

# THE MONTHLY REVIEW

Covering Conditions in the Tenth Federal Reserve District

## Federal Reserve Bank of Kansas City

M. L. McCLURE, Chairman Board of Directors  
and Federal Reserve Agent

C. K. BOARDMAN, Assistant Federal Reserve Agent  
and Secretary

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A summary of the statistical reports contained in this issue of the Monthly Review tells of greater activity in industry, trade and banking in the Tenth District during the opening month of the final quarter of 1925 than at any preceding period of the year. It also indicates a definite increase in the volume of business over that for the corresponding month in 1924.

The larger volume of transactions is evidenced by clearing house reports on payments by checks drawn against accounts in banks in leading cities. The aggregate for twenty-eight cities was \$1,556,863,000 for five weeks ended November 4, an increase of \$72,446,000 or 4.8 per cent over that for the previous five weeks ended September 30, and an increase of \$78,946,000 or 5.3 per cent over that for the five weeks ended November 5, 1924. Clearings through the Federal Reserve Bank of Kansas City and

branches at Omaha, Denver and Oklahoma City exhibited a similar trend. The October clearings were the largest for any month in four years. The month's total was \$1,063,855,793 or 4 per cent larger than in October, 1924. It was noted that this service, performed by the Federal Reserve Bank for the banks of this District, required the handling during October of 6,126,009 items, the largest number on monthly records covering four years.

Trade reports reflected a continuance of the forward movement reported in the late Summer and early Autumn. In spite of an early season of wintry weather, wholesalers in nearly all lines reported their sales were larger than in September and larger than in October of last year. Sales at retail, as reported by department stores, were the largest of the year and exceeded those for last year by over 15 per cent. The implement and farm machinery reports indicated an excellent start in the placing of contracts for 1926 delivery.

Building operations in October, although retarded by cold weather, were well ahead of a year ago, and sales of lumber were larger than reported for the like month in 1924.

Smaller receipts of wheat at the markets resulted in a decrease in the October flour output at mills in this District as compared with a year ago, although there was a fair increase over the September output. Meat packing operations were larger in October than in September, but fell short of those of October a year ago because of the reduced supply of animals for slaughter.

The crude oil output in October was slightly less than in September and slightly greater than in October, 1924. Refinery operations began to slow down because of cooler weather and slackened demand for petroleum products. Shipments of ores from zinc and lead mines slowed down somewhat during the first three weeks of October, but increases in prices brought a rebound and shipments in the last week of the month and the forepart of November were at the high level of the year. At the metal mines in Colorado operations were reported at the highest rate of activity of the year, with indications of an increase in production over 1924. There was more activity at the soft coal mines in October than had been reported since January, and the month's output was correspondingly heavy.

The heavy volume of business in this District during the Autumn of 1925, particularly in October required the use of large amounts of funds and credit at banks. As a result there was a considerable falling off in the amount of demand deposits, while at the same time the reports showed that time deposits actually increased. There was a slight decrease in the amount of loans and discounts, due to a heavier liquidation of outstanding loans, although the discountings at the Federal Reserve Bank increased during the month. Rates were firmer but there was no change from the low figure prevailing for several months.

### HIGH POINTS IN THE STATISTICAL RECORD OF THE TENTH FEDERAL RESERVE DISTRICT

(October 1925 compared with September 1925 and October 1924)

	Oct., 1925	Sept. 1925	Oct., 1924	Pct. Chg Year
Bank debits, 28 cities.....	\$1,556,863,000	\$1,484,417,000	\$1,477,917,000	5.3
Clearings, F. R. Bank.....	\$1,063,855,793	\$ 919,546,999	\$1,023,150,964	4.0
Items handled.....	6,126,009	5,563,856	5,991,648	2.2
Loans, 69 banks.....	\$ 432,379,000	\$ 435,035,000	\$ 420,147,000	2.9
Investments, 69 banks.....	\$ 171,215,000	\$ 174,015,000	\$ 155,490,000	10.1
Deposits, 69 banks.....	\$ 606,171,000	\$ 640,136,000	\$ 613,380,000	-1.2
Business failures, No.....	85	88	130	-34.6
Liabilities.....	\$ 1,476,916	\$ 853,793	\$ 1,277,290	15.6
Building permits, No.....	3,010	2,969	3,610	-16.6
Estimated value.....	\$ 9,740,389	\$ 11,807,101	\$ 9,515,778	2.4
Coal produced, tons.....	3,250,000	2,634,000	3,050,000	6.6
Crude oil produced, bbls.	21,096,000	21,728,000	20,978,000	0.6
Flour produced, barrels..	1,955,902	1,910,227	2,636,632	-25.8
Grain receipts, 5 markets:				
Wheat, bushels.....	7,976,900	9,301,700	24,975,300	-68.3
Corn, bushels.....	2,548,450	2,124,950	2,034,700	25.2
Oats, bushels.....	3,129,000	4,042,900	2,961,700	5.6
Live stock receipts, 6 markets:				
Cattle.....	753,931	583,325	808,084	-6.7
Calves.....	145,195	106,221	155,397	-6.6
Hogs.....	560,963	590,783	774,096	-27.5
Sheep.....	1,119,799	983,396	1,197,894	-6.5
Horses and mules.....	20,018	15,486	16,832	18.9
Purchases by packers, 6 centers:				
Cattle.....	320,763	300,501	327,847	-2.1
Calves.....	88,836	74,305	87,521	1.5
Hogs.....	382,969	382,518	597,851	-35.9
Sheep.....	255,669	330,183	285,506	-10.5
Ore shipments, tri-state district:				
Zinc, tons.....	64,071	72,918	68,855	-6.9
Zinc, value.....	\$ 3,632,479	\$ 3,974,181	\$ 2,902,669	25.0
Lead, tons.....	7,418	9,559	10,346	-28.3
Lead, value.....	\$ 882,385	\$ 1,111,445	\$ 1,139,629	-22.6

NOTE: Debits reported are for five weeks. Bank deposits, loans and investments are amounts shown at the reporting date on or after close of the month. Zinc and lead ore shipments are for four weeks.

