

THE MONTHLY BULLETIN

Covering Conditions in the Tenth Federal Reserve District

FEDERAL RESERVE BANK OF KANSAS CITY

For the Information of Member Banks and Business Interests of this District

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APRIL was the first month to show anything like real recession from the high tide of activity that has featured business in the Tenth Federal Reserve District since the shouting was over and the people began to apply themselves to tasks incident to after-war readjustment. There have been times in the past year and a half when a slowing down of business in some lines resulted from industrial troubles, such as the steel strike and the coal trike, but these were generally regarded as easy to be bridged over and merely temporary deterrents to greater and more lasting progress to follow. It remained for the strike of railroad employees inaugurated in April, and the resultant hampering of an already crippled system of transportation, to halt for a time the free movement of freight and to bring partial paralysis to business.

Reports to this issue of the Monthly Bulletin on business conditions convey some idea of the extent of the curtailed movement of grain and live stock and products of mines and oil fields to market centers, as well as difficulties in the handling of the output of mills and factories and distribution of merchandise. But the reports fail to adequately disclose the financial hardships imposed on producers and shippers by enforced withholding of products from the market at a time of high money rates and credits stretched to the limit. Nor do they reflect the enormous losses to employees and employers on account of business interruption, to say nothing of the added cost of living to the public by increased prices of food and commodities due to the shortage of supplies.

The situation was improved late in April and in the forepart of May and business took on a more buoyant and hopeful tone, though on May 20 there were still evidences of congestion of freight cars in terminal yards and at market centers, while complaints of delayed freights were numerous.

But aside from the switchmen's strike and the resultant temporary tie-up of traffic, an impression prevails among the producers throughout this district that no great and permanent improvement in freight movement can come until the railroads make large investments in new freight cars, motive power and rail betterments, in order to handle the enormously increased volume of traffic and thus eliminate disturbances to trade, industry and finance.

A result of the disturbance to business activity in April was the rude awakening of a large proportion of our people to a realization of the necessity of abandoning speculation, eliminating extravagances and waste and saving and economizing, in order that money and credits be employed for the larger production of foods and commodities to help meet consumptive demands and beat down the abnormally high prices.

Many of the merchants' reports covering April business tell of a slowing down of buying by consumers and of some deliberate refusals to buy as a protest against high prices. That this attitude of the consumers is beginning to be felt is seen in the late country-wide reports telling of reductions of prices on many of the commodities; indicating that the price readjustment for which everybody has been waiting is at least making some headway.

On the whole, the general situation is regarded in this district as one of encouragement, although it is conceded that more or less unsettled conditions are to prevail during the slow process of readjustment. The cool, backward spring season has had somewhat of a depressing effect on conditions, but with the weather warming up, a decided improvement is noted day by day, with indications pointing to a continued heavy business through the year.

FINANCIAL.

Since the adoption of the progressive discount rates by the Federal Reserve Bank of Kansas City there have been many evidences of curtailment of credit by the larger financial and commercial institutions of this district. The expansion of credit continued for about two weeks after the adoption of the progressive rate, owing to seasonal demands and commitments already made. Since the 5th of May, however, there has been noticed a steady and consistent reduction, and it is felt that this reduction will continue gradually and on a safe and conservative basis.

The only disturbing feature in the financial situation, as it applies to the Tenth Federal Reserve District, is the shortage of railroad cars in which to move the grain. It is estimated, in certain sections of the district, there is still on hand in the grain elevators and in the farmers' bins at least 50% of last year's crop. Before this can be moved, unless there is a marked improvement in transportation facilities, this year's crop will be harvested. This, of course, ab-

sorbs millions of dollars of loanable funds and prevents liquidation. While it cannot be denied there is a general tendency toward curtailment of credit and that interest rates have advanced, it is felt that ample funds will be forthcoming to care for legitimate requirements of the agricultural and live stock industry.

Federal Reserve Bank Operations.—Discounted bills and acceptances held by the Federal Reserve Bank of Kansas and its Omaha and Denver branches on May 14 totaled \$112,478,798.67 against \$108,688,584.18 on April 16. The bills which were secured by Government war obligations increased from \$32,658,039.14 on April 16 to \$38,680,499.70 on May 14, an increase of \$6,022,460.56, and bills purchased in open market were reduced from \$461,346.74 to \$361,346.74, making the net holdings of discounted paper \$3,790,214.49 more at middle of May than at middle April. Other principal items appearing in the statement of May 14, with April 16 figures for comparison, indicate the changes in one month.

	May 14	April 16	Changes 4 Wks.
Total resources . . .	\$278,507,535.15	\$277,773,644.65	Inc. \$ 733,870.50
Total gold reserves . . .	73,812,092.11	71,128,127.45	Inc. 2,683,964.66
Total earning assets	134,420,698.67	130,913,834.18	Inc. 3,506,864.49
Total gross deposits . .	151,643,083.18	147,981,514.11	Inc. 3,661,569.07
F. R. Notes in actual circulation	98,375,215.00	100,561,755.00	Dec. 2,186,540.00

The ratio of total reserve to net deposit and Federal Reserve Notes liabilities combined was 41% on May 14 as compared with 41.1% on April 16.

