# business review

*october 1963*

FEDERAL RESERVE
BANK OF DALLAS

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## contents

# the coin situation: review and appraisal

The Nation's coinage requirements have been increasing steadily over the past few years, but, unfortunately, coin production at the mints has not kept pace with the demand. From a total of $1.8 billion in 1953, the amount of coin in circulation advanced to approximately $2.7 billion in 1962, reflecting an increase of more than 50 percent. The expansion in the coinage needs of individuals and businesses is primarily associated with the advance in the level of economic activity; but other factors — such as increases in retail sales through automatic vending devices, the imposition of or increase in sales taxes, the rapid growth of suburban developments, and the expansion in the number of banking offices — are also important influences on coin demands.

Coin demands have drawn heavily on the Treasury stock of silver bullion available to meet coinage needs, placed increased burdens on the Nation's coin distribution system, and severely taxed the facilities of the U. S. Mint. Coin shortages have developed in some areas of the country, and Federal Reserve banks in these areas have had to ration the available supply. Certainly, no one likes to be rationed and Federal Reserve banks do not like to ration; but with the demand for coins well in excess of the supply in many areas, there has been no alternative. The purposes of this article are to analyze the major factors which account for the rise in the amount of coin in circulation in recent years and to review the mechanism through which the public's coinage requirements are satisfied.

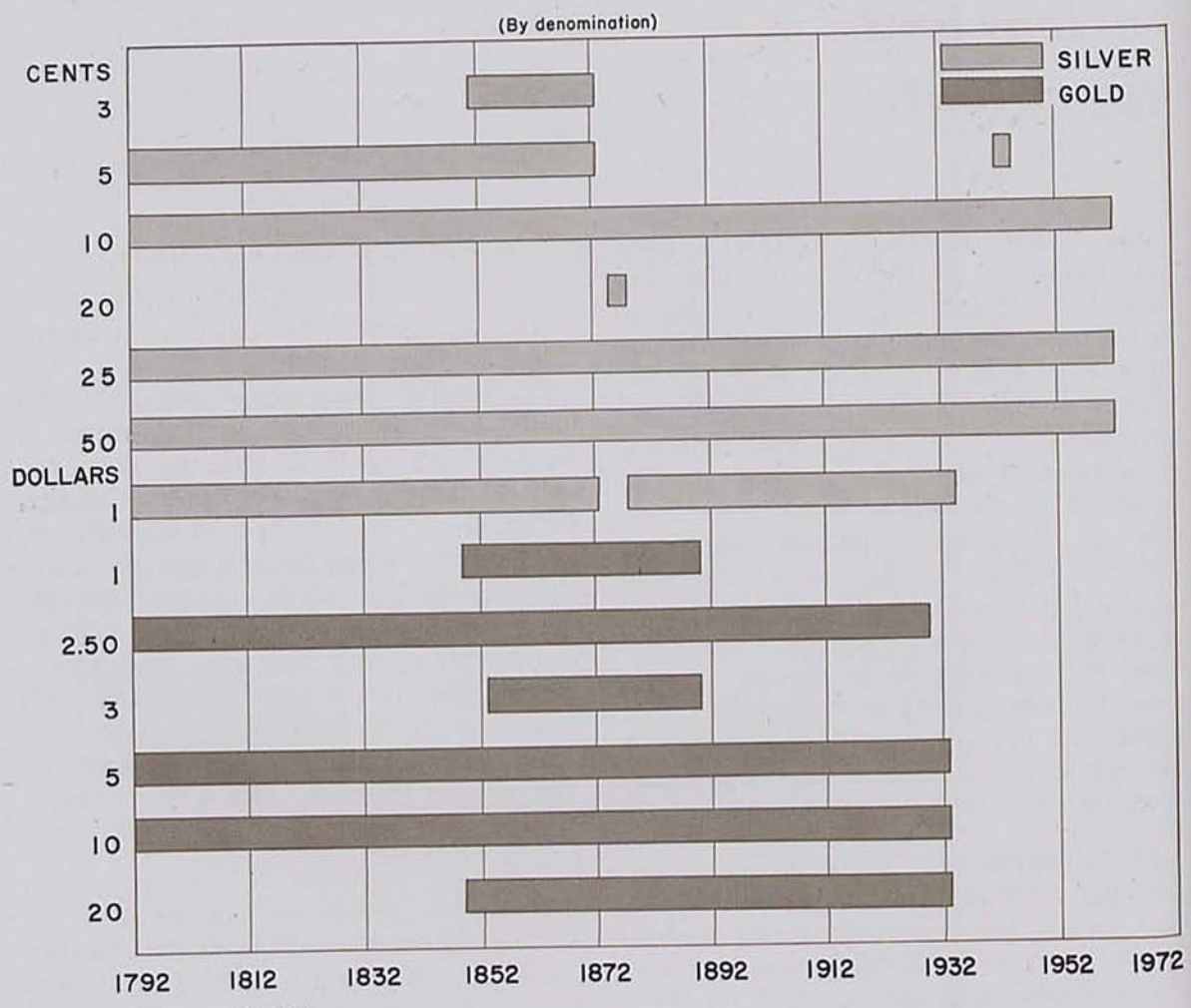
## *a brief history of coinage in the united states*

The history of American coinage begins about 30 years after the landing of the Pilgrims. To relieve the perennial shortage of coins in the Colonies, a mint was established in Massachusetts in 1652. Since no silver and only a little gold were mined in the Colonies, foreign coins, especially Spanish silver dollars, were melted down by the mint and coined into pine tree shillings, which circulated throughout the New England Colonies. These shillings, however, along with most coins that came to the Colonies from abroad, were driven from circulation by the unfavorable trade balance between the Colonies and European countries. The colonists, therefore, relied heavily on paper money as a medium of exchange, and barter became common.

Under the Articles of Confederation, the Congress adopted the dollar as the monetary unit of the United States in 1785 and recommended that it be subdivided according to the decimal system. In the following year, the value of the dollar was fixed at 375.64 grains of silver. This unit was derived from the Spanish piaster, or milled dollar, which constituted an important part of metallic circulation at the time.

The first monetary system under the Constitution was established by the Act of April 2, 1792, which provided "that the money of account of the United States shall be expressed in dollars or units, dismes or tenths, cents or hundredths, and milles or thousandths." Two

## GRAPHIC HISTORY OF AUTHORIZATION OF U. S. SILVER AND GOLD COINS




SOURCE: U.S. Bureau of the Mint.

units of value were established: the gold dollar containing 24.75 grains of pure gold and the silver dollar containing 371.25 grains of pure silver.

The act of 1792 provided for the establishment of the U. S. Mint in Philadelphia and authorized the striking of gold eagles (valued at $10), half eagles, and quarter eagles. Silver dollars, half dollars, quarter dollars, dimes, and half dimes, as well as copper cents and half cents, were also authorized. Fractional coins — those in denominations of less than $1 — contained silver in weight and fineness proportionate to the dollar. Free coinage was established whereby all gold and silver brought to the mint were coined in unlimited quantities.

Foreign coins occupied an important position in the Nation's early monetary system. Spanish dollars flowed into circulation as a result of trade with the West Indies, and British coins were widely accepted as a medium of exchange. In 1793, foreign coins were

made legal tender — a status they held until 1857.

