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OF THE FEDERAL RESERVE BANK OF DALLAS

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DISTRICT SUMMARY

THE SITUATION AT A GLANCE Eleventh Federal Reserve District

	November 1937	Percentage change from	
		Nov., 1936	Oct., 1937
Bank debits to individual accounts (18 cities)....	\$849,920,000	+ 9.8	— 7.8
Department store sales		+11.6	— 6.6
Wholesale trade sales (five lines).....		+ 3.6	—11.9
Value of construction contracts awarded	\$ 15,027,000	+98.7	+27.7
Value of building permits issued (14 cities).....	\$ 3,339,295	— 5.7	—16.2
Commercial failures (number)	21	+40.0	+10.5
Commercial failures (liabilities).....	\$ 380,000	+86.3	+85.4
Daily average crude oil production (barrels).....	1,568,013	+19.5	— 4.7

Although the downward trend in some lines of business and industry continued in November, the level of activity generally was substantially higher than in the corresponding month of 1936. Department store sales were 12 per cent in excess of those at this time last year, but the larger than seasonal recession from October to November resulted in a decline in this bank's adjusted index of department store sales. The figure for November was 108.5 per cent of the 1923-1925 average as compared with 109.8 per cent in October and an average of 107.2 per cent for the first ten months of the year. In all reporting lines of wholesale trade, except farm implements, smaller than customary declines occurred from October to November, and the increases in sales over a year ago were about equal to or greater than the average gains for the first eleven months of 1937. The number of commercial failures and the amount of liabilities involved were larger than in either the preceding month or the corresponding month last year.

Reflecting the sharp reduction in allowables, petroleum production in this district declined further in the past six weeks, and the daily average output at the middle of December was about 14 per cent under the record high in August. Nevertheless, it was substantially above the average in December last year. Stocks of crude oil, however, declined somewhat, indicating that demand was slightly in excess of production.

According to the figures of the F. W. Dodge Corporation, the value of construction contracts awarded in this district in November was a fourth larger than in the preceding

month and about double the volume in November, 1936, reflecting chiefly the larger awards for public works and public utility construction. Residential building continued to decline, the November awards being in smaller volume than in any month in nearly two years. The valuation of building permits issued at principal cities decreased seasonally from October to November and was 6 per cent lower than a year ago.

Weather conditions during the past thirty days were generally favorable for the district's agricultural and livestock industries. Widespread rains relieved the drouthy conditions which had prevailed in south Texas and in parts of central-west Texas and added to moisture supplies in other areas. However, there is still a deficiency of moisture in much of northwest Texas, New Mexico, and southern Arizona. The indicated production of cotton was again increased, and on the basis of the December 1 estimate of the Department of Agriculture, production in this district is the largest since 1926. Small grains have made good growth in most areas. Livestock generally are in good flesh. Shipments of cattle and sheep to market and to other states continued in heavy volume, but prices showed a further decline.

Continuing the expansion in evidence since May, the loans of weekly reporting member banks in this district increased moderately in the four weeks ending December 8, but these banks made a further reduction in their investment holdings with the result that total loans and investments declined \$6,572,000. Gross deposits of all member banks averaged slightly lower in November than in October when they were at an all-time high level. Member bank reserve balances increased somewhat after the middle of November and during the first half of December averaged \$191,000,000, which was about \$46,000,000 above legal requirements. Federal Reserve note circulation declined further during the past thirty days. There was a strong demand in this district for the December 15 issues of Treasury notes and bonds. Total subscriptions aggregated \$127,142,850, but allotments of only \$12,750,400 were made. Included in the above figures were \$2,717,100 in exchange subscriptions, which were allotted in full.

BUSINESS

Wholesale Trade

Following a counter-to-seasonal decline in October, distribution of merchandise in most lines of wholesale trade investigated by this bank reflected a decrease somewhat smaller

than is usual for November. In comparison with a year ago sales in all lines except farm implements were appreciably higher, the increases being about equal to or larger than the average gains in the first eleven months. Collections

declined seasonally from October to November.

Sales of groceries and hardware at wholesale evidenced smaller than seasonal declines from October and registered gains of 13.7 per cent and 17.9 per cent, respectively, over those in November, 1936. Following sharp declines in the two preceding months, buying of dry goods held up better than usual in November and was 4.6 per cent larger than the volume in that month last year. The demand for farm implements, which had shown a marked expansion during the preceding four years, dropped off considerably during the fall and in November sales of reporting firms were 55.2 per cent below the large volume in the corresponding month a year ago. Distribution of drugs reflected a contra-seasonal increase from October to November and was 23.7 per cent greater than in November, 1936.

CONDITION OF WHOLESALE TRADE DURING NOVEMBER, 1937

Percentage of increase or decrease in—

	Net Sales		Net Sales		Stocks		Ratio Nov. collections to accounts outstanding Oct. 31
	Nov., 1937 compared with Nov., 1936	Oct., 1937	Jan. 1 to Nov. 30 compared with same period last year	Nov. 30, 1937 compared with Nov. 30, Oct. 31, 1936	Nov. 30, 1937 compared with Nov. 30, Oct. 31, 1936	Nov. 30, 1937 compared with Nov. 30, Oct. 31, 1936	
Groceries	+13.7	-7.0	+14.4	-6.6	-4.5	84.8	
Dry goods	+4.6	-22.0	+1.1	+3.2	-13.0	39.1	
Farm implements ..	-55.2	-43.7	-2.5	+22.1	+2.5	12.3	
Hardware	+17.9	-4.6	+15.5	+4.7	-8.9	48.4	
Drugs	+23.7	+1.0	+9.7	+13.1	+8	80.5	

*Drug data compiled by the United States Department of Commerce. Collection ratio represents median percentage.

Retail Trade

Retail buying at department stores in principal cities of the Eleventh District declined by more than the customary amount in November, but the dollar volume of sales was 11.6 per cent in excess of that in the same month last year. This bank's adjusted index of department store sales, which makes allowance for average seasonal changes stood at 108.5 per cent of the 1923-1925 average in November as compared with a high of 111.9 per cent in August, and an average of 107.2 per cent in the first ten months of the year.

After showing larger than average increases during the preceding four months, stocks of merchandise carried by reporting firms decreased 2.4 per cent during November, but at the close of the month they were 6.9 per cent greater than those of a year ago.

Collections on outstanding open accounts reflected a further appreciable increase during the month, while payments on installment accounts showed little change. The ratio of November collections to open accounts outstanding on November 1 was 43.5 per cent as against 41.7 per cent in October, and 42.3 per cent in November, 1935.

