MONTHLY BUSINESS REVIEW
OF THE
FEDERAL RESERVE BANK OF DALLAS

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Chairman and Federal Reserve Agent
Assistant Federal Reserve Agents

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SUMMARY

A general improvement in the condition of agriculture and livestock followed in the wake of the favorable weather which prevailed during the past thirty days. The frequent rains which covered all sections of the district except limited areas maintained the top soil in good condition and this, together with the good subsoil season already existing will be a sustaining factor in crop growth during the remainder of the summer. The harvesting of small grains is now in progress and while yields are irregular and considerable under a year ago, prospects point toward per acre yields not far below the 1919-1928 average. Row crops have made rapid growth and are generally in good condition. Although reports indicate that insects are present in large numbers over a considerable area of the district, crop damage from this source so far has been slight, yet the presence of the insects presents a potential danger.

The demand for merchandise in wholesale and retail channels continued at a low level. Department store sales failed to show the usual increase between April and May, and were 32 per cent less than in May, 1931. Wholesale distribution, while somewhat spotty, was in smaller volume than in the previous month, and was materially less than a year ago. As merchants continue to follow a hand-to-mouth buying policy, purchases are being made in small quantities and for immediate delivery. Collections were in smaller volume than in the previous month.

The business mortality rate in this district in May was higher than in either the previous month or the same month last year. While the indebtedness of defaulting firms was larger than in April, it was substantially smaller than in May, 1931.

Federal Reserve Bank loans to member banks rose from $11,320,000 on May 15 to $15,175,000 on June 15, and on the latter date were $5,157,000 greater than on that date a year ago. The actual circulation of Federal reserve notes reflected a further slight decline. There was a further recession in the loans, investments, and deposits of member banks in selected cities during the four-week period ending June 8. The combined net demand and time deposits of member banks in this district averaged $625,594,000 during May, as compared with $636,343,000 during April, and $796,875,000 during May, 1931. There was a strong response to the June 15 issue of Treasury Notes and Certificates. Subscriptions in this district amounted to $73,560,800, against which allotments of $24,019,300 were made.

There was a further sharp recession in building activity in this district during the past month. The valuation of permits issued at principal cities during May was 62 per cent less than in April, and 77 per cent below the corresponding month of 1931. The production and shipments of cement in May reflected a sharp recession from both the previous month and the same month last year.

BUSINESS

Wholesale Trade

A slow demand for merchandise at wholesale in the Eleventh Federal Reserve District was evidenced during most of May. The distribution of groceries, dry goods, and drugs was on a smaller scale than in the previous month; sales of hardware continued at about the same level; and farm implements, though remaining considerably below May last year, reflected a decided gain over April. Decreases as compared with a year ago ranged from 19.2 per cent in the case of groceries to 47.4 per cent in the case of farm implements. With the exception of drugs and dry goods, these comparisons were more favorable than those recorded in April. A slight improvement in the business of some lines was visible toward the end of May. Merchants generally are keeping orders in close alignment with consumer demand, and frequent orders for replacement purposes are made necessary by the generally low inventories. Stocks of wholesalers showed further material decreases during the month. In the case of all lines except hardware, May witnessed a largely seasonal reduction in the volume of collections.
MONTHLY BUSINESS REVIEW

Distribution of dry goods at wholesale during May was on a scale 12.7 per cent below that of April, the decrease being larger than is usual at this time of year. Total sales were 43.2 per cent smaller than in May, 1931, as compared with a like decline of 34.3 per cent in the April volume. A medium to fair demand was apparent in some portions of the district. Stocks on hand May 31 were 5.4 per cent less than a month earlier, and 27.8 per cent below the same date last year. Collections during May were somewhat smaller than in the preceding month.

While a net decrease of 2.5 per cent was reflected in the volume of groceries sold at wholesale during May, seven of the sixteen reporting firms showed increases and there was a slightly more favorable comparison with the same month last year than was shown in April. During the first five months of the current year, total sales were 20.3 per cent below those of the corresponding period in 1931. Although business was somewhat spotty, it continued slack in most sections. There was a 7.0 per cent decline from the previous month in collections.

The distribution of hardware through wholesale channels during May was in approximately the same volume as in the previous month, and the decline from the corresponding month a year ago was materially smaller than in April. It was indicated that orders were largely for current needs. During the months from January to May, inclusive, aggregate sales were 12.7 per cent below those of the same period in 1931. Total collections during the month reflected a gain of 3.0 per cent over April.

There was a further material pick-up during May in the business of reporting wholesale farm implement firms. Although total sales were 75.9 per cent larger than in April, they fell 47.4 per cent short of the volume reached in May last year. The favorable conditions and brighter outlook for crops and livestock served to create a firmer tone of confidence throughout the district. Collections declined appreciably, after having increased in April.