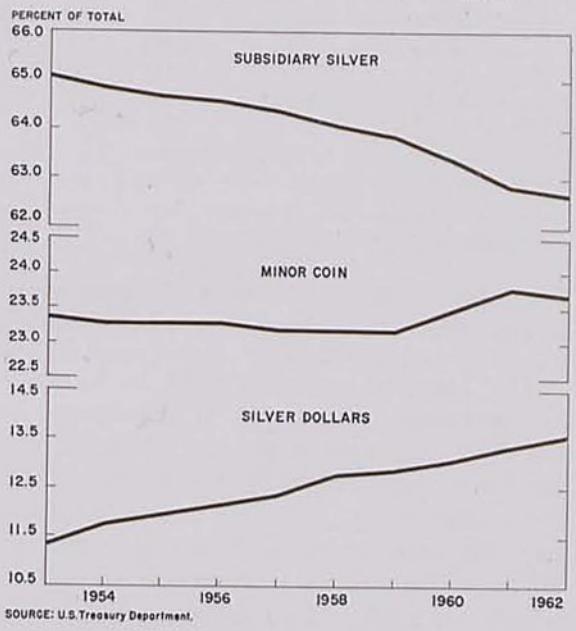
Gold coins were minted in the United States from 1792 to 1933; during this period, the mint coined gold totaling $4,526 million. As provided by the act of 1792, eagles became the standard denomination of gold coin and, with half eagles and quarter eagles, were the first gold coin struck. The Act of March 3, 1849, authorized coinage of double eagles and $1 gold pieces; and the Act of February 21, 1853, provided for the mintage of a $3 gold piece. However, only about 20 million $1 gold coins and less than 1 million $3 coins were minted before authorization for these denominations ended in 1890. Approximately 20 million quarter eagles were minted before authorization was withdrawn in 1930. Coinage of gold was prohibited by the Gold Reserve Act of 1934, and existing stocks of gold coin were returned to the Treasury and formed into gold bars; thus, passage of this act ended 142 years of gold coinage in the United States.

Silver has been coined, in some form, since the act of 1792. Silver dollars were coined until 1873, although their weight was reduced slightly in 1837. Coinage of silver dollars was prohibited by the act of 1873, but authorization was restored by the act of 1878 and continued until 1935. Authorization for all coins currently issued, with the exception of the cent, is provided by the act of 1863.

### *the nation's coins*

In terms of dollar amount, coin is a relatively insignificant part of the Nation's medium of exchange. Most business transactions are settled by transferring ownership of demand deposit accounts at commercial banks, and currency is employed to discharge most small obligations. Although coin holds a subsidiary position in the American monetary system, it is essential that consumers and businesses be supplied with an adequate stock of coin in convenient denominations to transact day-to-day business operations.

**U. S. COIN IN CIRCULATION, BY TYPE**



SOURCE: U.S. Treasury Department.

The coin stock of the United States consists of standard silver dollars, subsidiary silver coin, and minor coin. The standard silver dollar (the term "standard" distinguishes silver dollars currently in circulation from the heavier silver dollars which were retired by the act of 1887) has not been minted since 1935 and constitutes a relatively unimportant part of the Nation's coin supply. In terms of dollar amount, subsidiary silver, which is made up of dimes, quarters, and half dollars, forms the bulk of total coin in circulation. Minor coin — nickels and pennies — accounts for about one-fourth of the total amount of coin in circulation.

All coins in the United States are token coins in the sense that their value as money exceeds the value of their metallic content. Exceptions to this are certain nickels minted during World War II and the silver dollars. Recent price increases for silver have brought

METAL CONTENT AND GROSS WEIGHT OF U. S. COINS CURRENTLY MINTED

| Denomination | Metal content (In grains) | | Fineness | Gross weight (In grains) |
|---|---|---|---|---|
| | SILVER | COPPER | | |
| Silver: | | | | 412.50 |
| Silver dollar | 371.25 | 41.25 | 90 percent silver | 192.90 |
| Half dollar | 173.61 | 19.29 | 10 percent copper | 96.45 |
| Quarter dollar | 86.805 | 9.645 | | 38.58 |
| Dime | 34.722 | 3.858 | | |
| | COPPER | NICKEL | | |
| Minor coins: | | | | |
| Five cents | 57.87 | 19.29 | 75 percent copper<br>25 percent nickel | 77.16 |
| | COPPER | TIN AND ZINC | | |
| One cent | 45.60 | 2.40 | 95 percent copper<br>5 percent tin and zinc | 48.00 |

SOURCE: U. S. Treasury Department.

the value of metallic content of these coins to a level equal to or above their value as money.

The Treasury realizes a profit on its coinage operations. This profit, or seigniorage, is the difference between the cost of the metals used in coinage and the monetary value of the coins struck; e.g., if metal costing $100 is cast into coins worth $110, the Treasury realizes a 10-percent seigniorage. In 1962, seigniorage totaled $57.5 million — $22.7 million on subsidiary silver coins manufactured and $34.8 million on minor coins.

To satisfy coinage requirements, the Treasury obtains metallic silver from its "free" silver stocks. The Silver Purchase Act of 1934, which, until recently, was the foundation of the Nation's silver policies, required the Treasury to purchase all domestically mined silver offered at $0.905 per ounce. The act further provided that the Treasury pay for the silver purchased by issuing silver certificates based on silver's monetary value of $1.2929 per ounce. As a matter of policy, only enough silver certificates were issued to pay for silver purchased; thus, a margin of silver (the difference between silver valued at $1.2929 and $0.905 per ounce) remained unencumbered, or free.

Expansion in the Nation's coinage requirements was partially responsible for recent changes in the Treasury's silver policies. The persistent decline in the free silver stock, caused by sales of silver to industrial users and demands for coinage, prompted the President to issue an Executive order on November 29, 1961, authorizing the Treasury to begin retiring $5 and $10 silver certificates. The metallic silver backing these notes was thus released for coinage purposes. Legislation enacted in June of this year provides for the retirement of $1 and $2 silver certificates, which will free about 1.3 billion ounces of silver to meet coinage needs. The retired silver certificates will be replaced by Federal Reserve notes. However, it is expected that the withdrawal of silver certificates from circulation will require several years.

## *coin demands*

Coinage requirements may be classified into demands arising from the needs of business and those arising from nonbusiness channels. To prevent shortages from developing, the mint must produce coin in sufficient quantity to fulfill demands arising from both sources. The demand for coin for business purposes primarily represents the use of coin to settle small retail transactions and to conduct day-to-day commercial operations.

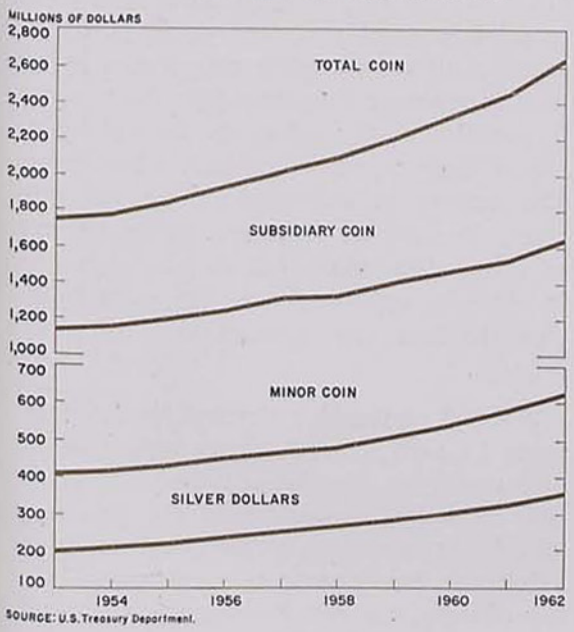
The coin requirements of commerce are influenced by seasonal forces, cyclical fluctuations, and the long-term growth rate of the economy. Other significant factors affecting

business coin requirements are the rate at which coin flows through commercial channels and changes in retail merchandising techniques.

Seasonal fluctuations in the amount of coin in circulation tend to coincide with similar changes in the amount of currency held by the public. The amount of coin in circulation advances during holiday periods, increasing sharply in the fall of the year to a peak in December. During January, coin is returned from the public to commercial banks and then to Federal Reserve banks. In recent years, the December level of coin in circulation has been equaled or surpassed early in the second quarter of the following year.

