

# LONDON \& CAMBRIDGE ECONOMIC SERVICE 

ISSUED IN CO-OPERATION WITH THE HARVARD UNIVERSITY COMMITTEE ON ECONOMIC RESEARCH

# INTRODUCTORY NUMBER, 

January, 1923
Reprinted and Re-issued January, 1925

This introductory mumber is supplied to all subscribers with the first mumber sent to them, in order to serve as an explanation of the aims and objects of the Service, and to enable subscribers to obtain the best value from it.

It consists of an artiole on "Business Cycles and their Study," by Sir William Beveridge, together with an explanation of the Statistical Series used in the Service. The headings of the monthly tables used in the Bulletins and Supplements are given in English, French, German and Italian.

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## CALENDAR OF CHIEF ECONOMIC EVENTS, 1919-25.

THE following record of events since the end of the war is primarily intended to facilitate comparative study of the statistical tables in the Bulletins. Most of the events have affected the monthly figures given in the tables and some of them have influenced the results for the whole year in which they occurred.

The events in connection with the coal industry afford a good example. The low figure for coal output in October, 1920, is explained by a general strike, which lasted for 15 days, during that month. The great national coal strike which took place from April ist to July ist, I92I, is directly reflected in the figures for output of coal, pig iron and steel, and in the figures for export trade and for unemployment. The French occupation of the Ruhr in January, 1923, resulted in a great stimulus to the British coal industry and largely accounts for the higher figures of coal output and export in that year. The 1925 statistics for coal must be considered in relation to factors such as the termination of the wage agreement, the Government subsidy and the anthracite strike in the U.S.A.

General labour disputes in shipbuilding, railway, engineering and other industries account for fluctuations in many of the series. The connection between the changes in the discount rates of central banks and the movements of general money rates is obvious. Certain political events have had important repercussions on financial and other indices. The date of moveable holidays (Easter, Whitsun), affects comparison between the months March to June in different years.

## 1919.

JAN. 1-47-hour week in engineering and shipbuilding trades.
9-12-Yorkshire miners strike for 3 days. 15,000 out.
25-Strike in Belfast shipbuilding yards.
FEB. $\quad 1$-New issue of National War Bonds, 4th series. (Realised $£ 75 \mathrm{Mn}$.)
48-hour week on railways.
19-Belfast strike ended.
24-Coal-miners' strike ballot.
47-hour week in iron and steel industry.
MAR. 24-Coal strike in S. Wales, Midlands, Yorkshire. 100,000 out for 6 days. 48-hour week in woollen and worsted trades.

## APL. Grave riots in India.

18-Good Friday.
Budget.-Excess Profits Duty reduced from $80 \%$ to $40 \%$.
Death Duties increased
Imperial Preference on tea, coffee, cocoa, sugar, dried fruits, tobacco motor spirit, films, motors musical instruments, clocks and watches.

MAY 14-Greek forces landed at Smyrna.

JUNE 8-Whit Sunday.
13-4\% Funding Loan at 80 announced.
$4 \%$ Victory Bonds at 85 .
23-Strike in cotton trade begun but almost immediately settled.
28-Germans signed peace at Versailles.
JULY 1-Prohibition in force in U.S.A.
16-150,000 Yorkshire coal-miners strike.
7 -hour day in coal mines.
48-hour week in cotton industry.
AUG. 1-Police strike.
$15-\mathrm{S}$. Yorkshire miners returned.
20-W. Yorkshire miners returned.

SEPT. 1 -Imperial preferential rates in operation See April.
10-Austria signed peace treaty.
22-Iron moulders strike.
22-U.S. steelworkers on strike.
27-General strike dec'ared by National Union of Railwaymen.
OCT. 5-Settlement of Railway strike.
15-U.S. coal-miners called strike for October 31. (435,000 involved.)
31-U.S. miners strike.

NOV. 6-Bank rate raised from $5 \%$ to $6 \%$.

DEC. 10-End of U.S.A. coal strike.

[^0]JAN. 17-Prohibition in U.S.A. came into legal effect.
22-Moulders resumed work after 18 weeks' strike ( 105 working days).

FEB. 20-General strike on French railways.

MAR. 1-End of French railway strike.
$19-$ U.S.A. Senate declined to ratify Peace Treaty.

| APL | 2-Good Friday. <br> 8-Bank of France discount rate raised from 5\% to 6\%. <br> 15-Bank Rate raised to 7\% from 6\%. (Real turning point of boom.) <br> 30-General strike called on French railways. <br> Budget. Excess Profits Tax increased from $40 \%$ to $50 \%$. <br> Postal rates increased. <br> New $\operatorname{tax}$ (Corporation Tax) on Company profits. 1/- in $£$. |
| :---: | :---: |
| MAY | 21-French railway strike at end. 22-Whit Sunday. |

JUNE $\quad$ 1-New York Federal Reserve Bank rate raised to $7 \%$.
4-Hungarian Peace Treaty signed.

JULY

AUG. 31-Miners' ballot decided for strike.

SEP [. 6-Electricians' lockout begins. (10 days.)

- 15-Cotton Spinners strike. 20,000 involved. (28 days.) 16-Settled.

OCT. 18-Work ceased in all coal mines for 15 days.
28-Coal Strike declared off.

NOV. 2-U.S.A. Presidential Election. Republican victory. Harding President. 4-Work resumed in coal mines.

DEC. 1-Shipyard joiners strike. 10,000 involved.

JAN.

FEB.

MAR. 25-Good Friday.

APRIL 1-National strike of coal miners.
28-Bank rate reduced from $7 \%$ to $6 \frac{1}{2} \%$.
Budget.-Excess Profits tax not renewed.
$3 \frac{1}{2} \%$ Conversion Loan announced.


JUNE 6-24-Strike of Cotton operatives. 375,000 involved.
11-Truce in Ireland. Irish Peace Conference in London.
16-New York Federal Reserve Bank rate reduced from $6 \frac{1}{2} \%$ to $6 \%$.
19-Census of Great Britain taken.
23-Bank rate reduced from $6 \frac{1}{2} \%$ to $6 \%$.

JULY 1-End of miners' strike.
21-Bank rate reduced from $6 \%$ to $5 \frac{1}{2} \%$.
New York Federal Reserve Bank rate reduced from 6\% to $5 \frac{1}{2} \%$.
28-Bank of France rate reduced from $6 \%$ to $5 \frac{1}{2} \%$.
AUG. 22-Shipyard joiners' strike ended. See Dec. 1, 1920.
25-Peace Treaty between U.S.A. and Germany signed in Berlin.
31-Official termination of the war took place at midnight.
SEPT. 21 -New York Federal Reserve Bank rate reduced from $5 \frac{1}{2} \%$ to $5 \%$.

OCT. 1--Key Industry duties in operation-optical glass, scientific instruments, magnetos, synthetic organic chemicals.

NOV. 2-New York Federal Reserve Bank rate reduced from 5\% to $4 \frac{1}{2} \%$.
3-Bank rate reduced from $5 \frac{1}{2} \%$ to $5 \%$.

DEC. 6-Anglo-Irish Treaty signed. Agreement for Irish Free State.

## 1922

JAN. 6 to 13-Cannes Conference of Allied Powers.
10 - Strike on Rand.
16-M. Poincaré installed as new Prime Minister of France. Irish Free State came formally into being.

FEB. 1 to 6-Washington Conference on armaments.
1 to 7 -Strike on German railways.
16-Bank Rate reduced from $5 \%$ to $4 \frac{1}{2} \%$.
MAR. 11 -Bank of France rate reduced from $5 \frac{1}{2} \%$ to $5 \%$.
12-Engineering lockout. 250,000 men idle.
17-Agreement for reduction of wages in building industry.
29-Strike of Shipyard workers. 80,000 involved.
APRIL 1-Strike in U.S.A. in soft (bituminous) and hard (anthracite) coal industries.
10 to 19-Genoa Conference of Allied Powers.
13-Bank Rate reduced from $4 \frac{1}{2} \%$ to $4 \%$.
14-Good Friday.
25-Agreement on wage reduction in cotton industry.
Budget.-Income tax reduced from $6 /$ to $5 /-$ in $£$.
Tea, coffee and cocoa duties reduced.
Postal charges reduced.
MAY $\quad$ 6-Shipyard strike ended.

| JUNE | 4-Whit Sunday. |
| :--- | :--- |
|  | 13-End of Engineering lockout. |
|  | 15-Bank Rate reduced from 4\% to 3 $3 \%$ |
|  | 21-New York rate reduced from $4 \frac{1}{2} \%$ to $4 \%$. |
| JULY | 1-Strike of railway shopmen in U.S.A. |
|  | 13-Bank Rate reduced from $3 \frac{1}{2} \%$ to $3 \%$. |
|  | 28 - Reichsbank discount rate raised from $5 \%$ to $6 \%$. |

AUG. 15-U.S.A. strike in soft coal fields ended.
23-Depreciated currency duties in operation-Fabric gloves, glassware, hollow-ware, incandescent mantles.
28-Turk attack on Greek army in Asia Minor.
Reichsbank rate raised from $6 \%$ to $7 \%$.
SEPT. 2-U.S.A strike in hard coal fields ended.
9-Turks enter Smyrna.
15-U.S.A. Railway shopmen strike settled.
21-Reichsbank rate raised from. $7 \%$ to $8 \%$.

OCT. 19-Resignation of Mr. Lloyd George.
27-Fascisti seized Government in many parts of Italy.

NOV. 13 -Reichsbank rate raised from $8 \%$ to $10 \%$.
15-General Election. Conservative Majority.
26-Near East Conference at Lausanne.
DEC.

JAN. 8-French entered Ruhr.
12-Reichsbank rate raised from $10 \%$ to $12 \%$.
$20-\mathrm{Mr}$. Baldwin left States after settling debt ne otiations.

FEB. 1-American terms accepted.
4-Failure of Lausanne Conference.
21-New York rate raised from $4 \%$ to $4 \frac{1}{2} \%$.
23-Juteworkers' strike, Dundee. 29,000 involved.
MAR. 23-General lockout in Jute industry.
30-Good Friday.
31-Irish Free State excluded from U.K. in Trade returns.

APL. 18-Jute strike over, lockout raised.
23-Lausanne Conference reassembled.
Reichsbank rate raised from $12 \%$ to $18 \%$.
30 -Lockout of boilermakers from shipbuilding and repairing yards.
Budget.-Income Tax reduced from $5 /-$ to $4 / 6$ in the $\alpha$.
Corporation Tax lowered.
MAY 20-Whit Sunday. Resignation of Mr. Bonar Law.

JUNE1to7-Jute lockout reimposed.

JULY 3-Unauthorised strike of dockers at Hull, etc., spread to London.
5-Bank rate raised from $3 \%$ to $4 \%$.
17-Lausanne Conference ended.
30-Hull dockers returned to work.
AUG. 2-Death of U.S. President (Mr. Harding).
Reichsbank rate raised from $18 \%$ to $30 \%$.
20-London dockers' strike over.
29-Jute lockout at end.
31-Italians shell Corfu.
SEPT. 1-Japanese earthquake.
16-Reichsbank rate raised to $90 \%$.

## ОСТ.

NOV. 16-Dissolution of Parliament.
16-22-Boilermakers' dispute approaches settlement.
24 -Boilermakers' lockout terminated.
German mark stabilised at 4.2 billion to the $\$$.
DEC. 6-General Election.

## 1924

JAN. 10 - Pank of France rate raised from $5 \%$ to $5 \frac{1}{2} \%$.
17-Bank of France rate raised from $5 \frac{1}{2} \%$ to $6 \%$.
21 to 29 -Railway locomotive men on strike. 9 days' stoppage.
22-Labour Government. Mr. MacDonald Prime Minister.
FEB. 18 to 25 -Strike of dock workers in Great Britain. 111,000 involved.
19-Strike of shipyard engineers at Southampton.
25-Southampton strike extended to other shipyard workers. 7,000 out.
MAR.

APL. $\quad 1-4 \frac{1}{2} \%$ Conversion Loan issued.
9-Dawes Committee Report.
12 to 23-Shipyard lockout, as result of Southampton dispute. 20,000 involved.
18-Good Friday.
30 - New York Rate raised from $3 \frac{1}{2} \%$ to $4 \%$.
Budget. McKenna duties on films, motor-cars, musical instruments, clocks and watches removed.
Sugar, tea, cocoa, coffee duties reduced.
Corporation tax removed.
MAY 7-German Elections result.
12-French Elections. M. Poincaré defeated.
29-Miners approved wage agreement.

JUNE 8-Whit Sunday.
11 -New York Bank rate reduced to $3 \frac{1}{2} \%$.

JULY 2-McKenna Duties on films, motor-cars, musical instruments, clocks and watches lapsed.
7-Strike of building trade operatives in Great Britain.
$\qquad$
AUG. 8-New York rate reduced to $3 \%$.
16-London Conference agreement. Dawes scheme to be applied.
20-Depreciated currency duties lapsed. (See 23 Aug. 1922.)
22-Building strike over.
SEPT. 19-Reichsbank Rate fixed at $10 \%$ (gold).

OCT. 8-Labour Government defeated. Dissolution.
15-International Loan for Germany oversubscribed.
29-General Election. Conservative majority. Mr. Baldwin Prime Minister.
NOV. 4-Presidential Election U.S.A. Mr. Coolidge elected.
15-New $4 \frac{1}{2} \%$ Conversion operation announced.
20-Egyptian crisis.

DEC. 7-German Elections.
11-French Bank Rate raised from $6 \%$ to $7 \%$.

JAN.

FEB. 26-German Bank Rate reduced from $10 \%$ to $9 \%$. New York Rate raised from $3 \%$ to $3 \frac{1}{2} \%$.
27-Bank Loan Rate increased by $1 \%$.
MAR. 5-Bank Rate raised from $4 \%$ to $5 \%$.
15-Break in wheat prices.
26-3 $\frac{1}{2} \%$ Conversion Loan offer.
30 -Election of German President.
APR. 10-Good Friday.
27-Hindenburg elected President of German Republic.
30-Rioting at Shanghai.
Budget. Immediate return to Gold Standard announced.
Income Tax reduced from $4 / 6$ to $4 /-$ in $E$.
Mackenna duties reimposed. New duties on silk and artificial silk.
New scale of Imperial Preference.
MAY Continued increase in price of rubber. Great activity in share market.

31-Whit Sunday.
JUNE Boom in rubber share market.

30 -Mineowners give notice to terminate wage agreement.
JULY 1-Duties on clocks, watches, motor cars and musical instruments reimposed.
New duties on silk and artificial silk lace and embroidery in operation.
9-Bank of France Rate reduced from $7 \%$ to $6 \%$.
17-Coal Enquiry.
25-Strike of Textile workers in W. Riding.
31-Coal Truce. Government subsidy granted to the industry.
AUG. 6-Bank Rate reduced from $5 \%$ to $4 \frac{1}{2} \%$.
14-W. Riding Textile dispute settled.
18-Belgium-U.S.A. debt agreement.
21 - Seamen's strike commenced in Australia and spread later to New Zealand, South Africa and various ports in Great Britain.
26 - Anglo-French debt provisional agreement.
SEPT. 1-U.S.A. Anthracite coal strike.
23-New 3 $\frac{1}{2} \%$ Conversion Loan notice.

OCT. 1-Bank Rate reduced from $4 \frac{1}{2} \%$ to $4 \%$.
6-Locarno Conference.
12-Seamen's strike called off.
16-Locarno Conference Agreement.
NOV. 4-Removal of Embargo on Foreign Issues.
13-Italian-U.S.A. Debt agreement.

DEC. 3-Bank Rate raised from $4 \%$ to $5 \%$.

# BUSINESS CYCLES AND THEIR STUDY 

By SIR WILLIAM H. BEVERIDGE

THE economic system of the modern world is one that does not, and apparently cannot, function steadily. It is not merely that prices, profits, production, rates of interest and foreign exchanges rise or fall from day to day, or week to week. Through all these rapid oscillations runs a longer rhythmic movement common to all those factors, an ebb and flow of economic life and activity taking several years to accomplish. This movement we know as the "trade cycle." It is too familiar by now to call for full description. Three salient features may be noted.

First, though the movement can conveniently be called the " trade cycle," its influence extends far beyond anything ordinarily included under the term trade. Every factor in economic life is affected, whether financial, commercial, industrial or social. The general level of prices rises for two or three or more years, reaches a maximum and almost immediately begins to fall, reaches a minimum a few years later and starts upward again. With prices, there rise and fall production, profits, wages and employment, not in some industries only but in all or most; foreign trade, the formation of companies, rates of interest and discount, and all the activities of banks follow suit. With prices also rise and fall the marriage rate, drinking and drunkenness ; crime, disease, bankruptcies, and pauperism show the same movement, but inverted-increasing when prices are low and business bad, and falling when business is good. The "trade cycle " is a pulse felt by every class of the community and in every sphere of activity. All this has long been familiar to economists, though it is sometimes forgotten by practical men. Not long ago the House of Commons contrived to discuss unemployment for two whole days without any speaker mentioning the "trade cycle," which was largely responsible for the trouble.

Second, the movement is common to many if not all advanced industrial countries. All such countries pass through alternations of good trade and bad trade, activity and stagnation. Sometimes, indeed, one country escapes a depression which visits others, or has a serious crisis hardly felt elsewhere. To a large extent, however, these alternations agree in time and in character.

Third, the movement, though rhythmical, is quite irregular in length. The time required for trade to pass through all the phases of the cycle-depression, revival, prosperity, strain or crisis, liquidation, to depression again-may be as little as six years or as much as eleven. In exceptional cases the time has been more than eleven or less than six years. There is nothing to suggest any fixed periodic influence, such as Jevons thought he had found in the sunspots. The range of the movement is equally irregular. One maximum of prices may be markedly higher or lower than the one before ; when prices fall again, they may fall to about the level from which they rose, or may fall much further or not so far.

The Index of General Business Conditions in America, 1903-I4.


It is this third feature that makes the difficulty of the problem to the economist and to the business man. The latter has to make profits. While prices are rising this is relatively easy, and his natural tendency is to expand his production. While prices are falling it is difficult or impossible to make profits, and his task becomes often one of reducing losses by contracting his activity betimes. The trouble is that while prices never rise and never fall indefinitely, while each phase in turn gives place to the opposite phase, no man can tell just when the turn will come.

Nevertheless, the trade cycle, though irregular in length and range, is certainly not without laws. A long step forward to the discovery of these laws has been made in the past few years through the work of the Harvard University Committee on Economic Research. This work has brought to light a fourth characteristic of the trade cycle, of fundamental importance in theory and in practice.

Though all factors in the economic life of a country are affected by the trade cycle and show a roughly simultaneous rise and fall, the movement in all cases is only roughly and not absolutely simultaneous. Some factors appear to lag behind, rising and falling many months after the rest. Other factors appear to lead the movement; they begin the rise and they begin the fall; they can be used to suggest when the turn of the cycle from rise to fall or vice versa is approaching.

Ultimately the Harvard Committee arranged their factors in three main groups: "A-Speculation "; " B-Business "; "C-Money." The first of these (A) included the Prices of Industrial Stocks, of Railroad Stocks, and of Railroad Bonds, and Town Clearings at New York Banks; the second (B) included Commodity Prices, Pig Iron Production and Country Clearings; the third (C) included rates on four to six months and on 60 to 90 days commercial paper, and Loans and Deposits at New York Clearing Banks (with signs reversed). The Committee plotted the movements of these groups over the twelve years 1903-I4, and they showed how in that period the movements of $A$ both up and down came almost regularly four to six months before those of $B$, and these in turn roughly six months before those of $C$. These curves are shown in the very striking chart

headed " The Index of General Business Conditions in America, 1903-14," prepared by the Harvard Committee and reproduced here. The chart speaks for itself; the relation between A, B and C is unmistakable. In the depressions of 1903-4 and 1908, and the booms of 1906-7, 1909-10 and 1912, the same invariable order is seen-first $A$ rises or falls, then $B$, then $C$.

The years 1903-14, however, were before the war. In a world revolutionised by that cataclysm, what assurance is there that the same order of events will hold ? The Harvard Committee when they came to the years since the war found that some of the series of figures used before were no longer available. They were able, however, to make three groups to all intents and purposes identical with those before, and to present them as their Current Index of Business Conditions in America. They found these at once reproducing the same order-A rising and falling first, then B, and last C. This Current Index of American Conditions is reproduced month by month in the Bulletin of the London and Cambridge Service.

Quite independently, in England, the London School of Economics began to plot similar figures, and drew the chart given below and in the Bulletin as the "General Index of British Business Conditions." Here A-the Price of Industrial Stocks, is one, perhaps the main, factor included by Harvard in their group "Speculation" ; Wholesale Prices of Commodities $\left(B_{1}\right)$ and Volume of Exported Manufacturers ( $\mathrm{B}_{2}$ ) correspond to factors in the Harvard group "Business,"; the Short Money Index (C) corresponds to the Harvard group "Money." All four curves rise and fall, showing vividly the boom of 1919-1920 and the depression that has followed. And they rise and fall not simultaneously but in just the order that the Harvard researches would lead us to expect. The Price of Industrial Stocks (A) reaches its highest point in January, 1920, and declines at once. Wholesale Prices of Commodities $\left(\mathrm{B}_{1}\right)$ and Value of Exported Manufactures ( $\mathrm{B}_{2}$ ) continue to rise and reach their maxima in May and


Board of Trade Index not available for 19I9. Approximate estimates inserted.

* Normal Seasonal change removed.
A.-Price of 20 Industrial Stocks.
$\mathrm{B}_{1}$.-Wholesale Prices-excl. Food-Board of Trade Index.
$B_{2}$.-Value of Exported Manufactures.
C.-Short Money Index.
in July, 1920, respectively. Last in order of time, the Short Money Index (C) reaches its maximum in February, 192I, when all the other elements have been falling for many months. The order of events discovered in America before the war is reproduced exactly since the war, in America and in England alike. The trade cycle retains its character. We suffered in 1922 not from some new disease, unlike all past experience, but from "trade cycle with post-war complications."

Let us look for a moment at three special points in the chart.
I. From January, 1920, exported manufactures, having reached an unprecedented level (230 as against pre-war 100), fell heavily to about 200 in February. Anyone looking at this curve $\left(\mathrm{B}_{2}\right)$ alone might easily have thought (wrongly) that the boom was at an end. But if he looked also at the Price of Industrial Stocks (A) he would have seen it still rising in January; applying the Harvard rule he would (rightly) have expected Prices and Exports (curves $\mathrm{B}_{1}$ and $\mathrm{B}_{2}$ ) not to decline for several months to come.
2. In the depression after the boom, curve $A$ is seen reaching a minimum about November, 192I, and starting its upward course-as it should-while $B_{1}$ and C are still falling, one slowly and one rapidly. This is all as it should be in theory. But $B_{2}$ has reached its lowest point long before-in July,

192I, by a catastrophic fall followed by a sharp rise and slow relapse. This is contrary to expectation; but is fully explained by the coal dispute which paralysed production and the export trade in the summer of 192I. We get warning of one disturbing factor-risk of industrial disputes-which may turn forecasts awry. Apart from this violent dip in the middle of I92I, the general movement of $B_{2}$ is about what it should be.
3. The Price of Commodities other than Food $\left(\mathrm{B}_{1}\right)$ reached a low point about March, 1922, and remained nearly stationary for nine months afterwards. If instead of excluding Food we include it, wholesale prices (as given in the Prices chart of the Bulletins) show a slightly different movement; after being stationary in the spring and early summer they fall further in August and September, and in December are well below the April level. We get warning here of a second factor that may disturb the course of the trade cycle-namely, the success or failure of harvests. If expectations based on the Harvard researches were to be fulfilled strictly, the upward turn of curve A (Price of Industrial Stocks) in December, I92I, should have been followed within six months to a year by an upward turn of commodity prices. Actually in August and September Ig22, as a result of the bumper Canadian harvest, cereal prices fell heavily. This lowered the general level of all prices. The effect of such a harvest on the prices of commodities other than food is uncertain; it is just one of the matters most needing examination by statistical methods at the present time.

These three cases illustrate both the use and the limitations of a " trade barometer," based on statistics. The law discovered by the Harvard Committee in the development of the trade cycle is certainly not invariable. The factors in group A have not always preceded and will not always precede those in group B, nor will those in group C always follow them. Even when this order of events is maintained, the interval of time between them may vary greatly; the order itself may be upset by disturbing factors. All that is suggested is that one who systematically studies the movements of the barometer, may get a hint of when the turn of the cycle from rise to fall or fall to rise is coming sooner than he would do without such study. It may even , prove possible to give some help in allowing for the chief "disturbing factors." The effect on the trade cycle of harvest success or failure in different countries and at different stages of the cycle can be studied; the discovery of periodic laws regulating harvests themselves may not be beyond human powers. Whether and when an industrial dispute will lead to a stoppage cannot be foretold; but consideration of the times when conciliation agreements run out and have to be revised, or of applications to raise or lower wages may give useful warnings. A third "disturbing factor" of some importance, the influence of tariffs and other measures of governments, such as currency inflation or deflation, may also be watched and allowed for.

It must be added that the present time is one in which the task of forecasting the future course of trade is peculiarly difficult. The widespread breakdown of currency systems and the shifting of the channels of trade make the complications besetting the normal course of the trade cycle exceptional in number and in character. This does not mean that the systematic study of business statistics such as is attempted by the London and Cambridge Economic Service is of no avail as a guide to the future or that no forecast whatever could be made. It means only that forecasts must necessarily be less definite and more cautious than they would otherwise have been. The incalculable element is greater,
but this does not mean that there is no calculable element in the trade cycle at all.

Still less does it mean that the actual forecasts made during the two years during which the Service has been established have been in any important particular falsified. Those responsible for the Bulletin during those years have consistently maintained that business was on the upward grade of the commercial and industrial cycle, but that improvement would be gradual. They have never countenanced the predictions of sensational progress given out with monotonous regularity in many quarters, and on the other hand they have always deprecated pessimism caused by temporary set-backs. A business policy based on the indications given in the Bulletin would have been fully justified during the past two years.

Subject to the limitations mentioned above, a study of the two General Indices of Business conditions in Britain and in America (which appears at the beginning of each monthly Bulletin) remains the first and most obvious guide to the future course of trade. So far as can be seen the tendency for movements of A to precede those of B and C, and so to forecast them, has held in America and in Britain both since the war and in the decade before the war. The Harvard Committee deduce yet another rule of interpretation from their chart for 1903-14.

> The movements of curve A (Speculation) clearly precede those of curve B (Business). But this is not all. The movements of A and C are especially significant when in opposite directions. This opposition of movement indicates a fundamental change in general business conditions. If curve C (Money Rates) falls sharply when curve A (Speculation) is rising, business will change for the better ; if curve C rises substantially when curve A is falling, business will change for the worse.

A second point for study is the relation between the movements of the American and British Indices. In the periods 1903-14 and since the war there appears to be some tendency for curves A and B in Britain to lag behind the corresponding American curves, while the two money curves C , reflecting conditions in the closely related money market, move more nearly together. Whether this apparent relation is a real one which may be expected to apply in other periods, and if so, what is its explanation, must for the present be left uncertain. The time-relation between British and American trade movements will form the subject of a special memorandum in the London and Cambridge Economic Service.

The General Index of Business Conditions, described above, is only one element in the London and Cambridge Service. A list of Special Memoranda previously issued and still available to new subscribers is given on page 3 of the cover. The Monthly Bulletin and Quarterly Summary of the Service contains, in addition to the General Indices for Britain and America, detailed statistics and brief articles, covering all the important elements in finance, prices, trade and output, transport and employment. The Supplement to the Bulletin contains so far as possible corresponding information for European countries. Each subscriber according to his judgment can refer to those figures which appear to him most significant for his particular purpose. The Special Memoranda deal with " disturbing factors" of every kind that may affect the interpretation of the statistics, with conditions in basic industries, and with problems of peculiar importance or difficulty as they arise. Finally, so far as resources permit, the Executive Committee are prepared to furnish detailed information to meet special demands and add to or vary the Service in the light of experience.

Two general observations as to the nature and objects of the Service must be borne in mind.

First, it is not an attempt to replace, but only to assist the individual judgment which each firm must make as to business conditions and prospects. The London and Cambridge Economic Service is not an offer to sell for a few pounds a magic formula for coining wealth. The incalculable element in human affairs will always remain, and with or without the Service human calculations will often fail.

Second, it is not an attempt to give to each individual better or earlier information as to his particular industry than he habitually obtains elsewhere. It cannot tell Manchester anything new about cotton, or Middlesbrough anything new about iron and steel. Its main object is to bring to the notice of each individual general conditions and movements which lie perhaps outside his special province, but may vitally affect his fortunes.

## THE STATISTICAL SERIES USED IN THE SERVICE

The Statistical series analysed up to the present for the purposes of The London and Cambridge Economic Service number about sixty, and fall into six main groups :

I. Finance.<br>IV. Trade and Output.<br>II. Foreign Exchanges.<br>III. Prices and Wages.<br>V. Transport.<br>VI. Employment.

Four of the series have been selected as of special importance to the study of the business cycle, and are presented on a special chart as a General Index of Business Conditions.

All of the individual series are given in the January Bulletin and in the subsequent Quarterly Summaries (appearing in April, July and October). The more important ones, including the four representative series forming the General Index of Business Conditions, are shown in the Monthly Bulletin.

Before the sources and nature of the groups of individual series are described two general points must be noted.

First, in many of the series there is a definite seasonal variation, which may be due to real differences in the degree of activity or output at different times of the year, or which may be due merely to the different number of business days in different months, affecting the monthly record. Thus imports tend always to rise in the last quarter of the year when the Northern harvests come in; bank clearings are lowest in the summer months; employment is worst in December and January and best in May. In order to determine the precise turning point from good to bad trade or vice versa, this seasonal change has to be allowed for, i.e. eliminated from the figures so that we may judge what the movement of the figures would have been had there been no seasonal influence. In all cases accordingly, where the seasonal variation is important and where sufficient data exists for its calculation, two sets of figures are given in the tables, one unadjusted and one adjusted by the elimination of the seasonal influence. The latter set (marked always by a star *) is always used in drawing the charts.

Second, in the quarterly issues, the individual series, in all groups except the last (Employment), are shown graphically, on charts drawn not on an ordinary arithmetic scale but on a "ratio scale." On such a scale, equal vertical distances represent, not equal additions or subtractions considered absolutely, but equal percentages of increase or decrease from the respective values reached in the course, either of simultaneous changes in several series, or of successive changes in one or more series. Thus, if from one month to the next Provincial Clearings change by 20 millions from IOO to 120 millions, while London Town Clearings change by 200 millions from I,O00 to I,200 millions, the change is in both cases an increase of 20tper cent. from the previous position, and is represented on the ratio scale by an equal rise of the two curves. If to the following month there is a further increase of 20 per cent., i.e. of 24 millions in Provincial Clearings and 240 millions in Town Clearings, this will be represented on a ratio scale by a further rise of both series through the same vertical distance as their former rise. Both series will continue to slant upwards in parallel straight lines, the percentage increases (which are the same) and not the absolute increases (which differ) being shown. On the ordinary arithmetic scale, on the other hand, the curve for Town Clearings would, in the cases supposed, rise more sharply than that for Provincial Clearings, and both curves would rise more sharply, though unequally, from the second month to the third than from the first month to the second. The cases discussed may be illustrated as follows :



The arithmetic scale shows directly both the level and amount of movement; the ratio scale shows neither, but by relating the amount to the level, shows directly the rapidity of movement and changes in that rapidity. In the former, the actual positions of the curves are important while the slants of the lines may be misleading; in the latter only the slants of the lines are important while the positions of the curves are immaterial, being placed high or low on the diagram simply according to convenience of observation. The ratio scale thus gets over the mechanical difficulty of showing a wide range of absolute values, or values which change by wide absolute steps, on one and the same chart. Second, comparison of the slant of two or more curves on the ratio scale, makes it possible at once to say which is changing more or less rapidly than others. Third, consideration of any one curve on a ratio scale shows at once whether its rate of change is increasing or decreasing. Thus, if when rising it bears more sharply upwards, the rate of growth is increasing; if less sharply upwards, the rate of growth is decreasing. On an arithmetic scale, it does not follow that a more or less accentuated upward bearing of a rising curve indicates respectively a more or less rapid rate of growth. This is clearly illustrated in the chart on arithmetic scale, above, where the rates of growth are the same in the second period as the first, although the upward bearing of the curves is accentuated.

Hence, if the levels of fluctuation are very different for different series, or change greatly and rapidly for particular series at different times; if, moreover, levels, as such, are of little concern (either because they are arbitrary, e.g. depending merely upon choice of scale, or because they are irrelevant to the purpose in hand) ; and if, finally, the amount of change is considered important only in relation to recent values of the object which is changing, in these cases, the ratio scale should be used.

It is used accordingly, in the quarterly issues, for the presentation in graphic form of the five groups of series, Finance, Foreign Exchanges, Prices, Trade and Output, and Transport. It is not used in the case of Employment, where an arithmetic scale has been adopted. Since the employment series as plotted vary within a moderate range, the curves appear very much as they would in a ratio scale.

Finally, the General Index of Business Conditions, in order to show current changes in relation to values in the pre-war year, I913, presents the four series included, in the form of percentages of their average I9I3 value, and exhibits them on an arithmetic scale which reads in percentages measured from a fixed Ioo per cent. line $=1913$ values. It is possible to put these percentage series on an arithmetic scale because their ranges of fluctuation are relatively narrow and similar.

With these preliminary observations, the groups of individual series may now be described in the order in which they appear in the six Tables.

## I.-FINANCE.

## STOCKS AND SHARES.

In the group Stocks and Shares, the relative buoyancy of different parts of the securities market is reflected. Dealings in ordinary, speculative, and long-term investments are distinguished, and their times and rates of movement, as indicated in the prices of different classes of securities, may be compared by observing the course of the three series-Price of 20 Industrial Stocks, Price of 8 Speculative Stocks, and Price of 4 Fixed-Interest Stocks.

The three series, prepared by Mr. Joseph Kitchin, are usual arithmetic averages of the prices* of the securities selected, expressed as percentages of their 1913 average, i.e. of their pre-war level. From 1919-1922 they are for the end of each month, thereafter for the middle of the month. Adjustments have been made for significant scrip bonuses, shares issued below market price, etc. $\dagger$

The Price Index of 20 Industrial Stocks is based on quotations of the ordinary shares of

[^1]20 long-established British Companies,* in good standing and with considerable capital, operating mainly in the United Kingdom. Together they represent, as evenly as possible, the different classes of industry and commerce-iron and steel, coal, engineering and shipbuilding, textile, chemical, brewing, electrical and gas supply, shipping and distributive enterprises. This series is one of the four representative series taken to form the General Index of Business Conditions.

The Price Index of 8 Speculative Stocks is based on quotations of the ordinary stock of 8 companies, $\dagger$ whose share capital is traded in London but whose operations, contrary to those of the preceding group, are carried on largely abroad. Telegraph, oil, rubber, copper and diamond mining enterprises are here represented.

The Price Index of 4 Fixed-Interest Stocks is based on quotations of 4 "gilt-edged " securities, $\ddagger$ all practically irredeemable. It may, therefore, be taken to represent pure interest, the consideration of long-term investors, uncomplicated by redemption factors and industrial or speculative vicissitudes.

The Yield on 4 Fixed-Interest Stocks is simply a way of expressing the "pure interest" indicated by the preceding group directly, for the sake of convenience in following the long-term interest rate. It is an index of the return on $£ \mathrm{IOO}$ invested in a combination of the securities included in that group, and the figures are those of the preceding series, expressed reciprocally, i.e. if the price index is 80 , the yield is 125 .

New Capital Issues, the next series shown in the group, Stocks and Shares, is the total published by the Midland Bank in its "Monthly Review." It represents in million pounds sterling the total value (number of shares multiplied by issue price) of subscriptions in Great Britain for securities issued publicly each month in Great Britain, excluding Government Loans and the re-adjustment financing of companies, such as the capitalisation of undivided profits, etc. It is an interesting series for comparison with the preceding ones, because it bears to them, as it were, a similar relation to that which orders for new equipment bear to replacement orders in industry. It is found similarly to fluctuate with greater relative violence.

## BANK CLEARINGS.

Since London Town Clearings tend to reflect the large factor, Stock Exchange transactions, and both London Country Clearings and Provincial Clearings represent primarily the broad volume of general trade, this group of series is suggestive of the relative volumes of financial and commercial operations at different times.

The series are the total values in million pounds sterling, for approximate monthly periods,§ of cheques and drafts presented at the London Clearing House, Town (excluding Metropolitan) and Country Sections respectively, and in the Provincial Clearing Houses of Birmingham, Bristol, Liverpool, Manchester and Newcastle together. Each of the three series appears in two forms (I) unadjusted and (2) adjusted for a marked seasonal trend.

* The Companies included at present are :-
(1) Armstrong (Sir W. J.) Whitworth and Co.
(2) Associated Portland Cement.
(3) Bleachers Association.
(4) British Oil and Cake Mills.
(5) Brunner, Mond, and Co.
(6) Cammell, Laird and Co.
(7) Coats, J. and P.
(8) Cory (Wm.) and Son
(9) Cunard Steamship.
(10) Fine Cotton Spinners and Doublers Assn.
$\dagger$ The Companies included at present are :-
(1) Burmah Oil.
(2) Shell Transport.
(3) Anglo-Dutch Plantations.
(4) Linggi Plantations.
$\ddagger$ The securities included at present are :-
(1) Funding Loan $4 \%$ 1960-90.
(2) Local Loans $3 \% 1912$.
(3) Met. Water Board 1934-2003.
(11) Gas Light and Coke.
(12) General Electric Co.
(13) Guest, Keen \& Nettlefolds.
(14) Guinness (Arthur) Son and Co.
(15) Harrods Stores.
(16) Imperial Tobacco Co.
(17) Metropolitan Electric Supply.
(18) Nobel Industries.
(19) United Steel Companies.
(20) Vickers.
(5) Rio Tinto.
(6) De Beers Def.
(7) British South African.
(8) Marconi Wireless.
(4) L.C.C. $3 \frac{1}{2}$ Cons. 1929.
§ For London Country and Provincial Clearings, 4 weeks ending about end of month. For London. Town Clearings, 3 weeks covering 2 Stock Exchange settlement days, Consols settlement day and 4 th of following month. The choice of 3 weeks is so as to avoid cases of an extra "special day" such as would occasionally fall into the figures for a particular month and disturb the series.


## OTHER BANKING.

The relative conditions of the Bank of England and of the Nine Clearing Banks,* as represented in the series given, reflect the general credit situation as it obtains at particular times, For example, the ratio of Advances of the Clearing Banks to Deposits of the Clearing Banks is an index of the extent of bank accommodation in relation to bank resources. Investments and Discounts are other important totals showing the employment of bank resources and the movements of these and of Advances are clearly related to the trade cycle. Private Deposits at the Bank of England is indicative of the reserve position. Variation in Bank and Currency Notes reflects the absorption of cash by the public and the banks.

The series represent in each case amounts outstanding in million pounds; for the Bank of England as of the mid-week in each month, according to its published statement, and for the Clearing Banks, $\dagger$ averages of the weekly position for the month, as published by those banks.

The total of Treasury Bills outstanding is given because of their importance generally in the Money Market, and particularly as holdings by the large banks.

## MONEY.

The rates at which money for short period may be had depend upon, and in turn influence, so many other economic factors, having immediate organic relation with banking conditions on the one hand and with the commercial and securities markets on the other hand, that they become most important to the formulation of business judgments.

The Short Money Index given is a composite series, each item being an average of 4 money rates for the week ending the 15th of each month, expressed as a percentage of the combined average for the year 1913. The rates included are the Bank of England rate and the following market rates: Bankers' Deposit rate, day-to day rate and 3-months Bill rate, the last two rates being shown separately as well. Since these rates move substantially together, any one of them might serve as index, but the general situation is thought to be best represented in a combined index, since the deliberation of the Bank Rate, which moves seldom and by definite steps, balances the excitability of the market rates, which fluctuate rapidly from temporary causes. The index is included as one of the four representative series in the General Index of Business Conditions.

## II.-FOREIGN EXCHANGES.

The series included in the group, Foreign Exchanges, present the Exchange on London of a number of foreign currencies. In the Bulletin, I3 rates on London are given. The figures are monthly averages of the daily rates published in the Times. For recent movements weekly averages are given.

## III.-PRICES AND WAGES.

WHOLESALE PRICES.

Wholesale prices are the prices with which business is concerned in all stages except the final one of sale to the private individual for consumption or use. They are represented by five series, the Board of Trade General Index, including the prices of I50 commodities of widely different types, the two Board of Trade Special Indices of Foods and Other Commodities respectively, and the "Statist" (Sauerbeck) Price Indices of Food and Raw Materials. By means of these five series, variations in wholesale prices in general and between important classes of wholesale prices may be observed. These movements should also be studied in relation to those of Retail Prices and Rates of Wages described below.

The Board of Trade General Index, $\ddagger$ published in the first instance in the Board of Trade Journal, is a broad and scientific guide to the price situation as an industrial whole. It is an Index, with 1913 as base, in the form of a geometric average of the wholesale prices during each month of I50 commodities divided into 8 groups of approximately equal importance, judged by the total value

[^2]of the goods in the respective groups produced for both domestic consumption and export, and the value of imports of immediate consumers' goods.* These eight groups are :-I. Grains; 2. Meat, poultry and fish; 3. Other food, e.g. milk, vegetables, tea and tobacco ; 4. Iron and steel; 5. Other minerals, e.g. coal, copper, zinc, etc. ; 6. Cotton; 7. Other textiles, e.g. wool, linen, silk, etc. ; 8. Miscellaneous manufactured and semi-manufactured products, e.g. chemicals, leather, timber, paper, etc.

Within these eight groups the different classes of commodities are represented according to the same criterion of approximate total value of output respectively, by a larger or smaller number of price series. They exercise consequently a properly greater or lesser influence on the course of the Index Number in accordance with their relative economic significance. Thus, coal is represented by io series, while copper is only represented by 4 , zinc by I, etc.

