

MONTHLY REVIEW OF BUSINESS AND INDUSTRIAL CONDITIONS

IN THE ELEVENTH FEDERAL RESERVE DISTRICT FEDERAL RESERVE BANK OF DALLAS

W. F. RAMSEY, Chairman and Federal Reserve Agent

CHAS. C. HALL, Assistant Federal Reserve Agent

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GENERAL SUMMARY.

An expansion of retail trade which measured well up to general expectations featured the first month of the fall season in the Eleventh Federal Reserve District. The sales of twenty reporting department stores during the month of September recorded an average increase of 28 per cent over the month of August, and there was a similar gain in bank clearings and debits to depositors' accounts in the larger cities, indicating that the seasonal expansion of trade enjoyed by department stores was shared proportionately in other channels of distribution. In most lines of wholesale trade both sales and collections scored a further gain over the month of August, reflecting a continuance of the improvement noted in our last report as having followed the upturn in the price of cotton.

While returns from the cotton crop are beginning to be reflected in some parts of the district in the form of rising bank deposits and diminishing loans, in the less favored sections where the crop was so heavily reduced by the inroads of the weevil that the result was practically a crop failure, very little relief is being realized from the sale of cotton, and another year must elapse before any substantial recovery can be expected. As a whole, therefore, the district's credit situation presents a very "spotted" aspect, with some communities enjoying a prosperity almost equal to that of 1919, and others facing the necessity of making the best of a bad situation until another crop can be grown and marketed.

Although our outstanding loans to member banks were reduced only \$2,000,000 during the past month, the Federal Reserve Bank of Dallas reduced its indebtedness to other Federal Reserve Banks from

\$24,000,000 on August 31st to \$16,000,000 on September 30th. This improvement in the status of our "adjusted reserve" presents a marked contrast with the situation that existed last fall, when at the close of September the accommodations extended us by other Federal Reserve Banks reached the record total of \$38,000,000.

The financial aid recently tendered the livestock industry by the War Finance Corporation is being eagerly sought by the banking and cattle interests of this district, and it is believed that if efforts now being put forth to meet the terms of the proposed loans are successful, the livestock industry will be saved incalculable and irreparable losses. A large central corporation has been organized to act as a livestock loan intermediary between the livestock growers and the War Finance Corporation, and is expected to greatly augment the relief which can be afforded through the borrowing and loaning power of the district's banks.

Activity in the oil industry was considerably stimulated by the recent advances in the price of petroleum, and a noteworthy feature of the present situation is the fact that despite the three price increases which have occurred since the issuance of our last report, premiums above the posted price are still being offered and accepted in certain fields.

No strikes or local labor disputes have been reported in the district during the past month, and the railroad strike, scheduled for October 30th, is apparently the most serious source of potential disturbance in the present labor situation. Unemployment has increased slightly in the building trades, but has decreased in the oil industry.

CROP CONDITIONS.

While September witnessed a further deterioration of the district's cotton crop, weather conditions throughout the month were almost ideal for harvesting operations, and were fairly favorable for fall sowing and planting. Late September showers in Northwest and Southwest Texas facilitated fall plowing, but precipitation is needed, particularly in the northern part of the district, for proper germination of winter grains.

The Texas cotton crop, whose condition was only 38 per cent of normal on September 25th, promises a production of 1,863,000 bales. Since the government condition report of September 25th, and in fact for more than six weeks prior thereto, there have been no blooms nor any other improvement of the crop reported in all of the area affected by the weevil infestation, which constitutes about two-thirds of the cotton belt of this state. Picking is already completed except in the northwest, where the crop is at its best. The first frost of the season which occurred in the northern part of Texas on October 8th, was very light and did little damage to the growing crop.

In contrast with the rapid progress being made in gathering cotton, the harvesting of corn is proceeding very slowly, and a great deal of the crop is still in the fields. The tropical storm which inflicted much flood damage in Texas last month resulted in less injury to the corn crop than was at first reported, and had but little effect upon the state's prospective production, which is estimated now at 175,368,000 bushels.

Weather conditions have been propitious for the Texas and Louisiana rice crops, and by the end of October the harvest should be completed. The general shortage in the rice production for the country as a whole has created a more satisfactory price situation and planters in this district are hopeful of recouping some of the losses they suffered last year. In Texas the condition of the crop, as announced in the latest government report, is 88 per cent of normal, indicating a state production of 5,578,000 bushels; while in Louisiana the condition is shown to be 83 per cent, forecasting a production of 14,641,000 bushels.

