

MONTHLY BUSINESS REVIEW

OF THE

FEDERAL RESERVE BANK OF DALLAS

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DISTRICT SUMMARY

THE SITUATION AT A GLANCE Eleventh Federal Reserve District

	November	October	Inc. or Dec.
Bank debits to individual accounts (at 15 cities).....	\$710,153,000	\$782,541,000	Dec. 9.3%
Department store sales.....			Dec. 9.2%
Reserve Bank loans to member banks at end of month.....	\$ 3,134,554	\$ 7,185,203	Dec. 56.2%
Reserve Bank ratio at end of month.....	63.6%	65.8%	Dec. 2.2 points
Building permit valuations at larger centers.....	\$ 5,712,377	\$ 8,897,407	Dec. 35.8%
Commercial failures (number).....	68	46	Inc. 47.8%
Commercial failures (liabilities).....	\$ 904,820	\$ 543,300	Inc. 66.5%
Oil production (barrels).....	12,943,205	12,968,461	Dec. .2%
Lumber orders at pine mills (per cent of normal production).....	98%	96%	Inc. 2 points

The slower pace of business which developed in October continued in evidence throughout the month of November. The volume of wholesale distribution and department store trade reflected a large decline from the previous month and was less than that during the corresponding month of last year. Merchants reported that the usual demand for seasonal merchandise was lacking, due largely to weather conditions. Debits to individual accounts declined nine per cent from the previous month but were slightly in excess of those for November, 1923. Commercial failure statistics disclosed an increase in both the number of defaults and the volume of indebtedness involved.

The estimated value of new building projects begun in November was considerably less than in October, but above the level of a year ago. Lumber orders at pine mills reflected a further gain and production and shipments of cement were greater than in November last year but less than during the previous month.

The past month witnessed a further gain of approximately \$31,000,000 in member bank deposits, the continued liquidation of bank indebtedness and low interest rates and a strong demand for investments on the part of both banks and individuals. The subscriptions to the December 15th issue of 4 per cent Treasury bonds totaled \$61,324,400, which is the largest subscription received to any post war Treasury issue. The banks are maintaining large cash re-

serves and are experiencing difficulty in procuring a desirable and profitable outlet for surplus funds.

As the gathering of the Texas cotton crop nears completion it has become evident that the production this year will approximate 4,770,000 bales, which (with the exception of 1912) is the largest crop ever produced. The seeding of small grains has made good progress in Northwest Texas, but dry weather has interfered with seeding and plowing operations in many sections of this district.

Unfavorable conditions still exist in the livestock industry. Many sections are suffering from drouthy weather and the small supply of stock water, inadequate pasturage and a shortage of feed are affecting adversely the condition of livestock. Reports indicate that the cattlemen are cutting their herds to the minimum in order to avoid winter feeding, and cattle prices are sagging considerably in response to the heavy movement of cattle to market.

An increasing surplus of unskilled labor and a slight surplus of skilled labor in some cities characterizes the district's employment situation. Due to the completion of cotton picking unskilled laborers in large numbers are beginning to shift to the cities. Although some textile mills are still running on part time schedules, a slight improvement in employment was reported. Lumber mills reported full time operations but a surplus of labor exists. In some cities a surplus of building craftsmen is evident.

CROP CONDITIONS

The harvesting of this year's crops under the stimulus of favorable weather is nearing completion. The seeding of small grains in the Northwest has proceeded rapidly and the grain that is up is in good condition for this season of the year. In other sections (except the scattered areas which have been favored with rains) seeding operations have been retarded and the grain is backward. In a large portion of the district the soil has been too dry for plowing and the germination of small grain.

The picking and ginning of the district's cotton crop has been practically completed. The good weather prevailing throughout the fall has enabled the farmers to make rapid progress with the gathering of the crop and losses from weather have been unusually small, as practically all of the open cotton has been gathered in excellent condition. The final estimate of the Department of Agriculture placed the yield of the Texas crop at 4,770,000 equivalent 500-lb. bales, which is the largest crop the state has ever produced

with the exception of 1912 when the production was 4,880,000 bales. Ginnings prior to December 1st totaled 4,423,000 running bales as compared to 3,919,000 running bales prior to that date last year.

The winter vegetable movement from the Rio Grande Valley began earlier than usual and is beginning to assume large proportions. There appears to be a good demand for the early vegetables. There has been a substantial increase in the acreage planted to cabbage and spinach this year, but on account of the adverse weather conditions the outcome of these crops is as yet uncertain. Indications are that there will be a good supply of beans, carrots, beets, and small vegetables. Due to the fact that the yield of the vegetables will be poor in some competing states, prospects are favorable for a profitable season in Texas. In Eastern markets a downward trend in prices was reported on sweet potatoes and cabbage. There is presented below a table showing the carlot shipments of fruits and vegetables from Texas.

CAR LOT SHIPMENTS OF FRUITS AND VEGETABLES—TEXAS

	Total Shipments This Season Prior to Dec. 6th:	Total Shipments Last Season Prior to Dec. 6th:	Total Shipments During Entire Last Season:
Sweet potatoes.....	90	285	409
Grapefruit	73	25	99
Spinach	17	10	2,707
Tomatoes	1,660	1,077	1,084
Cabbage	13	18	6,563
Mixed vegetables.....	75	20	1,512

Cotton Movements

The month of November witnessed a seasonal decline in the receipts and exports of cotton at the ports of Houston and Galveston as compared to the previous month, but a substantial increase as compared to the corresponding month of 1923.

It will be noted that exports to European countries have shown considerable gains over a year ago. This season's exports to Great Britain have gained 15.3 per cent over last season; to France 8.0 per cent; and to other European countries 32.8 per cent. Total foreign exports for this season have increased 23.0 per cent over last season.