BUSINESS OF DEPARTMENT STORES

	Dallas	Fort Worth	Houston	San Antonio	Others	Total District
Total sales (percentage):						
November, 1937, compared with November, 1936	+10.2	+8.0	+20.3	+11.7	+8.6	+11.6
November, 1937, compared with October, 1937	-12.3	-9.8	+9.9	-4.4	-9.1	-6.6
January 1 to November 30, 1937, compared with same period last year	+7.6	+6.2	+14.1	+9.3	+10.3	+9.2
Credit sales (percentage):						
November, 1937, compared with November, 1936	+17.4	+3.3	+22.2	+14.3	+13.8	+15.4
November, 1937, compared with October, 1937	-11.6	-13.9	+9.4	-7.3	-9.2	-7.6
January 1 to November 30, 1937, compared with same period last year	+11.5	+5.9	+17.8	+11.3	+11.3	+11.8
Stocks on hand at end of month (percentage):						
November, 1937, compared with November, 1936	+9.9	+1.8	+15.0	-.6	+6.3	+6.9
November, 1937, compared with October, 1937	-1.4	-.7	-.4	-3.8	-5.3	-2.4
Stock turnover (rate):						
Rate of stock turnover in November, 1936 .....	.32	.27	.28	.29	.24	.28
Rate of stock turnover in November, 1937 .....	.31	.28	.31	.31	.24	.29
Rate of stock turnover January 1 to November 30, 1936	3.54	2.87	3.10	3.42	2.66	3.18
Rate of stock turnover January 1 to November 30, 1937	3.34	2.99	3.01	3.21	2.47	3.03
Ratio of November collections to open accounts receivable and outstanding November 1, 1937	43.8	40.2	46.4	44.4	41.6	43.5
Ratio of Nov. collections to installment accounts receivable and outstanding Nov. 1, 1937	17.0	9.5	.....	13.3	18.4	15.1
Indexes of department store sales:						
Unadjusted—October, 1937	140.6	127.6	114.1	101.8	.....	124.1*
Unadjusted—November, 1937	129.3	119.9	130.2	102.1	.....	121.5*
Adjusted—October, 1937	115.2	111.9	109.7	90.9	.....	109.8*
Adjusted—November, 1937	109.6	99.9	111.3	88.8	.....	108.5*
Indexes of department store stocks:						
Unadjusted—October, 1937	77.9	75.0	49.6	62.4	.....	76.2
Unadjusted—November, 1937	77.3	74.3	48.6	61.8	.....	74.8
Adjusted—October, 1937	69.6	65.2	42.8	55.2	.....	67.4
Adjusted—November, 1937	70.9	65.8	42.3	55.7	.....	66.8

* Revised series

AGRICULTURE

Crop Conditions

With unusually favorable weather prevailing during the fall, most farmers in this district have completed the harvesting of 1937 crops and have made fair to good progress with winter plowing operations. Widespread rains in recent weeks, which effectively broke the drouth in south Texas, provided an ample supply of moisture for current needs in all sections of the district except northwest Texas, New Mexico, and Arizona where rainfall was light.

The seeding of winter wheat and other small grains has been virtually completed and plants have made good growth in most areas.

In its final estimate the Department of Agriculture placed

the production of cotton in Texas at 5,230,000 bales, which is 180,000 bales above the November forecast. The latest estimate compares with 2,933,000 bales produced in 1936 and a 1928-1932 average harvest of 4,580,000 bales. This year's production has been exceeded in only two years—1926 and 1931—and the per acre yield of 198 pounds is the largest since 1912. The Department of Agriculture stated that the increase in indicated production during November is attributable to the unprecedented yields in northwest Texas. In that area conditions have been almost ideal throughout the growing season and have resulted in a production about two and one-half times as large as the 1928-1932 average production.

TEXAS—PRODUCTION OF COTTON BY DISTRICTS
(In thousands of 500-pound gross weight bales)

	Indicated		Production 1936	Five-year average 1928-1932
	Dec. 1, 1937	Nov. 1, 1937		
N. W. High Plains	1,024	820	403	416
N. W. Rolling Plains	940	940	375	749
North Central Plains	77	81	70	124
North Black Lands	1,335	1,350	1,008	1,349
East Texas	695	700	460	775
Trans-Pecos	95	80	66	57
Edwards Plateau	95	100	75	108
Southern Prairies	572	580	282	643
Coastal Plains	215	217	85	210
South Texas	182	182	109	149
Total State	5,230	5,050	2,933	4,580

SOURCE: United States Department of Agriculture.

Estimated production of cotton was raised to 280,000 bales in Arizona and 157,000 bales in New Mexico, and the indicated per acre yields in the respective states were increased to 477 and 529 pounds. In both states total production and per acre yields are the highest on record. Rapid progress was made with picking and ginning in this district during November, with operations practically completed in all sections except in northwest Texas, Arizona, and New Mexico.

The United States crop of 18,746,000 bales is 768,000 bales above the previous record production in 1926, and the record yield of 264.6 pounds per acre compares with an average of 169.9 pounds during the ten years, 1923-1932.

The Department of Agriculture reported that the outlook for vegetable crops improved in November. The Lower Valley had very little rain during the month, but with cooler weather and heavy rains in the first half of December, crops were making good progress. Although low temperatures and heavy frosts late in November damaged tender vegetables in the Winter Garden area, the more important winter vegetables escaped injury. Fruit and vegetable shipments from south Texas in November, which totaled 2,345 cars, were in about the same volume as in that month last year.

Cash Farm Income

Despite further declines in the prices of principal farm commodities, October receipts from the sale of farm products in this district exceeded those of a year ago by 10 per cent, owing largely to the continuance of heavy marketings of livestock and livestock products. Cash income from this source was 29 per cent higher this October than last, while receipts from crops showed a gain of only 3 per cent. The latter increase resulted chiefly from the larger income from cotton in Oklahoma where last year's crop was very short and in Texas where sales of cotton were augmented by the relatively large volume of Government loans to producers under the 1937 Cotton Loan Provisions. For the first ten months of 1937, total cash income from the sale of farm products was 17 per cent greater than in the corresponding period of 1936.

RECEIPTS FROM THE SALE OF PRINCIPAL FARM PRODUCTS

(In thousands of dollars)

Receipts from:

State	Farm crops		Livestock and livestock products		Total receipts	
	October 1937	October 1936	October 1937	October 1936	October 1937	October 1936
Arizona	\$ 2,707	\$ 2,917	\$ 4,092	\$ 3,182	\$ 6,799	\$ 6,099
Louisiana	13,450	16,900	2,336	1,714	15,786	18,614
New Mexico	2,435	2,360	5,982	3,976	8,417	6,336
Oklahoma	10,046	6,738	7,874	7,236	17,920	13,974
Texas	56,740	53,749	16,998	12,821	73,738	66,570
Total five states ..	\$85,378	\$82,664	\$37,282	\$28,929	\$122,660	\$111,593

SOURCE: United States Department of Agriculture.

