this national bank comply with the requirements of

Regulation D, relating to the establishment of time deposits—open accounts. The difficulty, however, is that the bank desires to permit withdrawals of these accounts before the lapse of 30 days after notice; that is, they apparently believe that the regulations merely give the bank the right to require 30 days' notice and that it does not contemplate that such notice must necessarily be given in all cases and that the bank must not permit withdrawal before the 30 days have expired.

In the case of savings accounts two things are required: (a) The presentation of the passbook or certificate whenever a deposit or withdrawal is made; (b) a printed regulation to the effect that the bank may require 30 days' notice of a withdrawal.

In the case of time deposits—open accounts—there is no necessity for the presentation of a passbook or any other form of certificate, but it is essential that 30 days' written notice must be given by the depositor and that the bank must not permit the withdrawal before the lapse of those 30 days.

It is the opinion of this office, therefore, that the rules of the national bank in question are satisfactory and in conformity with the provisions of Regulation D, series of 1916, provided it is not the practice of the bank to permit withdrawals of such accounts before the expiration of the 30 days' notice required under the agreement referred to. If the bank contemplates permitting such withdrawals, it is not complying with the spirit and intent of the board's regulation and it should be required to maintain the same reserve against those deposits that it maintains against other demand deposits.

If Regulation D, series of 1916, were not enforced in this manner, banks could very easily turn the ordinary checking accounts into time deposits merely by procuring the agreement of the depositor that he would give 30 days' notice if the bank should require it.

Respectfully,

M. C. ELLIOTT, *Counsel.*

To Hon. W. P. G. HARDING,
Governor Federal Reserve Board.

SUMMARY OF BUSINESS CONDITIONS NOV. 23, 1916.

	District No. 1— Boston.	District No. 2— New York.	District No. 3— Philadelphia.	District No. 4— Cleveland.	District No. 5— Richmond.	District No. 6— Atlanta.
General business...	Very good.....	Very active.....	Very good.....	Prosperous.....	Most satisfactory....	Excellent.
Crops:						
Condition.....		Light harvest offset by high prices.	Fair.....	Satisfactory.....	Yield below normal.	Crops limited at this season of the year.
Outlook.....				Good.....	Record preparations anticipated.	
Industries of the district.	Active.....	Very busy.....	Very busy.....	Hampered by shortage of labor and cars.	Generally prosperous.	Operating maximum output.
Construction, building.	Ahead of any previous year.	Fairly busy.....	Increasing.....	Average percentage shows increase.	Building above the average for the season.	Fair.
Foreign trade.....	Increased.....	Increased 20 per cent over October, 1915.	do.....		Exports still very heavy.	Limited.
Bank clearings.....	do.....	Large increase.....	do.....	Record clearings reported in several centers. Seven large cities report 43.2 per cent increase over November, 1915.	Still increasing.....	Increasing.
Money rates.....	Increasing.....	Bankers' acceptances and call loans firmer; other rates unchanged.	Easy and unchanged..	Easy and slightly decreasing.	4 to 6 per cent; demand easy.	Stationary.
Railroad, post office, and other receipts.	Increased.....	Increasing; great shortage of freight cars.	Increasing.....	Increasing.....	Still showing increases.	Increasing.
Labor conditions..	Fair.....	Well employed at high wages; fewer strikes.	Scarcity of labor in many lines.	Labor scarce and wages advancing.	In demand at full wages.	Fair, with unfavorable outlook.
Outlook.....	Bright.....	Good.....	Good.....	Favorable.....	Still promising.....	Good.
Remarks.....	Business very good in every line.	Continuous rise in prices of commodities and securities is causing too much speculation.			High prices for farm products and large profits from manufacturing have created great activity in business generally.	
	District No. 7— Chicago.	District No. 8— St. Louis.	District No. 9— Minneapolis.	District No. 10— Kansas City.	District No. 11— Dallas.	District No. 12— San Francisco.
General business...	Active.....	Very active.....	Active.....	Very active.....	Good.....	Active.
Crops:						
Condition.....		Spotted. High prices prevailing.		Wheat improved.	Winter crops good...	Citrus crop good.
Outlook.....	Winter wheat acreage somewhat larger than last year reported.	Fair.....	Large amount fall plowing accomplished.	Good.....		Above normal.
Industries of the district.	Busy.....	Very active.....	Active.....	Generally behind with orders.	Practically all active.	Active, except lumber.
Construction, building.	Fairly active.....	Increase.....	Active.....	Increase.....	Normal for this season.	37 per cent over same month 1915.
Foreign trade.....		Increase.....	Larger than a year ago.	Increase.....	Good.....	Increasing.
Bank clearings.....	Increasing.....	Increase.....	No change.....	No change.....	54 per cent increase.	37 per cent over same month 1915.
Money rates.....	Low and steady..	No change.....	No change.....	No change.....	Easy, with tendency lower.	Unchanged.
Railroad, post office, and other receipts.	Postal receipts increased 13 per cent.	Increase.....	Increase.....	Increase.....	Railroad increased 25 to 50 per cent; post office, 24 per cent.	Increasing.
Labor conditions..	Good.....	Fair.....	Very good.....	No disturbances; general shortage.	Well employed.....	Fair.
Outlook.....	Good.....	Satisfactory.....	Favorable.....	Bright.....	Favorable.....	For expansion.
Remarks.....	Little change anticipated during next few months.		District generally prosperous; outlook shows no prospect of change.	Car and labor shortage only untoward elements.	Less activity, but business on firm basis; prospects excellent for winter business; collections improved.	Car shortage acute; lumber situation improving; profitable activity in all lines.

GENERAL BUSINESS CONDITIONS.

There is given on the preceding page a summary of business conditions in the United States by Federal Reserve districts. The reports are furnished by the Federal Reserve Agents, who are the chairmen of the boards of directors for the several districts. Below are the detailed reports as of approximately November 23:

DISTRICT NO. 1—BOSTON.

There is practically no line of trade that has not shown great expansion during the past year. In nearly every business the increased costs entering into production have resulted in higher prices to the ultimate consumer. This, however, has acted as an incentive to further purchases before prices become still higher, rather than as a deterrent to buying. The public, generally, is becoming accustomed to higher and increasing prices. For this reason retailers are not so apprehensive as they were some months ago as to purchasing at current prices and passing the increase on to the consumer. Wholesalers and manufacturers, for the most part, have made considerable profits during the year, and in many instances are anxious to restrict their business rather than expand further at the risk of being overloaded with goods at the present price level in a market decline.

The purchasing power of the laborer has increased, and this is exerting a great influence toward an even larger demand and further activity. The wage earner, as a rule, is receiving more pay than perhaps ever before; and this has to some extent offset the increase in the cost of living. The salaried or middle class, however, who have usually lived up to their full income, are now feeling the effects of high prices. Raw material of practically every kind has increased very radically, and it is not uncommon to find that staples have increased from 50 to 100 per cent.

The coal business has become demoralized in this section during the last month, due to a large

increase in the demand, a decrease in the supply from the mines, and difficulty in getting transportation facilities. As soon as it was known that dealers were short there was a large public demand, and prices increased 25 to 50 per cent in a very short time. Dealers began declining orders except from regular customers and would sell to them only in small lots. The rush to buy, however, has, to some degree, quieted down, and prices in outlying districts have reacted a trifle from their highest point.

The lumber market, which has not kept pace with the advance in cost of other building materials, has had a marked increase in activity and prices. Especially is this true of spruce, due to the inroads made on the supply by paper manufacturers. Car shortage and embargoes are interfering with the transportation of lumber. This, together with the coming of cold weather and the consequent difficulty in getting out logs, has made dealers reluctant to accept advance orders even at a premium, unless they have the stock on hand for making delivery.

Cotton mills continue busy with no falling off in the demand. While cotton and other production costs continue to advance, the mills are finding it possible to raise their prices proportionately, so that on the whole they are having the most profitable period they have enjoyed for many years. With cotton prices on the present level, mills are only buying to cover requirements as they book orders and are taking no chances that any break in the market may find them with a surplus supply of cotton on hand.

The high cost of leather and the inability of the manufacturers to get some grades at anything but prohibitive prices are the features of the boot and shoe industry. Retailers are reported to be willing to buy boots and shoes at any price and from retail stores.

The dry goods business is extremely good, with retail sales well ahead of last year. Wholesalers state that many of their customers who

in previous years purchased a small stock in the fall and augmented it from time to time as needed are this year seeking to purchase their full requirements in advance. As many of these retailers have kept little or no record of their past requirements it is very difficult for the wholesaler, who is himself having trouble supplying his needs, to treat all his customers equitably. In this business, as in practically every other, collections are reported unusually good.

The wool market continues strong and active, with advances registered in practically all grades. Wool is fully 50 per cent higher than two or three years ago, but with foreign conditions as they are and imports cut off dealers see no prospect of lower prices until some other source of supply is opened. Woolen and worsted mills, especially the former, continue very busy, and prices are keeping pace with the increase in the cost of the staple and other items entering into the product.

The money market has a slightly firmer trend, with rates being marked up fractionally. There has been no abundance of money in Boston for a long time; rates, however, have been influenced by the surplus in New York and Chicago and have been lower than the condition of our banks warranted. Therefore, with the first sign of higher money in New York the market in Boston became firmer. Call money, $3\frac{1}{2}$ to 4 per cent; six months' money, $3\frac{3}{4}$ to 4 per cent, with the bulk of business at 4 per cent; year money, $4\frac{1}{4}$ to $4\frac{1}{2}$ per cent; bank acceptances, $2\frac{1}{2}$ per cent indorsed, $2\frac{3}{4}$ per cent upward unindorsed; town notes due before January 1, 3 per cent; after January 1, $3\frac{1}{4}$ per cent upward.

Loans and discounts of the Boston Clearing House banks on November 18 show an increase of \$9,054,000 over last month and demand deposits have increased \$15,502,000 in the same period. The amount "due to banks" on November 18 was \$143,312,000 as compared with \$150,161,000 on October 14. The excess reserve of these banks decreased from \$36,168,000 on October 14 to \$26,615,000 on November 18.

Exchanges of the Boston Clearing House for the week ending November 18 were \$277,309,318 as compared with \$218,281,847 for the corresponding week last year and \$189,721,963 for the week ending October 14.

Building operations in New England have not abated and statistics show that the building and engineering operations from January 1, 1916 to November 15, 1916, amounted to \$183,883,000, as compared with \$156,498,000 for the corresponding period of 1915 and \$171,046,000 for the same period in 1912, the highest previous year on record.

Exports from the port of Boston for October, 1916, amounted to \$19,706,548 as compared with \$15,091,461 for September, 1916, and \$8,703,362 for October, 1915. Imports for October, 1916, amounted to \$9,386,899, an increase of \$237,901 over September, 1916, and a decrease of \$2,467,550 from October, 1915.

The receipts of the Boston post office for October, 1916, show an increase of \$66,000, or about 9 per cent over October, 1915. For the first 15 days of November, receipts were about 3 per cent, or \$12,000 under the corresponding period last year.

Boston & Maine Railroad reports net operating income, after taxes, for September, 1916, as \$1,386,172, as compared with \$1,329,290 for the corresponding month of 1915. New York, New Haven & Hartford Railroad reports net operating income, after taxes, for September, 1916, as \$2,187,435, as compared with \$2,200,888 for the same month last year. Owing to the large amount of tonnage going over their lines the railroads are finding it necessary to again make restrictions and on some lines embargoes are now in force. The roads are having difficulty in handling cars as fast as they come on the lines and one system reports some 5,000 more freight cars on its tracks now than at this time last month.

DISTRICT NO. 2—NEW YORK.

A number of new high records were made during the last month in commercial and industrial activities. All but a few reports indicate that no slackening was noted in the activity of

manufacturers and traders to supply the great demands of consumers. More railroad freight cars were needed on November 1 than at any time in recent years, the shortage being 108,010 cars. Excepting one month in 1909, three months in 1912, and one month in 1913, there has been an oversupply of cars during the last eight years. The further advance in prices which began three months ago has developed into a widespread and rather speculative movement in commodities and securities.

Wheat is quoted at the highest price since 1898. Corn is dearer than at any time since the Civil War. Cotton sold at 20.04 cents on October 25. Various kinds of steel and leather have risen rapidly of late, some grades of each costing 100 per cent more than a year ago.

The average salaried man is finding it burdensome to meet the additional cost of such necessities as food, clothing, footwear, and coal. Merchants and large buyers of raw materials are uncertain and anxious about making important commitments. Manufacturers of standard goods which sell at fixed rates may be obliged to revise long-established terms.

Labor is fully employed at high wages. It is noted that saving is common enough among the foreign element but often remarked that other workmen generally are spending too freely for luxuries and not taking advantage of an unusual opportunity to accumulate. Labor is less restless. With the approach of winter the labor situation is expected to be somewhat easier, as certain outside activities will cease during the cold weather.

Crops have not been evenly good. There is less than an average yield of practically all except hay, but all dairy products have advanced, and such high prices are being realized for potatoes, onions, cabbages, carrots, wheat, corn, and buckwheat that many farmers have had a very prosperous year.

On November 18, 1916, the New York Clearing House Association's statement shows loans, etc., \$3,448,121,000, deposits \$3,583,694,000, and excess reserves \$79,897,080. Since October 1 loans, etc., increased \$100,683,000,

deposits increased \$115,861,000, and excess reserves decreased \$9,292,990.

Other statistics of October, 1916, compared with October, 1915, are the following: Transactions on the New York Stock Exchange, par value of bonds \$143,543,000, an increase of \$39,420,500. Shares of stocks, 28,348,361, an increase of 1,743,659. Building in New York City, \$11,542,880, an increase of \$2,150,255. Postal receipts, New York City, \$3,095,923, an increase of \$303,743. Failures in New York State, 153, with liabilities of \$1,843,631, a decrease of 138 in number and \$6,113,510 in liabilities. Production of pig iron, 3,508,849 tons, an increase of 383,358 tons. Foreign trade of New York for the four weeks ended October 28 shows exports \$254,591,463, an increase of \$50,149,104; imports \$88,918,710, an increase of \$18,689,976.

Foreign loans arranged in New York during the last month include a new British loan for \$300,000,000 and \$20,000,000 against French municipal bonds. Negotiations for a new Russian loan of \$25,000,000 and a credit of \$50,000,000 to French merchants were also reported.

In the foreign exchanges closing rates show only slight fractional changes in sterling and francs. Declines occurred in marks, guilders, lire, and roubles.

The rate for call loans rose to 4 per cent on October 9 and 17, but ruled generally at $2\frac{1}{4}$ to $2\frac{1}{2}$. Time loans against collateral ranged from 3 to 4 per cent, according to term. Commercial paper has been steady at $3\frac{1}{4}$ to $3\frac{3}{4}$. On November 15 the Federal Reserve Bank of New York increased the rates for prime bankers' acceptances from $2\frac{1}{2}$ - $2\frac{3}{8}$ to $2\frac{3}{4}$ - $2\frac{7}{8}$.

DISTRICT NO. 3—PHILADELPHIA.

Manufacturing operations in practically all lines continue extremely active, and difficulty is still experienced in making satisfactory deliveries of goods.

Wholesale distribution of merchandise is maintained in steady and satisfactory volume. The colder weather has been a welcome stimu-

lant to the retail movement of seasonable goods, for which there seems to be a steadily increasing demand, with a noticeable call for the more expensive classes of goods, which is a reflection of the very general employment of labor and the prevalence of prosperous conditions.

During the past month adverse conditions have affected the coal situation, and it is reported that as much as \$7.50 a ton has been paid for spot bituminous coal. This price does not affect the delivery of coal under contract, and as most consumers have contracts for a yearly supply at fair prices, the price of spot coal does not affect them.

The scarcity of cars is causing embarrassment. There is sufficient demand for coal to use the maximum allotment of a mine's cars, but the railroads are not furnishing over 60 per cent of the allotment, and some days very much less than that. As the mines can only be worked to the capacity of the cars furnished each day, the shortage of cars is curtailing the output of the mines, is responsible for much of the deficiency in the coal supply, and is interfering very much with the earnings of the miners. As long as the present demand for coal exists, relief will only be secured by an increase in the supply of cars. Steps toward this end, it is understood, have been taken by the railroads, and current reports show that large orders for equipment have recently been given. The orders for railroad equipment is another one of the many causes which are giving increased impetus to the steel business. The prices of all iron and steel products have been advanced during the past month.

Building operations show an increase of 31 per cent in October over the same month of last year. Philadelphia reported a gain of 36 per cent, while other towns show an average increase of 20 per cent. For the first 10 months of the year, reports show an increase of 21 per cent over the corresponding period last year, the smaller towns making the better showing, their gain being 40 per cent, compared with 16 per cent in Philadelphia. Bradstreet's report building permits as follows:

City.	Permits issued.		Per cent increase or decrease.
	Oct., 1916.	Oct., 1915.	
Allentown.....	\$128,500	\$154,700	- 17
Altoona.....	96,900	84,200	+ 15
Atlantic City.....	127,100	169,600	- 25
Harrisburg.....	140,500	158,400	- 11
Philadelphia.....	4,055,000	2,980,700	+ 36
Reading.....	145,300	91,800	+ 62
Seranton.....	79,900	121,700	- 34
Trenton.....	297,539	131,624	+126
Wilkes-Barre.....	88,500	40,300	+120
Williamsport.....	61,600	16,500	+268
Wilmington.....	204,100	200,000	+ 2
York.....	45,700	12,400	+262
Total.....	5,470,639	4,161,924	+ 31

Manufacturing plants under construction today are being erected at abnormally high costs, which would only be done provided the owners had in prospect abnormal profits to justify such unusual expenditures.

The conditions in other lines of business have changed little in the past month. Dealers in leather report stocks depleted, and prices continually advancing. Many large shoe manufacturers are short of supplies; orders for 1917 are being taken only on the basis of prices ruling at the time of shipments. Tanners and dealers are asking extravagant prices, which as a rule are conceded.

In the textile industries reports show an active domestic and export trade in cotton yarn. Stocks are low and the demand for yarn is heavy. Prices are firm and advancing daily.

Wool prices are probably the highest ever known in this country; the market is firm and all kinds of woolen goods are selling at proportionate figures. There is mid-season dullness in the tapestry mills. Some are working about 75 per cent capacity on replacement orders, while others are practically idle. Since the strike some time ago, many of the strikers have returned at wages practically the same as before.

Quiet conditions are reported in the silk trade. Retailers are well stocked, and few new orders are being placed. Prices continue steady.

The upward tendency to prices continues in staple lines of groceries, with the feeling among the wholesalers, however, that this movement

can not continue much longer. Retailers are buying freely. Collections are unusually good.

The Philadelphia post office reports receipts during the month of October of \$830,538, an increase over the same month last year of \$67,734. There was an increase of 19,113 in money orders issued, amounting to \$246,236.

Bradstreets report 87 failures in the district during the month of October, of which 84 represented concerns with capital of \$5,000 or less. This compares with 73 failures in September and 65 in August.

The rates for money remain unchanged. During the past month the final instalment of reserves was deposited in the Federal reserve banks, but it is too early to determine whether or not the transfer of these funds from the reserve city banks will have any effect on the rates for money.

DISTRICT NO. 4—CLEVELAND.

Transportation and fuel are the overshadowing subjects in this month's survey of business conditions in a district which originates more freight than any like territory in the world. Changes outside of these two influences are slight.

Agriculture.—Timely rains have helped the crop situation and farmers now say that wheat, of which there is an unusually large acreage, has never looked better at this season of the year. High prices are being obtained for all crops except hay. The market for loose leaf tobacco is opening in 50 or more towns in Kentucky and Ohio, and the heaviest sales ever consummated are anticipated. Advance sales indicate the new crop will sell, because of its exceptional quality, at about 2 cents more per pound than normal. The market for live stock, especially hogs and sheep, is active and at selling prices highly profitable to cattle raisers. The market for dairy products is in a similar condition.

Raw materials.—Prices of pig iron continue to advance, with better deliveries. The lumber demand has improved, especially for interior purposes. Prices are firmer but about the same as 30 days ago.

Coal and oil.—Coal operators are making every effort to meet the demands of their regular trade, but on account of extreme car shortage and labor conditions are only partially and in an unsatisfactory manner serving their patrons. Free coal is selling as high as \$5 at the mine and \$7.50 for coke at the oven. These unusual prices have not benefited many companies whose deliveries are covered by long-time contracts. A number of industrial plants are actually closed for lack of coal. Lake shipments have been extended to December owing to the open season and shortage of coal in the Northwest. Altogether, however, the situation is somewhat better than 30 days ago. Activity in the oil fields continues. The new Kentucky development is attracting many operators.