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON

	November 1924	November 1923	Aug. 1st to Nov. 30th	
			This Season	Last Season
Net receipts.....	677,388	457,745	2,140,858	1,870,171
Exports	509,587	406,490	1,532,053	1,558,075
Stocks, Nov. 30th.....			651,765	343,030

GALVESTON STOCK STATEMENT

	Nov. 30, 1924	Nov. 30, 1923
	For Great Britain	25,175
For France	79,300	2,700
For other foreign ports.....	48,750	25,142
For coastwise ports	10,500	15,000
In compresses and depots.....	548,040	291,188
Total	651,765	343,030

HOUSTON COTTON MOVEMENTS

	November 1924	November 1923	Aug. 1st to Nov. 30th	
			This Season	Last Season
Receipts—Gross	872,526	547,214	2,938,511	2,553,183
Receipts—Net	486,164	276,518	1,686,132	1,420,855
Exports	278,791	185,861	831,115	649,495
Stocks, Nov. 30th.....			623,717	441,133

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

	This Season	Last Season
Receipts since Aug. 1st.....	4,785,670	3,888,175
Exports: Great Britain	1,018,446	882,542
France	404,367	374,270
Continent	1,312,372	988,102
Japan-China	322,149	246,013
Mexico	6,794	972
Total foreign ports.....	3,064,128	2,491,899
Stocks at all United States ports, Nov. 30th	1,506,714	955,363

SPOT COTTON PRICES (Middling basis)

	November, 1924		Dec. 15, 1924
	High	Low	
New York	24.85	23.60	23.90
New Orleans	24.70	22.90	23.85
Dallas	23.75	21.95	22.70
Houston	24.85	22.95	23.60
Galveston	24.80	23.05	23.65

COTTON CONSUMED AND ON HAND

	COTTON GROWING STATES				UNITED STATES			
	November 1924	November 1923	Aug. 1st to Nov. 30th		November 1924	November 1923	Aug. 1st to Nov. 30th	
			This Season	Last Season			This Season	Last Season
Cotton consumed	347,548	358,642	1,272,182	1,372,785	492,233	532,702	1,817,533	2,054,110
Cotton on hand at end of month:								
(a) in consuming establishments.....			699,862	929,172			1,046,612	1,444,474
(b) in public storage and compresses.....			4,646,786	3,609,220			4,914,219	3,769,204

COTTONSEED PRODUCTS

Commercial reports indicate that there was a good demand for cottonseed oil during the past month. The upward trend in the lard market is gradually widening the spread between pure lard and compound prices, and as a result the demand for and price of cottonseed oil appears to be strengthening.

There were 231,359,133 pounds of crude oil produced during November as compared to 178,402,272 pounds in the corresponding month of 1923. Stocks on hand at the end of November totaled 67,081,000 pounds as compared to 49,444,000 pounds at the end of October and 107,015,809 pounds at the close of November, 1923.

Reports from some sections of the district indicate that the shortage of pasturage and other feeds has created a better demand for cottonseed cake and meal among livestock men.

Reports from 91 cottonseed oil mills in this district indicate that the average prices received by these mills for the cottonseed oil, cake and meal shipped during November was slightly higher than that received during October. On the other hand, the price received for hulls and linters shipped was slightly less.

COTTONSEED PRODUCTS SHIPPED AND AVERAGE PRICE RECEIVED

NOVEMBER		
	Products Shipped	Av. Price F.O.B. Mill
Crude oil	33,287,023 lbs.	\$.0863 per lb.
Cake and meal.....	53,205 tons	36.82 per ton
Hulls	23,905 tons	8.67 per ton
Linters	10,352,617 lbs.	.0434 per lb.
Number mills reporting.....	91	

COTTONSEED RECEIVED AT THE MILLS

	November	October
Cottonseed received at reporting mills (tons).....	148,688	358,119
Average price per ton paid for seed (including freight)	\$ 37.99	\$ 34.17

STATISTICS OF COTTONSEED AND COTTONSEED PRODUCTS

	Texas		United States	
	Aug. 1st to Nov. 30th	Last Season	Aug. 1st to Nov. 30th	Last Season
Cottonseed received at mills (tons).....	1,188,000	1,090,000	3,023,000	2,359,000
Cottonseed crushed (tons)	688,000	686,000	1,853,456	1,567,672
Cottonseed on hand (tons)	455,000	412,000	1,184,802	808,947
Crude oil produced (pounds)	197,102,000	191,772,222	551,378,263	459,998,884
Cake and meal produced (tons)	321,000	319,033	847,793	717,115
Hulls produced (tons)	200,000	202,186	529,000	446,305
Linters produced (500-lb. bales)	126,000	131,823	346,353	313,576
Stocks on hand Nov. 30th				
Crude Oil (pounds).....	1,914,000	32,016,765	67,081,000	107,015,809
Cake and meal (tons)	29,000	47,629	142,274	171,202
Hulls (tons).....	84,000	84,646	194,000	179,581
Linters (500-lb. bales)	34,000	44,710	134,904	139,514

LIVESTOCK

The range and livestock conditions in the Eleventh Federal Reserve District continue spotted. Some sections have been greatly benefited by timely rains during the past thirty days, but other sections are still suffering from the effects of drouthy conditions. In Arizona and Western New Mexico conditions are much improved since the rains and the supply of stock water has been increased. On the other hand, in Southeastern New Mexico the condition of ranges and livestock was reported poor, and the supply of stock water low, as there has been no relief from the drouth. The cattle are being shipped from the Carlsbad section to other pastures where feed and water are available. The most favorable conditions prevail in the Panhandle section of Texas, where the ranges and livestock with few exceptions are in good condition. While the grass is short in some localities, the wheat pasturage and other feed have served to offset the deficiency in grass. There has been but little shrinkage noted in the cattle. In other parts of the state the rains have been of considerable benefit, but there are many sections where the ranges are still very dry and the livestock are in poor to fair condition.

