

MONTHLY REVIEW OF BUSINESS AND INDUSTRIAL CONDITIONS

IN THE

ELEVENTH FEDERAL RESERVE DISTRICT FEDERAL RESERVE BANK OF DALLAS

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June 2nd

DISTRICT SUMMARY

THE SITUATION AT A GLANCE Eleventh Federal Reserve District

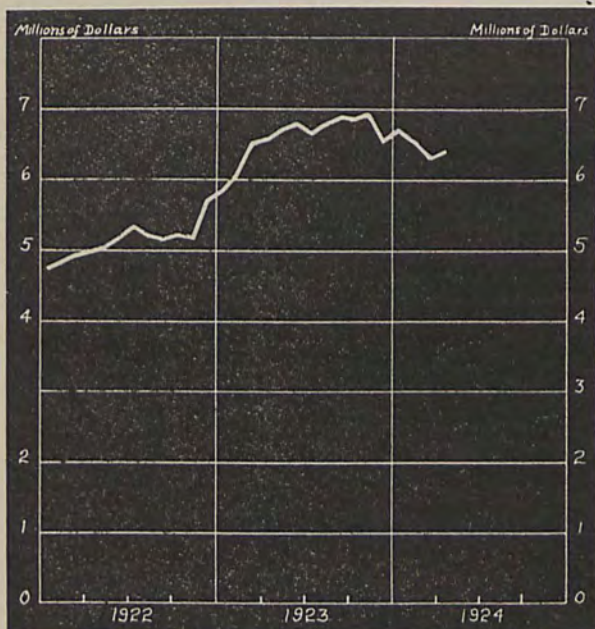
	April	March	Inc. or Dec.
Bank debits to individual accounts (at 15 cities).....	\$561,719,000	\$569,683,000	Dec. 1.4%
Department store sales.....	—	—	Inc. 7.6%
Reserve Bank loans to member banks at end of month.....	\$12,975,416	\$9,825,892	Inc. 32.1%
Reserve Bank ratio at end of month.....	60.5%	49.6%	Inc. 10.9 points
Building permit valuations at larger centers.....	\$7,319,656	\$8,951,289	Dec. 18.2%
Commercial failures (number).....	56	74	Dec. 24.3%
Commercial failures (liabilities).....	\$881,236	\$950,677	Dec. 7.3%
Oil production (barrels).....	13,025,065	13,442,604	Dec. 3.1%
Lumber orders at pine mills (per cent of normal production)	92%	75%	Inc. 17 points

The strong recovery of retail trade was the outstanding feature of the business situation during the past month. The sales of twenty-four Texas department stores, which in March showed a decline of 6 per cent from the corresponding month of last year, reflected a 11 per cent increase in April as compared to April, 1923. Furthermore, April sales showed a 7 per cent increase over March, which was the first time, during the six years that the Federal Reserve Bank has been obtaining department store reports, that April sales have been larger than March sales. A late Easter was in part responsible for the unusual volume of retail trade. The April distribution at wholesale was likewise active. While seasonal slackening was noted in most lines, the recessions were not so pronounced as usual at this season of the year. Furthermore, all reporting lines of trade reflected large increase over the corresponding month of 1923.

That the merchants of this district are in an unusually healthy financial condition is shown by the fact that the month's failure statistics reflected a 24 per cent decrease in the number of failures and a 7 per cent decrease in the amount of indebtedness. The business mortality rate in this district has been gradually declining since the fall of 1923, when a large percentage of the district's weaker firms were weeded out. The April statistics were the smallest since November, 1920, both in the number of failures and the amount of indebtedness.

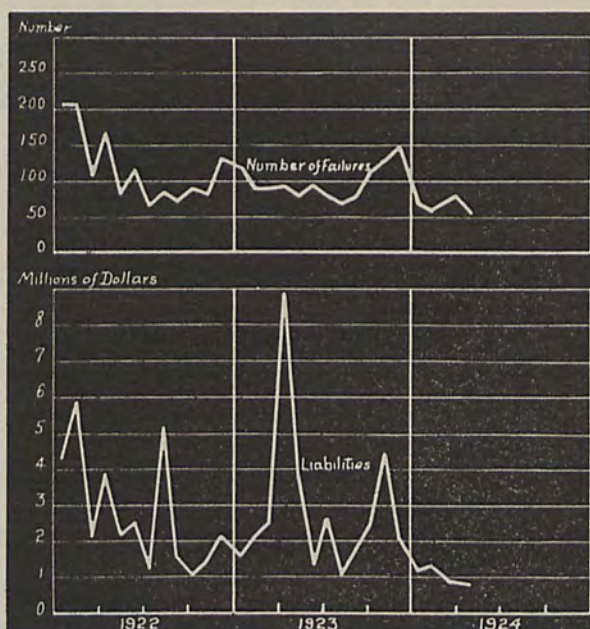
The long postponed demand for Federal Reserve Bank credit is now beginning to make itself felt. Loans to member banks increased from \$9,826,000 on March 31st to \$12,975,000 on April 30th, and to \$14,840,000 on May 19th. However, the demand is considerably below that of a year ago, as is evidenced by the fact that these loans averaged \$27,056,000 during May last year, as compared to an average of

BUILDING PERMIT VALUATIONS



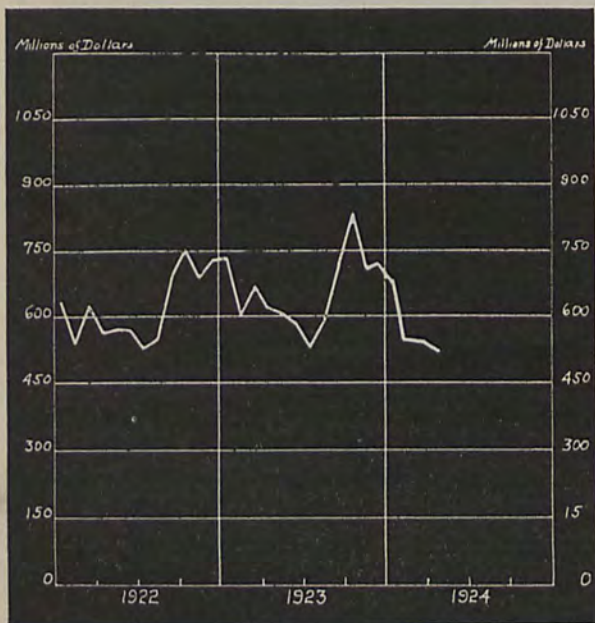
Moving average of building permit valuations at eleven cities in Eleventh Federal Reserve District.

COMMERCIAL FAILURES



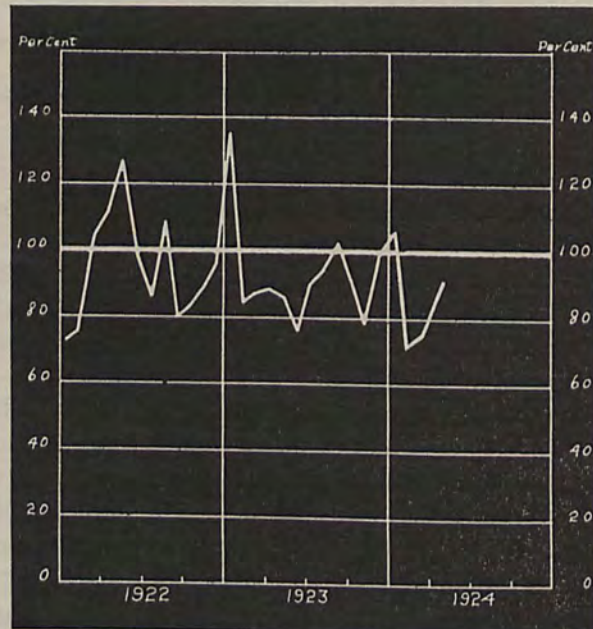
Monthly fluctuations in the number and amount of liabilities of commercial failures in the Eleventh Federal Reserve District.

