

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 1933	Change from February
Bank debits to individual accounts (at 17 cities).....	\$356,697,000	- 10.9%
Department store sales.....		+ 18.2%
Reserve bank loans to member banks at end of month.....	\$ 5,812,294	+ 13.6%
Reserve bank ratio at end of month.....	48.6%	- 5.2 points
Building permit valuation at larger centers....	\$ 946,341	- 10.0%
Commercial failures (number).....	58	- 37.6%
Commercial failures (liabilities).....	\$ 871,159	- 47.7%
Oil production (barrels).....	29,773,950	+ 20.6%

Business and industrial activity in the Eleventh Federal Reserve District was well sustained during March despite the interruptions caused by the banking holiday. Sales of department stores during the month were 18 per cent larger than in February, and while there was a decline of 21 per cent from last year, the comparison was slightly more favorable than in February even though Easter came in March during 1932. All reporting lines of wholesale trade showed an increase in business between February and March, which was in part seasonal, and in some lines the declines from a year ago were smaller than in the previous month. A better feeling is in evidence throughout the trade, and consumer buying is showing some improvement. Reports indicate that business in both wholesale and retail channels held up well in the first half of April and in some instances closely approximated the volume of the same period last year.

Commercial insolvencies in this district for March were greatly reduced both in number and the amount of liabilities involved as compared with the previous month and the corresponding month last year. In fact, it is necessary to go back to October, 1930, to find lower figures. This is merely an extension of the favorable trend which began with respect to insolvencies last fall.

Wholesale Trade

An improvement in business was witnessed during March in all sections of the Eleventh Federal Reserve District, with few exceptions. Every reporting line of wholesale trade showed an expansion in sales over the previous month, two of which were contrary to the usual trend in March. In two other cases the increases were of larger than seasonal proportions. Reductions as compared with the same month a year ago ranged from 4.1 per cent in the case of groceries

Banking operations gradually resumed a more normal proportion during the past month. Federal reserve bank loans to member banks reflected a steady decline throughout the period, the total on April 15 being \$5,762,000 as compared with \$7,253,000 on March 15, and \$12,655,000 on the corresponding date in 1932. Federal reserve notes in actual circulation, which had risen to \$57,645,000 at the middle of March, had declined to \$41,628,000 on April 15, and on the latter date they were only \$3,936,000 greater than a year ago. As member banks' balances were again shifted to Eastern centers, reserve deposits of member banks receded. The loans, investments, and deposits of member banks in selected cities declined during the period between March 15 and April 12. The daily average of combined net demand and time deposits of member banks in this district amounted to \$602,323,000 in March, as compared with \$607,612,000 in February, and \$656,444,000 in March, 1932.

Conditions in the agricultural and livestock industries were generally favorable during the past month. Farmers made rapid progress with land preparation and the planting of row crops. The seeding of corn is about completed and cotton planting is becoming general. Except in a few areas, moisture has been ample but recently the north winds have dried out the surface moisture with the result that a general rain would be very beneficial over most of the district. Prospects for winter wheat are very poor. Range vegetation has made good growth and livestock are putting on flesh.

While the valuation of building permits issued at principal cities during March was 10 per cent lower than in February, and 72 per cent below March last year, a majority of the reporting cities had a substantially higher valuation in March than in February. The production and shipments of cement from Texas mills in March were nearly double those of the low figures of February, and production was materially higher than in March, 1932.

BUSINESS

to 41.6 per cent in the case of farm implements, whereas in the preceding month they ranged from 8.7 per cent to 47.8 per cent. In the lines of hardware and dry goods, however, the comparisons were less favorable than in February. While there is still a general tendency on the part of merchants to await further developments before making advance commitments, a note of optimism was visible in certain quarters. Price changes during the past several weeks have been slight, and some stiffening is noted. Collections showed varying

trends as compared with the previous month, but a slight net decline was in evidence.

Contrary to the usual trend in this month, the business of wholesale dry goods firms during March showed an increase of 4.1 per cent. Nevertheless, the comparison with a year ago was less favorable than in February, a decline of 20.2 per cent being reflected. The average decrease for the first three months of the year, as compared with 1932, amounted to 14.8 per cent. Indications are that the undertone of confidence is strengthening; yet dealers are proceeding on a cautious basis and continue to maintain low inventories. March collections were in larger volume than those of the previous month.

A general increase of 10.1 per cent was reflected in the distribution of drugs through wholesale channels. The volume was 22.5 per cent below that of March, 1932, this comparison being the same as was shown in February. Total sales from January 1 through March 31 were 16.7 per cent less than in the corresponding period last year. A substantial decline was reflected in the amount of collections during March.

Distribution of farm implements reflected a contrary to seasonal increase of 5.6 per cent but was on a scale 41.6 per cent under a year ago. Sales in the first three months of the current year averaged 35.8 per cent less than in 1932. Some improvement in business sentiment was brought about by the favorable weather conditions which obtained during most of March. There was a decrease in the volume of collections as compared with February.

A seasonal gain of 5.3 per cent was shown in the March sales of wholesale hardware firms in this district. There was a reduction of 15.7 per cent from the corresponding month a year ago, as compared with 11.7 per cent in February. A declining demand for oil well drilling equipment had a somewhat adverse effect upon business. The month's collections were 5.1 per cent smaller than the February volume.

More than the usual expansion was shown in the demand for groceries at wholesale during March. While sales were 4.1 per cent less than in the same month last year, they totaled 13.9 per cent more than in the preceding month. Several firms reported an improvement in the current pros-

pects during recent weeks. Collections reflected a gain of 7.0 per cent over February.