Condition of Member Banks.—A combined statement of eighty-three selected member banks widely scattered over the Tenth Federal Reserve District on May 7 showed \$561,486,000 of loans and investments, which was \$28,018,000 less than the total reported on April 2. Loans secured by Government war obligations were reduced in that time \$847,000, while loans secured by stocks and bonds other than U. S. securities were in the period of five weeks between the two reporting dates increased to the amount of \$938,000. The heavy reduction, \$28,109,000, was in other loans and investments by these eighty-three banks. At the same time reserve balances with the Federal Reserve Bank were reduced \$1,166,000 and net demand deposits on which reserve is computed were reduced \$28,835,000, although time deposits increased \$893,000 between the two dates.

	May 7, 1920	April 2, 1920
Total U. S. Securities	\$ 53,034,000	\$ 51,116,000
Loans secured by U. S. war obligations (Liberty Bonds, Victory Notes, Cert. of Indebtedness . . .	19,143,000	19,990,000
Loans secured by stocks and bonds other than U. S. securities	79,944,000	79,006,000
All other loans and investments . .	462,399,000	490,508,000
Reserve balance with Federal Reserve Bank	50,258,000	51,424,000
Net demand deposits on which reserve is computed	428,006,000	456,841,000
Time Deposits	98,568,000	97,675,000

Bank Clearings.—The clearing houses in twenty-four cities of this district indicate an increase of 30.7% in the total transaction in April, 1920, over the total for the corresponding month last year. But April clearings at these centers were about \$355,000,000, or about 16% below the total in March of this year, which was the high record month of history for clearing house transactions.

	April, 1920	April, 1919	Pct. Gain.
Kansas City, Missouri . . . \$	997,408,243	\$ 796,290,140	25.2
Omaha, Nebraska	315,273,872	228,585,121	37.9
Denver, Colorado	153,194,203	116,489,381	31.5
St. Joseph, Mo.	72,315,295	70,607,413	2.4
Wichita, Kans.	61,309,221	40,926,880	49.8
Tulsa, Okla.	60,202,535	39,187,574	53.6
Oklahoma City, Okla.	59,517,725	44,379,869	34.1
Lincoln, Nebr.	26,211,414	20,681,870	26.7
Kansas City, Kansas	22,675,194	3,376,894	512.3
Muskogee, Okla.	18,627,534	11,319,424	64.5
Topeka, Kansas	14,539,731	15,365,849	* 5.3
Joplin, Mo.	9,011,750	6,344,360	42.0
Cheyenne, Wyo.	6,555,855		
Okmulgee, Okla.	6,489,262	3,091,760	109.8
Colorado Springs, Colo.	5,432,042	3,874,522	40.2
Hastings, Nebr.	4,470,958	2,252,102	98.5
Pueblo, Colo.	4,106,277	3,517,794	8.5
Atchison, Kansas	3,856,356	3,206,637	20.2
Fremont, Nebr.	3,675,348	2,990,245	22.9
McAlester, Okla.	3,340,000		
Pittsburg, Kansas	2,579,124	1,737,401	48.5
Lawrence, Kansas	2,039,907	1,720,935	18.5
Parsons, Kansas	1,930,250	1,634,429	18.1
Emporia, Kansas	1,023,896	1,487,278	*31.2

Total \$1,855,785,992 \$1,419,067,878 30.7%
 Year to date 7,662,697,865 5,676,667,972 35.9
 *Decrease.

Failures.—Dun's report shows 32 business failures in the Tenth Federal Reserve District in the month of April, the total liabilities amounting to \$628,450. These figures compare with 20 failures and \$104,545 of liabilities in the same month in 1919. From January 1 to April 30, 1920, the business failures in this district numbered 104, which is exactly the number of business failures reported for the first four months of 1919. Liabilities in the four months of this year, however, were \$1,522,465 as compared with \$1,272,850 for the same period last year.

Railroad Receipts.—The Kansas City Railroad Clearing House report for April shows a decrease of 9.5% in the receipts for the month, due entirely to strike conditions. The total receipts were \$3,061,434.96 for April, 1920, and \$3,354,407.24 for April, 1919. The receipts of the Clearing House do not include receipts by the individual railroads.

Postoffice Receipts.—Even with 2 cent postage in April, 1920, the receipts at Kansas City were 32.36% larger than for the same month last year when letter postage was 3 cents. The total receipts were \$607,468.75 against \$458,943.70 in April, 1919. Omaha postoffice receipts were \$199,250.79 for April as compared with \$197,155.18 a year ago.

Collections.—Merchants reports all say collections were fair or good, although not as good as they should be on account of the difficulty of moving farm products.

MERCANTILE.

While retail merchants in this district continue to report sales largely in excess of the sales of last year, the reports to the Monthly Bulletin show there was a decided falling off in sales during April from the heavy business reported for March of this year. Dry goods stores, by spring cleanup sales, and with a fairly good seasonal demand for spring and summer wear, were able to hold their April sales to a little below the March volume. Men's clothing sales slumped heavily in April. Furniture and housefurnishings suffered a decline of 36.8% from the March record, that being the average of the stores reporting, although April sales were 20.5% larger than those of April, 1919. Sales of hardware as reported averaged 15.6% below the previous month and 25% in excess of April a year ago. Other lines were similarly affected during April, although mail order houses did a large business.

