

Monthly Review of Business and Industrial Conditions

in the Eleventh Federal Reserve District, Federal Reserve Bank of Dallas

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Since our May letter changes in agricultural and commercial conditions in the district have not been very noticeable. Generally speaking, agricultural prospects have slightly improved within the past 30 days, as the weather has been most favorable for farm work, and the small grain crop has been especially benefitted.

In mercantile lines there is continued evidence of a decreased volume, in both retail and wholesale, which we believe attributable to price uncertainties and a feeling, pretty wide-spread among the trade, that the market is due for a downward turn. Part of the decreased volume is, of course, seasonal and is to be expected with the summer months.

In wholesale trade cancellations are quite numerous, and buying is upon a very conservative basis. In fact, it seems the depression has shifted from the retailer to the wholesaler. Much has lately been said and written about increasing production, conservation of credit, curtailment of extravagant purchases and other factors which affect the economic situation. This propaganda has unquestionably had a healthy effect. There has been some complaint that this talk was more pessimistic than basic conditions justified and had created some alarm as to the future. Such a construction was, in our opinion, not justified, and yet conditions in the past few weeks have certainly suggested that it was an opportune time to "stop, look and listen," and intelligent action should prevail.

The marketing of the grain crop, which will soon commence in this district, should bring some immediate liquidation and be of material assistance to the banks, which will, of course, experience heavy withdrawals on account of the income tax payment due June 15th.

The reduction in prices and inauguration of "discount" sales by large department stores of the North and East, were reflected to some extent in similar action in this district, but not nearly so general or widespread. Merchants report that prices at wholesale have not been such as to justify any material reduction in retail merchandise, and they have not willingly acquiesced in the movement, but have, we believe, merely anticipated for a few weeks their mid-season clearance sales.

Our correspondents report that transportation difficulties are being relieved to a considerable extent, and the congested conditions at Galveston and other ports are being slowly, but surely, improved.

AGRICULTURE

While farm operations throughout the district are showing the effects of the generally favorable weather

conditions which obtained in May, the condition of most crops is still considerably below normal, and late harvests will be the rule. In South and Southwest Texas, cotton, corn and other crops responded well to the seasonable temperatures and moderate precipitation. Heavy rains in North and West Texas interfered considerably with the planting of cotton, and, as a result, the acreage will probably be substantially smaller than was contemplated. Reports show a steady improvement in the general crop conditions in Arizona, where there is a large cotton acreage this year, though the condition of the crop has been adversely affected by the late season and hail damage. Favorable crop conditions are also reported in New Mexico, where the cotton plant is making a good growth and farming activities generally are progressing at a satisfactory rate. In Southern Oklahoma about one-third of the cotton acreage was replanted as a result of heavy rains in May. The condition of the crop in that state is estimated at 70% of normal.

In Texas the condition of cotton is 60%. Much planting and replanting was accomplished in May. Cultivation is being actively carried on in South Texas. Excessive rains in the northern part of the state have brought up a heavy growth of grass and weeds, and the farmers are generally behind with their chopping. The crop is from two to four weeks late.

Winter wheat made excellent progress as a result of the favorable weather prevailing in May. Most of the Texas grain has matured, and as this is written threshing is under way throughout the state. Harvesting has begun in Arizona also, and good yields are reported in that state. In Oklahoma the crop is maturing rapidly, and very little smut or rust has so far developed. The prospects are for an extremely short wheat production in this district, due to the reduced acreage.

Showers throughout the greater part of West Texas were beneficial to all grain and feed crops, and locally the yield will insure good supplies in that section for the current year.

Fruit Shortage Late reports substantiate the belief expressed in April that nearly all fruit in this district was killed by late frosts. In East Texas, where fruit is an important item in that section's farm products, the entire peach crop was a total loss in many localities, while in others it will be less than 25% of last year's production. Similar reports have been received from other parts of Texas and from Arizona and New Mexico. The loss to East Texas farmers, however, is offset to some extent by the fact that they have a bumper tomato crop in prospect, despite the setbacks due to cold waves occurring in the transplanting season.

Cotton Movements The month of May saw a further contraction in the movement of cotton through the port of Galveston, where receipts for the month were only 55,216 bales, as against 115,573 in April, 1920, and 141,475 in May, 1919. Exports totaled 84,009 bales, compared with 126,914 for the previous month, and 142,727 for the month of May, 1919. Detailed figures showing the movement through Galveston and also through all United States ports for the month of May are presented below.

