

FEDERAL RESERVE BULLETIN

SEPTEMBER, 1926

ISSUED BY THE
FEDERAL RESERVE BOARD
AT WASHINGTON

Bank Credit and Investment Funds
Condition of All Member Banks
Report of Indian Currency Commission



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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FEDERAL RESERVE BULLETIN

VOL. 12

SEPTEMBER, 1926

No. 9

REVIEW OF THE MONTH

In recent weeks the volume of member bank credit, which has been growing since the early spring, increased further, partly in response to the seasonal demand for currency and credit in connection with the harvesting and marketing of crops. This increase has carried the volume of credit to the level that prevailed at the close of 1925. When the first eight months of 1926 are considered as a whole, it appears that the fluctuations in the volume of member bank credit have been smaller this year than in other recent years, and that the period has been characterized primarily by the continued large volume of member bank credit outstanding. At the reserve banks the volume of credit in use has also shown a recent increase and throughout the past eight months has been at a level about \$100,000,000 above that prevailing a year ago. This larger use of member bank and reserve bank credit has been reflected in the money market in a level of interest rates continuously above that in 1925.

The growth of member bank credit since last spring has been general throughout the country, and occurred at member banks in New York City as well as at those outside of the financial center. When the entire period from the close of 1925 is considered, however, reporting member banks in New York City show a decrease of about \$250,000,000 in loans and investments, while the reporting banks in other cities show an equivalent increase. When a still longer period is considered and the changes in member bank credit during 1925

and the first eight months of 1926 are combined, it appears that loans and investments of New York City banks in the middle of 1926 were at about the same level as at the peak reached after the rapid rise during 1924, while the loans and investments of member banks in other leading cities were about \$1,160,000,000 larger than at the close of 1924. Changes in the total volume of loans and investments and, separately, of security loans, commercial loans, and investments, for member banks in New York City and in other leading cities between the end of 1924 and the middle of August, 1926, are shown in the following table:

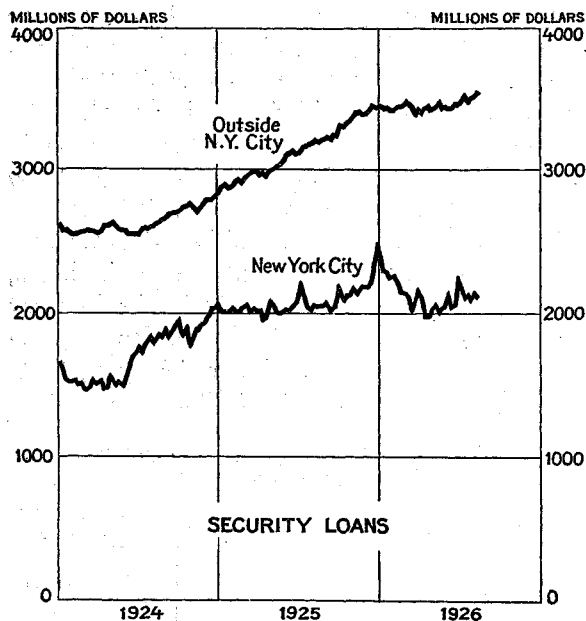
MEMBER BANKS IN LEADING CITIES

[In millions of dollars]

	Increase (+) or decrease (-) between Dec. 31, 1924, and Aug. 18, 1926	
	New York City	Other leading cities
Total loans and investments.....	-75	+1,161
Security loans.....	+42	+699
All other loans.....	-31	+237
Investments.....	-86	+175

For the period of about 20 months taken as a whole, there has been relatively little change in the different classes of loans and investments of member banks in New York City. At banks outside of New York City the volume of security loans increased by about \$700,000,000 and the volume of commercial loans by nearly \$300,000,000, while investments increased by about \$175,000,000. A comparison of changes in the volume of security loans at member

banks in New York City and outside is presented in the chart. At New York City banks the growth of security loans was large in 1924 and in the latter part of 1925. At banks outside of New York City security loans increased rapidly from the middle of 1924 to the end of 1925, and showed some further growth, on a much smaller scale, in the first eight months of 1926. During the early months of 1926, however, the drop in security prices was accom-



Figures are for loans on securities as reported by weekly reporting member banks in New York City and in other leading cities

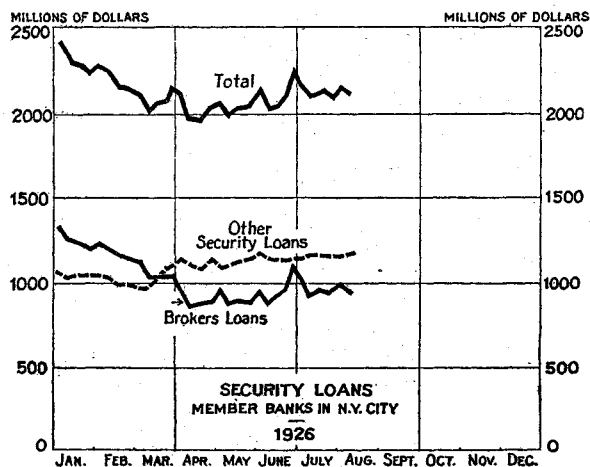
panied by a decline of about \$500,000,000 in loans on securities at New York City banks to a level as low as at any time last year. More recently the volume of this class of loans at New York City banks has increased by about \$200,000,000.

Changes in the volume of security loans in New York City reflect chiefly the movement

in the volume of loans extended by the banks to brokers and dealers. The chart shows that this class of loans by the New York City banks on their own account, as distinguished from brokers' loans on account of out-of-town banks and of other customers, comprises about one-half of the total security loans of these banks, and accounts for the larger part of the fluctuations in total loans on securities. The decline

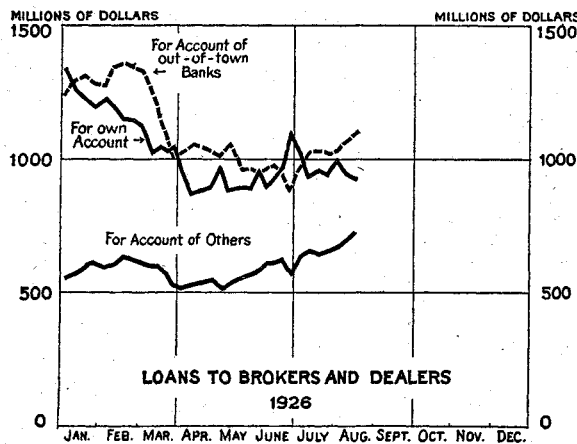
in security loans of New York City banks early in the year appears to have been due entirely to a reduction in brokers' loans. In fact, during March security loans to others than brokers and dealers increased sharply, an increase that was generally ascribed at the time to the fact that investors and traders in securities were financing their operations to a larger extent directly through the banks rather than through brokers. Since the middle of April the volume of security loans other than to brokers and dealers has changed relatively little for New York City banks, and fluctuations in the total volume of security loans have reflected largely changes in the volume of brokers' loans.

The relationship between loans to brokers extended by New York banks for the account



of their correspondents and the total of security loans by these correspondents can not be definitely established, because the group of banks that report their condition weekly does not include all the banks for which the member banks in New York City act as agents in placing loans on the security market. In so far, however, as the figures are comparable they indicate that the decline this year in loans placed by out-of-town banks in the New York market has been more than compensated by an increase in their other security loans, and the total of security loans by all reporting member banks combined was larger in August of this year than at any previous time except at the seasonal peak last December.

When the movement of the total volume of loans to brokers and dealers in the New York security market is considered since the beginning of 1926, the period for which figures have been published, it appears that between January 6 and May 19 this class of loans declined from \$3,141,000,000 to \$2,409,000,000, a reduction of about \$732,000,000, of which the larger part was in the loans placed by New York banks for their own account. Between May 19 and August 18 brokers' loans increased by about one-half of their previous decline, or \$165,000,000, and of the increase about one-half represented a growth in bank loans of member and nonmember banks, the other half being an increase in the volume of funds placed by the New



Loans to brokers and dealers in securities, secured by stocks and bonds, made by weekly reporting member banks in New York City

York banks for account of their customers and foreign correspondents. These funds belong largely to corporations having temporarily idle funds available for short-time investments. The growth during the past three months in the funds of corporations used in the security markets apparently reflects the strong cash position resulting from profitable operations of industrial establishments during the present year. The following table shows changes in the volume of loans to brokers and dealers between January 6 and May 19, the low point for the year, and between that date and August 18, and the chart shows the weekly movement in 1926 of the loans placed by the

New York City banks for their own account, for account of out-of-town banks, and for account of others.

LOANS TO BROKERS AND DEALERS BY REPORTING MEMBER BANKS IN NEW YORK CITY

[In millions of dollars]

	Jan. 6	May 19	Aug. 18	Increase (+) or decrease (-)	
				Jan. 6 to May 19	May 19 to Aug. 18
Total.....	3,141	2,409	2,742	-732	+333
For own account.....	1,338	894	919	-444	+25
For account of out-of-town banks.....	1,239	964	1,104	-275	+140
For account of others.....	564	551	719	-13	+168

Relative stability in the demand for bank credit during the present year has been accompanied by an active demand for long-term funds, as indicated by a large volume of security flotations.

During the first half of 1926 new securities floated in this country totaled \$3,500,000,000, or about \$500,000,000 more than for the preceding six months. The following table shows the volume of domestic and foreign securities issued during the first six months of 1926, as compared with equal periods of 1924 and 1925. These figures are exclusive of re-funding issues.

CAPITAL ISSUES

[In millions of dollars]

	Total	Domestic	Foreign
1924			
January-June.....	2,844	2,608	236
July-December.....	2,749	1,980	769
1925			
January-June.....	3,193	2,729	464
July-December.....	3,023	2,395	628
1926			
January-June.....	3,546	3,013	533

The first half of 1926 showed a record volume of flotations by domestic corporations, amounting to over \$3,000,000,000. The volume of foreign securities offered in the American market has also continued large. More than \$500,000,000 were sold during the half year, of which about \$200,000,000 were Euro-

pean securities and the remainder represented borrowing by Canadian and South American interests. Three-fourths of the securities floated for European account during the period were securities of municipalities and industrial enterprises in Germany. Nearly one-half of the total corporate issues, both foreign and domestic, was offered by public utility companies, which in April, May, and June issued more new securities than all industrial companies combined. This is in contrast with the situation in 1925, when industrial issues were considerably larger than those of public utilities in almost every month of the year. In the first quarter of 1926 certain groups of industrial concerns, including iron, steel, and copper companies, manufacturers of motors and motor accessories, and oil companies, made very large additions to their capital through security issues, but in the last three months the flotations of these groups have been comparatively small. A large volume of new corporate capital has continued to go into the building industry and a wide variety of industrial concerns have put new securities on the market throughout the half year. The railroads have increased their capital at about the same rate as in 1925. The table below shows the capital issues of the principal classes of corporations during the last year and a half, excluding refunding issues.

SECURITIES ISSUED BY DOMESTIC CORPORATIONS
[In millions of dollars]

	Total ¹	Rail-roads	Public utilities	Iron, steel, coal, copper, etc.	Motors and accessories	Oils	Land, buildings, etc.
1925							
First quarter	1,146	141	535	47	3	38	144
Second quarter	984	102	287	15	165	39	213
Third quarter	829	90	302	6	10	48	150
Fourth quarter	1,141	47	372	65	8	44	209
1926							
First quarter	1,370	87	435	94	84	145	152
Second quarter	1,153	93	546	43	13	14	192

¹ Including issues of unclassified corporations.

Flotation of a record volume of securities in the investment market of this country during the first half of 1926 did not result in a rise in long-term money rates. Abundance of investment funds was indicated by the fact that the absorption of the securities offered was accompanied by a rise in bond prices, and a consequent decline in bond yields to the lowest level since 1917. Security holdings of all member banks increased by about \$200,000,000 during the first half of the year, a larger increase than for any other six-months' period since 1924.¹ Most of the banks' purchases of securities were made in the first quarter of the year during the period of liquidation of security loans, and weekly reports of member banks in leading cities indicate that since the middle of the year the increased demand for credit to finance trade and industry has been accompanied by a gradual decline in the security holdings of member banks.

In general, the banks of the country are entering the season of increased demand for credit to finance the moving of crops and the requirements of autumn trade after a period of four months of growth in the demand for bank credit, which has carried its volume to a level as high as at the seasonal peak of last year. The volume of reserve bank credit has also increased during this period and has remained at a considerably higher level than in 1925. In the money market the increasing volume of bank credit accompanied by a larger amount of borrowing at the reserve banks, has been reflected in firmer interest rates as compared with the corresponding periods of last year. Since the beginning of August money rates in the open market have advanced, and on August 13 the discount rate at the Federal Reserve Bank of New York was raised from 3½ to 4 per cent, the rate prevailing at all the other reserve banks.

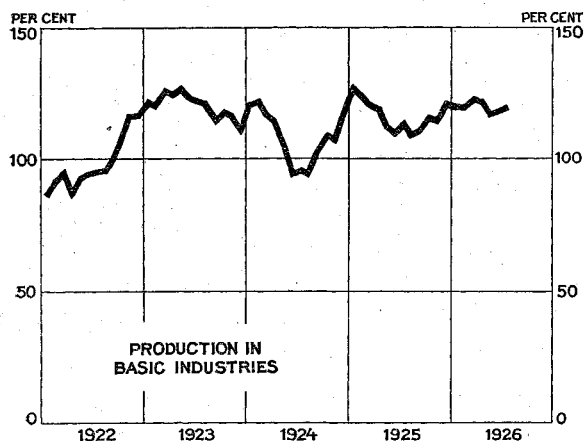
¹ Reports of condition of all member banks as of June 30, 1926, appear on pages 644-656 of this BULLETIN.

BUSINESS CONDITIONS IN THE UNITED STATES

NATIONAL SUMMARY

Production in basic industries and factory employment and pay rolls declined slightly in July, but the decrease in production was smaller than is usual at this season. Wholesale prices, after a further decline in July, were at the lowest level in nearly two years.

Production.—The Federal Reserve Board's index of production in basic industries, which is adjusted for seasonal variations, increased about 1 per cent in July. Declines in the output of iron and steel and anthracite and in the activity of textile mills were larger than the usual seasonal reductions, while the production of flour, copper, zinc, cement, and petroleum



Index of 22 basic commodities adjusted for seasonal variations. (1919=100.) Latest figure, July, 119

increased. The manufacture of automobiles declined further and was smaller than a year ago. Factory employment and pay rolls showed the usual seasonal decline in July, which is due largely to closing for stock taking and repairs and to summer vacations. Declines were noted in nearly all the important industries for which reports were received, with the exception of leather and shoes and certain food products and building materials. Building contracts awarded in 37 States east of the Rocky Mountains declined in July for the fourth consecutive month and, as in June, were smaller than a year ago. Figures for the first three weeks in August were also below those for the corresponding period of last year. The principal decreases were in the New York and Atlanta districts.

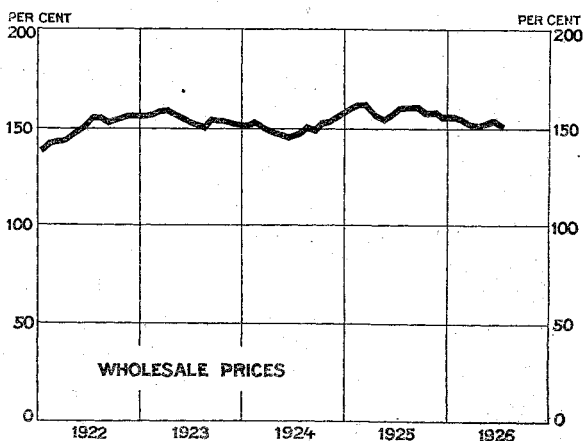
The composite condition of all crops, as reported by the Department of Agriculture,

shows an improvement of 2 per cent in July, owing largely to the increase in the expected production of wheat. Cotton production, on the basis of August 16 condition, is estimated at 15,248,000 bales, compared with an output of 16,104,000 bales in 1925.

Trade.—Volume of trade at wholesale and retail showed a further seasonal decline in July, but continued to be large. Retail trade was larger than a year ago, while wholesale trade was slightly smaller. Sales of department stores and mail-order houses declined less than is usual at this season and were 4 per cent and 13 per cent, respectively, larger than in July of last year. Merchandise inventories at department stores continued to decline in July and at the end of the month were in about the same volume as last year. Stocks of meat, dry goods, and shoes carried by wholesale firms were smaller than a year ago, but stocks of groceries, hardware, and drugs were larger.

Shipments of goods by railroads were maintained at a high level during July for nearly all types of commodities. Loadings of grain were larger than for any month since October, 1924, and were in record volume for July.

Prices.—The Bureau of Labor Statistics index of wholesale commodity prices declined about 1 per cent in July to the lowest level

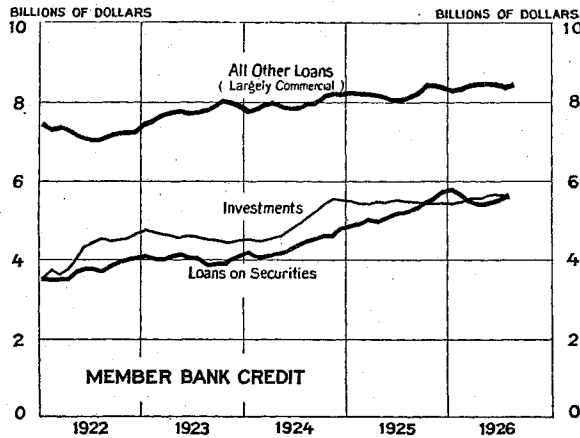


Index of United States Bureau of Labor Statistics. (1913=100, base adopted by bureau.) Latest figure, July, 150.7

since September, 1924. Price declines were shown for most commodity groups, particularly farm products and foods, while prices of steel and other metals advanced. In the first three weeks of August the prices of grains, cotton, and rubber declined further, while

cattle, hogs, potatoes, coal, and coke advanced in price.

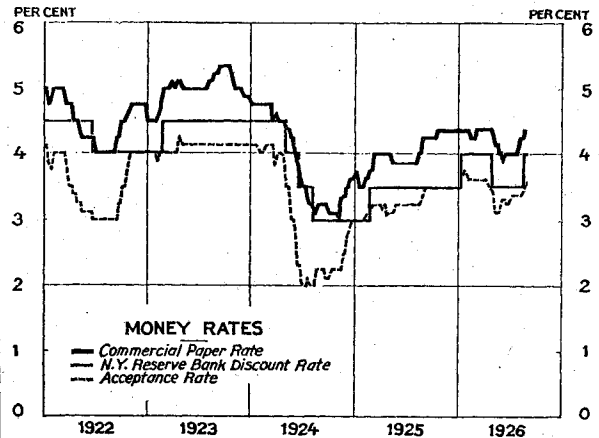
Bank credit.—Between the middle of July and the middle of August total loans and investments of member banks in leading cities increased slightly, reflecting a growth in the seasonal demand for credit for commercial purposes. Loans on securities on August 18 were in about the same volume as a month earlier, while the banks' investments declined.



Monthly averages of weekly figures for banks in 101 leading cities. Latest figures are averages for first three weekly report dates in August

Between July 21 and August 18 discounts for member banks and the holdings of accept-

ances increased considerably, while United States security holdings were somewhat reduced, with the consequence that the total volume of reserve-bank credit increased by about \$50,000,000.



Weekly rates in New York money market: Commercial-paper rate on 4 to 6 months' paper and acceptance rate on 90-day paper

Money-market conditions became firmer in August. The rate on commercial paper, which was 4 per cent in June and July, increased to 4½-4¾ per cent, and the rate on 90-day bankers' acceptances advanced to 3¾ per cent. The discount rate of the Federal Reserve Bank of New York was advanced on August 13 from 3½ to 4 per cent.

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	107	169	129	79	136	133	141	136	120
May	111	95	107	151	123	79	128	124	136	137	118
June	110	94	105	173	117	83	126	126	129	135	122
July	113	93	102	188	122	83	95	128	125	133	124
August	109	94	105	225	123	87	98	125	131	131	120
September	111	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	80	226	141	129	139	124
1926											
January	120	96	107	243	118	78	114	130	125	141	126
February	120	97	112	208	127	76	104	135	131	140	128
March	123	97	113	209	126	85	130	130	142	141	131
April	122	96	110	170	132	80	133	130	143	139	131
May	117	96	109	164	126	82	137	132	138	138	124
June	118	95	109	169	127	84	130	130	131	138	127
July	119	94	104	178	130	82	99	133	124	133	136

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

MONEY RATES

Money rates increased in August with the growth in demand for credit and at the end of the month were about at the levels prevailing through last fall and winter and somewhat higher than in August of last year. Prime commercial paper, which was quoted at 4 per cent during June and most of July, advanced to 4½ and at the end of August to 4½ per cent. Demand has remained inactive, partly on account of the unsettlement of rates, but supplies in the hands of dealers have also been limited, with only moderate amounts of new paper coming into the market. Rates on bankers' acceptances of all maturities advanced by one-fourth of 1 per cent soon after the increase in the discount rate of the Federal Reserve Bank of New York, on August 13, from 3½ to 4 per cent, and later by ½ per cent more, so that 90-day bills, which were offered at 3⅞ per cent in July, sold at 3¾ per cent at the end of August. Prices of short-term Government securities reflected the firmer money conditions, and 4-6 months' maturities brought higher yields than at any time since last January. There was also an increase in the yields of Liberty bonds as their prices fell to March levels. Both call and time rates on security loans averaged about ¼ per cent higher in August than in July. The following table shows money rates prevailing in the New York open market during the last three months. A table showing rates of interest charged customers by banks in various cities of the United States will be found on pages 700-701 of this issue of the BULLETIN.

MONEY RATES IN NEW YORK CITY

Month	Prime commercial paper, 4-6 months	Prime bankers' acceptances, 90 days	Average yield on—		Average rate on—	
			U. S. Treasury notes and certificates, 3-6 months	4¼ per cent Liberty bonds	Call loans ¹	Time loans ²
August, 1925	4-4¼	3¼	3.01	3.98	4.19	4.50
June, 1926	4	3¼-3⅝	2.96 } 2.90	3.90	4.15	4.20
July, 1926	4-4¼	3⅝	3.11	3.93	4.27	4.39
August, 1926	4¼-4½	3⅝-3¾	3.27	3.95	4.52	4.76
Week ending—						
Aug. 7	4-4¼	3⅝	3.20	3.94	4.30	4.63
Aug. 14	4¼	3⅝-3½	3.26	3.95	4.40	4.66
Aug. 21	4¼-4½	3⅝	3.32	3.97	4.50	4.88
Aug. 28	4¼-4½	3¾	3.30	3.96	4.70	4.80

¹ Renewal rate.
² Weekly average of daily average rates on principal maturities.
³ Issues maturing Sept. 15, 1926.
⁴ Issues maturing Dec. 15, 1926.

In the London market money rates advanced in August, and three months' bank bills were quoted at 4½ per cent in the middle of the month, as compared with 4¼ per cent at the end of July.

ACCEPTANCE MARKET

The market in bankers' acceptances was dull in all of the principal centers during the last half of July and the first half of August, a period during which the bill market is usually less active than at any other time of the year. Very few new bills came into the market, and the weekly volume of purchases by reporting dealers in New York was the smallest since September of last year. The demand for bills was also slack, although there was an increase in purchases for foreign accounts. Largely as a result of these foreign purchases and of sales to Federal reserve banks, New York dealers' portfolios were reduced by August 18 to the lowest figure reported for a year. The bills purchased by the reserve banks were based chiefly on importations of sugar, wood pulp, rubber, wool, and coffee, and on exports of cotton and grain. Immediately after the advance in the discount rate of the Federal Reserve Bank of New York on August 13, market rates on bills of all maturities, most of which had remained unchanged since June, increased by one-eighth of 1 per cent and on August 16 by a further one-eighth per cent when the Federal reserve bank advanced its buying rates; but these advances were followed by no notable change in the condition of the market. The table below shows the rates in effect on bills of various maturities at the beginning and end of the reporting period.

ACCEPTANCE RATES IN THE NEW YORK MARKET

Maturity	July 15, 1926		August 18, 1926	
	Bid	Offered	Bid	Offered
30 days	3¼	3½	3½	3⅝
60 days	3⅝	3¾	3⅝	3⅞
90 days	3½	3⅝	3¾	3⅞
120 days	3⅝	3¾	3¾	3⅞
150 days	3⅝	3¾	4	3⅞
180 days	3¾	3⅝	4½	4

CAPITAL ISSUES

The volume of new domestic securities issued in the United States in July amounted to \$411,500,000, as compared with a monthly average of about \$500,000,000 during the preceding six months and of \$450,000,000 in 1925. The decline from the June total in the volume of new issues is accounted for by an unusually small amount of municipal flotations, as those of corporations were larger in July

than in June. Among corporate issues, including those of foreign corporations, public utilities were larger than in June, industrials were slightly smaller, and railroads about the same. The following table shows the domestic securities, both new and refunding, issued in July, 1925, and in June and July, 1926.

DOMESTIC CAPITAL ISSUES
[In millions of dollars]

	July, 1926		June, 1926		July, 1925	
	New	Re-fund-ing	New	Re-fund-ing	New	Re-fund-ing
Total.....	411.5	54.1	467.7	133.0	415.2	93.1
Corporate.....	316.5	53.7	306.7	87.8	280.1	74.7
Long-term bonds and notes.....	211.6	34.9	235.9	85.8	162.3	32.2
Short-term bonds and notes.....	10.5	12.2	17.6	2.0	11.4	8.6
Stocks.....	94.4	6.6	53.2	—	106.4	33.9
Farm-loan issues.....	6.0	—	30.0	40.0	3.0	6.0
Municipal.....	89.0	.4	131.0	5.2	132.1	12.4

A moderate volume of foreign securities were floated in July, about equal to the average for the preceding six months, according to the compilation of the Federal Reserve Bank of New York. More than one-half of the total were issued by corporations, notable among which were the Silesian-American Corporation of Poland and Germany, the Gatineau Power Co. of Canada, and the Toho Electric Power Co. of Japan. The largest single issue, however, was one of \$18,330,000 by the Mortgage Bank of Chile. The table below shows the foreign issues during May, June, and July, classified geographically:

FOREIGN CAPITAL ISSUES
[In millions of dollars]

	July, 1926		June, 1926		May, 1926	
	Gov-ern-ment	Corpo-rate	Gov-ern-ment	Corpo-rate	Gov-ern-ment	Corpo-rate
Total new issues.....	31.8	56.3	44.5	50.2	51.3	9.8
Europe.....	11.0	26.2	14.0	35.6	5.7	6.3
Canada and Newfoundland.....	—	20.1	7.5	12.7	12.5	—
Latin American.....	20.8	—	20.8	1.4	31.6	3.5
United States insular possessions.....	—	—	2.2	.5	1.5	—
Japan.....	—	10.0	—	—	—	—
Refunding issues.....	.4	6.0	10.5	4.5	—	16.0
Total new and re-fund-ing.....	32.2	62.3	55.0	54.7	51.3	25.8

SECURITY PRICES

Prices of representative common stocks, as measured by the index of the Standard Statistics Co., reached the highest average on record early in August, and thereafter declined somewhat. The increase in prices of railroad stocks over the high point of last winter was considerably greater than that for industrial stocks, and they advanced further at the end of August, while prices of industrial stocks remained below their early August average. Automobile and steel stocks led the advance in industrial stock prices and were among those showing the largest declines later in the month. The market showed unusual activity during the first week in August, but later the volume of sales was considerably smaller. Bond prices were relatively stable, only slightly below the high levels of the year which prevailed in May and June. 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 and for August a year ago:

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
	199 in-dustrial stocks ¹	31 rail-road stocks	Total, 230 stocks		
Average for—					
August, 1925.....	136.0	114.3	129.7	91.70	1,458
March, 1926.....	144.0	119.4	136.7	93.94	1,790
April, 1926.....	139.8	118.5	133.6	94.52	1,339
May, 1926.....	141.1	120.6	135.1	95.25	1,088
June, 1926.....	147.4	125.5	141.0	95.32	1,614
July, 1926.....	152.7	128.3	145.6	94.87	1,626
August, 1926.....	159.2	131.4	151.1	95.03	1,871
Average for week ending—					
August 7.....	159.8	130.2	151.1	95.08	2,263
August 14.....	160.6	131.4	152.1	95.14	1,902
August 21.....	157.9	131.3	150.1	94.95	1,778
August 28.....	158.6	132.5	151.0	94.96	1,527

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 Saturday.

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

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

COMMODITY PRICES

The general level of wholesale commodity prices, according to the index of the Bureau of Labor Statistics, declined about 1 per cent from June to July, with the declines affecting both agricultural and nonagricultural commodities and all of the principal groups of commodities except metals and building materials. The table shows the changes from June to July, and the index numbers for the past 13 months are given on page 686.

INDEX NUMBERS OF COMMODITY PRICES
[1913=100]

	July	June	Percentage change
All commodities.....	150.7	152.3	-1.1
Agricultural.....	148.2	150.8	-1.7
Nonagricultural.....	152.3	152.9	-0.4
Farm products.....	140.8	143.7	-2.0
Foods.....	153.6	156.6	-1.9
Clothing materials.....	173.3	175.1	-2.0
Fuels.....	177.0	179.2	-1.2
Metals and metal products.....	126.2	125.1	+0.9
Building materials.....	171.5	171.2	+0.2
Chemicals and drugs.....	130.9	131.1	-0.2
House furnishing goods.....	161.1	161.7	-0.4
Miscellaneous.....	122.5	122.5	

The index for all commodities was in July the lowest since September, 1924, and about 6 per cent below that of July of last year, but was close to the level which has prevailed during the last five months. During this period the general level of wholesale prices has varied within the limits of 151 and 152, a range of less than 1 per cent, while the indexes for the various groups of commodities have varied within the limits of about 4 per cent for cloth and clothing to 2 per cent for metals and metal products. The net change in wholesale prices during the period has been upward for agricultural commodities and downward for non-agricultural commodities, with the consequence that these two groups were in closer adjustment in June and July than in other recent months and closer than a year ago.

In the first three weeks of August the prices of grains, cotton, and rubber declined further, while cattle, hogs, potatoes, coal, and coke advanced in price.

AGRICULTURAL CREDIT

Announcement has been made by the Federal Farm Loan Board of a reduction in interest rates on farm mortgages in the Wichita (Kans.) and Houston (Tex.) Federal land bank districts from 5½ per cent to 5 per cent. The

St. Paul Federal land bank is the only other bank with a 5 per cent rate, although the St. Louis Federal land bank maintains this rate in a part of its territory. The Omaha bank loans at 5¼ per cent, while all other districts continue to maintain the 5½ per cent rate.

The consolidated statement of all the Federal intermediate credit banks shows an increase in rediscounts during July of but \$574,000, which was slightly increased in the first two weeks in August, making a total of \$43,962,000 of rediscounts outstanding on August 14, 1926. The increase during this period is represented almost entirely by additional advances to agricultural credit corporations.

Direct loans of Federal intermediate credit banks during July were decreased approximately \$6,000,000 and during the first two weeks in August were reduced by nearly \$2,000,000 additional, leaving net outstanding loans on August 14, 1926, at \$25,644,000. During July the largest reductions were made at the Houston and New Orleans banks, while the Spokane bank showed a substantial increase. During July and the first two weeks of August loans based on cotton were reduced more than \$9,000,000, loans based on tobacco about \$2,000,000, and loans based on raisins \$650,000. Material increases were made in loans based on wheat, wool, and canned fruits and vegetables, with advances on wheat totaling \$2,450,000 and approximately \$1,000,000 each on wool and canned fruits and vegetables.

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

INTERMEDIATE CREDIT BANKS

[In thousands of dollars]

	August, 1926	July 17, 1926	Aug. 15, 1925
Direct loans outstanding on—			
Cotton.....	5,097	11,345	-----
Tobacco.....	11,016	12,918	17,085
Wheat.....	2,450	500	790
Canned fruits and vegetables.....	1,193	558	768
Raisins.....	2,950	3,550	3,850
Peanuts.....			164
Wool.....	2,194	1,836	1,715
Rice.....	554	634	-----
All other.....	190	229	96
Total.....	25,644	31,570	24,468
Rediscounts outstanding for—			
Agricultural credit corporations.....	30,459	30,017	22,201
National banks.....	4	3	3
State banks.....	363	465	616
Livestock loan companies.....	12,974	12,747	10,593
Savings banks and trust companies.....	162	62	83
Total.....	43,962	43,294	33,496

Net outstanding farm mortgage loans of Federal land banks increased approximately \$4,200,000 during July, and this figure was exceeded in the case of joint-stock land banks, which increased their net outstanding loans by \$5,500,000. Outstanding loans of reporting life insurance companies increased \$4,000,000 during the same period. The following table shows the outstanding volume of net mortgage loans at the end of April held by 12 Federal land banks, 54 joint-stock 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)

	July 31, 1926	July 31, 1925
Total, all joint-stock land banks.....	605, 718	508, 800
Total, Federal land banks.....	1, 048, 184	980, 638
41 life-insurance companies.....	1, 572, 000	1, 507, 000

MANUFACTURING AND MINING

Manufacturing operations were reduced during July, as is usual at midsummer, but a slight increase in the board's adjusted index of production in basic industries indicates that the decrease for the greater part of industry was smaller than the customary seasonal reduction. Mining output was in large volume, owing to recent increases in bituminous coal and petroleum output and the maintained high rate of copper production. The unadjusted index of manufacturing declined in July and factory employment and pay rolls were likewise reduced. Much of the decrease in wage payments may be attributed to summer vacations and to closing for inventory taking and repairs, customary in July.

Increases in employment and pay rolls occurred in the ice-cream, flour, shoe, and paper-box industries, and in addition employment was larger in the leather, cement, and brick industries. Production data likewise showed greater activity in flour, cement, and brick. Production of iron and steel, lumber, and sugar, and the number of livestock slaughtered was slightly smaller in July than in June. There were marked decreases in the activity of textile mills and in the output of automobiles and rubber tires. Operations in many textile industries were at close to the low point of the summer of 1924, and the production of lumber, automobiles, and rubber tires was smaller than in July, 1925, but the volume of output for industry as a whole

continued at a higher level than for the same period of previous years. For index numbers of production, employment, and pay rolls, see pages 669-670.

Textiles.—In textile industries during July and August production was curtailed, but the volume of buying showed some improvement over that of the early summer, and prices were more nearly stable than at any time in several months. Prices of some products, in fact, advanced. Cotton consumption by mills was considerably reduced in July, totaling only 460,918 bales, the smallest figure for any month except last August since September, 1924, and the number of active spindle hours was without exception the lowest in the same period of time. Operations in the cotton-growing States are greater than a year ago, while those in New England are smaller. Markets for cotton yarns and fabrics continued steady during August with buying at the moderate rate noted in July, which was an improvement over immediately preceding months. Prices of cloths, according to the Fairchild indexes, increased in July and yarn prices were advanced in the first week of August.

Woolen mill activity during July in some lines was smaller than in any month since the early part of 1921, according to statistics of factory employment and pay rolls and of number of active hours of operation for looms and woolen spinning spindles. Carpet and rug looms and worsted spindles, while relatively inactive, continued to operate at higher rates than in 1924. New lines of woolen and worsted cloths for the spring and summer of 1926 were opened during July and August at prices lower than those of last year. Prices of these goods, as indicated by the Fairchild indexes for August 15, which reflect the result of new openings by most but not by all mills, averaged 7 per cent below those of a year before. The index for worsted goods was the smallest since 1922 and that for woolens lower than at any time since 1923. Raw-wool prices, which in the spring fell to the lowest levels since 1922, have within recent weeks remained relatively steady, with occasional small advances. Stocks of raw wool in the hands of dealers increased considerably between March 31 and June 30, owing to large receipts of domestic wool. Imports of raw wool in the first seven months of the year were in approximately the same volume as in the corresponding period of 1922, 1924, and 1925, although much smaller than in 1923. Consumption of wool by mills during the same

seven months totaled less than in any year since 1921. Sales of men's clothing and of women's coats and suits at wholesale in the New York Federal reserve district were seasonally greater in July than in June, but those of men's clothing were 5 per cent and of women's clothing 70 per cent less than in July, 1925. The strike in the women's cloak and suit industry continued into August.

Raw-silk imports during July were larger than in any month this year. According to statistics of the Silk Association of America, however, deliveries to mills were somewhat greater, and warehouse stocks were reduced to the lowest level in two years. Stocks in Yokohama, however, are reported to be unusually large. Raw-silk prices have been relatively steady for several weeks. Buying of silk goods has been in only fair volume. Sales of silk goods by wholesalers in the New York Federal reserve district were in about the same volume in July as in June, and showed little change as compared with July, 1925. Silk goods prices declined slightly between July 15 and August 15 to the lowest level since early last year. Reports indicate more active buying and production of rayon since the price reduction on July 1. Except in the case of women's full-fashioned silk lines, hosiery production was smaller in June than in the same month of 1925. Total orders and shipments increased in June and were greater than a year ago. Preliminary data indicate decreases in production, orders, and shipments during July. Orders for underwear in June exceeded those of the two preceding months, and production and shipments were larger than in May.

Leather and shoes.—Increased volume of business noted in the leather and shoe industries during June was fairly well maintained in July and August, without any appreciable further increase. Preliminary reports indicate that sole-leather production was reduced in July as compared with June and stocks in process showed no increase. Buying of leather has been in moderate volume with some expansion of deliveries as shoe manufacturers begin their busy season. Leather prices have declined since March and in July, according to the index of the Bureau of Labor Statistics, were as low as at any time in recent years. Hide prices were higher in July than in June, but declined slightly during the early part of August as the packer hide market became less active. Production of shoes continued in July at about the same rate as in June, which likewise corresponded approxi-

mately with that of July, 1925. Sales of shoes at wholesale, although showing seasonal declines in July, continued at a higher level than in either 1924 or 1925. Wholesale stocks, on the other hand, were considerably smaller than a year ago.

Metals.—Demand for iron and steel has been greater this summer than in the same period of any recent year, and production has been correspondingly large. Output of pig iron and of steel ingots was smaller in July than in June, but larger than in July of recent years. The rate of production during August has been about the same as or a little higher than in July—around 80 per cent of capacity for ingot output. There was a net loss of four blast furnaces in operation in July, and more have been blown out in August, but others in turn have resumed operations. Iron-ore shipments from the upper Great Lakes region for both June and July were larger than for any month since 1923. Prices of iron and steel have generally remained steady for several weeks. Scrap steel has risen some in price, and quotations on structural shapes were advanced in July. Contracting for structural steel has continued fairly large, although July bookings were smaller than a year ago. Shipments in July were the largest on record. Demand for sheets has been active, and July sales reported by independent manufacturers were larger than in any month since last November. Production, shipments, and sales all far exceeded recorded figures for July of previous years. Automobile manufacturers have recently been actively buying steel products. Railroad buying, however, has been relatively light.

Mine production of copper continued in July at approximately the same daily rate as in June, and larger than in July of recent years. Smelter output, on the other hand, decreased for the third month and was in about the same volume as during last July. Zinc output was about the same in July as in June. Although shipments decreased, they were larger than output and stocks were reduced. Production of lead increased slightly during July. Copper zinc, and lead prices advanced a little in June and July, but were fairly steady in the first three weeks of August.

