

Federal Reserve Bank of Dallas

Business Review



Federal Funds-
A Market Comes of Age in the Eleventh District
Part III: Impact of the Market

May 1972

A Market Comes of Age In the Eleventh District

PART III: IMPACT OF THE MARKET

A sharp increase in the use of Federal funds by commercial banks in the Eleventh Federal Reserve District has resulted in recent years from both a greater volume of Federal funds trading by large banks and a greater number of small banks that have entered the market. This final article on the Federal funds market examines the impact of this growth on banking in the District.

Bank soundness

The recent rapid increase in bank purchases of Federal funds could well have an effect on bank solvency and liquidity. To the extent

that a bank substitutes the purchase of Federal funds for deposits as a source of funds, the average maturity of its liabilities is probably shortened. And if some of these purchases are used to finance loans—as they apparently are—the banks, in effect, buy relatively long-term assets with money borrowed on a very short-term basis. If banks were unable to “roll over” their short-term borrowing to maintain longer-term assets, they might find themselves in an uncomfortable position.

To determine initially just how uncomfortable these positions

might be in the Eleventh District, Federal funds purchases were calculated as a proportion of total deposits at commercial banks in the District. Calculations based on the end-of-year call reports for 1968, 1969, and 1970 show that, compared with total deposits, Federal funds purchases still tend to be fairly small. Despite the expansion of the Federal funds market in the Southwest, the ratio between purchases and total deposits still ranged from only about 3 percent to 4 percent.

The ratio, however, was much higher at the largest banks in the District, and it has been rising faster. Purchases at the end of 1968 amounted to more than 6 per-

COMMERCIAL BANK PURCHASES OF FEDERAL FUNDS, DECEMBER 31, AS PERCENTAGE OF TOTAL DEPOSITS AND TOTAL LIABILITIES

Eleventh Federal Reserve District

Bank deposit size (Million dollars)	Purchases as percent of					
	Total deposits			Total liabilities		
	1968	1969	1970	1968	1969	1970
Member banks						
\$500 or more	6.3%	9.5%	12.8%	5.5%	8.0%	10.3%
\$100 to \$499	2.8	4.1	4.1	2.6	3.7	3.8
\$50 to \$99	1.5	3.8	1.6	1.4	3.5	1.6
\$10 to \$49	2.7	2.7	2.4	2.5	2.5	2.3
Less than \$10	3.6	2.9	4.5	3.5	2.8	4.0
All sizes	3.0	4.0	3.9	2.8	3.6	3.5
Nonmember banks						
\$500 or more . . . . .	.0	.0	.0	.0	.0	.0
\$100 to \$499 . . . . .	.0	.0	.0	.0	.0	.0
\$50 to \$99 . . . . .	.0	4.1	6.0	.0	3.8	4.8
\$10 to \$49	2.8	3.5	2.0	2.8	3.3	1.8
Less than \$10	3.6	4.8	7.6	2.3	4.1	7.0
All sizes	3.1	3.7	5.6	2.7	3.6	5.0
All banks						
\$500 or more	6.3	9.5	12.8	5.5	8.0	10.3
\$100 to \$499	2.8	4.1	4.1	2.6	3.7	3.8
\$50 to \$99	1.5	3.9	2.0	1.4	3.6	1.8
\$10 to \$49	2.7	3.1	2.3	2.6	2.9	2.2
Less than \$10	3.6	3.7	6.0	3.2	3.3	5.4
All sizes	3.1%	3.9%	4.2%	2.8%	3.6%	3.8%

SOURCES: Federal Deposit Insurance Corporation
Federal Reserve Bank of Dallas

cent of the deposits at these banks—those with deposits of more than \$500 million. By the end of 1970, the ratio had more than doubled, reaching 12.8 percent.

At most other sizes of banks, the proportion has been fairly small and showed little change. The main exception is nonmember banks with less than \$10 million in deposits. The ratio of Federal funds purchases to total deposits at banks of this size also more than doubled over this period, rising from 3.6 percent at the end of 1968 to 7.6 percent at the end of 1970.

The rise in this ratio at large banks might at first suggest that with a greater proportion of their funds having short maturities, these banks may be in a somewhat less secure position with regard to their liquidity structure. But two important qualifications must be made before such a conclusion is warranted.

To begin with, large banks have sources of funds other than deposits or the Federal funds market. Increased use of such sources of funds as the Eurodollar and commercial paper markets as substitutes for deposit inflows would lead to a rise in the ratio of Federal funds purchases to total deposits.

What is more pertinent, therefore, is the comparison of the ratio of Federal funds purchases to all liabilities of banks, and not just to their deposits. But such a comparison yields much the same conclusion as before. Purchases of Federal funds have become increasingly important as a source of total bank funds, particularly for large banks. Taken as a whole for all banks in the District, the ratio of Federal funds purchases to total liabilities rose from 2.8 percent at the end of 1968 to 3.8 percent at the end of 1970. But during that time, the ratio at the largest banks rose from 5.5 percent to 10.3 percent.

But large banks ordinarily resell much of their Federal funds purchases, with the result that the maturity of their assets is also shortened. Short-term liabilities pose no threat to the liquidity and solvency of banks that have put their funds into equally short-term assets, and that has been the case of large banks in the District. The ratio between their sales of Federal funds and their total loans and investments has risen about in step with both the ratio of their purchases of Federal funds to their total deposits and the ratio of purchases to total liabilities.

Moreover, as a percentage of total liabilities, the excess of purchases over sales at the largest banks rose only from 3.8 percent in 1968 to 4.5 percent in 1970. For banks of all other deposit sizes, sales of Federal funds outweighed their purchases.

Thus, while Federal funds purchases have been rising relative to other sources of funds, in most cases the increases have been more than offset by increased sales. And even though the largest banks in the District were net purchasers of Federal funds over this period, their net purchases rose very little relative to their total liabilities, leaving little evidence to suggest that this aspect of the increased use of Federal funds has appreciably affected bank liquidity and solvency in the District.

As discussed in previous articles in this series, use of call report data may result in some distortion due to "window dressing" by banks. But a check of these data for member banks against data for the preceding November shows a reasonable degree of consistency, suggesting such distortions are minimal for purposes of this study.

MEMBER BANK PURCHASES OF FEDERAL FUNDS, AS OF SELECTED DATES, AS PERCENTAGE OF TOTAL DEPOSITS AND TOTAL LIABILITIES

Eleventh Federal Reserve District

Item and date	All size banks	Bank deposit size (Million dollars)				
		\$500 or more	\$100 to \$499	\$50 to \$99	\$10 to \$49	Less than \$10
Purchases as percent of total deposits						
1968						
November 27	3.9%	7.5%	3.1%	2.6%	3.2%	4.1%
December 31	3.0	6.3	2.8	1.5	2.7	3.6
1969						
November 26	6.5	14.5	9.8	4.7	3.9	4.9
December 31	4.0	9.5	4.1	3.8	2.7	2.9
1970						
November 25	5.4	12.5	7.0	2.5	3.9	4.8
December 31	3.9	12.8	4.1	1.6	2.4	4.5
Purchases as percent of total liabilities						
1968						
November 27	n.a.	6.9	n.a.	n.a.	n.a.	n.a.
December 31	2.8	5.5	2.6	1.4	2.5	3.5
1969						
November 26	4.3	8.4	5.8	3.3	2.9	3.8
December 31	3.6	8.0	3.7	3.5	2.5	2.8
1970						
November 25	4.2	8.5	5.2	2.0	3.3	4.1
December 31	3.5	10.3	3.8	1.6	2.3	4.0

n.a.—Not available

SOURCES: Federal Deposit Insurance Corporation
Federal Reserve Bank of Dallas

DISTRIBUTION OF RATIOS OF COMMERCIAL BANK SALES OF FEDERAL FUNDS TO OTHER LOANS AND OTHER LOANS AND SECURITIES, DECEMBER 31, 1970