Local showers in New Mexico have aided the preparation of the soil for winter wheat, some of which has been planted, and an increased acreage of this crop is indicated for the coming year. The harvesting of beans, hay and fodder crops is reported under way.

CROP YIELDS IN THE ELEVENTH DISTRICT

	1921 Indications Oct. 1	Change Since Sept. 1, 1921	December, 1920, Estimate
Cotton (bales)	2,126,000	— 633,000	4,881,000
Corn (bushels)....	206,152,000	+ 915,000	199,638,000
Wheat (bushels)..	19,604,000	— 71,000	18,222,000
Oats (bushels) ...	45,052,000	—2,181,000	48,296,000
Hay (tons)	2,008,000		2,005,000

Cotton
Exports
Heavier.

During August and September 512,223 bales of cotton were exported from Galveston as compared with 340,000 bales exported during the same months last year. The cotton export movement through this port has shown a steady growth recently as is indicated by the following totals: August, 188,000 bales; September, 263,000 bales; first fifteen days of October, 131,000 bales. The increased takings of Liverpool have been an important factor in the recent growth of cotton exports, the August movement to that city totalling 33,000 bales, September 46,000 bales, while for the first two weeks of October exports to Liverpool reached the total of 42,000 bales. Port officials at Galveston announce that all cargo space for cotton shipments to Japan and China for the remainder of October and the entire month of November has been taken.

Total foreign exports from all United States ports this season amount to 880,573 bales, as against a total of 464,569 bales for the corresponding period last season.

COTTON MOVEMENTS THROUGH THE PORT OF
GALVESTON

	1921	1920	This Season	Last Season
Gross Receipts	312,338	249,193	512,223	340,004
Exports	253,211	190,487	441,508	267,089
Stocks, Sept. 30th..			313,402	182,001

GALVESTON STOCK STATEMENT

	September 1921	September 1920
For Great Britain	18,521	8,672
For France	6,316	4,790
For other foreign ports.....	41,898	39,312
For coastwise ports	2,000	4,000
In compresses	244,736	129,227
Total	313,402	182,001

SEASON'S RECEIPTS, EXPORTS AND STOCKS AT
ALL UNITED STATES PORTS

	This Season	Last Season
Receipts since Aug. 1, 1921....	1,080,031	630,097
Exports: Great Britain	120,100	183,825
France	146,785	92,120
Continent	391,617	186,598
Japan-China	222,071	2,026
Total foreign ports	880,573	464,569
Stocks at all U. S. ports.....	1,407,738	819,043

Grain
Movements
Decline.

With the bulk of the new wheat crop handled in the month of August, wheat exports at Galveston showed a sharp decline during the past month, the total for September being 7,759,355 bushels, which was about one-half of the amount moved during the previous month. For the first half of October the clearances have amounted to approximately 1,800,000 bushels, indicating a total for the month of something less than one-half the volume of wheat handled in September.

Receipts of wheat, corn and oats at the principal grain centers of the district showed a falling off by comparison with the month of August as will be seen from the following table:

	September (Cars)	August (Cars)
Wheat	8,022	12,653
Corn	99	119
Oats	257	451

LIVESTOCK.

Ranges Show Improvement. Our reports from Arizona are to the effect that continued rainfall has resulted in an abundant grass and water supply and that the winter ranges in that state are the best in many years. Both in Arizona and New Mexico livestock are fat, and some steers are being marketed.

In Texas, with the exception of certain localities in the north-central sections where rain is needed, ranges and livestock are generally in good condition, and stock water fairly abundant. Locally there are still evidences of drouth in the district, although, generally speaking, prospects for wintering livestock successfully are good.

Calf Sales Set New Record. Receipts of calves at the Fort Worth market last month, amounting to 70,511 head, exceeded all previous September records, and for the first time in the history of the market were larger than the month's receipts of cattle. The number of calves received at this market during the first nine months of the year exceeds by 100,000 the number marketed during the corresponding period last year.

In contrast with the liberal supply of calves, receipts continued to dwindle in the cattle, hog and sheep yards, the September offering of cattle being the smallest for that month since the year 1911.

