

MONTHLY BUSINESS REVIEW

OF THE FEDERAL RESERVE BANK OF DALLAS

C. C. WALSH,
Chairman and Federal Reserve Agent

CHAS. C. HALL—W. J. EVANS,
Assistant Federal Reserve Agents

(Compiled May 15, 1930)

Volume 15, No. 4

Dallas, Texas, June 1, 1930

This copy is released for publication in morning papers—

May 29

DISTRICT SUMMARY

THE SITUATION AT A GLANCE Eleventh Federal Reserve District

	April	Change from March
Bank debits to individual accounts (at 17 cities).....	\$844,809,000	— 7.1%
Department store sales.....		+ 7.5%
Reserve bank loans to member banks at end of month.....	\$ 8,185,872	+ 28.0%
Reserve bank ratio at end of month.....	65.3%	+ 1.3 points
Building permit valuation at larger centers....	\$ 7,707,175	+ 10.9%
Commercial failures (number).....	58	+ 12.1%
Commercial failures (liabilities).....	\$ 1,551,409	+ 67.6%
Oil production (barrels).....	26,074,300	— 1.7%
Lumber orders at pine mills (per cent of normal production).....	79%	— 8.0 points

The breaking of the drouth, which had become acute in many sections, by the heavy general rains during the last days of April and the first half of May was the outstanding development in the Eleventh Federal Reserve District during the past thirty days. Small grains, which in many sections were suffering from the lack of moisture, were given new life and late reports indicate that good yields are now in prospect. Other crops were, likewise, greatly benefited by the added supply of moisture. Much damage, however, resulted from the torrential rains in North, Central, and portions of East and Northeast Texas where the washing of the soil and the packing of the ground will necessitate the replanting of cotton over a considerable area. As a result of the almost complete stoppage of farming operations since the first of May, fields have become grassy and farmers will be subjected to a heavy expense in cleaning the fields. While livestock and their ranges suffered considerably from the dry weather during April, recent reports indicate that the grass and weeds on the ranges are making rapid growth and that livestock are showing considerable improvement. Livestock movements have been light, but prices have continued their downward trend.

BUSINESS

Wholesale Trade

While the distribution of merchandise in wholesale channels during April was on a slightly larger scale than in the previous month, it was considerably smaller than in the same month last year, the declines ranging from 4.0 per cent in the case of groceries to 44.0 per cent in the case of farm implements. Reports indicate that trade was somewhat

Merchandise distribution reflected some improvement during the month. Department store sales were noticeably larger than in the previous month and were slightly larger than a year ago. Wholesale trade, while it was larger than in the previous month, continued materially below a year ago. Conservative buying on the part of both consumer and retailer is still in evidence though some reports indicate that an undertone of confidence is appearing in certain quarters. While commercial failures in April were fewer than in the previous month, the indebtedness of defaulting firms was considerably larger than in either March this year or April a year ago.

Financial statistics continued to reflect the light demand for credit. Federal Reserve Bank loans to member banks rose steadily during April and the early days of May but subsequently declined to \$7,765,883 on May 15, which was only \$1,368,410 greater than six weeks earlier. On the above date, these loans were \$14,346,386 less than on the corresponding date last year, due entirely to the smaller borrowings of reserve city banks. Interest rates, charged customers by banks in some of the larger centers, also reflected a slightly easier tone. The daily average of net demand and time deposits, which amounted to \$867,303,000 in April, was only \$1,641,000 less than in March. While these deposits were \$57,341,000 smaller than the average for April, 1929, the decline was considerably under that shown for the earlier months of the year.

While the valuation of building permits issued at principal cities during April was 11 per cent larger than in the previous month, it was 60 per cent smaller than the large volume for April, 1929. The production of lumber was maintained at practically the same level as a month earlier, but shipments and new orders were substantially lower. The production and shipments of cement reflected a large increase as compared to both the previous month and the same month last year.

spotty due to the varying prospects for agricultural production. In those sections where agricultural prospects were promising, the demand was fair to good, but it was poor in other sections, particularly in the drouth area in West Texas. Retailers continue to operate on a conservative basis and are showing no disposition to buy beyond definite requirements. Merchants appear to be buying in small lots,

even though frequent repeat orders are necessary. Late reports are to the effect that the heavy rains during the first half of May and the bad roads are having an adverse effect on business in the rural sections. Collections were only fair.

Stimulated by the favorable weather and pre-Easter buying, the demand for dry goods at wholesale reflected some improvement in April. Sales for the month were 3.5 per cent larger than in the previous month, but were still 17.8 per cent less than in the corresponding month last year. Late reports indicate that the heavy rains during the first half of May and the bad roads are having an adverse effect on current trade. Due to the unsettlement in prices and uncertainty regarding the course of consumer demand, merchants continue to operate on a very conservative basis. Collections reflected a slight improvement in April.

There was a substantial falling-off in the buying of farm implements during March. Sales of reporting firms showed a decline of 23.6 per cent as compared to the previous month and were 44.0 per cent smaller than in the corresponding month last year. The acute drouth in West Texas and insufficient moisture in many other portions of the district which materially affected the agricultural outlook had a tendency to slow up the buying of implements. Prices remained generally firm. Collections reflected a substantial recession as compared to the previous month.

While the buying of drugs at wholesale reflected a gain of 2.8 per cent as compared to the previous month, it was 11.9 per cent less than in the corresponding month last year. Sales during the first four months of the year averaged 17.2 per cent smaller than in the same period last year. During April, the demand was good in some sections but poor in others. Collections showed a substantial improvement over the previous month.

The distribution of groceries at wholesale during April was well maintained. Sales of reporting firms were only 4.0 per cent less than a year ago and exceeded those of March by 0.9 per cent. Distribution from January 1 to April 30 this year was only 1.4 per cent below that for the corresponding period a year ago. Reports indicate that buying during April was very good in those areas where the agricultural outlook was favorable, but slow in the drouth

area. Collections were smaller than in March. Prices reflected a further downward trend.