Eleventh Federal Reserve District

(Number of banks with sales outstanding, by deposit size)

Ratio	All size banks	Bank deposit size (Million dollars)				
		\$500 or more	\$100 to \$499	\$50 to \$99	\$10 to \$49	Less than \$10
Sales as percent of other loans						
Less than 10%	291	1	21	21	131	117
10% to 19.9%	220	4	4	12	87	113
20% to 29.9%	75	0	2	0	26	47
30% to 39.9%	43	0	2	0	11	30
40% to 49.9%	23	0	2	0	5	16
50% to 59.9%	19	0	0	0	5	14
60% to 69.9%	6	0	0	0	1	5
70% to 79.9%	5	0	0	0	0	5
80% to 89.9%	3	0	0	0	0	3
90% to 99.9%	2	0	0	0	0	2
100% or more	8	0	0	0	0	8
All banks in category	695	5	31	33	266	360
Sales as percent of other loans and securities						
Less than 10%	483	2	24	31	210	216
10% to 19.9%	161	3	6	2	48	102
20% to 29.9%	37	0	1	0	7	29
30% to 39.9%	11	0	0	0	1	10
40% to 49.9%	1	0	0	0	0	1
50% to 59.9%	2	0	0	0	0	2
60% to 69.9%	0	0	0	0	0	0
70% to 79.9%	0	0	0	0	0	0
80% to 89.9%	0	0	0	0	0	0
90% to 99.9%	0	0	0	0	0	0
100% or more	0	0	0	0	0	0
All banks in category	695	5	31	33	266	360

SOURCES: Federal Deposit Insurance Corporation
Federal Reserve Bank of Dallas

credit service raised by the call report data is indeed a real one. The matter of local credit service is pointed up even more clearly in a distribution table showing the number of banks that have ratios of Federal funds sales to total loans and to total loans and investments in various percentage ranges. For example, of the 360 banks with deposits of less than \$10 million at the end of 1970, 47 had ratios of Federal funds sales to other loans ranging from 20 to 29.9 percent.

This distribution table reaffirms earlier findings that the ratio of Federal funds sales to other loans rises as the size of bank declines. All the largest banks had ratios of

less than 20 percent, while eight of the smallest banks had ratios of 100 percent or more. One of these small banks, in fact, had 2½ times as much money in Federal funds sales as in other loans.

Inclusion of security holdings reduces these ratios appreciably, particularly at the smallest banks, which usually have relatively large security holdings. But even here, two of the smallest banks still had between 50 and 60 percent of their total credit in Federal funds sales.

Member bank data for the last reporting week in November 1970 confirm that ratios based on call report data are not overstated. If anything, call report data may

have understated the ratios. Two of the smallest member banks had ratios of Federal funds sales to other loans and securities in excess of 100 percent, indicating they had more money in Federal funds sales than in all other forms of credit, including holdings of securities.

It is, nevertheless, obvious that only a few banks had a very high proportion of their money in Federal funds. Most banks devoted a far greater percentage of their funds to making other loans and investments.

In conclusion

The rapid growth of the Federal funds market in the Eleventh Fed-

eral Reserve District has probably benefited the economy of the Southwest by allowing the banking system to make more efficient use of its total reserves, thereby contributing to greater deposits and bank credit.

But it could also create—or at least aggravate—problems. Excessive reliance on such short-term funds could reduce the liquidity (or, conceivably, even threaten the solvency) of banks, particularly if the funds were placed in long-term assets. Such does not seem to have been a problem in the Eleventh District. For one thing, most banks in the District are small and are net sellers of Federal funds. For another, even among large banks, which tend to be net buyers of Federal funds, net purchases have been held to only a small part of total liabilities.

On the other hand, increased use of the Federal funds market by smaller banks could tend to curtail small-bank lending in local communities. The sharp rise in their ratio of Federal funds sales to total bank credit has left some small banks with more money in Federal funds than in all other forms of loans and investments combined. Such practices, however, seem confined to only a few banks.

The market seems very apt to continue growing—both in the number of banks participating and in the amount of transactions. The market represents a quick means

DISTRIBUTION OF RATIOS OF MEMBER BANK SALES OF FEDERAL FUNDS TO OTHER LOANS AND OTHER LOANS AND SECURITIES, NOVEMBER 25, 1970

Eleventh Federal Reserve District

(Number of banks with sales outstanding, by deposit size)

Ratio	All size banks	Bank deposit size (Million dollars)				Less than \$10
		\$500 or more	\$100 to \$499	\$50 to \$99	\$10 to \$49	
Sales as percent of other loans						
Less than 10%	157	2	15	16	55	69
10% to 19.9%	129	4	6	7	46	66
20% to 29.9%	62	0	3	1	19	39
30% to 39.9%	26	0	2	0	6	18
40% to 49.9%	15	0	1	0	4	10
50% to 59.9%	4	0	1	0	0	6
60% to 69.9%	8	0	0	0	2	3
70% to 79.9%	3	0	0	0	0	1
80% to 89.9%	1	0	0	0	0	0
90% to 99.9%	0	0	0	0	0	0
100% or more	5	0	0	0	0	5
All banks in category	410	6	28	24	132	220
Sales as percent of other loans and securities						
Less than 10%	263	4	21	21	96	121
10% to 19.9%	102	2	4	3	28	65
20% to 29.9%	27	0	2	0	6	19
30% to 39.9%	8	0	1	0	2	5
40% to 49.9%	4	0	0	0	0	4
50% to 59.9%	3	0	0	0	0	3
60% to 69.9%	1	0	0	0	0	1
70% to 79.9%	0	0	0	0	0	0
80% to 89.9%	0	0	0	0	0	0
90% to 99.9%	0	0	0	0	0	0
100% or more	2	0	0	0	0	2
All banks in category	410	6	28	24	132	220

SOURCES: Federal Deposit Insurance Corporation
Federal Reserve Bank of Dallas

of safely investing excess funds for short periods and a means of obtaining short-term funds. Therefore, further sizable increases in Federal funds trading seem almost inevitable.

—Joseph E. Burns

The relative magnitude of the ratios of Federal funds purchases to both total deposits and total liabilities remained about the same throughout the study period for all categories of member bank size. Call report data show, for example, a rise in the ratio of Federal funds purchases to total deposits from 3.0 percent at the end of 1968 to 3.9 percent at the end of 1970—an increase of 30 percent. End-of-November figures show a rise over this period from 3.9 percent to 5.4 percent—an advance of 38 percent.

More important, since the matter of bank solvency and liquidity bears mainly on large banks that are consistently net purchasers of Federal funds, end-of-November data indicate that the rise in these two ratios at the very largest banks was even smaller than indicated by call report data. For these largest banks, the ratio

of net Federal funds purchases to total liabilities rose from 2.3 percent at the end of November 1968 to 3.5 percent at the end of November 1970.

It is clear, nevertheless, that there has been an increase in bank dependence on the market, largely to meet short-term reserve needs. To measure the extent of this dependence, net Federal funds purchases in 1970 were compared with required reserves. Examination of data for individual member banks that had net purchases equal to at least half their required reserves in any one statement week showed a pronounced dependence, particularly at larger banks.

At the six largest banks, for example, net purchases averaged almost 70 percent of the required reserves for 36 weeks of the year. For smaller banks, the percentage was even higher, although the number of weeks in which it was

applicable was less and fell off steadily as the size of bank declined. All told, 133 banks had, on average, net Federal funds purchases equal to almost 85 percent of their required reserves for ten weeks out of the year.

Community service

The growing number of banks selling Federal funds, particularly smaller banks, and the increasing amount of funds sold could have implications for the servicing of local credit needs. This is especially true in smaller communities where borrowers may have few, if any, alternatives to borrowing at the local bank. The ease, safety, and profitability of Federal funds sales could have drawn funds into the market that might otherwise have gone to local borrowers in these communities.