## Banking and Credit

**MEMBER BANKS' SHOWING:** Combined weekly statements of the principal resource and liability items of sixty-nine reporting member banks in cities of this District showed the volume of their loans and discounts, including rediscounts, amounted to \$432,379,000 at the close of business on November 4. This amount was \$2,656,000 or 0.6 per cent less than that reported by the same sixty-nine banks as of October 7, but it was \$12,232,000 or 2.9 per cent greater than the amount reported by seventy-two banks as of November 5, 1924. Investments of the sixty-nine member banks followed the course of loans and discounts. The amount reported November 4 was \$171,215,000, which was \$2,800,000 or 1.6 per cent less than reported by the same sixty-nine banks as of October 7 and \$15,725,000 or 10.1 per cent greater than the amount reported by 72 banks on November 5 last year. Demand deposits at the sixty-nine reporting member banks amounted to \$449,685,000 on November 4, which was \$52,974,000 or 10.5 per cent less than reported by the same banks four weeks previous to that date and \$24,602,000 or 5.2 per cent less than the amount reported by seventy-two banks on November 5 last year. Time deposits continued to increase and at the first reporting date in November amounted to \$155,510,000, exceeding the amount reported October 7 by \$20,152,000 or 14.8 per cent, and also \$20,198,000 or 14.9 per cent larger than the amount reported by seventy-two banks at the first reporting date in November a year ago. Gross deposits at sixty-nine reporting banks on November 4 stood at \$606,171,000, a decrease of \$33,965,000 or 4.9 per cent in four weeks, and a decrease of \$7,209,000 or 1.2 per cent as compared with the totals on November 5, 1924.

**FEDERAL RESERVE BANK OPERATIONS:** The official statement of the Federal Reserve Bank of Kansas City and branches as of November 4 showed expansion in the volume of bills rediscounted for member banks, in bills purchased, and also in government securities owned. The total of all bills and securities held on that date was 14.8 per cent larger than at the first reporting date in October and 60 per cent larger than at the first reporting date in November, 1924. Deposits were slightly less than four weeks previous and also less than a year ago, and Federal Reserve notes in circulation were slightly less than the totals for the two dates on which comparison is made. Changes

in four weeks and fifty-two weeks in the principal resource and liability items of the Federal Reserve Bank and branches are here shown:

	Nov. 4, 1925	Oct. 7, 1925	Nov. 5, 1924
Gold reserves.....	\$ 65,264,247	\$ 81,658,506	\$103,448,271
Bills discounted.....	17,558,127	10,557,561	6,637,493
Bills purchased.....	30,620,075	28,117,196	9,272,159
U. S. Government securities.....	34,618,300	33,116,200	35,737,400
Total bills and securities.....	83,048,502	72,318,957	51,897,052
Gross deposits.....	85,681,433	90,849,604	91,443,467
F. R. notes in circulation.....	66,501,540	67,260,840	71,009,040
Total resources.....	203,569,496	210,501,055	206,336,413
Ratio of total reserves to deposit and F. R. note liabilities combined.....	45.2%	54.1%	65.2%

## Savings

Deposits to savings accounts in fifty-four selected banks in Tenth District cities decreased 0.7 per cent between October 1 and November 1, but the total on the last named date was 6.2 per cent larger than that of November 1, 1924. The returns on deposits follow:

Banks	Nov. 1, 1925	Oct. 1, 1925	Nov. 1, 1924
Denver, Colorado.....	\$ 47,971,194	\$ 49,646,333	\$ 48,574,753
Kansas City, Kansas.....	1,869,083	1,734,678	1,552,522
Kansas City, Missouri.....	14,788,800	14,798,342	13,752,825
Lincoln, Nebraska.....	2,953,857	2,865,368	2,806,830
Oklahoma City, Okla.....	8,251,038	8,213,549	7,785,764
Omaha, Nebraska.....	7,432,884	7,520,889	7,311,541
St. Joseph, Missouri.....	8,848,361	8,831,245	9,515,127
Tulsa, Oklahoma.....	10,313,528	9,758,548	7,212,011
Wichita, Kansas.....	4,892,183	4,750,313	2,450,243
Other Cities.....	575,386	546,225	554,445
Total.....	\$107,896,314	\$108,665,490	\$101,516,061

Fifty banks reported 319,448 savings accounts on November 1, an increase of 3,895 or 1.2 per cent over October 1 and an increase of 7,089 or 2.3 per cent over November 1, 1924.

## Federal Reserve Bank Clearings

Transit forces at the Federal Reserve Bank of Kansas City and branches at Omaha, Denver and Oklahoma City handled during October 6,126,009 checks and other cash items for an aggregate of \$1,063,855,793 for 1,045 member and 2,678 non-member banks in the Tenth Federal Reserve District. This was the largest number of items and also the largest amount cleared in one month through the main bank and its branches on records starting in the early part of 1922. The only preceding month in three years in which the number of items handled exceeded 6 million was December, 1924, with 6,011,473 items. The only preceding month in which the amount exceeded 1 billion dollars was October, 1924, with the total of \$1,023,150,964, which was \$40,704,829 or 4 per cent less than this year's October total. Federal Reserve Bank clearings for ten months of 1925 totaled 56,040,906 items and \$9,048,576,068 in amount. The increase over the ten months in 1924 was 5,413,961 or 10.7 per cent in the number of items and \$1,148,188,569 or 14.5 per cent in amount. The record of Federal Reserve Bank clearings:

	ITEMS		AMOUNT	
	1925	1924	1925	1924
January.....	5,448,539	4,726,778	\$ 910,542,658	\$ 705,079,228
February.....	5,160,840	4,561,796	791,057,866	635,879,751
March.....	5,896,323	4,986,934	962,476,088	777,722,416
April.....	5,633,189	4,977,178	873,511,785	739,135,532
May.....	5,314,313	4,955,341	807,058,789	752,469,452
June.....	5,790,229	4,901,642	906,894,327	763,388,403
July.....	5,687,559	5,088,030	941,366,958	819,937,795
August.....	5,420,049	5,049,577	872,264,805	797,556,371
September.....	5,563,856	5,388,021	919,546,999	886,067,587
October.....	6,126,009	5,991,648	1,063,855,793	1,023,150,964
Ten Months.....	56,040,906	50,626,945	\$9,048,576,068	\$7,900,387,499

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

	Nov. 4, 1925 69 Banks	Nov. 5, 1924 72 Banks
1. Loans and Discounts (including rediscounts):		
(a) Secured by U. S. Govt. obligations.....	\$ 3,911,000	\$ 5,688,000
(b) Secured by stocks and bonds other than U. S. Bonds.....	108,980,000	84,274,000
(c) All other.....	319,488,000	330,185,000
2. Investments:		
(a) U. S. pre-war bonds.....	9,183,000	11,404,000
(b) U. S. Liberty bonds.....	47,752,000	41,531,000
(c) U. S. Treasury bonds.....	16,138,000	2,647,000
(d) U. S. Victory notes and Treasury notes.....	16,086,000	23,295,000
(e) U. S. Certificates of Indebtedness.....	3,728,000	7,218,000
(f) Other Bonds, Stocks and Securities.....	78,328,000	69,395,000
3. Total loans and discounts, and investments.....	603,594,000	575,637,000
4. Reserve balances with F. R. Bank.....	48,982,000	54,615,000
5. Cash in vault.....	12,631,000	13,023,000
6. Net demand deposits on which reserve is computed.....	449,685,000	474,287,000
7. Time deposits.....	155,510,000	135,312,000
8. Government deposits.....	976,000	3,781,000
9. Bills payable and rediscounts with F. R. Bank secured by:		
(a) U. S. Govt. obligations.....	3,018,000	108,000
(b) All other.....	6,303,000	339,000
TOTAL (Items 3 to 9 inclusive).....	\$1,280,699,000	\$1,257,102,000