Prices Lower. Livestock values at the Fort Worth market exhibited a further decline during the month of September, with the exception of sheep and lambs. The heaviest depreciation was noted in the price of calves, which opened the month at \$5.50 to \$6.25, and, under the pressure of record-breaking receipts, slumped to a spread of \$4.00 to \$5.25 at the close of the month.

The feature of the September market was the strong competition given the packers by the outside buyers. Shipments of cattle to Mexico continued brisk, indicating a fairly steady market in that country for American beef cattle.

	Sept. 1921	Aug. 1921	Loss or Gain	Sept. 1920	Loss or Gain
Cattle	50,686	76,184	L 25,498	69,735	L 19,049
Calves	70,511	56,010	G 14,501	34,416	G 36,095
Hogs	28,270	33,254	L 4,984	33,218	L 4,948
Sheep	17,051	35,995	L 18,944	20,691	L 3,640

COMPARATIVE TOP LIVESTOCK PRICES

	Sept. 1921	August 1921	September 1920
Beef steers	\$6.60	\$ 7.00	\$11.25
Stocker steers	5.25	5.50	8.65
Butcher cows	4.50	5.00	8.35
Stocker cows	3.25	3.50	7.50
Calves	7.25	7.00	12.00
Hogs	9.25	11.35	17.20
Sheep	5.00	4.85	9.25
Lambs	7.85	8.00	13.00

WHOLESALE TRADE.

September wholesale trade developments reflected a further seasonal improvement in most lines. The demand for dry goods, groceries, and furniture was considerably better than last month. Drugs remained steady, while hardware and farm implements showed that the demand in these lines had been somewhat restricted. Prices in general declined to lower levels, being led by a general reduction on farm implements. Dry goods was the only line in which a decided advance in price was discernible. A better undertone is now in evidence and the retail dealers generally have more confidence in the future of trade developments.

Drugs.

Reports from nine wholesale drug firms of this district do not reflect any marked improvement during the month. Net sales of these firms showed a very slight increase of .8 per cent over August sales, but this does not represent the usual seasonal increase. September sales were 31.7 per cent less than those during September, 1920. While business was some better during the past month, customers as a whole are not buying heavily on future orders, but are limiting their purchases to immediate needs. While sales have held up fairly well in the cities, country orders have been for small lots and limited in number. Prices have remained about steady, but with a tendency toward lower levels. Collections in this line are generally good on account of the terms on which goods are sold, but during the past few months some buyers have failed to take the discount and in some instances have asked for extensions.

Farm

Implements. The farm implement trade during September was characterized as slow and inactive. Some increase in demand had been noticeable in the previous months in anticipation of the crop movement. Although the increase in the price of cotton partly offset the small production, the receipts from this year's crop have not been sufficient to wipe out outstanding indebtedness to the extent that will permit freedom in purchasing during the coming year. The local dealers undoubtedly could have made many more sales had they been willing to accept the purchases on a credit basis, but the feeling has existed that the farmer should pay up his outstanding accounts before making new obligations. As a result there is considerable evidence that the farmer will attempt to repair his old implements and make them serve his purposes

during the next crop year. It is reported that dealers are well stocked on goods shipped them a year ago, and consequently are not placing orders for new goods except in instances where they do not have the implement in stock and where the goods are to be delivered to the buyer immediately upon the arrival of same. The general price reductions which were put into effect by practically all the wholesale implement firms during September and the early part of October will tend to restore confidence in the market, and will give the local dealers an opportunity to dispose of their stocks at a price which is more nearly on a par with the price of raw materials which the farmer has for sale. Collections as a whole have been poor, but some firms report that they have been able to get satisfactory results from new collections methods which have been instituted.

Groceries. The average net sales of fifteen wholesale grocery firms again reflect a gain over the previous month, which amounted to 9.6 per cent, but registered a decrease of 25.4 per cent from September, 1920, sales. The general buying demand has shown some improvement, especially in the Louisiana section where the increase in the price of cotton and the renewed activity in the oil industry have produced favorable results. Prices have shown but little indication of stabilization, as some items decreased while others show some increase. Such items as sugar, molasses, beans, and a few canned goods have reflected further decreases

with a very slight demand. Buying is on a cautious basis, and only for present needs. The general outlook in this line has been showing a slow but steady improvement.

