

# 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

	April	March	Inc. or Dec.
Bank debits to individual accounts (at 15 cities).....	\$612,375,000	\$705,679,000	Dec. 13.2%
Department store sales.....			Inc. 3.2%
Reserve Bank loans to member banks at end of month.....	\$ 3,705,510	\$ 1,456,376	Inc. 154.4%
Reserve Bank ratio at end of month.....	77.9%	78.2%	Dec. .3 points
Building permit valuations at larger centers.....	\$ 9,600,242	\$ 8,416,704	Inc. 14.1%
Commercial failures (number).....	59	59	None
Commercial failures (liabilities).....	\$ 792,113	\$ 682,936	Inc. 16.0%
Oil production (barrels).....	14,853,198	15,036,098	Dec. 1.2%
Lumber orders at pine mills (per cent of normal production).....	98%	92%	Inc. 6 points

The heavy rains which have effectually broken the long and severe drouth throughout this district overshadowed all other developments during the past thirty days. Following in their wake has come a substantial improvement in business, agricultural, and livestock conditions. Farming operations, which were at a standstill in many sections, have been resumed, and farmers are rapidly completing planting operations and are making good progress with the cultivation of crops. While the rains came too late to be of benefit to a large portion of the grain crops, due to the heavy abandonment, that part of the crop which remains has shown a marked improvement. Offsetting to some extent the favorable outlook for agriculture, has been the appearance of grasshoppers and other insects in considerable numbers, which presents a potential danger to growing crops. Furthermore, the weather in many sections has been too cool for the proper germination and growth of crops. The heavy movement of livestock to outside pastures has been checked, the supply of stock water replenished, the ranges are greening, and improvement in the condition of livestock is noticeable. There should soon be plenty of grass to afford adequate grazing.

Buying in rural sections, as reflected in the distribution of merchandise at wholesale, evidenced a further slowing down during April, but since the rains reports indicate that some improvement has taken place. While further improvement is expected, many trade leaders have expressed

the opinion that a marked expansion in trade will not be forthcoming until good crops are assured. On the other hand, consumer buying in the larger cities continued active. Department store sales reflected a further increase over the previous month, and a gain of 8.0 per cent over April last year. Charges to depositors' accounts were 9.0 per cent larger than in the corresponding month of 1924.

The past month witnessed a further seasonal decline of approximately \$26,000,000 in the deposits of member banks, due to the withdrawal of funds to carry on agricultural and business operations. While there was some increase in the demand for credit accommodations, the volume of borrowing at banks has been considerably lighter than usual. The loans of the Federal Reserve Bank to member banks evidenced a sizable increase during April, but the volume of such loans remains at a very low level as the member banks are able to finance their customers largely out of their own resources.

There was a marked expansion in the volume of new construction work launched during the past month. The valuation of permits issued at principal cities was the largest of any month of the current year, and with the exception of March, 1923, was the largest on record. The production, shipments, and new orders of lumber were sustained at high levels and the production and shipments of cement continued at a satisfactory rate.

### CROP CONDITIONS

The long and severe drouth which seriously affected crop conditions was effectually broken during the past thirty days by the heavy rains which fell over most of the territory of this district. However, there are some sections which have not had sufficient rain and other sections where conditions are still spotted. While crops are greatly improved, the hail storms and high winds caused considerable damage in some sections. The cool weather has hindered

the germination and growth of crops. Grasshoppers and other insects are beginning to appear in considerable number and stand out as a potential danger to growing crops.

The grain crops suffered severely as a result of the drouth and the rains came too late to be of much benefit. The Department of Agriculture estimated that the abandonment of winter wheat this year is the heaviest in any recent year. In Texas, it is estimated that only 38 per cent



of the acreage sown last fall remains. In the central and west center sections of the state only a small percentage of the acreage has been left for harvest. The condition of that portion of the crop remaining on May 1st was estimated at 38 per cent of normal as against 90 per cent on that date last year. In New Mexico it is reported that only 30 per cent of the acreage sown last fall will be harvested. The condition on May 1st was estimated at 40 per cent of normal. The condition of the Texas oat crop was only 32 per cent of normal. Only a small portion of the fall sown oats have survived. The spring sown oats are making poor progress except in the east and northeast sections of the state and in favored localities elsewhere. Much of the oat crop is heading less than a foot from the ground.

The corn crop suffered from the lack of moisture and planting operations were greatly handicapped. However, its condition is greatly improved since the rains, and there has been some additional planting. Reports from some sections of the state indicate that considerable acreage is being planted to other feed crops.

Cotton planting has made rapid progress since the rains, and much of the crop is now in the ground. In the lower valley section of Texas some of the crop is ready to bloom, and in the northeast much of the crop is chopped to a stand. Some sections report that the heavy rains packed the ground to such an extent that the cotton cannot push its way through the ground, and some replanting will be necessary. The cool weather has also adversely affected the crop. In some parts of the state the crop is in excellent condition, but in others it is only fair.

The sowing of rice was delayed by the drouth, but since the rains sowing has made rapid progress. Conditions are now reported to be distinctly favorable. That part of the crop sown before the rain was saved and adequate moisture is now available for sowing the remainder of the crop.

There are prospects for a much better fruit crop in Texas than a year ago, as the late freezes in March did not injure the orchards except in scattered localities.

