

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 1932	Change from February
Bank debits to individual accounts (at 17 cities).....	\$496,140,000	— 1.7%
Department store sales.....		+ 14.1%
Reserve bank loans to member banks at end of month.....	\$ 10,602,270	— 28.7%
Reserve bank ratio at end of month.....	60.7%	+ 4.1 points
Building permit valuation at larger centers....	\$ 3,376,829	+115.5%
Commercial failures (number).....	102	— 15.7%
Commercial failures (liabilities).....	\$ 1,662,204	— 35.3%
Oil production (barrels).....	28,069,300	+ 8.5%

Business and industrial activity in this district during the past month continued at an unsatisfactory level. The increase of 14 per cent in department store sales as compared with the previous month was less than seasonal, and sales were 24 per cent smaller than in March last year. Pre-Easter buying was curtailed because of the cold wave early in March. Wholesale distribution increased slightly more than usual, yet this is attributable to the small volume of purchases early in the season which has necessitated reorders as consumer demand made its appearance. As compared with a year ago, sales continued to show a large decline. Both wholesalers and retailers are keeping inventories at a low level.

Offsetting to some extent the unsatisfactory statistical position of business and industry is the growing betterment in public sentiment. Although there were sixteen bank failures in this district between January 1 and February 19, only one bank has closed its doors since the latter date and some banks have reopened. There was also a further substantial decline in March in both the number and liabilities

of commercial failures. Considerable progress is likewise being made by businesses and individuals in adjusting themselves to the changed conditions.

Federal Reserve Bank loans to member banks, after declining in March, turned upward in April and stood at \$12,656,000 on the 15th of the month, which figure was \$5,335,000 greater than on the corresponding date in 1931. The investments of banks in larger cities were increased \$6,448,000 between March 9 and April 6, but this gain was more than offset by the decline in loans. The combined net demand and time deposits of member banks in this district averaged \$656,444,000 in March as compared with \$665,682,000 in February, and \$802,235,000 in March, 1931.

Agricultural conditions have been affected adversely by the weather. The high winds, dry weather, and subnormal temperatures, which followed the destructive March freezes, have retarded the development of growing crops and prevented the proper germination of newly planted seeds. Since there is an excellent subsoil season in practically all sections of the district, the agricultural situation would be materially improved by a heavy general rain to replenish surface moisture. Livestock ranges have deteriorated considerably but livestock generally have held up well. Market prices on most classes of livestock have drifted to lower levels.

The valuation of building permits issued at principal cities in this district during March reflected a gain of 116 per cent over February and 3 per cent as compared with March, 1931. The increase over the previous month was fairly general, but the better comparison with a year ago was due to the large valuation at two cities. The production and shipments of cement were considerably larger than in February, but showed a substantial decline from March last year.

BUSINESS

Wholesale Trade

The wholesale trade situation in the Eleventh Federal Reserve District reflected a further improvement during March.

In the case of all reporting lines except farm implements, distribution was on a larger scale than in the previous month, the increases being somewhat greater than seasonal. Groceries and farm implements showed a more favorable comparison with a year ago than was reflected in February. Declines as compared with March, 1931, ranged from 16.8

per cent in the case of groceries to 49.9 per cent in the case of farm implements. Merchants, operating cautiously, continue to buy in small quantities and for replacement purposes only. Sales of seasonable merchandise have shown some gain in recent weeks as a result of warm, favorable weather. Inventories showed a downward tendency during March. While collections in the lines of hardware and dry goods were substantially higher than in February, in the other three lines they remained at about the same level.

The contrary to seasonal increase of 6.8 per cent, which was reflected in the distribution of dry goods at wholesale during March, was attributable in part to the early date of Easter and in part to the fact that in January and February the increases recorded were of less than the usual seasonal amount. March sales were 26.6 per cent below those a year ago, as compared with a similar decrease of 23.2 per cent in February. Business was retarded considerably by cold weather in the first half of the month. Collections were 11.5 per cent above the February volume.

Sales of hardware at wholesale during March, which reflected a seasonal increase of 9.4 per cent over the previous month, were 26.9 per cent less than the volume of March, 1931. Wholesale orders during the first quarter of 1932, being for the most part small in amount and for immediate shipment, fell 27.5 per cent below the total for the same period last year. The month's collections were substantially larger than those of the preceding month.

March witnessed a somewhat general improvement in the demand for groceries at wholesale. The business of sixteen reporting firms in the Eleventh District during the month was 6.7 per cent larger than in February, and it showed a more favorable comparison with the corresponding month last year than was registered in either of the two preceding months. The ratio of collections to accounts outstanding reflected a further improvement over the previous month.

The distribution of farm implements at wholesale in this district during March was on a scale 8.0 per cent below that of the previous month and 49.9 per cent under that of a year ago. The decline from February, however, was smaller than is usual at this season, and the comparison with the corresponding month last year reflected a further improvement. Total collections were slightly larger than in February.

While the demand for drugs at wholesale was 8.0 per cent better than in February, it was 18.9 per cent less than

in March last year. Business was fairly active in some sections but slow in others. Aggregate sales from January 1 to March 31 were 20.5 per cent below those of the corresponding period a year ago. March collections showed little change as compared with the previous month.