CONDITION OF WHOLESALE TRADE DURING MARCH, 1933
Percentage of increase or decrease in—

	Net Sales March, 1933 compared with Mar., 1932		Net Sales Jan. 1 to date compared with same period last year		Stocks March, 1933 compared with 1932		Ratio of collec- tions during Mar. to accounts and notes outstanding on February 28
	Mar., 1933	Feb., 1933	Jan. 1 to date	last year	Mar., 1933	Feb., 1933	
Groceries.....	-4.1	+13.9	-5.0	-19.2	-.8	51.9	
Dry goods.....	-20.2	+4.1	-14.8	-18.2	-4.9	21.9	
Farm implements..	-41.6	+5.6	-35.8	+.2	+4.4	1.6	
Hardware.....	-15.7	+5.3	-9.9	-15.9	-1.7	25.7	
Drugs.....	-22.5	+10.1	-16.7	-15.0	-2.2	30.8	

Retail Trade

Despite disturbing factors, a strengthened undertone of confidence was witnessed during March in the business of department stores in principal cities of the Eleventh District. Total sales averaged 18.2 per cent above those in February, and while a decrease of 21.0 per cent was registered as compared with the corresponding month of 1932, this figure was more favorable than that recorded for a similar comparison in February. The latter percentage is also particularly encouraging when it is recalled that department store business in March, 1932, included total Easter purchases, while this year the holiday occurred in the middle of April. As a result of the seasonal increase in sales being smaller than the average for March, this bank's adjusted index of department store sales dropped from 58.0 in February to 54.3 in March. The distribution of merchandise during the first quarter of 1933 was 20.7 per cent less than in the initial quarter of 1932.

Merchants increased their stocks of merchandise 4.1 per cent during March in preparation for the Easter buying, but their inventories continued materially below those a year ago. The rate of stock turnover during 1933 continued on the same scale as that of the previous year. During the first quarter of each year the rate was .62.

Contrary to the usual seasonal trend, collections evidenced a decline during March, and were less than a year ago. The ratio of March collections to accounts outstanding at the beginning of the month was 29.8 per cent, as against 30.9 per cent in February, and 30.7 per cent in March, 1932.

BUSINESS OF DEPARTMENT STORES

	Dallas	Fort Worth	Houston	San Antonio	Others	Total District
Total sales (percentage):						
March, 1933, compared with March, 1932.....	-22.7	-24.8	-8.3	-27.1	-22.1	-21.0
March, 1933, compared with February, 1933.....	+6.4	+24.3	+27.9	+21.7	+24.7	+18.2
January 1 to date compared with same period last year.....	-22.4	-23.4	-14.9	-26.2	-17.1	-20.7
Credit sales (percentage):						
March, 1933, compared with March, 1932.....	-22.6	-17.6	-3.8	-26.7	-21.6	-19.5
March, 1933, compared with February, 1933.....	+5.8	+33.7	+30.9	+27.2	+28.7	+19.9
January 1 to date compared with same period last year.....	-24.1	-22.9	-11.8	-28.2	-19.0	-21.7
Stocks (percentage):						
March, 1933, compared with March, 1932.....	-18.6	-19.3	-14.0	-28.9	-18.1	-19.2
March, 1933, compared with February, 1933.....	+2.1	+1.6	+10.3	+4.9	+4.8	+4.1
Stock turnover (rate):						
Rate of stock turnover in March, 1932.....	.23	.18	.25	.24	.21	.22
Rate of stock turnover in March, 1933.....	.22	.17	.27	.26	.20	.22
Rate of stock turnover January 1 to March 31, 1932.....	.67	.50	.67	.71	.52	.62
Rate of stock turnover January 1 to March 31, 1933.....	.63	.51	.73	.73	.55	.62
Ratio of March collections to accounts receivable outstanding March 1, 1933.....	30.9	23.6	33.5	34.7	27.6	29.8
Indexes of department store sales:						
Unadjusted—February, 1933.....	50.0	52.4	52.4	40.8	.....	48.7
Unadjusted—March, 1933.....	49.2	57.9	60.7	43.8	.....	51.6
Adjusted—February, 1933.....	56.8	63.1	61.6	49.2	.....	58.0
Adjusted—March, 1933.....	50.2	60.9	64.6	45.6	.....	54.3
Indexes of department store stocks:						
Unadjusted—February, 1933.....	42.9	61.5*	43.4	30.9	.....	46.2*
Unadjusted—March, 1933.....	44.0	62.5	46.9	32.8	.....	48.0
Adjusted—February, 1933.....	44.7	64.1*	46.7	30.6	.....	48.1*
Adjusted—March, 1933.....	43.6	60.7	46.9	30.0	.....	46.6

*Revised.

Commercial Failures

A sharp decline in the number and liabilities of commercial failures in the Eleventh Federal Reserve District was reported by Dun & Bradstreet for March. There were 58 defaults during the month with an aggregate indebtedness

of \$871,159 as compared with 93 failures in February owing \$1,665,933, and 102 insolvencies in March, 1932, with liabilities amounting to \$1,662,204. Both the number of failures and the indebtedness involved were the smallest since October, 1930.

AGRICULTURE*Crop Conditions*

Generally favorable weather for land preparation and planting operations prevailed during the past month. Over much of the district well distributed rains left a good surface and subsoil season, but in portions of West and Northwest Texas and part of Southern New Mexico there is a deficiency of moisture. Furthermore, in the latter areas the dry north winds have tended to deplete surface moisture and a good general rain would be beneficial to growing crops in most sections. Land preparation is practically completed in nearly all areas and the soil is in good condition for planting, except in those areas where the soil is too dry.

