FEDERAL RESERVE BULLETIN

ISSUED BY THE

FEDERAL RESERVE BOARD

AT WASHINGTON

OCTOBER, 1919

WASHINGTON
GOVERNMENT PRINTING OFFICE
1919

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No complete sets of the Bulletin for 1915, 1916, or 1917 are available.

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FEDERAL RESERVE BULLETIN

VOL. 5 OCTOBER 1, 1919. No. 10

REVIEW OF THE MONTH.

Public finance in September.

Fiscal operations of the Government during September were unusually large and included issues on September 2 of $573,841,500 of five months' 4½ per cent loan certificates and on September 15 of two series of tax certificates, of which one for six months, and bearing interest at the rate of 4¼ per cent, yielded $101,131,500, and the other, for 12 months, and bearing interest at the rate of 4½ per cent, yielded $657,469,000. An analysis of the amounts taken in each Federal Reserve district of each of the three series is given in the following exhibit:

Federal Reserve district.	Series C-1920.	Series T-9.	Series T-10.	All 3 series.
Boston	$45,765,500	$5,704,000	$31,752,000	$83,221,500
New York	252,679,000	25,582,500	412,319,000	690,580,500
Philadelphia	27,155,000	5,563,000	54,586,500	87,304,500
Cleveland	39,088,500	8,788,000	53,802,000	101,678,500
Richmond	10,493,500	2,999,500	10,339,500	23,832,500
Atlanta	19,312,000	3,706,000	5,618,000	28,636,000
Chicago	63,193,500	24,097,500	35,172,000	122,463,000
St. Louis	17,975,500	3,614,500	12,232,500	33,822,500
Minneapolis	16,000,000	4,750,000	7,750,000	28,500,000
Kansas City	16,000,000	2,835,000	4,165,000	23,000,000
Dallas	23,179,000	3,491,500	8,232,500	34,903,000
San Francisco	43,000,000	10,000,000	21,500,000	74,500,000
Total	573,841,500	101,131,500	657,469,000	1,332,442,000

Redemptions of outstanding Treasury certificates were considerably larger and included: (1) The redemption on September 9 (when a 20 per cent installment on the Victory loan was due) of outstanding balances of the last two series of certificates issued in anticipation of the Victory loan and due September 9 and October 7, respectively. (2) The redemption on September 15 (when the third installment of the income and war profit taxes was payable) of the outstanding balances of two series of tax certificates.

At the beginning of the month it was calculated that the aggregate amount of certificates maturing or called for redemption during the month was in the neighborhood of 1,800 millions, and that this amount, somewhat reduced by exchanges and cash redemptions, would be fully covered from the cash in bank and payments on account of Victory loan subscriptions, also income and profit taxes due on September 9 and 15, respectively. In his circular of September 8 the Secretary of the Treasury announced that there remained no other maturities of certificates to provide for prior to 1920, as the certificates maturing December 15, of which over 750 millions had been issued, were more than covered by the income and profit tax installment due on that date. The total amount of Treasury certificates outstanding at the end of September is slightly over 3.5 billions (as against 6.25 billions on April 30) of which only about 1.6 billions are loan certificates requiring to be refunded.

In view of the success attaining the most recent tax-certificate issues, which realized 757.5 millions in the three days during which subscriptions were taken, and the very large cash balance of the Treasury, it is expected that no new certificate issues will have to be resorted to during the month of October.

Outlook for liquidation.

More than this, material improvement in the financial position of the Treasury and the favorable conditions on which recent issues of loan certificates have been placed carry confirmation of the views expressed by the Secretary of the Treasury in his letter of July 25, and repeated in his letter of September 8, that the borrowing operations incident to the financing of the war would be carried to completion without another great funding loan. So far as such operations are concerned, they may be said to have come to a close with the Victory loan. Such financing as is still to be provided can clearly be carried through by issues maturing on tax dates.

The outlook is distinctly encouraging, therefore, for an improvement in the investment status of the outstanding funded securities of the Government and, with it, for an improvement in the loan and investment accounts of the banks. The extent to which the banks of the country subscribed to war bonds of the different issues which they did not intend as a matter of policy to carry permanently as a part of their long-term investments, can not be accurately determined. Neither can the volume of loans made by the banks to customers on account of their subscriptions to Government war issues and still outstanding be accurately determimed. Details of an estimate made for this purpose and elsewhere presented in the BULLETIN indicate that the volume of unabsorbed war securities is undoubtedly large. Liquidation of these war finance investments and loans is clearly a necessary preliminary to any large and genuine improvement in the banking and credit situation. Such liquidation means the purchase of war securities by actual investors. That such liquidation will be stimulated through improvement in the market for Government bonds is clear. The recent improvement in the Government bond market, foreshadowing as it probably does a progressive improvement because of increased realization that Government long-term financing is over, is, therefore, of good augury for the general banking situation.

Liquidation, in the natural course, of war loan acccounts seems likely before long to become a characteristic of the banking trend. Whether such liquidation, however, will result in a lasting decline in the total volume of outstanding bank credits will depend upon the state of industry and trade and upon the movement of prices.

Discount policy.

As the period of war financing begins to approach its end, the Federal Reserve Banks will again be in a position to shape their policies without being under the necessity of giving first consideration to the interests or needs of the Treasury. Since the entry of the United States into the great war, the Federal Reserve Banks have from the necessities of the situation utilized their resources in every legitimate way in support of war finance. Their discount policy, in particular, has been shaped first with the view of facilitating the placement of the great issues of both long-term and short-term obligations brought out by the Treasury, and secondly with the view of stabilizing the market for Liberty bonds. With these objects in view, differential rates (details of which are elsewhere presented in the BULLETIN) have been maintained at Federal Reserve Banks in favor of borrowings by member banks either on their own or their customers' notes, when secured by war obligations.

The effect of this policy of differential rates has reflected itself in the successful placement of five great loans aggregating $21,500,000,000, and many issues of tax and loan certificates. The preferential treatment thus extended to borrowers on Government finance account has justified itself not only by the results achieved but also was justified by the unquestionable fact that during the war and until the financial operations incident to the war were completed the main business of the Nation was the efficient prosecution of the war, and the first duty of its financial and credit system, therefore, the constant support of the Government's financial program.

The disappearance of the Treasury from the long-term loan market and the rapid reduction in its requirements for short-term accommodation foreshadows the approach of the time when the financial operations of the Government will cease to be the important factor in shaping Reserve Bank policies which they have been, and Federal Reserve Bank rates once more will be fixed solely "with a view of accommodating commerce and business."

Expansion and discount rates.

The extent to which Federal Reserve Bank rates may normally be expected to be "effective," in the sense in which that term is used in England and Continental Europe, still remains to be determined. Our experience under the Federal Reserve system is too brief to enable definite conclusions to be drawn with reference to this matter. It seems doubtful, however, whether, for a long time to come and taking the country as a whole, there will be any such close connection of Federal Reserve Bank rates with the volume of credit in use as was to be noted, for example, in prewar days in England, the home of central banking. Our nearest approach to an effective Federal Reserve Bank rate was reached in the closing months of the year 1916.

The habitual temper of the American business community is sanguine and American business is, for the most part, done on liberal margins. The bulk of the requirements for credit facilities comes from industry and trade mainly domestic in its origin and character. Such a condition does not make for sensitiveness to the influence of changing rates such as was the case in England, where much business is done on a narrow margin of profit and where banking resources were normally employed largely in the international loan market.

At any rate it seems fairly clear that little desirable restraining influence could have been exercised by Federal Reserve Bank rates in recent months. While repeated tendencies toward speculation of one kind or another have manifested themselves and, at times, given rise to an undesirable situation, there is no reason to believe that an advance of rates would have held these tendencies in check, at any rate no such advances as could have been undertaken without serious injury to legitimate business and desirable enterprise which were entitled to encouragement and support. There is no ready method in reserve banking by which the use of reserve facilities can be withheld from use in undesirable lines of activity without, also, being withheld from use in desirable lines.

The problem of controlling the volume and uses of credit in a country with so much diversity of business interests and business temper as the United States is far from simple and far from certain of solution. Experience alone can determine whether and in what manner a technique of control through rates can be developed which will secure the desired results. The objects to be obtained are, however, clear and vastly important. They are to regulate the volume and uses of credit so as to give to productive industry at all times the beneficial effects of credit stimulus and support without, however, opening the way to the costly evils of credit and price inflation.

Credit and prices.

The dependence of prices on credit has had convincing exemplification in the past few years. That expansion of credit has been a considerable factor in our financial and price situation has often been pointed out in the Bulletin.

The way in which credit affects prices nevertheless requires discriminating analysis. Of itself and alone, credit can not be said to determine prices. Credit affects prices only as it is used in the purchase and payment of things. It can affect prices, therefore, only when acting in conjunction with other favoring conditions.

There are times when the banking organization has large reserves of credit power, and yet industry and trade being "slow" there is little demand for additional credit and consequently little credit is added to the volume of credit in use and consequently little effect is exerted by credit in changing prices. A bank may offer a customer credit but it can not make him take it. It is the credit which is taken and used, not the credit which is offered, that counts in the movement of prices. There are other times when the reserves of credit power are low and yet the demand for credit, because of buoyancy in industry and trade, is large and the volume of credit in use consequently large and its influence on prices unmistakable. The volume of credit in use depends, therefore, quite as much upon the state of trade as it does upon the state of credit. The limits within which the use of credit can be forced by the banks are pretty narrow. Credit, as such, can not, therefore, be said to be the cause of price changes. By enabling and facilitating transactions in the purchase and sale of materials and goods and labor, which require the use of a large volume of purchasing media, credit nevertheless is a decisive factor in the price situation. It is the business of the banking organization to create and supply purchasing media. Thus, at times, when trade is brisk and the spirit of industrial enterprise runs high, the increased volume of credit supplied by the banks sustains and facilitates, if it does not indeed induce, the purchasing movement, and thus supports the rise in price levels. Without such an enlargement in the volume of circulating credit or purchasing media in other suitable forms, the accommodation of prices to changing conditions in a period of activity would be impeded. While credit, therefore, can not create a situation which results in high prices, it is equally true that a situation which results in high prices can not eventuate without the assistance and mediation of credit. While there must be a desire for the use of credit before credit can expand, once under way an expansion of trade gets so much encouragement, stimulus, and support from an expansion of credit that it is at times difficult to say which is more cause and which is more effect, so closely interdependent and interwoven are the two. Questions of theoretical formulation apart, however, the close connection of credit and prices, or of prices and credit, does not admit of reasonable doubt. What is still to be tested is the kind and measure of control at once effective and beneficial in its effects that can be exercised on credit through the instrumentality of Federal Reserve Bank rates and operations—that is, the extent to which the volume and character of Federal Reserve Bank operations will be sensitively responsive to changes of rate.

Federal Reserve notes.

The responsiveness of the volume of Federal Reserve note circulation to fluctuating requirements is again in process of demonstration. A year ago attention was called in the BULLETIN to the increase of Federal Reserve notes in the months synchronizing with the crop-moving period. The same phenomenon is now being repeated. Beginning with August 1, 1919, when the total volume of outstanding Federal Reserve notes was $2,506,820,000 (the year 1919 opening with a circulation of $2,647,605,000, as reported on January 3), there has been a steady increase in the volume of Reserve notes in circulation, week by week, as seen in the following statement showing an increase for the period August 1 to September 26 of $148,534,000:

August 1, 1919	$2,506,820,000
August 8	2,532,057,000
August 15	2,540,904,000
August 22	2,553,534,000
August 29	2,580,629,000
September 5	2,611,697,000
September 12	2,621,228,000
September 19	2,621,258,000
September 26	2,655,354,000

While seasonal requirements thus appear to be the principal cause of short-period changes in the volume of outstanding Federal Reserve notes, the fundamental influence determining their normal volume is the movement of general prices and the volume of outstanding bank credit. No mathematically definite and quantitative relationship between the volume of bank credit and the volume of circulating notes can be specified, but a close connection between the two exists. The connection is indeed so close that an increase in the volume of circulating notes may ordinarily be expected to follow closely upon an increase in the volume of circulating bank credit. This is particularly true in times when a close connection is observed between changes in the volume of bank credit in use and general prices. At such times, and generally in times of increasing trade activity, prices at wholesale rise first. In their wake there follows of necessity a rise of retail prices and in consequence a need for increase of circulation. It may be stated as a general proposition, therefore, that changes in the volume of currency in times of expansion follow price changes. They do not precede them. There is, therefore, no foundation in present American experience for the view still sometimes urged that changes in the volume of currency are responsible for changes in prices.

While it may be true as a theoretical proposition that prices at retail could not rise without an increase in the volume of currency and that refusal to supply currency might impede an upward movement of retail prices (though it is much more likely that refusal to supply currency would lead the community to adopt devices such as due bills or bearer checks, etc., of small denominations to meet the demand for currency substitutes), it is also true that such a method of controlling prices, if successful, would be at the cost of business disaster. Prices at wholesale are not appreciably affected by the volume of pocket money. It is the volume of circulating bank credit that influences the trend of wholesale prices. Restriction of bank-note issues would not, therefore, act as a direct restraint upon the movement of wholesale prices. Such effect as might conceivably be exerted from this source would at best be indirect, and would effectuate itself by what would be tantamount to a breakdown in the organization of trade by making it difficult for retail prices to adjust themselves to changes, proceeding from more or less fundamental influences, in the movement of wholesale prices. The pocket currency of the country is a function of the general money volume of the country's business. To attempt to turn it into an instrument of credit control would be a perversion of the currency function of the banking system.

The correction of the price situation will come in a more natural and economic manner. Prices at retail will fall to more normal levels as prices at wholesale do. Prices at wholesale will fall as savings accumulate and liquidation of the war-loan accounts of the banks ensues and production advances to the point where it more nearly matches the great increase in the volume of circulating or purchasing media which have been called forth during the successive emergencies of recent years.

The manner in which liquidation of the war-loan business of the banks will operate a reduction of currency may be explained. It should also be noted that such liquidation will be most effective if those who are now debtors to the banks on account of Liberty loan subscriptions take up their obligations out of their own savings. Repayments of funds borrowed from the banks may take the form either of bank-deposit credit or of Federal Reserve notes. In the latter case, Federal Reserve notes would begin to accumulate in the hands of the member banks. They would take them to the Federal Reserve Banks for credit to their reserve accounts. Since the reserve accounts of most of the member banks have been brought to their present levels through extensive rediscounting, the return of the Federal Reserve notes to the Federal Reserve Bank would be in effect a reduction of the member bank's liability to its Federal Reserve Bank and a retirement of the Federal Reserve note through such process of redemption. There would thus be a direct reduction in the volume of Federal Reserve notes in circulation and a corresponding reduction of rediscounts. In the former case, where the debtor of the member bank made payment by credit, there would take place a reduction in first instance of the volume of the member bank's liabilities and in the second instance of the Federal Reserve Bank's deposit liabilities—and, it may be added, on the asset side of the statement a reduction of its discounts. The whole volume of outstanding bank credit would thus contract itself, and the same causes that brought about the contraction would result in a lowering of prices, which would necessitate a smaller volume of pocket currency and a return flow of redundant currency to the banks and eventually to the Federal Reserve Banks.

Taking things as they are, the bulk of outstanding Federal Reserve notes may properly be regarded as supplied to the borrowing member banks against rediscounts. Expense in the shape of a discount charge is, therefore, entailed to member banks in obtaining increased supplies of notes. While Federal Reserve notes are freely issued to the banks in the sense that no limits have been imposed upon the amount, they are not issued without cost. As increases in the volume of Federal Reserve note currency, particularly in times of expansion, will be obtained against rediscounts or bills payable of member banks, the Federal Reserve note, as long as it is out, involves serious cost to the bank that takes it. The member bank, therefore, has every inducement, as notes accumulate in its hands, to use them in reducing its borrowings from the Federal Reserve Bank. Thus has an automatic machinery been provided, operating by the method of profit and loss, for sending into retirement and redemption such part of the Federal Reserve note circulation of the community as may at any time be in excess of requirements. The main condition, as already observed, determining currency requirements is the level of prices. The reduction of the volume of the currency is, therefore, a price problem far more than the reduction of prices is a currency problem.

Cost of living problem.

That the high price levels which have been attained in the United States present a grave situation is clear from the attention which current discussion of the causes of industrial unrest is directing to the cost of living problem. It presents the most urgent and immediate phase of the problem of postwar business and industrial readjustment. It promises to remain a persistent phase of postwar conditions unless its nature and cause are understood and a rational economic attitude toward it is developed.

So far as the profiteering practices, which current discussions assume have developed widely and rapidly since the armistice, are responsible for the price aggravations which have been experienced in recent months, some considerable mitigation of the cost of living situation may be expected and, indeed, is already in sight. The activity of "fair price" committees in different parts of the country, local action by the States, investigations and publicity by the Federal Trade Commission, and prosecution by the Department of Justice, under Federal law, which, as elsewhere noted, is in process of amendment, are already producing results. The problem of reducing the cost of living is, however, mainly that of restoring the purchasing power of the dollar. The dollar has lost purchasing power because expansion of credit, under the necessities of war financing, proceeded at a rate more rapid than the production and saving of goods. The return to a sound economic condition and one which will involve as little further disturbance of normal economic relationships as possible will be a reversal of the process which has brought the country to its present pass. In other words, the way in must be the way out. As the way in was expansion of credit at a rate more rapid than expansion of production and saving, so the way out must be an increase in production and in saving. The effect of increased production will be to place a larger volume of goods against the greatly enlarged volume of our purchasing media and thus to reduce prices. The effect of increased saving will be a reduction in the volume of purchasing media in use and, by consequence, a reduction of prices also.

"What is needed is the restoration of a proper balance between the volume of credit and the volume of goods," said Gov. Harding, speaking before the annual convention of the American Bankers Association at St. Louis, September 30. "Because of the war financing of the Government it is not practicable to reduce the volume of credit except gradually, and the best and probably the only remedy for the present unrest is to increase the volume of goods and the facilities for their distribution. Shorter hours and higher wages do not tend to increase production, but rather the reverse, and strikes and walkouts are doubly harmful in that they stop production without materially reducing consumption."

The cost-of-living problem on its financial side is misconceived unless it is conceived as the problem of restoring the value of the dollar. To accept the depreciation worked in the dollar by war conditions and to standardize the dollar of the future on this basis would be to ratify the inflation wrought by the war and the injustices it produced. No artificial solution for an economic situation of this kind is likely to commend itself to the better judgment and the sense of equity of the country, even could some artificial method of dealing with the question of monetary depreciation be devised which would not bring in its train a crop of new difficulties and problems.

Cost-of-living index and wage adjustment.

So far as the main incidence of the high cost of living is to be found in the ranks of labor, its correction presents an industrial problem rather than a monetary problem—a problem to be met not by a change in the monetary standard but by a change in the machinery of industrial remuneration. The successful handling of the cost-of-living situation, so far as concerns labor, is in first instance a matter of determining the extent to which the actual cost of living to different grades of labor in different parts of the country has been increased by rising prices, and, secondly, of devising some effective method of adjusting money wages to changes in the money cost of living. The former is a technical statistical problem and is having the attention of the Bureau of Labor Statistics, which is accumulating data on the basis of which can be constructed a cost-of-living index number that will show variations in total expenses of families dependent upon wages because of price changes. The latter is the practical problem of improving the status of labor by the establishment of new working principles governing the relations of employers and employed.

Speaking on this subject at the annual meeting of the American Association of the Baking Industry in Chicago September 24, Mr. Miller, of the Federal Reserve Board, said:

"There has been no general policy, either public or private, governing the action of industry in the matter of wage adjustment to changed living conditions. All sorts of influences have been at work in determining the outcome; the maintenance of the standard of living has not been the controlling consideration. The state of the labor market in different industries has at times resulted in increase of wages more than the increase in the cost of living, and at other times wages have lagged. * * * It must be said that there has been on the whole a lack of close correspondence of changes of wages with changes in the cost of living.

"The facts and indications, fragmentary as they are, reveal a situation which from every reasonable point of view must be regarded as unsatisfactory. Much as was achieved in certain industries during the war through the action of public or private agency, the maintenance of the standard of living does not occupy the decisive place it should in the determination of wages. Chance and circumstance play too large a rôle, and principle too little. Wages must be regarded as the first charge on industry, and the maintenance of at least those living standards which were customary before the war must be made secure. The first duty of the Nation is to preserve the health and strength of its workers. The standard of living is, therefore, a matter of public and national concern as well as of individual concern. The Nation can not afford, industry can not afford, to run the risk of impairing its working forces through lack of some effective method of adjusting wages to the cost of living. This is, in an immediate sense, the most pressing aspect of the cost of living problem with which we are confronted. Close study should, therefore, be given by different industries in every section of the country to methods of handling the problem in an effective and equitable way. Beginnings have been made in some business and industrial enterprises, but the problem should be taken hold of on a systematic and national scale in order that the needed results shall be achieved. Some mechanism by which wages may promptly be adjusted to changes in the cost of living must be accepted as an essential part of the American wage system. * * * Such action is particularly urgent in view of the extremely uncertain and disturbed course which prices and the cost of living seem likely to follow for a good many years to come, or until the affairs of the world are once more in a state of settled equilibrium. It will not do to leave the adjustment of wages to changes in the cost of living, either to the slow and uncertain action of the forces of competition, or to the costly and disruptive action of industrial warfare. So far as the strike is a method of securing an adjustment of wages to rising prices, it should become an obsolete feature of the American industrial system."

The export situation.

Little change is reflected in the recent volume of our foreign trade shown by the latest statement of the Bureau of Foreign and Domestic Commerce covering the month of August. Exports for August were $646,259,000, as compared with $570,083,000 for July, the first month in the fiscal year 1920, and, $602,090,000, the monthly average for the fiscal year 1919. Largely increased exports, as compared with July, are shown for unprepared foodstuffs, partial manufactures, and manufactures ready for consumption, while smaller exports for the month are shown for prepared foodstuffs, mainly meat and dairy products. Raw cotton exports show a further decline for the month, while exports of mineral oil, cotton goods, and automobiles show considerable gains. August imports were $307,331,000, as compared with $344,000,000 for the month of July and $257,990,000, the monthly average for the fiscal year 1919. Excess exports for August were $338,928,000, compared with $226,083,000 for July and $344,100,000, the monthly average for the fiscal year 1919.

The first two months of the current fiscal year are, therefore, characterized by a diminution in the outward movement of goods. It is clear that the large American credits at the disposal of foreign governments and their disposition to draw heavily on American supplies for the purpose of "stabilizing" the first steps in the process of after-war readjustment, were mainly responsible for the heavy outflow of goods during the last fiscal year. It is not yet clear how much should be undertaken in further financial and economic support of Europe in the further process of her readjustment. Nor is it clear what should be done in support of certain of our industries which attained conspicuous importance as export industries under the pressure of the artificial situation produced by the war. It seems highly probable, however, that new outlets for the excess products of these industries will have to be found if anything approaching their volume of production during the war is to be sustained.

In the meantime it should be noted that some improvement in our cost of living situation is likely to result from the diminished outflow of goods to countries not in a position to make payment by return shipments of goods. Elsewhere in the BULLETIN are given the results of an attempt to estimate the growth of the physical volume of our export trade in recent years by eliminating the price factor. While the data available for such an estimate are not as comprehensive as might be desired and the results are not, therefore, to be taken as conclusive, they are believed, nevertheless, to be of very great value as giving a more faithful picture of changes in our export situation than can be derived from totals stated in terms of money value. Taking the prewar five-year period 1910–1914 as a base for purposes of comparison and noting the increase for each of the succeeding five years as compared with the prewar average, the following index numbers are reached for changes in the physical volume of some of our leading exports:

1910–1914	100
1915	126
1916	121
1917	123
1918	109
1919	135

It is noteworthy that the fiscal year 1919 shows the greatest increase over the prewar average—an increase of 35 per cent—a rate of increase almost fourfold that shown for the preceding fiscal year 1918. Such a gain in the rate of increase suggests that heavy exports (effectuated for the most part by credit advances) to Europe have been a very considerable factor in our cost of living situation. It is also noteworthy that an estimated 35 per cent of the physical volume of exports in the last fiscal year consisted of foodstuffs.

Foreign financing and exchange.

In the field of foreign financing there are to be noted the regular weekly offerings of British and French treasury bills, the acceptance by the Bank of Montreal on behalf of the India Government of tenders for immediate telegraphic transfers to India of about 11,150,000 rupees at rates ranging between 41.98 and 43.12 cents per rupee. On September 4 about 10 millions of the Belgian 90-day export credit were renewed. No major operations have been effected, though financing of some German orders, also investments on a small scale in German public securities, are reported.

Fluctuations in foreign-exchange rates continued during the month within wide ranges, though quotations at the close of the month, with the exception of French franc quotations, show but little change from those given at the close of August. The biggest drop occurred about the middle of the month, when the cable rates for the pound sterling declined to $4.14, those for francs to 9.20, and those for lire to about 10. Since then an improvement took place, sterling cable rates at the close of the month quoting at $4.19, francs at 8.24, and lire at 9.70. Silver shows a steady increase in price from 108½ on August 30 to 118⅞ on the last of September.

Movement of leading foreign exchange rates during September.

Par.		Quotations on— Aug. 30.	Quotations on— Sept. 30.	Per cent below par on Sept. 30.	High during September.	Low during September.
4.8665	Pound sterling...dollars..	4.21	4.19	13.9	4.27	4.14
5.18	French francs.per dollar..	8.11	8.50	39.1	7.80	9.20
5.18	Italian lire..........do....	9.70	9.65	46.3	9.45	10.0
23.8	Berlin mark.......cents..	5.0	4.6	80.7	5.0	3.2
19.3	Spanish peseta.....do....	19.12	19.15	.8	19.35	18.90
5.18	Swiss francs...per dollar..	5.655	5.60	7.5	5.45	5.69
40.2	Dutch florin......cents..	37.375	37.75	6.1	39.375	37.125
26.8	Swedish crown....do....	24.50	24.65	8.0	24.85	24.25
32.44	Indian rupee.......do....	44.0	43.5	[1] 34.1	45.25	43.25
......	Shanghai tael......do....	135.5	136.0	......	137.0	130.5
54.62	Brazilian milreis....do....	25.50	25.875	52.6	25.875	25.0
42.46	Argentine peso[2]....do....	42.35	42.35	.3	43.58	42.35

[1] Above par. [2] Paper.

The banking situation.

Changes in the condition of selected member banks affected the United States security account, which, as the result of the above described treasury operations, shows a reduction of over 110 millions. Loans secured by United States war securities (war paper) went up 22.7 millions, and slightly more in New York City, while loans secured by stocks and bonds show an increase of over 100 millions, largely outside of New York City, and other loans and investments an increase of 340.1 millions, of which over 80 per cent constitutes the increase at the New York City banks. While there had been a steady increase in the loan and investment account during the weeks under review, the largest increases occurred about the middle of September, when the third tax installment became due. Aggregate amounts of United States war securities and war paper, held by selected member banks on September 19, were 3,405.9 millions, or 88.8 millions less than five weeks before. Of the total loans and investments of these banks the combined amount of Government war securities and war paper constituted 22.3 per cent, as against about 20 per cent, the share of loans secured by stocks and bonds.

For the five weeks between August 22 and September 26 the Federal Reserve Banks show a total increase of about 100 millions in earning assets, largely discounts other than war paper, increased borrowings of member banks being reported by the Chicago, Atlanta, St. Louis, and Kansas City Federal Reserve Banks, apparently in connection with the crop movement in these districts. War-paper holdings increased by 9.5 millions, while acceptances on hand fell off 20.4 millions during the five weeks under review. Total earning assets of the Federal Reserve Banks show an increase of over 100 millions, and on September 26 stood at 2,503.1 millions.

During September about 79.4 millions of gold out of a total of 160.6 millions held on the continent for the account of the Federal Reserve Bank of New York and representing payments for food furnished to the German Government by the United States Grain Corporation were transferred to the Bank of England vaults, the amounts thus transferred being shown as additions to the reserve banks' gold reserves. Further gains in the gold reserves are due to gold deposits by the Treasury. These increases are partly offset by export withdrawals of gold. By September 26 gold reserves totaled 2,117.9 millions, a net increase for the five-week period of 43.6 millions.

Mainly as the result of large Government transactions the net deposits of the Federal Reserve Banks show considerable fluctuations during the period, though the September 26 figures, $1,634,074,000, were only 13 millions in excess of the August 22 total. Federal Reserve note circulation increased at the rate of over 20 millions during the five weeks, and at the end of the period aggregated $2,655.4 millions, or only slightly below the record total shown about the end of 1918. The banks' reserve ratio fluctuated between 50.4 and 52.5 per cent, and on September 26 stood at 51 per cent, compared with 50.7 per cent five weeks earlier.

Gold movement. During the month ending September 10 the net outward movement of gold was $40,998,000, as compared with a net outward movement of $49,959,000 for the month ending August 10.

The gain in the country's stock of gold since August 1, 1914, was $918,589,000, as may be seen from the following exhibit:

[In thousands of dollars; i. e., 000 omitted.]

	Imports.	Exports.	Excess of imports over exports.
Aug. 1 to Dec. 31, 1914	23,253	104,972	[1]81,719
Jan. 1 to Dec. 31, 1915	451,955	31,426	420,529
Jan. 1 to Dec. 31, 1916	685,745	155,793	529,952
Jan. 1 to Dec. 31, 1917	553,713	372,171	181,542
Jan. 1 to Dec. 31, 1918	61,950	40,848	21,102
Jan. 1 to Sept. 10, 1919	55,123	207,940	[1]152,817
Total	1,831,739	913,150	918,589

[1] Excess of exports over imports.

Gold imports for the monthly period, amounting to $2,018,000, were received principally from England, Canada, and Mexico. Of the gold exports, amounting to $43,016,000, $16,031,000 were consigned to Japan, $9,531,000 to China, $6,489,000 to Hongkong, and $3,792,000 to British India, the remainder going principally to France, Venezuela, and Dutch East Indies. Since the removal of the gold embargo on June 7 total gold exports have amounted approximately to $193,500,000. Of this total about $52,000,000 was shipped to Japan, $33,000,000 to Argentina, $27,000,000 to Spain, $22,000,000 to Hongkong, $19,000,000 to China, and the remainder largely to Uruguay, Venezuela, British India, Canada, and France.

New member of Board. On September 5 the President nominated Mr. Henry A. Moehlenpah, of Clinton, Wis., as member of the Federal Reserve Board to fill the unexpired term of Mr. F. A. Delano, who resigned in July, 1918, in order to accept a commission in the United States Army Engineer Corps engaged in railway construction in France. On September 23 the nomination was confirmed by the Senate. The appointment will become effective when Mr. Moehlenpah takes the oath of office. Mr. Moehlenpah is 52 years of age, was born in Joliet, Ill., and is a graduate of Northwestern University. He entered upon the career of banking in Joliet, Ill., in 1888, removing to Clinton, Wis., in 1893, where he engaged in the banking business.. At the time of his appointment he was president of the Citizens Bank of Clinton, Wis., president of the Wisconsin Mortgage & Security Co., of Milwaukee, Wis., and director of the Rock County Savings & Mortgage Co.

Changes in organization. In view of the very large increase in the volume of the work of its staff, the Federal Reserve Board has decided to divide the duties heretofore performed by Mr. J. A. Broderick, recently resigned as secretary of the Board. Mr. Broderick, in addition to his duties as secretary, was chief Federal Reserve examiner and chief of the division of audit and examination. Accordingly, the Board makes public announcement of the following appointments: W. T. Chapman, secretary; R. G. Emerson, assistant secretary; W. W. Hoxton, executive secretary; W. W. Paddock, chief of division of operations and examination; J. A. Will, chief Federal Reserve examiner, western division; J. F. Herson, chief Federal Reserve examiner, eastern division.

Mr. Chapman, who succeeds Mr. Broderick as secretary, became connected with the Board's staff upon its organization in 1914 as secretary to Hon. Paul M. Warburg. Upon retirement of Mr. Warburg in August, 1918, Mr. Chapman was assigned to the office of the secretary of the Board as general assistant, and was appointed assistant secretary on September 1, 1918.

Mr. Emerson, who succeeds Mr. Chapman as assistant secretary, comes from Haverhill, Mass., is a graduate of New York University, and was formerly financial statistician with a leading investment service company in New York. He entered the Board's service as an accountant in the statistical division in December, 1917, and subsequently was appointed general assistant in the secretary's office, with the designation of acting assistant secretary.

Mr. Hoxton will be connected with the administrative work of the Board, performing such duties in connection with technical banking matters as may be assigned to him by the Board. Mr. Hoxton was formerly with the St. Louis Clearing House Association, for eight years as assistant manager and ten years as manager, which latter position he resigned to become deputy governor of the Federal Reserve Bank of St. Louis. After four years' service as such he resigned to head the acceptance department of an investment banking house in Cleveland, Ohio, whence he comes to join the Board's staff.

Mr. Paddock, who succeeds Mr. Broderick as head of the examination division, is a former national bank examiner, assigned first to the southern New Jersey district, and then with the chief national bank examiner at Philadelphia. In August, 1918, he was appointed examiner by the Federal Reserve Bank of Philadelphia. He resigned from the Philadelphia bank in the fall of 1918 to accept appointment as a Federal Reserve examiner.

Mr. Will and Mr. Herson will be in charge of the field forces of the Board engaged in the examination of Federal Reserve Banks and their branches. Mr. Will's territory embraces the Federal Reserve Banks of St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco and their branches, while that of Mr. Herson embraces the Federal Reserve Banks of Boston, Philadelphia, Cleveland, Richmond, and Atlanta and their branches. The two forces are combined in the examination of the larger Federal Reserve Banks at New York and Chicago. After an extended banking and accounting experience, Mr. Will became auditor of the Federal Reserve Bank of St. Louis. He resigned this position and was appointed a Federal Reserve examiner on August 15, 1918. Mr. Herson was associated for a number of years with one of the largest trust companies in New York, leaving which he was for two years with a private banking house in Montreal, Canada, and London, England. He then became connected with the New York State Banking Department and was appointed a Federal Reserve examiner in August, 1917.

Mr. R. A. Young on October 1 succeeded Mr. Theodore Wold as governor of the Federal Reserve Bank of Minneapolis, Mr. Wold having retired to accept the position of vice president of the Northwestern National Bank of Minneapolis. Mr. Young was formerly deputy governor of the Federal Reserve Bank.

Directors of Nashville branch.

The appointment of the following directors of the Nashville branch of the Federal Reserve Bank of Atlanta was announced on September 24: Mr. W. H. Hartford, Mr. P. M. Davis, Mr. J. E. Caldwell, Mr. E. A. Lindsey, and Mr. T. A. Embry.

The first two gentlemen have been appointed by the Federal Reserve Board, while the last three are the appointees of the Federal Reserve Bank of Atlanta. Mr. W. H. Hartford of Nashville, who is a class B director of the Federal Reserve Bank of Atlanta, has been designated chairman of the branch board of directors. Mr. P. M. Davis is vice president of the American National Bank at Nashville, Tenn. Mr. J. E. Caldwell is president of the Fourth and First National Bank of Nashville, and also president of the First Savings Bank and Trust Co. of Nashville. Mr. E. A. Lindsey is president of the Tennessee Hermitage National Bank, Nashville; and Mr. T. A. Embry is president of the Farmers National Bank, Winchester, Tenn.

Meeting of Advisory Council.

A regular statutory meeting with the Federal Advisory Council was held in Washington on Monday and Tuesday, September 15 and 16. Among the questions affecting the banking situation generally and the status of the Federal Reserve Banks, particular attention was given to the subjects of check collection and discount rates.

BUSINESS AND FINANCIAL CONDITIONS DURING SEPTEMBER.

During the month of September labor unrest has become the most prominent factor in the business situation. Prevailing unrest found expression in various forms, including demands for improved working conditions and increased wages, also in local strikes, and found its culmination in the strike in the steel industry. In spite of the resulting uncertainty injected into the business situation, the customary autumnal swell in the volume of business is noted. The high retail prices prevailing do not appear as yet to have a noticeable effect in checking consumption, and the demand for higher grade products continues. While the official wholesale price index number shows a further rise from 219 in July to 222 in August, some readjustments in wholesale prices have taken place during the present month, involving price reductions in several leading foodstuffs and in various cotton textiles, hides, and other lines in which advances had hitherto been most marked. A spirit of conservatism, however, manifests itself in various trades and greater attention is paid to the probable future trend of prices.

In agriculture the exceptional promise of the spring has not been fulfilled. In particular the winter wheat crop has been considerably below expectations. This, however, is partly made up by the larger yield and harvest of corn. The official forecast for cotton is less favorable than last month, indicating an unusually late crop. The credit demand for crop-moving purposes has been less heavy than was anticipated in many quarters and was easily met by the local banks with the assistance of the Federal Reserve Banks, the latter reporting substantial increases during the month of discounts secured by commercial paper and corresponding increases in their note circulation. Conditions in the New York money market have become easier, but no great increase in the volume of speculation is noted. For the present the labor difficulty overshadows in importance all other factors in the business situation, but a feeling of confidence generally prevails that a satisfactory solution of the present troubles will be found.

Reports received from the several Federal Reserve agents as of September 20 indicated little change in the business situation from the conditions prevailing during the previous months. Although the labor situation was generally remarked as the principal factor in rendering conditions somewhat unsettled, the feeling was expressed in a number of districts that there was "a growing realization on the part of the workmen that their interests are bound up with the interests of the community as a whole and that increased efficiency resulting in greater productivity" is imperative. In district No. 1 it was stated that "business on the whole continues very active, although manufacturers are cautious in buying raw material ahead of immediate demands, while retail purchasing activity continues apparently unabated." In district No. 2 financial conditions are good, the readjustment of prices is progressing, declines in "certain products at the core of the cost of living" being noted, and the outlook is generally favorable. In district No. 3 "general business continues to show a high degree of activity and all the outward marks of prosperity." In district No. 4 general business, both wholesale and retail, continues active. Reports from all sections of district No. 5 contain "optimistic notes of general business conditions, the few unfavorable comments heard being confined to high living costs, extravagant expenditures for luxuries and nonessentials, and the shortage of farm labor." In district No. 6 it is stated that "activity in all lines of business has continued to exceed in volume activity for the same period of any previous year." In district No. 7 there continues, alike among all classes, a rather marked disposition to "capitalize" present price conditions, in particular to attempt to make the price situation the basis of addi-

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tional profit, although "business is generally reported as very good." From district No. 8 it is reported that "a tendency to await developments before making larger commitments for the future has been in evidence and the expansive impetus of the early summer months has been checked in a measure by a growing conservatism." While the effect has been to retard somewhat the growth of commerce and industry in the district, business continues active. In district No. 9 a fair crop of small grains is compensated by the very satisfactory situation with respect to corn and hay, and general business is very good. Conditions in district No. 10 have become somewhat more settled, "the volume of trade is at its highest peak of the year," and the farmer "has found 1919 a far better year than the average," both as to size of crops and prices received. In district No. 11 it is stated that "renewed activity is noted in many lines as the fall season opens," and crops other than cotton are in good condition, although "an atmosphere of conservatism is rather noticeable in business on account of the uncertainties of the future." District No. 12 states that "business conditions have been characterized by activity in manufacturing, and increasing activity in nearly every line of wholesale and retail trade."

The labor problem has become the paramount issue during the present month, the question of the cost of living receding from its former position of prime importance. Reports indicate a desire of the workers to secure a larger share in the returns of industry, demands for increased wages being accompanied by demands for shorter hours. At the same time, however, public opinion appears to be awakening to the reaction which increased wages and decreased output may have upon commodity prices, and the vicious circle which may result. Production has been hindered in various lines in which the demand is greatest, both by a shortening of hours, by decreased efficiency, and by disinclination in certain cases to work more than part time. The labor unrest, exhibited frequently heretofore by new demands as to wages, hours, and conditions of employment and by strikes, actual or threatened, in various industries, as well as by the agitation against high prices, has now found expression on a widespread scale in the present strike in the steel industry, and has forced itself sharply upon public attention. It had been generally hoped in the industry that intervention by the President would result in a postponement of the call for the strike pending the conference of labor and capital called by the President to meet in Washington on October 6, at which the question could be thoroughly discussed.

New wage demands and strikes are frequent in certain districts, prominent among those noted during the present month having also been the "strike" of the Boston police and the formulation of new wage demands by the bituminous coal miners. Although the railroad shopmen have returned to work, the transportation situation continues to occupy a prominent position in public discussion, both in consequence of the consideration of plans for the future operation of the railways and because of the car shortage which is hampering business activity in various lines.

Commodity prices reached new high levels during the month of August, though since the middle of the month a downward movement appears to have set in affecting the prices of some leading staples. The general index number of the Bureau of Labor Statistics for that month stands at 222, as compared with 219 for the month of July. The increase in prices, while again general, was greater for the groups of consumers' and producers' goods than for the group of raw materials, the index number for consumers' goods increasing from 230 to 241, for producers' goods from 205 to 215, and for raw materials from 214 to 217, the corresponding percentages of increase being 4.8, 4.7, and 1.5. Among the subgroups included in the group of raw materials, the index number for forest products shows a considerable increase, from 166 to 193, the numbers for animal products and for mineral products lesser increases, from 233 to 236 and from 177 to 178, respectively, while the index number for the subgroup of farm products alone shows a decrease, from 261 to 251. The prices of a considerable number of commodities on September 1 were lower than on August 1. Since the opening of the present month, price declines in certain foodstuffs, as well as in raw cotton and various cotton textiles and in hides, have continued. The more conservative feeling noted last month still prevails and moderation in naming prices is urged in certain lines, rather than the policy of exacting all that "the traffic will bear." Retailers' sales during the present fall season have been closely watched in some lines in view of the possibility of a curtailment of consumption in consequence of the high prices demanded.

In agriculture, the relatively unsatisfactory situation prevailing with respect to wheat as compared with earlier prospects is compensated by the favorable situation with respect to corn, the bulk of which will soon be past danger of damage, and to hay, the yield of which is much above the average. Corn is of good quality, but in the case of spring wheat the grain is light. In consequence of deficiency of rainfall in district No. 9, all small grains are showing a poor return, with many sections in North Dakota, South Dakota, and Montana reporting "a complete failure." Although good returns have been received by farmers in district No. 10, it is stated that indications point to a decrease in the wheat acreage sown this fall, due partly to unfavorable soil conditions for fall plowing and seeding and partly to "a desire to return to the pre-war plan of diversified farming." District No. 11 "made the heaviest and best corn crop ever raised," and "the small grain crop was also large beyond precedent." The harvesting of grain, except corn and rice, is now practically completed in district No. 12.

Deficiency of rainfall has damaged tobacco in Kentucky and Ohio, and "the outlook is rather discouraging," while in the Carolinas the crop ranges "from extra good in the interior to very poor in extreme eastern counties." The condition of cotton showed a further decline to 54.4 on September 25, and the lateness of the crop is reflected in the small amount ginned to date. Additional injury has been done in Georgia and Alabama by constant rains and by the boll weevil and heavy damage by insects is reported in Texas, although improvement is noted in the Carolinas. Prices have been irregular, with a downward tendency.

It is reported from Kansas City and Minneapolis that flour mills are operating at almost full capacity. There is good demand for flour, although trade reports indicate that eastern buying has lagged somewhat, and the demand for first clears has been especially light. Flour production during August, as reported by the United States Grain Corporation, was 12,042,000 barrels, as compared with 8,339,000 barrels during July. Prices of grain and flour have shown a downward tendency.

With the increase in receipts of raw sugar, meltings have again increased, although the scarcity previously remarked continues and the situation in this industry is reported to have reflected the uncertainty as to the conditions under which the new crop would be marketed.

Receipts of cattle at 15 primary markets increased slightly, from 1,527,881 head during July to 1,541,133 head during August, as compared with 1,588,553 head during August, 1918, the respective index numbers being 152, 153, and 158. Receipts of hogs show a continued falling off, from 2,411,539 head during July to 1,595,759 head during August, as compared with 1,970,086 head during August, 1918, the respective index numbers being 110, 73, and 90. Receipts of sheep again show a considerable increase, being 2,220,229 head during August, corresponding to an index number of 162, as compared with 1,538,767 head during July, corresponding to an index number of 114, and 1,424,677 head during August, 1918, corresponding to an index number of 104. Prices of live stock, in particular hogs, showed a downward tendency. Hogs at Kansas City on September 13 reached a low figure of $16.23 per hundredweight, as compared with $19.50 at the close of August.

The outstanding feature in the iron and steel industry has, of course, been the labor situation. Up to the actual day of the strike a feeling prevailed that it would be avoided, and the industry as a whole, as well as consumers, viewed the situation calmly. While there was a decrease in new buying during the first half of the month as conditions became unsettled, the further increase in production which had been noted for the month of August continued. Pig-iron output increased from 2,428,541 tons during July to 2,743,388 tons during August, the respective index numbers being 105 and 118. Steel-ingot production increased from 2,508,176 tons during July, corresponding to an index number of 104, to 2,746,081 tons during August, corresponding to an index number of 114, while the unfilled orders of the United States Steel Corporation at the close of August were 6,109,103 tons, as compared with 5,578,661 tons at the close of July, the respective index numbers being 116 and 106, although it is reported that new orders booked are running below those of a month ago.

It is reported that the demand for pig iron during the month has not been active, with the chief interest in foundry iron, but stocks are stated to have decreased during August for the third month in succession, and merchant furnaces are well sold over the remainder of the year. A lessened demand, but with little output available for delivery before the first of the year, is reported in the lines which have hitherto been most active, such as steel bars, sheets, wire, tin plate, and lap-weld pipe. Regular consumers in many cases are stated to be well covered in their requirements for the remainder of the year, while there has been relatively little inquiry as yet for the next year's delivery, and manufacturers were not disposed to quote thereon. Certain of the heavier lines, such as rails and shapes and plates, continue to lag, the latter showing weakness in price. Price declines have been noted in the old-material markets since the middle of August. Although the volume of domestic business booked has diminished somewhat the interest in the export field, it is reported that the export agency of the independent producers shortly after the middle of the month requested from their principals an increase in the tonnage allotted to foreign business from the present figure of 10 per cent of output. The machine-tool industry continues active.

The strike called for September 22 had varying effects in the several districts. Reports indicate that the strike was most widespread in the Colorado, Cleveland, and Chicago districts, a practical failure in the Birmingham district, while considerable interruption to production was noted in the Pittsburg district. The fact that for many of the independent producers agreements negotiated annually were in effect, aided materially in maintaining the output of lines for which the demand had been greatest, such as sheets and tin plate. The production of tubular goods was considerably curtailed, while the manufacture of wire products was stated to have been well maintained at all points except Cleveland. The greatest effect of the strike is reported to be on the heavier products, such as bars, structural shapes, plates, and rails, for which demand has hitherto been lightest. The claim is made that the strikers are largely foreign workers, performing the lower classes of work, and that in certain cases the strike on their part has forced out other employees who desired to continue work. The employers have been optimistic and, where a sufficient number of the regular working force has not reported, have suspended operations. Efforts have been made by the workers to enlist the aid of unions covering related trades, such as ore carrying on the Great Lakes. Reports indicate that a strike called for Monday, September 29, against the leading independents had relatively slight success, likewise efforts at the same time to force a shutdown of the leading independent producer at Pittsburgh. At the close of the month, the situation is reported to have been relatively little changed, as far as production was concerned, from conditions prevailing during the early days of the strike.

Production of bituminous coal during August amounted to 42,883,000 tons, as compared with 42,946,000 tons during July, the index numbers for both months being 116. A strong demand for anthracite coal is reported, resulting in increased shipments during August of 6,144,144 tons, corresponding to an index number of 109, as compared with 6,052,334 tons during July, corresponding to an index number of 108. Production is being impeded in certain sections by car shortage and by labor difficulties. Notice has been given by the bituminous miners of the abrogation of the existing wage scale in the central competitive field on November 1, and a conference of operators and miners has been proposed by the latter to meet at Buffalo on September 25 to consider their demands. The output of beehive coke showed a continued increase up to the month of September, 1,808,595 tons being produced during August, as compared with 1,512,178 tons during July. Due to the situation in the steel industry, decreased production has since been reported. Furnace coke has declined in price, but foundry coke has been in good demand and price increases have been noted.

Continued quiet is reported in the nonferrous metal industries, with little buying by consumers. In view of the steel strike, a waiting attitude at present prevails. Transactions have consisted in large part of resales by speculators at prices below those asked by producers. The greatest strength has been shown by lead, the price of which increased about the middle of the month. Continued weakness in zinc is reported, demand from the steel industry for both that metal and tin being curtailed in view of the present situation. It is reported from the Kansas City district that the reduced shipments are due largely to "the difficulty of obtaining cars for shipping out the ore purchased," but that production grew noticeably during the month of August.

The activity in general manufacturing continues, although markets in certain cases present a quiet appearance due to the fact that some manufacturers are well sold ahead, while in certain quarters a more cautious purchasing policy is noted. The cotton-yarn market during the month has been relatively quiet and prices of medium and coarse count carded yarns have shown a tendency to decline. The demand for cotton goods on the whole has been quiet, and price declines in gray goods are reported. This condition is reflected in the prices obtained at the second Government auction held at New York on September 4, at which most of the fabrics did not bring more than 90 per cent of the current prices, although market prices were well below those prevailing at the close of July, the time of the first auction, when market prices then prevailing were exceeded in some instances. The allotment of finished goods for spring delivery continues, at prices which are regarded as moderate by the trade in view of existing conditions, and the goods are readily taken.

The raw-wool market continues quiet, with prices firm, greatest strength being shown by the finer grades. Worsted yarns are quiet but strong, spinners being sold up to the end of the year and displaying as yet but little disposition to discuss offerings for next season. The market for men's wear woolens is again quiet, such spring offerings as mills have made being largely sold up. The women's clothing industry has been protesting against the high prices of fabrics, and anxiety is expressed lest the next spring season see a restriction of purchasing by the consumer. During the month price reductions by jobbers have been reported in some lines of dress goods. Underwear shows quietness characteristic of the between-season period, mills having a relatively large amount of orders booked, though few openings for the spring season have as yet occurred. A spirit of greater caution on the part of buyers was also noticeable about the middle of the month. The demand for silk and high-grade cotton hosiery continues. While silk manufacturers state that they are sold ahead for some time to come, trade reports indicate a noticeable slackening in demand, and staple fall silks are stated to have been offered by jobbers at concessions in price. The industry has been handicapped by labor difficulties, in particular by the Paterson dyers' strike and the recent Pennsylvania strike.

During the past month the feature of the hide and leather markets has been the decrease in the prices of hides which commenced in country hides toward the close of August, although about the middle of the present month prices for both country and packer hides have again become firmer. In leather the influence on prices has been chiefly felt by the less desirable grades, though concessions on both upper and sole leather are reported. The leather market has been quiet for some time, but tanners are well sold up. Manufacturers of shoes continue to operate at capacity, and favorable reports are received from salesmen now on the road. Demand for the better grades of footwear continues.

The customary seasonal swell in the volume of business is noted in many sections. Both wholesalers and retailers report a large volume of business, and the fears which had been expressed that high prices might serve to check demand continue to represent a future possibility rather than a present actuality. From practically all districts it is reported that extravagant purchasing, both in respect to the character and quality of goods, continues unabated. There is a continued heavy demand for automobiles, jewelry, and high-grade wearing apparel. Retailers' stocks are being depleted, and in many cases difficulty continues to be experienced in obtaining merchandise, although in Philadelphia and St. Louis improvement in deliveries is noted. Merchants are, however, operating cautiously in view of present conditions.

Further increase in building activity is reported. Permits issued during August exceeded the figures for July, the previous record month of the present year. The increase has been especially great for New York City, where it is stated that "for the first time in several years the amount of building now under way is fully up to normal." In several other districts, however, it is stated to be still below normal, and a further increase is anticipated. Great activity in the industry prevails in spite of high wages and the shortage of both lumber and labor, and higher costs thus far apparently have had little influence in checking construction. Orders and shipments of lumber in general have continued to exceed production, which has been hampered in certain sections by car and labor shortage and weather conditions, and stocks have been further depleted. Recently, however, a decrease in demand has been noted.

Official figures for the month of August show a recovery to $338,900,000 in the export balance from the low figure of $226,000,000 for the month of July, though this amount is still far below the June figure of $624,000,000. As compared with July figures some gains are shown in the exports of breadstuffs, largely wheat, and of mineral oils, while the August exports of meat and dairy products, also of raw cotton, show a further decline both in quantities and values. While June exports to Europe were approximately equal to the entire August exports, a growth of South American business is noted. Iron and steel exports, after a sharp decrease in July, recovered somewhat during August, liberal purchasing by the Orient and South America being recorded. The foreign trade conference to be held at Atlantic City, which has been postponed from September 30 until October 20 in order to permit the attendance of the foreign delegates, will be watched with interest.

A short period of fair activity in the stock market at the opening of the month was succeeded by a period of relative quiet, and public participation has again become a small factor in the general situation. No sharp decreases in the prices of stocks such as characterized the previous month have been noted, while strength has been displayed since the opening of the steel strike. In the bond market the bulk of transactions was in United States securities, and prices show a rise, while one-year United States certificates of the September 15 issue are selling above par, recent sales being on a 4¼-per cent basis. Railroad bonds have been dull, but relatively unchanged in price, and industrial bonds have declined. The absorption of new securities has continued to be much larger than usual for this season of the year. Fluctuations in the call-money rate have again been confined within narrower limits than during previous months, the extreme rates being 4 per cent and 8 per cent until the close of the month, when high levels were again reached. Decline in rates in the New York money market is noted, following heavy redemption of United States certificates of indebtedness, and accompanying a smaller demand than anticipated for crop-moving funds. Interest rates in general, however, remain firm, a strong demand for funds being noted in certain districts both for crop-moving purposes and to meet the seasonal requirements of manufacturers, although an easier situation is noted in some of the agricultural districts. The Board's figures of the volume of check transactions continue at a high level. Foreign exchange rates have shown a downward tendency since the opening of the month, sterling, francs, and lire among the more important exchanges again reaching new low levels, being quoted on September 6 at 4.135, 9.21, and 10.14, respectively. Recovery has since been noted. The banking situation continues to be regarded as sound, credit and collection conditions are good, and failures continue unprecedentedly small and few.

SPECIAL REPORTS.

(Prepared as of September 20.)

REPORTED BY DISTRICT NO. 1.

Wool and woolen goods.—The wool situation has not materially changed during the past month, and such activity as is in evidence does not appear sufficiently pronounced to indicate a general conviction as to probable developments of the next six months. While it is not anticipated that prices are likely to go much higher, there is a feeling, on the other hand, that they will not go lower, or if and when they do, that the recession will be quite gradual in the face of the continued demand by the public for fine goods and the fact that manufacturers in general have no surplus of the finer grades of the raw material on hand. The wool situation, accordingly, and naturally, remains firm, with some houses not anticipating any widespread activity for some time to come.

Cotton and cotton goods.—The cotton market continues for the most part quiet, with prices irregular and few quotations as yet on new crop staples. The supply for current requirements measured by August receipts in five of the leading cotton-manufacturing centers—New Bedford, Fall River, Manchester, Lawrence, and Lowell—is 72,587 bales, as against 73,824 in August, 1918, and 58,184 in August, 1917. The demand for cotton goods is strong, though there is apparent some recession from the activity of a few weeks ago, and the volume of business both in staples and fancies is greater than many mills can handle, and, being booked through to the end of the year with orders, are declining any further new business at present, a situation partly due to the inability of the mills to utilize their full productive capacity because of a shortage of weavers and consequent idle looms in many instances.

General retail trade.—The demand of the public for nearly all kinds of merchandise, particularly high-priced goods, shows no sign of abatement, jobbers reporting that business was never better so far as orders are concerned, the retailer being still short of his normal prewar supply of goods, but complaining that he can not get quantity production from the mills to meet the demand of customers. This is true of nearly everything the people need, or which they want to buy regardless of necessity, from automobiles to the minor articles of personal adornment. Retail dealers are under these circumstances able to meet bills promptly.