The Board of Trade Indices of Food and Other Commodities provide opportunity for the observation of special price fields. They are constructed in a manner similar to the General Index from respectively the first three and the remaining five groups of commodities listed above, the former including 53 and the latter 97 price series. The Index for Other Commodities is included as nne of the four representative series in the General Index of Business Conditions.

The "Statist " (Sauerbeck) Price Indices of Food and Raw Materials were originated by Mr. Augustus Sauerbeck in the middle of the nineteenth century, and continued in slightly modified form since IgI2 by the Statist. They are useful for comparison with the Board of Trade Index Numbers (and with the Economist Number, not reproduced for want of space, and because of its similarity to the Statist Numbers, which are chosen as being more homogeneous for a longer period).

The Statist Index Numbers, as published by the Statist, are obtained by expressing the current wholesale prices at the end of each month of 19 foodstuffs and 26 raw materials as percentages of their average prices in the base period ( $1869-1879$ ) and then averaging the percentages for the two groups respectively. In the table, the resulting index numbers have been raised proportionally so that the number for the year I9I3 is IoO. The relative importance of the different classes of commodities within the two groups is roughly allowed for in the number of price series included in each class as follows :-vegetable foods, 8 ; animal foods, 7 ; miscellaneous foods, 4 ; minerals, 7 ; textiles, 8 ; miscellaneous products, II.

## RETAIL PRICES.

Retail prices are represented (I) by a Cost of Living Index, showing the " movement in the cost of maintaining unchanged the standard of living prevalent in working-class households before the war," and (2) by a series composed solely of Food Prices which are of dominant importance in the budgets of the great majority of persons. These series, therefore, are indicative of the movements of prices of articles as they reach the ultimate consumer. But they have significance also in relation to the course of prices of products at intermediate stages of production, and should, therefore, be compared with the series relating to wholesale prices already described, e.g the Retail Food Index with the Wholesale Food Index.

The Cost of Living Index $\dagger$ of the Ministry of Labour is based on retail price quotations, obtained in large towns and small, for a number of articles of each of the following classes:(I) food; (2) rent; (3) clothing; (4) fuel and light; and (5) miscellaneous household items. The percentage increase in price since 1914 is found for each article; an average of these relative prices is then made for each class, and finally an average is taken of the classes, which are given influence according to their importance $\ddagger$ in the budget of an ordinary working man's household. This final average thus forms an index of the average percentage increase in "cost of living " since 1914. The figures are for the Ist of each month. Hence for comparative purposes with all the other series, those for the Ist of a given month are placed against other series for the previous month.

The Index of Food Prices, also compiled by the Ministry of Labour, is simply an average of the retail price quotations of the articles in the class "food" of the Cost of Living Index, each article being given its due budget importance, and the individual prices, and hence the average, being expressed as percentages of IgI4 values.

* The general basis for these values is the Census of Production 1907, with certain modifications.
$\dagger$ For detailed explanation of items included and construction of index, see Labour Gazette, Feb., 1921.
$\ddagger$ Based on a study, made by the Board of Trade in 1904, of the proportions of total expenditure devoted to the several classes of articles by some 2,000 working men's families. The relative importance have been made for porations har readjustments eoxpenditure due to differences in the rates at which different prices rise or to similar differences in changes in income, since no accurate information is available.


## RATES OF WAGES.

The Index Number of Rates of Wages may really be considered as an index of the price of labour, since the rates of wages represent payments stipulated for a normal week's work, and in some cases piece rates. It is not an index of earnings, for no allowance is made for the number of days or hours actually worked or the relative number of persons employed in different occupations. These indices, together with unemployment indices, reflect the condition of the labour market.

The series, prepared by Professor Bowley, is based on estimates of the movements of the wages of eleven groups of operatives,* following the lines indicated in "Prices and Wages in the United Kingdom 1914-1920," $\dagger$ and continued from data furnished by the Ministry of Labour.

The groups represent a wide range of districts, of methods of payment, conditions of work and degrees of skill, not, however, including women, except in the textile industries. The wages in each group are expressed as percentages of the pre-war rates, and the simple arithmetic average of the group percentages is taken. The figures thus represent the average rate for the standard week, which since I9I9 consists of one-tenth fewer hours than the pre-war week.

## IV.-TRADE AND OUTPUT.

## VALUES OF IMPORTS AND EXPORTS.

Imports (Values) and Exports (Values) are complementary indices of the movement of trade, prices as well as quantities being considered. The former (Imports) measures very roughly the activity of the market for food and raw materials, whereas the latter (Exports) measures roughly the activity of the market for manufactured articles, since these classes of commodities preponderate in the totals of imports and exports respectively. Since manufactured articles form the bulk of English output and the major portion finds its market abroad, the value of exported manufactures constitutes probably the best single series available as an index of trade. It has accordingly been included as one of the four representative series in the General Index of Business Conditions.

The eight series in the present group, obtained from the Board of Trade "Monthly Accounts of Trade," are presented in two forms- (a) as originally given, and (b) adjusted for seasonal variation. The figures are total monthly values in million pounds sterling of imports, including articles for re-export, and exports excluding re-exports (Imports C.I.F., and Exports F.O.B. at U.K. ports). Total values are given for Imports as a whole and Exports as a whole, and for the three main classes of each-(I) Food, drink and tobacco ; (2) Raw materials; and (3) Manufactures. $\ddagger$

## COAL, PIG IRON, AND STEEL OUTPUT.

The Output of Coal, Pig Iron and Steel, as given in the three series presented, may virtually be considered the only satisfactory direct measures of output available. With certain allowances, however, they are probably also significant of output in general § for two reasons: (I) the substantial proportion of the value of all production represented by the particular group of industries, and (2), the dependence of virtually all other industries upon these for the power and equipment required to alter output.

These series are, for coal, figures of tonnage output for four-week periods corresponding as nearly as possible to the calendar month, compiled from data published by the Board of Trade; and for pig iron and steel (ingots and castings), tonnage output for a standard four-week-month, based upon figures issued by the National Federation of Iron and Steel Manufacturers.

## PRODUCTION.

A general index of the volume of production together with subsidiary index numbers for important industries and groups of allied industries is published quarterly. A more comprehensive index is published annually as soon as the necessary data for its compilation become available.

These index numbers are designed to measure changes in the physical volume of production, and thus to indicate the extent to which the resources of the community are being utilised in industry, and the result in terms of consumable goods. The statistics used in the construction of these index numbers and the methods of calculation are set out in Special Memorandum No. 8, published by the Service in October, 1924.

[^3]
## SHIPBUILDING.

Tonnage commenced quarterly, of ships over 100 tons (excluding warships) as reported in " Lloyd's Register of Shipping," affords an interesting index of activity in an important branch of the stage of production next succeeding to that represented by the previous series, the output of iron and steel. It is preferable, for this purpose, to tonnage under construction, on which actually no work may, at the time, be in progress, and to tonnage launched, which is notably dependent on factors other than completion.

## V.-TRANSPORT.

## SHIPPING AND SHIPPING FREIGHTS.

The Tonnage of Ships (with cargoes) entering and leaving British ports, and Shipping Freights, if observed in connection with the series, Tonnage of Ships Commenced, given in the preceding Section (IV.), offer opportunity for the study of the way in which changes in activity and prices in a given industry are related to changes in the volume of activity at an earlier stage. The first two groups of series in themselves are, of course, indices of conditions in the ocean carrying trade.

The Tonnage of Ships (with Cargoes) entering and leaving British Ports, are, however, series only moderately useful to this end, since they represent the capacity of the ships and not the actual load carried. They are given in the table both as originally published by the Board of Trade and adjusted for normal seasonal change.

Shipping Freights * are represented by two series moving rather closely together, prepared by Dr. Isserlis for the Chamber of Shipping, and published by the Statist. Both the Time Charter Rate and the Freight Index are Index Numbers on Ig20 base, the latter being the geometric average of freight rate quotations for tramp voyages on 2I ocean routes divided into 8 groups, the more important groups containing more routes. $\dagger$

## RAILWAYS: FREIGHT TRAFFIC.

Tonnage Carried under the headings General Merchandise, Fuel and Other Minerals, together with Traffic Receipts $\ddagger$ for Goods (the former group of series involving only bulk, the latter both bulk and tariff for goods carried), provide information as to changes in conditions of carriage by land, corresponding to the information given by the shipping series for carriage by sea. Like the value of imports and exports, transport series, particularly tonnage carried, are also indices of fluctuations in trade.

The figures for the series under Tonnage Carried and Receipts are respectively : tonnage of goods carried on the Standard Gauge Railways of Great Britain during the month, excluding goods free hauled; and monthly receipts in million pounds sterling for goods carried, excluding cost of collection and delivery. Both sets of figures are supplied by the Ministry of Transport, but are not available until after an interval of two months.

## VI.-EMPLOYMENT.

The Percentage of Trade Union Members Unemployed, Changes in Shifts Worked in the Iron and Steel Trades, Dock Labour Employed, Seamen Shipped, and finally Outdoor Relief, all published in the Ministry of Labour Gazette, constitute in this order not a set of exact measures, but a set of highly suggestive indices. They range roughly from an index of the employment situation in general, through indices of employment in key industries and skilled trades, to indices of employment of unskilled and finally (if the series, Outdoor Relief, be inverted) of casual labour.

Employment Indices, however, because they are employment indices, are indices of industrial activity as well, since the labour market is always affected by the speeding up and slowing down of

* See Statist for October 29th, 1921, pp. 644-646, for detailed explanation of construction of Indices.
$\dagger$ The groups and numbers of routes included are given in the following table :-


[^4]industry. The various series referred to immediately above, therefore, are to be utilised, for the purposes of judging the state of industry in general and the state of particular industries, due recognition being given to the fact that the series are representative rather than complete records, as explained in the accounts of the individual series which follow.

The Percentages of Trade Union Members Unemployed are represented in three series, giving figures as of one week near the end of each month for ( I ) all trades covered, (2) all trades covered, with the pre-war average amount of seasonal change removed, and (3) all trades covered, excluding shipbuilding and engineering. The returns, which exclude those unemployed on account of disability, illness, and the direct effect of labour disputes, are made by a wide range of Trade Unions with a total membership * at the end of November, 1922, of I,305,750, and at the end of June 1924 of $\mathrm{I}, 084,000$. .Because different trades are unequally represented, and because the factor short time is not included in the figures, the series is not a guide to the actual volume of general unemployment, but it is a very good index of the movement of unemployment, and is therefore, highly important to a consideration of the degree of general industrial activity.

Changes in Shifts Worked in the Iron and Steel Trades are given in the table, as percentage changes from month to month. They are presented on the diagram on a cumulative basis, beginning January, 1919, i.e. as the total percentage change since that date. It is interesting to note the monthly oscillations of the former series as compared with the gradual swell and recession of the cumulative series, bringing out clearly the existence of different types of fluctuation. The figures are based on the number of shifts during which the works were operated, multiplied by the average numbers of men employed, no corrections being made for individuals absent because of illness, etc.

Dock Labour. - The average daily number of labourers employed in the London docks and Seamen Shipped in British-registered foreign-going vessels at the principal ports during the month (separate engagements, not separate individuals) are presented in the table both in the form of actual numbers, and numbers adjusted for usual seasonal change.

Outdoor Relief, or the number of persons in receipt of relief " on one day " in each month in " selected urban areas of Great Britain," follows inversely the movements of the other series of the group only after an interval, as is to be expected in view of the tardy necessity and willingness to have recourse to public assistance.

[^5]On the following pages will be found the English, French, German and Italian versions of the headings of the monthly tables published in the Bulletins and Supplements.

# HEADINGS OF MONTHLY TABLES 

IN ENGLISH，FRENCH，GERMAN \＆ITALIAN
UNITED KINGDOM．I．
FINANCE．

| STOCKS \＆SHARES， |  |  |  |  |  | BANK CLEARINGS． |  |  | OTHER BANKING． |  |  |  |  |  |  | MONEY． |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Index Numbers of |  |  |  | New Capital Issues． |  | London Bankers＇ Olearing House． |  | $\begin{aligned} & \text { Provin- } \\ & \text { cial. } \end{aligned}$ | Bank of England． |  | 9 Clearing Banks． |  |  |  |  |  |  |  |
| Price of |  |  | Yield <br> on |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | $\left\lvert\, \begin{gathered} \text { For } \\ \text { Gt. } \\ \text { Britain } \end{gathered}\right.$ | Total． | E |  | 官 |  |  | ¢ \％ \％ ¢ |  | ¢ 0 E E 4 | 部晏 |  |  |  |  |

FINANCES．


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| VALORI DI BORSA． |  |  |  |  |  | CONPENSAZIONI． |  |  | ALTRI DATI BANOARI． |  |  |  |  |  |  | DENARO． |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Indici di |  |  |  | Nuove Emissioni di Capitali． |  | Stanza diCom－ pensazione dei Banchieri di Londra． |  | Provin－ ciale． | Banca d＇Inghilterra． |  | 9 Banche di Compensazione． |  |  |  |  |  |  |  |
| Prezzi di |  |  | Red－ dito di <br>  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  | $\begin{aligned} & \dot{\text { ® }} \\ & \text { \zh26े } \\ & \text { H. } \end{aligned}$ | 志 | － हु 合 م | $\begin{aligned} & \text { 泡 } \\ & \text { is } \end{aligned}$ |  |  | 릉 <br> O <br>  | $\begin{aligned} & \text { Hin } \\ & \text { 苞 } \\ & \text { on } \end{aligned}$ | $\begin{aligned} & \text { ̈ㅡ } \\ & \text { E } \\ & \text { E } \end{aligned}$ | 咅 菏 0 0 0 |  |  |  |  |

UNITED KINGDOM. II.
PRICES AND WAGES.

| WHOLESALE. |  |  |  |  |  |  | RETAIL. |  | WAGES. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Board of Trade Index Nos. |  |  | Statist (Sauerbeck) Index Nos. |  |  | M. of Labour. |  | Average of 11 |
| (Cash). | General. | Food. | Materials, etc. | Food. |  | Mater | Cost of Living. |  |  |

PRIX ET SALAIRES.

| PRIX DE GROS. |  |  |  |  |  | PRIX AU DÉTAIL. |  | SALAIRES. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Argent en barre au comptant. | Indice du Board of Trade. |  |  | Indice du Statist (Sauerbeck). |  | Ministère du Travail. |  | Moyenne de 11 taux de Salaire. |
|  | Général. | Objets <br> d'Alimentation. | Matières Industrielles. | Objets <br> d'Alimentation. | Matieres Premières. | Cout de la Vie. | Alimentation. |  |

PREISE UND LÖHNE.

| GROSSHANDEL. |  |  |  |  |  | KLEINHANDEL. | LÖHNE. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Silber in | Board of Trade Indexziffern. |  |  | Statist (Sauerbeck) Indexziffern. Nahrung. Rohstoffe. |  | Arbeitsministerium. | Durchschnitt |
| (Kasse). | Allgemein | Nahrung. | Rohstoffe, etc. |  |  | Lebenshaltungskosten. Nahrung. | von 11 Tariflöhnen. |

PREZZI E SALARI.


## TRADE AND OUTPUT.

| IMPORTS (Values). |  |  |  | EXPORTS (Values). |  |  |  | OUTPUT. |  |  | SHIP- |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Food, Drink and Tobacco. | Raw Materials. | Manufactures. | Total (including Miscellaneous). | Food, Drink and Tobacco. | Raw Materials. | Manufactures. | Total (including Miscellaneous). | Coal. | Pig Iron. | Steel. | Tonnage Commenced. |

## COMMERCE ET PRODUCTION.

| IMPORTATIONS (Valeurs). |  |  |  | EXPORTATIONS (Valeurs). |  |  |  | PRODUCTION. |  |  | $\begin{array}{\|c\|} \hline \text { CONSTRUC- } \\ \text { TION DE } \\ \text { NAVIRES. } \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Objets d'alimentation, boissons, tabac. | Matières premières. | Produits manufacturés. | Total (y compris objets divers). | Objets d'alimentation, boissons, tabac. | Matières premières. | Produits manufacturés. | Total ( y compris objets divers). | Charbon. | Fonte. | Acier. | Tonnage commencé. |

## HANDEL UND PRODUKTION.

| EINFUHR (Werte). |  |  |  | AUSFUHR (Werte). |  |  |  | PRODUKTION. |  |  | $\begin{gathered} \text { SOHIFFS- } \\ \text { BAU. } \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Nahrung, Getränke u. Tabak. | Rohstoffe. | Fertigfabrikate. | Ingesamt (Verschiedenes einbegriffen). | Nahrung, Getränke u. Tabak. | Rohstoffe. | Fertigfabrikate. | Ingesamt (Verschiedenes einbegriffen). | Kohle. | Roheisen. | Stahl. | Im Bau befindliche Tonnage. |

## COMMERCIO E PRODUZIONE.

| IMPORTAZIONE (Valore). |  |  |  | ESPORTAZIONE (Valore). |  |  |  | PRODUZIONE. |  |  | $\begin{aligned} & \text { COSTRU- } \\ & \text { ZIONI } \\ & \text { NAVALI. } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Alimentari, Bevande e Tabacco. | Materiali greggi. | Manufatti. | Totale (includendo Miscellanea). | Alimentari, Bevande e Tabacco. | Materiali greggi. | Manufatti. | Totale (includendo Miscellanea). | Carbone. | Ghisa. | Acciaio. | Costruzioni iniziate nel trimestre. Tonnellagio. |

TRANSPORT.
EMPLOYMENT, Etc.


TRANSPORT.

| NAVIGATION MARITIME. |  |  | OHEMINS DE FER. (Jauge Standard). |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Tonnage des navires. | Indice des Tarifs. |  | Trafic Marchandises. |  |  |
| Entrés Sorties <br> dans les des <br> Ports brittanniques.  |  |  | - |  |  |

## L'EMPLOI.

| Chômage dans les Trade Unions. | FER ET ACIER. | Ouvriers des Docks. | Marins. | PaupérISME. |
| :---: | :---: | :---: | :---: | :---: |
|  | Journées de Travail. Changements de mois en mois. | Nombre moyen journalier employés. | Nombre des embarqués durant le mois. |  |

TRANSPORT.
BESCHÄFTIGUNG.


TRASPORTI.


FRANCE．I．

| STOOKS \＆SHARES． |  |  |  |  | 雲 EXOHANGE． <br> Monthly  <br> 堮 Averages． |  |  | BANK OF FRANOE． |  |  |  |  | WHOLESALE． |  |  |  |  | RETAIL． |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Index Nos．of Prices of |  |  |  |  |  |  |  |  | Current Accounts． |  |  | $\begin{aligned} & \dot{\text { g }} \\ & \text { H } \\ & \text { H } \\ & \text { H } \\ & \text { 苟 } \\ & \text { A. } \end{aligned}$ | ְig |  | Index Nos. |  |  | Index Nos． （Paris）for |  |
| ᄈ் | 詈 | 岛 | E |  | 莴 |  |  |  | Sum of Debits and Credits． |  |  |  |  |  |  | 5 | 荘 |  | 茄 |
| I a A $\circ$ $\circ$ $\infty$ |  | $\begin{aligned} & \text { जै } \\ & \text { ज⿹\zh26灬 } \\ & 0 \\ & 0 \\ & 0 \end{aligned}$ |  |  | $\begin{aligned} & \infty \\ & \text { 荡 } \\ & \text { ठ0 } \end{aligned}$ | $\begin{aligned} & \text { o } \\ & \text { : } \\ & \text { \$ } \\ & \text { in } \end{aligned}$ | $\begin{aligned} & \text { 䔍 } \\ & \text { ® } \end{aligned}$ |  | 岂 | 苕 |  |  |  | 㟧 | 咢 | $\begin{aligned} & \text { fi } \\ & \text { శ్ర } \\ & \text { B } \end{aligned}$ |  | ¢ <br> $\substack{10 \\ \sim \\ \hline}$ | $\begin{aligned} & \text { ä } \\ & \text { a } \\ & \text { t⿳亠口冋口} \end{aligned}$ |

## FINANCES．

PRIX．


## FINANZEN．

PREISE．


## FINANZA．

PREZZI．

| VALORI DI BORSA． |  |  |  |  |  | CAMBI． <br> Medie <br> Mensile． |  | BANCA DI FRANOIA． |  |  |  |  | PREZZI ALL＇INGROSSO． |  |  |  |  | $\begin{aligned} & \text { PREZZI } \\ & \text { AL MINUTO. } \end{aligned}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Indici |  |  |  | $\begin{aligned} & \text { Emissioni annunciate } \\ & \text { da Società Francesi. } \end{aligned}$ |  |  |  |  | Conti Correnti． |  |  |  |  |  | Indici． |  |  | Indici（Parigi）． |  |
| $\bigcirc$ | ถี | $\bigcirc$ 잉 | 10. |  |  |  |  |  | Totale di de－ biti e crediti． |  | 淢 |  |  |  | 눅 | き䔍 | Q ${ }^{\text {a }}$ | 㻤 | 㲎 |
| 䔍 |  |  |  |  |  | $\begin{aligned} & \text { ⿹ㅡㄴ } \\ & \text { 数 } \end{aligned}$ | $\begin{aligned} & \text { gu } \\ & \stackrel{\text { an }}{\circ} \end{aligned}$ |  | $\begin{aligned} & \text { 感 } \\ & \text { n } \end{aligned}$ |  |  |  |  |  |  | 号号 | 畓券 | $\begin{aligned} & \text { 刃̈ } \\ & \end{aligned}$ |  |

FRANCE. II.
TRADE, OUTPUT, TRANSPORT \& EMPLOYMENT.


COMMERCE EXTÉRIEUR SPÉCIAL, PRODUCTION, TRANSPORTS, ACTIVITE DU TRAVAIL.


HANDEL, PRODUKTION VERKEHR U. BESCHÄFTIGUNG.


COMMERCIO, PRODUZIONE, TRASPORTI, OCCUPAZIONE.


## FINANCE AND PRICES．

| STOCKS AND SHARES． |  |  |  | BANKING． |  |  |  |  |  |  |  | WHOLESALE． |  |  |  | RETALI． |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Prices of |  | Capital Issues by |  | Reichsbank． |  | Note Circulation． |  |  |  |  |  |  |  | Index Nos． of Prices of |  | Index Nos． of Prices of |  |
| 亲 者 䒤 品 |  |  |  |  |  |  |  |  |  |  |  |  |  | $\begin{aligned} & \text { ت̊ } \\ & \text { Bi } \end{aligned}$ | $\begin{aligned} & \text { 覀 } \\ & \stackrel{y}{3} \\ & \text { ヨ } \end{aligned}$ |  |  |

FINANCES ET PRIX．

| VALEURS DE BOURSE． |  |  |  | BANQUE． |  |  |  |  |  |  |  | PRIX DE GROS． |  |  |  | PRIX AU DÉTAIL． <br> Indices． |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Cours |  | Emissions de Capitaux． |  | Reichsbank． |  | Circulation des billets． |  |  |  |  |  |  |  | Indices． |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | $\begin{aligned} & \text { 荡 } \\ & \text { 品 } \end{aligned}$ |  |  | ： <br>  |  |  |

## FINANZEN UND PREISE．

| WERTPAPIERE． |  |  |  | BANKWESEN． |  |  |  |  |  |  |  | GROSSHANDELSPREISE． |  |  |  | KLEINHAN－ DELSPREISE． Indexziffern． |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Börsen－Kurse |  | Kapital－Bedarf． |  | Reichsbank． |  | Papiergeld Umlauf． |  |  |  |  |  | $\begin{aligned} & \dot{\circ} \\ & \text { 品 } \end{aligned}$ |  | Indexziffern． |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  | 先 |  |  |  |

FINANZA E PREZZI．

| VALORI DI BORSA． |  |  |  | DATI BANCARI． |  |  |  |  | Corso del cambio a Berlinou New York per un dollaro． |  |  | PREZZI DEL COMMERCIO <br> ALL＇INGROSSO． |  |  |  | PREZZI AL MINUTO． <br> Indici． |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Prezzi di |  | Investimenti di capitali． |  | Reichsbank． |  | Circolazione． |  |  |  |  |  |  | 永 |  |  |  |  |
|  |  |  |  |  | 贰品 |  |  |  |  |  |  |  |  | 郘 |  |  |  |

WAGES，TRADE，TRANSPORT，UNEMPLOYMENT．

|  | ESS． | external trade． |  |  |  |  |  |  |  |  |  |  | SHIPPING． <br> HAMBURG． Tonnage． |  | Railway Goods Receipts． | $\begin{aligned} & \text { UNEMPLOF- } \\ & \text { MENT. } \end{aligned}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Inde | Oos．for | ImPORTS． |  |  |  | EXPORTS． |  |  |  | $\begin{array}{\|c} \text { Estimated } \\ \text { VALUEingold } \\ \text { marks. } \end{array}$ |  |  |  |  |  | 品品 |
|  |  | 哥 | ఠ犬் |  |  | $\begin{aligned} & \text { ज⿳亠丷厂犬 } \\ & \stackrel{y}{\circ} \end{aligned}$ | థ் |  |  | $\begin{aligned} & \text { 空 } \\ & \text { 另 } \\ & \text { 品 } \end{aligned}$ | $\begin{aligned} & \dot{y} \\ & \text { 容 } \\ & \text { 甾 } \end{aligned}$ |  | $\begin{aligned} & \text { ®iँ } \\ & \text { \# } \\ & \text { ! } \end{aligned}$ |  |  |  |  |

SALAIRES，COMMERCE，TRANSPORT，CHÔMAGE．


LÖHNE，HANDEL，VERKEHR，ARBEITSLOSIGKEIT．


SALARI，COMMERCIO，TRASPORTI，OCCUPAZIONE．


FINANCE．

| EXCHANGES． |  |  | SHARES． |  | BANKING． |  |  |  |  | IMPORTS． |  |  |  |  |  | EXPORTS． |  |  | IMPORTS．EXPORTS． |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Value in Italian Lire． |  |  | $\text { Price of } 20 \text { Industrials. }$ |  |  | Bank of Italy． |  |  |  | VOLUME． |  |  |  |  |  | VOLUME． |  |  | VAL | UE． |
| 訔 |  | $\begin{aligned} & \text { 品 } \\ & \text { 品 } \end{aligned}$ |  |  |  | $\begin{aligned} & \text { 号 } \\ & \text { E } \\ & \text { E } \\ & \text { Bü } \end{aligned}$ |  |  |  | 苞 | ढूँ |  |  |  | $\begin{aligned} & \stackrel{1}{0} \\ & 0 \end{aligned}$ | 当 |  |  | EXTE TRA exclu precious | $\begin{aligned} & \text { RNAL } \\ & \text { ADE } \\ & \text { ading } \\ & \text { s metals. } \end{aligned}$ |

FINANCES．
COMMERCE EXTERIEUR．

| OHANGES． |  |  | AOTIONS． |  | BANQUE． |  |  |  |  | IMPORTATIONS． |  |  |  |  |  | EXPORTATIONS． |  |  | IMPORT－ <br> ATIONS． EXPORT－ <br> ATIONS <br> VALEURS．  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Valeur en lires． |  |  |  | $\begin{gathered} \text { Nouveaux capitaux } \\ \text { investis. } \end{gathered}$ |  | Banque d＇Italie． |  |  |  | VOLUME． |  |  |  |  |  | VOLUME． |  |  |  |  |
| 宝 |  | $\begin{aligned} & \text { 荡 } \\ & \text { 学 } \end{aligned}$ |  |  |  |  |  |  |  |  | ¢ 毛 － | 8 |  |  | 嶌 | \％ |  | 空 | COM <br> ExT <br> des pré | ERCE RIEUR clusion etaux ieux． |

## FINANZEN．

| WECHSEL－ KURSE． |  |  | AKTIEN． |  | BANKWESEN． |  |  |  |  | EINFUHR． |  |  |  |  |  | AUSFUHR． |  |  | EIN－ FUHR． | AUS－ FUHR． |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{aligned} & \text { Wer } \\ & \text { is } \end{aligned}$ | $\text { in } \mathrm{I}$ |  | 商白 |  | 岂 |  |  | ¢ |  |  |  | OL | IEN． |  |  |  | UM |  |  | T． |
|  |  | $\begin{aligned} & \text { 品 } \\ & \text { تُ } \end{aligned}$ |  |  |  | $\begin{aligned} & \text { 丣 } \\ & \text { 吕 } \end{aligned}$ |  |  |  |  |  |  | \％ |  | $\begin{aligned} & \stackrel{\circ}{\circ} \\ & \hline \end{aligned}$ | 皆 |  | 咅 总 | $\begin{gathered} \text { AUSSE } \\ \text { mit Aus } \\ \text { Edel } \end{gathered}$ | HANDEL hluss von tallen． |

FINANZA．

| OAMBI． |  |  | AZIONI． |  | DATI BANOARI |  |  |  |  | IMPORTAZIONE． |  |  |  |  |  | ESPORTAZIONE． |  |  | IMP． | ESP． |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Valore in Lire Italiane． |  |  |  |  |  | Banca d＇Italia． |  |  |  | VOLUME． |  |  |  |  |  | VOLUME． |  |  | VALORE． |  |
|  |  | $\begin{aligned} & \text { 8. } \\ & \text { 药 } \\ & \end{aligned}$ |  |  |  |  |  |  |  | 号 忽 | $\begin{aligned} & \text { İ } \\ & \text { 号 } \\ & \text { H0 } \end{aligned}$ | $\begin{aligned} & \dot{0} \\ & \stackrel{0}{8} \\ & \stackrel{0}{0} \end{aligned}$ | ． |  | 亗 | ¢ั |  |  | $\begin{gathered} \text { COM } \\ \text { E } \\ \text { esclus } \\ \text { p } \end{gathered}$ | $\begin{aligned} & \text { RCIO } \\ & \text { RO } \\ & \text { netalli } \\ & \text { osi. } \end{aligned}$ |

TRADE.
PRICES.
EMPLOYMENT.



PREISE.


PREZZI.


## HARVARD UNIVERSITY

COMMITTEE ON ECONOMIC RESEARCH, CAMBRIDGE, MASSACHUSETTS, U.S.A.

Subscribers to the Harvard Service will receive :-
I. A Weekly Letter on the general Economic situation.
(a) Two letters a month deal with general business conditions and include a forecast, based upon the Index Chart, of the probable trend of wholesale commodity prices and industrial activity.
(b) One letter each month includes a discussion of the British economic situation, and presents a forecast, based upon the newly developed British Index, of the probable future trend of wholesale commodity prices and industrial activity in the United Kingdom.
(c) The remaining letters cover every important phase of the current economic situation and deal separately with such subjects as :

Wholesale commodity prices.
The volume of manufacture.
Industrial employment.
Foreign trade.

The domestic money market.
International Banking conditions.
The European economic situation.
Security issues.
II. The Quarterly Review of Economic Statistics,
which presents extensive economic surveys of especial interest and importance to business men interested in the basic factors whch control the course of business conditions.
III. Special Statistical Supplements.
which contain the complete figures for international commodity prices, production, trade and banking. These supplements provide subscribers with the complete data on which the Service is based.

New Subscribers will also receive a brief explanation of the forecasting methods employed, which will enable them to make the most effective use of the reports as they are published. A serviceable binder in which to file the current publications is also supplied.

## London and Cambridge Economic Service

## PROGRAMME

MONTHLY BULLETIN.-Issued on the 23rd of each month, with Supplement issued on the $\eta$ th of the following month.

The Bulletin contains charts, tables, and comments dealing with the trade position in the United Kingdom and in America (by cable from the Harvard Service), with special analyses relating to matters of current interest.

The Supplement contains charts, tables, and comments dealing with France, Germany and Italy, communicated by correspondents in those countries, and also the latest British figures of security and commodity prices, discount rates, employment, etc. A periodical communication from Austria will also be included.
Special Quarterly Numbers of the Bulletin, issued in January, April, July and October, give complete series of the monthly index numbers from 1919, viz.: security prices, banking statistics, wholesale and retail prices, wages, imports, exports, production, transport and employment, and summarise the data for the previous quarter.

The February, May, August and November numbers analyse the distribution of exports among countries.

## SPECIAL MEMORANDA.-Issued periodically.

The following Memoranda have been published to date:-



# London and Cambridge Economic Service 

IN CO-OPERATION WITH
THE HARVARD UNIVERSITY COMMITTEE ON ECONOMIC RESEARCH

## MONTHLY BULLETIN

Volume I. No. 1<br>JANUARY 23rd, 1923

Published by the Executive Committee, LONDON AND CAMBRIDGE ECONOMIC SERVICE,

London School of Economics,
Houghton St., Aldwych, London, W.C.2.

## PROVISIONAL PROGRAMME FOR 1923.

MONTHLY BULLETIN.-To be issued between 20 th and 25 th of each month, with a Supplement issued about 7 th of the following month.

The Bulletin will contain charts, tables and comments dealing with the current trade position in the United Kingdom and in America (by cable from the current Harvard Service).
The Supplement will contain charts, tables and comments dealing with European countries and the latest available British figures.
The statistics in the bulletin will embrace finance (stock prices, exchanges, bank activities, etc.), prices and wages, inland and sea transport, output, trade and employment.

QUARIERLY SUMMARY AND REVIEW.-To be issued with the Bulletin in the first month of each quarter, from April, 1923, onwards, containing a review of the preceding quarter, brief articles on such matters as capital issues, movement of exchanges, movements of foreign trade, and public finance during that quarter, and charts and tables covering longer periods.

## SPECLAL MEMORANDA:

Tariff Changes in Relation to British Trade-By T. E. Gregory.
Visible Stocks of Commodities.-By J. M. Keynes and R. B. Lewis.
Harvest Results and Prospects.-By Sir William Beveridge and R. B. Forrester.
Fach of the foregoing will, it is hoped, appear every six months.
Seasonal Movements in Finance, Trade and Production.
The Tine-Relation between British and American Trade Movements.
The Coal Trade.
The Iron and Steel Trade.
Shipping.
The Cotton Trade.
Special memoranda on these and other subjects are being arranged for, and will appear from time to time. They will not necessarily all appear during 1928.
The Executive Committee cannot guarantee the fulfilment of this programme, and reserves the right to vary, reduce or add to it as circumstances require.

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INDEX CHART, U.K.


HARVARD INDEX CHART, US.A.


## THE GENERAL BUSINESS POSITION.

## UNITED KINGDOM.

The first issue of the Bulletin appears at a time when forecast of the future course of business is exceptionally difficult. There are many indications of trade recovery on which we could have confidently depended in pre-war conditions, and in the United States recent progress towards recovery has been normal; on the other hand developments in the United Kingdom are subject much more than formerly to the influence of political decisions and to monetary policy. This results in an attitude of hesitancy which may postpone revival, but, as in the United States, cannot prevent it.

The curve of stock prices (see diagram opposite), which is the most definite forecaster of change in trade conditions, has been rising almost continuously since November, 1921, and registered a further significant increase to the middle of the present month, though commodity prices have hardly yet begun to rise. The movement of commodity prices has on previous occasions lagged as much as, or even more than, now after the movement of security prices.

When comparison is made with the conditions of twelve months ago, many signs of improvement are already to be found. Output of coal has increased about $20 \%$ in the year, and (apart from the recent holiday season) has practically reached the rate of output in 1913. The monthly production of pig-iron and of steel has increased $80 \%$ or more, and in the case of steel (though still far below maximum capacity) it was in November and December up to $94 \%$ of the monthly average in 1913. Transport of goods by rail increased rapidly in the second half of the year, and the tonnage of shipping cleared with cargoes was in December nearly $30 \%$ greater than twelve months earlier. The importation of raw materials was in the last quarter of $192213 \%$ greater in value than a year before, when prices were higher, and the quantity of materials (other than cotton) imported was during each of the last six months within about $10 \%$ of the quantities imported in 1913. The cotton industry is, however, depressed, and the imports of raw cotton have been low.

That the turnover of goods has already increased is confirmed by the rise since September in the advances made by banks to their customers.

Unemployment, as measured by the Trade Union percentage, has diminished from 16.5 to $14^{\circ}$ o during the year; that it should not fall greatly is a symptom commonly observed at the end of a depression, when part-time diminishes before additional men are taken on. The usual winter increase in unemployment has not taken place.

Progres; was in some respects more marked in the first half of the year. Prices of materials have, on the average, been nearly stationary since March. This fallure to rise in the United Kingdom has no doubt been connected with the rise in the sterling-dollar exchange, and uncertainty about future price movements has discouraged traders.

A definite rise of commodity prices during the next three months is to be anticipated, but the general situation suggests that the revival of thoroughly good trade is likely to follow more slowly. During the next few months there should be room for fairly profitable enterprise, but dependence should be rather on the cheapness of money and of other costs of production than on any expectation that there will be a sensational rise of prices such as was experienced in 1g19.

Shortage of stocks almost everywhere, an increasing confidence that there is no risk of a substantial further fall in prices, and comparative abundance of currency and credit are forces tending towards an upward movement, which are only held in check by the rising gold-value of sterling and the political situation in Europe.

## UNITED STATES.

HARVARD FORECAST, (by cable) 19th January, 1923.
The business improvement inaugurated early in 1922 continued during December. The rise o the business curve has been substantial, and the continuous persistence of the upward movement has evidenced soundness of basic conditions and strength of favourable economic forces. These forces are still operative, and we forecast further increase of wholesale commodity prices and continued expansion of business activity during the first balf of 1923 , with a strong probability that the upward swing will continue during the second balf of the year,

## THE INDEX NUMBERS 1919 то 1922. <br> WHOLESALE PRICES.

At the date of the Armistice wholesale prices (including food) were on the average $150 \%$ above their level in 1914, according to the Board of Trade reckoning; this height bad been reached by cumulative increases of $2 \%$ each month in the three years ending in the autumn of 1917, and by increases of about $1 \%$ per month in 1917-18. Immediately after the Armistice there was an irregular fall till in May, 1919, the index was 236 ( $136 \%$ above the average for 1913) ; this date may be taken as the beginning of the great inflation and depression which mark the years Ig19 to 1922 .*

Prices then rose rapidly for nearly 12 months, more rapidly than in any of the war years, till in May, 1920, the index was $325 . t$ The rise nas not uniform among the various commodities includ d in the average, and (as is generally the case in times of rapid movement) the index num ers of the Board of Trade, the "Statist" and the "Economist" did not agree precisely. The first sign of crisis was to be found in the "Statist" index of raw materials, which fell $2 \%$ in March, 1920, while the price of food continued to rise till June. The Board of Trade index, which incl des food and some partly manufactured goods, was checked in May, when there was only an insignificant rise above April. During two or three months the question whether the maximum was reached was in suspense, but it was evident that the upward movement had nearly spent its force, and by [uly, 1920, the general fall had clearly begun and its serious continuance could be anticipated. From October, 1920, till March, 1921, the rate of fall was catastrophic; during the remainder of 192I itcontinued more moderately but without interruption; early in 1922 it ceased. Month after month in 1922 it was an open question whether a reaction was beginning ; prices of several commodities oscillated slightly and the general movement was confused by a rapid fall in the price of wheat and other foods in the spring and summer. In general, prices were stationary throughout the year, as they were before the increases in 1904-7 and 1909-12. $\ddagger$

## PRICES OF SECURITIES.

Prices of industria' and speculative securities on the whole indicate the market's expectation of profit, rising when a good dividend is anticipated or when feeling is optimistic. But in whatever way the prices are averaged, the influence of individual quotation is not completely eliminated, and therefore small changes are not symptomatic. It is clear from the diagram on p. io that the movements in sound industrials and in more speculative securities were very similar throughout 1920 and 192 I .

The index rose rapidly i) 1919 in nearly the same $m$ nths as did wholesale prices, and in very nearly the same proportion ; the securities index increased from 155 to $214(38 \%)$ in the nine months to the en I of January, 1920, the "Statist" price index-number for materials increased from 213 to $302(42 \%)$ in the same nine months. The securities index fell by the end of February and the fall was confirmed and increased the next month; this movement took place before the climax in prices, one to four months according to the measurement we take for the latter.

The fall in industrial securities was checked in September and October, 1920, but that in the more speculative stocks continued. This is an example of a minor movement which might lead to erroneous anticipations if not checked by collateral information. Another temporary halt was reached in February, 1921, at 115; then the movements became small and uncertain and of the kind that might very easily have given rise to false prophecies. However, the fall in the preceding twelve months had been so much more rapid in stocks than in prices that some reaction was to be expected.

The true minimum was reached in October or November, 1921, when the index was very little above its pre-war level; the subsequent rise continued for six months, during which prices were only half their maximum of two years before, while securities were $62 \%$ of their maximum.

* The dates of minima in both the "Economist " and "Statist" index numbers were March and April, 1919.
+ Food. 273 ; other items, 358.
$\ddagger$ SAUERBECK'S Index-Numbers.
Materials.

|  |  |  |  |  | Ma |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1901 | 1902 | 1903 | 1904 | 1905 | 1908 | 1909 |
| First quarter |  |  | 73.7 | 71.3 | 72.4 | 74.2 | $72 \cdot 3$ | $76{ }^{\circ} 0$ | 73.0 74.1 |
| Second quarter | .. |  | 721 | 71.7 | 71.8 | 71.4 | 73.0 | 73.1 73 | $75^{7} 9$ |
| Third auarter |  |  | 717 | 71.0 | 71.2 | 713 | 75.2 | 74.0 | 78.2 |
| Fourth quarter | ... | ., | 71.0 | $70 \cdot 8$ | $72 \cdot 1$ | $72 \cdot 5$ | 785 |  |  |

After April, 1922, industrials showed a reluctant and fluctuating rise for some months, with a more definite increase by the end of the year; speculative securities, on the other hand, moved differently from industrials in 1922, and by the end of the year had dropped to their level of about I2 months earlier.

## EXPORTS OF MANUFACTURED GOODS.

In the absence of any general statistics of production, the statistics of exports are taken as providing a good index of the actual condition of trade. To avoid the disturbing influences of the price and quantity of exported coal, the statistics of manufactured goods only are used. It should be always remembered that the value of exports contains the two factors quantity and price; since there is no single unit of quantity in manufactures, except in the more elementary stages, it is not possible to eliminate price, nor from the point of view of the trader ought the elimination to be attempted. We must bear in mind that a great part of the rise and fall in the value of manufactures in 1919-2I is to be attributed to the changes of price of materials, etc., indicated by the price curve.