According to the April 1 report of the Department of Agriculture, the prospects for winter wheat are very poor. Seeding operations were carried on under unfavorable conditions as the soils were dry, then the December and February freezes, together with the dry winter weather in portions of the wheat territory caused severe damage. Severe dust storms in March and April have also reduced prospects. Heavy rains are needed over practically all of the area. Abandonment of acreage has been heavy and the Department stated that there was likely to be additional abandonment unless rains occur within a short time. The condition of the wheat crop in Texas on April 1 was only 50 per cent of normal, which was the lowest condition for that date since 1925, and compares with 76 per cent on April 1 last year. The condition on April 1 indicated a production of about 18,515,000 bushels, as compared with an actual production of 29,580,000 bushels in 1932, and 56,045,000 bushels in 1931. In Oklahoma the condition was 49 per cent of normal and indicates a production of 21,165,000 bushels as against a production of 43,626,000 bushels in 1932, and 74,919,000 bushels in 1931. In New Mexico and Arizona the indicated production on April 1 was larger than the 1932 production. While the February freezes killed a very large percentage of the oat crop and some of the acreage was not resown, reports indicate that the crop has made rapid growth and is now in generally good condition.

The planting of corn is nearing completion in all except the most northern areas and most of the crop is up to a good stand and making rapid growth. Cotton planting is well advanced in South Texas and is progressing rapidly in Central, North, and East Texas.

The condition of the Texas early Irish potato crop on April 1 was reported as 72 per cent of normal, as compared with 60 per cent a year ago. A better percentage of condition than a year ago was also reported for Louisiana and Oklahoma. The Texas peach crop was rated at 30 per cent of normal on April 1, whereas on that date a year ago it was only 23 per cent. The damage to the crop this year occurred in February, whereas a year ago the freezes came in March.

Intentions to Plant

According to the report of the Department of Agriculture on farmers' planting intentions as of March 1, 1933, the acreage devoted to principal crops, except cotton, in states attached to this district, will be smaller than a year ago. In

Texas the greatest decline occurred in oats due mostly to the heavy losses occasioned by the February freezes. It is also indicated that a substantial reduction in the acreage devoted to rice and sweet potatoes will occur. Peanuts was the only crop for which farmers indicated a larger acreage than a year ago. A probable reduction in corn acreage was reported for all states.

PLANTING INTENTIONS AS OF MARCH 1, 1933

Crop	Indicated acreage for harvest during 1933 in percentage of 1932 harvested acreage				
	Arizona	Louisiana	New Mexico	Oklahoma	Texas
Corn.....	95	98	90	96	93
Oats.....	110	106	85	86	62
Barley.....	120	...	120	100	92
Grain sorghums.....	90	...	96	107	100
Rice.....	...	90	...	...	76
Tame hay.....	95	90	105	100	100
Potatoes (Irish).....	...	105	...	92	92
Potatoes (sweet).....	...	85	...	98	75
Peanuts.....	...	96	...	117	105
Beans (dry).....	108	...	102	...	...
Soy beans.....	...	100	...	100	...
Cowpeas.....	...	100	...	100	90

Livestock

Weather conditions over most of the district during the past month have been very favorable to ranges and livestock. Although rains in the "High Plains" area of Texas relieved the dry situation temporarily, much additional rain is needed to furnish a subsoil season. The dry winds and sand storms have depleted surface moisture in many areas with the result that additional moisture would be very beneficial to range vegetation. In the Eastern half of Texas the frequent rains have caused a sappy growth of new grass. There has been a marked improvement in conditions in the sheep and goat territory due to the abundance of subsoil moisture. Grass and brush have made good growth and are now sufficient to supply sheep feed. Portions of New Mexico are still dry with old grass short and moisture needed to start new feed. Conditions are generally favorable in Southeastern Arizona. Calf and lamb crops are expected to be large in most sections of the district.

The condition of cattle ranges in Texas on April 1 was 81 per cent of normal, representing a gain of 3 points over a month earlier, and a year ago. Sheep and goat ranges rose from 74 per cent on March 1 to 82 per cent on April 1, and the latter figure was 4 points higher than on the corresponding date in 1932. The condition of Texas cattle was reported as 80 per cent of normal on April 1, which represents a gain of 1 point during the month. There was a gain of 5 points during the month in the condition of sheep and goats, and the figure for goats was 2 points higher than a year ago. The condition of both ranges and livestock in Arizona and New Mexico declined during March and the April 1 figure was lower than a year ago.

Movements and Prices

Receipts of all classes of livestock at the Fort Worth market during March were substantially larger than in February, and hog arrivals were noticeably larger than in the same month a year ago. Receipts of cattle, calves, and sheep were considerably smaller than in March last year.

Cattle prices during the past thirty days have strengthened somewhat and the demand at times had a better tone. Despite the heavier receipts, hog prices have been well sustained. The market improved during the last half of March, but reflected some recession in the following two weeks. Sheep

values have remained generally steady and lamb prices have shown some improvement.

