

# 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

	March	February	Increase or Decrease
Bank debits to individual accounts (at 17 cities).....	\$966,259,000	\$868,560,000	Inc. 11.2%
Department store sales.....			Inc. 37.3%
Reserve bank loans to member banks at end of month.....	\$ 14,328,235	\$ 19,009,260	Dec. 24.6%
Reserve bank ratio at end of month.....	68.4%	58.1%	Inc. 10.3 points
Building permit valuation at larger centers.....	\$ 8,682,845	\$ 6,739,925	Inc. 28.8%
Commercial failures (number).....	49	40	Inc. 22.5%
Commercial failures (liabilities).....	\$ 559,130	\$ 551,720	Inc. 1.3%
Oil production (barrels).....	25,530,200	22,406,900	Inc. 13.9%
Lumber orders at pine mills (per cent of normal production).....	109%	82%	Inc. 27 points

A marked improvement in the agricultural situation during the past month stands out as the most important development in the business and industrial situation in the Eleventh Federal Reserve District. The heavy general rains broke the drouth which was becoming acute in portions of Eastern New Mexico, Northwest, West, and Southern Texas, and enabled the farmers to proceed with agricultural operations. The added moisture has also greatly stimulated the growth of small grains and present prospects for these crops indicate good yields. In the Eastern half of the district there has been sufficient fair weather to enable the farmers to make rapid progress with plowing and planting operations and late reports indicate that they are rapidly overcoming the handicap of a late start. Corn planting is practically completed with much of the crop up to a good stand and cotton planting has become general in practically all sections except West and Northwest Texas. A noticeable betterment has likewise occurred in the condition of livestock and their ranges. The grass and weeds on the ranges have, since the rains, made excellent growth with prospects pointing toward an ample supply of pasturage for spring and summer. Coincident with the improvement in range conditions, livestock are putting on considerable flesh.

The distribution of merchandise at retail in the larger cities reflected a sharp increase with sales averaging 37 per cent greater than the previous month and 5 per cent larger than in the corresponding month last year. While a seasonal gain in the volume of merchandise distribution at wholesale was reflected as compared to the previous month, yet sales in some lines fell short of those a year ago. The decline from a year ago, however, may be attributable in part to the uncertainty in the agricultural situation during the greater part of March and to the fact that business in

all lines was exceedingly active during March, 1928. Late reports indicate that business is becoming more active since the improvement in the agricultural outlook.

Reflecting the withdrawal of funds for use in agricultural business and industrial operations, the daily average deposits of member banks during the month of March reflected a further seasonal decline, the total being \$949,031,000 as compared to \$961,260,000 in February. This compares to actual deposits of \$888,333,000 on April 11, 1928. Federal Reserve Bank loans to member banks reflected a sharp decline toward the middle of March reaching a low point at \$9,097,646 on March 19, as compared to \$19,009,260 on February 28, but these loans had again risen to \$17,475,233 on April 15. While the volume of loans to country banks has increased noticeably since the first of April, the larger proportion of these funds are still being absorbed by the reserve city banks.

The district's commercial failure rate during March while slightly higher than in the short month of February, was considerably smaller than in the corresponding month last year. The compilation for the first quarter of the current year discloses that there were fewer insolvencies and a smaller volume of indebtedness than in any corresponding period in nine years.

The March valuation of building permits issued at principal cities reflected a gain of 29 per cent over the previous month but was 46 per cent less than the record volume in March, 1928. The production, shipments and new orders for lumber showed a seasonal increase over February but were in a smaller volume than a year ago. The production and shipments of cement, likewise, showed a large gain over the previous month.



## CROP CONDITIONS

The many adverse factors which were threatening the agricultural prospects a month ago have now practically disappeared. The drouthy conditions in Eastern New Mexico and Northwest, West, South, and portions of Central Texas, were relieved by the heavy, general rains over those areas during March and early April and reports indicate that moisture is now ample for present needs. The other portions of the district, many of which were suffering from too much rain, were benefited by warm clear weather and farmers generally have practically overcome the handicap of a late start. Reports from most sections of the district now indicate that the agricultural outlook is unusually favorable.

The winter wheat crop in the Northwest and South Plains sections of Texas was greatly benefited by the heavy rains late in March. The Department of Agriculture estimated the April 1 condition of the Texas wheat crop as 87 per cent of normal, which was among the highest in recent years. This compares with a condition figure of 74 per cent on April 1, 1928. The area sown to winter wheat last fall was estimated by the Department as 2,576,000 acres or 128 per cent of the area harvested in 1928, and present indications are that the acreage abandoned this season will be much below the average. The condition of the Texas oat crop was reported as 83 per cent as compared to 72 per cent on the same date a year ago. Fall sown oats have done well and the spring crop, while it has suffered from the lack of moisture in the West and too much rain in the East, is now making rapid progress. The area sown to spring oats this year was considerably reduced by the unfavorable weather earlier in the year but this reduction was partly offset by the larger fall sown crop.

The planting of corn is nearing completion and a large percentage of the crop is now up to a good stand. Some replanting, however, was necessary where the soil was too cold and wet. Grain sorghums have come up to a good stand in the Southern counties of Texas and conditions are favorable for the planting of a large acreage in the main producing areas of the Northwest.

The sowing of rice is in progress, with indications pointing toward a smaller acreage than a year ago. The peach crop is reported at 94 per cent of a full crop and present indications point toward the best production since 1919. The trees have come through the winter with less than the usual loss. The condition of other fruit crops is likewise very good.