CONDITION OF WHOLESALE TRADE DURING MARCH, 1932
Percentage of increase or decrease in—

	Net Sales March, 1932 compared with March 1931	Net Sales Jan. 1 to date compared with same period last year	Stocks, 1932 compared with March 1931	Ratio of collec- tions during Mar- ch to accounts and notes outstanding on February 29
Groceries.....	-16.8 + 6.7	-20.9	-21.4 - 6.8	64.8
Dry goods.....	-26.6 + 6.8	-26.1	-30.1 - 3	22.5
Farm implements..	-49.9 - 8.0	-67.2	-8.4 + 2.1	2.1
Hardware.....	-26.9 + 9.4	-27.5	-7.2 - 1.3	30.9
Drugs.....	-18.9 + 8.0	-20.5	-15.8 - 1.5	35.1

Retail Trade

While an increase was evidenced during March in the demand for merchandise at department stores in leading centers of the Eleventh District, it was less than usual for this season as the severe cold wave early in March largely offset the advantage of an early Easter. Distribution during the month was 14.1 per cent above that in February, but 24.2 per cent less than in March, 1931. During the first quarter of the present year sales were 25.1 per cent below those in the corresponding period of 1931.

Inventories of merchandise held on March 31 reflected a seasonal increase of 3.1 per cent, but continued materially below a year ago, being 20.7 per cent smaller. The rate of stock turnover showed a further decline during March as compared with the same month of 1931. For the first quarter of the current year it was .63 as against .70 a year ago.

A normal seasonal increase was evidenced in collections during the month, but they were again noticeably below those last year. The ratio of collections during March to accounts receivable on March 1 was 30.7 per cent as against 29.8 per cent in February, and 33.1 per cent in March, 1931.

BUSINESS OF DEPARTMENT STORES

	Dallas	Fort Worth	Houston	San Antonio	Others	Total District
Total Sales (Percentage):						
March, 1932, compared with March, 1931.....	-18.4	-22.8	-30.2	-35.4	-18.0	-24.2
March, 1932, compared with February, 1932.....	+ 4.6	+26.4	+ 2.9	+19.9	+41.7	+14.1
January 1 to date compared with same period last year.....	-21.1	-23.3	-27.2	-33.5	-24.3	-25.1
Credit Sales (Percentage):						
March, 1932, compared with March, 1931.....	-20.7	-23.3	-33.2	-35.9	-19.5	-25.5
March, 1932, compared with February, 1932.....	+ .4	+18.1	+ 6.9	+19.4	+37.2	+10.9
January 1 to date compared with same period last year.....	-23.1	-23.2	-32.0	-34.2	-25.7	-26.7
Stocks (Percentage):						
March, 1932, compared with March, 1931.....	-18.9	-19.8	-29.3	-17.8	-18.2	-20.7
March, 1932, compared with February, 1932.....	+ 1.9	- .5	+ 8.4	+ 3.6	+ 4.5	+ 3.1
Stock Turnover (Rate):						
Rate of stock turnover in March, 1931.....	.24	.19	.26	.38	.23	.25
Rate of stock turnover in March, 1932.....	.23	.18	.25	.28	.23	.23
Rate of stock turnover January 1 to March 31, 1931.....	.70	.53	.72	.98	.65	.70
Rate of stock turnover January 1 to March 31, 1932.....	.66	.50	.67	.80	.58	.63
Ratio of March collections to accounts receivable outstanding March 1, 1932.....	30.6	26.9	34.1	31.6	30.9	30.7
Indexes of department store sales:						
Unadjusted—February, 1932.....	64.7	65.8	70.9*	54.8	.....	62.0
Unadjusted—March, 1932.....	63.2	77.0	69.0	60.9	.....	66.3
Adjusted—February, 1932.....	73.5	79.3	83.4*	66.0	.....	73.8
Adjusted—March, 1932.....	61.4	77.0	69.7	60.3	.....	66.3
Indexes of department store stocks:						
Unadjusted—February, 1932.....	52.4	77.7	56.3*	46.3	.....	58.7*
Unadjusted—March, 1932.....	53.0	77.4	60.7	48.0	.....	60.2
Adjusted—February, 1932.....	54.6	80.9	60.5*	45.8	.....	61.1*
Adjusted—March, 1932.....	52.5	75.1	60.7	45.3	.....	58.4

*Revised

Commercial Failures

While the record of commercial failures in this district during March was appreciably higher than a year ago, it showed a further material improvement as compared with the preceding month. According to the figures compiled by R. G.

Dun & Company, there were 102 insolvencies recorded during March, with aggregate indebtedness amounting to \$1,662,204, as compared with 121 defaults in February, owing \$2,567,674. In March, 1931, there were 76 failures, with liabilities totaling \$1,455,519.

AGRICULTURE

Crop Conditions

Weather conditions in this district since the first of March have been very unfavorable to agriculture. The early March freezes, which did considerable damage to growing field crops and fruits, were followed by a month of fair weather, drying winds, subnormal temperatures, and frost in some sections. While the absence of rain has enabled the farmers to proceed rapidly with land preparation and planting operations, the dry weather and high winds, which have caused a rapid evaporation of top soil moisture, have left the soil dry and cloddy with the result that there has been poor germination of seed and unsatisfactory plant growth.