FORT WORTH LIVESTOCK RECEIPTS
(Number)

	March 1933	March 1932	Change over year	February 1933	Change over month
Cattle.....	29,311	37,778	- 8,467	22,948	+ 6,363
Calves.....	9,186	11,082	- 1,896	7,733	+ 1,453
Hogs.....	50,253	36,673	+13,580	26,721	+23,532
Sheep.....	66,455	113,342	-46,887	38,819	-27,636

COMPARATIVE TOP LIVESTOCK PRICES
(Dollars per hundredweight)

	March 1933	March 1932	February 1933
Beef steers.....	\$4.75	\$6.75	\$4.60
Stocker steers.....	4.35	5.50	4.10
Butcher cows.....	3.00	3.25	2.50
Stocker cows.....	2.25	.....	2.50
Calves.....	5.50	8.00	5.40
Hogs.....	3.95	4.65	3.60
Sheep.....	2.75	4.00	2.65
Lambs.....	4.50	8.75	5.00

FINANCE

Operations of the Federal Reserve Bank

Federal Reserve Bank loans to member banks, which amounted to \$7,253,000 on March 15, reflected a gradual recession during the subsequent 31-day period and on April 15 totaled \$5,762,000. While there was a decline in the borrowings of both reserve city banks and country banks, the greater portion of the reduction was made by reserve city banks. Total borrowings on April 15, 1932, amounted to \$12,655,000. There were 164 borrowing banks on April 15 as compared with 182 a month earlier, and 205 at the middle of April, 1932. This bank's investments in United States securities totaled \$48,939,000 on April 15, the same as a month earlier, and represents a gain of \$21,076,000 over the corresponding date a year ago. Holdings of bankers' acceptances bought in the open market amounted to \$538,000 on April 15 as against \$3,450,000 on March 15, and \$1,960,000 on the same date a year earlier. The reserve deposits of member banks, which rose to \$76,622,000 on March 15, had declined to \$51,027,000 on April 15, and the latter figure compares with reserve deposits of \$44,235,000 on the corresponding date in 1932. The actual circulation of Federal reserve notes totaled \$41,628,000 at the middle of April as compared with \$57,645,000 a month earlier, and \$37,692,000 a year ago.

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

	April 15, 1933	April 15, 1932	March 15, 1933
Total cash reserves.....	\$45,852	\$51,503	\$82,525
Discounts for member banks.....	5,762	12,655	7,253
Other bills discounted.....	None	None	None
Bills bought in the open market.....	538	1,960	3,450
United States securities owned.....	48,939	27,863	48,939
Other investments.....	5	5	5
Total earning assets.....	55,244	42,483	59,647
Member bank reserve deposits.....	51,027	44,235	76,622
Federal reserve notes in actual circulation...	41,628	37,692	57,645

Condition of Member Banks in Selected Cities

A decline in loans, investments, and deposits during the four-week period ending April 12 was reflected in the reports of member banks in selected cities. The United States securities owned by these banks on April 12 amounted to \$92,306,000, which was \$4,012,000 less than those on March 15, but \$5,087,000 above those held on the corresponding date last year. Their investments in other stocks and bonds rose \$834,000 between March 15 and April 12, but on the latter date they were \$4,498,000 less than a year ago. While their loans on securities rose \$243,000 during the four-week period, "all other" loans (largely commercial) declined \$878,000, making a

net reduction of \$635,000 in total loans. As compared with a year ago, there was a recession of \$46,014,000 in total loans. Reflecting in part the transfer of funds to Eastern centers, the net demand deposits of these banks declined from \$231,567,000 on March 15 to \$213,939,000 on April 12. There was a recession of \$1,696,000 in time deposits during the same period. Combined net demand and time deposits on April 12 were \$27,970,000 less than on the corresponding date in 1932. Due to the accumulation of excess reserves at the Federal Reserve Bank immediately preceding and during the banking holiday, the reserves of these banks at the Federal Reserve Bank amounted to \$53,180,000 on March 15, but by April 12 they had receded to \$29,586,000, which was practically the same as a year ago. Their borrowings from the reserve bank amounted to \$435,000 on April 12 as compared with \$1,605,000 on March 15, and \$1,734,000 on April 13, 1932.

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

	April 12, 1933	April 13, 1932	March 15, 1933
United States securities owned.....	\$ 92,306	\$ 87,219	\$ 96,318
All other stocks, bonds, and securities owned.....	55,345	59,843	54,511
Loans on securities.....	67,982	77,737	67,739
All other loans.....	145,317	181,576	146,195
Total loans.....	213,299	259,313	213,934
Net demand deposits.....	213,939	239,711	231,567
Time deposits.....	124,434	126,632	126,130
Reserve with Federal Reserve Bank.....	20,586	29,268	53,180
Bills payable and rediscounts with Federal Reserve Bank.....	435	1,734	1,605

Acceptance Market

There was a substantial expansion in the volume of bankers' acceptances executed in this district and outstanding at the close of March; yet the total was considerably below that of the same date last year. The amount reported on March 31 was \$1,290,375, as against \$910,500 on February 28, and \$2,409,627 on the last day of March, 1932. The major part of the increase over February was reflected in acceptances based on the domestic shipment and storage of goods.

Deposits of Member Banks

A decline of \$5,289,000, largely attributable to seasonal causes, was reflected in the combined daily average of net demand and time deposits of member banks in this district during March. The average amounted to \$602,323,000, as against \$607,612,000 in February, and \$656,444,000 in March a year ago. Daily average net demand deposits decreased from \$415,200,000 in February to \$413,776,000 in the succeeding month; time deposits were reduced from

\$192,412,000 in the former month to \$188,547,000 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., 1932.....	\$461,557	\$194,887	\$221,835	\$117,339	\$239,722	\$77,548
April, 1932.....	445,050	191,293	216,649	115,732	228,401	75,561
May, 1932.....	434,865	190,729	212,117	115,372	222,748	75,357
June, 1932.....	422,594	189,066	207,155	115,634	215,439	73,432
July, 1932.....	421,727	186,995	209,225	114,505	212,502	72,490
Aug., 1932.....	409,254	187,908	201,130	114,532	208,124	73,376
Sept., 1932.....	413,291	187,040	202,121	113,937	211,170	73,103
Oct., 1932.....	413,190	189,716	200,582	116,186	212,608	73,530
Nov., 1932.....	421,165	193,246	204,361	116,816	216,804	76,430
Dec., 1932.....	420,762	192,266	202,913	117,465	217,849	74,801
Jan., 1933.....	416,655	194,407	201,437	119,215	215,218	75,192
Feb., 1933.....	415,200	192,412	199,397	118,756	215,803	73,656
Mar., 1933.....	413,776	188,547	202,276	115,737	211,500	72,810

Debits to Individual Accounts

Due in part to the closing of banks during a portion of the month, March debits to individual accounts at banks in principal cities in this district reflected a decline of 10.9 per cent from February, and 28.1 per cent from March, 1932. The total for the month was \$356,697,000, as compared with \$400,235,000 in the previous month, and \$496,140,000 in the corresponding month last year.