The April sales of wholesale hardware firms rose 3.7 per cent above those for March, but fell 17.3 per cent under those of April, 1929. Some dealers state that business is showing some improvement. Prices showed no material changes. Collections were considerably smaller than in the previous month.

CONDITION OF WHOLESALE TRADE DURING APRIL, 1930
Percentage of increase or decrease in:

	Net Sales April, 1930 compared with April, 1929	Net Sales Jan. 1 to date compared with same period last year	Stocks April, 1930 compared with April, 1929	Ratio of collec- tions during April to accounts and notes outstanding on March 31
Groceries.....	-4.0 + .9	-1.4	-10.0 - 7.4	69.5
Dry goods.....	-17.8 + 3.5	-22.8	-20.8 - 5.2	25.4
Farm implements..	-44.0 -23.6	-28.5	+38.4 - .2	10.0
Hardware.....	-17.3 + 3.7	-16.5	+2.1 - .4	38.8
Drugs.....	-11.9 + 2.8	-17.2	-4.2 - 8.4	41.3

Retail Trade

The April sales of reporting department stores in this district were 7.5 per cent greater than in the previous month and exceeded those of the corresponding month last year by 0.5 per cent. The improvement during the month was due in a large measure to the lateness of Easter this year. When the figures for March and April are combined, they reflect a decline of 7.8 per cent as compared to the same two months of 1929. Sales during the first four months averaged 7.3 per cent less than during a like period of 1929. While business was retarded to some extent during the first half of May by heavy and frequent rains, reports indicate that it held up fairly well.

Stocks on hand at the close of April were slightly larger than a month earlier, but were 4.4 per cent less than on the corresponding date last year. The rate of stock turnover during the first four months of the current year was .89 as compared to .94 during the same period last year.

The ratio of collections during April to accounts outstanding on April 1 was 35.2 per cent as compared to 35.1 per cent in March and 37.1 per cent in April, 1929.

BUSINESS OF DEPARTMENT STORES

Total Sales (Percentage):	Dallas	Fort Worth	Houston	San Antonio	Others	Total District
April, 1930, compared with April, 1929.....	-1.5	-7.4	+2.0	+7.1	+4.4	+ .5
April, 1930, compared with March, 1930.....	-1.0	+6.1	+12.9	+19.2	+10.0	+7.5
January 1 to date, compared with same period last year.....	-4.7	-11.9	-10.2	-6.5	-5.1	-7.3
Credit Sales (Percentage):						
April, 1930, compared with April, 1929.....	- .4	+ .7	+7.3	+14.7	+14.0	+5.6
April, 1930, compared with March, 1930.....	- .8	+9.0	+7.2	+14.7	+12.3	+6.3
January 1 to date, compared with same period last year.....	-1.7	-3.5	-3.8	- .4	+2.1	-1.5
Stocks (Percentage):						
April, 1930, compared with April, 1929.....	+1.5	-1.4	-9.0	-12.8	-6.3	-4.4
April, 1930, compared with March, 1930.....	+ .6	0.0	-1.5	+3.2	+2.0	+ .7
Stock Turnover (Rate):						
Rate of stock turnover in April, 1929.....	.26	.20	.25	.28	.17	.23
Rate of stock turnover in April, 1930.....	.25	.19	.27	.33	.19	.24
Rate of stock turnover January 1 to April 30, 1929.....	1.06	.80	1.06	1.16	.71	.94
Rate of stock turnover January 1 to April 30, 1930.....	.97	.71	.98	1.19	.72	.89
Ratio of April collections to accounts receivable and outstanding April 1, 1930.....	34.3	32.0	38.5	36.5	36.2	35.2

Commercial Failures

While commercial failures during April, as compiled by R. G. Dun & Company, reflected a decline as compared to the previous month, they were more numerous than in the corresponding month last year. The liabilities of defaulting

firms rose to the highest level of the current year and were materially larger than a year ago. There were 58 failures during the month with an indebtedness of \$1,551,409, as compared to 66 insolvencies in March owing \$925,653, and 51 defaults in April, 1929, with liabilities of \$515,003.

AGRICULTURE

Crop Conditions

The heavy general rains which began during the last days of April and continued at frequent intervals during the

first half of May broke the drouth which had become acute in the Western half of Texas and portions of Southeastern New Mexico, and furnished much needed moisture in other portions of the district. Torrential rains in North, Central, and South Texas, caused much damage to crops through the washing of the soil. During the first half of May, there was an almost complete stoppage of work in most of Texas and Southeastern Oklahoma, and weeds and grass have grown rapidly. There is now a good season in the ground in nearly all sections of the district and fair weather is needed to enable the farmers to complete planting operations and to proceed with crop cultivation.

Small grains showed considerable deterioration during the first three weeks of April as a result of high winds and the lack of moisture. There was a heavy abandonment of wheat acreage in Texas, particularly in the West-Central section, where the wheat dried up following the exhaustion of soil moisture. The Department of Agriculture estimated that for the State as a whole the abandonment was 20 per cent of the fall sown acreage. The condition of the crop on May 1 was placed at 68 per cent of normal as compared to 80 per cent on April 1, and 78 per cent on the same date last year. The Department stated that, on the basis of the May 1 condition, the indicated yield was 24,000,000 bushels as compared to an actual production of 37,800,000 bushels in 1929. The May 1 condition of the Texas oat crop was also placed at 68 per cent of normal as compared to 70 per cent a month earlier, and 77 per cent a year ago. Since the rains, which provided an abundance of moisture, both the wheat and oat crops have shown a substantial improvement. Reports indicate that before the rains, these grains were heading short but that the plants are now growing higher and that the heads are filling normally. The oat crop in the South-Central section is ripening. The condition of the wheat crop in New Mexico was 79 per cent on May 1 as compared to 85 per cent a year ago, which indicates a yield of 3,588,000 bushels as against an actual yield of 4,734,000 bushels in 1929. The 95 per cent condition figure for Arizona indicates a production of 1,222,000 bushels. The oat crop in Louisiana was placed at only 60 per cent of normal condition.

