

MONTHLY BUSINESS REVIEW

OF THE

FEDERAL RESERVE BANK OF DALLAS

C. C. WALSH

Chairman and Federal Reserve Agent

CHAS. C. HALL—W. J. EVANS

Assistant Federal Reserve Agents

(Compiled May 15, 1933)

Volume 18, No. 4

Dallas, Texas, June 1, 1933

This copy is released for publication in morning papers—May 30

DISTRICT SUMMARY

THE SITUATION AT A GLANCE Eleventh Federal Reserve District

	April 1933	Change from March
Bank debits to individual accounts (at 17 cities).....	\$406,847,000	+ 14.1%
Department store sales.....		+ 20.5%
Reserve bank loans to member banks at end of month.....	\$ 8,811,168	+ 51.6%
Reserve bank ratio at end of month.....	48.4%	— .2 points
Building permit valuation at larger centers....	\$ 1,070,678	+ 13.1%
Commercial failures (number).....	65	+ 12.1%
Commercial failures (liabilities).....	\$ 852,051	— 2.2%
Oil production (barrels).....	26,800,500	— 10.0%

cerns. The liabilities of defaulting firms were slightly less than in March and less than half of those in April, 1932.

Federal reserve bank loans to member banks, after rising substantially during the last half of April, declined during the subsequent two weeks and on May 15 were only slightly larger than a month earlier. There was a moderate increase in the commercial loans of banks in selected cities between April 12 and May 10 for the first time in several months. Federal reserve notes in actual circulation reflected a further decline. The daily average of combined net demand and time deposits of member banks in this district amounted to \$584,171,000, as compared with \$602,323,000 in March and \$636,343,000 in April, 1932.

The agricultural and livestock industries were affected adversely during the past month by unfavorable weather conditions. High winds and dry weather in the western half of the district and wet soil in portions of the eastern half retarded planting operations and crop growth. While the recent rains have partially relieved the drouth situation, there are some areas where moisture is urgently needed. Small grains are in poor to only fair condition and indications point toward very low yields. Although ranges deteriorated during the past month, livestock held up well and should improve in those sections which have had rainfall. Market prices for livestock have turned upward, and range trading is more active.

The April valuation of building permits issued at principal cities, while 13 per cent larger than in March, was 64 per cent less than a year ago. Production and shipments of cement from Texas mills reflected a moderate decline as compared with both the previous month and the same month last year.

Increased activity of business and industry and a further strengthening of confidence were outstanding developments in the Eleventh Federal Reserve District during the past thirty days. The April sales of department stores in leading cities reflected a further gain of 21 per cent over the previous month and were only 2 per cent less than in the same month last year. While the pre-Easter buying accounted for part of the gains, reports indicate that business improvement continued during the last half of April and the first part of May. Wholesale distribution has likewise felt the effects of increased consumer buying. Sales in most reporting lines increased between March and April, and there was a narrowing of the margin of decline as compared with a year ago. A factor of considerable importance has been the reappearance of substantial forward buying in some lines. Collections reflected a substantial improvement.

While the number of commercial failures was slightly larger than in March, it was considerably under that of a year ago, and was made up mostly of small trading con-

BUSINESS

Wholesale Trade

A further expansion in activity at wholesale was visible in the Eleventh District during April. Business in the lines of

groceries, dry goods, farm implements, and hardware reflected contrary to seasonal increases, and in the case of drugs there was a decline of less than the usual seasonal amount. The comparisons with a year ago were more favorable than in March. Dollar sales of dry goods were 1.8 per

cent above those of April, 1932, and the decreases registered in other lines ranged from 3.6 per cent in the case of groceries to 21.0 per cent in the case of farm implements. A factor in the improving business situation during recent weeks has been the material advance in prices of farm commodities and of many finished products. There was little change in inventories during the month. April collections in every line were larger than those of the previous month.

Although an appreciable slowing down in business is usually apparent in April, the distribution of dry goods through wholesale channels last month not only held up to the March volume, but showed a further gain of 16.0 per cent. Sales were 1.8 per cent larger than in April a year ago, this being the most favorable comparison reported since May, 1929. Some merchants, because of the advancing market, have been placing forward orders. The volume of collections was about one-fourth larger than in March.

Contrary to the usual tendency in April, the demand for hardware at wholesale reflected a gain of 15.8 per cent as compared with the previous month, and was only 5.2 per cent below that of the same month last year. In March there was a similar decline of 15.7 per cent. Reports indicate a continued improvement in business, and some advances in prices have been in evidence. April collections were 15.4 per cent above those of the preceding month.

Total sales of reporting wholesale drug firms in the Eleventh District during April reflected a seasonal decrease of 4.2 per cent, and while they were 18.1 per cent less than in the corresponding month a year ago, this is a more favorable comparison than was shown in February or March. Three of the ten firms reported better business than in March, and in one case there was a slight gain over April last year. Collections aggregated 10.9 per cent more than the March volume.

While the distribution of groceries during April showed a further non-seasonal increase of 2.2 per cent, the improvement was somewhat spotty and some firms reported declines. As compared with the same month last year, there was a reduction of 3.6 per cent. The average decrease for the first four months of the current year, as compared with the same period in 1932, amounted to 4.7 per cent. Reports indicate that the trend of prices is upward and that business continues to show a perceptible betterment. Collections increased further during April.