## LIVESTOCK

Due to the copious rains and warm weather, marked improvement occurred in the physical condition of ranges and livestock throughout the Eleventh Federal Reserve District during the past thirty days. Although many localities a month ago were suffering from the lack of moisture, the recent general rains have left a good season in the ground and replenished the supply of stock water. Grass and weeds on the ranges have made excellent growth and reports indicate that the supply of feed generally is ample to assure good spring and summer grazing in most sections. Since the improvement in the ranges livestock generally are putting on flesh and are reported to be in good condition.

Calves, lambs and kids are coming rapidly and prospects point toward large crops.

The Department of Agriculture estimated that the condition of cattle ranges in Texas was 85 per cent of normal on April 1 as compared to 79 per cent a month earlier and 82 per cent on the corresponding date in 1928. Sheep and goat ranges were 87 per cent of normal on April 1, which represents a gain of 8 points during the month and 2 points as compared to a year ago. The April 1 condition of cattle was 83 per cent of normal, which was a gain of 3 points during the month, but the same as last year. The condition of sheep and goats was 86 per cent of normal on April 1 as compared to 83 per cent a month earlier and 87 per cent as compared to a year ago. Goat shearing is practically completed and the clip is reported to be of good quality. The shearing of sheep is now in full swing.

*Movement and Prices*

Receipts of all classes of livestock at the Fort Worth market during March reflected an increase over the previous month, the gains in the case of hogs and sheep being large. As compared to the corresponding month last year, the arrivals of hogs, sheep, and calves showed a moderate gain but cattle receipts were considerably smaller.

The cattle market, after showing a downward trend for several months, turned sharply upward during March. While receipts of cattle reflected a seasonal increase, supplies at times fell below packers requirements, which brought about higher quotations. The top prices paid during the month on some classes of cattle were the highest recorded during the current year. During the early part of March, a top price of \$11.15 was paid for hogs, the highest level reached since last October, but the market followed an uneven course during the remainder of the month. The sheep market remained generally steady.

COMPARATIVE TOP LIVESTOCK PRICES

	March 1929	March 1928	February 1929
Beef steers.....	\$12.60	\$13.25	\$11.75
Stocker steers.....	14.00	12.85	12.75
Butcher cows.....	9.00	9.40	8.85
Stocker cows.....	8.25	8.10	9.00
Calves.....	12.65	13.00	12.00
Hogs.....	11.15	8.35	10.85
Sheep.....	10.50	9.50	10.50
Lambs.....	17.50	16.50	15.50

FORT WORTH LIVESTOCK RECEIPTS

	March 1929	March 1928	Loss or Gain	February 1929	Loss or Gain
Cattle.....	39,836	43,314	L 3,478	32,668	G 7,168
Calves.....	10,258	8,684	G 1,574	9,629	G 629
Hogs.....	58,834	58,744	G 90	40,364	G 18,470
Sheep.....	44,192	31,282	G 12,910	26,297	G 17,895

*Cotton Movements*

The March receipts of cotton at the ports of Houston and Galveston reflected a substantial increase over the corresponding month last year. The exports from Houston were larger than in either the previous month or the same month last year but exports from Galveston reflected a decline from both periods. Foreign exports (including linters) during March amounted to 555,986 bales as compared to 596,208 bales in March, 1928, but those during the first eight months



of the current season were 18 per cent less than in the corresponding period last season. The domestic consumption of cotton rose to 632,803 bales in March, as compared to 598,098 bales in February and 581,325 bales in March a year ago.

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

	August 1 to March 31	
	This Season	Last Season
Receipts.....	8,942,845	7,447,409
Exports:		
Great Britain.....	1,623,875	1,083,022
France.....	699,753	750,731
Continent.....	2,981,540	3,042,555
Japan-China.....	1,260,875	811,542
Mexico.....	18,203	16,026
Total foreign ports.....	6,584,246	5,703,875
Stocks, all United States ports March 31.....	1,828,049	1,770,061

#### SPOT COTTON PRICES—Middling Basis

	March, 1929		April 15, 1929
	High	Low	
New York.....	21.65	20.70	20.60
New Orleans.....	20.49	19.49	19.52
Dallas.....	20.15	19.15	19.10
Houston.....	20.75	19.70	19.65
Galveston.....	20.90	19.80	19.70

#### COTTON CONSUMED AND ON HAND

	COTTON GROWING STATES				UNITED STATES			
	March 1929	March 1928	August 1 to March 31 This Season	August 1 to March 31 Last Season	March 1929	March 1928	August 1 to March 31 This Season	August 1 to March 31 Last Season
Cotton consumed.....	480,517	431,812	3,577,605	3,549,973	632,803	581,325	4,682,269	4,781,694
Cotton on hand March 31:								
(a) In consuming establishments.....			1,257,828	1,079,629			1,730,944	1,592,917
(b) In public storage and compresses.....			2,914,759	3,238,120			3,177,147	3,511,590

#### COTTONSEED PRODUCTS

The operations of cottonseed oil mills in both Texas and the United States during March reflected a further seasonal decline as compared to the previous month but they were on a larger scale than in March, 1928. The production of cottonseed oil by all United States mills during the period August 1 to March 31, of the current season amounted to 1,443,079,772 pounds as compared to 1,370,359,229 pounds in the same period of the previous season. Due to the heavy shipments of oil, however, mills stocks on March 31 amounted to 75,173,653 pounds as compared to 81,435,170 pounds a month earlier and 98,911,798 pounds a year ago. Stocks of all other products on March 31 at both Texas and all United States mills, while less than at the close of February, were considerably larger than on the corresponding date of 1928.