Fuels.—Bituminous coal production showed an increase in July, and the seasonal upward trend continued during the first half of August at a level higher than in the two preceding years, but lower than in 1923. Anthracite was mined in slightly smaller volume in July than in June, but output totaled more than

in any previous July since 1918. Demand for soft coal has expanded and prices have risen. Buying for export has continued large. Exports of bituminous coal in July totaled 3,240,000 tons, the largest for that month since 1920. Total exports for the three months since May 1, when the British coal strike began, totaled 6,900,000 tons, as compared with 4,440,000 tons in the same period last year. Stocks of bituminous coal in the hands of consumers, according to estimates of the Bureau of Mines, totaled 39,000,000 tons on July 1, as compared with 36,000,000 on May 1, 40,000,000 on April 1, and 38,000,000 tons on June 1, 1925. Retail dealers had stocks of anthracite estimated to be sufficient to last 40 days, less than on corresponding dates in 1924 and 1925. Production of both beehive and by-product coke increased in July. Demand for coke improved in August and prices were advanced.

Production of petroleum has increased steadily since June, and weekly output in August was greater than at any time since June, 1925. The number of new wells completed also increased. According to estimates of the American Petroleum Institute, pipe-line and tank farm gross domestic crude oil stocks east of the Rocky Mountains decreased by over 3,000,000 barrels in July. Stocks of gasoline at refineries decreased, while gas and fuel-oil stocks increased considerably during July. Gasoline production and consumption has been at a high rate this season. During August, according to the index of the Oil, Paint, and Drug Reporter, refinery prices of gasoline were reduced following increases in July.

Automobiles and tires.—Automobile production was reduced during July for the third successive month and for the second month was less than a year earlier. A number of new models and changes in details of models have been announced since June 1. Although some price changes were made, there has been no definite general upward or downward trend of prices. Trade reports indicate some increases in manufacturing schedules during August, owing to operations on new models. Sales of new cars at wholesale, according to reports received by the Federal reserve banks of Philadelphia and Chicago, were smaller in July than in June and also below those of last July. Retail sales, although seasonally less than in June, were greater than in July of last year. Stocks of new cars in the less expensive makes were slightly smaller than a year ago. Used-car sales and stocks continued to be larger than last year.

Shipments of automobile tires during July were greater than in any previous month except June, 1925. Tube shipments were also large. Production, however, was curtailed. As a consequence, the large stocks of tires and tubes held by manufacturers were considerably reduced, although they continued much larger than at this season of previous years. Crude-rubber imports were increased considerably in July. Prices of crude rubber remained steady during July at around 42 cents a pound, and averaged for the second quarter slightly above this figure, which was the minimum set by British officials to prevent a change in the export quota for the third quarter under the Stevenson law. The quota for the third quarter, therefore, remains unchanged at 100 per cent of standard production. After August 1 the rubber price declined to about 38 cents a pound.

Building materials.—Production, shipments, and orders reported by manufacturers of various building materials were in general seasonally large in July, and all reflected the present high rate of building activity. In general, there was little change in the volume of business as compared with a year ago, which was also a period of great activity. Production of lumber was slightly greater in July than in June, while shipments, although larger than production, decreased. For softwoods, according to weekly data from representative firms, shipments for the eight weeks ending August 21 have slightly exceeded cut and orders, which in turn have approximately equaled each other. For hardwoods, in the same period the three items were in about the same volume. For the year to date the cut of softwoods has been smaller than both shipments and orders, whereas the reverse has been true in the case of hardwoods. Prices of lumber have declined slightly during recent months, and in August further reductions were made in softwoods. Hardwoods, on the other hand, about the middle of August were advanced in price. Little change of importance occurred in the flooring industry during July, and the volume of business was not appreciably different from that of last year. Cement production was at a new high record in July, but shipments were smaller than in June. Face-brick output was seasonally large, exceeding that for all previous months. Production and shipments of sanitary ware were smaller than a year ago. July production of plate glass made another new high record.

Food products.—The production of meat products in July was slightly less than in the

preceding month, due largely to reduced receipts of livestock. The total value of sales billed to domestic and foreign customers during the month by 41 slaughtering establishments, as reported by the Chicago Federal Reserve Bank, decreased 6 per cent from the total of June and was approximately in the same amount as in July of last year. Storage holdings of beef and lamb and mutton decreased from July 1 to August 1, while holdings of pork and lard increased. Storage holdings, which during recent months have been materially under the amounts held on comparable dates of 1925, are now nearly on the same level as a year ago. Quotations on most meat products declined in July and early August as a result of a lower level of prices in the livestock market. Flour production during July was the largest for any month since October, 1925, and mill output in the Southwestern States was particularly active as a result of plentiful supplies of new winter wheat available at a lower level of prices. Mill demand has been based largely on domestic trade and a large volume of orders has been booked for future delivery. Flour exports for July were approximately 125,000 barrels larger than in June and were also above the totals of July, 1925. Sugar meltings for July were lower than in June and also below the total for July, 1925. Stocks at the end of the month showed a reduction of more than 100,000 long tons, and the trade reports a fairly active demand. Shipment against contracts has been large, indicating that consumption is apparently being maintained at a high level. Trade reports point out that the exceedingly large fruit crop of this year will be a sustaining influence in maintaining this high rate of consumption. Refiners are quoting selling prices at 5.70 to 5.80 cents a pound.

BUILDING

Measured in estimated cost, the volume of construction brought under contract fell off in July, as in each of the three preceding months, the decreases from month to month being principally seasonal in character. For this period the record has, however, been exceptional in that the peak valuation for construction awards was recorded in March, fully a month in advance of the usual peak season. Although the July decrease of more than 5 per cent over the month was less than the usual seasonal decrease, it was widely distributed, as is evidenced by the totals for the 11 Federal reserve districts comprising the 37 States east of the Rocky Mountains for which construction data are regularly reported to the F. W.

Dodge Corporation. In comparison with June, total decreases over the month were shown for 7 of the 11 districts comprising this area. In July, as in June, awards this year in the area covered by the data fell below 1925, following an unbroken record throughout the past year of increases month by month over the same month of the preceding year. Decreases recorded for residential building—of 22 per cent over the month and of 20 per cent in comparison with July of last year—were relatively greater than for all classes of construction combined. It may be noted also that a smaller valuation for "contemplated projects" was reported for July than for either June of this year or July, 1925.

Comparisons with 1925, by districts, however, indicate diverse trends of activity in the construction industries in different sections of the country. While, for example, July awards this year in the 37 States as a whole represented an estimated construction cost less in the aggregate than the amount contracted for in this area last year in July by \$27,000,000, or 5 per cent, this net decrease covered increases in four middle western Federal reserve districts—Chicago, St. Louis, Minneapolis, and Kansas City, totaling \$60,000,000, and decreases in the seven eastern and southern districts—Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, and Dallas—totaling \$87,000,000.

During the seven months ended with July the amount of construction contracted for this year exceeded the amount contracted for in the same period of 1925 by \$336,000,000, or 10 per cent. The accumulated excess over 1925, which increased from month to month to a maximum in May, was reduced in June by some \$13,000,000 and further reduced in July by \$27,000,000. Reports for the first three weeks of August indicate a further reduction of the margin of excess over 1925. For this seven-month period ended with July the excess over 1925 reported for the New York district alone exceeded \$260,000,000 (in the total excess of \$336,000,000 for the 11 Federal reserve districts combined), but large margins of excess over last year were reported also for the Atlanta, Kansas City, and Dallas districts, and increases less considerable in amount for the Chicago, St. Louis, and Minneapolis districts. In the Boston, Philadelphia, Cleveland, and Richmond districts awards this year to the end of July ran below 1925. If the period of comparison is extended to embrace a full year, it is found that the amount of construction contracted for during the 12 months ended with July totaled \$6,343,000,000, ex-

ceeding the amount contracted for in the preceding 12 months by \$1,172,000,000, or 23 per cent.

Both the number and the valuation of building permits issued in 168 selected cities decreased in July, the decrease in valuation amounting to more than 10 per cent over the month and to 12 per cent in comparison with July of last year. In each of the 12 Federal reserve districts net decreases over the month are shown for these cities and also, except in the Dallas district, net decreases over the year in comparison with July, 1925. Reports to the F. W. Dodge Corporation from the building departments of 208 cities show decreases in the cases of 112 cities in valuation of July permits this year in comparison with 1925, and increases in the case of 96.

Wages in the construction industries continued through July generally at the level of the preceding month, and only a slight shifting in the cost of building is indicated by the Bureau of Labor Statistics index of wholesale prices of building materials, which advanced fractionally—from 171.2 in June to 171.5 in July.

WHOLESALE AND RETAIL TRADE

In July trade at wholesale and retail firms reflected regular midsummer seasonal declines. Reductions in retail sales, however, were not as large as those which usually occur in July, and total retail sales were considerably larger than in July, 1925. Trade at wholesale firms was somewhat smaller than in July of last year, but this decline was due partly to a lower level of wholesale prices than last summer, which was particularly significant for textiles and dry goods. Merchandise stocks carried by wholesale dealers increased slightly between June and July, in anticipation of the usual expansion of trade that occurs in late summer and early autumn, but at the end of the month they were somewhat smaller than a year ago. Department-store stocks showed more than the usual seasonal decline in July and at the end of the month were in about the same volume as last year. The rate of stock turnover in department stores was larger than in July a year ago, and for seven months ending in July the rate of turnover was about 1.5 per cent higher than for the corresponding period in 1925.

Wholesale trade.—Trade at wholesale firms reporting to the Federal reserve system was seasonally smaller in July than in June. Sales were smaller in all leading lines except dry goods, which were slightly larger. Compared with July a year ago, sales of shoes were some-

what larger, but those of meats, groceries, dry goods, and hardware were smaller. For all reporting lines combined the volume of trade this year was slightly less than in July, 1925, largely because sales of dry goods were 8 per cent less than last year. The decrease in sales of dry goods, which reflects in part lower prices, was general throughout the country. Sales of groceries were smaller in most Federal reserve districts but larger in the Boston, Chicago, Kansas City, Dallas, and San Francisco districts.

Sales of agricultural machinery and farm equipment, as indicated in reports by manufacturers to the Chicago Federal Reserve Bank, averaged 15 per cent larger in July than in the corresponding month of last year. Statistics recently prepared by the Department of Commerce of sales of farm equipment by manufacturers for domestic use for the year 1925 indicate that total sales amounted to \$332,845,000, as compared with \$277,925,000 in 1924 and \$311,976,000 in 1923.

In anticipation of the growth in trade that usually begins late in the summer and early autumn, the value of stocks of merchandise carried by wholesale dealers increased slightly between June and July. Stocks of dry goods were 9 per cent larger than at the end of June, the largest increase for any one line, and stocks of shoes were 5 per cent larger. This growth in the stocks of dry goods and shoes occurred in nearly all sections of the country. Notwithstanding this increase in stocks in July the volume of merchandise carried by wholesale dealers was in general slightly smaller at the end of the month than in July, 1925. Stocks of groceries, hardware, and drugs were larger, but those of meats, dry goods, and shoes were smaller. Stocks of dry goods and shoes at the end of July were for that date the smallest in the past three years. Accounts receivable outstanding at the end of the month were generally smaller than a year ago.

Retail trade.—In July retail trade generally declines to the smallest volume for any month of the year, but this year the decline was less than is usual, and sales were considerably larger than a year ago. Sales of department stores were 4 per cent larger than in July of last year, those of mail-order houses 12 per cent larger, and those of all reporting chain stores were also larger. For the seven months ending in July department-store sales were 4 per cent larger than in the corresponding period of 1925.

Increases in department-store sales from July of last year occurred in all sections of the country, but the most substantial increases were in

the New York, Minneapolis, Dallas, and San Francisco Federal reserve districts. Statistics reported from 45 separate departments by stores in seven Federal reserve districts indicate that sales were larger at 28 and smaller at 17 departments.

Stocks of merchandise carried by department stores were further reduced in July, and at the end of the month they were in about the same volume as a year ago. In the Boston, Philadelphia, Cleveland, Minneapolis, and Dallas Federal reserve districts stocks were smaller than a year ago, but in all other districts, except San Francisco, they were slightly larger. Reports from 45 separate departments indicate that the volume of stocks carried by 33 departments was smaller and that of inventories at 12 departments was larger.

With a volume of stocks in July practically no larger than a year ago and a volume of sales 4 per cent larger, the rate at which stocks were turned over was faster than in July, 1925, and for the seven months ending in July the rate of turnover was higher than last year. In anticipation of the usual growth in the volume of retail trade in the autumn months orders by department stores outstanding at the end of July for merchandise were 25 per cent larger than at the end of June.

TRANSPORTATION

From week to week freight-car loadings have run this year almost continuously in record volume. On the average in the period of 33 weeks ended August 14 the roads loaded 985,000 cars per week, the corresponding average for 1925 being 951,000 cars.

Loadings of miscellaneous freight, including less-than-car-lot shipments, covering principally the distribution of manufactured products, were in nearly the same volume in July as in June, and exceeded July loadings for this class of freight in any earlier year. Increases over the month and over 1925 are shown for loadings of grain and grain products, livestock, coal, and ore, decreases over the month being recorded for forest products and coke, although July loadings of forest products were in record volume for the month and loadings of coke were well in excess of 1925.

In each of the seven transportation districts for which separate totals are compiled loadings in July for all classes of freight combined exceeded loadings last year in this month, and in four of these districts (Allegheny, Pocahontas, central western, and southwestern) they were in record volume for the month.

The surplus of freight cars available for service, which averaged 223,000 cars (including 116,000 box and 66,000 coal cars) in July, fell off to 180,000 cars in the first quarter of August. On August 1 the percentage of cars (92.8) and of locomotives (86.1) in serviceable condition exceeded the five-year averages (88.6 and 79.1, respectively), as computed by the Bureau of Railway Economics for this date.

Operating revenues of class I railways in June were 6.5 per cent, operating expenses 3.8 per cent, and net railway operating income 16.5 per cent greater than in June of last year. For the six months ended June 30 corresponding increases over 1925 amounted to 4.6 per cent for the operating revenues of these roads, to 2.7 per cent for their operating expenses, and to 12.6 per cent for their net railway operating income. The relatively greater increase over last year of operating revenues in comparison with the increase of operating expenses of class I railways for the month of June as for the half year ended June 30 is reflected in decreases of the operating ratio (percentage of operating expenses to operating revenues) from 74.17 to 72.28 per cent for the month of June and from 77.33 to 75.94 per cent for the half year. Rate of return earned on the book investment of carriers in this half year, as computed by the Bureau of Railway Economics, was equivalent on an annual basis to 4.94 per cent, the corresponding percentage for 1925 being 4.49. Carriers in the eastern district earned at the rate of 5.71 per cent this year and 5.17 per cent in 1925, carriers in the southern district at the rates of 5.65 and 5.60 per cent this year and last, and carriers in the western district at the rates of 3.79 and 3.31 per cent.

AGRICULTURE

The month of July was marked by a general decline in the prices of agricultural products taken as a whole. The Department of Agriculture's index of farm prices of 30 selected agricultural commodities declined from 139 in June to 135 in July, and continued the decline to 132 in August. This is the lowest level that this index has reached since September, 1924, and the index is now 20 points lower than in August a year ago. The department's index of relative purchasing power of farm products, which has been fairly constant at 87 for the last 10 months, declined 2 points in July, which is the lowest point reached by that index since December, 1924.

Production of leading crops, according to official estimates, indicate decreased yields of

corn, oats, cotton, and tobacco, as compared with last year, while increased production of wheat, potatoes, and the principal fruit crops is indicated. A general improvement in the condition of most crops occurred in July, the composite condition of all crops on August 1 being 4.2 per cent below the 10-year average condition of crops on that date. A month earlier the composite condition was 6.4 per cent below the 10-year average. Livestock throughout the United States is generally in good condition, although some forced marketing has resulted from too dry ranges in certain areas.

Grains.—Early crop estimates of wheat have been revised upward as threshing reports indicate a higher yield than had been anticipated. The winter wheat production on a basis of August 1 conditions was placed at 626,000,000 bushels by the United States Department of Agriculture, an increase of 58,000,000 bushels over the July 1 estimates. The spring wheat production was also increased from 200,000,000 bushels to 213,000,000 bushels. The increased crop of winter wheat was due largely to the high average yield of 17 bushels per acre on an acreage 19 per cent larger than in 1925, according to the same report. This high average yield per acre has not been equaled since 1914. The quality of the winter wheat crop is also reported to be good, with indications that 94.5 per cent of the crop will be of a high medium grade.

The North American production this season is estimated at slightly in excess of last year, the decrease in this year's Canadian estimate being exceeded by the increased production in the United States. The estimated production of Canadian wheat has been placed at 317,000,000 bushels, which is only 77 per cent of the amount produced in 1925. The total world's crop, excluding Russia, is estimated at slightly larger than that of last year, but the increase is offset by the small carryover at the beginning of the present crop year. The new crop in the Southwest has moved to market at a rapid rate, and the milling trade has absorbed a very large amount of this grain. Export movement was active at the beginning of the crop season, but has not been maintained at as high a level since that time.

Unfavorable weather in the soft-wheat section of the Middle Western States and in parts of the spring-wheat belt delayed harvesting and threshing operations, and some deterioration in the quality has been reported. Practically all of the winter wheat in the Southwest has been threshed, and the Federal reserve banks

at Dallas and Kansas City report a considerable liquidation in sections of their districts where the wheat crop has been marketed. The reports coming from the spring-wheat section indicate fair yields in some areas, but, on the whole, the production has been greatly reduced as a result of the too dry weather. The crop in South Dakota, particularly, has suffered much damage.

No. 1 northern wheat of Minneapolis reached the highest level of the year about the middle of July but decreased during the balance of the month and in the first half of August. Both hard and soft winter wheat also reached lower levels during the first half of August, No. 2 hard winter at Kansas City being quoted at \$1.35 on August 19 and No. 2 red winter at St. Louis at \$1.35. On the same day No. 1 dark northern at Minneapolis was quoted from \$1.49 to \$1.56.

Reports from the corn-growing States indicate that the crop in most places is from 10 days to 2 weeks late. Growing conditions have been generally favorable, with the exception of parts of Kansas and Nebraska, where serious damage from drought has been reported. The August 1 estimates of the Department of Agriculture place the 1926 corn crop at 2,577,000,000 bushels, a decrease of 328,000,000 bushels from last year's large crop. The loss in estimated production for the month of July, as a result of unfavorable weather conditions, was 84,000,000 bushels, but the loss was even more marked in six of the leading corn States, where the estimates showed a reduction in yield of 166,000,000 bushels. The influence upon the market of the smaller crop, which was 11 per cent below that of last year, according to the Department of Agriculture, was largely offset by the large stocks still on the farms and in trade channels, as well as the probability of a large carryover from the 1925 crop.

A reduction of about 200,000,000 bushels from the production of last year is indicated in the August 1 estimate of the 1926 oats crop, which has been placed at 1,311,159,000 bushels. The carryover on farms of last year's crop totaled approximately 110,000,000 bushels, a figure which has been exceeded but twice—in 1916 and 1921. Stocks of old oats at the principal markets continue large and much of the new crop which is being marketed is of light weight.

A reduction in the estimated production of rye, flax seed, and barley, as compared with last year, is also reported by the Department of Agriculture. Some strength has been dis-

played in the flax market, and prices in the Minneapolis market advanced approximately 20 cents per bushel during July.

Livestock.—Hot dry weather in several of the Western States resulted in a lowering of the condition of the ranges during July, the Department of Agriculture reporting a reduction from 92 to 87 per cent of normal. The effect of the drought has been most marked in eastern Montana, northeastern Wyoming, and the western Dakotas. Parts of western Kansas and Nebraska, as well as eastern Colorado, have also suffered material injury. The conditions in the Southwest, with the exception of a few local areas, continues good.

Range cattle, as a whole, are reported to be in generally excellent condition. There has been some forced marketing and movement to other sections as a result of the drought in certain areas, and indications are that numerous localities will find it necessary to ship from the dry ranges earlier than usual, according to the same report. Sheep and lambs are reported to be in generally excellent condition, except that lambs are expected to be lighter than last year, as a result of the hot dry weather. Dry ranges have necessitated an early and rapid movement to market of lambs from Idaho and Nevada.

The results of 1926 lamb survey conducted by the United States Department of Agriculture indicate a crop exceeding that of last year by about 2,200,000 head, or approximately a 10 per cent increase. In 13 of the western lamb States an increase of 16 per cent took place, while the crop in other States showed a decrease of about 2 per cent. The total crop of lambs saved in the 13 western lamb States was 16,819,000, as compared with 14,420,000 last year. Contracting of lambs for fall delivery has shown activity in Nevada and Utah, sales being reported at about 10 cents per pound off the ranges.

In the central markets, heavy types of beef cattle have been selling on a considerably lower level than last year, and many feeders who stocked their pastures in the spring at the high level of prices prevailing at that time have been forced to take considerable losses. July prices of beef cattle were slightly lower than in June and more than \$2 lower than July of last year. Lamb prices, which reached their high level of the year in June, have declined almost continually since that time, July prices being \$1.85 less than the average price for June, and a further decline of 40 cents took place in the first two weeks in August.

Receipt of hogs at the principal markets in July was in excess of the number marketed in the same month last year, but less than the amount marketed in June of this year. Prices declined approximately \$1.40 during July and a further reduction of approximately a dollar took place during the first half of August.

The average prices of livestock at the Chicago market for July, with comparisons, are reported by the Chicago Federal Reserve Bank as follows:

AVERAGE PRICES OF LIVESTOCK

[Per hundred pounds at Chicago]

	Week ended Aug. 14, 1926	Month of—		
		July, 1926	June, 1926	July, 1925
Native beef steers (average).....	\$9.65	\$9.40	\$9.65	\$12.10
Fat cows and heifers.....	6.85	6.75	7.50	6.20
Hogs (bulk of sales).....	11.60	12.65	14.05	13.15
Yearling sheep.....	10.75	11.30	13.20	11.25
Lambs (average).....	13.75	14.15	16.00	14.80

Dairy products.—Cold-storage holdings of butter at the end of July were 50 per cent greater than the amount held on the same date a year ago. The increase for the month of July, which was approximately 44,000,000 pounds was slightly less than in the comparable period last year, however. The average price of July butter showed but little change from that of the preceding month, but was approximately 2 cents below the average price of July, 1925. The market situation, however, has tended to show some strength, as pasture and crop conditions have been adverse to favorable production in many areas of the dairy section.

The production of cheese during 1926 has been maintained at a slightly higher level than in the same period of last year. While storage holdings, which totaled 73,579,000 pounds on August 1, 1926, were slightly larger than a year ago, the decrease in storage holdings for July was greater than in the same period a year ago. July prices for cheese were practically on the same level as the preceding month and approximately 2 cents below that of 1925.

Cotton.—Estimates by the Department of Agriculture, based upon the condition of the cotton crop on August 16, indicated a final yield of 15,248,000 bales. This is a reduction of 373,000 bales from the expected yield of 15,621,000 bales at the beginning of the month. In all States except North Carolina,

South Carolina, and Tennessee the condition of the crop was lower than at the beginning of the month, but the largest reductions were in Texas and Oklahoma. More recent reports indicate that a large part of the growing areas was adversely affected by excessive rains and unfavorable weather in the late weeks of August. The crop is generally later than last year, and ginnings prior to August 16 amounted to only 181,752 bales, compared with 579,291 bales last year and 135,901 bales in 1924. Marketing thus far this season has been larger than in either of the two preceding seasons, although current reports indicate that both domestic and foreign buyers are hesitating to cover their requirements because of the general uncertainty that still prevails as to the probable production.

Final statistics issued by the Bureau of the Census in the middle of August showing the supply and distribution of the crop for the year ending July 31, 1926, are as follows:

SUPPLY AND DISTRIBUTION OF COTTON IN THE UNITED STATES FOR THE 12 MONTHS ENDING JULY 31, 1926

<i>Supply</i>		Bales
On hand Aug. 1, 1925, total.....		1, 609, 848
In consuming establishments.....	865, 842	
In public storage and at compresses.....	514, 006	
Elsewhere (partially estimated) ¹	230, 000	
Net imports (total imports less reexports).....	314, 925	
Ginnings during 12 months, total.....	16, 008, 633	
Crop of 1925 after July 31, 1925.....	15, 960, 884	
Crop of 1926 to Aug. 1, 1926.....	47, 749	
Aggregate supply.....	<u>17, 933, 406</u>	
<i>Distribution</i>		
Net exports (total exports less reimports).....	8, 042, 433	
Consumed.....	6, 450, 987	
Burned.....	50, 000	
On hand July 31, 1926, total.....	3, 543, 183	
In consuming establishments.....	1, 096, 521	
In public storage and at compresses.....	1, 936, 662	
Elsewhere (partially estimated) ¹	510, 000	
Aggregate distribution.....	<u>18, 086, 603</u>	
Excess of distribution over supply ²	153, 197	

¹ Includes cotton for export on shipboard but not cleared; cotton coastwise; cotton in transit to ports, interior towns, and mills; cotton on farms, etc. (agents and trade reports)

² Due principally to the inclusion in all distribution items of the "city crop," which consists of rebaled samples and pickings from cotton damaged by fire and weather.

Comparison of the data in the above table with those for the previous year shows that domestic consumption was 258,000 bales greater than in 1925 and that exports were 43,000 bales larger. This increase, however, in consumption and exports was not sufficient to absorb the increase in production, and the total amount of cotton remaining in the United States on July 31 was approximately 2,000,000 bales larger than in 1925. When the carry over is considered in relation to the probable yield, the total supply of cotton available for consumption during the present season is the largest in the past five years.

A more detailed comparison of the total supply of the cotton in recent years with the indicated supply this year is shown in the chart:

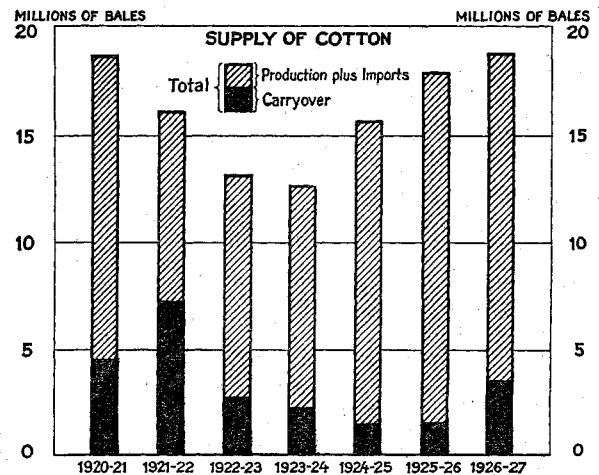


Figure for 1926-27 is estimated on basis of official forecast of production and is exclusive of imports

Tobacco.—A tobacco crop of 1,203,000,000 pounds was indicated by the Department of Agriculture on the basis of the condition of the growing crop on August 1. This compares with an estimated yield of 1,139,000,000 pounds at the beginning of July and a final harvest of 1,374,000,000 pounds last year. A smaller crop than last year is expected in all of the leading growing States except Tennessee. Harvesting in Georgia and South Carolina began late in July and marketing progressed rapidly in August. Prices in the local markets in both of these States were considerably higher than a year ago and are expected to partly offset the declines in yield.

At the beginning of July stocks of leaf tobacco held by manufacturers and dealers showed a seasonal decline from the high levels of last April, but they continued in a volume larger than in the preceding year, according to

the quarterly report by the Department of Commerce. This growth of stocks of tobacco has continued for several years, and stocks at the beginning of July were larger for that date than in any previous year for which statistics are available. The following table shows in detail statistics of stocks of principal types of tobacco on July 1, 1926, 1925, and 1924.

STOCKS OF PRINCIPAL TYPES OF TOBACCO IN HANDS OF DEALERS AND MANUFACTURERS

[Millions of pounds]

Types	July 1, 1926	July 1, 1925	July 1, 1924
Chewing, smoking, and export types, total	1,372	1,338	1,328
Burley	524	498	482
Dark—Kentucky and Tennessee	320	311	314
Bright—Virginia, North Carolina, South Carolina, and Georgia	455	462	477
Cigar types, total	424	424	443
New England	109	112	107
Pennsylvania	119	122	120
Wisconsin	105	110	116
Aggregate, all tobaccos	1,868	1,847	1,844

Fruits and vegetables.—Car-lot shipments of peaches in July exceeded all previous records with a movement of 21,069 cars. While prices continued at a fairly satisfactory level during most of July, the continued heavy marketing during the first half of August was accompanied by a much lower range in prices.

Prospects for all fruit crops, with the exception of California prunes and olives, according to the Department of Agriculture, are uniformly good. The pear and grape crops, according to the same source, will break all records, while the peach yield will exceed all records since 1915, and the apple crop is expected to be the largest since 1920.

The 1926 potato crop has been estimated at 345,569,000 bushels, which is about 20,000,000 bushels more than the very short crop of 1925. The condition of sweet potatoes has been materially improved in all producing areas with the exception of California. The current crop is estimated at 73,140,000 bushels, which would be 11,000,000 bushels more than last year's crop.

BANK SUSPENSIONS AND COMMERCIAL FAILURES

Bank suspensions.—During July 138 banks, with deposits of \$52,164,000, were reported to the Federal reserve banks as having been closed on account of financial difficulties. This is the largest number of suspensions for any month since January, 1924, and compares with a total of 77 banks, with deposits of \$41,737,000,

closed in June and 29 banks, with deposits of \$5,882,000, closed last year in July. The increase for July this year is accounted for by the increase in the number of suspending nonmember banks. Of the total number of suspensions, only 5, with deposits of \$1,978,000, were member banks—four of them national banks and one a member State bank—while 133, with deposits of \$50,186,000, were nonmember banks. More than two-thirds of the total number of suspensions during the month were nonmember banks in the States of Georgia and Florida—banks in most cases associated in a chain system the head of which became insolvent.

The largest number of suspensions was in the Atlanta district, where 97 banks (not including about 22 branches which were operated by three of the banks) were closed, only one of them a member bank. The number of suspensions in July was larger than in June in the Richmond, Atlanta, and San Francisco districts and smaller in the Philadelphia, Chicago, St. Louis, Minneapolis, and Kansas City districts. Seventeen banks which had previously been closed were reported to have resumed operations during the month—1 in the Atlanta district, 1 in the St. Louis district, 13 in the Minneapolis district, and 2 in the Kansas City district. The number and deposits of banks closed during July, 1926, are shown in the following table, by class of bank; the figures for closed banks represent, so far as can be determined, banks which have been closed to the public by order of supervisory authorities or by the directors of the bank, on account of financial difficulties, and it is not known how many of the institutions thus reported may ultimately prove to be solvent.

BANK SUSPENSIONS DURING JULY, 1926

Federal reserve district	All banks		Member ¹		Nonmember	
	Number	Total deposits ²	Number	Total deposits ²	Number	Total deposits ²
All districts	138	\$52,164,000	5	\$1,978,000	133	\$50,186,000
Boston	—	—	—	—	—	—
New York	—	—	—	—	—	—
Philadelphia	—	—	—	—	—	—
Cleveland	—	—	—	—	—	—
Richmond	7	2,072,000	1	587,000	6	1,485,000
Atlanta	97	37,751,000	1	300,000	96	37,451,000
Chicago	7	1,751,000	1	414,000	6	1,337,000
St. Louis	5	1,070,000	1	371,000	4	699,000
Minneapolis	15	6,662,000	1	306,000	14	6,356,000
Kansas City	5	816,000	—	—	5	816,000
Dallas	—	—	—	—	—	—
San Francisco	2	2,042,000	—	—	2	2,042,000

¹ Comprises 4 national banks with deposits of \$1,678,000 and 1 State member bank with deposits of \$300,000.

² Figures represent deposits for the latest available date prior to the suspensions, and are subject to revision when information for the date of suspension becomes available.

During the first three weeks of August 5 member banks and 36 nonmembers—a total of 41 banks having deposits of \$9,641,000—were reported as having been closed during the month; the largest number in any one district was 24, reported by the Federal Reserve Bank of Minneapolis. During the same period 17 banks which had previously been closed were reported to have resumed operations.

Commercial failures.—During the late spring and summer months there has been a downward trend in the number of commercial failures, a usual occurrence for this time of year, and in July failures numbering 1,605, with liabilities of \$29,680,009, were reported by R. G. Dun & Co. The number of failures was the smallest for any month of the year, comparing with 2,296 in January and 1,984 in March, and was somewhat smaller than the total for the month of July in the two preceding years. Although the liabilities involved in these failures were slightly larger than the total for June, they were the smallest July total since 1920. The decline in the number of failures from July, 1925, reflected decreases in the number of failed manufacturing enterprises and of failed trading organizations; the number of insolvent agents, brokers, etc., showed a slight increase for the year. The decline in liabilities was largely in the liabilities of the latter class of enterprise, although there was a decrease also for the trading group. Liabilities of the manufacturing group showed a slight increase for the year. Failures during

July, 1926, are shown in the following table, by class of enterprise:

COMMERCIAL FAILURES DURING JULY, 1926

Class of enterprise	Number		Liabilities (000 omitted)	
	1926	1925	1926	1925
All classes.....	1,605	1,685	\$29,680	\$34,505
Manufacturing.....	396	418	11,167	10,932
Trading.....	1,122	1,184	14,614	15,961
Agents, brokers, etc.....	87	83	3,899	7,612

The number and liabilities of commercial failures during July, 1926, by Federal reserve districts, are presented in the following table:

COMMERCIAL FAILURES DURING JULY, BY FEDERAL RESERVE DISTRICTS

Federal reserve district	Number		Liabilities	
	1926	1925	1926	1925
Total.....	1,605	1,685	\$29,680,009	\$34,505,191
Boston.....	152	155	2,742,235	2,185,740
New York.....	227	238	3,707,615	9,503,272
Philadelphia.....	76	70	3,318,600	1,802,298
Cleveland.....	137	191	3,202,436	3,986,465
Richmond.....	105	156	1,692,277	3,207,713
Atlanta.....	75	81	2,504,453	2,457,950
Chicago.....	232	230	5,555,849	5,038,051
St. Louis.....	59	60	1,124,720	940,025
Minneapolis.....	93	75	1,020,053	1,765,878
Kansas City.....	112	91	1,107,829	896,131
Dallas.....	72	33	969,986	350,729
San Francisco.....	265	205	2,733,956	2,370,939

CHANGES IN MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM APRIL 12, 1926, TO JUNE 30, 1926

Between April 12 and June 30, 1926, the number of member banks in active operation in the Federal reserve system decreased by 37, as indicated by the periodic reports required of these banks; national banks showed a decrease of 22 and member State banks a decrease of 15. Total resources of both classes of members increased during the period, the increase for all member banks taken together amounting to about \$770,000,000. The decline in the number of member banks was the net result of 40 additions to membership, for the most part newly organized national banks or existing State institutions admitted to membership, as against 77 losses, resulting chiefly from mergers and suspensions. Gains and losses in membership between April 12 and June 30, 1926, are classified for national and State members in the following table:

CHANGES IN MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM, BY CLASS OF MEMBER, APRIL 12, 1926, TO JUNE 30, 1926

	Member banks			Resources (in thousands of dollars)
	Number			
	National	State	Total	
Active member banks—Apr. 12, 1926.....	7,994	1,418	9,412	40,075,440
Additions to membership:				
Organization of national bank.....	24		24	3,379
Conversion of nonmember bank to national.....	2		2	368
Admission of State bank.....		9	9	15,826
Resumption following suspension.....	1		1	1,404
Conversion within the system.....	14	12	26	
Other additions.....	32	31	63	
Total additions.....	33	11	40	
Losses to membership:				
Merger between member banks—				
Intraclass.....	10	2	12	
Interclass.....	4	2	6	
Voluntary liquidation (terminal).....	3		3	21,082
Suspension and insolvency.....	23	5	28	18,304
Absorption of member bank by nonmember bank.....	11		11	9,832
Conversion of member to nonmember bank.....	4		4	2,453
Withdrawal of State bank.....		13	13	13,403
Conversion within the system.....		14		
Total losses.....	55	26	77	
Net change.....	-22	-15	-37	\$769,749
Active member banks—June 30, 1926.....	7,972	1,403	9,375	40,845,189

¹ Succession between members of one class and members of the other, without effect on the number of banks in the system.
² Succession of a national bank by a State bank which was nonreporting in the previous quarter, involving a temporary decrease of 1 bank in that quarter and an offsetting increase in this quarter.
³ Member banks succeeded by member banks of the same class during an earlier period, the succeeding banks not reporting until this quarter.
⁴ Includes compulsory withdrawal of one bank with resources of \$273,000.
⁵ Includes changes in resources due to reorganization, growth, contraction, etc., in addition to changes enumerated.

Since the end of 1925 there has been a net decline of 114 in the number of member banks

in active operation in the system. This decline is the result of losses which, for the most part, were incidental to mergers, suspensions, etc., and did not reflect the exercise by banks of their option regarding the retention or relinquishment of membership. There were 86 banks that joined the system during the half year and 66 member banks that withdrew. Of the banks that joined the system, 56 were newly organized national banks, 8 were nonmember banks that converted into national banks and so became members of the system, 18 were nonmember banks that were admitted to membership with the status of State institutions and 4 were banks previously closed which were found or made solvent and permitted to resume operations again. The 66 banks that relinquished membership in the system included 28 State banks that withdrew after advance notice to the Federal Reserve Board, 10 member banks that were succeeded by nonmember banks organized for that purpose, and 28 banks that were absorbed by already existing nonmember banks.

As against the voluntary accession of 20 banks resulting from the above changes, 136 other banks were lost to membership (see footnote 2 of the following table). Of these, mergers between member banks accounted for the loss of 63 banks—54 of them national and 9 of them State banks—and suspensions accounted for 60 banks—47 national and 13 State banks. There were also 12 voluntary liquidations and one compulsory withdrawal of a member State bank. In the following table changes in membership for the first half of the year are classified to show separately such changes as were incidental to the loss of identity by merging member banks or by member banks that failed or that entered voluntary liquidation.

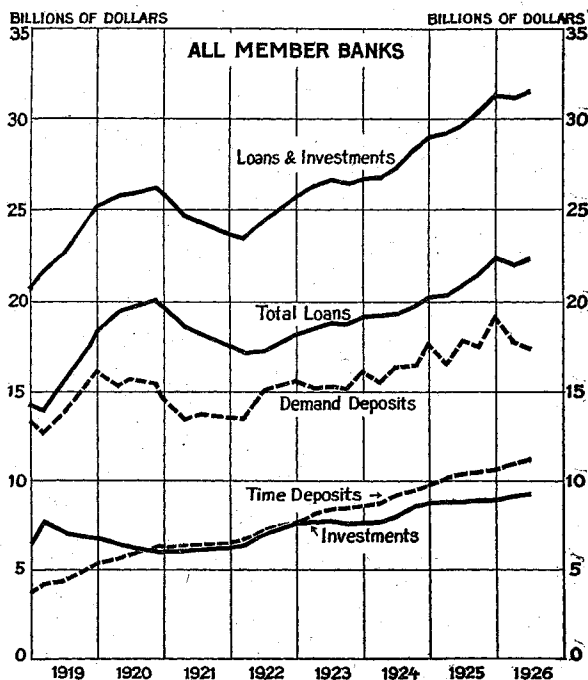
CHANGES IN MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM, DECEMBER 31, 1925, TO JUNE 30, 1926

	Number of banks
Active banks, Dec. 31, 1925.....	9,489
Banks joining the system.....	86
Banks withdrawing from the system.....	166
Net increase from banks joining and withdrawing.....	20
Banks lost to membership through mergers between member banks, suspensions, etc.....	134
Net decrease for the half year.....	114
Active member banks, June 30, 1926.....	9,375

¹ Includes 28 withdrawals which were incidental to the absorption of member banks by existing nonmember banks.
² Against an actual total of 136 such incidental losses to membership (see text) have been offset two additions resulting from two instances of succession between member banks, prior to Dec. 31, 1925, in which the succeeding banks were nonreporting until after Dec. 31, 1925.

