MONTHLY REVIEW OF BUSINESS AND INDUSTRIAL CONDITIONS
IN THE
ELEVENTH FEDERAL RESERVE DISTRICT
FEDERAL RESERVE BANK OF DALLAS

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MONTHLY REVIEW OF BUSINESS AND INDUSTRIAL CONDITIONS

DISTRICT SUMMARY

THE SITUATION AT A GLANCE
Eleventh Federal Reserve District

	January	December	Inc. or Dec.	
Bank debits to individual accounts (at 15 cities)	$666,375,000	$741,975,000	Dec.	10.2%
Department store sales	....	....	Dec.	46.1%
Reserve Bank loans to member banks at end of month	$ 9,575,093	$ 8,872,087	Inc.	7.9%
Reserve Bank ratio at end of month	46.3%	51.0%	Dec.	4.7 points
Building permit valuations at larger centers	$ 8,347,272	$ 5,099,798	Inc.	63.7%
Commercial failures (number)	68	148	Dec.	54.1%
Commercial failures (liabilities)	$ 1,170,988	$ 2,046,743	Dec.	42.8%
Oil production (barrels)	12,024,107	15,088,747	Dec.	20.3%
Lumber orders at pine mills (per cent of normal production)	105%	99%	Inc.	6 points

An increase of 64 per cent in building activity in the larger cities and a decrease of 42 per cent in the volume of commercial failures are the high lights in the January statistics of business conditions in the Eleventh Federal Reserve District, as compared with the month of December, 1923. Construction projects representing, in round figures, an outlay of $8,000,000 were launched in the eleven reporting cities in January, reflecting an increase of some $3,000,000 over the total for the preceding month and a gain of $2,000,000 over the January, 1923, record. Liabilities of insolvent firms dropped from $2,046,743 in December to $1,170,988 in January.

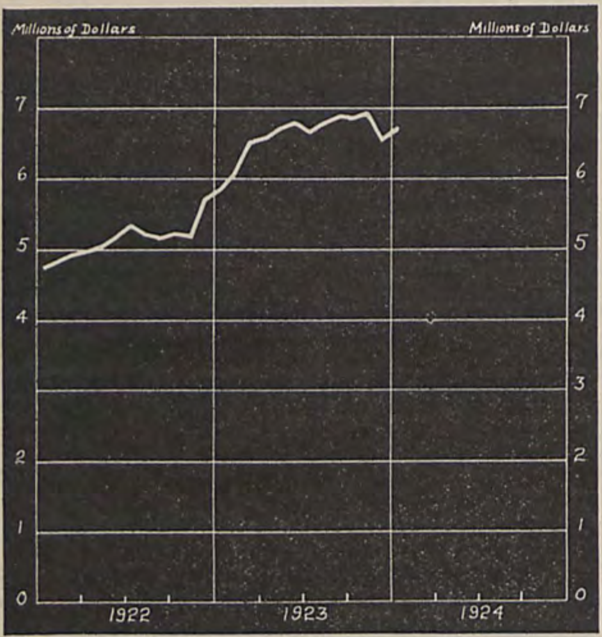
On the other hand, bank debits to individual accounts during the first month of the new year showed a ten per cent decline, which is not altogether accounted for by the usual slackening in business activity at this season of the year, as a similar decline is disclosed when the January record of bank debits is compared with the total for January, 1923.

A revival in wholesale distribution was evidenced in January, when five reporting lines of trade disclosed heavy increases in sales over the previous month and showed substantial gains over the corresponding month of 1923. While department store sales reflected a normal seasonal decline of 46.1 per cent from the previous month, they were 6.7 per cent in excess of those during the corresponding month of 1923.

A noticeable shrinkage in the district's oil production occurred during the month, the amount added to the supply in January being twenty per cent less than the production for December. However, the substantially higher prices being paid for crude oil have stimulated drilling activity and the improved condition was manifested in larger production during the first half of February.

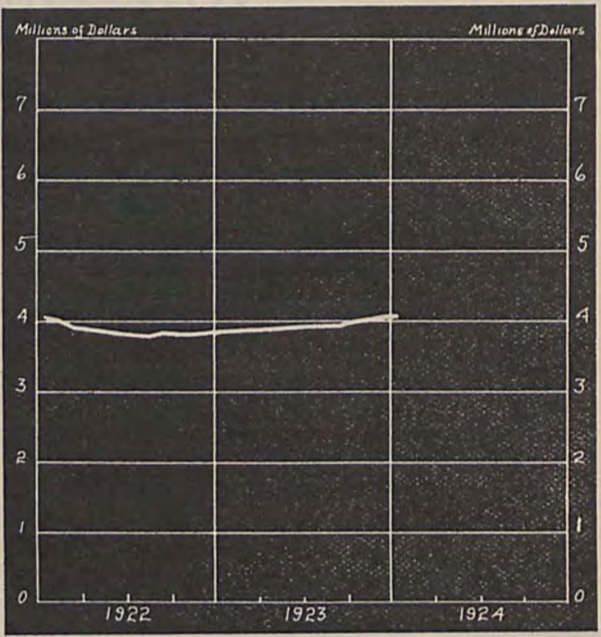
The demand for bank credit continued light, although deposits as a rule are beginning to decline throughout the district, which is evidenced by a loss of approximately $15,000,000 in the deposits of mem-

BUILDING PERMIT VALUATIONS



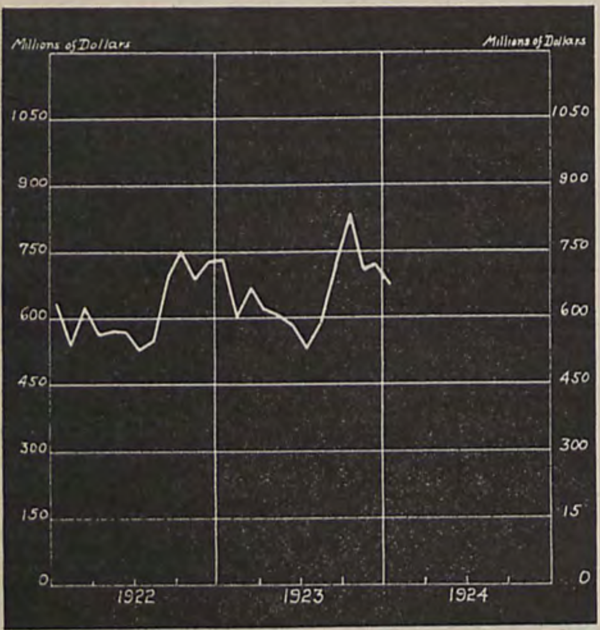
Moving average of building permit valuations at eleven cities in Eleventh Federal Reserve District.

