

THE MONTHLY REVIEW

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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THE SITUATION AT A GLANCE

- ¶ HIGH POINTS IN THE STATISTICAL RECORD OF THE TENTH FEDERAL RESERVE DISTRICT.
- ¶ Debits by banks to accounts of customers in 29 cities, as a measure of the volume of business: Four weeks ending August 1, total \$1,135,712,000. Increase over four weeks ending July 3, \$27,911,000 or 2.5%; increase over corresponding four weeks last year \$66,908,000 or 6.2%.
- ¶ Building permits issued in 19 cities during July, 2,641 estimated cost \$9,002,675. Increase over July last year 33 permits; increase in estimated cost \$620,869, or 7.4%.
- ¶ Commercial failures in Tenth District during July 66 and liabilities \$2,795,103. Increase over July last year 5 failures and \$1,903,717 in liabilities.
- ¶ Crude oil production in Kansas, Oklahoma, Wyoming, Colorado during July, 21,705,185 barrels. Increase over July last year 3,539,185 barrels.
- ¶ Flour production at Southwestern mills during July 1,733,275 barrels. Increase over July last year 129,812 barrels.
- ¶ Grain receipts in bushels at four markets during July, compared with July, 1922; wheat 17,106,150; decrease 2,805,450. Corn 3,645,750; decrease 478,200.
- ¶ Live Stock receipts at 6 markets during July compared with July, 1922: Cattle 469,214; increase 67,719. Calves 99,505; increase 43,738. Hogs 846,831; increase 160,915. Sheep 460,798; increase 57,274. Horses and mules 4,945; increase 339. Cars 30,416; increase 4,450.
- ¶ Meat packing at 6 centers during July compared with July, 1922: Cattle 242,479; increase 18,676. Calves 68,965; increase 30,603. Hogs 637,465; increase 96,830. Sheep 293,670; increase 45,150.
- ¶ Ore shipments, Tri-State District during July, compared with July, 1922: Lead 3,778 tons; decrease 5,173 tons. Zinc 31,627 tons; decrease 15,641 tons.

GENERAL BUSINESS in the Tenth District is running ahead of one year ago, although it has experienced some of the usual summer dullness and much of the discomfort incident to a prolonged period of dry and hot weather.

The wholesale trade reports indicate a large distribution of commodities both for immediate requirements and the coming fall and winter. Hardware and implements, with declines in the volume of sales, are exceptions.

Production in practically all lines of industry is being maintained at a generally higher rate of activity than at the corresponding period in 1922, notably meat packing and flour milling. The crude oil output has only slightly receded from the high point of previous months. Curtailment of operations have materially reduced production of lead and zinc. Soft coal mining operations, while larger than last year, are restricted by lack of market demand.

The Department of Agriculture's August crop estimates indicate yields of most crops above the average, and in some cases larger than last year. The wheat crop in the District has been greatly reduced. Extremely hot weather and lack of moisture has seriously injured the corn crop in Southern Kansas and Oklahoma. In the last named state cotton has suffered greatly and in some of the counties of large production less than one-half crop is expected.

The volume of new wheat marketed since the beginning of the wheat year July 1, is about 14% below that of last year for a similar period. The market movement of live stock during July and August, however, has been the heaviest recorded for a like period in recent years.

Building activity is holding up well in cities of the District. Labor generally is fully employed.

The financial situation has changed but slightly. The combined reports of Member Banks show a decrease of .8% in the volume of their loans and discounts, including rediscounts, during a four-weeks period ending August 1. On the other hand the aggregate of their investments increased 3.6% in four weeks to the highest peak recorded in more than two and one-half years. Demand deposits increased 3.4% in four weeks to the largest amount recorded since last March, while time deposits in the same period decreased 2.9%.

The August statements of the Federal Reserve Bank of Kansas City reflect declines from the high level of Member Banks borrowings in May, June and July. The total of discounted and purchased bills held on August 22 was \$42,689,367, as against \$53,431,164 on July 3.

BANK DEBITS

The volume of business as measured by bank debits in the principal cities of the Tenth District during a four-weeks period ending August 1 was 2.5% greater than in the previous four weeks and 6.2% greater than in the corresponding four weeks in 1922. The aggregate of debits by banks to accounts of their customers reported by Clearing Houses in twenty-nine cities was \$1,135,712,000 for the four weeks ending August 1, 1923, an increase of \$27,911,000 over the four weeks ending July 3, 1923, and an increase of \$66,908,000 over the four weeks ending August 2, 1922.

	Four Weeks Ending Aug. 1, 1923	Four Weeks Ending Aug. 2, 1922	% Change
Atchison, Kansas.....	\$ 5,572,000	\$ 5,045,000	10.4
Bartlesville, Oklahoma...	10,996,000	9,920,000	10.8
Casper, Wyoming.....	19,048,000	12,093,000	57.5
Cheyenne, Wyoming.....	7,960,000	8,565,000	-7.1
Colorado Springs, Colo....	11,003,000	11,082,000	-0.7
Denver, Colorado.....	143,213,000	140,000,000	2.3
Enid, Oklahoma.....	16,478,000	13,200,000	24.8
Fremont, Nebraska.....	3,175,000	2,966,000	7.0
Grand Island, Nebraska...	4,906,000	4,691,000	4.6
Grand Junction, Colo....	2,342,000	2,125,000	10.2
Guthrie, Oklahoma.....	2,969,000	2,123,000	39.8
Hutchinson, Kansas.....	12,829,000	14,594,000	-12.1
Independence, Kansas....	9,939,000	8,200,000	21.2
Joplin, Missouri.....	10,227,000	9,694,000	5.5
Kansas City, Kansas.....	19,561,000	15,542,000	25.9
Kansas City, Missouri....	312,036,000	275,488,000	13.3
Lawrence, Kansas.....	3,945,000	3,645,000	8.2
McAlester, Oklahoma....	3,827,000	3,047,000	13.3
Muskogee, Oklahoma.....	22,029,000	23,355,000	-5.7
Oklahoma City, Okla....	74,018,000	77,178,000	-4.1
Okmulgee, Oklahoma.....	7,863,000	7,234,000	8.7
Omaha, Nebraska.....	190,811,000	181,504,000	5.1
Parsons, Kansas.....	2,801,000	3,437,000	-18.5
Pittsburg, Kansas.....	5,750,000	4,291,000	34.0
Pueblo, Colorado.....	14,440,000	15,042,000	-3.9
St. Joseph, Missouri.....	51,957,000	54,750,000	-5.1
Topeka, Kansas.....	15,089,000	13,793,000	9.4
Tulsa, Oklahoma.....	97,020,000	101,374,000	-4.3
Wichita, Kansas.....	53,888,000	44,826,000	20.2
Total, 29 cities.....	\$1,135,712,000	\$1,068,804,000	6.2