The amount of coin held by the public has established a record in each successive year since 1952 — reaching $2.7 billion at the end of 1962. The public's holdings of silver coin increased from $1.1 billion at the end of 1952 to $1.7 billion in 1962, or $600 million—compared with advances of $236 million and $169 million for minor coin and silver dollars, respectively. However, in terms of percentage change, the largest gain occurred in the public's holdings of silver dollars. Ownership of silver dollars increased approximately 90 percent during the period.

**TOTAL U. S. COIN IN CIRCULATION**



SOURCE: U.S. Treasury Department.

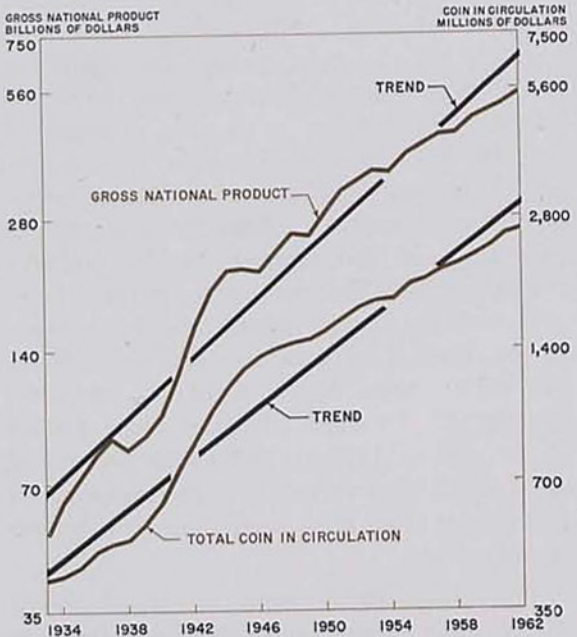
In the decade under review, the population of the United States advanced from 159.6 million to 189.0 million, an increase of about 18 percent. The additional amount of coin required to satisfy the needs of a larger population undoubtedly accounts for a significant proportion of the increase in the Nation's coinage needs. The population growth, however, fails to explain completely the advance in the amount of coin in circulation. On a per capita basis, the amount of coin held outside the Treasury advanced from $10.05 at the end of 1952 to $15.10 at the end of 1962, or $5.05 per person; this increase suggests that factors other than population growth must be considered.

The relationship between the rate of change in economic activity and the amount of coin in circulation is illustrated in the accompanying chart. As the level of business activity advances, individuals and business firms require more coin to settle an expanded volume of transactions. Conversely, as the pace of the economy slackens, the supply of coin demanded by the public tends to decline.

Cyclical changes in the public's coin holdings roughly coincide with fluctuations in gross national product. The rapid advance of the economy between 1941 and 1948 was accompanied by an increase of over 90 percent in the amount of coin in circulation. The early 1950's were years of buoyant economic activity, and the public's coin supply advanced about 50 percent between 1948 and 1957. Between 1957 and 1960, the Nation suffered two periods of lagging economic activity, which slowed the advance in the public's coin holdings considerably.

Institutional changes in the economy have influenced coin requirements. Perhaps one of

*Increases in coin in circulation are closely associated with advances in economic activity . . .*




SOURCES: U.S. Department of Commerce.
Federal Reserve Bank of Dallas.

the most significant of these changes, from the viewpoint of affecting coin needs, has been the growth in suburban developments and shopping centers. Associated with population shifts to outlying areas is the rapid increase in recent years in the number of banking offices. Since 1959, 3,180 new banks and branches have been established in this country, many of which are located outside the downtown areas. In order to meet customer requirements, these new banking offices must be supplied a stock of coin. Furthermore, since late 1960, member banks have been allowed to count coin and currency holdings in satisfying their reserve requirements. Consequently, banks have become more willing to hold coin in excess of normal requirements.

The method of taxation selected by states to finance their expenditures has affected the amount of coin in circulation. Recent years have witnessed a significant gain in the amount of sales taxes collected by states. From a total of $2.2 billion in 1952, state collections of general sales or gross receipts taxes advanced to $5.1 billion in 1962. This increase largely reflects the fact that some states have imposed sales taxes for the first time and others have raised their rates. These taxes have been especially important in accounting for the rise in the number of pennies in circulation.

The expansion of retail sales through vending machines is often alleged to be a major factor contributing to the expansion of coin in circulation. From a total of $600 million in 1946, sales through automatic vending machines advanced to $2.1 billion in 1958 and to $2.7 billion in 1962. A direct correlation between vending machine sales and coin demands would seem reasonable, though corroborating evidence is lacking.

Unrelated to the level or pace of economic activity but, nevertheless, representing a demand on the Nation's coin supply is the withdrawal of coin from circulation by dealers and speculators who purchase coin in bulk quantities in anticipation of realizing premium prices. The activity of speculators has become more widespread in recent years, partly because of difficulties being experienced by the mint in manufacturing enough coins to satisfy the public's needs and partly because of the recent sharp increases in bulk silver prices. The activity of numismatists, on the other hand, does not greatly aggravate the shortage of coins, since most collectors are interested in obtaining only two coins (in order to display the face and obverse sides) of a rare mintage.

Another nonbusiness demand for coin stems from the need to replace coin which has disappeared from circulation. According to recent estimates, approximately 4½ percent of all coins in circulation are misplaced each year. While this loss represents a substantial number of coins, the dollar amount is small since

most of the coins misplaced are 1- and 5-cent pieces.

The spectacular rise (about 90 percent in the last decade) in the amount of silver dollars in circulation is primarily due to the use of these coins for purposes other than to serve as a medium of exchange. Merchandise promotions, contests, and other types of advertising schemes have increasingly used displays of large quantities of silver dollars to attract public attention. Furthermore, substantial amounts have been purchased by coin speculators and hoarders.

### *coin production*

The increased demand for coin of all denominations has placed a severe strain on the facilities of the U. S. Mint. By operating virtually 24 hours a day, 7 days a week, the mint produced 3.5 billion domestic coins in fiscal year 1962, compared with 3.1 billion in the previous year and 1.6 billion in 1953. However, despite this high level of production at both the Philadelphia and Denver Mints, output has been inadequate to meet current demand, and Federal Reserve banks in some areas have had to ration the available supply. To satisfy the Nation's coinage needs, legislation was recently enacted which authorizes the construction of new mint facilities. A new mint is to be built in Philadelphia, and additional capacity is planned for the Denver Mint; however, several years will be required to complete the expansion program.

The Philadelphia Mint produces coin for foreign governments, as well as for domestic usage. From time to time, 37 countries have availed themselves of U. S. mintage facilities. Foreign orders, which account for 3 percent to 6 percent of total mint production, are unsolicited and are accepted only when they do not interfere with domestic production. During 1962, 214 million coins in 12 different denominations were manufactured at the Philadelphia Mint for the Governments of Costa Rica, Korea, the Philippines, and Liberia. Reimbursement is made to the mint for the metal consumed and cost of mintage.

### *coin distribution*

Fluctuations in the public's holdings of coin are reflected initially in the coin stock of commercial banks. The public satisfies its coin demands by drawing upon coin held by commercial banks. Similarly, the public returns all unwanted coin to commercial banks.

Commercial banks normally hold only enough coin in their vaults to satisfy customer demands; in the case of banks that are members of the Federal Reserve System, fluctuations in these demands are reflected in the members' reserve accounts. A reduction is made in a member bank's reserve balance as coin is shipped to the member to meet the needs of circulation. Conversely, a member's reserve account is increased as coin in excess of normal requirements is deposited in the Reserve bank. Banks that are not members of the Federal Reserve System obtain coin from correspondent member banks, which, in turn, receive the coin from their Federal Reserve bank.