REPORTED BY DISTRICT NO. 2.

Money and banking.—The extraordinary event in the money market during the last month was the redemption on September 15 of United States certificates of indebtedness. On that day the Federal Reserve Bank of New York paid $348,000,000 of certificates aside from those received in payment of taxes. On succeeding days this amount increased to about $360,000,000. The effects of the release of this large sum of money were widespread. Call money on the New York market declined immediately to 4 per cent; within three days the borrowings of member banks at the Federal Reserve Bank fell off about $225,000,000, indicating a heavy, though perhaps transient, liquidation; time money became easier and commercial-paper rates declined to 5¼ and 5 per cent for best names, and the dealers reported increasing demand. Moreover, as the Treasury Department foresaw, the decline in rates created a particularly favorable market for the new issues of certificates of indebtedness, subscriptions for which opened on September 15. In three days subscriptions received at the Federal Reserve Bank amounted to $435,000,000, most of which were for the one-year certificates bearing $4\frac{1}{2}$ per cent.

A second and highly important factor in effecting a decline in the money market was a smaller demand than usual for crop-moving funds. Prior to the establishment of the Federal Reserve System the West drew heavily on New York for funds with which to move the crops, but in the last five years there has been a perceptible decrease. This decline appears to be particularly heavy this year not only on account of the operations of the system, but because the wheat crop promises to be some 300,000,000 bushels less than early reports indicated, a fact which releases a corresponding amount of credit. Moreover, the West has enjoyed a period of great prosperity. Coupled with the high prices realized on cereals, live stock, and lumber is the activity of new manufacturing enterprises, and the result is an increasing self-dependence of the West in financing its crops.

The comparative ease of the money markets in the last 30 days is shown in a comparison of the rates with those of the preceding month. In the earlier period call-money rates rose as high as 20 per cent, whereas in the August-September period they have ranged between $3\frac{1}{2}$ and 8 per cent. The low rate was touched only one day and the high rate twice. On August 20 the rate rose to 8 per cent in anticipation of the repayment to the Federal Reserve Bank of Government deposits. The renewed stock exchange activity in September was attended by a second rise to 8 per cent on September 8. This high rate attracted funds from the interior, where accumulations of money had been established in anticipation of crop movements and then found to be in excess of requirements.

The time-money market up to the last few days of the period has been quiet and featureless. Dealings were light and confined chiefly to the shorter maturities. Rates remained virtually unchanged at $5\frac{3}{4}$ to 6 per cent, with practically no loans at the lower rate. During the last week there was greater freedom in the offerings of funds for four and six months' periods by interior banks, a fact taken as a further indication that requirements for crop moving were not as large as had been expected. Throughout the period there was an active demand for acceptances from both out-of-town and New York buyers. By September 15 dealers reported that their portfolios were nearly exhausted. Rates remained unchanged.

Aside from purely technical deficits in lawful reserves shown in the clearing-house statements of August 23 and September 20, the experience of New York banks did not deviate from the ordinary. On August 23 the precipitating cause for the deficiency, which amounted to $813,000, was the withdrawal of Government deposits in the amount of $50,000,000. The deficiency was converted into an excess of reserves, as shown in the statement of the following week, chiefly through rediscounting at the Federal Reserve Bank. Concurrently the loans and discounts item increased $105,000,000. In the week ended September 20 the banks reduced their borrowings at the Federal Reserve Bank to such a degree that the clearing-house statement showed a deficit in lawful reserves of about $53,000,000. With the payment of the September 15 maturities of certificates the deposits increased.

Stock market.—It appears that the stock market on or about August 21 entered upon a new phase of development. The New York Stock Exchange houses and their customers, especially the latter, did not become deeply impressed with the necessity of adapting their dealings to the new conditions in the money market which developed in June and July until about the middle of the latter month. Thereafter the general process of reducing the aggregate amount of call loans, and inducing the margin buyers of stocks either to take up the shares bought, or else increase the margins behind them, required a little more than a month. The liquidation incidental to this readjustment brought down the Wall Street Journal's average price of 20 industrials from 112.23 July 14 to 98.46 August 20. Money conditions had been quite readjusted by about the 1st of August; but the adaptation of the stock market to new conditions proved as usual to be a rather slow process. So it was that the past month which we are now considering proved to be the first one in very recent times wherein the stock market ceased to respond to the general expectations of expanding business and growing prosperity, and began to recognize the money conditions incidental to the crop movement and autumn business.

During the last week in August, while investment opinion as to the new situation was forming itself, the volume of dealings was relatively small, being only about 700,000 shares per day. But the first week of September was characterized by substantial buying in a group of industrial shares, which were thought to be cheap; and this activity, in which the public as well as the professional traders participated, brought the dealings up to more than 1,400,000 shares daily. By the beginning of the second week in September the public buying seemed to have largely spent itself, at least for the time being; and the dealings became more professional as well as smaller. They centered, too, in stocks less highly approved by conservative judges of values. Money and labor conditions, as well as the crop conditions disclosed by the September report for the Government, have been fully considered by the buyers and sellers of stocks; and thus at this writing the market seems to have worked itself into the neutral or balanced position of having discounted the factors which have thus far come into sight. The second week of the month was distinctly one of equilibrium rather than of development along any definite line.

Bond market and new financing.—The bond market of the past month has been a continuation of that of the previous month or six weeks, except that it acts as though the adjustment to new investment conditions were now more nearly complete. At least, this adjustment is going forward more slowly. In railroad bonds the pronounced weakness of July and August has been succeeded by mere heaviness and dullness. Reports of railroad net earnings have not improved of late, but the bonds in declining 5 to 6 points since the end of last year are perhaps considered by investors to have discounted the unsatisfactory railroad situation.

Public utility bonds are generally selling no lower than they were a month ago. There was weakness in the local traction issues during the second week of September, but lighting and power company bonds have been generally firm. Industrial bonds within the past month have been the heaviest group, but their reaction amounts to nothing more than the loss of a portion of the substantial rise which they enjoyed during the year ended June, 1919. The dealings on the stock exchange have centered mostly in United States bonds, while transactions in State and municipal issues have been light, and those in railway and industrial bonds have been very light.

The absorption of new securities by the investing public is much larger than usual for this season of the year. The general rule is that as the volume of capital required to finance the crop movement increases, the amount of liquid capital seeking investment in stocks and bonds diminishes. Preliminary reports show, however, that for the month ended September 15 there have been issued in this market $48,216,100 of preferred stocks paying 7 per cent and yielding 6 to 8 per cent on the offering price; $10,678,000 of municipal bonds, not including short-term loans, the income basis of which varied from 4.3 to 4.9 per cent; $24,500,000 industrial bonds, paying 6 per cent and offered on a 6 to 6¾ basis; and $40,920,000 of common stocks. This is a total of $83,394,100 of new investment issues, not counting the common stocks. Railroad securities play an insignificant part in this total and public utility issues not a large part. Besides these there is the usual assortment of petroleum and real estate securities. In general character the securities offered show no change from recent months.

REPORTED BY DISTRICT NO. 3.

Clothing.—Business has been going at a fast rate during the last month. More goods can be sold and have been sold than can be delivered within the next few months. Labor conditions are very unsatisfactory, largely due to the impossibility of securing enough workmen to keep production up to normal. Shorter hours are playing an important part in curtailing production. While the demand for goods continues to be pressing, manufacturers profess their inability to tell how long this condition will last.

Leather.—Leather had been in such continuous demand for the last few years that prices had reached a speculative level because of comparatively scant supply. Trading conditions in the leather market have lately received a decided setback owing to the actions of the Government aimed at the reduction of the high cost of living. Very little new business in sole leather has been consummated during the last few weeks and hide prices have declined 8 to 10 cents per pound. This decline is said to be due to the unfavorable criticism of the large packers, who are the principal producers of domestic hides. South American hides declined in sympathy, but there has been a small rally from the low prices registered during the height of the agitation. Tanners claim that the high cost of hides, labor, and tanning material warrant a price 10 cents per pound higher than at present. Leather tanners hope that business will be good for the balance of the year, but feel that the outlook is uncertain. Foreign trading has been largely stopped. Domestic demand for footwear, however, seems to be in excess of the available supply, if the firm price levels can be taken as an indication. Patent leather is becoming more popular in the better grades of shoes. Footwear manufacturers feel that the outlook for the next two or three months is particularly good. No trouble with collections is reported from either source. Labor problems are receiving much attention, as there seems to be no limit to the compensation desired. One large tanner reports that wages have increased 300 per cent over 1914. Slackening of productive effort and inefficiency have accompanied these increases, according to many manufacturers. Leather belting sales during August were the largest for a long time past. Activity in this line is usually held to be an index of general manufacturing conditions, and this satisfactory report is therefore particularly noteworthy.

Silk.—There has been no let-up in the demand for silk goods during the past month. Prices have risen considerably on account of increased cost of raw material, increased cost of preparation for such operations as throwing, dyeing, etc., and the rise in wages of workmen. The supply of merchandise is evidently not large enough to fill the present demand and customers do not seem to manifest any particular objection to paying these higher prices. The more conservative manufacturers feel that it would be desirable if consumers would oppose the continuous increase in prices which has been rendered necessary by higher production costs. Reports indicate that the conservative element of the silk workers are satisfied in those districts where wages have been properly raised, but the shutting down of some mills has been forced by the violent tactics of the radical and rougher element.

Wool.—The wool market has ruled quiet for the last few weeks. The demand for finished goods and yarns shows no diminution, but manufacturers had already accumulated large stocks of raw material during the late spring and summer. Manufacturers have all the business that they can handle but are cautious in making commitments too far in the future, due to the general disturbance in labor conditions. The finer grade wools are at present in most demand and there is but little call for the poorer qualities. Eventually there is some expectation that demand will shift over to the lower qualities due to the limited supplies of fine materials.

REPORTED BY DISTRICT NO. 4.

Buyers and sellers of iron and steel apparently have continued to take a calm and conservative view of the labor troubles in the industry, and the latter factor has produced little effect on the growth of the market. While during August there was some interruption of production by sporadic labor disturbances and in the Chicago district especially, by the lack of cars and motive power growing out of the shopmen's strike, the total output of the mills and furnaces advanced to new high ground. The tendency all along the line has been toward increased output to satisfy the growing volume of orders. The obligations of the producers, however, have been increasing faster than the mills have been able to enlarge their production. The result has been a further lengthening of the period of deliveries and a greater unwillingness on the part of the makers to accept additional orders for delivery in the near future.

Labor and car shortages have been a factor tending to restrain the plants from reaching the maximum output. At the present time producers of wire products, tubular goods, sheets, tin plate, and steel bars are sold up for several months ahead. Some very attractive orders in these lines are being declined because of the heavy obligations of the mills.

The export trade in iron and steel, which slumped sharply in July, recovered some ground in August. The indications are that this growth is continuing. European purchases are comparatively light, but the Orient and South America have been buying in liberal volume.

The steel situation still shows the lack of railroad buying which has continued to impart an irregularity to the market in that the heavier lines are still lagging. There are signs, however, of renewed negotiations in shipbuilding work, which should tend to help the backward plate market. More new vessel construction has been placed than in some time and some of this is for foreign account. In prices, producers of steel continue to follow a very conservative policy and are opposing advances at this time, notwithstanding the oversold condition of the plants in various lines and the extended deliveries.

In merchant pig iron, buyers are now well covered on their requirements to the end of the year and the furnaces all have well filled order books. Many users are endeavoring to cover their requirements after January 1, but producers as a rule are discouraging this buying at this time because of its more or less speculative character and the uncertainty over future costs. At the same time a very appreciable tonnage has been sold for next year by producers in some districts. In Chicago the sales are estimated to have reached 200,000 tons. In some cases higher prices are being obtained on iron for next year and also for this year, but there has been no general advance and the furnaces are inclined to let matters stand and await developments.

All grades of coal are hard to obtain. A great indifference exists among the miners. Many of them are satisfied to work but half time, which decreases production very materially. All mines are running far behind in their shipments. As in the steel industry, the greatest disturbance in the coal fields is among the foreign born. In the Big Sandy and Kentucky River coal sections of Kentucky very little labor trouble is found, as most of the miners are native-born Americans. Reports from the coke regions indicate that production is being held very close to contract obligations. In the past 30 days there has been less pressure for spot coke; the price has remained firm even with small increase in production, small lots moving remarkably easy at $5 per net ton f. o. b. cars at ovens. With present labor conditions and no hope for improvement it would seem impossible to increase production to such an extent as to soften prices, and the tendency to advance rather than decrease will no doubt be shown before the end of the present month. Foundry coke is scarce, and high grades are quotable and easy to move at $6.50 per net ton f. o. b. at ovens in the Connellsville region.

REPORTED BY DISTRICT NO. 5.

The continued damaging effects of the July excess rainfall, the unfavorable weather conditions, including hot days, cool nights, and drought seasons that followed, have resulted in crops generally throughout the district making slow progress during the month. Heavy abandonment of corn acreage in the overflowed areas of the eastern Carolinas and damage to cotton and tobacco by excess rainfall are the most noticeable destructive factors.

Tobacco is reported variable, or from extra good in the interior sections to very poor in extreme eastern counties. There are also estimates varying from 60 to 70 per cent of normal crop, but at present high prices the planters expect to offset the shortage in production. The sale of the crop in South Carolina is practically completed and the farmers have obtained profitable average prices. In North Carolina the market opened September 2, fancy brights, wrappers, and the better grade fillers selling at extremely high prices, averaging 25 per cent higher than last season's opening, and the lower grades selling at about the average of last year.

Continued wet weather generally over the district prevented cultivation of the corn crop at the proper time, and later the drought injured the maturing of late corn. The result is reflected in the forecast by the United States Department of Agriculture (based on condition of crop September 1) that production for 1919 indicates a decrease in the fifth district as compared with 1918, although the 1919 acreage shows an increase. The forecast of production in oats shows a similar result, while the 1919 acreage in hay is estimated to produce an increased tonnage as compared with like acreage in 1918.

Cotton, as a result of more favorable weather conditions since our last report, shows improvement both in the cultivation of the crop and the fruiting of the plant. The crop in the Carolinas shows about the average deterioration for the same period in recent years. Usually at this season of the year the crop begins to suffer from lack of moisture, but so far only a small area has needed rain. There is some shedding, less, however, than usual, as is also true of plant disease, but there is a general complaint of the sappy and heavy growth of the plant, which is fruiting lightly, attributed to continuous wet weather in the early season. Forecasts indicate a crop yield for the United States approximating 11,000,000 to 12,000,000 bales, exclusive of linters.

Reports indicate a good apple crop throughout the fruit sections of the district, that along the Chesapeake & Ohio Railroad in Virginia being estimated at approximately 100,000 barrels more than last year. The prices at which the growers have contracted to sell apples are better than have been obtained for some years, and in most instances the sale has been made at materially increased prices. Grape shipments from North Carolina have been satisfactory, with good prices to the growers. Reports also indicate satisfactory returns for a somewhat short crop of peaches.

In the trucking districts of Virginia and eastern North Carolina, crops of canteloupes and watermelons this year have been good and prices realized are quite satisfactory to the growers. Earlier estimates as to the Irish potato crop will be realized, the Virginia yield exceeding other eastern districts, both in quality and quantity, no cause being assigned for this.

REPORTED BY DISTRICT NO. 6.

Constant rains and the boll weevil have greatly injured the Georgia and Alabama cotton crop since the last report. Reports from a large number of counties indicate only half a crop, and in many instances the estimate ranges from 40 per cent down to as low as 25 per cent. In the southern parts of these States the damage is particularly severe. In Tennessee, however, cotton has made some improvement, though the crop as a whole is 18 days late, and frost may yet overtake a part of it.

The tobacco crop in Goergia has been probably reduced several million pounds on account of weather damage. The first big year for tobacco in the State has been unfortunate, owing first to a shortage of plants, trouble in obtaining suitable fertilizers, followed by a period of heavy washing rains and then by hot sun. In some counties as much as 33 per cent of the crop has been abandoned. Other crops materially injured in the last few weeks are peanuts, sweetpotatoes, velvet beans, and cowpeas.

In Alabama it is reported that some corn has been damaged, but it is now believed the total production will be greater than that of last year, on a slightly reduced acreage. Peanuts will not yield heavily on account of unfavorable weather. From Tennessee reports state that early corn was too far gone to be benefited by recent rains, but late corn, of which there is more than usual, was helped. Tobacco benefited greatly by these rains. Some tobacco had been housed previous to the rains, but all standing is showing marked improvement. The late cuttings of hay were rather short on account of dry weather, pastures were cut short in many places, and the acreage of clover for seed is much less than formerly. Potatoes of both kinds lacked moisture, but sweets, being more of a dry-weather crop, suffered least, and the rains have been of decided benefit. Gardens suffered greatly, and are the poorest for many years, the same being true of all vegetables. Melons of all kinds are late, and the acreage short. Few Tennessee melons are on the market. Sorghum acreage for sirup is short on account of the late wet spring, while peanuts with a greatly reduced acreage show some improvement.

Reports from Florida indicate that conditions in the farming sections of that State are somewhat depressed due to the failure of the cotton crop and other damage caused by excessive rains. Agricultural activities throughout the State have been handicapped because of unfavorable weather. In west Florida the corn crop will be about 75 per cent of normal. Sweet potatoes are doing well, and indications are for a record-breaking crop. The tobacco crop will be good. Cotton is virtually ruined by bad weather and boll weevil; what is left of both long and short cotton is now opening and some is being marketed.

Sugar cane and velvet beans are in satisfactory condition, with fair prospects for a good crop. Corn is reported at 65 per cent to 70 per cent of an average crop.

REPORTED BY DISTRICT NO. 7.

Business in this district is generally reported as very good. Retailers are selling all the goods they can get, at high prices, making money enough to cover the increased cost of doing business, collecting their bills promptly and banking satisfactory profits. The demand for the best qualities of merchandise is insistent and, regardless of newspaper headlines, the people appear to have money in pocket to pay for whatever they fancy. Nothing but the shortage of stocks in first hands, reduced production, and delays in transportation prevents a much greater volume of merchandising.

Business mortality is next to nil, credits are well in hand everywhere and the physical conditions which restrict buying ahead tend to make the outlook more secure than it would be ordinarily on so high a price level. Keeping in mind the possibility of a "break"—if any unforeseen event should disturb the chain of supply, demand, and prices—merchants of all grades are proceeding with more than usual caution. Timid merchants, who can not bring themselves into harmony with the state of things, are liquidating at a profit rather than place orders at ruling prices for future deliveries. Others, taking the middle course, are placing orders ahead, but protecting themselves against a possible "slump" by restricting quantities to come and limiting their money liability to the ordinary total.

Speaking generally, the volume of retail trade measured in dollars is very large, about 40 per cent over 1918, and, because of the "holding off" policy of many people, the indications are that it will increase this fall and winter. Returning soldiers are a large factor in the buying of staples and as they settle down to normal civil life they will afford a good prop for producers and distributors alike.

Textiles and shoes rule at high and higher prices, with ginghams 20 per cent advanced for 1920 delivery and shoes "pegged" at the present level at least until January. Raw leather, however, is "steadying," indicating a gradual readjustment. The demand for silks is characterized as "extravagant" and the high prices merely signify scarcity. Diminished output is attributed in part to labor and in part to short supplies of raw materials. Luxuries are gobbled up faster than they can be produced. The people will have jewelry and they want the costliest. The watch factories can not keep up with orders, partly because it is impossible to obtain materials and efficient labor. Prices would go higher but for the policy of one dominant factor, stated thus: "We do not want to see this vicious circle of advanced prices and costs go on any longer."

In the wool and woolens department matters are in an uncertain state. Merinos and the high-grade apparel wools are higher. Off grades trend downward. Radical advances in prices for 1920 clothing are announced on the basis of higher costs due to shorter hours of mill labor and much reduced production. Stocks in retail hands are very low and deliveries are being made in some cases at contract prices representing actual loss to manufacturer and jobber. Present costs are figured about 30 per cent up, and this increased cost put against prices made to dealers a few months ago, means doing business for nothing. Hand to mouth deliveries are the rule, cutting against orders being the necessary rule. Overcoats are scarce and likely to command a good price.

In furniture there is an interesting situation. Suitable woods are scarce and competent labor even scarcer. Poor housing facilities, due to high building costs, account for some of the trouble. Sales are reported from 50 to 60 per cent over 1918 and some manufacturers have advanced prices about 10 per cent. Factories are booked to 75 per cent of the year's capacity if no new orders are received. Buyers are already in the market for 1920 shipments; local stocks are low and sold out as soon as uncrated. The enormous mobility of the American people and the increase of migratory club and hotel existence have made necessary a great increase in transient housing capacity at all trade and industrial centers. How these new hotels are to be outfitted is the problem. Furniture makers are unable to furnish the needed equipment, and in some cases are refusing to book orders.

The grocery trade is worrying along with small stocks and some irritation over executive attempts to interfere with the usual routine of warehousing future requirements when the supply is abundant. Sugar is scarce and fruit also, indicating a small winter ration of sweets and preserves. Stocks are hardly normal. Shipments are very slow and the shelves show gaps in important items. Volume of trade is far ahead of last year. Few "no pay" customers are left. Credits are at peak, collections good, with few failures in the trade.

REPORTED BY DISTRICT NO. 8.

The shortage of coal is hampering manufacturing in some lines, while others are handicapped by the scarcity of raw materials and the lack of skilled labor. These difficulties, however, indicate a large demand for manufactured products, and are partly due to the exceptionally rapid increase of business within the past few months. There is a general expectation of a large fall and winter trade. Clothing manufacturers report increases in their business during August as high as 50 per cent over the corresponding month last year. One concern states that it made no sales during the past month because its season's business was sold up. There are complaints of difficulty in obtaining silks and woolens.

Retail merchants have built up their stocks of goods to a better point than at this time last month. Some concerns have placed larger orders under the belief that the factories will only be able to fill part of their demands. While the retail trade continues to show material gains over last year, it has steadied from its previous rapid growth and is on a par with or shows only slight increases over July. Dealers anticipate a good fall and winter trade, but in some sections say the prevailing warm weather has delayed the urgency of the demand for seasonable merchandise.

REPORTED BY DISTRICT NO. 9.

We have had very little rainfall since the 1st of July and all small grains are showing a poor return, with many sections in North Dakota, South Dakota, and Montana reporting a complete failure. The irrigated districts in Montana show good crop returns. Prices for farm products and the very satisfactory condition of the corn and hay crop will, however, practically make up to the farmer for any loss caused by the short small-grain crop. Potatoes in Minnesota and Wisconsin are about 50 per cent of normal, with not a sufficient increase in acreage to bring the total yield up to anywhere near a satisfactory figure. The outlook for corn is very encouraging at the present time. Light frosts have been reported in various sections of the country, but no damage has been done as yet. The hay crop this year is far above normal, especially in Minnesota and Wisconsin. Good tame hay is selling at approximately $20 per ton in the stack. This will be an important item so far as the farmer's income is concerned this year.

Considerable activity in farm lands is again reported, caused by a lull in farm work after harvest. Many farmers from Iowa and Illinois are looking about for good opportunities to invest surplus cash. Every day farmers from sections south of here are passing through on their way to North Dakota, Canada, northern Minnesota, and northern Wisconsin.

The milling of flour is progressing satisfactorily. Most of the mills are now running at full capacity, but all are reporting a low grade of wheat.

REPORTED BY DISTRICT NO. 10.

Grain movement.—Since the 1919 crop of wheat began to move marketward the receipts at the terminal centers of this district have been in larger volume than last year, the increase varying from 15 per cent to 35 per cent at different centers. As a consequence there have been large accumulations of wheat stock in elevators, in addition to a large shipping demand. Since the heavy run of wheat began grain has been shipped, except at brief intervals, under the blanket permit system, owing to the congestion of railroad yards, which was largely due to inadequacy of cars for out-shipments of grain, flour, and mill feed. Blocking of the Gulf ports with grain is also said to have been partly responsible for the congestion. Corn receipts in August were only about one-half as large as in July and about one-fourth as large as the receipts a year ago. There is little corn in the country and receipts are expected to continue light until the new crop comes in. Receipts of oats are also about one-half the volume of a year ago at this time.

The very large receipts and accumulated supplies of wheat brought about a lower range of prices this month, dark-head wheat commanding not more than 10 cents premium above the Government guaranty, with large quantities of wheat selling at the guaranteed price. Abundant supplies in sight, despite substantial reductions from the early estimates, brought a downward turn to corn prices. From the high levels obtaining early in August around $2 basis, September corn dropped to $1.40 by September 16. September oats at the same date were down to 67 cents, a decline of 9 cents from the selling price on August 15.

With a generally satisfactory demand, and orders booked for 30 to 60 days ahead, the flour mills of the district are operating this month at a little below full capacity and millers have not been pushing sales. Prices have shown some slight weakening in the past four weeks. On September 16 car-lot quotations (Kansas City) on hard-wheat flour were, per barrel, as follows: Short patent, $10.40 to $10.70; long patent, $10 to $10.40; straight, $9.50 to $10; clears, $7.50 to $9.50; low grade, $6.50 to $7.

Live-stock movement.—The heavy fall movement of cattle, which started about the middle of August, brought the receipts for that month up to within 20,542 of the high August record of last year, the movement continuing through September to date with a supply slightly in excess of the corresponding period last year. August receipts of hogs were 256,188 less than in August a year ago, and for the first half of September the supply at the six markets has been about the same as at this time last year. Receipts of sheep have been unprecedently heavy this year, the August marketings totaling 1,149,075 at the six markets, of which Omaha received 687,071, the receipts for the first 16 days of September showing no appreciable change in the volume of sheep marketed.

The increase of common to fair kinds of cattle was reflected in sharp declines in prices, which had a tendency to weaken the price on choice grass-fed cattle. The supply of prime finished fed steers was hardly up to the demand and prices on this grade were not materially affected, the top price for the month being $19 and around $18.50 at the close of the month; about the same on September 16.

The hog market in August was uneven, opening with prices well above $22 and closing at $19.50. Further declines and demoralization came during the first half of September as a result of diminishing export demand and unsettled feeling in the meat trade. By September 6 packers' droves were selling at $19.02; one week later they sold at $16.23; on September 16 they were sold at $16.75 to $17.25.

Mutton prices have shown a downward tendency, the big movement from the ranges having started two weeks earlier than last year. Choice range lambs sold up to $17.75 at the middle of August and at the close of the month the extreme top was $15, while native lambs were $2.50 to $3 lower. A strong killing demand in September checked further sharp declines, and on September16 the best western lambs were $15.25 and natives $14.50.

With an increased supply of rough feed in the country and pastures freshened by seasonal rains, conditions for feeding live stock were materially improved in the district, and it is predicted an increased supply of well-fed stock will come to the markets later on.

Mining.—There was quite a little improvement in metal mining conditions in Colorado during August. The evidence of this is not so much in any great increase in production as in renewed interest in mining, which is shown by several important deals in mining property throughout the State which are now pending or have recently been consummated.

In the Missouri-Kansas-Oklahoma district there was a slowing down of the market for zinc ores in August from the promise of the preceding month which reacted on the general economic situation. This came largely as a result of the difficulty of obtaining cars for shipping out the ore purchased, the market range being dependent on the movement of ore. The range for zinc blende ores was $45 to $50 per ton for the month, closing with $46 for the high grades and $45 for second grades. The average price for calamine was $29.48 for the month. Shipments of blende ores totaled 34,148 tons and of calamine ores 892 tons for the month. Production grew noticeably during the month and unless shipments reach very much greater tonnages the surplus stocks will again reach beyond record heights.

Lead ores were decidedly strong all month, the range being $62.50 to $70, closing strong. Some outside buying brought the price up to $70, local buyers holding their bids to $65. Many mines have again started up operations and production is rated close to 8,800 tons weekly. How long this will continue is a mooted question in view of the fact that it is impossible to obtain cars for shipment. The cars that are supplied are being repaired by the shippers in order to get out the ore. The lumber bill for car repairs was very large. Any car that can be pressed into service is used, no matter what it costs the shipper to repair it.

REPORTED BY DISTRICT NO. 11.

Agriculture.—In general, it is not likely that the crop in Texas will much exceed that of last year, and it is possible that it may fall slightly below last year's crop. However, with ideal conditions, fair weather, and a late frost, it is possible, though not likely, that Texas might make the three to three and a quarter million bales of cotton.

A report issued under Government authority estimated the Texas cotton crop at a condition of 61 per cent of normal on August 25. Undoubtedly, in many sections there has been a heavy loss and deterioration since that time, though in the western and northwestern parts of the State there has not been any considerable deterioration, while over great areas of the State the crop has done very well.

The damage by insects has been very heavy, especially in counties of central, south and southeast Texas. Undoubtedly, the crop all over south Texas is going to be very short. There has, too, in recent weeks been great loss in the black waxy belt of north Texas, due to the boll-weevil and army worm. The crop is everywhere late, and there is considerable shortage of labor, and, where obtainable, prices being paid are abnormally high. The crop is very spotted, and the ultimate result will depend very much upon seasonal conditions from this time on.

We have made the heaviest and best corn crop ever raised in the State, and for the first time within recollection the price of corn on the exchange in Chicago has been seriously affected by the heavy receipts of corn from Texas.

The grain crop was also large beyond precedent, though, due to heavy rains and the shortage of labor, a considerable portion of the wheat was damaged, a small portion of it being entirely destroyed. The crop of other grains was good, while the hay and forage crop pretty well over the State is the best in recent years.

The rice crop is late and has suffered from unfavorable weather conditions. The acreage in Texas and Louisiana is heavier than it was last season and the present condition of the crop, according to Government estimates, is above normal. Last year when prices were controlled by the Government the average paid for rough rice was $7.25 per barrel, whereas, the same production is selling for $10.50 per barrel. These high prices were brought about by the heavy inquiry for export during the latter part of last season. It is predicted that prices will continue higher than those paid last year for both rough and clean rice, due to the high price of the foreign product.

Oil.—The development in the oil fields of Burkburnett and Ranger continues to increase and new wells are being brought in from time to time. As the result the production is in excess of the pipe-line capacity, and this has caused a decline in prices. Prices offered by the smaller companies have ranged from $1.25 to $1.75 per barrel and those offered by the larger companies around $2.25 per barrel. Production in the Burkburnett field is conservatively estimated at 150,000 barrels per day, of which it is estimated about 95,000 barrels per day is being marketed. The scarcity of material, such as pipe casing and other machinery necessary in the production, has a tendency to slow up the development. The labor situation is ample, attributable to a great extent to the fact that drilling operations have fallen off in the last thirty days.

REPORTED BY DISTRICT NO. 12.

The harvesting of grain, excepting corn and rice, is now practically completed throughout the district. The movement of the heavy crop of Washington and Oregon apples is well under way at prices which will yield the grower approximately $2.25 per box, as compared with $2 for last year's crop. The percentage of fancy apples is considerably larger this year than usual. The gathering of the peach crop, nearing completion in California and Utah, is at its height in Washington and Idaho. Transportation facilities are insufficient to handle the unusually large crop of California grapes, which before the present acute shortage of cars were being shipped at the rate of about 300 cars daily. Wine grapes, at record prices, are being shipped to eastern points in greater quantities than ever before. An interesting development is the measure of relief thus afforded from heavy losses anticipated through the enactment of the prohibition law.

Favorable weather conditions, so essential to California's sun-dried fruit, have prevailed generally, although showers have caused a slight damage in some parts, and high temperatures are reported to have injured the raisin crop. The estimated yield of 200,000 tons of raisins will be somewhat reduced, but last year's crop of 167,000 tons will be considerably exceeded. The Associated Raisin Co. has set opening prices for this year's crop which are calculated to yield the growers an average return of 10 cents on Muscats, 11½ cents on Thompsons, and 11 cents on Sultanas, compared with 5¼ cents, 6¾ cents, and 6½ cents, respectively, for last year. Dried apricots are safely housed, peaches nearly so, while the drying of prunes, which are reported to be running somewhat smaller in size than anticipated, is now at its height. While the prune crop will be the largest ever raised, later reports indicate that the yield will fall somewhat below the former estimate of 150,000 tons.

The almond crop of California, approximately 98 per cent of the country's production, sets a record both as to volume and price. Present estimates place the crop at 7,000 tons compared with 5,100 tons for 1918. Opening prices set by the association are 23½ cents to 32½ cents per pound, compared with 20 cents to 27½ cents for the previous crop. Likewise, the walnut crop, approximately 95 per cent of the country's production, sets a record production in an estimated crop of 23,000 to 25,000 tons, compared with 20,000 tons for 1918. Opening prices will be set by the association on October 1, probably close to 35 cents per pound.

Returns of $75,600,000 to citrus growers for the year ended August 31 are the largest ever received by the industry in California. The total production for the State was 35,778 carloads of oranges and grapefruit and 9,914 carloads of lemons. The crops of lemons and Valencia oranges were the largest ever shipped from the State, lemons showing an increase of 70.2 per cent over last year and 22.3 per cent over 1917, the largest preceding year, while Valencias show an increase of 78 per cent over 1917, the last normal year.

Scientists recently returned from an exhaustive investigation of the salmon fishing industry report that this invaluable species of fish is on the way to rapid extinction, and that the industry will require the most rigid Government regulation for its rehabilitation. Reliable estimates place this year's entire coast pack, including British Columbia, Siberia, and Japan, at 5,500,000 cases, compared with 10,100,000 cases in 1918.

THE BUDGET SYSTEM.

Following is a statement by Secretary Glass on the budget, delivered before the Select Committee on the Budget of the House of Representatives on October 4, 1919:

I am heartily in favor of a budget system. Without effective control over governmental expenditures and limitation of them to the Government's income we shall bring down upon our heads the splendid structure which our fathers have built, and which we have preserved. The very success (which you will pardon me if I call brilliant) with which the Treasury has financed the stupendous requirements imposed upon America by the great war may become a menace. All sense of values seems to have departed from among us. The departments, bureaus, and boards, all inspired by a laudable enthusiasm for their work, but some by a less laudable instinct to magnify its importance, bombard the committees of Congress with projects, some more or less meritorious, some of no merit whatever, but all conceived in sublime indifference to the fact that the great business of Government is being run at a loss and that each one of these projects increases the deficit of the Government and consequently the burden to be thrown upon the great body of people, whether the deficit be met by increasing taxes or by floating additional loans. For no fallacy is more grotesque than the assumption that by issuing bonds or notes or certificates of indebtedness now we may pass on to future generations the burden of our own extravagance. The burden of these issues will have to be met to-day, not only in the interest and sinking fund charges added to an already heavy load but in the expansion of credit which is inevitable as a result of the issue of such securities, constituting as they do a prime basis for additional credit in the hands of the holders, whoever they may be. I shall not elaborate upon that point, but I want to say to you in all solemnity that 100,000,000 American people will pay for the extravagance of the Government, whether that extravagance finds its incidence in governmental waste or in the desire to accomplish real or fancied benefits for a portion of the community.

Let us now get back to bedrock. Let us remember that there can be no spending by the Government without paying by the Government, and that the Government can not pay except out of the pockets of the people. Let us remember, too, that in the last analysis taxes and the cost of Government loans are borne by 100,000,000 people. The burden of taxation, the burden of credit expansion, is inevitably shifted to the whole people of the United States. Some methods of finance are better than others. Some taxes are less readily adapted to being shifted from the backs of the original taxpayers, presumably better able to bear them, to the backs of the people as a whole, but in the long run the burden of governmental waste and extravagance falls more heavily upon the poor than upon the well-to-do and more heavily upon the well-to-do than upon the rich. By graduated income taxes we tend to mitigate this consequence, but we can not wholly avoid it. Let us not fail to remember that the Government of the United States is simply a name for the people of the United States, and that all of the people of the United States will pay in inverse order to their ability for extravagances of the Government perpetrated in the interest of a portion of the people or a section of the country.

You gentlemen, I am sure, have learned as well as I by long service in Congress that the instincts and enthusiasms of departments, bureaus, and boards find support in the committees of Congress appointed to have charge of their particular affairs. As a result we find that governmental expenditure initiated in a department of the Government charged with the specific business of creating an army, or of creating a navy, or of creating a merchant marine, or of stimulating commerce, or of protecting labor, or of aiding the development of agriculture, is submitted to the Congress without consultation with or approval by the finance officer of the Government, the Secretary of the Treasury, who serves merely as a messenger, and whose office is charged with the heavy burden of finding financial means in loans and taxes to meet expenditures; and when it reaches Congress is referred to the corresponding committees of the Congress, whose specific function is also to see to the development of the Army, the Navy, the merchant marine, etc. And the Congress passes upon all of these projects—good, bad, and indifferent—without a report from the Committee on Ways and Means or the Committee on Finance, the committees of Congress which share with the Secretary of the Treasury the heavy burden of finance.

It undoubtedly is true that, oftener than otherwise, the sum of department estimates is greater than allowed by the committees of Congress. I have heard it said that this is invariably so. I suspect that estimates are frequently contrived with a confident expectation of such a fate. Nevertheless, it must be admitted that each jurisdictional committee deals with estimates in a singularly sympathetic spirit, that would not be manifested by a budgetary official charged with the responsibility of advising the Congress as to the levying of taxes as well as with the responsibility of collecting the money of which appropriations are made. Moreover, it will not be denied that these various jurisdictional committees, acting separately and without complete information concerning the activities of one another, accentuate the importance of the departments, bureaus, and boards which they respectively have under their care. This would not be so if appropriations were made by a single committee, any more than would the initial estimates be allowed so far to exceed the probable revenues if the Finance Minister of the Government were given power to assemble, review, and alter them before transmitting them to the Congress. Extravagance of executive departments and bureaus would thereby be appreciably restrained. I think it

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amazing that under such a system the Congress has done so well for so long a time; but I feel constrained to warn you gentlemen, in view of the greatly expanded activities of the Government and the extraordinary financial burdens which the country must endure, that it would be hazardous to continue on the old way of transacting the public business.

The Government of the United States is like a great company whose operating managers, publicity managers, sales managers, purchasing department, are given carte blanche to make expenditures, conceived by them to be in the interest of the development of the business, without consultation with or control by those officers of the company who are charged with the business of ascertaining its revenues and borrowing the money to make good their deficiencies.

Or, again, the Government of the United States is like a private family in which the wife, having charge of the spending part of the family's business, were given carte blanche to buy houses, yachts, automobiles, clothes, and food, and to employ servants, as she might find wise with a view to increasing the comfort, improving the education, cultivating the taste, and enhancing the prestige and social standing of the family; and the husband's sole business were to see that there was money in the bank to meet her checks as they were presented.

That is a most pronounced hyperbole, but it is literally true that the Secretary of the Treasury under existing law and practice is unable to obtain from any department of the Government an accurate or approximately accurate estimate of its expenditures for a few weeks in advance, not to say months or years. He must be guided not by information furnished by them, but by his own shrewd guess as a result of putting together an infinite number of little facts and figures. That the Treasury has been able, notwithstanding these intolerable conditions, to finance the Government through the great war and up to this date without impairing the credit but, on the contrary, with enhancement of the credit of the Government of the United States, is due, first, to the loyalty and devotion of the whole American people throughout the period of the war, to the magnificent efforts of the patriotic Liberty loan organizations, to the unqualified support given the Treasury by the Congress without regard to party, and, if I may say so, to the rather exceptional skill and ingenuity with which the Treasury has been conducted during this difficult period. But I say to you, it is an intolerable thing that such conditions should exist and that the welfare and economic life of the American people should be at the hazard of such things as these.

As a former colleague, and in a spirit of frank comradeship which such association inspires, I am prompted here to enter a complaint which may not be ascribed to a desire to be critical, but to a hope that it may be given serious attention in behalf of administrative efficiency. The Congress votes with a lavish hand stupendous sums conceived in a magnificent spirit of generosity with a view to the enhancement of the prestige of the Nation, or for the benefit of this or that element in the community. This it does upon the advice of the committee of Congress charged with the business of caring for such special interests. Then, speaking through the great Committee on Appropriations, it pursues a policy of restriction with relation to the expenditures of some of the departments of the Government which makes it impossible for those departments to conduct the vast affairs imposed upon them with efficiency and economy. The Government of the United States to-day is spending hundreds of millions of dollars, even billions of dollars, for armies, for navies, for merchant fleets and other magnificent activities, and at the same time refusing the payment of a living wage to the faithful clerks and employees in departments of the Government charged with the stupendous responsibility of transacting these vast affairs honestly, expeditiously, and economically.

While your committee is considering a budget and an audit in the interest of the Government, the Government of the United States is in danger of losing millions of dollars because some of the departments charged with the conduct of its business are undermanned, limited to the employment of less efficient help than they should have, and provided with insufficient space to house those employees. While you are considering the reform of the audit, the work in the office of the auditors is months behind because of the failure to provide an adequate force or adequate space to transact their business.

While you discuss the budget plans and audit plans the Congress withholds the necessary funds to erect an adequate vault for the protection of the vast gold store of the United States. It withholds the necessary appropriation to enable the Treasury of the United States to count Federal Reserve Bank notes and national-bank notes turned in for redemption, with the result that the Treasury is unable to take credit for those notes and is obliged to borrow corresponding sums of moneys at interest running at $4\frac{1}{4}$ and $4\frac{1}{2}$ per cent and this notwithstanding that any appropriation made for this purpose will be charged back to the banks and cost not one penny to the Government of the United States. Bonds, notes, and gold, with the custody of which the Treasury is charged, are inadequately protected. There is an insufficient force to care for them. The force we have is underpaid. The work in the Treasurer's office is behind; the work in the Division of Loans and Currency is behind; the work in the Division of Public Moneys is behind; the work in the Register's office is behind; the work in the offices of all the auditors is behind; and the securities and moneys of the United States are inadequately protected because the Congress withholds the necessary appropriations.

I have spoken of the need of an executive budget covering all appropriations asked for by the executive departments. But let us be honest with ourselves and honest with the American people. A budget which does not cover the initiation or increase of appropriations by Congress will be a semblance of the real thing. I note that not a little has been said about the constitutional prerogatives of Congress, but I know of no clause in our Constitution that will prevent the Congress exercising self-control. The houses of Congress can, by amendment of their own rules, surround with proper safeguards the initiation and the increase of appropriations by Congress.

To-day the credit of the United States is imperiled by projects initiated and supported on the floor of Congress with a view to capturing the so-called soldier vote. I do not believe for a minute there is any such thing as the soldier vote. I do not believe that that magnificent body of strong, brave, lusty young men who went out to France, or were ready to go, want to see the people of the United States exploited in order that each of them may receive a donation. I do not believe these fine young men, if they realized what it is that is proposed in their behalf, would accept a gift made at the expense of their fathers and mothers and sisters and the children that are to come after them in order to give them a holiday. While, of course, you can not commit to terms of money the value of the service rendered by the Army of America, I call your attention to the fact that the actual pay of our soldiers was doubled at the outset of the war; that our soldiers have been paid with liberality never dreamed of in the history of this or any other country, and that the projects now advocated so lavishly and with so little regard for the welfare of the American people are not limited to those heroic men who suffered injury or death at the hands of the enemy—not even to those who actually saw the front, not even to those who were sent to France. These projects extend to everyone of some four and one-half million men, mostly young men, who were included in the military and naval forces of the United States, even to those of their number who sought and obtained employment of a character which would relieve them from being exposed to personal risk.

It has been the disheartening task of the Treasury to examine scores and scores of bills drawn and presented with a view to benefiting a section of the country or a portion of its citizenship at the expense of the whole. Many of these bills were apparently devised to avoid the appearance of an appropriation by requiring the Secretary of the Treasury to issue bonds, notes, or certificates of indebtedness to meet the expenditure involved, and all of these bills were such as would not be reached by a purely executive budget.

I have said the finances of the United States are in excellent condition. I have said in substance that I do not anticipate a deficit in the current fiscal year in excess of $1,000,000,000, and that that deficit is covered by deferred installments of the Victory loan, payable within the fiscal year. I have said that there need be no more Liberty loans. But I say to you in all solemnity that if a prompt and immediate halt is not called to this great peril, there must be another Liberty loan, and you gentlemen will have to go out to the people of the United States and call upon them to subscribe for bonds, the proceeds of which are to be given away to the well and strong young men who you and I and the American people know went out in a spirit of unselfishness—not one of self-seeking—to fight for their country. You may ask the old men and the widows, the school children, the rich and the poor, who responded to the call of their country to the number of twenty millions during the period of the war to respond again to this call for a donation. I hope I shall never shrink from the performance of any public duty, yet I do not covet the task of making such an appeal, and I shall not willingly be a party to offering this affront to the generous, heroic, unselfish Army and Navy of America that saved the freedom of the world.

The Congress may propose to pay this gift in bonds themselves, but that should not fool anyone. If bonds are given away to the soldiers the issuance in that manner of those bonds will depress the prices of existing bonds so gravely as to imperil the credit of the United States and force additional sacrifices from the twenty million people who participated in financing the war, in providing the pay, food, and munitions which made it possible for our splendid Army to contribute decisively to the great victory.

I have spoken of the initiation of appropriations in Congress. Let me speak also of the increase of appropriations. As you all know, and as I know after 17 years in Congress and not more than half as many months in the Treasury, the processes employed in framing and passing public buildings and rivers and harbors bills lead to a great waste of the money of the people. The continuance of the United States Government's activities where they are not needed, whether those activities be Army posts or subtreasuries, or hospitals, would have scant consideration in a real business budget submitted by a Finance Minister, duly empowered by law, and managed through Congress by a single committee under rules of limitation imposed by the Congress on itself. In my belief, you can not make a real budget unless you face these facts and deal with them. The Congress of the United States, in attempting this great reform in the interest of economy and efficiency, will fail and fail utterly if, while imposing the necessary firm control over the expenditures of the executive departments, it fails to exercise the sublime quality of self-control.

Coming to matters of detail, let me summarize briefly my views as follows: First, a budget, to be effective, must cover all appropriations and all increases of appropriations, whether initiated in the executive departments or in the Congress. The Bureau of the Budget should be in the office of the Secretary of the Treasury, the officer of the Government charged with the heavy burden of finding the means to finance its requirements. The division of responsibility is the bane of our Government. It is intolerable that the Secretary of the Treasury should have no voice in the determination of the expenditures of the Government. It is intolerable to think that his function should be merely to go out and borrow the money when someone else has spent it without consultation with him or consideration of the means to raise it. The preparation of the budget should be the principal duty of the

Finance Minister. We all know that the President can not do this thing. We all know that a bureau chief in the office of the President would be helpless to assert his opinion in opposition to the members of the President's Cabinet. Projects of the Government involving expenditures should be determined in conference between the members of the Cabinet concerned, and the President's decision should be final. So far as concerns the question how much money can be raised in loans and taxes and to what amount, therefore, the total expenditures of the Government should be limited and for all budgetary work, the President should obtain his advice from the Secretary of the Treasury and not from a bureau chief appointed for the purpose, and paralleling the work of the Secretary of the Treasury. The budget plans presented to this committee generally do not contemplate increasing the voice of the Secretary of the Treasury in determining the Government's expenditures but, on the contrary, contemplate depriving him of such voice as he already has. I ask you what there is in the record of the Treasury of the United States from the time of Alexander Hamilton to this present day which justifies this distrust? Which of the departments of the Government has deserved better of the American people or of this Congress? What reason have you to believe that the Secretary of the Treasury, with the support of the great institution over which he presides, the oldest of Government departments, can not, if due authority be conferred upon him, undertake this task so vital to the welfare of the people and so vital to the success of the administration of his office? We multiply boards and bureaus, we multiply clerks and statisticians, and perpetually we attempt to hobble those great officers of the Government upon whom rest the responsibility for producing the necessary results. Why not go back to first principles and trust these men until they fail you and then get rid of them? What good can come of a policy of imposing tremendous responsibility upon the great officers of the Government and then tying their hands so that they can accomplish nothing?

Whether the budget service should be in the form of a bureau in the Treasury is a matter of detail which can be worked out. Whatever form such a staff of the Secretary of the Treasury should take, I am inclined to believe that it should be composed of experts whose tenure of office, with the possible exception of the head, would be in the nature of permanence.

If this additional duty should be imposed upon the Secretary of the Treasury, I think it would be wise to relieve him of activities which have no relation to the financial operations of the Government. The department should retain all the fiscal bureaus and divisions, and the Coast Guard, which has to do with the collection and protection of the revenue, but in a readjustment of this character I think that it could well dispense with the Bureau of War Risk Insurance, the Bureau of Public Health, and perhaps the Supervising Architect's Office.

Second, when the budget has been received by the Congress it will be accepted as the President's program of finance. If I may venture an opinion as to whether the budget should be considered in one committee or distributed among the present committees that consider appropriations, I should say that it would be preferable to consider it as a whole and by one committee. The forum of consideration, however, is not quite so important as the question of the disposition of the budget at the hands of Congress. That, in my judgment, is of the essence of an effective budget. While Congress should retain the right to reduce the estimates, I believe that it should, as far as the budget itself is concerned, put some distinct limitation on the right to increase any item either in committee or on the floor unless recommended by the Secretary of the Treasury, or, in the absence of such recommendation, unless approved by two-thirds of the membership of Congress. The only increase on the floor which should be permitted would be the restoration of an item reduced by the committee to the original figure recommended by the Secretary.

Under such a scheme the budget would come out of Congress practically as the President's budget and for which he must stand definitely responsible before the country. If the Congress desired to propose new expenditures, it should be done in a separate bill, and if the expenditure which such legislation would entail would make the total expenditures exceed the estimated revenues, the Congress should provide in the bill of appropriation specifically for the required revenue to make up the deficit. In this way Congress would not forfeit any right to initiate appropriations, but such right would be only separated from the budget.

The program would stand before the country with a clear line of demarcation as to the appropriations for which the President was responsible and those for which the Congress assumed the principal responsibility.

Third, there should be an audit and an effective audit. The audit now provided by law is effective when made to insure that expenditures have been made in accordance with law. The first step before Congress is to appropriate funds sufficient to enable the auditors to make the audit which is provided for under existing law. The second step is to enlarge the scope of the audit, strengthen the powers and enlarge the force so that there may be covered also the question whether expenditures have been made efficiently, economically and without duplication. For this purpose it is vitally necessary that there should be only one auditor instead of half a dozen. It is desirable that the offices of the comptroller and auditors should be rolled into one. As a step in that direction Secretary McAdoo on October 25, 1918, issued an order directing the Comptroller of the Treasury to exercise administrative supervision and direction of all the auditing offices. This was the first time that the auditors were placed under the administrative control of the comptroller, and the order was as far as it was possible to go without amendment of the law.

In connection with the suggestion that the Comptroller of the Treasury and the auditors be divorced from the

Treasury Department and erected as an independent establishment, it is not clearly defined in any of the proposals just what change is contemplated in the accounting system. It must be remembered that the comptroller and the auditors are not merely auditors of expenditures with respect to their regularity and legality, but they are the accounting officers of the Treasury. They pass upon and check the accounts in connection with every financial transaction, whether it relates to the receipt of money, to direct payments out of the Treasury, to repayments to the credit of appropriations, to credits to disbursing officers, or to payments by disbursing officers.

In the management of the Nation's finances the Secretary of the Treasury must have an effective system of accounting and bookkeeping. If the comptroller and auditors were transferred from the Treasury I am inclined to think that it would be necessary to duplicate much of this accounting and bookkeeping in their offices. If the comptroller, as an independent officer, is to be in a position to give information to the Congress, as the suggestions seem to contemplate, unquestionably it would be necessary for him to duplicate the bookkeeping operations of the Division of Public Moneys and the Division of Bookkeeping and Warrants of the Treasury Department, and also some of the bookkeeping operations of the office of the Treasurer of the United States. At the present time, however, I express no definite opinion on this suggested change because it has not been put forward in such detail as to permit the expression of judgment from the standpoint of the accounting and bookkeeping requirements of the Treasury. If the auditing department should be without the walls of the Treasury, it is vital that the auditor or comptroller, whatever he may be called, should be as free from interference by the members of the legislature and by members of the other departments of the Government as he is now in the Treasury. It has been the duty and the pleasure of the Treasury Department to uphold the comptroller in his independence as a quasi-judicial officer even in cases where his determinations did not commend themselves to the Treasury. It is, of course, only human for the comptroller to favor his own personal elevation from a subordinate to an independent position. There is nothing blameworthy in that. The present comptroller has my support and confidence. He is a brave, upright and on the whole wise public servant. Whether any comptroller would be able to exercise his functions as effectively and freely, deprived of the support and prestige of the great Treasury Department and left to stand upon his own feet as the head of an independent office, I am doubtful. On the whole, I am inclined to the view that the best interests of efficiency and economy require that the audit be conducted under the supervision of the Finance Minister of the Government, the man upon whose shoulders will fall the consequences of extravagance and waste.

The act of March 4, 1909, provides—

Immediately upon the receipt of the regular annual estimates of appropriations needed for the various branches of the Government it shall be the duty of the Secretary of the Treasury to estimate as nearly as may be the revenues of the Government for the ensuing fiscal year, and if the estimates for appropriations, including the estimated amount necessary to meet all continuing and permanent appropriations, shall exceed the estimated revenues the Secretary of the Treasury shall transmit the estimates to Congress as heretofore required by law and at once transmit a detailed statement of all of said estimates to the President, to the end that he may, in giving Congress information of the state of the Union and in recommending to their consideration such measures as he may judge necessary, advise the Congress how in his judgment the estimated appropriations could with least injury to the public service be reduced so as to bring the appropriations within the estimated revenues, or, if such reduction be not in his judgment practicable without undue injury to the public service, that he may recommend to Congress such loans or new taxes as may be necessary to cover the deficiency.

It has been stated that this section of law contemplates the preparation of an adequate book of estimates along budgetary lines. Such, in my judgment, is not the case. In the first place the act states that in case the estimates for appropriations exceed the estimated revenues, a detailed statement shall be made to the President by the Secretary of the Treasury, in order that he may advise the Congress how in his judgment the estimated appropriations could with least injury to the public service be reduced, or, if they can not be reduced, in order that he may recommend such loans or new taxes as may be necessary to cover the deficiency. I call your particular attention to the fact that the act states that in the contingency mentioned the President may recommend how the appropriations may be reduced. That is an implicit sanction by law of the present situation, or at least a recognition in the statute that the estimates as now submitted are compiled without regard to the Nation's income. When the estimates go to Congress under any proper system, they should represent in the first instance the minimum requirements of the Government as related to its prospective receipts.

In the second place, I invite attention to the fact that this law applies only to the regular annual estimates of appropriations, that is to say, the appropriations which are submitted for the ensuing fiscal year. It does not apply to estimates for deficiencies and supplemental appropriations. When the Secretary of the Treasury sends the book of estimates to the Congress, less than one-half of the current fiscal year has expired, but there is no requirement in law for any action whatever on the part of the executive in case of an estimated deficit in the Treasury at the end of that current fiscal year as a result of deficiency and supplemental estimates.

In the third place, I should point out that this law compares estimated receipts and estimates of appropriations, whereas it should compare estimated receipts and estimated expenditures. At the time it was drawn, however, it was not customary for the Secretary of the Treasury to estimate the expenditure for the ensuing fiscal year.

It has been stated that no attention has been paid to the statute. The facts are these:

The estimates for the fiscal year 1911 were transmitted to Congress December 6, 1909, and, therefore, were the first regular annual estimates of appropriations to be transmitted after the passage of the law.

The 1911 estimates showed an estimated excess of ordinary receipts over ordinary appropriations of $35,931,327.49, but with the Panama Canal appropriations added instead of a surplus there would be shown a deficit of $12,132,197.21. As authority existed for the issue of Panama Canal bonds, undoubtedly it was held that the act of March 4, 1909, did not apply, there being more than sufficient revenue to meet the estimated ordinary appropriations for 1911. This assumption is confirmed by the fact that the annual report of Secretary MacVeagh for 1909 refers to the sale of bonds or certificates of indebtedness to meet anticipated deficit shown in estimates.