Although Government benefit payments to farmers amounted to only \$545,000 in October in contrast with \$7,254,000 in that month of 1936, total payments for the ten months exceeded by 49 per cent the amount of similar payments in the same period last year.

Livestock

Although ranges are poor in South Texas and only fair in the northern Panhandle, prospects for winter pastures are generally good in most other sections of the Eleventh District. The light to heavy rains which fell over most sections of the district in the past six weeks have replenished water supplies and stimulated the growth of winter weeds and grass on the ranges. The rains were particularly beneficial in the formerly dry areas of south Texas where the scarcity of stock water and pasturage had necessitated the removal of some livestock to other areas. In the South Plains and adjacent areas moisture is adequate and grain pastures are furnishing good grazing. Additional moisture is needed in the northern Panhandle and in portions of west Texas, New Mexico, and Arizona.

Cattle, sheep and goats have gone into the winter in a strong condition except in the formerly dry areas in south Texas. The Department of Agriculture reported that feed supplies are sufficient in most areas to meet usual requirements, and that cottonseed products are plentiful and relatively cheap. Shipments of cattle and sheep to other states continued heavy during November, and there was a large movement of sheep from the main sheep areas of Texas to other sections in the State. Feeding of livestock for market is expected to be heavy in the South Plains area of Texas where surplus feed crops have been produced and grazing conditions are generally good.

Movements and Prices

Notwithstanding substantial declines in the prices of livestock over the past three months, the market situation, on the whole, remained generally favorable in comparison with a year ago, with the result that marketings at Fort Worth have continued in large volume. While November receipts of most classes of stock were smaller than those of a month earlier, reflecting seasonal declines in the case of hogs and sheep, they continued greater than a year ago, the increases ranging from 5 per cent for hogs to 120 per cent for sheep.

In contrast with the generally strong market situation earlier in the year, livestock prices showed a downward trend during the fall and in the first half of December were at the lowest levels of the current marketing season. During the period from September 1 to the middle of December, the most pronounced price declines were registered for slaughter steers, yearlings, and hogs, the latter being currently at the lowest price since early in 1935.

FORT WORTH LIVESTOCK RECEIPTS

	(Number)		Change over year	October 1937	Change over month
	November 1937	November 1936			
Cattle	83,820	67,844	+15,976	83,918	— 98
Calves	60,948	52,202	+ 8,746	62,387	+ 1,439
Hogs	21,541	20,572	+ 969	28,967	+ 7,426
Sheep	44,308	20,146	+24,162	64,149	+19,841

COMPARATIVE TOP LIVESTOCK PRICES

(Dollars per hundredweight)

	November		October 1937
	1937	1936	
Beef steers	\$10.00	\$ 8.75	\$12.25
Stocking steers	7.25	7.00	7.50
Heifers and yearlings	9.00	10.00	12.00
Butcher cows	6.25	5.00	7.00
Calves	8.00	6.25	7.65
Hogs	9.10	9.45	11.30
Lambs	9.00	8.25	9.50

FINANCE

Operations of the Federal Reserve Bank

After the middle of November member banks in this district increased their reserves with the Federal Reserve Bank, and in the first half of December these balances averaged \$191,000,000, or approximately \$5,000,000 greater than the average in the preceding month. As required reserves remained at about the November level, excess reserves rose to \$46,000,000, the largest since the final increase in required reserves became effective on May 1. Earning assets of the Federal Reserve Bank showed little change in the thirty days ending December 15, the increase in holdings of United States Government securities being about offset by decreases in discounts for member banks and in industrial advances. Federal Reserve note circulation continued to decline and the total of \$88,191,000 on December 15 was \$2,152,000 lower than a month earlier and \$4,472,000 below the circulation at that time last year.

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

	Dec. 15, 1937	Dec. 15, 1936	Nov. 15, 1937
Total cash reserves.....	\$200,632	\$175,854	\$199,072
Discounts for member banks	287	6	374
Industrial advances	970	1,360	1,107
Bills bought in the open market	80	87	80
United States Government securities	99,731	100,896	99,461
All other investments.....	None	14	None
Total earning assets.....	101,068	102,363	101,022
Member bank reserve deposits.....	189,606	166,852	185,562
Federal Reserve notes in actual circulation.....	88,191	92,663	90,343
Commitments to make industrial advances.....	269	492	269

Condition of Member Banks in Leading Cities

Total loans and investments of weekly reporting member banks in this district, which had increased by about \$40,000,000 in the preceding five months, declined by \$6,572,000 between November 10 and December 8. This decline resulted from a further reduction in investments, principally in the holdings of Government securities. While loans continued to expand during the four weeks, the rate of increase was much smaller than in the preceding five months, indicating that the seasonal demand for bank credit to finance the fall movement of goods and commodities has about reached its peak. In comparison with a year ago, total loans and investments were \$2,468,000 lower, as the increase of \$23,921,000 in loans has been more than offset by a decrease of \$26,389,000 in investments.

Although all classes of deposits at these banks increased

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

	Dec. 8, 1937	Dec. 9, 1936	Nov. 10, 1937
Total loans and investments.....	\$508,854	\$511,322	\$515,426
Total loans.....	252,797	228,876	251,331
Commercial, industrial, and agricultural loans.....	160,324	*	158,962
Open market paper.....	3,202	*	3,543
Loans to brokers and dealers in securities.....	4,177	3,032	2,971
Other loans for purchasing or carrying securities.....	14,668	*	15,822
Real estate loans.....	20,841	23,438	20,692
Loans to banks.....	1,190	265	1,451
All other loans.....	48,395	*	47,890
United States Government direct obligations.....	178,898	187,156	185,325
Obligations fully guaranteed by United States Gov't	27,314	43,331	28,260
Other securities.....	49,845	51,959	50,510
Reserve with the Federal Reserve Bank.....	111,703	107,276	109,996
Balances with domestic banks.....	163,639	187,154	143,691
Demand deposits—adjusted†.....	401,603	382,398	390,961
Time deposits.....	127,241	121,993	126,754
United States Government deposits.....	16,020	34,125	15,912
Interbank deposits.....	190,459	222,723	186,723
Borrowings from the Federal Reserve Bank.....	130	None	None

*Comparable figures not available.

†Includes all demand deposits other than interbank and United States Government, less cash items reported as on hand or in process of collection.

during the four-week period, total deposits on December 8 were \$25,916,000 below those of a year earlier due to the decrease in interbank deposits and in United States Government deposits. The funds made available to these banks over the four weeks by the increase in deposits and by the decline in loans and investments were utilized to build up balances with other domestic banks, which had been reduced sharply in the latter part of October, and to increase reserves with the Federal Reserve Bank.