#### STATISTICS ON COTTONSEED AND COTTONSEED PRODUCTS

	Texas		United States	
	August 1 to March 31 This Season	August 1 to March 31 Last Season	August 1 to March 31 This Season	August 1 to March 31 Last Season
Cottonseed received at mills (tons).....	1,679,781	1,503,457	4,964,318	4,518,134
Cottonseed crushed (tons).....	1,600,101	1,459,511	4,595,365	4,351,494
Cottonseed on hand (tons).....	92,474	77,877	386,986	255,924
Crude oil produced (pounds).....	473,638,919	435,397,386	1,443,079,772	1,370,359,229
Cake and meal produced (tons).....	750,922	675,935	2,068,926	1,947,547
Hulls produced (tons).....	436,360	414,770	1,240,314	1,230,015
Linters produced (running bales).....	331,404	279,107	975,012	812,345
Stocks on hand, March 31:				
Crude oil (pounds).....	22,953,322	32,241,529	75,173,653	98,911,798
Cake and meal (tons).....	51,034	28,910	239,050	110,600
Hulls (tons).....	55,332	42,419	121,317	104,708
Linters (running bales).....	61,955	39,999	206,164	132,924

#### COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON

	March 1929	March 1928	August 1 to March 31 This Season	August 1 to March 31 Last Season
Receipts.....	139,660	126,752	2,829,194	2,232,771
Exports.....	208,693	227,179	2,492,956	2,045,969
Stocks, March 31.....			417,237	332,831

#### GALVESTON STOCK MARKET

	March 31, 1929	March 31, 1928
For Great Britain.....	10,500	10,000
For France.....	5,200	8,200
For other foreign ports.....	33,700	33,200
For coastwise ports.....	3,500	3,000
In compresses and depots.....	364,337	278,431
Total.....	417,237	332,831

#### COTTON MOVEMENTS THROUGH THE PORT OF HOUSTON

	March 1929	March 1928	August 1 to March 31 This Season	August 1 to March 31 Last Season
Receipts.....	78,497	62,050	2,758,065	2,393,936
Exports.....	180,332	147,866	1,997,135	1,580,714
Stocks, March 31.....			654,510	621,579

#### TEXTILE MILLING

As reflected in cotton consumption and production of cloth, activities at Textile mills in the Eleventh District were on a larger scale in March than in the previous month. There were 3,289 bales of raw cotton consumed as compared to 2,987 bales in February and 2,623 bales in March last year. The output of cloth in March was 11.9 per cent above that in February and 21.6 per cent greater than production in the corresponding period of 1928. Orders on hand at the end of the month showed a substantial increase over those a month earlier and a year ago, and stocks were likewise larger than at the close of both previous dates.

#### TEXTILE MILLING STATISTICS

	March 1929	March 1928	February 1929
Number bales consumed.....	3,289	2,623	2,987
Number spindles active.....	81,168	82,984	81,168
Number pounds cloth produced.....	1,556,393	1,279,844	1,391,204

#### WHOLESALE TRADE

Seasonal expansion in the demand for merchandise in wholesale channels of distribution was in evidence during the month of March, yet the volume of business in some lines was on a slightly smaller scale than in the corresponding month of last year. In making the latter comparison, however, it must be borne in mind that buying in March, 1928, was unusually active. Due to the fact that most merchants are continuing to follow the conservative policy of keeping commitments well aligned with consumer demand,



buying during the early part of March was retarded somewhat by the uncertainty in the agricultural outlook. Reports indicate that the demand for seasonal merchandise was generally good. While collections in most lines were larger than in the previous month, they were smaller than a year ago.

The distribution of dry goods at wholesale reflected a further slight gain over the previous month but was 1.9 per cent smaller than in the corresponding month last year. While the early Easter stimulated the buying of seasonal merchandise, business was somewhat spotty. Collections reflected a substantial gain over the previous month.

The demand for farm implements at wholesale reflected a seasonal decline in March. Sales for the month were 5.2 per cent less than in February, but they exceeded those of the corresponding month last year by 11.5 per cent even though distribution was unusually heavy in that month. The unfavorable weather during the first two months of the year, which delayed farm work in many sections of the district, retarded the distribution of farm implements to some extent, but the demand has strengthened considerably along with the improvement in the agricultural outlook. Prices remained generally stable.

The sales of reporting wholesale drug firms showed a large seasonal expansion of 9.5 per cent as compared to the previous month but were 7.1 per cent less than a year ago. In considering the decline from March last year, it must be borne in mind that buying in that month was on a very broad scale. Furthermore, sales during the first quarter of 1929 were 4.3 per cent greater than in the same period of 1928. Collections reflected a substantial decline from the

previous month and were smaller than a year ago.

A strong demand for hardware at wholesale was in evidence during the past month. Sales of reporting firms showed a gain of 12.8 per cent over the previous month and were 9.2 per cent larger than in the corresponding month last year even though the volume of business in the latter month was very large. The heavy gain in March as compared to a year ago offset the decline registered during the first two months of the year. The increased volume of business was general over the district and reflects the heavy buying of seasonal merchandise. Collections reflected a large increase over the previous month.