Small grains deteriorated considerably during March due to the freezes, high winds, and lack of rainfall. Although surface moisture is about exhausted in many areas, there is a good subsoil season and with good rains in the near future prospects would be materially improved. The Department of Agriculture in its April 1 report estimated the condition of the Texas wheat crop at 76 per cent of normal as compared with 90 per cent on that date in 1931. This condition figure indicates a probable production of 35,500,000 bushels as against a yield of 57,433,000 bushels last year. In New Mexico and Oklahoma the April 1 condition of winter wheat was likewise considerably under that obtaining a year ago and in each case the indicated production was placed at only slightly more than one-half last year's harvest. The Texas oat crop was estimated at 70 per cent of normal condition as against 86 per cent last year. The March freezes did considerable damage and some fields have been plowed up. The condition of this crop in Oklahoma was 62 per cent and in Louisiana it was 61 per cent. On April 1 last year it was 83 per cent and 78 per cent, respectively.

The planting of corn is nearing completion in most sections of the district, but the crop generally has made poor to only fair progress due to the dry top soil and the subnormal temperatures. The crop is late in some areas as the early crop was damaged by the freezes and considerable replanting was necessary.

Cotton planting is well advanced in South and Southeast Texas and is getting under way in Central and East Texas. The weather has been too cool for the proper germination of the seed and has been favorable to the spread of cutworms and lice.

The Texas potato crop was estimated by the Department of Agriculture to be 60 per cent of normal on April 1 as compared with 63 per cent last year. The Louisiana crop was placed at 63 per cent as against 78 per cent a year ago. The peach crop in all states attached to this district was seriously damaged during March. The condition on April 1 was reported as follows: Texas—23 per cent, Oklahoma—15 per cent, and Louisiana—47 per cent.

While the March freezes did considerable damage to truck crops, the Federal-State crop reporting service estimated that the condition of cabbage, carrots, onions, and turnips held their own or improved during the month. The condition of all crops except cabbage, beets, tomatoes, and strawberries was higher than a year ago. Shipments have continued in fairly heavy volume and prices on some commodities have advanced.

Farmers' Intentions to Plant

There is given below a table compiled from the report of the Department of Agriculture covering farmers' intentions to plant (as of March 1, 1932) in states attached to this district. It will be noted that the acreage intended for food and feed crops shown in the table is (with few exceptions) larger than that harvested in 1931. However, the percentages of increases are smallest for those crops which represent the largest percentage of the states' acreage.

PLANTING INTENTIONS, MARCH 1, 1932

Crop	Percentage of 1931 harvested acreage				
	Arizona	Louisiana	New Mexico	Oklahoma	Texas
Corn.....	115	108	106	100	100
Oats.....	105	97	135	105	103
Barley.....	120	....	175	180	130
Grain Sorghums..	125	....	104	104	102
Potatoes.....	110	75	116	102	104
Tame Hay.....	110	115	108	105	107
Rice.....	....	85	....	....	88
Sweet Potatoes...	....	110	....	110	120
Peanuts.....	....	120	....	125	120

Livestock

Weather conditions have been unfavorable to livestock ranges in the Eleventh District since the first of March. Although range vegetation was more advanced than usual at the opening of March, the early March freezes brought a substantial "set-back" over a large area in Texas and this together with the high winds and lack of top soil moisture has prevented the proper growth of spring grass. While the freeze did little damage in Northwest Texas, Southern New Mexico, and Southeastern Arizona, new grass has been slow in starting due to the persistence of cool weather and high winds, and the absence of surface moisture. Nevertheless, there is still a plentiful supply of subsoil moisture and the situation can improve rapidly with the advent of warm weather and heavy general rains.

According to the report of the Department of Agriculture, the April 1 condition of cattle ranges was 79 per cent of normal as compared with 82 per cent a month earlier and 88 per cent on April 1, 1931. Sheep and goat ranges declined 7 points during March and on April 1 were rated at 78 per cent of normal which was 12 points lower than a year ago. Cattle over Texas as a whole held their own during the month, the 80 per cent condition figure on April 1 being the same as on March 1. However, it was 6 points below that obtaining a year earlier. The greatest decline occurred in South Texas where there was a considerable shrinkage due to the March freezes. The condition of sheep in Texas on April 1 was 1 point lower than on March 1 and 7 points below a year ago. The condition of goats showed a decline of 3 points during the month and 9 points for the year. In New Mexico there was a slight decline in both ranges and livestock. In Arizona the condition of ranges declined, that of cattle remained unchanged, and that of sheep improved 3 points. Both ranges and livestock were in better condition than a year ago.

Movements and Prices

The March receipts of all classes of livestock at the Fort Worth market were substantially larger than in the previous month. As compared with March, 1931, the arrivals of hogs were materially larger and receipts of calves and sheep in-

creased slightly. A substantial decline was registered in the receipts of cattle.

While the cattle market was a little erratic at times, it drifted toward lower levels. Some quality cattle met with a good demand at higher prices but the rank and file of arrivals sold at lower prices. The hog market showed considerable strength during the first half of March, but declined steadily during the subsequent thirty days, reaching

FORT WORTH LIVESTOCK RECEIPTS
(Number)

	March 1932	March 1931	Change over year	February 1932	Change over month
Cattle.....	37,778	45,731	- 7,953	28,870	+ 8,908
Calves.....	11,082	11,014	+ 68	8,692	+ 2,390
Hogs.....	36,673	25,835	+10,838	33,254	+ 3,419
Sheep.....	113,342	111,696	+ 1,646	58,220	+55,122

the lowest level recorded in many years. Sheep and lambs have held up fairly well under the weight of heavy receipts. Quality spring lambs usually sold at a good advantage. Prices were higher during the first half of March, but eased off somewhat during the next thirty days. The market for wethers fluctuated within a narrow range.