Federal Reserve banks serve as intermediaries in the Nation's coin distribution system by providing the link between the manufacturer (the mint) and the consumer (the public). Coin returning from public circulation flows into Reserve banks, where it is counted and sorted according to its fitness for recirculation. In 1962, over 10 billion pieces of coin, amounting to $1.1 billion, were received and counted by Reserve banks. This is a substantial increase over the 8 billion coins handled in 1953.

To satisfy member bank requests for coin, Reserve banks attempt to maintain an adequate stock of coin to meet foreseeable demands. At any given time, coin in the vaults of a Federal Reserve bank consists of both new and circu-

lated pieces. However, coin supplies principally consist of circulated coin, and it is from this stock that member bank requests are normally satisfied. New coin is generally paid out only when stocks of circulated coin are exhausted. Coin orders are filled without regard to date or place of mintage.

Federal Reserve banks and their branches obtain new coin upon request to the U. S. Mint. As coin is received from the mint, a seal on each bag is inspected and the identification tag is checked as to the amount and denomination of the coins. The contents of each bag of coin are verified by weight, and deviations from prescribed weight are checked by piece counting. Coin received by Reserve banks that is "uncurrent," or unfit for circulation, is returned to the mint to be recast into new coin.

Each Federal Reserve bank issues letters or circulars to member banks in its district specifying the terms of its coin services. These letters prescribe quantities in which coin should be ordered, the method of shipment, insurance coverage, and other procedures to expedite the handling of a large volume of coins. Requests for coin by member banks must comply with these procedures. Coin shipments from Reserve banks are made by armored car, registered mail, or express. The Reserve bank absorbs the costs of transportation on regular shipments to out-of-town member banks, but local member banks must arrange for their own deliveries. At the request of a member bank, a Reserve bank ships coin to nonmember banks and charges the cost of transportation to the member bank.

The Nation's coin distribution system is organized to satisfy business needs. However, uncirculated sets and proof sets of coin may be obtained from the Bureau of the Mint, and over-the-counter sales of coin are made by the Treasury Department (Cash Division) in Washington. The Federal Reserve banks, however, refuse to fill orders for coin to be used for purposes other than as a circulating medium. Federal Reserve banks, being primarily bankers' banks, are not organized in such a way as to permit them to deal directly with the public.

### *summary*

The shortage of coins, which has been especially evident since 1959, is largely the result of the increased demand for coin stemming from normal economic growth and the inability of the mint to manufacture coin in sufficient quantities to satisfy public requirements. The problem, however, has been compounded by several factors, notably the greater use of vending machines, the increasing number of banking offices, and the sharp rise in the number of speculators and hoarders.

An expansion in coin production to be made possible by the construction of the new mint facilities will go a long way toward solving the coin shortage. However, until the new mint becomes operative, inadequate coin supplies are likely to persist and, indeed, to intensify in some areas of the country in response to seasonal demands. Consequently, the Federal Reserve banks, as intermediaries between the mint and the public, may have to continue rationing the available coin supply in order to assure an equitable distribution. Banking leaders, Treasury officials, and others have urged the public and the commercial banks to economize on their coin holdings. The return to Federal Reserve banks of coin in excess of requirements will make a significant contribution toward alleviating seasonal shortages of coin.

DON L. WOODLAND
Financial Economist

# district highlights

Filling of the 1,047-mile section of the Colonial pipeline from Houston, Texas, to Greensboro, North Carolina, began September 16. An estimated 7 million barrels of gasoline will displace water in the 36-inch trunk by the middle of October. The Colonial Pipe Line Company began moving gasoline into the line from storage tanks on the Houston Ship Channel at the rate of 235,000 barrels daily, and the rate of flow will be increased to about 450,000 barrels daily when deliveries begin.

The $350 million Colonial pipeline system is one of the largest single privately financed construction projects in the history of the United States. When completed, the system will consist of 1,600 miles of mainline pipe running between Houston and New York City and about 1,000 miles of lateral pipe, some of which will extend into Tennessee. By mid-September, some 1,900 miles of the products system were in place. The capacity of the completed pipeline is expected to be about 800,000 barrels daily, and this can be expanded to approximately 1.2 million barrels per day by applying more power at pumping stations.

Industrial production in Texas declined during August to 120 percent of the 1957-59 average, a level 1 percent below the record high achieved in July but 6 percent above a year earlier. The August decrease, the first since last March, is attributable to reduced production of durable goods, which edged downward 3 percent from July to 126 percent. Nondurable goods output, at 135 percent, was unchanged from July but was 5 percent above August 1962. Mining activity in Texas was essentially unchanged from July to August.

After gaining for six consecutive months, nonagricultural wage and salary employment in the five southwestern states declined fractionally in August to 4,747,600, a level which is 2 percent above that of August 1962. Slight improvements in the number of employed persons in New Mexico and Oklahoma were more than offset by small reductions in Arizona, Louisiana, and Texas. For the five states, nonmanufacturing employment, which has been climbing month by month since January, continued the upward trend through August. The August increase was not sufficient, however, to counterbalance the downward shift in manufacturing employment.

The seasonally adjusted index of department store sales in the Eleventh District in August was 112 percent of the 1957-59 base period, compared with 114 percent for July and 107 percent for August 1962. This reflects a decline of 2 percent from July but a gain of 5 percent over August last year. Cumulative sales in the first 8 months of 1963 were 4 percent above the corresponding months in 1962. Sales in the first 3 weeks of September continued moderately above year-earlier totals, showing a gain of 3 percent over the comparable period in 1962.

Following the usual pattern of sales of new automobiles toward the end of a model year, registrations of new passenger automobiles in four major Texas markets (Dallas, Fort Worth, Houston, and San Antonio) in August declined 15 percent from July but were slightly higher than in August 1962. Part of the decline may reflect the short supply of various 1963 models. Cumulative figures for 1963 through August show registrations for the combined market areas to be 11 percent higher than for the same period a year ago.

Based on September 1 conditions, the cotton crop in the District states is estimated at 6.3 million bales, or 4 percent above the previous

month's forecast but 7 percent below 1962 production. Acreage allotments, however, are 11 percent lower for the 1963 crop. In contrast to the reduced cotton crop in the District states, estimated grain sorghum production, at 262 million bushels, reflects an 11-percent gain over last year. Prior to Hurricane Cindy, the rice crop in Louisiana and Texas was estimated to be moderately above the high-level 1962 output; however, hurricane losses of rice in the coastal area of Texas will probably reduce the final outturn.

## new member banks

The Airline National Bank of Houston, Houston, Texas, a conversion of the Airline State Bank of Houston, Houston, Texas, located in the territory served by the Houston Branch of the Federal Reserve Bank of Dallas, opened for business September 16, 1963, as a member of the Federal Reserve System. The new member bank has capital of $300,000, surplus of $300,000, and undivided profits of $92,972. The officers are: W. S. Pebworth, Jr., President; M. K. Howard, Executive Vice President; Lee W. Sherman, Vice President; Nelson L. Fontenot, Vice President and Cashier; Charles Patronella, Assistant Vice President; Gerald L. Andrews, Assistant Cashier; Albert A. Fritz, Assistant Cashier; Elyse Miller, Assistant Cashier; and Carrie Scraper, Assistant Cashier.

The Kress National Bank, Kress, Texas, a newly organized institution located in the territory served by the Head Office of the Federal Reserve Bank of Dallas, opened for business September 21, 1963, as a member of the Federal Reserve System. The new member bank has capital of $100,000, surplus of $50,000, and undivided profits of $50,000. The officers are: D. M. Granbery, President; Ray Bivens, Vice President; and Dean Murray, Cashier.