Manufacturing.—There still seems to be a demand largely in excess of the supply in almost every branch of the iron and steel business, in fact most mills are sold up through the entire year 1917. Prices have advanced since last month, the most notable being that in steel rails. Car shortage is acute and curtailing shipments. Material is accumulating on the shipping beds, and mills are facing closing down to relieve the situation. The electrical business is still going along at top speed. Glass factories are running full time, reporting a larger volume of business than ever booked before. The rubber industry is booming, and automobile manufacturing is, with the exception of a limited number of concerns, quite satisfactory. Increases in the prices of several models indicate the situation. Manufacturers of knit goods and women's wear report a continued demand for the higher-grade goods, with all grades selling well.

Transportation.—Insufficient car capacity and motive power is the problem of all the railroads in this district. Its effect on the industries of the district is noted elsewhere in this report. Railroads are in the market for equipment, but deliveries are uncertain and prices are almost prohibitive. The freight-traffic congestion shows no improvement and has caused a decrease of 6 per cent over last month in loads billed within this district on one important

trunk line. Traction travel shows slight increases in the centers, and suburban traffic continues steady.

Labor.—The labor situation is difficult, principally because of the scarcity of both skilled and unskilled laborers. There are few labor troubles at this time and practically no strikes. The noteworthy event from a wage standpoint was the general advance of 10 per cent by the United States Steel Corporation affecting 200,000 employees. Other advances in wages are reported, one large iron works granting a 10 per cent increase, this being the fourth general advance made by the company during the past two years. Factories employing female labor are finding it difficult to secure all employees needed, and as a result the scale of wages has advanced considerably.

Trade (wholesale and retail).—Mercantile trade continues at the recent maximum and surpasses all previous totals at this season. Store help for the retail trade remains inadequate to the demand. Retail prices for necessities have advanced to such a point that efforts in several sections of the district are being made to form associations for mutual buying at wholesale. Jobbers and wholesalers of dry goods, shoes, millinery, clothing, etc., report very good business. Post-office receipts show an average increase of 8 per cent over October, 1915. Of the eight large cities in the district only two show decreases over last year, as indicated in the following table:

	October, 1916.	October, 1915.	Increase or decrease.	Per cent increase or decrease.
Akron.....	\$61,331	\$54,029	\$7,302	13.5
Cincinnati.....	285,485	288,960	13,475	11.2
Cleveland.....	343,841	323,099	20,742	6.4
Columbus.....	132,957	109,487	23,470	21.4
Dayton.....	73,243	60,856	12,387	20.3
Pittsburgh.....	376,745	332,546	44,199	13.2
Toledo.....	96,331	96,659	1,328	1.3
Youngstown.....	26,430	25,830	600	2.3
	1,396,363	1,291,466	104,897	8.1

¹ Decrease.

Real estate and building.—Building activities have kept up well into the fall. Difficulty in obtaining sufficient labor is causing delay in

carrying out contracts. High prices for materials have also hampered building. There is a scarcity of houses reported and a number of building projects are in prospect. Building contractors predict a much broader building season for 1917 in spite of high prices of material and labor. Five of the eight large cities in the district report decreases in the amount of building construction for October, 1916, over the same month in 1915, but only one city reports a decrease in the number of permits issued. Comparative table follows:

	Permits issued.		Valuations.		Increase or decrease.	Per cent increase or decrease.
	October, 1915.	October, 1916.	October, 1915.	October, 1916.		
Akron.....	341	484	\$1,215,045	\$1,077,088	\$137,957	111.3
Cincinnati.....	1,357	1,344	865,575	823,880	41,695	14.8
Cleveland.....	1,229	1,405	3,097,501	5,262,355	2,164,854	69.3
Columbus.....	269	305	390,685	575,630	184,945	47.3
Dayton.....	61	127	302,225	223,395	78,830	26.0
Pittsburgh.....	337	409	1,374,960	875,790	499,170	136.3
Toledo.....	237	404	815,552	774,544	41,008	15.0
Youngstown.....	116	160	341,685	382,480	40,795	11.9
	3,947	4,638	8,403,228	9,995,162	1,591,934	18.9

	Permits issued for year ending—		Valuations year ending—		Increase or decrease.	Per cent increase or decrease.
	Oct. 31, 1915.	Oct. 31, 1916.	Oct. 31, 1915.	Oct. 31, 1916.		
Akron.....	2,267	4,445	\$5,252,235	\$12,112,486	\$6,860,251	130.6
Cincinnati.....	15,455	16,291	12,666,513	10,962,915	1,703,598	13.4
Cleveland.....	13,997	14,523	30,610,205	32,604,675	1,994,370	6.6
Columbus.....	2,721	3,155	5,813,320	6,894,625	1,081,305	18.6
Dayton.....	796	1,303	2,080,222	3,325,110	1,244,888	59.8
Pittsburgh.....	3,700	4,231	14,989,046	15,096,999	107,953	7
Toledo.....	2,684	4,270	7,099,121	9,593,984	2,494,863	35.1
Youngstown.....	1,052	1,315	3,051,390	3,455,894	404,504	13.2
	42,672	49,533	81,562,052	94,046,585	12,484,533	15

Decrease.

Collections.—Reports on collections this month are not quite so satisfactory as 30 days ago. From some quarters come complaints that collections are a trifle slow, due to the fact that the existing high prices require more capital to do business. Occasionally customers are pleading inability to pay, due to car shortage and congestion on railroads, being unable to ship goods and turn them into cash. Collections, however, are generally good.

Money and investments.—Bank deposits continue heavy and clearings are showing high

totals. Practically the whole of district No. 4 is abundant with available funds. The demand for loanable funds is not as good as last month. Six months' paper of the higher grade names has been selling recently in the centers at $3\frac{1}{4}$ per cent and commercial paper brokers predict a 3 per cent rate for January. The supply of securities of recognized standing is not sufficient to fill the demand. Record prices are being made for industrial shares, and there is large speculative buying. Dealers with stocks in new enterprises are taking advantage of these conditions and are having little difficulty in placing their securities with the public. It should be noted that all of the seven leading centers in the district report large increases in clearings over last year. Clearings for these same cities for the first 15 days in November were \$53,324,585 more than for the same period last month. Table follows:

	Nov. 1-15, 1915.	Nov. 1-15, 1916.	Increase.	Per cent increase.
Akron.....	\$5,644,000	\$10,207,000	\$4,563,000	80.8
Cincinnati.....	66,843,250	87,776,650	20,933,400	31.3
Cleveland.....	80,610,623	147,890,252	67,279,629	83.4
Columbus.....	16,667,600	19,771,300	3,103,700	18.6
Pittsburgh.....	119,090,990	146,335,237	27,244,247	22.8
Toledo.....	15,884,976	24,011,170	8,126,194	51.1
Youngstown.....	4,491,858	6,894,435	2,402,577	53.4
	309,233,297	442,886,044	133,652,747	43.2

DISTRICT NO. 5—RICHMOND.

There is a continuance of reports of activity and prosperity from all portions of this district, there being only occasional cases of disappointment growing out of special causes, these being mostly due to the violent storm damage and floods earlier in the year.

Farmers are realizing the highest prices in years which more than make up for whatever shortage there may have been in quantity. Cotton is selling at 20 cents per pound, tobacco at an average of 20 to 25 cents per pound, and other products almost relatively as high. Mercantile activity is general, but limited to some extent by supplies of goods. Prices are high both for jobbers, limiting profits, and for consumers, who complain of the high cost of living. More home supplies are, however,

being raised than ever before, the scale of living is better and is generally thought to be going beyond the means of many, and inviting trouble in the future. Manufacturing in all lines is yielding satisfactory, in many cases abnormal, returns, the volume being limited only by scarcity of material and labor.

Agricultural.—Results from recently harvested crops, heretofore referred to, may be summarized as having been on the whole most gratifying.

Building.—Operations continue in good volume for this season of the year, and trade in materials seems only to be limited by supplies, which are scarce. Deliveries are delayed.

Coal.—Decreased deliveries are reported, with further advance in prices, due to scarcity of labor and cars. Some method of more efficient utilization of present rolling stock is essential as a relief to this situation.

Cotton mills.—Conditions continue favorable to the manufacturers. High prices of cotton, labor, and supplies have increased the cost of production materially, but mills are still able to make reasonable profits, and some reports state that goods are bringing better prices in proportion to 20-cent cotton than they were when cotton was 5 and 10 cents per pound.

Exports show an increase in value for the past month of 50 per cent over last year, although the volume of cotton is considerably smaller. Wheat and flour are being purchased freely for export at continually advancing prices, the demand being seemingly unlimited.

Foodstuffs.—There is general complaint of the high cost of living, which has stimulated production in all lines, but supplies are far from meeting demands and must be enormously increased to restore a fair equilibrium in prices. The raising of peaches in the sand-hill area of North Carolina is reported to be largely on the increase, more attention also being paid to the apple crop of the State, and reports from the entire district indicate more efficiency in the raising of fruits. Eggs, potatoes, cabbage, and other garden products are in demand, and it is hoped that the attention now being given by

farmers to such products, for home and local consumption, will bring some relief to the situation. South Carolina reports a decreased acreage in rice, unsatisfactory yield, but good quality and higher prices. The export trade in rice to Cuba, Porto Rico, and the Central and South American States has increased enormously, and this will tend to move the surplus of the United States rice crop; we hope, before the opening up of the new crop season of 1917. The consumption of rice in the United States is only 5.31 pounds per capita; in Porto Rico it is 146.98 pounds. The Gulf States are to-day the largest producers of rice in this country. California has developed its rice-growing industry enormously within the last four years, and the estimated yield for 1916 is 2,000,000 bags.

Live stock.—Farmers from this district have been making trips into Tennessee and Kentucky, resulting in the importation into this district of improved live stock and thoroughbred animals. A number of fairs have been held during the past two months, and, at these, sales of thoroughbred live stock have been greater in volume than ever before, the stock bringing higher prices than at any time in the past. Much attention is being given to stock breeding, and progress in this direction during the next 12 months promises to be very noticeable. In the tick-infested areas farmers are realizing the ease with which the pests can be eradicated. Campaigns have been inaugurated for this purpose, and the number of dipping vats built is encouraging. It is predicted that this territory in the next few years will be entirely free of ticks.

Money and banking.—A great majority of banks report prosperous conditions, increase of deposits, and easy money. In some few instances, as is sometimes the case, it is still necessary, however, to urge liquidation of long-standing lines of rediscounts. The increased deposits indicate an unusual surplus of money among the farmers.

The demand for rediscounts in the district is lighter than last year, although there have been some bank acceptances and commodity bills

made, representing the financing of cotton purchased for mill consumption.

Peanuts.—Previous reports of normal yield of good quality are confirmed, and prices, like others, are higher than last year.

Railroad earnings, clearings, and postal receipts.—Railroad earnings continue to show improvement, being limited, however, by scarcity of rolling stock.

Bank clearings show an increase of 16 per cent over last year, postal receipts an increase of 19 per cent, and gross money-order business 22 per cent. Federal Reserve Bank clearings for the month ending November 15 show a continued increase over the previous month.

General.—Industrial and agricultural activity continues in all directions, and weather conditions have favored fall plantings which have had the benefit of light rains, giving them a good start before colder weather. Each month strengthens the belief that the southeastern section of the United States is assured of substantial growth and development in the next few years. The chief basis for this is the great area of cheap lands available for agricultural purposes.

Reports from New Hanover County, N. C., advise that on October 12, twenty-five or thirty of its leading farmers, at a gathering at the courthouse, formed a Federal farm loan association under the new Federal Farm Loan Act. Two hundred and thirteen shares of stock were subscribed, since which time the total has been increased to 523 shares. This has been done for the purpose of availing of the Act, as soon as the Farm Land Bank, which is to cover that section, is located.

DISTRICT NO. 6—ATLANTA.

Business activity increased in the Sixth District during the month of November in nearly all lines over preceding month. Retail trade was somewhat disturbed by the unseasonable weather for the first half of the month, but with the present cool weather a vast improvement is shown over conditions that prevailed a year ago.

Agricultural.—During October the producers sold the greater portion of their products to liquidate indebtedness, but in view of the recent advance the tendency appears to be to hold their surplus for a still higher market. It is estimated that the cotton crop of Georgia will bring \$175,000,000 and with correspondingly tremendous sums being received in other States in this district all business is expected to rise to a high tide.

There is considerable comment in the press and speculation among producers as to the size of the cotton crop which will be planted next spring. Many feel that the present high prices of cotton may prove a menace and lead the farmer to overplanting next year. Fertilizer dealers are anticipating larger sales this year than for the previous season, in view of the increased prosperity among the planters.

It is estimated that 75,000 negroes have migrated to the manufacturing centers of the North. Most of these were from the farms, and with the renewed activity in the coal district, lumber camps, and other fields in the South now drawing farm laborers (at this time of the year idle) to the cities, the question of farm help may prove a very serious one by the time the cotton-planting season arrives.

There is little or no movement of farmers toward the South and with foreign immigration cut off in the northern States it is to be expected that the high wages for common labor will attract many more of the southern negroes to the northern industrial centers. While there may be increased planting on the part of many farmers, this will more than likely be offset by the lack of experienced farm hands. This, with the inferiority of fertilizers and the general diversification movement now taking hold in the South, leads many of the best authorities to predict the inability to market more than a normal crop.

Fertilizers.—With the high price of cotton there is a very optimistic tendency among fertilizer manufacturers. Last season there was considerable decrease in consumption of fertilizer owing to the high cost of material and the inability of the farmer to get proper

advances to pay for the amount of the price advance over 1915, which was approximately 50 per cent. Fertilizer manufacturers anticipate larger consumption, as it was fairly well demonstrated this year that the farmer can not raise cotton without the use of fertilizer, and it is expected, regardless of the presence of the boll-weevil in certain sections, that the manufacturers will sell approximately the quantity, if not in excess of it, sold in the year 1915.

Citrus fruits and early vegetables.—The outlook for larger profits for growers of citrus fruits is excellent. The fruit this year is of higher quality, and, the crop being somewhat short, the demand is largely increased. Fruits and early vegetables from Florida are beginning to move rapidly. Since the beginning of the season, September 15, the following number of cars containing Florida fruits and vegetables were forwarded from Jacksonville, High Springs, and Hampton: Grapefruit, 1,071 cars; oranges, 1,798 cars; pineapples, 3 cars; vegetables, 27 cars; lettuce, 12 cars.

Pecans.—With the Christmas holidays drawing near, merchants are replenishing their stocks, and large shipments of nuts of many kinds have already been received. The pecan industry is getting to be a factor in certain sections of our district, and the yield this year is somewhat larger than in 1915, and prices will average about 32 cents per pound, which is an increase of approximately 4 cents over the previous season.

Flour mills.—The steadily advancing market in wheat, as usual, has stimulated some buying of flour, the results being that the mills have run much stronger than usual. Information, however, is that stocks of flour in the Southeast are not larger than common. The spring-wheat crop was a very short one, which caused both spring wheat and hard winter wheat to sell higher than soft winter wheat. For this reason the Southeast depends this year principally on soft winter-wheat mills, and statistics show that soft winter-wheat mills have unusually large stocks of wheat.

Cotton-oil mills.—This has been a very active season for the cotton-oil mills. Scarcity

of seed and the high bidding has resulted in the mills buying in on a speculative basis. One large operator reports: "Those who have bought everything and sold nothing will probably make some money, while those who have tried to do a conservative business will do well to break even." The shortage of cotton seed has caused oil mills to take interest in peanuts and soy beans, which are being largely used for the same purpose as cottonseed. Peanuts are bringing from \$60 to \$70 a ton, and considerable interest has been taken by the farmers in the production of this product, which is proving very profitable. The fact that member banks of the Federal Reserve System are permitted to make loans on peanuts stored, where negotiable receipts can be provided, is strengthening the value and giving stability to this product.

Naval stores.—Naval-stores products are firm and steady. Turpentine producers are realizing more from this product during the present season than for four years past, values now being on a large basis. Certain grades of rosin now selling at \$6.35 per barrel of 280 pounds at the same date in 1915 were selling at \$4.97. The increased value of rosin is due largely to the enormous demand from Europe for munition purposes, which has somewhat offset the heavy trade previously enjoyed with Germany and Austria. Statistics furnished us show the production for the present season will probably be 15 per cent more than last season, but the supply at the end of the season of 1917 will probably be less, the consumption greatly increasing. Prices for the remainder of the season seem to be on a good basis.

Wholesale and retail.—In the wholesale and retail dry goods lines delivery seems to be the important factor, and with the prediction that raw cotton may go to still higher levels, considerable uncertainty prevails. Jobbers report a good volume of business with many "fill in" orders received. Orders for spring goods are a strong feature, showing confidence in values as well as willingness of retailers to anticipate their needs.

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Overall manufacturers report exceptionally good business.

Cotton mills.—Cotton mills are looking forward with satisfaction and encouragement to a continuance of the favorable conditions. Prices of goods have shown advances and a tendency that has fairly well taken care of the advance in the cotton market. Goods are moving freely, and it is believed that as long as the war lasts this high-tide condition will continue.

Brick industry.—The brick industry shows considerable improvement, probably 75 per cent increase over the year 1915. The demand is steady at advanced prices, due largely to the increase in cost of coal and wood, which enter largely into the cost of manufacture of brick.

Car shortage.—Extra efforts are being made by transportation lines to relieve the car shortage situation. The increased demurrage charge, effective December 1, will undoubtedly act as a cure for delay in cars and failure of the foreign railroads to return cars promptly.

Lumber.—The lumber business continues to improve, although the volume of business is not exactly normal for the season, accounted for entirely by the car shortage, as shipments have been reduced from 40 per cent to 60 per cent. Mills state if normal conditions prevail in regard to car shortage the demand will increase and satisfactory prices will prevail.

Coal mining.—This industry has probably been affected more adversely in the past 60 days than any industry in the district, due originally to the car shortage, and recently being hampered by need of laborers. The demand is extraordinary in view of this shortage of cars and labor, and the prices of commercial coal for spot shipments are very high. Advances in many cases are over 100 per cent of normal prices.

During the year there has been one general advance in wages on the part of commercial coal mines. On the part of mines owned by iron and steel producing companies there have been three general advances amounting to approximately 10 per cent with each advance. The iron and steel business is extraordinary,

the products being in great demand at unusually high prices, and wage advances have been granted to keep plants turning out their maximum production. In view of the recent wage increase in the district to mine workers and miners, approximating about 10 per cent, effective November 15, the railroads and other large consumers of coal have agreed to advance their contract prices about 10 cents per ton. The labor situation in the coal and iron district is quite unsatisfactory. Thousands of negroes have left the district for northern labor markets, a movement which has depleted the working force of the mines to a very large extent. Mines are now relying on negroes brought from the farms. Within the past week or 10 days the car shortage situation has been somewhat relieved, but as coal must be loaded as mined, the difficulty now is one of labor. Prospects for next year are for considerably higher prices for coal both for spot shipments and contract shipments, as the cost of production will be considerably higher.

Pig iron.—The sensational advance in pig iron during the month was marked by a rise to \$20 per ton, a record price. The Birmingham companies continue to sell heavily, and have been compelled to withdraw quotations on some grades of iron. This is the highest mark that pig iron has reached in the district in some years, and it is believed that it may even exceed this mark. Despite the high prices it is said that five of the large companies operating in the Birmingham district have taken orders for virtually every ton of iron that the furnaces can make by June 1, 1917.

Finance and collections.—Financial circles are stronger throughout the district. Banks made excellent statements during the past month, and deposits continue to grow and promise to be greater when the next call is issued by the Comptroller of the Currency.

Collections continue good, especially with the wholesale jobbers. As an indication, one large wholesaler of dry goods and notions reports: "Our fall bills mature November 1 net; statements covering bills that customers had not discounted on October 1 were mailed to

them on the night of October 30, and on November 1, 2, and 3, we received remittances covering 30 per cent of the total amount of statements mailed out on October 30, which was indeed something unusual." Wholesalers' and jobbers' prices have advanced so materially that they are holding back the regular line for spring, until they can tell more definitely what prices are going to do. Advance orders for winter and spring are considerably more than usual, and although prices are high and continue to go higher, good merchants seem anxious to place their orders for future delivery. Country merchants are paying their bills, many of them availing themselves of the discounts.

Cost of living.—Some of the large iron and steel manufacturers of the Birmingham district and producers in the coal regions have recently granted an increase in wages of employees but on the whole there has been very little change in the general wage proposition in our district. This is bringing the South to face the most serious living conditions it has ever known. Prices of the necessities of life have steadily advanced for more than a year and there appears no likelihood of a reduction in the near future. With the scarcity of labor, relief can hardly be expected through greater production, and the remedy must be found in curtailed consumption, or by a general increase in wages.

Flour which at this time last year was selling for \$5.50 per barrel is now selling for \$9.50. Irish potatoes which were obtainable at 80 to 90 cents per bushel in 1915 are retailing in the neighborhood of \$2 per bushel, and the same change has occurred in other commodities.