For the year 1912 the same condition was presented, it being estimated that the ordinary receipts would exceed the ordinary appropriations by approximately $49,500,000, but taking the Panama Canal appropriation into account there would be a deficit of more than $7,000,000. A similar condition existed for 1913.

The estimates for 1914, sent to Congress on December 2, 1912, were $732,556,023.03 and estimated receipts $710,000,000, showing an estimated deficit of $22,556,023.03, exclusive of Panama Canal appropriations. President Taft reported this deficiency in his message to the Congress December 6, 1912, and in his annual report submitted to the Congress in December, 1912, Secretary MacVeagh made the following observation:

"These estimates of appropriations, of course, are based upon conditions that now exist and upon the laws which now prevail; and between now and the end of the fiscal year 1914 much may occur through legislative action to change the basis upon which they are made. There are also included in these estimates items for projected public works the payments for which will not be concluded during the fiscal year in question."

Estimates for 1915, transmitted to Congress December 1, 1913, showed estimated ordinary receipts of $728,000,000 and estimated ordinary appropriations of $714,684,675.02, the estimated surplus of ordinary receipts being $13,315,000, exclusive of Panama Canal appropriations. When the Government's revenue was largely decreased by reason of the European war, President Wilson delivered a special message to Congress on September 4, 1914, urging that additional revenue of $100,000,000 be raised through internal taxation.

For 1916, the estimated excess of ordinary receipts over ordinary appropriations was $21,234,895.20.

The Annual Report of the Secretary of the Treasury of December 6, 1915, pages 48 to 52, deals with receipts and disbursements for 1916 and 1917, and recommended the means of obtaining the additional revenue required for the fiscal year 1917. In conformity with the statute, President Wilson similarly dealt with the situation in his message to Congress December 7.

The Annual Report of the Secretary of the Treasury, sent to Congress in December, 1916, referred to the estimates for the fiscal year ending June 30, 1918. The estimates indicated that there would be a deficit on account of the program of preparedness. The Secretary pointed out that on account of the untried new revenue laws relating to taxation of inheritances and war munitions, and the uncertainties as to the actual expenditure that might be made was on account of the large program for preparedness, it was very difficult to estimate with accuracy the receipts and expenditures for the fiscal year 1917 and particularly for the fiscal year 1918. He urged upon the attention of Congress the necessity of passing such measures as would provide additional revenue to meet the preparedness program. This was only a few months before the declaration of war. After war was declared, the Secretary of the Treasury was in constant touch with the Committee on Ways and Means of the House and Finance Committee of the Senate, advising them periodically of the needs of the Government. As a result of these advices the Congress levied taxes and authorized issues of securities as the needs of the Government developed.

Bank Holdings of United States War Obligations and Loans Secured by Such Obligations.

In the table below is given an estimate of the bank holdings on June 30, 1919, of the several classes of United States war securities, including Liberty bonds, Victory notes, and Treasury certificates, also of so-called war paper, i. e., loans carried by the banks secured by United States war obligations.

Of the 16,304 millions of Liberty bonds outstanding at the close of the fiscal year, national banks owned about 770 millions, while other member banks report a net investment of 293 millions in these securities. It is estimated that the banks outside of the Federal Reserve system held about 400 millions of Liberty bonds on that date, making the total amount of Liberty bonds held by all the banks somewhat less than 1,500 millions, or about 9 per cent of the total outstanding.

Of the Victory notes, the amount owned by national banks on June 30 is reported as 405 millions; other member banks give their net holdings of these notes as 192 millions, while the banks outside of the Federal Reserve system, it is estimated, held about 250 millions of these securities. Of the 3,468 millions outstanding at the close of the fiscal year, about 847 millions, or nearly 25 per cent, are thus shown among the banks' holdings.

Of the 3,634 millions of Treasury certificates outstanding on June 30, it is estimated that less than 50 per cent were held by the banks, the distribution by classes of banks being as follows: National banks report a total of about 1,722 millions of United States bonds, other than Liberty loan bonds, but including certificates owned. Of this total, it is assumed, the amount of United States bonds proper, largely bonds with circulation privilege, was about 715 millions, of which over 700 millions were held by the United States Treasury to secure circulation and deposits. The balance of about one billion would, therefore, represent the national bank holdings of Treasury certificates. Like holdings of other member banks are given as about 360 millions, while certificate holdings of all other banks are estimated at about 400 millions, the total of Treasury certificates held by all banks thus being about 1,760 millions.

Between March 4 and June 30, 1919, the amount of war paper held by State bank and trust company members increased from about 422 to about 645 millions. On the basis of this increase, also of the increase in war paper holdings of member banks in selected cities during about the same period, the national bank holdings of war paper on June 30 are estimated at 1,400 millions. For the banks outside of the Federal Reserve system war-paper holdings of about 450 millions are assumed. This makes an estimated total of 2,495, or, say, a round 2.5 billions of war paper held by all the banks of the country at the close of the past fiscal year. It is understood that the amount just given includes both loans to carry war security subscribers as well as loans to customers for industrial and commercial purposes, when secured by Government war obligations. What portion of the total represents the result of war finance operations of the banks and what portion the result of commercial loan operations it is impossible to state.

Combining the totals of the investments and loans above given we obtain an estimated total of approximately 6.5 billions as the amount of United States war securities and war paper held by the banks of the country on June 30, 1919.

Estimated amounts of Liberty bonds, Victory notes, Treasury certificates, and "War paper" held by the banks of the country on June 30, 1919.

[In millions of dollars.]

Liberty bonds outstanding June 30, 1919	16,304	
Held by—		
National banks	770	
Other member banks	293	
All other banks (estimated)	400	
		1,463
Victory notes outstanding June 30, 1919	3,468	
Held by—		
National banks	405	
Other member banks	192	
All other banks (estimated)	250	
		847
Treasury certificates outstanding June 30, 1919	3,634	
Held by—		
National banks (approximate)	1,000	
Other member banks (actual)	360	
All other banks (estimated)	400	
		1,760
War paper held by—		
National banks (estimated)	1,400	
Other member banks (actual)	645	
All other banks (estimated)	450	
		2,495
Total		6,565

Discount Rates of the Federal Reserve Banks During the War Period.

Changes in discount rates of the Federal Reserve Banks affect primarily the 15 and 90-day rates on war paper, which constitute about 90 per cent of all the discounts made by Federal Reserve Banks during the war period. In May, 1917, the Federal Reserve Board authorized a rate of 3 per cent for both member banks' notes and customers' paper secured by United States war obligations and having a maturity of not exceeding 15 days. This was the rate at which the first two series of Treasury certificates were issued. At the same time a $3\frac{1}{2}$ per cent rate, corresponding to the interest rate on the first Liberty loan bonds, was adopted for 90-day paper secured by such bonds. The 3 per cent rate adopted by six banks remained in force during part of the year and was raised successively to $3\frac{1}{2}$ and 4 per cent. Other Federal Reserve Banks adopted a $3\frac{1}{2}$ per cent rate on this class of paper, which rate commonly prevailed at the close of the year. This rate allowed a margin of one-half per cent to the banks, the rate on certificates having successively been raised during 1917 to $3\frac{1}{4}$, $3\frac{1}{2}$, and, beginning with the September 26, 1917, issue, to 4 per cent, while the interest rate on the second Liberty loan of November 15, 1917, was likewise fixed at 4 per cent.

In April, 1918, in accordance with the higher rates fixed for Government loans, the $3\frac{1}{2}$ per cent rate on 15-day war paper was raised to 4 per cent and at the same time the rate on 90-day war paper was raised from 4 to $4\frac{1}{4}$ per cent. These rates remained unchanged during the remainder of the year 1918 and during the present year in the New York district. In some of the other districts a differential of one-fourth of a per cent was adopted early in 1919 in favor of 15-day paper secured by certificates by raising the 4 per cent rate to $4\frac{1}{4}$ per cent on 15-day paper secured by other Government war securities.

As regards the rates on ordinary commercial paper maturing within 15 days, the New York bank's rate has always been the same as for war paper of the same maturity. In other districts the 15-day rate on ordinary commercial paper during 1917 has been from $\frac{1}{2}$ to 1 per cent higher than in New York, ranging between $3\frac{1}{2}$ and 4 per cent. The raise of the 15-day rate by the New York bank to $3\frac{1}{2}$ and subsequently to 4 per cent reduced the difference between the rates on 15-day commercial paper maintained in the New York and practically all other districts to between one-fourth and one-half per cent.

Rates on ordinary 60-day paper, which at the beginning of 1917 stood at 4 per cent at nearly all banks, during the last two months of the year were raised to $4\frac{1}{2}$ per cent, and in April, 1918, to $4\frac{3}{4}$ per cent. This is the 60-day rate at present prevailing in all except the Kansas City and San Francisco districts, where a 5 per cent rate is maintained. The 90-day rate on ordinary commercial paper, which in the beginning of 1917 ranged between 4 and $4\frac{1}{2}$ per cent, was raised by one-half per cent during November and December of the year and by another one-fourth per cent by most of the banks in April, 1918. Since then this rate has ranged between $4\frac{3}{4}$ and 5 per cent. Six-month paper rates, which ranged between $4\frac{1}{2}$ and 5 per cent at the beginning of 1917, were raised in some districts by one-half to 1 per cent and range at present between 5 and $5\frac{1}{2}$ per cent. Rates on trade acceptances, as a rule, have been running from one-fourth to one-half per cent lower than the corresponding rates on other commercial paper, except that during the more recent period the rate on 15-day paper has applied equally to trade acceptances and to commercial paper of the ordinary type.

As a general rule changes in the rates on war paper have caused corresponding changes in the rates on ordinary commercial paper, though, so far as 15-day paper is concerned, four banks, viz: Boston, New York, Philadelphia, and St. Louis have at present a uniform 4 per cent rate on all such paper, whether secured by Government war obligations or not. In the other Federal Reserve districts a differential of one-fourth to one-half per cent obtains at present between the two classes of paper of the shortest maturity. Rates on ordinary commercial paper maturing within 90 days have been running from 1 to one-half per cent higher than the corresponding rates on war paper.

COURSE OF THE PRICE OF SILVER AND CURRENCY CONDITIONS IN INDIA.[1]

PRIOR TO 1914.

India's monetary system is based upon gold. Its actual circulation is composed mainly of silver rupees and rupee notes. In order to understand the present situation, it is essential to have a brief statement of historical developments. The summary here presented is based mainly on the Report of the Royal Commission on Indian Finance and Currency of 1914.

Prior to 1893 Indian mints were open to the free coinage of silver and the exchange value of the rupee, which contains 165 grains of fine silver, was dependent upon the gold value of its silver content. The table below shows the average annual price of an ounce of pure silver and the gold value of the silver in a rupee for each year, 1873–1918. From the beginning of the period covered in the table, a rapid decline in the price of silver is shown. A rupee was worth on the basis of its silver content $0.48225 in 1875, but only $0.42869 in 1878. In that year the Bland Act was passed in the United States, under the terms of which the Secretary of the Treasury was instructed to purchase not less than $2,000,000 and not more than $4,000,000 of silver each month. This act remained in force until July 14, 1890. The effect of this act was temporarily to slacken, but not to stop, the decline in the value of silver. Neither was the fall in the price of silver stopped by the Sherman Act of 1890, which provided for the purchase by the Secretary of the United States Treasury of 4,500,000 ounces of silver monthly. In 1893, when the silver-purchase provision of this act was repealed, the value of the silver in a rupee stood at $0.28998, or nearly 40 per cent below the average for 1873. This constant and heavy decline in the value of the rupee worked a serious hardship on India, as all its payments for foreign goods and all its large remittances to England for pensions and interest on loans had to be made in depreciated currency and, therefore, considerably larger quantities of Indian products had to be exported in payment for her imports and in settlement of her debts. This also had the effect of increasing taxes in India. Furthermore, the uncertainty of the rate of exchange resulted in trade depression on the one hand and in a great deal of speculation on the other. To relieve the situation a royal commission recommended in 1893 that the free coinage of silver in India be discontinued.

This measure relieved the Indian exchange situation, and was indorsed by a later royal commission, reporting in 1898, which recommended that the rate of exchange be fixed at 1 shilling 4 pence per rupee, or 15 rupees per pound sterling, making the par 32.44 cents per rupee. This commission also recommended the establishment of a gold-standard reserve, to be made up of the accumulated profits from the coinage of rupees, this reserve to be used for the purpose of purchasing exchange at the fixed rate, whenever the market price would show a tendency to rise above this rate, and thus to assure stability to the actual rate. The commission also recommended measures looking toward the introduction of gold as a medium of exchange in India; for that purpose it advised that the sovereign be made legal tender in India, that free coinage of gold be introduced in India, and that no silver be coined except when the proportion of silver to gold in circulation would fall below a certain rate.

In so far as its efforts to introduce gold into actual circulation in India were concerned, the commission did not achieve its purpose. Earnings of the Indian population are so low that gold coins are necessarily of too high denominations for general circulation; notes and gold were accepted only at a discount, and the Indian government was forced to resume the coinage of silver rupees in large quantities, regardless of the amount of gold in circulation. No further efforts were made to force gold into circulation, and the plan for a gold mint in India was dropped at that time. The rate of exchange remained at 1 shilling 4 pence, with only a short interruption during the panic of 1907–8, up to the time of the recent rise in the price of silver. It should be mentioned that while the Indian population does not take kindly to gold as currency, it uses gold for ornaments and for hoarding. Thus, since 1873, a total of nearly 1¼ billions of dollars in gold was absorbed in India, the annual absorption in recent years being: 1913–14, 111 millions; 1914–15, 58.4 millions; 1915–16, 17.5 millions; 1916–17, 26.3 millions; and 1917–18, 49.6 millions.

REPORT OF THE ROYAL COMMISSION OF 1914.

A commission appointed to consider the entire problem of Indian currency and exchange held hearings in 1913 and made its report early

[1] Sources: Report of Royal Commission on Indian Finance and Currency, 1914 (Cd. 7236). Statistical tables relating to banks in India, Department of Statistics, India, 1919. Also: Weekly and annual bullion letters of Samuel Montagu & Co., and Indian letters published from time to time in the London Economist.

in 1914. This commission concluded that there was nothing to be gained by trying to popularize gold as currency in India, that there was no need of a gold mint in India, and that the currency best adapted to Indian needs and preferences was one consisting of silver rupees and notes convertible for purposes of external obligations into sterling at a fixed rate. The commission indorsed the creation of the gold-standard reserve, recommended that it be continued, that it consist largely of gold in London, and that it be used exclusively for the purpose indicated by its name.[1]

India's paper currency has been a Government monopoly since 1862, when the privilege of note issue was withdrawn from the presidency banks. Notes are issued in denominations of 5, 10, 50, 100, 500, 1,000, and 10,000 rupees, and in 1910 the notes in denominations of 100 rupees or less were made legal tender throughout India, the 500, 1,000, 10,000 rupee rates being legal tender only within the districts where they were issued. Against the notes the Indian government was permitted to hold securities to a maximum of 14 crores (140,000,000 rupees), of which not to exceed 4 crores (40,000,000 rupees) might be held in sterling securities, the remainder to be composed of Indian or rupee securities. The commission recommended that 500 rupee notes be "universalized," i. e., be made legal tender all over India, that the fiduciary portion of the cover for the notes be raised to 200,000,000 rupees at once, and thereafter to an amount not to exceed the amount of notes held by the Government in reserve treasuries plus one-third of the net circulation, and that this portion of the reserve be eligible for investment in temporary or permanent securities, or in loans to presidency banks in India or on the London market, at the Government's discretion.

The commission also recommended the continuation of the practice of selling council drafts for the purpose of transferring from India to London funds required for the use of the secretary of state for India. This custom was inherited by the India office from the East India Co. and forms "the central feature of the machinery by which the Indian finance and currency system is managed." The procedure in selling council drafts is as follows: On each Wednesday a notice is exhibited at the Bank of England inviting tenders, to be submitted on the following Wednesday, for bills of exchange and telegraphic transfers on the Indian government authorities at Calcutta, Madras, and Bombay. The notice states a limit which the aggregate amount will not exceed. The secretary of state does not bind himself to allot the whole amount mentioned in the notice, and as a matter of policy, prior to 1914, did not accept any applications at prices lower than 1 shilling $3\frac{29}{32}$ pence per rupee for bills and 1 shilling $3\frac{15}{16}$ pence for telegraphic transfers ("T. T.s"). The price charged for telegraphic transfers is ordinarily higher by $\frac{1}{32}$ pence per rupee than that charged for bills, but when the bank rate of the Calcutta or Bombay bank exceeds 8 per cent, and telegraphic transfers are consequently much in demand, tenders for transfers are considered for allotment with tenders for bills only if the former are $\frac{1}{16}$ pence higher. Allotment is made to the highest bidder and, when the total amount tendered exceeds the amount offered, allotment is made pro rata. When the tenders received on a Wednesday have been disposed of, the amount to be offered for tender on the following Wednesday is decided upon, the main considerations being the requirements of the India office and the strength of the demand. "Intermediate" or "special" bills and transfers can be obtained on other days of the week at a price fixed by the India office at not less than $\frac{1}{32}$ pence higher than the lowest price at which allotments have been made on the preceding Wednesday, the exact rate and the maximum amount of such "intermediates" being fixed for the week each Wednesday.

The arrangements made each Wednesday are laid for approval before the next meeting of the finance committee of the council of the secretary of state for India, usually on the same day, and subsequently before the council itself. The rate at which these drafts are sold to the public varied in normal times from the fixed rate of exchange of 1 shilling 4 pence within the narrow limits of the cost of shipping gold from India to England and, as already mentioned, did not ordinarily fall below 1 shilling $3\frac{29}{32}$ pence per rupee for bills and 1 shilling $3\frac{15}{16}$ pence for telegraphic transfers. Owing to India's normally large excess of exports over imports, the system of drafts offered a convenient and profitable way to settle balances due from England to India, and these drafts are the machinery through which the Government regulates the rate of exchange. The drafts are also used for the transfer to London of excessive accumulations of gold in the note currency reserve. The money so received in London is either earmarked as a portion of the Indian currency re-

[1] A part of it had previously been loaned to the Indian railroads for construction purposes.

serve held with the Bank of England or used to purchase silver with which to coin rupees to take the place in India of those issued to pay for the council drafts. The drafts are also used to effect transfers from India to London of profits from the coinage of rupees as these profits accumulate in the gold-standard reserve, the policy being to hold this reserve normally in London. The customary procedure in recent years before the war was to sell council drafts freely; that is to say, to sell as long as there was a demand and as long as it could be met from the resources of the Government in India. It must be kept in mind, however, that the underlying principle is that these drafts must be "sold for no other reason and to no larger amount than is necessary to meet the requirements, present or prospective, of the secretary of state for India in London."

DEVELOPMENTS SINCE 1914.

At the outbreak of the world war India was enjoying a period of prosperity; the crops had been good, and, furthermore, the war began during the slow season in India and therefore did not immediately have a great effect on her business activities. But it was not long before the effects of the war began to be felt in India. Both imports and exports fell off very heavily as the result of the shortage of cargo space, the activities of the *Emden* in the Bay of Bengal, and the preoccupation of European nations with their own pressing affairs. Germany had been a large importer of Indian cotton, jute, rice, and coconut products, and the war by preventing exports to Germany had a depressing effect on these industries. The government came to the assistance of the business community by increasing its balances in the presidency banks.[1] The depression caused by the interference with India's foreign trade did not last long, however. Soon the great demand for India's products by the Allies and by the Orient, to which the belligerent European nations were no longer able to supply goods, resulted in increased activity throughout India. Japan was in the market for all the cotton she could buy, jute was in great demand, and so were tea, hides and skins, raw wool, and indigo. The excess of India's exports over her imports was about 16 millions sterling in 1914–15, about 40 millions in 1915–16, and about 60 millions the following fiscal year. The gold-standard reserve, which had gone to India as a result of government support of the exchange rate in 1914, was transferred back to London in 1915. India's industries were very active, prices were high, India was buying back securities from its creditors, and investing large sums in British war loan and other securities. At the same time her equipment for production was suffering from the difficulty of obtaining railway and other material required for the distribution and expansion of industry.

Silver, which had continued to decline in value until July, 1915, began to rise rapidly after that date. A table is attached showing the average price of silver and the bullion value of a rupee for each month from July, 1914, to August, 1919. From 17 cents during July, 1915, the value of the silver in a rupee rose to 19.9 cents by the end of that year, to 27.4 cents by the end of 1916, and to 38.5 cents on September 30, 1917. The sharp rise in September was followed by an abrupt decline to 33.4 cents at the end of October and a gradual decline to 32.3 cents at the end of February, 1918. Since then there has been an almost continuous rise in the price of silver, the average for August, 1919, being 44.3 cents for the silver content of a rupee coin. This great increase in the price of silver was caused in part by the increased demand throughout the world for the metal, in part by the great demand for silver currency for the increased industrial and commercial activities of India and the war expenditures of the Indian government; and also by the demand for rupees in other English dependencies, notably Mesopotamia, Egypt, and East Africa. A great deal of hoarding of gold and silver is also reported to have taken place in India. As a result of the rise in the price of silver and the increased trade balance in favor of India, together with the prohibition of the export of gold from England in settlement of Indian balances, the rate of exchange for council drafts was raised from 1 shilling 4 pence per rupee, the rate maintained since 1893, to 1 shilling 5 pence on September 1, 1917; to 1 shilling 6 pence on April 11, 1918; later to 1 shilling 8 pence; on August 12, 1919, to 1 shilling 10 pence, and on September 10, to 2 shillings. In its turn, the Indian government issued a regulation by which all imports of silver were to be turned over to the government and also enacted drastic legislation against the breaking up or melting of rupees. During recent weeks council drafts have been sold in

[1] There are three banks in India, known as the presidency banks, viz., the Bank of Bengal, with head offices at Calcutta, and 25 branches and agencies; the Bank of Bombay, with head offices in that city, and 17 branches and agencies; and the Bank of Madras, with head offices in Madras, and 24 branches and agencies. Prior to 1862 these banks had issue privileges, while at present they are fiscal agents of the government and their functions are strictly limited by law.

New York, through the New York branch of the Bank of Montreal. These sales met with a decided success, the offerings being greatly oversubscribed at rates above the minimum price fixed.

The great scarcity of silver in India menaced the convertibility of the Indian currency, and failure to maintain redemption of rupee notes in silver would have entailed most serious consequences to public order in India and to the prosecution of the war. The United States, therefore, on April 23, 1918, enacted the law known as the Pittman Act, authorizing the Secretary of the Treasury to break up and melt for export silver dollars up to the maximum of $350,000,000 and to arrange for the issue in place of the retired dollars of equal amounts of Federal Reserve Bank notes. By the law the Secretary was instructed to purchase in the open market whenever obtainable at $1 per ounce an equivalent amount of silver bullion. Under this act 200,000,000 ounces of silver were sold to the British Government at $1 per ounce of fine silver plus certain costs of transportation, melting, and recoinage. Total silver exports from the United States to India from May 1, 1918, to May 16, 1919, when the breaking up and melting of silver was discontinued, were $248,580,000, this total representing largely the amount of silver shipped on British Government account. A new gold coin—the mohur—was minted in India, of the same weight and fineness as the sovereign, but of the face value of 15 rupees, which was the par of exchange. The mohur, however, did not remain in circulation, some of the coins finding their way into hoards, while the bulk of them were returned to the treasury, where they were added to the currency reserve.

NOTES IN CIRCULATION AND RESERVES.

A table is attached showing the note circulation in India, the different classes of reserves held against it, and the percentage of metallic reserve from the outbreak of the war to August, 1919. A chart shows in graphic form the data on notes in circulation, reserves, and price of silver. It will be seen that during the last five months of 1914 and during 1915 the note circulation in India was below the figure for July 31, 1914, this amount, 755 million rupees, not being equaled until the end of November, 1916. From that time the note circulation increased very rapidly, standing at 1,083 million rupees on December 31, 1917, at 1,477 millions on December 31, 1918, and at 1,689 millions on August 31, 1919. The silver reserve held against this circulation varied in proportion, as the Government was able to secure silver to replace the constant drain for circulation purposes. On March 31, 1918, immediately before the United States intervened, the silver reserve stood at its lowest ebb, 107.9 million rupees, as against 339.4 millions at the outbreak of the war. Since that time the silver reserve has increased almost without interruption, and on August 31, 1919, stood at 509.9 millions. The gold reserve stood at 275.1 million rupees on July 31, 1914, but fell to 138.1 millions by August 31, and remained comparatively low through the remainder of 1914 and most of the year 1915; on December 31, 1915, the gold reserve stood at 189 millions, and while it has fluctuated considerably since that time, reaching a low ebb of 114.5 millions on July 31, 1917, it has generally been over 150 millions, and on February 28, 1918, when the silver reserve was low, reached the maximum of 289.7 million rupees. On August 31, 1919, there were 193.5 millions in the gold reserve.

During 1914, 1915, and 1916 considerable portions of the gold reserve were held in England, but during 1917 most of the gold was transferred to India, and recently the portion of the gold reserve held in England has been, except for brief periods, insignificant in amount. Securities held against circulation remained at 140 million rupees, the legal maximum before the war, until February, 1916, but rose above this amount during that month and since then increased with the expansion of circulation in accordance with the currency commission's recommendations. Since January 31, 1919, this amount has stood at 985.8 million rupees, of which 160.6 millions are invested in Indian and 825 millions in British securities. Gold and silver in the currency reserve constituted 81.4 per cent of the note circulation on July 31, 1914. This percentage gradually declined as the amount of notes increased, and on June 30, 1917, fell as low as 34.4 per cent. Additions both to gold and silver reserves improved the reserve position after that date, and the percentage rose to 45.6 on November 30, 1917. Continued expansion in note circulation, however, together with rapid diminution of the silver reserve, brought the reserve ratio down to 31.3 per cent on May 31, 1918. Since then the shipments of silver from United States steadily increased the silver reserves, and the ratio gradually advanced, standing on August 31 last at 41.6 per cent.

A royal commission is now making a new investigation of Indian currency and exchange problems in the light of developments since 1914, and the commission's report is awaited with interest by those who have followed the changes produced in the situation by the great increase in the price of silver.

United States equivalent of London price of silver per ounce, 1,000 fine, and value of silver in a rupee, 1873–1918.

[On basis of sterling at par=$4.8665.]

Date.	London price of silver per ounce, 1,000 fine.	Gold value of silver in rupee.	Date.	London price of silver per ounce, 1,000 fine.	Gold value of silver in rupee.
1873	$1.40291	$0.48225	1896	$0.73043	$0.25109
1874	1.38252	.47524	1897	.65338	.22460
1875	1.34306	.46168	1898	.63794	.21929
1876	1.25853	.43261	1899	.65031	.22354
1877	1.29934	.44665	1900	.67035	.23043
1878	1.24711	.42869	1901	.64426	.22147
1879	1.21505	.41767	1902	.57076	.19620
1880	1.23791	.42553	1903	.58656	.20163
1881	1.22410	.42078	1904	.62569	.21508
1882	1.22770	.42202	1905	.65975	.22679
1883	1.19864	.41203	1906	.73177	.25155
1884	1.20073	.41275	1907	.71516	.24583
1885	1.15146	.39581	1908	.57827	.19878
1886	1.07531	.36964	1909	.56233	.19330
1887	1.05887	.36399	1910	.58462	.20096
1888	1.01593	.34923	1911	.58300	.20041
1889	1.01093	.34751	1912	.66454	.22844
1890	1.13118	.38884	1913	.65360	.22468
1891	1.06811	.36716	1914	.59797	.20555
1892	.94211	.32385	1915	.56099	.19284
1893	.84357	.28998	1916	.74213	.25511
1894	.68626	.23590	1917	.94627	.32528
1895	.70709	.24306	1918	1.12602	.38707

NOTE.—In 1893 the official ratio between the British pound sterling and the rupee was fixed at 1 pound=15 rupees.

United States equivalent of London price of silver, 1,000 fine, and gold value of silver in a rupee, July, 1914–August, 1919.

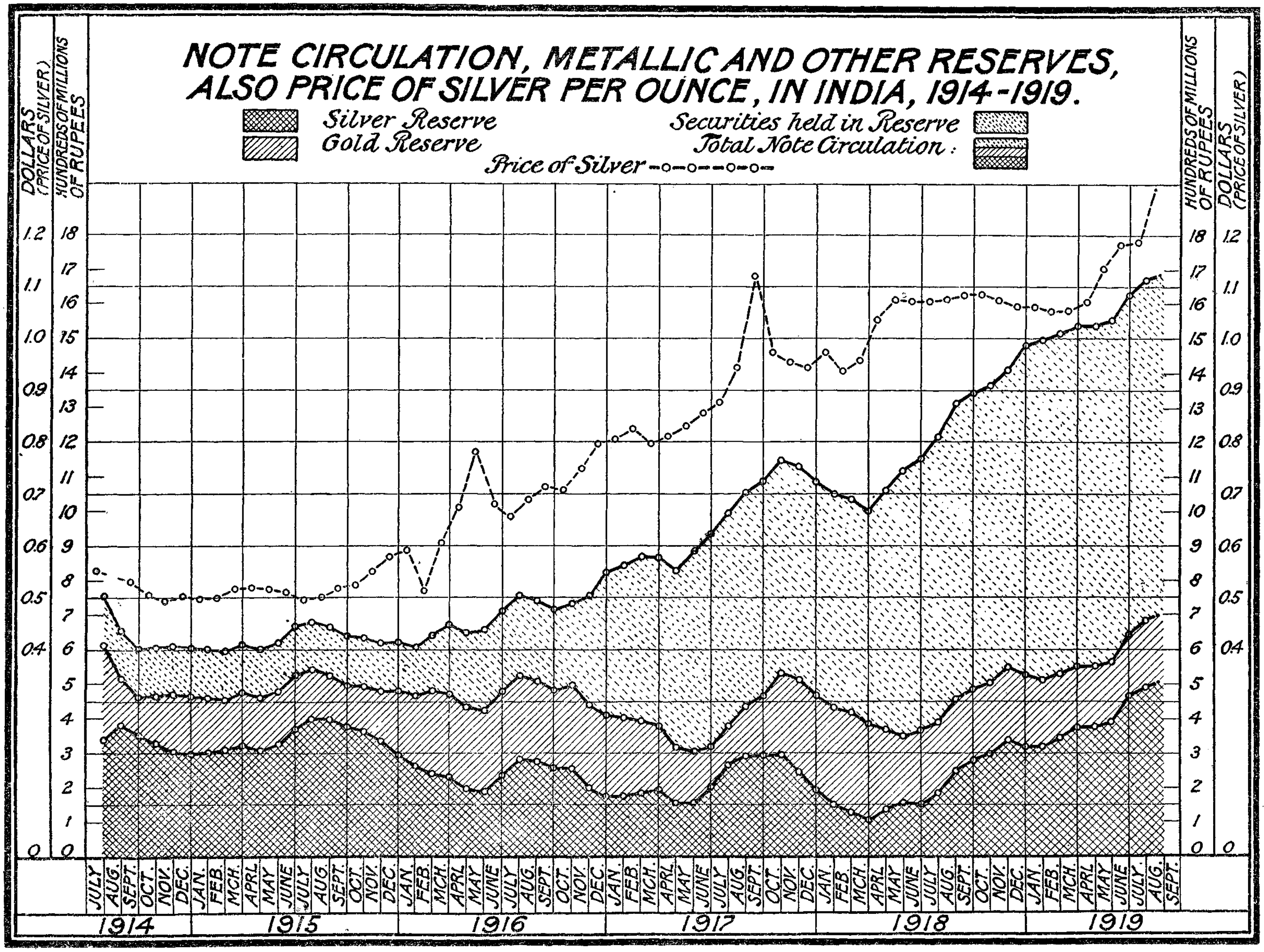
[Monthly averages.]

Date.	On basis of sterling at par.		On basis of average monthly rate of exchange.	
	Price of silver per ounce.	Gold value of silver rupee.	Price of silver per ounce.	Gold value of silver rupee.
1914.				
July	$0.55201	$0.18975	$0.55408	$0.19047
August	....	....	....	....
September	.53159	.18273	.54573	.18759
October	.50555	.17378	.511199	.175725
November	.49630	.17060	.500337	.171991
December	.50145	.17237	.50268	.17279
1915.				
January	.496784	.17076	.496366	.170625
February	.500070	.17189	.494262	.169902
March	$0.518227	$0.17814	$0.5126715	$0.176231
April	.51925	.17849	.51227	.17609
May	.51706	.17773	.5090258	.174978
June	.51035	.17543	.50080	.17215
July	.49556	.17034	.48865	.16797
August	.49973	.17178	.48157	.16554
September	.517613	.17792	.49728	.17094
October	.52441	.18026	.503778	.173174
November	.549856	.18901	.52751	.18133
December	.5781152	.19872	.5607036	.192742
1916.				
January	.590993	.20315	.578047	.198704
February	.511334	.17577	.578560	.198880
March	.60496	.20795	.59211	.20354
April	.672145	.23104	.658126	.226230
May	.779886	.26808	.762563	.262131
June	.680876	.23405	.66567	.22882
July	.65632	.22561	.64175	.22060
August	.690403	.23732	.675342	.232149
September	.7146868	.24567	.698709	.240181
October	.70942	.24386	.69344	.23837
November	.748516	.25730	.73163	.25150
December	.798154	.27436	.779893	.268088
1917.				
January	.80412	.27641	.786157	.270241
February	.82721	.28435	.808306	.277855
March	.79844	.27446	.77999	.26812
April	.811020	.27878	.792035	.272262
May	.83163	.28587	.81265	.27935
June	.857116	.29463	.83663	.28759
July	.87913	.30220	.860905	.295936
August	.94409	.32453	.93007	.31971
September	1.11965	.38487	1.09401	.37613
October	.97170	.33402	.94859	.32608
November	.95557	.32847	.93304	.32073
December	.94329	.32425	.92104	.31661
1918.				
January	.97222	.33420	.94950	.32639
February	.93825	.32252	.91646	.31503
March	.95795	.32929	.93568	.32164
April	1.03501	.35578	1.01120	.34760
May	1.07403	.36919	1.04942	.36074
June	1.07140	.36829	1.04664	.35978
July	1.07003	.36782	1.04512	.35926
August	1.07561	.36974	1.05112	.36132
September	1.08510	.37300	1.06022	.36445
October	1.08510	.37300	1.06022	.36445
November	1.07438	.36931	1.05033	.36105
December	1.06264	.36528	1.03883	.35710
1919.				
January	1.06181	.36499	1.03812	.35685
February	1.05309	.36199	1.02955	.35391
March	1.05464	.36253	1.02064	.35085
April	1.07164	.36837	1.02420	.35207
May	1.13527	.39024	1.08656	.37351
June	1.18146	.40612	1.11922	.38473
July	1.18722	.40810	1.07838	.37069
August	1.28984	.44338	1.12888	.38805

Notes in circulation in India, composition of reserve, and percentage of metallic reserve at the close of each month, July, 1914, to August, 1919.

[In thousands of rupees.]

Date.	Notes in circulation.	Metallic reserves.					Securities held in reserve.
		Silver coin and silver bullion.	Gold coin and bullion in India.	Gold coin and bullion in England.	Total.	Percentage of circulation.	
1914.							
July 31	754,000	339,400	183,600	91,500	614,500	81.5	140,000
Aug. 31	657,900	379,800	61,600	76,500	517,900	78.7	140,000
Sept. 30	605,200	349,500	39,200	76,500	465,200	76.9	140,000
Oct. 31	607,700	327,800	63,400	76,500	467,700	77.0	140,000
Nov. 30	611,900	306,800	88,600	76,500	471,900	77.1	140,000
Dec. 31	608,300	298,700	93,100	76,500	468,300	77.0	140,000
1915.							
Jan. 31	602,500	303,000	83,000	76,500	462,500	76.8	140,000
Feb. 28	595,400	311,900	67,000	76,500	455,400	76.5	140,000
Mar. 31	616,300	323,400	76,400	76,500	476,300	77.3	140,000
Apr. 30	602,400	309,000	76,900	76,500	462,400	76.8	140,000
May 31	619,900	325,900	77,500	76,500	479,900	77.4	140,000
June 30	664,700	370,600	77,600	76,500	524,700	79.0	140,000
July 31	680,600	400,900	78,200	61,500	540,600	79.4	140,000
Aug. 31	664,100	399,200	63,400	61,500	524,100	79.0	140,000
Sept. 30	638,000	377,400	59,100	61,500	498,000	78.1	140,000
Oct. 31	635,800	363,900	70,400	61,500	495,800	78.0	140,000
Nov. 30	620,600	336,000	83,100	61,500	480,600	77.4	140,000
Dec. 31	623,400	294,400	127,500	61,500	483,400	77.5	140,000
1916.							
Jan. 31	609,300	260,200	127,400	81,700	469,300	77.0	140,000
Feb. 29	640,000	240,000	122,400	119,200	481,600	75.3	158,400
Mar. 31	672,200	230,600	122,400	119,200	472,200	70.2	200,000
Apr. 30	649,400	195,000	122,400	119,200	436,600	67.2	212,800
May 31	657,900	187,000	121,100	119,200	427,300	65.0	230,600
June 30	711,300	236,400	125,100	119,200	480,700	63.4	230,600
July 31	754,700	282,000	122,900	119,200	524,100	69.4	230,600
Aug. 31	740,100	273,700	116,600	119,200	509,500	68.8	230,600
Sept. 30	715,300	255,600	109,900	119,200	484,700	67.8	230,600
Oct. 31	733,000	256,300	125,500	119,200	501,000	68.4	232,000
Nov. 30	755,300	199,600	123,700	119,200	442,500	58.6	312,800
Dec. 31	821,500	173,600	119,100	119,200	411,900	50.1	409,600
1917.							
Jan. 31	842,200	173,500	125,600	104,200	403,300	47.9	438,900
Feb. 28	866,200	182,100	121,600	89,200	392,900	45.4	473,300
Mar. 31	863,800	192,700	120,000	66,700	379,400	44.0	484,400
Apr. 30	827,200	153,700	113,900	51,700	319,300	38.6	507,900
May 31	883,100	155,300	99,300	51,700	306,300	34.6	576,800
June 30	932,900	202,400	70,700	48,000	321,100	34.4	611,800
July 31	993,100	263,800	70,300	44,200	378,300	38.1	614,800
Aug. 31	1,051,500	290,000	121,200	25,500	436,700	41.5	614,800
Sept. 30	1,084,300	293,700	159,500	16,400	469,600	43.3	614,800
Oct. 31	1,147,700	294,600	219,000	19,300	532,900	46.4	614,800
Nov. 30	1,129,300	244,900	246,500	23,100	514,500	45.6	614,800
Dec. 31	1,083,100	190,500	267,300	10,500	468,300	43.2	614,800
1918.							
Jan. 31	1,048,200	151,000	272,000	10,400	433,400	41.3	614,800
Feb. 28	1,034,600	130,100	283,000	6,700	419,800	40.6	614,800
Mar. 31	997,900	107,900	268,500	6,700	383,100	38.4	614,800
Apr. 30	1,059,600	137,200	226,000	4,500	367,700	34.7	691,900
May 31	1,115,300	155,600	191,100	2,700	349,400	31.3	765,900
June 30	1,147,900	149,500	210,000	4,500	364,000	31.7	783,900
July 30	1,214,100	184,200	202,100	1,200	385,500	31.7	826,600
Aug. 31	1,314,100	249,600	203,300	1,200	454,100	34.5	860,000
Sept. 30	1,343,800	278,800	203,800	1,200	483,800	36.0	860,000
Oct. 31	1,364,300	299,100	204,000	1,200	504,300	37.0	860,000
Nov. 30	1,407,600	341,900	204,500	1,200	547,600	38.8	860,000
Dec. 31	1,477,900	321,300	196,800	1,200	519,300	35.1	951,600
1919.							
Jan. 31	1,497,400	321,200	189,200	1,200	511,600	34.2	985,800
Feb. 28	1,514,800	346,500	181,300	1,200	529,000	35.0	985,800
Mar. 31	1,534,600	373,900	173,700	1,200	548,800	35.7	985,800
Apr. 30	1,537,200	375,900	145,500	30,000	551,400	35.8	985,800
May 31	1,551,800	389,900	161,100	15,000	566,000	36.5	985,800
June 30	1,627,600	465,000	176,800		641,800	39.4	985,800
July 31	1,671,100	494,000	191,300	....	685,300	41.0	985,800
Aug. 31	1,689,200	509,900	192,600	900	703,400	41.6	985,800



NOTE CIRCULATION, METALLIC AND OTHER RESERVES, ALSO PRICE OF SILVER PER OUNCE, IN INDIA, 1914-1919.
Silver Reserve
Gold Reserve
Securities held in Reserve
Total Note Circulation:
Price of Silver
DOLLARS (PRICE OF SILVER)
HUNDREDS OF MILLIONS OF RUPEES
1.2
1.1
1.0
0.9
0.8
0.7
0.6
0.5
0.4
0
18
17
16
15
14
13
12
11
10
9
8
7
6
5
4
3
2
1
0
JULY AUG. SEPT. OCT. NOV. DEC. JAN. FEB. MCH. APRL. MAY JUNE
1914
1915
1916
1917
1918
1919

EXPORTS FROM THE UNITED STATES BEFORE AND AFTER THE OUTBREAK OF THE WAR.

A comparison of our export trade for the five years since the beginning of the European war, and particularly the period following our entrance into the war, with conditions in the five years preceding the breaking out of the European war, is herewith presented.

In the attached statement there are given for each fiscal year separately and for each of the five-year periods combined the amounts and percentages of the large groups of articles of domestic manufacture exported during the period 1910 to 1919, together with the total value of all exports.

Our exports of domestic merchandise for the years 1910 to 1914, inclusive, amounted to $10,652,143,000, or an annual average of $2,130,429,000. For the five years 1915 to 1919, inclusive, our domestic exports amounted to $26,128,184,000 (an annual average of $5,225,637,000), of which $19,139,828,000 represents export of domestic merchandise for the years 1917, 1918, and 1919, and $7,074,012,000 domestic exports for the last fiscal year 1919. Our average annual domestic exports for the five years from the beginning of the war exceeded our average in the earlier period, 1910 to 1914, by $3,095,208,000, or 145.3 per cent. For the three-year period since we entered the war, the amount by which exports exceed those which were normal before the war, is $4,249,514,000, or 199.5 per cent. For the last fiscal year 1919, the excess is $4,943,583,000, or 238.2 per cent.

Of equal significance with the increase of the totals of our export trade in the last five years are figures indicating changes in its composition. The largest relative increases in exports are shown for the two groups of foodstuffs, prepared and unprepared. Manufactures ready for consumption show the largest absolute increase. As regards the latter group the largest percentages of the total exports are shown for the fiscal years 1916 and 1917, when the shipments of arms and munitions for the use of the Allies were at their height. The decline during the following year does not disclose the true development of affairs, since these figures are exclusive of foreign shipments for the use of our own Army and Navy. Some idea of the volume of the latter shipments may be had from the information given on pages 753–754 of the 1918 United States Statistical Abstract. It appears that the aggregate weight of the Army shipments for the period June 1917, to October, 1918, was 4,897,600 short tons, of which more than 50 per cent undoubtedly belong to the group designated in the export returns as "manufactures ready for consumption." Navy shipments for the period May, 1917, to December, 1918, inclusive, are given as 1,090,724 net tons, of which only 79,245 short tons are reported under the caption "provisions," while the remainder constitute undoubtedly manufacrured articles. For the fiscal year 1919 the share of manufactures ready for consumption in the total exports shows a decline from 37.43 to 33.71 per cent, though the total value of these exports, because of the higher price averages, was about $200,000,000 larger than the year before, the decline in percentage being due to the great increase in food exports.

It is seen that the group of crude foodstuffs shows the largest gain during 1915, the first year of the war, when the share of this group in the total domestic exports jumped from 5.9 to 18.66 per cent. The group of prepared foodstuffs shows a continuous increase since the beginning of the war, though its relative importance in the total domestic exports declined for the fiscal years 1916 and 1917. In 1918 the percentage of this group was 19.76 as against 13.84 for the five-year period preceding the war. For 1919 both groups of foodstuffs show further large increases, their aggregate percentage to total exports exceeding 35 per cent, compared with about 20 per cent for the five years before the war.

The only group that showed an absolute loss in exports for the early years of the war were crude materials, largely because of the decline in raw cotton exports from 610 in 1914 to about 375 millions in 1915 and 1916. The loss in relative importance of this group in the total export movement is seen from a comparison of the average percentage for the five years preceding the war—33.1 per cent, with the percentage for the war period, 14.89 per cent.

EXPORTS BY COUNTRIES.

Additional light upon the changes in the currents of our foreign trade is thrown by the table showing distribution of our total exports by countries and groups of countries in each year during the 10-year period 1910–1919, and for the two 5-year periods 1910–1914 and 1915–1919.

In the table the first group of countries comprises those European nations which formed the alliance against the central powers, i. e., Great Britain, France, Belgium, Italy, and Russia. For the five years before the war these countries are shown to have taken an average of about 849 millions a year, or about 40 per cent of a total yearly average of 2,165.8 millions exported during these years. During the war years exports to the allied countries of Europe show a considerable increase, averaging for the 1915–1919 war period 3,111.8 millions, or 58.6 per cent of an average of 5,307.4 exported to all countries during these five years. As against an increase of 267 per cent in our exports consigned during the period 1915–1919 to the allied countries in Europe over like exports consigned during the preceding five-year period, exports during the war period to the rest of the world increased but 67 per cent, which is probably less than the average rise in the price level. In other words, the large increase in exports shown for the war period was caused apparently altogether by the larger exports to the allied countries in Europe; exports to the rest of the world were probably less in volume than before the war.

The large increases in exports to allied Europe are due in the first place to the large shipments of explosives, which in 1917 reached a total in excess of $800,000,000, of which about 90 per cent was consigned to belligerent Europe (as against negligible amounts shipped before the war), and the considerable increases in the shipments of breadstuffs (mainly oats, wheat, and wheat flour) and of meat products (largely bacon, hams, and lard for the use of the warring armies). Under the general head of "Iron and steel" greatly increased exports to the allied countries are shown principally for steam and other engines, metal-working machinery, steel rails, tin plates (of which considerable quantities went even to the United Kingdom), tools, barbed and other wire, etc., most of which, it is safe to say, were used as munitions of war.

SHARE OF DOMESTIC PRODUCTS EXPORTED.

Comparisons between quantities of different commodities produced in the United States and quantities exported are possible only for a few staple articles, such as breadstuffs, cotton, coal and coke, and the like. In most cases neither the quantities or values of the domestic output are known, while exports leave the country in the shape of partly or fully prepared manufactures, rendering meaningless comparisons of exports with the figures of the output of the respective raw materials. Thus, for example, the Geological Survey gives the total copper production for the calendar years 1915 to 1918 as 7,110,516,000 pounds, while the exports of unrefined and refined copper for the same period are stated as 3,337,229,000, or slightly below 50 per cent—or much below the prewar ratio of about 70 per cent. The explanation of the apparent relative fall in copper exports is to be found in the fact that the official figures of copper exports are exclusive of the very considerable amounts used by American manufacturers engaged in the production of shells for the use of the allied armies, the exports of which are returned under general caption "explosives."

For some items, such as corn and corn meal, wheat and flour, cotton, coal, and coke, the changes in the quantities and relative shares exported are shown in the attached table, but it is apparent that the percentages calculated, especially in the case of corn, a large proportion of which is fed to live stock and exported in the form of meat products and lard, are not to any extent indicative of the total percentages of our national output that is sent out of the country.

QUANTITIES AND VALUES OF EXPORTS.

With the view of getting some idea as to what portion of the large increase in our exports since the beginning of the great war was due to increase in quantity and what portion to the increase in value of the articles shipped, the attached table has been compiled from the original tables of foreign commerce for the period 1910–1919 issued by the Department of Commerce.

In the first column are given average 1910–1914 values for certain leading export items, for which the Department of Commerce shows both quantities and values, the aggregate average value of these exports for the five-year period preceding the war constituting 60.5 per cent of the average total domestic exports for that period. Unit values for the items were then calculated and these unit values applied to the actual yearly quantities of each of the selected items exported during each fiscal year 1914 to 1919. In this manner yearly totals of the items were calculated for each of the war years which are substantially lower than those shown in the official records.

It is seen that if the price factor is eliminated in the crude manner described above, the adjusted figures show, instead of a steady increase in exports, an index, on the basis of the 1910–1914 average as 100, of 126 for the fiscal year 1915, of 121 for the following year, of 123 for the fiscal year 1917, of only 109 for the fiscal year 1918, and finally of 135 for the year ending June 30, 1919. As explained above, the foreign trade figures for the fiscal years 1918 and 1919 by no means disclose the total volume or value of our foreign shipments, since they are exclusive of foreign shipments for the use of the American Army and Navy. As compared with domestic exports for 1910–1914 like exports for the five war years 1914–1919 when adjusted to a prewar basis show an increase of about 23 per cent, as against 97 per cent, if no adjustment of values is made.

It is but proper to add that as the result of the changed character of our European exports the percentages of the aggregate values of the selected articles to the total values of domestic exports for the fiscal years 1916, 1917, and 1918 are considerably below the average of 60.4 per cent shown for the five-year period preceding the war. It would clearly not be safe to assume that the above percentages are indicative of the growth in volume of our total exports, but they afford sufficient proof that by far the larger portion of the extraordinary growth of our exports during the war period is the result of a raise in valuation rather than of an increase in volume.

EXPORTS AND LOANS TO THE ALLIES.

A table is also presented showing for the period beginning with our entry into the European War, advances by the United States Treasury to each of the Allies, month by month, together with exports to each respective country. For the entire period covered, April, 1917, to June, 1919, the aggregate value of exports from the United States to allied countries in Europe was 8,623.8 millions, while the advances granted to these countries during the same period totaled 9,092.2 millions. In the case of England, Belgium, and Russia the value of exports exceeded the aggregate advances, while in the case of France and Italy the advances were greater than the value of exports. The figures show conclusively that exports from the United States to European allies since America's entry into the war were made practically on the basis of credits extended by the United States Treasury to the allied powers.

Domestic merchandise exported from the United States, 1910–1919.

(In thousands of dollars; i. e., 000 omitted.)

	Crude materials for use in manufacturing.		Foodstuffs in crude condition and food animals.		Foodstuffs partly or wholly prepared.		Manufactures for further use in manufacturing.		Manufactures ready for consumption.		Miscellaneous.		Total exports, value.
	Value.	Per cent of total exports.	Value.	Per cent of total exports.	Value.	Per cent of total exports.	Value.	Per cent of total exports.	Value.	Per cent of total exports.	Value.	Per cent of total exports.	
Year ended June 30—													
1910	565,935	33.10	109,828	6.42	259,260	15.16	267,766	15.66	499,215	29.19	8,080	0.47	1,710,084
1911	713,018	35.41	103,402	5.13	282,017	14.01	309.152	15.35	598,368	29.72	7,593	.38	2,013,549
1912	723,009	33.31	99,899	4.60	318,838	14.69	348,150	16.04	672,268	30.98	8,156	.38	2,170,320
1913	731,759	30.13	181,907	7.49	321,204	13.23	408,807	16.83	776,297	31.97	8,532	.35	2,428,506
1914	792,716	34.03	137,495	5.90	293,218	12.59	374,224	16.06	724,908	31.11	7,122	.31	2,329,684
Total, 1910–1914	3,526,437	33.10	632,531	5.94	1,474,537	13.84	1,708,099	16.04	3,271,056	30.71	39,483	.37	10,652,143
Yearly average	705,287	....	126,506	....	294,908	....	341,620	....	654,211	....	7,896	....	2,130,429
Year ended June 30—													
1915	510,456	18.80	506,993	18.66	454,575	16.74	355,862	13.10	807,466	29.73	80,827	2.97	2,716,178
1916	535,952	12.55	380,638	8.91	599,059	14.02	657,923	15.40	1,998,298	46.77	100,307	2.35	4,272,178
1917	731,990	11.76	531,866	8.54	737,795	11.85	1,191,263	19.13	2,942,577	47.25	91,672	1.47	6,227,164
1918	897,324	15.37	374,978	6.42	1,153,702	19.76	1,201,439	20.58	2,185,420	37.43	25,788	.44	5,838,652
1919	1,215,961	17.19	719,716	10.17	1,785,180	25.24	952,776	13.47	2,384,801	33.71	15,578	.22	7,074,012
Total, 1915–1919	3,891,683	14.89	2,514,191	9.62	4,730,311	18.11	4,359,263	16.69	10,318,562	39.49	314,172	1.20	26,128,184
Yearly average	778,337	....	502,838	....	946,062	....	871,853	....	2,063,712	....	62,834	....	5,225,637

Total (foreign and domestic) exports by geographic divisions and leading countries.

[In thousands of dollars; i. e., 000 omitted.]

Destination.	1910	1911	1912	1913	1914	Total, 1910–1914	1915	1916	1917	1918	1919	Total, 1915–1919
ALLIED NATIONS.												
United Kingdom	505,553	576,614	564,372	597,149	594,272	2,837,960	911,795	1,526,685	2,046,813	1,995,863	2,147,412	8,628,568
France	117,627	135,272	135,389	146,100	159,819	694,207	369,397	628,852	1,011,667	883,735	976,697	3,870,348
Italy	53,467	60,581	65,261	76,285	74,235	329,829	184,820	269,246	360,608	477,899	496,175	1,788,748
Belgium	41,117	45,017	51,388	66,845	61,220	265,587	20,662	21,848	37,368	95,391	322,941	498,210
Russia (in Europe)	16,790	23,524	21,516	25,364	30,089	117,283	37,474	178,695	428,688	116,705	11,390	772,952
Total allied nations	734,554	841,008	837,926	911,743	919,635	4,244,866	1,524,148	2,625,326	3,885,144	3,569,593	3,954,615	15,558,826
All other Europe	401,361	467,268	503,807	567,332	566,864	2,506,632	447,287	373,979	439,369	162,581	680,202	2,103,418
Total Europe	1,135,915	1,308,276	1,341,733	1,479,075	1,486,499	6,751,498	1,971,435	2,999,305	4,324,513	3,732,174	4,634,817	17,662,244
AMERICA.												
Canada	215,999	269,806	329,257	415,450	344,717	1,575,220	300,687	468,785	787,177	778,490	813.723	3,148,862
Latin America	242,124	273,525	296,142	323,776	282,070	1,417,637	251,470	411,194	581,955	725,060	810,695	2,780,374
All other America	20,653	22,623	23,749	24,335	26,398	117,758	24,243	33,221	54,106	47,368	68,416	227,354
Total America	478,767	565,954	649,148	763,561	653,185	3,110,615	576,400	913,200	1,423,238	1,550,918	1,692,834	6.156,590
ASIA.												
Japan	21,959	36,721	53,478	57,742	51,206	221,106	41,518	74,471	130,427	267,641	326,462	849,519
China	16,321	19,288	24,361	21,327	24,699	105,996	16,402	25,131	37,196	43,477	82,992	205,198
British East Indies	9,495	11,938	18,798	15,109	15,625	70,965	15,981	21,697	37,108	52,293	64,273	194,352
All other Asia	13,087	17,475	20,824	20,878	21,895	94,159	40,569	154,312	175,519	84,018	130,198	584,616
Total Asia	60,862	85,422	117,461	115,056	113,425	492,226	114,470	278,611	380,250	447,429	603,925	1,824,685
Africa	18,551	23,607	24,043	29,089	27,902	123,192	28,519	43,591	52,733	54,299	85,157	264,299
Oceania	59,890	66,061	71,937	79,103	83,568	351,559	77,765	98,776	109,314	134,891	208,351	629,097
Total exports	1,744,985	2,049,320	2,204,322	2,465,884	2,364,579	10,829,090	2,768,589	4,333,483	6,290,048	5,919,711	7,225,084	26,536,915

Production and exports of selected articles: 1910–1919.