According to the Department of Agriculture, there was a further decline of 6 points in the average condition of Texas ranges during the past month, the condition figure of 72 per cent of normal on December 1st was 19 points below the figure reported on that date last year. The December 1st condition of cattle was 76 per cent of normal as compared to 83 per cent on November 1st and 93 per cent on December 1, 1923, representing a decline of 7 points during the month and 17 points from a year ago. The condition of sheep on December 1st was 86 per cent of normal as compared to 96 per cent a year ago.

Movements and Prices

There was a heavy movement of both cattle and calves to the Fort Worth market during November and the first half of December. The November receipts of both cattle and calves were the largest of any month of the current year, and cattle receipts were the most voluminous since 1918. While the month's hog receipts were slightly in excess of the arrivals during the previous month, they were 18,275 head

less than the receipts during the corresponding month of last year. However, a large number of the month's receipts were drawn from other centers as the packers were forced to resort to other plants for a supply sufficient to take care of local requirements. While the November sheep receipts were 5,884 head more than those of the previous month, they were 10,397 head less than the receipts in November, 1923.

Cattle prices generally suffered a further downward revision during the past month. Fat cows declined 25 cents, and the loss on beef steers ranged from 25 to 50 cents. Calves of good quality and light weight gained some strength and at the peak period sold up to \$6.75, but on the close they were bringing only \$6.50. However, heavy calves displayed a weakness and at the high time were selling at \$5.50 to \$5.75. The market on canners, despite the heavy receipts, held steady during November but suffered a decline of 25 to 35 cents during the second week in December. The hog market developed strength early in November and sold as high as \$10.25, but later in the month values worked downward and at the close the best were bringing only \$9.25. Due to the small supply on the market, values on sheep and lambs were marked up 75 cents to \$1.00.

FORT WORTH LIVESTOCK RECEIPTS

	November 1924	November 1923	Loss or Gain	October 1924	Loss or Gain
Cattle	121,251	83,919	G 37,332	86,702	G 34,549
Calves	50,591	36,738	G 13,853	44,222	G 6,369
Hogs	26,688	45,463	L 18,775	24,601	G 2,087
Sheep	16,906	27,303	L 10,397	11,022	G 5,884

COMPARATIVE TOP LIVESTOCK PRICES

	November 1924	November 1923	October 1924
Beef steers	\$ 6.50	\$ 7.00	\$ 6.65
Stocker steers	6.35	6.50	5.85
Butcher cows	5.00	5.00	4.50
Stocker cows	3.25	2.50	3.25
Calves	6.75	7.00	6.65
Hogs	10.25	7.65	11.35
Sheep	8.50	7.00	7.50
Lambs	13.50	11.50	12.25

TEXTILE MILLING

Some further improvement in textile milling was reported during the past month and there seems to be a stronger

undertone of confidence. However, conditions are still far from satisfactory and the outlook uncertain. Prices

remained firm with a slight upward tendency. Stocks are evidencing a downward trend and new orders in a larger volume are beginning to appear.

There were 2,383 bales of cotton consumed by reporting mills during November as against 2,540 bales in October, and 2,718 bales in November last year. The spindles active at these mills numbered 90,344 in November as against 88,944 in the previous month and 87,226 in the same month of 1923. The November production evidenced a decline of

1.7 per cent from the previous month and 13.0 per cent from November, 1923.

TEXTILE MILLING STATISTICS

	November 1924	October 1924	November 1923
Number bales cotton consumed.....	2,383	2,540	2,718
Number spindles active.....	90,344	88,944	87,226
Number pounds cloth produced.....	1,185,009	1,205,295	1,362,568

WHOLESALE TRADE

The slackening of trade in the wholesale channels of distribution, which was more than seasonal in some lines, was an outstanding feature of the trade situation during the past month. Every reporting line of trade reflected a large decrease in sales from the previous month and drugs was the only line to show an increase over the corresponding month a year ago. In some instances the distribution during the period July 1st to November 30th is showing a decline from the corresponding period of last year, while in others the margin over last year has been materially reduced. Early in the fall the retail buying was good and merchants bought liberally to supply the demand. However, due to adverse factors, the consumptive demand has been gradually diminishing and this has been reflected in wholesale buying.

One factor which retarded distribution has been the continuance of mild temperatures throughout the fall. Buying of seasonal goods has not only been delayed but in many cases the quantity of buying will be greatly reduced. The existence of drouthy conditions in many sections of the district has likewise curtailed buying in some lines.

The conditions in the trade present a marked contrast to those that obtained a year ago. Last fall the farmers sold a large cotton crop on a rising market and confidence in the situation was noticeable from manufacturer to consumer. While this year's cotton crop will be even larger than last year's, the farmers have been confronted with an irregular or declining market throughout the fall with the result that a much larger portion of the crop than usual is still in the hands of farmers. This condition has reduced the immediate purchasing power of the farmer and buying has been curtailed.

Evidence is not lacking which indicates that the farmers are also delaying the payment of accounts until the cotton in storage has been disposed of. Collections are reported to be slow all along the line. In fact they have been slower in both wholesale and retail channels than the situation would seem to warrant.

Buying has been confined largely to nearby needs and merchants are still very conservative in placing orders for future delivery. Frequent replacement orders in some lines have been received but these are mostly for small quantities.

Despite the fact that business has been slow dealers generally consider that the outlook for the future is generally fair.