A further reduction of 4.7 per cent was in evidence in the demand for drugs at wholesale. Business in some localities reflected an improvement, but merchants are still buying with much caution and in small lots. Sales during the month were 28.1 per cent less than a year ago. Inventories at the close of May reflected their ninth consecutive monthly decline. The volume of collections was 6.0 per cent below that of April.
**AGRICULTURE**

**Crop Conditions**

Weather conditions during the past month were generally favorable throughout most of the district and practically all crops showed a better than average growth. There has been ample rainfall in all sections except portions of Northwest Texas and Southwestern New Mexico, and late reports indicate that some rain has fallen recently in those areas.

According to the June 1 report of the Department of Agriculture the indicated production of wheat in Texas and New Mexico showed no change from the previous month which was 31,650,000 bushels for Texas and 1,647,000 bushels for New Mexico. Last year Texas produced 57,433,000 bushels and New Mexico 4,626,000 bushels. Substantial deterioration occurred in this crop in Oklahoma and the indicated production on June 1 was only 32,526,000 bushels, as compared with an actual production of 74,912,000 bushels last year. There was also a slight decline in the Arizona crop. The Texas oat crop showed a material improvement during May as the result of the beneficial rains and on June 1 the condition was 64 per cent of normal as compared with 56 per cent a month earlier, but it was still considerably below the 86 per cent reported for June 1, 1931. There was a slight decline in the condition of oats in Louisiana and Oklahoma. The barley and rye crops have made good growth. Harvesting of grain crops is well under way in Texas.

There has been a substantial improvement in the condition of tame hay in Texas and Louisiana. Tame hay in Texas on June 1 was rated at 73 per cent of normal as compared with 65 per cent a month earlier, and in Louisiana there was a gain of 8 points. Wild hay condition in Texas was 74 per cent on June 1 as compared with 80 per cent a year ago. Although the corn crop is still late in some areas, it has made good growth over most of the district.

The planting of cotton has been practically completed in all sections of the district and chopping will be completed in all sections except Northwest Texas within a short time. Reports indicate that stands are generally good and that the plants are healthy and are making rapid growth. Farmers have made good progress with the cultivation of the crop, but due to frequent rains some fields are still grassy. A period of fair weather would be beneficial in enabling farmers to bring the fields to a good state of cultivation.

The outlook for fruit this year is very poor. The condition of the Texas peach crop was 23 per cent of normal on June 1 and the indicated production was 600,000 bushels as compared with a harvest of 1,581,000 bushels last year. The pear crop was rated at 25 per cent of normal, with an estimated production of 266,000 bushels as against 400,000 bushels last year. Citrus fruits also showed a further deterioration with the condition on June 1 as 32 per cent for grapefruit and 44 per cent for oranges. On that date a year ago the condition of grapefruit was rated at 73 per cent and oranges at 80 per cent. The "set" of the fruit is irregular and averages light. Truck crops showed a marked improvement during the month.

**Livestock**

Range and livestock conditions in the Eleventh Federal Reserve District reflected a marked improvement during May. With the exception of a few limited areas there was heavy rainfall throughout the district with the result that range vegetation grew rapidly and livestock put on considerable flesh. With the

*The Department of Agriculture estimated that cattle ranges in Texas were 86 per cent of normal on June 1, as compared with 80 per cent a month ago, and 90 per cent on June 1 last year. All sections shared in the improvement except the "High Plains" area, where the lack of moisture prevented an improvement. Rains have since fallen in some of this territory. The condition of cattle improved 4 points during May, but on June 1 was still 5 points below that a year earlier. The improvement during May was 4 points above the average for ranges and 2 points above the average for cattle. The calf crop is fully average this year and is considerably above the small crop of a year ago. Calves are making good growth in most areas. The condition of sheep and goat ranges in Texas advanced 10 points during May and at 86 per cent on June 1 was only 2 points below a year ago. The Department of Agriculture reports that moisture conditions throughout the Edwards Plateau region are almost ideal and that summer range prospects are very good. The condition of sheep showed an improvement of 4 points during the month and that of goats 6 points. The lamb crop is considerably smaller than last year and losses have been heavier than usual largely to the unfavorable weather during the lambing season. The condition of livestock and ranges in most of Arizona and New Mexico showed a considerable improvement during May, but conditions in New Mexico are still considerably under those a year ago.

**Movements and Prices**

The May receipts of cattle, hogs, and sheep at the Fort Worth market were moderately smaller than in April. Those of calves reflected an increase. The arrivals of hogs in May were larger than in the corresponding month last year, but receipts of cattle and sheep reflected a large decline.

Market prices on all classes of livestock followed a downward course during May, but there has been some improvement in demand since early June and prices have been stronger. Prices on calves have suffered most in the cattle division. Toward the close of May the best prices on hogs dropped below the $3.00 level but were back to $3.20 at the middle of June. Sheep and lamb prices, after declining during May, held generally steady during the first half of June, and the market for good wethers advanced.