DEPARTMENT STORE SALES



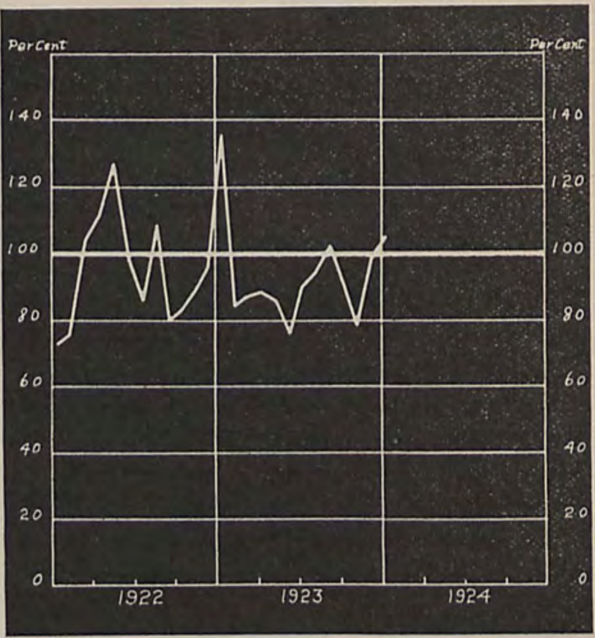
Moving average of sales of twenty-two Texas department stores.

DEBITS TO INDIVIDUAL ACCOUNTS



Monthly fluctuations in debits to individual accounts at fifteen cities in the Eleventh Federal Reserve District.

LUMBER ORDERS AT PINE MILLS



Monthly fluctuations of lumber orders at pine mills in Eleventh Federal Reserve District. Normal production 100=per cent.

ber banks between December 26th and January 23rd. The volume of rediscount offerings received by the Federal Reserve Bank of Dallas has increased but little since the first of the year, when it touched the record low point of $8,800,000. Reports from member banks indicate that they are still carrying a heavy volume of cash and short-term investments in commercial paper, bankers acceptances, government securities, and call loans.

Present conditions are distinctly favorable to the agricultural and livestock interests of the district. Livestock values are generally higher than a year ago, the ranges are in good condition and early pasturage is in prospect. Livestock have wintered well, with a minimum of feeding and but few losses, and the calf and lamb crop is expected to be large. Although farming operations have been greatly delayed on account of wet weather, the excellent season in the ground insures favorable planting conditions.

CROP CONDITIONS

Weather conditions during the past thirty days have been more favorable to farm operations and the district's farmers have made rapid progress in the preparation of the soil for spring planting. The wet weather throughout the fall greatly delayed winter plowing, and at the beginning of the new year only a small percentage of the ground had been broken. Despite the recent progress reports indicate that the farmers are from two to four weeks late with their plowing.

The cold weather has retarded the growth of wheat and oats. Some damage to oats in certain sections has been reported, especially where the growth has been rapid, but this condition does not seem to be general. The fields are now beginning to green and present indications are that only a small percentage of the crop will show effects of the damage. The seeding of spring wheat is now under way, and prospects are that the crop this year will be considerably larger than usual. This is due largely to the fact that farmers were unable to sow a full crop of winter wheat on account of the wet weather last fall.

The final plantings of cabbage in the Rio Grande Valley, which are being completed, indicate that the acreage will exceed the earlier estimates. The early plantings show a thin stand, but later plantings show an average stand of about 90 per cent. Although some shipments are being made at the present time, the bulk of the crop is expected to move during March. The acreage planted to onions and lettuce shows a considerable decrease as compared to last year. Excessive rains have greatly handicapped the transplanting of onions.

The fruit crop has been benefited by the recent cold weather, which checked the development of buds and blooms. This condition is particularly encouraging in view of the fact that the fruit crop for several seasons has been heavily reduced by weather damage.

Cotton Movements The receipts of cotton at the port of Galveston for the season, August 1st to January 31st, were the largest since 1915, totaling 2,499,975 bales. This represents an increase of 14 per cent over the corresponding period of the previous season. Both receipts and exports reflected a decline as compared to December, but were considerably larger than during January, 1923. Net receipts at Houston totaled 104,382 bales in January as compared to 160,807 bales in December, and 68,300 bales in January last year. While the January exports through Houston were slightly less than in January, 1923, the exports for this season were 47.2 per cent larger than last season.

Receipts at all United States ports between August 1st and January 31st were 26.3 per cent in excess of those for the previous season, and exports were 17.8 per cent greater.

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON

	January 1924	January 1923	Aug. 1st to Jan. 31st: This Season	Aug. 1st to Jan. 31st: Last Season
Gross receipts	258,058	193,966	2,499,975	2,078,669
Exports	277,894	213,239	2,193,693	1,802,506
Stocks, Jan. 31st	....	....	325,013	340,898

GALVESTON STOCK STATEMENT

	Jan. 31, 1924	Jan. 31, 1923
For Great Britain	18,523	9,423
For France	8,200	1,800
For other foreign ports	28,824	33,040
For coastwise ports	5,000	7,000
In compresses	264,466	289,635
Total	325,013	340,898

HOUSTON COTTON MOVEMENTS

	January 1924	January 1923	Aug. 1st to Jan. 31st: This Season	Aug. 1st to Jan. 31st: Last Season
Receipts—Gross	221,789	172,897	3,156,222	2,472,894
Receipts—Net	104,382	68,300	1,686,044	1,306,271
Exports	73,197	73,573	887,587	602,872
Stocks, Jan. 31st	....	....	286,543	286,426

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

	This Season	Last Season
Receipts since Aug. 1st	5,446,903	4,313,882
Exports: Great Britain	1,355,509	1,056,210
France	506,680	453,278
Continent	1,463,910	1,328,546
Japan-China	418,228	335,224
Mexico	4,909	9,175
Total foreign ports	3,749,236	3,182,433
Stocks at all U. S. ports, January 31st	944,364	921,705

LIVESTOCK

Weather conditions have been generally favorable to livestock during the past thirty days. A snow storm swept over the Panhandle and New Mexico during the early part of February, but unusually low temperatures were recorded in only a few places. The storm was of short duration, and livestock weathered it without any serious effects. However, some feeding was necessary, especially among the weaker stock.

Ranges throughout the district have maintained the good condition of a month ago and are considerably better than last year. The Department of Agriculture reported the cattle ranges in Texas to be 90 per cent of normal on February 1st, which is 12 points above the figure reported on February 1, 1923. Although vegetation was given a severe setback by the recent low temperatures, the weeds and grass are beginning to green and prospects are that early pasturage will be available.

The condition of sheep and cattle was 90 per cent of normal on February 1st, which was six points higher than on that date a year ago. It will be recalled that all classes of livestock entered the winter in better condition than usual; they have held their flesh remarkably well, and losses have been few.

Movements and Prices The January supply of all classes of livestock was more plentiful than in the previous month or in the corresponding month of last year. Receipts of cattle were greater than in any January since 1919, and hog receipts were the largest of any January since 1920. It should be noted, however, that the supply of hogs was greatly increased by receipts from other markets. The offerings at Fort Worth throughout the month were very limited and packers were forced to draw heavily on stocks purchased at other markets. The shortage in the supply of hogs in Texas at the present time is reported to be the greatest in several years.

Higher prices were paid for cattle during January than in the corresponding month of 1923. Steers sold as high as $8.50, while $8.00 was the best offered in January, 1923; the top price for cows was $6.35 as compared to $5.25 a year ago; and the best yearlings brought $8.75 in both years.