COMMERCIAL FAILURES

The July report of commercial failures in the Tenth Federal Reserve District indicates a total of 66 failures with \$2,795,103 of liabilities, compared with 61 failures and \$891,386 of liabilities for July last year. This is the second month of the year in which a slight increase in the number of failures has been reported, and it is the first month to record an increase in the amount of liabilities as compared with the corresponding months in 1922.

Business failures in the United States during the month of July totaled 1,231 and liabilities \$35,721,188, compared with 1,753 failures and \$40,010,313 of liabilities in July, 1922, a decrease of 522 in the number of failures and \$4,289,125 in amount of liabilities. The July failures by Federal Reserve Districts as compiled by R. G. Dun and Co., follow:

	NUMBER		LIABILITIES	
	July, 1923	July 1922	July, 1923	July, 1922
First (Boston).....	91	130	\$ 1,644,931	\$ 2,393,565
Second (New York).....	298	384	7,049,066	8,035,662
Third (Philadelphia).....	40	86	3,979,044	1,676,773
Fourth (Cleveland).....	91	163	5,763,981	5,164,164
Fifth (Richmond).....	76	150	1,301,279	2,349,539
Sixth (Atlanta).....	82	173	1,743,751	2,157,713
Seventh (Chicago).....	136	249	5,382,698	11,484,832
Eighth (St. Louis).....	47	87	563,872	1,721,083
Ninth (Minneapolis).....	71	60	1,163,446	1,142,174
TENTH (Kansas City).....	66	61	2,795,103	891,386
Eleventh (Dallas).....	81	64	2,576,000	1,230,581
Twelfth (San Francisco).....	152	146	1,758,017	1,762,841
Total, United States.....	1,231	1,753	\$35,721,188	\$40,010,313

PRINCIPAL RESOURCE AND LIABILITY ITEMS OF
76 MEMBER BANKS IN SELECTED CITIES

	Aug. 1, 1923	July 3, 1923
1. Loans and Discounts (including rediscounts):		
(a) Secured by U. S. Govt. obligations....	\$ 6,779,000	\$ 7,363,000
(b) Secured by stocks and bonds, other than U. S. Bonds.....	79,882,000	78,317,000
(c) All Other.....	359,871,000	364,467,000
2. Investments:		
(a) U. S. pre-war Bonds.....	11,416,000	11,926,000
(b) U. S. Liberty Bonds.....	52,558,000	47,240,000
(c) U. S. Treasury Bonds.....	4,839,000	4,920,000
(d) U. S. Victory Notes and Treasury Notes.....	22,101,000	21,380,000
(e) U. S. Certificates of Indebtedness.....	5,982,000	6,099,000
(f) Other Bonds, Stocks and Securities....	59,606,000	59,466,000
3. Total Loans and Discounts, and Investments	603,034,000	601,178,000
4. Reserve Balances with F. R. Bank.....	47,813,000	47,657,000
5. Cash in Vault.....	12,397,000	11,357,000
6. Net Demand Deposits on Which Reserve is Computed.....	443,633,000	428,946,000
7. Time Deposits.....	128,418,000	132,258,000
8. Government Deposits.....	1,873,000	2,642,000
9. Bills payable and Rediscounts with F. R. Bank secured by:		
(a) U. S. Govt. Obligations.....	8,831,000	21,948,000
(b) All Other.....	17,426,000	16,881,000
TOTAL (Items 3 to 9 inclusive).....	\$1,263,425,000	\$1,262,867,000

SAVINGS IN BANKS

The monthly reports of fifty-six savings institutions and savings departments in commercial banks in a number of selected cities are generally accepted as a fair sample of the trend of savings deposits and accounts in the Tenth District. These reports show about the usual vacation season withdrawals. The aggregate of deposits on August 1 was \$91,292,618, a decrease of \$1,037,657 or 1.1% from the total on July 1, and an increase of \$9,433,514 or 11.5% over the total on August 1, 1922.

AMOUNT OF DEPOSITS

Banks	Aug. 1, 1923	July 1, 1923	Aug. 1, 1922
Denver, Colorado.....	7	\$43,378,177	\$44,642,644
Kansas City, Kansas.....	4	2,360,531	2,465,013
Kansas City, Mo.....	8	12,768,841	12,952,832
Lincoln, Nebraska.....	3	2,923,738	2,924,291
Oklahoma City, Okla.....	5	4,659,002	4,119,161
Omaha, Nebraska.....	6	7,591,654	7,317,230
St. Joseph, Missouri.....	6	7,862,611	8,079,792
Tulsa, Oklahoma.....	7	6,310,236	6,303,704
Wichita, Kansas.....	6	2,262,086	2,354,623
Outside.....	4	1,175,742	1,170,985
Total.....	56	\$91,292,618	\$92,330,275

NUMBER OF ACCOUNTS

Banks	Aug. 1, 1923	July 1, 1923	Aug. 1, 1922
Denver, Colorado.....	7	76,661	76,939
Kansas City, Kansas.....	3	7,990	8,274
Kansas City, Mo.....	7	85,517	86,425
Lincoln, Nebraska.....	3	14,188	14,235
Oklahoma City, Okla.....	6	15,121	15,050
Omaha, Nebraska.....	6	52,736	39,968
Sr. Joseph, Missouri.....	6	18,102	18,226
Tulsa, Oklahoma.....	6	18,991	19,106
Wichita, Kansas.....	6	16,565	15,850
Outside.....	2	1,715	1,733
Total.....	52	307,586	295,806

MERCANTILE

The general run of reports indicated wholesale trade during July was slightly below that of June, except in groceries, and was substantially larger than the trade during the corresponding month in 1922. Wholesale dry goods merchants reported something of the usual mid-season dullness, although their sales for July, which included sales of fall goods for advanced shipment, were very materially larger than a year ago. The millinery trade

CONDITION OF RETAIL TRADE IN CITIES OF THE TENTH FEDERAL RESERVE DISTRICT DURING JULY, 1923
 BASED UPON REPORTS FROM SEVENTEEN DEPARTMENT STORES.