**FORT WORTH LIVESTOCK RECEIPTS**

<table>
<thead>
<tr>
<th>Month</th>
<th>Cattle</th>
<th>Calves</th>
<th>Sheep</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 1932</td>
<td>42,568</td>
<td>12,092</td>
<td>190,146</td>
</tr>
<tr>
<td>May 1931</td>
<td>37,442</td>
<td>11,320</td>
<td>206,561</td>
</tr>
<tr>
<td>Change over year</td>
<td>5,126</td>
<td>-5,712</td>
<td>-16,415</td>
</tr>
<tr>
<td>April 1932</td>
<td>47,754</td>
<td>15,874</td>
<td>194,429</td>
</tr>
<tr>
<td>Change over month</td>
<td>5,258</td>
<td>4,070</td>
<td>-2,923</td>
</tr>
</tbody>
</table>

**COMPARATIVE TOP LIVESTOCK PRICES**

<table>
<thead>
<tr>
<th>Month</th>
<th>Beef steers</th>
<th>Beef steers</th>
<th>Butcher cows</th>
<th>Butcher cows</th>
<th>Steer steers</th>
<th>Steer steers</th>
<th>Steer cows</th>
<th>Steer cows</th>
<th>Calves</th>
<th>Calves</th>
<th>Lambs</th>
<th>Lambs</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 1932</td>
<td>$6.25</td>
<td>$6.00</td>
<td>$5.00</td>
<td>$4.00</td>
<td>$3.00</td>
<td>$2.25</td>
<td>$1.75</td>
<td>$1.25</td>
<td>$7.00</td>
<td>$7.00</td>
<td>$3.20</td>
<td>$3.20</td>
</tr>
<tr>
<td>May 1931</td>
<td>$5.85</td>
<td>$5.50</td>
<td>$5.00</td>
<td>$4.00</td>
<td>$3.50</td>
<td>$2.75</td>
<td>$2.00</td>
<td>$1.50</td>
<td>$6.50</td>
<td>$6.50</td>
<td>$3.25</td>
<td>$3.25</td>
</tr>
<tr>
<td>Change</td>
<td>$0.40</td>
<td>$0.50</td>
<td>$0.50</td>
<td>$0.50</td>
<td>$0.50</td>
<td>$0.50</td>
<td>$0.50</td>
<td>$0.50</td>
<td>$0.50</td>
<td>$0.50</td>
<td>$0.50</td>
<td>$0.50</td>
</tr>
</tbody>
</table>

*Market prices on all classes of livestock followed a downward course during May, but there has been some improvement in demand since early June and prices have been stronger. Prices on calves have suffered most in the cattle division. Toward the close of May the best prices on hogs dropped below the $3.00 level but were back to $3.20 at the middle of June. Sheep and lamb prices, after declining during May, held generally steady during the first half of June, and the market for good wethers advanced.*
The loans of the Federal Reserve Bank to member banks, after remaining fairly steady during the last half of May, showed a noticeable expansion during the first half of June. These loans on June 15 amounted to $15,175,000 as compared with $11,320,000 on May 15, and $10,019,000 on June 15, 1931. The major part of the expansion of $3,856,000 during the month occurred at reserve city banks, but there was some increase in the demand from country banks. At the middle of June there were 242 borrowing banks as compared with 215 a month earlier, and 202 a year ago. This bank's holdings of bills bought in the open market amounted to only $924,000 on June 15, as compared with $1,421,000 on May 15, and $3,945,000 on June 15 last year. Investments in Government securities during May amounted to only $3,856,000 compared with $45,700,000 during May 1931. The reserve deposits of member banks reflected a further decline of $4,451,000 during the month and at the middle of June were $11,305,000 less than in 1931. Federal reserve notes in actual circulation on June 15 amounted to $34,786,000 as compared with $35,444,000 on May 15, and $26,961,000 on the same date last year.

**CONDITION OF THE FEDERAL RESERVE BANK**

<table>
<thead>
<tr>
<th>Date</th>
<th>Total deposits</th>
<th>Bills bought in open market</th>
<th>United States securities owned</th>
<th>Other investments</th>
<th>Federal reserve note in actual circulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 15</td>
<td>$44,451,000</td>
<td>$2,126,000</td>
<td>$8,945,000</td>
<td>$1,421,000</td>
<td>$34,786,000</td>
</tr>
<tr>
<td>June 15</td>
<td>$44,451,000</td>
<td>$2,126,000</td>
<td>$8,945,000</td>
<td>$1,421,000</td>
<td>$34,786,000</td>
</tr>
</tbody>
</table>

**DEBITS TO INDIVIDUAL ACCOUNTS**

Largely as a result of seasonal factors, total charges to individual accounts during May at banks in seventeen leading cities in this district declined 5.4 per cent from the previous month. The aggregate amounted to $452,681,000 in April, and $634,684,000 in May a year ago. At Austin, the volume was lower than in the preceding month or a year ago, and at six of the other cities it was higher in May.

