

FEDERAL RESERVE BULLETIN

MARCH, 1925



ISSUED BY THE
FEDERAL RESERVE BOARD
AT WASHINGTON

Gold Exports and the Reserves of Foreign Banks
Business Conditions in the United States
The Bank of France in 1924



WASHINGTON
GOVERNMENT PRINTING OFFICE
1925

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THE FEDERAL RESERVE BULLETIN is the board's medium of communication with member banks of the Federal reserve system and is the only official organ or periodical publication of the board. It contains, in addition to the regular official announcements, the national review of business conditions, detailed analyses of business conditions, research studies, reviews of foreign banking, and complete statistics showing the condition of Federal reserve banks and member banks. The BULLETIN will be sent to all member banks without charge. To others the subscription price, which covers the cost of paper and printing, is \$2. Single copies will be sold at 20 cents.

TABLE OF CONTENTS

	Page
The month:	
Review of the month—Changes in the banking situation	147
Business conditions in the United States.....	151
Special articles:	
South Africa and the gold standard.....	172
Changes in membership in the Federal reserve system, 1919-24	218
Bankers' acceptances, 1923-24.....	180
Official:	
Law department—	
State laws relating to branch banking.....	182
State banks admitted to system.....	187
Fiduciary powers granted to national banks.....	188
Charters issued to national banks.....	188
Business statistics for the United States:	
Industrial activity.....	189
Commodity movements.....	192
Wholesale and retail trade.....	193
Foreign banking and business conditions:	
Continental banks in 1924.....	195
International price comparisons.....	195
Financial statistics for principal foreign countries.....	197
Foreign trade of principal countries.....	200
Industrial statistics for foreign countries.....	201
Price movements in principal countries—	
Federal Reserve Board wholesale price indexes.....	202
Wholesale prices in principal countries.....	203
Retail prices and cost of living in principal countries.....	204
Banking and financial statistics:	
Federal reserve banks—	
Condition of Federal reserve banks.....	205
Federal reserve note account.....	209
Holdings of earning assets.....	210
Discount and open-market operations of Federal reserve banks.....	211
Gold settlement fund.....	226
Discount rates of Federal reserve banks.....	225
Member banks—	
Condition of reporting member banks in leading cities	212
Bankers' balances at reporting member banks in Federal reserve bank cities.....	213
Deposits of all member banks.....	214
All member banks—Abstract of condition reports on December 31, 1924.....	215
Bank debits.....	224
Money rates in principal cities.....	227
Money in circulation.....	225
Gold and silver imports and exports.....	228
Foreign exchange rates and index.....	229

FEDERAL RESERVE BULLETIN

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No. 3

REVIEW OF THE MONTH

Factors influencing the use of reserve bank credit in January and February were chiefly

Influence of the seasonal return flow of currency from circulation and the **gold exports.** export demand for gold. The

decline in earning assets which usually occurs in the early part of the year has lasted a shorter time and has been less marked in 1925 than in 1924. A year ago, in addition to the inflow of currency from circulation, there were net gold imports of \$80,000,000 during the first two months, both of which decreased the demand for reserve bank credit, while in 1925 net gold exports of about \$90,000,000 in January and February tended to offset the influence on the reserve banks of the seasonal decrease in the demand for currency, with the consequence that liquidation came to a close earlier this year. In fact, after the middle of January there was a considerable growth in the demand for reserve bank credit.

Extent of liquidation at the Federal reserve banks during the month following the peak of currency demand in December and the subsequent increase in reserve bank credit are shown in the table. The decrease of \$386,000,000 in total earning assets between December 24 and January 21 was the outcome of a reduction of \$115,000,000 in holdings of United States securities and of a seasonal decline of \$84,000,000 in acceptances and of \$193,000,000 in discounts for member banks. During the five weeks ending February 25 the increase in earning assets reflected a growth in discounts, partly offset by some further decline in the holdings of securities bought in the open market. The growth of

\$231,000,000 in the volume of discounts carried them to a higher point than at the December peak, and to a level higher than at any time since the spring of 1924. This upward turn in discounts, which is in contrast with the decline during the corresponding period of last year, reflects chiefly the increased borrowing by member banks for the purpose of maintaining their reserve balances at a time when the reserve banks were selling United States securities in the open market and when there was a demand upon member banks for gold for export. Sales of United States securities by the reserve banks reduced their holdings to \$365,000,000 on February 25, compared with \$538,000,000 two months earlier. While the larger part of the reduction in these holdings, as shown in the table, occurred at a time when there was a decreasing demand for reserve bank credit as reflected in decreases in both discounts and acceptances, further sales of securities by the reserve banks in the latter part of January and in February were a factor in increasing borrowings of member banks. The largest increase in discounts was at the Federal Reserve Bank of New York, with the result that at the end of February borrowings by member banks in that district represented a considerably larger proportion of the total for the system than at the opening of the year and were in larger volume than at any time in the past year and a half. Increased borrowings at the reserve banks were also occasioned by the export demand for gold, first felt at member banks which obtained the gold by drawing upon their balances at the reserve banks, and then replenished these balances by increasing their discounts.

EARNING ASSETS OF THE FEDERAL RESERVE BANKS

[In millions of dollars]

	Dec. 24, 1924	Jan. 21, 1925	Feb. 25, 1925	Increase (+) or decrease (-)	
				Dec. 24, 1924-Jan. 21, 1925	Jan. 21- Feb. 25
Total earning assets.....	1,332	945	1,130	-386	+185
Discounts.....	396	203	434	-193	+231
Acceptances.....	390	306	317	-84	+11
United States securities.....	538	423	365	-115	-58

The turn in the direction of the gold movement, which has recently influenced the relation of member banks to the reserve banks, has come after **Four years of gold imports.** continuous gold imports, which have been for several years the largest factor decreasing the degree of dependence of member banks upon the reserve banks. In commenting upon the use made by member banks of this gold received from abroad and upon its influence upon the domestic credit situation, the Federal Reserve Board in its annual report for 1924 says:

In 1924, as in other recent years, the most important single influence affecting the volume of Federal reserve bank credit in use was the continued inflow of gold. While net imports of gold in 1924 were somewhat less than in 1923, they represented a continuation of a movement which has lasted for over four years, and since their effect upon the relative position of Federal reserve banks and member banks has been cumulative, their influence is clearer when considered in perspective. Gold received from abroad is deposited by member banks with the reserve banks, and its immediate effect is to increase their reserve balances. The use made by member banks of these additions to their reserve balances depends upon the extent of the currency demand and upon the indebtedness of member banks at the reserve banks at the time the gold is received. In 1921, when liquidation was under way, balances arising out of the \$667,000,000 of net gold imports, as well as the currency returned from domestic circulation, were used to reduce indebtedness at the reserve banks. In 1922, when the volume of member bank borrowing was at a low level and there was an increased demand for currency, the larger part of the

additions to reserve balances due to gold imports of \$238,000,000 were used to meet the currency demand, though a part remained as a basis for the growth in deposit liabilities of member banks which occurred during the first half of the year. In 1923 practically the entire amount of net gold imports of \$294,000,000 was used by member banks in lieu of additional borrowing at the reserve banks to meet demands for currency, and the earning assets of the reserve banks remained practically unchanged. In 1924, though the volume of earning assets of the reserve banks and the volume of money in circulation fluctuated considerably during the year, at the end of the year they were both at about the same levels as at the beginning, and the \$258,000,000 of net gold imports are reflected in a growth of member bank balances. For the entire four-year period the net gold imports and the net decline in currency in circulation have been reflected in a decrease of nearly \$2,000,000,000 in the earning assets of the Federal reserve banks and a growth of \$3,000,000,000 in the loans and investments of member banks. This divergence in the movement of Federal reserve bank credit and member bank credit since 1920 is shown in the following table:

RESERVE BANK AND MEMBER BANK CREDIT, 1920-1924

[Amounts in millions of dollars]

	End of—					Change	
	1920	1921	1922	1923	1924	1920- 1924	1923-24
Federal reserve banks:							
Total earning assets.....	3,235	1,524	1,326	1,211	1,249	-1,986	+38
Member bank reserve balances.....	1,780	1,753	1,934	1,898	2,220	+440	+322
All member banks:							
Total loans and investments.....	25,888	23,644	25,769	26,738	29,027	+3,139	+2,289
Deposits on which reserves are computed.....	17,616	16,816	18,966	19,505	21,985	+4,369	+2,480
Ratio of earning assets of reserve banks to loans and investments of member banks (per cent).....	12.5	6.4	5.1	4.5	4.3	-----	-----
Ratio of reserve balances to deposits on which reserves are computed (per cent).....	10.0	10.5	10.2	9.7	10.1	-----	-----

The large increase in the loans and investments of member banks and the decline in the earning assets of the reserve banks, shown in the table, has reduced the ratio of Federal reserve bank credit to member bank credit in use from 12.5 per cent in 1920 to 4.3 per cent in 1924. The ability of member banks

to increase the volume of their own outstanding credit and at the same time to decrease their use of reserve bank credit was due principally to the receipt during the four years of \$1,500,000,000 of gold from abroad. While the proportion of the amount of reserve bank credit outstanding to loans and investments of member banks is only a fraction of what it was in 1920, the ratio between reserve balances maintained by member banks at the reserve banks to member bank deposit liabilities, as shown by the table, has remained practically constant at about 10 per cent, which represents on the average the minimum required by law. This constancy reflects the fact that member banks have currently utilized the full amount of credit that could be supported by the increase of \$440,000,000 in their reserve balances. Thus, notwithstanding the large addition to their balances, the member banks were obliged in the autumn of 1924 to increase their borrowings at the reserve banks in order to meet the seasonal demand for currency.

The unusually large growth in member bank credit during 1924 and its distribution between banks in financial centers and outside are reflected in condition reports for all member banks for December 31, 1924, which have recently become available and are shown in detail on pages 215-216. Changes in principal items for all member banks for the year and for the last quarter of 1924 are shown in the following table:

ALL MEMBER BANKS
[In millions of dollars]

	Dec. 31, 1923	Oct. 10, 1924	Dec. 31, 1924	Increase (+) or decrease (-) since—	
				Dec., 1923	Oct., 1924
Loans.....	19,052	19,820	20,182	+1,130	+362
Investments.....	7,686	8,631	8,845	+1,159	+214
Total loans and investments.....	26,738	28,451	29,027	+2,289	+576
Demand deposits ¹	16,087	16,383	17,766	+1,679	+1,383
Time deposits.....	8,651	9,597	9,805	+1,154	+208
Due to banks.....	3,512	4,490	4,548	+1,036	+58
United States deposits.....	237	302	243	+6	-59
Total deposits.....	28,487	30,772	32,362	+3,875	+1,590

¹ Including certified and cashiers' checks.

Total loans and investments of member banks increased by \$2,289,000,000, or 9 per cent, during 1924, the increase in investments

and in loans being in about the same volume. At the end of 1924 total loans for the first time exceeded the peak of 1920, though total loans and investments have been above the high figure for that year since early in 1923. Total deposits increased by \$3,875,000,000 during the year, of which \$1,679,000,000 was the increase in demand deposits, and the remaining \$2,200,000,000 was about equally divided between the growth in time deposits and bankers' balances. Comparison of the end of year figures with those for October 10 show that during the last quarter of 1924 loans and investments of member banks increased by \$576,000,000, of which more than one-half represents the increase at banks in the New York Federal reserve district.

The much larger part of the growth of member bank credit at banks in the financial centers than at banks outside those cities is brought out in the following table, which shows changes in the principal items for member banks in reserve and central reserve cities and for so-called country banks:

MEMBER BANKS IN RESERVE CITIES AND OUTSIDE
[In millions of dollars]

	Amount				Increase in 1924	
	Banks in reserve cities		Banks outside reserve cities		Banks in reserve cities	Banks outside reserve cities
	End of 1923	End of 1924	End of 1923	End of 1924		
Loans.....	11,527	12,713	7,525	7,469	1,186	1 56
Investments.....	4,029	4,931	3,657	3,914	902	257
Total loans and investments.....	15,556	17,644	11,182	11,383	2,088	201
Demand deposits.....	10,435	11,990	5,652	5,768	1,564	116
Time deposits.....	3,820	4,552	4,830	5,252	732	422
Due to banks.....	3,066	3,999	446	549	933	103
Due from banks.....	919	1,171	905	1,168	252	263

¹ Decrease.

Total loans and investments of member banks in the larger cities increased by about 13 per cent, while at the banks outside of the financial centers they increased by less than 2 per cent. Compared with a growth of more than \$1,000,000,000 in loans at banks in reserve cities, country banks show a slight decrease in loans for the year. Investments increased in

both classes of banks, but the increase in the larger cities was much greater. The absence of an active demand for credit for commercial purposes during 1924 resulted in a flow of funds to the money centers reflected in a growth of bankers' balances, which furnished a considerable part of the funds used by city banks in increasing their loans and investments.

Since the beginning of this year banking developments, as shown by the weekly reports of member banks in leading cities, in contrast with the rapid increase in loans and investments and in deposits during

the greater part of 1924, have been characterized by some decline in total loans and investments and a considerable reduction in demand deposits. In 1924 the continuous inflow of gold both directly increased the deposits of member banks and provided them with reserve balances to support a growth in their credit, and the recent outflow of gold has been a factor in reducing deposits and in diminishing the balances of member banks at the reserve banks. In New York City, where the growth of member bank credit in 1924 was largest, there has been a considerable decline in investments, which were at their peak in the middle of November, and since January also a decrease in loans. Both loans and investments for reporting member banks outside of New York City have continued to increase, though at a slower rate than in 1924, and total loans for all reporting member banks at the middle of February were larger than at any time in recent years. During the first two weeks of February there was an increase in commercial loans, which have continued near the high level reached during the autumn months of 1924. More recently there has also been some increase in the demand for currency. Since the latter part of January there has been a considerable growth in borrowing by member banks at the reserve banks, particularly at the Federal Reserve Bank of New York.

In the money market, following the brief period of decline after the turn of the year,

these recent developments were reflected in an increase of rates on commercial paper to a level higher than at any time since the middle of last year. Rates on bankers' acceptances, after an almost continuous rise for more than six months, were in February more than 1 per cent above the rates prevailing during the summer months of 1924. On February 27 the discount rate at the Federal Reserve Bank of New York, which had been at 3 per cent since August 8, 1924, was advanced to 3½ per cent, the rate prevailing at the Boston, Philadelphia, Cleveland, and San Francisco reserve banks.

NOTES

Annual report of Federal Reserve Board.

The text of the annual report of the Federal Reserve Board, covering operations for the calendar year 1924, has been submitted to Congress and is now available. The full report, including detailed statistical tables, is in preparation.

Meeting of Federal Advisory Council.

The Federal Advisory Council held its first quarterly meeting in 1925 on February 16. Paul M. Warburg was reelected president and E. F. Swinney, vice president. In addition to these officers the following members were elected to constitute the executive committee: C. A. Morss, vice chairman, L. L. Rue, J. M. Miller, jr., and F. O. Wetmore.

Index-Digest of the Federal Reserve Act.

The third edition of the Index-Digest of the Federal Reserve Act and amendments has recently been issued. A limited number of copies is available for distribution at \$2 per copy. Persons wishing to obtain copies should address the secretary of the Federal Reserve Board.

Report of Gold and Silver Commission.

The Commission of Gold and Silver Inquiry of the United States Senate has issued a report on European currency and finance by John Parke Young. This volume, in addition to a discussion of the relation of the United States to currency problems of Europe and a detailed account of currency and financial conditions in principal European countries, contains a series of papers on currency and finance by leading American and European economists.

BUSINESS CONDITIONS IN THE UNITED STATES

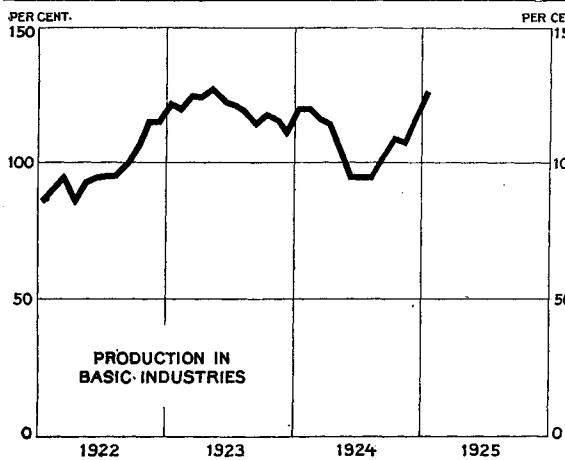
Further growth in production during January carried the output of basic commodities to the highest point reached since the spring of 1923. Employment at industrial establishments increased slightly, but remained below the level of a year ago. Prices of farm products continued to advance, and there were smaller increases in the wholesale prices of most of the other groups of commodities.

Production.—Production in basic industries, after a rapid increase in recent months, advanced 9 per cent in January and was 35 per cent above the low point of last summer. The most important factor in the increase in the level of production since August has been the greater activity in the iron and steel industry, but in January the output of lumber, minerals, food products, and paper, and the mill consumption of cotton, also showed considerable increases. The woolen industry was somewhat less active in January, and output of automobiles, though larger than in December, was considerably smaller than a year ago. Further increases during the month in employment in the metal, textile, and leather industries were largely offset by seasonal declines in the number employed in the building materials and food products industries. Building activity, as measured by contracts awarded, though less in January than during the closing months of 1924, was near the high level of a year ago.

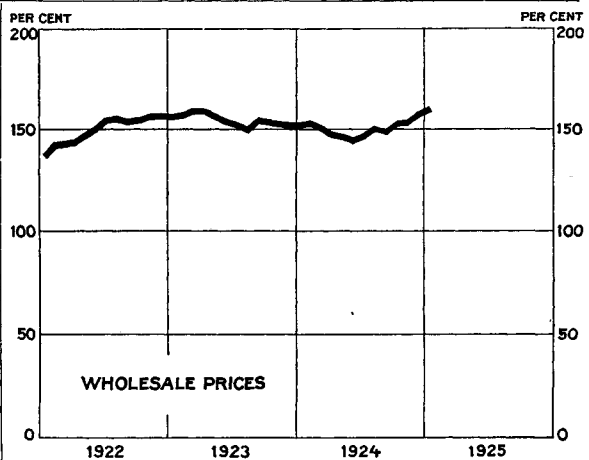
Trade.—Railroad shipments were in record volume for this time of year, and loadings of merchandise and miscellaneous products were particularly heavy. Wholesale trade in January, however, was slightly smaller than in December. Sales of groceries, shoes, and hardware were in smaller volume, while sales of dry goods and drugs increased. Department-store sales in most districts were somewhat smaller than a year ago, but sales of mail-order houses were considerably larger.

Prices.—Wholesale prices, as measured by the index of the Bureau of Labor Statistics, rose 2 per cent during January to the highest level in four years. The increase of 10 per cent in the index since last June represents an advance of 19 per cent in prices of agricultural commodities and 3 per cent in other commodities. In the first half of February prices of grains, wool, coal, and lead declined, while petroleum and gasoline prices advanced sharply, and cotton silk, and rubber showed smaller increases.

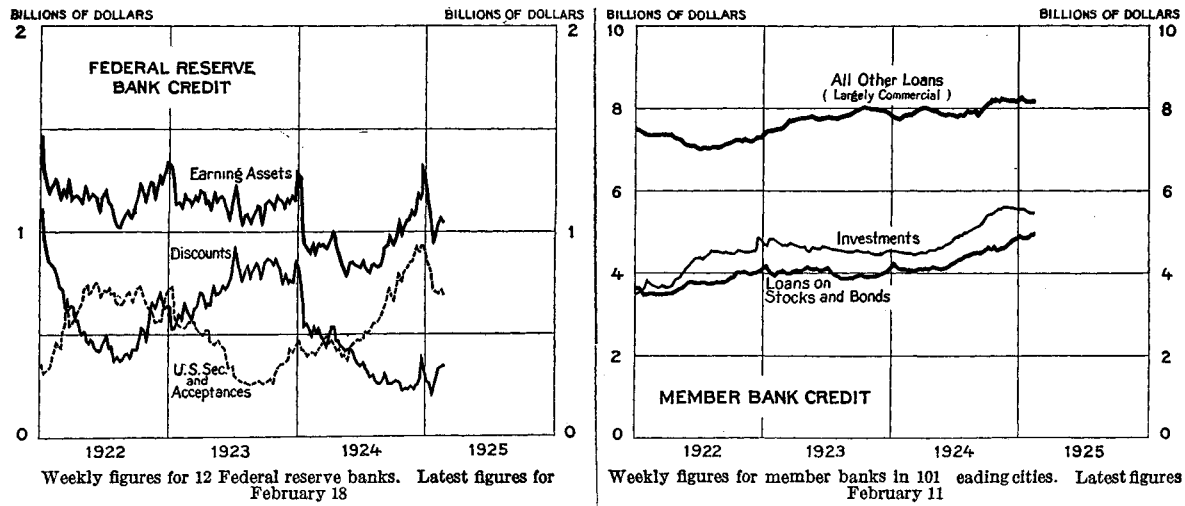
Bank credit.—Loans and investments of member banks in leading cities, following the rapid growth during the last half of 1924, declined by about \$100,000,000 between the middle of January and the middle of February. This decrease represents a reduction in the holdings of investments, chiefly at banks in New York, partly offset by an increase in loans. Loans on stocks and bonds increased, though less rapidly than in the latter part of 1924, while loans for commercial purposes declined slightly from the high level reached in the middle of January.



Index of 22 basic commodities adjusted for seasonal variations. (1919=100.) Latest figure, January, 127



Index of United States Bureau of Labor Statistics. (1913=100, base adopted by bureau.) Latest figure, January, 160



Net demand deposits, owing largely to decreases at New York City banks, declined sharply from the high point reached in the middle of January.

At the Federal reserve banks the seasoned liquidation resulting from the return flow of currency from circulation came to a close by January 21, and during the following four weeks there was an increase in total earning assets. This increase reflected largely the demand for gold for export, which led member banks to increase their discounts at the reserve banks. Reserve bank holdings of United States securities declined further, while acceptances showed relatively little change for the period.

Money rates, after remaining comparatively steady during most of January, showed a firmer tendency during the early part of February, when rates for prime commercial paper advanced to 3¾ per cent.

BUSINESS INDEXES OF THE FEDERAL RESERVE BOARD

[Monthly average 1919=100]

	Production in basic industries ¹	Factory employment	Building contracts awarded ¹	Railroad car loadings ¹	Wholesale trade	Department store sales ¹		Department store stocks ¹		Bank debits outside of New York City ¹
						Unad-justed	Ad-justed	Unad-justed	Ad-justed	
1923										
October.....	118	101	151	118	96	148	130	146	131	105
November.....	116	100	167	120	85	142	126	149	133	105
December.....	110	99	172	113	72	202	126	123	132	105
1924										
January.....	120	98	170	118	80	109	125	115	131	105
February.....	120	99	163	125	78	102	127	127	135	110
March.....	116	99	164	115	80	115	115	138	137	109
April.....	114	97	150	121	78	133	130	140	136	112
May.....	103	93	129	117	77	127	123	135	135	109
June.....	94	90	125	103	76	120	120	127	133	103
July.....	94	87	121	111	78	91	122	122	130	108
August.....	94	87	133	111	83	93	119	126	126	108
September.....	103	90	150	117	92	119	131	137	128	107
October.....	109	91	166	120	96	141	124	147	132	112
November.....	107	91	196	116	84	141	126	148	131	107
December.....	117	93	180	124	79	211	132	124	133	112
1925										
January.....	127	93	168	123	78	109	124	119	134	120

¹ The indexes of production in basic industries, building contracts, car loadings, and bank debits are adjusted to allow for seasonal variations. The indexes of department store sales and stocks are shown both with and without seasonal adjustments.

BANK CREDIT

On February 18 the loans and investments of reporting member banks in leading cities were about the same in volume as at the beginning of the year, a decline in the investment holdings of these banks, chiefly in the New York district, being slightly in excess of the growth in their loans. During the first seven weeks of the year loans secured by stocks and bonds continued to increase, and commercial loans at the end of this period were slightly above the level of the first of the year. Demand deposits declined sharply from the high figure reached at the beginning of the year, while time deposits continued to increase. The following table shows the principal resources and liabilities of member banks in leading cities for December 31, 1924, and for each week between January 14 and February 18, as well as changes for the seven weeks and for the year ending February 18.

LOANS, INVESTMENTS, AND DEPOSITS OF MEMBER BANKS IN LEADING CITIES

[In millions of dollars]

Date	Loans and investments				Deposits	
	Total	Loans secured by stocks and bonds	All other loans, largely commercial	Investments	Net demand	Time
1924—Dec. 31.....	18,600	4,862	8,206	5,531	13,254	4,849
1925—Jan. 14.....	18,680	4,878	8,261	5,557	13,355	4,853
Jan. 21.....	18,635	4,894	8,193	5,548	13,143	4,869
Jan. 28.....	18,539	4,888	8,168	5,488	13,014	4,876
Feb. 4.....	18,567	4,930	8,184	5,453	13,040	4,900
Feb. 11.....	18,547	4,933	8,182	5,432	13,093	4,925
Feb. 18.....	18,575	4,937	8,234	5,404	12,995	4,936
Increase (+) or decrease (-):						
Dec. 31—Feb. 18.....	-25	+75	+28	-127	-259	+87
Feb. 20, 1924—Feb. 18.....	+2,154	+859	+385	+910	+1,760	+760

The total volume of reserve bank credit in use, after a marked decline from the high point reached in December, 1924, increased during the latter part of January and in February, due to growth in the volume of the reserve banks' discounts for member banks which more than exceeded declines in the holdings of United States Government securities. Acceptances, after declining in the opening weeks of the year, remained practically constant between January 21 and February 25. The principal resources and liabilities of the Federal reserve banks for the period between January 21 and February 25, 1925,

and changes for this period and since February, 1924, are shown in the following table:

PRINCIPAL RESOURCES AND LIABILITIES OF FEDERAL RESERVE BANKS

[In millions of dollars]

Date	Earning assets				Total reserves	Total deposits	Federal reserve note circulation
	Total ¹	Discounts	Purchased acceptances	Government securities			
1925							
Jan. 21.....	945	203	306	423	3,083	2,216	1,699
Jan. 28.....	989	274	308	394	3,083	2,265	1,684
Feb. 4.....	1,032	322	308	359	3,065	2,268	1,690
Feb. 11.....	1,060	332	325	390	3,041	2,242	1,714
Feb. 18.....	1,046	342	312	378	3,045	2,257	1,699
Feb. 25.....	1,130	434	317	365	3,030	2,270	1,729
Increase (+) or decrease (-) for six weeks ending Feb. 25.....	+185	+231	+11	-58	-53	+54	+30
Year ending Feb. 25.....	+179	-98	+54	+209	-200	+284	-293

¹ Including foreign loans on gold and all other earning assets.

CONDITION OF ALL MEMBER BANKS

During the latter months of 1924 loans of member banks continued the growth which became pronounced in June, and on December 31, as indicated by the quarterly reports of condition recently become available and published on page 215 of this issue, the total for all member banks was \$29,026,000,000, an increase of \$576,000,000 since October 10 and of \$2,288,000,000 since the close of 1923. Total deposits (including demand and time deposits, balances due to banks, and United States Government deposits) were \$32,361,000,000 on December 31, 1924, or \$3,875,000,000 in excess of the total on the same date in 1923.

The growth in total loans and investments during the year, the greater portion of which occurred in the last six months, represented about equal increases in loans and in investments. Total loans of all member banks were \$20,181,000,000 at the close of 1924, \$361,000,000 above the amount on October 10 and \$917,000,000 above June 30. This growth was entirely in the loans of member banks in reserve and central reserve cities, the loans of country banks showing, in fact, a slight decline during the period—more particularly between June 30 and October 10. Investment holdings of member banks, at \$8,845,000,000 on December 31, were \$848,000,000 above the total for June 30; the increase for the last three months of the year was about one-fourth of that amount. The largest additions to the banks' holdings consisted of securities other than United States Government securities. The growth

in the total investments of member banks during the last six months of 1924 occurred both in reserve cities and outside; for the last quarter of the year, however, investments of member banks in New York City showed some decline. Demand deposits of member banks, continuing the increase which began in the spring months, rose rapidly during the closing months of the year to the highest point on record. Bank balances held with city correspondents, after a rapid growth prior to October 10, increased only slightly during the last quarter of the year. Time deposits continued to grow throughout the period.

In the following table are shown the amounts of the principal resources and liabilities of all member banks, by class of banks, on December 31, 1924, and the extent of changes since June 30.

PRINCIPAL RESOURCES AND LIABILITIES OF ALL
MEMBER BANKS DECEMBER 31, 1924

[In millions of dollars]

	Dec. 31, 1924			
	All member banks	Central reserve city banks	Reserve city banks	Country banks
Total loans and investments.....	29,026	7,660	9,983	11,383
Total loans ¹	20,181	5,546	7,166	7,469
Total investments.....	8,845	2,114	2,817	3,914
United States securities.....	3,902	1,154	1,353	1,395
Other bonds and stocks.....	4,943	960	1,464	2,519
Total deposits.....	32,362	9,465	11,278	11,619
Demand deposits ²	17,767	6,354	5,645	5,768
Due to banks.....	4,548	1,947	2,052	549
Time deposits.....	9,804	1,117	3,435	5,250
United States deposits.....	242	46	146	50

	Changes since June 30, 1924			
	All member banks	Central reserve city banks	Reserve city banks	Country banks
Total loans and investments.....	+1,765	+696	+848	+221
Total loans ¹	+917	+508	+453	-44
Total investments.....	+848	+188	+395	+265
United States securities.....	+295	+66	+223	+6
Other bonds and stocks.....	+553	+122	+172	+259
Total deposits.....	+2,832	+830	+1,176	+776
Demand deposits ²	+1,474	+645	+406	+423
Due to banks.....	+694	+37	+500	+157
Time deposits.....	+601	+188	+234	+179
United States deposits.....	+63	+10	+36	+17

¹ Including rediscounts and overdrafts.

² Including certified and cashiers' checks outstanding.

MONEY RATES

Somewhat firmer conditions in the New York money market, accompanying exports of gold and the flow of funds to the interior, were evidenced by advances in money rates

in February. Commercial paper was in less active demand, and by the third week in the month the rate on 4-6 months maturities had increased from 3½ per cent to 3¾ per cent, the rate prevailing at the end of 1924. Moderately increased sales of bankers' acceptances to the Federal reserve bank early in February and an advance in the reserve bank's minimum rate on short maturities was followed by a general rise in open-market bill rates. Despite these advancing money rates, the prices of Government securities and the yields on both short and long term issues remained practically constant throughout the month. The renewal rate on call loans averaged higher in February than in January. The table below shows the rates prevailing in the New York market during the past three months:

MONEY RATES IN NEW YORK

[Per cent]

	Prime commercial paper 4-6 months	Prime bankers' acceptance, 90 days	Yield on certificates of indebtedness maturing June 15, 1925	Average yield on 4¼ per cent Liberty bonds	Renewal rate on call loans
December, 1924.....	3½-3¾	2¾-3	2.57	4.05	3.49
January, 1925.....	3½	3	2.61	4.04	3.32
Average for week ending:					
Jan. 31, 1925.....	3½	3	2.57	4.01	3.50
Feb. 7, 1925.....	3½-3¾	3	2.61	4.01	3.30
Feb. 14, 1925.....	3½-3¾	3-3½	2.61	4.02	3.63
Feb. 21, 1925.....	3¾	3½	2.59	4.02	3.50
Feb. 28, 1925.....	3¾	3½	2.61	4.03	4.06

In the London market rates were very stable during January and early February at levels lower than those prevailing at the end of the year, but higher than the average rates of October and November. Three-months bank bills were quoted at 3¾ per cent the first week in February and Treasury bills were tendered that week at an average rate of 3.72 per cent.

ACCEPTANCE MARKET

During the first half of the period from January 22 to February 18 there was little change in the condition of the New York acceptance market, although some increase in the supply of bills was reported from Boston, with a consequent increase in the portfolios of dealers. There were moderate offerings to reserve banks. On February 6 the New York Federal Reserve Bank's buying rates on 30 and 60 day maturities were raised

to 3 per cent, and dealers subsequently advanced their rates $\frac{1}{8}$ per cent on all maturities up to 90 days. There was an increase in the foreign demand for prime member bank bills of 30 and 60 day maturities, and with easier money conditions a more active demand on the part of both local and out-of-town banks, including savings banks, developed, so that toward the end of the period New York dealers found the supply hardly sufficient to fill orders. Rates in New York on February 18 ranged from $3\frac{1}{8}$ per cent bid and 3 per cent offered on 30-day bills to $3\frac{5}{8}$ bid and $3\frac{1}{2}$ offered on 5 and 6 months maturities.

CAPITAL ISSUES

According to the compilation of the Commercial and Financial Chronicle, \$396,000,000 of domestic securities were issued in the United States in December, 1924. This exceeds the amount of the November issues but is considerably less than the large volume of flotations in October. Sixty-one per cent of the domestic issues were corporate issues, and 23 per cent of these were for refunding purposes. Industrial corporations issued the largest proportion of securities, with public utility offerings next in size, and railroad issues of small importance in December. The new domestic flotations during the month were slightly less than during December, 1923, but the total for the year 1924 was \$500,000,000 above that for the year 1923, and larger than for any year previously recorded. The following table shows the domestic securities issued in December, 1924, and during the year 1924, as compared with the issues of December, 1923, and the year 1923, classified as to type of security:

DOMESTIC CAPITAL ISSUES
[In millions of dollars]

	December, 1924		December, 1923		Year, 1924		Year, 1923	
	New	Re-fund-ing	New	Re-fund-ing	New	Re-fund-ing	New	Re-fund-ing
Total corporate..	248.3	55.9	261.6	14.8	3,027.8	491.8	2,648.8	560.3
Long-term bonds and notes.....	151.0	33.8	160.6	13.4	1,923.8	395.7	1,846.3	416.3
Short-term bonds and notes.....	11.2	19.7	8.3	.3	276.1	59.6	143.3	37.2
Stocks.....	86.1	2.4	92.7	1.2	828.0	36.5	659.2	76.8
Farm loan issues.	2.3	-----	2.1	-----	179.1	-----	337.5	55.0
Municipal.....	86.3	3.4	111.9	1.8	1,353.7	17.4	1,043.1	20.0
Total.....	336.9	59.3	375.6	16.6	4,560.6	509.2	4,029.4	635.3

The total of capital flotations in the United States during 1924 was greatly augmented by the issue here of foreign securities. A compilation of these issues made by the New York Federal Reserve Bank gives a volume of \$1,264,512,000 for the year, including refunding issues, as compared with \$431,657,000 for 1923, so that the combination of these figures with the Chronicle's statistics of domestic issues gives for 1924 a total of \$6,334,000,000, which exceeds that for 1923 by more than \$1,000,000,000. The foreign issues in December amounted to \$179,716,000, as compared with \$130,600,000 in November and \$49,375,000 in December, 1923. December ranked as the fourth month of the year 1924 in the size of foreign flotations, being exceeded only by February, when the \$150,000,000 Japanese loan was put out, by September, when unusually large Canadian issues were floated here, and by October, when \$110,000,000 of the international loan to Germany was issued in New York. The more notable foreign flotations in December were \$30,000,000 of bonds issued by the Argentine Government, \$50,000,000 by the Kingdom of Belgium, and \$40,000,000 by the Andes Copper Mining Co. in Chile. Foreign issues in January, 1925, were in substantial volume, but much smaller than those of the preceding six months.

SECURITY PRICES

The prices of representative stocks continued early in February the rapid advance which began in November, declined somewhat during the third week of the month, but in the next week recovered to approximately their former level. These movements were shared in general by both industrial and railroad stocks, but certain groups, including coal stocks and textile stocks, were exceptions to the general advance in January and early February. The rise in prices was accompanied by activity in the market, and the daily volume of sales has averaged over 1,000,000 shares each week since November 1. Bond prices showed little change in January, but advanced somewhat in February. The following table gives indexes of stock prices computed by the Standard Statistics Co. of New York, the average prices of 40 bonds computed by Dow, Jones & Co., and the average number of shares of stock sold daily for the last four months and for each week of February.

INDEX NUMBER OF SECURITY PRICES

	Price indexes of— ¹			Average price of 40 bonds ²	Average number of shares of stock sold daily (thousands) ³
	202 industrial stocks	31 rail-road stocks	233 stocks		
Average for—					
November, 1924.....	113.4	106.3	111.3	91.01	2,080
December, 1924.....	119.7	111.3	117.2	90.66	1,788
January, 1925.....	125.8	112.6	122.0	90.91	1,774
Average for week ending—					
Feb. 2, 1925.....	128.9	113.0	124.2	91.36	1,684
Feb. 9, 1925.....	129.4	113.7	124.8	91.61	1,847
Feb. 16, 1925.....	124.6	111.1	120.6	91.61	1,570
Feb. 24, 1925.....	127.1	113.6	123.1	1,833

¹ For the industrial stocks, the average of 1917-1921 prices equals 100; for the rails the average of the high and low prices made in the 10 years 1913-1922 equals 100. The indexes are weighted by the number of shares of each stock outstanding.

² Arithmetic average of daily peak and low prices as published in Wall Street Journal.

³ Average for 5 days ending on preceding Friday.

AGRICULTURAL CREDIT BANKS

Intermediate credit banks closed direct loans amounting to \$4,206,931 during January, 1925, as compared with \$1,447,457 during December, 1924, and rediscounts of \$2,688,045, as compared with \$3,813,680 in December. The Springfield, Baltimore, and Columbia banks each made loans of \$1,000,000 or more, while 6 of the 12 banks made no direct loans in January. All except the Louisville bank rediscounted a certain amount of agricultural paper, but the bulk of the total rediscounting was done by the middle western banks. The following table shows the rediscounts outstanding on February 14, 1925, classified by borrowing organizations, and the direct loans classified by commodities on which the loans were based:

DIRECT LOANS

Cotton.....	\$11,913,500
Tobacco.....	21,650,121
Raisins.....	4,000,000
Wheat.....	1,724,366
Prunes.....	1,222,750
Canned fruit and vegetables.....	427,146
Peanuts.....	200,462
Rice.....	349,774
All other.....	148,647
Total.....	41,636,766

REDISCOUNTS

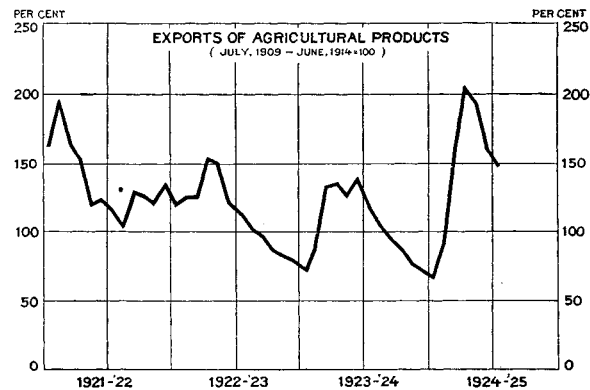
Agricultural credit corporations.....	\$9,643,878
National banks.....	18,177
State banks.....	744,740
Livestock loan companies.....	8,640,216
Savings banks and trust companies.....	151,644
Cooperative associations.....
Total.....	19,198,655

Federal land banks increased their mortgage loans during January by \$7,762,131 and is-

sued \$30,000,000 of 10-30 year 4½ per cent bonds, which brought the total of Federal land bank bonds outstanding to \$946,819,307 on January 31, as compared with \$914,763,416 on December 31. The net mortgage loans of joint-stock land banks amounted to \$435,067,400 on January 31.

AGRICULTURE

In most sections of the country farm operations were retarded in January on account of the generally unsatisfactory weather for outdoor work. Throughout the Western States low temperatures were accompanied by heavy snows, and the growing grain crops, livestock, and ranges were injured to some extent, but some of the losses were offset by the exceptionally favorable weather during the early weeks in February. Some areas in the Kansas City and Dallas Federal reserve districts are still suffering from a lack of moisture, which is causing a delay in winter plowings and early seedings. In the Richmond and Atlanta districts rainfall in January was excessive which, in addition to delaying farm work, caused frequent floods and heavy losses, particularly in the latter district.



While marketing of the 1924 crops was seasonally smaller in January than in December, it continued in larger volume than in the corresponding month last season. Tobacco and vegetables were distributed in larger volume than in December, vegetable shipments being about 50 per cent greater, the largest increase over December in the last six years. Exports of agricultural commodities, as measured by the Department of Agriculture's index and shown in the chart, were seasonally smaller than in December. All groups of products showed reduction except meats. As compared with last year, total exports were 26 per cent larger, due principally

to a continuation of heavy exports of cotton and wheat.

Agricultural prices advanced further during the month and reached the highest level since November, 1920. Practically all groups, as contained in the Department of Agriculture's index, except dairy and poultry products and a few miscellaneous items, were higher. In view of this rapid rise, the index of agricultural prices at wholesale markets was 161 as compared with 165 for nonagricultural commodities, and the margin between agricultural and nonagricultural prices was narrower than at any time since June, 1920.

Grains.

The early weeks of January were accompanied by generally cold and unfavorable weather for the winter wheat crop, and there was some damage by alternate freezing and thawing, although the extent of such damage is yet uncertain. In February the weather was milder, and considerable improvement was noted in all sections except in some areas of the Kansas City and Dallas Federal reserve districts, where there was a lack of moisture. Seeding of oats in the Southern States made good progress, and by the middle of February planting was being done as far north as Oklahoma. Winter seeded oats in the Richmond and Atlanta districts continued in good condition and the outlook is much more satisfactory than last year, when the crop was practically killed late in the winter.

Marketing of grains in January was seasonally smaller than in December, and while it was heavier than in January last year it was in considerably lighter volume than in January, 1921, 1922, or 1923. Receipts of wheat at principal markets declined from 32,500,000 bushels in December to 24,166,000 bushels in January, as compared with 16,861,000 bushels in January last year. Notwithstanding the reduction in the size of the corn crop, marketing in January was 17 per cent larger than last year, but this increase may be attributed in part to the considerably smaller marketings in November and December, which were due in a measure to the delay of the new crop in reaching the market. Oats were sold in the largest January volume in the past seven years. Trading in grain futures in January, as reflected in reports from the Chicago Board of Trade, was the largest for the period for which records are available. Prices advanced rapidly during the month and reached a peak near

the end of the period which, for most of the grains, was the highest since 1920. Early in February there were considerable declines in prices, amounting to 27 cents for winter wheat and about 22 cents for rye. Exports of grains and grain products fell off in January from the high levels reached in the autumn months, but were in about the same volume as in January last year.

Cotton.

A further increase in the consumption of raw cotton by American mills, continuation of large foreign demand, heavy exports, and generally unsatisfactory weather for farm operations were the most significant factors affecting the cotton market in January. Since last July the consumption of cotton by domestic mills has increased each month with the exception of a slight hesitation in November, and in January about 590,000 bales were consumed, the largest monthly volume since May, 1923, when 621,000 bales were consumed. Exports were larger in January than in December and were the largest for that month since 1915. In connection with the exceptionally large volume of exports it is significant to point out that for the six months of the cotton marketing season ending with January, 5,420,000 bales were exported as against a total of 5,656,000 bales for the entire season ending last July. The movement of cotton from the plantations and small towns of the South to the larger markets is continuing at a rapid rate, and for the season to the middle of February approximately 12,427,000 bales had reached the markets, about 1,000,000 bales less than the total yield. Notwithstanding the large demand for the crop in this country as well as abroad, reports indicate that mills have been producing largely to fill current orders, and spinners in Great Britain have recently curtailed production schedules.

Weather conditions for the season to date have been decidedly unfavorable for the new crop. In the Richmond and Atlanta Federal reserve districts excessive rains in January delayed farm operations and in the Dallas district a continuation of the drought caused the ground to dry out to such an extent that plowing has been retarded and preparations delayed.

With a continuation of the demand for the old crop and unfavorable weather in most of the growing areas the price of cotton strengthened late in January and early in February.

For the week ending February 13 the price of middling cotton at New Orleans was 24.5 cents a pound, as compared with 23.8 cents a pound a month earlier.

Tobacco.

During the late autumn months the marketing of tobacco was delayed, but in January increased activity was noted in almost all producing areas, and the aggregate volume of the crop marketed was larger than in the preceding month and exceeded sales in January last year. In the Richmond district a slightly larger percentage of the total crop was sold prior to February 1 than for the same period in 1924. Prices in January were slightly higher than last year, the greatest increases being in the prices paid for the North Carolina crop. Weather conditions were generally favorable for handling the crop in the St. Louis districts, and deliveries and sales were in large volume. Receipts and offerings of the 1924 crop of both burley dark varieties were greater than last year and prices were well sustained. Late in January, however, and early in February the quality of the new burley crop was poorer than earlier in the season and prices for such grades were lower. Heavy sales in January were reported by the Burley Tobacco Growers' Cooperative Association, which amounted to approximately 110,000,000 pounds. Since December 1 sales by the association have aggregated 172,000,000 pounds, and, in view of this decided improvement in demand, sentiment in the growing areas has changed and the proposed "cut-out" movement is less serious than early last autumn. Stocks of all tobacco held by manufacturers and dealers were smaller at the beginning of January than at the beginning of October, but they were still larger than last year. The table shows the stocks of the different types at the beginning of 1924 and 1925:

STOCKS OF TOBACCO

[In pounds]

Types	Jan. 1, 1924	Jan. 1, 1925
Chewing, smoking, snuff, and export.....	1, 219, 694, 350	1, 266, 082, 988
Cigar.....	358, 356, 222	371, 043, 245
Imported.....	73, 979, 605	76, 543, 662
Total.....	1, 651, 930, 177	1, 713, 669, 895

Production of cigarettes and manufactured tobacco products in January exceeded the volume in December, but it was smaller than that of January last year. The output of cigars

continued to decline in January for the third consecutive month and was smaller than in January of last year.

Fruits and Vegetables.