	Kansas City (3)	Denver (4)	Outside (10)	District (17)
Percentage increase (or decrease) of net sales during July, 1923, over net sales during same month last year.....	Inc. 7.7	Inc. 11.3	Dec. 2.3	Inc. 5.1
Percentage increase (or decrease) of stocks at close of July, 1923, over stocks at close of same month last year.....	Inc. 6.1	Inc. 0.2	Inc. 10.8	Inc. 6.1
Percentage increase (or decrease) of stocks at close of July, 1923, over stocks at close of June, 1923.....	Inc. 5.7	Dec. 0.9	Dec. 6.4	Dec. 0.7
Percentage of average stocks (selling price) at close of each month this season (commencing with July 1) to average monthly net sales (selling price) during the same period.....	581.6	590.5	627.1	601.0
Percentage of outstanding orders (cost) at close of July, 1923, to total purchases (cost) during the calendar year, 1922.....	11.2	9.7	13.6	11.6
Percentage of collections during month of July, 1923, on amount of outstanding accounts on June 30, 1923.....	50.5	37.2	47.0	45.2
Percentage of collections for same period last year.....	49.1	36.1	49.3	45.1

was active and sales substantially larger than at this season last year.

The hardware trade did not meet expectations of wholesalers during July, due in a large measure, it was reported, to disappointment in wheat production and also low price of wheat. Shipments of hardware from factories are prompt, except building hardware, of which there seemed to be a shortage.

The reports of wholesale grocers indicate heavy buying by retailers, July showing a decided increase in sales over June, as well as over sales a year ago. Sales of drugs were substantially larger in July than in June and a year ago. Furniture sales by wholesalers fell short of the June volume but exceeded the volume at this time last year.

Implement dealers were disappointed in their July business and attributed the decline to a drop in wheat prices, as very few wheat farmers are buying harvesting machinery and grain drills. The implement business for the year to August 1 was reported as about equal to that of 1922.

RETAIL: The general run of reports of department stores in cities of the Tenth District show retail sales fairly heavy, about the same in volume as in June and well above that of July, 1922, many stores conducting mid-summer sales with good success. In the smaller cities throughout the District retailers reported a falling off in their business during July, as compared with the June volume, but in practically all instances the reports showed increases over July, 1922.

COLLECTIONS: Some improvement in collections during July over those during the same month last year was reported by wholesale merchants whose trade covers the larger portion of the agricultural district. Except in some sections where they are affected by the drought the farmers are reported in better condition financially, consequently retail merchants are reducing their obligations. In a few instances wholesalers reported collections below normal. Department stores reported the percentage of collections to outstanding accounts slightly higher than for the corresponding month in 1922. Retailers in the smaller cities reported collections fair.

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT FOR JULY, 1923

	SALES		OUTSTANDING	
	No. of Stores	July, 1923 compared with June, 1923	July, 1923 compared with July, 1922	July 31, '23 compared with July 31, '22
		with	with	with
Dry Goods.....	3	-3.3	48.2	19.0
Groceries.....	6	1.3	17.4	22.0
Hardware.....	9	-14.9	-3.0	-2.7
Furniture.....	4	-20.6	24.8	-10.6
Drugs.....	3	-2.1	4.3	.5
Millinery.....	4	66.2	20.6	30.2

AGRICULTURE

Lack of rain and extremely hot, dry weather during the last two weeks of July and extending into August, seriously injured growing crops over a great portion of the areas of large production in the Tenth District. The injury is reflected, in part at least, in the United States Department of Agriculture's report issued August 8 and based on the condition of August 1.

CORN: The August report indicated an increase in seven southwestern states of 52,069,000 bushels over the estimated yield forecast in the July report, and 92,740,000 bushels over production in 1922. The figures follow:

	August 1 Bushels	July 1 Bushels	Final 1922 Bushels
Kansas.....	126,641,000	105,769,000	98,391,000
Nebraska.....	220,399,000	203,810,000	182,400,000
Missouri.....	195,718,000	179,408,000	175,275,000
Oklahoma.....	50,688,000	52,800,000	57,600,000
Colorado.....	29,908,000	28,713,000	18,320,000
Wyoming.....	2,290,000	2,075,000	1,560,000
New Mexico.....	3,763,000	4,117,000	2,475,000
Seven States.....	628,407,000	576,692,000	536,021,000
United States.....	2,981,752,000	2,891,000,000	2,931,000,000

The Kansas report, issued on August 8, said: "Corn has slipped badly in the last 15 days in the southern third of the state and needs more moisture in the north central counties, but the average condition on August 1 is 80% for the state, which forecasts a crop of 126,641,000 bushels. The only Kansas corn crops in ten years that have exceeded the present forecast are in 1920 with 132,686,000 bushels and 1915 with 172,050,000 bushels."

In Oklahoma, where heat records were broken in the last week of July and the first week of August, the State Board of Agriculture reported on August 6: "Corn has suffered the most and the condition is materially below that of last month, which was 75% of normal on July 1. Practically the same acreage was planted this year as was last, and the yield per acre last year stood as 18 bushels, as compared with a ten year average of 17.8 bushels."

In Nebraska, the principal corn growing state of this District, the prospects were reported good throughout practically the entire state up to the beginning of August. Most of the crop had tasselled out and though a large percentage was quite late the average condition was reported satisfactory with an increased yield over that of last year. It was apparent, however, that more moisture was needed. Throughout the greater portion of Missouri the conditions were practically the same as in Nebraska, with lack of moisture reported in some sections.