There was a slight upward trend in the hog market during the first week of January, which carried prices to $7.80 but a steadily declining market followed. At the close of the month the best were bringing only $7.35. During January, 1923, a top price of $8.75 was registered. The present downward revision is due to the heavy liquidation in the corn belt.

In the sheep division, the receipts were never sufficient to meet the demand. The best wooled wethers cleared at $8.50, and choice fed lambs brought $13.50.

FORT WORTH LIVESTOCK RECEIPTS

	January 1924	December 1923	Loss or Gain	January 1923	Loss or Gain
Cattle	67,322	65,924	G 1,398	61,339	G 5,983
Calves	19,851	19,648	G 203	17,623	G 2,228
Hogs	53,601	43,754	G 9,847	42,614	G 10,987
Sheep	14,570	12,452	G 2,118	12,252	G 2,318

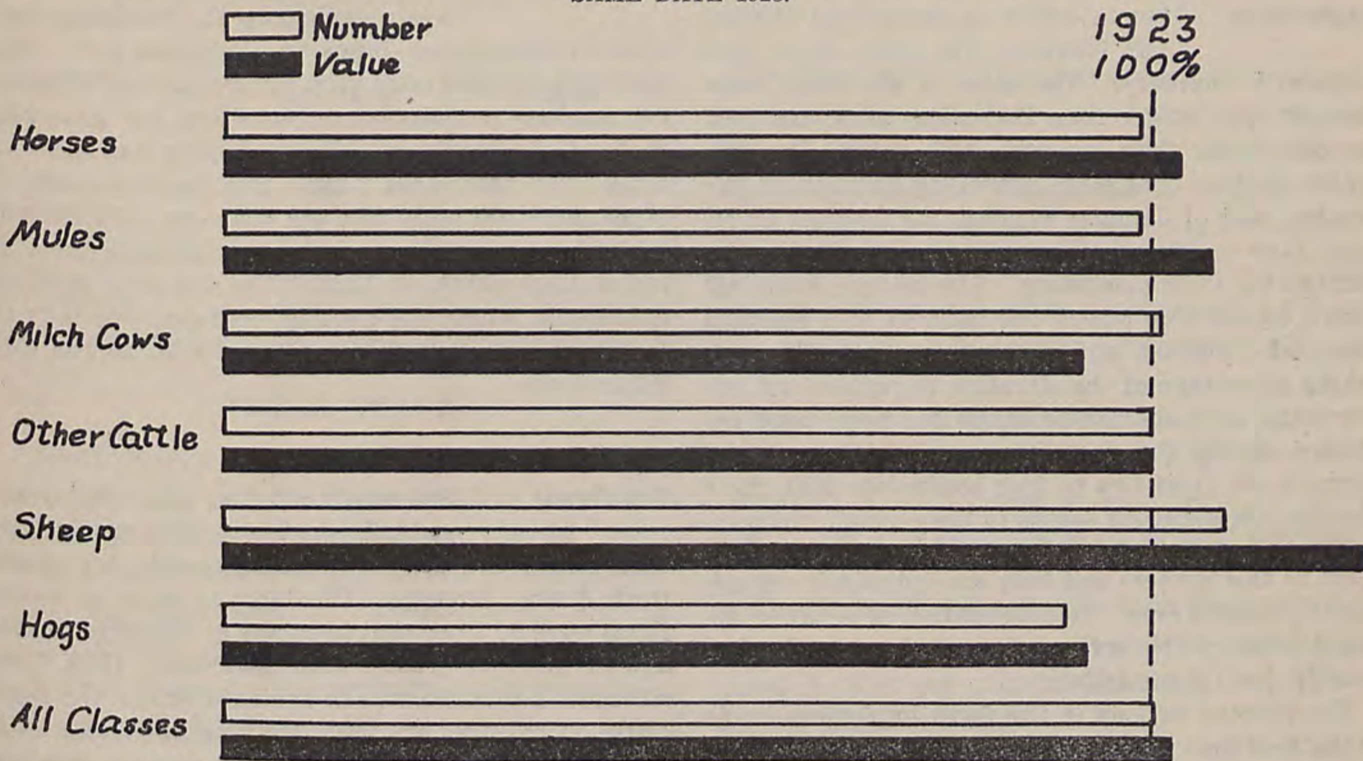
COMPARATIVE TOP LIVESTOCK PRICES

	January 1924	December 1923	January 1923
Beef steers	$ 8.50	$ 7.75	$ 8.00
Stocker steers	7.15	7.10	8.75
Butcher cows	6.35	5.25	5.25
Stocker cows	3.75	4.00	3.50
Calves	7.50	7.25	7.00
Hogs	7.80	7.70	8.75
Sheep	8.50	7.50	8.50
Lambs	13.50	12.00	14.25

Supply of Texas Livestock The report of the Department of Agriculture as of January 1, 1924, reflects a decrease of 9 per cent in the supply of hogs in Texas as compared with the number on hand January 1, 1923. The supply of hogs is the smallest reported for several years. On the other hand, the supply of sheep increased 8.2 per cent.

The appended chart presents a comparative showing of the number and value of livestock on Texas farms as of the dates indicated.

NUMBER AND VALUE OF LIVESTOCK ON FARMS IN TEXAS AS OF JANUARY 1, 1924, AS COMPARED WITH SAME DATE 1923.



TEXTILE MILLING

The January consumption of cotton at thirteen textile mills in Texas amounted to 5,053 bales as compared to 4,105 bales in December, and 4,922 bales in January, 1923. There were 122,867 spindles active in January as against 116,476 during the same month a year ago, and 122,612 during the previous month. The January production of these mills amounted to 2,407,378 pounds reflecting an increase of 5.5 per cent over the corresponding month last year, but a decline of 7.3 per cent from the December production.

The unstable condition of the raw cotton market is causing buyers to withhold purchases for the present. Buying is based largely on current needs. Consequently, unfilled orders are declining. Stocks in the hands of both manufacturers and jobbers are reported to be comparatively low.

TEXTILE MILLING STATISTICS

	January 1924	January 1923	December 1923
Number bales cotton consumed	5,053	4,922	4,105
Number spindles active	122,867	116,476	122,612
Number pounds cloth produced	2,407,378	2,271,729	2,598,864

WHOLESALE TRADE

Renewed activity and increased buying in the wholesale channels of distribution was the outstanding feature of the trade situation during the opening month of the new year. The sales of farm implements, hardware, dry goods, groceries, and drugs were substantially greater than in the previous month or in the corresponding month of 1923. The gains over a year ago are particularly encouraging in view of the fact that exceptionally large increases were registered in January, 1923, as compared to January, 1922. The retailers experienced an active trade throughout the fall months and closed the year with comparatively low stocks. Consequently, following the inventory period, they have bought heavily to replace the depleted stocks. Although there is a general disposition to proceed cautiously, buying is on a broader scale, sentiment among retailers is better, and there is less hesitation than prevailed before the close of the year.