With the exception of the heavy rains in the southeastern States early in January, which delayed plantings and damaged growing truck crops, weather conditions were generally favorable for the winter fruit and vegetable crops in the southern sections of the United States. Shipments of potatoes, grapefruit, and lemons increased sharply in January and were in larger volume than in the same month last year. Marketing of oranges and apples was seasonally smaller than in December, but shipments of oranges were in the largest January volume on record. Throughout the autumn months apples were marketed in smaller volume than in the corresponding months in 1923, and a continuation of lighter shipments was evident in January. The crop in 1924 was smaller than in 1923, and, in view of the smaller available supplies, the price of apples at the New York market on February 20 was 25 per cent higher than a year ago. Cold-storage holdings of apples were 35 per cent lighter on February 1 than last year and 16 per cent lighter than on the same date in 1923. After advancing to \$3.75 a bushel at New York for the week ending February 13 from the low level of \$3 a bushel at the first of the month, the price of potatoes declined to \$3.25 a bushel on February 20. A year earlier the price was \$4.35 a bushel.

Livestock.

During 1924 the most significant developments in the livestock industry were reductions in the number of hogs and beef cattle and increases in the number of milk cows and sheep. The total number of hogs on farms and ranges on January 1, 1925, was 18 per cent smaller than at the beginning of 1924 and the number of cattle was 5 per cent smaller. A short corn crop, accompanied by high prices, made hog raising less profitable, and in order to make losses as light as possible producers marketed their stock rapidly in the closing months of the year. Continuation of low prices for beef cattle, the drought in a considerable part of the range territories, and the short corn crop resulted in heavy marketing of range cattle, while the relatively higher prices for dairy products, lambs, and wool resulted in a further increase in the number of milk cows

and sheep. Since 1922 the dairy industry has been expanding rapidly, and the total number of milk cows in the country is the largest on record.

In January ranges, pastures, and livestock suffered from the continuous cold weather and much feeding was necessary; but in February the weather was milder throughout the western grazing districts and many of the snow-covered ranges were opened, and the stock showed considerable improvement, particularly in the northwestern grazing districts, where the drought was not serious. In Texas and other sections of the Southwest the drought has continued, and the condition of the ranges is considerably lower than last year.

Marketing of all livestock was smaller in January than in December, and all animals were sold in fewer numbers than in January last year. After reaching the unprecedented level of 6,604,000 head in December, the number of hogs marketed declined to 6,104,000 head in January, which, with the exception of January, 1924, was the largest number on record for that month. The number of cattle and calves that reached the market in January was 10 per cent smaller than in December, but only slightly below that of last year. Sheep, on the other hand, were marketed in 14 per cent smaller volume than in January, 1924.

Dairy products.

A sharp increase in the shipments of butter to principal markets in January and a slowing down in the rate of movement out of storage resulted in a much smaller reduction in aggregate stocks in January than a year ago. At the beginning of February stocks of butter were the largest on record for that date, and while they were approximately 200 per cent larger than on the same date in 1923 and 1924, they were not exceptionally heavy when compared with some of the earlier years, as is shown in the table:

STOCKS OF BUTTER ON FEBRUARY 1

	Pounds.
1919.....	36,777,000
1920.....	38,359,000
1921.....	41,486,000
1922.....	35,047,000
1923.....	16,122,000
1924.....	15,243,000
1925.....	45,812,000

During the months of February, March, and April stocks of butter are rapidly reduced and a low point is reached by the beginning of May. Average stocks at the principal whole-

sale markets on May 1 for the past five years were about 6,300,000 pounds, and average holdings on February 1 for the same period were 29,250,000 pounds, the average reduction being about 78 per cent. With stocks amounting to 45,812,000 pounds on February 1 this year, a reduction of about 86 per cent will be necessary in the three months February, March, and April to bring holdings to the average level for the past five years. In view of the large stocks and a continuation of heavy production there was a considerable decline in prices in January, which reached a low point of 37½ cents a pound for 92-score butter at New York for the week ending January 23, approximately 7½ cents a pound below the high level reached in December. Late in January, however, and early in February the market was stronger, and for the week ending February 20 the quotation was 41 cents a pound.

Contrary to the situation in the butter industry, stocks of other dairy products are not excessive, and condensed milk is in a more favorable position than a year earlier. Production and stocks of cheese are slightly larger than in 1924 and the prices at several of the wholesale markets are somewhat lower, but the change from last year is much less pronounced than in the case of butter. In view of the relatively better position of the cheese and condensed-milk industries, there is a tendency among some of the butter manufacturers in Wisconsin to increase the output of cheese and condensed milk and to reduce the production of butter.

MINING

Coal and coke.

Recessions in both production and prices characterized the market for bituminous coal during the latter half of January and the first half of February. The Coal Age index of spot prices for bituminous coal, after touching \$2.12 on January 12, declined weekly to \$2.03 on February 9 and stood at \$2.04 on February 16. Daily average production per working day declined during the same period from 2,098,000 tons for the week ending January 10 to 1,624,000 tons for that ending February 14. This recession, which was in contrast to the movement during the preceding four weeks, carried mid-February production below and prices to about the same levels as those at the middle of December. Despite the lower rate of output during the latter half of the month, January production of bituminous totaled

51,914,000 tons, a figure that has been exceeded in only two months since 1920. Little change characterized the market for anthracite during the period. January production of 7,400,000 tons was slightly in excess of December but well below January of last year.

Production of by-product coke during January reached 3,406,000 tons, a new maximum, while output of beehive at 1,170,000 tons was the largest since March, 1924. Production of beehive for the week ending February 14 was 264,000 tons, as against 276,000 tons the previous week, which was the highest weekly figure attained on the present movement.

Petroleum.

Improvement in the oil industry, which began late in the autumn, continued in January and February. Although the rapid increase in the output of crude petroleum at the Wortham, Tex., field, reaching a peak of 167,000 barrels a day in the middle of January, caused a larger total production in January than in December, the larger supply was not sufficient to check the rising prices. After the middle of January, however, the flow at Wortham fell off, and by the week ending February 14 the daily average output for the entire country had declined to 1,935,100 barrels, as compared with a peak production for the year of 2,023,650 barrels a day in the middle of January. Although a rapid increase in the supply of crude petroleum from the Wortham field is no longer a serious problem for the oil industry, reports indicate that advancing prices have stimulated expansion in Mexico and wildcatting in the West and Southwest. The rapid advance in the price of crude petroleum since the beginning of the year is pointed out in the following table:

Date	Price of crude petroleum per barrel
Jan. 2.....	\$0.90
" 9.....	.90
" 16.....	.90
" 23.....	1.15
" 30.....	1.35
Feb. 6.....	1.35
" 13.....	1.55
" 20.....	1.55

Improvement in the crude petroleum industry was preceded by improvement in the refined products industry. Stocks of gasoline were reduced from 1,650,000,000 gallons at the end of May to 1,180,000,000 gallons at the end

of the year, and following this reduction in the supply there were advances in the prices of gasoline. The tank-wagon price at 30 cities supplied by eastern and mid-continent refiners averaged 15.7 cents a gallon at the end of January, as compared with 13.59 cents a gallon in October, the low point for 1924. Prices for other refined products were stronger in January and February than last autumn, but the increases were not as significant as those for gasoline.

Metals.

In contrast to December activity and price advances lasting well into January, a quieter tone dominated the nonferrous metal markets during the latter part of January and the first half of February. With primary producers frequently out of the market and large consumptive requirements for the first quarter apparently filled, the markets both here and abroad were influenced largely by second-hand and odd-lot dealers, and price recessions from the January highs were recorded in copper, zinc, lead, and tin. The price of refined electrolytic copper delivered at New York, which had advanced to 15½ cents on January 14, fluctuated between 14½ and 15 cents and on February 18 was again quoted at 14½ cents. Production of 144,544,000 pounds in January was well above the high levels of the last quarter of 1924 and the highest monthly production since the war. Shipments of lead from Joplin district during January made a new high, while prices of both lead and zinc, after continuing the December rise during the first half of the month, broke sharply and closed the month lower than at the opening. Shipments of slab zinc from refineries during January were slightly under the high levels of November and December, but still in excess of production, which made a new high, so that stored stocks were further reduced and at about 19,000,000 tons were the lowest since June, 1923.

Production of silver in January was 5,374,000 ounces, the lowest since July, 1924. Quotations for bar silver in New York continued to recover during January and reached 69¼ on the last day of that month, but fell off subsequently and stood at 68¾ on February 18. In spite of deliveries of tin in the United States during January that were higher than for any month since April, 1924, stocks within the country increased to 4,394 tons, the highest since July of last year. Straits tin averaged slightly over 57 cents during the four weeks

ending February 18 and ended the period at that price, in contrast to a high of 60½ on January 3.

MANUFACTURING

Food products.

Greater activity was noted in the flour and sugar manufacturing industries in January than in December, but the production of meat products as measured by the number of animals slaughtered was smaller. The output of flour was 6 per cent larger than in December and with the exception of January, 1920, was in the largest volume for that month in the past five years. Milling operations in the Chicago, Minneapolis, and Kansas City Federal reserve districts were higher than in December, but production in the St. Louis district was 4 per cent smaller than in the preceding month. Rapid advances in the price of wheat in January were accompanied by higher quotations for flour, which, for the week ending January 30, reached \$10.50 a barrel for spring patents at Minneapolis. Early in February, with the decline in the price of wheat, flour quotations dropped to \$9.45 a barrel, but part of this loss was recovered during the remaining weeks of the month. Average flour prices for the entire month of January were the highest for any month since October, 1920, and were about \$3.50 a barrel higher than last year. In view of the violent fluctuations in the grain markets buyers were purchasing only for immediate requirements. Exports were in considerably smaller volume than in December and were in the smallest volume for January in the last six years.

The output of sugar in January increased 75 per cent over December and was in the second largest volume on record for that month. Prices of both raw and refined sugar declined in January, and on February 20 refined sugar was 46 per cent and raw sugar 56 per cent lower than last year.

All animals except sheep were slaughtered in fewer numbers in January than in December. As compared with January a year ago there were increases in the slaughterings of cattle, calves, and hogs, but the increases were comparatively small. The number of hogs slaughtered in January was the second largest monthly figure on record and followed from the exceptionally heavy marketings in December and January. Reports indicate that while marketing has been large the hogs have been lighter in weight than ordinarily, which is indicative of the tendency among producers to sell their herds rather than attempt to feed corn at

present prices. As a result of large slaughterings of hogs and cattle, cold-storage holdings of pork and beef products are considerably larger than last year, but lamb and mutton products were in about the same volume. Both domestic and foreign demand for meats and meat products were larger than in December and dollar sales by 41 packers reporting to the Chicago Federal Reserve Bank were 7 per cent greater than in January last year. Exports of hams, bacon, lard, and most beef products increased during the month, but practically all products were shipped abroad in smaller volume than last year.

Textiles.

Buying of textile products was fairly active during January and February, markets on the whole continued rather strong, and production was increased or maintained at relatively high levels to cover orders previously received. The few price changes noted recently have varied in extent and direction, but some were important, such as the increases in men's suitings at the openings of fall lines.

Demand for cotton goods has been well maintained, and although orders in general are probably not as numerous as they were a few weeks ago, buying of certain constructions of print cloths and finished goods has been rather active. Prices have remained without significant changes for several weeks; the Fairchild index of cotton goods prices has fluctuated within a narrow range around 15.65 since November 22. In fact, fluctuations of cotton goods quotations since last April have been smaller than during any similar period since the war. The cotton-yarn market, on the other hand, has weakened somewhat since the first of the year, and the Fairchild yarn index has fallen from 44.44 in the first week of January to 42.44 for the week ending February 21. Manufacturing operations were increased further during January, as indicated both by mill consumption of raw cotton and by active spindle hours, which were the largest recorded since May, 1923. In the cotton-growing States consumption and the number of spindles active during January were the greatest on record. Imports of cotton goods have been heavy recently; in January receipts at principal ports totaled 18,682,690 square yards, the largest figure reported for any month of the past year.

Early in February the American Woolen Co. opened its fall lines of men's wear at an average advance over last year's prices of 6.6 per cent

on 50 staple suitings. Increases in woollens were greater than in worsteds. Buying since the openings has in general been only fairly active, but woollens continued to be more popular than worsteds. Manufacturing operations in the industry were at a somewhat lower rate in January than in December, according to the percentage of machinery hours active. Consumption of raw wool, on the other hand, was slightly greater during January than in December. December figures from the men's clothing industry show a much larger number of garments cut than in the same month a year before. The raw-wool market has been weaker since the first of the year, and prices throughout the world have declined. Fairchild's index of domestic raw wool prices fell from 144.976 in the week of January 24, the highest figure since 1920, to 140.590 in the week of February 21. Wool stocks on December 31, as reported by the Bureau of the Census, were the smallest recorded since the figures began in 1922. The accompanying table shows the data for domestic and foreign wools for certain recent dates. In recent months imports have increased considerably; they totaled 47,503,591 pounds in January, the largest figure recorded since April, 1923, and weekly data indicate a continuation of shipments at the same rate.

STOCKS OF RAW WOOL IN THE UNITED STATES

[Actual weight in thousands of pounds]

	Total	Domestic	Foreign
Dec. 31, 1924.....	262,496	131,373	131,123
Sept. 30, 1924.....	304,215	185,527	118,689
June 30, 1924.....	323,713	182,298	141,415
Mar. 31, 1924.....	273,971	112,701	161,270
Dec. 31, 1923.....	315,471	148,537	166,934
Mar. 31, 1923.....	373,534	81,624	291,910
Sept. 30, 1922.....	420,655	177,656	242,999

Marked improvement was noted in the silk industry during January and February—buying increased considerably, productive operations were enlarged, and prices rose. Takings of raw silk by American mills totaled 39,885 bales in January, more than in any month since the statistics began in 1920. Imports continued large, but were smaller than in December and were less than mill takings. Consequently warehouse stocks were reduced for the first time since July. Stimulated by large orders, producers of both thrown silk and silk goods have increased production. The price of raw silk again turned upward in February and advanced to the highest point since last March. Greater strength in the Yokohama market and

advances in yen exchange were important factors in the recent price rise.

Demand for knit goods has been fairly strong since the first of the year. Orders have increased and production schedules have been somewhat enlarged. Production of practically all classes of hosiery increased in December and was much greater than a year earlier. Preliminary reports indicate further increases in January in shipments and orders as well as in production. Production and orders for knit underwear also increased considerably in December, but shipments were somewhat smaller and stocks were enlarged. Early in February prices of wool underwear were advanced by a leading producer.

Iron and steel.

Orders for iron and steel products have been much lighter since the first of the year than during the last few months of 1923. Specifications on contracts placed at that time for first quarter delivery are large, and production is at a high level; furthermore, unfilled orders are probably sufficient to maintain active manufacturing operations for several weeks, but orders for second quarter requirements are not being booked in large quantities. The level of prices is now higher than when contracts were made last fall. The recent advance, however, has been checked and some declines have been noted, but the general level, as indicated by the Iron Trade Review's composite price, has been relatively stable since the first of January. Quotations on steel scrap were particularly weak, and several reductions were made.

Production of pig iron and steel ingots in January was the largest ever before recorded in that month, and the total output of ingots has been previously exceeded only twice—in May, 1923, and March, 1924. The daily average production of steel ingots has increased 115 per cent since the low point in output last July. In February the rate of operations was reduced slightly and toward the end of the month averaged about 88 per cent, as compared with 92 per cent at the end of January. Furnaces in blast on February 1 totaled 251—61 per cent of the total number of stacks. Unfilled orders of the United States Steel Corporation, in face of large production and shipments, increased 220,000 tons during January to 5,037,323 tons, the largest total since August, 1923.

Railroad buying, particularly of bridge material, continues to be an important factor in the market, but car and locomotive awards during January were the smallest recorded in

several months. Some increase in car orders were noted in February. Although prospective building is large, structural steel bookings in January totaled less than in any month last year. Automobile manufacturers continue to be conservative buyers. Demand for semi-finished products has been fairly heavy, although here also some slowing down in buying has been noted. The pig-iron market has likewise been dull in recent weeks.

Automobiles and tires.

Slight seasonal increases in production and factory shipments of automobiles were reported in January, but both sales and output continued small as compared with previous months. The current situation presents a sharp contrast to that of a year ago, when production was at a high rate and dealers were placing large supplies of cars in storage in anticipation of the spring demand, which failed to develop to the extent expected. Production of passenger cars totaled 204,000 in January, as compared with the recent low point of 179,000 in December and with 287,000 a year ago. Railroad shipments were practically the same as in December and considerably smaller than during January, 1924. Manufacturers report an increase in sales to dealers as compared with December, while dealers' sales to users were smaller. Certain dealers in the Middle West reported to the Federal Reserve Bank of Chicago an increase in the number of cars on hand at the end of January as compared with those held a month earlier and a decrease within the past year. A number of price reductions were made in December and in the first part of January, but few have been announced since the middle of January. The demand for trucks has continued fairly good, and production has been relatively stable since the middle of 1923.

For the second successive month production of automobile tires and tubes in January exceeded shipments, and stocks increased. Inventories are rather large as compared with those on corresponding dates of previous years, but the increase is not so great when the year-to-year growth in shipments and production is considered. After a sharp decline in prices in January, the crude-rubber market strengthened and quotations rose about the middle of February. Imports in January totaled 73,700,000, as compared with 59,000,000 in December and 49,000,000 in January, 1924.

Lumber.

Shipments of lumber in January, as reported by the National Lumber Manufacturers' Association, totaled 1,287,000,000 feet and production 1,225,000,000 feet. Production in this month exceeded the cut of lumber in November and in December, and was in excess of production in any preceding January since 1918. The Federal Reserve Board index for lumber production, corrected for seasonal variation, rose from 128 for December to 145 for January. Shipments in January were above the corresponding total for December and also above that for January, 1924. They exceeded the total production in January, as was the case in the same month last year. Last year in January shipments were running above production. As reported by the West Coast Lumberman's Association, shipments of Douglas fir ran below production during October and November and exceeded production in December and January. Shipments of southern pine, as reported by the Southern Pine Association, exceeded production in October, November, and December, and fell below production in January. In the seven weeks ended February 14, 1925, lumber cut reported for eight associations totaled 1,516,000,000 feet, shipments 1,589,000,000 feet, and orders 1,535,000,000 feet. For these weeks production was 4.6 per cent, and orders were 3.4 per cent below shipments.

Hides, leather, and shoes.

Hide and leather markets have noted some decrease in activity since the first of the year, but on the whole business has been fairly good for this season. Sales of hides and skins were reported to be less active on the Chicago market, and prices have declined since the middle of January, but lower prices are usual at this season because of the poorer quality of hides and skins offered. Raw stocks of cattle hides increased in December, but those of calf, goat, and sheep skins were further reduced, and all were smaller than a year earlier. Stocks disposed of were much larger than in December, 1923.

Demand for leather has lessened a little recently, but on the whole has been fairly well maintained. Prices have been firm, with advances noted in a few cases. Stocks of finished leather were in general reduced during December, and production was greater than in November, although for some types of leather output was less than in December, 1923. Stocks in process on December 31 were

all smaller than at the end of the previous year. Preliminary figures show a decrease of 6 per cent in the production of sole leather during January to 1,294,319 backs, bends, and sides. Tanners' finished stocks were reduced and stocks in process were increased.

Shoe manufacturers are now producing in preparation for deliveries of shoes for Easter. Producers report more activity in the buying of women's shoes than in the case of men's lines. In general, factories are booked up until Easter, but few orders have been received for later delivery. Shipments have been seasonably dull. Production of shoes was about 7 per cent greater in January than in December, totaling about the same as in January, 1924. Decreases in output were noted in the Philadelphia and Chicago districts, whereas increases occurred in the other important producing sections. Sales of shoes at wholesale were smaller in January than in the corresponding month last year.

BUILDING

Contracts awarded in 11 Federal reserve districts during January indicated for this month in comparison with the month preceding a decrease of nearly 9 per cent in the value of projected building. Statistics compiled by the F. W. Dodge Co. show decreases for the Boston, Cleveland, Richmond, Atlanta, Chicago, and St. Louis districts, and increases for the New York, Philadelphia, Minneapolis, Kansas City, and Dallas districts. January values contracted for a year ago in 10 of these districts combined held very close to the preceding December total, but the December-January decrease this year in these districts from \$327,000,000 to \$294,000,000, although considerable in amount, leaves the volume of new building contracted for at a high figure for January—only 2 per cent below the exceptionally high total for January a year ago and more than 20 per cent above that for January two years ago. The New York district, which in January of this year reported more than one-third—\$110,000,000 out of \$310,000,000—of the values represented in contracts in the 11 districts, reported an increase of \$8,500,000 in January over December, the January total this year, which is close to that for January, 1924, being in excess of the January, 1923, figure by \$44,000,000 and double the January, 1922, total.

Square feet contracted for in 27 northeastern States decreased in nearly the same proportion

as values—9.5 per cent, from 46,800,000 feet in December to 42,342,000 feet in January. Five out of eight classes of construction show decreases, the most considerable being that for residential building contracts. This year's January total for all classes of construction is 15 per cent below that of January, 1924. The number of square feet of residential construction contracted for in January of this year was 23,518,000, which is less by nearly one-third than the corresponding total of 34,693,000 for January, 1924, and below the total of 24,586,000 for January, 1923.

Number and value of building permits issued in 168 selected cities of the United States also declined in January from the totals of the month preceding. Number of permits issued decreased from 41,519 in December to 38,735 in January, and values from \$247,000,000 to \$213,000,000, the decrease in values amounting to 13.7 per cent. Value decreases from the December totals are shown for the cities of 10 Federal reserve districts, and relatively small increases for the Dallas and San Francisco districts. In January of 1924 these same cities issued 42,096 permits, covering values totaling \$222,000,000. In comparison with January a year ago decreases in values are shown for the cities of eight districts, and increases for the cities of four districts, the net decrease for the 168 cities combined amounting to 4.2 per cent.

On February 20 the price of Portland cement per barrel was \$1.85, which was the price recorded for the preceding week, for a month ago, and for a year ago. The price of bricks on February 20 (\$14 per thousand), while materially lower than in February a year ago, has not changed in recent weeks, and the price indexes for lumber also indicate only inconsiderable price changes. The Bureau of Labor statistics price index for building material, however, advanced in January to 179.3 from 175.1 in December.

TRANSPORTATION

Freight-car loadings in January of 3,991,557 cars for all classes of freight combined ran close to the December total of 3,931,109 cars, the increase of January over December being somewhat under average seasonal change for these months, with the result that the Federal Reserve Board index of car loadings corrected for seasonal variations declined slightly—from 124.2 to 122.9 per cent. Car loadings in January were, nevertheless, greater than in any

January of the six years, 1919 to 1924, for all classes of freight combined, and specifically for miscellaneous freight, merchandise l. c. l., grain and grain products, forest products, and coal. Loadings of ore and coke, while not in record volume, were in excess of, and loadings of livestock were close to last year's movement. Loadings in January ran above the December totals in the Allegheny, Pocahontas, northwestern, and central western districts, and fell off in the eastern, southern, and southwestern districts. They ran above the 1924 January totals in all districts excepting the eastern.

Weekly figures show that in the week ended February 14 loadings of coke, ore, merchandise, and miscellaneous freight were running above, and loadings of grain and grain products, livestock, coal, and forest products, and of all classes combined, below last year's totals for this week.

In February, as in January and in each month of the preceding year, the roads were maintaining a large surplus of serviceable cars, with practically no shortage attributable to failure on their part to provide for traffic needs. Reports for February 14 show a surplus of 220,798 cars and a shortage of 511 cars.

Total operating revenues for Class I railways in December, amounting to \$505,522,950, were \$10,908,235, or 2.2 per cent above, while total operating expenses, amounting to \$381,415,252, were \$6,738,761, or 1.7 per cent below the corresponding totals for 1923. The operating ratio of expenses to revenue was accordingly lower in December of 1924 than in the corresponding month of 1923, being reduced to 75.45 from 78.48 per cent.

Final figures for the calendar year 1924 give total operating revenues of Class I roads as \$5,986,492,120, which falls short of the 1923 aggregate by \$373,931,093, or 5.9 per cent. Operating expenses totaled \$4,558,307,781, giving in comparison with the preceding year a decrease of \$386,827,617, or 7.8 per cent. In 1924, according to compilations of the Bureau of Railway Economics, operating revenues were 3.4 per cent above and operating expenses 6 per cent below the average of the five preceding years. The operating ratio on the year's account as a whole was brought down from 77.75 for 1923 to 76.14 for 1924. Net railway operating income for Class I roads in 1924 gives a rate of return on the book investment of the carriers of 4.33 per cent, which is below the rate of 4.48 per cent earned in the preceding year.

TRADE

Wholesale trade.

Total volume of wholesale trade in the United States in January was smaller than in December. For the past three years trade in January has increased over December, but this year the Federal Reserve Board's index was about 1 per cent less than in the preceding month. Sales of groceries, shoes, hardware, machine tools, diamonds, jewelry, and electrical supplies showed the greatest declines, while sales of meat, dry goods, drugs, millinery, and farm implements were larger. Reductions in the distribution of shoes occurred in all Federal reserve districts except in the Atlanta, St. Louis, and San Francisco districts, and were heaviest in the Cleveland, Philadelphia, Minneapolis, and Chicago districts.

Aggregate dollar sales were 2 per cent smaller than last year. Declines were noted in all leading lines except groceries, meat, furniture, and agricultural implements, but increases in the sales of groceries were not general, since six Federal reserve districts reported a smaller distribution than last year. Greater sales of agricultural implements, on the other hand, were indicated in all reporting districts. Sales of dry goods were about 16 per cent smaller than last year, and declines were noted in all Federal reserve districts except in the Minneapolis district.

Stocks of merchandise at wholesale firms in six Federal reserve districts from which reports were received were larger than at the end of December, and stocks of groceries and drugs were larger than at the close of January last year. Smaller sales of dry goods in January resulted in large increases in stocks, varying from 11 per cent in the Philadelphia district to 32 per cent in the Dallas district. Shoe stocks were heavier in all reporting districts at the end of January than in December, but smaller than in January a year ago. Collections were smaller than in December, but larger than in January last year. Accounts outstanding, however, were smaller for most lines at the end of the month than at the end of December and were somewhat smaller than a year ago in most sections of the country.

Retail trade.

Trade at retail stores in January was seasonally smaller than in December, but when adjustment is made for the usual seasonal change in January, sales at grocery, 5-and-10, drug,

music, and candy chain stores were larger. Although sales at mail-order houses and at all chain stores were larger than last year, business at department stores was no larger than in January, 1923. Mail-order house and drug chain sales were in approximately 10 per cent greater volume than last year and increases at grocery and 5-and-10 chains were about 20 per cent larger than a year ago.

Sales at department stores, after correction for seasonal variation, were 5 per cent smaller than in December, and declines were evident in all Federal reserve districts except Dallas. As compared with January last year, aggregate dollar sales at these stores were in about the same volume, but there were increases in sales in the three mid-western districts—Chicago, Minneapolis, and Dallas. Retail distribution in the New York district was approximately the same as last year, but it was in smaller volume in other eastern districts and the southern districts. Analysis of these data, by departments, indicates that sales of silks, velvets, neckwear, veilings, toilet articles, leather goods, misses', juniors', and girls' ready-to-wear, corsets, brassieres, negligees, aprons, house dresses, and shoes were all in more than 6 per cent larger volume than last year. Departments selling cotton dress goods, ribbons, silverware, men's clothing, women's coats and skirts, waists, sweaters, gloves, toys, and sporting goods, on the other hand, reported a substantially smaller volume of business than last year.

The aggregate dollar value of stocks of merchandise at department stores was 5 per cent smaller than at the end of December, but was about 3 per cent larger than in January last year. Reductions from December occurred in all Federal reserve districts except in the Atlanta district, where they were 10 per cent larger than at the close of the preceding month. Inventories of departments carrying neckwear, veilings, handkerchiefs, silverware, leather goods, boys' wear, women's coats, misses' ready-to-wear, negligees, aprons, and glassware showed the greatest increase in stocks over last year. Stocks of women's suits, misses' ready-to-wear, sweaters, millinery, and men's and boys' shoes, on the other hand, were substantially smaller than last year. The rate of turnover for department stores, as measured by the relation of the volume of sales to stocks, was slower than in January last year. Goods moved more slowly in all Federal reserve districts from which data were received except in the Atlanta, Minneapolis, and Dallas districts. Outstanding

orders of department stores at the end of January were in about the same volume as at the end of January last year.

PRICES

Wholesale prices increased in January by 1.9 per cent, according to the index of the Bureau of Labor Statistics. The largest increase, of 4.3 per cent, was in the index for farm products, but all the groups, with the exception of cloths and clothing and miscellaneous commodities, showed advances for the month. From the low point of June, 1924, the general level of prices advanced 10 per cent. This advance reflects a rise of 22 per cent in the price of farm products and of 18 per cent in the price of foods, with smaller advances in most of the other groups and an actual decline in the fuel and lighting group.

When regrouped by stage of manufacture, raw materials showed an advance of 3.3 per cent, which reflects the rise in crops, animal products, forest products, and a slight increase in mineral products. Producers' goods and consumers' goods each rose 1 per cent. For the period June, 1924, to January, 1925, all groups showed increases; raw materials advanced 13 per cent, reflecting a 19 per cent rise in crops and a 22 per cent rise in animal products. Consumers' goods increased 12 per cent, and producers' goods showed an advance of less than 3 per cent.

In the following table are shown index numbers of wholesale prices in the United States, as grouped by the Bureau of Labor Statistics and as regrouped by the Federal Reserve Board:

WHOLESALE PRICES IN THE UNITED STATES

[1913=100]

	1925		1924	
	January	December	June	January
All commodities.....	160	157	145	151
Bureau of Labor Statistics groups:				
Farm products.....	163	157	134	144
Foods.....	160	158	136	143
Cloths and clothing.....	191	191	187	200
Fuel and lighting.....	168	165	175	169
Metals.....	136	133	132	142
Building materials.....	179	175	173	181
Chemicals and drugs.....	135	135	127	132
House furnishings.....	173	172	172	176
Miscellaneous.....	127	129	111	117
Federal Reserve Board groups:				
Raw materials.....	167	161	147	156
Crops.....	196	186	165	182
Animal products.....	133	129	109	115
Forest products.....	193	187	182	194
Mineral products.....	172	169	168	170
Producers' goods.....	134	132	130	136
Consumers' goods.....	169	167	151	156

In February the prices of many commodities, including wheat, oats, rye, sheep, flour, eggs, copper, and hides, declined, while advances were shown for corn, barley, hogs, potatoes, lumber, and petroleum and gasoline.

Retail food prices, according to the index of the Bureau of Labor Statistics, increased by about 2 per cent in January, reflecting an advance in prices of cabbages, eggs, potatoes, flour, corn meal, oranges, cheese, lard, bread, ham, and coffee. Over a year ago the advance in food prices has been about 4 per cent. Cost of living also showed some advance in January.

EMPLOYMENT

Increases in the volume of employment in certain important industries during January were largely offset by seasonable declines in others. The index of employment in manufacturing industries increased only slightly—from 92.7 in December to 93.1 in January. Pay rolls actually decreased during the period. Declines in both employment and wage earnings is considered usual at the first of the year, owing to the temporary closing down of many plants for inventories and repairs. In New England, however, pay-roll totals were larger than in December, although they were smaller in every other section, and the decrease for the country as a whole was nearly 3 per cent. Despite the fact that the volume of production is higher than it was a year ago, factory employment and wage payments are about 5 per cent smaller.

By industries, iron and steel, textiles, and leather and shoes reported more employees in January. On the other hand, in lumber, stone, clay and glass products, food products, and tobacco there were seasonal declines. The automobile industry reported a larger number than in several months, but as compared with last January this industry showed the largest decrease. Furthermore, in the east north central section of the country, where the automobile industry is important, there have been larger declines in pay-roll totals within the past year than in any other section. Of the more important industries the greatest increase in January was noted in iron and steel and in boots and shoes.

Establishments reporting to the Bureau of Labor Statistics operated at 92 per cent of full time in January with 82 per cent of a full

force of employees. The former figure was unchanged and the latter 1 point larger than in December. As in preceding months, the only important wage changes during January were reductions of about 10 per cent in the wages of cotton-mill operatives. These decreases affected 20,000 employees, making a total from that industry of over 75,000 whose wages have been lowered in the past 10 months.

SAVINGS DEPOSITS

The total of savings deposits reported by 907 banks distributed throughout the United States was \$7,675,205,000 on February 1, 1925, as compared with \$7,656,758,000 on January 1, 1925, and \$7,183,402,000 on February 1, 1924. This represents an increase of 0.25 per cent during January, a month when the growth of savings deposits is apt to be checked by withdrawals following the crediting of interest, and an increase over the year from February 1, 1924, to February 1, 1925, of almost 7 per cent. The Atlanta and Chicago districts were the only ones showing decreases in savings deposits during January, while increases of over 1 per cent occurred in the Boston, Philadelphia, Minneapolis, and Dallas districts. A comparison of savings deposits on February 1, 1925, with a month and a year previous, is shown, by Federal reserve districts, in the following table. In the Boston and New York districts the figures represent only deposits of mutual savings banks; in all other districts, where there are but few mutual savings banks, savings deposits of other banks are included.

SAVINGS DEPOSITS, BY FEDERAL RESERVE DISTRICTS

(In thousands of dollars)

District	Number of banks	Feb. 1, 1925	Jan. 1, 1925	Feb. 1, 1924
Boston.....	64	1,295,931	1,282,074	1,227,742
New York.....	30	2,058,549	2,056,333	1,922,678
Philadelphia.....	79	517,463	512,550	483,826
Cleveland.....	69	825,337	825,020	761,251
Richmond.....	89	329,862	327,741	293,099
Atlanta.....	94	235,533	238,829	221,692
Chicago.....	197	929,765	937,486	897,435
St. Louis.....	31	141,167	140,326	135,025
Minneapolis.....	14	91,957	90,774	88,478
Kansas City.....	58	104,057	103,709	99,990
Dallas.....	111	98,693	97,337	93,377
San Francisco.....	71	1,046,886	1,044,579	958,809
Total.....	907	7,675,205	7,656,758	7,183,402

COMMERCIAL FAILURES AND BANK SUSPENSIONS

During January 2,317 commercial failures were reported by R. G. Dun & Co., indicating an increase of nearly 14 per cent from the total of the preceding month. These insolvencies involved liabilities amounting to \$54,354,032—20 per cent above the total for December. Both the number and liabilities were higher than in the same month of 1923 or 1924.

Of the total number of insolvencies 480 occurred among manufacturing enterprises, 1,757 in the trading group, and 80 among agents and brokers. Although manufacturing and trading insolvencies were considerably more numerous in January than in December of last year, the increase in the total amount of indebtedness in default was largely attributable to the occurrence of a few failures of unusual size among agents and brokers. There were six failures in this group, which had average liabilities of about \$2,804,000, which compares with an average of \$23,459 for all commercial failures during the month taken together.

It is usual for failures to be more numerous in January than in December; in fact, decreases have occurred between these two months in only two years, 1919 and 1920, out of the past 20 years. Although the number of insolvencies in January of this year was higher than in the same month of 1923 or 1924, the relative increase from the month of December was less this year than for January, 1923 or 1924.

Commercial failures were more numerous in January than in the same month last year in all except the Philadelphia, St. Louis, Minneapolis, and Kansas City districts. Comparing the same months, liabilities were higher in only the New York, Richmond, Atlanta, Dallas, and San Francisco districts. Comparative data, by districts, for the month of January are presented in the following table:

FAILURES DURING JANUARY

Federal reserve district	Number		Liabilities	
	1925	1924	1925	1924
Boston.....	217	203	\$3,742,645	\$7,173,862
New York.....	416	407	20,028,016	8,884,038
Philadelphia.....	80	113	1,747,846	2,157,916
Cleveland.....	199	175	4,937,059	6,160,933
Richmond.....	188	152	4,029,401	3,505,170
Atlanta.....	156	136	2,750,320	2,452,051
Chicago.....	345	251	9,753,298	12,641,812
St. Louis.....	127	143	433,149	1,669,880
Minneapolis.....	103	104	1,095,724	1,129,225
Kansas City.....	134	168	1,678,389	2,035,090
Dallas.....	78	68	1,312,836	1,170,988
San Francisco.....	274	188	2,845,349	2,291,543
Total.....	2,317	2,108	54,354,032	51,272,508

BANK SUSPENSIONS, JANUARY, 1925

During January there were 96 banks, with capital and surplus of \$6,222,000, reported to the Federal reserve banks as having been closed (including in this number 1 nonmember bank in the Dallas district which was closed and reopened within the month). This total, which compared with 60 for December, was higher than for any month since January of last year, when 136 banks were reported closed. Of the total number of suspensions for the month 63, with capital and surplus amounting to \$3,260,000, were nonmember banks and 33, with capital and surplus of \$2,962,000, were member banks; 9 of the latter were nonnational member banks and the remaining 24 were national banks. Increases in the number of suspensions occurring during January this year, as against the latter months of last year, were more marked in the Atlanta, Chicago, and Dallas districts, and more particularly in the States of Georgia, Iowa, and Texas, than elsewhere. During the month 5 nonmember banks previously closed were reopened, 3 in the Minneapolis district and 1 each in the Dallas and San Francisco districts. Although the figures for bank failures represent so far as could be determined banks which had been declared insolvent or were closed by order of supervisory authorities, it is not known how many of the latter institutions may ultimately prove to be solvent.

BANKS CLOSED DURING JANUARY, 1925

[Amounts in thousands of dollars]

	All banks		Member		Nonmember	
	Number	Capital and surplus	Number	Capital and surplus	Number	Capital and surplus
All districts.....	96	6,222	133	2,962	763	3,260
Richmond.....	8	417	3	209	5	208
Atlanta.....	14	765	6	499	8	266
Chicago.....	27	2,047	4	903	21	1,144
St. Louis.....	5	686	—	—	5	686
Minneapolis.....	16	567	7	305	9	262
Kansas City.....	13	823	2	241	11	582
Dallas.....	18	548	5	507	13	41
San Francisco.....	5	369	4	298	1	71

- ¹ Comprises 24 national banks, capital and surplus of \$2,012,859, and 9 nonnational member banks, capital and surplus \$948,870.
² One nonnational member bank, with capital and surplus of \$40,000.
³ Two nonnational member banks, with capital and surplus of \$163,350.
⁴ Two nonnational member banks, with capital and surplus of \$425,440.
⁵ Two nonnational member banks, with capital and surplus of \$188,630.
⁶ Two nonnational member banks, with capital and surplus of \$131,450.
⁷ Includes one bank closed and reopened within the month.

FOREIGN TRADE

Imports of merchandise during January totaled \$346,000,000, an increase of \$13,000,000 over the previous month, of \$50,000,000

over January of last year, and the highest figure shown since May, 1923. Exports of merchandise were \$447,000,000, an increase of about \$2,000,000 over December and of \$52,000,000 over January last. Net exports declined by \$12,000,000 as compared with December, from \$113,000,000 to \$101,000,000, but rose slightly as compared with January, 1923.

The total visible export balance during January amounted to \$174,000,000, compared with \$57,000,000 a year ago. The great excess of exports for the month was brought about by the fact that the gold export balance was \$68,000,000, compared with an import balance of \$45,000,000 during January, 1923.

MERCHANDISE TRADE BALANCE OF THE UNITED STATES

[In thousands of dollars]

Month	Imports	Exports	Excess of imports	Excess of exports
1924				
January.....	295,506	395,172	-----	99,666
February.....	332,323	365,775	-----	33,452
March.....	320,482	339,755	-----	19,273
April.....	324,291	349,936	-----	22,645
May.....	302,988	335,099	-----	32,111
June.....	274,001	306,989	-----	32,988
July.....	278,594	276,649	1,945	-----
August.....	254,542	330,659	-----	76,117
September.....	287,144	427,460	-----	140,316
October.....	310,752	527,172	-----	216,420
November.....	296,148	493,573	-----	197,425
December.....	333,173	445,742	-----	112,569
Year.....	3,609,944	4,590,981	-----	981,037
1925				
January.....	346,184	446,577	-----	100,393

TRADE BALANCE OF THE UNITED STATES FOR JANUARY, 1924 AND 1925

[In thousands of dollars]

	Merchandise	Gold	Silver	Total
1924				
Imports.....	295,506	45,136	5,980	346,622
Exports.....	395,172	281	8,209	403,662
Net imports (-) or exports (+).....	+99,666	-44,855	+2,229	+57,040
1925				
Imports.....	346,184	5,038	7,304	358,526
Exports.....	446,577	73,489	11,308	531,374
Net imports (-) or exports (+).....	+100,393	+68,451	+4,004	+172,848

GOLD MOVEMENT

UNITED STATES

In January there were net exports of \$68,000,000 of gold from the United States, the largest for any month in the history of the country.

Gold imports into the United States during January totaled \$5,038,000, the smallest figure shown since November, 1919, about 49 per cent of the imports in December and about 11 per cent of those for January, 1924. By countries, the largest decreases in the two recent months as compared with a year ago are shown in imports from England, which declined from about \$23,000,000 to a negligible amount, and from Canada, which declined from about \$8,500,000 to about \$3,000,000. Imports from the Netherlands a year ago were about \$6,000,000, whereas none were shown during the last two months.

Gold exports during January totaled \$73,489,000, the largest figure shown since June, 1919, when exports were \$82,973,000. January exports rose by more than 85 per cent as compared with December, while for January, 1924, gold exports were negligible—only \$281,000. The greatest increase for the month under review was shown in exports to British India—about \$36,500,000 compared with \$5,700,000 during December, and none a year ago. Exports of gold to Germany, \$20,000,000 during December and \$17,500,000 during January, are, with two negligible exceptions, the first exports of gold from this country to Germany since the armistice. Most of this gold appears to have gone into the reserves of the Reichsbank, which show between the end of November and the end of January an increase of 139,000,000 gold marks, or over \$33,000,000. Another notable item is an export during January of \$6,354,000 of gold to Australia.

Silver imports during January totaled \$7,304,000, of which over \$4,000,000 came from Mexico and about \$2,000,000 from Peru. Exports of silver totaled \$11,308,000, of which about \$4,000,000 was sent to British India, \$3,600,000 to England, and \$3,000,000 to China.

GOLD IMPORTS INTO AND EXPORTS FROM THE UNITED STATES

[In thousands of dollars]

	January, 1925	December, 1924	January, 1924
IMPORTS			
England.....	128	11	22,940
France.....	71	3,036	2,120
Netherlands.....			5,915
Canada.....	3,120	2,730	8,466
Mexico.....	517	473	560
Argentina.....		2,715	203
China.....	20		512
Egypt.....	2		486
All other.....	1,180	1,309	3,934
Total.....	5,038	10,274	45,136
EXPORTS			
England.....	5,078	10,264	
France.....	1,309	34	
Germany.....	17,500	20,000	
Netherlands.....	3,284	1,324	
Sweden.....	1,003	1,001	
Canada.....	33	188	123
Mexico.....	343	466	133
Uruguay.....	750	30	
British India.....	36,466	5,674	
Hongkong.....	942	220	13
Australia.....	6,354		
All other.....	427	474	2
Total.....	73,489	39,675	281
Net imports.....			44,855
Net exports.....	68,451	29,401	

GREAT BRITAIN

Imports of gold into Great Britain during December totaled £4,900,000, the largest amount shown since April, and almost three times as large as the figures shown for November. The largest increase was shown in imports from the United States, which rose by more than £2,600,000, almost as much as the total received from the United States during the preceding 11 months or during the year 1923. Indeed, for a figure at all comparable, it is necessary to go back to 1910, when imports from the United States totaled £6,700,000. Imports from the Transvaal during December rose by about £800,000 as compared with November.

Exports of gold during December totaled £4,189,000, an increase of £2,356,000 over November and the largest figure shown since last May. Exports to Russia, which occurred last October for the first time since the Russian revolution, showed the largest increase for the month, being £1,900,000 as against £45,000 for November and £33,000 for October. An increase of £267,000 was also shown in exports to British India during December as compared with November. Net imports for December (£712,000) were the largest since April, 1923, and compare with a

balance of net exports for November of £163,000.

For the 12 months ended December, 1924, gold imports were £35,794,000, a decline as compared with 1923 of £8,193,000, which is accounted for by the smaller imports from the Transvaal. Gold exports declined by an almost equal amount, £8,015,000. The greatest decrease was shown in exports to British India, which declined from £19,000,000 to £12,000,000. Exports to the United States declined from £33,000,000 to £29,900,000, and to Egypt from £2,000,000 to £1,385,000. Exports to Russia during 1924 totaled £2,000,000, while in 1923 there were none. Net exports for 1924 showed an increase of £178,000 as compared with 1923.

GOLD IMPORTS INTO AND EXPORTS FROM GREAT BRITAIN

	December, 1924	November, 1924	12 months ended December, 1924	12 months ended December, 1923
IMPORTS				
Sweden.....		£132,900	£173,100	£8,217
Netherlands.....	£5,888	3,360	123,841	66,333
United States.....	2,623,103	2,564	2,767,187	2,654,877
Egypt.....			10,525	57,678
Rhodesia.....	211,627	189,447	2,447,848	2,263,388
Transvaal.....	1,883,917	1,085,176	28,533,217	37,474,494
West Africa.....	151,824	114,095	1,450,808	1,252,362
All other.....	25,218	143,155	287,828	209,306
Total.....	4,901,577	1,670,697	35,793,864	43,986,655
EXPORTS				
Belgium.....	8,241	724	90,872	82,478
France.....	23,822	6,070	409,653	131,697
Netherlands.....	177,796	62,821	1,224,840	1,470,586
Russia.....	1,922,470	44,580	2,000,497	
Sweden.....		136,500	601,590	56,993
Switzerland.....			152,554	160,710
United States.....		29,188	29,906,220	33,005,253
British India.....	1,688,376	1,421,754	12,284,600	19,092,740
Java.....		17,916	48,194	238,407
Straits Settlements.....	11,364	34,208	252,007	289,512
Egypt.....	26,350	25,385	1,385,710	2,030,500
All other.....	330,855	54,325	1,082,870	875,479
Total.....	4,189,274	1,833,471	49,419,607	57,434,355
Net imports.....	712,303			
Net exports.....		162,774	13,625,743	13,447,700

INDIA

In view of the important rôle of gold exports to India in the international gold movement, a brief statement of the statistics is here presented.