The First National Bank of Lake Jackson, Lake Jackson, Texas, a newly organized institution located in the territory served by the Houston Branch of the Federal Reserve Bank of Dallas, opened for business September 26, 1963, as a member of the Federal Reserve System. The new member bank has capital of $200,000, surplus of $100,000, and undivided profits of $100,000. The officers are: J. L. Wilson, Chairman of the Board; B. E. Shaddock, Vice Chairman of the Board; W. R. Allison, President; H. L. Baker, Jr., Vice President; and James A. Sells, Cashier.

The Mercantile National Bank of Kingsville, Kingsville, Texas, a newly organized institution located in the territory served by the San Antonio Branch of the Federal Reserve Bank of Dallas, opened for business September 30, 1963, as a member of the Federal Reserve System. The new member bank has capital of $150,000, surplus of $100,000, and undivided profits of $50,000. The officers are: T. A. Harrell, Chairman of the Board; R. F. Orr, President; Cecil E. Burney, Vice President; and Evelyn A. Turner, Cashier.

## new par bank

The American Bank, Galveston, Texas, an insured nonmember bank located in the territory served by the Houston Branch of the Federal Reserve Bank of Dallas, was added to the Par List on its opening date, September 23, 1963. The officers are: Lorraine George, Chairman of the Board; Allen J. Verdine, Jr., President; Ray H. Allenstein, Vice President and Cashier; and John J. Saracco, Sr., Assistant Vice President.

# STATISTICAL SUPPLEMENT

## to the

## *BUSINESS REVIEW*

October 1963

FEDERAL RESERVE BANK
OF DALLAS

## CONDITION STATISTICS OF WEEKLY REPORTING MEMBER BANKS IN LEADING CITIES

Eleventh Federal Reserve District

(In thousands of dollars)

| Item | Sept. 18, 1963 | Aug. 21, 1963 | Sept. 19, 1962 |
|---|---|---|---|
| ASSETS | | | |
| Commercial and industrial loans | 1,890,846 | 1,843,608 | 1,769,694 |
| Agricultural loans | 44,248 | 42,352 | 44,368 |
| Loans to brokers and dealers for purchasing or carrying: | | | |
| U. S. Government securities | 274 | 274 | 23,274 |
| Other securities | 56,951 | 58,664 | 47,811 |
| Other loans for purchasing or carrying: | | | |
| U. S. Government securities | 1,690 | 1,701 | 2,588 |
| Other securities | 245,097 | 241,812 | 176,815 |
| Loans to domestic commercial banks | 80,388 | 66,853 | 71,980 |
| Loans to foreign banks | 2,175 | 2,247 | 94 |
| Loans to other financial institutions: | | | |
| Sales finance, personal finance, etc. | 102,315 | 99,405 | 95,289 |
| Savings banks, mtge. cos., ins. cos., etc. | 259,761 | 257,078 | 202,086 |
| Real estate loans | 328,893 | 326,316 | 274,416 |
| All other loans | 921,645 | 903,878 | 842,195 |
| Gross loans | 3,934,283 | 3,844,188 | 3,550,610 |
| Less reserves and unallocated charge-offs | 69,575 | 69,581 | 61,649 |
| Net loans | 3,864,708 | 3,774,607 | 3,488,961 |
| Treasury bills | 141,252 | 98,574 | 134,987 |
| Treasury certificates of indebtedness | 67,198 | 97,818 | 105,436 |
| Treasury notes and U. S. Government bonds, including guaranteed obligations, maturing: | | | |
| Within 1 year | 147,901 | 144,321 | 274,800 |
| After 1 but within 5 years | 718,147 | 754,374 | 551,803 |
| After 5 years | 435,875 | 421,554 | 483,131 |
| Other securities | 627,698 | 616,167 | 479,348 |
| Total investments | 2,138,071 | 2,132,808 | 2,029,505 |
| Cash items in process of collection | 668,639 | 618,574 | 604,120 |
| Balances with banks in the United States | 547,518 | 465,740 | 534,588 |
| Balances with banks in foreign countries | 2,646 | 2,489 | 2,033 |
| Currency and coin | 62,230 | 62,054 | 63,404 |
| Reserves with Federal Reserve Bank | 574,189 | 573,641 | 598,165 |
| Other assets | 257,579 | 245,594 | 200,947 |
| TOTAL ASSETS | 8,115,580 | 7,875,507 | 7,521,723 |
| LIABILITIES AND CAPITAL ACCOUNTS | | | |
| Demand deposits | | | |
| Individuals, partnerships, and corporations | 3,185,725 | 3,110,793 | 3,101,352 |
| Foreign governments and official institutions, central banks, and international institutions | 2,725 | 5,017 | 4,345 |
| U. S. Government | 144,144 | 132,936 | 159,308 |
| States and political subdivisions | 170,361 | 172,304 | 202,090 |
| Banks in the United States, including mutual savings banks | 1,213,377 | 1,076,226 | 1,167,820 |
| Banks in foreign countries | 13,411 | 13,348 | 13,089 |
| Certified and officers' checks, etc. | 69,709 | 66,775 | 54,294 |
| Total demand deposits | 4,799,452 | 4,577,399 | 4,702,298 |
| Time and savings deposits | | | |
| Individuals, partnerships, and corporations | | | |
| Savings deposits | 1,083,327 | 1,078,544 | 959,379 |
| Other time deposits | 948,164 | 924,046 | 711,216 |
| Foreign governments and official institutions, central banks, and international institutions | 505 | 507 | 2,510 |
| U. S. Government, including postal savings | 5,852 | 6,187 | 6,652 |
| States and political subdivisions | 309,690 | 308,879 | 272,377 |
| Banks in the United States, including mutual savings banks | 14,001 | 14,182 | 5,973 |
| Banks in foreign countries | 2,400 | 2,400 | 2,350 |
| Total time and savings deposits | 2,363,939 | 2,334,745 | 1,960,457 |
| Total deposits | 7,163,391 | 6,912,144 | 6,662,755 |
| Bills payable, rediscounts, etc. | 146,720 | 172,085 | 117,406 |
| All other liabilities | 127,446 | 112,548 | 102,251 |
| Capital accounts | 678,023 | 678,730 | 639,311 |
| TOTAL LIABILITIES AND CAPITAL ACCOUNTS | 8,115,580 | 7,875,507 | 7,521,723 |

## CONDITION OF THE FEDERAL RESERVE BANK OF DALLAS

(In thousands of dollars)

| Item | Sept. 18, 1963 | Aug. 21, 1963 | Sept. 19, 1962 |
|---|---|---|---|
| Total gold certificate reserves | 588,353 | 553,860 | 626,798 |
| Discounts for member banks | 14,875 | 43,723 | 7,635 |
| Other discounts and advances | 1,710 | 1,710 | 596 |
| U. S. Government securities | 1,300,631 | 1,295,463 | 1,199,932 |
| Total earning assets | 1,317,216 | 1,340,896 | 1,208,163 |
| Member bank reserve deposits | 914,656 | 927,694 | 968,298 |
| Federal Reserve notes in actual circulation | 947,689 | 939,616 | 874,180 |