Farm Implements The active demand for farm implements which characterized December business was even more pronounced in January. The sales of six firms were 43.4 per cent larger than December sales, and 65.1 per cent larger than January, 1923, sales. The favorable weather conditions prevailing throughout the greater part of January enabled the farmers to resume farm operations. This in turn created a heavier demand for farm machinery. The returns from last year's cotton crop placed the farmers in a splendid financial condition, and as a general rule they are taking advantage of the situation to replace and improve the farm equipment which has been badly neglected during the past few years. Although the farmers are from two to four weeks late with their plowing, the excellent season in the ground, which insures ideal planting conditions, offers encouragement to the farmers and they are optimistic regarding the coming crop. In anticipation of a strong demand later in the spring, the retailers are buying heavily for future delivery.

The present outlook in the farm implement trade is the best that it has been in several years.

Prices have remained firm.

Drugs The reports of eight wholesale drug firms reflect a gain of 27.8 per cent in January sales as compared to December, and a gain of 10.5 per cent as compared to January a year ago. Buying has been active on all classes of goods and there seems to be a broadening demand. The present outlook appears to be good and dealers generally are optimistic regarding the future.

Some firms report that collections are beginning to slow down. Prices have remained on a steady basis.

Groceries A strong demand for groceries developed early in January and continued throughout the month. The January sales of eleven firms were not only 13.6 per cent larger than December sales, but were 16.4 per cent larger than January, 1923, sales. It will be recalled that last year the distribution of groceries did not show any marked improvement until March.

Prices on most articles remained steady. Sugar reflected a slight decline in January, but early in February there was an upward trend in the market. There has also been an increase in coffee since the first of the month.

Furniture The usual between-seasons dullness was prevalent in the wholesale furniture trade during January. Retailers have been featuring reduced price sales for the purpose of clearing stocks. As new price quotations are generally made at the yearly expositions, buying has been delayed until after that time. The January sales of reporting firms were 25.4 per cent less than December sales, and 12.4 per cent below sales in the corresponding month of 1923. The renewed building operations, which are gaining headway especially in the rural sections, offer encouragement to the furniture trade.

Dry Goods Increased activity, after the year-end lull, which was more pronounced than usual, characterized the wholesale dry goods trade during January. The January sales of twelve firms were 80.7 per cent in excess of December sales, and 7.3 per cent greater than in January, 1923. Considerable hesitation was in evidence before the close of the year as dealers were delaying purchases until after the turn of the year to await further developments in the price situation. However, when prices showed a stronger tendency shortly after the opening of the year, retailers began to appear at the market centers to make purchases to restock their depleted shelves and to place orders in anticipation of the spring demand.

Although there was extensive buying during January, there was an added stimulus during the first two weeks of February when the spring market season opened in many centers. Buyers at the market centers report that retail distribution continues on a fairly high level and that the prospects are bright for a heavy consumer demand in the spring.

Hardware The wholesale hardware trade, which experienced more than normal seasonal dullness during December, disclosed renewed activity in January. Sales of reporting firms were 19.5 per cent in excess of the previous month, and 9.1 per cent greater than in January, 1923. The distribution of builders' hardware, garden tools, painters' supplies, and wire netting has been particularly active. While reports indicate that the buying demand is improving, retailers are making purchases on a conservative basis and show no disposition to anticipate consumer demand very far in the future. Prices remained stationary.

CONDITION OF WHOLESALE TRADE DURING JANUARY, 1924

Percentage of Increase or Decrease in

	NET SALES Jan. 1924 compared with		STOCKS Jan. 1924 compared with	
	Jan. 1923	Dec. 1923	Jan. 1923	Dec. 1923
Groceries	+16.4	+13.6	+ 2.6	+21.1
Dry Goods	+ 7.3	+80.7	+25.4	+34.2
Furniture	—12.4	—25.4	......	......
Farm Implements	+65.1	+43.4	+14.6	— 3.3
Drugs	+10.5	+27.8	— 4.7	+ 2.2
Hardware	+ 9.1	+19.5	+18.2	+ 6.5

RETAIL TRADE

Retail distribution, under the spur of special sales and generally cold weather, was active throughout the past month. While the January sales of twenty-three firms showed a normal decline of 46.1 per cent from December sales, the increase of 6.7 per cent over January, 1923, is indicative of the broadening consumer demand. The protracted cold spell during January stimulated the buying of winter goods and resulted in a general clearance of remnants of winter stocks.

Stocks on hand at the close of January were practically the same as those at the close of December, but were 9.5 per cent greater than at the close of January a year ago. Due to the larger stocks being carried this year, the rate of turnover was slower in January than a year ago. The ratio of stocks to sales was 454 per cent in January as compared to 424.6 per cent during the corresponding month of 1923.

The ratio of outstanding orders to last year's purchases at the close of January was 8.7 per cent as compared to 7.8 per cent at the close of December, and 9.6 per cent at the close of January last year.

The ratio of January collections to accounts receivable on January 1st was 40.4 per cent as compared to 40.6 per cent in December, and 41.6 per cent in January, 1923.

BUSINESS OF DEPARTMENT STORES

	Dallas	Fort Worth	Houston	All Others	Total District
Total Sales—					
January, 1924, compared with January, 1923	+ 5.9	+ 5.5	+ 10.7	+ 6.3	+ 6.7
January, 1924, compared with December, 1923	— 44.1	— 57.2	— 46.6	— 41.2	— 46.1
Credit Sales—					
January, 1924, compared with January, 1923	+ 7.4	+ 9.6	+ 12.8	+ 11.5	+ 9.6
January, 1924, compared with December, 1923	— 40.0	— 55.5	— 41.9	— 38.4	— 41.8
Stocks—					
January, 1924, compared with January, 1923	+ 9.2	+ 2.2	+ 7.8	+ 13.7	+ 9.5
January, 1924, compared with December, 1923	— 2.5	— 1.8	— 1.4	+ 3.8	None
Ratio of stocks to sales	438.8	540.7	410.8	457.9	454.0
Ratio of outstanding orders to last year's purchases	8.5	10.8	8.4	8.5	8.7
Ratio of January collections to Accounts Receivable, due and outstanding Jan. 1, 1924	38.7	37.5	39.1	44.6	40.4

FINANCIAL

The January volume of business, as measured by debits to individual accounts at the principal cities of this district, reflected a decline of 8.3 per cent as compared to December and 10.2 per cent as compared to the corresponding month of 1923. The total volume of debits at fifteen cities amounted to $666,-375,000 in January as against $726,994,000 in December and $741,975,000 in January last year. The accompanying table discloses the fact that there was an increase in only four cities as compared to the previous month, and in only six as compared to the corresponding month last year.