DISTRICT NO. 7—CHICAGO.

There is no recession in the general volume of business at the present time. Production and distribution are at high levels and authorities in most lines anticipate an active trade during the coming months. Bank deposits and bank clearings are large and money rates low. Savings deposits have increased owing to the active employment of labor at substantial wages, and among banks handling a large

amount of this character of business, particularly those located in larger cities, difficulty is experienced in keeping their funds liquid and at the same time earning a living rate. Country banks seem well able to care for themselves and the gradual marketing of crops and livestock is tending to make the situation still easier.

The car shortage, the high cost of certain raw materials, and the deficient labor supply are constantly before the merchants and manufacturers, but there is evidence that the car situation may be alleviated through the action recently taken in Detroit to accelerate the handling of incoming shipments. An anticipated falling off in the lumber business is expected to release cars to other industries. The increasing cost of foodstuffs and wearing apparel is a matter of general comment, but labor is fully employed and apparently able and willing to buy in a substantial way. Retailers are inclined to carry heavy lines, causing tardiness in collections in some directions. In spite of the high prices a good fall trade seems to be in prospect.

Confidence in the continuation of the present prosperity seems to be gaining in some quarters, but the more conservative are watching for evidence of change and are handling their affairs accordingly. Banks located outside of the reserve cities report a better demand for funds, and in most of the agricultural communities the financial condition appears to be sound.

The past year has proven itself a satisfactory one to the majority of those engaged in agriculture in this district, and those in the wheat section are preparing for a larger acreage than last year. Illinois and Indiana will show increases in winter wheat acreage, as will Iowa to a moderate extent. Michigan and Wisconsin do not produce enough of this staple to affect the national total to any material extent. Up to the present, conditions have been satisfactory to the growth of the plant although there was some late planting due to the dryness of the soil.

Agricultural implements.—Conditions in this line have changed but little since the last report, and manufacturers seem disposed to build a moderate production for next year. Selling prices may have to be readjusted owing to the costs of material and labor, and it is thought that this may restrict sales.

Automobiles.—This is naturally a slow time of year for manufacturers in this line, but reports at hand indicate a satisfactory volume. The demand is keeping factories busy and large outputs are planned for next year. Fear of overproduction seems to be in the thoughts of some of the manufacturers.

Building and building materials.—Building is active in some localities but has been retarded by delayed shipments of material. High structural cost has postponed some operations in this line. Cement is entering its quiet season with a reasonably satisfactory record.

Coal.—The coal situation has received considerable publicity of late, but the manufacturers assert that the prices are caused by an increased demand for coal and the lack of railroad equipment for handling shipments from the mines. The business itself reports a prosperous condition.

Distilling and brewing.—There is little change to report since last month. We understand that whisky jobbers are replenishing their stocks from the production of former years, as it is expected that the 1917 crop will be the most expensive that has ever been made. Withdrawals from bonded warehouses are reported ahead of last year. Malt companies are operating to capacity.

Dry goods.—Orders for spring delivery have been taken by wholesalers in generous quantities at advanced prices and we understand that manufacturers have recently quoted cotton blankets and napped cotton cloths for the fall of 1917 at from 30 to 50 per cent higher than for 1916. There is a shortage in certain lines, notably hosiery and underwear. Collections are generally satisfactory, but it is felt in some quarters that the merchants are buying too heavily, causing subnormal payments. The

increased cost of merchandise requires more capital to finance the same stock.

Furniture.—Business in this line is good, with collections satisfactory, but the advances in raw material have forced up prices to a level which makes the manufacturers apprehensive as to the future volume of business.

Grain market.—The distributing movement of grain has been retarded by the car situation. Prices are higher than last month, caused by the heavy foreign demand and the short supply.

Groceries.—Wholesalers report large sales and profits, but they seem to be experiencing considerable difficulty in obtaining supplies, particularly in the line of canned goods and some fancy groceries. The principal danger in the situation appears to be for the retailer who is forced to buy fixed-price package goods at an increasing cost to himself, and is also compelled to finance the purchase of his usual stock of merchandise at the prevailing prices. Collections are said to be good.

Hardware.—Great activity is evidenced in this line, at advancing prices, and there seems to be no complaint with regard to collections. A good business is anticipated for some months to come, and some factories in this district are running both night and day.

Leather.—The leather trade continues unusually active with further advances in price. Stocks of finished leather are low, and shoe manufacturers appear to have more business than ever before. Leather belting is fairly active, and collections throughout the industry are reported as satisfactory.

Live stock.—Cattle during the past month sold at substantial prices. It is thought that the high price of corn will force into the market some cattle which the farmers originally intended to feed through the winter.

Lumber.—This line of industry is only fairly active, but wholesalers and retailers in some of the large cities are anticipating a good volume due to the development of new building operations in their territory. On the whole, however, conditions are only fair.

Mail order.—Concerns in this line report business in District Seven as considerably in excess of last year.

Pianos.—Little change is in evidence in this industry. Orders are above normal, collections good, and raw materials scarce and higher in prices. Labor is difficult to secure, and there has been some labor trouble, but the difficulty is local and it is not expected to spread.

Shipbuilding.—Companies in this line are actively engaged, with their capacity taken for some time to come. Manufacturers appear satisfied with the outlook and there is no change.

Steel.—Mills are operating at capacity and are booked well ahead. Orders are taken at attractive prices, and no decrease in activity is looked for in this line for several months at least.

Watches and jewelry.—With the approach of the holiday season more interest is shown in these lines, and certain authorities look for a record year. Collections are good, with excellent prospects for the next few months.

Wool and woolens.—Prices of raw wool are well maintained, and manufacturers are operating with large forces. Collections are said to be good, and the present condition is expected to continue until the end of the war abroad, when authorities in this line urge that a tariff protection will be necessary. It is expected that the present high prices may to some degree curtail sales.

Clearings in Chicago for the first 16 business days of November were \$1,306,000,000, being \$352,000,000 more than for the corresponding 16 business days in November, 1915. Clearings reported by 19 cities in the district outside of Chicago amounted to \$266,000,000 for the first 15 days of November, 1916, as compared with \$190,000,000 for the first 15 days of November, 1915. Deposits in the eight Central Reserve City member banks in Chicago were \$707,000,000 at the close of business November 18, 1916, and loans were \$484,000,000. Deposits show an increase of approximately \$9,000,000 and loans an increase of approximately \$8,000,000 over last month.

DISTRICT NO. 8—ST. LOUIS.

Business in this district continues extremely active, there being as yet no indication of any diminution. This is true in practically all lines of industry. Our correspondents report taking the district as a whole, shipments at a high level, with collections the best in years and past-due accounts less than they have been for a decade.

Prices are still advancing. This is due in great measure to the action of the farmer, who seems never to have made more money and who is spending it freely, so that the advance in prices has not yet reached the point where demand falls off. Luxuries, as well as necessities, find a ready market.

It was expected that buying would slow down, pending the election of the President, but during November, in this district, the presidential election seems to have had absolutely no effect. Buying and selling went on without interruption, something that has not occurred within the memory of a number of our manufacturers who called attention to this fact.

The agricultural portion of this district is in especially good condition. While the major crops—cotton, corn, wheat, and oats—show a considerable reduction over last year, this is made up by the prices which the farmer has received for them. This, as stated before, is the foundation of the high level of business in this district. Since the farmer is in position to buy and pay cash, the merchant with whom he deals is in position to buy liberally from the manufacturer and distributor.

The cotton crop in this district has never moved more rapidly, and banks in the cotton section have been able to handle the situation with a minimum of outside help. Memphis advises that the greater part of its cotton has already been marketed.

It is reported that several of the agricultural parts of our district are in a more prosperous condition than they have been for years. In some instances, farmers and planters have paid bonuses to take up their loans, and after

their payment have increased their deposits in the banks. Both the country and city banks in this district have a great deal of money, and it has become a problem for them to keep it invested.

It is reported that the hay crop, on the whole, is the largest ever raised, and this means there is an abundance of food for live stock.

The car shortage is being felt, and because it is difficult to get prompt shipments from manufacturers, there is an unusual demand for shipments in the near future. Farmers are also feeling the car shortage, and are having some difficulty in marketing all of their crops, or rather are having to suffer considerable delay.

A comparison of the combined averages of crop yields, by States in this district, gives the following results, counting the 10-year average at 100 per cent: Kentucky makes the best showing, with 102.5 per cent; Tennessee next, with 101 per cent; then comes Illinois, with 95.7 per cent followed by Arkansas, with 92.4 per cent; then Missouri, with 78.8 per cent, and Mississippi, with 67.4 per cent.

The St. Louis National Stock Yards reports considerable increases in receipts and shipments of cattle, hogs, sheep, and horses and mules for the month of October, 1916, over the month of October, 1915. However, at the present writing there does not seem to be very brisk buying in the cattle market.

During November the demand for horses has come largely from the southern sections, good, smooth, southern mares being in demand. There has also been a strong market for horses for military purposes. The demand for mules also comes from the South.

St. Louis building permits issued during October, 1916, are 24 less than those of the corresponding month in 1915. However, there has been an increase in valuation over the corresponding month last year of \$118,763. Memphis shows an increase of 30 building permits for October, 1916, over the corresponding month of last year, with an increase in valuation of \$155,555.

Postal receipts in St. Louis, Louisville, and Memphis for October, 1916, show substantial gains over the corresponding month of last year. Postal receipts in Little Rock show a slight decrease.

Clearings throughout the district show a general increase. For the week ending November 11 the percentages of increases over the corresponding week in 1915 are as follows: Little Rock, 50.6 per cent; Quincy, 28.6 per cent; St. Louis, 25.2 per cent; Louisville, 5.4 per cent; and Evansville, 4 per cent.

Deposits in all banks are at a high level. Money rates are unchanged. St. Louis banks are loaning to customers at from 4 per cent to 4½ per cent. The rates to customers of banks in other portions of the district will range from 5 per cent to 8 per cent.

DISTRICT NO. 9—MINNEAPOLIS.

The gradual development of an acute car shortage, with increasing difficulty in supplying steam and fuel coal to outlying country points, has been the outstanding feature of developments during the month and has had a serious effect on many lines of business. The danger of a fuel famine has been averted for the present, and there is a sufficient supply of both hard and soft coal at the storage docks at Duluth and Superior to provide for the present necessities of the greater portion of the district which they serve. Another period of cold, sharp weather, such as accompanied the mid-November opening of the winter season, might easily precipitate an acute demand and cause much trouble. Concerns in the fuel business are so hampered in obtaining empty cars that coal is moving slowly to all of the country points, and orders are being scaled down in an effort to fairly distribute deliveries among the applicants. Coal stocks at Duluth and Superior docks on November 1 were 5,863,050 tons as against 6,600,750 tons a year ago. Considerable shipments were brought up the lakes during the first 15 days of the month. Lake navigation closed November 15, marine insurance expiring on that date.

Great difficulty has been experienced by all the northwestern roads in providing grain cars in response to orders from country points, and a shortage of empties brought about uniform action by the roads to control the movement of cars to eastern points. There is severe criticism that railroads east of Chicago are not returning the cars sent to the seaboard loaded with flour and merchandise. The present situation is severely handicapping the flour trade, and in connection with recent price advances for wheat, is having the effect of cutting down the output in proportion to the reduced orders from the trade. The trade is buying cautiously and only for immediate needs. All the mills are endeavoring to load to full capacity to make the most of the available cars, and the same course is being followed by grain shippers.

Reliable estimates place the amount of the northwestern crop that has been marketed at from 60 to 70 per cent. The farmers have been receiving, for the poorest grade of wheat, more than twice the returns obtained in a number of previous crop seasons, and notwithstanding the very heavy shortage in the total crop, financing of the grain movement has required fully as much if not more money than a year ago. Practically all of the requirements for crop-moving currency are being taken care of by the Federal Reserve Bank of Minneapolis, and present prospects are that the total will run considerably in excess of the \$8,000,000 issued for this purpose last year. Prices have averaged extremely high during the month. Mid-November elevator stocks at Minneapolis and Duluth were 8,662,000 bushels as against 13,843,000 a year ago.

Crop-year receipts from September 1 to mid-November were 47,402,000 bushels, as against 105,531,000 bushels a year ago, or considerably less than one-half. The coming of freezing weather has not stimulated shipments from country points to the extent that was anticipated.

Clearings at important centers have averaged considerably higher than a year ago. The demand for money has been active, but rates

have remained practically stationary. Country points report a good demand, but deposits hold up well and rates show no change.

From all points there are reports of a very large amount of farm improvement work under way, a large part of which is permanent construction, such as dairy barns, silos, and other facilities contributing to better efficiency in farm production. Lumber companies and country yards have been doing a brisk business. Merchandising lines at country points have been doing a good business, with good collections. Wholesale and distributing concerns report a larger volume of business than a year ago, with good collections and a considerable reduction of book accounts. Urban construction has been active, but will be reduced somewhat by the coming of cold weather. It is being held back to some extent by the high price of practically all of the items in the building-material line. Observers are of the opinion that a considerable amount of building has already been deferred until spring in the hope of a lower price level.

Labor is in excellent demand at very good wages and is scarce, especially in the trades. The demand is greater than the supply. Reports of wage increases are coming in from many lines engaged in commercial and industrial activities, but it is improbable that the present wage level has kept pace with the advancing cost of living. Flour, potatoes, meat, and many other items are considerably advanced over a year ago; potatoes, especially, are scarce and very high in price.

The amount of fall plowing accomplished and the condition of the soil at the beginning of the winter both indicate a very favorable situation in the agricultural districts in the spring. It is believed that most farmers have taken note of the seed-wheat and seed-corn situation and have provided themselves against the planting season. The amount of plowing done is in excess of that accomplished for several years and will remedy the chief difficulty in connection with the 1916 crop season, which was insufficient and poor preparation of the soil.

Over the district as a whole, an encouraging condition of prosperity prevails. Trade and industry are very active, labor is being very well paid, money is easy at low rates, and the outlook is considered very good for the mid-winter period. The principal lines of trade and industry do not anticipate any appreciable reduction in the present volume of business before spring, and in the industrial lines, especially, the probabilities are that the present rate of production will extend well through the first half of the coming year.

DISTRICT NO. 10—KANSAS CITY.

If there is any tendency toward a reduction in business activities, it is not apparent in any of the reports obtained. There is, however, every evidence that general conditions not only continue satisfactory, but that the future prospects are most encouraging. Domestic business has reached a stage where new records in every branch of trade and industry are taken as a matter of course. Doubtless the greatest impediment to the natural course of commerce is the shortage of freight cars. Shortage of raw materials and of labor continues to hamper trade in many lines.

New high levels reached in prices of farm products have been naturally followed by higher prices in practically all the necessities of life, and, even though wages have increased, the wage earner maintains that this increase has not been commensurate with the present high cost of living. Labor conditions in the district, however, remain unchanged. A shut-down of two weeks occurred in the Oklahoma coal fields, by reason of a general strike, which was terminated by a joint conference of miners and operators agreeing on a compromise.

October made notable records in the movement of live stock. Official figures show that the month witnessed gains in receipts of cattle, hogs, and sheep, as compared with last year, at each of the leading markets, being the first time when all showed gains in the same month. In the face of such receipts, however, prices averaged better than a year ago. Corn, labor, and other necessary feeding adjuncts are cost-

ing the feeder more than ever before, and the light average weight of hogs received at all markets doubtless means premature marketing as a result thereof. At Kansas City, for instance, the average weight of hogs received was 171 pounds against 181 in September and 195 in October, 1915. While the cattle census shows a big increase over a year ago, the increase of production has certainly not been in any such ratio as market receipts during the past few weeks. Large numbers of grass cattle are being received, which, under ordinary conditions, would be held and fed out for the winter and spring markets. Stockmen are being urged to hold back their immature cattle and hogs, the heavy shipment of which means a sacrifice of the potential supply. The fact that New Mexico, Oklahoma, and Colorado purchased strings of breeding stock during the month reflects a satisfactory feed condition and a further extension of breeding operations in that territory.

While some uneasiness was expressed in our last report as to the condition of the winter wheat, there is every indication at this time that it has materially improved, and with the recent rains and snows, quite generally reported, the crop should enter the winter under excellent conditions.

An exhaustive survey made by a member bank at Omaha results in the announcement, based upon average yields for the last seven years, that this year's corn crop in Nebraska is 113 per cent of the normal crop, wheat 119 per cent, oats 140 per cent, alfalfa 136 per cent, and wild hay 96 per cent. Six important crops in Colorado on November 1 were estimated to have an aggregate value of \$53,500,000 as compared with a value of \$40,750,000 in 1915. Farm products in Oklahoma for 1916 are estimated to be worth \$14,750,000 more than those of 1915. The beet-sugar crop is enormous and the factories in this industry are running at capacity. Fall pastures have made a good growth and an additional cutting of alfalfa was secured in many localities. Record-breaking low temperatures were reported from many points during the latter part of October. With

but one exception the precipitation in New Mexico for that month was the greatest on record during a period of 25 years.

Alfalfa has advanced from a comparatively insignificant asset in this district to a point of high importance. From an acreage of little more than 34,000 in Kansas in 1891, when it was still more or less experimental, the records for 1916 show the acreage to have reached almost 1,500,000, no other State having so large an area devoted to alfalfa. In Kansas it is by far the greatest of all forage crops. Nebraska and Colorado are the second and third States, respectively, in the point of production, the former reporting an acreage this year in excess of 1,000,000 with an estimated value of almost \$24,000,000. The growth of this crop has been followed by the alfalfa milling industry, producing an alfalfa feed not only for poultry, but for beef steers, sheep, horses, mules, and for dairy use, and this industry has reached considerable proportions. The total production of alfalfa meal in the principal milling States in this district is now estimated to be 200,000 tons annually.

The value of ore mined in the Missouri-Kansas-Oklahoma district has now surpassed the entire production of 1915 by a considerable amount, although less ore has been produced in this time. Ore prices have been higher and steadier during the present year. Considerable trouble has been experienced by lack of water, and several shutdowns resulted. Drainage of the greater part of the productive area of the Leadville (Colo.) district is the one great factor holding promise of increased future activity in this field, the larger part of this territory having been fairly thoroughly developed above water level. The October output of the Cripple Creek (Colo.) district showed a slight increase in volume, but a lower value. Renewed activity is reported in Colorado's tungsten district, large orders being reported at increased prices. It is claimed that there is very little of this metal stored in the mining camps. The State coal inspector of Colorado has issued a statement, showing that the production of coal in Colo-

rado during the first nine months of 1916 increased 18 per cent over a similar period last year.

The development of the Mid-Continent oil field has settled down to a steadier and more satisfactory condition than a few months ago, when high prices ruled and promiscuous drilling was common. Operators generally predict a gradually increasing market in the field. October showed a good average month's drilling, with a satisfactory volume of new production, and a lessening of the tension caused by the detrimental pipe-line runs of the past few months. Extreme cold weather early in the present month caught many drillers unprepared, and considerable work was necessarily suspended. The total oil production of Oklahoma for the year, based on the present supply, is estimated to be approximately 95,000,000 barrels. There appears to be no lessening of general activities in Wyoming and Kansas fields, where important wells continue to come in.

Dealers in furniture report an excellent business, with material increases over last year. Customers are anxious for prompt delivery, notwithstanding the fact that prices of furniture, drapery fabrics, and floor coverings are from 20 per cent to 30 per cent higher than a year ago, and very hard to obtain. Inquiry of companies engaged in the lumber trade indicates business to date this year exceeding that of the same period for 1915 by 10 per cent, the month of October, 1916, showing an increase of 15 per cent over that month in 1915, while October of this year shows an increase of 18 per cent over the month of September this year.

A comparative statement prepared at the home office of one of the largest automobile factories shows an increase in volume of business in this territory for the first nine months of the calendar year 1916, compared with a similar period of 1915, of 95 per cent in volume and 120 per cent in number of cars distributed, the difference being accounted for by the lower list price of cars this year. This same factory, on a very close analysis of many

statistics, anticipates even a larger increase for 1917. The same analysis last year missed the predicted sales but 5 per cent. The latest State report on automobile licenses issued for 1916 up to September 30 comes from Wyoming, where the increase was 76 per cent over the entire number issued in the year 1915.

Dry-goods houses report that their current fall business has been in excess of any former year for the same months, and that their advance orders for spring goods, sold for shipment to retailers after January 1, are in some cases 100 per cent or more in excess of the orders taken for spring shipment up to this time last year. This increase they attribute largely to the improved purchasing power of the people in the district and partly to the threatened scarcity of merchandise. Retailers in this line report a steady and satisfactory sale of seasonable goods, and collections of both wholesalers and retailers are in proportion to their sales, in some cases even greater, which is quite unusual. October is announced as one of the best months ever experienced in clothing circles, the class of merchandise sold being of the highest and finest quality carried, and there is every indication of a continuance of these conditions for the remainder of the year. In retail jewelry, a line which is always considered a good index to conditions, a splendid trade has been enjoyed and has steadily increased. Authorities place the increase over last year as high as 50 per cent.