CONDITION OF ALL MEMBER BANKS

The accompanying tables cover the condition of all member banks for a series of years ending with June 30, 1926, the latest call date, for which figures have recently become available. They show that the loans and investments of member banks, after decreasing during the first quarter of the year, increased during the second quarter to about \$31,400,000,000 and were at the middle of the year somewhat above the previous high point reached at the end of 1925. Time deposits continued to increase, while demand deposits declined further. The chart shows the course of the principal items during the last eight years.



The tables, which are more extensive than those which have heretofore appeared in the BULLETIN, give comparable figures for a series of call dates, by Federal reserve districts, as well as for the system as a whole. For the latest call, figures are given by States and by cities and a table is included showing the reserve computations for all member banks by

classes. This table shows that on June 30, 1926, the reserves of member banks, approximating \$2,240,000,000, amounted to 7.5 per cent of their net demand plus time deposits, approximating \$30,000,000,000, which are the deposits against which reserve balances to be held with the Federal reserve banks are prescribed by the Federal reserve act.

Some of the tables give the total resources and total liabilities of the member banks in full detail, as shown by the summarized condition statements, while other tables give the principal resources and liabilities. The latter have been selected with a view to including the items most relevant to the general credit situation and to the position of the member banks in relation to the Federal reserve banks. Total loans and investments and total deposits are shown by classes. While total loans and investments are an accepted measure of the volume of member bank credit outstanding, the figure for total deposits, though useful for some purposes, includes considerable duplication, largely on account of the fact that total deposits include in the aggregate a considerable volume of deposits due to banks. A better measure than total deposits, for the purpose of following the credit situation, is net demand plus time deposits, from which has been eliminated, through the prescribed method of computing net demand deposits, a part of the duplication represented in total deposits. Net demand plus time deposits, furthermore, are the deposits against which reserve requirements are computed. The tables give net demand deposits, and net demand deposits plus time deposits, and the reserves which are maintained against them in the form of balances with the Federal reserve banks. Bills payable and rediscounts, most of which represent borrowings from Federal reserve banks, are also given. Since changes in bankers' balances frequently reflect important changes in the general credit situation the amounts due to and due from banks are included among the selected items. Amounts due to banks, as given in the table, are inclusive of amounts due to foreign banks, as well as due to member and nonmember banks, but amounts due from banks are exclusive of foreign items.

ALL MEMBER BANKS—PRINCIPAL RESOURCES AND LIABILITIES ON JUNE 30, 1926, AND PRECEDING CALL DATES, BY FEDERAL RESERVE DISTRICTS

[In thousands of dollars]

Date	Loans and investments					Due from banks	Total deposits ²	Demand deposits ²	Time deposits	United States deposits	Due to banks ⁴	Net demand deposits	Net demand plus time deposits	Reserve with Federal reserve banks	Bills payable and rediscounts	Total resources	Number of reporting banks
	Total	Loans and discounts ¹	Investments														
			Total	U. S. Government securities	Other securities												

ALL MEMBER BANKS

Mar. 10, 1922	23,418,982	17,161,135	6,257,847	2,754,846	3,503,001	1,613,918	23,641,418	13,484,054	6,662,398	329,503	3,165,463	14,479,460	21,141,858	1,722,637	838,979	29,936,069	9,816
June 30, 1922	24,358,014	17,295,943	7,062,071	3,246,824	3,815,247	1,646,773	25,516,687	15,035,179	7,175,005	156,118	3,150,385	15,509,073	22,684,078	1,835,116	722,744	31,723,950	9,892
Dec. 29, 1922	25,768,503	18,080,787	7,687,716	3,788,377	3,899,339	1,805,579	27,271,804	15,672,741	7,644,881	461,799	3,492,383	16,186,983	23,831,864	1,939,028	877,527	33,882,571	9,859
Apr. 3, 1923	26,332,193	18,571,825	7,760,368	3,883,266	3,877,102	1,774,287	27,182,459	15,127,221	8,142,574	404,427	3,508,237	16,068,171	24,210,745	1,908,586	967,819	33,852,041	9,850
June 30, 1923	26,675,005	18,880,058	7,794,947	3,870,232	3,924,715	1,596,184	27,053,202	15,161,059	8,378,211	296,482	3,217,450	16,030,725	24,408,936	1,871,015	1,073,211	33,795,326	9,856
Sept. 14, 1923	26,497,552	18,867,100	7,640,452	3,722,441	3,918,011	1,640,178	26,914,718	15,100,551	8,466,416	144,478	3,203,273	15,892,267	24,358,683	1,868,928	1,121,362	33,728,424	9,843
Dec. 31, 1923	26,738,130	19,051,686	7,686,444	3,641,132	4,045,312	1,824,348	28,486,613	16,086,731	8,650,610	236,942	3,512,330	16,356,379	24,996,959	1,900,153	1,017,644	35,238,606	9,774
Mar. 31, 1924	26,832,034	19,175,713	7,656,321	3,569,653	4,086,668	1,643,739	28,248,081	15,586,676	8,889,923	291,767	3,479,715	16,089,676	24,979,599	1,893,301	744,515	34,820,223	9,681
June 30, 1924	27,261,559	19,264,019	7,997,540	3,607,797	4,389,743	1,940,197	29,529,561	16,292,969	9,203,545	178,946	3,854,101	16,802,176	26,005,721	1,965,453	502,907	35,777,256	9,650
Oct. 10, 1924	28,450,644	19,819,898	8,630,746	3,894,620	4,736,126	2,430,462	30,772,057	16,382,939	9,597,395	301,803	4,489,920	17,781,391	27,378,786	2,121,428	432,747	37,103,870	9,635
Dec. 31, 1924	29,026,588	20,181,309	8,845,279	3,902,793	4,942,486	2,339,488	32,361,652	17,766,469	9,804,738	242,482	4,547,963	18,446,119	28,250,857	2,227,569	656,743	38,986,867	9,587
Apr. 6, 1925	29,284,939	20,389,702	8,895,237	3,915,997	4,979,240	2,090,754	31,226,527	16,606,548	10,126,980	411,619	4,081,380	17,685,631	27,812,611	2,091,545	700,196	37,949,265	9,531
June 30, 1925	29,702,525	20,814,180	8,888,345	3,802,370	5,085,975	2,017,454	32,420,480	17,844,555	10,381,486	176,653	4,017,786	18,239,939	28,621,425	2,190,991	717,701	39,105,025	9,538
Sept. 28, 1925	30,369,058	21,450,373	8,918,685	3,785,412	5,133,273	2,031,130	32,049,168	17,426,212	10,467,237	278,211	3,877,508	18,232,538	28,009,775	2,147,111	876,662	39,053,354	9,539
Dec. 31, 1925	31,199,516	22,275,285	8,924,231	3,761,065	5,165,166	2,155,306	34,228,201	19,050,460	10,653,028	304,131	4,220,582	19,237,727	29,890,755	2,438,233	1,011,812	41,425,295	9,489
Apr. 12, 1926	31,070,003	22,006,308	9,063,695	3,831,078	5,232,617	1,933,501	32,870,217	17,686,614	10,954,747	379,450	3,849,406	18,368,685	29,323,432	2,135,948	840,858	40,075,440	9,412
June 30, 1926	31,390,887	22,267,479	9,123,408	3,744,929	5,378,479	1,980,051	33,723,572	18,342,735	11,172,863	227,647	3,980,327	18,772,484	29,945,347	2,236,172	818,911	40,845,189	9,375

BOSTON DISTRICT

June 30, 1925	2,252,028	1,620,049	631,979	233,015	398,964	88,608	2,270,331	1,340,279	758,742	12,913	158,397	1,350,456	2,100,198	141,042	73,820	2,806,493	420
Sept. 28, 1925	2,324,689	1,690,152	634,537	232,661	401,876	87,157	2,302,544	1,364,726	762,858	19,656	155,304	1,381,936	2,144,794	141,545	66,331	2,828,849	420
Dec. 31, 1925	2,395,186	1,725,567	669,619	247,550	422,060	104,944	2,410,994	1,433,757	782,875	27,916	166,446	1,426,888	2,209,763	141,116	105,230	2,985,027	420
Apr. 12, 1926	2,391,130	1,686,123	705,007	274,882	430,125	90,542	2,395,852	1,361,446	782,461	53,727	168,218	1,385,805	2,198,266	143,796	48,741	2,933,663	418
June 30, 1926	2,428,260	1,707,053	719,207	256,848	462,359	93,797	2,457,656	1,421,565	844,070	30,211	161,810	1,405,825	2,249,895	145,607	65,311	2,999,620	416

NEW YORK DISTRICT

June 30, 1925	8,868,820	5,970,063	2,898,757	1,245,064	1,653,693	207,783	10,391,136	6,712,759	2,099,725	25,851	1,552,801	6,601,624	8,701,349	848,817	260,865	12,438,021	866
Sept. 28, 1925	8,956,932	6,104,294	2,852,638	1,204,333	1,648,305	178,142	9,678,422	6,167,795	2,111,813	66,115	1,332,699	6,332,300	8,444,113	801,882	353,087	11,874,244	874
Dec. 31, 1925	9,515,821	6,725,534	2,790,237	1,191,180	1,599,107	205,724	11,036,557	7,200,083	2,178,484	74,352	1,583,638	6,943,833	9,122,317	868,685	472,171	13,438,022	880
Apr. 12, 1926	9,212,964	6,380,062	2,832,902	1,172,065	1,660,837	187,772	10,046,142	6,306,968	2,253,128	71,037	1,415,009	6,427,968	8,681,096	781,876	329,106	12,382,278	885
June 30, 1926	9,476,838	6,567,175	2,909,663	1,196,774	1,712,889	202,914	10,743,387	6,823,091	2,312,027	42,021	1,566,248	6,807,434	9,119,461	864,614	278,858	12,990,768	896

PHILADELPHIA DISTRICT

June 30, 1925	2,250,996	1,382,480	868,516	233,574	634,942	108,951	2,178,111	1,131,039	809,256	18,917	218,899	1,179,636	1,988,892	139,752	56,629	2,770,733	749
Sept. 28, 1925	2,312,234	1,449,681	862,553	226,785	635,768	109,112	2,192,458	1,130,778	829,146	26,712	206,822	1,180,788	2,009,934	129,518	58,275	2,800,949	751
Dec. 31, 1925	2,341,411	1,488,813	852,598	225,490	627,108	126,891	2,299,978	1,197,807	849,918	28,906	223,347	1,220,548	2,070,466	139,801	65,567	2,916,820	753
Apr. 12, 1926	2,411,721	1,551,887	859,834	244,897	614,937	118,656	2,291,391	1,152,189	880,283	47,298	211,621	1,191,785	2,072,068	131,910	71,346	2,934,337	756
June 30, 1926	2,422,984	1,577,647	845,337	213,342	631,995	117,493	2,318,062	1,168,840	897,745	27,070	224,407	1,210,013	2,107,758	135,378	70,049	2,959,863	760

CLEVELAND DISTRICT

June 30, 1925	3,032,643	2,015,960	1,016,683	414,363	602,330	158,871	3,033,791	1,428,469	1,328,000	24,696	252,626	1,503,669	2,831,669	175,224	52,484	3,718,825	865
Sept. 28, 1925	3,098,474	2,070,995	1,027,479	423,264	604,215	161,947	3,051,594	1,428,668	1,342,045	35,393	245,488	1,502,369	2,844,414	176,535	72,941	3,773,916	864
Dec. 31, 1925	3,060,616	2,063,984	996,632	388,837	607,795	170,764	3,052,003	1,437,733	1,338,656	27,751	247,863	1,472,656	2,811,312	172,340	80,880	3,778,228	863
Apr. 12, 1926	3,130,957	2,116,647	1,014,310	413,813	600,497	161,630	3,096,088	1,425,482	1,388,458	41,796	240,352	1,477,233	2,865,691	177,825	71,778	3,828,744	860
June 30, 1926	3,166,831	2,141,394	1,025,437	402,385	623,052	177,936	3,168,849	1,477,543	1,426,613	25,181	239,512	1,528,780	2,955,393	179,455	64,904	3,887,702	860

RICHMOND DISTRICT

June 30, 1925	1,255,852	991,313	264,539	133,891	130,648	91,496	1,212,905	567,304	510,542	12,088	122,971	576,684	1,087,226	62,745	68,535	1,587,745	607
Sept. 28, 1925	1,280,489	1,019,307	261,182	131,374	129,808	104,110	1,248,326	582,968	507,871	13,877	143,610	608,992	1,111,863	68,417	71,013	1,634,745	606
Dec. 31, 1925	1,297,421	1,033,410	264,011	129,927	134,084	112,063	1,316,122	630,877	510,316	15,343	159,286	650,200	1,160,516	70,031	58,612	1,693,744	604
Apr. 12, 1926	1,298,087	1,030,423	267,664	134,889	132,775	94,614	1,274,914	597,618	517,887	21,124	138,285	616,696	1,134,583	66,746	55,335	1,647,990	592
June 30, 1926	1,282,285	1,017,261	265,024	126,264	138,760	99,617	1,267,673	601,370	522,721	13,775	129,807	611,218	1,133,939	66,977	59,590	1,637,107	587

ATLANTA DISTRICT

June 30, 1925	1,084,669	877,611	207,058	92,967	114,091	168,938	1,207,982	617,362	398,360	11,584	180,676	649,749	1,048,109	70,528	31,445	1,473,611	501
Sept. 28, 1925	1,201,129	963,281	237,848	108,315	129,533	215,141	1,371,128	700,947	407,425	18,521	244,235	755,631	1,163,056	77,372	37,637	1,656,772	500
Dec. 31, 1925	1,250,457	1,000,459	249,998	108,235	141,763	210,957	1,447,913	777,877	425,613	16,176	228,247	808,897	1,234,510	79,311	37,332	1,730,959	495
Apr. 12, 1926	1,241,111	992,418	248,093	109,802	138,891	172,755	1,356,277	714,997	432,954	20,542	187,784	748,509	1,181,463	77,529	55,068	1,666,165	492
June 30, 1926	1,172,806	939,583	233,223	95,441	137,782	154,822	1,266,375	651,812	443,009	12,751	158,803	667,597	1,110,606	67,406	50,478	1,566,411	488

CHICAGO DISTRICT

June 30, 1925	4,382,362	3,189,462	1,192,900	512,742	680,158	375,695	4,794,593	2,320,315	1,833,638	29,852	610,788	2,476,744	4,310,382	322,224	79,464	5,661,981	1,404
Sept. 28, 1925	4,443,316	3,252,134	1,191,182	500,294	690,888	334,589	4,739,221	2,297,301	1,837,642	31,819	572,959	2,489,929	4,327,571	319,513	72,928	5,624,206	1,406
Dec. 31, 1925	4,490,797	3,284,389	1,206,408	499,050	707,358	341,102	4,871,170	2,366,954	1,881,042	37,068	586,106	2,532,996	4,414,038	305,336	101,974	5,759,964	1,398
Apr. 12, 1926	4,502,797	3,295,424	1,207,373	484,972	722,401	337,713	4,829,502	2,289,619	1,898,341	35,324	606,218	2,517,245	4,415,586	321,071	90,148	5,726,809	1,379
June 30, 1926	4,581,827	3,376,650	1,205,177	496,670	708,507	368,451	4,953,251	2,384,374	1,935,044	20,976	612,858	2,554,729	4,489,773	342,157	101,383	5,872,509	1,366

ST. LOUIS DISTRICT

June 30, 1925	1,230,332	877,823	352,509	132,054	220,455	177,784	1,272,089	647,184	441,922	7,621	175,362	697,990	1,139,912	73,343	24,553	1,558,142	621
Sept. 28, 1925	1,283,346	929,995	353,351	132,822	220,529	126,163	1,303,438	650,849	452,819	10,168	189,602	708,057	1,160,876	75,114	48,747	1,620,921	629
Dec. 31, 1925	1,312,477	951,459	361,018	138,109	222,909	127,239	1,387,050	717,534	452,196	12,590	204,730	776,891	1,229,087	81,912	29,747	1,686,342	628
Apr. 12, 1926	1,334,779	972,287	362,492	141,291	221,201	114,311	1,374,691	700,527	479,134	16,123	178,907	751,256	1,230,390	82,611	31,148	1,682,750	622
June 30, 1926	1,320,587	952,346	368,241	135,854	232,387	110,096	1,343,279	684,633	476,569	9,865	172,212	740,424	1,216,993	76,904	35,623	1,653,823	619

For footnotes see p. 648.

ALL MEMBER BANKS—PRINCIPAL RESOURCES AND LIABILITIES ON JUNE 30, 1926, AND PRECEDING CALL DATES, BY FEDERAL RESERVE DISTRICTS—Con.

Date	Loans and investments					Due from banks	Total deposits ²	Demand deposits ³	Time deposits	United States deposits	Due to banks ⁴	Net demand deposits	Net demand plus time deposits	Reserve with Federal reserve banks	Bills payable and rediscounts	Total resources	Number of reporting banks
	Total	Loans and discounts ¹	Investments														
			Total	U. S. Government securities	Other securities												
MINNEAPOLIS DISTRICT																	
June 30, 1925.....	888,490	596,944	291,546	141,178	150,368	110,190	988,414	430,400	435,281	5,188	117,485	463,152	898,433	54,175	7,306	1,147,653	859
Sept. 28, 1925.....	895,596	599,458	296,108	140,944	155,164	112,013	995,694	429,309	433,906	8,161	127,318	466,087	899,993	53,789	7,666	1,158,126	848
Dec. 31, 1925.....	893,356	586,117	307,239	146,536	160,703	127,243	1,011,532	435,345	437,717	7,429	131,041	467,828	905,545	52,192	4,689	1,170,254	829
Apr. 12, 1926.....	889,846	575,372	314,474	147,845	166,629	104,869	983,280	420,428	438,964	9,499	114,389	450,891	889,855	53,592	5,670	1,141,111	817
June 30, 1926.....	880,562	567,763	312,799	142,334	170,466	101,544	965,765	410,796	435,449	6,009	104,511	444,379	879,828	48,457	5,228	1,120,404	804
KANSAS CITY DISTRICT																	
June 30, 1925.....	1,115,806	804,929	310,877	174,493	136,384	231,461	1,384,582	793,815	312,102	7,120	271,545	863,660	1,175,762	91,446	8,753	1,593,376	1,048
Sept. 28, 1925.....	1,136,942	817,277	319,665	178,223	141,442	197,240	1,364,292	795,267	309,748	7,965	251,312	871,339	1,181,087	87,775	10,896	1,575,287	1,038
Dec. 31, 1925.....	1,132,852	804,988	327,864	182,636	145,228	229,406	1,408,448	836,652	294,962	8,330	268,504	891,807	1,186,769	92,986	16,898	1,622,124	1,027
Apr. 12, 1926.....	1,139,414	794,233	345,181	199,322	145,859	188,641	1,348,970	794,508	315,685	15,808	222,969	845,366	1,161,051	83,990	20,007	1,567,228	1,017
June 30, 1926.....	1,157,139	811,649	345,490	187,698	157,792	199,704	1,391,499	818,273	323,494	11,509	238,223	871,088	1,194,582	88,973	16,503	1,604,992	1,011
DALLAS DISTRICT																	
June 30, 1925.....	791,909	637,973	153,936	113,707	40,229	133,823	882,959	587,970	167,305	8,598	119,086	601,022	768,327	57,174	12,703	1,102,054	847
Sept. 28, 1925.....	823,117	664,145	158,972	114,589	44,383	163,817	951,362	612,084	164,640	13,917	160,721	642,102	806,742	59,010	15,926	1,179,756	854
Dec. 31, 1925.....	832,621	668,065	164,556	115,339	49,217	152,668	980,486	649,624	158,382	14,065	158,415	680,680	839,062	60,062	6,161	1,195,278	832
Apr. 12, 1926.....	833,089	667,847	165,242	120,791	44,451	135,343	929,064	623,005	169,465	12,496	124,098	636,389	805,854	58,172	12,309	1,156,674	850
June 30, 1926.....	807,731	649,791	157,940	113,323	44,617	121,089	871,272	590,128	163,897	7,372	109,875	598,857	762,754	57,342	25,393	1,109,202	843
SAN FRANCISCO DISTRICT																	
June 30, 1925.....	2,548,618	1,849,573	699,045	375,332	323,713	223,855	2,808,587	1,267,599	1,286,613	12,225	237,150	1,275,547	2,562,160	154,521	41,144	3,246,391	751
Sept. 28, 1925.....	2,612,794	1,889,624	723,170	391,808	331,362	240,799	2,850,689	1,268,520	1,307,324	26,407	248,438	1,298,014	2,605,338	156,641	61,215	3,325,583	749
Dec. 31, 1925.....	2,676,501	1,942,500	734,001	388,176	345,825	246,303	3,005,948	1,366,217	1,342,867	34,005	262,859	1,364,503	2,707,370	168,461	32,601	3,448,593	740
Apr. 12, 1926.....	2,684,108	1,943,585	740,523	386,509	354,014	226,655	2,944,046	1,299,827	1,367,987	34,676	241,556	1,319,539	2,687,526	156,830	50,202	3,407,691	724
June 30, 1926.....	2,695,037	1,959,167	738,870	377,996	357,874	232,588	2,976,504	1,301,310	1,392,225	20,908	262,061	1,326,009	2,718,234	162,902	45,593	3,442,728	725

¹ Including rediscounts and overdrafts.
² Includes demand deposits, certified and cashiers' checks outstanding, time deposits, U. S. deposits, and due to banks.
³ Including certified and cashiers' or treasurers' checks outstanding.
⁴ Including due to Federal reserve banks.

ALL MEMBER BANKS—CONDITION ON JUNE 30, 1926, BY FEDERAL RESERVE DISTRICTS

[In thousands of dollars]

	Total (9,375 banks)	Federal reserve district											
		Boston (416 banks)	New York (896 banks)	Phila- delphia (760 banks)	Cleve- land (860 banks)	Rich- mond (587 banks)	Atlanta (488 banks)	Chicago (1,366 banks)	St. Louis (619 banks)	Minne- apolis (804 banks)	Kansas City (1,011 banks)	Dallas (843 banks)	San Fran- cisco (725 banks)
RESOURCES													
Loans and discounts.....	22,251,374	1,706,444	6,564,517	1,577,278	2,140,486	1,016,652	937,737	3,374,535	950,912	567,123	810,539	648,293	1,956,858
Overdrafts.....	16,105	609	2,658	369	908	609	1,846	2,115	1,434	640	1,110	1,498	2,309
United States Government securities.....	3,744,929	256,848	1,196,774	213,342	402,385	126,264	95,441	406,070	135,854	142,234	187,698	113,323	377,996
Other bonds, stocks, and securities.....	5,378,479	462,359	1,712,889	631,995	623,052	138,760	137,782	708,507	232,387	170,465	157,792	44,617	357,874
Total loans and investments.....	31,390,887	2,426,260	9,476,838	2,422,984	3,166,831	1,282,285	1,172,806	4,581,827	1,320,587	880,562	1,157,139	807,731	2,695,937
Customers' liability on account of acceptances.....	431,307	44,115	309,627	11,203	6,143	6,692	5,355	23,427	1,005	481	9	1,313	21,937
Banking house, furniture, and fixtures.....	969,380	64,441	192,735	73,929	132,575	59,093	50,984	148,337	38,546	24,836	44,694	41,232	97,978
Other real estate owned.....	172,986	7,771	13,916	10,704	17,982	10,840	11,394	28,503	8,152	15,206	16,591	12,205	19,692
Cash in vault.....	534,120	43,419	116,240	40,946	57,435	26,739	31,099	84,694	22,384	18,596	27,836	21,776	42,956
Reserve with Federal reserve banks.....	2,236,172	145,607	864,614	135,378	179,455	66,977	67,406	342,157	70,904	48,457	88,973	57,342	162,902
Items with Federal reserve banks in process of collection.....	732,161	62,937	247,499	59,207	68,334	43,303	27,345	80,365	36,030	7,630	35,920	25,329	38,262
Due from banks, bankers, and trust companies.....	1,980,051	93,797	202,914	117,493	177,936	99,617	154,822	368,451	110,096	101,544	199,704	121,089	232,588
Exchanges for clearing house, also checks on other banks in same place.....	1,762,736	73,056	1,278,908	63,724	42,308	24,888	22,373	138,400	20,011	10,381	22,321	10,544	55,822
Outside checks and other cash items.....	10,391	30,508	5,121	9,605	4,518	6,105	17,575	3,723	6,322	4,793	3,718	35,487	30,498
Redemption fund and due from United States Treasurer.....	32,997	2,338	4,283	2,828	4,326	2,980	1,983	4,370	2,033	1,443	1,787	2,175	2,451
United States securities borrowed.....	37,593	223	394	2,313	8,784	2,608	3,866	7,176	4,479	177	1,069	1,146	5,358
Other securities borrowed.....	7,038	21	65	104	364	337	1,320	3,802	98	14	332	153	433
Other assets.....	419,895	25,244	252,227	13,929	15,624	6,230	9,613	43,425	9,780	4,815	3,824	3,359	31,825
Total.....	40,845,189	2,999,620	12,990,768	2,959,863	3,887,702	1,637,107	1,566,411	5,872,509	1,653,823	1,120,464	1,604,992	1,109,202	3,442,728
LIABILITIES													
Capital stock paid in.....	2,169,494	153,522	562,088	151,748	216,513	115,953	98,970	311,151	113,432	65,816	92,978	96,538	190,775
Surplus fund.....	1,899,565	137,867	605,758	258,135	234,498	85,690	65,626	240,768	61,501	34,963	42,908	43,673	88,178
Undivided profits, less expenses and taxes paid.....	763,156	70,114	264,892	78,169	75,157	30,612	23,588	92,927	27,987	13,848	17,885	22,234	45,693
Reserved for taxes, interest, etc., accrued.....	124,484	12,571	39,937	6,535	15,422	4,255	4,501	21,819	3,904	3,994	3,395	2,282	5,869
Due to Federal reserve banks.....	45,214	4,492	14,748	6,696	2,954	9,733	2,214	1,434	265	-----	27	2,179	472
Due to banks, bankers, and trust companies.....	3,935,113	157,318	1,551,500	217,711	236,558	120,074	156,589	611,424	171,947	104,511	233,196	107,696	261,589
Certified and cashiers' or treasurers' checks outstanding.....	962,694	39,982	697,703	16,253	25,282	12,682	11,281	49,049	11,221	11,169	19,538	10,454	58,080
Demand deposits.....	17,380,041	1,381,583	6,125,388	1,152,587	1,452,261	588,688	640,531	2,335,325	673,412	408,627	798,735	579,674	1,243,230
Time deposits.....	11,172,863	844,070	2,312,027	897,745	1,426,613	522,721	443,009	1,935,044	476,569	435,449	323,494	163,897	1,392,225
United States deposits.....	227,647	30,211	42,021	27,070	25,181	13,775	12,751	20,975	9,865	6,009	11,509	7,372	20,908
Total deposits.....	33,723,572	2,457,656	10,743,357	3,315,062	3,165,849	1,267,673	1,266,375	4,953,251	1,343,279	965,765	1,391,499	871,272	3,976,504
Agreements to repurchase United States Government or other securities sold.....	5,632	500	2,019	38	343	945	113	390	65	-----	698	521	-----
Bills payable (including all obligations representing money borrowed, other than rediscounts).....	390,839	25,299	98,802	49,512	47,096	29,889	15,982	63,112	18,876	1,998	5,302	13,740	21,231
Notes and bills rediscounted (including acceptances of other banks and foreign bills of exchange or drafts sold with indorsement).....	428,072	40,012	180,056	20,537	17,808	29,701	34,406	38,271	16,747	3,228	11,201	11,653	24,362
Letters of credit and travelers' checks sold for cash and outstanding.....	38,415	1,394	29,101	581	1,073	326	98	4,002	151	68	157	207	1,257
Acceptances executed for customers.....	425,751	45,626	301,004	7,449	8,120	7,070	7,283	24,334	1,003	427	8	1,338	22,089
Acceptances executed by other banks for account of reporting banks.....	42,054	1,975	33,123	4,144	237	104	323	782	2	166	-----	-----	1,198
National-bank notes outstanding.....	650,662	45,904	84,082	55,614	85,565	58,485	39,277	86,920	40,283	28,401	35,551	42,595	47,985
United States securities borrowed.....	37,593	223	394	2,313	8,784	2,608	3,866	7,176	4,479	177	1,069	1,146	5,358
Other securities borrowed.....	7,038	21	65	104	364	337	1,320	3,802	93	14	332	153	433
Other liabilities.....	138,872	6,936	46,060	6,922	7,873	3,459	4,593	23,804	22,021	1,599	2,009	1,800	11,796
Total.....	40,845,189	2,999,620	12,990,768	2,959,863	3,887,702	1,637,107	1,566,411	5,872,509	1,653,823	1,120,464	1,604,992	1,109,202	3,442,728

SEPTEMBER, 1926

FEDERAL RESERVE BULLETIN

ALL MEMBER BANKS—CONDITION OF NATIONAL AND STATE MEMBERS ON JUNE 30, 1926, BY CLASS OF MEMBER AND BY CLASSES OF BANKS

[In thousands of dollars]

	All member banks				National members				State members			
	Total (9,375 banks)	Central reserve city banks (79 banks)	Other reserve cities (544 banks)	Country banks (8,752 banks)	Total (7,972 banks)	Central reserve city banks (36 banks)	Other reserve cities (365 banks)	Country banks (7,571 banks)	Total (1,403 banks)	Central reserve city banks (43 banks)	Other reserve cities (179 banks)	Country banks (1,181 banks)
RESOURCES												
Loans and discounts.....	22,251,374	5,921,135	8,018,090	8,312,149	13,412,839	2,914,668	4,183,155	6,315,016	8,388,535	3,006,467	3,834,935	1,997,133
Overdrafts.....	16,105	2,444	5,401	8,260	9,717	793	2,344	6,580	6,388	1,651	3,067	1,680
United States Government securities.....	3,744,929	1,066,254	1,326,142	1,352,533	2,466,147	578,646	765,518	1,121,983	1,278,782	487,608	560,624	230,550
Other bonds, stocks and securities.....	5,378,479	987,040	1,606,292	2,785,147	3,371,013	444,108	776,298	2,150,607	2,007,466	542,932	829,994	634,540
Total loans and investments.....	31,390,887	7,976,873	10,955,925	12,458,059	19,259,716	3,938,215	5,727,315	9,594,186	12,131,171	4,038,658	5,228,610	2,863,903
Customers' liability on account of acceptances.....	431,307	328,209	95,251	7,847	232,460	157,976	70,135	4,349	198,847	170,233	25,116	3,498
Banking house, furniture, and fixtures.....	969,380	139,251	375,882	454,247	632,230	71,518	198,419	362,293	337,150	67,733	177,463	91,954
Other real estate owned.....	172,986	2,645	50,375	119,966	115,851	291	21,010	94,550	57,135	2,354	29,365	25,416
Cash in vault.....	534,120	76,835	155,737	301,548	358,937	36,205	85,712	237,020	20,326	9,750	3,806	6,770
Reserve with Federal reserve banks.....	2,236,172	868,877	744,677	622,618	1,381,171	462,676	432,745	485,750	154,867	30,880	66,219	57,768
Items with Federal reserve banks in process of collection.....	732,161	221,002	397,892	113,267	501,409	142,253	279,127	80,029	855,001	406,201	311,932	136,868
Due from banks, bankers, and trust companies.....	1,980,051	222,501	849,744	907,806	1,480,273	109,083	607,286	763,904	230,752	78,749	118,765	33,238
Exchanges for clearing house, also checks on other banks in same place.....	1,762,736	1,336,801	347,885	78,056	996,890	717,652	222,900	56,338	499,778	113,418	242,468	143,902
Outside checks and other cash items.....	32,997	28,430	80,439	28,997	69,281	11,994	33,919	23,368	765,846	619,149	124,985	21,712
Redemption fund and due from United States Treasurer.....	32,997	1,778	7,493	23,726	32,997	1,778	7,493	23,726	68,585	16,436	46,520	5,629
United States securities borrowed.....	37,593	185	22,842	14,566	24,442	185	14,888	9,369	13,151	-----	7,954	5,197
Other securities borrowed.....	7,038	150	1,953	4,935	3,173	150	602	2,421	3,865	-----	1,351	2,514
Other assets.....	419,895	267,788	109,448	42,659	213,778	140,197	52,635	21,046	206,117	127,591	56,913	21,613
Total.....	40,845,189	11,471,325	14,195,543	15,178,321	25,302,608	5,790,173	7,754,086	11,758,349	15,542,581	5,681,152	6,441,457	3,419,972
LIABILITIES												
Capital stock paid in.....	2,169,484	487,550	735,958	945,976	1,412,072	248,650	415,593	747,829	757,412	238,900	320,365	198,147
Surplus fund.....	1,899,565	556,617	633,684	709,264	1,198,061	313,330	316,983	567,748	701,504	243,287	316,701	141,516
Undivided profits, less expenses and taxes paid.....	763,156	218,612	229,029	315,515	477,450	102,720	127,731	246,999	285,706	115,892	101,298	68,516
Reserved for taxes, interest, etc., accrued.....	124,484	46,129	47,246	31,109	64,608	21,432	22,787	20,389	59,876	24,697	24,459	10,720
Due to Federal reserve banks.....	45,214	56	10,024	35,134	33,794	-----	7,351	26,443	11,420	56	2,673	8,691
Due to banks, bankers, and trust companies.....	3,935,113	1,841,527	1,670,124	423,462	2,864,518	1,214,576	1,303,197	346,745	1,070,595	626,951	366,927	76,717
Certified and cashiers' or treasurers' checks outstanding.....	962,694	697,975	175,160	89,559	505,554	348,333	90,561	66,660	457,140	349,642	84,599	22,899
Demand deposits.....	17,380,041	5,630,472	5,877,860	5,871,709	10,772,668	2,769,927	3,477,606	4,535,135	6,607,373	2,870,545	2,400,254	1,336,574
Time deposits.....	11,172,863	1,222,284	4,070,611	5,879,968	6,312,173	404,824	1,475,179	4,432,170	4,860,690	817,460	2,595,432	1,447,798
United States deposits.....	227,647	39,653	150,909	37,085	142,729	22,157	91,463	29,109	84,918	17,496	59,446	7,976
Total deposits.....	33,723,572	9,431,967	11,954,688	12,336,917	20,631,436	4,749,817	6,445,357	9,436,262	13,092,136	4,682,150	5,569,331	2,900,655
Agreements to repurchase United States Government or other securities sold.....	5,632	1,770	1,833	2,029	3,489	-----	1,533	1,956	2,143	1,770	300	73
Bills payable (including all obligations representing money borrowed, other than rediscounts).....	390,839	78,707	139,183	172,949	253,807	44,925	81,368	127,514	137,032	33,782	57,815	45,435
Notes and bills rediscounted (including acceptances of other banks and foreign bills of exchange or drafts sold with indorsement).....	428,072	177,583	108,535	141,954	268,801	78,630	77,154	113,017	159,271	98,953	31,381	28,937
Letters of credit and travelers' checks sold for cash and outstanding.....	38,415	32,705	5,314	396	12,877	8,461	4,115	301	25,538	24,244	1,199	95
Acceptances executed for customers.....	425,751	320,718	97,715	7,318	221,131	148,990	68,590	3,551	204,620	171,728	29,125	3,767
Acceptances executed by other banks for account of reporting banks.....	42,054	33,167	7,949	938	29,801	22,241	6,702	858	12,253	10,926	1,247	80
National bank notes outstanding.....	650,662	35,009	147,206	468,447	650,662	35,009	147,206	468,447	-----	-----	-----	-----
United States securities borrowed.....	37,593	185	22,842	14,566	24,442	185	14,888	9,369	13,151	-----	7,954	5,197
Other securities borrowed.....	7,038	150	1,953	4,935	3,173	150	602	2,421	3,865	-----	1,351	2,514
Other liabilities.....	138,872	50,456	62,408	26,008	50,798	15,633	23,477	11,688	88,074	34,823	38,931	14,320
Total.....	40,845,189	11,471,325	14,195,543	15,178,321	25,302,608	5,790,173	7,754,086	11,758,349	15,542,581	5,681,152	6,441,457	3,419,972

ALL MEMBER BANKS—PRINCIPAL RESOURCES AND LIABILITIES ON JUNE 30, 1926, BY STATES—Continued

Division and State	Loans and investments					Due from banks	Total deposits ²	Demand deposits ³	Time deposits	United States deposits	Due to banks ⁴	Net demand deposits	Net demand and time deposits	Reserve with Federal reserve banks	Bills payable and rediscounts	Total resources	Number of reporting banks
	Total	Loans and discounts ¹	Investments														
			Total	U. S. Government securities	Other securities												
Mountain:																	
Montana.....	90,955	58,616	32,339	16,142	16,197	13,657	104,178	52,867	44,206	363	6,742	52,511	96,717	5,426	1,053	120,360	107
Idaho.....	51,629	35,934	15,695	9,000	6,695	7,679	58,588	37,272	18,865	122	2,329	36,619	55,484	3,228	1,276	69,104	75
Wyoming.....	32,694	22,441	10,253	6,052	4,201	5,785	37,068	21,183	13,329	136	2,420	20,907	34,236	2,014	247	44,133	34
Colorado.....	216,802	131,756	84,846	42,892	41,954	30,733	253,312	141,339	89,687	854	21,382	138,032	227,719	14,963	2,099	287,886	131
New Mexico.....	21,799	14,840	6,959	5,710	1,249	3,235	24,355	17,955	5,325	136	939	17,536	22,861	1,471	563	29,509	33
Arizona.....	29,960	21,966	7,994	4,530	3,464	3,203	36,238	23,989	11,230	99	920	23,100	34,330	1,822	1,017	41,546	18
Utah.....	79,127	58,488	20,639	8,008	12,631	10,583	89,611	41,732	34,926	24	12,929	43,920	78,846	5,365	1,147	105,781	46
Nevada.....	14,957	10,299	4,658	2,587	2,071	2,176	15,849	7,359	6,665	98	1,727	8,046	14,711	795	-----	19,379	10
Pacific:																	
Washington.....	278,037	184,249	93,788	44,833	48,955	33,937	317,306	166,260	114,856	6,016	30,174	166,214	281,070	18,635	3,111	366,845	152
Oregon.....	199,501	128,611	70,890	32,339	38,551	23,207	228,052	118,243	91,734	335	17,740	118,797	210,531	14,145	3,441	261,838	134
California.....	2,049,633	1,525,321	524,312	277,821	246,491	153,167	2,240,238	912,090	1,117,396	14,253	196,499	934,612	2,052,008	119,178	36,122	2,589,367	295
Total.....	31,390,887	22,267,479	9,123,408	3,744,929	5,378,479	1,980,051	33,723,572	18,342,735	11,172,863	227,647	3,980,327	18,766,353	29,939,216	2,236,172	818,911	40,845,189	9,375

For footnotes see page 651.