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.

\$13,346,000 during the first nineteen days of May this year, or less than half of the average loans a year ago. Although borrowing has been comparatively light at the Federal Reserve Bank, customer borrowing at member banks has been active, but these banks have been able to meet the seasonal decline of deposits and the demand for loans largely out of their own resources. It is estimated that the Eleventh District's banks invested approximately \$150,000,000 during the past fall and winter in banker's acceptances, government securities, and commercial or "broker" paper. Through the liquidation of these investments they have been able to meet a large part of the spring demand for agricultural loans. Although the information received from our member banks indicates that there will be a heavier demand for Federal Reserve Bank credit during the remaining portion of the crop growing season, yet in view of the fact that a large number of banks will not find it necessary to rediscount it seems improbable that the volume of our loans will reach the proportion they did in 1923.

Farm work during the past thirty days has proceeded rapidly under more favorable weather conditions. In some sections considerable replanting of

cotton has been necessary. Grain crops, on the other hand, are growing well and barring unfavorable conditions between now and harvest promise good yields.

Further improvement during the past month was noted in the condition of livestock and ranges. Sheep and goats are fat, and cattle are putting on flesh rapidly. Range conditions in general were never more satisfactory, and give promise of excellent grazing during the summer months. Good calf and lamb crops are now practically assured.

The Southwestern employment situation is generally satisfactory. The demand for agricultural labor is increasing, with some sections reporting a shortage in supply. Although there is some slackening in textile establishments, conditions in other lines indicate a well balanced supply and demand.

The attention of our readers is called to the new section added to this issue of the REVIEW covering the Cottonseed Products Industry. This section (which will be found on page 5) will be a regular feature of the REVIEW in future, and as it covers an important industry of the Eleventh District, it is hoped that it will prove helpful to our member bankers and other readers.

CROP CONDITIONS

With more favorable weather conditions prevailing during the past thirty days, farming operations over the greater part of this district have made material headway. Farmers have pressed toward rapid completion plowing and planting operations. In fact this work on May 1st compares favorably with that completed on that date a year ago, and in some states is well above the ten-year average. The planting of corn is practically completed, and, although late, is up to a good stand in most sections and showing satisfactory growth. Cotton in the southern portion of Texas is up to a good stand and the early planted fields have been chopped and squares have begun to appear. In other sections, except in the northwest, planting has made good progress. Within a comparatively short time all the ground will be planted. High wind, low temperatures, and cut worms have done some damage to the cotton, making some replanting necessary in certain sections. The cool nights have caused some apprehension, as it has been conducive to the appearance of the weevil. This insect has already begun to appear in the southern portion of Texas. Another disquieting factor has been the hatching of millions of grasshoppers in the central west. It will be remembered that the grass-

hoppers did considerable damage in that section a year ago.

The small grains are now heading and have sufficient moisture to carry them to maturity. Although some damage to the winter wheat was reported in the northwestern portion of Texas, due to the high winds and in some instances hail and heavy rain, the crop is in good condition, exhibiting a thrifty stand and satisfactory growth. The Department of Agriculture placed the condition of the Texas crop at 90 per cent of normal on May 1st, which is one point lower than on April 1st, but 12 points higher than the ten-year average. The abandonment of acreage this year was only two per cent of the acreage sown. Despite the greatly reduced acreage sown to wheat last fall, this year's yield will not be materially smaller than that of last year. Based on the May 1st condition figure, the yield has been estimated at 15,900,000 bushels, as compared to a harvest of 16,370,000 bushels in 1923. In New Mexico the condition of the crop was reported at 93 per cent of normal as compared to 63 per cent of normal on the same date last year. This year's production has been estimated at 1,790,000 bushels, or about four times the production estimated for last year's crop. The

abandonment in that state this year was only 10 per cent as compared to 50 per cent last year. The present New Mexico crop has had plenty of moisture and weather conditions have been favorable to its advancement. Furthermore, green bugs and other pests have not made their appearance.

The condition of the Texas oat crop in most sections is satisfactory, but the crop in the central counties has suffered to some extent from the effects of dry weather in April. The condition over the state averaged 84 per cent of normal. The condition of oats in New Mexico was 90 per cent of normal on May 1st.

While considerable damage to the Texas fruit crop resulted from hail and low temperatures during April, present indications are that the best crop in several years will nevertheless be harvested. The state condition was 76 per cent of normal on peaches and 74 per cent on apples. The fruit crops in New Mexico were severely damaged by the April freezes. Reports indicate a 74 per cent apple crop and a 40 per cent peach crop. Grapes were not damaged.

Cotton Movements The April movement of cotton through the port of Galveston reflected a seasonal decline as compared to the previous month, but an increase as compared to April, 1923. Galveston receipts amounted to 68,622 bales during April as against 76,376 bales in March and 37,953 bales in April, 1923. There were 116,101 bales exported in April as compared to 160,805 in March and 90,180 in April a year ago. Receipts for the nine months' period (August 1st to April 30th) were 20.5 per cent greater than during the corresponding period of the previous season, and exports were 17.2 per cent greater.

The April receipts and exports at Houston were slightly less than in March, but greatly in excess of those during the corresponding month of 1923. The season's export movement through Houston was 46.8 per cent in excess of the movement during the corresponding period of the previous season.

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON

	April 1924	April 1923	Aug. 1st to April 30th	
			This Season	Last Season
Gross receipts.....	68,622	37,953	2,777,585	2,305,229
Exports	116,101	90,180	2,666,472	2,274,382
Stocks, April 30th			129,784	95,580

GALVESTON STOCK STATEMENT

	April 30, 1924	April 30, 1923
For Great Britain.....	3,500	300
For France	6,000	700
For other foreign ports.....	10,068	4,600
For coastwise ports.....	2,000	2,000
In compresses	108,216	87,980
Total	129,784	95,580

HOUSTON COTTON MOVEMENTS

	April 1924	April 1923	Aug. 1st to April 30th	
			This Season	Last Season
Receipts—Gross	62,473	18,229	3,414,355	2,637,527
Receipts—Net	24,325	4,834	1,789,345	1,356,650
Exports	35,473	23,859	1,028,045	700,124
Stocks April 30th			102,708	85,503

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

	This Season	Last Season
Receipts since Aug. 1st.....	6,347,916	5,470,766
Exports: Great Britain	1,530,042	1,220,779
France	641,583	553,684
Continent	2,162,024	1,760,961
Japan-China	544,202	541,423
Mexico	8,264	16,365
Total foreign ports	4,886,115	4,093,212
Stocks at all U. S. ports, April 30th	487,121	451,291

SPOT COTTON PRICES

(Middling Basis)

	April, 1924		May 15, 1924
	High	Low	
New York.....	31.65	28.50	32.05
New Orleans.....	31.75	28.63	31.75
Dallas	31.45	28.15	30.35
Houston	31.75	29.00	31.00
Galveston	32.25	29.30	31.00

Cotton Consumption There was a further decline in the domestic consumption of cotton during April when 480,010 bales were consumed as against 483,928 bales in March and 576,514 bales in April, 1923. Cotton consumption during the nine months' period ending April 30, 1924,

was 9.5 per cent less than during the corresponding period of the previous season. Cotton on hand on April 30, 1924, in consuming establishments and in public storage and compresses amounted to 2,840,359 bales as compared to 3,463,980 bales on April 30, 1923.

