

MONTHLY REVIEW OF BUSINESS AND INDUSTRIAL CONDITIONS

IN THE ELEVENTH FEDERAL RESERVE DISTRICT FEDERAL RESERVE BANK OF DALLAS

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DISTRICT SUMMARY

THE SITUATION AT A GLANCE Eleventh Federal Reserve District

	June	May	Inc. or Dec.	
Bank debits to individual accounts (at 15 cities).....	\$515,892,000	\$536,442,000	Dec.	3.8%
Department store sales.....			Dec.	10.2%
Reserve Bank loans to member banks at end of month.....	\$ 15,445,810	\$ 15,418,210	Inc.	.2%
Reserve Bank ratio at end of month.....	60.4%	62.4%	Dec.	2 points
Building permit valuations at larger centers.....	\$ 5,441,208	\$ 6,231,771	Dec.	12.7%
Commercial failures (number).....	50	58	Dec.	13.8%
Commercial failures (liabilities).....	\$ 765,071	\$ 720,652	Inc.	6.2%
Oil production (barrels).....	13,358,331	13,396,560	Dec.	.3%
Lumber orders at pine mills (per cent of normal production)	82%	94%	Dec.	12 points

A seasonal slackening in trade and industry, which was more pronounced than usual, was the outstanding development in the Eleventh Federal Reserve District during the past month. Trade in both wholesale and retail channels of distribution reflected a marked contraction from the previous month. In some reporting lines of wholesale trade smaller sales than a year ago were reported and in other lines the margin over last year is gradually diminishing. While consumer buying is still large in the aggregate, price concessions in many instances have been resorted to in an effort to stimulate demand. Buying at wholesale continues to exhibit the cautious and conservative spirit which has been the dominant feature throughout the current year.

For the sixth consecutive month the volume of checks charged to depositors' accounts has shown a reduction from the previous month and in June the decline from the corresponding month last year was greater than in May. This is an indication that public spending is showing a steady contraction.

The June aggregate of new building enterprises re-

ported was not only considerably below that of the previous month, but registered an exceptionally large decline as compared to the same month of 1923. Production, shipments, and new orders at Eleventh District pine mills and the production and shipments of cement at Texas mills were smaller than in May.

A factor of importance in the district's agricultural situation was the harvesting of a most satisfactory wheat crop. Despite the small acreage, indications are that the total yield will be the largest since 1919, and the per acre yield in some localities is reported to be the heaviest on record. Although the progress of the cotton crop was temporarily checked during June on account of the shortage of rain, high temperatures, and hot winds, late reports indicate that the crop is making satisfactory growth. Cultivation is well advanced and the fruiting of the cotton is progressing favorably. On the other hand, the condition of the corn crop is very poor, and prospects are that the yield will be the lowest in several years.

The continuance of low interest rates at commer-

cial banks and the reduction of the rediscount rate at the Federal Reserve Bank of Dallas from 4½ to 4 per cent are indicative of the large volume of funds available to meet credit demands. Total deposits of member banks showed a slight increase over last month and were \$41,000,000 greater than a year ago. Commercial banks have obtained a large volume of liquidation from the marketing of wheat, wool, and mohair, and the reduction in the indebtedness of these banks at the Federal Reserve Bank has amounted to fully \$2,000,000. However, due principally to the demand for credit in connection

with the financing of agricultural operations, there was a net increase in member bank borrowing at the Federal Reserve Bank of \$3,300,000 during the first sixteen days of July.

A surplus of unskilled labor is apparent in practically every section of the district. While industrial labor is generally employed, the part time operation of many industrial plants has had the effect of reducing wages and has curtailed purchasing power. The demand for labor in the building trades has been heavy, but a sufficient supply was available to meet this demand.

CROP CONDITIONS

The shortage of rainfall over a large portion of the district's farming area, and high temperatures accompanied by a long period of hot winds which caused a rapid evaporation of moisture, were responsible for a severe setback to the growing crops during the past month. On the other hand, in favored localities where there was an abundance of rainfall, crops made rapid progress.

Prospects point toward a greatly reduced yield of corn from this year's crop. There was a substantial reduction in the acreage planted to corn last spring, due to the untoward weather conditions, and a large proportion of the crop was planted later than usual. Added to the damage from grasshoppers and the lack of rainfall was the long period of hot winds which caught much of the crop in the tassel stage and blasted the pollen. The Department of Agriculture placed the condition of the Texas crop on July 1st at 72 per cent, which was the lowest condition reported since 1918. Reports received by this bank in connection with a questionnaire sent out on July 1st indicate that (with the exception of South Texas and a few scattered localities in other sections) the crop is in very poor condition and that the yield will be light.

A normal improvement in the Texas cotton crop was noted during the past month, but in most sections it is late and the condition of the plant is still below the average. The Department of Agriculture estimated the condition of the crop on June 25th as 70 per cent of normal, which was 4 points higher than the May 25th condition figure, but 7 points below the figure for June 25th a year ago, and 5 points lower than the ten-year average. The cultivation of the crop has made rapid progress, with the result that the fields are now mostly clean. The fruiting of the older cotton is reported to be progressing favorably. However, the fields are spotted, the stands being irregular and the plants showing a wide variation in age ranging from very small to the blooming

stage. In many instances the farmers found it cheaper to replant than to work the weeds and grass out of the older cotton.

Reports from practically every section of the cotton growing territory indicate that the present crop is being made at a greater expense than for several years past, owing to the high wages, high feed prices, numerous replantings, and the difficulty experienced in ridding the fields of early cotton of grass and weeds. Furthermore, the reduction in the acreage planted in feed crops this year, together with the generally poor condition of the corn crop which forecasts a greatly reduced yield, seems to indicate that many farmers will find it necessary to purchase feed at enhanced prices with which to make the 1925 cotton crop.

This year's wheat crop has proven to be the most satisfactory one harvested in several years. The yields have surpassed all early expectations, and in many localities have averaged the highest on record. Not only has there been a heavy yield per acre, but the quality of the grain is the best in several years. Despite the heavy reduction in acreage, this year's production will greatly exceed that of a year ago. Whereas the production was estimated at 16,483,000 bushels on June 1st, the indicated yield on July 1st had risen to 21,816,000 bushels. This compares to 16,370,000 bushels harvested last year. It is now estimated that the per acre yield will average 18 bushels this year as against an average yield of 10.5 bushels per acre last year.

The fall sown oats are making a good yield of high quality grain, but the yield of the spring crop, which constituted a larger percentage than usual this year, was rather light.

Reports from Oklahoma indicate that crops made satisfactory growth during the past month. Although the cotton is late, the plant is healthy and the tap roots are long enough to withstand a moderate period of hot, dry weather. Preliminary esti-

mates forecast larger yields from the various feed crops than have been obtained in the past few years.

The Louisiana upland cotton showed a substantial

improvement in June. The crop is generally clean and well cultivated and the weevils are less numerous than they were last year.

SURVEY OF TEXAS COTTON CROP

In response to inquiries on July 1st to 600 bankers and county agricultural agents in the cotton producing counties of Texas 414 replies were received from 173 counties, submitting estimates on the increase or decrease in the cotton acreage of these counties as compared to the 1923 average. The results of the survey are tabulated in the appended table, which also includes the 1923 production figures and the comments of the observers regarding the present condition of the crop, insect damage, etc. The percentage of increase or decrease shown for each county is a composite of the estimates of our correspondents in that county, representing in most cases two or more bankers and the county agricultural agent. While it is believed that these observers are in an exceptionally favorable position to obtain authentic and accurate information, it should be borne in mind that the figures are offered merely as

an approximation of the changes that have actually occurred in the acreage since 1923.

It will be noted that, while the increase in cotton acreage was general over the state, the northwest and west central sections show the heaviest increases. The smallest increases were reported from the heavy producing counties in the central section. The outstanding feature of the reports was the presence of insects in practically every cotton growing county. The grasshoppers are most active in west and northwest Texas, but the weevils are most active in south, east, and southeast Texas. While it is reported that the damage so far is slight in most counties, heavy damage was reported in a few counties. The presence of these insects constitutes a serious menace to the growing crop, particularly in view of the fact that the reports indicate a more widespread and destructive visitation of grasshoppers than has occurred in this district for several years.