While the distribution of groceries at wholesale reflected a seasonal expansion of 1.9 per cent over the previous month, it was 7.1 per cent less than in the corresponding month last year. Distribution during the first quarter was 1.4 per cent smaller than in the same period of 1928. Collections were slightly less than in the previous month. Prices remained generally steady.

CONDITION OF WHOLESALE TRADE DURING MARCH, 1929  
Percentage of increase or decrease in:

	Net Sales March, 1929 compared with Mar. 1928		Net Sales Jan. 1 to date comp'd with same period last year		Stocks March, 1929 compared with Mar. 1928		Ratio of collec- tions during Mar. to accounts and notes outstandin on Feb. 28
	1928	1929	1928	1929	1928	1929	
Groceries.....	-7.1	+1.9	-1.4	+4.0	+	.7	72.6
Dry Goods.....	-1.9	+3	-8.6	-14.0	-	2.5	29.8
Farm implements..	+11.5	-5.2	+24.5	-1.9	-	4.9	17.9
Hardware.....	+9.2	+12.8	+3	+	.7	-1.2	39.9
Drugs.....	-7.1	+9.5	+4.3	+6.9	+	.3	43.7

## RETAIL TRADE

Retail buying at department stores in the larger cities of the Eleventh District was on a broad scale during the past month. Sales of reporting firms were 37.3 per cent greater than in the previous month and exceeded those of March, 1928, by 5.1 per cent. Business during the month was stimulated by the early Easter and the generally warm weather prevailing during the month. The substantial gain in sales during March was responsible for the 0.9 per cent increase in the first quarter of 1929 as compared to the same period in 1928. While the sales in piece goods departments reflected a decline as compared to a year ago, sales in most women's and misses' ready-to-wear departments, ready-to-

wear accessories departments, small wares departments, men's and boys' wear departments reflected increases.

Stocks on hand at the close of March were 8.2 per cent less than a month earlier and were 14.8 per cent smaller than on March 31, 1928. Due to the larger sales and the smaller stocks the rate of stock turnover during the first quarter of 1929 was .77 as compared to .73 in the same period last year.

Collections showed a slight improvement. The ratio of March collections to accounts receivable on March 1 was 37.0 per cent as compared to 36.3 per cent in February and in March last year.

BUSINESS OF DEPARTMENT STORES

	Dallas	Fort Worth	Houston	San Antonio	Others	Total District
Total Sales: (Percentage)						
March, 1929, compared with March, 1928.....	+8.8	-1.1	+12.6	-5.4	+4.7	+5.1
March, 1929, compared with February, 1929.....	+34.8	+39.6	+42.2	+28.7	+39.0	+37.3
January 1 to date, compared with same period last year.....	+3.1	-3.0	+4.1	-3.4	+	.4
Credit Sales: (Percentage)						
March, 1929, compared with March, 1928.....	+14.3	+3.2	+11.3	-2.5	+3.2	+7.6
March, 1929, compared with February, 1929.....	+35.2	+34.5	+36.9	+33.3	+38.2	+35.6
January 1 to date, compared with same period last year.....	+5.6	+1.1	+1.2	-.6	+1.7	+2.7
Stocks: (Percentage)						
March, 1929, compared with March, 1928.....	-1.6	-5.7	-1.5	-10.8	+2.8	-14.8
March, 1929, compared with February, 1929.....	+2.2	+2.7	+8.9	+7.6	+6.5	-8.2
Stock Turnover: (Rate)						
Rate of stock turnover in March, 1928.....	.25	.24	.29	.28	.26	.26
Rate of stock turnover in March, 1929.....	.29	.24	.32	.30	.24	.28
Rate of stock turnover January 1 to March 31, 1928.....	.72	.66	.81	.79	.70	.73
Rate of stock turnover January 1 to March 31, 1929.....	.80	.66	.85	.87	.70	.77
Ratio of March collections to accounts receivable and outstanding March 1, 1929.....	34.6	34.5	40.3	41.3	39.3	37.0



## FINANCIAL

Due partly to seasonal influences and in part to the payment of income taxes, debits to individual accounts at banks in seventeen principal cities of the Eleventh District showed an increase in March of 11.2 per cent over February and were 12.4 per cent greater than in the corresponding month last year. The volume of charges at these banks aggregated \$966,259,000 as against \$868,560,000 in the previous month and \$859,787,000 in March, 1928. It will be observed that the increase over February was general throughout the district and that only four cities reported declines as compared to March last year.

DEBITS TO INDIVIDUAL ACCOUNTS  
(In Thousands of Dollars)

