

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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IMPORTANT developments in the Tenth Federal Reserve District thus far in 1927 were: Production of commodities in basic industries at about the level of the final quarter of 1926; some expansion in distribution of goods by wholesalers and jobbers; a heavy volume of retail trade for the season; liberal marketings of grain and live stock; further easement in the money and credit situation; and, in February, precipitation of snow and rain, providing needed moisture for the farming area. The volume of business in this district as a whole, indicated by the value of checks drawn and cashed at banks in leading cities during the first five weeks of the year, was 4.4 per cent larger than for the like period last year.

The outstanding development in production during January was an increase in the daily average and gross output of crude petroleum, the totals passing all former daily and monthly high records. Zinc and lead ore production and shipment continued at a high rate through the early half of the month but declined in the latter part. Operations at the soft coal mines slackened to an extent and the tonnage mined was the same as reported for January a year ago. Heavier market runs of meat animals at stock yards brought an increase in operations at the packing houses, and the output of beef and pork was larger, and of mutton slightly smaller, than in January 1926. The output of flour at mills in this district fell below that for December but was nearly 20 per cent above the number of barrels produced in the opening month of 1926.

Building contracts awarded during the first month of the year carried a larger value than the awards made during the first month of last year, and there were indications of considerable activity in this district in the spring. The number of new buildings started in leading cities, as shown by reports of permits issued, exceeded the December total but fell short of the number issued in January a year ago, while a decrease in the value of permits was indicative of a smaller building investment.

Distributive trade by wholesalers and jobbers expanded seasonally in January and the month's sales, combined for six reporting lines, was slightly larger than in December, but slightly smaller than in January 1926. Retail trade at department stores and single line stores exceeded the expectations of dealers, some reductions in prices being an incentive to buying by consumers. The volume of sales in dollars, while seasonally smaller than in December, was larger than a year earlier.

The situation in this District with respect to money and credits changed but slightly in recent months. Deposits in banks were in excess of ordinary requirements, and rates continued low and unchanged.

BUSINESS ACTIVITY IN THE TENTH FEDERAL RESERVE DISTRICT

*Returns for January 1927 compared to those for December 1926
and January 1926 in percentages of increase or decrease.*

	January 1927 compared to December 1926	January 1927 compared to January 1926
Banking		
Bank debits in 30 cities.....	5.8	4.4
Clearings, Federal Reserve Bank.....	-8.5	5.6
Loans, 66 reporting banks.....	1.6	-4.9
Investments, 66 reporting banks.....	2.4	9.2
Deposits, 66 reporting banks.....	0.4	0.4
Savings deposits, 56 banks.....	2.0	3.6
Business failures, number.....	6.7	-14.2
Liabilities, amount.....	31.7	21.8
Trade		
Department store sales.....	-52.0	2.8
Furniture sales, retail.....		12.6
Lumber sales, retail yards.....	10.3	-5.8
Wholesale sales, all lines reported.....	1.4	-1.4
Market receipts		
Cattle.....	10.8	6.5
Calves.....	1.6	-4.1
Hogs.....	21.6	4.1
Sheep.....	16.1	-5.3
Horses and mules.....	121.4	-15.6
Wheat.....	-7.9	83.2
Corn.....	42.2	-14.5
Oats.....	23.2	-32.4
Production		
Petroleum.....	4.2	23.9
Zinc ore (shipments).....	-16.3	-8.8
Lead ore (shipments).....	-12.9	-9.7
Coal.....	-13.6	Same
Flour.....	-8.4	19.4
Cement.....	-14.6	112.6
Meat Packing		
Cattle.....	2.2	3.5
Calves.....	6.2	-6.7
Hogs.....	21.5	3.7
Sheep.....	12.1	-7.2
Building		
Contract awards, district.....	-0.5	15.2
Permits issued, 19 cities.....	13.9	-2.7
Value of permits.....	-30.2	-7.3

NOTE: Bank debits and zinc and lead ore shipments are for periods of five weeks. Bank loans, investments, deposits and savings are amounts reported for February 9 and January 12, 1927, and February 10, 1926.

Money and Credit

The weekly combined statements of sixty-six reporting member banks in this district showed loans and discounts, including rediscounts, increased \$6,605,000 between January 12 and February 9, but the total as of the last date mentioned stood \$21,869,000 below that of February 10, 1926. However, the amount of investments by the reporting banks as of February 9 was the highest reported since November 10, last, and

\$2,674,000 larger than at the corresponding reporting date last year. Combined statements of the reporting Member Banks in this District as of three dates show the principal resource and liability items as follows:

	Feb. 9, 1927	Jan. 12, 1927	Feb. 10, 1926
Loans, discounts and rediscounts:			
Secured by U. S. obligations.....	\$ 4,265,000	\$ 4,197,000	\$ 4,031,000
Stocks and bonds other than U. S.	116,380,000	111,847,000	115,800,000
All Other.....	299,391,000	297,387,000	322,074,000
Total Loans and Discounts.....	420,036,000	413,431,000	441,905,000
Investments:			
U. S. Govt. securities.....	\$102,245,000	\$ 97,625,000	\$104,597,000
Other bonds, stocks and securities	95,291,000	95,293,000	76,213,000
Total Investments.....	197,536,000	192,918,000	180,810,000
Total Loans, Discounts and Investments.....	617,572,000	606,349,000	622,715,000
Deposits:			
Demand Deposits.....	\$493,908,000	\$492,367,000	\$492,757,000
Time Deposits.....	147,153,000	145,424,000	142,226,000
Government Deposits.....	1,447,000	1,697,000	4,851,000
Total Deposits.....	642,508,000	639,488,000	639,834,000

Reserve Bank Operations

Weekly condition statements of the Federal Reserve Bank of Kansas City and branches, covering the current year to the third week in February, showed the volume of credit in use by its members had continued, with slight fluctuations week by week, at the lowest level since the summer of 1925. The principal items contained in the statement as of February 9 are shown in the following table, with those for four weeks earlier and fifty-two weeks earlier for comparison:

	Feb. 9, 1927	Jan. 12, 1927	Feb. 10, 1926
Gold Reserves.....	\$ 98,822,973	\$ 97,830,460	\$ 87,561,311
Other Reserves.....	5,582,886	5,530,406	5,015,724
Total Reserves.....	104,405,859	103,360,866	92,577,035
Bills Discounted.....	8,034,744	10,763,596	15,904,448
Bills Purchased.....	15,767,920	18,418,115	14,796,048
U. S. Govt. Securities.....	27,567,900	28,617,900	34,407,700
Other Securities.....	392,000	.....	.....
Total Bills and Securities.....	51,370,564	57,799,611	65,500,196
Total Resources.....	200,715,529	213,324,183	206,164,942
F. R. Notes in Circulation.....	68,683,400	70,688,450	66,575,750
Deposits.....	85,933,238	89,749,463	90,465,134

Government Financing

Advice has been received from the Treasury Department that a new Treasury offering may be expected on March 15, 1927, the details of which will be publicly announced on or about Monday, March 7.

Savings in Banks

Reports of 56 banks in leading cities showed a gain of 2 per cent in the amount of saving deposits between January 1 and February 1, and the total as of the latter date stood 3.6 per cent above that of February 1, 1926. The number of savings accounts on February 1, reported by 51 banks, was 2 per cent above the number reported one year earlier. The deposit figures follow:

Banks	Feb. 1, 1927	Jan. 1, 1927	Feb. 1, 1926
Denver, Colo.....	6 \$ 48,767,223	\$ 47,734,850	\$ 48,204,485
Kansas City, Kans.....	3 1,939,510	2,137,341	2,208,483
Kansas City, Mo.....	10 14,892,354	15,349,198	15,446,377
Lincoln, Nebr.....	4 3,337,517	3,504,909	3,264,212
Oklahoma City, Okla.....	7 8,456,156	9,899,022	7,828,239
Omaha, Nebr.....	5 7,631,574	7,737,945	7,366,151
St. Joseph, Mo.....	6 7,664,556	8,022,941	8,010,013
Tulsa, Okla.....	6 14,894,058	10,813,345	11,698,797
Wichita, Kans.....	5 4,712,766	4,832,575	4,418,820
Other Cities.....	4 1,073,172	1,075,751	1,018,518
Total.....	56 \$113,368,886	\$111,107,877	\$109,464,095

A remarkable growth in savings deposits in the United States and in this district during the past ten years was indicated by a recent report of the savings division of the American Bankers Association. Total savings deposits, together with the amount

of savings deposits per inhabitant, as shown in the report, are here presented for the states and parts of states which form this district, and also the totals for the United States:

	Savings per Inhabitant		Total Savings Deposits	
	1926	1916	1926	1916
Colorado.....	\$101	\$67	\$ 107,014,000	\$ 59,902,000
Kansas.....	69	34	126,263,000	60,349,000
Missouri.....	110	49	384,755,000	166,565,000
Nebraska.....	150	63	208,334,000	79,337,000
New Mexico.....	19	25	7,485,000	7,987,000
Oklahoma.....	40	8	92,915,000	16,069,000
Wyoming.....	92	59	21,622,000	10,532,000
Seven States.....	\$ 89	\$41	\$ 948,388,000	\$ 400,741,000
United States.....	211	94	24,696,192,000	9,459,308,000

The foregoing figures are complete for all states, no segregation by Federal Reserve Districts having been made.

Bank Debits

Debits by banks of checks drawn by customers against individual accounts in thirty cities of this district averaged \$57,453,724 for each business day during the five weeks ending February 2, 1927. This total compares with \$54,276,000 as the daily average for the preceding five weeks ending December 29, 1926, and \$55,023,857 as the daily average for the corresponding five weeks ending February 3, 1926. Thus it appears the daily average debits during the five weeks ending February 2 were \$3,177,724 or 5.8 per cent larger than that for the preceding five weeks ending December 29; and \$2,429,897 or 4.4 per cent larger than that for the corresponding five weeks of last year ending February 3. Twenty-three of the thirty cities reported their debits during the five weeks ending February 2 were larger than for the corresponding period last year. The reports in detail:

	Five Weeks Ending		Per cent Change
	Feb. 2, 1927	Feb. 3, 1926	
Albuquerque, N. M.....	\$ 13,156,000	\$ 12,668,000	3.9
Atchison, Kans.....	8,121,000	7,869,000	3.2
Bartlesville, Okla.....	29,654,000	20,176,000	47.0
Casper, Wyo.....	12,384,000	11,303,000	9.6
Cheyenne, Wyo.....	7,874,000	7,089,000	11.1
Colorado Springs, Colo.....	17,675,000	16,307,000	8.3
Denver, Colo.....	210,239,000	204,539,000	2.7
Enid, Okla.....	18,186,000	18,689,000	-2.7
Fremont, Nebr.....	4,654,000	3,987,000	16.7
Grand Junction, Colo.....	3,783,000	3,679,000	2.8
Guthrie, Okla.....	4,636,000	4,346,000	6.7
Hutchinson, Kans.....	21,438,000	15,430,000	38.9
Independence, Kans.....	14,756,000	12,668,000	16.5
Joplin, Mo.....	20,121,000	24,166,000	-16.7
Kansas City, Kans.....	26,966,000	22,254,000	21.2
Kansas City, Mo.....	436,488,000	448,328,000	-2.6
Lawrence, Kans.....	6,530,000	6,137,000	6.4
Lincoln, Nebr.....	39,819,000	38,389,000	3.7
McAlester, Okla.....	6,119,000	5,820,000	5.1
Muskogee, Okla.....	16,067,000	16,916,000	-5.0
Oklahoma City, Okla.....	124,695,000	118,883,000	4.9
Okmulgee, Okla.....	12,265,000	13,506,000	-9.2
Omaha, Nebr.....	229,056,000	222,561,000	2.9
Parsons, Kans.....	3,740,000	4,147,000	-9.8
Pittsburg, Kans.....	8,071,000	7,688,000	4.9
Pueblo, Colo.....	24,239,000	22,570,000	7.4
St. Joseph, Mo.....	72,270,000	77,790,000	-7.1
Topeka, Kans.....	21,141,000	21,030,000	0.5
Tulsa, Okla.....	182,931,000	148,504,000	23.2
Wichita, Kans.....	69,084,000	58,252,000	18.6
Thirty Cities.....	\$1,666,158,000	\$1,595,691,000	4.4