MAY COTTON MOVEMENTS

	Galveston
Receipts	55,216
Shipments	84,009
Stocks May 31.....	192,904

GALVESTON STOCK STATEMENT

	May 31, 1920	May 31, 1919
For Great Britain	5,870	23,532
For France		6,000
For other foreign ports.....	30,005	25,000
For coastwise ports.....	14,200	1,200
On compresses and depots.....	142,829	185,902
Total.....	192,904	241,634

GALVESTON COTTON EXPORTS

	This Season	Last Season
Total foreign exports to May 31.....	1,833,896	1,218,597
Total coastwise exports to May 31.....	308,615	354,814
Total exports to May 31.....	2,142,511	1,573,411

COTTON MOVEMENTS, ALL U. S. PORTS

	For month of May	
	This Season	Last Season
Receipts	5,779,872	5,383,166
Exports	5,877,132	4,388,792
Stocks May 31.....	1,023,989	1,298,353

Grain Movements Reports from grain inspectors at Dallas, Fort Worth, Wichita Falls, Waco and Galveston show 2,769 cars of wheat received at those cities in May, which was an increase of 217 cars over receipts for the previous month. Of the total receipts for May, 2,217 cars were unloaded at Galveston, the movement at the interior cities being light as compared with the export movement.

Detailed data showing receipts of wheat, oats and corn at the principal grain centers in May are shown below.

COMPARATIVE GRAIN RECEIPTS

	April (cars)	May (cars)
Wheat	2,552	2,769
Corn	147	138
Oats	373	294

May Grain Prices Car-lot jobbers at the principal grain centers of the district suspended quotations on wheat in May. Prices offered at the close of the month on No. 2 white corn were up about 25 cents as compared with the opening quotations, while oats registered a small decline. Trading was generally light and irregular throughout the month, the holding movement previously noted being still in evidence.

LIVESTOCK

Range Conditions Texas, New Mexico and Arizona ranges received in the month of May the benefit of copious showers, the need of which was beginning to be felt in most sections at the end of the

previous month. Reports from Amarillo district indicate that throughout Eastern New Mexico and the Panhandle there was ample moisture for all needs, followed by an abundance of sunshine, which placed the ranges and livestock in excellent condition. In the Arizona district the rainfall was not so heavy, but sufficient to break the drouth in the desert sections, where the lack of moisture was most acute. The major ranges in that state, particularly in the mountain regions, have been steadily improving with the seasonal advance of temperature. In fact, the condition of livestock and ranges throughout the entire district is from good to excellent, with grazing improved and an abundance of stock water in practically all sections.

Livestock Prices Continuing the downward trend which livestock prices developed in the previous month, quotations during the month of May worked toward lower levels until the end of the month, when new low marks for the year were set for some divisions.

At the Fort Worth market offerings were well absorbed during the early part of May, when considerable buying was done for the purpose of shipping stock to other centers on orders of the buying interests. Toward the latter part of the month, however, there was a slackening in these orders, which left the market extremely dull and many thousands of cattle were forced to other markets. Beef steer prices were carried to the lowest level of the year by the depression late in May, quotations closing at a decline of about \$1.00. The top price in this division showed a loss of 50c as compared with top figures both for April, 1920, and May, 1919. Hogs, which reached a high mark of \$15.35 in April, commanded a top price of only \$14.75 in May. Stockers and butcher stock, however, at the high point of the May market, recorded slight gains over the April maxima. Following the disastrous slump in the April sheep market, there was a dearth of sheep and lambs which carried prices up again in early May, but towards the end of the month as receipts became more liberal values sagged to the closing levels of April. Calves closed the month at about \$2.00 under the final April quotations. The following is a comparative statement of top livestock prices at the Fort Worth market for the month of May, 1920-1919.

TOP LIVESTOCK PRICES IN MAY

	1920	May 1919
Beef steers	\$11.25	\$14.50
Stocker steers	10.75	13.00
Butcher cows	10.50	11.75
Stocker cows	9.00	8.75
Calves	13.75	14.50
Hogs	14.75	20.95
Sheep	11.50	14.25
Lambs	16.50	18.50

May Livestock Movements South Texas grass steers continued to arrive at the Fort Worth market in fairly large consignments, though that section, according to reports, still has a considerable quota of beef steers yet to come. The May offerings from South Texas pastures included several runs of choice, heavy animals in excellent condition. In addition to the supply from that quarter, West Texas inaugurated its movement of market cattle, consisting mostly, however, of yearlings and stockers. The West Texas movement contributed materially to the increase shown in May receipts of cattle and calves as compared with the month of

April. Hogs arrived in about the same numbers as in April, while there was a decrease of approximately 30,000 in receipts of sheep.