### Bank Debits

Clearing houses in twenty-nine cities of the Tenth District reported debits to accounts of their customers, or payments by check, during the five weeks ending November 4 were larger than those for any other five weeks period in the present year. The total of \$1,563,646,000 exceeded that for the preceding five weeks ending September 30 by \$73,685,000 or 4.9 per cent. A comparison of debits during the five weeks ending November 4 with those for the corresponding five weeks in 1924 was made on the basis of reports from twenty-eight cities. The returns indicated an increase over the five weeks of last year of \$78,946,000 or 5.3 per cent. Twenty cities reported increases and eight cities reported decreases in amounts of debits, or in the volume of general business, over a year ago. A compilation of the clearing house reports for twenty-eight cities covering the ten months of 1925 shows debits amounting to \$13,109,788,000 against \$11,698,835,000 for the corresponding ten months of 1924. The increase over last year was \$1,410,953,000 or 12.1 per cent. Debits for all reporting cities follow:

	Five weeks ending Nov. 4, 1925	Five weeks ending Nov. 5, 1924	Per Cent Change
Atchison, Kansas.....	\$ 8,201,000	\$ 7,095,000	15.6
Bartlesville, Oklahoma.....	18,609,000	11,709,000	58.9
Casper, Wyoming.....	14,332,000	19,969,000	-28.2
Cheyenne, Wyoming.....	10,683,000	10,896,000	-2.0
Colorado Springs, Colorado.....	18,439,000	15,114,000	22.0
Denver, Colorado.....	223,802,000	199,679,000	12.1
Enid, Oklahoma.....	16,266,000	15,384,000	5.7
Fremont, Nebraska.....	4,174,000	4,086,000	2.2
Grand Junction, Colorado.....	4,955,000	4,719,000	5.0
Guthrie, Oklahoma.....	5,131,000	4,721,000	8.7
Hutchinson, Kansas.....	15,397,000	20,446,000	-24.7
Independence, Kansas.....	12,613,000	8,464,000	49.0
Joplin, Missouri.....	20,941,000	17,170,000	22.0
Kansas City, Kansas.....	22,371,000	22,581,000	-0.9
Kansas City, Missouri.....	446,049,000	443,628,000	0.5
Lawrence, Kansas.....	6,590,000	6,232,000	5.7
Lincoln, Nebraska.....	36,843,000	33,875,000	8.8
McAlester, Oklahoma.....	6,783,000		
Muskogee, Oklahoma.....	17,893,000	18,369,000	-2.6
Oklahoma City, Oklahoma.....	103,945,000	104,410,000	-0.4
Okmulgee, Oklahoma.....	13,554,000	8,732,000	55.2
Omaha, Nebraska.....	240,115,000	232,404,000	3.3
Parsons, Kansas.....	3,745,000	3,532,000	6.0
Pittsburg, Kansas.....	6,951,000	6,641,000	4.7
Pueblo, Colorado.....	21,972,000	22,974,000	-4.4
St. Joseph, Missouri.....	69,730,000	74,001,000	-5.8
Topeka, Kansas.....	21,718,000	19,258,000	12.7
Tulsa, Oklahoma.....	118,401,000	88,580,000	33.7
Wichita, Kansas.....	53,443,000	53,248,000	0.4
Total five weeks.....	\$ 1,563,646,000	\$ 1,477,917,000	5.3
Total forty-four weeks.....	\$13,189,824,000	\$11,698,835,000	12.1

NOTE: Percentages of increase on totals for five weeks and forty-four weeks are based on returns from 28 cities for 1925 and 1924.

### Employment

Reports received by the United States Employment Service, Department of Labor, for the month of October, indicated no great amount of unemployment existing in any part of the country. Reports from Tenth District states were in line with those for the entire country. Employment conditions in Missouri and Nebraska remained highly satisfactory with the outlook for the rest of the year excellent. There was a shortage of experienced farm help in Kansas and available common labor in cities was heavily drawn upon for agricultural requirements, road construction and other outdoor activities. In Oklahoma unfavorable rainy weather hampered business and reduced employment to some extent. The industrial employment situation in Colorado in October showed a healthy condition in practically all lines of industry. In Wyoming labor of all classes was well employed. In New Mexico, as a result of increased activity and fall harvesting, employment increased in October over September.

### Failures

During October 85 business failures were reported in the Tenth Federal Reserve District, compared with 88 in September and 130 in October, 1924. The amount of liabilities involved in the October failures was \$1,476,916, compared with \$853,793 in September and \$1,277,290 in October, 1924. Business failures in the Tenth District during the ten months of 1925 were 1,038 in number and liabilities amounted to \$13,787,145. The record for the ten months of 1924 was 1,244 failures and \$19,825,370 of liabilities. The number of failures in ten months this year was 206 or 16.5 per cent less and the amount of liabilities was \$6,038,225 or 30.4 per cent less than in ten months of last year. The table which follows shows the number of failures and amount of liabilities in October for the United States by Federal Reserve Districts, compiled by R. G. Dun & Co.:

DISTRICTS	NUMBER		LIABILITIES	
	1925	1924	1925	1924
First, Boston.....	156	143	\$ 5,061,076	\$ 2,728,188
Second, New York.....	266	356	5,549,095	11,206,118
Third, Philadelphia.....	73	59	1,784,719	1,388,662
Fourth, Cleveland.....	167	176	3,176,711	4,737,431
Fifth, Richmond.....	149	111	2,524,656	1,765,371
Sixth, Atlanta.....	67	90	888,137	1,767,982
Seventh, Chicago.....	211	268	2,675,923	4,337,448
Eighth, St. Louis.....	80	79	1,756,347	1,945,196
Ninth, Minneapolis.....	87	65	1,267,785	1,160,571
TENTH, KANSAS CITY.....	85	130	1,476,916	1,277,290
Eleventh, Dallas.....	55	46	590,436	543,300
Twelfth, San Francisco.....	186	173	2,792,069	3,241,337
United States, October.....	1,581	1,696	\$ 29,543,870	\$ 36,098,804
United States, ten months.....	17,654	16,922	\$371,293,691	\$466,822,258

### Building

Construction in eighteen cities of this District decreased slightly in October from the high rate of activity in September, due for the greater part to unfavorable weather conditions. Fewer permits for buildings were issued during the month than in October of last year. Estimated cost of construction for October, while 17.5 per cent less than for September, was 2.4 per cent above the estimated cost for October a year ago. From January 1 to October 31, this year, 31,099 permits were issued in eighteen cities for building estimated in cost of construction at \$107,831,288, as compared to 29,584 permits and \$86,378,232 for the corresponding ten months in 1924. There is indicated an increase for this year of 1,515 or 5.1 per cent in the number of permits and an increase of \$21,453,056 or 24.8 per cent in building costs. The October record:

	Permits Issued		Estimated Cost		%
	1925	1924	1925	1924	
Casper, Wyo.....	22	43	\$ 12,305	\$ 59,300	-79.2
Cheyenne, Wyo.....	23	27	28,205	13,400	110.5
Colorado Springs, Colo.....	82	113	52,958	91,982	-42.4
Denver, Colo.....	625	916	1,714,000	2,769,200	-38.1
Hutchinson, Kans.....	48	31	117,028	56,045	108.8
Joplin, Mo.....	65	82	61,872	66,470	-6.9
Kansas City, Kans.....	189	236	247,090	304,065	-18.7
Kansas City, Mo.....	566	621	2,708,800	2,594,872	4.4
Lincoln, Nebr.....	186	116	1,256,762	376,950	233.4
Muskogee, Okla.....	14	23	22,840	25,063	-8.8
Oklahoma City, Okla.....	168	162	864,591	347,357	148.9
Okmulgee, Okla.....	5	15	15,500	30,857	-49.7
Omaha, Nebr.....	155	319	954,000	1,119,362	-14.8
Pueblo, Colo.....	112	133	240,160	303,894	-21.0
St. Joseph, Mo.....	72	74	200,030	87,260	129.2
Topeka, Kans.....	120	185	266,730	202,362	31.8
Tulsa, Okla.....	342	225	586,585	592,828	-1.1
Wichita, Kans.....	216	289	390,933	474,511	-17.7
October.....	3,010	3,610	\$ 9,740,389	\$ 9,515,778	2.4
September.....	2,969	3,516	\$ 11,807,101	\$10,233,814	15.4
Ten Months.....	31,099	29,584	\$107,831,288	\$86,378,232	24.8

## RETAIL TRADE IN OCTOBER, TENTH FEDERAL RESERVE DISTRICT

(Based upon reports of 35 Department Stores)

	Kansas City	Denver	Wichita	Omaha	Oklahoma City	Lincoln	Other Cities	All cities Reported
Number of Department Stores Reporting.....	3	4	4	3	3	3	15	35
Percentage increase (or decrease) of Net Sales during October, 1925, over Net Sales during October, 1924.....	7.2	8.4	8.4	35.2	37.8	20.3	14.9	15.1
Percentage increase (or decrease) of Net Sales from January 1 to October 31, 1925, over same period last year.....	1.2	4.4	10.4	30.2	12.7	7.4	2.4	7.1
Percentage increase (or decrease) of Stocks at close of October, 1925, to Stocks at close of September, 1925.....	1.3	3.1	3.6	7.0	9.4	2.1	0.2	3.3
Percentage increase (or decrease) of Stocks at close of October, 1925, to Stocks at close of October, 1924.....	-2.5	0.1	-0.7	12.9	13.0	0.1	-0.1	1.0
Percentage of Outstanding Orders at close of October, 1925, to total pur- chases in calendar year 1924.....	4.3	7.3	4.9	-----	6.7	1.8	11.0	6.0
Percentage of Outstanding Orders at close of September, 1925, to total purchases in calendar year 1924.....	6.2	8.3	6.0	-----	5.0	10.0	8.8	7.2

NOTE: Percentage of collections in October on outstanding accounts September 30, all stores reporting, 49.3%. Collections same month last year 48.0%.

## Building Material

Reports covering October business at 316 retail lumber yards in this District show an unusually large volume of business during October. There were increases for October over September, and also over October, 1924, in dollar sales of lumber and other materials, as well as in sales of lumber in board feet. The following shows the percentages of increase or decrease for October over September and over October, 1924:

	October, 1925 Compared to Sept., 1925	October, 1925 Compared to Oct., 1924
Lumber sales, board feet.....	9.2	17.5
Lumber stocks, end of month.....	-1.2	-3.5
All material sales, in dollars.....	13.4	5.0
Outstandings, end of month.....	1.0	9.8
Collections.....	43.0	14.3

The lumber movement in the United States during the four weeks ending October 31, as reported by the National Lumber Manufacturers Association for all associations, is here shown:

	Four Weeks Ending Oct. 31 Feet	Four Weeks Ending Oct. 3 Feet
Lumber cut.....	1,079,730,235	1,112,387,083
Shipments.....	1,087,681,515	1,111,646,896
Orders.....	1,038,669,896	1,058,929,920

For the first 44 weeks of 1925 the reports on soft woods showed: Lumber cut 11,862,639,121 feet; Shipments 11,634,145,262 feet; Orders 11,268,508,443 feet.

Production of face brick at 72 plants in the United States, including those in this District, averaged 823 thousand brick per plant for the month of October, an increase of 13.8 per cent over September and 10.46 per cent over October, 1924. Shipments, averaging 651 thousand per plant, were 4.4 per cent less than in the previous month and 5.92 per cent less than a year ago.

The paint and glass business has improved with the record-breaking building program this year, and repainting and re-decorating are producing a larger volume of business than ever before.

## Mercantile Trade

Reports from establishments at leading cities of this District showed October was the peak month of the year to date for the volume of wholesale and retail trade. October sales in dollars at all reporting wholesale stores were 6.3 per cent larger than sales in September and 6.1 per cent larger than sales in October a year ago, while sales at department stores, reported in dollars, indicated a gain for October of 20 per cent over September and of 15.1 per cent over sales in October, 1924. The volume of sales at both wholesale and retail in the ten months of 1925 exceeded that for the ten months of 1924.

WHOLESALE: October returns from reporting wholesale dry goods establishments indicated that sales for immediate shipment during the month changed but slightly, for the reason that advance orders taken for fall shipments were mainly filled in September. However, the general fall of snow and cold weather increased the demand for seasonable winter goods. Retailers continued to buy in small lots and numerous shipments combined to make the volume of merchandise distributed larger than a year ago. The same tendency to buy in small lots was reflected in the reports of wholesale grocers, although heavy demand for food at retail stores resulted in an enormous volume of purchases from wholesalers. The wholesale hardware trade in October exceeded expectations, and was indicative of the better conditions prevailing throughout this District. There was but slight change in the month's volume of furniture trade at wholesale from that reported for the previous month and also for October of last year, although dollar sales in October were larger than in either of the two months with which comparison is made. There was a slight falling off in the volume of sales of drugs at wholesale at some of the trade centers, due to unseasonable weather conditions, but the combined total sales of all houses reporting was slightly larger in October than in September and in the same month last year. Wholesale millinery trade showed less activity than in preceding fall months.

