

MONTHLY REVIEW OF BUSINESS AND INDUSTRIAL CONDITIONS

IN THE

ELEVENTH FEDERAL RESERVE DISTRICT FEDERAL RESERVE BANK OF DALLAS

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(Compiled October 15, 1924)

Volume 9, No. 9

Dallas, Texas, November 1, 1924

THIS COPY RELEASED FOR PUBLICATION IN AFTERNOON PAPERS

Oct. 29th

DISTRICT SUMMARY

THE SITUATION AT A GLANCE Eleventh Federal Reserve District

	September	August	Inc. or Dec.	
Bank debits to individual accounts (at 15 cities).....	\$668,351,000	\$538,029,000	Inc.	24.2%
Department stores sales.....			Inc.	59.9%
Reserve Bank loans to member banks at end of month.....	\$ 11,262,423	\$ 22,705,765	Dec.	50.4%
Reserve Bank ratio at end of month.....	68.2%	52.0%	Inc.	16.2 points
Building permit valuations at larger centers.....	\$ 6,954,132	\$ 6,980,588	Dec.	0.4%
Commercial failures (number).....	34	52	Dec.	34.6%
Commercial failures (liabilities).....	\$ 580,455	\$ 938,431	Dec.	38.1%
Oil production (barrels).....	12,911,535	13,903,398	Dec.	7.1%
Lumber orders at pine mills (per cent of normal production)..	85%	100%	Dec.	15 points

The full employment of labor, the increased activity of industrial establishments, the rise in bank deposits, and the large volume of public spending as reflected in wholesale and retail trade and in debits to individual accounts were the factors underlying the upward trend in business and industry in the Eleventh District during the past thirty days. Department store sales were not only 60 per cent greater than in August, but were 10 per cent in excess of sales during September last year. Wholesale distribution was on a broader scale than in the previous month and was well above the level of the corresponding month of a year ago. The volume of checks charged to depositors accounts evidenced a further seasonal expansion.

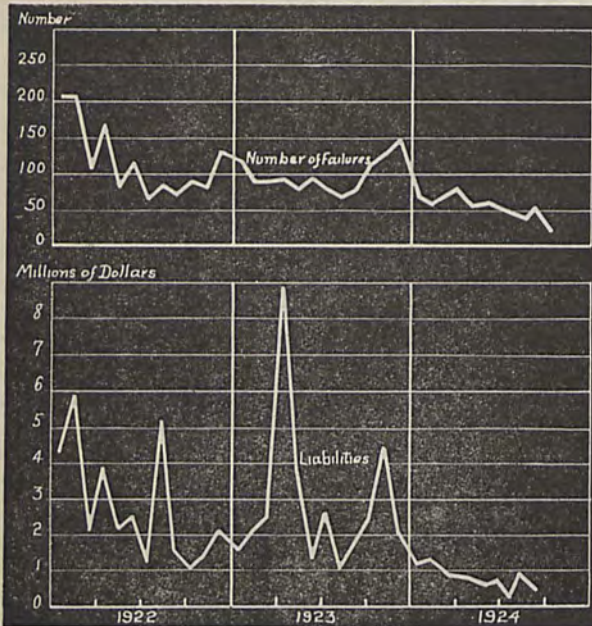
The marked improvement in the employment situation was reflected in the expansion of industrial activity and in the increased demand for agricultural labor. Building operations which have been maintained at a high level have afforded steady employ-

ment to the building crafts and the large program of road construction is absorbing a large volume of common labor. Some improvement has been noted in the textile mills where there has been an increase in working forces and operating time.

The October 1st report of the Department of Agriculture indicated a slight increase in the estimated yield of the Texas cotton crop. However, the yield in certain sections will be below last year. Due to the favorable weather conditions, the harvesting and marketing of the crop has proceeded at a rapid rate, as is shown by the fact that ginnings prior to October 1st totaled 2,273,544 bales.

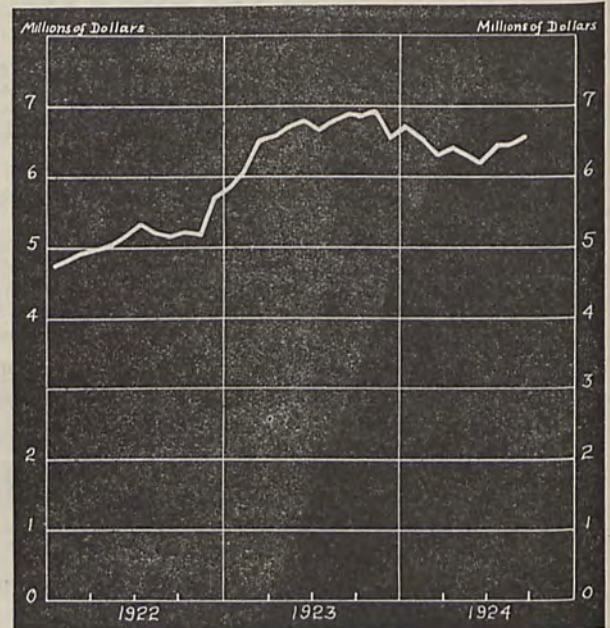
The returns from the cotton crop have enabled the farmers to liquidate or substantially reduce their indebtedness at the banks and have greatly augmented their bank balances. Member bank deposits showed a gain of \$52,000,000 between August 27th and September 24th, and the borrowings of member

COMMERCIAL FAILURES



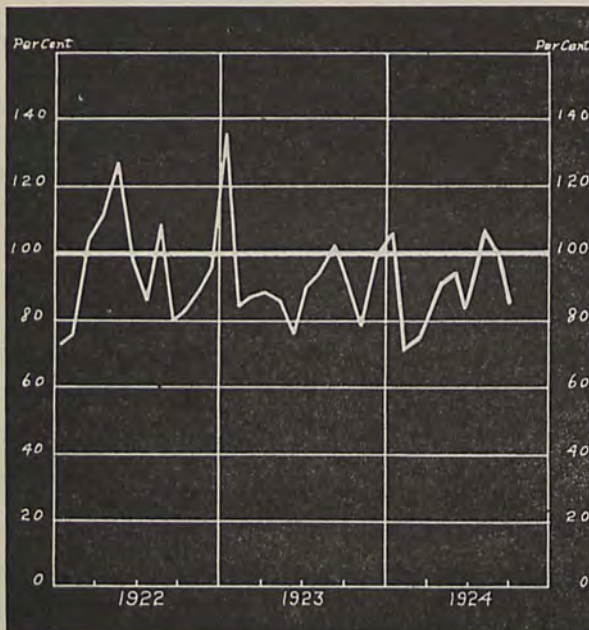
Monthly fluctuations in the number and amount of liabilities of commercial failures in the Eleventh Federal Reserve District.

