

# 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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THERE appeared to be nothing reflected by the October reports to indicate any decided change in the tendency toward a general re-adjustment of business. Price reductions continued through the month and by November 1 there were some evidences of a settling down on the newer levels, giving rise to a feeling that business was beginning to assume new proportions.

The level of prices paid producers in the United States for the principal crops decreased about 19.1% during October, as officially reported by the Bureau of Crop Estimates, U. S. Department of Agriculture. In the previous ten years the usual October decline in farm prices has been 3.8%. The report states that on November 1 the index figures on prices was about 28% lower than a year ago, 25.4% lower than two years ago, and 14.8% higher than the average of the past ten years to November 1.

Bradstreet's index figures on commodity prices indicate that in October 58 different commodities out of 106 were reported cut, and that every group of commodities contributed more or less to the decline. The publication, in summing up the situation, says: "The decline in October in the total index number of \$1.23 and the decline in the nine months of \$5.20 mark the most precipitate decreases for a month and nine months ever recorded."

The price reductions on merchandise, while long looked for, seemed when they finally came to have unsettled the public to the extent of causing a great many people to hold off buying, expecting prices to go still lower. As a result, purchases during October did not mount to the heights they were expected to attain when consumers awakened to a realization that at last they could buy goods for less. Rather, there were declines in October trade reported from many merchants and in many lines. But under the quickening influence of crisp freezing weather sales at the end of the month and in early November were reported to be taking on a good deal of activity with indications that the greater volume of Christmas buying this year would be done in the two or three weeks immediately preceding the holiday season.

Retail merchants have, with series of bargain sales, succeeded in unloading the bulk of their high cost merchandise and have been buying in such quantities as to enable them to keep their customers supplied. Wholesalers, while pursuing something like the same

policy of caution with reference to accumulations of stocks, have undertaken to force business—particularly in wearing apparel, dry goods and kindred lines—by widely advertised price reduction sales. These sales to this date in November are attracting country merchants to the cities in large numbers and in consequence a larger volume of goods is reported as moving countryward.

The declared intention of many farmers to hold their wheat for higher prices than those prevailing since the big slump set in, has made the grain markets the center of public interest and discussion. Movement of wheat to the markets in October under the lowered prices was in larger volume than in October of last year and also larger than in October, 1918. But, since the "wheat holding" movement was not officially in effect until October 25, it is regarded as too early to approximate results.

There was a big shrinkage in the movement of live stock to the markets in October which, according to advices, was not wholly due to fewer animals on farms and ranges. There is an abundance of feed for animals in this part of the country which, with grain prices down, is an inducement to farmers to hold much of their stock on feed for later marketing in a more finished condition.

Crude oil production scored a high mark in this district in October, with an average flow of approximately 411,000 barrels daily from Kansas and Oklahoma wells. Zinc and lead ore production was held to market requirements by operators curtailing mining activities and leaving no large accumulation of surplus. Metal mining in Colorado was at a low ebb as a result of low prices of ores and high cost of production. The coal mines were operated during the month at 74.5% capacity, and there are no longer fears of a coal shortage or famine this winter.

Milling, packing and some lines of manufacture slowed down considerably on account of slow demand and movement of their products. Building activities in October showed some improvement over September, but were little more than one-half the volume of October, 1919. The labor supply situation was somewhat easier. There is some unemployment reported in industrial centers, but probably no more than usual for this season.

There was a further improvement in the transportation situation in the month under review and less complaint of car shortage.

## FINANCIAL.

The demand for loans from farming and stockraising communities has been tremendous during the past month, with the result that the reserve city banks of this district in the face of rapidly declining deposits have found it necessary to frequently decline to accept further rediscount offerings from their country correspondents. It is apparent that the diminishing deposits and increasing loans of country banks have been largely caused by the inclination of farmers to hold their grain. With the November 15th payments made by sugar companies to the sugar beet growers, there should be considerable liquidation in the Denver zone and a portion of the Omaha zone, and with three or four weeks of normal marketing of grain in the balance of the 10th District, conditions should be vastly improved.

The statement of the Federal Reserve Bank of Kansas City and its branches at Omaha, Denver and Oklahoma City, as of November 12, showed a ratio of 39.9% total reserves to net deposit and Federal Reserve Notes liabilities combined. Total gold reserves were \$68,907,548 and total gross deposits were \$130,385,370. Bills discounted secured by Government War obligations were \$31,744,928 and other bills discounted were \$80,763,217, making the total of bills discounted \$112,508,145.

