

BUSINESS ACTIVITY GROWS

Federal Reserve Report Reflects Upward Tendency In Nearly All Industries

(Summary of business and agricultural conditions in the twelfth federal reserve district as reported to the Federal Reserve board by John Perrin, chairman of the board and federal reserve agent, Federal Reserve bank of San Francisco.)

Indications of increasing business activity in this district, which first appeared during April and May, have multiplied during June. Prices of the principal products of the district have either remained firm or advanced slightly, reflecting similar tendencies in national prices.

The United States bureau of labor's wholesale price index which increased 3 1/2 per cent during May, advanced 1.35 per cent during June and is now 8.7 per cent above the low point of January, 1922. Charges to individual accounts of depositors in banks of the twenty principal cities were 5.6 per cent greater in amount than in June, 1921.

Sales of thirty-two representative department stores for the second consecutive month were greater in dollar value than they were in the same month of 1921, the increase of June, 1922, over June 1921, being 3 per cent.

As average retail prices have changed but little during this period, the physical volume of merchandise now moving at retail is evidently increasing. At wholesale, also, the same condition prevails. Of the ten reporting lines of trade, nine advise that the dollar values of their sales for June, 1922, exceeded those of June, 1921.

Employment has increased throughout the district so generally that involuntary unemployment has practically disappeared. A wage increase in the lumber industry of approximately 10 per cent occurred during the month. It is the first increase since the business recession began in 1920.

With the exception of San Francisco, the principal manufacturing cities of the district report steady increases in the number of men employed each month, and a substantial increase of manufacturing activity as compared with June, 1921.

An unfavorable aspect of the business situation is the increasing number of business failures reported.

Productive activity also continues to increase. Lumber and log production during June exceeded the figures of the previous months of the year, and were 59 per cent and 29 per cent respectively in excess of output in June, 1921.

Of the seventeen copper mines of the district, eight are now operating, compared with two a year ago, and their May, 1922, output of 23,613,000 pounds of copper was nearly 1,000,000 pounds larger than the April, 1922, output.

Petroleum production during June was less than one per cent smaller than the record output of the preceding month and stocks of crude oil continued to increase to 42,500,000 barrels, being on June 20, 46 per cent in excess of stocks held a year ago. On July 15, a reduction of approximately 25 cents per barrel in crude oil prices was announced, the first change since the reduction of 25 cents per barrel in August, 1921. Gasoline stocks on May 31, 1922, had declined

14.3 per cent during the month, and were 18.7 per cent less than they were a year ago, on May 31, 1921.

Building activity during June was exceeded only during April.

The grain crops of the district have suffered on account of unusually dry weather during June, and the total wheat yield is now estimated at 103,211,000 bushels compared with a final yield of 122,000,000 bushels during 1921. The hot weather has been unfavorable also to the growth of forage crops and pastures in the livestock areas of the district, but the condition of the stock in most sections is still reported to be good. Warm weather, which damaged the grain crops and pastures of the district, was beneficial for crops of ripening fruit.

The yields of peaches and pears generally, and of the other commercial fruits in California, will be almost without exception larger than they were last year. Shipments of green fruits to eastern markets are proceeding normally. Fruit canners in California are planning a 1922 pack which will be about 15 to 20 per cent larger than the pack of 5,100,000 cases in 1921 with opening prices, announced early in July, slightly higher than the prices quoted for that pack.

Notwithstanding the increasing activity of production and business, bank credit generally continues to be abundant and cheaper. Prevailing interest rates charged by banks in the larger centers are 5 1/2 to 6 per cent, and in the agricultural regions decreased slightly during June. Effective July 8th, the rediscount rate of this bank was reduced from 4 1/2 to 4 per cent for all classes of paper. A temporary increase in borrowings by the city banks from the reserve bank attending the closing of the fiscal year on June 30th was almost cancelled by July 12th, total rediscounts of this bank on that date being \$42,000,000 compared with a total of \$40,000,000 on June 14th. Despite the increase in agricultural activity at this season throughout the district repayments by country banks of their rediscounts with the Reserve bank in general continued to exceed their new borrowings.

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22 new Tricolette Wash Satin and hand made Voile Waists up to \$6.50; this big sale, each \$2.95

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Gingham Dresses. 50 new Jiffion dresses just received at the special price of \$3.50

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Silk Dresses. Dresses of Canton Crepe and Taffeta, in the new shades, up to \$32.50 values, this sale, each, \$12.50

Group 4

Silk Skirts. Skirts of Baronette and Crepe, in a large assortment of colors. This sale, \$4.95

Group 5

Petticoats. White Petticoats with hemstitched, lace and embroidered flounce. \$4.50 values. This sale, \$2.50

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Beautiful Helen of Troy had red hair, history tells us. You know what happened to her, now see what happened to beautiful Alice Brady in "Red Head."

Some of the prizes given away at Country Store tonight; 2 fryers, large box of crackers, pound of coffee, package of tea, can of karo, can of salmon, large can of corn, package of rice and others.

Prizes given at 9.30 SUNDAY—VAUDEVILLE

Admission 10c and 20c Show Starts at 6:30