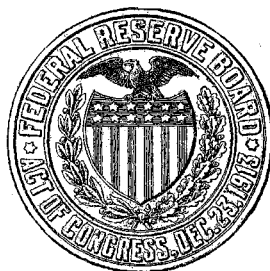


FEDERAL RESERVE BULLETIN

MARCH, 1926

ISSUED BY THE
FEDERAL RESERVE BOARD
AT WASHINGTON

Investment Funds and Security Issues
Business Conditions in the United States
Finland's Return to Gold



WASHINGTON
GOVERNMENT PRINTING OFFICE
1926

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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. Outside of the United States, Canada, Mexico, and the insular possessions, \$2.60; single copies, 25 cents.

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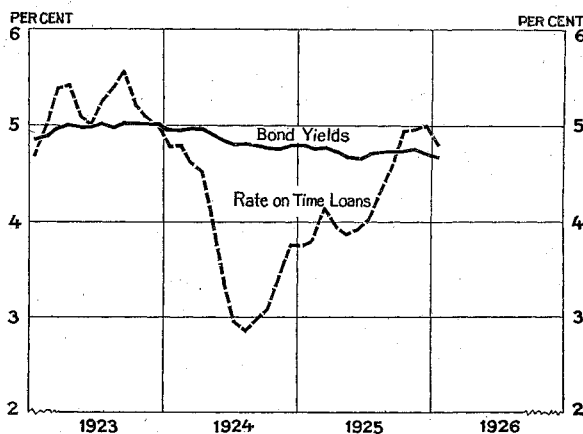
No. 3

REVIEW OF THE MONTH

Active business and full employment in industry have resulted during the past year in a large growth in the volume of funds available for investment. The demand for securities has been exceptionally strong, and the volume of new flotations in 1925 was larger than in any other recent year. In the opening months of 1926 security issues have continued to be in exceptionally large volume. The proceeds of the security issues have been used in part in financing construction work, which has been large during the period, and in the acquisition of additional industrial equipment. A portion of the proceeds has also been used to finance the foreign demand for American goods and to assist in the stabilization of monetary conditions in foreign countries. That funds available for investment have been in sufficient volume to absorb the exceptionally heavy security flotations has been indicated by the fact that long-term interest rates, which have been declining for more than two years, were in February at the lowest level in nearly a decade.

New issues of securities in recent months have been in a larger amount than in any other period since the war, and total flotations in 1925 were in larger volume than in any earlier year except 1917, 1918, and 1919, when the United States Government borrowed heavily for war purposes. Total issues in 1925, exclusive of refunding issues, aggregated more than \$6,200,000,000, and were \$600,000,000 larger than in 1924 and about \$2,000,000,000 larger than in 1923. That these issues were not in excess of the funds available for their purchase is indicated by the continued advance in the prices of bonds and other corporate securities. In February, 1926, bond

prices were at the highest level since the middle of 1917, and bond yields, which represent long-term interest rates, were lower than at any time in about nine years. A comparison of the course of long-term interest rates, as reflected in bond yields, with short-term money rates, as measured by the rate on 90-day time loans secured by mixed collateral in the New York market, is shown on the chart.



Bond yields are averages for 60 bonds, as computed by Standard Statistics Co., and rates on 90-day time loans on mixed collateral are monthly averages of daily quotations

During 1924 an important factor in the advance in bond prices, and in the accompanying decline in bond yields, was the large amount of investment in securities by the banks of the country, which increased their security holdings during that year by more than \$1,500,000,000. In 1925, however, the banks made only small additions to their security holdings, the volume of stocks and bonds held by member banks of the Federal reserve system increasing by less than \$80,000,000 during the year. Although the banks themselves have not been large purchasers of securities, the purchases of securities by other investors have been financed to a considerable extent by the banks.

Loans on stocks and bonds made by reporting member banks increased by about \$1,000,000,000 in 1925, and this growth of security loans accounted for 90 per cent of the increase in the loans and investments of these banks during the year. While the proceeds of a part of these loans on collateral are used by the borrowers for purposes not connected with the purchase of securities, a considerable part is used for the purpose of carrying securities to be paid for out of current income, and another part is used by investment houses to carry new issues of securities pending their distribution and by brokers in financing transactions in the security market. Bank loans to brokers and dealers in securities in New York City, as reported during the early months of 1926 for New York City banks and banks in other parts of the United States, have approximated \$2,500,000,000, equivalent to about one-third of the total loans on securities of all member banks.

The principal factor in the growth of bank loans on stocks and bonds during 1925 has been the increased activity of the securities markets. The unprecedented volume of transactions in these markets and the high level of prices attained in them have increased the requirements of purchasers in financing their operations. The advance in the prices of common stocks for the year has been about 20 per cent and that in the price of representative preferred stocks more than 5 per cent. A large volume of member bank credit has thus been employed during the year in financing the flotation, distribution, and trading in securities, and the increase in the demands upon the banks has accompanied the rise in the prices of new and old securities traded in on the exchanges. Investment demand for securities has been strong throughout the year, and there has been no evidence of accumulation of securities in the hands of distributors.

Funds raised through the issue of new securities in 1925 have been used in part in financing the exceptionally large volume of activity in the construction industry, and the use of these funds has resulted in making available

an increased amount of housing accommodation, of industrial plant and equipment, and of public roads and buildings. Funds available for investment have been used also in financing the distribution of automobiles and of other durable goods to consumers. The following table shows, for the years 1921 to 1925, the capital issues of the principal classes of corporations, exclusive of refunding issues:

NEW CAPITAL ISSUES OF CORPORATIONS ¹

[In millions of dollars]

	Total	Railroads	Public utilities	Iron, steel, coal, copper, etc.	Land, buildings, etc.	Miscellaneous
1921.....	1,823	353	492	85	53	840
1922.....	2,336	524	726	185	162	739
1923.....	2,702	465	888	292	251	806
1924.....	3,322	780	1,326	198	333	685
1925.....	4,100	380	1,496	133	715	1,375

¹ Including foreign corporations, for which capital issues, exclusive of refunding issues, were \$493,000,000, compared with \$293,000,000 in 1924.

Railroads raised during the year by the sale of new securities less than half as much as in 1924, and railroad purchases of equipment were a smaller factor than usual in the activity of manufacturing plants. Public utilities, however, raised in 1925 nearly \$1,500,000,000 in capital, of which a considerable part financed improvements in equipment and extensions of plant. Capital raised by concerns engaged in building and other real estate operations was nearly \$400,000,000 greater in 1925 than in 1924 and much larger than in any previous year. The large volume of unclassified issues represents an increase during the year in the capital of a large variety of enterprises.

In addition to the domestic capital issues in the United States during 1925, foreign issues floated during the year totaled about \$1,300,000,000, of which about \$1,100,000,000 were new issues and the remainder represented refunding operations. American investment in foreign securities during the year was in larger volume than in 1924 and about twice as large as the average for the preceding five years. The proceeds of these foreign loans have been used in part to pay for American exports and have thus been a factor in increasing the for-

Character of issues

eign demand for American products. Dollar balances to the credit of foreign borrowers arising from these loans have also played an important part in the reestablishment of monetary stability in foreign countries.

Investment in securities in exceptionally large volume during 1925 was made possible in part by the high level of earnings of corporations and by the relatively large and steady incomes received by individuals. Available evidence indicates that corporate earnings were larger in 1925 than in any other recent year. Reports for 485 corporations, collected by the Federal Reserve Bank of New York, show net profits for 1925 of \$2,312,000,000, compared with \$1,880,000,000 in 1924 and \$1,903,000,000 in 1923. The returns for these corporations are shown in more detail in the following table:

NET PROFITS OF CORPORATIONS
[In millions of dollars]

Class of corporations	Number of companies	1923	1924	1925
Industrial.....	190	671	615	840
Public utility.....	104	248	278	335
Class I railroads.....	191	984	987	1,137
Total.....	485	1,903	1,880	2,312

The large volume of earnings which has been at the disposal of corporations and of holders of their securities has afforded unusual opportunities for saving and for investment in securities and in other forms of property. Earnings of factory workers have also been at a relatively high level for more than a year, and the incomes of farmers, though somewhat smaller than in 1924, have been in larger volume than in other recent years. With incomes of consumers at a generally high level, there has been a sustained demand for commodities, which has been an important factor in the activity of trade and industry, and at the same time there has been a continued growth of savings deposits held by the banks of the country and in the assets of life-insurance companies. The funds in the hands of these savings institutions, as well as those disposed

of by individuals and corporations, have been available for use in making long-term investments. With funds derived from all of these sources flowing into investment channels, the year 1925 has been one during which a large amount of the national income has been used for permanent improvements, and the volume of the nation's savings has been exceptionally large.

THE BANKING SITUATION

Banking conditions in the country since the first of the year, as indicated by reports of condition of member banks in leading cities, have been characterized by a decrease in January of about \$270,000,000 in the volume of loans and investments, followed by an increase early in February. During the last half of December, partly in consequence of seasonal demand for currency and requirements for first of the year settlements, there had been an increase of \$250,000,000 in the volume of borrowing on stocks and bonds, largely in New York City. The return flow of currency from circulation and the settlement of interest and dividend obligations were followed after the turn of the year by a decline of \$320,000,000 in loans on securities during January and the first half of February, almost entirely in New York City. Loans chiefly for commercial purposes, which had declined after the seasonal peak in the middle of October, increased during the first half of February. Net demand deposits of these banks declined sharply from the high point reached at the first of the year; the decrease was chiefly in the New York district and reflected in large measure the decrease in the balances of out-of-town banks and some reduction in deposits accompanying the repayment of loans.

Condition reports for all member banks as of December 31, 1925, have recently become available, and are published on page 209 of this issue. In the following table figures are presented for principal resources and liabilities of all member banks as at the

Recent changes in banking conditions

Changes in condition of all member banks during 1925

end of 1925, together with changes for the last quarter and for the entire year.

PRINCIPAL RESOURCES AND LIABILITIES OF ALL MEMBER BANKS

[In millions of dollars]

	Dec. 31, 1925	Change since—	
		Sept. 28, 1925	Dec. 31, 1924
Loans and investments.....	31,199	+831	+2,173
Loans.....	22,275	+825	+2,094
Investments, total.....	8,924	+6	+79
United States securities.....	3,761	-24	-142
Other bonds and stocks.....	5,163	+30	+221
Deposits, total.....	34,228	+2,179	+1,867
United States Government deposits.....	304	+26	+62
Due to banks.....	4,221	+343	-327
Demand deposits.....	19,050	+1,624	+1,284
Time deposits.....	10,653	+186	+848

On December 31, 1925, total loans of the 9,489 member banks of the Federal reserve system aggregated \$22,275,000,000 and their investment holdings \$8,944,000,000, making the total volume of member bank credit outstanding \$31,199,000,000. This represents an increase of \$831,000,000 in loans and investments since September 28, 1925, and an increase of \$2,173,000,000 for the year ending December 31, 1925. The growth in member bank credit was accompanied by an increase of about \$436,000,000 in accommodation at the Federal reserve banks and by a growth in total deposits which for the year amounted to \$1,867,000,000; the increase in deposits consisted chiefly of increases of \$848,000,000 and \$1,284,000,000 in time and demand deposits, with a decline of \$327,000,000 in bank balances.

The growth in member bank loans and investments in 1925 was approximately the same in volume as in 1924, but was almost entirely

in loans, the banks having added only \$80,000,000 to their investment holdings during the year, whereas in 1924 there were approximately equal increases in loans and in investments. A comparison of figures for weekly reporting member banks, which are located in leading cities throughout the country, with figures for other member banks located for the most part in smaller centers, is presented in the following table:

PRINCIPAL RESOURCES AND LIABILITIES OF MEMBER BANKS, 1923-1925

[In millions of dollars]

	Loans and investments			Net demand plus time deposits	Borrowings at Federal reserve banks
	Total	Loans	Investments		
All member banks:					
End of—					
1923.....	26,738	19,052	7,686	24,415	798
1924.....	29,026	20,181	8,845	27,684	314
1925.....	31,199	22,275	8,924	29,153	750
Weekly reporting member banks:					
End of—					
1923.....	16,622	12,067	4,555	15,106	533
1924.....	18,599	13,068	5,531	18,103	154
1925.....	19,697	14,235	5,462	18,608	555
Other member banks:					
End of—					
1923.....	10,116	6,985	3,131	9,309	265
1924.....	10,427	7,113	3,314	9,581	160
1925.....	11,502	8,040	3,462	10,545	195

CHANGES FOR THE YEAR

All member banks:					
1924.....	+2,288	+1,129	+1,159	+3,269	-484
1925.....	+2,173	+2,094	+79	+1,469	+436
Weekly reporting member banks:					
1924.....	+1,977	+1,001	+976	+2,997	-379
1925.....	+1,098	+1,167	-69	+505	+401
Other member banks:					
1924.....	+311	+128	+183	+272	-105
1925.....	+1,075	+927	+148	+964	+35

The increase in member-bank loans and investments during 1924 was largely at member banks in leading cities, while in 1925 the increase in both classes of banks was in approximately equal volume. During the year 1925 member banks outside of the leading cities added \$150,000,000 to their investment holdings, a somewhat smaller amount than was added in 1924, and increased their loans by more than \$900,000,000, as against only \$130,000,000 in 1924; the total increase of nearly \$1,100,000,000 for this year was approximately one-half the amount of the total growth in loans and investments of all member banks. This growth in loans and investments was accompanied by an increase of nearly \$1,000,000,000 in net demand and time deposits, compared with less than \$300,000,000 in 1924, while discounts at Federal reserve banks increased by only \$35,000,000. At member banks in leading cities loans increased by about \$1,170,000,000 in 1925, somewhat more than during the year before, and investment holdings decreased by about \$70,000,000, compared

with an increase of nearly \$1,000,000,000 in 1924; the net increase in loans and investments for the year was thus about the same for these banks as for member banks outside the leading cities. Net demand and time deposits increased by about \$500,000,000 during the year, about one-sixth the amount of the increase last year, and discounts at the reserve banks increased by about \$400,000,000, somewhat more than the decrease in 1924. The growth in the loans of the banks in large cities was almost entirely in loans on securities, and, except for the advance in loans of New York City banks at the end of the year, partly seasonal in character, was at banks in other cities.

NOTES

Meeting of Federal Advisory Council.

The Federal Advisory Council held its first meeting in 1926 in Washington on February 18. Mr. Frank O. Wetmore, of Chicago, was elected president and Mr. Charles A. Morss, of

Boston, vice president. These officers are ex officio members of the executive committee, which includes in addition Messrs. James S. Alexander, L. L. Rue, George A. Coulton, and Breckinridge Jones.

Federal reserve agent at San Francisco.

On March 1, Mr. Isaac B. Newton assumed the duties of chairman of the board and Federal reserve agent at the Federal Reserve Bank of San Francisco, to succeed Mr. John Perrin, whose resignation took effect on that date.

Atlanta par clearance case.

On February 11 the United States Circuit Court of Appeals for the Fifth Circuit rendered a decision affirming the action of the District Court for the Northern District of Georgia in the case of the Pascagoula National Bank *v.* Federal Reserve Bank of Atlanta. The text of this decision, together with an account of the previous history of the case, appears on page 174 of this issue.

BUSINESS CONDITIONS IN THE UNITED STATES

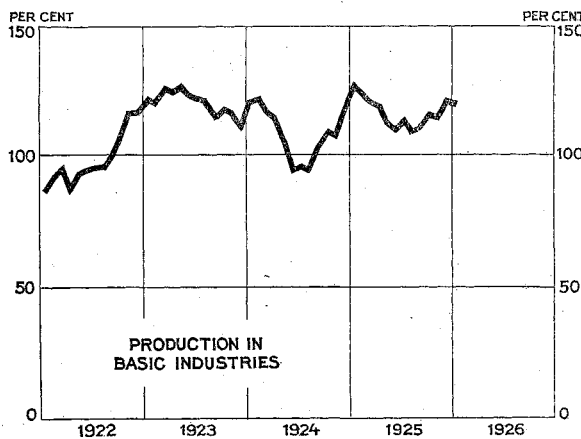
Industrial activity in January was in slightly smaller volume than in December, and the distribution of commodities showed a seasonal decline. The level of prices remained practically unchanged.

Production.—The Federal Reserve Board's index of production in selected basic industries was about 1 per cent lower in January than in December. The output of iron and steel, copper, and zinc increased, while activity in the woolen and petroleum industries declined, and mill consumption of cotton, the cut of lumber, and bituminous coal production increased less than is usual at this season of the year. Automobile production, not included in the index, was slightly smaller than in December, but considerably larger than in January, 1925. Factory employment changed but little in January, but the earnings of workers decreased considerably, owing to the closing of plants in most industries at the opening of the year for inventory taking and repairs. The volume of building contracts awarded in January, although seasonally less than in December, exceeded that of any previous January on record. Contracts awarded were particularly large in the New York and Atlanta districts.

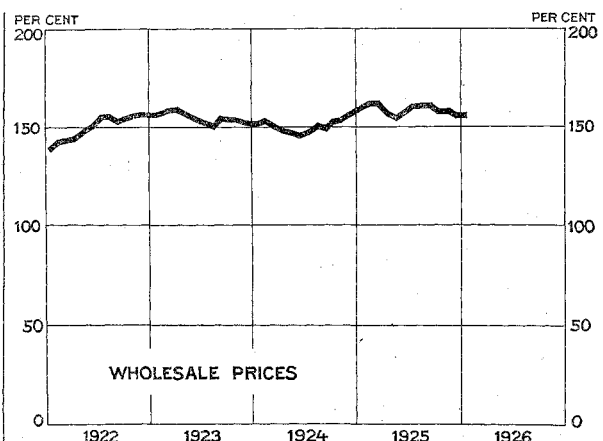
Trade.—Sales of department stores and mail-order houses showed more than the usual seasonal decline in January but were larger than in January of last year. Wholesale trade declined considerably and was in smaller volume than a year ago. Stocks at department stores showed more than the usual increase in January and were about 11 per cent larger than at the end of January, 1925. Freight-car loadings declined in January and the daily average for the month was approximately the same as a year earlier.

Prices.—Wholesale prices, as measured by the index number of the Bureau of Labor Statistics, remained practically unchanged from December to January. By groups of commodities, prices of grains, coke, and paper and pulp increased, while dairy products, cotton goods, bituminous coal, and rubber declined. In the first three weeks of February there was a decline in the prices of grains, and following the settlement of the strike in the anthracite region, a drop in the prices of bituminous coal and coke. Price advances were shown for refined sugar, copper, and petroleum.

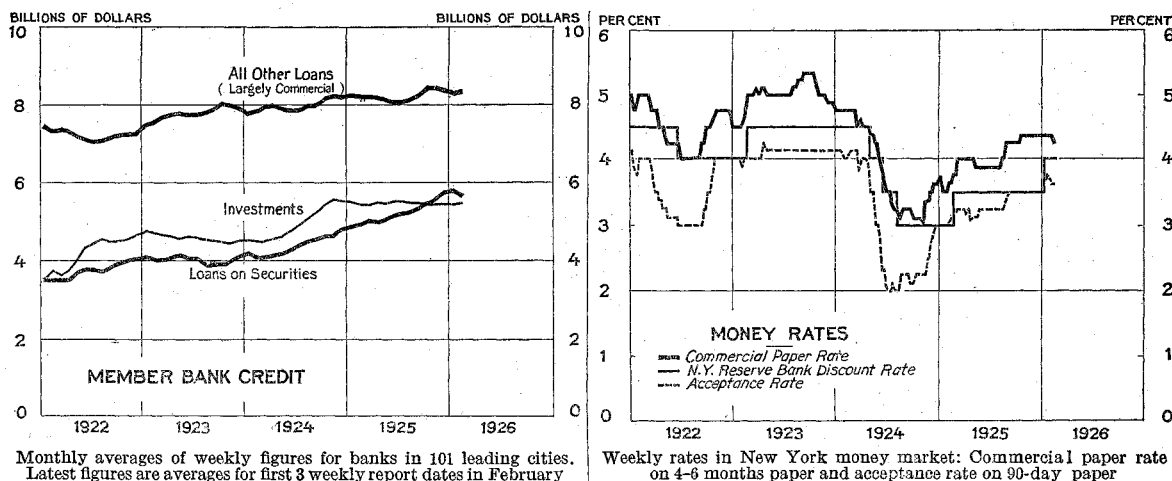
Bank credit.—At member banks in leading cities the seasonal decline in the demand for credit, which began at the turn of the year, came to an end toward the close of January, and in the early part of February the volume of loans and investments at these banks increased considerably. The increase was largely in loans for commercial purposes, which after declining almost continuously from their seasonal peak early in October, advanced by more than \$50,000,000 in February.



Index of 22 basic commodities adjusted for seasonal variations. (1919=100.) Latest figure, January, 120



Index of United States Bureau of Labor Statistics. (1913=100, base adopted by bureau.) Latest figure, January, 156



The growth in the commercial demand for credit throughout the country, together with some increase in currency requirements, was reflected in a withdrawal of funds from the New York money market and was a factor in the increase in the demand for reserve bank credit after the end of January. Reserve banks' holdings of bills and securities increased by about \$66,000,000 between January 27 and February 17.

As the result of the withdrawal of funds from New York the rates on call loans became somewhat firmer in February, but commercial-paper rates were slightly lower.

BUSINESS INDEXES OF THE FEDERAL RESERVE BOARD

[Monthly average 1919=100]

Year and month	Production in basic industries ¹	Factory employment	Factory pay rolls	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
							Unadjusted	Adjusted	Unadjusted	Adjusted	
1925											
January.....	127	94	103	164	123	79	108	124	119	134	119
February.....	124	96	109	166	125	76	101	131	127	135	118
March.....	120	96	110	172	117	83	121	121	139	137	118
April.....	119	96	108	169	129	79	136	133	141	136	120
May.....	111	95	108	151	123	79	128	124	136	137	118
June.....	110	94	105	173	117	83	126	126	129	135	122
July.....	113	93	103	188	122	83	95	123	125	133	124
August.....	108	94	105	225	123	87	98	125	131	131	120
September.....	112	95	104	235	121	94	121	134	143	133	123
October.....	116	97	111	210	121	101	165	145	149	134	128
November.....	115	97	112	229	121	86	145	129	154	137	122
December.....	121	97	112	276	130	79	226	141	129	139	124
1926											
January.....	120	96	107	243	118	79	115	131	126	142	126

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-stores sales and stocks are shown both with and without seasonal adjustments.

MONEY RATES

Seasonal increases in the demand for credit and currency during February were reflected in the withdrawal of funds from New York and higher average rates on call and time loans to brokers. The generally quoted rate on prime commercial paper of 4-6 months maturities, which responds more slowly to money conditions, became $4\frac{1}{4}$ per cent in February as compared with $4\frac{1}{4}$ - $4\frac{1}{2}$ per cent in January, but showed a firmer tendency in the latter half of the month. The persistently scanty supply of commercial paper in the market has been accompanied by fairly active demand from the interior in recent weeks, but the lower rates have tended to reduce this demand. Rates on acceptances, which were unsettled after their rise on January 8, stabilized at slightly lower levels, 90-day bills being offered at $3\frac{5}{8}$ per cent, but a falling off in demand at these rates has caused dealers to accumulate unusually large portfolios. Foreign investment demand has helped to depress both the rates on acceptances and the yield on short-time Government securities. Prices of both short and long time Government securities increased sufficiently in February to make their yields lower than they have been since last September or October. The table below shows money rates prevailing in the New York market during the last three months:

MONEY RATES IN NEW YORK

	Prime commercial paper, 4-6 months	Prime bankers' acceptances, 90 days	Yield on certificates of indebtedness, 4-6 months	Average yield on $4\frac{1}{2}$ per cent Liberty bonds	Renewal rate on call loans
December, 1925.....	$4\frac{1}{4}$ - $4\frac{1}{2}$	$3\frac{1}{2}$	$\left\{ \begin{array}{l} 1 \text{ } 3.47 \\ 2 \text{ } 3.51 \end{array} \right\}$	4.04	5.32
January, 1926.....	$4\frac{1}{4}$ - $4\frac{1}{2}$	$3\frac{1}{2}$ - $3\frac{3}{4}$	3.49	4.04	4.33
February, 1926.....	$4\frac{1}{4}$	$3\frac{5}{8}$	3.18	4.01	4.85
Average for week ending—					
Feb. 6.....	$4\frac{1}{4}$ - $4\frac{1}{2}$	$3\frac{5}{8}$	3.25	4.01	4.50
Feb. 13.....	$4\frac{1}{4}$	$3\frac{5}{8}$	3.26	4.01	5.25
Feb. 20.....	$4\frac{1}{4}$	$3\frac{5}{8}$	3.12	4.01	4.75
Feb. 27.....	$4\frac{1}{4}$	$3\frac{5}{8}$	3.07	4.00	5.00

¹ Issues maturing Mar. 15, 1926. ² Issues maturing June 15, 1926.

In the London money market rates continued to decline in February from the end of the year peak, and Treasury bills were tendered at an average rate of 4.128 per cent the third week of the month. Three months' bank bills were quoted at $4\frac{1}{8}$ per cent that week, as compared with $4\frac{5}{8}$ per cent the last week in January.

ACCEPTANCES

The acceptance market was unusually quiet during the period from January 21 to February 17, reports from dealers in New York, Boston, and Chicago showing the smallest volume of transactions since last summer. The supply of bills was generally larger than the demand for them, and dealers' portfolios increased to the highest point in over a year. Coffee, silk, and cotton bills were most in evidence, and foreign funds provided the chief investment demand. Rates, which were unsettled during the last half of January, became stabilized around the end of the month, with 90-day and longer bills offered at $\frac{1}{8}$ per cent less than immediately after the rise in rates on January 8, but still $\frac{1}{8}$ per cent more than at the first of the year. On February 17 rates in the New York market were as follows: $3\frac{3}{4}$ per cent bid and $3\frac{5}{8}$ offered for 60 and 90 day bills; $3\frac{7}{8}$ per cent bid and $3\frac{3}{4}$ offered for 120-day bills; 4 per cent bid and $3\frac{7}{8}$ offered for 150-day bills; and $4\frac{1}{8}$ per cent bid and 4 per cent offered for the longest maturities.

CAPITAL ISSUES

The volume of new domestic securities issued in January, according to the compilation of the Commercial and Financial Chronicle, amounted to \$566,900,000, somewhat less than in December, but more than in any previous month since May, 1924. Municipal issues were moderate in amount, but the total of corporate flotations was the largest ever offered in any one month. Industrial, public utility, and railroad issues all exceeded the December figures, with industrial securities continuing to make up the bulk of the total. The following table shows domestic securities issued in January, 1926; December, 1925, and January, 1925:

DOMESTIC CAPITAL ISSUES
[In millions of dollars]

	January, 1926		December, 1925		January, 1925	
	New	Re-fund-ing	New	Re-fund-ing	New	Re-fund-ing
Total.....	566.9	65.3	601.1	42.5	533.2	87.6
Corporate.....	493.1	63.5	403.8	41.5	363.4	85.2
Long-term bonds and notes.....	300.8	56.7	240.6	34.2	251.4	20.4
Short-term bonds and notes.....	43.1	-----	37.3	3.3	44.0	62.4
Stocks.....	149.2	6.8	125.9	4.0	68.0	2.4
Farm loan issues.....	5.0	-----	43.6	-----	36.9	-----
Municipal.....	68.8	1.8	153.7	1.0	132.9	2.4

Foreign securities issued in the United States in January were about equal to those issued in December, but small as compared with several other months of 1925. Of the total of \$81,190,000, refunding issues comprised \$12,941,000. About one-half of the new issues were government and one-half corporate, all of the latter coming from Germany and Canada.

SECURITY PRICES

Prices of common stocks increased during the first two weeks in February and declined during the following two weeks, as indicated by the weekly index of 232 representative stocks computed by the Standard Statistics Co. This is the first month since last April in which this index has not reached a new high point. Industrial stocks, however, were higher in February than in January, while railroad stocks experienced a considerable net decline during the month. Among the groups of industrial stocks which were considerably higher on February 23 than on January 25 were those of leather and shoe, electrical equipment, and chemical companies. Chain store, mail order, and paper company shares were among those which were lower on the more recent date. The volume of stock market activity, as indicated by the number of shares sold daily on the New York Stock Exchange, was somewhat greater in February than in January, but considerably less than during the last few months of 1925. Bond prices continued to advance, so that the average price of 40 bonds computed by Dow Jones & Co., after a rise of 2 points since the first of the year, reached the highest level since the war. The following table gives indexes of stock prices computed by the Standard Statistics Co. of New York, the average price of 40 bonds computed by Dow Jones & Co., and the average number of shares of stock sold daily on the New York Stock Exchange for the last six months:

INDEX NUMBERS OF SECURITY PRICES

	Price indexes of 1—			Average price of 40 bonds ²	Average number of shares of stock sold daily (000 omitted) ³
	201 industrial stocks	31 railroad stocks	Total, 232 stocks		
Average for—					
February, 1925.....	127.5	112.9	123.2	91.55	1,688
September, 1925.....	139.9	115.8	132.9	92.19	1,711
October, 1925.....	145.8	116.2	137.2	92.17	2,302
November, 1925.....	150.4	120.0	141.6	92.44	2,307
December, 1925.....	151.6	125.4	144.0	92.76	1,883
January, 1926.....	153.7	125.5	145.5	93.46	1,766
February, 1926.....	154.9	123.5	145.7	94.31	1,806
Average for week ending—					
Feb. 1.....	154.7	124.1	145.8	93.99	1,526
Feb. 8.....	156.4	124.3	146.9	94.18	1,766
Feb. 15.....	154.5	122.5	145.1	94.31	1,999
Feb. 22.....	154.1	123.2	145.0	94.40	1,606

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. Prices used are closing quotations on Monday.

² Arithmetic average of daily average closing prices, as published in the Wall Street Journal. Weekly averages are for week ending with Saturday preceding date given.

³ Saturdays omitted. Weekly averages are for five days ending with Friday preceding date given.

AGRICULTURAL CREDIT

Reductions in direct loans of all classes, with the exception of those based on cotton, coffee, rice, and raisins, were effected by the Federal intermediate credit banks during January. Direct loans, being based on warehoused products, are being liquidated gradually as the marketing season progresses. Last season cotton loans reached their high point of \$13,939,000 in the week of January 24, but due to unfavorable weather at picking time, marketing has been delayed and accommodations are still on the increase, the total for February 20, 1926, amounting to \$25,613,000. The financing of the Porto Rican coffee crop is under way and loans are increasing at the Baltimore bank, which handles this territory. There was no change in the amount loaned on raisins during January. The total amount of direct loans on February 20, 1926, amounted to \$50,987,000.

Total rediscounts for the 12 Federal intermediate credit banks showed a seasonal increase, going up from \$26,408,000 on January

2, 1926, to \$28,565,000 on February 20. This increase is accounted for almost entirely by the rise in the accommodations extended to livestock loan companies. Loans of the latter class have shown an almost continual increase during the last year, the Houston district being the largest contributor, with \$4,640,000 of such livestock paper.

Loans based on different commodities and rediscounts for the different financial institutions for the latest available date in February are shown in the following table:

INTERMEDIATE CREDIT BANKS

(In thousands of dollars)

	Feb. 20, 1926	Jan. 16, 1925	Feb. 21, 1925
Direct loans outstanding on—			
Cotton.....	25,614	24,214	10,914
Tobacco.....	17,062	20,888	22,134
Wheat.....	2,370	3,000	1,609
Canned fruits and vegetables.....	561	844	415
Raisins.....	3,600	3,600	4,000
Prunes.....			1,216
Peanuts.....	122	175	296
Wool.....	431	1,013	26
Rice.....	734	603	350
All other.....	493	449	102
Total.....	50,987	54,786	41,062
Rediscounts outstanding for—			
Agricultural credit corporations.....	16,062	14,600	10,132
National banks.....	34	34	17
State banks.....	357	391	733
Livestock loan companies.....	12,027	11,236	8,696
Savings banks and trust companies.....	85	80	151
Total.....	28,565	26,341	19,729

Federal land bank and joint-stock land bank loans increased at approximately the usual rate during January, the net increase of the joint-stock land banks totaling \$10,197,000, as compared with \$5,403,000 for the Federal land banks. During the past year there has been a reduction in the number of joint-stock land banks from 64 to 56, as a result of consolidations. The following table shows the outstanding volume of net mortgage loans at the end of January held by 56 joint-stock land banks, the 12 Federal land banks, and 41 life insurance companies owning more than 82 per cent of the assets of all life insurance companies.

NET FARM MORTGAGE LOANS OUTSTANDING

(In thousands of dollars)

	Jan. 31, 1926	Jan. 31, 1925
Total, all joint-stock land banks.....	555,756	454,393
Total, Federal land banks.....	1,011,088	935,330
Life insurance companies.....	1,523,000	1,456,000

¹ Loans outstanding Dec. 31, 1925.

AGRICULTURE

Early in February the Department of Agriculture published its study of the outlook for agriculture in 1926, and in connection with the prospective domestic demand for farm products during 1926 said, "agriculture as a whole should plan its 1926 production to supply a domestic market at best no stronger and probably somewhat less favorable than the present." In reference to the foreign demand the department said "the present prospects in foreign markets are that the demand for most of the products of our farms in 1926 will be no better than for the products of 1925, if as good, unless the competing products of foreign countries should be reduced by a less favorable season."

In January the aggregate volume of agricultural products marketed reflected considerably more than the usual seasonal decline from December and was 7 per cent less than in January of last year. All groups of commodities, as measured by the Federal Reserve Board's index, except animal products and tobacco, were marketed in smaller volume than in January, 1925, the largest declines occurring in live stock, grains, and vegetables. Exports of agricultural commodities also declined in January and were considerably smaller than in the corresponding month in any other recent year. Shipments abroad of all groups of commodities except tobacco were less than a year earlier, although the most substantial decreases were in the exports of grains and cotton.

Prices of grains, fruits and vegetables, and livestock, were higher in January than in December, but those of dairy and poultry products and cotton were slightly lower, leaving the general average of all farm prices at about the same level as in December. Compared with a year earlier, prices of fruits and vegetables and livestock were higher, but the level of other farm prices was lower, and the Department of Agriculture's index of 30 farm commodities was 143, compared with 146 in January, 1925.

Grains.

The condition of wheat and other small grains in the principal producing regions is generally good, according to the Department of Agriculture's report. Some winter killing is reported in Indiana and the condition in Illinois is somewhat uncertain. Prospects in the Pacific Coast States have improved, with the condition in Washington showing up particularly well.

The price of wheat, which advanced during the latter half of December, broke early in

January. A slack export business and the inactivity of the domestic flour trade were influential in continuing the decline until the close of the month, when a heavy movement of buying orders was followed by a gain of 8½ cents from the low point. Listless action on the part of both the domestic and foreign buyers of cash wheat and flour, however, together with a weakness in other grains, brought a further decline in February. The movement of wheat from the southern hemisphere is now under way, and about 23,000,000 bushels were shipped from Argentina and Australia during the month of January.

The Agricultural Outlook for 1926, issued by the Department of Agriculture, places the increase in the acreage of hard winter wheat sown last fall at about 4 per cent and reports that the crop went into the winter in good condition. They state further, "* * * the prospects are for another short crop of soft red winter wheat and this class will likely continue on a domestic basis."

Corn was subject to a fairly active demand during January as farmers marketed freely, elevator and commercial interests taking large offerings. The volume arriving at the principal markets, however, was less than for the same month last year. Corn coming to the market is still showing a high percentage of moisture and buyers are cautious in making purchases for storage.

Values in the oats market are still held to low levels under the influence of large stocks. Although the oats production in 1925 was estimated at 20,000,000 bushels less than in 1924, the carry-over was large and prices have fallen to the lowest levels since 1921-22. A heavier consumption is reported as a result of the low price, and it is probable that the amount consumed this year will exceed that of last year.

Interest in the flax market is centered on the surplus which Argentina has available for export, estimated at 67,000,000 to 69,000,000 bushels. This is nearly 30,000,000 bushels more than was exported last year. The demand is holding up, however, and during the earlier part of February No. 1 seed at Minneapolis was sold at \$2.45 to \$2.47½ per bushel.

Cotton.

Further declines in exports of American cotton and a slowing down in the rate of consumption at domestic mills were significant developments in the cotton trade in January. Exports began to fall below the volume of the preceding year in November, and in December,

and January they were 8 per cent and 30 per cent smaller, respectively, than in the corresponding months of last year. Declines continued in the early weeks of February, and for the entire season from August 1 through the middle of February exports were 3 per cent smaller than in the previous season. Consumption of cotton in American mills was slightly smaller than in January of last year, but a part of this decline may be attributed to one less business day in January this year than in January, 1925.

In consequence of a larger crop in 1925 than in 1924, together with the smaller foreign demand in recent months, stocks of cotton in the United States are considerably larger than at the corresponding date for any other recent year. A comparison of stocks of cotton at mills, warehouses, on plantations, and in transit at the end of January with those for other recent years is shown in the following table.

STOCKS OF COTTON ON JANUARY 31

[Thousands of bales]

	1923	1924	1925	1926
Mills.....	1,988	1,638	1,442	1,811
Public warehouses.....	3,486	2,964	3,860	5,176
Elsewhere ¹	1,330	1,108	1,823	1,992
Total.....	6,804	5,710	7,125	8,979

¹ Includes stocks at plantations, in transit, etc. Current Analyses of Cotton Trade, Merchants National Bank of Boston.

Smaller purchases by foreign buyers in recent months have been due in a large measure to the slowing down of activity in the textile markets abroad. Exports of cloth from Great Britain for the season through January were smaller than a year earlier, and in Germany the demand for finished products has fallen off and spinners are placing few orders for raw cotton. In fact, reports indicate that in some cases German spinners are reselling contracts for future delivery and in other cases they are requesting postponement of delivery. During the late weeks of January and the early weeks of February the price of cotton remained fairly stable, but after the middle of February prices declined slightly.