CHARGES TO DEPOSITORS' ACCOUNTS

	January, 1924	December, 1923	Inc. or Dec.	January, 1923	Inc. or Dec.
Albuquerque	$ 10,020,000	$ 9,975,000	+ .5	$ 9,514,000	+ 5.3
Austin	21,520,000	23,766,000	— 9.5	17,337,000	+24.1
Beaumont	17,734,000	15,634,000	+13.4	18,334,000	— 3.3
Corsicana	10,175,000	12,639,000	—19.5	6,733,000	+51.1
Dallas	203,546,000	226,674,000	—10.2	193,256,000	+ 5.3
El Paso	31,677,000	34,185,000	— 7.3	31,993,000	— 1.0
Fort Worth	76,408,000	86,041,000	—11.2	122,250,000	—37.5
Galveston	51,954,000	57,409,000	— 9.5	96,206,000	—46.0
Houston	129,103,000	141,381,000	— 8.7	133,571,000	— 3.3
Roswell	2,314,000	2,587,000	—10.6	2,491,000	— 7.1
San Antonio	34,513,000	33,380,000	+ 3.4	31,287,000	+10.3
Shreveport	39,874,000	39,352,000	+ 1.3	41,614,000	— 4.2
Texarkana	8,422,000	10,218,000	—17.6	9,073,000	— 7.2
Tucson	7,693,000	8,793,000	—11.2	8,744,000	—12.0
Waco	21,422,000	24,960,000	—14.2	19,572,000	+ 9.5
Totals, Eleventh District	$666,375,000	$726,994,000	— 8.3	$741,975,000	—10.2

Acceptance Market A heavy decline was registered in the volume of acceptances executed by accepting banks of this district and which were outstanding at the close of January. Acceptances of these banks outstanding on January 31st amounted to $1,713,683.50 as compared to $3,-482,776.05 on December 31st. The amount of acceptances executed against import and export transactions declined from $2,380,591.50 on December 31st to $1,016,655.50 on January 31st. Those based on the domestic shipment and storage of goods amounted to $697,028 on January 31st as compared to $1,102,185.55 on December 31st. The Federal Reserve Bank of Dallas reduced its holdings in this type of paper from $49,438,406.36 on December 31st to $43,895,031.89 on January 31st.

Condition of Member Banks in Selected Cities The net demand deposits of 52 member banks in selected cities reflected a decline of $4,406,000 during the four weeks' period between January 2nd and 30th, but the time deposits of these banks gained $3,083,000 during the same period. Their commercial loans remained practically the same, being $222,019,000 on January 30th as compared to $222,226,000 on January 2nd. The reserve carried with the Federal Reserve Bank rose from $24,771,000 on January 2nd to $27,102,000 on January 30th. Their bills payable and rediscounts with the Federal Reserve Bank increased $1,708,000. The ratio of loans to net demand deposits was 90 per cent on January 30th as compared to 88 per cent on January 2nd, and 89 per cent on January 31, 1923.

CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES

	Jan. 30, 1924	Jan. 31, 1923	Jan. 2, 1924
1. Number of reporting banks	52	52	52
2. U. S. securities owned	$ 56,168,000	$ 53,304,000	$ 59,441,000
3. All other stocks, bonds and securities owned	14,115,000	8,291,000	13,941,000
4. Loans secured by U. S. Government obligations	3,163,000	5,712,000	3,188,000
5. Loans secured by stocks and bonds other than U. S. Government obligations	63,720,000	49,213,000	64,568,000
6. All other loans	218,856,000	207,463,000	219,038,000
7. Net demand deposits	247,199,000	239,686,000	251,605,000
8. Time deposits	87,657,000	72,638,000	84,574,000
9. Reserve with Federal Reserve Bank	27,102,000	27,580,000	24,771,000
10. Bills payable and rediscounts with Federal Reserve Bank	4,367,000	4,371,000	2,659,000
11. Ratio of loans (*) to net demand deposits	90%	89%	88%

*Loans include only items 4 and 6.

Operations of the Federal Reserve Bank Loans to member banks reflected an irregular course during the month, but on January 31st the total amounted to $9,575,093.15 as compared to $8,872,087.37 on December 31st, or a net gain of $703,005.78. The volume of notes offered for rediscount was greater in January than during the previous month, but the volume of bill-of-lading drafts offered was considerably smaller. There were 110 banks borrowing from the Federal Reserve Bank on January 31st, as compared to 98 banks borrowing on December 31st.

Due to the reduction in the volume of open market purchases, the total amount of bills held declined from $58,310,493.73 on December 31st to $53,470,125.04 on January 31st, distributed as follows:

Member banks' collateral notes secured by U. S. Government obligations	$ 1,817,054.69
Rediscounts and all other loans to member banks	7,758,038.46
Open market purchases (Bankers' acceptances)	43,895,031.89
Total bills held	$53,470,125.04

The circulation of Federal reserve notes continued to decline during the past month, being $45,818,345 on January 31st as compared to $52,802,006 on December 31st, or a net reduction of $6,983,661. However, the actual circulation on January 31st was $13,138,825 greater than on the corresponding date last year. The reserve deposits of member banks reflected a slight decline, being $57,964,141.21 on January 31st as compared to $58,115,203.68 on December 31st. These deposits, however, were $2,996,477.23 larger than on January 31, 1923.

Deposits of Member Banks The demand deposits of member banks in the Eleventh Federal Reserve District showed a further decline of $22,514,000 between December 26th and January 23rd. On the other hand, the time deposits of these banks increased $6,552,000 during the same period.

DEPOSITS OF MEMBER BANKS
(000's Omitted)

	All Member Banks		Banks in Cities With a Population Less Than 5,000		Banks in Cities With a Population Between 5,000 and 14,999		Banks in Cities With a Population Between 15,000 and 99,999		Banks in Cities With a Population Over 100,000	
	Total Demand	Total Time	Demand	Time	Demand	Time	Demand	Time	Demand	Time
April 25, 1923	527,082	138,213	150,690	18,021	87,901	20,885	118,429	51,546	170,062	47,761
May 23, 1923	514,274	139,612	145,741	17,902	86,847	21,626	113,985	51,278	167,701	48,806
June 27, 1923	496,227	141,251	139,013	18,261	84,832	21,692	109,330	50,897	163,052	50,401
July 25, 1923	485,644	139,868	133,796	18,507	84,405	22,014	107,579	50,940	159,864	48,407
Aug. 29, 1923	501,088	139,356	149,580	18,516	87,772	22,989	103,508	49,699	160,228	48,152
Sept. 26, 1923	574,421	139,472	186,786	18,344	101,334	22,978	109,108	50,264	177,193	47,886
Oct. 24, 1923	629,944	139,723	209,681	17,447	107,980	23,381	116,717	50,541	195,566	48,354
Nov. 28, 1923	654,398	143,713	220,297	17,111	111,284	23,479	117,596	52,550	205,221	50,573
Dec. 26, 1923	646,691	144,711	212,277	16,096	111,802	22,669	121,106	51,572	201,506	54,374
Jan. 23, 1924	624,577	151,263	203,456	17,097	108,159	23,834	117,440	52,699	195,522	57,633

Discount Rates There is presented below the prevailing rate charged during the seven-day period ending February 15th by the commercial banks in the cities listed below:

FEBRUARY DISCOUNT RATES

	Prevailing Rates:					
	Dallas	El Paso	Fort Worth	Houston	San Antonio	Waco
Rate charged customers on prime commercial paper such as is now eligible for rediscount under the Federal Reserve Act:						
(a) Running 30-60-90 days	6	8	6	6	7	6
(b) Running 4-6 months	6	8	6	6	7	6
Rate charged on loans to other banks, secured by bills receivable	6	8	6	6	6	6
Rate on ordinary commercial loans running 30-60-90 days secured by Liberty Bonds and certificates of indebtedness (not including loans to enable purchase of bonds)	6	8	6	6	6	8
Rate on loans secured by prime stock exchange or other current collateral:						
(a) Demand	7	8	6	7	7	8
(b) Time	7	8	6	7	7	7
Rate on commodity paper secured by warehouse receipts, etc.	6	8	6	7	7	6
Rate on cattle loans	7	10	8	8	7	none

Savings Deposits The savings deposits of 110 banks of this district which operate a savings department showed an increase of one per cent between December 31st and January 31st. There was an increase of 13.1 per cent as compared to January 31, 1923. The number of savings depositors of 102 banks was 209,814 on January 31st, as compared to 207,078 on December 31st, and 185,695 on January 31st a year ago.