BUILDING PERMIT VALUATIONS



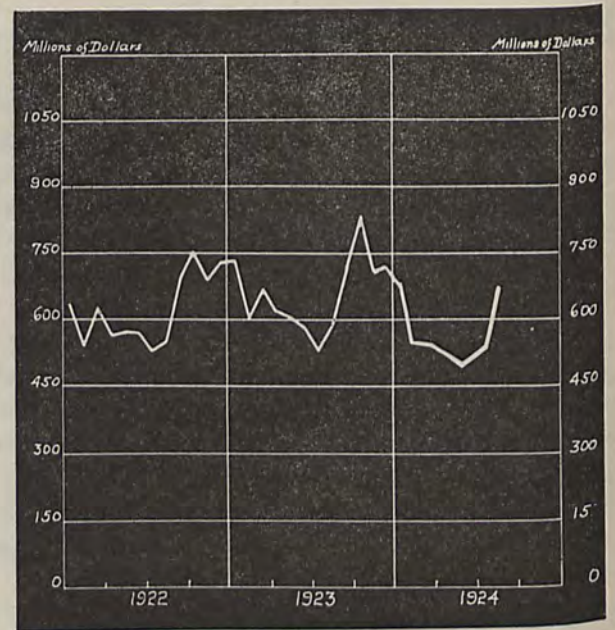
Moving average of building permit valuations at eleven cities in Eleventh Federal Reserve District.

LUMBER ORDERS AT PINE MILLS



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

DEBITS TO INDIVIDUAL ACCOUNTS



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

banks at the Federal Reserve Bank had declined to approximately \$6,700,000 on October 15th, or a net reduction of \$16,000,000 since the first of September. The rise in deposits has left the banks in an exceptionally strong cash position, and the banks have been confronted with the problem of finding a profitable outlet for these funds. This situation has been rendered exceedingly difficult due to the limited

supply of short time investments and the prevailing low rates of interest.

The statistics on commercial failures in this district disclosed the fact that there were fewer defaults during September than in any month since the summer of 1920. The indebtedness of defaulting firms was considerably less than in either the previous month or the corresponding month of last year.

CROP CONDITIONS

A general betterment in agricultural conditions followed in the wake of the moderate to heavy rains which fell over most sections of Texas during the second week in September. The rains were beneficial to most of the crops and left the soil in good condition for fall breaking and sowing. However, a few sections still lack sufficient moisture for plowing and to revive the growing crops.

The rains have had a varying effect upon the cotton crop. The premature opening of the bolls was stopped and the young bolls on the late cotton will now mature normally. Reports indicate that the bolls which have opened late are much larger than those picked early in the season. On the other hand, some losses were sustained from the open cotton being beaten out on the ground and wasted and from the lowering of the grade of the staple. Some of the bolls which were resting on the ground have rotted. Furthermore, boll worms, leaf worms, and weevils have made their appearance in greater numbers and are reported to be doing considerable damage in some of the northwestern counties. In some sections of the state reports are to the effect that it is possible for a top crop to be matured, but a top crop of any importance is still doubtful and is dependent upon the frost date as well as the activity of insects.

The condition of the Texas crop dropped one point during the last half of September, being 51 per cent of normal on October 1st as compared to 52 per cent on September 15th and 56 per cent on September 25, 1923. On the basis of the October 1st condition figure the probable yield was estimated at 4,255,000 bales, or a slight increase over the preceding estimate.

The generally fair weather following the rains has been favorable to the rapid gathering of the crop. That good progress is being made in this respect is shown by the fact that on October 1st the ginnings from the Texas crop totaled 2,273,544 bales, as compared to 2,185,219 bales ginned prior to Sep-

tember 25th last year. This amount is greatly in excess of ginnings prior to September 25th of previous years. Cotton in all sections, except the west and north-west, is practically all open. Many fields in Northeast and East Texas have been picked and the stock turned into the fields. In portions of South Texas picking has been completed. In Northern Louisiana the cotton crop is poor and the rains have brought little relief. The crop in Southeastern Oklahoma is fairly good but the yield generally is not proving as satisfactory as was expected earlier in the season.

The greatest drawback to the gathering of the crop has been the lack of pickers. While this condition has to a certain extent been relieved in most sections, the shortage is still acute in the Northwest.

Substantial improvement has been noted in the condition of grain sorghums and hay crops. The condition of grain sorghums in Texas on October 1st was placed at 87 per cent of normal, which indicates a yield of 57,018,000 bushels, or an increase of approximately 2,500,000 bushels over the prospective yield on September 1st. In the Northwest a large proportion of the crop is in excellent condition, and in other sections it is either growing well or is being harvested. However, some of the early crop made small heads and the outcome of the very late crop is dependent upon the frost date. In the southern part of the state the crop was generally good and was harvested in good shape. Since the rains it is generally expected that a further cutting of sorghum, sudan, alfalfa, Johnson grass, and Bermuda will be possible. However, the yield of hay crops this year was reduced by the long drouth.

There has been no change in the indicated yield of corn, which was placed at 79,232,000 bushels on September 1st. With the exception of South Texas, very few good yields were made this year. In some places the crop has been mostly harvested, but in others a large percentage of the crop is still in the fields.

Cotton Movements. Reflecting the rapid marketing of the Texas cotton crop, receipts of cotton at Texas ports were heavy during the month of September. Receipts at Galveston amounted to 568,389 bales as compared to 137,377 bales in August, and 600,614 bales in September a year ago. While Galveston exports showed a substantial increase over the previous month, they fell far short of those during the corresponding month of 1923. September exports totaled 382,799 bales as against 54,547 bales in August and 566,067 in September, 1923. Stocks of cotton at Galveston totaled 310,949 bales on September 30th this year as against 193,916 on the corresponding date of 1923.

Both receipts and exports at Houston during September reflected a substantial increase over those of the previous month and the corresponding month of 1923. The net receipts for September amounted to 509,779 bales as compared to 110,674 bales in August and 449,857 bales in September a year ago. September exports totaled 200,261 bales as against 65,205 in August and 193,906 in September last year.

Exports from all United States ports during August and September totaled 837,788 bales as compared to 962,345 during the corresponding period of 1923.

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON

	September 1924	September 1923	Aug. 1st to Sept. 30th	
			This Season	Last Season
Net receipts.....	568,389	600,614	705,766	824,480
Exports	382,799	566,067	437,346	653,160
Stocks, Sept. 30th..			310,949	193,916

GALVESTON STOCK STATEMENT

	Sept. 30, 1924	Sept. 30, 1923
For Great Britain	25,500	1,758
For France	16,000	900
For other foreign ports.....	48,100	6,850
For coastwise ports	4,000	2,000
In compresses	217,349	182,408
Total	310,949	193,916

HOUSTON COTTON MOVEMENTS

	September 1924	September 1923	Aug. 1st to Sept. 30th	
			This Season	Last Season
Receipts—gross	853,883	793,106	1,060,360	1,104,153
Receipts—net	509,779	449,857	620,453	639,780
Exports	200,261	193,906	265,466	260,966
Stocks, Sept. 30th..			303,660	304,340

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

	This Season	Last Season
Receipts since Aug. 1st.....	1,413,665	1,408,535
Exports: Great Britain.....	294,787	341,968
France	121,608	159,686
Continent	374,478	411,917
Japan-China	46,815	48,774
Mexico	100	
Total foreign ports..	837,788	962,345
Stocks at all U. S. ports, Sept. 30th	606,695	429,033

SPOT COTTON PRICES

(Middling Basis)

	September, 1924		Oct. 15, 1924
	High	Low	
New York	26.10	22.15	23.40
New Orleans	24.90	20.95	22.15
Dallas	23.90	20.25	21.50
Houston	24.75	21.10	22.30
Galveston	24.90	21.20	22.35

Cotton Consumption. A marked increase in the consumption of cotton was registered during the month of September. The amount consumed in September reflected an increase of 21.8 per cent over August and was only 11.6 per cent less than in the corresponding month last year. Consumption during September, 1923, was 1.4 per cent less than the amount consumed in August, 1923. The total consumption for September this year amounted to 435,216 bales as compared to 357,455 bales in August and 485,665 bales in September last year.