Tobacco.

Sales of tobacco in the Virginia and Carolina markets were seasonally smaller in January than in December, but were larger for all types of tobacco than in January, 1925. Prices received by the growers for the tobacco sold during the month were generally lower than

last year, those for Virginia bright tobacco averaging about 6 cents a pound lower, those for Virginia dark tobacco $3\frac{1}{2}$ cents lower, and those in North Carolina about $2\frac{1}{2}$ cents lower. In Kentucky sales of burley showed the usual increase in January over December, but sales were less than in January, 1925, largely in consequence of the reduction in the size of the crop. Marketing of dark tobacco in the Kentucky and Tennessee areas was larger in January than in December and sales were considerably larger than in January, 1925.

In commenting on the conditions in the tobacco industry, the Department of Agriculture points out in the General Agricultural Outlook for 1926 that cigarette types of tobacco "are relatively in the most favorable situation of the various classes of tobacco, with cigar types second, and the smoking, chewing, and dark export types last." Increased output of cigarettes in recent years has resulted in a growth in the demand for types of tobacco that enter into their manufacture, but the demand for other types of tobacco has declined, and in reference to the chewing, smoking, and snuff types the department states that growers should keep two objectives in mind in 1926—"to readjust their total production in accordance with the undoubted decrease in demand, and strive for betterment of quality."

In the tobacco-manufacturing industry production of cigarettes and manufactured tobacco in January exceeded that in December, while the output of cigars was less. When compared with earlier years the output of cigars and manufactured tobacco products was less than for any January since 1922. Production of cigarettes, on the other hand, continues to increase, amounting to 6,943,815,000 in January, as compared with 6,652,475,000 in 1925, 6,256,784,000 in 1924, and 5,349,771,000 in 1923.

Fruits and vegetables.

A lighter crop of citrus fruit than had been anticipated is being realized as approximately half the season's shipments have been made. Florida orange and grapefruit estimates have been reduced about a third, and that State finds itself with the smallest crop since 1921; California estimates remain unchanged for oranges, and the lemon crop is about the average for the last two years. The combined orange production is estimated by the Department of Agriculture as 29,000,000 bushels, compared with 32,000,000 bushels last season.

Apple prices have been working downward, and the market is reported as unsettled and

slow. The marketable crop this season is larger by one-seventh than that of last season and the stocks on hand are still very large for so late in the season. The combined cold-storage holdings on February 1 totaled about 7,000,000 barrels, as compared with 5,233,000 barrels on that date last season. Reduction in stocks during January, however, were slightly larger than in the same period last year.

The export trade in fruits and vegetables during the closing months of 1925 was slightly in excess of the same period in the preceding year. January exports, nevertheless, were a trifle less, compared with 1925, the Department of Agriculture's index number of fruit and vegetable exports being given as 197, as compared with 206 a year ago. The market for grapefruit in Great Britain has experienced a considerable expansion, taking 141,300 boxes in 1925 as compared with 47,720 boxes in 1924, or seven times the amount imported from the United States in 1920.

Unseasonable weather delayed planting of various truck crops in the South, and light winter shipments have resulted, only sweet potatoes, celery, and peppers showing about the usual volume. Cabbage and potatoes have been the outstanding vegetables in the market this season, as far as price is concerned, the former being twice as high as last season and the latter two to four times as high.

Lettuce shipments from California have been particularly heavy, totaling close to 4,000 cars on January 30, which is double last season's movement on that date. Forwardings of spinach from Texas have been increasing rapidly and a dull market has followed.

Holdings of onions at the beginning of the year, reported to be the heaviest in recent seasons, and an estimated 15-per cent increase in acreage in Texas, California, and Louisiana, are features of the market that have been closely watched. Imports of Valencia onions from Spain totaled more than 2,100 carloads at the close of January and have also had their bearing on the lower trend in market prices which has taken place.

Livestock.

A generally favorable winter season has been reported throughout the principal grazing sections, and cattle and sheep are in good condition. Cattle have been ranging freely in many parts of North Dakota, Montana, and Washington, with but little winter feeding required. In Wyoming and Colorado, until recently, the range has been covered and extensive feeding has been necessary. Recent

moisture over a considerable part of the Southwest has improved the situation there and reports are mostly good. A favorable outlook is also reported for the Pacific States.

Some uncertainty is being expressed in the prospective lamb and wool market, as practically none of the wool clip and very little of the lamb crop had been contracted for up to the middle of February. Buyers are showing a spirit of caution and sheepmen are unwilling to give any material concession.

The cattle market has been furnished with a plentiful supply of short-fed animals which has had a tendency to depress prices. The average price of native beef steers at Chicago, as reported by the Chicago Federal Reserve Bank, was \$9.65 in January, as compared with \$9.75 for December. Fat cows and heifers, however, according to the same source, registered an increase, the average for January being \$6.65, as compared with \$6 for December. The latter gain, however, was not maintained, as in the first part of February there was a decline of from 25 cents to 50 cents.

Stocker and feeder shipments of cattle and calves from the 12 leading markets for the period July 1, 1925, to February 5, 1926, were 127,000 head less than for the same period last year and only 80 per cent of the average shipments of the preceding three years. More recently shipments have been accelerated, and figures for January show an increase over the same month last year. Some significant changes in destination of the current year's shipments are noticed in the following table, which indicates a noticeable decline in the numbers going into Iowa and a marked increase in those going into Oklahoma. The six States given below usually take about three-fourths of all feeder and stocker shipments.

STOCKER AND FEEDER SHIPMENTS

[July-February shipments and corresponding 4-year average]

Destination	July 1, 1925-Jan. 31, 1926	4-year average, 1921-25	Per cent of current year to 4-year average
	Head	Head	
Illinois.....	358, 095	366, 321	97.8
Iowa.....	3 3, 820	516, 763	74.3
Kansas.....	308, 839	302, 570	102.1
Missouri.....	212, 847	272, 057	78.2
Nebraska.....	324 701	416, 203	78.0
Oklahoma.....	90, 349	73, 844	122.4

The feeder shipments of hogs were considerably greater for the current period than in the

preceding year, totaling 313,062 head, as compared with the low record of 188,113 head in the earlier period. Feeder shipments of sheep were approximately 500,000 head less than for the year preceding and only 88.7 per cent of the three-year average.

A marked reduction was evidenced in the number of hogs marketed, January receipts being 32 per cent less than for the same month last year. Prices on the bulk of sales at the close of the second week in February were approximately \$2 higher than a year ago, and light pigs were on an even higher basis. The low price of corn has created keen competition for the lighter weights, and the movement to country feed lots has been active. The favorable corn hog ratio is also resulting in a material increase in pork supplies, as average weights for the season at Chicago have been 15 pounds higher than last year. For January, average weights were in excess of last year by 31 pounds at Omaha, 27 pounds at Kansas City, 20 pounds at Sioux City, 16 pounds at St. Joseph, and 15 pounds at St. Paul.

Lamb prices at the close of the second week in February were on a level approximately \$2 lower than the December average. Receipts of lambs and sheep for January were in excess of those for the same month in 1925 by about 60,000 head. Values on matured sheep were well sustained.

Dairy products.

Lower price levels were reached in the butter market during the first of the year, following a decline in foreign markets in December which made it profitable to divert butter shipments to this country. A further influence weakening the market was the increased domestic output during January, due largely to low feed prices and relatively high prices for dairy products which have stimulated production. Thirty-nine creameries reporting to the Chicago Federal Reserve Bank totaled a 14 per cent increase in the amount of butter churned in January as compared with the preceding month, and 11 per cent in excess of a year ago. The American Association of Creamery Butter Manufacturers reports a similar trend for the United States. Demand, however, continued fairly active and a firmer market was in evidence during the first half of February, which satisfactorily cleared offerings at the lower price level. Storage holdings decreased from 53,000,000 to 39,389,000 pounds during January. The last figure compares favorably

with last year's stocks on February 1, which totaled 45,389,000 pounds, an unusually large supply.

In the cheese market there have been signs of uncertainty, and slight reductions in the level of prices were effected in the first part of February. Storage stocks of American cheese on February 1 totaled 50,358,000 pounds, practically 9,000,000 pounds greater than on the same date last year. Reductions in holdings during January, however, totaled about 8,000,000 pounds, which compares favorably with 1925. Production has been materially increased. Reports, giving the amount of cheese manufactured and received at primary markets within the State of Wisconsin, indicate an increase of 15 per cent for the four weeks ending January 30 over the preceding period, and over the corresponding weeks in 1925.

MINING

The anthracite strike, which began last September, was settled in February and the mines reopened the latter part of the month. The rather negligible production of anthracite noted since the beginning of the strike continued during January and was an important factor in keeping the Federal Reserve Board's index of total mining output below that of a year earlier. Production of bituminous coal and zinc was greater during January than in December or in January, 1925, zinc output being the largest on record in the post-war period. Copper production increased, but was not as large as the output of a year earlier.

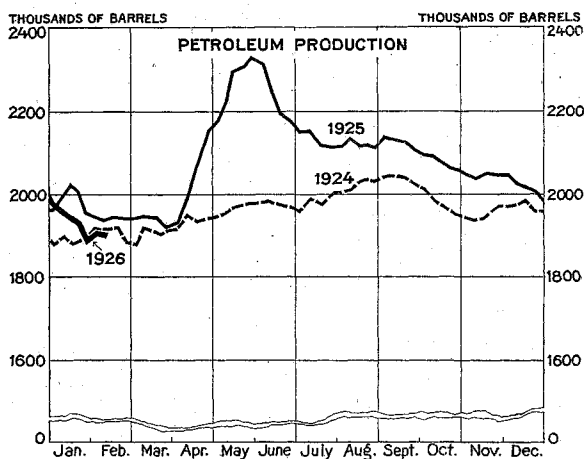
Coal and coke.

Winter weather, the high level of industrial activity, and the continued suspension in the anthracite fields, all contributed to the strength of bituminous coal and coke during the latter part of January and the first part of February, and production and prices remained high. Accompanying the settlement of the anthracite strike, announced on February 12, however, markets became unsettled and prices, especially for coke, broke rapidly.

Output of bituminous coal in January totaled 53,662,000 net tons, the highest since the war, and during the first two weeks of February production continued on a slightly lower level, average production per working day for the week ending February 13 being 2,001,000 net tons, as compared with 2,178,000 net tons during the week ending January 16. The Coal Age index of spot prices for bitumi-

nous coal was \$2.10 on February 15, the lowest since October, and 10 cents under the figure four weeks earlier.

Total output of coke during January was 5,185,000 short tons, a record output for the industry. Of this total, 3,804,000 tons consisted of by-product coke a new high figure, and 1,381,000 tons of bee-hive coke, the highest since August, 1923. During the first half of February output of bee-hive continued at a high rate, production for the week ending February 13 being 357,000 tons, as compared with 311,000 for the week ending January 16. Prior to the settlement of the anthracite strike, quotations for coke rose rapidly, Connellsville coke being quoted at \$10.50 on February 10, as compared with \$7 on January 20. Subsequently prices broke and by February 24 had receded to \$3.75.



Source: American Petroleum Institute's estimates of daily average crude-oil production, by weeks.

Petroleum.

Declines in the production of crude petroleum which began in the summer of 1925 continued in January, and during the last week of the month the daily average output was below 1,900,000 barrels for the first time since the fourth week in February, 1924. In each of the first three weeks of February the output was slightly larger than that of the last week of January, but was less than in the other weeks. Comparison of the estimated output during the first weeks of 1926 with that during the corresponding period in the preceding year shows that the output thus far this year is considerably less. Monthly statistics of the Bureau of Mines, however, which may include some petroleum drawn from stocks, indicate that production in January was at about the same rate as a year earlier. The accompany-

ing chart shows in detail the changes in the daily average production of petroleum in 1924, 1925, and the first six weeks of 1926.

Accompanying the steady decline in production and the relatively small stocks, prices of crude petroleum advanced from \$1.84 a barrel early in January to \$2.017 a barrel in the third week in February. Advances, however, have not been as rapid as those of last year, when average quotations rose from \$1.395 a barrel in January to \$2.084 in February. Changes occurring in prices between January 1 and February 20 are given in the table.

PRICES OF CRUDE PETROLEUM AT THE WELL¹
[Average price per barrel for 10 fields]

Date	1926	1925
Jan. 1.....	\$1.842	\$1.395
Jan. 8.....	1.842	1.395
Jan. 15.....	1.822	1.395
Jan. 22.....	1.822	1.521
Jan. 29.....	1.822	1.656
Feb. 6.....	1.882	1.869
Feb. 13.....	1.882	2.009
Feb. 20.....	2.017	2.084

¹ Oil, Paint, and Drug Reporter.

Advances in the price of crude oil were followed by higher quotations for refined products, although the increased demand for kerosene and fuel oil, partly as a result of the shortage of coal in eastern centers, was an important factor in strengthening the market for these oils. Gasoline prices at refineries and service stations were slightly higher in the middle of February than in January, but these prices in the Atlantic coast regions were directly affected by shipments from California. In 1925 shipments of gasoline from Los Angeles to the East totaled 7,836,000 barrels, as compared with 1,570,000 barrels in 1924.

Production of all refined products increased in December, and the output of gasoline, gas, and fuel oils, and lubricating oil was larger than in December of 1924, while that of kerosene was smaller. Supplies of gasoline and lubricating oils were larger at the end of December, the latest month for which complete statistics are available, than at the end of 1924, but those of kerosene, gas, and fuel oils were smaller.

Nonferrous metals.

Quotations for nonferrous metals showed diverse tendencies during the latter part of January and the first half of February, rising prices in copper and tin being accompanied by distinct reactions in the case of lead, zinc, and

silver. Refined electrolytic copper delivered in New York, after touching 14 cents during the latter part of January, was quoted at 14¼ to 14⅞ cents during the third week in February, the highest since the middle of November. United States output of copper during January was 142,628,000 pounds, the highest since March, but 5 per cent under production in January, 1925. Stocks at the end of the month were higher than on December 31. Output of lead in January was in about the same volume as December, but 8 per cent above January, 1925. Though production of zinc in January was again in excess of deliveries and surpassed the December peak, shipments were in about the same volume as in November and December, with the result that stocks of slab zinc in the hands of refineries at the end of the month rose to 14,300 tons, the highest since August, but 4,696 tons below those at the end of January, 1925. During the middle of February, quotations for both lead and zinc receded to the lowest levels since August, lead in New York being quoted at 9⅞ cents, ⅝ cent below the peak in November, while zinc in St. Louis, at 7½ cents, was about 1¼ cents below the December high.

With little demand at current prices, quotations for bar silver in New York receded to 66⅝ cents on January 17, the lowest since April 25, 1925, and 6¼ cents under the September high. January deliveries of tin to the United States were the greatest since April, 1924, but stocks in New York at the end of the month fell off. Quotations for tin were strong during February, straits tin being quoted at 64¼ cents on February 17, up 2½ cents over January 20, and only ¼ cent under the recent high on November 12.

MANUFACTURING

General industrial activity showed little change of significance from December to January. The Federal Reserve Board's index of manufacturing production (see table, p. 180) stood at 129 for November, December, and January. A year earlier this index rose from 113 in November to 127 in January. The indexes of employment and factory pay rolls were lower in January than in December, because of slightly smaller employment in certain seasonal industries and rather general reductions in amount of pay rolls incidental to the usual closing early in January for inventory taking and repairs.

By individual industries, activity was increased or maintained during January at close to December levels in iron and steel, cotton,

silk, lumber, and leather and shoes. Production of automobiles and of tires was slightly smaller than in December, and activity in the woolen-goods, meat-packing, and flour-milling industries also decreased. The maintenance of the manufacturing index at a higher level than in January, 1925, was entirely due to the larger volume of automobile production this year, because most of the other industries showed declines in output, which were, however, rather small in the important industries.

Food products.

Refiners' stocks of raw and refined sugar during 1925 increased approximately 90,000 long tons, the amount actually going into distribution totaling 5,427,770 tons, or an equivalent of a per capita distribution of 107 pounds. This figure sets a new high record, the per capita distribution for the two previous years being 99.9 pounds for 1924 and 94.6 pounds for 1923. Sugar meltings were considerably larger in December and January than in the same months in the preceding years, totaling 349,139 and 367,439 long tons, respectively. The following table gives the sources from which the 1925 supply of sugar was secured:

SOURCES OF THE SUGAR SUPPLY IN 1925
[In long tons—2,240 pounds]

Louisiana.....	144, 728
United States beet.....	862, 700
Hawaii.....	631, 735
Porto Rico.....	509, 373
Philippines.....	408, 763
Virgin Islands.....	8, 757
Cuba (53.5 per cent of total).....	2, 952, 155
Total.....	5, 518, 211

Purchasing on a hand-to-mouth basis characterized the flour trade during January, and production dropped about 12 per cent below the level for the corresponding period last year. Little interest was shown in the export field, although Southwestern and Central States mills maintained a moderate business with Latin America. The sharp decline in wheat prices in the second week of February stimulated sales, as buyers took advantage of the lower level of prices to replenish stocks. Stocks in the hands of millers at the close of January were smaller than at the same time last year.

January sales of meat products by 30 meat-packing companies increased 10 per cent over December and 16 per cent over January of last year. Domestic demand for fresh pork and beef was only fair, but a rather active trade in smoked and cured meats was experienced. The Department of Agriculture places the total

stock of meats in this country on February 1 at 694,000,000 pounds, which is a decrease of 325,000,000 pounds compared with the same date in 1925. Lard exports for the period of July 1, 1925, through the first week of February show a decrease from 516,000,000 pounds, last year, to 411,000,000 pounds for the current period. Stocks of lard on hand February 1, 1926, were only slightly more than a half of those held a year previous.

According to the Chicago Federal Reserve Bank, the total value of packing-house products billed to customers by 64 companies during the calendar year 1925 was 14 per cent greater than for 1924 and 17 per cent larger than in 1923.

Textiles.

Cotton and silk manufacturing continued at about the same rate in January as in December, but activity in the woolen and worsted industry was considerably reduced. Buying of textile fabrics and materials slackened somewhat in February, and prices have weakened.

Buying of cotton goods was in moderate volume during January and February and production was well maintained, but prices continued to decline. Mill consumption of raw cotton and the number of spindle hours active were greater in January than in December, but the increase was not as great as is usually noted at that period of the year. Consumption by mills in the New England States totaled about 142,000 bales, as compared with 158,000 bales in January a year ago, a decrease which more than offset the increase in the cotton-growing States from 405,000 bales in January, 1925, to 412,000 bales in January, 1926. In both sections consumption for the six months ending with January was larger than that for the same period a year earlier. Mill stocks of raw cotton at the end of January were considerably greater than on January 31, 1925. Prices of cotton goods, as indicated by the Fairchild index, declined slightly during January and the first three weeks of February. Among cotton goods, demand for sheetings has been particularly great. Cotton finishers reported larger orders and shipments and smaller billings in January than in December. Stocks were slightly reduced.

Early in February the 1926 lines of goods for men's suits and overcoats were opened by leading producers at lower prices than at the corresponding openings of 1925. Reductions were rather general and were made on worsted and woolen suitings and on overcoatings. In 1924 and early 1925 woolen goods were in relatively

greater demand than worsteds, and prices of woollens were raised substantially at the fall openings a year ago, whereas worsteds moved upward more slowly. Last August at openings of spring lines both woollens and worsteds were reduced—worsted by a larger amount. During the fall worsteds were in a far greater demand than at any time in several years, and activity of worsted spindles increased considerably. The following table gives Fairchild indexes of woollen and worsted goods prices for certain dates. The dates selected are those preceding and following the recent openings of fall lines, the spring openings of last August, and the fall openings of a year ago.

FAIRCHILD WOOLEN AND WORSTED PRICE INDEXES

[All-year numbers]

Date	Suttings		Overcoat-ings
	Worsteds	Woollens	
Feb. 15, 1926.....	253.181	234.583	400.000
Jan. 15, 1926.....	260.903	240.833	475.000
Aug. 15, 1925.....	255.833	240.833	-----
July 15, 1925.....	278.125	258.750	-----
Feb. 15, 1925.....	276.875	257.916	425.000
Jan. 15, 1925.....	276.493	248.333	425.000

Both consumption of wool and machinery activity in the industry decreased substantially in January. Activity of cards and of woollen spindles was smaller than at any time since 1922. Looms and worsted spindles were not as active as a year ago or during the fall months, but more so than during last summer. Domestic raw wool prices declined slightly in January and February, the Fairchild index falling from 114.122 at the end of December to 108.642 in the week ending February 19. Stocks of raw wool at the end of December, as announced by the Bureau of the Census, were smaller than those held three months earlier. The decrease occurred in supplies of domestic wools, as stocks of foreign wool were larger than on any quarterly report date since March 31, 1924. Manufacturers' inventories of raw wool were a little smaller than at the end of 1924, while dealers' stocks were slightly larger. Clothing manufacturers are busily engaged in producing spring lines and operations have increased.

Buying of silk goods became less active in February than it was earlier in the year. January imports of raw silk were fairly large, and deliveries to mills were almost as large as those for October, the greatest on record. The Fairchild index of silk goods prices on Feb-

ruary 1 was 132.35, as compared with 131.35 on January 1 and 123.03 a year earlier. Raw silk prices declined slightly in February, but maintained a level higher than during most of last year. Sales of silk at wholesale and retail continued during January to exceed those of a year earlier.

Buying of summer underwear, particularly of nainsook men's wear, has been active in recent weeks, while demand for heavyweight lines has been seasonally light. Buying of hosiery increased somewhat in February. According to preliminary Bureau of Census reports covering the Philadelphia and Atlanta Federal reserve districts, orders for hosiery were substantially larger in January than in December, while production and shipments showed little change. New orders for underwear were larger in December than in November, but shipments were smaller. Scattered advances have been announced recently in prices of bathing suits.

Iron and steel.

Since the beginning of the year buying of iron and steel products has slackened, and there are evidences of a check in the steady increase of activity noted during the late months of 1925. Production of pig iron and steel ingots was slightly greater in January than in December, that of ingots being the largest for any January except 1925. Fewer iron furnaces were in blast, however, at the end of January than at the beginning of the month. Furthermore, the volume of unfilled orders of the United States Steel Corporation declined during January for the first time since last summer. Trade reports indicate that new business for steel producers during the first part of February was being booked at a greater rate than in the preceding month.

The decline in pig-iron production, indicated by the blowing out of blast furnaces, was attributed to high prices for coke. It was cheaper to sell coke for household use as a substitute for anthracite than to make it into pig iron. Since the settlement of the anthracite strike about the middle of February the price of coke has dropped rapidly. Pig-iron prices remained practically unchanged from early in December until late in February, when some reductions were made. The Iron Age composite of finished-steel prices declined slightly in January and February, owing to reductions in quotations on plates and sheets. Prices for scrap steel have likewise decreased.

Although new business in recent weeks has not been of appreciable volume, specifications

on first-quarter contracts have continued, particularly for rails and track equipment. Reports indicate that buying by automobile producers has not been up to expectations. Structural-steel bookings and shipments were seasonally smaller in January than in December, but greater than those of a year earlier.

Automobiles and tires.

Production of passenger automobiles in January was slightly larger than in the same month a year ago and slightly smaller than the January maximum attained in 1924. Truck production in January, 1926, however, was larger than in the corresponding month of any previous year. As compared with December, output of both passenger cars and trucks decreased in January, although in other years increases have occurred at that season. It is yet too early in the year to determine the strength of the retail demand for cars. Additional price changes have been announced by producers within recent weeks; of these perhaps the most important were the reductions by the Ford Co. in prices of closed models, together with increases in those of open cars.

Reports to the Chicago Federal Reserve Bank from manufacturers producing about two-thirds of the total output of cars indicate that the January ratio between dealers' sales to users and dealers' receipts from factories, 73 per cent, was the smallest for any month since February, 1924. The actual volume of sales was larger than in January, 1925. Dealers in the Middle West reported to the Chicago Reserve Bank increases of about 16 per cent as compared with a year earlier in both wholesale and retail sales of new cars and of 10 per cent in used-car sales. Stocks of cars on hand increased in January and were much larger than at the same time last year.

Decreases in the price of crude rubber, which began in December, were partially checked early in February, but in the latter part of that month quotations fell below 60 cents a pound, a new low price since last May. Imports of crude rubber in January totaled nearly 95,000,000 pounds, as compared with 90,000,000 pounds in December, the previous maximum for any month. Automobile tire production and shipments were sharply curtailed in January, shipments being the smallest for any month since early in 1922. Stocks were increased to the largest on record for casings and almost the largest for inner tubes. Prices of tires were reduced 10 per cent in February.

Lumber.

Production of lumber in January, as reported to the National Lumber Manufacturers Association, was in nearly the same volume as in December, but in smaller volume than in January of 1925. The smaller production of this year, it may be noted, was reported by a smaller number of mills—511, as compared with 533 mills reporting in January a year ago. As in each of the two preceding months, shipments in January exceeded production, but shipments this year fell short of shipments reported by the larger number of mills in January of last year. In the six weeks ended February 13 shipments of softwood exceeded production and orders exceeded shipments. Production and orders of hardwoods in this period exceeded shipments. Shipments of Douglas fir, as reported by 98 mills to the West Coast Lumbermen's Association, exceeded production; and production of southern pine, as reported by 158 mills to the Southern Pine Association, exceeded shipments in January, both production and shipments of these woods being in smaller volume this year than last.

Hides, leather, and shoes.

Little change has been noted in markets for leather and allied products since the first of the year. Buying of hides has been light, the quality of those offered for sale seasonally poor, and prices weak. In February quotations on light native cow hides in the Chicago market fell to 11½ cents, the lowest since July, 1924. Last summer the corresponding price was 16 cents. Statistics of hides and skins disposed of during December showed larger transactions in goat and kid skins, moderate activity in cattle hides, and rather light trading in calf and kip skins. Except in the case of cattle hides and kip skins, stocks at the end of 1925 were larger than a year earlier, although seasonally smaller than in the early fall.

Demand for leather has been fair, with active buying of kid as a contrast to the rest of the market. Production, as indicated by December statistics, of the important types of leather, except those made from goat and kid and sheep and lamb skins, was smaller than a year earlier. Stocks in process on December 31 of sole leather and of calf and kip upper leather were smaller, but those of cattle, goat, and sheep uppers were larger than at the end of 1924. In most cases total finished stocks were slightly smaller than a year earlier, although tanners' stocks were generally larger.

January production of sole leather totaled 1,061,930 backs, bends, and sides, as compared with 1,080,515 in December and 1,296,319 in January, 1925.

Production of shoes in January was smaller than in December in the New York, Chicago, and St. Louis Federal reserve districts and larger in the Boston, Philadelphia, and Cleveland districts. According to preliminary estimates, January output was smaller than for the same month in any of the preceding four years, the duration of the records. Sales of shoes during January by wholesale dealers reporting to Federal reserve banks were, on the other hand, larger than those of the same month last year.

BUILDING

Building and engineering operations, in January, though smaller than in December, continued on a very high level. Awards of contracts in 11 Federal reserve districts fell off over the month by more than the usual seasonal amount, but the January valuation of awards this year exceeded that of January last year by 48 per cent. And with awards running in this large volume the valuation put upon contemplated projects reported for January to the F. W. Dodge Corporation exceeded the valuation of contracts actually brought under contract in this month by 86 per cent.

In 10 of the 11 Federal reserve districts covered by the data the valuation brought under contract fell off over the month, an increase being shown for the Richmond district; and in 10 districts the valuation increased over January of 1925, a decrease being shown for the Cleveland district.

The valuation of residential contracts, which in December represented nearly one-half of the total valuation of all contracts awarded for construction, decreased from \$257,000,000 in December to \$190,000,000 in January, or 42 per cent, in a total of \$457,000,000 for all classes of construction. With this considerable decrease over the month the valuation of residential awards in January of this year was nevertheless well in excess of the corresponding value (\$133,000,000) for January of 1925.

Both the number and the valuation of building permits issued in 168 selected cities fell off in January, the decrease in valuation over the month amounting to 18 per cent; and both the number and the valuation of permits issued exceeded those of a year ago, the increase in valuation amounting to 8 per cent. Increases over last year are shown in the totals

for cities of the New York, Philadelphia, Atlanta, St. Louis, and Dallas districts, and decreases for cities of the Boston, Cleveland, Richmond, Chicago, Minneapolis, Kansas City, and San Francisco districts. In its summary review of compilations covering permits issued in 207 cities, the Dodge Corporation notes that while the aggregate value of permits issued in January in these cities ran above last year's total by \$15,000,000, this gain was to the amount of \$11,000,000 contributed by the five boroughs of New York City; and notes further that for the first time in several months a majority of the cities covered by the reports—105 out of 207 cities—showed decreases in comparison with the corresponding month of the preceding year. The valuation of permits issued in New York City fell off from \$92,000,000 in December to \$80,000,000 in January, the corresponding total for 1925 being \$69,000,000.

Although the Bureau of Labor Statistics index of wholesale prices of building materials increased slightly in January—from 177 in December to 178—and prices of lumber and of bricks advanced, building costs in general did not change materially from the level of the preceding month. The New York Reserve Bank's index for cost of building continued in January as in December at 194, the same as for January, 1925. Cost of construction indexes computed for different types of building also continued in January practically at the level of the preceding month.

TRANSPORTATION

Car loadings, which had been running in record volume continuously during the closing months of 1925, fell off in January. The roads loaded fewer cars in this month than in the preceding December and fewer than in the opening month of 1925. Loadings in January this year were, however, in nearly the same volume as in January of 1923 and of 1924. Geographically, this decrease in loadings was widely distributed. Decreases over the month were, in fact, reported for each of the seven transportation districts for which separate totals are compiled, and, except in the Pocahontas district, loadings this year in January, with one less working day, ran in each district below January loadings of 1925.

Compilations, by classes of freight, show that loadings of miscellaneous freight and less-than-carload merchandise fell off over the month, but exceeded loadings in January of any earlier years; and that for each of the commodity classes of freight excepting coke

which moved in practically the same volume in January as in December, loadings fell off over the month and were generally in smaller volume this year than in any January of the three preceding years. In the opening week of February total loadings fell slightly below and in the second week ran slightly above loadings in the corresponding week of 1925.

Although the roads loaded more cars in 1925 than in any earlier year, they produced a slightly smaller aggregate of net ton miles than in 1923. This failure of ton miles to increase in proportion with loadings is in a measure accounted for by the relatively greater volume of miscellaneous merchandise moving in less-than-carload lots in 1925. In each of the last five months of 1925, however, according to compilations by the Bureau of Railway Economics, the aggregate of net ton miles reported ran above 1923. It is shown, further, that generally throughout 1925, as in 1924, the roads maintained continuously a large reserve equipment of stored locomotives and of surplus freight cars in condition for service, and that throughout 1925 the percentage of locomotives and of freight cars in serviceable condition was well above the average of the four or five preceding years. The average surplus of freight cars available for service, which had increased from 120,000 cars in November to 197,000 in December, increased in January to 285,000 cars. For the first quarter of February the roads reported a surplus of 240,000 cars.

It is noted by the Director of the Bureau of Railway Economics, in a review of railway operations in 1925, that capital expenditures of Class I railways in the four years 1922-1925 exceeded \$3,000,000,000—the amount in the several years being \$429,000,000 in 1922, \$1,059,000,000 in 1923, \$875,000,000 in 1924, and \$775,000,000 in 1925—and that the 1925 program called for additional expenditures carried over into 1926 in the amount of \$425,000,000. The review states that at the end of the year these roads had on order 471 locomotives and 40,015 freight cars, the corresponding figures for December 31, 1924, being 287 and 55,684. Improved facilities and equipment resulting from these expenditures have enabled the roads to effect large economies, which are reflected in the financial results of operation. The operating ratio, or percentage of operating expenses to operating revenue, for example, has declined from 77.75 in 1923 to 76.15 in 1924, and to 74.08 in 1925. Although operating revenue in 1925 was only 3 per cent above that of 1924, and fell below

that of 1923, net railway operating income was greater in 1925 than in any earlier year, running above 1924 by \$150,000,000, or 15 per cent. The rate of return on property investment of the carriers as shown by their books was 4.48 per cent in 1923, 4.33 per cent in 1924, and 4.83 per cent in 1925. Carriers in the eastern district earned 5.20 per cent in 1925, in the southern district 5.91 per cent, and in the western district 4.13 per cent.

TRADE

Wholesale trade.

Trade at wholesale firms reporting to the Federal reserve system and represented in the Federal Reserve Board's index of wholesale trade was in about the same volume in January as in December. Sales of groceries, shoes, and hardware were smaller than in December, while those of meats, dry goods, and drugs were larger. Grocery sales were 7 per cent smaller and declined in all Federal reserve districts except in the Dallas and San Francisco districts, and hardware sales were below those of December in all districts except Richmond, Atlanta, and San Francisco. Increased buying of dry goods was indicated in all districts, except Philadelphia, Cleveland, and Minneapolis, and reflected seasonal increases in orders from retail stores in anticipation of the usual spring demand for merchandise.

When compared with January of last year, aggregate sales at reporting stores were in about the same volume, but sales of groceries, dry goods, hardware, and drugs were smaller, while those of meats and shoes were larger. Grocery sales were smaller than a year ago in ten Federal reserve districts, the greatest declines being in the Boston, Philadelphia, and Chicago districts, where they amounted to 13 per cent, 11 per cent, and 9 per cent, respectively. Hardware sales were smaller than last year in most sections of the country, but in the Atlanta district they were about 23 per cent larger.

Stocks of merchandise at wholesale firms, as measured in dollar values, were generally larger at the end of January than at the end of December in all leading lines except groceries and in most Federal reserve districts. Compared with a year ago inventories, on the whole, were smaller, the most substantial reductions being in stocks of dry goods and shoes. Reports from several districts relating to accounts receivable indicate that for grocery firms these were smaller than at the end of January, 1925, and that those for drug firms were larger.

Retail trade.

Sales at retail stores reporting to the Federal reserve system declined in January from the large volume in December, and the decline was greater than has usually occurred between December and January in other recent years for department stores, mail-order houses, grocery, 5-and-10-cent, cigar, and shoe chain stores.

Compared with January of 1925, however, retail sales were larger at all classes of reporting stores. Department-store sales were 4 per cent larger than in January of last year, and increases occurred in nearly all Federal reserve districts. The largest increase was in the Boston district, where it amounted to 13 per cent, while sales in the Cleveland, Dallas, and San Francisco districts were but slightly larger than in January, 1925. Among individual departments within the stores reporting from seven Federal reserve districts increases of more than 10 per cent occurred in sales of leather goods, furs, juniors' and girls' ready-to-wear, women's and children's hose, floor covering, china and glassware, house furnishings, toys and sporting goods, luggage, and musical instruments and radios. Sales at 15 departments were smaller than a year earlier, but the largest declines, amounting to more than 20 per cent, were reported for woolen dress goods, women's suits and skirts, waists, and blouses.

Merchandise stocks at department stores were reduced about 2 per cent in January, but this decline was less than that which is usual in that month. When compared with January of last year, inventories at these stores were 4 per cent larger for the country as a whole, but were slightly smaller in the Boston, Philadelphia, Cleveland, and Atlanta Federal reserve districts. Increases in inventories over January, 1925, were indicated for 24 departments, the largest being at those carrying toilet articles and drugs, leather goods, juniors' and girls' ready-to-wear, furniture, beds and mattresses, and luggage. The most substantial reductions this year, compared with January, 1925, were in stocks of cotton dress goods, ribbons, women's suits and skirts, waists and blouses, musical instruments, and radios.

The rate at which stocks at department stores were turned over in January was slightly greater than in January, 1925. Increases were reported from stores in the Boston, Philadelphia, Cleveland, Atlanta, and Chicago Federal reserve districts, but in all other districts the rate of stock turnover was slower.

EMPLOYMENT

Changes in factory employment and pay rolls from December to January were largely of a seasonal nature. At the beginning of the year most establishments usually curtail operations for a short period for inventory taking and general repairs. This results in a marked reduction in the amount of wages paid at the time, although practically the same number of names may be retained on the pay rolls. The Federal Reserve Board's index of pay rolls therefore declined nearly 5 per cent in January. The employment index decreased less than 1 per cent, owing to reductions in a few seasonal industries. Both indexes continued somewhat larger than in the same month a year earlier.

Decreases in number employed were chiefly in the industries producing building materials, furniture, foods, woolen goods, and tobacco. The important iron and steel and textile groups of industries remained practically unchanged in respect to number employed. Pay rolls decreased in practically all industries except women's clothing, men's clothing, carpets and rugs, and boots and shoes. According to reports of the Bureau of Labor Statistics, both employment and earnings decreased from December to January in all major sections of the country except New England. Of the firms reporting to the Bureau of Labor Statistics, 69 per cent were on full-time operations in January, as compared with 73 per cent in December. In general, decreases in full-time operations were noted in those industries in which employment decreased. Wage increases worthy of note were reported during January in several printing establishments and in certain railroad repair shops.

PRICES

The wholesale price index of the Bureau of Labor Statistics for January stood at 156, compared with 156.2 for December. None of the index numbers of the several component groups showed material changes, the widest movement being the decline of about 2 per cent in the miscellaneous group, reflecting lower prices on crude rubber.

Although the monthly changes have been small, the all-commodity index has fallen in every month since last August, when it was 160.4, the net decline amounting to about 3 per cent. This decline has been generally distributed among the groups, six showing declines and three advances. The greatest decline, amounting to about 7 per cent,

occurred in the farm products group, reflecting lower prices for cattle, corn, and cotton. Smaller declines are shown in the food, cloth and clothing, house furnishing, chemical, and miscellaneous materials groups. On the other hand, building materials and fuels are both substantially higher than in August, and the metal group is slightly higher.