The growth of corn was retarded somewhat during the first part of April by the cool nights but the crop is now in good condition and is making rapid growth. The rains were very beneficial to the crop as the soil was becoming dry in some areas. Due to the unusually late spring and the drouth in the Western half of the State, the May 1 condition of the Texas tame hay crop was estimated by the Department of Agriculture at only 67 per cent of normal. This figure, with the exception of 1925, is the lowest May figure ever reported by the Department since the records were established in 1915. The supply of hay remaining on Texas farms and ranches on May 1 was the lowest since 1926 as the unusually heavy feed requirements during the winter and early spring rapidly reduced the available supply. The condition of tame hay on May 1 was 68 per cent of normal in Louisiana, 86 per cent in New Mexico, and 95 per cent in Arizona.

The planting of cotton made rapid progress during April in the old cotton belt of Texas but was retarded by dry

weather in the Western half of Texas, Southeastern Oklahoma, and portions of North Louisiana. In South Texas, the crop is in good condition; chopping has made rapid progress; and the early cotton is beginning to form squares. In other sections, there have been complaints of poor germination of seed. Many fields were badly washed by the recent rains and fields are becoming grassy with the result that much replanting will be necessary. Planting operations in many sections of the district were suspended during the first half of May. With the return of fair weather, cotton should make rapid growth.

The condition of the Texas peach crop showed a further decline of 6 points and on May 1 was reported as 34 per cent of a full crop as against 79 per cent a year ago. The estimated condition of the early potato crop was 73 per cent of normal on May 1 as compared to 80 per cent a year ago.

Livestock

A material improvement in the condition of ranges and livestock occurred during the first half of May as a result of the heavy general rains which supplied much needed moisture. In the West and West-center sections of Texas and in portions of Southeastern New Mexico ranges deteriorated rapidly during April as a result of the acute drouth and ranges in these sections have been slow to respond to improved moisture supply. While cattle held up remarkably well under the adverse conditions, it was due mainly to continued feeding. Sheep and goats, however, did not hold up as well as cattle and are reported to be generally thin. The Department of Agriculture reported that in the drouth area of Texas there were heavy losses of calves, lambs, and kids at birth but that those remaining should do well on account of the abundance of green pasturage. The calf, lamb, and kid crops will be much lighter than a year ago.

The Department of Agriculture reported that the condition of cattle ranges in Texas improved one point in April, while sheep and goat ranges declined three points. In each instance, however, the condition figure on May 1 was considerably below a year ago. The condition of cattle in Texas was three points higher on May 1 than a month earlier, but nine points below that last year. The 75 per cent condition of sheep on May 1 compared with 76 per cent on April 1, and 90 per cent on the same date in 1929. The condition of goats showed no change in April, but on May 1 the condition figure of 77 per cent represented a decline of 16 points from the same date last year. In considering these figures, however, it must be borne in mind that the rains came too late to be reflected in the May 1 reports. The May 1 condition of livestock and their ranges in New Mexico showed no change from that a month earlier and was slightly higher than last year. In Arizona, conditions reflected a noticeable improvement in April and were materially better than a year ago when that State was suffering from an acute drouth.

Movements and Prices

While the receipts of cattle, calves, and hogs at the Fort Worth market during April reflected a sizable increase over those in March, they were substantially below those in the corresponding month last year. The arrivals of sheep were slightly less than in the previous month and were less than half those in April, 1929. In the case of cattle, it is necessary to go back to 1923 to find an April in which receipts

were smaller. Receipts of cattle, hogs, and sheep during the first four months of the current year were considerably smaller than those in the corresponding period of 1929.

Despite the moderate receipts, the demand for cattle has been unsatisfactory and prices on most classes have worked to lower levels. The market on cows and calves, however, was a little stronger toward the middle of May. Hog prices

FORT WORTH LIVESTOCK RECEIPTS
(Number)

	April 1930	April 1929	Change over Year	March 1930	Change over Month
Cattle.....	53,903	97,067	-43,164	45,155	+8,748
Calves.....	15,805	19,809	-4,004	12,807	+2,998
Hogs.....	36,713	54,931	-18,218	32,975	+3,738
Sheep.....	41,039	93,861	-52,822	42,519	-1,480

fluctuated within a narrow range during most of the six-week period but a tendency toward higher levels was noted at the close. While the sheep and lamb market suffered a severe decline in April, some of the loss was regained during the first half of May.

COMPARATIVE TOP LIVESTOCK PRICES
(Dollars Per Hundred Weight)

	April 1930	April 1929	March 1930
Beef steers.....	\$12.50	\$13.60	\$13.25
Stocker steers.....	12.00	14.25	13.00
Butcher cows.....	8.50	10.00	8.75
Stocker cows.....	6.35	9.25	6.75
Calves.....	11.50	13.25	12.50
Hogs.....	9.90	11.35	10.40
Sheep.....	6.15	11.50	7.50
Lambs.....	12.00	17.25	9.25

FINANCE

Operations of the Federal Re- serve Bank

The demand for Federal Reserve Bank credit in the Eleventh District, after reaching a low point late in March, showed an almost steady increase through the first week in May due almost entirely to the expansion in requirements of agricultural and livestock industries. The need for funds, however, was reduced somewhat during the first half of May by the stoppage of agricultural operations, and the falling off in the demand for loans, which coincided with the liquidation of indebtedness by reserve city banks, brought a sharp reduction in loans during the second week of the month. Member bank borrowings at the Federal Reserve Bank, which stood at \$6,397,473 on March 31, had risen to \$8,185,872 on April 30, and reached a high point of the spring movement at \$9,615,334 on May 6. On May 15, these loans had declined to \$7,765,883. The demand for Federal Reserve Bank funds has been considerably smaller this spring than was the case a year ago as is evidenced by the fact that borrowings were \$7,930,762 less than a year ago on March 31, \$14,340,100 less on April 30, and \$14,346,386 smaller on May 15. This reduction has been due entirely to the borrowing of reserve city banks as loans to country banks have been about the same as a year ago. There were 167 borrowing banks on April 30, as compared to 117 on March 31, and 99 on April 30, 1929.