COTTON CONSUMED AND ON HAND

	COTTON GROWING STATES				UNITED STATES			
	September 1924	September 1923	Aug. 1st to Sept. 30th		September 1924	September 1923	Aug. 1st to Sept. 30th	
			This Season	Last Season			This Season	Last Season
Cotton consumed	303,478	327,260	551,244	656,269	435,216	485,665	792,671	978,148
Cotton on hand at end of September—								
(a) in consuming establishments.....			240,574	373,400			514,537	772,632
(b) in public storage and compresses.....			2,002,473	2,019,963			2,072,956	2,147,012

COTTONSEED PRODUCTS

Increased activity in the cottonseed products industry was in evidence during September when the Texas mills crushed 161,000 tons of cottonseed as compared to 42,000 tons in August and 164,000 tons in September a year ago. These mills produced 45,534,000 pounds of crude oil as against 11,343,000 pounds in August and 45,150,623 in September, 1923.

Reports received by this bank from 100 mills located in the Eleventh District showed that they received 202,523 tons of cottonseed for which they paid an average price (including freight) of \$33.92 per ton. During the month of September these mills shipped 28,883,062 pounds of oil at an average price (f. o. b. mill) of \$.0917 per pound. There were 46,988 tons of cake and meal and 16,574 tons of hulls shipped during the month. The cake and meal was sold at an average price of \$36.61 per ton, and hulls brought an average price of \$9.80 per ton. These mills sold 5,261,596 pounds of linters at an average price of \$.0514 per pound.

(NOTE: The fourth of the 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 will appear in the December 1st issue of the Review. This article will deal with Competitive Products.)

COTTONSEED PRODUCTS SHIPPED DURING SEPTEMBER, AND AVERAGE PRICE RECEIVED

	Shipped	Average Price F. O. B. Mill
Crude oil	28,883,062 lbs.	\$.0917 per lb.
Cake and meal.....	46,988 tons	36.61 per ton
Hulls	16,574 tons	9.80 per ton
Linters	5,261,596 lbs.	.0514 per lb.

COTTONSEED RECEIVED DURING SEPTEMBER

	Average Price (inc. freight)
Cottonseed received	202,523 tons \$33.92 per ton

STATISTICS OF COTTONSEED AND COTTONSEED PRODUCTS

	TEXAS		UNITED STATES	
	Aug. 1st to Sept. 30th		Aug. 1st to Sept. 30th	
	This Season	Last Season	This Season	Last Season
Cottonseed received at mills (tons).....	424,000	523,000	736,000	713,000
Cottonseed crushed (tons).....	203,000	218,000	377,000	304,000
Cottonseed on hand (tons).....	232,000	313,000	380,000	422,000
Crude oil produced (pounds).....	56,877,000	60,068,391	109,678,000	85,651,931
Cake and meal produced (tons).....	95,000	101,013	174,000	140,310
Hulls produced (tons).....	59,000	64,627	107,000	87,940
Linters produced (500-lb. bales).....	37,000	40,618	70,000	57,517
Stock on hand, Sept. 30th				
Crude oil (pounds).....	11,554,000	9,004,196	23,935,000	18,421,676
Cake and meal (tons).....	17,000	20,703	48,000	47,351
Hulls (tons).....	34,000	26,212	62,000	38,740
Linters (500-lb. bales).....	20,000	16,131	66,000	35,596

LIVESTOCK

The condition of Texas ranges and livestock has shown a material improvement during the past month. The September rains, which were general in all but a few scattered counties, stimulated the growth of grass and weeds. This improvement in the ranges augurs well for good grazing conditions during the winter months. According to the report of the Department of Agriculture there was a gain of 5 points in the condition of Texas ranges during the month, the condition figures being 81 per cent of normal on October 1st as against 76 per cent on September 1st. In September a year ago range conditions advanced 12 points and were estimated at 90 per cent on October 1st. The condition of cattle was 84 per cent on October 1st this year, as com-

pared to 80 per cent on September 1st and 90 per cent on October 1, 1923. Reports indicate that most of the cattle are in a strong healthy condition. The sheep and goat ranges advanced 17 points in September this year, which compares to a gain of 13 points in the same month of 1923. On October 1st the condition of sheep averaged 89 per cent of normal, or an improvement of 7 points during the month.

In Arizona and New Mexico the scarcity of rainfall is causing the ranges to deteriorate in some sections, particularly in Southeastern Arizona and in Southwestern and Southeastern New Mexico. There has been no relief from the drouth around Carlsbad and reporters state that it will be necessary to move

out many cattle or they will die from starvation. The supply of stock water is also low in some localities. The general condition of livestock is reported to be from fair to good.

Movements and Prices. September witnessed a heavy movement of livestock to the Fort Worth market, the month's receipts of all classes of livestock being greater than those of the previous month. The number of cattle yarded totaled 110,700 head, which was greatly in excess of receipts in August, and was the largest number received in any September since 1918. There were 45,321 head of calves which reached the Fort Worth market, the supply being the most voluminous of the year to date. The receipts of hogs and sheep showed a large decline from those yarded in September last year.

The cattle market was very uneven during the past month. During the second week of September, when liberal receipts were offered, prices suffered a severe decline, but when receipts became more moderate the market gained most of the losses. Cattle prices at the close of the month were well in line with those at the close of August. The demand for light calves was usually above the available receipts and the market was supported at a very satisfactory level. The best vealers ranged around \$7.60, but the good heavy calves usually brought \$5.25 to \$5.50. There was a good demand for hogs and the market was strong throughout the month.

At the close the month's top price of \$10.20 was being paid for the best offerings. During the second week of October the market rose to \$11.35, the highest point reached since August, 1921.

Although sheep and lamb prices slumped early in September, the market regained most of the decline before the end of the month. The supply of sheep for local use was limited as the larger portion of the month's arrivals were feeders en route to other centers. Good wethers sold as high as \$7.25, and lambs sold up to \$11.50. However, at the close of the month sheep were going at \$6.25 and lambs at \$11.00.

FORT WORTH LIVESTOCK RECEIPTS

	September 1924	September 1923	Loss or Gain	August 1924	Loss or Gain
Cattle	110,700	87,814	G 22,886	99,343	G 11,357
Calves	45,321	34,992	G 10,329	36,368	G 8,953
Hogs	24,997	42,670	L 17,673	20,325	G 4,672
Sheep	36,812	53,306	L 16,494	29,768	G 7,044

COMPARATIVE TOP LIVESTOCK PRICES

	September 1924	September 1923	August 1924
Beef steers	\$ 7.10	\$ 7.75	\$ 7.75
Stocker steers.....	5.50	6.50	5.00
Butcher cows.....	5.00	4.75	4.75
Stocker cows.....	3.00	3.50	3.50
Calves	7.50	7.50	7.50
Hogs	10.20	9.65	10.30
Sheep	7.25	8.50	8.30
Lambs	11.50	13.00	12.50

TEXTILE MILLING

Although some improvement was noted in the textile industry during September, conditions are still generally unsatisfactory. There seems to be a better demand for goods and some mills report that the trend of prices is upward, but the wide variation in the raw cotton market has restricted the buying of cotton goods and has impeded the revival of the industry.