ALL MEMBER BANKS—PRINCIPAL RESOURCES AND LIABILITIES ON JUNE 30, 1926, FOR RESERVE CITIES AND FOR COUNTRY BANKS, ARRANGED BY FEDERAL RESERVE DISTRICTS

[In thousands of dollars]

	Loans and investments					Due from banks	Total deposits ²	Demand deposits ³	Time deposits	United States deposits	Due to banks ⁴	Net demand deposits	Net demand and time deposits	Reserve with Federal reserve banks	Bills payable and rediscounts	Total resources	Number of reporting banks
	Total	Loans and discounts ¹	Investments														
			Total	U. S. Government securities	Other securities												
ALL MEMBER BANKS																	
Total.....	31,390,887	22,267,479	9,123,408	3,744,929	5,378,479	1,980,051	33,723,572	18,342,735	11,172,863	227,647	3,980,327	18,766,357	29,939,220	2,236,172	818,911	40,845,189	9,375
Central reserve cities.....	7,976,873	5,923,579	2,053,294	1,066,254	987,040	222,501	9,431,967	6,328,447	1,222,284	39,653	1,841,583	6,455,471	7,677,755	868,877	256,290	11,471,325	79
Reserve cities.....	10,955,925	8,023,491	2,932,434	1,326,142	1,606,292	849,744	11,954,688	6,053,020	4,070,611	150,909	1,680,148	6,352,622	10,423,233	744,677	247,718	14,195,543	544
Country banks.....	12,458,089	8,320,409	4,137,680	1,352,533	2,785,147	907,806	12,336,917	5,961,268	5,879,968	37,085	458,596	5,958,264	11,838,232	622,618	314,903	15,178,321	8,752
BOSTON DISTRICT																	
Total.....	2,426,260	1,707,053	719,207	256,848	462,359	93,797	2,457,656	1,421,565	844,070	30,211	161,810	1,405,825	2,249,895	145,607	65,311	2,999,620	416
Boston.....	1,016,577	810,567	206,010	81,697	124,313	39,872	1,104,418	736,991	222,425	26,091	118,911	722,797	945,222	78,986	42,193	1,355,205	20
Country banks.....	1,409,683	896,486	513,197	175,151	338,046	53,925	1,353,238	684,574	621,645	4,120	42,899	683,028	1,304,673	66,621	23,118	1,644,415	396
NEW YORK DISTRICT																	
Total.....	9,476,838	6,567,175	2,909,663	1,196,774	1,712,889	202,914	10,743,387	6,823,091	2,312,027	42,021	1,566,248	6,807,434	9,119,461	864,614	278,858	12,990,768	896
Albany.....	85,334	57,233	28,101	10,515	17,586	17,267	106,952	71,044	14,327	579	21,002	73,466	87,793	7,435	2,000	122,018	3
Buffalo.....	387,585	258,773	128,812	55,308	73,504	12,094	401,001	178,593	200,204	3,486	21,040	176,431	376,635	17,815	2,700	458,786	6
New York:																	
Central reserve city.....	7,385,539	5,230,091	2,155,448	989,323	1,166,125	123,784	4,393,146	5,348,508	822,241	15,430	535,118	5,239,324	6,161,565	709,144	147,269	5,759,657	561
Reserve city.....	155,564	109,089	46,475	18,944	27,531	2,055	163,321	121,558	30,608	534	12,673	124,782	155,390	12,556	4,240	192,691	15
Country banks.....	1,462,816	911,989	550,827	122,684	428,143	47,714	5,678,967	1,103,388	1,244,647	21,992	976,415	1,093,431	2,338,078	117,664	122,649	6,457,616	311
PHILADELPHIA DISTRICT																	
Total.....	2,422,984	1,577,647	845,337	213,342	631,995	117,493	2,318,062	1,168,840	897,745	27,070	224,407	1,210,013	2,107,758	135,378	70,049	2,959,863	760
Philadelphia.....	1,040,369	752,295	288,074	70,429	217,645	68,773	1,076,789	663,515	190,750	20,391	206,441	708,650	899,430	74,268	22,461	1,354,372	46
Country banks.....	1,382,615	825,352	557,263	142,913	414,350	48,720	1,241,273	505,325	706,995	6,679	17,966	501,333	1,208,328	61,110	47,588	1,605,491	714

¹ Including rediscounts and overdrafts.

² Includes demand deposits, certified and cashiers' checks outstanding, time deposits, United States deposits, and due to banks.

³ Including certified and cashiers' or treasurers' checks outstanding.

⁴ Including due to Federal reserve banks.

ALL MEMBER BANKS—PRINCIPAL RESOURCES AND LIABILITIES ON JUNE 30, 1926, FOR RESERVE CITIES AND FOR COUNTRY BANKS, ARRANGED BY FEDERAL RESERVE DISTRICTS—Continued

	Loans and investments					Due from banks	Total deposits	Demand deposits	Time deposits	United States deposits	Due to banks	Net demand deposits	Net demand and time deposits	Reserve with Federal reserve banks	Bills payable and rediscounts	Total resources	Number of reporting banks
	Total	Loans and discounts	Investments														
			Total	U. S. Government securities	Other securities												
CLEVELAND DISTRICT																	
Total.....	3,166,831	2,141,394	1,025,437	402,385	623,052	177,936	3,168,849	1,477,543	1,426,613	25,181	239,512	1,528,780	2,955,393	179,455	64,904	3,887,702	890
Cincinnati.....	724,938	175,124	70,206	22,101	48,105	16,952	253,510	116,824	102,788	1,693	33,707	124,729	227,517	16,073	7,222	316,480	13
Cleveland.....	245,330	376,782	148,156	61,055	87,101	27,959	773,784	283,485	439,524	5,416	51,332	281,391	729,915	37,043	7,601	879,565	9
Columbus.....	96,225	70,909	25,416	8,528	16,893	8,035	106,799	65,371	23,994	1,633	14,954	69,116	93,110	8,719	2,614	127,960	8
Pittsburgh.....	671,832	354,146	317,686	155,980	161,706	29,253	640,730	394,327	124,164	13,893	111,406	442,964	567,128	49,655	18,238	833,140	20
Toledo.....	83,963	62,841	21,127	14,725	6,402	5,871	85,412	37,354	39,322	504	8,392	37,215	77,137	4,750	4,750	105,949	4
Country banks.....	1,344,538	901,692	442,846	140,001	302,845	89,806	1,309,644	589,189	696,221	2,042	19,731	573,365	1,269,586	63,215	24,449	1,624,608	806
RICHMOND DISTRICT																	
Total.....	1,282,235	1,017,261	265,024	126,264	138,760	99,617	1,267,673	601,370	522,721	13,775	129,807	611,218	1,133,939	66,977	59,590	1,637,107	537
Baltimore.....	200,671	148,211	52,460	19,245	33,215	17,146	221,865	122,523	56,834	5,394	38,283	122,834	179,668	12,494	2,688	276,874	13
Richmond.....	110,726	96,763	13,963	3,215	10,748	6,748	111,405	52,627	31,495	635	27,017	60,737	92,232	6,638	6,597	141,685	8
Washington.....	117,547	85,310	32,237	19,576	12,661	11,169	131,355	81,301	35,596	3,208	11,260	80,384	115,980	9,476	3,046	160,540	13
Country banks.....	853,341	686,977	166,364	84,228	82,136	64,554	803,038	344,914	398,796	4,538	53,247	347,203	746,059	33,369	47,259	1,058,008	553
ATLANTA DISTRICT																	
Total.....	1,172,806	939,583	233,223	95,441	137,782	154,822	1,266,375	651,812	443,009	12,751	158,803	667,597	1,110,606	67,406	50,478	1,566,411	488
Atlanta.....	97,850	75,332	22,518	11,156	11,362	11,074	103,901	51,600	29,211	3,013	20,247	56,779	85,990	4,514	3,231	131,740	6
Birmingham.....	65,500	56,056	0,444	3,331	6,113	6,990	72,753	40,979	26,091	195	5,286	41,062	67,153	4,733	550	86,345	6
Jacksonville.....	78,951	53,057	25,898	9,375	16,519	24,112	106,912	44,928	34,635	945	26,404	45,867	80,502	5,756	477	117,328	4
Nashville.....	48,105	42,750	5,355	2,913	2,442	4,555	48,319	22,281	15,980	40	10,018	23,774	39,754	2,825	4,078	63,518	5
New Orleans.....	192,266	160,370	31,896	10,276	21,620	17,637	209,379	108,292	60,281	5,172	37,127	114,828	175,109	10,558	14,360	264,194	8
Savannah.....	59,736	57,198	2,538	75	2,463	8,480	70,355	30,761	27,092	26	12,904	30,726	57,818	3,747	1,844	81,026	4
Country banks.....	630,398	494,820	135,574	58,315	77,263	81,974	654,756	353,061	249,719	3,360	46,817	354,561	604,280	35,273	25,938	821,360	455
CHICAGO DISTRICT																	
Total.....	4,581,827	3,376,650	1,205,177	496,670	708,507	368,451	4,953,251	2,384,374	1,935,044	20,975	612,858	2,554,729	4,489,773	342,157	101,383	5,872,509	1,366
Cedar Rapids.....	22,384	15,585	6,799	1,561	5,238	3,389	27,719	6,900	8,276	14	12,552	14,449	22,725	1,774		31,070	3
Chicago:																	
Central reserve city.....	1,576,099	1,239,283	336,813	164,235	172,578	33,252	1,769,342	979,939	490,043	6,964	382,396	1,116,147	1,516,190	159,733	37,476	2,094,451	21
Reserve city.....	227,943	141,407	86,536	23,190	63,346	116,169	227,700	98,046	138,963	683	3,327	94,924	233,897	14,164	3,281	277,683	43
Des Moines.....	48,616	36,649	11,967	5,585	6,382	4,575	53,014	28,298	12,109	525	12,273	35,807	47,916	4,135		64,826	6
Detroit.....	717,745	538,739	179,006	92,947	86,059	38,098	764,627	349,177	381,619	6,821	34,191	340,108	721,727	54,172	18,097	904,435	15
Dubuque.....	9,650	4,598	5,052	1,951	3,101	671	10,129	3,485	5,572	3	1,069	3,670	9,242	536		11,651	2
Grand Rapids.....	69,739	59,073	10,666	2,064	8,602	4,561	77,504	30,704	43,212	93	3,713	30,701	73,913	4,398	648	90,840	5
Indianapolis.....	93,093	69,302	23,791	10,979	12,812	14,119	106,749	58,764	18,275	1,554	27,322	67,879	86,154	6,485	1,766	133,373	5
Milwaukee.....	192,742	146,125	46,617	21,626	24,991	20,565	201,986	97,851	67,669	761	36,248	106,588	174,267	13,368	12,201	247,249	11
Peoria.....	28,521	18,162	10,359	5,267	5,092	1,789	27,920	13,719	9,804	130	4,267	15,261	26,065	1,846		36,370	4
Sioux City.....	23,791	17,001	6,790	2,996	3,794	2,766	28,174	10,366	7,942	4	9,862	16,574	24,516	1,873		32,155	5
Country banks.....	1,571,507	1,090,726	480,781	164,269	316,512	128,497	1,658,387	707,025	840,960	3,423	85,638	712,621	1,553,581	79,673	27,914	1,948,406	1,246

RESERVE COMPUTATIONS FOR ALL MEMBER BANKS ON JUNE 30, 1926

[Amounts in thousands of dollars]

	Net demand deposits			Time deposits	Net demand plus time deposits	Reserves			Ratio of reserves to net demand and time deposits (per cent)
	Demand deposits ¹	Excess of amounts due to banks over amounts due from banks ²	Total net demand deposits			Total	Required	Excess	
All member banks.....	17,380,041	1,386,312	18,766,353	11,172,863	29,939,216	2,236,172	2,226,737	9,435	7.5
Central reserve cities.....	5,630,472	824,999	6,455,471	1,222,284	7,677,755	868,877	875,880	³ 7,003	11.3
Reserve cities.....	5,877,860	474,763	6,352,623	4,070,611	10,423,234	744,677	757,381	³ 12,704	7.1
Country banks.....	5,871,709	86,550	5,958,259	5,879,968	11,838,227	622,618	593,476	29,142	5.3
Boston district.....	1,381,583	24,242	1,405,825	844,070	2,249,895	145,607	145,414	193	6.5
Boston.....	705,330	17,467	722,797	222,425	945,222	78,986	78,953	33	8.4
Country banks.....	676,253	6,775	683,028	621,645	1,304,673	66,621	66,461	160	5.1
New York district.....	6,125,388	682,046	6,807,434	2,312,027	9,119,461	864,614	877,482	³ 12,868	9.5
New York City.....	4,672,198	667,126	5,339,324	822,241	6,161,565	709,144	718,779	³ 9,635	11.5
Other reserve cities.....	365,029	9,650	374,679	245,189	619,818	37,806	44,823	³ 7,017	6.1
Country banks.....	1,088,161	5,270	1,093,431	1,244,647	2,338,078	117,664	113,880	3,784	5.0
Philadelphia district.....	1,152,587	57,426	1,210,013	897,745	2,107,758	135,378	132,893	2,485	6.4
Philadelphia.....	652,560	56,120	708,680	190,750	899,430	74,268	76,590	³ 2,322	8.3
Country banks.....	500,027	1,306	501,333	706,995	1,208,328	61,110	56,303	4,807	5.1
Cleveland district.....	1,452,261	76,519	1,528,780	1,426,613	2,955,393	179,455	178,476	979	6.1
Cleveland.....	276,204	5,187	281,391	439,524	720,915	37,043	41,325	³ 4,282	5.1
Other reserve cities.....	904,344	69,680	974,024	290,868	1,264,892	79,197	76,129	3,068	8.2
Country banks.....	571,713	1,652	573,365	696,221	1,269,586	63,215	61,022	2,193	5.0
Richmond district.....	588,688	22,530	611,218	522,721	1,133,939	66,977	66,385	592	5.9
Richmond.....	51,787	8,950	60,737	31,495	92,232	6,638	7,019	³ 381	7.2
Other reserve cities.....	199,145	4,073	203,218	92,430	295,648	21,970	23,094	³ 1,124	7.4
Country banks.....	337,756	9,507	347,263	398,796	746,059	38,369	36,272	2,097	5.1
Atlanta district.....	640,531	27,066	667,597	443,009	1,110,606	67,406	69,413	³ 2,007	6.1
Atlanta.....	51,003	5,776	56,779	29,211	85,990	4,514	6,554	³ 2,040	5.2
Other reserve cities.....	242,828	13,429	256,257	164,079	420,336	27,619	30,549	³ 2,930	6.6
Country banks.....	346,700	7,861	354,561	249,719	604,280	35,273	32,310	2,963	5.8
Chicago district.....	2,335,325	219,404	2,554,729	1,935,044	4,489,773	342,157	325,629	16,528	7.6
Chicago.....	958,274	157,873	1,116,147	400,043	1,516,190	159,733	157,101	2,632	10.5
Other reserve cities.....	679,314	46,647	725,961	694,041	1,420,002	102,751	93,416	9,335	7.2
Country banks.....	697,737	14,884	712,621	840,960	1,553,581	79,673	75,112	4,561	5.1
St. Louis district.....	673,412	67,012	740,424	476,569	1,216,993	76,904	79,010	³ 2,106	6.3
St. Louis.....	269,925	34,037	303,962	140,891	444,853	30,855	34,623	³ 3,768	6.9
Other reserve cities.....	107,762	17,724	125,486	82,999	208,485	14,724	15,038	³ 314	7.1
Country banks.....	295,725	15,251	310,976	252,679	563,655	31,325	29,349	1,976	5.6
Minneapolis district.....	408,627	35,752	444,379	435,449	879,828	48,457	49,559	³ 1,102	5.5
Minneapolis.....	88,728	22,880	111,608	52,170	163,778	10,026	12,726	³ 2,700	6.1
Other reserve cities.....	61,399	6,623	68,022	32,189	100,211	7,814	7,768	46	7.8
Country banks.....	258,500	6,249	264,749	351,090	615,839	30,617	29,065	1,552	5.0
Kansas City district.....	798,735	72,353	871,088	323,494	1,194,582	88,973	85,813	3,160	7.4
Kansas City.....	133,272	35,831	169,103	17,898	187,001	19,760	17,447	2,313	10.6
Other reserve cities.....	304,119	31,193	335,312	131,468	466,780	36,154	37,475	³ 1,321	7.7
Country banks.....	361,344	5,329	366,673	174,128	540,801	33,059	30,891	2,168	6.1
Dallas district.....	579,674	19,183	598,857	163,897	762,754	57,342	54,207	3,135	7.5
Dallas.....	70,659	4,875	75,534	15,946	91,480	7,794	8,032	³ 238	8.5
Other reserve cities.....	162,013	8,132	170,145	76,294	246,439	21,423	19,303	2,120	8.7
Country banks.....	347,002	6,176	353,178	71,657	424,835	28,125	26,872	1,253	6.6
San Francisco district.....	1,243,230	82,779	1,326,009	1,392,225	2,718,234	162,902	162,456	446	6.0
San Francisco.....	394,340	65,272	459,612	595,819	1,055,431	60,782	63,835	³ 3,053	5.8
Other reserve cities.....	458,099	11,217	469,316	524,975	994,291	64,553	62,682	1,871	6.5
Country banks.....	390,791	6,290	397,081	271,431	668,512	37,567	35,939	1,628	5.6

¹ Exclusive of certified and cashiers' or treasurers' checks outstanding.² The amounts in this column represent the total of the excess of amounts due to banks over amounts due from banks as determined for individual banks having such excess, and do not agree with the difference between aggregate amounts due to banks and due from banks. In this calculation the amounts due to banks include due to Federal reserve banks, due to banks, bankers, and trust companies, and certified and cashiers' or treasurers' checks outstanding, and amounts due from banks include items with Federal reserve banks in process of collection, due from banks, bankers, and trust companies, and exchanges for clearing house, also checks on other banks in same place.³ Deficit.

REPORT OF THE ROYAL COMMISSION ON INDIAN CURRENCY AND FINANCE¹

The Royal Commission on Indian Currency and Finance, appointed August 25, 1925, published its report on August 4, 1926. Following is a summary of the more important parts of the report:

I. INDIAN CURRENCY SYSTEM

Historical retrospect.—Before 1893 India had a monometallic system with silver as the standard of value. In 1893 the mints were closed to the free coinage of silver, and five years later the Fowler Committee was appointed to consider how the establishment of a gold standard for India could best be secured. This committee recommended making the British sovereign a legal tender and a current coin in India, and opening the Indian mints to the unrestricted coinage of gold. Gold, however, never became a substantial part of the circulation; and the standard which evolved, commonly known as a gold exchange standard, was, so far as it amounted to a definite standard at all, a standard of sterling exchange. It was in operation at the beginning of the war in 1914.

The Chamberlain Commission, appointed in 1913, abandoned the ideal of a gold standard based on a gold currency, and accepted in its place an exchange standard with an excrecent currency of sovereigns not essential to the working of the system. Owing to the outbreak of the war, no action was taken on these recommendations.

The war put the currency system of India to a severe test. The rise in the price of silver, the keen demand for Indian exports, the exceptional disbursements to be made on behalf of the British Government, caused the value of the rupee, so long anchored at 1s. 4d., to rise in December, 1919, to 2s. 4d. sterling. The Babington-Smith Committee, appointed in 1919, directed its attention to the reestablishment of stability under the then existing exchange standard, a stability which had suddenly been overthrown by the unprecedented rise in the price of silver and by the divorce of sterling from gold. They further recommended that during periods of exchange weakness the Government of India should be authorized to announce, without previous ref-

erence to the Secretary of State, their readiness to sell weekly a stated amount of reverse councils.

These recommendations were accepted, and steps were taken to maintain the new exchange rate of 2s. gold recommended by the committee. These attempts were not successful, and the Government thereupon tried to maintain it at 2s. sterling. This attempt also failed. The Government of India was at this time unable to contract currency in India as rapidly as world prices were falling. All it could do was to avoid further inflation and to effect some measure of contraction. This was insufficient to arrest the falling tide of exchange, which early in 1921 fell below the low level of 1s. 3d. sterling and 1s. gold. The 2s. ratio, adopted in 1920, remained on the statute book, but was ineffective for purposes of tender of gold to the currency office. By January, 1923, the tide had definitely turned; exchange recovered to 1s. 4d. sterling, and showed a tendency to move upward. It reached the level of 1s. 6d. sterling in October, 1924, at which time this was equivalent to about 1s. 4d. gold. From that time till March, 1926, the upward tendency of exchange continued, but it was prevented from rising above 1s. 6d. by free purchases of sterling on the part of the Government. Meanwhile sterling was restored to parity with gold about the middle of 1925, and during the 12 months which have since elapsed the value of the rupee has been in the neighborhood of 1s. 6d. gold.

The existing system.—At the present time Indian currency consists of two kinds of tokens, paper notes and silver rupees, which are mutually convertible. The paper note is in form a promise by the Government of India to pay to the bearer on demand a specified number of rupees. In addition to these two kinds of tokens, the sovereign is by statute legal tender for 10 rupees, and the Government is under an obligation to pay 10 rupees, when sovereigns are presented for encashment. As, however, the price of gold is considerably above this parity, the sovereign has disappeared from circulation and is not issued by or tendered to the Government.

The value of both forms of token currency in relation to sterling is at present being maintained between the gold points corresponding to a gold parity of 1s. 6d. No obligation has been assumed, but the Government has freely purchased sterling when the rate has stood at 1s. 6 $\frac{1}{2}$ d., and recently, in April, 1926, authorized the Imperial Bank to make

¹ Currency conditions and currency reform in India have been discussed in the FEDERAL RESERVE BULLETIN, October, 1919, pages 945-950; wherein is given the substance of the report of the Chamberlain Commission of 1913; March, 1920, pages 253-258, the report of the Babington-Smith Committee of 1919; January, 1921, pages 29-32, further monetary and exchange developments; March, 1921, pages 299-300, the history of the establishment of the Imperial Bank of India, and the regulations governing it; August, 1921, pages 937-938, and September, 1923, page 1014, later discussions regarding the silver situation as it affects India.

an offer on its behalf to sell sterling at 1s. 5 $\frac{3}{4}$ d. The stability of the gold value of the rupee is thus based upon nothing more substantial than a policy of the Government, and at present that policy can be found defined in no notification or undertaking by the Government.

Reserves and functions of reserves.—For the purpose of maintaining the value of the token currency, the Government of India holds two reserves—the paper currency reserve and the gold standard reserve. The former is composed of the proceeds of the note issue and is held as a backing against the notes in circulation; the latter has been accumulated from the profits of the coinage of silver rupees and is designed primarily to maintain the external value of those coins. The gold standard reserve at present amounts to £40,000,000. It is invested in British treasury bills and other sterling securities.

The automatic working of the exchange standard is not adequately provided for in India and never has been. Under the Indian system, contraction is not and never has been automatic. On occasions, the obligation to buy sterling exchange has been discharged by the Government without any corresponding expansion of domestic currency; the purchases have in the first instance been made against treasury balances and the currency expansion has been left to be effected subsequently at the discretion of the Government. More serious has been the absence of contraction on occasions when the currency authority has had to sell sterling exchange.

Control of currency and credit.—India is perhaps the only country among the great trading countries of the world in which the Government exercises direct control over currency in general and over the note issues in particular. The banking and currency reserves of the country are thus separated, which diminishes their capacity to effect their specific purpose of stabilization in the most economical and efficient manner. In other countries this is effected by concentrating these reserves at a central bank. Moreover, Government control of currency results in a dual control of monetary policy. The Government controls the currency. The credit situation is controlled, so far as it is controlled at all, by the Imperial Bank. With divided control there is likelihood of divided counsels and failure to coordinate. In fact, difficulties have arisen owing to the existence of two distinct authorities controlling currency and credit. The only certain way to secure coordination is to

concentrate the controls in one hand. In other countries the single controlling hand is that of a central bank.

Summary.—The commission summarizes the present state of affairs and its defects as follows:

(1) The system is far from simple, and the basis of the stability of the rupee is not readily intelligible to the uninstructed public. The currency consists of two tokens in circulation, with the unnecessary excrescence of a third full-value coin which does not circulate at all. One form of token currency (into which there is an unlimited obligation to convert the other) is highly expensive and is liable to vanish if the price of silver rises above a certain level.

(2) There is a cumbrous duplication of reserves, with an antiquated and dangerous division of responsibility for the control of credit and currency policy.

(3) The system does not secure the automatic expansion and contraction of currency. Such movements are too wholly dependent on the will of the currency authority.

(4) The system is inelastic. The utility of the provision for elasticity made on the recommendation of the Babington-Smith Committee is affected by the methods of financing Indian trade.

Alternative proposals for reform.—After exhaustive inquiry the commission has found that the possible methods by which the defects in the present system might be remedied may be reduced to three. These are (1) the perfection of the sterling exchange standard, (2) the adoption of a gold exchange standard, and (3) the adoption of a gold standard proper, with or without a gold currency.

Sterling exchange standard.—Although it would be possible to amalgamate the two reserves and to provide elasticity, the system would still have grave defects. The silver currency would still be subject to the threat implied in a rise in the price of silver. Were sterling once more to be divorced from gold, the rupee, being linked to sterling, would suffer a similar divorce. Should sterling become heavily depreciated, Indian prices would have to follow sterling prices to whatever heights the latter might soar, or, in the alternative, India would have to absorb some portion of such rise by raising her exchange. There is undoubted disadvantage for India in dependence on the currency of a single country, however stable and firmly linked to gold. For these reasons, were the standard of India to be an exchange standard, it should

undoubtedly be a gold exchange standard and not a sterling exchange standard.

The gold exchange standard.—This system also has serious defects. There would be danger that the silver rupee would vanish as soon as the price of silver rose above the melting point of the coin. A more serious defect is that although it secures stability, it has not the simplicity which is essential to secure the confidence of public opinion for any currency system under present conditions in India.

A proposed scheme for a gold currency.—The principal scheme for a gold standard and gold currency for India that was placed before the commission had two chief objects: (1) To eliminate the threat to the currency inherent in the possibility of a rise in the price of silver, by dethroning the rupee from its position as a standard coin of unlimited legal tender, and thus also to enable the constitution of the reserves to be simplified by eliminating the silver, therefrom; and (2) to cure the uneconomic habit of the people of holding the precious metals as a store of value, by assuring them, through the instrumentality of a gold currency, that the same measure which they mete out, in gold value, by way of investment or deposit with a bank, will be meted to them again, in gold value.

This scheme also has serious defects. The additional demand for gold by India would seriously depress world prices, interfere with the requirements of various European and other countries which are trying to return to the gold standard, and, most important of all, would react to the detriment of the silver market. The future of the silver market must at all times be shrouded in obscurity. Probably the production of silver in the next 10 years will be sufficient to meet the demand. But if, as contemplated in the scheme, silver should be demonetized in India, and if for several years India should meet her own normal demand for silver by melting rupees, it would not be surprising to see silver fall much below the level of 24 pence assumed in the scheme, especially if, as is not improbable, the action of India had the effect of making other silver-using countries follow suit. The Government's policy in regard to gold would also react on the silver position. If the policy of introducing the gold currency were adopted, it would, by largely augmenting the already extensive demand for a metal that threatens to be in increasingly short supply, result in further depression of the gold price of silver. The amounts of silver hoarded from time immemorial by the people of India would be

greatly depreciated in value; heavy losses would be inflicted on the poorer classes, who would find their stores of silver depreciated by the action of the Government. Furthermore, China, which is now the only great silver standard country, has for a long time been trying to find some means of substituting gold or some form of gold standard as the basis of her currency. A catastrophic fall in the price of silver in terms of gold, which would take place on the bare announcement that surplus silver equal to the world production for three years was for sale, would undoubtedly tend greatly to accelerate the movement in China and might induce her immediately to set about securing the gold needed as a basis for instituting some form of the gold exchange standard. That would in turn magnify the effect which had already been produced on silver by the Indian announcement, both by the reduction in demand and to some extent by the increased supply of silver that might come into the market. Moreover, the adoption of the gold standard by China would produce a further new demand on the world's gold supplies, and this demand would tend to appreciate gold and thus still further depress the price of silver.

II. A GOLD STANDARD FOR INDIA

The commission has arrived at the conclusion that, in order to secure public confidence in India, the currency of the country must be linked with gold in a manner that is real and conspicuously visible, or, in other words, that it is necessary to establish a true gold standard. It should be understood that this does not necessarily imply a gold currency. The essence of the proposal which the commission proceeded to develop is that the ordinary medium of circulation in India should remain as at present the currency note and the silver rupee, and that the stability of the currency in terms of gold should be secured by making the currency directly convertible into gold for all purposes, but that gold should not circulate as money. It must not circulate at first, and it need not circulate ever.

Gold in circulation.—The economic reasons against putting gold into circulation are simple and clear. If the gold in the reserve is transferred to the circulation, the structure of credit that can be built on that reserve is *pro tanto* reduced. The greater the proportion of gold in circulation, the less the elasticity of the currency system. The war has taught Europe to do without gold coins and experience has aroused doubts of their utility. In

returning to the gold standard the nations do not aim at a return to the gold currency. Great Britain has hitherto avoided the reintroduction of gold into circulation. In the United States gold, which circulates in theory, does not circulate in practice. It may well be that when India is in a position to introduce gold into circulation she will reject it as an obsolete ideal.

The gold bullion standard.—The currency system which the commission recommends for the present needs of India may be described as a gold bullion standard. It proposes that an obligation should be imposed by statute on the currency authority to buy and sell gold without limit at rates determined with reference to a fixed gold parity of the rupee, but in quantities of not less than 400 fine ounces, no limitation being imposed as to the purpose for which the gold is required. The fulfillment by the currency authority of this obligation will secure the stability of the gold value of the rupee, and the stability of exchange within the gold points corresponding to the selected parity. Gold is thus made the standard of value. The rupee is linked to gold and not to sterling or to any other currency or group of currencies.

Since gold bars are to be given in exchange for notes or silver rupees, not for export only, but for any purpose, this is not an exchange standard; it is an absolute gold standard. Nevertheless the compensatory mechanism of the exchanges is preserved, because gold bars are not currency. When gold bars are given by the currency authority for notes or rupees, the currency is contracted, while, on the other hand, when gold bars are given to the currency authority for notes or rupees, the currency is expanded.

For the purposes of India this standard fulfills the essential condition, that it should be not stable only, but simple and certain. It provides the token currency with a right of convertibility that is intelligible to the uninstructed, and with a backing that is tangible and visible. In short, it has the characteristics necessary to inspire confidence in the Indian people, to promote the habits of banking and investment, and to discourage the habit of hoarding precious metals. The statutory obligation to buy and sell gold for rupees without limit at a prescribed parity for the first time in the history of the rupee will base it on gold firmly and in a manner that is conspicuously visible. It establishes the principle that gold is the standard of Indian currency at a fixed ratio, and that the

currency authority admits it, and must maintain it.

There is no reason to suppose that the obligation to sell gold bars will result in any sudden or substantial drain on the reserves for the conversion of rupee hoards. Holders of such hoards can convert them into gold at present by buying that metal in the open market; and there is good reason to believe that large quantities of hoarded rupees have already been converted in this way. Since it is not proposed that the rupee should cease to be a legal tender, there will be no greater incentive to convert under the new system than there is now; and, as will be observed from the detailed proposals below, it is not intended that gold should be given by the currency authority at a rate cheaper than the market rate.

Buying and selling rates for gold.—A sound gold standard postulates a statutory obligation upon the currency authority to buy and sell gold at a price equivalent to the par value of the monetary unit. This obligation constitutes the cardinal condition and compelling force for the maintenance of monetary stability in relation to gold, and, through gold, in relation to all monetary systems similarly linked to gold or gold exchanges. In order to achieve this object the commission proposes to fix the selling prices of gold at rates which will enable the bank to replenish its stock of gold without loss by importation from London. Thus, when exchange is at the upper gold point the selling price for delivery at Bombay will be the par value, i. e., Rs. 21 as 3 ps. 10 per tola.¹ When exchange is below this point, the bank will be required to sell gold for delivery in London or Bombay, at the option of the purchaser at certain notified prices. These prices will be determined by the cost at which gold could be respectively purchased in London or laid down in Bombay from London when exchange is at the lower gold point. The option to the purchaser, on the other hand, to buy gold for delivery in London at the prices determined leaves the margin between the upper and lower gold points of the exchange as narrow as it could be, having regard to the cost of moving gold to and from its most convenient gold center.

Removal of the legal-tender quality of the sovereign.—The legal-tender quality of the sovereign and half sovereign should be removed. Although these coins are legal tender under the coinage act, they have, owing to the

¹ A tola is a weight of 180 grains troy of gold or silver.

existence of the 2s. rate in the statute book, long ceased to function as currency.

Introduction of savings certificates payable in gold.—It is desirable, therefore, to find some further and more direct and visible means for bringing it home to the masses that gold is the standard of value of the rupee and that the one is convertible into the other. Such a means might be found in the offer by the Government "on tap" of savings certificates, redeemable in three or five years, in legal-tender money or gold at the option of the holder. They might be issued in denominations of 1 tola and integral number of tolas, and sold for legal tender money, rupees and notes, at a price which would give the holder an attractive yield in interest. It would add to the attractiveness of the certificates if the holder were given facilities to obtain payment therefor at any time during their currency at a discount reckoned at varying rates according to the date of the encashment, but until the date of maturity it would be paid in legal-tender currency and not in gold. Thus gold for delivery in three or five years would be sold at a substantial discount in relation to the cash price. As regards the relation between these certificates and the amount of the reserve, the gold standard, of which this proposal is a useful auxiliary, and which it confirms, does no doubt necessitate a strengthening of the gold holding in the currency reserve, as proposed below.¹

Convertibility of notes into silver rupees.—The termination of the anomalous provision by which one form of note, the paper note, is convertible by law into another form, the silver note, is an essential step in Indian currency reform which must be taken sooner or later. The existence of this obligation has in the past placed, and may conceivably again place, the currency system of the country completely at the mercy of the price of silver. Prudence clearly demands that such a risk, however remote, should be provided against if possible. Moreover, it entails keeping in the currency reserve, for purposes of internal convertibility, a large stock of silver which for external purposes is of little value. When most needed it is liable to prove incapable of realization. No opportunity for the termination of this obligatory convertibility is likely to be so favorable as the present, when, by making the notes convertible into gold bars for all purposes, a more solid right of convertibility is attached to them than they have ever had since silver

ceased to be a reliable standard of value. The obligation must continue in relation to the present currency notes so long as those notes remain in circulation, because the Government's promise to redeem them in rupees must be religiously kept. But no legal obligation for conversion into silver rupees should attach to the new notes, the issue of which is proposed below. At the same time it is essential to provide facilities for the free exchange of notes for rupees so long as the people desire to obtain metallic rupees in exchange for them.

Since there are at present approximately 850,000,000 rupees of silver coin and bullion in the reserves and further quantities of rupees may be expected to come out of hoard in due course, a long period must elapse before there is any possibility of the slightest practical difficulty in converting any note that is presented into silver rupees. Practically, therefore, the change in the legal status of the notes should be quite unfelt, and before the present stock of rupees runs low the stabilization of the rupee in terms of gold will have had time to establish confidence in the note issue on a basis too firm to be shaken.

Issue of 1-rupee notes.—It is recommended that the currency authority should concurrently, with the first issue of notes of the new status, reintroduce 1-rupee notes, which should be full legal tender and which, like other notes of the new status, should not be convertible by law into silver rupees. The reintroduction of 2½-rupee notes is not recommended.

Convertibility of other notes into legal-tender money.—When the present legal right to obtain silver rupees in exchange for notes is withdrawn, it will be necessary to give the public a right to obtain change for the notes in some other form; and it is proposed to impose a statutory obligation on the currency authority to convert all notes, other than the 1-rupee note, on demand into legal tender money, i. e., into notes of smaller denominations or silver rupees at the option of the currency authority. This statutory provision would in form leave it optional with the currency authority to determine the form of legal-tender money to be supplied, but, as explained elsewhere, all reasonable demands of the public for metallic currency shall be met in practice.

Any alteration in the legal-tender character of the silver rupee is wholly opposed. The reasons which have been urged for the withdrawal of its legal-tender character are overcome, in so far as they are valid, by the above provisions.

¹ See page 662.

Composition of the combined reserve.—In the first place, the proportions and composition of the combined reserve should be fixed by statute. It should also be laid down that gold and gold securities should form not less than 40 per cent of the reserve. In view of the nature and extent of the obligations with regard to the provision of gold which should be placed on the currency authority, that authority should strive to work toward a reserve ratio of from 50 to 60 per cent. In the event of the proposed gold savings certificates proving a popular form of investment, the possible demands for gold by Government for payment of these certificates on maturity would no doubt necessitate a further strengthening of the gold holding in the reserve, but to what extent experience alone can show. The holding of gold, which now stands at about 12.8 per cent, should be raised to 20 per cent as soon as possible, and in any case in not more than five years, and to 25 per cent in 10 years, with a minimum of 300,000,000 rupees from the outset. This would give a minimum of 600,000,000 rupees after 10 years on the basis of the present circulation. During this period no favorable opportunity of fortifying the gold holding in the reserve should be allowed to escape. The commission, therefore, make a recommendation which will have the effect of insuring the gradual reduction of the silver holding in the reserve, during a transitional period of 10 years, from the present figures of 850,000,000 rupees to 250,000,000 rupees on the basis of the present circulation.

The commission recommends that the balance of the reserve be held in Government of India rupee securities and self-liquidating trade bills. For reasons which will be explained later, it is desirable to limit the holding of Government of India rupee securities to 25 per cent of the reserve, or to 500,000,000 rupees, whichever is less.

III. A CENTRAL BANK FOR INDIA

The commission is of the opinion that India, profiting by the experience of other nations, should perfect her currency and credit organization by setting up a central bank with a charter framed on lines which experience has proved to be sound.

The proper course to take, therefore, is to intrust the central banking functions to a new organization endowed with a charter which wholly conforms to the requirements of a true central bank. That new bank would no doubt take over from the Imperial Bank such part

of its organization and staff as under the new order of things may become redundant to the purposes of the Imperial Bank, and from the Government a number of officials whose experience in the management of the currency would be of particular help to the new central bank.

The future relations between the Government of India, the central bank, and the Imperial Bank, must be matters for negotiation between the parties concerned, and for that reason the commission refrained from making detailed recommendations under this heading. The banking organization which India requires must be based, not upon a central bank alone as elsewhere, but upon a central bank and a great commercial bank which has Government countenance to inspire confidence in it amongst an uninstructed public, and whatever Government assistance is needed to enable it to perform the function of the initiator of banking facilities. As to the extent of that assistance, it should be designed to enable the Imperial Bank to maintain and develop its essential work of the provision of new branches.

The commission outlines the organization and functions of the proposed reserve bank in detail.¹

Time table.—The above proposals can not, of course, all be brought into operation at once. The existing agreement with the Imperial Bank of India, for instance, is not due to expire until the 27th of January, 1931, and the contract with the Bank of England for the supply of Government notes is not due to expire until the 30th of June, 1929. The earlier termination of either agreement could no doubt be negotiated. On the assumption that the necessary arrangements are made, the following time table can be used for the chief changes:

The transfer of assets from the currency reserve to the reserve bank should be made as soon as the reserve bank notifies that it is in a position to issue its own notes, but not later than the 1st of January, 1929.