Department Stores' Reports.—The reports of the large department stores in the leading cities of the Tenth District to the Monthly Bulletin are combined in the following exhibit:

Net sales (selling price) during April, 1920, compared with net sales for the same month in 1919	Inc.	19.6%
Net sales (selling price) during the first four months of 1920, compared with net sales for the same four months last year.	Inc.	24.9%
Stocks on hand at the close of April, 1920, compared with stocks on hand at the close of April, 1919	Inc.	43.3%
Stocks on hand at the close of April, 1920, compared with stocks on hand at the close of March, 1920	Dec.	3.1%
Percentage of average stocks at the close of each month this year commencing with January to average monthly net sales for the same period		272.1%
Percentage of outstanding orders for stocks (cost) at the close of April, 1920, to total purchases (cost) during the calendar year.		18.0%

Combined reports of eight of the leading retail dry goods stores in the district show April sales were 2% below those of March, but 19.8% larger than April last year. Stocks on hand at the end of April were 2.7% less than at the end of the previous month and 29.6% larger than at the end of April, 1919.

Wholesale Trade.—Purchases by retail dealers from wholesale fell off perceptibly during April from the high purchasing activity of March. A summary of the reports which were received follows:

	Sales in April compared with		Stocks April 30 compared with	
	Prev. Mo.	Year ago.	Prev. Mo.	Year ago.
Furniture	same	+ 30%	same	+15%
Millinery	-20%	- 5%	- 10%	+25%
Dry Goods	-15%	+100%	- 20%	+25%
Drugs	- 5%	+ 40%	- 3%	+ 5%
Groceries	+7.5%	+ 24%	- 20%	-25%

Outstanding orders for stocks at the close of April to total purchases during the calendar year were reported by these houses as follows: Millinery 5%, Dry Goods 25%.

The Trade Situation.—Many merchants are impressed with the belief that prices have reached the highest possible limit, particularly on dry goods and

wearing apparel. Reports say that already there are indications that silks are to be lower, and except on carpets, manufacturers of wool have not advanced. As yet there have been no reductions in manufactured cottons, but it is believed that must soon come. The highest priced merchandise on the market, relatively, consist of staple and cotton fabrics, and dry goods merchants say no one has been able to give a good reason for the extreme prices now prevailing. "The sentiment", a large dealer asserts, "is very general among people not engaged in merchandising that prices should and will come down."

Most merchants have their accumulated profits of the last four years in merchandise, at from two to four times its normal value, and unless the reaction is gradual it may mean disaster to many.

In the furniture line the demand is still strong for high priced items, while manufacturers still predict higher prices. Hardware dealers see no reason why business should not continue good throughout the year unless curtailed by decreased production. Values remain firm with an upward tendency. Groceries have been in good demand with some price reductions. Sugar is very scarce and, except in a few manufacturing towns, is selling at 28c and 30c per pound.

Nearly all the merchants' reports mention car shortage or freight congestion as holding up distribution of stocks, and with present values far out of proportion to normal, fortunes are tied up in delayed shipments.

Commodity Prices.—Bradstreet's index number for May 6 on the price per pound of thirty-one articles used for food was \$4.96, compared with \$4.98 the previous week, \$5.05 two weeks previous and \$5.00 for the week ending May 8, 1919. May index numbers reflect a tendency toward a decline in food prices. Of seventy-six commodities quoted, however, the report showed 19 advanced, 10 declined and 47 remained stationary.

AGRICULTURE.

The spring planting season in the Tenth Federal Reserve District is from two to four weeks late on account of cool and cloudy weather and wet soil during the last half of April. The first week in May brought sunshine and warmth and with it vigorous growth of vegetation and renewed activity on the farms, though the nights were cool. Precipitation was rather heavy in the southern section and moderate over the rest of the district except in the southwest where more moisture is still needed.

Reports of field agents for the Department of Agriculture for the week ending May 6 indicated that in both Colorado and Wyoming all farm work was delayed by snow storms on April 17 and 18, and in many sections May opened with winter crops still covered with snow. Kansas reported spring work very much delayed and the same report came from Nebraska, due to rains. In the western part of Missouri conditions were reported unfavorable, with the season three weeks late. Oklahoma was generally more favored by weather conditions. The report from that state was that the condition of all crops had been improved

wonderfully by the recent rains and warm weather. New Mexico reported that vegetables and early crops were slow in starting, due to cold, dry and windy weather.

Winter Wheat.—The growing wheat in this district made good progress during the cool and damp weather of April, an improvement of about 6% in condition between April 1 and May 1 being recorded. According to the most reliable information obtained by field agents for the Department of Agriculture the total area of winter wheat to be harvested this summer will be slightly less than 15,000,000 acres, as compared with a little over 21,000,000 acres harvested last summer. The estimated production of winter wheat in the district, based on May 1 condition, is 182,433,000 bushels, as compared with 282,697,000 bushels last year, though May estimates are increasing the estimated total for this year.