**Showing of Member Banks.**—A combined statement of eighty-three selected member banks in this district, as of November 5, shows loans aggregating \$545,535,000 as compared with \$546,425,000 as of October 1 a reduction of \$890,000. Net demand deposits on which reserve is computed were reduced between the two dates mentioned \$9,922,000, while time deposits in the same five weeks were increased \$1,636,000. The combined statement of the eighty-three selected member banks for November 5 and October 1, follows:

	Oct. 1, 1920	Nov. 5, 1920
Total U. S. Securities owned.....	\$ 51,879,000	\$ 50,185,000
Loans (exclusive of discounts secured by U. S. War obligations)	20,678,000	21,261,000
Loans secured by stocks and bonds other than U. S. Securities.....	79,144,000	81,142,000
All other loans and investments..	446,603,000	443,132,000
Reserve balance with F. R. Bank.	45,626,000	43,610,000
Net demand deposits on which reserve is computed.....	404,849,000	394,927,000
Time deposits .....	97,393,000	99,029,000

**Collections.**—The slowing down of collections from the previous good record, which was noted in September reports, continued through October under pressure of strong demand for money. The reports indicate the decline in collections has been gradual since May. Country merchants report that although this year's crops are large, the break in prices and interference with the marketing of products is slowing

up collections. Wholesalers report payments to them by retailers are not so good as at this time either last year or in 1918. Wholesalers, according to Credit Clearing House reports, indicate that indebtedness has been increasing since early in September and at the beginning of November it had reached the high mark of November, 1919, which was the highest reached since December, 1916.

**Clearings.**—Bank clearings for October reported by clearing houses of this district aggregated \$1,837,320,341, as compared with \$1,867,451,914 in September. Taking the totals of all clearing houses reporting for this year and last year, there is an apparent decrease of about 8.8% in October, 1920, as compared with October, 1919. The clearings, with per cent of increase or decrease, follow:

	Oct., 1920	Oct., 1919	Pct. Change
Kansas City, Mo.....	\$ 928,586,735	\$ 1,115,396,494	—16.7
Omaha, Neb. ....	235,371,261	306,226,956	—23.1
Denver, Colo. ....	194,679,917	164,410,003	18.4
Oklahoma City, Okla.	142,200,003	79,332,386	79.2
Wichita, Kans. ....	58,611,958	67,951,335	—13.7
Tulsa, Okla. ....	57,266,099	53,107,164	07.8
St. Joseph, Mo.....	57,203,361	75,551,412	—24.3
Muskogee, Okla. ....	24,003,727	22,294,406	07.6
Kansas City, Kans....	23,146,417	3,532,165	555.3
Lincoln, Neb. ....	20,506,801	27,990,063	—26.7
Hutchinson, Kans. . .	14,412,000	13,201,000	09.2
Topeka, Kans. ....	13,448,166	17,929,937	—24.9
Cheyenne, Wyo. ....	8,699,372	7,040,730	23.5
Joplin, Mo. ....	7,842,000	8,179,000	—04.1
Grand Island, Neb..	6,691,983		
Okmulgee, Okla. ....	5,689,423	5,233,859	08.7
Independence, Kans..	5,235,751		
Colorado Spgs., Colo.	4,696,234	4,728,913	—00.7
Pueblo, Colo. ....	4,585,538	3,345,034	37.1
McAlester, Okla. ....	4,286,800		
Atchison, Kans. ....	3,700,574	3,841,713	—03.6
Hastings, Neb. ....	3,051,782	3,448,783	—11.5
Fremont, Neb. ....	2,889,661	3,606,753	—19.9
Guthrie, Okla. ....	2,361,672	2,480,261	—05.0
Miami, Okla. ....	2,104,434		
Parsons, Kans. ....	2,084,286	1,960,800	06.3
Lawrence, Kans. ....	2,083,257	2,119,365	—01.7
Lawton, Okla. ....	1,881,129	1,188,899	58.2
Totals .....	\$1,837,320,341	\$ 1,994,097,431	*—08.8
Ten Months .....	15,456,389,902	14,105,866,157	09.6

\*Percent computed on cities reporting for October of both years.

## BUSINESS FAILURES

Business failures in October in this district, according to Dun's report, numbered 41 with \$775,366 of liabilities, which compares with 27 failures and \$361,861 of liabilities in the corresponding month last year. For the first ten months of 1920 business failures numbered 354 with \$3,859,433 of liabilities, as compared with 216 failures and \$3,564,814 of liabilities reported for the first ten months of 1919. This is a somewhat remarkable showing when it is realized that in this district transactions in ten months reported by the clearing house associations aggregated \$15,456,389,902.