### LIVESTOCK

While range and livestock conditions reflected a further marked decline during the past month, the heavy precipitation over most of the district's range territory during the latter part of April and the early part of May relieved the drouthy conditions and replenished the supply of stock water. Late reports from many sections of the district indicate that the grass is greening and will soon afford sufficient grazing for the stock. However, there are some sections where the rainfall has been insufficient to revive the ranges. While livestock are in poor to only fair condition, rapid improvement is expected to follow the betterment in range conditions. Shipments to northern pastures were heavy during the past month, but the rains have checked the forced movements.

Cattle losses, particularly in south and west Texas and sections of New Mexico and Arizona, had begun to mount upward prior to the rains. Deaths from forage poison have been heavy, which is a usual occurrence in years when the grass is late in starting.

The calf crop will be shorter than usual, due to the heavy shipments of dry and old cows last year, and the loss of calves from the lack of milk. Furthermore, the number of new-born calves is not up to normal in many sections.

Sheep ranges in Texas showed some improvement during the past month. Bush, weeds, and grass are now growing rapidly. Heavy losses of sheep and lambs have been reported. Lambing is about over and shearing operations have begun. Reports indicate that both the mohair and wool clips will be lighter than last year, but that this year's wool clip appears to be clean with little yolk and a lighter shrinkage than a year ago.

### Movements and Prices

The April receipts of cattle at the Fort Worth market showed a large increase both as compared to the previous month and the same month last year. However, a considerable proportion of the receipts represent cattle being shipped on through billing to pastures. Receipts of calves, hogs, and sheep were smaller than in either the previous month or the corresponding month a year ago.

The cattle market reflected downward revisions during April, the month's close being 25 to 50 cents lower on beef steers, 15 to 25 cents lower on canners, and 50 cents to \$1.00 lower on calves. The market on fat cows closed about steady, and yearlings were about 50 cents higher. Early in April hog prices reached \$13.25, but the reaction which followed carried values to \$11.30 at the close of the month. Sheep values were reduced 50 cents during the month, but lambs showed a gain of that amount.

#### FORT WORTH LIVESTOCK RECEIPTS

	April 1925	April 1924	Loss or Gain	March 1925	Loss or Gain
Cattle .....	90,413	67,373	G 28,040	75,740	G 14,673
Calves .....	10,844	14,257	L 3,413	13,069	L 2,225
Hogs .....	29,472	36,610	L 7,138	46,526	L 17,054
Sheep .....	19,622	57,969	L 38,347	21,530	L 1,908

#### COMPARATIVE TOP LIVESTOCK PRICES

	April 1925	April 1924	March 1925
Beef steers .....	\$ 9.50	\$8.25	\$ 9.75
Stocker steers .....	7.85	7.75	8.25
Butcher cows .....	6.85	6.50	6.40
Stocker cows .....	4.00	3.25	3.25
Calves .....	10.00	9.00	9.00
Hogs .....	13.25	7.60	14.40
Sheep .....	8.50	10.75	9.00
Lambs .....	15.00	16.00	15.25

### Cotton

#### Movements.

While the April exports of cotton from Houston and Galveston reflected a substantial decline from the previous month, they were considerably larger than exports during the corresponding month last year. Stocks at these ports on April 30th were greatly in excess of those on that date a year ago.

#### COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON

	April 1925	April 1924	Aug. 1st to Apr. 30th This Season	Last Season
Net receipts.....	61,667	67,544	3,552,640	2,764,689
Exports .....	192,252	94,512	3,437,485	2,669,491
Stocks April 30th.....			223,627	129,049

#### GALVESTON STOCK STATEMENT

	Apr. 30, 1925	Apr. 30 1924
For Great Britain .....	6,731	3,500
For France .....	8,200	6,000
For other foreign ports.....	26,300	10,368
For coastwise ports .....	4,000	2,000
In compresses and depots.....	178,396	107,181
Total .....	223,627	129,049



## COTTON CONSUMED AND ON HAND

	COTTON GROWING STATES				UNITED STATES			
	April		Aug. 1st to Apr. 30th		April		Aug. 1st to Apr. 30th	
	1925	1924	This Season	Last Season	1925	1924	This Season	Last Season
Cotton consumed .....	399,465	324,254	3,194,887	3,079,700	597,104	478,583	4,669,215	4,569,467
Cotton on hand at end of month:								
(a) in consuming establishments .....			838,134	748,770			1,514,514	1,329,901
(b) in public storage and compresses .....			1,345,722	1,320,539			1,666,147	1,510,619

## HOUSTON COTTON MOVEMENTS

	April		Aug. 1st to Apr. 30th	
	1925	1924	This Season	Last Season
Receipts—Gross .....	59,696	62,570	4,673,974	3,414,355
Receipts—Net .....	25,328	24,325	2,604,169	1,789,345
Exports .....	90,372	35,949	1,707,878	1,031,674
Stocks, Apr. 30th .....			249,025	102,708

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

	This Season	Last Season
Receipts since Aug. 1st .....	9,016,089	6,337,955
Exports: Great Britain .....	2,427,066	1,536,235
France .....	830,831	643,928
Continent .....	3,191,755	2,168,684
Japan-China .....	834,514	544,202
Mexico .....	19,909	8,264
Total foreign ports .....	7,304,075	4,901,316
Stocks at all U. S. Ports, Apr. 30th .....	722,020	478,712