Kansas lost 16% of the winter wheat acreage sown last autumn on account of poorly prepared seed beds, with much volunteer wheat, lack of moisture in the winter months and violent wind storms during the early spring. Still, the number of acres abandoned was not as large as was reported six or eight weeks ago, and there is a good deal of speculation as to how much or how little grain is produced by the volunteer wheat, which in many sections is showing a vigorous and healthy growth. As matters now stand, Kansas is expected to produce this year 19.2% of the Nation's supply of winter wheat. Last year the state produced 20.6% of all the winter wheat grown in the United States. The average for the five years previous to 1919 was 18.74%.

Nebraska, ranking second in winter wheat production in this district, reported on May 1 conditions ideal for that state and 88% of normal as compared with 84% one month previous and 97% a year ago. The abandonment of winter wheat sown last fall was 8%.

Oklahoma, third among the big wheat growing states of the district, reported the condition on May 1 as 77% of normal, an improvement of 5% during the month of April. The area in that state to be harvested this summer is about 900,000 acres less than was harvested last year, 13% of the winter wheat sown last fall having been abandoned.

In the western counties of Missouri wheat conditions are about the same as in the eastern sections of Oklahoma, Kansas and Nebraska, a considerable portion of the acreage seeded last fall having been abandoned, but with improvement to growing wheat in April. In the mountain states the condition of winter wheat is only slightly below the condition of a year ago and the percent of abandoned acreage is small, while there is a plentiful supply of moisture in Wyoming and Colorado where agriculture was hit hard by the dry weather last year. New Mexico has a largely increased acreage of winter wheat although the precipitation through the fall and winter did not come up to expectations.

Corn.—Some planting of corn was reported in the Missouri Valley section by May 1, but progress had been decidedly slow. In Oklahoma the planting was about over by May 1, but considerable replanting was

necessary in the eastern section where the corn was up. A large corn acreage is indicated for this district but the extent of the increase will be determined by the ability of the farmers in the Missouri, Kansas, Nebraska and the Mountain states to finish their plowing and planting during the present month. In many sections plowing has been so greatly delayed that much corn is being listed to save time.

Oats.—The condition of oats is reported generally satisfactory with fairly good growth and larger acreage, although Oklahoma reports the stand thin but stooling rapidly since the recent rains. Barley is making satisfactory growth, and generally doing well, according to reports, while the condition of rye is generally good.

Cotton.—In Oklahoma planting has begun, and some replanting has been necessary in the southeastern portion. Potatoes were reported in Oklahoma as making rapid growth, and a fairly large acreage was planted in the other states of the district, but reports on the condition at the beginning of May were incomplete.

Hay.—Alfalfa and hay crops are very backward in the central and northern sections of the district, but the first week in May saw a decided improvement. The plants were in good condition for satisfactory progress.

Sugar Beets.—Reports from the sugar beet sections indicate that this year's acreage will be practically the same as last year's. Colorado and Wyoming districts report a probable slight reduction in the acreage, while some increase is reported from Nebraska, with Kansas about the same as in 1919. Last year 256,000 acres of sugar beets were harvested in this district. The planting this year was slightly delayed by the backward season. Colorado districts reporting 25% planted by May 1.

Fruit.—Reports in this district indicate that the frost damage was not as bad as was feared. Some damage to its pecan crop due to the April freeze is reported in Oklahoma. Colorado reports indicate some winter killing of stone fruit. Conditions early in May were generally more favorable than expected by the long season of cool and cloudy weather. The prospects for an apple crop in Kansas are brighter now than they were soon after the Easter storm, according to reports received by the horticulture department at the State Agricultural College. The crop, however, will be generally light in the Missouri Valley section.

Harvest Labor.—The labor departments of the states of this district are already busy with their preparations to supply men for harvesting this year's wheat crop. Arrangements have been made in many counties to distribute the men through the county farm agents, or county officials.

Seventy cents an hour and board will be the wage for harvest hands in the Kansas wheat belt agreed upon at a meeting of the wheat growers and the Kansas Harvest Labor Association. The Kansas harvest wage last year started at fifty cents an hour and was

raised in some instances to sixty cents an hour. The farm labor supply at this time is reported about 90% as compared with the supply last year in Kansas, Nebraska and Oklahoma, and about 75% normal.

Grain and Flour.—Grain receipts slumped heavily at the markets of this district in April as a result of the transportation troubles incident to the switchmen's strike and car shortage, and to unfavorable weather conditions. At Kansas City a total of 2,874 cars of grain were received compared with 6,875 cars in March and 4,010 cars in April, 1919. Arrivals of wheat picked up in the latter part and the month closed with a total of 2,235,000 bushels received as against 1,198,800 bushels in April of last year. Corn receipts for the month were 550,000 bushels against 1,850,000 bushels in April, 1919, while oats received, totaled only 188,700 bushels against 1,482,400 bushels the same month last year. The Kansas City figures fairly indicate the movement of grain at the other markets and terminal points.