An expansion of 73.6 per cent was witnessed in the sales of farm implements at wholesale during April. There was a reduction of 21.0 per cent from the same month last year, as compared with a like decrease of 41.6 per cent in March. Inventories at the close of April were practically the same as they were a month earlier and a year ago. Collections

turned upward and were on a scale 41.3 per cent larger than in the previous month.

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

	Net Sales April, 1933 compared with April, 1932		Net Sales Jan. 1 to date compared with same period last year	Stocks April, 1933 compared with April, 1932		Ratio of collec- tions during April to accounts and notes outstanding on March 31
	Mar., 1933			Mar., 1933		
Groceries.....	- 3.6	+ 2.2	- 4.7	-12.0	+ 5.2	61.6
Dry goods.....	+ 1.8	+16.0	-10.7	-20.2	- 3.0	25.6
Farm implements..	-21.0	+73.6	-31.2	. 3	. 1	2.3
Hardware.....	- 5.2	+15.8	- 7.8	-15.4	+ .1	29.2
Drugs.....	-18.1	- 4.2	-17.0	-16.5	- 1.0	33.7

Retail Trade

Stimulated by a late Easter and a stronger feeling of confidence among the buying public, department stores in leading cities of the Eleventh District witnessed a very encouraging up-turn in the demand for merchandise during April. The total dollar volume of sales was 20.5 per cent greater than in March, and only 1.9 per cent less than in the corresponding month a year ago. The latter percentage is very significant due to the fact that it is the smallest decline recorded for that comparison since April, 1930. Despite the slight decline from a year ago in total sales many departments showed substantial increases. Departments reflecting the largest gains were: neckwear and scarfs; handkerchiefs; women's coats and suits; juniors' and girls' wear; men's clothing, and hats and caps; boys' wear; and men's and boys' shoes. This bank's seasonally adjusted index of department store sales also evidenced an appreciable increase during the month, increasing from 54.3 in March to 66.8 in April. Merchandise distribution during the four months of 1933 was 15.6 per cent less than in the same period last year, comparing with a similar decline of 20.7 per cent in March.

Stocks of merchandise held on April 30 were 0.9 per cent above those on hand a month earlier, but they continued materially below those held on the same date last year. The rate of stock turnover during the first four months of 1933 was .88, as against .84 in the same period last year.

Collections on charge accounts outstanding on the first of the month evidenced the usual seasonal increase during April, the ratio being 31.9 per cent in the past month, as compared with 29.8 per cent in March, and 31.7 per cent in April, 1932.

BUSINESS OF DEPARTMENT STORES

Total sales (percentage):	Dallas	Fort Worth	Houston	San Antonio	Others	Total District
April, 1933, compared with April, 1932.....	-5.9	-3.1	+13.2	-6.9	-4.6	-1.9
April, 1933, compared with March, 1933.....	+17.0	+16.2	+30.5	+32.2	+9.4	+20.5
January 1 to date compared with same period last year.....	-18.1	-18.1	-7.2	-19.5	-13.9	-15.6
Credit sales (percentage):						
April, 1933, compared with April, 1932.....	-8.0	-3.4	+14.2	-4.0	-6.6	-2.9
April, 1933, compared with March, 1933.....	+16.9	+10.4	+27.8	+31.2	+5.8	+18.0
January 1 to date compared with same period last year.....	-20.0	-17.7	-4.6	-20.5	-15.4	-16.6
Stocks (percentage):						
April, 1933, compared with April, 1932.....	-18.4	-18.6	-9.2	-24.3	-20.4	-18.3
April, 1933, compared with March, 1933.....	-.6	-1.1	+7.6	+1.8	-.5	+.9
Stock turnover (rate):						
Rate of stock turnover in April, 1932.....	.22	.17	.25	.26	.18	.21
Rate of stock turnover in April, 1933.....	.25	.20	.32	.34	.21	.26
Rate of stock turnover January 1 to April 30, 1932.....	.90	.68	.92	.98	.72	.84
Rate of stock turnover January 1 to April 30, 1933.....	.88	.71	1.05	1.07	.78	.88
Ratio of April collections to accounts receivable outstanding April 1, 1933.....	33.4	24.4	36.6	36.4	29.3	31.9
Indexes of department store sales:						
Unadjusted—April, 1933.....	61.3	72.7	82.3	62.3	.....	66.1
Adjusted—April, 1933.....	61.9	72.7	81.5	60.5	.....	66.8
Indexes of department store stocks:						
Unadjusted—April, 1933.....	43.4	61.8	48.4	33.7	.....	47.9
Adjusted—April, 1933.....	42.1	59.4	47.0	31.8	.....	46.1

Commercial Failures

Despite a slightly higher business mortality rate during April than in the preceding month, the combined liabilities of defaulting firms reflected a further decrease from the low level of March. According to the report compiled by Dun & Bradstreet, Inc., there were 65 commercial failures in the

Eleventh District during April, as compared with 58 in the previous month, and 82 in April, 1932. Total indebtedness amounted to \$852,051, as against \$871,159 in March, and \$1,732,916 in the corresponding month last year. The average liability of insolvent firms, which amounted to \$13,108, was at the lowest point reached in over three years.