The export of manufactures is influenced by the number of working days in the month, and is also normally greater in the late summer months than in the winter; allowance has been made or these influences before drawing the diagram. Also the figures are liable to chance disturbances, such as the accident whether a ship's papers are handled at the end of one month or at the beginning of the next. For these reasons the small fluctuations in the autumn of 1919 and of 1920 are unimportant; two succes ive movements in the same direction are needed to establish a tendency. When studying the change between a particular month and the next we must consider also the statistics of employment and of mineral and metal output.

The value of exports of manufactures rose (with small fluctuations) throughout 1919 and the first half of 1920. In January, I919, their value was slightly above the value in 1913; but since the price index then was 246, in quantity they were barely one-half that of 1913. At the maximum in July, 1920, the increase in the value of manufactures compared with Ig13 exceeded a little the increase in prices, and the quantity exported in that month was probably about the same as in July, 1913. The date of maximum was reached two months later than in the case of prices. The subsequent fall in value was even more rapid than the rise ; it was accentuated in the summer of 1921 by the coal strike, whose influence was dominant for perhaps six months. In December, I92I, the value was 50 per cent. above that in 1913, and by that date prices had fallen so greatly that the quantity was greater than in the earlier months of 1919. During 1922 no marked movement was shown, but from June onwards there was a tendency to rise, though prices were stationary or falling. The prices of manufactured goods have remained relatively higher (when comparison is made with 1913) than the prices of materials, and it is estimated that the quantity of goods exported in the latter part of 1922 has only been two-thirds of that in the corresponding months of 1913.

## THE SHORT MONEY INDEX.*

In this case also not much significance attaches to a month's movements which are not confirmed in a subsequent month; thus the fall in December, 1919, was of no great significance. Discount rates rose from July, 1919, for eleven months, were stationary during the second half of 1920, and fell very rapidly for eighteen months to a minimum in July, 1922, near which they have remained. In the peculiar circumstances of the years in question we cannot expect that the normal relationship between this index and the condition of trade should be evident. For instance, the low rates obtaining in 1922 may have been due to the absence of demand for money rather than to the plentiful supply which precedes recovery of business activity.

The preceding paragraphs have had reference mainly to the four principal series shown in the diagram at the beginning of this issue. Many of the subsidiary series, detailed in the following pages, are of nearly equal importance.

New Capital Issues have fluctuated very rapidly ; there was no great increase in 1920 and a marked decrease in 1921. In 1922 as a whole the rg21 level was maintained, and since the value of commodities had fallen about $20 \%$ there was an effective increase in investment.

Bank clearings (town) increased very rapidly in 1919, and the amount recorded in 1922 equalled (approximately) the high total of 1920, in spite of the considerable fall in prices of securities. Country clearings, which represent, on the whole, payments for goods, moved during 1919 and 1920, and the first half of 1921 in close relationship with prices of commodities; during the last eighteen months the amounts have been nearly stationary in spite of the fall of prices in the latter part of depression at the end of 192 I .

[^6]Retail food prices followed the movement of wholesale prices with a lag of about three months, but their increase 1919-20 was less and their fall in 1921 was also less. In July, 1922, both retail and wholesale prices of food were 74 or $75 \%$ above the pre-war level; the more recent fall in wholesale prices has not yet been reflected in retail.

Average rates of wages moved closely with the cost of living index till the autumn of 1920 and then maintained their increase during the first six months of the fall of that index. From May, 1921, till September, 1922, wages fell rapidly, till at the end of 1922 the index numbers of wages and prices were each about $78 \%$ above their levels in 1914 ; the wages, however, were payable for the reduced working week.

The tonnage of shipping cleared with cargoes has shown (after marked fluctuations in 1919-2I) a very remarkable increase in 1922. During the autumn, when coal was exported in large quantities, the total was approximately equal to that of the corresponding months in 1913.

Freights have fallen to less than a quarter of their maximum in 1920.
Among the statistics of Imports special importance attaches to those of raw materials. Here the fluctuation has been dominated by prices whose effect it is difficult to eliminate completely ; but it appears certain that the quantity of materials imported was at a low level in 1921 and in the first months of 1922, and that it increased considerably in the second quarter of 1922 and has since been at a height little below that of 1913 . In fact the improvement in these imports during 1922 has been the most satisfactory sign that the worst of the depression is past. The output of iron and of steel f 11 to small dimensions in 1921, but recovered in 1922, especially in the latter months; it is still far below the capacity of the furnaces, though in the case of steel only about $6 \%$ below the average of 1913.

The statistics of unemployment are too well known to call for comment; there has been very little improvement recorded since July, 1922.

## EXCHANGES.

(See diagram p. 12 and table p.18).
Two factors enter into any explanation of the movement of exchange rates throughout the years since the ending of the war-the influence of inflation or deflation-that is, of the currency policy pursued by the nations in question, and the political influence, exemplified particularly in the tendency of the French and German exchanges to respond to events such as International Reparations Conferences. In the long run, the currency factor is the more important, since it dominates the trend of the rates in the long run, whilst political events produce particularly the shovt-run fluctuations, acting through speculation in the currencies concerned. Since the table below only begins with the mid1920 rates, there are added here certain figures from Emil Diesen's Exchange Rates of the World, 1914 1921 based on "The Times" daily quotations.

Highest and Lowest Exchange Rates per quarter igig and first half 1920.

| 1919. |  | Paris. | Berlin. | New <br> York. | Buenos Aires. | Stockholm |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1st Ouarter. | Max. | 27.82 | - | 4,77 | 52.5 | 17.35 |
| 1st Quarter. | Min. | 25.98 |  | 4.57 | $51 \frac{1}{4}$ | 16.26 |
| 2nd | Max. | 31.27 | - | 4.77 | $52 \frac{1}{5}$ | 18.41 |
|  | Min. | 27.58 | - | 4.60 | 508 | 17.10 |
| 3 rd | Max. | 38.10 | 127 | 4.57 | 56 | 18.85 |
|  | Min. | 29.79 | 88 | 4.14 |  | 18.22 |
| 4th | Max. | 45.40 | 200 | 4.25 3.70 | 548 | 17.11 |
|  | Min. | 35.25 | 101 | 3.70 |  |  |
| $\stackrel{1920}{ } \stackrel{\text { 1st }}{\text { Purter }}$ |  |  |  |  | 731 | 18.55 |
| 1st Quarter. | Max. | 58.45 40.95 | 188 | 3.31 | 60 | 17.62 |
| and | Max. | 68.80 | 280 | 4.03 | $62 \frac{1}{4}$ | 18.37 |
| and | Min. | 47.25 | 132 | 3.80 | 57 | 17.83 |

The fluctuations in the London-Berlin rate have been governed mainly by political considerations, the trend is the slave of inflation. The mark was relatively steady, however, from October, 1920, to July, 1921, in spite of the abortive attempt to settle the Reparations question in January, 192I, and the subsequent enforcement of "Sanctions." It broke under the strain of the Upper

Silesian question in the 3rd quarter of 1921, however; again broke under the influence of the unsettled Reparations question in the summer of 1922, losing $\frac{1}{8}$ of its value between June and July, and more than half of its remaining value between July and August, again halved in value between September and October, suffered an enormous fall between October and November, but slackened its fall somewhat in December owing to political rumours; since the new year the fall has been resumed with again increasing velocity.

The London-Stockholm Rate. There is some tendency for this rate to move with the New York rate, cf. the movement in quarter June-September of 1920 and the first six months of 1922. But at other times the movements are opposed, cf. July-December, 1921. During May, 1919, the rate was actually favourable to London, since that time only in June, I920, and November, 1920, has the rate been near to parity point. Since June, 1920, the rate has never fallen below 16.65 (November, 1922) nor risen above 18.13 . (June, 1920). Both in 1921 and 1922 the rate had become more unfavourable to this country in the first part of the year, improved and then fallen again, though this is not true, so far, of 1923.

The London-Buenos Aires Rate. This rate is quoted in pence-a rise is therefore unfavourable, a fall favourable, to this country.

With the exception of a seasonal rise in the Autumn of 1921, the rate rose almost continuously in our favour down to the end of that year. Since April, 1922, the rate has been very steady, varying round $44-45$ pence to a dollar, the tendency being for the lower, rather than the higher, price to be representative.

The London-New York Exchange. This rate was "unpegged " in March, 1919, reaching $\$ 3.70$ by the end of the year and falling as low as $\$ 3.434$ in November, 1920. By that time the trade boom was definitely over, and the effect of falling prices is seen in a rising exchange. The rate touched nearly $\$_{4}$ in May, ig2I, but was forced down in the quarter June - September, to rise to over $\$ 4$ in December, 192I. The rate rose almost continuously in the first 8 months of 1922, fell in September and October, to rise sharply up to the end of the year, the rise being accentuated by "Bullish" sentiment in the last month-due to the rumours of an American loan to Europe. The rise has continued in the first two weeks of the New Year, being no doubt assisted by the favourable view taken of the pending negotiations at Washington by the speculative market.

The London-Paris Rate had, of course, to be "unpegged " at the same time as the LondonNew York rate. In each succeeding quarter of 1919 the minimum of that quarter was above the maximum of the previous quarter, with the exception of the last quotation. In April, 1920, the rate rose to 68.80 , this month being marked by the independent occupation of Frankfort by the French. By June the rate had sunk again to an average of about 48. After a seasonal decline in the winter and early spring of 1920-2I, the same rate was attained in May, ig2I, after which there was an improvement till July, and again a winter decline until, in April, 1922, the rate was once more about 48 . Since then there has been a continuous decline, until the last quotation is again back at the level of April, 1920, political pessimism being again the direct cause. The note circulation, it is to be noted, has been very steady throughout the greater part of the period under review. Apart from seasonal and political factors, the main cause of the decline must be sought in more rapid deflation elsewhere.

## RECENT MOVEMENTS OF SUBSIDIARY SERIES.

(See diagrams and tables, pp. 10-17).
Finance.-The rise in the price of industrial securities has continued without interruption since September. The index on January 15 th was $55 \%$ above the level of 1913 , the increase being precisely the same as that of wholesale prices in the same period on the Board of Trade's reckoning; so that, measured in units of unchanged purchasing power, securities are at their pre-war level. Speculative securities have risen since November to $59 \%$ above the 1913 level, but are still below the maximum of last April.

Discount rates have fallen slightly and are again at the minimum of last July. The yield on $£$ roo invested in fixed-interest stocks is also down a little. Town bank clearings show more than the usual December fall, as do provincial clearings; but London bankers' country clearings (representing turnover of commodities) fell less in December than was to be expected. The usual temporary Christmas increase was shown in the circulation of bank and currency notes.

Bankers' advances to customers increased 3\% from September to November.
Prices and Wages.-The slight variable movements that have marked the last few months have continued; some of the current index-numbers show an insignificant fall in December, others an increase. Retail prices of food fell 3 points during December. Few wage-rates have changed and the wage-rate index is now level with the Cost of Living index; these rates are, however, payable for the shortened week.

Trade and Output.-The total value of imports in December was nearly the same as in November, a fall in the value of imported food being balanced by a rise in that of raw materials. The statistics of importation of materials deserve very careful study. In the following table the recorded values of imports in 1913 and 1922 are shown, and the goods imported in 1922 are re-valued approximately at the prices of 5913 , cotton being separated from other materials. The third section of the table, when compared with the first, affords a comparison of quantities (the price change being eliminated) in 1913 and 1922. Re-exports have been subtracted throughout.

## IMPORTS OF RAW MATERIALS FOR CONSUMPTION. oo,ooos omitted.



The method of approximation is rather rough, but it is sufficient to show that the quantity of materials other than cotton imported during the past seven months has been as a whole within $10 \%$ of the corresponding imports in 1913 and the difference has been least in the last two months. The cotton imports during the seven months have been (in quantity) $20 \%$ below the 1913 amount.

As regards prices of imports and exports, statistics in the Board of Trade Journal, January 18 th, 1923 , give data which indicate that the average price of materials imported and retained was in the last quarter of $1922,53 \%$ above the 1913 level, while the average price of exported manufactures was $105 \%$ up. The difference is partly attributable to wages which, measured, per hour, are approximately doubled since 1913, in some cases more than doubled, but other costs must be excessive.

The value of Exported Manufactures was $£ 7 \mathrm{Mn}$. less in December than in November; of this about $£ 4 \mathrm{Mn}$. is attributable to the smaller number of working days in December. The only important commodity that shows a considerable decrease is 'ships sold to foreigners'; this is an entry which fluctuates greatly from month to month and it was $\not \ell^{2} .5 \mathrm{Mn}$. less in December than in November.

The output of coal maintains its high level. The home consumption has, however, not increased perceptibly during the year ; in the first six months it averaged about 3.3 Mn . tons, in the third quarter 3.2 Mn ., in the 4th quarter 3.5 Mn . Steel output made rapid progress in the autumn till it was within 6 per cent. of the 1913 average, but was still far below the capacity of the furnaces. The output of pig-iron also improved in each of the autumn months, but owing, in part at least, to the increased use of scrap-iron it has only reached 6i per cent. of the 1913 average.

Employment. The Trade Union percentage of unemployment fell from $\mathrm{I}^{.} 2$ to $14^{\circ} \mathrm{O}$ during December, whereas normally it would have risen 7 owing to the season. From experience of previous depressions even this small improvement may be considered significant. On the other hand the Insurance Unemployed figures show a slight set back, but the influence of the season on these totals is not yet established.

## UNITED STATES. (Harvard Economic Service.)

General Business Conditions. (Extracts from letter of Dec. 30, 1922).-The pronounced improvement of business during 1922 has fulfilled our forecast of last January. As the year draws to a close, conditions remain favourable to the continuance of the upward movement of the business cycle.

Speculation. The prices of industrial stocks recovered in a pronounced fashion during December, standing on Dec. 27 th $7 \cdot 8$ per cent. above the low point reached on Nov. 27th. The prices of bonds, after recovering I per cent. between Nov. 27th and Dec. 13th, moved downward slightly during the remainder of the month. Conditions in the stock and bond market differ radically; a continuation in the upward trend in stock prices may be anticipated, while bond prices can hardly be expected to return to their September levels and may perhaps move gradually downwards.

Security Issues. In the spring of ig22 large issues were stimulated by easy money; a fall took place in the second quarter but the level of flotations is still high and some increase is indicated for the end of the year

Business. The year closes auspiciously. Unemployment is negligible. Revenue, freight loadings and building construction continue at high levels. November exports were the highest since March, I92I, and 3 per cent. above those of October. The unsatisfactory situation in Europe has not prevented a substantial improvement in business in the United States.

Money. A slight easing in interest rates has been evident toward the end of December.

## NOTE ON RATIO SCALE.

In most of the following diagrams equal vertical distances do not mean equal vertical absolute movements (as $£$ Io Mn .) but equal ratio or velative changes, as from 100 to 1 Io i.e., $10 \%$ increase.

The scale is so arranged that the vertical distance between any pair of points on one of the lines is the same whenever the ratio between the pair of quantities represented is the same. Thus the numbers Ioo, IIO, II 12.I, I33.I would be shown at equal vertical distances on the diagram, since the percentage increase is the same, viz., $10 \%$, at every step. If these changes occur in consecutive months, it will be seen at once that the points will lie in a straight line.

The same ratio is shown by the same distance in all parts of the diagram, so that if two lines are parallel to each other, their ratio movements are equal. Of course, the dates of maxima and minima and the periods of rising and falling are shown as on the ordinary scale.

The scale is shown at the side of the diagrams.


FINANCE.

|  | STOCKS \& SHARES. |  |  |  |  | BANK CLEARINGS. |  |  |  |  |  | OTHER BANKING. |  |  |  | MONEY. |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Index Numbers of <br> Per cent. of pre-war level $£ \mathrm{Mn}$. |  |  |  |  | London Bankers' Clearing House. |  |  |  | Provincial. |  | Bank of England. |  | 9 Clearing Banks. |  |  |  |  |
|  |  |  |  |  |  | Town.$£ \mathrm{Mn}$. |  | Country.£Mn. |  | 5 Towns. |  |  |  |  <br> $£ \mathrm{Mn}$. |  |  |  |  |
| Pre-War <br> Average... | 100 | 103 | 100 | 100 |  | $913$ | * |  |  | $\cdots$ |  | 41 |  |  |  | 100 | 3.55 | 4.38 |
| $\begin{gathered} 1919 \\ \text { JAN. ...... } \end{gathered}$ |  |  |  | 126 |  |  | 1160 |  |  |  |  | 125 |  |  |  |  |  | 3.50 |
| $\begin{aligned} & \text { JAN, } \\ & \text { FEB } \end{aligned}$ | 154 | 162 | 79 79 | 127 | 14.7 9.6 | 1220 | 1160 1030 | 239 |  | 129 | 121 | 125 |  |  |  | 93 | 2.88 3.19 | 3.50 3.53 |
| MARCH | 155 | 169 | 77 | 130 | 11.0 | 1140 | 1085 | 232 | 289 | 127 | 121 |  | 393 |  |  | 95 | 3.19 2.75 | 3.53 3.50 |
| APRIL . | 155 | 182 | 77 | 130 | $5 \cdot 0$ | 1050 | 1020 | 220 | 223 | 115 | 116 |  | 410 |  |  | 93 | $\begin{aligned} & 275 \\ & 2.88 \end{aligned}$ | $\begin{aligned} & 3.50 \\ & 3.53 \end{aligned}$ |
| MAY | 166 | 196 | 77 | 130 | 15.6 | 1220 | 1220 | 262 | 260 | 127 | 181 | 112 | 423 |  |  | 93 | $\begin{aligned} & 2.88 \\ & 2.94 \end{aligned}$ | $\begin{aligned} & 3.55 \\ & 3.53 \end{aligned}$ |
| JUNE | 165 | 202 | 74 | 135 | 139 | 1340 | 1270 | 247 | 254 | 141 | 145 | 128 | 425 |  |  | 88 | $\begin{aligned} & 2.94 \\ & 2.50 \end{aligned}$ | $\begin{aligned} & 3.53 \\ & 3.28 \end{aligned}$ |
| JULY | 165 | 225 | 72 | 139 | 21.9 | 1520 | 1600 | 304 | 286 | 154 | 151 |  |  |  |  |  |  |  |
| AUG. | 173 | 220 | 70 | 143 | $14 \cdot 1$ | 1340 | 1530 | 260 | 273 | 145 | 164 | 100 |  |  |  | 89 | 3.38 | 3.25 3.63 |
| SEPT. | 170 | 223 | 69 | 144 | 6.7 | 1450 | 1510 | 254 | 276 | 156 | 164 | 89 | 412 |  |  | 95 96 | $\begin{aligned} & 3.06 \\ & 3.31 \end{aligned}$ | 3.63 3.72 |
| OCT. | 183 | 261 | 71 | 141 | $12 \cdot 3$ | 1580 | 1640 | 288 | 268 | 176 | 174 | 100 | 420 |  |  | 103 | $\begin{aligned} & 3.31 \\ & 2.88 \end{aligned}$ | 3.72 4.56 |
| NOV. | 187 | 258 | 70 | 144 | $26 \cdot 3$ | 1750 | 1810 | 301 | 292 | 182 | 184 |  | 423 |  |  | 130 | 4.38 | 4.56 5.81 |
| $\begin{gathered} \text { DEC. ... } \\ 1920 \end{gathered}$ | 194 | 268 | 69 | 145 | $37 \cdot 1$ | 1690 | 1800 | 316 | 336 | 218 | 220 | 138 | 429 | ava |  | 119 | 3.00 | 5.81 5.56 |
| JAN. . | 214 | 295 | 69 | 145 | $30 \cdot 1$ | 1990 | 1900 | 336 | 314 | 229 | 213 | 127 | 423 |  |  |  |  |  |
| FEB. | 205 | 269 | 67 | 148 | $31 \cdot 9$ | 2070 | 1960 | 329 | 323 | 259 | 231 | 132 | 413 |  |  | 123 130 | 3.63 4.50 | $5 \cdot 63$ $5 \cdot 72$ |
| MARCH.. | 199 | 250 | 63 | 159 | $65 \cdot 1$ | 1950 | 1850 | 329 | 339 | 248 | 237 |  | 426 |  |  | 123 | 3.50 | 5.75 |
| APRIL ... | 189 | 235 | 62 | 160 | $44 \cdot 7$ | 2050 | 1990 | 317 | 320 | 221 | 222 |  | 440 |  |  | 135 | $3 \cdot 19$ | 5.94 |
| MAY. | 175 | 222 | 62 | 157 | $19 \cdot 1$ | 1940 | 1940 | 322 | 320 | 213 | 220 |  | 449 |  |  | 151 | $5 \cdot 25$ | $6 \cdot 34$ |
| JUNE | 162 | 221 | 63 | 158 | $21 \cdot 3$ | 1940 | 1840 | 307 | 316 | 208 | 214 | 133 | 458 |  |  | 147 | 4.41 | 6.66 |
| JULY | 160 | 219 | 65 | 155 | $41 \cdot 7$ | 1780 | 1880 | 324 | 305 | 205 | 202 |  |  |  |  | 151 |  |  |
| AUG. SEPT | 152 | 222 | 64 | 158 | 6.5 | 1810 | 2060 | 301 | 317 | 190 | 215 | 124 | 464 |  |  | 147 | 4.38 | 6.69 |
| $\begin{aligned} & \text { SEPT. } \\ & \text { OCT. } \end{aligned}$ | 155 | 222 | 63 | 159 | 18.4 | 1930 | 2000 | 301 | 326 | 192 | 202 | 123 | 457 |  |  | 154 | $5 \cdot 12$ | 6.78 |
| NOV. . | 138 | 182 | 61 | 162 | 24.2 23.4 | 1880 | 1940 | 325 | 303 | 186 | 185 | 124 | 462 |  |  | 151 | 4.75 | $6 \cdot 66$ |
| DEC. . | 129 | 176 | 62 | 161 | 4.8 | 1780 | 1900 | 271 | 288 | 142 | 1/33 |  |  |  |  | 154 151 | $\begin{aligned} & 5.31 \\ & 4.69 \end{aligned}$ | 6.78 6.78 |
| $\begin{array}{r} 1921 \\ \text { JAN. .. } \end{array}$ | 125 | 170 | 65 | 156 | $11 \cdot 3$ | 1960 | 1870 | 289 | 270 | 153 | 142 | 123 | 461 |  |  |  |  |  |
| FEB. ...... | 115 | 158 | 64 | 155 | 7.0 | 1790 | 1700 | 270 | 265 | 134 | 120 | 114 | 444 | 1754 | $\begin{aligned} & 845 \\ & 844 \end{aligned}$ | 151 | 4.81 6.50 | 6.69 6.66 |
| MARCH.. | 119 | 173 | 65 | 154 | 18.0 | 1660 | 1580 | 247 | 254 | 126 | 121 | 107 | 444 | 1715 | $844$ | 154 | $\begin{aligned} & 6.50 \\ & 5.75 \end{aligned}$ | 6.66 6.38 |
| APRIL | 123 | 186 | 66 | 151 | 4.6 | 1740 | 1690 | 256 | 259 | 108 | 109 | 114 | 449 | 1710 | $852$ | 151 | $5 \cdot 50$ | 6.12 |
| $\begin{aligned} & \text { MAY .. } \\ & \text { JUNE } \end{aligned}$ | 121 | 166 | 67 | 150 | 6.5 | 1740 | 1740 | 219 | 217 | 97 | 101 | 145 | 445 | 1729 | 840 | 135 | 4.38 | 5.53 |
| JUNE | 122 | 166 | 66 | 152 | $15 \cdot 2$ | 1790 | 1700 | 206 | 212 | 94 | 97 | 131 | 434 | 1768 | 814 | 139 | $4 \cdot 19$ | 5.59 |
| JULY | 117 | 156 148 | 66 | 152 152 | 5.7 1.5 | 1730 1570 | 1830 | 216 | 203 | 99 103 | 98 | 135 | 432 | 1785 | 812 | 123 | 4.12 | 5.09 |
| SEPT. | 118 | 148 | 65 | 152 | 1.5 2.8 | 1570 1680 | 1790 | 205 | 215 | 103 | 117 | 114 | 433 | 1764 | 799 | 115 | $4 \cdot 19$ | $4 \cdot 75$ |
| OCT. | 103 | 139 | 66 | 152 | 19.3 | 1760 | 1820 | 226 | 210 | 118 | 124 | 130 | 422 | 1771 | 786 | 101 | $2 \cdot 75$ | 4.09 |
| NOV. | 105 | 146 | 67 | 150 | 4.9 | 1910 | 1970 | 223 | 216 | 115 | 116 | 135 | $\begin{aligned} & 417 \\ & 415 \end{aligned}$ | 1802 | 787 | 106 | 3.50 | $4 \cdot 12$ |
| DEC. | 111 | 152 | 70 | 140 | 3.4 | 1750 | 1870 | 209 | 222 | 104 | 105 | 141 | $\begin{aligned} & 415 \\ & 42 \end{aligned}$ | 1793 | 774 762 | 99 90 | 363 2.44 | $3 \cdot 91$ $3 \cdot 50$ |
| $\begin{array}{r} 1922 \\ \text { JAN. .. } \end{array}$ | 112 | 141 | 72 | 139 | $27 \cdot 4$ | 2120 | 2020 | 240 | 225 | 112 |  |  |  |  | 752 752 | 90 | 2.45 2.63 | 3.47 |
| FEB....... | 118 | 146 | 77 | 131 | 6.6 | 2100 | 2000 | 220 | 217 | 117 | 105 | 130 | 416 403 | 1826 | 752 | 90 | 2.63 | 3.47 3.22 |
| MARCH .. | 119 | 149 | 78 | 128 | 9.6 | 2180 | 2070 | 221 | 228 | 117 | 112 | 116 | 401 | 1747 | 746 | 85 | 2.00 $3 \cdot 12$ | $3 \cdot 22$ 3.34 |
| APRIL | 130 | 162 | 81 | 124 | 5.9 | 2200 | 2140 | 208 | 210 | 111 | 112 | 118 | 407 | 1737 | $745$ | $\begin{aligned} & 86 \\ & 70 \end{aligned}$ | $\begin{aligned} & 3 \cdot 12 \\ & 2 \cdot 13 \end{aligned}$ | 3.34 |
| MAY. | 133 | 157 | 81 | 123 | 9.0 | 1790 | 1790 | 223 | 222 | 118 | 122 |  | 399 | $\begin{aligned} & 1737 \\ & 1745 \end{aligned}$ | $\begin{aligned} & 745 \\ & 736 \end{aligned}$ | $\begin{aligned} & 70 \\ & 64 \end{aligned}$ | $\begin{aligned} & 2.13 \\ & 1.75 \end{aligned}$ | 2.55 |
| JUNE | 133 | 151 | 81 | 124 | 6.0 | 1960 | 1860 | 208 | 215 | 102 | 105 | 110 | 400 | $\begin{aligned} & 1745 \\ & 1755 \end{aligned}$ | $\begin{aligned} & 736 \\ & 723 \end{aligned}$ | 64 | $\begin{aligned} & 1.75 \\ & 2 \cdot 10 \end{aligned}$ | 2.31 2.44 |
| JULY | 136 | 144 | 81 | 123 | $12 \cdot 1$ | 1860 | 1970 | 233 | 219 | 119 | 117 | 112 | 401 | 1730 | 721 | 48 | 1.58 | $1 \cdot 87$ |
| SEPT. | 138 | 147 | 80 | 125 | -8 | 1730 | 1970 | 202 | 212 | 109 | 123 | 112 | 400 | 1688 | 714 | 51 | 1.88 | $2 \cdot 14$ |
| OCT. | 139 | 153 | 78 | 128 | $7 \cdot 7$ | 1860 | 1920 | 201 | 217 | 103 | 109 | 113 | 391 | 1660 | 711 | 54 | 1.79 | $2 \cdot 56$ |
| NOV. | 144 | 151 | 79 | 126 | 5.6 | 1850 | 1910 | 215 | 209 | 118 | 118 |  | 391 | 1686 | 724 | 51 | 1.58 | 2.40 |
| DEC. | 150 | 154 | 79 | 127 | 5.0 | 1730 | 1840 |  | 219 |  | 107 |  |  | 1667 | 732 | 55 | 1.91 1.29 | 2.63 2.59 |
| $\begin{aligned} & 1923 \\ & \text { JAN. ...... } \\ & \text { FEB. ...... } \end{aligned}$ | 155 | 159 | 80 | 125 |  |  |  |  |  |  |  | $134$ | $383$ |  |  | 51 48 | 1.29 1.21 | 2.59 2.28 |
| $\begin{aligned} & \text { MARCH.. } \\ & \text { APRIL .... } \\ & \text { MAY ..... } \\ & \text { JUNE ... } \end{aligned}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $\begin{aligned} & \text { JULY .... } \\ & \text { AUG....... } \\ & \text { SEPT. .... } \\ & \text { OCT. ...... } \\ & \text { NOV....... } \\ & \hline \end{aligned}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  | ORM | AL | ASO | AL | HA |  | EMO | ED. | For | Table | Ex | ng | ee |  |

STOCKS \& SHARES-
NEW CAPITAL ISSUES-
BANK CLEARINGS-

BANK OF ENGLAND-
PRINCIPAL BANKS-
SHORT MONEY INDEX-

Index Nos, of Prices and Yield as percentage of 1913 average ; on last day of month to Dec., 1922, subsequently 15th of month,-PREPARED BY JOSEPH KITCHIN.
LONDON JOINT CITY AND MIDLAND BANK, GTD. Total of Town cerin AND MWLAND BANK, LID, 2 Stock Exchange settlement days, Consols settlement day, and 4th of follow Clearing House for 3 weeks covering of London Bankers' Clearing House for 4 weeks ending approximately at month. Total of Country Clearings Clearings for Birmingham, Bristol, Liverpool, Manchester, Newcastle, for four-weekly month. Total of Provincial Deposits, other than public, 11-17th of month. Bank Notes and Currency Notes in circulation.
the National Bank, Ltd.).-MONTHLY REVIEW OF THE LONDON JOINT CITY 9 clearing banks (i.e.-excluding month, or latest available Bankers' Deposit Rate, 3 months. Bin rate and day-to-day rate MIDLAND BANK, LTD. Day-to-Day Rate and 3 Months Rate. Averagescentage of 1913 average.


Scale applicable to all lines.
For table of Foreign Exchanges, see p. 18. N.B.-Buenos Aires rate inverted above

PRICES AND WAGES.


* NORMAL SEASONAL VARIATION REMOVED.

PRICE OF SILVER-
BOARD OF TRADE INDEX Average (cash) price of bar silver for week ending 15th of month.-ECONOMIST.
STATIST (SAUERBECK) 1913 average. For 1919, old Board of Trade Index.-BOARD OF TRADE JOURNAI
INDICES ERBECK)
COST-OF-LIVING INDEX-
Average wholesale prices of 10 foodstuff and 20 raw
for 1913.-STATIST.
in working-class households showing movement in cost of maintaining unchanged the standard of living prevalent
RETAIL FOOD PRICES-
WAGES INDEX-

As above, for food only.
Average of index-nudy.
labourers, (b) engineering (as percentage of July, 1914) of rates of wages for normal week of (a) bricklayers and workers, (g) cotton-workers, (h) miners, end of month. From March, 1922, includes those reported by the middle of the month. -PREPARED BY
PROFESBOR BOWLEY.


TRADE AND OUTPUT.


* NORMAL SEASONAL CHANGE REMOVED.

4 Weeks excluding Bank Holiday Week.

IMPORTS \& EXPORTS-OUTPUT-COAL

PIG IRON, STEEL SHIPBUINGOTS \& CASTINGS

Declared values of imports (c.i.f.) into U.K., and exports (f.o.b.) of U.K. produce and manufactures.-MONTHLY ACCOUNTS OF TRADE \& NAVIGATION,
Total for 4 weeks ending approximately at end of month-BOARD OF TRADE JOURNAL,
IRON AND STEEL MANUFACTUREPS Tonnage of ships over 100 EACTURERS. Thanage of ships over 100 tons (excluding warships) commenced during the quarter.-LLOYD'S REGISTER OF
SHIPPING.



## FOREIGN EXCHANGES.



+ To end of 1922 , the monthly figures are averages of 4 weekly rates given in Board of Trade Journal. These rates are averages of daily quotations in the Times (May-Dec. 1922, Financial Times). After 1922, the figures are calculated directly from the Times' quotations,




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 ISSUED IN CO-OPERATION WITH THE HARVARD UNIVERSITY COMMITTEE ON ECONOMIC RESEARCH
## MONTHLY BULLETIN SPECIAL QUARTERLY ISSUE VOLUME I. NUMBER VII. JULY 23rd, 1923

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INDEX CHART, U.K.

. Board of Trade Index not available for 1919. Approximate estimates inserted.
*Normal Seasonal change removed.
HARVARD INDEX CHART, U.S.A.


## THE GENERAL BUSINESS POSITION.

## UNITED KINGDOM.

NOTHING has occurred during the past month to negative the opinion based on cconomic and statistical grounds, that, when a wide view is taken, we are on the upward grade in the commercial and industrial cycle, that the basic factors are unchanged, and that apart from political events progress will be resumed in the autumn. The political situation, however, which of course we cannot forecast, may prevent improvement not merely by destroying confidence and in the stock-market, but also by actually affecting consumption, commodity prices and production. The rise in the bankrate and other short money rates, which is so marked on the chart, has not brought the index to any unusual level; it does
not indicate any further difficulty in obtaining credit (bank advances have maintained nearly the same level for some months), but is apparently due to a desire to strengthen the dollar exchange. Unless further increases are made, no serious repercussion on prices or business is to be anticipated.

The statistics of trade, output, and employment for June and the early part of July show, on the whole, a rather hesitating improvement on May, and indicate that the check that was felt in some regions in April is not seriously operative. Prices of materials have fallen slightly, but there has been no movement of importance for several months.

## UNITED STATES. HARVARD FORECAST (by cable).

THE recession in commodity prices persists, but we expect early stabilisation or even moderate upward movement. The railroads are handling record traffic for this season with general satisfaction. Except in the building
trades, wages are but moderately advanced, and complaint of marked fall in efficiency is absent. The money market continues relatively easy. This condition sustains our position that business will continue at a high level during the remainder of the year.

## RECENT MOVEMENTS OF SUBSIDIARY SERIES.

## UNITED KINGDOM.

Finance.-The index number of industrial securities has fallen with little interruption since the end of May and in the middle of July was nearly back to the level of three months before. The speculative securities have fallen more rapidly and the whole of the upward movement since last August has been lost. Town clearings have risen, as is normal in June. With the rise in the bank rate the short money index, after being low for twelve months, is back at the level of the early spring of 1922. The price of fixed
interest securities has been brought back to the March level. The figures of the nine clearing banks show an advance in each category.

Prices and Wages. - Wholesale prices of materials fell 3 points (2 per cent.) in June both on the Board of Trade and the Statist's reckoning, and the increase recorded from January and February to April has been wiped out. So far there is no indication of any recovery. For food, the Statist, which
refers to the end of June, shows a marked fall, owing in part to recent reductions in the price of sugar and imported beef; the Board of Trade Index referring to the average of the month shows a slighter fall in meat and is brought up by the seasonal rise in potatoes, which the Statist does not include.

In the cost of living index a slight rise in food, due chiefly to the turnover to new potatoes, is balanced by an estimated fall in the prices of clothing.

Wages of railwaymen and docklabourers have fallen, while those of miners have risen. In the other occupations included in the index there was no change in the month.

Trade and Output.-
IMPORTS OF RAW MATERIALS, EXCLUDING COTTON AND SUBTRACTING RE-EXPORTS.

|  | £Mn. |  |  |  |
| :--- | :---: | :---: | :---: | :---: |
|  | April | May | June | Second <br> Quarter |
| 1913 | $11 \cdot 8$ | $10 \cdot 9$ | $11 \cdot 0$ | $33 \cdot 7$ |
| 1922 | 11.5 | 14.8 | 13.4 | $39 \cdot 7$ |
| 1923 | 11.0 | 13.6 | $15 \cdot 6$ | $40 \cdot 2$ |

Imports of materials thus show a substantial rise in June. Allowing for the change in price, the quantity may be
estimated as being about 9\% below the quantity in 19I3; but in the quarter as a whole the quantity was some $20 \%$ less.

Exports of manufactured goods as a whole were in June 12\% less than in May, but the same as in April. The April figure was inflated by the inclusion of ships exported to the value of $£ 4 \mathrm{Mn}$.; apart from this the increase over April was nearly 10\%.

The output of coal and of pig-iron has been maintained in June; that of steel has fallen off perceptibly. Shipbuilding commenced in the second quarter was considerably lower than in the first quarter of this year.

Employment:-During May there was no improvement in employment according to the Trade Union index, though one had been recorded in each of the previous 5 months. In June the index fell again, but only slightly. The number of males on the Live Register of the Labour Exchanges increased in the middle of May, but in the four weeks ended July gth fell 13,000 . The numbers on Feb. I2th were I, I19,000, March I2th I,058,000, April 9th I,OI 2,000, May I4th 944,000, June Iith 954,500 and July 9 th 942,000.

# TRADE AND PRODUCTION OF THE UNITED KINGDOM IN THE SECOND QUARTER OF 1923. 

INN spite of the fluctuations shown in many of our series in recent months, it is worth while to compare the past quarter (April, May, June) as a whole, both with the first quarter of this year and with the second quarter of last year. The details are shown in the table below.

Prices of commodities taken altogether were so nearly at the same level in the three quarters considered that for comparisons involving the general purchasing power of money we need hardly take their movement into account.

The quarterly averages of prices when food is excluded, however, were by the Board of Trade's reckoning 6 points (4\%) higher in the first quarter of I923 than in the second quarter of 1922 , and rose 5 points more in the second quarter; by the Statist's reckoning the rise was less.

The wholesale prices of food, on the the other hand, have fallen about 20 points ( $12 \%$ ) in the twelve months; retail prices (as recorded by the Ministry of Labour) followed after a considerable interval, being kept up by the usual
winter conditions, and in the twelve months fell about $7 \%$, as did the Cost of Living Index as a whole. Rates of wages, which had preserved part of their advantage over prices in the first half of 1922 , fell some $13 \%$ in the twelve months; in some cases (in particular wages of railway men and of compositors) they have remained relatively high, but in others there has been a considerable fall and the general average (for the reduced week) shows about the same increase over 1914 as does the Cost of Living Index.

The total imports of food had nearly the same value in the three quarters considered ; since in this case the prices have fallen, the quantities show a considerable increase in the twelve months. In spite of unemployment the population continues to be adequately fed. The imports of materials on the other hand, were low in the last quarter ; this movement is dominated by raw cotton, for when cotton is eliminated the figures are

|  | 1922 |  | 23 |
| :---: | :---: | :---: | :---: |
|  | 2nd Qr. | 1st Qr. | 2nd Qr. |
| BANK CLEARINGS : (as on p. 15) | £ Mn. | £ Mn. | £ Mn. |
| Town ... ... ... . | 5950 | 6080 | 5760 |
| Country ... ... ... ... | 639 | 665 | 667 |
| Provincial | 331 |  |  |
| NEW CAPITAL ISSUES ... | 21 | 14 | 19 |
| IMPORTS: <br> Materials retained | 58 | 67 | 48 |
| Food and Tobacco retained ... | 117 | 121 | 123 |
| Total,* less re-exports . | 227 | 245 | 226 |
| EXPORTS, BRITISH : Materials... | 24 | 30 | 37 |
| Manufactures ... ... | 130 | 143 | 146 |
| Total* ... ... ... | 166 | 185 | 197 |
| EXCESS OF IMPORTS : <br> Goods and Bullion | 60 | 56 | 32 |
| TONNAGE OF SHIPS (with cargoes) : |  |  |  |
| Entered ... ... ... ... | 1124 | $1068$ | 1307 |
| Cleared ... ... ... | 1425 |  | 1859 |
| PRODUCTION : |  | Mn . Ton |  |
| Coal <br> Pig-iron | 58 | \| 71 |  |
| Pig-iron <br> Steel | $\begin{aligned} & 1-171 \\ & 1267 \end{aligned}$ | 1745 2144 | $\begin{aligned} & 2059 \\ & 2338 \end{aligned}$ |
| Shipbuilding (commenced) | 000 Tons |  |  |
|  | 39 | 355 | 241 |

[^7]$£ 40 \mathrm{Mn}$., $£ 43 \mathrm{Mn}$., $£ 40 \mathrm{Mn}$. in the three quarters. On this test the position is the same as a year ago.

Exports of British produce as a whole have shown a progressive increase, of which a considerable part is due to coal exports. Of manufactures, exports in the June quarter of this year are little better ( $5 \%$ when cotton is excluded) than in the March quarter, though some small amount to the South of Ireland is included.

The excess of imports over exports (in both cases of all kinds, including bullion) was only $£ 32 \mathrm{Mn}$. in the second quarter of this year, but in the half year was $£ 88 \mathrm{Mn}$. as compared with $£ 76 \mathrm{Mn}$. in the first half of 1922 .