COTTON CONSUMED AND ON HAND

	COTTON GROWING STATES				UNITED STATES			
	April 1924	April 1923	Aug. 1st to Apr. 30th This Season	Aug. 1st to Apr. 30th Last Season	April 1924	April 1923	Aug. 1st to Apr. 30th This Season	Aug. 1st to Apr. 30th Last Season
Cotton consumed.....	327,031	363,477	3,081,881	3,195,720	480,010	576,514	4,599,374	5,040,558
Cotton on hand at end of April—								
(a) in consuming establishments.....			748,043	1,072,656			1,328,273	1,498,266
(b) in public storage and compresses..			1,326,559	1,655,516			1,512,086	1,965,714

COTTONSEED PRODUCTS

Introductory Comment by J. J. Culbertson, Class "B"
Director, Federal Reserve Bank of Dallas.

**To the Member Banks of the Eleventh Federal
Reserve District:**

It is the intention of the Federal Reserve Bank of Dallas, through the medium of its MONTHLY REVIEW, to present to its readers statistical data and comments in relation to the cottonseed products industry which should prove of value. The manufacture of cottonseed products constitutes the largest manufacturing industry in this district, the state of Texas ranking first among the states of the Union in the production of cottonseed oil. There are located in the district approximately two hundred mills, employing about twelve thousand people. The products comprise cottonseed oil, cake and meal, hulls, and linters. No finer quality of edible oil is produced than that from cottonseed. It ranks with the olive product and is suitable for all the uses into which other vegetable oils enter. Cottonseed cake and meal have concentrated protein and feeding qualities possessed by no other feed. That their merits are generally recognized is evidenced by the fact that a large per cent of the production is used by local dairy herds at most points of manufacture. The same may be said of cottonseed hulls. Linters have various avenues of consumption. Mattress and bedding manufacturers are consuming increasing quantities, and a considerable amount is consumed in the manufacture of cellulose and kindred products. It also enters extensively into the manufacture of synthetic silk, both in this country and abroad.

During the war the government controlled the industry and its output of linters, which product was eminently fitted for the manufacture of explosives.

There was expended for the purchase of cottonseed in Texas during the past season about \$65,000,000, which was distributed to the producer, the handler, and for freight. In addition to this about \$15,000,000 was expended for conversion cost, all, or nearly all, of which was paid for with funds loaned to the oil mills by local banks. It is at once manifest

that there is a great direct interest, or should be at least, on the part of the member banks in the prosperity of this industry. The REVIEW, in presenting current statistics of the industry to the member banks, has in view the purpose of making available reliable and authentic information relative to the value of raw material and its products. The relations between the two should therefore become manifest. The endeavor will be to establish a better and more intelligent relationship between the manufacturers and the member banks from which they borrow funds for the purchase of seed and for the operation of their plants. This improved relationship will, we feel, establish for the banks a better and more intelligent plane of operation, which will undoubtedly redound to the benefit of the loaning banks and to the industry itself.

I therefore bespeak for the manufacturers and bankers of the Eleventh Federal District a more appreciative relation with respect to the advancement of funds to this most important industry and for the purchase of raw material at its legitimate manufacturing value, and the hope that the co-operative effort initiated by the Federal Reserve Bank to secure a better and more intelligent relationship between the banks and the mills will prove successful.

J. J. CULBERTSON.

**Production
and Stocks**

Below will be found a comparative tabulation of production and stocks of cottonseed products in Texas and in the United States, both for the current season and for the corresponding period of 1922-1923. It is planned to supplement these statistics in the near future with monthly price quotations on cottonseed products as reflected by representative sales in the Eleventh District. A series of special studies covering the condition and progress of the industry in the Southwest is also being undertaken, the results of which will be published in forthcoming issues of the REVIEW.

STATISTICS ON COTTONSEED AND COTTONSEED PRODUCTS

	TEXAS		UNITED STATES	
	Aug. 1st to Apr. 30th		Aug. 1st to Apr. 30th	
	This Season	Last Season	This Season	Last Season
Cottonseed received at mills (tons).....	1,310,114	950,237	3,248,501	3,183,211
Cottonseed crushed (tons).....	1,241,866	944,911	3,122,888	3,130,219
Cottonseed on hand, April 30th (tons).....	76,379	8,470	130,953	61,529
Crude oil produced (pounds).....	349,371,508	274,372,865	921,698,715	962,181,590
Refined oil produced (pounds).....			748,018,357	838,584,067
Cake and meal produced (tons).....	578,828	446,319	1,430,196	1,436,913
Hulls produced (tons).....	362,032	281,870	886,441	906,960
Linters produced (500-lb. bales).....	242,992	169,860	630,870	583,199
Stocks on hand April 30th—				
Crude oil (pounds).....	15,138,770	6,383,860	59,764,135	23,615,044
Refined oil (pounds).....			216,427,193	237,216,179
Cake and meal (tons).....	30,924	21,653	137,401	140,782
Hulls (tons).....	34,925	27,068	75,146	71,087
Linters (500-lb. bales).....	42,083	7,691	145,089	56,141

LIVESTOCK

Continued improvement in the condition of the district's ranges and livestock was in evidence during the past thirty days. Cattle generally are fattening rapidly, sheep and goats are fat, grass is greening and making good growth. Large calf and lamb crops are now assured and the losses have been light. The excellent condition of the ranges and cattle has caused the range cows to produce more milk than in ordinary years, and this in turn has resulted in unusually strong calves. Although some shipments of cattle have been made to pastures in Oklahoma and Kansas, the movement this year has been comparatively light. Very little restocking has been in evidence.

The condition of Texas cattle ranges had advanced to 95 per cent of normal on May 1st, or an improvement of three points during the past month. In practically every section of the state a high condition figure was reported, but more rain is needed in a few localities.

A further improvement was also noted in the condition of cattle on Texas ranges, being 93 per cent of normal on May 1st as compared to 91 per cent on April 1st and 92 per cent on May 1, 1923.

Sheep and goat ranges, which gained one point during April, were 99 per cent of normal on May 1st. Weed and brush have been abundant, and now the grass is making rapid growth under the stimulus of warmer weather. The condition of sheep averaged 98 per cent of normal and they are putting on flesh rapidly. The lamb crop will be comparatively large. A considerable number of lambs are being sold for fall delivery at an average of approximately ten cents per pound. The mohair clip, which has been largely completed, has averaged well and a large

percentage of the clip has been sold. Sheep shearing is active. The wool is coming in fast and is in good condition with staple good, but with shrinkage a little heavier than last year.

Movements
and Prices

The April receipts of cattle, calves, and sheep at the Fort Worth market were substantially greater than in either the previous month or the corresponding month a year ago. It should be noted further that receipts this April were also greatly in excess of those during the month of April for several years past. On the other hand, the April supply of hogs was considerably smaller than in either March this year or April last year.

Cattle values ruled generally steady during the month with a tendency toward higher levels. The trend of prices on calves was upward. Although the market was somewhat weak on the close, prices were higher than those at the end of the previous month. Quotations on hogs fluctuated within narrow limits. Receipts at most times were below requirements, thus causing spirited competition between local and outside buyers.

Sheep values followed an erratic course throughout the month. Following a downward course during the first week, the market scored a distinct advance, during the second week reaching the highest top price for the year at \$10.75 with bulk sales ranging from \$9.85 to \$10.75. Due to heavy receipts during the last half of the month the market sagged considerably and at the close of April the best were only bringing \$7.00. Lambs sold as high as \$16.00, but at the close the best were going at \$15.00.