DEBITS TO INDIVIDUAL ACCOUNTS
(In thousands of dollars)

	March 1933	March 1932	Percentage change over year	February 1933	Percentage change over month
Abilene.....	\$ 3,386	\$ 3,943	-14.1	\$ 4,155	-18.5
Austin.....	14,056	19,418	-27.6	17,027	-17.4
Beaumont.....	10,887	15,139	-28.1	11,704	-7.0
Corsicana.....	1,584	2,970	-46.7	2,083	-24.0
Dallas.....	97,141	142,016	-31.6	109,397	-11.2
El Paso.....	11,666	18,828	-38.0	13,326	-12.5
Fort Worth.....	37,800	54,488	-30.6	39,984	-5.5
Galveston.....	13,924	20,029	-30.5	15,025	-7.3
Houston.....	88,667	108,345	-18.2	101,838	-12.9
Port Arthur.....	3,392	4,928	-31.2	3,501	-3.1
Roswell.....	1,423	1,759	-19.1	1,530	-7.0
San Antonio.....	33,751	48,437	-30.3	35,307	-4.4
Shreveport.....	16,237	22,907	-29.3	18,860	-13.9
Texarkana*.....	3,425	5,629	-39.2	4,657	-26.5
Tucson.....	5,808	8,579	-32.3	6,580	-11.7
Waco.....	6,811	10,259	-33.6	8,215	-17.1
Wichita Falls....	6,739	8,406	-19.8	7,046	-4.4
Total.....	\$356,697	\$496,140	-28.1	\$400,235	-10.9

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

Savings Deposits

The amount of savings deposits at 141 banks in this district which operate a savings department was \$135,858,073 on March 31, representing a decline of 2.0 per cent from that on February 28, and 4.1 per cent from that at the close of March, 1932. There were 323,164 savings depositors at 129 of these banks as compared with 326,778 a month earlier and 338,258 a year ago.

SAVINGS DEPOSITS

	Number of reporting banks	March 31, 1933		March 31, 1932		Percentage change over year in savings deposits	February 28, 1933		Percentage change over month in savings deposits
		Number of savings depositors	Amount of savings deposits	Number of savings depositors	Amount of savings deposits		Number of savings depositors	Amount of savings deposits	
Beaumont.....	3	5,034	\$ 3,022,751	4,487	\$ 2,596,797	+16.4	5,952	\$ 3,041,806	- .6
Dallas.....	9*	74,087	24,203,211	75,665	25,357,595	- 4.6	74,723	25,188,393	- 3.9
El Paso.....	2	10,422	3,282,663	10,775	3,031,687	+ 8.3	10,615	3,336,474	- 1.6
Fort Worth.....	4	33,293	10,952,591	34,541	11,128,085	- 1.6	33,648	11,386,050	- 3.8
Galveston.....	4	16,838	9,788,328	17,786	11,050,852	-11.4	16,968	9,776,162	+ .1
Houston.....	11*	65,218	29,261,246	68,367	30,449,155	- 3.9	65,603	30,024,662	- 2.5
Port Arthur.....	2	4,284	1,880,049	4,520	1,815,269	+ 3.6	4,252	1,849,370	+ 1.7
San Antonio.....	8	21,542	14,174,311	21,997	14,547,626	- 2.6	21,869	14,456,504	- 2.0
Shreveport.....	4	21,797	9,022,060	25,232	10,442,151	-13.6	22,039	9,143,425	- 1.3
Waco.....	3	10,276	5,596,154	10,256	5,454,825	+ 2.6	10,314	5,608,585	- .2
Wichita Falls....	3	5,620	2,277,627	5,604	2,311,149	- 1.5	5,630	2,297,886	- .9
All others.....	88*	54,753	22,397,082	59,028	23,503,994	- 4.7	55,165	22,569,598	- .8
Total.....	141	323,164	\$135,858,073	338,258	\$141,689,185	- 4.1	326,778	\$138,678,915	- 2.0

*Only 8 banks in Dallas, 10 in Houston, and 78 in "All others" reported the number of savings depositors.