Seasonal fall implement lines continue active. Tractor business is fairly active, many dealers contracting for spring delivery. While at this season of the year wholesale implement houses are generally cleaning out their stocks prior to inventory, the unusual situation as regards the materials market is causing these houses to stock as heavily as possible for spring requirements.

Flour millers are having difficulty in supplying the demand for their product. The majority of the hard-wheat mills are running to capacity and are taking orders for shipment only within 30 or 60 days, and there is very little export trade reported. Generally, mills

are well booked up to January 1 with domestic business. Sixty-four flour mills in Missouri, Kansas, Nebraska, and Oklahoma reported the following output and capacity for the week ending November 4, as compared with the preceding week and one and two years ago:

	Output (barrels).	Capacity (barrels).
Week ending Nov. 4.....	253,634	267,120
Previous week.....	268,808	278,520
One year ago.....	244,717	283,020
Two years ago.....	233,079	256,620

Export shipments by the reporting mills were 15,589 barrels for the week, 11,771 the week previous, 12,677 a year ago, and 30,951 two years ago.

Building operations have not slackened. Country roads, mills and elevators, bridges, public buildings, and automobile assembling plants predominate. Several large bond issues having been well received at the recent election, prospects are excellent for public winter work.

Building permits for the first 10 months of 1915 and 1916 as reported by important centers are as follows:

City.	1915		1916	
	Number.	Amount.	Number.	Amount.
Kansas City.....	3,091	\$9,330,765	3,150	\$9,871,844
Omaha.....	1,088	4,085,100	1,273	5,702,702
Denver.....	2,778	2,208,050	2,370	3,415,070
Lincoln.....	495	1,454,659	466	1,726,160
St. Joseph.....	687	850,595	576	860,247
Wichita.....	198	752,720	292	1,391,285
Oklahoma City.....	346	1,005,191	625	1,669,953
Cheyenne.....	43	60,518	70	62,636
Total.....	8,726	19,747,598	8,822	24,699,897

The following is a statement of bank clearings for the first 10 months of 1915 and 1916, as reported by the cities named:

City.	1915	1916	Increase.
Kansas City.....	\$2,692,434,128	\$3,365,354,243	\$672,920,115
Omaha.....	800,026,014	1,029,264,534	229,238,520
Denver.....	401,394,000	541,989,297	140,595,297
St. Joseph.....	313,185,618	412,269,224	99,083,606
Wichita.....	154,133,591	207,608,685	53,475,094
Oklahoma City.....	105,016,260	176,125,966	71,109,706
Lincoln.....	97,265,822	142,898,794	45,632,972
Muskogee.....	32,906,669	54,868,609	21,961,940
Pueblo.....	19,832,682	21,725,212	1,892,530

An added evidence of our commercial activity is shown in the following statement of post-office receipts for the first 10 months of 1915 and 1916, in the centers named:

City.	1915	1916	Increase.
Kansas City, Mo.....	\$2,578,645	\$2,879,002	\$300,357
Omaha.....	1,212,881	1,368,961	156,080
Denver.....	1,143,835	1,288,767	144,932
Oklahoma City.....	404,387	490,665	86,278
Lincoln.....	382,000	413,739	31,739
Wichita.....	256,223	349,753	93,530
St. Joseph.....	316,490	327,128	10,638
Topeka.....	340,488	364,554	24,066
Kansas City, Kans.....	170,677	174,011	3,334
Pueblo.....	109,005	124,433	15,428
Muskogee.....	92,269	102,713	10,444
Cheyenne.....	47,374	67,685	20,311

DISTRICT NO. 11—DALLAS.

Business continues at a high level and there is hardly an exception to this situation in any section. Recent cold weather has been an impetus to retail trade, and as the fall has been rather backward, with more seasonable weather, merchants are encouraged over the volume of business. The shortage of freight cars continues to be felt in many lines. There has been some improvement in the situation within the past 30 days, especially in the way of providing equipment for handling cotton, but the dearth of facilities still exists, and railroad officials report that the near future offers no solution of the problem. Advance holiday buying has been in evidence recently, and with early Christmas shopping another 30 days should bring heavy trade. Wholesalers are booking satisfactory orders for spring goods. The scarcity of raw materials and the difficulty in obtaining goods continue to be outstanding features.

The bulk of the cotton crop has been marketed. There are a few scattering lots over the district, the car shortage having caused the concentration of considerable cotton at compress points. Most of the lots, however, are held by exporting firms, and there is little left in the hands of the farmers. Never before has the crop moved with such rapidity. This is due to the high prices. Ideal weather conditions have also contributed to this condition and prevented loss in the fields.

The rice industry has been unusually active, and reports received indicate that the yield in Texas is the largest in history. Rice farmers are realizing more for their efforts this season than ever before, although everything used in the production of the crop has advanced in price from 50 to 100 per cent.

The peanut crop is about 60 per cent marketed. The quality is considerably better than last year. The pecan crop is almost a total failure, and sections where the returns from the crop contribute to business are feeling the loss of revenue. Such pecans as have been raised, however, are of excellent quality and are bringing good prices.

There has been but slight change in the banking situation in the past month. Demand with banks is light and rates are easy. Bank deposits remain at record figures. There continues to be a good demand for bonds and high-class securities, and brokers report that it is difficult to obtain satisfactory offerings.

Clearings continue to show large increases, and the six larger cities of the district reporting show an increase of 54 per cent for October over October, 1915. The figures are: 1915, \$165,977,039; 1916, \$254,820,311; increase, \$88,843,272. Dallas reports the largest increase, or 80 per cent. There were handled through our district clearing house for the period, October 16 to November 15, 1916, 340,952 items, aggregating \$175,574,192.

Wholesale trade is good and collections in keeping with the increased volume.

Receipts of cattle and calves at the Fort Worth market for the month of October were the heaviest on record, over 100,000 head being received. Prices were somewhat lower during the latter part of October, on account of substantial receipts of common and poor-grade stock. Heavy runs of hogs have continued from all sections, but particularly from the Panhandle and southern Oklahoma. The market has held up excellently, despite large receipts.

Following are the figures for the Fort Worth market for October, 1916, as compared with

October, 1915, and also for the period from January 1 to November 1:

	October—		Jan. 1 to Nov. 1—	
	1915	1916	1915	1916
Cattle.....	76,960	100,876	651,317	713,937
Calves.....	16,494	26,765	116,070	129,015
Hogs.....	52,029	67,851	382,147	805,142
Sheep.....	15,079	25,276	340,992	378,856
Horses and mules.....	3,357	11,686	43,248	63,588

The demand for good stock cattle has held up, and the ranges of south Texas are again well filled. Range conditions throughout Texas are generally satisfactory, except in the San Angelo country, where, on account of lack of rain during the spring and summer months, there is little grass. Ranchmen are therefore finding it necessary to buy feed, and on account of the high prices for the same stockmen are shipping their cattle as rapidly as fattened.

Recent heavy sales of wool in the Roswell section have brought considerable money to the sheep men and have stimulated business with merchants.

At the present time there is a large movement of turkeys to the north and east and shipments are heavy. At prices of 18 to 22 cents per pound, approximately double last year, farmers are receiving good returns.

There is a good demand for lumber, at satisfactory prices. On account of the shortage of cars the demand is greater than can be accommodated. Export trade is good, but shipping space is hard to obtain, and rates are almost prohibitive. Retail dealers report a good business and high prices.

Manufacturers of brick, tile, cement, and other building materials report their business as below normal; that shipments were materially affected by the shortage of equipment during the months of August, September, and October. There has been some improvement in this respect since November 1.

Building operations of the district are normal for this season, it naturally being a period of the year when there is less construction than at other times. The following figures show the

number and valuation of permits issued in the principal cities of the district during the month of October, as compared with the same period last year: 1915—number, 1,663; valuation, \$1,244,501. 1916—number, 1,158; valuation, \$1,613,992.

New territory is being opened up in the oil fields and the outlook is encouraging. Wholesalers and distributors are enjoying a good business and report an increase in volume of from 35 to 40 per cent over last year.

The price for copper has shown a recent advance and the mines of New Mexico and Arizona are working full time, with maximum output.

Post-office receipts at the principal cities in the district show good increases with one exception. At Dallas the October receipts were the highest in the history of the post office. The following are the figures at the principal offices for October over October, 1915, also a comparative statement for the months of August, September, and October over similar period last year: October, 1915, \$316,819.94; 1916, \$395,027.77. Increase, \$78,207.83; per cent increase, 24.6.

	Aug., Sept., Oct.		Increase.	
	1915	1916	Amount.	Per cent.
Austin.....	\$41,318.72	\$44,085.41	\$2,766.69	7
Dallas.....	284,705.31	348,030.85	63,325.54	22
El Paso.....	53,901.48	103,716.56	49,815.08	93
Fort Worth.....	115,533.40	128,721.46	13,188.06	11
Galveston.....	51,706.40	46,167.67	15,538.73	11
Houston.....	144,735.24	165,650.22	20,914.98	14
San Antonio.....	98,804.97	130,624.59	31,819.62	32
Shreveport.....	42,898.51	47,352.43	4,453.92	10
Waco.....	43,068.17	45,134.79	2,066.62	5
	\$76,672.20	1,059,483.98	182,811.78	21

¹ Decrease.

The large increase at El Paso, it will be noted, is undoubtedly due in part to the concentration there of the United States troops. This, as has been commented on before, is being reflected in all lines of business in that section.

Dealers in leather report that business is unusually heavy, with collections good. On account of the large export business, it is difficult to obtain raw material and prices have, therefore, steadily advanced.

Business of railway companies is above normal. While officials report that the freight traffic is slightly below the business handled 30 days ago, yet figures show a substantial increase over the same period of 1915. Passenger traffic shows a good increase, while interurban business, especially excursion traffic and local travel, is exceedingly heavy and increases for the month of October vary from 5 to 75 per cent.

Demand for holiday goods is heavy, with mail-order houses steadily booking advance orders, and the volume of business being handled is heavier than last year.

Labor employment is normal in all occupations. It is expected that employment in the building trade during the months of December and January will be dull, as that is the season when there is considerable decrease in building operations. In other sections of the South and Southeast there has been a considerable movement of colored and Mexican laborers to northern States during the past 60 days. Colored laborers were promised various lines of occupation such as hotel, restaurant, and yard work, while Mexican laborers were engaged for railroad and mining work.

DISTRICT NO. 12—SAN FRANCISCO.

With the exception of the ill effects due to the car shortage and the lack of ships, conditions in the Twelfth Federal Reserve District are very favorable. This shortage of transportation facilities affects growers of apples, potatoes, citrus fruits, grain, and practically all other products. Steps are being taken in the Northwest to hold the railroads liable for any losses incurred, as prices have declined in some cases because of the impossibility of getting the products to market. An embargo has again been placed on certain products by one important road.

Barley stocks are exceptionally low in this locality and consequently the prices are ruling high, around \$2.20 to \$2.30 per cental, which is 60 to 70 cents above the average. Such prices restrict its use as feed. For the first time in the history of California, oats are being

shipped in and sold at prices below the market for barley. Due to the shortage in the world wheat crop, some farmers are holding their grain in anticipation of such an extraordinary price as \$5 per hundred. Many elevators are being built in Washington and Idaho and much grain is being handled in bulk because of the short supply and high price of bags.

This district will produce 36,000,000 bushels of potatoes this year, compared with 32,000,000 bushels in 1915—Washington and California contributing most. The returns from this crop will be much above normal, high prices ruling because of short crops in the East.

The apple industry is in very satisfactory condition, the market being fairly steady at good prices. The supply of ready-to-eat fruit in the eastern producing districts is light this year, while the apple crop of this district is about 7 per cent above that of last year. Many apples are being shipped to the Orient and Australasia.

The cotton yield this year in California is 484 pounds per acre compared with 156 pounds for the entire United States. The average for the past 6 years in California has been 426 pounds per acre compared with 186 pounds for the 10-year average of the United States. A report comes from Tempe, Ariz., of the long staple Egyptian cotton selling at 45½ cents per pound, with a production of 625 to 750 pounds per acre in some instances. Imperial Valley cotton has sold around 26 cents. There is a serious lack of labor for picking cotton.

Due to early rains no large amount of California rice will be ready to mill before December 1. Sales to date have been on a basis of \$1.65 to \$1.70 for No. 1 rough rice. The Japanese rice crop is reported as being heavy, some 4,000,000 bushels above the average.

The largest crop of dates yet grown in California has just been harvested. Prices have varied from 35 cents to \$1 per pound, according to the variety and quality.

The outlook is excellent for a large crop of citrus fruit. The quality of the fruit is above the average and is testing up to the standard earlier than usual. The first carload of this

year's crop of navel oranges was shipped on October 14 to New Zealand. Heavy shipments began about November 20. Opening prices were about \$1 above the opening prices of last year and 50 cents above any reported in previous years.

It is estimated that the 1917 sugar crop of Hawaii will be from 625,000 to 650,000 tons. This is not as large as the 1915 crop but will equal the average. The high prices realized are giving enormous returns to producers.

Precipitation in California has been about normal. In eastern Washington there is quite a deficiency and planting of winter wheat has been held up for some time.

A considerable frost in California about the middle of November did some damage to olives, oranges, and grapes, but the damage is reported as not serious.

Live-stock prices continue high and the outlook very promising. Many trainloads of cattle are being sent from Nevada to California for winter feeding on the ranges, but stored feed is reported as ample. The turkey crop of the Pacific States is larger than it has been for several seasons and present indications are that prices will be about the same as last year.

The salmon pack of 1916 will equal, if not exceed, that of 1915. There are practically no stocks on hand and prices are advancing rapidly. It is reported that a large percentage of British Columbia's pack has been sold to the French Government as food for the armies.

Some improvement is noted in the condition of the lumber industry over that of a few months ago. While actual production is below normal, orders exceed both actual and normal production. Unshipped lumber orders for transcontinental rail shipment now exceed 9,000 carloads. There has not been a time in recent years when unfilled orders have shown such an accumulation, even during the severe car shortage of 1907.

Alaska, in common with other mining regions, is enjoying the prosperity caused by the prevailing high prices of metals. This is due largely to the copper production of the Kennecott mines, also to the increased

activity in production from the low grade deposits near Juneau. During the month of October Alaska shipped to the States products valued at \$13,981,000, including \$8,606,000 worth of canned salmon and copper worth \$2,726,000.

Mining throughout the district is steadily expanding. The output of copper is continually making new records with enormous profits, particularly in Arizona, Utah, and Nevada. Prices are higher than at any time since the Civil War, when they were quoted in depreciated currency as high as 55 cents per pound. Miners are reported as receiving as much as \$13.50 per day.

Since January 1, 604 oil wells have been opened. During October the petroleum production in California averaged 266,520 barrels daily, with shipments 303,652 barrels daily, occasioning a loss in stored stocks of 1,150,000 barrels. The amount now in storage is 47,318,150 barrels, which is the lowest amount in years.

Charter rates on the Pacific are unchanged as compared with a month ago, and while in some cases double those of a year ago, are lower than in January and February, 1916. Exports from Pacific coast ports for the month of September, 1916, show a 30 per cent increase over the corresponding month in 1915, while imports increased about 55 per cent. Imports in October exceeded exports by \$10,000,000.

Shipbuilding continues to be one of the most active industries on the Pacific coast and all the yards are occupied to the limit. New yards are being constructed and the old yards enlarged to handle the orders. The Union Iron Works has announced a proposed extension of its Alameda plant, on the east side of San Francisco Bay, to occupy 125 acres and cost \$20,000,000, with ways large enough for superdreadnoughts. It is said that one-half of the new orders in the United States are from Norwegians and are distributed among the Portland, Seattle, and San Francisco shipyards. Besides ordering new vessels the Norwegians are buying interests in previously formed companies and are said to have already obtained control of two on this coast.

Building permits for October, 1916, for 17 leading cities in this district show a 37 per cent increase over October, 1915, with the largest gains in Seattle and Los Angeles. Clearings for the same cities for October this year also show 37 per cent increase, Salt Lake City showing the largest increase with 63 per cent and Seattle second with 53 per cent. Clearings for the 17 cities in the first 10 months of 1916 aggregate \$6,268,000,000, a 25 per cent increase over the same period in 1915.

The figures for the semiannual weighing of parcel-post mail handled at the San Francisco post office for 15 days in October show an increase of 40 per cent over the same period last year.

DISTRIBUTION OF DISCOUNTED PAPER BY CLASSES, MATURITIES, AND SIZES.

Commercial paper discounted by the Federal Reserve Banks during October, 1916, aggregated \$11,862,900, compared with \$14,308,700 discounted in September, 1916, and \$15,050,800 in October, 1915. Of the total amount of paper discounted during October and the preceding month the share of the 3 southern banks is 46.2 per cent as against 60 per cent in October the year before. The New York bank for the first time during the present year reports monthly discounts in excess of 1 million dollars, largely the result of rediscounting in some volume by two New York City banks. Over one-quarter of the October discounts is credited to the Atlanta bank, which reports over 1½ million of cotton paper discounted at the 3 per cent rate. The October discounts of the Dallas bank show a considerable decrease as compared with the totals for the preceding months, and were only about one-third of the October, 1915, total. Discounts of the Federal Reserve Banks for the 10 months of the present year totaled \$126,250,100, compared with \$127,671,300 in 1915.

Total discounts for the month include \$2,284,900 of advances to 9 member banks upon their own notes secured by discounted paper or United States bonds and notes, also \$2,921,000 of commodity paper and \$383,200 of trade acceptances (two-name paper). The aggregate of these 3 classes of paper discounted at special, lower than ordinary, rates constitutes over 47 per cent of the total discounts for the month.

Nearly all the discounts of commodity paper are reported by the Atlanta, Richmond, and St. Louis banks, Atlanta alone being credited with over 50 per cent of the total. The monthly total is about 78 per cent larger than in September, 1916, and about 42 per cent in excess of the October, 1915, total. Discounts of commodity paper for the present calendar year totaled \$14,949,500, of which over 87 per cent was handled by the Richmond and Atlan-

ta Federal Reserve Banks. October discounts of trade acceptances (two-name paper)—\$383,200—while larger than the average for the preceding 9 months, were about \$200,000 less than in September and almost 40 per cent below the corresponding total for October, 1915. During the 10 months ending October of the present year the total of two-name paper discounted by the Federal Reserve Banks was \$3,199,300, the Richmond, Atlanta, and St. Louis banks together reporting over 75 per cent of the total for the period.

The total number of bills discounted during October, 3,950, is the smallest monthly total reported during the present year. Inversely the average size of the paper discounted during the month, about \$3,000, is the largest monthly average for the present year, and exceeds by 85 per cent the October, 1915, average. Nearly 45 per cent of the total paper is made up of the largest size bills, in denominations of over \$10,000, as against only 12 per cent shown for October, 1915, while the share in the monthly total of medium-size notes, i. e., in denominations of over \$1,000 to \$5,000, is over 30 per cent, as against 40 per cent in September, 1916, and 54 per cent in October of the past year. Small notes (in amounts up to \$250) constituted about 13 per cent of the total number and less than 1 per cent of the amount of bills discounted during the month.

About 5.8 per cent of the October discounts was 10-day paper, i. e., maturing within 10 days from the date of discount by the Federal Reserve Bank; 31.2 per cent 30-day paper; 29.5 per cent 60-day paper; and 26.3 per cent 90-day paper. The amount of discounted 6-month paper, i. e., agricultural and live-stock paper maturing after 90 days from date of discount by the Federal Reserve Bank, was \$851,500, the Chicago bank reporting the largest total of this class of paper.

On the last Friday of the month the banks held a total of \$21,061,700 of discounted paper, compared with \$25,953,000 about a month before and \$30,448,000 on the corresponding date in 1915. About 47 per cent of the total represents the holdings of the 3 southern banks,

as against 60 per cent about the end of September and over 64 per cent on the nearest date in the past year.

Of the 7,626 member banks reported at the end of the month, only 383, or slightly over 5 per cent, availed themselves of discount privileges during the month. The largest number,

92, is shown for the Chicago district, the total being made up of smaller banks in agricultural communities accommodated through the discount of farmers' paper. The number of rediscounting banks in the 3 southern districts was 159, compared with 213 reported the month before and 389 in October of the past year.

Commercial paper rediscounted by each of the Federal Reserve Banks during the month of October, 1916, distributed by sizes.

NUMBER OF PIECES AND AMOUNTS.

[In thousands of dollars.]