The November distribution of dry goods reflected a seasonal decline from the previous month but was at about the same level as a year ago. Buying, however, represented largely fill in orders as there is practically no forward buying at this time. Purchases are being made mostly

in small amounts when the consumer demand for merchandise materializes. Some dealers report that the more extensive Christmas shopping evident in certain quarters has stimulated the movement of goods in some lines. Prices generally remained on a steady basis, but prices on woolen goods are strengthening as a result of the upward trend in the price of raw wool. The outlook generally is considered favorable.

While the sales of reporting drug firms have shown the usual year end decline, they continue above a year ago. The buying of drugs continues brisk in West Texas, in Oklahoma, and in the other favored sections of the district, but only poor to fair in less favored sections. Retailers are operating cautiously and are limiting purchases to the immediate requirements. The volume of forward buying was reported to be small. There seems to be an optimistic feeling among dealers regarding the outlook for the future.

The buying demand in the hardware trade appears to be very conservative. Sales of reporting firms are falling below those of a year ago. The demand for seasonal hardware has been more active but distribution is still below normal. The trend of prices was reported to be firm to higher. Some dealers report that collections are still slow. Dealers generally are expecting better business with the appearance of winter weather and rains.

While the distribution of groceries is falling below a year ago, the demand remains fairly active particularly in the favored sections. However, there has been no disposition to buy ahead of requirements. The continuance of mild weather, which has made possible the marketing of a large volume of fall vegetables in good condition, has reduced to some extent the demand for some items. Prices during the past month have remained relatively steady with no material changes. Collections in some sections are slow and difficult. The outlook was reported as fair.

The relatively light demand which has characterized the farm implement trade throughout the fall continued during November. The month's sales were 7.6 per cent less than in October and were 6.6 per cent less than those in November last year, but the sales for the five months' period July 1st to November 30th have averaged 11.5 per cent greater than those during the corresponding period of 1923. The dry weather in many sections which has delayed the fall plowing and seeding operations has tended to retard the distribution of farm implements. Furthermore, the fact that a substantial amount of this year's cotton is still in the hands of the farmers has reduced their immediate purchasing power, curtailed buying and retarded collections. Some dealers report that conditions have shown some improvement and that the outlook is generally fair to good.

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

	Net Sales Nov., 1924, compared with		Net Sales July 1st to date compared with same period last year:	Stocks Nov., 1924, compared with	
	Nov., 1923	Oct., 1924		Nov., 1923	Oct., 1924
Groceries	- 2.8	-13.7	+ 2.2	+ 6.1	- 3.7
Dry goods.....	none	-27.4	+ 2.9	- 6.4	-15.7
Farm implements.....	- 6.6	- 7.6	+11.5	+ 1.0	+ 2.1
Hardware	-11.7	-10.9	- 6.3	-14.8	- 3.4
Drugs	+ 5.5	-13.3	+ 5.1	+ 1.6	+ 2.6

RETAIL TRADE

The usual seasonal lull in retail distribution occurred during November when the sales of twenty-four reporting firms reflected a decline of 9.2 per cent from those of October. However, sales were practically the same as those

during the corresponding month of 1923. The warm weather during the month was responsible for the continued lack of demand for seasonable apparel and other fall and winter items which usually move briskly at this time. Reports indicate that Christmas shopping is being done on a rather extensive basis.

Stocks on hand at the close of November showed but little change from either the previous month or the corresponding month of 1923.

The ratio of outstanding orders to last year's purchases at the close of November was 5.4 per cent as compared to 6.5 per cent at the close of October and 4.5 per cent at the end of November last year.

The ratio of November collections to accounts receivable on November 1st was 40.2 per cent as compared to 43.8 per cent in October and 40.3 per cent in November last year.

BUSINESS OF DEPARTMENT STORES

	Dallas	Ft. Worth	Houston	All Others	Total District
Total Sales—					
Nov., 1924, compared with Nov., 1923.....	+ .6	+2.5	-1.8	- 1.1	- .1
Nov., 1924, compared with Oct., 1924.....	-11.3	- 2.2	-5.9	-11.6	- 9.2
July 1st to date compared with same period last year.....	+ .7	+ .4	+2.9	+ 5.6	+ 2.7
Credit Sales—					
Nov., 1924, compared with Nov., 1923.....	+ 2.5	+7.8	+ .3	+ .6	+ 2.1
Nov., 1924, compared with Oct., 1924.....	-12.0	- .2	-6.2	-12.4	-10.0
July 1st to date compared with same period last year.....	+ 1.8	+5.4	+7.8	- 6.8	+ 4.7
Stocks—					
Nov., 1924, compared with Nov., 1923.....	- .7	+3.3	-3.2	+ 1.1	+ .2
Nov., 1924, compared with Oct., 1924.....	-1.5	none	+1.7	- 2.0	- .9
Ratio of stocks to sales.....	498.1	532.2	460.5	445.4	476.7
Ratio of outstanding orders to last year's purchases.....	5.7	4.3	6.3	4.7	5.4
Ratio of Nov. collections to Accounts Receivable, due and outstanding November 1, 1924.....	38.6	39.1	41.1	42.1	40.2

FINANCIAL

The November debits to individual accounts at fifteen of the principal cities of the Eleventh District reflected a decrease of 9.3 per cent from October but showed an increase of two-tenths of one per cent over those of the corresponding month last year. The aggregate for the month was \$710,153,000, as compared to \$782,541,000 for October and \$709,006,000 for November last year.

on domestic shipments and storage of goods rose from \$1,246,812.37 on the last day of October to \$1,397,894.43 on November 30th.

The Federal Reserve Bank of Dallas increased its investments in bankers' acceptances during November, the amount held on November 30th being \$19,905,646.49 as compared to \$12,200,783.67 on October 31st.