Article and period.	Production.	Exports.	Percentage exported.	Article and period.	Production.	Exports.	Percentage exported.
Corn and corn meal:	*Bushels.*	*Bushels.*		Cotton:	*500-pound bales.*	*500-pound bales.*	
1910-1914	13,761,858,000	207,046,273	1.50	1910-1914	65,166,173	44,054,287	67.60
1915-1919	13,882,571,000	229,412,634	1.65	1915-1919	61,779.055	31,615,285	51.17
1915	2,672,804,000	50,668,303	1.90	1915	16,134,930	8,931,253	55.35
1916	2,994,793,000	39,896,928	1.33	1916	11,191,820	6,405,993	57.24
1917	2,566,927,000	66,753,294	2.60	1917	11,449,930	5,963,682	52.08
1918	3,065,233,000	49,073,263	1.60	1918	11,302,375	4,587,000	40.58
1919	2,582,814,000	23,020,846	.89	1919	11,700,000	5,727,357	48.95
Wheat and flour:				Bituminous coal and coke:	*Tons.*	*Tons.*	
1910-1914	3,487,295,000	524,835,368	15.05	1910-1914	1,902,948,872	75,151,633	3.95
1915-1919	4,106,891,000	1,200,584,167	29.23	1915-1919	2,233,348,893	99,610,831	4.34
1915	891,017,000	332,464,976	37.31	1915	377,414,259	15,316,705	4.06
1916	1,025,801,000	243,117,026	23.70	1916	395,200,380	20,214,281	5.11
1917	636,318,000	203,573,928	31.99	1917	448,678,288	21,289,941	4.75
1918	636,655,000	133,990,150	21.05	1918	492,670,146	23,057,961	4.68
1919	917,100,000	287,438,087	31.34	1919	579,385,820	19,731,943	3.41

NOTE.—Figures of production relate to the calendar year preceding the yearly period indicated; figures of exports relate to the year ending June 30.

Domestic exports of selected articles from the United States, 1910–1914 and 1915–1919, with adjustment for increase in prices.

[In thousands of dollars; i. e., 000 omitted.]

Article.	Average annual value, 1910–14.	Values computed on the basis of 1910–14 average prices.					Average computed annual value, 1915–19.	Average actual annual value, 1915–19.
		1915	1916	1917	1918	1919		
Breadstuffs:								
Barley	5,073	17,123	17,583	10,484	16,822	13,093	15,021	25,443
Corn	25,231	30,735	24,077	40,774	25,829	10,513	26,386	48,926
Oats	3,345	38,724	38,368	35,578	42,335	38,544	38,710	65,222
Wheat	55,063	251,854	168,076	145,336	33,095	173,226	154,317	270,522
Wheat flour	51,127	77,517	74,346	57,207	104,805	115,870	85,949	157,666
Rye	598	8,782	10,172	9,282	8,393	19,278	11,181	25,853
Cattle	7,212	451	1,752	1,102	1,499	3,485	1,658	1,474
Coal:								
Anthracite	18,183	18,962	19,972	23,870	24,936	22,073	21,963	25,258
Bituminous	34,455	36,177	47,063	49,030	52,841	45,562	46,135	59,505
Copper: Pigs, ingots, bars, plates, and old	114,880	96,156	101,011	145,010	132,297	78,082	110,511	190,081
Cotton:								
Upland	549,733	548,382	384,059	384,657	289,025	340,376	389,300	563,678
Cloth, bleached	2,590	4,065	5,852	7,770	11,047	7,763	7,299	13,382
Cloth, unbleached	13,488	10,868	12,170	10,831	6,811	6,713	9,479	16,608
Iron and steel:								
Wire, barbed and other	9,823	14,471	30,359	26,875	17,470	18,931	21,621	37,818
Cut nails	342	112	188	196	221	148	173	342
Wire nails and spikes	2,230	2,609	6,054	5,866	5,124	4,417	4,814	9,043
Locomotives	4,119	2,555	8,116	14,280	14,101	8,955	9,602	19,222
Steel rails	11,549	4,688	15,763	17,404	12,599	18,225	13,736	21,606
Leather:								
Sole	8,568	16,389	17,787	20,416	5,191	18,915	15,739	27,327
Boots and shoes	15,788	22,015	35,977	28,369	26,749	29,712	28,564	38,786
Lumber: Boards, planks, deals, scantlings, etc.	50,687	25,901	26,859	23,778	24,372	24,600	25,102	35,327
Meat and dairy products:								
Bacon	23,205	44,033	73,636	84,728	103,542	157,422	92,672	168,673
Lard	52,098	52,309	46,971	48,925	43,176	79,814	54,239	97,144
Hams and shoulders	21,787	26,685	36,969	34,932	54,964	87,488	48,208	86,440
Beef, fresh	3,100	17,896	24,277	20,704	38,853	34,882	27,322	44,700
Beef, canned	1,111	8,879	5,995	7,969	11,486	12,802	9,426	22,543
Butter	1,013	2,335	3,196	6,360	4,203	7,996	4,818	7,486
Cheese	696	7,862	6,304	9,379	6,291	2,669	6,501	9,530
Condensed milk	1,277	3,016	12,926	20,990	42,829	59,028	27,758	41,787
Oils:								
Cottonseed	18,119	21,331	17,856	10,647	6,752	11,974	13,712	23,908
Mineral, refined	113,436	138,368	155,021	174,799	169,454	160,989	159,726	227,370
Miscellaneous:								
Sugar, refined	2,968	23,058	68,466	52,454	24,212	46,866	43,011	60,486
Tobacco, leaf	44,686	40,020	50,194	46,740	33,210	71,910	48,415	83,371
Fertilizer	10,735	2,987	3,536	3,461	2,097	2,887	2,994	6,288
Turpentine	9,302	4,921	4,841	4,598	2,649	4,193	4,240	4,379
Total	1,287,617	1,622,236	1,555,792	1,584,801	1,399,280	1,739,401	1,580,308	2,537,194
Index number	100	125.9	120.8	123.1	108.6	135.1	122.7	197.0

	Annual average 1910–1914	1915	1916	1917	1918	1919	Annual average 1915–1919
Total value of exports of articles listed above	$1,287,617	$1,603,866	$1,778,140	$2,436,419	$2,871,684	$3,995,863	$2,537,194
Total value of all exports	$2,130,429	$2,716,178	$4,272,178	$6,227,164	$5,838,652	$7,074,012	$5,225,637
Percentage of aggregate value of articles listed to total exports.	60.4	59.0	41.6	39.1	49.2	56.5	48.6

Advances to the European allies and exports to the respective countries, April, 1917, to June 30, 1919.

[In millions of dollars; i.e., 000,000 omitted.]

	United Kingdom.		France.		Italy.		Belgium.		Russia.		All other European allies.[1]		Total advances to allies in Europe.	Total exports from United States to allied countries in Europe.
	Advances from United States Treasury.	Exports from United States.	Advances from United States Treasury.	Exports from United States.	Advances from United States Treasury.	Exports from United States.	Advances from United States Treasury.	Exports from United States.	Advances from United States Treasury.	Exports from United States.	Advances from United States Treasury.	Exports from United States.		
1917.														
April	200	173.2	......	95.7	......	29.0	......	0.8	......	34.4	......	......	200.0	333.1
May	200	178.6	100	89.8	100	33.7	7.5	......	......	24.4	......	1.6	407.5	328.1
June	160	160.7	110	91.9	......	41.0	7.5	.4	......	34.6	......	2.2	277.5	333.8
Total	560	512.5	210	280.4	100	103.7	15.0	12.0	......	93.4	......	3.8	885.0	995.0
July	210	120.8	160	61.2	30	20.4	7.5	......	45	15.6	......	.3	452.5	218.3
August	235	176.4	160	52.1	30	40.1	9.5	5.5	52.5	34.5	1	.1	488.0	308.7
September	185	131.1	160	76.4	30	34.0	10.5	4.7	15.0	40.2	.5	......	401.0	286.4
October	235	182.6	130	74.6	65	52.4	12.0	6.4	42.2	32.8	1.5	.7	485.7	349.5
November	215	150.2	150	62.3	40	48.6	8.9	14.9	33.0	21.3	......	.1	446.9	300.4
December	220	181.5	160	73.8	105	46.1	12.0	7.8	......	1.7	......	1.1	497.0	315.0
1918.														
January	250	167.1	125	106.0	50	41.9	9.0	7.7	......	3.2	1.2	......	435.2	325.9
February	180	151.3	60	55.4	20	38.2	......	8.0	......	......	......	......	260.0	252.9
March	210	208.1	90	81.2	10	36.4	2.5	12.9	......	......	......	......	312.5	338.6
April	160	173.5	95	78.5	40	38.8	2.5	4.1	......	.1	1	.7	298.5	295.7
May	245	176.6	125	92.6	30	44.2	13.0	9.4	......	.5	1	......	414.0	323.3
June	170	172.0	30	70.5	30	36.6	11.7	9.1	......	......	1.4	......	243.1	288.2
Total	2,515	1,994.2	1,445	844.6	480	477.7	99.1	90.5	187.7	152.9	7.6	3.0	4,734.4	3,602.9
July	90	160.5	105	72.0	120	38.3	26.9	26.3	......	.2	1.2	1.5	343.1	298.8
August	225	166.3	20	87.8	30	36.4	3.0	10.9	......	6.3	.2	......	278.2	307.7
September	207	187.4	25	84.6	45	46.7	5.2	8.4	......	2.3	......	1.4	282.2	330.8
October	89	149.0	165	81.8	226	43.0	17.9	25.6	......	.3	1.2	......	499.1	299.7
November	110	164.2	40	54.3	90	42.6	18.4	13.5	......	.1	5.6	.4	264.0	275.1
December	186	185.6	86.4	67.3	85	49.5	31.5	19.1	......	4.1	......	.6	388.9	326.2
1919.														
January	50	176.5	91.1	66.3	120	50.7	24.4	22.1	......	4.9	4.8	3.1	290.3	323.6
February	......	165.9	20	93.0	79	38.2	30.9	28.0	......	.5	15.5	3.2	145.4	328.8
March	60	132.3	220	91.2	88.5	37.0	20.6	38.0	......	4.6	18.3	5.7	407.4	308.8
April	118	191.0	135	110.1	40	35.8	13.0	59.3	......	9.8	18.5	2.7	324.5	408.7
May	60	173.9	55	57.4	42	37.0	21.0	35.8	......	4.1	16.9	3.1	194.9	311.3
June	7	294.8	25	113.3	10	42.0	8.8	36.3	......	15.4	4.0	4.6	54.8	506.4
Total	1,202	2,147.4	987.5	979.1	975.5	497.2	221.6	323.3	......	52.6	86.2	26.3	3,472.8	4,025.9
RECAPITULATION.														
Total, April-June, 1917	560	512.5	210	280.4	100.0	103.7	15.0	1.2	......	93.4	......	3.8	885.0	995.0
Fiscal year ending June, 1918	2,515	1,994.2	1,445	884.6	480.0	477.7	99.1	90.5	187.7	152.9	7.6	3.0	4,734.4	3,602.9
Fiscal year ending June, 1919	1,202	2,147.4	987.5	979.1	975.5	497.2	221.6	323.3	......	52.6	86.2	26.3	3,472.8	4,025.9
Total	4,277	4,654.1	2,642.5	2,144.1	1,555.5	1,078.6	335.7	415.0	187.7	298.9	93.8	33.1	9,092.2	8,623.8

[1] Serbia, Czecho-Slovakia, Roumania, Liberia, Greece.

Certificates of Indebtedness.

The Secretary of the Treasury, on September 8, 1919, addressed the following letter to all banks and trust companies in the United States:

SEPTEMBER 8, 1919.

DEAR SIR: The third semimonthly issue of Treasury certificates of indebtedness, Series C 1920, in pursuance of the program outlined in my letter of July 25, 1919, was, in accordance with the announcement made on August 25, 1919, offered without asking the banking institutions of the country to subscribe for any specified quota. The Treasury felt confident that these certificates could be sold in amounts more than sufficient to meet the reduced needs of the Government without assigning the usual quota to individual banking institutions. This confidence was amply justified by the event. The certificates of Series C 1920 were dated September 2, and subscriptions closed on September 3, the following day. The aggregate amount of certificates of this series subscribed for and allotted was $573,841,500, a sum greater by about $40,000,000 than the amount subscribed for either of the two preceding issues, each of which had definite quota assignments and remained open a week after the date of issue. This aggregate was in excess of the immediate requirements of the Treasury, but allotment was nevertheless made in full upon all subscriptions made on the date of issue and the day following, in order not to disappoint those subscribers who had presented their subscriptions with reasonable promptness; and the opportunity was taken to redeem on September 15 the certificates of Series V K, maturing October 7, 1919 (the last of the certificates issued in anticipation of the Victory loan). The redemption of these certificates should have a beneficial effect in connection with the large payments of income and profits taxes due on September 15.

The aggregate amount of Treasury certificates of indebtedness still outstanding on August 30 of the several series maturing or called for redemption on September 9 and 15, 1919, was $1,799,041,500. This entire sum (which has since been reduced by exchanges and cash redemptions) is provided for from cash in bank and income and profits taxes due September 15, leaving an ample balance in the general fund.

There remain no maturities of certificates to provide for prior to 1920, as the certificates maturing December 15 are more than covered by the income and profits tax installment due on that date.

In the month of August just past ordinary and special disbursements exceeded ordinary receipts by less than $500,000,000. In September, because of the income and profits tax installment payment, ordinary receipts should exceed ordinary and special disbursements by approximately $500,000,000.

The success of recent issues of Treasury certificates, the fortunate cash position of the Treasury at the moment, and the reinvestment demand which will result from the payment of so large an amount of certificates on or before September 15 create a situation which should be availed of to make an important step forward in financing the debt growing out of the war. In my letter of July 25, above referred to, I indicated that the Treasury certificate program might be varied at opportune times by the substitution of issues of tax certificates. This obviously is an opportune time, and accordingly the Treasury is offering two series of so-called tax certificates, both dated September 15, 1919, Series T 9, maturing March 15, 1920 and bearing interest at the rate of 4¼ per cent, and Series T 10, maturing September 15, 1920, and bearing interest at the rate of 4½ per cent, payable semiannually. It is not possible to say definitely when semimonthly issues of loan certificates will be resumed nor upon what terms they will be issued; but such issues will certainly not be resumed before October 15, and the minimum amount offered should not exceed $250,000,000. In view of the important fact that now for the first time in over a year certificates (of Series T 9, maturing Mar. 15) are offered at a lower rate than 4½ per cent, I deem it proper to say that, if hereafter certificates maturing on or before March 15, 1920, should be issued bearing interest at a higher rate than 4¼ per cent, certificates of Series T 9 will be accepted at par with an adjustment of accrued interest in payment for certificates of such series which may be subscribed for and allotted.

I hope that each and every banking institution in the United States will not only subscribe liberally for one or both issues of the certificates now offered but also will use its best endeavors to procure the widest possible redistribution of such certificates among investors. The certificates, although acceptable in payment of income and profits taxes payable at maturity, are, as you know, payable in cash when they mature and should make a wide appeal to investors generally because of their valuable exemptions from taxation and attractive maturities. The success of these issues will be an important advance in the process of financing the war debt in such a way as to avoid the necessity for great refunding operations, by spreading maturities and meeting them, so far as may be, out of tax receipts. Incorporated banks and trust companies which are not qualified depositaries are urged to become such in order that they, like others, may participate in the temporary deposits growing out of these issues.

The patriotic, loyal, and enlightened support which the banking institutions of the country gave to the Treasury during the darkest days of the war and continued through the perhaps more difficult period after the cessation of hostilities, when war expenditures were at their peak, justifies the Treasury in addressing to them this confident appeal now that the turn of the tide has come.

Conversion of 4 Per Cent Coupon Liberty Bonds.

The following circular was issued by the Treasury Department under date of September 8, 1919:

To holders of 4 per cent gold bonds of 1927–1942 of the second Liberty loan, and 4 per cent gold bonds of 1932–1947 of the first Liberty loan converted:

Under the provisions of Treasury Department Circular No. 137, dated March 7, 1919, as amended and supplemented June 10, 1919, the privilege of converting 4 per cent bonds of 1927–1942 of the second Liberty loan and 4 per cent bonds of the 1932–1947 of the first Liberty loan converted into 4¼ per cent bonds was extended for the period beginning March 7, 1919, and ending on such date as may be fixed by the Secretary of the Treasury on six months' public notice. This extension of the conversion privilege is now in force. Pursuant to its terms, 4 per cent Liberty bonds presented for conversion are deemed, for the purpose of computing the amount of interest payable, to be converted on the semiannual interest payment date next succeeding the date of presentation for conversion, and interest is payable at the rate of 4 per cent per annum to such next succeeding semiannual interest payment date. Accordingly, when coupon bonds are presented for conversion, all coupons maturing on or before such next succeeding interest payment date must be detached and collected in ordinary course when due, and the coupon bonds issued upon conversion bear interest at the rate of

4¼ per cent per annum only from such semiannual interest payment date. In other respects, the respective coupon bonds issued upon conversion are identical with the coupon bonds issued upon conversion of 4 per cent bonds before the original conversion privilege expired, on November 9, 1918.

Notwithstanding the extension of the conversion privilege, approximately $750,000,000 face amount of 4 per cent Liberty bonds in coupon form remain outstanding unconverted. Of these coupon bonds, the second Liberty loan 4 per cent bonds have no coupons attached for interest accruing after November 15, 1919, and the first Liberty loan converted 4 per cent bonds have no coupons attached for interest accruing after December 15, 1919. On and after said dates, respectively, these bonds are exchangeable, according to their terms, for like bonds with all subsequent coupons attached, but if presented for conversion before said dates, the bonds issued upon conversion will bear interest at the rate of 4¼ per cent per annum from said dates, respectively, and, like other 4¼ per cent coupon Liberty bonds now outstanding issued upon conversion of 4 per cent bonds, will have no coupons attached for interest accruing after May 15, 1920, and June 15, 1920, respectively. On and after said dates, respectively, the 4¼ per cent bonds so issued will be exchangeable, according to their terms, for like bonds with all subsequent coupons attached. If, on the other hand, the 4 per cent coupon bonds now outstanding are not presented for conversion until November 15, 1919, and December 15, 1919, respectively, the bonds issued upon conversion will not begin to bear interest at 4¼ per cent per annum until May 15, 1920, and June 15, 1920, respectively, and will have no coupons attached. The 4¼ per cent bonds so issued will likewise be exchangeable on and after said dates for like bonds with all subsequent coupons attached, but holders of 4 per cent bonds so surrendered who receive only such 4¼ per cent bonds will have received no coupon covering the 4 per cent interest accruing on their bonds after November 15, 1919, and December 15, 1919, respectively.

Holders of 4 per cent coupon bonds of the second Liberty loan and of the first Liberty loan converted who fail to present their bonds for conversion before November 15, 1919, and December 15, 1919, respectively, could secure for themselves the coupons covering the 4 per cent interest accruing after said dates to which they might be entitled by exchanging their 4 per cent bonds for like bonds with all subsequent coupons attached, and then converting the bonds so received into 4¼ per cent bonds. This procedure, however, would put such holders of 4 per cent coupon bonds to the inconvenience, first, of exchanging their 4 per cent bonds for like bonds with all subsequent coupons attached, then of converting such 4 per cent bonds into 4¼ per cent bonds without coupons attached, and, finally, of exchanging such 4¼ per cent bonds for like bonds with all subsequent coupons attached, and would at the same time impose upon the United States the unnecessary expense of engraving and preparing 4 per cent bonds with all subsequent coupons attached.

In order to avoid expense to the United States and inconvenience to holders of 4 per cent coupon Liberty bonds, and in order to make the necessary provision for the payment of the 4 per cent interest accruing after November 15, 1919, and December 15, 1919, respectively, on the coupon bonds surrendered, the following rules and regulations are hereby prescribed governing the exchange and conversion of 4 per cent coupon bonds of the second Liberty loan and of the first Liberty loan converted:

1. Holders of 4 per cent coupon bonds of the second Liberty loan and of the first Liberty loan converted who desire to avail themselves of the conversion privilege should present them for conversion promptly, *before* November 15, 1919, and December 15, 1919, respectively, and in that event will be deemed to present their bonds for conversion only and will receive upon such conversion bonds bearing interest at 4¼ per cent per annum from November 15, 1919, and December 15, 1919, respectively, with coupons attached covering interest to May 15, 1920, and June 15, 1920, respectively. The 4¼ per cent bonds issued upon such conversion will be exchangeable by their terms on and after May 15, 1920, and June 15, 1920, respectively, for 4¼ per cent bonds with all subsequent coupons attached.

2. Holders of 4 per cent coupon bonds of the second Liberty loan and of the first Liberty loan converted who desire to avail themselves of the conversion privilege but neglect to present their bonds for conversion before November 15, 1919, and December 15, 1919, respectively, should temporarily retain their 4 per cent coupon bonds until the Treasury Department announces that the 4¼ per cent coupon bonds of the second Liberty loan and of the first Liberty loan converted with coupons attached covering interest to maturity are available for delivery (which, it is expected, will be about Mar. 15, 1920), and then present their 4 per cent bonds promptly for conversion and exchange into such 4¼ per cent bonds. All 4 per cent coupon Liberty bonds presented on or after November 15, 1919, and December 15, 1919, respectively, for exchange into bonds with all subsequent coupons attached will, unless otherwise expressly indicated in writing by the holder, be deemed to be presented for conversion into 4¼ per cent bonds, as well as for exchange, and will be held in suspense pending the date when the 4¼ per cent bonds with all subsequent coupons attached shall be available for delivery. With the 4¼ per cent coupon bonds issued upon such conversion and exchange of 4 per cent bonds, holders of the surrendered 4 per cent bonds will receive either a special coupon or an interest check, as the Secretary of the Treasury in his discretion may prescribe, payable on the appropriate interest payment date and covering the interest at 4 per cent per annum to which they may be entitled up to the interest payment date from which the new bonds begin to bear interest at 4¼ per cent per annum.

3. After November 15, 1919, and December 15, 1919, respectively, 4 per cent bonds of the second Liberty loan and of the first Liberty loan converted, with all subsequent coupons attached, will be issued in exchange for the 4 per cent bonds for which they are expressed to be exchangeable, if specifically requested, but it is not expected that they will be available for delivery before March 15, 1920. In view of the extension of the conversion privilege, of which it is assumed all holders of 4 per cent Liberty bonds will desire to avail themselves, the work of preparing the 4 per cent bonds with all subsequent coupons attached has been subordinated to the work of preparing the 4¼ per cent bonds with all subsequent coupons attached.

Important.—The 4 per cent registered bonds of the second Liberty loan and of the first Liberty loan converted are in permanent form and need not be exchanged for other bonds. Holders of 4 per cent coupon bonds now outstanding are, therefore, strongly urged to present their coupon bonds for exchange into registered bonds instead of for coupon bonds with all subsequent coupons attached, and in that event will promptly receive registered bonds upon exchange. Holders of such 4 per cent coupon bonds who present them for conversion as well as for exchange into registered bonds will promptly receive registered 4¼ per cent bonds, bearing interest at 4¼ per cent per annum from the interest payment date next succeeding the date of presentation for conversion, in accordance with the terms of the extended conversion privilege. Any 4 per cent interest accruing after November 15, 1919, and December 15, 1919, respectively, to which the holders of such bonds so surrendered for exchange into registered bonds may be entitled, will be paid to the holders by check.

The coupon bonds without coupons attached presented for exchange or conversion under the provisions of this circular must be exchangeable by their terms for like bonds with all subsequent coupons attached.

Rules and regulations governing the exchange of coupon Liberty bonds for like bonds with all subsequent coupons attached, with appropriate forms, will be prescribed in due course in a further Treasury Department circular which will shortly be announced.

The Secretary of the Treasury may withdraw or amend at any time or from time to time any or all of the provisions of this circular.

Commercial Failures Reported.

Continuing their remarkably favorable exhibit, commercial failures in the United States during three weeks of September, as reported to R. G. Dun & Co., number only 312, against 438 in the corresponding period of 1918, when the business mortality was relatively moderate. The statement for August, the latest month for which complete statistics are available, discloses 468 insolvencies for $5,932,393, the numerical showing being the best, excepting that of July, this year, of any month on record, and the indebtedness the smallest of all months in nearly two decades, aside from the $5,507,010 of July of this year. When the August returns are separated according to Federal Reserve districts, it is seen that only in the sixth district is there any increase in number of defaults over those of the same month last year, while the second and sixth districts alone show larger liabilities.

Failures during August.

Districts.	Number.		Liabilities.	
	1919	1918	1919	1918
First	52	86	$518,505	$623,602
Second	68	105	1,615,398	1,588,169
Third	27	34	436,387	560,510
Fourth	48	73	321,764	1,225,745
Fifth	20	31	141,410	398,200
Sixth	52	41	705,852	495,234
Seventh	63	135	1,079,013	1,342,282
Eighth	20	23	118,392	124,281
Ninth	6	38	50,210	374,466
Tenth	17	20	141,370	184,171
Eleventh	30	46	249,603	298,340
Twelfth	65	88	554,489	769,760
Total	468	720	5,932,393	7,984,760

Fiduciary Powers Granted to National Banks.

The applications of the following banks for permission to act under section 11-k of the Federal Reserve Act have been approved by the Federal Reserve Board during the month of September, 1919:

DISTRICT NO. 1.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
- Boylston National Bank, Boston, Mass.
- Marthas Vineyard National Bank, Tisbury, Mass.

DISTRICT NO. 2.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
- National Bank of Orange County, Goshen, N. Y.
- Boonton National Bank, Boonton, N. J.

Trustee, executor, administrator, guardian of estates, assignee, receiver, and committee of estates of lunatics:
- Gotham National Bank, New York, N. Y.
- Merchants National Bank of the City of New York.

DISTRICT NO. 3.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
- National Bank of Germantown, Philadelphia, Pa.

DISTRICT NO. 4.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
- First National Bank, Greensburg, Pa.
- Union National Bank, Pittsburgh, Pa.
- National Bank of West Virginia, Wheeling, W. Va.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, and receiver:
- National Exchange Bank, Steubenville, Ohio.

DISTRICT NO. 5.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
- Commercial National Bank, Charlotte, N. C.

DISTRICT NO. 7.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
- Manufacturers National Bank, Rockford, Ill.
- First National Bank, Elkhart, Ind.
- City National Bank, Logansport, Iowa.
- First National Bank, West Bend, Wis.

DISTRICT No. 10.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
Grand Valley National Bank, Grand Junction, Colo.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, and receiver:
Citizens National Bank, Fort Scott, Kans.

DISTRICT No. 12.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
First National Bank, Fairbanks, Alaska.

Acceptances to 100 Per Cent.

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

New Bedford Safe Deposit & Trust Co., New Bedford, Mass.
Union National Bank, Pittsburgh, Pa.
National Bank of Commerce, Kansas City, Mo.
Central National Bank, Cleveland, Ohio.
Henderson National Bank, Huntsville, Ala.
Citizens Trust Co., Savannah, Ga.
Canal-Commercial Trust & Savings Bank, New Orleans, La.

State Banks and Trust Companies Admitted.

The following list shows the State banks and trust companies which have been admitted to membership in the Federal Reserve System during the month of September.

One thousand one hundred and sixteen State institutions are now members of the system, having a total capital of $391,150,946, total surplus of $426,685,710, and total resources of $8,695,205,149.

	Capital.	Surplus.	Total resources
District No. 2.			
Elizabethport Banking Co., Elizabeth, N. J.	$213,787	$50,000	$4,410,095
District No. 3.			
Lewistown Trust Co., Lewistown, Pa.	125,000	25,000	731,186
District No. 4.			
The Security Bank, Portsmouth, Ohio	150,000	250,000	2,315,407
The Pearl Street Savings & Trust Co., Cleveland, Ohio	600,000	400,000	14,127,455
The Orrville Savings Bank, Orrville, Ohio	50,000	45,000	867,864
District No. 6.			
Citizens Trust Co., Savannah, Ga.	200,000	50,000	918,573
District No. 7.			
State Bank of Caledonia, Caledonia, Mich	25,000	14,000	470,043
District No. 8.			
Columbia County Bank, Magnolia, Ark.	50,000	11,500	569,271
Citizens Bank, Dyersburg, Tenn.	50,000	50,000	866,281
District No. 9.			
Central Savings Bank, Sault Ste Marie, Mich.	100,000	20,000	975,200
Farmers State Bank of Waconia, Waconia, Minn.	25,000	8,500	446,237
South Shore Bank, South Shore, S. Dak.	25,000	3,500	252,134
State Bank of La Crosse, La Crosse, Wis.	100,000	50,000	2,067,622
District No. 12.			
Ocean Park Bank, Santa Monica, Calif.	100,000	16,100	1,053,290
The Bank of St. Helena, St. Helena, Calif.	75,000	26,500	754,174
Italian American Bank, San Francisco, Calif.	1,000,000	142,500	11,135,353
Citizens State Bank, Stanwood, Wash.	25,000	2,500	27,644

CHANGES OF NAMES.

The Chicago Savings Bank & Trust Co., Chicago, Ill., to Chicago Trust Co.

The Metropolitan Bank, New Orleans, La., to Pan-American Bank & Trust Co.

The announcement in the September BULLETIN of the change of name of the City Savings Bank & Trust Co., Alliance, Ohio, to Citizens Savings Bank & Trust Co., was in error.

WITHDRAWALS FROM MEMBERSHIP.

The Citizens Bank & Trust Co., Athens, Ala.
The Lake Providence Bank, Lake Providence, La.
The City Bank & Trust Co., New Orleans, La., has merged with the Whitney Central Trust & Savings Bank of New Orleans, and has surrendered its stock in the Federal Reserve Bank.

Election of Directors.

The Federal Reserve Board has notified Federal Reserve agents that groups for the election of Class A and B directors this year be selected on the same basis as prescribed by the Board last year. The Board has designated Tuesday, November 18, 1919, as the date for opening the polls.

New National Bank Charters.

The Comptroller of the Currency reports the following increases and reductions in the number of national banks and the capital of national banks during the period from August 30, 1919, to September 26, 1919, inclusive:

	Banks.	
New charters issued to	19	
With capital of		$725,000
Increase of capital approved for [1]	29	
With new capital of		1,760,000
Aggregate number of new charters and banks increasing capital	48	
With aggregate of new capital authorized		2,485,000
Number of banks liquidating (other than those consolidating with other national banks under the act of June 3, 1864)	9	
Capital of same banks		340,000
Number of banks reducing capital	0	
Reduction of capital		0
Total number of banks going into liquidation or reducing capital (other than those consolidating with other national banks under the act of June 3, 1864)	9	
Aggregate capital reduction		340,000

[1] Includes two increases of capital aggregating $200,000 incident to consolidations under the act of November 7, 1918.

Consolidation of national banks under the act of Nov. 7, 1918	2
Capital	800,000
The foregoing statement shows the aggregate of increased capital for the period of the banks embraced in statement was	2,485,000
Against this there was a reduction of capital owing to liquidation (other than for consolidation with other national banks under the act of June 3, 1864) and reductions of capital of	340,000
Net increase	2,145,000

Foreign Branches.

A list of branches of national banks and international and foreign banks, doing business under agreement with the Federal Reserve Board, which have opened for business recently, is given below:

National City Bank, New York City:
- Colon, Cuba.
- Placetas del Norte, Cuba.

International Banking Corporation, New York City:
- Lyons, France.
- Sanchez, Dominican Republic.

Mercantile Bank of the Americas, New York City:
- New Orleans, La.
- Affiliated institution: Banco Mercantil Americano de Colombia—
  - Bucaramanga, Colombia.

Crop Statistics, by Federal Reserve Districts.

Forecasts of corn production as of September 1 are above those of a month earlier, while forecasts of wheat, oats, and hay production are lower on September 1 than on August 1. The decrease in the wheat forecast is due largely to a smaller expected yield of spring wheat in the Minneapolis district, while the largest increase in forecasted corn production is in the Chicago district.

It appears that corn production will be about 275,000,000 bushels in excess of last year's crop, while the wheat crop will be only 6,000,000 bushels greater than a year ago. According to present indications the production of oats will be over 300,000,000 bushels lower than last year, this year's crop being the smallest since 1914. The hay crop, on the other hand, is expected to be 13,000,000 tons in excess of the 1918 production.

Acreage and production of corn, wheat, oats, and hay in Federal Reserve districts and in the United States, 1919 and 1918.

[In thousands of units of measurement.]

	Total for United States.	Total for 10 districts.	District 1—Boston.	District 2—New York.	District 3—Philadelphia.	District 4—Cleveland.	District 5—Richmond.	District 6—Atlanta.	District 7—Chicago.	District 8—St. Louis.	District 9—Minneapolis.	District 12—San Francisco.
CORN.												
Acreage:												
1919	102,977	78,761	188	951	1,533	5,273	8,803	14,964	24,178	15,366	7,235	270
1918	107,494	91,230	202	967	1,545	5,442	8,745	15,191	35,346	16,726	6,811	255
Production (bushels):												
Forecast as of Aug. 1, 1919	2,788,378	2,213,833	9,430	39,923	65,542	192,440	205,393	246,533	843,122	369,857	233,060	8,533
Forecast as of Sept. 1, 1919	2,857,692	2,285,382	9,094	40,141	66,547	203,618	198,884	246,448	897,618	377,951	236,708	8,373
Estimated, 1918	2,582,814	2,266,195	9,273	35,604	59,805	184,232	205,689	253,494	895,138	372,977	241,402	8,581
WHEAT.												
Acreage:												
1919	71,526	45,888	32	593	1,523	2,954	3,678	1,268	5,166	7,357	17,477	5,840
1918	59,110	41,445	41	497	1,344	2,853	3,565	1,168	3,766	5,680	17,551	4,980
Production (bushels):												
Forecast as of Aug. 1, 1919	940,381	593,641	767	12,509	25,836	59,288	41,237	12,022	86,287	103,537	146,980	105,178
Forecast as of Sept. 1, 1919	923,350	580,639	764	12,509	25,836	59,253	41,237	12,022	86,287	103,537	134,473	104,721
Estimated, 1918	917,100	669,928	902	8,979	22,312	52,012	40,754	11,710	74,585	101,837	281,025	75,812
OATS.												
Acreage:												
1919	42,365	31,754	334	1,149	748	....	1,211	1,317	14,118	2,438	9,285	1,154
1918	44,400	35,661	332	1,339	764	2,432	1,238	1,497	14,923	2,597	9,333	1,206
Production (bushels):												
Forecast as of Aug. 1, 1919	1,266,401	985,541	11,882	29,905	22,002	69,600	25,747	26,456	453,249	70,474	235,753	40,473
Forecast as of Sept. 1, 1919	1,224,815	944,732	12,004	27,412	20,742	68,394	25,393	25,833	438,683	67,019	218,582	40,670
Estimated, 1918	1,538,359	1,342,577	13,280	54,811	29,773	101,356	28,111	30,860	640,005	77,486	329,045	37,850
HAY.												
Acreage:												
1919	69,719	54,494	3,700	4,658	2,226	....	3,288	3,723	12,618	5,626	12,285	6,370
1918	71,254	59,041	3,631	4,658	2,226	4,397	3,287	3,744	12,735	5,762	12,394	6,207
Production (tons):												
Forecast as of Aug. 1, 1919	110,876	87,353	4,849	6,956	3,157	6,009	4,391	4,651	18,841	7,443	18,704	12,352
Forecast as of Sept. 1, 1919	103,544	81,862	4,835	6,862	3,013	5,719	4,286	4,372	18,010	7,398	14,994	12,373
Estimated, 1918	90,443	75,208	4,393	5,847	3,116	6,122	4,203	3,805	16,344	6,500	14,304	10,574

RULINGS OF THE FEDERAL RESERVE BOARD.

Below are published rulings made by the Federal Reserve Board which are believed to be of interest to Federal Reserve Banks and member banks.

Computation of reserves.

The Federal Reserve Board has issued the following ruling, under authority granted to it in section 19 of the Federal Reserve Act, upon the two questions presented below:

1. In figuring reciprocal balances should the dollar balances due to foreign banks be offset by foreign currency balances due from same banks?

2. For the purpose of figuring reserve requirements, should foreign currency balances due from foreign banks be used as a deduction from "due to" bank balances the same as due from banks in this country?

Section 19 of the Federal Reserve Act requires each member bank to maintain a fixed reserve against demand and time deposits. For the purpose of computing reserves, demand deposits are divided into two general classes, viz, (*a*) Individual or ordinary deposits. (*b*) Bank deposits.

Balances due to other banks have been treated as deposit liabilities regardless of how these balances are created. In general, a balance due to another bank may be treated in one of two ways: (*a*) The funds may be placed with the depositary bank by another bank for exchange purposes; that is to say, with a view of using these funds as a checking account; or (*b*) the depositary bank may receive from another bank items for collection and remittance and the balance due to another bank may consist of funds which are not to be drawn against but which are to be remitted at a later date.

Prior to the passage of the Federal Reserve Act the office of the comptroller without any express provision of law made a distinction between ordinary deposits and bank deposits in that in the case of bank deposits in computing reserves the depositary bank was permitted to deduct balances due from other banks from balances due to other banks, and to treat as a deposit liability only the net balances due to other banks. This custom has prevailed for many years. It was likewise customary for the comptroller's office to permit national-bank notes of other banks to be deducted from the deposit liabilities of the national bank in computing its reserve. This custom no doubt grew out of the fact that national banks were originally required to carry reserve against circulation as well as against deposits.

In the case of individual deposits, however, the same rule was not applied—that is to say, if a corporation had on deposit the sum of $10,000 and the depositary bank held the demand note of the corporation for $6,000, the bank was never permitted to deduct the demand note from the deposit liability in computing its reserve. This practice of the comptroller's office in drawing a distinction between bank deposits and individual deposits was ratified by statute when the Federal Reserve Act was passed. The language of the statute is as follows:

> In estimating the balances required by this act the net difference of amounts due to and from other banks shall be taken as the basis for ascertaining the deposits against which required balances with Federal Reserve Banks shall be determined.

The question submitted, therefore, involves an interpretation of this language. In reaching a conclusion it is necessary to determine:

1. Did Congress intend to treat balances due to foreign banks as deposit liabilities?

2. If so, did it intend to permit balances due from foreign banks to be deducted as bank balances?

If balances due to foreign banks are not to be treated as deposit liabilities the question arises whether they are subject to reserve requirements. If they are not treated as deposit liabilities they would probably have to be classified as money borrowed, in which event they would be subject to limitations of section 5202.

Assuming that these balances are payable in dollars at the banking house of the depositary bank in the United States, it would seem clear that they conform to the requirements of deposit liabilities and should be treated as such. It is not entirely clear, however, that they come in the category of balances due to other banks. In other words, the question arises whether the language "other banks" as used in the statute refers to banks organized under the laws of the United States, or under the laws of a State of the United States, or whether it is intended to include foreign banking corporations.

From a purely technical standpoint it would seem that these deposits should be treated as ordinary deposits and not as bank deposits, since section 1 of the Federal Reserve Act provides that:

> Wherever the word "bank" is used in this act the word shall be held to include State bank, banking associations, and trust company except where national banks or Federal Reserve Banks are specifically referred to.

It is true that the term "banking association" may be said to be broad enough to include foreign as well as domestic banks. It is a significant fact, however, that wherever the act relates to transactions with persons, firms, or corporations in foreign countries it uses the word "foreign" to qualify such persons, firms or corporations. For example, in section 14, it refers to "foreign corporations," "foreign correspondents or agencies," "foreign firms," and "foreign individuals." In section 13 it draws a distinction between foreign and domestic transactions.

It may reasonably be argued, therefore, that had Congress intended the word "bank" to include foreign associations and foreign correspondents, it would have so provided in that part of section 1, which is above quoted. In this view the conclusion would seem to be justified that balances due to foreign banks, firms, or associations, are not to be treated as balances due to other banks within the meaning of that language as used in the act. If this be true, it is clear that Congress did not intend to permit balances due from foreign banks, firms, or associations to be deducted from balances due to other banks.

Viewing this question from a practical standpoint, there does not appear to be any real justification for permitting this deduction. The reserve carried against demand liabilities is primarily for the purpose of enabling the depositary bank to meet any unusual or abnormal withdrawals on the part of the depositors. Balances due from other banks in the United States are available for this purpose. They may be quickly and expeditiously transferred to the Federal Reserve Bank, and when so transferred become a part of the actual reserve of the depositary bank. In the case of balances due from foreign banks, however, this is not true. Such balances would have to be sold on the market like any other investment and the proceeds of the sale deposited with the Federal Reserve Bank in order to become a part of the member bank's reserve. The board has reached the conclusion, therefore, that a member bank should not be permitted to deduct a balance due from a foreign banking corporation from the balance due to such corporation in computing its reserve and a fortiori it should not be permitted to deduct balances due from foreign correspondents or banks from balances due to other banks.

Collection of checks drawn against a savings account.

The Federal Reserve Board is of the opinion that a check upon a savings account in a member bank is a check or draft within the meaning of that part of section 13 of the Federal Reserve Act which prohibits any bank from making a charge against a Federal Reserve Bank upon checks or drafts presented for collection or payment and remission therefor by exchange or otherwise.

The Federal Reserve Board has ruled that maturing notes and bills, or bill of lading drafts drawn against a person, firm, or corporation, other than a bank, do not come within the provisions of that part of section 13 referred to above. A bank may, therefore, properly charge the Federal Reserve Bank for collecting such an item. A check or draft, however, which is drawn by a depositor in a bank upon his account in that bank is a check or draft within the meaning of section 13, regardless of whether or not the funds out of which it is intended that the check shall be paid constitute a savings deposit or an ordinary demand deposit.

Legally, therefore, the drawee bank has no authority under the provisions of section 13 of the Federal Reserve Act to deduct exchange in making payment upon a check drawn against one of its savings accounts sent to it for collection by a Federal Reserve Bank.

Conditional sales as the basis of trade acceptances.

An acceptance which provides that the drawer is to retain title to the goods until payment of the acceptance is not consistent with the requirement of a legitimate trade acceptance that the title shall have passed to the drawee at the time of acceptance. The actual sale of goods and not what is generally termed a conditional sale of goods must be the basis of the acceptance.

LAW DEPARTMENT.

Status of Federal Banking Legislation.

INVESTMENTS BY NATIONAL BANKS IN THE STOCK OF CORPORATIONS ENGAGED IN CERTAIN PHASES OF FOREIGN FINANCIAL OPERATIONS.

On September 17, 1919, the President signed Senate bill 2395, which passed the Senate on July 14, and the House on September 3. The bill is now a law in the form printed below, and amends section 25 of the Federal Reserve Act so as to enable any national bank to invest not exceeding 5 per cent of its capital and surplus in the stock of one or more corporations chartered under Federal or State law principally engaged in such phases of international or foreign financial operations as may be necessary to facilitate exports from the United States.

(Public—No. 48—66th Congress.)

AN ACT Amending section 25 of the Act approved December 23, 1913 known as the Federal Reserve Act, as amended by the Act approved September 7, 1916.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 25 of the Act approved December 23, 1913, known as the Federal Reserve Act, as amended by the Act approved September 7, 1916, be further amended by the addition of the following paragraph at the end of subparagraph 2 of the first paragraph, after the word "possessions":

"Until January 1, 1921, any national banking association, without regard to the amount of its capital and surplus, may file application with the Federal Reserve Board for permission, upon such conditions and under such regulations as may be prescribed by said board, to invest an amount not exceeding in the aggregate 5 per centum of its paid-in capital and surplus in the stock of one or more corporations chartered or incorporated under the laws of the United States or of any State thereof and, regardless of its location, principally engaged in such phases of international or foreign financial operations as may be necessary to facilitate the export of goods, wares, or merchandise from the United States or any of its dependencies or insular possessions to any foreign country: *Provided, however,* That in no event shall the total investments authorized by this section by any one national bank exceed 10 per centum of its capital and surplus."

SEC. 2. That paragraph 2 of said section be amended by adding after the word "banking," in line three, the words "or financial," so that the sentence will read: "Such application shall specify the name and capital of the banking association filing it, the powers applied for, and the place or places where the banking or financial operations proposed are to be carried on."

SEC. 3. That paragraph 3 of said section be amended by striking out the words "subparagraph 2 of the first paragraph of this section" and inserting in lieu thereof the word "above," so that the paragraph will read:

"Every national banking association operating foreign branches shall be required to furnish information concerning the condition of such branches to the Comptroller of the Currency upon demand, and every member bank investing in the capital stock of banks or corporations described above shall be required to furnish information concerning the condition of such banks or corporations to the Federal Reserve Board upon demand, and the Federal Reserve Board may order special examinations of the said branches, banks, or corporations at such time or times as it may deem best."

FEDERAL INCORPORATION OF INSTITUTIONS TO ENGAGE IN FOREIGN BANKING OR OTHER FINANCIAL OPERATIONS.

Senate bill 2472, known as the "Edge bill," to provide for the Federal incorporation of institutions to engage in international or foreign banking or other financial operations, was passed by the Senate on September 9, 1919, and referred to the House Committee on Banking and Currency, where it is now under consideration. The bill as originally reported by the Senate Committee on Banking and Currency is printed on pages 728 and 729 of the August, 1919, BULLETIN.

LIMITATIONS ON LOANING POWER OF NATIONAL BANKS.

House bill 7478, amending sections 5200 and 5202 of the Revised Statutes, was passed by the House on July 31, 1919, and in slightly amended form was passed by the Senate on October 2, 1919. The amendments of the Senate were agreed to by the House on October 7, 1919, and goes to the President for approval in the form printed below.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5200 of the Revised Statutes of the United States as amended by the Acts of June 22, 1906, and September 24, 1918, be further amended to read as follows:

"Sec. 5200. The total liabilities to any association of any person or of any company, corporation, or firm for money borrowed, including in the liabilities of a company or firm the liabilities of the several members thereof, shall at no time exceed 10 per centum of the amount of the capital stock of such association, actually paid in and unimpaired, and 10 per centum of its unimpaired surplus fund: *Provided, however,* That (1) the discount of bills of exchange drawn in good faith against actually existing values, including drafts and bills of exchange secured by shipping documents conveying or securing title to goods shipped, and including demand obligations when secured by documents covering commodities in actual process of shipment, and also including bankers' acceptances of the kinds described in section 13 of the Federal Reserve Act, (2) the discount of commercial or business paper actually owned by the person, company, corporation, or firm negotiating the same, (3) the discount of notes secured by shipping documents, warehouse receipts, or other such documents conveying or securing title covering readily marketable nonperishable staples, including live stock, when the actual market value of the property securing the obligation is not at any time less than 115 per centum of the face amount of the notes secured by such documents and when such property is fully covered by insurance, and (4) the discount of any note or notes secured by not less than a like face amount of bonds or notes of the United States issued since April 24, 1917, or certificates of indebtedness of the United States, shall not be considered as money borrowed within the meaning of this section. The total liabilities to any association, of any person or of any corporation, or firm, or company, or the several members thereof upon any note or notes purchased or discounted by such association and secured by bonds, notes, or certificates of indebtedness as described in (4) hereof shall not exceed (except to the extent permitted by rules and regulations prescribed by the Comptroller of the Currency, with the approval of the Secretary of the Treasury) 10 per centum of such capital stock and surplus fund of such association and the total liabilities to any association of any person or of any corporation, or firm, or company, or the several members thereof for money borrowed, including the liabilities upon notes secured in the manner described under (3) hereof, except transactions (1), (2), and (4), shall not at any time exceed 25 per centum of the amount of the association's paid-in and unimpaired capital stock and surplus. The exception made under (3) hereof shall not apply to the notes of any one person, corporation or firm or company, or the several members thereof for more than six months in any consecutive twelve months."

Sec. 2. That section 5202 of the Revised Statutes of the United States as amended by section 20, Title I, of the Act approved April 5, 1918, be further amended so as to read as follows:

"Sec. 5202. No national banking association shall at any time be indebted, or in any way liable, to an amount exceeding the amount of its capital stock at such time actually paid in and remaining undiminished by losses or otherwise, except on account of demands of the nature following:

"First. Notes of circulation.

"Second. Moneys deposited with or collected by the association.

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

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

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

"Sixth. Liabilities incurred under the provisions of the War Finance Corporation Act.

"Seventh. Liabilities created by the indorsement of accepted bills of exchange payable abroad actually owned by the indorsing bank and discounted at home or abroad."

DOMESTIC BRANCHES OF MEMBER BANKS.

On August 2, 1919, the Senate passed a bill authorizing any member bank located in a city of more than 100,000 inhabitants and possessing a capital and surplus of $1,000,000 or more, to establish not more than 10 branches within the corporate limits of the city in which it is located, provided that no such branch shall be established in any State in which neither State banks nor trust companies may lawfully establish branches. This bill has not as yet been acted upon by the House Committee on Banking and Currency.

AMENDMENT OF WAR FINANCE CORPORATION ACT.

On September 26, 1919, the Senate Committee on Banking and Currency favorably reported Senate Joint Resolution 88, introduced by Senator Owen on August 12, amending the War Finance Corporation Act so as to authorize the War Finance Corporation to extend financial aid to American exporters if it is necessary in the opinion of the Board of Directors of the War Finance Corporation for the maintenance or promotion of the foreign trade of the United States. Under the law in its present form it is impossible for the War Finance Corporation to make such advances unless the exporter is, in the opinion of the board of directors of that corporation, unable to obtain funds upon reasonable terms through banking channels. The resolution as reported by the Senate committee reads as follows:

[66th Congress, 1st Session. S. J. Res. 88.]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 21a of an act entitled "An act to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to supervise the issuance of securities, and for other purposes," be amended to read as follows:

"Sec. 21a. (a) That the corporation shall be empowered and authorized, in order to promote commerce with foreign nations through the extension of credits, to make advances and extend financial aid upon such terms, not inconsistent with the provisions of this section, as it may prescribe for periods not exceeding ten years from the respective dates of payment by the corporation—

"(1) To any person, firm, corporation, or association engaged in the business in the United States of exporting therefrom domestic products to foreign countries, if the same is necessary, in the opinion of the board of directors, of the exportation, for the maintenance or promotion of the foreign trade of the United States. Any such advance shall be made only for the purpose of assisting in the exportation of such products, and shall be limited in amount to not more than the contract price therefor, including insurance and carrying or transportation charges to the foreign point of destination; and

"(2) To any bank, banker, or trust company in the United States which, after this section takes effect, makes an advance to any such person, firm, corporation, or association for the purpose of assisting in the exportation of such products. Any such advance shall not exceed the amount remaining unpaid of the advances made by such bank, banker, or trust company to such person, firm, corporation, or association for such purpose.

"(b) The aggregate of the advances made by the corporation under this section remaining unpaid shall never at any time exceed the sum of $1,000,000,000.

"(c) Notwithstanding the limitation of section 1, the advances provided for by this section may be made until the expiration of one year after the termination of the war between the United States and the German Government, as fixed by a proclamation by the President. Any such advance made or financial aid extended by the corporation shall be made with full and adequate security in each instance, by indorsement, guarantee, security, or otherwise. The corporation shall retain power to require additional security at any time. The corporation in its discretion may, upon like security, extend the time of payment of any such advance or other payment through renewals, the substitution of new obligations, or otherwise, but the time for the payment of any such advance shall not be extended beyond ten years from the date on which it was originally made."

STATUS OF FEDERAL ANTIPROFITEERING LEGISLATION.

The so-called Lever Food Control Act, approved August 10, 1917, which applies only to foods, feeds, and fuel, and tools, implements, or machinery required for their production, is the only Federal legislation specifically relating to the control of profiteering. By the terms of section 1 of that act, the articles mentioned above are defined as "necessaries" for the purposes of the act. Section 4 makes it unlawful for any person to destroy any "necessaries" for the purpose of enhancing their price or restricting their supply; to commit waste or permit deterioration; to horde; monopolize; to engage in discriminatory, unfair, deceptive, or wasteful practices; to make any unjust or unreasonable charge in handling or dealing in "necessaries," and to conspire or to combine (a) to limit the facilities for transportation, producing, harvesting, manufacturing, supplying, storing, or dealing in any "necessaries;" (b) to restrict the supply of any "necessaries;" (c) to restrict distribution of any "necessaries;" (d) to prevent, limit, or lessen their manufacture or production in order to enhance the price of any "necessaries;" or (e) to exact excessive prices for any "necessaries."

Under the terms of the Lever Food Control Act there is no penalty for the violation of any of these prohibitions, except hoarding, willful destruction, and conspiracy or combination for the purposes described in (a), (b), (c), or (d) above, but not (e).

There is now pending before Congress a bill (House bill 8624), which has passed both the House and the Senate in slightly different forms, and which was resubmitted by a conference committee to both the House and Senate on October 2, 1919. The bill as reported by the conference committee was passed by the Senate on October 3. This bill provides a penalty for violation of any of the provisions of section 4 of the Lever Food Control Act, heretofore described, and extends the definition of the term "necessaries" so as to make the act apply not only to foods, feeds, and fuel, and tools, implements, or machinery required for their production, but also to wearing apparel and to containers primarily designed to contain foods, feeds, or fertilizers.

AMENDMENT TO ALABAMA BANKING LAWS.

An act enacted by the Legislature of Alabama and approved by the governor on September 17, 1919, embodies the substance of the act recommended by the Federal Reserve Board and the American Bankers' Association to bring about greater coordination in the powers of State and national banks and to promote uniformity in State and Federal banking laws. The Alabama act reads as follows:

SECTION 1. That any bank or trust company incorporated under the laws of this State shall have the power to subscribe to the capital stock and become a member of a Federal Reserve Bank created and organized under an act of Congress of the United States approved on the 23d day of December, 1913, known as the Federal Reserve Act.

SEC. 2. Any bank or trust company incorporated under the laws of this State which shall become a member of a Federal Reserve Bank shall be subject to all the provisions of the Federal Reserve Act and the amendments thereto, and to the regulations of the Federal Reserve Bank and of the Federal Reserve Board applicable to such bank or trust company.

SEC. 3. Any bank or trust company incorporated under the laws of this State which is or may become a member of a Federal Reserve Bank shall keep and maintain as a lawful reserve the same reserves as are required by the Federal Reserve Act and the amendments thereto of other banks members of the Federal Reserve System, and a compliance by such bank or trust company of this State with the reserve requirements of the Federal Reserve Act shall be held to be a full compliance with the provisions of the laws of this State on the subject of bank reserves, and such bank or trust company shall not be required to carry reserves other than such as are required under the terms of the Federal Reserve Act and its amendments.

SEC. 4. Any bank or trust company chartered under the laws of this State and doing business therein which is or which may become a member of the Federal Reserve system shall be subject to the examinations required under the terms of the Federal Reserve Act and its amendments by the proper officers appointed thereunder or pursuant thereto, and the authorities of this State having supervision over such banks and trust companies may in their discretion accept such examinations in lieu of the examinations required under the laws of this State.

SEC 5. The authorities of this State having supervision over such banks or trust companies may in their discretion furnish to the Federal Reserve Board or to the Federal Reserve Bank of which any bank or trust company organized under the laws of this State may become a member, or to the examiners duly appointed by the Federal Reserve Board or such Federal Reserve Bank, copies of any or all examinations and audits made of the banks and trust companies which are members of the Federal Reserve System, and may disclose to such Federal Reserve Board or to such Federal Reserve Bank or such examiners, in their discretion, any information with reference to the condition or affairs of such banks or trust companies as are or may become members of the Federal Reserve System.

SEC. 6. All laws or parts of laws in conflict herewith be and they are hereby repealed.

Sale of warehouse certificates representing whisky.

Below is printed a copy of an opinion filed by the Attorney General with the Secretary of the Treasury under date of August 21, 1919, to the effect that the sale of warehouse certificates on whisky held in bond, and subject to the payment of tax before it can be removed, is not a sale of whisky for beverage purposes within the meaning of the war prohibition act, and is not prohibited by that act. This opinion was cited by the Department of Justice in response to an inquiry from a member bank with reference to its right to handle drafts secured by warehouse receipts covering whisky.