The reporting mills consumed 1,996 bales of cotton in September as compared to 1,882 bales in August and 2,659 bales in September a year ago. There were 81,364 spindles active during September as against 69,844 during the previous month and 76,992 in the same month of 1923. These mills produced 979,919 pounds of cloth during the month, which was an increase of 5.3 per cent over the previ-

ous month, but a decrease of 27 per cent from September last year. The unfilled orders on hand at the close of September showed an increase over those on hand at the end of August, but were less than half the amount on hand at the end of September, 1923. Stocks on hand at the end of the month were substantially greater than those on hand at the end of either the previous month or the corresponding month last year.

TEXTILE MILLING STATISTICS

	September 1924	August 1924	September 1923
Number bales cotton consumed	1,996	1,882	2,659
Number spindles active.....	81,364	69,844	76,992
Number pounds cloth produced	979,919	931,002	1,342,695

WHOLESALE TRADE

A perceptible broadening in demand was noted for merchandise in the several lines of wholesale trade during September. Sales in all reporting lines of trade showed a gain over a year ago, and dry goods was the only line in which September sales did not exceed those of the previous month. There has been an active consumptive demand for practically all kinds of seasonable goods, and the heavy buying in retail channels has been promptly reflected in the improved buying at wholesale. Nevertheless, conservatism and buying for immediate needs are still the ruling factors in the policy of the retailer.

While both wholesalers and retailers are generally optimistic regarding the future outlook for trade, there are still some elements in the situation which are not altogether reassuring. In certain sections the cotton crop has been short and the returns have been correspondingly small. The erratic cotton market is not only restricting the movement of goods, but is making it difficult to accurately gauge the ultimate purchasing power of the farmer. Furthermore, the limited supply of feed in the hands of the cotton farmers indicates that they must use a portion of the profits from the cotton crop with which to buy feed to make the 1925 crop.

Collections generally have not come up to expectations. In some lines they have been good, but in other lines dealers state that they have been poor and unsatisfactory.

Dry Goods. The movement of dry goods at wholesale continued on a large scale during the past month. Although the September sales were 12.6 per cent less than in August, they were 1.2 per cent greater than in September last year. The decline from the previous month was due to the fact that the August sales were unusually large. It will be noted that sales during the three months (July 1st to September 30th) were 6.4 per cent greater than those during the corresponding period of 1923.

While the retailers bought heavily at the opening of the season, the consumer demand has been large, and this in turn has made it necessary for the retailers to make many replacement orders. While the amount of the individual reorder sales has usually been small, they have been received at frequent intervals. Consequently the aggregate volume of business has been large. While buying has been mainly for current or nearby requirements, some dealers report that forward orders for holiday business are beginning to appear.

Farm Implements. The September distribution of farm implements at wholesale was maintained at approximately the same level as during the two previous months. The sales of five firms averaged five-tenths of one per cent greater than in August, but were 7.6 per cent larger than sales in September a year ago.

While the buying demand may be characterized as fair, the distribution of implements is not as satisfactory as was generally expected earlier in the season. The short cotton crop in some sections has restricted purchases and the wide fluctuations in the cotton market have placed an uncertain aspect upon the farmers' purchasing power. This in turn has retarded buying. Furthermore, the favorable weather conditions, which have enabled farmers to make rapid progress with the gathering of the cotton, has had a tendency to induce the farmers to proceed as rapidly as possible with the picking of the crop. This condition has naturally delayed buying to some extent. However, the dealers are expecting a general improvement in trade as soon as the cotton crop has been gathered and marketed.

Drugs. A marked improvement in the demand for drugs at wholesale was in evidence during September, when the net sales of seven reporting firms reflected a gain of 11.1 per cent over sales during the previous month, and 8.3 per cent over sales in September, 1923. Sales during the third quarter of the present year averaged 6.3 per cent greater than those during the corresponding quarter of last year.

Although there has been an active demand for drugs, the retailers continued to pursue a conservative buying policy. Consequently purchases are being made largely to cover immediate needs, and retailers show little inclination to cover future requirements. Reports indicate that there has been some forward buying on Christmas goods, but the volume of this business has been relatively small. Some dealers report that collections have been fair, but others report them to be slow.

Groceries. A further increase in the distribution of groceries was noted during the past month. The September sales of eleven reporting firms were 15.2 per cent larger than August sales and were 1.9 per cent in excess of sales during the corresponding month of 1923. While the increase over a year ago was small, it will be recalled that there was an unusually active demand for groceries last fall.

The buying demand has been good in most sections, due to full employment of labor and the high prices being paid for gathering the cotton crop. However, the outlook for future trade in the sections where the returns from the cotton crop have been small is not promising. Prices remained firm, there being no material changes during the past month.

Hardware. The active demand for hardware, which materialized in August, continued throughout September. The sales of report-

ing firms reflected an increase of 9 per cent over the previous month and were 12 per cent greater than in September a year ago. The demand for builders' hardware has continued active in response to the continuance of large building programs.

While trade conditions are generally good, the retailers are making purchases on a conservative basis and do not appear to be extending their commitments very far beyond well defined needs.

Prices have experienced some downward revisions, but no radical changes have been reported.

CONDITION OF WHOLESALE TRADE DURING SEPTEMBER, 1924

Percentage of Increase or Decrease in

	Net Sales September, 1924 Compared With		Net Sales July 1st to Date Compared With Same Period Last Year	Stocks September, 1924 Compared With	
	September 1923	August 1924		September 1923	August 1924
Groceries	+ 1.9	+15.2	+ 5.9	+14.0	+10.9
Dry Goods.....	+ 1.2	-12.6	+ 6.4	+ 7.2	- 9.7
Farm Implements.....	+ 7.6	+ .5	+16.7	+16.1	+10.3
Drugs	+ 8.3	+11.1	+ 6.3	+ 2.6	+ 2.4
Hardware	+12.0	+ 9.0	- 4.2	-11.1	- 4.0

RETAIL TRADE

A pronounced revival from the summer inactivity characterized the month's trade developments in the retail channels of distribution. The demand for fall merchandise took on a new impetus early in September when the first cool weather of the season made its appearance. The sales of twenty-three reporting department stores reflected a gain of 59.9 per cent over August and were 9.7 per cent greater than sales during September a year ago. Sales during the three months' period ending September 30th were 6.5 per cent greater than those during the corresponding period of 1923.

Stocks on hand at the end of September were 6.2 per cent greater than those on hand at the close of August, and practically the same as at the close of September last year. The ratio of stocks to sales

during the three months' period (July 1st to September 30th) was 521.4 per cent as compared to 545.9 per cent during the same period last year, indicating that the department stores have obtained a better turnover of stock this year.

The ratio of outstanding orders to last year's purchases at the close of September was 8.5 per cent as compared to 9.9 per cent at the close of August and 8.8 per cent at the close of September last year.

Collections showed a substantial improvement over both the previous month and the same month last year. The ratio of September collections to accounts receivable on September 1st was 36.6 per cent as compared to 32.7 in August and 33.7 in September, 1923.