Banks.	To \$100.		Over \$100 to \$250.		Over \$250 to \$500.		Over \$500 to \$1,000.		Over \$1,000 to \$2,500.		Over \$2,500 to \$5,000.		Over \$5,000 to \$10,000.		Over \$10,000.		Total.		Per cent.		Average amount of bill discounted.
	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	
Boston.....	3	0.2	11	1.5	11	5.0	6	4.3	10	18.5	14	61.7	2	14.3	5	334.5	62	440.0	1.6	3.7	\$7,090
New York.....	1	.1	4	.9	11	4.9	29	25.7	62	107.7	38	158.9	14	132.0	17	604.9	176	1,035.1	4.5	8.7	5,900
Philadelphia.....	.....	.....	20	3.1	12	4.0	10	8.3	21	38.4	9	33.5	.....	.....	2	220.0	74	307.3	1.9	2.6	4,000
Cleveland.....	21	1.5	21	3.3	16	6.2	31	22.8	48	84.3	14	47.7	4	33.4	1	10.4	156	209.6	3.9	1.8	1,340
Richmond.....	28	2.7	108	20.8	241	96.6	162	128.7	192	328.9	93	370.3	38	271.5	19	451.8	881	1,671.3	22.3	14.0	1,890
Atlanta.....	23	2.2	59	11.2	106	45.3	138	115.4	153	261.0	96	366.8	38	301.0	44	1,920.1	657	3,023.0	16.6	25.5	4,600
Chicago.....	22	2.0	93	17.2	231	92.6	245	198.4	286	474.6	116	418.5	17	128.1	2	66.6	1,012	1,398.0	25.6	11.8	1,380
St. Louis.....	.....	.....	9	1.5	10	4.2	23	20.0	44	75.9	38	164.9	89	684.0	18	366.6	231	1,317.1	5.8	11.1	5,700
Minneapolis.....	1	.1	19	3.3	40	14.9	72	51.4	80	126.0	33	115.7	9	47.8	5	948.2	259	1,307.4	6.6	11.0	5,050
Kansas City.....	7	.6	19	3.3	34	12.8	40	29.7	51	79.4	25	84.3	5	32.3	1	11.1	182	253.5	4.6	2.1	1,390
Dallas.....	2	.1	11	2.0	13	4.9	29	19.5	49	81.6	43	156.6	25	172.8	14	345.8	186	783.3	4.7	6.7	4,210
San Francisco.....	.....	.....	18	3.0	15	4.8	16	9.3	10	15.1	4	18.1	11	67.0	.....	.....	74	117.3	1.9	1.0	1,580
Total.....	108	9.5	392	71.1	740	296.2	801	633.5	1,006	1,691.4	523	1,997.0	252	1,884.2	128	5,280.0	3,950	11,862.9	100.0	100.0	3,000

PERCENTAGES OF AMOUNTS OF EACH CLASS TO TOTAL.

Banks.	To \$100.	Over \$100 to \$250.	Over \$250 to \$500.	Over \$500 to \$1,000.	Over \$1,000 to \$2,500.	Over \$2,500 to \$5,000.	Over \$5,000 to \$10,000.	Over \$10,000.	Total.
Boston.....	0.3	1.3	1.1	4.2	14.0	3.2	75.9	100.0
New York.....1	1.5	2.5	10.3	15.4	12.8	58.4	100.0
Philadelphia.....	1.0	1.3	2.7	10.9	.....	71.6	100.0
Cleveland.....	0.7	1.6	3.0	10.9	40.2	.....	4.9	100.0
Richmond.....2	1.2	5.8	7.7	19.7	22.2	27.0	100.0
Atlanta.....1	1.2	1.3	3.8	8.7	12.1	63.8	100.0
Chicago.....1	1.2	6.7	14.2	34.0	29.9	27.8	100.0
St. Louis.....1	.3	1.5	5.8	12.6	27.3	100.0
Minneapolis.....1	.2	1.0	4.0	9.7	8.8	72.5	100.0
Kansas City.....2	1.3	5.0	11.7	31.3	33.3	4.4	100.0
Dallas.....3	.6	2.5	10.4	20.0	44.2	100.0
San Francisco.....	2.6	4.1	7.9	12.9	15.4	57.1	100.0
Total.....6	2.6	5.3	14.2	16.8	16.0	44.5	100.0

Commercial paper discounted during October by each of the Federal Reserve Banks, distributed by States, and maturities as of date of discount.

[In thousands of dollars.]

Districts and States.	Number of member banks.	Number of banks accommodated.	Paper maturing--					Total commercial paper discounted.
			Within 10 days.	After 10 but within 30 days.	After 30 but within 60 days.	After 60 but within 90 days.	After 90 days.	
District No. 1—Boston:								
Connecticut.....	56							
Maine.....	67							
Massachusetts.....	158	3	74.1	12.2	7.2	7.1		100.6
New Hampshire.....	56							
Rhode Island.....	17	2	300.0					300.0
Vermont.....	48	3		39.4				39.4
Total.....	402	8	374.1	51.6	7.2	7.1		440.0
District No. 2—New York:								
Connecticut.....	15	1			11.9	19.9		31.8
New Jersey.....	129	2	1.6	28.5				30.1
New York.....	482	8	29.0	428.2	505.8	9.0	1.2	973.2
Total.....	626	11	30.6	456.7	517.7	28.9	1.2	1,035.1
District No. 3—Philadelphia:								
Delaware.....	24							
New Jersey.....	72	4	29.4	31.8	17.0	5.5		83.7
Pennsylvania.....	535	5	.8	205.0	7.2	10.6		223.6
Total.....	631	9	30.2	236.8	24.2	16.1		307.3
District No. 4—Cleveland:								
Kentucky.....	69	3		19.5	29.7	35.9	10.7	95.8
Ohio.....	374	11	8.3	47.3	20.2	30.9	7.1	113.8
Pennsylvania.....	299							
West Virginia.....	13							
Total.....	755	14	8.3	66.8	49.9	66.8	17.8	209.6
District No. 5—Richmond:								
District of Columbia.....	15	1			23.3	64.2		87.5
Maryland.....	96	4			4.8	25.7		30.5
North Carolina.....	81	21	37.0	135.9	169.4	415.4	1.5	759.2
South Carolina.....	79	20	2.2	166.1	122.2	206.7	5.8	503.0
Virginia.....	145	13	50.0	105.5	47.1	53.6	2.4	258.6
West Virginia.....	104	3		7.5	4.5	20.5		32.5
Total.....	520	62	39.2	415.0	371.3	786.1	9.7	1,671.3
District No. 6—Atlanta:								
Alabama.....	93	18	66.5	94.5	119.2	240.7	9.5	531.0
Florida.....	55	15		14.2	112.8	102.9	4.4	234.3
Georgia.....	110	14	7.5	11.6	101.2	177.6		297.9
Louisiana.....	21	5		901.6	604.7	138.0	2.0	1,646.3
Mississippi.....	18	2		75.9	20.9	4.8		101.6
Tennessee.....	92	14	5.0	24.8	94.4	76.9	10.8	211.9
Total.....	389	68	79.0	1,123.2	1,053.2	740.9	26.7	3,023.0
District No. 7—Chicago:								
Illinois.....	317	16	10.0	69.1	74.9	47.9	61.2	263.1
Indiana.....	196	12	1.6	63.0	37.4	17.0	31.9	150.9
Iowa.....	354	60	14.8	90.6	236.8	299.8	299.9	941.9
Michigan.....	76	3		1.6	11.2	18.6	.7	32.1
Wisconsin.....	51	1			5.2	2.8	2.0	10.0
Total.....	994	92	26.4	224.3	365.5	386.1	395.7	1,398.0
District No. 8—St. Louis:								
Arkansas.....	67	2	1.4		4.4			5.8
Illinois.....	157	8	.4	2.1	5.8	28.5	1.6	38.4
Indiana.....	61	3		.4	51.0	82.8		134.2
Kentucky.....	67	2			3.3	6.5		9.8
Mississippi.....	18	3		.7	6.0	74.5		81.2
Missouri.....	80	6		1.3	18.9	19.8	6.2	46.2
Tennessee.....	20	4		272.0	269.0	460.5		1,001.5
Total.....	470	28	1.8	276.5	358.4	672.6	7.8	1,317.1

Commercial paper discounted during October by each of the Federal Reserve Banks, distributed by States, and maturities as of date of discount—Continued.

[In thousands of dollars.]

Districts and States.	Number of member banks.	Number of banks accommodated.	Paper maturing—					Total commercial paper discounted.
			Within 10 days.	After 10 but within 30 days.	After 30 but within 60 days.	After 60 but within 90 days.	After 90 days.	
District No. 9—Minneapolis:								
Michigan.....	32							
Minnesota.....	285	21		537.0	532.5	68.5	98.0	1,236.0
Montana.....	75							
North Dakota.....	155	4		15.3	9.1	1.7	6.3	32.4
South Dakota.....	125	5			3.4	22.6	13.0	39.0
Wisconsin.....	88							
Total.....	760	30		552.3	545.0	92.8	117.3	1,367.4
District No. 10—Kansas City:								
Colorado.....	121	1		.4	3.3	2.1	3.1	8.9
Kansas.....	222	4			22.7	3.0	20.8	46.5
Missouri.....	54	3			3.2	4.3	8.6	16.1
Nebraska.....	194	12		2.5	14.3	49.4	61.1	127.3
New Mexico.....	9	3		11.1		9.2	14.6	34.9
Oklahoma.....	302	3		2.6	.8	1.5	14.9	19.8
Wyoming.....	36							
Total.....	938	26		16.6	44.3	69.5	123.1	253.5
District No. 11—Dallas:								
Arizona.....	6							
Louisiana.....	11	1		5.3				5.3
New Mexico.....	28	5		104.8	11.7	112.3	16.6	245.4
Oklahoma.....	33	2	40.0	21.4	10.5	11.2	7.2	90.3
Texas.....	543	21		115.4	130.3	81.4	115.2	342.3
Total.....	621	29	40.0	246.9	152.5	204.9	139.0	783.3
District No. 12—San Francisco:								
Alaska.....	.1							
Arizona.....	7							
California.....	261	5	8.2	34.2	12.3	49.4	6.2	110.3
Idaho.....	58	1					7.0	7.0
Nevada.....	10							
Oregon.....	82							
Utah.....	23							
Washington.....	78							
Total.....	520	6	8.2	34.2	12.3	49.4	13.2	117.3

RECAPITULATION.

[In thousands of dollars.]

Districts and cities.	Number of member banks.	Number of banks accommodated.	Paper maturing—					Total commercial paper discounted.	Per cent.
			Within 10 days.	After 10 but within 30 days.	After 30 but within 60 days.	After 60 but within 90 days.	After 90 days.		
No. 1—Boston.....	402	8	374.1	51.6	7.2	7.1	440.0	3.7	
No. 2—New York.....	626	11	30.6	456.7	517.7	28.9	1,035.1	8.7	
No. 3—Philadelphia.....	631	9	30.2	236.8	24.2	16.1	307.3	2.6	
No. 4—Cleveland.....	755	14	8.3	66.8	49.9	66.8	209.6	1.8	
No. 5—Richmond.....	520	62	89.2	415.0	371.3	786.1	1,671.3	14.0	
No. 6—Atlanta.....	389	68	79.0	1,122.2	1,054.2	740.9	3,023.0	25.5	
No. 7—Chicago.....	994	92	26.4	224.3	365.5	386.1	1,398.0	11.8	
No. 8—St. Louis.....	470	28	1.8	276.5	358.4	672.6	1,317.1	11.1	
No. 9—Minneapolis.....	760	30		552.3	545.0	92.8	1,307.4	11.0	
No. 10—Kansas City.....	938	26		16.6	44.3	69.5	253.5	2.1	
No. 11—Dallas.....	621	29	40.0	246.9	152.5	204.9	783.3	6.7	
No. 12—San Francisco.....	520	6	8.2	34.2	12.3	49.4	117.3	1.0	
Total for October.....	7,626	383	687.8	3,699.9	3,502.5	3,121.2	11,862.9	100.0	
Per cent.....			5.8	31.2	29.5	26.3	7.2	100.0	
Total for January–October, 1916.....			15,220.2	28,775.4	30,056.7	36,709.0	15,488.8		
Total for January–October, 1915.....			20,952.7	46,523.8	45,270.5	14,924.3	127,671.3		

Trade acceptances discounted by each Federal Reserve Bank from Sept. 2, 1915, date of first discount, to Oct. 31, 1916.

Federal Reserve Bank.	Total to Dec. 31, 1915.	October, 1916.	Total for first 10 months in 1916.	Federal Reserve Bank.	Total to Dec. 31, 1915.	October, 1916.	Total for first 10 months in 1916.
Boston.....		\$14,300	\$49,900	St. Louis.....	\$167,800	\$75,500	\$516,800
New York.....	\$5,700		5,600	Minneapolis.....			600
Philadelphia.....		800	65,600	Kansas City.....	87,800		190,900
Cleveland.....	4,900	29,900	170,100	Dallas.....	160,800	70,800	245,900
Richmond.....	450,500	147,000	1,134,400	San Francisco.....	74,200	7,200	39,300
Atlanta (including New Orleans branch).....	1,007,100	37,700	769,000	Total.....	1,958,800	383,200	3,199,300
Chicago.....			8,200				

Commodity paper discounted by each Federal Reserve Bank from Sept. 8, 1915, date of first discount, to Oct. 31, 1916.

Federal Reserve Bank.	Total to Dec. 31, 1915.	October, 1916.	Total for first 10 months in 1916.	Federal Reserve Bank.	Total to Dec. 31, 1915.	October, 1916.	Total for first 10 months in 1916.
Richmond.....	\$2,881,400	\$370,200	\$6,445,400	Kansas City.....			\$360,000
Atlanta (including New Orleans branch).....	7,032,300	1,560,600	6,567,500	Dallas.....	\$239,100		225,200
St. Louis.....	99,800	972,500	1,219,000	San Francisco.....	37,200	\$17,800	112,600
Minneapolis.....	25,300		19,800	Total.....	10,315,100	2,921,100	14,949,500

Commodity paper discounted by each Federal Reserve Bank during the ten months ending Oct. 31, 1916, distributed by classes.

Class.	Richmond.	Atlanta (including New Orleans branch).	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Beans.....		\$500						\$500
Bran.....		6,800						6,800
Coffee.....		125,000						125,000
Cotton.....	\$6,399,700	5,391,800	\$1,074,000			\$218,200	\$300	13,084,000
Flax.....				\$3,000				3,000
Flour.....		140,000						140,000
Hay.....		400						400
Hops.....		2,900				7,000	64,200	64,200
Maize.....		29,200					1,000	30,200
Oats.....					\$360,000			360,000
Oil.....								47,100
Peanuts.....	41,100	6,000						5,000
Prunes.....							5,000	7,600
Raisins.....							7,600	10,500
Wheat.....		858,800		16,800				856,100
Miscellaneous.....	4,600	6,100	145,000				24,000	179,700
Total.....	6,445,400	6,567,500	1,219,000	19,800	360,000	225,200	112,600	14,949,500

Member banks' collateral notes discounted by each Federal Reserve Bank since Sept. 11, 1916, date when first special rate became effective, to Oct. 31, 1916.

Federal Reserve Bank.	October, 1916.	Total September-October, 1916.	Federal Reserve Bank.	October, 1916.	Total September-October, 1916.
Boston.....	\$315,000	\$315,000	Chicago.....	\$92,400	\$92,400
New York.....	125,000	125,000	St. Louis.....		200,000
Philadelphia.....	220,000	245,000	Minneapolis.....	500,000	500,000
Cleveland.....	20,000	370,000	Dallas.....	135,000	220,000
Richmond.....	416,000	876,000	Total.....	2,284,900	3,545,750
Atlanta (including New Orleans branch).....	461,500	602,350			

Amounts of discounts of commercial paper held by each Federal Reserve Bank on Oct. 27, 1916, distributed by maturities.

Federal Reserve Bank.	Paper maturing—					Total.	Per cent.
	Within 10 days.	After 10 but within 30 days.	After 30 but within 60 days.	After 60 but within 90 days.	After 90 days.		
Boston.....	\$204,300	\$134,200	\$74,800	\$7,400	.....	\$470,700	2.2
New York.....	171,300	513,500	404,300	3,200	.....	1,092,300	5.2
Philadelphia.....	248,600	43,100	50,300	12,300	\$2,900	357,200	1.7
Cleveland.....	91,400	102,100	103,400	52,700	5,300	354,900	1.7
Richmond.....	1,081,100	975,400	1,080,800	613,300	7,700	3,758,300	17.8
Atlanta.....	713,300	765,300	978,600	518,900	19,800	2,995,900	14.2
Chicago.....	407,700	447,900	1,087,100	527,500	520,900	2,941,100	14.0
St. Louis.....	423,800	354,300	967,100	624,100	27,700	2,397,000	11.4
Minneapolis.....	392,400	1,148,200	576,000	239,900	176,500	2,537,000	12.0
Kansas City.....	107,500	128,500	250,900	141,900	169,300	798,100	3.8
Dallas.....	705,300	801,800	809,600	543,000	268,700	3,128,400	14.9
San Francisco.....	33,300	55,100	72,800	60,600	13,000	234,800	1.1
Total.....	4,580,000	5,519,400	6,405,700	3,344,800	1,211,800	21,061,700	100.0
Per cent.....	21.7	26.2	30.4	15.9	5.8	.....	100.0
Amounts held on Oct. 29, 1915.....	6,179.4	7,312.2	9,981.1	4,872.4	2,102.9	30,448.0	100.0
Per cent.....	20.3	24.0	32.8	16.0	6.9	.....	100.0

ACCEPTANCES.

Acceptances bought in open market and held by Federal Reserve Banks as per schedules on file on dates specified, distributed by classes of accepting institutions.
[In thousands of dollars.]

Date.	Bankers' acceptances.					Trade acceptances bought in open market.	Total acceptances.	Date.	Bankers' acceptances.					Trade acceptances bought in open market.	Total acceptances.
	Member banks.	Nonmember banks.			Total.				Member banks.	Nonmember banks.			Total.		
		Trust companies.	State banks.	Private banks.						Trust companies.	State banks.	Private banks.			
1915.								1916.							
Feb. 22	93				93		93	May 8	25,058	15,750	671	3,493	44,972	1,518	46,490
Apr. 5	3,653	7,820	10	110	11,593		11,593	May 15	26,633	15,372	773	4,960	47,738	1,635	49,373
May 3	5,038	8,180	10	110	13,347		13,347	May 22	26,630	16,400	600	6,038	49,857	2,006	51,863
June 7	5,242	4,516	10	192	9,960		9,960	May 29	26,104	16,541	690	5,895	49,230	2,037	51,267
July 3	4,342	5,267		161	9,770		9,770	June 5	24,680	17,029	644	7,007	49,360	2,208	51,568
Aug. 2	5,350	5,407	20	352	11,129		11,129	June 12	27,354	19,209	622	7,865	55,050	2,310	57,360
Sept. 6	6,087	6,305	20	472	12,884		12,884	June 19	32,011	19,490	560	9,067	61,128	2,054	63,182
Oct. 4	9,000	4,898	132	343	14,373		14,373	June 26	33,155	18,722	552	11,009	63,438	1,958	65,396
Nov. 1	8,477	4,331	253	204	13,265		13,265	July 3	32,989	18,921	471	11,830	64,211	3,422	67,633
Dec. 6	12,311	5,172	275	396	18,154		18,154	July 10	34,144	20,201	620	11,827	66,792	3,052	69,844
1916.								1916.							
Jan. 3	15,494	7,160	362	822	23,838		23,838	July 17	40,497	22,309	593	13,193	76,592	3,685	80,277
Jan. 10	16,492	8,057	370	938	25,857		25,857	July 24	41,514	22,327	610	12,977	77,423	3,651	81,074
Jan. 17	16,908	7,655	425	1,010	25,998	180	26,178	July 31	41,395	21,437	724	13,619	77,175	3,722	80,897
Jan. 24	16,348	8,070	363	1,441	26,222	180	26,402	Aug. 7	39,695	19,060	738	13,940	78,493	4,225	82,718
Feb. 7	15,834	8,174	356	1,510	25,874	180	26,054	Aug. 14	41,536	18,144	754	13,443	78,877	4,387	83,264
Feb. 14	15,681	7,876	336	1,456	25,349	489	25,838	Aug. 21	43,058	19,849	786	12,623	76,266	3,748	80,014
Feb. 21	17,581	7,985	347	1,851	27,764	528	28,292	Sept. 4	43,001	20,716	734	12,673	77,184	3,815	81,000
Feb. 28	17,436	8,755	408	1,841	28,088	460	28,548	Sept. 11	41,413	20,356	726	12,491	74,986	3,673	78,659
Mar. 6	17,182	8,670	408	1,841	28,440	460	28,900	Sept. 18	39,766	20,747	760	11,531	72,847	2,676	75,523
Mar. 13	20,323	10,032	470	1,631	32,456	546	33,002	Sept. 25	42,533	22,105	743	11,443	76,824	2,673	79,497
Mar. 20	20,163	11,280	408	2,467	34,718	678	35,396	Oct. 2	40,309	22,636	711	10,795	74,451	2,796	77,247
Mar. 27	21,128	12,864	411	3,078	37,481	629	38,110	Oct. 9	37,798	21,782	712	9,944	70,239	2,306	72,545
Apr. 3	21,000	13,573	473	3,262	38,308	722	39,030	Oct. 16	36,957	23,195	705	10,251	71,108	2,048	73,156
Apr. 10	22,239	14,864	476	3,405	40,984	874	41,858	Oct. 23	37,655	23,684	784	10,230	72,353	1,897	74,250
Apr. 17	22,135	15,028	564	3,442	41,169	1,321	42,490	Oct. 30	39,694	26,281	867	10,718	77,560	1,723	79,283
Apr. 24	23,566	15,196	584	3,504	42,850	1,438	44,288	Nov. 6	37,993	27,951	733	11,829	78,506	2,468	80,974
May 1	24,875	15,400	585	3,430	44,290	1,477	45,767	Nov. 13	37,770	29,474	1,014	12,147	80,405	2,378	82,783
								Nov. 20	39,494	28,434	1,833	12,802	82,113	3,425	85,538
								Nov. 27	43,173	31,237	1,670	13,864	89,934	3,721	93,655
									46,118	32,527	1,704	14,636	94,985	3,979	98,964

Amounts of acceptances held by each Federal Reserve Bank at close of business on Fridays, Oct. 27 to Nov. 24, 1916, distributed by maturities.
[In thousands of dollars.]