Grain Reserves.—Estimates as to farm reserves indicate that Kansas had 35,500,000 bushels of wheat in mills, elevators and on farms on April 17 as against 11,000,000 bushels at the same date one year ago. It was estimated that the Kansas mills would use 10,000,000 bushels in May and June, leaving 25,000,000 to be marketed. The quantity of wheat at the mills, elevators and on the farms in the other states of this district is estimated to be proportionately large, or about three times the reserves stock held one year ago. Wheat in elevators May 1 at these cities were: Kansas City 9,148,000 bushels, Omaha 1,512,000 bushels, St. Joseph 408,000 bushels, Lincoln 171,000 bushels.

Prices.—Wheat prices were firm during the month of April, No. 1 hard wheat advancing from \$2.61@2.78 on April 1 to \$2.88@3.01 on April 30, the latter figure being 6c higher than the top price for April, 1919. Corn prices were steady and strong during the month with a tendency to advance. No. 2 mixed corn sold at Missouri river points at \$1.62 on April 1 and \$1.72 @1.74 on April 30. Oats were steady with a range of 71c at the beginning of the month to 74½c on the 21st and 71½c at the close.

The unfavorable tone of private reports on the progress crops, together with a sustained export demand for wheat, and to some extent for rye and barley, were strengthening factors in the grain market through April and early May.

Milling.—Flour manufacturing at the milling centers of this district were hampered in April by transportation interruptions resulting from congested yards and unmoved freight. A loss of 30% of milling activity in this district is to be seen in the North-western Miller's weekly reports which are here combined for the four-week period ending May 1, compared with the output for the corresponding period last year:

	1920	1919
Kansas City	153,800	274,400
Omaha	33,925	73,280
88 Outside Mills	811,256	1,078,650

Total barrels—4 weeks 998,981 1,426,330
Although there has been a continued demand for

flour, most of the sales were in small lots with request for early shipment. A tendency to proceed with caution was noted, due largely to uncertainty as to what the wheat market will do in the few weeks preceding and following the termination of federal control, which control now seems likely to be extended.

Competition for wheat during the month was keen and the resultant high prices caused a further advance of 25 cents in hard wheat flour, placing the flour market on a basis of \$14.70 a barrel for top quality. Kansas City flour quotations May 1 were: Patents, \$14@14.60; Straights, \$13.10@13.40; Clears, \$8.50@11.90.

LIVE STOCK.

It was too cool on the high prairies and in the mountain regions in April for the best growth and in consequence pastures were somewhat backward at the beginning of May. Feeding of live stock was necessary in many sections, particularly on the western mountain ranges in Colorado and Wyoming where deep snow covered the ground. There was much suffering among animals and some losses in those sections. The calf crop was reported from Wyoming as fair to poor, with losses of calves and also lambs. Losses of lambs are reported from New Mexico as a result of the blizzard in the latter part of April. The weather has been unfavorable for early litters of pigs and indications point to a reduced pig crop. The increasing difficulty of moving cattle and hogs to market is the cause of much complaint and is proving costly to growers and feeders.

At the Markets.—The movement of live stock to the markets of the Tenth Federal Reserve District was heavily broken into during a part of April by railroad troubles, due to strikes and embargoes. A total of 25,785 cars of live stock was received at the six markets during the month, which is 5,147 cars less than were received in March of this year and 3,110 cars less than were received in April of last year. Compared with the record for April, 1919, this year's April receipts were 18.4% less on cattle, 11.5% less on calves, 16.5% less on hogs, and a gain of 4.5% on sheep and 27.7% on horses and mules.

Prices.—Up to the time of the switchmen's strike in April cattle prices were gradually seeking lower levels than at the close of March, but during the strike there were wide fluctuations and the breaks were heavy both ways. A liberal supply of pulp fed animals were on the markets, but the supply of topy corn finished native steers was limited. The best steers sold around \$14@14.75, and pulpers made the record price of \$14.50. Mixed steers and heifers at the end of the month were around \$13.50@14.50 and best cows around \$11@12.

Although receipts of hogs were the lightest in many years, trading was very uneven. Prices in the first week equalled the high point of the year while in the following week they were the lowest of the present year. Final prices for April were around \$13.85@14.60, or 50c to \$1.50 lower than at the close of March and \$5.75 to \$6 lower than a year previous.

With the supply of sheep limited for the greatest part of the month there was scarcely enough life to the market to test values. But after the strike situa-

tion was improved the market showed activity and western fed lambs sold at \$20.85. A moderate supply of shorn lambs sold as high as \$18.50 and choice feeding lambs sold up to \$17.75.

Packing Operations.—Packers were the principal traders at the live stock markets during this month, but their operations were restricted by the supply of live stock. The packers' purchases in April at the six markets, compared with those of April last year, were 11.7% less on cattle, 15.8% more on calves, 37% less on hogs and 23% less on sheep.

	Cattle	Calves	Hogs	Sheep
Kansas City	55,510	12,877	120,812	72,800
Omaha	72,359	2,102	201,266	106,099
Denver	9,693	1,565	30,658	27,573
St. Joseph	25,104	4,369	106,405	61,630
Oklahoma City	19,149	2,170	28,118	
Wichita	6,977		35,092	99

Total April, 1920	188,792	23,083	522,378	268,201
Total April, 1919	210,801	19,460	715,691	329,872

PETROLEUM.