AGRICULTURE**Crop Conditions**

High winds and dry weather over much of the western half of the district and wet weather in portions of the eastern half were unfavorable to all growing crops and retarded spring planting. The persistence of cool nights also had an adverse effect upon some crops. While the light to heavy rains which fell over a considerable area of the dry territory during the first half of March were very beneficial, some areas are in urgent need of additional moisture.

Grain prospects are poor throughout most of the district. The Department of Agriculture reported that the condition of Texas wheat on May 1, 1933, was only 48 per cent of normal, as compared with 50 per cent a month earlier, and 60 per cent a year ago. The estimated abandonment of acreage prior to May 1 was placed at 45 per cent of the acreage sown last fall. The average per acre yield was estimated at 7.5 bushels, which forecasts a total production of 15,810,000 bushels on the acreage remaining for harvest. This compares with an indicated yield of 18,515,000 bushels on April 1 and an actual production of 29,580,000 bushels in 1932. Heavy acreage abandonment and low yields are also indicated for Oklahoma and New Mexico. The condition of the oat crop in Texas on May 1 was rated at 55 per cent of normal, as compared with 56 per cent a year ago. The February freezes, which either killed or severely damaged a considerable portion of the fall oat crop, necessitated a large acreage being reseeded to spring oats. While the spring oats received a good start, the dry weather in April retarded growth with the result that a considerable portion of the crop is heading short. In Louisiana the condition of oats was placed at 63 per cent of normal, as compared with 51 per cent a year ago, and in Oklahoma the crop was 71 per cent, as compared with 60 per cent last year. The May 1 condition of tame hay in Texas and Oklahoma was better than a year ago, while in Arizona and New Mexico it was considerably lower.

Corn has made fair to good growth, but the crop has been retarded to some extent by dry weather in some localities. Some replanting was necessary where early plantings were unsatisfactory. While the planting of cotton has been about average in most areas, it is behind schedule in some of the drier sections as well as in some areas where the soil has been too wet. The growth of the crop has been retarded by cool nights, and in some instances replanting has been necessary. Farmers have made fair progress with cultivation, but some fields are still grassy.

The condition of Texas oranges and grapefruit was reported at 81 per cent of normal on May 1, which compares with a condition of 51 per cent and 37 per cent, respectively, for the same date in 1932. The prospects for peaches are about the same as a month ago and are only slightly better than a year ago. The prospects are also very poor in Oklahoma and Louisiana, as the crop was materially reduced by the February freezes. The early Irish potato crop in all

states attached to this district was better on May 1 this year than in 1932.

Livestock

Unfavorable moisture conditions over much of the district during April had an adverse effect upon the growth of range feed. Dry weather continued over the western half of Texas, portions of New Mexico, and Southeastern Arizona, and additional moisture was needed in some other sections. While light to heavy rains fell over portions of the dry area during the first half of May and greatly improved the prospects for summer grazing, some portions are still dry and additional rains would be beneficial in other areas. However, despite the decline in range conditions, livestock have shown some improvement, and in those areas where ample rainfall has occurred recently many animals should be available for market within a short time. Reports indicate large calf and lamb crops in practically all sections, with young animals in generally good condition.

According to the Department of Agriculture, the condition of Texas cattle ranges declined 2 points during April, and on May 1 was 1 point lower than a year ago. The condition of sheep and goat ranges on May 1 was 78 per cent of normal, as compared with 82 per cent a month earlier, and 78 per cent on the same date in 1932. The condition of Texas cattle gained 1 point and that of goats rose 2 points, while the condition of sheep remained unchanged. As compared with a year ago the condition of cattle and sheep was 1 point lower, but the condition of goats was 1 point higher.

Movements and Prices

The April receipts of all classes of livestock at the Fort Worth market were larger than in the previous month, and the arrivals of hogs were substantially greater than those in the same month last year. The supplies of cattle and sheep during April were below those of last year.

Cattle prices during the past thirty days have been firm

FORT WORTH LIVESTOCK RECEIPTS
(Number)

	April 1933	April 1932	Change over year	March 1933	Change over month
Cattle.....	34,626	45,678	-11,052	29,281	+ 5,345
Calves.....	10,622	11,084	- 462	9,186	+ 1,436
Hogs.....	53,459	29,442	+24,017	50,256	+ 3,203
Sheep.....	134,727	194,439	-59,712	67,455	+67,272

COMPARATIVE TOP LIVESTOCK PRICES
(Dollars per hundredweight)

	April 1933	April 1932	March 1933
Beef steers.....	\$5.25	\$5.85	\$4.75
Stocker steers.....	4.75	5.00	4.35
Butcher cows.....	3.25	4.00	3.00
Stocker cows.....	2.50	....	2.25
Calves.....	6.50	7.50	5.50
Hogs.....	3.65	4.05	3.95
Sheep.....	3.25	4.00	2.75
Lambs.....	6.50	7.25	4.50

to slightly higher. Toward the middle of May there was an improvement in demand which was reflected in higher quotations on some classes. Following the slump at mid-April, the hog market showed a steady up-trend and registered a

top of \$4.25 on May 15, the highest quotation since last September. During most of the period the market on sheep and lambs was somewhat irregular but prices were firm to higher during the second week of May.