## RESERVE POSITIONS OF MEMBER BANKS

Eleventh Federal Reserve District

(Averages of daily figures. In thousands of dollars)

| Item | 4 weeks ended Sept. 4, 1963 | 5 weeks ended Aug. 7, 1963 | 5 weeks ended Sept. 5, 1962 |
|---|---|---|---|
| RESERVE CITY BANKS | | | |
| Total reserves held | 586,903 | 594,640 | 596,359 |
| With Federal Reserve Bank | 545,732 | 552,616 | 553,823 |
| Currency and coin | 41,171 | 42,024 | 42,536 |
| Required reserves | 582,445 | 589,533 | 591,314 |
| Excess reserves | 4,458 | 5,107 | 5,045 |
| Borrowings | 2,554 | 12,057 | 200 |
| Free reserves | 1,904 | —6,950 | 4,845 |
| COUNTRY BANKS | | | |
| Total reserves held | 529,070 | 530,522 | 534,861 |
| With Federal Reserve Bank | 410,298 | 413,330 | 427,833 |
| Currency and coin | 118,772 | 117,192 | 107,028 |
| Required reserves | 484,893 | 487,262 | 472,467 |
| Excess reserves | 44,177 | 43,260 | 62,394 |
| Borrowings | 5,679 | 5,498 | 7,200 |
| Free reserves | 38,498 | 37,762 | 55,194 |
| ALL MEMBER BANKS | | | |
| Total reserves held | 1,115,973 | 1,125,162 | 1,131,220 |
| With Federal Reserve Bank | 956,030 | 965,946 | 981,656 |
| Currency and coin | 159,943 | 159,216 | 149,564 |
| Required reserves | 1,067,338 | 1,076,795 | 1,063,781 |
| Excess reserves | 48,635 | 48,367 | 67,439 |
| Borrowings | 8,233 | 17,555 | 7,400 |
| Free reserves | 40,402 | 30,812 | 60,039 |

## GROSS DEMAND AND TIME DEPOSITS OF MEMBER BANKS

Eleventh Federal Reserve District

(Averages of daily figures. In millions of dollars)

| Date | GROSS DEMAND DEPOSITS | | | TIME DEPOSITS | | |
|---|---|---|---|---|---|---|
| | Total | Reserve city banks | Country banks | Total | Reserve city banks | Country banks |
| 1961: August | 7,759 | 3,820 | 3,939 | 2,774 | 1,396 | 1,378 |
| 1962: August | 8,021 | 3,967 | 4,054 | 3,538 | 1,646 | 1,892 |
| 1963: March | 8,317 | 4,051 | 4,266 | 3,783 | 1,854 | 1,929 |
| April | 8,284 | 4,016 | 4,268 | 3,836 | 1,886 | 1,950 |
| May | 8,126 | 3,979 | 4,147 | 3,907 | 1,935 | 1,972 |
| June | 8,235 | 4,067 | 4,168 | 3,948 | 1,957 | 1,991 |
| July | 8,311 | 4,088 | 4,223 | 3,975 | 1,963 | 2,012 |
| August | 8,164 | 3,971 | 4,193 | 4,005 | 1,983 | 2,022 |

## CONDITION STATISTICS OF ALL MEMBER BANKS

Eleventh Federal Reserve District

(In millions of dollars)

| Item | Aug. 28, 1963 | July 31, 1963 | Aug. 29, 1962 |
|---|---|---|---|
| ASSETS | | | |
| Loans and discounts | 6,370 | 6,341 | 5,732 |
| U. S. Government obligations | 2,789 | 2,817 | 2,845 |
| Other securities | 1,330 | 1,282 | 1,055 |
| Reserves with Federal Reserve Bank | 915 | 896 | 915 |
| Cash in vault[e] | 181 | 177 | 172 |
| Balances with banks in the United States | 1,098 | 1,023 | 1,073 |
| Balances with banks in foreign countries[e] | 3 | 4 | 2 |
| Cash items in process of collection | 638 | 636 | 543 |
| Other assets[e] | 362 | 331 | 269 |
| TOTAL ASSETS[e] | 13,686 | 13,507 | 12,606 |
| LIABILITIES AND CAPITAL ACCOUNTS | | | |
| Demand deposits of banks | 1,281 | 1,205 | 1,224 |
| Other demand deposits | 6,901 | 6,899 | 6,771 |
| Time deposits | 4,022 | 3,982 | 3,321 |
| Total deposits | 12,204 | 12,086 | 11,316 |
| Borrowings[e] | 163 | 129 | 59 |
| Other liabilities[e] | 147 | 131 | 133 |
| Total capital accounts[e] | 1,172 | 1,161 | 1,098 |
| TOTAL LIABILITIES AND CAPITAL ACCOUNTS[e] | 13,686 | 13,507 | 12,606 |

e — Estimated.

## BANK DEBITS, END-OF-MONTH DEPOSITS AND ANNUAL RATE OF TURNOVER OF DEPOSITS

(Dollar amounts in thousands)

| Area | Debits to demand deposit accounts[1] | | | Demand deposits[1] | | | |
|---|---|---|---|---|---|---|---|
| | | Percent change from | | | Annual rate of turnover | | |
| | August 1963 | July 1963 | Aug. 1962 | August 31, 1963 | Aug. 1963 | July 1963 | Aug. 1962 |
| ARIZONA | | | | | | | |
| Tucson | $ 300,550 | —5 | —20 | $ 151,217 | 23.5 | 24.1 | 30.0 |
| LOUISIANA | | | | | | | |
| Monroe | 94,367 | —16 | 6 | 51,206 | 22.1 | 25.1 | 23.6 |
| Shreveport | 337,366 | —13 | 4 | 168,901 | 23.3 | 24.8 | 22.0 |
| NEW MEXICO | | | | | | | |
| Roswell | 55,291 | —9 | —6 | 34,536 | 19.3 | 21.0 | 18.5 |
| TEXAS | | | | | | | |
| Abilene | 100,682 | —9 | —5 | 69,645 | 17.3 | 18.5 | 17.6 |
| Amarillo | 234,850 | —12 | 2 | 120,481 | 23.3 | 26.4 | 23.6 |
| Austin | 314,809 | 17 | 5 | 157,744 | 24.0 | 20.3 | 23.0 |
| Beaumont | 199,685 | 1 | 17 | 103,365 | 22.9 | 22.2 | 20.5 |
| Corpus Christi | 232,580 | 9 | 8 | 115,744 | 24.1 | 22.4 | 23.5 |
| Corsicana | 19,863 | 5 | 11 | 21,025 | 11.3 | 10.9 | 10.9 |
| Dallas | 3,537,218 | —1 | 4 | 1,309,869 | 32.6 | 32.6 | 31.6 |
| El Paso | 346,911 | —5 | 3 | 165,442 | 24.4 | 24.1 | 23.2 |
| Fort Worth | 815,121 | —8 | —6 | 402,163 | 24.4 | 26.4 | 26.2 |
| Galveston | 106,780 | —2 | 11 | 57,378 | 21.8 | 22.1 | 18.4 |
| Houston | 3,334,067 | —3 | 5 | 1,487,077 | 27.1 | 27.6 | 27.2 |
| Laredo | 33,975 | 0 | —14 | 25,598 | 16.8 | 17.0 | 17.8 |
| Lubbock | 207,263 | —1 | 11 | 117,694 | 20.9 | 20.9 | 19.0 |
| Port Arthur | 64,962 | —2 | 0 | 41,777 | 18.4 | 18.7 | 17.8 |
| San Angelo | 58,918 | —13 | 1 | 51,065 | 13.9 | 16.2 | 14.5 |
| San Antonio | 737,097 | —5 | 3 | 410,917 | 21.4 | 22.6 | 21.0 |
| Texarkana[2] | 29,909 | —5 | 3 | 18,848 | 19.2 | 20.4 | 20.2 |
| Tyler | 102,914 | —13 | 3 | 69,473 | 17.9 | 20.3 | 19.1 |
| Waco | 124,357 | —3 | 3 | 70,509 | 21.1 | 22.4 | 20.6 |
| Wichita Falls | 121,133 | —5 | 1 | 101,577 | 14.2 | 14.6 | 15.2 |
| Total—24 cities | $11,510,668 | —3 | 3 | $5,323,251 | 25.9 | 26.4 | 25.8 |

[1] Deposits of individuals, partnerships, and corporations and of states and political subdivisions.
[2] These figures include only two banks in Texarkana, Texas. Total debits for all banks in Texarkana, Texas-Arkansas, including one bank located in the Eighth District, amounted to $69,072,000 for the month of August 1963.