County	Acreage Increase Per Cent	Number Bales Ginned 1923	Condition of Plant	Insect Damage	Source of Damage
Anderson.....	2 1/2	24,311	Fair.....	Slight.....	Weevils and grasshoppers.
Angelina.....	6 2/3	5,954	Poor to fair.....	Slight.....	Weevils and worms.
Archer.....	62 1/2	2,346	Fair.....	Heavy.....	Grasshoppers.
Atascosa.....	10	14,591	Good to excellent.....	Slight.....	Weevils.
Austin.....	25	26,594	Excellent.....	Slight.....	Weevils and grasshoppers.
Bastrop.....	5	26,645	Poor to fair.....	Slight.....	Weevils and grasshoppers.
Baylor.....	11 2/3	7,687	Fair to good.....	Slight to heavy.....	Grasshoppers.
Bee.....	15	9,685	Fair.....	Slight to heavy.....	Weevils and fleas.
Bell.....	6	71,451	Fair.....	Slight.....	Weevils and grasshoppers.
Bexar.....	None	23,179	Fair.....	Slight.....	Weevils.
Blanco.....	5	4,472	Fair to good.....	Slight.....	Weevils.
Bosque.....	15	18,550	Fair to good.....	Slight.....	Grasshoppers.
Bowie.....	2 1/2	21,450	Fair to good.....	Slight.....	Weevils and worms.
Brazoria.....	6 2/3*	3,347	Fair.....	Slight.....	Worms and weevils.
Brazos.....	None	27,437	Fair.....	Heavy.....	Fleas and grasshoppers.
Brown.....	8 1/3	16,081	Fair to good.....	Heavy.....	Weevils and grasshoppers.
Burleson.....	1 3/4	33,298	Fair.....	Heavy.....	Weevils, worms and grasshoppers.
Burnet.....	10	12,203	Fair.....	Slight.....	Grasshoppers.
Caldwell.....	3 1/3*	46,277	Fair.....	Slight.....	Weevils, fleas and grasshoppers.
Calhoun.....	10*	2,813	Good.....	Slight.....	Weevils and fleas.
Callahan.....	9	12,264	Fair.....	Slight.....	Weevils, worms and grasshoppers.
Cameron.....	17 1/3	28,089	Fair to excellent.....	Slight.....	Weevils.
Camp.....	10	6,263	Good.....	Slight.....	Weevils.
Cass.....	7 1/3	21,973	Fair to good.....	Slight.....	Weevils and worms.
Cherokee.....	5	24,864	Fair.....	Slight.....	Weevils and worms.
Childress.....	4	15,567	Fair to good.....	Slight to heavy.....	Grasshoppers.
Clay.....	12 1/2	16,041	Good.....	Slight.....	Grasshoppers.
Coke.....	15	9,578	Good.....	Heavy in sections.....	Grasshoppers.
Collin.....	12	92,270	Fair to good.....	Slight to heavy.....	Weevils, worms and grasshoppers.
Collingsworth.....	20	22,978	Fair.....	Slight.....	Grasshoppers.
Colorado.....	3 1/3	21,557	Fair to good.....	Slight.....	Weevils and grasshoppers.
Comcho.....	10	8,838	Fair.....	Heavy.....	Grasshoppers.
Cooke.....	21 1/2	20,685	Good to excellent.....	Slight.....	Weevils and grasshoppers.
Coryell.....	15	31,154	Fair.....	Slight.....	Weevils and grasshoppers.
Cottle.....	7 1/2	18,855	Good.....	Slight to heavy.....	Grasshoppers.
Crosby.....	23 1/3	23,544	Good.....	Slight.....	Weevils and grasshoppers.
Dallas.....	6	53,941	Fair.....	Slight to heavy.....	Weevils, worms and grasshoppers.
Dawson.....	32 3/4	21,410	Good.....	Slight.....	Grasshoppers.
Delta.....	5*	30,389	Fair.....	Slight to heavy.....	Worms and grasshoppers.
Denton.....	10	37,266	Fair to good.....	Slight.....	Weevils and grasshoppers.
Dewitt.....	1	33,662	Fair.....	Slight.....	Weevils and fleas.
Dickens.....	5	17,142	Good to excellent.....	Slight.....	Grasshoppers.
Dimmit.....	15	677	Good.....	Slight.....	Slight.....
Donley.....	3 1/3	13,692	Fair.....	Slight.....	Grasshoppers.
Duval.....	5	12,441	Fair.....	Slight to heavy.....	Weevils.
Eastland.....	23 1/3	12,534	Poor to fair.....	Slight to heavy.....	Weevils and grasshoppers.
Ellis.....	5	112,711	Fair to good.....	Slight.....	Grasshoppers.
El Paso.....	55	16,463	Excellent.....	None.....	None.....
Erath.....	17 1/2	15,385	Good.....	Slight.....	Weevils and grasshoppers.
Falls.....	2 1/2*	63,130	Fair.....	Slight.....	Weevils and grasshoppers.
Fannin.....	8 1/3	65,898	Fair.....	Slight.....	Weevils and grasshoppers.
Fayette.....	None	43,501	Fair to good.....	Slight.....	Weevils.
Fisher.....	11	34,318	Fair to good.....	Slight.....	Few grasshoppers.
Floyd.....	27 1/2	10,268	Good to excellent.....	Slight.....	Grasshoppers.

*Represents decrease in acreage.