Below is given a table showing the gold movement into and from British India for the 15 years ending March 31, 1910 to 1924, inclusive, with subtotals for the five pre-war, war, and post-war years. It will be noted that of the 15 years for which figures are given, only 3 show a net export of gold, and of those 3 years, 2 fall within the period of the war.

TOTAL GOLD IMPORTS INTO AND EXPORTS FROM BRITISH INDIA

[In thousands of dollars]

Year ended Mar. 31	Imports	Exports	Net imports	Net exports
1910.....	80,099	10,725	69,374	-----
1911.....	89,256	12,524	76,732	-----
1912.....	132,780	11,948	120,832	-----
1913.....	132,131	23,327	108,804	-----
1914.....	90,324	15,688	74,636	-----
Total, 1910-1914.....	524,590	74,212	450,378	-----
1915.....	34,252	9,780	24,472	-----
1916.....	16,901	20,451	-----	3,549
1917.....	42,681	328	42,353	-----
1918.....	96,508	12,990	83,517	-----
1919.....	8,174	28,154	-----	19,980
Total, 1915-1919.....	198,516	71,703	150,342	23,529
Net imports.....	-----	-----	126,813	-----
1920.....	207,144	55,471	151,673	-----
1921.....	80,340	73,121	7,219	-----
1922.....	36,458	44,015	-----	7,557
1923.....	122,691	395	122,296	-----
1924.....	89,924	205	89,719	-----
Total, 1920-1924.....	536,557	173,207	370,907	7,557
Net imports.....	-----	-----	363,350	-----
Total, 1910-1924.....	1,259,663	319,122	971,627	31,086
Net imports.....	-----	-----	940,541	-----

The following table shows the gold movement into and from India since 1920, by principal countries. Imports from Great Britain for the whole period reviewed in the table amounted to 56 per cent of the total, and, except for 1921, this proportion is fairly evenly sustained. Imports from the United States vary from 14 per cent during 1920 to nothing during the 11 months of 1924, while the amount received from Australia and New Zealand averages 10 per cent of the total and is in relatively constant proportion.

Exports during 1920 and 1921 went almost entirely to Japan and to the United States. Since that time gold exports from India have been negligible.

GOLD IMPORTS INTO AND EXPORTS FROM BRITISH INDIA, BY PRINCIPAL COUNTRIES

[In thousands of dollars]

	1920	1921	1922	1923	1924 ¹	Total
IMPORTS						
Great Britain.....	140,195	5,277	54,988	78,774	40,341	325,575
United States.....	29,772	3,153	3,140	14,286	4,091	54,442
Australia and New Zealand.....	17,590	2,415	10,390	10,835	10,033	51,263
All other.....	20,009	17,491	18,271	18,505	67,288	147,564
Total.....	213,566	28,336	86,789	122,400	127,753	578,844

GOLD IMPORTS INTO AND EXPORTS FROM BRITISH INDIA, BY PRINCIPAL COUNTRIES—Continued

[In thousands of dollars]

	1920	1921	1922	1923	1924 ¹	Total
EXPORTS						
Japan.....	24,204	28,692	-----	-----	-----	52,896
United States.....	4,743	50,668	-----	-----	-----	55,411
All other.....	940	465	213	420	559	2,597
Total.....	29,887	79,825	213	420	559	110,904

¹ January to November, inclusive.

FOREIGN EXCHANGE

Leading European exchanges showed slight declines during February. Sterling declined from \$4.79 on February 2 to \$4.76 on the 18th and remained at about that level during the remainder of the month; French francs declined from 5.41 cents per franc during the first five days of February to 5.13 on the 28th; Italian lire declined from 4.16 on the 2d to 4.03 cents per lira on the 25th; the Netherlands florin from 40.31 cents per florin on the 2d to 40.01 cents on the 27th. Swedish kronor, however, remained practically steady at 26.95 cents per krona. The Canadian dollar fluctuated between 99.80 and 99.92 cents per dollar.

South American exchanges also showed slight recessions; the Argentine peso from 91.31 cents per peso on February 3 to 89.63 cents on the 13th; Brazilian milreis from 11.63 cents on the 2d to 10.99 cents on the 26th; and the Chilean peso from 10.80 cents per peso on the 2d to 10.65 cents on the 14th, after which it rallied to 10.95 cents on the 24th.

Of the Far Eastern exchanges the Shanghai tael fluctuated between 74.73 and 75.75 cents per tael; the Indian rupee between 35.59 and 35.86 cents; and the Japanese yen between 38.52 and 39.73 cents.

FOREIGN EXCHANGE RATES

Exchange	Par value	February, 1925		January, 1925			January, 1924, average
		Low	High	Low	High	Average	
Sterling.....	486.65	475.78	479.33	474.99	480.37	478.17	425.91
French franc.....	19.30	5.13	5.41	5.30	5.43	5.39	4.67
German reichsmark.....	23.80	23.80	23.80	23.80	23.80	23.80	-----
Italian lira.....	19.30	4.03	4.16	4.03	4.24	4.17	4.34
Netherlands florin.....	40.20	40.01	40.31	40.30	40.61	40.41	37.35
Swedish krona.....	26.80	26.93	26.95	26.92	26.96	26.95	26.18
Swiss franc.....	19.30	19.21	19.30	19.25	19.50	19.34	17.32
Canadian dollar.....	100.00	99.80	99.92	99.53	99.96	99.69	97.25
Argentine peso.....	96.48	89.63	91.31	90.46	91.39	91.08	73.65
Shanghai tael.....	66.85	74.73	75.75	74.32	75.96	75.34	70.27

SOUTH AFRICA AND THE GOLD STANDARD

Gold redemption was suspended in South Africa in 1920 for a period which was successively extended to last until July 30, 1925.¹ Under the law as it now stands conversion will be restored automatically June 1 of the current year, or whenever the market price of gold is 77s. 10½d. per standard ounce (i. e., when sterling reaches parity), whichever date is earlier. In view of the approach of the date set for the resumption of specie payments, Mr. Havenga, the minister of finance of South Africa, invited Prof. E. W. Kemmerer, of Princeton University, and Dr. G. Vissering, president of the Netherlands Bank, as commissioners, to visit South Africa and to study the question of the desirability of a return to the gold standard. In the middle of January the commissioners made a report recommending the resumption of gold payments by South Africa, regardless of whether similar action is taken by England. The text of the report is printed below.

It may be stated by way of introduction that the currency unit of the South African Union is a pound of identical gold value with the pound sterling. Until recently the South African pound has stood at a substantial premium over the pound sterling. With the rise of the latter unit nearly to dollar parity in early January, the South African pound actually rose somewhat above dollar parity and consequently above its nominal gold value, a situation presently corrected by a reduction in the quoted premium on South African exchange in London. While this situation lasted, however, there was a suspension of offerings of South African gold in the London bullion market, the gold being taken instead to the Pretoria mint for coinage into sovereigns. At the same time there was a rapid increase in the holdings of gold coin and bullion by the South African Reserve Bank, the item rising from £552,458 on January 3, 1925, to £1,020,343 on the 10th and £2,237,589 on the 17th and £2,728,947 on the 24th—a net increase of £2,176,489.

Since the South African Government has announced that no legislation will be introduced postponing the resumption of specie payments beyond June 30, it would appear that the South African Union will return to the gold standard on July 1 of this year or

earlier, and will thus act in accordance with the commission's recommendations.

The report of the commissioners was printed in the South African Cape newspapers for January 16, 1925, in its entirety, with the exception of the first 10 sections, which relate to the appointment of the commission, etc., and is here reproduced from that newspaper. The occasional subheadings have been added for convenience and form no part of the original report.

REPORT OF THE COMMISSIONERS

RELATION OF SOUTH AFRICAN POUND TO STERLING

11. Under present conditions, the problem practically narrows itself down to the question: Should South Africa in determining now her future monetary policy, decide to tie up definitely with sterling, hoping that sterling will return to a gold basis soon, but being prepared to follow sterling wherever it may go, or should she decide to tie up definitely with gold? For some time the South African pound has been considerably more valuable than the pound sterling, but not until within the last few days has it been, as measured by exchange rates, as valuable as the gold sovereign. Although bearing the name of a pound, the South African monetary unit has been for several years, both in its gold value and in its value as measured by its purchasing power over commodities, a different pound than the pound sterling.

It has responded very incompletely, and with substantial lags in time, to the ups and downs in the value of sterling. This fact has led to confusion and misunderstanding among bankers, merchants, and the public generally.

Your commissioners believe that South Africa is too small a country from an economic point of view to have a monetary standard so independent of the monetary standards of other countries, and that it is clearly to South Africa's interest to tie up definitely, either with sterling, as Egypt has done, or with gold, as Canada is doing. The question is, which?

12. It has been suggested that South Africa might tie up to sterling with the condition that should sterling depreciate in its gold value further than a certain point, say, for example, further than 10 per cent below gold parity, South Africa should break with it at that point, and either wait there for sterling to come back or then begin to deflate at once the South African currency toward gold parity.

Your commissioners do not believe that such a plan would be desirable, and they doubt if it would be carried through if once adopted. Should sterling depreciate below the limit fixed, this plan, as contrasted with the early adoption of the gold standard, would increase the probability of wide fluctuations in the value of the South African pound—10 per cent is about a year and a half's interest in South Africa—and would thereby increase the uncertainties and the risks of South African business. It is improbable that if South Africa should follow sterling down 10 per cent she would be willing to break with sterling at that point. Should sterling decline further, the same arguments and sentiments that have prevailed in the past, and that would be determining such a decision in the present, would be likely to prevail in the future.

Prof. Edwin Cannan recently well said: "As usual, when currency has once become depreciated, it is a

¹ For discussion of currency and banking in South Africa, including a summary of the law establishing the South African Federal Reserve Bank, see BULLETIN, 1922, p. 1324.

case of jam yesterday and jam to-morrow, but never jam to-day." (Economic Journal, December, 1920, p. 524.)

It is usually exceedingly difficult to stop an inflation movement after it has once gained momentum.

13. If, however, the plan were adopted; if sterling should depreciate below the 10 per cent limit, and if the plan were then carried out, South Africa would find herself in the awkward position of having a monetary standard that was neither gold nor sterling—her own little standard, different from that of any country of the world—and she would be confronted with the problem of either immediately undergoing the pains of deflating toward gold parity or of temporarily debasing her monetary unit to the 10 per cent gold discount level while awaiting the return of sterling, and then, when and if sterling should come back to this level of deflating with sterling to gold parity. This might well take a long time.

Your commissioners see no advantage in such a plan at all commensurate with the risks of the serious evils that its adoption would involve.

14. At the time of this writing (January 3, 1925), the London-New York telegraphic register transfer rate is quoted as 4.75, or only 2.2 per cent below gold parity. The South African telegraphic transfer buying rate is $3\frac{1}{2}$ per cent discount, and the selling rate is $2\frac{5}{8}$ per cent discount, making the mean rate between the buying rate and the selling rate 3.06 discount; so that the South African pound to-day is 0.86 per cent above gold parity.

It has, in fact, been within 2 per cent of gold parity ever since your commissioners left London in the latter part of November.

15. The present high sterling dollar rate is the highest quoted since March 19, 1919, when the rate was unpegged. The London-New York rate advanced almost continuously throughout the year 1924, beginning with an average rate for the month of January, 1924, of 4.259, or a rate of about $12\frac{1}{2}$ per cent below gold parity and of about 10 per cent below the rate of to-day.

If the rate should advance half as rapidly during the next six months as it has advanced during the past year, it would be at gold parity before July 1.

PROGRESS TOWARD GOLD STANDARD IN 1924

The experiences of the year 1924 improved the situation generally throughout the world as a result of settlements growing out of the Dawes committee report, and the declared policy of Great Britain to carry out the recommendations of the Cunliffe committee are all encouraging signs of a speedy return to gold parity.

Your commissioners hope and expect to see sterling at par with gold by July 1 next. In that contingency the situation in South Africa would be practically the same whether she should now decide to tie up with sterling or to tie up with gold.

16. But, while expecting sterling to return to gold parity within the next six months, your commissioners would not feel justified in basing their recommendations on the assumption that such a return will take place. They recall that the dollar-sterling rate, after advancing from the low figure of 3.56 (July 29, 1921) almost continuously to the high figure of 4.72 (February 21, 1923), an advance of $32\frac{1}{2}$ per cent in about 19 months and after the public had largely made up its mind that sterling was to return soon to a gold basis, suddenly turned around and declined from 4.72 (February 21, 1923) to 4.28 (November 17, 1923), a decline of $9\frac{1}{4}$ per cent in nine months.

This fact, together with the great unstability of the sterling-dollar rate during the past five years and the many failures of the exchange prophets during that period, are calculated to make one very modest in his prophecies as to what will happen to sterling during the year 1925.

It is sufficient to say if sterling returns to parity by July 1 next South Africa's problem will have been largely solved.

NECESSITY FOR PROMPT DECISION

17. In accordance with the present law (act No. 22 of 1923), South Africa will automatically return to the gold standard on July 1, 1925, unless legislation to the contrary is passed between now and that date. Perhaps, in no other field is the old adage: "To be forewarned is to be forearmed," the embodiment of a sounder philosophy than in the field of monetary reforms. Dangers cease to be dangers when they are anticipated and when their probable effects can be discounted.

The public of South Africa ought to know at the earliest possible date what course is to be taken on July 1, so that they can prepare for it, and this is particularly true of that part of the public upon whom the responsibility will largely fall for making preparations for the resumption of gold payments and for maintaining the gold standard after it has once been reestablished.

For this reason your commissioners believe that a decision should be reached at an early date and that a public announcement of the decision should be made promptly.

18. If a decision is to be arrived at now, and to be announced promptly to the public, South Africa should be ready to stand by that decision regardless of what may happen to sterling during the next six months. In the interests of the public the South African Government should take whatever risk may be involved and assume full responsibility to support the carrying out of the decision.

CONDITIONS FAVOR RETURN TO GOLD STANDARD

19. Conditions in South Africa at the present time are favorable to a prompt return to the gold standard, more favorable than they have been at any time since gold payments were suspended December 15, 1920. For two months and over the South African pound, as measured by the banks' telegraphic transfer rates on London, the mean between the buying rate and the selling rate, taken in connection with the dollar rate in London, has been very near gold parity, having never been below 2 per cent of gold parity since the middle of November last.

At the time of writing (January 3, 1925), as previously noted, it is approximately 0.86 per cent above gold parity, and if a rate so favorable as this continues long South Africa may find itself practically back on a gold standard with gold coin in circulation long before July 1.

20. Money is worth what it will buy, and, therefore, the best test of the value of money is to be found in price index numbers. Fortunately South Africa possesses, for the period 1910 to the present time, good index numbers covering wholesale prices of some 188 different commodities.

LOW SOUTH AFRICAN PRICE LEVEL

These index numbers show that the wholesale price level here (excluding the price of gold) is lower in relation to the price level immediately preceding the

European war than is the price level in any other country of the world for which we have comparable statistics.

The following table shows the wholesale price index numbers for the latest month of 1924 for which figures are available for 20 different countries. The countries are arranged in the numerical order according to which their currencies, as evinced by their respective price levels, have been deflated toward their pre-war value:

South Africa, 133 (October); Egypt, 148 (September); United States, 149 (September); Canada, 154 (September); Netherlands, 159 (September); Switzerland, 160 (October); Australia, 162 (September); Sweden, 163 (September); United Kingdom (Board of Trade), 167 (September); United Kingdom ("Statist"), 166 (September); Dutch East Indies, 174 (July); British India, 179 (September); New Zealand, 181 (August); Spain, 184 (September); Japan, 206 (September); Denmark, 234 (September); Norway, 275 (September); France, 486 (September); Belgium, 550 (September); Italy, 580 (September); Czechoslovakia, 997 (September).

21. South Africa, it will be noted, heads the list. As measured by her price index numbers, South Africa is to-day deflated more, in comparison with the situation immediately preceding the war, than gold standard countries like the United States or than countries whose exchanges have been for some time practically at par with gold, like Canada and the Netherlands. The best evidence available, therefore, seems to show that South Africa's currency is already deflated, not only to the gold standard level, but probably somewhat below.

In this connection it is significant that the South African wholesale price index number rose from 125 for July, 1924, to 133 for October. The return to gold standard in South Africa would probably require, therefore, no more deflation. That disagreeable job has already been done during the last four and a half years.

22. It has been claimed that South Africa's price level immediately preceding the European war was abnormally high in comparison with the years just before when compared with other countries. Your commissioners have made comparisons of the index numbers of South Africa for the years 1910 to 1913 with those of a number of other countries, and do not find that the evidence supports its claim. In this connection it should be added that Mr. C. W. Cousins, who was director of the Bureau of Census and Statistics of South Africa for the seven years ending 1924, stated in his testimony that he did not believe that the year 1913 was abnormal in this respect in South Africa when compared with other countries.

STRONG RESERVES OF SOUTH AFRICAN BANKS

23. A third favorable factor is South Africa's present strong gold position.

The reserve bank at the time of writing is carrying the large gold reserve of £10,775,746, representing 64 per cent of its outstanding notes and deposits combined.

The two principal commercial banks in South Africa are holding heavy sterling balances in London. The Pretoria branch of the Royal Mint was opened in January, 1923, and began issuing silver coin in June of that year. It has a capacity for coining 12,000,000 sovereigns a year and, with a few additions to plant and equipment, could increase that capacity to 24,000,000 sovereigns. South Africa can, therefore, now replenish her supply of gold coins at short notice

by simply diverting a small stream from her annual outflow of gold—an outflow which is now back to practically pre-war volume—to her local mint. She no longer needs to wait until gold can be coined in London and shipped to her shores, and, being the premier gold-producing country of the world—producing about three-fifths of the total world's annual product—she can tap the supply at its source, and no country, by embargoes or otherwise, can prevent her from getting promptly all that she is willing to pay for.

24. The fact that the year 1924 has been a successful year for the gold mines, and that the agricultural prospects at the present time in South Africa are excellent, are both favorable to an easy return to the gold standard.

25. If, on the other hand, South Africa should now decide to tie up to sterling, and if sterling should depreciate as a result of inflation in Great Britain, South Africa would be practically compelled to follow sterling down, no matter how low it should go or how long it should continue to decline and then later to follow it back to gold parity if it should come back in harmony with the declared policy of Great Britain, as expressed in the Cunliffe committee's report.

This would mean that South Africa would be compelled to undergo again all the evils of inflation and subsequently again to go through all the evils of deflation. Her experiences during the long inflation period, culminating about the middle of 1920, and her subsequent four years and more of deflation experiences, are too recent to make necessary here any long description of the hardships of inflation and deflation.

It is perhaps sufficient to recall that a widely fluctuating monetary unit brings a spirit of uncertainty into all business transactions, encourages dangerous speculation, and, with blind injustice, robs one class of people in the community for the benefit of another.

When the currency is depreciating and the price level is, therefore, rising, it is the creditor who is robbed for the benefit of the debtor, the bondholder for the benefit of the stockholder, the laborer for the benefit of the capitalist or the consumer, the insurance-policy holder, the savings-bank depositor, and the pensioner for the benefit of stockholders and mortgagors.

When the currency is depreciating, the cost of living usually advances more rapidly than wages, with resulting hardships to wage earners and the labor discontent that usually results from inflationary movements. The French have a saying: "The guillotine follows the paper-money press; the two machines are complimentary one to the other."

When, on the other hand, the currency is appreciating in value and prices are falling, namely, during periods of deflation, the debtor suffers for the benefit of the creditor, the stockholder for the benefit of the bondholder, the farmer or the home buyer with a mortgage on his place for the benefit of the money lender, the employer and the capitalist for the benefit of the laborer.

When the currency is appreciating, wages usually lag behind the cost of living on the decline, with the result that employers find themselves under economic pressure to reduce wages, as the prices of their products are declining, and also to discharge employees. Such reductions and threatened unemployment are usually resisted by laboring men, with resulting labor discontent and strikes and labor troubles during inflation, and labor troubles during deflation are the rule.

26. Both inflation and deflation have their bright spots, but the predominating color of both is black.

Within the last 10 years most countries of the world have experienced it, and the world now struggles for monetary stability.

Any government which has the choice of two monetary policies and deliberately chooses the one which appears to be the more likely to lead to inflation and subsequent deflation assumes an enormous responsibility to its people.

27. Gold itself, unfortunately, is not highly stable in value, although, since the end of the postwar gold-deflation period, the middle of 1921, the value of gold has been reasonably stable. The wholesale index numbers of the Bureau of Labor Statistics in the United States, a country which has been on the gold basis throughout this period, have been as follows: 1921, 147; 1922, 149; 1923, 154; 1924 (10 months), 149.

PAPER-MONEY STANDARD LESS SATISFACTORY THAN GOLD STANDARD

28. The world's experiences with paper-money standards up to the present time have been much less satisfactory than with the gold standard. Managed paper-money standards have proved to be more susceptible to manipulate than is a gold standard and more likely to vary in value under the pressure of political forces. In saying this, your commissioners do not overlook the reasonable stability of the British price level during the past three years.

29. Under present conditions it seems to us that a gold standard is much more likely to be reasonably stable in value during the next few years than is any managed paper-money standard. This statement includes sterling in case Great Britain should be unable or unwilling to hold sterling at gold parity now that parity, as measured by exchange rates, has been practically attained after years of effort to carry through the Cunliffe Committee's plan.

30. Your commissioners, therefore, believe that the wise and conservative action for South Africa to take at this time is to clinch gold parity while it is here and to that end to announce to the public, at the earliest possible moment, the intention of the Government to let existing legislation stand and to return definitely to the gold standard on July 1 next.

ADVANTAGES TO SOUTH AFRICA OF RETURN TO GOLD STANDARD

31. The advantages, briefly summarized, are as follows, and we believe that South Africa will obtain these advantages by tying up her monetary unit with gold, a commodity the supply of which on the world's market is so large and the demand for which is so universal that manipulation of its value is always difficult and is destined to be increasingly difficult as the world continues its present rapid return to the gold basis.

(a) A greater stability in the value of her monetary unit—namely, in its purchasing power, both internal and external—than she would probably obtain by tying up her sterling in case sterling does not very soon return permanently to gold parity.

(b) Greater stability in interest rates and a lower level of real interest rates—namely, interest rates measured in purchasing power, because the risks and uncertainties incident to an unstable currency are, at least in part, compensated for by variations in the nominal interest rate and the greater the market's estimate of the risk the higher will be the charge it will make under the guise of interest to cover the risk.

(c) Stability of exchange with gold standard countries which are continually increasing in number and in which a large proportion of South Africa's exports (e.g., gold and diamonds) find their consumers' market, the market which is most influential in determining the ultimate demand for these products and, therefore, in determining the price which South Africa will receive.

(d) Greater confidence abroad in South Africa and resulting encouragement to the investment of foreign capital here. Conservative capital seeks markets where the prospects of currency stability are good and will prefer, for some years to come, countries on the gold standard to countries with managed paper standards.

(e) Greater confidence of labor which, we have been told, widely believes that it has been taken advantage of by the introduction of inconvertible paper money in South Africa, and which has more confidence that it is "getting a square deal" when it is paid in gold or in paper convertible into gold on demand than when it is paid in inconvertible paper.

(f) Money, which, in the denominations of 10s. and £1 will be more convenient for many people, particularly laboring people, than are notes, and which will also be much more sanitary.

(g) A benefit to the gold industry in South Africa through encouraging, by example, the return of other countries to the gold standard. We have frequently heard abroad statements to the effect that "If South Africa, the largest gold-producing country in the world, can not or will not return to the gold standard, how can our country be expected to do so?"

POSSIBLE DISADVANTAGES

32. In mentioning the advantages of a return to the gold standard, your commissioners are not blind to certain very real disadvantages that South Africa will suffer if she breaks entirely with sterling and if sterling should fluctuate for some time rather widely in terms of gold. Any alteration in a country's monetary standard, no matter how desirable it may be as a long-run policy, is bound to affect some interests adversely over considerable periods of time and many interests adversely during a brief transitional period. South Africa will be no exception to this rule if sterling should again depreciate substantially.

In the judgment of your commissioners the greatest disadvantage that South Africa is in danger of suffering is that incident to a more variable exchange rate than she has had in the past with Great Britain, the country with which she carries on the major part of her foreign trade.

While not wishing to belittle this disadvantage, your commissioners would call attention to the fact that there are certain offsetting factors and that, estimating the disadvantages and the advantages that are likely to result from a fluctuating exchange, the following fundamental principles should always be taken into account:

(a) There is no permanent advantage to the exporter or permanent disadvantage to the importer in a high rate of exchange, and, likewise, there is no permanent advantage to the importer or permanent disadvantage to the exporter in a low rate of exchange. Neither party gained, for example, and neither party lost prior to the European war, in the trade between France and Germany by reason of the fact that the gold value of the franc was about 20 per cent lower than the gold value of the mark. Prices and wages in both countries

had long been adjusted to these differences in the gold value of their respective monetary units.

It is not a question, therefore, of high rates of exchange or low rates, but of changing rates. Whatever advantages and disadvantages occur result only from rising rates of exchange and falling rates of exchange.

These advantages and disadvantages are at best temporary in character, continuing only during the period of the lag in the adjustment of prices, wages, and exchange rates to a new equilibrium level, and these readjustments are effected to a very large degree in most countries usually within a few months' time.

The evidence available to us here seems to show that this conclusion applies to South Africa. Whatever benefits the exporter or importer receives from these temporary maladjustments between exchange rates, prices, and wages, he is soon compelled by the forces of competition to pass on to others. In order that the exporter might benefit continuously, it would be necessary to have a monetary unit that was continually declining in value in comparison with the unit of the country to which the bulk of the exports were being sent. No sane person would advocate a permanent monetary policy of the kind in order to benefit the export trade.

(b) Every movement of the exchange that benefits the exporter per contra harms the importer, and every movement that benefits the importer harms the exporter. Inasmuch as most concerns in South Africa that produce heavily for export are required to import from abroad supplies and equipment gains on the one side from a given movement in exchange are likely to be offset completely or largely by losses on the other side. Taking into account both visible and invisible items of trade, a country's exports and imports must be equal.

So that, taking a long-run view of the situation, what a country gains on the side of exports by a fluctuating exchange it is likely to lose on the side of imports and vice versa.

If South Africa should now return to the gold standard, and if gold should continue reasonably stable in value, as it has during the past three years, and if sterling should depreciate rapidly for a time and then turn around and come back to gold parity, the South African exporter would suffer while the decline was in process, and, for a few months after bottom should have been reached, because the prices he would presumably realize in Great Britain for his exports would probably not rise as rapidly as the value of sterling would decline in terms of the South African pound. During this period the South African importer would benefit, for the amount of sterling his South African pound would buy would probably be increasing more rapidly than would the prices in Great Britain of the goods he was purchasing; but if the declared policy of Great Britain, as embodied in the Cunliffe Committee report, was still to be carried out the depreciation of sterling would need to be followed by a subsequent appreciation, and during the period of the appreciation the South African exporter would benefit and the South African importer would suffer because prices would probably not go down in Great Britain as rapidly as the price of sterling in terms of South African pounds—i. e., sterling exchange rate in South Africa would rise.

UTILITY OF FORWARD EXCHANGE CONTRACTS

(c) The risks incident to a fluctuating exchange can be to a large extent avoided, and in most important countries are so avoided by the simple expedients of

making forward exchange contracts. An exporter, for example, who is buying wool now for shipment, say, 60 days hence, which he has already sold in London for £10,000, and who does not wish to assume the risk of a decline in the exchange between now and the date on which he is to sell his export bill to the bank, namely, does not wish to gamble on exchange, goes to his banker and tells him that he will have £10,000 sterling on demand wool bills to sell 60 days or so hence, and he asks the banker to quote him now a rate at which the bank will agree to buy these bills when they shall be presented 60 days later. The banker quotes him a rate, and he accepts it. Now, no matter what happens to the exchange rate during the next 60 days the wool exporter is safe. If the rate goes down he does not lose, and if it goes up he does not gain. He is a wool exporter and knows wool, but he does not know the intricacies of exchange. He wisely sticks to his last and lets the banker, whose business it is to deal in exchanges, assume the risk of what will happen to exchange during the next 60 days. The wool exporter, of course, must pay the banker a small compensation in one form or another for rendering him this service.

At about the same time, we will say, for illustration, a merchant, who is contemplating the importation of machinery from Great Britain that will cost £10,000 sterling and which must be paid for 60 days hence by a demand sterling draft for £10,000, likewise does not want to run the risk of exchange fluctuations between the time he has ordered his machinery and the date for making payment. He, likewise, explains his situation to his banker, and that banker now agrees to sell him a demand draft 60 days hence for £10,000 sterling at a certain rate.

The importer now knows what to count upon, not only what he must pay for his machinery in sterling, but also what he must pay for his sterling in South African pounds in terms of which he has contracted to sell his machinery or will sell it. If, during the next 60 days, the exchange rate rises, the importer of the machinery does not lose, and if it falls he does not gain. He likewise has shifted the risk of exchange to a banker whose business it is to deal in such risks.

But the banker, meanwhile, has not assumed any appreciable risk—he has hedged. The sterling that will be paid to the credit of his London account out of the proceeds of the wool bill which he will receive 60 days hence will provide the funds in London out of which the draft will be paid which he must deliver to the machinery importer 60 days hence.

The bank's profits come from the margin between its buying rate and its selling rate. If the bank believes that sterling will go down in the near future, it may sell more sterling futures than it buys—namely, oversell—and if it believes that sterling will rise in the near future it may buy more sterling futures than it sells—namely, overbuy. But, in either of these cases, it is speculation. The conservative banker tries to keep his forward contracts for purchases covered by forward contracts for sales, and thereby limits his profits to interest, commission, and the margin between his buying and selling rates.

RESERVE BANK TO ENCOURAGE FORWARD EXCHANGE TRANSACTIONS

33. Your commissioners have been surprised to learn that the making of forward contracts in exchange is almost unknown in South Africa, and they believe that the introduction of this practice would be highly desirable in any event and particularly so if South Africa returns to the gold standard, independently of Great

Britain, and if sterling exchange rates prove to be unstable in the future.

The reserve bank might well render valuable assistance by encouraging the introduction of the use of forward exchange contracts, both by making such contracts directly with the public and by assisting the commercial banks in getting cover at times when the exchange operations in the two directions are not reasonably well balanced.

In this connection the reserve bank might be aided by the Government through a timely distribution of Government transfers.

34. Before leaving this subject of the disadvantages of an unstable exchange with the country with which you are carrying on your principal business, it should be noted that there are very few stable international exchanges in the world to-day and that most countries, including Great Britain, the United States, France, Germany, Holland, and Italy, are carrying on the principal part of their foreign trade with countries with which they have unstable exchanges. One important reason why this is possible without greater inconvenience is the widespread use of forward exchange contracts.

EFFECT OF GOLD STANDARD ON PUBLIC BORROWING

35. Another disadvantage in South Africa's breaking with sterling that is of sufficient importance to demand brief discussion is the disadvantage of her doing her public borrowing in a market having a monetary standard different from her own.

It is argued that South Africa's political, commercial, and financial ties are chiefly with Great Britain; that she must borrow frequently for public purposes, and that London is the natural market for her to borrow in. London knows South African conditions better than does any other great money market and for this reason will presumably give her better terms than she could obtain elsewhere.

If then it is argued South Africa should return to the gold standard while sterling should continue to be an inconvertible paper money standard, South Africa might suffer a serious handicap in borrowing in London. Let us assume, for example, that, at the time South Africa returns to the gold standard the banks buying exchange rate here for sterling telegraphic transfer is 95, that that rate has persisted for several months, and that prices and wages have been so adjusted that this rate represents approximately the purchasing power parity between South Africa and Great Britain.

Under such conditions if South Africa borrows £10,000,000 sterling in London on bonds maturing in 20 years at 5 per cent interest, payable semiannually, she would receive either £10,000,000 sterling in London or £9,500,000 South African pounds here but since by hypothesis £95 here would have the same purchasing power and therefore the same value as £100 would have in London, it would make no difference to South Africa whether the proceeds of the loan were transferred to the Government here in British goods or in African money or goods. There would be a nominal difference of £500,000, but no real difference.

If gold should remain stable in value during the period of the loan, she would be able to purchase £10,000,000 sterling of the loan and sterling should remain at 95. The loan would cost South Africa 5 per cent because, at the maturity of the loan she would be able to purchase £10,000,000 sterling for the redemption of the bonds at the price of £9,500,000 South African. But if sterling should advance to gold parity by the time the loan matured South Africa would be required to pay back the equivalent of £10,000,000 South African

whereas she received only £9,500,000 South African, or its equivalent. In addition to this, she would have paid most of her interest during the period of the loan in a more valuable monetary unit than the one she received so that the loan would cost her about 5.4 per cent in addition to this interest, an agio item (exchange premium).

36. If, however, at the time that South Africa borrowed the £10,000,000 sterling there was a strong prospect that sterling would appreciate to gold parity within a short time and if, as a consequence of this prospect, foreigners were buying sterling securities heavily as a speculation, the interest rate on long-time loans would probably be considerably lower in London than, say, in a gold standard money market like New York, because, in dollar loans, there would be no such expectation of a substantial exchange profit. The nominal rate of interest, therefore, would be lower, and should be lower for sterling loans in England than for dollar loans in New York by an amount representing the market's estimate of the value of this prospect for an approximately 5 per cent rise in the value of sterling during the life of the loan. If such a rise were practically certain within the 20 years the loan was to run, a London sterling rate of interest of 5 per cent would be approximately equivalent to a New York dollar rate of interest of 5.4 per cent (exclusive of the agio in the annual interest payments).

On the other hand, if South Africa, by borrowing sterling, should put herself in a position to lose by a rise in sterling during the life of the loan, she would also put herself in a position to gain should sterling decline during the life of the loan.

37. Another compensating factor is the probability that South Africa's credit standing abroad would be improved by the fact that South Africa had stabilized her currency on a gold basis.

38. After all is said, however, there is no denying the claim that it is a risky policy for any country to borrow heavily in another country which has a monetary standard different from its own when that standard is a managed paper-money standard.

39. While such conditions continue, South Africa would do well, in the judgment of your commissioners, to reduce her public borrowing to the minimum, and to do such borrowing as may be necessary, as far as possible, on a gold basis either at home or abroad.

SOUTH AFRICA CAPABLE OF MAINTAINING GOLD STANDARD

40. A few witnesses have made much of the claim that South Africa is not in a position to maintain the gold standard independently of Great Britain. Your commissioners have no anxiety on this point, and they are confident that, unless this country has recourse to a policy of currency and credit inflation, she will have no difficulty in maintaining gold payments after they have once been resumed. South Africa successfully maintained the gold standard for many decades prior to the European war, and your commissioners see nothing new in the present situation of a character to prevent her maintaining it successfully in the future.

In fact there are certain new elements in the situation which should strengthen her position. The recent establishment in Pretoria of a branch of the Royal Mint will enable South Africa to mint sovereigns here, and by so doing to meet her needs for specie more promptly than in the past. Then, too, the new reserve bank, through its centralization of the country's bank reserves, its liberal powers of note issue, its rediscount functions, and its authority to operate in the open market, is in a position to exercise a conserving influence

on the South African money market and to check any dangerous credit expansion that may seem to threaten the gold standard.

41. South Africa is now producing practically as much gold per annum as she produced before the war, and is producing a substantially larger percentage of the world's total production of gold than she did in 1913. On the other hand, only a small part of the world is now on the gold standard as compared with pre-war years, and therefore exercising much of a monetary demand on South Africa's product.

The United States, which now holds about four and a half milliards of dollars of monetary gold, or nearly half of the world's total supply, has much more gold than it needs for maintaining a stable gold standard under present conditions, and could probably release upward of two milliard dollars of her present supply without deflation or danger to her gold standard. That large amount is practically impounded awaiting the day when the world will want it back for the restoration of the gold standard.

The United States is a free gold market, and will undoubtedly let this gold go out freely to any country that wishes it and is willing to pay the market price. The danger, therefore, that the world will want South Africa's 12 to 14 million pounds of gold specie so much as to be willing to pay more for it than South Africa is willing to pay in order to enjoy the advantages of the gold standard is very remote.

42. Gold, like any other commodity, seeks the best market—in other words, goes to the highest bidder. It has been our experience that gold when it leaves any gold-standard country in undue quantities is usually pushed out by paper money and deposit currency inflation at home, not drawn out by newly created demands from abroad. Whenever a country inflates its currency and circulating credit, it makes its currency relatively redundant at home and, therefore, relatively cheap. Its money, therefore, seeks the better markets which are abroad. The outflow of currency takes the form of an exportation of gold since the country's paper money and silver money can not be used abroad. As gold specie goes out, the currency is contracted and money at home becomes increasingly scarce. Bank reserves decline, banks curtail their loans, discount rates tend upward, and prices tend downward, particularly the prices of the more sensitive commodities; commodity imports are retarded, while exchange rates are high and commodity exports are stimulated; exchange rates finally recede from the gold-export point, and gold stops going out because it has become more valuable as money at home than it is abroad.

But if the country refuses to let these restricting influences operate and keeps pumping more paper money into circulation or expanding its deposits credit through excessive loans to take the place of the gold going out, the drain of gold will, of course, continue until the gold is all gone and the gold standard is broken down. Any rapid depletion of the country's gold reserve under such circumstances will weaken public confidence in the currency and by so doing will cause runs on the gold reserve, thus accelerating the run of its depletion.

Unless, however, the gold is being pushed out of the country by inflation, there is no more reason why a country's currency should starve because of an undue exportation of its gold specie than that its people should starve because of an undue exportation of its meals. Under ordinary circumstances an outflow of specie is simply a proof that the supply of money at home is relatively redundant and the outflow is merely part of the machinery by which the excessive supply is

drained off and the gold standard maintained through the adjustment of the amount of money in circulation to the changing trade demands.

FUNCTIONING OF RESERVE BANK UNDER NEW RÉGIME

43. This brings your commissioners to their last problem: What action should South Africa take to strengthen her position for returning to the gold standard on July 1 next and for maintaining that standard after it has been once restored?

44. In this connection, the principal suggestions your commissioners have to make relate to the functions of the reserve bank.

45. The act creating the reserve bank was assented to on August 16, 1920—namely, shortly after the time when the postwar currency and credit inflation in South Africa, as well as of Great Britain, the United States, and many other countries was at its maximum, and just as the long period of the after-war world deflation was setting in.

Most of the reserve banks' history, therefore, until recently has been during the period of South Africa's deflation, a deflation that was necessary if the country was to return to the gold basis without reducing the gold content of its sovereign. A period of deflation is no time for a newly organized bank to extend its business by low rates and liberal credits either to the banks or to the public. The long period of deflation, however, is now apparently over, and with the prospective return of South Africa to the gold standard in the near future the time is opportune for considering the question of the proper functioning of the reserve bank under the new order of things.

DIRECT OPERATIONS IN MONEY MARKET RECOMMENDED

46. In the judgment of your commissioners a country like South Africa, with only three commercial banks, one of which is small, does not offer an adequate field of operation for a reserve bank that is exclusively, or almost exclusively, a banker's bank. A central bank possessing a monopoly of the bank-note issuing privilege, and holding in its vaults the legal reserve money of other banks in any country, would be a quasi public institution "affected with a great public interest." The first duty of such a bank is to serve the public. This it does through conserving the money market by preventing undue credit expansion or undue credit contraction by maintaining the monetary standard through regulating the supply of currency to the varying demands of trade and through assuring the public as far as possible equitable rates of discount and exchange. To perform these functions properly, a central bank must be ready at any time to operate in the open market in order by so doing to make its rates effective, and thereby enforce its policy. Otherwise the commercial banks, so long as they did not need to call upon the central bank for aid, might refuse to follow its leadership, and so prevent it from discharging its duties to the public to some extent. Therefore open-market operations directly with the public are absolutely necessary, even by a reserve bank if it is to perform its functions properly.

47. A second reason why a central bank should have reasonable powers of dealing directly with the public is to enable it to earn sufficient to cover its expenses, build up a reasonable reserve, and to pay adequate dividends on its capital during normal times when the market is outside the bank—in other words, when the market conditions are such that the commercial banks are making no demand upon the reserve bank for

advances. A central bank, whose existence is desirable in the interest of public welfare, should be self-supporting. Self-preservation is Heaven's first law for such a bank, as it is for an individual. This means that it should be in a position to earn a moderate income at all times. If, however, it is to be always strong, and its assets are to be highly liquid so that it may be always prepared to meet emergency demands, such earning assets as it may hold in normal times should consist wholly of high-grade liquid paper, the bulk of which should be self-liquidating, commercial paper of short maturities.

48. In order, therefore, that the reserve bank may function so as to perform effectively the duties which the public imposes upon it, and that it may be self-supporting, your commissioners believe that it should operate in the open market in future much more actively than it has in the past.

For this purpose its present statutory powers are broad and nearly adequate, but your commissioners believe that, in view of the limited amount of high-grade, short-time commercial paper now available in the South African market, there should be some extension of the bank's power to make advances.

SUGGESTED CHANGES IN RESERVE BANK LAW

The following suggestions requiring minor changes in the present law are therefore made:

(1) That the bank be authorized to lend money to the public or to the banks for periods not exceeding 120 days on bills or on one-name promissory notes secured by warehouse receipts against staple commodities fully insured and possessing broad and active markets to an amount in each case not exceeding 75 per cent of the value of such commodities at current market prices. The granting of this authority would require some modifications in South Africa's present laws regarding warehouse receipts.

Bills and notes so secured play an important rôle in the portfolios of the central banks in many other countries, and your commissioners see no reason why they should not be held, under proper restrictions as to their character, by the Reserve Bank of South Africa.

(2) That the bank be authorized to lend directly to other banks on the promissory notes of the said banks with maturities not exceeding 15 days secured by any collateral properly indorsed that it is legal for the bank to rediscount.

Your commissioners believe further that the reserve bank might safely be authorized to accept, as collateral for such short-time loans, Union Government securities or securities of a local governmental authority of the Union, and that such collateral securities might safely be made to include such governmental securities as have maturities exceeding six months to an amount which, when added to the amounts of such governmental securities with maturities exceeding six months, owned by the reserve bank and mentioned in the succeeding paragraph of this report, shall not exceed the total amount of the reserve bank's paid-in and unimpaired capital.

(3) That the reserve bank should be permitted to invest in Union Government securities and/or securities of a local authority in the Union, with maturities exceeding six months an amount which, when added to the amount of such governmental securities held as collateral for advances of 15 days or less, mentioned in the preceding paragraph of this report, shall not exceed the total amount of the reserve bank's paid-in and unimpaired capital.

(4) That the limit of the usance for bills, notes and other commercial paper discountable by the reserve bank at the time such discount is made be extended from 90 days to 120 days. (Article 13 of the reserve bank act.)

Your commissioners are informed that there is considerable high-grade 120-day commercial paper in the Union, and they see no reason why, in meeting the need for extending the field of operations of the reserve bank this paper should not be made eligible for discount and/or rediscount by the reserve bank.

GOLD BALANCES

(5) Article 17 (par. 2) of the reserve bank act provides that "the bank may, with the consent of the Treasury, hold gold balances outside the Union in the custody of its own branches or agencies or deposited in other banks earmarked for the bank's account to an amount not exceeding one-fourth of the total reserve requirements."

This apparently prevents the bank, no matter how much its gold reserves may exceed the 40 per cent normal minimum required by law to be held against its outstanding notes and its deposits, from holding more than one-fourth of this amount in the form of earmarked gold abroad. Your commissioners recommend that the last proviso of the above article be amended by deleting its last phrase, beginning with the words "to an amount," and substituting in place thereof the following: "Provided that the gold held in the Union does not fall below 75 per cent of the normal legal reserve requirements."

A corresponding alteration should be made in article 23 of the act. The bank should not be restricted by law as to the physical location of assets in the form of gold coin or bullion which it owns in excess of legal requirements. Conditions might arise in which there would be a distinct advantage to the bank to convert earning assets located abroad into earmarked gold abroad, and the bank should be free to do so whenever its interests seemed so to require.

49. The following administrative changes are also suggested for the purpose of enabling the reserve bank to function more effectively:

(1) That in order to afford the bank broader facilities for enabling it to earn profits sufficient to pay its expenses and, more importantly, to enable it to exercise a stronger control over the money market, it should be encouraged to invest in the treasury bills of the Union Government, having maturities of not greater than 90 days, and that to this end the Union Government should again issue such 90-day treasury bills and cooperate with the reserve bank and with the other banks in every way possible to create in South Africa a broad and active market for such bills.

PROPOSED DEVELOPMENT OF AN ACCEPTANCE MARKET

(2) That the present campaign to further the wider use of trade acceptances in lieu of open accounts in the Union should be encouraged, and that to this end it is desirable that merchants should give preferential terms to purchasers who are willing to accept such bills in lieu of obtained credit on open account.

That commercial banks should give rates that are more preferential than those now prevailing to merchants who obtain their advances from the banks by discounting such bills as compared with merchants who borrow from the banks on current account, viz, overdrafts, or on one-name promissory notes, and

that the reserve bank give substantially preferential discount and rediscount rates on trade acceptances.

(3) That the Government should look forward to the time when it will use the reserve bank as the chief depository of Government funds, and should gradually increase the proportion of its funds that are kept on deposit in the reserve bank. If a commercial bank needs the use of Government funds, it should obtain them by loans or rediscounts from the reserve bank, not by Government deposits. The reserve bank is in a better position than is the Government to measure such needs and to control such advances. In lieu of the interest which it now receives on its funds deposited in commercial banks, the Government would receive increased returns from its participation in the profits of the reserve bank.

RESERVE BANK BRANCHES.

(4) The reserve bank should open branches at early dates in the principal cities of the Union, and a branch in London.

50. A return to the gold standard will render useless article 32 of the reserve bank act, which has always been rather ineffective. This article provides that no person shall make a charge for receiving or cashing any bank note or gold certificate issued in the Union, and no person may sell or purchase any bank note or gold certificate issued in the Union, or any coin current in the Union for an amount exceeding its face value, and any person acting in contravention of this section shall be guilty of an offense and liable on conviction to a fine not exceeding £500, or to imprisonment for a period not exceeding two years or to both such fine and imprisonment.