## DEPARTMENT STORE SALES

(Percentage change in retail value)

| Area | August 1963 from | | 8 months, 1963 from 1962 |
|---|---|---|---|
| | July 1963 | August 1962 | |
| Total Eleventh District | 14 | 5 | 4 |
| Corpus Christi | 26 | 4 | 3 |
| Dallas | 16 | 6 | 4 |
| El Paso | 26 | 9 | 2 |
| Houston | 9 | 9 | 6 |
| San Antonio | 14 | 5 | 5 |
| Shreveport, La. | 17 | 10 | 7 |
| Waco | 13 | 0 | 2 |
| Other cities | 13 | —1 | 4 |

## INDEXES OF DEPARTMENT STORE SALES AND STOCKS

Eleventh Federal Reserve District

(1957-59 = 100)

| Date | SALES (Daily average) | | STOCKS (End of month) | |
|---|---|---|---|---|
| | Unadjusted | Seasonally adjusted | Unadjusted | Seasonally adjusted |
| 1962: August | 108 | 107 | 114r | 112 |
| 1963: March | 98 | 113 | 114 | 113 |
| April | 108 | 110 | 117 | 114 |
| May | 106 | 110 | 116 | 118 |
| June | 103 | 115 | 111 | 118 |
| July | 103 | 114r | 115 | 120 |
| August | 113 | 112 | 120p | 117p |

r — Revised.
p — Preliminary.

## INDUSTRIAL PRODUCTION

(Seasonally adjusted indexes, 1957-59 = 100)

| Area and type of index | August 1963p | July 1963 | June 1963 | August 1962 |
|---|---|---|---|---|
| TEXAS | | | | |
| Total industrial production | 120 | 121 | 120 | 113 |
| Manufacturing | 131 | 133 | 132 | 125 |
| Durable | 126 | 129 | 128 | 119 |
| Nondurable | 135 | 135 | 135 | 129 |
| Mining | 107 | 107 | 104r | 99 |
| UNITED STATES | | | | |
| Total industrial production | 126 | 127 | 126 | 119 |
| Manufacturing | 126 | 127 | 126 | 120 |
| Durable | 126 | 128 | 127 | 119 |
| Nondurable | 127 | 126 | 125 | 121 |
| Mining | 110 | 111 | 109r | 105 |
| Utilities | 141 | 143 | 141 | 133 |

p — Preliminary.
r — Revised.
SOURCES: Board of Governors of the Federal Reserve System.
Federal Reserve Bank of Dallas.

## NONAGRICULTURAL EMPLOYMENT

Five Southwestern States[1]

| Type of employment | Number of persons | | | Percent change Aug. 1963 from | |
|---|---|---|---|---|---|
| | August 1963p | July 1963 | August 1962r | July 1963 | Aug. 1962 |
| Total nonagricultural wage and salary workers | 4,747,600 | 4,748,100 | 4,653,600 | 0.0 | 2.0 |
| Manufacturing | 824,000 | 825,700 | 814,100 | —.2 | 1.2 |
| Nonmanufacturing | 3,923,600 | 3,922,400 | 3,839,500 | .0 | 2.2 |
| Mining | 240,600 | 242,000 | 246,900 | —.6 | —2.6 |
| Construction | 344,900 | 342,800 | 325,700 | .6 | 5.9 |
| Transportation and public utilities | 395,100 | 396,900 | 396,000 | —.5 | —.2 |
| Trade | 1,136,000 | 1,132,000 | 1,120,500 | .4 | 1.4 |
| Finance | 242,100 | 241,100 | 233,800 | .4 | 3.6 |
| Service | 673,100 | 671,000 | 650,400 | .3 | 3.5 |
| Government | 891,800 | 896,600 | 866,200 | —.5 | 3.0 |

[1] Arizona, Louisiana, New Mexico, Oklahoma, and Texas.
p — Preliminary.
r — Revised.
SOURCE: State employment agencies.

## BUILDING PERMITS

| Area | NUMBER | | VALUATION (Dollar amounts in thousands) | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | Percent change Aug. 1963 from | | |
| | Aug. 1963 | 8 mos. 1963 | Aug. 1963 | 8 mos. 1963 | July 1963 | Aug. 1962 | 8 months, 1963 from 1962 |
| ARIZONA | | | | | | | |
| Tucson | 690 | 5,696 | $ 2,960 | $ 22,668 | 2 | 50 | —24 |
| LOUISIANA | | | | | | | |
| Shreveport | 301 | 2,300 | 2,297 | 19,715 | 97 | 0 | 44 |
| TEXAS | | | | | | | |
| Abilene | 102 | 904 | 1,017 | 11,105 | —8 | —31 | —25 |
| Amarillo | 272 | 2,254 | 3,771 | 31,099 | —18 | 46 | 23 |
| Austin | 306 | 2,828 | 7,870 | 56,821 | 33 | 70 | 32 |
| Beaumont | 315 | 2,150 | 1,196 | 10,058 | 13 | —32 | —16 |
| Corpus Christi | 324 | 2,570 | 2,997 | 18,921 | —12 | 63 | 35 |
| Dallas | 2,010 | 17,693 | 22,086 | 171,728 | 27 | 44 | —3 |
| El Paso | 383 | 3,419 | 2,717 | 32,589 | —64 | 14 | 2 |
| Fort Worth | 511 | 4,880 | 2,467 | 35,403 | —20 | —7 | 11 |
| Galveston | 159 | 1,292 | 669 | 10,575 | 13 | —29 | —37 |
| Houston | 1,901 | 15,640 | 24,941 | 233,470 | —25 | —19 | —3 |
| Lubbock | 193 | 1,572 | 3,352 | 30,420 | 51 | —12 | 11 |
| Midland | 112 | 801 | 1,054 | 9,296 | 34 | 27 | —20 |
| Odessa | 52 | 573 | 1,138 | 5,626 | 149 | 14 | —23 |
| Port Arthur | 114 | 973 | 251 | 3,357 | —61 | —85 | —28 |
| San Antonio | 1,186 | 9,411 | 4,019 | 39,822 | —32 | 6 | —8 |
| Waco | 247 | 1,976 | 1,324 | 12,614 | 2 | 14 | 18 |
| Wichita Falls | 118 | 883 | 749 | 9,203 | —9 | 60 | 11 |
| Total—19 cities | 9,296 | 77,815 | $86,875 | $764,490 | —8 | 7 | 0 |

## VALUE OF CONSTRUCTION CONTRACTS

(In millions of dollars)

| Area and type | August 1963p | July 1963 | August 1962 | January—August 1963p | January—August 1962 |
|---|---|---|---|---|---|
| FIVE SOUTHWESTERN STATES[1] | 444 | 423 | 404 | 3,262 | 2,963 |
| Residential building | 212 | 197 | 170 | 1,494 | 1,289 |
| Nonresidential building | 136 | 136 | 128 | 937 | 903 |
| Public works and utilities | 97 | 90 | 105 | 832 | 771 |
| UNITED STATES | 4,061 | 4,125 | 3,631 | 30,513 | 28,381 |
| Residential building | 1,883 | 1,934 | 1,651 | 13,889 | 12,430 |
| Nonresidential building | 1,322 | 1,271 | 1,177 | 9,794 | 8,999 |
| Public works and utilities | 857 | 920 | 802 | 6,830 | 6,952 |

[1] Arizona, Louisiana, New Mexico, Oklahoma, and Texas.
p — Preliminary.
NOTE. — Details may not add to totals because of rounding.
SOURCE: F. W. Dodge Corporation.