Call report data indicate some justification for such concern. The ratio of Federal funds sales to other bank loans was roughly four times greater at the smallest banks in the District at the end of 1968 than at the largest banks. Also, there has been a sharp increase in the proportion of funds placed in the Federal funds market at large and small banks alike. But because sales at large banks are more than offset by purchases, the increase in sales at these institutions is not as much concern as the increase at small banks, which are typically net sellers by a wide margin.

Among the smaller banks, the rise in the ratio of Federal funds sales to other loans has been sharpest at nonmembers. The ratio at nonmember banks with less than \$10 million in deposits increased more than fourfold from the end of 1968 to the end of 1970—indicating, of course, a more rapid rise in Federal funds sales than in other loans.

The rise in this ratio at smaller banks probably represents a net

MEMBER BANK NET PURCHASES OF FEDERAL FUNDS AS PERCENTAGE OF REQUIRED RESERVES, 1970

Eleventh Federal Reserve District

Bank deposit size (Million dollars)	Ratio of 50% or more per week		Average ratio during those weeks
	Number of banks	Average number of weeks	
\$500 or more	6	36	68.4%
\$100 to \$499	15	21	95.7
\$50 to \$99	8	13	71.5
\$10 to \$49	50	6	79.9
Less than \$10	54	6	87.3
All size banks	133	10	83.7%

**COMMERCIAL BANK SALES OF FEDERAL FUNDS, DECEMBER 31,
AS PERCENTAGE OF OTHER LOANS AND OTHER LOANS AND SECURITIES**

Eleventh Federal Reserve District

Bank deposit size (Million dollars)	Sales as percent of					
	Other loans			Other loans and securities		
	1968	1969	1970	1968	1969	1970
Member banks						
\$500 or more	4.2%	2.1%	14.3%	3.0%	1.6%	9.0%
\$100 to \$499	6.6	6.8	11.8	4.5	4.5	6.9
\$50 to \$99	4.8	8.4	8.0	2.5	4.4	4.8
\$10 to \$49	11.9	12.2	15.1	6.8	6.4	7.7
Less than \$10	19.4	21.5	23.6	10.2	10.2	11.2
All sizes	14.1	16.4	18.7	7.7	8.1	9.2
Nonmember banks						
\$500 or more	.0	.0	.0	.0	.0	.0
\$100 to \$499	.0	.0	5.6	.0	.0	4.9
\$50 to \$99	5.7	8.0	8.0	4.2	5.7	5.4
\$10 to \$49	5.8	9.7	11.7	3.4	5.6	6.8
Less than \$10	5.2	19.5	21.9	3.4	9.4	10.3
All sizes	5.6	16.2	17.1	3.5	8.1	8.7
All banks						
\$500 or more	4.2	2.1	14.3	3.0	1.6	9.0
\$100 to \$499	6.6	6.8	11.6	4.5	4.5	6.9
\$50 to \$99	5.0	8.3	8.0	2.9	4.7	5.0
\$10 to \$49	10.1	11.3	13.5	5.8	6.1	7.3
Less than \$10	16.4	20.6	22.8	8.8	9.8	10.8
All sizes	12.1%	16.3%	18.0%	6.8%	8.1%	9.0%

SOURCES: Federal Deposit Insurance Corporation
Federal Reserve Bank of Dallas

**MEMBER BANK SALES OF FEDERAL FUNDS, AS OF SELECTED DATES,
AS PERCENTAGE OF OTHER LOANS AND OTHER LOANS AND SECURITIES**

Eleventh Federal Reserve District

Item and date	All size banks	Bank deposit size (Million dollars)				
		\$500 or more	\$100 to \$499	\$50 to \$99	\$10 to \$49	Less than \$10
Sales as percent of other loans						
1968						
November 27	15.6%	4.6%	6.9%	4.9%	11.1%	20.0%
December 31	14.1	4.2	6.6	4.8	11.9	19.4
1969						
November 26	18.6	7.4	5.9	7.6	12.7	24.7
December 31	16.4	2.1	6.8	8.4	12.2	21.5
1970						
November 25	19.5	10.8	13.3	9.2	14.5	24.6
December 31	18.7	14.3	11.8	8.0	15.1	23.6
Sales as percent of other loans and securities						
1968						
November 27	7.9	3.1	6.0	3.6	7.6	11.5
December 31	7.7	3.0	4.5	2.5	6.8	10.2
1969						
November 26	10.3	5.4	4.1	4.6	7.3	13.3
December 31	8.1	1.6	4.5	4.4	6.4	10.2
1970						
November 25	10.5	7.6	8.8	5.9	8.5	12.5
December 31	9.2	9.0	6.9	4.8	7.7	11.2

SOURCES: Federal Deposit Insurance Corporation
Federal Reserve Bank of Dallas

drain of funds out of local communities. Funds are received mostly in the form of local deposits and sold in the form of Federal funds, usually to correspondent banks in larger cities. The funds, then, are not placed in loans locally. The correspondent banks are not very likely to use the money to make loans in the communities where the funds originated.

The ratio of Federal funds sales to other loans may, of course, not be the best measure of the amount of funds a bank is supplying its community. A small bank might, for example, pick up much of a local bond issue—a transaction that would not show up as a loan but as an investment. To allow for such possibilities, a ratio was computed between Federal funds sold and the total of other loans and securities.

But here again, the pattern was much the same. The ratio is usually much higher for small banks than for large banks and has been rising sharply. The rise is sharpest at small nonmember banks, pointing again to the conclusion that small banks are placing more and more of the funds they receive into the Federal funds market instead of other forms of credit.

Because call report data may not be truly representative, both ratios (between Federal funds sold and other loans and between Federal funds sold and other loans and securities) were developed for member banks for the end of November near the call report dates. Although there was some variation at the largest banks, this was not considered a problem regarding community loan service since they are net buyers of Federal funds. Generally, the ratios were consistent for both sets of data, particularly for the smaller banks, indicating the question of local

New member banks

The Fidelity Bank, National Association, Dallas, Texas, a newly organized institution located in the territory served by the Head Office of the Federal Reserve Bank of Dallas, opened for business April 3, 1972, as a member of the Federal Reserve System. The new member bank has capital of \$200,000, surplus of \$200,000, and undivided profits of \$100,000. The officers are: Cam F. Dowell, Jr., Chairman of the Board; Rex A. Morris, President; and L. E. Elder, Vice President and Cashier.

The First National Bank of Deer Park, Deer Park, Texas, a newly organized institution located in the territory served by the Houston Branch of the Federal Reserve Bank of Dallas, opened for business April 6, 1972, as a member of the Federal Reserve System. The new member bank has capital of \$250,000, surplus of \$250,000, and undivided profits of \$250,000. The officers are: Charles R. Vickery, Jr., President; Ronald A. Faulkner, Executive Vice President; and Kenneth W. LaRose, Cashier.

New par bank

The United Mercantile Bank, Shreveport, Louisiana, an insured nonmember bank located in the territory served by the Head Office of the Federal Reserve Bank of Dallas, was added to the Par List on its opening date, April 6, 1972. The officers are: Allan P. Grage, President and Chief Executive Officer; Johnny R. Francis, Vice President and Cashier; W. Harry Solomon, Assistant Vice President; and Miss Helen A. Roberts, Assistant Vice President.



Statistical Supplement to the Business Review

Total credit at weekly reporting banks in the Eleventh District rose sharply in the five weeks ended April 26. Total deposits expanded only moderately, and banks increased their borrowings of nondeposit funds.