	March 1929	March 1928	Increase or Decrease	February 1929	Increase or Decrease
Abilene.....	\$ 10,638	\$ 11,338	- 6.2	\$ 10,619	+ .2
Austin.....	26,010	21,526	+20.8	23,305	+11.6
Beaumont.....	28,563	25,698	+11.1	27,280	+ 4.7
Coriscana.....	6,711	6,950	- 3.4	5,784	+16.0
Dallas.....	271,141	230,032	+17.9	235,300	+15.2
El Paso.....	40,798	35,645	+14.5	38,347	+ 6.4
Fort Worth.....	107,650	100,046	+ 7.6	95,780	+12.4
Galveston.....	39,188	36,428	+ 7.6	37,101	+ 5.6
Houston.....	211,102	182,667	+15.6	187,922	+12.3
Port Arthur.....	10,873	9,067	+19.9	9,959	+ 9.2
Roswell.....	3,843	3,620	+ 6.1	3,650	+ 5.2
San Antonio.....	92,279	83,313	+10.8	85,153	+ 8.4
Shreveport.....	42,347	42,700	- .8	40,119	+ 5.6
Texarkana*.....	15,578	16,186	- 3.8	13,910	+12.0
Tucson.....	12,313	10,141	+21.4	10,913	+12.8
Waco.....	18,975	16,490	+15.1	17,484	+ 8.5
Wichita Falls.....	28,250	27,940	+ 1.1	25,934	+ 8.9
Total.....	\$966,259	\$859,787	+12.4	\$868,560	+11.2

\*Includes the figures of two banks in Texarkana, Arkansas, located in the Eighth District.

Acceptance  
Market

The volume of acceptances executed by accepting banks in the Eleventh District and outstanding at the close of the month amounted to \$4,698,325 on March 31, which was only \$56,799 less than a month earlier. Acceptances of these banks executed against import and export transactions increased from \$1,591,163 on February 28 to \$2,474,978 on March 31 but those based on the domestic shipment and storage of goods decreased from \$3,163,961 on the former date to \$2,223,347 on the latter date.

Condition of  
Member Banks  
in Selected  
Cities

A sharp decline in loans on securities which was offset by a similar increase in commercial loans was reflected in reports received from banks located in selected cities of the Eleventh District in March.

Loans on securities declined from \$119,097,000 on March 6 to \$104,854,000 on April 10, while, on the other hand, all other loans, largely for commercial and agricultural purposes, rose from \$237,864,000 on the former date to \$252,473,000 on the latter date. Investments of these banks in United States securities amounted to \$94,535,000, which was \$3,154,000 greater than five weeks earlier, while their holdings in other stocks and bonds were reduced \$1,114,000 during the period. Total loans and investments aggregated \$491,430,000 as compared to \$489,024,000 on March 6 and \$448,400,000 on April 11, 1928. Net demand deposits showed a seasonal reduction of \$15,841,000 and time deposits declined \$3,834,000. Reserves with the Federal Reserve Bank on April 10th amounted to \$36,324,000, which was only \$9,000 less than on March 6, and their bills payable and rediscounts with this bank aggregating \$9,600,000 reflected a loss of \$6,912,000 during the period.

## CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES

	April 10, 1929	March 6, 1929	April 11, 1928
1. Number of reporting banks.....	43	43	45
2. United States securities owned.....	\$ 94,535,000	\$ 91,381,000	\$ 76,623,000
3. All other stocks, bonds and securities owned.....	39,568,000	40,682,000	30,582,000
4. Loans on securities.....	104,854,000	119,097,000	104,520,000
5. All other loans.....	252,473,000	237,864,000	235,675,000
6. Total loans.....	357,327,000	356,961,000	340,195,000
7. Net demand deposits.....	300,761,000	316,602,000	302,425,000
8. Time deposits.....	139,567,000	143,401,000	120,421,000
9. Reserve with Federal Reserve Bank.....	36,324,000	36,333,000	32,953,000
10. Bills payable and rediscounts with Federal Reserve Bank.....	9,600,000	16,512,000	4,783,000

## APRIL DISCOUNT RATES

## Prevailing Rates

	Dallas	El Paso	Fort Worth	Houston	San Antonio	Waco
Rates charged customers on prime commercial paper such as is now eligible for rediscount under the Federal Reserve Act.....	6	8	6-8	6	6	6-8
Rate charged on loans to other banks secured by bills receivable.....	5-6	6	5-6	5-6	5-6	6
Rate on loans secured by prime stock exchange or other current collateral (not including loans placed in other markets through correspondent banks):						
(a) Demand.....	5½-8	6-8	6-8	6	6-8	6-8
(b) Time.....	6-8	6-8	6-8	6	6-8	6-8
Rate charged on commodity paper secured by warehouse receipts, etc.....	6-6½	7-8	6-8	6	6-8	6-8
Rate on cattle loans.....	6	6-8	6-8	7-8	4-8	7-8

Savings  
Deposits

Reports from 90 banks in the Eleventh District which operate a savings department show that savings deposits, amounting to \$151,397,819 on March 31, were 0.5 per cent larger than a month earlier and 12.1 per cent greater than on the

corresponding date last year. There were 294,448 accounts carried at 81 of these banks at the close of the month as against 288,965 on February 28, and 262,983 on March 31, 1928.



## SAVINGS DEPOSITS

		March 31, 1929	March 31, 1928	February 28, 1929	
	Number of Reporting Banks	Number of Savings Depositors	Amount of Savings Deposits	Number of Savings Depositors	Amount of Savings Deposits
Beaumont.....	4*	6,896	2,485,250	6,557	2,403,419
Dallas.....	6	64,133	25,097,228	53,314	21,921,981
El Paso.....	2	14,970	6,440,700	13,707	5,584,973
Fort Worth.....	3	23,599	8,766,155	22,300	7,512,385
Galveston.....	3	14,004	9,609,202	13,587	9,847,294
Houston.....	13*	72,731	34,771,613	65,709	31,377,347
San Antonio.....	8*	23,573	21,934,599	18,836	19,182,162
Shreveport.....	4*	21,303	12,198,131	21,059	10,823,158
Waco.....	4	9,837	6,970,607	8,673	6,433,569
Wichita Falls.....	2	4,164	1,550,196	4,179	2,103,178
All others.....	41*	39,238	21,574,138	35,062	17,841,155
Total.....	90	294,448	\$151,397,819	262,983	\$135,030,621

\*Only 3 banks in Beaumont, 11 banks in Houston, 6 banks in San Antonio, 3 banks in Shreveport and 38 banks in "All Others" reported the number of savings depositors.