BUSINESS OF DEPARTMENT STORES

	Dallas	Ft. Worth	Houston	All Others	Total District
Total Sales—					
Sept., 1924, compared with Sept., 1923.....	+ 4.4	+ 6.2	+ 9.5	+ 17.7	+ 9.7
Sept., 1924, compared with Aug., 1924.....	+ 80.2	+ 48.5	+ 42.7	+ 53.5	+ 59.9
July 1st to date compared with same period last year..	+ 3.3	+ 1.5	+ 6.6	+ 12.3	+ 6.5
Credit Sales—					
Sept., 1924, compared with Sept., 1923.....	+ 6.5	+ 13.5	+ 7.6	+ 18.5	+ 11.1
Sept., 1924, compared with Aug., 1924.....	+ 88.3	+ 77.6	+ 67.0	+ 66.8	+ 77.0
July 1st to date compared with same period last year..	+ 6.3	+ 7.6	+ 5.7	+ 13.4	+ 8.7
Stocks—					
Sept., 1924, compared with Sept., 1923.....	+ 1.3	+ .3	+ .7	None	+ .6
Sept., 1924, compared with Aug., 1924.....	+ 1.3	+ 7.9	+ 6.2	+ 10.8	+ 6.2
Ratio of stocks to sales.....	531.8	617.4	463.8	493.3	521.4
Ratio of outstanding orders to last year's purchases.....	8.3	7.3	9.1	9.3	8.5
Ratio of September collections to Accounts Receivable, due and outstanding Sept. 1, 1924.....	34.7	36.2	35.4	39.8	36.6

FINANCIAL

The volume of payments by check at fifteen of the principal cities of the Eleventh District reflected a seasonal increase of 24.2 per cent during the month of September as compared to August, but

declined 6.4 per cent as compared to the corresponding month last year. The total charges to depositors' accounts during September at these cities amounted to \$668,351,000 as compared to \$538,029,000 in August and \$713,856,000 in September, 1923.

CHARGES TO DEPOSITORS' ACCOUNTS

	September, 1924	September, 1923	Inc. or Dec.	August, 1924	Inc. or Dec.
Albuquerque	\$ 8,263,000	\$ 8,568,000	— 3.6	\$ 9,343,000	—11.6
Austin	21,020,000	18,291,000	+14.9	13,385,000	+57.0
Beaumont	15,050,000	14,564,000	+ 3.3	15,624,000	— 3.7
Corsicana	8,242,000	10,207,000	—19.3	6,112,000	+34.8
Dallas	190,790,000	184,133,000	+ 3.6	145,100,000	+31.5
El Paso	29,523,000	24,656,000	+19.7	29,800,000	— .9
Fort Worth	75,385,000	67,012,000	+12.5	62,595,000	+20.4
Galveston	54,929,000	128,501,000	—57.3	44,724,000	+22.8
Houston	153,080,000	146,282,000	+ 4.6	113,323,000	+35.1
Roswell	2,245,000	2,273,000	— 1.2	2,234,000	+ .5
San Antonio	36,755,000	32,153,000	+14.3	35,406,000	+ 3.8
Shreveport	32,446,000	31,895,000	+ 1.7	30,281,000	+ 7.1
Texarkana	8,173,000	9,541,000	—14.3	7,450,000	+ 9.7
Tucson	7,207,000	6,987,000	+ 3.1	6,992,000	+ 3.1
Waco	25,243,000	28,793,000	—12.3	15,660,000	+61.2
Total, 11th District.....	\$668,351,000	\$713,856,000	— 6.4	\$538,029,000	+24.2

Acceptance Market. The volume of acceptances executed by accepting banks of this district and which were outstanding on the last day of the month was substantially above the figures reported on August 31st, the total amount outstanding on the latter date being \$540,350.27, as compared to \$1,552,902.57 on September 30th. Acceptances based on import and export transactions rose from \$131,480.97 on August 31st to \$992,419.57 on September 30th, and those executed against domestic shipment and storage of goods increased from \$408,869.30 on August 31st to \$560,483.00 on the last day of September.

The investments of the Federal Reserve Bank of Dallas in open market purchases (bankers' acceptances) increased from \$2,001,494.11 on August 31st to \$4,026,201.00 on September 30th.

Operations of the Federal Reserve Bank. A heavy liquidation in the loans to member banks was the outstanding feature in the operations of the Federal Reserve Bank during the month of September. Loans at the end of the month were only \$11,262,423.15 as compared to \$22,705,765.64 on the last day of August, which represents a net decrease of over 50 per cent from the loans carried on the latter date. Furthermore, it should be noted that this liquidation was well distributed throughout the district. That the liquidation of loans at member banks has been effected at a rapid

rate is indicated by the fact that 133 banks completely liquidated their indebtedness with the Federal Reserve Bank during September and other borrowers substantially reduced their lines.

The total volume of bills held declined from \$24,707,259.75 on August 31st to \$15,288,624.15, the amount on the latter date being distributed as follows:

Member banks' collateral notes secured by U. S. Government obligations.....	\$ 1,113,800.00
Rediscounts and all other loans to member banks	10,148,623.15
Open market purchases (Bankers' acceptances)	4,026,201.00
Total bills held.....	\$15,288,624.15

The seasonal need for currency was reflected in a further increase in the circulation of Federal reserve notes. The amount of these notes in actual circulation on September 30th was \$52,616,902, which exceeds by \$7,175,240 the amount in circulation on August 31st, but is a decrease of \$2,239,975 from the total amount in circulation on September 30th last year. It will be noted that the increase in September this year compares to an increase of \$12,744,010 during the corresponding month of 1923.

Our member banks, on account of the increased deposits resulting from the movement of the cotton crop, have been maintaining a larger reserve with the Federal Reserve Bank. Consequently, the re-

serves carried by all member banks on September 30th were \$5,086,951.09 greater than on the last day of August. These deposits, which amounted to \$53,-283,858.24 on September 30th, were also \$1,154,-069.52 greater than on the corresponding date of 1923. The improvement of the reserves combined with the heavy liquidation of loans has strengthened the cash reserves of the Federal Reserve Bank, with the result that the ratio of cash reserves to the combined deposits and note liabilities increased from 52 per cent on August 31st to 68.2 per cent on September 30th.

Condition of Member Banks in Selected Cities. Due to the increased movement of cotton and the expansion in business and industrial activity, the demand for bank credit became more pronounced during September, as is shown by the fact that 51 reporting member banks

increased their loans to the extent of \$3,393,000 between September 3rd and October 1, 1924. Demand deposits showed the usual seasonal increase during the month, being \$233,272,000 on October 1st as compared to \$216,860,000 on September 3rd. Due to the increase in deposits, these banks were able to finance their customers and at the same time reduce their obligations at the Federal Reserve Bank. Consequently their bills payable and rediscounts at the Federal Reserve Bank decreased rapidly during the month, being \$1,670,000 on October 1st as compared to \$7,776,000 on September 3rd. Furthermore, these banks increased their investments \$3,345,000 during the same period. The ratio of loans to deposits was 91 per cent on October 1st as compared to 96 per cent on September 3rd and 91 per cent on October 3, 1923.

CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES

	Oct. 1, 1924	Oct. 3, 1923	Sept. 3, 1924
1. Number of reporting banks.....	51	52	51
2. U. S. securities owned.....	\$ 46,010,000	\$ 55,426,000	\$ 43,895,000
3. All other stocks, bonds and securities owned.....	16,255,000	11,275,000	15,025,000
4. Loans secured by U. S. Government obligations.....	3,339,000	2,938,000	3,197,000
5. Loans secured by stocks and bonds other than U. S. Government obligations.....	59,215,000	57,363,000	59,134,000
6. All other loans.....	209,017,000	211,728,000	205,624,000
7. Net demand deposits.....	233,272,000	234,725,000	216,860,000
8. Time deposits.....	89,423,000	76,027,000	90,604,000
9. Reserve with Federal Reserve Bank.....	26,962,000	25,695,000	25,404,000
10. Bills payable and rediscounts with Federal Reserve Bank.....	1,670,000	7,822,000	7,776,000
11. Ratio of loans * to net demand deposits.....	91%	91%	96%

* Loans include only items 4 and 6.

Deposits of Member Banks. The net demand deposits of all member banks in the Eleventh District on September 24th amounted to \$562,283,000 as compared to \$510,092,000 on August 27th, and \$574,421,000 on September 26, 1923. It is to be noted that there was an increase of \$52,191,-000 in these deposits over those of August 27th,

but a decrease of \$12,138,000 from September 26th last year. Although the time deposits of these banks remained practically steady during September, the increase over the amount reported on September 26th last year more than offset the decrease in demand deposits, with the result that there was an increase in combined deposits of \$8,650,000.

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
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.....	512,565	157,153	154,458	18,554	90,265	27,775	104,316	51,860	163,526	58,964
July 23, 1924.....	502,763	157,714	150,791	19,029	87,191	27,977	101,102	51,851	163,679	58,857
Aug. 27, 1924.....	510,092	160,201	155,872	18,572	87,123	27,815	100,532	51,614	166,565	62,200
Sept. 24, 1924.....	562,283	160,260	183,227	18,085	93,659	27,944	107,319	52,767	178,078	61,464

Discount Rates.

There is presented below the prevailing rate charged during the seven-day period ending October 11th by the commercial banks in the cities listed below.

OCTOBER 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.....	4-6	8	6	5-6	6-7	6
(b) Running 4-6 months.....	4-6	8	6	5-6	6-8	6
Rate charged on loans to other banks, secured by bills receivable.....	4-6	6-8	6	4½-5	6	5-6
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).....	5-6	7-8	6	5-6	6	6
Rate on loans secured by prime stock exchange or other current collateral:						
(a) Demand	6	8	6-8	5-6	6-8	6
(b) Time	6-7	8	6-8	5-6	6-8	6-7
Rate on commodity paper secured by warehouse receipts, etc.....	5-6	8	6-8	5-6	6-8	6-7
Rate on cattle loans.....	7-8	8-10	6-8	6-8	7-8

Savings Deposits.

The savings deposits of 116 reporting banks in this district on September 30th amounted to \$102,144,589, as compared to \$100,647,885 on August 31st, and \$91,444,814 on September 30th last year. The increase in savings during September amounted to

1.5 per cent and the increase over last year 11.7 per cent. The savings depositors of 108 reporting banks on September 30th were 240,797, which compares to 239,237 on August 31st, and 213,467 on September 30, 1923.

SAVINGS DEPOSITS

	Number of Reporting Banks	Sept. 30, 1924	Sept. 30, 1923	Inc. or Dec.	Aug. 31, 1924	Inc. or Dec.
Beaumont.....	4	\$ 2,429,058	\$ 2,160,671	+12.4	\$ 2,468,913	-1.6
Dallas.....	6	12,420,318	10,774,911	+15.3	12,328,945	+ .7
El Paso.....	4	6,963,329	6,426,875	+ 8.3	6,993,528	- .4
Fort Worth.....	6	5,157,764	4,781,952	+ 7.9	5,122,075	+ .7
Galveston.....	3	7,555,290	6,881,089	+ 9.8	7,262,952	+4.0
Houston.....	13	21,300,601	19,021,857	+12.0	21,183,933	+ .6
San Antonio.....	6	10,282,043	9,441,708	+ 8.9	10,170,562	+1.1
Shreveport.....	5	11,199,495	9,226,977	+21.4	11,116,763	+ .7
Waco.....	5	3,081,955	2,520,031	+22.3	3,099,068	- .6
Wichita Falls.....	4	1,435,374	1,775,430	-19.2	1,541,831	-6.9
All other.....	60	20,319,367	18,433,313	+10.2	19,359,315	+5.0
Total.....	116	\$102,144,589	\$91,444,814	+11.7	\$100,647,885	+1.5

NUMBER OF SAVINGS DEPOSITORS

	Number of Reporting Banks	Sept. 30, 1924	Sept. 30, 1923	Aug. 31, 1924
Beaumont.....	3	4,728	4,011	4,689
Dallas.....	6	41,089	34,445	40,799
El Paso.....	4	21,160	19,579	21,006
Fort Worth.....	6	19,417	16,810	19,258
Galveston.....	3	12,497	12,010	12,207
Houston.....	12	45,686	37,194	45,303
San Antonio.....	6	21,420	18,793	21,257
Shreveport.....	4	21,286	19,043	21,152
Waco.....	5	5,905	5,256	5,871
Wichita Falls.....	3	6,464	6,184	6,459
All others.....	56	41,145	40,142	41,236
Total.....	108	240,797	213,467	239,237

FAILURES

September commercial failure statistics for the Eleventh Federal Reserve District, as compiled by R. G. Dun & Company, reflected a decrease in both the number of defaults and the liabilities involved as compared to last month and the corresponding month a year ago.

There were 34 insolvencies in September with total liabilities amounting to \$580,455, as compared to 52 defaults in August with a total indebtedness of \$938,431, and 79 mortalities in September, 1923, with liabilities of \$1,757,766. It is to be noted that

the fewest number of failures were recorded in September of any month during 1924.

The total number of failures and the liabilities involved during the first nine months of 1924 shows a large decrease compared to the same period of 1923.

The combined statistics of all Federal reserve districts shows a decline in September compared with August in both the number of defaults and the amount of indebtedness involved, but the mortality record for the first nine months of 1924 is still much greater than for the same period of 1923.

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
July	40	242,424	81	2,576,000	1,615	36,813,238	1,231	35,721,188
August	52	938,431	68	1,020,596	1,520	55,153,981	1,319	34,334,722
September	34	580,455	79	1,757,766	1,306	34,296,276	1,226	28,698,649
Total	489	\$7,530,482	795	\$25,405,443	15,226	\$430,723,454	13,500	\$358,178,627

PETROLEUM

Production of crude oil in the Eleventh Federal Reserve District registered a large decrease during the month of September, when only 12,911,535 barrels of oil were produced as compared to 13,903,398 barrels in August. That this decrease is not to be accounted for by the thirty-day month is evident from the fact that there was a decrease of 18,111 barrels in the daily average production as against an increase of 8,299 barrels during August. Drilling programs showed more evidence of curtailment than has been the case for several months. There were only 291 wells completed during September, of which 178 were producers with an initial flow of 45,955 barrels, which compares to 432 completions during August, of which 287 were successful and netted a flush production of 77,791 barrels.