Dry Goods. The demand for merchandise in the wholesale dry goods trade developed a stronger tendency during September. The net sales of eleven firms showed an increase of 13.3 per cent over August sales, but a decrease of 19.8 per cent from the sales during September a year ago. The increase over last month was due primarily to continued seasonal activity and the numerous repeat orders which have been a characteristic feature of the present season's buying. The buying demand has been very good for the past sixty days and confidence in the market has developed as a result of the upward trend of prices. While buying is still along cautious and conservative lines, the improved outlook has created a better feeling among retail buyers.

Hardware. After showing a marked increase of 18.4 per cent during August over July, the September net sales of wholesale hardware firms declined 7 per cent from August sales. The decrease from the same month a year ago was represented by a percentage of 41.3. City buying has been about holding its own, while the demand from country buyers has been poor. Prices again showed a decline.

CONDITION OF WHOLESALE TRADE DURING SEPTEMBER, 1921
Percentage of Increase or Decrease in

	NET SALES		NET SALES July 1st to date compared with same period 1920	STOCKS		PRICES	
	Sept., 1921, compared with			Sept., 1921, compared with		Sept., 1921, compared with	
	Sept., 1920	August, 1921		Sept., 1920	August, 1921	Sept., 1920	August, 1921
Groceries	-25.4	+ 9.6	-30.8	-16.6	+19.0	-30.5	- 1.0
Dry Goods	-19.8	+13.3	-44.8	-47.5	+ 9.8	-37.5	+10.0
Farm Implements	-78.0	-30.4	-75.8	.....	.....	-26.9	-10.2
Hardware	-41.3	- 7.0	-41.3	-23.9	- 2.4	-33.5	- 4.0
Drugs	-31.7	+ .8	-29.5	-18.1	- 2.9	.....	.....
Furniture	-24.3	+25.9	-42.4	.....	.....	-42.5	.....

RETAIL TRADE.

The opening of the fall season in the lines of retail distribution stimulated trade to the extent that the September sales of twenty department stores of this district reflected an increase of 28.9 per cent over the preceding month. Although the public is buying in larger volume, purchases are made in very selective channels. The demand is principally for the medium priced goods which represent a good value for the money invested. Some firms reporting state that people are calling for piece goods in preference to ready-to-wear, while others report that the ready-to-wear trade has been good. There is a general opinion, however, that the lack of demand for the ready-to-wear goods was largely due to the backwardness of the season, and that the demand will be stronger as the season of cooler weather advances. There was a marked tendency away from non-essen-

tials, and most people are buying only those things which they actually need.

Comparative figures for the past two months show that stocks are steadily increasing. Department store stocks at the close of September were 7.3 per cent above the August figure, while the August figure represented an increase of 16.9 per cent over the stocks on hand at the close of July. The ratio of stocks to sales declined from 594.8 per cent in August to 559.8 per cent in September, which reflects the large increase in sales during that month.

The percentage of outstanding orders at the close of September was 7.8 per cent, which compares favorably with the figure at the close of August, which was 8.7 per cent, and shows that retailers are placing orders for future delivery at prices which they consider satisfactory under the present circumstances.

BUSINESS OF DEPARTMENT STORES

Net Sales—	Increase or Decrease
September, 1921, compared with September, 1920	-22.7%
September, 1921, compared with August, 1921	+28.9%
Net sales July 1st to date compared with same period last year	-23.0%
Stocks at end of September, 1921:	
Compared with September, 1920	-26.0%
Compared with August, 1921	+ 7.3%
Ratio of stocks to sales	559.8%
Ratio of outstanding orders to last year's purchases	7.8%
Ratio of September collections to Accounts Receivable, due and outstanding September 1, 1921	37.9%

FINANCIAL.

The volume of business in this district during the last week in September, as indicated by checks charged up by banks to their depositors' accounts, reflected an expansion of 28 per cent by comparison with the last week in the previous month. Bank clearings in the larger cities (including bank drafts as well as individual checks) for the entire month of September showed a proportionate gain over August, the increase being 26 per cent. The figures reflect the improved volume of trade generally which responded to the stimulus of seasonal influences and particularly the better industrial situation resulting from the improved position of the cotton industry.