### Deposits of Member Banks

The combined daily average of net demand and time deposits of member banks in the Eleventh Federal Reserve District, amounting to \$949,031,000 in March, reflected a seasonal decline of \$12,229,000 from that of the previous month. Net demand deposits were reduced from a daily average of \$733,901,000 in February to \$718,066,000 in March while the daily average of time deposits increased from \$227,359,000 in the former month to \$230,965,000 in the latter month. Combined deposits of these banks aggregated \$888,333,000 on April 11, 1928.

### Operations of the Federal Reserve Bank

Loans to member banks in the Eleventh Federal Reserve District, amounting to \$14,328,235 on March 31, showed a decline of \$4,681,024 from those a month earlier but were \$9,050,921 greater than on the corresponding date last year. As in February, borrowings of member banks fluctuated widely during March, from a high point of \$21,032,909 on March 4th to as low as \$9,097,646 on March 19. Loans to country banks were slightly lower at the close of the month than on February 28 and accommodations to reserve city banks were considerably smaller. Banks in the latter group, however, continued to consume a greater part of loans extended to member banks. On April 15, borrowings of member banks amounted to \$17,475,233 reflecting in part the expansion in accommodations to country banks incident to seasonal needs for agricultural operations. There were 83 borrowing banks on March 31 as compared to 79 on February 28 to 87 on the corresponding date last year.

Production of crude oil in the Eleventh District which amounted to 25,530,200 barrels in March was 3,123,300 barrels greater than in February and exceeded the previously high level in January by 1,280,300 barrels. There was a slight reduction in the number of completions but production from new wells was larger. Completions during the month numbered 548 of which 281 were successful and yielded 206,640 barrels of initial production as compared to 577 completions in February of which 313 were producers of oil with an initial flow of 199,356 barrels. Successful wildcat operations contributed two new pools in March to the number of producing units in the district.

With the exception of East Central Texas, which showed a reduction of 1,450 barrels, all fields in Texas reported substantial increases in daily average output, boosting the

Due to the decline in member bank loans and to a reduction in holdings of bankers' acceptances, total bills held declined from \$37,362,872.41 on February 28 to \$29,068,317.90 on March 31, distributed as follows:

Member banks' collateral notes secured by	
United States Government obligations.....	\$ 9,352,000.00
Rediscounts and other loans to member banks.....	4,979,025.49
Open market purchases (Bankers' acceptances).....	14,737,292.41
Total bills held.....	\$29,068,317.90

Federal reserve notes in actual circulation amounted to \$37,770,215 on March 31, as compared to \$38,859,250 on February 28, representing a decline of \$1,089,035 during the month. As compared to last year, Federal reserve notes in actual circulation on March 31 this year were \$2,728,750 larger. The daily average reserve deposits of member banks aggregated \$69,961,152 in March as against \$70,685,489 in the previous month and \$67,116,922 in March, 1928.

### FAILURES

Although the March business mortality rate in the Eleventh Federal Reserve District was slightly higher than in February, commercial failures during the month continued on a smaller scale than in recent years. There were 49 defaults during the month with liabilities of \$559,130 as compared to 40 failures in February that owed \$551,720. Insolvencies in the corresponding month last year totaled 66 and the indebtedness involved aggregated \$945,144. Reflecting the sounder condition of business concerns in the Eleventh District, failures during the first three months of the current year, which totaled 147, were fewer in number than in any corresponding period since 1920 and the indebtedness, totaling \$2,190,589, was the smallest since 1919.

### PETROLEUM

average daily yield of the State from 764,559 barrels in February to 787,754 barrels in March. The largest increase in daily average output was contributed by Southwest Texas, whose gain was due principally to new production peaks being reached in the Salt Flat field of that district. Total production in Central West Texas registered a gain of 1,499,100 barrels, bringing the total output of that area above the 13,000,000 barrel level. Efforts, which began in

### CRUDE OIL PRICES

	April 9, 1929	April 13, 1928
Texas Coastal Grade "A".....	\$1.20	\$1.20
North and Central Texas and North Louisiana (52 gr. and above).....	1.44	1.60



February, to further reduce yields in Central West Texas continued throughout March, resulting in a reduction in allowable output of Winkler field, effective April 1. In the Texas Coastal area, attention was centered principally on Barber's Hill and Spindle Top regions. Due largely to new production from a group of large producers completed in Gray and Carson counties, the daily average yield of North Texas rose 1,306 barrels. Total production in North Louisiana amounted to 1,109,800 barrels as compared to 999,250 barrels in February.