All Texas fields showed decreases in total production during September, but the miscellaneous group was responsible for the major portion of the decline, as production at the Luling field alone decreased approximately 500,000 barrels. The Central-West Texas fields showed a slight increase in daily average production, but this was more than offset by decreases at other fields. The total production for Texas amounted to 11,051,725 barrels in September

as compared to 11,948,452 barrels in August, reflecting a decline of 17,042 barrels in the daily average output. There were only 251 wells completed in Texas during September, of which 151 were producers and yielded an initial production of 41,757 barrels, as compared to 374 completions in August, of which 243 were successful and netted 59,797 barrels of new production.

Louisiana production of oil also showed a decrease both in the total and daily average output. There were 1,859,810 barrels of oil produced in September as against 1,954,946 barrels in August, or a decrease of 1,069 barrels in daily average production. Only 40 new wells were completed during September, of which 14 were producers of oil and 13 were gas wells, while in August there were 58 wells completed, of which 30 were producers and 14 were gas wells. There were 4,198 barrels of new production added in September, as against 17,994 barrels in August.

Crude Oil Prices.

Further price reductions were posted at all Eleventh District fields during September on all grades of crude oil with the exception of Caddo and Corsicana heavy. Prices on Corsicana light, Texas Coastal,

Mexia, and Currie oils were cut ten cents per barrel; Bull Bayou and De Soto crude fifteen cents; and North Texas, Homer, and Haynesville twenty-five

cents. The gravity schedule on North Texas oil was restored to the old basis during September, but the increased gravity test failed to show a price gain.

OIL PRODUCTION

Field—	September		August		Increase or Decrease	
	Total	Daily Avg.	Total	Daily Avg.	Total	Daily Average
North Texas	2,342,180	78,073	2,480,985	80,032	Dec. 138,805	Dec. 1,959
Central-West Texas	5,288,425	176,281	5,378,125	173,488	Dec. 89,700	Inc. 2,793
Texas Coastal	2,272,690	75,756	2,406,302	77,622	Dec. 133,612	Dec. 1,866
Miscellaneous fields	1,148,430	38,281	1,683,040	54,291	Dec. 534,610	Dec. 16,010
Total, Texas	11,051,725	368,391	11,948,452	385,433	Dec. 896,727	Dec. 17,042
North Louisiana	1,859,810	61,994	1,954,946	63,063	Dec. 95,136	Dec. 1,069
Totals, Eleventh District.....	12,911,535	430,385	13,903,398	448,496	Dec. 991,863	Dec. 18,111

SEPTEMBER DRILLING RESULTS

Field—	Completions	Producers	Failures	Initial Production
North Texas	113	72	41	6,308
Central-West Texas	62	38	24	12,990
Texas Coastal	52	36	16	21,009
Miscellaneous fields	3	3	—	1,450
Texas Wildcats	21	2	19	—
Totals, Texas	251	151	100	41,757
North Louisiana	40	**27	13	4,198
September totals, district.....	291	178	113	45,955
August totals, district.....	432	287	145	77,791

**Includes 13 gas wells.

CRUDE OIL PRICES

TEXAS—	Oct. 17,	Oct. 20,	LOUISIANA—	Oct. 17,	Oct. 20,
	1924	1923		1924	1923
Corsicana light	\$1.25	\$1.00	Caddo (38 gravity and above).....	\$1.35	\$1.25
Corsicana heavy90	.50	Bull Bayou (38 gravity and above).....	1.15	1.15
Texas Coastal	1.25	1.00	Homer (35 gravity and above).....	1.10	1.25
Mexia	1.25	1.00	Haynesville (33 gravity and above).....	1.00	1.20
Currie	1.25	1.00	De Soto Crude.....	1.20	1.25
North Texas (36 gravity and above).....	1.25	1.30			

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

LUMBER

Shipments of lumber from the reporting Eleventh District pine mills declined from 9 per cent above production during August to two-tenths of one per cent below production during September. Production at the mills, however, was only one per cent less than August production, being 10 per cent below normal in September as against 9 per cent in August. Orders again showed a decline as compared to the previous month when they were for only 85 per cent of the normal September output of the mills, as compared to two-tenths of one per cent above normal production during August. Stocks of lumber on hand remained stationary at 21 per cent below normal.

Unfilled orders on the books of 46 reporting mills

on September 30th amounted to 50,540,204 feet of lumber, as compared to orders for 59,155,626 feet on August 31st.

SEPTEMBER PINE MILL STATISTICS

Number of reporting mills.....	46
Production	95,518,200 feet
Shipments	95,368,284 feet
Orders	90,062,841 feet
Unfilled orders, Sept. 30th.....	50,540,204 feet
Normal production	105,925,939 feet
Stocks, Sept. 30th.....	257,052,088 feet
Normal stocks	325,401,129 feet
Shipments below production.....	149,916 feet=none
Actual production below normal..	10,407,739 feet=10%
Orders below normal production..	15,863,098 feet=15%
Stocks below normal.....	68,349,041 feet=21%

BUILDING

Building activities, as measured by the valuation of permits issued at eleven principal cities of the Eleventh Federal Reserve District, continued at practically the same rate in September as during August. There were 2,555 permits issued at the reporting cities, having an estimated valuation of \$6,954,132, as compared to 2,418 in August with a valuation of \$6,980,588, or a decrease of only four-tenths of one per cent. As compared to September, 1923, there was an increase of 6.7 per cent in valuation during the past month. The total valuation of

permits issued during the third quarter of 1924 was 18.4 per cent greater than the total for the same period of 1923.

The gain over last year, which was apparent in August, was increased during September, when the total valuation of permits issued during the first nine months of this year amounted to \$64,289,007 as compared to \$63,751,407 during the corresponding period of 1923, or an increase of eight-tenths of one per cent.

BUILDING PERMITS

	September, 1924		September, 1923		Inc. or Dec.	August, 1924		Inc. or Dec.	First Nine Months				Inc. or Dec.
	No.	Valuation	No.	Valuation		No.	Valuation		1924		1923		
									No.	Valuation	No.	Valuation	
Austin.....	29	46,525	39	85,134	- 45.4	31	339,180	- 86.3	368	1,116,635	474	1,343,844	-16.9
Beaumont.....	233	206,273	233	431,426	- 52.2	197	188,649	+ 9.3	1,928	2,025,449	1,528	2,310,281	-12.3
Dallas.....	354	2,472,733	285	2,005,895	+ 23.3	439	2,358,862	+ 4.8	3,724	21,781,364	3,662	17,566,457	+ 23.3
El Paso.....	78	50,893	65	130,897	- 61.1	49	57,690	- 11.8	609	1,333,923	789	1,869,960	-28.7
Fort Worth.....	226	1,575,599	203	534,035	+195.0	228	686,212	+129.6	1,928	7,648,831	2,364	6,216,789	+ 23.0
Galveston.....	278	86,902	368	552,723	- 84.3	250	73,207	+ 18.7	2,721	2,334,431	3,011	1,626,481	+ 43.5
Houston.....	578	1,093,120	571	1,538,221	- 28.9	497	1,824,318	- 40.1	5,213	13,033,017	5,132	15,483,500	-15.8
Port Arthur.....	136	89,282	218	182,682	- 51.1	123	83,424	+ 7.0	1,423	1,164,394	1,706	2,389,924	-51.3
San Antonio.....	308	463,495	284	518,455	- 10.6	277	793,030	+ 41.6	3,004	5,901,606	2,852	6,806,811	-13.3
Shreveport.....	278	630,330	292	429,722	+ 46.7	259	420,792	+ 49.8	2,571	6,312,326	2,564	7,090,968	-11.0
Waco.....	57	238,980	47	107,565	+122.2	68	155,174	+ 54.0	567	1,637,031	402	946,392	+ 73.0
Total	2,555	6,954,132	2,605	6,516,755	+ 6.7	2,418	6,980,588	- .4	24,061	64,289,007	24,484	63,751,407	+ .8