CHARGES TO DEPOSITORS' ACCOUNTS

	WEEK ENDING		
	Sept. 28, 1921	August 31, 1921	Sept. 29, 1920
Albuquerque	\$ 1,401,000	\$ 2,329,000	\$ 1,523,000
Austin	3,128,000	2,293,000	5,193,000
Beaumont	2,361,000	4,424,000	4,474,000
Dallas	39,206,000	25,542,000	43,744,000
El Paso	6,494,000	5,919,000	8,089,000
Fort Worth	23,210,000	20,250,000	28,440,000
Houston	30,230,000	21,640,000	43,509,000
San Antonio	6,336,000	6,403,000	8,453,000
Shreveport	6,957,000	4,544,000	8,172,000
Texarkana, Texas	1,268,000	1,341,000	1,725,000
Tuscon	1,379,000	1,302,000	1,708,000
Waco	5,085,000	2,810,000	5,220,000
Totals, Eleventh District	\$ 127,055,000	\$ 98,797,000	\$ 160,250,000
Totals, all reporting cities in United States	\$7,284,726,000	\$6,287,178,000	\$8,836,444,000

BANK CLEARINGS

	Sept., 1921	Aug., 1921	Inc. or Dec.	Sept., 1920	Inc. or Dec.	Since Jan. 1st, 1921	Since Jan. 1st, 1920	Inc. or Dec.
Austin	\$ 7,416,935	\$ 5,655,036	+31.1	\$ 8,440,094	-12.1	\$ 52,142,219	\$ 62,782,739	-16.9
Beaumont	4,039,274	3,912,613	+ 3.2	6,014,314	-32.8	40,761,393	58,055,396	-29.8
Dallas	116,826,952	77,715,317	+50.3	149,932,451	-22.1	919,006,403	1,396,116,124	-34.3
El Paso	19,281,710	19,000,000	+ 1.5	27,326,010	-29.4	198,873,753	260,218,046	-23.6
Fort Worth	52,828,536	46,058,615	+14.7	80,810,884	-34.6	452,051,419	767,837,180	-41.1
Galveston	38,049,072	37,171,208	+ 2.4	39,500,300	- 3.7	288,760,967	275,973,307	+ 4.6
Houston	120,757,820	87,021,445	+38.8	163,324,075	-26.1	878,771,517	1,095,723,488	-19.8
San Antonio	28,335,951	30,803,563	- 8.0	39,076,428	-27.5	268,289,342	319,914,868	-16.1
Shreveport	16,443,965	13,881,360	+18.5	18,220,629	- 9.8	145,041,053	195,199,274	-25.7
Waco	14,841,200	9,031,859	+64.3	17,215,525	-13.3	92,262,903	122,402,209	-24.6
Wichita Falls	7,319,179	6,590,300	+11.1	15,462,512	-52.7	83,055,819	185,486,874	-55.2
Totals	\$426,140,594	\$336,841,316	+26.5	\$565,323,222	-24.6	\$3,419,016,788	\$4,739,709,505	-27.9

Acceptance Market. Inquiries directed to accepting banks develop the fact that there was a substantial increase in September of outstanding acceptances created in this district, the total on September 30th being \$2,486,000.00, which represents an increase of \$1,530,000.00 since August 31st. Most of these acceptances were based upon domestic shipments and storage of goods.

Condition of Reserve City Banks.

There was no change of importance last month in the condition reports of banks in the reserve cities. The ratio of loans to deposits continued to reflect the rather extended condition of these banks noted in our August report, as most of them have received very little benefit as yet from the returns of this year's cotton crop.

CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES

	Sept. 28, 1921	Aug. 27, 1921	Oct. 1, 1920
Number of reporting banks	52	52	51
U. S. Securities owned	\$ 41,194,000	\$ 37,080,000	\$ 48,629,000
Loans secured by U. S. War Obligations.....	6,534,000	6,321,000	8,457,000
All other loans and investments.....	199,531,000	201,026,000	234,820,000
Net demand deposits	182,808,000	184,053,000	227,306,000
Reserve with Federal Reserve Bank.....	20,116,000	20,292,000	23,762,000
Bills payable with Federal Reserve Bank.....	22,736,000	24,353,000	50,754,000
Percentage of loans to deposits.....	113%	113%	107%

Operations of Federal Reserve Bank. Last month we reduced our indebtedness to other Federal Reserve Banks from \$24,000,000 to \$16,000,000, or approximately 33 per cent. Our loans to member banks showed a reduction of \$2,000,000 at the end of the month by comparison with August 31st, the total on September 30th being \$76,463,965.84, distributed as follows:

Rediscounts: on hand.....	\$45,894,806.24	
With other F. R. Banks..	16,393,609.30	\$62,288,415.54
Member banks' collateral notes		14,105,550.30
Open market purchases (bankers' acceptances)		70,000.00
		\$76,463,965.84

Our outstanding Federal reserve notes increased \$2,408,699.00 during the month of September, the total outstanding on September 30th being \$41,514,387.00. Member banks' reserve deposits at the close of September totalled \$38,930,458.43, or an increase of \$356,595.16.

Savings Accounts. Ninety-seven banks in the district reported aggregate savings deposits of \$50,017,746.77 on September 30th, distributed among 153,042 depositors. These statistics represent a gain of 17,742 in number and \$344,259.84 in total since September 30, 1920.

FAILURES.

Commercial failures numbered 104 in September with listed indebtedness aggregating \$2,872,281.00, which compared with the August record of 137 failures involving liabilities of \$1,991,284.00.

COMMERCIAL FAILURES

	1921		1920	
	Number	Liabilities	Number	Liabilities
January	155	\$ 3,359,871	33	\$ 284,096
February	137	2,117,068	31	1,830,522
March	98	2,702,583	19	203,445
April	98	2,905,847	16	100,582
May	92	1,851,774	15	168,165
June	105	2,588,787	35	278,668
July	114	3,778,098	41	1,148,614
August	137	1,991,284	33	411,027
September	104	2,872,281	36	864,924
Total	1,040	\$24,167,593	259	\$5,290,043

POST OFFICE RECEIPTS

	Third Quarter		Inc. or Dec.	Nine Months		Inc. or Dec.
	1921	1920		1921	1920	
	Austin	59,703		60,313	- 1.0		182,178	181,904	+ 0.2
Beaumont	37,649	42,130	-10.6	122,543	130,215	- 5.9
Dallas	566,192	552,024	+ 2.6	1,730,144	1,718,172	+ 0.7
El Paso	100,622	106,474	- 5.5	317,146	331,952	- 4.5
Fort Worth	280,090	281,286	- 0.4	815,200	880,997	- 7.5
Galveston	56,950	51,135	+11.4	165,462	154,677	+ 7.0
Houston	314,025	316,463	- 0.8	979,423	986,172	- 0.7
San Antonio	201,743	206,765	- 2.4	634,384	627,678	+ 1.1
Shreveport	82,586	88,957	- 7.2	242,151	280,435	-13.7
Waco	64,093	59,980	+ 6.9	198,055	180,312	+ 9.8
Wichita Falls	43,126	54,455	-20.8	146,330	183,095	-20.1
Total	1,806,779	1,819,982	- 0.7	5,533,016	5,655,609	- 2.2

PETROLEUM.

Oil production in the Eleventh District decreased 576,000 barrels in September, while for the Midcontinent field, comprising the states of Oklahoma, Texas, Kansas, Louisiana and Arkansas, the September output was smaller than that of August by

1,000,000 barrels. This is not surprising in view of the tremendous curtailment of drilling in the Midcontinent field, which has been going on for some time. In January of this year the number of wells completed in the five states mentioned was 1,477, while the total for September was only 492.

All fields in the Eleventh District recorded a decrease in production during September with the exception of the Texas Coastal zone.

There were 171 wells completed in the Eleventh District in September. This compares with 223 completions during the month of August.

Oil Prices Higher.

Since our last report, when oil was selling at \$1.00 per barrel in the North Texas fields, there have been three advances, bringing the price up to \$1.75 with the demand steadily growing stronger. Corresponding advances have been made in other fields of the district. One of the largest pipe line companies serv-

ing this district recently announced that they would decline to renew all of their crude oil contracts with refineries expiring on October 1st. While a few of the refineries affected by this action have been able to make other arrangements for a sufficient supply of crude to keep their plants in operation, others have been compelled to shut down pending efforts to obtain a source of supply. In this situation, despite repeated advances of the posted prices, the practice of paying premiums has been revived, and even with the aid of this device a great many refineries are reported to be finding it difficult to obtain an adequate supply of oil to meet their needs since the heavy curtailment of the production program has been put into effect.