SAVINGS DEPOSITS

	Number of Reporting Banks	Jan. 31, 1924	Jan. 31, 1923	Inc. or Dec.	Dec. 31, 1923	Inc. or Dec.
Beaumont	3	1,551,180	1,187,182	+30.7	1,519,130	+2.1
Dallas	6	11,572,575	9,785,042	+18.3	11,022,632	+5.0
El Paso	3	4,060,448	3,818,018	+ 6.3	4,228,461	—4.0
Fort Worth	6	6,967,961	6,486,138	+ 7.4	7,098,939	—1.8
Galveston	3	7,030,517	6,393,008	+10.0	6,937,499	+1.3
Houston	14	20,063,890	17,204,954	+16.6	19,763,597	+1.5
San Antonio	6	9,594,762	9,110,088	+ 5.3	9,787,280	—2.0
Shreveport	3	5,533,451	4,455,916	+24.2	5,416,614	+2.2
Waco	5	2,924,459	1,992,880	+46.7	2,686,221	+8.9
Wichita Falls	3	1,685,356	2,410,230	—30.1	1,575,887	+6.9
All others	58	18,527,848	16,271,024	+13.9	18,565,460	— .2
Total	110	89,512,447	79,114,480	+13.1	88,601,720	+1.0

NUMBER OF SAVINGS DEPOSITORS

	Number of Reporting Banks	Jan. 31, 1924	Jan. 31, 1923	Dec. 31, 1923
Beaumont	3	7,412	6,324	7,279
Dallas	6	37,988	31,581	37,563
El Paso	3	13,639	13,214	13,895
Fort Worth	5	16,596	16,081	16,486
Galveston	3	11,007	11,606	10,654
Houston	12	43,515	34,688	42,566
San Antonio	5	15,275	13,351	14,983
Shreveport	3	12,832	10,156	12,148
Waco	5	5,644	4,858	5,488
Wichita Falls	3	6,343	6,094	6,283
All Others	54	39,563	37,762	39,733
Total	102	209,814	185,695	207,078

FAILURES

A sharp decline occurred in the business mortality rate of the Eleventh Federal Reserve District during the month of January, there being fewer failures and smaller liabilities reported than in any month since last August. There were 68 defaulting firms with combined liabilities amounting to $1,170,988 as compared to 148 suspensions in December involving a total indebtedness of $2,046,743. In January of last year 117 failures were reported with aggregate liabilities of $1,524,107.

COMMERCIAL FAILURES

	All Federal Reserve Districts			
	January, 1924		January, 1923	
	Number	Liabilities	Number	Liabilities
Boston	203	$ 7,173,862	172	$ 2,716,407
New York	407	8,884,038	441	14,478,212
Philadelphia	113	2,157,916	114	2,767,619
Cleveland	175	6,160,933	182	7,235,898
Richmond	152	3,505,170	173	3,623,783
Atlanta	136	2,452,051	186	2,689,396
Chicago	251	12,641,812	283	6,250,185
St. Louis	143	1,669,880	97	1,855,028
Minneapolis	104	1,129,225	108	2,655,679
Kansas City	168	2,035,090	81	1,491,314
DALLAS	68	1,170,988	117	1,524,107
San Francisco	188	2,291,543	172	1,922,869
Total	2,108	$51,272,508	2,126	$49,210,497

PETROLEUM

The rapid depletion of the Corsicana-Powell field and the inclement weather were factors which largely accounted for a decline of approximately 3,000,000 barrels in the production of crude oil in the Eleventh Federal Reserve District during January. Although a resumption in drilling operations has occurred following the advances in the posted price of crude oil, the revival of activity has not been under way long enough to afford any appreciable amount of new production.

The combined production of the district's fields amounted to 12,024,107 barrels in January as compared to 15,088,747 barrels in December, or a loss of 98,859 barrels in the daily average production. The January completions numbered 223 wells, including 163 producers with an initial flow of 28,071 barrels, which compares to 336 completions in December including 266 producers yielding a flush production of 173,086 barrels.

The daily average output of Texas fields dropped from 424,151 barrels in December to 329,662 barrels in January, with each of the major producing areas sharing in the decline. There were 193 wells completed, which included 138 producers yielding a flush production of 26,949 barrels.

In the Louisiana fields the January operations netted 25 producers out of 30 completions, and 1,122 barrels of new production were added. The January production amounted to 1,804,572 barrels as compared to 1,940,058 barrels during the previous month.

Crude Oil Prices The strong upward trend in the crude oil market which developed early in December continued throughout January. Substantial increases have been posted at practically every field in the district and there seems to be an unusually heavy demand for oil.

OIL PRODUCTION

Field—	January		December		Increase or Decrease			
	Total	Daily Avg.	Total	Daily Avg.		Total		Daily Avg.
North Texas	2,085,390	67,271	2,160,090	69,680	Dec.	74,700	Dec.	2,409
Central-West Texas	5,343,560	172,373	7,943,110	256,229	Dec.	2,599,550	Dec.	83,856
Texas Coastal	2,320,955	74,869	2,467,104	79,584	Dec.	146,149	Dec.	4,715
Miscellaneous fields	469,630	15,149	578,385	18,658	Dec.	108,755	Dec.	3,509
Totals, Texas	10,219,535	329,662	13,148,689	424,151	Dec.	2,929,154	Dec.	94,489
North Louisiana	1,804,572	58,212	1,940,058	62,582	Dec.	135,486	Dec.	4,370
Totals, 11th District	12,024,107	387,874	15,088,747	486,733	Dec.	3,064,640	Dec.	98,859

JANUARY DRILLING RESULTS

Field—	Completions	Producers	Failures	Initial Production
North Texas	110	78	32	10,414
Central-West Texas	54	37	17	11,420
Texas Coastal	12	11	1	3,690
Miscellaneous fields	7	6	1	1,345
Texas Wildcats	10	6	4	80
Totals, Texas	193	138	55	26,949
North Louisiana	30	25	5	1,122
January totals, District	223	163	60	28,071
December totals, District	336	266	70	173,086

CRUDE OIL PRICES

Texas—	Feb. 9, 1924	Feb. 10, 1923
Corsicana light	$1.40	$1.30
Corsicana heavy	1.00	.75
Texas Coastal	1.65	1.25
Mexia	1.85	2.00
Currie	2.00	2.40
North Texas (39 gravity and above)	2.00	2.25

Louisiana—	Feb. 9, 1924	Feb. 10, 1923
Caddo (38 gravity and above)	$1.70	$2.00
Bull Bayou (38 gravity and above)	1.65	1.80
Homer (35 gravity and above)	1.70	2.00
Haynesville (33 gravity and above)	1.60	1.85
DeSoto crude	1.70	2.00

(Oil statistics compiled by the Oil Weekly, Houston, Texas.)