Acceptances maturing—	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Within 10 days:													
Oct. 27	678	3,184	1,836	1,304	225	276	812	1,404	551	579		1,364	12,213
Nov. 3	1,649	1,973	1,726	649	238	255	521	549	413	466		378	8,817
Nov. 10	2,511	1,446	508	389		340	907	169	81	155		384	6,850
Nov. 17	1,199	1,465	971	488	481	198	954	459	273	93		581	7,162
Nov. 24	2,587	3,110	1,553	1,051		625	609	359	471	227	6	1,169	11,767
From 11 to 30 days:													
Oct. 27	3,635	3,310	1,990	907	719	669	1,388	611	423	344		802	14,943
Nov. 3	3,898	4,058	2,107	1,392	481	736	1,501	735	501	222	6	1,445	17,080
Nov. 10	3,646	4,865	2,697	1,673	481	528	933	778	622	302		1,718	18,432
Nov. 17	4,694	5,964	3,593	2,175		1,083	1,263	1,266	574	277	189	339	1,873
Nov. 24	2,493	5,554	4,004	1,628	247	949	1,313	1,585	454	271	352	2,404	21,254
From 31 to 60 days:													
Oct. 27	4,297	8,280	5,262	2,747	372	1,602	2,461	2,082	1,154	639	356	3,404	32,656
Nov. 3	2,707	9,562	5,493	2,825	652	1,880	2,725	2,559	1,198	593	377	4,325	34,896
Nov. 10	4,106	11,012	5,570	2,808	742	2,035	3,100	2,787	1,240	840	198	4,897	39,265
Nov. 17	3,305	13,500	5,877	2,359	678	2,052	2,651	2,109	1,349	994	162	4,921	40,027
Nov. 24	3,887	15,661	5,528	3,040	651	2,190	3,187	2,262	1,655	1,014	446	6,026	45,547
From 61 days to 3 months:													
Oct. 27	1,800	9,771	3,329	1,854	510	1,260	1,804	1,107	910	651	354	2,834	26,274
Nov. 3	1,828	10,382	2,336	1,346	230	1,575	1,416	950	627	613	344	2,642	24,250
Nov. 10	3,239	11,003	2,232	1,334	285	1,543	1,176	820	576	370	449	3,160	26,366
Nov. 17	4,086	11,119	2,134	1,517	215	1,520	1,340	1,021	677	399	547	3,084	27,549
Nov. 24	4,372	9,971	2,223	1,174	66	1,229	1,023	800	519	301	312	1,535	28,524
Total acceptances held:													
Oct. 27	10,410	24,545	12,417	6,812	1,826	3,807	6,460	5,444	3,038	2,213	710	8,404	86,086
Nov. 3	10,080	25,975	11,662	6,212	1,601	4,446	6,163	4,793	2,739	1,894	727	8,790	85,082
Nov. 10	13,662	28,326	11,007	6,204	1,498	4,446	6,110	4,564	2,529	1,667	836	10,118	90,913
Nov. 17	13,284	32,048	12,575	6,539	1,444	4,808	6,208	4,855	2,873	1,708	1,048	10,409	97,789
Nov. 24	13,339	34,296	13,308	6,893	968	4,993	6,132	5,006	3,099	1,813	1,116	11,134	102,092

Distribution by maturities of acceptances bought in open market by each Federal Reserve Bank during the calendar year 1915, and the first 10 months of 1916.

[In thousands of dollars.]

Acceptances maturing—	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta (including New Orleans branch).	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total for system.
Within 30 days:													
Calendar year, 1915.....	497	1,246	695	101	.....	7	156	103	45	69	.....	61	2,980
6 months ending June, 1916.....	350	4,728	4,552	322	579	270	133	.....	21	9	50	539	11,553
July, 1916.....	2,038	754	402	905	.....	480	71	3	.....	.....	.....	152	4,805
August, 1916.....	191	1,477	983	41	400	.....	.....	10	.....	149	.....	468	3,719
September, 1916.....	163	317	634	20	1,781	617	300	.....	31	28	227	.....	4,118
October, 1916.....	.....	155	231	.....	.....	253	.....	.....	.....	57	.....	21	717
Total for 10 months, 1916.....	704	8,715	7,154	785	3,665	1,140	913	71	65	94	426	1,180	24,912
After 30 but within 60 days:													
Calendar year, 1915.....	2,137	2,377	1,464	746	.....	19	816	374	191	183	.....	750	9,057
6 months ending June, 1916.....	1,433	5,063	4,016	1,267	961	261	1,840	1,151	630	459	.....	2,299	19,880
July, 1916.....	4	1,169	739	406	62	8	849	294	69	.....	.....	619	4,219
August, 1916.....	87	1,101	609	855	46	250	362	382	216	311	.....	759	4,978
September, 1916.....	723	1,227	1,934	489	749	339	871	887	299	187	.....	474	8,179
October, 1916.....	100	1,233	1,750	846	375	90	148	441	333	138	358	1,009	6,826
Total for 10 months, 1916.....	2,347	9,793	9,048	3,863	2,193	948	4,070	3,155	1,552	1,095	358	5,160	43,582
After 60 days, but within 3 months:													
Calendar year, 1915.....	11,471	22,211	5,406	2,116	250	46	4,810	1,324	1,219	1,536	.....	2,419	52,898
6 months ending June, 1916.....	24,049	34,435	10,959	5,472	.....	2,126	5,389	4,321	2,500	1,635	.....	5,847	96,733
July, 1916.....	1,391	11,161	3,556	2,855	238	404	1,948	2,036	1,262	.....	.....	2,628	27,479
August, 1916.....	4,062	5,508	2,069	1,257	.....	666	1,390	1,335	827	787	500	1,349	19,750
September, 1916.....	3,787	6,940	4,023	2,278	297	1,190	1,696	1,561	702	248	.....	2,068	24,790
October, 1916.....	2,180	10,405	3,981	2,344	585	1,977	2,772	1,781	1,035	942	368	4,881	33,351
Total for 10 months, 1916.....	35,469	68,449	24,588	14,206	1,120	6,363	13,195	11,034	6,326	3,612	868	16,873	202,103
Total acceptances bought:													
Calendar year, 1915.....	14,105	25,834	7,565	2,963	250	72	5,782	1,801	1,455	1,788	.....	3,230	64,845
6 months ending June, 1916.....	25,832	44,226	19,527	7,061	1,540	2,657	7,362	5,472	3,151	2,108	50	8,085	127,666
July, 1916.....	1,395	14,368	5,049	3,863	1,205	412	3,277	2,401	1,334	.....	.....	3,399	36,503
August, 1916.....	4,340	8,086	3,661	2,153	446	916	1,752	1,717	1,053	1,098	649	2,576	28,447
September, 1916.....	4,873	3,484	6,581	2,787	2,827	2,146	2,867	2,448	1,032	463	227	2,542	37,087
October, 1916.....	2,280	11,793	5,962	3,190	960	2,320	2,920	2,222	1,373	1,137	726	6,011	40,594
Total for 10 months, 1916.....	38,520	86,957	40,790	18,854	6,978	8,451	18,178	14,260	7,943	4,801	1,652	23,213	270,597

Amount of short-term investments (municipal warrants) held by each Federal Reserve Bank at close of business on Fridays, Oct. 27 to Nov. 24, distributed by maturities.

[In thousands of dollars.]

Warrants maturing—	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta (including New Orleans).	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Within 10 days:													
Oct. 27.....	1,717	1,665	1,281	1,435	.....	.....	1,076	419	322	172	.....	548	8,685
Nov. 3.....	889	.....	465	811	.....	3	590	235	251	75	25	192	3,536
Nov. 10.....	387	471	327	894	.....	.....	407	377	122	151	.....	127	3,263
Nov. 17.....	75	751	59	1,781	.....	.....	186	.....	.....	50	.....	151	2,994
Nov. 24.....	310	5,187	221	1,780	.....	5	778	96	623	.....	.....	141	9,141
From 11 to 30 days:													
Oct. 27.....	1,000	1,332	583	365	.....	2	607	412	146	151	.....	420	5,018
Nov. 3.....	662	3,904	427	1,413	.....	5	1,139	343	658	152	.....	328	9,081
Nov. 10.....	375	3,238	1,011	1,281	.....	5	1,278	96	648	111	.....	1,242	9,285
Nov. 17.....	467	2,812	1,128	220	.....	5	1,177	156	668	68	.....	1,166	7,687
Nov. 24.....	187	1,647	937	90	.....	5	540	60	45	220	.....	1,075	4,806
From 31 to 60 days:													
Oct. 27.....	507	3,357	1,142	1,220	.....	10	1,303	156	668	220	.....	1,216	9,799
Nov. 3.....	276	2,370	1,196	141	.....	5	1,132	243	183	220	.....	1,320	7,086
Nov. 10.....	276	983	457	40	.....	5	676	213	122	160	.....	279	3,211
Nov. 17.....	129	858	340	685	.....	5	646	357	102	152	.....	398	3,672
Nov. 24.....	216	723	354	695	.....	.....	571	357	112	15	.....	498	3,541
From 61 to 90 days:													
Oct. 27.....	256	713	218	685	.....	.....	571	358	102	.....	.....	498	3,401
Nov. 3.....	177	77	26	736	51	.....	67	255	38	12	25	336	1,800
Nov. 10.....	277	152	26	736	61	278	67	258	38	12	25	336	2,263
Nov. 17.....	302	367	76	76	61	277	82	76	90	38	27	167	1,689
Nov. 24.....	195	442	76	77	61	278	82	86	90	37	27	67	1,518
From 91 days to 6 months:													
Oct. 27.....	258	569	56	906	61	279	238	84	371	19	25	171	3,037
Nov. 3.....	258	492	56	867	10	279	181	34	358	6	.....	129	2,645
Nov. 10.....	479	492	57	877	.....	.....	181	34	355	36	50	129	2,668
Nov. 17.....	494	368	57	959	.....	2	181	34	355	36	50	129	2,623
Nov. 24.....	484	405	82	995	.....	118	486	34	358	36	50	129	3,157
Total municipal warrants held:													
Oct. 27.....	3,738	7,636	3,280	4,611	61	291	3,795	1,429	1,609	562	25	2,853	29,890
Nov. 3.....	2,262	6,843	2,170	3,968	61	291	3,109	1,110	1,463	465	50	2,305	24,097
Nov. 10.....	1,794	5,336	1,878	3,828	61	289	2,609	975	1,263	470	75	2,113	20,691
Nov. 17.....	1,467	4,956	1,651	3,671	61	289	2,252	623	1,193	344	77	2,011	18,595
Nov. 24.....	1,392	8,404	1,670	3,637	61	406	2,457	633	1,208	308	77	1,910	22,163

Distribution by sizes of acceptances bought in the open market by all the Federal Reserve Banks during the month of October, and for the first 10 months of 1916.

Acceptances bought in open market.	To \$5,000.		To \$10,000.		To \$25,000.		To \$50,000.		To \$100,000.		Over \$100,000.		Total.		Per cent
	Pieces.	Amount.	Pieces.	Amount.	Pieces.	Amount.	Pieces.	Amount.	Pieces.	Amount.	Pieces.	Amount.	Pieces.	Amount.	
October, 1916:															
Bankers' acceptances.	473	\$1,315,866	538	\$4,204,673	729	\$12,188,630	263	\$12,054,571	73	\$6,918,150	17	\$2,512,739	2,093	\$39,194,629	95.8
Trade acceptances.....	24	68,310	94	874,335	11	144,967	2	87,904	1	72,765	3	450,783	135	1,699,064	4.2
Total.....	497	1,384,176	632	5,079,008	740	12,333,597	265	12,142,475	74	6,990,915	20	2,963,522	2,228	40,893,693	100.0
Per cent.....		3.4		12.4		30.2		29.7		17.1		7.2			
Total acceptances bought during:															
September, 1916.....	524	1,304,439	445	3,517,940	660	11,194,706	165	6,835,609	78	6,836,652	37	7,197,162	1,909	37,086,508	
August, 1916.....	327	916,682	232	1,888,457	422	7,835,547	131	5,340,003	69	5,744,106	35	6,721,610	1,216	28,446,405	
July, 1916.....	526	1,633,337	495	4,026,432	809	12,830,111	185	7,662,059	68	5,065,021	29	5,286,683	2,112	36,503,643	
June, 1916.....	562	1,535,168	737	6,238,168	853	13,739,638	191	8,209,613	83	6,763,226	37	5,913,336	2,463	42,397,149	
May, 1916.....	335	1,012,891	219	1,755,224	312	5,960,425	108	3,262,880	62	5,698,417	23	4,221,630	1,059	21,911,467	
April, 1916.....	269	847,351	281	2,305,281	313	5,420,116	94	3,896,184	32	2,697,334	11	3,332,850	1,000	18,499,116	
March, 1916.....	288	941,908	234	1,983,554	356	6,578,432	109	4,539,671	62	5,095,263	22	3,779,223	1,071	22,918,051	
February, 1916.....	267	789,675	159	1,307,939	196	3,548,326	49	1,830,851	21	1,613,614	15	3,326,375	707	12,416,830	
January, 1916.....	194	546,959	220	1,720,758	217	4,113,726	47	1,857,477	17	1,284,593			695	9,523,513	
Total acceptances bought during 10 months ending October, 1916.....	3,789	11,110,586	3,654	29,822,811	4,878	83,554,624	1,344	55,576,822	566	47,789,141	229	42,742,391	14,460	270,596,375	

¹ Of the above total, bankers' acceptances totaling \$34,700,532 were based on imports and exports, and \$4,494,047 on domestic trade transactions.
² Of the above total, trade acceptances totaling \$156,947 were based upon domestic trade transactions, and \$1,542,117 were drawn abroad on importers in the United States and indorsed by foreign banks.

Total investment operations of each Federal Reserve Bank during the month of October, 1916, and for the 10 months ending October 31, 1916 and 1915.

[In thousands of dollars.]

Bank.	Bills discounted for member banks.	Bills bought in open market.			Municipal warrants bought.				United States bonds and Treasury notes.					Total investment operations.	
		Bankers' acceptances.	Trade acceptances.	Total.	City.	State.	All other.	Total.	2 per cent.	3 per cent.	4 per cent.	1-year notes.	Total.	1916	1915
Boston.....	440.0	2,279.8		2,279.8	170.0		10.0	180.0						2,899.8	2,166.7
New York.....	1,035.1	11,439.7	353.1	11,792.8	3,462.0		100.7	3,562.7				250.0	250.0	16,640.6	2,437.2
Philadelphia.....	307.3	5,748.6	213.1	5,961.7	1,100.3		100.0	1,200.3						7,469.3	1,098.2
Cleveland.....	209.6	3,181.7	7.6	3,189.3	2,269.3		3.1	2,272.4	2.0	2.06		4.06	5,875.36	1,226.6	
Richmond.....	1,671.3	960.0		960.0	50.8			50.8					2,682.1	3,260.2	
Atlanta.....	3,023.0	2,162.8	156.9	2,319.7			5.0	5.0					5,347.7	3,466.1	
Chicago.....	1,398.0	2,880.2	39.7	2,919.9	813.1	2.0	1.0	816.1					5,134.0	2,062.3	
St. Louis.....	1,317.1	2,221.9		2,221.9	125.0			125.0					3,664.0	1,951.6	
Minneapolis.....	1,307.4	1,372.9		1,372.9	527.0			527.0	3.0			3.0	3,210.3	934.3	
Kansas City.....	253.5	1,137.0		1,137.0	312.2			312.2					1,702.7	2,301.8	
Dallas.....	783.3	726.5		726.5	50.0			50.0					1,559.8	2,364.2	
San Francisco.....	117.3	5,083.5	1,928.6	6,012.1	1,150.6		15.4	1,166.0					7,295.4	671.8	
Total:															
Oct., 1916.....	11,862.9	39,194.6	1,699.0	40,893.6	10,030.3	2.0	235.2	10,267.5	2.0	5.06		250.0	257.06	63,281.06	
Oct., 1915.....	15,050.8	6,340.0		6,340.0				1,370.1	1,055.1	145.0			1,200.1		23,961.0
10 months ending Oct. 31, 1916.....	126,250.1	258,807.1	11,790.2	270,597.3	74,207.4	3,656.9	826.5	78,690.8	37,481.25	3,647.88	4,153.0	300.0	45,532.13	521,120.33	
10 months ending Oct. 31, 1915.....	127,671.3	44,136.0		44,136.0				53,647.5	7,911.85	2,463.3			10,377.15		235,831.95

Sales of United States bonds and 1-year Treasury notes during the month of October, 1916.

[In thousands of dollars.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
2 per cent bonds.....									25.0				25.0
3 per cent bonds.....	40.0	369.0	130.0	50.0	110.0		160.0	20.0	56.0			124.0	1,050.0
1-year Treasury notes.....				500.0									500.0
Total sales.....	40.0	369.0	130.0	550.0	110.0		160.0	20.0	81.0			124.0	1,575.0

FEDERAL RESERVE BANK STATEMENTS.

Resources and liabilities of each Federal Reserve Bank and of the Federal Reserve System at close of business on Fridays, Oct. 27 to Nov. 24, 1916.

RESOURCES.

[In thousands of dollars.]