OIL PRODUCTION

Field	September		August		Increase or Decrease	
	Total	Daily Avg.	Total	Daily Avg.	Total	Daily Avg.
North Texas	2,142,050	71,402	2,347,335	75,720	Dec. 205,285	Dec. 4,318
Central-West Texas	2,659,530	88,651	3,103,762	100,122	Dec. 444,232	Dec. 11,471
Texas Coastal	3,269,160	108,972	3,117,219	100,555	Inc. 151,941	Inc. 8,417
Totals, Texas	8,070,740	269,025	8,568,316	276,397	Dec. 497,576	Dec. 7,372
North Louisiana	1,891,290	63,043	1,970,577	63,567	Dec. 79,287	Dec. 524
Totals, 11th District	9,962,030	332,068	10,538,893	339,964	Dec. 576,863	Dec. 7,896

SEPTEMBER DRILLING RESULTS

Field	Completions	Producers	Failures	Initial Production
Central-West Texas	69	50	19	40,740
North Texas	43	26	17	3,363
Texas Coastal	13	12	1	24,050
Texas Wildcats	19	9	10	57
Totals, Texas	144	97	47	68,210
North Louisiana	27	19	8	7,720
September totals, District	171	116	55	75,930
August totals, District	223	141	82	27,302

CRUDE OIL PRICES

TEXAS		LOUISIANA (38 Gravity and Above)	
	October 17, 1921		October 17, 1921
Corsicana light	\$1.05	Caddo	\$1.50
Corsicana heavy .....	.70	Homer	1.50
Texas Coastal fields	1.00	Bull Bayou	1.40
All other Texas fields	1.75	De Soto	1.50

(Oil Statistics compiled by The Oil Weekly, Houston, Texas)

LUMBER.

The increased rate of southern pine production reported in our last Review has continued with little change, as has the demand for pine lumber, according to statistics received from thirty-two mills in the Eleventh District. Shipments have somewhat outrun production, and mill stocks have shown some shrinkage. There has been an increase in volume of unfilled orders on hand, which, for thirty-two reporting mills on September 30th, amount to 42,000,000 feet as compared with 39,000,000 feet reported by thirty-six mills on August 26th.

For the month of September the volume of new orders was equivalent to 88 per cent of normal monthly production, the same as the August percentage.

That retail yard stocks are being replenished is indicated by the movement of mill prices during the past thirty days, which have been following an upward trend, particularly in the lower grades of lumber. Scarcity of items in the better grades has turned the demand toward the lower items, and during the thirty days ending October 15th No. 3 southern pine had advanced approximately three dollars per thousand in this district, and No. 2 almost as much.