The bill holdings of this bank showed but little change during April as the increase in member bank borrowings was practically offset by a reduction in open market purchases. Total bills held on April 30 amounted to \$14,610,309.02, distributed as follows:

Member banks collateral notes secured by United States Government obligations.....	\$ 1,326,750.00
Rediscounts and all other loans to member banks.....	6,859,122.16
Open market purchases (Bankers' acceptances).....	6,420,681.86
Discounts for non-member banks.....	3,755.00
Total bills held.....	\$14,610,309.02

There was a further seasonal decline in the actual circulation of Federal Reserve notes during April, the amount at the close of the month being \$32,408,950, as compared to \$35,249,700 a month earlier, and \$37,568,715 on the corresponding date last year. The daily average of reserve deposits amounted to \$61,733,641 in April, which was \$1,482,933 less than in the previous month, and \$5,775,657 below that in April, 1929.

Deposits of Member Banks

The daily average of combined net demand and time deposits of member banks in this district amounted to \$867,303,000 during April, as compared to \$868,944,000 during March,

and \$924,644,000 during April, 1929. Deposits of reserve city banks were \$8,060,000 larger than in the previous month, but those of country banks showed a reduction of \$9,701,000. While there was a recession of \$9,557,000 in net demand deposits, due entirely to withdrawals at country banks, this decline was practically offset by an increase of \$7,916,000 in time deposits.

DAILY AVERAGE DEPOSITS OF MEMBER BANKS
(In Thousands of Dollars)

	Combined Total		Reserve City Banks		Country Banks	
	Net demand deposits	Time deposits	Net demand deposits	Time deposits	Net demand deposits	Time deposits
April, 1929.....	\$693,137	\$231,507	\$287,987	\$135,064	\$405,150	\$96,443
May, 1929.....	673,097	230,791	280,294	133,018	392,813	97,773
June, 1929.....	643,038	226,110	260,317	129,412	382,721	96,698
July, 1929.....	640,034	230,834	270,274	138,357	369,760	92,477
Aug., 1929.....	629,809	230,643	260,019	137,174	369,890	93,469
Sept., 1929.....	653,520	234,116	266,795	136,950	391,725	97,166
Oct., 1929.....	674,587	225,673	282,630	134,198	391,957	91,475
Nov., 1929.....	668,818	222,773	281,609	132,235	387,209	90,538
Dec., 1929.....	663,839	220,111	279,611	131,879	384,228	88,232
Jan., 1930.....	659,110	225,469	270,951	131,152	388,159	94,317
Feb., 1930.....	655,119	232,758	268,197	136,111	386,922	96,647
Mar., 1930.....	639,586	229,358	269,635	132,932	369,951	96,426
April, 1930.....	630,029	237,274	271,647	138,980	358,382	98,294

Condition of Member Banks in Selected Cities

The past month witnessed a moderate decline in the loans and investments of member banks in selected cities. Investments of these banks in United States securities declined \$5,356,000 between April 9 and May 7, and were \$27,756,000 less than on May 8, 1929. Their holdings of other stocks and bonds rose \$2,231,000 during the four-week period. Loans on securities on May 7, while \$2,410,000 less than on April 9, were \$14,630,000 greater than a year ago. All other loans (largely commercial) reflected a slight decline. Total loans and investments of these banks amounted to \$462,266,000 on

CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES
(In Thousands of Dollars)

	May 7, 1930	April 9, 1930	May 8, 1929
United States securities owned.....	\$ 66,619	\$ 71,975	\$ 94,375
All other stocks, bonds and securities owned.....	43,588	41,357	40,979
Loans on securities.....	118,937	121,347	104,307
All other loans.....	233,122	235,046	240,908
Total loans.....	352,059	356,393	345,215
Net demand deposits.....	286,522	289,495	296,491
Time deposits.....	149,485	147,752	141,288
Reserve with Federal Reserve Bank.....	33,864	33,098	33,522
Bills payable and rediscounts with Federal Reserve Bank.....	1,821	1,388	14,987

May 7, as compared to \$469,725,000 on April 9, and \$480,569,000 on May 8, 1929. There was only a slight change in deposits as the decline in net demand deposits was largely offset by an increase in time deposits. The borrowings of these banks at the Federal Reserve Bank amounted to \$1,821,000 on May 7, which was \$433,000 greater than four weeks earlier, but \$13,166,000 smaller than a year ago.

Acceptance Market The volume of acceptances executed by accepting banks in this district and outstanding at the close of April, which amounted to \$3,811,453, reflected a further decrease of \$811,453 during the month. Acceptances based on import and export transactions declined from \$2,537,208 on March 31 to \$2,309,514 on April 30, and those executed against the domestic shipment and storage of goods were reduced from \$2,085,509 to \$1,501,750 during the same period.

Savings Deposits Reports from 88 banks in the Eleventh Federal Reserve District showed savings deposits amounting to \$151,435,724 on April 30, as compared to \$151,104,467 on the same date a year ago, and \$149,866,590 on the last day of the preceding month. This represents a gain of 0.2 per cent over April, 1929, and 1.0 per cent over March of the current year. The number of savings depositors reported by 80 of these banks totaled 315,867 on April 30, being larger than the comparable figure of either a year or a month earlier.