Federal Reserve Bank Clearings

Check collections in January through the Federal Reserve Bank of Kansas City and branches at Omaha, Denver and Oklahoma City decreased 8.5 per cent in amount and 12.5 per cent in items handled as compared with the totals for

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

Reporting Stores	Sales		Outstandings (Mo. End.)		Collections		Stocks (Mo. End.)		
	Jan. 1927 compared with Dec. 1926	Jan. 1926	Jan. 31, 1927, compared with Dec. 31, 1926	Jan. 31, 1926	Jan. 1927 compared with Dec. 1926	Jan. 1926	Jan. 31, 1927 compared with Dec. 31, 1926	Jan. 31, 1926	
Dry Goods.....	6	35.9	1.4	3.8	-4.1	-33.7	-5.2	43.7	-8.3
Groceries.....	4	-2.9	11.5	-4.6	2.0	-12.4	-3.3	-0.8	-15.8
Hardware.....	9	-23.5	-4.9	-3.9	5.0	-21.8	0.4	0.8	-9.5
Furniture.....	4	-14.8	-20.7	-9.8	-12.5	-15.5	2.4	13.7	2.5
Drugs.....	6	-2.4	-2.9	2.0	-2.0	-14.3	-2.8	7.3	-11.5
Millinery.....	4	2.8	-26.0	14.1	-23.1	6.1	-36.1	.....	.....

December. However, the amount reported for January exceeded that for January of last year by 5.6 per cent, though there was a decrease of 2.6 per cent in the number of items handled. During the month checks were handled for 988 member banks and 2,512 non-member banks. January check collections through the Federal Reserve Bank and branches are here shown with those for December and January 1926 for comparison:

	Items	Amount
January, 1927.....	5,543,292	\$ 985,048,000
December 1926.....	6,332,246	1,076,859,000
January 1926.....	5,689,267	932,787,000

Business Failures

Business failures in the Tenth District during January increased in number and in amount of liabilities over the totals for December, while as compared with January of last year there was a decrease in number of failures and an increase in amount of liabilities. The report of R. G. Dun & Company for January showed failures throughout the United States were relatively large, both in number and amount of liabilities. The record for January, compiled by Federal Reserve Districts, follows:

Districts	Number		Liabilities	
	1927	1926	1927	1926
First, Boston.....	269	211	\$ 3,775,982	\$ 6,691,046
Second, New York.....	451	466	12,378,664	8,626,584
Third, Philadelphia.....	96	56	2,482,158	1,348,759
Fourth, Cleveland.....	220	244	3,048,821	5,581,160
Fifth, Richmond.....	170	182	3,533,544	3,516,504
Sixth, Atlanta.....	148	80	2,769,484	1,355,434
Seventh, Chicago.....	380	316	8,967,726	8,180,404
Eighth, St. Louis.....	145	136	6,728,951	2,116,266
Ninth, Minneapolis.....	106	113	1,161,290	1,298,783
TENTH, KANSAS CITY.....	126	147	1,642,848	1,348,728
Eleventh, Dallas.....	134	108	2,348,320	1,457,716
Twelfth, San Francisco.....	220	237	2,452,444	2,130,060
Total, United States.....	2,465	2,296	\$51,290,232	\$43,651,444

Wholesale Trade

Wholesale trade at the leading centers of this district during January was moderately heavy, but somewhat irregular in volume for the various reporting lines. For illustration, the reports showed improvement in the wholesale dry goods business, with the dollar volume of sales in January 35.9 per cent larger than for December and 1.4 per cent larger than that for January 1926. Sales of groceries, which are usually considered as an indicator of general conditions, were not quite so large as in December but were 11.5 per cent larger than in January a year ago. On the other hand the volume of wholesale trade in hardware and furniture declined markedly as compared with the volume for both the preceding month and the corresponding month last year. Sales of drugs at wholesale declined nearly 3 per cent from the totals for the two former months with which comparison is made. On the whole, the January sales

combined for reporting stores in six lines stood 1.4 per cent above those for December and 1.4 per cent below those for January 1926.

The substantial improvement in the wholesale dry goods business in January was attributed to the fact that December, the closing month of the year, is usually the lightest month in sales, while January is the first month of the spring buying season. Thus the larger January business was regarded as important, as it indicated that retailers were buying goods on the assurance that textiles and raw materials, because of declines throughout the year, were fairly stabilized.

The wholesale hardware trade during the first half of January was fairly good, but winter weather during the latter part of the month caused trade to slow down, and there was little buying by retailers in anticipation of spring activities.

Reports of wholesale drug firms indicated that while there was continued steady and moderately heavy sales during January, retailers were not replenishing their stocks after inventory as freely as in former years. The general tendency of the chemical and drug market showed a decline. Advances on some items were reported, but the market was weak. Supplies were plentiful and deliveries prompt.

The wholesale furniture trade slowed down after the heavy volume of sales in December, and with orders from retailers for their spring trade coming slowly, sales were considerably smaller than a year ago.