In February wheat, rye, cotton, sheep, and hogs declined, but changes in other agricultural products were small. Among the fuels, crude oil and gasoline were higher than in January, but bituminous coal was slightly lower. Coke, which had risen from \$4.50 a ton in early January to \$10.50 in early February, dropped abruptly to below \$4 after the termination of the anthracite strike. Iron and steel prices were somewhat lower.

COMMERCIAL FAILURES AND BANK SUSPENSIONS

COMMERCIAL FAILURES

Commercial failures numbering 2,296 and involving liabilities of \$43,661,444 were reported for the month of January by R. G. Dun & Co. The number of failures was about 22 per cent larger than in December. A relatively large number of insolvencies is not unusual at the opening of the year, but the number for January this year was larger than for any previous January since 1915 with the exception of 1922, when there were 2,723 failures in that month, and 1925 when there were 2,317. The aggregate indebtedness in default in January this year was about 20 per cent larger than in December, but was about 20 per cent smaller than in January last year; there were declines from last year in the indebtedness of insolvent trading enterprises and of insolvent agents and brokers, and an increase in the indebtedness of insolvent manufacturing enterprises. The record of failures during January, 1926, is shown in the following table by class of enterprise:

COMMERCIAL FAILURES DURING JANUARY

Class of enterprise	Number		Liabilities	
	1926	1925	1926	1925
All classes.....	2,296	2,317	\$43,661,444	\$54,354,032
Manufacturing.....	510	480	16,093,950	11,909,187
Trading.....	1,696	1,757	21,511,872	24,654,579
Agent, brokers, etc.....	90	80	6,055,622	17,799,266

Both number and liabilities were larger in January than in the preceding month for all three classes of enterprise. A comparison between January of this year and last discloses increases, in both number and liabilities, for manufacturing insolvencies and decreases for insolvent trading enterprises; the number of insolvencies among agents and brokers was larger this year than last, but the liabilities showed a marked decline from the high total reported for January last year.

The number of failures in January was larger than in December of last year in all except the Boston and Philadelphia districts, and was larger than in January a year ago in all except the Boston, Philadelphia, Richmond, Atlanta, Chicago, and San Francisco districts. In the Cleveland and Minneapolis districts the totals for the month were higher than for any previous month since the district record has been kept. Liabilities were higher in January than in the preceding month in all except the Philadelphia, Richmond, Minneapolis, and San Francisco districts, but were higher than during January of last year in only the Boston, Cleveland, St. Louis, Minneapolis, and Dallas districts. Comparative data, by districts, for the month of January are presented in the following table:

COMMERCIAL FAILURES DURING JANUARY, BY DISTRICTS

Federal reserve district	Number		Liabilities	
	1926	1925	1926	1925
All districts.....	2,296	2,317	\$43,661,444	\$54,354,032
Boston.....	211	217	6,891,046	3,742,645
New York.....	466	416	8,636,584	20,028,016
Philadelphia.....	56	80	1,348,759	1,747,846
Cleveland.....	244	199	5,581,160	4,937,059
Richmond.....	182	188	3,516,504	4,029,401
Atlanta.....	80	156	1,355,434	2,750,320
Chicago.....	316	345	8,180,404	9,753,298
St. Louis.....	136	127	2,116,266	433,149
Minneapolis.....	113	103	1,298,783	1,095,724
Kansas City.....	147	134	1,348,728	1,678,389
Dallas.....	108	78	1,457,716	1,312,836
San Francisco.....	237	274	2,130,060	2,845,349

BANK SUSPENSIONS

During January 64 banks, with total deposits of \$17,084,000, were reported to the Federal reserve banks as having been closed or declared insolvent. These totals are lower than those reported for the preceding month when there were 70 closed banks, with deposits

of \$22,284,000, and lower also than in January last year when 103 banks with deposits of \$25,477,000 suspended operations. Of the banks closed in January this year, 7 with deposits of \$3,988,000 were national banks, 4 with deposits of \$1,385,000 were member State banks, and 53 with deposits of \$11,711,000 were nonmember banks. The Chicago and Minneapolis districts account for half of the total suspensions, and within these districts suspensions were most numerous in the States of Iowa, Minnesota, and North Dakota. One bank each in the Atlanta, Minneapolis, and Kansas City districts, which had previously been closed, were reported to have resumed operations during the month. The figures for closed banks represent as far as can be determined banks which have been declared insolvent or have been closed to the public by order of supervisory authorities, and it is not known how many of the latter institutions may ultimately prove to be solvent. It will be noted that figures for total deposits have been used in the following table instead of figures for capital and surplus as heretofore.

BANKS CLOSED DURING JANUARY, 1926

Federal reserve district	All banks		Member ¹		Nonmember	
	Number	Total deposits ²	Number	Total deposits ²	Number	Total deposits ²
All districts.....	64	\$17,084,000	11	\$5,373,000	53	\$11,711,000
Cleveland.....	2	1,183,000	---	---	2	1,183,000
Richmond.....	5	843,000	---	---	5	843,000
Atlanta.....	5	2,451,000	1	194,000	4	2,257,000
Chicago.....	12	5,755,000	7	4,292,000	5	1,463,000
St. Louis.....	5	628,000	---	---	5	628,000
Minneapolis.....	20	4,220,000	1	751,000	19	3,469,000
Kansas City.....	8	1,138,000	---	---	8	1,138,000
Dallas.....	5	656,000	2	136,000	3	520,000
San Francisco.....	2	210,000	---	---	2	210,000

¹ Comprises 7 national banks with deposits of \$3,988,000, and 4 State member banks with deposits of \$1,385,000.
² Figures represent deposits for the latest available date prior to the suspension, and are subject to revision when information for the date of suspension becomes available.

FOREIGN TRADE

Total imports and exports of merchandise purging January, the merchandise trade balance of the United States by months in 1925, and the trade balance, including imports

and exports of gold and silver, for January, 1924 and 1925, are shown in the tables following:

MERCHANDISE TRADE BALANCE OF THE UNITED STATES

[In thousands of dollars]

Month	Imports	Exports	Excess of imports	Excess of exports
1925				
Year.....	4,227,279	4,909,845	---	684,434
January.....	346,165	446,443	---	100,278
February.....	333,887	370,676	---	37,289
March.....	386,378	453,653	---	68,275
April.....	346,091	398,255	---	52,164
May.....	327,519	370,945	---	43,426
June.....	325,216	323,348	1,868	---
July.....	325,648	339,660	---	14,012
August.....	340,086	379,823	---	39,737
September.....	349,954	420,368	---	70,414
October.....	374,074	490,567	---	116,493
November.....	376,431	447,804	---	71,373
December.....	397,330	468,303	---	70,973
1926				
January.....	416,766	397,196	19,570	---

TRADE BALANCE OF THE UNITED STATES FOR JANUARY, 1925 AND 1926

[In thousands of dollars]

	Total	Merchandise	Gold	Silver
1925				
Imports.....	358,542	346,165	5,038	7,339
Exports.....	531,354	446,443	73,526	11,385
Net imports (-) or exports (+).....	+172,812	+100,278	+68,488	+4,046
1926				
Imports.....	441,880	416,766	19,351	5,763
Exports.....	410,046	397,196	3,087	9,763
Net imports (-) or exports (+).....	-31,834	-19,570	-16,264	+4,000

GOLD MOVEMENTS

UNITED STATES

Total imports and exports of gold during January, 1926, and December, 1925, by countries of origin or destination, and comparative figures for the month of January, 1925, are shown in the following table:

GOLD IMPORTS INTO AND EXPORTS FROM THE UNITED STATES

[In thousands of dollars]

Country of origin or destination	1926		1925	
	January	December	January	
IMPORTS				
Total.....	19,351	7,215	5,038	
England.....	3		128	
France.....	52	16	71	
Canada.....	17,839	1,275	3,120	
Mexico.....	539	533	513	
China.....			20	
Japan.....		4,000		
All other.....	918	1,341	1,181	
EXPORTS				
Total.....	3,087	5,968	73,526	
England.....			5,078	
France.....	18		1,309	
Germany.....	398	222	17,500	
Netherlands.....			3,284	
Canada.....	69	101	70	
Mexico.....	565	599	343	
Argentina.....	51	2,012	100	
Uruguay.....			750	
Venezuela.....	500	100		
British India.....	43	4	36,466	
Straits Settlements.....		1,903		
Hongkong.....	226	417	942	
All other.....	1,217	610	7,684	
Net imports.....	16,264	1,247		
Net exports.....			68,488	

GREAT BRITAIN

Following is a table showing gold imports into and exports from Great Britain for January, 1926, December, 1925, and for January, 1925.

GOLD IMPORTS INTO AND EXPORTS FROM GREAT BRITAIN

Country of origin or destination	1926		1925	
	January	December	January	
IMPORTS				
Total.....	£4,524,575	£2,178,689	£2,265,743	
France.....			28,387	
Netherlands.....		7,200	30,743	
Russia.....	1,920,285			
Rhodesia.....	182,474	161,160	191,721	
Transvaal.....	1,677,003	1,632,552	615,887	
United States.....	412	20	1,328,301	
West Africa.....	136,808	104,143	67,214	
All other.....	607,593	273,614		
EXPORTS				
Total.....	2,447,525	4,367,825	4,799,357	
Belgium.....	8,157	8,852	78,612	
British India.....	158,324	274,844	2,128,576	
Egypt.....	8,150	64,818	69,758	
France.....	50,159	96,139	21,445	
Netherlands.....	1,694,642	3,055,953	236,628	
Russia.....			268,280	
Straits Settlements.....	333,281	383,402	7,500	
Switzerland.....	13,600	71,799	3,500	
West Africa.....	929	141	24,656	
All other.....	180,265	411,872	1,963,902	
Net exports.....		2,189,136	2,533,614	
Net imports.....	2,077,050			

FOREIGN EXCHANGE

Three currencies were reestablished on a gold basis at the beginning of the year 1926. In Hungary, the paper krone, which for more than a year had been stable at 14 cents per 10,000 kronen, was superseded on January 1 by a new currency, the pengo, valued at 17.49 cents and exchangeable for 12,500 paper kronen. In Finland, the markka or finmark, which had been stable at about 2.52 cents since early in 1924, was devaluated from a pre-war par of 19.3 cents to a new gold parity of 2.5185 cents, this measure also going into effect on January 1. In Chile, the peso, which in theory had a gold parity of 18 English pence or 36.50 cents, but which in fact was inconvertible paper with a fluctuating value, was by a law of September 29, 1925, devaluated to 6 English pence, or 12.17 cents, the new currency plan going into effect simultaneously with the opening of the new Bank of Chile on January 11. The Chilean peso has been rising slowly from an average of 9.77 cents in March, 1924, to an average in July, 1925, of about 12 cents, which it has since maintained.

Sterling did not continue its January upward movement during February, but maintained a level very near the high point of the preceding month and averaged 486.34 cents in February as compared with 485.79 cents in January. The French franc declined during February, touching a new low of 3.55 cents on February 20. Italian lire remained practically unchanged at slightly over 4 cents per lira. Following the adoption of the new stabilization plan of last December and the renewal of stabilization credits in January, the Danish krone rose abruptly from 24.61 cents on February 8 to 26.04 cents on February 15, and maintained a level of about 25.95 thereafter. Similarly in Norway, following the publication of the report of the special exchange committee, the krone rose from 20.31 cents on the 9th to 21.73 cents on the 26th. The committee had recommended the temporary stabilization at approximately the rate of 20.3, which had been the prevailing quotation since last October. The Swedish krona and the Swiss franc maintained a level slightly below parity, while the Canadian dollar closed the month at a discount of 13/32 of 1 per cent, which is below the point at which gold shipments are profitable.

The Argentine peso, which rose from an average of 73.89 cents in June, 1924, to an average of 94.44 cents in November, 1925, and for three months stood at about 94 cents, declined from 94.20 cents on January 26 to 92.71 cents on February 20. Brazilian milreis and Chilean pesos remained steady.

Japanese yen, which have advanced steadily since September, 1925, rose during February from 44.85 cents on the 2d to 46.32 cents on the 20th, the highest quotation since December, 1923. Slight advances occurred in Indian rupees, while small recessions were shown by Shanghai tael.

FOREIGN EXCHANGE RATES

[In cents]

Exchange	Par value	February, 1926		January, 1926			January, 1925, average
		Low	High	Low	High	Average	
Sterling.....	486.65	486.04	486.51	484.99	486.42	485.79	478.17
Danish krone.....	26.80	24.61	26.04	24.71	24.90	24.80	17.81
French franc.....	19.30	3.55	3.76	3.71	3.85	3.77	5.39
German reichsmark.....	23.82	23.80	23.81	23.80	23.81	23.80	23.80
Italian lira.....	19.30	4.01	4.04	4.03	4.04	4.04	4.17
Netherlands florin.....	40.20	40.04	40.14	40.09	40.24	40.18	40.41
Swedish krona.....	26.80	26.76	26.83	26.76	26.82	26.78	26.95
Swiss franc.....	19.30	19.24	19.29	19.28	19.33	19.31	19.34
Canadian dollar.....	100.00	99.57	99.79	99.75	99.88	99.80	99.69
Argentine peso.....	96.48	92.71	94.10	93.98	94.20	94.13	91.08
Shanghai tael.....	66.85	72.77	74.30	73.98	75.70	74.75	75.34
Japanese yen.....	49.85	44.85	46.32	43.12	44.95	44.17	38.45

INTERNATIONAL TRADE IN 1925

Figures of merchandise imports and exports for a considerable number of countries have become available for the year 1925. The accompanying table compares the totals for 1924 and 1925 and shows for each country the change in the balance of trade between the two years. Comparisons of the figures for the two years indicate that the total international trade of the world was larger in value in 1925 than in 1924, and that this increase was generally distributed among practically all the countries for which statistics are available.

Of the twelve countries reporting an excess of imports in 1924, one, Esthonia, reported a favorable balance in 1925, six showed a reduction in the unfavorable balance last year, while five showed an increase in the excess of imports. The decline in the import balance of Japan is especially noteworthy. Of the eight countries showing a favorable balance in 1924, five reported a still larger export surplus in 1925, the proportionate gains of India, Canada, and South Africa being particularly large.

INTERNATIONAL TRADE OF CERTAIN FOREIGN COUNTRIES

	Czechoslovakia (million crowns)	Denmark (million kroner)	Esthonia (million Esthonian marks)	Finland (million fin-marks)	France (million francs)	Germany (million gold marks)	Hungary (thousand gold crowns)	Italy (million lire)	Netherlands (million guilders)	Norway (million kroner)
Imports, 1925.....	17,594	2,095	9,655	5,513	44,081	13,146	742,211	26,157	2,455	1,401
Imports, 1924.....	15,862	2,366	8,050	4,715	39,928	9,291	702,806	19,388	2,364	1,548
Increase or decrease.....	+1,732	-271	+1,605	+798	+4,153	+3,855	+39,405	+6,769	+91	-147
Exports, 1925.....	18,799	1,966	9,665	5,570	45,414	8,838	701,339	18,275	1,808	1,047
Exports, 1924.....	17,035	2,155	7,866	4,971	41,469	6,582	575,010	14,318	1,661	1,064
Increase or decrease.....	+1,764	-189	+1,799	+599	+3,945	+2,256	+126,329	+3,957	+147	-17
Balance of trade, 1925.....	+1,205	-129	+10	+57	+1,333	-4,308	-40,872	-7,882	-647	-354
Balance of trade, 1924.....	+1,173	-211	-184	+256	+1,541	-2,709	-127,796	-5,070	-703	-484

	Poland (million zloté)	Russia (thousand roubles)	Sweden (million kronor)	Switzerland (million francs)	United Kingdom (thousand £ sterling)	Canada (thousand dollars)	Australia (thousand £ sterling)	India (million rupees)	Japan (million yen)	Egypt (thousand Egyptian £)	South Africa (thousand £ sterling)
Imports, 1925.....	1,666	736,934	1,261	2,634	1,322,858	890,268	158,980	2,261	2,572	58,225	67,604
Imports, 1924.....	1,478	-----	1,424	2,504	1,277,439	808,145	145,429	2,436	2,453	50,737	66,240
Increase or decrease.....	+188	-----	-163	+130	+45,419	+82,123	+13,551	-175	+119	+7,488	+1,364
Exports, 1925.....	1,397	559,447	1,357	2,039	927,497	1,283,099	154,477	4,067	2,305	59,210	82,985
Exports, 1924.....	1,266	-----	1,436	2,070	940,937	1,070,612	137,728	3,828	1,807	65,734	73,822
Increase or decrease.....	+131	-----	-79	-31	-13,440	+212,487	+16,749	+239	+498	-6,524	+1,163
Balance of Trade, 1925.....	-269	-177,487	+96	-595	-395,361	+392,831	-4,503	+1,806	-267	+985	+15,381
Balance of Trade, 1924.....	-212	-----	+12	-434	-336,502	+262,467	-7,701	+1,392	-646	+14,997	+7,582

MONEY IN CIRCULATION DURING 1925

Seasonal changes in currency requirements carry the total volume of money in circulation to a peak toward the close of each year during the holiday shopping season, and at the turn of the year there is a return flow of currency which continues through the greater part of January. In 1925 the increase in money in circulation in the autumn and early winter months was unusually large, as was the subsequent decline in January. Between the 1st of the year and the 1st of February, 1926, money in circulation—that is, outside of the Treasury and the Federal reserve banks—decreased by about \$270,000,000, compared with about \$240,000,000 the year before. Toward the end of January there is usually a turn in the movement, and the increase in currency demand during February of this year was about \$75,000,000, compared with about \$50,000,000 for last year.

Increase in total circulation.—Taking the year 1925 as a whole, the Treasury statements show little change in money in circulation. The amount of money outside the Treasury and the Federal reserve banks increased by \$15,000,000 from January 1, 1925, to January 1, 1926, making the estimated circulation per capita of population somewhat less on the latter date than on the former. However, the amount of money actually in use within the United States increased by much more than this during the year, as there was a considerable return flow of American currency from abroad. International movements of currency, connected largely with tourist travel, are usually of relatively small proportions; but during 1923 and early 1924, owing to the depreciation of European currencies, considerable quantities of Federal reserve notes and other United States currency were shipped abroad and circulated in foreign countries. Since April, 1924, with the return of monetary stability in Germany and other European countries, this currency has been returning, and reports from about 15 banks in New York City show net imports of \$45,673,651 of currency during the year 1925. When these figures are taken into consideration it appears that the net increase in money in actual use in this country in 1925 amounted to over \$60,000,000, rather than to \$15,000,000.

Changes in composition of circulation.—In addition to the increase in this total, there have been considerable changes in the composition of the currency since the beginning of

1925. A large amount of gold certificates has been paid out, while the circulation of Federal reserve notes has declined somewhat and a considerable amount of national-bank notes has been retired, with minor changes in other kinds of money. The following table shows these changes for the year 1925:

MONEY IN CIRCULATION

[In thousands of dollars]

	Jan. 1, 1925	Jan. 1, 1926	Increase or decrease
Gold coin.....	458,206	424,037	-34,169
Gold certificates.....	970,564	1,114,331	+143,767
Total gold and gold certificates.....	1,428,770	1,538,368	+109,598
Standard silver dollars.....	57,384	54,861	-2,523
Silver certificates.....	388,540	387,495	-1,045
Subsidiary silver ¹	267,703	276,232	+8,529
Total silver and silver certificates.....	713,627	718,588	+4,961
United States notes.....	295,233	292,998	-2,235
Federal reserve notes.....	1,841,621	1,815,687	-25,934
Federal reserve bank notes.....	8,238	6,058	-2,180
National bank notes.....	705,442	636,422	-69,020
Total money in circulation.....	4,992,931	5,008,121	+15,190

¹ Includes about \$1,400,000 of Treasury notes of 1890.

During the year the country's stock of monetary gold was diminished by \$138,000,000, owing chiefly to net gold exports, but as this gold was taken out of the reserves of the Federal reserve banks its export did not affect the amount of gold in circulation. A net amount of \$109,000,000 of gold was paid into circulation by the Federal reserve banks, and this amount, with a small but steady increase in subsidiary silver, was sufficient to take the place of \$26,000,000 of Federal reserve notes and \$69,000,000 of national-bank notes, as well as to meet the demand for about \$15,000,000 of additional currency. The substitution of gold certificates for Federal reserve notes that has been effected by Federal reserve banks during the past two years is evidenced by the gradually decreasing proportion of these notes and the increasing proportion of the certificates in the circulation. On January 1, 1924, gold certificates in circulation amounted to 11.7 per cent of the total, on January 1, 1925, to 19.4 per cent, and on January 1, 1926, to 22.3 per cent, while Federal reserve notes decreased from 44.9 per cent two years ago to 36.9 per cent one year ago, and to 36.3 per cent at the beginning of 1926. The reduction in national-bank notes has resulted chiefly from the redemption of the United States 4 per cent loan maturing on February 1, 1925, one of four bond issues eligible as security for national-bank note circulation,

and the subsequent retirement of the bank notes that had been secured by these bonds. The general effect of the retirement of these bonds upon the circulation, as noted in the FEDERAL RESERVE BULLETIN for December, 1924, can now be observed in detail.

Reduction in national-bank notes.—Of the \$118,489,900 of bonds payable on February 1, 1925, \$70,585,550 were on deposit in the Treasury to secure national-bank notes on January 2, 1925. The following table compares the securities behind these notes on that date and on January 2, 1926:

BONDS ON DEPOSIT TO SECURE NATIONAL-BANK NOTES

[In thousands of dollars]

	Jan. 2, 1925	Jan. 2, 1926	Increase or de- crease
United States consols of 1930..... ^a	587,278	591,834	+4,556
United States Loan of 1925.....	70,585	-----	-70,585
United States Panamas of 1936.....	48,260	48,644	+384
United States Panamas of 1938.....	25,490	25,795	+305
Total.....	71,613	666,273	-65,340

About \$5,000,000 of the 4 per cent bonds were apparently replaced during the year by other bonds eligible as security for national-bank notes, but over \$65,000,000 were not so replaced. However, since the total volume of the outstanding bonds eligible for this purpose is now only \$9,000,000 more than the amount on deposit, this amount is near the legal maximum. Although the law provides that national banks may take out circulating notes up to the amount of their capital stock, which was about \$1,400,000,000 at the end of 1925, their circulation is thus actually limited to a much smaller total.

The volume of national-bank notes outstanding is somewhat larger than the par value of the securing bonds on deposit, since lawful money has been deposited in the Treasury for the redemption of a considerable volume of notes that have not yet been turned in. The total amount of notes outstanding on January 2, 1926, was about \$705,000,000, of which nearly \$15,000,000 were in the Treasury in process

of redemption. Some \$50,000,000 of the remainder were in Federal reserve banks, leaving a circulation of \$636,421,862, as compared with \$705,441,665 a year before, a decrease of about \$69,000,000 for the year.

Effect of redemption of national-bank notes on demand for reserve-bank credit.—The redemption of about \$70,000,000 of national-bank notes during 1925 had the same effect on the demand for currency at the reserve banks, and, therefore, on the volume of outstanding reserve-bank credit, as would a similar increase in the total currency requirements of business. National-bank notes, as is well known, are secured by United States Government obligations of an equal par value purchased by the national banks and deposited by them with the Treasurer of the United States. When the bonds due in February, 1925, matured, the Treasury canceled these bonds and took over from the national banks the liability on the bank notes against which these bonds had been held. This in itself was a bookkeeping transaction, which had no effect on the character of money in circulation or on the demand for reserve-bank credit. As these notes, however, were presented at the Treasury for redemption at the rate of about \$1,000,000 a week during the year and were canceled and destroyed, without a coincident decrease in the public demand upon the banks for currency, this gradual reduction of national-bank notes in circulation resulted in a demand for other forms of currency which the banks could obtain only from the Federal reserve banks. Thus the reserve banks were called upon to provide currency to replace national-bank notes withdrawn, with a consequent increase in the portfolios of bills and securities at the reserve banks. The net result of the transaction has been the addition of \$70,000,000 to the assets of the reserve banks through a transfer to them of a demand for currency previously met by the national banks. This transfer has had no effect on the total amount of money in circulation and no effect on the general credit situation except to the extent that it was a factor in increasing the indebtedness of member banks at the reserve banks.

LAW DEPARTMENT

Atlanta par clearance case

On February 11, 1926, the United States Circuit Court of Appeals for the Fifth Circuit rendered a decision affirming the decision of the United States District Court for the Northern District of Georgia in the case of *Pascagoula National Bank v. Federal Reserve Bank of Atlanta*, 3 Fed. (2d) 465, which was published in full in the FEDERAL RESERVE BULLETIN for February, 1925, commencing on page 100.

This suit differs from the former par clearance cases in that it involves a national bank, rather than a nonmember bank, and also raises certain questions dealing with check collection transactions which have not been adjudicated before. On August 9, 1924, the Pascagoula National Bank of Moss Point, Miss., filed a bill of complaint in the United States District Court for the Northern District of Georgia against the Federal Reserve Bank of Atlanta, Joseph A. McCord as Federal reserve agent, and the Federal Reserve Board. In general, the bill charged the several defendants with having ignored and violated various provisions of the Federal reserve act and prayed for an injunction against the Federal Reserve Bank of Atlanta which, if granted, would in effect:

(1) Require the Federal Reserve Bank of Atlanta to give immediate credit and availability to the plaintiff for all its deposits of checks and drafts drawn on other member banks in the Atlanta district, no matter at what distance from Atlanta the drawee banks may be;

(2) Permit the plaintiff to charge exchange on checks drawn upon it and presented for payment by or through the Federal reserve bank; and

(3) Prohibit the Federal reserve bank from handling checks for any banks other than its own members and, for its own members, any checks which are not payable within the Atlanta district.

The bill also asked that the Federal Reserve Board and Joseph A. McCord be enjoined from promulgating and enforcing the provisions of the Board's Regulation J, and further asked for an accounting and recovery from the Federal reserve bank of the amounts of exchange charges and interest of which the plaintiff alleged it had been illegally deprived.

At a hearing held on October 2 and 3, 1924, the district court denied a preliminary injunction and dismissed the Federal Reserve Board

from the suit on the ground that under the terms of section 51 of the Judicial Code it could not be sued in the northern district of Georgia without its consent.

On December 15 the case was argued in the district court on its merits and on December 29 the court rendered a decision dismissing the bill and holding in effect that:

(1) The Federal reserve banks are not required to give depositing member banks immediate credit and availability for checks and drafts drawn on other member banks in the Atlanta district and are justified in refusing to permit the amount of said checks to be counted as reserves or to be withdrawn by check or otherwise until they actually have been collected;

(2) Under the terms of the so-called "Hardwick amendment" to section 13 of the Federal reserve act, member banks have not the right to make an "exchange charge" for remitting payment to a Federal reserve bank for checks drawn on themselves, although such checks are not the property of the Federal reserve bank, but are handled for collection;

(3) That, under the terms of section 13 of the Federal reserve act, the authority of a Federal reserve bank to collect checks is not limited to checks sent to it by its own members and checks payable within the district of such Federal reserve bank; and, therefore, a Federal reserve bank may collect checks on its own member banks and nonmember clearing banks which come to it from other districts, and may handle checks payable on presentation sent to it by its member banks or nonmember clearing banks whether payable within its own district or not; and

(4) That the provision in the "Hardwick amendment" which has the effect of requiring member banks to pay without deduction checks drawn on them when presented by Federal reserve banks, whether paid over the counter or by the more convenient means of checks on their deposits elsewhere, does not deprive member banks of property without due process of law and, therefore, is not contrary to the fifth amendment to the Constitution.

The plaintiffs immediately appealed the case direct to the Supreme Court of the United States, on the ground that it involved a constitutional question; and on November 30, 1925, the Supreme Court issued an order transferring the case to the Circuit Court of Appeals for

the Fifth Circuit, on the ground that the constitutional question raised by the plaintiff was not sufficiently substantial to support the court's jurisdiction on a direct appeal, and that, therefore, the case should have been appealed to the Circuit Court of Appeals instead of the Supreme Court. This was tantamount to a holding by the Supreme Court that the provision of section 13 of the Federal reserve act which forbids Federal reserve banks to pay exchange charges on checks and forbids member banks to impose such charges on checks collected through Federal reserve banks is constitutional.

The case was argued before the Circuit Court of Appeals on January 20 and 21, 1925, and that court rendered a decision on February 11, 1925, affirming the decision of the district court on all points. Judge Foster, however, rendered a dissenting opinion.

The opinion of the Circuit Court of Appeals and the dissenting opinion of Judge Foster are published below.

In the United States Circuit Court of Appeals for the Fifth Circuit. No. 4721

Pascagoula National Bank of Moss Point and Pascagoula, Miss., appellant, v. Federal Reserve Bank of Atlanta and Oscar Newton as Federal Reserve Agent, Etc., appellees. Appeal from the District Court of the United States for the Northern District of Georgia

Alex W. Smith, jr. (Alex W. Smith, jr., Smith, Hammond & Smith, and Denny & Heidelberg on the brief), for appellant. Newton D. Baker, Hollins N. Randolph, and Robert S. Parker (Hollins N. Randolph, Robert S. Parker, Newton D. Baker, Walter Wyatt, and Montgomery B. Angell on the brief), for appellees.

Before WALKER, BRYAN and FOSTER, circuit judges. WALKER, circuit judge.

This is an appeal from a decree dismissing a bill filed by the appellant, a national bank located in Mississippi. The questions raised are well stated as follows in the opinion rendered by the district judge:

"The present case involves the handling of checks between the Federal reserve bank and one of its members under regulation J of the Federal Reserve Board. That regulation, adopted to execute the collection and clearing house powers granted in section 13 and section 16 of the Federal Reserve Act (Comp. St. secs. 9796, 9799), requires that each Federal reserve bank shall exercise the function of a clearing house and collect checks on terms and conditions particularly set forth, whose effect, so far as here material, is that each reserve bank will receive at par, checks which can be collected at par, and only such, whether they be sent it by its own member and affiliated banks, or by, or for the account of, other reserve banks, and whether the checks are drawn on its own member banks or nonmember banks, and that the checks sent each reserve bank will be counted as reserve or become available for withdrawal by the bank sending them (subject to final payment) only in accordance with a

time schedule based on experience of the average time required to collect checks drawn on the different points. The observance of this regulation by the reserve bank of Atlanta results in a refusal by it to permit the complainant, one of its members to deduct the previously charged 'exchange' or compensation for remitting payment for checks drawn on complainant, and prevents complainant getting immediate credit for checks sent by it to the reserve bank when drawn on points at a distance from Atlanta, whereby it loses the use of the credit during the period of delay. The complainant contends, first, that by the provision of section 16 of the reserve act, it is entitled to immediate credit, at par, for checks drawn on any of the depositors in the reserve bank of Atlanta, no matter at what distance from Atlanta the drawee may be; second, that under the Hardwick amendment of section 13 (sec. 4, c. 32, 40 Stat. 234.) (Comp. St. Ann. Supp. 1919, sec. 9796) it has the right to make a charge for remitting payment to the reserve bank of Atlanta of checks drawn on itself when these are not the property of the reserve bank, but are handled for collection; third, that under section 13 the reserve bank of Atlanta has no right to have or collect any checks drawn on complainant which come to the reserve bank from a source outside of the sixth reserve district; fourth, that, if the reserve act authorizes this deprivation of complainant's right to charge for remittance, it takes its property without due process of law, contrary to the Constitution." *Pascagoula National Bank v. Federal Reserve Bank of Atlanta*, 3 F. (2d), 465.

The claim that for checks drawn upon any of the depositors of the Federal Reserve Bank of Atlanta (herein referred to as appellee), sent or delivered by appellant to appellee for deposit, appellant was entitled to immediate credit at par as deposits subject to be checked or drawn on is based upon the provision of section 16 of the Federal Reserve Act (38 Stat. 26, U. S. Comp. St. 1918, sec. 9799, par. 12) that "Every Federal reserve bank shall receive on deposit at par from member banks * * * checks and drafts drawn upon any of its depositors." That provision is explicit in imposing on a Federal reserve bank the duty of receiving on deposit from member banks checks and drafts drawn upon any of its depositors, and in requiring that such checks be so received at par. The amount of the credit to be given the depositor is prescribed, but not the time of giving it, unless the language used means that the amount called for by such a check, upon the receipt of it by the reserve bank, at once becomes subject to be withdrawn on the depositor's checks. In the absence of a statute otherwise providing, the express or implied agreement or understanding of the parties determines whether a bank accepting from a depositor a check on another bank is required to give credit therefor at the time of the acceptance or at a subsequent time, the bank not being required to give immediate credit for the check as for cash if it clearly manifests its intention not to do so. *National Bank v. Burkhardt*, 100 U. S. 686; *Burton v. United States*, 196 U. S. 283; *St. Louis & S. F. Ry. Co.*, 27 Fed. 243. The opinion in the first cited case shows that it was distinctly recognized that where a bank takes from a depositor a check on another bank the depositor is not entitled to credit for the check at the time of its delivery if at that time he has notice that the giving of credit therefor would be deferred to a time in the future. The following is from the opinion in the last cited case: "It is quite certain that bankers do not invariably credit their customers for sight paper as for cash, but are generally influenced by the financial responsibility of the customer, or the drawee of the paper, or both.

If a bank does not wish to assume the relation of debtor for the paper to the depositor, this intention may be manifested in a very explicit manner by crediting the paper as paper". The relation between a bank and a customer having a checking account with it does not necessarily imply that for checks on other banks sent or delivered for deposit the customer is entitled to be credited as for cash prior to the presentation and collection of such checks. The receipt by a bank of checks on other banks for collection and credit and making the amount to be credited therefor subject to withdrawal by the depositor only after collection are ordinary incidents of such a relation. It could not well be said that banks so receiving checks on other banks do not thereby engage in receiving on deposit checks. Appellee's above mentioned regulation disclosed its intention as to the time the amount of a check required to be received by it on deposit would become a part of the customer's checking deposit. That regulation is not inconsistent with the requirement that appellee "shall receive on deposit at par" such a check unless that requirement gave appellant the right to be credited for such sight paper as for cash. As above indicated, the duty of a bank, whether imposed by statute or by agreement, to receive on deposit checks on other banks does not necessarily imply that the amount to be credited for a check becomes, immediately upon the bank's receipt of it, part of the depositor's balance subject to be checked against and withdrawn. Uncontroverted evidence in this case showed that there is a general custom among banks to refuse to pay checks drawn against uncollected funds. The provision in question is to be construed in the light of customs affecting the relations of banks and their customers. Furthermore, if that provision has the meaning attributed to it in behalf of the appellant, practically it has the effect of requiring a reserve bank to buy from member banks checks on its depositors and to pay in cash therefor the amount they call for, or to lend without interest that amount on such checks for whatever time may elapse between the bank's receipt of them and the presentation of them to the drawees for payment, the obligation incurred by the member bank in such a transaction being to repay to the reserve bank the amount of checks not paid by the drawees. That the lawmakers did not intend the provision in question to have that effect is persuasively indicated by other provisions of the Federal reserve act. A member bank's checking deposit in a reserve bank constitutes also its reserve balance provided for by section 19 of the act. That reserve balance is required to be "an actual net balance" equal to not less than a prescribed percentum of the aggregate amount of its demand deposits and a prescribed percentum of its time deposits. So far as a balance is represented by uncollected checks on other banks received from a depositor it could not well be considered to be either actual or net. The value of such paper may consist wholly in the depositor's obligation to repay the amount credited therefor or advanced thereon. Evidently it was not intended to permit the depositor's promises to make good to be counted in determining the amount of its "actual net balance." Section 13 of the act prescribes the character of paper which a reserve bank may discount for, or make advances on to, its member banks. Neither the provision of that section nor any other provision of the act indicates an intention to authorize a reserve bank to invest its funds in uncollected checks on other banks presented by a member bank. If under the provision in question a reserve bank is required, upon the receipt by it for deposit from a member bank of checks drawn

on any of its depositors located where there is no office of a reserve bank, to credit the amount thereof in the reserve account of such member bank, it is apparent that the reserve banks would constantly have many millions of dollars of their resources invested in noninterest bearing paper in transit. That result is not consistent with due effect being given to the provision as to what a member bank may obtain advances on from a reserve bank. For reasons above indicated, we conclude that the provision in question does not require the appellee, upon its receipt from appellant for deposit of checks drawn upon any of the appellee's depositors and prior to the payment of such checks, to credit the amount thereof as for cash, thereby making such amount at once subject to be withdrawn by appellant.

In view of the unequivocal language of paragraph 1 of amended section 13 of the Federal reserve act as to collection charges against Federal reserve banks and of the decisions in the cases of *American Bank v. Federal Reserve Bank*, 262 U. S. 643, and *Farmers Bank v. Federal Reserve Bank*, 262 U. S. 649, we think it would be superfluous to add anything to what was said in the opinion rendered by the district judge in support of the conclusion that appellant was not entitled to make exchange or remitting charges on checks on itself received from appellee, whether appellee was the owner of those checks or held them for collection pursuant to authority conferred by the Federal reserve act.

The decree is affirmed.

DISSENTING OPINION

FOSTER, CIRCUIT JUDGE, dissenting.

Section 16 of the Federal reserve act provides that every Federal reserve bank shall receive on deposit at par from member banks checks and drafts drawn upon any of its depositors. Section 13 of the act provides that any Federal reserve bank may receive such deposits from member banks but does not specify at par, and further provides that both member and nonmember banks may make reasonable charges, for collection or payment of checks and drafts and remission thereof by exchange or otherwise, provided no such charges shall be made against the Federal reserve banks.

In this case it appears that the appellee does not give immediate credit for checks deposited by member banks, drawn on other member banks. Regulation J provides for holding such checks in suspense for a period sufficiently long to allow for collection in the ordinary course of events before credit is given. This is a plain violation of section 16 of the act. Receiving checks for collection is not receiving them on deposit.

It is idle to say that to give immediate credit to checks deposited would require the reserve bank to lend millions of its money without interest. In nearly all cases a crediting of the check and subsequent collection would be a mere matter of book-keeping. If the reserve bank applied clearing house methods as they are authorized to do, probably most of the items could be handled in the bank.