Deposits of Member Banks

Following the rise to a new high level in October, daily average gross demand deposits of member banks in this district declined \$4,239,000 in November, as the further increase at country banks was more than offset by the decrease at reserve city banks. This decline resulted chiefly from a reduction in the volume of country bank balances carried with correspondents in reserve cities. Time deposits increased further in November and averaged \$10,705,000 higher than in the same month of 1936. Although these deposits have shown a steady growth since March this year, the major portion of the increase occurred in the past four months.

GROSS DEMAND AND TIME DEPOSITS OF MEMBER BANKS
(Average of daily figures—in thousands of dollars)

	Combined Total		Reserve City Banks		Country Banks	
	Gross demand deposits	Time deposits	Gross demand deposits	Time deposits	Gross demand deposits	Time deposits
1936 — November	\$1,097,227	\$200,783	\$627,187	\$110,105	\$470,040	\$90,678
December.....	1,108,410	200,898	632,243	110,280	476,167	90,618
1937 — January.....	1,094,826	199,824	621,186	109,726	473,640	90,098
February.....	1,079,858	199,798	607,432	109,355	472,426	90,443
March.....	1,051,972	199,134	587,596	108,501	464,376	90,634
April.....	1,043,756	199,683	578,110	108,562	465,646	91,121
May.....	1,035,133	200,293	569,613	109,344	465,520	90,949
June.....	1,037,335	201,800	573,110	110,625	464,225	91,175
July.....	1,053,745	203,704	584,117	110,629	469,628	91,264
August.....	1,060,580	203,704	586,477	111,312	474,103	92,392
September.....	1,089,891	208,581	601,677	114,828	488,214	93,753
October.....	1,110,345	210,451	613,865	116,151	496,480	94,270
November.....	1,106,106	211,488	605,120	117,133	500,986	94,355

Debits to Individual Accounts

Debits to individual accounts at banks in principal cities of the Eleventh District, which had increased only moderately in September and October as a result of the slowing down in business and industrial activity, showed a smaller than seasonal decline in November. The increase of 9.8 per cent over November last year, while larger than the similar comparison in October, was only about one-half as large as the average gain during the first nine months of 1937.

DEBITS TO INDIVIDUAL ACCOUNTS
(In thousands of dollars)

	November 1937	November 1936	Percentage change over year	October 1937	Percentage change over month
Abilene.....	\$ 10,745	\$ 8,593	+25.0	\$ 10,624	+ 1.1
Austin.....	28,005	22,634	+23.7	32,251	+13.2
Beaumont.....	24,361	20,486	+18.9	26,454	+ 7.9
Corsicana.....	3,312	3,444	- 3.8	4,018	+17.6
Dallas.....	236,598	224,017	+ 5.6	258,782	+ 8.6
El Paso.....	29,871	27,214	+ 9.8	29,053	+ 2.8
Fort Worth.....	85,162	79,710	+ 6.8	90,190	+ 5.6
Galveston.....	32,930	31,081	+ 5.9	37,079	+11.2
Houston.....	213,103	189,516	+12.4	232,450	+ 8.3
Port Arthur.....	9,304	7,611	+22.2	9,568	+ 2.8
Roswell.....	4,270	3,635	+17.5	3,894	+ 9.7
San Antonio.....	64,391	59,323	+ 8.5	69,024	+ 6.7
Shreveport.....	45,275	40,159	+12.7	50,997	+11.2
Texarkana*.....	7,349	7,546	- 2.6	8,597	+14.5
Tucson.....	12,088	9,918	+21.9	12,875	+ 7.3
Tyler.....	12,955	12,834	+ 0.9	14,847	+14.7
Waco.....	14,741	14,334	+ 2.8	16,242	+ 9.2
Wichita Falls.....	15,460	12,307	+25.6	15,845	+ 2.4
Total.....	\$849,920	\$774,362	+ 9.8	\$922,320	+ 9.8

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

**Acceptance
Market**

Although the value of outstanding acceptances executed by banks in this district, which totaled \$2,904,000 at the close of November, was smaller than that of a month earlier, it was 36 per cent greater than the volume outstanding a year ago. The decline from October was due entirely to a reduction in acceptances executed against the domestic shipment and storage of goods, as those supported by foreign transactions evidenced a further small increase.

**Savings
Deposits**

Savings deposits at 115 reporting banks in this district, which had remained comparatively steady in September and October, increased slightly in November, and at the close of the

month were 2.3 per cent greater than on the corresponding date in 1936.

SAVINGS DEPOSITS

	Number of reporting banks	November 30, 1937		Percentage change in savings deposits from	
		Number of savings depositors	Amount of savings deposits	Nov. 30, 1936	Oct. 31, 1937
Beaumont.....	3	9,637	\$ 3,694,768	+ 1.5	+ .7
Dallas.....	8	89,391	25,910,192	— .9	+ .5
El Paso.....	2	15,563	8,022,735	+ 9.8	+ .4
Fort Worth.....	3	37,305	13,012,078	+ 4.9	+ .4
Galveston.....	4	18,141	11,093,531	+ 2.4	— .6
Houston.....	10	71,447	28,358,559	+ .6	+ .2
Port Arthur.....	2	5,716	2,399,175	+ 4.8	— 1.7
San Antonio.....	5	22,450	16,976,609	+ 6.0	+ .6
Shreveport.....	3	24,345	11,090,831	— 1.5	— .1
Waco.....	3	9,388	4,960,168	— 8.6	+ .2
Wichita Falls.....	3	6,771	3,386,551	— 2.0	+ .1
All others.....	69	57,194	28,801,482	+ 5.9	+ 1.3
Total.....	115	367,348	\$157,706,679	+ 2.3	+ .4

DISCOUNT RATES CHARGED BY MEMBER BANKS DURING DECEMBER, 1937

Prevailing rates:

	Dallas	El Paso	Fort Worth	Houston	San Antonio	Waco
Rate charged customers on prime commercial paper such as is now eligible for rediscount under the Federal Reserve Act.....	1½-8	5-6	1½-6	4-6	4-7	4-6
Rate charged on loans to other banks secured by bills receivable.....	.....	6	4-6	.....	6	.....
Rate on loans secured by prime stock exchange or other current collateral (not including loans placed in other markets through corresponding banks):						
Demand.....	2-4	6	4-8	3-6	5-6	.....
Time.....	4-8	5-8	4-8	3-6	5-7	5-8
Rate charged on commodity paper secured by warehouse receipts, etc.....	2-8	6-8	5-8	1½-6	6-8	3-8
Rate on cattle loans.....	6-8	5-8	5-10	6-8	7-8	6-8

INDUSTRY**Cottonseed
Products**

Although receipts and crushings of cottonseed and the production of products at cottonseed oil mills in both Texas and the United States as a whole evidenced seasonal declines from October to November, operations continued on an exceptionally high level. Coincident with the harvesting of the large 1937 cotton crop the volume of seed receipts at Texas mills during the first four months of the current season was the largest on record and 37.2 per cent in excess of the total for the entire twelve months of the 1936-37 season. Crushings of cottonseed and the production of products from August 1 to November 30 were less than previously established records, but more than 50 per cent greater than in the corresponding period last season.