Debits to Individual Accounts

In April, there was a decline of 7.1 per cent from the preceding month in the volume of charges to individual accounts at principal cities in this district, and there was, likewise, a decline of 8.9 per cent from the corresponding month last year. During the month debits to individual accounts amounted to \$844,809, as compared to \$909,830,000 during March, and \$927,851,000 during April, 1929.

DEBITS TO INDIVIDUAL ACCOUNTS
(In Thousands of Dollars)

	April 1930	April 1929	Percentage change over Year	March 1930	Percentage change over Month
Ablene.....	\$ 7,687	\$ 9,638	-20.2	\$ 9,244	-16.8
Austin.....	24,833	25,046	-.9	23,717	+ 4.7
Beaumont.....	26,131	30,259	-13.6	25,305	+ 3.3
Corsicana.....	5,755	5,494	+ 4.7	6,680	-13.9
Dallas.....	237,646	248,497	-4.4	280,475	-15.3
El Paso.....	38,466	41,864	-8.1	39,082	-1.6
Fort Worth.....	95,120	111,294	-14.5	97,254	-2.2
Galveston.....	26,167	30,950	-15.5	27,932	-6.3
Houston.....	183,295	201,107	-8.9	185,985	-1.4
Port Arthur.....	10,971	11,674	-6.0	10,676	+ 2.8
Roswell.....	4,035	3,693	+ 9.3	4,103	-1.7
San Antonio.....	80,992	92,359	-12.3	85,155	-4.9
Shreveport.....	39,705	43,558	-8.6	44,402	-10.4
Texarkana*.....	14,236	16,579	-14.1	14,042	+ 1.4
Tucson.....	11,276	11,552	-2.4	11,851	-4.9
Waco.....	14,940	16,346	-8.6	17,554	-14.9
Wichita Falls.....	23,464	27,941	-16.0	26,423	-11.2
Total.....	\$844,809	\$927,851	-8.9	\$909,830	-7.1

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

SAVINGS DEPOSITS

	Number of Reporting Banks	April 30, 1930 Number of Depositors	Amount of Deposits	April 30, 1929 Number of Depositors	Amount of Deposits	Percentage Change Over Year in Savings Deposits	March 31, 1930 Number of Depositors	Amount of Deposits	Percentage Change Over Month in Savings Deposits
Beaumont.....	4*	5,532	\$ 2,641,477	5,439	\$ 2,510,360	+ 5.2	5,531	\$ 2,634,348	+ .3
Dallas.....	4	69,005	26,153,691	64,639	25,222,256	+ 3.7	68,877	25,802,667	+ 1.4
El Paso.....	2	16,352	6,136,276	15,072	6,503,246	- 5.6	16,289	5,884,442	+ 4.3
Fort Worth.....	2	18,560	7,366,161	17,673	7,407,961	-.6	18,385	7,235,812	+ 1.8
Galveston.....	3	13,853	8,160,429	13,962	9,287,396	-12.1	13,809	8,173,557	-.2
Houston.....	11*	72,643	34,961,761	76,588	34,780,682	+ .5	72,551	34,396,859	+ 1.6
Port Arthur.....	3	5,715	1,810,426	4,893	1,939,331	-6.6	5,701	1,829,947	+ 1.1
San Antonio.....	7	37,248	22,230,306	33,485	22,105,785	+ .6	37,200	22,304,945	-.3
Shreveport.....	4	22,516	12,109,742	21,308	11,653,894	+ 3.9	22,584	11,933,360	+ 1.5
Waco.....	4	10,460	6,856,376	9,888	7,005,047	-2.1	10,313	6,902,698	-.7
Wichita Falls.....	4	3,786	1,727,387	3,708	1,563,819	+10.5	3,729	1,897,333	-9.0
All others.....	42*	40,197	21,281,692	38,184	21,124,681	+ .7	40,057	20,870,622	+ 2.0
Total.....	88	315,867	\$151,435,724	304,839	\$151,104,467	+ .2	315,026	\$149,866,590	+ 1.0

*Only 3 banks in Beaumont, 10 banks in Houston, 3 banks in Shreveport and 37 banks in "All others" reported the number of savings depositors.

MAY DISCOUNT RATES

Prevailing Rates:

	Dallas	El Paso	Fort Worth	Houston	San Antonio	Waco
Rate charged customers on prime commercial paper such as is now eligible for rediscount under the Federal Reserve Act.....	4½-6	6-8	5-8	5-6	5½-8	6-8
Rate charged on loans to other banks secured by bills receivable.....	5½-6	6	5-6	5-6	6	6
Rate on loans secured by prime stock exchange or other current collateral (not including loans placed in other markets through correspondent banks):						
Demand.....	6-7	8	6-8	6	6-8	6-8
Time.....	6-7	6-8	6-8	6	6-8	6-8
Rate charged on commodity paper secured by warehouse receipts, etc.....	5-6	6-8	6-8	6	6-8	6-8
Rate on cattle loans.....	6-7	8-10	6-8	6-8	6-8	7-8

INDUSTRY

Textile Milling Consumption of cotton and production of cloth at reporting textile mills in the Eleventh Federal Reserve District reflected a decline as compared to both the previous month and the same month last year. There were 2,622 bales of raw cotton consumed in April as compared to 2,742 bales in March, and 3,109 bales in the corresponding month last year. Production of cloth declined 6.2 per cent from the

previous month and was 18.0 per cent below the output in

TEXTILE MILLING STATISTICS—TEXAS

	April 1930	April 1929	March 1930
Number bales consumed.....	2,622	3,109	2,742
Number spindles active.....	90,952	96,536	92,952
Number pounds cloth produced.....	1,149,503	1,402,356	1,224,891

April, 1929. Stocks on hand and the unfilled orders on the books of these mills at the end of April showed an increase over those a month earlier, but were smaller than those a year ago. The downward trend in prices of cotton goods and the continued unsettlement in the raw cotton market have created unsatisfactory conditions in the industry.