The output of crude oil from the fields of Kansas and Oklahoma in the 30-day month of April, estimated from reports, was 10,497,750 barrels or 349,900 barrels daily. This compares with an estimated production in the 31 day month of March of 10,491,640 barrels, or 338,440 barrels daily, and 8,991,750 barrels or 299,725 barrels daily in April, 1919. The reports since the beginning of 1920 show a larger production each day, week and month than was recorded for the same time last year. The reports from Wyoming indicate the output was slightly under 2,000,000 barrels for the month.

Developments.—April reports of field operations showed 75 more wells were completed than in March, but new production from the completions was 8,193 barrels daily below the March daily flow. However, there were 141 more rigs and wells drilling at the end of April than at the end of March which increased activity in May developments. The summary follows:

	Completed Wells	Brls. Daily New Prod'n	Rigs and Wells Drilling
Kansas	242	10,434	498
Oklahoma	747	55,845	2,118
Wyoming	12	1,085	533
April, 1920	1,001	67,364	3,149
March, 1920	926	75,557	3,008
April, 1919	1,020	43,628	2,543

Prices—Kansas and Oklahoma crude oil was unchanged May 14 at \$2.75 per barrel for Healdton and \$3.50 for all other grades. In Wyoming, Salt Creek and Pilot Butte advanced from \$2 per barrel to \$2.75 per barrel. All other grades remained the same in price as quoted one month ago.

MINING.

Metal mining conditions in Colorado are, on the whole, showing a slight improvement, although the storms and bad roads incident to the season are interfering to some extent with the production. A good many new operations, mostly small ones, are reported which makes the outlook for increased production favorable. This does not, however, apply to the districts where gold predominates as under present conditions gold mining is not remunerative. Some of the

camps report a shortage of labor. There has been no surplus of mine labor since the war and the new operations mentioned above are doubtless causing the present shortage.

Lead and Zinc.—The month of April showed a reaction in zinc ore prices on the Joplin and a general disorganization of the industry in Missouri, Kansas and Oklahoma, due to a number of factors which affected production and shipments. However, the amount of ores loaded into cars reached a very large figure, averaging 13,325 tons of zinc blende per week, but much of this at the end of the month was still in the cars on sidings in the zinc mining district or scattered between the district and the various smelting centers. Calamine ores registered 127 tons per week, with a small outlook of any increase possible for some time to come.

Prices for zinc blende ores ranged from \$52.50 down to \$42.50 base, thus making a decline of \$10.00 per ton in the maximum and minimum prices of the month. The average price for zinc blende ores for the month was \$48.23. Prices for calamine ranged from \$35.00 to \$40.00, with an average price of \$38.44 for the month. The month also marked the close of the four month period in which the shipments aggregated 210,312 tons of blende ores, which is an increase of 60,153 tons over the same period of 1919. Calamine ores on the other hand aggregated 2,983 tons, or a decrease of 2,143 tons over the same period of 1919. The difference in the average prices for the same period for blende ores was \$10.37 in favor of 1920. Strange to say the difference between the calamine prices of 1919 and 1920 was \$10.33. Estimated surplus stocks unsold in the bins of the ore producers is 28,000 tons against 17,000 tons for the same period of 1919.

Lead ores show a total shipment of 10,098 tons during the month, or an average of 2,524 tons per week. The average price paid for 80% grades was \$107.50 to \$110.00, or an average for all grades of 108.82, one of the highest averages for many months. Even with this high price for lead ores, and a considerable stimulation in output there is not yet sufficient lead ore to meet the demands in this district.

The railway switchmen's strike and its accompanying complications have seriously affected the industry in that it has tied up a very large amount of ore in transportation between the district and the smelting points. For some time the buyers took the ore as usual, but finding it impossible to get the ores shipped, discontinued buying but did load all the cars that they could obtain with the ores previously purchased. This is the reason for the heavy shipments reported this month, although the ores have not yet reached their destination. The railway strike also affected incoming supplies, and many things required in mining operations are out of hand entirely or in transit. This is causing considerable difficulty among mine operators to keep their plants going. Another complication affecting the district was the coal strike in Kansas which affects practically the entire coal consumption of the zinc and lead mining district of Missouri, Kansas and Oklahoma, and when it is cut off simul-

taneously with a railway strike makes it impossible to secure coal from other sources, and this has been a serious handicap in some instances where coal is depended upon for fuel and power.

In spite of these handicaps, however, production has been well maintained, partly because of the number of small operators who are entering the field with the opening up of the spring months.

Labor conditions continue to be difficult for operators. There is not a sufficient supply of shovelers nor can they be obtained. Numerous efforts are being made for the introduction of mechanical shoveling machines, with some show of success, and there is a likelihood of further installations to meet this need. The general advance in the wage scales for all surface labor from the common laborer to all the trades has made it difficult to keep men in the mining industry, an industry which has previously always paid higher wages than any other trade. Owing to the fact that the zinc industry is selling its products on a basis equal and in some cases below pre-war levels, it is impossible to advance the wage scale in accordance with other trades, and the shortage of labor is, therefore, being aggravated month by month.