FINANCE

Operations of the Federal Reserve Bank

The last of April witnessed a substantial increase in member bank borrowings at the Federal Reserve Bank, but there was a recession during the subsequent two weeks. These loans, which amounted to \$5,762,000 on April 15, rose to \$8,846,000 on April 28, but had declined to \$6,067,000 on May 15. The fluctuation in the demand for funds occurred at reserve city banks as the borrowings of country banks showed a steady decline throughout the period. Loans on May 15 were \$5,253,000 less than on the corresponding date in 1932. There were 149 banks borrowing from the Federal Reserve Bank on May 15 as compared with 164 banks on April 15, and 213 banks on the same date last year. This bank's holdings of United States Government securities declined \$5,000,000 during the thirty-day period, but on May 15 were \$12,217,000 larger than a year ago. The reserve deposits of member banks amounted to \$49,605,000 on May 15, which was \$1,422,000 less than a month earlier, but \$2,438,000 larger than on the same date in 1932. Federal reserve notes in actual circulation declined \$3,368,000 between April 15 and May 15, but this was partially offset by the circulation of Federal reserve bank notes to the extent of \$428,000.

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

	May 15, 1933	May 15, 1932	April 15, 1933
Total cash reserves.....	\$46,881	\$51,269	\$45,852
Discounts for member banks.....	6,067	11,320	5,762
Other bills discounted.....	None	None	None
Bills bought in the open market.....	508	1,421	538
United States securities owned.....	43,939	31,722	48,939
Other investments.....	5	5	5
Total earning assets.....	50,519	44,468	55,244
Member bank reserve deposits.....	49,605	47,167	51,027
Federal reserve notes in actual circulation...	38,260	35,444	41,628

Condition of Member Banks in Selected Cities

Reports from the member banks in selected cities during the four-week period ending May 10 reflected a slight increase in loans for the first time since last November. While loans on securities declined \$2,124,000 during the period, there was an expansion of \$2,960,000 in "all other" loans (largely commercial). The investments of these banks in United States Government securities rose \$276,000 between April 12 and May 10, and on the latter date were \$8,948,000 greater than on the corresponding date last year. Holdings of other stocks and bonds, however, reflected a slight decline. The net demand deposits of these banks showed a further decline of \$2,073,000 during the period and there was a recession of \$741,000 in time deposits. Their combined net demand and time deposits amounted to \$335,559,000 on May 10, which was \$26,007,000 less than on the corresponding date of 1932. Reserves with the Federal Reserve Bank were further reduced \$2,106,000 during the four-week period. The borrowings of these banks from the Federal Reserve Bank amounted to \$1,588,000 on May 10, as compared with \$435,000 on April 12, and \$1,340,000 on May 11, 1932.

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

	May 10, 1933	May 11, 1932	April 12, 1933
United States securities owned.....	\$ 92,582	\$ 83,634	\$ 92,306
All other stocks, bonds, and securities owned.	54,536	58,342	55,345
Loans on securities.....	65,858	76,395	67,982
All other loans.....	148,277	173,383	145,317
Total loans.....	214,135	249,778	213,299
Net demand deposits.....	211,866	235,157	213,939
Time deposits.....	123,693	126,409	124,434
Reserve with Federal Reserve Bank.....	27,480	27,770	29,586
Bills payable and rediscounts with Federal Reserve Bank.....	1,588	1,340	435

Acceptance Market

A decline of \$214,219 during April was reflected in the amount of acceptances executed by banks in this district and outstanding at the close of the month. The reduction, which occurred in the classification of acceptances based on the domestic shipment and storage of goods, was of a seasonal character. Acceptances outstanding on April 30 aggregated \$1,076,156, as compared with \$1,290,375 a month earlier and \$1,530,614 a year ago.

Debits to Individual Accounts

Charges to depositors' accounts during April at banks in leading centers in the Eleventh District, which aggregated \$406,847,000, were 14.1 per cent larger than in the preceding month. While they were 15.0 per cent less than the volume of the same month a year ago, this comparison is with one exception the most favorable reported since June, 1930.

DEBITS TO INDIVIDUAL ACCOUNTS
(In thousands of dollars)

	April 1933	April 1932	Percentage change over year	March 1933	Percentage change over month
Abilene.....	\$ 3,989	\$ 4,207	- 5.2	\$ 3,386	+17.8
Austin.....	17,242	18,521	- 6.9	14,056	+22.7
Beaumont.....	11,269	14,213	-20.7	10,887	+ 3.5
Coriscana.....	1,878	2,720	-31.0	1,584	+18.6
Dallas.....	110,680	128,270	-13.7	97,141	+13.9
El Paso.....	12,887	16,132	-20.1	11,666	+10.5
Fort Worth.....	43,312	55,353	-21.8	37,800	+14.6
Galveston.....	14,760	17,618	-16.2	13,924	+ 6.0
Houston.....	100,861	113,035	-10.8	88,667	+13.8
Port Arthur.....	3,952	4,818	-18.0	3,392	+16.5
Roswell.....	1,806	1,903	- 5.1	1,423	+26.9
San Antonio.....	37,926	43,695	-13.2	33,751	+12.4
Shreveport.....	20,969	23,725	-11.6	16,237	+29.1
Texarkana.....	4,185	6,511	-35.7	3,425	+22.2
Tucson.....	6,333	8,923	-29.0	5,808	+ 9.0
Waco.....	7,877	9,837	-19.9	6,811	+15.7
Wichita Falls....	6,921	9,200	-24.8	6,739	+ 2.7
Total.....	\$406,847	\$478,681	-15.0	\$356,697	+14.1