In Colorado the area planted to corn is showing a considerable increase and the advent of warmer weather and favorable moisture conditions resulted in rapid development and gave promise

of a good crop. Wyoming and New Mexico reports indicated that corn was in fair condition August 1.

WHEAT: The Kansas winter wheat crop slumped to an average of 9 bushels per acre and a crop of 79,596,000 bushels, which makes it rank definitely as the second from the smallest in ten years, according to the report of the Bureau of Agricultural Economics, United States Department of Agriculture, made public August 8. Returns as of August 1 from other Southwestern States also reflected decreases in the yield from the estimates as of July 1. Following are the figures on winter wheat as estimated on returns from seven states for the dates given:

	August 1 Bushels	July 1 Bushels	Final 1922 Bushels
Kansas.....	79,596,000	97,107,000	122,737,000
Nebraska.....	27,773,000	38,498,000	57,159,000
Missouri.....	39,988,000	42,356,000	38,750,000
Oklahoma.....	37,367,000	41,090,000	31,350,000
Colorado.....	15,327,000	16,743,000	16,406,000
Wyoming.....	360,000	436,000	646,000
New Mexico.....	297,000	297,000	225,000
Seven States.....	200,707,000	236,527,000	267,273,000
United States.....	468,386,000	586,000,000	590,000,000

The spring wheat forecast for the United States is 225,000,000 bushels, 10,000,000 bushels less than on July 1 and 45,000,000 less than the 1922 crop. In the states of this district—Colorado, Wyoming and Nebraska—in which spring wheat is grown, the decline from July 1 to August 1 was 1,540,000 bushels.

	Aug. 1 Bushels	July 1 Bushels	Final 1922 Bushels
Colorado.....	7,493,000	7,603,000	5,370,000
Nebraska.....	4,524,000	5,729,000	2,679,000
Wyoming.....	2,939,000	3,010,000	2,414,000
New Mexico.....	1,300,000	1,354,000	660,000
Four States.....	16,256,000	17,796,000	11,123,000

COTTON: The area of cotton in cultivation in Oklahoma this year, as reported by the State Board of Agriculture, is 3,367,000 acres, compared with 3,052,000 acres in cultivation a year ago, this year's acreage showing an increase of 10%.

The intense heat, with temperatures ranging from 100 to 110 degrees, hot winds, clear skies and no precipitation during July and August to this date, except local showers, has been detrimental to the best crop growth. In fact, as August reports are showing, a short crop, ranging from two-thirds to one-half of normal in the counties where the better conditions prevail, and in other counties from one-fourth of normal down to almost total failure, seemed certain at the middle of August unless the entire state was visited by good rains during the latter part of August.

A survey of conditions in the cotton growing counties of Oklahoma was made the first week in August by bankers of those counties, who are in close touch with their farmer customers. These bankers reporting to the Federal Reserve Bank of Kansas City were practically unanimous in the opinion that the cotton crop will be greatly reduced unless the situation is relieved by moisture.

One result of the extremely hot weather mentioned in numerous reports of bankers is that the boll weevil has been practically eliminated and no great damage to the crop can come this year from the pest. The heavy rains during May and June, which necessitated many replantings, was also detrimental to cotton, as it was impossible in many sections for the young plants to get a good start before the dry and hot weather set in.

OATS: The harvest condition of oats in Kansas was reported at 71% of normal, promising a crop of 34,187,000 bushels, which is 6,000,000 bushels more than was produced last year. Missouri's

oats crop showed a large increase over that of 1922. In Nebraska the yield of oats is reported light in many areas. The crop improved up to the time of harvest but heads filled on short straw in numerous localities and there were thin stands in a number of areas.

The August 1 forecast of oats in the United States is 1,316,000,000 bushels, or 101,000,000 bushels more than in 1922.

SUGAR BEETS: Reports from the large areas in Colorado, Wyoming and Nebraska at the end of July indicated that sugar beets had made good progress and promised a large yield. In Nebraska, however, it was reported that in spite of the favorable condition of growth, stands were thin as a result of injury from frost last spring. In the Arkansas Valley district of western Kansas growers reported the outlook quite favorable, and refiners were preparing for unusually large operations in the fall and winter. The sugar beet acreage in Colorado, Wyoming, Nebraska and Kansas this year is reported at 248,500 acres, or 24,500 acres above the total acreage in these states in 1922. The United States Bureau of Crop Estimates in its July report forecast a yield of 3,399,000 net tons of beets in the four states, an increase of 190,000 tons over production in 1922.

POTATOES: A total of 467,000 acres of potatoes was planted last spring in Missouri, Kansas, Nebraska, Oklahoma, Colorado, Wyoming and New Mexico. This total compares with 502,000 acres planted in the spring of 1922, indicating a decrease of about 35,000 acres in the potato area. The estimated yield for this year is 43,882,000 bushels, or 5,244,000 bushels less than was reported for last year.

Colorado, with 128,000 acres of potatoes, reported excellent growth during July, the late planted potatoes showing a condition above the average, but there were some poor stands in fields planted early. Nebraska, with a total of 118,000 acres, reported August 1 that the late planted commercial crop looked promising. The early Kearney crop was ready for the market late in July, but the movement was light to August 1. The Kaw Valley (Kansas) potato movement, starting early in July, was in full swing by the end of the month, with a crop 80% of normal as compared with 75% on August 1 last year. Oklahoma's production this year is estimated at 2,560,000 bushels or 160,000 bushels less than in 1922. Missouri reported a condition of 92% against 68% last year.