Cotton consumption at United States mills during April was 4.7 per cent greater than in March, but showed a decline of 15.7 per cent as compared to the same month of 1929. For the nine-month period of the current season ending April 30, consumption was 8.5 per cent below that for the same period of the previous season. Cotton on hand at consuming establishments on April 30 was below that a month earlier but greater than on the same date in 1929.

COTTON CONSUMED AND ON HAND (Bales)

	April 1930	April 1929	August 1 to April 30 This Season	Last Season
Cotton growing states:				
Cotton consumed.....	413,039	477,940	3,764,076	4,047,161
On hand April 30 in—				
Consuming establishments.....			1,226,486	1,145,642
Public storage and com- presses.....			3,381,381	2,240,946
United States:				
Cotton consumed.....	532,382	631,802	4,855,999	5,305,836
On hand April 30 in—				
Consuming establishments.....			1,667,394	1,606,412
Public storage and com- presses.....			3,636,296	2,524,621

Cottonseed Products

The operations of cottonseed oil mills in Texas and the United States reflected a noticeable seasonal decline in April as

compared to the previous month and continued on a smaller scale than in the same month last year. The production of all classes of products during the period August 1 to April 30 of the current season was smaller than in the corresponding period of the previous season. Stocks of cottonseed on hand at Texas mills on April 30 were less than on the same date in 1929, while at United States mills they were slightly larger. Stocks of other products on hand on April 30 were smaller than those at the end of the previous month and the same date in 1929, excepting linters, which showed an increase over those a year ago.

STATISTICS ON COTTONSEED AND COTTONSEED PRODUCTS

	Texas		United States	
	August 1 to April 30 This Season	Last Season	August 1 to April 30 This Season	Last Season
Cottonseed received at mills (tons).....	1,247,361	1,689,765	4,884,394	5,004,933
Cottonseed crushed (tons).....	1,255,579	1,665,389	4,725,287	4,831,811
Cottonseed on hand (tons).....	11,724	37,170	198,598	191,155
Crude oil produced (pounds)....	371,698,836	494,451,869	1,475,703,247	1,523,620,650
Cake and meal produced (tons)...	590,531	782,786	2,101,750	2,175,155
Hulls produced (tons).....	335,472	454,964	1,303,774	1,305,523
Linters produced (running bales).....	264,889	345,923	975,547	1,030,517
Stocks on hand, April 30:				
Crude oil (pounds).....	13,329,345	17,417,797	40,082,454	57,209,133
Cake and meal (tons).....	45,075	48,755	120,258	226,210
Hulls (tons).....	22,102	52,487	66,315	124,122
Linters (running bales).....	61,457	45,763	222,460	167,375

Cotton Movements

The April receipts and exports of cotton at the ports of Houston and Galveston reflected a further decline as compared to

the previous month and were substantially smaller than a year ago. Foreign exports of cotton from all United States ports totaled 349,762 bales in April as compared to 477,678 bales in March and 447,838 bales in April, 1929. Exports for the nine months of the current season averaged 15 per cent less than in the corresponding period of the previous season.

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON (Bales)

	April 1930	April 1929	August 1 to April 30 This Season	Last Season
Receipts.....	42,905	62,628	1,861,229	2,891,822
Exports.....	83,924	178,183	1,680,045	2,671,139
Stocks, April 30.....			256,779	304,269

COTTON—GALVESTON STOCK STATEMENT (Bales)

	April 30, 1930	April 30, 1929
For Great Britain.....	6,300	7,100
For France.....	4,300	6,900
Other foreign ports.....	24,000	31,300
Coastwise ports.....	1,500	1,500
In compresses and depots.....	220,679	257,469
Total.....	256,779	304,269

COTTON MOVEMENTS THROUGH THE PORT OF HOUSTON (Bales)

	April 1930	April 1929	August 1 to April 30 This Season	Last Season
Receipts.....	31,884	49,821	2,579,912	2,807,886
Exports.....	112,079	160,837	1,764,388	2,157,972
Stocks, April 30.....			716,397	496,017

SEASON'S RECEIPTS, EXPORTS AND STOCKS OF COTTON AT ALL UNITED STATES PORTS—(Bales)

	August 1 to April 30 This Season	Last Season
Receipts.....	8,292,162	9,221,590
Exports:		
United Kingdom.....	1,179,208	1,740,769
France.....	768,544	730,529
Italy.....	602,382	595,506
Germany.....	1,546,251	1,668,743
Other Europe.....	703,061	817,897
Japan.....	941,352	1,182,708
All other countries.....	379,728	464,458
Total foreign ports.....	6,120,316	7,200,610
Stocks at all United States ports, April 30.....	1,682,152	1,450,420

SPOT COTTON PRICES—(Middling Basis) (Cents Per Pound)

	April 1930, High	Low	March 15, 1930
New York.....	16.80	15.85	16.35
New Orleans.....	16.28	15.21	15.49
Dallas.....	15.95	14.90	15.50
Houston.....	16.35	15.50	15.45
Galveston.....	16.45	15.60	15.65

Petroleum

The output of crude petroleum during April in the Eleventh Federal Reserve District totaled 26,074,300 barrels, representing an increase of 1,594,230 barrels over April of last year and a decline of 450,750 barrels from the preceding month. The average daily production, however, increased by 13,497 barrels during the month as the small decrease in total production was insufficient to offset the effect of the shorter month. Drilling activity, as evidenced by the number of wells completed during the month, was at practically the same level as in March, but the results were somewhat more successful. During April, there were 317 producers completed, yielding 219,763 barrels of flush production, as compared to 292 successful completions during March, with an initial flow of 119,438 barrels. On April 10 and 11, oil companies announced moderate advances in crude petroleum prices, which were occasioned largely by an improvement in the gasoline market.