DEPARTMENT OF JUSTICE,
August 21, 1919.

SIR: I have the honor to acknowledge receipt of your letter of August 13, requesting an opinion as to whether the sale of warehouse certificates, representing whisky, constitutes a violation of the war prohibition act.

Ordinary warehouse receipts are subject to sale, and when sold and delivered pass the title to the property represented by them as fully and completely as if the property itself was delivered. If the tax on whisky has been paid and it has been removed from the warehouse of which the Government has control and stored in an ordinary warehouse, the sale of the warehouse receipts would be a sale of the whisky, and where such sale is made for beverage purposes, that is not specifically for some beverage purpose, it would be a clear violation of the war prohibition act.

I assume, however, that this is not the character of certificate referred to in your letter. I presume you refer to certificates representing whisky held in bond subject to the control of the Government, and which can not be removed from the warehouse until the tax is paid. Under those conditions the purchaser of the certificate acquires all the rights of the seller, but these rights are simply to remove the whisky from the warehouse upon the payment of the tax and compliance with all the regulations of the bureau of Internal Revenue. In other words, he acquires the whisky subject to the rights of the Government.

The war prohibition act prohibits, after June 30, 1919, not only the manufacture and sale of whisky, but also its removal from bond for beverage purposes, except for export. Since this law became effective, therefore, the purchaser of such a certificate becomes the owner of the whisky not only subject to the rights of the Government, but without the right to remove it for beverage purposes, except for export, as long as the war prohibition act remains in force. The sale of the certificate, therefore, expressly negatives the idea that it is a sale for beverage purposes, or at least for the purpose of using or selling the whisky as a beverage as long as its removal for beverage purposes is unlawful.

I am of the opinion that the sale of warehouse certificates on whisky held in bond, and subject to the payment of tax before it can be removed, is not a sale of whisky for beverage purposes within the meaning of the war prohibition act, and is not prohibited.

Respectfully,

A. MITCHELL PALMER.

To the SECRETARY OF THE TREASURY.

WHOLESALE PRICES.

In continuation of figures shown in the September BULLETIN there are presented below monthly index numbers of wholesale prices for the period January, 1919, to August, 1919, compared with like figures for August of previous years; also for July, 1914, the month immediately preceding the outbreak of the Great War. The general index number is that of the United States Bureau of Labor Statistics. In addition there are presented separate numbers for certain particular classes of commodities in accordance with plans announced in previous issues of the BULLETIN.

Quotations for four commodities, namely, alcohol (denatured, 180 proof, New York), paper (newsprint, rolls contract), ginghams (Lancaster, staple, 26½-inch), and bedroom chairs have been omitted. On the other hand, quotations for hosiery (men's seamless cashmere) and onions (fresh, Chicago), which had been dropped temporarily, have been secured for the month of August, and the commodities were again included in the calculation of the index number for the latter month. Index numbers for August are provisional, due to the fact that certain data were not received in time to render them available for use in the calculations.

Wholesale prices during the month of August reached a new high level. The general index number of the Bureau of Labor Statistics for that month stands at the record figure of 222, an increase of 3 points over the figure for the month of July. Increase is noted in the index numbers for each of the three principal groups of commodities, although relatively smallest for the group of raw materials. The index number for that group increased 1.5 per cent, from 214 to 217, a new record figure. Diversity is exhibited in the changes in the index numbers for the several subgroups included under the head of raw materials. The index number for the farm products subgroup alone shows a decrease, from 261 to 251, or 3.8 per cent, due to decreases in the prices of cotton, wheat, oats, and timothy, which were not offset by increases in the prices of corn, barley, and alfalfa. The forest products subgroup shows the greatest increase, namely, 15.8 per cent, from 166 to 193, a new record, and all of the 11 commodities included in the group, with the exception of maple and spruce, increased in price. Relatively small increases occurred in the index numbers for the animal products and mineral products subgroups, from 233 to the record figure of 236 and from 177 to 178, respectively, the corresponding percentages of increase being 1.4 and 0.8. Among the commodities included in the former subgroup, decreases in the prices of hogs, poultry, and silk were more than offset by increases in the prices of cattle, lambs, and various classes of hides and wool, while among the commodities included in the subgroup of mineral products a decrease in the price of tin was more than offset by increases in the prices of various sizes of anthracite coal, coke, copper, and foundry iron.

The index number for the group of producers' goods increased 4.7 per cent, from 205 to 215, a new record. Decreases in price occurred only for a small number of commodities, among which may be noted lubricating oil, rope, tallow, and oleo oil, while increases occurred for an extended list, in particular various classes of leather, cotton and worsted yarns, cottonseed meal, bran, jute, linseed oil, rosin and turpentine, wood pulp, silver and copper wire, bar iron, and cast-iron pipe.

The index number for the group of consumers' goods increased 4.8 per cent, from 230 to the record figure of 241. Decreases in the prices of flour, coffee, corn meal, onions, lard, mess beef and mess pork, cottonseed oil, and print cloths were more than offset by increases in the prices of various foodstuffs, in particular various meats, such as beef, veal, and poultry, salmon, butter, milk, and eggs, potatoes, rice, beans, oranges, raisins, peanuts, vinegar, olive oil, and canned peas, various classes of shoes, various cotton textiles, such as denims, drillings, shirtings and sheetings, and underwear, women's dress goods, tableware, soap, illuminating oil, and wrapping paper.

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Index numbers of wholesale prices in the United States for principal classes of commodities.

[Average price for 1913=100.]

Year and month.	Raw materials.					Producers' goods.	Consumers' goods.	All commodities (Bureau of Labor Statistics index number).
	Farm products.	Animal products.	Forest products.	Mineral products.	Total raw materials.			
July, 1914	102	106	97	88	98	92	103	99
August, 1914	109	109	97	87	101	99	106	102
August, 1915	111	104	92	91	100	98	100	100
August, 1916	130	123	95	112	117	140	124	123
August, 1917	232	181	128	175	183	211	175	184
August, 1918	246	215	143	180	200	199	205	203
1919.								
January	234	208	147	179	196	196	216	203
February	224	210	148	175	194	192	205	197
March	237	217	149	173	199	190	210	201
April	246	224	145	170	202	186	214	203
May	255	225	146	170	205	189	219	207
June	250	217	156	173	203	196	217	207
July	261	233	166	177	214	205	230	219
August	251	236	193	178	218	215	241	222

In order to give a more concrete illustration of actual price movements there are also presented in the following table monthly actual and relative figures for certain commodities of a basic character, covering the period January, 1919, to August, 1919, compared with like figures for August of previous years; also for July, 1914, the month immediately preceding the outbreak of the great war. The actual average monthly prices shown in the table have been abstracted from the records of the United States Bureau of Labor Statistics.

Average monthly wholesale prices of commodities.

[Average price for 1913=100.]

Year and month.	Corn, No. 3, Chicago.		Cotton, middling, New Orleans.		Wheat, No. 1, northern spring, Minneapolis.		Wheat, No. 2, red winter, Chicago.		Cattle, steers, good to choice, Chicago.		Hides, packers', heavy native steers, Chicago.	
	Average price per bushel.	Relative price.	Average price per pound.	Relative price.	Average price per bushel.	Relative price.	Average price per bushel.	Relative price.	Average price per 100 pounds.	Relative price.	Average price per pound.	Relative price.
July, 1914	$0.7044	114	$0.1331	105	$0.8971	103	$0.8210	83	$9.2188	108	$0.1938	105
August, 1914	.8035	131	....	....	1.0682	122	.9563	97	9.5200	112	.2050	111
August, 1915	.7828	127	.0895	70	1.3730	157	1.0963	111	9.2300	108	.2738	149
August, 1916	.8505	138	.1417	112	1.4854	170	1.4706	149	9.8500	116	.2625	143
August, 1917	1.9181	312	.2513	198	2.7875	319	2.2563	229	13.1750	155	.3200	174
August, 1918	1.6225	264	.3038	239	2.2231	255	2.2325	226	17.8250	210	.3000	163
January, 1919	1.3750	223	.2850	224	2.2225	254	2.3788	241	18.4125	216	.2800	152
February, 1919	1.2763	207	.2694	212	2.2350	256	2.3450	238	18.4688	217	.2800	152
March, 1919	1.4588	237	.2681	211	2.3275	266	2.3575	239	18.5750	218	.2763	150
April, 1919	1.5955	259	.2670	210	2.5890	296	2.6300	267	18.3250	215	.2950	160
May, 1919	1.7613	286	.2947	232	2.5925	297	2.7800	282	17.7438	209	.3513	191
June, 1919	1.7563	285	.3185	251	2.4575	281	2.3613	239	15.4600	182	.4075	222
July, 1919	1.9075	310	.3377	266	2.6800	307	2.2580	229	16.8688	198	.4860	264
August, 1919	1.9213	312	.3125	246	2.5250	289	2.2394	227	17.6375	207	.5200	283

Year and month.	Hogs, light, Chicago.		Wool, Ohio, ¼–⅜ grades, scoured.		Hemlock, New York.		Yellow pine, flooring, New York.		Coal, anthracite, stove, New York, tidewater.		Coal, bituminous, run of mine, Cincinnati.	
	Average price per 100 pounds.	Relative price.	Average price per pound.	Relative price.	Average price per M feet.	Relative price.	Average price per M feet.	Relative price.	Average price per long ton.	Relative price.	Average price per short ton.	Relative price.
July, 1914	$8.7563	104	$0.4444	94	$24.5000	101	$42.0000	94	$4.9726	98	$2.2000	100
August, 1914	9.1500	108	.4583	97	24.2500	100	42.0000	94	5.0805	100	2.2000	100
August, 1915	7.2650	86	.5714	121	20.5000	85	38.5000	86	5.0796	100	2.2000	100
August, 1916	10.4063	123	.6857	146	23.7500	98	38.0000	85	5.5570	110	2.2000	100
August, 1917	17.3688	205	1.3429	285	29.5000	122	57.0000	128	5.9797	118	4.4000	200
August, 1918	19.7750	234	1.4365	305	....	....	63.0000	141	6.5992	130	4.1000	186
January, 1919	17.4125	206	1.1200	255	36.0000	149	63.0000	141	7.9500	157	4.1000	186
February, 1919	17.4688	207	1.0909	232	36.0000	149	64.0000	144	7.9500	157	4.0000	182
March, 1919	18.8550	223	1.2000	255	36.0000	149	64.0000	144	7.9044	156	4.0000	182
April, 1919	20.3813	241	1.0909	232	36.0000	149	64.0000	144	7.9045	156	4.0000	182
May, 1919	20.7000	245	1.0727	228	36.0000	149	65.0000	146	7.9857	158	4.0000	182
June, 1919	20.7800	246	1.1818	251	36.0000	149	68.0000	152	8.1174	160	4.0000	182
July, 1919	22.3875	265	1.2364	263	41.0000	169	73.0000	164	8.1881	162	4.0000	182
August, 1919	21.6125	256	1.2364	263	....	....	78.0000	175	8.3145	164	4.0000	182

Average monthly wholesale prices of commodities—Continued.

[Average price for 1913=100.]

Year and month.	Coal, Pocahontas, Norfolk. Average price per long ton.	Coal, Pocahontas, Norfolk. Relative price.	Coke, Connellsville. Average price per short ton.	Coke, Connellsville. Relative price.	Copper, ingot, electrolitic, New York. Average price per pound.	Copper, ingot, electrolitic, New York. Relative price.	Lead, pig, desilverized, New York. Average price per pound.	Lead, pig, desilverized, New York. Relative price.	Petroleum, crude, Pennsylvania, at wells. Average price per barrel.	Petroleum, crude, Pennsylvania, at wells. Relative price.	Pig iron, basic. Average price per long ton.	Pig iron, basic. Relative price.
July, 1914	$3.0000	100	$1.8750	77	$0.1340	85	$0.0390	89	$1.7500	71	$13.0000	88
August, 1914	3.0000	100	1.8000	74	.1250	79	.0390	89	1.6500	67	13.0000	88
August, 1915	2.8500	95	1.6750	69	.1825	116	.0500	114	1.3500	55	14.0000	96
August, 1916	3.2500	108	2.6250	108	.2600	165	.0610	139	2.5000	102	18.0000	122
August, 1917	3.9080	130	10.0000	410	.2900	184	1.0880	247	3.1000	127	51.2000	348
August, 1918	4.6320	154	6.0000	246	.2600	165	.0805	183	4.0000	163	32.0000	218
January, 1919	4.6320	154	5.7813	237	.2038	130	.0558	127	4.0000	163	30.0000	204
February, 1919	4.6320	154	5.2188	214	.1731	110	.0508	115	4.0000	163	30.0000	204
March, 1919	4.9000	163	4.4688	183	.1509	96	.0524	119	4.0000	163	28.9375	197
April, 1919	4.9000	163	3.9000	160	.1530	97	.0507	115	4.0000	163	25.7500	175
May, 1919	4.9000	163	3.8437	158	.1600	102	.0508	115	4.0000	163	25.7500	175
June, 1919	5.1400	171	4.0000	164	.1756	112	.0530	120	4.0000	163	25.7500	175
July, 1919	5.1400	171	4.0950	168	.2150	137	.0561	128	4.0000	163	25.7500	175
August, 1919	5.1400	171	4.2188	173	.2281	145	.0579	132	4.0000	163	25.7500	175

Year and month.	Cotton yarns, northern cones, 10/1. Average price per pound.	Cotton yarns, northern cones, 10/1. Relative price.	Leather, sole, hemlock No. 1. Average price per pound.	Leather, sole, hemlock No. 1. Relative price.	Steel, billets, Bessemer, Pittsburgh. Average price per pound.	Steel, billets, Bessemer, Pittsburgh. Relative price.	Steel, plates, tank, Pittsburgh. Average price per pound.	Steel, plates, tank, Pittsburgh. Relative price.	Steel, rails, open hearth, Pittsburgh. Average price per pound.	Steel, rails, open hearth, Pittsburgh. Relative price.	Worsted yarns, 2-32's crossbred. Average price per pound.	Worsted yarns, 2-32's crossbred. Relative price.
July, 1914	$0.2150	97	$0.3050	103	$19.0000	74	$0.0113	76	$30.0000	100	$0.6500	84
August, 1914	.2000	90	.2950	105	20.2500	79	.0113	76	30.0000	100	.6500	84
August, 1915	.1675	76	.3100	110	23.1300	90	.0125	84	30.0000	100	.8500	119
August, 1916	.2575	116	.3700	131	44.2000	171	.0345	233	35.0000	117	1.1000	142
August, 1917	.4400	199	.5000	177	86.0000	333	.0900	608	40.0000	133	1.6500	212
August, 1918	.6400	289	.4900	174	47.5000	184	.0325	220	57.0000	190	2.1500	277
January, 1919	.5000	226	.4900	174	43.5000	169	.0300	203	57.0000	190	1.7500	225
February, 1919	.4164	188	.4900	174	43.5000	169	.0300	203	57.0000	190	1.7000	219
March, 1919	.4132	187	.4900	174	42.2500	164	.0291	197	54.5000	182	1.5000	193
April, 1919	.4300	194	.4900	174	38.5000	149	.0265	179	47.0000	157	1.5000	193
May, 1919	.4826	218	.4900	174	38.5000	149	.0265	179	47.0000	157	1.5000	193
June, 1919	.5608	253	.5100	181	38.5000	149	.0265	179	47.0000	157	1.6000	206
July, 1919	.5912	267	.5300	188	38.5000	149	.0265	179	47.0000	157	1.6000	206
August, 1919	.6130	277	.5700	202	38.5000	149	.0265	179	47.0000	157	1.6242	209

Year and month.	Beef, carcass, good native steers, Chicago. Average price per pound.	Beef, carcass, good native steers, Chicago. Relative price.	Coffee, Rio No. 7. Average price per pound.	Coffee, Rio No. 7. Relative price.	Flour, wheat, standard patents, 1914-1917, 1919; standard war, 1918, Minneapolis. Average price per barrel.	Flour, wheat. Relative price.	Hams, smoked, Chicago. Average price per pound.	Hams, smoked, Chicago. Relative price.	Illuminating oil, 150° fire test, New York. Average price per gallon.	Illuminating oil. Relative price.	Sugar, granulated, New York. Average price per pound.	Sugar, granulated, New York. Relative price.
July, 1914	$0.1350	104	$0.0882	79	$4.5938	100	$0.1769	106	$0.1200	97	$0.0420	98
August, 1914	.1419	110	.0750	67	5.5125	120	.1903	115	.1200	97	.0649	152
August, 1915	.1325	102	.0738	66	6.3100	138	.1495	90	.1200	97	.0549	129
August, 1916	.1375	106	.0950	85	7.6050	166	.1900	114	.1200	97	.0700	164
August, 1917	.1713	132	.0913	82	13.0688	285	.2413	145	.1200	97	.0818	192
August, 1918	.2420	187	.0853	77	10.2100	223	.3225	194	.1750	142	.0735	172
January, 1919	.2450	189	.1547	139	10.2750	224	.3494	210	.1750	142	.0882	207
February, 1919	.2450	189	.1544	139	10.5500	230	.3338	201	.1750	142	.0882	207
March, 1919	.2450	189	.1692	144	11.2125	245	.3381	203	.1810	147	.0882	207
April, 1919	.2450	189	.1695	152	12.2150	266	.3595	216	.1850	150	.0882	207
May, 1919	.2430	188	.1931	173	12.4188	271	.3769	227	.1850	150	.0882	207
June, 1919	.2025	156	.2114	190	12.0125	262	.3806	229	.2000	162	.0882	207
July, 1919	.2075	160	.2303	207	12.1550	265	.3835	230	.2050	166	.0882	207
August, 1919	.2350	181	.2150	193	12.0063	262	.3838	231	.2180	177	.0882	207

DISCOUNT AND INTEREST RATES.

In the following tables are presented actual discount and interest rates prevailing in the various cities in which the several Federal Reserve Banks and their branches are located during the periods ending August 15 and September 15, 1919. Quotations are given for prime commercial paper, both customers' and purchased in the open market, interbank loans, bankers' acceptances, and paper secured by prime stock exchange or other current collateral. Separate rates are quoted for paper of longer or shorter maturities in the first-named and last-named classes. In addition, quotations are given for commodity paper secured by warehouse receipts and for cattle loans, as reported from centers in which such paper is current.

Quotations are also given of rates charged on ordinary loans to customers secured by Liberty bonds and certificates of indebtedness. Assistance to customers to enable them to purchase such Government obligations has generally been extended at lower rates, either at the rate borne by such obligations or at a rate slightly higher. The tables also show quotations in New York for demand paper secured by prime bankers' acceptance, a type of paper which made its appearance in the New York market some months ago. Quotations for new type of paper will be added from time to time as deemed of interest.

In the majority of centers no marked changes in rates are noted during the period under review. In New York, however, a general decrease is shown, while rates in St. Louis, on the other hand, show a slight upward tendency. High and customary rates for both classes of bankers' acceptances show a decrease in a number of centers, but no marked changes are exhibited by the rates for other types of paper. Comparison with rates prevailing during the period ending September 14, 1918, reveal decreases in many centers in the rates for commercial paper purchased in the open market, as well as less marked decreases in the rates for customers' commercial paper and in the low rates for collateral loans.

Discount and interest rates prevailing in various centers.

DURING 30-DAY PERIOD ENDING AUG. 15, 1919.

District.	City.	Prime commercial paper.				Interbank loans.	Bankers' acceptances, 60 to 90 days.		Collateral loans—stock exchange or other current.			Cattle loans.	Secured by warehouse receipts, etc.	Secured by Liberty bonds and certificates of indebtedness.
		Customers'.		Open market.										
		30 to 90 days.	4 to 6 months.	30 to 90 days.	4 to 6 months.		Indorsed.	Unindorsed.	Demand.	3 months.	3 to 6 months.			
		H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.
No. 1....	Boston........	6 5 5½	6 5¼ 5¾	5½ 5 5¼	5¾ 5¼ 5½	5½ 5 5½	4 5/16 4 3/16 4 3/16	4⅜ 4¼ 4 5/16	6 5½ 6	6 5½ 5¾	6 5½ 5¾			5 4¼ 4¾
No. 2....	New York [1]...	6 5 5½	6 5 5½	6 5 5½	6 5 5½	6 4½ 5–5½	5 4 3/16 4¼–4 5/16	5 4¼ 4¼–4 7/16	18 4 6	6 5 5–6	6 5 5½–6			6 4¼ 4¾–5
	Buffalo........	6 5 6	6 5 6	6 5¼ 5½	6 5¼ 5½	6 5 6	6 5½ ...		6 5 6	6 5 6	6 5 6			6 5 6
No. 3....	Philadelphia..	6 5¼ 5½	6 5 5½	5½ 5 5½	6 5¼ 5½	5½ 5 5½	4⅜ 4¼ 4 5/16	4½ 4 5/16 4⅜	6 4 5½	6 5½ 5¾	6 5½ 5¾			6 4½ 5
No. 4....	Cleveland.....	6 5½ 6	6 5½ 6	6 5 6	6 5 6	5½ 5 5	4 3/16 4 3/16 4 3/16	4⅜ 4 5/16 ...	6 5 6	6 5 6	6 5 6		6 6 6	6 5½ 6
	Pittsburgh....	6 5 6	6 5½ 6	5½ 5¼ 5¼	5½ 5¼ 5¼	6 5½ 5½	4¼ 4 3/16 4 3/16	4½ 4¼ 4⅜	6½ 5 6	6 6 6	6 6 6		6 6 6	6 5 5½
	Cincinnati....	6 5 6	6 5½ 6	6 5 6	6 5½ 6	6 5 5½	4¾ 4¼ 4½	5 4½ 4¾	6 6 6	6 5 6	6 6 6		6 5½ 6	5½ 5 5
No. 5....	Richmond.....	6 5½ 5½	6 5½ 6			6 5 5½			6 5 6	6 5 6	6 6 6		6 5 6	6 4¾ 5
	Baltimore.....	6 5½ 6	6 5½ 6			5½ 5 5½	6 5½ 6	6 5½ 6	6 5½ 6	6 5½ 6	6 5½ 6		6 5½ 6	5½ 4½ 4¾
No. 6....	Atlanta........	6 5½ 6	7 5½ 6	6 5½ 6	6 5½ 6	6 5 6	6 5 6	6 5 6	6 5½ 6	6 5½ 6	7 5½ 6		6 5½ 6	6 4¼ 6
	Birmingham..	8 6 6	8 6 6	8 5¼ 6	8 5¼ 6	8 6 6			8 6 6	8 6 6	8 6 6		7 6 6	6 4¼ 6
	Jacksonville...	8 6 7	8 6 7	6 5½ 6	7 5½ 6	6 6 6	7 6 7	7 6 7	7 5½ 6	7 6 6	7 6 6		8 6 7	8 6 6
	New Orleans..	7 5 5¼–6	7 5 5½–6	6 5¼ 5½–6	6 5¼ 5½–6	6 5	5½ 4 5/16	6 4 5/16	7 5 6–6½	7 5 6–6½	7 5 6–6½		6 5½ 6–7	6 4¼ 5–6
No. 7....	Chicago.......	6 5¼ 5½–6	6 5¼ 5½–6	5½ 5¼ 5¼–5½	5½ 5¼ 5¼–5½	5½ 5½ 5½	4 5/16 4¼ 4¼–4 5/16	4 5/16 4¼ 4¼–4 5/16	6 5½ 5½–6	6 5½ 5½–6	6 5½ 5½–6	6 5½ 5½–6	6 5½ 5½–6	6 5 5½
	Detroit........	6 6 6	6 6 6	5½ 5¼ 5⅜	5½ 5¼ 5⅜	6 5½ 5½	4⅜ 4¼ 4⅜	4⅜ 4¼ 4⅜	6 6 6	6 5½ 6	6 5½ 6			6 5½ 6
No. 8....	St. Louis......	6 5½ 6	5½ 5½ 5½	5½ 5 5½	5¾ 5¼ 5½	6 5 5½	6 4⅛ 4¼	6 4 3/16 4¼	6 5 5½	6 5½ 5½	7 5½ 6			6 4¾ 5½
	Louisville.....	6 5 6	6 5 6	5½ 5¼ 5½	5½ 5¼ 5½	5 5 5	4½ 4 7/16 4 7/16	4½ 4 7/16 4 7/16	6 5 6	6 5 6	6 5 6		6 5 6	6 4¾ 5
	Memphis......	6 5 6	6 5 6			6 5 6			6 5 6	6 5 6	6 6 6		6 5½ 6	5 4¾ 5
	Little Rock...	7 6 6	6½ 6 6	6 5¼ 5½		6 6 6			7 6 7	7½ 6 6½	8 6 7			7 6 6
No. 9....	Minneapolis...	5½ 5¼ 5¼	6 5¼ 5½	5½ 5¼ 5¼	5½ 5¼ 5½	6 5½ 5½	4⅜ 4¼ 4 5/16	4 5/16 4⅛ 4¼	6 5½ 6	6 5½ 6	6¼ 6 6		6 5½ 5½	5½ 5 5½
No. 10...	Kansas City...	7 5 6	7 5 6	6 6 6	6 6 6	7 5 6	7 5 6	7 5 6	8 5 6	8 5 6	8 5 6	8 6 7–8	8 5½ 6	8 5 6
	Omaha........	6½ 5½ 6	6½ 5½ 6	6 5½ 5½	6 5¼ 5½	7 5½ 6			7 5½ 6	8 5½ 6	7 5½ 6	7 6 6		6 4¾ 6
	Denver.......	8 5 6	8 5 6	6 5 5½	6 5 5½	7 6 6			8 5½ 6	8 5½ 6	8 5½ 6	8 6 6		8 4 6
No. 11...	Dallas........	8 6 6	8 6 6			6 6 6			6 6 6	6 6 6	6 6 6	10 6 8	8 6 8	8 6 6
	El Paso.......	8 6 8	8 6 8	6 6 6	6 6 6	7 6 7			8 6 8	8 8 8	8 8 8	9 8 8		8 5 7
No. 12...	San Francisco.	6 5 5½–6	6 5 5½–6	5½ 5¼ 5¼–5½	5½ 5¼ 5½	6 5 5–6	5½ 4¼ 4⅜–5½	6 4¼ 4⅜–6	6 5 5½–6	6 5½ 6	6 5½ 6			6 4¾ 6
	Portland......	7 6 6	7 6 6	5½ 5¼ 5½	5½ 5¼ 5¼	6 6 6	4½ 4¼ 4¼		6 6 6	7 6 6	7 6 6			7 6 6
	Seattle........	8 5 7	8 5 6	6 5 5½	6 5 5½	7 6 6	6 4¼ 5	4 5/16 4¼ 4 5/16	8 5 6	8 5½ 7	8 5½ 7			8 4¾ 7
	Spokane......	8 6 7	8 6 7			6 6 6			8 5½ 5½	8 6 7	8 6 8			8 4½ 6
	Salt Lake City	8 6 7	8 6 7	5½ 5¼ 5¼	5½ 5¼ 5¼	6 6 6			8 6 7	8 6 7	8 6 7			8 6 6

[1] Rates for demand paper secured by prime bankers' acceptances, high 6, low 4½, customary, 4½–6.

Discount and interest rates prevailing in various centers—**Continued.**

DURING 30-DAY PERIOD ENDING SEPT. 15, 1919.

District.	City.	Prime commercial paper.				Interbank loans.	Bankers' acceptances, 60 to 90 days.		Collateral loans—stock exchange or other current.			Cattle loans.	Secured by warehouse receipts, etc.	Secured by Liberty bonds and certificates of indebtedness.
		Customers'.		Open market.										
		30 to 90 days.	4 to 6 months.	30 to 90 days.	4 to 6 months.		Indorsed.	Unindorsed.	Demand.	3 months.	3 to 6 months.			
		H. L. C.	*H. L. C.*	*H. L. C.*	*H. L. C.*	*H. L. C.*	*H. L. C.*	*H. L. C.*	*H. L. C.*	*H. L. C.*	*H. L. C.*	*H. L. C.*	*H. L. C.*	*H. L. C.*
No. 1....	Boston........	6 5 5½	6 5¼ 5¾	5½ 5¼ 5½	5¾ 5¼ 5½	5½ 5 5½	$4\frac{5}{16}$ $4\frac{3}{16}$ $4\frac{3}{16}$	4⅜ 4¼ $4\frac{5}{16}$	6 6 6	6 5½ 5¾	6 5½ 6			5 4¼ 4¾
No. 2....	New York [1]...	6 5 5¼–5½	6 5 5¼–5½	6 5¼ 5¼–5½	6 5¼ 5½	6 4½ 5	5½ 4⅛ $4\frac{3}{16}$–$4\frac{5}{16}$	5¼ 4 4¼–4⅜	8 3½ 5½–6	6 5 6	6 5 6			6 4¼ 4¾–5
	Buffalo.......	6 5 6	6 5 6	6 5 5¼–5½	6 5 5¼–5½	6 5 6	5½ 5½ 5½		6 5 6	6 5 6	6 5 6			6 5 6
No. 3....	Philadelphia..	6 5 5½	6 5¼ 5½	5½ 5¼ 5½	5¾ 5¼ 5½	6 5 5		$4\frac{5}{16}$ 4¼ $4\frac{5}{16}$	7 3½ 6	6 5½ 6	6 5½ 6			6 4½ 5
No. 4....	Cleveland.....	6 5 6	6 5 6			5 5 5	$4\frac{3}{16}$ $4\frac{3}{16}$ $4\frac{3}{16}$	$4\frac{5}{16}$ $4\frac{5}{16}$ $4\frac{5}{16}$	6 5 6	6 5 6	6 5 6		6 6 6	6 5 6
	Pittsburgh....	6 5½ 5½	6 5½ 5½	5½ 5¼ 5½	5½ 5¼ 5½	6 5½ 5½	4⅛ $4\frac{1}{16}$ 4⅛	4½ $4\frac{3}{16}$ 4¼	6 5½ 6	6 5½ 6	6 5½ 6		6 6 6	6 5 5½
	Cincinnati.....	6 5 6	6 5½ 6	6 5 6	6 5½ 6	6 5 5½	4¾ 4¼ 4½	5 4½ 4¾	6 6 6	6 5 6	6 6 6		6 5½ 6	5½ 5 5
No. 5....	Richmond....	6 5¼ 5½	6 5½ 6			6 5 5½			6 5½ 6	6 5½ 6	6 5½ 6		6 6 6	6 4¾ 5
	Baltimore.....	6 5½ 6	6 5½ 6			6 5½ 5¾	6 5½ 6		6 5 6	6 5½ 6	6 5½ 6			6 5½ 5½
No. 6....	Atlanta.......	8 5 6	8 5 6	6 5½ 6	6 5½ 6	6 5 6	6 5½ 6	6 5½ 6	8 5 6	6 5 6	7 5 6		6 5 6	8 5 6
	Birmington...	8 6 6	8 6 6	8 5 5½–6	8 5¼ 5½–6	8 5 6			8 6 6	8 6 6	8 6 6		8 6 6	6 4¾ 6
	Jacksonville...	8 6 7	8 5½ 6	6½ 5½ 6	6½ 5½ 6	6 6 6	7 6 7	7 6 7	7 6 6	8 6 7	8 6 7		8 6 8	8 6 6
	New Orleans..	7 5 5½–6	7 5½ 6	5½ 5 5¼	5½ 5¼ 5¼	6 5½ 6			6 5½ 5½–6	6½ 5½ 5½–6	6½ 6 6		6½ 5 5½–6	6½ 4½ 5–6
No. 7....	Chicago.......	6 5 5½–6	6 5 5½–6	5½ 5 5¼–5½	5½ 5 5¼–5½	6 5½	$4\frac{5}{16}$ 4¼	$4\frac{5}{16}$ 4¼	6 5½	6 5½	6 5½	6 5½	6 5½	6 5 5½
	Detroit........	6 5½ 6	6 5½ 6	5½ 5¼ 5½	5½ 5¼ 5½	6 5 5½	$4\frac{3}{16}$ $4\frac{3}{16}$ $4\frac{3}{16}$	4⅛ 4⅛ 4⅛	6 6 6	6 5½ 6	6 5½ 6			6 5½ 6
No. 8....	St. Louis......	6 5¼ 5½	6 5¼ 5½	5½ 5¼ 5½	5½ 5¼ 5½	6 5¼ 5½	5 4⅛ 4¼	5 4⅛ $4\frac{5}{16}$	6 5½ 5½	6 5½ 5½	6 5½ 6			6 4¾ 5½
	Louisville.....	6 5½ 6	6 5½ 6	5½ 5¼ 5½	5½ 5¼ 5½	5 5 5			6 5 6	6 5 6	6 5 6		6 5 6	6 5 5½
	Memphis......	6 5½ 6	6 5½ 6	5½ 5½ 5½		6 5 5½			6 6 6	6 6 6			6 6 6	6 4¾ 5
	Little Rock...	7 6 6	7 6 6½	6 5¼ 5½	6 5¼ 5½	6 6 6			7 6 6	7 6 6½	7½ 6 6½			7 5½ 6
No. 9....	Minneapolis...	5½ 5½ 5½	6 5½ 5½	5½ 5¼ 5¼	5½ 5½ 5½	6 5½ 5½	$4\frac{5}{16}$ $4\frac{3}{16}$ 4¼	$4\frac{5}{16}$ 4⅛ $4\frac{3}{16}$	6 5½ 6	6 5½ 6	6 6 6		6 5½ 5½	5½ 5 5
No. 10...	Kansas City...	7 5 6	7 5 6	5½ 5½ 5½	5½ 5½ 5½	7 5 6	6 5 6	6 5 6	8 5 6	8 5 6	8 5 6	8 6 6–7	8 5½ 6	6 4¼ 6
	Omaha........	6 5½ 6	6 5½ 6	6 5½ 6	6 5½ 6	7 5½ 6			6 5½ 6	7 5½ 6	7 5½ 6	7 5½ 6		6 5 6
	Denver........	8 5 6	8 5 6	5¾ 5 5½	5¾ 5¼ 5½	6 6 6			8 5 6	8 5 6	8 5 6	8 6 6		8 4¾ 6
No. 11...	Dallas..........	8 6 6	8 6 6			6 6 6			6 6 6	6 6 6	6 6 6	10 6 8	8 6 8	8 6 6
	El Paso.......	8 6 8	8 6 8	6 6 6	6 6 6	8 6 8			8 6 8	8 6 8	8 6 8	8 8 8		8 6 8
No. 12...	San Francisco.	6 5 5½–6	6 5 5½–6	5½ 5¼ 5¼	5½ 5¼ 5¼	6 5 5½	5 4¼ 4¾–5	5 4½ 4½–5	6 5 6	6 5 6	6 5 5½–6			6 4¾ 6
	Portland......	7 6 6	7 6 6	5½ 5¼ 5½	5½ 5¼ 5½	6 6 6	4½ 4¼ 4¼	4½ 4¼ 4¼	6 6 6	7 6 6	6 6 6			7 6 6
	Seattle........	8 5 7	8 6 6	6 5 5½	6 5 5½	7 6 6	7 4¼ 5	$4\frac{5}{16}$ 4¼ 4¼	8 5 7	8 5 7	8 5 7			8 4¾ 7
	Spokane......	8 6 7	8 6 7	5½ 5¼ 5¼		6 6 6			7 5½ 5½	8 6 7	8 6 8			8 4½ 6
	Salt Lake City	8 6 7	8 6 7	5½ 5¼ 5¼	5½ 5¼ 5¼	7 6 6			8 6 7	8 6 7	8 6 7			8 5 6

[1] Rates for demand paper secured by prime bankers' acceptances, high 5½, low 4¼, customary 4½–5½.

PHYSICAL VOLUME OF TRADE.

In continuation of tables in the September FEDERAL RESERVE BULLETIN there are presented in the following tables certain data relative to the physical volume of trade. The January issue contains a description of the methods employed in the compilation of the data and the construction of the accompanying index numbers. Additional material will be presented from time to time as reliable figures are obtained.

Live-stock movements.

[Bureau of Markets.]

	Receipts.					Shipments.				
	Cattle and calves, 60 markets.	Hogs, 60 markets.	Sheep, 60 markets.	Horses and mules, 44 markets.	Total, all kinds.	Cattle and calves, 54 markets.	Hogs, 54 markets.	Sheep, 54 markets.	Horses and mules, 44 markets.	Total, all kinds.
1918.	*Head.*	*Head.*	*Head.*	*Head.*	*Head.*	*Head.*	*Head.*	*Head.*	*Head.*	*Head.*
August	2,010,422	2,485,775	2,163,284	75,924	6,735,405	849,153	871,381	1,323,809	74,503	3,118,846
1919.										
January	2,111,704	5,861,685	1,567,613	110,411	9,651,413	761,168	1,546,875	608,016	106,459	3,022,518
February	1,440,329	4,404,751	1,131,805	82,526	7,059,411	528,326	1,288,134	418,827	76,512	2,311,799
March	1,501,597	3,632,874	1,216,988	68,938	6,420,397	563,893	1,272,654	481,907	64,332	2,382,786
April	1,751,943	3,668,210	1,388,732	50,770	6,859,655	698,599	1,107,411	575,136	49,634	2,430,780
May	1,822,410	3,863,735	1,425,018	33,977	7,145,190	788,086	1,181,745	614,375	34,658	2,613,764
June	1,580,256	3,812,466	1,685,236	40,067	7,118,025	709,637	1,373,824	828,046	36,889	2,048,396
July	2,007,266	3,998,836	2,177,940	48,691	7,232,735	706,843	963,662	997,338	43,738	2,711,581
August	2,019,139	2,103,609	3,211,331	81,917	7,415,996	894,816	690,821	2,014,267	74,268	3,674,172

Receipts and shipments of live stock at 15 western markets.

[Chicago, Kansas City, Oklahoma City, Omaha, St. Louis, St. Joseph, St. Paul, Sioux City, Cincinnati, Cleveland, Denver, Forth Worth, Indianapolis, Louisville, Wichita.]

RECEIPTS.

[Monthly average, 1911-1913=100.]

	Cattle and calves.		Hogs.		Sheep.		Horses and mules.		Total, all kinds.	
	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.
1918.										
August	1,588,553	158	1,970,086	90	1,424,677	104	54,271	118	5,037,587	109
1919.										
January	1,656,046	164	4,603,335	209	1,079,377	79	56,631	123	7,395,419	160
February	1,096,118	116	3,451,894	168	774,881	61	48,786	114	5,371,679	125
March	1,094,614	109	2,842,663	129	847,842	62	41,805	91	4,826,924	105
April	1,255,379	125	2,823,484	128	970,070	71	31,509	68	5,080,442	110
May	1,262,065	125	3,049,223	139	934,613	68	21,345	46	5,267,246	114
June	1,122,782	111	3,061,838	139	1,116,003	82	28,418	62	5,329,041	115
July	1,527,881	152	2,411,539	110	1,558,767	114	37,866	82	5,536,053	120
August	1,541,133	153	1,595,759	73	2,220,229	162	57,206	124	5,414,327	117

SHIPMENTS.

	Cattle and calves.		Hogs.		Sheep.		Horses and mules.		Total, all kinds.	
	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.
1918.										
August	652,440	160	599,577	124	751,886	149	51,923	127	2,055,826	143
1919.										
January	589,362	145	988,035	204	357,386	71	56,282	137	1,991,065	139
February	404,296	107	881,507	195	240,815	51	47,829	125	1,574,447	118
March	423,819	104	925,802	191	289,742	58	41,837	102	1,681,200	117
April	506,835	125	748,437	154	319,625	63	29,974	73	1,604,871	112
May	530,153	130	787,009	162	290,803	58	18,865	46	1,626,830	113
June	503,354	124	1,005,505	208	465,776	93	25,322	62	1,999,957	139
July	515,071	127	691,283	143	694,492	138	32,836	80	1,934,132	135
August	650,252	160	455,705	94	1,352,252	269	49,996	122	2,508,205	175

Exports of certain meat products.

[Department of Commerce.]

[Monthly average, 1911-1913=100.]

	Beef, canned.		Beef, fresh.		Beef, pickled and other cured.		Bacon.		Hams and shoulders, cured.		Lard.		Pickled pork.	
	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.
1918.														
August	17,129,337	2,585	45,160,708	3,641	1,742,970	65	68,857,586	411	45,816,637	307	51,920,658	118	3,032,954	69
1919.														
January	12,636,060	1,907	17,436,495	1,406	6,030,937	226	101,000,122	603	54,846,433	367	37,850,338	86	2,273,683	51
February	8,151,723	1,318	13,729,993	1,186	3,635,120	146	114,842,525	735	49,283,053	354	68,972,779	168	1,956,362	47
March	8,997,973	1,358	14,651,276	1,181	3,749,394	140	151,086,397	902	85,712,426	574	97,239,435	221	2,141,508	48
April	2,896,759	437	21,639,915	1,744	2,673,681	100	141,814,255	847	109,569,968	734	86,555,951	197	2,494,454	56
May	5,669,232	856	14,872,987	1,199	2,957,163	111	68,957,465	412	49,707,874	333	55,807,234	127	2,095,072	47
June	6,574,766	992	15,212,094	1,226	4,768,308	178	172,441,100	1,030	96,854,552	649	114,328,804	260	3,131,639	71
July	5,392,104	814	8,680,524	700	3,320,564	125	117,679,193	703	47,452,834	320	68,163,734	155	2,392,515	54
August	2,894,361	437	8,075,366	651	2,494,113	93	84,150,778	502	40,147,727	269	48,968,628	111	2,117,796	48

Receipts of grain and flour at 17 interior centers.

[Chicago, Cleveland, Detroit, Duluth, Indianapolis, Kansas City, Little Rock, Louisville, Memphis, Milwaukee, Minneapolis, Omaha, Peoria, St. Louis, Spokane, Toledo, Wichita; receipts of flour not available for Cleveland, Detroit, Indianapolis, Louisville, Omaha, Spokane, Toledo, and Wichita.]

[Compiled from reports of trade organizations at these cities.]

[Monthly average, 1911-1913=100.]

	Wheat.		Corn.		Oats.		Rye.		Barley.		Total grain.		Flour.		Total grain and flour.[1]	
	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Bushels.	Relative.
1918.																
August	91,448,672	339	16,389,047	73	51,129,614	253	2,235,394	202	4,490,201	63	165,692,928	213	2,238,943	114	175,768,172	203
1919.																
January	24,652,641	91	28,731,387	128	22,945,659	114	5,615,054	507	8,943,782	125	90,888,523	117	1,396,888	71	97,174,519	112
February	14,049,055	56	13,034,852	62	15,961,423	85	2,406,029	233	6,556,594	98	52,007,953	72	1,032,368	56	56,653,609	70
March	13,768,496	51	13,431,797	60	17,076,822	85	4,955,130	448	11,723,691	163	60,955,936	78	1,485,320	76	67,639,876	78
April	11,208,305	42	18,301,721	82	20,063,678	99	5,493,493	497	9,634,405	134	64,706,602	83	1,990,349	102	73,663,173	85
May	11,625,657	43	10,301,200	46	19,206,465	95	4,280,911	387	8,416,141	117	53,830,374	69	2,447,200	125	64,842,774	75
June	8,125,034	30	21,098,146	94	24,576,968	122	2,791,618	252	12,878,517	180	69,470,283	89	1,894,599	97	77,995,979	90
July	49,612,115	184	12,549,219	56	25,233,109	125	3,105,486	281	8,627,091	120	99,127,020	127	1,572,420	80	106,202,910	122
August	80,714,559	299	8,503,282	38	29,774.582	147	3,824,263	345	6,638,871	93	129,455,557	166	2,283,145	117	131,738,702	152

[1] Flour reduced to its equivalent in wheat on basis of 4½ bushels to barrel.

Shipments of grain and flour at 14 interior centers.

[Chicago, Cleveland, Detroit, Duluth, Kansas City, Little Rock, Louisville, Milwaukee, Minneapolis, Omaha, Peoria, St. Louis, Toledo, Wichita; shipments of flour not available for Cleveland, Detroit, Louisville, Omaha, Toledo, and Wichita.]

	Wheat.		Corn.		Oats.		Rye.		Barley.		Total grain.		Flour.		Total grain and flour.[1]	
	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Bushels.	Relative.
1918.																
August	38,853,689	252	9,131,678	64	23,092,361	152	773,548	109	807,119	21	72,658,395	147	3,831,826	113	89,901,612	139
1919.																
January	9,934,531	64	13,488,569	95	19,769,237	130	794,028	112	4,718,631	121	48,704,996	99	2,796,463	83	61,289,080	95
February	8,876,844	62	8,649,063	65	13,603,691	96	404,365	61	6,006,178	165	37,540,141	81	1,932,258	61	46,235,302	77
March	14,857,872	96	7,544,393	53	16,183,222	107	3,720,930	526	6,049,703	155	48,356,120	98	3,039,020	90	62,031,710	96
April	30,764,328	199	15,708,842	111	16,019,086	105	8,143,580	1,150	6,632,763	170	77,268,599	156	3,532,772	104	93,166,073	144
May	31,901,327	207	7,784,931	55	17,069,617	112	7,525,794	1,063	6,677,508	171	70,959,177	144	4,320,146	128	90,399,834	140
June	8,751,872	53	8,629,052	61	15,638,317	103	2,740,593	387	9,588,195	246	44,748,029	91	3,130,826	92	58,836,746	91
July	12,423,422	81	8,102,275	57	15,628,503	103	1,546,100	218	9,133,004	234	46,833,304	95	2,589,176	76	58,484,596	90
August	36,986,491	240	5,135,459	36	17,919,623	118	1,436,377	203	5,028,674	129	66,506,624	135	3,805,273	112	83,630,353	129

[1] Flour reduced to its equivalent in wheat on basis of 4½ bushels to barrel.

Receipts of grain and flour at nine seaboard centers.

[Boston, New York, Philadelphia, Baltimore, New Orleans, San Francisco, Portland (Oreg.), Seattle, Tacoma; receipts of flour not available for Seattle and Tacoma.]

[Compiled from reports of trade organizations at these cities.]

[Monthly average, 1911-1913=100.]

	Wheat.		Corn.		Oats.		Rye.		Barley.		Total grain.		Flour.		Total grain and flour.[1]	
	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Bushels.	Relative.
1918.																
August	23,930,107	190	1,473,105	41	2,970,341	63	170,847	120	714,103	43	29,258,503	129	589,303	56	31,910,367	116
1919.																
January	9,768,801	78	1,411,366	40	9,275,187	195	566,191	398	1,738,326	105	22,759,871	100	2,026,246	194	31,877,978	116
February	7,805,811	66	783,263	24	4,713,794	106	2,299,664	1,734	995,454	64	16,597,986	78	1,302,061	134	22,457,261	88
March	13,789,851	109	636,127	18	3,254,914	69	3,880,424	2,731	2,285,954	138	23,847,270	105	1,644,676	157	31,248,312	114
April	12,581,074	100	1,089,425	31	4,604,521	97	5,069,529	3,568	1,853,372	112	25,197,921	111	2,549,370	244	36,670,086	134
May	14,157,852	112	1,588,571	45	5,642,176	119	7,061,048	4,970	3,561,412	215	32,011,059	141	2,535,547	243	43,421,021	158
June	10,260,075	81	1,051,177	30	10,249,644	216	3,670,055	2,583	6,564,620	396	31,695,571	140	2,340,158	224	42,326,282	154
July	5,806,227	46	901,842	25	6,959,186	146	1,479,995	1,042	9,723,852	586	24,871,058	110	1,514,135	145	31,684,666	116
August	26,902,757	214	815,132	23	5,676,984	119	64,510	45	4,993,395	301	38,452,778	169	1,385,762	133	44,688,707	163

[1] Flour reduced to its equivalent in wheat on basis of 4½ bushels to barrel.

Stocks of grain at eight seaboard centers at close of month.

[Boston, New York, Philadelphia, Baltimore, New Orleans, Newport News, Galveston, San Francisco.]

[Compiled from reports of trade organizations at these cities.]

[Bushels.]

	Wheat.	Corn.	Oats.	Rye.	Barley.	Total grain.
1918.						
August	16,041,604	649,169	2,464,705	153,275	1,720,251	21,029,004
1919.						
January	15,365,491	645,317	5,495,937	1,972,696	3,047,346	26,526,787
February	12,635,613	417,520	6,110,159	1,735,876	3,930,465	24,829,633
March	12,732,472	346,543	5,650,120	1,920,348	4,403,665	25,053,148
April	7,448,992	464,503	5,335,971	3,434,873	5,420,013	22,104,352
May	7,913,162	448,020	4,047,059	1,690,860	4,263,510	18,362,611
June	4,180,160	214,079	5,475,856	514,252	6,783,798	17,168,145
July	5,557,644	265,196	3,760,063	867,491	5,528,176	15,978,570
August	17,396,269	155,491	2,216,989	578,250	5,414,183	25,761,182

NOTE.—Figures for San Francisco include also stocks at Port Costa and Stockton.

Cotton.

[New Orleans Cotton Exchange.]

[Crop years 1911-1913=100.]

	Sight receipts.		Port receipts.		Overland movement.		American spinners' takings.		Stocks at ports and interior towns at close of month.	
	Bales.	Relative.	Bales.	Relative.	Bales.	Relative.	Bales.	Relative.	Bales.	Relative.
1918-19.										
August	401,860	32	226,242	25	50,482	48	372,394	82	1,306,868	111
September	988,156	79	536,190	58	42,028	40	352,025	77	1,644,690	140
October	1,632,921	130	779,371	85	158,768	151	697,623	154	2,189,007	186
November	1,710,666	136	641,283	70	217,450	207	1,007,892	222	2,745,815	233
December	1,709,734	136	690,782	75	157,038	149	929,491	205	2,697,141	229
January	1,392,468	111	705,493	77	157,270	149	705,353	155	2,637,908	224
February	768,444	61	477,696	52	106,368	101	383,157	84	2,689,379	228
March	601,858	48	460,066	50	75,489	72	202,556	45	2,604,549	221
April	494,106	39	462,363	50	79,700	76	149,566	33	2,484,852	211
May	536,139	43	502,082	55	99,041	94	193,016	42	2,417,631	205
Season, total	11,724,104	78	6,735,898	61	1,528,262	121	5,850,715	107	1,928,959	164
1919-20.										
August	305,143	24	238,271	26	41,472	39	302,238	67	1,412,048	120

California shipments of citrus and deciduous fruits.

	Oranges.		Lemons.		Total citrus fruits.		Total deciduous fruits.
	Carloads.	Relative.	Carloads.	Relative.	Carloads.	Relative.	Carloads.
1918.							
August	767	31	732	181	1,499	53	9,126
1919.							
January	3,120	128	531	131	3,651	128	109
February	3,180	139	658	174	3,838	144	198
March	5,113	209	897	221	6,010	211	67
April	5,450	223	1,038	256	6,488	228	36
May	5,888	241	1,501	371	7,389	259	276
June	3,648	149	1,520	375	5,168	181	896
July	2,568	105	1,038	256	3,606	127	4,199
August	1,785	73	436	108	2,221	78	6,601

Sugar.

[Data of International Sugar Committee for ports of Boston, New York, Philadelphia, Savannah, New Orleans, Galveston, San Francisco.]

[Tons of 2,240 pounds.]

	Receipts.	Meltings.	Raw stocks at close of month.		Receipts.	Meltings.	Raw stocks at close of month.
1918.				**1919.**			
August	218,690	263,383	100,392	April	450,938	387,548	185,315
				May	471,205	446,685	201,301
1919.				June	429,617	493,293	151,692
January	213,806	197,145	66,189	July	394,557	435,247	115,341
February	389,815	337,420	122,757	August	333,686	356,048	85,650
March	355,710	361,010	106,889				

Sugar.

[Data for ports of New York, Boston, Philadelphia.]

[Weekly Statistical Sugar Trade Journal.]

[Tons of 2,240 pounds. Monthly average 1911-1913=100.]

	Receipts.		Meltings.		Raw stocks at close of month.			Receipts.		Meltings.		Raw stocks at close of month.	
	Tons.	Relative.	Tons.	Relative.	Tons.	Relative.		Tons.	Relative.	Tons.	Relative.	Tons.	Relative.
1918.							**1919.**						
August	159,252	87	175,000	95	39,375	23	April	318,492	173	277,000	151	107,582	62
							May	325,736	177	307,000	167	126,318	73
1919.							June	271,875	148	313,000	171	85,193	49
January	172,054	93	147,000	80	36,544	21	July	264,782	144	292,000	159	57,975	34
February	283,172	165	229,000	134	90,716	53	August	246,419	134	229,000	125	75,394	44
March	232,471	126	261,000	142	62,187	36							

Naval stores.

[Data for Savannah, Jacksonvile, and Pensacola.]

[In barrels.]

[Compiled from reports of trade organizations at these cities.]

	Spirits of turpentine.		Rosin.			Spirits of turpentine.		Rosin.	
	Receipts.	Stocks at close of month.	Receipts.	Stocks at close of month.		Receipts.	Stocks at close of month.	Receipts.	Stocks at close of month.
1918.					**1919.**				
August	20,054	121,848	69,308	257,685	April	8,379	75,546	19,493	225,657
					May	26,358	47,115	50,435	229,404
1919.					June	31,904	33,733	63,456	221,612
January	7,645	125,541	34,835	285,808	July	27,747	30,656	77,062	235,707
February	5,583	121,676	22,154	259,974	August	21,013	24,756	74,402	203,812
March	4,226	97,450	14,338	243,813					

Lumber.

[From reports of manufacturers' associations.]

[M feet.]

	Southern pine.			Western pine.			Douglas fir.			Eastern white pine.			North Carolina pine.		
	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.
1918.															
August	202	391,648	437,776	44,47	151,156	109,402	130	292,200	275,000	26	95,942	51,327	31	24,118	34,377
1919.															
January	200	330,137	325,241	21,49	40,354	68,910	122	225,688	227,129	13	7,565	15,172	40	28,629	23,896
February	195	328,069	309,494	24,48	46,037	71,103	122	228,031	238,035	15	6,802	17,081	39	25,806	18,034
March	198	378,752	361,125	27,48	71,426	81,328	120	254,650	255,544	11	7,118	17,525	41	32,110	22,672
April	203	397,005	397,677	43,49	124,341	97,679	114	264,623	266,308	11	11,431	14,020	38	22,369	21,877
May	205	414,899	460,238	45,48	140,037	127,730	111	345,984	388,803	11	24,548	17,136	31	14,375	17,393
June	204	360,084	426,193	49	156,561	139,923	115	300,410	327,364	12	29,741	26,525	38	20,733	28,865
July	206	401,939	466,786	48	114,853	140,680	114	268,634	301,050	9	27,382	22,470	35	22,326	34,191
August	204	417,036	423,002	48	152,748	140,236	118	416,422	397,290	11	20,247	26,839	36	27,177	30,159

RECEIPTS AND SHIPMENTS OF LUMBER AT CHICAGO.

[Chicago Board of Trade.]

[Monthly average 1911-1913=100.]

	Receipts.		Shipments.	
	M feet.	Relative.	M feet.	Relative.
1918.				
August	208,963	99	78,707	103
1919.				
January	134,604	63	47,922	62
February	97,511	49	45,585	64
March	124,040	59	46,902	61
April	144,253	68	59,055	77
May	162,365	77	66,001	86
June	184,862	87	80,762	105
July	200,148	94	90,134	118
August	170,385	80	87,953	115

Coal and coke.

[Bituminous coal and coke, U. S. Geological Survey; Anthracite coal, Anthracite Bureau of Information.]

[Monthly average, 1911-1913=100.]