The advance in bank credit reflected larger than usual increases in almost every category of loans, probably in response to recent improvements in general economic conditions. With construction activity remaining strong, real estate loans continued to lead the advance in loan demand. But demand for business and consumer loans was also considerably stronger. Banks reduced their holdings of Government securities but added to their holdings of municipal issues.

Net inflows of demand deposits were somewhat less than usual. Time and savings deposits declined moderately as the volume of large CD's outstanding was reduced significantly. With increased loan demand pressing against smaller inflows of deposits, reporting banks slightly increased their Eurodollar borrowings.

Seasonally adjusted, total employment in the five southwestern states continued to increase in March, although at a slower pace than in most recent months. The total labor force also continued to increase, pushing the unemployment rate up 0.1 percent to 4.5 percent. This rate was still significantly lower, however, than the nation's rate of 5.9 percent or the 4.9 percent in these five states a year before.

Nonagricultural wage and salary employment was up 0.2 percent from February and 3.6 percent

from a year before. The month-to-month gain resulted primarily from increases in manufacturing employment, led by a gain in the durable goods sector. Increases outside manufacturing were moderate. Construction and finance showed the strongest nonmanufacturing gains. Only mining and transportation and utilities showed declines, and their employment levels were higher than a year earlier.

Oil allowables in all four major producing states of the Eleventh District were left unchanged for May. Regulatory commissions in Texas and Louisiana announced that the rates in effect for April were the highest that proper conservation would allow. It was believed that any further increases would damage producing fields.

The rate was 86 percent of maximum efficient production in the East Texas field and a record 100 percent in the rest of Texas. In Louisiana, the rate continued at 75 percent—the allowable in effect since February. Allowables in Oklahoma and New Mexico have not changed since January.

The seasonally adjusted Texas industrial production index rose again in March—to a new high of 127.9 percent of its 1967 base. In manufacturing, all durable goods industries showed gains—the largest being a 4.1-percent advance in the production of transportation equipment. Among the nondurable industries, significant increases were reported in textile milling (4.6 percent), printing and publishing (4.0 percent), and petroleum refining (3.2 percent). All manufacturing

industries except that producing transportation equipment were operating above year-before levels.

Mining output eased slightly after a surge in February. Production of crude petroleum and natural gas fell slightly, but the output of natural gas liquids and metal, stone, and earth minerals continued to increase. Utilities rose as the distribution of electricity increased 3.4 percent and the distribution of gas increased 1.5 percent.

Registrations of new passenger automobiles in Dallas, Fort Worth, Houston, and San Antonio rose 13 percent in March to a level 11 percent higher than in March 1971. Cumulative registrations in these four centers were 13 percent greater than in the first three months of 1971.

Spring planting is proceeding much faster this year than last. Planting in Central and South Texas had been delayed somewhat by lack of moisture, but recent rains have eased this problem. The general shortage of soil moisture in the western areas of the Eleventh District is becoming serious, but it is not yet critical. Although general rains are needed, pasture and range conditions are better than the average for the past ten years.

Cash receipts from farm marketings in the District states for January and February reached more than \$1 billion, 31 percent more than in the first two months of 1971. Reflecting expanded beef cattle marketings and generally higher prices for livestock and products, livestock receipts totaled *(Continued on back page)*

CONDITION STATISTICS OF WEEKLY REPORTING COMMERCIAL BANKS

Eleventh Federal Reserve District

(Thousand dollars)

ASSETS	Apr. 26, 1972	Mar. 22, 1972	Apr. 28, 1971	LIABILITIES	Apr. 26, 1972	Mar. 22, 1972	Apr. 28, 1971
Federal funds sold and securities purchased under agreements to resell.....	707,721	1,096,071	582,920	Total deposits.....	12,148,638	12,081,815	11,020,659
Other loans and discounts, gross.....	7,762,671	7,525,750	6,736,458	Total demand deposits.....	6,827,918	6,687,188	6,386,029
Commercial and industrial loans.....	3,529,891	3,481,009	3,197,468	Individuals, partnerships, and corporations....	4,629,479	4,573,284	4,298,371
Agricultural loans, excluding CCC certificates of interest.....	189,214	181,762	117,266	States and political subdivisions.....	435,585	451,883	398,019
Loans to brokers and dealers for purchasing or carrying:				U.S. Government.....	342,613	232,155	213,439
U.S. Government securities.....	1,160	1,160	500	Banks in the United States.....	1,291,439	1,293,861	1,331,667
Other securities.....	64,568	47,059	56,997	Foreign:			
Other loans for purchasing or carrying:				Governments, official institutions, central banks, and international institutions.....	3,738	2,989	2,570
U.S. Government securities.....	3,508	4,895	3,482	Commercial banks.....	34,576	33,910	26,434
Other securities.....	459,761	460,008	426,914	Certified and officers' checks, etc.....	90,488	99,106	115,529
Loans to nonbank financial institutions:				Total time and savings deposits.....	5,320,720	5,394,627	4,634,630
Sales finance, personal finance, factors, and other business credit companies.....	141,053	117,548	218,312	Individuals, partnerships, and corporations:			
Other.....	563,821	540,882	494,270	Savings deposits.....	1,155,700	1,147,537	1,046,535
Real estate loans.....	977,307	915,186	695,700	Other time deposits.....	2,738,835	2,779,547	2,396,511
Loans to domestic commercial banks.....	20,844	21,214	15,992	States and political subdivisions.....	1,313,778	1,339,892	1,070,962
Loans to foreign banks.....	29,791	29,056	13,365	U.S. Government (including postal savings)....	6,039	9,142	25,561
Consumer instalment loans.....	851,486	826,765	744,965	Banks in the United States.....	83,468	92,109	74,876
Loans to foreign governments, official institutions, central banks, and international institutions.....	0	0	0	Foreign:			
Other loans.....	930,267	899,206	751,227	Governments, official institutions, central banks, and international institutions.....	21,800	25,300	19,085
Total investments.....	3,548,143	3,548,373	3,154,420	Commercial banks.....	1,100	1,100	1,100
Total U.S. Government securities.....	1,024,942	1,115,589	992,055	Federal funds purchased and securities sold under agreements to repurchase.....	1,756,090	1,852,580	1,156,829
Treasury bills.....	159,669	191,566	118,688	Other liabilities for borrowed money.....	57,353	35,776	77,783
Treasury certificates of indebtedness.....	0	0	0	Other liabilities.....	436,250	430,553	331,721
Treasury notes and U.S. Government bonds maturing:				Reserves on loans.....	139,957	135,912	134,164
Within 1 year.....	171,214	199,993	150,392	Reserves on securities.....	17,158	22,588	20,722
1 year to 5 years.....	503,341	528,577	527,966	Total capital accounts.....	1,105,774	1,093,754	1,054,457
After 5 years.....	190,718	195,453	195,009				
Obligations of states and political subdivisions:				TOTAL LIABILITIES, RESERVES, AND CAPITAL ACCOUNTS.....	15,661,220	15,652,978	13,796,335
Tax warrants and short-term notes and bills... All other.....	156,244 2,114,128	110,558 2,095,794	75,465 1,832,008				
Other bonds, corporate stocks, and securities:							
Certificates representing participations in federal agency loans.....	22,665	20,312	112,265				
All other (including corporate stocks).....	230,164	206,120	142,627				
Cash items in process of collection.....	1,537,226	1,400,022	1,260,271				
Reserves with Federal Reserve Bank.....	984,790	957,737	880,559				
Currency and coin.....	101,021	100,955	94,495				
Balances with banks in the United States.....	434,711	455,287	615,755				
Balances with banks in foreign countries.....	10,078	10,170	7,963				
Other assets (including investments in subsidiaries not consolidated).....	574,859	558,613	463,494				
TOTAL ASSETS.....	15,661,220	15,652,978	13,796,335				

CONDITION STATISTICS OF ALL MEMBER BANKS

Eleventh Federal Reserve District

(Million dollars)