**MERCANTILE.**

Purchases by retailers from wholesalers at the trade centers of this district declined perceptibly in October from the purchasing activities of September, and on the whole they were considerably below purchases in October, 1919. The percent of decrease for both periods varies accordingly as different lines are affected by seasonal demands.

Price cutting sales by wholesale dealers in wearing apparel, dry goods and kindred lines stimulated buying by retailers. While these purchases generally were in small lots, due to uncertainty about future prices, the aggregate of so many purchases was a large volume of trade, both in quantity of merchandise and in money volume. With supplies more plentiful and prices down, some of the wholesale millinery houses report a larger volume of trade than in October of last year, while others report a decreased volume.

The wholesale grocery trade is reported fairly active with lower prices except on eggs and dairy products, sales reported in October being about 9% below September and 9% below October, 1919. Drug supplies apparently are more readily obtained at this season and October sales were reported 12% larger in Kansas City than one year ago and about the same as last year in Oklahoma City.

Manufacturers and wholesalers in this district report furniture sales in October about 22% below sales in September and the same percent of decrease as compared with October, 1919. It is reported by wholesalers that eastern manufacturers of furniture are sending out new lists quoting prices 10% to 20% below previous lists.

The wholesale hardware trade was 16% less than in September and 1.6% less than in October a year ago, according to the combined reports of houses reporting. Wholesalers report deliveries more prompt now than for some time and that most items can be obtained in reasonably short time. Many cancellations are reported, and both wholesalers and retailers are buying cautiously.

**Retail Trade.**—Retail trade in October was somewhat "spotty." That is, in some of the cities sales were heavy and in others light—due, it may be said, to weather conditions or else to the attractiveness of prices at reduction sales advertised by dealers to force trade. The cool weather at the end of the month proved a stimulus to the clothing trade. While a number of retail dry goods houses reported sales for the month slightly better than in September, the same reports showed a decrease of 3% to 5% as compared with sales a year ago.

The combined reports of department stores in leading cities of the district covering business in the month of October reflect trade conditions:

Percentage of net sales during October, 1920, compared with net sales during same month last year . . . . . Dec.	1.03%
Percentage of net sales this season from July 1 to Oct. 31, 1920, compared with net sales during the same period last year . . . . . Inc.	5.3%

Percentage of stocks at close of October, 1920, compared with stocks at close of same month last year . . . . . Inc.	20.3%
Percentage of stocks at close of October, 1920, compared with stocks at close of Sept., 1920 . . . Dec.	2.7%
Percentage average stocks at close of each month this season (commencing with Jan., 1920), to average monthly net sales during same period . . . . .	330.3%
Percentage outstanding orders (cost) at close of October, 1920, to total purchases (cost) during calendar year . . . . .	3.2%

Retail merchants generally are endeavoring to "unload during the remainder of the year," according to the reports. And "with every condition unfavorable," some of them report that they are "doing an increasing business."

**BUILDING.**

October reports from seventeen cities in this district showed an increase of \$1,063,563 in the estimated cost of buildings for which permits were issued in that month, as compared with the low record for September of this year. The October total, however, is 48.7% below the record for the month of October in 1919. For the ten months of 1920 now ended, building activities, as measured by estimated cost of buildings permitted, is 20.6% ahead of the activities of 1919.

The reports of seventeen cities for the month of October showing the number of permits issued and estimated cost for October, 1920, with percent of increase or decrease as compared with the reports from the same cities in October, 1919, follow:

	Permits	Estimated Cost	Pct. Gain or Loss
Kansas City, Mo. . . . .	266	\$ 1,017,050	—58.2
Tulsa, Okla. . . . .	187	664,685	22.3
Omaha, Neb. . . . .	93	630,830	—60.9
Oklahoma City, Okla. . . . .	147	459,108	—62.6
Denver, Colo. . . . .	338	366,250	—51.4
Wichita, Kans. . . . .	128	265,012	—37.6
Lincoln, Neb. . . . .	58	159,702	—27.7
Okmulgee, Okla. . . . .	37	124,750	—75.0
Topeka, Kans. . . . .	55	120,090	101.3
Muskogee, Okla. . . . .	20	114,840	47.6
Pueblo, Colo. . . . .	78	110,000	190.9
Colorado Springs, Colo. . . . .	42	105,430	70.6
St. Joseph, Mo. . . . .	72	61,715	—73.1
Kansas City, Mo. . . . .	42	38,310	—53.1
Cheyenne, Wyo. . . . .	21	31,963	—25.9
Leavenworth, Kans. . . . .	3	23,000	360.0
Joplin, Mo. . . . .	7	13,100	—92.0
October, 1920 . . . . .	1,594	\$ 4,305,835	—48.7
October, 1919 . . . . .	1,875	8,392,659	
Ten Months, 1920 . . . . .	16,841	61,578,352	20.6

The situation with regard to both prices and supply of lumber and other materials is somewhat easier at this time, and as efforts are being put forth in cities and towns to meet housing demands, builders are inclined to view the coming year's building activity rather hopefully. The reports indicate that the building of homes, as well as many other construction projects, have been held back since the war on account of high material and labor costs.