	Bos- ton.	New York.	Phila- del- phia.	Cleve- land.	Rich- mond.	At- lanta.	Chi- cago.	St. Louis.	Minne- apolis.	Kan- sas City.	Dallas.	San Fran- cisco.	Total for system.
Gold coin and certificates in vaults:													
Oct. 27.....	9,764	164,189	19,443	15,736	4,395	4,183	26,396	5,003	5,937	4,101	3,582	11,272	274,001
Nov. 3.....	10,798	166,584	17,317	15,413	4,360	4,176	29,449	5,440	5,750	4,235	3,726	10,909	278,157
Nov. 10.....	11,421	157,476	15,474	15,741	4,364	4,166	27,928	6,215	6,266	4,179	4,086	8,581	265,897
Nov. 17.....	13,518	175,243	18,755	16,233	4,471	5,360	27,004	7,680	7,230	4,613	4,129	9,205	293,441
Nov. 24.....	13,696	161,552	17,690	16,144	4,500	5,420	27,808	8,366	7,354	4,660	4,182	12,358	283,730
Gold settlement fund:													
Oct. 27.....	15,225	13,758	1,891	11,953	18,615	2,455	22,658	6,281	4,954	11,617	10,344	2,836	122,587
Nov. 3.....	12,290	8,654	9,151	12,195	19,490	4,188	22,129	8,097	5,285	13,005	11,694	1,463	127,641
Nov. 10.....	8,038	10,076	13,869	16,455	19,632	797	23,777	8,967	7,377	12,870	13,918	3,795	139,571
Nov. 17.....	12,161	5,031	13,961	14,539	18,951	3,652	26,941	6,040	8,197	14,072	11,733	5,543	140,821
Nov. 24.....	18,380	6,680	15,537	19,798	22,289	5,767	30,230	4,778	8,988	19,465	14,308	8,581	174,801
Gold redemption fund:													
Oct. 27.....	5	250	50	69	212	220	200	70	30	117	158	10	1,391
Nov. 3.....		250	50	66	230	215	200	67	30	120	156	10	1,394
Nov. 10.....	5	250	50	64	223	206	200	55	30	115	160	10	1,368
Nov. 17.....	5	250	50	60	209	247	200	52	30	113	157	10	1,383
Nov. 24.....	5	250	50	58	203	269	200	51	30	121	157	10	1,404
Legal-tender notes, silver, etc.:													
Oct. 27.....	702	5,231	444	1,118	77	380	485	1,056	216	36	170	61	9,976
Nov. 3.....	424	1,893	398	1,130	48	348	974	1,097	207	51	231	83	6,884
Nov. 10.....	210	2,859	237	1,111	49	372	849	1,105	211	30	171	108	7,312
Nov. 17.....	159	12,328	311	1,074	72	341	649	1,155	207	51	163	70	16,580
Nov. 24.....	183	13,977	210	1,024	65	296	527	1,167	200	48	224	53	17,974
Total reserve:													
Oct. 27.....	25,696	183,428	21,828	28,876	23,299	7,238	49,739	12,410	11,137	15,371	14,254	14,179	407,955
Nov. 3.....	23,512	177,381	26,916	28,804	24,128	8,927	52,752	14,701	11,272	17,411	15,807	12,465	414,076
Nov. 10.....	19,674	170,661	29,630	33,371	24,268	5,541	52,754	16,342	13,884	17,194	18,335	12,494	414,148
Nov. 17.....	25,843	192,852	33,077	31,906	23,703	9,600	54,794	14,927	15,664	18,849	16,182	14,828	452,225
Nov. 24.....	32,264	182,459	33,487	37,024	27,057	11,752	58,765	14,362	16,572	24,294	18,871	21,002	477,909
Five per cent redemption fund— F. R. Bank notes:													
Oct. 27.....										370	50		420
Nov. 3.....										370	50		420
Nov. 10.....										370	80		450
Nov. 17.....										370	100		470
Nov. 24.....										370	100		470
Bills discounted—members:													
Oct. 27.....	471	1,092	357	355	3,758	3,020	2,942	2,397	2,533	798	3,173	235	21,131
Nov. 3.....	410	1,085	332	288	3,193	3,655	3,062	2,176	1,757	808	2,671	245	19,682
Nov. 10.....	1,517	1,071	516	233	2,983	3,449	3,003	1,974	1,346	779	2,190	269	19,380
Nov. 17.....	2,916	1,198	513	264	2,966	2,700	3,004	1,979	1,297	770	1,812	285	19,704
Nov. 24.....	2,783	972	1,095	245	2,695	2,713	3,874	2,336	1,288	769	1,389	342	20,501
Bills bought in open market:													
Oct. 27.....	10,410	24,545	12,417	6,812	1,826	3,807	6,460	5,444	3,038	2,213	710	8,403	86,085
Nov. 3.....	10,080	25,975	11,662	6,212	1,601	4,446	6,162	4,793	2,739	1,894	727	8,790	85,081
Nov. 10.....	13,662	28,326	11,007	6,204	1,438	4,446	6,116	4,565	2,629	1,667	835	10,118	90,913
Nov. 17.....	13,284	32,048	12,575	6,539	1,444	4,803	6,208	4,855	2,873	1,703	1,048	10,409	97,789
Nov. 24.....	13,339	34,296	13,308	6,893	963	4,993	6,132	5,006	3,099	1,813	1,116	11,134	102,092
United States bonds:													
Oct. 27.....	2,132	1,413	2,176	5,737	523	1,210	7,436	2,348	2,870	9,270	2,720	2,634	40,469
Nov. 3.....	2,132	1,413	2,176	5,737	523	1,210	7,511	2,348	2,867	9,270	2,720	2,633	40,540
Nov. 10.....	2,012	1,213	2,096	5,417	443	1,210	6,883	2,308	2,727	9,190	2,720	2,634	38,853
Nov. 17.....	1,388	123	1,670	6,654	18	1,210	7,213	2,278	2,467	9,191	4,270	2,633	39,115
Nov. 24.....	1,388	178	1,670	6,654	294	1,210	7,218	2,278	2,467	9,166	4,270	2,634	39,427
One-year Treasury notes:													
Oct. 27.....	1,000	1,205	1,174	718	1,070	824	1,517	891	700	963	705	668	11,435
Nov. 3.....	1,000	1,205	1,174	718	1,070	824	1,517	891	700	963	705	600	11,367
Nov. 10.....	1,000	1,205	1,174	718	1,070	824	1,517	891	700	963	705	580	11,347
Nov. 17.....	1,000	1,205	1,174	618	1,070	824	1,517	891	700	963	705	500	11,167
Nov. 24.....	1,000	1,205	1,174	618	1,070	824	1,517	891	700	963	705	500	11,167
Municipal warrants:													
Oct. 27.....	3,738	7,636	3,280	4,611	61	291	3,795	1,429	1,609	562	25	2,853	29,890
Nov. 3.....	2,262	6,843	2,170	3,968	61	294	3,109	1,110	1,463	465	50	2,305	24,100
Nov. 10.....	1,794	5,336	1,878	3,828	61	292	2,609	975	1,263	470	75	2,113	20,694
Nov. 17.....	1,467	4,955	1,651	3,671	61	292	2,252	623	1,193	344	77	2,011	18,597
Nov. 24.....	1,392	8,404	1,670	3,637	61	409	2,457	633	1,208	308	77	1,910	22,166
Federal Reserve notes, net:													
Oct. 27.....	1,407	10,750	520	342			1,299		817			1,711	16,846
Nov. 3.....	1,341	11,058	599	390			1,306		1,164			1,891	17,749
Nov. 10.....	1,221	10,948	642	367			1,071		1,032			2,332	17,613
Nov. 17.....	954	8,409	904	316			1,087		904			1,702	14,256
Nov. 24.....	824	9,785	888	294			1,028		1,239			1,356	15,414
Due from other F. R. Banks, net:													
Oct. 27.....	1,137	1,842	1,524	1,912	372	3,798	9,569	6,323	1,523	2,287		2,071	33,197
Nov. 3.....	1,945	5,676		4,237	796		8,443	5,218	2,904	1,643	1,027	4,532	34,778
Nov. 10.....	814	9,073		2,664	430	4,666	8,244	5,495	1,717	2,714		2,415	35,065
Nov. 17.....	9,662			7,928	1,708	4,019	15,833	7,533	3,757	4,319	1,670	5,403	59,773
Nov. 24.....	2,406	6,534		6,754	791	4,412	9,638	10,057	3,512	2,259	914	225	43,263

¹ Items in transit, i. e., total amounts due from, less total amounts due to, other Federal Reserve Banks.

Resources and liabilities of each Federal Reserve Bank and of the Federal Reserve System at close of business on Fridays Oct. 27 to Nov. 24, 1916—Continued.

RESOURCES—Continued.

[In thousands of dollars.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total for system.
All other resources:													
Oct. 27.....	125	243	77	247	53	395	424	347	39	197	1,188	373	3,708
Nov. 3.....	208	176	166	193	42	599	271	260	37	168	538	413	3,071
Nov. 10.....	29	278	32	176	138	144	385	300	46	141	346	468	2,483
Nov. 17.....	24	3,748	84	298	132	147	544	229	28	194	351	342	6,121
Nov. 24.....	61	225	90	478	61	251	160	319	41	203	545	217	2,651
Total resources:													
Oct. 27.....	46,116	232,154	43,353	49,610	30,962	20,583	83,181	31,589	24,266	32,531	23,664	33,127	651,136
Nov. 3.....	42,890	230,812	45,195	50,547	31,414	19,955	84,133	31,497	24,903	32,992	24,295	33,874	650,864
Nov. 10.....	41,723	228,111	46,975	53,028	30,831	20,572	82,582	32,850	25,244	33,488	25,286	33,423	650,946
Nov. 17.....	56,538	244,538	51,648	58,194	31,102	23,595	92,432	33,315	28,883	36,703	26,215	38,113	719,217
Nov. 24.....	55,457	244,058	53,382	62,597	32,992	26,564	90,789	35,882	30,126	40,145	27,987	39,320	735,060

LIABILITIES.

[In thousands of dollars.]

Capital paid in:													
Oct. 27.....	5,024	11,909	5,224	5,994	3,340	2,479	6,679	2,794	2,605	3,044	2,690	3,921	55,703
Nov. 3.....	5,024	11,909	5,224	5,994	3,340	2,479	6,681	2,794	2,606	3,044	2,694	3,920	55,709
Nov. 10.....	5,021	11,909	5,224	5,993	3,340	2,479	6,682	2,794	2,608	3,044	2,695	3,921	55,710
Nov. 17.....	5,006	11,909	5,224	5,993	3,340	2,479	6,682	2,794	2,609	3,044	2,695	3,929	55,704
Nov. 24.....	5,007	11,909	5,226	5,993	3,341	2,480	6,683	2,794	2,609	3,051	2,695	3,923	55,711
Government deposits:													
Oct. 27.....	1,668	4,178	3,919	1,399	3,904	3,487	2,453	2,646	998	826	1,826	2,678	29,982
Nov. 3.....	1,358	2,517	4,015	1,460	4,309	3,574	2,218	2,886	949	816	1,709	2,875	28,686
Nov. 10.....	929	3,462	3,975	1,463	2,710	3,489	1,000	1,452	928	204	1,720	2,007	23,339
Nov. 17.....	2,583	2,974	3,328	1,463	2,182	3,888	2,972	1,525	778	(1)-6	1,640	2,344	25,171
Nov. 24.....	2,584	3,070	3,400	1,526	2,781	3,538	2,473	1,828	746	448	1,643	2,282	26,319
Member bank deposits, net:													
Oct. 27.....	39,257	216,042	34,074	42,217	19,649	12,228	74,049	23,693	20,663	26,599	16,945	26,502	551,918
Nov. 3.....	36,342	216,358	34,413	43,093	20,650	11,349	75,234	22,000	21,348	27,062	17,490	27,047	552,386
Nov. 10.....	35,577	212,687	36,282	45,572	21,507	12,142	74,889	23,724	21,708	28,089	16,829	27,456	556,462
Nov. 17.....	48,739	229,339	41,122	50,738	22,867	13,840	82,755	24,223	25,496	31,575	19,760	31,800	622,254
Nov. 24.....	47,649	228,979	40,865	55,078	24,537	16,259	81,603	26,429	26,760	34,234	22,100	33,070	637,672
Federal Reserve notes, net liability:													
Oct. 27.....					3,924	2,352		2,456		1,031	2,203		11,966
Nov. 3.....					3,097	2,272		3,817		1,039	2,402		12,627
Nov. 10.....					3,249	2,414		4,880		1,121	2,222		13,886
Nov. 17.....					2,676	3,839		4,773		1,060	2,120		14,468
Nov. 24.....					2,298	4,234		4,831		1,384	1,549		14,296
Federal Reserve bank notes in circulation:													
Oct. 27.....										1,031			1,031
Nov. 3.....										1,031			1,031
Nov. 10.....										1,030			1,030
Nov. 17.....										1,030			1,030
Nov. 24.....										1,028			1,028
Due to other Federal Reserve Banks, net:													
Oct. 27.....													
Nov. 3.....			1,408			235							
Nov. 10.....			1,347								1,820		
Nov. 17.....		231	1,828								1,820		
Nov. 24.....			4,239										
All other liabilities:													
Oct. 27.....	167	25	136		145	37						26	536
Nov. 3.....	166	28	135		18	46						32	425
Nov. 10.....	196	53	147		25	48	11					39	519
Nov. 17.....	210	85	146		37	49	23					40	590
Nov. 24.....	217	100	152		35	53	30		2			45	634
Total liabilities:													
Oct. 27.....	46,116	232,154	43,353	49,610	30,962	20,583	83,181	31,589	24,266	32,531	23,664	33,127	651,136
Nov. 3.....	42,890	230,812	45,195	50,547	31,414	19,955	84,133	31,497	24,903	32,992	24,295	33,874	650,864
Nov. 10.....	41,723	228,111	46,975	53,028	30,831	20,572	82,582	32,850	25,244	33,488	25,286	33,423	650,946
Nov. 17.....	56,538	244,538	51,648	58,194	31,102	23,595	92,432	33,315	28,883	36,703	26,215	38,113	719,217
Nov. 24.....	55,457	244,058	53,382	62,597	32,992	26,564	90,789	35,882	30,126	40,145	27,987	39,320	735,060

¹ Overdraft.

Circulation of Federal Reserve notes at close of business on Fridays, Oct. 27 to Nov. 24, 1916.

[In thousands of dollars.]

	Boston.	New York.	Phila- del- phia.	Cleve- land.	Rich- mond.	Atlan- ta.	Chi- cago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Fran- cisco.	Total for system.
Federal Reserve notes issued to bank:													
Oct. 27.....	11,121	81,831	8,473	8,797	15,626	22,095	3,175	13,916	15,415	18,276	25,783	10,368	234,876
Nov. 3.....	11,071	83,904	8,939	8,714	16,606	22,540	3,170	14,797	16,593	18,234	24,952	11,014	240,534
Nov. 10.....	11,336	86,032	10,291	8,674	17,064	22,945	3,159	15,751	17,151	19,146	24,847	11,477	247,873
Nov. 17.....	11,280	89,176	12,255	8,580	17,581	23,349	3,152	16,734	17,723	19,600	24,806	11,466	255,702
Nov. 24.....	11,230	88,668	13,163	8,465	18,438	23,805	3,148	16,722	18,423	19,600	24,976	11,443	258,081
Federal Reserve notes in hands of bank:													
Oct. 27.....	1,407	10,750	520	342	296	1,169	1,299	891	817	509	543	1,711	20,254
Nov. 3.....	1,341	11,058	599	390	523	1,249	1,306	530	1,164	501	44	1,891	20,596
Nov. 10.....	1,221	10,948	642	367	371	1,107	1,071	467	1,032	519	184	2,332	20,261
Nov. 17.....	954	8,409	904	316	464	1,082	1,067	574	904	580	76	1,702	17,032
Nov. 24.....	824	9,785	888	294	592	688	1,028	516	1,239	256	167	1,356	17,633
Federal Reserve notes in circula- tion:													
Oct. 27.....	9,714	71,081	7,953	8,455	15,330	20,926	1,876	13,025	14,598	17,767	25,240	8,657	214,622
Nov. 3.....	9,730	72,846	8,340	8,324	16,083	21,291	1,864	14,267	15,429	17,733	24,908	9,123	219,938
Nov. 10.....	10,115	75,084	9,649	8,307	16,693	21,838	2,088	15,284	16,119	18,627	24,663	9,145	227,612
Nov. 17.....	10,326	80,767	11,351	8,264	17,117	22,267	2,085	16,160	16,819	19,020	24,730	9,764	238,670
Nov. 24.....	10,406	78,883	12,275	8,171	17,846	23,117	2,120	16,206	17,184	19,344	24,809	10,087	240,448
Gold and lawful money deposited with or to the credit of the Fed- eral Reserve Agent:													
Oct. 27.....	11,121	81,831	8,473	8,797	11,406	18,574	3,175	10,569	15,415	16,736	23,037	10,368	219,502
Nov. 3.....	11,071	83,904	8,939	8,714	12,986	19,019	3,170	10,450	16,593	16,694	22,506	11,014	225,060
Nov. 10.....	11,336	86,032	10,291	8,674	13,444	19,424	3,159	10,404	17,151	17,506	22,441	11,477	231,339
Nov. 17.....	11,280	89,176	12,255	8,580	14,441	18,428	3,152	11,387	17,723	17,960	22,610	11,466	238,458
Nov. 24.....	11,230	88,668	13,163	8,465	15,548	18,883	3,148	11,375	18,423	17,960	23,260	11,443	241,566
Carried to net assets:													
Oct. 27.....	1,407	10,750	520	342	.....	.....	1,299	.....	817	.....	.....	1,711	16,846
Nov. 3.....	1,341	11,058	599	390	.....	.....	1,306	.....	1,164	.....	.....	1,891	17,749
Nov. 10.....	1,221	10,948	642	367	.....	.....	1,071	.....	1,032	.....	.....	2,332	17,613
Nov. 17.....	954	8,409	904	316	.....	.....	1,067	.....	904	.....	.....	1,702	14,256
Nov. 24.....	824	9,785	888	294	.....	.....	1,028	.....	1,239	.....	.....	1,356	15,414
Carried to net liabilities:													
Oct. 27.....	.....	.....	.....	.....	3,924	2,352	.....	2,456	.....	1,031	2,203	.....	11,966
Nov. 3.....	.....	.....	.....	.....	3,097	2,272	.....	3,817	.....	1,039	2,402	.....	12,627
Nov. 10.....	.....	.....	.....	.....	3,249	2,414	.....	4,880	.....	1,121	2,222	.....	13,886
Nov. 17.....	.....	.....	.....	.....	2,676	3,839	.....	4,773	.....	1,060	2,120	.....	14,468
Nov. 24.....	.....	.....	.....	.....	2,208	4,284	.....	4,881	.....	1,384	1,549	.....	14,296

Statement of Federal Reserve Agents' accounts at close of business on Fridays, Oct. 27 to Nov. 24, 1916.

[In thousands of dollars.]

	Boston.	New York.	Phila- del- phia.	Cleve- land.	Rich- mond.	Atlan- ta.	Chi- cago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Fran- cisco.	Total for system.
Federal Reserve notes:													
Received from Comptroller—													
Oct. 27.....	24,880	148,400	15,480	15,160	23,500	29,420	9,380	18,560	21,000	23,220	35,320	14,440	378,760
Nov. 3.....	24,880	148,400	15,480	15,160	25,000	29,420	9,380	18,560	21,000	23,220	35,320	14,440	380,260
Nov. 10.....	24,880	153,400	15,800	15,160	25,000	29,420	9,380	20,580	22,500	23,220	35,320	14,920	389,580
Nov. 17.....	24,880	153,400	17,940	15,160	25,000	29,920	9,380	20,580	22,500	24,220	35,320	14,920	393,220
Nov. 24.....	24,880	153,400	18,880	15,160	26,200	32,620	9,380	22,540	22,500	24,220	35,320	14,920	400,320
Returned to Comptroller—													
Oct. 27.....	5,739	47,009	5,327	3,063	5,724	3,340	1,324	1,984	665	1,731	3,776	1,512	81,194
Nov. 3.....	6,329	47,336	5,361	3,146	5,844	3,395	1,329	2,203	687	1,773	3,807	1,526	82,736
Nov. 10.....	6,564	47,608	5,509	3,186	5,886	3,489	1,340	2,249	729	1,861	3,973	1,543	83,937
Nov. 17.....	6,620	47,904	5,685	3,280	6,039	3,546	1,347	2,266	757	1,907	4,003	1,554	84,938
Nov. 24.....	6,670	51,812	5,717	3,395	6,112	3,530	1,351	2,278	757	1,907	4,003	1,577	89,109
Chargeable to Federal Reserve Agent—													
Oct. 27.....	19,141	101,391	10,153	12,097	17,776	26,080	8,076	16,576	20,335	21,489	31,544	12,928	297,566
Nov. 3.....	18,551	101,064	10,119	12,014	19,156	26,025	8,051	16,357	20,313	21,447	31,513	12,914	297,524
Nov. 10.....	18,316	105,792	10,291	11,974	19,114	25,931	8,040	18,331	21,771	21,359	31,347	13,377	305,643
Nov. 17.....	18,260	105,496	12,255	11,880	18,981	26,374	8,033	18,314	21,743	22,313	31,317	13,366	308,282
Nov. 24.....	18,210	101,588	13,163	11,765	20,088	29,330	8,029	20,262	21,743	22,313	31,317	13,343	311,151
In hands of Federal Reserve Agent—													
Oct. 27.....	8,020	19,560	1,680	3,300	2,150	3,985	4,881	2,660	4,920	3,213	5,761	2,560	62,690
Nov. 3.....	7,480	17,160	1,180	3,300	2,550	3,485	4,881	1,560	3,720	3,213	6,561	1,900	56,990
Nov. 10.....	6,980	19,760	.....	3,300	2,050	2,986	4,881	2,580	4,620	2,213	6,500	1,900	57,770
Nov. 17.....	6,980	16,320	.....	3,300	1,850	3,025	4,881	1,580	4,020	2,713	6,511	1,900	52,580
Nov. 24.....	6,980	12,920	.....	3,300	1,650	5,525	4,881	3,540	3,320	2,713	6,341	1,900	53,070

Statement of Federal Reserve Agents' accounts at close of business on Fridays Oct. 27 to Nov. 24, 1916—Continued.

[In thousands of dollars.]