SPOT COTTON PRICES  
(Middling basis)

	April, 1925		May 15, 1925
	High	Low	
New York .....	24.95	24.00	22.30
New Orleans .....	25.10	24.05	22.70
Dallas .....	24.70	24.00	22.60
Houston .....	25.45	24.60	23.15
Galveston .....	25.50	24.60	23.25

## COTTONSEED PRODUCTS

According to the reports received from 68 mills in this district, the average price received for cottonseed products shipped during April was at a higher level than during the previous month. The crude oil shipped brought an average price of \$.0966 per pound in April as against \$.0938 in March; cake and meal brought \$36.52 per ton as against \$35.57; hulls sold for \$10.38 per ton as against \$9.37; and linters sold at \$.0431 per pound as against \$.0428. As the season advances the volume of products being shipped is gradually declining. Many mills have closed down for the season and have sold all products on hand.

## STATISTICS OF COTTONSEED AND COTTONSEED PRODUCTS

	Texas		United States	
	Aug. 1st to Apr. 30th		Aug. 1st to Apr. 30th	
	This Season	Last Season	This Season	Last Season
Cottonseed received at mills (tons) .....	1,537,000	1,310,259	4,489,000	3,251,779
Cottonseed crushed (tons) .....	1,485,000	1,241,845	4,359,000	3,126,999
Cottonseed on hand (tons) .....	58,000	76,545	144,000	130,120
Crude oil produced (pounds) .....	436,206,000	349,394,870	1,322,124,000	923,019,017
Cake and meal produced (tons) .....	696,000	578,006	2,005,000	1,432,031
Hulls produced (tons) .....	432,000	361,469	1,249,000	887,304
Linters produced (500-lb. bales) .....	285,000	243,233	841,000	632,010
Stocks on hand April 30th .....				
Crude Oil (pounds) .....	16,291,000	15,159,100	48,590,000	60,085,249
Cake and meal (tons) .....	28,000	30,892	144,000	137,799
Hulls (tons) .....	27,000	34,702	119,000	75,228
Linters (500-lb. bales) .....	18,000	41,197	90,000	142,436

## COTTONSEED PRODUCTS SHIPPED AND AVERAGE PRICE RECEIVED

	April	
	Products Shipped	Av. Price F.O.B. Mill
Crude oil .....	14,953,636 lbs.	\$.0966 per lb.
Cake and meal .....	21,654 tons	\$36.52 per ton
Hulls .....	18,568 tons	10.38 per ton
Linters .....	6,951,769 lbs.	\$.0431 per lb.

## TEXTILE MILLING

The production of reporting textile mills in this district during April was seven-tenths of one per cent greater than in the previous month, and 37.7 per cent greater than in April, 1924. These mills consumed 2,603 bales of cotton in April as compared to 2,572 bales in March, and 1,956 bales in April last year. Unfilled orders on hand at the close of April showed a decline as compared to those on hand at the close of March, but were more than twice as large as those on hand at the close of April last year. Stocks on hand at the close of April were slightly less than those at the close of March and considerably smaller than a year ago.

Following the reaction in the raw cotton market the price on manufactured goods has reflected a downward trend. Manufacturers report that the demand is slackening.

## TEXTILE MILLING STATISTICS

	April 1925	April 1924	March 1925
Number bales cotton consumed .....	2,603	1,956	2,572
Number spindles active .....	77,028	76,164	77,028
Number pounds cloth produced .....	1,204,459	874,414	1,196,057

## WHOLESALE TRADE

A further recession in the volume of distribution at wholesale was a prominent feature of the trade situation during the past month. Sales in every reporting line except drugs reflected a substantial decline from the previous month, and sales of groceries, dry goods, and farm implements were less than in April a year ago. The gain over last year in the sales of drugs was small. Due to the seriousness of the drouth, the consumer demand in the rural sections during April had dwindled to actual necessities. Retail buying was hesitant and purchases were made largely as the need for goods to replace depleted stocks arose. However, since the rains there has been a better consumer demand and some dealers report that orders at wholesale have been more numerous and larger in volume. While reports indicate that sentiment in trade channels is greatly improved and that prospects point toward a more satisfactory distribution, conditions are somewhat spotted and many dealers have expressed the opinion that there will be no marked improvement until good crops are assured.

Collections are reported to be slow and in some sections accounts are hard to collect.

The sales of reporting wholesale dry goods firms reflected a further decline of 18.8 per cent as compared to



the previous month, and 8.9 per cent as compared to the corresponding month last year. Buying in rural sections has been on a small scale, and merchants have been buying on a hand-to-mouth basis. Reports indicate that business has been exceedingly dull in those sections where the drouth was most severe. Since the rains some of the retailers who bought heavily at the beginning of the season have made an effort to stimulate buying with reduced price sales. However, merchants generally are carrying moderate stocks and this situation augurs well for an improvement in business. The declines in the raw cotton and wool markets have caused a softening in the price of finished products, and in the face of this situation merchants are showing no disposition to buy beyond actual requirements. Dealers state that prospects point toward a good fall business.

The volume of business in the drug trade was well sustained during April. Sales of reporting firms were 1.2 per cent larger than in March, and 3.2 per cent greater than in the same month last year. However, business is somewhat spotted. In some sections business has been active and dealers state that prospects are unusually good, but in others business has been slow with a steadily declining demand. There has been some improvement in practically all sections since the rains.