COMPARATIVE TOP LIVESTOCK PRICES
(Dollars per hundred-weight)

	March 1932	March 1931	February 1932
Beef steers.....	\$6.75	\$ 8.50	\$ 5.75
Stocker steers.....	5.50	7.50	4.25
Butcher cows.....	3.25	5.50	3.25
Stocker cows.....		5.25	3.00
Calves.....	8.00	10.00	5.25
Hogs.....	4.65	8.10	4.40
Sheep.....	4.00	5.75	3.75
Lambs.....	8.75	10.00	5.50

FINANCE

Operations of the Federal Re- serve Bank

Federal Reserve Bank loans to member banks, after reaching a total of \$16,660,000 on March 3, showed a steady decline until March 30 when a low point was reached at \$10,243,000. This decline was due almost entirely to the liquidation of indebtedness by city banks as the borrowings of country banks remained at a fairly steady level. During the subsequent two weeks there was a steady increase in the demand for funds from both country and city banks. The total of Federal Reserve Bank loans to member banks amounted to \$12,656,000 on April 15, as compared with \$7,321,000 on the corresponding date in 1931. There were 205 borrowing banks on April 15, as compared with 187 on March 15, and 161 on the corresponding date last year. This bank's holdings of bankers' acceptances bought in the open market amounted to only \$1,960,000 on April 15, reflecting a decline of \$1,882,000 from those a month earlier and \$3,550,000 from a year ago. There was practically no change in the Bank's investments in Government securities. The reserve deposits of member banks totaled \$44,235,000 at the middle of April which was \$3,568,000 less than on March 15, and \$13,174,000 below those on April 15, 1931. Federal reserve notes in actual circulation amounted to \$37,692,000 on April 15, as compared with \$41,271,000 a month ago, and \$27,126,000 on the same date last year.

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

	April 15, 1932	April 15, 1931	March 15, 1932
Total cash reserves.....	\$ 51,503	\$ 52,336	\$ 54,646
Discounts for member banks.....	12,655	7,321	14,020
Other bills discounted.....	None	5	1
Bills bought in open market.....	1,960	5,510	3,842
United States securities owned.....	27,863	29,229	27,364
Other investments.....	5	7	5
Total earning assets.....	42,483	42,072	45,232
Member bank reserve deposits.....	44,235	57,409	47,803
Federal reserve notes in actual circulation...	37,692	27,126	41,271

Condition of Member Banks in Selected Cities

The reports from member banks in selected cities during the four-week period ending April 6 reflected an increase in investments, but a further decline in loans and deposits. Their investments in United States Government securities rose \$5,089,000 and those of other securities were increased \$1,359,000. The total investments of these banks amounted to \$149,939,000

on April 6, which was \$11,082,000 above that on the corresponding date in 1931. Their loans declined \$9,464,000 between March 9 and April 6, representing a falling off of \$1,972,000 in loans on securities and \$7,492,000 in "all other" loans (largely commercial). Total loans and investments of these banks amounted to \$409,440,000 on April 6, as compared with \$412,456,000 on March 9, and \$448,805,000 on April 8, 1931. Their net demand deposits totaled \$239,556,000 on April 6, which amount was \$5,748,000 less than four weeks earlier and \$37,656,000 below a year ago. Time deposits increased slightly during the past month. Their borrowings from the Federal Reserve Bank amounted to \$1,154,000 on April 6, as compared with \$5,482,000 on March 9, and \$582,000 on April 8, 1931.

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

	April 6, 1932	April 8, 1931	March 9, 1932
United States securities owned.....	\$ 88,298	\$ 85,585	\$ 83,209
All other stocks, bonds, and securities owned.....	61,641	53,272	60,282
Loans on securities.....	77,555	91,663	79,527
All other loans.....	181,946	218,285	189,458
Total loans.....	259,501	309,948	268,965
Net demand deposits.....	239,556	277,212	245,304
Time deposits.....	128,834	150,556	128,386
Reserve with Federal Reserve Bank.....	28,475	33,551	28,600
Bills payable and rediscounts with Federal Reserve Bank.....	1,154	582	5,482

Acceptance Market

Moderate declines, largely attributable to seasonal influences, were reflected in both classifications of bankers' acceptances executed in this district and outstanding at the close of March. Total acceptances outstanding on March 31 amounted to \$2,409,627, of which \$743,924 were based on import and export transactions, and \$1,665,703 were executed against the domestic shipment and storage of goods. On February 29, total acceptances amounted to \$2,750,908, and on the last day of March, 1931, the aggregate amounted to \$3,056,401. It should be noted that the reduction during March this year was appreciably smaller than in the same month of either 1930 or 1931.

Deposits of Member Banks

The combined daily average of net demand and time deposits of member banks in the Eleventh District during March amounted to \$656,444,000, as against \$665,682,000 in Feb-

ruary, and \$802,235,000 in March last year. The decline of \$9,238,000 from the previous month was to a large extent seasonal in nature. The major portion of this decline was in the net demand deposits of country banks, which decreased from \$246,994,000 in February to \$239,722,000 in March.