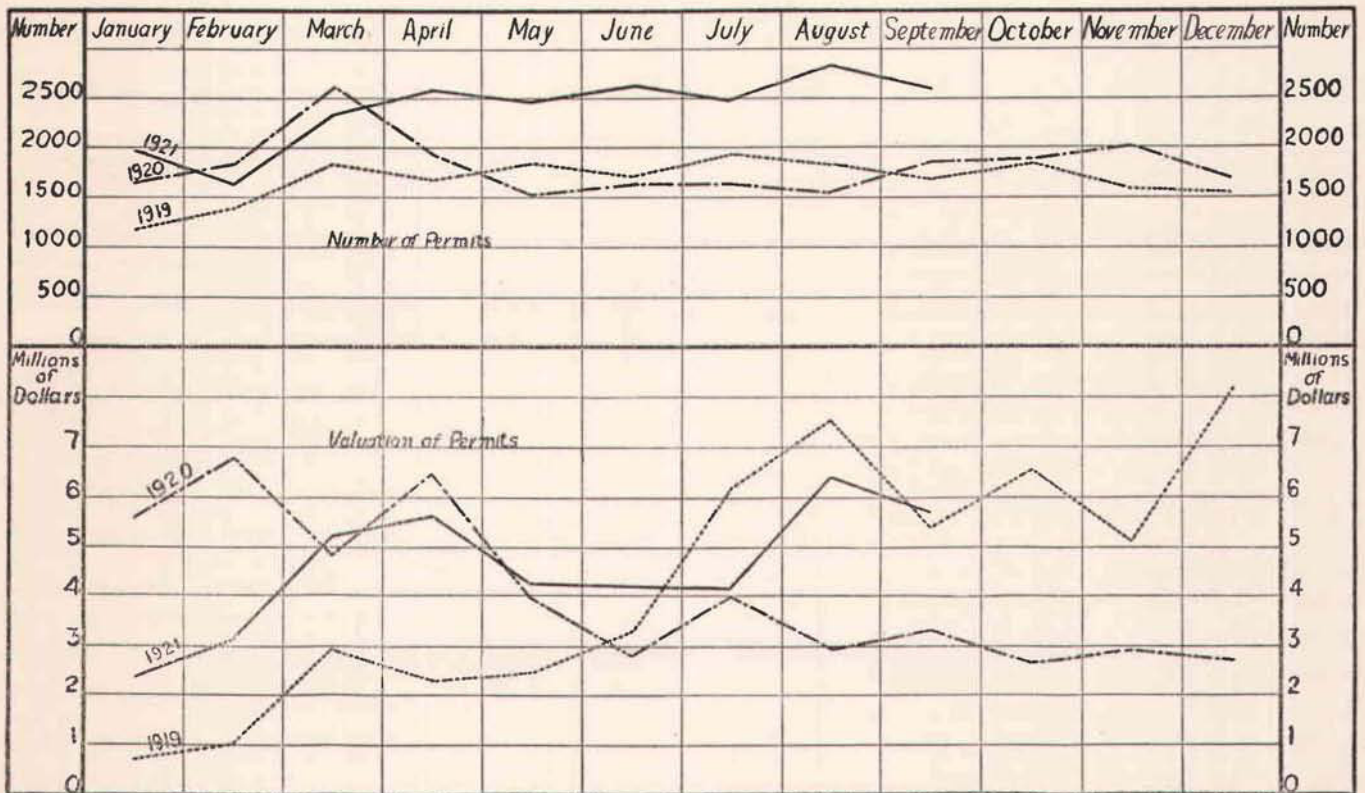
During the past month practically no change has occurred in the price of No. 1 lumber, although the demand continues heavy and the supply extremely short.

BUILDING.

Construction activity, as measured by valuations in building permits, registered a decline of 11 per cent in September by comparison with the preceding month, but was greater by 72 per cent than the total for September, 1920, according to figures submitted by the nine largest cities in the district. The accompanying chart shows that building permits are still running well ahead of those for the corresponding period last year, both in number and value, and that since March, 1921, building enterprises have been more numerous each month than during the corresponding months in 1919 and 1920.

SEPTEMBER PINE MILL STATISTICS

Number of reporting mills	32
Average weekly production.....	12,086,472 feet
Average weekly shipments.....	14,866,520 feet
Average weekly orders received.....	15,957,247 feet
Unfilled orders September 30th.....	42,340,812 feet
Average weekly normal production	18,156,178 feet
Production below shipments.....	2,780,048 feet=19%
Actual production below normal.....	6,069,706 feet=33%
Orders below normal production....	2,198,931 feet=12%



Number and valuations of building permits, by months, issued in the cities of Austin, Beaumont, Dallas, El Paso, Fort Worth, Galveston, Houston, San Antonio and Shreveport, during 1919, 1920 and 1921.

BUILDING PERMITS

	September, 1921		August, 1921		Inc. or Dec.	September, 1920		Inc. or Dec.
	No.	Valuation	No.	Valuation		No.	Valuation	
Austin	38	\$ 68,614	51	\$ 509,264	- 86.5	15	\$ 15,340	+ 347.3
Beaumont	131	754,875	131	73,464	+ 927.5	503	220,819	+ 241.9
Dallas	360	1,383,408	419	1,602,924	- 13.7	224	1,065,997	+ 29.8
El Paso	165	603,500	163	504,558	+ 19.6	104	378,137	+ 59.6
Fort Worth	196	511,207	219	491,521	+ 4.0	140	322,734	+ 58.2
Galveston	486	163,423	484	305,115	- 46.4	355	46,390	+ 252.3
Houston	697	1,135,169	693	926,552	+ 22.5	110	347,970	+ 226.2
San Antonio	243	589,335	390	1,560,795	- 62.2	231	386,130	+ 52.6
Shreveport	282	471,437	264	427,075	+ 10.4	182	501,324	- 6.0
Total	2,598	\$5,680,968	2,814	6,401,268	- 11.3	1,864	\$3,284,841	+ 72.9