The reports from all lines indicated retail merchants continued to buy from hand to mouth. In fact, advance orders this season were reported as not over 15 per cent of what they were a few years ago. This buying policy makes it more difficult for manufacturers and wholesalers to prepare for the coming season, but on the other hand it has had the effect of working inventories with both wholesalers and retailers into a sounder condition.

Distributors of implements and farm machinery reported their business was about the same as in January of last year. Deliveries to users during the month and even in February usually are light on account of weather conditions, but orders on the books of dealers indicate larger deliveries in the early spring.

Wholesalers of stationery reported an increase in their January business over December of 24 per cent, and an increase over the corresponding month last year of 4 per cent.

Collections

Wholesalers reported collections particularly satisfactory, due mainly to the fact that the policy of buying in small lots makes it easier for retail merchants to keep up with their payments. It was also reported that a larger per cent of retail merchants are now discounting their bills than formerly. The department store percentage figure on collections during January on amounts outstanding was 43.5 per cent, which compares with 42.8 per cent for December and 44.0 per cent for January 1926.

RETAIL TRADE AT 32 DEPARTMENT STORES IN THE TENTH FEDERAL RESERVE DISTRICT

Stores Reporting	Sales	Stocks (Retail)		Outstanding Orders		Accounts Receivable		Collections		
	Jan., 1927 compared to Jan., 1926	January 31, 1927 compared to Dec. 31, 1926		January 31, 1927 compared to Dec. 31, 1926		January 31, 1927 compared to Dec. 31, 1926		January, 1927 compared to Jan. 1926		
		Jan. 31, 1926	Jan. 31, 1926	Dec. 31, 1926	Jan. 31, 1926	Dec. 31, 1926	Jan. 31, 1926	Dec. 31, 1926	Jan. 1926	Even
Kansas City.....	3	0.9	9.1	-3.0	49.8	-4.9	-19.5	-0.5	13.3	Even
Denver.....	5	3.2	3.8	9.1	14.0	-2.1	-15.2	7.5	19.3	14.8
Wichita.....	4	4.8	-15.6	-5.2	.....	.....	-8.9	14.5	12.8	9.6
Oklahoma City.....	3	3.5	-6.4	-1.6	47.7	.....	-3.4	17.0	20.7	5.9
Lincoln.....	3	0.2	-1.3	-6.3	.....	-17.0	-15.0	3.6	11.3	-9.2
Tulsa.....	3	13.2	-6.8	.....	18.8	.....	-22.0	29.9	33.3	41.9
Other Cities.....	11	-2.3	-11.5	-5.2	.....	.....	-10.6	9.1	19.3	2.9
Total.....	32	2.8	0.8	-0.5	34.8	-3.7	-13.9	6.1	17.6	6.6

NOTE: Percentage of collections in January on outstanding accounts December 31, all stores reporting, 43.5%. Collections same month last year 44.0%.

Retail Trade

Department stores throughout this district reported their January sales were smaller by about one-half than the high record total of sales in December. But the aggregate of business for the month was quite heavy for the season and exceeded that for January 1926 by 2.8 per cent, 17 stores reporting increases and 15 stores reporting decreases in sales.

A number of retail furniture stores reporting to the Monthly Review for the first time, indicated a decrease of 12.6 per cent in the volume of their January sales as compared with their business in the same month last year. Stocks at these reporting retail furniture stores at close of January were smaller by 4.9 per cent than at the corresponding date last year. accounts receivable were 6.8 per cent less and collection during the month were 8 per cent larger than a year ago.

Sales of men's and women's apparel, and shoes, at stores handling these lines were smaller than a year ago.

Lumber

The lumber situation in the South and West at the middle of February was reported as follows: Wet weather in the South has been and still is curtailing production substantially. Open weather in the consuming territory is resulting in a resumption of consumption. Yards, having completed their inventories, are in the market to a limited extent, replenishing their stocks. Stocks are lower than normal at mills, in transit and in the hands of distributors and industrial consumers. In the West snow in the mountains is curtailing production. Atlantic cargo buying is expected to resume in volume the latter part of this month. Many mills have increased their order files in the last three weeks. A substantial number of mills are oversold on rail stocks. Dimension stocks are generally scarce. Timber orders are plentiful and prices firm. High quality logs are scarce and the prices on production therefrom for export are firm. The Canadian situation presently is more favorable as to production and market. Flooring, bundle stock and finish are in surplus and prices soft. Stocks of 12" commons are short and prices strong. Prices on 8" and 10" commons are soft because of hemlock accumulations.

Manufacturers of softwood lumber, reporting to their National Association, showed the January lumber cut was 5.2 per cent larger than that for December, and shipments during January increased 12.2 per cent and orders received increased 21.2 per cent. Compared with the lumber movement in January 1926 the figures reported for January 1927 indicated decreases of 7.9 per cent in the lumber cut, 17 per cent in shipments and 13.9 per cent in orders received. The combined reports of the softwood lumber movement follow:

	Cut Feet	Shipments Feet	Orders Feet
Four weeks ending Jan. 29, 1927.....	757,992,443	773,568,186	847,365,867
Four weeks ending Jan. 1, 1927.....	720,155,429	689,505,446	699,081,616
Four weeks ending Jan. 30, 1926.....	823,550,093	932,562,644	984,752,185

Sales of lumber and materials at reporting retail yards in cities and towns in this district increased during January but the volume did not measure up to that of a year earlier. The percentage of increase or decrease for January over the preceding month and the same month last year follows:

	January 1927 Compared to Dec. 1926	January 1927 Compared to Jan. 1926
Sales of lumber, board feet.....	10.4	-5.9
Sales of all materials, dollars.....	19.8	-8.9
Stocks of lumber, end of month.....	3.3	-3.1
Outstandings, end of month.....	-2.8	6.8
Collections during month.....	-26.0	-6.0