	Bituminous coal, estimated monthly production.		Anthracite coal, shipments over 9 roads.		Coke, estimated montly production.					
					Beehive.		By-product.		Total.	
	Short tons.	Relative.	Long tons.	Relative.	Short tons.	Relative.	Short tons.	Relative.	Short tons.	Relative.
1918.										
August	55,732,092	150	7,180,923	128	2,657,022	102	2,387,675	271	5,044,747	144
1919.										
January	41,473,000	112	5,934,241	105	2,401,567	92				
February	31,497,000	91	3,871,932	74	1,822,894	75	6,779,482	257	12,772,392	122
March	33,719,000	91	3,938,908	70	1,768,449	68				
April	32,164,000	87	5,224,715	93	1,316,960	50	...	...	...	...
May	37,547,000	101	5,711,915	101	1,135,840	43	...	...	...	...
June	36,806,000	99	5,619,591	100	1,170,752	45	...	...	...	...
July	42,946,000	116	6,052,334	108	1,512,178	58	...	...	...	...
August	42,883,000	116	6,144,144	109	1,808,595	69	...	...	...	...

Movement of crude petroleum in United States.

[U. S. Geological Survey.]

[Barrels of 42 gallons each.]

	Marketed.		Stocks at end of month.
	Barrels.	Relative.	Barrels.
1918.			
August	30,645,000	160	139,472,000
1919.			
January	29,869,000	156	129,558,000
February	26,511,000	138	128,910 000
March	30,412,000	159	131,110,000
April	29,310,000	153	132,694,000
May	29,339,000	153	132,165,000
June	31,239,000	163	135,646,000
July	33,521,000	175	141,742,000
August	33,986,000	177	137,891,000

Total output of oil refineries in United States.

[Bureau of Mines.]

	Crude oil run (barrels).	Gasoline (gallons).	Kerosene (gallons).	Gas and fuel (gallons).	Lubricating (gallons).
1918.					
July	29,170,718	332,022,095	156,828,826	658,439,682	79,303,107
1919.					
January	26,967,332	303,710,556	158,501,260	589,630,056	68,304,613
February	25,232,876	283,518,194	164,181,787	553,853,753	62,503,072
March	27,866,775	311,306,755	170,290,930	574,774,156	67,063,995
April	27,775,217	319,807,838	183,453,728	588,808,408	70,954,128
May	30,267,227	354,472,377	190,345,026	652,166,738	76,442,252
June	28,920,764	338,336,985	178,974,224	632,205,805	64,636,153
July	31,202,522	342,491,757	205,727,289	638,185,469	67,037,414
Stocks at the close of month.					
1918.					
July 31	14,026,525	349,928,604	432,807,129	519,012,839	136,460,207
1919.					
Jan. 31	15,380,185	383,212,692	332,393,181	646,411,414	158,370,431
Feb. 28	14,820,601	458,449,187	303,062,436	692,816,000	152,297,163
Mar. 31	15,106,361	546,062,429	294,677,623	749,067,806	165,495,254
Apr. 30	15,184,844	593,616,170	276,356,837	807,895,498	170,122,088
May 30	16,372,314	594,035,688	244,635,631	788,740,572	173,754,109
June 30	16,775,723	593,896,610	252,542,434	811,790,637	175,384,775
July 31	15,304,915	514,919,358	279,855,061	817,809,519	173,884,303

Iron and steel.

[Great Lakes iron ore movements, Marine Review; pig iron production, Iron Age; steel ingot production, American Iron and Steel Institute.]

[Monthly average, 1911-1913=100; iron ore, monthly average, May-Nov., 1911-1913=100.]

	Iron ore shipments from the upper Lakes.		Pig iron production.		Steel ingot production.		Unfilled orders U. S. Steel Corporation at close of month.	
	Gross tons.	Relative.	Gross tons.	Relative.	Gross tons.	Relative.	Gross tons.	Relative.
1918.								
August	9,725,331	161	3,389,585	146	3,083,680	129	8,759,042	166
1919.								
January			3,302,260	143	3,082,427	130	6,684,268	127
February			2,940,168	136	2,688,011	120	6,010,787	114
March			3,090,243	133	2,662,265	110	5,430,572	103
April	1,412,239		2,478,218	107	2,239,711	93	4,800,685	91
May	6,615,341	109	2,108,056	91	1,929,024	80	4,282,310	81
June	7,980,839	132	2,114,863	91	2,219,219	92	4,892,855	93
July	9,173,429	151	2,428,541	105	2,508,176	104	5,578,661	106
August	4,423,133	73	2,743,388	118	2,746,081	114	6,109,103	116

Imports of pig tin.

[Department of Commerce.]

[Monthly average, 1911-1913=100.]

	Pounds.	Relative.		Pounds.	Relative.
1918.			**1919.**		
August	16,317,437	180	March	8,284,970	91
1919.			April	504,903	6
January	8,461,444	93	May	449,270	5
February	6,271,977	74	June	112,000	1
			July	113,120	1
			August	9,872,459	109

Raw stocks of hides and skins.

[Bureau of Markets.]

[In pieces.]

	Cattle hides.	Calfskins.	Kipskins.	Goat.	Kid.	Cabretta.	Sheep and lamb.
1919.							
Jan. 31	5,601,700	1,253,642	492,353	4,238,026	241,554	601,686	6,835,383
Feb. 28	5,584,730	1,244,720	418,339	5,670,216	226,760	843,341	8,826,399
Mar. 31	4,949,791	1,026,482	366,817	7,831,595	181,951	559,576	7,863,313
Apr. 30	5,009,961	1,606,570	367,528	11,976,556	634,482	1,520,350	8,970,912
May 31	4,549,004	2,273,368	386,244	15,121,868	1,246,075	2,044,524	8,039,531
June 30	4,696,332	2,285,015	558,033	16,691,195	2,521,016	1,697,754	8,118,702
July 31	4,966,081	2,389,368	554,516	15,589,944	1,964,828	2,767,694	6,815,160
Aug. 31	4,654,085	1,605,811	416,391	14,408,726	759,798	2,236,349	5,251,302

Textiles.

[Silk, Department of Commerce; cotton, Bureau of the Census; wool, Bureau of Markets; idle machinery, January–September, 1918, inclusive, National Association of Wool Manufacturers.]

[Cotton, monthly average crop years 1912-1914=100; silk, monthly average 1911-1913=100.]

	Cotton consumption.		Cotton spindles active during month.	Wool consumption (pounds).	Percentage of idle woolen machinery on first of month to total reported.						Imports of raw silk.	
					Looms.		Sets of cards.	Combs.	Spinning spindles.			
	Bales.	Relative.			Wider than 50-inch reed space.	Under 50-inch reed space.			Woolen.	Worsted.	Pounds.	Relative.
1918.												
August	534,971	119	33,601,305	51,516,457	12.2	14.3	6.0	10.2	6.6	15.3	3,813,595	186
1919.												
January	556,721	124	33,856,472	32,573,970	40.3	32.6	32.2	30.7	36.5	37.5	1,461,827	71
February	433,516	103	33,282,593	23,186,818	52.3	41.5	38.7	39.8	41.1	48.6	1,742,812	91
March	433,720	96	32,642,376	29,320,063	58.1	42.4	39.1	47.8	41.8	52.7	1,784,412	87
April	475,753	106	33,213,026	39,159,945	48.4	38.9	26.5	34.2	28.4	36.1	2,988,838	146
May	487,998	109	33,556,011	45,084,834	36.6	32.9	17.1	22.5	16.8	25.8	4,878,646	238
June	474,407	105	33,943,405	48,849,892	29.6	26.6	15.4	12.8	15.2	21.1	3,848,354	188
July	509,793	113	34,184,407	54,973,093	22.0	26.0	9.7	7.6	8.9	13.5	5,202,407	254
August	502,536	112	34,187,310	48,938,476	22.1	24.9	9.4	6.5	8.9	10.9	3,802,500	186
September	....	....	....	....	19.9	22.8	8.1	5.5	7.9	12.8	....	....

Production of wood pulp and paper.

[Federal Trade Commission.]

[Net tons.]

	Wood pulp.	News print.	Book.	Paper board.	Wrapping.	Fine.		Wood pulp.	News print.	Book.	Paper board.	Wrapping.	Fine.
1918.							**1919.**						
August	262,377	113,731	76,330	178,725	61,861	34,735	April	284,984	116,278	67,628	138,802	48,158	22,470
1919.							May	294,067	105,819	76,821	151,651	56,579	25,010
							June	277,142	114,896	71,938	152,957	60,656	27,122
January	283,270	116,154	70,443	140,859	50,490	27,675	July	260,685	113,929	75,613	169,593	63,769	30,036
February	238,228	103,248	62,616	125,208	45,480	24,600	August	260,987	113,413	82,737	189,782	64,861	33,122
March	278,675	114,746	63,699	136,175	48,069	23,514							

Sale of revenue stamps for manufactures of tobacco in the United States (excluding Porto Rico and Philippine Islands).

[Commissioner of Internal Revenue.]

	Cigars.		Cigarettes.	Chewing and smoking tobacco.		Cigars.		Cigarettes.	Chewing and smoking tobacco.
	Large.	Small.	Small.			Large.	Small.	Small.	
1918.	*Number.*	*Number.*	*Number.*	*Pounds.*	1919.	*Number.*	*Number.*	*Number.*	*Pounds.*
July	634,609,533	79,237,849	3,796,878,822	36,607,578	March	549,098,351	84,493,873	3,845,079,275	29,227,678
					April	510,357,494	73,314,273	2,650,182,742	29,883,710
1919.					May	551,659,749	57,611,547	2,767,699,400	33,340,102
January	518,706,482	72,458,974	3,079,212,253	29,308,616	June	576,976,572	48,855,070	3,140,393,217	31,312,150
February	476,329,947	60,138,630	3,126,274,662	27,472,269	July	569,965,088	47,290,267	3,585,111,783	33,838,667

Output of locomotives and cars.

[Locomotives, United States Railroad Administration; cars, Railway Car Manufacturers' Association.]

	Locomotives.		Output of cars.				Locomotives.		Output of cars.		
	Domestic shipped.	Foreign completed.	Domestic.	Foreign.	Total.		Domestic shipped.	Foreign completed.	Domestic.	Foreign.	Total.
1918.	*Number.*	*Number.*	*Number.*	*Number.*	*Number.*	1919.	*Number.*	*Number.*	*Number.*	*Number.*	*Number.*
August	214	77	2,437	4,847	7,284	April	197	36	7,777	7,373	15,150
						May	207	31	4,573	8,533	13,106
1919.						June	160	44	1,785	5,307	7,092
January	282	84	8,172	3,635	11,807	July	121	73	2,777	6,936	9,713
February	135	164	6,623	4,657	11,280	August	160	173	18,509	5,015	23,524
March	258	128	5,978	5,795	11,773						

Vessels built in United States, including those for foreign nations, and officially numbered by the Bureau of Navigation.

[Monthly average, 1911-1913=1160.]

	Number.	Gross tonnage.	Relative.		Number.	Gross tonnage.	Relative.
1918.				1919.			
August	177	295,849	1,224	April	201	375,605	1,554
				May	250	395,408	1,636
1919.				June	272	422,889	1,750
January	132	264,346	1,094	July	245	397,628	1,645
February	135	271,430	1,203	August	238	455,338	1,884
March	186	298,005	1,233				

Tonnage of vessels cleared in the foreign trade.

[Department of Commerce.]

[Monthly average 1911-1913=100.]

	Net tonnage.				Per centage of American to total.	Relative.		Net tonnage.				Per centage of American to total.	Relative.
	American.	Foreign.	Total.	Relative.				American.	Foreign.	Total.	Relative.		
1918.							1919.						
August	2,332,577	2,808,466	5,141,043	132	45.4	179	April	1,744,753	2,058,220	3,802,973	98	45.9	181
							May	2,424,837	2,469,194	4,894,031	126	49.5	196
1919.							June	2,339,320	2,511,501	4,850,821	125	48.2	191
January	1,166,391	1,896,123	3,062,514	78	38.1	151	July	2,362,571	2,920,247	5,282,818	136	44.7	177
February	1,262,487	1,671,070	2,933,557	75	43.0	170	August	2,957,249	2,797,818	5,755,067	148	51.4	203
March	1,161,416	1,737,171	2,898,587	75	40.1	158							

Net ton-miles, revenue and nonrevenue.

[United States Railroad Administration.]

1918.		1919.	
August	40,776,125,000	April	28,629,739,000
1919.		May	32,440,708,000
January	30,383,169,000	June	31,953,366,000
February	25,681,943,000	July	34,914,294,000
March	28,952,925,000	August	36,361,653,000

Commerce of canals at Sault Ste. Marie.

[Monthly average May-November, 1911-1913=100.]

EASTBOUND.

	Grain, other than wheat.		Wheat.		Flour.		Iron ore.		Total.	
	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Short tons.	Relative.	Short tons.	Relative.
1918.										
August	1,360,698	15	501,050	3	846,140	73	9,507,067	160	9,743,473	139
1919.										
April	4,176,041	......	16,729,000	......	......	......	1,139,326	......	1,756,266	......
May	9,370,374	105	29,096,116	151	910,524	78	6,622,227	112	7,895,542	113
June	6,694,901	75	6,402,051	33	1,031,630	89	8,004,897	135	8,554,979	122
July	7,100,008	80	2,391,840	12	915,420	79	8,912,609	150	9,343,396	128
August	5,284,741	59	1,487,218	8	935,700	81	4,727,994	80	5,080,651	72

WESTBOUND.

	Hard coal.		Soft coal.		Total.		Total freight.	
	Short tons.	Relative.	Short tons.	Relative.	Short tons.	Relative.	Short tons.	Relative.
1918.								
August	299,555	97	2,517,603	131	3,046,328	122	12,789,801	135
1919.								
April	142,864	......	415,824	......	616,897	......	2,373,163	......
May	248,263	80	2,239,738	117	2,670,784	107	10,566,326	111
June	227,200	73	2,266,984	118	2,664,437	107	11,219.416	118
July	344,462	111	2,037,265	106	2,572,756	103	11,916,152	125
August	185,387	60	1,189,558	62	1,529,310	61	6,609,961	70

BANK TRANSACTIONS DURING AUGUST-SEPTEMBER.

In the table below are shown debits to individual account for five weeks ending September 24, as reported by 153 of the country's most important clearing houses. In addition debits to individual account for each of the five weeks are compared with figures for the corresponding weeks of last year, comparable data being available for 107 centers.

Aggregate debits to individual account for the week ending August 27 were about 8 per cent below the figure for the immediately preceding week; the next week was Labor Day week and contained only 5 business days, with the result that bank debits showed a normal reduction of about 13 per cent, which, however, was more than made up during the following week. The week ending September 17 saw an increase of 1.9 billions in these debits, due largely to payments of the third installment of income and excess profits taxes, and also to the large-scale fiscal operations of the Government in connection with the redemption and issue of Treasury certificates. For the last week of the period under review the figures show a recession of over 10 per cent from the exceptionally high total of the previous week.

Debits to individual account reported for the five-week period August 21–September 25, 1918, show a movement from week to week similar to that described for the present year, except that the great increase caused by special conditions during the fourth week of the 1919 period was not shown for the corresponding week of 1918. Amounts of bank debits in 1918 constitute between 65 and 86 per cent of the amounts for corresponding weeks in 1919, the differences in most cases being no greater than can be explained by the rise in the price level.

Debits to individual account at clearing-house banks during each of the five weeks ending Sept. 24, 1919, and Sept. 25, 1918.

[In thousands of dollars.]

Federal Reserve district.	1919					1918				
	Week ending—					Week ending—				
	Sept. 24.	Sept. 17.	Sept. 10.	Sept. 3.	Aug. 27.	Sept. 25.	Sept. 18.	Sept. 11.	Sept. 4.	Aug. 28.
No. 1.—Boston:										
Bangor	2,743	3,005	3,074	2,546	2,360	2,386	2,346	2,733	2,429	2,330
Boston	268,291	308,597	268,759	213,439	243,682	200,072	219,705	204,212	170,111	208,512
Fall River	9,309	8,890	6,805	5,434	6,601	7,419	6,778	7,045	5,452	7,060
Hartford	20,277	25,727	21,065	16,053	18,014	16,914	19,875	....	....	....
Holyoke	3,274	4,093	3,160	2,954	3,248	2,930	2,801	2,547	2,395	2,633
Lowell	5,417	4,735	4,827	4,999	4,400	4,120	5,563	4,724	3,858	4,296
New Bedford	7,143	8,081	7,509	5,288	5,801	5,674	5,837	5,005	4,477	4,624
New Haven	15,696	18,897	16,611	13,998	14,167	12,603	14,363	13,456	13,193	13,525
Portland	6,687	7,391	7,217	....	....	6,155	7,889	6,905	....	....
Providence	30,460	40,957	34,564	23,243	25,395	25,383	26,531	23,174	21,048	22,436
Springfield	17,115	16,596	15,775	11,275	12,219	7,631	7,830	7,391	6,295	6,912
Waterbury	7,799	9,844	7,986	5,298	5,707	6,485	7,726	6,809	6,947	6,419
Worcester	18,134	18,808	14,137	12,189	12,821	12,728	14,323	12,609	11,622	12,402
No. 2.—New York:										
Albany	18,900	22,355	18,285	14,033	18,984	19,497	15,205	15,563	14,485	17,012
Binghamton	3,486	4,065	3,530	2,904	3,125	2,561	2,923	2,623	2,147	2,481
Buffalo	57,906	72,814	60,906	50,767	56,433	58,231	60,532	55,276	47,253	49,877
New York	4,993,078	5,394,074	4,213,968	3,434,335	4,253,411	3,077,011	3,014,507	3,512,698	2,997,636	3,084,885
Passaic	4,482	4,920	4,576	3,205	3,628	3,544	3,984	3,385	2,788	2,895
Rochester	27,514	32,246	27,157	26,966	22,820	20,891	23,706	19,992	19,835	28,803
Syracuse	16,035	15,878	13,494	13,404	12,707	8,292	13,205	7,233	10,575	....
No. 3.—Philadelphia:										
Altoona	3,161	3,322	3,489	2,544	3,505	2,672	2,135	3,595	1,812	3,012
Chester	5,150	4,782	3,707	3,074	3,863	5,125	5,768	4,716	4,416	4,875
Harrisburg	3,735	4,600	4,199	3,500	3,930	5,981	6,410	6,439	5,350	4,988
Johnstown	3,325	3,522	3,517	2,484	2,794	2,180	2,952	....	....	....
Lancaster	5,036	5,181	4,960	4,079	4,171	4,005	4,340	4,198	3,478	3,656
Philadelphia	331,078	376,013	308,762	281,376	281,766	277,000	282,786	259,117	260,842	244,669
Reading	3,922	3,819	4,477	2,943	3,683	6,419	5,480	4,151	4,859	5,799
Scranton	13,339	12,112	13,541	9,188	13,193	10,945	9,378	11,100	9,269	12,075
Trenton	10,599	13,704	10,032	8,191	9,029	9,422	10,973	7,956	7,137	....
Wilkes-Barre	6,911	8,634	8,032	6,851	6,040	5,810	7,702	5,967	6,137	5,202
Williamsport	3,970	3,643	2,825	2,282	3,238	2,915	2,961	3,134	2,739	2,772
Wilmington	16,682	21,931	9,112	8,707	7,621	7,972	9,063	8,644	8,087	5,225
York	3,699	3,684	3,268	2,948	2,853	2,896	3,004	3,011	2,386	3,418

Debits to individual account at clearing-house banks during each of the five weeks ending Sept. 24, 1919, and Sept. 25, 1918—Continued.

[In thousands of dollars.]

Federal Reserve district.	1919					1918				
	Week ending—					Week ending—				
	Sept. 24.	Sept. 17.	Sept. 10.	Sept. 3.	Aug. 27.	Sept. 25.	Sept. 18.	Sept. 11.	Sept. 4.	Aug. 28.
No. 4.—Cleveland:										
Akron	25,822	23,667	25,369	21,235	19,933	14,305				
Cincinnati	63,376	73,032	60,160	49,877	48,653	51,442	51,334	49,385	45,754	45,417
Cleveland	159,972	188,435	161,165	145,904	132,911					
Columbus	27,494	31,320	29,008	24,492	26,887	21,221	21,946	23,392	18,843	18,703
Dayton	11,124	11,958	12,245	11,946	11,265	10,968	11,006	11,512	9,478	10,519
Erie	6,184	7,676	6,946	5,122	6,039	6,445	7,054	6,454	5,315	5,238
Greensburg, Pa	4,485	4,672	5,360	3,587	3,360	2,639	2,705	2,552	2,680	
Lexington	5,028	5,609	4,722	4,374	4,405	3,357	3,302			
Oil City	2,682	2,565	2,729	2,010	2,650	3,385	2,132			
Pittsburgh	176,262	198,264	162,214	127,953	155,309					
Springfield	3,062	4,097	3,453	3,799	3,543	2,181	2,643	2,623	3,136	
Toledo	31,200	36,850	29,894	23,056	25,963	20,880	23,786	21,856	17,012	30,000
Wheeling	9,242	8,602	7,349	5,714	8,797	7,482	6,887	9,183		
Youngstown	13,406	17,289	16,434	13,172	15,034	11,835	11,138	15,857		12,187
No. 5.—Richmond:										
Baltimore	102,337	120,002	98,913	90,764	94,439	76,175	73,294	76,302	68,713	71,398
Charleston	7,170	7,144		4,538	6,062					
Charlotte	4,600	5,400	3,200	3,400	4,200	5,788				
Columbia	6,935	6,462	6,189	5,711	6,064					
Norfolk	17,871	19,050	17,424	14,572	17,427	15,911	17,145			
Raleigh	3,710	3,721	4,191	3,062	3,050	3,574	3,266			
Richmond	30,740	31,188	27,947	22,684	23,480	23,112	21,218	24,125	19,829	19,538
No. 6.—Atlanta:										
Atlanta	33,354	34,913	30,073	24,099	23,419	24,575	23,339	22,173	19,172	17,156
Augusta	10,294	8,886	8,992	6,912	5,766	10,728	9,946	9,662	6,625	6,257
Birmingham	14,017	15,291	13,434	11,799	13,832	13,680	12,010	12,330	12,680	11,619
Chattanooga	11,332	13,697	11,699	9,302	9,270	8,720	8,753	9,308	7,763	7,175
Jacksonville	11,112	10,582	10,780	9,608	10,124	9,388	9,750	9,056	7,445	9,634
Knoxville	5,999	6,938	6,160	5,378	5,749	4,918	5,657	5,955	5,513	4,544
Macon	7,836	7,509	7,094	7,920	5,917	7,237	7,324	6,596	5,666	4,906
Mobile	6,752	6,743	7,077	6,758	6,721	6,323	6,193	6,021	5,594	5,624
Montgomery	4,461	3,635	4,109	3,462	3,196	4,656	5,222	4,485	3,398	2,859
Nashville	21,159	20,779	20,135	15,548	18,274	19,801	19,242	20,047	18,094	16,903
New Orleans	64,726	61,885	67,781	53,320	61,166	54,256	52,791	53,884	48,477	53,180
Pensacola	1,881	2,282	2,139	1,908	2,073	1,656	1,851	1,650	1,727	1,525
Savannah	15,433	16,194	15,013	13,396	14,255	15,664	17,602	16,580	13,099	10,669
Tampa	4,598	4,578	4,708	4,030	3,664	3,485	3,686	3,253	3,030	3,375
Vicksburg	1,306	1,405	1,324	1,214	1,083	1,629	1,566	1,428	1,266	1,057
No. 7.—Chicago:										
Bay City	2,755	3,551	3,058	2,431	2,654	2,383	2,390	2,233	2,251	
Bloomington	2,959	3,400	2,425	2,797	2,555	1,947	2,258	2,432	2,273	1,926
Cedar Rapids	9,673	8,242	9,152	9,243	8,462					
Chicago	652,077	791,744	650,892	548,187	611,419	527,579	610,176	396,781	428,084	482,999
Davenport	7,486	7,642	8,085	6,300	6,732	5,972	6,200	6,002	5,306	4,426
Decatur	3,702	4,648	4,165	3,764	3,663	2,875	2,936	3,020	2,854	3,175
Des Moines	20,242	22,718	25,571	17,088	19,662					
Detroit	140,058	190,426	126,057	107,131	120,139	98,369	105,211	82,993	87,739	93,950
Dubuque	2,586	2,623	2,458	2,236	2,089	1,800	2,242	1,966	1,587	
Flint	10,119	9,376	8,005	7,932	8,827	4,105				
Fort Wayne	5,460	5,092	5,703	4,521	4,909	5,408	4,312	5,663	3,657	4,196
Grand Rapids	19,435	20,227	21,276	16,256	18,916	16,959	14,030		10,853	
Indianapolis	32,918	39,442	34,239	26,907	26,852	29,184	30,759	26,754	22,457	27,191
Jackson	4,813	4,644	4,977	3,784	4,142					
Kalamazoo	3,866	4,438	3,859	3,214	2,636	2,993	2,995	3,085	2,532	
Lansing	5,415	5,728	4,833	5,835	5,559	3,103		2,830		
Milwaukee	68,566	70,367	56,770	51,190	49,513	49,102	51,625	52,252	30,552	39,104
Peoria	9,215	10,854	10,294	8,674	8,568	10,612	11,977	10,464	9,382	6,224
Rockford	4,797	6,182	5,306	4,183	4,638	4,370	4,448	4,654	3,659	4,102
Sioux City	13,367	13,536	13,698	10,800	13,965	11,012	10,769		11,693	
South Bend	4,115	3,974	4,019	2,828	3,585	2,838	3,004	4,429		
Springfield	4,961	5,351	5,270	4,010	4,346	4,253	4,390	4,667	3,949	3,703
Waterloo, Iowa	3,472	3,816	4,088	2,774	2,583	3,224	2,901	2,832	2,392	2,665
No. 8—St. Louis:										
Evansville	4,281	4,601	5,613	4,256	4,383	4,700	4,066	4,391	3,219	2,990
Little Rock	8,719	9,387	10,273	10,019	6,182	7,212	7,395	8,194	5,312	4,822
Louisville	34,371	36,396	32,288	25,968	29,464	26,120	27,091	25,250	20,720	23,342
Memphis	24,598	29,629	23,958	23,746	21,484	38,750	24,210	22,572	15,440	23,600
St. Louis	137,553	175,606	142,146	114,866	124,052	136,202	139,877	127,962	118,837	127,232
No. 9—Minneapolis:										
Aberdeen	1,944	2,100	2,283	1,780	2,023	1,937	1,890	2,280	1,796	1,519
Billings	2,265	1,946	2,390	1,969	1,564	1,832	2,011	2,255		
Duluth	20,815	24,889	20,493	17,263	17,690					
Fargo	9,337	9,393	9,144	7,729	7,637	4,800	3,581			
Grand Forks	1,991	2,288	1,818	1,514	1,560	1,468				
Great Falls	2,699	2,419	2,184	1,797	1,982	3,602	3,275			
Helena	2,875	2,679	2,136	3,752	3,219	2,099	1,920	2,198	1,760	1,526
Minneapolis	102,807	104,520	107,903	78,255	73,999	113,331	107,739	98,299	66,058	96,000
St. Paul	39,563	43,271	53,252	31,395	30,580	35,696	33,357	28,493	23,086	23,280
Superior	1,889	2,227	2,261	1,753	1,697	2,145	2,235	2,238	1,401	1,688
Winona	1,278	1,582	1,161	899	880					

Debits to individual account at clearing-house banks during each of the five weeks ending Sept. 24, 1919, and Sept. 25, 1918—Continued.

[In thousands of dollars.]

Federal Reserve district.	1919					1918				
	Week ending—					Week ending—				
	Sept. 24.	Sept. 17.	Sept. 10.	Sept. 3.	Aug. 27.	Sept. 25.	Sept. 18.	Sept. 11.	Sept. 4.	Aug. 28.
No. 10—Kansas City:										
Atchison	582	590	1,105	921	994	983	1,064	913	1,216	1,322
Bartlesville, Okla	2,166	3,159	2,756	2,775	2,446	1,574	2,251	1,793	1,654	1,860
Colorado Springs	3,050	3,451	3,400	2,958	2,793	2,274	2,484	2,401	1,929	2,036
Denver	29,308	33,867	33,398	26,732	30,432	25,303	26,395	29,216	22,255	25,458
Joplin	2,966	3,563	3,342	2,624	2,710	3,369	4,037	3,777	3,048	3,679
Kansas City, Kans	3,143	2,999	2,983	3,342	2,638	3,719	3,032	3,356	2,283	2,782
Kansas City, Mo	92,610	110,692	104,843	91,021	98,010	100,411	103,855	105,876	88,654	79,716
Muskogee, Okla	4,634	5,978	4,092	3,470	3,463	2,944	3,960	2,246	1,827	2,051
Oklahoma City	18,527	19,621	20,367	15,046	16,330	12,128	13,968	13,231	7,947	10,235
Omaha	48,738	77,723	73,786	59,559	66,425	76,350	59,811	74,663	62,186	58,419
Pueblo	2,924	3,057	4,121	2,714	3,227	2,394	2,804	2,903	2,106	2,569
St. Joseph	14,201	19,408	17,565	15,486	16,149	18,328	18,208	19,193	....	....
Topeka	4,855	6,483	5,472	5,672	4,790	4,122	4,354	4,848	3,620	3,518
Tulsa	22,680	24,545	22,163	18,014	20,579	15,626	18,168	15,067	10,937	15,543
Wichita	11,534	12,836	15,303	13,824	13,407	6,322	8,324	11,230	15,918	8,581
No. 11—Dallas:										
Albuquerque	1,531	1,474	1,713	1,405	1,361	....	....	....	....	....
Austin	2,720	2,859	3,441	3,562	2,814	2,742	3,786	3,252	2,464	....
Beaumont	4,440	3,901	4,994	2,570	3,924	4,146	3,736	3,816	3,069	2,929
Dallas	47,285	40,017	34,383	28,201	28,551	30,523	32,714	30,595	25,687	22,131
El Paso	6,400	6,319	7,739	6,308	6,319	4,878	5,216	4,393	3,720	4,545
Fort Worth	21,919	23,453	19,175	18,281	19,394	16,390	14,833	14,892	12,524	....
Galveston	8,804	10,787	10,435	8,742	9,317	7,252	7,869	7,919	6,669	8,893
Houston	31,154	36,557	33,487	28,497	32,256	36,715	25,775	29,614	35,547	23,257
San Antonio	7,421	7,610	8,839	5,815	6,798	....	....	....	....	....
Shreveport	11,688	6,295	5,790	4,436	5,475	5,639	5,854	6,031	4,488	4,062
Texarkana	1,863	2,372	1,474	1,198	1,522	1,228	1,849	1,289	1,231	1,212
Tucson	1,021	1,164	1,144	1,905	680	1,413	....	....	....	....
Waco	4,600	3,751	3,590	2,870	2,802	3,738	....	5,073	4,455	2,314
No. 12—San Francisco:										
Berkeley	2,333	2,752	2,371	2,035	2,876	....	....	....	....	....
Boise	2,948	3,200	4,406	2,524	2,426	....	....	....	....	....
Fresno	9,641	11,318	8,025	5,840	6,123	6,262	6,262	4,802	5,614	4,442
Long Beach	3,542	4,267	2,993	3,262	2,662	2,004	2,098	1,640	1,905	1,707
Los Angeles	79,787	90,259	73,039	63,031	64,017	46,382	53,995	31,226	35,942	27,196
Oakland	15,648	14,483	12,066	12,518	12,867	12,015	8,194	10,527	9,274	9,967
Ogden	3,745	4,484	4,111	3,158	3,212	3,808	3,607	3,594	2,861	2,365
Pasadena	2,688	4,440	3,417	2,666	2,650	1,766	1,987	1,836	1,797	1,504
Portland	45,662	59,608	42,005	42,954	38,117	51,126	43,604	38,512	33,533	39,041
Reno	2,965	3,408	2,446	1,972	2,100	1,460	1,753	....	....	....
Sacramento	14,726	16,019	11,290	....	12,526	11,857	16,118	....	....	....
Salt Lake City	18,375	16,550	17,174	11,391	15,081	15,530	11,686	14,139	9,779	10,933
San Diego	4,487	6,141	4,784	4,004	4,245	4,480	5,040	4,591	4,015	4,310
San Francisco	188,051	240,128	173,932	151,157	189,865	148,046	156,505	144,820	148,807	145,869
San Jose	6,103	6,043	4,846	4,851	5,087	....	....	....	....	....
Seattle	55,248	60,637	57,300	44,917	48,031	51,368	48,579	43,056	34,248	41,908
Spokane	14,648	15,561	13,709	11,023	9,717	9,742	9,865	9,989	6,814	8,690
Stockton	4,318	5,486	3,182	4,885	3,562	3,855	5,150	....	....	....
Tacoma	11,471	14,714	11,471	9,748	12,946	9,625	13,103	13,306	8,347	11,076
Yakima	3,274	3,074	3,891	2,946	2,524	1,568	1,750	2,290	1,610	1,479

139895—19——6

Recapitulation showing figures for clearing house centers reporting each of the five weeks ending Sept. 24, 1919.

[In thousands of dollars.]

Federal Reserve District.	Number of centers included.	1919 Week ending—				
		Sept. 24.	Sept. 17.	Sept. 10.	Sept. 3.	Aug. 27.
No. 1. Boston	12	405,658	468,230	404,272	316,716	354,415
No. 2. New York	7	5,121,401	5,546,352	4,341,916	3,545,614	4,371,108
No. 3. Philadelphia	13	413,607	464,947	379,921	338,167	345,686
No. 4. Cleveland	14	539,939	614,036	527,078	442,241	464,749
No. 5. Richmond	6	166,193	185,823	157,864	140,193	148,660
No. 6. Atlanta	15	214,260	215,410	210,518	174,654	184,509
No. 7. Chicago	23	1,032,057	1,238,024	1,014,200	852,115	936,414
No. 8. St. Louis	5	209,522	255,619	214,278	178,855	185,565
No. 9. Minneapolis	11	187,463	197,314	205,025	148,106	142,831
No. 10. Kansas City	15	261,918	327,972	314,696	264,158	284,393
No. 11. Dallas	13	150,846	146,559	136,204	113,790	121,213
No. 12. San Francisco	19	474,934	566,553	445,168	384,882	428,108
Grand total	153	9,177,798	10,226,839	8,351,140	6,899,491	7,967,651

Recapitulation showing figures for clearing house centers reporting each of the five weeks ending Sept. 24, 1919 and Sept. 25, 1918.

[In thousands of dollars.]

Federal Reserve District.	Number of centers included.	1919 Week ending—					1918 Week ending—				
		Sept. 24.	Sept. 17.	Sept. 10.	Sept. 3.	Aug. 27.	Sept. 25.	Sept. 18.	Sept. 11.	Sept. 4.	Aug. 28.
No. 1. Boston	11	385,381	442,503	383,207	300,663	336,401	287,431	313,803	289,705	247,827	291,149
No. 2. New York	6	5,105,366	5,530,474	4,328,422	3,532,210	4,358,401	3,181,738	3,120,857	3,609,537	3,084,144	3,185,953
No. 3. Philadelphia	11	399,683	447,721	366,372	327,492	338,863	331,740	339,027	314,072	309,375	295,691
No. 4. Cleveland	5	139,378	160,836	138,253	114,493	118,807	110,956	115,126	112,599	96,402	109,877
No. 5. Richmond	2	133,077	151,190	126,860	113,448	117,919	99,287	94,512	100,427	88,542	90,936
No. 6. Atlanta	15	214,260	215,410	210,518	174,654	184,509	186,716	184,962	182,428	159,549	156,513
No. 7, Chicago	12	935,671	1,138,967	913,294	770,468	845,917	742,895	840,193	598,514	602,304	673,661
No. 8. St. Louis	5	209,522	255,619	214,278	178,855	185,565	212,984	202,639	188,369	163,558	181,986
No. 9, Minneapolis	5	149,078	154,797	167,835	116,935	111,518	155,208	147,141	133,508	94,101	124,013
No. 10. Kansas City	14	247,717	308,564	297,131	248,672	268,244	257,519	254,507	271,520	225,580	217,769
No. 11. Dallas	7	111,634	106,248	98,302	79,952	87,364	90,381	83,013	83,657	80,411	67,029
No. 12. San Francisco	14	456,267	545,664	427,917	368,615	412,057	363,722	366,275	324,328	304,546	310,487
Grand total	107	8,487,034	9,457,993	7,672,389	6,326,457	7,365,565	6,020,577	6,062,055	6,208,864	5,456,339	5,705,064

DISCOUNT AND OPEN MARKET OPERATIONS OF THE FEDERAL RESERVE BANKS.

Discount operations during the month of August aggregating $6,433,662,286 were nearly 15 per cent less than the month before, though about 70 per cent larger than for August of last year and even in excess of the December operations of that year, which for the first time showed a volume exceeding six billions. The total for the month under review includes amounts of bills discounted for other Federal Reserve Banks, which totaled $215,987,000, as against $332,555,000 the month before. Nearly the entire decrease of about 750 millions in the monthly total of discount operations since July is accounted for by the smaller operations of the three Eastern banks. Of the other Federal Reserve Banks, Cleveland, Kansas City, Richmond, and Dallas show small decreases in discount operations, while the remaining banks report slightly larger totals than for July.

War paper, as in previous months, constituted about 95 per cent of the total paper discounted during the month. Discounts of trade acceptances for the month of August totaled $6,427,411 (compared with $8,504,928 for July), and with the exception of $366,333 cover transactions in the domestic trade. Bankers' acceptances discounted during the month aggregated $181,944, member banks' bills secured by eligible paper $20,028,459, as against $20,983,025 in July, while ordinary commercial and agricultural paper totaled $235,824,380, compared with $328,645,879 for the month previous.

Nearly 98 per cent of the total discounts for the month was 15-day paper, i. e., bills maturing within 15 days from date of discount or rediscount with the Federal Reserve Bank. Six-month bills (all agricultural and live-stock paper) totaled $4,216,353, compared with $9,345,071 the month before, the reduction in the volume of this class of discounts apparently corresponding to the reduced demand for bank credit in the agricultural districts during the crop-moving season. The average maturity of all the paper discounted during the month works out at 9.33 days, as against 9.39 days for July. About 89 per cent of the paper discounted during the month took the 4 per cent rate and nearly 10 per cent the $4\frac{1}{4}$ per cent rate; the average rate of discount charged during the month works out at 4.12 per cent as against 4.15 per cent the month before. Corresponding averages for the three months ending August are 9.51 days and 4.15 per cent.

On the last Friday in August the Federal Reserve Banks held a total of $1,815,134,000 of discounted bills, compared with $1,867,602,000 on the last Friday in July and $1,428,195,000 on the corresponding date in 1918. Of the total discounts on hand at the end of August, 88.7 per cent was the share of war paper, compared with about 87 per cent about the close of the previous month and 63 per cent about a year before. At the New York bank this share was about 94 per cent, and at the Boston and Philadelphia banks but slightly less. Discounted trade acceptances on hand about the close of the month totaled about $9,001,000, as against $9,600,000 about the end of July and $15,487,000 about a year previous. Holdings of agricultural paper totaled $30,363,000, as against $28,639,000 about the end of July, while holdings of live-stock paper were $27,538,000, as against $34,965,000 a month before. Of the total agricultural paper over one-half was held by the Dallas and San Francisco banks, while of the total live-stock paper nearly 60 per cent represents the holdings of the Kansas City bank.

The month witnessed a net increase in membership by 24, the total number of member banks at the close of August being 8,904, as against 8,876 at the close of July. Member banks accommodated during August by discount of paper numbered 3,460 as against 3,685 the month before. In the following exhibit are shown the number of member banks in each Federal Reserve district at the end of July and August, also the number in each district accommodated during each of the two months:

Federal Reserve Bank.	Number of member banks in district.		Number of member banks accommodated.	
	August 31.	July 31.	August.	July.
Boston	429	429	243	250
New York	741	736	381	402
Philadelphia	670	669	389	413
Cleveland	835	830	213	199
Richmond	572	572	299	321
Atlanta	427	427	241	233
Chicago	1,364	1,359	468	497
St. Louis	528	528	185	190
Minneapolis	896	894	163	151
Kansas City	1,014	1,010	295	381
Dallas	748	745	341	398
San Francisco	680	677	242	250
Total	8,904	8,876	3,460	3,685

Bills purchased in the open market during August largely by the New York bank both for its own account and for account of other

Federal Reserve Banks totaled $194,210,625, compared with $276,484,830 in July and $162,796,413 in August, 1918. Of the total bills purchased, $192,404,661 were bankers' acceptances, over 80 per cent of which were based upon foreign trade transactions. Purchases of $1,424,714 of trade acceptances, likewise based largely upon foreign-trade transactions, are reported by the Federal Reserve Banks of New York, Cleveland, and San Francisco. The average maturity of all bills purchased during the month was 50.73 days, compared with 51.21 days for July and 49.05 days for the three months ending August, while the average rate of discount charged works out at 4.25 per cent, which is also the average rate for the quarter ending August.

On August 31 the Federal Reserve Banks report a total of $367,164,000 of purchased bills on hand, compared with $373,240,000 on July 31, 1919, and $234,770,000 on August 31, 1918. Of the most recent total all but $1,790,000 were bankers' acceptances, and of the latter $264,815,000, or 72.5 per cent, were member bank acceptances, while of the remainder $43,828,000 were bills accepted by private banks and bankers, $20,955,000 by foreign banks and their agencies, and $35,776,000 by other nonmember institutions. Of the $1,790,000 of purchased trade acceptances held at the end of the month, all but $561,000 were foreign trade acceptances drawn largely by exporters in the Far East and reported by the New York and San Francisco banks only.

Total investment operations of each Federal Reserve Bank during the months of August, 1919 and 1918.

Federal Reserve Banks.	Bills discounted for member banks.	Bills bought in open market.	Municipal warrants.	United States bonds.	United States Victory notes.	United States certificates of indebtedness.	Total United States securities.	Total investment operations.	
								August, 1919.	August, 1918.
Boston	$245,378,612	$42,565,466				$100,000	$100,000	$288,044,078	$142,880,762
New York	3,528,702,368	64,910,476				99,464,000	99,464,000	3,693,076,844	2,427,233,888
Philadelphia	922,775,286	509,732				2,707,000	2,707,000	925,992,018	150,366,382
Cleveland	273,718,342	16,755,025			$100	4,044,000	4,044,100	294,517,467	146,589,352
Richmond	382,999,948	5,492,600		[1] $100		1,100,000	1,100,100	389,592,648	174,826,575
Atlanta	181,645,613	2,286,371				2,000,000	2,000,000	185,931,984	84,170,635
Chicago	377,616,768	23,529,003				61,193,500	61,193,500	462,339,271	416,849,317
St. Louis	152,420,283	7,469,809						159,890,092	92,879,874
Minneapolis	38,192,798	7,642,665				2,690,000	2,690,000	48,525,463	87,403,974
Kansas City	104,078,485	21,115				6,165,000	6,165,000	110,264,600	58,860,158
Dallas	94,639,852	499,659				800,000	800,000	95,939,511	69,044,935
San Francisco	131,493,931	22,528,704				610,500	610,500	154,633,135	104,506,085
Total August, 1919	6,433,662,286	194,210,625		100	100	180,874,000	180,874,200	6,808,747,111	
Total August, 1918	3,762,259,098	162,796,413	$50,276	284,650		30,221,500	30,506,150		3,955,611,937
Total 8 months ending Aug. 31, 1919	49,682,127,401	1,543,714,022	1,000	1,327,825	373,850	1,978,374,500	1,980,076,175	53,205,918,598	
Total 8 months ending Aug. 31, 1918	17,794,150,413	1,018,270,515	1,689,155	72,453,213		3,092,536,660	3,164,989,873		21,979,099,956

[1] 4½ per cent Liberty bonds.

Average amount of earning assets held by each Federal Reserve Bank during August, 1919, earnings from each class of earning assets, and annual rate of earnings on basis of August, 1919, returns.

Federal Reserve Bank.	Average balances for the month of the several classes of earning assets.				
	Discounted bills.	Purchased bills.	United States securities.	Municipal warrants.	Total.
Boston	$125,573,386	$31,369,749	$22,007,308		$178,950,443
New York	685,519,941	103,707,718	66,109,300		855,336,959
Philadelphia	193,261,632	689,750	27,337,016		221,288,398
Cleveland	118,212,830	52,081,140	21,530,971		191,824,941
Richmond	89,217,576	7,553,637	9,687,329		106,458,542
Atlanta	90,154,929	5,466,995	11,794,072		107,415,996
Chicago	205,291,991	49,336,389	45,126,051		299,754,431
St. Louis	68,098,301	9,684,444	18,221,400		96,004,145
Minneapolis	33,561,000	22,710,000	7,835,000		64,106,000
Kansas City	71,733,184	1,951,555	20,331,764		94,016,503
Dallas	54,836,900	605,625	10,304,710		65,747,235
San Francisco	66,425,634	85,933,976	9,363,468		161,723,078
Total August, 1919	1,801,887,304	371,090,978	269,648,389		2,442,626,671
Total August, 1918	1,337,701,494	217,108,523	52,165,448	$64,348	1,607,709,421

Average amount of earning assets held by each Federal Reserve Bank during August, 1919, earnings from each class of earning assets, and annual rate of earnings on basis of August, 1919, returns—Continued

Federal Reserve Bank.	Earnings from—					Calculated annual rates of earnings from—				
	Discounted bills.	Purchased bills.	United States securities.	Municipal warrants.	Total.	Discounted bills.	Purchased bills.	United States securities.	Municipal warrants.	Total.
						Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Boston	$446,515	$111,935	$37,919		$596,369	4.19	4.20	2.03		3.92
New York	2,360,599	373,241	143,639		2,877,479	4.05	4.18	2.56		3.96
Philadelphia	660,546	2,487	48,838		711,871	4.02	4.24	2.13		3.78
Cleveland	409,717	186,823	39,833		636,373	4.08	4.22	2.18		3.90
Richmond	323,867	29,375	16,601		369,843	4.27	4.57	2.02		4.09
Atlanta	304,534	20,476	19,580		344,590	4.11	4.56	2.02		3.90
Chicago	724,820	177,337	79,100		981,257	4.16	4.23	2.06		3.85
St. Louis	239,320	34,717	30,901		304,938	4.14	4.22	2.00		3.74
Minneapolis	116,479	80,548	13,817		210,844	4.09	4.18	2.08		3.87
Kansas City	276,492	7,010	41,433		324,935	4.54	4.23	2.40		4.07
Dallas	209,288	2,374	17,890		229,552	4.43	4.61	2.04		4.11
San Francisco	249,348	302,822	16,542		568,712	4.42	4.15	2.08		4.14
Total August, 1919	6,321,525	1,329,145	506,093		8,156,763	4.13	4.22	2.21		3.93
Total August, 1918	4,943,124	788,280	127,415	$253	5,814,780	4.35	4.38	2.87	4.63	4.27

Bills discounted during the month of August, 1919, distributed by classes; also average rates and maturities of bills discounted by each Federal Reserve Bank.

Federal Reserve Bank.	Customers' paper secured by Government war obligations.	Member bank's collateral notes.		Trade acceptances.	Banker's acceptances.	All other discounts.	Total.	Average maturity in days.	Average rate (365-day basis).
		Secured by Government war obligations.	Otherwise secured.						
									Per cent.
Boston	$24,652,827	$210,973,650	$1,005,000	$128,777	$45,075	$8,573,283	$245,378,612	14.45	4.18
New York	50,247,623	3,375,900,068		[1] 2,747,381	98,530	99,708,766	3,528,702,368	6.67	4.05
Philadelphia	26,623,749	855,176,865	3,000	191,924	18,870	40,760,878	922,775,286	7.31	4.01
Cleveland	9,708,795	248,007,050	366,500	944,905		14,691,092	273,718,342	14.22	4.13
Richmond	7,734,388	364,584,337	2,924,500	292,559		7,464,164	382,999,948	11.51	4.20
Atlanta	2,177,602	168,999,124	636,359	335,619		9,496,909	181,645,613	16.85	4.13
Chicago	4,220,208	348,490,000	4,415,000	215,162		20,276,398	377,616,768	17.40	4.18
St. Louis	3,187,891	139,488,089	294,500	416,385	9,500	9,023,918	152,420,283	12.39	4.16
Minneapolis	4,958	36,971,203	317,000	6,772		892,865	38,192,798	15.42	4.10
Kansas City	592,671	87,380,711	8,432,443	509,567	9,969	7,153,124	104,078,485	17.97	4.40
Dallas	218,223	87,873,553	1,311,157	3,896		5,233,023	94,639,852	17.94	4.30
San Francisco	1,995,372	115,991,135	323,000	634,464		12,549,960	131,493,931	17.14	4.41
Total	131,364,307	6,039,835,785	20,028,459	6,427,411	181,944	235,824,380	6,433,662,286	9.33	4.12

[1] Includes $366,333 of trade acceptances in the foreign trade.

Bankers' and trade acceptances in the foreign and domestic trade and finance bills purchased during the month of August, 1919; also average rates and maturities of total bills purchased by each Federal Reserve Bank.

Federal Reserve Bank.	Bankers' acceptances.			Trade acceptances.			Finance bills.	Total purchased bills.	Average maturity in days.	Average rate (365-day basis).
	In the domestic trade.	In the foreign trade.	Total.	In the domestic trade.	In the foreign trade.	Total.				
										Per cent.
Boston	$8,254,928	$34,310,538	$42,565,466.					$42,565,466	50.80	4.24
New York	8,522,804	55,846,009	64,368,813	$65,471	$287,442	$352,913	$188,750	64,910,476	44.09	4.23
Philadelphia	112,173	397,559	509,732					509,732	44.56	4.27
Cleveland	4,307,795	12,042,787	16,350,582	201,808	110,135	311,943	92,500	16,755,025	52.50	4.22
Richmond	1,299,400	4,193,200	5,492,600					5,492,600	37.63	4.56
Atlanta	1,495,404	790,967	2,286,371					2,286,371	54.73	4.56
Chicago	4,283,852	19,245,151	23,529,003					23,529,003	65.22	4.28
St. Louis	1,997,281	5,472,528	7,469,809					7,469,809	41.02	4.22
Minneapolis	2,686,882	4,905,783	7,592,665				50,000	7,642,665	57.60	4.22
Kansas City	21,115		21,115					21,115	88.00	5.00
Dallas	499,659		499,659					499,659	29.00	4.50
San Francisco	3,077,065	18,641,781	21,718,846		759,858	759,858	50,000	22,528,704	57.55	4.24
Total	36,558,358	155,846,303	192,404,661	267,279	1,157,435	1,424,714	381,250	194,210,625	50.73	4.25

Bills discounted by each Federal Reserve Bank during the 3 months ending Aug. 31, 1919, distributed by rates of discount; also average rates and maturities of all bills discounted by each bank during the 3 months.

Federal Reserve Bank.	4 per cent.		4¼ per cent.		4½ per cent.		4¾ per cent.		5 per cent.	
	Amount.	Discount.	Amount.	Discount.	Amount.	Discount.	Amount.	Discount.	Amount.	Discount.
Boston	$895,201,513	$538,816	$104,687,473	$921,414	$739,688	$4,599	$13,614,370	$88,742	$206,085	$535
New York	10,445,596,178	6,758,518	150,287,719	1,309,992	4,120,992	27,530	20,957,319	152,960	12,057	225
Philadelphia	3,025,267,931	2,308,256	5,922,474	53,859	480,319	3,701	2,376,402	14,044	379,000	493
Cleveland	654,354,276	896,349	116,624,471	247,667	2,171,011	13,586	8,019,490	49,076	....	....
Richmond	409,886,900	544,917	754,290,054	820,329	17,883,738	36,691	18,432,237	118,571	648,518	10,674
Atlanta	475,813,785	742,768	25,052,424	75,706	906,834	5,619	17,741,269	129,167	2,203,106	39,964
Chicago	853,375,165	1,371,611	224,645,738	430,383	539,232	3,242	54,932,552	389,549	....	....
St. Louis	443,318,634	476,640	6,990,053	53,042	4,824,329	10,110	14,675,563	105,793	....	....
Minneapolis	98,740,497	153,329	85,200	414	1,639,972	3,092	1,975,806	10,325	741,056	7,588
Kansas City	172,816,500	266,422	105,846,449	201,785	30,353,624	55,996	2,686,331	16,638	25,876,232	211,075
Dallas	194,388,666	396,772	90,184,809	163,408	4,357,972	8,879	5,445,347	29,982	6,279,622	67,918
San Francisco	....	....	387,417,002	636,952	....	....	1,124,858	9,540	10,693,308	87,142
Total	17,668,760,045	14,364,398	1,972,033,866	4,914,951	68,017,711	173,045	161,981,544	1,114,387	47,038,984	425,614

Federal Reserve Bank.	5¼ per cent.		5½ per cent.		Total.		Average maturity in days.	Average rate (365-day basis), per cent.
	Amount.	Discount.	Amount.	Discount.	Amount.	Discount.		
Boston	....	....	....	....	$1,014,449,129	$1,554,106	13.36	4.19
New York	....	....	....	....	10,620,974,265	8,249,225	7.00	4.05
Philadelphia	....	....	....	....	3,034,426,126	2,380,353	7.11	4.03
Cleveland	$271,739	$401	....	....	781,440,987	1,207,079	13.76	4.08
Richmond	....	....	$65,000	$137	1,201,206,447	1,531,319	11.03	4.22
Atlanta	....	....	....	....	521,717,418	993,224	16.72	4.16
Chicago	10,000	20	2,239,462	45,207	1,135,742,149	2,240,012	17.12	4.21
St. Louis	....	....	482,471	10,114	470,291,050	655,699	12.21	4.17
Minneapolis	....	....	1,425,607	30,076	104,608,138	204,824	22.93	4.65
Kansas City	....	....	13,511,907	273,306	351,091,043	1,025,222	16.76	4.26
Dallas	5,977,335	118,695	105,000	231	306,738,751	695,885	18.90	4.38
San Francisco	5,000	5	4,083,080	86,023	403,323,248	819,662	16.65	4.45
Total	6,264,074	119,121	21,912,527	445,094	19,946,008,751	21,556,610	9.51	4.15

Acceptances purchased by each Federal Reserve Bank during the three months ending Aug. 31, 1919, distributed by rates of discount; also average rates and maturities of acceptances purchased by each bank during the three months.

	4 per cent.		$4\frac{1}{16}$ per cent.		4⅛ per cent.		$4\frac{3}{16}$ per cent.		4¼ per cent.	
	Amount.	Discount.	Amount.	Discount.	Amount.	Discount.	Amount.	Discount.	Amount.	Discount.
Boston	$10,099,324	$25,579	$25,110,760	$114,699	$19,164,502	$89,634	$9,453,402	$55,939	$31,098,370	$162,545
New York	80,345,223	196,482	1,148,981	3,209	44,564,952	268,061	68,922,010	561,347	128,817,013	524,766
Philadelphia	265,948	320	....	....	222,022	1,245	187,397	1,539	233,350	2,304
Cleveland	11,983,033	33,033	156,000	462	26,606,388	160,560	23,968,258	195,685	10,448,172	83,089
Richmond	....	....	....	....	....	....	....	....	....	....
Atlanta	....	....	....	....	....	....	....	....	....	....
Chicago	3,127,525	9,473	....	....	29,668,077	173,792	21,779,448	179,067	12,891,961	123,673
St. Louis	1,752,031	4,721	....	....	8,094,181	47,594	5,686,962	43,340	1,227,507	8,544
Minneapolis	703,296	2,223	....	....	19,855,244	119,296	10,162,066	83,844	4,289,489	41,576
Kansas City	....	....	....	....	....	....	....	....	....	....
Dallas	....	....	....	....	....	....	....	....	....	....
San Francisco	1,076,123	2,513	15,000	51	37,253,350	216,605	27,229,157	216,814	15,691,056	139,362
Total	109,352,503	274,344	26,430,741	118,421	185,428,716	1,076,787	167,388,700	1,337,575	204,696,918	1,085,859

	$4\frac{5}{16}$ per cent.		4⅜ per cent.		4½ per cent.		4⅝ per cent.		4¾ per cent.	
	Amount.	Discount.	Amount.	Discount.	Amount.	Discount.	Amount.	Discount.	Amount.	Discount.
Boston	$4,100,632	$27,187	$172,833	$1,709	$14,460	$157	....	....	$25,000	$171
New York	4,023,333	39,071	2,189,205	18,539	1,383,805	12,252	....	....	89,835	858
Philadelphia	....	....	....	....	....	....	....	....	14,889	177
Cleveland	1,780,258	3,155	476,819	1,428	86,856	912	....	....	610,000	1,937
Richmond	....	....	....	....	15,598,464	84,264	....	....	....	....
Atlanta	....	....	....	....	12,708,598	81,024	....	....	....	....
Chicago	6,969,011	73,797	5,826,250	61,148	....	....	....	....	....	....
St. Louis	5,548,050	12,748	1,291,624	2,294	....	....	....	....	....	....
Minneapolis	13,250	132	....	....	....	....	....	....	....	....
Kansas City	....	....	....	....	....	....	....	....	....	....
Dallas	....	....	....	....	1,759,831	6,033	....	....	101,650	1,194
San Francisco	2,055,226	19,294	1,129,136	4,788	793,314	5,270	$261,880	$2,131	....	....
Total	24,489,760	175,384	11,085,867	89,906	32,345,328	189,912	261,880	2,131	841,374	4,337

Acceptances purchased by each Federal Reserve Bank during the three months ending Aug. 31, 1919, distributed by rates of discount, also average rates and maturities of acceptances purchased by each bank during the three months—Continued.