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

Deposits of Member Banks

Combined daily average of net demand and time deposits of member banks in this district decreased from \$602,323,000 in March to \$584,171,000 in April, the latter figure comparing with \$636,343,000 in the same month last year. Most of the reduction was shown in net demand deposits, which averaged \$397,496,000 in April, as against \$413,776,000 in

the previous month, and \$445,050,000 a year ago. The time deposits of country banks were slightly higher than in March.

Savings Deposits

The savings deposits of 142 reporting banks in the Eleventh District, which totaled \$135,552,570 on April 30, were 0.6 per cent smaller than a month earlier, and 4.5 per cent less than on the same date last year. At El Paso and Port Arthur, the amounts reported were larger than on either comparative date. Savings depositors at 128 of these banks numbered 312,598 on the last day of the month, as against 314,430 on March 31, and 326,245 on April 30 a year ago.

DAILY AVERAGE DEPOSITS OF MEMBER BANKS
(In thousands of dollars)

	Combined Total		Reserve City Banks		Country Banks	
	Net demand deposits	Time deposits	Net demand deposits	Time deposits	Net demand deposits	Time deposits
April, 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
April, 1933.....	397,406	186,675	193,431	113,723	204,065	72,952

SAVINGS DEPOSITS

	Number of reporting banks	April 30, 1933		April 30, 1932		Percentage change over year in savings deposits	March 31, 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	7,990	\$ 3,022,739	8,294	\$ 3,095,759	- 2.4	7,924	\$ 3,022,751	0.0
Dallas.....	9*	73,384	24,079,081	75,585	25,478,887	- 5.5	74,137	24,203,211	- .5
El Paso.....	2	10,427	3,358,319	10,820	3,134,990	+ 7.1	10,422	3,282,663	+ 2.3
Fort Worth.....	4	33,179	10,861,221	34,466	11,163,796	- 2.7	33,293	10,950,986	- .8
Galveston.....	4	16,743	9,712,492	17,411	10,843,865	-10.4	17,078	9,788,328	- .8
Houston.....	11*	52,980	29,319,805	54,930	30,518,482	- 3.9	53,221	29,261,246	+ .2
Port Arthur.....	2	4,317	1,909,477	4,529	1,807,556	+ 5.6	4,284	1,880,049	+ 1.6
San Antonio.....	8	21,224	14,025,483	21,857	14,584,844	- 3.8	21,418	14,174,311	- 1.0
Shreveport.....	4	23,217	8,950,692	24,947	9,878,912	- 9.4	23,185	9,462,954	- 5.4
Waco.....	3	10,314	5,559,651	10,277	5,469,628	+ 1.6	10,275	5,597,154	- .7
Wichita Falls.....	3	5,551	2,314,207	5,634	2,314,243	0.0	5,627	2,277,627	- 1.6
All others.....	89*	53,272	22,439,403	57,495	23,631,272	- 5.0	53,566	22,497,722	- .3
Total.....	142	312,598	\$135,552,570	326,245	\$141,922,234	- 4.5	314,430	\$136,399,002	- .6

*Only 8 banks in Dallas, 9 in Houston, and 78 in "All others" reported the number of savings depositors.

MAY 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.....	5-6	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	6-8	5-10	5-7	6-8	6-8
Time.....	4-8	6-8	5-10	5-7	6-8	6-8
Rate charged on commodity paper secured by warehouse receipts, etc.....	3½-7	8	6-8	5-7	6-8	6
Rate on cattle loans.....	6-7	6-8	6-10	7-10	6-10	8

INDUSTRY

Textile Milling

Notwithstanding an average seasonal decline in the consumption of cotton at all United States mills during April, the cotton textile industry continued to maintain production at the higher level established in recent months. With confidence beginning to manifest itself in retail channels of distribution, wholesale merchants began placing large orders with textile mills in order to be in a position to supply the demand. The manufacturing establishments consumed 470,685 bales of cotton during April, as against 494,167 bales in March, and only 366,481 bales in April, 1932. A further increase was shown in consumption during the current season over that of the previous season. Prices of cotton goods have shown considerable strength recently, ranging from 20 to 25 per cent higher in some cases.

The orders for finished products on hand at the close of April at Texas textile mills showed a marked increase over those held a month earlier and a year ago, which substantiates recent reports to that effect. The consumption of

cotton during the past month at Texas mills was less than in the previous month or the like month of 1932, but the production of cotton products continued above that of last year. Stocks of finished products held on April 30 were slightly above those a month earlier, and continued considerably above those held a year ago.

