

# THE MONTHLY REVIEW

*Of Agricultural, Industrial, Trade and Financial  
Conditions in the Tenth Federal Reserve District*

FEDERAL RESERVE BANK OF KANSAS CITY

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**E**VIDENCE of general business stability in the Tenth District and a volume which compared favorably with that at similar periods in former good business years was reflected by statistical reports, now complete for the first two months of this year. Following the seasonal quiet in the early weeks of the year there was some quickening of activity at the near approach of Spring, and in March business in some lines was a little ahead but in most lines behind that reported at the corresponding time last year.

The course of business in the District in January and February was indicated by the volume and the rate at which funds were checked out of banks by depositors. During the twenty-three banking days in a four-week period ending March 3 payments by check in twenty-nine leading cities was at the rate of \$51,080,782 per day. During the preceding four weeks, ending February 3, in which there were twenty-four banking days, the average was \$50,975,041 per day. During the four-week period ending March 4, 1925, the average for twenty-three banking days was \$50,934,565 per day.

The trade reports showed buying by retailers from wholesalers was steady, although the bulk of merchandise distributed was in small lots for quick delivery. Sales reported in dollars by wholesalers of dry goods, hardware, furniture and millinery were larger in February than in January. Sales of dry goods in February were also larger than in February, 1925, but in other reporting wholesale lines there was some slackening and the volume was not up to that reported a year earlier. Retail trade during February, as reflected by dollar amounts of sales at department stores in leading cities, was 3.4 per cent less than in February last year. Sales from January 1 to March 1, this year, were 2.2 per cent under sales during the same period last year. Unofficial reports indicated March trade was quiet and not up to the expectations of retailers.

The outstanding feature in mineral production during February was an increase over January in the daily average flow of crude oil, but the month's output was smaller than in February of last year. There was some increase in drilling operations over the preceding month and a year ago. Due to seasonally low demand for petroleum products, refinery operations were slightly reduced. Production of zinc and lead ores ran ahead of a year ago, but March reports indicated some curtailment on account of declines in prices. Activity at the soft coal mines slackened during February and production fell below that of a year ago.

Pork packing at the leading market centers of this district was nearly 42 per cent behind February of last year and clearly reflected the large decrease in the supply of hogs. Slaughter of cattle and sheep for the dressed meat trade was heavier than last

## STATISTICAL RECORD, TENTH FEDERAL RESERVE DISTRICT

Returns for February 1926 compared with January 1926 and February 1925

	Feb., 1926	Jan., 1926	Feb., 1925	Per Cent Change Year
Bank debits, 29 cities.....	\$1,174,858,000	\$1,223,402,000	\$1,171,495,000	0.3
Clearings, F. R. Bank....	\$ 809,969,000	\$ 932,787,000	\$ 791,058,000	2.3
Items handled.....	5,308,263	5,689,267	5,160,840	2.9
Deposits, 69 banks.....	\$ 646,203,000	\$ 636,653,000	\$ 638,679,000	1.2
Loans, 69 banks.....	\$ 443,323,000	\$ 438,322,000	\$ 449,922,000	-1.5
Investments, 69 banks....	\$ 185,755,000	\$ 180,790,000	\$ 165,003,000	12.6
Business failures.....	87	147	90	-3.3
Amount of liabilities..\$	703,410	\$ 1,348,728	\$ 1,093,915	-35.6
Bldg. permits, 18 cities..	2,191	1,362	2,880	-23.9
Construction cost.....\$	6,785,087	\$ 4,275,298	\$ 11,207,400	-39.5
Coal produced, tons.....	2,151,000	3,035,000	2,549,000	-15.6
Crude oil produced, bbls.	17,890,000	19,666,000	18,715,000	-4.4
Flour produced, bbls.....	1,553,342	1,721,669	1,797,756	-13.6
Grain receipts, 6 markets:				
Wheat, bus.....	5,649,200	6,244,300	7,618,250	-25.8
Corn, bus.....	4,962,700	7,104,700	5,176,450	-4.1
Oats, bus.....	1,177,700	1,530,200	1,873,000	-37.1
Live stock receipts, 6 markets:				
Cattle.....	332,042	406,592	349,234	-4.9
Calves.....	50,646	63,210	58,973	-14.1
Hogs.....	642,034	838,912	1,008,478	-36.3
Sheep.....	568,528	497,335	580,122	-2.0
Horses and mules.....	17,158	14,710	16,490	4.1
Meat packing, 6 centers:				
Cattle.....	206,717	232,809	197,534	4.6
Calves.....	44,365	50,093	48,820	-9.1
Hogs.....	463,555	636,645	794,915	-41.7
Sheep.....	357,546	326,035	292,351	22.3
Ore shipped, Mo.-Kans.-Okla.:				
Zinc, tons.....	77,093	62,580	67,485	14.2
Zinc, value.....\$	3,952,677	\$ 3,462,463	\$ 3,533,320	11.9
Lead, tons.....	12,306	7,859	10,695	15.1
Lead, value.....\$	1,462,609	\$ 944,842	\$ 1,358,150	7.7

year, even though market supplies of both classes of live stock fell off.

The diminishing supply of wheat on farms and at the markets was also reflected in a decrease in production of flour at Southwest mills during February as compared with the corresponding month last year. On the other hand, with farm supplies of corn exceeding those of last year, marketings were smaller during February than in January and a year ago, which was attributed to this year's low prices.

The agricultural situation at the beginning of March was quite favorable. Farm work was well advanced, winter grains were in good condition, and prospects were favorable for a year of large production.

The live stock industry was in strong position in March. Adjustments of cattle prices to higher levels was encouraging to

cattlemen and reports indicated a tendency to restock herds on ranges. Sheep men reported a good lamb crop in prospect and more sheep on farms than a year ago, but there was comparatively little contracting of both lambs and wool as compared with a year ago. Efforts to increase the hog supply by withholding sows from the markets and more extensive breeding were reported.

Building operations during the first two months of the year were moderately large, but the value of permits issued was considerably less than for the first two months of 1925. The labor outlook was good, with industrial employment in cities expanding and the call for farm help increasing with the advance toward spring.