**CONDITION STATISTICS OF MEMBER BANKS IN SELECTED CITIES**

- **Selected Cities**
  - Abilene: $343,000
  - Austin: $136,604
  - Beaumont: $70,830
  - Fort Worth: $226,028
  - Houston: $636,343
  - McAllen: $11,305,000
  - Shreveport: $10,019,000
  - Wichita Falls: $15,000

**DEBITs TO INDIVIDUAL ACCOUNTS (In thousands of dollars)**

<table>
<thead>
<tr>
<th>City</th>
<th>Debits</th>
<th>Change over year</th>
<th>Percentage change over month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austin</td>
<td>$136,604</td>
<td>-15.9</td>
<td>+10.9</td>
</tr>
<tr>
<td>Beaumont</td>
<td>$70,830</td>
<td>-16.9</td>
<td>+5.4</td>
</tr>
<tr>
<td>Fort Worth</td>
<td>$226,028</td>
<td>-14.1</td>
<td>-2.5</td>
</tr>
<tr>
<td>Houston</td>
<td>$636,343</td>
<td>-13.6</td>
<td>-4.3</td>
</tr>
<tr>
<td>McAllen</td>
<td>$11,305,000</td>
<td>-14.1</td>
<td>-16.5</td>
</tr>
<tr>
<td>Shreveport</td>
<td>$10,019,000</td>
<td>-15.9</td>
<td>+10.8</td>
</tr>
<tr>
<td>Wichita Falls</td>
<td>$15,000</td>
<td>-15.9</td>
<td>-17.9</td>
</tr>
</tbody>
</table>

**Acceptance Market**

A further sharp decline from the previous month was reflected in the volume of acceptances executed by banks in this district and outstanding at the close of May. There was a volume of $664,201 reported, as compared with $1,530,014 on April 30, and $2,507,163 on May 31 a year ago. The major part of the reduction was in acceptances based on the domestic shipment and storage of goods, which declined from $951,084 on the last day of April to $155,129 on May 31.
Savings Deposits

There was a decrease of only 0.3 per cent during May in the savings deposits of 144 reporting banks in this district. The total amount on record May 31 was $143,133,269, as against $143,511,679 on the last day of April, and $172,497,942 at the close of May, 1931. Most of the cities reported only slight declines from the previous month, and several showed perceptible increases.

<table>
<thead>
<tr>
<th>Number of Savings Depositors</th>
<th>Number of Savings Depositories</th>
<th>Amount of Savings Deposits</th>
<th>Percentage Change Over Year in Savings Deposits</th>
<th>April 30, 1932</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting Banks</td>
<td>May 31, 1932</td>
<td>May 31, 1931</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beacon</td>
<td>3</td>
<td>6,114</td>
<td>$ 2,990,139</td>
<td>4,424</td>
</tr>
<tr>
<td>Dallas</td>
<td>9</td>
<td>74,277</td>
<td>33,015,359</td>
<td>76,047</td>
</tr>
<tr>
<td>El Paso</td>
<td>2</td>
<td>11,005</td>
<td>3,264,288</td>
<td>11,275</td>
</tr>
<tr>
<td>Fort Worth</td>
<td>4</td>
<td>34,348</td>
<td>11,213,340</td>
<td>35,366</td>
</tr>
<tr>
<td>Houston</td>
<td>17</td>
<td>13,539</td>
<td>10,084,419</td>
<td>14,018</td>
</tr>
<tr>
<td>San Antonio</td>
<td>4</td>
<td>64,489</td>
<td>20,691,855</td>
<td>66,019</td>
</tr>
<tr>
<td>San Fernando</td>
<td>2</td>
<td>3,033</td>
<td>1,718,545</td>
<td>4,064</td>
</tr>
<tr>
<td>Atlanta</td>
<td>11*</td>
<td>18,541</td>
<td>14,495,225</td>
<td>22,580</td>
</tr>
<tr>
<td>Waco</td>
<td>3</td>
<td>10,004</td>
<td>4,446,100</td>
<td>16,955</td>
</tr>
<tr>
<td>All other</td>
<td>51*</td>
<td>2,690</td>
<td>2,293,714</td>
<td>3,282</td>
</tr>
<tr>
<td>Total</td>
<td>144</td>
<td>314,300</td>
<td>$143,133,269</td>
<td>341,729</td>
</tr>
</tbody>
</table>

*Only 2 banks in Beacon, 6 in Dallas, 9 in Houston, 7 in San Antonio, 2 in Wichita Falls, and 78 in "All others" reported the number of savings deposits.