The number of cattle yarded at Fort Worth in May compares favorably with receipts for that month for the past eight years with the exception of 1917, when 203,936 head was the record May figure. In the calf division the May, 1920, record has been exceeded only twice during

the past seventeen years, and showed a gain of about 100% over the receipts for May, 1919. Receipts of sheep amounted to 88,639 head, which compares with 106,697 for the corresponding month of last year.

The table presented below shows the comparative livestock receipts at Fort Worth for the months of May, 1920, April, 1920, and May, 1919.

FORT WORTH LIVESTOCK RECEIPTS

	May, 1920	April, 1920	Loss or Gain	May, 1919	Loss or Gain
Cattle	102,981	75,282	G 27,699	107,569	L 4,588
Calves	17,229	8,795	G 8,434	8,323	G 8,906
Hogs	37,601	37,034	G 567	36,954	G 647
Sheep	88,639	122,869	L 34,230	106,697	L 18,058

LUMBER

May Production Thirty-two Southern pine mills in the Eleventh District reported a combined average weekly production of 11,420,932 feet for the month of May, which was 72% of their normal output. According to the statistics of weekly shipments for the month of May and the volume of unfilled orders on hand at the end of the month, these mills are about four months behind with their deliveries, while at the same time, the volume of new orders received is keeping pace with their shipments. In fact, a singular coincidence with respect to the 32 mills reporting for the month of May is that their orders and shipments for that month were identical in total footage.

From the appended table of operating statistics for May it will be seen that the production for that month was greater, by 23%, than shipments or new orders, and was 28% less than normal production.

LUMBER MILL STATISTICS FOR MAY

Number of mills reporting.....	32
Orders received (weekly average).....	9,239,531 feet
Production (weekly average).....	11,420,932 feet
Shipments (weekly average).....	9,239,531 feet
Unfilled orders on May 28th.....	167,736,325 feet
Normal weekly production.....	15,669,021 feet

Price Movements Substantial reductions were made in lumber prices throughout the district during the month. The mills took the initiative in the movement, and while some of the retail dealers were slow in adjusting their quotations to the lower levels, the decline was practically universal. Recessions ranging from \$5 to \$20 per thousand on such items as flooring, finishing and dimension lumber, were featured in the reports from a number of cities. The movement was a continuation of the downward turn which the market developed in April, and may be regarded as a natural phase of the general liquidation which has been going on for the past two months in nearly all commodity markets. Authoritative opinion holds the view that the decline in lumber is to be attributed to two outstanding causes: the tightening control of credit (which affects the lumber dealer both directly and through its control of the building activities) and the waiting attitude which the public and the retail lumber men inevitably adopt when indications point to lower prices. The persistent shortage in housing, however, lends reason to the belief that the lumber market is underlain with a potential strength which the backing up of postponed orders is likely to de-

velop at any time, though just how soon such a reaction will be precipitated is as problematical as was the opposite question a few months ago when dealer and consumer alike were wondering when the crest of prices would be reached.

PETROLEUM

Increased Production in May

Eleventh District oil wells produced 11,714,413 barrels in the month of May, bettering their April record by 690,068 barrels. Texas fields contributed 566,893 barrels to the increase, while the gain in North Louisiana was 123,175. Although this showing was due in part to the extra day allotted to May by the calendar, the daily average for that month showed an increased rate of production, being 10,406 barrels in excess of the daily average for April.

While Burkburnett led the Texas fields in total yield for the month, Stephens County excelled in new production and became the center of interest on account of bringing in a number of heavy producers, whose initial flow registered an aggregate of 50,910 barrels. The town of Breckenridge, in Stephens County, is coming into prominence as the center of one of the most rapidly developing fields in the state. As a whole, the West Texas territory had a successful month, its petroleum output for May having a value of \$8,980,000. All of the major fields in Texas showed a gain for May in monthly production, and all with the exception of the coastal section yielded larger daily averages than in April.

North Louisiana maintained its production in May at practically the same rate as in the previous month.