The few statistics of production available show very marked progress. The output of pig-iron has increased $76 \%$ and of steel $85 \%$ in the twelve months. Shipbuilding has also recovered to some extent, but is still very far below capacity.

| INDEX NUMBERS. | 1922 | 1923 |  |
| :---: | :---: | :---: | :---: |
| Percentage of pre-war level. | 2nd Qr. | 1st Qr. | 2nd Qr. |
| PRICES :- 160 158 160 |  |  |  |
| General-Board of Trade | 160 | 158 | 160 159 |
| Materials-Board of Trade ... | $155$ | $\begin{aligned} & 161 \\ & 150 \end{aligned}$ | 166 151 |
| Food-Board of Trade | 171 | 154 | 151 |
| Statist ... | 180 | 162 | 161 |
| Retail-Food ... | 174 | 171 | 161 |
| Cost of Living | 182 | 176 | 169 |
| Wage Rates | 202 | 177 | 177 |
| STOCKS AND SHARES, price :Industrials | 132 | 157 $\dagger$ | 167 |
| Speculative | 157 | 163 | 163 |
| Fixed interest | 81 | 81 | 85 |
| SHORT MONEY | 65 | 51 | 50 |
|  | End of quarter. |  |  |
| UNEMPLOYMENT- |  |  |  |
| Trade Union percentage: Engineering and Shipbuilding |  | 22.2 |  |
| Other Industries ... ... | $8 \cdot 1$ | $6 \cdot 9$ | $5 \cdot 4$ |
| All ... ... ... ... ... | 15.7 | $12 \cdot 3$ | $11 \cdot 1$ |

[^8]The estimated consumption of coal for domestic use was :-

|  |  | 1913 <br> Mn. tons | 1922 <br> Mn. tons | 1923 <br> Mn. tons |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1st Quarter <br> 2nd Quarter | $\ldots$ | $\ldots$ | 49 | 42 | 45 |

Employment has improved very markedly in a year, the index of unemployment having fallen by more than onefifth (from 15.7 at the end of June in 1922 to II•I at the end of June, 1923 ).

The actual record of production and employment thus shows quite considerable progress in twelve months, and a not unimportant improvement during 1923. How far this progress is likely to be maintained in the near future is discussed in other parts of the Bulletin.

In the Bulletin for May (p. 8) we gave a summary of the value of the chief articles exported, showing in each case the value received by each important purchasing country, for the first quarter of 1923, compared with the first quarter of igri3. In this number the corresponding comparisons are made for the second
quarters.* For study of the change of trade with the separate countries reference must be made to the May Bulletin, but the following table summarizes the total exports of each of the commodities included. Among " other countries" in the table the South of Ireland is included in the second quarter of this year.
exports of principal manufactures from TBE UNITED KINGDOM.

|  | $1913$ <br> Quarters |  | $1923$ <br> Quarters |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 1st | 2nd | 1 st | 2nd |
|  | £000's | £000's | £000's | £000's |
| China and Earthenware | 833 | 874 | 1361 | 1544 |
| Pig Iron and Ferro Alloys | 1198 | 1328 | 1786 | 1966 |
| Plates and Sheets | 478 | 644 | 1204 | 1915 |
| Galvanised Sheets | 2509 | 2663 | 3029 | 3194 |
| Sheets (Tinned, etc.) | 1807 | 1970 | 2888 | 3245 |
| Copper Manufactures Tin (Blocks, etc.) | 501 | 467 | 639 | 708 |
| Rail Locomotives (Steam and other) | 697 567 | 686 | 825 840 | 907 731 |
| Machine Tools (Prime Movers, not electrical) | 1367 | 1444 | 1169 | 996 |
| Textile Machinery ... ... | 1899 | 2130 | 5088 | 4111 |
| Miscellaneous Machinery | 2336 | 2433 | 3326 | 3097 |
| Cotton Yarn ... | 3725 | 3787 | 5130 | 5040 |
| Cotton Piece Goods | 24041 | 24716 | 35991 | 34108 |
| Wool Tops and Worsted Yarn | 2166 | 2176 | 2750 | 2973 |
| Wool and Worsted Tissues | 5712 | 4497 | 10607 | 8899 |
| Linen Piece Goods | 1670 | 1509 | 1827 | 1841 |
| Apparel $\quad$. $\quad .$. | 2614 | 2038 | 2387 | 2348 |
| Boots and Shoes ... Leather | 1083 | 921 | 777 | 876 |
| Leather | 832 | 842 | 1033 | 1058 |
| Paper ... | 483 | 470 | 979 | 967 |

* The total trade with each country cannot be given till after the publication of next month's trade returns.

Value of chief articles exported in the second quarters of 1913 and 1923 to the principal countries concerned.


## THE INDEX OF INDUSTRIAL SECURITY PRICES.

FOUR indices of monthly changes during 1922 and 1923 in the market value of industrial securities are shown on the accompanying chart. The Index Numbers are all expressed as percentages of December 192I and the lines are so drawn that equal slopes represent equal percentage changes in the several series.

All four series show a general upward tendency throughout the greater part of the period. The rise was rapid during the Ist and part of the 2nd quarter of 1922. It tended to become slower and even turn into a fall during the latter part of the 2nd and the 3rd quarters. The upward movement was definitely renewed during the 4 th quarter of 1922, and became most marked during the first four months of 1923 until the peak was reached (April 1923). Since that date a downward tendency has set in, corresponding to that exhibited in the corresponding period of i922, but slightly more marked.

While the directions of movement of all four series thus show a notable similarity, the degrees and range of movement vary to a greater or lesser extent, as between different series, over the whole period, and over characteristic parts of it, as is clear from the accompanying table.
PERCENTAGE CHANGES IN INDEX NUMBERS OF SECURITY PRICES.

| INDEX NUMBERS. | $\begin{gathered} \text { I. } \\ \text { Dec. } 1921 \\ \text { to } \\ \text { Ap'. }^{2} 1922 \end{gathered}$ | $\begin{gathered} \text { II. } \\ \text { Apl. } 1922 \\ \text { to } \\ \text { Nov. } 1922 \end{gathered}$ | $\begin{gathered} \text { III. } \\ \text { Nov. } 1922 \\ \text { to } \\ \text { Apl. } 1923 \end{gathered}$ | IV. Dec. 1921 Apl. 1923 |
| :---: | :---: | :---: | :---: | :---: |
| A. Economic Service 20 Industrials | $+171$ | $+108$ | $+20 \cdot 8$ | $+568$ |
| B. Economic Review 20 Industrials | $+176$ | $-1.6$ | +19.2 | +379 |
| C. Bankers' Magazine 38 Industrials | $+18.6$ | $+12.6$ | $+14 \cdot 3$ | $+52.7$ |
| D. Bankers' Magazine All Variable Int., except railways \& banks | $+11 \cdot 3$ | + 42 | + 70 | $+24 \cdot 3$ |

Index A and Index C pursue virtually the same course throughout, the slowingup and recovery in 1922 being slightly intensified by Index A (cols. II. and III.).


The extent also of the movement of both indices over the period as a whole is almost the same (col. IV.). For most of the year 1922 a similar tendency toward coincidence obtains between Index B and Index D , the rise early in the year being accentuated by Index B, which approaches at the maximum of this rise the level obtained by Indices A and C (col. I.). From November 1922 onwards Index B and Index D differ in their rates of change (col. III.). Index D follows a slow upward course peculiar to itself, whereas Index B moves parallel with Index A. The extent of movement, however, of Indices B and D over the period as a whole is in both cases very much less
as compared with the movement during the same period of Indices A and C (col. IV.). In the case of Index B, this is due to differences in movement during the period April to November 1922 (col. II.) and in the case of Index D , to a slower movement throughout.

What, then, is the explanation of the differences which appear in the relative intensities and scope of movement of the four Indices? And in the light of such explanation, are the four Indices consistent with one another and suited to the ends for which they are made ?

The nature of the shares included in the several Indices differs in some measure and so do the methods of constructing the Indices. Certain tests which have been applied prove that the former circumstance and not the latter is the explanation of the diversity of movement. The Indices relate respectively to slightly different typos securities and represent the course of values of those types.

The London and Cambridge Economic Service Index of 20 Industrials (A), prepared by Mr. Kitchin, includes quotations of the shares of 20 longestablished companies, in good standing, operating principally, if not solely, in the United Kingdom. Companies operating the coal, iron and steel, textile, chemical and miscellaneous industries such as tobacco, brewing and cement are utilized, as also are certain public utilities. In the original index, prices are expressed as percentages of pre-war prices and averaged arithmetically. For the purpose of present comparison, the base of the combined index was changed to December ig2r. The longer method of expressing the individual series on December I92I base and averaging the results was tried for several dates during the period and the course of the index remained practically the same. The differing weights of the individual series in the index on a pre-war and post-war base is thus seen to be negligible in effect and the use of the simpler method is therefore warranted.

The Economic Review Index of 20 Industrials (B) similarly includes com-
panies of substantial position, but, contrary to the Economic Service Index (A), it comprises among them certain companies operating principally if not entirely abroad. Eight companies are common to the two indices; in the former (B), coal, iron and steel have rather less weight, public utilities are not included, and foreign, telegraph, mining, etc., take their place. The Index is constructed in the same way as the Economic Service Index. The original base is December, $192 \mathrm{I}=100$, and the shares are given equal importance as of May, 192r. Since in recomputing the Economic Service Index on the 192I base did not alter its course, the differences between it and the Economic Review Index cannot be due to the differing importance given to series common to both.

The Bankers' Magazine figures which constitute the material from which the remaining two indices shown are constructed, are the revised figures published by the Bankers' Magazine since December, 1921. They are representative of current investments and take account of recent adjustments in capitalization, very numerous in 1919 and 1920. This is especially important since the figures are group aggregates of security prices each weighted according to the size of its issue. Two indices, comparable with those already discussed, have been constructed by turning certain of these weighted group aggregates into percentages on the base December, $192 \mathrm{I}=$ Ioo. The group aggregates chosen were that of 38 commercial and industrial shares (C) and the total for all variable interest shares except railways and banks (D). The former group includes shares in ordinary commercial and industrial enterprises concerned with the production and distribution of standard commodities, while the latter covers also shares in enterprises engaged in rather wider fields of risk, such as shipping, telegraphs, foreign mines and oil enterprises.

The composition of the four indices as described above explains their resemalbnces and differences. The Economic

Service Index and the Bankers' Magazine Industrials Index, buth being measures of the position of shares in what might be termed industry proper, follow practically the same course. This is most significant in view of the different methods of construction of the two indices, the amount of shares outstanding being a factor in the latter and not in the former. The Economic Reyiew Index and the other Bankers' Magazine Index, both containing elements of enterprise of a more speculative character, in turn tend to approximate to one another in their movements. Again this is true despite the fact that the one index and not the other is weighted by the amount of stock outstanding. However, inasmuch as the Economic Review Index includes a substantial number of ordinary highgrade industrials proper, it tends to diverge from the wider Bankers' Magazine Index and to approach the Economic Service and Bankers' Magazine Industrial Indices whenever movements in the particular classes of securities represented are marked. This was the case early in 1922 when there was a general advance in high grade securities and again at the end of 1922 and early in 1923 when analysis of individual series shows a general tendency for industrials
proper to rise, the rise being substantial in the case of textile, heavy chemicals, tobacco, brewery and cement enterprises and moderate in the case of electrical supply, coal, iron and steel. Foreign mining, oils, etc., which form a minor element in the Review Index and a major element in the Bankers' Magazine wider Index have been virtually stationary or even declining, with the consequence that the last mentioned Index remains below the others.

The four indices discussed, therefore, are consistent with one another and represent the course of share values of enterprises constituting somewhat different industrial groups. No single measure of the prices of industrial securities can be adequate, since the wide term industrial includes enterprises of diverse character, in which the prices of shares follow their diverse fortunes. But a series of representative mesures of the various classes of enterprises is possible. The series compiled for the London and Cambridge Economic Service seems to have shown adequately the movements of the particular class of securities to which it refers, namely those of industrial enterprises proper, concerned with staple products and operating primarily in the United Kingdom.

# REVIEW OF THE FOREIGN EXCHANGES IN THE FIRST SIX MONTHS OF 1923. 

AGLANCE at the table (p. 22) will show how profoundly the Ruhr crisis has influenced the currencies of the countries primarily affected. It has done so, not by any occult means, but by accentuating the inflationist policy of the Reichsbank, Aiscouraging "bear" speculation in francs and Marks, and the combined effects of these forces having lowered the value of the currencies concerned, a further adverse factor has been evoked in the shape of stop-loss selling by "bull" speculators who had bought their holdings previously. The stability of a currency being nowadays a matter of governmental prestige, these factors have resulted in open or concealed and more or less successful attempts at exchange pegging and the reintroduction of futile expedients to stop the fall. If, in addition, account is taken of seasonal influences at work to depress the value of European currencies, the forces at work have been fully revealed. The period of successful stabilisation of the German Mark was January-April. A bad break had already occurred in February, but this was largely overcome in March and at the end of April the exchange was I34,000 as compared with IO3,000 at the end of January. From that time onwards the descent to the present low levels has been very rapid-the Mark being worth only about one-sixth of its value in the first week of May. The result of the extraordinarily low value to which the Mark has fallen-a fall more than proportional to the increase in the note-issues, great as this is-is a steady shrinkage in the gold value of the currency and the floating debt. Thus it is shown in the official Wirtschaft und Statistik ${ }^{1}$ that during March, April and May, the amount of the floating debt and the total currency were :-

|  |  |  | $\begin{gathered} \text { March } \\ 000 \mathrm{Mn} \end{gathered}$ | $\begin{gathered} \text { April } \\ 000 \mathrm{Mn} . \end{gathered}$ | $\begin{gathered} \text { May } \\ 000 \mathrm{Mn} . \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Floating debt | $\ldots$ | $\ldots$ | 8,274 | 10,292 | 12,902 |
| Currency | $\ldots$ | $\ldots$ | 5,543 | 6,605 | 8,644 |

[^9]whilst the value in gold Marks was :-

|  |  | March <br> 000 Mn. | April <br> 000 Mn. | Mn. <br> 000 Mn. |  |
| :--- | :--- | :--- | :---: | :---: | :---: |
| Floating debt <br> Currency | $\ldots$ | $\ldots$ | 1,693 | 1,975 | 1,579 |
|  | $\ldots$ | $\ldots$ | 1,134 | 1,267 | 1,058 |

The value of the franc fell sharply between January and February, and then was almost completely stable in April and May. Throughout June there was a steady fall in the value, which continued into July, The note issue of the Bank of France has remained very steady throughout the period; inflation is not therefore one of the causes at work, among which seasonal influences must certainly be included. The immediate outlook for this currency, as for the Mark, depends upon the outcome of the Reparations negotiations now proceeding. In spite of a falling note circulation, the Italian exchange has recently been giving way, in consequence, no doubt, of seasonal influences as well as of "sympathetic" sales induced by the Ruhr crisis. Apart from the German Mark, the Belgian franc has most given way among the "Reparations" currencies.

A somewhat distressing picture is presented by the movement of the Swiss franc. Even at the beginning of this year the rate was still well above pre-war parity, it is now well under it, in spite of the fact that sterling has also been falling in terms of dollars. There is some reason to fear that the Swiss currency has not been well managed recently ; in any case, towards the end $\mid$ there was a marked rise in the volume of currency, and as compared with last year, the note circulation now is about ioo Mn. francs. larger.

There is a clear synchronisation between the sterling-dollar, sterling-florin and sterling-Swedish-crown exchanges. The rise in the value of sterling in terms of dollars was accompanied by a rise in the value of sterling in terms of these two currencies also. In terms of all three the pound is now below the value it had attained at the beginning of the year though this difference is not very marked,

It remains to be seen what influence will be exerted by the recent rise of the Bank rate to 4 per cent. ; the immediate effect has been to lower the value of the dollar in the London market. There has been a consistent rise in the sterling value of the Czech crown, which is now about what it was in August of last year.

The Eastern and South American exchanges hardly call for detailed comment, since the net movements have been relatively small. Brazilian and Argentine currencies are both falling in value, the Argentine peso more markedly than the milreis, since the former has fallen by
$5 \%$. The Bombay exchange is below the opening rate of the year, whilst the Japanese yen has risen in value, but not markedly.

The general conclusion to which one arrives is that, apart from the Reparations currencies and those of Eastern Europe, a considerable degree of stabilisation has been reached. A settlement of the Reparations question would, without doubt, ease the exchange situation, partly by checking panic sales, mainly by creating the better political atmosphere necessary before reform schemes can be undertaken.

## UNITED STATES

## (Harvard Economic Service)

general business conditions.

BOTH the speculative and money curves declined in June. Of these two movements, the second is the significant one for the immediate future of business.

Since last August, a rise in money rates had accompanied the expansion of business. This is a normal development in a period of prosperity, and further advances are to be expected before the present prosperity comes to an end. In May, however, the money market showed a softening tendency, and in June quoted rates on commercial paper declined more than the usual seasonal amount. The cause for this temporary downward movement is clearly to be found in the slowing down of business in March and April and the recession in commodity prices during recent months. So long as money and banking conditions respond, by greater ease, to such developments, the maintenance of business at prosperous levels is to be expected. We therefore forecast firm or rising wholesale commodity prices, and firm or rising interest rates, for the remainder of 1923.
(Extracts from letter of June 30, 1923.)
Under present money conditions, the decline of the speculative curve since the peak in March is not to be interpreted as unfavourable for business developments during the remainder of 1923. Our position regarding stock prices was expressed in our Letter of March 3I (see No. IV). The rise of interest rate; since last fall has affected security prices adversely, and more recently other unfavourable factors have depressed the stock market; but while money conditions continue to be comparatively easy, the beginning of a major downward movement of business will be postponed for some time. The decline in June was due to decreases in both components of the curve-New York bank debits, which are used to measure the volume of speculative activity, and industrial stock prices. The decline in the money curve was due to a decrease in commercial paper rates which exceeded the usual seasonal decline.

Sharp recessions in stock prices followed the irregular movements of the first part of June. The decline
between June 11 and June 27 amounted to 8.8 per cent. ( 8.56 points) for industrials and 7.1 per cent. ( 6.03 points) for rails.

Bond prices fluctuated narrowly during the first half of June, but have receded during the latter half of the month. The rally in April and May has more recently called forth a substantial increase in the issue of new securities, and this at least partially accounts for the movement of bond prices in June.

Despite a high rate of manufacturing and mining production, active retail trade and a large volume of distribution (as shown by large car loadings)-all of which require a large volume of funds, especially in view of a higher level of prices than prevailed a year ago-the money market may still be characterized as relatively easy. True, interest rates have risen under the stimulus of prosperous business; but they are not high, and during June have declined in response to the recent slowing down in business.

Commercial paper rates, which throughout April and May had remained at approximately the levels reached at the end of March, declined in June. The prevailing rate is now 5 per cent. Time loans on the stock exchange declined $\frac{1}{4}$ of one per cent. between the middle of May and the middle of June. The average call-loan rate declined in April and May, and in June was only slightly above the rate in May. Evidence of increased ease in the money market is likewise found in the issuance of 6 -months Treasury certificates in June at 4 per cent. The portion of the March issue maturing in 6 months was made at $4 \frac{1}{4}$ per cent.

Banking developments also indicate greater ease in the demand for funds. Commercial loans have declined moderately since the middle of May, a decrease at least partially explained by summer seasonal factors. Collateral loans outside New York City, which
moved up sharply the first week in May, fell from 2,554 million dollars on May 2 to 2,504 millions on June 13 .

The result of the May flotation of Treasury notes was to raise the amount of United States securities held by the reporting member banks 122 million dollars, as shown by the amount of such investments held on May i6. During the next four weeks these holdings declined 43 million dollars.

Another factor showing the lack of pressure upon the money market is the failure of borrowings from the federal reserve system to increase substantially above the levels of last December.

Federal reserve notes in circulation have not increased by the amount which is usually required to finance spring demands. This is due, not to a decreased volume of such demands, but to an increased circulation of other forms of currency. Circulation of other currency rose 153 millions between February i and June I. Of this advance, 108 millions is accounted for by increases in the circulation of gold and silver certificates.

The slowing down of business in March and April, accompanied by an unsettlement of business opinion, and the decline of 4 per cent. in general commodity prices (according to Bradstreet's index) between April I and June I, have not resulted, as the beginning of the price recession did in 1920, in increasing the demand for funds. Money rates have eased, and not hardened, in response to these unfavourable developments in the business situation. The latter are therefore to be regarded as merely temporary; for it is only when declining commodity prices and sharply rising interest rates appear in conjunction that we may expect a major recession in business. For this reason, the June decline in money rates furnishes valuable evidence that business prosperity will continue.


FINANCE．

|  | STOCKS \＆SHARES． |  |  |  |  | BANK CLEARINGS． |  |  |  |  |  | OTHER BANKING． |  |  |  |  |  | MONEY． |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Index Numbers of <br> Per cent．of pre－war level $£ \mathrm{Mn}$ ． |  |  |  |  | London Bankers＇Clearing House． |  |  |  | Provincial． |  | Bank of England． |  | 9 Clearing Banks． |  |  |  |  |  |  |
|  |  |  |  |  |  | Town． |  | Country． <br> £Mn． |  | 5 Towns．£Mn． |  |  |  |  | $\begin{aligned} & \dot{8} \\ & \text { 品 } \\ & .0 \\ & \ddot{A} \\ & \ddot{A} \end{aligned}$ <br> £Mn． |  | 部 <br> 合 <br> £Mn． |  |  |  |
| $\begin{gathered} 1913 \\ \text { Average... } \end{gathered}$ | 100 | 103 | 100 | 100 |  | 913 | ＊ | 107 | ＊ |  | ＊ | 41 |  |  |  |  |  | 100 | 3.55 | $4 \cdot 38$ |
| $1919$ | 154 | 162 | $79 \cdot 5$ | 126 | $14 \cdot 7$ | 1220 | 1160 | 239 | $224$ | 129 | 121 |  |  |  |  |  |  | 93 | $2.88$ | 3.50 |
| FEB．．． | 156 | 166 | 79.0 | 127 | 14 9.6 | 1090 | 1080 | 227 | 224 | 133 | $119$ | 120 |  |  |  |  |  | 95 | 3.19 | 3.53 |
| MARCH | 155 | 169 | $77 \cdot 0$ | 130 | 11.0 | 1140 | 1085 | 232 | 239 | 127 | 121 | 126 | 393 |  |  |  |  | 91 | 2.75 2.88 | 3.50 3.53 |
| APRIL ．．． | 155 | 182 | 76.8 | 130 | 5.0 | 1050 | 1020 | 220 | 223 | 115 | 116 | 117 | 410 |  |  |  |  | 93 | 2.88 | 3.53 3.53 |
| MAY | 166 | 196 | $77 \cdot 2$ | 130 | $15 \cdot 6$ | 1220 | 1220 | 262 | 260 | 127 | 131 | 112 | 423 |  |  |  |  | 93 | 2.94 2.50 | 3.53 3.28 |
| JUNE | 165 | 202 | 74.0 | 135 | $13 \cdot 9$ | 1340 | $12 \% 0$ | 247 | 254 | 141 | 145 | 128 | 425 |  |  |  |  | 88 | 2.50 | $3 \cdot 28$ |
| JULY | 165 | 225 | 71.7 | 139 | $21 \cdot 9$ | 1520 | 1600 | 304 | 286 | 154 | 151 | 113 | 420 |  |  |  |  | 87 | $2 \cdot 38$ | 3.25 |
| AUG． | 173 | 220 | 69.8 | 143 | $14 \cdot 1$ | 1340 | 1580 | 260 | 273 | 145 | 164 | 100 | 418 |  |  |  |  | 95 | 3.06 | 3.63 |
| SEPT | 170 | 223 | $69 \cdot 3$ | 144 | 6.7 | 1450 | 1510 | 254 | 276 | 156 | 164 | 89 100 | 412 |  |  |  |  | 96 103 | 3.31 2.88 | 3.72 4.56 |
| OCT． | 183 | 261 | 70.9 | 141 | 12.3 | 1580 | 1640 | 288 | 268 | 176 | 174 | 100 | 420 |  |  |  |  | 103 | 2.88 4.38 | 4.56 5.81 |
| NOV | 187 | 258 | 69•3 | 144 | $26 \cdot 3$ | 1750 | 1810 | 301 | 292 | 182 | 184 | 103 | 423 |  |  |  |  | 1319 | 4.38 | 5.81 5.56 |
| DEC． | 194 | 268 | 69.1 | 145 | $37 \cdot 1$ | 1690 | 1800 | 316 | 336 |  |  | 138 | 429 |  | $\underset{\text { avai }}{\mathrm{N}}$ |  |  | 119 | 3.00 | 5．56 |
| JAN． 1920 | 214 | 295 | 68．8 | 145 | $30 \cdot 1$ | 1990 | 1800 | 336 | 314 | 229 | 213 |  | 423 |  |  |  |  | 123 | 3.63 | $5 \cdot 63$ |
| EEB． | 205 | 269 | $67 \cdot 7$ | 148 | 31.9 | 2070 | 1960 | 329 | 323 | 259 | 231 | 132 | 413 |  |  |  |  | 130 | 4.50 | 5.72 |
| MARCH | 199 | 250 | 63．0 | 159 | $65 \cdot 1$ | 1950 | 1850 | 329 | 339 | 248 | 237 | 127 | 426 |  |  |  |  | 123 | $3 \cdot 50$ | 5.75 |
| APRIL | 189 | 235 | 62． 5 | 160 | $44 \cdot 7$ | 2050 | 1990 | 317 | 320 | 221 | 222 | 123 | 440 |  |  |  |  | 135 | 3.19 | 5.94 |
| MAY | 175 | 222 | 63.6 | 157 | $19 \cdot 1$ | 1940 | 1940 | 322 | 320 | 213 | 220 | 99 | 449 |  |  |  |  | 151 | $5 \cdot 25$ | $6 \cdot 34$ |
| JUNE | 162 | 221 | $63 \cdot 3$ | 158 | $21 \cdot 3$ | 1940 | 1840 | 307 | 316 | 208 | 214 | 133 | 458 |  |  |  |  | 147 | 4.41 | 6.66 |
| JULY | $16)$ | 219 | $64 \cdot 7$ | 155 | $41 \cdot 7$ | 1780 | 1880 | 324 | 305 | 205 | 202 | 120 | 468 |  |  |  |  | 151 | 4.88 | $6 \cdot 63$ |
| AUG． | 152 | 222 | 63.4 | 158 | 6.5 | 1810 | 2060 | 301 | 317 | 190 | 215 | 124 | 464 |  |  |  |  | 147 | $4 \cdot 38$ | 6.69 |
| SEPT． | 155 | 222 | $62 \cdot 9$ | 159 | 18.4 | 1930 | 2000 | 301 | 326 | 192 | 202 | 123 | 457 |  |  |  |  | 154 | $5 \cdot 12$ | 6.78 |
| OCT． | 156 | 218 | $61 \cdot 7$ | 162 | 24.2 | 1880 | 1940 | 325 | 303 | 186 | 185 | 124 | 462 |  |  |  |  | 151 | 4.75 | 6.66 |
| NOV | 138 | 182 | 61.5 | 163 | 23.4 | 1860 | 1920 | 301 | 292 | 172 | 174 | 113 | 460 |  |  |  |  | 154 | $5 \cdot 31$ | 6.78 |
| DEC． | 129 | 176 | 62．0 | 161 | 4.8 | 1780 | 1900 | 271 | 288 | 142 | 1／3 | 126 | 469 |  |  |  |  | 151 | 4.69 | 6.78 |
| $\begin{array}{r} 1921 \\ \text { JAN. .. } \end{array}$ | 125 | 170 | $64 \cdot 1$ | 156 | 11.3 | 1960 | $18 \% 0$ | 289 | 270 | 153 | 142 | 123 | 461 | 1810 | 362 | 845 | 317 | 151 | 4.81 | 6.69 |
| FEB． | 115 | 158 | $64 \cdot 4$ | 155 | 7.0 | 1790 | 1700 | 270 | 265 | 134 | 120 | 114 | 444 | 1754 | 329 | 844 | 316 | 162 | 6.50 | 6.66 |
| MARCH． | 119 | 173 | $64 \cdot 8$ | 154 | 18.0 | 1660 | 1580 | 247 | 254 | 126 | 121 | 107 | 444 | 1715 | 282 | 863 | 312 | 154 | 5.75 | 6.38 |
| APRIL | 123 | 186 | 66.0 | 151 | $4 \cdot 6$ | 1740 | 1690 | 256 | 259 | 108 | 109 | 114 | 449 | 1710 | 275 | 852 | 309 | 151 | $5 \cdot 50$ | 6.12 |
| MAY | 121 | 166 | 66.7 | 150 | 6.5 | 1740 | 1740 | 219 | 217 | 97 | 101 | 145 | 445 | 1729 | 304 | 840 | 307 | 135 | $4 \cdot 38$ | 5.53 |
| JUNE | 122 | 166 | $65 \cdot 8$ | 152 | $15 \cdot 2$ | 1790 | 1700 | 206 | 212 | 94 | 97 | 131 | 434 | 1768 | 351 | 814 | 308 | 139 | $4 \cdot 19$ | 5．59 |
| JULY | 117 | 156 | 66．0 | 152 | $5 \cdot 7$ | 1730 | 1830 | 216 | 203 | 99 | 98 | 135 | 432 | 1785 | 378 | 812 | 306 | 123 | $4 \cdot 12$ | 5.09 |
| AUG． | 118 | 148 | $65 \cdot 6$ | 152 | 1.5 | 1570 | 1790 | 205 | 215 | 103 | 117 | 114 | 433 | 1764 | 380 | 799 | 302 | 115 | $4 \cdot 19$ | 4.75 |
| SEPT． | 113 | 141 | $65 \cdot 8$ | 152 | $2 \cdot 8$ | 1680 | 1740 | 209 | 227 | 118 | 124 | 130 | 422 | 1771 | 400 | 786 | 302 | 101 | 2.75 | 4.09 |
| OCT． | 103 | 139 | $66^{\circ}$ | 152 | $19 \cdot 3$ | 1760 | 1820 | 226 | 210 | 118 | 117 | 135 | 417 | 1802 | 410 | 787 | 306 | 106 | 3.50 | $4 \cdot 12$ |
| NOV． | 105 | 146 | 66．7 | 150 | $4 \cdot 9$ | 1910 | 1970 | 223 | 216 | 115 | 116 | 106 | 415 | 1793 | 431 | 774 | 311 | 99 | 3.63 | 3.91 |
| DEC． | 111 | 152 | $69 \cdot 7$ | 140 | 3.4 | 1750 | 1870 | 209 | 222 | 104 | 105 | 141 | 422 | 1818 | 429 | 762 | 315 | 90 | $2 \cdot 44$ | $3 \cdot 50$ |
| $\begin{array}{r} 1922 \\ \text { JAN. .. } \end{array}$ | 112 | 141 | $72 \cdot 1$ | 139 | $27 \cdot 4$ | 2120 | 2020 | 240 | 225 | 112 | 104 | 130 | 416 | 1826 | 440 | 752 | 333 | 90 | 263 | $3 \cdot 47$ |
| FEB． | 118 | 146 | 76.7 | 131 | 6.6 | 2100 | 2000 | 220 | 217 | 117 | 105 | 137 | 403 | 1802 | 404 | 748 | 357 | 85 | 2.00 | $3 \cdot 22$ |
| MARCH．． | 119 | 149 | $77 \cdot 9$ | 128 | 9.6 | 2180 | 2070 | 221 | 228 | 117 | 112 | 116 | 401 | 1747 | 351 | 746 | 369 | 86 | $3 \cdot 12$ | $3 \cdot 34$ |
| APRIL ．．． | 130 | 162 | 80．8 | 124 | $5 \cdot 9$ | 2200 | 2140 | 208 | 210 | 111 | 112 | 118 | 407 | 1737 | 320 | 745 | 378 | 70 | $2 \cdot 13$ | 2.55 |
| MAY． | 133 | 157 | 81.3 | 123 | $9 \cdot 0$ | 1790 | 1790 | 223 | 222 | 118 | 122 | 126 | 399 | 1745 | 325 | 736 | 392 | 64 | 1.75 | 2.31 |
| JUNE | 133 | 151 | 80.7 | 124 | 6.0 | 1960 | 1860 | 208 | 215 | 102 | 105 | 110 | 400 | 1755 | 346 | 723 | 388 | 62 | $2 \cdot 10$ | 2.44 |
| JULY | 136 | 144 | $81 \cdot 1$ | 123 | $12 \cdot 1$ | 1860 | 1970 | 233 | 219 | 119 | 117 | 112 | 401 | 1730 | 335 | 721 | 386 | 48 | 1.58 | $1 \cdot 87$ |
| AUG． | 138 | 147 | $80 \cdot 0$ | 125 | $\cdot 8$ | 1730 | 1970 | 202 | 212 | 109 | 123 | 112 | 400 | 1688 | 306 | 714 | 390 | 51 | $1 \cdot 88$ | $2 \cdot 14$ |
| SEPT． | 136 | 153 | $77 \cdot 8$ | 129 | 4.7 | 1730 | 1800 | 200 | 217 | 103 | 109 | 113 | 391 | 1660 | 296 | 711 | 381 | 54 | 1.79 | $2 \cdot 56$ |
| OCT． | 139 | 153 | 78.5 | 128 | 7.7 | 1860 | 1920 | 221 | 206 | 118 | 118 | 112 | 391 | 1686 | 309 | 724 | 370 | 51 | 1.58 | $2 \cdot 40$ |
| NOV． | 144 | 151 | 79.4 | 126 | $5 \cdot 6$ | 1850 | 1910 | 215 | 209 | 115 | 116 | 110 | 387 | 1667 | 298 | 732 | 365 | 55 | 1.91 | $2 \cdot 63$ |
| DEC． | 150 | 154 | $78 \cdot 7$ | 127 | 5.0 | 1730 | 1840 | 205 | 219 | 108 | 109 | 115 | 393 | 1685 | 298 | 733 | 360 | 51 | 1.29 | 2.59 |
| 1923 JAN．． | 155 | 159 | $80 \cdot 2$ | 125 | 1.7 | 2010 | 1920 | 224 | 209 | 119 | 111 | 134 | 383 | 1693 | 320 | 726 | 358 | 48 | 1.21 | 2.28 |
| FEB． | 156 | 161 | 81.1 | 123 | 1.2 | 2030 | 1920 | 220 | 217 | 124 | 110 | 107 | 378 | 1644 | 286 | 736 | 349 | 53 | $1 \cdot 79$ | 2.54 |
| MARCH． | 160 | 169 | $81 \cdot 5$ | 123 | 10.9 | 2040 | 1930 | 221 | 228 | 124 | 118 | 109 | 380 | 1596 | 250 | 742 | 333 | 53 | 1.92 | 2.43 |
| $\begin{aligned} & \text { APRIL } \\ & \text { MAY } \end{aligned}$ | 165 | 169 | 83.6 | 120 | $5 \cdot 9$ 4.8 | 2060 | 2000 | 232 | 235 | 119 | 120 | 108 | 387 | 1606 | 249 | 744 | 327 | 52 | 1.98 | $2 \cdot 11$ |
| $\begin{aligned} & \text { MAY ..... } \\ & \text { JUNE } \end{aligned}$ | 167 | 161 | 85．0 | 118 | 4.8 | 1800 | 1800 | 219 | 217 | 111 | 114 | 107 | 387 | 1608 | 262 | 743 | 325 | 49 | 1.63 | 2.07 |
| JUNE ．．． | 169 | 160 | $85 \cdot 3$ | 117 | 8.2 | 1900 | 1800 | 216 | 223 | 110 | 114 | 109 | 388 | 1638 | 271 | 747 | 331 | 48 | 1.40 | $2 \cdot 05$ |
| JULY ．．． | 161 | 147 | 81.6 | 123 |  |  |  |  |  |  |  | 108 |  |  |  |  |  | 77 | $2 \cdot 42$ | 3.55 |
| SEPT． |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| OCT． <br> NOV |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| DEC．．．．．．．． |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

＊NORMAL SEASONAL CHANGE REMOVED．
Exclusive of Investments in Affiliated Banks．
For Table of Exchanges see p． 22.
STOCKS \＆SHARES－

NEW CAPITAL ISSUES－
BANK CLEARINGS－

BANK OF ENGLAND－
PRINCIPAL BANKS－
SHORT MONEY INDEX－

Index Nos．of Prices and Yield as percentage of 1013 average ；on last day of month to Dec．，1922，subsequently 15th of month．－PIEEPARED BY JOSEPH KITCHIN．
Issues during month in U．K．，for U．K．，excluding Government loans，etc．－See MONTHLY REVIEW OF THE Total of Town Cleairing AND MIDLAND BANK，LIDD．
2 Stock Exchange settlement days，Cons Metropolitan）of London Bankers＇Clearing Houso for 3 weeks covering 2 Stock Exchange settlement days，Consols settlement day，and 4th of following month．Total of Country Clearings of London Bankers Clearing House for 4 weeks ending approximately at end of month．Total of Provincial Clearings for Birmingham，Bristol，Liverpool，Manchester，Newcastle，for four－weekly periods as above．
Bank Notes
＂Current，Deposit anrency Notes in circulation 11th－17th of month．
the National Bank，Ltd．）Averages for the month of 9 clearing banks（i．e．－－cxcluding Average of Average of Bank Rate，Bankers＇Deposit Itate， 3 Months Bill rate and day－to－day rate for week ending 15 th of


For Table of F. Exchanges see p. 22. For July, 1923, averages for week ending 14th are shown above.

PRICES AND WAGES.


* NORMAL SEASONAL VARIATION REMOVED.

PRICE OF SILVER-
BOARD OF TRADE INDEX-From Jan., 1920, Gcometric Mean of Wholesale Prices (arerages for month) of 150 commoditles as percentage of 1913 average. For 1919, old Board of Trade Index.-DOARD OF TRADE JOURNAL,

STATIST (SAUERBECK)
INDICES-
COST-OF-LIVING INDEX-

Average wholesale prices of 10 foodstuffs and 26 raw materials on last day of month, as percentage of average for 1913.-STATIST.

Ministry of Labour's index showing movement in cost of maintaining unchanged the standard of living prevalent for working-class households before the war. For 1st of month, but placed against previous month-e.g., reading for March 1st is shown against February-to facilitate comparison with "Statist" index.
As above, for food only.
Average of index-numbers (as percentage of July, 1914) of rates of wages for normal week of (a) bricklayers and labourers, (b) engineering fitters and labourers, (c) compositors, (d) dock labourers, (e) rallwaymen, (f) woollenworkers, (g) cotton-workers, (h) miners, and (i) agricultural labourers. In general includes changes reported up to end of month. From March, 1922, includes those reported by the middle of the month.-PREPARED BY professor bowley.


Scale Applicable to all lines. From April, 1923, Import and Export Figures affected by changed status of S. Ireland.