The obligation to buy and sell gold should come into operation on a date to be approved by the Governor General in council on the proposal of the bank, but not later than the 1st of January, 1931.

Transitory provisions.—During the transition period the currency authority must be under an obligation to buy gold and to sell gold or gold exchange at its option at the gold points of the accepted gold parity of the rupee.

¹ A summary of this part of the report will appear in a later issue of the BULLETIN.

It should take whatever steps are required to convert in the safest and most gradual manner a portion of the sterling balances into gold bullion, and should pursue a policy calculated to strengthen the position of the bank in relation to gold when it assumes charge of the currency and the reserve.

Interdependence of recommendations.—In conclusion, the commission emphasizes its opinion that the recommendations in the preceding sections of this report should be regarded as a comprehensive whole; and that modifications of any of their integral parts involve the danger of destroying their balance and so preventing the efficient and smooth working of the whole.

IV. STABILIZATION OF THE RUPEE

Time for stabilization.—After considering all foreseeable circumstances, it is safer to stabilize now than to wait.

The ratio of stabilization.—The legislation of 1920 has fixed the statutory value of the rupee at 2s.; but that rate is absolutely ineffective, and the Government has declared that it does not seek to regain it. The present market rate is about 1s. 6d. It has been at that level in relation to gold since June, 1925, and in relation to sterling since October, 1924, and should be stabilized in relation to gold at a rate corresponding to an exchange rate of 1s. 6d. for the rupee.

V. MISCELLANEOUS RECOMMENDATIONS

Means to promote banking development.—The commission urged emphatically that nothing should be left undone which would tend to facilitate and encourage banking progress in India. One measure which appears likely to be particularly fruitful is the abolition of the present stamp duty on checks.

SUMMARY OF RECOMMENDATIONS

The commission summarizes its recommendations as follows:

(1) The ordinary medium of circulation should remain the currency note and the silver rupee, and the stability of the currency in terms of gold should be secured by making the currency directly convertible into gold, but gold should not circulate as money.

(2) The necessity of unity of policy in the control of currency and credit for the achievement of monetary stability involves the establishment of a central banking system.

(3) The central banking functions should be entrusted to a new organization, referred to as the reserve bank.

(4) Detailed recommendations are made as to the constitution and functions and capacities of the bank.

(5) The outlines of a proposed charter are recommended to give effect to the recommendations which concern the reserve bank.

(6) Subject to the payment of limited dividends and the building up of suitable reserve funds, the balance of the profits of the reserve bank should be paid over to the Government.

(7) The bank should be given the sole right of note issue for a period of, say, 25 years. Not later than five years from the date of the charter becoming operative, Government notes should cease to be legal tender except at Government treasuries.

(8) The notes of the bank should be full legal tender, and should be guaranteed by Government. The form and material of the note should be subject to the approval of the Governor General in council. A suggestion is made as to the form of the note.

(9) An obligation should be imposed by statute on the bank to buy and sell gold without limit at rates determined with reference to a fixed gold parity of the rupee, but in quantities of not less than 400 fine ounces, no limitation being imposed as to the purpose for which the gold is required.

(10) The conditions which are to govern the sale of gold by the bank should be so framed as to free it in normal circumstances from the task of supplying gold for nonmonetary purposes. The method by which this may be secured is suggested.

(11) The legal-tender quality of the sovereign and the half-sovereign should be removed.

(12) Government should offer "on tap" savings certificates redeemable in three or five years in legal-tender money or gold at the option of the holder.

(13) The paper currency should cease to be convertible by law into silver coin. It should, however, be the duty of the bank to maintain the free interchangeability of the different forms of legal-tender currency, and of the Government to supply coin to the bank on demand.

(14) One-rupee notes should be reintroduced and should be full legal tender.

(15) Notes other than the 1-rupee note should be legally convertible into legal-tender money, i. e., into notes of smaller denomina-

tions or silver rupees at the option of the currency authority.

(16) No change should be made in the legal-tender character of the silver rupee.

(17) The paper currency and gold standard reserves should be amalgamated, and the proportions and composition of the combined reserve should be fixed by statute.

(18) The proportional reserve system should be adopted. Gold and gold securities should form not less than 40 per cent of the reserve, subject to a possible temporary reduction, with the consent of Government, on payment of a tax. The currency authority should strive to work to a reserve ratio of 50 to 60 per cent. The gold holding should be raised to 20 per cent of the reserve as soon as possible and to 25 per cent within 10 years. During this period no favorable opportunity of fortifying the gold holding in the reserve should be allowed to escape. Of the gold holding at least one-half should be held in India.

(19) The silver holding in the reserve should be very substantially reduced during a transitional period of 10 years.

(20) The balance of the reserve should be held in self-liquidating trade bills and Government of India securities. The "created" securities should be replaced by marketable securities within 10 years.

(21) A figure of 500,000,000 rupees has been fixed as the liability in respect of the contractibility of the rupee circulation. Recommendations are made to secure that an amount equal to one-fifth of the face value of any increase or decrease in the number of silver rupees in issue shall be added to or subtracted from this liability, and the balance of profit or loss shall accrue to or be borne by the Government revenues.

(22) The issue department of the reserve bank should be kept wholly distinct from its banking department.

(23) The reserve bank should be entrusted with all the remittance operations of the Government. The Secretary of State should furnish in advance periodical information as to his requirements. The bank should be left free at its discretion to employ such method or methods of remittance as it may find conducive to smooth working.

(24) During the transition period the Government should publish a weekly return of

remittances made. A trial should be made of the system of purchase by public tender in India.

(25) The cash balances of the Government (including any balances of the Government of India and of the Secretary of State outside India), as well as the banking reserves in India of all banks operating in India, should be centralized in the hands of the reserve bank. Section 23 of the Government of India act should be amended accordingly.

(26) The transfer of reserve assets should take place not later than the 1st of January, 1929, and the bank's obligation to buy and sell gold should come into operation not later than January 1, 1931.

(27) During the transition period the currency authority (i. e., the Government until the transfer of reserve assets and the bank thereafter) should be under an obligation to buy gold and to sell gold or gold exchange at its option at the gold points of the exchange. This obligation should be embodied in statutory form, of which the outline is suggested.

(28) Stabilization of the rupee should be effected forthwith at a rate corresponding to an exchange rate of 1s. 6d.

(29) The stamp duty on bills of exchange and checks should be abolished. Bill forms, in the English language and the vernacular in parallel, should be on sale at post offices.

(30) Measures should be taken to promote the development of banking in India.

(31) Every effort should be made to remedy the deficiencies in the existing body of statistical data.

MINUTE OF DISSENT BY SIR PURSHOTAMDAS THAKURDAS

Sir Purshotamdas Thakurdas signed the report of the commission, subject to dissent on several points. After a lengthy historical review of the development of Indian banking, currency, and finance, he objected to the demonetization of the sovereign and half sovereign on the basis that these are the only gold coins legally current in India since 1893. He believed that it would be advisable to develop the Imperial Bank of India into a full-fledged central bank rather than to create a new bank of issue. He recommended that the rupee be stabilized at the rate of 1s. 4d. gold instead of at 1s. 6d.

RULINGS OF THE FEDERAL RESERVE BOARD

Eligibility of notes of cold-storage and warehouse company.

The Federal Reserve Board has been requested to rule upon the eligibility of certain notes of a cold-storage and warehouse company for rediscount at a Federal reserve bank.

It appeared that this company is regularly engaged in the finance business through the making of loans to customers against the security of goods stored with the company. It issues two classes of paper: (1) Collateral trust notes secured by the pledge to a trustee of customers' notes payable to the company, representing advances made to customers on the security of goods stored; and (2) straight unsecured notes payable to banks. It conceded that its collateral trust notes are ineligible for rediscount; but contended that its straight unsecured notes are eligible, on the ground that they are issued to finance its current operations. In support of this contention it was stated that the company's quick assets (exclusive of advances to customers) are in excess of its current liabilities (exclusive of its liability on collateral trust notes); that its current accounts receivable consist of accrued storage charges billed to customers but not yet paid and bills rendered to customers for services, ice, and material; and that its current operating expenses consist of labor, electric power, material, interest on bonds, administrative expenses, and other usual expenses incident to a going business. On the other hand, it was admitted that the company's bills receivable representing advances made to customers sometimes exceed its collateral trust notes outstanding by as much as 10 or 15 per cent, although the usual practice is to deposit customers' notes in the hands of the trustee, and issue collateral trust notes against them as soon as possible, and the amount of customers' notes pledged to the trustee is approximately the amount of the collateral trust notes outstanding, the only margin required being represented in the value of the goods in storage against which advances have been made.

The board has given careful consideration to the question presented, and is of the opinion that these notes are not properly eligible for rediscount at a Federal reserve bank.

The financial statement showing an excess of quick assets over current liabilities is valu-

able only as indicating that the borrower is in a liquid condition and that the borrowing is not for capital purposes or for permanent or fixed investments of any kind. In order to be eligible for rediscount under the terms of section 13 of the Federal reserve act, a note must arise out of an actual commercial transaction; that is, it must have been issued or drawn for agricultural, industrial, or commercial purposes or the proceeds must have been used or must be intended to be used for such purposes. The eligibility of the notes in question therefore depends upon the character of the transactions out of which they arise or the use made of the proceeds, and the mere fact that the company's statement shows an excess of quick assets over current liabilities is not alone sufficient to establish the eligibility of the notes.

It appeared that this corporation is regularly engaged in the finance business through the making of loans to other parties against the security of goods stored with the company by such parties, and that it finances the major portion of this business through the issuance of collateral trust notes secured by the notes of its customers. It conceded that such collateral trust notes are ineligible for rediscount, because they clearly are finance paper under the terms of section II(b) of the board's Regulation A and the ruling published on page 308 of the March, 1921, BULLETIN.

This company, however, borrows some money from banks on its own straight unsecured notes and desired to have such notes declared eligible for rediscount, on the theory that the proceeds of such notes are used exclusively for its current operating expenses. The company's current operating expenses, however, are necessarily incidental to its principal business, and their character must be determined by the character of its principal business. Even if its borrowings for current operating expenses could be completely segregated from its borrowing of funds to be advanced to other parties, therefore, it would seem that its borrowings for current operating expenses should be classed as a borrowing for finance purposes, because it arises out of the finance business and not out of a commercial, agricultural, or industrial business within the meaning of the Federal reserve act and the board's regulations.

Moreover, a corporation engaged in the finance business necessarily must have some working funds to enable it to make advances to its customers in the first instance and to carry paper resulting from such advances until it can refinance itself by the issue and sale of collateral trust notes secured by such paper. The proceeds of the unsecured notes made by such a corporation, therefore, would almost certainly be used to some extent in making advances to its customers, and this corporation admits that the amount of advances made to its customers occasionally exceeds the amount of collateral trust notes outstanding by as much as 10 or 15 per cent. It is clear that the borrowings of the company on its straight unsecured notes payable to the bank would, at least to the extent of such excess, be for the purpose of making loans to third parties. As a practical matter, it is almost certain that the proceeds of all borrowings made by the company either on collateral trust notes or on straight notes payable to the banks go into a common fund out of which advances to customers as well as current operating expenses are taken, and it would be impossible to distinguish the proceeds of one class of loans from the proceeds of the other, even if the borrowings of a finance company for its current operating expenses could be considered a borrowing for a commercial instead of a finance purpose.

In view of these considerations the board is of the opinion that the notes of this corporation can not properly be considered eligible for rediscount at a Federal reserve bank.

Bankers' acceptances drawn to finance the storage of cottonseed.

The Federal Reserve Board has been requested to rule upon the eligibility for rediscount at Federal reserve banks of bankers' acceptances drawn to finance the storage of cottonseed under the following circumstances:

Certain cottonseed-oil mills own warehouses which they propose to lease to independent warehouse corporations under bona-fide leases, the corporations to assume full control and management of such warehouses and to operate them as public warehouses which will be bonded and licensed under the United States warehouse act. It is proposed that such prime seed as is received by the mills—that is, seed which is in such condition that it may be safely stored for an indefinite period of time—will be stored by the mills in these warehouses until it can be processed into various cotton-seed prod-

ucts, and the mills desire to finance such storage by means of bankers' acceptances secured by warehouse receipts for such seed. The owners of the cottonseed thus stored to have access to it at proper time for purposes of inspection.

The Federal Reserve Board has heretofore ruled that cottonseed, when stored under proper conditions, is a nonperishable, readily marketable staple agricultural product within the meaning of the Federal reserve act and the board's Regulation A, and that therefore a bankers' acceptance secured by a warehouse receipt for cottonseed is eligible for rediscount at a Federal reserve bank, provided the cottonseed upon which the acceptance is based is stored under such conditions as to protect it adequately from deterioration and provided the acceptance complies in all other respects with the requirements of the law and the board's regulations. This ruling may be found in the 1925 FEDERAL RESERVE BULLETIN at page 737.

The board has also had occasion to rule upon the right of member banks to make acceptances issued against goods stored on premises owned by the owner of the goods but leased to an independent lessee who issues warehouse receipts covering the goods in storage. The board held in this ruling, published on page 634 of the 1918 BULLETIN, that if the premises in question were actually turned over to the lessee on a bona-fide lease, the lessee being independent of the borrower and having entire custody and control of the goods, a member bank could properly accept drafts drawn against warehouse receipts issued by the lessee; but held further *that the borrower should not have access to the premises and should exercise no control over the goods stored*. Such drafts eligible for acceptance by member banks would also be eligible for rediscount at Federal reserve banks, if of proper maturity.

Under the ruling of the Federal Reserve Board just mentioned access to the premises where the goods are stored is not permitted to the owner of the goods for inspection or for any other purpose. This condition of the previous ruling can not be met in the storing of cottonseed. Due to the fact that cottonseed is subject to deterioration from heating, cottonseed owners storing their seed in warehouses are accustomed to visit these warehouses from time to time for the purpose of inspecting the seed. In order, therefore, that bankers' acceptances drawn to finance the storage of cottonseed may be eligible for rediscount, a modification of the principle stated in the board's previous ruling with reference to the owner's access to the goods is necessary.

After a consideration of these questions the board now rules that—

Bankers' acceptances secured by cottonseed stored in a warehouse owned by the owner of the cottonseed but leased to an independent public warehouse corporation under bona fide lease, the corporation assuming exclusive control and management of such warehouse and operating it as a public warehouse bonded and licensed under the United States warehouse act, may be eligible for rediscount at a Federal reserve bank, although the owners of the cottonseed are permitted access to the seed in storage at proper and reasonable times for the purpose only of inspecting the condition of the seed, provided that on all such occasions the consent of the independent warehouse corporation is first secured and that the owner of the seed or his representative is accompanied by a proper representative of the warehouse corporation.

It should be understood that such acceptances must be of proper maturity and must

in all other respects comply with the pertinent provisions of the Federal reserve act and the board's Regulation A. In addition, it is necessary that the cottonseed upon which such acceptances are based be stored under such conditions as to protect it adequately from deterioration.

The Federal Reserve Board is informed that the Department of Agriculture is soon to issue a special regulation governing the storage of cottonseed by warehouses licensed under the United States warehouse act. This regulation, a tentative draft of which has been carefully considered at a conference between representatives of the Department of Agriculture and the Federal Reserve Board, will, it is believed, provide adequate safeguards. If the storage of cottonseed complies with this regulation which is to be promulgated by the Department of Agriculture, it will be deemed by the board a storage under such conditions as to protect the cottonseed adequately from the deterioration within the meaning of this ruling.

The question whether bankers' acceptances are desirable from the credit standpoint is, properly, a question for determination by the Federal reserve bank to which the paper is offered for rediscount rather than by the Federal Reserve Board.

Changes in State Bank Membership

The following list shows changes affecting State bank membership during the month ended August 21, 1926, on which date 1,399 State institutions were members of the system:

ADMISSIONS			
	Capital	Surplus	Total resources
<i>District No. 1</i>			
Phoenix Bank, Hartford, Conn.....	\$1,000,000	\$1,000,000	\$18,072,850
<i>District No. 2</i>			
Guardian Trust Co. of New Jersey, Newark, N. J.....	5,000,000	2,500,000	7,552,525
Bank of Yorktown, New York, N. Y.....	1,000,000	250,000	1,250,000
<i>District No. 8</i>			
Bank of La Plata, La Plata, Mo.....	50,000	10,000	379,566
CHANGES			
<i>District No. 2</i>			
Merged with State member: Greenpoint Bank, Brooklyn, N. Y.....	\$200,000	\$300,000	\$3,714,687
<i>District No. 6</i>			
Closed: Bank of Louisville, Louisville, Ga.....	25,000	55,000	453,460
<i>District No. 8</i>			
Reopened: Bank of Versailles, Versailles, Mo.....	40,000	15,000	406,125
Voluntary withdrawal: Warren Bank, Warren, Ark.....	75,000	48,000	702,468
<i>District No. 9</i>			
Voluntary withdrawal: Lake City Bank of Minnesota, Lake City, Minn.....	50,000	50,000	1,159,624
<i>District No. 11</i>			
Change of title: Guaranty State Bank, Trenton, Tex., has changed its title to First State Bank of Trenton.			
Converted to national bank: First State Bank, Post City, Tex.....	25,000	5,000	225,223
Caddo Mills State Bank, Caddo Mills, Tex.....	30,000	5,518	229,764
Voluntary withdrawals: Trent State Bank, Goldthwaite, Tex.....	100,000	50,000	917,275
Citizens State Bank, Luling, Tex.....	25,000	10,000	421,420

Fiduciary Powers Granted to National Banks

During the month ended August 21, 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
Waltham, Mass.....	1	Waltham National Bank.....	1 to 7 and 9
Englewood, N. J.....	2	Citizens National Bank.....	1 to 9
Massena, N. Y.....	2	First National Bank & Trust Co.....	1 to 9
New York, N. Y.....	2	Capital National Bank.....	1 to 8
Blackwood, N. J.....	3	First National Bank.....	1 to 9
Independence, Iowa.....	7	Peoples National Bank.....	1 to 9
Story City, Iowa.....	7	First National Bank.....	5 to 9
St. Charles, Mo.....	8	do.....	1 to 9
Raton, N. Mex.....	10	First National Bank.....	1 to 7
Olympia, Wash.....	12	Capital National Bank.....	1 to 9

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 July 24 to August 20, 1926, inclusive.

	Number of banks	Amount of capital
New charters issued.....	15	\$1,930,000
Restored to solvency.....	0	0
Increase of capital approved.....	10	1,925,000
Aggregate of new charters, banks restored to solvency, and banks increasing capital.....	25	3,855,000
Liquidations.....	15	1,920,000
Reducing capital ¹	3	850,000
Total liquidations and reductions of capital.....	18	2,770,000
Consolidation of national banks under act of Nov. 7, 1918.....	2	3,100,000
Aggregate increased capital for period.....		3,855,000
Reduction of capital owing to liquidations, etc.....		2,770,000
Net increase.....		1,085,000

¹ Includes 2 reductions in capital aggregating \$650,000 incident to consolidations 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												
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	116
September.....	111	106	123	103	95	100	143	93	129	86	120	116
October.....	116	113	130	111	98	96	167	99	147	88	115	125
November.....	115	116	136	116	97	79	135	84	131	76	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
February.....	120	130	152	119	84	90	147	102	157	105	81	122
March.....	123	131	157	120	87	100	120	106	137	121	103	124
April.....	122	135	147	117	84	97	114	108	115	118	104	124
May.....	117	134	138	100	83	93	115	109	108	109	91	116
June.....	118	130	135	103	81	110	118	110	127	114	93	115
July.....	119	127	130	94	78	139	113	107	118	98	107	119

Year and month	Coal		Nonferrous metals		Sole leather	News-print	Cement	Petroleum	Tobacco products		
	Bituminous	Anthracite	Copper	Zinc					Cigars	Cigarettes	Manufactured tobacco
1925											
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	183	96
October.....	121	1	136	129	69	115	198	198	106	169	99
November.....	126	2	138	129	63	116	194	200	95	165	89
December.....	130	3	139	137	59	117	188	196	85	195	94
1926											
January.....	129	2	141	144	56	115	219	193	80	196	102
February.....	130	34	145	135	60	123	181	193	84	188	100
March.....	117	120	143	139	60	126	187	188	97	207	98
April.....	124	117	141	136	58	126	179	190	88	205	95
May.....	109	105	140	137	53	122	205	194	87	196	96
June.....	114	116	138	123	60	122	215	194
July.....	115	115	149	123	61	125	235	197	92	187	95

¹ This table contains for certain months the index numbers of production in basic industries 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															
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	102.3	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
February.....	97.0	94.2	93.5	97.4	97.6	97.2	98.6	85.7	133.0	106.7	85.7	89.5	114.6	84.2	77.0
March.....	97.3	94.6	93.8	97.1	97.1	97.1	98.9	87.1	136.3	107.4	84.9	88.3	116.8	83.3	77.0
April.....	96.4	94.3	93.7	94.9	95.8	93.8	100.2	88.1	132.1	106.8	82.5	83.9	121.8	79.8	77.3
May.....	95.5	93.1	92.8	92.6	93.7	91.3	100.1	87.8	127.1	106.9	83.6	82.6	127.4	79.4	76.0
June.....	95.1	92.7	92.5	91.0	91.8	90.0	100.1	86.7	125.2	106.8	85.5	82.4	129.7	82.1	76.3
July.....	93.5	91.2	91.0	87.0	88.2	85.6	99.4	85.7	123.1	106.4	85.7	85.5	127.3	79.1	75.1

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															
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	102.1	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
February.....	111.5	102.4	101.7	110.2	109.0	111.5	111.0	91.9	166.3	144.9	99.8	94.2	140.1	84.0	102.8
March.....	113.0	104.2	103.4	109.8	108.2	111.8	111.9	94.5	170.7	147.9	99.3	93.2	144.3	88.4	104.5
April.....	110.4	102.7	102.0	103.6	104.8	102.0	111.7	95.6	165.4	147.0	96.0	84.2	147.6	82.3	105.0
May.....	108.9	100.5	100.1	99.1	100.7	97.2	111.8	95.1	157.3	147.1	99.5	81.2	158.3	81.7	103.7
June.....	108.8	100.6	100.3	97.4	98.2	96.4	112.9	96.2	147.7	146.9	101.6	85.4	162.9	87.1	105.0
July.....	103.6	94.6	94.3	91.6	92.7	90.2	107.5	89.6	137.7	144.0	100.8	90.3	152.9	83.6	101.7

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. 668 of BULLETIN for September, 1925, for certain revisions.

INDEXES OF INDUSTRIAL ACTIVITY¹

[No seasonal adjustment. Monthly average 1919=100]

Year and month	Agricultural movements							Mineral production									
	Total	Livestock	Animal products	Grains	Cotton	Vegetables	Fruits	Tobacco	Total	Anthracite coal	Bituminous coal	Petroleum	Pig iron	Copper	Zinc	Lead	Silver
1925																	
July.....	88	86	150	99	14	110	151	(*)	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	103	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	161	105
1926																	
January.....	108	99	96	92	114	106	80	344	129	2	135	190	130	141	144	158	109
February.....	88	81	93	79	74	94	77	273	115	28	120	173	115	135	136	148	107
March.....	85	91	116	65	64	123	92	88	137	120	119	192	135	150	138	162	110
April.....	75	83	119	52	52	95	89	58	127	112	103	190	135	145	136	145	105
May.....	85	87	137	54	43	121	173	16	128	110	101	198	137	146	137	155	107
June.....	³ 91	88	168	84	20	170	115	30	132	122	108	196	127	140	123	³ 148	115
July.....	107	80	152	170	12	134	177	2	138	115	112	222	127	145	123	154	99
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																	
July.....	126	109	239	107	97	164	125	87	222	207	135	202					
August.....	122	118	153	104	96	167	128	97	222	207	127	203					
September.....	126	120	193	107	105	160	128	97	209	191	131	183					
October.....	141	134	270	118	114	172	139	103	218	206	141	165					
November.....	129	134	225	114	98	139	136	84	212	173	120	155					
December.....	128	138	191	119	107	133	138	85	216	152	110	175					
1926																	
January.....	129	144	186	120	104	135	142	83	216	130	115	172					
February.....	125	131	220	115	92	137	134	85	198	112	110	177					
March.....	142	154	263	122	99	156	149	95	221	151	136	195					
April.....	137	144	266	113	90	162	149	88	221	177	122	190					
May.....	134	140	258	103	89	166	147	79	231	202	126	178					
June.....	³ 132	132	236	³ 105	98	161	³ 143	86	225	212	190	190					
July.....	128	129	218	99	99	154	131	84	233	217	136	177					

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

	July, 1926	June, 1926	July, 1925
Grain and Flour			
Receipts at 17 interior centers (000 omitted):			
Wheat (bushels).....	80,449	23,046	42,662
Corn (bushels).....	13,550	23,533	9,828
Oats (bushels).....	10,152	14,355	17,536
Rye (bushels).....	802	1,202	403
Barley (bushels).....	1,466	3,104	3,689
Total grain (bushels).....	106,420	65,240	73,575
Flour (barrels).....	2,681	2,354	2,713
Total grain and flour (bushels).....	118,486	75,834	85,788
Shipments at 14 interior centers (000 omitted):			
Wheat (bushels).....	29,113	17,093	22,435
Corn (bushels).....	9,347	10,312	9,209
Oats (bushels).....	11,709	11,501	18,247
Rye (bushels).....	2,751	1,042	3,381
Barley (bushels).....	859	1,696	1,998
Total grain (bushels).....	53,778	41,644	55,362
Flour (barrels).....	3,633	3,275	3,691
Total grain and flour (bushels).....	70,127	56,382	71,973
Stocks at 11 interior centers at close of month (000 omitted):			
Wheat (bushels).....	17,426	7,707	17,404
Corn (bushels).....	20,484	25,110	4,573
Oats (bushels).....	29,139	34,403	22,196
Rye (bushels).....	3,319	10,528	3,178
Barley (bushels).....	2,218	2,585	608
Total grain (bushels).....	77,635	80,332	47,930
Receipts at 9 seaboard centers (000 omitted):			
Wheat (bushels).....	13,132	13,610	9,872
Corn (bushels).....	1,182	1,879	662
Oats (bushels).....	1,849	2,350	2,166
Rye (bushels).....	999	389	864
Barley (bushels).....	3,379	3,290	5,030
Total grain (bushels).....	20,542	21,518	18,504
Flour (barrels).....	1,494	1,722	1,703
Total grain and flour (bushels).....	27,265	29,267	26,169
Stocks at 8 seaboard centers at close of month (000 omitted):			
Wheat (bushels).....	5,487	3,287	6,220
Corn (bushels).....	463	743	256
Oats (bushels).....	910	960	1,099
Rye (bushels).....	340	220	179
Barley (bushels).....	2,850	2,116	3,576
Total grain (bushels).....	10,029	7,326	11,330
Wheat flour production (barrels, 000 omitted):	11,891	9,631	10,377
Tobacco			
Tobacco sales at loose-leaf warehouses, (pounds, 000 omitted):			
Burley.....	105	138	27
Western dark.....	477	7,522	43

	July, 1926	June, 1926	July, 1925
Transportation			
Revenue freight loaded and received from connections (cars loaded, 000 omitted):			
Classified by nature of products—			
Grain and grain products.....	254	187	194
Livestock.....	121	121	119
Coal.....	795	774	746
Coke.....	51	52	41
Forest products.....	300	331	295
Ore.....	328	308	281
Merchandise, l. c. l.....	1,141	1,160	1,110
Miscellaneous.....	1,719	1,715	1,638
Total.....	4,709	4,648	4,424
Classified by geographical divisions—			
Eastern.....	1,097	1,107	1,044
Allegheny.....	947	943	900
Poahontas.....	260	259	230
Southern.....	655	660	621
Northwestern.....	720	720	669
Central western.....	686	630	625
Southwestern.....	344	329	335
Total.....	4,709	4,648	4,424

BUILDING STATISTICS

	July, 1926	June, 1926	July, 1925
Building permits issued in 168 cities, grouped by Federal reserve districts:			
Number of permits—			
Boston (14 cities).....	2,597	3,152	2,975
New York (22 cities).....	11,223	12,502	10,893
Philadelphia (14 cities).....	2,709	3,101	2,994
Cleveland (12 cities).....	6,121	7,267	6,226
Richmond (15 cities).....	3,440	3,886	3,298
Atlanta (15 cities).....	3,831	4,418	3,703
Chicago (19 cities).....	13,926	14,653	14,049
St. Louis (5 cities).....	2,612	2,597	2,870
Minneapolis (9 cities).....	1,735	1,935	1,945
Kansas City (14 cities).....	2,220	2,448	2,960
Dallas (9 cities).....	1,983	2,249	2,408
San Francisco (20 cities).....	9,268	9,520	10,602
Total.....	61,665	67,738	64,923
Value of permits (dollars, 000 omitted)—			
Boston (14 cities).....	10,886	12,656	12,014
New York (22 cities).....	101,395	112,309	110,290
Philadelphia (14 cities).....	18,841	24,076	36,338
Cleveland (12 cities).....	21,785	22,336	23,230
Richmond (15 cities).....	13,587	16,654	13,669
Atlanta (15 cities).....	13,922	14,721	16,256
Chicago (19 cities).....	66,602	62,434	60,130
St. Louis (5 cities).....	7,106	7,278	8,265
Minneapolis (9 cities).....	5,482	5,644	6,244
Kansas City (14 cities).....	7,392	8,251	9,989
Dallas (9 cities).....	6,900	7,969	6,627
San Francisco (20 cities).....	31,671	36,220	33,156
Total.....	295,569	330,548	336,208
Building contracts awarded; by Federal reserve districts (dollars, 000 omitted):			
Boston.....	39,228	36,838	55,319
New York.....	110,671	129,051	125,141
Philadelphia.....	37,483	50,576	44,354
Cleveland.....	66,749	71,282	88,737
Richmond.....	25,009	27,817	34,229
Atlanta.....	42,715	36,492	61,793
Chicago.....	106,661	101,737	69,232
St. Louis.....	34,752	35,033	24,540
Minneapolis.....	13,863	14,121	11,899
Kansas City.....	21,559	17,893	10,683
Dallas.....	20,242	26,940	21,174
Total (11 districts).....	518,932	547,792	547,106

WHOLESALE AND RETAIL TRADE

WHOLESALE TRADE IN THE UNITED STATES, BY LINES

[Average monthly sales 1919=100]

	General index	Groceries	Meat	Dry goods	Shoes	Hardware	Drugs
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	79	79	43	86	111
February	76	71	75	85	50	87	110
March	85	81	75	93	73	106	133
April	80	79	76	77	59	103	123
May	82	80	81	78	60	108	111
June	84	86	80	77	59	105	116
July	82	84	78	78	52	98	114

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, July, 1926, compared with—		Percentage change in stocks ¹ at end of July, 1926, compared with—	
	June, 1926	July, 1925	June, 1926	July, 1925
Groceries:				
United States	-2.6	-1.0	-4.7	11.7
Boston district	-4	2.8	-10.1	4.3
New York district	-2	-4.2	-2.5	8.3
Philadelphia district	-3.9	-2.8	.3	12.4
Cleveland district	-6.9	-5.3	-6	10.6
Richmond district	-2.0	-5.5	-3.1	-1.4
Atlanta district	-5.2	-4.8	9.8	9.6
Chicago district	-7.3	1.4	-3.9	10.3
St. Louis district	-4.1	-7.6	-35.1	38.6
Minneapolis district	-5.0	-5.0	-1.0	8.0
Kansas City district	14.2	2.4	-10.0	14.2
Dallas district	3.0	1.0	15.8	17.9
San Francisco district	.5	4.2		
Dry goods:				
United States	1.9	-8.4	9.4	-10.7
New York district	4.5	-4		
Philadelphia district	-14.6	-10.0	5.2	-15.3
Cleveland district	-19.9	-13.6	10.0	-11.4
Richmond district	4.4	-10.2	5.0	-6.7
Atlanta district	.2	-17.0	1.3	5.0
Chicago district	.5	-7.6	7.6	-7.5
St. Louis district	16.3	-15.9	6.3	-13.2
Minneapolis district	1.0	-2.0	0.0	-9.0
Kansas City district	6.4	-13.3	19.6	-12.1
Dallas district	-2	-2.4	12.5	-12.7
San Francisco district	6.6	-8.8		
Shoes:				
United States	-11.6	10.1	4.8	-17.8
Boston district	.8	-2.6	1.2	-12.6
New York district	-15.2	.6	9.4	-29.9
Philadelphia district	-5.6	2.0	7.4	-16.6
Cleveland district	-22.7	31.6	4.5	-12.0
Richmond district	-9.6	10.5	6.9	16.4
Atlanta district	-10.7	-11.1		
Chicago district	-11.1	2.1	6.3	-26.0
St. Louis district	25.7	85.4	8.5	-17.7
Minneapolis district	-4.0	4.0	-14.0	-40.0
San Francisco district	-18.2	19.2		

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

	Percentage change in sales, July, 1926, compared with—		Percentage change in stocks at end of July, 1926, compared with—	
	June, 1926	July, 1925	June, 1926	July, 1925
Hardware:				
United States	-7.2	-1.4	-0.6	1.7
New York district	-11.5	-2.5	-2.1	4.4
Philadelphia district	-12.4	.9	-1.6	-2.2
Cleveland district	-3.4	2.0	-2.2	2.9
Richmond district	3.0	10.9	2.0	6.9
Atlanta district	-2.4	5.7	-2.3	-7.6
Chicago district	-6.5	-5.0	.8	2.6
St. Louis district	-3.1	-9.2	2.0	-2.5
Minneapolis district	2.0	-5.0	-2.0	1.0
Kansas City district	-11.0	-4.4	-1.0	-1.2
Dallas district	-2.9	-1.3	1.7	8.4
San Francisco district	-8.0	-9		
Drugs:				
United States	-1.4	3.1	2.5	1.8
New York district	3.7	2.5	6.5	2.3
Philadelphia district	-2.5	5.5	-2.9	
Cleveland district	-2	4.3		
Richmond district	2.8	-6.5		
Atlanta district	5.3	8.4		
Chicago district	-1.6	-3	1.3	5.1
St. Louis district	-1	5.0		
Kansas City district	-1.5	-5.4	-8	-7.2
Dallas district	2.7	3.5	1.8	2.7
San Francisco district	4.1	1.0		
Furniture:				
Richmond district	-25.9	-49.9		
Atlanta district	-9.4	-4.7	.5	-2.3
St. Louis district	3.0	-4.2	5.3	34.5
Kansas City district	-23.5	7.0	5.1	1.2
San Francisco district	-11.4	-9.1		
Agricultural implements:				
United States	-14.6	15.2		
Minneapolis district	43.0	-25.0	-11.0	25.0
Dallas district	14.3	62.5	-9	-1.9
Stationery and paper:				
New York district	-4.9	6.9		
Philadelphia district	-9.4	2.0	2.3	-1.4
Atlanta district	-7.1	-19.1		
San Francisco district	1.0	3.4		
Automobile supplies:				
San Francisco district	.6	-8.5		
Clothing:				
New York district	29.6	-33.4		
St. Louis district	-70.7	49.0		
Cotton jobbers:				
New York district	18.2	-7.6	8.3	-3.2
Silk goods:				
New York district	1.4	1.7	3.2	³ 23.1
Machine tools:				
New York district	-10.3	6.5		
Diamonds:				
New York district	4.0	-8.7		
Jewelry:				
New York district	-33.2	-13.0		⁴ 9.8
Philadelphia district	-14.2	9.3	.1	-9.5
Electrical supplies:				
Philadelphia district	-4.5	16.6	11.6	2.4
Atlanta district	-15.2	-8.0	3.7	36.2
St. Louis district	-17.5	-7.6	-8.6	22.6
San Francisco district	-3.9	-1		
Stoves:				
St. Louis district	2.5	12.7	-6.7	-2.2

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.

2 Sales of agricultural implements for the United States are compiled by the Chicago Federal Reserve Bank from reports of leading manufacturers and include all of their domestic business.

3 Stocks at first of month; quantity, not value

4 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)
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	140	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	129	116	202
June.....	126	102	254	187	167	134	152	99	184	128	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	168	332	427	225	212	188	214	280	141	140	318	231	185	157	143	114	191
1926																		
January.....	114	116	286	166	178	127	108	101	167	130	118	284	228	185	146	142	122	199
February.....	104	111	287	170	172	127	97	103	173	135	123	299	227	189	151	145	126	205
March.....	130	130	302	199	196	142	143	112	206	130	112	279	207	194	147	143	124	204
April.....	133	121	329	202	193	150	166	111	226	130	118	324	216	199	156	143	130	226
May.....	137	105	305	214	190	160	174	109	220	132	117	304	225	193	167	151	131	228
June.....	130	107	299	204	187	152	153	118	204	130	126	303	222	190	156	144	149	218
July.....	99	98	333	206	198	155	145	108	210	133	132	346	227	196	157	150	145	214

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	1926					1925		
		July	June	May	Apr.	Mar.	July	June	July	June	May	Apr.	Mar.	July	June
United States.....	359	99	130	137	133	130	95	126	133	130	132	130	130	128	126
Boston.....	24	94	134	134	133	119	92	134	131	127	126	126	118	129	126
New York.....	63	99	137	139	138	131	94	132	141	136	136	134	129	134	131
Philadelphia.....	22	87	129	137	128	138	85	127	128	125	132	116	149	126	123
Cleveland.....	54	99	129	137	132	127	98	128	128	127	131	129	125	127	126
Richmond.....	23	96	123	129	126	130	91	123	131	119	128	123	126	124	119
Atlanta.....	35	80	104	114	114	108	78	98	104	110	109	111	109	103	104
Chicago.....	63	115	146	158	146	145	105	139	151	147	151	144	145	138	141
Minneapolis.....	23	81	93	102	107	94	81	103	100	92	100	103	96	99	102
Dallas.....	21	79	107	115	108	111	72	98	112	112	113	114	105	102	102
San Francisco.....	31	124	142	152	150	158	123	134	148	151	147	156	160	147	143

DEPARTMENT STORE STOCKS, BY FEDERAL RESERVE DISTRICTS

[Average monthly sales 1919=100]

Federal reserve district	Number of reporting firms	Stocks without seasonal adjustment						Stocks with seasonal adjustment							
		1926					1925	1926					1925		
		July	June	May	Apr.	Mar.	July	June	July	June	May	Apr.	Mar.	July	June
United States.....	314	124	131	138	143	142	125	129	133	138	138	139	141	133	135
Boston.....	24	111	116	123	125	124	113	112	121	122	123	122	124	122	118
New York.....	63	124	131	138	142	142	120	128	135	138	138	137	139	130	134
Philadelphia.....	13	171	177	184	201	201	164	174	184	183	189	198	197	176	180
Cleveland.....	52	119	126	133	134	137	120	129	125	130	132	129	136	127	132
Richmond.....	19	119	126	132	131	128	119	123	127	134	134	128	123	127	131
Atlanta.....	22	108	110	116	125	122	103	107	115	115	119	122	121	110	112
Chicago.....	51	135	147	152	159	160	140	143	145	155	154	153	161	150	152
Minneapolis.....	22	94	101	106	110	110	107	109	100	106	102	107	106	113	114
Dallas.....	19	110	114	125	130	128	111	114	118	120	123	129	127	120	120
San Francisco.....	29	129	132	139	145	141	129	128	135	138	139	140	139	135	135

FOREIGN BANKING AND BUSINESS CONDITIONS

CONSOLIDATION OF ITALIAN NOTE ISSUE

On June 30 of this year the Bank of Italy by royal decree became the sole bank of issue in the Kingdom. Prior to that there had been three banks of issue, the Bank of Italy, the Bank of Naples, and the Bank of Sicily. The decree superseded the law of September 27, 1923, which extended the note-issue privilege of the other two banks to December 31, 1930.