County	Acreege Increase Per Cent	Number Bales Ginned 1923	Condition of Plant	Insect Damage	Source of Damage
Foard.....	2 2/3	9,033	Fair to good.....	Heavy.....	Grasshoppers.
Fort Bend.....	7 2/3	34,581	Fair to good.....	Slight.....	Weevils, fleas and grasshoppers.
Franklin.....	None	7,463	Fair.....	Slight.....	Weevils and grasshoppers.
Freestone.....	2 3/4	24,345	Poor to fair.....	Slight to heavy.....	Grasshoppers.
Frio.....	7 1/2	9,472	Fair to good.....	Slight to heavy.....	Weevils and grasshoppers.
Garza.....	10	10,206	Good.....	Slight.....	Grasshoppers.
Gillespie.....	10	9,938	Good.....	Slight.....	Grasshoppers.
Goliad.....	None	10,672	Good.....	Slight.....	Weevils.
Gonzales.....	6	39,691	Fair.....	Slight to heavy.....	Weevils, fleas and grasshoppers.
Grayson.....	11	57,686	Fair to good.....	Slight.....	Weevils and grasshoppers.
Gregg.....	5	13,509	Poor to fair.....	Slight.....	Weevils and worms.
Grimes.....	1 2/3	26,379	Fair.....	Slight to heavy.....	Weevils and grasshoppers.
Guadalupe.....	None	40,010	Fair to good.....	Slight.....	Weevils.
Hale.....	70	10,824	Fair to good.....	None.....	Grasshoppers.
Hall.....	3 1/3*	26,886	Fair to good.....	Slight.....	Grasshoppers.
Hamilton.....	12 1/2	17,480	Fair.....	Slight.....	Grasshoppers.
Hardeman.....	10*	15,417	Fair.....	Slight to heavy.....	Grasshoppers.
Harris.....	6 2/3	8,344	Fair to good.....	Slight.....	Weevils and grasshoppers.
Harrison.....	7 1/2	23,073	Fair.....	Slight.....	Weevils.
Haskell.....	20	29,928	Fair to good.....	Slight.....	Grasshoppers.
Hays.....	None	18,154	Fair.....	Slight.....	Weevils.
Henderson.....	None	23,970	Poor to fair.....	Slight.....	Weevils and grasshoppers.
Hidalgo.....	21 3/4	52,896	Poor to fair.....	Slight to heavy.....	Weevils.
Hill.....	7 2/3	89,393	Fair.....	Slight.....	Fleas and grasshoppers.
Hood.....	15	6,568	Fair.....	Slight.....	Grasshoppers.
Hopkins.....	None	34,716	Good.....	Slight.....	Grasshoppers.
Houston.....	7 1/2	35,933	Fair to good.....	Slight.....	Weevils.
Howard.....	20	18,151	Good.....	Slight.....	Grasshoppers.
Hunt.....	8 1/3	71,299	Fair to good.....	Slight to heavy.....	Weevils and grasshoppers.
Jack.....	38 1/3	4,912	Poor to good.....	Heavy.....	Weevils and grasshoppers.
Jackson.....	None	6,361	Fair to good.....	Slight to heavy.....	Weevils, fleas and grasshoppers.
Jasper.....	26 1/2	1,527	Good.....	Slight.....	Weevils.
Jim Wells.....	20	9,008	Good.....	Very slight.....	Weevils and worms.
Johnson.....	5	48,421	Fair.....	Slight.....	Weevils and grasshoppers.
Jones.....	9 1/2	56,763	Fair to excellent.....	Slight to heavy.....	Grasshoppers.
Karnes.....	2 1/2	29,091	Fair to good.....	Slight.....	Grasshoppers.
Kaufman.....	3 1/3	69,629	Fair.....	Heavy.....	Worms, weevils and grasshoppers.
Kendall.....	30	781	Fair to excellent.....	Slight.....	Weevils.
Kleburg.....	5	6,099	Poor stand.....	Slight.....	Weevils.
Knox.....	7	28,494	Fair to good.....	Slight to heavy.....	Grasshoppers.
Lamar.....	2 1/2	53,689	Fair.....	Slight to heavy.....	Worms, weevils and grasshoppers.
Lampasas.....	5	8,879	Fair.....	Slight.....	Few weevils and grasshoppers.
LaSalle.....	33	5,924	Good.....	Slight.....	Fleas and weevils.
Lavaca.....	27 1/2	36,251	Good to excellent.....	Slight.....	Weevils.
Lee.....	None	12,657	Fair to good.....	Slight.....	Weevils and grasshoppers.
Leon.....	5	23,393	Fair.....	Slight.....	Weevils and grasshoppers.
Liberty.....	17 1/2	3,273	Fair to good.....	Slight.....	Weevils.
Limestone.....	10*	49,311	Poor.....	Slight.....	Worms and grasshoppers.
Live Oak.....	7 1/2	4,905	Good.....	Slight.....	Weevils.
Llano.....	5	1,833	Good.....	Slight.....	Grasshoppers.
Lubbock.....	None	31,719	Good.....	None.....	Grasshoppers.
Lynn.....	26 2/3	24,481	Fair.....	Slight.....	Grasshoppers.
Madison.....	3*	13,145	Fair to good.....	Slight.....	Weevils and grasshoppers.
Marion.....	5	5,823	Fair to excellent.....	Slight.....	Weevils.
Mason.....	11 2/3	3,403	Fair to good.....	Slight.....	Weevils and grasshoppers.
Matagorda.....	1 2/3	4,413	Fair to good.....	Slight to heavy.....	Weevils.
McCulloch.....	1	12,255	Fair to good.....	Slight.....	Grasshoppers.
McLennan.....	5	101,586	Fair.....	Slight.....	Weevils, worms and grasshoppers.
Medina.....	3 2/3	5,687	Good to excellent.....	Slight.....	Weevils and grasshoppers.
Menard.....	None	1,734	Good to excellent.....	Slight.....	Grasshoppers.
Milam.....	8 1/3	59,784	Fair.....	Slight.....	Weevils and grasshoppers.
Mills.....	11 2/3	10,125	Fair.....	Slight to heavy.....	Grasshoppers.
Mitchell.....	7 1/2	30,473	Fair to good.....	Slight.....	Grasshoppers.
Montague.....	4	16,141	Fair.....	Slight to heavy.....	Weevils and grasshoppers.
Montgomery.....	7 1/2*	6,540	Fair to excellent.....	Slight.....	Weevils and grasshoppers.
Morris.....	9	8,586	Fair to good.....	Slight.....	Worms and weevils.
Motley.....	1 2/3	8,329	Good to excellent.....	Slight.....	Grasshoppers.
Nacogdoches.....	4	17,375	Fair.....	Slight.....	Weevils.
Navarro.....	2	89,993	Poor to fair.....	Slight.....	Weevils and grasshoppers.
Nolan.....	10	18,675	Fair.....	Slight to heavy.....	Grasshoppers.
Nueces.....	12 2/3	92,250	Fair.....	Slight to heavy.....	Weevils.
Palo Pinto.....	20	4,936	Fair.....	Slight.....	Grasshoppers.
Panola.....	5*	17,669	Poor to fair.....	Slight.....	Weevils and grasshoppers.
Parker.....	20	10,236	Fair.....	Slight.....	Weevils and grasshoppers.
Polk.....	5	11,055	Fair to good.....	Slight.....	Weevils and grasshoppers.
Rains.....	11	6,447	Poor to fair.....	Slight.....	Weevils and grasshoppers.
Red River.....	8 1/3	28,660	Good.....	Slight.....	Grasshoppers.
Refugio.....	5	9,778	Fair.....	Slight.....	Weevils and fleas.
Robertson.....	7 1/2	36,105	Good.....	Slight to heavy.....	Grasshoppers.
Rockwall.....	7 1/2	23,649	Poor to good.....	Slight to heavy.....	Weevils, worms and grasshoppers.
Runnels.....	8 1/3	46,587	Fair to good.....	Slight to heavy.....	Worms and grasshoppers.
Rusk.....	6 1/2	29,298	Fair.....	Slight.....	Weevils.
Sabine.....	10	3,320	Fair.....	Slight.....	Weevils.
San Augustine.....	12 1/2	6,651	Fair to good.....	Slight.....	Weevils.
San Jacinto.....	10	5,385	Poor to fair.....	Slight.....	Weevils, worms and grasshoppers.
San Patricio.....	7 1/2	45,586	Poor to fair.....	Slight to heavy.....	Weevils.
San Saba.....	6	10,798	Fair.....	Slight to heavy.....	Weevils and grasshoppers.
Scurry.....	15	27,021	Fair to good.....	Slight.....	Grasshoppers.
Shelby.....	7	16,681	Fair to good.....	Slight.....	Weevils and worms.
Smith.....	6 2/3	34,619	Fair.....	Slight.....	Weevils.
Somervell.....	10	1,369	Fair.....	Slight.....	Grasshoppers.
Stonewall.....	10	11,704	Fair.....	Heavy.....	Grasshoppers.
Tarrant.....	13	26,143	Fair to good.....	Slight.....	Worms and grasshoppers.
Taylor.....	10	41,737	Fair.....	Heavy.....	Grasshoppers.
Throckmorton.....	12 1/2	4,104	Fair to good.....	Heavy.....	Grasshoppers.
Titus.....	14 1/3	11,047	Fair to good.....	Slight.....	Weevils and grasshoppers.
Tom Green.....	12 1/2	5,476	Fair.....	Slight to heavy.....	Grasshoppers.
Travis.....	40	39,987	Fair to good.....	Heavy.....	Fleas, worms and grasshoppers.
Trinity.....	6 2/3	7,010	Fair.....	Slight.....	Weevils.
Tyler.....	17 1/2	1,955	Fair.....	Slight.....	Weevils.
Upshur.....	3 1/3	17,678	Fair to good.....	Slight.....	Weevils.
Uvalde.....	16	3,256	Fair to good.....	Slight to heavy.....	Weevils and fleas.
Van Zandt.....	8 1/3	31,915	Fair.....	Heavy.....	Weevils and grasshoppers.

*Represents decrease in acreage

County	Acreage Increase Per Cent	Number Bales Ginned 1923	Condition of Plant	Insect Damage	Source of Damage
Victoria.....	5	12,146	Fair.....	Slight.....	Fleas, weevils and grasshoppers.
Waller.....	7	9,680	Fair.....	Slight.....	Grasshoppers.
Washington.....	1	35,642	Fair.....	Slight.....	Fleas, weevils and grasshoppers.
Webb.....	40	2,530	Fair to good.....	Slight to heavy.....	Weevils.
Wharton.....	None	24,642	Fair to good.....	Slight to heavy.....	Weevils and grasshoppers.
Wheeler.....	25	18,911	Fair.....	Slight.....	Grasshoppers.
Wichita.....	20	5,781	Fair to good.....	Slight to heavy.....	Grasshoppers.
Wilbarger.....	10	25,604	Fair to good.....	Slight to heavy.....	Grasshoppers.
Willacy.....	20	6,064	Poor.....	Heavy.....	Weevils.
Williamson.....	2	110,480	Poor to fair.....	Slight.....	Weevils and grasshoppers.
Wilson.....	7 1/2	19,130	Fair.....	Heavy.....	Weevils and grasshoppers.
Wise.....	15	15,644	Fair to good.....	Slight.....	Grasshoppers.
Wood.....	6 1/4	21,602	Fair.....	Slight.....	Weevils and grasshoppers.
Young.....	17 1/2	14,994	Good.....	Heavy.....	Grasshoppers.

Cotton Consumption The June consumption of cotton amounted to 350,277 bales, as compared to 413,649 bales in May and 542,026 bales in June a year ago. It will be noted that the June consumption was 35.4 per cent below

that for the same month last year, and the amount consumed during the eleven months' period ending June 30th was 13.9 per cent smaller than that consumed during the corresponding period of the previous season.

COTTON CONSUMED AND ON HAND

	COTTON GROWING STATES				UNITED STATES			
	June 1924	June 1923	Aug. 1st to June 30th		June 1924	June 1923	Aug. 1st to June 30th	
			This Season	Last Season			This Season	Last Season
Cotton consumed.....	247,478	351,181	3,619,957	3,939,486	350,277	542,026	5,341,440	6,203,438
Cotton on hand at end of June:								
(a) in consuming establishments.....			490,867	707,850			950,625	1,347,468
(b) in public storage and compresses.....			749,269	935,636			882,204	1,227,184

Cotton Movements Receipts, exports and stocks of cotton at Galveston and Houston reached new low levels during the month of June. However, this season's receipts and exports at these ports have greatly exceeded those of the previous season and accounted for the major portion of the increase in receipts and exports at all United States ports. The combined exports at Houston and Galveston this season were 23.7 per cent greater than last season, while the increase at all U. S. ports amounted to 22.4 per cent.