## AGRICULTURE.

Weather conditions through October were generally favorable for a continuation of harvesting fall crops, except here and there where rains to some extent retarded work. Soil conditions, improved by the October rains, were excellent for plowing and seeding. Killing frosts, with freezing weather and cold rains and snows at the end of the month, stopped the growth of vegetation over the greater portion of the district.

**Corn.**—The season has been generally favorable for drying and the reports at the end of October indicated that the bulk of the corn in the states of this district was practically matured and in condition for cribbing. Very little frost damage is reported, although considerable corn was down in places and the harvest was progressing slowly. Oklahoma reported some injury to unharvested fields in low lands by heavy rains. The quality of the corn is good and the yield is large.

**Wheat.**—Prospects are good for the next harvest, according to reports from the larger wheat producing areas of this district. Seeding is practically complete and all except the very late sown wheat is up and making good stands. In sections of the Missouri Valley where there is an exceptionally heavy growth of early planted wheat some leaf rust is observed. The Hessian fly and chinch bug are reported in some Missouri fields. Reports of the acreage of winter wheat sown this fall have not been made to this date, and no estimate of increase or decrease in the winter area can be given.

**Cotton.**—The Oklahoma report as of October 30 says: "Fields are still white with unpicked lint and less than half has been picked thus far. Opening of the bolls and picking have been retarded, but picking has been resumed. The supply of pickers is still inadequate."

**Potatoes.**—Digging of the late crop of potatoes is about completed and the quality is generally good. Yields in Colorado are said to be less than expected

by the growers earlier in the season and the market demand very poor. Much of the crop of commercial potatoes is being stored by growers.

**Apples.**—Harvesting of apples is now practically completed in all parts of this district. Prices have slumped, the Colorado report saying that growers are receiving only \$30 per ton for orchard run bulk apples.

**Hay.**—With an unprecedentedly large yield the market is reported dull and prices low. Some of the alfalfa mills in the Arkansas Valley in Colorado are said to have closed down because of small demand for meal.

**Sugar Beets.**—Harvesting of sugar beets in Colorado, Wyoming, Western Nebraska and Kansas is about over. The yield is larger than ever before and there is a larger per cent of sugar content in the beets this year than was reported last year.

**Sorghums.**—Grain sorghums are yielding large crops of both grain and forage, says the Oklahoma report. The harvesting of grain sorghums is practically completed in that state, as well as in Kansas, where the crop is also very large.

## GRAIN MOVEMENT AND PRICES.

The movement of wheat to the markets of this district in October was about 3% larger in volume than the wheat marketed in October of last year. The reports of the grain exchanges at Kansas City, Omaha and Wichita place the combined receipts of wheat at the three markets at 11,642,650 bushels, which compares with 11,276,100 bushels received in October, 1919. Other markets which reported receipts of wheat by car lots disclosed about the same percentage of increase. With the exception of 1916 and 1914, the wheat receipts for the month were the largest October receipts in a 10 year period.

Compared with the heavy marketing of wheat in September, however, the October receipts declined 20%. While this is attributed largely to the drop in

### RECEIPTS AND SHIPMENTS OF GRAIN (BUSHEL) AT AND FROM KANSAS CITY, OMAHA AND WICHITA DURING OCTOBER, 1920, AND 1919

#### RECEIPTS

	Kansas City		Omaha		Wichita		Three Markets	
	1920	1919	1920	1919	1920	1919	1920	1919
Wheat . . . . .	6,667,650	6,056,100	3,480,000	3,168,000	1,495,000	2,052,000	11,642,650	11,276,100
Corn . . . . .	351,250	495,000	763,000	929,600	15,000	25,000	1,129,250	1,449,600
Oats . . . . .	885,700	793,900	738,000	928,000	3,000	5,000	1,626,700	1,726,900
Rye . . . . .	89,100	59,400	262,900	134,200	10,000	.....	362,000	193,600
*Barley . . . . .	145,500	84,000	169,200	91,200	.....	.....	314,700	175,200
*Kafir . . . . .	123,200	80,300	.....	.....	2,000	.....	125,200	80,300