It is, therefore, recommended that this article be repealed.

RESTORATION OF FREE GOLD MARKET

51. With the return of the Union to the gold standard the present gold certificates will no longer be necessary, and as they tend to replace reserve bank notes in the country's circulation your commissioners recommend that they cease to be issued and that those now outstanding be promptly retired after July 1.

52. The effective functioning of the gold standard requires that all restrictions on the free movement of gold coin and bullion into and out of the Union, and all restrictions on the melting of gold coin be withdrawn, and your commissioners therefore recommend that this be done and that the market for gold in South Africa be made an absolutely free market.

BANKERS' ACCEPTANCES, 1923-1924

Unusually heavy exports of agricultural commodities in the autumn of 1924 were reflected in a considerable growth in the volume of outstanding acceptance credit. The total amount at the end of the year has been estimated by the American Acceptance Council at \$821,000,000, the largest amount since the closing months of 1919. Condition reports for all member banks on December 31, 1924, show a total liability for acceptances executed for customers of \$498,000,000, compared with \$357,000,000 on October 10. This growth, largely seasonal in character, brought the total

member-bank acceptance liabilities to a level higher than in the two preceding years. The following table compares the volume of member-bank acceptances reported on corresponding dates in 1922 and 1923:

MEMBER-BANK ACCEPTANCES OUTSTANDING ON CALL DATES, 1922-1924

[In millions of dollars]

Date	Amount	Date	Amount	Date	Amount
1922		1923		1924	
Mar. 10.....	317	Apr. 3.....	421	Mar. 31.....	413
June 30.....	321	June 30.....	365	June 30.....	305
		Sept. 14.....	318	Oct. 10.....	357
Dec. 29.....	400	Dec. 31.....	426	Dec. 31.....	498

An analysis of these figures, by Federal reserve districts, indicates the geographic distribution of member-bank acceptances. From 50 to 65 per cent of all member-bank acceptances during the last six years were executed by banks in the New York Federal reserve district, and this proportion has tended to increase in more recent years. The volume of acceptances in most of the other districts has fluctuated considerably during the six years. In 1921 acceptances declined rapidly in all the districts, and in nearly all there has been some recovery since that time. The following table shows the volume of member-bank acceptances outstanding in each district on December 31, 1918, 1922, 1923, and 1924, the proportion that the amount in 1924 was of the amount in 1918, and the percentage distribution of the 1924 amount by Federal reserve districts:

VOLUME OF MEMBER BANK ACCEPTANCES OUTSTANDING AT THE END OF 1918, 1922, 1923, AND 1924

[Amounts in millions of dollars]

Federal reserve district	End of—				Volume in 1924 as percentage of volume in 1918	Percentage distribution by Federal reserve districts of acceptances in 1924
	1918	1922	1923	1924		
Boston.....	61.5	57.8	45.6	60.0	97.5	12.1
New York.....	246.8	238.9	264.5	317.2	128.5	63.7
Philadelphia.....	20.9	14.3	14.1	19.4	93.3	3.9
Cleveland.....	21.0	4.8	6.9	8.7	41.6	1.7
Richmond.....	13.9	8.8	9.9	14.1	101.4	2.8
Atlanta.....	15.2	14.1	18.9	17.2	113.2	3.5
Chicago.....	50.6	34.1	33.6	37.1	73.3	7.5
St. Louis.....	22.0	2.2	4.1	.9	4.1	.2
Minneapolis.....	5.9	2.8	6.2	3.1	53.4	.6
Kansas City.....	2.0	.8	1.2			
Dallas.....	4.2	3.7	3.5	4.1	97.6	.8
San Francisco.....	16.6	17.9	17.8	15.9	95.8	3.2
Total.....	480.6	400.2	426.3	497.7	103.6	100.0

It will be observed that in the eastern districts, both north and south, and in the San Francisco and Dallas districts the volume of member-bank acceptances at the end of 1924 was about as large as or larger than in 1918, that in the Middle West there was a marked decline in member-bank acceptances, and in the Kansas City district member banks reported no liability on acceptances at the end of 1924. Changes in the volume of acceptances in the different districts may be due in part to changes in the volume of foreign trade of the various geographical areas and in part to changes in methods of financing this trade. The close relation between acceptances executed and the movement of commodities which enter into foreign trade may be seen in the Atlanta and Richmond districts, in which sharp peaks in acceptance figures are shown in the December reports each year, reflecting the financing of cotton exports. Similar seasonal increases appeared in earlier years in the Dallas and St. Louis figures, but acceptance liabilities of member banks in the St. Louis district have declined over the last six years to less than \$1,000,000. The proportion of the acceptance business done by member banks in the New York district shows a marked increase for the six-year period.

Among the factors influencing the total volume of bankers' acceptances executed in this country the most important is the volume of foreign trade. The late autumn and early winter, when export trade is at the maximum, and the spring, when imports are in largest volume, are the periods of the year when the largest volume of acceptances is reported by member banks. The volume of acceptance business apparently is influenced about equally by changes in the volume of exports and of imports, although the classification of acceptances bought by Federal reserve banks indicates that more than half of them (58 per cent in 1921, 56 per cent in 1922, 64 per cent in 1923¹) are based on imports. It is not possible to determine what proportion of our foreign trade is financed by the use of member-bank acceptance credit, but the volume of foreign trade per month is generally about twice as large as the volume of member-bank acceptances outstanding. Comparisons of these figures are inconclusive, however, because of the absence of statistics of maturity of the acceptances. If the bills were all of 30-day maturity, for example, and so arranged as to mature in regular succession, the monthly volume of trade financed by acceptances would be represented by the actual vol-

¹ Average holdings at the end of each month.

ume of acceptances outstanding at a given time. Actually the maturities of acceptances vary widely, and the average of those outstanding is probably much longer than 30 days. For this reason it is certain that the ratio of member-bank acceptances outstanding to the volume of foreign trade overstates the proportion of trade financed through such acceptances. On the other hand, there is a volume of acceptances, estimated at different times at from 20 to 40 per cent of the total outstanding, that is executed by banks not members of the Federal reserve system. At the close of 1924, when member bank acceptances totaled \$498,000,000, the total volume of acceptances has been estimated at \$821,000,000.

Although there is a close relationship between the volume of acceptance credit and foreign trade, a considerable part of outstanding acceptances are based upon domestic transactions, as is seen in the table below. This is evidenced by the fact that of the bills held by Federal reserve banks on December 31, 1924, 24 per cent were based on domestic transactions. Of these bills the larger part are based on goods held in warehouses, and they are in many cases related to the export business and show the same character of seasonal fluctuations as do acceptances based on imports or exports. The Acceptance Council estimates that of the acceptances outstanding at the end of 1924 35 per cent were based on imports, 37 per cent on exports, 20 per cent on goods in warehouses, 5 per cent on other domestic transactions, and 3 per cent were for the purpose of creating dollar exchange.

FEDERAL RESERVE BANKS' HOLDINGS OF BANKERS' ACCEPTANCES PURCHASED IN OPEN MARKET

[Amounts in thousands of dollars]

Date	Foreign	Domestic	Dollar exchange	Total	Proportion of domestic to total (per cent)
June 30, 1922.....	124, 142	31, 655	4, 535	160, 332	19. 7
Dec. 30, 1922.....	195, 921	65, 280	9, 743	270, 944	24. 1
June 30, 1923.....	160, 117	37, 115	7, 833	205, 065	18. 1
Dec. 30, 1923.....	241, 077	90, 445	20, 452	351, 974	25. 7
June 30, 1924.....	28, 784	6, 790	925	36, 499	18. 6
Dec. 31, 1924.....	284, 620	94, 556	6, 882	386, 058	24. 4

¹ Contains \$815 all other.

It will be noted that at the close of each year, when the volume of outstanding acceptances has been largest, the proportion of Federal reserve bank holdings of acceptances based on domestic transactions has also been larger than in the summer months. During recent months the acceptance holdings of the Federal reserve banks increased considerably,

reflecting the larger volume of outstanding acceptances and the seasonal demand for reserve bank credit. A large part of the total acceptances purchased by the reserve banks arose out of the financing of export and import trade with many countries, covering principally the exportation of cotton and grains and the im-

portation of coffee, sugar, silk, hides, and wool. With this large volume of acceptances in the market the seasonal tightening of money rates resulted during the last quarter of the year in heavy offerings of bills to the reserve banks, with a consequent growth of acceptance holdings by these banks.

LAW DEPARTMENT

State laws relating to branch banking.

The following digest of State laws relating to branch banking, which was prepared by the counsel's office of the Federal Reserve Board with the assistance of the counsel to the various Federal reserve banks, shows the status of branch banking legislation in the various States at the close of the year 1924. It contains a digest of only such laws as relate to branches established within the United States and does not cover laws relating to branches established in foreign countries.

ALABAMA

Branches prohibited.—"From and after the passage of this act no bank or any officer, agent, or director thereof shall be permitted to establish a branch or office for the transaction of the banking business other than at its principal place of business." (Banking Laws of Alabama, 1922, sec. 28; Session Laws, 1911, p. 77, sec. 28.)

Own stock in other banks.—"No bank shall subscribe for or own exceeding 10 per cent of the capital stock of any other bank or invest or have invested an amount exceeding in the aggregate 25 per cent of its own paid-in capital stock in the capital stock of any other bank or banks." (Banking Laws of Alabama, 1922, sec. 29; Session Laws, 1911, p. 77, sec. 29.)

ARIZONA

Branches permitted.—The law provides that branches may be established if the consent of the superintendent of banks is obtained. He may give his consent if the public convenience and advantage will be promoted by the opening of such branch and if it has the capital required by the act and may withhold such consent if he is satisfied that the opening of such branch office is undesirable or inexpedient. (Banking Laws of 1922, p. 17, sec. 21; Special Session Laws of 1922, ch. 31, sec. 21, p. 131.)

Capital requirements.—"Before any such branch office is authorized the corporation proposing to establish the same shall have a paid-in capital and surplus of not less than fifty thousand dollars, plus fifteen thousand dollars of additional capital and surplus for each and every branch so authorized." (Banking Laws 1922, p. 17, sec. 21; Special Session Laws 1922, ch. 31, sec. 21, p. 131.)

ARKANSAS

Branches prohibited.—"The return of which said copy (certificate of incorporation) so endorsed and the filing of the same for record with the county clerk of the county in which the said institution is located, shall authorize it to proceed with its business, but with only one office for the transaction thereof in only the one

town, or city as to which the application has been made." (Sec. 13 of act 113 of the act of 1913, as amended by the act approved Mar. 23, 1923; Acts of Arkansas, 1923, p. 519.)

CALIFORNIA

Branches permitted.—"No bank in this State, or any officer or director thereof, shall hereafter open or keep an office other than its principal place of business, without first having obtained the written approval of the superintendent of banks to the opening of such branch office, which written approval may be given or withheld in his discretion, and shall not be given by him until he has ascertained to his satisfaction that the public convenience and advantage will be promoted by the opening of such branch office." (Bank Act, 1923, sec. 9.)

Capital requirements.—For each branch office located in the place of principal business of the parent bank the paid-in capital, in cash, must exceed by \$25,000 the capital required for a bank in that place.

For each branch office of a bank other than an exclusive trust company located in any place in the State other than the place of principal business of the parent bank, the amount of the paid-in capital, in cash, of the parent bank must exceed the amount required by law in the sum required for an independent bank organized in that locality, exclusive of the capital required for a trust department.

For each branch of an exclusive trust company established or maintained in a place other than the place of principal business of the parent bank, the paid-in capital in cash of the parent bank must exceed the sum otherwise required by law in the sum of \$25,000. (Bank Act of California, 1923, sec. 9.)

There are also provisions regulating the discontinuance of a branch, fees for the opening of a branch, penalties for the violation of the law covering establishment of branches, advertising by branch banks, publishing of reports of condition by such banks, and the establishment of branches by banks located in a city which is annexed by or consolidated with a city of a class requiring a larger capitalization. (Bank Act of California, 1923, secs. 9, 28, 132a, 23, 60, and 82.)

COLORADO

Branches prohibited.—"Every bank shall be conducted at a single place of business, and no branch thereof shall be maintained elsewhere." (Banking Laws, 1923, sec. 48; Compiled Laws, 1921, sec. 2703.)

CONNECTICUT

Branches prohibited.—"No State bank or trust company shall make any loan or discount on a pledge of its own stock, and no State bank, trust company, mutual savings bank, or building and loan association shall establish any branch office or agency thereof, or employ any agent or person to make loans or discounts at any

other place than its banking house." (Banking Laws, 1923, p. 16, sec. 3920; General Statutes of 1918, sec. 3920 as amended by ch. 10, Bank Act 1923, p. 3481.)

DELAWARE

Branches authorized.—"No bank or trust company shall open any branch office or place of business in this State unless authorized so to do by the certificate of the State bank commissioner." (Banking Laws, 1921, p. 15, sec. 4; Laws of Delaware, 1921, p. 288, ch. 103, sec. 4.)

Capital requirements.—"No such certificate shall be issued by the said commissioner, unless satisfied that the applicant has a paid-in capital stock to an amount equivalent to at least twenty-five thousand dollars for each office or place of business then established by said corporation in this State and for the branch sought to be established, and a surplus to an amount equivalent to at least twenty-five thousand dollars for each office or place of business then established by said corporation." (Banking Laws, 1921, p. 15, sec. 4; Laws of Delaware, 1921, p. 288, ch. 103, sec. 4.)

Must be authorized by charter.—"Nothing in this section contained shall be deemed to confer on any corporation the power to establish branches not expressly authorized by its charter." (Banking Laws, 1921, p. 15, sec. 4; Laws of Delaware, 1921, p. 288, ch. 103, sec. 4.)

FLORIDA

Branches prohibited.—"That the place of business of each banking company shall be in the city or town specified in its charter, and the usual business of any such banking company shall be transacted at an office or banking house located in the city or town so specified and not elsewhere." (Banking Laws, 1921, sec. 4139; Fla. Rev. Gen. Stats. 1920, sec. 4139.)

GEORGIA

Branches authorized.—"Banks whose capital has been fully paid in and is unimpaired may establish branches in the cities in which they are located or elsewhere, after having first obtained the written approval of the superintendent of banks, which approval may be given or withheld by the superintendent in his discretion, and shall not be given until he shall have ascertained to his satisfaction that the public convenience and advantage will be promoted by the opening of such branch." (Banking Laws, 1920, sec. 3; Bank Act 1919, art. 1, sec. 3.)

Operation.—"The law provides for the appointment of officers for the management and operation of each branch." (Banking Laws, 1920, sec. 3; Bank Act 1919, art. 1, sec. 3.)

Capital.—"At the time of the establishment of any branch the board of directors of the parent bank shall set aside for the exclusive use of said branch such proportion of its capital or surplus as may be required by the superintendent of banks; in no event less than is required for the organization of a bank in the city, town, or village in which the branch shall be located: *Provided*, That the parent bank shall not by such assignment of a portion of its capital reduce the capital to an amount less than is required for the organization of a bank in the city, town, or village in which said parent bank is located, nor shall the parent bank by such assignment of a portion of its surplus reduce the surplus account to an amount less than twenty (20) per cent of its capital." (Banking Laws, 1920, sec. 3; Bank Act 1919, art. 1, sec. 3.)

Taxation.—"Branch banks shall be taxed on the capital set aside to their exclusive use in the counties,

municipalities, and districts in which they are located, and the parent bank shall be relieved of taxation to the extent of the capital set aside for the exclusive use of such branches." (Banking Laws, 1920, sec. 3; Bank Act 1919, art. 1, sec. 3.)

IDAHO

Branches prohibited.—"No banking corporation or trust company shall maintain any branch bank, receive deposits or pay checks, except over the counter of and in its own banking house. And, *Provided*, That nothing in this section shall prohibit ordinary clearing-house transactions between banks.

"Corporations created under the terms of this chapter shall not be authorized to engage in the business at more than one place, which shall be designated in their charters." (Banking Laws 1919, sec. 5244; Idaho Comp. Stat. 1919, sec. 5244.)

ILLINOIS

Branches prohibited.—"By act approved June 23, 1923, the Illinois Legislature prohibited branch banking, subject to the approval by the people at general election in 1924; and at the general election the act was approved. (Smith-Hurd Illinois Revised Statutes, p. 108.)

INDIANA

Branches prohibited.—"That it shall be unlawful for any person, firm, or corporation engaged in the business of operating a State bank, private bank, savings bank, or loan, trust, or safe deposit company to open or establish a branch bank or branch office: *Provided*, That the provisions of this section shall not apply to branch banks or branch offices for which charters have heretofore been granted." (Banking Laws, 1921, p. 124; Session Laws, 1921, ch. 141, p. 367.)

IOWA

No provision.—"There is no specific provision covering branches in the laws of Iowa.

KANSAS

No provision.—"There is no specific provision in the laws of Kansas concerning branch banks.

KENTUCKY

No provision.—"There is no specific provision in the laws of Kentucky regarding the establishment of branches. The Court of Appeals of Kentucky has held, however, that in the absence of such a provision it is not within the power of a State bank to establish a branch bank, though it may have agents to receive and forward money to the bank or transact other necessary business. (*Bruner v. Citizens Bank of Shelbyville*, 120 S. W. 345.)

LOUISIANA

Branches authorized.—"Every increase or decrease, modification, alteration, or addition to the capital or of the number of the shares, shall be submitted to a general meeting of the stockholders, held after thirty days' notice by publication and by mail, and shall be approved by two-thirds of the amount of the capital stock; and shall be executed, recorded, and published as provided for the original articles, which shall provide for the location in the parish of domicile of any banking association of not more than two branch offices. *Provided*, that no banking association or savings bank with capital stock of less than \$50,000 may locate or

operate branch offices; but this provision shall not apply to existing branch offices." (Banking Laws, 1923, p. 5, sec. 7; Wolf's Const. and Stats. of La., 1920, p. 116, sec. 7.)

Certificate of bank examiner.—No branch may be opened until a certificate of authority has been obtained from the State bank examiner. (Banking Laws, 1923, p. 6, sec. 8; Wolf's Const. and Stats. of La., 1920, p. 116, sec. 8.)

Trust companies, savings banks, and safe deposit companies.—“Any savings, safe deposit, or trust and savings bank may have one or more offices of discount and deposit within the limits of the municipality or parish in which the said bank is located; and provided further, that whenever any such banks shall have taken advantage of the provisions of this act and section, and shall have established one or more offices of discount and deposit within the limits of said municipality or parish, no future political or legal subdivision of said municipality or parish shall have the effect of, in anywise affecting the right of such banks aforesaid to continue the existence, maintenance, and operation of any such offices already established.” (Banking Laws, 1923, p. 28, sec. 7; Wolf's Const. and Stats. of La., 1920, p. 112, sec. 7.)

MAINE

“Trust and banking company” branches authorized.—“No trust company now or hereafter organized shall establish a branch or agency until it shall have received a warrant so to do from the bank commissioner, who shall issue such warrant only when satisfied that public convenience and advantage will be promoted by the establishment of such branch or agency, * * * no trust company shall be permitted to establish a branch or agency except in its own or an adjoining county.” (Maine Laws, 1923, ch. 144, sec. 88; Banking Laws, 1923, sec. 88.)

Capital requirements.—Banks are required to have a capital varying with the size of the place in which it is located. Banks with branches must have the capital required of a bank located in a place with a population equal to the aggregate population of the place in which the parent bank is located and the population of the places in which its branches are located. (Banking Laws, 1923, secs. 69 and 88; Maine Laws, 1923, ch. 144, secs. 69 and 88.)

MARYLAND

Branch banks and trust companies authorized.—The laws of Maryland provide for the capital of branches established by banks and trust companies and, therefore, impliedly authorize the establishment of such branches. The capital required for a bank or trust company depends upon the size of the place in which such bank or trust company is located, and a bank or trust company hereafter establishing a branch outside of the city, town, or village in which it is located must add to its capital stock for each branch so established a sum equal to the amount of capital which would be required of a bank (as distinguished from a trust company) located in the place in which such branch is established. No bank or trust company shall establish a branch in the city, town, or village in which the parent bank or trust company is located unless such parent bank or trust company has the capital required by the act. (Bagby's Annotated Code, 1911, art. 11, secs. 20 and 42 as amended by the acts of 1924, ch. 266.)

MASSACHUSETTS

Branches of trust companies authorized.—“The board of bank incorporation may authorize in writing

any such corporation to maintain not more than one branch office, which shall be in the town where its main office is located.

“No such corporation shall maintain a branch office except as provided in this and the two following sections, but the restrictions of this section shall not extend to branch offices authorized prior to April twenty-ninth, nineteen hundred and two. (Trust Company Laws, 1923, p. 26, sec. 45; Gen. Laws, 1921, ch. 172, sec. 45.)

“Any office of a trust company the business of which has been taken over under section forty-four by, or any office of a national bank purchased by or merged in, a trust company located in the same town, may be maintained as a branch office of such corporation, if in the opinion of the commissioner public convenience will be served thereby.” (Trust Company Laws, 1923, p. 26, sec. 46; Gen. Laws, 1921, ch. 172, sec. 46.)

MICHIGAN

“Industrial” bank may establish branches.—“To establish branch offices or places of business within the city or village in which its principal office is located, but not elsewhere.” (Banking Laws, 1923, p. 48, sec. 4; Compiled Michigan Laws, Supplement, 1922, sec. 8032 (6).)

There is no specific provision in the laws of Michigan in regard to the establishment of branches by other banks.

MINNESOTA

Branches prohibited.—“No bank or trust company organized under the laws of this State shall maintain a branch bank or receive deposits or pay checks within this State except at its own banking house, and the superintendent of banks shall take possession of and liquidate the business and affairs of any State bank or trust company violating the provisions of this act in the manner prescribed by law for the liquidation of insolvent State banks and trust companies.” (Banking Laws, 1923, p. 31; Session Laws, 1923, ch. 170, p. 194.)

MISSISSIPPI

Branch offices in same city.—“The creation or organization of any branch bank in this State shall be and the same is prohibited and forbidden, and no branch bank shall be hereafter established in this State, and no parent bank chartered under the laws of this State shall establish any branch bank either within or without the State: *Provided, however,* That when the superintendent of banks shall believe the convenience and interest of the public will be served he may permit banks in cities of not less than ten thousand population to establish branch offices within the corporate limits of the city where the bank is domiciled, and such offices shall not be considered branch banks within the meaning of section 261, code of Mississippi of 1906. But an established bank or branch bank may with the consent of the superintendent of banks be removed from one municipality to any other municipality.” (Banking Laws passed in 1924, p. 14, House Bill 574; Laws of Miss. 1924, p. 226.)

Capital requirements.—“Every parent bank operating one or more branch banks shall set apart and devote from its capital a sum of not less than ten thousand dollars for the exclusive use of each of said branch banks in its business, and the amount of the capital of the parent bank employed by each branch bank shall never at any time be less than the said amount of ten thousand dollars.” (Banking Laws, 1920, sec. 3522; Hemingway's Annotated Miss. Code, 1917, sec. 3522.)

MISSOURI

Branch banks prohibited.—"Provided, however, that no bank shall maintain in this State a branch bank or receive deposits or pay checks except in its own banking house." (Banking Laws, 1919, sec. 11737; Revised Stat. of Mo. 1919, sec. 11737, p. 3674.)

Branch trust companies prohibited.—"Provided, however, that no trust company shall maintain in this State a branch trust company or receive deposits or pay checks except in its own banking house." (Banking Laws, 1919, sec. 11799; Revised Stat. of Mo. 1919 sec. 11799, p. 3702.)

MONTANA

No provision concerning branches.—There is no specific provision concerning the establishment of branch banks in the laws of Montana.

NEBRASKA

No provision concerning branches.—There is no specific provision in the laws of Nebraska in regard to the establishment of branch banks.

NEVADA

Branches prohibited.—"No bank in this State shall hereafter open or maintain any branch bank or office." (Banking Laws, 1915, sec. 8; Rev. Laws Nev. 1912, sec. 623.)

"Bank" defined.—"The words 'corporation,' 'banking corporation,' 'bank,' 'trust company,' or 'banker,' as used in this act, shall refer to and include banks, savings banks, and trust companies, individuals, firms, associations, and corporations of any character conducting the business of receiving money on deposit or otherwise carrying on a banking or trust company business, except as herein specially provided." (Banking Laws, 1915, sec. 75; Rev. Laws Nev. 1912, sec. 690.)

NEW HAMPSHIRE

No provision concerning branches.—There is no specific provision in the laws of New Hampshire in regard to the establishment of branch banks.

NEW JERSEY

No provision concerning branches.—There is now no specific provision in the laws of New Jersey with regard to the establishment of branch banks or trust companies. It appears that a law enacted in 1913 authorized trust companies to establish branches, but that law was repealed in 1915. Trust companies, however, were not prohibited by the latter statute from establishing branches, and it appears that there is now no law either authorizing or prohibiting the establishment of branches by trust companies. (Laws of 1913, ch. 140; Laws of 1915, ch. 274.)

NEW MEXICO

Branches prohibited.—"Every bank shall be conducted at a single place of business, and no branch thereof shall be maintained elsewhere; provided, however, that nothing herein contained shall be construed to prohibit any mercantile corporation which maintains a banking department in accordance with the provisions of this act, from receiving deposits and buying and selling exchange at any of its branch stores." (Banking Laws 1923, sec. 47; Session Laws 1915, ch. 67, sec. 47.)

NEW YORK

Branch banks authorized.—"No bank, or any officer or director thereof, shall transact its usual business of banking at any place other than its principal place of business except that a bank in a city which has a population of more than fifty thousand may open and occupy in such city one or more branch offices for the receipt and payment of deposits and for making loans and discounts to customers of such respective branch offices only, provided that before any such branch or branches shall be opened or occupied:

"1. The superintendent shall have given his written approval, as provided in section fifty-one of this chapter;

"2. The actual paid-in capital of such bank shall exceed by the sum of one hundred thousand dollars the amount required by section one hundred of this article for each branch opened since the twenty-seventh day of April, nineteen hundred and eight; and by the sum of fifty thousand dollars for each branch opened previous to said date and hereafter maintained." (Morgan & Parkers N. Y. Banking Laws, 1923, sec. 110.)

Branch trust companies.—"No trust company or any officer or director thereof, shall transact its usual business at any place other than its principal place of business, except that a trust company may open and occupy in the city in which its principal place of business is located one or more branch offices, provided that before any such branch or branches shall be opened or occupied:

"1. The superintendent shall have given his written approval, as provided in section fifty-one of this chapter;

"2. The actual paid-in capital of such trust company shall exceed by the sum of one hundred thousand dollars the amount required by section one hundred and eighty of this article for each branch opened." (Morgan & Parkers Banking Law, 1923, sec. 195.)

Provision is also made in the law requiring the approval of the superintendent of banks before a branch may be opened. (Morgan & Parkers Banking Law, 1923, sec. 51.)

NORTH CAROLINA

Branches authorized.—"Any bank doing business under this act may establish branches in the cities in which they are located, or elsewhere, after having first obtained the written approval of the Corporation Commission, which approval may be given or withheld by the Corporation Commission, in its discretion, and shall not be given until it shall have ascertained to its satisfaction that the public convenience and advantage will be promoted by the opening of such branch." (Banking Laws, 1921, sec. 43.)

Capital requirements.—"Provided, that the Corporation Commission shall not authorize the establishment of any branch, the paid-in capital stock of whose parent bank is not sufficient in an amount to provide for the capital of at least fifteen thousand dollars for the parent bank, and at least twenty thousand dollars for each branch which it is proposed to establish in cities or towns of three thousand population or less; nor less than thirty thousand dollars in cities and towns whose population exceeds three thousand, but does not exceed ten thousand; nor less than fifty thousand dollars in cities and towns whose population exceeds ten thousand, but does not exceed twenty-five thousand; nor less than one hundred thousand dollars in cities and towns whose population exceeds twenty-five thousand. All banks operating branches prior to the

passage of this act shall, within a time limit to be prescribed by the Corporation Commission, cause said branch bank to conform to the provisions of this section." (Banking Laws, 1921, sec. 43.)

The law also contains requirements for the proper management of the branches. (Banking Laws, 1921, sec. 43.)

NORTH DAKOTA

No provision concerning branches.—There is no specific provision in the laws of North Dakota in regard to the establishment of branches.

OHIO

Branches authorized.—"No branch bank shall be established until the consent and the approval of the superintendent of banks has been first obtained, and no bank shall establish a branch bank in any place other than that designated in its articles of incorporation, except in a city or village contiguous thereto. If such consent and approval is refused, an appeal may be taken therefrom in the same manner as is provided in section 45 of this act." (Banking Laws, 1923, sec. 710-73.)

Fees for each branch.—" * * * provided, that all banks which operate a branch bank or branch banks in addition to the charges above to be paid, shall pay at the time prescribed above the sum of fifty dollars for each branch bank operated by it * * *." (Banking Laws, 1923, sec. 710-17.)

OKLAHOMA

No provision concerning branches.—There is no specific provision in the laws of Oklahoma in regard to the establishment of branch banks.

OREGON

Branches prohibited.—"No bank in this State, or any officer or director thereof, shall open or maintain any branch bank or receive deposits or pay checks other than at its principal place of business: *Provided*, That this provision shall not apply to branch banks now existent in compliance with the provisions of section 4591 of Lord's Oregon Laws; provided further, that every such branch bank shall hereafter in every respect be governed by and comply with the provisions of this act to the same extent as other State banks now organized and doing business in this State." (Banking Laws, 1921, sec. 36; sec. 6211, Oreg. Laws as amended by ch. 294, p. 546, Gen. Laws 1921.)

Branches authorized if national banks are permitted to establish branches.—"Provided, further, that whenever national banks, operating under acts of Congress, are given the privilege or authority to open and maintain branch banks in this State, the superintendent of banks may authorize banks organized and existing under the laws of this State to open and maintain branch banks on similar terms as are granted to national banks, and the State banking board is hereby given power and authority to prescribe rules and regulations from time to time for the opening and maintaining of said branch banks." (Banking Laws, 1921, sec. 36; sec. 6211, Oreg. Laws as amended by ch. 294, p. 546, Gen. Laws, 1921.)

PENNSYLVANIA

Suboffices permitted but branches prohibited.—"Section 1. Be it enacted, etc., That any bank of discount and deposit already incorporated, or hereafter formed * * * is hereby authorized to establish and maintain in the city, borough, or township in which its

principal place of business is located, one or more sub-offices or subagencies, for the purpose only, however, of receiving and paying out moneys; and provided, that a full report of the operations of each day is made at the close thereof to the principal place of business, and that the assets of the bank in its suboffices or subagencies are transferred to the main office of the bank on or before the close of each business day. This act does not authorize the establishment or maintenance of branch offices or agencies for the transaction of the general business of any corporation formed under the act to which this is a supplement." (Act July 28, 1917; Laws 1917, p. 1235.)

RHODE ISLAND

Branches authorized.—"Any bank or trust company may establish a branch or branches within this State at any other place than its principal place of business upon obtaining the consent of the board of bank incorporation thereto."

Detailed provision is also made for obtaining the consent of the Board of Bank Incorporation to establish branches. (Banking Laws, 1922, ch. 229, sec. 9; Gen. Laws of R. I. 1909, ch. 229, sec. 9.)

SOUTH CAROLINA

Branches authorized by implication.—"All banks or institutions engaged in the banking business in this State that maintain or operate a branch bank or an office for business other than its regular or home office, shall cause to be published statements of the assets and liabilities of such branch bank or office in the county wherein such branch bank or office is located, the same as other banks or banking institutions." (Banking Laws, 1923, sec. 78; Code of 1922, sec. 3989.)

Provision is also made for examination of branch banks. (Code of 1922, secs. 3984 and 3988.)

SOUTH DAKOTA

No provision covering branches.—There is no specific provision in the laws of South Dakota in regard to the establishment of branch banks.

TENNESSEE

Branches authorized by implication.—"Any principal bank must pay out the notes made payable at its branches, but such bank notes shall by law, be also payable at the counter of the principal bank." (Shannon's Code, 1917, sec. 3224.)

TEXAS

Branches prohibited.—"No such corporation [bank] shall maintain any branch bank, receive deposits, or pay checks, except over the counter of and in its own banking house, except where such corporation is a county or State depository, in any county other than that of its home, or is a county depository and is not located at the county seat; and provided, that nothing in this article shall prohibit ordinary clearing house transactions between banks. Corporations created under the terms of this title shall not be authorized to engage in business at more than one place which shall be designated in their charters." (Banking Laws, 1923, sec. 94; Rev. Civil Stats. p. 104, art. 379.)

Branches are prohibited by the Texas Constitution. (Const. Act XVI, sec. 16.)

UTAH

Branches prohibited.—"The business of every banking institution shall be conducted only at its banking house, and no bank in this State or any loan, trust, or

guaranty company or trust company conducting a banking business, or any officer, director, or agent thereof, shall open, establish, or maintain any branch bank or office, and shall receive deposits and pay checks only at its banking house: *Provided*, That all branch banks or offices in operation at the time of the approval of this chapter shall be closed and discontinued within one year from the date this chapter goes into effect.

"Any bank or officer thereof violating any of the provisions of this section is guilty of a misdemeanor." (Banking Laws, 1923, sec. 1005; Comp. Laws Utah, 1917, sec. 1005.)

VERMONT

No provision covering branches.—There is no specific provision in the laws of Vermont in regard to the establishment of branch banks.

VIRGINIA

Branches authorized.—"No bank or trust company heretofore or hereafter incorporated under the laws of this State shall be authorized to engage in business in more than in one place, except that, in its discretion, the State corporation commission may authorize banks having a paid-up and unimpaired capital of twenty-five thousand dollars or over to establish branches. This section, however, shall not apply to branch banks already established. But any branch bank heretofore or hereafter established shall not be operated or advertised under any other name than that of the identical name of the home bank. Any bank or trust company violating the provisions of this section shall be liable to a fine of one thousand dollars, to be imposed and judgment entered therefor by the State corporation commission, and enforced by its process." (Banking Laws, 1922, sec. 4101; Code of 1919, sec. 4101.)

Taxation of branches.—Provision is made for local taxation of branches in the places in which they are established. (Banking Laws, 1922, sec. 4102; Code of 1919, sec. 4102.)

WASHINGTON

Branches prohibited.—"Nor shall any bank or trust company establish any branch. The practice of collecting or receiving deposits or cashing checks at any place or places other than the place where the usual business of a bank or trust company and its operations of discount and deposits are carried on shall be held and construed to be establishing a branch." (Banking Laws, 1921, sec. 28; Session Laws, 1919, ch. 209, sec. 7.)

Definition of branch.—"The term 'branch bank,' where used in this act, means any office of deposit or discount maintained by any bank or trust company, domestic or otherwise, other than its principal place of business, regardless of whether it be in the same city or locality." (Banking Laws, 1921, sec. 27; Session Laws, 1917, ch. 80, sec. 14.)

WEST VIRGINIA

Branches apparently authorized.—The corporation laws of West Virginia provide for the incorporation of banks of issue and circulation and of discount and deposit and for savings institutions and also provide that any corporation may have offices at any other place than at the place of its principal office; cooperative banking associations and trust companies are also made subject to the above laws. The law also provides that "If a suit against a bank of circulation be brought in a county where it has a branch, service on the president or

cashier of the bank is sufficient." It is understood, however, that the Commissioner of Banks and Banking does not permit the operation of branches. (Barnes 1923 Code, ch. 54, secs. 2, 23, 76, 78a (5) and ch. 50, sec. 37.)

WISCONSIN

Branches prohibited.—"No bank shall establish more than one office of deposit and discount or establish branch offices or branch banks, provided that this prohibition shall not apply to any branch office or bank established prior to May 14, 1909." (Banking Laws, 1922, p. 36, sec. 61 (f); Wis. Stat. 1921, ch. 555, sec. 2024-9.)

Branch trust companies prohibited.—"Nor shall such corporation establish more than one office of deposit nor establish nor maintain branches." (Banking Laws, 1921, p. 83, sec. 164; Wis. Stat. 1921, sec. 2024-77 N.)

WYOMING

Branches permitted by implication.—"It shall be lawful for any number of persons, not less than five in any case, to associate themselves together and form companies for the purpose of carrying on a general banking, savings bank, and loan and trust business in such place or places in this State as shall be designated in their articles of association, subject, however, to the contingencies, restrictions, conditions, and liabilities prescribed in this chapter. The persons uniting to form such association, shall execute and acknowledge, according to law, a certificate of articles of association, which shall specifically state:

"Fourth. The place or places where its offices shall be located, and its operations are to be carried on." (Banking Laws, 1921, sec. 5135; Comp. Stat. 1920, sec. 5135.)

State Banks and Trust Companies

The following list shows the State banks and trust companies which were admitted to membership in the Federal Reserve System during the month ended February 21, 1925, on which date 1,554 State institutions were members of the system:

ADMISSIONS

	Capital	Surplus	Total resources
<i>District No. 1</i>			
Carroll County Trust Co., Conway, N. H.	\$75,000	\$15,000	\$1,209,363
<i>District No. 5</i>			
The Home Bank, St. Matthews, S. C. (readmitted under new charter)	70,000	20,000	564,992
<i>District No. 9</i>			
Trout Creek State Bank, Trout Creek, Mich.	25,000	184,578
<i>District No. 11</i>			
Texas State Bank & Trust Co., San Antonio, Tex.	300,000	30,000	2,684,343
<i>District No. 12</i>			
Multnomah Commercial & Savings Bank, Multnomah, Ore.	25,000	5,000	120,844

CHANGES

	Capital	Surplus	Total resources
<i>District No. 1</i>			
First National Bank, Fall River, Mass (absorbed by B. M. C. Durfee Trust Co., Fall River, Mass., a member).....	\$400,000	\$150,000	\$4,192,630
<i>District No. 2</i>			
Metropolitan Trust Co., New York, N. Y. (converted into a national bank).....	2,000,000	3,000,000	60,602,214
Citizens Bank of Cape Vincent, N. Y. (voluntary withdrawal).....	50,000	10,000	468,141
<i>District No. 5</i>			
Atlantic Exchange Bank & Trust Co., Baltimore, Md. (consolidated with Baltimore Trust Co., a member).....	2,000,000	2,000,000	34,273,440
Farmers Bank & Trust Co., St. Matthews, S. C., a nonmember (consolidated with and under title of The Home Bank, a member newly chartered).....	70,000	30,000	450,000
<i>District No. 6</i>			
Bank of Cartersville, Cartersville, Ga. (converted into a national bank).....	100,000	60,000	566,733
<i>District No. 7</i>			
Farmers State Bank, Auburn, Ill., a nonmember (absorbed by the Auburn State Bank, Auburn, Ill., a member).....	25,000	11,070	287,420
Citizens State Bank, Wapello, Iowa, a nonmember (absorbed by the Wapello State Savings Bank, Wapello, Iowa, a member).....	25,000	6,500	321,500
<i>District No. 11</i>			
Security State Bank, Cooper, Tex. (closed).....	100,000	-----	420,644
<i>District No. 12</i>			
Bank of Jordan Valley, Jordan Valley, Oreg. (closed).....	50,000	25,000	435,227

Change of title.—The Montclair Essex Trust Co., Montclair, N. J., has changed its title to the Montclair Trust Co.
 The Guardian Savings & Trust Co., Cleveland, Ohio, has changed its title to The Guardian Trust Co.
Change of location.—Commercial & Savings Bank Co., Buckeye City, Ohio, name of city changed to Danville.
Change of title and location.—The Stockmens State Bank, Corona, N. Mex., has changed its title to the First State Bank and its location to Estancia, N. Mex.

Fiduciary Powers Granted to National Banks

During the month ended February 21, 1925, the Federal Reserve Board approved applications of the national banks listed below for permission to exercise one or more of the fiduciary powers named in section 11 (k) of the Federal reserve act as amended, as follows:

(1) Trustee; (2) executor; (3) administrator; (4) registrar of stocks and bonds; (5) guardian of estates; (6) assignee; (7) receiver; (8) committee of estates of lunatics; (9) in any other fiduciary capacity in which State banks, trust companies, or other corporations which come into competition with national banks are permitted to act under the laws of the State in which the national bank is located.

Place	District No.	Name of bank	Powers granted
Houlton, Me.....	1	First National Bank.....	1 to 5 & 9.
Newark, N. J.....	2	South Side National Bank & Trust Co.	1 to 9.
Paterson, N. J.....	2	Labor Co-Operative National Bank.	1 to 9.
New York, N. Y.....	2	Metropolitan National Bank & Trust Co.	1 to 9.
Perry, N. Y.....	2	First National Bank.....	1 to 9.
Smyrna, Del.....	3	National Bank of Smyrna.....	1 to 9.
Gettysburg, Pa.....	3	Gettysburg National Bank.....	1 to 9.
Mechanicsburg, Pa.....	3	Second National Bank.....	1 to 9.
Phoenixville, Pa.....	3	Farmers and Mechanics National Bank.	1 to 9.
Columbus, Ohio.....	4	First National Bank.....	1 to 7 & 9.
Dayton, Ohio.....	4	Third National Bank.....	1 to 7 & 9.
Greenville, Pa.....	4	Greenville National Bank.....	1 to 9.
Harrisonburg, Va.....	5	National Bank of Harrisonburg.	1 to 9.
Portsmouth, Va.....	5	First National Bank.....	1 to 9.
Knoxville, Tenn.....	6	Holston National Bank.....	1 to 3, 5 to 9.
Greenville, Ala.....	6	First National Bank.....	1 to 3 & 5.
Great Falls, Mont.....	9	do.....	1 to 9.
Anthony, Kans.....	10	Citizens National Bank.....	1 to 8.
Hutchinson, Kans.....	10	American National Bank.....	1 to 9.
Winfield, Kans.....	10	Winfield National Bank.....	1 to 9.
Fort Worth, Tex.....	11	Fort Worth National Bank.....	5 to 8.

New National Bank Charters

The Comptroller of the Currency reports the following increases and reductions in the number and capital of national banks during the period from January 24, to February 20, 1925, inclusive:

	Number of banks	Amount of capital
New charters issued.....	11	\$2,775,000
Restored to solvency.....	0	0
Increase of capital approved.....	20	12,975,000
Aggregate of new charters, banks restored to solvency, and banks increasing capital.....	31	15,750,000
Liquidations.....	27	2,117,500
Reducing capital.....	2	40,000
Total liquidations and reductions of capital.....	29	2,157,500
Consolidations of national banks under act of Nov. 7, 1918.....	0	0
Aggregate increased capital for period.....	-----	15,750,000
Reduction of capital owing to liquidations, etc.....	-----	2,157,500
Net increase.....	-----	13,592,500

BUSINESS STATISTICS FOR THE UNITED STATES

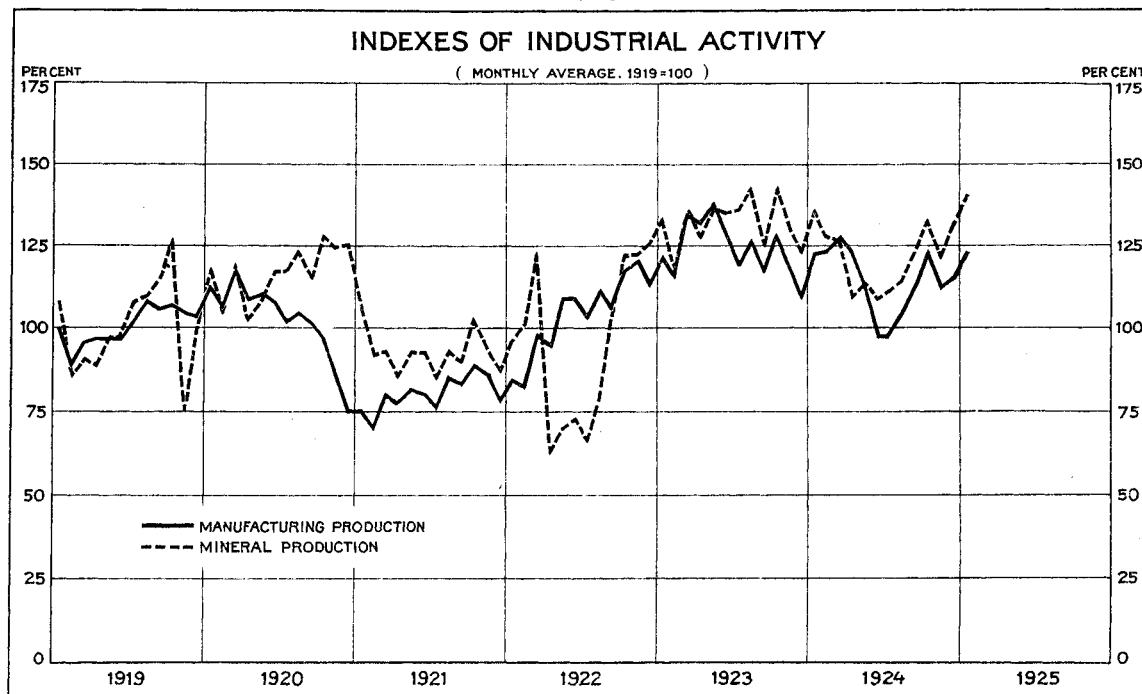
INDUSTRIAL ACTIVITY

Industrial activity during January continued the recovery which began last summer and in many lines attained levels equaling or exceeding those of a year ago. The index of production in basic industries, which is adjusted for seasonal variations, advanced from 117 to 127. This figure equals the maximum of all time recorded for May, 1923, and compares with 120 last January and 94 for the summer months. The manufacturing index, which is unadjusted, increased from 116 to 123, slightly above the level of January, 1924. Employment has not risen to the same extent as production, and, although the number employed increased slightly in January, wage earnings were seasonably less, and both were smaller than a year before. Mineral production was particularly heavy in January, and the mining index at 140 has been exceeded only twice in the pre-war period. The index of agricultural marketings declined in January as is usual, but maintained its increase over the corresponding month in previous years.