RETAIL: Reports covering October trade at retail stores in cities of this District were more favorable than those for any preceding month this year. With the buying power of their customers increased by improved conditions, Christmas shopping under way and a season of cold weather as an urge to buying winter goods, sales at retail stores mounted to high figures. Taking as an index the reports from thirty-five department stores it is found that the aggregate of their October sales in dollars exceeded that for the month of September by 20 per cent, and the October total of dollar sales was 15.1 per cent larger than that for October, 1924. The gains indicated by these percentages were not confined to any particular city or section. Only one of the thirty-five department stores reported smaller sales in Octo-

## WHOLESALE TRADE FOR OCTOBER, 1925

	SALES		OUTSTANDINGS	
	No. of Stores	Oct., 1925 compared with Sept., 1925	Oct., 1925 compared with Oct., 1924	Oct. 31, 1925 compared with Oct. 31, 1924
Dry Goods.....	4	2.6	10.9	3.7
Groceries.....	6	9.9	3.4	10.9
Hardware.....	9	17.0	9.0	1.4
Furniture.....	5	0.2	0.8	1.7
Drugs.....	8	4.2	4.4	8.1
Millinery.....	4	-43.1	-11.3	-----



ber than in September, and only four of the thirty-five reported smaller sales in October than in October, 1924.

**COLLECTIONS:** Wholesale dealers reported collections generally satisfactory. Amounts outstanding on their books at the close of October were larger than a month ago or a year ago, due to the increased volume of business. At department stores there was but slight change. The figures on collections on outstandings was 49.3 per cent as compared with 48.0 per cent in the corresponding month last year. Distributors of implements reported collections very good where crop conditions were normal but slow where crops were poor or almost a failure. Lumber dealers reported a marked improvement in collections on accounts.

### Grain Movements

Primary markets in this District reported smaller receipts of wheat, rye, barley and kafir, and larger receipts of corn, in October than were received in September of this year or in October of last year. Receipts of oats during October were smaller than in the previous month, but larger than in October a year ago. The month's receipts at five markets:

	Wheat Bus.	Corn Bus.	Oats Bus.	Rye Bus.	Barley Bus.	Kafir Bus.
Kansas City.....	3,348,000	666,250	1,343,000	31,900	60,000	24,200
Omaha.....	1,547,000	1,026,200	1,462,000	57,400	68,800	.....
Hutchinson.....	1,036,800	5,000	4,500	.....	5,000	22,100
St. Joseph.....	1,064,000	771,000	252,000	.....	5,250	.....
Wichita.....	981,100	80,000	67,500	.....	14,400	.....
October, 1925.....	7,976,900	2,548,450	3,129,000	89,300	153,450	46,300
September, 1925.....	9,301,700	2,124,950	4,042,900	125,800	180,100	93,500
October, 1924.....	24,975,300	2,034,700	2,961,700	398,200	262,450	135,700

Stocks of grain at Kansas City, Omaha, St. Joseph and Wichita on October 31, as compared with stocks on November 1, 1924 were: wheat 8,845,422 bushels against 28,007,785 bushels; corn 395,700 bushels against 737,000 bushels; oats 11,022,699, bushels against 4,407,000 bushels.

### Flour Production

Southwestern mills, reporting their output weekly, produced 1,955,902 barrels of flour in October, 45,675 barrels or 2.4 per cent more than in September and 680,730 barrels or 25.8 per cent less than in October, 1924. Production during the month was the largest of the year, save in January. The October output at the principal milling centers, representing approximately 70 per cent of all flour made in this District, is shown in barrels in the following compilation of reports to the Northwestern Miller:

	Oct., 1925 Barrels	Sept., 1925 Barrels	Oct., 1924 Barrels
Atchison.....	117,816	117,386	*
Kansas City.....	553,342	520,780	584,913
Omaha.....	97,548	88,314	111,683
Salina.....	121,080	128,488	129,438
St. Joseph.....	172,379	154,451	207,976
Wichita.....	130,358	137,899	264,905
Outside.....	763,379	762,909	1,337,717
Total.....	1,955,902	1,910,227	2,636,632

\*Included in total for outside mills.

### Farm Implements

By October 1 most of the distributors of farm implements and machinery had completed their 1925 deliveries and were booking orders for next year's business. The contracting with dealers was given a good start in October, according to the reports, and much more interest was shown than in the last quarter of 1924 when contracts were written for 1925 delivery. This year's business has been much larger than that of 1924, and early contracts indicated a large business next year, under normal crop conditions.

### Farm Crops

The harvesting of late crops in the Tenth District was greatly retarded and in many instances practically suspended, by unseasonably cold and freezing weather and storms of rain, sleet and snow in late October and early November. Reports indicated that unharvested crops—notably of cotton, potatoes, sugar beets and, to some extent, corn—were damaged more or less seriously. Early seeded wheat, generally up and to good stands, made slow growth and prospects for early pasturage in many sections were reduced, while the ground was too wet and cold for proper germination of late seeded wheat. Last cuttings of alfalfa also were injured and of little feeding value. In the face of such conditions, however, the November reports issued by the United States Department of Agriculture and the State Boards of Agriculture showed generally better prospects than were anticipated one month earlier in the season. The composite figures for all crops compiled by the United States Department of Agriculture, however, show the November percentage in four states was higher and in three states lower than the figures reported on October 1. These composite figures, in percentages with 100 representing the average crop for ten years, follow:

	Nov. 1 1925	Oct. 1, 1925	Change in Month
Colorado.....	83.6	85.2	-1.6
Kansas.....	79.0	76.4	2.6
Missouri.....	98.6	97.4	1.2
Nebraska.....	86.1	83.8	2.3
New Mexico.....	84.2	90.8	-6.6
Oklahoma.....	79.2	78.5	0.7
Wyoming.....	96.5	97.2	-0.7
United States.....	99.6	96.1	3.5

**CORN:** Probable yields of corn in the seven states whose areas either as a whole or in part form the Tenth District were estimated at 595,941,000 bushels of which approximately 433,059,000 bushels properly were to be credited to the District. These totals indicated the corn crop in the seven states should slightly exceed that of last year, while for the District proper there is a slight decrease in prospect, provided the November condition is maintained until the corn crop is harvested. Husking and snapping of corn was hindered by unfavorable weather conditions but was generally resumed and under way by Armistice day. Nearly every part of Kansas reported better average yields than were forecast October 1, and the average for the state was 17.5 bushels per acre. Nebraska corn also showed a better average for the state than indicated by earlier reports, and that state retains its position as the banner corn producing state of the Tenth District. Missouri corn, according to the November report, was estimated at 29.5 bushels per acre. Very little of the crop had been cribbed to the middle of November. Oklahoma's corn yield was estimated at 7.5 bushels per acre, the lowest for years, as a result of the summer's dry weather. Colorado made a forward stride in corn production this year. Wy-