At all United States mills operations during the four-month period were at the highest level on record, exceeding those of a year ago by about 30 per cent. Shipments of cottonseed products continued in large volume. While stocks of crude oil and linters on November 30 were somewhat higher than a year ago, supplies of cake and meal and hulls were smaller despite the increased production.

STATISTICS ON COTTONSEED AND COTTONSEED PRODUCTS

	Texas		United States	
	August 1 to November 30 This season	Last season	August 1 to November 30 This season	Last season
Cottonseed received at mills (tons).....	1,297,055	759,883	4,495,439	3,495,640
Cottonseed crushed (tons).....	842,679	543,569	2,817,219	2,126,008
Cottonseed on hand Nov. 30 (tons).....	477,248	226,190	1,720,295	1,391,558
Production of products:				
Crude oil (pounds).....	241,301,051	152,756,736	845,157,737	632,975,745
Cake and meal (tons).....	390,692	250,190	1,248,904	951,181
Hulls (tons).....	219,521	146,359	720,002	546,338
Linters (running bales).....	173,191	115,636	638,546	511,584
Stocks on hand Nov. 30:				
Crude oil (pounds).....	28,247,140	20,223,320	88,518,795	62,105,004
Cake and meal (tons).....	68,042	81,347	169,107	211,241
Hulls (tons).....	54,512	63,302	116,090	145,080
Linters (running bales).....	86,001	52,663	319,189	165,505

SOURCE: Bureau of Census.

**Textile
Milling**

Cotton consumption in the United States, which had declined sharply in October, decreased further in November to a level 7 per cent below the average consumption in that month during the five preceding years. Although the 484,819 bales consumed in November represents a decline of 23 per cent from that of a year ago, the amount utilized during the four months of the current season decreased only 11 per cent from the volume used in the corresponding period last year. As is customary at this season, mills increased their stocks of raw cotton but holdings on November 30 were 8 per cent below stocks on that date in 1936. However, in comparison with average stocks on that date in other recent years, holdings were somewhat higher.

COTTON CONSUMED AND ON HAND

	(Bales)			
	November 1937	November 1936	August 1 to November 30 This season	Last season
Cotton-growing states:				
Cotton consumed.....	418,395	526,612	1,885,479	2,079,928
Cotton on hand Nov. 30 in—				
Consuming establishments.....	.....	.....	1,408,140	1,584,285
Public storage and com- presses.....	.....	.....	11,476,374	8,325,595
United States:				
Cotton consumed.....	484,819	625,794	2,217,500	2,481,661
Cotton on hand Nov. 30 in—				
Consuming establishments.....	.....	.....	1,656,109	1,800,597
Public storage and com- presses.....	.....	.....	11,549,448	8,386,166

SOURCE: Bureau of Census.

**Cotton
Movements**

Reflecting the decline in ginnings and the large amount of cotton placed in the Government loan, most of which is stored in inland warehouses, receipts of cotton at Houston and Galveston declined 46 per cent from October to November and were 28 per cent smaller than in November last year. Combined exports from these ports, while 7 per cent below October shipments, were 10 per cent above those in Novem-

ber, 1936, and for the four months of the 1937-1938 season they were 3 per cent larger.

Exports of cotton from the United States aggregated 796,985 bales in November, which is about the same as in the preceding month but 15.5 per cent larger than in the corresponding month last year. Although exports in the first four months of the current season exceeded those in the same period last season by 6 per cent, they were 17 per cent under the 1927-1936 average exports for that period. For several years Japan has been the leading importer of American cotton, but exports to that country have been very small this season on account of the restrictions placed upon the importation of cotton by the Japanese Government. However, increased exports to other countries have more than offset this decline.

Spot cotton prices, which had declined to the lowest level in four years early in November, strengthened somewhat in the subsequent five weeks. The price of middling, $\frac{7}{8}$ inch staple, at ten spot markets averaged 8.20 cents per pound on December 15, which compares with a low of 7.65 cents per pound on November 5.

COTTON MOVEMENTS THROUGH THE PORT OF GALVESTON

	November 1937	November 1936	August 1 to November 30 This season	August 1 to November 30 Last season
Receipts	267,947	383,870	1,304,611	1,324,072
Exports	241,983	225,497	667,482	699,178
Stocks, November 30			934,109	987,089

COTTON—GALVESTON STOCK STATEMENT

	November 30, 1937	November 30, 1936
For Great Britain	8,500	13,600
For France	8,000	25,500
For other foreign ports	40,000	64,600
For coastwise ports	1,000	4,000
In compresses and depots	876,609	879,389
Total	934,109	987,089

COTTON MOVEMENTS THROUGH THE PORT OF HOUSTON

	November 1937	November 1936	August 1 to November 30 This season	August 1 to November 30 Last season
Receipts	209,397	278,956	1,227,172	985,293
Exports	205,401	180,829	607,142	536,276
Stocks, November 30			829,756	606,872

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

	August 1 to November 30 This season	August 1 to November 30 Last season
Receipts	4,988,952	4,548,380
Exports:		
United Kingdom	743,793	466,548
France	412,556	368,871
Italy	218,142	111,592
Germany	398,606	286,922
Other Europe	383,362	278,670
Japan	83,907	662,772
All other countries	193,399	127,567
Total exports	2,433,765	2,302,942
Stocks held at all United States ports, November 30	3,305,172	3,019,331

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

	November, 1937		Dec. 15, 1937
	High	Low	
New York	8.22	7.79	8.29
New Orleans	8.26	7.73	8.31
Dallas	7.62	7.09	7.69
Houston	8.00	7.50	8.14
Galveston	7.97	7.48	8.08

Petroleum

Proration officials reduced production allowances further in November and ordered a cessation of operations in the East Texas field for four

consecutive Sundays, with the result that production of crude oil in this district declined substantially in November and the forepart of December. Daily average output during the week ended December 11 amounted to 1,491,525 barrels, which is 14 per cent below the record high rate established in August but still 9 per cent above the daily average for December last year. During November there were some withdrawals of crude oil from storage, indicating that production was below market requirements.

The daily average number of wells completed in this district during the five weeks ended November 27, while somewhat smaller than during the preceding four-week period, was about the same as the average for the first eleven months of 1937.