Oil production in Texas showed a daily average of 825,597 barrels, being larger than either the March average of 814,554 barrels, or the April, 1929, average, which was 778,305 barrels. In the Southwest area, Darst Creek contributed most of the field activity, accounting for almost all of the new production in that part of the State. Activity in East Texas still centers in the Van field where a 50,000-barrel well was brought in May 8. Refugio County is attracting more attention than any other Gulf Coast field, partly because of the recent development of the deeper sands.

The intensified activity in North Louisiana resulted in a substantial increase in both total and daily average production for that section. Total output rose to 1,306,400 barrels; and the daily average yield, registering a gain over

March of 2,454 barrels, increased to 43,546 barrels.

Lumber

While the production of lumber was at practically the same level in April as in the previous month, there was a decline in the demand for lumber as evidenced by a sizable reduction in shipments and a sharp falling off in new orders. During the four-week period ending April 19, shipments amounted to 85 per cent of normal production which was 8 points below those for the previous four weeks. Orders declined from 87 per cent of normal production during the four weeks ending March 22, to 79 per cent for the period closing April 19. Due to the maintenance of production at a relatively high level and the heavy decline in shipments, stocks have accumulated in mill yards and are getting further ahead of the order files. Unfilled orders for lumber on the books of 49 mills on April 19 amounted to 55,023,000 feet as compared to 61,873,000 feet on hand at 51 establishments on March 22. The lumber market continued weak and prices are now lower than in any recent year.

OIL PRODUCTION—(Barrels)

	April, 1930		Increase or Decrease Over March, 1930	
	Total	Daily Avg.	Total	Daily Avg.
North Texas.....	5,213,400	173,780	— 69,900	+ 3,351
Central West Texas.....	11,163,500	372,117	—800,250	—13,810
East Central Texas.....	1,030,200	34,340	+239,600	+ 8,837
Texas Coastal.....	5,585,550	186,185	+393,850	+18,711
Southwest Texas.....	1,775,250	59,175	—246,600	— 6,046
Total Texas.....	24,767,900	825,597	—483,300	+11,043
North Louisiana.....	1,306,400	43,546	+ 32,550	+ 2,454
Total District.....	26,074,300	869,143	—450,750	+13,497

APRIL DRILLING RESULTS

	Com-pletions	Pro-ducers	Gas Wells	Fail-ures	Initial Production
North Texas.....	147	86	10	51	22,086
Central West Texas.....	194	92	9	93	45,843
East Texas.....	15	10	4	1	26,807
Southwest Texas.....	57	34	3	20	89,669
Texas Coastal.....	86	61	1	24	28,051
Texas Wild-Cats.....	25	2	1	22	85
Total Texas.....	524	285	28	211	212,541
North Louisiana.....	65	32	16	17	7,222
April totals, district.....	589	317	44	228	219,763
March totals, district.....	592	292	48	252	119,438

CRUDE OIL PRICES

	May 13, 1930	May 14, 1929
Texas Coastal Grade "A".....	\$1.15	\$1.20
North and Central Texas and North Louisiana (44 gr. and above).....	1.57	1.44

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

PINE MILL STATISTICS

(Four-week period ending April 19, 1930)

Number of reporting mills.....	49
Production.....	80,080,000 feet
Shipments.....	72,593,000 feet
Orders.....	66,861,000 feet
Unfilled orders April 19.....	55,023,000 feet
Normal production.....	85,160,000 feet
Stocks April 19.....	307,005,000 feet
Shipments below normal production.....	12,567,000 feet—15%
Actual production below normal.....	5,080,000 feet—6%
Orders below normal production.....	18,299,000 feet—21%

Lumber statistics compiled by the Southern Pine Association, New Orleans, La.

Building

The valuation of building permits issued during April at principal centers in the Eleventh Federal Reserve District rose to \$7,707,175. This total, while 10.9 per cent larger than in the preceding month, represented a decline of 60.4 per cent from the record month of April, 1929. The comparison of construction activity in April with that in March indicates an upward trend, which has continued since the low point was reached in January, and while attributable in part to seasonal influences, reflects a material expansion of construction work in some cities. Although the valuation of building permits issued during the first four months of this year was 39.5 per cent less than for the corresponding period a year ago, the decline was not general as several cities showed substantial increases.

BUILDING PERMITS

	April, 1930		April, 1929		Percentage Change Valuation Over Year	March, 1930		Percentage Change Valuation Over Month	Four Months				Percentage Change Valuation Over Period
	No.	Valuation	No.	Valuation		No.	Valuation		1930		1929		
									No.	Valuation	No.	Valuation	
Amarillo.....	82	\$ 286,212	63	\$ 156,280	+ 83.1	71	\$ 204,328	+ 40.0	248	\$ 891,726	196	\$ 757,026	+17.8
Austin.....	107	168,389	88	338,007	— 50.2	87	591,511	— 71.5	398	1,296,746	339	878,888	+47.5
Beaumont.....	154	144,314	203	324,209	— 55.5	164	243,496	— 40.7	568	969,846	722	1,157,070	—16.2
Corpus Christi.....	66	55,275	77	170,900	— 67.7	64	210,105	— 73.7	245	628,146	268	768,101	—18.2
Dallas.....	396	1,034,935	343	1,294,212	— 20.0	406	795,645	+ 30.1	1,323	2,955,422	1,229	4,350,415	—32.1
El Paso.....	119	524,965	87	119,508	+339.3	149	320,324	+ 63.9	523	1,382,662	393	954,750	+44.8
Fort Worth.....	366	844,760	422	1,065,071	— 20.7	234	1,183,281	— 28.6	964	3,265,355	1,316	3,536,528	— 7.7
Galveston.....	123	85,849	231	165,655	— 48.2	150	134,057	— 36.0	495	437,797	730	742,957	—41.1
Houston.....	395	2,859,831	508	8,455,771	— 66.2	370	1,359,488	+110.4	1,391	6,562,623	1,886	14,847,988	—55.8
Port Arthur.....	127	901,558	161	196,265	+359.4	100	154,252	+484.5	430	1,300,485	521	1,218,298	+ 6.7
San Antonio.....	254	370,905	408	6,604,425	— 94.4	344	1,045,950	— 64.5	1,188	3,283,170	1,489	9,622,188	—65.9
Shreveport.....	195	123,579	340	292,090	— 57.7	193	166,910	— 26.0	701	637,260	1,026	1,113,322	—42.8
Waco.....	54	189,473	61	176,199	+ 7.5	38	95,407	+ 98.6	159	583,548	182	706,540	—17.4
Wichita Falls...	24	117,130	54	84,346	+ 38.9	33	442,682	— 73.5	93	665,668	156	459,740	+44.8
Total.....	2,462	\$7,707,175	3,046	\$19,442,938	— 60.4	2,403	\$6,947,436	+ 10.9	8,726	\$24,860,454	10,453	\$ 41,113,811	—39.5