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., 1931.....	\$567,468	\$234,767	\$263,123	\$143,080	\$304,345	\$ 91,687
April, 1931.....	567,009	234,141	269,207	142,589	297,802	91,552
May, 1931.....	563,222	233,653	267,010	140,362	296,212	93,291
June, 1931.....	543,155	231,880	254,063	139,890	289,092	91,990
July, 1931.....	537,233	225,928	257,244	135,499	279,989	90,429
Aug., 1931.....	523,797	222,266	255,584	133,568	268,213	88,698
Sept., 1931.....	508,850	215,974	242,731	129,116	266,119	86,858
Oct., 1931.....	487,314	202,524	232,544	119,826	254,770	82,698
Nov., 1931.....	483,979	203,719	231,919	121,817	252,060	81,902
Dec., 1931.....	474,935	202,094	226,397	122,674	248,538	79,420
Jan., 1932.....	468,172	196,782	221,799	118,475	246,373	78,307
Feb., 1932.....	469,110	196,572	222,116	118,993	246,994	77,579
Mar., 1932.....	461,557	194,887	221,835	117,339	239,722	77,548

Debits to Individual Accounts

Only five of the seventeen larger cities in this district registered the usual March up-turn in the volume of debits to individual accounts. Total charges during the month amounted to \$496,140,000, as against \$504,572,000 in February, and \$660,045,000 in March, 1931. These figures represent declines of 1.7 per cent and 24.8 per cent, respectively.

DEBITS TO INDIVIDUAL ACCOUNTS

(In thousands of dollars)

	March 1932	March 1931	Percentage change over year	February 1932	Percentage change over month
Abilene.....	\$ 3,943	\$ 5,769	-31.7	\$ 4,910	-19.7
Austin.....	19,418	20,923	-7.2	16,108	+20.5
Beaumont.....	15,139	20,368	-25.7	17,008	-11.0
Corsicana.....	2,970	4,660	-36.3	2,712	+9.5
Dallas.....	142,016	166,796	-14.9	139,356	+1.9
El Paso.....	18,828	28,040	-32.9	19,088	-1.4
Fort Worth.....	54,488	72,541	-24.9	50,644	+7.6
Galveston.....	20,029	24,298	-17.6	25,013	-19.9
Houston.....	108,345	155,945	-30.5	116,409	-6.9
Port Arthur.....	4,928	7,514	-34.4	5,269	-6.5
Roswell.....	1,759	2,752	-36.1	1,777	-1.1
San Antonio.....	48,437	69,672	-30.5	47,495	-2.0
Shreveport.....	22,967	33,828	-32.1	23,397	-1.8
Texarkana.....	5,629	9,264	-39.2	6,544	-14.0
Tucson.....	8,579	9,623	-10.8	8,289	+3.5
Waco.....	10,259	12,138	-15.5	11,363	-9.7
Wichita Falls....	8,406	15,914	-47.2	9,190	-8.5
Total.....	\$496,140	\$660,045	-24.8	\$504,572	-1.7

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

Savings Deposits

Total savings deposits at 140 reporting member banks in this district on March 31, which amounted to \$141,490,126, were 0.3 per cent smaller than on February 29, and 17.8 per cent below the level of the corresponding date last year. At the cities of Beaumont, Galveston, Port Arthur, and Shreveport, savings deposits reflected an increase during the month. The total number of savings depositors increased slightly, but was still considerably smaller than a year ago.

SAVINGS DEPOSITS

	March 31, 1932			March 31, 1931			February 29, 1932		
	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.....	3	5,707	\$ 2,596,800	5,521	\$ 2,516,058	+3.2	5,676	\$ 2,578,855	+ .7
Dallas.....	9*	74,324	25,357,599	77,324	29,132,710	-13.0	74,600	25,576,900	- .9
El Paso.....	2	10,775	3,031,688	11,537	3,769,632	-19.6	10,743	3,048,742	- .6
Fort Worth.....	4	34,521	11,128,087	35,129	13,400,628	-17.0	34,667	11,163,413	- .3
Galveston.....	4	17,786	11,050,853	18,038	11,899,544	-7.1	17,613	10,991,683	+ .5
Houston.....	11*	68,367	30,421,911	81,900	36,055,054	-15.6	68,298	30,442,889	- .1
Port Arthur.....	2	4,520	1,815,271	4,855	1,830,085	- .8	4,396	1,770,581	+ 2.5
San Antonio.....	8*	16,674	14,548,440	21,569	21,280,001	-31.6	16,612	14,722,390	- 1.2
Shreveport.....	4	25,227	10,442,153	25,627	14,410,644	-27.5	25,232	10,426,285	+ .2
Waco.....	3	10,249	5,454,827	10,500	6,265,512	-12.9	10,141	5,455,741	0.0
Wichita Falls.....	3*	2,914	2,311,149	3,684	3,064,336	-24.6	2,906	2,318,194	- .3
All others.....	87*	58,695	23,331,348	62,939	28,441,940	-18.0	58,654	23,475,781	- .6
Total.....	140	329,759	\$141,490,126	358,623	\$172,066,144	-17.8	329,538	\$141,971,454	- .3

*Only 6 banks in Dallas, 10 in Houston, 7 in San Antonio, 2 in Wichita Falls, and 80 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.....	4-7	6-8	4½-8	5-7	5-6	6-8
Rate charged on loans to other banks secured by bills receivable.....	5-6	5-6	5-6	5-6	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.....	6-7	6-8	6-8	5-7	6-8	7-8
Time.....	6-8	6-8	6-8	5-7	6-8	7-8
Rate charged on commodity paper secured by warehouse receipts, etc.....	5-7	8	6-8	5-7	6-8	6-7
Rate on cattle loans.....	5-8	6-8	6-8	7-10	7-10	8