FORT WORTH LIVESTOCK RECEIPTS

	April 1924	March 1924	Loss or Gain	April 1923	Loss or Gain
Cattle	67,373	39,669	G 27,704	53,310	G 14,063
Calves	14,257	11,787	G 2,470	8,224	G 6,033
Hogs	36,610	44,698	L 8,088	49,908	L 13,298
Sheep	57,969	16,832	G 41,137	16,344	G 41,625

COMPARATIVE TOP LIVESTOCK PRICES

	April 1924	March 1924	April 1923
Beef steers.....	\$ 8.25	\$ 8.35	\$ 8.25
Stocker steers	7.75	7.15	7.40
Butcher cows.....	6.50	6.50	6.60
Calves	9.25	8.50	8.75
Hogs	7.65	7.60	8.25
Sheep	10.75	10.50	8.00
Lambs	16.00	16.25	15.00

TEXTILE MILLING

The April production of ten textile mills located in Texas reflected a further decline, the output being 1,677,973 pounds as compared to 1,788,293 pounds in March and 1,939,872 pounds in April, 1923. These mills were operating 96,796 spindles in April as compared to 99,084 spindles in March and 91,888 spindles in April a year ago. The consumption of cotton amounted to 3,789 bales in April as against 3,979 in March and 4,241 in the corresponding month of 1923. Unfilled orders on hand at the close of the month

continued to decline, but stocks showed a further gain.

TEXTILE MILLING STATISTICS

	April 1924	March 1924	April 1923
Number bales cotton consumed	3,789	3,979	4,241
Number spindles active....	96,796	99,084	91,888
Number pounds cloth produced	1,677,973	1,788,293	1,939,872

WHOLESALE TRADE

Seasonal slackening in all reporting lines of trade except dry goods was the characteristic feature of distribution at wholesale during April. However, the slowing down this year was not as pronounced as usual at this season, partly because of the small distribution in March and partly because of more favorable weather conditions prevailing in April, which had the effect of stimulating demand. One encouraging feature of the trade is that for the first time during the current year every reporting line of trade reflected a larger volume of sales than in the corresponding month of the previous year. It is to be noted further that all reporting lines of trade have shown a greater volume of sales during the first four months of this year than during the corresponding period of 1923. In fact, distribution this year has been on a larger scale than during any similar period since 1920.

Despite this large movement of goods, business is being operated on a very cautious basis. Retailers continue to buy on a hand-to-mouth basis and are showing no disposition to make purchases beyond their immediate requirements. Even in those lines where forward buying was in evidence earlier in the year, that policy is being abandoned in favor of the more cautious policy. Prices in certain lines, following the yielding of prices on basic raw materials, are gradually working to lower levels. In other lines, however, prices have remained on a steady basis.

Dry Goods

Although the March sales of twelve dry goods firms showed a considerable decline both from the previous month and the corresponding month of the previous year, the April distribution was 1.9 per cent greater than in March and 19.9 per cent greater than in April, 1923. The heavy consumer demand for merchandise which materialized just prior to Easter forced retailers to make numerous replacement orders for immediate delivery. Buying of summer goods during the latter part of April and the first half of May was also fairly active. Although business is larger in the aggregate, the buying demand is very conservative. Merchants are pursuing a cautious buying policy and show no inclination to make purchases beyond immediate requirements.

The upturn in the raw cotton market since the first of April has served to complicate the situation in the primary textile markets. Despite the higher raw cotton market, cotton goods prices have been sagging. Furthermore, mills are curtailing production as they are finding it increasingly difficult to produce merchandise at a price which the buyers are willing to pay.

Farm Implements

The seasonal slackening in the demand for farm implements was evident during April, when the sales of five firms were 20.4 per cent less than during March.

That there is still a heavy demand for implements is shown by the fact that April sales were 53.2 per cent greater than in April a year ago. Furthermore, sales for the first four months of 1924 were 61.1 per cent larger than during the corresponding period of 1923.

While buying is now on a lower scale than earlier in the year, the demand is good for this season of the year. The movement of cotton tools has been active. Some dealers report a good demand for harvesting machinery.

Prices were reported as steady. Payments have been good.

Drugs

An active demand characterized the wholesale drug trade during April. Although sales usually reflect a substantial decline in April as compared to the previous month, the decline this April was only one per cent. The increase in sales over the corresponding month of the previous year was 21.3 per cent as compared to 10.3 per cent during March. Sales during the first four months of this year averaged 15.9 per cent greater than during the same period of 1923. Retailers have shown no inclination to anticipate future demand with forward orders, but buying for present needs has been active. Prices showed but very little change during the month. Collections appear to be spotted, being good in some sections and poor in others.

Hardware.

A slight seasonal decline was reflected in the wholesale hardware trade during April, when the sales of twelve firms declined 1.0 per cent as compared to the previous month. However, April sales were 9.5 per cent greater than during the same month of the previous year. Sales

of these firms between January 1st and April 30th were 11.9 per cent greater than during the corresponding period of 1923. While the demand appears to be holding up well, retailers are showing a disposition to defer forward orders and to buy as the demand arises. While retail buying in the cities is holding steady, there are indications of a declining demand in rural sections. Prices on iron and steel basic items are showing a tendency to decline.

Groceries

The sales of ten wholesale grocery firms evidenced a further slight decline during April, being nine-tenths of one per cent less than during the previous month. However, there was an increase of 15.0 per cent as compared to the corresponding month of the previous year. Although the buying demand has shown a tendency to slacken, this development is characteristic of this season when produce begins to move to market in a heavy volume. Purchases are being made largely as the consumptive demand arises. Prices generally have continued steady with no material changes being noted on most items. Sugar, however, has reflected a substantial decline during the past month. Dealers reported the general outlook as promising.

Furniture

The April sales of reporting wholesale furniture firms were 1.9 per cent less than March sales, but were 17.8 per cent greater than during the corresponding month of 1923. The increase over last year is even more encouraging when it is recalled that sales during the first three months of 1924 were 5.3 per cent less than the corresponding period of last year. Furthermore, in April, 1923, sales showed a decline of 17.8 per cent from March, 1923.

CONDITION OF WHOLESALE TRADE DURING APRIL, 1924
Percentage of Increase or Decrease in

	Net Sales April, 1924 Compared With		Net Sales Jan. 1st to Date Com- pared With Same Period Last Year	Stocks April, 1924 Compared With	
	April 1923	March 1924		April 1923	March 1924
Groceries	+15.0	— .9	+18.3	+ 7.1	— 7.1
Dry Goods	+19.9	+ 1.9	+ 4.7	+ 8.1	— 2.1
Furniture	+17.8	— 1.9	+ .1	—	—
Farm Implements.....	+53.2	—20.4	+61.1	+20.8	— 5.6
Hardware	+ 9.5	— 1.0	+11.9	+14.9	+ 1.2
Drugs	+21.3	— 1.0	+15.9	+ 4.2	+ 1.8

RETAIL TRADE

An active demand for merchandise at retail was in evidence during April, when the net sales of twenty-four Texas department stores registered a

gain of 7.6 per cent as compared to the previous month and 11.4 per cent as compared to the corresponding month last year. The heavy volume of

business during April was due largely to the fact that Easter came unusually late this year and the unseasonable temperatures in March caused buyers to defer spring purchases as long as possible prior to Easter. Pre-Easter buying was reported to be unusually good.