Drilling Results Improve

Drilling reports for the Eleventh District show a substantial improvement in the results of operations for the month of May. Completions totaled 819, of which 202 were dry or abandoned, while 617 proved to be producers having a combined initial flow of 206,394 barrels. This compares with the April record of 609 completions, 154 failures, 456 producers, and initial production of 156,269 barrels.

West Texas fields doubled their new production record for April. The Burkburnett pool showed a gain of 25%.

Completions in North Louisiana increased from 99 in April to 182 in May. Of the 182 wells completed, only 42 were failures, the percentage of producers being well above the usual proportion.

Fewer Wells Being Drilled Statistics gathered by The Oil Weekly show that at the close of May the number of oil wells being drilled in Texas and North Louisiana was 2,958, compared with 3,063 at the end of April. There was a decrease of 152 wells in Tex-

as and an increase of 77 in North Louisiana. At present the most active operations are being conducted in the Central-West Texas Territory, where there are now 935 wells being drilled, 347 rigs placed, and 288 locations made.

OIL PRODUCTION

Field—	April		May	
	Total	Daily Average	Total	Daily Average
North Texas	2,721,730	90,724	3,075,070	99,195
Central-West Texas	2,537,160	84,572	2,665,769	85,992
Texas Coastal	2,058,580	68,619	2,102,138	67,811
Corsicana—Miscellaneous	41,386	1,335
Totals, Texas	7,317,470	243,915	7,884,363	254,334
North Louisiana	3,706,875	123,563	3,830,050	123,550
Totals, 11th District.....	11,024,345	367,478	11,714,413	377,884

DRILLING RESULTS

Field—	Completions	Producers	Failures	Initial Production
North Texas	227	179	48	39,820
Central-West Texas	296	227	69	79,522
Texas Coastal	79	59	20	20,443
Texas Wildcats	35	12	23	406
Totals, Texas	637	477	160	140,191
North Louisiana	182	140	42	66,203
May totals, District.....	819	617	202	206,394
April totals, District.....	609	456	154	156,269

WELLS, RIGS AND LOCATIONS

	Drilling Wells	Rigs	Locations
North Texas Fields	527	114	76
Coastal Fields	200	15	24
North Texas Counties	207	55	20
Panhandle Counties	51	18	8
Central-West Texas Counties.....	274	70	16
Central-West Texas Fields.....	935	347	288
Coastal Counties	202	16	32
East Texas Counties.....	52	10	4
Totals, Texas	2,448	645	468
North Louisiana Fields.....	395	116	111
North Louisiana Wildcats.....	115	23	6
Totals, North Louisiana.....	510	139	117
Totals, District	2,958	784	585
April, Totals	3,063	838	561

CRUDE OIL PRICES

Texas:	Louisiana (38 gravity and above):
Corsicana light	Caddo
Corsicana heavy	Homer
Texas Coastal fields.....	Bull Bayou
All other Texas fields.....	De Soto
\$3.50	\$3.50
1.75	3.35
3.00	3.15
3.50	3.14

TRADE AND TRANSPORTATION

Wholesale Trade Reports from wholesalers, covering business for May, reflect a further slump in volume for that period. With two exceptions, i. e., automobile supplies and farm implements, a decrease in sales of 4 to 22% is shown. According to our advices, there is a strong tendency on the part of the buyers to order conservatively, not to overstock, or buy heavily for future delivery. "Spot buying" predominates. Prices in the month of May fluctuated but slightly, as

compared with April. The principal change was a slight advance.

Stocks of merchandise on hand at the close of the month are estimated lower than at the end of April. Wholesalers are rather optimistic over the prospects for fall trade, but admit that the situation is not free of uncertainty, and, pending the improvement in transportation, supply of labor and raw materials, no general decline in prices may be expected at any time soon.

The table which follows gives comparative statistical data on wholesale activities at the close of May.

MAY, 1920, WHOLESALE TRADE, COMPARED WITH APRIL, 1920, AND MAY, 1919.