INDUSTRY

Cottonseed Products

While operations of cottonseed oil mills in Texas reflected the usual seasonal decline during March, the receipts of seed and the production of linters at all United States mills were on a scale contrary to the customary trend, and crushings of cottonseed and output of other products showed a rela-

tively small decline from February. Activities were again materially above the corresponding month last year at both Texas and United States mills. With the exception of linters produced, operations at the latter mills during the eight months of the current season showed an increase at the close of March over the same period of the preceding season, and

at Texas mills further increases were evidenced. Inventories of seed continued comparatively large, although reflecting a decline from February. Stocks of all products were smaller at the close of March than those a month earlier, but crude oil and hulls were again substantially above a year ago.

STATISTICS ON COTTONSEED AND COTTONSEED PRODUCTS

	Texas		United States	
	August 1 to March 31 This Season	Last Season	August 1 to March 31 This Season	Last Season
Cottonseed received at mills (tons).....	1,598,488	1,224,174	5,284,398	4,572,188
Cottonseed crushed (tons).....	1,383,726	1,192,719	4,589,877	4,407,445
Cottonseed on hand Mar. 31 (tons).....	227,955	48,158	704,327	210,159
Crude oil produced (pounds).....	412,374,760	350,305,925	1,439,224,613	1,340,593,514
Cake and meal produced (tons).....	649,972	566,074	2,058,620	2,010,708
Hulls produced (tons).....	399,135	336,913	1,289,467	1,218,418
Linters produced (running bales).....	178,718	186,001	735,498	766,764
Stocks on hand March 31:				
Crude oil (pounds).....	29,130,092	11,000,865	88,678,027	46,999,423
Cake and meal (tons).....	42,367	60,942	204,303	302,503
Hulls (tons).....	69,193	47,909	216,619	112,352
Linters (running bales).....	80,696	75,510	281,539	296,747

Textile Milling

Reports from Texas textile mills show that consumption of cotton and the production of cloth was approximately the same as that a month earlier, but fell considerably below March, 1931. Orders for finished products on hand on March 31 were slightly below those held on February 29, and were materially under those a year ago.

The customary seasonal increase was reflected in the domestic consumption of cotton during the past month, but for the first time since May, 1931, a decline was registered as compared with the same month a year ago. Total consumption during March was 488,655 bales, as against 450,018 bales in February, and 490,509 bales in March, 1931. Cotton consumed during the eight months of the present season aggregated 3,569,945 bales, which represents an increase of 5.5 per cent over that in the same period last season. Inventories of cotton held on March 31 were less than those on hand on February 29, but continued above those held a year ago.

COTTON CONSUMED AND ON HAND (Bales)

	March 1932	March 1931	August 1 to March 31 This Season	Last Season
Cotton-growing states:				
Cotton consumed.....	398,021	383,766	2,921,328	2,685,213
On hand March 31 in—				
Consuming establishments.....			1,245,353	1,090,667
Public storage and compresses.....			8,356,391	6,253,218
United States:				
Cotton consumed.....	488,655	490,509	3,569,945	3,384,135
On hand March 31 in—				
Consuming establishments.....			1,566,205	1,478,120
Public storage and compresses.....			8,766,979	6,657,807

Cotton Movements

The usual recession was reflected in the exports of cotton during March from the ports of Houston and Galveston. Nevertheless, shipments were well above the average for that month, and were again considerably above the same month a year ago. Receipts of cotton during the month declined seasonally from February, but they too continued above those in the like month of 1931. During the eight months of the current season the combined exports from these ports

were 40.3 per cent greater than in the same period of the 1930-31 season.

Although exports of cotton from all United States ports reflected a seasonal decline during March, they continued on a very high scale, being 68.9 per cent above the 1918-30 average, and 53.1 per cent above the corresponding month last year, in which month exports were well above normal. Shipments amounted to 927,127 bales during March, as against 970,419 bales in February, and 605,461 bales in March, 1931. Exports during the current season evidenced a further increase over those a year ago. Takings of American cotton by Japan fell off sharply during the month, but importations by France, Germany, and many of the smaller countries throughout the world were substantially increased.

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON (Bales)

	March 1932	March 1931	August 1 to March 31 This Season	Last Season
Receipts.....	133,146	66,880	2,218,621	1,455,053
Exports.....	241,962	132,909	1,834,571	1,079,992
Stocks, March 31.....			772,550	560,313

COTTON—GALVESTON STOCK STATEMENT (Bales)

	March 31, 1932	March 31, 1931
For Great Britain.....	5,500	1,700
For France.....	4,000	2,800
For other foreign ports.....	42,500	13,000
For coastwise ports.....	2,000	500
In compresses and depots.....	718,551	542,813
Total.....	772,550	560,313

COTTON MOVEMENTS THROUGH THE PORT OF HOUSTON (Bales)

	March 1932	March 1931	August 1 to March 31 This Season	Last Season
Receipts.....	123,978	60,801	3,075,260	2,785,881
Exports.....	240,908	205,008	2,338,771	1,895,609
Stocks, March 31.....			1,429,140	1,215,743