	4⅞ per cent.		5 per cent.		Total.		Average maturity in days.	Average rate (365-day basis) per cent.
	Amount.	Discount.	Amount.	Discount.	Amount.	Discount.		
Boston					$99,239,283	$477,620	41.62	4.22
New York					331,484,357	1,624,585	42.21	4.24
Philadelphia					923,606	5,585	51.79	4.26
Cleveland					76,115,784	480,261	54.51	4.23
Richmond					15,598,464	84,264	43.21	4.56
Atlanta					12,708,598	81,024	51.00	4.56
Chicago					80,262,272	620,950	66.14	4.27
St. Louis					23,600,355	119,241	43.56	4.23
Minneapolis					35,023,345	247,071	60.97	4.22
Kansas City			$23,114	$278	23,114	278	87.80	5.00
Dallas					1,861,481	7,227	30.79	4.60
San Francisco	$240,000	$2,287	26,000	221	85,770,242	609,336	61.04	4.25
Total	240,000	2,287	49,114	499	762,610,901	4,357,442	49.05	4.25

Discounted bills, including member banks' collateral notes, held by each Federal Reserve Bank on the last Friday in August, 1919, distributed by classes.

[In thousands of dollars; i. e., 000 omitted.]

Federal Reserve Bank.	Agricultural paper.	Live-stock paper.	Customers' paper secured by Government war obligations.	Member banks' collateral notes.		Trade acceptances.	Bankers' acceptances.	All other discounts.	Total.
				Secured by Government war obligations.	Otherwise secured.				
Boston			71,738	36,006	393	288	201	7,066	115,692
New York	159		82,840	573,465		3,177	148	40,407	700,196
Philadelphia	104		14,270	166,602	40	303	19	16,020	197,358
Cleveland	26	26	8,156	108,173	59	1,389		8,156	125,985
Richmond	3,019	20	13,970	63,452	1,988	828		9,033	92,310
Atlanta	3,860	976	3,830	78,635	517	387		9,152	97,357
Chicago	4,479		5,075	180,183	1,775	330		13,944	205,786
St. Louis	565	148	5,094	46,402	265	426	71	8,687	61,658
Minneapolis	675	2,553	16	28,339	262	12		691	32,548
Kansas City	1,770	16,168	1,128	35,409	3,170	1,039		6,047	64,731
Dallas	9,578	4,720	442	38,285	550			4,448	58,023
San Francisco	6,128	2,927	2,513	45,273	300	822		5,527	63,490
Total	30,363	27,538	209,072	1,400,224	9,319	9,001	439	129,178	1,815,134

Acceptances purchased and held by each Federal Reserve Bank on Aug. 30, 1919, distributed by classes of accepting institutions.

[In thousands of dollars; i. e., 000 omitted.]

Federal Reserve Bank.	Bank acceptances.						Trade acceptances.			Grand total.
	Member banks.	Nonmember trust companies.	Nonmember State banks.	Private banks.	Foreign bank branches and agencies.	Total.	Domestic.	Foreign.	Total.	
Boston	40,878	455	348	3,983	91	45,755				45,755
New York	45,409	1,628	14,440	21,408	10,450	93,335	507	447	954	94,289
Philadelphia	574		58	130		762				762
Cleveland	31,642	839	3,861	4,232	1,634	42,208	54	110	164	42,372
Richmond	6,966					6,966				6,966
Atlanta	4,305					4,305				4,305
Chicago	44,258	5	185	1,930	42	46,420				46,420
St. Louis	9,797		374	50	604	10,825				10,825
Minneapolis	17,794	11	901	368	503	19,577				19,577
Kansas City	7,595		1,337	643	461	10,036				10,036
Dallas	796					796				796
San Francisco	54,813	173	11,161	11,071	7,170	84,388		672	672	85,060
Totals:										
Aug. 30, 1919	264,827	3,111	32,665	43,815	20,955	365,373	561	1,229	1,790	367,163
July 31, 1919	269,568	8,935	31,928	42,593	18,967	371,991	576	673	1,249	373,240
June 30, 1919	233,519	9,225	29,361	29,648	12,654	314,407	382	1,204	1,586	315,993
Aug. 31, 1918	188,366	1,717	8,264	19,167	8,450	225,964	2,201	6,605	8,806	234,770
Aug. 31, 1917	94,597	33,273	2,312	18,086	1,369	149,637			4,952	154,589

OPERATION OF THE FEDERAL RESERVE CLEARING SYSTEM AUG. 16 TO SEPT. 15, 1919.

	Items drawn on banks in Federal Reserve city (daily average).		Items drawn on banks in district outside Federal Reserve city (daily average).		Total items drawn on banks in own Federal Reserve district (daily average).	
	Number.	Amount.	Number.	Amount.	Number.	Amount.
Boston	18,652	$22,580,024	87,054	$13,718,874	105,706	$36,298,898
New York	25,913	72,111,095	133,566	69,392,098	159,479	141,503,193
Philadelphia	44,546	29,539,312	49,292	7,379,237	93,838	36,918,549
Cleveland	6,577	7,927,186	80,418	26,120,687	86,995	34,047,873
Richmond	2,904	6,584,496	56,681	16,424,076	59,585	23,008,572
Atlanta	3,968	3,334,855	31,154	8,179,356	35,122	11,514,211
Chicago	23,552	27,286,000	88,405	16,061,000	111,957	43,347,000
St. Louis	6,371	9,941,424	51,708	8,658,512	58,079	18,599,936
Minneapolis	6,355	9,681,401	26,363	2,606,482	32,718	12,287,883
Kansas City	6,174	12,890,521	85,637	15,638,036	91,811	28,528,557
Dallas	1,213	2,388,994	28,984	9,368,617	30,197	11,757,611
San Francisco	3,235	4,263,773	42,418	9,265,234	45,653	13,529,007
Total:						
Aug. 16 to Sept. 15, 1919	149,460	208,529,081	761,680	202,812,209	911,140	411,341,290
July 16 to Aug. 15, 1919	139,678	194,733,618	731,680	176,612,134	871,358	371,345,752
June 16 to July 15, 1919	149,902	218,737,336	737,007	194,300,102	886,909	413,037,438
Aug. 16 to Sept. 15, 1918	55,123	182,321,867	441,979	145,374,804	497,102	327,696,671

	Items drawn on banks in other districts (daily average).		Items handled by both parent banks and branches (daily average).		Items drawn on the Treasurer of the United States (daily average).		Number of member banks in district.	Number of nonmember banks on par list.	Incorporated banks other than mutual savings not on par list.
	Number.	Amount.	Number.	Amount.	Number.	Amount.			
Boston	12,415	$11,822,572	....	....	5,326	$1,238,181	430	242	....
New York	33,695	20,240,710	1,912	$1,253,523	33,933	31,051,857	744	319	....
Philadelphia	24,056	9,033,597	....	....	5,339	2,478,551	670	409	....
Cleveland	3,584	3,301,787	2,438	1,411,959	5,024	1,215,322	837	1,014	75
Richmond	7,526	5,744,094	524	754,827	1,711	1,501,107	573	418	1,026
Atlanta	3,179	2,799,322	3,838	1,743,133	3,310	960,01[illegible]	431	349	1,217
Chicago	6,752	1,759,000	523	1,136,000	7,441	2,108,000	1,363	3,184	1,012
St. Louis	1,029	503,719	1,131	233,899	4,049	770,401	527	1,731	922
Minneapolis	1,658	1,522,962	....	....	583	257,273	899	1,485	1,384
Kansas City	7,860	5,977,473	3,821	1,060,051	3,084	627,985	1,017	2,502	755
Dallas	4,221	2,309,565	4,099	882,128	2,765	737,771	748	392	822
San Francisco	1,304	1,869,090	3,673	2,509,265	4,636	8,989,137	681	917	149
Total:									
Aug. 16 to Sept. 15, 1919	107,279	66,883,891	21,959	10,984,785	77,201	51,935,604	8,920	12,962	7,362
July 16 to Aug. 15, 1919	110,817	66,552,940	20,787	9,119,203	83,659	57,868,769	8,894	12,578	7,621
June 16 to July 15, 1919	104,997	66,672,048	19,061	10,502,207	95,986	49,867,067	8,848	12,071	8,167
Aug. 16 to Sept. 15, 1918	80,555	62,764,960	11,053	6,866,305	87,213	45,695,643	8,428	10,549	....

OPERATIONS OF THE FEDERAL RESERVE BANKS.

Aggregate increases of over 100 millions in earning assets, largely discounts other than war paper, and a net gain of 43.6 millions in gold reserves are the principal changes in condition of the Federal Reserve Banks during the five weeks between August 22 and September 26.

War-paper holdings of the Federal Reserve Banks show an increase for the period of only 9.5 millions, while total discounts held were about 108 millions larger on September 26 than five weeks earlier. Considerable borrowings by member banks on security of commercial paper are reflected in the reports of the Chicago, Atlanta, St. Louis, and Kansas City banks and are presumably due to increased demands for funds in connection with the crop movement in these districts. Acceptances on hand show a moderate decline for the period and stood at the end of the period 20.4 millions below the initial amount, this decline being due largely to an increased demand for acceptances in the open market. Treasury certificate holdings increased 13.2 millions during the five weeks, largely as a result of additional investment by Federal Reserve Banks in 1-year 2 per cent certificates to secure Federal Reserve bank-note circulation. The large amounts of certificates on hand reported on September 12 and 19 were due to the issuance by the Treasury of temporary certificates pending receipt of funds from depositary institutions. The banks' total earning assets stood at 2,503.1 millions on September 26 as compared with 2,402.4 millions on August 22. War paper on hand at the several Federal Reserve Banks includes the amounts held under rediscount for other Federal Reserve Banks. During the five weeks under review the amount of such rediscounts was subject to some fluctuations and stood on September 26 at 70.2 millions (as against 69 millions on August 22), this figure representing the aggregate amount of war paper taken over by the Chicago and Minneapolis banks from other Federal Reserve Banks. Acceptance holdings of the Kansas City and San Francisco banks on September 26 include 31.7 millions of bankers' acceptances purchased from other Federal Reserve Banks.

Government deposits show a decrease for the period of about 42 millions, members' reserve deposits an increase of 51.6 millions, and other deposits, including foreign government credits, a decrease of 2.4 millions. Net deposits showed considerable fluctuations, reaching the lowest figure on September 19, and stood at the end of the period about 13 millions above the figure reported for August 22.

Gold reserves decreased during the first week of the period. Considerable increases are shown for the two most recent weeks, when 79.4 millions of gold, previously held on the continent, were transferred to the Bank of England vaults. The increases in gold reserves caused by these transfers and by gold deposits of the United States Treasury were offset in part, however, by continued withdrawals of gold for export, the net increase in gold reserves for the five weeks being 43.6 millions.

Federal Reserve note circulation showed a practically continuous increase for the period at the rate of about 20 millions a week and stood on September 26, 101.8 millions above the figure reported five weeks earlier. Federal Reserve Bank notes in circulation also show an increase of 23.7 millions for the period. As a net result of increases in deposit and note liabilities and in gold reserves the banks' reserve ratio shows a slight decline for the period under review from 51.3 to 51 per cent.

Resources and liabilities of each Federal Reserve Bank at close of business on Fridays, Aug. 29 to Sept. 26, 1919.

[In thousands of dollars; i. e., 000 omitted.]

RESOURCES.

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Gold coin and certificates:													
Aug. 29	5,688	156,435	650	17,194	2,300	7,948	23,736	2,517	8,338	183	8,720	10,522	244,231
Sept. 5	5,893	149,830	756	17,289	2,345	7,813	23,830	2,495	8,394	191	8,853	15,549	243,238
Sept. 12	6,070	148,884	645	10,504	2,371	7,856	23,868	2,524	8,340	153	8,452	11,942	231,609
Sept. 19	6,347	139,243	666	10,679	2,393	7,912	23,849	5,291	8,300	210	6,938	18,219	230,047
Sept. 26	6,566	157,733	819	10,271	2,344	7,842	23,914	3,482	8,319	257	6,879	10,742	239,168
Gold settlement fund, Federal Reserve Board:													
Aug. 29	63,200	64,352	41,754	59,665	35,396	9,565	136,748	23,085	35,852	45,149	7,403	41,471	563,640
Sept. 5	56,983	96,347	42,236	60,391	28,252	9,927	110,837	19,675	36,592	38,360	7,497	35,213	542,310
Sept. 12	61,884	128,740	40,565	66,183	30,982	9,366	95,383	11,979	30,052	16,217	7,779	38,593	537,723
Sept. 19	27,938	152,696	35,783	66,753	30,992	6,780	101,636	14,884	29,840	26,825	6,778	11,175	512,080
Sept. 26	43,584	139,419	36,000	59,741	28,191	6,893	76,352	17,925	27,973	24,220	5,210	36,998	502,506
Gold with foreign agencies:													
Sept. 19	3,320	16,691	3,638	3,729	2,229	1,637	5,412	2,138	1,228	2,183	1,182	2,092	45,479
Sept. 26	5,794	29,129	6,350	6,508	3,889	2,857	9,445	3,730	2,143	3,810	2,064	3,651	79,370
Gold with Federal Reserve agents:													
Aug. 29	68,544	281,659	75,923	130,573	23,951	41,911	266,538	62,987	33,142	39,356	16,040	101,965	1,142,589
Sept. 5	75,858	291,659	75,245	131,239	27,763	41,542	276,711	56,292	32,560	41,585	17,297	104,417	1,172,168
Sept. 12	73,318	289,854	74,071	138,835	34,008	41,485	291,945	54,721	31,967	40,227	17,405	102,933	1,190,769
Sept. 19	70,706	289,256	71,218	138,121	32,640	42,339	317,503	47,709	36,185	35,679	17,178	110,427	1,208,961
Sept. 26	67,965	288,849	75,889	137,686	30,763	43,157	318,957	46,436	35,445	34,596	16,831	99,751	1,196,325
Gold redemption fund:													
Aug. 29	18,345	25,000	9,961	1,126	5,370	4,300	30,813	4,710	5,650	6,128	2,856	2,069	116,328
Sept. 5	10,755	25,000	11,586	868	6,288	4,883	33,670	5,234	1,189	3,828	2,550	3,485	109,336
Sept. 12	13,218	25,000	13,025	1,182	5,480	5,746	27,957	5,743	1,750	5,088	2,887	1,690	108,766
Sept. 19	15,662	25,000	15,248	982	6,656	5,342	10,565	4,781	2,462	4,531	3,537	633	95,399
Sept. 26	18,177	25,000	10,674	465	7,966	5,240	14,517	4.842	3,158	5,546	4,115	785	100,485
Total gold reserves:													
Aug. 29	155,777	527,416	128,288	208,558	67,017	63,724	457,835	93,299	82,982	90,816	35,019	156,027	2,066,788
Sept. 5	149,489	562,836	129,823	209,787	64,648	64,165	445,048	83,696	78,735	83,964	36,197	158,664	2,067,052
Sept. 12	154,490	592,478	128,306	216,704	72,841	64,453	439,153	74,967	72,109	61,685	36,523	155,158	2,068,867
Sept. 19	123,973	622,886	126,553	220,264	74,910	64,010	458,965	74,803	78,015	69,428	35,613	142,546	2,091,966
Sept. 26	142,086	640,130	129,732	214,671	73,153	65,989	443,185	76,415	77,038	68,429	35,099	151,927	2,117,854
Legal-tender notes, silver, etc.:													
Aug. 29	7,667	50,313	175	882	449	1,362	900	4,803	52	208	2,099	278	69,188
Sept. 5	7,013	51,577	183	756	493	1,339	843	5,081	59	150	2,043	281	69,818
Sept. 12	6,574	51,397	236	852	474	1,255	1,099	5,272	61	220	1,956	236	69,632
Sept. 19	6,726	51,330	308	878	416	1,261	1,042	5,662	75	320	1,859	214	70,091
Sept. 26	6,478	50,772	275	912	368	1,210	1,095	6,102	48	390	1,827	174	69,651
Total cash reserves:													
Aug. 29	163,444	577,759	128,463	209,440	67,466	65,086	458,735	98,102	83,034	91,024	37,118	156,305	2,135,976
Sept. 5	156,502	614,413	130,006	210,543	65,141	65,504	445,891	88,777	78,794	84,114	38,240	158,945	2,136,870
Sept. 12	161,064	643,875	128,542	217,556	73,315	65,708	440,252	80,239	72,170	61,905	38,479	155,394	2,138,499
Sept. 19	130,699	674,216	126,861	221,142	75,326	65,271	460,007	80,465	78,090	69.748	37,472	142,760	2,162,057
Sept. 26	148,564	690,902	130,007	215,583	73,521	67,199	444,280	82,517	77,086	68,819	36,926	152,101	2,187,505
Bills discounted:													
Secured by Government war obligations[1]—													
Aug. 29	107,744	656,305	180,872	116,329	77,422	82,465	185,258	51,496	28,355	36,537	38,727	47,786	1,609,296
Sept. 5	112,074	672,070	175,974	114,897	75,143	77,635	192,490	59,552	31,390	36,917	35,687	51,404	1,635,233
Sept. 12	108,671	611,442	179,199	110,435	73,246	75,946	137,833	60,400	36,463	44,960	34,312	51,614	1,524,521
Sept. 19	115,900	483,053	173,229	104,907	72,295	74,872	139,657	57,715	34,303	41,456	32,303	54,206	1,383,896
Sept. 26	123,851	617,837	180,151	111,635	72,097	71,308	172,455	60,181	34,586	44,485	32,030	51,887	1,572,503
All other—													
Aug. 29	7,948	43,891	16,486	9,656	14,888	14,892	20,528	10,162	4,193	28,194	19,296	15,704	205,838
Sept. 5	7,441	52,791	16,830	9,601	14,841	15,766	21,965	10,768	4,233	23,784	19,556	14,609	212,185
Sept. 12	7,508	49,692	15,985	9,549	16,647	20,208	27,925	14,230	4,576	27,595	21,496	14,906	230,317
Sept. 19	7,895	45,539	21,528	11,888	19,226	24,513	32,371	19,228	5,526	34,530	22,851	16,890	261,985
Sept. 26	9,451	47,707	21,705	18,475	20,191	26,928	46,091	24,357	8,272	43,686	23,672	19,244	309,779
Bills bought in open market:[2]													
Aug. 29	45,755	94,288	762	42,133	7,002	4,165	46,169	11,101	19,474	10,036	796	81,457	363,138
Sept. 5	46,330	71,177	843	37,853	7,254	3,923	43,067	15,274	20,283	25,046	742	82,875	354,667
Sept. 12	44,951	70,955	1,061	39,242	7,212	3,904	44,097	14,918	22,110	25,244	494	87,817	362,005
Sept. 19	44,279	73,521	811	41,768	5,982	3,736	42,967	14,017	21,138	18,591	379	86,628	353,817
Oct. 26	42,963	76,401	735	40,510	6,329	5,100	42,771	11,077	19,622	15,346	507	81,130	342,491
United States Government bonds:													
Aug. 29	539	1,257	1,385	1,093	1,234	376	4,477	1,153	116	8,868	3,966	2,632	27,096
Sept. 5	539	1,257	1,385	1,093	1,234	376	4,477	1,153	116	8,868	3,966	2,632	27,096
Sept. 12	539	1,257	1,385	1,093	1,234	376	4,477	1,153	116	8,868	3,966	2,632	27,096
Sept. 19	539	1,257	1,385	1,093	1,234	375	4,477	1,154	116	8,867	3,966	2,632	27,095
Sept. 26	539	1,257	1,385	1,094	1,234	376	4,477	1,153	116	8,867	3,966	2,633	27,097
United States Victory notes:													
Aug. 29	14	50	....	....	....	5	....	....	129	....	....	....	198
Sept. 5	13	50	....	....	....	5	....	....	129	....	....	....	197
Sept. 12	9	50	....	....	....	5	....	....	128	....	....	....	192
Sept. 19	9	50	....	....	....	5	....	....	128	....	....	....	192
Sept. 26	9	50	....	....	....	5	....	....	73	....	....	....	137

Resources and liabilities of each Federal Reserve Bank at close of business on Fridays, Aug. 29, to Sept. 26, 1919—Contd.

[In thousands of dollars, i. e., 000 omitted.]

RESOURCES—Continued.

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
United States certificates of indebtedness:													
Aug. 29	21,436	66,504	27,240	20,517	8,995	12,479	33,806	17,068	8,999	12,726	6,700	6,941	243,411
Sept. 5	21,436	67,333	27,181	21,402	8,995	12,979	34,835	17,068	9,506	13,268	6,700	9,520	250,223
Sept. 12	21,471	92,752	27,231	21,402	9,695	12,964	103,642	17,068	8,013	11,802	7,200	8,415	341,655
Sept. 19	21,436	130,786	28,669	23,575	10,060	13,464	41,642	17,068	8,253	12,609	7,200	8,224	322,986
Sept. 26	21,436	63,509	28,182	24,778	10,060	13,464	37,827	17,068	8,222	11,162	7,200	8,173	251,081
Total earning assets:													
Aug. 29	183,436	862,295	226,745	189,728	109,541	114,382	290,238	90,980	61,266	96,361	69,485	154,520	2,448,977
Sept. 5	187,833	864,678	222,213	184,846	107,467	110,684	296,834	103,815	65,657	107,883	66,651	161,040	2,479,601
Sept. 12	183,149	826,148	224,861	181,721	108,034	113,403	317,974	107,769	71,406	118,469	67,468	165,384	2,485,786
Sept. 19	190,058	734,206	225,622	183,231	108,797	116,965	261,114	109,182	69,464	116,053	66,699	168,580	2,349,971
Sept. 26	198,249	806,761	232,158	196,492	109,911	117,181	303,621	113,836	70,891	123,546	67,375	163,067	2,503,088
Bank premises:													
Aug. 29	1,758	3,994	500	875	437	463	2,936	691	....	402	340	400	12,796
Sept. 5	1,764	3,994	500	875	441	472	2,936	691	....	402	340	400	12,815
Sept. 12	2,089	3,994	500	875	444	472	2,936	691	....	402	340	400	13,143
Sept. 19	2,089	3,994	500	875	444	475	2,936	691	....	402	340	400	13,146
Sept. 26	2,089	3,994	500	875	444	475	2,936	691	....	402	340	400	13,146
Gold in transit or in custody in foreign countries:													
Aug. 29	....	107,119	....	....	....	....	....	....	....	....	....	....	107,119
Sept. 5	....	107,119	....	....	....	....	....	....	....	....	....	....	107,119
Sept. 12	....	158,232	....	....	....	....	....	....	....	....	....	....	158,232
Sept. 19	....	114,138	....	....	....	....	....	....	....	....	....	....	114,138
Sept. 26	....	80,246	....	....	....	....	....	....	....	....	....	....	80,246
Uncollected items and other deductions from gross deposits:													
Aug. 29	50,205	183,732	63,635	60,402	58,023	26,789	81,679	46,308	14,054	62,583	26,697	35,287	709,394
Sept. 5	62,897	202,367	72,723	67,137	67,085	33,146	105,857	51,429	15,746	75,787	32,936	40,735	827,845
Sept. 12	77,404	206,934	82,646	62,320	52,748	37,024	109,915	57,559	19,807	79,131	39,785	47,793	873,066
Sept. 19	91,878	232,490	86,382	90,196	86,093	44,193	120,631	62,227	19,392	86,841	50,311	54,488	1,025,122
Sept. 26	66,309	198,028	72,770	69,936	68,088	35,211	95,931	52,156	18,536	70,693	37,540	42,206	827,404
5 per cent redemption fund against Federal Reserve Bank notes:													
Aug. 29	1,072	2,335	1,297	1,106	428	639	1,738	793	354	916	452	450	11,580
Sept. 5	1,072	2,371	1,322	933	428	688	1,619	746	350	708	473	450	11,160
Sept. 12	1,072	2,530	1,350	1,053	428	628	1,417	660	330	892	482	500	11,343
Sept. 19	1,072	2,527	1,350	1,132	428	638	1,297	670	310	892	473	500	11,289
Sept. 26	1,072	2,705	1,350	1,132	428	657	1,575	624	290	892	253	525	11,503
All other resources:													
Aug. 29	307	2,304	a 1,389	951	631	345	1,610	547	114	523	488	786	9,995
Sept. 5	281	2,240	1,061	826	660	339	1,569	560	111	545	509	810	9,511
Sept. 12	419	2,312	1,143	795	672	1,522	1,452	563	b 283	508	498	840	11,007
Sept. 19	260	3,128	938	835	665	240	1,612	565	c 513	552	765	813	10,886
Sept. 26	276	2,385	525	662	655	387	1,431	550	136	559	531	901	8,998
Total resources:													
Aug. 29	400,222	1,739,538	422,029	462,502	236,526	207,704	836,936	237,421	158,822	251,809	134,580	347,748	5,435,837
Sept. 5	410,349	1,797,182	427,825	465,160	241,222	210,833	854,706	246,018	160,658	269,439	139,149	362,380	5,584,921
Sept. 12	425,197	1,844,025	439,042	464,320	235,641	218,757	873,946	247,481	163,996	261,307	147,053	370,311	5,691,076
Sept. 19	416,056	1,764,699	441,653	497,411	271,753	227,782	847,597	253,800	167,769	274,488	156,060	367,541	5,686,609
Sept. 26	416,559	1,785,021	437,310	484,680	253,047	221,110	849,774	250,374	166,939	264,911	142,965	359,200	5,631,890
[1] Includes bills discounted for other Federal Reserve Banks:													
Aug. 29	....	....	....	....	....	....	33,930	8,250	11,475	....	....	....	53,655
Sept. 5	....	....	....	....	....	....	41,816	5,000	10,000	....	....	....	56,816
Sept. 12	....	....	....	3,000	....	....	22,410	5,000	15,000	....	....	....	45,410
Sept. 19	....	....	....	....	....	....	41,127	5,000	15,000	....	....	....	61,127
Sept. 26	....	....	....	....	....	....	60,195	....	10,000	....	....	....	70,195
[2] Includes bankers' acceptances bought from other Federal Reserve Banks without their indorsement:													
Aug. 29	....	....	....	419	....	....	....	....	....	10,013	....	29,000	39,432
Sept. 5	....	....	....	....	....	....	....	....	....	25,023	....	26,139	51,162
Sept. 12	....	....	....	....	....	....	....	....	....	25,023	....	20,534	45,557
Sept. 19	....	....	....	....	....	....	....	....	....	18,170	....	20,080	38,250
Sept. 26	....	....	....	....	....	....	....	....	....	14,725	....	16,977	31,702

a Includes Government overdraft of $523,000.
b Includes Government overdraft of $162,000.
c Includes Government overdraft of $386,000.

Resources and liabilities of each Federal Reserve Bank at close of business on Fridays, Aug. 29 to Sept. 26, 1919—Contd.

[In thousands of dollars, i. e., 000 omitted.]

LIABILITIES.

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Capital paid in:													
Aug. 29	7,034	22,048	7,757	9,342	4,224	3,331	11,959	3,999	3,023	3,899	3,297	5,013	84,926
Sept. 5	7,034	22,058	7,757	9,343	4,224	3,351	11,989	4,004	3,026	3,900	3,295	5,015	84,996
Sept. 12	7,034	22,060	7,757	9,361	4,225	3 373	12,059	4,005	3,026	3,904	3,321	5,015	85,140
Sept. 19	7,034	22,060	7,757	9,373	4,232	3,384	12,082	4,010	3,030	3,904	3,321	5,021	85,208
Sept. 26	7,034	22,060	7,757	9,373	4,312	3,383	12,084	4,010	3,033	3,904	3,321	5,025	85,296
Surplus fund:													
Aug. 29	5,207	32,922	5,311	5,860	3,800	2,805	9,710	2,589	2,320	3,957	2,029	4,577	81,087
Sept. 5	5,207	32,922	5,311	5,860	3,800	2,805	9,710	2,589	2,320	3,957	2,029	4,577	81,087
Sept. 12	5,207	32,922	5,311	5,860	3,800	2,805	9,710	2,589	2,320	3,957	2,029	4,577	81,087
Sept. 19	5,207	32,922	5,311	5,860	3,800	2,805	9,710	2,589	2,320	3,957	2,029	4,577	81,087
Sept. 26	5,207	32,922	5,311	5,860	3,800	2,805	9,710	2,589	2,320	3,957	2,029	4,577	81,087
Government deposits:													
Aug. 29	5,209	7,124	....	4,697	4,568	4,802	6,187	3,905	2,179	6,754	3,729	5,340	54,494
Sept. 5	3,744	15,890	2,642	5,474	1,235	2,514	4,183	4,944	2,268	5,741	1,846	8,629	59,110
Sept. 12	5,803	163	2,215	1,693	2,706	4,690	2,130	2,542	....	4,198	2,745	4,699	33,584
Sept. 19	11,384	169	4,808	22,540	3,551	7,237	1,382	3,980	....	5,375	12,469	5,239	78,134
Sept. 26	4,716	14,844	3,553	12,048	276	4,359	5,672	3,186	1,418	4,579	2,533	4,092	61,276
Due to members—reserve account:													
Aug. 29	106,728	709,654	103,761	132,085	56,174	44,272	247,565	59,967	51,537	77,664	45,618	94,925	1,729,950
Sept. 5	110,119	714,736	107,550	130,163	55,594	42,337	256,613	63,714	53,038	80,362	46,082	97,333	1,757,641
Sept. 12	113,122	751,883	102,919	127,127	57,257	44,787	266,971	62,441	53,717	78,275	44,275	100,017	1,802,791
Sept. 19	100,136	646,592	100,973	122,114	54,104	46,728	238,673	62,466	54,269	82,742	42,652	99,977	1,651,426
Sept. 26	108,638	698,699	107,149	125,633	57,636	42,435	248,749	62,768	54,387	85,653	44,160	95,506	1,731,413
Deferred availability items:													
Aug. 29	46,947	122,062	58,478	52,000	50,004	23,334	74,717	38,624	12,059	45,242	21,375	18,545	563,387
Sept. 5	50,984	155,064	57,441	55,495	55,391	28,727	79,150	40,927	10,727	60,023	25.763	23.502	643,194
Sept. 12	59,295	152,174	72,840	55,086	45,278	30,265	86,830	46,089	14,184	54,632	33,813	28,557	679,043
Sept. 19	57,212	208,935	75,950	75,167	80,250	33,014	87,755	50,092	16,586	61,016	31,961	24,777	802,715
Sept. 26	53,857	159,530	65,915	60,368	57,411	30,372	72,030	43,167	12,754	49,411	26,776	21,790	653,381
Other deposits, including foreign government credits:													
Aug. 29	6,802	42,740	6,939	6,598	3,843	3,034	10,431	3,852	2,397	3,828	2,249	5,766	98,479
Sept. 5	5,896	44,742	6,854	6,297	3,736	3,304	10,451	4,049	2,237	3,678	2,070	5,822	99,136
Sept. 12	5,845	76,891	7,051	6,548	3,784	3,042	10,339	4,512	2,981	4,246	2,094	6,763	134,096
Sept. 19	5,850	49,203	7,341	6,476	3,780	3,047	10,993	4,304	2,911	3,978	2,335	6,681	106,899
Sept. 26	5,765	41,309	6,554	6,261	3,741	2,795	10,516	3,739	2,313	3,754	2.085	6,822	95,654
Total gross deposits:													
Aug. 29	165,686	881,580	169,178	195,380	114,589	75,442	338,900	106,348	68,172	133,488	72,971	124,576	2,446,310
Sept. 5	170,743	930,432	174,487	197,429	115,956	76,882	350,397	113,634	68,270	149,804	75,761	135,286	2,559,081
Sept. 12	184,065	981,111	185,025	190,454	109,025	82,784	366,270	115,584	70,882	141,351	82,927	140,036	2,649,514
Sept. 19	174,582	904,899	189,072	226,297	141,685	90,026	338,803	120,842	73,766	153,111	89,417	136,674	2,639,174
Sept. 26	172,976	914,382	183,171	204,310	119,064	79,961	336,967	112,860	70,872	143,397	75,554	128,210	2,541,724
Federal Reserve notes in actual circulation:													
Aug. 29	198,967	752,283	212,752	231,136	104,673	113,631	439,744	107,152	77,634	92,533	46,603	203,521	2,580,629
Sept. 5	203,986	758,794	212,863	231,449	107,702	114,807	444,845	108,532	79,191	93,724	48,417	207,387	2,611,697
Sept. 12	205,316	752,893	213,103	237,017	108,646	116,367	447,265	108,039	79,742	93,486	48,982	210,372	2,621,228
Sept. 19	205,735	747,239	211,378	233,862	111,736	117,963	447,173	109,030	80,507	94,683	51,223	210,729	2,621,258
Sept. 26	207,829	753,135	212,579	242,280	115,100	121,012	450,048	113,392	82,399	95,262	51,992	210,326	2,655,354
Federal Reserve bank notes in circulation—net liability:													
Aug. 29	21,436	42,497	25,348	19,173	8,147	11,595	34,118	16,504	7,067	16,729	8,834	8,367	219,815
Sept. 5	21,416	44,383	25,588	19,399	8,398	12,031	34,981	16,350	7,197	16,759	8,798	8,265	223,565
Sept. 12	21,376	46,042	25,915	19,821	8,754	12,402	35,815	16,278	7,297	17,241	8,909	8,319	228,169
Sept. 19	21,316	48,197	26,051	20,083	9,036	12,492	36,806	16,263	7,382	17,393	9,150	8,425	232,594
Sept. 26	21,256	52,597	26,272	20,781	9,448	12,749	37,686	16,379	7,496	16,824	9,098	8,865	239,451
All other liabilities:													
Aug. 29	1,892	8,208	1,683	1,611	1,093	900	2,505	829	606	1,203	846	1,694	23,070
Sept. 5	1,963	8,593	1,819	1,680	1,142	957	2,784	909	654	1,295	849	1,850	24,495
Sept. 12	2,199	8,997	1,931	1,807	1,191	1,026	2,827	986	729	1,368	885	1,992	25,938
Sept. 19	2,182	9,382	2,084	1,936	1,264	1,112	3,023	1,066	764	1,440	920	2,115	27,288
Sept. 26	2,257	9,925	2,220	2,076	1,323	1,200	3,279	1,144	819	1,567	971	2,197	28,978
Total liabilities:													
Aug. 29	400,222	1,739,538	422,029	462,502	236,526	207,704	836,936	237,421	158,822	251,809	134,580	347,748	5,435,837
Sept. 5	410,349	1,797,182	427,825	465,160	241,222	210,833	854,706	246,018	160,658	269,439	139,149	362,380	5,584,921
Sept. 12	425,197	1,844,025	439,042	464,320	235,641	218,757	873,946	247,481	163,996	261,307	147,053	370,311	5,691,076
Sept. 19	416,056	1,764,699	441,653	497,411	271,753	227,782	847,597	253,800	167,769	274,488	156,060	367,541	5,686,609
Sept. 26	416,559	1,785,021	437,310	484,680	253,047	221,110	849,774	250,374	166,939	264,911	142,965	359,200	5,631,890
MEMORANDA.													
Contingent liability as indorser on discounted paper rediscounted with other Federal Reserve Banks:													
Aug. 29	....	....	20,930	....	29,725	....	....	....	....	....	3,000	....	53,655
Sept. 5	....	....	21,816	....	25,000	5,000	....	....	....	....	5,000	....	56,816
Sept. 12	....	....	7,000	....	25,000	8,410	....	....	....	....	5,000	....	45,410
Sept. 19	....	....	23,627	....	20,000	8,000	....	....	....	....	9,500	....	61,127
Sept. 26	....	....	18,295	....	25,000	8,900	....	....	....	....	18,000	....	70,195

Maturities of bills discounted and bought, also of Treasury certificates of indebtedness.

[In thousands of dollars; i. e., 000 omitted.]

	Within 15 days.	16 to 30 days.	31 to 60 days.	61 to 90 days.	Over 90 days.	Total.
Bills discounted:						
Aug. 29	1,519,814	53,870	152,545	79,889	9,016	1,815,134
Sept. 5	1,547,106	54,803	147,354	91,790	6,365	1,847,418
Sept. 12	1,443,535	49,019	166,970	88,579	6,735	1,754,838
Sept. 19	1,317,455	68,299	190,393	62,922	6,812	1,645,881
Sept. 26	1,532,058	120,183	154,918	68,568	6,555	1,882,282
Bills bought:						
Aug. 29	95,517	79,732	137,296	45,577	5,016	363,138
Sept. 5	87,511	108,119	103,354	40,663	15,020	354,667
Sept. 12	99,259	108,054	111,087	43,605	....	362,005
Sept. 19	101,631	104,085	102,724	44,584	793	353,817
Sept. 26	108,414	85,982	112,931	34,371	793	342,491
United States certificates of indebtedness:						
Aug. 29	24,743	12,066	21,999	16,034	168,569	243,411
Sept. 5	28,686	10,536	24,777	15,532	170,692	250,223
Sept. 12	121,321	11,659	19,676	18,032	170,967	341,655
Sept. 19	89,703	9,600	19,706	23,972	180,605	322,986
Sept. 26	23,605	10,000	12,500	25,537	179,439	251,081

FEDERAL RESERVE NOTES.

Federal Reserve note account of each Federal Reserve bank at close of business on Fridays, Aug. 29 to Sept. 26, 1919.

[In thousands of dollars; i. e., 000 omitted.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Federal Reserve notes received from agents:													
Aug. 29	206,231	830.368	220,531	245,340	108,327	117,130	463,233	125,191	79,638	98,293	49,555	223,329	2,767,166
Sept. 5	210,446	825,768	221,353	245,526	112,379	118,276	473,406	127,156	80,856	100,342	51,211	227,381	2,794,100
Sept. 12	212,505	841,685	223,079	248,142	113,924	121,196	478,640	128,186	81,798	99,384	52,029	229,578	2,830,146
Sept. 19	215,993	843,197	226,226	247,589	117,406	121,549	476,277	128,874	82,111	100,936	53,693	237,771	2,851,622
Sept. 26	221,452	841,475	227,397	252,013	120,428	124,277	477,732	132,560	84,371	102,253	54,386	236,915	2,875,259
Federal Reserve notes held by banks:													
Aug. 29	7,264	78,085	7,779	14,204	3,654	3,499	23,489	18,039	2,004	5,760	2,952	19,808	186,537
Sept. 5	6,460	66,974	8,490	14,077	4,677	3,469	28,561	18,624	1,665	6,618	2,794	19,994	182,403
Sept. 12	7,189	88,792	9,976	11,125	5,278	4,829	31,375	20,147	2,056	5,898	3,047	19,206	208,918
Sept. 19	10,258	95,958	14,848	13,727	5,670	3.586	29,104	19,844	1,604	6,253	2,470	27,042	230,364
Sept. 26	13,623	88,340	14,818	9,733	5,328	3,265	27,684	19,168	1,972	6,991	2,394	26,589	219,905
Federal Reserve notes in actual circulation:													
Aug. 29	198,967	752,283	212,752	231,136	104,673	113,631	439,744	107,152	77,634	92,533	46,603	203,521	2,580,629
Sept. 5	203,986	758,794	212,863	231,449	107,702	114,807	444,845	108,532	79,191	93,724	48,417	207,387	2,611,697
Sept. 12	205,316	752,893	213,103	237,017	108,646	116,367	447,265	108,039	79,742	93,486	48,982	210,372	2,621,228
Sept. 19	205,735	747,239	211,378	233,862	111,736	117,963	447,173	109,030	80,507	94,683	51,223	210,729	2,621,258
Sept. 26	207,829	753,135	212,579	242,280	115,100	121,012	450,648	113,392	82,399	95,262	51,992	210,326	2,655,354
Gold deposited with or to credit of Federal Reserve agent:													
Aug. 29	68,544	281,659	75,923	130,573	23,951	41,911	266,538	62,987	33,142	39,356	16,040	101,965	1,142,589
Sept. 5	75,858	291,659	75,245	131,239	27,763	41,542	276,711	56,292	32,560	41,585	17,297	104,417	1,172,168
Sept. 12	73,318	289,854	74,071	138,835	34,008	41,485	291,945	54,721	31,967	40,227	17,405	102,933	1,190,769
Sept. 19	70,706	289,256	71,218	138,121	32,640	42,339	317,503	47,709	36,185	35,679	17,178	110,427	1,208,961
Sept. 26	67,965	288,849	75,889	137,686	30,763	43,157	318,957	46,436	35,445	34,596	16,831	99,751	1,196,325
Paper delivered to Federal Reserve agent:													
Aug. 29	161,447	794,178	156,096	166,510	94,892	91,735	251,899	67,852	49,558	74,767	58,819	127,808	2,095,561
Sept. 5	165,845	795,673	150,286	161,007	92,643	82,328	257,434	78,864	50,161	85,747	55,985	131,351	2,107,324
Sept. 12	161,130	731,681	150,449	157,358	92,112	87,494	209,724	82,582	57,339	97,799	56,302	142,024	2,025,994
Sept. 19	168,074	601,560	155,373	157,037	93,672	83,470	214,933	90,886	53,898	94,577	55,533	144,582	1,913,595
Sept. 26	176,265	741,482	153,784	169,543	95,796	82,989	261,276	95,535	57,880	103,517	56,209	140,277	2,134,553

Federal Reserve note account of each Federal Reserve agent at close of business on Fridays, Aug. 29 to Sept. 26, 1919.

[In thousands of dollars; i. e., 000 omitted.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
FEDERAL RESERVE NOTES.													
Received from Comptroller:													
Aug. 29	370,600	1,730,120	438,780	395,480	237,180	245,000	693,240	231,000	137,380	174,720	106,160	317,860	5,077,520
Sept. 5	374,701	1,738,800	444,780	402,960	240,680	245,600	696,160	233,500	137,380	175,720	108,200	324,460	5,122,941
Sept. 12	385,900	1,753,000	444,780	405,660	246,640	250,000	718,720	236,100	138,380	179,120	109,200	328,140	5,195,640
Sept. 19	397,800	1,769,360	450,780	410,580	246,640	251,000	729,680	240,200	138,380	180,320	109,200	336,340	5,260,280
Sept. 26	415,800	1,782,760	456,780	417,980	252,640	253,000	732,880	244,160	141,880	181,720	111,240	337,160	5,328,000
Returned to Comptroller:													
Aug. 29	140,869	764,752	190,069	126,360	100,816	67,170	199,007	84,019	42,032	64,967	38,970	87,831	1,906,862
Sept. 5	143,555	776,032	192,247	128,694	102,004	68,538	202,554	85,714	42,614	65,738	39,714	90,379	1,937,783
Sept. 12	146,095	780,315	194,921	131,598	103,758	69,595	207,160	87,284	43,207	67,096	40,106	91,862	1,962,997
Sept. 19	148,707	795,163	197,774	134,311	105,126	70,642	212,403	88,456	43,989	68,644	40,832	92,369	1,998,416
Sept. 26	151,448	810,285	202,603	137,747	107,004	73,324	217,908	90,570	44,729	69,727	41,429	94,045	2,040,819
Chargeable to Federal Reserve agent:													
Aug. 29	229,731	965,368	248,711	269,120	136,364	177,830	494,233	146,981	95,348	109,753	67,190	230,029	3,170,658
Sept. 5	231,146	962,768	252,533	274,266	138,676	177,062	493,606	147,786	94,766	109,982	68,486	234,081	3,185,158
Sept. 12	239,805	972,685	249,859	274,062	142,882	180,405	511,560	148,816	95,173	112,024	69,094	236,278	3,232,643
Sept. 19	249,093	974,197	253,006	276,269	141,514	180,358	517,277	151,744	94,391	111,676	68,368	243,971	3,261,864
Sept. 26	264,352	972,475	254,177	280,233	145,636	179,676	514,972	153,590	97,151	111,993	69,811	243,115	3,287,181
In hands of Federal Reserve agent:													
Aug. 29	23,500	135,000	28,180	23,780	28,037	60,700	31,000	21,790	15,710	11,460	17,635	6,700	403,492
Sept. 5	20,700	137,000	31,180	28,740	26,297	58,786	20,200	20,630	13,910	9,640	17,275	6,700	391,058
Sept. 12	27,300	131,000	26,780	25,920	28,958	59,209	32,920	20,630	13,375	12,640	17,065	6,700	402,497
Sept. 19	33,100	131,000	26,780	28,680	24,108	58,809	41,000	22,870	12,280	10,740	14,675	6,200	410,242
Sept. 26	42,900	131,000	26,780	28,220	25,208	55,399	37,240	21,030	12,780	9,740	15,425	6,200	411,922
Issued to Federal Reserve Bank less amount returned to Federal Reserve agent for redemption:													
Aug. 29	206,231	830,368	220,531	245,340	108,327	117,130	463,233	125,191	79,638	98,293	49,555	223,329	2,767,166
Sept. 5	210,446	825,768	221,353	245,526	112,379	118,276	473,406	127,156	80,856	100,342	51,211	227,381	2,794,100
Sept. 12	212,505	841,685	223,079	248,142	113,924	121,196	478,640	128,186	81,798	99,384	52,029	229,578	2,830,146
Sept. 19	215,993	843,197	226,226	247,589	117,406	121,549	476,277	128,874	82,111	100,936	53,693	237,771	2,851,622
Sept. 26	221,452	841,475	227,397	252,013	120,428	124,277	477,732	132,560	84,371	102,253	54,386	236,915	2,875,259
Collateral held as security for outstanding notes:													
Gold coin and certificates—													
Aug. 29	....	183,740	....	28,125	....	2,500	....	....	13,052	....	8,831	....	236,248
Sept. 5	....	183,740	....	28,125	....	2,500	....	....	13,052	....	8,831	....	236,248
Sept. 12	....	183,740	....	35,125	....	2,500	....	....	13,052	....	8,831	....	243,248
Sept. 19	....	183,740	....	35,125	....	2,500	....	2,160	13,052	....	8,831	....	245,408
Sept. 26	....	183,740	....	35,125	....	2,500	....	4,000	13,052	....	8,831	....	247,248
Gold redemption fund—													
Aug. 29	12,544	17,919	16,034	12,448	1,451	2,411	8,074	3,056	1,290	1,996	3,025	13,912	94,160
Sept. 5	60,000	17,919	13,856	13,114	2,763	3,042	8,526	3,361	2,708	3,225	3,282	12,421	144,217
Sept. 12	13,318	16,114	11,182	13,710	3,008	1,985	8,921	3,791	2,115	3,867	3,390	11,689	93,090
Sept. 19	20,706	15,516	13,329	12,996	1,640	3,439	8,678	2,619	1,333	2,319	3,163	16,183	101,921
Sept. 26	17,965	15,109	13,500	12,561	1,763	2,457	9,172	2,505	3,593	3,236	3,566	14,506	99,933
Gold settelment fund, Federal Reserve Board—													
Aug. 29	56,000	80,000	59,889	90,000	22,500	37,000	258,464	59,931	18,800	37,360	4,184	88,053	812,181
Sept. 5	15,858	90,000	61,389	90,000	25,000	36,000	268,185	52,931	16,800	38,360	5,184	91,996	791,703
Sept. 12	60,000	90,000	62,889	90,000	31,000	37,000	283,024	50,930	16,800	36,360	5,184	91,244	854,431
Sept. 19	50,000	90,000	57,889	90,000	31,000	36,400	308,825	42,930	21,800	33,360	5,184	94,244	861,632
Sept. 26	50,000	90,000	62,389	90,000	29,000	38,200	309,785	39,931	18,800	31,360	4,434	85,245	849,144
Eligible paper, minimum required[1]—													
Aug. 29	137,687	548,709	144,608	114,767	84,376	75,219	196,695	62,264	46,496	58,937	33,515	121,364	1,624,577
Sept. 5	134,588	534,109	146,108	114,287	84,616	76,734	196,695	70,864	48,296	58,757	33,914	122,964	1,621,932
Sept. 12	139,187	551,831	149,008	109,307	79,916	79,711	186,695	73,465	49,831	59,157	34,624	126,645	1,639,377
Sept. 19	145,287	553,941	155,008	109,468	84,766	79,210	158,774	81,165	45,926	65,257	36,515	127,344	1,642,661
Sept. 26	153,487	552,626	151,508	114,327	89,665	81,120	158,775	86,124	48,926	67,657	37,555	137,164	1,678,934

[1] For actual amounts see "Paper delivered to Federal Reserve agent" on p. 997.

CONDITION OF SELECTED MEMBER BANKS.

Liquidation of about 110 millions of United States securities, as against an increase of about 450 millions in other loans and investments, also large increases in all classes of deposits accompanied by a falling off in reserves are the principal developments for the five-week period August 15 to September 19, shown by 776 reporting member banks in leading cities.

The United States Treasury issued on September 2 573.8 millions of loan certificates due in 1920, and on September 15 two series of tax certificates aggregating 758.6 millions, 101.1 millions of which were issued at 4¼ per cent and are due in 6 months, while 657.5 millions are of the 4½ per cent type and are due in 12 months. On September 9 the Treasury redeemed the balance of the last two series of certificates issued in anticipation of the Victory loan and on September 15 the outstanding balances of tax certificates due on September 15. As a net result of these operations Treasury certificate holdings of the reporting member banks were about 75 millions smaller on September 19 than on August 15. The amount of United States bonds, including Liberty bonds, held by the banks decreased by 19.8 millions, and the banks' holdings of Victory notes declined 16.7 millions during the period under review. These decreases are caused largely by sales from the banks' own portfolios of Liberty bonds and by further installment payments received from customers on account of Victory notes purchased on the deferred-payment plan. As against the decreases in United States securities on hand, an increase of 22.7 millions in war paper is noted, larger increases in New York and Chicago being partially offset by decreases outside of these cities. War paper holdings declined during the first three weeks of the period but increased over 48 millions during the two weeks following. Loans secured by stocks and bonds show increases for each week of the period under discussion, except for the week ending August 29, the amount on September 19 being 100.2 millions greater than the corresponding figure five weeks earlier. Of the aggregate increase only 14.6 millions is reported by the New York City banks. All other loans and investments show a steady and rapid growth throughout the period, the total increase for the five weeks being 327.4 millions. Aggregate amounts of United States war securities and war paper held by all reporting banks decreased from 3,494.7 millions on August 15 to 3,405.9 millions on September 19, and on the later date constituted 22.3 per cent of the banks' total loans and investments, as against 23.4 per cent on the earlier date. For the New York City banks alone, however, this ratio increased from 27.7 to 28.1 per cent during the period, largely because the certificate holdings of these banks show an increase of 86.8 millions for the five weeks.

Government deposits with the reporting member banks declined during the first two weeks of the five under review, increased considerably during the following week, fell off again during the week ending September 12, and increased by about 266 millions during the most recent week, the amount at the end of the period under review being 146.1 millions in excess of the amount shown five weeks earlier. For the New York City banks alone Government deposits show an increase for the period of 129.1 millions. Other demand deposits (net) show an increase of 94.2 millions, a much larger increase (152 millions) being shown for the New York City banks alone. Time deposits also went up, the amount on September 19 being 81.3 millions in excess of the August 15 figure. Reserve balances with the Federal Reserve Banks, after a decline noted for the week ending August 22, increased steadily for the three following weeks, but declined by about 134 millions during the last week of the period, apparently as a result of the large loan and investment operations of the reporting banks. The amount of the reserve balances on September 19 was 111.2 millions below the corresponding amount five weeks earlier. On the later date the New York City reporting member banks showed a deficiency in required reserves of about 55 millions. Cash in vault shows an increase of 11.1 millions for the period.

Total accommodation extended by Federal Reserve Banks to reporting member banks by the discount of their collateral notes and customers' paper shows a reduction of 66.3 millions for the period, the New York City banks alone showing an even larger liquidation of their borrowings from the Federal Reserve Bank.

Principal resources and liabilities of member banks in leading cities, including member banks located in Federal Reserve Bank cities and in Federal Reserve branch cities as at close of business on Fridays, from Aug. 22 to Sept. 19, 1919.

