

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 1931	Change From February
Bank debits to individual accounts (at 17 cities).....	\$860,045,000	+ 2.3%
Department store sales.....		+ 17.4%
Reserve bank loans to member banks at end of month.....	\$ 6,955,351	— 3.5%
Reserve bank ratio at end of month.....	61.4%	— .7 points
Building permit valuation at larger centers.....	\$ 3,284,011	— 13.2%
Commercial failures (number).....	76	— 33.3%
Commercial failures (liabilities).....	\$ 1,455,519	— 32.4%
Oil production (barrels).....	25,252,350	+ 17.5%
Lumber orders at pine mills (per cent of normal production).....	70%	— 6.0 points

Some improvement in the trade situation in the Eleventh Federal Reserve District was in evidence in March with an earlier Easter this year; sales of department stores in larger centers reflected a seasonal increase of 17 per cent over the previous month, and while they were 11 per cent smaller than a year ago, the decline was slightly less than in February. Distribution in most lines of wholesale trade during March showed an expansion over the previous month and comparisons with a year ago generally were the most favorable shown for any month of the current year. Consumer buying, however, is still at a low level and retailers are showing no disposition to make purchases beyond well defined needs. Furthermore, buying generally has been in small lots. Southwestern carloadings were somewhat greater than in February, but were considerably smaller than in March, 1930.

The agricultural outlook continued generally favorable. An excellent surface and subsoil season obtains in practically all sections of the district and farm work has progressed normally. According to the Department of Agriculture, small grains are in good condition and promise heavy yields. Among the developments which tended to offset these favorable factors to some extent was the damage resulting from the severe freeze late in March, the poor germination of

seed caused by the cold, wet soil, which has necessitated some replanting, and the slow growth of early planted crops. The favorable weather recently, however, is doing much to overcome the latter attacks. The physical condition of ranges and livestock has shown a further improvement. Range forage has grown rapidly and is furnishing excellent pasturage with the result that livestock are getting fat earlier than usual.

The demand for funds at banks in larger centers continued downward. Loans of reserve city banks showed a further decline and at the middle of April were considerably smaller than a year ago. Coincident with the decline in loans, there was an increase in their investments and a reduction in borrowings at the Federal Reserve Bank. On the other hand, borrowings of country banks showed a gradual expansion to meet the withdrawals of deposits and the demand for funds to finance agricultural operations. Yet, on April 15, Federal Reserve Bank loans amounted to only \$7,321,000 as compared to \$7,823,000 a month earlier, and \$3,309,000 on the corresponding date in 1930. The daily average of combined net demand and time deposits of member banks reflected a seasonal decline of \$10,818,000 from the previous month and were \$66,709,000 below March last year; yet the decline from a year ago was the smallest shown since last November. Although there were heavy subscriptions and allotments to the Treasury issues of March 15, subscriptions to the Treasury Certificates of Indebtedness of April 15, bearing 17/8 per cent, totaled \$30,028,500 and allotments of \$12,057,500 were made.

Construction activity during March reached the lowest level recorded in several years. The valuation of permits issued at principal cities was 13 per cent less than in February and 53 per cent below March, 1930. While new orders for lumber were slightly smaller than in the previous month, shipments and production were larger. The production and shipments of cement reflected a substantial increase over the previous month, but were still considerably under a year ago.

BUSINESS

Wholesale Trade

The distribution of merchandise at wholesale during March in the Eleventh Federal Reserve District showed some improvement which was due in part to seasonal influences. The sales of dry goods, hardware, and drugs at wholesale during March were substantially larger than in the preceding

month; the distribution of groceries showed a slight gain; but the demand for farm implements reflected a substantial decline. Comparisons with the corresponding month a year ago on the whole were more favorable than at any time during the current year. While the undertone of confidence continued to strengthen during March, it is noted that pur-

chases are being held in strict alignment with consumer demand. Orders continue to be small, and retailers are showing no disposition to make commitments for future delivery.

Reflecting in large part the Easter demand for merchandise, the distribution of dry goods at wholesale in this district during March showed an increase of 12.5 per cent from the low volume of February. Sales during the month were 26.8 per cent below the level of a year ago, and for the period from January 1 to March 31 the corresponding decline amounted to 33.6 per cent. That the trend was well marked is shown by the fact that all the reporting firms participated in the increase over the previous month, and likewise in the decrease from a year ago. There was a general improvement in collections.

Business of wholesale drug firms in the Eleventh District showed a gain of 13.0 per cent in March as compared to the previous month, and it was only 7.9 per cent less than that of the same month a year ago. With one exception the latter comparison is the most favorable shown since the depression period set in. The improvement seemed to be general, but it was especially in evidence in the North and Central portions of the district. Inventories were reduced somewhat, and at the end of the month were 18.7 per cent smaller than a year ago. There was a slight decrease in the volume of collections.

Distribution of farm implements at wholesale during March was 15.3 per cent less than in the previous month, and reflected a decline of 59.3 per cent from the same month last year. Sales during the first quarter of the year averaged 59.9 per cent smaller than in the same part of 1930. Due to the low purchasing power of the farmer, buying of implements has been held to a minimum. Collections continued slow.

The demand for groceries at wholesale during March was rather spotty, being satisfactory in some parts of the district but poor in others. As compared to the preceding month, sales during March showed a net increase of 1.4 per cent, but they were 17.0 per cent below the volume of the same month a year ago. Collections reflected a decline of 9.9 per cent from the volume of February.

Sales of hardware through wholesale channels during March were 12.5 per cent larger than in the previous month, but were 26.8 per cent less than in March, 1930. The demand in South and East Texas appeared to be somewhat better than in other sections. For the first three months of the current year, average sales were 28.8 per cent below those of a year ago. Collections showed no material change from the preceding month.