Method of unification of currency.—By the terms of the decree the Bank of Italy is authorized to issue new notes to an amount equivalent to the notes of the other two banks of issue, outstanding on June 30, 1926, which will be gradually withdrawn from circulation and replaced by notes of the Bank of Italy. In retiring the notes the three kinds of notes now in circulation will be withdrawn in the following order: (1) Those resulting from the operation of the consortium to support industrial securities; (2) those representing advances to the State, and (3) those issued for commercial purposes. To insure speedy withdrawal the notes of the Banks of Naples and of Sicily will cease to be legal tender on June 30, 1927.

The exchange of notes issued for account of the consortium and the State offered no difficulty; the Bank of Italy was debited with the amount of notes issued for these purposes and credited with an equal amount representing loans and advances made to the consortium and to the State. In exchange for taking over the notes issued for commercial purposes the gold and foreign exchange reserve of the Bank of Sicily and the Bank of Naples was transferred to the Bank of Italy on July 1, 1926. The commercial credits, however, on which the circulation for account of trade is based, were not transferred but were retained by the two banks. The gold and foreign exchange reserve was temporarily appraised at the average price for gold prevailing during April, 1926, and the two banks were credited with its value on the books of the Bank of Italy. The paper value of the gold and foreign exchange reserve will be fixed definitely by a special agreement among the three banks concerned and the treasury. The gold and foreign exchanges transferred to the Bank of Italy will constitute a special reserve against notes issued by the Bank of Italy in exchange for the notes of the two other banks.

Notes outstanding and the gold, silver, and foreign exchange reserve of the Bank of Sicily and the Bank of Naples, as of June 20, 1926, were as follows:

Notes in circulation:	Lira
Bank of Naples.....	2, 945, 448, 000
Bank of Sicily.....	730, 722, 000
Total.....	<u>3, 676, 170, 000</u>
Reserve:	
Gold.....	241, 948, 181
Silver.....	39, 691, 065
Foreign exchange.....	70, 338, 000
Total.....	<u>351, 977, 246</u>

Although abrogating their right to issue notes, the decree does not curtail the commercial operations of the Banks of Sicily and of Naples. Both institutions have an extensive banking business and will continue to exercise their functions as ordinary commercial banks. The statutes of the two banks, as well as the capital and reserves, will be determined by subsequent decree. For the time being they will continue their discount and loan operations and participate in the affairs of the consortium.

The Bank of Italy is also authorized to grant to these institutions, under the control of the Minister of Finance, the privilege of rediscounting and borrowing at a preferential rate not to exceed 1 per cent below the official discount rate.

The following are the more important provisions of the decree, translated from the original text:

(Royal decree-law No. 812, May 6, 1926)

REGARDING THE UNIFICATION OF THE BANK NOTE ISSUE

ARTICLE 1

The right of the Bank of Naples and of the Bank of Sicily to issue bank notes or other equivalent currency payable to bearer at sight, which, in accordance with royal decree-law of September 27, 1923, No. 2158, expires December 31, 1930, ends on June 30, 1926.

ARTICLE 2

The gold reserve and other reserve equivalent to gold, designated to guarantee the bank-note circulation of the Bank of Naples and of the Bank of Sicily, will pass, on July 1, 1926, to the Bank of Italy.

The above reserves will be deposited provisionally to the credit of the banks at the average official rate of gold prevailing during the month of April. The definitive rate to be applied to the said money will be

determined by a separate agreement between the State Treasury, the Bank of Italy, and the two above-mentioned banks.

ARTICLE 3

The Bank of Italy is authorized to issue its own notes to an amount equal to the notes of the Bank of Naples and of the Bank of Sicily in circulation on the evening of June 30, 1926.

ARTICLE 4

The bank notes of the Bank of Italy issued in accordance with the preceding article will serve to replace gradually, beginning with July 1, 1926, the bank notes constituting the circulation of the Bank of Naples and of the Bank of Sicily. They will be used, in the first place, to decrease the credit of these banks with the special autonomous section of the consortium for subventions on industrial securities until such credit is covered in full; in the second place, they will be used for the reduction of the circulation of the two banks for the account of the State until this circulation is withdrawn; and, finally, they will be used to absorb the remaining circulation of the two banks for the account of commerce.

ARTICLE 5

The gold and equivalent values, as specified in article 2, will constitute a special reserve for the guaranty of the circulation of the bank notes to be issued by the Bank of Italy according to articles 3 and 4.

ARTICLE 7

Bank notes of the Bank of Naples and of the Bank of Sicily, which on the evening of June 30, 1926, were in the possession of the two institutions of issue, shall no longer be available for circulation. * * *

The bank notes of the two banks which gradually find their way from circulation into their possession will be withdrawn from circulation. * * *

ARTICLE 8

The bank notes which the Bank of Italy shall issue in accordance with article 3, excluding those relating to the operations of the two banks with the special autonomous section of the consortium for subventions on industrial securities, will not be subject to taxation nor to any other dues, and shall not be included within the normal limit indicated in article 14 following. * * *

ARTICLE 9

Dating from July 1, 1926, the amounts which constitute the credits of the special autonomous section of the consortium for subventions on industrial securities belonging to the Bank of Naples and to the Bank of Sicily, resulting from the bank notes issued by them, shall be recognized by the section itself as belonging to the Bank of Italy. * * *

ARTICLE 10

Beginning with July 1, 1926, the bank notes of the Bank of Naples and of the Bank of Sicily which return to the possession of the Bank of Italy through operations with the public shall be replaced daily by bank notes of the Bank of Italy by using the notes provided for by article 3 above. * * *

The Bank of Naples and the Bank of Sicily have the right to continue to open credits and to issue bills of exchange. For the latter, the right shall expire on December 31, 1930. The present agreements existing among the three institutions for the reciprocal acceptance of bearer instruments issued by them will cease to be effective as of that date.

ARTICLE 11

The bank notes of the Bank of Naples and the Bank of Sicily shall cease to be legal tender as of June 30, 1927.

The Bank of Italy and the two aforesaid banks shall effect the exchange of their notes with those of the Bank of Italy before December 31, 1930. After this date the bank notes of the two banks which have not been presented for exchange shall be canceled. The amount of the bank notes canceled shall be appropriated by the State.

ARTICLE 12

The status of the Bank of Naples and the Bank of Sicily, the amount of their capital, and provision regarding their reserves shall be determined in a future decree.

ARTICLE 13

Until new arrangements are made, the Bank of Naples and the Bank of Sicily shall continue the discounting and loaning operations of the character now authorized.

They shall continue to participate, under rules now existing in the ordinary section of the consortium for subventions on industrial securities.

ARTICLE 14

The normal limit of the circulation of the Bank of Italy for the account of commerce may be extended by royal decrees up to a maximum of the sum total of the limits at present authorized to the three institutions of issue.

ARTICLE 15

Under the control of the Minister of Finance, the Bank of Italy is accorded the right to grant to the Bank of Naples and to the Bank of Sicily rediscounting and loaning privileges at a preferential rate not to exceed 1 per cent below the official discount and interest rate. * * *

ARTICLE 18

The operation of the clearing houses, beginning July 1, 1926, shall be conducted exclusively by the Bank of Italy.

GOLD BALANCE SHEETS OF AUSTRIAN BANKS

Before the war Vienna was the financial center of central Europe and the Viennese banks ranked among the foremost financial institutions of the world. With the collapse of Austria-Hungary a great change took place. The field of operations of the banks was greatly curtailed and their branches, located in the various succession States, were either sold or reorganized under the laws of these States. Depreciation of the currency and other losses incident to the war still further altered the financial condition of the banks. So long, however, as they continued to publish their balance sheets in depreciated crowns, not even Austrian experts were able to draw reliable conclusions from the annual bank statements.

Amounts in crowns of different gold values were put together at various times in the ledgers and were added up as if they had been crowns of the same value. The result was that the balance sheets of the Austrian banks threw little light on changes in their condition. The recent publication of the gold balance sheets, therefore, is an important step toward the establishment of normal conditions in Austria and makes it possible to understand better the present position of the banks.

Analysis of balance sheets.—The following table shows the principal items of the seven leading Austrian banks as of January 1, 1925, together with comparative figures for 1913:

GOLD BALANCE SHEETS OF LEADING AUSTRIAN BANKS

ASSETS

[In millions of schillings]

	Cash in hand and bills			Securities and participations			Loans and discounts			Real estate and inventory			Total assets	
	Jan. 1, 1925	Dec. 31, 1913	1925 decrease (per cent)	Jan. 1, 1925	Dec. 31, 1913	1925 decrease (per cent)	Jan. 1, 1925	Dec. 31, 1913	1925 decrease (per cent)	Jan. 1, 1925	Dec. 31, 1913	1925 decrease (per cent)	Dec. 31, 1913	Jan. 1, 1925
Österreichische Credit-Anstalt für Handel und Gewerbe.....	31.8	335.8	90.5	62.0	189.2	69.2	370.2	1,130.7	69.3	8.4	17.1	51.0	1,700.9	472.4
Niederösterreichische Escompte Gesellschaft.....	33.8	107.0	68.4	43.3	83.2	48.0	265.8	430.6	38.3	-----	1.7	-----	622.6	342.9
Wiener Bank-Verein.....	43.9	356.5	87.5	30.0	123.6	75.7	207.3	815.8	74.6	10.0	26.8	63.0	1,322.7	291.1
Allgemeine Österreichische Boden-Credit-Anstalt ¹	24.1	167.2	85.6	58.3	48.0	+21.5	248.1	508.2	51.2	5.0	10.7	53.3	1,352.0	337.4
Union Bank.....	21.5	139.2	85.0	30.2	65.4	53.8	130.6	333.2	60.8	5.0	1.4	+257.0	539.3	187.3
Mercurbank.....	14.1	60.0	76.5	11.3	25.1	55.0	86.4	308.0	72.0	3.0	4.9	39.0	407.6	114.8
Verkehrsbank.....	5.0	99.8	95.0	9.9	29.5	66.4	112.6	298.1	62.2	2.0	5.9	66.0	441.8	129.5
Total, 7 banks.....	174.2	1,265.5	84.1	245.0	564.0	49.2	1,421.0	3,824.6	60.9	33.4	68.5	-----	6,359.9	1,875.4

LIABILITIES

	Capital	Surplus	Total	Capital	Surplus	Total	1925 decrease (per cent)	Deposits			Acceptances and drafts		
	Jan. 1, 1925			Dec. 31, 1913				Jan. 1, 1925	Dec. 31, 1913	1925 decrease (per cent)	Jan. 1, 1925	Dec. 31, 1913	1925 decrease (per cent)
Österreichische Credit-Anstalt für Handel und Gewerbe.....	50.0	20.0	70.0	216.0	134.0	350.0	80.0	400.5	1,244.3	67.8	1.6	72.6	97.8
Niederösterreichische Escompte Gesellschaft.....	37.5	22.5	60.0	108.0	36.4	144.4	57.7	281.7	400.9	29.7	-----	58.9	-----
Wiener Bank-Verein.....	40.0	20.0	60.0	187.2	55.0	242.2	75.2	228.6	933.0	75.5	1.7	100.2	98.3
Allgemeine Österreichische Boden-Credit-Anstalt ¹	30.0	20.0	50.0	77.8	173.8	251.6	80.0	284.5	407.9	30.0	1.6	57.9	97.2
Union Bank.....	28.0	8.0	36.0	100.8	27.9	128.7	72.0	151.2	321.4	53.0	0.1	66.2	99.8
Mercurbank.....	12.0	4.0	16.0	72.0	31.7	103.7	84.5	97.8	269.1	63.7	0.9	12.4	92.7
Verkehrsbank.....	8.75	5.25	14.0	60.5	15.6	76.1	80.6	111.6	340.7	67.2	-----	17.1	-----
Total, 7 banks.....	206.3	99.7	306.0	822.4	474.5	1,296.8	75.7	1,555.9	3,916.8	55.3	5.9	385.3	97.2

¹ Does not include mortgage business.

The law ordering the publication of the balance sheets in gold values left the banks free as to their methods of computation. The statements, therefore, are influenced to a certain extent by the policy of the individual banks. It should also be noticed that the item "reserve" (surplus) in the new gold balance sheets differs in significance from that of 1913. Before the war surplus represented partly undivided profits and partly premiums obtained in issuing new shares, and could be applied to the payment of dividends, while in the new balance sheets it represents an arbitrary amount which is actually part of the banks' capital and can not be used for dividend purposes. The fixing of the capital at a comparatively low figure reflects primarily the policy of the banks as regards future dividends, for a low capitalization makes possible a higher rate of dividends and thus makes bank shares a more attractive investment.

The table shows that the leading Austrian banks have lost approximately three-fourths of their pre-war capital and surplus. If the capital issued during and after the war be added, the loss is still greater and may be estimated at about 90 per cent. This loss of capital may be ascribed to the following causes: The depreciation of the krone, which reduced the capital invested in domestic business; the obligation of the banks to revalue their debts to creditors in ex-enemy countries; the seizure of the banks' assets located in the former allied countries; and, finally, the forced sale of securities of companies located in the succession States. The actual amount of capital funds at the disposal of the banks, however, is not so low as the figures in the condition statements would indicate, since a part of them are included in the items "securities and participations" and "real estate and inventory." These items comprise large blocks of foreign securities, bank premises, and other realty carried on the books of the banks at a very low value.

The above table also accentuates the difference between the big banks and the smaller institutions, a difference which disappeared almost completely during the period of depreciation. Thus the Verkehrsbank and the Mercurbank are in no sense large banks, and the difference between their capital and surplus and that of the other banks is larger to-day than before the war. The other institutions, however, maintain their standing as important international credit organizations. They still to a considerable extent control the industries of Austria and are important sources of credit in central Europe. The international character

of the Viennese banks manifests itself in the composition of their deposits and loans. Of the total loans and deposits of the Österreichische Credit-Anstalt, the largest financial institution in Austria, 65 per cent is reported in foreign currency. In the case of the other banks, loans and deposits in foreign currency amount to about 45 per cent. Inasmuch as Austrian currency has maintained a fixed relation to the dollar since the end of 1922 and there was, therefore, no object for the banks to keep their accounts in foreign currency, it may be assumed that these items represent deposits and loans of foreigners.

An interesting development revealed by the new gold balance sheets is the relation of capital and surplus to deposits. In 1913 the capital and surplus of the seven banks under consideration amounted to about 34 per cent of total deposits, while at the beginning of 1925 they amounted to only about 20 per cent. This indicates that the banks to-day are operating to a much larger extent than before the war with funds received from depositors. Since a considerable part of the deposits represents foreign short-term credits the banks are obliged to invest these funds in liquid assets even at a sacrifice in yield.

The item "acceptances and drafts" shows the greatest decline, amounting at the beginning of 1925 to only about 3 per cent of the 1913 volume. This decrease indicates chiefly that acceptances in central European bank practice are to-day of less importance than before the war. At present it is the custom of the banks not to incur a large volume of acceptance liabilities, but rather to indorse commercial bills, which are sold in the open market, as acceptances were formerly.

A comparison of the total resources of the seven leading Austrian banks as of the beginning of 1925 with those at the end of 1913 shows that total assets have shrunk from about \$900,000,000 in 1913 to about \$268,000,000 on January 1, 1925. They increased, however, by more than 14 per cent during 1925, and amounted at the end of the year to about \$304,000,000. In order to decrease overhead expenses there is at present a tendency toward amalgamations. The Credit-Anstalt recently absorbed the Austrian branches of the Anglo-Austrian bank and the Bodencredit Anstalt acquired a controlling interest in the Verkehrsbank. Other mergers are still pending.

Operations during 1925.—The position of the large banks at the end of 1925 as compared with the beginning of the year may be seen from the following table. These figures indi-

cate that, while the resources of the banks have increased, their gross earnings have decreased. The decrease in gross earnings has been due to the substantial reduction in the rate of interest and commissions, the dullness of the stock market, and the fact that foreign exchange operations have been less profitable than during previous years. Notwithstanding the general decline in gross earnings the net profits of three of the largest banks show an increase over the past year.

Net profits of the other banks, however, declined more rapidly than gross earnings. The increase of net profits by some of the banks in the face of decreasing gross earnings was made possible by the general reduction in overhead expenses, mainly the decrease in the number of employees, and partly by the reduction of the profit tax. The yield of the shares of the banks under consideration for the past year, based on the market value as of June 24, 1926, ranged from 5 to 8.5 per cent.

BALANCE SHEET AT END OF 1925

[In thousands of schillings]

	Credit-Anstalt		Niederösterreichische Escompte-Gesellschaft		Wiener Bank-Verein		Allgemeine Österreichische Boden-Credit-Anstalt		Unionbank		Mercurbank		Allgemeine Verkehrsbank		Total, 7 banks	
	Jan. 1, 1925	Dec. 31, 1925	Jan. 1, 1925	Dec. 31, 1925	Jan. 1, 1925	Dec. 31, 1925	Jan. 1, 1925	Dec. 31, 1925	Jan. 1, 1925	Dec. 31, 1925	Jan. 1, 1925	Dec. 31, 1925	Jan. 1, 1925	Dec. 31, 1925	Jan. 1, 1925	Dec. 31, 1925
Cash and bills.....	31,780	52,935	33,765	44,333	43,872	58,254	24,108	52,947	21,536	21,716	14,061	15,214	5,031	10,268	174,153	255,667
Loans.....	370,128	484,019	265,906	279,087	207,151	238,669	249,182	268,373	130,574	135,877	86,434	99,074	112,558	84,045	1,421,833	1,589,144
Deposits.....	401,846	530,507	281,666	298,667	229,560	270,946	284,899	332,691	151,233	152,509	97,845	111,136	111,667	88,808	1,557,686	1,785,264
Total resources.....	472,412	608,068	342,865	366,074	291,089	336,249	337,358	392,591	187,322	190,839	114,790	129,169	129,535	107,242	1,875,371	2,130,232
Gross earnings.....	34,359	31,426	18,970	16,992	34,839	31,108	18,591	17,847	14,414	12,033	11,630	9,553	16,038	8,266	148,841	127,225
Net earnings.....	6,168	6,567	6,122	6,158	5,610	4,488	5,228	6,004	3,149	2,232	2,764	1,710	1,512	182	30,553	27,341

PERCENTAGE OF INCREASE OR DECREASE, 1924-25

Gross earnings.....	-8.54	-10.43	-10.71	-4.00	-16.52	-17.86	-48.45	-14.52
Net earnings.....	+6.47	+5.9	-20.00	+14.84	-29.12	-38.13	-87.96	-10.51

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 pounds sterling]

	1926			1925
	July	June	May	July
Bank of England:				
Issue department—				
Gold coin and bullion.....	151	149	148	162
Notes issued.....	171	169	168	182
Banking department—				
Gold and silver coin.....	1	1	1	2
Bank notes.....	29	27	27	37
Government securities.....	35	52	41	34
Other securities.....	69	103	72	69
Public deposits.....	10	10	20	21
Other deposits.....	105	155	103	103
Ratio of gold and note reserve to deposit liabilities (per cent).....	26.0	17.1	22.9	31.6
Bank notes in circulation ¹	86	85	84	89
Currency notes and certificates.....	294	294	300	301
Nine London clearing banks:				
Money at call and short notice.....	119	121	113	115
Discounts and advances.....	1,107	1,084	1,063	1,080
Investments.....	246	243	244	260
Total deposits.....	1,646	1,650	1,590	1,633
Total clearings.....	3,470	3,242	3,223	3,499
Government floating debt:				
Total.....	773	775	721	780
Treasury bills.....	610	613	596	604
Temporary advances.....	163	162	125	176
Index of security prices (December, 1921=100) (per cent).....	117.5	117.9	117.0	114.4
Index number of foreign exchange value of the pound sterling (per cent) ²	100.0	100.0	100.0	99.9

¹ Notes issued, less amounts held in banking department and in currency note account.² New series.

FRANCE

[Millions of francs]

	1926			1925
	July	June	May	July
Bank of France:				
Gold reserve ¹	3,654	3,684	3,684	3,683
Silver reserve.....	338	337	335	312
War advances to the Government.....	37,450	36,600	35,900	27,250
Note circulation.....	56,022	53,073	52,735	44,496
Total deposits.....	4,344	2,926	3,227	2,511
Three commercial banks:				
Demand deposits.....		21,691	20,749	17,007
Bills.....			14,065	11,959
Other loans.....			5,700	4,571
Clearings, daily average of Paris banks.....		1,907	2,028	1,178
Price of 3 per cent perpetual renté.....	47.75	47.00	47.45	51.00

¹ Not including gold held abroad.

CANADA

[Millions of dollars]

	1926			1925
	June	May	April	June
Chartered banks:				
Gold coin and bullion ¹	72	72	66	54
Current loans and discounts.....	1,184	1,195	1,204	1,107
Money at call and short notice.....	386	360	354	331
Public and railway securities.....	540	544	550	574
Note circulation.....	166	164	161	163
Individual deposits.....	2,218	2,197	2,204	2,126
Gold reserve against Dominion notes.....		93	88	116
Dominion note circulation.....		172	185	208
Bank clearings ²	1,469	1,465	1,472	1,240
Bank debits ²	2,684	2,415	2,631	2,151

¹ Not including gold held abroad.² Total for month.

GERMANY

[Millions of reichsmarks]

	1926			1925
	July	June	May	July
Reichsbank:				
Gold at home.....	1,232	1,232	1,232	961
Gold abroad.....	260	260	260	123
Reserves in foreign exchange.....	495	325	388	363
Bills of exchange and checks.....	1,199	1,288	1,244	1,789
Miscellaneous assets.....	646	522	517	502
Deposits.....	538	527	579	700
Reichsmarks in circulation.....	3,107	2,971	2,878	2,530
Rentenmarks in circulation.....	1,501	1,520	1,529	1,836
Reichsbank clearings.....	4,899	4,613	4,501	4,609
6 Berlin banks: ¹				
Cash.....		145		
Bills.....		1,397		
Due from other banks.....		703		
Miscellaneous loans.....		2,413		
Deposits.....		4,857		
Index of security prices (Jan. 2, 1925=100) (per cent).....	102.65	98.42	86.33	73.99
Capital issues.....	145	131	835	25

¹ Bimonthly statements.

ITALY

[Millions of lire]

	1926			1925
	June	May	April	June
Banks of issue:				
Gold reserve ¹		1,135	1,135	1,132
Total reserve.....		1,988	1,990	1,777
Loans and discounts.....		10,279	10,233	9,675
Note circulation for commerce.....		10,867	11,041	11,949
Note circulation for the State.....		6,857	6,857	7,068
Total deposits.....		2,481	2,288	2,811
Leading private banks:				
Cash.....		1,072	1,089	1,049
Loans and discounts.....		8,835	8,541	9,079
Due from correspondents.....		5,233	5,113	4,636
Participations.....		661	661	467
Total deposits.....		14,030	13,795	13,840
State note issue.....		2,100	2,100	2,100
Index of security prices (per cent).....	188	194	194	248

¹ Not including gold held abroad.

JAPAN

[Millions of yen]

	1926			1925
	July	June	May	July
Bank of Japan:				
Gold at home and abroad.....	1,058	1,058	1,058	1,059
Advances and discounts.....	326	369	344	329
Advances on foreign bills.....	42	40	41	42
Total note and deposit liabilities.....	1,918	1,973	1,954	1,952
Notes issued.....	1,265	1,280	1,179	1,269
Total deposits.....	654	693	775	684
Tokyo banks:				
Cash on hand.....	122	124	143	116
Total loans.....	2,542	2,535	2,476	2,390
Total deposits.....	1,946	1,933	1,949	1,919
Total clearings.....	3,172	3,573	3,165	3,225

CONDITION OF CENTRAL BANKS IN OTHER COUNTRIES

	1926			1925		1926			1925
	July	June	May	July		July	June	May	July
Austrian National Bank (millions of schillings):					Bank of Estonia (millions of Estonian marks):				
Gold	38	19	18	11	Gold			1 499	2 459
Total principal earning assets	894	879	840	855	Foreign exchange—				
Foreign bills	622	615	568	569	Cash in foreign currency			31	93
Domestic bills	90	81	89	85	Foreign correspondents' account				223
Treasury bills	182	183	183	201	Foreign bills				219
Note circulation	885	836	820	837	Loans and discounts			5,893	5,221
Deposits	48	62	40	30	Note circulation			1,836	1,737
National Bank of Belgium (millions of francs):					Deposits and current accounts				
Gold	274	274	274	272				856	1,902
Foreign bills and balances abroad	30	30	30	30	Bank of Finland (millions of Finnish marks):				
Domestic bills	1,919	1,362	1,768	1,418	Gold	330	331	331	332
Loans to State	5,200	5,200	5,200	5,200	Balances abroad and foreign credits	890	900	948	1,024
Note circulation	8,975	8,514	8,346	7,688	Foreign bills	60	61	59	44
Deposits	681	429	1,218	175	Domestic bills	566	656	553	352
National Bank of Bulgaria (millions of leva):					State debts				
Gold		42	42	41		262	262	262	395
Total principal earning assets		7,133	7,078	7,201	Note circulation	1,289	1,298	1,320	1,252
Foreign bills, etc.		306	352	468	Demand liabilities	368	481	410	488
Domestic loans and discounts		1,374	1,261	1,313	National Bank of Greece (millions of drachmae):				
Advances to State		5,453	5,465	5,420	Gold and balances abroad			1,748	2,528
Note circulation		3,569	3,619	4,129	Government loans and securities				3,796
Deposits		2,780	2,681	2,241	Discounts and loans			3,118	3,313
Central Bank of Chile (millions of pesos):					Note circulation				
Gold at home	147	148	176					3,967	5,303
Gold abroad	285	293	264		Total deposits			3,966	3,693
Loans and discounts	83	64	47		National Bank of Hungary (millions of pengö):				
Note circulation	371	382	410		Gold	141	121	111	50
Deposits	93	91	43		Foreign bills, etc.	94	107	129	160
Czechoslovak National Bank (millions of Czechoslovak crowns):					Loans and discounts				
Gold and silver	1,033	1,041	1,058			162	165	175	125
Balances abroad and foreign currency	1,290	1,284	1,263		Advances to treasury	152	152	152	157
Loans and advances	193	202	175		Other assets	231	245	246	266
Assets of Banking Office in liquidation	667	677	684		Note circulation	424	395	388	380
Note circulation	7,199	7,220	6,930		Deposits	159	176	204	146
Deposits	849	685	940		Miscellaneous liabilities	167	191	191	205
Bank of Danzig (millions of Danzig gulden):					Bank of Java (millions of florins):				
Balances with Bank of England	19	24	18	17	Gold		200	195	133
Total principal earning assets	32	28	32	40	Total principal earning assets		80	74	122
Foreign bills, etc.	17	15	19	16	Foreign bills		23	21	30
Loans and discounts	15	13	13	24	Loans and discounts		57	53	92
Note circulation	35	35	33	34	Note circulation		326	324	311
Deposits	3	2	3	6	Deposits		43	43	53
National Bank of Denmark (millions of kroner):					Bank of Latvia (millions of lats):				
Gold	209	209	209	209	Gold	24	24	24	24
Total principal earning assets	160	188	193	261	Foreign exchange reserve	37	36	40	33
Foreign bills, etc.	43	54	56	115	Bills	67	67	67	59
Loans and discounts	108	124	126	116	Loans	50	50	51	49
Advances to State	9	10	11	30	Note circulation	30	30	30	28
Note circulation	389	401	400	449	Government deposits	80	80	85	76
Deposits	26	22	29	64	Other deposits	54	56	55	53
National Bank of Egypt (thousands of Egyptian pounds sterling):					Bank of Lithuania (millions of litas):				
Gold		3,430	3,424	3,373	Gold	31	30	30	33
Government securities		61,166	52,541	52,943	Total principal earning assets	67	71	76	68
Note circulation		30,745	31,941	31,488	Foreign bills	24	27	32	29
Government deposits		21,940	22,707	22,112	Loans and discounts	43	44	44	39
Other deposits		13,363	13,261	14,855	Note circulation	74	79	83	78
					Deposits	20	19	21	20
					Netherlands Bank (millions of florins):				
					Gold	426	427	432	419
					Total principal earning assets	418	395	400	441
					Foreign bills	224	199	195	229
					Loans and discounts	195	196	205	212
					Note circulation	814	809	844	876
					Deposits	76	64	40	26

¹ Including gold abroad.² Gold abroad.

CONDITION OF CENTRAL BANKS IN OTHER COUNTRIES—Continued

	1926			1925		1926			1925
	July	June	May	July		July	June	May	July
Bank of Norway (millions of kroner):					National Bank of the Kingdom of Serbs, Croats, and Slovenes (millions of dinars):				
Gold.....	147	147	147	147	Gold.....	81	80	80	73
Total principal earning assets.....	417	420	365	383	Foreign bills.....	296	323	326	397
Foreign exchange.....	77	81	87	58	Loans and discounts.....	1,346	1,266	1,311	1,134
Domestic credits.....	340	339	278	325	Advances to State.....	2,966	2,966	2,966	2,966
Note circulation.....	340	343	335	384	Note circulation.....	5,422	5,494	5,627	5,661
Deposits.....	183	184	133	85	Deposits.....	529	664	536	742
Reserve Bank of Peru (thousands of libras):					South African Reserve Bank (thousands of pounds sterling):				
Gold at home.....	4,023	3,910	4,054	4,021	Gold.....	7,180	7,572	7,560	10,621
Gold abroad.....	694	888	685	985	Total principal earning assets.....	6,724	5,796	6,272	5,419
Bills.....	2,928	2,742	2,698	1,985	Foreign bills.....	5,772	4,808	5,265	4,145
Note circulation.....	6,779	6,581	6,528	6,168	Domestic bills.....	952	988	1,007	1,274
Deposits.....	792	1,023	735	810	Note circulation.....	7,924	7,606	8,176	9,520
Bank of Poland (millions of zloty):					Deposits.....	5,526	5,169	5,076	5,530
Gold.....	135	135	134	122	Bank of Spain (millions of pesetas):				
Foreign exchange, etc.....	91	79	53	92	Gold.....	2,555	2,541	2,537	2,537
Loans and discounts.....	378	375	377	357	Balances abroad.....	30	33	35	31
Note circulation.....	511	448	413	462	Bills discounted.....	727	722	778	740
Current accounts—					Note circulation.....	4,353	4,333	4,323	4,286
Private.....	86	77	68	69	Deposits.....	1,029	1,059	1,070	970
Treasury.....	1	1	5	11	Bank of Sweden (millions of kroner):				
Liabilities in foreign currency.....	47	69	61	19	Gold.....	228	228	229	234
Bank of Portugal (millions of escudos):					Total principal earning assets.....	416	490	459	493
Gold.....		9	9	9	Foreign bills, etc.....	161	162	166	161
Balances abroad.....		363	321	195	Domestic credits.....	255	328	293	332
Bills.....		144	152	187	Note circulation.....	494	528	489	494
Note circulation.....		1,843	1,786	1,617	Deposits.....	89	134	149	180
Deposits.....		49	54	64	Swiss National Bank (millions of francs):				
National Bank of Rumania (millions of lei):					Gold.....	420	419	419	508
Gold.....	570	569	569	563	Total principal earning assets.....	409	408	390	372
Bills.....	8,368	8,438	8,349	7,711	Note circulation.....	803	800	781	824
Government loans.....	17,114	17,114	17,114	16,794	Deposits.....	81	83	85	111
Note circulation.....	21,003	20,971	20,988	19,669	Bank of the Republic of Uruguay (thousands of pesos):				
Deposits.....	7,762	7,783	7,858	7,842	Gold.....		54,942	54,938	54,934
State Bank of Russia (note-issuing department; thousands of chevrons):					Loans and discounts.....		86,351	84,142	84,422
Gold.....	14,769	14,683	14,653	16,657	Note circulation.....		61,503	62,269	62,114
Foreign currency.....	5,027	5,025	5,007	4,685	Deposits.....		69,790	68,636	61,057
Loans and discounts.....	56,955	53,059	51,107	44,618					
Bank notes.....	75,162	72,663	70,126	67,750					

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.....	7	Aug. 7, 1926	Esthonia.....	10	July 1, 1925	Japan.....	7.3	Apr. 15, 1925	Portugal.....	8	July 27, 1926
Belgium.....	7	Apr. 23, 1926	Finland.....	7½	Oct. 29, 1925	Java.....	6	May 3, 1925	Rumania.....	6	Sept. 4, 1920
Bulgaria.....	10	Aug. 31, 1924	France.....	7½	Aug. 2, 1926	Latvia.....	8	Feb. 16, 1924	Russia.....	8	Apr. —, 1924
Czechoslovakia.....	6	Jan. 13, 1926	Germany.....	6	July 6, 1926	Lithuania.....	7	Feb. 1, 1925	South Africa.....	5½	Nov. 21, 1924
Danzig.....	5½	July 29, 1926	Greece.....	10	Aug. 18, 1925	Netherlands.....	3½	Oct. 2, 1925	Spain.....	5	Mar. 23, 1923
Denmark.....	5	June 24, 1926	Hungary.....	6	Aug. 26, 1926	Norway.....	5½	Apr. 20, 1926	Sweden.....	4½	Oct. 9, 1925
England.....	5	Dec. 3, 1925	India.....	4	June 10, 1926	Peru.....	6	Apr. 1, 1923	Switzerland.....	3½	Oct. 22, 1925
			Italy.....	7	June 18, 1925	Poland.....	10	July 7, 1926	Yugoslavia.....	6	June 23, 1922

Changes: Bank of Danzig from 7 to 6½ per cent on July 7, 1926, and from 6½ to 5½ per cent on July 29, 1926; Bank of Portugal from 9 to 8 per cent on July 27, 1926; Austrian National Bank from 7½ to 7 per cent on August 7, 1926; National Bank of Hungary from 7 to 6 per cent on August 26, 1926.

FOREIGN TRADE OF PRINCIPAL COUNTRIES

UNITED STATES					FOREIGN COUNTRIES				
[Thousands of dollars]					[Thousands of dollars]				
	1926		Year ended July—			1926		Year ended July	
	July	June	1926	1925		July	June	1926	1925
IMPORTS									
By classes of commodities:									
Total.....	339,232	336,980	4,479,290	3,871,183	France (million francs):				
Crude materials.....	131,215	122,537	1,911,900	1,487,934	Imports.....	5,016	5,181	56,176	39,243
Foodstuffs, crude, and food animals.....	42,209	43,040	530,224	455,045	Exports.....	5,244	4,671	52,289	42,314
Manufactured foodstuffs.....	29,312	36,025	396,881	442,947	Germany (million gold marks):				
Semimanufactures.....	65,775	64,332	799,667	715,036	Imports.....	949	796	10,537	12,179
Finished manufactures.....	70,721	71,046	842,637	770,123	Exports.....	823	761	9,568	8,064
By countries:					United Kingdom (thousand £ sterling):				
Total Europe.....		104,597			Imports.....	100,291	97,504	1,249,497	1,347,260
France.....		10,074			Exports.....	57,264	50,107	711,078	798,705
Germany.....		15,100			Reexports.....	9,450	10,753	141,635	144,492
Italy.....		7,924			Canada (thousand dollars):				
United Kingdom.....		31,591			Imports.....	88,610	91,513	969,297	817,685
Total North America.....		88,134			Exports.....	111,595	119,399	1,357,908	1,105,766
Canada.....		41,607			Japan (million yen):				
Total South America.....		40,390			Imports.....	184	193	2,478	2,501
Argentina.....		7,365			Exports.....	161	156	2,265	2,058
Total Asia and Oceania.....		96,527							
Japan.....		21,137			1926		Year ended June—		
Total Africa.....		7,332			June	May	1926	1925	
EXPORTS					Belgium (million francs):				
By classes of commodities:					Imports.....				
Total.....	368,359	338,419	4,782,141	4,927,592	Exports.....	2,826	1,606	20,082	17,496
Crude materials.....	72,093	63,245	1,338,788	1,423,989	Czechoslovakia (million crowns):				
Foodstuffs, crude, and food animals.....	33,908	21,088	261,057	492,888	Imports.....	1,331	1,079	17,037	16,646
Manufactured foodstuffs.....	35,418	34,237	523,320	583,583	Exports.....	1,171	1,219	17,684	18,123
Semimanufactures.....	53,145	54,986	628,786	657,816	Denmark (million kroner):				
Finished manufactures.....	165,930	155,172	1,968,062	1,708,147	Imports.....	134	128	1,776	2,336
Reexports.....	7,865	9,691	100,104	88,361	Exports.....	128	131	1,999	2,203
By countries:					Estonia (million Esthonian marks):				
Total Europe.....	166,123	144,393	2,343,407	2,688,855	Imports.....		837		
France.....	12,769	14,802	274,625	289,906	Exports.....		714		
Germany.....	20,395	20,170	369,760	474,742	Finland (million finmarks):				
Italy.....	12,201	10,661	164,975	223,854	Imports.....	513	485	5,640	4,707
United Kingdom.....	77,446	62,647	988,448	1,065,921	Exports.....	581	287	5,374	5,352
Total North America.....	101,912	99,642	1,165,187	1,160,735	Hungary (million gold crowns):				
Canada.....	66,101	64,989	704,970	665,341	Imports.....		58		
Total South America.....	37,299	30,126	425,203	369,331	Exports.....		50		
Argentina.....	11,464	9,770	140,754	158,062	Italy (million lire):				
Total Asia and Oceania.....	54,400	57,490	746,832	630,483	Imports.....	2,756	2,506	26,103	24,361
Japan.....	17,895	16,895	259,798	220,101	Exports.....	1,636	1,301	17,958	16,279
Total Africa.....	8,625	6,768	96,678	78,188	Netherlands (million guilders):				
					Imports.....	213	195	2,491	2,403
					Exports.....	133	129	1,757	1,746
					Norway (million kroner):				
					Imports.....	81	89	1,236	1,554
					Exports.....	71	56	927	1184
					Poland (million zlotys):				
					Imports.....	63	106	1,154	1,814
					Exports.....	103	182	1,638	1,237
					Russia (million rubles):				
					Imports.....	51	42	720	
					Exports.....	52	38	603	
					Sweden (million kroner):				
					Imports.....	115	116	1,458	1,436
					Exports.....	128	124	1,382	1,328
					Switzerland (million francs):				
					Imports.....	201	191	2,591	2,550
					Exports.....	148	147	1,843	2,110
					Australia (thousand £ sterling):				
					Imports.....	10,662	12,216	151,185	157,055
					Exports.....	10,228	10,869	145,876	156,847
					Egypt (thousand Egyptian pounds):				
					Imports.....	3,444	3,687	57,489	53,342
					Exports.....	2,526	3,217	50,582	67,005
					India (million rupees):				
					Imports.....	163	199	2,286	2,406
					Exports.....	248	250	3,623	4,092
					South Africa (thousand £ sterling):				
					Imports.....		4,978		
					Exports.....		5,555		

TRADE BALANCE OF THE UNITED STATES FOR SEVEN MONTHS ENDED JULY, 1925 AND 1926

[Thousands of dollars]

	Total	Merchandise	Gold	Silver
1925				
Imports.....	2,477,696	2,389,405	50,871	37,420
Exports.....	2,957,197	2,702,980	195,353	58,864
Net imports (—) or exports (+).....	+479,501	+313,575	+144,482	+21,444
1926				
Imports.....	2,827,992	2,642,106	142,950	42,936
Exports.....	2,679,367	2,575,273	46,805	57,289
Net imports (—) or exports (+).....	—148,625	—66,833	—96,145	+14,353

INDUSTRIAL STATISTICS FOR ENGLAND, FRANCE, GERMANY, AND CANADA

ENGLAND

	PRODUCTION				Raw cotton, visible supply ¹	EXPORTS			IMPORTS			TRANSPORTATION			UNEMPLOYMENT		Capital issues
	Coal	Pig iron	Crude steel	Finished steel		Iron and steel manufactures	Coal	Cotton manufactures	Raw cotton	Raw wool	Raw hides	Ships cleared with cargo ³	British railways		Among trade-unionists	Among insured trades	
	Thousand long tons					Thous. bales	Thous. long tons		Million sq. yd.	Million pounds		Thous. pounds	Thous.	Thous. £ sterling	Million ton miles	Per cent	
1925																	
January	25,392	575	605	567	1,261	325	4,366	406	297	79	8,472	5,360	8,925	1,621	9.0	11.2	49,192
February	21,387	542	652	527	1,324	299	4,344	426	202	77	8,625	4,765	8,408	1,530	9.4	11.3	35,731
March	20,956	608	685	581	1,260	312	4,392	421	166	78	13,444	5,090	9,287	1,549	9.0	11.1	23,578
April	18,328	570	598	498	1,201	297	4,360	337	146	77	10,285	4,983	8,338	1,474	9.4	10.9	21,266
May	24,595	575	652	566	1,069	322	4,652	375	96	90	13,422	5,424	8,600	1,512	10.1	10.9	49,758
June	16,171	510	585	497	940	276	3,734	342	69	63	13,522	5,076	8,000	1,370	12.3	11.9	27,897
July	18,908	493	590	532	779	307	4,442	375	63	42	11,691	5,643	9,284	1,665	11.2	11.2	18,576
August	20,174	445	477	440	680	288	3,272	348	66	28	10,476	4,806	7,588	1,339	11.4	12.1	2,650
September	17,207	449	640	566	686	273	3,902	364	80	29	11,281	5,234	8,714	1,489	11.4	12.0	33,664
October	23,679	474	652	564	871	369	4,382	371	181	32	8,935	5,727	9,217	1,610	11.3	11.4	26,362
November	19,718	494	654	553	1,091	322	4,338	329	237	47	11,884	5,113	8,805	1,524	11.0	11.0	31,874
December	20,157	508	607	552	1,243	341	4,632	386	287	86	10,755	5,082	8,625	1,570	11.0	10.5	24,240
1926																	
January	25,474	534	640	558	1,181	337	4,148	360	194	107	12,412	5,143	8,724	1,601	10.6	11.1	29,236
February	21,602	502	704	583	1,186	339	4,340	370	149	103	11,417	4,796	8,619	1,667	10.4	10.5	26,617
March	21,353	569	784	558	1,114	407	4,703	407	139	81	9,774	5,283	9,928	1,748	10.1	9.8	22,930
April	19,600	539	661	498	1,089	313	4,291	285	125	108	12,281	5,224	8,766	1,559	10.0	9.2	16,425
May	(⁴)	89	46	-----	1,133	274	1,448	308	108	79	6,088	2,338	3,287	452	13.2	14.5	10,479
June	(⁴)	42	35	-----	1,107	231	34	331	104	71	4,487	3,351	-----	-----	12.9	14.7	28,576
July	(⁴)	18	32	-----	1,072	244	7	364	103	62	7,809	3,543	-----	-----	13.2	14.6	25,115

¹ Five weeks.