1. ALL REPORTING MEMBER BANKS.

[In thousands of dollars; i. e., 000 omitted.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Number of reporting banks:													
Aug. 22	46	110	56	88	82	48	100	35	35	76	43	56	775
Aug. 29	46	110	56	88	82	47	100	35	35	76	43	56	774
Sept. 5	46	110	56	88	82	47	100	35	35	76	43	56	774
Sept. 12	46	110	56	88	82	47	100	35	35	76	43	56	774
Sept 19	46	111	56	89	82	47	100	35	35	76	43	56	776
United States bonds to secure circulation:													
Aug. 22	14,508	48,060	11,597	41,791	25,834	14,715	20,585	17,155	7,120	14,266	18,723	34,605	268,959
Aug. 29	14,508	48,060	11,597	41,801	25,834	14,846	20,583	17,255	7,120	14,320	18,723	34,605	269,252
Sept. 5	14,508	48,060	11,597	41,791	25,849	14,851	20,615	17,154	7,120	14,320	18,923	34,605	269,393
Sept. 12	14,608	48,060	11,597	41,791	25,821	14,847	20,698	17,154	7,120	14,327	18,923	34,605	269,551
Sept. 19	14,608	48,463	11,597	41,851	25,821	14,874	20,702	17,154	7,120	14,467	19,103	34,605	270,365
Other United States bonds, including Liberty bonds:													
Aug. 22	17,528	297,944	34,873	62,574	37,438	29,891	49,991	15,852	10,684	24,536	18,740	42,131	642,182
Aug. 29	17,302	298,665	33,870	61,265	37,085	28,774	46,986	15,525	10,731	22,635	20,238	44,306	637,382
Sept. 5	17,213	297,960	33,647	62,960	35,966	28,507	47,965	15,713	11,688	23,254	20,264	41,667	636,804
Sept. 12	16,900	292,237	32,239	63,535	38,466	28,838	47,867	14,920	11,118	22,975	20,320	42,650	632,065
Sept. 19	17,125	289,244	32,161	61,481	36,799	28,047	48,235	15,159	10,952	22,687	20,253	42,291	624,434
United States Victory notes:													
Aug. 22	10,481	129,511	16,711	39,167	15,786	14,590	50,664	11,013	6,622	11,411	5,228	10,771	321,955
Aug. 29	10,433	129,788	16,437	39,110	15,456	13,599	50,530	10,692	6,373	10,858	5,087	10,919	319,282
Sept. 5	10,452	129,951	15,446	39,229	15,148	13,454	49,151	10,324	5,875	11,872	4,826	10,761	316,489
Sept. 12	9,774	126,344	16,949	36,960	15,727	13,195	49,863	9,855	6,078	12,133	5,203	10,547	312,628
Sept. 19	9,443	127,797	16,510	35,837	15,115	12,798	49,316	10,321	5,933	11,873	5,145	12,638	312,726
United States certificates of indebtedness:													
Aug. 22	53,028	466,532	59,177	95,366	58,493	57,755	199,599	35,274	32,871	35,692	34,482	59,047	1,187,316
Aug. 29	50,048	452,208	57,110	93,780	47,360	56,736	197,605	34,287	31,041	39,586	39,260	56,539	1,155,560
Sept. 5	75,474	531,784	65,044	112,534	41,010	68,998	202,354	40,856	35,762	45,862	42,445	72,293	1,334,416
Sept. 12	52,512	460,232	43,895	89,834	29,967	61,514	168,915	31,473	29,282	45,042	36,146	63,038	1,111,850
Sept. 19	47,818	569,887	64,996	78,589	22,851	51,588	119,896	27,198	25,255	30,903	34,545	52,151	1,125,677
Total United States securities owned:													
Aug. 22	95,545	942,047	122,358	238,898	137,551	116,951	320,839	79,294	57,297	85,905	77,173	146,554	2,420,412
Aug. 29	92,291	928,721	119,014	235,956	125,735	113,955	315,704	77,759	55,265	87,399	83,308	146,369	2,381,476
Sept. 5	117,647	1,007,755	125,734	256,514	117,973	125,810	320,085	84,047	60,445	95,308	86,458	159,326	2,557,102
Sept. 12	93,794	926,873	104,680	232,120	109,981	118,394	287,343	73,402	53,598	94,477	80,592	150,840	2,326,094
Sept. 19	88,994	1,035,391	125,264	217,758	100,586	107,307	238,149	69,832	49,260	79,930	79,046	141,685	2,333,202
Loans secured by United States bonds, Victory notes and certificates:													
Aug. 22	61,290	711,724	166,406	107,194	42,318	29,900	97,495	27,449	12,953	18,071	6,804	26,268	1,307,872
Aug. 29	61,556	709,187	165,804	105,864	43,138	29,017	95,512	28,082	12,961	18,012	6,854	26,075	1,302,062
Sept. 5	63,736	705,596	164,300	105,950	41,867	28,399	92,554	27,753	12,784	20,440	6,742	24,164	1,294,285
Sept. 12	60,857	704,296	171,600	108,247	41,595	28,977	101,391	28,135	12,870	19,960	7,779	23,663	1,309,370
Sept. 19	64,363	747,451	156,843	110,316	41,855	27,994	103,389	28,209	13,411	19,563	6,906	22,749	1,343,049
Loans secured by stocks and bonds other than United States securities:													
Aug. 22	200,479	1,417,420	192,179	285,820	101,134	44,393	324,574	138,597	36,868	72,590	25,195	106,673	2,943,553
Aug. 29	202,602	1,392,246	201,612	289,208	101,822	45,887	304,030	142,342	31,652	71,851	25,027	107,212	2,915,491
Sept. 5	207,937	1,386,550	198,832	293,810	103,502	46,109	346,170	135,568	31,234	73,302	25,525	108,057	2,956,596
Sept. 12	213,065	1,417,503	202,791	294,017	103,855	45,449	349,481	137,824	33,116	75,438	30,225	109,759	3,012,523
Sept. 19	194,889	1,438,445	204,958	301,743	106,219	47,026	351,435	135,958	34,291	73,469	31,986	106,754	3,027,173
All other loans and investments:													
Aug. 22	600,079	3,020,756	464,780	777,055	300,768	277,963	1,192,608	283,330	231,631	437,005	166,111	586,005	8,292,637
Aug. 29	607,878	2,997,957	463,636	780,196	299,384	282,513	1,211,841	275,601	243,231	440,353	165,558	601,730	8,369,878
Sept. 5	618,236	3,059,889	473,679	777,155	303,574	284,082	1,184,799	276,520	248,727	441,243	164,188	593,087	8,425,179
Sept. 12	629,814	3,095,933	465,067	780,009	311,111	294,512	1,178,168	277,072	254,984	441,701	163,636	605,262	8,497,269
Sept. 19	615,205	3,140,630	478,283	779,424	312,787	300,335	1,210,882	280,071	255,296	442,777	170,322	616,199	8,602,211
Total loans and investments:													
Aug. 22	957,393	6,091,947	946,163	1,408,967	581,771	469,207	1,935,516	528,670	388,749	613,571	275,283	865,500	14,964,474
Aug. 29	964,327	6,028,111	950,066	1,411,224	570,079	471,372	1,927,087	523,784	343,109	617,615	280,747	881,386	14,968,907
Sept. 5	1,007,556	6,159,790	962,545	1,433,429	566,916	484,400	1,943,608	523,888	353,190	630,293	282,913	884,634	15,233,162
Sept. 12	997,530	6,144,605	944,138	1,414,393	566,542	487,332	1,916,383	516,433	354,568	631,576	282,232	889,524	15,145,256
Sept. 19	963,451	6,361,917	965,348	1,409,241	561,447	482,662	1,903,855	514,070	352,258	615,739	288,260	887,387	15,305,635
Reserve balance with Federal Reserve Bank:													
Aug. 22	72,459	614,777	66,860	85,054	35,938	31,391	172,695	43,543	26,086	51,224	22,117	64,472	1,286,616
Aug. 29	73,071	659,773	69,615	91,096	35,491	29,889	170,568	39,341	24,350	46,210	22,692	63,680	1,325,776
Sept. 5	77,430	664,177	68,741	90,286	35,510	27,728	178,089	43,005	26,948	47,158	21,282	61,704	1,342,058
Sept. 12	78,631	701,450	69,716	89,084	36,340	31,388	180,342	41,022	25,374	46,023	21,396	62,715	1,383,481
Sept. 19	70,392	595,321	69,259	83,900	35,820	31,876	162,306	40,795	25,458	49,979	19,997	64,276	1,249,379

Principal resources and liabilities of member banks in leading cities, including member banks located in Federal Reserve Bank cities and in Federal Reserve branch cities as at close of business on Fridays, from Aug. 22 to Sept. 19, 1919—Continued.

1. ALL REPORTING MEMBER BANKS—Continued.

(In thousands of dollars; i. e., 000 omitted.)

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Cash in vault:													
Aug. 22	23,438	122,829	17,158	29,920	16,623	13,399	62,166	9,419	8,502	14,361	9,994	22,698	350,507
Aug. 29	22,712	117,612	16,062	29,988	15,976	13,275	66,163	9,559	8,575	14,813	9,741	21,129	345,605
Sept. 5	24,452	125,635	20,112	33,679	16,712	13,293	67,145	10,195	9,202	14,771	9,711	20,423	365,330
Sept. 12	25,195	125,040	22,362	31,241	16,795	14,363	63,449	9,864	8,783	14,986	10,506	21,064	368,649
Sept. 19	23,855	122,784	17,497	33,075	16,132	13,126	66,935	9,734	8,391	14,900	9,888	21,959	358,276
Net demand deposits on which reserve is computed:													
Aug. 22	735,521	4,883,154	668,218	812,200	332,772	261,016	1,336,042	330,324	258,424	474,513	191,103	511,373	10,794,660
Aug. 29	742,420	4,912,104	664,273	809,961	333,351	253,703	1,318,792	330,120	262,458	462,670	194,344	518,309	10,802,505
Sept. 5	749,940	4,971,564	677,461	819,768	338,789	257,139	1,309,304	326,599	266,632	467,282	191,691	525,830	10,901,999
Sept. 12	774,902	5,166,362	681,626	828,171	341,117	260,029	1,374,201	325,379	268,393	467,612	192,565	540,604	11,220,961
Sept. 19	732,173	5,115,190	657,952	801,510	334,041	266,737	1,303,463	320,726	268,572	454,583	189,652	528,685	10,973,284
Time deposits:													
Aug. 22	114,662	338,586	21,902	294,695	90,895	118,582	444,820	100,977	56,871	80,659	30,467	207,660	1,900,776
Aug. 29	111,405	352,336	21,783	296,600	93,049	116,224	456,362	101,004	56,466	79,130	30,552	208,583	1,923,494
Sept. 5	111,227	351,894	22,495	297,853	93,417	116,465	449,568	100,895	56,652	80,461	30,783	209,839	1,921,549
Sept. 12	108,219	359,513	21,949	297,212	92,275	117,084	451,616	101,545	56,792	80,701	30,660	210,906	1,928,472
Sept. 19	111,114	399,282	22,196	298,240	93,365	116,899	452,264	101,603	57,661	81,807	30,932	212,755	1,978,118
Government deposits:													
Aug. 22	51,605	263,657	33,761	45,079	13,054	17,364	62,747	19,374	14,820	27,550	14,673	9,529	573,213
Aug. 29	46,580	237,178	32,213	44,935	12,297	15,013	56,101	17,701	13,666	25,494	13,145	9,694	524,017
Sept. 5	67,532	295,021	41,142	58,939	16,401	27,567	72,467	23,310	14,111	31,682	28,540	9,731	686,443
Sept. 12	51,839	211,737	30,587	43,599	12,594	22,286	54,266	15,822	13,004	20,068	24,766	4,728	505,296
Sept. 19	61,462	443,299	60,052	55,743	15,763	15,789	58,528	14,277	11,999	10,004	19,083	4,865	770,864
Bills payable with Federal Reserve Bank:													
Aug. 22	14,025	474,700	140,511	84,534	79,298	54,470	119,170	26,600	9,790	32,661	17,004	33,578	1,086,341
Aug. 29	16,479	509,137	143,968	98,814	66,076	57,787	115,405	24,656	10,680	33,153	16,567	30,987	1,123,709
Sept. 5	25,267	511,155	146,150	97,330	59,295	58,026	118,950	35,003	16,200	33,893	13,960	32,172	1,147,401
Sept. 12	14,803	461,141	132,510	89,029	56,715	61,193	80,637	31,680	16,764	43,337	13,005	36,334	1,037,148
Sept. 19	24,142	348,210	142,440	88,423	52,648	61,144	65,495	30,941	14,990	42,499	17,621	36,786	925,339
Bills rediscounted with Federal Reserve Bank:													
Aug. 22	59,937	118,843	25,588	14,903	16,079	6,174	14,027	11,313	423	11,793	2,534	8,972	290,586
Aug. 29	58,340	117,827	25,189	14,344	15,250	7,128	14,261	12,983	418	11,719	1,857	8,112	287,428
Sept. 5	54,587	138,303	20,049	14,054	15,370	7,390	17,200	12,953	397	8,057	2,362	7,083	297,805
Sept. 12	62,697	127,348	21,946	14,189	17,019	11,583	19,752	16,371	513	10,057	2,805	8,169	312,449
Sept. 19	61,589	117,469	27,572	15,120	18,639	16,305	27,986	20,179	1,572	14,456	4,131	10,899	335,917

2. MEMBER BANKS IN FEDERAL RESERVE BANK CITIES.

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Number of reporting banks:													
Aug. 22	22	71	41	10	9	9	44	13	9	17	6	10	261
Aug. 29	22	70	41	10	9	9	44	13	9	17	6	10	260
Sept. 5	22	70	41	10	9	9	44	13	9	17	6	10	260
Sept. 12	22	70	41	10	9	9	44	13	9	17	6	10	260
Sept. 19	22	71	41	11	9	9	44	13	9	17	6	10	262
United States bonds to secure circulation:													
Aug. 22	4,378	38,363	7,587	4,081	2,832	3,800	1,420	10,550	2,791	4,753	4,060	18,500	103,115
Aug. 29	4,378	38,363	7,587	4,081	2,832	3,800	1,419	10,550	2,791	4,753	4,060	18,500	103,114
Sept. 5	4,378	38,363	7,587	4,081	2,832	3,800	1,419	10,549	2,791	4,753	4,260	18,500	103,313
Sept. 12	4,478	38,363	7,587	4,081	2,832	3,800	1,438	10,549	2,791	4,753	4,260	18,500	103,432
Sept. 19	4,478	38,766	7,587	4,131	2,832	3,800	1,438	10,549	2,791	4,753	4,440	18,500	104,065
Other United States bonds, including Liberty bonds:													
Aug. 22	8,341	268,089	27,131	9,557	6,070	1,243	18,424	7,785	2,030	9,343	3,644	20,370	382,027
Aug. 29	8,143	267,927	26,268	8,855	6,043	1,177	15,869	7,597	2,091	7,273	5,219	20,572	377,034
Sept. 5	8,139	266,491	26,242	9,461	6,038	1,191	15,717	7,603	2,161	7,569	5,367	20,047	376,026
Sept. 12	7,904	260,869	25,256	9,858	5,981	1,193	16,094	7,208	2,176	7,692	5,345	20,030	369,606
Sept. 19	8,139	258,129	25,143	9,169	6,017	1,200	15,865	7,181	2,528	7,273	5,318	20,066	366,028
United States Victory notes:													
Aug. 22	2,752	112,141	13,772	9,947	1,285	1,837	24,440	5,312	3,956	4,975	1,562	3,426	185,405
Aug. 29	2,730	111,375	13,385	9,930	1,216	1,799	24,023	5,213	3,815	4,615	1,532	3,526	183,159
Sept. 5	2,777	111,733	12,545	9,816	1,202	1,748	23,302	5,043	3,422	5,861	1,440	3,521	182,410
Sept. 12	2,129	106,904	13,293	9,204	1,181	1,806	23,691	4,640	3,066	5,777	1,590	3,298	176,579
Sept. 19	1,888	108,974	12,963	9,239	1,174	1,759	23,359	5,195	3,186	6,042	1,588	3,331	178,698
United States certificates of indebtedness:													
Aug. 22	35,972	431,800	50,250	20,959	746	24,183	115,892	26,485	10,666	16,964	17,320	15,977	767,214
Aug. 29	33,485	417,181	48,183	20,079	746	24,988	113,586	26,174	9,797	20,905	21,225	15,343	751,692
Sept. 5	55,070	489,127	56,338	22,943	1,421	29,340	114,704	31,397	11,576	22,810	25,730	22,282	882,738
Sept. 12	35,090	424,327	36,243	14,515	1,248	28,406	96,282	23,932	8,750	21,358	20,750	16,843	727,744
Sept. 19	28,805	542,335	58,438	12,302	1,098	24,479	66,576	20,750	10,424	13,545	20,651	16,889	816,292

Principal resources and liabilities of member banks in leading cities, including member banks located in Federal Reserve Bank cities and in Federal Reserve branch cities as at close of business on Fridays, from Aug. 22 to Sept. 19, 1919—Continued.

2. MEMBER BANKS IN FEDERAL RESERVE BANK CITIES—Continued.

[In thousands of dollars; i. e., 000 omitted.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Total United States securities owned:													
Aug. 22	51,443	850,393	98,740	44,544	10,933	31,063	160,176	50,132	19,443	36,035	26,586	58,273	1,437,761
Aug. 29	48,736	834,846	95,423	42,945	10,837	31,764	154,897	49,534	18,494	37,546	32,036	57,941	1,414,999
Sept. 5	70,364	905,714	102,712	46,301	11,493	36,079	155,142	54,592	19,950	40,993	36,797	64,350	1,544,487
Sept. 12	49,601	830,463	82,379	37,658	11,242	35,205	137,505	46,329	16,783	39,580	31,945	58,671	1,377,361
Sept. 19	43,310	948,204	104,131	34,841	11,121	31,238	107,238	43,675	18,929	31,613	31,997	58,786	1,465,083
Loans secured by United States bonds, Victory notes, and certificates:													
Aug. 22	44,955	669,272	160,384	32,915	15,906	9,504	70,805	19,554	7,187	7,079	1,414	14,409	1,053,384
Aug. 29	44,723	663,159	159,859	31,909	16,018	9,407	69,010	20,036	7,211	7,295	1,511	14,406	1,044,544
Sept. 5	47,820	660,934	158,311	31,273	15,828	8,861	66,244	19,662	7,090	7,415	1,412	13,011	1,037,861
Sept. 12	44,248	662,922	163,970	32,796	15,330	9,094	73,353	20,620	7,209	7,529	1,460	12,431	1,050,962
Sept. 19	47,424	706,496	150,815	33,623	15,640	8,962	77,512	20,620	7,347	7,911	1,577	11,551	1,089,478
Loans secured by stocks and bonds other than United States securities:													
Aug. 22	156,123	1,297,691	174,387	99,120	16,358	11,136	251,205	110,523	12,166	28,432	6,490	51,161	2,212,153
Aug. 29	155,978	1,269,101	183,974	99,983	15,881	11,573	230,965	113,647	9,065	27,870	6,610	50,827	2,175,474
Sept. 5	162,466	1,265,683	181,141	99,591	15,644	13,747	271,673	106,773	9,213	28,185	6,635	51,693	2,212,397
Sept. 12	165,612	1,291,036	184,736	103,040	15,644	12,516	272,808	110,069	14,001	29,348	11,291	51,970	2,262,071
Sept. 19	142,378	1,303,217	187,766	103,981	15,349	14,873	273,518	108,150	14,037	29,155	13,148	52,836	2,258,408
All other loans and investments:													
Aug. 22	423,524	2,677,322	403,595	213,295	60,047	46,736	661,334	180,858	110,337	162,854	42,789	278,621	5,215,858
Aug. 29	432,441	2,661,643	402,193	214,049	56,539	49,435	675,501	180,424	117,086	166,321	43,915	288,988	5,288,535
Sept. 5	430,303	2,706,911	412,058	220,085	55,860	51,569	644,319	182,766	121,033	168,251	42,148	276,338	5,311,688
Sept. 12	441,411	2,739,423	405,800	222,728	60,000	56,484	635,031	180,829	122,942	166,157	42,056	284,919	5,357,780
Sept. 19	432,899	2,796,577	416,031	225,957	61,866	55,653	657,479	177,725	123,929	162,297	44,603	284,219	5,439,235
Total loans and investments:													
Aug. 22	676,045	5,494,678	837,546	389,874	103,244	98,439	1,143,520	361,067	149,133	234,400	77,279	402,464	9,919,156
Aug. 29	681,878	5,428,749	841,449	388,886	99,275	102,179	1,130,373	363,641	151,856	239,032	84,072	412,162	9,923,552
Sept. 5	710,953	5,539,242	854,222	397,250	98,825	110,256	1,137,378	363,793	157,286	244,844	86,992	405,392	10,106,433
Sept. 12	700,872	5,523,844	836,885	396,222	102,216	113,299	1,118,697	357,847	160,935	242,614	86,752	407,991	10,048,174
Sept. 19	666,011	5,754,494	858,743	398,402	103,976	110,726	1,115,747	350,170	164,242	230,976	91,325	407,392	10,252,204
Reserve balance with Federal Reserve Bank:													
Aug. 22	58,157	578,000	60,286	22,033	6,653	5,565	118,486	32,366	13,155	18,321	6,924	29,371	949,317
Aug. 29	58,401	621,602	63,325	26,667	5,833	6,345	115,526	29,080	11,572	13,727	6,338	28,549	986,965
Sept. 5	61,870	629,761	62,181	23,804	5,773	5,752	123,983	32,197	13,938	15,670	5,842	26,427	1,007,198
Sept. 12	62,987	663,058	63,147	24,592	5,912	6,310	122,690	30,599	11,963	13,401	6,325	26,741	1,037,725
Sept. 19	56,626	562,986	62,865	18,707	6,310	7,506	107,937	30,226	11,872	16,455	4,721	27,976	914,187
Cash in vault:													
Aug. 22	14,317	110,376	13,395	7,351	1,602	2,736	37,014	5,166	2,680	3,695	1,803	7,378	207,513
Aug. 29	13,987	106,050	13,048	7,350	1,431	2,699	37,949	5,244	2,493	3,780	1,790	6,905	202,726
Sept. 5	15,426	111,898	15,091	8,096	1,543	2,825	38,604	5,604	2,909	3,712	1,832	7,148	214,688
Sept. 12	15,536	111,425	14,700	7,794	1,601	3,155	38,739	5,593	2,856	3,645	1,898	7,303	214,245
Sept. 19	14,929	109,758	13,738	7,990	1,558	2,856	38,345	5,331	2,455	3,890	1,923	7,310	210,083
Net demand deposits on which reserve is computed:													
Aug. 22	566,572	4,467,089	583,376	202,404	54,247	50,747	895,076	233,505	114,842	168,765	58,928	224,271	7,619,822
Aug. 29	573,063	4,487,636	580,068	206,632	55,881	49,030	877,521	233,488	118,005	169,928	62,293	229,286	7,642,831
Sept. 5	575,872	4,545,032	592,083	210,330	54,796	50,459	872,012	231,400	120,133	175,093	60,081	234,097	7,721,388
Sept. 12	597,178	4,728,369	601,385	215,489	56,839	51,125	902,202	231,942	117,719	172,017	59,920	243,136	7,977,321
Sept. 19	560,127	4,683,349	573,393	210,820	55,867	57,626	860,895	229,436	119,529	170,037	62,665	235,211	7,818,955
Time deposits:													
Aug. 22	36,600	261,666	13,425	133,571	18,156	20,348	168,328	63,636	19,489	8,994	3,210	73,660	821,083
Aug. 29	33,255	271,438	13,239	134,580	18,523	20,442	168,625	63,707	19,273	9,033	3,231	73,752	829,098
Sept. 5	33,090	270,999	13,927	135,402	18,697	20,561	168,904	63,293	19,495	9,063	3,275	73,902	830,608
Sept. 12	30,485	274,895	13,769	135,344	18,616	20,637	169,309	63,758	19,610	9,091	3,309	74,257	833,080
Sept. 19	32,834	318,286	13,750	136,545	18,692	21,510	169,278	64,038	20,783	9,843	3,317	75,450	884,326
Government deposits:													
Aug. 22	40,222	247,364	32,562	13,931	1,266	5,908	45,020	15,021	4,906	16,401	8,556	7,159	438,316
Aug. 29	36,252	222,531	28,844	13,915	1,259	5,166	40,521	13,910	4,563	15,452	7,289	7,187	396,889
Sept. 5	53,331	274,843	36,867	15,083	2,183	11,128	47,640	18,228	2,890	17,173	21,931	6,811	508,108
Sept. 12	40,487	196,605	27,280	9,925	2,102	9,678	33,404	11,996	4,306	10,193	20,225	2,991	369,192
Sept. 19	50,542	433,935	57,012	14,191	1,830	5,655	36,504	11,900	5,475	4,780	15,561	2,856	640,241
Bills payable with Federal Reserve Bank:													
Aug. 22	6,745	425,720	132,971	28,496	15,861	17,030	57,291	17,709	2,430	22,934	5,250	13,789	746,226
Aug. 29	9,239	454,757	136,353	30,331	14,280	20,431	53,135	15,563	1,120	23,473	4,750	12,881	776,313
Sept. 5	19,022	458,481	139,750	27,767	14,617	22,049	60,473	25,039	5,490	22,316	3,700	14,773	813,477
Sept. 12	7,893	407,374	126,045	28,612	16,329	26,262	40,067	22,032	7,519	23,428	3,750	15,704	725,015
Sept. 19	15,167	295,895	136,759	19,344	17,532	24,378	32,387	20,289	6,720	21,758	7,000	18,347	615,576

Principal resources and liabilities of member banks in leading cities, including member banks located in Federal Reserve Bank cities and in Federal Reserve branch cities as at close of business on Fridays, from Aug. 22 to Sept. 19, 1919—Continued.

2. MEMBER BANKS IN FEDERAL RESERVE BANK CITIES—Continued.

[In thousands of dollars; i. e., 000 omitted.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Bills rediscounted with Federal Reserve Bank:													
Aug. 22	48,547	104,651	24,920	6,036	4,601	617	9,765	4,271	....	5,299	....	3,638	212,345
Aug. 29	47,112	103,071	24,523	6,120	4,726	748	9,110	4,851	....	5,546	....	2,001	207,808
Sept. 5	43,146	122,764	19,290	5,775	4,610	912	11,667	4,079	....	2,515	....	2,057	216,815
Sept. 12	50,874	112,163	21,781	5,508	4,524	5,002	12,155	5,563	....	4,598	627	1,995	224,790
Sept. 19	49,966	100,819	26,056	5,034	3,310	7,600	15,052	7,384	930	9,221	1,256	5,085	231,713

3. MEMBER BANKS IN FEDERAL RESERVE BRANCH CITIES.

	New York district.[1]	Cleveland district.[2]	Richmond district.[3]	Atlanta district.[4]	Chicago district.[5]	St. Louis district.[6]	Kansas City district.[7]	Dallas district.[8]	San Francisco district.[9]	Total.
Number of reporting banks:										
Aug. 22	7	38	19	19	12	18	17	12	30	172
Aug. 29	8	38	19	18	12	18	17	12	30	172
Sept. 5	8	38	19	18	12	18	17	12	30	172
Sept. 12	8	38	19	18	12	18	17	12	30	172
Sept. 19	8	38	19	18	12	18	17	12	30	172
United States bonds to secure circulation:										
Aug. 22	1,599	24,397	5,596	4,685	1,805	5,255	4,487	6,758	8,485	63,067
Aug. 29	1,599	24,407	5,596	4,685	1,805	5,355	4,487	6,758	8,485	63,177
Sept. 5	1,599	24,397	5,611	4,685	1,805	5,255	4,487	6,758	8,485	63,082
Sept. 12	1,599	24,397	5,583	4,685	1,870	5,255	4,487	6,758	8,485	63,119
Sept. 19	1,599	24,407	5,583	4,685	1,870	5,255	4,487	6,758	8,485	63,129
Other United States bonds, including Liberty bonds:										
Aug. 22	5,483	41,206	8,609	9,392	17,068	7,170	6,373	7,379	15,111	117,791
Aug. 29	6,494	40,972	8,771	8,977	17,008	7,204	6,401	7,273	14,899	117,999
Sept. 5	6,373	41,327	8,588	8,785	16,504	7,477	6,630	7,219	14,904	117,807
Sept. 12	6,485	40,958	9,101	8,871	16,897	7,230	6,625	7,297	14,895	118,359
Sept. 19	6,403	39,719	8,806	8,691	16,720	7,150	6,555	7,259	14,746	116,049
United States Victory notes:										
Aug. 22	7,084	21,904	4,055	8,721	16,613	5,157	2,419	1,395	4,726	72,074
Aug. 29	8,196	21,843	3,937	7,807	16,514	5,067	2,320	1,397	4,931	72,012
Sept. 5	7,869	22,038	3,885	7,548	16,231	4,877	2,267	1,399	4,853	71,067
Sept. 12	8,916	20,584	4,097	7,359	16,132	4,818	2,481	1,441	5,015	70,843
Sept. 19	8,926	19,786	4,030	7,207	15,949	4,788	2,258	1,431	7,036	71,411
United States certificates of indebtedness:										
Aug. 22	12,522	60,458	41,211	21,708	60,853	7,970	8,390	10,082	31,724	254,918
Aug. 29	13,357	60,094	30,391	19,484	60,984	7,125	8,603	10,844	32,082	242,964
Sept. 5	15,692	73,417	22,632	25,383	64,475	8,554	10,847	9,370	36,783	267,153
Sept. 12	13,991	61,744	13,970	20,291	49,151	6,868	12,304	8,920	33,293	220,532
Sept. 19	12,594	55,578	10,584	17,128	35,348	5,902	8,600	8,174	24,197	178,105
Total United States securities owned:										
Aug. 22	26,688	147,965	59,471	44,506	96,339	25,552	21,669	25,614	60,046	507,850
Aug. 29	29,646	147,316	48,695	40,953	96,311	24,751	21,811	26,272	60,397	496,152
Sept. 5	31,533	161,179	40,716	46,401	99,115	26,163	24,231	24,746	65,025	519,109
Sept. 12	30,991	147,683	32,751	41,206	84,050	24,171	25,897	24,416	61,688	472,853
Sept. 19	29,522	139,490	29,003	37,711	69,887	23,095	21,900	23,622	54,464	428,694
Loans secured by United States bonds, Victory notes, and certificates:										
Aug. 22	12,231	62,785	12,049	11,259	12,477	6,530	6,740	2,216	6,784	133,071
Aug. 29	15,711	62,504	11,516	10,733	12,550	6,664	6,226	2,254	6,643	134,801
Sept. 5	15,410	62,960	11,242	10,909	11,963	6,656	8,434	2,242	6,107	135,923
Sept. 12	13,515	64,062	11,433	10,938	11,661	6,392	8,006	2,226	6,112	134,345
Sept. 19	13,623	65,008	11,689	9,918	11,472	6,580	7,664	2,195	5,963	134,112
Loans secured by stocks and bonds other than U. S. securities:										
Aug. 22	31,338	135,916	32,703	22,963	37,295	25,284	26,499	11,941	33,862	357,801
Aug. 29	33,676	137,636	33,323	24,965	36,471	25,897	26,416	11,509	34,438	364,331
Sept. 5	34,567	141,235	33,844	22,666	37,393	25,987	27,526	11,794	33,975	368,987
Sept. 12	35,628	139,545	34,063	23,288	39,786	25,090	28,187	11,781	34,777	372,145
Sept. 19	37,843	146,096	35,373	23,140	38,672	25,117	26,458	11,807	30,574	375,080
All other loans and investments:										
Aug. 22	100,272	401,839	92,400	148,284	258,443	88,062	138,268	49,697	207,236	1,484,501
Aug. 29	104,282	404,089	93,400	149,661	261,136	81,101	140,735	48,221	209,621	1,492,246
Sept. 5	119,273	397,284	92,732	148,389	260,723	79,642	138,501	48,855	213,009	1,498,408
Sept. 12	113,933	398,108	94,613	150,738	264,455	81,694	139,005	48,348	218,032	1,508,926
Sept. 19	115,431	396,388	94,855	154,732	270,612	87,621	143,690	50,395	225,391	1,539,115

Principal resources and liabilities of member banks in leading cities, including member banks located in Federal Reserve Bank cities and in Federal Reserve branch cities as at close of business on Fridays, from Aug. 22 to Sept. 19, 1919—Continued.

3. MEMBER BANKS IN FEDERAL RESERVE BRANCH CITIES—Continued.

[In thousands of dollars, i. e., 000 omitted.

	New York district.[1]	Cleveland district.[2]	Richmond district.[3]	Atlanta district.[4]	Chicago district.[5]	St. Louis district.[6]	Kansas City district.[7]	Dallas district.[8]	San Francisco district.[9]	Total.
Total loans and investments:										
Aug. 22	170,529	748,505	196,623	227,012	404,554	145,428	193,176	89,468	307,928	2,483,223
Aug. 29	183,315	751,545	186,934	226,312	406,468	138,413	195,188	88,256	311,099	2,487,530
Sept. 5	200,783	762,658	178,534	228,365	409,194	138,448	198,692	87,637	318,116	2,522,427
Sept. 12	194,067	749,398	172,860	226,170	399,952	137,347	201,095	86,771	320,609	2,488,269
Sept. 19	196,419	746,982	170,920	225,501	390,643	142,413	199,712	88,019	316,392	2,477,001
Reserve balance with Federal Reserve Bank:										
Aug. 22	11,671	46,899	13,347	17,328	25,382	10,140	17,296	6,519	22,547	171,129
Aug. 29	14,601	48,557	13,138	15,875	26,544	9,228	15,765	7,597	22,530	173,835
Sept. 5	12,776	50,318	13,537	14,307	26,819	9,765	15,703	6,710	22,738	172,673
Sept. 12	13,884	47,555	13,876	16,966	28,494	9,303	17,399	6,617	23,433	177,527
Sept. 19	11,815	48,409	13,172	16,603	27,385	9,997	18,601	6,625	22,974	175,581
Cash in vault:										
Aug. 22	2,734	13,434	5,144	6,356	12,551	3,515	5,158	2,634	7,262	58,788
Aug. 29	2,432	13,451	5,397	6,143	14,289	3,601	5,316	2,578	7,242	60,449
Sept. 5	3,190	14,893	5,245	6,051	14,513	3,787	5,279	2,715	7,561	63,234
Sept. 12	2,896	13,484	5,544	6,432	15,379	3,539	5,337	2,910	7,167	62,688
Sept. 19	2,820	14,716	5,216	6,080	15,005	3,662	5,131	2,861	6,703	62,194
Net demand deposits on which reserve is computed:										
Aug. 22	114,061	446,243	116,563	147,026	196,383	85,577	148,223	54,639	179,312	1,488,027
Aug. 29	126,007	440,039	115,556	142,799	199,399	85,659	147,299	54,443	181,729	1,492,930
Sept. 5	126,518	446,967	117,836	144,421	196,763	84,319	146,860	53,425	185,221	1,502,330
Sept. 12	128,343	445,466	116,422	144,320	223,573	82,407	147,755	54,517	190,146	1,532,949
Sept. 19	125,938	429,205	112,797	145,260	206,783	81,026	141,296	49,246	185,817	1,477,368
Time deposits:										
Aug. 22	27,973	90,588	18,127	62,158	176,585	30,105	40,774	16,780	98,376	561,466
Aug. 29	31,666	91,471	18,758	59,609	177,293	30,027	41,200	16,841	98,898	565,763
Sept. 5	31,539	91,733	18,686	59,439	177,753	30,310	41,543	16,875	99,725	567,603
Sept. 12	31,626	90,920	18,658	59,617	181,280	30,499	41,835	16,731	100,295	571,461
Sept. 19	31,477	90,779	19,359	58,640	181,614	30,256	41,917	16,710	100,433	571,185
Government deposits:										
Aug. 22	5,796	24,135	5,480	7,540	6,506	4,044	6,178	3,337	1,391	64,407
Aug. 29	5,493	24,866	4,922	6,350	5,589	3,520	5,447	3,215	1,528	60,930
Sept. 5	7,863	36,345	6,547	11,018	12,155	4,822	8,063	3,875	1,941	92,629
Sept. 12	6,206	28,095	5,273	8,542	10,764	3,679	5,067	2,761	1,095	71,482
Sept. 19	4,769	37,443	8,221	7,299	11,248	2,322	2,453	2,142	1,367	77,264
Bills payable with Federal Reserve Bank:										
Aug. 22	12,395	51,092	36,393	9,985	49,059	8,181	3,249	7,365	16,100	193,819
Aug. 29	16,595	62,776	24,136	9,697	48,125	8,283	3,555	7,325	14,692	195,184
Sept. 5	16,280	63,232	17,236	7,590	45,024	9,371	5,730	5,163	16,113	185,739
Sept. 12	17,891	55,825	11,570	8,227	23,783	8,905	13,165	4,063	15,229	158,658
Sept. 19	17,818	64,313	9,901	10,628	17,697	9,952	13,397	4,868	12,722	161,296
Bills rediscounted with Federal Reserve Bank:										
Aug. 22	5,972	5,869	6,006	1,137	1,239	6,194	269	1,165	4,844	32,695
Aug. 29	6,186	4,928	5,606	1,171	2,168	7,102	269	574	5,048	33,052
Sept. 5	6,642	4,562	5,606	1,044	2,831	7,808	269	1,072	4,534	34,368
Sept. 12	6,911	4,983	7,126	828	3,486	9,700	309	934	4,977	39,254
Sept. 19	6,942	5,985	9,805	1,391	3,285	11,337	483	797	4,618	44,643

[1] Buffalo.
[2] Pittsburgh and Cincinnati.
[3] Baltimore.
[4] New Orleans, Jacksonville, and Birmingham.
[5] Detroit.
[6] Louisville, Memphis, and Little Rock.
[7] Omaha and Denver.
[8] El Paso and Houston.
[9] Spokane, Portland, Seattle, and Salt Lake City.

IMPORTS AND EXPORTS OF GOLD AND SILVER.

Gold imports into and exports from the United States.

[In thousands of dollars; i. e., 000 omitted.]

	10 days ending Aug. 20, 1919.	11 days ending Aug. 31, 1919.	10 days ending Sept. 10, 1919.	Total since Jan. 1, 1919.	Total Jan. 1 to Sept. 10, 1918.
IMPORTS.					
Ore and base bullion	244	260	322	11,426	10,118
United States mint or assay office bars					6
Bullion, refined	1,049	21	19	27,956	38,065
United States coin	73	30		10,600	6,774
Foreign coin				5,141	169
Total	1,366	311	341	55,123	55,132
EXPORTS.					
Domestic:					
Ore and base bullion				15	110
United States mint or assay office bars	6,874	4,614	8,211	51,285	4,183
Bullion, refined	5	4,030	213	12,559	3,396
Coin	2,821	13,528	2,633	143,850	24,708
Total	9,700	22,172	11,057	207,709	32,397
Foreign coin	15	60	12	231	417
Total exports	9,715	22,232	11,069	207,940	32,814

Excess of gold exports over imports since Jan. 1, 1919, $152,817,000. Excess of gold imports over exports since Aug. 1, 1914, $918,589,000.

Silver imports into and exports from the United States.

[In thousands of dollars; i. e., 000 omitted.]

	10 days ending Aug. 20, 1919.	11 days ending Aug. 31, 1919.	10 days ending Sept. 10, 1919.	Total since Jan. 1, 1919.	Total Jan. 1 to Sept. 10, 1918.
IMPORTS.					
Ore and base bullion	1,776	3,135	1,759	48,276	27,550
United States mint or assay office bars					50
Bullion, refined	142	250	119	5,798	18,723
United States coin	61	93	24	710	754
Foreign coin	15	106	332	3,894	3,400
Total	1,994	3,584	2,234	58,678	50,477
EXPORTS.					
Domestic:					
Ore and base bullion				4	12
United States mint or assay office bars	106	27	11	71,235	21,702
Bullion, refined	693	4,359	2,823	79,131	123,441
Coin	69	17	15	2,204	2,588
Total	868	4,403	2,849	152,574	147,743
Foreign:					
Bullion, refined		4,121	873	12,642	3,644
Coin	109	78	137	2,819	5,021
Total	109	4,199	1,010	15,461	8,665
Total exports	977	8,602	3,859	168,035	156,408

Excess of silver exports over imports since Jan. 1, 1919, $109,357,000. Excess of silver exports over imports since Aug. 1, 1914, $389,117,000.

Estimated general stock of money, money held by Treasury, and by the Federal Reserve system, and all other money in the United States, Sept. 1, 1919.

	General stock of money in the United States.	Held in the United States Treasury as assets of the Government.[1]	Held by or for Federal Reserve Banks and agents.	Held outside the United States Treasury and Federal Reserve system.	Amount per capita outside the United States Treasury and the Federal Reserve system.
Gold coin[2]	$2,944,727,731	$372,942,062	$1,501,323,946	$397,670,640	
Gold certificates			353,331,470	319,459,613	
Standard silver dollars	308,145,759	64,882,795		81,114,285	
Silver certificates			6,284,202	154,139,856	
Subsidiary silver	243,188,017	10,006,826	[3] 4,981,963	228,199,228	
Treasury notes of 1890				1,724,621	
United States notes	346,681,016	15,156,163	[4] 57,029,740	274,495,113	
Federal Reserve notes	2,764,832,415	42,041,668	161.086,863	2,561,703,884	
Federal Reserve Bank notes	231,567,200	42,800,463	12,560,018	176,206,719	
National-bank notes	724,563,670	63,589,826	2,628,373	658,345,471	
Total:					
Sept. 1, 1919	7,563,705,808	611,419,803	2,099,226,575	4,853,059,430	$45.65
Aug. 1, 1919	7,525,115,361	588,526,823	2,142,473,627	4,794,114,911	45.13
July 1, 1919	7,588,473,771	578,848,043	2,167,280,313	4,842,345,415	45.00
June 1, 1919	7,592,078,992	561,315,890	2,221,850,525	4,808,912,577	44.75
May 1, 1919	7,614,749,260	553,979,534	2,215,178,577	4,845,591,149	45.15
Apr. 1, 1919	7,586,752,855	550,628,454	2,195,151,766	4,840,972,635	45.17
Mar. 1, 1919	7,566,299,924	545,695,945	2,169,183,676	4,851,420,303	45.33
Feb. 1, 1919	7,611,628,810	489,831,726	2.252,757,560	4,869,039,524	45.56
Jan. 1, 1919	7,780,793,606	454,948,160	2,220,705,767	5,105,139,679	47.83
Oct. 1, 1918	7,391,008,277	380,246,203	2,084,774,897	4,925,987,177	46.34
July 1, 1918	6,742,225,784	356,124,750	2,018,361,825	4,367,739,209	41.31
Apr. 1, 1918	6,480,181,525	339,856,674	1,873,524,132	4,266,800,719	40.47
Jan. 1, 1918	6,256,198,271	277,043,358	1,723,570,291	4,255,584,622	40.53
Oct. 1, 1917	5,642,264,856	242,469,027	1,429,422,432	3,970,373,397	37.97
July 1, 1917	5,480,009,884	253,671,614	1,280,880,714	3,945,457,556	37.88
Apr. 1, 1917	5,312,109,272	258,198,442	952,934,705	4,100,976,125	39.54
Feb. 1, 1917	5,045,213,347	279,079,137	849,661,792	3,916,472,418	37.88

[1] Includes reserve funds against issues of United States notes and Treasury notes of 1890 and redemption funds held against issues of national-bank notes, Federal Reserve notes, and Federal Reserve Bank notes.
[2] Includes balances in gold settlement fund standing to the credit of the Federal Reserve Banks and agents.
[3] Includes standard silver dollars.
[4] Includes Treasury notes of 1890.

DISCOUNT RATES.

Discount rates of each Federal Reserve Bank approved by the Federal Reserve Board up to Sept. 30, 1919.

Federal Reserve Bank.	Discounts other than trade acceptances.							Trade acceptances.	
	Secured by U. S. Government war obligations.			Otherwise secured, also unsecured, maturing within—				Maturing within—	
	Maturing within 15 days, including member banks' collateral notes.		Maturing within 16 to 90 days.						
	Secured by U. S. certificates of indebtedness.	Secured by Liberty bonds and Victory notes.		15 days, including member banks' collateral notes.	16 to 60 days.	61 to 90 days.	91 to 180 days (agricultural and live-stock paper).	15 days.	16 to 90 days.
Boston	4	4	4¼	4	4¾	4¾	5	4	4½
New York [1]	4	4	4¼	4	4¾	4¾	5	4	4½
Philadelphia	4	4	4¼	4	4¾	4¾	5	4	4½
Cleveland	4	4	4¼	4¼	4¾	4¾	5¼	4¼	4½
Richmond	4	4¼	4¼	4½	4¾	4¾	5	4½	4½
Atlanta	4	4	4¼	4¼	4¾	4¾	5	4¼	4½
Chicago	4	4¼	4¼	4¼	4¾	4¾	5½	4¼	4½
St. Louis	4	4	4¼	4	4¾	4¾	5½	4	4½
Minneapolis	4	4	4¼	4½	4¾	5	5½	4½	4½
Kansas City	4	4¼	4¼	4½	5	5	5½	4½	4¾
Dallas	4	4¼	4¼	4½	4¾	5	5¼	4½	4½
San Francisco	4¼	4¼	4¼	4¼	5	5	5½	4¼	4¾

[1] Rates for discounted bankers' acceptances maturing within 15 days, 4 per cent; within 16 to 60 days, 4¼ per cent; within 61 to 90 days, 4½ per cent.

NOTE 1.—Acceptances purchased in open market, minimum rate 4 per cent.
NOTE 2.—Rates on paper secured by War Finance Corporation bonds, 1 per cent higher than on commercial paper of corresponding maturity.
NOTE 3.—Whenever application is made by member banks for renewal of 15-day paper the Federal Reserve Banks may charge a rate not exceeding that for 90-day paper of the same class.

LOANS AND DISCOUNTS OF STATE BANK MEMBERS.

Classification of loans and discounts of State banks and trust companies, members of the Federal Reserve system, as shown by their condition reports for June 30, 1919.

[In thousands of dollars; i. e., 000 omitted.]

	District No. 1 (36 banks).	District No. 2 (110 banks).	District No. 3 (36 banks).	District No. 4 (80 banks).	District No. 5 (42 banks).	District No. 6 (57 banks).	District No. 7 (305 banks).	District No. 8 (52 banks).	District No. 9 (75 banks).	District No. 10 (31 banks).	District No. 11 (115 banks).	District No. 12 (103 banks).	Total United States (1,042 banks).
On demand, not secured by collateral	28,165	32,359	4,213	16,372	2,063	5,473	23,981	9,255	2,806	2,622	2,196	6,319	135,824
On demand, secured by Liberty bonds, Victory notes, and U. S. Treasury certificates of indebtedness	2,233	20,948	4,761	4,561	817	1,692	9,224	1,389	392	53	100	201	46,371
On demand, secured by other collateral	67,557	593,276	66,317	73,096	11,251	38,177	125,200	32,694	2,215	5,559	2,488	5,715	1,023,545
On time, not secured by collateral	176,640	555,611	33,763	82,609	36,134	47,882	309,880	69,617	22,786	16,861	13,889	46,014	1,411,696
On time, secured by Liberty bonds, Victory notes, and U. S. Treasury certificates of indebtedness	53,891	399,566	39,116	32,249	5,842	10,190	41,287	7,968	1,140	2,126	1,298	3,439	598,112
On time, secured by other collateral	49,030	332,476	19,346	56,322	18,407	33,119	173,625	43,325	15,149	21,836	21,315	25,421	809,371
Secured by real estate mortgages or other real estate liens or deeds	35,322	49,098	4,886	69,308	5,948	8,977	163,105	19,859	12,480	6,449	4,128	13,528	393,088
Acceptances of other banks discounted	2,440	7,155	119	422	15	82	9,132	43	276	....	15	36	19,735
Acceptances of this bank purchased or discounted	1,357	22,278	706	2,212	593	3,235	1,346	2,095	....	....	....	85	33,907
Loans and discounts not classified	....	18,870	....	....	221	....	1,122	....	....	....	2,280	514	23,007
Total loans and discounts.	416,635	2,031,637	173,227	337,151	81,291	148,827	857,912	186,245	57,244	55,506	47,709	101,272	4,494,656

CONDITION OF FOREIGN BANKS OF ISSUE, 1913-1919.

BANK OF ENGLAND.

[Combined data for issue and banking departments.]

[000 omitted.]

	Dec. 31, 1913.	July 29, 1914.	Dec. 30, 1914.	Dec. 29, 1915.	Dec. 27, 1916.	Dec. 26. 1917.	Dec. 25, 1918.	July 30, 1919.
ASSETS.								
Gold and silver	$170,245	$185,570	$338,191	$250,510	$264,275	$283,899	$384,994	$430,272
Government securities:								
Held by the issue department	89,787	89,787	89,787	89,787	89,787	89,787	89,787	89,787
Held by the banking department	64,233	53,556	72,061	159,816	278,304	283,732	346,037	209,955
Other securities	253,729	230,219	516,998	545,416	518,094	461,776	448,399	397,817
Total	577,994	559,132	1,017,037	1,045,529	1,150,460	1,119,194	1,269,217	1,127,831
LIABILITIES.								
Proprietors' capital	70,822	70,822	70,822	70,822	70,822	70,822	70,822	70,822
Rest (surplus)	15,827	16,994	15,978	16,118	16,111	16,065	15,850	16,371
Public deposits	49,913	61,868	131,067	241,755	253,624	204,439	115,059	87,018
Other deposits	297,280	264,830	623,182	544,914	616,715	604,232	725,289	567,215
Seven-day and other bills	66	54	116	87	107	50	48	68
Notes in circulation	144,086	144,564	175,872	171,833	193,081	223,586	342,149	386,337
Total	577,994	559,132	1,017,037	1,015,529	1,150,460	1,119,194	1,269,217	1,127,831

BANK OF FRANCE.

[000 omitted.]

	Dec. 26, 1913.	July 30, 1914.	Dec. 10, 1914.[1]	Dec. 30, 1915.	Dec. 28, 1916.	Dec. 27, 1917.	Dec. 26, 1918.	July 31, 1919.
ASSETS.								
Gold in vault	$678,856	$799,279	$799,359	$967,950	$652,885	$639,682	$664,009	$692,638
Other metallic reserve	123,532	120,689	67,750	67,953	56,910	47,798	61,441	57,877
Total metallic reserve	802,388	919,968	867,109	1,035,903	709,795	687,480	725,450	750,515
Gold held abroad					326,766	393,162	393,162	381,808
Foreign credits				203,962	159,380	150,231	450,939	323,150
Government securities:								
Permanent investments	57,900	57,900		57,900	57,900	57,900	57,900	57,900
Advances to the Government since outbreak of war			694,800	965,000	1,428,200	2,412,500	3,309,950	4,496,900
Treasury bills discounted (advances to foreign Governments)				121,590	347,400	621,460	680,518	706,380
Other Government securities		22,682		21,882	21,742	21,805	21,757	21,793
Loans and discounts	294,607	471,746	41,165	82,859	119,599	176,009	203,101	186,672
Bills matured and extended			702,040	354,002	258,395	221,395	198,513	144,869
Advances on bullion, specie, securities, etc.	149,074	146,443	[2]150,686	222,320	254,326	236,386	234,633	243,188
Bank premises		9,302					8,960	8,990
Sundry assets	93,064	67,872		79,806	105,919	130,046	299,202	306,397
Total assets	1,397,033	1,695,913		3,145,224	3,789,422	5,108,374	6,584,085	7,628,562
LIABILITIES.								
Capital	35,223	35,223	35,223	35,223	35,223	35,223	35,223	35,223
Surplus, including special reserves	8,206	8,206		8,292	8,292	8,292	8,292	8,294
Dividends unpaid	309	899		4,211	4,853	4,985	973	1,801
Government deposits	77,848	73,835	34,075	33,562	2,897	48,609	21,555	9,419
Other deposits	111,038	182,881	515,687	407,970	436,223	562,352	456,676	563,516
Bank notes in circulation	1,102,715	1,289,855	1,927,306	2,568,801	3,219,012	4,311,002	5,838,172	6,759,772
Sundry liabilities	61,694	105,014		87,165	82,922	137,911	223,194	250,517
Total liabilities	1,397,033	1,695,913		3,145,224	3,789,422	5,108,374	6,584,085	7,628,562

[1] No data available as at end of 1914. Incomplete data for Dec. 10, 1914, taken from the annual report of the bank for 1914.
[2] Advances on securities only.

GERMAN REICHSBANK.

[000 omitted.]

	Dec. 31, 1913.	July 31, 1914.	Dec. 31, 1914.	Dec. 31, 1915.	Dec. 31, 1916.	Dec. 31, 1917.	Dec. 31, 1918.	Aug. 15, 1919.
ASSETS.								
Gold	$278,453	$298,261	$498,089	$581,954	$599,873	$572,768	$538,808	$263,343
Other metallic reserve	65,886	65,409	8,774	7,633	3,884	43,161	4,764	4,722
Total metallic reserve	344,339	363,670	506,863	589,587	603,757	615,929	543,572	268,065
Imperial Treasury and Loan Bank notes	10,996	7,960	208,250	306,512	100,457	312,920	1,254,599	2,042,994
Notes of other banks	3,038	2,740	1,264	745	332	160	715	1,571
Bills, checks, and discounted Treasury bills	354,798	495,296	936,903	1,381,189	2,287,124	3,473,873	6,530,491	7,160,893
Advances on collateral	22,485	48,121	5,443	3,079	2,322	1,217	1,429	2,102
Securities	96,012	94,392	8,086	12,227	19,932	21,220	37,159	32,891
Sundry assets	53,582	51,901	51,173	64,791	186,622	497,752	569,060	458,359
Total assets	885,250	1,064,081	1,717,982	2,358,130	3,200,546	4,923,071	8,937,025	9,966,875
LIABILITIES.								
Capital paid in	42,840	42,840	42,840	42,840	42,840	42,840	42,876	42,840
Surplus	16,671	17,726	17,726	19,171	20,342	21,453	22,629	23,680
Reichsbank notes in circulation	617,240	692,442	1,200,924	1,646,465	1,917,007	2,729,324	5,285,182	6,796,011
Other liabilities payable on demand	188,763	299,515	418,144	561,445	1,086,281	1,915,993	3,291,924	2,280,367
Sundry liabilities	19,736	11,558	38,348	88,209	134,076	213,461	294,414	823,977
Total liabilities	885,250	1,064,081	1,717,982	2,358,130	3,200,546	4,923,071	8,937,025	9,966,875

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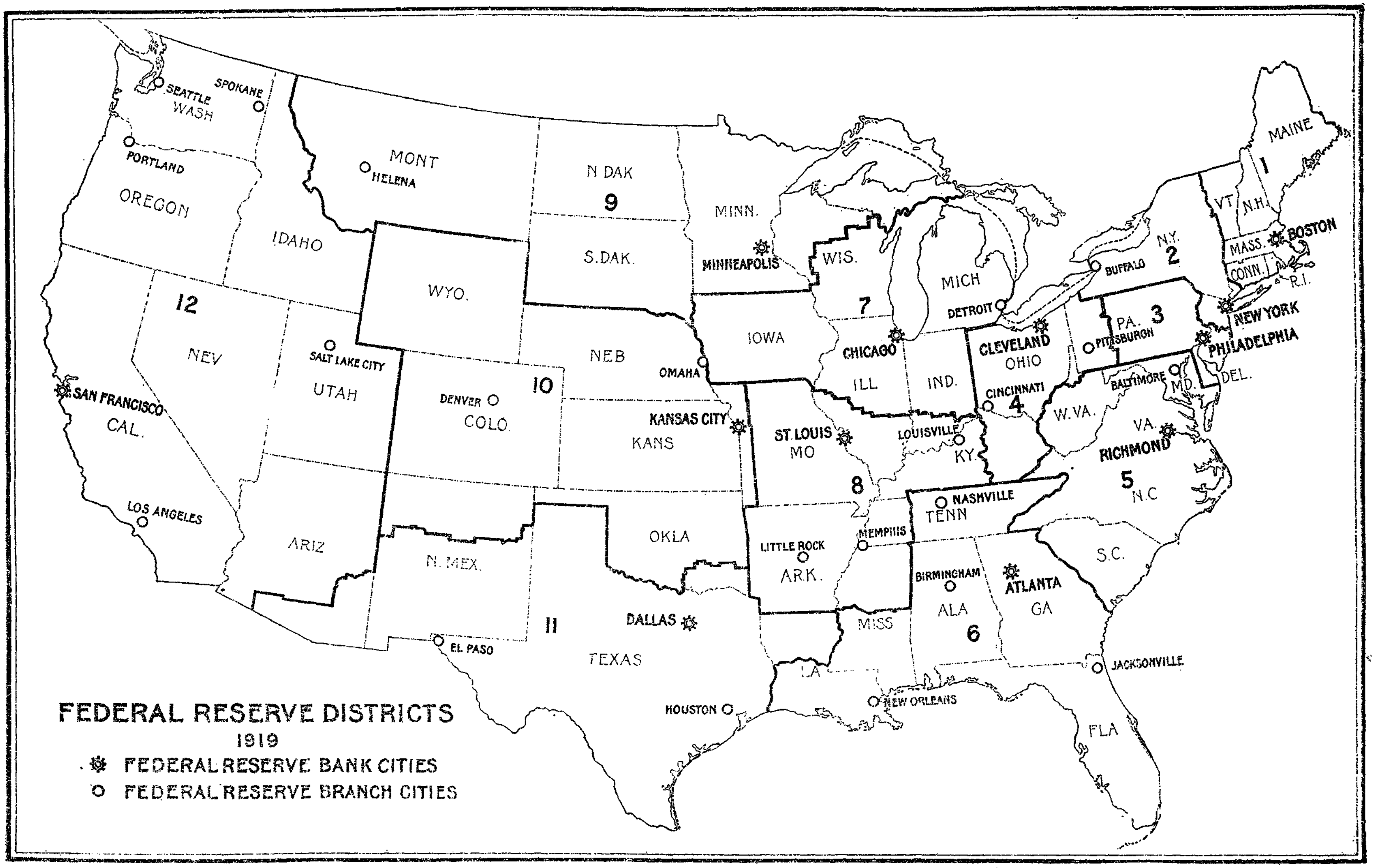

The branches at Helena, Mont., Los Angeles, Cal., and Nashville, Tenn., have been authorized by the Federal Reserve Board but are not yet open for business.