CONDITION OF WHOLESALE TRADE DURING MARCH, 1931
Percentage of increase or decrease in—

	Net Sales March, 1931 compared with March 1930		Net Sales Jan. 1 to date compared with same period last year		Stocks March, 1931 compared with March 1930		Ratio of collec- tions during Mar. to accounts and notes outstanding on February 28	
	1930	1931	1930	1931	1930	1931	1930	1931
Groceries.....	-17.0	+1.4	-18.8	-18.7	-2.2	67.5		
Dry goods.....	-26.8	+12.5	-33.6	-35.7	-1.3	21.5		
Farm implements..	-59.3	-15.3	-59.9	+	1.9	3.1		
Hardware.....	-26.8	+12.5	-28.8	-.2	+.3	2.98		
Drugs.....	-7.9	+13.0	-11.3	-18.7	-3.3	37.5		

Retail Trade

The distribution of merchandise at department stores in the Eleventh District reflected a seasonal increase of 17.4 per cent during March, but again showed a decline of 10.7 per cent from the corresponding month of 1930. While the comparison with a year ago is a little more favorable than that in the previous month it will be borne in mind that Easter came two weeks earlier this year than last. Reports indicate that pre-Easter buying did not come up to expectations. Sales during the first quarter of the present year averaged 9.8 per cent less than in the same period of 1930.

Stocks on hand at the end of March showed a seasonal increase of 7.5 per cent, but were 14.0 per cent less than at the close of March, 1930, which is approximately the same decline as that a month earlier. The rate of stock turnover during the first quarter of 1931 was .71 per cent as compared to .68 per cent during the same period last year.

Collections reflected a slight improvement during the month. The ratio of March collections to accounts outstanding on March 1 was 33.1 per cent as against 32.1 per cent in February and 35.1 per cent in March, 1930.

BUSINESS OF DEPARTMENT STORES

Total Sales (Percentage):	Dallas	Fort Worth	Houston	San Antonio	Others	Total District
March, 1931, compared with March, 1930.....	-18.9	-3.3	-12.6	+3.5	-10.3	-10.7
March, 1931, compared with February, 1931.....	+2.9	+20.1	+22.0	+31.0	+32.1	+17.4
January 1 to date, compared with same period last year.....	-12.9	-3.7	-14.3	+.2	-12.3	-9.8
Credit Sales (Percentage):						
March, 1931, compared with March, 1930.....	-20.8	-1.4	-9.4	+4.0	-11.9	-11.7
March, 1931, compared with February, 1931.....	-1.5	+22.5	+25.9	+26.5	+31.5	+14.5
January 1 to date, compared with same period last year.....	-14.4	-5.8	-12.8	+.3	-12.4	-10.8
Stocks (Percentage):						
March, 1931, compared with March, 1930.....	-14.4	+1.0	-18.1	-13.5	-21.8	-14.0
March, 1931, compared with February, 1931.....	+8.0	+2.6	+10.1	+9.3	+8.0	+7.5
Stock Turnover (Rate):						
Rate of stock turnover in March, 1930.....	.26	.19	.24	.32	.21	.24
Rate of stock turnover in March, 1931.....	.25	.19	.26	.38	.23	.25
Rate of stock turnover, January 1 to March 31, 1930.....	.71	.56	.69	.87	.60	.68
Rate of stock turnover, January 1 to March 31, 1931.....	.74	.53	.72	1.00	.65	.71
Ratio of March collections to accounts receivable outstanding March 1, 1931.....	31.2	30.3	37.3	35.3	34.7	33.1

Commercial Failures

According to the report compiled by R. G. Dun & Company, both the number and liabilities of defaulting firms in the Eleventh Federal Reserve District were smaller in March than in any other month since last October. While higher than a year ago, the business mortality rate showed a decided further reduction from the preceding month. There were 76 insolvencies during March with liabilities of \$1,455,519, as

compared to 114 failures in February, owing \$2,152,893. In March a year ago, there were 66 defaults with a combined indebtedness of \$925,653.

Failures during the first quarter of the current year totaled 317, with aggregate liabilities amounting to \$5,563,093. In the like period of 1930 there were 175 insolventcies, which owed a total of \$3,024,875.

AGRICULTURE

Crop Conditions

While the agricultural situation continued generally favorable some untoward developments occurred during the month.

Small grain crops generally are in good condition, the moisture supply is ample and the soil preparation and the condition of the seed beds compare favorably with the average years; on the other hand, the cold wave at the close of March did considerable damage to the fruit crop, early gardens and to that part of the corn crop which was above the ground. The frequent rains have retarded field work in many portions of the district and have interfered with proper germination of the seed and the growth of young plants. The abundance of moisture and the mild winter have caused a prolific growth of weeds and grass in many sections of the district which has handicapped, to some extent, the progress of planting operations. Since the return of clear weather and higher temperatures, planting operations have made good progress.

The Department of Agriculture reported that the condition of the Texas wheat crop on April 1 was 90 per cent of normal as compared to 80 per cent a year ago and 78 per cent for the 10 year average. The estimated production was placed at 44,000,000 bushels, which is a new high record for the State and compares with a production of 28,270,000 bushels last year. The condition of the crop is good to excellent in the main wheat areas. Moisture supplies are above normal and temperatures have been favorable except during the last days of March and the early part of April. The winter wheat crop in New Mexico was estimated as 93 per cent of normal on April 1 with a prospective production of 5,500,000 bushels. Last year the State produced only 1,361,000 bushels. The condition of the Texas oat crop on April 1 was 86 per cent of normal as compared to 70 per cent last year. The spring crop was sown a little earlier than it was a year ago. The condition of the rye crop is also considerably better than last year.