### Banking and Credit

Demand for credit at the banks in this District increased during February with the seasonal expansion of activities. Investments by banks early in March reached the highest level of record. Deposits continued heavy, with the gross at reporting member banks on March 3 showing an increase of 1.5 per cent over a month earlier and an increase of 1.2 per cent over the corresponding date last year. Under the conditions of money supply rates were the same as those prevailing for several months past. The situation in this District with respect to banking operations, as a whole, is reflected by the combined reports of 69 member banks to the Federal Reserve Bank of Kansas City. The figures showing the principal resource and liability items of these reporting banks are here shown for March 3, 1926, and also for February 3, 1926, and March 4, 1925, for comparison:

	Mar. 3, 1926	Feb. 3, 1926	Mar. 4, 1925
	69 Banks	69 Banks	71 Banks
Loans and Discounts.....	\$443,323,000	\$438,322,000	\$449,922,000
Investments.....	185,755,000	180,790,000	165,003,000
Loans, Disc. and Invest.....	629,078,000	619,112,000	614,925,000
Demand Deposits.....	496,034,000	491,397,000	500,806,000
Time Deposits.....	148,365,000	143,475,000	137,216,000
Government Deposits.....	1,804,000	1,781,000	657,000
Total Deposits.....	646,203,000	636,653,000	638,679,000
Reserve Balance.....	53,760,000	56,557,000	55,581,000

The weekly condition statements of the Federal Reserve Bank of Kansas City and branches as of March 3 showed increases in the amount of discounted and purchased bills over amounts held on February 3 and on March 4 last year. Subsequent weekly statements in March showed a perceptible decline in the reserve bank's bill holdings, although the totals reported—and also the totals of United States Government securities held—exceeded those reported at the corresponding dates in 1925. The principal items contained in the statement of the Federal Reserve Bank of Kansas City as of March 3 are here compared with those reported on February 3 of this year and March 4 of last year:

	Mar. 3, 1926	Feb. 3, 1926	Mar. 4, 1925
Gold Reserves.....	\$ 79,693,659	\$ 89,360,620	\$113,345,761
Total Reserves.....	84,454,389	94,326,180	117,236,212
Bills Discounted.....	22,558,444	15,115,801	4,577,865
Bills Purchased.....	14,738,737	14,441,388	12,576,459
U. S. Gov't Securities.....	33,959,700	35,607,700	23,959,800
Total Bills & Securities.....	71,696,181	65,520,889	42,076,124
Total Resources.....	212,906,800	206,459,979	213,594,729
F. R. Notes in Circulation.....	65,165,200	66,642,750	67,047,940
Total Deposits.....	90,080,495	91,609,652	91,260,683
Reserve Ratio.....	54.4%	59.6%	74.0%

### Government Financing in March

The Government's March offering was an issue of  $3\frac{3}{4}$  per cent 30-year Treasury Bonds, dated March 15, 1926, maturing March 15, 1956, and redeemable at the option of the Secretary of the Treasury on and after March 15, 1946. At the closing of the books at the Federal Reserve Bank of Kansas City on March 15 this district's quota was greatly oversubscribed. Total subscriptions to the issue in the United States, announced

by Secretary Mellon, were \$647,243,900, of which \$494,898,100 was allotted. All subscriptions on amounts not exceeding \$50,000 were allotted in full, while allotments on subscriptions in amounts over \$50,000 were made on a graduated scale. The subscriptions and allotments were divided among the twelve Federal Reserve Districts, as follows:

Federal Reserve Districts	Subscriptions Received	Subscriptions Allotted
First, Boston.....	\$ 80,855,700	\$ 69,110,700
Second, New York.....	171,108,600	98,601,600
Third, Philadelphia.....	77,456,300	67,061,300
Fourth, Cleveland.....	67,819,800	51,090,000
Fifth, Richmond.....	28,303,200	20,740,400
Sixth, Atlanta.....	28,835,100	26,945,100
Seventh, Chicago.....	54,373,200	48,655,200
Eighth, St. Louis.....	22,017,100	19,348,100
Ninth, Minneapolis.....	16,438,900	13,894,700
TENTH, KANSAS CITY.....	22,402,100	18,087,100
Eleventh, Dallas.....	17,620,400	12,920,400
Twelfth, San Francisco.....	60,013,500	48,443,500
Totals.....	\$647,243,900	\$494,898,100

### Savings in Banks

Continued steady increase in the volume of savings deposits and also in the number of accounts, was reported. In fifty-six banks located in leading cities of the district the March 1 reports showed an increase in deposits of 1.3 per cent over the total reported on February 1, and an increase of 2.6 per cent over the total on March 1, 1925. The number of savings accounts in fifty-two banks on March 1 was 0.8 per cent larger than a month earlier and 4 per cent larger than a year earlier. The record of savings deposits and accounts follows:

#### DEPOSITS

Banks	Mar. 1, 1926	Feb. 1, 1926	Mar. 1, 1925
Denver, Colo.....	6 \$ 49,214,675	\$ 48,204,485	\$ 50,483,405
Kansas City, Kans.....	4 2,899,985	2,959,149	2,627,197
Kansas City, Mo.....	9 15,044,772	15,041,203	14,169,581
Lincoln, Nebr.....	3 2,925,240	2,898,266	2,790,410
Oklahoma City, Okla.....	8 7,888,817	7,828,239	9,882,379
Omaha, Nebr.....	6 7,440,752	7,366,151	7,450,346
St. Joseph, Mo.....	6 8,886,600	8,911,719	10,210,532
Tulsa, Okla.....	6 12,057,283	11,698,797	7,412,010
Wichita, Kans.....	5 4,395,103	4,418,820	2,849,420
Other Cities.....	3 976,501	998,448	1,042,116
Total.....	56 \$111,729,728	\$110,325,277	\$108,917,396

#### ACCOUNTS

Banks	Mar. 1, 1926	Feb. 1, 1926	Mar. 1, 1925
Denver, Colo.....	6 101,017	100,801	94,930
Kansas City, Kans.....	3 8,330	8,281	7,931
Kansas City, Mo.....	8 76,337	75,182	73,385
Lincoln, Nebr.....	3 14,789	14,742	14,965
Oklahoma City, Okla.....	8 23,253	22,849	20,312
Omaha, Nebr.....	5 37,109	36,984	38,040
St. Joseph, Mo.....	6 20,638	20,711	21,527
Tulsa, Okla.....	5 23,419	23,141	21,256
Wichita, Kans.....	5 16,031	15,946	15,684
Other Cities.....	3 3,697	3,406	3,989
Total.....	52 324,620	322,043	312,019

Deposits to postal savings accounts in 22 cities of the Tenth District, amounting to \$6,975,201 on the last day of January, increased \$112,945 during February to \$7,088,096 at the close of the month. These 19 cities reported increases: Casper, Denver, East Las Vegas, Gallup, Guthrie, Hartshorne, Henryetta, Kansas City, Kansas, Lawton, Leadville, Muskogee, Oklahoma City, Okmulgee, Pittsburg, Pueblo, Shawnee, Sheridan, Sterling and Wichita. Three cities reporting decreases were Cheyenne, Kansas City, Missouri, and Omaha.