LUMBER

The production of lumber at Eleventh District pine mills reflected a sharp increase in January, being 7 per cent below normal production as compared to 23 per cent below normal production in December. The new orders received at the mills were equivalent to 105 per cent of normal production, as compared to 99 per cent in December. The January shipments were 11 per cent in excess of production as against 3 per cent during the previous month. The unfilled orders on the books of 45 mills at the close of January amounted to 68,103,356 feet as compared to 69,597,108 feet on December 31st. Due to the heavy shipments during January, stocks at the close of the month were 29 per cent below normal as against 16 per cent on December 31st.

There has been a strong upward trend in the lumber market since the first of the year. The unfavorable weather conditions prevailing during November and December resulted in reduced production, and the new demand has greatly reduced stocks at the mills. While there has been a strong upward movement on all classes of lumber, the common grades have shown the largest advance.

JANUARY PINE MILL STATISTICS

Number of reporting mills	45
Production	93,571,953 feet
Shipments	103,671,379 feet
Orders	104,829,005 feet
Unfilled orders January 31st	68,103,356 feet
Normal production	99,954,240 feet
Stocks, January 31st	242,009,779 feet
Normal stocks	311,683,018 feet
Shipments above production	10,099,426 feet=11%
Actual production below normal	6,382,287 feet= 7%
Orders above normal production	4,874,765 feet= 5%
Stocks below normal	69,673,239 feet=29%

BUILDING

Renewed activity in the building industry following the opening of the new year was reflected in the January reports of eleven principal cities of the Eleventh Federal Reserve District. There were 2,568 permits issued at these centers in January as compared to 1,677 in December. The estimated valuation of permits issued amounted to $8,347,272 in January as compared to $5,099,798 in December, reflecting a gain of 63.7 per cent. The increase over January a year ago amounted to 27.2 per cent.

BUILDING PERMITS

	January, 1924		January, 1923		Inc. or Dec.	December, 1923		Inc. or Dec.
	No.	Valuation	No.	Valuation		No.	Valuation	
Austin	45	82,245	65	134,090	— 38.7	27	473,023	— 82.6
Beaumont	184	135,205	124	158,225	— 14.5	111	73,078	+ 85.0
Dallas	379	2,996,770	467	2,809,800	+ 6.7	251	1,128,902	+ 165.5
El Paso	74	89,058	101	302,610	— 70.6	50	77,635	+ 14.7
Fort Worth	198	619,114	315	857,787	— 27.8	128	671,029	— 7.7
Galveston	233	642,372	301	165,699	+287.7	217	49,797	+1,190.0
Houston	558	2,068,664	519	705,483	+193.2	313	1,325,417	+ 56.1
Port Arthur	175	142,287	146	170,214	— 16.4	110	118,830	+ 19.7
San Antonio	375	658,910	346	590,705	+ 11.5	187	277,700	+ 137.3
Shreveport	289	761,186	316	524,403	+ 45.2	235	773,977	— 1.7
Waco	58	151,461	63	143,768	+ 5.4	48	130,410	+ 16.1
Total	2,568	8,347,272	2,763	6,562,784	+ 27.2	1,677	5,099,798	+ 63.7

SUMMARY OF NATIONAL BUSINESS CONDITIONS

(Compiled by the Federal Reserve Board as of February 25, 1924.)

Production of basic commodities increased sharply in January. The volume of distribution continued larger than a year ago, and the wholesale price level remained unchanged. In February there was an increase in the demand for credit for commercial purposes.

PRODUCTION

The Federal Reserve Board's index of production in basic industries increased 8 per cent in January, and was at approximately the same level as a year ago. This increase followed a downward movement which had been under way since May, 1923. The increases over December, which occurred in most of the industries, were particularly large in the production of steel ingots, lumber, and bituminous coal, and in mill consumption of cotton. A small but general reduction of working forces at industrial establishments resulted in a slight decline in the index of factory employment. The largest decreases occurred at plants manufacturing food products and tobacco. Contract awards for new buildings in January were slightly higher in value than in December, and were 26 per cent above a year ago.

TRADE

Railroad shipments, particularly of miscellaneous merchandise, increased during January and total car loadings were somewhat above the high level of January, 1923. The index of wholesale trade increased 11 per cent during January, and was slightly higher than a year ago . Sales of groceries, meat, and drugs were larger than in January, 1923, while sales of dry goods, and shoes were smaller. Retail trade in January showed the usual seasonal decline. Compared with a year ago, department store sales were 7 per cent larger, and stocks of merchandise at these stores, after declining in January, were 6 per cent above last year's level. Sales of mail order houses in January exceeded those of a year ago by 11 per cent.

PRICES

The wholesale price index of the Bureau of Labor Statistics remained unchanged during January and was at a level 3 per cent lower than a year ago. Prices of fuels and building materials, which had been declining since early in 1923, increased in January, while prices of farm products, foods, and clothing declined. During the first two weeks of February prices of hogs, sugar, hides, lumber, and metals advanced while prices of cotton, wheat, and silk declined.

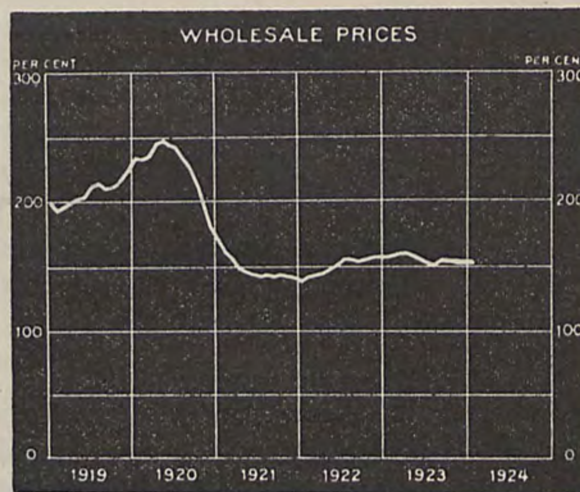
BANK CREDIT

The volume of borrowing for commercial purposes at member banks in leading cities, after an almost continuous decline for more than three months, increased considerably during the latter part of January, and the first two weeks in February. This increase was accompanied by a decline in loans secured by stocks and bonds. Total loans and investments of the reporting banks are now slightly larger than a year ago; commercial loans and loans on stocks and bonds are larger but investments are smaller.