² End of month figures.

³ Includes Irish Free State.

⁴ Coal strike.

FRANCE

	PRODUCTION					EX-PORTS		IMPORTS			TRANSPORTATION			Unem- ployed receiving municipal aid in Paris ¹	Busi- ness fail- ures ²
	Coal ¹	Pig iron	Crude steel	Cotton yarn	Cotton cloth	Total volume	Total volume	Raw cotton for consumption	Raw silk for consumption	Coal for consumption	Ships cleared with cargo	Freight-car loadings	Receipts of principal railways		
	Thousand metric tons				Thous. kilograms	Thousand metric tons		Metric tons		Thous. metric tons	Thous. tons	Average daily number	Thous. francs		
1925															
January	5,292	669	608	10,367	26,484	2,277	3,519	43,699	376	1,470	2,595	61,361	689,555	409	144
February	4,936	637	569	9,920	25,094	2,895	3,979	32,518	460	1,567	2,442	63,352	727,161	466	140
March	5,383	689	607	10,949	26,606	2,638	3,944	33,561	312	1,619	2,756	62,990	712,880	417	155
April	5,020	686	587	10,498	25,573	2,223	3,669	31,164	451	1,210	3,404	58,944	620,965	370	112
May	4,916	706	596	9,952	25,633	2,431	3,857	22,227	447	1,469	3,404	58,946	708,702	243	190
June	4,907	703	600	10,098	24,355	2,567	3,953	18,297	399	1,380	3,266	59,683	750,619	171	145
July	4,509	724	625	10,136	26,179	2,417	3,531	16,827	400	1,366	3,620	58,037	688,393	111	142
August	4,894	713	617	10,354	25,017	2,293	3,909	12,254	473	1,481	3,224	60,143	783,189	97	124
September	5,189	717	632	10,755	26,631	2,667	4,651	18,477	538	1,636	3,388	64,107	1,038,267	75	78
October	5,503	739	668	11,314	28,502	2,453	4,643	23,774	685	2,041	3,413	66,542	807,393	78	108
November	5,168	740	647	10,475	23,623	2,537	3,985	31,871	834	1,596	2,902	65,957	753,764	103	118
December	5,207	748	659	11,124	26,065	2,648	4,006	64,488	797	1,453	2,805	68,437	997,533	191	153
1926															
January	5,364	763	661	10,477	24,916	2,271	3,629	43,424	545	1,432	2,823	60,808	774,896	252	136
February	5,190	707	630	10,455	24,912	2,752	4,145	49,673	193	1,605	2,429	66,179	845,890	250	144
March	5,833	772	726	11,442	29,961	2,919	3,946	13,954	842	1,342	3,064	67,329	854,374	157	134
April	5,272	768	683	-----	-----	2,593	4,183	30,514	428	1,671	3,225	63,193	1,081,574	117	94
May	4,997	783	667	-----	-----	2,625	3,607	20,560	548	1,220	3,191	62,075	904,876	81	-----
June	4,430	778	694	-----	-----	2,745	3,894	22,364	-----	-----	2,362	64,856	947,997	62	-----
July	-----	-----	-----	-----	-----	2,869	3,608	-----	-----	-----	3,153	62,317	-----	47	-----

¹ Coal and lignite, including Lorraine and the Saar.

² End of month figures.

³ Number of failures in the Department of the Seine.

⁴ Five weeks.

⁵ Does not include the Saar.

PRICE MOVEMENTS IN PRINCIPAL COUNTRIES

WHOLESALE PRICES

ALL COMMODITIES

[Pre-war=100]

Year and month	Europe													Poland	
	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)
								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	162	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	157	1,120	543	483	134	141	683	153	258	119
July	137	559	3,041	1,009	206	157	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	126	135	721	155	231	127
October	127	575	2,823	989	163	155	1,121	572	482	124	131	716	154	221	128
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	1,094	634	527	120	127	708	153	214	142
February	120	556	2,899	950	151	149	1,091	636	540	118	125	704	149	211	146
March	119	583	2,844	938	145	144	1,081	632	545	118	123	693	145	204	146
April	119	621	2,774	923	141	144	1,081	650	565	123	123	692	143	198	167
May	118	692	2,938	923	141	145	1,070	688	597	123	122	698	143	196	181
June	124	761	2,842	926	140	146	1,079	739	631	125	122	709	144	195	175
July	126	876		948	141	149	1,079	839	704	127		724	142	196	167
August					143					127				196	

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 ²	Egypt (Cairo)	South Africa
1925															
January	172	191	169	171	160	166	199	163	160	178	171	213	166	157	130
February	178	192	169	171	161	165	194	163	159	177	172	210	162	161	-----
March	183	193	168	170	161	162	206	160	160	179	168	204	162	155	-----
April	195	190	163	166	156	157	206	158	159	175	169	202	162	154	130
May	197	191	162	163	155	159	200	159	158	174	164	199	162	151	-----
June	191	187	161	162	157	159	200	163	157	173	157	200	162	160	-----
July	188	188	161	161	160	158	198	162	163	175	160	198	161	151	127
August	175	184	159	160	160	160	200	162	160	176	157	200	161	151	-----
September	173	185	157	159	160	157	205	162	160	175	158	201	160	152	-----
October	174	187	154	159	158	157	205	163	159	175	160	200	162	153	124
November	175	186	155	157	158	161	204	165	158	174	164	198	161	145	-----
December	179	187	156	157	156	164	203	170	158	173	163	194	160	140	-----
1926															
January	183	186	153	156	156	164	206	161	164	172	163	192	159	134	124
February	190	183	152	155	155	162	205	160	163	170	158	188	159	134	-----
March	194	183	149	151	152	160	204	163	164	167	155	184	157	134	-----
April	196	179	150	148	151	161	204	168	163	165	153	181	156	133	120
May	197	179	151	147	152	157	206	167	160	165	150	177	156	128	-----
June	189	177	150	145	152	156	204	163	156	-----	150	177	-----	129	-----
July	183	178	148	145	151	156	204	162	157	-----	-----	179	-----	129	-----
August	182	-----	-----	-----	-----	-----	204	-----	161	-----	-----	-----	-----	-----	-----

¹ First of month figures.

² Revised index.

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

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

GROUPS OF COMMODITIES

(Pre-war=100)

UNITED STATES—BUREAU OF LABOR STATISTICS

Year and month	All commodities	Farm products	Foods	Clothing materials	Fuel and lighting	Metals and metal products	Building materials	Chemicals and drugs	House furnishing goods	Miscellaneous	Agricultural	Non-agricultural
1925—July.....	160	162	157	189	172	126	170	133	169	143	162	157
August.....	160	163	159	190	170	127	172	135	169	138	163	157
September.....	160	160	160	189	169	127	174	136	168	135	162	156
October.....	158	155	158	190	172	128	174	135	168	138	157	157
November.....	158	154	160	188	175	130	176	135	166	142	156	159
December.....	156	152	157	187	175	130	177	135	166	138	154	158
1926—January.....	156	152	156	186	177	129	178	133	165	135	154	158
February.....	155	150	153	184	179	128	177	132	164	133	152	157
March.....	152	144	151	181	175	128	176	132	164	128	148	155
April.....	151	145	153	177	174	127	173	130	163	127	149	153
May.....	152	144	154	176	179	125	172	131	162	125	149	153
June.....	152	144	157	175	179	125	171	131	162	123	151	153
July.....	151	141	154	173	177	126	172	131	161	123	148	152

ENGLAND—BOARD OF TRADE

Year and month	All commodities	Food				Not food					
		Total	Cereals	Meat and fish	Other foods	Total	Iron and steel	Other minerals and metals	Cotton	Other textiles	Miscellaneous
1925—July.....	167	164	158	155	179	153	125	132	210	176	157
1926—January.....	151	162	154	165	167	146	119	131	175	176	153
February.....	149	159	148	156	170	144	118	131	174	172	149
March.....	144	151	144	151	156	141	118	130	165	168	147
April.....	144	152	148	149	157	139	117	130	162	162	144
May.....	145	158	150	157	166	138	117	129	164	160	140
June.....	146	155	150	154	161	142	120	145	161	158	141
July.....	149	153	151	152	158	146	125	160	158	157	143

FRANCE—STATISTICAL BUREAU

Year and month	All commodities	Foods				Industrial materials			
		Total	Animal foods	Vegetable foods	Sugar, coffee, cocoa	Total	Minerals	Textiles	Sundries
1925—July.....	557	508	499	520	486	596	506	801	554
1926—January.....	634	543	532	544	548	707	627	941	645
February.....	636	546	536	541	567	708	646	925	643
March.....	632	548	537	546	565	700	645	914	631
April.....	650	574	535	539	608	712	653	929	646
May.....	688	610	546	645	657	751	680	990	681
June.....	739	660	554	739	699	802	753	1,030	725
July.....	839	718	575	797	840	936	922	1,233	801

GERMANY—FEDERAL STATISTICAL BUREAU

Year and month	All commodities	Food products				Industrial products				
		Total	Grains and potatoes	Fats, sugar, meat, and fish	Colonial goods, coffee, cocoa, etc.	Total	Hides and leathers	Textiles	Metals and minerals	Coal and iron
1925—July.....	135	134	129	136	179	136	126	191	131	123
1926—January.....	120	115	101	134	185	130	113	176	128	120
February.....	118	112	98	134	183	130	110	172	127	120
March.....	118	113	99	134	180	128	107	165	127	120
April.....	123	122	112	132	180	125	107	158	124	117
May.....	123	123	114	133	179	124	106	153	124	117
June.....	125	125	117	132	177	124	106	152	124	117
July.....	127	129	124	132	176	124	106	148	125	119

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	Canada ³	Australia	India (Bombay)	New Zealand	South Africa
1925																		
Jan..	151		140	3,131	178	408	137	1,506	590	156	277	205	172	145	148	152	147	120
Feb..	148		137	3,163	176	410	145	1,510	610	157	283	208	172	147	149	152	146	120
Mar..	148		134	3,128	176	415	146	1,562	624	157	284	211	171	145	151	155	149	121
Apr..	148		127	3,100	170	409	144	1,478	620	155	276	217	169	142	152	153	149	124
May..	149		122	3,032	167	418	141	1,443	599	154	265	221	168	141	154	151	150	123
June..	152		127	3,083	166	422	146	1,516	599	152	261	219	169	141	155	149	149	122
July..	157		130	2,906	167	421	154	1,515	602	152	280	218	169	141	156	152	151	120
Aug..	157		135	2,744	168	423	154	1,511	621	152	254	210	169	146	156	147	152	119
Sept..	156		140	2,710	170	431	153	1,544	643	152	241	208	170	146	156	146	153	118
Oct..	158		144	2,698	172	433	151	1,597	646	149	228	215	168	147	157	148	155	119
Nov..	164		146	2,698	172	444	147	1,676	649	149	223	217	168	151	156	149	156	117
Dec..	162		148	2,785	174	463	146	1,718	660	148	221	224	167	156	155	151	154	116
1926																		
Jan..	161	119	141	2,773	171	480	143	1,760	681	148	216	226	165	157	155	151	154	116
Feb..	158	117	141	2,771	168	495	142	1,738	676	148	212	230	163	155	154	150	153	117
Mar..	157	114	137	2,719	165	497	141	1,805	654	147	205	234	161	154	159	151	152	118
Apr..	159	114	139	2,652	169	503	142	1,821	645	146	198	241	161	153	163	150	151	119
May..	158	113		2,808	158	522	142		664	146	195	250	159	152	163	150	151	119
June..	157	116		2,717	158	544	143		657	146	194	243	159	149	162	152	151	118
July..	154	115			161	574	146		654	146	198	236	159	149	159	155		
Aug..										196		234			153			

COST OF LIVING

[Pre-war=100]

	Mas-sachusetts	European countries													Other countries							
		Belgium	Czechoslovakia	England ³	Esthonia	Finland	France (Paris)	Germany	Greece (Athens)	Hungary	Italy (Milan)	Netherlands	Norway	Poland	Spain	Sweden	Switzerland	Canada ³	Australia	India (Bombay)	South Africa	
1925																						
Jan..	158	521	899	180	113	1,199		124	1,417	141	580			145	188	178	173	149		157		133
Feb..	157	517	911	179	110	1,191		136	1,420	135	592			146	189		172	150		157		133
Mar..	158	511	904	179	114	1,210	386	136	1,449	131	602	179	271	147	192		172	148	150	159		133
Apr..	158	506	901	175	112	1,201		137	1,419	130	600			146	191	177	170	147		158		134
May..	158	502	894	173	111	1,176		136	1,408	131	591			143	188		170	146		156		134
June..	159	505	914	172	112	1,191	390	138	1,448	130	596	179	259	144	190		170	146	153	154		134
July..	160	509	916	173	114	1,218		143	1,472	126	598			146	190	176	170	146		157		133
Aug..	161	517	894	173	112	1,266		145	1,484	127	610			149	190		170	148		152		132
Sept..	161	525	884	174	110	1,242	401	145	1,503	126	624	179	248	149	180		170	148	154	151		132
Oct..	162	533	875	176	108	1,228		144	1,547	124	643			152	189	175	168	149		153		132
Nov..	162	534	863	176	107	1,227		141	1,610	123	643			157	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	155		131
1926																						
Jan..	164	527	854	175	110	1,166		140	1,673	122	665			170	188	174	167	155		155		131
Feb..	163	526	845	173	110	1,175		139	1,664	121	661			171	183		165	154		154		131
Mar..	161	521	832	172	110	1,172	451	138	1,706	119	647	174	225	169	185		163	154	157	155		131
Apr..	161	529	832	168		1,163		140	1,731	119	642			176	187	173	162	153		153		131
May..	159	558	837	167		1,159		140		118	652			183	183		160	152		153		132
June..	159	579	860	168		1,175	485	140		116	650	171	218	183	183		160	150		155		131
July..	159	637		170		1,183		141			649			177	186	172	160	150		157		
Aug..		681		170				143									160	150		155		

¹ New index, on gold basis, July, 1914=100.

² 1921=100.

³ First of the month figures.

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 JULY AND JUNE, 1926

[Amounts in thousands of dollars]

Federal reserve bank	Total bills and securities		Total cash reserves		Total deposits ¹		Federal reserve notes in circulation		Reserve percentages	
	July	June	July	June	July	June	July	June	July	June
Boston.....	73,374	58,398	231,425	243,882	148,013	145,362	141,953	142,119	79.8	84.8
New York.....	289,991	268,217	1,006,251	1,046,225	357,668	365,577	404,454	408,426	79.7	82.1
Philadelphia.....	88,354	89,323	198,825	202,505	137,621	135,361	125,413	131,471	75.6	75.9
Cleveland.....	97,603	107,534	302,182	287,708	185,981	181,333	192,538	191,535	79.8	77.2
Richmond.....	61,111	68,332	90,057	77,833	71,418	66,556	71,392	72,066	63.1	56.1
Atlanta.....	69,430	67,738	193,475	193,423	73,453	72,477	155,793	155,019	74.6	75.1
Chicago.....	151,979	144,557	395,171	384,041	335,306	329,191	193,002	182,606	74.8	75.0
St. Louis.....	63,324	62,452	67,961	65,820	82,917	81,270	43,280	41,049	53.9	53.8
Minneapolis.....	36,482	37,241	81,963	80,311	51,538	51,698	62,817	60,744	71.7	71.4
Kansas City.....	62,680	68,489	94,150	84,133	92,651	88,155	63,471	62,137	60.3	56.0
Dallas.....	52,409	54,013	51,638	49,224	57,473	57,087	37,461	36,098	54.4	52.8
San Francisco.....	118,827	113,514	256,407	260,449	168,376	167,348	193,062	190,042	70.9	72.9
Total: 1926.....	1,166,564	1,139,808	2,969,505	2,975,552	2,262,420	2,241,415	1,714,636	1,703,312	74.7	75.4
1925.....	1,065,252	1,060,667	2,921,585	2,953,024	2,204,389	2,208,968	1,635,694	1,660,130	76.1	76.3
1924.....	825,999	842,963	3,248,713	3,246,997	2,109,552	2,064,532	1,825,260	1,870,823	82.6	82.5
1923.....	1,119,787	1,124,891	3,181,220	3,204,303	1,919,779	1,931,212	2,242,143	2,246,535	76.4	76.7
1922.....	1,127,888	1,166,617	3,158,276	3,136,308	1,882,118	1,892,591	2,157,405	2,138,430	78.2	77.8
1921.....	2,012,699	2,175,175	2,655,179	2,605,779	1,696,481	1,723,271	2,604,750	2,682,560	61.7	59.1
1920.....	3,200,973	3,209,650	2,118,899	2,102,985	1,909,221	1,974,537	3,143,465	3,113,949	143.7	143.3

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	Phila- del- phia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Min- neap- olis	Kansas City	Dallas	San Fran- cisco
Gold with Federal reserve agents:													
July 21.....	1,457,001	125,786	362,759	103,440	171,306	40,352	149,007	168,931	17,124	58,137	49,247	21,032	189,880
July 28.....	1,436,384	123,413	362,658	101,572	170,897	39,268	147,932	168,898	19,279	55,594	48,464	18,968	179,441
Aug. 4.....	1,431,397	121,045	362,658	98,811	180,713	38,019	144,224	168,898	19,068	53,225	47,541	19,297	177,893
Aug. 11.....	1,453,356	132,706	362,556	99,216	182,461	36,930	142,552	168,868	18,789	51,389	51,792	18,657	187,440
Aug. 18.....	1,453,356	129,862	332,446	102,563	179,266	35,529	132,828	168,837	17,695	46,389	51,218	19,197	187,526
Gold redemption fund with U. S. Treasury:													
July 21.....	49,247	5,279	11,283	7,565	3,962	2,515	3,690	5,179	581	2,392	2,729	1,599	2,473
July 28.....	49,683	6,731	10,007	9,447	2,951	2,534	3,982	4,125	1,464	1,658	3,116	1,584	2,084
Aug. 4.....	53,189	8,441	8,874	11,385	3,950	2,872	3,522	3,062	1,148	1,749	3,714	1,703	2,769
Aug. 11.....	49,729	5,829	7,690	13,063	2,732	2,898	3,422	2,086	1,302	2,270	4,077	1,756	2,604
Aug. 18.....	61,936	7,921	11,475	13,833	4,666	3,337	3,852	5,941	960	1,989	4,237	1,531	2,194
Gold held exclusively against Federal reserve notes:													
July 21.....	1,506,248	131,065	374,042	111,005	175,268	42,867	152,697	174,110	17,705	60,529	51,976	22,631	192,353
July 28.....	1,486,067	130,144	372,665	111,019	173,848	41,802	151,914	173,028	20,743	57,252	51,580	20,552	181,525
Aug. 4.....	1,484,586	129,486	371,532	110,196	184,668	40,891	147,746	171,960	20,216	54,974	51,255	21,000	180,662
Aug. 11.....	1,503,085	138,535	370,246	112,279	185,193	39,828	145,974	170,954	20,091	53,659	55,869	20,413	190,044
Aug. 18.....	1,515,292	137,783	393,921	116,396	183,932	38,866	136,680	174,778	18,655	48,378	55,455	20,728	189,720
Gold settlement fund with Federal Reserve Board:													
July 21.....	652,813	55,074	210,105	52,115	74,972	26,258	22,941	121,912	8,303	10,358	33,121	8,909	28,745
July 28.....	684,278	62,732	218,347	54,518	82,307	29,579	22,904	116,816	12,532	11,153	33,213	12,354	27,823
Aug. 4.....	685,178	62,572	214,352	57,107	65,539	26,491	21,245	131,281	14,430	11,739	39,820	8,272	32,330
Aug. 11.....	674,266	58,135	193,515	60,314	72,989	25,944	23,576	140,050	13,662	11,355	30,191	14,897	29,638
Aug. 18.....	661,402	47,434	197,235	50,990	72,125	24,841	22,989	143,446	7,268	11,833	36,250	12,699	34,292
Gold and gold certificates held by banks:													
July 21.....	683,125	35,872	417,562	23,128	41,707	12,134	3,614	72,524	20,203	7,421	5,956	11,221	31,783
July 28.....	680,576	34,888	414,032	22,971	40,339	12,418	3,923	76,601	20,003	7,285	5,665	11,214	31,237
Aug. 4.....	667,192	31,274	408,192	23,331	40,541	12,845	3,354	74,645	18,985	7,032	5,064	11,412	30,517
Aug. 11.....	659,833	30,186	408,752	22,434	39,636	13,306	3,825	69,877	18,899	7,221	5,029	9,923	30,745
Aug. 18.....	657,629	30,026	405,185	23,113	40,463	13,783	4,073	68,908	18,500	7,060	4,712	9,967	31,839

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 deposits:													
July 21.....	2,254,052	144,915	856,648	133,744	190,108	70,392	72,493	330,445	82,053	51,586	93,953	55,345	172,370
July 28.....	2,261,026	147,495	868,733	132,819	186,062	75,287	73,903	326,748	82,127	52,194	91,982	57,962	165,714
Aug. 4.....	2,269,234	146,244	868,107	139,171	192,536	70,218	69,147	339,698	81,135	51,389	91,141	55,822	164,576
Aug. 11.....	2,267,876	144,733	872,714	134,042	193,433	70,255	71,323	334,949	81,449	48,909	87,065	59,126	169,873
Aug. 18.....	2,272,321	144,373	855,457	136,193	195,501	69,203	71,512	347,410	80,684	49,098	92,738	57,471	172,681
Deferred availability items:													
July 21.....	630,795	61,063	141,481	58,084	63,247	53,530	28,403	75,159	31,636	12,725	38,357	26,251	40,859
July 28.....	570,800	55,951	126,903	47,285	57,446	47,090	23,385	66,273	28,996	11,566	38,740	30,315	36,850
Aug. 4.....	577,963	56,765	129,213	53,044	54,513	46,321	22,990	67,165	31,858	11,360	44,855	23,744	36,135
Aug. 11.....	572,872	54,728	127,220	48,612	52,401	49,005	23,193	70,147	31,220	11,748	38,638	26,567	39,393
Aug. 18.....	635,591	60,339	142,785	55,401	63,768	52,967	27,881	78,212	33,187	12,380	39,501	28,945	40,225
Capital paid in:													
July 21.....	122,591	8,736	35,215	12,201	13,519	6,073	4,957	16,627	5,260	3,124	4,184	4,281	8,409
July 28.....	122,655	8,736	35,271	12,203	13,519	6,077	4,960	16,635	5,248	3,111	4,183	4,284	8,428
Aug. 4.....	122,991	8,796	35,519	12,203	13,519	6,088	4,963	16,642	5,248	3,118	4,187	4,280	8,428
Aug. 11.....	123,108	8,796	35,617	12,204	13,519	6,090	4,959	16,653	5,251	3,115	4,194	4,280	8,430
Aug. 18.....	123,441	8,796	35,658	12,204	13,553	6,091	4,963	16,653	5,272	3,115	4,193	4,281	8,430
Surplus:													
July 21.....	220,310	17,020	59,964	20,464	22,894	11,919	8,700	30,613	9,570	7,501	8,979	7,615	15,071
July 28.....	220,310	17,020	59,964	20,464	22,894	11,919	8,700	30,613	9,570	7,501	8,979	7,615	15,071
Aug. 4.....	220,310	17,020	59,964	20,464	22,894	11,919	8,700	30,613	9,570	7,501	8,979	7,615	15,071
Aug. 11.....	220,310	17,020	59,964	20,464	22,894	11,919	8,700	30,613	9,570	7,501	8,979	7,615	15,071
Aug. 18.....	220,310	17,020	59,964	20,464	22,894	11,919	8,700	30,613	9,570	7,501	8,979	7,615	15,071
All other liabilities:													
July 21.....	16,205	700	2,846	656	1,337	1,120	1,054	2,415	1,008	1,099	950	749	2,271
July 28.....	16,981	725	2,973	696	1,399	1,122	1,102	2,484	1,036	1,107	976	1,012	2,349
Aug. 4.....	16,691	719	2,866	688	1,379	1,158	1,110	2,456	1,046	1,125	994	792	2,358
Aug. 11.....	17,257	758	3,059	713	1,434	1,153	1,143	2,551	1,061	1,140	1,003	817	2,426
Aug. 18.....	17,483	782	3,078	723	1,437	1,203	1,156	2,559	1,107	1,165	1,007	830	2,435
Total liabilities:													
July 21.....	4,924,873	371,539	1,489,945	342,875	478,027	213,014	301,593	646,936	172,859	138,194	209,836	131,878	428,177
July 28.....	4,863,108	368,225	1,484,803	331,605	470,635	211,398	295,119	634,167	170,489	136,891	207,937	138,055	413,784
Aug. 4.....	4,885,285	369,334	1,489,770	342,285	471,399	206,305	289,111	648,564	173,303	135,422	214,388	130,309	415,095
Aug. 11.....	4,883,637	365,644	1,486,495	336,916	479,957	209,535	288,474	644,225	173,599	132,924	204,608	137,277	423,983
Aug. 18.....	4,954,937	370,980	1,485,755	344,924	491,846	213,035	290,866	668,117	175,739	134,192	211,761	138,799	428,923
MEMORANDA													
Ratio of total reserves to Federal reserve note and deposit liabilities combined (per cent):													
July 21.....	76.0	83.5	83.0	76.2	79.8	62.8	73.0	75.1	52.1	71.3	60.7	54.3	72.2
July 28.....	76.3	84.8	82.6	77.1	81.4	62.5	73.4	75.5	57.4	69.3	61.1	55.0	70.7
Aug. 4.....	75.4	83.3	81.1	76.5	79.2	61.6	72.3	75.6	57.5	67.5	64.5	52.1	71.0
Aug. 11.....	75.3	84.8	79.5	79.0	78.5	60.2	73.1	77.0	56.9	67.7	62.9	54.7	71.8
Aug. 18.....	75.1	80.7	82.4	77.3	78.3	59.0	69.8	75.7	50.5	64.0	63.6	53.3	72.6
Contingent liability on bills purchased for foreign correspondents:													
July 21.....	55,652	4,139	16,117	5,173	5,827	2,886	2,178	7,460	2,342	1,743	2,124	1,906	3,757
July 28.....	53,749	4,139	14,214	5,173	5,827	2,886	2,178	7,460	2,342	1,743	2,124	1,906	3,757
Aug. 4.....	51,877	4,029	13,393	5,036	5,673	2,809	2,120	7,262	2,279	1,696	2,067	1,855	3,658
Aug. 11.....	50,807	3,922	13,342	4,902	5,522	2,735	2,064	7,070	2,219	1,651	2,013	1,806	3,561
Aug. 18.....	49,776	3,792	13,549	4,740	5,340	2,645	1,996	6,836	2,146	1,597	1,946	1,746	3,443
Own Federal reserve notes held by Federal reserve bank:													
July 21.....	337,117	21,918	105,680	38,714	26,306	13,710	29,348	31,684	5,251	7,682	6,610	5,427	44,787
July 28.....	341,156	23,302	106,372	35,434	25,704	14,049	32,710	30,983	5,327	8,906	6,164	6,232	45,973
Aug. 4.....	344,329	22,842	108,530	35,096	33,432	13,102	29,940	34,419	4,990	9,020	5,945	5,743	41,270
Aug. 11.....	327,580	24,489	107,471	29,335	23,008	12,100	31,053	33,681	4,801	8,602	6,100	6,047	40,893
Aug. 18.....	326,688	26,979	102,869	30,856	23,595	13,720	31,396	31,838	5,436	7,517	6,951	4,801	40,730

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:							
July 21.....	495,429	347,220	30,875	51,458	44,338	21,819	219
July 28.....	521,390	375,540	29,589	52,261	43,789	20,012	205
Aug. 4.....	547,605	389,578	31,195	61,502	49,707	15,409	214
Aug. 11.....	549,011	394,322	31,334	62,574	46,688	13,914	179
Aug. 18.....	534,544	378,798	32,775	67,667	43,717	11,419	168
Bills bought in open market:							
July 21.....	217,439	69,220	48,269	48,889	46,754	4,307	-----
July 28.....	211,173	66,796	41,517	57,216	40,799	4,845	-----
Aug. 4.....	228,492	75,269	40,228	62,911	43,476	6,608	-----
Aug. 11.....	230,968	70,754	46,397	66,224	41,023	6,570	-----
Aug. 18.....	254,122	68,190	50,599	74,810	52,158	8,365	-----
Certificates of indebtedness:							
July 21.....	60,761	99	-----	-----	9,374	49,978	1,310
July 28.....	56,870	-----	-----	-----	-----	56,870	-----
Aug. 4.....	58,376	-----	-----	-----	-----	58,376	-----
Aug. 11.....	58,372	-----	-----	-----	-----	58,372	-----
Aug. 18.....	58,617	-----	-----	-----	-----	58,617	-----

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

[In thousands of dollars]

	Total	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Min- neap- olis	Kansas City	Dallas	San Fran- cisco
Federal reserve notes received from comptroller:													
July 21.....	2,863,623	212,873	788,471	194,880	262,798	114,645	281,789	399,578	69,203	87,078	112,823	53,901	285,584
July 28.....	2,856,398	210,500	790,651	192,012	260,089	113,562	281,594	402,614	69,319	85,535	112,041	57,336	281,145
Aug. 4.....	2,860,503	211,132	795,951	189,251	261,810	112,313	278,886	403,026	69,588	85,166	111,117	62,666	279,597
Aug. 11.....	2,849,660	207,793	788,712	186,656	265,254	113,223	277,634	400,110	69,769	84,330	111,369	62,026	282,784
Aug. 18.....	2,856,503	213,949	785,002	189,003	265,288	113,322	274,910	397,625	70,635	84,330	112,794	67,965	281,710
Federal reserve notes held by Federal reserve agent:													
July 21.....	845,586	51,850	289,000	38,440	49,570	30,960	66,455	176,217	20,620	17,237	42,800	10,837	51,600
July 28.....	843,906	48,900	293,320	38,440	45,070	29,610	65,815	180,217	20,480	15,217	42,800	14,237	49,800
Aug. 4.....	838,086	48,500	293,320	37,440	41,870	28,610	66,745	176,617	20,160	15,217	40,940	18,867	49,800
Aug. 11.....	839,866	43,700	293,320	36,440	45,970	30,010	67,425	177,117	19,920	15,217	40,540	17,107	53,100
Aug. 18.....	844,024	47,300	293,320	38,440	46,970	27,950	66,860	173,117	19,280	15,880	40,500	23,507	50,900
Collateral held as security for Federal reserve notes issued to Federal reserve bank:													
Gold and gold certificates—													
July 21.....	304,483	35,300	171,698	-----	8,780	25,655	14,237	-----	7,945	13,212	-----	17,656	10,000
July 28.....	301,984	35,300	171,698	-----	8,780	25,655	14,238	-----	7,945	13,212	-----	15,156	10,000
Aug. 4.....	301,984	35,300	171,698	-----	8,780	25,655	14,238	-----	7,945	13,212	-----	15,156	10,000
Aug. 11.....	300,982	35,300	171,697	-----	8,780	25,655	14,237	-----	7,945	13,212	-----	14,156	10,000
Aug. 18.....	300,984	35,300	171,698	-----	8,780	25,655	14,238	-----	7,945	13,212	-----	14,156	10,000
Gold redemption fund—													
July 21.....	101,363	11,486	25,061	11,143	12,526	3,697	5,770	3,287	1,179	1,925	3,387	2,376	19,526
July 28.....	97,407	9,113	24,960	8,275	12,117	2,613	8,694	3,254	1,334	2,382	2,604	2,812	19,249
Aug. 4.....	106,631	16,745	24,960	10,514	11,938	4,364	5,986	3,254	1,123	2,013	3,681	3,141	18,912
Aug. 11.....	96,509	13,406	24,859	7,919	13,681	3,275	4,315	3,224	844	1,177	2,932	2,501	18,376
Aug. 18.....	103,221	10,562	24,748	11,266	10,486	4,874	9,590	3,192	1,750	3,177	4,358	3,041	18,177
Gold fund, Federal Reserve Board—													
July 21.....	1,051,155	79,000	166,000	92,297	150,000	11,000	129,000	165,644	8,000	43,000	45,860	1,000	160,354
July 28.....	1,036,993	79,000	166,000	93,297	150,000	11,000	125,000	165,644	10,000	40,000	45,860	1,000	150,192
Aug. 4.....	1,022,782	69,000	166,000	88,297	160,000	8,000	124,000	165,644	10,000	38,000	43,860	1,000	148,981
Aug. 11.....	1,055,865	84,000	166,000	91,297	160,000	8,000	124,000	165,644	10,000	37,000	43,860	2,000	159,064
Aug. 18.....	1,049,151	84,000	166,000	91,297	160,000	5,000	111,000	165,645	8,000	30,000	46,860	2,000	159,349
Eligible paper—													
July 21.....	693,412	48,518	147,386	53,948	55,337	51,961	70,298	90,040	39,280	16,238	27,619	26,308	66,479
July 28.....	708,991	46,007	169,291	54,033	50,279	53,834	69,222	89,500	34,493	18,904	27,554	27,173	68,701
Aug. 4.....	755,993	50,386	186,715	57,320	57,515	53,764	71,725	91,372	40,796	19,961	30,837	27,598	68,094
Aug. 11.....	751,848	45,968	207,859	51,401	64,719	52,778	70,192	85,001	37,090	18,889	28,858	27,847	66,246
Aug. 18.....	760,119	56,483	169,561	52,108	61,530	56,285	77,249	94,359	46,618	24,066	25,697	30,494	65,769
Total collateral—													
July 21.....	2,150,413	174,304	510,145	157,388	226,643	92,313	210,305	258,971	56,404	74,375	76,866	47,340	256,359
July 28.....	2,145,375	169,420	531,949	155,605	221,176	93,102	217,154	258,398	53,772	74,498	76,018	46,141	248,142
Aug. 4.....	2,187,300	171,431	549,373	156,131	238,233	91,783	215,949	260,270	59,774	73,186	78,378	46,895	245,987
Aug. 11.....	2,205,204	178,674	570,415	150,617	247,180	89,708	212,744	253,869	55,879	70,278	75,650	46,504	253,686
Aug. 18.....	2,213,475	186,345	552,007	154,671	240,796	91,814	210,077	263,196	64,313	70,453	76,815	49,691	253,295

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

[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
HOLDINGS ON JULY 31, 1926													
Total bills and securities.....	1,158,655	68,831	289,948	89,501	87,584	64,102	73,943	142,138	61,783	39,529	61,447	55,330	124,519
Bills discounted.....	566,742	36,691	181,295	48,626	27,621	44,411	45,926	52,721	32,704	10,050	14,083	18,267	54,347
Bills bought in open market.....	215,752	19,158	34,483	17,029	21,428	10,291	25,391	32,052	4,703	9,116	12,553	9,259	20,289
United States securities.....	371,816	12,898	73,869	21,723	38,417	9,342	1,882	57,187	24,329	19,828	34,768	27,766	49,807
Other securities.....	3,200			2,000			700			500			
Foreign loans on gold.....	1,145	84	301	123	118	58	44	178	47	35	43	38	76
Bills Discounted													
Rediscounted bills:													
Commercial and agricultural paper, n. e. s.....	200,318	18,674	15,992	10,919	7,454	25,579	38,459	24,294	17,121	4,215	7,915	13,557	16,139
Demand and sight drafts.....	70						24		41			5	
Bankers' acceptances.....	25		15										10
Trade acceptances, domestic.....	2,812	85	170	235	268	254	441	631	375			138	215
Secured by U. S. Government obligations.....	1,310	293			180	161	208	125	205		8	92	38
Member banks collateral notes: Secured by U. S. Government obligations.....	284,246	17,639	134,284	28,166	18,016	10,440	2,979	26,021	7,258	5,153	4,885	2,927	26,478
Otherwise secured.....	77,961		30,834	9,306	1,703	7,977	3,815	1,650	7,704	682	1,275	1,548	11,467
Total discounted bills.....	566,742	36,691	181,295	48,626	27,621	44,411	45,926	52,721	32,704	10,050	14,083	18,267	54,347
Bills Bought													
Bills payable in dollars:													
Bankers' acceptances based on—													
Imports.....	92,721	6,817	11,960	6,240	9,007	5,312	11,021	15,589	2,037	3,964	6,915	4,557	9,302
Exports.....	46,384	3,604	6,014	4,825	5,240	1,818	5,445	7,359	955	2,550	2,397	2,335	3,842
Domestic transactions.....	27,369	3,114	2,857	2,477	2,750	1,735	3,219	4,702	648	1,198	878	1,000	2,782
Dollar exchange.....	2,489	68	278	340	464	82	327	393	201		134	42	160
Shipments between or storage of goods in foreign countries.....	43,580	5,443	12,102	3,147	3,043	1,344	4,704	3,956	837	1,329	2,229	1,316	4,110
All other.....	1,358	112	325			675	53		25	75			93
Trade acceptances based on imports.....	835		735		100								
Bills payable in foreign currencies.....	1,036		212		824								
Total purchased bills.....	215,752	19,158	34,483	17,029	21,428	10,291	25,391	32,052	4,703	9,116	12,553	9,259	20,289
United States Securities													
United States bonds.....	84,287	1,615	7,766	5,186	9,788	1,902	275	23,573	7,076	8,648	10,387	4,428	3,643
Treasury notes.....	229,126	8,770	50,973	15,126	24,796	5,772	1,557	26,058	13,317	8,621	18,300	18,042	37,794
Certificates of indebtedness.....	58,403	2,513	15,130	1,411	3,833	1,668	50	7,556	3,936	2,559	6,081	5,296	8,370
Total U. S. securities.....	371,816	12,898	73,869	21,723	38,417	9,342	1,882	57,187	24,329	19,828	34,768	27,766	49,807
DAILY AVERAGE HOLDINGS DURING JULY													
Total bills and securities ¹	1,166,564	73,374	289,991	88,354	97,603	61,111	69,430	151,979	63,324	36,482	62,680	52,409	119,827
Bills discounted.....	548,966	34,529	165,983	48,135	37,221	41,775	42,011	60,854	30,642	7,556	16,164	16,138	47,958
Bills bought.....	231,132	25,626	42,821	16,188	22,546	9,824	24,533	32,455	6,390	8,512	11,376	8,966	21,895
United States securities.....	379,745	12,948	80,211	21,706	37,470	9,323	2,044	58,179	26,145	19,800	35,001	27,180	49,738
Foreign loans on gold.....	3,521	271	976	325	366	189	142	491	147	114	139	125	236
EARNINGS DURING JULY													
Total bills and securities ¹	3,615	228	858	282	305	196	221	480	201	115	195	161	373
Bills discounted.....	1,795	117	493	164	126	142	143	207	104	26	55	55	163
Bills bought.....	652	72	124	45	64	27	69	91	17	24	32	25	62
United States securities.....	1,144	38	237	66	114	26	6	180	79	63	107	81	147
Foreign loans on gold.....	14	1	4	1	1	1	1	2	1	(?)	1	(?)	1
ANNUAL RATE OF EARNINGS													
Total bills and securities ¹	3.65	3.67	3.48	3.75	3.68	3.78	3.75	3.72	3.75	3.72	3.66	3.63	3.66
Bills discounted.....	3.85	4.00	3.50	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Bills bought.....	3.33	3.31	3.39	3.29	3.31	3.31	3.33	3.31	3.29	3.34	3.32	3.34	3.35
United States securities.....	3.55	3.45	3.49	3.55	3.58	3.30	3.75	3.65	3.55	3.76	3.61	3.49	3.47
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

¹ Figures include Federal intermediate credit bank debentures as follows: Philadelphia, average daily holdings, \$2,000,000; earnings, \$6,336; annual rate of earnings, 3.73 per cent. Atlanta, average daily holdings, \$700,000; earnings, \$2,035; annual rate of earnings, 3.42 per cent. Minneapolis, average daily holdings, \$500,000; earnings, \$1,620; annual rate of earnings, 3.31 per cent.