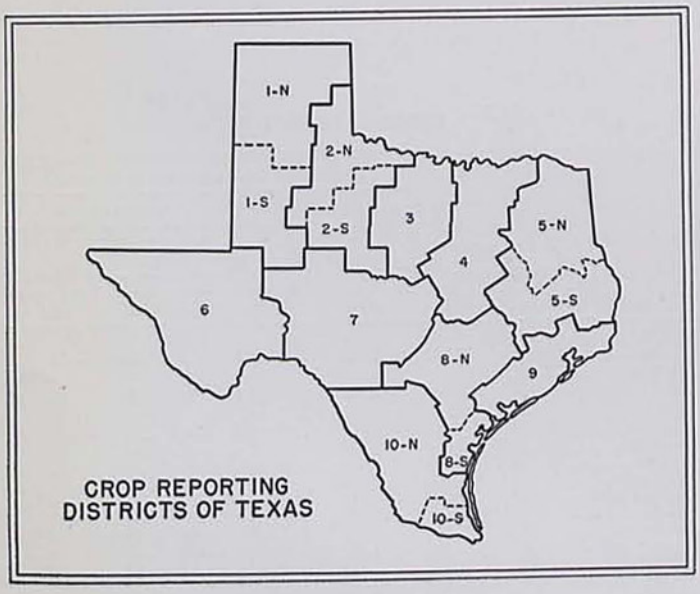
## COTTON PRODUCTION

### Texas Crop Reporting Districts

(In thousands of bales — 500 pounds gross weight)

| Area | 1963, indicated Sept. 1 | 1962 | 1961 | 1963 as percent of 1962 |
|---|---|---|---|---|
| 1-N — Northern High Plains | 500 | 584 | 522 | 86 |
| 1-S — Southern High Plains | 1,575 | 1,730 | 1,839 | 91 |
| 2-N — Red Bed Plains | 280 | 287 | 379 | 98 |
| 2-S — Red Bed Plains | 350 | 320 | 429 | 109 |
| 3 — Western Cross Timbers | 15 | 17 | 23 | 88 |
| 4 — Black and Grand Prairies | 470 | 444 | 410 | 106 |
| 5-N — East Texas Timbered Plains | 30 | 29 | 31 | 103 |
| 5-S — East Texas Timbered Plains | 70 | 63 | 66 | 111 |
| 6 — Trans-Pecos | 280 | 251 | 287 | 112 |
| 7 — Edwards Plateau | 35 | 35 | 71 | 100 |
| 8-N — Southern Texas Prairies | 125 | 123 | 82 | 102 |
| 8-S — Southern Texas Prairies | 100 | 157 | 161 | 64 |
| 9 — Coastal Prairies | 210 | 212 | 102 | 99 |
| 10-N — South Texas Plains | 50 | 61 | 54 | 82 |
| 10-S — Lower Rio Grande Valley | 260 | 413 | 330 | 63 |
| State | 4,350 | 4,726 | 4,786 | 92 |

SOURCE: U. S. Department of Agriculture.




## DAILY AVERAGE PRODUCTION OF CRUDE OIL

(In thousands of barrels)

| Area | August 1963p | July 1963p | August 1962 | Percent change from July 1963 | Percent change from August 1962 |
|---|---|---|---|---|---|
| ELEVENTH DISTRICT | 3,134.5 | 3,102.8 | 2,914.3 | 1.0 | 7.6 |
| Texas | 2,710.5 | 2,677.7 | 2,517.9 | 1.2 | 7.6 |
| Gulf Coast | 512.6 | 510.6 | 467.3 | .4 | 9.7 |
| West Texas | 1,253.6 | 1,235.5 | 1,130.8 | 1.5 | 10.9 |
| East Texas (proper) | 112.8 | 112.9 | 116.5 | —.1 | —3.2 |
| Panhandle | 105.7 | 104.4 | 106.9 | 1.2 | —1.1 |
| Rest of State | 725.8 | 714.3 | 696.4 | 1.6 | 4.2 |
| Southeastern New Mexico | 271.5 | 272.8 | 266.0 | —.5 | 2.1 |
| Northern Louisiana | 152.5 | 152.3 | 131.0 | .1 | 16.4 |
| OUTSIDE ELEVENTH DISTRICT | 4,509.5 | 4,509.2 | 4,319.2 | .0 | 4.4 |
| UNITED STATES | 7,644.0 | 7,612.0 | 7,233.5 | .4 | 5.7 |

p — Preliminary.
SOURCES: American Petroleum Institute.
U. S. Bureau of Mines.
Federal Reserve Bank of Dallas.

## NATIONAL PETROLEUM ACTIVITY INDICATORS

(Seasonally adjusted indexes, 1957-59 = 100)

| Indicator | August 1963p | July 1963p | August 1962 |
|---|---|---|---|
| CRUDE OIL RUNS TO REFINERY STILLS (Daily average) | 109 | 110 | 106 |
| DEMAND (Daily average) | | | |
| Gasoline | 110 | 110 | 112 |
| Kerosene | 156 | 159 | 153 |
| Distillate fuel oil | 119 | 110 | 99 |
| Residual fuel oil | 91 | 97 | 90 |
| Four refined products | 110 | 109 | 106 |
| STOCKS (End of month) | | | |
| Gasoline | 109 | 110 | 102 |
| Kerosene | 117 | 120 | 116 |
| Distillate fuel oil | 107 | 107 | 108 |
| Residual fuel oil | 90 | 88 | 92 |
| Four refined products | 106 | 107 | 104 |

p — Preliminary.
SOURCES: American Petroleum Institute.
U. S. Bureau of Mines.
Federal Reserve Bank of Dallas.

## CROP PRODUCTION

(In thousands of bushels)

| Crop | TEXAS 1963, estimated Sept. 1 | TEXAS 1962 | TEXAS Average 1957-61 | FIVE SOUTHWESTERN STATES[1] 1963, estimated Sept. 1 | FIVE SOUTHWESTERN STATES[1] 1962 | FIVE SOUTHWESTERN STATES[1] Average 1957-61 |
|---|---|---|---|---|---|---|
| Cotton[2] | 4,350 | 4,726 | 4,298 | 6,325 | 6,794 | 6,146 |
| Corn | 25,032 | 32,612 | 35,820 | 37,112 | 43,654 | 53,674 |
| Winter wheat | 37,406 | 43,696 | 64,329 | 118,277 | 121,577 | 168,296 |
| Oats | 14,576 | 15,932 | 30,406 | 21,286 | 23,787 | 48,408 |
| Barley | 4,200 | 3,859 | 8,564 | 22,822 | 22,387 | 33,989 |
| Rye | 375 | 253 | 314 | 1,215 | 775 | 973 |
| Rice[3] | 16,946 | 15,801 | 12,135 | 33,202 | 31,295 | 24,309 |
| Sorghum grain | 226,760 | 201,006 | 248,304 | 262,453 | 237,074 | 281,808 |
| Flaxseed | 635 | 188 | 729 | 635 | 188 | 729 |
| Hay[4] | 1,893 | 2,278 | 2,177 | 5,899 | 6,968 | 6,440 |
| Peanuts[5] | 204,000 | 222,400 | 204,783 | 368,100 | 401,025 | 348,442 |
| Irish potatoes[6] | 2,646 | 2,524 | 2,361 | 5,964 | 5,429 | 5,260 |
| Sweet potatoes[6] | 975 | 1,530 | 1,173 | 5,335 | 5,738 | 5,299 |
| Pecans[5] | 40,000 | 14,000 | 32,860 | 87,000 | 33,500 | 80,340 |

[1] Arizona, Louisiana, New Mexico, Oklahoma, and Texas.
[2] In thousands of bales.
[3] In thousands of bags containing 100 pounds each.
[4] In thousands of tons.
[5] In thousands of pounds.
[6] In thousands of hundredweight.
SOURCE: U. S. Department of Agriculture.