Coal.—Operations in April at the bituminous coal mines in this district were conducted at an average of 65.7% of capacity, according to the reports received up to April 24. This is 9.5% below the activity in the previous month of March. The capacity of operation of the mines in April was: Colorado 78.2%, Kansas 44.8%, Missouri 70.4%, Oklahoma 69%. Following are the reported percentages of loss of operation due to various causes in the coal mining states reporting:

	Colo.	Kans.	Mo.	Okla.
Transportation Disability	13.5%	1.6%	4.3%	7.4%
Labor shortage	0.9%	4.6%	5.4%	1.0%
Strikes		38.2%	6.8%	0.3%
Mine disability	1.8%	9.5%	9.2%	4.0%
No market	4.1%	1.0%	3.3%	18.2%
Total loss	20.3%	54.9%	29.0%	30.7%

Demand for all grades of coal has been strong in all markets as a result of continued curtailment of production and transportation disability. With the lifting of freight embargoes and an anticipated improvement of the labor situation at the mines, increased production is looked for during the year. But with exports absorbing an enormous tonnage, the restricted coal supply in western markets is expected to continue and with no reduction in price in sight.

BUILDING.

Permits were issued in seventeen cities of the Tenth Federal Reserve District in the month of April for buildings to cost \$8,530,585. While the number of permits issued was 35 less than a year ago, the cost of the 2,064 buildings permitted in April, 1920, was \$3,780,561 or 79.6% more than the cost of 2,100 buildings permitted in April, 1919. The reports of the building departments of the seventeen cities show the number of permits and estimated cost of building compared with those of April, 1919, with the percent of loss or gain:

	No. Permits		Est. Cost		Pct. Change
	1920	1919	1920	1919	
Kansas City, Mo.	381	507	\$3,097,450	\$726,225	+326.5
Omaha, Neb.	164	206	1,519,280	512,715	+193.3
Tulsa, Okla.	242	285	1,107,975	652,950	+ 69.5
Okla. City, Okla.	181	129	653,195	331,425	+ 97.1
Denver, Colo.	349	312	605,800	532,650	+ 13.7
Okmulgee, Okla.	106	102	374,500	334,700	+ 11.8
Wichita, Kans.	143	114	254,311	201,445	+ 26.2
Kansas City, Kans.	59	63	175,925	91,877	+ 91.4
Colo. Springs, Colo.	95	33	150,575	45,449	+231.3
Cheyenne, Wyo.	52	9	141,740	30,880	+359.0
Lincoln, Neb.	69	79	127,915	149,665	- 14.5
Topeka, Kans.	65	43	109,655	642,320	- 82.9
Muskogee, Okla.	33	27	83,080	51,460	+ 61.2
St. Joseph, Mo.	43	74	66,885	117,325	- 42.9
Pueblo, Colo.	65	83	42,499	67,183	- 36.6
Joplin, Mo.	14	30	125,000	258,755	- 51.6
Leavenworth, Kans.	3	3	7,000	6,000	+ 16.7
Total	2,064	2,099	\$8,530,585	\$4,753,024	+ 79.6

A more detailed statement of building reports for the seventeen cities in the first four months of 1920, as compared with the record for the same period in 1919, is shown in this Monthly Bulletin. The figures for the first four months of 1920 reflect an increase over the same months in 1919 of 160.5% in the estimated cost of new buildings, an increase of 128.3% in the estimated cost of additions and repairs and an increase of 176.9% in the total estimated cost of all building contemplated by the permits.

This April showing was made under increased labor difficulties and shortage of materials and the highest prices of record for labor and materials. The figures on 1920 values seem enormous as compared with pre-war records, but when it is considered that building costs are easily twice as high as in the years 1914 to 1918, the volume of building for the cities of the district is really under normal and is far below what it would be were building costs and conditions on a more consistent basis.

LABOR.

While the labor situation at this date in May shows indications of a quieting down since the railroad strike, the situation is far from satisfactory, due to a shortage of labor in many lines of employment, and numerous new wage demands, with an unusually large number of local strikes. Employers generally have shown a willingness to accede to reasonable demands, in view of the high cost of living; though in many cases workmen are beginning to recognize that decreased output of food and commodities tends to further aggravate the situation and demands are reported perceptibly less than a month or six weeks ago.

New demands of the building trades have in most instances been granted in this district. Strikes have resulted in some cities where these demands were refused, effectually tying up building operations.

Intermittent strikes or walkouts of coal miners have been reported but there has been no serious interruptions of operations except at the mines in Kansas where miners struck as a protest against the arrest of Alexander Howatt, their leader, arrested for violation of the Kansas law creating a Court of Industrial Relations.