### Payments by Check

Clearing houses in twenty-nine cities of this district reported debits by banks against individual accounts, or payments by check, aggregated \$1,174,858,000 in the four weeks ending March 3. This total was \$48,544,000 or 4 per cent less than that for the preceding four weeks ending February 3, but was \$3,363,000 or 0.3 per cent greater than the amount reported by the same clearing houses for their members in the four weeks last year, ending March 4. In ten of the twenty-nine cities, whose reports are received weekly, the amount of debits to individual accounts during the four weeks ending March 3 was larger than that for the like period last year. The amount debited to individual accounts during the four-week periods in 1926 and 1925 in each of the twenty-nine cities is here shown:

	Four Weeks ending Mar. 3, 1926	Four Weeks ending Mar. 4, 1925	Per Cent Change
Atchison, Kans.	\$ 5,993,000	\$ 6,230,000	-3.8
Bartlesville, Okla.	15,085,000	13,047,000	15.6
Casper, Wyo.	8,012,000	11,182,000	-28.3
Cheyenne, Wyo.	5,335,000	5,536,000	-3.6
Colorado Springs, Colo.	11,437,000	12,432,000	-8.0
Denver, Colo.	153,814,000	154,621,000	-0.5
Enid, Okla.	12,245,000	15,203,000	-19.5
Fremont, Nebr.	3,417,000	3,187,000	7.2
Grand Junction, Colo.	2,674,000	2,692,000	-0.7
Guthrie, Okla.	3,553,000	3,352,000	6.0
Hutchinson, Kans.	11,038,000	15,011,000	-26.5
Independence, Kans.	8,899,000	9,617,000	-7.5
Joplin, Mo.	18,146,000	15,883,000	14.2
Kansas City, Kans.	18,292,000	17,687,000	3.4
Kansas City, Mo.	324,713,000	322,627,000	0.7
Lawrence, Kans.	4,880,000	5,026,000	-2.9
Lincoln, Nebr.	29,742,000	32,023,000	-7.1
McAlester, Okla.	4,297,000	4,519,000	-4.9
Muskogee, Okla.	12,263,000	11,592,000	5.8
Oklahoma City, Okla.	86,007,000	76,534,000	12.4
Okmulgee, Okla.	10,710,000	11,852,000	-9.7
Omaha, Nebr.	184,272,000	188,527,000	-2.3
Parsons, Kans.	3,008,000	2,679,000	12.3
Pittsburg, Kans.	6,288,000	6,686,000	-5.9
Pueblo, Colo.	14,681,000	16,758,000	-12.4
St. Joseph, Mo.	55,579,000	58,900,000	-5.6
Topeka, Kans.	15,387,000	17,088,000	-10.0
Tulsa, Okla.	104,756,000	88,075,000	18.9
Wichita, Kans.	40,335,000	42,929,000	-6.0
Total, 29 cities	\$1,174,858,000	\$1,171,495,000	0.3

### Federal Reserve Bank Clearings

During the month of February 5,308,263 checks for amounts aggregating \$809,969,000 were handled by the transit forces at the Federal Reserve Bank of Kansas City and branches at Omaha, Denver and Oklahoma City for 1,020 member banks and 2,645 non-member banks. Clearings during February with its twenty-three banking days were \$122,818,000 or 13.2 per cent less in amount than in January with its twenty-five banking days, although the clearings in February this year exceeded those for February of last year by \$18,911,000 or 2.3 per cent.

The record of clearings for the first two months of 1926 was 10,997,530 items handled and \$1,742,756,000 in amount, against 10,609,379 items and \$1,701,601,000 in amount in the first two months of 1925. Increases for this year over last year were 388,151 or 3.7 per cent in items handled and \$41,155,000 or 2.4 per cent in amount.

### Building

Building operations in eighteen cities of this district during the first two months of the current year were about 30 per cent under those for the corresponding period last year, but were above the average for the two months in eight years preceding this year. The official returns from the eighteen cities, complete to March 1, showed a very large amount of construction under

way, or authorized by permit, indicating large building operations through the spring months.

The value of permits issued in the eighteen cities in February exceeded that for January by 58.7 per cent, but fell below the value of permits issued in February 1925 by 39.5 per cent. Six cities reported increases and twelve cities decreases in the value of their February permits as compared with February 1925. The heavy decreases in some of the larger cities was due in part to the fact that several of the largest building projects last year were launched in February.

Official reports of the number of permits issued and the estimated cost of construction are shown in the following table for the month of February in 1926 and 1925:

	Permits		Estimated Cost		Percent Change
	1926	1925	1926	1925	
Casper, Wyo.	16	12	\$ 61,200	\$ 12,050	407.9
Cheyenne, Wyo.	14	23	27,330	31,325	-12.8
Colorado Springs, Colo.	69	80	68,157	71,553	-4.7
Denver, Colo.	492	793	1,047,500	2,343,700	-55.3
Hutchinson, Kans.	48	26	67,645	125,575	-46.1
Joplin, Mo.	55	37	114,285	25,808	342.8
Kansas City, Kans.	117	131	166,650	188,635	-11.7
Kansas City, Mo.	417	520	1,574,950	5,046,140	-68.8
Lincoln, Nebr.	95	78	1,775,574	241,710	387.2
Muskogee, Okla.	16	28	31,875	35,385	-9.9
Oklahoma City, Okla.	201	216	657,902	505,030	30.3
Okmulgee, Okla.	8	8	24,831	24,500	1.4
Omaha, Nebr.	94	205	316,200	758,105	-58.3
Pueblo, Colo.	82	98	62,490	124,203	-49.7
St. Joseph, Mo.	55	62	79,960	89,805	-11.0
Topeka, Kans.	77	111	247,332	460,384	-46.3
Tulsa, Okla.	170	255	810,600	781,411	3.7
Wichita, Kans.	165	197	248,606	342,081	-27.3
February	2,191	2,880	\$6,785,087	\$11,207,400	-39.5
January	1,362	1,597	\$4,275,298	\$ 4,693,242	-8.9