APPLES: The condition of the apple crop in the states of the Tenth District in July, as reported by the United States Department of Agriculture, was below the condition last year in all states except Wyoming and New Mexico which showed increases. The total production this year shows a marked decrease from that of last year. The reports for six states, complete, are summarized in the following:

	Condition Percent	Commercial Crop Barrels	Farm crop Bushels
Colorado.....	84	879,000	3,294,000
New Mexico.....	85	253,000	1,170,000
Wyoming.....	78	.....	33,000
Missouri.....	70	622,000	6,221,000
Nebraska.....	69	56,000	837,000
Kansas.....	63	303,000	1,818,000
Oklahoma.....	66	37,000	1,107,000
Total, July, 1923.....	.....	2,150,000	14,480,000
Total, July, 1922.....	.....	3,156,000	20,485,000

BROOM CORN: Condition in the seven producing states dropped nine and a half points during July, and the August forecast is for a total crop of 89,800 tons this season, as compared with 35,300 tons last year, and the July forecast of 92,500 tons. Every broom corn state records a slump in condition since July 1 but the decline is most pronounced in Kansas and Oklahoma

RECEIPTS OF GRAIN AT FOUR MARKETS OF THE TENTH FEDERAL RESERVE DISTRICT DURING JULY, 1923

	Wheat	Corn	Oats	Rye	Barley	Kafir
Kansas City.....	9,008,550	1,141,250	333,200	25,300	60,000	69,300
Omaha.....	1,621,600	1,142,000	976,000	30,800	27,200	.....
St. Joseph.....	1,240,400	787,500	54,000	.....	7,000	.....
Wichita.....	5,235,600	275,000	19,500	1,200	.....	3,600
July, 1923.....	17,106,150	3,645,750	1,382,700	57,300	94,200	72,900
June, 1923.....	5,118,900	4,254,800	1,871,100	35,100	54,500	56,700
July, 1922.....	19,911,600	4,123,950	1,857,800	37,100	108,300	155,600

fields. The present forecast of 89,800 tons includes a probable production by states as follows: Illinois, 8,100 tons; Missouri, 1,000 tons; Kansas, 15,000 tons; Texas 5,700 tons; Oklahoma, 35,800 tons; Colorado, 11,700 tons; New Mexico, 12,500 tons. This production cannot be realized unless conditions are fairly favorable from now till harvest, especially in the later maturing sections of Kansas, Oklahoma and Colorado.

GRAIN MOVEMENTS

Arrivals of wheat at the four principal market centers of the Tenth District in July were 17,106,150 bushels, which was 11,987,250 bushels more than the arrivals in June and 2,805,450 bushels less than the arrivals in July last year.

Receipts of corn, aggregating 3,645,750 bushels, were 609,050 bushels below June receipts and 478,200 below the receipts during July, 1922.

Receipts of oats totaled 1,382,700 bushels, a decrease of 488,400 bushels from June and 475,100 bushels from the corresponding month last year.

The movement of rye during July was heavier at the four markets than in June this year or July last year. Increases in the receipts of barley and kafir over June were reported, but the July receipts of these two grains were less than those of a year ago.

FLOUR MILLING

July, the first month of the 1923-1924 wheat year, showed a very decided increase in the output of flour at the various milling centers of the Southwest. Total production for the month, as compiled from the weekly reports to the Northwestern Miller, was 1,733,275 barrels, an increase of 305,613 barrels over the June output and an increase of 129,812 barrels over the output in July, 1922. The July figures on production at the various milling centers follow:

	July, 1923 Barrels
Kansas City.....	488,340
Omaha.....	72,994
Salina.....	78,296
St. Joseph.....	105,775
Wichita.....	176,923
Outside.....	810,947
Total, July, 1923.....	1,733,275
Total, June, 1923.....	1,427,662
Total, July, 1922.....	1,603,463

While the output of flour from Southwestern mills during July reflects a decided increase in operating activity, the reports seem to indicate that a large percentage of the production was the result of earlier sales. At the end of July there was little heavy buying for future requirements. A great many of the mills were grinding last year's wheat during July, and the hold-over wheat was gradually being disposed of.

LIVE STOCK

Condition of live stock throughout the Mountain and Plains states, as well as in the Missouri Valley states, continues highly favorable. The average condition of cattle at the middle of July was reported as 94% as compared with 91% at the middle of June. The condition of sheep was also very high with an average of 97%. This high condition is ascribed to the ranges and pastures which have been rated above normal, although in some of the southern sections of this District the drought and intense heat late in July and in early August was injurious to pastures and cut short the feed crop.

CATTLE SUPPLY LARGE: A late report of the statistician for the Bureau of Agricultural Economics at Topeka says that abundant grass early in the season, a high quality of feeders, and reasonably profitable prices for better grades of stuff, all tend to stimulate early shipments of grass fat cattle from Kansas. The report says:

"There are more cattle on Kansas grass than a year ago, particularly in the flint hill district, but the average run is of younger stuff and large numbers of this class of feeders can be profitably carried over for another year or fed out on corn in the late fall or early winter if the corn crop and market conditions justify such action. From the present outlook it does not seem probable that Kansas will market to exceed 1,000,000 cattle and calves between July 1 and January 1 this year unless some circumstance that cannot now be foreseen should interfere. Of the million head to be marketed in the next six months about 600,000 should be fat enough for the block and the other 400,000 should be stockers or feeders that will average of high quality. The actual percentage that will go as feeders or killers will depend greatly on the outcome of the corn crop and the consequent demand for feeders in the corn belt.

"Estimates for other western states indicate that the available supply of cattle and calves for this fall's delivery will be approximately as follows: Arizona, 110,000, mostly feeders; California, 90,000, mostly fat; Montana 140,000, of which 77,000 will be fat and 63,000 feeders; Western half of Nebraska, 350,000 of which 130,000 should be fat and 222,000 feeders; Nevada 96,000 of which 47,000 will be fat and 49,000 feeders or stockers; New Mexico, 115,000 mostly feeders and stockers; Oklahoma, 907,000 which ought to run about 50-50 fat and feeders; Oregon, 269,000 of which 150,000 will probably be fat and 119,000 feeders; Texas 846,000 with 347,000 of them fat and 499,000 stockers or feeders; Utah, 138,000 with an estimate of 105,000 of them fat and 33,000 feeders. Numerical estimates are not available for North Dakota, South Dakota, Idaho or Wyoming but the indication is that the fall shipments from North Dakota will be 6% less than last fall and from Wyoming about 20% greater. The North Dakota movement ought to average about 29% fat and the Wyoming shipments 45% fat.