WINTER WHEAT IN THE TENTH FEDERAL RESERVE DISTRICT FOR 1920

	Acreage for Harvest		Estimated Bushels		Percent Condition		
	1920	1919	1920	1919	May 1	April 1	Year Ago
Colorado	978,000	1,064,000	11,736,000	11,917,000		75	100
Kansas	7,725,000	11,594,000	92,082,000	150,722,000	80	73	101
*Missouri (19 counties)	470,000	760,000	3,690,000	10,260,000		70	103
Nebraska	2,846,000	3,716,000	45,585,000	54,997,000	88	84	97
*New Mexico (10 counties)	75,000	57,000	1,500,000	1,153,000		90	96
Oklahoma	2,811,000	3,760,000	27,000,000	52,640,000	77	72	100
Wyoming	70,000	84,000	840,000	1,008,000	95	92	97
Total District	14,975,000	21,035,000	182,433,000	282,697,000			

*Estimated.

RECEIPTS OF LIVE STOCK IN APRIL, 1920

	Cattle	Calves	Hogs	Sheep	Horses & Mules	Cars
Kansas City	85,535	12,187	156,911	118,808	2,962	6,039
Omaha	131,165	5,174	304,466	144,473	1,773	10,184
Denver	27,669	2,503	32,774	196,830	1,511	2,307
St. Joseph	46,154	4,802	168,884	74,576	2,869	4,487
Oklahoma City	29,086	2,958	33,016	132	343	1,410
Wichita	28,151		36,703	11,824	1,244	1,358
Total April, 1920	347,760	27,624	732,754	546,343	10,702	25,785
Total March, 1920	407,386	37,616	951,384	463,695	19,770	30,932
Total April, 1919	426,050	31,242	877,791	522,427	8,378	28,895

BUILDING OPERATIONS IN 17 CITIES, FIRST FOUR MONTHS OF 1920.

	New Construction		Repairs and Alterations		All Building	
	Permits	Value	Permits	Value	Permits	Value
January	676	\$ 7,806,982	509	\$ 984,973	1,185	\$ 8,791,955
February	884	5,916,738	870	1,234,998	1,754	7,151,736
March	1,056	6,995,308	1,209	1,725,161	2,265	8,720,469
April	767	6,973,647	1,297	1,556,938	2,064	8,530,385
4 Months, 1920	3,383	\$27,692,675	3,885	\$5,502,070	7,268	\$33,194,545
Same in 1919	2,305	10,629,518	3,089	2,409,585	5,395	11,991,113
Increase for 1920	1,078	\$17,063,157	796	\$3,092,485	1,873	\$21,203,432

Statement of Condition of
FEDERAL RESERVE BANK OF KANSAS CITY
Including Branches

RESOURCES

	At Close of Business	
	May 7, 1920	May 14, 1920
Gold Coin and Certificates	\$ 598,307.50	\$ 588,567.50
Gold Settlement Fund F. R. Board	29,906,160.17	26,678,947.13
Gold with F. R. Agent	37,602,680.00	36,646,220.00
Gold Redemption Fund	3,975,852.20	4,484,912.20
Gold with Foreign Agents	5,413,445.28	5,413,445.28
Legal Tender Notes, Silver, etc.	1,238,476.35	1,275,340.80
Bills Discounted:		
Secured by Govt. War Obligations	28,243,338.14	38,680,499.70
All other	82,074,893.64	73,436,952.23
Bills Bought in Open Market	361,346.74	361,346.74
U. S. Govt. Bonds	8,867,750.00	8,867,900.00
U. S. Cert. of Indebtedness	13,066,000.00	13,074,000.00
Bank Premises	527,345.11	527,345.11
Uncollected Items and Other Deductions from Gross Deposits	62,999,678.12	67,166,314.70
5% Redemption Fund Against F. R. Bank Notes	995,590.00	995,590.00
All Other Resources	286,584.59	310,153.76
Total Resources	\$276,157,447.84	\$278,507,535.15

LIABILITIES

	At Close of Business	
	May 7, 1920	May 14, 1920
Capital Paid In	\$ 4,218,400.00	\$ 4,287,550.00
Surplus	6,116,033.36	6,116,033.36
Government Deposits	920,508.78	1,550,739.40
Due to Members' Reserve Acct.	87,630,533.13	84,613,770.07
Other Deposits	3,608,293.95	3,656,521.74
Deferred Availability Items	56,723,179.07	61,822,051.97
F. R. Notes in Actual circulation	98,702,765.00	98,375,215.00
F. R. Bank Notes in Actual circulation	15,418,000.00	15,234,600.00
All Other Liabilities	2,819,734.55	2,851,053.61
Total Liabilities	\$276,157,447.84	\$278,507,535.15

OTHER TOTALS

Total Gold Reserves	\$ 77,496,445.15	\$ 73,812,092.11
Total Earning Assets	132,613,328.52	134,420,698.67
Total Gross Deposits	148,882,514.93	151,643,083.18
Contingent Liability as Endorser on Bills Rediscounted with other F. R. Banks	15,000,000.00	7,000,000.00
Ratio of Total Reserves to Net Deposit and F. R. Notes Liabilities Combined	42.6%	41.0%
Ratio of Gold Reserve to F. R. Notes in Actual Circulation After Setting Aside 35% Against Net Deposit Liabilities	48.0%	44.9%

CLEARINGS

Total Clearings for Week	\$221,366,185.71	\$230,535,899.71
Total Number of Items Handled	994,383	1,081,736