Building

The value of building contracts awarded in the Tenth District during the first month of 1927 was about one-half of one per cent less than that reported for the preceding month, though it exceeded that for the first month of last year by 15.1 per cent. The value of January awards, with comparisons, as compiled from the F. W. Dodge Corporation reports:

	January 1927	December 1926	January 1926
Tenth Federal Reserve District.....	\$ 11,457,000	\$ 11,520,000	\$ 9,946,000
Thirty-Seven States.....	384,455,000	537,396,000	457,159,000

The official reports of nineteen cities in this district for the month of January, which include only permits for buildings, showed an increase over December of 165 permits, and a decrease of 38 permits as compared with January 1926. However, the reports show the January permits carried a smaller aggregate value than has been reported by these cities for any month in recent years. Of the nineteen reporting cities the value of January permits in eight cities was greater than for the corresponding month last year. The reports in detail follow:

	Permits		Estimated Cost		Per cent Change
	1927	1926	1927	1926	
Albuquerque, N. M.....	50	26	\$ 84,400	\$ 50,300	67.7
Casper, Wyoming.....	7	6	5,125	6,475	-20.8
Cheyenne, Wyoming.....	14	9	43,670	15,275	185.9
Colorado Springs, Colo.....	46	50	47,630	53,275	-10.6
Denver, Colo.....	320	230	696,150	512,850	35.7
Hutchinson, Kans.....	20	20	30,990	40,260	-23.0
Joplin, Mo.....	21	13	40,850	26,300	55.3
Kansas City, Kans.....	52	69	93,080	112,845	-17.5
Kansas City, Mo.....	189	294	722,275	1,397,150	-48.3
Lincoln, Nebr.....	27	51	587,217	101,170	480.4
Muskogee, Okla.....	11	16	63,410	26,520	139.1
Oklahoma City, Okla.....	123	126	554,454	413,490	34.1
Oklmulgee, Okla.....	6	7	2,800	13,350	-79.0
Omaha, Nebr.....	31	87	149,350	299,008	-50.1
Pueblo, Colo.....	81	54	104,187	66,663	11.3
St. Joseph, Mo.....	21	32	18,860	55,555	-66.1
Topeka, Kans.....	58	52	68,855	310,670	-77.8
Tulsa, Okla.....	150	132	331,565	456,377	-27.3
Wichita, Kans.....	123	114	362,214	368,065	-1.6
Nineteen Cities.....	1,350	1,388	\$4,007,082	\$4,325,598	-7.4

Petroleum

A daily average output of 883,250 barrels of crude oil, (crude petroleum), from wells in the Tenth Federal Reserve District for the week ending February 12, 1927, was the high record for a seven-day period for these fields. It represented 35.8 per cent of the United States output for that week. Oklahoma's production, which had been rising since last autumn, averaged 692,000 barrels per day for the week.

Crude oil production in five states of this district averaged 787,900 barrels per day during January and gross production for the month was 24,425,000 barrels—a new high record for both daily average and gross production. The January output was 4.2 per cent larger than that for December and it exceeded that for January of last year by 23.9 per cent. The daily average and monthly output in the five producing states is here shown in barrels:

	DAILY AVERAGE			MONTHLY PRODUCTION		
	Jan. 1927	Dec. 1926	Jan. 1926	Jan. 1927	Dec. 1926	Jan. 1926
Oklahoma	598,500	570,000	446,240	18,553,000	17,691,000	13,833,000
Kansas	117,200	116,400	103,388	3,633,000	3,608,000	3,205,000
Wyoming	59,600	56,000	76,548	1,848,000	1,736,000	2,373,000
Colorado	7,800	7,700	5,645	242,000	239,000	175,000
N. Mexico	4,800	5,400	4,226	149,000	167,000	131,000
Total	787,900	755,500	636,047	24,425,000	23,441,000	19,717,000

The January daily average and gross production figures are those of the American Petroleum Institute, while figures for preceding months are those of the United States Geological Survey.

New development work during the first month of 1927 was unusually large for the mid-winter season, the reports showing increases over December in the number of completions, in barrels daily new production, and in the number of new wells in process of drilling. Fewer wells were completed than in January of last year, but the number of barrels daily new production was larger by 131.4 per cent. The reports on field operations:

	Wells Completed	Bbls. Daily New Prod'n	Dry Wells	Gas Wells	Rigs-Wells Drilling
Oklahoma	439	137,489	141	48	1,536
Kansas	134	10,966	60	5	395
Wyoming	26	4,382	3	1	323
Colorado	4	2,375	1	0	123
New Mexico	12	1,212	4	0	144
January 1927	615	156,424	209	54	2,521
December, 1926	590	149,086	193	52	2,442
January 1926	674	67,613	226	68	2,263

Increased activity in refining in Oklahoma and Kansas, both in the number of plants in operation and in the daily runs of crude oil to stills, was indicated by the reports, which follow:

	Number Plants Operating	Barrels Daily Runs to Stills
February 1, 1927	64	265,070
January 1, 1927	61	256,300
February 1, 1926	65	250,555

Zinc and Lead Mining

Production of zinc and lead ores in the Missouri, Kansas and Oklahoma fields, after continuing at a high level during the first three weeks of January, declined markedly in the latter part of the month. The decline was due in part to seasonal slackening in demand for these metals and in part to the unwillingness of producers to sell ores at the prices offered.