There was a marked slowing down in the demand for farm implements during April. The sales of reporting firms showed a decline of 32.8 per cent from March and 42.5 per cent as compared to April, 1924. This decline was due to the fact that the drouth situation had reached such serious proportions that the farmers had almost ceased buying. However, since the improvement in the agricultural situation following the general rains, there has been a better demand for implements. The prevailing sentiment of the trade seems to be that distribution will now be more satisfactory.

The demand for groceries reflected a substantial decline during April when the sales of reporting firms were 10.7 per cent less than in March, and 5.4 per cent less than in April, 1924. While the slackening in demand appears to have been general throughout the district, business in those

sections where agricultural conditions are most favorable is fairly well sustained. Dealers state that the outlook is from fair to good.

The April distribution of hardware evidenced a decline of 11.5 per cent from the previous month, but was practically the same as in April last year. Conditions in the trade continue spotted, some sections reporting fairly active business, and others reporting business very unsatisfactory. The large volume of building has had a tendency to hold up the demand for builders hardware, but farmer buying has been greatly curtailed. Collections are falling off.

CONDITION OF WHOLESALE TRADE DURING APRIL, 1925 Percentage of Increase or Decrease in					
	Net Sales April, 1925 compared with		Net Sales Jan. 1 to date compared with same period last year	Stocks April, 1925 compared with	
	April 1924	March 1925		April 1924	March 1925
Groceries .....	-5.4	-10.7	+2.1	+3.4	-6.9
Dry goods .....	-8.9	-18.8	-9.5	-14.0	+4.4
Farm implements.....	-42.5	-32.8	-19.3	-1.9	-6
Drugs .....	+3.2	+1.2	+3.0	-1.9	-9
Hardware .....	None	-11.5	-7.7	-4.2	-2.0

## RETAIL TRADE

The activity which characterized department store trade during the first quarter of 1925 continued during April. The sales of twenty-four firms were 3.2 per cent greater than in March, and were 8.0 per cent greater than in April a year ago. Pre-Easter buying was unusually good, and spring trade has been very satisfactory.

Stocks at the close of April were 1.0 per cent larger than at the close of March, but were 2.3 per cent less than at the close of April, 1924. The ratio of sales to stocks during the first four months of 1925 was 82.9 per cent as compared to 74.3 per cent during the same period of the previous year. The volume of orders outstanding at the close of April showed a further decline from the previous month.

The ratio of April collections to accounts outstanding on April 1st was 41.6 per cent, as compared to 40.9 per cent in March.

## BUSINESS OF DEPARTMENT STORES

	Dallas	Ft. Worth	Houston	All Others	Total District
Total sales—					
April 1925, compared with April 1924.....	+13.3	+5.0	+4.8	+6.1	+8.0
April 1925, compared with March, 1925.....	+3.3	+7.1	+2.9	+1.5	+3.2
Jan. 1st to date compared with same period last year.....	+10.0	+9.9	+7.7	+9.9	+9.5
Credit sales—					
April 1925, compared with April 1924.....	+19.8	+8.1	+8.3	+9.9	+13.3
April 1925, compared with March, 1925.....	+4.8	+6.8	+2.7	+1.4	+3.6
Jan. 1st to date compared with same period last year.....	+12.3	+4.6	+11.0	+12.6	+11.3
Stocks—					
April 1925, compared with April 1924.....	-3.2	-3.0	-7.1	+1.5	-2.3
April 1925, compared with March, 1925.....	+1.4	-3	None	+1.8	+1.0
Percentage of sales to average stocks in					
April, 1924 .....	17.4	17.3	21.8	19.6	18.8
April, 1925 .....	20.3	18.0	23.7	20.3	20.5
Percentage of sales to average stocks—					
January 1st to April 30, 1924.....	72.8	63.4	82.4	77.4	74.3
January 1st to April 30, 1925.....	83.2	67.8	91.8	86.1	82.9
Ratio of outstanding orders to last year's purchases.....	7.3	5.5	7.9	4.7	6.3
Ratio of April collections to accounts receivable, due and outstanding April 1, 1925.....	48.1	37.1	42.6	40.8	41.6

## FINANCIAL

The volume of public spending, as measured by checks charged to depositors' accounts at banks in fifteen principal cities of this district, reflects the continued activity of business, though at a more restricted scale than in previous months. The April volume was 13.2 per cent below that of March, but was 9.0 per cent greater than in April, 1924.

## Acceptance Market.

Reports from accepting banks of this district reflected a heavy decline in the volume of acceptances executed by these banks and which were outstanding at the close of April. The volume outstanding on April 30th amounted to \$614,553.31 as against \$2,045,465.95 on March 31st. Those executed against export and import transactions declined from \$919,592.51 on March 31st to \$507,526.22 on April 30th; and those based on the domestic shipment and storage of



goods declined from \$1,125,873.44 to \$107,027.09 during the same period.