Item	Mar. 29, 1972	Feb. 23, 1972	Mar. 31, 1971
ASSETS			
Loans and discounts, gross.....	15,484	14,904	13,119
U.S. Government obligations.....	2,461	2,462	2,359
Other securities.....	4,902	4,678	4,001
Reserves with Federal Reserve Bank.....	1,529	1,612	1,478
Cash in vault.....	289	295	256
Balances with banks in the United States....	1,257	1,342	1,513
Balances with banks in foreign countries ^e	13	14	9
Cash items in process of collection.....	1,514	1,730	1,407
Other assets ^e	1,114	1,041	984
TOTAL ASSETS^e.....	28,563	28,078	25,126
LIABILITIES AND CAPITAL ACCOUNTS			
Demand deposits of banks.....	1,759	1,799	1,907
Other demand deposits.....	10,354	10,293	9,612
Time deposits.....	11,001	10,957	9,625
Total deposits.....	23,114	23,049	21,144
Borrowings.....	2,222	1,877	1,077
Other liabilities ^e	1,297	1,234	1,049
Total capital accounts ^e	1,930	1,918	1,856
TOTAL LIABILITIES AND CAPITAL ACCOUNTS^e.....	28,563	28,078	25,126

^e—Estimated

CONDITION OF THE FEDERAL RESERVE BANK OF DALLAS

(Thousand dollars)

Item	Apr. 26, 1972	Mar. 22, 1972	Apr. 28, 1971
Total gold certificate reserves.....	386,463	438,485	397,615
Discounts for member banks.....	43,150	500	350
Other discounts and advances.....	0	0	0
U.S. Government securities.....	3,252,133	3,141,474	2,966,955
Total earning assets.....	3,295,283	3,141,974	2,967,305
Member bank reserve deposits.....	1,633,418	1,616,272	1,448,580
Federal Reserve notes in actual circulation....	2,106,585	2,092,542	1,957,468

RESERVE POSITIONS OF MEMBER BANKS

Eleventh Federal Reserve District

(Averages of daily figures. Thousand dollars)

Item	5 weeks ended Apr. 5, 1972	4 weeks ended Mar. 1, 1972	5 weeks ended Apr. 7, 1971
RESERVE CITY BANKS			
Total reserves held.....	889,200	861,080	819,451
With Federal Reserve Bank....	829,070	800,780	766,422
Currency and coin.....	60,130	60,300	53,029
Required reserves.....	907,396	879,873	828,022
Excess reserves.....	-18,196	-18,793	-8,571
Borrowings.....	428	0	0
Free reserves.....	-18,624	-18,793	-8,571
COUNTRY BANKS			
Total reserves held.....	948,652	948,983	849,396
With Federal Reserve Bank....	753,738	748,658	664,736
Currency and coin.....	194,914	200,325	184,660
Required reserves.....	936,063	923,877	835,063
Excess reserves.....	12,589	25,106	14,333
Borrowings.....	354	216	6
Free reserves.....	12,235	24,890	14,327
ALL MEMBER BANKS			
Total reserves held.....	1,837,852	1,810,063	1,668,847
With Federal Reserve Bank....	1,582,808	1,549,438	1,431,158
Currency and coin.....	255,044	260,625	237,689
Required reserves.....	1,843,459	1,803,750	1,663,085
Excess reserves.....	-5,607	6,313	5,762
Borrowings.....	782	216	6
Free reserves.....	-6,389	6,097	5,756

BANK DEBITS, END-OF-MONTH DEPOSITS, AND DEPOSIT TURNOVER

SMSA's in Eleventh Federal Reserve District

(Dollar amounts in thousands, seasonally adjusted)

Standard metropolitan statistical area	DEBITS TO DEMAND DEPOSIT ACCOUNTS ¹					DEMAND DEPOSITS ¹		
	March 1972 (Annual-rate basis)	Percent change			March 31, 1972	Annual rate of turnover		
		February 1972	March 1971	3 months, 1972 from 1971		March 1972	February 1972	March 1971
ARIZONA: Tucson	\$9,498,888	7%	29%	26%	\$302,630	31.4	29.2	29.4
LOUISIANA: Monroe	3,811,428	3	20	18	107,633	35.9	36.2	35.7
Shreveport	13,663,848	4	30	19	275,202	49.6	47.4	42.0
NEW MEXICO: Roswell ²	1,107,804	6	19	17	41,504	26.1	24.1	24.4
TEXAS: Abilene	2,629,872	6	21	15	112,988	23.1	22.4	21.0
Amarillo	6,903,468	2	5	9	176,844	38.9	38.8	39.7
Austin	11,919,384	6	19	27	407,842	28.7	28.2	29.2
Beaumont-Port Arthur-Orange	6,810,240	2	6	6	265,850	25.6	25.5	26.3
Brownsville-Harlingen-San Benito	2,481,396	4	13	15	96,681	26.5	26.9	25.9
Bryan-College Station	1,269,844	7	14	22	49,314	24.9	24.3	23.2
Corpus Christi	7,378,248	4	18	17	264,876	27.6	26.8	22.0
Corsicana ²	500,580	6	-11	-2	33,521	14.7	13.7	16.6
Dallas	147,374,904	5	12	9	2,539,509	58.0	54.7	57.0
El Paso	9,323,304	4	17	19	277,947	33.6	32.4	32.7
Fort Worth	28,617,300	4	3	12	781,097	37.2	36.5	40.7
Galveston-Texas City	2,860,464	-8	-5	-4	121,537	23.7	25.2	27.3
Houston	136,135,620	4	29	22	2,913,072	46.5	44.2	40.4
Laredo	1,110,876	6	3	10	45,669	24.3	23.1	25.0
Lubbock	5,678,580	3	14	26	181,096	31.3	30.6	30.1
McAllen-Pharr-Edinburg	2,489,160	10	29	35	136,663	18.3	16.7	18.3
Midland	2,217,744	7	6	5	151,618	14.7	13.9	15.5
Odessa	1,926,384	11	12	10	108,127	18.0	16.8	18.2
San Angelo	1,651,656	0	6	10	75,725	22.1	21.9	21.2
San Antonio	21,988,848	2	16	11	810,240	27.1	27.7	30.3
Sherman-Denison	1,468,440	17	23	16	73,292	20.1	17.4	17.7
Texarkana (Texas-Arkansas)	1,781,952	3	13	18	80,961	23.3	21.7	21.3
Tyler	2,665,548	2	15	13	111,543	23.4	22.9	22.9
Waco	3,836,748	5	15	19	139,081	27.5	27.3	26.7
Wichita Falls	2,958,384	7	22	17	127,745	23.2	21.7	19.5
Total—29 centers	\$442,060,912	4%	17%	15%	\$10,809,804	40.8	39.3	39.0

1. Deposits of individuals, partnerships, and corporations and of states and political subdivisions
2. County basis

PLANTED ACREAGES

Five Southwestern States¹

(Thousand acres)

Crop	Indicated March 1, 1972	1971	1970	Percent change 1972 from 1971
Cotton	7,098	6,664	6,672	7%
Upland	7,000	6,562	6,597	7
American Pima	98	102	75	-4
Peanuts	446	446	440r	0
Rice	995	994	994	0
Sorghums	8,881	9,642	8,637	-8
Soybeans	2,044	1,964	2,100	4
Winter wheat ²	9,643	9,021	8,963	7

1. Arizona, Louisiana, New Mexico, Oklahoma, and Texas
2. Indicated December 1, 1971

r—Revised
SOURCE: U.S. Department of Agriculture

BUILDING PERMITS

VALUATION (Dollar amounts in thousands)