OIL PRODUCTION (Barrels)

	November, 1937		Increase or decrease from October, 1937	
	Total	Daily Avg.	Total	Daily Avg.
North Texas	4,345,500	144,850	— 304,650	— 5,155
West Texas	7,011,950	233,732	— 730,750	— 18,033
East Texas	16,984,700	566,157	— 1,394,500	— 26,721
South Texas	7,416,100	247,203	— 761,250	— 16,582
Texas Coastal	5,965,700	198,856	— 510,150	— 10,042
Total Texas	41,723,950	1,390,798	— 3,701,300	— 74,533
New Mexico	3,140,650	104,688	— 97,000	+ 248
North Louisiana	2,175,800	72,527	— 181,150	— 3,504
Total District	47,040,400	1,568,013	— 3,979,450	— 77,789

NOVEMBER DRILLING RESULTS

	Number of wells				Initial production (barrels daily)
	Completions	Producers	Gas Wells	Failures	
North Texas	290	205	15	70	74,671
West Texas	295	240	8	47	219,683
East Texas	381	360	4	17	1,528,789
South Texas	343	247	23	73	105,197
Texas Coastal	139	114	4	21	52,262
Total Texas	1,448	1,166	54	228	1,980,602
New Mexico	57	52	1	4	38,362
North Louisiana	59	36	13	10	20,100
*November totals, district	1,564	1,254	68	242	2,039,064
†October totals, district	1,347	1,065	43	239	1,833,134

*November figures represent five weeks ended November 27, 1937.

†October figures represent four weeks ended October 23, 1937.

CRUDE OIL PRICES (Price per barrel)

	November 30, 1937	November 30, 1936
North and west-central Texas	\$1.20	\$1.08
East-central Texas	1.27	1.15
Texas Gulf coast	1.41	*
West Texas—New Mexico	1.08	*
North Louisiana	1.22	1.10

NOTE: Prices quoted apply to oil 40 gravity and above.

*Prices for a comparable grade of oil not available.

SOURCE: The Oil Weekly, Houston, Texas.

Building

The value of construction contracts awarded in the Eleventh District aggregated \$15,027,000 in November, which, with the exception of August this year, is the largest monthly total since April, 1936. The heavy volume is attributable chiefly to the large awards for public works and public utility construction, although awards for non-residential building also increased. On the other hand, residential building declined for the

VALUE OF CONSTRUCTION CONTRACTS AWARDED (In thousands of dollars)

	November 1937	November 1936	October 1937	January 1 to November 30 1937	January 1 to November 30 1936
Eleventh District—total	\$ 15,027	\$ 7,564	\$ 11,771	\$ 132,653	\$ 117,165
Residential	2,933	3,017	3,374	44,453	36,827
All other	12,094	4,547	8,397	88,200	80,338
United States*—total	198,465	208,204	202,081	2,745,510	2,468,234
Residential	60,001	68,441	65,485	899,966	736,434
All other	138,464	139,763	136,596	1,875,544	1,731,800

*37 states east of the Rocky Mountains.

SOURCE: F. W. Dodge Corporation.

third consecutive month, and the value of November awards, which was 46 per cent below the recovery high point reached last April, dropped to the lowest level since early in 1936.

In contrast with the increase in the total value of construction contracts awarded in this district, the valuation of build-

ing permits issued at fourteen principal cities, which declined 16.2 per cent from the preceding month, followed the usual trend at this season. The value of permits issued during November totaled \$3,339,295, which is the smallest volume for any month since December, 1935.

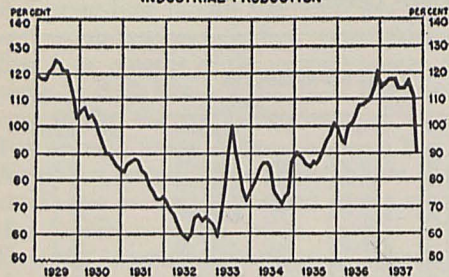
BUILDING PERMITS

	BOILING THERMISTERS										Percentage change valuation over period		
	November, 1937		November, 1936		Percentage change valuation over year	October, 1937		Percentage change valuation over month	January 1 to November 30				
	No.	Valuation	No.	Valuation		No.	Valuation		1937			1936	
Amarillo.....	25	\$ 73,506	24	\$ 45,777	+ 60.6	49	\$ 122,370	— 39.9	375	\$ 1,120,802	333	\$ 1,100,855	+ 1.8
Austin.....	142	321,179	114	256,172	+ 25.4	211	343,366	— 6.5	1,741	3,719,835	1,726	4,176,573	— 10.9
Beaumont.....	121	47,938	117	51,784	— 7.4	151	56,244	— 14.8	1,604	994,986	1,303	1,022,654	— 2.7
Corpus Christi.....	132	195,078	126	204,245	— 4.5	130	180,195	+ 8.3	1,534	3,105,395	1,253	2,577,124	+ 20.5
Dallas.....	443	615,706	414	351,386	+ 75.2	543	650,814	— 5.4	4,930	6,954,594	5,353	9,043,836	— 23.1
El Paso.....	69	83,850	74	81,162	+ 3.3	66	383,241	— 78.1	910	1,424,396	717	890,012	+ 60.0
Fort Worth.....	128	188,788	185	434,733	— 56.6	164	387,161	— 51.2	1,941	6,313,211	1,981	7,911,355	— 20.2
Galveston.....	125	221,079	94	60,664	+264.4	157	90,356	+144.7	1,239	3,529,048	1,203	1,501,069	+135.1
Houston.....	409	1,080,250	348	1,302,445	— 17.1	399	1,144,990	— 5.7	4,411	17,120,255	4,214	17,116,877	+ .01
Port Arthur.....	108	41,913	119	40,725	+ 2.9	148	64,837	— 35.4	1,635	859,160	1,524	853,755	+ .6
San Antonio.....	256	223,374	216	380,458	— 41.3	270	259,472	— 13.9	2,932	4,159,523	2,712	4,151,447	+ .2
Shreveport.....	120	146,443	113	231,399	— 36.7	132	228,177	— 35.8	1,498	2,743,751	1,436	2,382,793	+ 15.1
Waco.....	38	68,177	31	91,180	— 25.2	34	63,763	+ 6.9	507	1,151,474	402	703,346	+ 63.7
Wichita Falls.....	17	32,014	25	9,143	+250.1	22	10,287	+211.2	196	299,050	212	347,121	— 13.8
Total.....	2,133	\$3,339,295	2,000	\$3,541,273	— 5.7	2,476	\$3,985,273	— 16.2	25,453	\$53,495,480	24,369	\$53,778,817	— .5

SUMMARY OF NATIONAL BUSINESS CONDITIONS

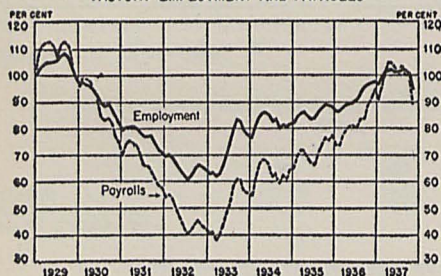
(Compiled by the Board of Governors of the Federal Reserve System)

INDUSTRIAL PRODUCTION



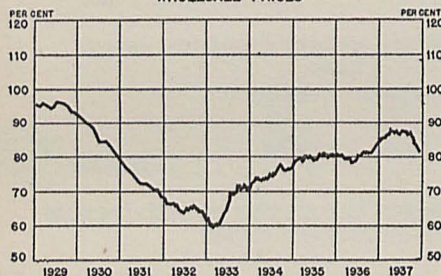
Index of physical volume of production, adjusted for seasonal variation, 1923-1925 average = 100. By months, January, 1929, to November, 1937.