## CHARGES TO DEPOSITORS' ACCOUNTS

	April 1925	April 1924	Inc. or Dec.	March 1925	Inc. or Dec.
Albuquerque	\$ 8,841,000	\$ 9,002,000	- 1.8	\$ 8,416,000	+ 5.0
Austin	23,761,000	18,779,000	+26.5	32,880,000	-27.7
Beaumont	17,816,000	17,442,000	+ 2.1	17,269,000	+ 3.2
Corsicana	9,000,000	8,020,000	+12.2	9,199,000	- 2.2
Dallas	184,462,000	163,104,000	+13.1	219,568,000	-16.0
El Paso	30,240,000	31,250,000	- 3.2	34,667,000	-12.8
Fort Worth	68,096,000	67,689,000	+ 6.0	74,672,000	- 8.8
Galveston	37,192,000	35,025,000	+ 6.2	45,877,000	-18.9
Houston	123,492,000	109,092,000	+13.2	149,492,000	-17.4
Roswell	2,434,000	2,021,000	+20.4	2,598,000	- 6.3
San Antonio	36,723,000	32,707,000	+12.3	35,866,000	+ 2.4
Shreveport	36,544,000	36,762,000	- 6.0	38,417,000	- 4.9
Texarkana	8,970,000	7,401,000	+21.2	9,099,000	- 1.4
Tucson	8,739,000	8,408,000	+ 3.9	8,746,000	- 1.1
Waco	16,065,000	15,015,000	+ 7.0	18,913,000	-15.1
Total, 11th District	\$612,375,000	\$561,717,000	+ 9.0	\$705,679,000	-13.2

*Condition of Member Banks in Selected Cities.* A further substantial reduction in both loans and deposits was reflected in reports of member banks in selected cities. Loans secured by corporate securities declined \$4,508,000 during the five weeks period ending May 6th, and all other loans (largely commercial) declined \$5,587,000. During the same period demand deposits dropped \$13,204,000 and time deposits \$1,728,000, or a total reduction of \$14,932,000. On the other hand, the investments of these banks in United States securities increased \$3,686,000. Their bills payable and rediscounts with the Federal Reserve Bank rose from \$105,000 on April 1st to \$1,297,000 on May 6th.

## CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES

	May 6, 1925	May 7, 1924	Apr. 1, 1925
1. Number of reporting banks	49	50	49
2. U. S. securities owned	56,401,000	\$52,620,000	\$52,715,000
3. All other stocks, bonds and securities owned	19,829,000	13,166,000	19,861,000
4. Loans secured by U. S. Government obligations	3,039,000	3,396,000	3,378,000
5. Loans secured by stocks and bonds other than U. S. Government obligations	71,024,000	60,353,000	75,532,000
6. All other loans	220,546,000	198,565,000	226,133,000
7. Net demand deposits	266,220,000	217,899,000	279,424,000
8. Time deposits	93,282,000	85,057,000	95,010,000
9. Reserve with Federal Reserve Bank	29,926,000	23,541,000	30,373,000
10. Bills payable and rediscounts with Federal Reserve Bank	1,297,000	4,397,000	105,000
11. Ratio of loans* to net demand deposits	84%	93%	82%

\*Loans include only items 4 and 6.

*Savings Deposits* Reports from 106 reporting banks which operate a savings department reflected a gain in savings deposits of 1.1 per cent as compared to last month, and 8.7 per cent as compared to the same month last year. The number of savings depositors on April 30th was 246,646 as compared to 244,627 on March 31st, and 220,700 on April 30, 1924.

## SAVINGS DEPOSITS

	April 30, 1925			April 30, 1924			March 31, 1925		
	Number of Reporting Banks:	Number of Savings Depositors	Amount of Savings Deposits	Number of Savings Depositors	Amount of Savings Deposits	Inc. or Dec.	Number of Savings Depositors	Amount of Savings Deposits	Inc. or Dec.
Beaumont	3	4,642	1,606,312	4,599	1,619,501	- 8	4,645	1,613,101	- 4
Dallas	7	45,287	15,253,465	37,355	12,610,399	+21.0	44,918	15,014,350	+ 1.6
El Paso	3	16,217	5,688,934	15,641	6,940,442	-18.0	16,268	5,839,351	- 2.6
Fort Worth	4	17,975	5,436,124	16,068	4,812,662	+18.0	17,924	5,419,883	+ 3
Galveston	3	13,452	8,140,421	11,552	7,292,621	+11.6	13,543	8,191,012	- 6
Houston	13*	52,478	23,209,531	47,881	20,826,392	+11.4	51,940	22,181,406	+ 4.6
San Antonio	6*	18,862	11,015,342	15,856	9,903,818	+11.2	17,896	11,202,318	- 1.7
Shreveport	5	24,357	10,357,112	22,892	11,288,027	- 8.2	24,250	10,354,080	None
Waco	5	7,869	4,343,284	5,764	2,956,542	+46.9	7,831	4,318,666	+ 6
Wichita Falls	4*	6,829	1,837,571	6,728	1,629,082	+12.8	6,746	1,671,628	+ 9.9
All others	53*	38,678	16,827,204	36,364	15,549,798	+ 8.2	38,636	16,785,088	+ 3
Total	106	246,646	103,715,300	220,700	95,429,284	+ 8.7	244,627	102,590,890	+ 1.1

\*Only 12 banks in Houston, 5 banks in San Antonio, 3 banks in Wichita Falls, and 51 banks in all others reported the number of savings depositors.