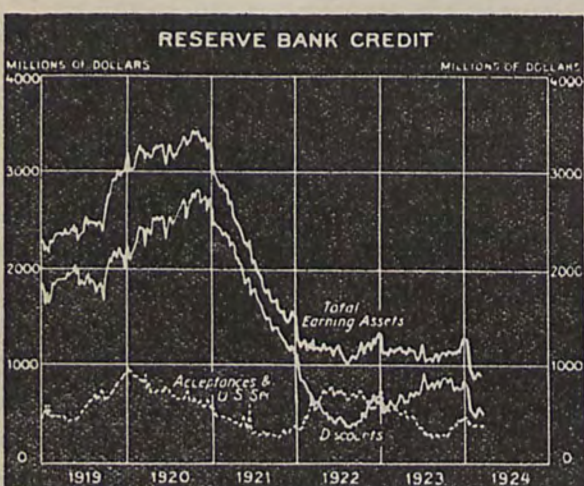
At the Federal Reserve Banks the total volume of earning assets fluctuated within narrow limits during February. The large return flow of currency and the repayment of discounts, which characterized the early weeks of the year, did not continue after January. Since the first week in February the volume of discounts for member banks has been about $500,000,000 and the holdings of securities purchased in the open market about $400,000,000.

The easier money conditions of January were followed in February by slightly firmer rates on acceptances and on short term government securities. Commercial paper rates in the New York market remained unchanged at 4¾.

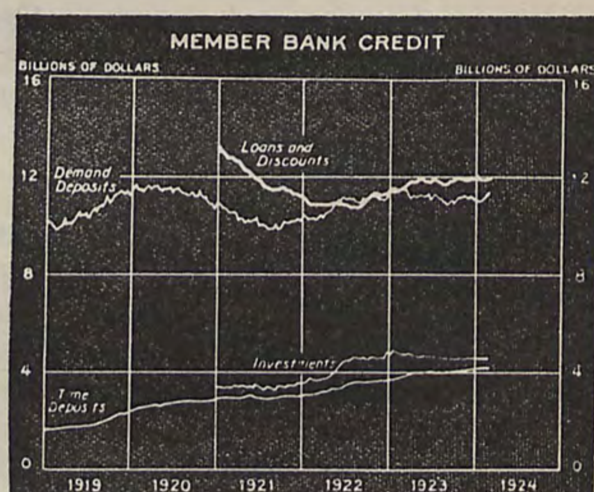
Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figure, January 120.



Index of U. S. Bureau of Labor Statistics. (1913=100, base adopted by Bureau.) Latest figures, January 151.



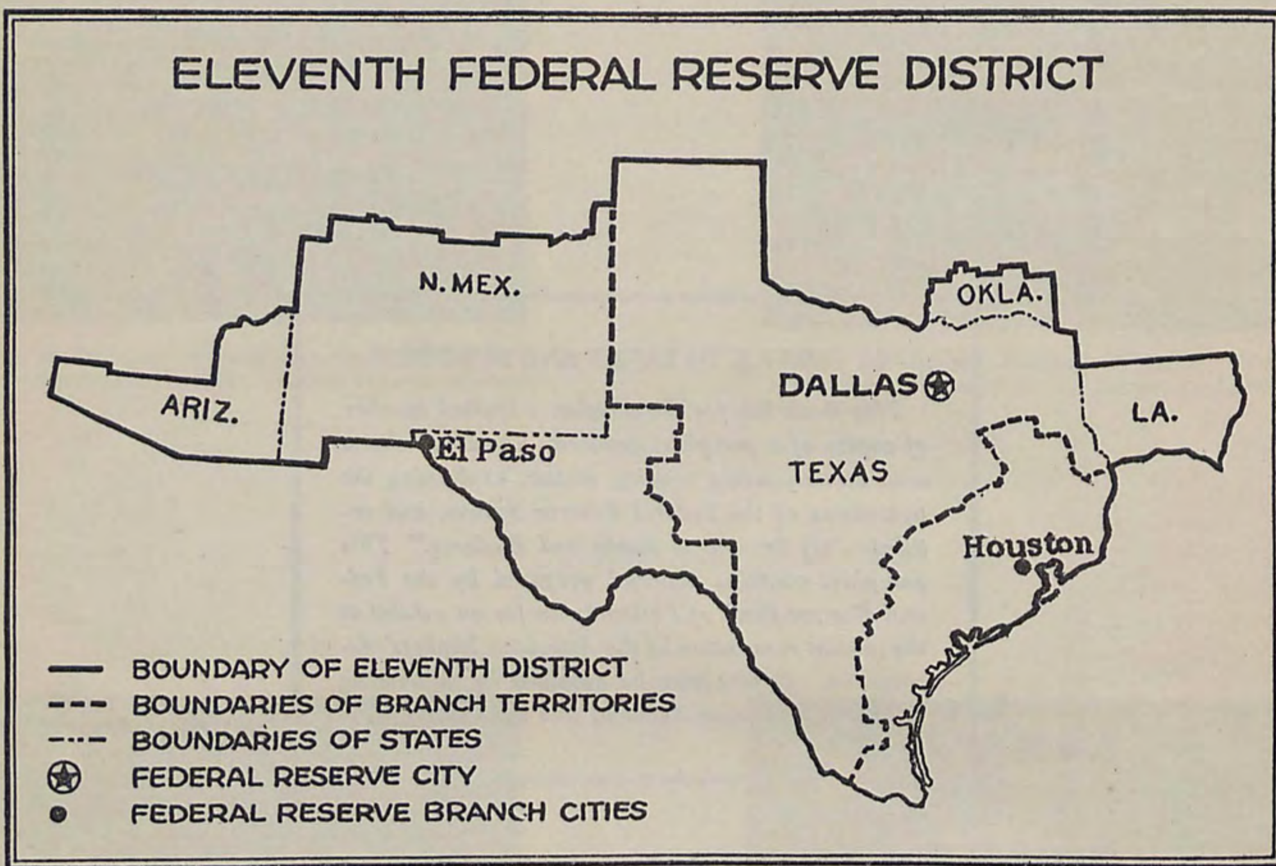
Weekly figures for 12 Federal Reserve Banks. Latest figure, February 20.



Weekly figures for member banks in 101 leading cities. Latest figure, February 13.

"OF SERVICE TO BANKS AND BUSINESS"

This Bank has for distribution a limited number of copies of a pamphlet cotaining numerous charts with accompanying reading matter, explaining the operations of the Federal Reserve System, and entitled—"Of Service to Banks and Business." This pamphlet contains material prepared by the Federal Reserve Bank of Philadelphia for an exhibit at the annual convention of the American Bankers' Association. Copies may be obtained by addressing the Federal Reserve Agent of this bank.


ELEVENTH FEDERAL RESERVE DISTRICT
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ARIZ.
DALLAS
LA.
El Paso
TEXAS
Houston
BOUNDARY OF ELEVENTH DISTRICT
BOUNDARIES OF BRANCH TERRITORIES
BOUNDARIES OF STATES
FEDERAL RESERVE CITY
FEDERAL RESERVE BRANCH CITIES