### Lumber and Materials

Reports from 306 retail lumber yards in towns and cities through the Tenth District showed an increase in sales during February over January but a decrease as compared with February, 1925. Stocks were larger at the end of February than a month earlier and were smaller than at the close of the same month last year. The following summary of the reports shows percentages of increase or decrease for February over January 1926, and February 1925.

	February 1926, Compared to	
	Jan. 1926	Feb. 1925
Sales of lumber in board feet	15.0	-2.4
Stocks, board feet end of month	0.2	-7.7
All material sales, in dollars	2.5	-4.2
Outstandings, end of month	3.3	-1.8
Collections during month	-3.6	6.0

The lumber cut in the United States for four weeks ending February 27, as reported by all associations, was 1,024,613,084 feet, while shipments during the same period were 1,088,980,481 feet, and orders were for 1,114,187,449 feet. These figures indicated production about normal, shipments 6 per cent above production and orders 9 per cent above production.

Production of Portland cement at mills in this district was smaller and shipments larger in February than in the same month last year, as reported by the Bureau of Mines, Department of Commerce. The figures, in barrels, follow:

	Production Barrels	Shipments Barrels	Stocks Barrels
February, 1926	428,000	614,000	1,643,000
January, 1926	256,000	325,000	1,829,000
February, 1925	529,000	578,000	1,870,000

Manufacture of face brick at 72 plants in 19 states averaged 1,060 thousand per plant during January and February, an increase of 0.38 per cent over the first two months of 1925. Shipments averaged 724 thousand per plant or 0.69 per cent above shipments in a like period in 1925.

## THE MONTHLY REVIEW

## WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

Reporting Stores	Sales		Outstandings (Mo. End.)		Collections		Stocks (Mo. End.)		
	Feb. 1926 compared to		Feb. 27, 1926 compared to		Feb. 1926 compared to		Feb. 27, 1926 compared to		
	Jan. 1926	Feb. 1925	Jan. 30, 1926	Feb. 28, 1925	Jan. 1926	Feb. 1925	Jan. 30, 1926	Feb. 28, 1925	
Dry Goods.....	7	2.6	10.2	6.0	17.1	-3.3	1.3	-7.2	8.5
Groceries.....	8	-8.7	-3.5	-4.6	3.1	-4.2	-0.1	5.2	-1.2
Hardware.....	7	16.6	-6.7	8.6	-1.1	-6.4	-3.8	-0.4	5.6
Furniture.....	6	2.4	-10.3	7.3	-2.1	2.2	16.1	0.3	6.5
Drugs.....	8	-7.0	-0.2	-4.5	5.4	0.3	-0.5	-2.3	-4.6
Millinery.....	3	43.3	-13.1	31.0	-5.2	2.2	-28.9	.....	.....

## Wholesale Trade

The month of February closed with an increase in the volume of sales, in dollars, by wholesalers of dry goods over the volume in January and also over the volume in February of last year. Sales of groceries and drugs during the month were smaller than in January and smaller than in February of last year. Sales of hardware, furniture and millinery increased over the January totals, but in each of these three lines the volume was smaller than a year ago.

General conditions affecting trade in the district were much better than they were a year ago, but bad weather and bad roads at times kept February sales from running up. In the dry goods line staple cotton goods were about 10 per cent cheaper than they were at this time in 1925, but retail merchants as a rule, in this as well as in other lines, continued to pursue the policy of buying in small lots and only for immediate and near future requirements.

Supplies of merchandise in the hands of wholesalers were abundant, with no delays in deliveries from manufacturers. Wholesalers' stocks of dry goods at the end of February were smaller than a month earlier. Wholesalers of groceries increased their stocks, but the total at the end of the month was slightly below their stocks a year ago. Stocks of hardware and furniture were larger and stocks of drugs smaller at the close of February than at the close of January and also at the close of February, 1925.

Distribution of implements and farm machinery to March 1 this year were in some lines larger and in other lines about the same as last year to March 1, but general conditions showed considerable improvement over last year, more cash with orders, seemingly more interest in farm operations, and dealers throughout the territory encouraged over the outlook.

## Retail Trade

Sales during February at department stores in leading cities of this district, in dollar amounts, were at approximately the same daily average as in January, although the total for February was smaller on account of the difference in the number of business days. However, the February sales fell 3.4 per cent below those for February, 1925, and the total for the first two months of 1926 was 2.2 per cent under that for the first two months of the preceding year. February sales at twenty-five stores were

smaller and at twelve stores larger than in February, 1925. Sales of women's apparel at special line retail stores averaged slightly less than a year ago, while the same trend was reported for stores handling men's clothing and shoes.

## Collections

Collections by wholesalers during February were reported as satisfactory. Distributors of implements and farm machinery reported collections good. The amount of collections reported by department stores was 19 per cent less than in January but 3 per cent greater than in the corresponding month last year. Cash collections at retail lumber yards were 6 per cent larger in February than in the same month last year.

## Failures

During the month of February there were 87 business failures in the Tenth Federal Reserve District and the amount of their liabilities was \$703,410. This was the smallest number of failures reported for any month since October, 1925, and the smallest amount of liabilities reported for any month since September 1920, nearly five and one-half years ago.

Failures during the first two months of 1926 were 234 and liabilities amounted to \$2,052,138, as compared with 224 failures and \$2,772,304 of liabilities in the first two months of last year.