Iron and steel has been relatively the most active of all industries, and the production of pig iron and steel ingots in January was close to previous maximums. Textiles also showed some increases. Active machinery and employment in the woolen industry declined, but cotton consumption and spindle activity were the greatest since 1923, and the

taking of raw silk by mills exceeded all previous records. Building-material industries, on the whole, were seasonably less active, but the amount of lumber cut was larger than in any January since 1918. Of the important industries automobile manufacturing has shown the greatest decrease in production since last spring. The output of passenger cars in January was about 40 per cent below the total for March, 1924, the month of maximum production. Production of rubber tires and tubes and of gasoline continues to show substantial year-to-year increases.

Among the minerals, copper and zinc production was the greatest since the war years, and lead output was the largest recorded in the four years for which figures are available. Furthermore, bituminous coal output was close to the largest amount ever mined in any month. Anthracite coal and petroleum kept the general index below its previous high point, as the output of these products was not up to the levels reached in the fall of 1923. In agricultural movements receipts of cotton were the largest recorded for any January since 1920, when the crop was marketed late. Tobacco sales were also rather large. Grain receipts were greater than during last January, but have been larger in that month of other previous years. Vegetable shipments were heavy, but those of fruits were somewhat lighter than usual.



INDEX OF EMPLOYMENT IN MANUFACTURING INDUSTRIES ¹

[Not adjusted for seasonal variations. Monthly average, 1919=100]

Year and month	General index	Metals and products		Textiles and products			Lumber and products	Motor vehicles	Car building and repairing	Paper and printing	Foods and products	Leather and products	Stone, clay, and glass	Tobacco products	Chemicals and products
		Group index	Iron and steel	Group index	Fabrics	Products									
1924															
January	98	89	89	97	96	98	118	103	90	106	104	86	105	88	78
February	99	91	90	98	97	100	123	105	89	106	102	87	106	87	78
March	99	92	91	97	94	100	124	107	89	106	101	87	110	85	78
April	97	91	90	92	89	94	123	101	89	105	98	82	115	83	77
May	93	85	85	87	86	89	119	90	87	104	97	79	117	82	74
June	90	80	80	85	85	86	117	81	85	103	99	73	115	83	70
July	87	76	76	79	78	79	113	76	85	101	99	74	111	82	67
August	87	76	75	81	81	82	114	78	85	101	98	78	110	82	68
September	90	77	76	85	85	86	115	80	86	103	101	81	108	86	71
October	91	79	78	89	90	87	114	81	88	104	102	82	109	81	71
November	91	80	79	88	91	85	114	80	88	105	102	81	109	87	72
December	93	83	82	92	94	88	112	82	88	105	103	80	108	87	73
1925															
January	93	85	84	93	95	89	111	84	88	105	100	83	103	83	74

¹ This table contains for certain months the index numbers of employment, together with group indexes for its important industrial components. The general index is a weighted average of relatives for 33 individual industries. The method of construction was described in detail and indexes for the above groups since January, 1919, were published on pages 1272-1279 of the BULLETIN for December, 1923.

² Preliminary.

³ Revised.

INDEX OF PRODUCTION IN BASIC INDUSTRIES ¹

[Index and relatives for each industry adjusted for seasonal variations. Monthly average 1919=100]

Year and month	General index	Iron and steel		Textiles		Food products						Lumber
		Pig iron	Steel ingots	Cotton	Wool	Wheat flour	Sugar meltings	Animals slaughtered				
								Cattle	Calves	Sheep	Hogs	
1924												
January	120	120	131	112	99	89	97	95	133	98	119	136
February	120	132	146	102	100	100	127	94	137	93	116	130
March	116	132	146	92	101	107	115	90	112	90	132	124
April	114	127	119	97	97	105	115	98	116	102	136	127
May	103	101	92	80	93	105	109	107	111	109	124	117
June	94	81	74	70	88	107	111	86	108	102	116	104
July	95	70	67	71	83	122	125	95	117	99	141	106
August	94	71	87	72	82	100	104	94	118	91	136	105
September	105	80	99	93	91	110	141	93	128	91	132	108
October	109	93	104	109	100	97	141	94	143	93	121	120
November	107	97	109	105	102	84	111	93	129	82	122	116
December	117	119	133	111	102	82	91	99	155	87	130	128
1925												
January	127	133	150	115	100	94	122	100	140	90	121	145

Year and month	Coal		Nonferrous metals		Sole leather	News-print	Cement	Petroleum	Tobacco products		
	Bituminous ²	Anthracite	Copper	Zinc					Cigars	Cigarettes	Manufactured tobacco
1924											
January	126	111	132	126	73	107	239	183	98	176	113
February	127	118	134	112	74	108	192	189	94	140	93
March	104	111	123	122	66	103	187	186	90	145	91
April	94	97	127	114	62	111	169	189	88	157	91
May	90	101	125	121	57	116	172	192	95	178	96
June	85	100	124	111	54	103	173	187	91	168	94
July	89	106	133	109	63	102	193	185	98	155	97
August	87	95	132	106	62	101	190	190	95	157	93
September	103	105	130	104	68	107	186	191	100	162	98
October	110	95	133	108	71	110	183	185	97	158	99
November	104	91	140	108	71	104	187	183	96	145	89
December	116	100	137	121	76	103	182	182	92	170	94
1925											
January	125	104	143	128	68	106	243	192	91	188	105

¹ This table contains for certain months the index numbers of production in basic industries which are shown in the chart at the bottom of page 151, together with the series of relatives used in constructing the index. In making the final index the relatives are adjusted to allow for seasonal fluctuations and are weighted. The methods of construction were described in detail and all relatives for each series since January, 1913, were published on pages 1414-1421 of the BULLETIN for December, 1922.

² All bituminous coal figures for 1924 revised.

³ Revised.

INDEXES OF INDUSTRIAL ACTIVITY ¹

[No seasonal adjustment. Monthly average 1919=100]

Year and month	Agricultural movements								Mineral production								
	Total ²	Live-stock ²	Animal products	Grains	Cotton	Vegetables	Fruits	Tobacco	Total ²	Anthracite coal	Bituminous coal ²	Petroleum	Pig iron	Copper	Zinc	Lead	Silver
1924																	
January.....	105	123	98	91	83	120	90	238	138	108	135	179	118	132	126	114	111
February.....	96	101	101	120	41	123	102	133	130	104	122	176	121	130	112	124	115
March.....	81	98	90	87	33	138	92	76	128	110	106	189	136	129	122	134	121
April.....	77	97	129	54	34	113	93	17	110	93	78	189	127	131	114	125	97
May.....	87	98	148	62	34	119	178	20	114	106	83	196	103	130	121	137	123
June.....	87	95	165	67	19	146	140	6	111	105	81	191	79	127	111	143	111
July.....	100	96	166	118	21	137	148	2	113	106	86	194	70	129	109	138	95
August.....	121	90	127	218	38	107	144	63	116	97	92	196	74	132	106	139	104
September.....	152	109	107	195	175	165	163	127	124	106	109	189	81	126	104	146	116
October.....	189	123	100	230	278	226	248	165	134	105	125	190	97	137	108	148	119
November.....	160	120	105	156	271	136	157	148	122	92	108	179	99	136	109	145	119
December.....	143	132	121	120	³ 231	86	86	184	130	101	119	180	116	135	121	146	123
1925																	
January.....	118	122	93	112	129	130	74	281	140	101	134	188	132	143	128	150	114

Year and month	Manufacturing production											
	Total	Iron and steel	Automobiles	Textiles	Food products	Lumber	Paper and printing	Leather and shoes	Petroleum	Cement and brick	Tobacco	Rubber tires
1924												
January.....	122	126	196	116	109	123	122	98	172	118	118	152
February.....	123	131	228	106	105	132	117	96	166	123	103	154
March.....	127	145	237	100	105	141	120	94	180	140	109	162
April.....	122	122	231	98	98	149	126	89	181	154	106	152
May.....	112	96	193	89	100	162	120	83	171	167	122	144
June.....	97	75	151	77	97	139	113	76	176	156	123	126
July.....	97	67	163	81	103	136	102	75	176	154	127	125
August.....	104	87	172	83	102	142	107	84	182	166	123	158
September.....	112	96	178	98	112	143	109	90	180	157	126	175
October.....	123	108	178	113	114	160	128	101	186	169	132	191
November.....	112	108	141	105	108	132	116	84	185	148	114	155
December.....	³ 116	124	126	³ 111	117	122	³ 117	90	196	³ 138	106	163
1925												
January.....	123	145	141	121	104	143	120	-----	-----	128	118	-----

¹ For description and early figures see BULLETIN for March, 1924.

² Practically all figures for 1924 revised.

³ Revised.

COMMODITY MOVEMENTS

With this month's issue the publication in the Bulletin of detailed statistics regarding movements and stocks of commodities is discontinued. Certain figures compiled by the board's division of research and statistics will still be published in order that users of these data may continue to have comparable series of data. Information as to current figures for any of the discontinued series will be furnished upon request.

	January, 1925	December, 1924	January, 1924
Grain and Flour			
Receipts at 17 interior centers (000 omitted):			
Wheat (bushels).....	24, 166	32, 542	16, 861
Corn (bushels).....	36, 359	29, 694	31, 075
Oats (bushels).....	25, 589	21, 132	18, 176
Rye (bushels).....	2, 134	3, 802	1, 807
Barley (bushels).....	4, 940	5, 405	2, 916
Total grain (bushels).....	93, 188	92, 575	70, 834
Flour (barrels).....	2, 423	2, 358	1, 902
Total grain and flour (bushels).....	104, 089	103, 188	79, 395
Shipments at 14 interior centers (000 omitted):			
Wheat (bushels).....	19, 256	28, 846	12, 244
Corn (bushels).....	11, 929	8, 289	17, 579
Oats (bushels).....	15, 089	12, 135	14, 829
Rye (bushels).....	2, 822	7, 449	582
Barley (bushels).....	2, 840	3, 632	2, 066
Total grain (bushels).....	51, 937	60, 350	47, 300
Flour (barrels).....	3, 374	3, 682	3, 182
Total grain and flour (bushels).....	67, 120	76, 921	61, 619
Stocks at 11 interior centers at close of month (000 omitted):			
Wheat (bushels).....	47, 628	55, 772	59, 785
Corn (bushels).....	22, 928	14, 361	6, 832
Oats (bushels).....	64, 557	61, 038	14, 788
Rye (bushels).....	9, 270	9, 290	16, 652
Barley (bushels).....	2, 928	3, 424	1, 828
Total grain (bushels).....	147, 310	143, 886	99, 885
Receipts at 9 seaboard centers (000 omitted):			
Wheat (bushels).....	12, 841	27, 785	12, 794
Corn (bushels).....	987	904	3, 213
Oats (bushels).....	1, 241	1, 912	2, 327
Rye (bushels).....	1, 955	6, 116	326
Barley (bushels).....	2, 062	4, 591	1, 573
Total grain (bushels).....	19, 085	41, 308	20, 232
Flour (barrels).....	2, 117	2, 028	1, 931
Total grain and flour (bushels).....	28, 612	50, 436	28, 920
Stocks at 8 seaboard centers at close of month (000 omitted):			
Wheat (bushels).....	9, 493	14, 202	6, 089
Corn (bushels).....	1, 369	719	1, 484
Oats (bushels).....	1, 530	2, 215	1, 025
Rye (bushels).....	3, 851	9, 242	751
Barley (bushels).....	1, 531	3, 197	2, 164
Total grain (bushels).....	17, 774	29, 575	11, 463
Wheat flour production (barrels, 000 omitted).....	11, 705	11, 007	11, 000
Tobacco sales at loose-leaf warehouses (pounds, 000 omitted):			
Dark belt Virginia.....	7, 623	7, 068	6, 476
Bright belt Virginia.....	9, 165	12, 075	10, 397
North Carolina.....	16, 591	29, 327	28, 377
Burley.....	39, 950	14, 324	27, 213
Western dark.....	20, 222	8, 862	12, 563

	January, 1925	December, 1924	January, 1924
Grain and Flour—Continued			
Revenue freight loaded and received from connections (cars loaded, 000 omitted):			
Classified by nature of products—			
Grain and grain products.....	221	212	202
Livestock.....	159	169	161
Coal.....	891	812	880
Coke.....	59	54	54
Forest products.....	312	282	301
Ore.....	44	44	38
Merchandise, l. c. l.....	1, 016	1, 044	975
Miscellaneous.....	1, 289	1, 316	1, 233
Total.....	3, 992	3, 931	3, 843
Classified by geographical divisions—			
Eastern.....	909	912	932
Allegheny.....	792	789	783
Pocahontas.....	213	194	175
Southern.....	620	625	597
Northwestern.....	518	470	479
Central western.....	641	625	615
Southwestern.....	297	312	264
Total.....	3, 992	3, 931	3, 843

BUILDING STATISTICS

	January, 1925	December, 1924	January, 1924
Building permits issued in 168 cities, grouped by Federal reserve districts:			
Number of permits—			
Boston (14 cities).....	1, 333	1, 877	1, 413
New York (22 cities).....	5, 212	6, 963	8, 360
Philadelphia (14 cities).....	1, 194	1, 629	1, 754
Cleveland (12 cities).....	2, 611	2, 968	2, 524
Richmond (15 cities).....	2, 075	3, 023	2, 428
Atlanta (15 cities).....	2, 903	2, 753	2, 745
Chicago (19 cities).....	6, 426	7, 793	5, 666
St. Louis (5 cities).....	1, 802	1, 690	1, 527
Minneapolis (9 cities).....	660	726	481
Kansas City (14 cities).....	1, 545	1, 555	1, 243
Dallas (9 cities).....	2, 177	1, 633	2, 335
San Francisco (20 cities).....	10, 797	8, 909	11, 620
Total.....	38, 735	41, 519	42, 096
Value of permits (dollars, 000 omitted)—			
Boston (14 cities).....	7, 737	9, 991	7, 895
New York (22 cities).....	78, 341	84, 679	88, 553
Philadelphia (14 cities).....	8, 719	12, 666	11, 959
Cleveland (12 cities).....	12, 919	20, 080	12, 181
Richmond (15 cities).....	10, 828	13, 740	12, 209
Atlanta (15 cities).....	7, 233	10, 187	7, 138
Chicago (19 cities).....	36, 546	39, 168	27, 124
St. Louis (5 cities).....	5, 703	8, 607	6, 528
Minneapolis (9 cities).....	2, 417	3, 404	2, 143
Kansas City (14 cities).....	4, 648	7, 490	5, 209
Dallas (9 cities).....	6, 257	5, 794	8, 054
San Francisco (20 cities).....	31, 464	30, 909	33, 230
Total.....	212, 812	246, 715	222, 223
Building contracts awarded, by Federal reserve districts (dollars, 000 omitted):			
Boston.....	22, 941	25, 920	20, 789
New York.....	109, 625	101, 127	107, 039
Philadelphia.....	18, 316	17, 899	18, 497
Cleveland.....	32, 033	44, 123	22, 495
Richmond.....	21, 784	23, 299	27, 354
Atlanta.....	24, 885	27, 471	26, 575
Chicago.....	36, 836	51, 195	49, 288
St. Louis.....	14, 648	22, 794	18, 869
Minneapolis.....	5, 895	5, 713	5, 062
Kansas City.....	7, 469	6, 983	4, 653
Dallas.....	15, 119	12, 963
Total (11 districts).....	309, 551	339, 489	300, 621

¹ District No. 10, excluding Colorado.

² Total, 10 districts. No figures available for Dallas district.

WHOLESALE AND RETAIL TRADE

WHOLESALE TRADE IN THE UNITED STATES, BY LINES

[Average monthly sales 1919=100]

	General index	Groceries	Meat	Dry goods	Shoes	Hardware	Drugs
1923							
October	96	98	74	112	81	117	129
November	85	92	65	90	63	102	111
December	72	76	65	66	51	90	99
1924							
January	80	80	66	97	49	91	116
February	78	77	63	98	49	90	110
March	80	80	62	90	65	104	118
April	78	79	61	81	69	108	114
May	77	81	64	72	56	104	110
June	76	83	64	70	52	96	105
July	78	83	67	79	44	93	110
August	83	83	68	102	56	93	108
September	92	93	71	116	69	106	117
October	95	100	78	104	67	111	123
November	84	89	69	88	57	98	109
December	79	83	66	77	57	99	109
1925							
January	78	89	68	82	44	89	114

CHANGE IN CONDITION OF WHOLESALE TRADE, BY LINES AND DISTRICTS

	Percentage change in January, 1925, sales compared with—	
	December, 1924	January, 1924
Groceries:		
United States	-2.9	1.3
Boston district	-5.0	8.5
New York district	-6.5	-4.4
Philadelphia district	-11.3	-0.1
Cleveland district	-7.0	-3.7
Richmond district	-2.8	4.6
Atlanta district	0.6	8.1
Chicago district	2.0	1.4
St. Louis district	5.4	-3.8
Minneapolis district	-1.3	-2.6
Kansas City district	-0.6	0.5
Dallas district	7.0	7.7
San Francisco district	8.8	-2.2
Dry goods:		
United States	6.9	-15.6
New York district	8.6	-1.1
Philadelphia district	-15.8	-22.7
Cleveland district	-21.6	-22.2
Richmond district	36.2	-24.7
Atlanta district	8.1	-12.8
Chicago district	11.9	-20.5
St. Louis district	44.8	-13.8
Minneapolis district	-2.3	12.3
Kansas City district	19.1	-6.3
Dallas district	44.9	-27.2
San Francisco district	10.9	-13.3
Shoes:		
United States	-22.7	-10.6
Boston district	-21.4	0.9
New York district	-19.9	-14.9
Philadelphia district	-30.0	-13.4
Cleveland district	-35.3	9.1
Richmond district	-9.3	-19.1

CHANGE IN CONDITION OF WHOLESALE TRADE, BY LINES AND DISTRICTS—Continued

	Percentage change in January, 1925, sales compared with—	
	December, 1924	January, 1924
Shoes—Continued		
Atlanta district	2.0	-8.4
Chicago district	-26.1	-24.2
St. Louis district	24.3	3.7
Minneapolis district	-26.5	7.9
San Francisco district	13.3	-15.5
Hardware:		
United States	-10.4	-2.3
New York district	-14.7	-1.8
Philadelphia district	-20.0	-5.2
Cleveland district	0.2	-1.0
Richmond district	8.9	-8.3
Atlanta district	3.9	5.5
Chicago district	-12.9	-2.9
St. Louis district	19.3	1.9
Minneapolis district	-19.8	0.5
Kansas City district	-18.4	13.5
Dallas district	-7.8	4.1
San Francisco district	-0.7	-5.7
Drugs:		
United States	3.9	-1.9
New York district	7.6	-1.1
Philadelphia district	-2.1	7.7
Cleveland district	3.7	0.9
Richmond district	9.3	-2.5
Atlanta district	-1.3	-0.1
Chicago district	-0.6	1.1
St. Louis district	14.3	12.2
Kansas City district	5.6	4.2
Dallas district	13.0	5.8
San Francisco district	8.2	10.8
Furniture:		
Richmond district	29.2	24.2
Atlanta district	-19.4	9.2
St. Louis district	44.6	25.2
Kansas City district	-15.1	7.1
San Francisco district	-6.3	-8.0
Agricultural implements:		
United States	14.3	28.5
Atlanta district	-19.4	17.7
Minneapolis district	-6.8	33.7
Dallas district	56.8	6.2
San Francisco district	21.7	7.1
Stationery:		
New York district	3.0	-7.4
Philadelphia district	3.4	7.9
Atlanta district	-0.5	0.3
San Francisco district	-9.7	-3.2
Automobile supplies:		
San Francisco district	-4.2	-9.0
Clothing:		
New York district	60.3	-0.4
St. Louis district	-33.4	54.5
Machine tools:		
New York district	-15.8	-16.3
Diamonds:		
New York district	-6.5	0.2
Jewelry:		
New York district	-54.7	-0.6
Philadelphia district	-71.3	-2.3
Electrical supplies:		
Philadelphia district	-29.5	-8.7
Atlanta district	-31.3	15.0
St. Louis district	5.5	-3.6
San Francisco district	-3.3	4.0
Millinery:		
Kansas City district	17.2	-49.1
Stoves:		
St. Louis district	-4.1	-16.5

RETAIL TRADE BY REPORTING LINES

[Average monthly sales 1919=100]

	Sales without seasonal adjustment									Sales with seasonal adjustment								
	Department stores (359 stores)	Mail-order houses (4 houses)	Grocery chains (28 chains)	Five-and-ten-cent chains (5 chains)	Drug chains (9 chains)	Cigar chains (3 chains)	Shoe chains (6 chains)	Music chains (4 chains)	Candy chains (5 chains)	Department stores (359 stores)	Mail-order houses (4 houses)	Grocery chains (28 chains)	Five-and-ten-cent chains (5 chains)	Drug chains (9 chains)	Cigar chains (3 chains)	Shoe chains (6 chains)	Music chains (4 chains)	Candy chains (5 chains)
1923																		
October.....	148	134	200	180	152	138	139	136	186	130	104	193	166	149	132	123	113	181
November.....	142	122	201	176	141	134	131	149	180	126	98	200	168	150	135	121	119	189
December.....	202	118	201	331	185	193	171	214	270	126	98	192	179	152	143	130	113	185
1924																		
January.....	109	98	203	126	141	119	99	84	154	125	100	202	173	146	137	130	102	184
February.....	102	96	198	140	143	124	93	97	167	127	101	198	179	150	140	132	112	190
March.....	115	105	197	163	149	136	118	99	184	115	91	182	170	147	140	118	110	182
April.....	133	114	208	178	145	130	178	88	205	130	111	205	190	149	136	153	103	205
May.....	127	90	211	174	150	143	150	82	186	123	100	211	183	153	141	130	99	193
June.....	120	89	197	162	143	131	140	75	169	120	104	200	176	146	134	132	94	181
July.....	91	69	204	163	148	128	113	72	177	122	93	211	179	147	129	123	97	181
August.....	93	74	198	172	152	138	108	91	180	119	98	208	181	151	141	138	102	179
September.....	119	106	207	169	145	137	124	110	189	131	112	218	183	147	137	129	110	192
October.....	141	141	238	203	159	144	138	124	199	124	109	230	188	156	137	122	102	194
November.....	141	131	229	199	145	138	146	111	186	126	105	227	191	154	139	134	89	195
December.....	211	148	250	366	187	192	186	184	282	132	123	239	198	153	142	142	98	188
1925																		
January.....	109	108	245	151	155	122	107	92	162	124	111	244	207	161	141	141	112	193

DEPARTMENT STORE SALES, BY FEDERAL RESERVE DISTRICTS

[Average monthly sales 1919=100]

District	Number of reporting firms	Sales without seasonal adjustment							Sales with seasonal adjustment						
		1925		1924			1923		1925		1924			1923	
		Jan.	Dec.	Nov.	Oct.	Sept.	Jan.	Dec.	Jan.	Dec.	Nov.	Oct.	Sept.	Jan.	Dec.
United States.....	359	109	211	141	141	119	109	202	124	132	126	124	131	125	126
Boston.....	24	113	215	140	137	115	120	210	126	135	128	124	127	133	132
New York.....	63	120	226	153	161	127	120	215	132	138	132	135	145	132	130
Philadelphia.....	22	105	213	153	144	109	110	203	119	133	118	126	134	125	130
Cleveland.....	54	107	207	139	134	117	109	204	123	131	128	122	132	125	129
Richmond.....	23	93	214	137	137	106	94	195	113	124	117	120	124	114	113
Atlanta.....	35	83	173	113	120	94	85	168	102	106	98	100	106	104	103
Chicago.....	63	113	219	154	136	133	112	209	133	140	139	123	139	132	134
Minneapolis.....	23	92	162	111	116	102	88	156	107	110	103	103	102	103	106
Dallas.....	21	92	171	115	126	114	85	158	106	105	100	107	114	99	97
San Francisco.....	31	128	238	144	157	130	132	236	145	151	142	144	139	149	150

DEPARTMENT STORE STOCKS, BY FEDERAL RESERVE DISTRICTS

[Average monthly stocks 1919=100]

District	Number of reporting firms	Stocks without seasonal adjustment							Stocks with seasonal adjustment						
		1925		1924			1923		1925		1924			1923	
		Jan.	Dec.	Nov.	Oct.	Sept.	Jan.	Dec.	Jan.	Dec.	Nov.	Oct.	Sept.	Jan.	Dec.
United States.....	314	119	124	148	147	137	115	123	134	133	131	132	128	131	132
Boston.....	24	112	120	141	135	125	111	123	124	123	122	120	118	123	126
New York.....	63	118	125	147	146	133	113	123	132	132	129	131	124	127	129
Philadelphia.....	13	147	151	172	171	160	132	145	164	157	155	153	148	148	150
Cleveland.....	52	114	120	145	146	136	110	120	136	129	128	130	126	131	129
Richmond.....	19	109	118	145	143	128	104	112	129	130	127	124	116	124	125
Atlanta.....	22	106	96	123	126	118	109	106	117	107	110	112	108	121	119
Chicago.....	51	139	141	167	169	159	128	140	156	152	148	150	149	144	150
Minneapolis.....	22	96	99	123	121	115	97	104	108	108	112	111	110	110	114
Dallas.....	19	96	105	131	133	129	107	109	111	122	118	118	114	124	127
San Francisco.....	29	123	124	148	147	140	125	123	134	135	135	136	133	137	135

FOREIGN BANKING AND BUSINESS CONDITIONS

CONTINENTAL CENTRAL BANKS IN 1924

To the financial statistics previously published in the BULLETIN is added with this issue a condensed statement of the principal items of 20 European central banks. Of these, three—Germany, Poland, and Hungary—were organized in the course of 1924 and consequently comparisons of the current statement with that of a year ago can not be made. Furthermore, comparisons of the statement of one bank of issue with another are subject to the limitations arising from differences in the form of statements.

Despite these difficulties of exact comparison, two rather general observations can be made covering banking developments in European countries during 1924—one applying to countries in which expansion of note circulation was never extensive, and the other covering countries in which note issues had reached enormous volume. In the three European countries whose exchange returned to gold parity during the year, namely, Sweden, Switzerland, and the Netherlands, there has been a material reduction in the circulation between January, 1924, and the same month of the current year. In each case this has been accompanied by a decline in gold holdings and an increase in foreign bills and balances abroad. In the case of both Sweden and the Netherlands the holdings of gold and foreign bills combined increased, while for Switzerland there has been little change.

Among the countries which had previously experienced an enormous inflation of currency, but which have stabilized their exchanges, there has recently been a considerable expansion of circulation. This is true of Austria, which has possessed a stable currency since September, 1922; and it is likewise true of Russia, Poland, and Germany. This fact does not show in the statement of the Reichsbank, owing to the presence in circulation of other forms of currency than the notes of the Reichsbank. The total monetary circulation in Germany at the end of 1924 was 4,273,900,000 reichsmarks, against only 2,273,600,000 the year before. In Russia the circulation of chervontsi doubled during 1924. Such increases, extraordinary though they seem, are not of themselves indicative of currency inflation. They indicate rather that with the cessation of inflation there was an actual

shortage of currency and that with the introduction of more stable monetary conditions it was necessary rapidly to make up the shortage.

This expansion of circulation has not been attended by any weakness of the exchange, but it has been accompanied by a considerable rise in prices, at least in Poland and Austria, which has had the effect of bringing the gold price indexes of those countries much nearer the world level of prices. This phenomenon is discussed at some length below, under "International Price Comparisons."

A similar situation appears to exist in a number of other countries which recently have practically stabilized the foreign value of their currencies and whose circulation shows a moderate expansion.

INTERNATIONAL PRICE COMPARISONS

The movement of wholesale prices throughout the world in 1924 was in general similar to that of the United States. The price indexes of practically every country for which figures are available were higher last December than a year before, the principal exceptions being Australia, India, and Switzerland. In some countries, such as Norway and Spain, the rise was almost continuous during the year, while in a larger number the course was more nearly parallel to that of American prices. In the latter countries there was a moderate decline in the first half of the year, followed by an advance which more than made up the previous recession.

When these indexes are adjusted to a common basis by allowing for the depreciation of the different currencies in terms of the dollar, it appears that in most European countries the rise in the index on a gold basis exceeded both the advance in the index calculated in the domestic currency and the rise in American prices. Usually this has been due in part to a rise in the exchange value of the currency without a corresponding decline in domestic prices. In other instances, such as Austria, which has had a stable rate throughout the year, and in Poland, where the gold zloty was introduced in May and where the rise in prices amounted to nearly 25 per cent, the advance in the gold index apparently represents a general lifting of internal prices

toward a closer adjustment with prices in other countries.

As a result of these movements, the gold-price indexes of most countries were closer to that of the United States in December, 1924, than they had been a year earlier. This tendency is indicated in the price movements of a number of countries shown in the table below. In considering the data in this table it should be kept in mind that these indexes are calculated by different methods and include a varying list of commodities. For this reason the figures, though they reflect price levels in different countries with a fair degree of accuracy, should not be used as a basis of comparing price levels. For example, in December, 1923, the price index of the Canadian Department of Labor stood at 164, that of the Dominion Bureau of Statistics at 154, and that of the Federal Reserve Board for Canada at 144. In the same month the Bureau of Labor Statistics index for the United States was 151 and that of the Federal Reserve Board 163. The question of whether Canada or the United States had the higher "price level" in that month, therefore, depends entirely upon the indexes selected for the comparison. On the other hand, all three Canadian indexes show similar trends during the year and about the same degree of change. These trends are distinctly parallel to those of the United States, and, adjusted for the exchange, the various Canadian indexes show about the same percentage rise as do the two American indexes. In making comparisons for other countries than Canada and the United States, even greater allowance for differences in index numbers must be made. For England there are several well-known indexes, usually in agreement as to trend, but showing wide differences in level since 1913. For France both the index of the Federal Reserve Board and that of the Statistique Générale agree in showing a rise in prices during the year; but reduced to a gold basis the former stands about as far from the latter as the latter does from the Bureau of Labor Statistics index for the United States. In the case of Germany, the Frankfurter Zeitung index and that of the Federal statistical bureau both indicate a slight advance; the small difference might be accounted for in part by the varying dates on which the actual prices are

taken, for what is tabulated below as the Frankfurter Zeitung index for December records prices as of the first day of January. But this does not explain the divergence between the two indexes amounting to over 10 per cent.

Notwithstanding these differences in price levels, as measured by index numbers, these indexes, when reduced to a common basis, show a world-wide tendency to move in the same direction, and, with increasing stability of exchanges, a growing tendency to fluctuate in a manner similar to the movement of prices in the United States.

The following table is presented to show the price indexes of a number of European countries compared with those of the United States in December, 1923 and 1924, both in domestic currency and on the gold basis.

PRICE INDEXES OF EUROPEAN COUNTRIES COMPARED WITH THE UNITED STATES

Country	Domestic currency			Gold basis		
	December, 1923	December, 1924	Change (per cent)	December, 1923	December, 1924	Change (per cent)
United States:						
Bureau of Labor Statistics.....	151	157	+4	151	157	+4
Federal Reserve Board.....	163	165	+1	163	165	+1
Bradstreet's ¹	144	151	+5	144	151	+5
Austria.....	1,818,100	2,075,400	+14	125	143	+14
Belgium.....	545	566	+4	129	146	+13
Denmark ¹	210	234	+11	140	154	+10
England:						
Board of Trade.....	163	170	+4	146	164	+12
Economist.....	170	180	+6	152	174	+14
Statist.....	156	174	+11.5	140	168	+20
Federal Reserve Board.....	177	177	-----	159	171	+7.5
France:						
Statistique Générale.....	459	507	+10	125	142	+14
Federal Reserve Board.....	427	451	+6	116	126	+9
Germany:						
Federal Statistical Bureau.....	126	131	+4	126	131	+4
Frankfurter Zeitung ¹	140	145	+3.5	140	145	+3.5
Hungary ²	791,500	2,309,500	+186	122	154	+26
Italy:						
Bachi.....	577	640	+11	130	143	+10
Milan Chamber of Commerce.....	535	593	+11	120	132	+10
Netherlands.....	154	160	+4	146	160	+10
Norway.....	244	278	+14	136	156	+15
Poland.....	95	118	+24	95	118	+24
Spain.....	176	198	+12.5	116	143	+15
Sweden.....	150	163	+9	147	164	+12
Switzerland ¹	183	170	-7	165	170	-3

¹ First of January figure.

² Figures for November, 1924.

FINANCIAL STATISTICS FOR PRINCIPAL FOREIGN COUNTRIES

(Bank figures are for end of month, except for London clearing banks, which are daily averages)

ENGLAND					FRANCE				
[Millions of pounds sterling]					[Millions of francs]				
	1925	1924				1925	1924		
	Jan- uary	Decem- ber	Novem- ber	Jan- uary		Jan- uary	Decem- ber	Novem- ber	Jan- uary
Bank of England:					Bank of France:				
Issue department—					Gold reserve ¹	3,681	3,681	3,680	3,677
Gold coin and bullion.....	127	127	127	126	Silver reserve.....	305	306	304	297
Notes issued.....	146	146	146	146	War advances to the Govern- ment.....	21,200	22,600	22,600	22,800
Banking department—					Note circulation.....	40,516	40,604	40,447	38,834
Gold and silver coin.....	2	2	2	2	Total deposits.....	2,012	1,973	1,994	2,346
Bank notes.....	22	18	23	19	Commercial bank loans.....			15,342	14,816
Government securities.....	50	69	41	48	Commercial bank deposits.....			15,376	14,704
Other securities.....	74	104	82	70	Clearings, daily average of Paris banks.....		1,043	956	1,417
Public deposits.....	23	9	19	16	Price of 3 per cent perpetual rente.....	48.45	50.00	50.00	54.00
Other deposits.....	107	166	112	105					
Ratio of gold and note re- serve to deposit liabilities.....	18.4	11.5	19.3	17.5					
Bank notes in circulation.....	98	101	101	104					
Currency notes and certificates.....	281	296	285	280					
Nine London clearing banks:									
Money at call and short notice.....	112	113	102	100					
Discounts and advances.....	1,063	1,046	1,045	1,053					
Investments.....	296	303	307	346					
Total deposits.....	1,653	1,656	1,628	1,674					
Total clearings.....	3,771	3,448	3,317	3,467					
Government floating debt:									
Total.....	786	846	788	827					
Treasury bills.....	631	626	624	651					
Temporary advances.....	155	220	164	176					
Index of security prices (December, 1921=100).....	117.5	117.5	117.4	112.2					
Index number of foreign exchange value of the pounds sterling.....	126.5	128.7	128.1	125.4					

ITALY				
[Millions of lire]				
	1924			1923
	Decem- ber	Novem- ber	October	Decem- ber
Banks of issue:				
Gold reserve.....	1,132	1,132	1,132	1,118
Total reserve.....	1,826	1,831	1,829	1,848
Loans and discounts.....	8,324	7,584	7,603	8,144
Note circulation for commerce.....	10,873	10,646	10,774	9,492
Note circulation for the State ¹	7,242	7,248	7,297	7,754
Total deposits.....	3,194	2,684	2,810	2,581
Leading private banks:				
Cash.....		973	977	1,116
Loans and discounts.....		8,637	8,370	7,953
Due from correspondents.....		4,092	4,088	3,463
Participations.....			399	292
Total deposits.....		12,649	12,424	11,277
State note issue.....		2,400	2,400	2,428
Index of security prices.....		253.85	249.16	179.64

CANADA				
[Millions of dollars]				
	1924			1923
	Decem- ber	Novem- ber	October	Decem- ber
Chartered banks:				
Gold coin and bullion ¹	52	54	55	54
Current loans and discounts.....	1,123	1,139	1,170	1,183
Money at call and short notice.....	315	309	269	291
Public and railway securities.....	536	497	554	427
Note circulation.....	166	177	173	180
Individual deposits.....	2,166	2,108	1,708	2,040
Gold reserve against Dominion notes.....	139	138	123	114
Dominion note circulation.....	262	244	240	249
Bank clearings ²	1,709	1,647	1,772	1,574
Bank debts.....	2,825	2,849	2,963	-----

JAPAN				
[Millions of yen]				
	1925	1924		
	Janu- ary	Decem- ber	Novem- ber	Janu- ary
Bank of Japan:				
Reserve for notes ¹	1,059	1,059	1,061	1,057
Loans and discounts.....	325	573	390	589
Advances on foreign bills.....	135	188	118	181
Note circulation.....	1,390	1,694	1,364	1,520
Government deposits.....	224	193	286	372
Private deposits.....	31	52	37	45
Tokyo banks:				
Cash on hand.....	123	108	121	118
Total loans.....	2,398	2,375	2,620	2,372
Total deposits.....	1,859	1,854	1,845	1,828
Total clearings.....	2,632	3,561	2,808	1,975

¹ Not including gold held abroad.¹ Not including gold held abroad. ² Total for month.¹ Not including gold held abroad.¹ Gold abroad, gold coin and bullion in Japan.

GERMANY				
[Millions of reichsmarks]				
	1925	1924		
	January	December	November	October
Gold.....	834	760	695	694
Reserves in foreign exchange.....	278	253	232	231
Bills of exchange and checks.....	1,771	2,064	2,290	2,340
Miscellaneous assets.....	1,507	1,654	1,655	952
Note circulation.....	1,901	1,941	1,863	1,781
Deposits.....	747	821	704	709

PORTUGAL				
[Millions of escudos]				
	1924			1923
	December	November	October	December
Gold.....	9	9	9	9
Balances abroad.....	348	319	305	37
Bills.....	164	173	152	
Note circulation.....	1,762	1,746	1,747	1,396
Deposits.....	76	72	61	41

RUMANIA				
[Millions of lei]				
	1925	1924	1923	1922
Gold.....	563	563		555
Bills.....	7,338	7,143		5,825
Government loan.....	10,787	10,793		11,561
Note circulation.....	19,487	19,227		17,941
Deposits.....	6,818	7,132		6,802

BELGIUM				
[Millions of francs]				
	1925	1924		
	January	December	November	January
Gold.....	272	272	270	270
Foreign bills and balances abroad.....	30	18	18	18
Bills.....	1,545	1,479	1,312	1,353
Note circulation.....	7,648	7,590	7,603	7,590
Private deposits.....	258	435	293	192

DENMARK				
[Millions of kroner]				
	1925	1924	1923	1922
Gold.....	209	209	210	210
Bills.....	214	187	231	230
Loans.....	56	61	59	58
Foreign bills and balances abroad.....	29	43	26	17
Note circulation.....	456	478	479	446
Current accounts.....	67	82	72	79

RUSSIA				
[Note issuing department. Thousands of chervontsi]				
	1925	1924	1923	1922
Gold.....	14,914	14,195	13,140	8,754
Foreign currency.....	10,248	11,165	10,139	6,502
Loans and discounts.....	31,289	34,013	33,749	14,592
Bank notes.....	55,025	59,597	57,719	30,300

LATVIA				
[Thousands of lats]				
	1925	1924		
	January	December	November	January
Gold.....	23,587	23,600	23,604	16,770
Foreign Exchange Reserve.....	40,876	42,984	48,286	49,927
Bills.....	46,860	44,798	43,289	20,985
Loans.....	50,831	48,660	44,789	21,974
Note circulation.....	27,897	30,727	26,000	23,000
Government deposits.....	80,335	77,289	78,529	39,991
Other deposits.....	45,428	44,256	50,211	43,785

LITHUANIA				
[Thousands of litas]				
	1925	1924	1923	1922
Gold.....	30,947	30,779	30,713	16,827
Foreign exchange reserve.....	62,667	62,258	61,241	53,583
Loans and discounts.....	38,062	36,681	38,097	19,010
Note circulation.....	94,708	92,982	89,344	63,140
Deposits.....	29,816	31,349	40,126	24,358

NETHERLANDS				
[Millions of florins]				
	1925	1924	1923	1922
Gold.....	505	505	480	582
Domestic bills.....	115	120	143	236
Foreign bills.....	125	112	48	25
Loans.....	157	172	168	149
Note circulation.....	893	935	933	1,008
Deposits.....	63	59	20	30

NORWAY				
[Millions of kroner]				
	1925	1924	1923	1922
Gold.....	147	147	147	147
Loans and discounts.....	395	407	395	447
Balances abroad.....	28	36	39	15
Note circulation.....	361	391	376	365
Deposits:				
State.....	31	8	28	17
Private.....	67	84	71	84

POLAND				
[Millions of zloté]				
	1925	1924		
	January	December	November	October
Gold.....	104	103	103	101
Foreign exchange, etc.....	242	269	247	242
Bills.....	270	257	250	245
Note circulation.....	553	551	498	504
Current accounts, etc.:				
Treasury.....	3	6	40	4
Private.....	50	58	43	48

SPAIN [Millions of pesetas]					FINLAND (Millions of F. marks)				
	1925	1924				1925	1924		
	Janu-ary	Decem-ber	Novem-ber	Janu-ary		Janu-ary	Decem-ber	Novem-ber	Janu-ary
Gold.....	2,536	2,535	2,535	2,528	Gold.....	43	43	43	43
Balances abroad.....	31	33	30	30	Balances abroad, etc.....	874	84	617	674
Bills discounted.....	926	909	813	964	Finnish and foreign government securities.....	473	486	496	529
Note circulation.....	4,529	4,535	4,474	4,336	Domestic bills.....	598	540	766	620s
Current accounts.....	957	912	921	1,039	Note circulation.....	1,205	1,250	1,228	1,279
					Current accounts:				
					Private.....				
					Treasury.....				
SWEDEN [Millions of kronor]					GREECE (Millions of drachmae)				
	1925	1924				1924			1923
		Decem-ber	Novem-ber	Octo-ber		Decem-ber	Novem-ber	Octo-ber	
Gold.....	234	237	239	272	Gold and balances abroad.....		2,182	2,390	2,084
Balances abroad and foreign bills.....	108	100	56	41	Government loans and securities.....		3,987	3,979	4,196
Domestic bills.....	390	455	328	346	Discounts and loans.....		2,528	2,407	1,815
Government securities:					Note circulation.....		4,826	4,754	4,681
Swedish.....	13	13	14	14	Private deposits:				
Foreign.....	43	38	41	74	Sight.....		1,779	1,669	1,701
Note circulation.....	483	537	537	509	Time.....		1,066	1,070	1,008
Deposits.....	291	304	133	232					
					HUNGARY (Milliards of H. crowns)				
	1925	1924				1925	1924		
		Janu-ary	Decem-ber	Novem-ber		Octo-ber	Janu-ary	Decem-ber	Novem-ber
Gold.....	506	506	505	537	Gold.....	510	533	508	508
Domestic bills.....	304	311	284	259	Foreign exchange.....	1,967	1,933	1,816	1,659
Loans.....	52	70	67	51	Bills, etc.....	1,849	1,977	1,985	1,872
Balances abroad and due from corre-spondents.....	70	88	64	41	Note circulation.....	4,450	4,514	4,443	4,635
Note circulation.....	825	914	859	884	Current accounts:				
Deposits.....	164	120	123	74	Public.....	2,012	1,865	1,665	1,465
					Private.....	127	204	264	
					YUGOSLAVIA (Millions of dinars)				
	1925	1924				1925	1924		
		Janu-ary	Decem-ber	Novem-ber		Janu-ary	Decem-ber	Novem-ber	Janu-ary
Gold.....	72	72	72	69	Gold.....	72	72	72	69
Foreign currency and balances abroad.....	375	385	397	365	Foreign currency and balances abroad.....	375	385	397	365
Bills.....	1,208	1,289	1,316	1,297	Bills.....	1,208	1,289	1,316	1,297
Note circulation.....	5,795	6,002	6,034	5,774	Note circulation.....	5,795	6,002	6,034	5,774
Current accounts.....	345	307	247	263	Current accounts.....	345	307	247	263

DISCOUNT RATES OF 27 CENTRAL BANKS

[Prevailing rates with date of last change]

Country	Rate	In effect since—	Country	Rate	In effect since—	Country	Rate	In effect since—	Country	Rate	In effect since—
Austria.....	P. ct. 13	Nov. 6, 1924	England.....	P. ct. 5	Mar. 5, 1925	India.....	P. ct. 7	Jan. 22, 1925	Portugal.....	P. ct. 9	Sept. 12, 1923
Belgium.....	5½	Jan. 22, 1923	Esthonia.....	9	May 19, 1924	Italy.....	5½	July 11, 1922	Rumania.....	6	Sept. 4, 1920
Bulgaria.....	10	Aug. —, 1924	Finland.....	9	Mar. 6, 1924	Japan.....	8.03	Nov. 18, 1919	South Africa.....	5½	Jan., 1925
Czechoslo-vakia.....	6	May 28, 1924	France.....	7	Dec. 11, 1924	Latvia.....	8	Feb. 16, 1924	Spain.....	5	Mar. 23, 1923
Danzig.....	10	Sept. 11, 1924	Germany.....	9	Feb. 26, 1925	Netherlands.....	4	Jan. 15, 1925	Sweden.....	5½	Nov. 9, 1923
Denmark.....	7	Jan. 17, 1924	Greece.....	7½	Jan. 14, 1923	Norway.....	6½	Nov. 26, 1924	Switzerland.....	4	July 14, 1923
			Hungary.....	12½	Sept. 17, 1924	Poland.....	10	Nov. 28, 1924	Yugoslavia.....	6	June 23, 1922

Changes.—German Reichsbank from 10 to 9 per cent on February 26, 1925; Bank of England from 4 to 5 per cent, March 5, 1925.