APRIL DISCOUNT RATES

Prevailing rates:

	Dallas	El Paso	Fort Worth	Houston	San Antonio	Waco
Rates charged customers on prime commercial paper such as is now eligible for rediscount under the Federal Reserve Act.....	4-7	6-8	4½-8	5-7	5-8	6-8
Rate charged on loans to other banks secured by bills receivable.....	5-8	5-8	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	5-10	5-7	6-8	6-8
Time.....	5-8	6-8	5-10	5-7	6-8	6-8
Rate charged on commodity paper secured by warehouse receipts, etc.....	3½-7	8	5-8	5-7	6-8	6
Rate on cattle loans.....	6-8	6-8	6-10	7-10	6-10	8

INDUSTRY

Cottonseed Products

The operations of cottonseed oil mills in both Texas and the United States reflected the customary seasonal decline during March, but they were on a higher scale than a year ago, with the exception of seed receipts. The month's activities also compared very favorably with the 1921-31 average; the receipts and crushings of seed and the production of all products except linters showed larger figures than the average. Although operations during March were greater than

in the corresponding month of 1932, the increase was insufficient to overcome previous declines registered during the current season, consequently, activities during the period from August 1 to March 31 remained below those in the same period last season. Stocks of cottonseed on hand at the close of March were seasonally smaller than a month earlier, but they remained above those held on the same date last year. While supplies of cake and meal, and linters at both Texas and American mills were smaller than those at

the close of February, they were slightly larger than a year ago. Inventories of crude oil remained above those held on the same date of 1932, and at all United States mills they were fractionally greater than a month earlier.

STATISTICS ON COTTONSEED AND COTTONSEED PRODUCTS

	Texas		United States	
	August 1 to March 31	Last season	August 1 to March 31	Last season
Cottonseed received at mills (tons).....	1,383,750	1,602,138	4,267,956	5,298,234
Cottonseed crushed (tons).....	1,287,876	1,382,395	3,817,786	4,598,504
Cottonseed on hand Mar. 31 (tons).....	271,142	232,902	749,164	709,502
Crude oil produced (pounds).....	389,844,381	412,374,760	1,183,784,181	1,442,874,940
Cake and meal produced (tons).....	592,622	649,972	1,722,638	2,062,909
Hulls produced (tons).....	381,608	399,135	1,082,324	1,296,814
Linters produced (running bales).....	152,761	178,718	602,410	737,270
Stocks on hand March 31:				
Crude oil (pounds).....	36,331,632	29,130,092	116,746,493	88,678,027
Cake and meal (tons).....	73,455	42,367	286,197	203,033
Hulls (tons).....	48,469	69,193	113,223	217,575
Linters (running bales).....	85,859	80,696	284,195	283,893

Textile Milling

An increase, appreciably larger than is usual at this season, was evidenced during March in the consumption of cotton at all United States mills, and a further increase was reflected as compared with the corresponding month of 1932. Total consumption during the month was 494,167 bales, as against 441,663 bales in February, and 488,907 bales in March last year. The increase over a year ago is accounted for entirely by the greater consumption at mills located in cotton-growing states. During the eight months of the current season there were 3,747,316 bales of cotton consumed, which was 5.1 per cent above the consumption of 3,565,889 bales in the same period of the previous season. Stocks of raw cotton at consuming establishments on March 31 continued below those a month earlier and a year ago.

Operations of Texas textile mills during March also showed an encouraging increase over the previous month and the corresponding month last year; both the consumption of cotton and the production of cloth participating in the increase. Orders on hand at the close of March were greater than at the end of either comparative month. Inventories of finished products held on March 31 were also greater than those on February 28, or March 31, 1932.

COTTON CONSUMED AND ON HAND (Bales)

	March		August 1 to March 31	
	1933	1932	This season	Last season
Cotton-growing states:				
Cotton consumed.....	412,305	398,205	3,133,972	2,919,847
On hand March 31 in—				
Consuming establishments.....			1,066,519	1,244,717
Public storage and compresses.....			8,409,347	8,356,660
United States:				
Cotton consumed.....	494,167	488,907	3,747,316	3,565,889
On hand March 31 in—				
Consuming establishments.....			1,343,314	1,566,080
Public storage and compresses.....			8,906,571	8,769,049

Cotton Movements

Although a further seasonal decline was witnessed during March in the exports of cotton through the ports of Houston and Galveston, the reduction at the latter port was very small. The comparisons with the corresponding month of 1932, however, reflected another marked decline. During the current season August through March, the combined shipments from both ports continued 17.7 per cent below those in the same period of the previous season. The receipts of cotton

continued their seasonal falling-off, and they too were noticeably smaller than a year ago. Stocks on hand at the close of March showed a further reduction from those a month earlier, but at Houston they remained above those held on the corresponding date of the preceding year.

A decline much larger than usual for this season was evidenced during March in the total foreign exports of cotton from all United States ports. Shipments were also 11.1 per cent below the 1918-30 March average. There were 487,988 bales of cotton exported during the month, as compared with 557,022 bales in February, and 927,127 bales in March, 1932. During the eight months of the current season, August through March, exports aggregated 6,084,724 bales, which represents a decline of 11.2 per cent from those in the same period of the preceding season. The unusually large seasonal decline in exports during March is attributable to a sharp falling-off in the takings of the United Kingdom, France, and Germany.

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON (Bales)

	March		August 1 to March 31	
	1933	1932	This season	Last season
Receipts.....	77,292	133,146	1,830,349	2,218,621
Exports.....	148,706	241,962	1,557,757	1,834,571
Stocks, March 31.....			734,771	772,550

COTTON—GALVESTON STOCK STATEMENT (Bales)

	March 31, 1933	March 31, 1932
For Great Britain.....	4,500	5,500
For France.....	4,000	4,000
For other foreign ports.....	31,500	42,500
For coastwise ports.....	3,000	2,000
In compresses and depots.....	691,771	718,551
Total.....	734,771	772,550

COTTON MOVEMENTS THROUGH THE PORT OF HOUSTON (Bales)

	March		August 1 to March 31	
	1933	1932	This season	Last season
Receipts.....	94,649	123,978	2,528,952	3,075,260
Exports.....	177,126	240,908	1,876,636	2,338,771
Stocks, March 31.....			1,719,936	1,429,140