## APRIL DISCOUNT 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	4-6	5-6	4-8	5-7
(b) running 4-6 months	5-6	8	4-6	5-6	4-8	5-7
Rate charged on loans to other banks, secured by bills receivable	5-6	6-8	5-6	4½-5	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	4½-8	6
Rate on loans secured by prime stock exchange or other current collateral						
(a) demand	6-7	8	6-8	5-6	6-8	6-7
(b) time	6-7	8	6-8	5-6	6-8	6-7
Rate on commodity paper secured by warehouse receipts, etc.	5-8	8	6-8	5-6	6-8	6-8
Rate on cattle loans	6-8	8	6-8	6-8	7-8	---



**Deposits of Member Banks** The net demand deposits of member banks declined \$27,286,000 between March 25th and April 22nd, but time deposits increased \$1,751,000 over the same period. The total deposits of these banks, which amounted to \$801,107,000 on April 22nd, were \$25,535,000 less than those on March 25th, but were \$95,354,000 greater than those on April 23rd 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
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
Dec. 24, 1924.....	670,487	158,107	322,361	41,676	348,126	116,431
Jan. 28, 1925.....	660,847	160,584	320,036	44,219	340,811	116,365
Feb. 25, 1925.....	680,428	166,895	321,650	45,834	358,778	121,061
Mar. 25, 1925.....	662,862	163,780	304,459	45,132	358,403	118,648
Apr. 22, 1925.....	635,576	165,531	292,385	47,963	343,191	117,568

**Operations of the Federal Reserve Bank.** The increased demand for bank credit in connection with the heavy farming operations and the movement of wool and mohair was reflected in the rise of Federal Reserve Bank loans to member banks during April, and the first half of May. The number of borrowing banks increased from 71 on March 31st to 113 on April 30th, and loans during the same period rose from \$1,456,376.49 to \$3,705,509.91. Despite this increase, however, it will be noted that the demand for Federal Reserve Bank funds continues light. On April 30th a year ago there were 214 banks indebted to us in the aggregate amount of \$12,975,415.94.

The total volume of bills held by this bank showed a further slight decline during the month, being \$11,664,543.01 on March 31st as compared to \$10,799,918.41 on April 30th, distributed as follows:

Member banks collateral notes (secured by U. S. Government obligations).....	\$ 559,300.00
Rediscounts and all other loans to member banks.....	3,146,209.91
Open market purchases (bankers' acceptances).....	7,094,408.50
Total bills held.....	\$10,799,918.41

## OIL PRODUCTION

Field	April			March			Increase or Decrease	
	Total	Daily	Average	Total	Daily	Average	Total	Daily Avg.
North Texas.....	2,909,375		96,979	2,881,295		92,945	Inc.	28,080
Central-West Texas.....	1,559,905		51,997	1,469,240		47,395	Inc.	90,665
East-Central Texas.....	4,395,075		146,503	4,989,600		160,955	Dec.	594,525
Texas Coastal.....	2,857,590		95,253	2,377,847		76,704	Inc.	479,743
Miscellaneous fields.....	1,389,993		46,333	1,537,600		49,600	Dec.	147,607
Total, Texas.....	13,111,938		437,065	13,255,582		427,599	Dec.	143,644
North Louisiana.....	1,741,260		58,042	1,780,516		57,436	Dec.	39,256
Total, 11th District.....	14,853,198		495,107	15,036,098		485,035	Dec.	182,900

## APRIL DRILLING RESULTS

Field	Completions	Producers	Failures	Initial Production
North Texas.....	308	197	111	23,830
Central-West Texas.....	52	33	19	16,073
East Central Texas.....	47	37	10	8,060
Texas Coastal.....	120	97	23	73,181
East Texas.....	12	10*	2	
Miscellaneous fields.....	14	14		9,205
Texas wildcats.....	43	8	35	1,565
Totals, Texas.....	596	396	200	131,914
North Louisiana.....	54	41**	13	5,513
April totals, District.....	650	437	213	137,427
March totals, District.....	608	423	185	116,639

\*Gas wells. \*\*Includes 6 gas wells.

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

Our Federal Reserve note circulation witnessed a further seasonal recession, being \$42,200,140 on April 30th as against \$44,014,360 on March 31st. At the close of April the circulation of these notes was \$1,404,875 less than a year ago. The reserve deposits of member banks totaled \$60,959,940.55 on April 30th, or a decline of \$2,923,080.33 during the month.

## FAILURES

The April statistics on commercial failures in the Eleventh District showed but little change from the previous month. There were 59 defaults with liabilities amounting to \$792,113 as compared to 59 insolvencies in March with a combined indebtedness of \$682,936 and 56 failures in April, 1924, with liabilities amounting to \$881,236.

## PETROLEUM

Due to the thirty-day month total production of crude oil in the Eleventh Federal Reserve District during May declined to 14,853,198 barrels as compared to 15,036,098 barrels of oil produced in March. However, the daily average production during the month amounted to 495,107 barrels of oil, an increase of 10,072 barrels over the March daily average production. Drilling activity continued at a high rate during April, and an unusually large number of wildcat wells were completed. There were 650 wells completed of which 437 were successful and yielded an initial flow of 137,427 barrels of crude oil, as compared to 608 completions during March which resulted in 423 successful wells netting a flush production of 116,639 barrels of oil.