	Compared with	Sales	Selling Price	Shipments	Stock at end of month
Groceries	April, 1920.	Dec. 21%	Same	Dec. 21%	Dec. 7%
	May, 1919.	Inc. 27%	Inc. 18%	Inc. 27%	Inc. 21%
Furniture	April, 1920.	Dec. 22%	Same	Dec. 22%	Dec. 3%
	May, 1919.	Dec. 14%	Inc. 50%	Dec. 14%	Dec. 8%
Auto Supplies	April, 1920.	Inc. 22%	Same	Inc. 18%	Inc. 3%
	May, 1919.	Inc. 8%	Inc. 5%	Inc. 7%	Inc. 40%
Drugs	April, 1920.	Dec. 7%	Inc. 1%	Dec. 7%	Same
	May, 1919.	Inc. 37%	Inc. 6%	Inc. 37%	Inc. 15%
Dry Goods	April, 1920.	Dec. 21%	Same	Dec. 21%	Inc. 10%
	May, 1919.	Inc. 15%	Inc. 15%	Inc. 15%	Inc. 54%
Hardware	April, 1920.	Dec. 4%	Same	Dec. 4%	Same
	May, 1919.	Dec. 18%	Inc. 10%	Dec. 18%	Inc. 14%
Farm Implements	April, 1920.	Inc. 6%	Inc. 10%	Inc. 6%	Dec. 11%
	May, 1919.	Dec. 15%	Inc. 12%	Dec. 15%	Dec. 29%

Retail Trade There continues to be a pronounced tendency, on the part of the public, to eschew higher priced merchandise and developments during May indicate that buying is upon a more conservative basis. With one or two exceptions, as will be noted from the table given below, trade at retail in May was less than in April, and except in groceries, automobile supplies, drugs and dry goods, shows a decrease as compared with May, 1919.

Prices in May did not fluctuate to any great extent, as compared with April. Estimated stocks on hand at the close of the month vary only slightly from those on April 30th. There has been an excellent demand for summer apparel and lighter clothing, and the vacation period and advent of the tourist season have made for a substantial increase in various lines.

Furniture dealers report an unusual demand for goods for settlement on the installment plan and a noticeable decline in cash purchases. Some of the dealers have put on sales, notwithstanding wholesale prices are still advancing.

Dealers in hardware advise that prices are not declining and no reduction is anticipated, as production is far below normal and the supply of goods is limited on account of strikes in the manufacturing centers in the North and East. This line is especially affected by the congestion in transportation.

The table following shows in composite form a statistical resume of conditions in the principal retail lines during May:

MAY, 1920, RETAIL TRADE, COMPARED WITH APRIL, 1920, AND MAY, 1919.

	Compared with	Sales	Selling Price	Stock at end of month
Groceries	April, 1920.	Dec. 11%	-----	-----
	May, 1919.	Inc. 19%	-----	-----
Furniture	April, 1920.	Dec. 26%	Inc. 5%	Inc. 2%
	May, 1919.	Inc. 38%	Inc. 41%	Inc. 28%
Shoes	April, 1920.	Dec. 15%	Same	-----
	May, 1919.	Inc. 15%	Inc. 20%	-----
Clothing	April, 1920.	Inc. 5%	Dec. 12%	Dec. 4%
	May, 1919.	Inc. 29%	Dec. 3%	Inc. 33%
Dry Goods	April, 1920.	Inc. 19%	Same	Inc. 1%
	May, 1919.	Inc. 46%	Inc. 36%	Inc. 60%
Hardware	April, 1920.	Dec. 15%	Inc. 4%	Inc. 5%
	May, 1919.	Inc. 22%	Inc. 25%	Inc. 11%

Transportation Active and organized efforts were made in this district in May to improve the freight car service. At the instigation of the Interstate Commerce Commission, committees were appointed at Dallas and Galveston, comprised of traffic executives of the leading Southwestern trunk lines, to inaugurate a systematic campaign looking to the prompt loading and unloading of freight cars and the elimination of abuses of transportation facilities generally. The movement is also concerned with increasing the availability of motor truck transportation in connection with such transfer service

as is usually performed by means of the railroads' switching facilities in the larger cities.

Freight congestion at the port of Galveston, due to a strike of the longshoremen engaged in handling coastwise traffic, reached an acute stage in May, when martial law in a modified form was put into effect in that city by state troops under orders from the Governor for the purpose of affording protection to freight handlers. The situation is now improving, and the congested condition of the terminals is expected to be relieved soon.

FINANCIAL

Federal Reserve Bank Operations The demand for money continued strong in May, as evidenced by requests for accommodations received by the Federal Reserve Bank of Dallas from its member banks. In May 404 banks were granted loans, compared with 307 accommodated in April, or an increase of 97. The number of owing banks on May 29th was 411, or 82 more than on the 30th of April.