### PRODUCTION OF CORN IN SEVEN STATES (U. S. Department of Agriculture Reports)

	Nov. 1 1925 Bushels	Oct. 1 1925 Bushels	Yield 1924 Bushels
Colorado.....	24,645,000	27,372,000	15,650,000
Kansas.....	117,093,000	108,193,000	130,905,000
Missouri.....	203,255,000	200,306,000	170,612,000
Nebraska.....	222,768,000	215,255,000	203,280,000
New Mexico.....	2,500,000	2,470,000	4,200,000
Oklahoma.....	21,600,000	21,715,000	65,600,000
Wyoming.....	4,080,000	4,080,000	2,310,000
Seven States.....	595,941,000	579,391,000	592,557,000
Tenth District.....	433,059,000	399,453,000	452,646,000
United States.....	3,013,390,000	2,917,836,000	2,436,513,000

PRODUCTION OF COTTON IN SOUTHWESTERN STATES  
(Crop Reporting Board, U. S. Department of Agriculture)

	Nov. 14	Nov. 1	Oct. 1	Ginned
	1925 Bales	1925 Bales	1925 Bales	1924 Bales
OKLAHOMA.....	1,500,000	1,520,000	1,540,000	1,511,000
MISSOURI.....	235,000	245,000	240,000	189,000
NEW MEXICO.....	61,000	61,000	60,000	55,000
Texas.....	4,050,000	4,100,000	3,875,000	4,951,000
Louisiana.....	895,000	895,000	835,000	493,000
Arkansas.....	1,480,000	1,480,000	1,400,000	1,098,000
Arizona.....	94,000	94,000	94,000	108,000
California.....	130,000	130,000	114,000	78,000
Eight S. W. States.....	8,445,000	8,525,000	8,158,000	8,483,000
*Tenth F. R. Dist.....	1,485,000	1,507,000	1,518,000	1,442,000
United States.....	15,298,000	15,386,000	14,759,000	13,628,000

\*Includes all of Oklahoma except 8 southeastern counties, 19 counties in Missouri and 10 counties in New Mexico.

ming reported about 75 per cent more corn than last year, and New Mexico's crop was expected to fall about 40 per cent short of last year's production.

**COTTON:** This year's cotton crop in the Southwest Cotton Belt was estimated as of November 1 condition at 8,525,000 bales of 500 pounds gross, or 55.4 per cent of the probable United States crop of 15,386,000 bales, reported by the crop reporting board of the United States Department of Agriculture. The preliminary report indicated that the final out-turn of the crop may be larger or smaller than November 1, as developments during the remainder of the season prove more or less favorable to the crop than usual. Thus the mid-month report as of November 14 reflected a reduction of 80,000 bales from the November 1 estimate for the eight states. Oklahoma's yield was placed at 1,500,000 bales, 11,000 bales less than the 1924 total. A late report from Oklahoma said rain and snow and wet fields hindered cotton picking and slow progress was made. In most sections a large percentage of the crop was still in the fields at the beginning of the second week in November, and there was serious damage to the unpicked crop by wet and cold weather. The estimate of the Oklahoma State Board of Agriculture was for a crop of 1,386,000 bales, 134,000 less than the Government estimate on November 14.

**POTATOES:** Most of the potato crop was harvested before the October freeze, but a few scattered fields were still undug and it was expected that those remaining in the ground would be unfit for food. The potato yields by states:

	Est. Nov. 1	Final Yield
	1925 Bushels	1925 Bushels
Colorado.....	12,610,000	11,640,000
Kansas.....	3,631,000	5,130,000
Missouri.....	6,099,000	10,200,000
Nebraska.....	6,192,000	7,743,000
New Mexico.....	254,000	210,000
Oklahoma.....	3,851,000	3,225,000
Wyoming.....	2,040,000	1,520,000
Seven States.....	34,677,000	39,668,000
Tenth District.....	26,473,000	31,159,000
United States.....	346,503,000	454,784,000

**GRAIN SORGHUMS:** The year's production of grain sorghums in the Tenth District, based on November 1 estimates, was approximately 52,500,000 bushels as compared with 63,000,000 bushels last year. Kansas reported a probable crop of 26,606,000 bushels, 16,000 bushels less than last year. Oklahoma's crop was estimated at 20,910,000 bushels, a decrease of 8,704,000 bushels. Colorado reported 3,388,000 bushels and a gain of 368,000 bushels. There were small increases in Nebraska and Missouri and about one-half crop in New Mexico.

**SUGAR BEETS:** Numerous storms following each other in rapid succession with low temperatures during October inter-

ferred with the harvest of sugar beets, according to the monthly crop report issued by the Wyoming crop and livestock estimates service. A considerable portion of the sugar beet crop remained in the soil. Conditions somewhat similar prevailed in Colorado and Nebraska, but no estimate of the damage to the crop was reported. Unofficial estimates place this year's crop of sugar beet tonnage at about 72 per cent of last year's crop of about 3,600,000 tons.

**FRUIT:** November reports indicated an apple crop of 12,091,000 bushels in six states, against a crop of 14,593,000 bushels last year. Missouri reported a crop of 5,200,000 bushels, or 100,000 bushels less than last year. Colorado, with 2,952,000 bushels, showed a decrease of 72,000 bushels. In Kansas and Oklahoma this year's yields were about 38 per cent less than those of last year. The pear crop in five states was estimated at 1,216,000 bushels against 1,450,000 bushels in 1924. The states of Colorado, Kansas, Missouri, Nebraska, Oklahoma and New Mexico produced 11,195 tons of grapes, 1,313 tons less than last year's production, according to the November estimate.

### Live Stock

Movements of live stock from farms and ranges to primary markets in the Tenth District in October were the largest of the current year for all classes except hogs. However, the October marketings of all classes of live stock except horses and mules fell short of those in October a year ago. Returns from six leading live stock and meat packing centers in this District showing receipts of live stock during October are here given:

	Cattle	Calves	Hogs	Sheep	Horses	Cars
					Mules	
Kansas City.....	311,304	77,809	204,067	150,492	5,436	14,717
Omaha.....	205,130	20,738	163,946	200,853	2,130	10,431
St. Joseph.....	79,366	16,495	114,873	103,107	1,097	4,567
Denver.....	94,484	9,054	225,901	646,597	7,102	5,899
Oklahoma City.....	28,697	10,458	16,241	2,048	1,427	1,067
Wichita.....	34,950	10,641	35,935	16,702	2,826	1,550
October, 1925.....	753,931	145,195	560,963	1,119,799	20,018	38,231
Sept., 1925.....	583,325	106,221	590,783	983,396	15,486	32,677
October, 1924.....	808,084	155,397	774,096	1,197,894	16,832	42,751

A summary of reports covering ten months of 1925 shows 4,764,409 cattle received at the six markets, 172,641 head or 3.4 per cent less than the first ten months of 1924. Receipts of 856,565 calves indicated in increase of 14,926 or 1.7 per cent. Receipts of sheep, 6,523,312 head, were 48,908 or 0.7 per cent smaller. Hogs, with the ten months receipts at 7,670,459, were 1,887,717 or 19.7 per cent short of the market supply in the ten months of 1924. The number of horses and mules received at the six markets from January 1 to October 31, inclusive, was 109,327, an increase of 6,365, or 6.1 per cent over ten months in 1924, and the largest ten months total since 1920.