TRADE AND OUTPUT.

|  | (vas |  |  |  |  | Ports (Values). |  |  |  | UTPut. |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | $\begin{gathered} \text { tatar. } \\ \text { tactures. } \\ \text { sman } \end{gathered}$ | $\begin{aligned} & \text { Mincele ele } \\ & \text { fivel } \end{aligned}$ |  |  | $\begin{array}{l\|l} \text { Raw } \\ \text { Materials. } \\ £ \mathrm{Mn} . \end{array}$ | Manu- factures. <br> £Mn. |  | Tons <br> Mn. |  | (000 |  |
| ${ }^{\text {Average. }}$ | 24.6 * | 22.5 * | 168* | 64.1 |  |  |  |  | 43.8 |  | ¢9 |  |  |
|  | ${ }^{55} 5.3{ }^{56} 5$ | 48.5 39.6 | 29:9 $30 \cdot 8$ | 134.5 |  |  |  |  |  |  | 597 |  |  |
| MEBCÖ |  |  | ${ }_{\text {a }}^{\text {23,4 }}$ | (1065 |  |  | 8.6 8.6 .1 6.6 8.1 | , ${ }_{42}{ }_{48,4}$ |  |  | ¢626 | ${ }_{7}^{734}$ |  |
|  |  |  |  | ${ }^{112516} 11.9$ |  | 成13. |  | (enter |  | 17.4 | 606 6 | ${ }_{6}^{688} 6$ | 660 |
|  | 73.279.0 |  | 25.085 .0 |  |  |  |  |  |  |  |  |  |  |
| ${ }_{\substack{\text { Jut } \\ \text { dug. } \\ \text { dept }}}$ | ${ }^{73.2} 878$ | 54.3.9.8.8 |  | ${ }_{\text {1493. }}^{125}$ | lic. | ${ }^{2}$ | (11.0 80.7 |  | ${ }_{7}^{65 \cdot 8}$ | 170 | $\begin{gathered} 598 \\ \hline 771 \\ 597 \end{gathered}$ | ${ }_{6}^{567} 4$ |  |
| SECT. | ${ }^{660} 6.0{ }^{60 \cdot 3}$ | ${ }_{57} 51.1560$ | \% ${ }^{28.2} 29.6$ | ${ }_{1}^{14565}$ | ${ }_{105}^{1050}$ |  | 11.610 .7 | ${ }_{6}^{51} 6.659 .7$ |  | ${ }_{18}^{17.2}$ | + 402 |  |  |
| NEC. |  | ${ }_{72}^{57.4} 89.9$ | (ers | ${ }_{1}^{1435}$ | ${ }_{1}^{135 \cdot 5}$ |  | (11.8 1176 |  | 87.1  <br> $90 \cdot 9$ 86 <br> 985  <br> 9  | 18.0 | ${ }_{571}^{583}$ | 668 |  |
| ${ }^{1920}$ JAN. |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 俍 |  | 79:678.8 |  | 17704 |  |  |  |  |  | li9.4 |  | 677 779 779 |  |
| ${ }_{\text {APRLI }}$ | ${ }^{57.4} 560.4$ | 71.6729 <br> 60.5 <br> 6.9 |  | ${ }_{\text {l }}^{1767}$ | - 170.8 | 4:0 ${ }^{4}$ | 12.2 18.1 | ${ }^{88} 78.7818$ | ${ }^{1067} 1109 \%$ | ${ }_{18,4^{\circ}}$ | 626 | ${ }_{7} 794$ |  |
| JUNE | ${ }^{67 \%} 685$ | ${ }_{579} 67.96$ | ${ }^{40 \cdot 6} 49 \cdot 9 \cdot 19$ | ${ }_{170}^{166}$ | ${ }_{176 \%}^{172 \%}$ | 4.0 4.8 | ${ }^{13 \cdot 2} 18.6$ | ${ }_{991}^{1007} 1100^{10.2}$ |  | ${ }_{190}^{18.90}$ | ${ }_{678}^{667}$ | ${ }_{7} 875$ |  |
| ${ }^{\text {JULY }}$ JUG | ${ }^{69.4} 68.3$ | ${ }^{519} 19.960 .0$ | ${ }^{41} 40.415$ | ${ }_{1651}^{163}$ | ${ }_{170 \cdot 1}^{176.1}$ | ${ }^{4} 5.5$ | 12.6182 | 11900114 | 137.51319 | 18.2 | 701 | 208 |  |
| ${ }_{\text {Sex }}^{\text {SEPT }}$ | ${ }^{6619} 67.7$ |  |  | 1553:8 | ${ }^{1660}$ |  | $10 \cdot 510.5$ 9.5 9.4 |  | 114.9 1117.7 1175 1159 |  | 680 692 | ${ }_{811}^{759}$ |  |
|  |  | 46.6 | ${ }_{36}{ }^{36.0} 8$ | ${ }_{144}^{1496}$ | ${ }_{134}^{14.0}$ |  | ${ }_{94}^{9 \cdot 6}$ |  | - $112 \cdot 3$ | 9:3 | ${ }_{476}^{482}$ | 463 |  |
| DEC | 59.3 56.0 | 48.639 .7 | 344635 | 142.7 | 1314 | ${ }^{3} 88$ | $12 \cdot 3$ 12:3 | $78.881 \%$ | ${ }_{96 \cdot 6} \quad 99 \cdot 5$ | 18.3 | ${ }_{616}$ | ${ }_{71} 1$ |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | 25.524 <br> 17.7 <br> 17.5 <br> 10.5 <br> 17.9 |  | ${ }^{933} 8$ |  | $\begin{array}{lll}3.1 \\ 3.9 \\ 2.9 \\ 3 & 3 \\ 3\end{array}$ | $\begin{aligned} & 5 \cdot 9 \\ & 5 \cdot 8.1 \\ & 5 \cdot 9.9 \\ & 5.9 \end{aligned}$ | $\begin{aligned} & 58.26 .3 \\ & 570 \\ & 50.3 \\ & 50.8 \end{aligned}$ |  | $\begin{aligned} & 175 \cdot 4 \\ & 16.4 \\ & 16.4 \end{aligned}$ | $\begin{aligned} & \frac{9}{646} \\ & 398 \end{aligned}$ | 484 342 3 |  |
|  |  | (16.7 16.9 | 20.4. 20.1 | -90.0 |  |  | ${ }_{1}^{29} 1$ | 52.0 <br> 38.7 <br> 596 <br> 596 | $\begin{array}{ll}59.9 & 643 \\ 43.1 \\ 43 \\ 4\end{array}$ | $\stackrel{\square}{\square}$ | 56 12 |  |  |
| junt |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $\underset{\text { SEPi }}{\text { AUG }}$ |  | 19.6 |  | ${ }_{88}^{88}$ | 91: |  | $\begin{array}{ll} 2 \cdot 8 & 7.7 \\ 7 \cdot 1 \\ 7 \end{array}$ | $\begin{array}{ll}36 \cdot 7 \\ 39.9 & 35 \\ 38\end{array}$ | $43 \cdot 2$ 41 <br> $51 \cdot 3$ 49 | 17.20 | ${ }_{85}^{10}$ | ${ }_{310}^{110}$ |  |
| OCT, |  |  |  | ${ }_{84}^{86}$ |  |  |  |  | 62.3 | 16.5 | +148 |  |  |
| DEC: |  | ${ }^{29} 9$ | ${ }_{18}^{179}{ }_{18} 188$ | ${ }_{85}^{89} 3$ | ${ }_{8}^{88.7}$ |  | 7.0 7.4 7 |  |  | ${ }^{179}$ | ${ }_{254}^{253}$ | 373 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ¢ |  |  |  | 76.5 87.9 | , 78.0 |  | $\begin{array}{ll} 70 \\ 6 \cdot 9 & \gamma \cdot 1 \end{array}$ |  |  |  | 260 <br> 300 |  |  |
| ( APRIL |  |  |  | ${ }_{88.6}^{88.9}$ | 8 |  |  |  | 64.6 55.6 59.7 69.6 | $19.3{ }^{\circ}$ | 367 |  |  |
| JUNE |  | - | 20.2 <br> 189 <br> 19.9 <br> 9.7 | ${ }_{88}^{88 \cdot 7}$ | ${ }^{97 \%}$ | $\begin{array}{lll}3.0 & 3.6 \\ 3.0 & 3.4\end{array}$ | $\begin{array}{ll}8.8 \\ 77 & 8.4 \\ 8.1\end{array}$ | ${ }^{455 \cdot 1} 408$ | $\begin{array}{ll}58.0 \\ 52 \cdot 1 & 59.2 \\ 65 \cdot 8\end{array}$ | ${ }_{17}^{19.7}$ | $\begin{aligned} & 368 \\ & 3445 \end{aligned}$ | ${ }_{883}^{407}$ | - 39 |
| JULY |  | $24 \cdot 28.0$ 24.1 80.0 80.4 |  | ${ }_{8}^{81.8}$ | ${ }_{88}^{850}$ | $\begin{array}{lll}2 \cdot 8 \\ 3: 1 & 2.6 \\ 2 / 8\end{array}$ | 8.0 8.9 8.8 9.8 | ${ }^{48 \cdot 6} 4465$ | 60.4 60.0 | ${ }_{18}^{18} 6$ | 373 | 443 |  |
| ${ }_{\text {Sex }}^{\text {SEPT }}$ |  |  | 19.2 19.7 19.7 | ${ }_{85}^{769}$ | 88:2 |  | $\begin{array}{ll}10.1 & 9.9\end{array}$ | 48.4 | ${ }_{625}^{625}$ |  |  |  |  |
| NOV. | ${ }^{4} 42.5159$ | 30.2 <br> 32.59 .9 <br> 265 |  | $\begin{aligned} & 850 \\ & 9596 \\ & 9496 \end{aligned}$ |  |  | ${ }^{10.1} 10.0$ | ${ }^{52} 5$ | ${ }^{60 \cdot 4} 86$ | ${ }_{21}^{21.9}$ | ${ }_{461}^{435}$ | 51 |  |
| 1 |  |  |  |  |  |  |  | $44 \cdot 946$ |  | $20 \cdot 3$ | 482 | 559 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }_{\text {cter }}^{\text {Masciel }}$ |  | $\frac{277274}{20.0}$ | 19.520 .1 <br> 2129 <br> 219 | 83.9 90.0 |  |  | $\begin{array}{ll}9.5 & 9.9 \\ 11: 6 \\ 1176\end{array}$ |  | $\begin{aligned} & 57 \cdot 5 \quad 60 \cdot 2 \\ & 60 \cdot 9 \\ & 697 \end{aligned}$ | $22 \cdot 7^{\circ}$ | $\begin{aligned} & 512 \\ & \hline 125 \\ & 572 \end{aligned}$ |  | 355 |
|  |  |  | $\begin{aligned} & 21497.1 \\ & 21.6273 \\ & 21.2918 \end{aligned}$ | $\begin{aligned} & 900 \\ & \hline 8.4 \\ & 88.5 \\ & 89.9 \end{aligned}$ |  |  |  |  |  |  | $\begin{aligned} & 572 \\ & \begin{array}{c} 509 \\ 675 \end{array} \\ & \hline 69 \end{aligned}$ | 771 7793 773 |  |
| $\begin{aligned} & \text { JuLY } \\ & \text { SUGY } \\ & \text { SEFT. } \\ & \text { SECT. } \end{aligned}$ |  |  |  |  |  |  |  |  |  |  |  | 719 |  |

## N.B.-From April 1923, Import and Export figures are affected by changed status of S. Ireland (see Bull. V, p. 5.

* NORMAL SEASONAL CHANGE REMOVED
Tanc:


| Trade Union UNEMPLOYMENT. | IRON \& Steel. | Dock Labour. | SEamen, |  |
| :---: | :---: | :---: | :---: | :---: |
| All Trades. \% of members | Changes in shifts worked month by month. \% | Average daily numbers employed (London). $00$ | Number shipped during month, excluding S. Ireland. $00$ |  |

FOREIGN EXCHANGES.

|  | AVERAGE OF DAILY RATES. |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\dagger$ Paris <br> f. to $£$ | $\dagger$ Rome <br> 1. to £ | + Berlin <br> M. to £ | $\dagger$ Amsterdam fl. to $£$ | Prague kr , to £ | tBerne f. to £ | $\begin{aligned} & \text { tStock- } \\ & \text { holm } \\ & \text { kr, to £ } \end{aligned}$ | $\left\|\begin{array}{c} \text { New York } \\ \text { S to £ } \end{array}\right\|$ | tBuenos Aires d. to \$ | Rioce Janeiro d. per mil. | Bombay <br> d. per rup. | Hongkong <br> d. per $\$$ | $\left\lvert\, \begin{gathered} \text { Yoko- } \\ \text { hama } \\ \text { d. peryen } \end{gathered}\right.$ |
| Parity ... | 25*2215 | $25 \cdot 2215$ | 20.43 | $12 \cdot 107$ | 24.02 | $25 \cdot 2215$ | $18 \cdot 159$ | 4.866 | 48.57 | 27 | 24 | - | 24.58 |
| $1919 .$ | 25.98 | $30 \cdot 31$ |  | 11.31 |  | 23.09 | 16.52 | 4•766 | $51 \cdot 36$ | $13 \cdot 13$ | 18.03 | $39 \cdot 38$ | 25.91 |
| FEB. | 25.99 | $30 \cdot 31$ |  | 11.53 |  | 23.24 | 16.87 | $4 \cdot 765$ | 51.27 | 13.23 | 18.03 | 37.79 | 25.79 |
| MAR. | 26.70 | 31.50 |  | 11.58 |  | 23.08 | 17.05 | 4.714 | 51.41 | 13.36 | 18.03 | 37.39 | 25.67 |
| APRIL | 27.92 | 34.49 |  | 11.53 |  | 23.00 | 17.35 | -4.658 | 51.55 | 13.63 | 18.03 | 39.66 | 26.23 |
| MAY | 29.48 | 37.33 |  | 11.75 |  | 23.53 | 18.05 | -4.662 | 51.99 | 14.46 | 19.29 | 41.50 | $26 \cdot 43$ |
| JUNE | 29.63 | 36.92 |  | 11.82 |  | 24.57 | 17.94 | - 4.617 | 51.20 | 14.57 | 20.03 | 42.44 | 26.54 |
| JULY | 30.89 | 37.35 |  | 11.69 |  | $24 \cdot 75$ | 1780 | -4.429 | 52.02 | 14.51 | 20.03 | 42.56 | 27.33 |
| AUG. | 33.47 | 39.37 | 88.8 | 11.37 |  | $24 \cdot 15$ | 17.35 | -4.276 | 53.76 | 14.36 | 21.36 | $45 \cdot 53$ | 28.08 |
| SEPT. | $35 \cdot 39$ | $40 \cdot 82$ | $100 \cdot 9$ | 11.20 |  | 23.44 | 17.06 | - 177 | 55.33 | 14.52 | 23.03 | 49.08 | 29.35 |
| OCT. | 35.98 | 42.47 | 113.5 | 11.05 |  | 23.43 | 17.24 | . $4 \cdot 181$ | 55.23 | 14.77 | 24.36 | 51.79 57.05 | 29.03 |
| NOV. | 38.53 | 48.20 | 1605 | 10.88 |  | 22.67 20.57 | 17.81 17.93 | 4.094 3.803 | 57.10 61.52 | 16.56 17.83 | 25.02 27.93 | 57.05 60.96 | 29.38 31.61 |
| DEC. | 41.03 | 49.63 | 181.8 | 10.08 |  | 20.57 | 17.93 | . 3803 |  |  |  |  |  |
| $\begin{aligned} & 1920 . \\ & \text { JAN. } \end{aligned}$ | 42.99 | 51.31 | 231.1 | 9.76 |  | $20 \cdot 69$ | 17.76 | 3.677 | 6360 | 17.80 | $28 \cdot 17$ | $61 \cdot 24$ | $32 \cdot 30$ |
| FEB. | 48.05 | 61.26 | 329.3 | 9.08 | 338.4 | 20.57 | 1819 | 3.378 | $70 \cdot 19$ | 18.37 | $32 \cdot 36$ | 68.75 | 34.43 |
| MARCH | 51.85 | 69.95 | 304.4 | $10 \cdot 10$ | 318.9 | 21.81 | 18.27 | 3.739 | 64.40 | 17.57 | 29.56 | 61.54 | 30.96 |
| APRIL | $60 \cdot 35$ | 88.99 | $238 \cdot 3$ | 10.62 | 251.1 | 21.84 | 17.99 | 3.933 3.848 | 60.27 | 16.51 | 27.84 25.83 | - 51.10 | 29.40 31.86 |
| MAY | 56.59 | $75 \cdot 34$ | $182 \cdot 8$ | 10.54 10.73 | 208.9 169.5 | 21.73 21.71 | 18.18 18.13 | 3.848 3.949 | 60.16 58.16 | 15.13 | 23.59 | 44.78 | 31.00 |
| JUNE | $50 \cdot 19$ | 66.75 | 154.0 | 10.73 | 169.5 | 21.71 | 18.13 | -3.949 | 58.16 | 1513 |  | 44.78 |  |
| JULY | 47.49 | 67.07 | 153.2 | 11.06 | $176 \cdot 1$ | 21.02 | 1769 | 3.857 | 56.60 | 14.26 | 22.60 | 44.77 | $31 \cdot 71$ 33.84 |
| AUG. | 50.42 | 74.22 | 172.2 | 10.00 | $207 \cdot 7$ | 21.78 | 1760 | 3.622 3.521 | 57.29 57.77 | 13.81 12.61 | 22.73 | 50.95 51.35 | 33.84 34.94 |
| SEPT. | $52 \cdot 10$ | 80.10 | 199.3 2378 | 11.22 11.27 | 239.5 275.8 | 21.63 21.65 | 17.42 | 3.221 3.476 | 56.16 | 12.29 | 21.85 | 48.50 | 35.06 |
| NOV. | 53.12 57 | 95.15 | $264 \cdot 85$ | 11.36 | 289.8 | $22 \cdot 11$ | 18.00 | 3.434 | 53.31 | 13.58 | 20.60 | 46.89 | $35 \cdot 37$ |
| DEC. | 59.28 | 101•17 | 256.45 | $11 \cdot 26$ | $298 \cdot 3$ | 22.82 | 17.82 | -3.498 | 53.41 | 10.61 | 17.40 | 37.97 | 33.71 |
| JAN. | 58.55 | 105.33 | 243.7 | 11.37 | $296 \cdot 3$ | 23.89 | 17.54 | 3.739 3.785 | $50 \cdot 50$ | 9.90 | $17 \cdot 65$ | 35.55 | 30.90 29.94 |
| FEB. | 54.01 | $106 \cdot 08$ | 236.2 | $11 \cdot 35$ | 303.2 | 23.72 | 17.43 | 3.785 3.906 | 47.62 | 9.56 | $15 \cdot 50$ | 29.16 | 29.60 |
| MARCH ... | 55.35 | $103 \cdot 43$ | 243.4 | 11.36 | 297.5 287.6 | 23.00 22.63 | 17.22 16.69 | 3.906 | 44.56 | ${ }^{8} \cdot 63$ | 15.60 | $30 \cdot 35$ | 29.49 |
| APRIL MAY | 54.22 47.50 | $85 \cdot 14$ 75.28 | 246.0 | $11 \cdot 18$ | 275.2 | 22.28 | 16.94 | 3.977 | 43.01 | 8.42 | 15.47 | 30.23 | 28.98 |
| JUNE | 46.88 | $75 \cdot 72$ | $257 \cdot 1$ | 11.34 | $270 \cdot 1$ | 22.25 | 16.87 | 3.795 | $44 \cdot 72$ | $7 \cdot 77$ | 15.52 | 31.04 | $30 \cdot 26$ |
| JULY | $46 \cdot 52$ | $80 \cdot 37$ | 278.6 | 11.43 | 277.2 | 21.04 | 1727 | 3.628 3.649 | 43.53 | 7.17 8.07 | 15.36 | 32.40 32.95 | 31.75 31.82 |
| AUG. | 47.02 | 84.69 | $305 \cdot 4$ | 11.78 | 297.0 | 21.69 21.62 | 17.32 17.08 | 3.649 3.723 | 45.20 | 8.34 | 17.20 | 33.42 | 31.04 |
| SEPT. | 51.52 53.41 | 88.57 97.83 | 399.9 576 | 11.57 | $3195 \cdot 5$ | 21.18 | 16.82 | 3.882 | 45.44 | 8.52 | 17.00 | 34.82 | 29.55 |
| NOV. | 54.97 | 96.20 | 1019.9 | 11.36 | 382.2 | $21 \cdot 10$ | $17 \cdot 10$ | 3.965 | 44.65 | 7.88 | 16.22 | $32 \cdot 56$ | 29.02 |
| DEC. | 52.69 | 93.92 | 798.7 | 11.44 | $336 \cdot 1$ | 21.42 | 16.92 | $4 \cdot 174$ | 43.45 | $7 \cdot 60$ | 15.95 | 31.63 | $27 \times 13$ |
| $\begin{aligned} & 1922 . \\ & \text { JAN. } \end{aligned}$ | 51.85 | 96.97 | 808.8 | 11.50 | 244.6 | 21.73 | 16.93 | 4.221 | 43.63 | 7.37 7.49 | 15.86 | 31.55 | 27.42 26.07 |
| FEB. | 50.27 | 90.01 | 894.9 | 11.60 | 234.0 | 22.26 | 16.70 | 4.351 | $45 \cdot 57$ | 7.49 7.72 | 15.59 15.30 | 29.59 | 26.07 26.02 |
| MARCH | 48.63 | 85.96 | $1262 \cdot 3$ | 11.56 | $252 \cdot 4$ | 22.48 | 1673 | 315 | 44.01 | 7.63 | $15 \cdot 18$ | 30.08 | $25 \cdot 78$ |
| APRIL | 47.82 | 82.72 | $1281 \cdot 6$ | 11.63 | 225.4 231.1 | 22.69 23.15 | 16.95 17.25 | 4.415 4.446 | 44.49 | 7.58 | 15.61 | 31-29 | 25.64 |
| MAY | $48 \cdot 77$ | 84.83 | $1297 \cdot 3$ | 11.51 | 231. 6 | 23.15 23 | 17.23 | 4.450 | $44 \cdot 16$ | 7.42 | 15.61 | 30.80 | $25 \cdot 83$ |
| JUNE | 51.13 | $90 \cdot 45$ | 14481 | 11.49 | $231 \cdot 6$ | 23.39 | 17.25 | 4.450 | 4 | , |  |  |  |
| JULY | 53.94 | 97-14 | $2176 \cdot 7$ | 11.46 | $205 \cdot 2$ | 23.27 | 17.13 | 4.448 4.464 | $44 \cdot 17$ $44 \cdot 25$ | 7.47 7.32 | 15.67 15.62 | 31.39 30.95 | $25 \cdot 82$ $25 \cdot 70$ |
| AUG. | 55.75 | 98.54 | $4675 \cdot 9$ | 11.49 | 155.7 138.4 | 23.44 23.58 | 16.96 16.73 | 4.464 4.430 | 43.93 | 6.78 | 15.57 | 30.97 | 26-18 |
| SEPT. | 57.88 | $103 \cdot 94$ | 6513.0 | 11.41 | 138.4 134.4 | 23.58 | 16.73 | 4.430 4.436 | $44 \cdot 16$ | $6 \cdot 18$ | 15.67 | 30.34 | 26.51 |
| OCT. | 5990 65.48 | $105 \cdot 94$ $101 \cdot 00$ | 13815.6 | 11.39 11.40 | $131 \cdot 1$ | 24.33 | 16.66 | 4.472 | $44 \cdot 16$ | 6.47 | 15.84 | 28.97 | 25.96 |
| NOV. | 65.48 | 101.00 91.48 | 34323 | 11.59 | 149.8 | 24-38 | $17 \cdot 12$ | $4 \cdot 617$ | 44.71 | $6 \cdot 32$ | 16.00 | $27 \cdot 74$ | $25 \cdot 54$ |
| DEC. .. | $63 \cdot 79$ | 91.48 | 34323 |  |  |  |  |  |  |  |  |  |  |
| $\begin{aligned} & 1923 . \\ & \text { JAN. } \end{aligned}$ | 69.46 | $95 \cdot 17$ | 81200 | 11.76 | $162 \cdot 5$ | 24.78 | 17.32 | -4.655 | 43.87 | 5.90 5.88 | 16.36 16.28 | 27.51 26.96 | $25 \cdot 15$ 24.73 |
| FEB. | 76.38 | $97 \cdot 22$ | 130300 | $11 \cdot 86$ | 158.7 | 24.93 | 17.63 | 4.690 4.696 | 43.21 43.07 | 5.79 | 16.13 | 27.72 | 24.75 |
| MAR. | 74.59 | 96.94 | 99100 | 11.89 | $158 \cdot 2$ | $25 \cdot 26$ $25 \cdot 53$ | 17.65 | 4.650 4.655 | 42.94 | 5.54 | 16.15 | 28.07 | $25 \cdot 14$ |
| APRIL ... | 69.86 | $93 \cdot 88$ | 113700 | 11.88 | 156.0 | 25.65 | $17 \cdot 36$ | - 4.625 | $42 \cdot 40$ | $5 \cdot 42$ | $16 \cdot 12$ | 28.33 | $25 \cdot 47$ |
| MAY ... | $69 \cdot 73$ | $95 \cdot 57$ | 213900 | 11.82 | $155 \cdot 3$ | 25.65 | 1736 |  |  |  |  |  |  |
| Week euding |  |  |  |  |  |  |  |  |  | $5 \cdot 31$ | $16 \cdot 11$ | 27.53 | $25 \cdot 53$ |
| June 9 ... | 71.71 | 99•10 | 347500 | 11.79 11.78 | 154.7 154.5 | $25 \cdot 65$ $25 \cdot 68$ | 17.37 17.37 | $\begin{aligned} & 4.627 \\ & 4.613 \end{aligned}$ | $42 \cdot 12$ | $5 \cdot 39$ | 16.14 | 27.69 | 25.52 |
| ,, $16 .$. | 72.39 | 99.23 101.66 | 448200 597500 | 11.78 11.78 | 154.0 | 25.72 | 17.40 | 4.615 | $42 \cdot 10$ | 5.50 | $16 \cdot 14$ | 27.68 | 25.67 |
| " $23 .$. | 74.31 | 103.50 | 677500 | 11.74 | $153 \cdot 8$ | $25 \cdot 85$ | 17.36 | 4.598 | 41.91 | 5.70 | $16 \cdot 14$ | $27 \cdot 30$ | 25. |
| " $30 .$. | , |  |  |  |  |  |  |  |  | $5 \cdot 61$ | $16 \cdot 15$ | $27 \cdot 10$ | $25 \cdot 60$ |
| July 7 .. | 77.53 | $105 \cdot 70$ | 854500 1073000 | 11.64 11.71 | $\begin{aligned} & 151 \cdot 3 \cdot \\ & 152 \cdot 1 \end{aligned}$ | $\begin{aligned} & 26.32 \\ & 26.45 \end{aligned}$ | 17.31 | $\begin{array}{r} 4.564 \\ 4.583 \end{array}$ | 41.03 | $5 \cdot 47$ | 16.15 | $27 \cdot 14$ | $25 \cdot 54$ |
| ," 14 .. | 77.83 | 108.80 | 1073000 |  |  |  |  |  |  |  |  |  |  |

+ In series thus marked, the monthly figures for June, 1920 -December, 1922 , are averages of 4 weekly rates as given in the Board of Trade Journal. These weekly rates are averages of daily quotations in the Times except from May to Dec., 1922 when the


## PROVISIONAL PROGRAMME FOR 1923.

## MONTELY BULLETIN.-To be issued between 20 th and 25 th of each month, with a Supplement issued about 7 th of the following month.

The Bulletin will contain charts, tables and comments dealing with the current trade position in the United Kingdom and in America (by cable from the current Harvard Service).

The Supplement will contain charts, tables and comments dealing with European countries and the latest available British figures.

The statistics in the bulletin will embrace finance (stock prices, exchanges, bank activities, etc.), prices and wages, inland and sea transport, output, trade and employment.

QUARPERLY SUMMARY AND REVIEW.-To be issued with the Bulletin in the first month of each quarter, from April, 1923, onwards, containing a review of the preceding quarter, brief articles on such matters as capital issues, movement of exchanges, movements of foreign trade, and public finance during that quarter, and charts and tables covering longer periods.

## SPEOLAL MEMORANDA:

Tariff Changes in Relation to British Trade,-By T. E. Gregory.
Stocks of Staple Commodities.-By J. M. Keynes and R. B. Lewis.
Harvest Results and Prospects.-By Sir William Beveridge and R. B. Forrester. Each of the foregoing will, it is hoped, appear every sir monthy.

Seasonal Movements in Finance, Trade and Production.
The Time-Relation between British and American Trade Movements.
The Coal Trade.
The Iron and Steel Trade.
Shipping.
The Cotton Trade.

Special memoranda on these and other subjects are being arranged for, and will appear from time to time. They will not necessarily all appear during 1923.

The Executive Committee cannot guarantee the fulfilment of this programme, and reserves the right to vary, reduce or add to it as circumstances require.

# LONDON \& CAMBRIDGE ECONOMIC SERVICE 

 ISSUED IN CO-OPERATION WITH THE HARVARD UNIVERSITY COMMITTEE ON ECONOMIC RESEARCH
## SUPPLEMENT TO MONTHLY BULLETIN

SPECIAL QUARTERLY ISSUE-
VOLUME I. NUMBER VII. AUGUST 2nd, 1923

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UNITED KINGDOM.
Additional Figures published since July 22nd, 1923.

## Stocks and Shares.

| Price of 20 Industrials ... 161\% |  |  | End July, 1923. |
| :---: | :---: | :---: | :---: |
| ,, | 8 Speculative ... | 145\% | , , " |
|  | 4 Fixed Interest | 83\% | " ", |
| Yield on |  | 121\% | , |

## Money.

Short Money Index ... $71.7 \%$ Week ending July 28th. Day to Day Rate ... $2.00 \%$,, ", Three Months Rate ... 3•18\% ,, ", "

## Prices.

Silver (bar)—cash $30^{\circ} 91 \mathrm{~d}$. Week ending July 28th.
"Times" Index (Wholesale).

| Food | $157 \%$ | $158 \%$ | June 30th. July 31st. |  |
| :--- | :--- | :---: | :---: | :---: |
| Materials | $160 \%$ | $154 \%$ | ,", | ", |
| Total | $159 \%$ | $156 \%$ | ,, | , |

## Exchanges.

| Week ending | Paris | Rome | Berlin | Amsterdam |
| ---: | :---: | :---: | :---: | :---: |
| July 21st ... | $78 \cdot 27$ | $106 \cdot 5$ | $1,352,000$ | $11 \cdot 71$ |
| July 28th... | $77 \cdot 46$ | $104 \cdot 9$ | $3,030,000$ | $11 \cdot 68$ |

Exchanges-continued.

|  | Prague | Berne | Stockholm | New York |  |
| :--- | :---: | :---: | :---: | :---: | :---: |
| July 21st... | 153.6 | 26.17 | 17.30 | 4.594 |  |
| July 28th... | $15+1$ | $25 \cdot 70$ | 17.23 | 4.594 |  |
| B.Aires Rio deJ. Bombay |  |  |  |  |  |
| H. Kong Y'k'hama |  |  |  |  |  |
| July 21si... | 40.35 | 5.43 | 16.13 | 27.04 | 25.47 |
| July 28th... | 40.32 | 5.39 | 16.11 | 26.99 | 25.50 |

Unemployment

| Males. |  |  | Nos. on Live Register. |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Gt. Britain. |  |  |  |

## FRANCE.

## Information communicated by M. LUCIEN MARCH, Directeur Honoraire de la Statistique Générale de la France.

$$
\text { July, } 1923 .
$$

THE rise in the foreign exchanges, which as in previous years shows a definite recurrence in the summer, does not yet seem to have had any marked influence upon business.

Money market activity in June improved as compared with May. The revenue from the tax on Stock Exchange transactions increased; likewise Parisian current accounts in the Bank of France (Debits plus Credits) and the total of bills presented at the Clearing House. If the amounts recorded during the first half year are compared with those of the corresponding period of 1922 a considerable increase is evident and the volume of business even seems to have passed the level reached in I92I.

Government Funds remained unchanged, while fixed interest securities recovered in July after the fall in the previous months ; compared with a year ago, the rise has been considerable, and prices have exceeded those of earlier years at the same season. Variable dividend shares suffer from the uncertainty of the political situation. In July the tendency was not unfavourable and, generally speaking, share prices current in the first half of 1923 have been much higher than in the same period of 1922 or even of 1921. In these circumstances the money market maintains normal activity free from feverishness; Contango rate, which is rather higher than a year or two years ago, remains nearly stationary. There is no change in


## FINANCE.

Value of Stocks and Shares,
Clearing House Returns.-
Index numbers for end of month till February, 1923, subsequently for 15 th of month Tndex numbers for end of month til Fobruary, 1923, subsequentiy for 15 th of
Exchanges.-
Monthly average of daily rates in Paris. (In 1919, mean of monthly maximum and minimum
Bank of France
RICES.
Retail.
[France.
TRADE, OUTPUT, TRANSPORT \& EMPLOYMENT.


* Fiom January, 1922, Import flgures are based upon declared values. Export figures are based upon 1919 official prices until May, 1922 , then 1921 official prices. Since July, 1922, an estimate has been made in all cases allowing for increased prices
1 Imports and Exports registered in Alsace. Lorraine in 1919 were not included
were included. \& Estimated Values.


## France


advances and balance of deposits of the Bank of France; new issues were of little importance in June, and, apart from those for reconstruction purposes in the devastated areas, the total was less in the first half of 1923 than in the corresponding months of the two preceding years. Further, the total value of bills issued by the Bank of France has varied little; although a little greater than in the corresponding period of 1922, it stands lower than the figures reached in 1921 and 1920.

As observed at the beginning of this article, the foreign exchanges rose from June to July. Sterling and the dollar have surpassed the highest rates hitherto reached at the end of 1920. The external floating debt incurred at the end of the war still tends to depress the franc. Improvement in external trade consequent upon this rise in foreign currencies has,
however, been less prominent in June than in earlier months. In weight June imports were greater than those of May, and exports smaller. In value, the figure for imports is stationary ; that of exports is determined by too uncertain a method for any great significance to be attached to the monthly fluctuations. It is more interesting to make a brief comparison of the trade in the first halves of 1922 and 1923; the weight of imports registered this year was greater than last, similarly for exports where the increase is still greater- $25^{\circ} 6 \mathrm{Mn}$. Metric tons imported against 24.4 in 1922, 114 Mn . M. tons exported against 9.8 in 1922. The increase in imports is entirely due to foodstuffs and industrial raw materials, for fewer manufactures were imported this year than last. The increase in weight of exports is distributed over all classes, reaching $50 \%$ of the 1922 figure

## [France.

for food, nearly $30 \%$ for manufactures and rather more than $20 \%$ for parcel post. Imports of coal, coke and manufactured fuel were the same in the two half years under review; the failure of German deliveries was compensated by purchases in Great Britain.

As a result of the rise in prices, the increase in the value of French trade with foreign countries has been much more important than the increase in weight. According to importers' declarations (under customs' control) the value of goods imported during the first half year rose to $14,700 \mathrm{Mn}$. francs in 1923 as compared with $10,600 \mathrm{Mn}$. in 1922 , being about $40 \%$ increase. The value of exports, calculated from the fixed official values of the Customs Commission with allowance for increase in prices as indicated by importers, rose to ${ }_{14,200} \mathrm{Mn}$. francs in the first half of 1923 against IO, IOO in the corresponding period of 1922. According to these figures, the excess of imports has hardly changed from one vear to the other. The difference of 500 Mn . francs between imports and exports no doubt corresponds to direct purchases by foreigners and other elements in the balance of accounts. The increase in import values applies to all classes of goods; the relative increase has been greatest for raw materials, in imports, and foodstuffs among exports.

Shipping (tonnage of vessels) made some slight progress in June; moreover, traffic was greater for the half year than for the same period of the preceding years. Freight rates show no appreciable change.

Prices of gold and silver have moved upward parallel with the dollar. The index of the general movement of wholesale prices which had been falling since March, showed an upward tendency in June. The index for raw materials remains unchanged, but that for food has risen slowly again. Also the fall in the coal and metal group has not slackened. Comparing with earlier years, the index of wholesale prices has not yet reached the level of r 920 , although the exchange rates are higher than in that year, but the
mean index for the first half of 1923 exceeds that for the first half of both 1922 and I92 I, both for food and raw materials.

In the home market, the state of affairs indicated by the revenue from the taxes on trade bills,stock exchange transactions and turnover showed noappreciable change from May to June. Current accounts (debits and credits together) in the provincial branches of the Bank of France and the acceptances of the Bank of France are, however, improving. The revenue from the stamp duty on trade bills, actually stationary, has been greater during the first half of this year than the amount for the corresponding months of either 1922 or 1921. The total value of acceptances of the Bank of France has not changed greatly from one year to the next, but transactions on current account and provincial clearings have distinctly grown. There has been no change in the discount rate of the Bank of France.

Railway receipts and the number of trucks loaded improved slightly from May to June. During the six months, goods traffic has clearly been more important than in the same period of previous years. The tonnage carried on inland waterways has also been greater.

The circulation of postal cheques, though in excess of that of previous years, seems to have reached for the moment its maximum activity.

The output of coal, iron and steel increased in May compared with previous months, and compared with the first half of I922, that for 1923 has been greater in the case of coal, and nearly the same for iron and steel. There have been no significant changes in recent months in the consumption of coal, cotton and wool, but a reduction in that of petrol. The consumption of these materials is increasing as compared with previous years.

Workpeople have always obtained employment readily - much more so than in previous years. The index of retail prices of 13 commodities is still rising, both for Paris and the provinces. The index for the cost of living in Paris rose

France.]
between the first and second quarters of the year; it is rather higher than the averages for the first six months of Ig2I and 1922.

To sum up, the general state of revival of activity.

## GERMANY.

Information communicated by Dr. MORITZ ELSAS (Frankfurt), in consultation with Professor LOTZ (Munich) and Professor von SCHULZE-GAEVERNITZ (Freiburg).


Exports and Wholesale Prices shown as multiples of 1913 average
affairs is satisfactory, and has definitely improved as compared with last year; but for the moment speculation is hesitating and does not seem to anticipate a further

Money and Credit.-The floating debt is increasing with giant strides: whilst from January to May this year it increased monthly by about 2,000,000 Mn. Marks, during the ONEY AND last ten days of June it increased 9,000,000 Mn. in discounted Treasury Bills alone. The note issue rose from 8,564,000 Mn. Marks at the end of May to 17,291,000 Mn. at the end of June,
whereas in January the total note issue was only I,998,0гo Mn.

There is a close connection between this enhanced inflation and the flow of money into the money market, especially since the Reichsbank maintains the official discount rate at $18 \%$ per annum, whilst for day-to-day money $\frac{1}{2}$ to $1 \%$ per day is paid by private individuals. Consequently the loan of money by the Reichsbank at the official rate provides a clear profit for those who discount their bills at the Reichsbank and later pay their debts with depreciated money. The flow of money into the market has been much increased also by the quarterly payments of salaries to officials. One result of this was an extraordinary rise in the price of stocks, to which end the diversion of speculation from the foreign exchange market to the stock market contributed; thus, for example, those shares which are now the leading ones dealt with on the German exchange rose $6 \frac{1}{2}$-fold from the 25 th May to the 29th June.

The unprecedented internal currency inflation is accompanied by a correspondingly phenomenal depreciation of the Mark abroad. The Mark is now lower in value than the Austrian Krone and the Polish Mark and is in fact lower than any other currency in Europe except the Russian. This has moved the Reichsbank to make a further effort to prop up the Mark. With this action came the prohibition of free dealing in foreign exchange. Currencies, that is to say foreign gold currencies, may now only be acquired at the official exchange and the Reichsbank is in fact the only place where foreign currencies may be bought. These high exchange rates are, however, only apparent, for only a small part of the demands which reach the Reichsbank are actually satisfied. The result is that in foreign markets the Mark at times stands really lower than in Germany. Applications of foreign origin have therefore generally not been granted by the Reichsbank and internal demands have been so severely rationed that not
$5 \%$ of them have been met. This has led to purchasers of foreign currencies making even greater demands, especially by orders on joint account (Konzertzeichungen), so as to have allotted to them at all events a part of their demand.

The consequence of this attempt to support the Mark is doubtful. Not only is the ban on exchange dealings not generally enforced in the occupied area, but it remains a fact that with the ruin of German economic life the normal source for the supply of foreign currencies through the export of goods is failing, and another source, until recently also important, namely, the sale of paper Marks abroad, has also run completely dry.

Prices.-In the first half of 1923 prices have risen twenty-fold. The wholesale price index numbers at the beginning of July coincided almost exactly with the dollar index, at about 40,000 times the pre-war figure. This is true, not only of foreign goods, which have been imported and therefore obviously reflect gold prices, but also of goods of domestic origin. The food index in particular has risen so much during the last month that it has drawn near the dollar index, a sign that German agriculture calculates on a dollar basis. Some wholesale prices have lately even exceeded the world market price, e.g., hides, wool, corn.

On the other hand, the cost of living index has not yet risen proportionately. Measured by the cost of living, the paper Mark at the beginning of July had still $2 \frac{1}{2}$ times its external purchasing power measured by the dollar. The wide gap between the internal and external value augured a rapidly increasing cost of living, which we have been suffering in the last few weeks and days. Whilst workers get more and more wages, nominally securred against the movement of the exchange, the export premium, which till now filled the gap between the internal and external purchasing power of the Mark, has disappeared, and therefore the dumping of which we were accused abroad, is made impossible.

## Germany.]

FINANCE.


NOTES AND SOURCES.

## finance.

Industrial Shares, and Fixed
Interest Government Loan.- Index Numbers for middle of month. Wirtschaftskurve der Frankfurter Zeitung,
Capital Issues. - Wirtschaft und Statistik,
Post Cheque Circulation.- Post Nachrichtenblatt.
Reichsbank-Clearings.- Wirtschaft und Statistik

## Savins Banks

New York Exchange.
Short Money Index.
Second week of month.
Die Sparkasse
Monthly Averages till January, 1922, subsequently rate on 15 th of month. Wirtschaft und Statistik.
Monthly Averages of 3 months rate, daily rate, deposit rate and Reichsbank rate, on first of month.

## PRICES \& $W$ WAGES, TRADE, TRANSPORT, EMPLOYMENT.



* Including Luxemburg.
+ Excluding mining districts of Dortmund and Bonn
$\ddagger$ Comparison with earlier figures not possible owing to occupation of the Custom Houses
§ Excluding Rhineland


## NOTES AND SOURCES.

## PRICES.

Wholesale
Silver and Aluminium.Food and all items. -

## Retail

Reichs Index.Elsas Index.
Wages. -

## IMPORTS AND EXPORTS

Weight
Values in Gold Marks -
COAL OUTPUT.
SHIPPING.
RAILWAY GOODS RECEIPTS-UNEMPLOYMENT-

Monthly Averages till January, 1922, subsequently for 1st of month. Frankfurt-am-Main Metall
Index Numbers for 1st of month, Wirtschaftskurve der Frankfurter Zeitung
Excludes clothing. Eildienst des statistischen Reichsamtes,
Includes clothing. For 1st of month. Indexziffern über die Kosten der Lebenshaltung.
Wirtschaftskurve der Frankfurter Zeitung.
Wirtschaft und Statistik.
State Statistical Bureau,
Excluding Saar-Wirtschaft und Statistik,
Wirtschaftsdienst.
Wirtschaft und Statistik
Nos. receiving relief on 1st of month-Reichsarbeitsblatt. Trade Union percentage for end of month but given as for following month to be comparable

## Germany.

Production and Trade.-The predominant feature is that owing to the shortage of foreign currency of which the Reichsbank rate has reduced the supply to practically nothing imports of necessary raw materials and food have been brought to a standstill, thus causing a very serious position, especially a lack of food, since the German people are not in any circumstances in a position to live on home-produced food. This is confirmed by the complaints of the South German millers who have been compelled to restrict their output for lack of a sufficient proportion of currency.

The hampering of imports of raw materials must have the effect of bringing industry and also the export of manufactured goods to a standstill. From a technical point of view the leading importers and manufacturers, to whom London firms had until recently been giving liberal credits for their imports from overseas, are no longer able to fulfil their obligations by covering these credits, and are consequently losing their commercial standing abroad. What makes the situation more serious is that owing to the lack of credit of the German Government, the credit of the principal firms is the only foreign credit at the disposal of the country.

Social.-Whilst from January to May the number of unemployed increased, in June there was a reduction, for on ist June there were 222,000 fully, and 279,000 partly unemployed, but in the middle of June, 189,000 and 245,000 ; but it should be pointed out that the Reichs' statistics are no longer complete in consequence of the occupation of the Ruhr and the shutting down of trade. In the foregoing comparison, figures are only given for those districts for which data were available on both the dates mentioned. German wages are still below the world-level, thus, for example, the "Frankfurter Zeitung," following the "Westminster Gazette," observes that the English worker must work I.5 weeks and a German 2.5 weeks to earn the cost of a suit of clothes. An

Englishman need only work 20 minutes to earn a pound of margarine, whilst the German for a corresponding amount requires 3 hours 12 minutes. On the whole, however, when the demand for wages on a gold basis is more prevalent, these differences must disappear, as long as the labour of the under-nourished German during the same time-period is not substantially less efficient than that of the better-nourished foreigner.

Politics. - The most important artery of German economic life has been cut by the occupation of the Ruhr. The economic condition of the German State is completely unbalanced, but the economic result for France is also very doubtful. At the beginning of July a daily average of 3,700 metric tons of coke was despatched from the Ruhr as compared with a daily average of 5,500 to 5,6oo tons in June, whilst the daily output of Germany to the Entente before the occupation of the Ruhr was considerably above the forced production after the occupation. The monthly average of production for France alone was between 300,000 and 400,000 metric tons of coke and between 400,000 and 600,000 tons of coal in 1921-22*. Further, the effects of the economic crisis in Germany are making themselves felt abroad. Thus the price of copper has fallen on account of the withdrawal of German purchasers from this market in America, since Germany even in 1921 took $40 \%$ of the total American output of copper. This applies also to the demand for American agricultural products, especially wheat. Whilst abroad there is greater insistence upon a return to normal economic conditions, in Germany, in consequence of the completely destroyed social life and the inadequate purchasing power of wages, there is developing an inner political tension of a most dangerous kind, which may turn only too easily to revolutionary outbreaks, which the repeated plundering of food shops presages.