#### SHIPMENTS

Wheat . . . . .	5,116,500	5,669,700	3,154,000	3,186,000	640,000	1,200,000	8,910,500	10,055,700
Corn . . . . .	221,250	237,500	627,200	845,600	10,000	12,000	858,450	1,095,100
Oats . . . . .	313,500	559,500	948,000	1,118,000	3,000	5,000	1,264,500	1,682,500
Rye . . . . .	49,500	6,600	207,900	117,700	10,000	.....	267,400	124,300
*Barley . . . . .	66,300	67,600	95,400	127,800	.....	.....	161,700	195,400
*Kafir . . . . .	78,000	43,000	.....	.....	2,000	.....	80,000	43,000

\*Wichita not reporting on barley and Omaha not reporting on kafir.

prices, it is recalled that the slump in wheat receipts between September and October in 1919 was about 40% at the markets of this district.

The market reports to the date of this Bulletin do not disclose definitely the effect on the grain movement of the so-called "wheat strike" which was announced by the National Wheat Growers' Association as taking effect on October 25. Receipts at the Missouri river terminals since then have been particularly large, due more to heavier export business than to any improvement in domestic or milling demand, but it is asserted that the bulk of the increased receipts is from stocks held by country elevators and buyers and does not reflect any great volume of recent deliveries by farmers. The reports seem to indicate that a larger proportion than usual of farmers are holding wheat for marketing in the winter and spring, or for higher prices, though it is apparent that many farmers are inclined to let as much of their wheat go at prevailing prices as will enable them to meet their financial obligations.

The slump in wheat prices which set in during the month of September continued, with some interruptions through October. No. 1 dark hard wheat, cash sales of which averaged \$2.29 at Kansas City on October 1, dropped to an average of \$2.05¾ by October 22, but with the "wheat strike" taking effect on October 25, cash wheat sales took an upward turn to an average of \$2.22 by October 29. With demand slow and not equal to the supplies, there were further declines in prices in the first week of November, with cash No. 1 dark hard wheat down to \$2.00½.

Receipts of corn in October were in lesser volume than in the corresponding month last year. Only a few cars of new corn were received. With excellent weather for maturing the new crop the markets were weak all through the month. Prices for the month were downward, No. 2 white dropping from 98c on the opening day to 87c on the 29th.

Oats were in about the same volume as a year ago and prices at the end of the month were 3¼c below the opening price on No. 2 white.

**Milling.**—The flour mills in this territory were operated at an average of about 62% of capacity during October, as compared with an average of about 86% of capacity in October, 1919. The output for four full weeks in October of the mills at Kansas City, Omaha and of 92 interior mills, computed from the Northwestern Miller's reports, follows:

	October, 1920	October, 1919
Kansas City . . . . .	255,000	343,400
Omaha . . . . .	47,000	89,270
92 Interior Mills . . . . .	1,104,160	1,529,989
Total Barrels . . . . .	1,406,160	1,962,659

Fluctuations in wheat prices had a somewhat depressing effect on milling activity during October, as there was an absence of heavy flour purchasing activity even though prices were weaker. The end of the month, however, brought slight improvement to the flour trade, a majority of the mills reporting a better demand for flour, though not in large quantities. It is reported that, with reduction in the rate differential, there is a better export inquiry, although it has not as yet resulted in heavy sales.

Efforts by brokers to sell Canadian 95% flour to bakers in Kansas City have resulted in few sales, for the principal reason that it does not mix or blend with the flour regularly used by the bakers.

Flour prices at Kansas City have generally followed the trend of the wheat market, as indicated by the following quotations on hard wheat flour at the dates mentioned.

	Oct. 2	Oct. 30	Nov. 6
Patent . . . . .	\$11.30@11.45	\$11.10@11.25	\$10.50@10.70
Straight . . . . .	10.50@10.80	10.20@10.50	9.75@10.00
First Clear . . . . .	9.00@ 9.60	8.75@ 9.25	8.25@ 8.50

Flour receipts at Kansas City in October were 47,775 barrels against 130,325 barrels in October, 1919. Shipments for the same month were 278,850 barrels as compared with 444,600 barrels in the corresponding month last year.

The millfeed market showed considerable improvement at the end of the month, but buying was confined largely to local sales with no large outside inquiry.