HOUSTON COTTON MOVEMENTS

	June 1924	June 1923	Aug. 1st to June 30th	
			This Season	Last Season
Receipts—Gross	14,524	16,769	3,460,960	2,674,542
Receipts—Net	4,268	4,982	1,807,423	1,367,713
Exports	16,237	5,599	1,060,804	729,582
Stocks, June 30th..			47,257	26,345

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

	This Season	Last Season
Receipts since Aug. 1st.....	6,751,095	5,729,133
Exports: Great Britain	1,646,630	1,267,240
France	705,889	600,002
Continent	2,506,593	1,936,025
Japan-China	573,323	622,559
Mexico	9,294	19,185
Total foreign ports	5,441,729	4,445,011
Stocks at all U. S. Ports, June 30th	284,227	286,170

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON

	June 1924	June 1923	Aug. 1st to June 30th	
			This Season	Last Season
Gross receipts.....	21,820	35,100	2,837,317	2,381,327
Exports	45,255	50,814	2,807,820	2,398,634
Stocks, June 30th..			48,168	47,428

GALVESTON STOCK STATEMENT

	June 30, 1924	June 30, 1923
For Great Britain.....	2,700	1,400
For France	3,000	4,000
For other foreign ports.....	6,000	10,250
For coastwise ports.....	1,000	1,200
In compresses	35,468	30,578
Total	48,168	47,428

SPOT COTTON PRICES

(Middling Basis)

	June, 1924		July 15, 1924
	High	Low	
New York	32.75	28.85	31.05
New Orleans	30.88	28.63	28.60
Dallas	30.30	28.15	28.05
Houston	30.00	28.80	28.10
Galveston	31.00	29.10	29.00

COTTONSEED PRODUCTS

Reports received from 99 cottonseed oil mills located in the Eleventh Federal Reserve District indicate that 8,334,602 pounds of oil were shipped by these mills during June, and was sold at an average price of \$.0832 per pound f. o. b. the mill, which was slightly higher than the average price received for the oil sold in May. The average price received for cake and meal was \$36.06 per ton, while hulls brought \$12.45 per ton. Linters sold at an average of \$.0534 cents per pound.

The statistics compiled by the Bureau of Census on cottonseed and cottonseed products show that the Texas mills crushed 30,000 tons of seed in June this year as compared to 6,000 tons in that month last

year. The crude oil produced at these mills for the season August 1st to June 30th totalled 369,131,000 pounds as compared to 279,360,000 pounds during the corresponding period of the previous season. Stocks of cottonseed and cottonseed products at Texas mills on June 30th were in excess of those on hand on that date last year.

COTTONSEED PRODUCTS SHIPPED DURING JUNE, AND AVERAGE PRICES RECEIVED

	Shipped	Average Price F. O. B. Mill
Crude oil	8,334,602 lbs.	\$.0832 per lb.
Cake and meal.....	9,152 tons	36.06 per ton
Hulls	5,450 tons	12.45 per ton
Linters	3,526,833 lbs.	.0534 per lb.

STATISTICS ON COTTONSEED AND COTTONSEED PRODUCTS

	TEXAS		UNITED STATES	
	Aug. 1st. to June 30th		Aug. 1st to June 30th	
	This Season	Last Season	This Season	Last Season
Cottonseed received at mills (tons).....	1,319,000	963,349	3,309,000	3,231,770
Cottonseed crushed (tons).....	1,310,000	961,313	3,285,000	3,226,771
Cottonseed on hand, June 30th (tons).....	16,000	5,880	29,000	13,536
Crude oil produced (pounds).....	369,131,000	279,360,474	972,356,000	994,263,047
Refined oil produced (pounds).....				899,069,286
Cake and meal produced (tons).....	609,000	454,977	1,507,000	1,480,888
Hulls produced (tons).....	381,000	286,713	933,000	936,908
Linters produced (500-lb. bales).....	254,000	174,989	663,000	604,987
Stocks on hand June 30th—				
Crude oil (pounds).....	2,808,000	2,392,684	12,829,000	8,062,376
Refined oil (pounds).....				190,442,987
Cake and meal (tons).....	19,000	10,932	86,000	83,011
Hulls (tons)	24,000	12,132	53,000	32,555
Linters (500-lb. bales).....	23,000	4,620	105,000	40,575

LIVESTOCK

The district's ranges were affected adversely during the month of June as a result of high temperatures and dry weather. In New Mexico, where only a small amount of rain had fallen during May and June, the ranges deteriorated 10 points during the latter month and in the southwestern portion of the state the livestock had begun to suffer from the lack of water. While the livestock were about holding their own, they were not putting on flesh and there were large numbers of poor stock. The drouthy condition of the ranges was relieved during the first half of July when light to moderate rains fell over Arizona, New Mexico, and some sections of the Panhandle. The supply of stock water has been replenished and the grass is improving.

The condition of cattle ranges in Texas declined 4 points during June, being 87 per cent of normal on July 1st. This compares with a condition figure of 90 per cent on the same date last year. The condition of cattle was reduced from 92 per cent of nor-

mal on June 1st to 90 per cent on July 1st, and on the latter date was 2 points lower than on July 1, 1923. The condition of sheep ranges declined to 88 per cent of normal during June, or a loss of six points, and was one point below the condition figure of July 1st last year. A loss of 5 points was reported in the condition of sheep.

Movements and Prices

Although the supply of all classes of livestock offered at the Fort Worth market during June was considerably smaller than in May, the receipts of cattle, calves, and sheep continued large. On the other hand, the receipts of hogs were very meager at all times, the June supply being 32 per cent less than that of May. The receipts of hogs have been gradually declining since January. The month was characterized by a gradual reduction in cattle receipts from South Texas and a proportionate increase in the movement from West Texas.

The downward trend in cattle and sheep values which was in evidence during May continued throughout June. During the third week of the month the cattle market suffered one of the heaviest price declines of the year and the general trade was the most stagnant experienced within many months. This condition was attributed largely to the liberal receipts which included a large number of mixed shipments of inferior quality.

As compared to the close of the previous month, steer values were \$1.50 lower; cows lost \$1.75 to \$2.00; yearlings dropped 50 to 75 cents; and calves declined \$2.00. Sheep prices averaged 75 cents lower than at the close of May and the decline on lambs averaged \$3.50. The month's top price on wethers was \$7.00, but at the close they were going at \$6.50 to \$6.75. Although lambs sold as high as \$14.75 early in the month, the best were bringing only \$10.50 at the end of the month. The hog market, which experienced a series of ups and downs

during the month, closed at practically the same level as at the close of the previous month.

FORT WORTH LIVESTOCK RECEIPTS

	June 1924	May 1924	Loss of Gain	June 1923	Loss or Gain
Cattle	81,865	114,203	L 32,836	88,225	L 6,360
Calves	21,367	25,610	L 4,243	21,040	L 327
Hogs	20,688	30,571	L 9,883	19,565	G 1,123
Sheep	54,272	82,128	L 27,856	43,437	L 10,835

COMPARATIVE TOP LIVESTOCK PRICES

	June 1924	May 1924	June 1923
Beef steers	\$ 7.75	\$ 9.50	\$ 8.25
Stocker steers	6.65	6.60	8.50
Butcher cows	6.00	6.00	7.00
Stocker cows	3.50	3.50
Calves	8.50	8.40	8.75
Hogs	7.55	7.75	7.75
Sheep	7.00	7.35	8.35
Lambs	14.75	14.25	15.50

TEXTILE MILLING

A further decline in the mill consumption of cotton, in the production of goods, and in unfilled orders on hand at the end of the month, reflects a continuance of the unsatisfactory condition which has prevailed in the textile industry for several months. The June production of reporting mills showed a falling off of 16.7 per cent from the previous month and was 32.8 per cent below a year ago. Cotton consumed at these mills amounted to 2,142 bales as against 2,459 in May and 2,836 in June a year ago. There was a heavy decline in the unfilled orders on hand at the end of June as compared to those

on hand at the end of May, and on June 30th last year. Stocks showed a large increase over last month and last year.

TEXTILE MILLING STATISTICS

	June 1924	May 1924	June 1923
Number bales cotton consumed	2,142	2,459	2,836
Number spindles active.....	77,532	77,532	73,624
Number pounds cloth produced	970,377	1,164,654	1,430,411

WHOLESALE TRADE

The effect of the usual midsummer dullness was visible in the wholesale channels of distribution during June. Every reporting line of trade reflected a decline in sales as compared to the previous month, and the sales of dry goods, furniture, and hardware were smaller than those for June last year. Although there has been an increase in the volume of business transacted in each reporting line during the first half of 1924 as compared to the corresponding period of 1923 ranging from 2.6 per cent in furniture to 49.9 per cent in farm implements, a gradual slowing down in business has been visible in recent months. This has been due in part to the unseasonable weather prevailing throughout the spring, but other factors have been of paramount importance. Retailers have followed a very cautious and conservative policy in buying, and consequently the di-

minution in consumptive demand was immediately reflected in the demand at wholesale. The downward trend of prices in some lines, which caused hesitation in buying, has also been a contributing factor. The unsatisfactory progress of crops has to some extent restricted farmer buying and the slowing down in industrial activity has reduced the purchasing power of the laborers, which in turn has curtailed their buying capacity.

Although current buying covers largely immediate needs to fill in stocks, some dealers report that orders for fall delivery are beginning to appear.

Dry Goods

The dry goods trade at wholesale was seasonably quiet during the past month. The June sales of twelve firms were 12.4 per cent less than in May,

and were 4.4 per cent below those for the corresponding month of last year. Cautious buying is still the policy of retail buyers and current business represents largely replacement orders. However, some dealers report that retailers are beginning to buy in limited quantities for fall delivery. Reduced price sales are being featured by the retailers in an effort to realize on stocks of spring and summer merchandise which did not move at the accustomed time and in order to clear their shelves for fall merchandise.

The distribution of dry goods during the first half of the year was 5.8 per cent in excess of that during the corresponding period of 1923 and collections this year have been better than those of last year.