CHARGES TO DEPOSITORS' ACCOUNTS

	November, 1924	November, 1923	Inc. or Dec.	October, 1924	Inc. or Dec.
Albuquerque	\$ 11,140,000	\$ 10,539,000	+ 5.7	\$ 11,588,000	- 3.9
Austin	20,380,000	22,363,000	- 8.9	22,964,000	-11.3
Beaumont	15,231,000	15,915,000	- 4.3	17,086,000	-10.9
Corsicana	8,308,000	11,068,000	-24.9	9,526,000	-12.8
Dallas	211,367,000	217,059,000	- 2.6	232,875,000	- 9.2
El Paso	33,399,000	28,756,000	+16.1	35,127,000	- 4.9
Fort Worth	82,617,000	73,610,000	+12.2	94,332,000	-12.4
Galveston	65,411,000	78,301,000	-16.5	69,292,000	- 5.6
Houston	148,288,000	136,063,000	+ 9.0	161,698,000	- 8.3
Roswell	3,463,000	2,705,000	+28.0	3,288,000	+ 5.3
San Antonio	37,881,000	33,295,000	+13.8	39,532,000	- 4.3
Shreveport	34,457,000	36,913,000	- 6.7	38,711,000	-11.0
Texasarkana	6,642,000	9,501,000	-30.1	10,377,000	-36.0
Tucson	9,697,000	9,174,000	+ 5.7	9,235,000	+ 5.0
Waco	21,877,000	23,743,000	- 7.9	26,860,000	-18.6
Total, 11th District.....	\$710,153,000	\$709,006,000	+ .2	\$782,541,000	- 9.3

Condition of Member Banks in Selected Cities Reports from 50 member banks in selected cities evidenced a further accumulation of deposits and an increase in the volume of loans during the month of November. The

loans of these banks secured by stocks and bonds other than Government securities were \$5,533,000 greater on December 3rd than on October 29th, and all other loans increased \$5,906,000 during the same period. The total loans and investments of these banks during the five weeks' period gained \$14,863,000. The demand deposits increased \$22,988,000 between October 29th and December 3rd, but time deposits showed a slight decline during the same period. Reserves with the Federal Reserve Bank increased \$2,425,000, while bills payable and rediscounts as the Federal Reserve Bank declined \$1,942,000. The ratio of loans to net demand deposits declined from 92 per cent on October 29th to 86 per cent on December 3rd.

Acceptance Market

The volume of acceptances executed by accepting banks in this district and which were outstanding on November 30th amounted to \$3,894,208.03, or an increase of \$226,208.29 over those outstanding on October 31st. The amount of these outstanding acceptances which were based on import and export transactions rose from \$2,421,187.37 on October 31st to \$2,496,313.60 on November 30th, and those based

CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES

	Dec. 3, 1924	Dec. 5, 1923	Oct. 29, 1924
1. Number of reporting banks.....	50	50	50
2. U. S. securities owned.....	\$ 46,873,000	\$ 52,955,000	\$ 46,088,000
3. All other stocks, bonds and securities owned.....	20,617,000	13,507,000	17,978,000
4. Loans secured by U. S. Government obligations.....	3,329,000	2,958,000	3,145,000
5. Loans secured by stocks and bonds other than U. S. Government obligations.....	64,548,000	64,706,000	59,015,000
6. All other loans.....	224,141,000	218,371,000	218,419,000
7. Net demand deposits.....	264,826,000	254,626,000	241,833,000
8. Time deposits.....	91,498,000	78,763,000	91,600,000
9. Reserve with Federal Reserve Bank.....	28,345,000	28,240,000	25,920,000
10. Bills payable and rediscounts with Federal Reserve Bank.....	1,750,000	5,661,000	3,692,000
11. Ratio of loans* to net demand deposits.....	86%	87%	92%

*Loans include only items 4 and 6.

Operations of the Federal Reserve Bank

The liquidation of loans to member banks continued throughout November and only a small amount of new borrowing was in evidence. The net decline in loans during the month amounted to \$4,040,649.15, thereby reducing our total loans to member banks to \$3,144,554.07 on the last day of the month. Further liquidation occurred early in December and resulted in the establishment of a new low point on December 5th of \$2,672,056.40. Since that date loans have shown a slight increase. Only 67 banks were using our discount accommodations on November 29th as compared to 148 banks on October 31st and to 141 banks on November 30, 1923. On November 30th last year our member bank loans totaled \$15,423,162.36.

The total amount of bills of all classes held increased from \$19,385,986.89 on October 31st to \$23,050,200.56 on November 29th, distributed as follows:

Member banks' collateral notes secured by U. S. Government obligations.....	\$ 591,000.00
Rediscounts and all other loans.....	2,553,554.07
Open market purchases (Bankers' acceptances).....	19,905,646.49
Total bills held.....	\$23,050,200.56

Federal reserve notes in actual circulation amounted to \$57,366,475.00 on November 29th, reflecting a small reduction from those in actual circulation on October 31st. The reserve account of member banks was \$60,777,731.71

Discount Rates

There is presented below the prevailing rates charged during the seven-day period

on November 29th, representing an increase \$3,831,680.32 over those on October 31st and were \$2,429,051.47 greater than those on November 30, 1923.

Deposits of Member Banks

The net demand deposits of member banks in this district continued to increase during November, being \$641,603,000 on November 26th as compared to \$609,594,000 on October 29th and \$654,398,000 on November 28th last year. The time deposits of these banks decreased slightly between October 29th and November 26th, but those on the latter date were \$15,009,000 greater than those on November 28th last year.