FACTORY EMPLOYMENT AND PAYROLLS



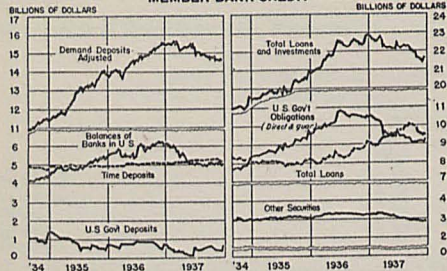
Indexes of number employed and payrolls, without adjustment for seasonal variation, 1923-1925 average = 100. By months, January, 1929, to November, 1937. Indexes compiled by the United States Bureau of Labor Statistics.

WHOLESALE PRICES



Index compiled by the United States Bureau of Labor Statistics, 1926 = 100. By months, 1929 to 1931; by weeks, 1932 to date. Latest figure is for week ending December 18, 1937.

MEMBER BANK CREDIT



Wednesday figures for reporting member banks in 101 leading cities, September 5, 1934, to December 15, 1937.

In November, volume of industrial production continued to decline sharply, and employment and payrolls also decreased. During the first half of November commodity prices declined further but for the past month they have been steady.

PRODUCTION AND EMPLOYMENT

Volume of industrial output, as measured by the Board's seasonally adjusted index, declined from 103 per cent of the 1923-1925 average in October to 90 per cent in November, reflecting chiefly a sharp reduction in the manufacture of durable goods. There was a further curtailment of activity at steel mills and output for the month was at a rate of 38 per cent of capacity, a decline of one-third from October. In the first three weeks of December steel production was at about 28 per cent of capacity. Output of lumber and plate glass also declined substantially in November, and automobile production showed considerably less than the usual seasonal increase. Production of nondurable goods, which had decreased by a substantial amount earlier this year, declined further in November, reflecting a continued reduction in output of textiles and shoes, partly offset in the total by an increase in activity at sugar refineries. Output of minerals, as well as manufactures, declined in November. There were marked decreases in output of bituminous coal and in iron ore shipments, while crude petroleum production continued in large volume.

Total value of construction contracts awarded, as reported by the F. W. Dodge Corporation, showed little change in November and the first half of December. Awards for privately-financed projects declined, reflecting chiefly a further reduction in residential building, while contracts for publicly-financed work increased.

Employment and payrolls at factories showed an unusually sharp decline between the middle of October and the middle of November, and there were decreases also in the number employed in trade and other non-manufacturing lines. The Board's seasonally adjusted index of factory employment was at 94 per cent of the 1923-1925 average in November as compared with a level of 102 last summer and 96 in November last year. In the steel, machinery, lumber, and textile industries the number employed decreased by substantially more than the usual seasonal amount, and there was some decline at automobile factories, although an increase is usual at this season. There were declines also in the seasonally adjusted indexes for most other lines, except foods and tobacco which showed little change.

AGRICULTURE

Department of Agriculture estimates recently issued indicate that most crops will be about the same size as forecast earlier but that cash farm income will be lower than had been anticipated, largely because of price declines both for crops and livestock. Cash income in 1937 is expected to be \$8,500,000,000, as compared with \$7,918,000,000 in 1936. The increase over a year ago is due primarily to increased income from marketings of wheat, tobacco, and fruits and to larger Government payments.

DISTRIBUTION

Distribution of commodities to consumers, which earlier had been maintained, declined slightly in November. There was a slight decline in sales at department stores, and mail-order sales decreased considerably, while sales at variety stores showed little change. Preliminary information for the first half of December indicates that department store sales increased by approximately the usual seasonal amount.

Freight-car loadings declined by considerably more than the seasonal amount in November and the Board's adjusted index for that month was 71 per cent of the 1923-1925 average as compared with 76 per cent in October and an average of 81 per cent in the first half of the year. The decline from October to November reflected principally marked decreases in loadings of coal and miscellaneous freight.

COMMODITY PRICES

The general level of wholesale commodity prices, which had declined sharply from the latter part of September to the third week of November, has shown little change since that time. Prices of non-ferrous metals, leather, wool, textile yarns and finished cotton goods have declined somewhat further in this period, while steel scrap, hides, rubber, cotton, print cloths, and bituminous coal have recently shown some advance.

BANK CREDIT

Excess reserves of member banks showed a small decline but for the first three weeks of December remained somewhat over \$1,000,000,000. The increase in demand for currency during December has been smaller than usual, reflecting largely the effects of the recent sharp decline in business activity and payrolls.

Total loans and investments of reporting member banks in 101 leading cities increased somewhat during the four weeks ending December 15, reflecting a growth of \$190,000,000 in holdings of United States Government obligations, mostly in New York City. A factor in this increase was the purchase by banks of the December 15 issues of Government securities. Commercial loans, which had begun to decline in October showed a further reduction.

SUPPLEMENT TO THE
MONTHLY BUSINESS REVIEW
OF THE
FEDERAL RESERVE BANK OF DALLAS

JANUARY 1, 1938

REVISION OF INDEXES OF DEPARTMENT STORE SALES

The Federal Reserve Bank of Dallas has revised its indexes of department store sales for the Eleventh District. The revision in the unadjusted index gives effect to changes in the underlying data resulting from the inclusion of figures for additional firms to replace the figures of those firms that have discontinued business. During the period covered by the indexes there have been noticeable shifts in the proportion of business transacted in various seasons. The most important changes have been the increases in the proportion of sales made in August, September, and December, and decreases in the proportion made in January, June, October,

and November. To make allowance for these shifts during the years in which they were occurring, new seasonal adjustment factors were computed for the entire period.

The method used to obtain the adjustment factors is similar to that employed by the Board of Governors of the Federal Reserve System for measuring seasonal variations of a changing character.

The unadjusted and adjusted indexes and seasonal adjustment factors of department store sales for the period 1919 to date are shown in the appended tables.