The February record of business failures and liabilities, in the United States, compiled by federal reserve districts by R. G. Dun & Company, with comparisons, are shown in the table which follows:

	NUMBER		LIABILITIES	
	1926	1925	1926	1925
First, Boston.....	170	173	\$ 2,338,036	\$ 2,095,771
Second, New York.....	308	324	6,174,315	13,046,097
Third, Philadelphia.....	93	72	2,104,852	2,162,977
Fourth, Cleveland.....	188	120	3,966,625	2,057,018
Fifth, Richmond.....	118	121	1,845,307	3,690,393
Sixth, Atlanta.....	100	124	1,762,288	1,596,383
Seventh, Chicago.....	252	287	7,729,996	5,464,081
Eighth, St. Louis.....	100	107	3,186,884	3,343,246
Ninth, Minneapolis.....	85	92	843,138	1,548,919
TENTH, KANSAS CITY.....	87	90	703,410	1,093,915
Eleventh, Dallas.....	62	79	669,997	1,670,801
Twelfth, San Francisco.....	238	204	2,851,500	2,353,415
Total, United States.....	1,801	1,793	\$34,176,348	\$40,123,017

## RETAIL TRADE AT 37 DEPARTMENT STORES IN THE TENTH FEDERAL RESERVE DISTRICT

Stores Reporting	Sales		Stocks (Retail)		Outstanding Orders		Accounts Receivable		Collections	
	Feb. 1926 compared to		February 27, 1926 compared to		February 27, 1926 compared to		February 27, 1926 compared to		February 1926 compared to	
	Feb. 1925	Jan. 30, 1926	Jan. 30, 1926	Feb. 28, 1925	Jan. 30, 1926	Feb. 28, 1925	Jan. 30, 1926	Feb. 28, 1925	Jan. 1926	Feb. 1925
Kansas City.....	3	-5.9	11.6	1.4	-20.0	-10.4	-15.0	6.5	-2.1	-1.0
Denver.....	4	-11.9	10.4	-0.1	23.7	-17.8	-12.7	-7.3	-21.0	-6.1
Wichita.....	4	-2.7	31.5	-1.2	.....	3.8	-3.0	12.3	-19.0	17.0
Omaha.....	2	-2.1	.....	.....	.....	.....	.....	.....	.....	.....
Oklahoma City.....	3	5.9	67.0	32.4	-13.3	-22.0	-13.4	17.1	-25.1	20.1
Lincoln.....	3	0.6	7.7	-5.0	34.8	28.1	-12.5	9.9	-24.4	4.9
Tulsa.....	3	12.4	30.6	5.0	-10.0	-7.3	-8.6	12.7	-22.6	22.2
Other Cities.....	15	-2.0	4.6	-1.9	-3.2	-6.2	-5.8	3.0	-27.2	1.1
Total.....	37	-3.4	17.0	2.9	-2.9	-10.5	-12.7	1.9	-19.0	3.0

NOTE: Percentage of collections in February on outstanding accounts January 30, all stores reporting 40.8%. Collections same month last year 41.7%.

**Agriculture**

In most of the Tenth District farm work was farther advanced near the close of March than was usual for the season. The weather was mild and spring-like during February and March, except for brief periods of storms and low temperatures, while rains and melting snows provided the soil moisture needed for the important period of spring planting and germination. In the extreme southwest counties of Kansas and the extreme northwest counties of Oklahoma precipitation to the first week in March was scant, but this condition was relieved to a considerable extent by general rains over the western Great Plains which extended from the northern line of Nebraska down into Texas.

Winter wheat prospects improved and reports at the beginning of the third week in March showed the crop in excellent condition in all sections of this district. The only exceptions were in southwest Kansas and northwest Oklahoma, where there had been some deterioration and considerable soil blowing previous to the general rain of March 10. On the whole, the condition of winter wheat throughout the district was better than that reported a year ago, and with an increased acreage over last year reports indicated the prospect for a normal crop of wheat was very good.

Seeding of oats had an early start in Oklahoma and southern Missouri and this work was about finished by March 10. South central Kansas reported 60 per cent of the acreage for oats already sown at that time. Toward the middle of March seeding extended throughout northern Kansas and Missouri and was starting in Nebraska and Colorado. Indications were that the total acreage of oats sown in the district this year would closely approximate that of 1925.

Potato planting was completed in the commercial districts of eastern Oklahoma, southern Missouri and southern Kansas by March 15 and a good part of the potato acreage in the Kaw Valley of Kansas was planted by the last week in March.

Corn planting was started in the first week of March in extreme southern sections of Oklahoma and Missouri, although preparations in other sections to that time had not gone beyond the testing of seeds and breaking of stalks for listing. Conditions generally were quite favorable for a large acreage of corn this year, but it was expected that the acreage this year would not be as large as that of last year.

Reports from Oklahoma indicated that while some of the larger producers were reducing their cotton acreages this year, many of the small producers were preparing to increase their cotton acreages. Preparations for this year's planting made excellent progress during February and March in Oklahoma, southern Missouri and in New Mexico.

Efforts were being made to increase production of sugar beets in the irrigated sections of the Rocky Mountains and Great Plains through the introduction of improved farming methods as well as by increasing the acreage planted. Last year's sugar beet acreage was below the yearly average for the five previous years, due in part to delay in negotiating contracts between

growers and refining companies, and in part to abandonment of planted acreages on account of dry weather during the growing season. This year the major sugar beet acreage was under contract by March 1. With guaranteed increase in some sections in the price to be paid for beets, and other conditions generally favorable, an increase in the sugar beet acreage is in prospect in Colorado, Wyoming, Nebraska and Kansas. Last year 380,000 acres of sugar beets were harvested in these four states and production amounted to 3,467,000 tons of beets.

Fruit buds were abnormally advanced and in the southern parts of the district early varieties were blooming early in March. There were low temperatures and some freezing at times during March but reports indicated no material damage, although the situation was hazardous for early blooming tree fruits.

**Grain on Farms**

Stocks of wheat on farms in the Tenth District were smaller and stocks of corn and oats were larger on March 1 than one year earlier, according to reports of the United States Department of Agriculture at Washington and also the reports issued by Government crop reporting bureaus and state boards of agriculture in the several states.