The planting of corn and other row crops (cotton excepted) is nearing completion in the Southern part of Texas and is well advanced in the Eastern half of the State. There is considerable corn already above the ground but the growth generally has been slow due to the wet, cold soil. In some areas considerable replanting has been necessary because of poor germination and frost damage. Fair to good progress has been made with planting operations in Northern Louisiana. The planting of cotton has made fair progress in Southern Texas but has been delayed in other parts of the district because of the cold, wet soil. The condition of early planted cotton in Southern Texas is reported to be fair.

The April 1 condition of the Texas peach crop was reported at 45 per cent of normal as compared to 40 per cent last year. While the full effect of the frost damage was not apparent on April 1, the damage was heavy in most of the Northern half of the State and extended into the commercial areas of Northeast Texas. The freezes also caused heavy damage to peaches, plums, and apricots in the Western portion of the district. The condition of the early potato crop in Texas was estimated at only 63 per cent as compared to 80 per cent a year ago. Frost and some blight damaged the Valley crop, while in other areas frequent rains and cold weather have delayed planting and caused some seed to rot in the ground.

There is given below a table compiled from the report of the Department of Agriculture covering Texas farmers'

intentions to plant. If these intentions are carried out this year, there will be an increase in the acreage planted to each of the eleven food and feed crops mentioned below, ranging from 3 per cent for rice to 60 per cent for peanuts. It is interesting to note that the intended acreage of corn is the largest since 1922 and that of oats and grain sorghum is the largest on record.

Crop	Acreage harvested 1930	Intended acreage 1931	Planting intentions 1931 Per cent of 1930 harvested acreage
Corn.....	4,941,000	5,682,000	115
Oats.....	1,696,000	2,205,000	130
Barley.....	193,000	251,000	130
Rice.....	186,000	192,000	103
Grain sorghums.....	2,926,000	3,072,000	105
Potatoes.....	41,000	46,000	112
Sweet potatoes.....	109,000	164,000	150
Peanuts.....	158,000	253,000	160
Cow peas.....	148,000	192,000	130
Tame hay.....	702,000	737,000	105
Wheat.....	2,570,000	3,152,000	123

Livestock

Ranges and livestock throughout the Eleventh District are in good to excellent condition and the Department of Agriculture states that for Texas prospects have seldom, if ever, been better. Range and feed conditions are very good throughout practically all of the district, soil moisture is ample and stock water generally plentiful. The cold weather and storms late in March checked the growth of feed and caused a light shrinkage of livestock in the Northern sections of Texas, New Mexico, and Arizona, but as stock were in good condition they came through in good shape with only light losses.

The Department of Agriculture reported that the condition of cattle ranges in Texas gained 2 points in March and was 12 points higher than a year ago. While the condition of sheep and goat ranges rose only 1 point, it was 18 points higher than on April 1, 1930. The condition of Texas cattle gained 2 points during the month, sheep 1 point, while goats remained unchanged. In each instance, the condition was considerably above a year ago. The Department of Agriculture stated that due to the excellent supply of spring and summer feed, the movement to Northern pastures will be lighter than usual and that there will be a large supply of grass fat cattle for the market. This is particularly true in Southern Texas, where the movement will be much heavier than last spring. Sheep are getting fat earlier than usual this year and large supplies of sheep and lambs are moving to market. In New Mexico, the condition of ranges showed an improvement of 2 points, while cattle remained unchanged and sheep declined 1 point. The condition of cattle and sheep was 4 and 3 points, respectively, lower than a year ago. In Arizona, the condition of livestock and their ranges showed a decline as compared to the previous month and a year ago but livestock generally are in very good condition. The Department of Agriculture reports that feed supplies are good and cattle are in strong hands. Trading throughout the district has been inactive, as demand has been light and stockmen have shown little disposition to sell at present prices in view of the excellent range conditions.

Movements and Prices

Receipts of cattle and hogs at the Fort Worth market were larger than in the previous month but were smaller than a year ago. Arrivals of calves were smaller than in either month. On the other hand, the receipts of sheep showed an exceedingly large increase over both the previous month and

the corresponding month last year. In fact, the number of sheep yarded was the largest for any corresponding month on record.

The prices of cows and calves were some stronger during the first three weeks of March but the market weakened toward the close of the month and prices worked lower during the first half of April. Beef steer prices reflected a steady

FORT WORTH LIVESTOCK RECEIPTS
(Number)

	March 1931	March 1930	Change over Year	February 1931	Change over Month
Cattle.....	45,958	46,473	— 515	31,860	+14,098
Calves.....	11,094	12,683	— 1,589	12,940	— 1,846
Hogs.....	25,715	33,622	— 7,907	23,235	+ 2,480
Sheep.....	110,919	42,495	+68,424	32,433	+78,486

Operations of the Federal Re- serve Bank

The total volume of Federal Reserve Bank credit in use in the Eleventh District during the past month showed very little change. Member bank borrowings, which amounted to \$7,823,000 on March 15, showed a gradual decline and reached the low point of the month on March 26 at \$6,653,000. After April 1 these loans increased somewhat and stood at \$7,321,000 on April 15, which compares with \$8,309,000 on the corresponding date in 1930. Borrowings of the reserve city banks reflected a substantial decline, while those of country banks reflected a gradual expansion throughout the period. The number of borrowing banks increased from 150 on March 15 to 161 on April 15. Bills bought in the open market increased \$1,105,000 between March 15 and April 15, but on the latter date were \$2,165,000 less than a year ago. While Federal reserve notes in actual circulation showed a slight increase during the 30-day period, they were \$6,502,000 less on April 15 than on that date a year ago. The daily average of member bank reserve deposits amounted to \$57,131,000 during the past month as compared to \$57,428,000 during the previous month, and \$62,392,000 during the corresponding period of 1930.