The danger of loss to the reserve bank is also infinitesimal. The member banks are stockholders of the reserve bank in proportion to their own capital and surplus. In the event of the failure of a member bank the reserve bank has a first lien on its stock. The member bank is also required to keep a certain

percentage of its total deposits on deposit with the reserve bank, in this instance 3 per cent of time deposits and 7 per cent of its general deposits. If the check deposited were not in fact paid, the reserve bank could immediately charge it against the deposit. If that reduced the deposit below the legal requirement, the penalty provided by the act could be applied. The penalty usually enforced for a reduction of the required deposit below the minimum is to charge the discount rate and 2 per cent additional on the deficit until repaid. The reserve bank has the right to make frequent examinations of the member banks and to call for statements of their affairs whenever thought necessary. So they have ample opportunity to judge of the solvency of the member banks. The minimum deposit required by the act is subject to check so no violation of the law would occur if occasionally these deposits were reduced below the minimum. Of course, the statute should not be construed to require the reserve bank to give immediate credit regardless of the solvency of the depositor and the payee of the check, nor to give credit if there be cause to suspect that the check is not genuine or for any other reason will not be paid when presented.

If it be conceded arguendo that by construing the two sections together discretion is vested in the appellee to take checks from member banks drawn on other member banks in the same reserve district merely for collection, then it seems to me the appellee is on the other horn of the dilemma. It can hardly be said the charge made for payment or collection of such checks is a charge made against the Federal reserve bank.

It is contended that although the Federal reserve bank receives checks in the manner above indicated, that is to say, for collection, they receive them on deposit for collection, and must credit them at par when collected; consequently, a collection charge would still be made against the reserve bank, which would be illegal.

The Supreme Court, in *Farmers Bank v. Federal Reserve Bank*, 262 U. S. at page 653, said this:

"Par clearance does not mean that the payee of a check who deposits it with his bank for collection will be credited in his account with the face of the check if it is collected. His bank may, despite par clearance, make a charge to him for its service in collecting the check from the drawee bank. It may make such a charge although both it and the drawee bank are members of the Federal reserve system; and some third bank which aids in the process of collection may likewise make a charge for the service it renders."

The argument that the reserve bank must inevitably credit the face of the check when collected is not sound. Section 13 does not require it nor does a reasonable construction of section 16. It seems to me to be clearly the intention of Congress that the Federal reserve

banks shall give to its member banks immediate credit for checks drawn on other member banks in the same district.

If I am wrong in this conclusion, then it inevitably follows that the member banks have the right to make collection and exchange charges on such checks as the charge can not be said to be made against the reserve bank when the check is merely held for collection.

For these reasons I respectfully dissent.

Fiduciary Powers Granted to National Banks

During the month ended February 20, 1926, 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.

Location	District No.	Name of bank	Powers granted
Falmouth, Mass.....	1	Falmouth National Bank...	1 to 9
Flemington, N. J.....	2	Flemington National Bank...	1 to 9
Montclair, N. J.....	2	Montclair National Bank...	1 to 9
Newark, N. J.....	2	North Ward National Bank (sup.)	5 to 9
Passaic, N. J.....	2	American National Bank...	1 to 9
Albany, N. Y.....	2	First National Bank.....	1 to 9
Granville, N. Y.....	2	Farmers National Bank (sup.)	1
Mamaroneck, N. Y.....	2	First National Bank.....	1 to 9
Silver Creek, N. Y.....	2	Silver Creek National Bank...	1 to 9
Camden, N. J.....	3	Camden National Bank.....	1 to 9
Coatesville, Pa.....	3	National Bank of Chester Valley.	1 to 9
Martinsville, Va.....	5	First National Bank.....	1 to 9
Welch, W. Va.....	5	McDowell County National Bank.	1 to 9
Bessemer, Ala.....	6	City National Bank.....	2
DeLand, Fla.....	6	First National Bank.....	1 to 9
Sanford, Fla.....	6	First National Bank.....	1 to 9
Knoxville, Iowa.....	7	Knoxville National Bank and Trust Company.	1 to 9
Orange City, Iowa.....	7	Orange City National Bank.	1 to 9
Lapeer, Mich.....	7	First National Bank.....	2, 3, 5, and 8
Michigan City, Ind.....	7	First National Bank.....	1 to 9
Centralia, Ill.....	8	Old National Bank.....	1 to 9
Watertown, S. Dak.....	9	Citizens National Bank.....	1 to 9
Grand Island, Nebr.....	10	First National Bank.....	1 to 9
El Paso, Tex.....	11	El Paso National Bank.....	1 to 9
Seattle, Wash.....	12	Seattle National Bank (sup.)	5, 8, 9

Changes in State Bank Membership

The following list shows changes affecting State bank membership during the month ended February 21, 1926, on which date 1,439 State institutions were members of the system:

ADMISSIONS

	Capital	Surplus	Total resources
<i>District No. 2</i>			
Municipal Bank, Brooklyn, N. Y.	\$2,000,000	\$600,000	\$24,447,288
Coal & Iron Bank of the City of New York, N. Y. (a succession to the Coal & Iron National Bank).....	1,500,000	1,000,000	28,746,810
<i>District No. 6</i>			
Farmers & Merchants Bank, Samson, Ala.....	60,000	15,000	374,317
<i>District No. 8</i>			
Bank of Crittenden County, Marion, Ark. (succeeded Crittenden County Bank, Marion, Ark., a member).....	100,000	-----	1,327,072
<i>District No. 11</i>			
Mimbres Valley Bank, Deming, N. Mex.....	50,000	-----	231,379

CHANGES

<i>District No. 2</i>			
Mechanics Bank, Brooklyn, N. Y., has absorbed the following nonmember: Flatbush State Bank, Brooklyn, N. Y.....	\$100,000	\$50,000	\$2,748,543
Manufacturers & Traders Trust Co., Buffalo, N. Y., has absorbed the following member: Riverside National Bank, Buffalo, N. Y.....	200,000	50,000	1,167,000
<i>District No. 5</i>			
Bank of Hartsville, Hartsville, S. C., has absorbed the following member: First National Bank, Hartsville, S. C.....	25,000	10,000	392,268
<i>District No. 6</i>			
Voluntary withdrawals:			
Peoples Bank, Crystal Springs, Miss.....	25,000	2,500	161,549
Peoples Bank & Trust Co., Bell Buckle, Tenn.....	30,000	-----	147,942
Closed: Peoples Bank of Calhoun, Calhoun, Ga.....	50,000	-----	497,462
<i>District No. 7</i>			
State Bank of Cowden, Cowden, Ill., has absorbed the following member: First National Bank, Cowden, Ill.....	25,000	3,500	220,427
First Trust & Savings Bank, Hammond, Ind., has absorbed the following member: First National Bank, Hammond, Ind.....	250,000	180,000	5,208,637
Voluntary withdrawal: Farmers Savings Bank, Remsen, Iowa.....	50,000	30,000	530,989

CHANGES—Continued

	Capital	Surplus	Total resources
<i>District No. 8</i>			
Absorbed by nonmember: Merchants & Farmers Bank, Baldwin, Miss.....	\$15,000	\$3,750	\$50,551
Crittenden County Bank, Marion, Ark. (succeeded by Bank of Crittenden County which became a member).....	200,000	-----	1,584,141
Citizens Bank, Festus, Mo., has absorbed the following nonmember: Festus State Bank, Festus, Mo.....	25,000	12,500	155,000
<i>District No. 9</i>			
Voluntary withdrawals:			
Trout Creek State Bank, Trout Creek, Mich.....	20,000	5,000	184,578
Security Savings Bank, Jamestown, N. Dak.....	50,000	10,000	399,286
Closed: Rock County Bank, Luverne, Minn.....	50,000	25,000	814,368
First Security State Bank, Red Wing, Minn., has absorbed the following nonmember: Security Loan & Trust Co., Red Wing, Minn.....	125,000	29,210	492,000
<i>District No. 12</i>			
American Bank, San Francisco, Calif., has absorbed the following member: Bank of Alameda, Alameda, Calif.....	500,000	250,000	7,397,225
Voluntary withdrawal: First State Bank, Teton City, Idaho.....	30,000	3,000	147,269

Changes of title.—The Canal-Commercial Trust & Savings Bank, New Orleans, La., has changed its title to "Canal Bank and Trust Company."

The First Security State Bank, Red Wing, Minn., has changed its title to "Security Bank & Trust Company."

Changes in National Bank Membership

The Comptroller of the Currency reports the following increases and reductions in the number and capital of national banks during the period from January 23 to February 19, 1926, inclusive:

	Number of banks	Amount of capital
New charters issued.....	8	\$1,275,000
Restored to solvency.....	0	0
Increase of capital approved.....	27	5,056,250
Aggregate of new charters, banks restored to solvency, and banks increasing capital.....	35	6,331,250
Liquidations.....	17	3,250,000
Reducing capital ¹	1	1,000,000
Total liquidations and reductions of capital.....	18	4,250,000
Consolidations of national banks under act of Nov. 7, 1918.....	2	5,300,000
Aggregate increased capital for period.....	-----	6,331,250
Reduction of capital owing to liquidations, etc.....	-----	4,250,000
Net increase.....	-----	2,081,250

¹ Incident to a consolidation under act of Nov. 7, 1918.

BUSINESS STATISTICS FOR THE UNITED STATES

INDEX OF PRODUCTION IN BASIC INDUSTRIES¹

[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	
1925												
January	127	134	151	115	100	94	132	100	140	90	121	145
February	124	143	150	114	99	103	104	96	167	91	107	127
March	120	136	147	110	95	94	133	100	138	102	96	125
April	119	128	128	121	92	90	124	104	124	120	101	123
May	111	113	121	103	91	88	115	104	114	117	92	116
June	110	107	115	98	88	102	117	95	126	105	101	117
July	113	105	110	99	87	122	117	107	131	101	96	125
August	109	102	117	91	90	94	107	97	138	89	108	118
September	111	106	123	103	95	100	143	93	129	86	120	116
October	116	113	130	111	98	96	167	90	147	88	115	125
November	115	116	136	116	97	79	135	84	131	78	96	117
December	121	130	149	120	95	80	203	99	166	88	89	133
1926												
January	120	131	149	114	89	83	164	96	146	95	91	125

Year and month	Coal		Nonferrous metals		Sole leather	News-print	Cement	Petroleum	Tobacco products		
	Bituminous	Anthracite	Copper	Zinc					Cigars	Cigarettes	Manufactured tobacco
January	125	104	148	128	68	106	243	193	91	188	105
February	109	116	147	119	72	108	198	181	88	171	97
March	95	96	142	131	70	110	199	187	86	170	89
April	105	103	136	124	69	115	199	194	87	178	95
May	99	103	135	127	64	112	193	212	88	175	96
June	101	98	136	117	66	110	197	210	93	188	97
July	105	113	140	121	71	108	215	204	94	179	101
August	109	120	135	122	69	105	207	206	91	173	94
September	114	1	139	121	62	111	204	208	95	169	96
October	121	1	136	129	69	115	198	198	106	169	96
November	126	2	138	129	63	110	194	200	95	165	89
December	130	3	139	137	59	117	188	196	85	195	94
1926											
January	120	2	142	144	56	115	219	193	80	196	102

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 152, 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.

INDEX OF EMPLOYMENT IN MANUFACTURING INDUSTRIES¹

[No seasonal adjustment. Monthly average, 1919=100]

Year and month	General index	Metals and products		Textiles and products			Lumber and products	Railroad vehicles	Automobiles	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									
1925															
January	94.4	87.5	87.1	97.4	100.6	93.4	99.8	89.3	103.8	105.1	88.4	90.9	109.7	87.0	74.0
February	95.8	89.6	89.1	99.9	101.4	97.9	100.4	89.8	105.1	104.9	88.5	92.5	110.7	87.7	74.6
March	96.4	90.1	89.5	100.0	101.0	98.6	99.6	89.9	112.7	105.7	86.2	92.5	116.8	88.5	75.5
April	95.9	89.2	88.7	98.9	100.8	96.5	100.6	88.8	121.7	104.7	83.0	88.8	123.2	81.7	75.4
May	94.9	88.0	87.5	96.4	99.1	92.9	99.8	84.9	128.5	103.8	83.2	86.8	125.5	87.0	73.2
June	94.2	86.9	86.3	95.4	97.5	92.8	100.1	84.7	122.8	103.5	85.6	83.0	125.9	85.8	72.9
July	93.1	85.6	84.9	93.3	93.1	93.4	99.3	84.5	122.2	103.4	85.4	85.7	121.3	85.9	73.0
August	93.9	86.1	85.4	94.0	93.6	94.5	99.9	84.5	124.2	103.2	85.9	90.2	124.9	85.0	72.6
September	95.1	87.4	86.6	94.1	93.3	95.1	102.2	83.7	129.4	104.3	88.0	92.1	125.3	87.1	75.4
October	97.0	89.4	88.4	96.9	97.7	95.8	102.8	83.0	137.7	106.0	90.6	91.8	124.7	90.1	76.4
November	97.2	91.0	89.9	97.3	99.1	95.0	102.0	82.6	136.3	107.2	89.6	89.0	123.1	89.7	77.4
December	97.1	92.6	91.6	97.2	99.3	94.6	100.9	84.6	129.6	107.8	88.5	86.1	121.0	90.1	77.6
1926															
January	96.3	92.6	91.9	97.3	99.1	95.0	98.3	84.6	130.2	107.5	86.5	87.9	114.4	80.4	76.9

¹ This table contains for certain months index numbers of employment, together with group indexes for important industrial components. The general index is a weighted average of relatives for 34 individual industries. The method of construction was described in detail and indexes for the above groups since January, 1919, were published on pp. 324-325 of the BULLETIN for May, 1925. See also p. 668 of BULLETIN for September, 1925, for certain revisions.

INDEX OF PAY ROLLS IN MANUFACTURING INDUSTRIES¹

[No seasonal adjustment. Monthly average, 1919=100]

Year and month	General index	Metals and products		Textiles and products			Lumber and products	Railroad vehicles	Automobiles	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									
1925															
January.....	102.9	92.9	92.6	108.6	112.9	103.3	103.1	91.5	99.9	138.2	100.4	95.3	128.8	93.5	97.0
February.....	108.5	96.3	95.8	113.4	114.2	112.4	108.5	100.0	132.1	137.5	99.8	99.7	156.4	87.0	99.7
March.....	110.1	97.2	96.5	114.4	114.2	114.7	109.7	100.2	142.9	139.4	98.8	100.0	143.4	88.3	101.6
April.....	107.3	107.4	93.9	108.0	111.7	105.5	107.9	95.4	156.2	137.1	94.0	91.5	149.9	74.2	97.6
May.....	107.4	94.4	94.0	105.0	109.9	99.0	108.6	91.6	163.9	136.7	97.2	90.3	154.6	90.9	98.4
June.....	104.8	91.1	90.4	101.6	103.9	98.8	109.9	90.4	151.2	135.5	100.0	85.1	154.3	90.3	95.7
July.....	102.4	86.8	86.1	101.2	100.9	101.6	105.9	86.7	150.0	133.8	98.9	89.0	145.9	89.0	95.6
August.....	104.5	89.7	88.8	103.8	101.7	106.2	108.0	88.0	146.1	133.7	99.1	98.9	155.7	90.0	93.1
September.....	103.9	88.7	87.7	99.1	96.6	107.9	111.8	84.9	155.3	135.8	100.0	94.8	151.6	90.0	94.9
October.....	111.3	96.2	95.1	107.5	107.9	107.0	117.2	89.2	178.0	142.3	104.5	95.8	156.8	97.1	101.1
November.....	111.7	97.7	96.3	107.0	109.0	104.5	116.7	91.4	178.9	145.4	103.6	87.9	155.4	98.7	103.6
December.....	112.1	101.7	100.6	107.9	111.1	103.9	116.4	91.7	163.5	148.7	103.2	86.5	151.3	99.3	104.9
1926															
January.....	107.0	99.1	98.3	108.1	110.4	105.3	105.8	85.8	136.0	145.5	100.1	89.7	136.9	86.0	102.2

¹ This table contains for certain months index numbers of pay rolls, together with group indexes for important industrial components. The general index is a weighted average of relatives for 34 individual industries. The method of construction was described in detail and indexes for the above groups since January, 1919, were published on pp. 324-325 of the BULLETIN for May, 1925. See also p. 663 of BULLETIN for September, 1925, for certain revisions.

INDEXES OF INDUSTRIAL ACTIVITY¹

[No seasonal adjustment. Monthly average 1919=100]

Year and month	Agricultural movement								Mineral production								
	Total	Live-stock	Animal products	Grains	Cotton	Vegetables	Fruits	Tobacco	Total	Anthracite coal	Bituminous coal	Petroleum	Pig iron	Copper	Zinc	Lead	Silver
1925																	
January.....	118	122	89	112	127	130	85	292	141	101	134	189	132	148	128	146	117
February.....	88	94	90	76	79	121	72	161	119	98	100	171	126	137	119	131	107
March.....	86	91	108	73	71	128	106	53	123	96	97	191	140	149	131	154	104
April.....	72	87	123	40	43	125	94	17	117	99	87	194	128	140	124	143	109
May.....	79	86	139	62	28	135	136	5	124	108	91	216	115	140	127	147	111
June.....	83	88	164	75	12	142	92	1	124	103	96	212	105	139	117	151	116
July.....	88	86	150	99	14	110	151	(²)	129	113	102	214	105	136	121	145	114
August.....	104	91	119	133	75	107	122	73	136	117	116	212	106	135	122	143	104
September.....	152	93	101	149	234	204	244	171	121	1	121	206	107	134	121	138	103
October.....	166	117	101	96	310	233	391	165	130	1	137	204	119	141	129	164	98
November.....	149	105	110	108	277	116	177	223	125	2	131	196	119	134	129	153	104
December.....	148	106	117	135	239	88	98	326	129	3	136	194	128	137	137	³ 161	105
1926																	
January.....	108	99	96	92	114	106	80	344	129	2	138	-----	130	142	144	158	114

Manufacturing production

Year and month	Total	Iron and steel	Automobiles	Textiles	Food products	Lumber	Paper and printing	Leather and shoes	Petroleum	Cement and brick	Tobacco	Rubber tires
1925												
January.....	127	145	142	121	118	145	135	89	199	111	118	171
February.....	120	132	169	114	98	134	125	91	186	107	105	176
March.....	134	147	223	122	95	150	142	99	204	136	116	190
April.....	132	128	260	119	88	155	142	96	201	168	113	191
May.....	129	121	250	109	87	165	136	84	212	196	119	195
June.....	125	112	239	105	94	160	133	82	216	184	133	194
July.....	126	109	239	107	97	164	125	85	222	186	135	202
August.....	121	118	153	104	96	167	128	95	222	-----	127	203
September.....	126	120	193	107	105	160	128	96	209	-----	131	183
October.....	141	134	270	118	114	172	139	101	218	-----	141	165
November.....	129	134	225	114	98	139	136	82	212	-----	120	155
December.....	129	138	191	119	107	133	139	83	216	-----	110	175
1926												
January.....	129	144	186	120	104	135	142	81	216	-----	115	176

¹ For description and early figures see BULLETIN for March, 1924, and for certain revisions see p. 739 of the October, 1925, BULLETIN.

² Less than one-half of 1 per cent.

³ Revised.

COMMODITY MOVEMENTS

The following statistics are secured from various sources and compiled in the form given below by the Board's Division of Research and Statistics. Earlier figures (in most cases since 1919) can be obtained from previous issues of the BULLETIN or upon application to the division of research and statistics, Federal Reserve Board.

	January, 1926	February, 1925	January, 1925
Grain and Flour			
Receipts at 17 interior centers (000 omitted):			
Wheat (bushels).....	19,979	35,257	24,166
Corn (bushels).....	28,859	33,791	36,359
Oats (bushels).....	15,453	26,008	25,589
Rye (bushels).....	1,520	2,243	2,134
Barley (bushels).....	3,034	4,364	4,940
Total grain (bushels).....	68,845	101,663	93,188
Flour (barrels).....	1,876	2,460	2,423
Total grain and flour (bushels).....	77,288	112,730	104,089
Shipments at 14 interior centers (000 omitted):			
Wheat (bushels).....	11,549	18,791	19,256
Corn (bushels).....	8,592	10,879	11,929
Oats (bushels).....	11,094	13,014	15,089
Rye (bushels).....	345	332	2,822
Barley (bushels).....	1,557	1,569	2,840
Total grain (bushels).....	33,136	44,536	51,937
Flour (barrels).....	3,047	3,938	3,374
Total grain and flour (bushels).....	46,849	62,309	67,120
Stocks at 11 interior centers at close of month (000 omitted):			
Wheat (bushels).....	30,308	31,199	47,628
Corn (bushels).....	24,305	14,792	22,928
Oats (bushels).....	54,318	54,473	64,557
Rye (bushels).....	12,248	11,549	9,270
Barley (bushels).....	5,844	5,757	2,928
Total grain (bushels).....	127,022	117,770	147,310
Receipts at 9 seaboard centers (000 omitted):			
Wheat (bushels).....	12,578	29,013	12,841
Corn (bushels).....	3,218	6,363	937
Oats (bushels).....	2,008	3,339	1,241
Rye (bushels).....	630	519	1,955
Barley (bushels).....	2,373	5,409	2,06
Total grain (bushels).....	20,806	44,614	19,085
Flour (barrels).....	1,495	2,058	2,117
Total grain and flour (bushels).....	27,536	53,903	28,612
Stocks at 8 seaboard centers at close of month (000 omitted):			
Wheat (bushels).....	5,568	6,076	9,498
Corn (bushels).....	2,151	2,538	1,369
Oats (bushels).....	1,578	2,244	1,530
Rye (bushels).....	392	396	3,852
Barley (bushels).....	2,858	3,469	1,531
Total grain (bushels).....	12,548	14,724	17,774
Wheat flour production (barrels, 000 omitted).....	10,287	10,783	11,705
Tobacco			
Tobacco sales at loose-leaf warehouses, (pounds, 000 omitted):			
Dark belt Virginia.....	7,754	9,165	7,623
Bright belt Virginia.....	10,941	13,213	9,165
North Carolina.....	23,880	48,853	16,591
Burley.....	35,392	27,750	39,950
Western dark.....	33,233	21,992	20,222

	January, 1926	February, 1925	January, 1925
Transportation			
Revenue freight loaded and received from connections (cars loaded, 000 omitted):			
Classified by nature of products—			
Grain and grain products.....	196	226	221
Livestock.....	139	148	159
Coal.....	782	789	895
Coke.....	75	75	59
Forest products.....	277	281	311
Ore.....	43	52	44
Merchandise, l. c. l.....	1,017	1,086	1,017
Miscellaneous.....	1,310	1,465	1,291
Total.....	3,839	4,122	3,997
Classified by geographical divisions—			
Eastern.....	868	924	909
Allegheny.....	765	830	793
Pocahontas.....	233	233	213
Southern.....	608	659	620
Northwestern.....	473	480	518
Central western.....	611	673	651
Southwestern.....	281	322	293
Total.....	3,839	4,122	3,997

BUILDING STATISTICS

	January, 1926	February, 1925	January, 1925
Building permits issued in 168 cities, grouped by Federal reserve districts:			
Number of permits—			
Boston (14 cities).....	1,128	1,660	1,333
New York (22 cities).....	6,472	8,465	5,212
Philadelphia (14 cities).....	1,266	1,218	1,194
Cleveland (12 cities).....	2,960	3,143	2,611
Richmond (15 cities).....	2,416	2,577	2,075
Atlanta (15 cities).....	4,304	3,861	2,903
Chicago (19 cities).....	5,777	7,421	6,426
St. Louis (5 cities).....	1,552	1,460	1,802
Minneapolis (9 cities).....	575	758	660
Kansas City (14 cities).....	1,314	1,404	1,546
Dallas (9 cities).....	2,215	1,659	2,177
San Francisco (20 cities).....	9,307	8,992	10,797
Total.....	39,316	42,607	38,736
Value of permits (dollars, 000 omitted)—			
Boston (14 cities).....	6,037	11,611	7,737
New York (22 cities).....	95,228	106,974	78,341
Philadelphia (14 cities).....	10,547	14,361	8,719
Cleveland (12 cities).....	11,730	14,624	12,920
Richmond (15 cities).....	9,695	10,072	10,827
Atlanta (15 cities).....	12,936	15,838	7,233
Chicago (19 cities).....	34,005	40,313	30,546
St. Louis (5 cities).....	5,842	7,306	5,703
Minneapolis (9 cities).....	2,088	3,839	2,417
Kansas City (14 cities).....	4,187	8,072	4,640
Dallas (9 cities).....	8,761	9,489	6,287
San Francisco (20 cities).....	29,166	37,072	31,464
Total.....	230,242	279,566	212,804
Building contracts awarded, by Federal reserve districts (dollars, 000 omitted):			
Boston.....	24,256	32,580	22,941
New York.....	195,564	211,323	109,625
Philadelphia.....	20,322	23,781	18,316
Cleveland.....	29,905	37,932	32,033
Richmond.....	30,855	28,196	21,784
Atlanta.....	50,841	53,696	24,885
Chicago.....	51,122	78,538	36,836
St. Louis.....	22,255	25,557	14,645
Minneapolis.....	6,363	7,938	5,895
Kansas City.....	9,846	10,001	7,469
Dallas.....	15,730	19,243	15,119
Total (11 districts).....	457,159	528,845	309,551

WHOLESALE AND RETAIL TRADE

WHOLESALE TRADE IN THE UNITED STATES, BY LINES¹

[Average monthly sales 1909=100]

	General index	Groceries	Meat	Dry goods	Shoes	Hardware	Drugs
1924							
October.....	95	100	78	104	67	110	123
November.....	84	89	69	88	57	98	109
December.....	79	83	66	77	57	99	109
1925							
January.....	79	80	71	82	43	89	116
February.....	76	73	69	88	46	90	109
March.....	83	79	73	96	63	107	121
April.....	79	75	68	85	65	107	115
May.....	79	79	75	77	54	101	106
June.....	83	84	79	82	54	105	110
July.....	83	85	79	85	47	99	111
August.....	87	83	78	106	65	98	108
September.....	94	92	82	112	72	109	120
October.....	101	99	87	118	77	122	134
November.....	86	90	72	92	59	103	110
December.....	80	83	72	75	54	101	111
1926							
January.....	78	77	80	79	43	87	111

¹ For description of the wholesale trade index see FEDERAL RESERVE BULLETIN for April, 1923.

CHANGE IN CONDITION OF WHOLESALE TRADE, BY LINES AND DISTRICTS

	Percentage change in sales January, 1926, compared with—		Percentage change in stocks ¹ at end of January, 1926, compared with—	
	December, 1925	January, 1925	December, 1925	January, 1925
Groceries:				
United States.....	-7.0	-3.9	-3.8	-2.5
Boston district.....	-13.1	-12.6	3.3	13.4
New York district.....	-5.6	3.6	.2	-1.0
Philadelphia district.....	-13.1	-10.7	-9	4
Cleveland district.....	-14.4	-5.8		
Richmond district.....	-6.9	-5.1	4.8	-3.8
Atlanta district.....	-3	1.7		
Chicago district.....	-8.0	-9.4	-2.7	-8.7
St. Louis district.....	-12.1	-2.8	-9	-19.7
Minneapolis district.....	-6.0	-7.0		
Kansas City district.....	-7.9	-6.5	-6.9	-5.4
Dallas district.....	6.1	-3	11.7	-5
San Francisco district.....	1.6	-5.9		
Dry goods:				
United States.....	6.9	-4.1	16.1	-4.5
New York district.....	2.0	4.5		
Philadelphia district.....	-15.5	-14.8	11.1	9.8
Cleveland district.....	-22.2	-6.4		
Richmond district.....	56.8	-4.6	12.5	-17.6
Atlanta district.....	12.0	9.9		
Chicago district.....	11.4	-16.4	26.6	-4.5
St. Louis district.....	41.1	.9	-11.0	-5.5
Minneapolis district.....	-19.0	-15.0		
Kansas City district.....	39.8	1.9	29.4	10.3
Dallas district.....	51.3	-12.9	18.4	.2
San Francisco district.....	11.8	-4.7		
Shoes:				
United States.....	-16.0	5.0	17.9	-18.4
Boston district.....	-40.8	-23.9	17.0	2.1
New York district.....	-31.0	.4	22.5	8.3
Philadelphia district.....	-8.4	.8	2.2	-28.0
Cleveland district.....	-17.4	12.0	16.2	-6.6
Richmond district.....	15.3	-1.8	.6	-13.9
Atlanta district.....	1.8	18.3		

¹ Changes in total stocks for the United States are weighted averages computed on the basis of firms which have reported regularly to the Federal reserve system since January, 1923.

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

	Percentage change in sales January, 1926, compared with—		Percentage change in stocks ¹ at end of January, 1926, compared with—	
	December, 1925	January, 1925	December, 1925	January, 1925
Shoes—Continued				
Chicago district.....	-17.7	15.7	3.2	-28.0
St. Louis district.....	118.6	36.0	4.8	14.1
Minneapolis district.....	-20.0	-11.0		
San Francisco district.....	4.6	8.2		
Hardware:				
United States.....	-13.8	-2.4	6.9	-3.5
New York district.....	-28.0	-10.9	24.9	11.0
Philadelphia district.....	-24.2	-4.0	10.8	-6.2
Cleveland district.....	-8.0	-7.6	5.7	-5.1
Richmond district.....	4.9	-7.5	1.7	-3.2
Atlanta district.....	1.4	22.7		
Chicago district.....	-18.1	-9.7	5.5	-5.2
St. Louis district.....	-14.0	2.4		-2.1
Minneapolis district.....	-17.0	4.0		
Kansas City district.....	-20.1	-2.8	3.0	2.3
Dallas district.....	-7.3	-5	9.2	2.8
San Francisco district.....	3.7	9.1		
Drugs:				
United States.....	.2	-4.5	3.7	3.7
New York district.....	-4	-16.8		
Philadelphia district.....	-5.4	-7	-1.1	
Cleveland district.....	-4.6	1.6		
Richmond district.....	14.5	8.1		
Atlanta district.....	-7.0	-9.0		
Chicago district.....	-4.6	1.1	7.8	.2
St. Louis district.....	-2.7	-8	-11.4	-10.7
Kansas City district.....	-8.0	-6.8	5.3	-3.4
Dallas district.....	3.1	-11.9	4.2	6.3
San Francisco district.....	9.3	7.4		
Furniture:				
Richmond district.....	32.4	32.9	3.4	-8.6
Atlanta district.....	-17.8	13.5		
St. Louis district.....	-23.4	41.9	6.6	-19.9
Kansas City district.....	-4.1	11.1	1.8	3.5
San Francisco district.....	-16.3	7.1		
Agricultural implements:				
Minneapolis district.....	-36.0	6.0		
Dallas district.....	56.8	-29.7	-2.1	-6
San Francisco district.....	12.1	55.3		
Stationery and paper:				
New York district.....	-8.6	10.1		
Philadelphia district.....	5.7	-4.9	2.2	.3
Atlanta district.....	-18.4	-5		
San Francisco district.....	-19.1	-5		
Automobile supplies:				
San Francisco district.....	-11.9	-3.8		
Clothing:				
New York district.....	32.0	-11.1		
St. Louis district.....	-41.5	17.5		
Cotton jobbers:				
New York district.....	-26.0	-10.4	12.6	-9.9
Silk goods:				
New York district.....	7.7	7.0	.9	² 34.5
Machine tools:				
New York district.....	-20.7	11.6		
Diamonds:				
New York district.....	37.0	23.0		
Jewelry:				
New York district.....	-66.9	-18.2	-9.1	³ -7.9
Philadelphia district.....	-72.2	7.5	5.1	-8.1
Electrical supplies:				
Philadelphia district.....	-41.8	-9.0	-6.6	-24.6
Atlanta district.....	-38.3	49.8		
St. Louis district.....	-5.5	28.8	9.3	-15.4
San Francisco district.....	-32.6	-3.2		
Millinery:				
Kansas City district.....	-7.2	-12.3		
Stoves:				
St. Louis district.....	-27.0	-6.4	9.3	-27.9

² Stocks at first of month; quantity, not value.

³ Includes diamonds.

RETAIL TRADE, BY REPORTING LINES¹

[Average monthly sales 1919=100]

Year and month	Sales without seasonal adjustment								Sales with seasonal adjustment									
	Department stores (359 stores)	Mail-order houses (4 houses)	Grocery chains (27 chains) ²	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 (27 chains) ²	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)
1924																		
October.....	141	141	240	203	159	144	138	124	199	124	109	234	188	156	137	122	102	194
November.....	141	131	232	199	145	138	146	111	186	126	105	230	191	154	139	134	89	195
December.....	210	148	253	366	187	192	186	184	282	131	123	242	198	153	142	142	98	193
1925																		
January.....	108	108	250	151	155	122	107	92	162	124	110	249	207	161	141	141	112	193
February.....	101	105	233	156	146	119	100	99	175	131	116	243	209	161	140	149	120	207
March.....	121	119	252	177	160	131	127	105	188	121	103	233	185	159	135	127	116	186
April.....	136	117	258	195	159	134	177	107	210	133	114	255	208	164	139	152	126	210
May.....	128	95	254	191	163	143	149	96	195	124	106	254	201	166	140	149	116	202
June.....	126	102	254	187	167	134	152	99	184	126	120	257	203	170	137	142	125	197
July.....	95	87	259	183	166	136	122	104	181	128	117	269	201	164	137	134	140	185
August.....	98	89	243	195	171	142	120	128	202	125	118	255	205	171	145	153	143	202
September.....	121	114	245	191	169	142	129	136	202	134	120	258	206	172	142	135	136	204
October.....	165	170	318	237	179	151	164	141	215	145	131	309	219	175	145	145	117	209
November.....	145	144	272	220	167	136	136	139	195	129	116	270	211	177	138	126	111	205
December.....	226	166	332	427	225	212	188	214	280	141	139	318	231	185	157	143	114	191
1926																		
January.....	115	116	286	166	178	127	108	101	167	131	118	284	228	185	146	142	122	199

¹ For description of the retail trade indexes see FEDERAL RESERVE BULLETINS for January and March, 1924.
² Index of sales of grocery chains revised. Comparable index numbers for all months since January, 1919, may be obtained from Division of Research and Statistics, Federal Reserve Board.

DEPARTMENT STORE SALES, BY FEDERAL RESERVE DISTRICTS

[Average monthly sales 1919=100]

Federal reserve district	Number of reporting firms	Sales without seasonal adjustment							Sales with seasonal adjustment										
		1926		1925					1924		1926		1925					1924	
		Jan.	Dec.	Nov.	Oct.	Sept.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Nov.	Oct.	Sept.	Jan.	Dec.		
United States.....	359	115	226	145	165	121	108	210	131	141	129	145	134	124	131				
Boston.....	24	131	225	143	156	118	110	215	145	141	130	142	130	122	135				
New York.....	63	129	243	158	186	128	120	226	141	148	137	155	146	132	138				
Philadelphia.....	22	114	222	167	167	111	105	213	130	141	129	145	137	120	133				
Cleveland.....	54	108	218	134	160	115	107	207	124	138	123	146	129	123	131				
Richmond.....	23	103	230	146	160	105	98	213	124	133	125	139	123	113	124				
Atlanta.....	35	89	190	122	139	89	83	173	109	117	106	117	100	102	106				
Chicago.....	63	119	244	154	173	145	112	217	141	156	139	158	153	132	138				
Minneapolis.....	23	85	167	105	135	104	92	162	100	113	98	120	104	107	110				
Dallas.....	21	94	180	115	141	112	92	171	109	111	101	120	112	106	105				
San Francisco.....	31	129	253	158	168	139	128	238	145	161	156	154	149	145	151				

DEPARTMENT STORE STOCKS, BY FEDERAL RESERVE DISTRICTS

[Average monthly stocks 1919=100]

Federal reserve district	Number of reporting firms	Stocks without seasonal adjustment							Stocks with seasonal adjustment										
		1926		1925					1924		1926		1925					1924	
		Jan.	Dec.	Nov.	Oct.	Sept.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Nov.	Oct.	Sept.	Jan.	Dec.		
United States.....	314	126	129	154	149	143	119	124	142	139	137	134	133	134	133				
Boston.....	24	110	119	140	132	125	112	120	122	122	121	117	118	124	123				
New York.....	63	133	131	153	148	140	118	125	149	138	135	133	131	132	132				
Philadelphia.....	13	161	176	213	210	195	147	151	180	183	192	188	181	164	157				
Cleveland.....	52	112	123	145	141	137	112	121	133	132	129	126	128	133	130				
Richmond.....	19	114	120	147	138	135	109	117	135	133	129	119	122	129	130				
Atlanta.....	22	109	102	126	124	121	99	96	121	114	113	111	111	110	107				
Chicago.....	51	146	148	175	168	158	137	142	164	159	156	150	148	154	152				
Minneapolis.....	22	96	101	124	122	120	99	99	106	110	113	112	115	111	108				
Dallas.....	19	108	111	135	135	134	103	105	126	130	122	119	119	119	122				
San Francisco.....	29	126	124	148	147	140	123	124	137	136	135	136	133	134	135				

FOREIGN BANKING AND BUSINESS CONDITIONS

FINLAND'S RETURN TO GOLD

On December 10, 1925, the Finnish Diet adopted a new monetary law, together with certain new regulations governing the Bank of Finland. This law reevaluates the Finnish markka, whose pre-war parity had been 19.3 cents, at a new parity of 2.5185 cents, or 39.7 finmarks to the dollar, the rate at which the exchange had been stabilized since November 5, 1924, and virtually the figure which had prevailed since the beginning of that year. The law, therefore, adopts and legalizes a valuation of the currency which had been established in practice for approximately two full years, and to which Finnish industry and trade had become fully adjusted.