COTTON CONSUMED AND ON HAND
(Bales)

	April 1933	April 1932	August 1 to April 30	
			This season	Last season
Cotton-growing states:				
Cotton consumed.....	389,316	310,946	3,523,288	3,230,793
On hand April 30 in—				
Consuming establishments.....			1,100,658	1,213,257
Public storage and compresses.....			7,660,899	7,770,511
United States:				
Cotton consumed.....	470,685	366,481	4,218,001	3,932,370
On hand April 30 in—				
Consuming establishments.....			1,367,958	1,533,599
Public storage and compresses.....			8,151,547	8,212,738

Cottonseed Products

With the current cotton season nearing its end, continued declines of a seasonal nature are reflected in the activities of cottonseed oil mills in both Texas and the United States, but with the exception of the output of linters at Texas mills operations have for some time been on a level appreciably larger than the average. As compared with the corresponding month of 1932, the April operations of all United States mills were on a smaller scale, while at Texas establishments notable increases were registered. Activities during the current season remain below those of last year. Stocks of all cottonseed products held on April 30 at both Texas and American mills reflected a seasonal decline but the supplies of crude oil and cake and meal continued above those a year ago.

STATISTICS ON COTTONSEED AND COTTONSEED PRODUCTS

	Texas		United States	
	August 1 to April 30 This season	Last season	August 1 to April 30 This season	Last season
Cottonseed received at mills (tons).....	1,406,243	1,617,490	4,363,056	5,443,303
Cottonseed crushed (tons).....	1,362,283	1,427,302	4,067,053	4,925,337
Cottonseed on hand April 30 (tons).....	219,228	203,347	594,907	527,738
Crude oil produced (pounds)...	413,368,016	428,734,342	1,263,946,800	1,555,951,926
Cake and meal produced (tons).....	627,814	672,462	1,838,240	2,214,851
Hulls produced (tons).....	404,015	412,718	1,151,795	1,390,218
Linters produced (running bales).....	161,329	185,714	643,044	798,310
Stocks on hand, April 30:				
Crude oil (pounds).....	27,138,420	24,328,930	86,370,065	80,938,502
Cake and meal (tons).....	59,056	36,018	221,453	157,019
Hulls (tons).....	36,345	59,070	94,709	207,552
Linters (running bales).....	77,168	78,390	253,986	282,971

Cotton Movements

Cotton movements through the ports of Houston and Galveston declined further during April, as compared with the previous month, this being the usual occurrence at this season. The receipts of cotton during the month reflected an increase over those in the corresponding month of 1932 at both ports, and while exports from Galveston witnessed a decline from a year ago, a slight increase was recorded at Houston. Shipments during the current season continued below those of last year. Stocks at these ports were seasonally smaller than a month earlier, but they were larger than a year ago.

Aggregate foreign exports of cotton from the United States during April reflected a much smaller decline as compared with the previous month than is customarily witnessed in that month, but they continued in materially smaller volume than in the like month a year ago. Shipments totaled 436,450 bales during April, as against 487,988 bales in March, and 544,563 bales in April, 1932. The percentage decline in exports during the current season, as compared with the preceding one, continued to mount as a result of the sharp decline in April shipments as compared with those of last year. While exports to Japan during April fell off 53 per cent, the shipments to Germany increased 63 per cent, the net result showing only a small reduction.

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON (Bales)

	April 1933	April 1932	August 1 to April 30	
			This season	Last season
Receipts.....	71,732	52,308	1,902,081	2,270,929
Exports.....	109,254	136,231	1,667,011	1,970,802
Stocks, April 30.....			697,249	688,628

COTTON—GALVESTON STOCK STATEMENT (Bales)

	April 30, 1933	April 30, 1932
For Great Britain.....	3,500	4,000
For France.....	3,000	2,000
For other foreign ports.....	30,500	36,500
For coastwise ports.....	3,000	2,000
In compresses and depots.....	667,249	644,128
Total.....	697,249	688,628

COTTON MOVEMENTS THROUGH THE PORT OF HOUSTON (Bales)

	April 1933	April 1932	August 1 to April 30	
			This season	Last season
Receipts.....	85,292	52,438	2,614,244	3,127,698
Exports.....	151,978	151,179	2,028,604	2,489,950
Stocks, April 30.....			1,651,033	1,329,506

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

	August 1 to April 30	
	This season	Last season
Receipts.....	7,882,445	9,450,721
Exports: United Kingdom.....	1,117,474	1,091,275
France.....	718,254	385,074
Italy.....	628,489	541,567
Germany.....	1,422,545	1,344,296
Other Europe.....	798,313	648,783
Japan.....	1,362,241	2,940,013
All other countries.....	473,868	1,345,988
Total foreign ports.....	6,521,184	7,396,996
Stocks at all United States ports, April 30.....	4,198,433	4,145,968

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

	April, 1933		May 15, 1933
	High	Low	
New York.....	7.90	6.40	8.70
New Orleans.....	7.71	6.26	8.62
Dallas.....	7.40	5.90	8.15
Houston.....	7.70	6.20	8.50
Galveston.....	7.55	6.25	8.40

Petroleum

Crude oil production in the Eleventh District during April totaled 26,800,500 barrels, as compared with 29,773,950 barrels in the previous month, and 28,444,529 barrels in the same month last year. The decrease from March was attributable in large measure to the shut-down of the East Texas field from April 6 to April 24. Field operations declined further, as evidenced by the completion of 417 wells in April having an initial yield of 950,580 barrels, as against 437 in the preceding month with a flush output of 1,126,900 barrels. In April, 1932, there were 722 wells completed, their combined initial production amounting to 4,146,045 barrels.