AVERAGE CASH SALES OF WHEAT, CORN AND OATS AT KANSAS CITY ON DATES MENTIONED IN CENTS PER BUSHEL

Wheat	Oct. 1	Oct. 8	Oct. 15	Oct. 22	Oct. 29	Nov. 5
No. 1 Dark Hard Winter . . . . .	229	210	216	205¾	222	200½
No. 1 Hard Winter . . . . .	222	200½	214½	199	214¼	303
No. 1 Red Winter . . . . .	232	214	232½	207½	224	222
Corn						
No. 2 White . . . . .	98	85	95	83½	87	88
No. 2 Yellow . . . . .	...	...	...	85	89	...
No. 2 Mixed . . . . .	94½	...	93	78	84	...
Oats						
No. 2 White . . . . .	58	54½	56½	52½	54¾	55

## LIVE STOCK.

Receipts of cattle at the western markets in October were 4.7% less in number than in September and 38.2% below the receipts in the corresponding month in 1919. Receipts of calves also declined heavily, the October total being 21.3% below September's total and 28.5% below the month's record a year ago. Hogs were in somewhat more liberal supply. October marketings were 6.2% larger than the September marketings, but 19.4% less than the number shown on the record for October, 1919. Sheep receipts also were larger in October than in September by 6%, and 7.6% below October, 1919. The October receipts follow:

	Cattle	Calves	Hogs	Sheep	Horses & Mules
Kansas City ...	227,952	50,980	156,138	145,515	4,063
Omaha . . . . .	181,225	10,296	92,961	328,298	1,116
St. Joseph . . . . .	51,154	7,750	90,019	63,169	1,292
Denver . . . . .	70,597	3,930	15,619	565,840	916
Okla. City . . . . .	29,601	6,639	28,836	1,614	184
Wichita . . . . .	23,138	.....	21,958	2,810	419
Totals, 6 markets:					
Oct., 1920 . . . . .	583,667	79,595	405,558	1,107,246	7,990
Sept., 1920 . . . . .	612,608	96,075	381,744	1,044,103	14,438
Oct., 1919 . . . . .	945,705	105,794	503,477	1,199,350	26,049
10 mos., 1920 . . . . .	4,441,454	553,774	6,951,733	6,391,468	163,269
10 mos., 1919 . . . . .	5,422,645	692,322	8,262,614	7,396,671	153,072

**Prices.**—With a limited supply of good corn fatted killers at the markets prices held to the highest levels of the year and season for that class. Top prices at the Missouri river markets were above \$17.00 during the month, reaching \$17.70 in the week of October 12. Values on corn fed cattle at the end of the month, however, were \$1.00 @ 1.50 lower on the better grades than at the close of September. Prices on cows and heifers and all butcher grades were depressed the early part of October, but the latter part of the month found the market more active with values on the upturn. The supply of stockers and feeders was liberal considering the volume of receipts, feeders selling at \$8.00 up to \$12.40 and stockers selling at \$5.00 up to \$9.65. Choice veal calves early in the month sold around \$15.00 @ 16.00, but late in the month prices were forced down \$2.00 @ 4.00 lower than at the close of September.

Prices of hogs during October declined and finally reached the lowest figure for the year, bulk sales being at \$12.75 @ 13.25.

The sheep trade was slow and uneven during the month and there were no great changes in prices. Final prices of sheep were 25c to \$1.00 higher than in September and \$1.00 to \$1.50 lower than a year ago.

**Packing Operations.**—Packers' purchases of cattle, calves, hogs and sheep for slaughter in October declined about in the same proportion as the market supply of animals fell off. The total purchases at the six markets for October, with comparative figures, follow:

	Cattle	Calves	Hogs	Sheep
Kansas City . . . . .	104,220	22,118	109,979	79,220
Omaha . . . . .	74,418	2,391	72,429	73,917
St. Joseph . . . . .	28,598	5,071	75,412	42,898
Denver . . . . .	13,003	2,882	13,823	27,922
Oklahoma City . . . . .	13,298	3,691	24,659	294
Wichita . . . . .	7,881	.....	20,413	895
Total, October, 1920 . . . . .	241,418	36,153	316,715	225,146
Total September, 1920 . . . . .	362,737	73,346	423,790	529,046
Total October, 1919 . . . . .	401,157	74,623	435,452	349,617

## PETROLEUM.

Production of crude oil in Oklahoma and Kansas, which was around 400,000 barrels daily in the summer months, was maintained through October and into the month of November at an estimated average of 411,875 barrels daily. The Oklahoma fields were reported as having held close to their high seasonal record while Kansas gained in production from 104,500 barrels daily at the first week of October to 107,000 barrels daily at the first week of November, due chiefly to flush output of new wells in Marion county. For the two states the estimated October production is here shown, compared with production figures for September of this year and October of last year, in barrels of 42 gallons:

	Oct., 1920	Sept., 1920	Oct., 1919
Oklahoma . . . . .	9,509,250	8,985,750	7,133,875
Kansas . . . . .	3,258,875	3,037,500	2,755,125
Total Barrels . . . . .	12,768,125	12,023,250	9,889,000

Wyoming fields, reported to this date, showed little change in crude oil production, the output being around 32,000 to 35,000 barrels daily for the thirty-one days of October. These figures, and also the Oklahoma and Kansas figures on estimated production, are subject to revision when the U. S. Geological Survey report for October is made public.