	Boston.	New York.	Phila-delphia.	Cleve-land.	Rich-mond.	Atlan-ta.	Chi-cago.	St. Louis.	Minne-apolis.	Kansas City.	Dallas.	San Fran-cisco.	Total for system.
Issued to Federal Reserve Bank, net—													
Oct. 27.....	11,121	81,831	8,473	8,797	15,626	22,095	3,175	13,916	15,415	18,276	25,783	10,368	234,876
Nov. 3.....	11,071	83,904	8,939	8,714	16,606	22,540	3,170	14,797	16,593	18,234	24,952	11,014	240,534
Nov. 10.....	11,336	86,032	10,291	8,674	17,064	22,945	3,159	15,751	17,151	19,146	24,847	11,477	247,873
Nov. 17.....	11,280	89,176	12,255	8,580	17,581	23,349	3,152	16,734	17,723	19,600	24,806	11,466	255,702
Nov. 24.....	11,230	88,668	13,163	8,465	18,438	23,805	3,148	16,722	18,423	19,600	24,976	11,443	258,081
Amounts held by Federal Reserve Agent:													
In reduction of liability on outstanding notes—													
Gold coin and certificates on hand—													
Oct. 27.....	10,500	78,815	3,820	8,280	.....	4,560	.....	5,065	12,330	4,270	10,340	.....	137,980
Nov. 3.....	10,500	81,215	3,820	8,140	.....	4,560	.....	5,165	12,730	4,270	10,340	.....	140,740
Nov. 10.....	10,800	83,614	3,820	8,140	.....	4,560	.....	5,165	12,730	4,270	10,340	.....	143,439
Nov. 17.....	10,600	87,053	3,820	8,120	.....	3,460	.....	5,164	13,330	4,270	10,340	.....	146,157
Nov. 24.....	10,600	85,853	3,820	7,940	.....	3,460	.....	5,164	13,330	4,270	10,340	.....	144,777
Credit balances in gold redemption fund—													
Oct. 27.....	621	3,016	473	517	406	964	225	694	735	966	1,317	458	10,392
Nov. 3.....	571	2,689	439	574	486	1,409	220	775	913	924	1,286	444	10,730
Nov. 10.....	536	2,418	611	534	444	1,314	209	929	871	836	1,221	427	10,350
Nov. 17.....	680	2,123	675	460	341	1,258	202	913	843	790	1,190	416	9,891
Nov. 24.....	630	2,815	643	525	348	1,213	198	901	843	790	1,290	543	10,739
Credit balances with Federal Reserve Board—													
Oct. 27.....	.....	.....	4,180	.....	11,000	13,050	2,950	4,810	2,350	11,500	11,380	9,910	71,130
Nov. 3.....	.....	.....	4,680	.....	12,500	13,050	2,950	4,510	2,950	11,500	10,880	10,570	73,590
Nov. 10.....	.....	.....	5,860	.....	13,000	13,550	2,950	4,310	3,550	12,400	10,880	11,050	77,550
Nov. 17.....	.....	.....	7,760	.....	14,100	13,710	2,950	5,310	3,550	12,900	11,080	11,050	82,410
Nov. 24.....	.....	.....	8,700	.....	15,200	14,210	2,950	5,310	4,250	12,900	11,630	10,900	86,050
As security for outstanding notes—													
Commercial paper—													
Oct. 27.....	.....	.....	.....	.....	4,220	3,521	.....	3,347	.....	1,540	2,746	.....	15,374
Nov. 3.....	.....	.....	.....	.....	3,620	3,521	.....	4,347	.....	1,540	2,446	.....	15,474
Nov. 10.....	.....	.....	.....	.....	3,620	3,521	.....	5,347	.....	1,640	2,406	.....	16,534
Nov. 17.....	.....	.....	.....	.....	3,140	4,921	.....	5,347	.....	1,640	2,196	.....	17,244
Nov. 24.....	.....	.....	.....	.....	2,890	4,022	.....	5,347	.....	1,640	1,716	.....	16,515
Total—													
Oct. 27.....	11,121	81,831	8,473	8,797	15,626	22,095	3,175	13,916	15,415	18,276	25,783	10,368	234,876
Nov. 3.....	11,071	83,904	8,939	8,714	16,606	22,540	3,170	14,797	16,593	18,234	24,952	11,014	240,534
Nov. 10.....	11,336	86,032	10,291	8,674	17,064	22,945	3,159	15,751	17,151	19,146	24,847	11,477	247,873
Nov. 17.....	11,280	89,176	12,255	8,580	17,581	23,349	3,152	16,734	17,723	19,600	24,806	11,466	255,702
Nov. 24.....	11,230	88,668	13,163	8,465	18,438	23,805	3,148	16,722	18,423	19,600	24,976	11,443	258,081
Memorandum:													
Total amount of commercial paper delivered to Federal Reserve Agent—													
Oct. 27.....	.....	.....	.....	.....	4,240	3,525	.....	3,348	.....	1,643	3,061	.....	15,817
Nov. 3.....	.....	.....	.....	.....	3,796	3,523	.....	4,348	.....	1,556	2,842	.....	16,065
Nov. 10.....	.....	.....	.....	.....	3,716	3,534	.....	5,348	.....	1,674	2,463	.....	16,735
Nov. 17.....	.....	.....	.....	.....	3,507	4,933	.....	5,347	.....	1,651	2,395	.....	17,833
Nov. 24.....	.....	.....	.....	.....	3,058	4,930	.....	5,349	.....	1,658	1,853	.....	16,848

GOLD IMPORTS AND EXPORTS.

Imports of gold, by customs districts, Jan. 1 to Nov. 17, 1916.

[In thousands of dollars.]

	Maine and New Hampshire.	New York.	Florida.	New Orleans.	Arizona.	El Paso.	Laredo.	Alaska.	San Francisco.	Southern California.	Washington.	Buffalo.	Dakota.	Michigan.	Ohio.	St. Lawrence.	Total.
<i>Week ending Oct. 27.</i>																	
Ore and base bullion.....		97		22	9	1	11	12	54		41		3	1			251
United States mint or assay office bars.....								152			98	213					213
Bullion, refined.....		186										2				33,086	38,524
Foreign coin.....									2,433								2,433
Total.....		283		22	9	1	11	164	2,487		139	215	3	1		33,086	41,421
<i>Week ending Nov. 3.</i>																	
Ore and base bullion.....		44			11	5	5		330		28		8	9			440
United States mint or assay office bars.....												72					72
Bullion, refined.....		314			8						126	2				26,605	27,055
Foreign coin.....																6,962	6,962
Total.....		358			19	5	5		330		154	74	8	9		33,567	34,529
<i>Week ending Nov. 10.</i>																	
Ore and base bullion.....		30		7	6	6			43		27		1	175			295
United States mint or assay office bars.....												196					196
Bullion, refined.....		92						107				53					252
United States coin.....								3									3
Total.....		122		7	6	6		110	43		27	249	1	175			746
<i>Week ending Nov. 17.</i>																	
Ore and base bullion.....		3			6	4			167		20		12	58			270
United States mint or assay office bars.....												47					47
Bullion, refined.....		419			5			99			115	74					712
Foreign coin.....			10						4,866								4,876
Total.....		422	10		11	4		99	5,033		135	121	12	58			5,905
<i>Jan. 1 to Nov. 17.</i>																	
Ore and base bullion.....	1	2,177		320	473	97	198	115	2,887	3	2,548	624	293	1,982	3		11,721
United States mint or assay office bars.....												4,009					4,009
Bullion, refined.....	20,000	32,614			165	46		2,794	3,410	29	2,354	41,547				258,315	361,274
United States coin.....		1,216	45	5				19			56					1,778	3,119
Foreign coin.....	1	28,644	10	9					19,466			2,412				68,944	119,486
Total.....	20,002	64,651	55	334	638	143	198	2,928	25,763	32	4,958	48,592	293	1,982	3	329,037	499,609

Excess of gold imports over exports for 46 weeks, Jan. 1 to Nov. 17, 1916..... 386,004
 Excess of gold imports over exports for corresponding period, 1915..... 359,292

Exports of gold, by customs districts, Jan. 1 to Nov. 17, 1916.

[In thousands of dollars.]

	Maine and New Hampshire.	New York.	Florida.	Porto Rico.	New Orleans.	Eagle Pass.	Alaska.	Hawaii.	San Francisco.	Southern California.	Washington.	Buffalo.	Dakota.	Duluth and Superior.	Michigan.	Montana and Idaho.	St. Lawrence.	Vermont.	Total.
<i>Week ending Oct. 27.</i>																			
United States mint or assay office bars.....																	1		1
Bullion, refined, domestic.....		356										30							386
United States coin.....		616	329						1,020		1,250		6				500		3,721
Foreign coin.....									23										23
Total.....		972	329						1,043		1,250	30	6				501		4,131
<i>Week ending Nov. 8.</i>																			
Ore and base bullion.....											21								21
United States mint or assay office bars.....									1,034										1,034
Bullion, refined:																			
Domestic.....		308										10		1					319
Foreign.....												1							1
United States coin.....		106						58	5				3		1				173
Foreign coin.....		10				2							1						13
Total.....		424				2		58	1,039		21	11	4	1	1				1,561
<i>Week ending Nov. 10.</i>																			
United States mint or assay office bars.....									250			25							275
Bullion, refined, domestic.....		1																1	2
United States coin.....		1,643						6	2,546		1,750		5						5,950
Total.....		1,644						6	2,796		1,750	25	5					1	6,227
<i>Week ending Nov. 17.</i>																			
United States mint or assay office bars.....									400			32							43
Bullion, refined, domestic.....		2									1	21							24
United States coin.....		610	500		300			11	2,523		9			1					3,953
Foreign coin.....																			1
Total.....		612	500		300			11	2,923		10	53		1					4,410
<i>Jan. 1 to Nov. 17.</i>																			
Ore and base bullion.....	2							12			173	70				1			258
United States mint or assay office bars.....		954							11,990			270		2			520		13,736
Bullion, refined:																			
Domestic.....		5,777							701		5	451	4	9	12		30	14	7,003
Foreign.....		1,498										4					16		1,458
United States coin.....		34,348	829	15	400		1	247	28,876	50	4,061	21	85	14	1	1	1,620	750	71,319
Foreign coin.....		18,153				2			216		29	1	1	5	3		1,422		19,831
Total.....	2	60,670	829	15	400	2	13	247	41,783	50	4,239	845	90	30	16	2	3,608	764	113,605

EARNINGS ON INVESTMENTS OF FEDERAL RESERVE BANKS.

Average amounts of earning assets held by each Federal Reserve Bank during October, 1916, earnings from each class of earning assets, and annual rate of earnings on the basis of October, 1916, returns.

	Average balances for the month of the several classes of earning assets.					
	Bills dis- counted, members.	Bills bought in open market.	United States bonds.	One-year Treasury notes.	Municipal warrants.	Total.
Boston.....	\$622,246	\$10,325,569	\$2,163,032	\$1,000,000	\$4,286,153	\$18,397,000
New York.....	973,625	23,612,985	2,107,803	994,750	7,064,109	35,858,272
Philadelphia.....	133,024	11,833,545	2,278,065	1,174,000	3,362,549	18,881,183
Cleveland.....	370,636	6,695,267	5,778,334	1,105,097	4,218,861	18,169,245
Richmond.....	4,217,965	1,849,669	624,219	1,057,543	62,364	7,811,765
Atlanta.....	3,408,867	3,806,134	1,210,000	324,000	290,072	9,534,673
Chicago.....	2,636,253	5,912,307	7,537,631	1,517,000	3,798,564	21,501,805
St. Louis.....	2,252,649	5,307,649	2,362,774	891,000	1,540,026	12,414,083
Minneapolis.....	1,905,800	3,050,300	2,928,500	688,700	1,074,900	10,248,200
Kansas City.....	1,212,656	1,916,637	9,270,350	963,000	592,101	13,954,744
Dallas.....	4,057,733	312,317	2,311,500	620,000	7,260	7,808,860
San Francisco.....	267,612	7,868,255	2,317,620	500,000	2,836,000	14,289,487
Total.....	22,154,166	82,600,634	41,934,878	11,335,095	30,333,559	188,358,332

	Earnings from—						Calculated annual rates of earnings from—					
	Bills dis- counted, mem- bers.	Bills bought in open market.	United States bonds.	One-year Treasury notes.	Municipal war- rants.	Total.	Bills dis- counted, mem- bers.	Bills bought in open market.	United States bonds.	One-year Treasury notes.	Municipal war- rants.	Total.
Boston.....	\$2,081	\$21,585	\$4,330	\$2,500	\$10,472	\$40,968	<i>Per cent.</i> 3.95	<i>Per cent.</i> 2.47	<i>Per cent.</i> 2.36	<i>Per cent.</i> 2.95	<i>Per cent.</i> 2.88	<i>Per cent.</i> 2.63
New York.....	3,243	51,741	4,146	2,603	18,904	80,637	3.93	2.58	2.33	3.00	2.92	2.69
Philadelphia.....	595	24,631	4,356	2,967	7,932	40,531	3.84	2.45	2.25	2.98	2.78	2.58
Cleveland.....	1,409	13,638	12,658	2,795	11,678	42,178	4.49	2.41	2.61	2.98	3.27	2.74
Richmond.....	14,730	4,817	1,545	2,687	186	23,965	4.12	3.07	2.92	3.00	3.52	3.62
Atlanta.....	11,070	8,948	2,744	2,082	88	25,732	3.84	2.78	2.68	2.98	3.61	3.50
Chicago.....	10,752	12,167	15,869	3,793	9,899	52,480	4.73	2.43	2.51	3.00	3.08	2.90
St. Louis.....	7,243	11,146	4,664	2,251	4,020	29,324	3.80	2.45	2.33	2.98	3.08	2.79
Minneapolis.....	7,605	6,169	5,496	1,750	4,004	25,024	4.71	2.39	2.22	3.00	2.82	2.88
Kansas City.....	5,209	3,927	16,943	2,434	1,276	29,789	5.06	2.42	2.16	3.00	2.55	2.52
Dallas.....	16,516	858	5,386	1,575	25	24,360	4.87	3.24	2.00	3.00	4.00	3.72
San Francisco.....	1,213	15,897	4,742	1,250	6,841	29,943	5.34	2.39	2.02	3.00	2.85	2.41
Total.....	81,666	175,574	82,879	28,687	76,125	444,931	4.35	2.12	2.33	2.98	2.96	2.79

FOREIGN EXCHANGE RATES QUOTED IN NEW YORK DURING THE PERIOD 1914-1916.

Below are shown monthly ranges of rates of foreign exchange quoted in New York City on leading European, South American, and oriental money centers for the years 1914 to 1916. Quotations for the past two years were taken chiefly from the Commercial and Financial Chronicle's 1916 financial review, while those for 1916 were based upon daily quotations kindly furnished by the National City Bank and Messrs. Knauth, Nachod & Kuhne, of New York City. In addition, the New York Journal of Commerce was used for compiling the monthly ranges of exchange rates on oriental centers for the earlier period. The rates given are in nearly all cases those for sight drafts, bankers' checks, or demand bills, except in the case of exchange on London, for which monthly ranges of rates for both sight drafts or demand bills and 60-day bankers' bills are given. The rates in most cases are expressed in terms of United States currency.

Thus, for example, the May, 1915, quotation of 475½ against London indicates that this amount of dollars had to be paid in New York for a 60-day bankers' bill of £100 payable in London. Similarly, the May, 1915, quotation of 39 against Petrograd denotes that a sight draft of 100 rubles payable in the Russian

capital could be purchased in New York on that date for \$39. The quotation of 82⅞ against Berlin shows the equivalent of 400 marks, this being the customary mode of quoting exchange on Berlin. Exchange on Paris, Milan, and Zurich, Switzerland, is quoted in terms of foreign currency, and declines in exchange, i. e., in the value of the foreign currency, are indicated by increases in the number of the foreign money units which can be purchased by \$1 or \$100.

A comparison of the par rates of exchange with the rates actually quoted indicates to some extent the various rates of depreciation which European currencies, especially those of the belligerent countries, underwent in neutral markets since the outbreak of the world war. Based upon the official equivalents of the foreign money units as quoted by the United States Director of the Mint, the par rates of exchange on the several centers are as follows: London, \$4.8665; Paris, Milan, and Zurich, 518 francs per \$100; Berlin, \$95.20 per 400 marks; Petrograd, \$51.50 per 100 rubles; Amsterdam, \$40.20 per 100 florins; Copenhagen, \$26.80 per 100 kroner; Buenos Aires, \$42.46 per 100 paper pesos; Rio de Janeiro, \$32.42 per 100 milreis; Hongkong,^a \$46.10 per \$100 Mex.; Shanghai,^a \$64.10 per 100 Shanghai taels; Yokohama, \$49.80 per 100 yen.

^aAverage of 4 quarterly quotations of the U. S. Director of the Mint during 1913-1914.

Monthly ranges of exchange rates on leading foreign money centers quoted in New York City during the years 1914 to 1916

	January.						February.					
	1914		1915		1916		1914		1915		1916	
	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.
London:												
60-day bankers' bills, dol-												
lars.....	4.815	4.8384	4.81½	4.83½	4.69½	4.74	4.8355	4.8425	4.77½	4.83½	4.71½	4.72½
Sight drafts.....dollars..	4.855	4.8695	4.83½	4.85½	4.73½	4.78	4.8535	4.859	4.79	4.84½	4.75½	4.76½
Paris.....francs..	520½	518½	520	516½	588	583	518½	518½	528½	518½	591	585½
Berlin.....dollars..	94½	95	86½	88½	73	76½	94½	95½	82½	87½	73	77½
Petrograd.....do....	51½	51½	42½	43½	29.32	30	51½	51½	43½	44½	29½	32½
Milan.....lire..	523½	519½	542	532½	677½	655	520½	519½	582	540	676	669
Amsterdam.....dollars..	40½	40½	40½	40½	42½	45½	40½	40½	39½	40½	41½	42½
Copenhagen.....do....	26.68	26.88	24½	25	27½	27.90	26.82	26.88	24½	24½	27½	28½
Zurich.....francs..	521½	518½	529½	522½	526	513	518½	518½	552	529½	524	518
Buenos Aires.....dollars..					41½	42½					42	44.45
Rio de Janeiro.....do....					22	23½					22½	23½
Hongkong.....do....	46½	47½			46.35	47.60	46½	46½			46.20	46.80
Shanghai.....do....	64	64½			61½	63½	63½	64½			63	63½
Yokohama.....do....	49½	49½			50½	50½	49½	49.95			50½	50½

Monthly ranges of exchange rates on leading foreign money centers quoted in New York City during the years 1914 to 1916—Continued.

	September.						October.					
	1914		1915		1916		1914		1915		1916	
	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.
London:												
60-day bankers' bills, dollars.....	4.92	4.96	4.49	4.69	4.71½	4.71¾	4.85½	4.94	4.58	4.69½	4.71½	4.71½
Sight drafts.....dollars.....	4.94½	5.06½	4.50	4.73	4.75½	4.76½	4.89	4.98	4.60½	4.72½	4.75½	4.75½
Paris.....frances.....	512	505	603	576½	589½	583½	515½	505	598	576½	585½	583½
Berlin.....dollars.....	94½	97	80½	84½	69½	70½	88	94½	81½	84½	69½	70½
Petrograd.....do.....			34	35½	31.60	33.75	48	48	33	35½	30.50	31.75
Milan.....lire.....	541	525	653	618	648	642½	531	517	647	622	671	646½
Amsterdam.....dollars.....	40½	41½	39½	40½	40½	41½	40½	42½	40½	41½	40½	41½
Copenhagen.....do.....			25.55	25.95	26.50	27.75			25.00	26.20	27.10	27.40
Zurich.....frances.....	501	500	545	525	533½	529½	518	503	540	526	531½	525½
Buenos Aires.....dollars.....			40.34	41.55	41.84	42.39			41.11	42	42.03	43.15
Rio de Janeiro.....do.....			22.10	23.70	23.82	24.29			23.11	23½	23.58	24.10
Hongkong.....do.....			42.40	43½	51.50	52.75			43.10	43½	52.50	53.45
Shanghai.....do.....			52½	56	73½	75½			55½	55½	75	76½
Yokohama.....do.....			49	49½	50½	50½			49½	49½	50½	51
	November.						December.					
	1914		1915		1916		1914		1915		1916	
	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.
London:												
60-day bankers' bills, dollars.....	4.84½	4.88	4.60½	4.68½	475½	475½	4.81½	4.86½	4.67½	4.71		
Sight drafts.....dollars.....	4.86½	4.90½	4.61½	4.71½	471½	471½	4.84½	4.89½	4.70½	4.74½		
Paris.....frances.....	516	509½	599½	582	584½	584½	517½	511	588½	581		
Berlin.....dollars.....	85½	88½	79½	81½	67½	70½	86	92½	76	79½		
Petrograd.....do.....	42½	48	32	33½	29.25	30.75	42	43	29½	32½		
Milan.....lire.....	540	532	651½	643	673½	665	534½	523	661	651½		
Amsterdam.....dollars.....	40½	40½	41½	42	40½	41	40½	40½	41½	43½		
Copenhagen.....do.....	25½	25½	26.20	28.05	26.90	27.15	25	25½	26.30	28.00		
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