THE MONETARY LAW

The monetary law provides that "the monetary system of Finland is founded on gold as the sole measure of value." The monetary unit is the mark, divided into 100 penni. Gold coin of 100 and 200 marks are to be struck, the former containing $3\frac{1}{2}$ and the latter $7\frac{1}{4}$ grams of fine gold, the contents of the coins to be 9 parts fine. Subsidiary coinage is to consist of marks and pieces of 50 and 25 penni of nickelled bronze and 10 and 5 penni pieces of copper. The free coinage of gold is stipulated: "Every person submitting not less than 40 grams of gold to the Finnish mint for coining, is entitled, after the weight and fineness of the gold have been examined, to receive from the Bank of Finland gold coin of a value corresponding to that of the fine gold, after one-third per cent of the aforesaid value has been deducted for covering the cost of coining. For such coining no other charges or taxes may be made. Gold may be freely imported into the country and exported thence." Besides gold coin, everyone shall be compelled to accept Bank of Finland notes as legal tender; small change must be accepted without restriction as payment at Government offices or the Bank of Finland, but other persons are not obliged to accept small change except in limited sums. The Bank of Finland is at all times entitled to receive from the Finnish Treasury gold coin in exchange for small change. This law entered into force on January 1, 1926, and on that date the previous law, regarding the currency of the Grand Duchy of Finland of August 9, 1877, ceased to be valid.

Another law passed at the same time prescribed that "in fulfilling liabilities incurred heretofore in Finnish currency, 1 mark shall be equal to 1 mark of the currency fixed in the monetary law of December 21, 1925."

REGULATIONS FOR THE BANK OF FINLAND

The Bank of Finland, founded in 1811, is one of the oldest banks of issue in Europe. Its ownership is entirely vested in the State, and its officials are appointed by the Government. The new law establishes the regulations for its operation. It provides that "the object of the Bank of Finland is to maintain stability and security in the monetary system of Finland, and to assist and facilitate the circulation of money in the country." The bank is given the sole right of issuing bank notes in the Republic.

The note issue.—The amount of the bank's notes in circulation may not be more than 1,200,000,000 marks in excess of the aggregate amount of the gold reserves of the bank and the undisputed balances of the bank with its foreign correspondents. The notes issued in excess of this reserve in gold and foreign balances must be covered by bills payable abroad in foreign currency, foreign listed bonds, interest coupons in foreign currency which have fallen due for payment, foreign bank notes, or inland bills falling due not later than within three months' time and for the payment of which at least two trustworthy persons or firms are responsible. The drafts of the bank in Finnish currency and other liabilities payable on demand, as well as the undrawn balances of advances on cash credit and overdrafts, shall equally be considered as notes in circulation. The gold stock in the reserve shall be maintained at not less than 300,000,000 marks.

Commenting on the note issue and its cover, the December bulletin of the Bank of Finland remarks: "* * * The same principles for the cover which had been adopted for more than half a century past in Finland and which are founded on the English system known as the contingent system have been retained with certain modifications. Thus the notes issued must be covered by gold or by the undisputed balances of the bank with its foreign correspondents, and notes may be issued in excess thereof only up to a contingent fixed by law.

That part of the note circulation which exceeds the bank's gold reserve and foreign balances must have a fiduciary cover, the character of which is previously indicated in the regulations. The present contingent is 1,500,000,000 marks. As, however, the gold reserve of the Bank of Finland * * * will be increased by the currency reform by close to 300,000,000 marks, a corresponding reduction was considered to be in order.¹ The uncovered note contingent is, therefore, fixed at not more than 1,200,000,000 marks. In the fiduciary cover the important provision has been introduced that treasury bonds or short-time loans may not, as in recent years, be included in it. According to the decision of the Diet the Government is to redeem all its bonds in the possession of the Bank of Finland before the end of 1928, by which means the position of the bank will be further strengthened."

Redemption of notes.—The bank is obliged to redeem its notes on demand either in Finnish gold coin or in gold ingots or "in cheques made out in foreign gold currency and payable at sight at the current rate of exchange, which may not exceed the parity by more than 1 per cent." The bank has the option to decide which of these methods of redemption shall be employed.

This provision makes it clear that, although the monetary law provides for the free coinage of gold and for freedom of export and import of that metal, the currency is actually upon a gold exchange basis. Referring to this provision, the bulletin mentioned above states: "Although new gold coin is to be struck in accordance with the provisions of the new law, it is not intended that gold coin should be in circulation to any great extent, which would be unnecessarily costly for a small country * * *. It should also be remembered that of late years gold coin has completely gone out of circulation and that even before the World War gold was only current to a small degree. The notes of the Bank of Finland as legal tender, will, therefore, as heretofore, be the most usual currency. No changes in the notes at present current are required by the reform of the currency."

Interest on foreign deposits.—Among the regulations covering the organization and operations of the bank the following provision is of special international concern: "The bank is

entitled to pay interest on the balances on current account of its foreign correspondents. In other cases interest may not be paid on deposits in the bank, unless * * * owing to special circumstances."

Distribution of profits.—The profits of the bank are to be disposed of as follows: "Until the capital and the reserve fund of the bank have severally risen to 500,000,000 marks, the annual profit of the bank shall be employed in its entirety to increase the same. Thereafter, at least one-third of the annual profit shall be transferred to the reserve fund. Such part of the profit as is not utilized for increasing the funds of the bank may, according to the decision of the Diet, be employed for public purposes."

The net profits of the bank have been rising steadily in recent years, amounting to 13,500,000 marks in 1923, 65,400,000 in 1924, and 82,700,000 in 1925. As was explained above, the capital of the bank was raised to the stipulated figure of 500,000,000 marks on the statement of December 31, 1925; with the end of the year the profits were transferred to the reserve fund, or surplus, increasing it from 51,000,000 marks to 133,000,000 marks.

POSITION OF THE BANK OF FINLAND

The accompanying table shows the changes in the statement of the Bank of Finland over recent years:

LEADING ITEMS OF THE BANK OF FINLAND

[End of year figures. In millions of marks]

	1925	1924	1923	1922
Gold.....	332	43	43	43
Foreign correspondents and credits abroad.....	1,528	808	607	708
Government debt to bank.....	361	482	548	583
Inland bills.....	424	540	701	591
Including rediscounts of joint stock banks.....	26	158	441	156
Note circulation.....	1,309	1,250	1,352	1,421
Other demand liabilities.....	862	487	420	423

The increase in the gold holdings in 1925, as was explained above, represents revaluation into the new unit. The item of "foreign correspondents and credit abroad," together with the gold, constitutes the redemption reserves; the "credit abroad" of 245,000,000 marks was negotiated in February, 1924, and is also carried in the bank's statement as a demand liability. It was renewed for another year in February, 1925, since when it has been carried at 256,000,000 marks. The Government debt represents the assumption by the State of

¹ Prior to the revalorization, the statement of the Finnish bank showed gold holdings of 43,300,000 marks, of the old parity of 19.3 cents. When the new value of the mark was legalized, the value of the gold reserve was written up to 331,700,000. This increase of nearly 300,000,000 marks in the assets was adjusted when the capital of the bank was increased from 100,000,000 to 500,000,000 marks.

certain obligations, among them Russian treasury bills which formerly formed part of the bank's reserve in foreign exchange. The item has been steadily reduced in recent years, and as was stated above, is to be entirely extinguished before the end of 1928. The holdings of inland bills, although subject to very wide fluctuations, partly of a seasonal character, have declined rapidly, especially since June 1924, when the figure was 995,000,000 marks. This is largely due to the repayment of the rediscounts of the joint stock banks. In June, 1924, these amounted to 581,000,000 marks; at the end of November, 1925, they had fallen to 12,000,000 marks.

The note circulation shows little net change over the past four years, but the "other demand liabilities" are considerably larger. These included, at the end of 1925, 256,000,000 marks due on the foreign credit.

The Finnish joint-stock banks.—As was mentioned above, since the middle of 1924 the joint stock banks have been steadily repaying their indebtedness to the central bank. At the same time they have been reducing their indebtedness to foreign banks. In May, 1923, the items "due from abroad" and "due to abroad" showed a net balance due to abroad of 1,027,000,000 marks; by the end of 1923 it had fallen to 718,000,000, a year later to 322,000,000, while in November, 1925, it amounted to only 157,000,000 marks. In 11 months of 1913 the joint stock banks showed a balance "due from abroad."

THE BALANCE OF PAYMENTS OF FINLAND

Finland's balance of international trade has shown an export surplus in three of the past four years.

ANNUAL REPORT OF THE BANK OF FRANCE

The report of the Bank of France for the year 1925, presented at the annual meeting of the stockholders on January 28, contained the following review of the year:

In concluding our previous report, relating to the operations of the bank during the year 1924, we confided to you our anxieties occasioned by the condition of the State Treasury and its influence on the financial situation. Nevertheless, we ventured once more to hope that an energetic policy of reform might succeed in getting control of the crisis in time, so that it might be possible to avoid raising the maximum limits of advances to the Treasury and of note circulation. There was reason to

INTERNATIONAL TRADE OF FINLAND

[In millions of marks]

Year	Imports	Exports	Balance
1925.....	5,513	5,570	+57
1924.....	4,715	4,971	+256
1923.....	4,600	4,392	-208
1922.....	3,970	4,468	+498

As the exports are mostly of forest products, lumber, wood pulp, etc., the annual figure is subject to considerable variation from year to year, depending on the demand for such commodities and the fluctuations in their price.

The "invisible items," of the balance of payments, computed by the Central Statistical Office, show in the three years prior to 1925 a steady growth on both sides of the account, which, however, was regularly adverse by about 100,000,000 marks.

"INVISIBLE ITEMS" IN THE BALANCE OF PAYMENTS

[In millions of marks]

Year	Income	Expenditure	Balance
1924.....	618	726	-108
1923.....	530	647	-118
1922.....	466	561	-95

The invisible items, therefore, form a minor part in the total balance of payments. This balance was favorable by 403,000,000 marks in 1922, unfavorable by 326,000,000 marks in 1923, and favorable by 148,000,000 marks in 1924. These figures, however, do not include the international movements of bank balances, nor the receipts from foreign loans, of which Finland has floated a considerable number in recent years, mostly in the United States.

fear that the first increase, once accomplished, would lead to others, as proved to be the case, and that the progress of this new inflation would render more difficult with every passing day the effort necessary to put an end to it. The board of directors never ceased during this past year, as they had done previously, to call the attention of the public authorities to the extreme need for this effort, and have consented to the increases which were successively demanded of them only because each time the Government affirmed its intention to adopt policies of monetary and financial salvation, and because they wished to give the Government time to put these into execution.

In the face of conflicting obligations and decisions that were sometimes distressing, your board of directors have never for a moment lost sight of the fact that their first duty is to maintain the value of the bank note. They are more convinced than ever that this value is to be maintained only on the principles laid down in the statutes of the bank, and having no regard to the needs of the Government.

Even at the beginning of the war, the directors agreed to the first advances to the Treasury only because of the emergencies of the national defense and the fact that the Government could not get the indispensable resources quickly enough through credits and taxation. Even at that moment they demanded and received a pledge that a return to normal relations should be guaranteed by definite terms of repayment, written into the Act of Bordeaux. On the morrow of the armistice, the directors stubbornly opposed the same principles to the successive demands of the Treasury. In a letter sent to the Minister of Finance on April 15, 1919, they reminded him again, that—

It is vital to the welfare of the country as a whole that the bank note should maintain its value against all attacks.

To this end the fundamental statutes of the Bank of France impose upon the issue of notes such fixed conditions as shall guarantee their convertibility.

Departure from these principles can be allowed only in the supreme interests of national defense, at a time when the very existence of the country is at stake, and when it is a matter of victory or death.

The warnings of the directors were heeded at that time; a limit was put upon the advances to the State, fixed at a maximum of 27 billions; and the rate of their repayment was accelerated by the law of April 22, 1920.

Unfortunately these prudent legal provisions could not be fully carried out. Chiefly because of the continued failure to obtain reparations from Germany, the State had increasing difficulty to find, in time to be of use, the necessary resources with which to meet its growing reconstruction obligations as well as its budget expenses; and it could not have managed at all without the aid of repeated loans, and sometimes of temporary recourse to the banks and credit institutions, to which we furnished the necessary funds under the form of regular discounting, which entailed an increase in the note circulation.

All the efforts put forth were unable to control the chain of events as rapidly as was necessary. By the beginning of 1925 it had become necessary to raise the legal limit of advances to the State, which had previously

been reduced to 22 billion francs, while the limit of the circulation had been fixed at 41 billions. It would be superfluous now to place before your eyes the documents with which we felt obliged to support our protests, and the replies which were made to them. They have been communicated to the Parliament and made public. The entire development of this crisis was itself explained to the two Houses before they were called upon to approve by the law of April 15 the agreement concluded between the Government and the bank to raise by 4 billions the limit of advances to the State, and similarly to carry to 45 billions the maximum for note circulation. This agreement put at the disposal of the Treasury resources which the authorities judged would be sufficient; and there was reason to hope that the respite thus assured would not elapse without the realization of the plan of financial reform expected by the country. It proved otherwise; inflation aggravates the disease whose symptoms it appears to relieve; less than three months later the Government demanded the authority to negotiate with the Bank of France for a new advance of 6 billions. The directors could not escape the obligation, in which circumstances placed them, of consenting to this new advance, intended in theory to extend the breathing spell necessary for the perfection, discussion, and application of the measures intended to assure equilibrium of the budget and of the Treasury. At the same time, in order to give this program a certain security following from the consolidation of part of the short-term and part of the floating debt, a loan carrying especially favorable conditions was decided upon by the State.

To avoid all inflation, the maturing obligations of the Treasury must have been entirely covered not by the aid of note issues but by normal credit operations, the success of which, however, depends rather more on an atmosphere of complete confidence than on the ingenuity of their conception. Such has always been the opinion of the directors, faithful to the principles which they have never ceased to reassert.

Toward the end of November, and for the third time since the beginning of the year, inasmuch as the measures designed to check inflation had not been taken, the directors found themselves confronted with a double demand for new advances; the first, on November 23, for a billion and a half francs, to furnish the Treasury with bank notes needed for its immediate payments; the other on

December 4, for 6 billions more to provide the Treasury with fresh funds. The directors, who, as we have seen, had not accepted the earlier agreements without urging the Government to put in operation without delay a plan of finance which should definitely check inflation, consented to the increase provided by the December agreement only with the firm intention that this should be the last. They do not doubt that such is the purpose of the Government, to whom, on the 7th of December last, they sent a letter communicating their deliberations by which they were authorizing the signature of the agreement of the same day.

In their deliberations, the directors reasserted "that advances of the Bank of France to the State bring in their train the most serious monetary disorders," that they were justified, even during the war, as they had said before in 1919, "only by the extreme peril of the country, and were agreed to only under the guarantee of a pledge of amortization as rapid as possible; that it was their duty not to permit of change in the character of the Bank of France which had been created to provide a safeguard for the currency; that this safeguard was to be found in the application of those principles on which the issue of every sound currency rests, in the first place on the maintainance of that currency in complete separation from the exigencies of the State." The directors demanded with all the energy imposed by the safeguarding of the interests entrusted to them that this last breathing space secured to the Treasury by the new agreement should be used without the loss of a single day, not merely to achieve finally the equilibrium of the budget, but even more to reestablish the confidence of the public and thus to insure again the normal renewal of subscriptions to the national-defense bonds, the slackening in which has been one of the chief causes of the recent difficulties of the Treasury.

The agreements reached on November 24 and on December 7 increased to 39.5 billions the legal limit of advances to the State, and increased to 58.5 billions the legal limit of note issue. The States debt to the bank rose by the end of the year to 35,950 millions, an increase during the year of 14,150 millions. By the agreement of April 7, which had anticipated that the reduction of the State's debt to the bank during the year 1925 would be limited to the amount available at the end of the year in the reserve and amor-

tization account, the Treasury was credited with the sum of 955 millions, the sum to which this item had risen. To this the State added 45 millions taken from the unused balance of the Morgan dollar loan, carried over at the end of last year under conditions which we have described;¹ this brought the reduction to 1 billion and reduced the maximum limit of authorized advances from 39.5 billions to 38.5 billions, and the total of the debt from 35,950 millions to 34,950 millions. The note circulation by the end of the year was almost 50 billions, an increase of 9,390 millions during the year. The increase in note issues is considerably less than that of the State's indebtedness to the bank. The difference in the two items is partly the result of an increase in the bank's deposits in current account, which rose by 1,200 millions, and partly the result of a decrease in the discount portfolio. Discounts, after having averaged between 5 and 6 billions during the early months of the year on account of emergency discounting on behalf of the Treasury, declined to an average between 3 and 4 billions after those were paid off, and the discount rate was reduced on July 9 from 7 to 6 per cent.

The continued increase in our advances to the State and the expansion of the circulation which resulted could not fail to have most serious consequences on the exchanges. Depreciation of our money followed almost without interruption during the entire year, and was very much worse toward its close. Dollar exchange, quoted at 18.50 francs at the beginning of January rose to 19 francs in April, to 20 francs in May and to 22 francs in June. The course of sterling followed in a parallel movement from 87.50 in January to 93 francs in April, and 97 francs in May, and crossed 100 francs in June. After a little pause during the summer the curve of the exchanges rose rather abruptly from the beginning of October. From then on the upward movement was more rapid, carrying the course of the dollar and the pound to 24 and 117 francs, respectively, in October, to 26 and 129 francs in November, then to maximum quotations of 28 and 135 francs about the middle of December, to return for the first days of 1926 to 26.50 and 130 francs, respectively. Domestic prices, influenced of course by the rise in the exchanges, have, as usual, advanced less rapidly. The rise in retail prices up to the present has not exceeded 14.5 per cent, and that of wholesale prices 25 per cent. But this advance would be-

¹ FEDERAL RESERVE BULLETIN, April, 1925, p. 259.

come much more rapid unless measures indispensable to monetary reform be taken promptly in a way which will permit the readjustment of prices through the improvement in the quotation of the franc.

The activity of production and trade during the year bears witness once again that the country is courageously pursuing its patient work of reconstruction in spite of all the difficulties of the financial situation. The efforts made by our mining industries since the armistice have made it possible for them this year to reach and even for certain products notably to surpass their pre-war output. The total output of the mines for the entire year would seem to be about 2,000,000 tons higher than in 1913, taking into account the production of

Alsace and Lorraine. For the first 11 months of 1925 our coal mines produced 44,000,000 tons, compared with 41,000,000 tons for the corresponding period of 1924. Iron production approaches pre-war figures; that of steel exceeds it considerably. Our grain harvests have reached the largest amounts reported since the war. The wheat harvest amounted to 89,000,000 quintals, which is 13,000,000 quintals higher than the preceding year; this is the more encouraging because it is due to a larger production per hectare. This reassuring activity, this persevering courage which the country exhibits, as it has always done in the past, even in the most critical hours, remains the most solid basis of our confidence in the future.

FINANCIAL STATISTICS FOR PRINCIPAL FOREIGN COUNTRIES

[Bank figures are for the last report date of month, except for London clearing banks, which are daily averages]

ENGLAND

[Millions of pound sterling]

	1926		1925	
	January	December	November	January
Bank of England:				
Issue department—				
Gold coin and bullion.....	143	143	145	127
Notes issued.....	163	163	165	146
Banking department—				
Gold and silver coin.....	1	2	2	2
Bank notes.....	21	17	23	22
Government securities.....	46	64	42	50
Other securities.....	74	103	77	74
Public deposits.....	23	8	14	23
Other deposits.....	101	161	111	107
Ratio of gold and note reserve to deposit liabilities (per cent).....	18.1	11.5	19.5	18.4
Bank notes in circulation ¹	85	88	86	98
Currency notes and certificates.....	286	297	290	281
Nine London clearing banks:				
Money at call and short notice.....	113	118	111	112
Discounts and advances.....	1,088	1,078	1,072	1,063
Investments.....	262	261	261	296
Total deposits.....	1,637	1,647	1,619	1,653
Total clearings.....	3,488	3,548	3,248	3,771
Government floating debt:				
Total.....	785	817	769	786
Treasury bills.....	639	636	647	631
Temporary advances.....	146	181	122	155
Index of security prices (December, 1921=100) (per cent).....	117.5	116.5	116.8	117.5
Index number of foreign exchange value of the pound sterling (per cent) ²	99.9	99.8	99.7	-----

¹ Notes issued, less amounts held in banking department and in currency note account.

² New series

FRANCE

[Millions of francs]

	1925		1924	
	December	November	October	December
Bank of France:				
Gold reserve ¹	3,684	3,684	3,683	3,681
Silver reserve.....	325	321	315	304
War advances to the Government.....	34,200	35,950	31,950	21,200
Note circulation.....	50,618	51,085	48,085	40,516
Total deposits.....	3,188	3,335	3,022	2,012
Three commercial banks:				
Demand deposits.....	19,210	18,176	14,511	14,511
Bills.....	-----	12,282	10,063	-----
Other loans.....	-----	4,867	4,572	-----
Clearings, daily average of Paris banks.....	-----	1,855	1,831	920
Price of 3 per cent perpetual renté.....	49.15	48.35	45.20	48.45

¹ Not including gold held abroad.

CANADA

[Millions of dollars]

	1925		1924	
	December	November	October	December
Chartered banks:				
Gold coin and bullion ¹	69	60	65	52
Current loans and discounts.....	1,142	1,130	1,134	1,123
Money at call and short notice.....	394	392	355	315
Public and railway securities.....	550	559	573	536
Note circulation.....	174	184	186	166
Individual deposits.....	2,270	2,313	2,222	2,166
Gold reserve against Dominion notes.....	135	132	112	139
Dominion note circulation.....	227	226	215	262
Bank clearings ²	1,898	1,670	1,710	1,709
Bank debts ²	3,121	2,787	2,867	2,825

¹ Not including gold held abroad.

² Total for month.

GERMANY

[Millions of reichsmarks]

	1926		1925	
	January	December	November	January
Reichsbank:				
Gold at home.....	1,112	1,111	1,111	636
Gold abroad.....	143	97	97	199
Reserves in foreign exchange.....	418	403	403	278
Bills of exchange and checks.....	1,464	1,915	1,650	1,771
Miscellaneous assets.....	609	590	578	1,507
Deposits.....	579	697	587	747
Reichsmarks in circulation.....	2,649	2,960	2,771	1,901
Rentenmarks in circulation.....	1,589	1,609	1,611	1,967
Reichsbank clearings.....	4,177	4,398	4,216	3,936
6 Berlin banks: ¹				
Cash.....	-----	-----	-----	-----
Bills.....	-----	-----	-----	-----
Due from other banks.....	-----	-----	-----	-----
Miscellaneous loans.....	-----	-----	-----	-----
Deposits.....	-----	-----	-----	-----
Index of security prices (Jan. 2, 1925= 100) (per cent).....	71.62	58.56	61.64	111.37
Capital issues.....	20	16	504	102

¹ Bimonthly statements.

ITALY

[Millions of lire]

	1925			1924
	December	November	October	December
Banks of issue:				
Gold reserve ¹	1,134	1,134	1,133	1,132
Total reserve.....	2,041	2,070	2,022	1,826
Loans and discounts.....	10,477	9,666	10,577	8,324
Note circulation for commerce.....	12,287	12,134	12,412	10,873
Note circulation for the State.....	7,063	7,067	7,067	7,242
Total deposits.....	2,466	2,366	2,489	3,194
Leading private banks:				
Cash.....	-----	1,051	991	1,060
Loans and discounts.....	-----	9,086	8,765	8,969
Due from correspondents.....	-----	4,217	4,296	3,951
Participations.....	-----	516	515	383
Total deposits.....	-----	13,271	12,970	12,903
State note issue.....	2,100	2,100	2,100	2,400
Index of security prices (per cent).....	216	230	214	254

¹ Not including gold held abroad.

JAPAN

[Millions of yen]

	1926		1925	
	January	December	November	January
Bank of Japan:				
Gold at home and abroad.....	1,057	1,057	1,057	1,059
Advances and discounts.....	374	456	408	520
Advances on foreign bills.....	172	207	125	136
Notes issued.....	1,388	1,500	1,301	1,391
Total deposits.....	713	736	815	864
Total note and deposit liabilities.....	2,101	2,236	2,116	2,255
Tokyo banks:				
Cash on hand.....	127	117	125	123
Total loans.....	2,416	2,403	2,332	2,398
Total deposits.....	1,922	1,908	1,880	1,859
Total clearings.....	2,743	3,853	3,208	2,632

CONDITION OF CENTRAL BANKS IN OTHER COUNTRIES

	1926		1925			1926		1925	
	January	December	November	January		January	December	November	January
Austrian National Bank (millions of schillings):					Bank of Finland (millions of Finnish marks):				
Gold.....	15	15	15	11	Gold.....	332	332	332	332
Foreign bills.....	520	558	557	451	Balances abroad and foreign credit.....	1,361	1,408	1,309	867
Domestic bills.....	144	180	108	154	Foreign bills.....	104	102	109	16
Treasury bills.....	187	188	192	217	Domestic bills.....	421	424	336	598
Total principal earning assets.....	851	926	857	822	State debts.....	262	361	395	470
Notes.....	823	890	827	790	Note circulation.....	1,292	1,309	1,253	1,205
Deposits.....	45	55	48	44	Demand liabilities.....	788	862	729	617
Total note and deposit liabilities.....	868	945	875	834	Total notes and demand liabilities.....	2,080	2,171	1,982	1,822
National Bank of Belgium (millions of francs):					National Bank of Greece (millions of drachme):				
Gold.....	274	274	273	272	Gold and balances abroad.....			2,728	2,067
Foreign bills and balances abroad.....	30	30	30	30	Government loans and securities.....			3,778	3,835
Domestic bills.....	1,125	1,036	906	1,545	Discounts and loans.....			3,254	2,844
Loans to State.....	5,200	5,200	5,200	5,200	Note circulation.....			5,493	4,847
Notes.....	7,462	7,471	7,544	7,648	Total deposits.....			3,576	3,614
Deposits.....	344	456	102	406	Total note and deposit liabilities.....			9,069	8,461
Total notes and deposits.....	7,806	8,027	7,646	8,054	National Bank of Hungary (millions of pengös):				
National Bank of Bulgaria (millions of leva):					Gold.....	59	59	59	41
Gold.....		41	41	40	Foreign bills, etc.....	194	207	205	157
Foreign bills, etc.....		513	398	933	Loans and discounts.....	151	134	126	148
Domestic loans and discounts.....		1,321	1,363	1,218	Advances to Treasury.....	156	156	156	153
Advances to State.....		5,390	5,377	5,442	Other assets.....	280	327	329	245
Total principal earning assets.....		7,224	7,138	7,593	Note circulation.....	405	416	406	356
Notes.....		3,655	3,820	4,458	Deposits.....	195	214	215	171
Deposits.....		2,598	2,438	2,178	Miscellaneous liabilities.....	213	227	228	195
Total notes and deposits.....		6,253	6,258	6,636	Bank of Java (millions of florins):				
Banking Office, Czechoslovakia (millions of Czechoslovak crowns):					Gold.....		183	144	134
Gold and silver.....	1,071	1,032	1,031	1,029	Foreign bills.....		21	26	18
Balances abroad and foreign currency.....	1,180	1,199	1,135	643	Loans and discounts.....		80	100	96
Bills discounted.....	648	748	694	1,083	Total principal earning assets.....		101	126	114
Advances on collateral.....	422	458	474	553	Notes.....		353	344	277
Note circulation.....	7,245	8,408	7,921	7,917	Deposits.....		40	32	90
Deposits.....	1,228	742	695	497	Total note and deposit liabilities.....		393	376	367
Bank of Danzig (millions of Danzig gulden):					Bank of Latvia (millions of lats):				
Balances with Bank of England.....	15	17	16	13	Gold.....	24	24	24	24
Foreign bills, etc.....	17	17	18	9	Foreign exchange reserve.....	28	31	30	41
Loans and discounts.....	19	18	18	17	Bills.....	63	64	63	47
Total principal earning assets.....	36	35	36	26	Loans.....	52	52	50	51
Notes.....	32	35	33	30	Note circulation.....	29	29	29	28
Deposits.....	5	4	5	6	Government deposits.....	75	78	72	80
Total note and deposit liabilities.....	37	39	38	36	Other deposits.....	49	52	51	45
National Bank of Denmark (millions of kroner):					Bank of Lithuania (millions of litas):				
Gold.....	209	209	209	209	Gold.....	32	32	32	31
Foreign bills, etc.....	70	90	111	35	Foreign bills.....	29	30	30	63
Loans and discounts.....	117	121	115	270	Loans and discounts.....	50	49	48	38
Advances to State.....	16	22	25	40	Total principal earning assets.....	79	79	78	101
Total principal earning assets.....	203	233	251	345	Notes.....	79	82	85	95
Notes.....	403	438	434	456	Deposits.....	25	24	24	30
Deposits.....	40	68	77	67	Total notes and deposits.....	104	106	109	125
Total note and deposit liabilities.....	443	506	511	523	Netherlands Bank (millions of florins):				
Bank of Esthonia (millions of Esthonian marks):					Gold.....	438	443	458	505
Foreign exchange.....				532	Foreign bills.....	248	247	245	125
Gold abroad.....				54	Loans and discounts.....	220	204	208	272
Cash in foreign currency.....				307	Total principal earning assets.....	468	451	453	397
Loans in foreign currency.....				257	Notes.....	833	875	906	893
Foreign correspondents accounts "Nostro".....				1,461	Deposits.....	96	42	37	75
Loans and discounts.....				3,390	Total note and deposit liabilities.....	929	917	943	968
Bills discounted.....				128	Bank of Norway (millions of kroner):				
Advances on current accounts.....				1	Gold.....	147	147	147	147
Correspondents' accounts "Loro" in foreign currency.....				1,776	Foreign exchange.....	60	55	58	28
Correspondents' accounts "Loro".....				1,657	Domestic credits.....	298	320	302	395
Note circulation.....				185	Total principal earning assets.....	358	375	360	423
Deposits and correspondents' accounts.....					Notes.....	335	363	351	361
Of which due in foreign currency.....					Deposits.....	111	99	96	110
					Total note and deposit liabilities.....	446	462	447	471

CONDITION OF CENTRAL BANKS IN OTHER COUNTRIES—Continued

	1926	1925				1926	1925		
	January	December	November	January		January	December	November	January
Reserve Bank of Peru (millions of libras):					National Bank of the Kingdom of Serbs, Croats, and Slovenes (millions of dinars):				
Gold at home.....	4,050	3,938	4,124	4,179	Gold.....	77	76	75	72
Gold abroad.....	728	705	732	1,060	Foreign bills, etc.....	353	367	394	375
Bills.....	2,506	2,822	2,156	1,189	Loans and discounts.....	1,310	1,371	1,258	1,399
Note circulation.....	6,425	6,400	6,207	5,838	Advances to State.....	2,966	2,966	2,966	2,966
Deposits.....	648	973	602	498	Note circulation.....	5,783	6,063	6,017	5,795
					Deposits.....	568	491	614	676
Bank of Poland (millions of zlot):					Total note and deposit liabilities.....	6,351	6,554	6,631	6,471
Gold.....	134	133	133	104	South African Reserve Bank (thousands of pounds sterling):				
Foreign exchange, etc.....	61	70	60	242	Gold.....	8,164	8,957	8,976	12,967
Loans and discounts.....	315	326	313	294	Foreign bills.....	6,131	6,319	5,178	1,750
Note circulation.....	362	381	362	553	Domestic bills.....	1,814	1,286	1,270	3,191
Current accounts—					Total principal earning assets.....	7,445	7,605	6,448	4,941
Private.....	94	84	90	50	Notes.....	8,609	8,756	8,949	11,344
Treasury.....	7	17	---	3	Deposits.....	6,018	6,796	5,783	5,487
Liabilities in foreign currency.....	36	36	34	13	Total note and deposit liabilities.....	14,627	15,552	14,732	16,631
					Bank of Spain (millions of pesetas):				
Bank of Portugal (millions of escudos):					Gold.....	2,537	2,537	2,537	2,536
Gold.....			9	9	Balances abroad.....	29	28	23	31
Balances abroad.....			314	298	Bills discounted.....	801	769	829	926
Bills.....			171	154	Note circulation.....	4,406	4,423	4,399	4,529
Note circulation.....			1,687	1,728	Deposits.....	1,257	1,264	982	957
Deposits.....			78	67					
					Bank of Sweden (millions of kronor):				
National Bank of Rumania (millions of lei):					Gold.....	230	230	230	234
Gold.....		567	566	563	Foreign bills, etc.....	202	203	196	161
Bills.....		8,313	8,389	7,294	Domestic credits.....	309	434	260	445
Government loans.....		17,121	17,121	16,724	Total principal earning assets.....	511	637	456	596
Note circulation.....		20,222	20,216	19,198	Notes.....	475	530	522	483
Deposits.....		8,594	8,455	7,411	Deposits.....	208	277	102	292
					Total note and deposit liabilities.....	683	807	624	775
State Bank of Russia (note-issuing department; thousands of cher- vontsi):					Swiss National Bank (millions of francs):				
Gold.....	17,723	18,239	18,265	14,914	Gold.....	447	467	456	506
Foreign currency.....	4,966	4,887	4,858	10,248	Total principal earning assets.....	394	504	429	480
Loans and discounts.....	51,851	52,315	52,322	31,289	Notes.....	876	876	819	825
Bank notes.....	75,992	78,136	78,650	55,025	Deposits.....	103	127	96	164
					Total note and deposit liabilities.....	879	1,003	915	989

DISCOUNT RATES OF 31 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.....	8	Jan. 28, 1926	Esthonia.....	10	July 1, 1925	Japan.....	7.3	Apr. 15, 1925	Portugal.....	9	Sept. 12, 1923
Belgium.....	7	Nov. 30, 1925	Finland.....	7½	Oct. 29, 1925	Java.....	6	May 3, 1925	Rumania.....	6	Sept. 4, 1920
Bulgaria.....	10	Aug. 31, 1924	France.....	6	July 9, 1925	Latvia.....	8	Feb. 16, 1924	Russia.....	8	Apr. —, 1924
Czechoslovakia.....	6	Jan. 13, 1926	Germany.....	8	Jan. 12, 1926	Lithuania.....	7	Feb. 1, 1925	South Africa.....	5½	Nov. 21, 1924
Danzig.....	8	Jan. 19, 1926	Greece.....	10	Aug. 18, 1925	Netherlands.....	3½	Oct. 2, 1925	Spain.....	5	Mar. 23, 1923
Denmark.....	5½	Sept. 8, 1925	Hungary.....	7	Oct. 21, 1925	Norway.....	6	Jan. 12, 1926	Sweden.....	4½	Oct. 9, 1925
England.....	5	Dec. 3, 1925	India.....	6	Dec. 3, 1925	Peru.....	6	Apr. 1, 1923	Switzerland.....	3½	Oct. 22, 1925
			Italy.....	7	June 18, 1925	Poland.....	12	Aug. 12, 1925	Yugoslavia.....	6	June 23, 1922

Change: Bank of Danzig from 9 to 8 per cent on Jan. 19, 1926.

FOREIGN TRADE OF PRINCIPAL COUNTRIES

UNITED STATES
[Thousands of dollars]

	1925		12 months ended January—	
	1926	1925		
	January	December	1926	1925
IMPORTS				
By classes of commodities:				
Total	416,766	397,330	4,297,880	3,660,622
Crude materials ¹	201,092	179,163	1,801,633	1,299,101
Foodstuffs, crude, and food animals	48,632	48,161	504,769	456,350
Manufactured foodstuffs	28,826	28,937	430,358	515,730
Semimanufactures	71,140	67,595	765,435	600,385
Finished manufactures	67,076	74,089	799,582	754,556
By countries:				
Total Europe	111,210	115,642	1,244,611	1,110,908
France	12,826	15,287	156,302	150,774
Germany	16,006	21,387	168,865	139,415
Italy	8,554	9,452	102,292	77,482
United Kingdom	34,620	36,746	412,095	370,869
Total North America	73,559	79,338	976,593	997,521
Canada	35,376	42,676	456,904	400,157
Total South America	53,618	47,929	530,353	469,390
Argentina	7,673	7,146	81,817	77,722
Total Asia and Oceania	162,083	145,047	1,449,352	1,009,894
Japan	40,407	39,177	393,617	338,551
Total Africa	16,397	9,989	97,890	71,940
EXPORTS				
By classes of commodities:				
Total	397,196	468,303	4,860,598	4,642,254
Crude materials ¹	113,925	153,320	1,372,494	1,368,385
Foodstuffs, crude, and food animals	15,845	21,187	307,283	404,743
Manufactured foodstuffs	47,788	52,675	567,131	588,231
Semimanufactures	51,853	55,705	656,597	614,705
Finished manufactures	158,708	176,619	1,863,312	1,593,107
Reexports	9,077	9,139	94,335	93,083
By countries:				
Total Europe	199,794	246,160	2,534,295	2,512,034
France	29,731	28,218	281,035	287,678
Germany	25,537	35,983	446,355	449,051
Italy	14,382	17,479	196,775	192,957
United Kingdom	82,159	114,234	1,002,343	1,011,217
Total North America	84,780	91,162	1,146,019	1,093,315
Canada	47,437	51,649	659,346	620,211
Total South America	37,775	43,545	408,640	322,122
Argentina	14,938	16,871	150,806	121,027
Total Asia and Oceania	66,545	72,929	681,778	644,946
Japan	23,425	26,801	224,442	232,194
Total Africa	8,302	9,849	90,778	69,837

¹Includes miscellaneous.