DEPARTMENT STORE SALES, ELEVENTH FEDERAL RESERVE DISTRICT
(Index numbers based on daily averages of dollar volume of sales; 1923-25=100)

Month	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937
Without seasonal adjustment:																			
January.....	76.9	101.6	93.0	75.7	78.1	83.0	89.2	93.2	88.7	90.8	88.8	79.0	74.8	55.6	45.2	57.6	61.5	70.1	80.6
February.....	73.8	97.3	92.3	76.3	76.5	80.4	93.2	95.5	91.6	89.8	90.8	90.6	81.8	61.2	48.6	66.2	70.3	77.9	90.4
March.....	95.5	126.4	104.8	83.8	92.0	89.8	102.0	101.2	99.3	103.9	113.9	97.0	89.5	65.4	51.6	81.1	81.3	88.0	99.6
April.....	88.3	115.8	95.0	88.2	90.4	96.7	102.5	101.7	108.3	104.6	103.9	103.9	94.9	65.7	66.7	76.6	81.8	91.3	101.8
May.....	89.9	125.2	104.2	93.7	103.2	103.2	107.6	114.5	115.1	114.0	113.3	104.1	98.0	65.9	64.4	78.1	79.7	96.5	107.2
June.....	91.5	114.2	96.0	85.0	89.6	94.4	92.8	101.3	93.6	97.5	99.9	90.5	80.0	56.0	55.2	68.3	75.2	93.0	94.3
July.....	70.2	88.0	71.5	65.1	68.6	69.4	69.7	75.0	71.8	73.8	73.7	68.6	58.7	41.9	47.9	53.7	59.2	72.2	74.7
August.....	72.0	87.0	65.1	62.6	64.8	67.1	72.3	85.4	76.2	76.1	80.3	76.5	65.7	45.6	58.6	59.5	64.4	78.6	86.2
September.....	107.1	117.8	91.7	102.3	107.8	114.3	105.5	112.4	108.0	119.9	117.8	109.7	80.6	74.0	68.5	91.9	98.3	111.0	122.1
October.....	111.9	133.0	110.2	101.5	114.4	115.2	125.7	125.5	123.5	118.7	122.1	111.7	89.1	78.2	82.0	86.4	93.2	123.3	124.1
November.....	127.6	140.2	105.1	105.3	114.1	118.2	117.3	123.9	123.9	129.7	132.7	114.5	91.6	70.3	77.6	93.3	99.1	115.0	121.5
December.....	175.1	173.5	144.8	150.6	157.3	164.0	171.4	177.4	187.6	191.0	184.9	157.4	130.8	101.4	128.5	147.4	157.3	178.9	.....
Yearly average...	98.3	118.3	97.8	90.8	96.4	99.6	104.1	108.9	107.3	109.2	110.2	100.3	86.1	65.1	66.2	80.0	85.1	99.7	.....
Adjusted for seasonal variation:																			
January.....	90.5	119.5	109.4	89.1	91.9	96.5	103.7	108.4	105.6	110.7	112.4	102.6	98.4	73.2	59.5	75.8	80.9	92.2	106.1
February.....	87.9	115.8	109.9	90.8	91.1	95.7	109.6	112.4	107.8	105.6	108.8	105.3	95.1	71.2	57.2	77.9	82.7	91.6	106.4
March.....	101.6	129.0	105.9	89.1	92.9	95.5	106.3	103.3	105.6	107.1	115.1	104.3	93.2	67.4	56.1	82.8	87.4	92.6	101.6
April.....	89.2	121.9	101.1	89.1	96.2	97.7	104.6	105.9	108.3	107.8	109.4	103.9	97.8	68.4	66.0	79.8	81.0	92.2	106.0
May.....	87.3	121.6	101.2	90.1	99.2	99.2	103.6	109.0	109.6	108.6	110.0	102.1	95.0	65.9	62.4	78.1	79.7	96.5	107.2
June.....	95.3	119.0	100.0	89.5	94.3	99.4	99.8	112.6	105.2	109.6	112.2	101.7	89.9	62.9	64.0	76.7	84.5	104.5	106.0
July.....	96.2	120.5	97.9	90.4	96.6	99.1	101.0	110.3	107.2	110.1	110.0	102.4	87.6	61.6	68.4	76.7	84.6	103.1	106.7
August.....	102.9	124.3	93.0	90.7	93.9	97.2	104.8	123.8	110.4	108.7	108.5	100.7	85.3	59.2	76.1	77.3	83.6	102.1	111.9
September.....	103.0	113.3	88.2	96.5	100.7	106.8	98.6	105.0	100.9	111.0	108.1	99.7	72.6	66.7	61.7	82.8	88.6	100.0	110.0
October.....	96.5	114.7	95.0	87.5	98.6	99.3	108.4	108.2	107.4	105.0	108.1	98.8	78.8	69.2	72.6	76.5	82.5	109.1	109.8
November.....	110.0	120.9	90.6	90.8	98.4	101.9	101.1	106.8	106.8	110.9	113.4	97.9	78.3	60.6	68.7	83.3	88.5	102.7	108.5
December.....	109.3	108.4	90.5	94.1	98.3	102.5	106.5	108.2	111.0	112.4	108.8	92.6	76.9	59.3	74.3	85.2	90.9	103.4	.....

NOTE: The daily average sales are computed on the basis of the number of business days; allowance is made for the number of Sundays and for four holidays: New Year's Day, Independence Day, Thanksgiving Day, and Christmas.

SEASONAL ADJUSTMENT FACTORS FOR INDEX OF DEPARTMENT STORE SALES
(Average for year=100)

Month	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937
January.....	85	85	85	85	85	86	86	86	84	82	79	77	76	76	76	76	76	76	76
February.....	84	84	84	84	84	84	85	85	85	85	85	86	86	86	85	85	85	85	85
March.....	94	98	99	94	99	94	96	98	94	97	99	93	96	97	92	98	93	95	98
April.....	99	95	94	99	94	99	98	96	100	97	95	100	97	96	101	96	101	99	96
May.....	103	103	103	104	104	104	104	105	105	105	103	102	101	100	100	100	100	100	100
June.....	96	96	96	95	95	95	93	89	89	89	89	89	89	89	89	89	89	89	89
July.....	73	73	73	72	71	70	69	68	67	67	67	67	67	68	70	70	70	70	70
August.....	70	70	70	69	69	69	69	69	69	70	74	76	77	77	77	77	77	77	77
September.....	104	104	104	106	107	107	107	107	107	108	109	110	111	111	111	111	111	111	111
October.....	116	116	116	116	116	116	116	116	116	115	113	113	113	113	113	113	113	113	113
November.....	116	116	116	116	116	116	116	116	116	117	117	117	117	116	113	112	112	112	112
December.....	160	160	160	160	160	160	161	164	169	170	170	170	170	171	173	173	173	173	173

*Include adjustments for effect of changes in the date of Easter.