Stocks on hand at the close of the month were practically the same as those on hand at the close of March, but were 4.2 per cent greater than those on hand at the close of April, 1923. Reflecting the improvement in sales during April, the ratio of stocks to sales during the first four months of this year

was 493.8 per cent as compared to 501.2 per cent for the three months' period ending March 31st.

The ratio of outstanding orders at the close of April was 5.2 per cent as compared to 5.5 per cent at the close of March, and 7.8 per cent at the close of April, 1923.

Collections showed a further slight improvement during the past month. The ratio of April collections to accounts receivable on April 1st was 39.7 per cent as compared to 39 per cent during March and 36.9 per cent during April a year ago.

BUSINESS OF DEPARTMENT STORES

	Dallas	Fort Worth	Houston	All Others	Total District
Total Sales—					
April, 1924, compared with April, 1923.....	+ 10.4	+ 11.2	+ 18.0	+ 8.9	+ 11.4
April, 1924, compared with March, 1924.....	+ 1.6	+ 14.0	+ 9.4	+ 10.1	+ 7.6
Jan. 1st to date compared with same period last year.....	+ 5.8	+ 3.5	+ 7.9	+ 4.1	+ 5.2
Credit Sales—					
April, 1924, compared with April, 1923.....	+ 9.4	+ 18.2	+ 18.0	+ 12.1	+ 12.7
April, 1924, compared with March, 1924.....	+ 2.6	+ 14.3	+ 6.7	+ 9.4	+ 6.7
Jan. 1st to date compared with same period last year.....	+ 7.1	+ 7.9	+ 15.0	+ 7.8	+ 8.8
Stocks—					
April, 1924, compared with April, 1923.....	+ 6.2	+ 1.6	+ 8.6	+ 1.1	+ 4.2
April, 1924, compared with March, 1924.....	— .3	+ 1.5	+ 1.0	— 1.0	None
Ratio of stocks to sales.....	470.4	556.9	445.6	518.8	493.8
Ratio of outstanding orders to last year's purchases.....	5.0	4.7	5.7	5.4	5.2
Ratio of April collections to Accounts Receivable, due and outstanding April 1, 1924.....	36.7	37.0	45.4	42.3	39.7

FINANCIAL

Payments by check, as reflected by debits to individual accounts at banks in fifteen cities of the Eleventh Federal Reserve District, totaled \$561,719,000 in April as compared to \$569,683,000 in March and \$611,329,000 in April, 1923. This represents a decline of 1.4 per cent as compared to the

previous month and 8.1 per cent as compared to a year ago. It is to be noted that for four consecutive months debits have shown a decline from the previous month, and for five consecutive months debits for the current month have shown a decline from the corresponding month of the previous year.

CHARGES TO DEPOSITORS' ACCOUNTS

	April, 1924	April, 1923	Inc. or Dec.	March, 1924	Inc. or Dec.
Albuquerque	\$ 9,002,000	\$ 8,779,000	+ 2.5	\$ 8,984,000	+ .2
Austin	18,780,000	16,556,000	+13.4	18,086,000	+ 3.8
Beaumont	17,443,000	16,525,000	+ 5.6	16,706,000	+ 4.4
Corsicana	8,021,000	5,619,000	+42.7	8,416,000	— 4.7
Dallas	163,104,000	145,326,000	+12.2	165,481,000	— 1.4
El Paso	31,250,000	32,125,000	— 2.7	34,481,000	— 9.4
Fort Worth	67,689,000	95,649,000	—29.2	63,998,000	+ 5.8
Galveston	35,024,000	87,288,000	—59.9	33,916,000	+ 3.3
Houston	109,092,000	107,969,000	+ 1.0	112,693,000	— 3.2
Roswell	2,021,000	2,292,000	—11.8	2,448,000	+17.4
San Antonio	32,706,000	27,875,000	+17.3	32,013,000	+ 2.2
Shreveport	36,762,000	34,640,000	+ 6.1	35,568,000	+ 3.4
Texarkana	7,401,000	8,727,000	—15.2	10,650,000	—30.5
Tucson	8,408,000	7,505,000	+12.0	8,361,000	+ .6
Waco	15,016,000	14,454,000	+ 3.9	17,882,000	—16.0
Totals, Eleventh District	\$561,719,000	\$611,329,000	— 8.1	\$569,683,000	— 1.4

Acceptance Market The volume of acceptances which were executed by banks in this district and were outstanding on April 30th amounted to \$1,632,923.75 as compared to \$798,664.75 on March 31st, an increase of \$834,259.00. The amount of this class of paper based on import and export transactions rose from \$596,109.75 on March 31st to \$1,239,352.50 on April 30th, and the amount based on domestic shipments and storage of goods rose from \$202,555.00 on March 31st to \$393,571.25 on April 30th.

The holdings of bankers' acceptances by the Federal Reserve Bank continued to decline during April, being \$27,439,404.53 on March 31st as compared to \$10,178,029.38 on April 30th and by May 15th had declined to \$3,683,487.56. This reduction of holdings of this class of paper is due to the easy money market now existing which restricts the volume of

offerings to Federal reserve banks with which to replace the maturing paper.

Condition of Member Banks in Selected Cities Net demand deposits of 52 reporting member banks in selected cities in the Eleventh District declined \$14,505,000 during the month of April. Loans decreased \$8,537,000 from April 2 to April 30, 1924, but on the latter date they were \$15,657,000 larger than on May 2, 1923. There was a decrease of \$3,517,000 in the reserve balances of these banks with the Federal Reserve Bank of Dallas during the month. Their rediscounts and bills payable with the Federal Reserve Bank increased from \$3,340,000 on April 2nd to \$4,987,000 on April 30th. Due to the large decrease in net demand deposits the ratio of loans to deposits increased from 92 per cent on April 2nd to 95 per cent on April 30th.

CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES

	April 30, 1924	May 2, 1923	April 2, 1924
1. Number of reporting banks.....	52	52	52
2. U. S. securities owned.....	\$ 53,252,000	\$ 62,620,000	\$ 52,983,000
3. All other stocks, bonds and securities owned.....	13,247,000	8,998,000	14,389,000
4. Loans secured by U. S. Government obligations.....	3,558,000	5,260,000	3,066,000
5. Loans secured by stocks and bonds other than U. S. Government obligations.....	60,572,000	47,509,000	62,516,000
6. All other loans.....	207,141,000	202,845,000	214,226,000
7. Net demand deposits.....	220,774,000	225,609,000	235,279,000
8. Time deposits.....	87,112,000	75,595,000	86,345,000
9. Reserve with Federal Reserve Bank.....	22,754,000	24,936,000	26,271,000
10. Bills payable and rediscounts with Federal Reserve Bank.....	4,987,000	6,058,000	3,340,000
11. Ratio of loans (*) to net demand deposits.....	95%	92%	92%

*Loans include only items 4 and 6.

Operations of the Federal Reserve Bank The seasonal expansion in the demand for bank credit during April due to increased agricultural activities was reflected in the rising volume of Federal Reserve Bank loans to member banks. Loans outstanding on March 31st amounted to \$9,825,892.36, and during the month increased to \$12,975,415.94, an increase of \$3,149,523.28, or 32.1 per cent. The increase in loans the same month last year amounted to \$6,156,017.49, and by April 30th the total loans to member banks had reached \$26,117,134.39, or \$13,141,718.45 greater than on the same date of 1924. Though the increase in loans during April, 1924, was not as great as last year, there has been a wider distribution of credit, as is evidenced by a large increase in the number of borrowing banks during the month. There were 214 banks owing the Federal Reserve Bank on April 30th, as compared to 166 on March 31st.