Area	NUMBER		Percent change				
	March 1972	3 mos. 1972	March 1972 from			3 months, 1972 from 1971	
	March 1972	3 mos. 1972	Feb. 1972	Mar. 1971	3 months, 1972 from 1971		
ARIZONA							
Tucson	1,235	2,610	\$33,600	\$67,432	112%	288%	204%
LOUISIANA							
Monroe-West							
Monroe	71	491	1,452	7,942	-71	-45	31
Shreveport	487	1,335	4,323	13,079	-14	-19	8
TEXAS							
Abilene	85	214	2,740	4,173	234	530	305
Amarillo	200	456	2,962	7,001	66	35	-19
Austin	589	1,627	24,260	63,067	11	94	60
Beaumont	247	582	2,116	4,691	66	71	67
Brownsville	128	322	1,629	3,755	9	83	149
Corpus Christi	436	1,334	12,836	21,648	191	151	50
Dallas	1,971	4,761	23,039	131,089	-69	-20	80
Denison	41	93	134	802	-61	-33	-11
El Paso	713	1,616	8,518	58,975	-62	-17	96
Fort Worth	514	1,327	6,633	18,093	27	2	12
Galveston	81	204	397	2,303	-76	80	-58
Houston	5,790	11,097	87,000	163,659	127	80	10
Laredo	50	147	528	4,073	-74	69	83
Lubbock	215	584	4,926	13,619	-13	28	7
Midland	114	319	5,685	8,665	323	728	433
Odessa	109	249	646	2,543	-45	3	62
Port Arthur	121	248	451	1,044	75	149	-15
San Angelo	86	247	1,026	2,210	77	51	-17
San Antonio	1,762	4,637	16,159	44,602	-4	32	76
Sherman	57	148	515	1,969	-46	-53	-25
Texarkana	60	141	485	2,386	-62	70	9
Waco	285	680	2,974	7,143	7	64	73
Wichita Falls	106	241	1,396	4,205	-28	-68	-32
Total—26 cities	15,553	35,710	\$246,430	\$660,168	5%	52%	49%

GROSS DEMAND AND TIME DEPOSITS OF MEMBER BANKS

Eleventh Federal Reserve District

(Averages of daily figures. Million dollars)

Date	GROSS DEMAND DEPOSITS			TIME DEPOSITS		
	Total	Reserve city banks	Country banks	Total	Reserve city banks	Country banks
1970: March	10,284	4,727	5,557	7,231	2,581	4,650
1971: March	11,219	5,117	6,102	9,548	3,788	5,760
October	11,562	5,246	6,316	9,977	3,819	6,158
November	11,641	5,264	6,377	10,025	3,879	6,146
December	11,981	5,519	6,462	10,273	4,044	6,229
1972: January	12,313	5,580	6,733	10,607	4,179	6,428
February	11,983	5,419	6,564	10,864	4,249	6,615
March	12,118	5,563	6,555	10,978	4,255	6,723

CONDITION STATISTICS OF WEEKLY REPORTING COMMERCIAL BANKS

Eleventh Federal Reserve District

(Thousand dollars)

ASSETS	May 24, 1972	Apr. 26, 1972	May 26, 1971	LIABILITIES	May 24, 1972	Apr. 26, 1972	May 26, 1971
Federal funds sold and securities purchased under agreements to resell.....	779,872	707,721	565,545	Total deposits.....	12,011,452	12,148,638	10,923,442r
Other loans and discounts, gross.....	7,725,646	7,762,671	6,785,257	Total demand deposits.....	6,531,479	6,827,918	6,277,589r
Commercial and industrial loans.....	3,479,397	3,530,591r	3,207,089	Individuals, partnerships, and corporations... 4,439,995	4,629,479	4,299,059r	4,299,059r
Agricultural loans, excluding CCC certificates of interest.....	196,667	189,214	121,771	States and political subdivisions.....	525,420	435,585	384,642
Loans to brokers and dealers for purchasing or carrying:				U.S. Government.....	200,919	342,613	188,057
U.S. Government securities.....	1,160	1,200r	540	Banks in the United States.....	1,243,014	1,291,439	1,282,324
Other securities.....	56,823	64,528r	62,515	Foreign:			
Other loans for purchasing or carrying:				Governments, official institutions, central banks, and international institutions.....	5,372	3,738	2,719
U.S. Government securities.....	2,688	3,508	5,226	Commercial banks.....	34,900	34,576	24,079
Other securities.....	456,639	459,761	426,885	Certified and officers' checks, etc.....	81,859	90,488	96,709r
Loans to nonbank financial institutions:				Total time and savings deposits.....	5,479,973	5,320,720	4,645,853
Sales finance, personal finance, factors, and other business credit companies.....	120,964	141,053	177,933	Individuals, partnerships, and corporations:			
Other.....	562,237	563,121r	496,460	Savings deposits.....	1,164,179	1,155,700	1,063,802
Real estate loans.....	1,004,214	977,307	705,912	Other time deposits.....	2,843,814	2,738,835	2,455,709
Loans to domestic commercial banks.....	21,086	20,844	16,747	States and political subdivisions.....	1,335,659	1,313,778	1,012,835
Loans to foreign banks.....	30,996	29,791	19,896	U.S. Government (including postal savings)....	23,261	6,039	24,349
Consumer instalment loans.....	859,782	851,486	755,866	Banks in the United States.....	91,160	83,468	68,973
Loans to foreign governments, official institutions, central banks, and international institutions.....	0	0	0	Foreign:			
Other loans.....	932,993	930,267	788,417	Governments, official institutions, central banks, and international institutions.....	20,800	21,800	19,085
Total investments.....	3,622,480	3,548,143	3,177,116r	Commercial banks.....	1,100	1,100	1,100
Total U.S. Government securities.....	1,003,077	1,024,942	1,020,987	Federal funds purchased and securities sold under agreements to repurchase.....	1,658,093	1,756,090	1,161,146
Treasury bills.....	167,081	159,669	145,666	Other liabilities for borrowed money.....	34,521	57,353	72,738
Treasury certificates of indebtedness.....	0	0	0	Other liabilities.....	443,520	436,250	335,715
Treasury notes and U.S. Government bonds maturing:				Reserves on loans.....	138,697	139,957	128,287
Within 1 year.....	159,575	171,214	157,206	Reserves on securities.....	17,697	17,158	20,753
1 year to 5 years.....	509,024	503,341	539,771	Total capital accounts.....	1,107,759	1,105,774	1,051,370r
After 5 years.....	167,397	190,718	178,344				
Obligations of states and political subdivisions:				TOTAL LIABILITIES, RESERVES, AND CAPITAL ACCOUNTS.....	15,411,739	15,661,220	13,693,451r
Tax warrants and short-term notes and bills... 144,290	156,244	72,319					
All other.....	2,229,086	2,114,128	1,832,427r				
Other bonds, corporate stocks, and securities:							
Certificates representing participations in federal agency loans.....	23,104	22,665	108,623				
All other (including corporate stocks).....	222,923	230,164	142,760				
Cash items in process of collection.....	1,378,532	1,537,226	1,207,695				
Reserves with Federal Reserve Bank.....	803,356	984,790	864,754				
Currency and coin.....	99,834	101,021	91,305				
Balances with banks in the United States.....	421,266	434,711	529,633				
Balances with banks in foreign countries.....	11,895	10,078	8,430				
Other assets (including investments in subsidiaries not consolidated).....	568,858	574,859	463,716				
TOTAL ASSETS.....	15,411,739	15,661,220	13,693,451r				

r—Revised

CONDITION STATISTICS OF ALL MEMBER BANKS

Eleventh Federal Reserve District

(Million dollars)