Combined reports from six states, all or a part of whose areas are in the Tenth District, showed 20,042,000 bushels of wheat on farms on March 1 out of 176,475,000 bushels harvested last summer. These totals compare with 33,157,000 bushels of wheat on farms on March 1, 1925, out of 318,410,000 bushels harvested in the summer of 1924. Wheat on farms on March 1 in these six states represented 11.3 per cent of the harvested crop of 1925, while wheat on farms at the corresponding date last year represented 10.4 per cent of the crop harvested in the summer of 1924. This year's was the lowest reserve of wheat on farms in this district for many years and was the natural result of a short crop followed by a keen demand for high grade milling wheat.

Farm reserves of corn on March 1, was reported as 263,623,000 bushels in the six states. This total represented 44.8 per cent of the 588,569,000 bushels of corn produced last year. On March 1, 1925, the same states reported 187,225,000 bushels of corn on farms out of the 1924 crop of 549,784,000 bushels, the reserve amounting to 34 per cent of the total production. The large reserve of corn this year was attributed to a decrease in feeding operations, larger production and a tendency to withhold corn from the market on account of the low price.

The amount of oats on farms on March 1 was 68,464,000 bushels or 34.3 per cent of last year's production in the six states. Barley stocks reached the lowest point for many years on March 1 of this year.

Stocks of wheat in elevators at Kansas City, Omaha, St. Joseph and Wichita on March 1 totaled 8,886,000 bushels against 12,677,000 bushels at the corresponding reporting date in March, 1925. Stocks of corn on the first day of the month at the four grain centers were 7,183,000 bushels against 10,767,000 bushels a year earlier, while stocks of oats were 8,128,000 against 4,046,000 bushels.

FARM STOCKS OF GRAIN IN SIX STATES ON MARCH 1

	WHEAT		CORN		OATS	
	March 1926 Bushels	March 1925 Bushels	March 1926 Bushels	March 1925 Bushels	March 1926 Bushels	March 1925 Bushels
Colorado.....	1,598,000	2,313,000	7,843,000	4,350,000	1,987,000	1,820,000
Kansas.....	6,733,000	14,397,000	39,764,000	40,503,000	11,813,000	9,241,000
Missouri.....	3,295,000	2,780,000	96,629,000	56,160,000	17,700,000	13,040,000
Nebraska.....	5,806,000	9,363,000	113,568,000	69,031,000	28,842,000	27,507,000
Oklahoma.....	1,980,000	3,983,000	4,413,000	16,857,000	6,293,000	7,500,000
Wyoming.....	630,000	321,000	1,406,000	324,000	1,829,000	1,088,000
Six States.....	20,042,000	33,157,000	263,623,000	187,225,000	68,464,000	60,196,000
United States.....	99,279,000	112,042,000	1,318,793,000	759,471,000	577,064,000	546,656,000

## Grain Marketings

Due to the smaller supplies of wheat in this district the February receipts at the five principal markets were smaller than January receipts by 9.5 per cent and smaller than the receipts for February, 1925, by 25.8 per cent. Receipts of corn and oats in February fell below the totals for the preceding month and the same month of last year. February receipts at these markets were:

	Wheat	Corn	Oats	Rye	Barley	Kafir
Hutchinson.....	700,650	155,000	10,500	.....	.....	89,700
Kansas City.....	2,616,300	2,072,500	443,700	15,400	15,000	290,400
Omaha.....	845,600	1,766,800	572,000	61,600	27,200	.....
St. Joseph.....	613,200	780,000	126,000	.....	.....	7,500
Wichita.....	873,450	188,400	25,500	.....	2,400	14,400
Feb. 1926.....	5,649,200	4,962,700	1,177,700	77,000	44,600	402,000
Jan. 1926.....	6,244,300	7,104,700	1,530,200	142,000	75,700	584,400
Feb. 1925.....	7,618,250	5,176,450	1,873,000	80,700	72,400	949,900

## Flour Milling

Milling operations during February were at an average of 55.8 per cent of full time capacity against 58.5 per cent in January and 63.9 per cent in February, 1925. Production of flour during the month at the reporting mills was 1,553,342 barrels, 168,327 barrels less than in January and 244,414 barrels less than in February of last year. Production at milling points in this district, as compiled by the Northwestern Miller, is here shown for the month with comparisons:

	Feb. 1926	Jan. 1926	Feb. 1925
	Barrels	Barrels	Barrels
Atchison.....	94,125	105,326	92,493
Kansas City.....	413,864	484,557	404,362
Omaha.....	83,716	88,210	89,140
Salina.....	106,686	104,219	112,691
St. Joseph.....	116,421	113,649	166,218
Wichita.....	114,760	114,512	135,190
Outside.....	623,770	711,196	797,662
Total.....	1,553,342	1,721,669	1,797,756

## Live Stock Conditions

The live stock industry in the Tenth Federal Reserve District, and throughout the Southwest, was in stronger position at the opening of Spring than for several years, according to recent reports, official and unofficial.

This was especially true with respect to the cattle industry. Advances in prices to higher levels during the past year served to check the heavy liquidation of herds that had been going on for some time in the range country, and there was said to be a strong tendency to restock the ranges with breeding stock. Cattlemen generally were very optimistic.

Cattle on farms and ranges came through the winter in better condition of health and flesh generally than for several years. With mostly mild and pleasant weather during February the snow on ranges in the Rocky Mountain regions and the upper Great Plains cleared off considerably and much feed was made available. In Texas, New Mexico and Arizona ranges were better than for many years and the condition of cattle showed a corresponding improvement. Because of the better range condition cattlemen in these states were in position to hold their cattle on the range and indications in March were that many shipments to northern summer pastures would start later than usual. Throughout the states of Missouri, Kansas, Nebraska and Oklahoma live stock had a good winter—better than normal. In Oklahoma the report said that mild weather and the fact that farmers had wintered only what cattle they could feed had acted to keep the stock in better condition.

The position of the sheep industry changed very little in recent months. Some shed lambing in February was reported and pros-

pects were favorable for a good crop. Very little contracting for either lambs or wool had been done to March 1, though a few offers had been made at prices below those at which contracts were made last year.