The total volume of bills held by the bank decreased from \$37,265,296.89 on March 31st to \$23,153,445.32 on April 30th. This reduction was due

to the large amount of our holdings of bankers' acceptances which matured during the month and were not replaced by new purchases. Our holdings on April 30th were distributed as follows:

Member banks' collateral notes secured by U. S. Government obligations.....	\$ 1,129,250.00
Rediscounts and all other loans to member banks	11,846,165.94
Open market purchases (Bankers' acceptances)	10,178,029.38
Total bills held.....	\$23,153,445.32

Federal reserve notes in actual circulation remained steady during the month, being \$43,685,015 on April 30th as against \$43,979,735 on March 31st. The circulation of Federal reserve notes on April 30, 1923, was \$27,866,820, or approximately \$16,000,000 less than the same date in 1924. Member banks' reserve deposits dropped from \$52,271,695.19 on March 31st, to \$48,622,070.50 on April 30th, reflecting a net loss of \$3,649,624.69. The reserve deposits of member banks on April 30, 1923, were \$47,133,055.53.

Deposits of Member Banks Reports from all member banks in 000 for the same period. As compared with April 25, 1923, there has been an increase of \$21,975,000 in net demand deposits and \$18,453,000 in time deposits. On the other hand, time deposits increased \$1,409,-

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
Feb. 27, 1924.....	594,482	157,225	190,629	17,848	103,777	24,253	118,698	53,085	181,378	62,039
Mch. 26, 1924.....	568,800	155,257	176,712	18,740	99,307	24,690	112,565	54,718	180,216	57,109
April 23, 1924.....	549,057	156,666	169,188	18,572	96,425	27,724	111,201	53,001	172,243	57,369

Savings Deposits Reports from 112 banks which those on March 31st, and 10.8 per cent over April 30, 1923.

The number of savings deposits of 101 reporting banks on April 30th was 225,951, compared to 223,649 on March 31st, and 201,238 on April 30, 1923.

SAVINGS DEPOSITS

	Number of Reporting Banks	April 30, 1924	April 30, 1923	Inc. or Dec.	March 31, 1924	Inc. or Dec.
Beaumont	4	\$ 2,308,179	\$ 1,910,063	+20.8	2,321,887	— .6
Dallas	6	11,906,360	10,636,243	+11.9	11,761,079	+1.2
El Paso	4	4,110,421	3,986,767	+ 3.1	4,157,552	—1.1
Fort Worth	6	5,033,217	4,707,667	+ 6.9	4,942,848	+1.8
Galveston	3	7,292,621	6,811,766	+ 7.1	7,329,898	— .5
Houston	12	19,289,599	16,860,394	+14.4	18,919,022	+2.0
San Antonio	6	9,901,217	9,261,432	+ 6.9	9,866,457	+ .4
Shreveport	5	11,259,395	8,692,386	+29.5	11,481,967	—1.9
Waco	5	2,956,542	2,222,397	+33.0	2,942,255	+ .5
Wichita Falls	4	1,626,564	2,780,732	—41.5	1,653,333	—1.6
All others	57	18,536,888	17,188,080	+ 7.8	18,479,803	+ .3
Total	112	94,221,003	85,057,927	+10.8	93,856,101	+ .4

NUMBER OF SAVINGS DEPOSITORS

	Number of Reporting Banks	April 30, 1924	April 30, 1923	March 31, 1924
Beaumont	3	4,590	3,680	4,535
Dallas	6	39,555	33,980	38,953
El Paso	4	15,669	15,011	15,542
Fort Worth	5	16,028	15,494	15,899
Galveston	3	11,552	11,880	11,363
Houston	11	49,552	39,533	47,876
San Antonio	5	15,856	13,831	15,658
Shreveport	4	20,651	18,382	20,587
Waco	5	5,770	5,004	5,741
Wichita Falls	4	6,697	6,369	6,655
All others	51	40,031	38,074	39,840
Total	101	225,951	201,238	223,649

Discount Rates

There is presented below the pre- seven-day period ending May 15th by the commercial banks in the cities listed below.

MAY 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.....	5-6	8	5-6	5-6	5-7	6-7
(b) Running 4-6 months.....	5-6	8	6-7	5-6	6-8	6-7
Rate charged on loans to other banks, secured by bills receivable.....	5-6	8	6	4½-5	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).....	4½-6	8	6-7	5-8	6-8	6-7
Rate on loans secured by prime stock exchange or other current collateral:						
(a) Demand	6	8	6-8	6	7-8	6-7
(b) Time	6-7	8	8	6	7-8	6-7
Rate on commodity paper secured by warehouse receipts, etc.....	6-8	8	8	6-7	7-8	6-7
Rate on cattle loans.....	7-8	8	8	6-8	7-8	6-7

FAILURES

Continued improvement was reflected in the business mortality rate of the Eleventh Federal Reserve District during April, when the indebtedness of the 56 firms failing during the month amounted to only \$881,236 as compared to 74 insolvencies during March with liabilities amounting to \$950,677. This compares with the high record for the Eleventh

District set in April, 1923, when 93 films failed owing \$8,874,897.

The number of defaults for the first four months of 1924 decreased 53.7 per cent as compared to the same period of 1923, and the indebtedness involved decreased 71.4 per cent for the same period.

COMMERCIAL FAILURES

	Eleventh Federal Reserve District				All Federal Reserve Districts			
	1924		1923		1924		1923	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
January	68	\$1,170,988	117	\$ 1,524,107	2,108	\$ 51,272,508	2,126	\$ 49,210,497
February	57	1,280,548	91	2,104,596	1,730	35,942,037	1,508	40,627,939
March	74	950,677	91	2,474,504	1,817	97,651,026	1,682	48,393,138
April	56	881,236	93	8,874,897	1,707	48,904,452	1,520	51,491,941
Total	255	\$4,283,449	392	\$14,978,104	7,362	\$233,770,023	6,836	\$189,723,515

PETROLEUM

Although the production of crude oil in the Eleventh Federal Reserve District declined from 13,442,604 barrels in March to 13,025,065 barrels in April, this was due to the short month, as there was a slight increase in daily average production from 433,632 barrels in March to 434,169 barrels in April. Drilling activity continued at practically the same rate as during the month of March. There were 467 new wells completed during the month, of which 343 were successful and had an initial production of 106,846 barrels of crude oil. This compares to 465

completions during March, of which 304 were producers netting an initial flow of 164,055 barrels.

In the state of Texas there were 11,508,335 barrels of crude oil produced during April as against 11,690,143 barrels in March, but the daily average production showed an increase of 6,510 barrels. Although the drilling operations in Texas showed a decline in the number of completions, there was an improvement in the number of producers brought in. There were 420 wells completed, of which 309 were producers yielding an initial flow of 102,080 barrels

of crude oil, as compared to 432 completions during March, of which only 290 were successful and produced an initial flow of 161,275 barrels of oil. While all the larger fields shared in the reduction in initial production of the wells completed, the decrease was most noticeable in the Corsicana field, where, although there were only 12 fewer producers than during March, the initial production declined from 84,030 barrels to 39,624 barrels.

The decline in daily average production of crude oil in Louisiana almost equalled the gains made by the Texas fields during April, there being a total decrease of 235,731 barrels during the month, or 5,973 barrels in the daily average production. New production during April, however, presented a more

favorable aspect, as the 24 successful wells completed yielded an initial production of 4,766 barrels, or almost twice as much as the new production gained in March from 14 successful completions.

Crude Oil Prices

Following a steadily rising market over a period of five months, price reductions were posted at some Texas fields early in May. A 25 cent reduction was posted on both Corsicana light and Mexia oil. Some companies have posted a 25 cent reduction on North Texas crude, but this decrease has not yet become general. Prices on Currie, Corsicana heavy, and Texas Coastal crude held firm.