Item	Apr. 26, 1972	Mar. 29, 1972	Apr. 28 1971
ASSETS			
Loans and discounts, gross.....	14,987	15,484	13,086
U.S. Government obligations.....	2,399	2,461	2,307
Other securities.....	5,048	4,902	4,152
Reserves with Federal Reserve Bank.....	1,633	1,529	1,449
Cash in vault.....	303	289	285
Balances with banks in the United States....	1,166	1,257	1,421
Balances with banks in foreign countries ^e	12	13	10
Cash items in process of collection.....	1,761	1,514	1,433
Other assets ^e	1,110	1,114	972
TOTAL ASSETS^e.....	28,419	28,563	25,115
LIABILITIES AND CAPITAL ACCOUNTS			
Demand deposits of banks.....	1,692	1,759	1,721
Other demand deposits.....	10,591	10,354	9,680
Time deposits.....	10,950	11,001	9,541
Total deposits.....	23,233	23,114	20,942
Borrowings.....	1,905	2,222	1,275
Other liabilities ^e	1,342	1,297	1,027
Total capital accounts ^e	1,939	1,930	1,871
TOTAL LIABILITIES AND CAPITAL ACCOUNTS^e.....	28,419	28,563	25,115

e—Estimated

RESERVE POSITIONS OF MEMBER BANKS

Eleventh Federal Reserve District

(Averages of daily figures. Thousand dollars)

Item	4 weeks ended May 3, 1972	5 weeks ended April 5, 1972	4 weeks ended May 5, 1971
RESERVE CITY BANKS			
Total reserves held.....	907,949	889,200	831,580
With Federal Reserve Bank.....	846,912	829,070	775,784
Currency and coin.....	61,037	60,130	55,796
Required reserves.....	903,056	907,396	830,437
Excess reserves.....	4,893	—18,196	1,143
Borrowings.....	3,003	428	0
Free reserves.....	1,890	—18,624	1,143
COUNTRY BANKS			
Total reserves held.....	976,548	948,652	883,753
With Federal Reserve Bank.....	772,373	753,738	689,558
Currency and coin.....	204,175	194,914	194,195
Required reserves.....	956,114	936,063	855,712
Excess reserves.....	20,434	12,589	28,041
Borrowings.....	184	354	243
Free reserves.....	20,250	12,235	27,798
ALL MEMBER BANKS			
Total reserves held.....	1,884,497	1,837,852	1,715,333
With Federal Reserve Bank.....	1,619,285	1,582,808	1,465,342
Currency and coin.....	265,212	255,044	249,991
Required reserves.....	1,859,170	1,843,459	1,686,149
Excess reserves.....	25,327	—5,607	29,184
Borrowings.....	3,187	782	243
Free reserves.....	22,140	—6,389	28,941

CONDITION OF THE FEDERAL RESERVE BANK OF DALLAS

(Thousand dollars)

Item	May 24, 1972	Apr. 26, 1972	May 26, 1971
Total gold certificate reserves.....	240,525	386,463	329,974
Discounts for member banks.....	0	43,150	0
Other discounts and advances.....	0	0	0
U.S. Government securities.....	3,245,421	3,252,133	3,013,420
Total earning assets.....	3,245,421	3,295,283	3,013,420
Member bank reserve deposits.....	1,421,267	1,633,418	1,457,612
Federal Reserve notes in actual circulation....	2,111,849	2,106,585	1,986,396

BANK DEBITS, END-OF-MONTH DEPOSITS, AND DEPOSIT TURNOVER

SMSA's in Eleventh Federal Reserve District

(Dollar amounts in thousands, seasonally adjusted)

Standard metropolitan statistical area	DEBITS TO DEMAND DEPOSIT ACCOUNTS ¹				DEMAND DEPOSITS ¹			
	April 1972 (Annual-rate basis)	Percent change			April 30, 1972	Annual rate of turnover		
		April 1972 from		4 months, 1972 from 1971		April 1972	March 1972	April 1971
		March 1972	April 1971					
ARIZONA: Tucson.....	\$8,993,388	-5%	20%	24%	\$299,618	29.9	31.4	28.7
LOUISIANA: Monroe.....	3,990,756	5	25	19	110,429	36.6	35.9	34.1
Shreveport.....	13,583,964	-1	12	17	302,169	47.1	49.6	48.0
NEW MEXICO: Roswell ²	925,440	-16	-9	10	43,237	21.8	26.1	25.9
TEXAS: Abilene.....	2,531,136	-4	8	13	111,452	22.6	23.1	21.6
Amarillo.....	7,251,300	5	15	11	185,586	40.0	38.9	38.0
Austin.....	12,516,432	5	23	26	368,078	32.3	28.7	26.7
Beaumont-Port Arthur-Orange.....	6,603,480	-3	-1	4	276,187	24.4	25.6	26.7
Brownsville-Harlingen-San Benito.....	2,445,180	-1	11	14	95,311	25.5	26.5	26.1
Bryan-College Station.....	1,237,481	-3	33	25	46,312	25.9	24.9	20.5
Corpus Christi.....	7,224,252	-2	17	17	259,376	27.6	27.6	21.7
Corsicana ²	483,264	-3	-13	-5	33,611	14.4	14.7	16.2
Dallas.....	147,719,004	0	10	10	2,732,164	56.0	58.0	57.4
El Paso.....	9,231,840	-1	14	18	277,009	33.3	33.6	32.6
Fort Worth.....	28,208,808	-1	8	11	781,896	36.1	37.2	37.6
Galveston-Texas City.....	2,847,012	0	3	-3	120,996	23.5	23.7	25.4
Houston.....	138,131,580	1	22	22	3,092,426	46.0	46.5	43.1
Laredo.....	1,058,484	-5	5	9	48,547	22.5	24.3	23.3
Lubbock.....	5,758,020	1	10	21	191,788	30.9	31.3	31.3
McAllen-Pharr-Edinburg.....	2,575,692	3	30	34	137,174	18.8	18.3	18.4
Midland.....	2,094,540	-6	1	4	151,953	13.8	14.7	14.9
Odessa.....	1,937,148	1	18	12	104,344	18.2	18.0	17.4
San Angelo.....	1,680,900	2	9	10	78,123	21.9	22.1	20.7
San Antonio.....	22,235,268	1	7	10	797,377	27.7	27.1	29.2
Sherman-Denison.....	1,276,992	-13	8	14	71,694	17.6	20.0	17.3
Texarkana (Texas-Arkansas).....	1,670,160	-6	4	14	89,031	19.6	22.3	21.7
Tyler.....	2,610,636	-2	9	12	113,802	23.2	23.4	23.6
Waco.....	3,470,508	-10	2	15	143,646	24.6	27.5	26.1
Wichita Falls.....	2,840,688	-4	7	14	129,262	22.1	23.2	21.7
Total—29 centers.....	\$443,133,353	0	14%	15%	\$11,192,578	40.2	40.8	39.5

1. Deposits of individuals, partnerships, and corporations and of states and political subdivisions
2. County basis

WINTER WHEAT PRODUCTION

(Thousand Bushels)

Area	1972, indicated May 1	1971	Average 1970
Arizona.....	11,050	11,764	10,350
Louisiana.....	1,012	1,035	957
New Mexico.....	4,450	4,000	5,152
Oklahoma.....	74,360	69,500	98,202
Texas.....	38,850	31,416	54,408
Total.....	129,722	117,715	169,069

SOURCE: U.S. Department of Agriculture

BUILDING PERMITS

VALUATION (Dollar amounts in thousands)