<table>
<thead>
<tr>
<th>June Discount Rates</th>
<th>Prevailing rates:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dallas</td>
<td>El Paso</td>
</tr>
<tr>
<td>Rate charged on time paper and demand deposits secured by prime stock, etc.</td>
<td>5-7</td>
</tr>
<tr>
<td>Rate charged on demand deposits secured by personal or other collateral (not including loans placed in other markets through correspondent banks)</td>
<td>5-7</td>
</tr>
<tr>
<td>Rate on time loans</td>
<td>5-7</td>
</tr>
<tr>
<td>Rate on demand loans</td>
<td>5-7</td>
</tr>
</tbody>
</table>

Textile Milling

A downward tendency in the operations of reporting textile mills in this district was again in evidence during May. With the demand for cotton goods, as measured by orders on hand at the close of the month, showing a further reduction, mill operators continued to curtail consumption of cotton and correspondingly the production of cloth. Supplies of finished products held on May 31 continued above those in the corresponding month of several preceding years. As a consequence of the further large decline in the consumption of cotton during May, the total for the season, August through May, dropped below that in the same period last season. Inventories of cotton in consuming establishments continued to decline seasonally, but on May 31 were 16.4 per cent larger than a year ago.

Cottonseed Products

While operations of cottonseed oil mills in both Texas and the United States continued their seasonal recession during the past month, they were maintained on a higher scale than those in the corresponding month of several preceding years. The receipts and crushing of seed and the production of all products except linters at Texas mills were greater than in any like month since 1927, and at the Nation's mills the output of hulls was the largest for that month in four years with all other activities exceeding those of any similar period during the past decade. Production of linters at the

COTTON CONSUMED AND ON HAND (Bales)

<table>
<thead>
<tr>
<th>Month</th>
<th>May 1932</th>
<th>May 1931</th>
<th>August 1 to May 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton growing states</td>
<td>297,565</td>
<td>366,980</td>
<td>3,520,755, 3,485,055</td>
</tr>
<tr>
<td>Cotton consumed on hand May 31</td>
<td>367,069</td>
<td>301,659</td>
<td>3,309,383, 3,269,755</td>
</tr>
<tr>
<td>Consuming establishments</td>
<td>1,467,752</td>
<td>790,700</td>
<td>7,418,705, 6,990,600</td>
</tr>
<tr>
<td>United States</td>
<td>332,409</td>
<td>465,260</td>
<td>4,289,964, 4,248,169</td>
</tr>
<tr>
<td>Cotton consumed on hand May 31</td>
<td>367,069</td>
<td>301,659</td>
<td>3,309,383, 3,269,755</td>
</tr>
<tr>
<td>Consuming establishments</td>
<td>1,467,752</td>
<td>790,700</td>
<td>7,418,705, 6,990,600</td>
</tr>
<tr>
<td>Public storage and com.</td>
<td>7,693,504</td>
<td>5,490,037</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STATISTICS ON COTTONSEED AND COTTONSEED PRODUCTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas</td>
</tr>
<tr>
<td>This Season</td>
</tr>
<tr>
<td>Cottonseed received at mills (tons)</td>
</tr>
<tr>
<td>Cottonseed cracked (tons)</td>
</tr>
<tr>
<td>Cottonseed on hand May 31</td>
</tr>
<tr>
<td>Crude oil produced (tons)</td>
</tr>
<tr>
<td>Crude and meal produced (tons)</td>
</tr>
<tr>
<td>Hulls produced (tons)</td>
</tr>
<tr>
<td>Linters produced (rand bales)</td>
</tr>
<tr>
<td>Shells on hand May 31</td>
</tr>
<tr>
<td>Crude oil (tons)</td>
</tr>
<tr>
<td>Cake and meal (tons)</td>
</tr>
<tr>
<td>Hulls (tons)</td>
</tr>
<tr>
<td>Linters (crushing bales)</td>
</tr>
</tbody>
</table>
State's mills during the ten months of the current season continued slightly less than in the same period of the previous season, while all other operations at both Texas and American mills showed a further increase. Shipments of cottonseed products during the month were well above production, consequently inventories held on May 31 were considerably smaller than those a month earlier, but stocks of oil, hulls, and linters continued substantially above those a year ago.

Cotton Movements

Another decline of a seasonal nature was witnessed during May in the movements of cotton through the ports of Houston and Galveston. While exports at Houston showed a reduction of 23.4 per cent from May, 1931, this decline was more than offset by a favorable balance at Galveston. The receipts of cotton were considerably above those a year ago at both ports. Stocks showed a further decline from a month earlier, but were still above last year.

Although total foreign exports of domestic cotton during May reflected a decline from those a month earlier, the recession was much smaller than usual and total shipments for the month were considerably above those a year ago. Exports aggregated 500,871 bales during the month, as against 544,563 bales in April and 335,796 bales in May, 1931. A further increase in exports during the present season over those of the 1930-31 season was registered, takings for the first ten months of the current season being 7,997,374 bales, as compared with 6,245,541 bales in the same period of the previous season. Exports to the United Kingdom and Japan turned noticeably upward during May, and showed a further substantial increase over April. Of the 838 new wells completed during the month, 706 were producers having a combined initial output of 4,583,724 barrels.