Although buying is still conservative dealers report that a better feeling is now prevalent in the trade.

Furniture A further decline of 12.8 per cent registered in the June sales of furniture at wholesale was due in part to seasonal influences. The month's sales were also seven-tenths of one per cent less than those for June a year ago. Although the furniture business has been relatively large this year, the increase in sales over last year has averaged only 2.6 per cent. It will be remembered, however, that the distribution of furniture during 1922 and 1923 was exceptionally good. Prices on some items of furniture have shown a downward tendency.

Farm Implements The sales of farm implements during the month of June were 27.6 per cent below those for May, but showed an increase of 5.4 per cent over June last year. Although the buying demand was light during the past month quiet business in this line is to be expected at this season of the year.

Implement dealers have had the best business in the first half of 1924 that they have had in several years, the percentage of increase in sales averaging 49.9 per cent above those during the corresponding period of 1923. Although indications are that the yield of this year's corn crop will be below normal,

and the outcome of the cotton crop is still uncertain, the wheat and oat crops exceeded all early expectations, and the good price obtained engendered a spirit of confidence in the farmers.

Collections during the half year have surpassed those of any like period in several years. Prices have remained on a steady basis. While the demand for implements during the second half of the year will depend largely on the outcome of the cotton crop, dealers state that the prospects for fall business are fairly good.

Groceries The demand for groceries at wholesale showed a further recession during the past month. The June sales of eleven firms were 3.3 per cent below those for May, but registered a gain of 3.1 per cent over June a year ago. The grocery trade has experienced active business throughout the present year, the distribution for the first six months being 11.6 per cent in excess of that during the same period of last year. Prices have shown no material change during the past month. The outlook for fall trade is fair.

Hardware The June sales of ten wholesale hardware firms reflected a decline of 1.2 per cent from the previous month and 2.3 per cent from the corresponding month last year. Purchases are still being made on a very conservative basis and retailers appear to be taking only such goods as are needed to make replacements in stocks. The tendency of prices is still downward.

Drugs While the sales of wholesale drug firms reflected a seasonal decline of 6.2 per cent as compared to the previous month, they were 7.6 per cent in excess of those for June last year. Active business has characterized the drug trade throughout the first half of the year, the sales of reporting firms being 14.2 per cent larger than for a similar period in 1923. While retailers have been conservative in making purchases and have avoided future commitments, buying in the aggregate has been large. Some dealers report that the business so far in July has been more active than in June. Collections have been fairly good.

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

	Net Sales June, 1924 Compared With		Net Sales Jan. 1st to Date Com- pared With Same Period Last Year	Stocks June, 1924 Compared With	
	June 1923	May 1924		June 1923	May 1924
Groceries	+ 3.1	— 3.3	+11.6	— 7.1	—13.7
Dry Goods	— 4.4	—12.4	+ 5.8	+ .4	+ 9.0
Furniture	— .7	—12.8	+ 2.6
Farm Implements.....	+ 5.4	—27.6	+49.9	+11.0	— 3.3
Drugs	+ 7.6	— 6.2	+14.2	+ 7.8	+ 1.0
Hardware	— 2.3	— 1.2	+ 7.1	— 5.6	— .6

RETAIL TRADE

Retail distribution reflected a seasonal decline during the past month when the sales of reporting department stores were 10.2 per cent below those for May. However, the sales of these firms were 1.8 per cent above those during June a year ago. Reduced price sales have been featured by these stores during June and July.

Stocks on hand at the close of June were 5.5 per cent below those on hand at the end of June but were 3.1 per cent greater than those carried at the close of June a year ago. The ratio of stocks to

sales during the first half of 1924 was 465.2 per cent, as compared to 444.2 per cent during the corresponding period of 1923.

The ratio of outstanding orders to last year's purchases at the close of June was 4.7 per cent as compared to 4.6 per cent at the close of May and 6.0 per cent at the close of June, 1923.

The ratio of June collections to accounts receivable on June 1st was 38.5 per cent as against 40.5 per cent during May and 38.1 per cent during June last year.

BUSINESS OF DEPARTMENT STORES

	Dallas	Fort Worth	Houston	All Others	Total District
Total Sales—					
June, 1924, compared with June, 1923.....	+ 1.1	— .1	+ 3.6	+ 2.5	+ 1.8
June, 1924, compared with May, 1924.....	—13.2	— 5.2	— .1	—15.5	—10.2
Jan. 1st to date compared with same period last year.....	+ 3.0	+ .8	+ 5.9	+ 2.1	+ 2.9
Credit Sales—					
June, 1924, compared with June, 1923.....	+ 7.1	+ 6.8	+ 4.2	+ 4.3	+ 5.6
June, 1924, compared with May, 1924.....	—12.0	— 7.2	+ 2.5	— 4.4	— 6.6
Jan. 1st to date compared with same period last year.....	+ 5.0	+ 6.9	+ 7.6	+ 5.3	+ 5.8
Stocks—					
June, 1924, compared with June, 1923.....	+ 2.8	+ 2.1	+ 7.2	+ 1.7	+ 3.1
June, 1924, compared with May, 1924.....	— 2.8	— 4.7	—11.1	— 5.8	— 5.5
Ratio of stocks to sales.....	468.0	485.2	419.1	483.1	465.2
Ratio of outstanding orders to last year's purchases.....	3.8	2.9	7.1	6.3	4.7
Ratio of June collections to Accounts Receivable, due and outstanding June 1, 1924.....	37.7	35.8	41.4	39.4	38.5

FINANCIAL

The volume of payments by check at fifteen of the principal cities of this district during June amounted to \$515,892,000 as against \$536,442,000 in May, and \$582,388,000 in June last year, reflecting a decline of 3.8 per cent from the previous month and an 11.4 per cent decrease from the corresponding month of 1923. That these declines are general over

the district is shown by the fact that debits increased in only four cities over the last year and in six cities over the previous month. The principal factors accounting for the reduction in debits are the slowing down in trade channels, a smaller volume of building, the decline in industrial activity, and the 50 per cent reduction in the June 15th income tax payments.

CHARGES TO DEPOSITORS' ACCOUNTS

	June, 1924	June, 1923	Inc. or Dec.	May, 1924	Inc. or Dec.
Albuquerque	\$ 10,303,000	\$ 10,403,000	— 1.0	\$ 9,556,000	+ 7.8
Austin	12,556,000	14,065,000	—10.7	14,754,000	—14.9
Beaumont	18,461,000	17,401,000	+ 6.1	16,125,000	+14.5
Corsicana	7,820,000	5,767,000	+35.6	7,712,000	+ 1.4
Dallas	145,519,000	146,415,000	— .6	156,441,000	— 7.0
El Paso	36,326,000	33,462,000	— 8.6	32,483,000	+11.8
Fort Worth	60,333,000	73,591,000	—18.0	63,183,000	— 4.5
Galveston	23,936,000	76,881,000	—68.9	27,483,000	—12.9
Houston	101,774,000	106,479,000	— 4.4	104,914,000	— 3.0
Roswell	2,412,000	2,777,000	—13.1	2,012,000	+20.0
San Antonio	33,990,000	31,502,000	+ 7.9	33,168,000	+ 2.5
Shreveport	33,560,000	33,911,000	— 1.0	35,666,000	— 5.9
Texarkana	7,339,000	8,672,000	—15.4	8,500,000	—13.7
Tucson	8,380,000	7,438,000	+12.7	9,975,000	—16.0
Waco	13,183,000	13,624,000	— 3.2	14,470,000	— 8.9
Totals, Eleventh District	\$515,892,000	\$582,388,000	—11.4	\$536,442,000	— 3.8

Acceptance Market The volume of outstanding acceptances executed by accepting banks of this district declined from \$1,529,596.31 on May 31st to \$1,319,226.13 on June 30th. There was a sharp decline in the volume of acceptances executed against import and export transactions, being only \$87,001.00 on June 30th as compared to \$1,051,834.50 on May 31st. However, this reduction was partially offset by the acceptances based on domestic shipments and storage of goods, which increased from \$477,761.81 on May 31st to \$1,232,225.13 on June 30th.

The investments of the Federal Reserve Bank of Dallas in bankers' acceptances rose from \$2,715,770.54 on May 31st to \$7,872,413.06 on June 30th.

Condition of Member Banks in Selected Cities While loans of 51 member banks in selected cities made largely for commercial purposes remained practically stationary during the past month, there was a decrease of \$3,272,000

in loans on corporate securities between June 4th and July 2nd. The investments of these banks during the same period declined \$1,242,000, making a reduction of \$4,524,000 in total loans and investments. Their net demand deposits decreased \$2,799,000, but this was partly offset by an increase of \$1,711,000 in their time deposits. Bills payable and rediscounts with the Federal Reserve Bank showed a steady decline throughout the month, being \$3,117,000 on July 2nd, as compared to \$5,733,000 on June 4th. The ratio of loans to deposits increased from 93 per cent on June 4th to 94 per cent on July 2nd.

CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES

	July 2, 1924	June 27, 1923	June 4, 1924
1. Number of reporting banks.....	51	52	51
2. U. S. securities owned.....	\$46,553,000	\$62,914,000	\$47,299,000
3. All other stocks, bonds and securities owned.....	13,428,000	9,291,000	13,924,000
4. Loans secured by U. S. Government obligations.....	3,063,000	4,047,000	3,316,000
5. Loans secured by stocks and bonds other than U. S. Government obligations.....	59,639,000	49,024,000	62,911,000
6. All other loans.....	196,911,000	195,088,000	196,668,000
7. Net demand deposits.....	212,359,000	214,175,000	215,158,000
8. Time deposits.....	87,813,000	75,806,000	86,102,000
9. Reserve with Federal Reserve Bank.....	22,394,000	22,698,000	23,036,000
10. Bills payable and rediscounts with Federal Reserve Bank.....	3,117,000	8,163,000	5,733,000
11. Ratio of loans (*) to net demand deposits.....	94%	93%	93%

*Loans include only items 4 and 6.

Deposits of Member Banks While there was a decrease of \$2,870,000 in the net demand deposits of member banks in this district between May 28th and June 25th, the time deposits of these banks increased \$4,967,000, making a net

gain of \$2,097,000 in total deposits. When comparing the deposits of member banks on June 25, 1924, with June 27th last year it will be noted that there was a gain of \$23,723,000 in demand deposits and \$17,801,000 in time deposits, or a net gain of \$41,524,000.

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
June 27, 1923.....	496,227	144,251	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
Apr. 23, 1924.....	549,057	156,666	169,188	18,572	96,425	27,724	111,201	53,001	172,243	57,369
May 28, 1924.....	522,820	154,085	159,426	18,729	91,306	27,108	106,372	51,407	165,716	56,841
June 25, 1924.....	519,950	159,052	154,458	18,554	90,265	27,775	111,701	53,759	163,526	58,964

Operations of the Federal Reserve Bank of Dallas to member Reserve Bank banks remained practically stationary throughout June, there was a marked expansion during the first sixteen days of July. These loans, which amounted to \$15,445,810.51 on June 30th, had risen to \$18,758,829.15 on July 16th. This increase has occurred despite the fact that we have had liquidations from wheat, wool, and mohair to the extent of fully \$2,000,000 during the past month and indicates the active demand for credit in connection with the cultivation of this year's cotton crop. The number of banks owing the Federal Reserve Bank increased from 281 on May 31st to 317 on June 30th.

The total volume of bills held by this bank increased from \$18,133,981.40 on May 31st to \$23,-

318,223.57 on June 30th, distributed as follows:

Member banks' collateral notes secured by U. S. Government obligations.....	\$ 1,438,700.00
Rediscounts and all other loans to member banks	14,007,110.51
Open market purchases (Bankers' acceptances)	7,872,413.06
Total bills held.....	\$23,318,223.57

There was a further reduction of \$1,992,765.00 in the actual circulation of Federal Reserve notes during June, having declined from \$43,221,870.00 on May 31st to \$41,229,105.00 on June 30th. The reserve deposits of member banks rose from \$47,910,675.63 on May 31st to \$48,813,097.85 on June 30th, or a net increase of \$902,422.22.

Savings Deposits An increase in the amount of savings deposits was reflected during the past month when 112 banks in the Eleventh District which operate a savings department reported a total of \$101,275,990 as com-

pared to \$98,276,538 on May 31st, and \$89,761,515 on June 30th last year. The number of savings depositors of 105 banks on June 30th was 231,266, as compared to 230,311 on May 31st, and 202,244 on June 30th last year.

SAVINGS DEPOSITS

	Number of Reporting Banks	June 30, 1924	June 30, 1923	Inc. or Dec.	May 31, 1924	Inc. or Dec.
Beaumont	4	2,411,176	2,039,297	+18.2	2,369,871	+1.7
Dallas	6	12,486,972	11,126,465	+12.2	12,002,976	+4.0
El Paso	4	7,380,622	5,462,229	+35.1	6,822,813	+8.2
Fort Worth	6	7,510,639	7,066,867	+6.3	7,272,300	+3.3
Galveston	3	7,410,620	6,900,552	+7.4	7,258,618	+2.1
Houston	14	21,709,848	18,870,520	+15.0	21,208,410	+2.4
San Antonio	6	10,216,094	9,465,536	+7.9	9,848,025	+3.7
Shreveport	4	10,018,966	7,992,962	+25.3	10,067,812	— .5
Waco	4	2,562,851	1,971,772	+30.0	2,491,788	+2.9
Wichita Falls	4	1,676,945	2,339,081	-28.3	1,537,427	+9.1
All others	57	17,891,257	16,526,334	+8.3	17,396,498	+2.8
Total	112	101,275,990	89,761,515	+12.8	98,276,538	+3.1

NUMBER OF SAVINGS DEPOSITORS

	Number of Reporting Banks	June 30, 1924	June 30, 1923	May 31, 1924
Beaumont	3	4,573	3,803	4,535
Dallas	6	40,081	34,585	40,034
El Paso	4	20,490	19,267	20,675
Fort Worth	6	20,035	17,706	20,062
Galveston	3	11,790	11,850	11,663
Houston	12	45,035	32,528	44,147
San Antonio	5	16,112	14,021	15,970
Shreveport	4	20,743	18,690	20,746
Waco	4	5,156	4,540	5,151
Wichita Falls	3	6,469	6,022	6,575
All others	55	40,782	39,232	40,753
Total	105	231,266	202,244	230,311

Discount Rates The Federal Reserve Bank of Dallas reduced its rediscount rate from 4½ to 4 per cent effective July 16th.

There is presented below the prevailing rate charged during the seven-day period ending July 15th by the commercial banks in the cities listed below.

JULY 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.....	4½-6	8	6	5-6	6-8	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.....	4½-6	6-8	5-6	4½-5	6	5-7
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).....	5-6	8	6	5-6	6-8	6-8
Rate on loans secured by prime stock exchange or other current collateral:						
(a) Demand	5-6	8	6-8	5-6	6-8	6-8
(b) Time	6-7	8	6-8	5-6	6-8	6-8
Rate on commodity paper secured by warehouse receipts, etc.....	5½-7	8	6-8	6	7-8	6-8
Rate on cattle loans.....	6-8	8-10	6-8	7-8	7-8	8

FAILURES

While the number of defaulting commercial firms declined from 58 in May to 50 in June, there was a slight increase in the aggregate indebtedness, being \$765,071 in June as against \$720,652 in May. The marked improvement over a year ago which has been in evidence during the earlier months of the current year continued during June. The failure sta-

tistics for that month compares with 97 insolvencies involving an indebtedness of \$1,293,018 during the same month last year. The insolvency record for the first half of 1924, when compared to the corresponding period of 1923, discloses a decrease of 36 per cent in the number of defaults and 71.2 per cent in the aggregate amount of the indebtedness involved.

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
May	58	720,652	78	3,779,959	1,816	36,590,905	1,530	41,022,277
June	50	765,071	97	1,293,018	1,607	34,099,031	1,358	28,678,276
Total	363	\$5,769,172	567	\$20,051,081	10,785	\$304,459,959	9,724	\$259,424,068

PETROLEUM

While the total production of crude oil in the Eleventh Federal Reserve District during the month of June declined to 13,358,331 barrels as compared to 13,396,560 barrels in May, this decline was due to the thirty-day month, as the daily average production increased 13,131 barrels during June as compared to a decrease of 2,022 barrels during May. Results of curtailed drilling programs were in evidence in June when the number of completions totalled only 493 wells as compared to 641 wells completed during May. Initial production of the successful completions showed a considerable decrease when the 339 successful wells completed netted only 85,028 barrels of new production as compared to a flush

production of 137,678 barrels from the 427 successful wells completed in May.

Total production of crude oil in Texas during June amounted to only 11,482,821 barrels, which compares to 11,696,355 barrels produced during May. However, there was an increase in daily average production of 5,460 barrels as compared to a decrease of 6,310 barrels during May. The greater portion of this increase was accounted for by the increased production in the miscellaneous fields of Texas, which have been gaining for several months, and during June much more than offset the heavy decrease registered in the Corsicana-Powell field. Texas Coastal and North Texas fields also showed

increases in daily average production. Archer County remained in the million-barrel-producer class, but showed a considerable decline from its May production.

Louisiana fields again registered substantial increases both in total and daily average production. There were 1,875,510 barrels of oil produced during June as compared to 1,700,205 during May, representing a daily average increase of 7,671 barrels, which was more than half the total increase for the

district. Numerous successful completions in the Cotton Valley district largely accounted for this showing.

Crude Oil Prices Price reductions became general throughout practically all Eleventh District fields during June when a 25-cent reduction was posted on all grades of Texas and Louisiana crude oil with the exception of Corsicana heavy and North Texas, the posted price remaining steady at these fields.