Member banks' rediscounts held on May 29th totaled \$38,543,075.30, an increase of \$5,757,037.05 over the amount held on April 30th. During the same period member banks' collateral notes decreased from \$40,765,859.30 to \$35,696,784.00, though this decrease was more than offset by an increase from \$3,000,000 to \$13,000,000 in the amount of collateral notes transferred from this district by rediscount transactions with other Federal Reserve Banks.

Total loans made to member banks in May was \$111,044,549.49, against which there was a retirement of \$100,446,587.74, leaving a net increase of \$10,597,961.75 for the month of May.

On May 29th the bank's outstanding loans, according to maturities, were distributed as follows:

Due within 15 days.....	\$39,033,952.84
Due 16 to 30 days.....	9,783,447.24
Due 31 to 60 days.....	13,926,699.79
Due 61 to 90 days.....	5,394,829.79
Due after 90 days.....	7,474,604.64
Total.....	\$75,613,534.30

Federal Reserve Notes outstanding May 29th amounted to \$85,664,350.00, against a total of \$83,485,200.00 on April 30th. Member banks' reserve deposits were \$55,551,457.14, or \$5,744,199.67 less than on April 30th.

Condition of Member Banks in Selected Cities The financial condition of member banks in the larger cities was substantially unchanged in May as compared with the previous month. On May 28th the ratio of their loans to net demand deposits was 120%, compared with 119% on April 30th. At the close of May last year this ratio was 104%, loans having increased, during the twelve-month period, 46%, and deposits 42%.

Comparative statistics of member banks in Dallas, El Paso, Fort Worth, Houston, San Antonio, Shreveport and Waco are shown in the appended table.

CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES

	May 28, 1920.	April 30, 1920.	May 30, 1919.
Number of reporting banks.....	46	44	46
U. S. Securities owned.....	\$61,394	\$59,707	\$79,689
Reserve with Federal Reserve Bank.....	25,805	26,472	18,301
Loans secured by U. S. War Obligations.....	10,251	9,767	7,184
All other loans and investments.....	267,103	268,641	181,891
Net demand deposits.....	230,948	235,431	168,171
Bills payable with F. R. Bank.....	51,341	50,739	32,734

Bank Clearings Clearings at the principal cities in the district show a decrease of 13.2% for May, as compared with last month, and an increase of 17.6% over May, 1919, as will be noted from the table following:

BANK CLEARINGS

	May, 1920	April, 1920	Inc. or Dec.	May, 1919	Inc. or Dec.	Five Months 1920	1919	Inc. or Dec.
Austin	\$ 6,032,441	\$ 8,176,746	-26.2	\$ 14,493,051	-58.4	\$ 38,592,512	\$ 155,902,705	- 75.2
Beaumont	6,000,000	6,618,500	- 9.3	5,618,431	+ 6.8	33,433,729	30,362,138	+ 10.1
Dallas	111,222,333	164,175,292	-32.2	118,443,844	- 6.0	555,666,777	542,605,079	+ 2.4
El Paso	29,877,553	27,829,467	+ 7.3	27,577,230	+ 8.3	146,841,340	120,105,500	+ 22.3
Fort Worth	80,562,628	86,623,778	- 7.1	66,147,615	+21.8	430,938,515	321,761,804	+ 33.9
Galveston	30,688,889	28,605,900	- 6.7	24,044,220	+27.6	156,590,421	108,103,648	+ 44.9
Houston	110,305,085	121,207,107	- 8.9	74,676,761	+47.7	596,481,542	334,845,590	+ 78.1
Shreveport	23,446,079	24,075,074	- 2.6	12,034,043	+94.8	118,009,620	58,250,171	+102.6
Waco	15,000,000	15,137,467	- .9	9,927,800	+51.1	77,433,436	48,762,841	+ 58.8
Wichita Falls	27,822,205	25,615,403	+ 8.6	21,735,824	+28.0	117,255,016	68,330,594	+ 71.6
Total	\$440,957,213	\$508,064,734	-13.2	\$374,698,819	+17.6	\$2,271,242,908	\$1,789,030,070	+ 26.9

Discount and Interest Rates In the following table will be found the maximum, minimum and customary discount rates prevailing in the cities named, for the 30-day period ending June 15, 1920, as reported by the banks in these centers. As compared with the preceding months, the rates quoted below are higher in a number of instances, notably those on paper secured by Government securities.