While the number of hogs on farms in the district on January 1 1926, was smaller than at any time since January 1, 1920, recent reports indicated efforts were being made to relieve the shortage by large pig crops. The hog situation in the corn belt is explained by a Nebraska grower in the following:

"When corn was so high that the farmer could not afford to feed it to his swine he sent stock to market in a half-fat condition. Now that corn is cheap and hogs are bringing a good price the farmer is marketing his grain in the form of pork. This practice has just about cleaned out the hogs from a good many farms and as a result farmers are keeping more of their brood sows than heretofore. All through Nebraska nearly 20 per cent more brood sows are being retained on farms than at this time last year, and the holding back of such stock is bound to make itself felt to some extent until the next crop of pigs is ready to come to market."

## Live Stock Marketings

Supplies of cattle, calves and hogs at the markets in this district in February were in numbers smaller than in January of this year or in February of last year. Arrivals of sheep and lambs during the month, although showing a seasonal increase in number over the preceding month, were less by a few thousand head than in the same month last year. Horses and mules were sent to the markets in larger numbers in February than in the preceding month or in the corresponding month last year. Receipts are here shown for each of the six leading markets in this district:

	Cattle	Calves	Hogs	Sheep	Horses	Mules
Kansas City.....	129,265	20,505	179,189	111,758	4,641	.....
Omaha.....	106,132	7,423	258,118	184,768	2,272	.....
St. Joseph.....	40,728	7,505	101,437	132,448	1,485	.....
Denver.....	17,582	3,140	55,095	135,455	4,286	.....
Oklahoma.....	20,066	7,577	15,242	591	1,207	.....
Wichita.....	18,269	4,496	32,953	3,508	3,267	.....
February, 1926.....	332,042	50,646	642,034	568,528	17,158	.....
January, 1926.....	406,592	63,210	838,912	497,335	14,710	.....
February, 1925.....	349,234	58,973	1,008,478	580,122	16,490	.....

## Stocker and Feeder Outgo

The February reports reflected something more than the usual seasonal decline in shipments of stock and feeding livestock from the markets to the country. The February outgo of stock and feeding cattle was the smallest for any month since July 1921, while the outgo of calves to the country was the smallest since January 1925. Countryward shipments of hogs during the month was only a few head less than in January and was 7.2 per cent greater than in February a year ago. Fewer sheep were shipped to the country during the month than in any previous February since 1921. Stocker and feeder shipments from four reporting markets for the month of February were:

	Cattle	Calves	Hogs	Sheep
Kansas City.....	35,300	1,836	7,546	9,130
Omaha.....	17,004	.....	917	15,097
St. Joseph.....	5,198	431	1,983	11,183
Denver.....	6,996	421	522	22,187
February, 1926.....	64,498	2,688	10,968	57,594
January, 1926.....	98,394	2,909	11,008	83,636
February, 1925.....	70,791	3,372	10,232	71,761

Packers Purchases

Packers at the six principal centers took the bulk of the February supplies of meat animals for their slaughtering operations. Their purchases for the month included 62 per cent of the receipts of cattle, 87.5 per cent of the receipts of calves, 72.2 per cent of the receipts of hogs, and 62.9 per cent of the receipts of sheep. The February slaughter of cattle was 11.2 per cent less than in January but 4.6 per cent greater than in February of last year. Fewer calves and hogs were slaughtered during the month than in the preceding month or in February a year ago. The number of sheep and lambs driven to the killing pens during the month was larger than that for the month of January and larger than that for February of last year. The reports showing packers' purchases at six markets, including live stock shipped direct to packer yards, follow:

	Cattle	Calves	Hogs	Sheep
Kansas City.....	76,178	19,614	141,401	89,861
Omaha.....	72,599	5,694	155,588	135,533
St. Joseph.....	30,040	6,768	76,846	108,366
Denver.....	7,277	2,747	47,877	20,007
Oklahoma City.....	13,979	6,566	11,581	318
Wichita.....	6,644	2,976	30,262	3,461
February, 1926.....	206,717	44,365	463,555	357,546
January, 1926.....	232,809	50,093	636,645	326,035
February, 1925.....	197,534	48,820	794,915	292,351

The Lenten season, opening February 17, had the usual effect of slowing down, to some extent, the wholesale fresh meat trade. Although the volume of smoked and cured meats moving into consumption channels was fairly heavy during February, stocks of pork and lard at the end of February were larger than a month earlier but considerably less than at the end of February 1925. The figures for Kansas City show that stocks of pork and lard were 30,608,600 pounds on February 28, 1926.

Lead and Zinc

Activity at the zinc and lead mines in Missouri, Kansas and Oklahoma, the tri-state field, increased during February and both production and shipments of ores for the month were larger than in January and also larger than in February a year ago. The record of zinc and lead ore shipments in the three states during the four weeks ending February 27 are here shown with the totals for the four weeks ending January 30, 1926 and February 28, 1925:

	ZINC		LEAD	
	Tons	Value	Tons	Value
Oklahoma.....	49,419	\$2,532,879	10,213	\$1,213,357
Kansas.....	22,949	1,177,161	1,888	224,812
Missouri.....	4,725	242,637	205	24,440
Four wks. ending Feb. 27, 1926.....	77,093	\$3,952,677	12,306	\$1,462,609
Four wks. ending Jan. 30, 1926.....	62,580	3,462,463	7,859	944,842
Four wks. ending Feb. 28, 1925.....	67,485	3,533,320	10,695	1,358,150

The sales price of zinc ores, which had averaged \$53 per ton during the first two months of 1926, dropped to \$48 per ton early in March, with the result that production was somewhat curtailed and shipments fell off. Lead ores sold at an average of \$115 per ton in the last week of February and also in the first week of March. In the second week of March, however, the sales price was down to \$100 per ton and shipments of ores were light.