CONDITION OF THE FEDERAL RESERVE BANK
(In thousands of dollars)

	April 15, 1931	March 15, 1931	April 15, 1930
Total cash reserves.....	\$ 52,336	\$ 49,528	\$ 62,219
Discounts for member banks.....	7,321	7,823	8,309
Other bills discounted.....	5	4	4
Bills bought in open market.....	5,510	4,405	7,675
United States securities owned.....	29,229	29,331	25,637
Other investments.....	7	7	7
Total earning assets.....	42,072	41,570	41,632
Member bank reserve deposits.....	57,409	56,726	60,720
Federal reserve notes in actual circulation....	27,126	26,859	33,628

Condition of Member Banks in Selected Cities

Reports from member banks in selected cities for the four-week period ending April 8 reflected a further decline in loans, a moderate increase in deposits, and a large gain in investments. Coincident with the heavy Treasury financing on March 15, investments of these banks in United States securities showed a very large gain and while there was some decline in subsequent weeks, the amount on April 8 was \$17,330,000 greater than four weeks earlier and \$13,610,000 larger than a year ago. Investments in other stocks and bonds were also increased \$2,651,000 during the four-week period, and were \$11,915,000 greater than on April 9, 1930. While loans on securities showed a slight increase between March 11 and

decline throughout the period. Hog prices showed a steady improvement throughout March but suffered a considerable decline during the first half of April. Despite the heavy receipts, the market for sheep and lambs has shown considerable activity and prices have held up fairly well.

COMPARATIVE TOP LIVESTOCK PRICES
(Dollars per hundred-weight)

	March 1931	March 1930	February 1931
Beef steers.....	\$ 8.50	\$13.25	\$ 7.65
Stocker steers.....	7.50	13.00	7.50
Butcher cows.....	5.50	8.75	5.00
Stocker cows.....	5.25	6.75	4.00
Calves.....	10.00	12.50	10.00
Hogs.....	8.10	10.50	7.75
Sheep.....	5.75	7.50	5.50
Lambs.....	10.00	9.25	8.25

FINANCE

April 8, all other loans (largely commercial) reflected a further decline of \$2,450,000. Total loans on April 8 were \$46,445,000 less than on the corresponding date of 1930. During the four-week period net demand deposits rose \$1,962,000 and time deposits increased \$955,000. These deposits, however, were \$9,478,000 less than a year ago. The borrowings of these banks at the Federal Reserve Bank amounted to \$582,000 on April 8 as compared to \$1,068,000 on March 11, and \$1,388,000 on April 9, 1930.

CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES
(In thousands of dollars)

	April 8, 1931	March 11, 1931	April 9, 1930
United States securities owned.....	\$ 85,585	\$ 68,255	\$ 71,975
All other stocks, bonds, and securities owned.....	53,272	50,621	41,357
Loans on securities.....	91,663	91,642	121,347
All other loans.....	218,285	220,735	235,046
Total loans.....	309,948	312,377	356,393
Net demand deposits.....	277,212	275,250	289,495
Time deposits.....	150,556	149,601	147,752
Reserve with Federal Reserve Bank.....	33,551	32,304	38,098
Bills payable and rediscounts with Federal Reserve Bank.....	582	1,068	1,388

Deposits of Member Banks

Daily average deposits of member banks in the Eleventh Federal Reserve District during March were in smaller volume than in either the preceding month or the same month last year. The volume of combined net demand and time deposits averaged \$802,235,000 in March as against \$813,053,000 in February, and \$868,944,000 in March a year ago. The decline from the previous year was less than it has been since November. Combined deposits of reserve city banks decreased from \$408,525,000 in February to \$406,203,000 in March, and those of country banks were reduced from \$404,528,000 in the former month to \$396,032,000 in the latter month.

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
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
May, 1930.....	623,282	241,429	269,958	142,161	353,324	99,248
June, 1930.....	603,020	244,026	260,854	143,753	342,166	100,273
July, 1930.....	591,565	240,952	261,127	142,482	330,438	98,470
Aug., 1930.....	579,092	241,269	256,176	141,675	322,916	99,594
Sept., 1930.....	582,530	237,595	262,310	139,940	320,220	97,655
Oct., 1930.....	593,126	237,945	265,782	141,153	327,344	96,792
Nov., 1930.....	588,534	239,453	264,796	142,250	321,738	97,203
Dec., 1930.....	574,904	235,119	262,124	139,900	312,780	95,219
Jan., 1931.....	565,388	232,966	258,313	141,257	307,075	91,709
Feb., 1931.....	576,803	236,250	264,844	143,681	311,959	92,569
Mar., 1931.....	567,468	234,767	263,123	143,080	304,345	91,687

Debits to Individual Accounts

Debits to depositors' accounts during March at banks in principal cities in this district were in larger volume than in February, but the increase was only 2.3

per cent and was entirely due to the longer month. Aggregate charges amounted to \$660,045,000 as compared to \$645,086,000 in the previous month and \$909,830,000 in the corresponding month last year. While all reporting centers par-

ticipated materially in the decline from a year ago, which amounted to 27.5 per cent, more than half of the cities registered increases over February.

Acceptance Market

The volume of bankers' acceptances outstanding in this district reflected a further substantial reduction during March, and at the close of the month amounted to \$3,056,401, as against \$4,488,626 on February 28, and \$4,622,717 at the end of March last year. The decline was due largely to seasonal influences. Acceptances executed against import and export transactions amounted to \$1,774,342 on March 31, as compared to \$2,163,676 a month earlier. A larger decrease was shown in those based on the domestic shipment and storage of goods, which totaled \$1,282,059 on the last day of March as against \$2,324,950 on February 28.

Savings Deposits

The volume of savings deposits held by 85 banks in the Eleventh Federal Reserve District was larger on March 31 than it was either a month earlier or a year ago. On that date the aggregate amounted to \$151,431,390, as compared to \$150,343,637 on February 28, and \$149,861,586 at the close of March last year. The number of savings depositors reported by 78 of these banks increased from 312,615 on February 28 to 314,877 on March 31, but was still slightly less than on the same date a year ago.