Production at the Wortham field is still showing a heavy decline. The Texas Coastal field again showed the largest increases in production in the district, but the North and Central-West Texas fields also contributed substantial increases, the Big Lake field in Reagan County taking its place among the major producing areas of the district. Louisiana fields showed an increase of 606 barrels in daily average production.

## Crude Oil Prices

The price of Texas Coastal oil was reduced 25 cents per barrel during April.

Prices on all other grades of oil produced in the district remained unchanged during the period April 10th to May 15th, 1925.

## CRUDE OIL PRICES

	May 15, 1925	May 17, 1924
TEXAS—		
Corsicana light.....	\$2.00	\$1.75
Corsicana heavy.....	1.00	1.00
Texas Coastal.....	1.75	2.00
Mexia.....	2.00	1.75
Currie.....	2.00	2.25
North Texas (42 gravity and above).....	2.35	
LOUISIANA—		
Caddo (38 gravity and above).....	\$2.05	\$1.85
Bull Bayou (38 gravity and above).....	1.85	1.80
Homer (35 gravity and above).....	1.80	1.85
Haynesville (33 gr. and above).....	1.70	1.75
De Soto Crude.....	1.90	1.85



## LUMBER

While the production rate of the Eleventh District pine mills was practically normal during April as compared to one per cent above normal during March, shipments of lumber from the mills increased to within 2 per cent of production, as against March shipments of 7 per cent below production. Orders received during April were for 98 per cent of normal April production, as compared to orders for 92 per cent of normal production received during March.

Unfilled orders on the books of the 51 reporting mills on April 30th were for 54,157,838 feet of lumber, while on March 31st the unfilled orders held by the 48 reporting mills called for 53,666,010 feet of lumber.

## APRIL PINE MILL STATISTICS

Number of reporting mills.....	51
Production .....	108,201,625 feet
Shipments .....	106,608,416 feet
Orders .....	106,358,168 feet
Unfilled orders, April 30th.....	54,157,838 feet
Normal production .....	108,407,850 feet
Stocks, April 30th.....	265,680,044 feet
Normal stocks .....	325,419,872 feet
Shipments below production.....	1,593,209 feet= 2%
Actual production below normal.....	206,225 feet=none
Orders below normal production.....	2,049,682 feet= 2%
Stocks below normal.....	59,739,828 feet= 18%

## BUILDING

Construction activity during April in the Eleventh Federal Reserve District, according to the estimated valuation of permits issued at twelve of the larger cities, exceeded that of any previous month of the current year and was the largest for any month since March, 1923. The total valuation of the 2,953 permits issued was \$9,600,242 as compared to 3,150 permits issued in March valued at \$8,416,704, or an increase of 14.1 per cent in valuation, and 3,167 permits having a valuation of \$7,455,102 issued in April, 1924, an increase of 28.8 per cent.

The large total valuation of permits issued during April brought the total for the year to April 30th to \$31,943,981, only four-tenths of one per cent below the total of \$32,073,229 of building permits issued during the same period of 1924.

## BUILDING PERMITS

	April, 1925		April, 1924		Inc. or Dec.	March, 1925		Inc. or Dec.	First Four Months				Inc. or Dec.
	No.	Valuation	No.	Valuation		No.	Valuation		1925		1924		
									No.	Valuation	No.	Valuation	
Austin.....	47	63,989	56	117,255	- 45.4	52	60,625	+ 5.5	206	318,694	203	527,483	- 39.6
Beaumont.....	185	168,040	237	221,450	- 24.1	195	169,539	- .9	680	710,967	854	1,068,866	- 33.5
Dallas.....	591	3,343,282	537	2,221,390	+ 50.5	554	2,058,841	+ 62.4	2,107	10,452,745	1,803	10,110,012	+ 3.4
El Paso.....	82	55,541	81	204,550	- 72.8	86	254,309	- 78.2	293	458,875	305	646,569	- 29.0
Fort Worth.....	245	888,710	243	661,302	+ 34.4	238	722,884	+ 22.9	873	3,136,775	825	2,481,641	+ 26.4
Galveston.....	272	132,047	353	260,058	- 49.2	320	166,092	- 20.4	1,172	524,966	1,325	1,561,157	- 66.4
Houston.....	598	2,152,273	647	1,961,314	+ 9.7	685	2,507,264	- 14.2	2,277	7,598,071	2,404	6,568,168	+ 15.7
Port Arthur.....	159	156,748	197	183,270	- 14.5	177	128,854	+ 21.6	605	452,812	744	652,761	- 30.6
San Antonio.....	329	643,485	383	717,866	- 10.4	353	982,130	- 34.5	1,334	2,990,292	1,457	3,131,474	- 4.5
Shreveport.....	235	1,416,340	305	534,131	+165.2	281	358,634	+294.9	1,044	2,500,381	1,165	3,612,432	- 30.8
Waco.....	65	138,165	79	237,070	- 41.7	76	174,742	- 20.9	284	856,271	258	843,436	+ 1.5
Wichita Falls.....	145	441,622	49	135,446	+266.1	133	832,790	- 47.0	487	1,943,132	275	869,230	+123.5
Total.....	2,953	9,600,242	3,167	7,455,102	+ 28.8	3,150	8,416,704	+ 14.1	11,362	31,943,981	11,618	32,073,229	- .4

## CEMENT

Although shipments of Portland cement from the Texas mills during April increased 6.9 per cent over shipments made in March, they were 2.6 per cent less than April, 1924, shipments. There were only 405,000 barrels of cement produced during April, as compared to 422,000 bar-

rels produced in March, and 404,000 barrels produced in April, 1924. Consequently, stocks on hand at the close of the month declined 13.7 per cent from those held at the end of March, and were 12.5 per cent smaller than stocks at the close of April last year.