DEPOSITS OF MEMBER BANKS

	All Member Banks		Banks in Cities with a population of less than 15,000		Banks in Cities with a population of over 15,000	
	Total Demand	Total Time	Demand	Time	Demand	Time
Nov. 28, 1923.....	654,398	143,713	331,581	40,590	322,817	103,123
Dec. 26, 1923.....	646,691	144,711	324,079	38,765	322,612	105,946
Jan. 23, 1924.....	624,577	151,263	311,615	40,931	312,962	110,332
Feb. 27, 1924.....	594,482	157,225	294,406	42,161	300,076	115,124
Mar. 26, 1924.....	568,800	155,257	276,019	43,430	292,781	111,827
Apr. 23, 1924.....	549,057	156,696	265,613	46,326	283,444	110,370
May 28, 1924.....	522,820	154,085	250,732	45,837	272,088	108,248
June 25, 1924.....	512,565	157,153	244,723	46,329	267,842	110,824
July 23, 1924.....	502,763	157,714	237,982	47,006	264,781	110,708
Aug. 27, 1924.....	510,092	160,201	242,995	46,387	267,097	113,814
Sept. 24, 1924.....	562,283	160,260	276,886	46,029	285,397	114,231
Oct. 29, 1924.....	609,594	159,889	303,481	44,983	306,113	114,906
Nov. 26, 1924.....	641,603	158,722	315,786	43,967	325,817	114,755

Discount Rates

There is presented below the prevailing rates charged during the seven-day period

ending December 12th by the commercial banks in the cities listed below.

DECEMBER DISCOUNT RATES

	Prevailing Rates					
	Dallas	El Paso	Ft. 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	4½-6	5-6	6-8	5-7
(b) Running 4-6 months.....	4-6	8	4½-6	5-6	6-8	5-7
Rate charged on loans to other banks, secured by bills receivable.....	5-6	6-8	5-6	4½-5½	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	8	5-6	5-6	6-8	6-8
Rate on loans secured by prime stock exchange or other current collateral:						
(a) Demand.....	6	8	6-8	5-6	6-8	6-8
(b) Time.....	6-8	8	6-8	5-6	6-8	7
Rate on commodity paper secured by warehouse receipts, etc.....	5-7	8	6-8	5-6	6-8	7-8
Rate on cattle loans.....	6-7	8	6-8	6-8	7-8	...

Savings Deposits

Reports from 107 banks which operate a savings department reflect a gain of 7.9 per cent over those of a year ago but declined five-tenths of one per cent from those of last month.

The number of savings depositors as reported by 101 banks on November 30th was 234,843 as compared to 233,162 on October 31st, and 211,646 on November 30th last year.

SAVINGS DEPOSITS

	Number of Reporting Banks :	November 30, 1924		November 30, 1923		Inc. or Dec.	October 31, 1924		Inc. or Dec.
		Number of Savings Depositors	Amount of Savings Deposits	Number of Savings Depositors	Amount of Savings Deposits		Number of Savings Depositors	Amount of Savings Deposits	
Beaumont	*4	4,666	2,400,469	4,110	2,221,286	+ 8.1	4,677	2,389,589	+ .5
Dallas	6	41,751	12,961,385	34,720	11,309,328	+14.6	41,418	12,695,205	+ 2.1
El Paso	3	17,520	6,686,917	15,759	6,349,329	+ 5.3	17,661	6,743,599	+ .8
Fort Worth	6	19,763	5,315,585	18,436	4,858,425	+ 9.4	19,613	5,248,399	+ 1.3
Houston	12	56,001	21,371,862	49,818	19,406,852	+10.1	55,371	21,170,018	+ 1.0
San Antonio	*5	10,563	7,525,498	8,656	6,644,163	+13.3	10,450	7,896,763	+ 1.8
Shreveport	4	21,537	8,801,470	19,397	9,346,520	- 5.8	21,362	10,059,916	-12.5
Waco	5	6,030	3,165,378	5,404	2,596,923	+21.9	5,942	3,129,637	+ 1.1
Wichita Falls	*3	5,380	1,288,513	5,386	1,454,488	-14.8	5,391	1,176,250	+ 5.3
All Others	*59	51,632	25,108,467	49,960	23,465,043	+ 7.0	51,277	25,018,426	+ .3
Total	107	234,843	94,571,544	211,646	87,652,357	+ 7.9	233,162	95,027,802	- .5

*Only 3 banks in Beaumont, 4 banks in San Antonio, 2 banks in Wichita Falls, and 56 banks in all others reported the number of savings depositors.

FAILURES

Commercial failure statistics for November as compiled by R. G. Dun and Company reflect an increase in both the number of insolvencies and the aggregate indebtedness involved. There were 68 defaults during the month with liabilities amounting to \$904,820, as compared to 46 insolvencies in October with an aggregate indebtedness of \$543,300. As in the ten preceding months of 1924, the November statistics reflect a large decrease as compared to the same month last year in both number of failures and the amount of indebtedness involved.

COMMERCIAL FAILURES

	Eleventh Federal Reserve District			
	1924		1923	
	No.	Amount	No.	Amount
January	68	\$1,170,988	117	\$1,524,107
February	57	1,280,548	91	2,104,595
March	74	950,677	91	2,474,504
April	56	881,236	93	8,874,897
May	58	720,652	78	3,779,959
June	50	765,071	97	1,293,018
July	40	242,424	81	2,576,000
August	52	938,431	68	1,020,596
September	34	580,455	79	1,757,766
October	46	543,300	111	2,417,470
November	68	904,820	127	4,445,724
Total	603	\$8,978,602	1,033	\$32,268,637

PETROLEUM

There were 12,943,205 barrels of crude oil produced in the Eleventh Federal Reserve District during November, which was 25,256 barrels less than the amount produced in October. However, the daily average run for the month was 431,440 barrels, an increase of 13,103 barrels over the daily average production during October. Although the number of new wells completed in the district during November showed a decline from those of the previous month, the percentage of successful completions was greater and the initial production of the new wells showed increases in production. There were 372 wells completed, of which 238 were successful and produced an initial flow of 70,581 barrels, as compared to 396 completions in October of which 250 were successful and yielded an initial production of 56,200 barrels.