DEBITS TO INDIVIDUAL ACCOUNTS
(In thousands of dollars)

	March 1931	March 1930	Percentage change over Year	February 1931	Percentage change over Month
Abilene.....	\$ 5,769	\$ 9,244	-37.6	\$ 6,970	-17.2
Austin.....	20,923	23,717	-11.8	19,188	+ 9.0
Beaumont.....	20,368	25,305	-19.5	23,350	-12.8
Corsicana.....	4,660	6,680	-30.2	4,043	+15.3
Dallas.....	166,796	280,475	-40.5	168,140	- .8
El Paso.....	28,040	39,082	-28.3	29,888	- 6.2
Fort Worth.....	72,541	97,254	-25.4	63,997	+13.4
Galveston.....	24,298	27,932	-13.0	24,759	- 1.9
Houston.....	155,945	185,935	-16.1	150,518	+ 3.6
Port Arthur.....	7,514	10,676	-29.6	8,137	- 7.7
Roswell.....	2,752	4,103	-32.9	2,735	+ .7
San Antonio.....	69,672	85,155	-18.2	69,533	+ .2
Shreveport.....	33,828	44,402	-23.8	27,301	+23.9
Texarkana*.....	9,264	14,042	-34.0	9,813	- 5.6
Tucson.....	9,623	11,851	-18.8	8,526	+12.9
Waco.....	12,138	17,554	-30.9	13,192	- 8.0
Wichita Falls....	15,914	26,423	-39.8	14,996	+ 6.1
Total.....	\$660,045	\$909,830	-27.5	\$645,086	+ 2.3

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

SAVINGS DEPOSITS

	March 31, 1931			March 31, 1930			February 28, 1931		
	Number of Reporting Banks	Number of Savings Depositors	Amount of Savings Deposits	Number of Savings Depositors	Amount of Savings Deposits	Percentage Change Over Year in Savings Deposits	Number of Savings Depositors	Amount of Savings Deposits	Percentage Change Over Month in Savings Deposits
Beaumont.....	4*	5,530	\$ 2,592,905	5,740	\$ 2,634,348	- 1.6	5,495	\$ 2,562,959	+ 1.2
Dallas.....	4	63,757	25,231,223	68,577	25,824,151	- 2.3	63,786	25,018,112	- 1.5
El Paso.....	2	15,992	5,363,959	16,289	5,884,442	- 8.8	15,983	5,334,570	+ .6
Fort Worth.....	2	21,187	7,770,026	18,385	7,235,812	+ 7.4	21,014	7,749,056	+ .3
Galveston.....	3	13,718	8,188,954	13,809	8,173,557	+ .2	12,995	7,979,762	+ 2.6
Houston.....	11*	75,674	36,016,536	72,701	34,396,509	+ 4.7	75,154	35,699,322	+ .9
Port Arthur.....	2	4,855	1,830,085	4,736	1,808,654	+ 1.2	4,826	1,786,557	+ 2.4
San Antonio.....	7	40,322	24,468,977	37,200	22,304,945	+ 9.7	39,670	24,029,427	+ 1.8
Shreveport.....	4*	20,826	13,082,132	22,584	11,965,201	+ 9.3	20,652	13,060,234	+ .2
Waco.....	4	10,509	6,265,512	10,308	6,900,302	- 9.2	10,499	6,402,389	- 2.1
Wichita Falls.....	2	3,684	1,593,058	3,774	1,944,398	-18.1	3,693	1,542,226	+ 3.3
All others.....	40*	38,823	19,028,023	40,852	20,789,267	- 8.5	38,848	19,079,023	- .3
Total.....	85	314,877	\$151,431,390	314,955	\$149,861,586	+ 1.0	312,615	\$150,843,637	+ .4

*Only 3 banks in Beaumont, 10 in Houston, 3 in Shreveport and 36 in "All others" reported the number of savings depositors.

APRIL 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.....	4-6	6-8	4-6	5-6	5-6	6-8
Rate charged on loans to other banks secured by bills receivable.....	5-6	5-6	5-6	4½-5	5-6	5½-6
Rate on loans secured by prime stock exchange or other current collateral (not including loans placed in other markets through correspondent banks):						
Demand.....	5-6	6-8	6-8	5-6	6-8	6-8
Time.....	5-8	6-8	6-8	5-6	6-8	6-8
Rate charged on commodity paper secured by warehouse receipts, etc.....	4½-7	8	5-7	5	6-8	7-8
Rate on cattle loans.....	5-7	.....	6-8	7-8	6-8	8

INDUSTRY

Cottonseed Products

The operations of cottonseed oil mills in both Texas and the United States reflected a further substantial seasonal decline during March, and with the exception of the production of hulls at Texas mills continued on a smaller scale than a year ago. Cottonseed on hand at Texas mills on March 31 showed a sharp decline from a month earlier, but was greater than a year ago, while at United States mills a decline was registered as compared to both dates. During the current season, Texas mills have shown a smaller production of oil,

cake and meal, and linters than in the previous season; at all United States mills declines were reflected in all operations except the production of cake and meal. During the present season the output of oil at the latter mills has been the smallest of any like period since 1925. Stocks of crude oil on hand on March 31 declined further from the low February amount. Supplies of linters at Texas mills were slightly smaller than a year ago but all other products at both Texas and American mills were greater.