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

	April, 1925	April, 1924	Per Cent Inc. or Dec.	March, 1925	Per Cent Inc. or Dec.	First Four Months		Per Cent Inc. or Dec.
						1925	1924	
Production of Texas Mills.....	405,000	404,000	+ .2	422,000	- 4.0	1,470,000	1,427,000	+ 3.0
Shipments from Texas Mills.....	451,000	463,000	- 2.6	422,000	+ 6.9	1,527,000	1,369,000	+11.5
Stocks at end of the month at Texas Mills....	295,000	337,000	-12.5	342,000	-13.7			



# SUMMARY OF NATIONAL BUSINESS CONDITIONS

(Compiled by the Federal Reserve Board, as of May 25, 1925.)

Production in basic industries and factory employment continued at approximately the same level during April as in March. Factory pay rolls were smaller, and wholesale prices declined sharply. Distribution of commodities was maintained at a higher level than a year ago.

## PRODUCTION

The output in basic industries declined less than one per cent in April. Decreased production of iron and steel, flour, and copper was largely offset in the Federal Reserve Board's production index by increases in mill consumption of cotton and in the production of newsprint and petroleum. The output of automobiles, which are not included in the index, has increased rapidly since December and in April was the largest ever recorded. Automobile tire production was maintained at the high level reached in March. The number of men employed at industrial establishments remained practically the same in April as in March, but owing to less full time operation, particularly in the textile, leather and food industries, total factory payrolls decreased about 2 per cent. Building contracts awarded during April were the largest on record both in value and in square feet.

Estimates by the Department of Agriculture on May 1st indicated a reduction of 6 per cent from the April forecast in the yields of winter wheat and rye. The winter wheat crop is expected to be 25 per cent smaller than last year and the indicated yield of rye is 9 per cent less.

## TRADE

Wholesale trade was smaller in all lines except hardware during April than in March. Compared with a year ago sales of groceries and shoes were less, but sales of meats, dry goods and drugs were larger. Sales at department stores and by mail order houses showed more than the usual increase in April and were larger than during April, 1924.

Wholesale stocks of groceries, shoes and hardware were smaller at the end of April than a month earlier, while dry goods were larger. Merchandise stocks at department stores showed less than the usual seasonal increase in April, but were in about the same volume as a year ago. Freight

car loadings of merchandise were greater than in March and larger than in any previous April.

## PRICES

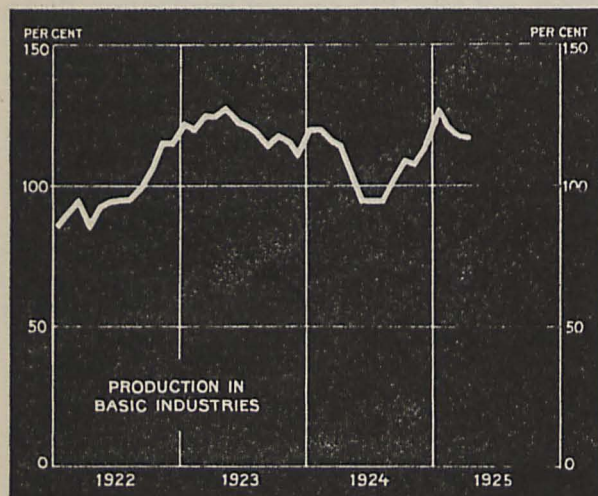
Wholesale prices according to the index of the Bureau of Labor Statistics, declined 3 per cent in April following an almost uninterrupted rise since the middle of 1924. All groups of commodities shared in the decline of prices except house furnishings and the miscellaneous group. The largest declines were in farm products and food, which had shown the most rapid increases during the first three weeks in May. Prices of grains, beef, hogs, flour and rubber advanced, while declines occurred in cotton, wool, lumber and iron prices.

## BANK CREDIT

At the middle of May total loans and investments of member banks in leading cities were near the level which has prevailed, with only minor fluctuations, since the first of the year. Loans chiefly for commercial purposes declined slightly between the middle of April and the middle of May, while loans on securities rose to a high point at the end of April and decreased somewhat during the first two weeks of May. Total investment holdings, which increased considerably during the first half of March, have declined somewhat since that time. Net demand deposits increased considerably from the low point at the end of March, but were still \$500,000,000 less than at the middle of January. At the reserve banks there was a marked decline in the volume of member bank borrowings after the first week in May, and total earning assets of the reserve banks on May 20th were less than \$1,000,000,000 for the first time since January. Acceptances and holdings of United States securities on that date were in about the same volume as a month earlier.

## MONEY

Conditions continued relatively easy during the latter part of April and the first part of May at  $3\frac{3}{4}$  per cent. The open market rate for prime commercial paper was slightly below the level for the preceeding month.



Index of 22 basic commodities corrected for seasonal variations (1919=100). Latest figure—April, 119.



Index of U. S. Bureau of Labor Statistics. (1913=100, base adopted by Bureau.) Latest figure—April, 156.