Shipments of zinc ore, which averaged 13,798 tons per week during the first three weeks of January, dropped to 10,577 tons in the week ending January 29, this being the lowest weekly shipment since June 1926. The value of zinc ore sold during that week was the lowest for any week in more than

two years. Shipments of lead ore also declined during the week ending January 29 to 1,363 tons, the lowest weekly shipment since the first week in October last. Prices paid for zinc ore, which averaged \$45 per ton during the first three weeks of January, were down to \$42 per ton at the close of the month, and compared with \$53 per ton in the corresponding week last year. Lead ore prices also dropped from \$97.50 per ton at the beginning of the month to \$90 per ton at the close, the latter comparing with \$120 per ton paid for lead ore in the corresponding week in 1926. Advances in prices of zinc ore during the first half of February carried the price to \$44 per ton, but there was no change in the price of lead ore. The tonnage and value of ores shipped from each of the three states, combined for the first five weeks of 1927, is here shown in comparison with tonnages shipped during the same period in 1926:

	ZINC ORES		LEAD ORES	
	Tons	Value	Tons	Value
Oklahoma	44,713	\$2,000,743	7,059	\$ 676,813
Kansas	18,428	826,172	3,488	332,886
Missouri	6,717	300,792	265	25,085
5 Wks. ending Jan. 29, 1927	69,858	\$3,127,707	10,812	\$1,034,784
5 Wks. ending Dec. 25, 1926	83,559	3,877,080	12,427	1,238,378
5 Wks. ending Jan. 30, 1926	76,579	4,245,847	11,976	1,418,297

Bituminous Coal

Production of soft coal, which in December exceeded the monthly records for more than two years, declined 13.6 per cent in January in the producing states of this District, but the total output for the month was the same as that for January 1926. The output is here shown:

	Jan. 1927 Net Tons	Dec., 1926 Net Tons	Jan., 1926 Net Tons
Colorado	1,030,000	1,318,000	1,079,000
Kansas	480,000	524,000	449,000
Missouri	293,000	314,000	283,000
New Mexico	261,000	287,000	283,000
Oklahoma	242,000	267,000	229,000
Wyoming	741,000	821,000	724,000
Total	3,047,000	3,531,000	3,047,000

The report of the United States Bureau of Mines showed production of soft coal in the United States for the coal year, April 1, 1926, to February 5, 1927, was 499,984,000 tons as compared with 456,696,000 tons for the corresponding period in the preceeding coal year.

Cement

January production, shipments and stocks of Portland cement showed increases over the corresponding period in 1926, according to the Bureau of Mines, Department of Commerce. Production at mills in the Tenth District during January was 589,000 barrels, against 251,000 barrels in January 1926. Shipments during the month were 475,000 barrels, as compared to 398,000 barrels during January of last year. Stocks of cement at mills at the end of January totaled 3,776,000 barrels, an increase of 67.8 per cent over the total at the end of December and an increase of 12 per cent over the total at the end of January 1926.

Production of face brick at sixty-four plants in seventeen states, reported by the American Face Brick Association, averaged in January 489 thousand per plant, a decrease of 19.8 per cent from December and a decrease of 16.4 per cent from January 1926. Shipments decreased in about the same percentages. Orders for brick increased over the preceding month but were less than a year ago.

Agriculture

It is too early for estimates of acreages to be planted to the various spring crops, but reports indicate growers throughout the district are preparing for another year of large farm production. During January and February, save for some interruption by brief periods of cold and wet weather, work on the farms made good progress. Rains and snows over dry areas provided sufficient soil moisture for present needs, though in some parts of the Upper Great Plains areas and southwestern parts of the district more moisture will be needed in the spring. In some southeastern sections the soil was too wet for plowing and for picking the remainder of last year's cotton crop.

Winter wheat greened up under the influence of mild weather in the latter part of January. Throughout the eastern part of the district, where there had been sufficient soil moisture, the crop made a fine showing. In western Kansas and Nebraska and in parts of the Rocky Mountain region where there had been a lack of moisture for wheat, the situation was relieved to a considerable extent by the precipitation of snow and rain in February, and in these sections wheat improved.

Cottonseed Products

Considerable activity in the cotton growing regions in the manufacture of cottonseed products was reported. The record of cottonseed received and crushed in Oklahoma from August 1 to January 31, and stocks at mills on the latter date, follows:

	Aug. 1 to Jan. 31	
	1926 Tons	1925 Tons
Received at Mills.....	489,923	491,407
Crushed.....	358,522	344,887
On hand at Mills.....	131,781	149,814

Cottonseed products manufactured and on hand at mills are here shown for Oklahoma and the United States for the season 1926-1927, as reported by the Bureau of Census, Department of Commerce:

Manufactured: Aug. 1—Jan. 31	Crude Oil Pounds	Cake and Meal		Hulls Tons	Linters Running Bales
		Tons	Tons		
Oklahoma.....	100,303,080	166,539	97,844	54,963	
United States.....	1,267,693,849	1,904,721	1,234,649	695,650	
On hand at Mills: January 31					
Oklahoma.....	13,019,475	9,604	25,358	39,311	
United States.....	115,552,582	147,250	235,800	221,200	

Grain Marketings

Arrivals of wheat at five markets in this district in January, though smaller than in December by 7.9 per cent, were larger than in January 1926 by 83.2 per cent, and in fact were the largest January receipts since 1923. Receipts of corn and oats at these markets during the month were respectively 42.2 per cent and 23.2 per cent larger those for the preceding month, but were smaller by 14.5 per cent and 32.4 per cent than for January of last year. Receipts of barley were the largest for January since 1924 and of kafir the largest for the first month of all years since 1921. The January receipts at the five markets, with comparison, follow:

	Wheat	Corn	Oats	Rye	Barley	Kafir
Hutchinson.....	2,563,650	131,250	9,000	3,600	5,000	269,100
Kansas City.....	5,455,800	2,328,000	420,000	46,500	43,200	625,900
Omaha.....	1,411,200	2,611,000	496,000	92,400	33,600	
St. Joseph.....	441,000	933,000	78,000	1,500	1,750	
Wichita.....	1,568,700	67,200	31,500	2,400	7,200	56,400
January 1927.....	11,440,350	6,070,450	1,034,500	146,400	90,750	951,400
December 1926.....	12,423,850	4,269,750	839,500	89,800	87,550	838,600
January 1926.....	6,244,300	7,104,700	1,530,200	142,000	75,700	584,400