**PRICES** of fat steers and yearlings broke sharply in the latter part of October and at the close were \$1 to \$2 under closing prices for September. Stock and feeding cattle advanced in the first half of October and after some breaks final prices were about the same as at the beginning of the month. Sharply lower prices were paid for sheep and lambs in the third week of the month, but most of the loss was regained at the close, best native spring lambs were selling at \$14.75, fed natives up to \$15.25, and feeding lambs at \$15. Hog prices declined and at the close were generally \$2 under the prices paid during the previous month. At the end of October all live stock values were generally stabilized and considerably above those of a year ago.

**STOCKER AND FEEDER OUTGO:** The supply of stock and feeding cattle, calves, and sheep and lambs at Tenth District markets was the largest of the year in October, and country-ward shipments were correspondingly large, but not so large as in October a year ago. It was observed that 45.2 per cent of the



October receipts of cattle at four markets were shipped to the country for feeding. The movement of sheep to the country for feeding, totaling 754,308 for the four markets reported, represented 67.4 per cent of the month's receipts at the same markets. The returns which follow show, however, that the October outgo of stockers and feeders from the four markets was considerably below that for October of last year.

	Cattle	Calves	Hogs	Sheep
Kansas City.....	160,344	11,894	6,097	59,711
Omaha.....	90,457	-----	51	105,872
St. Joseph.....	30,149	2,767	4,481	33,190
Denver.....	59,577	2,679	4,186	555,535
October, 1925.....	340,527	17,340	14,815	754,308
September, 1925.....	209,593	6,086	10,556	448,255
October, 1924.....	397,326	22,497	21,423	771,927

**Meat Packing**

The more liberal supplies of cattle and calves in October was an incentive to increased production of beef and veal at the six leading packing centers of the Tenth District. The month's slaughter of cattle, as indicated by packers' purchases, exceeded that for September by 6.7 per cent. It was the largest for any month this year and was within 2.1 per cent of the heavy October slaughter last year. The number of calves slaughtered in October was 19.6 per cent larger than in September and, with the exception of August this year, the largest for a single month on records dating back to 1918. The slaughter of sheep and lambs in October was not so large in numbers by 22.6 per cent as in September, and was 10.5 per cent below the records for October a year ago. Notwithstanding a 5 per cent decrease in the market supply of hogs, there was a slight increase over September in the number of hogs driven or shipped to packers' pens, but the October total was 35.9 per cent smaller than that for October, 1924. The record of meat animals driven or shipped direct to packers' yards and slaughter pens at the six centers follows:

	Cattle	Calves	Hogs	Sheep
Kansas City.....	134,745	43,754	130,735	89,739
Omaha.....	99,600	14,061	109,016	81,026
St. Joseph.....	44,745	11,947	79,246	69,561
Denver.....	14,341	5,827	17,187	13,359
Oklahoma City.....	17,869	9,562	13,509	279
Wichita.....	9,463	3,685	33,276	1,705
October, 1925.....	320,763	88,836	382,969	255,669
September, 1925.....	300,501	74,305	382,518	330,183
October, 1924.....	327,847	87,521	597,851	285,506

Stocks of pork and lard at Kansas City have been reduced month by month since last February until on October 31 they were down to 19,391,600 pounds, the lowest mark of record for the years 1923, 1924 and 1925. One year ago stocks at Kansas City were 21,762,500 pounds and two years ago the total was 32,408,300 pounds.

**Petroleum**

Production of crude oil at wells in the Tenth District during October averaged 680,517 barrels daily, as against 724,274 barrels daily in September and 676,724 barrels daily in October, 1924. Gross production for the thirty-one days of October was 21,096,000 barrels, which compares with 21,728,000 barrels for thirty days of September and 20,978,000 barrels for the thirty-one days of October, 1924. The following table shows the number of barrels of crude oil produced in each of the five states:

	*Oct. 1925 Barrels	**Sept. 1925 Barrels	**Oct. 1924 Barrels
Oklahoma.....	14,783,000	15,499,000	15,569,000
Kansas.....	3,409,000	3,371,000	2,584,000
Wyoming.....	2,614,000	2,604,000	2,743,000
Colorado.....	138,000	136,000	64,000
New Mexico.....	152,000	127,000	18,000
Total barrels.....	21,096,000	21,728,000	20,978,000

\*Estimated, American Petroleum Institute. \*\*Official, U. S. Geological Survey.

Field operations in October were retarded to a considerable extent by unfavorable weather conditions. New development work under way at the first day of November, as indicated by the number of rigs and wells drilling, was 1.1 per cent less than on October 1 and 2.2 per cent greater than on November 1, 1924. Following is the summary for October:

	Wells Completed	Bbbs. Daily New Prod'n	Dry Wells	Gas Wells	Rigs—Wells Drilling
Oklahoma.....	433	69,664	142	46	1,236
Kansas.....	182	16,084	56	8	438
Colorado.....	4	1,230	1	0	122
Wyoming.....	60	6,192	7	0	356
New Mexico.....	29	5,039	3	0	122
October, 1925.....	708	98,209	209	54	2,274
September, 1925.....	688	123,258	176	39	2,299
October, 1924.....	439	94,161	122	46	2,224

A reduction of refinery operations in October came as a result of unseasonably cold weather and a slowing down of demand for gasoline. In Oklahoma and Kansas 66 refineries were in operation on November 1 and daily runs of crude oil to stills was 251,350 barrels. On October 1 there were 73 refineries operating and their daily runs of crude oil was 273,740 barrels. The record for November 1, 1924, was 73 refineries in operation and daily runs of 238,750 barrels.

**Mining**

Production of zinc and lead ores at the mines in the Tri-state district was at the year's highest rate of activity at the end of October and in the first week of November, due to heavy demand and steady prices for these ores. Zinc ores, selling at an average of \$56 a ton in the first week in October advanced to \$57 in the second week, then to \$58 in the third and fourth weeks, and to \$59 as the average for the first week in November. These prices were \$14.50 to \$15 per ton above the prices paid in the corresponding weeks in 1924, which were the highest of that year. Lead ore prices, after falling to \$110 per ton in the second week, rose to \$120, which was the average for the third and fourth weeks, and in the first half of November the average price paid for lead ores was \$130, or \$10 above the price for the corresponding weeks in 1924.