Crude oil production in Texas during November amounted to 10,990,205 barrels as compared to 11,247,595 barrels in October. However, due to the thirty-day month, November daily average production showed an increase of 3,515 barrels over that for October. The Archer County field

was again in the million barrel producer class, and the Luling and other miscellaneous fields showed large increases in production. Central-West Texas and Texas Coastal fields showed decreases in total and daily average production. Although the sensation of the month was the discovery of the new field at Wortham, operations were not sufficiently developed for the field to begin to add to the production of the district. There were 15 successful gas wells completed in East Texas.

After declining for two months, production of oil in Louisiana increased in both total and daily average production in November as compared to the previous month. Total production for the month amounted to 1,953,000 barrels, which represented an increase in daily average production of 9,588 barrels.

Crude Oil Prices

Posted prices on all grades of crude oil produced in the Eleventh District remained unchanged during the period between November 14 and December 12, 1924.

OIL PRODUCTION

Field	November		October		Increase or Decrease	
	Total	Daily Average	Total	Daily Average	Total	Daily Avg.
North Texas	2,530,310	81,344	2,412,800	77,832	Inc.	Inc. 6,512
Central-West Texas	4,853,365	161,779	5,298,500	170,919	Dec.	Dec. 9,140
Texas Coastal	2,172,080	72,402	2,474,390	79,819	Dec.	Dec. 7,417
Miscellaneous fields	1,434,450	47,815	1,061,905	34,255	Inc.	Inc. 13,560
Total, Texas	10,990,205	366,340	11,247,595	362,825	Dec.	Inc. 3,515
North Louisiana	1,953,000	65,100	1,720,866	55,512	Inc.	Inc. 9,588
Total, 11th District	12,943,205	431,440	12,968,461	418,337	Dec.	Irc. 13,103

NOVEMBER DRILLING RESULTS

Field	Com-pletions	Pro-ducers	Fail-ures	Initial Production
North Texas	190	118	72	28,263
Central-West Texas	53	34	19	10,015
Texas Coastal	52	37	15	13,349
East Texas	19	*15	4	
Miscellaneous fields	6	6		2,475
Texas wildcats	20	4	16	140
Totals, Texas	340	214	126	54,242
North Louisiana	32	**24	8	16,339
November totals, District	372	238	134	70,581
October totals, District	396	250	146	56,200

*Gas wells. **Includes 14 gas wells.

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

CRUDE OIL PRICES

	Dec. 12, 1924	Dec. 15, 1923
TEXAS		
Corsicana light	\$1.25	\$1.00
Corsicana heavy	.90	.40
Texas Coastal	1.50	1.00
Mexia	1.25	1.00
Currie	1.25	1.00
North Texas (36 gravity and above)	1.25	1.00
LOUISIANA—		
Caddo (38 gravity and above)	\$1.35	\$1.10
Bull Bayou (38 gravity and above)	1.15	1.05
Homer (35 gravity and above)	1.10	1.10
Haynesville (85 gravity and above)	1.00	1.00
DeSoto Crude	1.20	1.10

LUMBER

Although production of lumber at the pine mills of the Eleventh District during November decreased as compared to the amount produced in October, the volume of orders received continued to be large and shipments were heavy. Shipments from the mills during November were 18 per cent above production as compared to 11 per cent above production in October. Actual production of lumber was 20 per cent below normal as compared to a production of 14 per cent below normal in October. Orders received during November called for 98 per cent of normal production of the mills as compared to orders for 96 per cent of normal production received during October. Stocks of lumber on hand continued to decline, being 28 per cent below normal stocks on November 30th, as against 23 per cent below normal on October 31st.

Unfilled orders on the books of 49 reporting mills on November 30th were 57,086,640 feet of lumber, as against orders for only 52,993,490 feet at the close of October.

The market prices of common lumber of all grades have strengthened and there have been sharp advances on the upper grades.

NOVEMBER PINE MILL STATISTICS

Number of reporting mills	49
Production	85,781,640 feet
Shipments	101,218,462 feet
Orders	104,263,972 feet
Unfilled orders, Nov. 30th	57,086,640 feet
Normal production	106,536,443 feet
Stocks, Nov. 30th	233,119,524 feet
Normal stocks	324,659,202 feet
Shipments above production	15,436,822 feet=18%
Actual production below normal	20,754,803 feet=20%
Orders below normal production	2,272,471 feet=2%
Stocks below normal	91,539,678 feet=28%

BUILDING

A seasonal jump in building activity in the Eleventh Federal Reserve District, as measured by permits issued at twelve of the larger cities, was evident in November when the valuation of permits issued declined 35.8 per cent as compared to the previous month. However, there was an increase in the valuation of permits issued during November of 15.8 per cent as compared to November, 1923. There were 2,478 permits issued at the reporting centers

during November, which had a total valuation of \$5,712,377.

Figures for the year 1924 continued to increase over those for 1923. The 30,205 permits issued in 1924 showed a valuation of \$80,675,411, as compared to 30,428 permits having a valuation of \$75,318,756 issued in 1923, or an increase of 7.1 per cent.