Daily average yield in Texas during the month, which amounted to 827,200 barrels, showed a reduction of 64,300 barrels from the level of March, and was 55,246 barrels under that of April last year. While all major areas except the Gulf Coast reflected declines from the previous month, the reduction in East Texas more than accounted for the State total. The daily output of oil in New Mexico and North Louisiana was materially less than in March.

Between April 24 and April 26, many companies reduced their posted price on East Texas oil to a flat rate of \$.10

per barrel, but most of them later raised the price to \$.25. Substantial decreases in the prices prevailing in other fields went into effect early in May.

OIL PRODUCTION—(Barrels)

	April, 1933		Increase or decrease over March, 1933	
	Total	Daily Avg.	Total	Daily Avg.
North Texas.....	2,956,500	98,550	— 134,200	— 1,150
Central West Texas.....	5,494,500	183,150	— 240,500	— 1,850
East Central Texas.....	10,264,500	342,150	— 2,357,150	— 65,000
Texas Coastal.....	4,626,000	154,200	— 33,300	+ 3,900
South Texas.....	1,474,500	49,150	— 55,350	— 200
Total Texas.....	24,816,000	827,200	— 2,820,500	— 64,300
New Mexico.....	1,087,500	36,250	— 67,250	— 1,000
North Louisiana.....	897,000	29,900	— 85,700	— 1,800
Total District.....	26,800,500	893,350	— 2,973,450	— 67,100

APRIL DRILLING RESULTS

	Com- pletions	Pro- ducers	Gas Wells	Fail- ures	Initial Production
North Texas.....	76	27	2	47	1,842
Central West Texas.....	38	18	2	18	8,706
East Central Texas.....	115	107	1	7	775,405
South Texas.....	52	19	5	28	10,078
Texas Coastal.....	106	82	..	24	153,089
Total Texas.....	387	253	10	124	949,120
New Mexico.....	2	1	..	1	130
North Louisiana.....	28	12	..	16	1,330
April totals, district.....	417	266	10	141	950,580
March totals, district.....	437	285	12	140	1,126,900

Building

Building permits issued at principal cities in this district rose from a total of \$946,341 in March to a volume of \$1,070,678 in April, reflecting an increase of 13.1 per cent. However, there was a

decline of 63.5 per cent as compared with April, 1932. The number of permits issued during the month amounted to 1,323, as against 1,184 in March, and 1,549 in the corresponding month last year.

BUILDING PERMITS

	April, 1933		April, 1932		Percentage change valuation over year	March, 1933		Percentage change valuation over month	Four Months				Percentage change valuation over period
	No.	Valuation	No.	Valuation		No.	Valuation		1933		1932		
									No.	Valuation	No.	Valuation	
Amarillo.....	17	\$ 4,965	27	\$ 33,770	— 85.3	24	\$ 10,160	— 51.1	58	\$ 31,376	100	\$ 128,155	— 75.5
Austin.....	106	123,025	91	1,467,566	— 91.6	68	72,355	+ 70.0	322	631,494	360	4,006,756	— 84.2
Beaumont.....	64	8,407	85	38,997	— 78.4	88	8,652	— 2.8	283	44,242	356	154,540	— 71.4
Corpus Christi..	25	35,440	34	6,377	+ 455.7	23	12,400	+ 183.7	78	61,693	129	44,790	+ 37.7
Dallas.....	317	145,410	290	468,449	— 69.0	240	98,794	+ 47.2	1,045	692,514	1,041	1,117,061	— 38.0
El Paso.....	43	9,297	47	15,773	— 41.1	32	11,036	— 15.8	126	77,982	143	106,978	— 27.1
Fort Worth.....	93	388,000	141	134,552	+ 188.4	77	255,123	+ 52.1	324	795,523	541	571,434	+ 39.2
Galveston.....	89	29,339	141	60,974	— 51.9	107	57,690	— 49.1	329	136,114	501	238,670	— 43.0
Houston.....	175	182,678	239	360,138	— 49.3	202	143,365	+ 27.4	655	708,395	874	1,412,613	— 49.9
Port Arthur.....	48	6,920	67	18,692	— 63.0	39	7,755	— 10.8	139	22,880	157	46,761	— 51.1
San Antonio.....	158	77,610	212	254,497	— 69.5	143	222,133	— 65.1	527	374,901	778	949,938	— 60.5
Shreveport.....	100	22,433	125	48,432	— 53.7	90	16,540	+ 35.6	351	88,334	496	148,942	— 40.7
Waco.....	37	30,307	33	16,980	+ 78.5	24	25,826	+ 17.4	107	104,952	151	157,452	— 33.3
Wichita Falls...	51	6,847	17	7,000	— 2.2	27	4,422	+ 54.8	114	17,876	66	457,603	— 96.1
Total.....	1,323	\$ 1,070,678	1,549	\$ 2,932,197	— 63.5	1,184	\$ 946,341	+ 13.1	4,458	\$ 3,788,276	5,693	\$ 9,541,693	— 60.3

SUMMARY OF NATIONAL BUSINESS CONDITIONS

(Compiled by the Federal Reserve Board as of May 23, 1933)

Industrial activity increased considerably during April and the first three weeks of May and wholesale prices of many leading commodities advanced, particularly in the latter part of April and the early part of May. Following the imposition of an embargo on gold on April 20 the exchange value of the dollar declined and on May 20 was 87 per cent of its gold parity.