Cement

Activity during April at portland cement mills in Texas showed a further substantial increase over both the preceding month and the same month a year ago. Production amounted to 757,000 barrels, being 9.1 per cent larger than in March, and 21.7 per cent greater than in April, 1929. Shipments rose from 627,000 barrels in March to 775,000 in April, reflecting a gain of 23.6 per cent over the previous month and 24.0 per cent

over the same month last year. As compared to the same period in 1929, cement production at these mills during the first four months of the current year was 11.9 per cent larger, and shipments showed an increase of 7.0 per cent. Stocks on hand declined 20,000 barrels during the month, totaling 825,000 barrels on April 30. This amount, however, was 86.2 per cent larger than that on the corresponding date of 1929.

PRODUCTION, SHIPMENTS, AND STOCKS OF PORTLAND CEMENT
(In thousands of barrels)

	April 1930		Percentage Change Over		January through April 30	
	Number		Month	Year	Number	Percentage Change Over Year
Production at Texas mills.....	757		+ 9.1	+21.7	2,254	+11.9
Shipments from Texas mills.....	775		+23.6	+24.0	2,240	+ 7.0
Stocks at end of month at Texas mills.....	825		- 2.4	+86.2

SUMMARY OF NATIONAL BUSINESS CONDITIONS

(Compiled by the Federal Reserve Board as of May 22, 1930)

Industrial activity increased slightly in April from the rate prevailing in March. Factory employment declined by the usual seasonal amount, while factory payrolls showed a smaller reduction than usual. Wholesale prices continued to decline in April and the first half of May. There was a further easing of open-market money rates.

PRODUCTION

Production in basic industries in April was slightly larger than in March and the Board's index, which makes allowance for the usual seasonal changes, shows an increase of about 2 per cent, offsetting a large part of the decrease in March. Output of automobiles showed the usual seasonal expansion. Steel output declined seasonally in April and the early part of May. The output of silk textiles was considerably reduced, and woolen mills curtailed operations, though less than seasonally. Cotton mills were more active in April, and there was some increase in stocks. In the first half of May, however, a program of curtailment was instituted in the industry. In comparison with the first four months of 1929, a year of exceptionally active business, production was smaller in almost all major branches of industry, with the exception of tobacco. In comparison with 1928, however, output was larger in the automobile, petroleum, and silk industries, slightly smaller in steel and coal, and considerably smaller in cotton and wool textiles, flour, meat packing, automobile tires, and lumber.

Building contracts awarded during April, according to the F. W. Dodge Corporation, were 6 per cent larger than in March, reflecting further expansion in awards for public works and utilities, and some increase in residential construction, largely seasonal in character. In the first two weeks in May there was a further increase in building activity. In comparison with 1929, awards in the first four months of the year were 17 per cent smaller, reflecting chiefly the continued small volume of residential building, which more than offset increases in public works and in utility construction.

EMPLOYMENT AND PAYROLLS

Factory employment, which had been decreasing since last September, declined by about 1 per cent in April, which represents the usual development for that month, while the reduction in factory payrolls from March to April

was smaller than usual.

DISTRIBUTION

Department store sales increased during the month by an amount estimated to be slightly larger than is accounted for by the late Easter holiday. The value of foreign trade decreased further in April, and for the first four months of the year exports were about 20 per cent smaller than a year ago, when trade was exceptionally active. In part this decline reflected the lower level of wholesale prices.

WHOLESALE PRICES

An increase in wholesale prices in the first week in April was followed by a substantial decline which continued into May and brought the level of prices to the lowest point in a number of years. Prices of important raw materials, such as wheat, cotton, and silk, declined during most of the period, but steadied somewhat around the middle of May, while prices of silver, hides, and coffee, were comparatively stable. There were fairly continuous price declines in steel, sugar, raw wool, and the textiles. Copper prices were reduced further early in May, but recovered somewhat following large purchases for domestic and foreign consumption.

BANK CREDIT

Loans and investments of member banks increased by about \$160,000,000 in the latter half of April, but declined \$140,000,000 in the first two weeks in May, both movements reflecting chiefly fluctuations in loans on securities. Investments increased further, while "all other" loans continued to decline, and on May 14, at \$8,560,000,000, were the smallest in more than two years. The volume of Reserve bank credit declined further by \$125,000,000 between the weeks ending April 19 and May 17, largely as a result of the addition of about \$65,000,000 to the stock of monetary gold and of a further substantial reduction in the volume of money in circulation, which reflected chiefly smaller volume of payrolls and declines in retail prices. The System's holdings of bills declined, while United States securities and discounts for member banks showed little change.

Money rates on all classes of paper declined further in May. The discount rate of the Federal Reserve Bank of New York was reduced from 3½ to 3 per cent on May 2, and that at the Federal Reserve Bank of Boston from 4 to 3½ per cent on May 8.