MAY DISCOUNT RATES

	Dallas			El Paso			Ft. Worth			Houston			San Antonio			Shreveport			Waco					
	H	L	C	H	L	C	H	L	C	H	L	C	H	L	C	H	L	C	H	L	C			
Prime Commercial Paper:																								
Customers' 30 to 90 days.....	7¼	6	6¾	10	6	8	8	6	7½	8	6½	7	8	6	6¾	8	6	8	8	7	7	8	7	8
Customers' 4 to 6 mos.....	7½	6	7	10	6	8	8	6	7½	---	---	---	8	6	6¾	8	6	8	8	7	8	8	7	8
Open Market 30 to 90 days.....	7½	6½	7	9	6½	8	7	7	7	7¾	6½	7	---	---	---	8	6	8	8	7	8	8	7	8
Open Market 4 to 6 mos.....	7½	6½	7	9	8	8	7	7	7	---	---	---	---	---	---	8	6	8	8	8	8	8	8	8
Interbank loans	7	6	6¾	8	7	8	6	6	6	7	6½	6½	7	6	6	8	6	8	7	6	6½	8	7	7½
Collateral loans, demand.....	8	6½	7	8	8	8	8	6	8	8	7	7	8	6	7	---	---	---	8	8	8	8	8	8
Collateral loans, 3 mos.....	8	6½	7½	9	8	8	8	6	8	8	7	7½	8	6	7	---	---	---	8	8	8	8	8	8
Collateral loans, 3 to 6 mos.....	8	6½	7½	10	8	8	8	6	8	8	7	7½	8	6	7	---	---	---	8	8	8	8	8	8
Cattle loans	8	6½	7¼	10	8	6	9	7	8	8	7	7½	8	6	7¾	---	---	---	---	---	---	---	---	---
Loans secured by warehouse receipts, Bs/L., etc.....	8	6½	6¾	8	8	8	8	6	7½	8	7	7	8	6	7¼	8	6	8	8	7	8	8	7	8
Loans secured by Government securities	8	6	7½	9	7	8	8	6	7	7½	6½	7	8	6	7	8	6	8	8	6	8	8	6	8

FAILURES

The record of business suspensions in the district for May continues to make an excellent showing, and is indicative of the generally healthy conditions prevailing. The total failures for the month, as reported to R. G. Dun & Company, were 15, with liabilities of \$168,165, as compared with 35 for May, 1919, with liabilities of \$304,738.

A comparison of the total for the first five months of 1919 and 1920 follows:

	NUMBER		LIABILITIES	
	1920	1919	1920	1919
January	33	48	\$ 284,096	\$ 695,082
February	31	41	1,830,522	930,894
March	19	17	203,445	252,971
April	16	24	100,582	226,206
May	15	35	168,165	304,739
Total.....	114	165	\$2,586,810	\$2,409,892

BUILDING

Building activities in the Eleventh District during May were less active than in the preceding month, according to records of building permits issued in nine principal cities. Values of contracts awarded in May amounted to \$3,953,658, which was 38% less than the April total, although by comparison with the month of May, 1919, there was a gain of 64.6%. Fort Worth recorded the largest aggregate of valuations for the month, while the largest percentage of increase was shown by the city of Austin. All cities in the reporting list, save Beaumont, reported larger totals than for the corresponding month last year. Some of the factors which contributed to the slackening of construction enterprises during the month were: the credit situation, difficulties in obtaining material and labor, and, to a small extent, the uncertainty of the immediate future movements of material prices.

Below will be found a tabulation of comparative building statistics in the larger cities for the month of May, 1920-1919.

MAY BUILDING PERMITS

	1919		1920		Inc. or Dec.
	No.	Valuation.	No.	Valuation.	
Austin	8	\$ 5,000	12	\$ 43,110	+762.2
Beaumont	81	92,304	76	75,252	- 18.4
Dallas	150	565,545	210	969,255	+ 71.3
El Paso	110	159,080	102	302,550	+ 90.1
Fort Worth	217	486,886	241	1,085,748	+122.9
Galveston	533	43,295	291	51,267	+ 18.4
Houston	329	571,047	210	611,216	+ 7.0
San Antonio	265	285,658	176	346,900	+ 21.4
Shreveport	135	192,982	195	468,360	+ 90.8
Total.....	1,828	\$2,401,797	1,513	\$3,953,658	+ 64.6