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

	August 1 to March 31	
	This season	Last season
Receipts.....	7,563,737	9,082,643
Exports: United Kingdom.....	1,053,810	983,477
France.....	681,521	333,494
Italy.....	580,589	486,872
Germany.....	1,291,582	1,239,685
Other Europe.....	722,406	587,328
Japan.....	1,311,322	1,965,043
All other countries.....	443,494	1,256,534
Total foreign ports.....	6,084,724	6,852,433
Stocks at all United States ports, March 31.....	4,347,267	4,418,812

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

	March, 1933		April 13, 1933
	High	Low	
New York.....	6.85	6.10	6.85
New Orleans.....	6.80	5.95	6.72
Dallas.....	6.40	5.55	6.35
Houston.....	6.60	5.90	6.70
Galveston.....	6.65	5.95	6.75

Petroleum Production of crude oil in this district was at a high level during March, the total reported amounting to 29,773,950 barrels. This compares with 24,686,200 barrels in the previous month, and 28,069,300 barrels in the same month last year. Although a material part of the increase over February was ascribable to the three-day longer month, there was nevertheless a considerable rise of 78,800 barrels in the daily average output. A further substantial decline was reflected in the number of wells completed, the number of producers, and their combined initial yield, each of these figures being at the lowest point reached in two years. Of the 437 new wells completed during March, 285 were successful and had an initial flush output of 1,126,900 barrels.

The daily average yield recorded for all Texas wells amounted to 891,500 barrels, which was 77,100 barrels above the February average, and 50,956 barrels higher than in March, 1932. East Texas was responsible for 46,450 barrels of the gain over the preceding month, with the Gulf Coast accounting for an expansion of 19,300 barrels and

North Texas showing an increase of 9,850 barrels. Small gains occurred in New Mexico and North Louisiana.

MARCH DRILLING RESULTS

	Com-pletions	Pro-ducers	Gas Wells	Fail-ures	Initial Production
North Texas.....	53	22	1	30	2,730
Central West Texas.....	50	17	6	27	2,315
East Central Texas.....	134	124	1	9	936,745
South Texas.....	68	28	3	37	10,590
Texas Coastal.....	108	84	..	24	146,100
Total Texas.....	413	275	11	127	1,098,480
New Mexico.....	6	6	..	..	25,285
North Louisiana.....	18	4	1	13	3,135
March totals, district.....	437	285	12	140	1,126,900
February totals, district.....	537	352	18	167	1,511,614

CRUDE OIL PRICES

	April 7, 1933	April 8, 1932
Texas Coastal (34 gr. and above).....	\$.62	\$1.00*
North Texas and North Louisiana (40 gr. and above).....	.52	1.00

*Price paid for oil, 40 gr. and above.

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

OIL PRODUCTION—(Barrels)

	March, 1933		Increase or decrease over February, 1933	
	Total	Daily Avg.	Total	Daily Avg.
North Texas.....	3,090,700	99,700	+ 574,900	+ 9,850
Central West Texas.....	5,735,000	185,000	+ 602,600	+ 1,700
East Central Texas.....	12,621,650	407,150	+2,522,050	+46,450
Texas Coastal.....	4,659,300	150,300	+ 991,300	+19,300
South Texas.....	1,529,850	49,350	+ 142,450	- 200
Total Texas.....	27,636,500	891,500	+4,833,300	+77,100
New Mexico.....	1,154,750	37,250	+ 115,950	+ 150
North Louisiana.....	982,700	31,700	+ 138,500	+ 1,550
Total District.....	29,773,950	960,450	+5,087,750	+78,800

Building The valuation of construction permits issued at principal centers in the Eleventh Federal Reserve District, which during March totaled \$946,341, was 10.0 per cent below the volume of the previous month, and 72.0 per cent smaller than in the corresponding month a year ago. At eight of the fourteen reporting cities, total valuation was substantially higher than in February. Building permits issued during the first three months of the current year averaged 58.9 per cent less than in the first quarter of 1932.

BUILDING PERMITS

	March, 1933		March, 1932		Percentage change valuation over year	February, 1933		Percentage change valuation over month	Three Months				Percentage change valuation over period
	No.	Valuation	No.	Valuation		1933			1932				
						No.	Valuation		No.	Valuation			
Amarillo.....	24	\$ 10,160	25	\$ 43,865	- 76.8	4	\$ 740	*	41	\$ 26,411	73	\$ 94,385	-72.0
Austin.....	68	72,355	111	1,786,765	- 96.0	63	385,490	- 81.2	216	508,469	269	2,539,190	-80.0
Beaumont.....	88	8,652	102	47,272	- 81.7	75	17,905	- 51.7	219	35,835	271	115,543	-69.0
Corpus Christi..	23	12,490	48	19,348	- 35.4	13	9,963	+ 25.4	53	26,233	95	38,413	-31.7
Dallas.....	240	98,794	298	227,302	- 56.5	211	278,304	- 64.5	728	547,104	751	648,612	-15.7
El Paso.....	32	11,036	38	55,174	- 80.0	23	47,380	- 76.7	83	68,685	96	91,205	-24.7
Fort Worth.....	77	255,123	126	126,425	+101.8	58	67,000	+280.8	231	407,523	400	436,882	- 6.7
Galveston.....	107	57,690	110	62,818	- 8.2	59	28,955	+ 99.2	240	106,775	360	177,696	-39.9
Houston.....	202	143,365	241	402,795	- 64.4	116	123,805	+ 15.8	480	525,717	635	1,052,475	-50.0
Port Arthur.....	39	7,755	35	5,477	+ 41.6	27	3,300	+135.0	91	15,960	90	28,069	-43.1
San Antonio.....	143	222,133	251	501,824	- 55.7	106	26,317	+744.1	369	297,291	566	695,441	-57.3
Shreveport.....	90	16,540	131	36,332	- 54.5	84	34,247	- 51.7	251	65,901	371	100,510	-34.4
Waco.....	24	25,826	53	48,159	- 46.4	21	23,453	+ 10.1	70	74,645	118	140,472	-46.9
Wichita Falls...	27	4,422	31	13,273	- 66.7	13	4,662	- 5.1	63	11,029	49	450,603	-97.6
Total.....	1,184	\$ 946,341	1,600	\$3,376,820	- 72.0	873	\$1,051,521	- 10.0	3,135	\$2,717,598	4,144	\$ 6,609,496	-58.9

*Increase over one thousand per cent.