STATISTICS ON COTTONSEED AND COTTONSEED PRODUCTS

	Texas		United States	
	August 1 to March 31		August 1 to March 31	
	This Season	Last Season	This Season	Last Season
Cottonseed received at mills (tons).....	1,221,844	1,242,697	4,568,996	4,787,791
Cottonseed crushed (tons).....	1,193,647	1,228,219	4,407,486	4,497,872
Cottonseed on hand (tons).....	44,900	34,420	206,926	330,052
Crude oil produced (pounds)....	350,305,925	361,973,398	1,339,648,820	1,399,538,041
Cake and meal produced (tons).....	566,074	576,298	2,011,232	1,998,108
Hulls produced (tons).....	336,913	329,121	1,218,476	1,241,151
Linters produced (running bales).....	186,001	258,584	767,142	927,601
Stocks on hand March 31:				
Crude oil (pounds).....	11,000,865	24,808,906	46,999,423	68,875,035
Cake and meal (tons).....	60,942	58,830	303,945	170,693
Hulls (tons).....	47,909	32,077	112,455	82,518
Linters (running bales).....	75,510	76,824	299,087	260,779

Textile Milling

The usual seasonal increase was reflected in the consumption of cotton and the production of cloth at Eleventh District textile mills during March; however, the gain this year was due almost entirely to the three day longer month. The comparisons with the corresponding month of 1930 were again unfavorable. There was 9.7 per cent more cloth produced during March than in February, but 23.6 per cent less than in March a year ago. During the month 2,193 bales of raw cotton were consumed by reporting mills as against 1,880 bales in the previous month and 2,496 bales in March, 1930. Unfilled orders for cloth on hand on March 31 reflected a noticeable increase over those a month earlier or a year ago. Stocks held at the close of the month were slightly larger than both preceding months.

The domestic consumption of cotton aggregated 490,586 bales during March, which reflects an increase of 13.2 per cent over the previous month and a small decline of 3.4 per cent from March, 1930. It is significant to note that the increase over the previous month is the first recorded in several months, and while the comparison with a year ago still shows a decline, it is the most favorable percentage recorded since October, 1929. Consumption during the first eight months of the current season was 21.4 per cent less than the same period of the preceding season.

TEXTILE MILLING STATISTICS—TEXAS

	March 1931	March 1930	February 1931
Number bales consumed.....	2,193	2,496	1,880
Number spindles active.....	82,680	83,680	79,765
Number pounds cloth produced.....	877,738	1,148,168	800,320

COTTON CONSUMED AND ON HAND (Bales)

	March		August 1 to March 31	
	1931	1930	This Season	Last Season
Cotton growing states:				
Cotton consumed.....	383,552	393,906	2,691,111	3,344,020
On hand March 31 in—				
Consuming establishments.....			1,089,981	1,305,618
Public storage and compresses.....			6,238,059	3,962,281
United States:				
Cotton consumed.....	490,586	507,646	3,390,528	4,316,387
On hand March 31 in—				
Consuming establishments.....			1,477,758	1,758,171
Public storage and compresses.....			6,642,648	4,198,077

Cotton Movements

Contrary to the usual seasonal movements, exports of cotton during March through the ports of Houston and Galveston reflected a substantial increase over the preceding month,

and were noticeably larger than those in the same month last year. Receipts during the month, while smaller than in February, continued to be in greater volume than in the corresponding month of 1930. Stocks of cotton held at the close of the month at both ports totaled 1,774,751 bales, which represents a decline of 11.3 per cent from the previous month, but an increase of 57.9 per cent over those on hand a year ago. The total foreign exports of cotton from all United States ports, likewise, reflected a noticeable increase during March compared with both the preceding month and the corresponding month last year, and were larger than any like month since 1927. Exports amounted to 605,461 bales during the month as against 432,980 bales in February and 477,678 bales in March, 1930. Exports during the eight months of the current season averaged 4.4 per cent less than in the same period of the 1929-30 season.

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON (Bales)

	March 1931	March 1930	August 1 to March 31	
			This Season	Last Season
Receipts.....	65,575	55,484	1,453,748	1,818,324
Exports.....	132,909	121,978	1,079,992	1,596,121
Stocks, March 31.....			559,008	297,803

COTTON—GALVESTON STOCK STATEMENT (Bales)

	March 31, 1931	March 31, 1930
For Great Britain.....	1,500	4,500
For France.....	2,000	5,400
For other foreign ports.....	12,200	28,800
Coastwise ports.....	500	3,500
In compresses and depots.....	542,808	255,603
Total.....	559,008	297,803

COTTON MOVEMENTS THROUGH THE PORT OF HOUSTON (Bales)

	March 1931	March 1930	August 1 to March 31	
			This Season	Last Season
Receipts.....	60,801	49,694	2,785,881	2,548,028
Exports.....	205,008	177,696	1,895,609	1,652,309
Stocks, March 31.....			1,215,743	825,890

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

	August 1 to March 31	
	This Season	Last Season
Receipts.....	8,470,000	8,044,109
Exports:		
United Kingdom.....	926,753	1,136,833
France.....	845,115	744,056
Italy.....	387,801	570,043
Germany.....	1,386,147	1,479,585
Other Europe.....	555,233	665,283
Japan.....	910,673	841,795
All other countries.....	506,136	333,169
Total foreign ports.....	5,517,858	5,770,764
Stocks at all United States ports March 31.....	3,848,729	1,920,116

SPOT COTTON PRICES—(Middling Basis) (Cents per pound)

	March, 1931		April 15, 1931
	High	Low	
New York.....	11.30	10.70	10.15
New Orleans.....	10.97	10.35	9.90
Dallas.....	10.60	10.00	9.40
Houston.....	11.15	10.45	9.90
Galveston.....	11.15	10.60	10.10

Petroleum

The combined output of all fields in the Eleventh District amounted to 25,252,350 barrels in March, as compared to 21,482,650 barrels in February and 26,863,250 barrels in the corresponding month last year. A notable increase in field activity in East Texas was responsible for a gain of 169.9 per cent over the previous month in the aggregate initial production of new wells. Out of 347 wells completed during March 156 were producers, as compared to 315 completions in February, of which 150 were producers. The flush output of successful wells jumped from 187,516 barrels in the earlier month to 506,148 barrels in the latter month.