Although most areas in Texas reported increases in their daily output, the material reduction in East Texas was more than sufficient to offset the gains shown in other sections. The net decrease for the State amounted to 11,122 barrels, as compared with 28,444,529 barrels in the preceding month, and 31,112,800 barrels in the corresponding month last year. However, there was a decrease of 7,938 barrels in daily average output as compared with April, the gain in total yield being entirely attributable to the longer month. Drilling activity continued at a high level, and showed a further substantial increase over April. Of the 384 new wells completed during the month, 706 were producers having a combined initial output of 4,583,724 barrels.

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON

<table>
<thead>
<tr>
<th>Month</th>
<th>May 1932</th>
<th>May 1931</th>
<th>April 1 to May 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts</td>
<td>32,313</td>
<td>30,286</td>
<td>2,564,242</td>
</tr>
<tr>
<td>Exports</td>
<td>115,104</td>
<td>116,921</td>
<td>2,085,056</td>
</tr>
<tr>
<td>Stocks, May 31</td>
<td>608,857</td>
<td>613,149</td>
<td></td>
</tr>
</tbody>
</table>

COTTON—GALVESTON STOCK STATEMENT

<table>
<thead>
<tr>
<th>Month</th>
<th>May 1, 1932</th>
<th>May 1, 1931</th>
<th>April 15, 1932</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Britain</td>
<td>3,400</td>
<td>3,000</td>
<td>2,660</td>
</tr>
<tr>
<td>For France</td>
<td>1,600</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>For other foreign ports</td>
<td>21,000</td>
<td>15,000</td>
<td>13,000</td>
</tr>
<tr>
<td>For domestic ports</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>In commission and depot</td>
<td>682,167</td>
<td>690,069</td>
<td>690,069</td>
</tr>
<tr>
<td>Total</td>
<td>608,857</td>
<td>613,149</td>
<td>613,149</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Month</th>
<th>August 1 to May 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts</td>
<td>9,076,739</td>
</tr>
<tr>
<td>Exports</td>
<td>8,844,727</td>
</tr>
<tr>
<td>Total</td>
<td>17,921,466</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>2,151,048</td>
</tr>
<tr>
<td>France</td>
<td>614,181</td>
</tr>
<tr>
<td>Germany</td>
<td>1,505,757</td>
</tr>
<tr>
<td>Other Europe</td>
<td>1,450,970</td>
</tr>
<tr>
<td>Japan</td>
<td>3,278,079</td>
</tr>
<tr>
<td>Other countries</td>
<td>2,168,671</td>
</tr>
<tr>
<td>Total foreign ports</td>
<td>9,077,474</td>
</tr>
<tr>
<td>Stocks at all United States ports</td>
<td>5,066,728</td>
</tr>
</tbody>
</table>

OIL PRODUCTION

<table>
<thead>
<tr>
<th>Month</th>
<th>May, 1932</th>
<th>Increase or Decrease Over April, 1932</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Daily Avg</td>
<td>62,000</td>
<td>+156,920</td>
</tr>
<tr>
<td>North Texas</td>
<td>2,823,976</td>
<td>+156,920</td>
</tr>
<tr>
<td>Central West Texas</td>
<td>6,472,200</td>
<td>+156,920</td>
</tr>
<tr>
<td>East Central Texas</td>
<td>11,760,200</td>
<td>+156,920</td>
</tr>
<tr>
<td>Texas Coastal</td>
<td>3,485,000</td>
<td>+156,920</td>
</tr>
<tr>
<td>South Texas</td>
<td>1,591,000</td>
<td>+156,920</td>
</tr>
<tr>
<td>Total</td>
<td>27,011,050</td>
<td>+156,920</td>
</tr>
<tr>
<td>New Mexico</td>
<td>1,387,700</td>
<td>+156,920</td>
</tr>
<tr>
<td>North Louisiana</td>
<td>857,400</td>
<td>+156,920</td>
</tr>
<tr>
<td>Total</td>
<td>36,258,150</td>
<td>+156,920</td>
</tr>
</tbody>
</table>

COTTON MOVEMENTS THROUGH THE PORT OF HOUSTON

<table>
<thead>
<tr>
<th>Month</th>
<th>May 1932</th>
<th>May 1931</th>
<th>August 1 to May 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts</td>
<td>12,315</td>
<td>14,201</td>
<td>9,150,231</td>
</tr>
<tr>
<td>Exports</td>
<td>9,647</td>
<td>127,243</td>
<td>2,387,397</td>
</tr>
<tr>
<td>Stocks, May 31</td>
<td>1,004,648</td>
<td>925,420</td>
<td></td>
</tr>
</tbody>
</table>

SPOT COTTON PRICES—(Middlebills Basis)

<table>
<thead>
<tr>
<th>Month</th>
<th>May 1932</th>
<th>June 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>5.95</td>
<td>5.85</td>
</tr>
<tr>
<td>Low</td>
<td>5.00</td>
<td>4.90</td>
</tr>
</tbody>
</table>