PRODUCTION AND EMPLOYMENT

Volume of industrial production, as measured by the Board's seasonally adjusted index, increased from 60 per cent of the 1923-1925 average in March to 67 per cent in April, as compared with 63 per cent a year ago and a low of 58 per cent last July. Activity at steel mills increased from

CRUDE OIL PRICES

	May 12, 1933	May 13, 1932
Texas Coastal (flat price).....	\$.30	\$ 1.00*
North Texas and North Louisiana (flat price).....	.25	1.00*

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

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

Cement

The April output of Portland cement at Texas mills amounted to 372,000 barrels, as against 375,000 barrels in the previous month, and 397,000 barrels in the same month last year. Shipments, aggregating 347,000 barrels, were 7.5 per cent below the level of March, and 5.7 per cent less than in April a year ago. There was an increase during the month in the amount of stocks on hand. Inventories totaled 666,000 barrels on April 30, as compared with 640,000 barrels a month earlier, and 800,000 barrels a year ago.

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

	April 1933	Percentage change from April 1932	March 1933	January 1 through April 30	% change from year
Production at Texas mills.....	372	— 6.3	— .8	1,199	— 9.1
Shipments from Texas mills.....	347	— 5.7	— 7.5	1,210	— 2.8
Stocks at end of month at Texas mills.....	666	— 16.7	+ 4.1	.....	.....

15 per cent of capacity in March to 25 per cent in April and there was a further increase in the first three weeks of May. Increased activity in the steel industry reflected chiefly increased demand from automobile producers and from miscellaneous sources, while demand from the railroad and construction industries continued at low levels. At textile mills and shoe factories, production increased considerably during this period. Output of petroleum fluctuated widely, declining in the middle of April and subsequently increasing to a high level. Volume of factory employment and payrolls increased between the middle of March and the middle of April by an amount somewhat smaller than the decrease in the preceding month. Value of construction contracts, as reported by the F. W. Dodge Corporation, continued at previous low levels in April, but showed a considerable increase in the first half of May. Total value of awards in the six weeks was considerably smaller than in the corresponding period a year ago.

DISTRIBUTION

Freight traffic, which was at a low level in March, increased during April and the first two weeks of May by more than the usual seasonal amount, reflecting chiefly large increases in shipments of miscellaneous products, grains, and livestock. Department store sales increased sharply from March to April and the total for these two months showed slightly more than the usual seasonal increase over the volume of sales in January and February.

WHOLESALE PRICES

During April, particularly in the latter part of the month, there were substantial increases in the wholesale prices of grains, flour, sugar, textile raw materials and finished products, hides, pig iron, non-ferrous metals, and rubber. Prices of most of these commodities continued to advance rapidly in the first two weeks of May, and showed little change in the third week of the month. Prices of livestock, which did not advance in April, increased considerably in the first three weeks of May. Silver prices, after advancing

by a substantial amount in the latter part of April, subsequently showed a decline, and petroleum prices also were reduced.

FOREIGN EXCHANGE

During the four weeks following the imposition of the embargo on gold the exchange value of the dollar declined to 83 per cent of its gold parity on May 5, but subsequently rose to 87 per cent on May 20. The noon buying rate of cable transfers on the French franc rose from 3.98 cents on April 18 to 4.50 cents on May 20, and the rate on the English pound rose from \$3.49 to \$3.87.

BANK CREDIT

During the four weeks ending May 17, about \$215,000,000 of additional currency was returned to the reserve banks, and on that date all but \$200,000,000 of the \$1,930,000,000 withdrawn by banks and individuals between February 1 and March 13 had been returned. Funds arising from the return of currency during the four-week period were used to reduce reserve bank holdings of acceptances by an additional \$130,000,000 and to liquidate \$85,000,000 of member bank indebtedness at the reserve banks. As the result of an addition of about \$100,000,000 to the reserve banks holdings of gold, and a further reduction of Federal reserve notes in circulation, the reserve ratio of the reserve banks rose considerably between April 19 and May 17. The decline in Federal reserve notes reflected in part an increase of \$50,000,000 in Federal reserve bank notes in circulation. Loans and investments of reporting member banks in New York City increased by about \$400,000,000 between the middle of April and the middle of May, reflecting chiefly a growth of \$200,000,000 in loans on securities, and of \$140,000,000 in investments in United States Government securities. Net demand deposits also increased by about \$400,000,000, of which about one-third represented a further growth of bankers' balances. Money rates in the open market continued at low levels.