Development operations in October showed generally good results, considering the fact that bad roads are beginning to retard work, and that financial depression which is reported to have hit speculative enterprises has also affected to some extent the activities of many of the producing concerns. According to the reports for October good gains in daily new production were made in the fields of this district, al-

## RANGE OF PRICES ON CERTAIN GRADES OF LIVE STOCK AT KANSAS CITY AT DATES NAMED

Week Ending	Choice Beef Steers	Butcher Cattle	Feeder Cattle	Stocker Cattle	Bulk Hog Sales
September 28 . . . . .	\$16.25@17.60	\$6.00@13.25	\$8.00@12.25	\$4.75@9.50	\$16.25@16.90
October 5 . . . . .	15.75@17.15	5.75@12.40	8.00@11.75	4.50@9.25	13.75@14.75
October 12 . . . . .	16.25@17.50	5.75@12.25	8.00@11.90	4.50@9.25	14.00@14.75
October 19 . . . . .	16.10@17.35	5.25@12.10	7.75@12.00	4.25@9.25	13.90@14.40
October 26 . . . . .	16.00@17.25	5.75@12.50	7.85@12.25	4.25@9.50	12.00@12.90
November 2 . . . . .	16.00@17.00	6.40@13.25	8.00@12.40	4.50@9.65	12.75@13.25
November 9 . . . . .	15.00@16.40	5.60@12.40	7.25@11.85	4.00@9.10	12.85@13.15

though there was only a slight increase in the number of completed wells. The summary follows:

	Wells Completed	Bbls. Daily New Production	Rigs & Wells Drilling
Oklahoma . . . . .	767	70,358	2,024
Kansas . . . . .	255	20,840	499
Wyoming . . . . .	37	4,540	556
October, 1920 . . . . .	1,060	95,738	3,079
Sept., 1920 . . . . .	1,048	83,917	3,099
October, 1919 . . . . .	1,039	73,234	2,624

The reports from the various fields would indicate that the oil industry is feeling some of the depression that is now affecting other industries, due to apprehension about future prices of refined products during the month of October. It is pointed out, however, that the demand for fuel oil from factories and steam plants is steadily increasing, because of the high price of coal and the lesser labor expense of firing with fuel oil, while the recent slump in demand for kerosene which came from over-buying in foreign markets is giving way under a stronger domestic demand for kerosene for use in heating stoves in cities and towns where the gas supply is becoming weaker. Gasoline is showing weakness because of large stocks laid in before the recent change in freight rates and a disposition on the part of some refiners to make prices to move gasoline rather than hold it in stock. The retail tank station business this year to date is reported as about 40% larger than it was last year in this district.

Considerable apprehension is exhibited among oil operators and refiners over a lack of interest in prospecting new fields, said to be the result of financial stringency which has had a depressing influence on investments in oil operations. This, it is asserted, is beginning to cause a lull in developments and, although oil stocks are now increasing slightly, the reports indicate that oil in storage in the United States is sufficient but for two months' supply for the refiners.

**MINING.**

**Zinc and Lead.**—Following is the report from Joplin covering operations in the fields of Missouri, Kansas and Oklahoma for the month of October:

"October closed with shipments aggregating 59,625 tons of zinc with a valuation of \$2,439,313, and 1,376 tons of calamine with a valuation of \$45,780. The average weekly shipment for the month for zinc was 11,925 tons, with an average price for the five week period of \$40.90. Calamine shipments averaged 273 tons per week, with an average price over the period of \$33.27. The price of zinc ranged from \$43.00 at the beginning of the month down to \$40 at the close. Calamine remained firm during the month at \$35.00. The month opened with 33,000 tons of unsold surplus zinc, and closed with 22,000 tons.

"The total shipments of zinc for October of last year were 35,346, with a valuation of \$1,568,473. Total calamine shipments approximated 1,374 tons with a valuation of \$39,507. The tonnage averaged 8,836 tons for zinc and 343 tons for calamine. Zinc prices ranged from \$42.50 to \$47.50, with an average of \$44.37 for the entire month. Calamine prices ranged from \$25.00 to \$30.00, with an average for the month of \$28.75.