MAY DRILLING RESULTS

<table>
<thead>
<tr>
<th>Month</th>
<th>Completions</th>
<th>Producers</th>
<th>Oil Wells</th>
<th>Failures</th>
<th>Initial Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Texas</td>
<td>98</td>
<td>53</td>
<td>3</td>
<td>45</td>
<td>5,863</td>
</tr>
<tr>
<td>Central West Texas</td>
<td>98</td>
<td>53</td>
<td>3</td>
<td>45</td>
<td>5,863</td>
</tr>
<tr>
<td>East Central Texas</td>
<td>604</td>
<td>581</td>
<td>21</td>
<td>5,529</td>
<td></td>
</tr>
<tr>
<td>South Texas</td>
<td>44</td>
<td>17</td>
<td>12</td>
<td>12,741</td>
<td></td>
</tr>
<tr>
<td>Texas Coastal</td>
<td>32</td>
<td>19</td>
<td>12</td>
<td>12,741</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>831</td>
<td>697</td>
<td>33</td>
<td>12,741</td>
<td></td>
</tr>
<tr>
<td>New Mexico</td>
<td>14</td>
<td>6</td>
<td>1</td>
<td>2,070</td>
<td></td>
</tr>
<tr>
<td>North Louisiana</td>
<td>14</td>
<td>6</td>
<td>1</td>
<td>2,070</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>165</td>
<td>76</td>
<td>34</td>
<td>14,810</td>
<td></td>
</tr>
<tr>
<td>May totals, districts</td>
<td>948</td>
<td>706</td>
<td>33</td>
<td>12,741</td>
<td></td>
</tr>
<tr>
<td>April totals, districts</td>
<td>722</td>
<td>38</td>
<td>13</td>
<td>4,720</td>
<td></td>
</tr>
</tbody>
</table>
**SUMMARY OF NATIONAL BUSINESS CONDITIONS**

*Compiled by the Federal Reserve Board as of June 22, 1932*

Volume of production in basic industries and employment at factories decreased further in May, and wholesale prices declined. Foreign withdrawals of gold, which had been in large volume in May and the first half of June, practically stopped after the middle of the month.

**PRODUCTION AND EMPLOYMENT**

Production at mines and factories declined further in May, and the Board's seasonally adjusted index of industrial production showed a reduction from 64 per cent of the 1923-1925 average in April to 61 per cent in May. Output of coal was substantially reduced, particularly in the anthracite fields, shipments of iron ore showed less than the usual seasonal increase, production of iron and steel declined, and activity at textile mills and shoe factories was further curtailed. In the automobile industry output increased considerably. In the first part of June activity in the steel and cotton industries was reported to have declined further, while output of automobiles continued at about the same rate as in the latter part of May. Further reductions in employment and earnings of factory workers accompanied the smaller volume of manufacturing output in May, particularly in the steel and machinery industries, and in the textile and clothing trades. Employment at automobile plants and in the seasonally active food industries showed an increase. Value of building contracts awarded, according to reports to the F. W. Dodge Corporation, after increasing somewhat in April and May, declined slightly in the first half of June, reflecting chiefly smaller awards for public works and other non-residential building.

**DISTRIBUTION**

Railroad freight traffic decreased further in May, the largest reduction being in shipments of coal and miscellaneous freight. Sales of department stores in leading cities, which had increased substantially during April were smaller in May.