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

	August 1 to March 31 This Season	Last Season
Receipts.....	9,082,643	8,488,221
Exports: United Kingdom.....	983,694	926,753
France.....	323,494	845,115
Italy.....	486,872	387,801
Germany.....	1,238,781	1,386,147
Other Europe.....	587,049	555,233
Japan.....	1,965,512	910,673
All other countries.....	1,256,538	506,152
Total foreign ports.....	6,851,940	5,517,874
Stocks at all United States ports, March 31.....	4,418,812	3,838,402

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

	March, 1932		April 15, 1932
	High	Low	
New York.....	7.20	6.20	6.30
New Orleans.....	7.02	6.11	6.26
Dallas.....	6.60	5.70	5.80
Houston.....	7.00	6.10	6.20
Galveston.....	7.05	6.15	6.25

Petroleum

The production of crude oil in the Eleventh District during March, which totaled 28,069,300 barrels, was considerably larger than in either the previous month or the same month last year. While the gain of 2,192,600 barrels over February was principally due to the two extra days in March, an increase was reflected also in daily average output. Field activity, which fell off somewhat in February, showed a material pick-up in March. Of the 589 wells completed in March, 443 were producers with a flush output of 3,223,429 barrels; in February, 517 wells were completed, of which 409 were successful and had a combined initial yield of 2,939,350 barrels.

The daily average output of Texas areas totaled 840,544 barrels in March, as compared with 826,778 barrels in the preceding month and 734,434 barrels in March, 1931. North Texas and the Gulf Coast were the only sections to register decreases from February. North Louisiana showed a further small decline, but New Mexico reflected a slight gain.

An advance in posted prices was announced by most major companies April 1. Prices, which now range up to \$1.00 per barrel, are substantially higher than they were a year ago.

OIL PRODUCTION—(Barrels)

	March, 1932		Increase or Decrease From February, 1932	
	Total	Daily Avg.	Total	Daily Avg.
North Texas.....	2,900,150	93,553	+ 103,200	+ 2,894
Central West Texas.....	6,338,400	204,465	+ 526,850	+ 4,067
East Central Texas.....	11,756,000	379,226	+1,144,050	+13,297
Texas Coastal.....	3,374,900	108,868	+ 121,400	+ 3,291
South Texas.....	1,687,400	54,432	+ 183,900	+ 2,587
Total Texas.....	26,056,850	840,544	+2,080,300	+13,766
New Mexico.....	1,152,150	37,166	+ 76,300	+ 68
North Louisiana.....	860,300	27,751	+ 36,000	+ 673
Total District.....	28,069,300	905,461	+2,192,600	+13,161

MARCH DRILLING RESULTS

	Com- pletions	Pro- ducers	Gas Wells	Fail- ures	Initial Production
North Texas.....	65	28	2	35	4,224
Central West Texas.....	33	11	8	14	1,660
East Central Texas.....	367	356	2	9	3,204,725
South Texas.....	57	19	1	37	2,623
Texas Coastal.....	40	22	1	17	7,297
Total Texas.....	562	436	14	112	3,220,529
New Mexico.....	3	3	..	..	2,340
North Louisiana.....	24	4	4	10	500
March totals, district.....	589	443	18	128	3,223,429
February totals, district.....	517	409	15	93	2,939,350

CRUDE OIL PRICES

	April 8, 1932	April 7, 1931
Texas Coastal (40 gr. and above).....	\$1.00	\$.80*
North Texas and North Louisiana (40 gr. and above).....	1.00	.67

*Price paid for Texas Coastal, Grade "A".

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

Building

As evidenced by the volume of building permits issued during March, activity in the construction industry reflected an improvement over both the previous month and the same month last year. The month's gross valuation at fourteen leading centers in this district amounted to \$3,376,829, as compared with only \$1,566,729 in February, and \$3,284,011 in March a year ago. While the increase over March, 1931, was due to large increases at two cities, the gain over the previous month was large and well distributed, there being only two cities in which the volume was smaller. Total valuation of building permits issued during the first quarter of the current year was 36.3 per cent smaller than the volume of the corresponding period in 1931.

BUILDING PERMITS

	March, 1932		March, 1931		Percentage Change Valuation Over Year	Feb., 1932		Percentage Change Valuation Over Month	Three Months				Percentage Change Valuation Over Period
	No.	Valuation	No.	Valuation		No.	Valuation		1932		1931		
									No.	Valuation	No.	Valuation	
Amarillo.....	25	\$ 43,865	35	\$ 88,285	— 50.3	37	\$ 27,935	+ 57.0	73	\$ 94,385	148	\$ 979,069	— 90.4
Austin.....	111	1,786,765	83	132,264	*	67	636,577	+180.7	269	2,539,190	232	793,196	+220.1
Beaumont.....	102	47,272	124	142,532	— 66.8	102	23,123	+104.4	271	115,543	358	279,460	— 58.7
Corpus Christi.....	48	19,348	70	78,055	— 75.2	29	16,250	+ 19.1	95	38,413	145	130,103	— 70.5
Dallas.....	298	227,302	326	546,255	— 58.4	220	142,491	+ 59.5	751	648,612	934	1,639,774	— 60.4
El Paso.....	38	55,174	89	148,292	- 62.8	30	16,439	+235.6	196	91,205	236	337,450	- 73.0
Fort Worth.....	126	126,425	200	300,275	- 57.9	159	191,725	- 34.1	400	436,882	593	1,026,885	- 57.5
Galveston.....	110	62,818	144	97,129	- 35.3	113	54,001	+ 16.3	360	177,696	371	212,907	- 16.5
Houston.....	241	402,795	340	1,064,967	- 62.2	207	290,587	+ 38.6	635	1,052,475	909	3,419,476	- 69.2
Port Arthur.....	35	5,477	68	361,694	- 98.5	27	4,337	+ 26.3	90	28,069	198	470,712	- 94.0
San Antonio.....	251	501,824	232	185,943	+169.9	148	81,033	+519.3	566	695,441	646	642,426	+ 8.3
Shreveport.....	131	36,332	152	74,852	- 51.5	112	43,299	- 16.1	371	100,510	396	262,500	- 61.7
Waco.....	53	48,159	33	43,967	+ 9.5	29	36,302	+ 32.7	118	140,472	86	141,944	- 1.0
Wichita Falls.....	31	13,273	15	19,501	- 31.9	7	2,630	+504.7	49	450,603	38	33,501	*
Total.....	1,600	\$3,376,829	1,911	\$3,284,011	+ 2.8	1,287	\$1,566,729	+115.5	4,144	\$ 6,609,496	5,290	\$10,369,403	- 36.3