"Lead ore shipments for the month totaled 9,440

tons, with a value of \$655,820. Weekly shipments averaged 1,888, with an average price for the month of \$69.37. The month opened with the base range price of \$75.00 and closed at \$65.00. These figures compare with October, 1919, with a total shipment of 5,685, or 1,421 tons weekly. Prices for the month ranged from \$75.00 to \$85.00, with a monthly average of \$79.65.

"The feature of the month was a two weeks shutdown of the mines of the district, the last two weeks of the month. This shutdown was the most complete one ever attempted in the district, and it was estimated that only seven mines in the district maintained operations during the month. A large number of mines resumed operations the last day of the month, some remained down until after election, and a number are still down and are making needed repairs. The plants featuring in this shutdown intend to curtail their output, running only three days per week, in order to keep the production of the field in the neighborhood of 7,000 tons weekly, and in this manner do away with the large surplus stocks which has been maintained in the district for the past year. It is estimated that the surplus sold stocks of the district are now in the neighborhood of 11,000 tons, and that the ore held by the producers is 22,000 tons. There is also an unsold surplus of approximately 900 tons of lead held by the producers.

"Shipping conditions during the past month were exceptionally good and the ore buyers were able to move a very large tonnage.

**Colorado Metal Mining.**—Metal mining conditions changed comparatively little during the past month. "The declining price of zinc," according to the report of the Bureau of Mines, "has nearly wiped out the profits of the large producers of that metal, and it is stated that any further reduction would cause some of them to shut down. The labor supply is still short in many places."

**Coal.**—Production of bituminous coal in the United States in October continued above 12,000,000 tons per week, the daily average for the four weeks between October 2 and October 30 being 2,032,750 tons. Total production for the calendar year to October 30 amounted to 440,462,000 tons, which compares with 389,651,000 tons for the corresponding period of ten months in 1919.

In the Southwestern fields the mines were operated for the three weeks ending October 2, 9 and 16 at 74.5% capacity. In Kansas, operation was at 69.5% capacity, in Missouri at 85% and in Oklahoma at 69.4%. The weekly reports of percentage of full time lost in mining operations on account of transportation disability, labor shortage, strikes and mine disability, are here given:

	Kansas	Missouri	Oklahoma
Transportation disability . . . . .	14.9%	3.4%	6.3%
Labor shortage . . . . .	3.1	4.4	2.3
Strikes . . . . .	1.0	1.9	14.7
Mine disability . . . . .	11.4	5.2	1.7

With a slackening of industrial activity the demand for steam coal has softened to some extent since September, but there has been no radical change in prices.

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

At Close of Business November 12, 1920

RESOURCES

Gold Coin and Certificates.....	\$ 719,665.00
Gold Settlement Fund F. R. Board.....	20,013,871.82
Gold with Federal Reserve Agent.....	39,236,540.00
Gold Redemption Fund.....	5,229,692.20
Gold with Foreign Agents.....	3,707,779.62
Legal Tender Notes, Silver, etc.....	1,945,303.50
Bills Discounted:	
Secured by Govt. War Obligations.....	31,744,928.02
All Other .....	80,763,217.16
Bills Bought in Open Market.....	2,334,713.17
U. S. Govt. Bonds.....	8,867,900.00
U. S. Cert. of Indebtedness.....	12,825,500.00
Bank Premises .....	885,523.40
Uncollected Items and Other	
Deductions from Gross Deposits.....	62,065,558.08
5% Redemption Fund Against	
F. R. Bank Notes.....	915,590.00
All Other Resources.....	304,455.37
Total Resources.....	\$271,560,237.34

LIABILITIES

Capital Paid In.....	\$ 4,507,250.00
Surplus .....	8,395,257.87
Government Deposits .....	1,920,679.84
Due to Members, Reserve Account.....	78,627,757.58
Other Deposits .....	408,770.81
Deferred Availability Items.....	49,428,162.75
F. R. Notes in Actual Circulation.....	109,161,075.00
F. R. Bank Notes in Actual Circulation.....	15,085,500.00
All Other Liabilities.....	4,025,783.49
Total Liabilities.....	\$271,560,237.34

OTHER TOTALS

Total Gold Reserves.....	\$ 68,907,548.64
Total Earning Assets.....	136,536,258.35
Total Gross Deposits.....	130,385,370.98
Contingent Liability as Endorser on Bills Re-	
discounted with Other F. R. Banks.....	40,502,981.41
Ratio of Total Reserves to Net Deposit and	
F. R. Notes Liabilities Combined.....	39.9%
Ratio of Gold Reserve to F. R. Notes in actual	
circulation after setting aside 35% against	
net deposit liabilities.....	43.0%
CLEARINGS	
Total Clearings for Week.....	\$230,421,444.22
Total Number of Items Handled.....	1,129,559