"Estimates were taken July 1 as to the spring calf crop as a percentage of the number of cows on hand last January 1. This is the first time such an estimate has been attempted and there is no check as to its reliability, nor are comparisons available on a similar basis for former years. The percentages as reported

are as follows: Arizona, 47%; California 41%; Colorado, 60%; Idaho 48%; Kansas 78%; Montana 69%; Nebraska 77%; Nevada 34%; New Mexico 46%; North Dakota 66%; Oklahoma 64%; Oregon 46%; South Dakota 74%; Texas 58%; Utah 40%; Washington 77%; and Wyoming 51%."

MARKET MOVEMENTS: Receipts of live stock in the month of July at the six principal markets of the Tenth District were the largest for all classes for any July in recent years. The run of cattle at all markets was exceptionally high and reflected early marketing of grass fed animals. The receipts during the month at these markets was approximately 15% larger than a year ago. Receipts of calves established a new high record for the month of July, the total being 72% above the receipts for the same month last year. The movement of hogs also was exceptional for the mid-summer month and was fully 25% above the total for the month a year ago. Sheep were marketed during July in larger numbers by 12% than were marketed for the corresponding month last year. Receipts of horses and mules were fairly large for July and practically the same as a year ago. The July receipts follow:

	Cattle	Calves	Hogs	Sheep	Horses Mules
Kansas City.....	221,606	62,709	200,537	127,573	871
Omaha.....	112,038	6,101	358,780	214,503	1,570
St. Joseph.....	50,065	7,188	189,418	56,962	514
Denver.....	21,347	3,492	34,194	52,359	1,597
Oklahoma City.....	35,128	11,070	18,735	824	52
Wichita.....	29,030	8,945	45,167	8,577	341
July, 1923.....	469,214	99,505	846,831	460,798	4,945
June, 1923.....	378,026	46,921	859,618	333,111	3,484
July, 1922.....	401,495	55,767	685,916	403,524	4,606

PRICES: The hog market during July was somewhat irregular with prices tending slightly higher. The top price for the month at Kansas City was \$7.60 against \$10.50 one year ago. Prime cattle reached the highest level of the year in the face of the increased receipts. Best native steers sold in July up to \$11.35 against \$10.50 one year ago. Grass cattle, constituting a large proportion of the arrivals, averaged about the same as in June. Prices of lambs declined nearly \$3.00 from the June prices and were about 50c lower than a year ago, although mature sheep were \$1.00 higher.

STOCKER AND FEEDER MOVEMENT: The July movement of stocker and feeder cattle from Kansas City, Omaha, St. Joseph and Denver to the country totaled 93,895 head, which was 2,660 above the total in July last year. Movement of calves to the country from these four markets was about 75% larger than a year ago. The countryward movement of hogs, totaling 17,856 head, was about 90% greater than a year ago. A total of 94,689 sheep was reported as shipped from the four markets to the country during July, a decrease of about 10,000 head from the countryward shipments in July, 1922. The July reports of stocker and feeder shipments follow:

	Cattle	Calves	Hogs	Sheep
Kansas City.....	59,363	3,265	6,122	21,439
Omaha.....	13,843	.....	883	36,811
St. Joseph.....	10,216	610	740	7,888
Denver.....	10,473	1,598	10,111	28,551
July, 1923.....	93,895	5,473	17,856	94,689
June, 1923.....	90,616	6,353	27,134	45,906
July, 1922.....	91,235	3,355	9,788	105,457

WOOL CLIP: A wool clip of 228,031,000 pounds for 1923 in the United States is the preliminary estimate of the Department of Agriculture. This exceeds the 220,155,000 pound clip of 1922 and the 223,062,000 pound clip of 1921, but is below the

clip of 1920, which was 235,005,000 pounds and of 1919, which was 249,958,000 pounds.

Texas with 19,700,000 pounds leads in the estimate of the 1923 clip. Wyoming is next with 18,800,000 pounds, followed by Montana with 18,295,000 pounds, Utah with 17,210,000 pounds, Idaho with 16,500,000 pounds, Ohio with 14,313,000 pounds, California with 14,181,000 pounds, and Oregon with 13,200,000 pounds. Other states: New Mexico, 9,524,000 pounds; Colorado, 8,554,000 pounds; Missouri, 5,411,000 pounds; Nebraska, 1,738,000 pounds; Kansas, 1,933,000 pounds; Oklahoma, 490,000 pounds.

MEAT PACKING OPERATIONS

Packers at several centers in the District took advantage of the heavy receipts of live stock and increased their operations accordingly. The largest increases were in the slaughter of cattle, calves and sheep, although a substantial gain was made in the slaughter of hogs. Purchase by packers in July:

The packers' reports indicate a decided increase in the meat trade during the month, both in fresh and cured meats. Consumption of pork products in July, according to the statistics, were larger than ever before and fully one-third larger than a year ago and resulted in a substantial decrease in the stocks of pork in storage. Renewed buying by the United Kingdom, especially of hams, was one of the features of the foreign trade during the month.

Stocks of pork and pork products in storage at Kansas City at the close of July aggregated 58,677,300 pounds, against 66,067,900 pounds at the close of June and 49,861,000 pounds at the close of July, 1922.

	Cattle	Calves	Hogs	Sheep
Kansas City.....	94,494	44,293	139,804	91,212
Omaha.....	78,574	3,795	261,335	143,728
St. Joseph.....	29,521	5,645	154,188	46,754
Denver.....	9,028	1,918	22,502	9,675
Oklahoma City.....	24,733	9,448	16,092	674
Wichita.....	6,129	3,866	43,544	1,627
July, 1923.....	242,479	68,965	637,465	293,670
June, 1923.....	216,134	35,101	671,593	239,025
July, 1922.....	223,803	38,362	540,635	248,520

MINING

ZINC AND LEAD: Shipments of zinc ore from the Tri-State district totaled only 31,627 tons for the month of July, which is the smallest shipment for any month of the current year, and compares with 47,268 tons shipped in July last year. The month opened with a top price of \$36.00 per ton, advanced to \$38.00 the second week and closed with the price of \$37.50. The price paid for all ores sold during the month averaged \$35.99, which compares with \$33.34 for July last year. Total zinc sales aggregated \$1,138,477.