Daily average production of Texas fields reflected a further increase of 51,971 barrels over the previous month, and in March amounted to 734,434 barrels. The increase of 75,570 barrels in East Central Texas was only partially offset by decreases, totaling 23,599 barrels, in other sections of the State. A number of large producers, completed in East Texas areas during the first half of April, have further augmented the daily output. While all wildcat activity in Texas during March was reported to be unsuccessful, the entire new production in North Louisiana was credited to wildcat wells. The daily average output of that section was reduced from 43,938 barrels in February to 40,287 barrels in March. New Mexico showed a decline of 966 barrels in daily average production.

OIL PRODUCTION—(Barrels)

	March, 1931		Increase or Decrease Over February, 1931	
	Total	Daily Avg.	Total	Daily Avg.
North Texas.....	3,487,950	112,515	+ 289,650	+ 1,710
Central West Texas.....	8,110,350	261,624	+ 574,500	+ 7,514
East Central Texas.....	4,274,750	137,895	+2,529,650	+75,570
Texas Coastal.....	4,689,800	151,284	+ 245,150	+ 7,453
South Texas.....	2,204,600	71,116	+ 19,550	+ 6,922
Total Texas.....	22,767,450	734,434	+3,658,500	+51,971
New Mexico.....	1,236,000	39,871	+ 92,550	+ 966
North Louisiana.....	1,248,900	40,287	+ 18,650	+ 3,651
Total District.....	25,252,350	814,592	+3,769,700	+47,354

MARCH DRILLING RESULTS

	Com- pletions	Pro- ducers	Gas Wells	Fail- ures	Initial Production
North Texas.....	94	30	7	57	9,092
Central West Texas.....	46	23	2	21	4,211
East Central Texas.....	75	66	1	8	477,150
South Texas.....	35	12	2	21	4,942
Texas Coastal.....	56	22	1	33	9,461
Texas wildcats.....	16	.....	.....	16	.....
Total Texas.....	322	153	13	156	504,856
New Mexico.....	1	.....	.....	1	.....
North Louisiana.....	24	3	4	17	1,292
March totals, district.....	347	156	17	174	506,148
February totals, district.....	315	150	31	134	187,516

BUILDING PERMITS

	March, 1931		March, 1930		Percentage Change Valuation Over Year	February, 1931		Percentage Change Valuation Over Month	Three Months				Percentage Change Valuation Over Period
	No.	Valuation	No.	Valuation		No.	Valuation		1931		1930		
									No.	Valuation	No.	Valuation	
Amarillo.....	35	\$ 88,285	71	\$ 204,328	— 56.8	58	\$ 371,174	— 76.2	148	\$ 979,069	166	\$ 605,514	+61.7
Austin.....	83	132,264	87	591,511	— 77.6	84	524,061	— 74.8	232	793,196	291	1,128,357	—29.7
Beaumont.....	124	142,532	164	243,496	— 41.5	131	68,199	+109.0	358	279,460	414	825,532	—66.1
Corpus Christi.....	70	78,055	64	210,105	— 62.8	31	18,830	+314.5	145	130,103	179	572,871	—77.3
Dallas.....	326	546,255	406	795,645	— 31.3	321	542,235	+ .7	934	1,639,774	927	1,920,487	—14.6
El Paso.....	89	148,292	149	320,324	— 53.7	81	102,010	+ 44.1	236	337,450	404	857,697	—60.7
Fort Worth.....	200	300,275	234	1,183,231	— 74.6	193	318,110	— 5.6	593	1,026,885	598	2,420,595	—57.6
Galveston.....	144	97,129	150	134,057	— 27.5	111	76,117	+ 27.6	371	212,907	372	351,948	—39.5
Houston.....	340	1,064,967	370	1,359,488	— 21.7	261	1,327,767	— 19.8	909	3,419,476	996	3,702,792	— 7.7
Port Arthur.....	68	361,694	100	154,252	+134.5	63	54,923	+558.5	198	470,712	303	398,927	+18.0
San Antonio.....	232	185,943	344	1,045,950	— 82.2	205	243,343	— 23.6	646	642,426	934	2,912,265	—77.9
Shreveport.....	152	74,852	193	166,910	— 55.2	112	61,757	+ 21.2	396	262,500	506	513,681	—43.0
Waco.....	33	43,967	38	95,407	— 53.9	29	69,594	— 36.8	86	141,944	105	394,075	—64.0
Wichita Falls.....	15	19,501	33	442,682	— 95.6	9	5,290	+268.6	38	33,501	69	548,538	—93.9
Total.....	1,911	\$3,284,011	2,403	\$6,947,436	— 52.7	1,689	\$3,784,310	— 13.2	5,290	\$10,369,403	6,264	\$ 17,153,279	—39.5

CRUDE OIL PRICES

	April 7, 1931	April 8, 1930
Texas Coastal grade "A".....	\$.80	\$1.05
North Texas and North Louisiana (40 gr. and above)....	.67	1.44*

*Price paid for oil 44 gr. and above.

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

Lumber

Contrary to the usual seasonal trend, new orders for lumber at Eleventh District pine mills reflected a small decline during the four-week period ending March 21. Shipments and production evidenced a further slight increase over the previous period. New orders received during the four weeks amounted to 70 per cent of normal production, which was 6 points below those of the preceding four weeks. Output increased 4 points and shipments 3 points during the period and amounted to 53 and 73 per cent, respectively, of normal production. The comparison with a year ago showed a sharp decline in all activities. Stocks on hand on March 21 were 4.7 per cent smaller than four weeks earlier. Unfilled orders on the books of 46 mills at the close of the period totaled 31,521,000 feet as against 27,523,000 feet at 41 establishments on February 21.