Shipments of both zinc and lead ores during the weeks ending October 10, 17 and 24 were much lighter than in preceding weeks, though under the stimulus of the higher prices shipments of both classes of ores increased in the last week and in the first two weeks of November. The following shows the shipments of zinc and lead ores and their sales value for the Tri-state district:

	ZINC ORES		LEAD ORES	
	Tons	Value	Tons	Value
Oklahoma.....	43,392	\$ 2,455,490	5,458	\$ 648,840
Kansas.....	16,748	952,977	1,841	219,505
Missouri.....	3,931	224,012	119	14,040
Four weeks to Oct. 31.....	64,071	\$ 3,632,479	7,418	\$ 882,385
Four weeks to Oct. 3.....	72,918	3,974,181	9,559	1,111,445
Four weeks in 1924.....	68,855	2,902,669	10,346	1,139,629
Forty-four weeks, 1925.....	673,028	35,344,124	102,435	11,864,015
Forty-four weeks, 1924.....	607,709	25,099,546	79,876	8,232,788

Late reports, as of November 14, showed 168 mills operating in the Tri-state District, the highest number ever in operation at one time.

**METAL MINING IN COLORADO:** Reports from the camps in Colorado indicated a very marked increase in metal mining during the current year. While complete figures on production at the camps were not available, the railroad reports indicated the tonnage of ores shipped to smelters this year to the end of October was 40 per cent larger than for the like period in 1924. It is not anticipated that this year will show any appreciable increase in gold production in Colorado, which has been

cut down by the practical abandonment of placer mining in the state. However, the increased demand and the better prices paid for silver, lead and zinc have been an important factor which has encouraged larger production of these metals. This year's output of silver is showing an increase about in line with the large increases in the output of lead and zinc. Another important factor which has helped to make revival of mining a reality is the introduction of modern machinery by which low grade ores, that formerly were cast on the dump as worthless and a loss to the miners, are now treated at a fair margin of profit. The increased mining activity in the state is reflected by a survey made by the Colorado Mining Association which showed 5,700 men engaged in mining, compared to a maximum of 3,900 at the peak time a year ago. Development operations are going forward at the old camps and there is more prospecting in the state than has been observed for many years. The smelters, particularly those at Leadville, are installing new equipment for handling the increasingly large production of ores. There is also increased activity at the metal mines in New Mexico and this year's output of ores is running ahead of that for last year.

**BITUMINOUS COAL:** Activity at the soft coal mines in this District increased in October and production for the month

was 23.4 per cent larger than in September and 6.6 per cent above that of October, 1924. The record of coal production:

	*Oct. 1925 Tons	Sept. 1925 Tons	Oct. 1924 Tons
Colorado.....	1,114,000	931,000	1,010,000
Kansas.....	425,000	350,000	435,000
Missouri.....	327,000	260,000	318,000
New Mexico.....	255,000	200,000	251,000
Oklahoma.....	259,000	217,000	292,000
Wyoming.....	870,000	676,000	744,000
Six States.....	3,250,000	2,634,000	3,050,000

\*Estimated

Coke production in Colorado and New Mexico from January 1 to October 31 was 200,000 tons compared with 221,000 for a like period in 1924.

**PORTLAND CEMENT:** Production and shipments of Portland cement at mills in this District in October were slightly smaller than in September and smaller than in October of last year. The returns:

	FIVE STATES		UNITED STATES	
	Oct. 1925 Bbls.	Oct. 1924 Bbls.	Oct. 1925 Bbls.	Oct. 1924 Bbls.
Production.....	1,204,000	1,260,000	15,992,000	14,820,000
Shipments.....	1,151,000	1,498,000	15,309,000	17,160,000
Stocks end of month.....	1,917,000	1,053,000	10,930,000	6,073,000

## Business Conditions in the United States

Industrial activity and the volume of wholesale and retail trade increased in October. Wholesale prices declined somewhat to the level prevailing at mid-year.

**PRODUCTION:** The Federal Reserve Board's index of production in basic industries, which makes allowance for seasonal changes, rose by about 4 per cent in October, reflecting increases in the output of most of the 22 commodities included in the index. Particularly large increases in activity were shown for the iron and steel and textile industries, and the output of bituminous coal and of lumber was in large volume. Production of automobiles in October was the largest on record. Payrolls at factories, including industries not covered by the production index, increased in October to the highest level since early 1924. The value of building contracts awarded declined further in October, contrary to the usual seasonal tendency in building activity between September and October, but the total was considerably larger than in the corresponding month of any other year. Estimates by the Department of Agriculture in November indicate a corn crop of 3,013,000,000 bushels and a cotton crop of 15,298,000 bales, compared with 2,437,000,000 bushels and 13,628,000 bales in 1924. Marketing of crops was seasonally larger in October than in September but averaged nearly 10 per cent less than a year ago.

**TRADE:** Wholesale trade, according to the Federal Reserve Board's combined index of sales in six leading lines, reached a seasonal peak in October and was in larger volume than for any month of the past five years. Sales at department stores and mail order houses, owing partly to favorable weather conditions, showed considerably more than the usual increase in October and were the largest on record for that month. Stocks of dry goods, shoes, and hardware at wholesale firms were smaller at the end of October than on September 30 but stocks of groceries were larger. Merchandise stocks at department stores showed slightly more than the usual increase in October and were somewhat larger than at the end of October a year ago.

Freight car loadings reached a seasonal peak in October and totaled more than in any previous month, notwithstanding reduced shipments of anthracite and of grains and grain products.

**PRICES:** The Bureau of Labor Statistics index of wholesale prices, after remaining relatively constant for three months, declined from 160 in September to 158 in October, reflecting declines in the prices of agricultural products, particularly grains, live stock, meats, cotton and sugar. Since November 1, prices of grains, wool, sugar, pig iron and rubber have increased.

**BANK CREDIT:** Between the middle of October and the middle of November, loans for commercial and industrial purposes at member banks in leading cities continued in a volume about \$450,000,000 larger than at mid-summer. Loans on securities increased further and total loans on November 11 were about \$1,000,000,000 larger than at the opening of the year. Demand deposits increased further during October and early November to a level near the high point of last January.

At the Reserve Banks total bills and securities in November were in the largest volume for the year and about \$200,000,000 larger than a year ago. Member bank borrowings declined somewhat from the high point reached early in October while acceptance holdings continued to increase and on November 18 were larger than at any previous time for the year. The growth in Reserve Bank credit since mid-summer was chiefly in response to the seasonal increase of money in circulation, which on November 1 was about \$180,000,000 larger than on August 1.

During the latter part of October and early part of November open market rates for commercial paper and bankers acceptances remained substantially unchanged at the levels reached during the early autumn. Discount rates at the Federal Reserve banks of Boston, Cleveland, Philadelphia, and San Francisco were advanced from  $3\frac{1}{2}$  per cent to 4 per cent during November.