CEMENT

Shipments of Portland cement from Texas plants declined 12.2 per cent during September, as compared to August, but were 24.6 per cent greater than during September, 1923. There were 343,000 barrels of cement produced at Texas mills during September, as compared to 414,000 in August and 367,000 during the same month of last year, which represented a decrease in production of 17.1 per cent as compared to last month and 6.5 per cent compared with Sep-

tember, 1923. Stocks of cement held at the mills continued to decline, being 15.5 per cent less than those on hand on August 31st and 5.9 per cent below September 30, 1923, stocks.

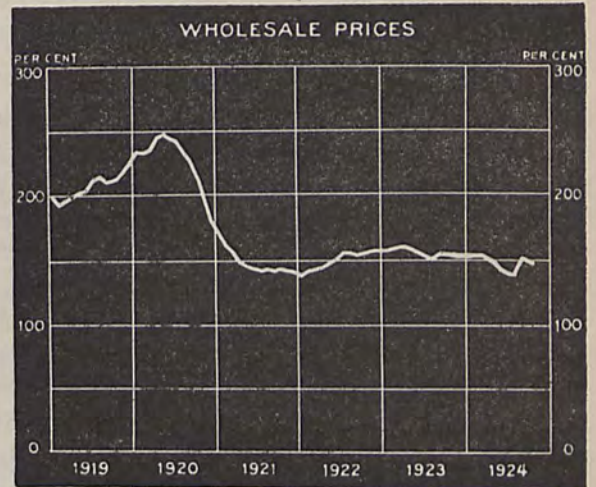
During the first three quarters of 1924 the production of cement in Texas has increased 3.9 per cent as compared to production during the corresponding period of 1923, and shipments from the mills increased 6.8 per cent.

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

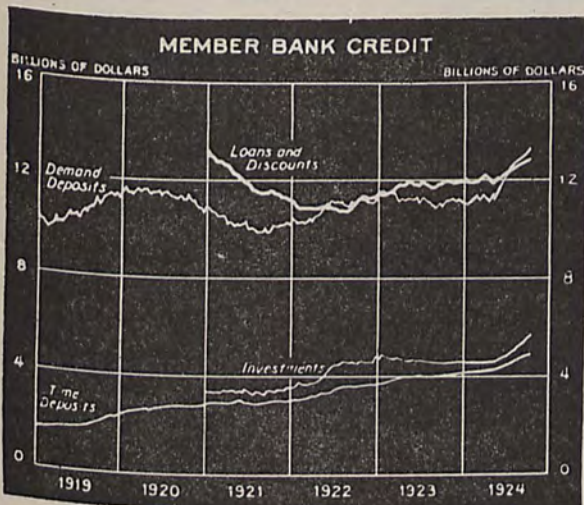
	September, 1924	September, 1923	Per Cent Inc. or Dec.	August 1924	Per Cent Inc. or Dec.	First Nine Months		Per Cent Inc. or Dec.
				1924		1923		
Production of Texas mills.....	343,000	367,000	- 6.5	414,000	-17.1	3,395,000	3,268,000	+ 3.9
Shipments from Texas mills.....	380,000	305,000	+24.6	433,000	-12.2	3,465,000	3,243,000	+ 6.8
Stocks at end of the month at Texas mills.....	207,000	220,000	- 5.9	245,000	-15.5			



Index for 33 manufacturing industries (1919=100). Latest figure—September, 90.



Index of U. S. Bureau of Labor Statistics. (1913=100, base adopted by Bureau.) Latest figure—September, 149.



Weekly figures for member banks in 101 leading cities. Latest figure—October 15th.



Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figure—September, 102.

SUMMARY OF NATIONAL BUSINESS CONDITIONS

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

Production of basic commodities, factory employment, and distribution of merchandise increased in September. During September and early in October there was a considerable increase in the volume of borrowing for commercial purposes.

PRODUCTION

The Federal Reserve Board's index of production in basic industries, adjusted to allow for seasonal variations, rose 9 per cent in September, the first advance since last January. Increased activity was reported in many lines of industry including textiles, iron and steel, and coal. Factory employment increased 2 per cent during September, reflecting larger working forces in nearly all reporting industries. Average weekly earnings of industrial workers increased slightly, owing to a decrease in the extent of part time employment. Building contracts awarded showed a small seasonal decline in September but were considerably larger than a year ago.

Crop conditions, as reported by the Department of Agriculture, showed a further slight improvement during September and the estimates of production for spring wheat, oats, barley, and white potatoes on October 1st were larger than the month before. Estimates of the yields of corn, tobacco, and cotton, however, were reduced. Marketing of wheat was exceptionally heavy in September, and exports of wheat and cotton were larger than for the same month of any recent year.

TRADE

Distribution of commodities, as reflected in railroad shipments, increased during September and was greater than last year, owing to larger loadings of miscellaneous merchandise, grain, and coal. Wholesale trade was 11 per cent larger than in August as a result of increased business in almost all reporting lines. Sales of groceries and drugs were larger than a year ago, while sales of meat and shoes were smaller. Retail trade showed more than the usual seasonal increase in September and sales of department stores and mail order houses were considerably larger than last year. Merchandise stocks at department stores increased more than usual during Sep-

tember, but continued to be slightly smaller than a year ago.

PRICES

Wholesale prices of farm products, clothing, fuel, and metals declined somewhat in September, while prices of food products, building materials, and chemicals advanced. The general level of prices, as measured by the Bureau of Labor Statistics index, was slightly lower in September than in August. During the first half of October quotations on wheat, flour, cattle, hogs, wool, and rubber increased, while prices of cotton, lumber, and gasoline declined.

BANK CREDIT

During the five weeks ending October 15th loans and investments of reporting member banks in leading cities increased by more than \$600,000,000. Credit demands for financing the marketing of crops and the fall activity of trade were reflected in increased commercial loans throughout the country, and the total volume of these loans rose to a level considerably above the peak of October, 1923. Member bank investments in securities continued to increase, and loans on stocks and bonds also advanced. A further growth of demand deposits carried their total to the highest figure on record.

At the Federal reserve banks discounts changed but little in September and declined in the first three weeks of October, while holdings of acceptances increased considerably and there were also some increases in U. S. securities. As a consequence, total earning assets were larger than at any time since early in the year. Larger currency requirements, partly seasonal in character, were reflected between August 1st and October 1st in an increase of \$140,000,000 in the total volume of money in circulation.

Money rates in the New York market remained relatively constant in the latter part of September, and the early part of October.

On October 15th the discount rate of the Federal Reserve Bank of Minneapolis was reduced from 4½ to 4 per cent.