---

### BUILDING PERMITS

<table>
<thead>
<tr>
<th>May, 1932</th>
<th>May, 1931</th>
<th>Percentage Change Over Year</th>
<th>No.</th>
<th>Valuation</th>
<th>No.</th>
<th>Valuation</th>
<th>Percentage Change Over Month</th>
<th>1932</th>
<th>1931</th>
<th>Percentage Change Over Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amarillo</td>
<td>36 $23,565</td>
<td>36 $23,373</td>
<td>-28.4</td>
<td>27 $33,770</td>
<td>27</td>
<td>35,770</td>
<td>+87.3</td>
<td>130 $191,440</td>
<td>137</td>
<td>$160,919</td>
</tr>
<tr>
<td>Austin</td>
<td>103</td>
<td>103</td>
<td>1.0</td>
<td>99</td>
<td>169,023</td>
<td>247</td>
<td>172,800</td>
<td>-3.9</td>
<td>465</td>
<td>297,453</td>
</tr>
<tr>
<td>Beaumont</td>
<td>67</td>
<td>67</td>
<td>0.0</td>
<td>32</td>
<td>80,971</td>
<td>32</td>
<td>80,971</td>
<td>0.0</td>
<td>34</td>
<td>6,977</td>
</tr>
<tr>
<td>Corpus</td>
<td>36</td>
<td>36</td>
<td>0.0</td>
<td>13</td>
<td>6,173</td>
<td>13</td>
<td>6,173</td>
<td>0.0</td>
<td>15</td>
<td>2,082</td>
</tr>
<tr>
<td>Dallas</td>
<td>233</td>
<td>233</td>
<td>0.0</td>
<td>80,265</td>
<td>80</td>
<td>80,265</td>
<td>0.0</td>
<td>235</td>
<td>645,469</td>
<td>235</td>
</tr>
<tr>
<td>El Paso</td>
<td>66</td>
<td>66</td>
<td>0.0</td>
<td>47</td>
<td>15,797</td>
<td>47</td>
<td>15,797</td>
<td>0.0</td>
<td>53</td>
<td>2,082</td>
</tr>
<tr>
<td>Fort Worth</td>
<td>232</td>
<td>232</td>
<td>0.0</td>
<td>141</td>
<td>134,531</td>
<td>141</td>
<td>134,531</td>
<td>0.0</td>
<td>62</td>
<td>111,645</td>
</tr>
<tr>
<td>Galveston</td>
<td>128</td>
<td>128</td>
<td>0.0</td>
<td>141</td>
<td>160,074</td>
<td>141</td>
<td>160,074</td>
<td>0.0</td>
<td>63</td>
<td>211,565</td>
</tr>
<tr>
<td>Houston</td>
<td>215</td>
<td>215</td>
<td>0.0</td>
<td>269</td>
<td>771,090</td>
<td>269</td>
<td>771,090</td>
<td>0.0</td>
<td>269</td>
<td>650,136</td>
</tr>
<tr>
<td>Portland</td>
<td>45</td>
<td>45</td>
<td>0.0</td>
<td>67</td>
<td>17,692</td>
<td>67</td>
<td>17,692</td>
<td>0.0</td>
<td>70</td>
<td>3,471</td>
</tr>
<tr>
<td>San Antonio</td>
<td>236</td>
<td>236</td>
<td>0.0</td>
<td>212</td>
<td>354,427</td>
<td>212</td>
<td>354,427</td>
<td>0.0</td>
<td>212</td>
<td>1,043,417</td>
</tr>
<tr>
<td>Springfield</td>
<td>233</td>
<td>233</td>
<td>0.0</td>
<td>233</td>
<td>48,433</td>
<td>233</td>
<td>48,433</td>
<td>0.0</td>
<td>233</td>
<td>10,000</td>
</tr>
<tr>
<td>Seattle</td>
<td>27</td>
<td>27</td>
<td>0.0</td>
<td>31</td>
<td>10,800</td>
<td>31</td>
<td>10,800</td>
<td>0.0</td>
<td>31</td>
<td>7,600</td>
</tr>
<tr>
<td>Total</td>
<td>1,530</td>
<td>1,530</td>
<td>0.0</td>
<td>1,549</td>
<td>2,032,197</td>
<td>1,549</td>
<td>2,032,197</td>
<td>0.0</td>
<td>1,549</td>
<td>10,663,272</td>
</tr>
</tbody>
</table>

### CRUDE OIL PRICES

<table>
<thead>
<tr>
<th></th>
<th>June 10, 1932</th>
<th>June 9, 1932</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas Coastal (40 gr. and above)</td>
<td>$2.00</td>
<td>$1.95*</td>
</tr>
<tr>
<td>North Texas and North Louisiana (40 gr. and above)</td>
<td>1.00</td>
<td>1.00</td>
</tr>
</tbody>
</table>

*Price paid for Texas Coastal, 45 gr. and above.

---

### PRODUCTION, SHIPMENTS, AND STOCKS OF PORTLAND CEMENT

(Compiled by the Federal Reserve Board)
WHOLESALE PRICES

Prices of commodities at wholesale were 1.7 per cent lower in May than in April, according to the Bureau of Labor Statistics. There were large decreases in prices of many domestic agricultural products and of hides and textiles. Prices of petroleum products advanced. During the first three weeks of June market quotations for a number of non-agricultural commodities were relatively steady, and prices of sugar, meats, and livestock increased. Prices of wheat, after considerable fluctuations, were at unusually low levels at the beginning of the third week in June.

BANK CREDIT

Withdrawals of gold from the United States continued through May and the first half of June and the country’s stock of monetary gold declined by $435,000,000 between May 4 and June 15. After that date there was no further decline in the total stock of monetary gold, continued gold exports representing gold previously earmarked by foreign central banks. During the first part of May continued purchases of United States Government securities by the Reserve banks enabled member banks further to reduce their discounts. In later weeks, however, funds released through these purchases were absorbed by the demand for gold export, and there was also a decrease in member bank reserve balances. Loans and investments of reporting member banks in leading cities, which had declined sharply earlier in the year, showed wide fluctuations after the middle of May. In the middle of June total loans and investments were larger than a month earlier, the increase in holdings of United States securities being more than sufficient to offset a decline in other investments and in loans. Money rates in the open market remained at low levels. Rates on prime commercial paper were reduced to a range of 2½-2¾ per cent in the second week of June.