FOREIGN COUNTRIES

	1926	1925	12 months ended January	
	January	December	1926	1925
France (million francs):				
Imports	4,483	5,546	45,400	40,810
Exports	3,868	4,629	45,731	42,323
Germany (million gold marks):				
Imports	733	765	12,597	10,005
Exports	801	798	8,944	6,847
United Kingdom (thousand £ sterling):				
Imports	117,689	134,269	1,311,620	1,305,179
Exports	60,380	65,769	764,415	805,783
Reexports	11,742	14,644	152,869	139,943
Canada (thousand dollars):				
Imports	69,736	76,918	901,628	799,955
Exports	85,716	176,399	1,292,815	1,076,256
Japan (million yen):				
Imports	205	185	2,549	2,467
Exports	166	207	2,324	1,843
1925				
December November				
12 months ended December—				
1925 1924				
Denmark (million kroner):				
Imports	153	153	2,095	2,366
Exports	132	126	1,966	2,155
Czechoslovakia (million crowns):				
Imports	1,979	1,828	17,594	15,862
Exports	1,950	1,808	18,779	17,035
Estonia (million Esthonian marks):				
Imports	779	849	9,655	8,050
Exports	1,004	909	9,665	7,866
Finland (million finmarks):				
Imports	697	536	5,513	4,715
Exports	327	490	5,570	4,971
Hungary (thousand gold crowns):				
Imports	66,112	71,923	742,211	702,806
Exports	69,304	79,831	701,339	575,010
Italy (million lire):				
Imports	2,442	2,006	26,157	19,388
Exports	1,785	1,707	18,275	14,318
Netherlands (million guilders):				
Imports	205	199	2,455	2,364
Exports	141	148	1,508	1,661
Norway (million kroner):				
Imports	94	108	1,401	1,548
Exports	72	77	1,047	1,064
Poland (thousand zlot):				
Imports	83,517	84,179	1,666,062	1,478,378
Exports	186,808	154,505	1,396,612	1,265,862
Russia (thousand rubles):				
Imports	55,900	66,400	736,934	-----
Exports	42,400	53,900	559,447	-----
Sweden (million kronor):				
Imports	120	148	1,436	1,424
Exports	117	127	1,357	1,261
Switzerland (million francs):				
Imports	252	239	2,634	2,504
Exports	157	154	2,039	2,007
Australia (thousand £ sterling):				
Imports	14,775	15,501	158,980	145,429
Exports	14,675	14,846	154,477	137,728
Egypt (thousand Egyptian pounds):				
Imports	5,287	675	58,225	50,737
Exports	6,750	8,037	59,210	65,734
India (million rupees):				
Imports	161	187	2,261	2,436
Exports	315	305	4,067	3,828
South Africa (thousand £ sterling):				
Imports	6,270	6,385	67,604	66,240
Exports	9,266	7,454	82,985	73,822

INDUSTRIAL STATISTICS FOR FOREIGN COUNTRIES

Statistics of industrial and commercial activity for England, France, Germany, and Canada, for the fourth quarter of 1921 and for the entire year are presented below, continuing the series which appeared on page 896 of the December BULLETIN.

ENGLAND

	1925								Year 1924
	Decem- ber	Novem- ber	October	Fourth quarter	Third quarter	Second quarter	First quarter	Year	
Production:									
Coal (thousand long tons).....	20,157	19,718	1 23,679	63,554	56,238	59,094	67,735	246,671	269,134
Pig iron (thousand long tons).....	503	494	474	1,471	1,336	1,655	1,724	6,236	7,319
Steel ingots and castings (thousand long tons).....	607	654	652	1,913	1,708	1,835	1,942	7,398	8,221
Raw cotton, visible supply ² (thousand bales).....	1,243	1,091	871	1,243	686	940	1,263	1,243	1,181
Foreign trade:									
Exports—									
Iron and steel and manufactures (thousand long tons).....	341	322	369	1,032	868	895	936	3,731	3,851
Cotton manufactures (million yards).....	386	329	371	1,086	1,087	1,054	1,253	4,480	4,485
Coal (thousand long tons).....	4,632	4,338	4,382	13,352	11,616	12,747	13,102	50,817	61,651
Imports—									
Raw cotton (million pounds).....	287	237	181	706	209	311	665	1,891	1,573
Raw wool (million pounds).....	86	47	32	165	99	230	235	729	760
Raw hides, wet (thousand pounds).....	10,755	11,884	8,935	31,574	33,448	37,229	30,541	132,792	129,726
Transportation:									
Ships cleared with cargo ³ (thousand tons).....	5,082	5,113	5,727	15,922	15,688	15,455	15,204	62,269	65,299
Freight-train receipts (thousand pounds sterling).....		8,805	9,217		25,586	24,938	26,620		106,583
Freight-train traffic (million ton-miles).....		1,524	1,610		4,493	4,356	4,700		19,082
Unemployment:									
Among trade-unionists (per cent) ⁴	11.0	11.0	11.3	11.1	11.3	10.6	9.1	10.5	8.1
In insured trades (per cent) ⁴	10.5	11.0	11.4	10.9	11.8	11.2	11.2	11.3	10.4
Capital issues (thousand pounds sterling).....	22,714	31,874	26,362	80,950	54,890	98,921	108,301	343,062	242,529

¹ Five weeks.² End-of-month, end-of-quarter, and end-of-year figures.³ Figures include Irish Free State.⁴ Figures for quarters and years are averages.

FRANCE

	1925								Year 1924
	Decem- ber	Novem- ber	October	Fourth quarter	Third quarter	Second quarter	First quarter	Year	
Production:									
Coal ¹ (thousand metric tons).....	5,807	5,168	5,503	16,478	14,592	14,843	15,711	61,624	58,988
Pig iron (thousand metric tons).....	748	740	739	2,227	2,154	2,095	1,995	8,471	7,666
Crude steel (thousand metric tons).....	659	647	668	1,974	1,874	1,783	1,784	7,415	6,906
Cotton stocks at Havre ² (thousand bales).....	194	144	93	194	73	148	213	194	178
Foreign trade:									
Exports—									
Total volume (thousand metric tons).....	2,648	2,537	2,453	7,638	7,402	7,304	7,828	30,117	29,388
Imports—									
Total volume (thousand metric tons).....	4,006	3,985	4,643	12,634	12,169	11,207	11,438	47,448	56,592
Raw cotton for consumption (metric tons).....	64,488	31,871	23,774	120,133	47,558	71,688	109,778	349,157	301,975
Raw silk (metric tons).....		834	685		1,411	1,297	1,148		6,645
Coal (thousand metric tons).....		1,596	2,041		4,483	4,067	4,656		25,107
Transportation:									
Ships cleared with cargo (thousand tons).....	2,805	2,902	3,413	9,120	10,232	9,689	7,793	36,834	32,579
Railway receipts (thousand francs).....	997,533	755,764	807,393	2,560,687	2,764,849	2,331,414	2,115,801	9,772,751	8,740,873
Freight-car loadings (average daily number).....	63,531	65,957	66,542	65,343	60,796	59,191	62,568	61,958	61,377
Unemployment:									
Number in Paris receiving aid ³	191	103	78	191	75	171	417	191	278
Demands for employment not filled (number men in France) ³	5,206	7,264	7,070	5,206	6,338	6,932	9,692	5,206	6,452

¹ Coal and lignite, including Lorraine and the Saar.² Bale of 50 kilos. End-of-month, end-of-quarter, and end-of-year figures.³ End-of-month, end-of-quarter, and end-of-year figures.

GERMANY

	1925								Year 1924
	December	November	October	Fourth quarter	Third quarter	Second quarter	First quarter	Year	
Production:									
Coal (thousand metric tons).....	11,367	11,189	11,950	34,506	33,656	30,690	33,876	132,523	118,829
Lignite (thousand metric tons).....	12,712	11,940	12,759	37,411	35,062	31,544	35,609	139,626	124,360
Pig iron (thousand metric tons).....	717	760	742	2,219	2,387	2,798	2,774	10,178	7,812
Crude steel (thousand metric tons).....	764	876	928	2,568	2,810	3,288	3,546	12,212	9,835
Foreign trade:									
Exports—									
Iron and its manufactures (metric tons)....	374,706	321,694	358,831	1,055,231	864,321	765,293	873,952	2,558,797	1,951,009
Machinery and electrical supplies (metric tons).....	37,854	39,212	50,230	127,296	124,975	119,581	103,723	475,575	361,718
Dyes and dyestuffs (metric tons).....	11,358	12,666	14,289	38,313	35,628	34,631	30,110	138,682	103,671
Coal (metric tons).....	1,014,911	1,029,540	1,163,366	3,207,817	3,913,806	3,395,326	3,128,900	13,645,849	2,795,090
Imports—									
Raw wool (metric tons).....	16,361	6,121	12,466	34,948	25,349	30,779	43,477	134,553	147,157
Silk, half manufactured (metric tons).....	431	448	833	1,712	2,241	2,038	2,076	8,067	5,452
Cotton (metric tons).....	40,629	49,416	36,695	126,740	55,653	81,567	111,653	375,613	276,680
Iron ore (metric tons).....	665,082	655,907	817,994	2,138,983	3,938,194	3,465,122	2,945,208	12,487,507	3,314,601
Coal (metric tons).....	505,326	626,777	556,203	1,688,306	1,169,504	2,256,169	2,494,386	7,608,365	13,202,087
Ship arrivals in Hamburg (thousand net reg. tons).....	1,277	1,305	1,419	4,001	4,150	4,330	4,105	16,636	15,540
Freight-car loadings (thousand tons).....					15,122	13,680	14,620		41,771
Unemployment:									
Number receiving State aid ¹	1,497,516	673,315	363,961	1,497,516	266,078	195,099	465,761	1,497,516	535,529
Among trade-unionists (per cent) ²	19.4	10.7	5.8	11.9	4.2	3.8	7.1	6.8	13.1
Business failures.....	1,660	1,343	1,164	4,167	2,462	2,260	2,295	11,184	6,043

¹ End-of-month, end-of-quarter, and end-of-year figures.

² Figures for quarters and years are averages.

CANADA

	1925								Year 1924
	December	November	October	Fourth quarter	Third quarter	Second quarter	First quarter	Year	
Production:									
Pig iron (thousand tons).....	55	69	74	197	82	169	122	570	593
Crude steel (thousand tons).....	62	73	109	244	85	252	172	753	651
Railway receipts (thousand dollars).....	\$35,838	43,771	46,615	\$126,224	111,611	90,961	86,944	\$415,740	406,060
Unemployment among trade-unionists (per cent) ¹	7.9	5.7	5.1	6.2	5.1	7.3	9.4	5.4	7.2
Business failures (number) ¹	54	45	45	47	36	42	57	45	47
Authorized capital of new companies (thousand dollars) ²	13,788	11,676	58,564	29,676	16,616	19,893	12,637	19,704	12,822
Bond sales (thousand dollars).....	36,358	19,215	11,816	67,389	186,622	87,748	141,775	483,534	580,693
Receipts of wheat at Fort William and Port Arthur (thousand bushels).....	53,453	51,535	53,226	158,214	53,528	19,256	18,798	249,796	194,902
Receipts of livestock at stockyards in Toronto and Winnipeg:									
Cattle (number).....	58,575	88,560	83,129	230,264	189,144	128,476	128,538	676,422	622,524
Hogs (number).....	68,898	61,240	48,917	179,055	137,986	208,367	272,110	797,518	838,025
Foreign trade:									
Exports—									
Planks and boards (million feet).....	165,097	194,564	210,774	570,435	682,686	507,816	423,975	2,184,912	2,051,925
Preserved fish (thousand pounds).....	17,293	18,900	20,123	56,316	41,819	18,229	28,074	144,438	140,673
Wood pulp (thousand pounds).....	186,837	195,675	198,421	580,933	490,196	400,687	447,519	1,919,335	1,563,958
Wheat (thousand bushels).....	57,008	34,840	41,896	133,744	44,309	29,620	14,672	222,345	214,630
Imports—									
Coal (thousand tons).....	1,377	1,308	1,499	4,184	4,921	3,412	3,832	16,349	16,724
Raw cotton (thousand pounds).....	19,371	15,649	10,582	45,602	14,248	23,221	37,977	121,048	92,913
Machinery (thousand dollars).....	2,453	2,375	2,782	7,610	8,330	7,371	6,847	30,158	25,470

¹ Figures for quarters and years are averages.

² Average for weeks reported.

³ Approximate figures.

PRICE MOVEMENTS IN PRINCIPAL COUNTRIES

With this issue of the FEDERAL RESERVE BULLETIN the Board discontinues the publication of its indexes of wholesale prices in England, Canada, and Japan, and of the index for the United States, compiled for the purpose of comparison with the price levels in these countries. The compilation and publication of these indexes for the purpose of facilitating international comparisons were undertaken by the board in 1920, when widespread monetary disorganization prevailed. Since that time price fluctuations caused by the instability of

the exchanges have become less important, and, with the reestablishment in 1925 of the gold standard in England and in other countries, the Board has decided to depend for its information on price movements in England, Canada, and Japan, on the indexes compiled in these countries and regularly included in the table on wholesale prices in principal countries. With this issue of the BULLETIN the Federal Reserve Board's regrouping of the wholesale price index of the Bureau of Labor Statistics is also discontinued.

WHOLESALE PRICES

ALL COMMODITIES

[Pre-war=100]

Year and month	Europe														
	Austria (gold basis)	Belgium	Bulgaria	Czechoslovakia ¹	Denmark ¹	England (Board of Trade)	Finland	France		Germany (Federal Statistical Bureau)	Hungary (gold basis)	Italy	Netherlands	Norway (Oslo)	Poland
								Statistical Bureau	Federal Reserve Board						
1925															
January.....	147	559	3,275	1,045	234	171	1,137	514	456	138	159	658	160	279	120
February.....	146	551	3,309	1,048	234	169	1,141	515	457	137	152	660	158	281	121
March.....	143	546	3,272	1,034	230	166	1,131	514	463	134	145	659	155	276	122
April.....	139	538	3,244	1,020	220	163	1,133	513	460	131	144	658	151	267	119
May.....	138	537	3,177	1,006	216	159	1,122	520	467	132	141	660	151	260	118
June.....	141	552	3,225	998	216	158	1,129	543	483	134	141	683	153	253	119
July.....	137	559	3,041	1,009	206	158	1,118	557	490	135	136	707	155	254	120
August.....	131	567	2,870	993	189	157	1,142	557	491	132	134	731	155	245	124
September.....	127	577	2,834	996	168	156	1,133	556	482	128	135	721	155	231	127
October.....	127	575	2,823	989	163	155	1,121	572	482	124	131	716	154	221	123
November.....	125	569	2,822	977	158	154	1,118	606	498	121	129	712	154	217	137
December.....	125	565	2,913	977	160	153	1,120	633	518	122	130	715	155	218	155
1926															
January.....	122	560	2,901	966	157	151	-----	634	527	120	-----	708	-----	214	161
February.....	-----	-----	-----	950	151	-----	-----	-----	-----	118	-----	-----	-----	211	-----

Year and month	Europe—Continued				North and South America			Asia and Oceania					Africa		
	Russia ¹	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
1925															
January.....	172	191	169	171	160	166	199	163	160	178	171	213	178	157	130
February.....	178	192	169	171	161	165	194	163	159	177	172	210	175	161	-----
March.....	183	193	168	170	161	162	206	160	160	176	168	204	175	155	-----
April.....	195	190	163	166	156	157	206	158	159	175	169	202	175	154	130
May.....	197	191	162	163	155	159	200	159	158	174	164	199	175	151	-----
June.....	191	187	161	162	157	159	200	163	157	173	157	200	174	150	-----
July.....	188	188	161	161	160	158	198	162	163	175	160	198	175	151	127
August.....	175	184	159	160	160	160	200	162	160	176	157	200	175	151	-----
September.....	173	185	157	159	160	157	205	162	160	175	158	201	175	152	-----
October.....	174	187	154	159	158	157	205	163	159	175	160	200	176	153	124
November.....	175	186	155	157	158	161	204	165	158	-----	164	198	176	145	-----
December.....	179	187	156	157	156	164	203	170	158	-----	163	194	-----	140	-----
1926															
January.....	183	-----	153	156	156	164	206	-----	164	-----	163	192	-----	134	-----
February.....	190	-----	-----	155	-----	-----	205	-----	163	-----	-----	-----	-----	-----	-----

¹ First of month figures.

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.

Whenever 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.

GROUPS OF COMMODITIES

(Pre-war=100)

UNITED STATES—BUREAU OF LABOR STATISTICS

Year and month	All commodities	Farm products	Foods	Cloths and clothing	Fuel and lighting	Metals and metal products	Building materials	Chemicals and drugs	House furnishings	Miscellaneous
1925—January.....	160	163	160	191	168	136	179	135	173	127
August.....	160	163	159	190	170	127	172	135	169	138
September.....	160	160	160	189	169	127	174	136	168	135
October.....	158	155	158	190	172	123	174	135	168	138
November.....	158	154	160	188	175	130	176	135	166	142
December.....	156	152	157	187	175	130	177	135	166	138
1926—January.....	156	152	156	186	177	129	178	133	165	135

ENGLAND—BOARD OF TRADE

Year and month	All commodities	Total food	Cereals	Meat and fish	Other foods	Total not food	Iron and steel	Other minerals and metals	Cotton	Other textiles	Other articles
1925—January.....	171	179	187	170	180	167	135	142	230	214	162
August.....	157	166	164	161	174	152	123	132	207	177	157
September.....	156	166	159	166	170	151	121	130	204	179	157
October.....	155	164	148	167	176	150	120	131	194	181	158
November.....	154	165	152	167	175	148	119	130	182	181	158
December.....	153	167	158	173	169	146	118	131	175	178	156
1926—January.....	151	162	154	165	167	146	119	131	175	176	153

FRANCE—STATISTICAL BUREAU

Year and month	All commodities	All foods	Animal foods	Vegetable foods	Sugar, coffee, cocoa	All industrial material	Minerals	Textiles	Sundries
1925—January.....	514	465	452	490	426	554	464	760	511
August.....	557	501	500	496	500	603	519	808	557
September.....	556	492	486	490	495	608	522	807	566
October.....	572	491	485	496	480	637	585	830	578
November.....	606	510	496	522	502	682	606	928	611
December.....	633	538	535	537	529	709	622	953	647
1926—January.....	634	543	532	544	548	707	627	941	645

GERMANY—FEDERAL STATISTICAL BUREAU

Year and month	All commodities	Total food products	Grains and potatoes	Fats, sugar, meat, and fish	Colonial goods, coffee, cocoa, etc.	Total industrial products	Hides and leathers	Textiles	Metals and minerals	Coal and iron
1925—January.....	138	137	133	138	178	140	138	212	135	122
August.....	132	130	120	147	175	135	123	190	134	121
September.....	126	121	106	150	181	135	125	189	132	121
October.....	124	118	103	146	181	134	123	192	131	120
November.....	121	115	99	142	181	133	120	188	130	120
December.....	122	116	103	137	183	131	116	182	128	120
1926—January.....	120	115	102	134	185	131	113	177	128	120

RETAIL FOOD PRICES AND COST OF LIVING

RETAIL FOOD PRICES

[Pre-war=100]

	United States (51 cities)	European countries											Other countries					
		Austria (Vienna) ¹	Belgium ²	Bulgaria	England ³	France (Paris)	Germany	Greece (Athens)	Italy (Milan)	Netherlands	Norway	Russia ³	Switzerland ⁴	Canada ³	Australia	India (Bombay)	New Zealand	South Africa
1925																		
Jan....	151	27,168	140	3,131	178	408	137	1,506	590	156	277	205	172	145	148	152	147	120
Feb....	148	27,065	137	3,163	176	410	145	1,510	610	157	283	208	172	147	149	152	146	120
Mar....	148	26,796	134	3,128	176	415	146	1,562	624	157	284	211	171	145	151	155	149	121
Apr....	148	26,448	127	3,100	170	409	144	1,478	620	155	276	217	169	142	152	153	149	124
May....	149	27,037	122	3,032	167	418	141	1,443	599	154	265	221	168	141	154	151	150	123
June....	152	27,031	127	3,083	166	422	146	1,516	599	152	261	219	169	141	155	149	149	122
July....	157	26,550	130	2,906	167	421	154	1,515	602	152	260	218	169	141	156	152	151	120
Aug....	157	25,739	135	2,744	168	423	154	1,511	621	152	254	210	169	146	156	147	152	119
Sept....	156	25,294	140	2,710	170	431	153	1,544	643	152	241	208	170	146	156	146	153	118
Oct....	158	25,186	144	2,698	172	433	151	1,597	646	149	228	215	168	147	157	148	155	119
Nov....	164	25,108	146	2,698	172	444	147	1,676	649	149	223	217	168	151	156	149	156	117
Dec....	162	25,373	148	2,785	174	463	146	-----	660	155	221	224	167	156	155	151	-----	116
1926																		
Jan....	161	-----	141	2,773	171	480	139	-----	681	148	216	226	165	157	-----	151	-----	116
Feb....	-----	-----	-----	-----	168	-----	139	-----	-----	-----	212	230	-----	-----	-----	150	-----	-----

COST OF LIVING

[Pre-war=100]

	Mas-sachusetts	European countries														Other countries					
		Belgium	Czechoslovakia	England ¹	Estonia	Finland	France (Paris)	Germany	Greece (Athens)	Hungary	Italy (Milan)	Netherlands	Norway	Poland	Spain	Sweden	Switzerland ⁴	Canada ¹	Australia	India (Bombay)	South Africa
1925																					
Jan....	158	521	899	180	113	1,199	-----	124	1,417	141	580	-----	-----	150	188	178	173	149	-----	157	133
Feb....	157	517	911	179	110	1,191	-----	136	1,420	135	592	-----	-----	151	189	-----	172	150	-----	157	133
Mar....	158	511	904	179	114	1,210	386	136	1,449	132	602	179	271	151	192	-----	172	148	150	159	133
Apr....	158	506	901	175	112	1,201	-----	137	1,419	130	600	-----	-----	149	191	177	170	147	-----	158	134
May....	158	502	894	173	111	1,176	-----	136	1,408	131	591	-----	-----	147	188	-----	170	146	-----	156	134
June....	159	505	914	172	112	1,191	-----	138	1,448	130	596	179	259	148	190	-----	170	146	153	154	134
July....	160	509	916	173	114	1,218	-----	143	1,472	126	598	-----	-----	152	190	176	170	146	-----	157	133
Aug....	161	517	894	173	112	1,266	-----	145	1,484	127	610	-----	-----	151	190	-----	170	148	-----	152	132
Sept....	161	525	884	174	110	1,242	401	145	1,503	126	624	179	248	152	190	-----	170	148	154	151	132
Oct....	162	533	875	176	108	1,228	-----	144	1,547	124	643	-----	-----	155	189	175	168	149	-----	153	132
Nov....	162	534	863	176	107	1,227	-----	141	1,610	123	643	-----	-----	158	186	-----	168	152	-----	153	131
Dec....	165	534	866	177	109	1,197	421	141	1,644	123	649	177	234	173	183	-----	168	154	-----	155	131
1926																					
Jan....	-----	527	854	175	-----	1,166	-----	140	-----	122	665	-----	-----	176	-----	174	167	155	-----	155	131
Feb....	-----	526	-----	173	-----	-----	-----	139	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	154	-----

¹ January, 1921=100.² 1921=100.³ First of the month figures.⁴ Revised index.

NOTE.—Information as to the number of foods and items included, the original base periods, and sources may be found on page 276 of the April, 1925, issue of the BULLETIN. 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, 1926, AND DECEMBER, 1925

[Amounts in thousands of dollars]

Federal reserve bank	Total bills and securities		Total cash reserves		Total deposits		Federal reserve notes in circulation		Reserve percentages	
	January	December	January	December	January	December	January	December	January	December
Boston.....	128,673	143,170	191,588	192,991	148,192	145,819	162,934	177,393	61.6	59.7
New York.....	245,922	326,247	1,030,504	955,331	872,556	874,168	372,469	376,215	82.8	76.4
Philadelphia.....	91,284	97,197	216,724	221,819	137,443	135,161	148,057	161,026	75.9	74.9
Cleveland.....	105,029	127,804	306,099	303,991	177,700	177,292	215,544	236,283	77.8	73.5
Richmond.....	51,912	55,660	106,707	112,425	70,956	70,060	85,034	93,555	68.4	68.7
Atlanta.....	102,598	114,634	144,451	133,813	83,104	81,954	162,771	166,522	58.7	53.9
Chicago.....	162,760	173,177	350,208	333,915	327,433	326,115	172,285	166,134	70.1	67.8
St. Louis.....	67,946	72,341	61,063	57,471	86,804	84,552	38,409	39,712	48.8	46.2
Minneapolis.....	34,344	42,714	93,443	87,070	55,560	55,747	67,389	69,915	76.0	69.3
Kansas City.....	68,056	69,576	94,157	94,225	91,912	92,235	69,768	72,580	58.2	57.6
Dallas.....	63,163	72,014	52,628	50,409	64,389	64,472	43,975	48,793	48.6	44.5
San Francisco.....	109,610	134,198	274,926	261,631	173,249	173,909	198,018	209,345	74.1	68.3
Total: 1926-25.....	1,231,337	1,428,732	2,922,498	2,805,791	2,289,298	2,281,484	1,736,653	1,817,473	72.5	68.5
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	3,241,696	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

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. 27.....	1,511,514	80,293	439,750	137,045	190,823	67,034	112,576	129,618	14,553	64,825	52,014	23,436	199,497
Feb. 3.....	1,450,287	77,424	389,648	132,644	189,794	57,344	113,942	129,550	14,082	64,795	50,958	27,034	203,072
Feb. 10.....	1,433,149	84,311	339,535	130,245	191,177	61,203	124,694	129,522	17,404	64,162	49,937	25,330	215,629
Feb. 17.....	1,397,967	96,166	299,535	126,501	190,910	59,625	126,273	129,522	16,765	64,497	49,360	25,685	213,128
Gold redemption fund with U. S. Treasury:													
Jan. 27.....	49,604	10,999	8,083	8,042	1,512	2,525	3,399	5,538	1,289	1,562	1,874	1,923	2,858
Feb. 3.....	46,135	7,857	6,974	11,332	1,096	1,992	3,562	4,396	1,195	1,261	2,461	1,515	2,493
Feb. 10.....	51,702	9,715	10,527	12,353	1,834	2,178	3,488	2,872	683	1,509	2,986	1,449	2,108
Feb. 17.....	45,009	7,165	13,935	5,132	715	2,543	2,770	5,518	662	810	3,042	1,277	1,440
Gold held exclusively against Federal reserve notes:													
Jan. 27.....	1,561,118	91,292	447,833	145,087	192,335	69,559	115,975	135,156	15,842	66,387	53,888	25,409	202,355
Feb. 3.....	1,496,422	85,281	396,622	143,977	190,890	59,336	117,504	133,946	15,277	66,056	53,419	28,549	205,565
Feb. 10.....	1,484,851	94,026	350,062	142,598	193,011	63,351	128,132	132,394	18,087	65,671	52,923	26,779	217,737
Feb. 17.....	1,442,976	103,331	313,470	131,633	191,625	62,168	129,043	135,040	17,427	65,307	52,402	26,962	214,568
Gold settlement fund with Federal Reserve Board:													
Jan. 27.....	578,327	30,605	192,512	35,448	64,659	20,793	25,168	111,143	14,709	18,013	29,188	13,327	22,762
Feb. 3.....	633,596	52,496	188,261	35,662	63,743	30,154	31,227	127,714	18,152	16,111	30,622	15,353	24,201
Feb. 10.....	650,304	39,841	215,915	32,333	66,142	32,874	32,177	124,190	18,729	15,689	29,646	17,011	25,757
Feb. 17.....	688,126	60,645	212,787	37,932	59,742	33,350	36,023	130,604	12,957	19,190	31,451	18,881	34,564
Gold and gold certificates held by banks:													
Jan. 27.....	661,909	42,454	375,358	30,765	49,322	3,619	3,663	32,646	15,968	7,362	4,989	9,255	36,308
Feb. 3.....	661,914	39,063	379,591	31,534	49,387	3,849	3,812	30,835	16,314	6,904	5,319	8,875	36,381
Feb. 10.....	659,638	36,818	384,173	29,739	47,494	3,798	4,462	76,326	17,826	6,763	4,992	9,816	37,431
Feb. 17.....	658,194	40,166	383,885	30,188	48,260	4,331	2,770	71,976	16,632	6,844	5,172	9,905	38,065
Total gold reserves:													
Jan. 27.....	2,801,154	164,351	1,015,703	211,300	306,316	93,971	144,806	328,945	46,519	91,762	88,065	47,991	261,425
Feb. 3.....	2,791,932	176,840	964,474	211,073	304,020	93,339	152,543	342,545	49,743	89,071	89,360	52,777	266,147
Feb. 10.....	2,794,793	170,685	950,150	204,670	306,647	100,053	164,821	332,910	54,642	88,123	87,561	53,606	280,925
Feb. 17.....	2,789,296	204,142	910,142	199,753	299,627	99,849	167,836	337,620	47,016	91,341	89,025	55,748	287,197

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
Total liabilities:													
Jan. 27.....	4,865,929	377,792	1,436,321	363,319	479,950	220,945	290,951	613,305	170,335	142,122	204,768	142,792	423,329
Feb. 3.....	4,865,503	381,361	1,447,451	366,904	469,127	219,499	287,968	613,999	168,851	138,614	206,459	142,930	422,340
Feb. 10.....	4,871,687	374,203	1,463,436	362,904	478,206	221,238	289,659	596,942	170,696	140,489	206,164	143,020	424,730
Feb. 17.....	5,029,751	397,124	1,507,935	376,732	491,274	229,648	292,345	614,174	174,736	145,013	211,739	153,538	435,493
MEMORANDA													
Ratio of total reserves to deposit and Federal reserve note liabilities combined (per cent):													
Jan. 27.....	75.0	61.8	86.7	76.5	81.0	69.1	63.6	70.6	52.2	78.6	59.1	52.5	74.5
Feb. 3.....	74.5	65.5	81.6	76.3	82.2	67.5	66.7	72.9	55.2	78.9	59.6	57.0	75.4
Feb. 10.....	74.2	63.6	78.9	74.4	79.7	71.4	71.4	73.4	59.2	77.2	59.0	53.3	79.2
Feb. 17.....	73.7	73.7	75.5	72.8	79.6	70.2	72.0	74.7	53.8	77.8	59.1	58.5	79.5
Contingent liability on bills purchased for foreign correspondents:													
Jan. 27.....	83,647	6,359	22,898	7,949	8,953	4,435	3,347	11,464	3,598	2,678	3,263	2,929	5,774
Feb. 3.....	83,543	6,350	22,883	7,938	8,940	4,428	3,341	11,448	3,593	2,674	3,259	2,924	5,765
Feb. 10.....	84,656	6,350	23,996	7,938	8,940	4,428	3,342	11,447	3,593	2,674	3,259	2,924	5,765
Feb. 17.....	82,666	6,434	21,202	8,043	9,059	4,487	3,386	11,599	3,640	2,709	3,302	2,963	5,842
Own Federal reserve notes held by Federal reserve bank:													
Jan. 27.....	381,457	19,167	158,900	43,295	16,137	20,564	19,808	22,452	6,909	2,886	7,483	6,487	57,369
Feb. 3.....	358,882	19,520	153,765	37,690	18,639	18,361	18,988	17,599	6,558	2,731	6,103	5,210	53,713
Feb. 10.....	340,543	22,959	144,449	34,466	12,543	17,129	19,734	17,212	6,577	2,957	5,948	5,006	51,563
Feb. 17.....	342,657	20,816	147,555	32,867	18,064	16,453	20,153	16,111	5,747	2,726	6,442	4,855	50,868

FEDERAL RESERVE BANKS—MATURITY DISTRIBUTION OF BILLS AND CERTIFICATES OF [INDEBTEDNESS

[In thousands of dollars]

	Total	Within 15 days	16 to 30 days	31 to 60 days	61 to 90 days	91 days to 6 months	Over 6 months
Bills discounted:							
Jan. 27.....	448,557	332,309	31,428	48,595	26,772	8,725	728
Feb. 3.....	487,796	373,858	32,329	46,564	26,306	7,672	1,067
Feb. 10.....	533,372	424,195	32,047	42,821	25,469	7,512	1,328
Feb. 17.....	538,358	430,065	29,362	42,991	26,649	7,611	1,680
Bills bought in open market:							
Jan. 27.....	295,417	86,940	55,640	90,439	52,939	9,459	-----
Feb. 3.....	302,264	96,785	55,073	86,264	57,182	6,960	-----
Feb. 10.....	300,519	104,685	72,459	81,930	36,847	4,598	-----
Feb. 17.....	301,641	113,254	68,537	83,832	32,343	3,675	-----
Certificates of indebtedness:							
Jan. 27.....	122,457	-----	-----	-----	-----	111,981	10,476
Feb. 3.....	105,590	-----	-----	-----	-----	93,750	11,810
Feb. 10.....	104,842	21	-----	-----	-----	92,906	11,915
Feb. 17.....	104,605	80	-----	-----	-----	93,600	10,925

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

[In thousands of dollars]

	Total	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chi- cago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco
Federal reserve notes received from comptroller:													
Jan. 27	2,898,753	238,980	745,653	214,473	286,075	126,422	224,765	424,929	68,293	87,246	118,731	62,685	300,501
Feb. 3	2,884,453	236,111	746,252	210,071	283,047	124,732	224,732	422,667	67,822	86,216	123,035	61,892	297,876
Feb. 10	2,860,336	232,998	740,389	207,673	280,429	123,211	225,663	418,772	68,144	85,583	122,013	61,028	294,433
Feb. 17	2,850,750	229,853	739,388	210,929	278,163	121,633	224,738	416,910	67,505	86,878	121,437	60,384	292,932
Federal reserve notes held by Federal reserve agent:													
Jan. 27	850,080	68,600	226,360	27,240	64,470	25,395	45,473	236,537	24,080	19,033	44,230	15,112	53,500
Feb. 3	863,051	67,500	226,360	26,240	64,820	26,910	47,254	241,437	24,080	18,648	50,290	16,012	53,500
Feb. 10	851,949	63,000	226,360	24,640	63,420	27,190	46,387	239,337	24,580	18,033	49,490	16,012	53,500
Feb. 17	846,950	55,200	226,360	30,640	60,520	26,550	45,813	239,437	24,580	19,523	48,790	16,037	53,500
Federal reserve notes issued to Federal reserve bank:													
Jan. 27	2,048,723	170,380	519,293	187,233	221,605	101,027	179,292	188,392	44,213	68,213	74,501	47,573	247,001
Feb. 3	2,021,402	168,611	519,892	183,831	218,227	97,822	177,478	181,230	43,742	67,568	72,745	45,880	244,376
Feb. 10	2,008,387	169,998	514,029	183,033	217,009	96,021	179,276	179,435	43,564	67,550	72,523	45,016	240,933
Feb. 17	2,003,800	174,653	513,028	180,289	217,643	95,083	178,925	177,473	42,925	67,355	72,647	44,347	239,432
Collateral held as security for Federal reserve notes issued to Federal reserve bank:													
Gold and gold certificates—													
Jan. 27	309,121	35,300	186,698	1,600	8,780	24,510	10,910	-----	11,045	13,052	-----	17,226	-----
Feb. 3	309,961	35,300	186,698	1,600	8,780	24,510	10,910	-----	11,045	13,052	-----	18,066	-----
Feb. 10	310,000	35,300	186,697	1,600	8,780	24,890	11,410	-----	11,045	13,052	-----	17,226	-----
Feb. 17	311,245	35,300	186,697	1,600	8,780	24,890	12,655	-----	11,045	13,052	-----	17,226	-----
Gold redemption fund—													
Jan. 27	95,989	10,993	27,052	9,056	12,043	2,024	6,666	3,973	1,308	1,773	4,654	3,260	13,187
Feb. 3	106,916	18,124	26,950	9,655	11,014	3,334	5,032	3,906	837	1,743	3,598	2,968	19,755
Feb. 10	114,853	15,011	26,838	12,256	12,397	4,813	9,284	3,878	2,159	1,110	4,577	3,104	19,426
Feb. 17	102,647	11,866	26,838	8,512	12,130	3,235	7,618	3,878	1,520	1,445	4,000	2,459	19,146
Gold fund, Federal Reserve Board—													
Jan. 27	1,106,404	34,000	226,000	126,389	170,000	40,500	95,000	125,645	2,200	50,000	47,360	3,000	186,310
Feb. 3	1,033,410	24,000	176,000	121,389	170,000	29,500	98,000	125,644	2,200	50,000	47,360	6,000	183,317
Feb. 10	1,008,296	34,000	126,000	116,389	170,000	31,500	104,000	125,644	4,200	50,000	45,360	5,000	196,203
Feb. 17	984,075	49,000	86,000	116,389	170,000	31,500	106,000	125,644	4,200	50,000	45,360	6,000	193,982
Eligible paper—													
Jan. 27	692,387	112,037	93,573	52,787	55,212	39,722	67,447	111,636	36,633	10,442	29,502	24,885	58,511
Feb. 3	740,300	105,832	102,416	53,606	51,548	43,922	64,184	105,018	35,585	10,925	29,455	21,698	56,111
Feb. 10	791,025	113,441	213,023	62,404	63,714	41,381	55,159	101,678	31,459	13,289	30,608	20,874	43,995
Feb. 17	797,417	85,159	247,084	66,411	57,310	43,630	54,546	92,406	39,134	13,791	31,510	21,842	44,594
Total collateral—													
Jan. 27	2,203,901	192,330	533,323	189,832	246,035	106,756	180,023	241,254	51,186	75,267	81,516	48,371	258,008
Feb. 3	2,190,587	183,256	552,064	186,250	241,342	101,266	178,126	234,568	49,667	75,720	80,413	48,732	259,183
Feb. 10	2,224,174	197,752	552,558	192,649	254,891	102,584	179,853	231,200	48,863	77,451	80,545	46,204	259,624
Feb. 17	2,195,384	181,325	546,619	192,912	248,220	103,255	180,819	221,928	55,899	78,288	80,870	47,527	257,722

FEDERAL RESERVE BANKS—HOLDINGS OF BILLS AND SECURITIES AND EARNINGS THEREON, JANUARY, 1926

[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
HOLDINGS ON JANUARY 31, 1926													
Total bills and securities.....	1,147,465	125,279	219,469	92,952	88,688	60,400	89,519	151,443	63,137	29,176	64,288	56,264	106,850
Bills discounted for members.....	484,865	34,082	134,515	51,230	40,145	45,305	31,882	71,196	18,215	3,612	13,703	7,448	33,532
Bills bought in open market.....	301,633	80,309	30,477	15,820	18,552	7,083	40,549	30,429	19,853	7,183	14,221	17,050	25,107
United States securities.....	351,402	10,407	52,749	22,248	34,306	7,673	16,826	48,935	24,775	18,170	36,008	31,542	47,763
Other securities.....	3,150			3,050							100		
Foreign loans on gold.....	6,415	481	1,728	604	685	339	262	883	294	211	256	224	448
Bills Discounted													
Redeemed bills:													
Commercial and agricultural paper, n. e. s.....	158,797	18,030	17,802	10,646	14,083	22,888	18,755	23,939	8,074	2,010	7,967	5,350	9,253
Demand and sight drafts.....	600						60		332		14	72	122
Trade acceptances, domestic. Secured by U. S. Government obligations.....	2,420	65	201	201	439	367	156	647	149			25	170
Member bank collateral notes: Secured by U. S. Government obligations.....	1,400	178		6	367	225	218	28	208	1	28	124	17
Otherwise secured.....	277,162	15,809	109,608	31,331	22,219	16,009	8,719	43,904	8,646	985	4,208	1,080	14,644
Total discounted bills.....	484,865	34,082	134,515	51,230	40,145	45,305	31,882	71,196	18,215	3,612	13,703	7,448	33,532
Bills Bought													
Bills payable in dollars:													
Bankers' acceptances based on—													
Imports.....	130,667	44,917	9,085	6,380	4,704	2,313	16,253	10,278	8,045	2,544	6,617	7,362	12,169
Exports.....	101,717	23,433	9,692	5,861	4,187	1,389	18,378	10,161	6,094	3,110	5,863	7,081	6,468
Domestic transactions.....	47,813	9,494	5,493	3,427	2,189	2,995	5,720	7,273	3,449	875	1,565	1,024	4,309
Dollar exchange.....	5,430	1,500	650	94	364	50	198	652	737	284	176	221	504
All other.....	13,835	965	4,144	58	1,350	336		2,065	1,528	370		1,362	1,657
Trade acceptances based on imports.....	1,156		1,156										
Bills payable in foreign currencies.....	1,015		257		758								
Total purchased bills.....	301,633	80,309	30,477	15,820	13,552	7,083	40,549	30,429	19,853	7,183	14,221	17,050	25,107
United States Securities													
United States bonds.....	59,747	572	1,934	604	8,103	1,240	961	20,190	2,025	7,665	8,387	7,595	471
Treasury notes.....	180,795	1,580	39,633	3,781	19,408	3,346	9,662	18,012	14,575	6,976	18,228	17,115	28,479
Certificates of indebtedness.....	110,860	8,255	11,182	17,863	6,795	3,087	6,203	10,733	8,175	3,529	9,393	6,832	18,813
Total U. S. securities.....	351,402	10,407	52,749	22,248	34,306	7,673	16,826	48,935	24,775	18,170	36,008	31,542	47,763
DAILY AVERAGE HOLDINGS DURING JANUARY													
Total bills and securities ¹	1,231,337	128,673	245,922	91,284	105,029	51,912	102,598	162,760	67,946	34,384	68,056	63,163	109,610
Bills discounted.....	526,042	31,895	163,247	48,172	59,208	33,035	26,953	80,112	19,680	4,676	15,511	7,463	31,090
Bills bought.....	327,179	84,033	27,305	15,613	8,919	4,702	57,852	28,857	23,168	10,513	14,734	23,097	28,386
United States securities.....	368,099	12,233	53,517	23,815	36,173	8,811	17,511	52,844	24,784	18,954	37,437	32,363	49,657
Foreign loans on gold.....	6,852	512	1,853	634	729	364	282	947	314	226	274	240	477
EARNINGS DURING JANUARY													
Total bills and securities ¹	3,892	394	772	297	343	171	308	532	213	110	215	195	342
Bills discounted.....	1,745	108	518	163	200	129	89	272	67	16	53	25	105
Bills bought.....	957	248	80	46	27	14	164	85	68	30	43	68	84
United States securities.....	1,154	36	167	76	114	26	54	171	77	63	118	101	151
Foreign loans on gold.....	26	2	7	2	2	2	1	4	1	1	1	1	2
ANNUAL RATE OF EARNINGS													
Total bills and securities ¹	3.73	3.60	3.70	3.53	3.86	3.87	3.63	3.85	3.69	3.77	3.73	3.64	3.68
Bills discounted.....	3.91	3.99	3.73	3.98	3.97	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.99
Bills bought.....	3.46	3.47	3.46	3.44	3.55	3.56	3.45	3.46	3.46	3.40	3.47	3.44	3.47
United States securities.....	3.69	3.44	3.68	3.75	3.70	3.46	3.62	3.82	3.65	3.92	3.71	3.69	3.59
Foreign loans on gold.....	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50

¹Figures include Federal intermediate credit bank debentures, as follows: Philadelphia, average daily holdings, \$3,050,000; earnings, \$10,164; annual rate of earnings, 3.92 per cent; Kansas City, average daily holdings, \$100,000; earnings, \$331; annual rate of earnings, 3.89 per cent; and Minneapolis, municipal warrants, average daily holdings, \$14,814; earnings, \$50; annual rate of earnings, 4 per cent.