OIL PRODUCTION

Field—	June		May		INCREASE OR DECREASE	
	Total	Daily Avg.	Total	Daily Avg.	Total	Daily Average
North Texas	2,560,826	85,361	2,583,330	83,333	Dec. 22,504	Inc. 2,028
Central-West Texas	5,264,995	175,500	5,809,985	187,419	Dec. 544,990	Dec. 11,919
Texas Coastal	2,258,820	75,294	2,266,493	73,112	Dec. 7,673	Inc. 2,182
Miscellaneous fields	1,398,180	46,606	1,036,547	33,437	Inc. 361,633	Inc. 13,169
Total, Texas	11,482,821	382,761	11,696,355	377,301	Dec. 213,534	Inc. 5,460
North Louisiana	1,875,510	62,517	1,700,205	54,846	Inc. 175,305	Inc. 7,671
Totals, Eleventh District.....	13,358,331	445,278	13,396,560	432,147	Dec. 38,229	Inc. 13,131

JUNE DRILLING RESULTS

Field—	Completions	Producers	Failures	Initial Production
North Texas	228	146	82	12,723
Central-West Texas	93	70	23	23,441
Texas Coastal	70	52	18	7,781
Miscellaneous fields	22	22**	27,450
Texas Wildcats	36	13*	23	515
Totals, Texas	449	303	146	71,910
North Louisiana	44	36***	8	13,118
June totals, District.....	493	339	154	85,028
May totals, District.....	641	427	214	137,678

* Includes 2 gas wells.
 ** Includes 1 gas well.
 *** Includes 18 gas wells.

CRUDE OIL PRICES

TEXAS—	July 12,	July 12,	LOUISIANA—	July 12,	July 12,
	1924	1923		1924	1923
Corsicana light	\$1.75	\$1.00	Caddo (38 gravity and above).....	\$1.60	\$2.00
Corsicana heavy	1.00	.60	Bull Bayou (38 gravity and above).....	1.55	1.60
Texas Coastal	1.75	1.50	Homer (35 gravity and above).....	1.60	1.60
Mexia	1.75	1.00	Haynesville (33 gravity and above).....	1.50	1.45
Currie	2.00	1.00	De Soto Crude.....	1.60	1.80
North Texas (39 gravity and above).....	2.25	2.00			

(Oil Statistics Compiled by the Oil Weekly, Houston, Texas).

LUMBER

The effect of the continued decrease in new building enterprises was evident when the June operations of the Texas and North Louisiana pine mills showed more than the usual summer lull in activi-

ties. Orders received at the reporting mills decreased to 82 per cent of the normal production rate as compared to 94 per cent during May. Shipments for the month were 2 per cent below production as

compared to 3 per cent above production during May, while the actual production of the reporting mills was 14 per cent below normal, which compares to a production rate of only 4 per cent below normal during May. Stocks increased to 12 per cent below normal at the end of June as compared to 14 per cent below normal during May. Unfilled orders on the books of 49 reporting mills on June 30th amounted to 40,792,422 feet, which compares to 42,230,496 feet on the books of the same number of mills on May 31st.

JUNE PINE MILL STATISTICS

Number of reporting mills.....	49
Production	92,365,408 feet
Shipments	90,474,394 feet
Orders	88,076,146 feet
Unfilled orders June 30th.....	40,792,422 feet
Normal production	106,926,544 feet
Stocks, June 30th.....	277,388,392 feet
Normal stocks	313,905,202 feet
Shipments below production.....	1,891,014 feet= 2%
Actual production below normal..	14,561,136 feet=14%
Orders below normal production..	18,850,398 feet=18%
Stocks below normal.....	36,516,810 feet=12%

BUILDING

For the third consecutive month the valuation of new building projects launched in eleven principal cities of the Eleventh Federal Reserve District declined as compared to those of the previous month. During the month of June there were 2,561 permits issued at these cities having a valuation of \$5,441,208, which compares to 2,620 permits with a valuation of \$6,231,771 issued in May and 2,591 permits having a valuation of \$6,484,427 issued in June, 1923.

The total value of building permits issued at these cities during the first six months of 1924 amounted to \$42,862,940, as compared to \$45,652,962 during the corresponding period of 1923, representing a decrease of 6.1 per cent in the estimated cost of building projects launched this year.

BUILDING PERMITS

	June, 1924		June 1923		Inc. or Dec.	May, 1924		Inc. or Dec.	First Six Months				Inc. or Dec.
	No.	Valuation	No.	Valuation		No.	Valuation		1924		1923		
Austin.....	38	64,707	51	65,286	-.9	32	45,140	+43.3	273	637,330	348	1,132,880	-43.7
Beaumont.....	200	148,506	158	163,132	-9.0	216	167,674	-11.4	1,270	1,885,046	829	1,300,742	+6.5
Dallas.....	397	1,882,666	329	1,648,155	+14.2	365	2,726,780	-31.0	2,565	14,719,458	2,588	12,088,877	+21.8
El Paso.....	53	155,929	85	94,460	+65.1	68	192,377	-18.9	426	994,875	572	1,293,350	-23.1
Fort Worth.....	205	506,770	243	634,665	-20.2	211	784,454	-35.4	1,241	3,772,865	1,734	4,725,348	-20.2
Galveston.....	293	158,404	359	79,770	+98.6	303	157,051	+.9	1,921	1,876,612	1,902	924,624	+103.0
Houston.....	592	1,452,243	550	1,711,083	-15.1	592	999,327	+45.3	3,587	9,005,700	3,416	12,072,782	-25.4
Port Arthur.....	149	116,781	222	264,772	-55.9	156	96,515	+21.0	1,049	866,057	1,083	1,732,177	-50.0
San Antonio.....	313	361,730	301	1,009,630	-64.2	326	525,451	-31.2	2,096	4,018,655	1,997	4,996,329	-19.6
Shreveport.....	274	486,752	261	756,614	-35.7	284	424,741	+14.6	1,723	4,523,925	1,748	4,679,969	-3.3
Waco.....	47	106,720	32	56,860	-87.7	67	112,261	-4.9	372	1,062,417	282	705,884	+50.5
Total.....	2,561	5,441,208	2,591	6,484,427	-16.1	2,620	6,231,771	-12.7	16,523	42,862,940	16,499	45,652,962	-6.1

CEMENT

All activities at Portland cement mills of the Eleventh District reflected decreases during June as compared to May, but substantial increases as compared to the same month of the previous year. Production declined 5.3 per cent as compared to May, but increased 16.8 per cent over June, 1923. There were 401,000 barrels of cement shipped from the mills during June, which compared to 4440,00 barrels shipped during May, and only 368,000 barrels

shipped in June of last year. Stocks held at the mills declined 3.6 per cent as compared to those on hand at the end of May, but were 48.3 per cent greater than those held at the close of June, 1923.

Production of Portland cement increased 5.2 per cent during the first half of 1924 as compared to the corresponding period of 1923, and shipments almost kept pace with this increase, being 4.5 per cent greater than those of the same period of the previous year.

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

	June, 1924		June, 1923		Per Cent Inc. or Dec.	May, 1924		Per Cent Inc. or Dec.	First Six Months		Per Cent Inc. or Dec.
						1924	1923				
Production of Texas mills.....	390,000	334,000	+16.8	412,000	-5.3	2,229,000	2,119,000	+5.2			
Shipments from Texas mills.....	401,000	368,000	+9.0	440,000	-8.9	2,210,000	2,114,000	+4.5			
Stocks at the end of the month at Texas mills.....	298,000	201,000	+48.3	309,000	-3.6						

SUMMARY OF NATIONAL BUSINESS CONDITIONS

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

Production of basic commodities and factory employment showed further declines during June.

Trade both at wholesale and retail also decreased during the month and was in smaller volume than a year ago.

PRODUCTION

The Federal Reserve Board's index of production in basic industries adjusted to allow for seasonal variation declined about 9 per cent in June to a point 22 per cent below the level of the first two months of the year. Iron and steel and cotton manufacturing industries continued to show the most marked curtailment of activity, and decreases were general in other industries.

Factory employment decreased 3 per cent in June, the metal, auto, textile, and leather industries reporting the largest reductions in forces. Value of building contracts awarded in June was 8 per cent smaller than in May, though 4 per cent larger than in June of last year.

The condition of the corn crop on July 1st, as reported by the Department of Agriculture, was the lowest on record for that date, and indicated a probable yield of about 500,000,000 bushels less than last year. Condition of the cotton crop was recorded less satisfactory than a month earlier, while the forecast for wheat and oats was larger than in June.

TRADE

Railroad shipments decreased in June and were about 15 per cent less than a year ago, owing to smaller loadings of all classes of freight except grain and livestock. Wholesale trade showed a further slight decline in June, and was 11 per cent smaller than a year ago. Sales of hardware, drugs, shoes, and dry goods decreased, while sales of groceries and meat increased slightly. Sales of department stores and chain stores showed more than the usual seasonal decrease during June and were smaller than last year. Mail

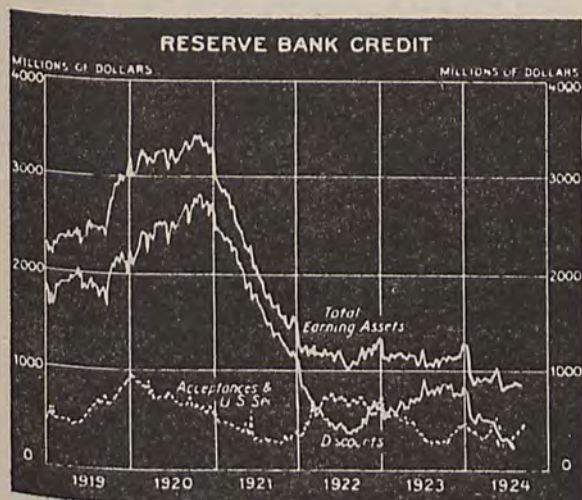
order sales in June showed less than the usual seasonal decline and were larger than a year ago. Department stores further reduced their stocks of merchandise and slightly increased their outstanding orders.