² Less than \$500.

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	Chi- cago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco
Bills payable and redis- counts with Federal re- serve bank:													
Secured by U. S. Gov- ernment obligations—													
July 21.....	147,041	1,100	68,100	5,280	15,110	3,244	1,151	19,424	4,039	3,830	3,984	2,482	19,297
July 28.....	173,277	6,700	91,361	5,250	12,526	3,445	1,071	21,729	1,589	5,580	3,459	2,237	23,330
Aug. 4.....	193,003	6,830	112,215	4,955	11,800	2,967	1,371	19,792	2,835	5,480	5,187	1,466	23,590
Aug. 11.....	214,951	5,775	131,432	3,539	20,608	4,489	1,876	16,558	2,354	4,030	457	1,569	22,264
All other—													
July 21.....	132,834	9,140	32,224	6,980	4,689	12,540	18,947	11,805	14,362	55	3,926	5,591	12,575
July 28.....	116,279	5,230	31,391	4,870	2,917	12,430	16,119	11,198	12,760	102	2,906	5,068	11,238
Aug. 4.....	123,043	9,319	26,621	5,567	9,035	12,216	17,589	11,239	15,600	657	4,517	5,409	10,279
Aug. 11.....	121,932	4,773	32,175	4,634	6,680	10,820	18,505	12,842	12,592	1,108	2,327	5,392	10,079
Total borrowings from Fed- eral reserve bank:													
July 21.....	279,875	10,240	100,324	12,260	19,799	15,784	20,098	31,229	18,401	3,885	7,910	8,073	31,872
July 28.....	294,556	11,930	122,752	10,120	15,443	15,925	17,190	32,927	14,349	5,682	6,365	7,305	34,568
Aug. 4.....	326,056	16,169	138,836	10,522	20,335	15,183	18,960	31,031	18,435	6,137	9,704	6,875	33,869
Aug. 11.....	336,883	10,553	163,607	8,173	27,288	15,309	20,381	29,400	14,946	5,133	2,784	6,961	32,343

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

	Total	CITY											
		Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco
Bills payable and rediscounts with Federal reserve bank:													
Secured by U. S. Government obligations—													
July 21	98,532	575	52,825	4,720	1,000	83	13,149	1,214	3,330	1,806	550	19,280	
July 28	117,602	6,050	71,175	4,590	83	7,354	2,114	5,580	356	22,230			
Aug. 4	139,043	6,050	92,500	4,370	83	4,539	1,359	3,980	4,057	22,105			
Aug. 11	158,327	5,275	110,100	2,679	5,300	83	9,630	1,343	3,530	357	50	19,980	
All other—													
July 21	81,308	8,630	29,226	6,930	1,575	6,307	2,585	2,527	10,801	3,313	439	8,985	
July 28	66,526	4,900	27,421	4,596	4,687	1,873	2,187	8,250	50	2,512	732	9,309	
Aug. 4	75,922	9,017	22,784	5,502	5,500	3,846	3,120	2,022	11,033	605	3,574	7,958	
Aug. 11	66,289	4,187	28,073	4,588	2,992	1,965	1,389	1,842	9,088	585	1,975	8,689	
Total borrowings from Federal reserve bank:													
July 21	179,840	9,205	82,051	11,650	2,575	6,390	2,585	15,676	12,015	3,330	5,119	979	28,265
July 28	184,128	10,950	98,596	9,186	4,740	1,873	9,541	8,473	5,630	2,868	732	31,539	
Aug. 4	214,965	15,067	115,284	9,872	5,500	3,929	3,120	6,561	12,392	4,585	7,631	961	30,063
Aug. 11	224,616	9,462	138,173	7,267	8,292	2,048	1,389	11,472	10,431	4,115	2,332	966	28,669
Due to banks:													
July 21	2,191,472	128,472	1,070,204	175,606	49,120	30,679	14,656	361,514	81,390	46,145	108,498	24,756	100,432
July 28	2,121,843	123,913	1,017,118	165,224	49,237	29,294	15,220	360,258	84,009	44,134	112,112	25,327	95,997
Aug. 4	2,240,821	121,783	1,106,928	168,073	49,626	28,645	14,282	374,678	83,798	46,069	117,392	25,051	104,496
Aug. 11	2,186,457	119,849	1,045,715	170,204	49,773	29,879	14,528	387,232	84,854	44,116	113,226	24,135	102,946
Due from banks:													
July 21	585,313	44,137	103,193	59,877	26,270	14,877	12,202	155,050	25,697	21,229	46,255	21,619	54,907
July 28	556,716	35,775	99,781	53,036	25,737	13,559	11,573	151,532	28,221	19,053	47,241	21,633	49,575
Aug. 4	580,187	42,580	100,533	58,217	32,389	13,634	11,971	150,929	28,502	19,898	51,343	19,963	50,228
Aug. 11	545,598	35,543	90,716	51,921	24,549	14,172	11,726	147,139	27,140	21,187	48,761	21,365	51,379

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

	Demand and time loans				Demand loans				Time loans			
	Total	For own account	For account of out-of-town banks	For account of others	Total	For own account	For account of out-of-town banks	For account of others	Total	For own account	For account of out-of-town banks	For account of others
1926												
July 21	2,620,952	954,368	1,018,361	648,223	1,941,115	600,847	754,429	585,839	679,837	353,521	263,932	62,384
July 28	2,602,042	933,881	1,014,859	653,302	1,938,039	588,019	760,768	589,252	664,003	345,862	254,091	64,050
Aug. 4	2,688,717	994,572	1,024,766	669,379	1,996,058	649,214	759,158	587,686	692,659	345,358	265,608	81,693
Aug. 11	2,720,332	936,741	1,089,093	694,498	2,031,031	590,145	820,223	620,663	689,301	346,596	268,870	73,835

ALL MEMBER BANKS—DEPOSITS, BY FEDERAL RESERVE DISTRICT AND SIZE OF CITY
[In thousands of dollars]

Federal reserve district	Net demand deposits					Time deposits				
	1926					1925				
	Apr. 28	May 26	June 23	July 28	July 29	Apr. 28	May 26	June 23	July 28	July 29
Boston	1,364,018	1,360,730	1,376,357	1,380,743	1,368,029	835,447	848,206	852,245	855,251	768,278
New York	6,415,786	6,451,092	6,443,053	6,345,551	6,302,126	2,316,911	2,312,758	2,350,454	2,384,440	2,122,663
Philadelphia	1,195,490	1,196,898	1,187,688	1,188,398	1,154,112	887,115	892,122	894,481	900,625	813,352
Cleveland	1,481,605	1,494,535	1,520,560	1,565,592	1,517,902	1,400,234	1,406,757	1,411,006	1,461,811	1,338,749
Richmond	591,611	596,495	585,834	606,891	566,353	516,044	514,118	518,690	522,510	510,498
Atlanta	697,133	667,815	649,584	639,592	635,930	446,396	445,788	433,594	440,615	403,184
Chicago	2,463,012	2,496,751	2,472,402	2,495,601	2,448,515	1,883,491	1,904,508	1,928,196	1,941,063	1,820,550
St. Louis	742,039	733,091	730,589	728,450	693,094	479,354	481,644	477,187	481,680	446,439
Minneapolis	430,343	424,962	437,644	421,196	435,645	436,566	433,102	434,380	438,926	431,226
Kansas City	827,071	852,781	851,921	890,483	864,546	321,296	321,807	321,439	322,135	311,108
Dallas	605,845	593,483	585,075	589,748	581,038	165,668	165,099	166,827	165,299	163,600
San Francisco	1,250,410	1,264,388	1,266,447	1,259,268	1,250,178	1,359,637	1,376,204	1,378,973	1,383,236	1,278,465
Total	18,064,363	18,138,021	18,110,134	18,111,513	17,817,468	11,048,159	11,102,113	11,167,472	11,306,591	10,413,112
Banks in cities and towns having a population of—										
Less than 5,000	1,663,116	1,648,122	1,634,673	1,653,006	1,624,359	1,782,813	1,782,434	1,788,633	1,808,924	1,721,922
5,000 to 14,999	1,127,913	1,129,570	1,118,469	1,125,425	1,085,632	1,151,394	1,157,379	1,157,523	1,164,033	1,096,064
15,000 to 99,999	2,354,817	2,347,585	2,362,562	2,369,847	2,295,050	2,202,327	2,203,014	2,216,950	2,225,433	2,103,663
100,000 and over	12,918,517	13,012,744	12,994,430	12,963,235	12,812,427	5,911,625	5,959,286	6,004,366	6,108,151	5,491,463

MONEY RATES PREVAILING IN FEDERAL RESERVE BANK AND BRANCH CITIES

The following table shows the prevailing rates charged customers on various classes of loans as reported by representative banks in the cities indicated. These rates are not averages but are those rates at which the bulk of the loans of each class are made by reporting banks. Since the publication of the rates for May, the forms used in making the reports on which the table is based have been modified and certain classifications have been omitted.

District and city	Year and month	Prevailing rates charged customers during week ending with the 15th day of the month					
		Prime commercial loans	Interbank loans	Loans secured by prime stock exchange collateral		Loans secured by warehouse receipts	Cattle loans
				Demand	Time		
DISTRICT 1							
Boston.....	1925—August.....	4 - 5	4	4½	4½-5½		
	1926—June.....	4¼-4½	4½	4 - 4½	4½-5	5½	
	July.....	4¼	4½	5	5	5½	
	August.....	4¼-4½	4½	4½-5	4½-5		
DISTRICT 2							
New York.....	1925—August.....	4 - 4½	4½-5	4¼-4¾	4½-5	4¼-6	
	1926—June.....	4 - 4¾	4¼-4½	4½-5	4½-5¼	4½-5	
	July.....	4 - 4¼	4¼-5	4½	4½-5	4½-5	
	August.....	4¼-4¾	4½-5	4½-4¾	4½-5	5	
Buffalo.....	1925—August.....	5 - 6	5	5 - 6	5 - 6	6	
	1926—June.....	5 - 6	4½-5	4½-6	5 - 6	6	
	July.....	5 - 6	4½-5	5 - 6	5 - 6	6	
	August.....	5 - 6	4¾-5	5 - 6	5 - 6	6	
DISTRICT 3							
Philadelphia.....	1925—August.....	4¼-5	4½	4½	4½	4½-5	
	1926—June.....	4¼-4¾	4½-5	4½	4½	5	
	July.....	4¼-4½	4½	4½	4½	5	
	August.....	4½	4½	4½	4½-5	5	
DISTRICT 4							
Cleveland.....	1925—August.....	5 - 6	5	6	6	6	
	1926—June.....	5½-6	5	5½-6	5½-6	5½-6	
	July.....	6	5	6	6	5½-6	
	August.....	4½-6	4½-5	5 - 6	5 - 6	6	
Cincinnati.....	1925—August.....	5 - 6	5 - 5½	5½	5½	5½-7	
	1926—June.....	6	5½	6	6	6 - 7	
	July.....	6	5 - 5½	5½	5½-6	6 - 7	
	August.....	6	5 - 6	5½	5½	6 - 7	
Pittsburgh.....	1925—August.....	5 - 6	5 - 6	5 - 6	5 - 6	6	
	1926—June.....	5 - 6	5 - 6	5 - 6	5 - 6	6	
	July.....	5 - 6	5 - 6	5 - 6	5 - 6	6	
	August.....	5 - 6	5 - 6	5 - 6	5 - 6	6	
DISTRICT 5							
Richmond.....	1925—August.....	5 - 6	5	5 - 5½	5½-6	5½-6	
	1926—June.....	5 - 6	5	5 - 6	5 - 6	6	
	July.....	5	5	5 - 6	5 - 6	6	
	August.....	5 - 6	4½-5	5	5 - 6	5½-6	
Baltimore.....	1925—August.....	4½-5½	4½-5¾	4 - 5½	5½-6¾	6	
	1926—June.....	4¾-5¾	5	5 - 5½	5½-6¾	6	
	July.....	4¾-5¾	5 - 5½	5 - 5½	5½-6¾	6	
	August.....	5 - 5¾	5 - 5½	5 - 5½	5 - 5¾	5¾-6	
DISTRICT 6							
Atlanta.....	1925—August.....	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	
	1926—June.....	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	
	July.....	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	
	August.....	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	
Birmingham.....	1925—August.....	6	5 - 6	6 - 8	6	6	
	1926—June.....	5 - 6	5 - 6	6	6	6	
	July.....	5 - 6	5 - 6	6	6	6	
	August.....	5 - 6	5 - 6	6	6	6	
Jacksonville.....	1925—August.....	4 - 6	5 - 6	4 - 7	4 - 7	4½-7	
	1926—June.....	5 - 7	6	6	6	5 - 6	
	July.....	5 - 7	6	6	6	5 - 6	
	August.....	5 - 7	6	6	6	5 - 6	
Nashville.....	1925—August.....	5½-6	5½-6	5½-6	5½-6	5½-6	
	1926—June.....	6	6	6	6	6	
	July.....	6	5½-6	5 - 6	6	5½-6	
	August.....	6	5½-6	5 - 6	6	5½-6	
New Orleans.....	1925—August.....	5 - 5½	5 - 6	5 - 7	5 - 7	5 - 7	
	1926—June.....	5 - 6	5 - 6	5 - 6	5 - 6	5½-6	
	July.....	5 - 6	5 - 6	5 - 6	5 - 6	5½-6	
	August.....	5 - 6	5 - 6	5 - 6	6	5½-6	
DISTRICT 7							
Chicago.....	1925—August.....	4½-5	4 - 5	4¼-5	4¼-5½	5 - 5½	
	1926—June.....	4½-5	5 - 5½	4½-5	4½-5	4½-5½	
	July.....	4½-5	5	4½-5	4½-5	5 - 5½	
	August.....	4¼-5	5	4½-5	4½-5	4½-5½	
Detroit.....	1925—August.....	4½-6	5	5½-6	5 - 6	5 - 6	
	1926—June.....	4½-5	5 - 6	4½-5½	4½-5½	5 - 6	
	July.....	4½-6	5 - 6	5 - 6	5 - 6	5 - 6	
	August.....	4½-6	5 - 6	5 - 6	5 - 6	5 - 6	

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

District and city	Year and month	Prevailing rates charged customers during week ending with the 15th day of the month					
		Prime commercial loans	Interbank loans	Loans secured by prime stock exchange collateral		Loans secured by warehouse receipts	Cattle loans
				Demand	Time		
DISTRICT 8							
St. Louis	1925—August	4½-5	5 -5½	4¼-5	5 -5½	4¼-5½	5 -6
	1926—June	4 -5	5 -5½	4¼-5	5 -5½	4¼-5½	5 -6
	July	4 -5	4¾-5½	4¼-5	5 -5½	4¼-6	5 -6
	August	4½-5	4¾-5½	4¼-5	5 -5½	4¼-6	5 -6
Little Rock	1925—August	6	6	6	6	6 -7	6
	1926—June	5 -6	6	6	6	6 -7	6 -8
	July	6	6	6	6 -7	6 -7	6 -7
	August	6	6	6	6	6 -7	6 -8
Louisville	1925—August	6	5	5½	6	6	
	1926—June	6	5	5 -6	5 -6	6	
	July	5½-6	5 -5½	6	5½-6	6	
	August	5½-6	5	6	6	6	
DISTRICT 9							
Minneapolis	1925—August	4½-5¼	5½	4¼-5½	4½-5¼		
	1926—June	4¾-5	5 -5½	4¾	4¾-5	4¼-5	
	July	4¾-5	5 -5½	4¾-5	4¾-5	4¼-5	
	August	4¾-5	5 -5½	4¾-5	4¾-5½	4¼-5	
Helena	1925—August	8	6 -8	8	6 -8		8
	1926—June	8	7 -8	8	8	7 -8	8
	July	6 -8	6 -7	6 -8	6 -8	6 -8	7 -8
	August	6 -8	6 -7	6 -8	6 -8	6 -8	7 -8
DISTRICT 10							
Kansas City	1925—August	5 -5½	6	5 -6	6	5 -6	6 -7
	1926—June	5	6	5	5	5 -6	6 -7
	July	5 -5½	6	5	5	5 -6	6 -7
	August	5 -5½	6	5	5	5 -6	6 -7
Denver	1925—August	4 -6	6 -7	5 -6	5 -6	6 -7	6 -7
	1926—June	6	6	6	6	5½-6	6 -7
	July	6	6	6	5½-6	5½-8	6 -7
	August	6	6	6	5½-6	5½-8	6 -7
Oklahoma City	1925—August	6 -7	6 -7	6	6 -7	6 -7	6 -8
	1926—June	6	6	6	6	6	6 -8
	July	6 -7	6	6	6 -7	6	6 -8
	August	6 -7	6	6	6 -7	6 -8	6 -8
Omaha	1925—August	4 -6	5½-6	4¼-6	4 -6	5½-6	5½-7
	1926—June	4¾-6	6	5½-6	5½-6	5 -6	7 -8
	July	4¾-6	6 -7	5½-6	5½-6	5 -7	7 -8
	August	4¾-6	6	5½-6	5½-6	5 -6	8
DISTRICT 11							
Dallas	1925—August	4 -6	5 -6	5 -6	5 -8	5 -8	7 -8
	1926—June	4½-6	4 -5	6	6 -7	4½-8	6 -8
	July	5 -6	5 -6	5 -7	5 -7	5 -7	7 -8
	August	4¼-5	4½-5	4½-6	4½-6	5 -7	6 -7
El Paso	1925—August	6 -8	6 -8	8	8	8	8
	1926—June	6 -8	6 -7	8	6 -8	8	8 -9
	July	6 -8	6 -7	7 -8	6 -8	6 -8	8 -9
	August	8	6 -7	8	8	8	8
Houston	1925—August	5 -6	4½-6	5 -6	5 -6	5 -6	7 -8
	1926—June	5 -6	5	5 -6	5 -6	5 -6	6 -8
	July	5 -6	5	5 -6	5 -6	5 -7	7 -8
	August	5 -6	5	5 -6	5 -6	5 -7	5 -8
DISTRICT 12							
San Francisco	1925—August	5 -5½	5 -6	5 -6	6	6	
	1926—June	5	5 -6	5½-6	5½-6	6	
	July	5	5 -6	5 -6	5 -6	6	
	August	5	5	5½	5 -6	6	
Los Angeles	1925—August	6 -7	6	6 -7	6 -7	6 -7	
	1926—June	6	6	6 -7	6 -7	7	6
	July	6	6	6 -7	6 -7	7	
	August	6	6	6 -7	6 -7	7	6 -7
Portland	1925—August	6 -7	6	6 -7	6 -7	6 -7	6
	1926—June	6	6	6 -7	6	6 -7	6
	July	6	6	6 -7	6	6 -7	6 -6½
	August	6	6	6 -7	6	6 -7	6 -6½
Salt Lake City	1925—August	5 -6	6 -7	7	7	6 -7	7 -8
	1926—June	6	6	6	6 -8	6 -8	8
	July	5 -6	6 -7	6	6 -7	7	7 -8
	August	6	6	6	6 -7	7	7 -8
Seattle	1925—August	6	5 -6½	6	6	7	
	1926—June	6	6 -6½	6	6	7	
	July	6	6 -6½	6 -7	6 -7	7	
	August	5 -6	6 -6½	6 -7	6 -7	6 -7	
Spokane	1925—August	5 -7	6 -7	7	6 -7	6 -8	6 -7
	1926—June	6	6	8	6 -7	7	7
	July	6	6 -7	8	6 -7	7	6
	August	6	6	7	6 -7	7	7

MEMBER BANKS AND NONMEMBER BANKS ON PAR LIST AND NOT ON PAR LIST

NUMBER AT END OF JULY, 1926 AND 1925

	Member banks		Nonmember banks					Member banks		Nonmember banks			
			On par list		Not on par list ¹					On par list		Not on par list ¹	
	1926	1925	1926	1925	1926	1925		1926	1925	1926	1925	1926	1925
Federal reserve district:							Southern States—Continued.						
Boston.....	416	420	244	245			Kentucky.....	146	147	430	437	20	20
New York.....	902	868	404	389			Tennessee.....	114	118	204	230	244	226
Philadelphia.....	760	751	513	513			Alabama.....	125	125	23	27	203	199
Cleveland.....	859	863	1,073	1,073	9	11	Mississippi.....	43	44	20	24	278	274
Richmond.....	586	606	692	718	651	702	Arkansas.....	117	121	242	255	122	108
Atlanta.....	489	502	331	365	1,095	1,101	Louisiana.....	45	46	30	36	175	169
Chicago.....	1,368	1,407	3,759	3,861	2,136	240	Texas.....	774	778	695	717	103	99
St. Louis.....	617	624	2,080	2,136	420	389	Middle Western States:						
Minneapolis.....	803	853	1,036	1,286	1,092	1,014	Ohio.....	435	441	656	660		
Kansas City.....	1,010	1,046	2,598	2,702	205	207	Indiana.....	259	265	816	827	8	7
Dallas.....	843	853	745	770	190	182	Illinois.....	582	586	1,283	1,294	21	20
San Francisco.....	724	751	782	830	66	60	Wisconsin.....	282	288	508	513	72	94
Total.....	9,377	9,544	14,207	14,888	3,901	3,906	Michigan.....	185	184	599	627	203	179
New England States:							Minnesota.....	322	342	456	555	529	485
Maine.....	62	62	48	50			Iowa.....	394	433	1,176	1,254	38	35
New Hampshire.....	56	55	14	14			Missouri.....	199	194	1,266	1,328	33	37
Vermont.....	46	46	39	39			Western States:						
Massachusetts.....	180	182	70	70			North Dakota.....	159	162	152	223	295	275
Rhode Island.....	17	21	8	8			South Dakota.....	117	127	184	244	159	162
Connecticut.....	66	65	85	83			Nebraska.....	174	183	728	752	180	177
Eastern States:							Kansas.....	264	266	976	1,014	4	3
New York.....	649	633	282	278			Montana.....	105	119	102	105	13	10
New Jersey.....	347	324	161	147			Wyoming.....	34	34	54	54	8	12
Pennsylvania.....	962	955	654	657			Colorado.....	131	139	172	187	6	6
Delaware.....	23	22	32	32			New Mexico.....	33	33	28	30	2	3
Maryland.....	89	89	168	167			Oklahoma.....	373	396	361	376	6	5
District of Columbia.....	13	14	32	33			Pacific States:						
Southern States:							Washington.....	152	157	171	172	35	32
Virginia.....	184	193	216	231	102	97	Oregon.....	134	135	105	113	31	28
West Virginia.....	140	141	195	194	9	10	California.....	285	304	315	351		
North Carolina.....	89	92	84	93	323	339	Idaho.....	75	81	81	80		
South Carolina.....	85	92	23	25	217	256	Utah.....	45	49	68	67		
Georgia.....	146	159	67	77	314	377	Arizona.....	18	22	26	33	4	3
Florida.....	74	70	78	82	144	159	Nevada.....	10	10	24	23		
Total.....	9,377	9,544	14,207	14,888	3,901	3,906	Total.....	9,377	9,544	14,207	14,888	3,901	3,906

¹ Incorporated banks other than mutual savings banks.

MONEY IN CIRCULATION

[Source: United States Treasury Department circulation statements]

[In thousands of dollars]

Date	Total	Gold coin and bullion	Gold certificates	Standard silver dollars	Silver certificates	Treasury notes of 1890	Subsidiary silver	United States notes	Federal reserve notes	Federal reserve bank notes	National bank notes	Total circulation per capita (in dollars)
1914—July 1.....	3,402,015	611,545	1,026,149	70,300	478,602	2,428	159,966	337,845			715,180	34.35
1917—Apr. 1.....	4,100,591	641,794	1,348,818	70,863	459,680	1,997	191,351	330,353	356,448	3,170	697,160	39.54
1920—Nov. 1.....	5,628,428	495,353	2,311,404	89,725	60,385	1,628	261,556	277,736	3,310,225	209,877	715,023	52.36
1922—Aug. 1.....	4,337,418	416,282	1,711,985	58,378	268,802	1,508	229,956	284,343	2,115,350	65,032	725,782	39.47
1925—Aug. 1.....	4,719,519	428,248	1,014,311	54,165	388,016	1,384	261,750	284,806	1,601,884	6,777	678,178	41.31
Sept. 1.....	4,784,025	416,348	1,036,243	54,173	396,700	1,381	264,450	298,493	1,629,927	5,580	680,730	41.84
Oct. 1.....	4,827,005	413,973	1,050,057	54,693	394,069	1,379	267,768	303,597	1,670,658	6,460	664,351	42.17
Nov. 1.....	4,900,339	429,985	1,067,963	54,769	390,089	1,376	269,439	306,575	1,706,622	6,314	667,707	42.77
Dec. 1.....	4,971,765	425,853	1,108,743	54,685	388,012	1,375	272,217	305,986	1,741,965	6,185	666,744	43.35
1926—Jan. 1.....	5,008,121	424,037	1,114,331	54,860	387,495	1,373	274,860	292,908	1,815,687	6,058	636,422	43.62
Feb. 1.....	4,739,537	407,145	1,035,774	53,167	370,852	1,371	266,155	288,677	1,672,223	5,900	638,270	41.24
Mar. 1.....	4,814,217	422,079	1,076,070	52,637	371,149	1,369	265,853	293,622	1,672,027	5,808	653,603	41.84
Apr. 1.....	4,805,885	450,787	1,089,003	52,147	365,113	1,367	267,244	289,044	1,639,211	5,720	646,249	41.73
May 1.....	4,854,173	454,710	1,099,213	51,814	363,855	1,364	267,089	292,843	1,662,620	5,640	655,025	42.11
June 1.....	4,870,885	454,308	1,074,175	51,607	370,003	1,359	268,219	291,110	1,693,834	5,549	660,721	42.21
July 1.....	4,834,711	445,068	1,057,364	51,906	377,741	1,356	270,046	294,916	1,679,384	5,453	651,477	41.55
Aug. 1.....	4,858,474	444,061	1,072,357	51,766	384,134	1,354	270,218	295,977	1,679,379	5,289	653,939	42.01

¹ The figures for the several classes of money include mutilated currency forwarded to the Treasury for redemption and unassorted currency held by the Federal reserve banks, and consequently do not add to the total which is exclusive of such currency.

FOREIGN EXCHANGE RATES

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

Country	Unit	Par	August, 1926				July, 1926				August, 1925			
			Low	High	Average		Low	High	Average		Low	High	Average	
					Rate	Per cent of par			Rate	Per cent of par			Rate	Per cent of par
EUROPE														
Austria	Schilling	14.07	14.0590	14.0970	14.0787	100.06	14.0650	14.1030	14.0832	100.09	14.0390	14.0800	14.0624	99.95
Belgium	Franc	19.30	2.6400	2.8900	2.7538	14.27	2.1200	2.7500	2.4250	12.56	4.4700	4.6100	4.5265	23.45
Bulgaria	Lev	19.30	.7225	.7313	.7262	3.76	.7222	.7317	.7266	3.76	.7306	.7361	.7331	3.80
Czechoslovakia	Crown		2.9615	2.9624	2.9618		2.9610	2.9620	2.9616		2.9610	2.9627	2.9618	
Denmark	Krone	26.80	26.5100	26.5700	26.5442	99.05	26.5000	26.5300	26.5015	98.89	22.3000	25.0000	23.3015	86.95
England	Pound	486.65	485.1800	486.2600	485.8608	99.84	486.1600	486.5800	486.3450	99.94	485.4300	485.8100	485.6900	99.80
Finland	Markka	2.52	2.5198	2.5216	2.5206	100.02	2.5200	2.5221	2.5209	100.04	2.5210	2.5254	2.5227	
France	Franc	19.30	2.6300	3.0600	2.8327	14.68	2.0500	2.7200	2.4658	12.78	4.6600	4.7400	4.6912	24.31
Germany	Reichsmark	23.82	23.8000	23.8300	23.8096	99.96	23.8000	23.8100	23.8035	99.93	23.8000	23.8000	23.8000	99.92
Greece	Drachma	19.30	1.0973	1.1755	1.1160	5.78	1.0819	1.2263	1.1758	6.09	1.4809	1.5725	1.5406	7.98
Hungary	Pengo	17.49	17.5400	17.5900	17.5604	100.40	17.5100	17.6300	17.5704	100.46				
Italy	Lira	19.30	3.2300	3.3800	3.2950	17.07	3.1800	3.5900	3.3504	17.36	3.5800	3.7700	3.6573	18.95
Netherlands	Florin	40.20	40.0500	40.1700	40.1123	99.78	40.1500	40.2200	40.1773	99.94	40.1400	40.3000	40.2419	100.10
Norway	Krone	26.80	21.9000	21.9400	21.9146	81.77	21.8400	21.9600	21.9304	81.83	18.1600	20.8200	18.8027	70.16
Poland	Zloty	19.30	10.6500	11.1500	10.8573	56.26	9.1000	10.7900	10.0654	52.15	16.7700	18.9000	17.9527	93.02
Portugal	Escudo	108.05	5.1200	5.1500	5.1300	4.75	5.1200	5.1500	5.1296	4.75	5.0900	5.1800	5.1300	4.75
Rumania	Leu	19.30	.4543	.4931	.4672	2.42	.4428	.4776	.4601	2.38	.4948	.5226	.5117	2.65
Spain	Peseta	19.30	15.0600	15.5300	15.2942	79.24	15.2900	16.1500	15.7169	81.43	14.2900	14.4600	14.4104	74.67
Sweden	Krona	26.80	26.7500	26.7700	26.7654	99.87	26.7700	26.8400	26.7954	99.98	26.8400	26.8800	26.8715	100.27
Switzerland	Franc	19.30	19.3000	19.3500	19.3235	100.12	19.3500	19.3700	19.3604	100.31	19.3700	19.4200	19.4019	100.53
Yugoslavia	Dinar	19.30	1.7640	1.7658	1.7649	9.14	1.7655	1.7693	1.7672	9.16	1.7854	1.8135	1.7946	9.30
NORTH AMERICA														
Canada	Dollar	100.00	100.1250	100.1696	100.1448	100.14	100.0833	100.1594	100.1265	100.13	100.0134	100.0713	100.0934	100.03
Cuba	Peso	100.00	99.8781	99.9656	99.9206	99.92	99.9102	99.9344	99.9187	99.92	99.8177	99.9313	99.8907	99.89
Mexico	do	49.85	48.5833	48.9000	48.7823	97.86	48.7167	48.9000	48.8692	98.03	49.2453	49.7000	49.5826	99.46
SOUTH AMERICA														
Argentina	Peso (gold)	96.48	91.7800	92.2100	91.9573	95.31	91.6600	92.4700	92.0504	95.41	90.9000	91.9300	91.7042	95.05
Brazil	Milreis	32.44	15.2900	15.5000	15.3715	47.38	15.1700	15.8800	15.5631	47.98	11.7500	12.7700	12.1335	37.40
Chile	Peso	12.17	12.0600	12.1400	12.1162	99.56	12.0200	12.0800	12.0500	99.01	11.8000	12.0600	11.9138	61.00
Uruguay	do	103.42	99.2800	100.7700	100.1900	96.88	99.2800	101.0800	100.2504	96.94	99.2000	100.6800	99.8935	96.59
ASIA														
China	Mexican dollar	48.11	49.0300	51.0400	50.1462	104.23	51.0500	52.4800	51.7104	107.48	55.8200	57.5800	56.5546	117.55
China	Shanghai tael	66.85	68.0100	70.1000	68.6931	102.76	70.1600	72.3000	71.3031	106.66	76.5900	78.2900	77.2938	115.62
Hongkong	Dollar	47.77	52.6400	53.9500	53.1954	111.36	53.8300	55.2900	54.5919	114.28	56.5000	58.5000	57.3088	119.97
India	Rupee	48.66	36.3000	36.4500	36.3642	74.73	36.2300	36.3200	36.2862	74.57	36.8700	36.6800	36.6227	75.26
Japan	Yen	49.85	47.4000	48.0800	47.8031	95.89	46.8400	47.3800	47.0685	94.42	40.3600	41.3300	40.9877	82.22
Straits Settlements	Singapore dollar.	56.78	56.0800	56.2100	56.1512	98.89	56.1900	56.2100	56.2092	98.99	56.5800	56.8400	56.7035	99.87

¹ Gold value of the unit in 1913, computed by multiplying silver content of unit by the New York average price of silver for the year. This average price in 1913 was \$0.61241 per fine ounce, with which prices in recent months compare as shown by the following table:

SILVER

[Average price per fine ounce]

	August, 1926	July, 1926	August, 1925
London (converted at average rate of exchange)	\$0.62970	\$0.65386	\$0.70594
New York	.62699	.65106	.70550
Per cent of New York price to average price in 1913	102.38	106.31	115.20

GOLD SETTLEMENT FUND

INTERBANK TRANSACTIONS, JULY 15 TO AUGUST 18, 1926, INCLUSIVE

[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 period
	Debits	Credits	Debits	Credits	Debits	Credits	Decrease	Increase	
Boston.....	3,500		1,108,273	1,112,984	5,746	5,490		955	47,434
New York.....	6,000	15,000	3,327,388	3,370,560	13,462	17,287		55,997	197,235
Philadelphia.....	6,500	1,000	872,585	879,237	6,792	7,106		1,466	59,989
Cleveland.....	1,000		852,798	858,419	9,353	4,430	302		72,125
Richmond.....	2,000	500	616,853	612,204	3,917	3,425	6,641		24,841
Atlanta.....	2,000		395,649	376,968	5,724	4,966	21,439		22,989
Chicago.....	2,000	1,000	1,546,283	1,550,256	6,326	9,322		5,969	143,447
St. Louis.....		1,500	634,711	625,603	1,698	3,435	5,871		7,268
Minneapolis.....			206,046	196,071	2,267	2,256	9,986		11,833
Kansas City.....	500		537,416	540,053	2,771	2,559		1,925	36,251
Dallas.....	500	5,000	325,091	323,050	1,713	1,584		2,330	12,700
San Francisco.....	1,000	1,000	394,530	372,218	4,306	2,215	24,403		34,292
Total five weeks ending—									
Aug. 18, 1926.....	25,000	25,000	10,817,623	10,817,623	64,075	64,075	68,642	68,642	661,404
July 14, 1926.....	217,600	217,600	11,313,642	11,313,642	57,290	57,290			671,515
Aug. 19, 1925.....	42,500	42,500	19,792,007	19,792,007					663,309
July 15, 1925.....	213,700	213,700	10,413,465	10,413,465					675,710

¹ Includes Federal reserve note clearing.

DISCOUNT RATES OF FEDERAL RESERVE BANKS IN EFFECT SEPTEMBER 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.

Changes during the month.—Discount rate at Federal Reserve Bank of New York from 3½ per cent to 4 per cent on August 13.

FEDERAL RESERVE DISTRICTS