FEDERAL RESERVE BANKS—VOLUME OF DISCOUNT AND OPEN-MARKET OPERATIONS DURING JANUARY, 1926

[Amounts in thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Total Volume of Operations	3,041,576	171,196	1,592,347	187,406	230,215	165,051	85,524	284,522	87,531	15,800	62,460	29,506	130,018
Bills discounted for member banks	2,806,899	130,326	1,529,689	181,967	218,015	159,217	74,068	247,794	74,228	11,163	53,212	18,554	108,666
Bills bought:													
In open market.....	199,203	39,662	57,714	5,420	10,940	5,823	8,899	19,288	11,778	4,631	7,915	6,807	20,326
From other Federal reserve banks.....	7,008	261	3,092	1,163	1,163	1,163	1,163	1,573	1,163	1,163	1,163	1,163	1,009
U. S. securities bought in open market.....	28,266	932	1,888	76	76	76	2,549	15,839	1,516	1,163	4,138	3	3
Foreign loans on gold.....	200	15	54	19	21	11	8	28	9	6	8	7	14
Bills Discounted													
Rediscounted bills:													
Commercial, agricultural, and live-stock paper, n. e. s.....	152,446	1,692	9,132	6,815	12,071	15,174	131,614	37,077	20,142	732	4,773	6,776	6,448
Demand and sight drafts.....	2,072						112		868		14	951	127
Trade acceptances.....	1,409	41	146	146	488	109	157	85	82			25	130
Secured by U. S. Government obligations.....	743	96		6	37	121	115	16	172		49	115	16
Member bank collateral notes:													
Secured by U. S. Government obligations.....	2,319,951	65,819	1,450,796	129,898	166,959	98,794	26,545	197,650	48,597	6,898	44,812	9,135	74,048
Secured by eligible paper ²	330,278	62,678	69,615	45,102	38,460	45,019	15,525	12,966	4,367	3,533	3,564	1,552	27,897
Total bills discounted	2,806,899	130,326	1,529,689	181,967	218,015	159,217	74,068	247,794	74,228	11,163	53,212	18,554	108,666
Average rate (365-day basis) per cent	3.97	4.00	3.88	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Average maturity (in days):													
Member bank collateral notes.....	5.38	7.65	3.58	7.32	6.54	3.48	8.94	11.73	8.59	11.19	4.79	8.78	9.56
Rediscounted bills.....	51.03	47.34	55.05	51.84	47.60	53.72	48.23	49.88	45.67	107.80	80.57	50.65	54.93
Number of member banks on Jan. 31.....	9,459	418	881	754	861	599	493	1,392	623	829	1,023	850	736
Number of member banks accommodated during month.....	2,838	172	359	385	308	259	146	541	179	76	169	70	174
Per cent accommodated.....	30.0	41.1	40.7	51.1	35.8	43.2	29.6	38.9	28.7	9.2	16.5	8.2	23.6
Bills Bought in Open Market													
From member banks	68,485	11,326	13,240	1,627	6,106	2,050	5,399	7,594	5,394	2,352	4,421	4,114	4,862
From nonmember banks, banking corporations, etc.:													
With resale agreement.....	71,979	20,731	37,253					4,302					9,693
All others.....	58,739	7,605	7,221	3,793	4,834	3,773	3,500	7,992	6,384	2,279	3,494	2,693	5,771
Total bills bought	199,203	39,662	57,714	5,420	10,940	5,823	8,899	19,288	11,778	4,631	7,915	6,807	20,326
Rates charged:													
3¼ per cent.....	19,466	2,635	6,163		759	350	2,652	1,970	2,332	111	487	705	1,302
3½ per cent.....	20,210	4,553	414	915	1,069	588	1,145	3,190	3,462	350	1,240	1,524	1,760
3½ per cent.....	94,035	23,504	42,846	1,016	3,044	1,864	1,762	4,649	2,080	1,916	2,886	1,786	6,682
3½ per cent.....	55,460	8,130	7,427	3,218	5,585	2,802	1,660	6,218	3,558	2,056	2,933	2,025	9,848
3¾ per cent.....	5,555	840	453	237	459	83	131	1,278	343	106	308	594	663
3¾ per cent.....	1,763			34		59		1,626			33	11	
4 per cent.....	2,714		411		24	77	1,549	357	3	32	28	162	71
Average rate (365-day basis), per cent	3.60	3.58	3.60	3.63	3.62	3.63	3.60	3.65	3.55	3.63	3.61	3.62	3.60
Average maturity (in days)³	58.18	74.70	42.00	68.85	62.34	60.14	46.24	60.00	58.81	58.72	55.26	64.51	53.68
Class of bills:													
Bills payable in dollars—³													
Bankers' acceptances based on—													
Imports.....	47,324	10,902	4,786	2,478	3,511	2,376	1,695	4,797	4,838	2,125	3,414	2,088	4,314
Exports.....	35,262	2,578	5,438	1,334	3,508	1,511	2,947	5,011	3,365	1,150	2,526	2,909	2,985
Domestic transactions.....	27,395	3,253	6,126	1,505	2,104	1,525	2,873	3,220	2,495	478	984	697	2,135
Dollar exchange.....	2,898	610	342	45	364	50	10	307	285	252	71	150	412
Unclassified.....	13,595	1,588	3,242	58	1,230	361	1,374	1,651	795	626	920	963	787
Trade acceptances, foreign.....	527		527										
Bills payable in foreign currencies.....	223				223								
Total	127,224	18,931	20,461	5,420	10,940	5,823	8,899	14,986	11,778	4,631	7,915	6,807	10,633
U. S. Securities Bought in Open Market													
United States bonds.....	5,996	19					1,319		278		1,325	3,052	3
Treasury notes.....	13,019	509	655		75		105	10,954				721	
Certificates of indebtedness.....	9,251	404	1,233		1		1,125	4,885	1,238			365	
Total	28,266	932	1,888		76		2,549	15,839	1,516		1,325	4,138	3

¹ Includes \$150,000 discounted for the Federal intermediate credit bank of Columbia, S. C.

² Includes bills taken under a resale contract.

³ Exclusive of acceptances bought under a resale contract.

PRINCIPAL RESOURCES AND LIABILITIES, BY WEEKS—Continued
[In thousands of dollars]

	Total	Federal reserve district											
		Boston	New York	Phila- delphia	Cleve- land	Rich- mond	At- lanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Francisco
Net demand deposits:													
Jan. 20.....	13,173,725	912,076	5,720,971	782,770	988,216	381,290	369,220	1,773,554	428,131	231,647	497,538	283,442	804,870
Jan. 27.....	13,034,186	901,957	5,678,702	774,149	999,453	377,244	360,332	1,723,991	430,264	228,156	490,574	280,121	789,243
Feb. 3.....	13,036,344	893,228	5,678,429	767,609	1,007,277	375,085	365,051	1,734,533	428,211	225,396	491,397	280,785	789,343
Feb. 10.....	13,072,587	896,694	5,672,564	759,925	1,007,750	380,254	368,312	1,734,326	432,577	225,042	492,757	278,837	803,549
Time deposits:													
Jan. 20.....	5,374,934	393,428	1,193,634	215,731	757,415	203,256	219,368	1,016,399	217,669	113,093	145,827	97,496	801,618
Jan. 27.....	5,385,196	392,211	1,200,457	215,288	759,135	202,035	218,256	1,025,093	218,187	113,336	142,280	98,390	797,541
Feb. 3.....	5,404,185	392,078	1,202,604	222,245	760,678	202,179	216,557	1,028,322	219,191	113,069	143,475	100,305	805,482
Feb. 10.....	5,406,161	393,276	1,193,237	222,285	761,373	204,136	217,466	1,030,376	221,741	113,207	142,226	101,937	804,901
Government deposits:													
Jan. 20.....	201,145	19,552	56,627	18,898	19,765	6,125	10,006	25,659	5,864	3,065	1,751	7,568	26,265
Jan. 27.....	200,360	19,599	56,627	18,894	19,765	6,125	9,401	25,659	5,864	3,065	1,528	7,568	26,265
Feb. 3.....	200,937	19,598	56,627	18,908	19,472	6,125	10,006	25,659	5,864	3,065	1,781	7,567	26,265
Feb. 10.....	204,288	19,598	56,627	18,898	19,765	6,125	10,006	25,659	5,864	3,065	4,851	7,565	26,265
Bills payable and redis- counts with Federal re- serve bank:													
Secured by United States Government obligations—													
Jan. 20.....	161,575	1,390	68,540	6,970	21,477	5,568	5,088	25,097	3,797	1,000	8,200	879	13,569
Jan. 27.....	168,731	1,785	66,768	8,280	14,433	6,332	3,985	42,557	2,544	1,290	4,934	959	14,917
Feb. 3.....	213,769	1,790	120,878	9,025	8,049	9,707	3,758	35,549	2,707	1,400	4,285	1,294	15,324
Feb. 10.....	228,478	1,525	138,433	13,740	14,063	4,619	2,606	31,358	2,234	3,950	5,750	400	9,800
All other—													
Jan. 20.....	110,839	6,720	19,783	5,283	16,752	11,875	12,756	10,804	7,363	800	2,829	4,565	11,309
Jan. 27.....	100,969	7,575	10,058	4,751	10,918	11,081	14,474	16,065	5,725	-----	3,173	5,071	12,078
Feb. 3.....	100,392	9,320	9,401	5,536	12,703	11,475	14,826	15,379	6,781	-----	2,721	3,441	8,809
Feb. 10.....	129,399	26,350	22,687	8,813	18,884	12,272	11,302	14,533	5,177	55	2,263	2,911	4,152

REPORTING MEMBER BANKS IN 12 FEDERAL RESERVE BANK CITIES—BANKERS' BALANCES
[In thousands of dollars]

	Total, (12 cities)	Federal reserve bank 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. 20.....	2,336,630	131,517	1,137,043	185,546	45,492	37,203	21,536	376,992	97,760	58,786	105,696	34,211	104,848
Jan. 27.....	2,247,179	122,791	1,103,941	176,385	46,923	36,169	21,630	362,812	91,523	55,355	101,204	32,470	95,976
Feb. 3.....	2,295,281	131,374	1,109,749	186,672	47,040	36,450	20,781	376,213	94,049	56,761	104,072	33,712	98,408
Feb. 10.....	2,250,600	126,873	1,083,477	172,489	44,677	38,023	20,381	374,458	94,142	56,923	105,551	31,605	102,001
Due from banks:													
Jan. 20.....	603,131	37,987	98,533	71,858	31,304	17,606	16,337	153,839	35,166	18,808	44,067	27,056	50,570
Jan. 27.....	555,581	32,524	94,724	62,586	23,192	16,174	15,935	146,868	29,614	18,432	41,208	25,448	48,876
Feb. 3.....	573,849	40,618	100,711	64,088	27,099	16,912	14,128	143,169	31,043	18,770	43,027	26,006	48,278
Feb. 10.....	553,908	30,126	93,013	59,602	24,385	17,120	13,382	140,087	30,649	22,641	42,179	26,569	54,155

LOANS TO BROKERS AND DEALERS SECURED BY STOCKS AND BONDS MADE BY 61 WEEKLY REPORTING MEMBER BANKS IN NEW YORK CITY
[In thousands of dollars]

	Loans on demand and on time			Loans on demand			Loans on time					
	Total	For own account	For account of out-of- town banks	Total	For own account	For account of out-of- town banks	Total	For own account	For account of out-of- town banks	For account of others		
1926												
Jan. 20.....	3,130,989	1,231,691	1,306,294	593,004	2,184,780	755,315	902,733	526,732	946,209	476,376	403,561	66,272
Jan. 27.....	3,098,192	1,200,914	1,287,367	609,911	2,135,023	705,906	887,238	541,879	963,169	495,008	400,129	68,032
Feb. 3.....	3,091,997	1,221,842	1,280,143	590,012	2,138,688	735,919	881,189	521,580	953,309	485,923	398,954	68,432
Feb. 10.....	3,137,588	1,199,307	1,340,433	597,848	2,171,352	710,509	934,368	526,475	966,236	488,798	406,065	71,373

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

[In thousands of dollars]

	New York City				City of Chicago			
	Jan. 20	Jan. 27	Feb. 3	Feb. 10	Jan. 20	Jan. 27	Feb. 3	Feb. 10
Number of reporting banks.....	61	61	61	61	46	46	46	46
Loans and discounts gross:								
Secured by United States Government obligations.....	49,909	46,355	49,336	53,725	16,733	17,634	17,392	16,784
Secured by stocks and bonds.....	2,229,780	2,200,878	2,221,476	2,178,785	616,776	616,498	615,267	616,151
All other loans and discounts.....	2,249,368	2,235,938	2,234,922	2,233,936	688,003	679,446	684,769	696,662
Total loans and discounts.....	4,529,037	4,483,171	4,505,734	4,466,446	1,321,512	1,313,578	1,317,428	1,329,597
United States pre-war bonds.....	29,839	29,781	29,552	29,555	3,621	3,597	4,626	4,884
United States Liberty bonds.....	522,389	525,452	526,849	526,760	100,778	101,132	100,468	99,152
United States Treasury bonds.....	181,694	182,404	191,034	189,625	16,370	16,466	16,621	19,240
United States Treasury notes.....	142,562	142,681	146,165	151,947	50,204	48,520	48,227	49,314
United States Treasury certificates.....	41,332	40,776	41,084	40,308	2,044	3,851	2,111	2,539
Other stocks and securities.....	794,166	816,730	813,467	823,348	193,449	201,940	199,714	199,295
Total investments.....	1,711,982	1,737,874	1,748,151	1,761,543	366,466	375,506	371,767	374,424
Total loans and investments.....	6,241,039	6,221,045	6,253,885	6,227,989	1,687,978	1,689,084	1,689,195	1,704,021
Reserve balances with Federal reserve bank.....	707,397	690,823	680,757	709,104	164,964	171,411	169,700	162,691
Cash in vault.....	66,659	66,404	64,789	78,674	22,541	21,786	20,695	21,272
Net demand deposits.....	5,157,748	5,119,986	5,117,675	5,105,980	1,173,263	1,144,123	1,150,175	1,162,630
Time deposits.....	802,214	808,915	808,709	801,609	499,623	508,656	512,089	511,961
Government deposits.....	49,995	49,995	49,995	49,995	12,947	12,947	12,947	12,947
Bills payable and rediscounts with Federal reserve bank:								
Secured by United States Government obligations.....	35,562	30,922	39,872	111,022	5,864	16,560	9,902	12,898
All other.....	15,615	6,240	5,376	17,690	4,238	3,558	6,616	8,401
Total borrowings from Federal reserve bank.....	51,177	37,162	95,248	128,712	10,102	20,118	16,518	21,299

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

[In thousands of dollars]

Federal reserve district	Net demand deposits					Time deposits				
	1925			1926	1925	1925			1926	1925
	Oct. 28	Nov. 25	Dec. 23	Jan. 27	Jan. 28	Oct. 28	Nov. 25	Dec. 23	Jan. 27	Jan. 28
Boston.....	1,445,553	1,395,241	1,390,238	1,374,330	1,330,862	778,410	794,772	795,819	801,024	702,350
New York.....	6,464,101	6,408,228	6,496,179	6,455,855	6,383,028	2,164,082	2,183,450	2,180,939	2,230,372	2,041,042
Philadelphia.....	1,185,676	1,181,937	1,183,178	1,190,601	1,139,390	841,149	843,884	843,836	869,084	777,518
Cleveland.....	1,498,226	1,475,121	1,467,169	1,495,667	1,486,655	1,341,980	1,342,997	1,326,753	1,354,620	1,272,991
Richmond.....	611,548	626,963	610,641	613,437	594,503	515,563	506,547	509,524	513,875	486,866
Atlanta.....	762,792	769,608	825,332	760,379	585,609	428,449	431,355	460,317	438,920	356,070
Chicago.....	2,471,086	2,449,631	2,429,093	2,429,995	2,380,790	1,859,829	1,877,294	1,883,019	1,883,018	1,735,739
St. Louis.....	717,386	728,045	757,463	760,201	732,021	459,884	459,517	447,233	466,253	438,340
Minneapolis.....	455,964	466,660	466,046	452,173	481,231	435,496	433,519	434,857	441,449	434,954
Kansas City.....	837,559	847,480	870,557	862,059	861,150	326,890	313,791	306,105	314,084	300,970
Dallas.....	667,413	674,507	668,749	659,813	660,847	166,601	166,821	163,290	167,330	160,584
San Francisco.....	1,315,098	1,339,345	1,335,362	1,038,044	1,291,093	1,310,189	1,328,098	1,301,722	687,904	1,171,200
Total.....	18,432,402	18,362,766	18,500,007	18,092,554	17,927,179	10,628,522	10,692,045	10,653,414	10,167,933	9,878,624
Banks in cities and towns having a population of—										
Less than 5,000.....	1,779,096	1,773,720	1,813,189	1,720,826	1,673,199	1,738,310	1,734,527	1,750,155	1,761,695	1,668,381
5,000 to 14,999.....	1,159,461	1,158,411	1,160,017	1,158,992	1,081,342	1,116,348	1,118,658	1,113,508	1,129,972	1,062,598
15,000 to 99,999.....	2,392,981	2,407,394	2,419,650	2,405,814	2,170,162	2,143,160	2,149,836	2,136,370	2,169,045	1,990,335
100,000 and over.....	13,100,864	13,023,241	13,107,151	12,806,922	13,002,476	5,630,714	5,689,024	5,653,381	5,107,221	5,157,310

ALL MEMBER BANKS—CONDITION ON DECEMBER 31, 1925

ALL MEMBER BANKS (8,048 NATIONAL BANKS AND 1,441 STATE BANKS AND TRUST COMPANIES)—ABSTRACT OF CONDITION REPORTS ON DECEMBER 31, 1925, BY FEDERAL RESERVE DISTRICTS

[In thousands of dollars]

	District No. 1 (420 banks)	District No. 2 (880 banks)	District No. 3 (753 banks)	District No. 4 (863 banks)	District No. 5 (604 banks)	District No. 6 (495 banks)	District No. 7 (1,398 banks)	District No. 8 (628 banks)	District No. 9 (829 banks)	District No. 10 (1,027 banks)	District No. 11 (852 banks)	District No. 12 (740 banks)	Total United States (9,489 banks)
RESOURCES													
Loans and discounts	1,725,008	6,722,847	1,488,429	2,063,093	1,032,689	997,976	3,282,350	949,763	585,456	803,735	666,135	1,940,282	22,257,763
Overdrafts	559	2,687	384	891	721	2,483	2,039	1,696	661	1,253	1,930	2,218	17,522
U. S. Government securities	247,550	1,191,180	225,490	388,837	129,927	108,235	499,050	138,109	146,536	182,630	115,339	388,176	3,761,065
Other bonds, stocks, and securities	422,069	1,599,107	627,108	607,795	134,084	141,763	707,358	222,909	160,703	145,228	49,217	345,825	5,163,166
Total loans and investments	2,395,186	9,518,821	2,341,411	3,060,616	1,297,421	1,250,457	4,490,797	1,312,477	893,356	1,132,852	832,621	2,676,501	31,199,516
Customers' liability on account of acceptances	45,695	348,853	12,044	7,895	16,936	12,460	24,664	1,369	2,675	131	3,012	22,409	498,143
Banking house, furniture, and fixtures	63,942	178,996	68,833	127,329	57,037	49,014	139,895	37,805	24,788	43,569	41,425	94,724	927,357
Other real estate owned	6,331	12,665	10,523	17,104	11,697	10,817	29,058	8,051	15,317	16,810	13,967	18,423	170,763
Cash in vault	44,996	118,855	42,721	62,752	30,938	33,429	91,279	25,409	20,309	30,891	25,559	47,394	574,532
Reserve with Federal reserve banks	141,116	868,685	139,801	172,340	70,031	79,311	305,336	81,912	52,192	92,986	66,062	168,461	2,238,233
Items with Federal reserve banks in process of collection	78,168	253,426	72,129	74,283	54,487	34,003	94,770	45,068	9,611	39,733	29,754	40,111	825,543
Due from banks, bankers, and trust companies	104,944	205,724	126,891	170,764	112,063	210,957	341,102	127,239	127,243	220,406	152,668	246,305	2,155,306
Exchanges for clearing house, also checks on other banks in same place	67,920	1,626,185	76,466	53,305	29,346	33,865	150,039	29,903	12,762	24,107	19,807	71,761	2,195,466
Outside checks and other cash items	9,262	31,480	6,509	8,901	4,841	6,706	36,710	3,979	6,437	5,379	4,244	34,612	159,060
Redemption fund and due from U. S. Treasurer	2,378	4,169	2,833	4,284	3,083	2,013	4,217	2,032	1,470	1,816	2,205	2,482	32,982
U. S. Securities borrowed ¹			1,950	1,750	657	265	3,949	2,409	53	1	93	25	11,152
Other securities borrowed ¹	8			122		68	1,884	60					18
Other assets	25,061	273,163	14,709	16,783	5,207	7,594	46,264	8,629	4,041	4,443	3,861	25,307	435,082
Total	2,985,027	13,438,022	2,916,820	3,778,228	1,693,744	1,730,959	5,759,964	1,686,342	1,170,254	1,622,124	1,195,278	3,448,533	41,425,295
LIABILITIES													
Capital stock paid in	152,027	531,048	145,840	214,065	113,367	95,389	298,776	111,156	66,846	93,443	96,078	187,273	2,105,308
Surplus fund	136,161	570,298	247,277	230,859	86,626	62,630	226,054	60,004	35,358	43,926	43,581	89,917	1,832,691
Undivided profits, less expenses and taxes paid	69,740	266,303	73,992	71,188	29,695	19,699	92,459	26,296	14,191	16,668	17,101	42,602	739,934
Reserved for taxes, interest, etc., accrued	10,309	30,195	5,618	15,354	3,914	3,284	21,627	4,912	4,056	2,842	2,175	4,617	108,903
Due to Federal reserve banks	5,939	15,407	5,807	4,722	10,977	2,132	2,405	851		178	1,912	782	51,112
Due to banks, bankers, and trust companies	160,507	1,568,231	217,540	243,141	148,409	226,115	583,701	208,879	131,041	268,326	156,503	262,077	4,169,470
Certified and cashiers' or treasurers' checks outstanding	25,535	878,422	18,994	60,057	14,085	19,657	55,381	10,523	12,259	41,543	29,553	59,749	1,225,758
Demand deposits	1,408,222	6,321,661	1,178,813	1,377,676	616,792	758,220	2,311,573	707,011	423,086	795,109	620,071	1,306,468	17,824,702
Time deposits	782,875	2,173,484	849,918	1,338,056	510,316	425,613	1,881,042	452,196	437,717	294,962	158,382	1,342,867	10,653,028
U. S. deposits	27,916	74,352	28,906	27,751	15,543	16,176	37,068	12,500	7,429	8,330	14,065	34,005	304,131
Total deposits	2,410,994	11,036,357	2,290,978	3,052,003	1,316,123	1,447,913	4,871,170	1,387,050	1,011,532	1,408,448	980,486	3,005,948	34,228,201
Agreements to purchase U. S. Government or other securities sold		3,438	22	703	503	60	1,225	853		110	110	57	7,081
Bills payable (including all obligations representing money borrowed, other than rediscounts)	29,381	236,581	47,189	52,749	31,535	15,524	66,284	16,700	1,764	7,694	3,777	18,720	527,898

¹ Exclusive of securities borrowed by national banks.

ALL MEMBER BANKS (8,048 NATIONAL BANKS AND 1,441 STATE BANKS AND TRUST COMPANIES)—ABSTRACT OF
CONDITION REPORTS ON DECEMBER 31, 1925, BY FEDERAL RESERVE DISTRICTS—Continued

[In thousands of dollars]

	District No. 1 (420 banks)	District No. 2 (880 banks)	District No. 3 (753 banks)	District No. 4 (863 banks)	District No. 5 (604 banks)	District No. 6 (495 banks)	District No. 7 (1,398 banks)	District No. 8 (628 banks)	District No. 9 (829 banks)	District No. 10 (1,027 banks)	District No. 11 (852 banks)	District No. 12 (740 banks)	Total United States (9,489 banks)
LIABILITIES—contd.													
Notes and bills re- discounted (includ- ing acceptances of other banks and foreign bills of ex- change or drafts sold with indorse- ment).....	75,849	235,590	18,378	28,131	27,077	21,808	35,690	13,047	2,875	9,204	2,384	13,881	483,914
Letters of credit and travelers' checks sold for cash and outstanding.....	900	16,298	339	562	231	52	2,723	36	37	80	48	659	21,965
Acceptances execut- ed for customers...	44,901	339,305	9,496	7,698	16,448	17,695	20,577	1,432	2,620	128	2,988	23,260	486,548
Acceptances execut- ed by other banks for account of re- porting banks.....	2,931	42,463	3,276	43	1,190	220	3,119	-----	55	1	-----	310	53,608
National-bank notes outstanding.....	46,808	82,057	55,281	84,655	59,219	39,458	83,647	40,271	28,850	35,952	43,107	48,646	647,951
U. S. securities bor- rowed.....	60	4,943	2,563	13,143	4,357	2,363	7,713	4,325	219	960	1,406	1,806	43,858
Other securities bor- rowed.....	35	242	-----	574	403	1,386	2,071	65	9	369	107	524	5,785
Other liabilities.....	4,931	42,704	7,571	6,501	3,057	3,478	26,829	20,195	1,842	2,299	1,930	10,313	131,650
Total.....	2,985,027	13,438,022	2,916,820	3,778,228	1,693,744	1,730,959	5,759,964	1,686,342	1,170,254	1,622,124	1,195,278	3,448,533	41,425,295

ALL MEMBER BANKS (8,048 NATIONAL BANKS AND 1,441 STATE BANK AND TRUST COMPANIES)—ABSTRACT OF CONDITION REPORTS ON DECEMBER 31, 1925, BY CLASSES OF BANKS

[In thousands of dollars]

	Central reserve city banks			Other reserve city banks (549 banks)	Country banks (8,857 banks)	Total United States	
	New York (63 banks)	Chicago (20 banks)	Total (83 banks)			Dec. 31, 1925 (9,489 banks)	Sept. 28, 1925 (9,539 banks)
RESOURCES							
Loans and discounts.....	4,943,477	1,257,705	6,201,182	7,891,833	8,164,698	22,257,763	21,427,247
Overdrafts.....	2,207	342	2,549	5,588	9,385	17,522	23,126
United States Government securities.....	875,223	154,962	1,030,185	1,333,589	1,397,291	3,761,065	3,785,412
Other bonds, stocks, and securities.....	713,332	154,599	867,931	1,567,801	2,727,434	5,163,106	5,133,273
Total loans and investments.....	6,534,239	1,567,608	8,101,847	10,798,861	12,298,808	31,199,516	30,369,098
Customers' liability on account of acceptances.....	346,086	21,151	367,237	113,053	17,853	493,143	333,873
Banking house, furniture, and fixtures.....	101,701	25,903	127,604	362,241	437,512	927,357	919,046
Other real estate owned.....	2,338	255	3,093	50,793	116,877	170,763	171,741
Cash in vault.....	65,437	16,561	81,998	175,955	316,599	574,532	524,592
Reserve with Federal reserve banks.....	713,300	149,669	862,969	746,368	628,901	2,238,236	2,147,111
Items with Federal reserve banks in process of collection.....	188,759	40,948	229,707	470,180	125,656	826,543	647,432
Due from banks, bankers, and trust companies.....	95,905	117,280	213,185	886,207	1,055,914	2,155,306	2,031,130
Exchanges for clearing house, also checks on other banks in same place.....	1,583,837	92,808	1,676,645	415,116	103,710	2,195,466	1,268,087
Outside checks and other cash items.....	24,500	25,880	49,880	77,888	31,292	159,060	103,369
Redemption fund and due from United States Treasurer.....	1,487	59	1,546	7,383	24,053	32,982	32,850
United States securities borrowed.....				5,822	5,320	11,152	11,429
Other securities borrowed.....				882	1,328	2,160	3,112
Other assets.....	260,348	33,393	293,741	101,130	40,211	435,082	440,524
Total.....	9,918,437	2,091,010	12,009,447	14,211,784	15,204,064	41,425,295	39,053,354
LIABILITIES							
Capital stock paid in.....	369,750	90,900	460,650	704,438	940,220	2,105,308	2,092,909
Surplus fund.....	431,376	89,700	521,076	618,939	692,676	1,832,691	1,760,076
Undivided profits, less expenses and taxes paid.....	189,589	38,133	227,722	214,903	297,309	739,934	834,802
Reserved for taxes, interest, etc., accrued.....	23,877	14,245	38,122	42,253	28,528	108,903	133,387
Due to Federal reserve banks.....	83		83	13,820	37,209	51,112	49,933
Due to banks, bankers, and trust companies.....	1,471,856	376,608	1,848,459	1,814,594	506,417	4,169,470	3,827,575
Certified and cashiers' or treasurers' checks outstanding.....	855,726	29,785	885,511	231,957	108,290	1,225,758	808,756
Demand deposits.....	4,882,887	975,152	5,858,039	5,880,410	6,086,253	17,824,702	16,617,456
Time deposits.....	782,700	387,155	1,169,855	3,836,548	5,646,625	10,653,023	10,467,237
United States deposits.....	58,823	14,822	73,645	177,493	52,993	304,131	278,211
Total deposits.....	8,052,075	1,783,517	9,835,592	11,954,822	12,437,787	34,225,201	32,049,168
Agreements to repurchase United States Government or other securities sold.....	3,368	367	3,735	2,476	870	7,081	5,081
Bills payable (including all obligations representing money borrowed, other than rediscounts).....	164,975	20,357	185,332	174,871	167,695	527,898	489,449
Notes and bills rediscounted (including acceptances of other banks and foreign bills of exchange or drafts sold with indorsement).....	220,981	8,305	229,786	146,501	107,627	483,914	387,213
Letters of credit and travelers' checks sold for cash and outstanding.....	16,226	2,569	18,795	2,928	242	21,965	25,643
Acceptances executed for customers.....	337,170	19,199	356,369	116,086	14,093	486,548	384,993
Acceptances executed by other banks for account of reporting banks.....	41,778	3,072	44,850	6,743	2,015	53,608	40,334
National-bank notes outstanding.....	29,175	1,181	30,356	144,869	472,726	647,951	648,719
United States securities borrowed ¹	4,710	1,375	6,085	20,397	17,376	43,858	35,908
Other securities borrowed ¹	192	150	342	1,567	3,876	5,785	7,038
Other liabilities.....	33,195	17,440	50,635	59,991	21,024	131,650	158,634
Total.....	9,918,437	2,091,010	12,009,447	14,211,784	15,204,064	41,425,295	39,053,354

¹ Exclusive of securities borrowed by national banks.