FOREIGN TRADE OF PRINCIPAL COUNTRIES

UNITED STATES [Thousands of dollars]					FOREIGN COUNTRIES				
	1925, January	1924, December	1925, cumulative through last month noted	1924, cumulative through last month noted		1925, January	1924, December	1925, cumulative through last month noted	1924, cumulative through last month noted
IMPORTS									
By classes of commodities:					France (million francs):				
Total	346,184	333,562	346,184	295,506	Imports	3,173	4,118	3,173	2,882
Crude materials for manufacturing	147,597	131,701	147,597	106,434	Exports	3,563	4,042	3,563	2,697
Foodstuffs in crude condition	38,066	40,098	38,066	32,584	Germany (million gold marks):				
Foodstuffs partly or wholly manufactured	32,336	27,896	32,336	38,202	Imports	1,372	1,309	1,372	568
Manufactures for use in manufacturing	63,104	62,692	63,104	58,044	Exports	697	740	697	431
Manufactures ready for consumption	62,813	68,990	62,813	57,605	United Kingdom (thousand £ sterling):				
Miscellaneous	2,268	2,185	2,268	2,637	Imports	128,907	131,610	128,907	101,187
By countries:					Exports	69,051	69,308	69,051	64,235
Total Europe	102,803	110,721	102,803	87,989	Reexports	13,284	12,052	13,284	13,311
France	13,924	14,436	13,924	10,787	Canada (thousands of dollars):				
Germany	11,402	12,793	11,402	11,246	Imports	58,376	60,946	58,376	66,568
Italy	8,463	9,084	8,463	5,992	Exports	75,999	125,462	75,999	70,355
United Kingdom	35,178	39,349	35,178	30,835	Japan (million yen):				
Total North America	77,546	69,136	77,546	75,167	Imports	226	185	226	214
Canada	32,950	36,489	32,950	31,954	Exports	147	180	147	111
Total South America	42,253	44,524	42,253	37,967	South Africa (thousand £ sterling):				
Argentina	6,523	6,294	6,523	4,099	Imports	5,489	5,845	5,489	4,932
Total Asia and Oceania	112,928	98,017	112,928	82,679	Exports	4,778	7,928	4,778	7,366
Japan	33,284	39,626	33,284	34,812					
Total Africa	10,651	11,165	10,651	11,704					
EXPORTS									
By classes of commodities:					Denmark (million kroner):				
Total	446,577	445,716	446,577	395,172	Imports	225	212	2,361	2,031
Crude materials for manufacturing	168,194	168,273	168,194	132,848	Exports	179	191	2,152	1,694
Foodstuffs in crude condition	25,873	39,516	25,873	13,810	Italy (million lire):				
Foodstuffs partly or wholly manufactured	54,044	54,389	54,044	59,315	Imports	2,495	1,646	19,387	17,225
Manufactures for use in manufacturing	58,271	53,704	58,271	54,619	Exports	1,778	1,414	14,313	11,059
Manufactures ready for consumption	133,059	122,093	133,059	127,826	Netherlands (million guilders):				
Miscellaneous	997	676	997	639	Imports	220	218	2,364	2,009
Reexports	6,139	7,066	6,139	6,115	Exports	136	159	1,661	1,303
By countries:					Norway (million kroner):				
Total Europe	269,415	273,342	269,415	202,668	Imports	139	144	1,548	1,343
France	29,210	27,862	29,210	23,195	Exports	95	103	1,064	833
Germany	49,615	50,671	49,615	40,966	Sweden (million kroner):				
Italy	22,668	23,914	22,668	16,858	Imports	119	129	1,402	1,295
United Kingdom	113,136	115,884	113,136	84,863	Exports	124	123	1,252	1,142
Total North America	77,948	76,398	77,948	74,557	Brazil (million milreis): ¹				
Canada	37,063	38,123	37,063	40,752	Imports	262	261	1,977	1,606
Total South America	31,745	29,752	31,745	23,874	Exports	387	357	2,543	2,196
Argentina	12,893	10,702	12,893	8,959	Australia (thousand £ sterling):				
Total Asia and Oceania	60,885	58,362	60,885	87,034	Imports	12,389	12,275	145,463	136,273
Japan	27,875	26,451	27,875	47,637	Exports	20,639	16,537	140,194	110,690
Total Africa	6,584	7,026	6,584	7,039	India (million rupees):				
					Imports	172	225	2,437	2,269
					Exports	361	336	3,824	3,413

¹ Figures for August and September and cumulative through September, 1924, and 1923.

The following table presents the Federal Reserve Board's index numbers of the monthly volume of foreign trade of the United States and monthly fluctuations in ocean freight rates prevailing between this country and principal European trade regions. For methods of construction of these indexes reference may be made to the FEDERAL RESERVE BULLETINS for July, 1920, and August, 1921.

FOREIGN TRADE INDEX [1913=100]						INDEX OF OCEAN FREIGHT RATES [January, 1920=100]					
	1925		1924		January		1925		1924		February
	January	December	November	October			February	January	December	November	
Imports:						United States Atlantic ports to—					
Total	217.1	194.7	186.7	198.5	182.2	United Kingdom	27.8	29.8	29.7	32.2	29.9
Raw materials	186.4	185.4	150.8	133.7	149.4	French Atlantic	27.6	27.6	27.8	28.8	25.3
Producers' goods	296.9	226.3	258.0	308.0	239.1	Netherlands and Belgium	25.1	25.6	25.3	27.5	25.0
Consumers' goods	134.7	153.2	138.0	152.2	168.4	Scandinavia	23.5	23.5	23.5	23.5	23.4
Exports:						Mediterranean	20.7	23.8	23.5	22.9	19.9
Total	127.8	136.7	155.6	157.8	101.0	All Europe	25.5	26.9	26.7	28.1	25.8
Raw materials	123.2	135.3	166.6	164.4	79.3						
Producers' goods	181.2	186.0	184.9	174.7	162.2						
Consumers' goods	117.2	117.4	104.7	127.8	142.9						

INDUSTRIAL STATISTICS FOR FOREIGN COUNTRIES

ENGLAND				
	1925	1924		
	January	December	November	January
Production:				
Coal (thousand long tons).....	19,958	19,743	26,024	20,788
Pig iron (thousand long tons).....	569	580	584	637
Steel ingots and castings (thousand long tons).....	605	551	674	694
Raw cotton, visible supply ² (thousand bales).....	1,264	1,067	888	1,138
Exports:				
Iron and steel and manufactures (thousand long tons).....	325	303	312	338
Cotton manufactures (million yards).....	406	413	333	357
Coal (thousand long tons).....	4,366	5,168	4,759	5,441
Imports:				
Raw cotton (million pounds).....	297	277	207	222
Raw wool (million pounds).....	79	68	37	61
Raw hides, wet (thousand pounds).....	8,472	6,565	8,910	6,338
Transportation:				
Ships cleared with cargo ³ (thousand tons).....	5,352	5,174	5,495	5,126
Freight-train receipts (thousand pounds sterling).....			8,744	8,074
Freight-train traffic (million ton-miles).....			1,565	1,434
Unemployment:				
Among trade-unionists (per cent).....	9.0	9.2	8.6	8.9
In insured trades (per cent).....	11.5	10.9	11.0	11.9
Capital issues (thousand pounds sterling).....	18,382	27,712	22,122	6,995

¹ Five weeks.
² End-of-month figures.
³ Figures include Irish Free State.

FRANCE				
	1925	1924		
	January	December	November	January
Production:				
Coal ¹ (thousand metric tons).....		5,024	4,740	4,928
Pig iron (thousand metric tons).....		665	634	586
Crude steel (thousand metric tons).....		605	558	541
Cotton stocks at Havre ² (thousand bales).....	207,324	177,788	123,345	133,851
Exports:				
Total volume ³ (thousand metric tons).....	2,322	2,512	2,949	1,768
Imports:				
Total volume (thousand metric tons).....	3,522	4,731	4,360	3,927
Raw cotton for consumption (metric tons).....		47,372	34,817	31,779
Raw silk (metric tons).....		1,762	493	271
Coal (thousand metric tons).....		2,547	2,030	1,824
Transportation:				
Ships cleared with cargo (thousand tons).....		2,522	2,607	2,238
Railway receipts (thousand francs).....		842,270	681,005	519,061
Freight-car loadings (average daily number).....	61,815	64,284	64,256	57,362
Unemployment:				
Number in Paris receiving aid ⁴		278	118	596
Demands for employment not filled (number men in France) ⁴	8,563	6,452	7,829	8,454

¹ Coal and lignite, including Lorraine and the Saar.
² Bale of 50 kilos. End-of-month figures.
³ End-of-month figures.
⁴ Five weeks.

GERMANY				
	1924			1923
	December	November	October	December
Exports:				
Iron and its manufactures (metric tons).....	357,560	278,049	189,676	134,411
Machinery and electrical supplies (metric tons).....	37,939	32,793	29,763	37,694
Dyes and dyestuffs (metric tons).....	12,090	11,243	7,479	8,739
Coal (metric tons).....	889,310	637,795	339,370	129,638
Imports:				
Raw wool (metric tons).....	8,697	4,379	5,056	5,958
Silk, half manufactured (metric tons).....	531	614	434	374
Cotton (metric tons).....	42,455	25,020	24,018	22,302
Iron ore (metric tons).....	875,789	1,023,593	172,060	70,299
Coal (metric tons).....	1,109,446	1,180,907	979,779	1,541,716
Ship arrivals in Hamburg (thousand net reg. tons):				
Unemployment:	1,391	1,462	1,378	1,179
Applicants for every 100 positions.....	314	338	299	650
Number receiving State aid.....	592,479	529,161	436,607	1,439,780
Business failures.....	793	616	621	29
Capital issues ²	101.9	31.6	74.9	147.9
Index of security prices:¹				
25 domestic stocks, Jan. 4, 1924=100.....	111.6	89.5	82.6

¹ Last week of month figures. ² In millions of gold marks.

CANADA				
	1925	1924		
	January	December	November	January
Production:				
Pig iron (thousand tons).....	28	23	23	64
Crude steel.....	27	26	23	41
Railway receipts (thousand dollars).....	28,305	28,885	38,856	31,412
Unemployment among trade-unionists (per cent).....		11.6	9.7	7.5
Business failures (number) ¹	64	54	49	64
Authorized capital of new companies (thousand dollars) ¹	14,280	17,168	13,602	17,811
Bond sales (thousand dollars).....	44,643	43,808	28,514	86,361
Security prices, average market prices, 20 industrial stocks.....	105.6	102.0	99.9	92.3
Receipts of wheat at Fort William and Port Arthur (thousand bushels).....		20,341	42,660	12,662
Receipts of livestock at stockyards in Toronto and Winnipeg:				
Cattle (number).....		53,774	78,533	41,800
Hogs (number).....		107,689	79,237	81,037
Exports:				
Planks and boards (million feet).....	180,831	189,508	220,255	161,597
Preserved fish (thousand pounds).....	14,465	17,252	20,136	10,478
Wood pulp (thousand pounds).....	145,671	177,780	152,812	143,347
Wheat (thousand bushels).....	29,847	26,982	14,288	57,378
Imports:				
Coal (thousand tons).....	1,354	1,408	1,416	1,416
Raw cotton (thousand pounds).....	14,636	15,765	7,920	11,097
Machinery (thousand dollars).....	2,207	2,023	2,009	2,169

¹ Average for weeks reported.

PRICE MOVEMENTS IN PRINCIPAL COUNTRIES

The tables below give the all-commodities and group index numbers of wholesale prices in the five countries included in the Federal Reserve Board's indexes. In the first table the all-commodities index for each country is shown both in terms of paper currency and converted to a gold basis. The latter figure takes into account the depreciation of the foreign currency in terms of the American dollar (or gold) and the

series indicates relative price levels in the several countries when all prices are expressed in dollars.

The wholesale price index of the Bureau of Labor Statistics for the United States, with the group indexes shown by that bureau and the regrouping made by the Federal Reserve Board, has been transferred from this section to the section on business conditions in the United States and appears on page 166 of this issue.

FEDERAL RESERVE BOARD WHOLESALE PRICE INDEXES FOR ALL COMMODITIES ¹

Year and month	On paper currency basis					Converted to gold basis				
	United States	England	France	Canada	Japan	United States	England	France	Canada	Japan
1913, average.....	100	100	100	100	100	100	100	100	100	100
1919, average.....	211	241	207	207	235	211	219	198	198	241
1920, average.....	239	310	512	250	240	239	233	187	223	242
1921, average.....	149	198	344	167	181	149	156	133	150	175
1922, average.....	158	165	319	149	182	158	150	136	147	175
1923, average.....	165	170	394	150	188	165	159	124	147	183
1924, average.....	159	176	446	147	200	159	160	121	145	166
1923										
July.....	159	168	391	151	183	159	158	119	147	179
August.....	159	164	391	150	179	159	154	115	146	176
September.....	163	165	404	149	191	163	154	123	145	186
October.....	163	166	404	147	196	163	154	125	145	192
November.....	163	171	416	145	199	163	154	119	142	193
December.....	163	177	427	144	205	163	159	116	140	193
1924										
January.....	163	178	445	146	205	163	156	108	142	185
February.....	163	180	469	148	200	163	160	107	144	182
March.....	160	180	483	147	200	160	158	117	143	172
April.....	158	181	428	143	201	158	162	137	140	165
May.....	156	177	428	143	200	156	158	128	141	161
June.....	154	174	442	145	189	154	155	120	142	156
July.....	156	174	440	147	191	156	156	117	146	158
August.....	158	173	442	149	196	158	160	125	149	163
September.....	156	172	436	146	195	156	158	120	145	161
October.....	159	175	442	148	206	159	161	120	148	161
November.....	160	176	449	148	210	160	167	123	148	162
December.....	165	177	451	149	209	165	171	126	149	161
1925										
January.....	168	178	455	157	-----	168	175	127	156	-----

FEDERAL RESERVE BOARD WHOLESALE PRICE INDEXES FOR GROUPS OF COMMODITIES ¹

Year and month	All commodities	Grouped by stage of manufacture			Grouped by origin		Export goods	Year and month	All commodities	Grouped by stage of manufacture			Grouped by origin		Export goods							
		Raw materials	Producers' goods	Consumers' goods	Domestic goods	Imported goods				Raw materials	Producers' goods	Consumers' goods	Domestic goods	Imported goods								
UNITED STATES																						
1924—January.....	163	169	156	160	165	143	196	FRANCE—contd.								449	478	439	424	430	541	461
August.....	158	164	149	156	160	139	177	1924—November....	451	480	440	424	431	545	463							
September.....	156	161	148	156	158	143	163	1925—January.....	455	480	442	435	436	546	464							
October.....	159	165	146	158	160	146	167	CANADA														
November.....	160	165	147	162	161	150	169	1924—January.....	146	128	166	166	143	166	133							
December.....	165	171	151	165	166	149	171	August.....	149	134	153	169	148	157	152							
1925—January.....	168	176	151	167	170	147	175	September.....	146	133	153	162	145	155	150							
ENGLAND																						
1924—January.....	178	178	169	186	177	179	186	October.....	148	137	151	161	147	157	160							
August.....	173	171	165	184	173	174	176	November.....	148	137	155	161	147	160	161							
September.....	172	168	166	183	173	169	172	December.....	149	139	153	163	148	159	164							
October.....	175	171	168	187	175	174	174	1925—January.....	157	149	152	169	157	159	180							
November.....	176	174	169	187	176	178	178	JAPAN														
December.....	177	175	171	187	177	179	180	1924—January.....	205	222	203	196	204	211	215							
1925—January.....	178	176	171	188	178	179	179	August.....	196	206	194	192	194	207	194							
FRANCE																						
1924—January.....	445	450	469	416	423	548	489	September.....	198	198	202	196	200	189	200							
August.....	442	456	455	419	427	511	451	October.....	206	211	212	202	208	200	204							
September.....	436	464	441	402	420	516	443	November.....	210	217	216	204	212	202	213							
October.....	442	469	442	411	423	534	454	December.....	209	216	218	201	210	202	214							
1925—January.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----							

¹ Complete descriptions of these index numbers may be found in the following issues of the BULLETIN: United States—May and June, 1920, June, 1921, and May, 1922; England—February, 1922; France—August, 1922; Canada—July, 1922; Japan—September, 1922.

WHOLESALE PRICE LEVELS IN PRINCIPAL COUNTRIES

ALL-COMMODITIES INDEX NUMBERS

[Pre-war=100]

Year and month	Europe														
	Austria	Belgium	Bulgaria	Czechoslovakia ¹	Denmark ¹	England; Board of Trade	Finland	France	Germany; Federal Statistical Bureau	Hungary	Italy	Netherlands	Norway (Oslo)	Poland	Russia ²
1924									<i>Gold basis</i>						
January.....	1,874,800	580	2,711	974	210	165	1,071	494	117.3	123	571	156	250	107	209
February.....	1,915,800	642	2,658	999	223	167	1,078	544	116.2	131	573	158	262	112	207
July.....	1,913,300	566	2,737	953	220	163	1,085	481	115.0	145	567	151	271	102	184
August.....	2,013,600	547	2,853	986	233	165	1,111	477	120.4	145	572	151	274	109	184
September.....	1,937,300	550	2,848	982	231	167	1,117	486	126.9	142	580	158	275	112	180
October.....	2,008,600	555	2,988	999	234	170	1,114	497	131.2	144	602	161	276	116	177
November.....	2,076,600	569	3,132	1,013	231	170	1,120	503	128.5	154	621	161	277	117	177
December.....	2,075,400	566	3,181	1,024	232	170	-----	507	131.3	-----	640	160	278	118	-----
1925															
January.....	-----	559	-----	1,045	234	171	-----	514	138.2	-----	657	160	279	120	-----
February.....	-----	-----	-----	-----	234	-----	-----	-----	-----	-----	-----	-----	281	-----	-----

Year and month	Europe—Continued			North and South America			Asia and Oceania					Africa		
	Spain	Sweden	Switzerland ¹	United States (Bureau of Labor Statistics)	Canada	Peru	Australia	China (Shanghai)	Dutch East Indies	India (Calcutta)	Japan (Tokyo)	New Zealand	Egypt (Cairo)	South Africa
1924														
January.....	178	161	183	151	157	190	174	156	180	172	211	175	133	131
February.....	180	162	183	152	157	189	170	160	-----	178	208	180	135	-----
July.....	182	157	173	147	153	192	163	152	174	179	195	180	132	125
August.....	182	160	171	150	157	193	162	149	177	180	200	181	143	-----
September.....	184	163	170	149	154	190	162	149	177	179	206	181	148	-----
October.....	186	167	169	152	157	192	163	153	175	181	213	180	156	133
November.....	181	167	169	153	158	191	163	155	173	180	214	181	158	-----
December.....	198	168	170	157	161	195	165	157	-----	176	213	181	156	-----
1925														
January.....	-----	-----	171	160	165	199	163	160	-----	171	213	-----	157	-----
February.....	-----	-----	170	-----	-----	194	-----	159	-----	-----	-----	-----	-----	-----

¹ First of month figures.² Wholesale price index of industrial products on the base of 1913=100. First of the month figure.

The foreign index numbers of wholesale prices are cabled to the Federal Reserve Board by the various foreign statistical offices. Index numbers of commodity groups for most of the countries are also available in the office of the Division of Research and Statistics of the board, and may be had upon request.

Wherever possible the indexes have been shifted from original bases to a 1913 base. Further information as to base periods, sources, number of commodities and period of the month to which the figures refer may be found on page 48 of the January, 1924, issue of the BULLETIN.

RETAIL FOOD PRICES AND COST OF LIVING IN PRINCIPAL COUNTRIES

INDEX NUMBERS OF RETAIL FOOD PRICES

[Pre-war=100]

	United States (51 cities)	European countries											Other countries				
		Austria (Vienna)	Belgium ¹	Bulgaria	England ¹	Es-tho-nia ²	France (Paris)	Ger-many	Italy (Milan)	Neth-er-lands	Nor-way	Swit-zer-land	Can-ada ¹	Aus-tralia	India (Bom-bay)	New Zea-land	South Africa
1923																	
October.....	147	1,263,600	117	2,219	172	106	349	-----	502	145	217	162	144	157	147	146	117
November.....	148	1,264,700	121	2,365	173	104	355	-----	503	149	221	166	144	157	147	147	120
December.....	147	1,286,000	124	2,547	176	107	365	151	499	149	226	167	145	156	152	147	118
1924																	
January.....	146	1,352,700	126	2,674	175	111	376	127	515	150	230	168	145	155	154	150	120
February.....	144	1,382,100	130	2,537	177	113	384	117	516	151	234	167	145	153	151	149	122
March.....	141	1,393,000	128	2,497	176	115	392	120	523	152	241	167	143	152	147	150	122
April.....	138	1,383,800	121	2,561	167	115	380	123	524	152	240	165	137	150	143	150	123
May.....	138	1,416,900	113	2,438	163	111	378	123	519	151	241	165	133	151	143	150	122
June.....	140	1,445,700	118	2,687	160	111	370	120	518	151	241	168	133	149	147	150	120
July.....	140	1,436,200	123	2,626	162	115	360	126	508	150	248	168	134	148	151	148	117
August.....	141	1,565,200	124	2,727	164	119	366	122	507	150	257	166	137	147	156	146	117
September.....	144	1,562,300	127	2,723	166	116	374	125	514	152	261	166	139	146	156	145	117
October.....	146	1,584,500	135	2,856	172	110	383	134	543	154	264	169	139	146	156	146	120
November.....	147	1,619,800	140	2,994	179	110	396	135	567	156	269	170	141	147	157	148	122
December.....	149	1,624,800	139	3,040	180	113	404	135	579	157	274	170	143	148	156	150	121
1925																	
January.....	151	1,644,600	-----	-----	178	-----	408	137	-----	157	-----	168	145	148	152	-----	120
February.....	-----	1,661,800	-----	-----	176	-----	-----	-----	-----	-----	-----	-----	145	-----	152	-----	-----

INDEX NUMBERS OF COST OF LIVING

	Mas-sa-chu-sets-tts	European countries												Other countries					
		Austria (Vienna)	Bel-gium	Czech-oslo-vakia ¹	Eng-land ¹	Fin-land	France (Paris)	Ger-many	Italy (Milan)	Neth-er-lands	Nor-way	Pol-land	Spain	Sweden	Swit-zer-land	Can-ada ¹	Aus-tralia	India (Bom-bay)	South Africa
1923																			
October.....	158	1,102,700	458	901	175	1,193	-----	61	502	-----	-----	47	174	177	164	149	-----	152	132
November.....	157	1,114,900	463	898	175	1,190	-----	126	502	-----	-----	55	177	-----	167	150	-----	153	133
December.....	158	1,124,900	470	909	177	1,170	345	125	499	178	231	80	182	-----	168	150	152	157	133
1924																			
January.....	157	1,174,000	480	917	177	1,155	-----	110	510	-----	-----	121	178	176	169	150	-----	158	133
February.....	156	1,194,000	495	917	179	1,143	-----	104	517	-----	-----	127	190	-----	168	149	-----	156	134
March.....	156	1,199,600	510	908	178	1,141	365	107	521	179	236	126	180	-----	168	148	150	153	134
April.....	154	1,197,300	498	907	173	1,121	-----	112	522	-----	-----	127	195	173	166	145	-----	150	134
May.....	154	1,220,900	485	916	171	1,121	-----	115	518	-----	-----	126	180	-----	166	143	-----	150	134
June.....	154	1,244,200	492	923	169	1,147	366	112	518	173	244	124	186	-----	168	143	149	153	133
July.....	155	1,239,100	493	909	170	1,154	-----	114	511	-----	-----	127	182	171	169	143	-----	156	132
August.....	155	1,314,200	498	897	171	1,198	-----	116	512	-----	-----	135	180	-----	166	145	-----	160	132
September.....	157	1,316,200	503	908	172	1,199	367	116	516	176	258	141	189	-----	166	146	-----	160	132
October.....	157	1,330,700	513	916	176	1,219	-----	122	546	-----	-----	150	185	174	169	146	-----	160	133
November.....	157	1,357,400	520	922	180	1,222	-----	123	563	-----	-----	152	175	-----	170	147	-----	161	134
December.....	158	1,365,000	521	928	181	1,217	377	123	573	181	266	153	190	-----	170	147	-----	160	133
1925																			
January.....	158	1,376,200	521	931	180	1,199	-----	124	-----	-----	-----	130	-----	-----	149	-----	-----	157	133
February.....	-----	1,382,500	517	-----	179	-----	-----	-----	-----	-----	-----	-----	-----	-----	149	-----	-----	157	-----

¹ First of the month figures.² 1921=100.

Information as to the number of foods included and the items entering into the cost of living indexes is available in the board's office. The original bases of the indexes have been shifted to July, 1914, wherever possible.

BANKING AND FINANCIAL STATISTICS

FEDERAL RESERVE BANKS

AVERAGE DAILY CONDITION FOR JANUARY, 1925, AND DECEMBER, 1924

[Amounts in thousands of dollars]

Federal reserve bank	Total earning assets		Total cash reserves		Total deposits		Federal reserve notes in circulation		Reserve percentages	
	January	December	January	December	January	December	January	December	January	December
Boston	101,042	112,368	245,088	245,869	141,612	138,686	191,272	207,709	73.6	71.0
New York	294,557	365,813	977,395	941,996	899,025	899,828	358,065	382,558	77.8	73.5
Philadelphia	74,027	88,304	234,489	236,295	131,363	128,863	156,295	173,893	81.5	78.0
Cleveland	124,709	136,643	256,595	270,814	178,287	177,483	188,817	209,295	69.9	69.9
Richmond	32,680	34,518	123,094	131,744	68,898	68,159	80,873	89,592	82.2	83.5
Atlanta	25,322	33,829	177,168	174,400	67,105	64,731	139,857	143,811	85.6	83.6
Chicago	138,645	150,874	388,747	383,465	320,256	315,770	189,112	199,720	76.3	74.4
St. Louis	42,430	44,934	103,561	100,680	83,989	80,503	55,705	57,972	74.1	72.7
Minneapolis	28,183	31,328	102,903	103,740	58,314	59,355	68,689	72,599	81.0	78.6
Kansas City	49,737	54,679	114,314	109,201	92,432	90,243	69,501	73,299	70.6	66.8
Dallas	49,431	51,711	74,873	76,554	66,103	63,498	51,480	57,383	63.7	63.3
San Francisco	111,314	115,705	274,450	282,451	169,527	168,227	204,690	216,487	73.3	73.4
Total: 1925-24	1,072,077	1,220,706	3,072,677	3,056,709	2,276,911	2,255,346	1,754,356	1,884,318	76.2	73.8
1924-23	1,000,668	1,200,351	3,241,596	3,168,984	1,979,913	1,931,408	2,112,873	2,292,306	79.2	75.0
1923-22	1,191,191	1,304,433	3,201,969	3,166,019	1,981,717	1,891,457	2,288,527	2,415,515	75.0	73.5
1922-21	1,304,165	1,517,194	3,043,984	2,994,982	1,800,989	1,755,226	2,272,057	2,416,096	74.7	71.8
1921-20	3,034,655	3,313,502	2,287,274	2,221,573	1,822,600	1,821,746	3,177,656	3,342,520	147.5	144.7
1920-19	3,043,952	3,034,224	2,098,498	2,149,653	2,027,861	1,990,221	2,887,846	2,955,476	144.9	145.7

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

FEDERAL RESERVE BANKS—RESOURCES AND LIABILITIES, BY WEEKS

RESOURCES

[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Gold with Federal reserve agents:													
Jan. 28	1,730,679	150,085	444,047	159,128	170,417	78,458	144,054	165,795	53,533	67,945	61,179	33,719	202,319
Feb. 4	1,726,231	156,839	442,197	155,124	170,005	77,118	147,054	165,765	53,000	67,294	60,663	32,919	198,253
Feb. 11	1,712,410	153,706	442,093	151,936	170,400	75,727	146,056	165,720	52,413	67,049	59,946	32,058	195,301
Feb. 18	1,701,939	150,683	442,060	149,709	170,076	74,745	145,144	165,695	51,238	67,359	58,961	32,797	193,472
Gold redemption fund with U. S. Treasury:													
Jan. 28	53,660	15,777	5,018	9,431	3,537	1,807	1,380	3,926	3,677	1,438	3,182	2,404	2,083
Feb. 4	51,637	8,106	8,507	12,315	2,471	1,801	2,185	2,804	3,695	1,744	3,089	2,532	2,888
Feb. 11	48,298	10,413	7,230	4,270	2,677	2,129	1,402	5,767	3,786	1,681	3,312	2,675	2,956
Feb. 18	50,139	12,750	6,342	5,537	2,960	2,107	1,617	4,892	3,985	1,136	3,833	2,390	2,590
Gold held exclusively against Federal reserve notes:													
Jan. 28	1,784,339	165,862	449,065	168,559	173,954	80,265	145,434	169,721	57,210	69,383	64,361	36,123	204,402
Feb. 4	1,777,868	164,945	450,704	167,439	172,476	78,919	149,239	168,569	56,605	69,038	63,752	35,451	200,641
Feb. 11	1,760,708	164,119	449,328	156,206	173,077	77,856	147,458	171,487	56,199	68,730	63,258	34,733	198,257
Feb. 18	1,752,078	163,433	448,402	155,246	173,036	76,852	146,761	170,587	55,223	68,495	62,794	35,187	196,062
Gold settlement fund with Federal Reserve Board:													
Jan. 28	590,815	53,554	212,088	29,764	55,595	11,963	8,675	78,534	20,699	23,163	43,441	19,876	33,463
Feb. 4	570,035	55,491	173,960	25,676	53,812	17,495	11,255	88,452	23,052	25,839	48,746	22,286	23,971
Feb. 11	576,593	52,448	141,343	45,008	61,115	17,785	14,944	93,436	18,580	26,516	47,297	25,240	32,881
Feb. 18	578,550	57,477	137,428	47,693	51,181	13,634	16,309	93,327	21,998	23,626	46,270	29,989	39,618
Gold and gold certificates held by banks:													
Jan. 28	564,232	20,839	289,632	26,147	23,547	21,900	9,602	110,067	8,772	6,345	4,276	10,003	33,102
Feb. 4	572,987	21,730	294,404	23,979	23,686	22,140	8,419	106,201	9,289	6,413	3,897	10,144	42,685
Feb. 11	559,039	23,275	297,195	21,458	24,423	22,596	8,681	102,054	9,071	6,447	3,418	10,182	30,239
Feb. 18	574,647	24,463	307,725	23,081	25,766	22,990	8,709	102,702	9,459	6,501	3,957	8,808	30,486
Total gold reserves:													
Jan. 28	2,939,386	240,255	950,785	224,470	253,096	114,128	163,711	358,322	86,681	98,891	112,078	66,002	270,967
Feb. 4	2,920,890	242,166	919,068	217,094	249,974	118,554	168,913	363,222	89,036	101,290	116,395	67,881	267,297
Feb. 11	2,896,340	239,842	887,806	222,672	258,615	118,237	171,083	366,977	83,850	101,693	113,973	70,155	261,377
Feb. 18	2,905,275	245,373	893,555	226,020	249,983	113,476	171,779	366,616	86,680	98,622	113,021	73,984	266,166

FEDERAL RESERVE BANKS—RESOURCES AND LIABILITIES, BY WEEKS—Continued

RESOURCES—Continued

[In thousands of dollars]

	Total	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco
Reserves other than gold:													
Jan. 28.....	143,160	12,764	33,018	5,726	11,406	6,670	12,898	19,637	19,487	2,128	4,107	9,646	5,673
Feb. 4.....	143,704	13,984	31,301	6,972	11,941	6,446	13,161	19,636	19,080	1,854	4,173	9,502	5,654
Feb. 11.....	144,693	15,061	33,412	7,902	10,303	6,226	13,093	18,840	19,017	1,845	4,126	9,375	5,493
Feb. 18.....	139,929	14,970	28,202	7,478	9,755	5,981	13,180	20,438	19,146	1,714	3,825	9,435	5,805
Total reserves:													
Jan. 28.....	3,082,546	253,019	983,803	230,196	264,502	120,798	176,609	377,959	106,168	101,019	116,185	75,648	276,640
Feb. 4.....	3,064,594	256,150	950,369	224,066	261,915	125,000	182,074	382,858	108,116	103,144	120,568	77,383	272,951
Feb. 11.....	3,041,033	254,903	921,278	230,574	268,918	124,463	184,176	385,817	102,867	103,538	118,099	79,530	266,870
Feb. 18.....	3,045,204	260,343	921,757	233,498	259,738	119,457	184,959	387,054	105,826	100,336	116,846	83,419	271,971
Nonreserve cash:													
Jan. 28.....	74,371	3,856	28,509	1,927	5,200	3,805	6,058	10,019	4,412	943	2,676	2,831	4,135
Feb. 4.....	62,930	3,531	22,130	1,915	4,842	3,287	5,202	8,610	4,163	736	2,281	2,397	3,836
Feb. 11.....	58,045	3,939	18,980	1,910	2,818	3,456	5,338	8,008	4,172	890	2,043	2,602	3,889
Feb. 18.....	60,160	3,969	19,073	2,146	4,364	3,074	4,818	8,986	4,188	786	2,236	2,572	3,948
Bills discounted:													
Secured by U. S. Government obligations—													
Jan. 28.....	164,892	14,673	69,291	18,572	22,643	6,436	784	21,130	3,642	120	684	200	6,717
Feb. 4.....	207,325	12,109	111,733	19,413	26,209	5,595	671	20,767	2,973	200	622	138	6,895
Feb. 11.....	190,515	13,179	108,916	18,717	21,216	4,952	627	16,467	2,760	173	601	176	2,731
Feb. 18.....	196,460	11,120	104,388	18,687	30,916	7,905	505	8,948	3,798	168	1,248	306	8,471
Other bills dis- counted—													
Jan. 28.....	108,800	5,913	15,210	6,785	10,166	19,203	13,482	16,591	4,131	3,931	4,137	2,674	6,577
Feb. 4.....	115,042	5,243	21,513	10,046	9,868	18,914	11,665	15,643	4,766	4,039	4,166	2,468	6,711
Feb. 11.....	141,291	7,738	40,155	10,017	11,467	17,523	11,347	14,778	4,612	3,913	4,056	1,721	13,914
Feb. 18.....	146,011	6,604	43,958	8,833	13,287	19,701	11,183	14,687	8,524	3,724	4,030	2,204	9,276
Total bills dis- counted:													
Jan. 28.....	273,692	20,586	84,501	25,357	32,809	25,639	14,266	37,721	7,773	4,051	4,821	2,874	13,294
Feb. 4.....	322,367	17,352	133,246	29,459	36,077	24,509	12,336	36,410	7,739	4,239	4,788	2,606	13,606
Feb. 11.....	331,806	20,967	149,071	28,734	32,683	22,475	11,974	31,245	7,372	4,086	4,657	1,897	16,645
Feb. 18.....	342,471	17,724	148,346	27,520	44,203	27,006	11,688	23,635	12,322	3,892	5,278	2,510	17,747
Bills bought in open market:													
Jan. 28.....	307,767	45,406	67,191	16,689	37,963	1,258	4,901	30,483	20,074		12,424	22,006	49,372
Feb. 4.....	308,004	43,178	67,731	17,781	37,553	1,947	4,051	31,223	20,378		11,944	21,663	51,155
Feb. 11.....	324,647	47,744	75,884	19,088	37,322	1,900	3,404	36,627	20,147	121	11,509	21,031	49,870
Feb. 18.....	311,747	49,369	64,114	19,386	34,206	4,602	5,514	39,235	18,252	2,124	12,416	18,822	43,707
U. S. Government securities:													
Bonds—													
Jan. 28.....	76,174	2,472	12,440	1,345	11,126	1,340	1,806	19,461	1,264	10,077	7,940	3,718	3,185
Feb. 4.....	75,216	2,662	12,461	1,415	10,948	1,407	1,510	19,649	1,057	9,401	7,938	3,654	3,114
Feb. 11.....	74,965	2,662	12,461	1,416	10,948	1,407	1,548	19,649	1,136	8,855	8,114	3,654	3,115
Feb. 18.....	74,945	2,662	12,461	1,415	10,949	1,407	1,563	19,649	1,175	8,781	8,114	3,654	3,115
Treasury notes—													
Jan. 28.....	279,665	18,125	93,870	22,245	27,148	1,960	1,160	37,042	8,943	10,427	14,925	13,429	30,391
Feb. 4.....	273,252	17,446	91,089	23,577	26,530	1,910	1,158	36,152	8,296	9,807	14,572	13,000	29,715
Feb. 11.....	274,539	17,831	91,977	23,577	26,531	1,910	1,156	36,152	8,296	9,812	14,583	13,000	29,714
Feb. 18.....	273,082	17,267	91,089	23,577	26,530	1,910	1,155	36,153	8,296	9,807	14,583	13,000	29,715
Certificates of in- debtedness—													
Jan. 28.....	38,225	4,750	8,202	2,262	7,505	230	658	3,482	104	675	2,495	1,070	6,792
Feb. 4.....	40,360	4,806	9,370	741	7,872	181	716	3,721	853	1,015	2,646	1,337	7,102
Feb. 11.....	40,592	4,831	9,752	741	7,871	181	716	3,553	853	1,009	2,645	1,337	7,103
Feb. 18.....	30,178	4,103	5,648	465	6,863	109	685	2,128	514	623	2,155	806	6,079
Total U. S. Govern- ment securities:													
Jan. 28.....	394,064	25,347	114,512	25,852	45,779	3,530	3,624	59,985	10,311	21,179	25,360	18,217	40,368
Feb. 4.....	388,828	24,914	112,920	25,733	45,350	3,498	3,384	59,522	10,206	20,223	25,156	17,991	39,931
Feb. 11.....	390,096	25,324	114,190	25,734	45,350	3,498	3,420	59,354	10,285	19,676	25,342	17,991	39,932
Feb. 18.....	378,205	24,032	109,198	25,457	44,342	3,426	3,403	57,930	9,985	19,211	24,852	17,460	38,909
Foreign loans on gold:													
Jan. 28.....	10,500		3,055	1,032	1,220	603	462	1,564	519	374	474	399	798
Feb. 4.....	10,500		3,055	1,032	1,220	603	462	1,564	519	374	474	399	798
Feb. 11.....	10,500		3,055	1,032	1,220	603	462	1,564	519	374	474	399	798
Feb. 18.....	10,500		3,055	1,032	1,220	603	462	1,564	519	374	474	399	798
All other earning as- sets:													
Jan. 28.....	2,559			2,050						9	500		
Feb. 4.....	2,559			2,050						9	500		
Feb. 11.....	2,559			2,050						9	500		
Feb. 18.....	3,458			2,950						8	500		

FEDERAL RESERVE BANKS—RESOURCES AND LIABILITIES, BY WEEKS—Continued

RESOURCES—Continued

[In thousands of dollars]

	Total	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco
Total earning assets:													
Jan. 28	988,582	91,339	269,259	70,980	117,771	31,030	23,253	129,753	38,677	25,613	43,579	43,496	103,832
Feb. 4	1,032,258	85,444	316,952	76,055	120,200	29,957	20,233	128,719	38,842	24,845	42,862	42,659	105,490
Feb. 11	1,059,608	94,035	342,200	76,638	116,575	28,476	19,260	128,790	38,323	24,266	42,482	41,318	107,245
Feb. 18	1,046,381	91,125	324,713	76,345	123,971	36,237	21,067	122,364	41,078	25,609	43,520	39,191	101,161
Uncollected items:													
Jan. 28	572,000	50,867	125,787	51,777	52,960	50,386	28,350	71,812	31,893	12,631	36,319	26,078	33,140
Feb. 4	567,815	51,803	124,005	55,766	50,725	47,896	27,700	72,002	31,337	11,740	35,252	26,651	32,938
Feb. 11	589,040	54,026	132,137	50,850	53,425	52,231	28,982	69,167	34,706	12,845	37,854	27,314	35,503
Feb. 18	682,314	65,598	152,482	66,660	64,781	55,822	33,391	84,453	34,400	14,286	40,226	30,903	39,312
Bank premises:													
Jan. 28	57,939	4,190	16,250	1,114	7,573	2,446	2,780	8,099	3,385	2,982	4,024	1,833	3,263
Feb. 4	58,004	4,190	16,303	1,114	7,573	2,446	2,780	8,099	3,395	2,981	4,024	1,833	3,266
Feb. 11	58,057	4,190	16,303	1,114	7,573	2,446	2,780	8,099	3,404	2,981	4,067	1,833	3,267
Feb. 18	58,323	4,190	16,304	1,114	7,573	2,446	2,780	8,099	3,615	3,034	4,067	1,833	3,268
All other resources:													
Jan. 28	24,831	189	7,963	293	421	652	2,110	2,317	316	3,352	767	1,831	4,620
Feb. 4	24,317	164	7,816	298	426	505	2,107	2,247	319	3,277	745	1,810	4,603
Feb. 11	24,399	176	8,193	360	409	473	2,096	2,127	323	3,154	740	1,767	4,581
Feb. 18	24,500	230	8,108	336	428	491	2,088	2,170	319	3,154	721	1,827	4,628
Total resources:													
Jan. 28	4,800,269	403,460	1,431,571	356,287	448,427	209,117	239,160	599,959	184,851	146,540	203,550	151,717	425,630
Feb. 4	4,809,918	401,282	1,437,575	359,214	445,681	209,091	240,096	602,535	186,172	146,723	205,732	152,733	423,084
Feb. 11	4,830,182	411,269	1,439,091	361,446	449,718	211,545	242,632	602,008	183,795	147,674	205,285	154,364	421,355
Feb. 18	4,916,882	425,455	1,442,437	380,099	460,855	217,527	249,103	613,126	189,426	147,205	207,616	159,745	424,288

LIABILITIES

Federal reserve notes in actual circulation:													
Jan. 28	1,684,311	185,549	338,531	149,462	182,839	76,297	138,471	183,189	54,088	66,725	66,846	48,076	194,238
Feb. 4	1,690,385	190,893	346,783	150,183	176,557	75,893	139,168	180,505	53,858	66,972	66,818	47,266	195,489
Feb. 11	1,713,662	192,516	348,623	161,771	188,264	75,426	139,753	179,716	53,067	66,865	66,508	46,334	194,819
Feb. 18	1,698,890	193,690	346,315	156,101	180,856	75,403	140,458	178,615	53,174	67,921	66,289	45,899	194,169
Deposits:													
Member bank reserve account—													
Jan. 28	2,171,723	140,331	845,739	127,155	179,858	67,564	64,604	304,609	81,534	55,309	86,525	60,394	158,101
Feb. 4	2,193,624	134,393	857,509	128,372	183,683	68,349	63,295	303,714	83,673	55,552	89,838	63,066	162,180
Feb. 11	2,174,846	140,248	850,215	120,989	175,466	66,230	64,169	310,210	78,870	56,386	88,524	65,082	158,157
Feb. 18	2,190,651	142,674	843,450	129,771	182,760	68,755	66,897	308,201	81,539	53,952	88,803	65,666	158,183
Government—													
Jan. 28	52,114	3,688	18,364	2,665	2,336	2,460	2,051	1,699	2,672	1,538	2,938	2,123	9,580
Feb. 4	29,049	1,980	6,343	1,605	2,627	925	2,076	5,064	1,208	1,171	2,347	1,368	2,335
Feb. 11	27,601	2,745	6,112	1,408	1,850	2,498	2,171	1,118	2,558	670	2,260	1,396	2,815
Feb. 18	26,129	2,164	5,945	1,829	880	1,399	2,574	1,632	1,849	998	1,783	2,094	2,982
Other deposits—													
Jan. 28	41,379	151	30,934	376	908	143	332	1,100	1,169	358	925	121	4,862
Feb. 4	44,896	180	32,833	526	1,027	236	237	1,368	1,915	495	913	201	4,965
Feb. 11	40,308	507	29,185	471	1,236	232	206	1,422	737	449	815	214	4,834
Feb. 18	40,341	210	29,818	531	1,118	165	180	1,123	1,089	345	695	153	4,914
Total deposits:													
Jan. 28	2,265,216	144,170	895,037	130,196	183,102	70,167	66,987	307,408	85,375	57,205	90,388	62,638	172,543
Feb. 4	2,267,569	136,553	896,685	130,503	187,337	69,510	65,608	310,146	86,796	57,218	93,098	64,635	169,480
Feb. 11	2,242,455	143,500	885,512	122,868	178,552	68,960	66,546	312,750	82,165	57,505	91,599	66,692	165,806
Feb. 18	2,257,121	145,048	879,213	132,131	184,758	70,319	69,651	310,956	84,477	55,295	91,281	67,913	166,079
Deferred availability items:													
Jan. 28	510,336	49,046	106,895	45,836	46,374	44,448	19,530	62,006	29,893	10,957	32,568	28,517	34,266
Feb. 4	511,833	49,173	108,065	47,727	45,750	45,444	21,176	64,538	30,054	10,874	32,056	28,376	33,600
Feb. 11	533,398	50,526	113,714	46,022	46,842	48,936	22,183	62,133	33,002	11,620	33,424	28,830	36,186
Feb. 18	619,074	61,974	125,278	60,469	58,966	53,572	24,851	76,128	36,224	12,309	36,301	33,481	39,521
Capital paid in:													
Jan. 28	112,246	8,004	30,165	10,510	12,735	5,901	4,591	15,405	5,090	3,272	4,331	4,139	8,103
Feb. 4	112,316	8,004	30,172	10,510	12,735	5,937	4,587	15,452	5,086	3,270	4,333	4,131	8,099
Feb. 11	112,328	8,008	30,172	10,510	12,735	5,940	4,587	15,458	5,086	3,270	4,331	4,131	8,100
Feb. 18	113,466	8,008	30,531	11,068	12,951	5,915	4,595	15,464	5,102	3,270	4,332	4,130	8,100
Surplus:													
Jan. 28	217,837	16,382	58,749	20,059	22,462	11,701	8,950	30,426	9,971	7,497	8,977	7,592	15,071
Feb. 4	217,837	16,382	58,749	20,059	22,462	11,701	8,950	30,426	9,971	7,497	8,977	7,592	15,071
Feb. 11	217,837	16,382	58,749	20,059	22,462	11,701	8,950	30,426	9,971	7,497	8,977	7,592	15,071
Feb. 18	217,837	16,382	58,749	20,059	22,462	11,701	8,950	30,426	9,971	7,497	8,977	7,592	15,071