[^10]
## ITALY.

Information communicated by Professor C. OTTOLENGHI, of Turin.


THE SECOND QUARTER OF 1923.

THE predominant feature of the situation in the past quarter is instability, but with powers of resistance.

Exchanges.- The fall in the exchanges in the first half-year was not as great as during the two previous years. There was a decided fall only in April, and a rise occurred in the following
month, the dollar and sterling mean index rising to 397 and 407 in May and June, that is to the maxima recorded in 192I-22, whilst the economic and political situation in Italy is distinctly improved It is true that this high level is due to some extent to the volume of exports, which was not as great as was expected, whilst internal requirements still necessitate large imports, particularly since


SOURCES.-FINANCE.
Exchanges.
Exchanges.- Official Exchanges (Gazzetta ufficiale del Regno.
Values of Industrial Shares.-Settling prices from the Official Bulletins of the Milan and Turin Stock Exchanges
New Capital Investments
(Joint Stock Gvestments Bulletin (') Solletino di Notizie Economiche
National Clearing House
Returns.
Deposits and Current Ac-
counts (Bank of Italy).-Gazzetta ufficiale del Regno.
Savings Bank Deposits.- Bolletino di Notizie Commerciale
Eankruptcies.

xx 1919 data from the "Ufficio governativo di Statistica Agraria," subsequently three types selected from data supplied by the Milan Chamber of Commerce,
Indicates Modification of Series.
July data for prices refer to the week ending 2 th.
\& April.

Retail.
COMMERCE AND SHIPPING.
External Trade.
Port of Genoa Trade. -
UNEMPLOYMENT.

Bulletins of the Milan and Genoa Chambers of Commerce, of the Cotton Association, of the Silk AssociaBulletin of the Offices index numbers, see note on page 16 of Supp. to Bull I.
(he communes of Rome, Milan and Turin.
Ministry of Finance statistics of special import and export trade
For 1919.20 of Genoa.
pazione in Italia (cf. Bolletino del Lavoro e della Previdenza il Lavoro), then Bolletino della Disocett
the reduction of imports from Germany. The depreciation is further affected by the unfulfilled anticipation of an immediate increase in the value of the lira, which has prevented many merchants from providing themselves with foreign currency; but the principal cause of the rise in exchange remains in the privileged position of the dollar and sterling in face of the disturbed financial position in Europe, and in the abundance of lire in foreign markets, which by their very abundance and present low value have become the object of active speculation.

Prices of Industrial Shares.-The movement in the second quarter was very different from that in the first. Whilst in the first there was an improvement, in the second there were fluctuations, or, more definitely, in April a slight improvement, in May a decided fall, in June a slight improvement, compensating for the disturbed situation in the preceding month. It is noteworthy that the movement was observed in the majority of the selected industrial groups, a fact which gives it more significance. The instability of the stock market is the result of contrary forces; on the one hand the commencement of an economic improvement, on the other hand the political situation brought about in the Ruhr, and the disturbed state of the exchanges which while favouring some exporting industries, hinders the majority that depend on the importation of materials. It is interesting to note that the great improvement in the exchanges in June has not resulted in improved prices of securities; this shows confidence in the lira and a prevailing opinion that the inflation of the exchange will be of short duration.

Wholesale Prices.- The general index (end of month) shows a continuous fall during the second quarter, although the index numbers, prepared by myself, Bachi, and the Milan Chamber of Commerce, show it in varying degree according to the method of construction. To gauge the true effect, it is necessary to
observe the difference in the movement of the different groups and the nature of the causes of the changes. This examination shows that the weighted index of prices of materials rose by about three points last month through various contrary movements of industrial prices. The fall in the general index was caused by the fall in the prices of foodstuffs due to the prospects of a good harvest (as can be seen from the relevant table) and the seasonal variations in the consumption of meat. It is interesting to note that the depreciation of the exchange has had no appreciable effect even on prices. It is true that the price of coal has risen, but presumably this is due to the unforeseen demand for English coal owing to the reduction in the quantity obtained as reparations from Germany.

External Trade.-The latest data for values, which have just been published for May, show a different movement from that of April. In April there was a drop both in imports and exports, in May an increase in both. But, since the increase in imports was proportionately greater than that of exports, the balance of trade is still more unfavourable. Exports are still at a low level owing to limited production, as shown in the table; although the production of silk in 1922 was very nearly equal to that of I913, that of cotton yarn in the same year was less than before the war. The increase in imports may, on the one hand, be considered as a bad sign in that it contributes towards the depreciation in the exchange, on the other hand as a good sign inasmuch as it shows an increased demand.

## Other Index Numbers.- A new

 index, the number of Bankruptcies has been introduced into the tables. This index is significant when examined over a period of several months and compared with normal times. Clearinghouse returns for April and May are linked with the movement of the prices of shares. In April the volume of clearings was the same as in March, but in May there was a decided increase correspond-ing to the additional business done on the Stock Exchange following the critical moments on the exchange. The amount of new capital invested was somewhat better in June, but the level is in any case a low one. In June (end of month) there was an increase in the note circulation of the Bank of Italy, but this is explained by seasonal causes especially connected with the needs of silk produc-
tion. Unemployment had decreased by the Ist May from 280,000 to 270,000 , but this slight decrease is seasonal. On the other hand, the growth in trade at the Port of Genoa, shown in the general table, indicates without doubt an improvement in commerce.

The following table completes the review of the situation :-

## Statistics of the Volume of the Principal Industrial and Agricultural Products of Italy.

|  |  | Mining | and Ext | racting I | dustries. ${ }^{1}$ |  | Iron an | d Steel. ${ }^{1}$ | Text | iles. |  | gricultur | Produ | e. ${ }^{4}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Year. | Iron. | Copper. | Zinc. 000 Metr | Lead. <br> ic Tons | Iron Pyrites. | Coal | Cast Iron. 000 Metr | Steel <br> ic Tons. | $\begin{array}{\|c} \begin{array}{c} \text { Cotton } \end{array} \\ \text { Yarn. } \\ 000 \\ \text { Quintais. } \end{array}$ | Raw ${ }^{3}$ <br> Silk. <br> 000 <br> Kg. | Grain. <br> Mn. Quintals. | Wine. <br> Mn. <br> Hecto- <br> Jitres. | Oil <br> Mn. <br> Hectolitres. | $\begin{gathered} \text { Sugar. } \\ \text { Mn. } \\ \text { Quintals. } \end{gathered}$ |
| 1913 | 603 | 89 | 158 | 45 | 317 | 701 | 427 | 934 | 1,756 | 4,072 | $58 \cdot 5$ | $52 \cdot 2$ | 1.74 | $27 \cdot 3$ |
| 1919 | 613 | 17 | 66 | 32 | 372 | 1,158 | 240 | 742 | 1,554 | 2,134 | 46.2 | 35.0 | $1 \cdot 14$ | $15 \cdot 2$ |
| 1920 | 390 | 16 | 96 | 40 | 322 | 1,740 | 88 | 774 | 1,555 | 3,781 | 38.5 | $42 \cdot 3$ | 2.04 | 12.0 |
| 1921 | 279 | 23 | 63 | 28 | 448 | 1,143 | 61 | 700 | 1,369 | 3,478 | 52.5 | $31 \cdot 9$ | 1.62 | $17 \cdot 5$ |
| 1922 | * 416 | 7 | 86 | 28 | 497 | 903 | 91 | $943^{*}$ | 1,543 | 3,990 | 44.0 | $35 \cdot 6$ | $2 \cdot 74$ | $22 \cdot 6$ |
| 1923 |  | - | - | - |  |  | - | - | - | § | +54.2 | - | 12.20 | - |
| * Provisional data. <br> § Prospect of increased amount in 1523-4. |  |  |  |  | Figare calcu'ated by the Ufficio di Statistica Agraria del Ministero dell' Agricol uro. <br> $\ddagger$ Figure estimated by an important Ligurian firm producing olive cil. |  |  |  |  |  |  |  |  |  |

SOURCES. ${ }_{2}^{1}$ Rivi-ta del Servizio Minerario (Inspectorate of Mines), Rome, 1919-22.
${ }_{3}^{2}$ Associazione Cotoniera, Milan
${ }_{4}^{3}$ Associazione Seric c e Bacologica del Piemonte, Turin (data relate $t$, the commercial year ending 31st May).
${ }^{4}$ For 1913, Annuario Statistico Italiano, Rome, 1914. For subsequent years up to 1922 Alberto De Stevani-Documents relating to the financial and economic position in Italy, Libreria dello Stato. Rome, 1922.
Note.-1.-The variations in the production of raw wool cannot be measured on account of the lack (f adequate relevant statistics. Accord ng to an $\epsilon$ st mate of wor d production of raw wool, published in the Bollettino dell' Associazione dell' Industria Laniera (August, 1922), the war is given as $1,588 \mathrm{mn}$. kg , and bate Previsioni Economiche del 1923 , the annual prodnction of raw wool was 250 in 1921 Accord ng to figures published by Mortara in ( 250 mn . quintals) in 1919-1920 (the source of these figures is not given). According to datals for 1909-1918, an was at the same figure company, the wool shearing of 1918 furnished $10,000 \mathrm{mn}$. kg. of greasy wool. According to data furnished by an important wool manufacturing . of greasy wool
2 -In measuring the changes in production of grain, wine and sugar, it should be carefully observed that the 1913 barvest was above
the average.

$$
\text { July, } 1923 .
$$

The latest exchange figures relate to the period ending July 25 th. Owing to circumstances already discussed, sterling and the dollar continued to rise in relation to the lira, attaining their maximum on July 7 th, when the dollar and sterling were worth 23.83 and io8.82 lire respectively, while the average for the twentyfive days was considerably above that of the previous month. On the contrary the franc fell, though only slightly.

The firm position of industrial securities was maintained. Prices recorded in July showed a considerable increase, especially in the woollen trade group.

In the third week of the month industrial wholesale prices were stationary, except for a strong rise in the case of cotton yarn. The rise that appears, however, in the general index is due in great part to modifications introduced into the calculation of yarn prices. Among foodstuffs the drop in the price of corn should be noted.

$\square$


## PROVISIONAL PROGRAMME FOR 1923.

MONTHLY BULLEmTN.-To be issued between 20 th and 25 th of each month, with a Supplement issued about 7th of the following month.

The Bulletin will contain charts, tables and comments dealing with the current trade position in the United Kingdom and in America (by cable from the current Harvard Service).

The Supplement will contain charts, tables and comments dealing with European countries and the latest available British figures.

The statistics in the bulletin will embrace finance (stock prices, exchanges, bank activities, etc.), prices and wages, inland and sea transport, output, trade and employment.

QUARTERLY SUMMARY AND REVIRW.-To be issued with the Bulletin in the first month of each quarter, from April, 1923, onwards, containing a review of the preceding quarter, brief articles on such matters as capital issues, movement of exchanges, movements of foreign trade, and public finance during that quarter, and charts and tables covering longer periods.

## SPECIAL MEMORANDA:

Tarifi Changes in Relation to British Trade.-By T. E. Gregory.
Stocks of Staple Commodities.-By J. M. Keynes and R. B. Lewis.
Harvest Results and Prospects.-By Sir William Beveridge and R. B. Forrester. Each of the foregoing will, it is hoped, appear every six months.

Seasonal Movements in Finance, Trade and Production.
The Time-Relation between British and American Trade Movements. The Coal Trade.
The Iron and Steel Trade.
Shipping.
The Cotton Trade.

Special memoranda on these and other subjects are being arranged for, and will appear from time to time. They will not necessarily all appear during 1923.

The Executive Committee cannot guarantee the fulfilment of this programme, and reserves the right to vary, reduce or add to it as circumstances require.

# LONDON \& CAMBRIDGE ECONOMIC SERVICE 

 ISSUED IN CO-OPERATION WITH THE HARVARD UNIVERSITY COMMITTEE ON ECONOMIC RESEARCH| SPECIAL QUARTERLY ISSUE- |  |  |
| :--- | :--- | :--- |
| VOL. I. | No. X. | OCT. 23rd, 1923 |

Strictly Private.
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Not for Publication.
PUBLISHED BY THE EXECUTIVE COMMITTEE OF LONDON \& CAMBRIDGE ECONOMIC SERVICE, CARE OF THE LONDON SCHOOL OF ECONOMICS AT HOUGHTON ST., ALDWYCH, LONDON, W.C.2.

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INDEX CHART, U.K.


Board of Trade Index not available for 1919. Approximate estimates inserted

* Normal Seasonal change removed.

July fall in exported manufactures mainly or wholly due to dock strike.
HARVARD INDEX CHART, U.S.A.
(3)

## THE GENERAL BUSINESS POSITION. UNITED KINGDOM.

THE three important industries, cotton, worsted and shipbuilding, are suffering specially from want of orders, unemployment or short time. Each is affected by peculiar influences: cotton by the high price and scarcity of the raw material, worsted from an incapacity to produce goods at a price which people can afford, and shipbuilding from world-wide depression, accentuated by the long-continued boilermakers' strike. Apart from these industries the situation shows a slight improvement ; the tinplate trade is busy, the output of steel has increased, and in other industries some improvement is reported ; the unemployment index has fallen just perceptibly. The financial indicators generally show no movement. The general tone of commodity markets is firm, and they are more ready to respond to any stimulus to
a rise than to fall ; such a stimulus might be given if any significant proportion of the schemes proposed for the diminution of unemployment materialised quickly. A rise of prices seems to be more probable than a fall, and the money available (in currency or from deposits) is seen to be sufficient to carry a larger volume of trade, when comparison is made with amounts in the past. That a larger volume may be expected is suggested by the marked increase in the importation of raw materials (other than textiles). Such a growth does not depend necessarily on prices rising, but may take place at present prices. Any improvement which can be realised this autumn can hardly, however, be great enough even to restore the pre-war level of exports, and it must be a long time before the increment of the working population since 1913 is absorbed completely into employment.

## UNITED STATES. HARVARD FORECAST (by cable).

Cable not received in time for inserlion.
See page 15.

## TRADE AND PRODUCTION IN THE UNITED KINGDOM IN THE THIRD QUARTER OF 1923.

THE two tables annexed show the movements of the principal statistics which we use as indices during the past seven quarters. Since in many of the numbers there is definite seasonal oscillation, in making comparisons it is best to compare each entry with that of a year before as well as with that immediately preceding it.

The trading of the past quarter, both in securities as indicated by town clearings, and in goods as indicated by country and provincial clearings, shows some falling off, whether comparison is made with
the previous quarter (which was influenced to some extent by price inflation) or with the third quarter of last year. The reaction after the improvement in the early part of the year is visible. Capital issues, however, show a slight increase upon 1922, when those for operation abroad are included.

Prices of commodities, both wholesale and retail, show little movement during the 21 months but only temporary oscillations, with the possible exception of wholesale food prices, which fell in the middle of 1922. Prices of industrial

## NET IMPORTS OF RAW MATERIALS.

VALUE IN £Mn.

securities rose in 1922, but there has been little movement, apart from the inflation in the spring, during the last eight months.

The table of Imports and Exports brings to light some remarkable facts. The imports of cotton have been remarkably low, and wool has also been subject to special influences which are discussed on pp. 8-io. When these are excluded it is seen that the total value of imports of other materials has been greater in 1923, quarter by quarter, than in 1922 , and that the value in the last quarter was specially high. If we make similar exclusions for
exports of manufactures, we find that the residuum in the second quarter is much greater in 1923 than in 1922, and, in spite of some fall in the most recent months, is also greater in the third quarter than a year ago.

The conclusion appears to be that, while some important industries are in serious difficulties, trade in the great miscellany of manufactures on which exports depend has this year made considerable progress. The amounts, both of imported materials and of exported manufactures, are no doubt still below

## EXPORTS OF BRITISH MANUFACTURES.

VALUE IN £Mn.

|  | 1922 |  |  |  | 1923 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1st Qr. | 2nd Qr. | 3rd Qr. | 4th Qr. | 1st Qr. | 2nd Qr.* | 3rd Qr.* |
| Cotton ... | $45 \cdot 68$ | 44.74 | 50.49 | 45.96 | 45.59 | 43.81 | 43.50 |
| Wool ... | $13 \cdot 81$ | 14.65 | 15.51 | 14.52 | 16.11 12.40 | 14.51 | 17.28 13.72 |
| Other Textiles and Apparel Ve..... | 11.42 | 10.85 | $12 \cdot 44$ 36 | 12.56 41.71 | $12 \cdot 40$ $41 \cdot 26$ | 12.18 4395 | 13.72 38.47 |
| Metals, Machines, Apparatus, Vehicles. <br> Ships | 45.86 13.23 | 33.64 4.79 | 36.25 6.98 | 4.45 | 41.07 4.07 | 4.65 4.85 | -28 7 |
| Chemicals, Oils, etc.... .... ... | 6.71 | 6.60 | 6.34 | 6.73 | 776 | 8.82 18.34 | 7.29 18.58 |
| Other Goods ... ... ... | $14 \cdot 86$ | 14.70 | 15.96 | 16.96 |  |  |  |
| Total-All | $151 \cdot 58$ | 129.96 | $143 \cdot 97$ | 143.90 | $143 \cdot 39$ | $146 \cdot 26$ | 139.12 |
| Total-Excluding Cotton and Ships | $92 \cdot 67$ | $80 \cdot 43$ | $86 \cdot 50$ | $92 \cdot 49$ | 93.73 | 97.80 | $95 \cdot 34$ |
| Total-Excluding Cotton, Wool and Ships | 78.86 | $65 \cdot 78$ | 70.99 | 77.97 | $77 \cdot 62$ | 83.29 | 78.06 |


| TOTALS. | $\xrightarrow{1922}$ |  |  |  | $\begin{gathered} 1923 \\ \text { Quarters } \end{gathered}$ |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1st | 2nd | 3rd | 4th | 1st | 2nd | 3rd |
| BANK CLEARINGS : (as on p. 17) Town Country Provincial | $\begin{gathered} \text { £ MIn. } \\ 6400 \\ 681 \\ 346 \end{gathered}$ | $\begin{gathered} \text { £ Mn. } \\ 5950 \\ 639 \\ 331 \end{gathered}$ | $\begin{gathered} \text { £ Mn. } \\ 5320 \\ 635 \\ 331 \end{gathered}$ | $\begin{gathered} \text { £ Mn. } \\ 5440 \\ 641 \\ 341 \end{gathered}$ | $\begin{gathered} \text { £ Mn. } \\ 6080 \\ 665 \\ 367 \end{gathered}$ | $\begin{gathered} \text { £ Mn. } \\ 5760 \\ 667 \\ 340 \end{gathered}$ | $\begin{aligned} & \hline \text { £ Mn. } \\ & 4990 \\ & 622 \\ & 313 \end{aligned}$ |
| NEW CAPITAL ISSUES in Gt Britain : All. <br> For Great Britain | $\begin{aligned} & 93 \cdot 2 \\ & 43 \cdot 6 \end{aligned}$ | $\begin{aligned} & 74 \cdot 9 \\ & 20 \cdot 9 \end{aligned}$ | $\begin{aligned} & 24.9 \\ & 176 \end{aligned}$ | $\begin{aligned} & 42 \cdot 6 \\ & 18 \cdot 3 \end{aligned}$ | $\begin{aligned} & 45 \cdot 9 \\ & 13.8 \end{aligned}$ | $\begin{aligned} & 77.6 \\ & 189 \end{aligned}$ | 26.5 10.2 |
| IMPORTS :* <br> Materials retained Food and Tobacco retained Total, less re-exports $\dagger$ | $\begin{array}{r} 53 \\ 104 \\ 205 \end{array}$ | $\begin{array}{r} 58 \\ 117 \\ 227 \end{array}$ | $\begin{array}{r} 58 \\ 108 \\ 219 \end{array}$ | $\begin{array}{r} 74 \\ 124 \\ 249 \end{array}$ | $\begin{array}{r} 67 \\ 121 \\ 245 \end{array}$ | 48 123 230 | 55 112 226 |
| EXPORTS, BRITISH : * <br> Materials.. <br> Manufactures <br> Total $\dagger$ | $\begin{array}{r} 22 \\ 152 \\ 186 \end{array}$ | $\begin{array}{r} 24 \\ 130 \\ 166 \end{array}$ | $\begin{array}{r} 27 \\ 144 \\ 183 \end{array}$ | $\begin{array}{r} 29 \\ 144 \\ 186 \end{array}$ | $\begin{array}{r} 30 \\ 143 \\ 185 \end{array}$ | $\begin{array}{r} 37 \\ 146 \\ 197 \end{array}$ | 31 139 183 |
| EXCESS OF IMPORTS : <br> Goods and Bullion | 16 | 60 | 31 | 59 | 56 | 32 | 40 |
| TONNAGE OF SHIPS (with cargoes) : Entered from abroad ... Cleared for abroad | $\begin{array}{r} 872 \\ 1262 \end{array}$ | $\begin{aligned} & 1124 \\ & 1425 \end{aligned}$ | $\begin{aligned} & 1175 \\ & 1541 \end{aligned}$ | $\begin{aligned} & 000 \text { Tons } \\ & 1162 \\ & 1639 \end{aligned}$ | $\begin{aligned} & 1068 \\ & 1631 \end{aligned}$ | $\begin{aligned} & 1307 \\ & 1859 \end{aligned}$ | $\begin{aligned} & 1353 \\ & 1767 \end{aligned}$ |
| PRODUCTION : <br> Coal <br> Pig-irou <br> Steel | $\begin{array}{r} 6220 \\ 119 \\ 142 \end{array}$ | $\begin{array}{r} 7104 \\ 117 \\ 127 \end{array}$ | $\begin{array}{r} 6334 \\ 124 \\ 156 \end{array}$ | $\begin{gathered} 0000 \text { Tons } \\ 6876 \\ 151 \\ 171 \end{gathered}$ | $\begin{array}{r} 7104 \\ 174 \\ 214 \end{array}$ | $\begin{array}{r} 6975 \\ 206 \\ 234 \end{array}$ | $\begin{array}{r} 6609 \\ 181 \\ 190 \end{array}$ |
| Shipbuilding (commenced) | 51 | 39 | 32 | $\begin{gathered} 000 \text { Tons } \\ 231 \end{gathered}$ | 355 | 241 | 112 |

*Since April 1st, 1923, the South of Ireland is counted as outside the United Kingdom. the Totals include imported manufactures, exported food and miscellaneous as well as the classes entered in the table

| INDEX NUMBERS. <br> Percentage of pre-war level.: | Date in Quarter | $1922$ <br> Quarters |  |  |  | $1923$ <br> Quarters |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 1st | 2nd | 3 rd | 4th | 1st | 2nd | 3rd |
| PRICES OF COMMODITIES- <br> General-Board of Trade Statist <br> Materials—Board of Trade ... Statist $\ldots$ | Last month Last day | $\begin{aligned} & 160 \\ & 157 \end{aligned}$ | $\begin{aligned} & 160 \\ & 160 \end{aligned}$ | $\begin{aligned} & 154 \\ & 151 \end{aligned}$ | $\begin{aligned} & 156 \\ & 152 \end{aligned}$ | 160156 | 159150 | 158150 |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  | Last month Last day | $\begin{aligned} & 154 \\ & 146 \end{aligned}$ | $\begin{aligned} & 155 \\ & 148 \end{aligned}$ | 153145 | 155145 | 166151 | 163148 | 157145 |
|  |  |  |  |  |  |  |  |  |
| Food- Board of Trade | Last month Last day | 171174 | $\begin{aligned} & 169 \\ & 178 \end{aligned}$ | 156158 | $\begin{aligned} & 156 \\ & 163 \end{aligned}$ | 151 | 153154 | 159159 |
|  |  |  |  |  |  |  |  |  |
| Retail-Food ... ${ }^{\text {Cost }}$ of Living | Last month Last day | $\begin{aligned} & 173 \\ & 182 \end{aligned}$ | 180184 | $\begin{aligned} & 172 \\ & 178 \end{aligned}$ | $\begin{aligned} & 175 \\ & 178 \end{aligned}$ | $\begin{aligned} & 168 \\ & 174 \end{aligned}$ | 162169 | 172175 |
|  |  |  |  |  |  |  |  |  |
| Wage Rates | Fortnight after end | 206 | 194 | 180 | 177 | 177 | 174 | 174 |
| PRICES OF SECURITIES- <br> Industrials | Fortnight after end | $\begin{array}{r} 130 \\ 162 \\ 81 \end{array}$ | $\begin{array}{r} 136 \\ 144 \\ 81 \end{array}$ | $\begin{gathered} 139 \\ 153 \\ 78 \frac{1}{2} \end{gathered}$ | $\begin{array}{r} 155 \\ 159 \\ 80 \end{array}$ |  | 161147$81 \frac{1}{2}$ |  |
| Speculative $\quad . .$. | , , , |  |  |  |  | $\begin{gathered} 165 \\ 169 \\ 83^{\frac{1}{2}} \end{gathered}$ |  | 165143$83 \frac{1}{2}$ |
| Fixed interest ... ... |  |  |  |  |  |  |  |  |
| SHORT MONEY . |  | 70 | 48 | 51 | 48 | 52 | 77 | 75 |
| UNEMPLOYMENT - <br> Trade Union percentage: Engineering and Shipbuilding Other Industries <br> All ... | Last day ", | $\begin{array}{r} 29.5 \\ 9.4 \\ 16 \cdot 3 \end{array}$ | $\begin{array}{r} 30 \cdot 3 \\ 8 \cdot 1 \\ 15 \cdot 7 \end{array}$ | $\begin{array}{r} 27.8 \\ 7.5 \\ 14.6 \end{array}$ | $\begin{array}{r} 26 \cdot 9 \\ 7 \cdot 1 \\ 14 \cdot 0 \end{array}$ | $\begin{array}{r} 22 \cdot 2 \\ 6.9 \\ 12 \cdot 3 \end{array}$ | 21.95.411.1 | 22.4$5 \cdot 7$11.3 |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |

[^11]the pre-war quantities; this question cannot be definitely considered till we have the Board of Trade's estimate of the result of eliminating price-variations.

We give the customary table of the distribution of exports among those countries which are the principal re-
cipients of each class of goods, for comparison with the tables in the May and July bulletins (pp. 7 and 8). Some remarkable variations in detail are to be found, but these are not discussed here since the table is intended principally for use by persons interested in particular industries.

## RECENT MOVEMENTS OF SUBSIDIARY SERIES.

## UNITED KINGDOM.

FINANCE.-The index-number of industrial, securities has remained near its position in September, and is higher than in July or August ; that of speculative securities, however, has fallen and at I43 is near the minimum recorded for any month since January, IgI9 (the actual minimum in our table is 139 in October, 192t). The Bank Town Clearings were unusually low in August, but the Country Clearings do not show the usual monthly fall.

NEW CAPITAL ISSUES IN GREAT BRITAIN

| Qr. | For Great Britain. | Br. P'ssessi'ns with India. | Foreign Countries. | Total.* |
| :---: | :---: | :---: | :---: | :---: |
| 1920. $\begin{array}{r}1 \\ 2 \\ 3 \\ 4\end{array}$ | $\begin{array}{r} 127 \\ 85 \\ 67 \\ 52 \end{array}$ | $\begin{array}{r} 13 \\ 8 \\ 6 \\ 14 \end{array}$ | $\begin{aligned} & 7 \\ & 1 \\ & 1 \\ & 3 \end{aligned}$ | $\begin{array}{r} 147 \\ 94 \\ 73 \\ 70 \end{array}$ |
| Total ${ }^{*}$... | 331 | 41 | 13 | 384 |
| 1921. $\begin{array}{r}1 \\ 2 \\ 3 \\ 4\end{array}$ | $\begin{aligned} & 36 \\ & 26 \\ & 10 \\ & 28 \end{aligned}$ | $\begin{array}{r} 9 \\ 30 \\ 9 \\ 43 \end{array}$ | $\begin{array}{r} 13 \\ 10 \\ 1 \\ 1 \end{array}$ | $\begin{aligned} & 58 \\ & 66 \\ & 20 \\ & 71 \end{aligned}$ |
| Total... | 100 | 91 | 25 | 216 |
| $\text { 1922. } \begin{aligned} & 1 \\ & 3 \\ & 3 \\ & 4 \end{aligned}$ | $\begin{aligned} & 44 \\ & 21 \\ & 17.5 \\ & 18 \end{aligned}$ | $\begin{array}{r} 19 \\ 30 \\ 7 \\ 20 \end{array}$ | $\begin{aligned} & 30 \\ & 24 \\ & 0.5 \\ & 5 \end{aligned}$ | $\begin{aligned} & 93 \\ & 75 \\ & 25 \\ & 43 \end{aligned}$ |
| Total... | 100 | 76 | 60 | 236 |
| $\begin{array}{ll} \text { 1923. } & 1 \\ 2 \\ 3 \end{array}$ | 14 19 10 | $\begin{array}{r} 20 \\ 32 \\ 9 \end{array}$ | $\begin{array}{r} 12 \\ 27 \\ 7 \end{array}$ | $\begin{aligned} & 46 \\ & 78 \\ & 26 \end{aligned}$ |
| 9 mts . | 43 | 61 | 46 | 150 |

* Since amounts are given to nearest million only, totals are not always identical with the sum of the items.

It should be explained that (as shown in the foot-notes in our quarterly bulletins) the figures entered under "New Capital Issues" are for issues in the United Kingdom or Great Britain for companies operating at home. In the annexed table we show home-issues for operation abroad also, and propose for the future to include both sets in the table.

Prices and Wages.- Both indices for food and for materials alike show a rise in September. In the case of materials the rise is attributable to textiles, and among foods sugar is responsible for much of the increase. The upward movement in materials does not appear to have continued during the first half of October. The rise in retail food prices has now continued for four months, and has amounted to 12 points ( 7 per cent.) ; it is entirely due to the increased prices of milk, butter, cheese, eggs, potatoes and bacon, while bread, meat, tea and margarine have been stationary and sugar has fallen. It is unlikely that any fall will occur during the winter. The effect on the cost of living index is damped down to 6 points ( 4 per cent.) owing to the stationariness of rent and of the prices of fuel and clothing.

No change has taken place in the wages which we record during the past four months.

Trade and Output.-Owing to the dockers' strike and the delay in some ports in July and August, it is not advisable to deal with the September figures separately. Details for the quarter are shown on p. 7. The output of steel has increased considerably, though

## EXPORTS OF MANUFACTURES.

Value of chief articles exported in the third quarters of 1913 and 1923 to the principal countries concerned.

it is still below the high figures reached in the second quarter of this year; that of pig-iron has again fallen, but not so much as in the two previous months. Shipbuilding is at a low ebb, even when compared with the three previous quarters, but the figures for tonnage commenced are not so bad as in the eighteen months ended September, 1922.

Employment. - The Trade Union percentage fell slightly from August 3ist to September 30th, whereas normally it shows a slight rise during September.

The stress of unemployment varies greatly from trade to trade, and when the average movement is so small, it is difficult to detect the tendency. The number of males on the Live Register of the Labour Exchange has fluctuated, and was 961,000 on August 27th, 959,000 on Sept. I 7 th, and 978,000 on October 8 th. These and the Trade Union percentage agree in making the numbers at the end of September equal to those at the end of April, there having been the usual seasonal improvement in the summer.

## THE WOOLLEN AND WORSTED INDUSTRIES

IN view of the difficulties in which some sections of these industries have recently found themselves, it is interesting to examine such official statistics as exist relating to the industries as a whole, and to compare the current supply, exports, imports, prices and wages with those before the war.

Table I. shows estimates of the supply. The home clip is not exactly known, owing to want of information about the change in stocks.* As much wool was available in the first six months of this year as was customary before the war, and in the three years 1920 to 1922 more had apparently been used. The great falling-off in imports of wool in the last three months is attributed to the present inability of the industry to produce goods at a price customers will pay.

Table III. shows the serious falling-off of exports in the years 1920 to 1922 as compared with the 1923 amounts; but it is noticeable that, apart from tops and yarn, the exports in the first nine months of 1923 nearly equal in yardage threefourths of those in 1913. In all cases the exports in 1923 are, quarter by quarter, as great as or greater than the average of the three previous years.

[^12]Since the consumption of raw wool kept up, while exports fell off, in 1920-22 (in the case of woollen and worsted tissues by $14 \%$ ), it follows that the home market absorbed considerably greater quantities of home-produced cloth. Table II. shows that the supply of foreign cloths (tissues) is greatly reduced-from about 76 Mn . quare yards in 1913 to an average of Io Mn . in 1920-2, and to 20 Mn . in 1923 if the last quarter shows a result proportional to the first nine months. The net export of cloth (exports less retained imports) was approximately 144 Mn . square yards in 1913, 180 Mn . average of 1920-22, and 144 Mn . in the first nine months of 1923. Hence the net export of cloth has substantially increased.

From these figures, taken together, it appears that the consumption of cloths in the United Kingdom (home and foreign sources combined) had varied little, but on the production side there had been a considerable turn-over from manufacture for export to manufacture for the home market in 1920-22. The position in 1923 cannot yet be ascertained.

The main failure in foreign supply of manufactures has been from France, from whom the imports of cloths in 1920-22 averaged about $5_{2} \mathrm{Mn}$. square yards less than in 1913. It is true that there has been some increase in 1923, especially in
the third quarter, but the 5 Mn . square yards received in the last three months make only one-third of the quarterly amount received in 1913. From Germany the amount was negligible in 1920-22, and
to Iod., a fall that caused great disturbance in Yorkshire, and it recovered by the end of 1922 to about I5d., near which price it has since remained. Meanwhile in September, 1923, the average export price of

TABLE I.
Estimated SUPPLY of Wool.*


Whole supply : average $1909-13,601$; 1920, 755 ; 1921, 514 ; 1922, 738.

* Including mohair, alpaca, etc., but not wool pulled from imported skins.

TABLE II.
IMPORTS of Worsted and Woollen Goods: quantities.

|  |  |  | 1913 | Average for 1920, 21, 22 |  |  |  |  | 1923 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Tissues: Mn. sq. yards- |  |  | Approx.** | Quarters |  |  |  | Year | Quarters |  |  | 9 months |
|  |  |  | 61 | 2.2 |  |  |  | $8 \cdot 5$ | $3 \cdot 8$ | 3.0 |  | $11 \cdot 8$ |
| ,, Germany ... | $\ldots$ |  | 24 | . 05 .5 |  |  |  | - 3 | - 2 | $\begin{array}{r}3 \\ \hline\end{array}$ |  | $\stackrel{1}{1} 1$ |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total ... ... |  |  | 87 | $2 \cdot 7$ | 3.2 | $2 \cdot 8$ |  | 11.2 | $5 \cdot 0$ | 4.8 |  | 16.7 |
| Re-exported... |  |  | 11 | . 3 |  |  |  | $1 \cdot 3$ | - 5 |  |  | $1 \cdot 6$ |
| Retained ... | $\ldots$ |  | 76 | $2 \cdot 4$ | $2 \cdot 9$ | $2 \cdot 5$ | $2 \cdot 1$ | $9 \cdot 9$ | $4 \cdot 5$ |  |  | 15.1 |
| Yarn : Mn. lbs. . |  | .. | $32 \cdot 5$ | $3 \cdot 3$ | 36 。 | $3 \cdot 1$ |  | $12 \cdot 8$ | 37 | $4 \cdot 3$ | 3.8 | 11.8 |

TABLE III.
EXPORTS of Worsted and Woollen Goods: quantities.

|  |  | 1913 | Average for 1920, 21, 22 |  |  |  |  | 1923 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1 | $\begin{aligned} & \text { Quarters } \\ & 2 \end{aligned}$ |  | 4 | Year |  |  |  | 9 months |
| Tops: Mn. lbs.... |  | 44 | 7.7 | 9.2 | 7.2 | $9 \cdot 3$ | 33.4 | $9 \cdot 9$ | 11.0 | $9 \cdot 1$ | 30.0 |
| Yarns: Mn. lbs. | ... | 72 | $9 \cdot 3$ | 10.2 | 11.1 | $12 \cdot 1$ | $42 \cdot 7$ | $13 \cdot 3$ |  | $14 \cdot 3$ | $40 \cdot 6$ |
| Tissues: Mn. sq. yds.Woollen and Worsted Carpets and Miscellaneous. | $\ldots$ | $220 * *$ $27 * *$ | 48 5 | 49 5 | 48 5 | 44 4 | 189 19 | 54 7 | 48 6 | 57 7 | 159 20 |

[^13]in the last three months was only onetenth of pre-war quarterly imports.

The import price of raw wool averaged ${ }^{10} \frac{1}{4}$ d. per lb. in 1913 and 2 s. in 1920. During 192I it tumbled down very rapidly
woollen yarn was $111 \%$ and of worsted yarn $73 \%$ above the 1913 level, and at the same date the average export prices of woollen and worsted tissues were respectively about $94 \%$ and $144 \%$ up. Tops had
only increased $66 \%$ in price. Unless the trade has turned in a remarkable way to the more expensive kinds of yarns and cloths, this markedly greater increase in the price of the finished product than in that of the raw material points to a more than proportional increase in the cost of manufacturing.

This excess is partly due no doubt to the increase of wages. Time workers' rates of wages for the normal week were in December 1922 in the principal manufac'uring centres about $90 \%$ above the pre war rate, the sum being payable for the shortened week, and they have not been reduced this year. Actual earnings, if we can safely generalise from the figures reported from some firms month by month in the "Ministry of Labour Gazette," increased from July igi4 to August 1923 by 106\% in the woollen and II $2 \%$ in the worsted industry, the wages being averaged for all paid, whether working full time or not. Unless efficiency has greatly improved, it is evident that the wage cost of manufacturing has more than doubled.

The returns to the Ministry of Labour give the number of persons employed by certain firms and their aggregate earnings, with comparative figures (expressed as percentages) for the same firms one month and twelve months before. The figures for September 1923 are

| One week in | Numbers | $\begin{gathered} \text { Ear } \\ \text { Total } \end{gathered}$ | gs <br> verage | Numbers | $\begin{gathered} \text { Ear } \\ \text { Total } \end{gathered}$ | ings Average |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Sept. 1923 | 16781 | $\stackrel{£}{33.600}$ | £ 2.00 | 30400 | $\stackrel{\mathcal{L}}{52.650}$ | $\begin{gathered} £ \\ 1 \cdot 73 \end{gathered}$ |
| Aug. 1923 | 16600 | 33,400 | 2.01 | 30650 | 53,100 | 1.73 |
| Sept. 1922 | 16600 | 35,800 | $2 \cdot 16$ | 31200 | 63,400 | 2.03 |

Rates of wages fell about $\mathrm{I} \frac{1}{2} \%$ in December 1922, a change which had no visible effect on earnings at that date, and have otherwise been unchanged in the period. The reduction in the average earnings is marked in the worsted manu-
facture. In September ig22 the average was considerably above that which would have been expected from the pre-war average and the known rates of increase ; a fall began in April of this year and has been specially marked since June, so that we may deduce an increasing prevalence of short time. On the other hand actual earnings are more than twice the pre-war average, though the known rates of increase point to less than twice, so that it appears that short time is not more acute than in previous periods.* In wool the change in the last year has not been great, though there has been some increase in short time; the increase in earnings in 1921, the year of high wages, was not so great as in the worsted industry, and the relation of present earnings to pre-war earnings is nearly the same in the two industries.

The difficulties that manufacturers find in obtaining orders appear, on the basis of these figures, to be due not to foreign competition so much as to the high cost of manufacturing and the curtailment of purchasing power on the part of the home population. With raw wool at $48 \%$ above the 1914 price, it seems unreasonable that the cost of clothing should lead to the official estimate of a rise of $120 \%$; and since wages in general have only increased $70 \%$ or a little more, it is not surprising that wage-earners cannot afford to buy woollen goods.

[^14]
## UNITED STATES

## (Harvard Economic Service)

GENERAL BUSINESS CONDITIONS. (Extracts from letter of September 29, 1923.)

THE autumn expansion of business has appeared in many directions, in spite of hesitation in certain markets, such as iron and steel. It is still too early to judge whether the movement as a whole has equalled the usual seasonal advance, since developments to September 26th have given no clear indication. A substantial expansion in bank loansforgeneral commercial purposes and an advance in actual interest rates give evidence of increased trade. The further fact that the rise in interest rates has not equalled the usual September increase shows that there is no stringency in money conditions, but it may indicate also that the volume of business this month has increased at less than the seasonal rate. Commodity prices remain firm, and the prospect is that business will continue active.

The movements of the speculative curve and the money curve of the index chart continue downward. The decline in the speculative curve was the result of decreases in both its components; the average of industrial stock prices in September was less than in August, and New York bank debits, after allowance is made for the non-business factors which tend to increase them in September, declined more than is usual for the month. The money curve declined because interest rates increased somewhat less than the seasonal amount.

Industrial stock prices fell during the last part of September, after fluctuating irregularly during the first part of the month at about the levels reached near the end of August. Bond prices had remained practically stationary during the second half of August, but declined during September.

Money rates rose during the first part of September in response to seasonal influences, but an easier tone followed the
usual quarterly financial transactions. Published rates on commercial paper are now $5-5 \frac{1}{2}$ per cent, as against $5-5 \frac{1}{4}$ per cent. in the first part of August.

While credit operations of member banks have been expanding, the currency of the country has been enlarged by gold imports. This gold has not been added to banking reserves, but has entered into circulation in the form of certificates. In the 12 months ending August 31st net imports of gold amounted to 233 Mn . dollars, while the increase of gold certificates in circulation amounted to approximately the same figure- 247 Mn . Over ioo Mn. of silver certificates have also been added to the circulation ; and it is principally by increases in the volume of gold and silver certificates outstanding that the need of increased currency that arises from more active business has been met.