PRICES

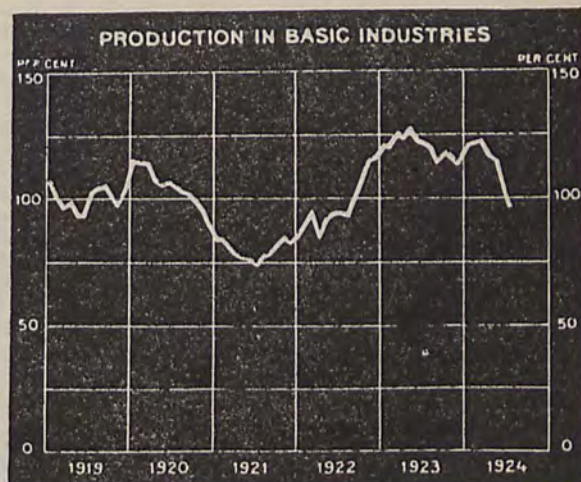
Wholesale prices as measured by the index of the Bureau of Labor Statistics, declined more than one per cent in June to a level of 5 per cent below the high point for this year. Prices of all groups of commodities except clothing showed declines and decreases were particularly large for building materials. During the first three weeks of July quotations on wheat, corn, and hogs advanced sharply, while prices of sugar, cotton goods, and iron and steel products were lower.

BANK CREDIT

Commercial loans at member banks in leading cities during June and the first two weeks of July remained at a relatively constant level considerably below the peak reached in April, while investment holdings and loans secured by stocks and bonds increased rapidly and carried total loans and investments to the high point for the year. Demand deposits, owing partly to the growth of bankers' balances at financial centers, advanced to a record level. At the reserve banks there was a continued decline in discounts and an increase in purchases of government securities in the open market. As a consequence, total earning assets in the middle of July were only slightly less than at the beginning of June. Member bank reserve balances increased rapidly, reflecting a return float of currency from circulation and further imports of gold. Total deposits at the reserve banks on July 16th were larger than at any time since the organization of the system. Money rates in July were comparatively steady, but continued to show a somewhat easier tendency, discount rates at the Federal Reserve Banks of Kansas City and Dallas were reduced during July from 4½ to 4 per cent.



Weekly figures for 12 Federal Reserve Banks. Latest figures, July 23rd.



Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figure June-94.

COTTONSEED PRODUCTS INDUSTRY

(Note: The following is the first of a series of special articles reviewing the growth and development of the cottonseed products industry and some of the financial and economic problems with which it is now confronted.)

DEVELOPMENT OF THE INDUSTRY

The cottonseed oil industry in the United States had its beginning more than a hundred years ago, but the real development of this industry did not begin until after 1880. In that year only 45 mills were in operation. However, the rapid development which occurred in the succeeding years will be seen from the following table showing the number of mills in operation during the years listed below:

COTTONSEED OIL MILLS IN THE UNITED STATES

Year	Number of Mills	Year	Number of Mills
1880	45	1913	870
1883	101	1914	882
1884	130	1915	844
1894	252	1917	728
1899	357	1918	727
1909	817	1919	703
1910	810	1920	675
1911	839	1921	560
1912	857	1922	527

Thus it will be seen that while the number of mills had increased from 45 in 1880 to 882 in 1914, there was a rapid decline in the number of operating plants during the next eight years, the number having been reduced to 527 in 1922. In 1880 only 4 mills were operating in Texas, but the number had increased to 89 in 1894, and to 229 in 1914. However, during the following nine years the number in operation was reduced by 54, leaving 175 mills in actual operation during 1923.

The utilization of cottonseed has had an interesting development and has become an important economic factor in the production of cotton. In the early days of the cotton industry the surplus of seed over planting requirements was generally considered as waste to be disposed of in the best way possible. In later years when it became evident that some attention must be given to maintaining the fertility of the soil, the seed was found to be a valuable fertilizing material. Following the Civil War there was a heavy demand for fertilizer in the eastern states of the cotton belt, and the seed were used almost universally for that purpose. Prior to the Civil War experiments were made in feeding the seed to livestock, and the satisfactory results of these experiments led to a steadily growing demand for that purpose. The crushing of the seed for oil began to assume some importance just prior to the Civil War, but developments in this direction were arrested during the war period, as is shown by the fact that in 1860 there were seven mills in operation but only four were in operation in 1867. However, in the following three years 22 additional mills were established, making a total of 26 in operation in 1870. The first refinery was established in New Orleans in 1875. The discovery in 1879 that cottonseed oil could be used in the making of compound lard gave an impetus to the industry. It should be noted that in that year more than 5 million gallons of the 7 million gallons of oil produced was exported. The new discovery brought about a heavy domestic demand with the result that in 1882 only 714,000 gallons of the 11,780,000 gallons produced went into export channels. The demand from abroad, however, had not abated. It was the heavy domestic consumption, together with the foreign demand, that led to rapid expansion of the industry following 1880.

In the beginning the extraction of the oil was the primary object, but as the industry progressed a number of commercially valuable products were developed, consisting of cake and meal, linters, and hulls. From the inception of the industry there was a steady demand for cake and meal for use both as a fertilizer and for feeding purposes. The demand for feeding purposes has greatly expanded and this product is now used as a feed for cattle, horses and mules,

sheep, swine, and poultry. It is also used in dyestuffs and from it flour is manufactured. In the early years of the industry the hulls were used solely as a fuel, practically the entire motive power of the early mills being derived from this source. This was later abandoned because it was discovered that the hulls mixed with cottonseed meal formed a feed for cattle superior to meal. There has been a steadily growing demand for the hulls for this purpose. Hulls are also used in fertilizers, in paperstock, in stuffings, and for packing. Linters, or the short fibre attached to the seed, has also become a commercially valuable product. In the improvement of the machinery for crushing the seed it was found advantageous to delint the seed more and more closely because it enabled the mills to make a better separation of the meat from the hulls, thereby preventing a considerable amount of waste. Later, as the uses and demand for linters multiplied, the closer delinting of the seed was made even more desirable because of the commercial value of this product. Linters are used as batting, wadding, stuffings for pads, cushions, comforts, horsecollars, mattresses, and upholstery, mixing with shoddy, with wool, and with lambs' wool for fleece-lined underwear, also for felt and low grade yarns used in making lamp and candle wicks, twine, rope, and carpets, also cellulose used in making writing paper and artificial silk, and as a basis for explosives.

The oil enters into the manufacture of lard compound, butter oil, cooking oil, salad oil, and oleomargarines. It is used in the packing of olives and sardines, in miners' oil, and in mixings for putty. It is also an ingredient of soap, washing powder, etc.

Thus through the evolution of the cottonseed products industry, the surplus of cottonseed over planting requirements which was once practically without value to the producer now enters into the manufacture of more than a hundred commercially valuable products, and increases the income of cotton farmers by many millions of dollars each year. The following statistics will give a conception of the rapid increase in percentage of seed crushed and in the market value of the cottonseed.

Season	COTTONSEED		Value of Total Crop	Average	
	Produced (Tons)	Crushed (Tons)		Per Cent of Crop Crushed	Value of Crop Per Ton
1874-1875	1,687,000	84,000	\$ 2,530,000	5.0	\$1.50
1879-1880	2,616,000	285,000	5,640,000	9.0	2.16
1884-1885	2,625,000	499,000	10,470,000	19.0	3.99
1889-1890	3,495,000	874,000	16,400,000	25.0	4.69
1894-1895	4,792,000	1,677,000	24,870,000	35.0	5.19
1899-1900	4,668,000	2,479,000	42,410,000	53.1	9.09
1904-1905	6,427,000	3,345,000	69,310,000	52.0	10.78
1909-1910	4,462,000	3,269,000	105,720,000	73.3	23.69
1914-1915	7,186,000	5,779,665	152,880,000	80.4	21.27
1919-1920	5,074,000	4,012,704	352,138,000	79.1	69.40
1922-1923	4,336,000	3,241,557	173,254,203	74.8	39.68

It will be noted that while only 5 per cent of the crop was crushed in 1875, the percentage has been averaging 75 per cent or above since 1915. The market value of cottonseed which averaged only \$1.50 per ton in 1875, reached a high mark of \$69.40 per ton in 1920.

Among the factors which appear to be responsible for the marked contraction that has occurred during the past four years in the number and output of American cottonseed oil mills are: (a) the excessive expansion of mill capacity in previous years, and (b) curtailment of the foreign demand for cottonseed products, due to the discovery, production and use of substitutes.

The next article will deal with the purchasing of the raw material.