Percent change

Area	NUMBER		VALUATION (Dollar amounts in thousands)				
	April 1972	4 mos. 1972	April 1972 from		4 mos. 1972	Mar. 1972	Apr. 1971
			April 1972	4 mos. 1972			
ARIZONA: Tucson.....	716	3,326	\$8,974	\$76,406	-73%	-4%	142%
LOUISIANA: Monroe-West.....	78	569	6,069	14,011	318	202	82
Shreveport.....	505	1,840	6,373	19,452	47	21	12
TEXAS: Abilene.....	79	293	2,532	6,705	-8	288	299
Amarillo.....	166	622	1,859	8,860	-37	-1	-16
Austin.....	572	2,199	18,815	81,882	-22	40	-55
Beaumont.....	226	808	4,450	9,141	110	323	137
Brownsville.....	89	411	557	4,312	-66	-41	76
Corpus Christi.....	383	1,717	4,512	26,160	-65	-14	33
Dallas.....	1,648	6,409	21,638	152,727	-6	1	62
Denison.....	33	126	456	1,258	240	-27	-17
El Paso.....	624	2,240	8,467	67,442	-1	-1	75
Fort Worth.....	409	1,736	4,336	22,429	-35	-28	1
Galveston.....	86	290	2,432	4,735	513	292	-23
Houston.....	3,787	14,884	49,272	212,931	-43	-18	2
Laredo.....	36	183	618	4,691	17	-6	63
Lubbock.....	185	769	3,323	16,942	-33	-46	-11
Midland.....	96	415	660	9,325	-88	-82	76
Odessa.....	85	334	11,758	14,293	1,719	990	440
Port Arthur.....	108	356	461	1,505	2	32	-5
San Angelo.....	59	306	347	2,557	-66	-69	-33
San Antonio.....	1,361	5,998	39,024	83,626	142	154	105
Sherman.....	54	202	1,673	3,642	225	263	17
Texarkana.....	44	185	905	3,291	87	-63	-29
Waco.....	231	911	3,684	10,827	24	-36	10
Wichita Falls.....	99	340	896	5,101	-36	-53	-37
Total—26 cities.....	11,759	47,469	\$204,083	\$864,251	-17%	16%	30%

GROSS DEMAND AND TIME DEPOSITS OF MEMBER BANKS

Eleventh Federal Reserve District

(Averages of daily figures. Million dollars)

Date	GROSS DEMAND DEPOSITS			TIME DEPOSITS		
	Total	Reserve city banks	Country banks	Total	Reserve city banks	Country banks
1970: April.....	10,497	4,819	5,678	7,328	2,634	4,694
1971: April.....	11,555	5,274	6,281	9,575	3,736	5,839
November.....	11,641	5,264	6,377	10,025	3,879	6,146
December.....	11,981	5,519	6,462	10,273	4,044	6,229
1972: January.....	12,313	5,580	6,733	10,607	4,179	6,428
February.....	11,983	5,419	6,564	10,864	4,249	6,615
March.....	12,118	5,563	6,555	10,978	4,255	6,723
April.....	12,407	5,676	6,731	10,938	4,180	6,758

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

Five Southwestern States¹

(Seasonally adjusted)

Item	Thousands of persons			Percent change Apr. 1972 from	
	April 1972p	March 1972	April 1971r	Mar. 1972	Apr. 1971
	Civilian labor force.....	8,439.8	8,482.5	8,251.7	-0.5%	2.3%
Total employment.....	8,073.5	8,100.8	7,850.0	-.3	2.8
Total unemployment.....	366.3	381.7	401.7	-4.0	-8.8
Unemployment rate.....	4.3%	4.5%	4.9%	² -2	² -6
Total nonagricultural wage and salary employment....	6,576.9	6,574.5	6,361.8	.0	3.4
Manufacturing.....	1,151.9	1,152.8	1,125.8	-.1	2.3
Durable.....	623.3	622.6	608.8	.1	2.4
Nondurable.....	528.7	530.2	517.1	-.3	2.2
Nonmanufacturing.....	5,424.9	5,421.7	5,236.0	.1	3.6
Mining.....	227.4	228.2	227.2	-.4	.1
Construction.....	432.3	434.8	405.0	-.6	6.7
Transportation and public utilities.....	455.9	456.7	451.9	-.2	.9
Trade.....	1,559.3	1,555.9	1,498.7	.2	4.0
Finance.....	349.6	348.2	331.9	.4	5.3
Service.....	1,059.9	1,060.3	1,024.5	.0	3.4
Government.....	1,340.6	1,337.5	1,296.7	.2%	3.4%

1. Arizona, Louisiana, New Mexico, Oklahoma, and Texas

2. Actual change

p—Preliminary

r—Revised

NOTE: Details may not add to totals because of rounding.

SOURCES: State employment agencies

Federal Reserve Bank of Dallas (seasonal adjustment)

percent. Despite the small drop in the distribution of natural gas, utilities as a whole reported a 2.2-percent gain in April.

The record oil allowables announced in Texas and Louisiana for April continue unchanged through June. Under the conservation standards in these states (the nation's biggest oil producers), there is apparently no reserve capacity left to meet further domestic demand. To make up the deficit in domestic supply, the Government has authorized increased imports into Atlantic and Gulf Coast ports. Allowables were also unchanged in New Mexico and Oklahoma.

DAILY AVERAGE PRODUCTION OF CRUDE OIL

(Thousand barrels)

Area	April 1972	March 1972	April 1971r	Percent change from	
				March 1972	April 1971
FOUR SOUTHWESTERN STATES.....	7,171.6	6,927.1	7,130.5	3.5%	0.6%
Louisiana.....	2,498.9	2,481.0	2,662.6	.7	-6.1
New Mexico.....	319.3	320.3	335.9	-.3	-4.9
Oklahoma.....	593.2	603.2	611.8	-1.7	-3.0
Texas.....	3,760.2	3,522.6	3,520.2	6.7	6.8
Gulf Coast.....	706.0	661.5	714.8	6.7	-1.2
West Texas.....	1,902.1	1,784.7	1,682.6	6.8	13.0
East Texas (proper).....	226.8	210.4	216.7	7.8	4.7
Panhandle.....	80.9	75.9	74.7	6.6	8.3
Rest of state.....	844.4	790.1	831.4	6.9	1.6
UNITED STATES.....	9,760.1	9,523.9	9,836.3	2.5%	-.8%

r—Revised

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

VALUE OF CONSTRUCTION CONTRACTS

(Million dollars)

Area and type	April 1972	March 1972	February 1972	January—April	
				1972	1971
FIVE SOUTHWESTERN STATES ¹	1,153	898	720	3,617	2,699r
Residential building.....	498	475	385	1,778	1,295r
Nonresidential building....	273	251	201	944	949r
Nonbuilding construction....	381	171	135	895	455
UNITED STATES.....	8,100	7,284	5,607	27,144	23,594r
Residential building.....	3,971	3,617	2,664	12,888	9,274r
Nonresidential building....	2,182	2,187	1,799	7,866	7,594r
Nonbuilding construction....	1,947	1,480	1,144	6,390	6,726r

1. Arizona, Louisiana, New Mexico, Oklahoma, and Texas

r—Revised

NOTE: Details may not add to totals because of rounding.

SOURCE: F. W. Dodge Division, McGraw-Hill Information Systems Company

INDUSTRIAL PRODUCTION

(Seasonally adjusted indexes, 1967 = 100)

Area and type of index	April 1972p	March 1972	February 1972	April 1971
TEXAS				
Total industrial production.....	132.4	128.9	125.9r	121.3
Manufacturing.....	132.9	130.4	126.5r	121.6
Durable.....	141.9	138.7	135.3	131.1
Nondurable.....	126.4	124.4	120.1r	114.8
Mining.....	123.9	118.0	117.4r	115.6
Utilities.....	160.9	157.4	152.9r	139.5
UNITED STATES				
Total industrial production.....	110.9	109.8	109.2r	106.2
Manufacturing.....	106.6	107.8	108.2r	109.3
Durable.....	99.7	101.3	101.5r	103.5
Nondurable.....	117.9	117.8	117.5r	112.1
Mining.....	109.4	107.6	106.8r	110.4
Utilities.....	140.1	139.1	139.6r	133.2

p—Preliminary

r—Revised

SOURCES: Board of Governors of the Federal Reserve System
Federal Reserve Bank of Dallas