## MARCH DRILLING RESULTS

	Com- pletions	Pro- ducers	Gas Wells	Failures	Initial Production
North Texas.....	148	82	5	61	13,883
Central West Texas.....	227	123	12	92	152,508
East Texas.....	6	.....	5	1	.....
Southwest Texas.....	45	32	5	8	16,190
Texas Coastal.....	60	38	4	18	23,344
Texas Wild-Cats.....	28	2	1	25	580
Total Texas.....	514	277	32	205	206,505
North Louisiana.....	34	4	18	12	135
March Totals, District.....	548	281	50	217	206,640
February Totals, District.....	577	313	40	224	199,356

## OIL PRODUCTION

	March		February		Increase or Decrease	
	Total	Daily Average	Total	Daily Average	Total	Daily Average
North Texas.....	4,338,300	139,945	3,881,900	138,639	Inc. 456,400	Inc. 1,306
Central West Texas.....	13,504,150	435,618	12,005,050	428,752	Inc. 1,499,100	Inc. 6,866
East Central Texas.....	627,600	20,245	607,450	21,695	Inc. 20,150	Dec. 1,450
Texas Coastal.....	3,901,800	125,848	3,393,750	121,205	Inc. 507,550	Inc. 4,643
Southwest Texas.....	2,049,050	66,098	1,519,500	54,268	Inc. 529,550	Inc. 11,830
Total Texas.....	24,420,400	787,754	21,407,650	764,559	Inc. 3,012,750	Inc. 23,195
North Louisiana.....	1,109,800	35,800	999,250	35,687	Inc. 110,550	Inc. 113
Total District.....	25,530,200	823,554	22,406,900	800,246	Inc. 3,123,300	Inc. 23,308

Oil statistics compiled by the Oil Weekly, Houston, Texas.

## LUMBER

After declining in February, production and shipments of lumber at pine mills in the Eleventh District increased in March and orders in the latter month exceeded shipments and production by a wide margin. While heavy rains and high water hampered operations at some mills, the output of lumber was 92 per cent of normal as compared to 86 per cent in February. Shipments aggregated 96 per cent of normal production, which was 10 points higher than in the previous month. The heavy current demand for lumber is reflected by the fact that March orders rose to 109 per cent of normal production, which represents a gain of 27 points over February. Due to the excess of shipments over production, stocks on hand at the close of the month showed a decline of 3 points from those a month earlier and stood

at 91 per cent of normal on March 31. Unfilled orders for lumber totaled 57,267,845 feet at 41 mills on March 31 as against 59,988,096 feet recorded at 49 establishments on February 28.

## MARCH PINE MILL STATISTICS

Number of reporting mills.....	41
Production.....	80,184,163 feet
Shipments.....	83,283,686 feet
Orders.....	94,468,981 feet
Unfilled orders March 31.....	57,267,845 feet
Normal production.....	86,942,340 feet
Stocks, March 31.....	203,652,518 feet
Normal stocks.....	222,624,556 feet
Shipments below normal.....	3,658,654 feet—4%
Actual production below normal.....	6,758,177 feet—8%
Orders above normal production.....	7,526,641 feet—9%
Stocks below normal.....	18,972,038 feet—9%

Lumber statistics compiled by the Southern Pine Association.

## BUILDING

With the opening of spring, activity in the building industry as shown by the valuation of permits issued at principal cities in the Eleventh District, increased in March but was less than a year ago. Permits issued at these centers during the month were valued at \$8,682,845 as compared to \$6,739,925 in February and \$16,134,114 in March last year. While the volume was considerably less than in the corre-

sponding month of 1928 it should be remembered that the valuation of permits issued during March last year was the largest on record. The cumulative total of permits issued during the first quarter of the current year represents a decline in valuation of 33.9 per cent as compared to the same period of 1928.

## BUILDING PERMITS

	March, 1929		March, 1928		Increase or Decrease	February, 1929		Increase or Decrease	Three Months				Increase or Decrease
	No.	Valuation	No.	Valuation		No.	Valuation		1929		1928		
									No.	Valuation	No.	Valuation	
Amarillo.....	51	\$ 224,241	85	\$ 255,190	— 12.1	44	\$ 261,763	— 14.3	133	\$ 600,746	250	\$ 907,360	— 33.8
Austin.....	105	185,754	83	324,399	— 42.7	68	164,682	+ 12.8	251	540,881	209	1,069,702	— 49.4
Beaumont.....	218	198,389	202	221,422	— 10.4	169	396,733	— 50.0	519	832,861	511	682,337	+ 22.1
Corpus Christi.....	67	260,660	79	739,771	— 64.8	52	122,911	+ 112.1	191	597,201	210	2,500,226	— 76.1
Dallas.....	343	1,708,728	445	858,466	+ 99.0	237	467,022	+ 265.9	886	3,056,203	1,031	1,951,289	+ 56.6
El Paso.....	119	400,278	69	203,900	+ 96.3	107	285,544	+ 40.2	306	835,242	189	420,280	+ 98.7
Fort Worth.....	399	1,274,881	750	4,487,700	— 71.6	218	585,466	+ 117.8	894	2,471,457	1,464	6,790,362	— 63.6
Galveston.....	199	233,202	213	312,528	— 25.4	156	178,509	+ 30.6	499	577,302	576	658,142	— 12.3
Houston.....	530	2,267,725	575	6,593,317	— 65.6	430	2,121,622	+ 6.9	1,378	6,392,217	1,723	11,065,691	— 42.2
Port Arthur.....	151	550,832	136	132,372	— 316.1	111	406,802	+ 35.4	360	1,022,033	348	306,414	+ 233.5
San Antonio.....	396	890,345	342	1,045,438	— 14.8	350	1,069,365	— 16.7	1,081	3,017,763	1,070	3,405,238	— 11.4
Shreveport.....	263	211,430	275	348,073	— 39.3	214	325,582	— 35.1	686	821,232	658	1,189,087	— 30.9
Waco.....	46	165,519	45	435,290	— 62.0	37	236,544	— 30.0	121	411,177	110	1,111,372	— 63.0
Wichita Falls.....	41	110,861	66	176,248	— 37.1	32	117,380	— 5.6	102	375,394	190	539,855	— 30.5
Total.....	2,928	\$ 8,682,845	3,365	\$16,134,114	— 46.2	2,225	\$ 6,739,925	+ 28.8	7,407	\$21,551,709	8,539	\$32,597,355	— 33.9