OIL PRODUCTION

Field—	April		March		INCREASE OR DECREASE	
	Total	Daily Avg.	Total	Daily Avg.	Total	Daily Average
North Texas	2,334,645	77,822	2,272,035	73,291	Inc. 62,610	Inc. 4,531
Central-West Texas	6,032,500	201,083	6,317,885	203,804	Dec. 285,385	Dec. 2,721
Texas Coastal	2,367,460	78,915	2,432,930	78,481	Dec. 65,470	Inc. 434
Miscellaneous fields	773,730	25,791	667,293	21,525	Inc. 106,437	Inc. 4,266
Total, Texas	11,508,335	383,611	11,690,143	377,101	Dec. 181,808	Inc. 6,510
North Louisiana	1,516,730	50,558	1,752,461	56,531	Dec. 235,731	Dec. 5,973
Totals, Eleventh District.....	13,025,065	434,169	13,442,604	433,632	Dec. 417,539	Inc. 537

APRIL DRILLING RESULTS

Field—	Completions	Producers	Failures	Initial Production
North Texas	250	175	75	21,298
Central-West Texas	77	58	19	39,624
Texas Coastal	47	38	9	15,128
Miscellaneous fields	33	32**	1	23,920
Texas Wildcats	13	6	7	2,110
Totals, Texas	420	309	111	102,080
North Louisiana	47	34*	13	4,766
April totals, District.....	467	343	124	106,846
March totals, District.....	465	304	144	164,055

*Includes 10 gas wells.

**Includes 2 gas wells.

CRUDE OIL PRICES

Texas—	May 17, 1924	May 19, 1923	Louisiana	May 17, 1924	May 19, 1923
Corsicana light	\$1.75	\$1.25	Caddo (38 gravity and above).....	\$1.85	\$1.80
Corsicana heavy	1.00	.70	Bul Bayou (38 gravity and above).....	1.80	1.60
Texas Coastal	2.00	1.75	Homer (35 gravity and above).....	1.85	1.60
Mexia	1.75	1.60	Haynesville (33 gravity and above).....	1.75	1.45
Currie	2.25	1.90	De Soto Crude.....	1.85	1.80
North Texas (39 gravity and above).....	2.25	2.00			

LUMBER

A decided improvement in the demand for lumber during April was evidenced by the increases in production, orders received at the mills, and shipments from the mills during month. Production continued to rise, and for the first time since July, 1923, was slightly above normal, as compared to one per cent below normal during March, and 20 per cent below normal in April, 1923. Shipments from the 47 reporting mills were 96 per cent of actual production during April, as compared to 86 per cent during March. Orders received at these mills were only 8 per cent below normal production, which is a decided improvement from 25 per cent below normal production during March. Stocks continued to increase during April, being only 12 per cent below normal stocks, as compared to 15 per cent below normal in

March. Unfilled orders on the books of 47 reporting mills were only 42,800,550 feet as compared to 48,192,052 feet on the books of 49 reporting mills at the close of March, or a decrease of 5,391,502 feet.

APRIL PINE MILL STATISTICS

Number of reporting mills.....	47
Production	100,693,971 feet
Shipments	96,759,439 feet
Orders	92,962,262 feet
Unfilled orders April 30th.....	42,800,550 feet
Normal production	100,603,681 feet
Stocks, April 30th.....	275,438,350 feet
Normal stocks	313,925,909 feet
Shipments below production.....	3,934,532 feet= 4%
Actual production above normal..	90,290 feet=none
Orders below normal production	7,641,419 feet= 8%
Stocks below normal.....	38,487,559 feet=12%

BUILDING

Construction activity in the Eleventh Federal Reserve District during April, as gauged by building permits issued at eleven principal cities, reflected a decline of 18.2 per cent in valuation as compared to March, but an increase of 5.6 per cent over April, 1923. However, there was an increase of 2.8 per cent in the number of permits issued during April as compared to the previous month. There were 3,118 permits issued during April having a valuation of \$7,319,656, which compares to 3,034 permits with

a total valuation of \$8,951,289 issued during the previous month, and 2,899 permits with a valuation of \$6,930,868 issued during the corresponding month of 1923. During the period January 1st to April 30, 1924, there were 11,342 permits issued, which had a total estimated valuation of \$31,189,961 as compared to 10,833 permits issued during the same period of 1923 having a valuation of \$32,158,471, or a decrease in valuation of only 3 per cent.

BUILDING PERMITS

	April, 1924		April, 1923		Inc. or Dec.	March 1924		Inc. or Dec.	First Four Months				Inc. or Dec.
	No.	Valuation	No.	Valuation		No.	Valuation		1924		1923		
									No.	Valuation	No.	Valuation	
Austin.....	56	117,255	40	83,847	+ 39.8	62	128,945	- 9.1	203	527,483	194	829,207	- 36.4
Beaumont.....	237	221,450	142	378,166	- 41.4	237	545,236	-59.4	854	1,068,866	520	1,028,798	+ 3.9
Dallas.....	537	2,221,390	455	1,926,066	+ 15.3	443	2,712,158	-18.1	1,803	10,110,012	1,845	8,545,898	+ 18.3
El Paso.....	81	204,550	101	238,363	- 14.2	96	267,366	-23.5	305	646,569	381	930,760	-30.5
Fort Worth.....	243	661,302	311	934,444	- 29.2	185	416,984	+58.6	825	2,481,641	1,147	2,997,722	-17.2
Galveston.....	353	260,058	327	110,835	+134.6	385	474,734	-45.2	1,325	1,561,157	1,192	563,048	+177.3
Houston.....	647	1,961,314	582	1,511,805	+ 29.7	669	1,556,631	+26.0	2,403	6,554,130	2,169	9,276,612	-29.3
Port Arthur.....	197	183,270	243	262,089	- 30.1	182	177,242	+ 3.4	744	652,761	696	1,283,618	- 49.1
San Antonio.....	383	717,866	344	571,723	+ 25.6	375	895,948	-19.9	1,457	3,131,474	1,330	2,924,159	+ 7.1
Shreveport.....	305	534,131	306	817,520	- 34.7	331	1,476,042	-63.8	1,165	3,612,432	1,172	3,309,532	+ 9.2
Waco.....	79	237,070	48	96,010	+146.9	69	300,000	-21.0	258	843,436	187	469,117	+ 79.8
Total.....	3,118	7,319,656	2,899	6,930,868	+ 5.6	3,034	8,951,289	-18.2	11,342	31,189,961	10,833	32,158,471	- 3.0

CEMENT

The production of Portland cement at Texas mills, after declining during March, reflected an increase of 16.8 per cent in April as compared to the March production, and 12.2 per cent as compared to the April, 1923, production. Shipments of cement increased 31.9 per cent during April as compared to the previous month, and 33.4 per cent as compared to April, 1923. Stocks held at the mills at the end of April amounted to 337,000 barrels of cement, as against 396,000 barrels on March 31st, or a decrease

of 14.9 per cent. However, they were still 18.2 per cent in excess of those held at the end of April, 1923.

The increased activity during April is reflected in the cumulative statistics for the first four months of this year. During this period production of cement increased 1.2 per cent as compared to the same period of 1923, and shipments reflected an increase of 3.6 per cent as compared to those of the same period of the previous year.