*Increase over one thousand per cent.

Cement

Although the output of Texas portland cement mills during March was seasonally 8.6 per cent larger than in the previous month, it fell 37.8 per cent below the volume of the same month last year. March production aggregated 304,000 barrels, as against 280,000 barrels in February, and 489,000 barrels in March a year ago. Shipments from Texas mills during the month totaled 380,000 barrels, being 48.4 per cent above the level of February, but 16.7 per cent less than in March, 1931. Inventories at the close of the month, which aggregated 771,

000 barrels, were smaller than either a month earlier or a year ago.

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

	% change from				Jan. through	% change
	Mar. 1932	Feb. 1932	Mar. 1931	Mar. 1932		
Production at Texas mills.....	304	+ 8.6	-37.8	922	-16.0	
Shipments from Texas mills.....	380	+48.4	-16.7	877	-22.0	
Stocks at end of month at Texas mills	771	- 9.0	.3	...	...

SUMMARY OF NATIONAL BUSINESS CONDITIONS

(Compiled by the Federal Reserve Board April 26, 1932)

Industrial activity was in smaller volume in March than in February, although usually little change is reported at this season, and the number of employees at factories was also reduced, contrary to seasonal tendency. Volume of reserve bank credit decreased in March, but showed a considerable growth in the first three weeks of April. Money rates continued to decline.

PRODUCTION AND EMPLOYMENT

Output of industrial products, as measured by the Board's seasonally adjusted index, declined from 70 per cent of the 1923-1925 average in February to 68 per cent in March. Daily output at steel mills and automobile factories decreased, contrary to seasonal tendency, and activity at woolen mills declined sharply to the lowest level in recent years. Cotton consumption by domestic mills continued at the February rate although sales of cotton cloth declined, and output of shoes increased considerably. In both these industries production was at about the same rate as a year ago. Activity in the lumber industry, which recently has been at a level about 45 per cent lower than last year, increased by more than the usual seasonal amount. Output of coal also increased considerably during March, but declined in early April. Volume of factory employment and payrolls decreased from February to March, although an increase is usual at this season. There were substantial reductions in working forces in the steel, automobile, machinery, and furniture industries, as well as at woolen and silk mills, while clothing and shoe factories showed additions to their working forces. Value of building contracts awarded, as reported by the F. W. Dodge Corporation, showed some increase of a seasonal character during March and the first half of April, and was approximately one-third as large as last year.

DISTRIBUTION

Rail shipments of merchandise, which ordinarily increase in March, showed little change, and sales at department stores in leading cities increased by less than the estimated seasonal amount.

WHOLESALE PRICES

The general level of wholesale commodity prices showed little change between February and March, according to the Bureau of Labor Statistics. In the first two weeks in March prices of many commodities, including livestock and meats, advanced. Between the middle of March and the third week in April prices of cotton, silk, wool, hides, sugar, silver, and tin declined considerably, while prices of coffee and petroleum increased. Wheat prices showed wide fluctuations but were at about the same level in the week ending April 23 as in the first half of March.

BANK CREDIT

The Federal Reserve System's holdings of United States Government securities, after increasing continuously from early in March, totaled \$1,078,000,000 on April 20, an increase of \$338,000,000 since the end of February. This increase has been accompanied by some further decline in the reserve banks' holdings of acceptances and a reduction of \$164,000,000 in discounts. Member bank indebtedness to the reserve banks showed a considerable reduction in all of the Federal Reserve Districts. Total volume of reserve bank credit outstanding, which had declined in March reflecting a continued return of money from circulation and an increase in the country's stock of monetary gold, increased by \$115,000,000 during the first three weeks of April. This increase was accompanied by a substantial growth in member bank reserve balances. Total loans and investments of reporting member banks in leading cities continued to decline during the five weeks ending April 13. At banks in New York City, however, there was an increase in investment holdings both of United States Government securities and other securities, offsetting the decline in loans, which continued until the middle of April. Open market rates for bankers' acceptances showed successive reductions and on April 21 the offering rate for ninety-day bills was $\frac{7}{8}$ of 1 per cent, the same rate as prevailed between May and September, 1931. Rates on commercial paper also declined.