ALL NATIONAL MEMBER BANKS—ABSTRACT OF CONDITION REPORTS ON DECEMBER 31, 1925, BY CLASSES OF BANKS

[In thousands of dollars]

	Central reserve city banks			Other reserve city banks (368 banks)	Country banks (7,638 banks)	Total United States	
	New York (32 banks)	Chicago (10 banks)	Total (42 banks)			Dec. 31, 1925 (8,048 banks)	Sept. 28, 1925 (8,079 banks)
RESOURCES							
Loans and discounts	2,427,281	649,483	3,076,764	4,217,800	6,236,689	13,531,253	13,130,674
Overdrafts	431	268	699	2,496	7,355	10,550	14,890
United States Government securities	527,242	55,487	582,729	765,450	1,171,871	2,520,050	2,509,205
Other bonds, stocks, securities, etc.	367,844	49,851	417,695	730,256	2,102,177	3,250,128	3,240,595
Total loans and investments	3,322,798	755,089	4,077,887	5,716,002	9,518,092	19,311,981	18,895,364
Customers' liability account of acceptances	178,666	11,515	190,181	77,639	9,693	277,513	201,083
Banking house, furniture, and fixtures	48,112	16,762	64,874	190,568	350,493	605,935	592,731
Other real estate owned	140	199	339	20,874	92,510	113,723	114,670
Lawful reserve with Federal reserve banks	357,777	83,660	441,437	434,567	500,988	1,376,992	1,324,326
Items with Federal reserve banks in process of collection	116,324	27,362	143,686	340,327	88,077	572,090	456,666
Cash in vault	31,114	9,420	40,534	97,987	250,335	388,856	361,411
Amount due from national banks	20,575	53,176	73,751	396,017	1,191,442	1,191,442	1,191,596
Amount due from State banks, bankers, and trust companies in the United States	16,392	24,909	41,301	224,534	159,257	425,092	393,296
Exchanges for clearing house	788,780	50,966	839,746	241,980	45,515	1,127,241	733,816
Checks on other banks in the same place	55,831	2,523	58,354	21,742	29,102	109,198	58,270
Outside checks and other cash items	8,577	2,955	11,532	34,410	25,369	71,311	54,089
Redemption fund and due from United States Treasurer	1,487	59	1,546	7,383	24,053	32,982	32,850
Other assets	149,430	15,201	164,631	52,357	18,106	235,094	219,332
Total	5,096,003	1,053,796	6,149,799	7,856,387	11,833,264	25,839,450	24,557,500
LIABILITIES							
Capital stock paid in	184,750	49,950	234,700	399,232	744,369	1,378,301	1,374,209
Surplus fund	261,640	33,900	295,540	313,417	556,922	1,165,879	1,124,775
Undivided profits, less expenses, and taxes paid	97,998	18,508	116,506	125,926	233,569	476,001	543,369
Reserved for taxes, interest, etc., accrued	11,997	6,239	18,236	21,800	19,125	59,161	69,787
National bank notes outstanding	29,175	1,181	30,356	144,869	472,726	647,951	648,719
Amount due to Federal reserve banks	8		8	9,965	28,348	35,321	31,820
Amount due to national banks	286,173	111,365	397,538	560,842	118,017	1,076,397	1,068,419
Amount due to State banks, bankers, and trust companies in the United States and foreign countries	585,600	168,147	753,747	841,513	301,501	1,896,851	1,765,997
Certified checks outstanding	223,014	5,619	228,633	19,184	13,966	261,783	251,487
Cashier's checks outstanding	230,433	9,129	239,562	104,971	69,512	414,095	214,482
Demand deposits	2,382,048	533,185	2,915,233	3,510,440	4,720,132	11,145,805	10,422,754
Time deposits	321,441	66,232	387,673	1,394,718	4,263,371	6,045,762	5,992,782
United States deposits	37,304	6,289	43,593	103,783	48,572	190,948	172,575
Total deposits	4,066,071	899,968	4,966,039	6,545,416	9,558,509	21,069,962	19,920,316
United States Government securities borrowed	4,710	1,375	6,085	14,565	12,056	32,706	24,479
Bonds and securities other than United States borrowed	192	150	342	735	2,548	3,625	3,926
Agreements to repurchase United States Government or other securities sold	400		400	788	796	1,984	4,057
Bills payable (including all obligations representing money borrowed other than rediscounts)	147,163	20,357	167,520	87,550	129,307	384,377	316,627
Notes and bills rediscounted (including acceptances of other banks and foreign bills of exchange or drafts sold with indorsement)	81,464	5,293	86,757	95,244	82,504	264,505	245,537
Letters of credit and travelers checks sold for cash and outstanding	2,664	2,435	5,099	2,220	204	7,523	9,056
Acceptances executed for customers and to furnish dollar exchange less those purchased or discounted	163,516	10,053	173,569	76,054	8,306	257,929	191,873
Acceptances executed by other banks	28,522	3,072	31,594	6,048	1,953	39,595	28,542
Other liabilities	15,741	1,317	17,058	22,523	10,370	49,951	52,228
Total	5,096,003	1,053,796	6,149,799	7,856,387	11,833,264	25,839,450	24,557,500

STATE BANK AND TRUST COMPANY MEMBERS—ABSTRACT OF CONDITION REPORTS ON DECEMBER 31, 1925, BY CLASSES OF BANKS

[In thousands of dollars]

	Central reserve city banks			Other reserve city banks (181 banks)	Country banks (1,219 banks)	Total United States	
	New York (31 banks)	Chicago (10 banks)	Total (41 banks)			Dec. 31, 1925 (1,441 banks)	Sept. 28, 1925 (1,460 banks)
RESOURCES							
Loans and discounts.....	2,516,196	608,222	3,124,418	3,674,083	1,928,009	8,726,510	8,296,573
Overdrafts.....	1,778	74	1,850	3,092	2,030	6,972	8,238
United States Government securities.....	347,981	99,475	447,456	568,139	225,420	1,241,015	1,276,207
Other bonds, stocks, and securities.....	345,488	104,748	450,236	837,545	625,257	1,913,038	1,892,678
Total loans and investments.....	3,211,441	812,519	4,023,960	5,082,859	2,780,716	11,887,535	11,478,894
Customers, liability on account of acceptances.....	167,420	9,636	177,056	35,414	8,160	220,630	182,790
Banking house, furniture, and fixtures.....	53,589	9,141	62,730	171,673	87,019	321,422	326,515
Other real estate owned.....	2,698	56	2,754	29,919	24,367	57,040	57,071
Gold and gold certificates.....	7,133	987	8,120	3,927	6,339	18,436	17,315
All other cash in vault.....	27,140	6,154	33,294	8,170	59,895	167,240	145,866
Reserve with Federal banks.....	355,523	66,009	421,532	74,051	127,973	881,241	822,785
Items with Federal reserve banks in process of collection.....	72,435	13,586	86,021	129,853	37,579	253,453	190,766
Due from banks, bankers, and trust companies.....	58,938	39,195	98,133	265,656	174,983	538,772	518,238
Exchanges for clearing house, also checks on other banks in same place.....	739,228	39,314	778,540	151,394	29,093	959,027	476,001
Outside checks and other cash items.....	15,923	22,425	38,348	43,478	5,923	87,749	49,280
United States securities borrowed.....				5,832	5,320	11,152	11,429
Other securities borrowed.....				832	1,328	2,160	3,112
Other assets.....	110,918	18,192	129,110	48,773	22,105	199,988	221,192
Total.....	4,822,434	1,037,214	5,859,648	6,355,397	3,370,800	15,585,845	14,495,854
LIABILITIES							
Capital stock paid in.....	185,000	40,950	225,950	305,206	195,851	727,007	718,700
Surplus fund.....	169,736	55,800	225,536	305,522	135,754	666,812	635,801
Undivided profits, less expenses and taxes paid.....	91,691	19,625	111,216	88,977	63,740	263,933	291,433
Reserved for taxes, interest, etc., accrued.....	11,880	8,006	19,886	20,453	9,403	49,742	63,600
Due to Federal reserve banks.....	75		75	3,855	8,861	12,791	18,113
Due to banks, bankers, and trust companies.....	600,083	97,091	697,174	412,239	86,809	1,196,222	993,159
Certified and cashiers' or treasurers' checks outstanding.....	402,229	15,037	417,266	107,802	24,812	549,880	342,787
Demand deposits.....	2,500,839	441,967	2,942,806	2,309,970	1,366,121	6,678,897	6,194,702
Time deposits.....	461,259	320,923	782,182	2,441,830	1,383,254	4,607,266	4,474,455
United States deposits.....	21,519	8,533	30,052	73,710	9,421	113,183	105,636
Total deposits.....	3,986,004	883,551	4,869,555	5,409,406	2,879,278	13,158,239	12,123,852
Agreements to repurchase United States Government or other securities sold.....	2,968	367	3,335	1,688	74	5,097	1,024
Bills payable (including all obligations representing money borrowed, other than rediscounts).....	17,812		17,812	87,321	38,388	143,521	172,822
Notes and bills rediscounted (including acceptances of other banks and foreign bills of exchange or drafts sold with indorsement).....	139,517	3,512	143,029	51,257	25,123	219,409	141,676
Letters of credit and travelers' checks sold for cash and outstanding.....	13,562	134	13,696	708	38	14,442	16,587
Acceptances executed for customers.....	173,654	9,146	182,800	40,032	5,787	228,619	193,120
Acceptances executed by other banks for account of reporting banks.....	13,256		13,256	695	62	14,013	11,792
United States securities borrowed.....				5,832	5,320	11,152	11,429
Other securities borrowed.....				832	1,328	2,160	3,112
Other liabilities.....	17,454	16,123	33,577	37,468	10,654	81,699	106,406
Total.....	4,822,434	1,037,214	5,859,648	6,355,397	3,370,800	15,585,845	14,495,854

DEBITS TO INDIVIDUAL ACCOUNTS BY BANKS IN SELECTED CITIES

MONTHLY SUMMARY FOR BANKS IN 141 CITIES

[In thousands of dollars]

Federal reserve district	Number of centers	1925		1926	1924		1925
		November	December	January	November	December	January
No. 1—Boston.....	11	2,644,630	2,711,056	2,814,568	2,252,717	2,467,796	2,685,491
No. 2—New York.....	7	27,771,583	31,147,498	31,406,762	23,708,849	28,106,044	28,500,616
No. 3—Philadelphia.....	10	2,007,971	2,405,369	2,262,212	1,820,722	2,242,478	2,173,091
No. 4—Cleveland.....	13	2,341,146	2,652,829	2,708,317	1,980,486	2,466,908	2,511,678
No. 5—Richmond.....	7	769,680	878,411	825,996	675,127	795,584	767,253
No. 6—Atlanta.....	15	1,206,911	1,365,832	1,337,786	973,154	1,154,408	1,201,107
No. 7—Chicago.....	21	5,087,127	5,850,726	5,849,786	4,500,225	5,326,098	5,490,747
No. 8—St. Louis.....	5	1,223,510	1,386,724	1,342,693	1,081,663	1,259,637	1,306,725
No. 9—Minneapolis.....	9	783,325	849,658	885,686	891,171	849,622	731,307
No. 10—Kansas City.....	14	1,128,082	1,291,733	1,221,264	1,062,890	1,189,358	1,211,359
No. 11—Dallas.....	11	629,002	680,992	661,134	586,644	664,938	658,963
No. 12—San Francisco.....	18	2,750,830	3,150,544	3,002,325	2,359,349	2,634,300	2,720,698
Total.....	141	48,343,797	54,371,372	54,118,534	41,892,997	49,157,166	49,959,035
New York City.....	1	27,009,433	30,313,358	30,537,751	23,046,934	27,327,223	27,681,894
Other cities.....	140	21,334,364	24,058,014	23,580,783	18,846,063	21,829,943	22,277,141

WEEKLY SUMMARY FOR BANKS IN 258 CENTERS

[In thousands of dollars]

Federal reserve district	Number of centers	1926				1925			
		Jan. 27	Feb. 3	Feb. 10	Feb. 17	Jan. 28	Feb. 4	Feb. 11	Feb. 18
No. 1—Boston.....	16	590,703	682,417	551,674	591,422	567,126	615,703	586,465	593,455
No. 2—New York.....	14	6,945,874	7,563,878	6,706,384	6,177,895	6,067,599	6,589,601	6,215,767	5,752,543
No. 3—Philadelphia.....	18	557,138	609,522	520,441	531,147	499,217	528,946	467,103	476,552
No. 4—Cleveland.....	22	695,212	718,061	633,617	651,192	605,538	654,741	642,526	619,162
No. 5—Richmond.....	23	306,128	372,650	300,642	310,719	269,158	300,956	283,355	291,149
No. 6—Atlanta.....	24	302,827	320,422	287,110	295,509	249,707	265,438	258,979	268,881
No. 7—Chicago.....	37	1,411,365	1,374,093	1,348,941	1,288,943	1,186,554	1,206,195	1,196,390	1,181,209
No. 8—St. Louis.....	14	307,117	332,067	302,840	320,194	273,601	315,838	297,294	309,432
No. 9—Minneapolis.....	17	164,491	173,682	171,903	171,658	170,979	179,800	194,665	171,269
No. 10—Kansas City.....	29	278,494	303,854	286,068	299,511	276,352	297,548	294,764	293,211
No. 11—Dallas.....	16	163,919	178,220	170,425	169,337	160,670	178,454	170,371	175,671
No. 12—San Francisco.....	23	662,457	757,197	836,701	709,969	581,093	656,301	637,666	626,903
Total.....	258	12,385,725	13,386,063	12,116,746	11,517,496	10,907,794	11,789,521	11,245,345	10,759,437

BANK DEBITS FOR FEDERAL RESERVE BANK AND BRANCH CITIES

[In thousands of dollars]

No. 1—Boston.....	402,209	484,876	379,178	401,514	395,787	425,930	415,066	398,180
No. 2—New York.....	6,629,311	7,211,172	6,390,512	5,851,287	5,781,168	6,279,720	5,920,001	5,457,373
Buffalo.....	80,034	87,774	81,450	77,033	67,678	72,705	69,778	73,838
No. 3—Philadelphia.....	432,531	475,351	400,548	397,356	381,540	410,172	345,844	355,255
No. 4—Cleveland.....	164,353	166,526	146,240	149,107	134,703	149,148	144,008	151,353
Cincinnati.....	86,286	99,431	84,898	95,011	71,633	80,713	79,259	76,575
Pittsburgh.....	242,442	241,056	210,282	205,721	223,453	241,417	243,424	193,700
No. 5—Richmond.....	33,962	41,373	29,210	33,705	32,156	35,593	33,541	29,169
Baltimore.....	94,323	114,900	94,682	93,487	81,959	93,646	81,891	89,206
No. 6—Atlanta.....	38,460	45,540	34,846	38,247	30,497	38,410	31,836	36,856
Birmingham.....	32,840	32,090	32,450	29,140	27,036	32,295	28,980	29,200
Jacksonville.....	33,254	29,414	31,353	30,965	15,575	17,715	17,870	18,609
Nashville.....	18,636	18,839	16,908	25,369	19,924	19,355	18,087	19,346
New Orleans.....	78,828	90,178	75,751	72,911	80,977	77,204	78,517	78,132
No. 7—Chicago.....	883,593	855,638	865,953	780,097	731,800	762,030	758,893	714,000
Detroit.....	222,011	190,203	169,185	188,788	168,708	152,426	147,644	163,493
No. 8—St. Louis.....	167,000	178,000	167,000	178,000	152,400	186,350	168,900	172,100
Little Rock.....	20,641	19,238	18,524	20,421	14,433	17,402	16,165	16,406
Louisville.....	45,678	48,632	44,894	50,100	42,294	40,464	45,102	51,033
Memphis.....	37,597	41,120	35,254	35,299	33,814	37,776	33,941	35,235
No. 9—Minneapolis.....	82,837	85,568	88,577	85,813	83,706	94,959	111,969	91,443
Helena.....	1,574	2,054	2,001	1,633	1,751	1,703	2,013	1,936
No. 10—Kansas City.....	74,859	84,058	82,277	83,006	74,424	83,092	81,530	82,500
Denver.....	36,393	41,904	38,650	36,530	37,331	40,627	40,563	35,536
Oklahoma City.....	19,216	21,498	21,889	22,700	13,269	19,824	19,634	19,031
Omaha.....	45,697	44,312	42,871	45,211	47,075	47,392	47,101	46,624
No. 11—Dallas.....	50,447	53,162	50,626	49,403	45,351	51,392	49,131	51,443
El Paso.....	7,383	8,301	8,565	8,002	7,617	7,892	7,641	6,824
Houston.....	34,356	37,974	38,573	31,412	32,880	36,369	35,967	34,378
No. 12—San Francisco.....	221,062	280,141	354,924	245,042	191,042	241,993	220,538	210,269
Los Angeles.....	191,802	210,392	214,090	205,850	169,359	181,537	188,545	173,878
Portland.....	36,931	40,255	41,931	37,634	30,321	34,228	32,862	34,074
Salt Lake City.....	15,047	17,064	13,926	14,484	13,342	12,655	14,170	14,843
Seattle.....	44,665	47,345	45,576	47,695	39,475	41,564	47,093	44,525
Spokane.....	11,906	11,846	12,532	12,506	10,043	11,254	10,565	11,953

MONEY RATES PREVAILING IN FEDERAL RESERVE BANK AND BRANCH CITIES

The following table shows the customary rates charged on loans and discounts in the various cities in which Federal reserve banks and their branches are located, as reported by representative banks. These rates are not averages but are those rates at which the bulk of paper of each class is handled by reporting banks. Where it appears from the reports that no one rate clearly covers the bulk of the paper handled, a range of the rates most commonly charged is given.

District and city	Year and month	Rates prevailing during week ending with the 15th day of the month							
		Customers' prime commercial paper		Inter-bank loans	Loans secured by Liberty bonds	Loans secured by other stocks and bonds		Loans secured by warehouse receipts	Cattle loans
		30-90 days	4-6 months			Demand	Time		
<i>District 1</i>									
Boston	1925-February	4 - 4½	4 - 4½	4	4½	4	4½-5		
	December	4½-4¾	4½-4¾	4	4½-5	5	5		
	1926-January	4½-4½	4½	4½	4½-5	5	5		
	February	4½-5	4½-5	4½	4½-4¾	4½	4¾-5		
<i>District 2</i>									
New York	1925-February	4 - 5	4 - 5	4½-5	3½-5	3½-4¾	4½-5	4 - 6	
	December	4½-5	4½-5	4½-5	4½-5	5 - 5½	5	4½-5½	
	1926-January	4½-5	4½-5	4½-5	4½-4¾	4½-5	4½-5	5 - 5½	
	February	4½-5	4½-5	4½-5	4½-5	4½	4¾-5½	5	
Buffalo	1925-February	5 - 6	6	5	5½-6	5 - 6	6	6	
	December	5 - 6	6	5 - 6	5½-6	5 - 6	5 - 6	6	
	1926-January	5 - 6	6	4½-5½	6	5 - 6	5 - 6	6	
	February	5 - 6	5 - 6	5 - 6	6	5 - 6	5 - 6	6	
<i>District 3</i>									
Philadelphia	1925-February	4 - 4½	4 - 4½	4 - 4½	4 - 4½	4	4 - 4½	4 - 5½	
	December	5	5	5	4½-5	5	5	5	
	1926-January	5	5	5	5	5	5	5	
	February	5	5	5	4¾-5	5	5	5	
<i>District 4</i>									
Cleveland	1925-February	5 - 6	4 - 6	4½-5	5 - 6	5 - 6	5½-6	5 - 6	
	December	5 - 6	5 - 6	5	5 - 6	5½-6	5½-6	5 - 6	
	1926-January	5 - 6	5 - 6	5	5 - 6	5½-6	5½-6	5 - 6	
	February	5 - 6	5 - 6	5	5 - 6	5½-6	5½-6	5 - 6	
Pittsburgh	1925-February	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	6	
	December	6	6	6	6	6	6	6	
	1926-January	6	6	6	6	6	6	6	
	February	6	6	6	6	6	6	6	
Cincinnati	1925-February	5½-6	5½-6	5 - 5½	5 - 5½	5 - 5½	5½-6	6 - 7	
	December	6	6	5 - 5½	5½	6	6	6 - 7	
	1926-January	6	6	5½-6	5½-6	6	6	6	
	February	6	6	5½	5½	6	6	6 - 7	
<i>District 5</i>									
Richmond	1925-February	4½-5	5 - 6	4½-5	5 - 6	4½-6	4½-6	5	
	December	5 - 6	5	4½-5	5 - 6	5 - 6	5 - 6	5½-6	
	1926-January	5 - 6	5 - 5½	4½-5	5 - 6	5 - 6	5 - 6	5½-6	
	February	5½	5½	5½	5	5½	5½	6	
Baltimore	1925-February	4¾-5½	4¾-5½	4½-5	4¾-5	4¾-5	4¾-5½	5 - 5¾	
	December	4½-6¾	4½-6¾	4½-5¾	5	5 - 5½	5½-6¾	6	
	1926-January	4½-6¾	4½-6¾	4½-5¾	5	5¼-5½	5½-6¾	6	
	February	4½-6¾	4½-6¾	4½-5¾	5	5 - 5½	5½-6¾	6	
<i>District 6</i>									
Atlanta	1925-February	5 - 6	5 - 6	5 - 6	4½-6	5 - 6	5 - 6	4¾-6	
	December	5 - 6	5 - 6	5 - 6	4½-6	5 - 6	5 - 6	5 - 6	
	1926-January	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	
	February	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	
Birmingham	1925-February	5 - 6	5 - 6	5 - 6	6	6	6	6	
	December	6	6	5 - 6	6	6	6	6	
	1926-January	6	6	5 - 6	6	6	6	6	
	February	6	6	5 - 6	6	6	6	6	
Jacksonville	1925-February	6 - 8	4 - 8	6	6 - 8	5 - 8	6 - 8	6 - 8	
	December	5 - 8	5 - 8	5 - 6	4 - 8	5 - 8	5 - 8	4½-8	
	1926-January	5 - 8	5 - 8	5 - 6	4 - 8	5 - 8	5 - 8	4½-8	
	February	4½-6	4½-6	6	4½-6	5 - 7	5 - 7	4½-6	
New Orleans	1925-February	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	
	December	5 - 6	5 - 7	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	
	1926-January	5 - 6	5 - 7	5 - 5½	5 - 6	5 - 6	5 - 6	5 - 6	
	February	5 - 6	5 - 7	5 - 5½	5 - 6	5 - 6	5 - 6	5 - 6	
Nashville	1925-February	5½-6	6	5½-6	5½-6	5½-6	5½-6	5½-6	
	December	6	6	6	5½-6	6	5½-6	5½-6	
	1926-January	6	6	6	5½-6	6	5½-6	5½-6	
	February	6	5	6	5½-6	5½-6	5½-6	5½-6	
<i>District 7</i>									
Chicago	1925-February	4 - 5	4½-5	4½-5	4 - 5	4 - 5	4 - 5	4 - 5½	5 - 5½
	December	4½-5	4½-5½	5 - 5½	4½-5½	4½-5½	4½-5½	5 - 6	5 - 6
	1926-January	4½-5	4½-5	5 - 5½	4½-5½	4½-5½	4½-5½	5 - 5½	5 - 6
	February	4½-5	4½-5	5 - 5½	4½-5	4½-5	4½-5½	5 - 5½	5 - 6
Detroit	1925-February	4½-6	5 - 6	5	5 - 6	5 - 6	5 - 6	5½-6	
	December	4½-6	4½-6	5	5 - 6	5 - 6	5 - 6	5½-6	
	1926-January	4½-6	4½-6	5 - 5½	4½-6	5 - 6	5½-6	5½-6	
	February	4½-6	4½-6	5	4½-6	4¾-6	4¾-6	5½-6	

MONEY RATES PREVAILING IN FEDERAL RESERVE BANK AND BRANCH CITIES—Continued

District and city	Year and month	Rates prevailing during week ending with the 15th day of the month							
		Customers' prime commercial paper		Inter-bank loans	Loans secured by Liberty bonds	Loans secured by other stocks and bonds		Loans secured by warehouse receipts	Cattle loans
		30-90 days	4-6 months			Demand	Time		
<i>District 8</i>									
St. Louis	1925—February	3½-5	3½-5	4½-5¾	5-6	4-5¼	4-5½	4-5¾	6
	December	4¼-5¼	4¼-5½	5-5½	5-6	4½-6	4½-6	4½-6	5-6
	1926—January	4¼-5¼	4¼-5½	5-5½	5-5½	5-5½	5-5½	5-5½	5-6
Louisville	1925—February	6	6	5	6	6	6	6	
	December	6	6	5	6	6	6	6	
	1926—January	6	6	5	6	6	6	6	6
Little Rock	1925—February	6	6	6	6	6	6	6	6
	December	6	6	6	5-6	6	6	6	6-7
	1926—January	6	6	6	6	6	6	6	6-8
<i>District 9</i>									
Minneapolis	1925—February	4½-5	4-5¼	5½		4-5¼	4½-5¾		
	December	4½-5	4½-5½	5-5½		4½-5½	4½-5¾		
	1926—January	4½-5¼	4½-5½	5-5½		4½-5½	4½-5¾		
Helena	1925—February	8	8	7		8	8		8
	December	8	8	6-8		8	8		8
	1926—January	8	8	6-8		8	8		8
<i>District 10</i>									
Kansas City	1925—February	5-6	5-6	5-6	4½-6	5-6	5-6	5-6	6-7
	December	5	5-6	6	5-6	5-6	5-6	5-6	6-7
	1926—January	4½-6	5-6	5-6	5-6	5-6	5-6	5-6	6-7
Omaha	1925—February	4-6	4½-6	5½-6	5-6	3½-6	4-8	6	6-7
	December	4¾-6	4¾-6	6	5-6			6	6-7
	1926—January	5-6	5-6	6	5-5½			6	6½-7
Denver	1925—February	5-6	3¾-5	6-7	5½-6	5-6	5-6	6-7	6-7
	December	6	6	6-6½	5-6	5-6	5-6	6	6-7
	1926—January	6	6	6	5-6	5-6	5-6	6	6-7
Oklahoma City	1925—February	6	4¾-6	6-6½	5½-6	5½-6	5½-6	6-8	6-7
	1925—February	5-7	5-7	5-7	5-6	5-6	5-7	5-7	8
	December	5-7	5-7	5-7	6	6	6	6-7	6-8
Dallas	1926—January	5-7	5-7	6-7	6	6	6	6-7	6-8
	February	6-7	6-7	6-7	6	6	6	6-7	6-8
	<i>District 11</i>								
Dallas	1925—February	4-6	4-7	5-6	5-6	5-7	6-8	5-8	6-7
	December	4½-6	4½-6	4-6	5-6	5-6	6-8	4½-8	6-8
	1926—January	4½-6	4½-6	4-6	4-6	6	5-6	4½-8	6-8
El Paso	1925—February	6-8	6-8	6-7	6-8	8	6-8	8	8
	December	5-8	5-8	6-7	6-8	8	8	7-8	6-9
	1926—January	5-8	5-8	6-8	6-8	8	6-8	7-8	8-9
Houston	1925—February	5½-8	6-8	6-8	6-8	8	6-8	8	8-9
	1925—February	5-6	5-6	4½-5	5-6	4¾-6	4¾-6	5-6	6-8
	December	5-6	5-6	4½-6	5-6	5-6	5-6	5-6	8
San Francisco	1926—January	5-6	5-6	5-6	5-6	5-6	5-6	5-6	6-8
	February	5-6	5-6	5-6	5-6	5-6	5-6	5-6	6-8
	<i>District 12</i>								
San Francisco	1925—February	5-5½	5-5½	5½-6	5-6	5-6	5½-6	5-6	
	December	5-5½	5-6	5-5½	5-6	5½-6	5½-6	6	
	1926—January	5-5½	5-5½	5-6	5-6	5½-6	5½-6	6	
Portland	1925—February	6	6	6	6	6½-7	6-7	7	6-6½
	December	6-7	6	6	6	6-7	6-7	6-7	6-6½
	1926—January	6	6	6	6	6	6	6-7	6-6½
Seattle	1925—February	6	6	6	6	6	6	7	
	December	6	6	5-6½	6	6	6	7	
	1926—January	6	6	5-7	6	6	6	7	
Spokane	1925—February	6	6	5-7	6	6	6	7	
	1925—February	5-7	4-6	6-7	6-7	8	6-7	6-7	6-7
	December	5-7	4¾-7	6-7	6-7	7-8	6-7	7-8	6-8
Salt Lake City	1926—January	5-6	4½-7	6-7	6-7	7	6-7	7	6-7
	February	5-6	4½-6	6-7	6-7	7	6-7	6-7	6-7
	1925—February	5-6	5-6	6-7	6	6	6-7	7	7-8
Los Angeles	1925—February	5-6	6	6	6	7	7	7	7-8
	December	5-6	6	6	6	7	7	7	7-8
	1926—January	5-6	6	6	6	7	7	7	7-8
Los Angeles	1925—February	6-7	6-7	6	6-7	6-7	6-7	6-7	7
	December	6	6	6	6-7	6-7	6-7	7	7
	1926—January	6	6	6	6-7	6-7	6-7	7	7
February	6-7	6-7	6	6-7	6	6-7	6-7	7	

GOLD AND SILVER IMPORTS AND EXPORTS

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

Country of origin or destination	Exports		Imports		Country of origin or destination	Exports		Imports	
	January, 1926	December, 1925	January, 1926	December, 1925		January, 1926	December, 1925	January, 1926	December, 1925
GOLD					GOLD—continued				
All countries...	\$3,086,870	\$5,967,727	\$19,351,202	\$7,216,004	Egypt.....			2,857	
France.....	18,488		51,987	16,460	Portuguese Africa.....			89,127	4,976
Germany.....	398,144	222,189			All other.....	265	21,980	6,950	3,456
Netherlands.....					SILVER				
Spain.....				9,465	All countries...				
Sweden.....			337		9,762,969	7,589,470	5,762,760	5,746,956	
England.....			2,518	420	France.....	4,981		107,275	4,744
Canada.....	68,645	100,928	17,839,059	1,275,100	Germany.....	120,574	362,758	785	
Central America.....		2,700	110,364	184,645	Poland and Danzig.....				
Mexico.....	564,990	598,577	538,740	583,127	Spain.....				16,525
West Indies.....	13,500	36,500	26,650	29,083	England.....	68,879	69,219	1,800	48
Argentina.....	51,000	2,011,640			Canada.....	157,913	138,966	380,725	933,892
Brazil.....	65,000				Central America.....		200	185,367	116,568
Chile.....			36,891	59,083	Mexico.....	121,750	114,995	4,358,799	3,574,138
Colombia.....			110,324	130,485	West Indies.....		285	10,928	32,789
Ecuador.....	5,983		93,728	112,293	Argentina.....	8,600	2,200		
Peru.....			122,459	388,863	Bolivia.....			2,417	
Uruguay.....					Chile.....			140,455	97,831
Venezuela.....	500,000	100,000	55,728	54,922	Colombia.....		3,074	21,907	2,657
British India.....	43,000	3,831			Peru.....	296,505		459,964	865,933
British Malaya.....	991,499	1,993,293			British India.....	5,940,944	4,818,750		
China.....		401,861			China.....	3,039,232	1,940,644		
Dutch East Indies.....	140,020	147,610	56,114	152,990	Dutch East Indies.....			66,475	83,764
Hongkong.....	226,336	417,220			Hongkong.....		183,379		
Japan.....				4,000,000	Portuguese Africa.....			12,624	6,224
Philippine Islands.....			184,280	196,920	All other.....	1,091		13,239	11,843
British Oceania.....			23,089	13,766					

FOREIGN EXCHANGE RATES

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

Countries	Monetary unit	Par of ex-change	February, 1926		January, 1926				January, 1925				
			Low	High	Low	High	Average		Low	High	Average		
							Rate	Per cent of par			Rate	Per cent of par	
Austria	Schilling	14.07	14.0430	14.0760	14.0470	14.0820	14.0566	99.91					
Belgium	Franc	19.30	4.5400	4.5500	4.5300	4.5400	4.5360	23.50	4.9700	5.2200	5.0573	26.20	
Bulgaria	Lev	19.20	.6725	.7251	.6517	.7293	.7007	3.63	.7285	.7371	.7335	3.80	
Czechoslovakia	Crown		2.9613	2.9628	2.9613	2.9622	2.9616		2.9727	3.0171	2.9987		
Denmark	Krone	26.80	24.6100	26.0400	24.7100	24.9000	24.8044	92.55	17.6700	17.9200	17.8104	66.46	
Finland	Markka	2.52	2.5198	2.5215	2.5200	2.5225	2.5211	100.04	2.5179	2.5225	2.5198	13.06	
France	Franc	19.30	3.5500	3.7600	3.7100	3.8500	3.7708	19.54	5.3000	5.4300	5.3923	27.94	
Germany	Reichsmark	23.82	23.8000	23.8100	23.8000	23.8100	23.8012	99.92	23.8000	23.8000	23.8000	99.92	
Great Britain	Pound	486.65	486.0400	486.5100	484.9900	486.4200	485.7860	99.82	474.9900	480.3700	478.1673	98.26	
Greece	Drachma	19.30	1.4098	1.4973	1.3008	1.4048	1.3541	7.02	1.6933	1.8167	1.7553	9.09	
Hungary	Pengo	17.49	17.5400	17.5900	17.5300	17.5800	17.5532	100.36					
Italy	Lira	19.30	4.0100	4.0400	4.0300	4.0400	4.0376	20.92	4.0300	4.2400	4.1669	21.59	
Netherlands	Florin	40.20	40.0400	40.1400	40.0900	40.2400	40.1812	99.95	40.3000	40.6100	40.4069	100.51	
Norway	Krone	26.80	20.3100	21.7300	20.2900	20.3800	20.3488	75.93	15.1100	15.3300	15.2708	56.98	
Poland	Zloty	19.30	12.1400	13.5300	11.4400	14.0400	12.8664	66.67	19.1700	19.2000	19.1788	99.37	
Portugal	Escudo	108.05	5.0900	5.1400	5.1000	5.1300	5.1168	4.74	4.8200	4.9200	4.8808	4.52	
Rumania	Leu	19.30	.4205	.4431	.4324	.4600	.4476	2.32	.5133	.5288	.5191	2.69	
Spain	Peseta	19.30	14.0700	14.1400	14.1100	14.2100	14.1508	73.32	13.9900	14.3200	14.1808	73.48	
Sweden	Krona	26.80	26.7600	26.8300	26.7600	26.8200	26.7776	99.92	26.9200	26.9600	26.9458	100.54	
Switzerland	Franc	19.30	19.2400	19.2900	19.2800	19.3300	19.3112	100.06	19.2500	19.5000	19.3369	100.19	
Yugoslavia	Dinar	19.30	1.7584	1.7648	1.7663	1.7721	1.7695	9.17	1.5524	1.7788	1.6347	8.47	
Canada	Dollar	100.00	99.5664	99.7879	99.7456	99.8781	99.8001	99.80	99.5313	99.9568	99.6895	99.69	
Cuba	Peso	100.00	99.8966	100.2094	99.8594	100.0000	99.8976	99.90	99.9427	99.9777	99.9561	99.96	
Mexico	do	49.85	48.3667	48.6333	48.3167	48.7500	48.5050	97.30	48.8000	48.9833	48.8800	98.05	
Argentina	Peso (gold)	96.48	92.7100	94.1000	93.9800	94.2000	94.1328	97.57	90.4600	91.3900	91.0754	94.40	
Brazil	Milreis	32.44	14.7000	14.8900	14.5700	15.0100	14.8368	45.74	11.5700	11.9900	11.7150	36.11	
Chile	Peso	12.17	12.0700	12.1600	11.9100	12.1300	12.0404	98.94	10.8100	11.5400	11.3469	58.10	
Uruguay	do	103.42	102.6900	103.3700	102.5400	103.1400	102.8820	99.47	97.6600	99.5600	99.0319	95.76	
China	Mexican dollar	¹ 48.11	53.2900	53.9500	53.7800	54.8100	54.2888	112.84	54.7500	55.9600	55.4962	115.35	
Do	Shanghai tael	¹ 66.85	72.7700	74.3000	73.9800	75.7000	74.7528	111.82	74.3200	75.9600	75.3423	112.70	
Hongkong	Dollar	¹ 47.77	57.4300	58.1300	57.7900	58.3100	58.0748	121.57	54.9600	55.8800	55.5458	116.28	
India	Rupce	48.66	36.7000	36.7900	36.6500	36.7800	36.6852	75.39	35.4900	35.8900	35.7065	73.38	
Japan	Yen	49.85	44.8500	46.3200	43.1200	44.9500	44.1696	88.60	38.3500	38.5300	38.4546	77.14	
Straits Settlements	Singapore dollar	56.78	56.5400	56.7100	56.5800	56.6700	56.6156	99.71	54.0000	56.2500	55.3104	97.41	

¹ 1913 average.

SILVER

[Average price per fine ounce]

	February	January
London (converted at average rate of exchange)	\$0.67482	\$0.68508
New York	.67108	.68107

DISCOUNT RATES OF FEDERAL RESERVE BANKS IN EFFECT MARCH 1, 1926

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 and livestock ¹ paper
Boston.....	4	4	4	4	4
New York.....	4	4	4	4	4
Philadelphia.....	4	4	4	4	4
Cleveland.....	4	4	4	4	4
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.....	4	4	4	4	4

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

GOLD SETTLEMENT FUND

INTERBANK TRANSACTIONS FROM JANUARY 21 TO FEBRUARY 17, 1926

[In thousands of dollars]

Federal reserve bank	Transfers		Transit clearing		Federal reserve note clearing		Changes in ownership of gold through transfers and settlements		Balance in fund at close of period
	Debits	Credits	Debits	Credits	Debits	Credits	Decrease	Increase	
Boston.....	1,000	-----	696,961	741,957	4,626	2,307	-----	41,677	60,645
New York.....	3,000	-----	2,526,613	2,440,195	6,833	11,775	84,476	-----	212,787
Philadelphia.....	-----	1,000	686,316	674,771	5,427	3,676	12,296	-----	37,982
Cleveland.....	-----	-----	631,097	658,464	7,966	3,070	-----	22,471	59,742
Richmond.....	-----	-----	571,051	568,649	3,002	3,583	1,821	-----	33,349
Atlanta.....	2,000	-----	354,840	382,092	3,613	3,620	-----	25,259	36,023
Chicago.....	-----	1,000	1,192,859	1,185,837	3,583	7,105	2,500	-----	130,604
St. Louis.....	-----	-----	533,941	534,993	1,221	3,278	-----	3,107	12,956
Minneapolis.....	500	-----	145,920	146,114	2,301	1,010	1,597	-----	19,190
Kansas City.....	-----	500	369,911	367,053	2,436	1,800	2,994	-----	31,451
Dallas.....	-----	1,000	243,832	250,802	1,642	1,748	-----	8,076	18,881
San Francisco.....	-----	3,000	321,569	323,983	2,860	2,540	-----	5,094	34,564
Total four weeks ending—									
Feb. 17, 1926.....	6,500	6,500	8,274,910	8,274,910	45,510	45,510	105,684	105,684	688,124
Jan. 20, 1926.....	35,000	35,000	18,957,034	18,957,034	-----	-----	-----	-----	573,849
Feb. 18, 1925.....	8,500	8,500	17,826,262	17,826,262	-----	-----	-----	-----	578,549
Jan. 21, 1925.....	42,000	42,000	18,308,529	18,308,529	-----	-----	-----	-----	592,392

Includes Federal reserve note clearing

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