FEDERAL RESERVE BANKS—RESOURCES AND LIABILITIES, BY WEEKS—Continued

LIABILITIES—Continued

[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
All other liabilities:													
Jan. 28.....	10,323	309	2,194	224	915	603	631	1,525	434	884	440	755	1,400
Feb. 4.....	9,978	277	2,121	232	840	606	607	1,468	407	892	450	733	1,345
Feb. 11.....	10,502	337	2,321	216	863	582	613	1,525	504	917	446	785	1,398
Feb. 18.....	10,494	353	2,351	271	862	617	598	1,537	478	913	436	730	1,348
Total liabilities:													
Jan. 28.....	4,800,269	403,460	1,431,571	356,287	448,427	209,117	239,160	599,959	184,851	146,540	203,550	151,717	425,630
Feb. 4.....	4,809,918	401,282	1,437,575	359,214	445,681	209,091	240,096	602,535	186,172	146,723	205,732	152,733	423,084
Feb. 11.....	4,830,182	411,269	1,439,091	361,446	449,718	211,545	242,632	602,008	183,795	147,674	205,285	154,364	421,355
Feb. 18.....	4,916,882	425,455	1,442,437	380,099	460,855	217,527	249,103	613,126	189,426	147,205	207,616	159,745	424,288
MEMORANDA													
Ratio of total reserves to deposit and Federal reserve note liabilities combined (per cent):													
Jan. 28.....	78.0	76.7	79.8	82.3	72.3	82.5	86.0	77.0	76.1	81.5	73.9	68.3	75.4
Feb. 4.....	77.4	78.2	76.4	79.8	72.0	86.0	88.9	78.0	76.9	83.1	75.4	69.2	74.8
Feb. 11.....	76.9	75.9	74.6	81.0	73.3	86.2	89.3	78.3	76.1	83.2	74.7	70.4	74.0
Feb. 18.....	77.0	76.9	75.2	81.0	71.0	82.0	88.0	79.1	76.9	81.4	74.2	73.3	75.5
Contingent liability on bills purchased for foreign correspondents:													
Jan. 28.....	47,174		13,646	4,729	5,438	2,743	2,081	7,046	2,364	1,655	2,081	1,797	3,594
Feb. 4.....	45,157		13,029	4,531	5,211	2,628	1,994	6,752	2,266	1,586	1,994	1,722	3,444
Feb. 11.....	43,210		12,198	4,374	5,030	2,537	1,925	6,517	2,187	1,531	1,925	1,662	3,324
Feb. 18.....	44,581		12,860	4,474	5,145	2,595	1,969	6,666	2,237	1,566	1,969	1,700	3,400
Own Federal reserve notes held by Federal reserve bank:													
Jan. 28.....	388,857	16,273	169,969	44,094	17,340	19,635	21,712	14,675	8,055	2,878	7,377	8,104	58,745
Feb. 4.....	365,582	15,783	157,441	39,768	20,360	18,699	20,654	15,008	7,752	2,536	7,289	6,764	53,523
Feb. 11.....	341,976	16,427	152,745	26,592	16,989	17,775	20,147	14,048	7,956	2,944	7,132	6,835	52,386
Feb. 18.....	358,841	17,130	158,017	34,036	23,772	16,816	19,529	12,886	7,173	2,499	7,466	6,910	52,607

FEDERAL RESERVE BANKS—MATURITY DISTRIBUTION OF BILLS, CERTIFICATES OF INDEBTEDNESS, AND MUNICIPAL WARRANTS

[In thousands of dollars]

	Total	Within 15 days	16 to 30 days	31 to 60 days	61 to 90 days	From 91 days to 6 months	Over 6 months
Bills discounted:							
Jan. 28.....	273,692	202,035	17,691	28,531	15,069	9,031	1,335
Feb. 4.....	322,367	253,097	18,292	26,847	14,393	8,211	1,527
Feb. 11.....	331,806	264,095	18,976	24,611	14,345	8,131	1,648
Feb. 18.....	342,471	264,345	20,229	27,716	20,213	8,137	1,831
Bills bought in open market:							
Jan. 28.....	307,767	90,251	78,374	96,502	34,973	7,667	-----
Feb. 4.....	308,004	93,789	85,541	83,259	40,048	5,367	-----
Feb. 11.....	324,647	108,570	83,785	75,542	52,488	4,262	-----
Feb. 18.....	311,747	107,286	71,762	75,660	52,551	4,488	-----
United States certificates of indebtedness:							
Jan. 28.....	38,225	14	196	296	-----	3,022	34,697
Feb. 4.....	40,360	14	196	286	-----	8,165	31,699
Feb. 11.....	40,592	617	-----	285	-----	3,022	36,668
Feb. 18.....	30,178	14	491	-----	-----	3,022	26,651
Municipal warrants:							
Jan. 28.....	9	-----	9	-----	-----	-----	-----
Feb. 4.....	9	-----	9	-----	-----	-----	-----
Feb. 11.....	9	-----	8	1	-----	-----	-----
Feb. 18.....	8	-----	8	-----	-----	-----	-----

FEDERAL RESERVE NOTES—FEDERAL RESERVE AGENTS' ACCOUNTS, BY WEEKS

[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Net amount of Federal reserve notes received from Comptroller of Currency:													
Jan. 28.....	3,088,368	267,972	838,040	239,556	267,729	121,376	223,014	457,401	87,803	87,746	104,096	75,452	318,183
Feb. 4.....	3,063,692	264,726	833,764	235,551	265,317	120,036	222,633	454,650	87,270	87,096	103,780	74,652	314,217
Feb. 11.....	3,049,551	261,593	830,908	233,163	262,713	118,645	221,636	452,901	86,683	86,850	103,263	73,791	312,405
Feb. 18.....	3,053,445	267,970	830,272	241,937	262,188	117,664	221,923	450,638	86,007	87,161	103,178	73,031	311,476
Federal reserve notes on hand:													
Jan. 28.....	1,015,200	66,150	329,540	46,000	67,550	25,444	62,831	259,537	25,660	18,143	29,873	19,272	65,200
Feb. 4.....	1,007,725	58,050	329,540	45,600	68,400	25,444	62,811	259,137	25,660	17,588	29,673	20,622	65,200
Feb. 11.....	993,913	52,650	329,540	49,800	57,460	25,444	61,736	259,137	25,660	17,041	29,623	20,622	65,200
Feb. 18.....	995,714	57,150	325,940	51,800	57,560	25,445	61,936	259,137	25,660	16,741	29,423	20,222	64,700
Federal reserve notes outstanding:													
Jan. 28.....	2,073,168	201,822	508,500	193,556	200,179	95,932	160,183	197,864	62,143	69,603	74,223	56,180	252,983
Feb. 4.....	2,065,967	206,676	504,224	189,951	196,917	94,592	159,822	195,513	61,610	69,508	74,107	54,030	249,017
Feb. 11.....	2,055,638	208,943	501,368	188,363	205,253	93,201	159,900	193,764	61,023	69,809	73,640	53,169	247,205
Feb. 18.....	2,057,731	210,820	504,332	190,137	204,628	92,219	159,987	191,501	60,347	70,420	73,755	52,809	246,776
Collateral security for Federal reserve notes outstanding:													
Gold and gold certificates—													
Jan. 28.....	281,849	35,300	188,531	6,000	8,780	-----	3,500	-----	12,175	13,052	-----	14,511	-----
Feb. 4.....	281,564	35,300	186,746	6,000	8,780	-----	5,000	-----	12,175	13,052	-----	14,511	-----
Feb. 11.....	281,516	35,300	186,698	6,000	8,780	-----	5,000	-----	12,175	13,052	-----	14,511	-----
Feb. 18.....	282,516	35,300	186,698	6,000	8,780	-----	5,000	-----	11,675	13,052	-----	16,011	-----
Gold redemption fund—													
Jan. 28.....	107,412	12,785	29,516	10,739	11,637	1,663	7,554	5,151	3,358	1,393	4,819	3,708	15,089
Feb. 4.....	102,970	9,539	29,451	11,735	11,225	3,323	6,054	5,121	2,825	1,742	4,303	2,908	14,744
Feb. 11.....	108,767	16,406	29,400	13,547	11,620	1,932	5,056	5,076	3,238	1,497	3,586	3,047	14,362
Feb. 18.....	105,841	13,383	29,362	11,320	11,296	3,950	4,144	5,051	3,506	1,807	4,601	3,286	14,078
Gold fund—Federal Reserve Board—													
Jan. 28.....	1,341,418	102,000	226,000	142,389	150,000	76,795	133,000	160,644	38,000	53,500	56,360	15,500	187,230
Feb. 4.....	1,341,697	112,000	226,000	137,389	150,000	73,795	136,000	160,644	38,000	52,500	56,360	15,500	183,509
Feb. 11.....	1,322,127	102,000	226,000	132,389	150,000	73,795	136,000	160,644	37,000	52,500	56,360	14,500	180,939
Feb. 18.....	1,313,582	102,000	226,000	132,389	150,000	70,795	136,000	160,644	36,000	52,500	54,360	13,500	179,394
Eligible paper—													
Amount required—													
Jan. 28.....	342,489	51,737	64,453	34,428	29,762	17,474	16,129	32,069	8,610	1,658	13,044	22,461	50,664
Feb. 4.....	329,736	49,837	62,027	34,827	26,912	17,474	12,768	29,748	8,610	2,214	13,444	21,111	50,764
Feb. 11.....	343,228	55,237	59,270	36,427	34,853	17,474	13,844	28,044	8,610	2,760	13,694	21,111	51,904
Feb. 18.....	355,792	60,137	62,272	40,428	34,552	17,474	14,843	25,806	9,109	3,061	14,794	20,012	53,304
Excess amount held—													
Jan. 28.....	214,821	14,255	71,525	3,467	38,543	9,333	2,871	35,887	19,058	1,865	4,080	2,322	11,615
Feb. 4.....	266,202	10,693	113,491	7,510	45,460	8,288	2,777	37,659	19,250	1,472	3,136	3,043	13,513
Feb. 11.....	278,145	13,474	139,201	7,121	33,120	6,693	1,220	39,587	18,566	955	2,335	1,693	14,180
Feb. 18.....	269,401	6,956	130,076	1,915	42,231	14,170	1,914	36,812	21,125	2,525	2,767	1,270	7,640

FEDERAL RESERVE BANKS—EARNING ASSETS HELD AND EARNINGS THEREON, JANUARY, 1925

[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
HOLDINGS ON JAN. 31, 1925													
Total earning assets.....	1,028,903	94,457	296,092	77,263	118,318	32,065	21,796	131,782	39,905	25,638	44,274	43,845	103,468
Bills discounted for members.....	311,885	25,948	113,350	31,110	33,103	26,531	13,385	38,002	8,079	4,162	5,071	2,706	10,438
Bills bought in open market.....	313,006	43,595	66,311	17,338	38,645	1,433	4,583	31,834	21,138	-----	13,078	22,750	52,301
United States securities.....	390,953	24,914	113,376	25,733	45,350	3,498	3,366	60,382	10,169	21,093	25,151	17,990	39,931
Foreign loans on gold.....	10,500	-----	3,055	1,032	1,220	603	-----	1,564	519	374	474	399	798
All other earning assets.....	2,559	-----	-----	2,050	-----	-----	-----	-----	-----	9	500	-----	-----
Bills Discounted													
Customers' paper secured by Government obligations.....	1,035	211	58	-----	345	222	72	27	14	-----	38	18	30
Member bank collateral notes: Secured by Government obligations.....	168,415	13,896	75,207	19,970	21,924	6,157	665	22,147	3,637	200	831	150	3,631
Otherwise secured.....	45,623	-----	31,688	5,945	949	2,665	1,006	59	10	126	60	1,148	1,967
Commercial, agricultural, and livestock paper, n.e.s.....	94,063	11,669	6,301	5,100	9,231	17,081	11,388	15,135	4,169	3,825	4,142	1,388	4,634
Trade acceptances, domestic.....	2,749	172	96	95	654	406	254	634	249	11	-----	2	176
Total discounted bills.....	311,885	25,948	113,350	31,110	33,103	26,531	13,385	38,002	8,079	4,162	5,071	2,706	10,438
Bills Bought													
Bankers' acceptances based on— Imports.....	119,538	20,321	19,114	5,625	18,689	50	188	9,778	7,628	-----	5,188	8,513	24,444
Exports.....	111,751	11,419	25,680	6,627	13,695	12	3,209	8,950	9,397	-----	5,474	9,102	18,186
Domestic transactions.....	75,605	11,822	18,643	4,816	5,810	1,371	1,186	12,437	3,736	-----	2,164	4,674	8,946
Dollar exchange.....	5,225	33	1,991	270	451	-----	-----	669	377	-----	252	461	725
All other.....	611	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Trade acceptances—foreign, imports.....	272	-----	272	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total purchased bills.....	313,006	43,595	66,311	17,338	38,645	1,433	4,583	31,834	21,138	-----	13,078	22,750	52,301
Purchased Bankers' Acceptances, by Classes of Acceptors													
National banks.....	105,797	19,033	20,077	6,974	10,652	-----	1,462	15,848	7,153	-----	3,854	6,413	14,931
Other member banks.....	100,212	8,359	21,222	6,107	11,280	-----	1,518	14,579	8,227	-----	4,221	7,697	16,996
Nonmember banks and banking corporations.....	106,997	16,203	25,012	4,257	17,307	1,433	1,603	1,407	5,758	-----	5,003	8,640	20,374
United States Securities													
United States bonds.....	75,537	2,472	12,440	1,345	11,126	1,340	1,561	19,461	1,263	9,685	7,941	3,718	3,185
Treasury notes.....	273,995	17,550	91,879	22,070	26,519	1,913	1,112	36,158	8,737	10,563	14,617	13,097	29,750
Certificates of indebtedness.....	41,421	4,892	9,057	2,318	7,705	245	-----	4,763	169	845	2,593	1,175	6,996
Total United States securities.....	390,953	24,914	113,376	25,733	45,350	3,498	3,366	60,382	10,169	21,093	25,151	17,990	39,931
DAILY AVERAGE HOLDINGS DURING JANUARY													
Total earning assets ¹	1,072,077	101,042	294,557	74,027	124,709	32,680	25,322	138,645	42,430	28,183	49,737	49,431	111,314
Bills discounted.....	267,424	19,657	76,094	26,100	34,819	26,888	14,719	35,953	8,790	4,715	5,032	2,976	11,681
Bills bought.....	328,644	50,841	73,129	17,386	36,696	1,265	6,822	31,407	20,748	6	14,300	24,191	51,853
United States securities.....	465,246	30,544	142,955	27,693	52,225	4,059	3,421	70,067	12,489	23,160	29,533	21,953	47,147
Foreign loans on gold.....	8,224	-----	2,379	814	969	468	360	1,218	403	297	372	311	633
EARNINGS DURING JANUARY													
Total earning assets ¹	2,973	257	780	220	349	107	78	414	114	91	142	133	288
Bills discounted.....	806	58	194	78	104	92	50	122	30	16	17	10	35
Bills bought.....	752	111	166	39	91	3	17	72	48	(?)	32	55	118
United States securities.....	1,386	88	414	95	152	11	10	217	35	74	90	67	133
Foreign loans on gold.....	21	-----	6	2	2	1	1	3	1	1	1	1	2
ANNUAL RATE OF EARNINGS													
Total earning assets ¹	3.27	2.99	3.12	3.50	3.29	3.86	3.62	3.52	3.17	3.80	3.36	3.16	3.05
Bills discounted.....	3.55	3.50	3.00	3.50	3.50	4.00	4.00	4.00	4.00	4.08	4.00	4.00	3.50
Bills bought.....	2.70	2.57	2.67	2.67	2.92	3.04	2.95	2.70	2.72	2.32	2.66	2.68	2.69
United States securities.....	3.51	3.38	3.41	4.05	3.43	3.27	3.39	3.65	3.34	3.76	3.59	3.57	3.33
Foreign loans on gold.....	3.00	-----	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00

¹ Including municipal warrants, as follows: Minneapolis, average daily holdings, \$5,462; earnings, \$18; annual rate of earnings, 3.97 per cent; also including Federal intermediate bank debentures, as follows: Philadelphia average daily holdings, \$2,033,870; earnings, \$5,788; annual rate of earnings, 3.35 per cent; Kansas City, average daily holdings, \$500,000; earnings, \$1,451; annual rate of earnings, 3.42 per cent.

² Less than \$500.

FEDERAL RESERVE BANKS—VOLUME OF DISCOUNT AND OPEN MARKET OPERATIONS DURING JANUARY, 1925

[Amounts in thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Volume of Operations													
Total discount and open-market operations.....	1,735,109	88,184	1,002,939	194,649	182,027	61,265	28,846	128,120	33,890	10,935	12,801	17,902	73,551
Bills discounted for member banks.....	1,488,088	73,039	894,806	81,715	166,232	60,400	23,921	108,927	23,273	2,485	4,708	5,633	42,949
Bills bought in open market.....	182,897	14,052	69,327	11,721	14,102	534	2,180	14,507	10,082	-----	5,995	11,101	29,296
Bills bought from other Federal reserve banks.....	21	-----	21	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
United States securities bought in open market.....	59,094	1,093	37,476	263	1,175	70	2,547	4,016	310	8,283	1,900	997	964
Foreign loans on gold.....	4,500	-----	1,309	450	518	261	198	670	225	158	198	171	342
Municipal warrants purchased.....	9	-----	-----	-----	-----	-----	-----	-----	-----	9	-----	-----	-----
Bills Discounted													
Customers' paper secured by Government obligations.....	980	540	38	-----	72	188	50	29	1	-----	17	18	27
Member bank collateral notes: Secured by Government obligations.....	1,134,534	44,713	709,591	64,541	123,602	41,515	3,551	98,850	12,006	1,029	3,314	772	31,050
Otherwise secured.....	247,737	-----	179,808	14,064	32,036	7,577	3,366	315	384	219	60	2,003	7,905
Commercial, agricultural, and livestock paper, n. e. s.....	100,193	27,592	5,247	3,066	9,875	10,706	16,594	9,615	9,984	1,227	1,317	1,192	3,828
Demand and sight drafts (based on agricultural products).....	2,803	-----	-----	-----	2	-----	223	-----	827	-----	-----	1,648	103
Trade acceptances, domestic.....	1,841	194	122	44	645	414	137	118	121	10	-----	-----	36
Total bills discounted.....	1,488,088	73,039	894,806	81,715	166,232	60,400	23,921	108,927	23,273	2,485	4,708	5,633	42,949
Average rate (365-day basis)—													
per cent.....	3.53	3.50	3.00	3.50	3.50	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.50
Average maturity (in days) ..													
.....	8.37	11.28	4.42	12.14	8.12	14.04	39.59	15.58	30.60	68.81	38.72	30.71	15.32
Total reduced to a common maturity basis (exclusive of demand and sight drafts).....													
1,485,285	98,400	473,103	118,604	161,384	101,347	112,123	202,826	82,095	20,436	21,787	14,626	78,464	
Per cent of total.....	100.0	6.6	31.8	8.0	10.9	6.8	7.5	5.5	1.4	1.5	1.0	5.3	
Number of member banks on Jan. 31.....													
9,674	421	859	744	870	625	516	1,418	629	908	1,080	837	767	
Number of banks accommodated during the month.....													
2,554	161	312	329	284	243	182	472	175	86	111	39	160	
Per cent accommodated.....	26.4	38.2	36.3	44.2	32.6	38.9	35.3	33.3	27.8	9.5	10.3	4.7	20.9
Bills Bought in Open Market													
Bankers' acceptances:													
Foreign.....	133,877	10,250	50,894	8,770	10,824	25	1,573	6,921	7,812	-----	4,889	9,198	22,721
Domestic.....	45,497	3,792	16,599	2,821	2,863	509	607	7,351	2,070	-----	986	1,688	6,211
Dollar exchange.....	3,400	10	1,711	130	415	-----	-----	235	200	-----	120	215	364
Trade acceptances—foreign.....	123	-----	123	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total bills bought.....	182,897	14,052	69,327	11,721	14,102	534	2,180	14,507	10,082	-----	5,995	11,101	29,296
Distribution by rates charged (360-day basis):													
2½ per cent.....	45,941	1,363	14,096	43	4,153	-----	869	4,242	3,585	-----	2,680	4,683	10,227
2¾ per cent.....	29,969	3,069	4,729	599	3,600	-----	514	4,113	3,645	-----	1,202	2,187	6,311
3 per cent.....	99,224	8,987	49,809	10,766	5,385	534	-----	3,970	2,833	-----	2,104	3,601	11,235
3¼ per cent.....	2,689	170	82	233	125	-----	-----	1,810	-----	-----	-----	-----	269
3½ per cent.....	4,008	433	544	80	765	-----	-----	372	19	-----	9	630	1,156
3¾ per cent.....	213	-----	41	-----	74	-----	-----	-----	-----	-----	-----	-----	98
3½ per cent.....	56	30	26	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
4 per cent.....	797	-----	-----	-----	-----	-----	797	-----	-----	-----	-----	-----	-----
Average rate (365-day basis)—													
per cent.....	3.01	3.00	3.00	3.04	3.02	3.04	3.44	3.01	2.95	-----	2.96	3.01	3.00
Average maturity (in days) ..													
.....	39.19	38.89	21.90	76.90	55.87	41.03	29.26	53.81	48.12	-----	47.35	50.04	41.76
Total reduced to a common maturity basis.....													
182,897	13,945	38,733	22,999	20,102	559	1,627	19,918	12,379	-----	7,243	14,174	31,218	
Per cent of total.....	100.0	7.6	21.2	12.6	11.0	.3	.9	6.7	-----	4.0	7.7	17.1	
United States Securities Bought in Open Market													
United States bonds.....	10,258	2	-----	-----	-----	-----	1,367	-----	-----	7,002	1,382	500	5
Treasury notes.....	18,332	410	16,139	-----	53	-----	913	200	-----	560	57	-----	-----
Certificates of indebtedness.....	30,504	681	21,337	263	1,122	70	267	3,816	310	721	461	497	959
Total United States securities bought.....	59,094	1,093	37,476	263	1,175	70	2,547	4,016	310	8,283	1,900	997	964

¹ Includes \$500,000 Federal intermediate credit bank debentures.

PRINCIPAL RESOURCES AND LIABILITIES, BY WEEKS—Continued

[In thousands of dollars]

	Total	Federal reserve district											
		Boston	New York	Phila-delphia	Cleve-land	Rich-mond	Atlanta	Chicago	St. Louis	Minne-apolis	Kansas City	Dallas	San Francisco
Cash in vault:													
Jan. 21	286,092	20,471	79,764	15,806	31,012	14,087	11,263	54,891	7,870	6,126	12,122	10,693	21,987
Jan. 28	279,486	20,085	78,421	15,759	29,388	13,084	10,876	53,005	7,444	5,981	12,255	10,428	22,760
Feb. 4	278,070	20,283	80,034	14,931	29,125	13,589	11,043	52,779	7,593	5,625	10,941	10,495	21,632
Feb. 11	294,532	21,293	89,044	17,813	29,895	13,659	11,002	53,955	7,406	5,860	12,123	10,615	21,867
Net demand deposits:													
Jan. 21	13,143,171	896,871	5,808,806	765,752	1,019,139	364,430	313,051	1,751,384	416,684	254,360	487,473	281,643	783,578
Jan. 28	13,013,949	887,543	5,717,692	759,514	1,014,240	366,837	309,558	1,732,588	421,495	252,176	488,875	279,282	784,149
Feb. 4	13,039,813	877,122	5,725,113	745,319	1,014,724	370,680	312,599	1,752,548	419,244	248,205	492,204	283,065	798,990
Feb. 11	13,093,391	885,766	5,701,992	749,080	1,022,483	376,939	327,182	1,767,508	424,690	249,690	496,849	286,599	804,613
Time deposits:													
Jan. 21	4,868,758	326,471	1,153,177	179,335	698,338	182,933	189,219	920,549	212,366	102,825	136,080	92,149	675,316
Jan. 28	4,875,615	326,364	1,140,890	178,470	698,843	183,234	189,460	921,035	214,156	103,612	135,879	92,794	690,878
Feb. 4	4,899,797	333,671	1,132,614	180,264	707,452	185,780	189,737	923,669	213,701	104,444	136,294	93,925	698,246
Feb. 11	4,924,543	336,622	1,139,846	179,502	707,648	186,733	189,950	930,133	213,603	105,503	136,459	95,703	702,841
Government deposits:													
Jan. 21	135,454	26,079	30,676	13,811	14,281	3,068	3,711	21,276	7,286	1,850	998	2,142	10,276
Jan. 28	135,670	26,080	30,676	13,811	14,281	3,068	3,703	21,276	7,281	1,854	998	2,143	10,499
Feb. 4	133,850	26,080	30,676	12,000	14,244	3,068	3,703	21,276	7,281	1,853	998	2,172	10,499
Feb. 11	113,437	22,516	25,096	10,572	11,439	2,136	2,939	21,000	6,469	1,602	657	1,648	7,363
Bills payable and redis-counts with Federal re-serve banks:													
Secured by U. S. Government obli-gations—													
Jan. 21	39,568	1,300	18,331	2,210	3,020	1,505	488	10,430	150	-----	234	-----	1,900
Jan. 28	97,083	3,360	55,220	2,475	13,145	1,675	57	15,629	-----	-----	57	-----	5,465
Feb. 4	153,265	1,760	109,615	3,475	16,364	1,824	57	14,501	-----	-----	1	-----	5,650
Feb. 11	129,933	2,832	97,485	3,155	12,663	1,444	57	10,315	200	15	67	50	1,650
All other—													
Jan. 21	25,474	1,070	2,750	-----	5,591	6,411	4,125	877	488	145	-----	2,403	1,614
Jan. 28	32,228	1,764	8,070	835	3,993	7,756	4,939	699	406	46	75	-----	2,311
Feb. 4	29,667	957	4,871	3,425	4,214	7,941	3,218	593	904	269	-----	2,081	1,194
Feb. 11	63,651	3,734	31,685	3,405	4,807	6,399	2,930	125	614	203	179	-----	8,273

REPORTING MEMBER BANKS IN 12 FEDERAL RESERVE BANK CITIES—BANKERS' BALANCES

[In thousands of dollars]

	Total (12 cities)	City											
		Boston	New York	Phila-delphia	Cleve-land	Rich-mond	Atlanta	Chicago	St. Louis	Minne-apolis	Kansas City	Dallas	San Francisco
Due to banks:													
Jan. 21	2,550,924	142,458	1,189,521	199,099	54,127	40,269	19,760	423,270	113,706	72,166	131,464	45,600	119,484
Jan. 28	2,435,488	134,660	1,130,659	191,209	51,400	37,305	20,102	412,414	108,112	68,914	128,940	44,231	107,542
Feb. 4	2,525,869	139,779	1,181,823	192,963	51,849	38,158	20,280	427,300	108,440	69,458	131,064	48,280	116,475
Feb. 11	2,540,802	132,020	1,213,425	189,089	51,142	40,536	20,721	416,546	108,762	69,892	132,461	47,921	118,287
Due from banks:													
Jan. 21	666,606	44,284	94,077	72,193	25,104	17,226	18,858	158,071	43,442	21,562	51,971	33,781	86,037
Jan. 28	627,682	35,065	96,733	64,573	27,208	14,995	20,975	152,192	36,374	16,850	54,389	34,794	73,534
Feb. 4	632,577	36,449	95,502	63,667	23,595	17,105	16,724	158,962	38,329	21,003	51,873	33,773	75,595
Feb. 11	645,886	34,289	98,579	67,032	23,687	16,681	18,560	158,466	37,973	24,341	48,995	36,014	81,269

REPORTING MEMBER BANKS IN NEW YORK CITY AND CHICAGO—PRINCIPAL RESOURCES AND LIABILITIES, BY WEEKS

[In thousands of dollars]

	Banks in New York City				Banks in city of Chicago			
	Jan. 21	Jan. 28	Feb. 4	Feb. 11	Jan. 21	Jan. 28	Feb. 4	Feb. 11
Number of reporting banks.....	67	67	67	67	46	46	46	46
Loans and discounts, gross:								
Secured by United States Government obligations.....	68,970	60,022	61,250	65,989	25,523	26,066	26,618	25,931
Secured by stocks and bonds.....	1,941,911	1,951,085	1,979,355	1,950,125	532,008	528,012	525,944	524,221
All other loans and discounts.....	2,322,920	2,276,797	2,277,464	2,241,079	699,562	701,480	697,387	705,918
Total loans and discounts.....	4,333,801	4,287,904	4,318,069	4,257,193	1,257,093	1,255,558	1,249,949	1,256,070
United States pre-war bonds.....	42,597	42,595	34,440	27,147	4,066	4,067	3,853	3,838
United States Liberty bonds.....	541,425	538,023	538,549	527,048	81,369	81,276	82,100	83,187
United States Treasury bonds.....	153,580	138,248	139,999	131,301	28,519	28,525	27,993	27,800
United States Treasury notes.....	220,890	211,726	210,755	221,247	74,557	73,600	75,148	71,360
United States Treasury certificates.....	82,640	56,711	54,435	54,986	10,996	11,603	9,142	8,552
Other bonds, stocks, and securities.....	829,683	814,021	807,962	806,548	200,021	201,976	216,720	220,861
Total investments.....	1,870,815	1,801,324	1,786,140	1,768,277	399,528	401,047	414,956	415,598
Total loans and investments.....	6,204,616	6,089,228	6,104,209	6,025,470	1,656,621	1,656,605	1,664,905	1,671,668
Reserve balances with Federal reserve bank.....	670,832	702,173	713,405	720,061	170,595	159,620	158,145	156,473
Cash in vault.....	64,864	64,227	65,596	72,241	28,386	26,607	27,001	27,320
Net demand deposits.....	5,267,842	5,185,734	5,185,759	5,153,810	1,183,392	1,171,409	1,178,314	1,171,996
Time deposits.....	804,960	793,810	785,148	791,012	454,119	454,512	456,408	460,354
Government deposits.....	20,499	20,499	20,499	16,279	16,096	16,096	16,096	14,343
Bills payable and rediscounts with Federal reserve bank:								
Secured by United States Government obligations.....	7,350	39,150	91,200	77,300	870	2,965	840	1,420
All other.....	1,011	6,228	3,528	30,277	173	-----	190	100
Total borrowings from Federal reserve bank.....	8,361	45,378	94,728	107,577	1,043	2,965	1,030	1,520

ALL MEMBER BANKS—DEPOSITS, BY FEDERAL RESERVE DISTRICTS AND BY SIZE OF CITY

Federal reserve district	Net demand deposits					Time deposits				
	1924			1925	1924	1924			1925	1924
	Oct. 29	Nov. 26	Dec. 24	Jan. 28	Jan. 23	Oct. 29	Nov. 26	Dec. 24	Jan. 28	Jan. 23
Boston.....	1,385,832	1,327,141	1,299,657	1,330,862	1,233,878	704,918	694,406	685,226	702,350	606,068
New York.....	6,348,865	6,496,559	6,527,806	6,383,028	5,383,722	2,026,426	2,066,104	2,018,700	2,041,042	1,699,871
Philadelphia.....	1,144,321	1,151,727	1,129,471	1,139,390	1,037,462	753,331	765,488	759,663	777,518	604,456
Cleveland.....	1,483,196	1,486,119	1,468,404	1,486,655	1,352,490	1,263,367	1,263,256	1,245,613	1,272,991	1,142,992
Richmond.....	570,215	585,396	581,375	594,503	589,933	482,159	483,033	478,845	486,866	443,304
Atlanta.....	516,106	540,472	561,575	585,609	519,276	350,041	350,961	348,636	356,070	318,588
Chicago.....	2,411,790	2,352,603	2,344,909	2,380,790	2,122,350	1,682,211	1,723,047	1,729,770	1,735,739	1,564,897
St. Louis.....	668,086	690,224	710,319	732,021	655,261	431,116	436,085	429,809	438,340	398,521
Minneapolis.....	475,674	503,546	493,540	481,231	400,884	416,047	420,176	425,748	434,954	409,569
Kansas City.....	830,032	848,388	858,629	861,150	739,111	298,851	300,293	296,288	300,970	293,686
Dallas.....	609,594	641,603	670,487	660,847	624,577	159,889	158,722	158,107	160,584	151,263
San Francisco.....	1,320,788	1,322,964	1,310,823	1,291,093	1,253,902	1,106,225	1,128,308	1,150,727	1,171,200	1,000,648
Total.....	17,764,499	17,946,742	17,956,995	17,927,179	15,942,846	9,674,581	9,795,879	9,727,132	9,878,624	8,693,793
Banks in cities and towns having a population of—										
Less than 5,000.....	1,678,287	1,698,676	1,689,928	1,673,199	1,626,219	1,633,480	1,640,059	1,636,887	1,668,381	1,569,463
5,000 to 14,999.....	1,066,959	1,076,740	1,080,944	1,081,342	1,073,144	1,039,513	1,045,668	1,042,716	1,062,598	881,949
15,000 to 99,999.....	2,093,059	2,132,304	2,144,113	2,170,162	2,046,474	1,958,130	1,967,007	1,957,014	1,990,335	1,807,711
100,000 and over.....	12,926,194	13,039,022	13,042,010	13,002,476	11,197,009	5,043,458	5,143,145	5,090,515	5,157,310	4,334,670

ALL MEMBER BANKS—CONDITION ON DECEMBER 31, 1924

ALL MEMBER BANKS (8,043 NATIONAL BANKS AND 1,544 STATE BANKS AND TRUST COMPANIES)—ABSTRACT OF CON-
DITION REPORTS ON DECEMBER 31, 1924, BY FEDERAL RESERVE DISTRICTS

[In thousands of dollars]

	District No. 1 (419 banks)	District No. 2 (855 banks)	District No. 3 (738 banks)	District No. 4 (871 banks)	District No. 5 (617 banks)	District No. 6 (510 banks)	District No. 7 (1,408 banks)	District No. 8 (624 banks)	District No. 9 (885 banks)	District No. 10 (1,066 banks)	District No. 11 (828 banks)	District No. 12 (766 banks)	Total United States (9,587 banks)
RESOURCES													
Loans and discounts	1,542,019	5,899,017	1,289,050	1,901,848	959,432	814,311	3,036,546	883,295	629,831	799,505	643,210	1,767,537	20,165,601
Overdrafts	512	1,499	283	791	668	1,738	2,196	1,828	643	1,333	2,303	1,914	15,708
United States Govern- ment securities	243,138	1,323,614	258,029	438,398	137,000	81,419	526,141	135,632	143,873	151,171	101,266	363,112	3,902,793
Other bonds, stocks, and securities	386,624	1,624,815	622,402	592,570	130,698	102,962	655,289	205,593	132,465	128,879	43,805	316,384	4,942,486
Total loans and in- vestments	2,172,293	8,848,945	2,169,764	2,933,607	1,227,798	1,000,430	4,220,172	1,226,348	906,812	1,080,888	790,584	2,448,947	29,026,588
Customers' liability on account of ac- ceptances	56,836	297,440	18,385	8,584	13,218	10,102	34,613	844	3,131	1	4,087	14,495	461,736
Banking house, furni- ture, and fixtures	61,686	157,866	61,689	118,331	50,507	45,714	129,979	36,055	25,528	41,068	38,833	93,358	860,614
Other real estate owned	6,877	10,690	8,455	18,095	11,256	10,508	24,301	8,239	15,219	15,674	13,870	17,949	161,133
Cash in vault	49,344	130,090	47,682	63,941	30,608	27,845	98,223	24,441	21,846	29,905	25,825	47,722	597,472
Reserve with Federal reserve banks	140,840	885,556	129,361	163,593	69,632	63,489	314,698	80,758	55,513	93,892	65,708	164,529	2,227,569
Items with Federal reserve banks in process of collection	63,221	214,662	66,350	64,127	45,310	26,083	84,666	44,452	8,920	37,635	34,196	35,304	724,926
Due from banks, bankers, and trust companies	102,551	203,212	119,997	169,935	109,057	161,860	365,987	153,630	151,229	313,260	214,390	274,380	2,339,488
Exchanges for clear- ing house, also checks on other banks in same place	56,178	1,416,754	66,722	54,217	32,186	26,547	138,430	28,828	12,891	24,959	18,052	59,350	1,935,114
Outside checks and other cash items	9,172	32,350	5,713	8,690	4,410	6,528	17,827	3,753	6,813	7,341	4,332	26,737	133,666
Redemption fund and due from Uni- ted States Treas- urer	2,661	4,912	2,946	5,000	3,194	2,153	4,538	2,139	1,669	2,058	2,297	2,717	36,284
United States securi- ties borrowed	418		170	5,741	539	631	6,470	4,519	65	1	465	68	19,087
Other securities bor- rowed			123		50		2,238	60			11	59	2,541
Other assets	39,968	296,303	14,982	15,961	6,133	10,881	34,423	4,336	3,798	4,318	4,421	25,125	490,649
Total	2,762,045	12,498,780	2,712,216	3,629,945	1,603,848	1,392,821	5,476,565	1,618,402	1,213,434	1,651,000	1,217,071	3,210,740	38,986,867
LIABILITIES													
Capital stock paid in	141,561	492,359	138,723	212,830	112,277	94,570	291,912	110,203	70,135	95,538	93,047	184,326	2,037,481
Surplus fund	125,134	505,620	228,611	218,485	83,832	56,983	219,728	68,936	37,001	44,869	42,442	85,845	1,707,486
Undivided profits, less expenses and taxes paid	72,226	269,144	74,404	82,026	32,905	21,419	105,395	27,037	17,914	18,250	17,963	48,076	786,759
Due to Federal re- serve banks	4,988	14,320	5,122	2,312	10,676	1,538	1,751	228	9	42	2,070	592	43,648
Due to banks, bank- ers, and trust com- panies	170,285	1,650,222	238,277	278,955	138,142	170,680	622,272	222,398	169,065	359,079	207,109	277,831	4,504,315
Certified and cash- iers' or treasurers' checks outstanding	24,941	777,158	16,954	51,778	16,037	10,334	46,470	13,049	14,178	32,485	29,558	49,489	1,082,431
Demand deposits	1,303,345	5,960,703	1,076,816	1,314,913	580,517	575,309	2,189,977	663,025	424,828	747,239	608,250	1,239,116	16,684,038
Time deposits	685,875	2,011,599	774,356	1,246,764	483,072	359,373	1,732,371	431,261	430,315	295,985	150,856	1,202,911	9,804,738
United States depos- its	36,150	50,538	25,549	22,816	12,472	7,904	35,548	13,823	6,321	6,538	6,382	18,441	242,482
Total deposits	2,225,584	10,464,540	2,137,074	2,917,538	1,240,916	1,125,138	4,628,339	1,343,784	1,044,716	1,441,368	1,004,225	2,788,330	32,361,652
Bills payable (includ- ing all obligations representing money borrowed other than rediscounts)	26,126	89,763	36,014	42,733	27,824	11,104	24,789	8,859	2,146	1,559	4,452	13,884	289,253
Notes and bills redis- counted (including acceptances of other banks and foreign bills of exchange or drafts sold with in- dorsement)	52,249	190,593	12,417	19,469	22,691	18,675	27,078	5,936	4,238	4,697	2,040	7,407	367,490
Cash letters of credit and travelers' checks outstanding	839	17,017	205	373	250	42	2,048	48	35	58	18	776	21,709
Acceptances executed for customers	56,115	292,525	15,249	8,708	12,667	16,540	35,247	857	2,825	64	4,062	15,524	460,383

ALL MEMBER BANKS (8,043 NATIONAL BANKS AND 1,544 STATE BANKS AND TRUST COMPANIES)—ABSTRACT OF CONDITION REPORTS ON DECEMBER 31, 1924, BY FEDERAL RESERVE DISTRICTS—Continued

[In thousands of dollars]

	District No. 1 (419 banks)	District No. 2 (855 banks)	District No. 3 (738 banks)	District No. 4 (871 banks)	District No. 5 (617 banks)	District No. 6 (510 banks)	District No. 7 (1,408 banks)	District No. 8 (624 banks)	District No. 9 (885 banks)	District No. 10 (1,066 banks)	District No. 11 (828 banks)	District No. 12 (766 banks)	Total United States (9,587 banks)
LIABILITIES—CON.													
Acceptances executed by other banks for account of reporting banks.....	3,862	24,662	4,150	29	1,468	621	1,833	306				391	37,322
National bank notes outstanding.....	52,444	96,453	57,914	98,881	61,374	42,610	90,285	42,492	32,744	40,534	45,279	53,323	714,333
United States securities borrowed.....	547	2,008	815	17,344	4,927	1,691	9,246	6,720	261	1,425	1,153	1,880	48,017
Other securities borrowed.....	27	50	100	404	305	1,204	2,287	76		540	180	683	5,946
Other liabilities.....	5,331	54,046	6,540	11,125	2,412	2,134	38,328	13,454	1,113	2,098	2,210	10,245	149,036
Total.....	2,762,045	12,498,780	2,712,216	3,629,945	1,603,848	1,392,821	5,476,565	1,618,402	1,213,434	1,651,000	1,217,071	3,210,740	38,986,867

¹ Exclusive of securities borrowed by national banks.

ALL MEMBER BANKS (8,043 NATIONAL BANKS AND 1,544 STATE BANKS AND TRUST COMPANIES)—ABSTRACT OF CONDITION REPORTS ON DECEMBER 31, 1924, BY CLASSES OF BANKS

[In thousands of dollars]

	Central reserve city banks			Other reserve city banks (549 banks)	Country banks (8,948 banks)	Total United States	
	New York (66 banks)	Chicago (24 banks)	Total (90 banks)			Dec. 31, 1924 (9,587 banks)	Oct. 10, 1924 (9,635 banks)
RESOURCES							
Loans and discounts.....	4,381,023	1,163,949	5,544,972	7,161,802	7,458,827	20,165,601	19,801,388
Overdrafts.....	1,104	378	1,482	4,421	9,805	15,708	18,510
United States Government securities.....	974,021	180,131	1,154,152	1,353,239	1,395,402	3,902,793	3,894,620
Other bonds, stocks, and securities.....	797,537	162,115	959,652	1,463,637	2,519,197	4,942,486	4,736,126
Total loans and investments.....	6,153,885	1,506,573	7,660,458	9,983,099	11,383,231	29,026,588	28,450,644
Customers' liability on account of acceptances.....	294,680	32,833	327,513	119,628	14,595	461,736	330,716
Banking house, furniture, and fixtures.....	89,521	26,926	116,447	339,382	404,785	860,614	843,077
Other real estate owned.....	2,566	74	2,940	52,648	105,545	161,133	158,641
Cash in vault.....	72,627	25,520	98,147	178,538	320,787	597,472	627,889
Reserve with Federal reserve banks.....	738,911	162,709	901,620	726,462	899,487	2,227,569	2,121,428
Items with Federal reserve banks in process of collection.....	159,458	40,935	200,393	419,234	105,299	724,926	613,494
Due from banks, bankers, and trust companies.....	73,644	129,600	203,244	968,035	1,168,209	2,339,488	2,430,462
Exchanges for clearing house, also checks on other banks in same place.....	1,390,441	88,531	1,478,972	367,398	88,744	1,935,114	1,091,300
Outside checks and other cash items.....	24,163	6,547	30,710	71,330	31,626	133,666	100,551
Redemption fund and due from United States Treasurer.....	2,034	142	2,176	8,610	25,498	36,284	36,701
United States securities borrowed.....				11,796	7,291	19,087	18,060
Other securities borrowed.....		1	1	412	2,128	2,541	1,954
Other assets.....	285,272	23,898	309,170	113,617	37,862	460,649	378,953
Total.....	9,287,302	2,044,289	11,331,591	13,360,189	14,295,087	38,986,867	37,103,870
LIABILITIES							
Capital stock paid in.....	336,300	89,400	425,700	685,541	926,240	2,037,481	2,034,943
Surplus fund.....	379,205	88,077	467,282	584,378	655,326	1,707,486	1,682,646
Undivided profits, less expenses and taxes paid.....	200,093	50,163	250,256	239,631	296,872	786,759	876,516
Due to Federal reserve banks.....	265		265	10,232	33,151	43,648	36,508
Due to banks, bankers, and trust companies.....	1,547,432	399,643	1,947,075	2,041,306	515,934	4,504,315	4,453,412
Certified and cashiers' or treasurers' checks outstanding.....	759,540	23,784	783,324	204,887	94,220	1,082,431	653,342
Demand deposits.....	4,616,870	953,740	5,570,610	5,440,203	5,673,425	16,684,038	15,729,597
Time deposits.....	775,270	342,099	1,117,369	3,435,102	5,252,267	9,804,738	9,597,395
United States deposits.....	28,591	17,724	46,315	146,219	49,948	242,482	301,803
Total deposits.....	7,727,768	1,736,990	9,464,758	11,277,949	11,618,945	32,361,652	30,772,057
Bills payable (including all obligations representing money borrowed, other than rediscounts).....	43,651	225	43,876	104,971	140,406	289,253	167,483
Notes and bills rediscounted (including acceptances of other banks and foreign bills of exchange or drafts sold with indorsement).....	180,259	7,125	187,384	85,482	94,624	367,490	265,264
Cash letters of credit and travelers' checks outstanding.....	16,964	1,897	18,861	2,627	221	21,709	22,514
Acceptances executed for customers.....	290,128	34,472	324,600	122,771	13,012	460,383	328,526
Acceptances executed by other banks for account of reporting banks.....	24,294	1,638	25,932	9,384	2,006	37,322	28,532
National bank notes outstanding.....	39,884	2,843	42,727	168,637	502,969	714,333	723,039
United States securities borrowed.....	995		995	26,072	20,950	48,017	46,786
Other securities borrowed.....		1	1	1,331	4,614	5,946	5,535
Other liabilities.....	47,761	31,458	79,219	50,915	18,902	149,036	150,029
Total.....	9,287,302	2,044,289	11,331,591	13,360,189	14,295,087	38,986,867	37,103,870
Ratio of reserve with Federal reserve bank to net deposit liability (per cent).....	13.3	13.4	13.3	10.1	7.5	10.1	10.0

¹ Exclusive of securities borrowed by national banks.