PINE MILL STATISTICS

(Four-week period ending March 21, 1931)

Number of reporting mills.....	46
Production.....	38,530,000 feet
Shipments.....	52,512,000 feet
Orders.....	50,462,000 feet
Unfilled orders March 21.....	31,521,000 feet
Normal production.....	72,036,000 feet
Stocks March 21.....	281,259,000 feet
Shipments below normal production.....	19,524,000 feet—27%
Actual production below normal.....	33,506,000 feet—47%
Orders below normal production.....	21,574,000 feet—30%

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

Building

Contrary to the usual seasonal expansion, a curtailment in the building industry was in evidence during March at principal cities in this district. The valuation of construction permits issued during the month, amounting to \$3,284,011, was smaller than has been recorded for any previous month in several years. The March volume reflected a decline of 13.2 per cent from February, and showed a reduction of 52.7 per cent from March last year. While eight of the fourteen cities reported an increase over the previous month, only one city showed a valuation of permits higher than in the same month a year ago. The cumulative valuation of building permits issued during the first quarter of the current year reflected a decline of 39.5 per cent as compared to the first three months of 1930.

Cement

A seasonal expansion in the activity of portland cement mills in Texas was in evidence during March. Production was 71.0 per cent larger than the low volume of the previous month, but showed a decline of 29.5 per cent as compared to the corresponding month a year ago. March output amounted to 489,000 barrels, as against 286,000 barrels in February and 694,000 barrels in March, 1930. Shipments rose from 328,000 bar-

rels in February to 456,000 barrels in March, reflecting a gain of 39.0 per cent, but they were 27.3 per cent smaller than in March last year. Stocks on hand on March 31 totaled 773,000 barrels, being 4.5 per cent larger than a month earlier but 8.5 per cent less than on the same date last year. During the first quarter of 1931, production showed a reduction of 26.7 per cent from the like period of 1930, and shipments reflected a corresponding decline of 23.3 per cent.

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

	March, 1931			January through March 31	
	Number	Month	Percentage Change Over Year	Number	Percentage Change Over Year
Production at Texas mills.....	489	+71.0	-29.5	1,097	-26.7
Shipments from Texas mills.....	456	+39.0	-27.3	1,124	-23.3
Stocks at end of month at Texas mills.....	773	+4.5	-8.5	.....	.....

SUMMARY OF NATIONAL BUSINESS CONDITIONS

Compiled by the Federal Reserve Board on April 22, 1931

Further increase in industrial activity was reported for the month of March, which usually shows little change from February. Factory employment and payrolls increased by the usual seasonal amount between the middle of February and the middle of March. The volume of building contracts awarded in March showed a considerable growth, largely of a seasonal nature. The general level of wholesale prices continued to decline.

PRODUCTION AND EMPLOYMENT

Industrial production increased 2 per cent further in March and the Federal Reserve Board's seasonally adjusted index stood at 88 per cent of the 1923-1925 average, compared with 104 per cent in March, 1930. There was a considerable increase in daily average output of steel, which ordinarily shows little change from February to March, while production of automobiles increased by about the usual seasonal percentage. Activity at cotton mills increased slightly, contrary to the ordinary seasonal movement, and there was a substantial increase in output of shoes. In the first half of April steel mill activity declined. The number of men employed at factories increased between the middle of February and the middle of March by about the usual seasonal amount. In the iron and steel and automobile industries somewhat larger than usual increases were shown and at textile mills and shoe factories, where the number employed ordinarily declines in March, substantial increases in employment were reported. In the agricultural machinery and petroleum refining industries and at car building shops, employment declined contrary to the usual seasonal trend, and in the automobile tire and fertilizer industries employment increased less than usual.

The volume of building contracts awarded in March increased considerably from February, according to the F. W. Dodge Corporation, reflecting in large part developments of a seasonal character. Contracts for residential building increased seasonally and were in about the same volume as a year ago, while contracts for public works and utilities rose to the high level of March, 1930.

AGRICULTURE

Definite improvement in moisture conditions in the drought area was an important development in March and the first week of April; supplies of moisture in the top soil have been replenished, but the subsoil continued to be dry in certain areas, particularly in the spring wheat belt. Department of Agriculture estimates, based on April 1 condi-

tions, indicate a winter wheat crop of 644,000,000 bushels, about 100,000,000 bushels larger than the five-year average and 40,000,000 more than last year. Intentions to plant, as reported March 1, indicate a considerable reduction in spring wheat acreage, and an increase in acreage to be planted to corn.

DISTRIBUTION

Volume of freight-car loadings increased seasonally in March and department store sales increased during the Easter season by about the usual amount.

PRICES

The general level of wholesale commodity prices continued to decline in March, according to the Bureau of Labor Statistics, reflecting chiefly reductions in the prices of petroleum products, bituminous coal, and textile products. Prices of farm products increased slightly and there was a substantial advance in the price of hides. In the first half of April prices of many commodities including cattle, cotton, rubber, and coffee, declined, while the price of wheat advanced.

BANK CREDIT

Loans and investments of member banks in leading cities, which had increased in the middle of March as the result of Treasury operations, showed a decline for every week between March 18 and April 8, but on the latter date were still \$270,000,000 larger than four weeks earlier. Investment holdings of these banks were at a new high figure on April 8, owing largely to an increase in their holdings of United States Government obligations, while loans on securities as well as all other loans showed a decline for the four-week period. Volume of reserve bank credit has fluctuated since the middle of February around a level of \$925,000,000. Continued imports of gold, deposited by member banks with the reserve banks, have provided the member banks with sufficient funds to meet an increase in the demand for currency. United States Government security holdings of the reserve banks have remained at the level of \$600,000,000 established last summer, while discounts for member banks have continued to decline and holdings of purchased acceptances have fluctuated in response to temporary changes in the demand for reserve bank credit. Money rates showed little change from the middle of March to the middle of April. Rates on commercial paper declined further from a prevailing rate of 2½ per cent to a range of 2¼-2½ per cent, while bond yields increased slightly.