PRODUCTION, SHIPMENTS, AND STOCKS OF PORTLAND CEMENT
(Barrels)

	April, 1924	April, 1923	Per Cent Inc. or Dec.	March, 1924	Per Cent Inc. or Dec.	First Four Months		Per Cent Inc. or Dec.
						1924	1923	
Production of Texas mills.....	404,000	360,000	12.2	346,000	+16.8	1,427,000	1,410,000	+1.2
Shipments from Texas mills.....	463,000	347,000	33.4	351,000	+31.9	1,369,000	1,322,000	+3.6
Stocks at the end of the month at Texas mills	337,000	285,000	18.2	396,000	-14.9			

SUMMARY OF NATIONAL BUSINESS CONDITIONS

(Compiled by the Federal Reserve Board as of May 24, 1924.)

Factory employment and production of basic commodities declined in April and there was a further recession in wholesale prices. Retail trade was larger than in March, chiefly because of Easter buying, and was at about the level of earlier months of the year. There was a decrease in the volume of borrowing for commercial purposes and further easing of money rates.

PRODUCTION

The Federal Reserve Board's index of production in basic industries, adjusted to allow for seasonal variations, declined 2 per cent in April. Declines were particularly large in the iron and steel, coal, and woolen industries. Mill consumption of cotton, on the other hand, showed less than the usual seasonal reduction between March and April.

Factory employment declined 2 per cent in April, owing chiefly to large reduction of forces at textile and clothing establishments. Contract awards for new buildings reached a higher value than in March, and were also larger than a year ago; the value of building permits granted, however, declined and was smaller than in the corresponding month of 1923.

The Department of Agriculture estimates on May first of yield of winter wheat and rye are somewhat above the forecasts made in April. The acreage of winter wheat is estimated at 7 per cent less than last year.

TRADE

Railroad shipments, which since the middle of March have been smaller than last year, were 3 per cent less in April than a year ago. Shipments of coal were much below last year, while loadings of merchandise and miscellaneous freights were higher.

Wholesale trade in April was in about the same volume as during the preceding month, and as in April, 1923. Sales of dry goods and hardware were smaller than a year ago, while sales of drugs and shoes showed an increase. Department store sales were considerably larger in April than in March, partly owing to the unusually late Easter. Total sales for the two months were 2 per cent greater

than in the corresponding period of 1923. Merchandise stocks at stores showed less than the usual seasonal increase in April, but were at a higher level than a year ago.

PRICES

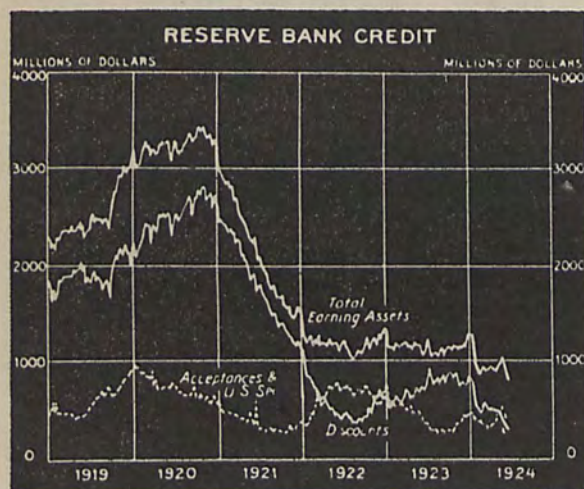
Wholesale prices, according to the Bureau of Labor Statistics index, declined one per cent during April, and reached the lowest point since May, 1922. Farm products, however, advanced 2 per cent in April. Metals and foods showed substantial reductions; prices of clothing, fuel, and chemicals also declined; while prices of building materials and house furnishings remained unchanged. During the first half of May quotations on cotton, wheat, flour, and hogs increased, while prices of sugar, silk, wool, and metals declined.

BANK CREDIT

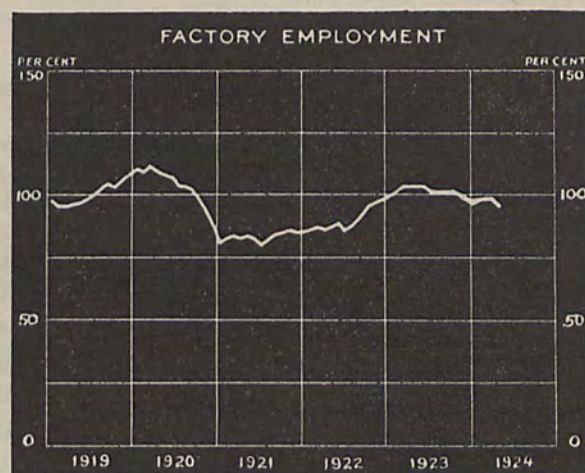
During the five-week period ending May 14th the volume of borrowing for commercial purposes at member banks in leading cities declined somewhat from the high level reached early in April. There were increases, however, in loans of stocks and bonds and in investments in securities; so that the total of all loans and investments at the middle of May was higher than a month previous, and in larger volume than at any time in more than three years.

The volume of borrowing by member banks at Federal reserve banks declined further during the last week in April, and in May, while holdings of securities bought in the open market increased slightly, total earning assets declined to \$795,000,000 on May 21st, the lowest figure since the autumn of 1917.

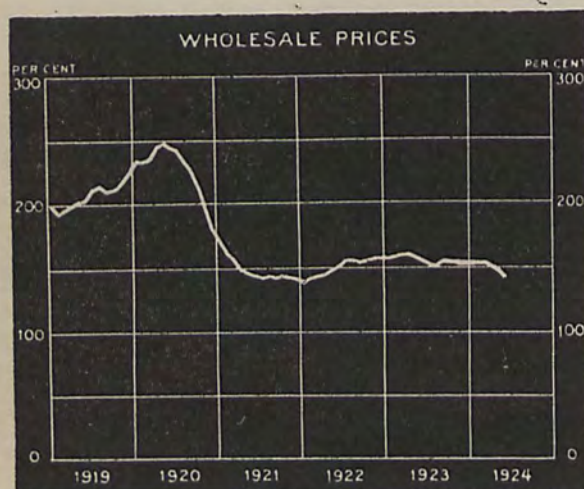
Further easing of money conditions during the last week of April and the first three weeks of May was reflected in a continued rise of the prices of Government securities, in a reduction from 4½ to 4¼ per cent in the rate for prime commercial paper, and a decline in the rate for bankers' acceptances from 4 to 3 per cent. On May 1st the discount rate of the Federal Reserve Bank of New York was reduced from 4½ to 4 per cent.



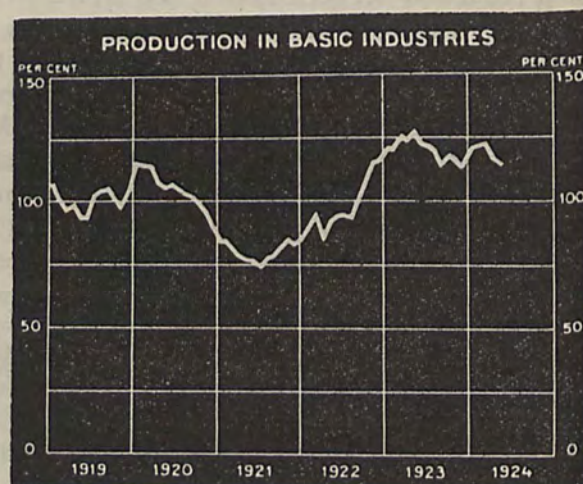
Weekly figures for 12 Federal Reserve Banks. Latest figures, May 21st.



Index for 33 manufacturing industries (1919=100). Latest figures, April 97.



Index of U. S. Bureau of Labor Statistics (1923=100, based adopted by Bureau.) Latest figure, April 148.



Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figure, April 114.