BUILDING PERMITS

	November, 1924		November, 1923		Inc. or Dec.	October, 1924		Inc. or Dec.	First Eleven Months				Inc. or Dec.
	No.	Valuation	No.	Valuation		No.	Valuation		1924		1923		
									No.	Valuation	No.	Valuation	
Austin	39	205,785	40	38,050	+440.8	50	97,790	+110.4	457	1,420,210	565	1,497,053	- 5.1
Beaumont	166	152,061	196	120,094	+ 26.6	236	249,822	- 39.1	2,930	2,427,335	2,027	2,616,294	- 7.2
Dallas	379	1,047,468	333	1,186,089	- 11.7	400	2,769,282	- 62.2	4,503	25,598,114	4,335	19,858,917	+28.9
El Paso	43	125,690	63	56,035	+124.3	60	55,405	+126.9	712	1,515,018	940	2,024,345	-25.2
Fort Worth	185	450,417	181	586,031	- 23.1	191	1,282,919	- 64.5	2,304	9,382,158	2,748	7,734,235	+21.3
Galveston	263	110,668	331	64,099	+ 72.7	284	79,423	+ 39.3	3,263	2,524,522	3,714	1,843,015	+37.0
Houston	489	1,195,302	474	940,332	+ 27.1	672	1,662,994	- 28.1	6,374	15,891,313	6,257	17,706,861	-10.3
Port Arthur	167	82,129	218	190,647	- 56.9	193	86,048	- 4.6	1,788	1,332,571	2,163	2,798,235	-52.4
San Antonio	384	1,305,685	318	394,685	+230.8	406	1,637,325	- 20.3	3,794	8,844,616	3,579	7,769,846	+13.8
Shreveport	218	719,827	261	1,202,193	- 40.1	340	595,642	+ 20.8	3,129	7,627,795	3,126	8,693,405	-12.3
Waco	60	126,000	44	102,620	+ 22.8	60	153,934	- 18.1	687	1,916,965	486	1,153,362	+66.2
Wichita Falls	85	191,342	27	51,700	+270.1	104	226,832	- 15.6	859	2,194,794	488	1,623,188	+35.2
Total	2,478	5,712,377	2,486	4,932,563	+ 15.8	2,996	8,897,407	- 35.8	30,205	80,675,411	30,428	75,318,756	+ 7.1

CEMENT

The seasonal slackening in building activity during November was reflected in curtailed production and shipments of Portland cement from the Texas mills. However, activities continued to exceed those of 1923. There were 384,000 barrels of cement produced during November, a decrease of 7.5 per cent from the 415,000 barrels produced in Oc-

tober, but an increase of 10.3 per cent from the November, 1923, production of 348,000 barrels. Shipments of cement from the mills during November declined 12 per cent as compared to the previous month, but increased 11.9 per cent as compared to the corresponding month of last year.

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

	November, 1924		November, 1923		Per Cent Inc. or Dec.	October, 1924		Per Cent Inc. or Dec.	First Eleven Months		Per Cent Inc. or Dec.				
	Production of Texas Mills	Shipments from Texas Mills	Stocks at end of the month at Texas Mills			Production of Texas Mills	Shipments from Texas Mills		Stocks at end of the month at Texas Mills			1924		1923	
												1924	1923		
Production of Texas Mills	384,000	348,000	348,000		+10.3	415,000		- 7.5	4,194,000	3,948,000		+6.2			
Shipments from Texas Mills	358,000	320,000	320,000		+11.9	407,000		-12.0	4,230,000	3,889,000		+8.8			
Stocks at end of the month at Texas Mills	242,000	254,000	254,000		- 4.7	215,000		+12.6							

Summary of National Business Conditions

(Compiled by the Federal Reserve Board, as of December 26, 1924.)

Production in basic industries and factory employment continued at about the same level in November as in October. There was a further slight rise in the general level of prices reflecting advances in nearly all groups of commodities.

PRODUCTION

Production of basic commodities was at about the same rate in November as in October, but owing to the smaller number of working days not allowed for in the adjustment for usual seasonal variations, the Federal Reserve Board's index of production declined by about two per cent. Increased activity was shown in the iron and steel industry and in cotton and woolen textiles, while production of food, coal, lumber, paper, and automobiles declined. There was little change in the volume of factory employment in November. Building contracts awarded declined somewhat in November, but the total was considerably larger than for the corresponding month of any recent year.

Final estimates by the Department of Agriculture of crop yields in 1924 showed a greater aggregate production than in 1923, and an increase of about 9 per cent in the total value of all crops. Yields of wheat, oats, cotton, potatoes, and hay were larger than in 1923, but the production of corn and tobacco was smaller. Marketing continued in large volume in November and exports of agricultural products were the largest for that month in any recent year.

PRICES

The level of wholesale prices as measured by the index of the Bureau of Labor Statistics advanced slightly in November, price increases in most of the commodity groups being nearly offset by a considerable decline in the prices of animal products. During the first half of December there were further advances in the prices of grains, flour, sheep, metals, and lumber, while the prices of beef, hides, silk, and brick declined.

TRADE

Railroad freight shipments, though smaller in November than in October, owing to seasonal influences, were in about the same volume as in 1923. Wholesale trade showed the usual decline in November, and was about as active as a year ago. Sales of furniture and meat were larger than last year, while the volume of business in nearly all other lines was smaller. Retail trade was somewhat more active in November and sales of mail order houses and chain stores were larger than last year. Merchandise stocks at department stores were slightly reduced and were 2 per cent less than a year ago.

BANK CREDIT

Total loans and investments of member banks in leading cities continued to increase during the four weeks ending December 10th, and on that date were in larger volume than at any previous time. The increase during the period was chiefly in loans secured by stocks and bonds and accompanied continued activity in the security markets. Commercial loans showed a seasonal decline from the high point of the year reached in the middle of November, but continued above the level of a year ago. Security holdings after increasing rapidly since the spring of the year reached a peak on November 19th and after that time showed a slight decline.

At the reserve banks total earning assets increased considerably during the four weeks ending December 17th, reflecting the seasonal demand for currency and the export of gold. The volume of discounts of the reserve banks increased between the middle of November and the middle of December. Their holdings of acceptances also showed a net increase, while United States securities holdings declined somewhat.

Firmer conditions in the money market during the last half of November and the first half of December were indicated by higher rates on bankers' acceptances and a rise of one-half of one per cent in the rate on commercial paper.