Cement A sharp increase in the March production and shipments of cement from Texas was registered as compared with the previous month. The gain in production was 90.4 per cent over February and 23.4 per cent over March, 1932. While shipments in March exceeded those of the previous month by 84.7 per cent, they

were 1.3 per cent below those in the corresponding month last year. Mill stocks were the same as a month earlier, and 17.0 per cent less than a year ago. Production and shipments during the first quarter of 1933 averaged 10.3 per cent and 1.6 per cent, respectively, lower than in the same period of 1932.

PRODUCTION, SHIPMENTS, AND STOCKS OF PORTLAND CEMENT

(In thousands of barrels)

	March 1933	Percentage change from		January 1 through March 31	Percentage change from year
		March 1932	Feb. 1933		
Production at Texas mills.....	375	+23.4	+90.4	827	-10.3
Shipments from Texas mills.....	375	- 1.3	+84.7	863	- 1.6
Stocks at end of month at Texas mills.....	640	-17.0	0.0	.....	.....

SUMMARY OF NATIONAL BUSINESS CONDITIONS

(Compiled by the Federal Reserve Board as of April 25, 1933)

Production and distribution of commodities, which declined during the latter part of February and the early part of March, increased after the middle of the month. The return flow of currency to the reserve banks, which began with the reopening of banks on March 13, continued in April. Following the announcement by the President on April 19 that the issuance of licenses for the export of gold would be suspended, the value of foreign currencies in terms of the dollar advanced considerably and there was increased activity in the commodity and security markets.

PRODUCTION AND EMPLOYMENT

Production at factories and mines decreased from February to March, contrary to seasonal tendency, and the Board's seasonally adjusted index declined from 64 per cent of the 1923-25 average to 60 per cent, compared with a low level of 58 per cent in July, 1932. At steel mills there was a decline in activity from an average of 20 per cent of capacity in February to 15 per cent in March, followed by an increase to more than 20 per cent for the month of April, according to trade reports. In the automobile industry, where there was also a sharp contraction in output when the banks were closed, there was a rapid increase after the reopening of banks. From February to March, production in the food and cotton textile industries showed little change in volume, activity in the woolen industry declined sharply, and there was a reduction in daily average output at shoe factories. At lumber mills activity increased from the low rate of February, while output of bituminous coal declined by a substantial amount. The volume of factory employment and payrolls showed a considerable decline from the middle of February to the middle of March. Comprehensive figures on developments since the reopening of banks are not yet available. Value of construction contracts awarded in the first quarter, as reported by the F. W. Dodge Corporation, was smaller than in the last quarter of 1932 by about one-third.

DISTRIBUTION

Volume of freight-car loadings, on a daily average basis, declined from February to March by about 7 per cent, reflecting in large part a substantial reduction in shipments of coal. Shipments of miscellaneous freight and merchandise, which usually increase at this season, declined in the early part of March and increased after the middle of the

month. Department store sales, which had declined sharply in the latter part of February and in the first half of March, increased rapidly after the reopening of banks.

WHOLESALE PRICES

Wholesale prices of leading commodities fluctuated widely during March and the first three weeks of April. In this period grain prices increased sharply and prices of cotton, hides, non-ferrous metals, pig iron, scrap steel, and several imported raw materials advanced considerably. During the same period there were reductions in the prices of rayon, petroleum, and certain finished steel products.

BANK CREDIT

Currency returned rapidly to the reserve banks and the Treasury following the reopening of the banks, and on April 19 the volume of money in circulation was \$1,500,000,000 less than on March 13, when the peak of demand was reached. Funds arising from the return flow of currency were used to reduce the reserve banks' holdings of discounted bills by \$1,035,000,000 and their holdings of acceptances by \$200,000,000. At the same time member bank reserve balances increased by \$390,000,000. As a result of the decline in Federal reserve note circulation and an increase in Federal reserve bank reserves, chiefly through the redeposit of gold and gold certificates, the reserve ratio of the twelve Federal reserve banks combined advanced from 46.5 per cent on March 13 to 61.5 per cent on April 19. Deposits of reporting member banks in New York increased rapidly after the reopening of the banks, and on April 19 net demand deposits were \$620,000,000 larger than on March 15, reflecting in part an increase of \$380,000,000 in bankers' balances as funds were redeposited by interior banks. Money rates in the open market, after a temporary advance in the early part of March, declined rapidly but were still somewhat higher than early in February. By April 21 rates on prime commercial paper had declined from 4½ per cent to a range of 2-2½ per cent, rates on 90-day bankers' acceptances from 3⅝ per cent to ⅝ of one per cent, rates on renewals of call loans on the Stock Exchange from 5 per cent to one per cent. On April 7 the discount rate of the Federal Reserve Bank of New York was reduced from 3½ to 3 per cent. The bank's buying rate on 90-day bankers' acceptances was reduced from 3½ per cent on March 13 to 2 per cent on March 22.