## CEMENT

Following a decline for four consecutive months, production of Portland cement at Texas mills increased in March and shipments were the largest of any previous March in several years. There were 527,000 barrels of cement produced as compared to 399,000 barrels in February and 552,000 barrels in the corresponding month last year. Shipments of cement totaled 594,000 barrels, which was 42.8 per cent greater than in February and 5.5 per cent above those

in the same month of 1928. Stocks on hand on March 31 were 13.1 per cent less than a month earlier, reflecting the excess in shipments over production, and were slightly below stocks held a year ago. While production during the first quarter of the year reflected a decline of 5.6 per cent as compared to the same period of 1928, shipments showed a gain of 2.5 per cent.

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

	March 1929	March 1928	Increase or Decrease	February 1929	Increase or Decrease	Three Months 1929	Three Months 1928	Increase or Decrease
Production at Texas mills.....	527,000	552,000	- 4.5	399,000	+32.1	1,392,000	1,475,000	- 5.6
Shipments at Texas mills.....	594,000	563,000	+ 5.5	416,000	+42.8	1,469,000	1,433,000	+ 2.5
Stocks at end of month at Texas mills.....	446,000	449,000	- .7	513,000	-13.1			

## SUMMARY OF NATIONAL BUSINESS CONDITION

(As Compiled by the Federal Reserve Board as of April 25, 1929)

Volume of industrial production and of trade increased in March and wholesale prices advanced somewhat. There was a growth of commercial loans of member banks in leading cities in March and the first half of April, while investments and loans on securities of these banks showed a reduction for the period.

## PRODUCTION

Output of manufacturers reached a new high level in March. Automobile production was exceptionally large, and steel ingot output was reported to be above rated capacity. Output of refined copper, lumber, cotton and silk textiles, and sugar was also large for the season. There was some seasonal recession from February in the production of wool textiles and leather, and a further decline in production by meat-packing plants. The volume of factory employment and payrolls continued to increase during the month and was substantially above the level of March, 1928. Production of minerals as a group declined sharply reflecting reduction in output of coal by more than the usual seasonal amount. Output of non-ferrous metals continued large and petroleum production increased. During the first part of April industrial activity continued at a high rate, although preliminary reports indicated a slight slowing down in certain branches of the steel industry, and a smaller output of coal and petroleum. The value of building contracts awarded increased seasonally during March and the first two weeks in April, reflecting in part the award of a few large contracts, chiefly commercial and industrial. The total volume of building, however, continued smaller in March than a year ago. Contracts for residential building and public works and utilities were substantially below the level of March, 1928, while industrial and commercial building was in larger volume.

## DISTRIBUTION

Railroad shipment of commodities declined somewhat in March but were larger than in the same period of the preceding year. The decline from February reflected smaller shipments of coal and coke, grain products, and livestock, all of which were also below March a year ago. Loadings of ore and miscellaneous freight increased substantially over February and continued above 1928. Sales by wholesale firms in all lines of trade reporting to the Federal Reserve

System were seasonally larger than in February. In comparison with the same month a year ago, however, sales in most lines of trade were smaller except in the case of dry goods, men's clothing, and hardware. Department store sales showed a larger increase in March than is usual at this season, and were larger than in the same month in the preceding year, partly on account of the fact that Easter came in March this year.

## PRICES

Wholesale prices of commodities during March averaged slightly higher than in February, according to the index of the United States Bureau of Labor Statistics. There were marked increases in prices of copper and lead, and smaller advances in prices of iron and steel and cotton goods, as well as of certain agricultural products, particularly cotton, livestock, meats, and hides. Prices of grain and flour were lower during the month and the price of leather declined, reflecting an earlier decline in prices of hides. Silk and rayon textiles and raw wool were also somewhat lower in price. In the middle of April, prices of livestock and raw silk were higher than the end of March, while cotton and wool had declined in price. Among the non-agricultural products there were marked declines in the prices of copper, lead, tin and zinc; a further decline in rubber and increases in pig iron and finished steel.

## BANK CREDIT

Between March 20 and April 17, there was a considerable decline in the volume of member banks' loans to brokers and in the banks' holdings of investments. Loans chiefly for commercial and agricultural purposes showed a rapid increase, and at the end of the period were near the high level of last autumn. During the same period the volume of reserve bank credit in use declined further as a consequence of additions to the country's stock of monetary gold. A continued rapid reduction in holdings of acceptances carried the total to the lowest point since the autumn of 1924. Security holdings also decreased somewhat, while discounts for member banks increased. Open market rates on bankers' acceptances and commercial paper increased further; rates on collateral loans increased sharply in the latter part of March but declined in April.