Petroleum

Production of crude oil in this district during February averaged 638,929 barrels per day, against an average of 634,387 barrels per day in January and an average of 668,400 barrels per day in February, 1925. Because of the difference of three days in the length of the month gross production in February, with its larger daily average, was 1,776,000 barrels less than in January. The February gross production was 825,000 barrels less than that for the corresponding month last year. The figures showing the gross production and the daily average for each of the five producing states in February, with totals for January 1926 and February 1925 for comparison, follow:

	GROSS PRODUCTION		
	*Feb. 1926 Bbls.	*Jan. 1926 Bbls.	Feb. 1925 Bbls.
Oklahoma.....	12,608,000	13,822,000	13,922,000
Kansas.....	2,858,000	3,086,000	2,517,000
Wyoming.....	2,113,000	2,444,000	2,213,000
Colorado.....	193,000	183,000	53,000
New Mexico.....	118,000	131,000	10,000
Total.....	17,890,000	19,666,000	18,715,000

	DAILY AVERAGE PRODUCTION		
	*Feb. 1926 Bbls.	*Jan. 1926 Bbls.	Feb. 1925 Bbls.
Oklahoma.....	450,286	445,871	497,221
Kansas.....	102,072	99,548	89,893
Wyoming.....	75,464	78,839	79,036
Colorado.....	6,893	5,903	1,893
New Mexico.....	4,214	4,226	357
Total.....	638,929	634,387	668,400

\*Estimated, American Petroleum Institute.

Field reports this season indicated extensive development work in all of the five producing states of this district. There were fewer completions in February than in January, but the daily average new production resulting from February completions was larger than the daily average new production brought in during the previous month. However, the daily average new production in February was smaller than that for the same month last year. The reports showed larger drilling operations at the close of February than were reported one month earlier and one year earlier. Field operations in the five states during the month were:

	Wells Completed	Bbls. Daily New Prod'n	Dry Wells	Gas Wells	Rigs-Wells Drilling
Oklahoma.....	321	51,757	107	32	1,253
Kansas.....	208	9,137	65	14	501
Wyoming.....	31	10,029	2	3	316
Colorado.....	3	1,860	0	0	125
New Mexico.....	18	1,090	6	0	150
Feb. 1926.....	581	73,873	180	49	2,345
Jan. 1926.....	674	67,613	226	68	2,263
Feb. 1925.....	447	94,302	137	50	2,209

According to the reports 62 refineries were in operation in Oklahoma and Kansas on March 1, as compared with 65 on February 1 and 76 on March 1 last year. Runs of crude oil to refinery stills in these two states on March 1 were 233,345 barrels daily against 250,555 barrels daily on February 1 and 257,675 barrels daily on March 1, 1925.

## Bituminous Coal

Soft coal production in the short month of February was at a smaller rate of operating capacity than in the preceding month or a year ago. The month's output in tons is shown for the six producing states in the following:

	*Feb. 1926 Tons	Jan. 1926 Tons	Feb. 1925 Tons
Colorado.....	696,000	1,079,000	897,000
Kansas.....	334,000	449,000	385,000
Missouri.....	202,000	283,000	259,000
New Mexico.....	219,000	271,000	223,000
Oklahoma.....	174,000	229,000	213,000
Wyoming.....	526,000	724,000	572,000
<b>Total.....</b>	<b>2,151,000</b>	<b>3,035,000</b>	<b>2,549,000</b>

Estimated United States production of soft coal for the coal year to March 6 (approximately 286 days) was 505,092,000 net tons, a daily average of 1,764,000 tons. Production for a similar period in the 1924-1925 coal year was 442,890,000 net tons and a daily average of 1,551,000 tons.

Production of beehive coke in Colorado and New Mexico during the calendar year to March 7 was placed at 50,000 tons against 39,000 tons for the same period in 1925.

## Business Conditions in the United States

Production and trade continued in February at the high level of the preceding month, while the general average of prices declined and was lower in February than at any time since the latter part of 1924.

## Production

The Federal Reserve Board's index of production in basic industries, which is adjusted for seasonal variations, indicated a continuation of productive activity during February in about the same volume as in the preceding two months. Mill consumption of cotton and the output of flour, anthracite, copper, and newsprint showed increases in February, when allowance is made for usual seasonal changes, and the output of iron and steel and lumber remained practically unchanged. Activity in the woolen industry and the production of cement declined. Automobile production was in considerably greater volume in February and was larger than a year ago, although smaller than in the corresponding month of 1924.

Employment and earnings of factory workers increased, after the seasonal recession of January, and were in February at practically the same levels as during the latter part of 1925.

The volume of building contracts awarded declined both in January and in February, but remained larger than in the corresponding months of last year.

Reports by farmers to the department of agriculture of intentions to plant in 1926 indicate that the acreage of spring wheat and tobacco will be slightly smaller, the acreage of corn will be

about the same, and that of oats, barley, hay, and potatoes larger than that in 1925.

## Trade

Wholesale trade in February was in about the same volume as a year ago. A smaller volume of sales was reported for grocery and drygoods and hardware, while sales of meats, shoes and drugs were larger. Inventories of wholesale firms dealing in groceries, drygoods, shoes, and hardware were smaller at the end of February than a year ago.

Trade at department stores and at mailorder houses was larger than in February of last year, and department store stocks were about 5 per cent greater than on the corresponding date of 1925. Freight car loadings continued at about the same daily rate in February as in the preceding two months. Shipments of merchandise in less than car load lots and of miscellaneous commodities were particularly large.

## Prices

The general level of wholesale prices, as measured by the Bureau of Labor statistics index, after remaining unchanged for two months, declined in February to a point slightly below the low figure of 1925, reported for last May. The greater part of the decline since last autumn has been in prices of agricultural commodities. In February prices of all major groups of commodities, except fuels, declined and particularly large reductions occurred in the prices of grains, cotton, wool, silk and rubber. Price advances in February were shown for petroleum, coke, and paper. During the first three weeks of March prices of grains, cotton, wool, and silk continued to decline and recessions were also reported in the prices of sugar and hardwood lumber.

## Bank Credit

At member banks in leading cities demand for loans chiefly for commercial purposes showed an increase, partly seasonal in character, between the middle of February and the middle of March, and on March 17 the total volume of these loans was close to the high point reached last autumn. A further decline of loans on securities which accompanied the sharp recession in securities prices in March, carried the total to a point nearly \$430,000,000 below that reached at the end of the year. Following a growth during February in the volume of reserve bank credit outstanding, there was a sharp decline early in March to about the same level as a year ago. Factors contributing to the decline have been continued imports of gold and some reductions in member bank reserve requirements, as well as temporary abundance of funds resulting from the excess of Treasury disbursements over receipts around March 15.

Open market rates on prime commercial paper, after a slight decline in February advanced in March to  $4\frac{1}{4}$ - $4\frac{1}{2}$  percent, the level which had prevailed since last October.