STATE BANK AND TRUST COMPANY MEMBERS—ABSTRACT OF CONDITION REPORTS OF BANKS ON DECEMBER 31, 1924,
BY FEDERAL RESERVE DISTRICTS

[In thousands of dollars]

	Dis- trict No. 1 (36 banks)	Dis- trict No. 2 (144 banks)	Dis- trict No. 3 (72 banks)	Dis- trict No. 4 (119 banks)	Dis- trict No. 5 (62 banks)	Dis- trict No. 6 (128 banks)	Dis- trict No. 7 (353 banks)	Dis- trict No. 8 (132 banks)	Dis- trict No. 9 (100 banks)	Dis- trict No. 10 (33 banks)	Dis- trict No. 11 (183 banks)	Dis- trict No. 12 (182 banks)	Total United States (1,544 banks)
RESOURCES													
Loans and discounts.....	506,006	2,917,023	281,723	893,647	154,768	288,869	1,360,927	336,640	54,161	67,873	66,113	921,796	7,849,546
Overdrafts.....	191	957	98	238	152	1,054	643	1,061	77	63	563	818	5,915
United States Government securities.....	70,413	584,669	65,178	115,027	7,547	7,341	233,051	45,136	8,047	14,821	3,024	165,037	1,319,291
Stock of Federal reserve banks	2,157	13,193	3,009	5,495	975	1,495	6,507	1,990	290	358	477	3,450	39,396
Other bonds, stocks, and securities.....	110,926	665,576	179,315	216,434	22,884	29,932	349,717	83,828	13,662	9,122	3,304	143,565	1,828,325
Total loans and investments.....	689,693	4,181,418	529,323	1,236,841	186,326	328,691	1,959,845	468,655	76,237	92,237	73,541	1,234,666	11,042,473
Customers' liability on account of acceptances.....	8,958	158,609	278	5,498	4,351	8,023	23,590	91	-----	-----	25	7,585	217,008
Banking house, furniture, and fixtures.....	12,944	81,345	16,228	49,301	6,487	17,683	53,199	14,771	2,056	2,862	3,781	48,782	309,439
Other real estate owned.....	2,281	5,049	3,123	10,462	1,995	4,723	6,796	3,392	1,747	1,775	2,570	8,264	52,177
Gold and gold certificates.....	1,370	10,956	433	653	126	239	2,958	452	131	105	101	896	18,420
All other cash in vault.....	14,110	47,990	8,024	21,754	4,515	7,342	33,389	8,045	2,122	1,254	3,180	19,060	170,785
Reserve with Federal reserve banks.....	44,203	414,911	29,327	62,331	11,059	20,572	126,842	20,402	4,383	8,587	6,826	74,740	833,183
Items with Federal reserve bank in process of collection	15,634	97,340	14,040	27,288	9,124	8,616	27,618	18,055	457	7,648	1,250	10,923	237,993
Due from banks, bankers, and trust companies.....	23,109	95,769	17,750	45,980	16,284	46,563	113,387	45,505	11,939	27,882	25,702	91,113	560,983
Exchanges for clearings house, also checks on other banks in same place.....	16,429	670,057	11,771	28,685	6,535	14,323	63,375	13,607	773	3,477	1,315	23,174	853,521
Outside checks and other cash items.....	1,933	19,408	663	6,083	572	3,154	9,115	1,661	241	1,252	655	18,318	63,055
United States securities borrowed.....	418	-----	170	5,741	539	631	6,470	4,519	65	1	465	68	19,087
Other securities borrowed.....	-----	-----	-----	123	-----	50	2,238	60	-----	-----	11	59	2,541
Other assets.....	9,855	156,930	7,427	10,096	1,780	9,443	18,337	2,890	225	3,239	2,535	14,454	237,211
Total.....	840,937	5,939,782	638,557	1,504,836	249,693	470,053	2,438,159	611,105	100,376	150,319	121,957	1,552,102	14,617,871
LIABILITIES													
Capital stock paid in.....	33,000	232,276	40,165	85,265	19,123	31,410	112,609	40,280	6,692	8,610	11,810	82,205	703,445
Surplus fund.....	39,495	199,005	72,906	101,367	13,878	18,398	107,006	24,598	2,812	3,308	3,510	32,983	619,266
Undivided profits, less expenses and taxes paid.....	18,710	119,856	24,631	25,075	4,636	6,197	49,529	8,205	1,365	1,674	1,142	22,675	283,695
Due to Federal reserve banks	728	3,767	1,525	1,077	1,883	674	627	44	-----	13	90	32	10,460
Due to banks, bankers, and trust companies.....	24,470	645,815	30,623	85,081	24,967	69,249	152,639	63,646	7,296	42,151	9,570	80,116	1,235,623
Certified and cashiers' or treasurers' checks outstanding.....	10,720	363,875	5,737	32,189	5,461	4,496	22,330	7,358	936	3,448	2,133	24,519	483,202
Demand deposits.....	444,290	3,047,654	285,027	496,009	93,138	190,267	862,228	239,689	34,846	68,577	79,163	484,975	6,325,863
Time deposits.....	236,308	923,937	152,457	638,686	71,646	116,395	1,024,332	196,342	45,311	20,338	12,800	786,414	4,224,966
United States deposits.....	4,817	24,908	10,680	8,834	858	2,802	19,009	8,057	392	919	42	10,123	91,441
Total deposits.....	721,333	5,009,956	496,049	1,261,876	197,953	383,883	2,081,165	515,136	88,781	135,446	103,798	1,386,179	12,371,555
Bills payable (including all obligations representing money borrowed other than rediscounts).....	3,364	26,435	8,694	10,479	4,503	5,055	13,241	4,125	327	80	709	9,937	86,949
Notes and bills rediscounted (including acceptances of other banks and foreign bills of exchange or drafts sold with indorsement).....	12,681	122,763	1,549	4,121	4,165	9,319	11,209	2,252	287	184	128	2,443	171,094
Cash letters of credit and travelers' checks outstanding.....	-----	14,642	121	93	7	41	117	31	-----	4	1	532	15,589
Acceptances executed for customers.....	8,557	162,379	118	5,498	4,214	13,759	22,686	104	-----	-----	-----	7,836	225,151
Acceptances executed by other banks for account of reporting banks.....	878	9,069	160	-----	448	51	1	-----	-----	-----	-----	151	10,758
United States securities borrowed.....	418	-----	170	5,741	539	631	6,470	4,519	65	1	465	68	19,087
Other securities borrowed.....	-----	-----	-----	123	-----	50	2,238	60	-----	-----	11	59	2,541
Other liabilities.....	2,501	43,401	3,994	5,198	227	1,259	31,888	11,795	47	1,012	390	7,034	103,746
Total.....	840,937	5,939,782	638,557	1,504,836	249,693	470,053	2,438,159	611,105	100,376	150,319	121,957	1,552,102	14,617,876

STATE BANK AND TRUST COMPANY MEMBERS—ABSTRACT OF CONDITION REPORTS ON DECEMBER 31, 1924, BY CLASSES OF BANKS

[In thousands of dollars]

	Central reserve city banks			Other reserve city banks (187 banks)	Country bank (1,315 banks)	Total United States	
	New York (31 banks)	Chicago (11 banks)	Total (42 banks)			Dec. 31, 1924 (1,544 banks)	Oct. 10, 1924 (1,566 banks)
RESOURCES							
Loans and discounts.....	2,254,205	584,340	2,838,545	3,254,390	1,756,611	7,849,546	7,594,884
Overdrafts.....	814	146	960	2,315	2,040	5,915	6,277
United States Government securities.....	426,582	106,458	533,040	559,535	226,716	1,319,291	1,318,766
Stock of Federal reserve banks.....	9,388	2,759	12,647	17,247	9,502	39,396	39,333
Other bonds, stocks, and securities.....	378,497	107,844	486,341	788,294	553,690	1,828,325	1,800,927
Total loans and investments.....	3,069,886	801,547	3,871,533	4,621,781	2,549,159	11,042,473	10,790,237
Customers' liability on account of acceptances.....	156,940	22,676	179,616	32,010	5,382	217,008	185,050
Banking house, furniture, and fixtures.....	52,148	14,657	66,805	162,158	80,476	309,439	301,379
Other real estate owned.....	2,394	-----	2,394	29,177	20,066	52,177	51,197
Gold and gold certificates.....	7,740	935	8,675	3,610	6,135	18,420	16,874
All other cash in vault.....	29,294	6,951	36,245	74,061	60,479	170,785	151,633
Reserve with Federal reserve banks.....	354,447	67,409	421,856	282,720	128,607	833,183	817,797
Items with Federal reserve banks in process of collection.....	71,150	16,424	87,574	119,999	30,420	237,993	185,600
Due from banks, bankers, and trust companies.....	41,388	51,966	93,354	269,519	198,110	560,983	550,318
Exchanges for clearing house, also checks on other banks in same place.....	655,019	41,899	696,918	132,159	24,444	853,521	462,155
Outside checks and other cash items.....	14,937	3,248	18,185	37,118	7,752	63,055	47,686
United States securities borrowed.....	-----	-----	-----	11,796	7,291	19,087	18,060
Other securities borrowed.....	-----	-----	-----	412	2,541	2,541	1,954
Other assets.....	150,287	12,847	163,134	55,333	18,744	237,211	212,144
Total.....	4,605,730	1,040,560	5,646,290	5,832,393	3,139,193	14,617,876	13,792,084
LIABILITIES							
Capital stock paid in.....	168,550	39,650	208,200	300,184	195,061	703,445	703,166
Surplus fund.....	150,915	54,317	205,232	289,370	124,664	619,266	609,093
Undivided profits, less expenses and taxes paid.....	92,133	30,088	122,221	99,404	62,070	283,695	319,912
Due to Federal reserve banks.....	265	-----	265	1,960	8,235	10,460	9,166
Due to banks, bankers, and trust companies.....	597,674	108,928	706,602	438,759	90,262	1,235,623	1,181,620
Certified and cashiers' or treasurers' checks outstanding.....	354,662	11,609	366,271	94,882	22,349	483,202	288,839
Demand deposits.....	2,435,660	432,918	2,868,578	2,186,979	1,270,306	6,325,863	5,938,330
Time deposits.....	450,141	294,952	745,093	2,200,448	1,279,425	4,224,966	4,138,099
United States deposits.....	11,377	11,795	23,172	59,678	8,591	91,441	116,391
Total deposits.....	3,849,779	860,202	4,709,981	4,982,406	2,679,168	12,371,555	11,672,445
Bills payable (including all obligations representing money borrowed other than rediscounts).....	1,800	-----	1,800	51,411	33,738	86,949	43,872
Notes and bills rediscounted (including acceptances of other banks and foreign bills of exchange or drafts sold with indorsement).....	118,779	5,836	124,615	25,952	20,527	171,094	94,845
Cash letters of credit and travelers' checks outstanding.....	14,614	68	14,682	860	47	15,589	16,384
Acceptances executed for customers.....	160,816	22,683	183,499	36,827	4,825	225,151	187,952
Acceptances executed for other banks for account of reporting banks.....	8,978	-----	8,978	1,374	406	10,758	10,097
United States securities borrowed.....	-----	-----	-----	11,796	7,291	19,087	18,067
Other securities borrowed.....	-----	-----	-----	412	2,128	2,541	1,954
Other liabilities.....	39,366	27,715	67,081	32,397	9,268	108,746	114,367
Total.....	4,605,730	1,040,560	5,646,290	5,832,393	3,139,193	14,617,876	13,792,084
Ratio of reserve with Federal reserve banks to net deposit liability (per cent).....	12.8	12.9	12.8	9.5	7.0	10.3	10.4

CHANGES IN MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM, 1919-1924

At the end of 1914, the year in which the Federal reserve system was put into operation, there were in active operation 7,574 national banks, which were required by law to become members of the system, and 8 member State banks. These banks had total resources of \$11,444,000,000. Between 1914 and 1918 the number of member banks in active operation increased by 1,110, and on December 31, 1918, active membership comprised 7,762 national banks and 930 State banks, a total of 8,692 member banks, with aggregate resources of \$27,516,000,000. This growth in the number of member banks represented largely the admission of State banks into the system. The initial growth in membership continued at about the same rate until 1922, when the number of member banks reached its highest point. On December 29 of that year there were 8,220 national banks and 1,639 member State banks, a total of 9,859 member banks with resources of \$33,883,000,000. Although the increase of 709 in the number of member State banks was not quite so large as during the earlier period, the increase of 458 in the number of national banks, a considerable part of which was due to

the conversion of nonmember State banks, was much larger than in the preceding four years. Since 1922, although the resources of the banks have continued to increase, there has been a decline of 177 in the number of national banks, and a decline of 95 in the number of State banks, a decrease in total membership in the system of 272 banks. The number and resources of member banks in active operation, as indicated by required reports of condition, are shown for 1914 and for each year from 1918 to 1924, in the following table:

MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM,
1914 AND 1918-1924

End of year	Member banks					
	Number			Resources (in millions of dollars)		
	Total	National	State	Total	National	State
1914.....	7,582	7,574	8	11,444	11,351	93
1918.....	8,692	7,762	930	27,516	20,034	7,482
1919.....	9,066	7,885	1,181	32,616	22,702	9,914
1920.....	9,606	8,125	1,481	31,184	21,357	9,827
1921.....	9,779	8,165	1,614	29,316	19,411	9,905
1922.....	9,859	8,220	1,639	33,883	21,966	11,917
1923.....	9,774	8,179	1,595	35,239	22,396	12,843
1924.....	9,587	8,043	1,544	38,987	24,369	14,618

On June 30, 1924, the latest date for which information is available concerning the number and resources of all banks in the United States, approximately one-third of all the banks in the country were member banks; but the resources of these banks, exclusive of the resources of the reserve banks themselves, aggregated nearly two-thirds of the total resources of all banks in the country. The Federal reserve act imposes certain minimum requirements regarding the amount of capital which member banks must have, which renders many nonmember banks ineligible for membership entirely apart from other considerations which are taken into account in passing upon applications for admittance. At the end of June last year there were 13,598 nonmember banks, with resources of \$11,587,000,000, which were eligible for membership in the system on the basis of capitalization. On the same date there were 9,650 member banks, with resources of \$35,777,000,000, representing about 76 per cent of the aggregate resources of all member and eligible nonmember banks and about 42 per cent of the total number of such banks. The highest percentage of membership was in the Philadelphia district, where 72 per cent of all member and eligible nonmember banks, with 89 per cent of the aggregate resources, were members of the system. There was much lower

proportional membership in the Richmond, Atlanta, Chicago, St. Louis, Minneapolis, and Kansas City districts, in which districts the actual membership ranged between 26 and 39 per cent of the potential membership, the corresponding range for resources being 62 and 69 per cent.

On December 31, 1924, there were 9,587 member banks in active operation, as indicated by the required reports of condition which were submitted by the banks as of that date. Of this number, 8,043 were national banks and 1,544 were State banks and trust companies. A net growth in membership of 895 banks during the six years between the end of 1918 and the end of 1924 was the result of 2,226 additions and 1,331 losses, excluding from these such compensating changes as were involved in the movement of banks between the two classes of members and which were consequently without effect on the membership in the system as a whole.

The largest proportion of the additions during the period were State banks which entered the system, either converting into national banks or, upon approval by the Federal Reserve Board, becoming member State banks. In the six years under review, 1,019 State banks were admitted to the system as State bank members and 406 converted into national banks. A larger number of State banks joined the system in the San Francisco district than in any other; the number was also comparatively large in the Kansas City and Dallas districts. It exceeded in every district the number of banks which withdrew from membership either by becoming nonmembers or through absorption by some existing nonmember bank or through succession by a new nonmember bank organized for the purpose. During the same period 763 national banks were organized. The remaining 38 additions were banks which had formerly suspended and resumed operations again. In addition, 6 nonmember banks were absorbed by member banks, without effect on the number of banks in the system.

Of the losses to membership, 463 are accounted for by mergers. There were 296 intra-class mergers—that is, mergers between national banks or between State banks, and 167 inter-class mergers—that is, mergers of State banks with national banks, or vice versa. Voluntary liquidation accounted for 123 losses to membership.¹

¹ In all cases in which voluntary liquidation resulted, as far as could be determined, in some other outcome than final termination of the institution, the change was classified according to the ultimate status of the bank.

During the six years, 1918-1924, 107 banks withdrew from the system. Of these 101 were State banks which availed themselves of their option of withdrawal upon advance notice and 6 were compulsory withdrawals. In addition, 266 banks were absorbed or succeeded by nonmember banks. It will be noted that the number of member banks thus lost to the system by becoming nonmember banks (373) constitutes only about one-fourth of the number of nonmember banks which joined the system.

There were during these six years 71 suspensions, 28 among national and 43 among State banks, and 293 insolvencies, 249 of these being national and 44 State banks. This total of 364 suspensions and insolvencies has occurred for the most part in the last two years; there were 104 member banks closed or insolvent in 1923 and 158 in 1924. These were, principally, banks located in the agricultural districts. Suspensions and insolvencies occurred more frequently among the smaller banks, as is indicated by the fact that the average resources

of these banks were about \$760,000, as compared with an average of about \$3,000,000 for all national banks and of nearly \$9,000,000 for member State banks. Available data show that in these two years the totals of all bank suspensions in the country were the highest on record, and reports to the Federal reserve banks of banks closed during 1923 and 1924, member and nonmember, confirm the above indication as to the size of the banks, and show that about 68 per cent of all banks reported closed during these years had capital of \$25,000 or less and less than 10 per cent had capital in excess of \$100,000.²

In the following table are shown, by districts, the changes in active membership for the years 1919 to 1924, excluding from the data changes which represent compensating movements of banks between the two classes of members and which were without effect on membership in the system as a whole.

¹ The reports for 1923 include only 7 of the 12 districts, but cover probably not less than 90 per cent of the banks closed.

CHANGE IN ACTIVE MEMBERSHIP OF FEDERAL RESERVE SYSTEM, BY DISTRICTS, 1919-1924

	All districts		Districts (number of banks)											
	Number of banks	Total resources (in thousands of dollars)	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Active membership Dec. 31, 1918.....	8,692	27,515,659	423	723	661	814	565	426	1,334	514	867	994	727	644
Additions to membership:														
Primary organization of national banks.....	763	429,362	16	138	54	48	37	40	51	43	66	87	69	114
Conversion of nonmember banks to national banks.....	406	297,363	3	11	6	12	40	26	19	19	58	125	41	46
Admission of State banks.....	1,019	2,595,023	13	62	47	68	46	116	120	107	86	44	137	173
Resumption following suspension.....	38	18,063	-----	3	-----	-----	-----	1	2	1	9	6	8	8
Total additions to membership.....	2,226	3,339,811	32	214	107	128	123	183	192	170	219	262	255	341
Losses to membership:														
Merger between member banks--														
Intraclass ¹	296	(2,590,387)	17	40	9	21	18	16	31	18	17	34	33	42
Interclass ²	167	(1,023,661)	5	12	3	15	7	10	9	7	5	6	17	71
Absorption or succession by nonmember banks.....	266	542,234	8	13	16	17	23	37	19	16	20	50	24	23
Voluntary liquidation.....	123	185,279	3	7	1	5	6	7	6	7	17	22	16	26
Withdrawal.....	107	242,662	1	7	-----	8	8	9	24	6	11	15	7	11
Suspension.....	71	42,665	-----	2	1	-----	3	11	10	1	20	4	10	9
Insolvency.....	293	250,910	2	1	-----	5	6	9	16	4	110	58	45	37
Other.....	8	348	-----	-----	-----	-----	-----	3	1	1	1	1	2	-----
Total losses to membership.....	1,331	1,264,098	36	82	30	71	71	99	118	60	201	190	154	219
Net increase (+) or decrease (-).....	+895	+11,471,208	-4	+132	+77	+57	+52	+84	+74	+110	+18	+72	+101	+122
Active membership Dec.31, 1924.....	9,587	38,986,867	419	855	738	871	617	510	1,408	624	885	1,066	828	766

¹ National banks merging with national banks or State banks with State banks.

² National banks merging with State banks and vice versa.

During 1924 the number of national banks decreased by 136 and the number of member State banks by 51, a decline in total membership of 187. Despite this decline in membership, the aggregate resources of all member banks showed an increase for the year amounting to about \$3,750,000,000. The changes in membership, total and net, are classified in the following table:

CHANGES IN ACTIVE MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM, DECEMBER 31, 1923, TO DECEMBER 31, 1924

	Member banks			
	Number			Resources (in thousands of dollars)
	National	State	Total	
Active membership, Dec. 31, 1923.	8, 179	1, 595	9, 774	35, 238, 606
Additions to membership:				
Primary organization of national banks.....	90	-----	90	20, 336
Conversion of nonmember banks to national.....	19	-----	19	21, 345
Admission of State banks.....	-----	42	42	61, 805
Resumption following suspension.....	17	1	18	10, 541
Conversion within the system ¹	6	3	1	² (178, 776)
Total additions.....	132	46	170	114, 027
Losses to membership:				
Merger of member banks--				
Intraclass.....	45	9	54	(209, 927)
Interclass.....	21	10	31	(201, 873)
Absorption or succession of member bank by nonmember.....	45	7	52	42, 832
Voluntary liquidation (terminal).....	29	6	35	52, 431
Withdrawal.....	-----	26	26	66, 879
Suspension.....	17	21	38	24, 934
Insolvency.....	108	12	120	116, 533
Conversion within the system ¹	2	6	-----	(47, 235)
Other losses.....	1	-----	1	1, 347
Total losses.....	268	97	357	305, 006
Net change during the year.....	-136	-51	-187	³ +3, 748, 261
Active membership, Dec. 31, 1924.	8, 043	1, 544	9, 587	38, 986, 867

¹ Compensating items, except for one member State bank which succeeded a national bank that did not report on Dec. 31, 1923, and was therefore not counted among the losses in 1924.
² Resources of nine banks.
³ Includes in addition to increases classified above, those due to growth and reorganization

There were during the year 170 additions to membership, of which 61 were nonmember State banks which entered the system, 90 were national banks newly organized, and 18 were banks which had formerly been closed or

declared insolvent and resumed operations again. As against these gains there were 357 losses. Of these losses 120 were due to mergers between member banks and to voluntary liquidations and 158 to suspensions or insolvencies.

It will be noted, in addition, that 78 member banks were converted, in effect, into nonmember banks, 52 being absorbed or succeeded by nonmember banks and 26 State bank members withdrawing. This did not represent a net movement of banks from the system, however, since there were, on the other hand, 61 nonmember banks which, as already pointed out, joined the system, and, in addition, six nonmember State banks which were merged with member banks. In the New York, Philadelphia, St. Louis, Minneapolis, and Dallas districts there was a net gain of 19 member banks, when the changes in the status of banks, members or nonmembers, are considered.

Out of the total of 158 banks which were closed or declared insolvent during the year, 125 were national banks and 33 State member banks. These are shown by districts in the table below:

MEMBER BANKS INSOLVENCIES AND SUSPENSION, 1924

Federal reserve bank	Member banks		
	Total	National	State
All districts.....	158	125	33
Boston.....	1	1	-----
New York.....	2	2	-----
Philadelphia.....	1	1	-----
Cleveland.....	-----	-----	-----
Richmond.....	4	3	1
Atlanta.....	13	4	9
Chicago.....	15	6	9
St. Louis.....	2	1	1
Minneapolis.....	56	47	9
Kansas City.....	35	33	2
Dallas.....	18	17	1
San Francisco.....	11	10	1

In the following tables are shown in detail the changes in membership in the Federal reserve system, by districts, between October 10, and December 31, 1924, and, for the system as a whole, the changes during each of the past six years; all intrasystem changes are eliminated from the latter.

CHANGES IN MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM, BY DISTRICTS AND BY CLASS OF BANKS, OCTOBER 10-DECEMBER 31, 1924

	Resources, all districts (in thou- sands of dollars)	Number												
		All dis- tricts	Bos- ton	New York	Phila- del- phia	Cleve- land	Rich- mond	At- lanta	Chi- cago	St. Louis	Min- ne- apolis	Kan- sas City	Dallas	San Fran- cisco
Total membership:														
Oct. 10, 1924.....	37,103,870	9,635	419	845	736	872	620	515	1,419	625	890	1,082	838	774
Dec. 31, 1924.....	38,986,867	9,587	419	855	738	871	617	510	1,408	624	885	1,066	828	766
Net increase (+) or decrease (-).....	+1,882,997	-48	-----	+10	+2	-1	-3	-5	-11	-1	-5	-16	-10	-8
National bank membership:														
Oct. 10, 1924.....	23,311,786	8,069	382	701	664	752	556	384	1,057	495	788	1,049	654	587
Dec. 31, 1924.....	24,368,991	8,043	383	711	666	752	555	382	1,055	492	785	1,033	645	584
Net increase (+) or decrease (-).....	+1,057,205	-26	+1	+10	+2	-----	-1	-2	-2	-3	-3	-16	-9	-3
State bank membership:														
Oct. 10, 1924.....	13,792,084	1,566	37	144	72	120	64	131	362	130	102	33	184	187
Dec. 31, 1924.....	14,617,876	1,544	36	144	72	119	62	128	353	132	100	33	183	182
Net increase (+) or decrease (-).....	+825,792	-22	-1	-----	-----	-1	-2	-3	-9	+2	-2	-----	-1	-5
Changes in national-bank mem- bership:														
Total additions.....	4,131	26	1	10	2	-----	2	2	2	1	2	-----	3	1
Primary organization.....	2,071	21	1	10	2	-----	1	1	2	-----	1	-----	2	1
Conversion of State mem- ber bank.....	563	1	-----	-----	-----	-----	1	-----	-----	-----	-----	-----	-----	-----
Conversion of nonmember banks.....	374	3	-----	-----	-----	-----	-----	1	-----	1	-----	-----	1	-----
Absorption of State mem- ber bank ¹	307	(1)	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	(1)
Resumption following suspension.....	816	1	-----	-----	-----	-----	-----	-----	-----	-----	1	-----	-----	-----
Total losses.....	36,391	52	-----	-----	-----	-----	3	4	4	4	5	16	12	4
Voluntary liquidation (terminal).....	5,324	15	-----	-----	-----	-----	-----	1	-----	2	1	6	4	1
Suspension.....	2,022	2	-----	-----	-----	-----	1	-----	1	-----	-----	-----	-----	-----
Insolvency.....	10,683	18	-----	-----	-----	-----	2	3	2	-----	4	4	3	-----
Merger between national banks ²	(51,718)	7	-----	-----	-----	-----	-----	-----	1	-----	-----	2	4	-----
Absorption by State mem- ber bank.....	13,833	3	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	1	2
Succession by State mem- ber bank.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Absorption or succession by nonmember banks.....	3,182	6	-----	-----	-----	-----	-----	-----	-----	2	-----	3	-----	1
Other decreases ⁴	1,347	1	-----	-----	-----	-----	-----	-----	-----	-----	-----	1	-----	-----
Changes in State bank mem- bership:														
Total additions.....	37,770	4	-----	-----	-----	-----	-----	-----	-----	3	-----	1	-----	-----
Admission of State banks.....	4,904	3	-----	-----	-----	-----	-----	-----	-----	3	-----	-----	-----	-----
Succession to national banks.....	380	* 1	-----	-----	-----	-----	-----	-----	-----	-----	-----	* 1	-----	-----
Absorption of national banks ²	13,833	(3)	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	(1)	(2)
Absorption of nonmember banks.....	18,653	(1)	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	(1)
Total losses.....	36,559	26	1	-----	-----	1	2	3	9	1	2	1	1	5
Voluntary liquidation (terminal).....	596	1	-----	-----	-----	-----	-----	-----	1	-----	-----	-----	-----	-----
Suspension.....	6,641	10	-----	-----	-----	-----	1	2	4	-----	2	1	-----	-----
Insolvency.....	1,534	3	-----	-----	-----	-----	1	1	1	1	-----	-----	-----	-----
Merger between State banks ³	(6,123)	3	-----	-----	-----	-----	-----	-----	2	-----	-----	-----	-----	1
Absorption by national bank.....	307	1	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	1
Conversion to national banks.....	563	1	-----	-----	-----	-----	1	-----	-----	-----	-----	-----	-----	-----
Absorption by nonmember banks.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Withdrawal.....	26,918	7	1	-----	-----	1	-----	-----	1	-----	-----	-----	1	3

¹ Includes changes in resources due to reorganization, growth, etc., in addition to changes enumerated.

² Number not increased; both number and resources appear under losses by absorption for the other class of bank.

³ Counted only among losses in number; resources of members not diminished under ordinary circumstances.

⁴ Succession of one national bank by another which did not report until after Dec. 31, 1924.

⁵ Succeeded a national bank which did not report Oct. 10 and was numbered among losses of previous period.

CHANGES IN MEMBERSHIP IN FEDERAL RESERVE SYSTEM, BY CLASS OF BANK AND BY YEARS, 1919-1924

	1919			1920			1921		
	National	State	All member	National	State	All member	National	State	All member
Active membership, beginning of year.....	7,762	930	8,692	7,885	1,181	9,066	8,125	1,481	9,606
Additions to membership:									
Primary organization of national banks.....	170		170	234		234	103		103
Conversion of nonmember banks to national.....	62		62	102		102	59		59
Admission of State banks.....		280	280		332	332		204	204
Resumption following suspension.....							5		5
Conversion within the system ¹	11	5		11	6	1	17	3	
Total additions.....	243	285	512	347	338	669	184	207	371
Losses to membership:									
Merger of member banks—									
Intraclass ²	36	1	37	30	7	37	38	10	48
Interclass ³	12	4	16	11	2	13	26	7	33
Absorption or succession of member bank by nonmember.....	59	3	62	39	3	42	27	4	31
Voluntary liquidation (terminal).....	4	4	8	11	3	14	6	5	11
Withdrawal.....		9	9		12	12		18	18
Suspension.....				3		3	8		9
Insolvency.....	2		2	7	1	8	36	12	48
Conversion within the system ¹	6	12	2	6	10		3	17	
Other losses.....	1	1	2						
Total losses.....	120	34	138	107	38	129	144	74	198
Net increase (+) or decrease (-).....	+123	+251	+374	+240	+300	+540	+40	+133	+173
Active membership, end of year.....	7,885	1,181	9,066	8,125	1,481	9,606	8,165	1,614	9,779

	1922			1923			1924		
	National	State	All member	National	State	All member	National	State	All member
Active membership, beginning of year.....	8,165	1,614	9,779	8,220	1,639	9,859	8,179	1,595	9,774
Additions to membership:									
Primary organization of national banks.....	77		77	89		89	90		90
Conversion of nonmember banks to national.....	109		109	55		55	19		19
Admission of State banks.....		95	95		66	66		42	42
Resumption following suspension.....	8	1	9	4	2	6	17	1	18
Conversion within the system ¹	20	1		30	6		6	3	1
Total additions.....	214	97	290	178	74	216	132	46	170
Losses to membership:									
Merger of member banks—									
Intraclass ²	49	12	61	43	16	59	45	9	54
Do. ³	39	7	46	23	5	28	21	10	31
Absorption or succession of member bank by nonmember.....	23	1	29	49	1	50	45	7	52
Voluntary liquidation (terminal).....	17	9	26	24	5	29	29	6	35
Withdrawal.....		13	13		29	29		26	26
Suspension.....		2	2		19	19		21	38
Insolvency.....	23	7	30	73	12	85	108	12	120
Conversion within the system ¹	1	21	1	7	29		2	6	
Other losses.....	2		2		2		1		1
Total losses.....	159	72	210	219	118	301	268	97	357
Net increase (+) or decrease (-).....	+55	+25	+80	-41	-44	-85	-136	-51	-187
Active membership, end of year.....	8,220	1,639	9,859	8,179	1,595	9,774	8,043	1,544	9,587

¹ Compensating items, except in 1919 when two national banks were succeeded by a single State bank, and in any case in which a bank was succeeded by another that was nonreporting until the following year, as in 1919 when a member State bank converted into a national bank which did not report until 1920.

² National banks merging with national banks, or State banks with State banks.

³ National banks merging with State banks and vice versa.

MONEY IN CIRCULATION

[Source: U. S. Treasury Department circulation statements]

[In thousands of dollars]

	Total	Gold coin and bullion	Gold certificates	Standard silver dollars	Silver certificates	Treasury notes of 1890	Subsidiary silver	United States notes	Federal reserve notes	Federal reserve bank notes	National bank notes	Total circulation per capita (in dollars)
1914—July 1.....	3,402,015	611,545	1,026,149	70,300	478,602	2,428	159,966	337,845	-----	-----	715,180	34.85
1917—Apr. 1.....	4,100,691	641,794	1,348,818	70,863	459,680	1,997	191,351	330,353	356,448	3,170	697,160	30.54
1920—Nov. 1.....	5,628,428	495,353	231,404	89,725	60,385	1,628	261,556	277,736	3,310,225	209,877	715,023	52.36
1922—Aug. 1.....	4,337,418	416,282	171,985	58,378	268,802	1,508	229,956	284,343	2,115,350	65,032	725,782	39.47
1924—Feb. 1.....	4,681,708	405,573	571,381	56,496	357,177	1,440	252,511	294,470	2,008,877	12,729	721,054	41.77
Mar. 1.....	4,807,778	416,047	633,253	55,010	368,750	1,437	251,537	302,404	2,030,818	12,091	735,531	42.85
Apr. 1.....	4,812,861	408,062	687,252	55,202	367,113	1,433	251,639	304,846	1,988,585	11,588	737,141	42.85
May 1.....	4,780,114	403,649	726,179	54,823	370,093	1,428	252,702	301,110	1,909,143	11,025	729,962	42.33
June 1.....	4,815,401	402,122	779,169	54,078	373,381	1,425	252,557	305,966	1,897,636	10,438	733,629	42.78
July 1.....	4,755,403	396,415	801,381	54,017	364,414	1,423	252,971	297,790	1,843,091	10,066	733,835	42.70
Aug. 1.....	4,665,187	398,499	800,124	53,644	372,683	1,420	252,407	301,667	1,745,820	9,635	729,288	41.36
Sept. 1.....	4,773,878	401,794	872,507	53,915	385,499	1,417	253,732	308,111	1,746,230	9,229	741,144	42.28
Oct. 1.....	4,806,367	427,970	898,165	54,603	388,574	1,412	256,467	304,345	1,729,301	9,080	736,500	42.52
Nov. 1.....	4,879,694	436,160	904,861	55,185	389,201	1,410	259,710	305,840	1,784,046	8,710	734,571	43.12
Dec. 1.....	4,993,570	437,971	933,688	55,606	389,113	1,407	263,102	304,418	1,862,055	8,471	737,739	44.08
1925—Jan. 1.....	4,992,931	458,206	970,564	57,384	388,540	1,405	266,298	295,233	1,841,621	8,238	705,442	44.03
Feb. 1.....	4,751,538	455,169	929,650	55,533	360,808	1,401	256,898	283,598	1,688,662	7,987	711,832	41.86

¹ The figures for the several classes of money do not add to this total, as mutilated currency forwarded for redemption and unassorted currency held by Federal reserve banks have been deducted only from the total.

DISCOUNT RATES OF FEDERAL RESERVE BANKS IN EFFECT FEBRUARY 28, 1925

Federal reserve bank	Paper maturing—				
	Within 90 days				After 90 days but within 9 months
	Commercial, agricultural, and livestock paper, n. e. s.	Secured by United States Government obligations	Bankers' acceptances	Trade acceptances	Agricultural ¹ and livestock paper
Boston.....	3½	3½	3½	3½	3½
New York.....	3½	3½	3½	3½	3½
Philadelphia.....	3½	3½	3½	3½	3½
Cleveland.....	3½	3½	3½	3½	3½
Richmond.....	4	4	4	4	4
Atlanta.....	4	4	4	4	4
Chicago.....	4	4	4	4	4
St. Louis.....	4	4	4	4	4
Minneapolis.....	4	4	4	4	4
Kansas City.....	4	4	4	4	4
Dallas.....	4	4	4	4	4
San Francisco.....	3½	3½	3½	3½	3½

¹ Including bankers' acceptances drawn for an agricultural purpose and secured by warehouse receipts, etc.

Changes during the month—New York, on February 27, from 3 to 3¼ per cent.

GOLD SETTLEMENT FUND

INTERBANK TRANSACTIONS FROM JANUARY 22, 1925, TO FEBRUARY 18, 1925

[In thousands of dollars]

Federal reserve bank	Transfers		Daily settlements		Change in ownership of gold through transfers and settlements		Balance in fund at close of period
	Debits	Credits	Debits	Credits	Decrease	Increase	
Boston.....	3,000		701,194	710,772		6,578	57,478
New York.....	1,000		2,368,884	2,351,225	18,659		137,428
Philadelphia.....		2,000	671,698	677,002		7,304	47,692
Cleveland.....			616,393	621,602		5,209	51,181
Richmond.....		3,000	417,950	411,131	3,819		13,633
Atlanta.....		1,000	292,122	300,016		8,894	16,310
Chicago.....	1,000		1,104,065	1,105,724		659	98,327
St. Louis.....		1,500	555,276	551,321	2,455		21,998
Minneapolis.....	500		149,437	147,539	2,398		23,625
Kansas City.....		1,000	377,137	374,132	2,005		46,270
Dallas.....			288,961	271,587		2,626	29,989
San Francisco.....	3,000		303,145	304,211	1,934		39,618
Total, four weeks ending—							
Feb. 18, 1925.....	8,500	8,500	7,826,262	7,826,262	31,270	31,270	578,549
Jan. 21, 1925.....	42,000	42,000	8,308,529	8,308,529			592,392
Feb. 20, 1924.....	43,500	43,500	7,088,226	7,088,226			589,784
Jan. 23, 1924.....	19,500	19,500	7,204,855	7,204,855			587,324

GOLD AND SILVER IMPORTS AND EXPORTS

IMPORTS TO AND EXPORTS FROM THE UNITED STATES, DISTRIBUTED BY COUNTRIES

Countries	Gold			Silver		
	January, 1925	December, 1924	January, 1924	January, 1925	December, 1924	January, 1924
IMPORTS						
France.....	\$71,046	\$3,036,153	\$2,119,621	\$28,008	\$1,353	\$10,779
Germany.....		6,510		624	8,365	
Italy.....		937	2,367,142		2,059	
Netherlands.....			5,915,000			
Spain.....	7,026		5,910	15,436		12,731
Sweden.....			41,934			143
England.....	127,636	10,614	22,939,710	4,212	42,823	
Canada.....	3,120,326	2,729,944	8,466,428	660,613	279,454	369,446
Central America.....	116,627	209,982	151,020	133,053	121,286	306,453
Mexico.....	517,656	472,804	560,318	4,207,359	4,547,455	4,505,555
West Indies.....	48,982	34,564	74,244	27,407	89	19,281
Argentina.....		2,715,292	202,966		403	
Chile.....	7,977	80,603	4,441	188,787	247,302	48,358
Colombia.....	177,164	268,932	384,185	6,989	11,708	13,509
Ecuador.....		175,151	92,571		9,855	4,408
Peru.....	153,842	39,942	104,217	1,926,929	395,577	572,033
Uruguay.....						6,467
Venezuela.....	21,343	21,097	19,491	43	39	33
China.....	20,055		512,170	4,108		320
Dutch East Indies.....	240,539	154,269	197,038	77,115	104,135	81,127
Philippine Islands.....	192,536	148,423	156,888	3,583	7,324	2,357
British Oceania.....	76,504	76,157	148,712	86	102	227
Egypt.....	1,631		486,456	129		
Portuguese Africa.....	127,671	81,867	4,219	14,927	26,482	3,153
All other.....	9,239	10,808	181,079	39,151	58,081	23,378
Total.....	5,087,800	10,274,049	45,135,760	7,338,559	5,863,892	5,979,758
EXPORTS						
France.....	1,308,602	33,500				
Germany.....	17,500,000	20,000,000		17,995	67,493	
Netherlands.....	3,283,743	1,324,123				
Spain.....	40,000	130,000				
Sweden.....	1,002,628	1,000,652			650	700
England.....	5,078,028	10,263,690		3,559,365	33,000	958,948
Canada.....	69,998	187,602	128,278	124,048	146,745	146,372
Central America.....			1,000	1,600		775
Mexico.....	342,673	466,344	137,695	137,399	155,180	156,303
West Indies.....	10,000	10,000		1,920	49,000	12,895
Argentina.....	100,000	98,500				
Colombia.....						1,250
Ecuador.....	15,000					384,000
Peru.....						
Uruguay.....	750,000	30,000				
British India.....	36,466,268	5,674,442		3,942,430	5,884,364	3,981,653
Ceylon.....		20,000				
China.....				3,121,542	4,943,153	1,675,239
Dutch East Indies.....	15,000	80,000				
Hongkong.....	941,605	220,000	13,000	478,500		32,250
Japan.....						858,259
British Oceania.....	6,354,405					
Egypt.....	245,493					
All other.....	2,500	135,800	750		45	
Total.....	73,525,943	39,674,653	280,723	11,384,799	11,279,630	8,208,644

FOREIGN EXCHANGE RATES

[Noon buying rates for cable transfers in New York as published by Treasury. In cents per unit of foreign currency.]

COUNTRIES INCLUDED IN COMPUTATION OF GENERAL INDEX

index ¹	Monetary unit	Par of exchange	February, 1925		January, 1925				January, 1924					
			Low	High	Low	High	Average		Low	High	Average			
							Rate	Per cent of par			Rate	Per cent of par		
								64						59
	Franc	19.30	5.0000	5.1800	4.9700	5.2200	5.0573	26.20	4.0200	4.4300	4.1810	21.67		
	Krone	26.80	17.7700	17.8700	17.6700	17.9200	17.8104	66.46	16.0200	17.5800	16.9419	63.22		
	Reichsmark	23.82	23.8000	23.8000	23.8000	23.8000	23.8000	99.92	1.0219	1.0236	1.0226	24.17		
	Pound	486.65	475.7800	479.3300	474.9900	480.3700	478.1673	98.26	420.9400	430.9600	425.9092	87.52		
	Lira	19.30	4.0300	4.1600	4.0300	4.2400	4.1669	21.59	4.2800	4.3900	4.3400	22.49		
	Florin	40.20	40.0100	40.3100	40.3000	40.6100	40.4069	100.51	36.9200	37.8200	37.3496	92.91		
	Krone	26.80	15.2100	15.3100	15.1100	15.3300	15.2708	56.98	13.5300	14.4800	14.0765	52.52		
	Peseta	19.30	14.1500	14.3100	13.9900	14.3200	14.1808	73.48	12.6500	12.8300	12.7462	66.04		
	Krona	26.80	26.9300	26.9500	26.9200	26.9600	26.9458	100.54	25.8700	26.4000	26.1831	97.70		
	Franc	19.30	19.2100	19.3000	19.2500	19.5000	19.3369	100.19	17.2500	17.4300	17.3212	89.75		
	Dollar	100.00	99.7988	99.9189	99.5313	99.9568	99.6895	99.69	97.0137	97.8573	97.3645	97.36		
	Peso (gold)	96.48	86.6300	91.3100	90.4600	91.3900	91.0754	94.40	71.8300	74.9300	73.6542	76.34		
	Milreis	32.44	10.9900	11.6300	11.5700	11.9900	11.7150	36.11	9.8100	11.7000	10.8523	38.45		
	Peso (paper)	19.53	10.6500	10.9500	10.8100	11.5400	11.3469	58.10	9.9500	10.6800	10.3631	53.06		
	Shanghai tael	66.85	74.7300	75.7500	74.3200	75.9600	75.3423	112.70	69.6400	71.3500	70.2704	105.12		
	Rupee	48.66	35.5900	35.8600	35.4900	35.8900	35.7065	73.38	30.1700	30.8300	30.4473	62.57		
	Yen	49.85	38.5200	39.7300	38.3500	38.5300	38.4546	77.14	43.3800	46.0900	44.8965	90.06		

OTHER COUNTRIES

Austria	Krone	20.26	0.0014	0.0014	0.0014	0.0014	0.0014	0.01	0.0014	0.0014	0.0014	0.01
Bulgaria	Lev	19.30	.7279	.7344	.7286	.7371	.7335	3.80	.6833	.7506	.7143	3.70
Czechoslovakia	Crown		2.9518	2.9704	2.9727	3.0171	2.9987		2.8726	2.9080	2.8981	
Finland	Markka	19.30	2.5183	2.5216	2.5179	2.5225	2.5198	13.06	2.4658	2.4943	2.4828	12.86
Greece	Drachma	19.30	1.5658	1.6954	1.6933	1.8167	1.7553	9.09	1.7610	2.0207	1.9357	10.03
Hungary	Krone	20.26	.0014	.0014	.0013	.0014	.0014	.01	.0034	.0052	.0039	.02
Poland	Zloty	19.30	19.1700	19.2000	19.1700	19.2000	19.1788	99.37				
Portugal	Escudo	108.05	4.8500	4.9600	4.8200	4.9200	4.8808	4.52	2.9700	3.3700	3.1831	2.95
Rumania	Leu	19.30	.4870	.5180	.5133	.5288	.5191	2.69	.4913	.5096	.4993	2.59
Yugoslavia	Dinar	19.30	1.6017	1.6384	1.5524	1.7788	1.6347	8.47	1.1169	1.1471	1.1335	5.87
Cuba	Peso	100.00	99.9799	100.0281	99.9427	99.9777	99.9561	99.96	99.9349	100.0000	99.9736	99.97
Mexico	do	49.85	48.9750	49.4333	48.8000	48.9833	48.8800	98.05	47.6094	48.4219	48.0737	96.44
Uruguay	do	103.42	94.2800	97.8200	97.6600	99.5600	99.0319	95.76	77.4700	83.2000	79.6808	77.05
China	Mexican dollar	48.11	54.5600	55.6700	54.7500	55.9600	55.4962	115.35	50.0200	51.4200	50.3727	104.70
Hongkong	Dollar	47.77	54.9600	55.7900	54.9600	55.8800	55.5458	116.28	49.9500	50.7200	50.2081	105.10
Straits Settlements	Singapore dollar	56.78	55.0400	55.5900	54.0000	56.2500	55.3104	97.41	49.7100	50.8500	50.3481	88.67

¹ Weighted average, weighted on the basis of trade with each country for the 12 months ended December, 1924. The method of construction was described and all index numbers since November, 1918, were published on page 1260 of the BULLETIN for October, 1922.
² Per billion paper marks.
³ 1913 average.

SILVER

[Average price per fine ounce]

	February	January
London (converted at average rate of exchange)	\$0.69323	\$0.69391
New York	.68846	.68817

FEDERAL RESERVE DISTRICTS