With the beginning of the autumnal seasonal movement, the volume of business activity is large, but conditions are spotty, and forward buying, which had assumed considerable proportions last spring, has been small. Some industries, such as iron and steel and tyres, have been slow to show improvement, because overdone during the first half-year. The textile industries have been disturbed by conditions in the raw-material markets, but the autumnal movement has already begun in cottons, and is perhaps beginning also in woollens. Greater activity is reported in the hardware, jewellery, shoe, lumber, and cement trades. Confidence is returning after the recession of last summer, but moderation has displaced the exuberance of last spring. General conditions remain sound; buying by manufacturers and dealers has been cautious ; distribution, as indicated by record car-loadings and a good volume of retail trade, has been active; while stocks,
although large in a few lines, are generally not excessive.

The upward movement in general commodity prices which began during August has continued, in so far as may be judged from the data available at the present writing. Prices of lead and
tin, and of wheat, corn and sugar, are higher than at the end of August.

Recent developments in the Ruhr are of the greatest importance for the future of European trade; but, except as they may affect sentiment, their immediate influence on the United States will be slight.

## PUBLIC REVENUE AND EXPENDITURE DURING THE FIRST HALF OF THE FINANCIAL YEAR.

DURING the first six months of the financial year, April ist to Sept. 30th, 1923, the figures of public revenue and expenditure were as follows. Increases and decreases in the respective items, as compared with the corresponding period of ig22, are also shown.
A.-PUBLIC REVENUE.

|  | $\begin{aligned} & \text { April 1st- } \\ & \text { Sept. } 30 \text { th, } 1923 \end{aligned}$ | In rease or Cecrease com- pared with cor responding period of 1922. |
| :---: | :---: | :---: |
| Customs | $\stackrel{\text { 63,043,000 }}{\stackrel{£}{2}}$ | $\begin{array}{r} £ \\ +\quad 393,000 \end{array}$ |
| Excise | 68,999,000 | $\pm 8,217,000$ |
| Motor Vehicle Duties | 3,629,000 | + 745,000 |
| Death Duties | 26,730,000 | - 5,341,000 |
| Stamp Duties $\ldots \ldots \ldots$ | 9,360,000 | + 858,000 |
| Land Tax, House Duty, and Mineral Rights Duty | 510,000 | 60,000 |
| Property and Income Tax... | 104,307,000 |  |
| Super Tax <br> Excess Profits Duty | 20,620,000 | $\}-13,437,000$ |
| Corporation Profits Tax ... | 10,320,000 | $\begin{array}{r} 954,000 \\ +2,043,000 \end{array}$ |
| Postal Services, including Tele- ? graphs and Telephones | 24,600,000 | - 1,400,000 |
| Crown Lands ... ... ... | 460,000 |  |
| Interest on Sundry Loans | 6,022,162 | + 2,185,482 |
| Miscellaneous Ordinary Receipts | 7,240,978 | - 9,150,209 |
| Miscellaneous Special Receipts ... | 19,988,809 | -5,808,736 |
| Total | 365,829,949 | -38,063,463 |
| B.-PUBLIC EXPENDITURE. |  |  |
|  | $\begin{aligned} & \text { April 1st } \\ & \text { Sept. } 30 \text { th, } 1923 \end{aligned}$ | Increase or decrease com pared with corresponding period of 1922 |
|  | £ | £ |
| National Debt $\{$ Interest | 153,225,426 |  |
| Services: Road Fund | 19,507,039 | \} +22,515,562 |
| Payments to Local Taxation | 3,028,044 | + 693,045 |
| Account $\ldots$.... ${ }^{\text {A }}$ | 4,088,012 | + 1,484,215 |
| Payments to Northern Ireland Exchequer |  | +1,484,215 |
| Land Settlement $\ldots$ | $\begin{array}{r} 1,791,791 \\ 345,930 \end{array}$ | $\begin{array}{r} \mathbf{9 9 5 , 7 4 9} \\ -\quad 227,526 \end{array}$ |
| Other Consolidated Fund Services |  |  |
|  | 1,29 | + 81,360 |
|  | 46,350,000 | 5,850,000 |
|  | 106,897,672 | -13,759,372 |
|  | 26,308,008 | - 1,763,902 |
| Total | 362,832,762 | + 4,169,131 |

For the full year the estimated revenue is $£ 818,500,000$ and the estimated expenditure $£ 8$ I6,616,000.

On the revenue side, the half-yearly movements in the more important items are explicable without much difficulty. Excise is down owing to the reduction in the beer duty, death duties owing to a lower mortality among the wealthy (last year this chanced to be unusually high and a decline was allowed for in the Chancellor's estimate for this year), income tax owing to the reduction of sixpence in the standard rate, miscellaneous special receipts owing to the gradual exhaustion of assets in the hands of the Disposals Board. A fall in the miscellaneous ordinary receipts was also forecasted. On the other hand, customs, stamps and corporation profits tax are, so far, doing rather better than was anticipated. It is, however, a little disquieting to notice that, of the arrears of excess profits duty, estimated to yield $£_{12,000,000}$ for the full year, nothing has yet been got in.

On the expenditure side, the drop in the fighting services and civil services is roughly in accordance with the estimates. So are the small increases in the minor Consolidated Fund Services. The comparatively large increase in the National Debt Services is chiefly due to the payment last June of half a year's interest on the American debt under Mr. Baldwin's funding agreement. But the estimated increase in the debt services for the full year is only $\notin 15,000,000$. The reduction of the floating debt, with which fair progress was made last year, has now practically come to a standstill.

The realised surplus on the half-year, which would normally be available for this purpose, is less than $£ 30,000,000$. As regards funding, there have been no sales of Treasury Bonds since the beginning of June. The net receipts from the sale of Savings Certificates, another possible source of funding operations, have been disappointing, and only amounted to $£_{\mathrm{ro}}^{\mathrm{ro}} 50 \mathrm{oo}, \mathrm{ooo}$ over the half-year. The floating debt stood at $£ 803,546,500$ on Sept. 30th. The Treasury Bill rate has risen by about $1 \%$ in the last three months, which accounts for part of the increase in the cost of the debt services. A further rise, which is not unlikely and will in any case accompany any revival in trade, may contribute to raise the cost of the debt services for the full year well above the estimate. The net reduction in the floating debt over the halfyear is only $\notin 6,361$,ooo.

The prospects of even the small estimated surplus for 1923-4 being realised seem distinctly uncertain. There is the usual possibility of supplementary estimates, especially in connection with unemployment policy. Nor is it by any means certain that Mr. Baldwin's hope, that such supplementaries will be balanced by savings in other directions, will prove feasible. On the other hand, it is well to remember that, with considerable arrears of taxation outstanding, as at present, it is possible for the Inland Revenue authorities to manipulate to some extent the yield of the income tax, super tax and
excess profits duty in accordance with the instructions of the Chancellor. Within limits, increased pressure applied by taxcollectors to their victims may modify the financial situation.

The prospects of any appreciable reduction of taxation next year seem very remote. For next year the full effect on the revenue of last year's reductions will manifest itselt, while miscellaneous special receipts will practically disappear. The new Chancellor, in his speech at Birmingham, reported in the Times of October 15 th, spoke of a minimum reduction in revenue, on the basis of existing taxation, of $£ 50,000,000$ next year, and thought that this minimum estimate might prove to be considerably below the truth. He added that "while it is my duty to strain every endeavour to cut out every item of unnecessary or extravagant expenditure, I am bound to tell you that such savings as we may be able to effect will all be wanted to catch up with the corresponding fall in revenue." The Government's plan for an extension of Imperial Preference will cause a further loss of revenue, which it is impossible to estimate until the details of the plan have been finally settled. We must, indeed, take into serious account the disagreeable possibility of either increased taxation next year or the suspension, wholly or in part, of Mr. Baldwin's sinking fund. Nor can we even be reasonably sure that we shall not be faced with a further increase in the national debt.

## A NOTE ON THE STABILISATION OF THE MARK.

I. It is barely a year since the details of a scheme for the stabilisation of the Mark, at a rate of 3,000 to the $£$, were made public, as the result of the deliberations of a body of international experts at Berlin. At that time the quotation of the Mark $(6,513$ Marks to the $£$, September, i922, average) represented a considerable undervaluation of the Mark abroad; the dissipation of the gold reserves in a vain effort to stay the fall, had not begun, and the country was in possession of gold amply sufficient to cover the note at the stabilisation rate suggested; the wastage of resources associated with passive resistance had not commenced-in a word the elements making for dissolution of the currency were present, but had not yet gained the upper hand. Now, with a rate of 20-30 milliards, the environmental conditions are all unfavourable to effect stabilisation.
2. The German Government has at present choice between the following alternatives:-
(I) A laissez-faire policy which would involve a final destruction of the Mark and the general use of foreign media of payment-primarily hoarded notesafter a period of chaos.
(2) A complete cessation of further note issues of any kind, the present volume of currency to find its own level. Thereafter a new currency, into which the now stabilised paper Mark can be converted.
(3) Complete cessation of further note-issues, together with conversion at a fixed rate into a new currency, itself exchangeable for (a) a raw material such as rye, (b) interest-bearing securities, (c) foreign exchange, (d) gold.
(4) Cessation of further paper-note issues, without conversion rights into the new currency-i.e., the value of the first in terms of the second to be fixed by market conditions.
(5) Finally, freedom of gold and exchange dealings and a rating of the Mark, whether continued to be issued
or not, at current market prices in terms of gold.
3. Any attempt to introduce a new currency, into which the existing currency is convertible at fixed rates, will break down if the existing currency continues to be issued in unlimited quantities. For either the new currency will itself be issued in larger and larger quantities, and become in its turn depreciated, or it will be hoarded and cease to be circulated. A currency not officially rated in terms of the old currency is not open to this objection, since any fall in the value of the paper Mark will drive up its value automatically. The advantage of the latest scheme is that it avoids the defect of a fixed ratio.
4. The German Government has in fact hovered between the choice of a new currency backed by securities and linked up with the present currency at a given ratio and the same new currency not so linked up. This appears to be the essential difference between the "Boden" or "Neumark" and the "Rentenmark." (Cf. Prof. M. J. Bonn's article in the Observer for 3oth September, I923, with the Times article of 17th October, 1923, for fuller details.) The Neumark was to be legal tender, and was ultimately to swallow up the paper Mark; the Rentenmark is not to be legal tender, whilst the paper Mark remains legal tender, and no exchange ratio between the two is at present provided for. On the other hand, both schemes agree in the facts that (a) issue of paper money is to cease, (b) the new currency is in both cases to be covered by the same kind of security.
5. We have, in other words, a system of parallel currency, in which the more valuable currency is presumed not to require legal tender sanction; the fact that it is the more valuable currency being re-garded-rightly-as sufficient guarantee for its acceptability. But what does the assumption of greater value depend upon? Upon the cover provided for the currency or upon the limitation of quantity?
6. The direct security behind the new currency is a mortgage on agricultural and industrial property, divisible into as many parts as there are new currency units in existence, and exchangeable in amounts of 500 , and multiples of 500 , for the new currency units. The holder of currency will get, if he exchanges his currency for a mortgage bond, $5 \%$ per annum. This $5 \%$ will itself be payable in Rentenmark, and the question whether this $5 \%$ will be equal in value to $5 \%$ in goldmarks dependson the question whether the mortgage interest will be payable in Rentenmark with a premium if these Neumark are at a discount in terms of gold, or whether the $6 \%$ interest which the mortgaged property has to pay is exempt from such a liability. Unless the mortgage interest is payable in gold, or in amounts of Rentenmark equivalent to six gold Marks at any moment, it is clear that the question whether I Rentenmark = I gold Mark depends on the quantity of Rentenmark in existence in relation to the needs of Germany for currency. For a currency convertible into an interest - bearing obligation yielding interest only in a depreciated currency may have a value somewhat higher than the obligation (since as currency it is more easily transferable), but its value will depend on its quantity. It is true that if its value in terms of gold falls, some of it will be converted to get
at any rate the interest on the bond, and this may raise the value of the remainder, but the value of the remainder will have risen because the total quantity outstanding will have fallen.
7. The question whether the Rentenmark will fall in value or not depends on the view one takes of the future need for currency in Germany. The pre-war currency of Germany amounted to some $£ 285$ Mn . Allowing even as much as a decline of $25 \%$ for loss of territory and loss of income, etc., this would still leave about $\ell^{210} \mathrm{Mn}$. (even in March, 1921, the value of the German currency was about $£ 262$ $\mathrm{Mn} .=\AA 4$ per capita in gold pounds).* The present value of the enormous German currency in terms even of depreciated paper pounds is extraordinarily small. Under these circumstances, an issue of 3,200,000 Rentenmark, equal to $\AA_{1} 60 \mathrm{Mn}$. gold or $£_{1}$ 品 Mn. paper, does not seem extravagantly large when conditions settle down. If the Government is able rigidly to limit the new currency, then, even if the present paper currency rises in value through limitation of quantity and chances of conversion at higher rates, the aggregate currency would not seem by any means too large for the country-granted, of course, that Germany is allowed to settle down to work again.

[^15]
## UNITED STATES. HARVARD FORECAST. (By Cable.)

Volume of business activity during September large, though conditions spotty and new orders unevenly spread among various lines. General wholesale prices continued the slight rise which began in August, and interest rates advanced in response to increased demand for bank loans. Advance interest rates fell short of that usual at beginning of Autumn, while rise in commodity prices was not of such proportions as to indicate forward buying on substantial scale.

Evidence continues conflicting, though
preponderance is that recent recession is a temporary re-adjustment rather than the beginning of a period of general depression. Inventories, though doubtless large in some industries, have not been of proportions to bring about forced liquidation. Retail trade on high level.

Finally, and most important of all, money market continues to reflect absence of credit stringency. Yet situation is so mixed that we are not justified this month in making forecast for 1924.


HINANCE.

|  | STOCKS \& SHARES. |  |  |  |  | BANK CLEARINGS. |  |  |  |  |  | OTHER BANKING. |  |  |  |  |  | MONEY. |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Index Numbers of <br> Per cent. of pre-war level |  |  |  | छ̈ | London Bankers' Clearing House. |  |  |  | Provincial. |  | Bank of England. |  | 9 Clearing Banks. |  |  |  | Short Money Index. |  |  |
|  |  |  |  |  | £Mn. | ¢Mn. |  | Coun $£ \mathrm{Mn}$. |  | 5 To |  | £Mn. |  |  |  |  <br> Mn. | 品 $£ \mathrm{Mn} \text {. }$ |  |  |  |
| $\begin{gathered} 1913 \\ \text { Average... } \end{gathered}$ | 100 | 100 | 100 | 100 |  | 913 | * | 107 | * |  | * | 41 |  |  |  |  |  | 100 | 3.55 | $4 \cdot 38$ |
| $\begin{array}{r} 1919 \\ \text { JAN. } \end{array}$ | 154 | 162 | $79 \cdot 5$ | 126 | $14 \cdot 7$ | 1220 | 1160 | 239 |  | 129 | 121 |  | 382 |  |  |  |  | 93 | 2.88 | 3.50 |
| FEB. .. | 156 | 166 | 79.0 | 127 | 96 | 1090 | 1030 | 227 | 224 | 133 | 119 | 120 | 381 |  |  |  |  | 95 | $3 \cdot 19$ | 3.53 |
| MARCH. | 155 | 169 | $77 \cdot 0$ | 130 | 11.0 | 1140 | 1085 |  | 239 | 127 | 121 |  | 393 |  |  |  |  | 91 | 2.75 | 3.50 |
| APRIL .. | 155 | 182 | 76.8 | 130 | 5.0 | 1050 | 1020 | 220 | 223 | 115 | 116 |  | 410 |  |  |  |  | 93 | 2.88 | 3.53 |
| MAY . | 166 | 196 | 77.2 | 130 | $15 \cdot 6$ | 1220 | 1220 | 262 | 260 | 127 | 131 | 112 | 423 |  |  |  |  | 93 | 2.94 | 3.53 |
| JUNE | 165 | 202 | 74.0 | 135 | 13.9 | 1340 | 1270 | 247 | 254 | 141 | 145 | 128 | 425 |  |  |  |  | 88 | 2.50 | 3.28 |
| JULY | 165 | 225 | 71.7 | 139 | $21 \cdot 9$ | 1520 | 1600 | 304 | 286 | 154 | 151 | 113 | 420 |  |  |  |  | 87 | $2 \cdot 38$ | 3.25 |
| AUG. | 173 | 220 | $69 \cdot 8$ | 143 | $14 \cdot 1$ | 1340 | 1530 | 260 | 273 | 145 | 164 |  | 418 |  |  |  |  | 95 | 3.06 | 3.63 |
| SEPT. | 170 | 223 | $69 \cdot 3$ | 144 | 6.7 | 1450 | 1510 | 254 | 276 | 156 | 164 | 89 | 412 |  |  |  |  | 96 | 3.31 | 3.72 |
| OCT. | 183 | 261 | 70.9 | 141 | $12 \cdot 3$ | 1580 | 1640 | 288 | 268 | 176 | 174 |  | 420 |  |  |  |  | 103 | 2.88 | $4 \cdot 56$ |
| NOV. | 187 | 258 | $69 \cdot 3$ | 144 | $26 \cdot 3$ | 1750 | 1810 | 301 | 298 | 182 | 184 |  |  |  |  |  |  | 130 | 4.38 | 5.81 5.56 |
| DEC. . 1920 | 194 | 268 | $69 \cdot 1$ | 145 | 37-1 | 1690 | 1800 |  | 336 | 218 | 220 | 138 |  |  | avai | ble. |  | 119 | 3.00 | 5.56 |
| $\begin{array}{r} 1920 \\ \text { JAN. . } \end{array}$ | 214 | 295 | 68.8 | 145 | $30 \cdot 1$ | 1990 | 1900 | 336 | 314 | 229 | 213 |  |  |  |  |  |  | 123 | 3.63 | 5.63 |
| FEB. | 205 | 269 | $67 \cdot 7$ | 148 | $31 \cdot 9$ | 2070 | 1960 | 329 | 323 | 259 | 231 |  | 413 |  |  |  |  | 130 | 4.50 | $5 \cdot 72$ |
| MARCH. | 199 | 250 | 63.0 | 159 | $65^{\circ} 1$ | 1950 | 1850 | 329 | 339 | 248 | 237 |  | 426 |  |  |  |  | 123 | 3.50 | 5.75 |
| APRIL ... | 189 | 235 | $62 \cdot 5$ | 160 | 44.7 | 2050 | 1990 | 317 | 320 | 221 | 222 |  | 440 |  |  |  |  | 135 | 3.19 | 5.94 |
| MAY | 175 | 222 | $63 \cdot 6$ | 157 | $19 \cdot 1$ | 1940 | 1940 | 322 | 320 | 213 | 220 |  | 449 |  |  |  |  | 151 | 5.25 | 6.34 |
| JUNE | 162 | 221 | $63 \cdot 3$ | 158 | $21 \cdot 3$ | 1940 | 1840 | 307 | 316 | 208 | 214 | 133 | 458 |  |  |  |  | 147 | $4 \cdot 41$ | 6.66 |
| JULY | 160 | 219 | $64 \cdot 7$ | 155 | 41.7 | 1780 | 1880 | 324 | 305 | 205 | 202 |  | 468 |  |  |  |  | 151 | 4.88 | 6.63 |
| AUG.. | 152 | 222 | $63 \cdot 4$ | 158 | 6.5 | 1810 | 2060 | 301 | 317 | 190 | 215 |  | 464 |  |  |  |  | 147 | $4 \cdot 38$ | 6.69 |
| SEPT. | 155 | 222 | $62 \cdot 9$ | 159 | 18.4 | 1930 | 2000 | 301 | 326 | 192 | 202 | 123 | 457 |  |  |  |  | 154 | $5 \cdot 12$ | 6.78 |
| OCT. | 156 | 218 | $61 \cdot 7$ | 162 | 24.2 | 1880 | 1940 | 325 | 303 | 186 | 185 | 124 | 462 |  |  |  |  | 151 | $4 \cdot 75$ | 6.66 |
| NOV. | 138 | 182 | 61.5 | 163 | $23 \cdot 4$ | 1860 | 1920 | 301 | 292 | 172 | 174 |  | 460 |  |  |  |  | 154 | $5 \cdot 31$ | 6.78 |
| DEC. | 129 | 176 | $62 \cdot 0$ | 161 | $4 \cdot 8$ | 1780 | 1900 | 271 | 288 | 142 | 1/8 | 126 | 469 |  |  |  |  | 151 | $4 \cdot 69$ | 6.78 |
| $\begin{array}{r} 1921 \\ \text { JAN. ... } \end{array}$ | 125 | 170 | 64-1 | 156 | $11 \cdot 3$ | 1960 | 1870 |  | 270 | 153 | 142 |  |  | 1810 | 362 | 845 | 317 | 151 | 4.81 | 6.69 |
| FEB. | 115 | 158 | $64 \cdot 4$ | 155 | 7.0 | 1790 | 1700 | 270 | 265 | 134 | 120 |  | 444 | 1754 | 329 | 844 | 316 | 162 | 6.50 | 6.66 |
| MARCH. | 119 | 173 | 64•8 | 154 | 18.0 | 1660 | 1580 | 247 | 254 | 126 | 121 | 107 | 444 | 1715 | 282 | 863 | 312 | 154 | $5 \cdot 75$ | 6.38 |
| APRIL | 123 | 186 | 66.0 | 151 | 4.6 | 1740 | 1690 | 256 | 259 | 108 | 109 | 114 | 449 | 1710 | 275 | 852 | 309 | 151 | 5.50 | 6.12 |
| MAY | 121 | 166 | 66.7 | 150 | 6.5 | 1740 | 1740 | 219 | 217 | 97 | 101 | 145 | 445 | 1729 | 304 | 840 | 307 | 135 | $4 \cdot 38$ | 5.53 |
| JUNE | 122 | 166 | 65*8 | 152 | 15.2 | 1790 | 1700 | 206 | 212 | 94 | 97 | 131 | 434 | 1768 | 351 | 814 | 308 | 139 | $4 \cdot 19$ | 5.59 |
| JULY | 117 | 156 | 66.0 | 152 | 5.7 | 1730 | 1830 | 216 | 203 | 99 | 98 | 135 | 432 | 1785 | 378 | 812 | 306 | 123 | $4 \cdot 12$ | 5.09 |
| AUG. | 118 | 148 | $65 \cdot 6$ | 152 | 1.5 | 1570 | 1790 | 205 | 215 | 103 | 117 | 114 | 433 | 1764 | 380 | 799 | 302 | 115 | $4 \cdot 19$ | 4.75 |
| SEPT. | 113 | 141 | $65 \cdot 8$ | 152 | 2.8 | 1680 | 1740 | 209 | 227 | 118 | 124 | 130 | 422 | 1771 | 400 | 786 | 302 | 101 | 2.75 | 4.09 |
| OCT. | 103 | 139 | 66.0 | 152 | 19.3 | 1760 | 1820 | 226 | 210 | 118 | 117 | 135 | 417 | 1802 | 410 | 787 | 306 | 106 | 3.50 | $4 \cdot 12$ |
| NOV. | 105 | 146 | 66.7 | 150 | 4.9 | 1910 | 1970 | 223 | 216 | 115 | 116 | 106 | 415 | 1793 | 431 | 774 | 311 | 99 | 3.63 | 3.91 |
| DEC. | 111 | 152 | 69.7 | 140 | 3.4 | 1750 | 1870 | 209 |  | 104 | 105 | 141 | 422 | 1818 | 429 | 762 | 315 | 90 | 2.44 | 3.50 |
| $\stackrel{1922}{ }$ | 112 | 141 | $72 \cdot 1$ | 139 | 27.4 | 2120 | 2020 |  |  | 112 | 104 |  |  | 1826 | 440 | 752 | 333 | 90 | 2.63 | $3 \cdot 47$ |
| FEB. | 118 | 146 | 76.7 | 131 | 6.6 | 2100 | 2000 |  | 217 | 117 | 105 |  | 403 | 1802 | 404 | 748 | 357 | 85 | 2.00 | $3 \cdot 22$ |
| MARCH.. | 119 | 149 | $77 \cdot 9$ | 128 | 9.6 | 2180 | 2070 | 221 | 228 | 117 | 112 | 116 | 401 | 1747 | 351 | 746 | 369 | 86 | $3 \cdot 12$ | $3 \cdot 34$ |
| APRIL . | 130 | 162 | $80 \cdot 8$ | 124 | $5 \cdot 9$ | 2200 | 2140 | 208 | 210 | 111 | 112 | 118 | 407 | 1737 | 320 | 745 | 378 | 70 | $2 \cdot 13$ | 2.55 |
| MAY | 133 | 157 | $81 \cdot 3$ | 123 | 9.0 | 1790 | 1790 | 223 | 222 | 118 | 122 | 126 | 399 | 1745 | 325 | 736 | 392 | 64 | 1.75 | $2 \cdot 31$ |
| JUNE | 133 | 151 | 80.7 | 124 | 6.0 | 1960 | 1860 | 208 | 215 | 102 | 105 | 110 | 400 | 1755 | 346 | 723 | 388 | 62 | $2 \cdot 10$ | 2.44 |
| JULY | 136 | 144 | $81 \cdot 1$ | 123 | $12 \cdot 1$ | 1860 | 1970 |  | 219 | 119 | 117 | 112 |  | 1730 | 335 | 721 | 386 | 48 | 1.58 | $1 \cdot 87$ |
| AUG. | 138 | 147 | $80 \cdot 0$ | 125 | . 8 | 1730 | 1970 | 202 | 212 | 109 | 123 | 112 | 400 | 1688 | 306 | 714 | 390 | 51 | 1.88 | $2 \cdot 14$ |
| SEPT. | 136 | 153 | $77 \cdot 8$ | 129 | 4.7 | 1730 | 1800 | 200 | 217 | 103 | 109 | 113 | 391 | 1660 | 296 | 711 | 381 | 54 | 1.79 | 2.56 |
| $\mathrm{OCT} \text {. }$ | 139 | 153 | 78.5 | 128 | $7 \cdot 7$ | 1860 | 1920 | 221 | 206 | 118 | 118 | 112 | 391 | 1686 | 309 | 724 | 370 | 51 | 1.58 | 2.40 |
| NOV. | 144 | 151 | $79 \cdot 4$ | 126 | 5.6 | 1850 | 1910 | 215 | 209 | 115 | 116 | 110 | 387 | 1667 | 298 | 732 | 365 | 55 | 1.91 | 2.63 |
| DEC. | 150 | 154 | $78 \cdot 7$ | 127 | $5 \cdot 0$ | 1730 | 1840 | 205 |  | 108 | 109 | 115 | 393 | 1685 | 298 | 733 | 360 | 51 | $1 \cdot 29$ | 2.59 |
| $\begin{array}{r} 1923 \\ \text { JAN. .. } \end{array}$ | 155 | 159 | $80 \cdot 2$ | 125 | 17 | 2010 | 1920 | 224 |  | 119 | 111 |  |  | 1693 | 320 | 726 | 358 | 48 | 1.21 | 2.28 |
| FEB. | 156 | 161 | 81.1 | 123 | 1.2 | 2030 | 1920 | 220 | 217 | 124 | 110 | 107 | 378 | 1644 | 286 | 736 | 349 | 53 | 1.79 | 2.54 |
| MARCH | 160 | 169 | $81 \cdot 5$ | 123 | 10.9 | $2040$ | 1930 |  | 228 | 124 | $118$ |  | 380 | 1596 | 250 | 742. | 333 | 53 | 1.92 | 2.43 |
| APRIL ... | 165 | 169 | $83 \cdot 6$ | 120 | $5 \cdot 9$ | $2060$ | 2000 |  | 235 | 119 | $120$ |  | 387 | $1606$ | $249$ | 744 | 327 | 52 | 1.98 | 2.11 |
| MAY | 167 | 161 | 85.0 | 118 | 4.8 | 1800 | 1800 |  |  | $111$ | 114 |  | 387 | 1608 | 262 | 743 | 325 | 49 | 1.63 | 2.07 |
| JUNE | 169 | 160 | $85 \cdot 3$ | 117 | 8.2 | 1900 | 1800 |  |  |  |  | 109 |  | 1638 | 271 | 747 | 331 | 48 | 1.40 | 2.05 |
| JULY | 161 | 147 | 81.6 | 123 | 9.3 | 1700 | 1800 |  |  | 113 |  |  |  | 1638 | 276 | 747 | 338 | 77 | 2.42 | 3.55 |
| AUG.. | 162 | 148 | 83.7 | 120 | $\bigcirc$ | 1620 | 1850 |  | 211 |  | 100 |  | 392 | 1611 | 265 | 743 | 339 | 73 | $2 \cdot 10$ | 3.29 |
| SEPT. | 166 | 152 | 83.9 | 119 | $\cdot 5$ | 1670 | 1730 |  |  |  |  |  |  | 1609 | 260 | 744 | 337 | $75$ | $2 \cdot 40$ | 3.30 |
| $\begin{aligned} & \text { OCT } \\ & \text { NOV } \end{aligned}$ | 165 | 143 | $83 \cdot 5$ | 120 |  |  |  |  |  |  |  |  | $\begin{aligned} & 380 \\ & 382 \end{aligned}$ |  |  |  |  | $75$ | $2 \cdot 48$ | $3 \cdot 19$ |
| DEC. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $t$ Exclusive of Investments in Affiliated B |  |  |  |  |  | * NORMAL SEASONAL CHANGE REMOVED. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  | inks. | $\dagger$ Issues for companies operating in Gt. Britain. For Table of Exchanges see p. 24. |  |  |  |  |  |  | For to | 1 of | issue | in G |  | see |  |

STOCKS \& SHARES-
NEW CAPITAL ISSUES-
BANK CLEARINGS-

BANK OF ENGLAND-
PRINCIPAL BANKS-
SHORT MONEY INDEX-

[^16]

Scale applicable to all lines.
For Table of F. Exchanges see p. 24. For Oct., 1923, averages for week ending 13th are shown above.

PRICES AND WAGES.


* NORMAL SEASONAL VARIATION REMOVED.

PRICE OF SILVER-
Arerage (cash) price of bar silver for week ending 15th of month.-ECONOMIST
BOARD OF TRADE INDEX-From Jan., 1020. Geometric Mean of Wholesale Prices (averages for month) of 150 commodities as percentage of 1513 average. For 1919, old Board of Trade Index.-BOAJD OF TRADE JOURNAL,