Lead ore shipments aggregated 3,778 tons which is also the smallest month's shipment this year. The average price for the month was \$66.01 per ton. The market opened with a price of \$65.00 per ton, then dropped to \$60.00 and at the end of the month advanced to \$75.00. There is practically no surplus stocks of lead ore in the district. Shipments of lead ore one year ago aggregated 8,951 tons at an average price of \$76.60. Under the curtailment program which is being carried out throughout the Tri-State district production of the field is now considerably below 9,000 tons. Many of the properties which closed down during the two weeks shut-down period have not resumed operations.

METAL MINING IN COLORADO: The close of the month of July marked what might well be termed a very material increase in activity in the metal mining industry of Colorado, not so much in the way of increased production as by moves on the

part of mining men in all districts of the state towards the resumption of operations of many large properties that have been idle for the past few years. This is particularly true in the Leadville, San Juan and Cripple Creek districts. There is still a scarcity of skilled labor, but reports show that that condition is soon to be overcome. Present activities point to an immense amount of development of old and new properties in all districts of the state. The decline in silver had a deterrent effect, but the state of the general metal market inspires operators with hopeful anticipations for the future.

BITUMINOUS COAL: Production of soft coal in the United States for the calendar year to August 4, was reported by the United States Geological Survey as 324,998,000 net tons, which compares with 207,608,000 net tons produced during the calendar year 1922 to the first Saturday in August. The 1923 production is the largest for the seven months period since 1918, when the total was 344,200,000 net tons.

Production in July at the mines in the six coal states of this District was restricted to a very great extent by lack of demand. Colorado, Kansas and Oklahoma reported operation of mines at below 50% of capacity. Wyoming and New Mexico operations averaged above 54% and Missouri operations nearly 71%. Loss of operation on account of no market in July ranged from 51% in Oklahoma to 24.1% in Missouri. The losses follow:

	Colo.	Kans.	Mo.	N. M.	Okl.	Wyo.	Dist.
Loss Due to:							
Transportation Disability	1.9%	2.4%	0.3%	1.3%	4.2%	.....	1.7%
Labor Shortage	.....	2.1	.....	.....	.....	0.2	0.4
Strikes	.....	0.2	.....	.....	0.7	.....	0.2
Mine Disability	2.9	5.7	3.5	1.6	5.7	1.1	3.4
No Market	48.1	42.7	24.1	40.0	51.0	43.8	41.6
All Other Causes	.....	0.9	0.3	.....	.....	0.2	0.2
Total Loss, all Causes	52.9	54.0	28.2	42.9	61.6	45.3	47.5
Per Cent Production	47.1	46.0	71.8	57.1	38.4	54.7	52.5

PETROLEUM

The output of crude oil from wells in the producing states of the Tenth Federal Reserve District continued high during July. The average for the thirty-one days of July for the four states, according to conservative estimates, was only about 5,000 barrels per day below the peak output of 706,899 barrels per day officially recorded for the thirty days of June. In Oklahoma, where proration of runs was inaugurated by principal purchasing agencies late in June the July reports of the American Petroleum Institute indicate a reduction in the month's output of approximately 10,600 barrels per day. In Kansas there was a slight reduction in the daily average output amounting to 760 barrels per day. Wyoming, however, reported an increase of approximately 6,000 barrels per day with the average for the month above 112,000 barrels per day.

The following is a tabulation of the estimated total and daily average production of crude oil in each of the four states for the month of July compared with the official figures for June, 1923, and July, 1922, in barrels of 42 gallons:

TOTAL PRODUCTION

	*July, 1923	**June, 1923	**July, 1922
Kansas	2,632,850	2,573,000	2,609,000
Oklahoma	15,594,935	15,450,000	13,335,000
Colorado	5,400	5,400	7,600
Wyoming	3,472,000	3,178,600	2,214,400
Total, Four States	21,705,185	21,207,000	18,166,000

DAILY AVERAGE

	*July, 1923	**June, 1923	**July, 1922
Kansas	84,931	85,766	84,161
Oklahoma	503,062	515,000	430,161
Colorado	174	180	245
Wyoming	112,000	105,953	71,432
Total, Four States	700,167	706,899	585,999

*—Estimated, American Petroleum Institute.
**—Official, United States Geological Survey.

The high rate of production is reflected in a heavy accumulation of crude oil in storage. This is indicated by a statement of major Oklahoma and Kansas companies showing stocks on July 1 aggregating 100,334,598 barrels, or 3,180,858 barrels more than the total stocks on June 1, one month previous to that date, and 15,614,160 barrels more than the total stocks on July 1, 1922.

Field reports for July show a falling off of 10% in the number of wells completed and a decline of 14% in the average daily new production from the June record. At the end of July there was also reported a decrease in drilling operations. The figures for Oklahoma, Kansas and Wyoming follow:

	Wells Completed	Bbls. Daily New Prod'n	Rigs and Wells Drilling
Oklahoma	561	147,102	1,612
Kansas	140	4,656	254
Wyoming	52	15,262	511
July, 1923	753	167,020	2,377
June, 1923	844	194,946	2,508
Decrease	91	27,926	131

Both Oklahoma and Kansas reported decreases in the number of wells completed, daily new production and new developments. Wyoming reported large increases in wells completed, daily new production and also in drilling operations.

Reports of refiners would indicate that stocks of gasoline are at the high peak and gasoline is being produced faster than present stocks can be absorbed. This situation has led to efforts on the part of many refiners to curtail runs of crude oil. With this exception, the trade in petroleum products is reported as generally healthy.