STATIST (SAUERBECK) INDICES-

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COST-OF-LIVING INDEX-
```

RETAIL FOOD PRICES-
WAGES INDEX-

Arerage wholesale prices of 19 foodstuffs and 26 raw materials on last day of month, as percentage of average for 1013. - STATIST

Ministry of Labour's index showing movement in cost of maintaining unchanged the standard of living prevalent in working-class households before the war. For 1st of month, but placed against previous month-e.g., reading for March 1st is shown against February-to facilitate comparison with "Statist" index
As above, for food only,
Average of index-numbers (as percentage of July, 1914) of rates of wages for normal week of (a) bricklayers and abourers, (b) engineering fitters and labourers, (c) compositors, (d) dock labourers, (e) railwaymen, (f) woollen workers, (g) cotton-workers, (h) miners, and (i) agricultural labourers, in general includes changes reported up to end of month. From March, 1922, includes those reported by the middle of the month. -PREPARED BY


Scale Applicable to all lines. From April, 1923, Import and Export Figures affected by changed status of S. Ireland.

TRADE AND OUTPUT.

N.B.-From April 1923, Import and Export figures are affected by changed status of S. Ireland (see Bull. V, p. 5.) *Revised

* NORMAL SEASONAL CHANGE REMOVED. ${ }^{\circ} 4$ Weeks excluding Good Friday or Bank Holiday Week.


TRANSPORT.


UNEMPLOYMENT-
IRON \& STEEL TRADE- Percentage of trade union members unemployed at end of month
DOCK LABOUR-
-AUPERISM-

## FOREIGN EXCHANGES.

|  | average of daily rates. |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | tParis <br> f. to $£$ | \|Rome <br> 1. to $£$ | ${ }^{\dagger}$ Berlin <br> M. to $£$ | $\begin{gathered} \text { +Amster- } \\ \text { dam } \\ \text { f1. to } £ \end{gathered}$ | $\begin{aligned} & \text { Prague } \\ & \text { kr. to } £ \end{aligned}$ | $\dagger$ Berne f. to £ | \|Stockholm kr. to $£$ | $\begin{aligned} & \text { +New York } \\ & \text { \& to } £ \end{aligned}$ | + Buenos Aires d. to ${ }^{8}$ | Riode Janeiro d. per mil | Bombay <br> d. per rup. | $\begin{gathered} \text { Hong- } \\ \text { kong } \\ \text { d. per } \end{gathered}$ | $\left\|\begin{array}{c} \text { Yoko- } \\ \text { hama } \\ \text { d. peryen } \end{array}\right\|$ |
| Parity | $25 \cdot 2215$ | $25 \cdot 2215$ | 20.43 | 12.107 | 24.02 | $25 \cdot 2215$ | 18.159 | 4.856 | 48:57 | 27 | 24 | - | $24 \cdot 58$ |
| JAN. 1919. | 25.98 | 30.31 |  | $11 \cdot 31$ |  | 23.09 | $16 \cdot 52$ | 4.766 | $51 \cdot 36$ | $13 \cdot 13$ | 18.03 | $39 \cdot 38$ |  |
| FEB. | $25 \cdot 99$ | $30 \cdot 31$ |  | 11.53 |  | $23 \cdot 24$ | 16.87 | 4.765 | 51.27 | 13.23 | 18.03 |  |  |
| MAR. | 26.70 | 31.50 |  | 11.58 |  | 23.08 | 17.05 | $4 \cdot 714$ | 51.41 | 13.36 | 18.03 | 37.39 | $25 \cdot 67$ |
| APRIL | 27.92 | 34.49 |  | 11.53 |  | 23.00 | 17.35 | 4.658 | 51.55 | 13.63 | 18.03 | 39.66 | 26.23 |
| MAY | 29.48 | 37.33 |  | 11.75 |  | 23.53 | 18.05 | $4 \cdot 662$ | 51.99 | 14.46 | 19.29 | 41.50 | 26.43 |
| JUNE | 29.63 | 36.92 |  | 11.82 |  |  | 17.94 | $4 \cdot 617$ | $51 \cdot 20$ | 14.57 | 20.03 | $42 \cdot 44$ | 26.54 |
| JULY | 30.89 | $37 \cdot 35$ |  | 11.69 |  | 24.75 | 17.80 | 4.429 | 52.02 | 14.51 | 20.03 | 42:56 | $27 \cdot 33$ |
| AUG. | 33.47 | 39.37 | 88.8 | 11.37 |  | $24 \cdot 15$ | $17 \cdot 35$ | 4.276 | 53.76 | 14.36 | $21 \cdot 36$ | 45.53 | 28.08 |
| SEPT. | $35 \cdot 39$ | $40 \cdot 82$ | $100 \cdot 9$ | 11.20 |  | 23.44 | 17.06 | $4 \cdot 177$ | $55 \cdot 33$ | 14.52 | 23.03 | 49.08 | $29 \cdot 35$ |
| OCT. | $35 \cdot 98$ | $42 \cdot 47$ | $113 \cdot 5$ | 11.05 |  | 23.43 | 17.24 | $4 \cdot 181$ | 55.23 | 14.77 | $24 \cdot 36$ | 51.79 | 29.03 |
| NOV. | 38.53 | 48.20 | $160 \cdot 5$ | 10.88 10.08 |  | 22.67 | 17.81 17.93 | 4.094 3.803 | 57.10 61.52 | 16.56 | 25.02 | 57.05 | 29138 |
| DEC. | 41.03 | $49 \cdot 63$ | 181.8 | $10 \cdot 08$ |  | 20.57 | 17.93 | 3.803 | 61.52 | 17.83 | 27.93 | 60.96 | 31.61 |
| JAN. 1920. | $42 \cdot 99$ | 51 | 1 | 9.76 |  | $20 \cdot 69$ | 17.76 | 3.677 | $63 \cdot 60$ | 17.80 | $28 \cdot 17$ | 61.24 | 30 |
| FEB. | 48.05 | 61.26 | $329 \cdot 3$ | 9.08 | 338.4 | 20.57 | 18.19 | 3.378 | $70 \cdot 19$ | 18.37 | $32 \cdot 36$ | 68.75 | 34-43 |
| MARCH ... | 51.85 | 69.95 | 304.4 | $10 \cdot 10$ | $318 \cdot 9$ | 21.81 | 18.27 | 3.739 | $64 \cdot 40$ | 17.57 | 29.56 | 61.94 | $30 \cdot 96$ |
| APRIL ... | $60 \cdot 35$ | 88.99 | 238.3 | 10.62 | 251.1 | 21.94 | 17.99 | 3.933 | 60.03 | 16.51 | 27.84 | 57.27 | $29 \cdot 40$ |
| MAY | 56.59 50.19 | 75.34 66.75 | $182 \cdot 8$ 154.0 | $10 \cdot 54$ 10.73 | $208 \cdot 9$ $169 \cdot 5$ | $21 \cdot 73$ 21.71 | 18.18 18.13 | 3.848 3.949 | $60 \cdot 27$ 58.16 | 16.59 15.13 | 25.83 23.59 | $51 \cdot 10$ $44 \cdot 78$ | $31 \cdot 86$ 31.00 |
| JUNE | $50 \cdot 19$ | 66.75 | 154.0 | 10.73 | $169 \cdot 5$ | 21.71 | 18.13 | 3.949 | $58 \cdot 16$ | 15.13 | 23.59 | $44 \cdot 78$ | 31.00 |
| JULY | $47 \cdot 49$ | 67.07 | 153.2 | 11.06 | 176.1 | 21.02 | 17.69 | 3.857 | 56.60 | 14.26 | $22 \cdot 60$ | $44 \cdot 77$ | 31.71 |
| AUG. | 50.42 | 74.22 | $172 \cdot 2$ | 10.00 | 2077 | 21.78 | $17 \cdot 60$ | 3.622 | 57.29 | 13.81 | 22.73 | 50.95 | $33 \cdot 84$ |
| SEPT | $52 \cdot 10$ | $80 \cdot 10$ | $199 \cdot 3$ | $11 \cdot 22$ | 239.5 | 21.63 | 17.42 | 3.521 | 57.77 | 12.61 | $22 \cdot 31$ | $51 \cdot 35$ | $34 \cdot 94$ |
| OC'T. | 53.22 | 89.76 | $237 \cdot 8$ | 11.27 | 275.8 | 21.65 | 17.81 | 3.476 | 56.16 | 12.29 | 21.85 | 48.50 | 35.06 |
| NOV. | 57.13 | 95.15 | 264.85 | 11.36 | 289.8 | 22.11 | 18.00 | 3.434 3.498 | $53 \cdot 31$ 53.41 | 13.58 10.61 | $20 \cdot 60$ 17.40 | 46.89 37.97 | $35 \cdot 37$ |
| DEC. | 59.28 | $101 \cdot 17$ | 256.45 | 11.26 | $298 \cdot 3$ | $22 \cdot 82$ | 17.82 | $3 \cdot 498$ | 53.41 | $10 \cdot 61$ | 17.40 | 37.97 | $33 \cdot 71$ |
| $1921 .$ | $58 \cdot 55$ | 105•33 |  | $11 \cdot 37$ | 296.3 | 23.89 | 17.54 | 3.739 | $50 \cdot 50$ | $9 \cdot 90$ | 17.65 | $35 \cdot 55$ | $30 \cdot 90$ |
| FEB. | 54.01 | 106.08 | 236.2 | 11.35 | 303.2 | $23 \cdot 72$ | 17.43 | 3785 | 49•36 | $9 \cdot 93$ | $16 \cdot 30$ | $29 \cdot 80$ | 29.94 |
| MARCH ... | $55 \cdot 35$ | 103.43 | $243 \cdot 4$ | 11.36 | $297 \cdot 5$ | 23.00 | 17.22 | 3.906 | 47.92 | 9.56 | 15.50 | 28.16 | 29.60 |
| APRIL | 54.22 | 85.14 | $250 \cdot 1$ | 11.31 | 287.6 | $22 \cdot 63$ | 16.69 | $3 \cdot 931$ | 44.56 | $8 \cdot 63$ | 15.60 | $30 \cdot 35$ | 29.49 |
| MAY | 47.50 | 75.28 | 246.0 | 11.18 | 275.2 | 22.28 | 16.94 | 3.977 | 43.01 | 8.42 | 15.47 | 30.23 | $28 \cdot 98$ |
| JUNE | 46.88 | 75.72 | $257 \cdot 1$ | 11.34 | $270 \cdot 1$ | 22.25 | 16.87 | 3.795 | 44.72 | $7 \cdot 77$ | $15 \cdot 52$ | 31.04 | $30 \cdot 26$ |
| JULY | $46 \cdot 52$ | $80 \cdot 37$ | $278 \cdot 6$ | $11 \cdot 43$ | 277.2 | 21.94 | 17.27 | $3 \cdot 628$ | 43.53 | $7 \cdot 17$ | $15 \cdot 36$ | 32.40 | 31.75 |
| AUG. | 47.02 | $84 \cdot 69$ | $305 \cdot 4$ | 11.78 | $297 \cdot 0$ | 21.69 | 17.32 | $3 \cdot 649$ | 43.93 | 8.07 | 16.24 | $32 \cdot 95$ | 31.82 |
| SEPT. | 51.52 | 88.57 | 399.1 | 11.74 | $319 \cdot 3$ | 21.62 | 17.08 | 3.723 | $45 \cdot 20$ | $8 \cdot 34$ | 17.20 | 33.42 | 31.04 |
| OCT. | 53.41 | 97.83 | 576.9 | 11.57 | 365.5 | 21.18 | 16.82 | 3.882 | $45 \cdot 44$ | 8.52 | 17.00 | $34 \cdot 82$ | 29.55 |
| NOV. | 54.97 | 96.20 | $1019 \cdot 9$ | $11 \cdot 36$ | $382 \cdot 2$ | $21 \cdot 10$ | 17.10 | 3.965 4.174 | 44.65 | 7.88 | 16.22 | 32.56 | 27.02 |
| DEC. | $52 \cdot 69$ | 93.92 | 798.7 | 11.44 | 336.1 | 21.42 | 16.92 | 4.174 | 43.45 | $7 \cdot 60$ | 15.95 | 31.63 | 27.73 |
| $\begin{aligned} & 1922 . \\ & \text { JAN. } \end{aligned}$ | 51.85 | 96.97 | 808.8 | 11.50 | $244 \cdot 6$ | 21.73 | 16.93 | 4.221 | 43.63 | 7.37 | $15 \cdot 86$ | 31.55 | $27 \cdot 42$ |
| FEB. | 50.27 | 90.01 | 894.9 | 11.60 | $234 \cdot 0$ | $22 \cdot 26$ | 16.70 | 4.351 | 45.57 | $7 \cdot 49$ | 15.59 | 29.99 | $26 \cdot 07$ |
| MARCH | 48.63 | $85 \cdot 96$ | $1262 \cdot 3$ | 11.56 | 252.4 | 22.48 | 16.73 | 4.369 | $45 \cdot 40$ | 7.72 | $15 \cdot 30$ | 29.37 | 26.02 |
| APRIL | 47.82 | 82.72 | $1281 \cdot 6$ | 11.63 | $225 \cdot 4$ | $22 \cdot 69$ | 16.95 | $4 \cdot 415$ | 44.01 | $7 \cdot 63$ | $15 \cdot 18$ | 30.08 | 25.78 |
| MAY | 48.77 | 84.83 | $1297 \cdot 3$ | 11.51 | $231 \cdot 1$ | $23 \cdot 15$ | 17.25 | 4.446 4.450 | $44 \cdot 49$ $44 \cdot 16$ | 7.58 7.42 | $15 \cdot 61$ $15 \cdot 61$ | $31 \cdot 29$ $30 \cdot 80$ | $25 \cdot 64$ 25.83 |
| JUNE | 51.13 | $90 \cdot 45$ | $1448 \cdot 1$ | 11.49 | $231 \cdot 6$ | $23 \cdot 39$ | 17.23 | 4.450 | $44 \cdot 16$ | $7 \cdot 42$ | $15 \cdot 61$ | $30 \cdot 80$ | 25.83 |
| JULY | 53.94 | $97 \cdot 14$ | $2176 \cdot 7$ | 11.46 | 205.2 | 23.27 | 17.13 | 4.448 | 44.17 | 7.47 | 15.67 | 31.39 | 25.82 |
| AUG. | 55.75 | 98.54 | $4675 \cdot 9$ | 11.49 | 155.7 | 23.44 | $16 \cdot 96$ | 4.464 | $44 \cdot 25$ | $7 \cdot 32$ | 15.62 | 30.95 | 25.70 |
| SEPT. | 57.88 | 103.94 | 65130 | $11 \cdot 41$ | 138.4 | 23.58 | 16.73 | $4 \cdot 430$ | 43.93 | 6.78 | 15.57 | 30.97 | $26 \cdot 18$ |
| OCT. | 59.90 | $105 \cdot 94$ | $13815 \cdot 6$ | $11 \cdot 39$ | $134 \cdot 4$ | 24.03 | 16.65 | $4 \cdot 436$ | $44 \cdot 16$ | $6 \cdot 18$ | 15.67 | $30 \cdot 34$ | $26 \cdot 51$ |
| Nov. | $65 \cdot 48$ | 101.00 | 29373 | 11.40 | 141.1 | $24 \cdot 33$ | 16.66 | 4.472 | $44 \cdot 16$ | ${ }_{6}^{6.47}$ | 15.84 | 28.97 | 25.96 |
| DEC. | 63.79 | 91.48 | 34323 | 11.59 | $149 \cdot 8$ | $24 \cdot 38$ | $17 \cdot 12$ | $4 \cdot 617$ | $44 \cdot 71$ | $6 \cdot 32$ | 16.00 | 27.74 | 25.54 |
| 1923. | 6946 | $95 \cdot 17$ | 81200 | 11.76 | $162 \cdot 5$ | $24 \cdot 78$ | 17.32 | $4 \cdot 655$ | 43.87 | $5 \cdot 90$ | $16 \cdot 36$ | 27.51 | 25.15 |
| FEB. | 76:38 | $97 \cdot 22$ | 130300 | 11.86 | 158.7 | $24 \cdot 93$ | 17.63 | $4 \cdot 690$ | 43.21 | $5 \cdot 88$ | 16.28 | 26.96 | $24 \cdot 73$ |
| MAR. | $74 \cdot 59$ | 96.94 | 99100 | 11.89 | 158.2 | 25.26 | 17.65 | 4.696 | 43.07 | 5.79 | 16.13 | 27.72 | 24.75 |
| APRIL ... | 69.86 | 93.88 | 113700 | 11.88 | 156.0 | $25 \cdot 53$ | 17.47 | 4.655 | 42.94 42.40 | 5.54 | $16 \cdot 15$ 16.12 | 28.33 | 25.47 |
| MAY | $69 \cdot 73$ 73.20 | 95.57 100.71 | 2139.0 504400 | 11.82 11.78 | $155 \cdot 3$ | 25.72 | 17.37 | $4 \cdot 614$ | 41.85 | $5 \cdot 46$ | 16.13 | 27.57 | 25.55 |
| JULY | 77.80 | $105 \cdot 9$ | 1854100 | 11.68 | 1529 | $26 \cdot 12$ | 17.27 | 4.583 | $40 \cdot 80$ | $5 \cdot 46$ | 16.13 | 27.05 | 25.53 |
| AUG. | $80 \cdot 76$ | 106.0 | 19800000 | 11.59 | $155 \cdot 4$ | $25 \cdot 25$ | $17 \cdot 12$ | $4 \cdot 561$ | $39 \cdot 18$ | $5 \cdot 15$ | 16.03 | $27 \cdot 11$ | 25.75 |
| Week ending |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Sept. 8 ... | 80.96 | 106.2 |  | 11.53 | $152 \cdot 3$ | $25 \cdot 15$ $25 \cdot 42$ | 17.04 17.09 | 4.528 4.543 | 39.23 39.34 | 5.22 | 16.12 | 27.62 |  |
| $\because \quad 15$ .. | 77.35 | 102.1 | $880 \cdot 0$,., | 11.56 | $151 \cdot 3$ | $25 \cdot 66$ | $17 \cdot 11$ | $4 \cdot 541$ | 39.92 | $5 \cdot 21$ | $16 \cdot 26$ | $27 \cdot 63$ | 25.59 |
| ,", 29 | 73.72 | $99 \cdot 2$ | 688.0 ,", | 11.58 | 151.5 | 25.49 | 17.17 | 4.557 | 39.97 | 5.15 | 16.22 | 27.54 | 25.63 |
| Oct. 6 | 76.62 | $101 \cdot 2$ | 2004.0 , | 11.57 | $152 \cdot 8$ | 25.47 | 17.16 | 4.550 | 39.76 39.16 | 5.15 | 16.27 16.37 | 27.42 27 | ${ }_{25} 25$ |
| ,, 13 ... | 75.08 | 99.8 | $15000^{\circ} 0$, | 11.57 | $152 \cdot 3$ | $25 \cdot 39$ | 17.20 | $4 \cdot 550$ |  |  |  |  |  |

[^17]
## PROVISIONAL PROGRAMME FOR 1923.

MONTHLY BULLETIN.-To be issued between 20th and 25 th of each month, with a Supplement issued about 7 th of the following month.

The Bulletin will contain charts, tables and comments dealing with the current trade position in the United Kingdom and in America (by cable from the current Harvard Service).

The Supplement will contain charts, tables and comments dealing with European countries and the latest available British figures.

The statistics in the Bulletin will embrace finance (stock prices, exchanges, bank activities, etc.), prices and wages, inland and sea transport, output, trade and employment.

QUARTERLY SUMMARY AND REVIEW.-To be issued with the Bulletin in the first month of each quarter, from April, 1923, onwards, containing a review of the preceding quarter, brief articles on such matters as capital issues, movement of exchanges, movements of foreign trade, and public finance during that quarter, and charts and tables covering longer periods.

## SPECLAL MEMORANDA:

Tariff Changes in Relation to British Trade-By T. E. Gregory.
Stocks of Staple Commodities,-By J. M. Keynes and R. B. Lewis.
Harvest Results and Prospects.-By Sir William Beveridge and R. B. Forrester.
Each of the foregoing will, it is hoped, appear every six months.

Seasonal Movements in Finance, Trade and Production.
The Time-Relation between British and American Trade Movements.
The Coal Trade.
The Iron and Steel Trade.
Shipping.
The Cotton Trade,

Special memoranda on these and other subjects are being arranged for, and will appear from time to time. They will not necessarily all appear during 1923.

The Exccutive Committee cannot guarantee the fulfilment of this programme, and reserves the right to vary, reduce or add to it as circumstances require.
(

# LONDON \& CAMBRIDGE ECONOMIC SERVICE 

ISSUED IN CO-OPERATION WITH THE HARVARD UNIVERSITY COMMITTEE ON ECONOMIC RESEARCH

SUPPLEMENT TO MONTHLY BULLETIN<br>SPECIAL QUARTERLY ISSUE-<br>VOLUME I.<br>NUMBER X.<br>NOV. 7th, 1923

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PUBLISHED BY THE EXECUTIVE COMMITTEE OF LONDON \& CAMBRIDGE ECONOMIC SERVICE, CARE OF THE LONDON SCHOOL OF ECONOMICS, AT HOUGHTON ST., ALDWYCH, LONDON, W C. 2

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## UNITED KINGDOM.

Additional Figures published since October 22nd, 1923.
Stocks and Shares.

| Price of 20 Industrials ... | $166 \%$ |  |
| :---: | ---: | :---: |
| ", | 8 Speculative ... | $150 \%$ |
| 4 | 4 Fixed Interest | $83.2 \%$ |
| Yield on | , | ,, |

Money.
Short Money Index ... 74\% Week ending Nov. 3rd.
Day to Day Rate ... $2 \cdot 46 \%$
Three Months Rate ... 3.15\%
Prices.
Silver (bar)-cash 31.97d. Week ending Nov. 3rd.
"Times" Index (Wholesale). Food $167 \% \quad 167 \% \quad$ Sept. 29th. Oct. 31st. Materials 156\% 158\% Total 160\% 161\%

## Railways.

Weight of Goods carried, 0000 tons General Merchandise ... ... ... 478 Fuel ... ... ... ... ... 1686 Other Minerals ... ... ... ... 513
Goods Receipts ... ... ... £ Mn. 8.63

## Exchanges.

| Week ending | Paris | Rome | Berlin |  | Amsterdam |
| :--- | :---: | :---: | :---: | :---: | :---: |
| Oct. 20th | 74.98 | 99.5 | 35 Milliards | 11.55 |  |
| ,, 27th | 77.04 | 100.4 | 340 | ,, | 11.56 |
| Nov. 3rd | 76.67 | 99.9 | 2130 | ,, | 11.54 |


|  | Prague | Berne | Stockholm | New York |
| :---: | :---: | :---: | :---: | :---: |
| Oct. 20th ... | $151 \cdot 8$ | $25 \cdot 25$ | $17 \cdot 17$ | 4.528 |
| ,", 27th ... | $151 \cdot 9$ | $25 \cdot 23$ | 17.08 | 4.495 |
| Nov. 3rd... | $152 \cdot 9$ | $25 \cdot 17$ | $17 \cdot 02$ | 4.478 |


| B.Aires Riode J. Bombay |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| H. Kong Y'k'hama |  |  |  |  |  |
| Oct. 20th .. 38.90 | 5.05 | 16.48 | 27.28 | 25.84 |  |
| ," 27th ... 38.77 | 4.99 | 16.68 | 27.33 | 26.07 |  |
| Nov. 3rd ... 38.70 | 4.91 | 16.72 | 27.28 | 26.12 |  |

## Unemployment

I.

1923 Jan. 1st ... ... ... ... 1,210,000
Oct. 1st ... ... ... ... 973,500 8th ... ... ... ... 978,000 15th ... ... ... ... 979,000 22nd ... ... ... ... 982,000

## FRANCE.

## Information communicated by M. LUCIEN MARCH, Directeur Honoraire de la Statistique Générale de la France.

October 28th, 1923.

THE irregularity of the foreign exchanges is the dominating feature of the economic position ; business progress is partially paralysed.

On the money market, fixed interest bearing securities are falling; in particular $3 \%$ Rentes have dropped to a level unrecorded since the end of 192I. Railway shares are better sustained, doubtless because they lend themselves to speculation less than government Rentes. Banking shares remain nearly stationary after the rise which occurred in July and August. Metal shares, which advanced in August and September, fell again in the middle of October to the July level. However, the volume of transactions has not diminished during the months of August and September. Revenue from the tax on

Stock Exchange business, current deposits at the Bank of France (Paris branches), and the value of bills presented at the Clearing House have not, as a whole, shown any very appreciable changes, but the daily accounts of the Bourse show a marked falling off in business in October owing to the uncertain outlook.

Issues of new capital were of relatively little importance, though the total in September was considerably above that in August, as is the case every year. The Bank of France discount rate remains at $5 \%$, the rate for advances $6.5 \%$. Contango rate ( $4.3 \%$ ) has been lower during the month ending October 15 th than in the two preceding months; thus the reduction in transactions has not arisen through tightness of money. However, it seems that the rapidity of the circulation of funds


[^18]FINANCE
Value of Stocks fnd Shares.
Clearing House Returns.
Exchanges.
Exchanges.-
Bank of France.-
PRICES.
Wholesale. -
Retail.

Index numbers for end of month till February, 1923, subsequent y for 15 th of month.
Index numbers for end of month at the Bankers' Clearing House of Paris.
potal clearings during the month at the Bankers, mean of monthly maximum and minimum.) As on last Friday of month, except Debits and Credits, which are based upon daily averages.
la 15 commodities at the end of the month.
Index calculated by the Statistique Générale de la France for 45 coorérale during the month, giving each Index for Paris calculated (1) for 13 commodities by the Statistique Generale dersing ; (2) for all expenses of a combity Commission on the Cost of Living.
'ГRADE, OUTPUT, TRANSPORT \& EMPLOYMENT.


[^19]TRANSPORT.
Shipping. - Tonnage of ships of all nationalities entered and cleared (with cargoes) during the month.
EMPLOYMENT
Number of applicants obtaining work through the public labour exchanges during the month, as a percentage of those still not placed

France.]

deposited at the Bank of France continues to increase. The balance remaining on private deposit at the Bank has been stationary since the beginning of the year; advances increased in October. National Savings Bank deposits have remained unchanged for three months.

As a whole, the financial position presents no remarkable change. No circumstance within the country actually points to a movement either way. The slight expansion in the note issue since June does not give a total greatly in excess of that for March; further it has been less than in ig20 and the beginning of 1921 .

Interesting developments have occurred in external trade. The tonnage of ships cleared with cargoes varied little in June-July-August ; that of ships entered much increased in June and July, but fell during August. Cardiff-Havre coal
freights have risen since June. The rise in the weight of imports for home consumption from the beginning of 1923 slackened since June; but in September the weight was greater than in August. Exports also show an increase in weight, especially between August and September. The estimates of value are less dependable on account of sudden price variations. The estimates are based upon controlled declared values for imports, and official values determined in 1922 by a Customs Commission for exports, the latter modified by the Administration according to price changes in similar goods imported. The balance of trade is at all times an excess of imports, but it is less than last year and admitted to be considerably less than the value of invisible exports resulting from purchases in France by foreigners. Coal imports of all kinds in 1923 amounted to $22 \cdot 8 \mathrm{Mn}$. metric tons, as against $21 \cdot 2$ for

## [France.

the same period of last year. Compared with the first nine months of 1913, total imports had increased by 7.6 Mn . metric tons or $2 \cdot 3 \%$ in 1923, total exports by 2 Mn . or $13 \%$. France receives most goods from Great Britain, U.S.A. and Belgium ; between 1922 and 1923, their increase in value with Britain was over $60 \%$. Exports, which go principally to Great Britain, Belgium, U.S.A. and Switzerland, increased from last year to this for all these countries-by more than $60 \%$ for Britain, as for imports.

On the whole, French foreign trade has so far been considerably more important in 1923 than in 1922, and it appears that the last quarter will only accentuate this progress. The rise in the exchanges has not impeded foreign trade. This rise, however, was particularly great until August, for during that month the average rate for the dollar exceeded the December, 1922 , rate by $27 \%$; for sterling the corresponding rise has been $26 \%$. Since August the tendency has continued to be downward until the middle of October. Gold and silver prices have been rather lower.

The rise in wholesale prices has followed, after an interval, upon the movement of the exchanges, but it was interrupted in May. Between then and September the general index of wholesale prices rose $4 \%$. In September the index number for prices of industrial raw materials was slightly below that of the preceding month; on the contrary, that for foodstuffs increased in the month by $7 \%$. For the mineral group prices were appreciably lower in September than in August, though that of coal remains stationary and that of pig-iron has been considerably increased.

The indices of internal trade are still satisfactory. Railway receipts have
increased since the beginning of the year ; the number of trucks loaded daily, which fell in July and August, in September exceeded previous records. Commercial activity, as indicated by the receipts from the tax on stock exchange business, the stamp duty on commercial bills, the total value of securities in the Portfolio of the Bank of France, current accounts in the provincial branches of the Bank of France, and by the revenue from the tax on turnover, from receipts and cheque stamps, has steadily progressed. Postal cheque business is stationary. As to industry, the position seems equally satisfactory. Coal output has much increased since last year ; the September figure is the maximum for any month since the war, and is very nearly as great as the pre-war rate, though the reconstruction of the damaged mines is far from complete. The output of pig-iron reached the highest level hitherto attained; the number of furnaces in blast was rog on Sept. Ist, in place of 104 on July Ist, while 66 were inactive. On October ist III were in blast. The production of iron and steel in August and September exceeded not only the highest figures for the preceding months but also the pre-war monthly output. The consumption of coal is also increasing, that of petrol is rising rapidly, but that of wool, and still more of cotton, is diminishing.

Generally speaking, there is no unemployment, rather is there a shortage of labour. Retail prices are rising; the Paris cost-of-living index which rose between the third quarter of 1922 and the second quarter of 1923, fell slightly in the third quarter of this year. Taxation has produced more revenue than last year-II per cent. more in the case of direct and 30 per cent. by indirect taxation.

## GERMANY.

## lnformation communicated by Dr. MORITZ ELSAS (Frankfurt), in consultation with Professor LOTZ (Munich) and Professor von SCHULZE-GAEVERNITZ (Freiburg).

THE Mark has suffered a further heavy fall. The dollar, which was at 90 Mn . in the middle of September, stood at 242 Mn . on the ist October, and by the 20th October had risen to $19,000 \mathrm{Mn}$. It seems that nothing can prevent the complete devaluation of the Mark: it frequently happens, in agriculture for example, that the Mark is simply repudiated. All small currency up to the million has become waste paper. The Reich floating debt alone in the last ten days of September has increased nearly seven-fold, namely from 7,343 billion on the 20th September to 46,717 billion. The real inflation in the form of currency is restrained within somewhat more moderate limits (it amounted to 28,000 billion at the end of September), but this difference is not important, for concurrently with the actual inflation there is considerable inflation of credit. It might be expected that the revenue from taxation, which has now been put on a sound basis, would bring appreciable relief, but unfortunately the effect is slight. This circumstance points to the prime necessity for driving in the wedge as regards the cutting down of State expenditure, especially the reduction in the Civil Service, which is much too big for present needs. These efforts are rendered more difficult by the cost of maintenance of the officials and workers who have been driven from the Ruhr and cannot for the present return there; added to this is the everincreasing expenditure on unemployment relief.

Money, for which up to $10 \%$ per diem was paid temporarily, has been at times easier to obtain, being at about $1 \frac{1}{2}-2 \frac{1}{2} \%$ per diem, but on the 20th September again up to $5-7 \%$ per diem. The shortage of currency has become less pronounced since experience has been gained, and currency notes of seven and ten mil-
liard denominations have been made available in large quantities for trade. Payments, however, are becoming more primitive (in the form of the despatch of ready money) because cheques are not only burdened with charges, but also because io days elapse before the amount in question is credited to the payee's account. This measure is bringing severe criticism on the banks, since they are now crediting cash payments one day later, and their premises, which are generally only open until mid-day, are completely closed on Saturdays. Furthermore, the banks have agreed among themselves to charge not less than $5 \%$ per diem for overdrafts, and besides, they will accept no responsibility for any errors whatsoever. The banks justify these measures by the fact that they are necessitated by the great increase in their own expenses-especially the increase in unproductive labour through the growth of the figures to astronomical dimensions. A contributory cause is certainly the fact that the speculative side has outgrown ordinary banking business.

Gilt-edged securities and speculative shares show steadily increasing rates; gilt-edged especially, because the hope still exists that the claims of creditors will eventually have to be met wholly or partly by payments of real value. In spite of the increase in the value of shares, it is noted that the prices of many do not by any means keep pace with the depreciation of money. Measured in gold, even the best shares show a heavy depreciation-a consequence of the complete disorganisation in German economic life.

In the meanwhile, the institution of a new currency bank, with a capital of $3,200 \mathrm{Mn}$. Rentenmarks, has given tangible shape to the new currency stabilisation project. The Neumark (Rentenmark) is to have the value of the old Goldmark (4.2 to the dollar). The

Rentenmark is to be secured by gold obligations on industry and by mortgages. In the technical press the scheme has met with some scepticism; its very obscureness is in its favour in lay circles, where it is cloaked with all the fascination of some arcanum. It is obvious that a currency based on mortgages or annuities can only at the best be a temporary relief in an industrial country which is so closely linked with the world's economic forces. The stability of the Neumark is scarcely better assured than that of the old Mark, and the backing in the form of mortgages is by no means so sound as that of the mortgage deeds of a mortgage bank, for the legality of claims on specific mortgages fails in the case of real estate. The critical action is that the Rentenbank is lending to the State free of interest 900 Mn . Neumark. Whilst one note-printing press is stopped, another is put in action.

In the meanwhile prices of raw materials and in some cases also of partly manufactured goods have risen above the world market price. This is particularly evident in the case of home-produced coal and iron, although wages are still considerably lower than world market wages. At the beginning of October, according to the Frankfurter Zeitung, prices for the mineral group, reckoned on a gold basis, were double the pre-war figure. The textile group was $1 \frac{1}{2}$ times the pre-war figure. Foodstuffs alone, reckoned in gold, were one quarter cheaper than the world market price. "Cheap" Germany has become for foreigners a country with prices at the world level; the special taxes on prices for foreigners, which still exist in some measure, are therefore less justified than hitherto and their abolition is desirable.

In trade and industry the crisis is becoming more intense. New orders are only obtained with difficulty. Home consumption is also decreasing rapidly. The power to export continues to decrease owing to the exaggerated cost of the chief raw materials, coal and iron, together with the rising working costs
owing to unproductive hours of labour, namely, the time lost in reckoning wages, insurance and taxation. To this must be added unproductive labour caused by a spreading out of work, for according to regulations still in force the dismissal of workmen is only permissible after a certain appreciable process of this sort has been in force. This is not confined to industry and the wholesale trade. It also occurs in the retail trade, especially in the warehouses. Building has also fallen off considerably. Last September (according to the Bawwelt) the construction of 412 dwelling houses and 187 factories was notified, as compared with 549 dwelling houses and 339 factories last August. In September, 1922, 2,009 new buildings were notified. The figures relating to shipping are still relatively high, and form a contrast to some extent to the gloomy tidings from trade and industry.

In this bulletin are included the wage index numbers, not only for the Frankfurt district, but also those published by the Government Statistical Office. If these are compared, differences are found in one month amounting in places to as much as $50 \%$. The wages for the Frankfurt district include 27 industries, whilst those of the Government Statistical Office are limited to eight different callings. The Reich's figures depend on particulars obtained from all over Germany. The figures for Frankfurt should therefore be considered as representative of a large city when compared with the other series.

This, however, does not suffice to explain the proportionately large divergence of $50 \%$. The explanation lies in the fact that the Reich figures are not only an average for the whole of Germany, but are also the average over one month. Thus the Reich figures cannot claim to be typical (depending on an actual weekly wage), whilst the Frankfurt figure is a typical wage figure, with the important reservation that it only relates to wages in one large town.

Wages have adapted themselves

## Germany.]

## FINANCE.



## NOTES AND SOURCES.

## FINANCE.

Industrial Shares, and Fixed
Interest Government Loan. - Index Numbers for middle of month. Wirtschaftskurve der Frankfurter Zeitung,
Capital Issues.
Post Cheque Circulation. -
Reichsbank-Clearings.-
Outside Deposits.
Savings Banks.
New York Exchange. -
Short Money Index.
Post Naehrichtenblatt.
Wirtschaft und Statistik.
Wirtschaft und Statisti
Second week of
Die Sparkasse.
Die Sparkasse, Monthly Averages till January, 1922, subsequently rate on 15 th of month. Wirtschaft und Statistik.
Average of 3 months rate, daily rate, deposit rate and Reichsbank rate, on first of month.

## PRICES AND WAGES, TRADE, TRANSPORT, EMPLOYMENT.



## NOTES AND SOURCES.

PRICES.
Wholesale
Silver and Aluminium.
Food and all items.
Retail
Reichs Index.
Elsas Index.
Wages. -Frankfurt \& DistrictAverage for Germany-
IMPORTS AND EXPORTS. Weight
Values in Gold Marks -
COAL OUTPUT.
SHIPPING.
RAILWAY GOODS RECEIPTSUNEMPLOYMENT -

Monthly Averages till January, 1922, subsequently for 1st of month. Frankfurt-am : Main Metallgesellschaft
Index Numbers for 1st of month, Wirtschaftskurve der Frankfurter Zeitung.
Excludes clothing. Eildienst des statistischen Reichsamtes.
Includes clothing. For 1st of month. Indexziffern uber die Kosten der Lebenshaltung,
Wirtschaftskurve der Frankfurter Zeitung.
Wirtschaft und Statistik. Weighted avelage for skilled workers in 8 occupations. Average for month.
Wirtschaft und Statistik.
State Statistical Bureau.
Excluding Saar-Wirtschaft und Statistik.
Wirtschaftsdienst.
Wirtschaft und Statistik
Nos, receiving relief on 1st of month-Reichsarbeitsblatt. Trade Union percentage for end of month but given as for following month to be comparable with previous column.
insufficiently in proportion to the great depreciation of money. It seems that the demands of the Unions have become more moderate on account of the threatened dismissal of workers. It is becoming more and more obvious that with the falling off in trade, computed wage rates based on an index number cannot be enforced. Measured in gold, wages have fallen to half their pre-war value. Social relations are becoming even more strained. Employers in the iron, steel and associated industries think that the time has come when they can make an attack on the 8 -hour day with success-this at a time when there is not sufficient work for a full 8 -hour day. The wages of industrial workers are already below the subsistence minimum, as are the incomes of the more widely distributed intellectual classes-clergy, doctors, teachers, students, officials-these have fallen to I/5th to $1 /$ ioth of their pre-war value, measured in gold, and the suffering from
lack of sufficient nourishment and coal is terrible

The final cause of the complete collapse of German currency and industry is the occupation of the Rhine and the Ruhr, with their attendant hampering effects on trade. Added to this is the unscrupulous manner in which the Ruhr relief funds have been exploited for personal enrichment-such as the manipulation of the exchanges far above the real needs of the case. The consequences are hunger-riots, which are breaking out in all quarters of the Reich, and have to be put down with force.

If economic life be not soon restored on the Rhine and in the Ruhr, and the reparations payments fixed at a reasonable figure, the policy of "sauve qui peut " will further ruin industry and the will to work, and acquiescence in the payment of taxes be still further diminished.

## ITALY.

## Information communicated by Professor C. OTTOLENGHI, of Turin.

ALTHOUGH there is still some instability in the economic situation, owing to the appreciable fall in stocks and shares in the second half of September, other indices are beginning to show signs of improvement. The harvest has exceeded expectations; the wheat crop, which was estimated at about 54 Mn. quintals (See Supplement No. 7) is now definitely stated at 6i Mn. New capital issues in the third quarter exceed the figures for both the preceding quarter and the corresponding quarter of 1922. Unemployment has also decreased considerably.

Exchanges. - Some interesting results are obtained from the analysis of exchange movements by studying the fluctuation during the thirty days of each month, for if we extend our view over a
longer period than we have in our monthly reports, we find movements which synchronize with those of other indices. Thus in July an increase in the prices of industrial securities corresponded with high exchange rates; in that month of favourable tendencies, with anticipation of further improvement, sterling and dollars were bought for exchanging for raw materials or in other ways. On the other hand, in the last month of the quarter there was an almost simultaneous fall both in exchanges and shares.

It is not possible to say whether this is a question of correlation or merely coincidence, but all the elements in an economic situation are linked in an interdependent system, and though one can imagine the existence of this system, it is very difficult to determine statistically

the relations between single elements considered by twos and threes, since they cannot be examined apart from the influence exerted by other elements, an influence which may vary both in point of intensity and of time.

Passing to the analysis of the data, in spite of the fall which occurred last month, the level of the dollar and sterling in the third quarter was higher than that in the preceding quarter and in the corresponding quarter of the previous year.

Value of Industrial Shares.-The chief feature of the third quarter was a strong upward move in July and August and a rapid fall in the second half of the quarter. This sudden change deserves examination.

The rise in the first two months, which extended also to banking shares on the strength of the latest financial results, was accentuated by the action of "bull" speculators, which in reality was based on
the idea that, given the low level of the lira, values should rise inversely with its fall; but the international situation in the second half of September, bristling with difficulties and rendered more serious with the worsening of the position in Germany, did not produce conditions in which the rising tendency in Italy was able to continue, and it was soon realized that dividends would fall. Almost at the same time, however, Bank of Italy shares, which had risen rapidly owing to the favourable situation, fell heavily in value ; the cause of this fall arose out of a decision by the Governor, who for State reasons restricted the Bank's dividend, so that a part of the available funds could be used for restoration work which the State intended to complete in the general interest ; but this cause was not immediately known, and the fact of precipitate selling of the Bank's shares affected the stock market very considerably; the downward tendency became more marked,

Italy.]
FINANCE.
TRADE.


SOURCES.-FINANCE.
Exchanges. - Official Exchanges (Gazzetta ufficiale del Regno.
Exchanges.-
Values of industrial Shares.
New Capital Investments
National Clearing House
National Clearing House
Returns. -
Returns.-
Deposits and Current Ac-
Deposits and Current AC-
counts (Bank of Italy).-Gazzetta ufficiale del Regno.
Savings Bank
Bankruptcies.
[Italy.
TRADE.

xx 1919 data from the "Ufficio governativo di Statistica Agraria," subsequently three types selected from data supplied by the Milan Chamber of Commerce.
Indicates Modification of Series.

* October prices are provisiona
$\dagger$ Modified figure


## Italy.]

and spread to a large proportion of shares. As mentioned in the last report, the index of closing prices of industrials for September as compared with that of August fell by only three points, but the rate of fall would be much greater if the figures for the end of the month were compared with those for the first half of the same month.

Wholesale Prices. - The index series show many changes, for the prices of the selected commodities have moved in different directions. These commodities are of the most importance, for in our scheme only the prices of those commodities which have weight in the variations of the national economic situation are included. However, in spite of the differences between the series, there appears during many months up to the end of the third quarter a tendency towards stationariness and it is interesting to note that this stationariness exists not only in the case of agricultural produce, but also of industrial produce, although it results from fluctuations sensibly different in the two series owing to the difference between the agricultural markets situation and that of industry. There was a fall in the first two months of the third quarter and a rise in the third entirely due to the prices of certain industrial commodities.

External Trade.-Data is available for the first two months only of the third quarter, and that only for total values of imports and exports. In July there was an appreciable fall from 1956 to 1008 Mn . lire in imports and from 948 to 796 Mn . in exports. It should be noted that this fall both in imports and exports corresponds to the seasonal change normally experienced in the month of August. The anticipated rise in September was considerably greater in the case of imports which rose to 147 I Mn . lire in value whilst exports reached only 835 Mn . When considering earlier monthly fluctuations of the principal imports and exports, no definite tendency towards improvement is to be found in the case of exports which is confirmed by an experienced interpretation of the total value, since the
values are shewn at a higher level, but the increase is masked by the high exchange rates prevailing in recent months. On the other hand, this want of external trade must not be interpreted as an unfavourable sign, for other indices show that home consumption has increased. There is improved employment among the industrial and agricultural classes, owing to the needs of the population of the restored provinces which before the war were satisfied from other countries. There is no doubt that internal trade has improved. According to a statement by the State Railways, the number of waggons loaded in August was 2,100, and in September 2,200 , as compared with 1,800 and 2,100 in the corresponding months of last year, and this increase in traffic compared with last year accords with the increased volume of merchandise passing through the port of Genoa.

## October.

October shows special economic features distinguishing it from the October of 1922.

Contrary to the usual seasonal movement of the exchanges there was a fall in exchange rates; the dollar fell from 22.69 to 22.15 in September-October, and sterling from $102 \cdot 83$ to $99^{\circ} 99^{\circ}$.

The wholesale price indexfell considerably owing to reductions in the price of coal and silk, following the rapid rise which occurred in September owing to the Japanese disaster, but principally owing to the reduction in wine prices alter the harvest. This reduction is very important because grapes are one of the principal products of the country; the wine trade has extended considerably in many provinces because wine consumption is considered almost indispensable in the families of the working classes and agricultural labourers, and because it forms a considerable item in exports. However, the fall of the index number from 659 to 456 will show a reaction.

During the month the value of industrial shares has shown a tendency to adjust itself, but the index fell one point from 157 to 156 .

## PROVISIONAL PROGRAMME FOR 1923.

MONTHLY BULLETIN. - To be issued between 20 th and 25 th of each month, with a Supplement issued about 7 th of the following month.

The Bulletin will contain charts, tables and comments dealing with the current trade position in the United Kingdom and in America (by cable from the current Harvard Service).

The supplement will contain charts, tables and comments dealing with European countries and the latest available British figures.

The statistics in the Bulletin will embrace finance (stock prices, exchanges, bank activities, etc.), prices and wages, inland and sea transport, output, trade and employment.

QUARTERLY SUMIMARY AND REVIEW.-To be issued with the Bulletin in the first month of each quarter, from April, 1923, onwards, containing a review of the preceding quarter, brief articles on such matters as capital issues, movement of exchanges, movements of foreign trade, and public finance during that quarter, and charts and tables covering longer periods.

## SPECIAL MEMORANDA:

Tariff Changes in Relation to British Trade-By T. E. Gregory.
Stocks of Staple Commodities.-By J. M. Keynes and R. B. Lewis.
Harvest Results and Prospects.-By Sir William Beveridge and R. B. Forrester.
Each of the foregoing will, it is hoped, appear every six months.

Seasonal Movements in Finance, Trade and Production.
The Time-Relation between British and American Trade Movements.
The Coal Trade.
The Iron and Steel Trade.
Shipping.
The Cotton Trade.

Special memoranda on these and other subjects are being arranged for, and will appear from time to time. They will not necessarily all appear during 1923.

The Executive Committee cannot guarantee the fulfilment of this programme, and reserves the right to vary, reduce or add to it as circumstances require.



[^0]:    * Weekly working hours were reduced in many other industries during 1919. The average reduction per head for the workpeople affected was 6.5 hours.

[^1]:    * Quotations obtained from the Financial Times.
    $\dagger$ Information obtained from the "Stock Exchange Official Intelligence" and Mathieson's "Fortnightly List."

[^2]:    * These Banks are :-Bank of Liverpool \& Martin's, Ltd. ; Barclay's Bank, Ltd, Coutts \& Co ' Bank, Ltd.
    $\dagger$ Excluding the National Bank, Ltd.
    $\ddagger$ For detailed information as to construction and list of items included, see Flux, A. W., Jour. of Roy. Stat. Soc., Mar.

[^3]:    * The groups of operatives are :-(a) Bricklayers; (b) Bricklayers' Labourers; (c) Engineers' Fitters; (d) Engineers' Labourers; ( $e$ ) Printers' Compositors; ( $f$ ) Dock Labourers; ( $g$ ) Railway Men; ( $h$ ) Coal Miners; ( $i$ ) Agricultural Labourers; ( $j$ ) Cotton Operatives, and $(k)$ Woollen and Worsted Operatives.-a-f data for selected towns, $g$ and $h$, general average, $j$, piecerate changes.
    $\dagger$ A. L. Bowley, Carnegie Endowment, Economic and Social History of the World War.
    $\ddagger$ For detailed information as to compilation and precise articles included, see Board of Trade "Monthly Accounts of
    § A possible suggestion of the extent to which output in general varies with the output of fuel and basic metals might be found by a comparison of the three items, "General," "Fuel," "Other Minerals " under "Railway Freight Traffic, Tonnage

[^4]:    $\ddagger$ Controlled railways before August, 1921.

[^5]:    * The proportions of total membership in the Unions making returns, represented in the various Trades at the end of
    November, 1922, were as follows :-

    Trades.

    | Trades. |  |  | Percentages. |  |  |
    | :--- | :--- | :--- | :--- | :--- | :--- |
    | Coal Mining |  | $\ldots$ | $\ldots$ | $\ldots$ | $13 \%$ |
    | Engineering and Shipbuilding | $\ldots$ | $35 \%$ |  |  |  |
    | Metals | $\ldots$ | $\ldots$ | $\cdots$ | $\cdots$ | $5 \%$ |
    | Building | $\cdots$ | $\ldots$ | $\cdots$ | $\cdots$ | $10 \%$ |

    Trades.

    | Trades. |  |  |  |  |  | Percenta |  |
    | :--- | :--- | :--- | :--- | :--- | :--- | ---: | :---: |
    | Textiles | $\ldots$ | $\ldots$ | $\ldots$ | $\cdots$ | $\ldots$ | $11 \%$ |  |
    | Printing | $\cdots$ | $\cdots$ | $\cdots$ | $\cdots$ | $\cdots$ | $8 \%$ |  |
    | Clothing | $\cdots$ | $\cdots$ | $\cdots$ | $\cdots$ | $\cdots$ | $9 \%$ |  |
    | Miscellaneous | $\ldots$ | $\cdots$ | $\cdots$ | $\cdots$ | $9 \%$ |  |  |

[^6]:    * This index is obtained by averaging the movements of the bank rate, bankers' deposit rate, and three months
    bills and the day-to-day rates.

[^7]:    * The Totals include imported manufactures, exported food, and the miscellaneous class, as well as the classes entered in the table.

[^8]:    $\uparrow$ Other current Index Numbers of the average price of security prices show a smaller rise, See discussion on p. 8 .

[^9]:    ${ }^{1}$ No. 12 of 1923 (p. 385).

[^10]:    *See Wirtschaft und Statistik, 2nd year, No. 11.

[^11]:    $\ddagger$ Excent unemployment figure ${ }^{2}$, which are percentages of unemployed to numbers in unions,

[^12]:    * The stock in the United Kingdom at the beginning of 1923 was believed to be about 400 Mn. lbs., and at the beginning of 1922 rather smaller. (Special Memorandum, No. 1. Economic Service)

[^13]:    ** In 1913 tissues are given in linear yards; the numbers in the table give approximately the equivalents in square yards.

    + These quarters include exports to South Ireland.

[^14]:    * Labour Gazette, July 1914.-Woollen Trade." Employment was slack and worse than a month ago; it was decidedly worse than a year ago. Worsted Trare. " Employment on the whole was moderate and worse than a month ago and a year ago."

    Labour Gazette, Sept. 1923.-Woollen and Worsted Trades.-" During August employment continued bad and on the whole was worse than in July. It showed no improvement in the woollen trade and a further decline in the worsted trade......Overtime working has almost entirely ceased.'

    Labour Gazette, Oct. 1923.-Woollen Trade.-"Employment was bad and showed no general improvement." Worsted Trade.-"Employment continued bad; it was about the same as a month earlier, but showed a considerable decline on a year ago."

[^15]:    *See Lehfeldt, Restoration of the World's Currencies, p. 145 .

[^16]:    Index Nos. of Prices and Yield as percentage of 1913 average ; on last day of month to Dec., 1922, subsequently 15 th of month.-PREPARED BY JOSEPH KITCHIN.
    issues during month in U.K., for U.K., excluding Government loans, etc.-See MONTHLY REVIEW OF THE LONDON JOINT CITY AND MIDLAND BANK, LTD
    Total of Town Clearings (i.e., excluding Metrodolitan) of London Bankers' Clearing Houso for 3 weeks covering 2 Stock Exchange settlement days, Consols settlement day, and 4th of following month. Total of Country Clearings f London Bankers' Clearing House for 4 weeks ending approximately at end of month. Total of Provincial Clearings for Birmingham, Bristol, Liverpool, Manchester, Newcastle, for four-weekly periods as above Deposits, other than public, 11-17th of month,
    Bank Notes and Currency Notes in circulation 11th-17th of month
    "Current, Deposit and other accounts," and Advances. Averages for the month of 9 clearing banks (i.e.-excluding he National Bank, Ltd.).-MONTHLY REVIEW OF THE LONDON JOINT CITY AND MIDLAND BANK, ITD. Average of Bank Rate, Bankers' Deposit Rate, 3 Months Bill rate and day-to-day rate for week ending $15 t h$ of month, expressed as Dercentage of 1913 average.
    Day-to-Day Rate and 3 Months Rate. Avorages for week ending 15 th of month.

[^17]:    + In series thus marked, the monthly figures for June, 1920 -December, 1922, are averages of 4 weekly rates as given in the Board of Trad Jommal.

[^18]:    + Includes 2016 Mn . franes for devastated areas.

[^19]:    *From January, 1922, Import figures are based upon declared values. Export figures are based upon 1919 official prices until May, 1922, then
    : Imports and Exports. Since July, 1922, an estimate has been made in all cases allowing for increased prices.
    were included. + Estimated Values. Lorraine in 1919 were not included until December, in which month totals for the whole year