BUILDING

Reports from nineteen cities in the Tenth Federal Reserve District show building operations were unusually large for a mid-summer month. The estimated cost of 2,641 buildings for which permits were issued in July was \$9,002,675, which was 6% less than June but 7.4% greater than in July, 1922. The reports for July showing the number of permits and estimated cost, and also percent of increase or decrease as compared with July, 1922, follow:

	Permits Issued	Estimated Cost	% Inc. or Dec
Casper, Wyoming	103	\$ 596,683	394.7
Cheyenne, Wyoming	42	52,920	-49.0
Colorado Springs, Colorado	68	51,445	-74.2
Denver, Colorado	571	1,416,000	29.0
Hutchinson Kansas	17	35,515	-25.6
Joplin, Missouri	12	20,575	1,770.5
Kansas City, Kansas	145	501,070	90.5
Kansas City, Missouri	431	1,807,850	-7.0
Leavenworth, Kansas	7	181,000	453.5
Lincoln, Nebraska	130	507,215	145.7
Muskogee, Oklahoma	49	80,700	24.9
Oklahoma City, Oklahoma	271	1,114,146	33.1
Okmulgee, Oklahoma	15	130,150	6.2
Omaha, Nebraska	257	856,878	-2.7
Pueblo, Colorado	55	47,050	-53.4
St. Joseph, Missouri	86	279,455	80.2
Topeka, Kansas	144	273,875	96.4
Tulsa, Oklahoma	163	605,650	-64.1
Wichita, Kansas	275	444,498	17.2
Total, July, 1923	2,641	\$9,002,675	7.4
Total, July, 1922	2,608	8,381,806	

STATEMENT OF CONDITION FEDERAL RESERVE
BANK OF KANSAS CITY, INCLUDING BRANCHES
RESOURCES

At Close of Business
Aug. 22, 1923

Gold Coin and Certificates.....	\$ 3,400,703.00
Gold Settlement Fund F. R. Board.....	46,251,473.12
Gold with Federal Reserve Agent.....	41,224,100.00
Gold Redemption Fund.....	3,567,973.14
Reserves Other Than Gold.....	2,605,994.00
Non-Reserve Cash.....	4,621,816.97
Bills Discounted for Member Banks:	
Secured by Govt. Obligations.....	11,181,946.50
All Other.....	29,495,078.08
Bills Bought in Open Market.....	2,012,343.13
U. S. Bonds and Notes.....	10,969,650.00
United States Cert. of Indebtedness.....	67,500.00
Bank Premises.....	4,969,523.60
Uncollected Items.....	32,280,366.76
All Other Resources.....	825,467.65
Total Resources.....	\$193,473,935.95

LIABILITIES

Capital Paid In.....	4,583,250.00
Surplus.....	9,488,299.89
Deposits:	
Government.....	2,243,872.44
Member Banks, Reserve Account.....	80,359,666.49
All Other.....	392,494.95
F. R. Notes in Actual Circulation.....	60,906,485.00
Deferred Availability Items.....	34,486,551.02
All Other Liabilities.....	1,013,316.16
Total Liabilities.....	\$193,473,935.95

OTHER TOTALS

Total Gold Reserves.....	\$94,444,249.26
Total Discounted and Purchased Bills Held.....	42,689,367.71
Total Earning Assets.....	53,726,517.71
Total Deposits.....	82,996,033.88
Ratio of Total Reserves to Deposit and Federal Reserve Notes	
Liabilities Combined.....	67.4%
Total Clearings for Week.....	164,933,959.97
Total Number of Items Handled.....	1,059,362

Business Conditions in the United States

Production of basic commodities and employment at industrial establishments decreased in July and there was a further decline in wholesale prices. The distribution of goods, as indicated by railroad freight shipments, maintained record totals and the sales of merchandise, though showing the usual seasonal decline, continued to be relatively heavy.

Production in basic industries, according to the showing of the index of the Federal Reserve Board, declined 1% in July. Mill consumption of cotton, steel ingot production and sugar meltings were considerably smaller than in June. New building operations during the month, as measured by the value of permits granted and of contracts awarded, showed more than the usual seasonal decline.

Employment at industrial establishments located in various sections of the country decreased 2% during July. Manufacturers of automobile tires and cotton goods showed large reductions in the number of employees. There were some further announce-

ments of wage advances but these were not as numerous as in three previous months. Average weekly earnings of factory workers, due to a decrease in full time operations, were 3% less than in June.

Crop forecasts of the Department of Agriculture on the basis of condition on August 1 indicated that yields of wheat and rye would be below July estimates, while larger yields of cotton, corn, oats and barley were forecast. Due to seasonal increase in grain shipments and continued large shipments of industrial raw materials and manufactured goods, car loadings in the last week of July reached the largest total on record.

TRADE: The volume of wholesale trade was about the same in July as in June, while there was a decline in retail trade which was largely seasonal in nature. Among the wholesale lines sales of dry goods and clothing were larger than in June, while sales of groceries hardware and shoes were considerably smaller. Business in all reporting lines was larger than in July, 1922 and the average increase, as indicated by the Federal Reserve Board's index of wholesale trade, was 13%. Sales of department stores were 10% larger than a year ago, while mail order sales showed a gain of 27%. Stocks of department stores showed a seasonal reduction during July and were smaller than in any month since January.

PRICES: Wholesale commodity prices declined during July for the third consecutive month and the index of the Bureau of Labor statistics was 5% below the April peak. Prices of all groups of commodities, except house furnishings, were lower in July. The largest declines occurred in quotations of clothing, drugs and chemicals, farm products and building materials. During the first half of August price changes were more moderate and quotations of cotton, spring wheat, hogs, sheep and rubber advanced.

BANK CREDIT: Since the middle of July the volume of bank credit in use has shown a reduction, largely because of the substantial liquidation of loans on stocks and bonds at New York City banks. Between July 18 and August 15 loans of Member Banks in leading cities secured by stocks and bonds decreased by \$94,000,000 to the lowest point for the year, \$258,000,000 below the amount outstanding at the beginning of the year. Commercial loans, however, increased so that the net reduction in total loans for the period amounted to \$60,000,000. Security investments declined \$73,000,000 to a new low level for the year.

The volume of discounted paper held at the Federal Reserve Banks showed a slight decrease, while their holdings of acceptances and United States securities reached new low points for the year. Between the middle of July and the middle of August gold holdings of the Federal Reserve Banks increased by \$21,100,000 reflecting in part net gold imports during July of \$27,400,000. Federal Reserve Note circulation increased by about \$15,000,000 and there were also substantial increases in the volume of gold certificates and National Bank Notes in circulation. Slightly firmer tendencies in money rates during the month were reflected in a gradually increasing proportion of commercial paper sales at 5¼%, as compared with 5% in the previous month.