Flour Production

The output of flour at reporting mills in this district during January was 189,806 barrels or 8.4 per cent less than in December, but 333,775 barrels or 19.4 per cent greater than in January 1926. The number of barrels of flour made at the milling centers of the district in January is compared with the production in December and January 1926 in the following, the totals compiled from the Northwestern Miller's direct mill reports:

	Jan. 1927 Barrels	Dec. 1926 Barrels	Jan. 1926 Barrels
Atchison.....	112,545	107,001	105,326
Kansas City.....	567,885	635,977	484,557
Omaha.....	87,019	93,023	88,210
Salina.....	103,776	121,366	104,219
St. Joseph.....	147,926	133,563	113,649
Wichita.....	170,669	200,078	114,512
Outside.....	865,624	954,242	711,196
Total.....	2,055,444	2,245,250	1,721,669

While the reports from mills showed a slight increase in sales of flour during the week ending February 5 over the preceding week, new business on the whole was quiet. Millers generally were devoting their energies to the large volume of flour bookings, but shipping instructions were slow.

Meat Packing

Slaughtering operations at six meat-packing centers of this district increased during January as a result of the larger supply and excellent quality of meat animals. The reports of packers' purchases at public markets, including shipments direct to packers, show larger numbers of cattle, calves, hogs and sheep were slaughtered during January than in the preceding month and, with the exception of sheep and calves, larger than the same month last year. The month's slaughter of hogs had not been exceeded since February 1925. Purchases by packers of meat animals were:

	Cattle	Calves	Hogs	Sheep
Kansas City.....	91,003	21,253	210,042	92,870
Omaha.....	83,461	5,403	204,642	99,177
St. Joseph.....	30,515	9,153	120,150	60,251
Denver.....	10,064	2,792	52,934	13,683
Oklahoma City.....	17,171	4,714	19,640	469
Wichita.....	8,939	3,374	53,400	5,921
January 1927.....	241,153	46,689	660,808	302,371
December 1926.....	235,975	43,789	543,647	269,594
January 1926.....	232,808	50,093	636,645	326,035

Live Stock Movements

Liberal supplies of meat animals at the leading markets in this district, with prices holding fairly steady and at a slightly higher level than a year ago, and improvement in the general live stock situation, were features of the reports covering the first month of 1927.

Receipts of hogs at six reporting market during January were the largest in number for any month since June 1925. The total exceeded that for December by 21.6 per cent and that for January 1926 by 4.1 per cent. The number of cattle sent to these markets during the month was 10.8 per cent larger than in December and 6.5 per cent larger than in January of last year. Arrivals of calves were large for January, exceeding the total for the preceding month by 1.6 per cent, but fell 4.1 per cent below the total for the corresponding month last year. Movements of sheep and lambs to the markets during the month were the smallest in number for any January since 1919, but the total was larger by 16.1 per cent than that for December and 5.3 per cent smaller than that for January 1926. Marketings of horses and mules in January increased 121.4 per cent

LIVE STOCK ON FARMS AND RANGES IN SEVEN STATES AND THE TENTH DISTRICT JANUARY 1, 1927 AND 1926

	Horses and Colts		Mules and Colts		All Cattle		Milk-Cows-Heifers		Sheep and Lambs		Hogs and Pigs	
	1927	1926	1927	1926	1927	1926	1927	1926	1927	1926	1927	1926
Colorado.....	341,000	352,000	37,000	38,000	1,391,000	1,377,000	224,000	224,000	1,845,000	2,537,000	408,000	443,000
Kansas.....	858,000	894,000	247,000	252,000	2,625,000	2,853,000	715,000	730,000	500,000	452,000	2,109,000	2,220,000
Missouri.....	636,000	670,000	358,000	365,000	2,298,000	2,369,000	827,000	827,000	986,000	940,000	3,708,000	3,671,000
*19 counties.....	137,000	144,000	60,000	61,000	483,000	497,000	212,000	212,000	156,000	149,000	971,000	962,000
Nebraska.....	815,000	840,000	118,000	120,000	2,872,000	3,191,000	613,000	625,000	620,000	810,000	4,512,000	4,700,000
New Mexico.....	166,000	175,000	34,000	34,000	1,189,000	1,213,000	64,000	64,000	2,490,000	2,184,000	54,000	47,000
*13 counties.....	173,000	77,000	14,000	14,000	396,000	404,000	21,000	21,000	1,245,000	1,092,000	27,000	23,000
Oklahoma.....	565,000	589,000	365,000	369,000	1,723,000	1,610,000	581,000	570,000	84,000	70,000	777,000	736,000
*69 counties.....	527,000	550,000	328,000	332,000	1,585,000	1,481,000	535,000	524,000	83,000	69,000	676,000	640,000
Wyoming.....	194,000	198,000	6,000	6,000	771,000	787,000	70,000	69,000	3,100,000	2,870,000	95,000	90,000
Seven States.....	3,575,000	3,718,000	1,165,000	1,184,000	12,869,000	13,400,000	3,094,000	3,109,000	9,625,000	9,863,000	11,663,000	11,907,000
TENTH DIST.....	2,945,000	3,055,000	810,000	823,000	10,123,000	10,590,000	2,390,000	2,405,000	7,549,000	7,979,000	8,798,000	9,078,000
United States.....	15,279,000	15,840,000	5,734,000	5,733,000	57,521,000	59,148,000	21,824,000	22,148,000	41,909,000	39,864,000	52,536,000	52,055,000

*Number of live stock in parts of Missouri, New Mexico and Oklahoma included in the Tenth District.

over December but the number of head arriving at the six markets during the month was 15.6 per cent short of the total for January 1926. Live stock receipts follow:

	Cattle	Calves	Hogs	Sheep	Horses	Cars
Kansas City.....	169,562	25,154	267,639	130,510	3,248	10,107
Omaha.....	120,626	7,636	304,078	142,845	2,470	8,350
St. Joseph.....	41,808	10,312	151,372	103,481	781	3,722
Denver.....	49,854	6,038	68,201	86,521	2,780	2,847
Oklahoma City.....	23,308	5,442	23,264	745	578	873
Wichita.....	27,940	6,043	58,783	6,870	2,558	1,495
January 1927.....	433,098	60,625	873,337	470,972	12,415	27,394
December 1926.....	391,005	59,649	718,091	405,523	5,606	23,347
January 1926.....	406,592	63,210	838,912	497,335	14,710	27,587

Shipments of livestock to the country for stock and feeding purposes in January were quite heavy for that month. The reports from four markets showed small decreases in the number of cattle shipped, but the outgo of stock and feeding sheep was the largest for any January of record and that of stock and feeding calves and hogs the largest for any January since 1924.

	Cattle	Calves	Hogs	Sheep
Kansas City.....	43,371	1,992	10,942	24,443
Omaha.....	21,051	.....	1,926	31,278
St. Joseph.....	5,456	408	3,267	11,840
Denver.....	27,405	3,119	2,332	53,661
January 1927.....	97,283	5,519	18,467	121,222
January 1926.....	98,394	2,909	11,008	83,636

Live Stock on Farms

The number of live stock on farms in the Tenth Federal Reserve District decreased 1,300,000 head, or 4.1 per cent, between January 1, 1926, and January 1, 1927, according to the Department of Agriculture report which was made public early in February. All classes of live stock shared in the decrease. The aggregate value of all live stock on farms in the district on January 1, 1927 was less by \$13,573,000 or 1.7 per cent than the value reported a year earlier. Average values per head of cattle and hogs were larger, but the increase for these two classes was more than offset by lower values per head of sheep, horses, mules, and their young. A compilation of the figures for the states and parts of states which form this district shows the number and value of the several classes of live stock as of January 1 of both years:

	NUMBER		VALUE	
	1927	1926	1927	1926
All cattle.....	10,123,000	10,590,000	\$382,127,000	\$362,619,000
*Milk Cows and Heifers.....	2,390,000	2,405,000	129,721,000	120,932,000
Sheep and lambs.....	7,549,000	7,979,000	71,963,000	84,917,000
Hogs and pigs.....	8,798,000	9,078,000	144,895,000	141,350,000
Horses and colts.....	2,945,000	3,055,000	128,967,000	146,086,000
Mules and colts.....	810,000	823,000	45,974,000	52,527,000
Total, Tenth District.....	30,225,000	31,525,000	\$773,926,000	\$787,499,000

*Included in totals for "All Cattle."

Business Conditions in the United States;

Industrial activity has been slightly larger since the turn of the year than at the close of 1926. Seasonal liquidation of reserve bank credit has been in unusually large volume owing chiefly to the inflow of gold from abroad, and conditions in the money market have been easy. Wholesale prices have continued to decline.

PRODUCTION: Output of factories was larger in January than in December, but smaller than in January 1926 or 1925. Mineral production, though somewhat below the December level, continued in unusually large volume, reflecting the maintenance of production of bituminous coal, crude petroleum, and copper. Manufacture of iron and steel, which was sharply curtailed in December, increased in January and February. Automobile output was increased considerably from the unusually low level of production reached last December, but the number of passenger cars produced since the beginning of the year has been smaller than for the corresponding period of the past four years. The textile industries have continued active since December without, however, showing the usual increase.

Building contracts awarded in 37 states during the first seven weeks of the year were smaller in value than those for the same period of 1926. Decreases have been largest in New York and the New England, Southeastern and Northwestern States, while increases occurred in the Middle Atlantic and Central Western States. By types of building, contracts awarded for residential and industrial building in January showed large reductions as compared with December and with January 1926, while contracts for commercial buildings were larger than a month or a year ago.

TRADE: Retail trade showed more than the usual seasonal decline between December and January. Sales of department stores were in about the same volume as a year ago, while those of mail order houses were 7 per cent smaller. Wholesale trade declined in nearly all leading lines in January and was considerably smaller than a year ago. Inventories of department stores were reduced less than is customary and at the end of the month were in about the same volume as in January 1926. Stocks of merchandise carried by wholesale firms increased slightly, but continued in smaller volume than in the corres-

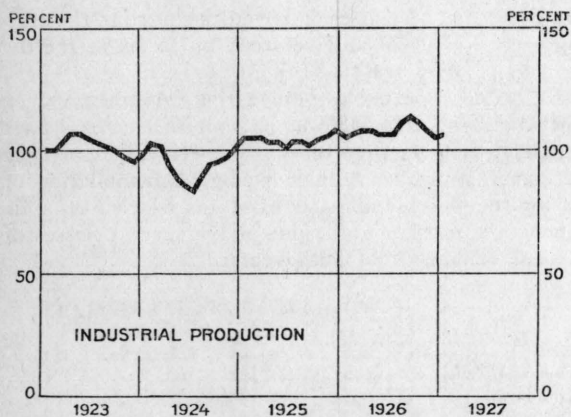
ponding month of the previous year. Freight car loadings declined by somewhat more than the usual seasonal amount between December and January, but owing chiefly to heavier shipments of coal this year, weekly loadings since the beginning of the year were larger than for the same period of 1926. Shipments of merchandise in less than carload lots were also slightly larger than last year, but those of most basic commodities were smaller.

PRICES: The general level of wholesale prices declined fractionally in January according to the index of the Bureau of labor statistics, considerable advance in prices of livestock being somewhat more than offset in the total by decreases in nearly all other commodity groups included in the index. Prices of non-agricultural products, as a group, declined to the lowest level since early in 1922. In February there were decreases in the price of iron and steel, nonferrous metals, bituminous coal, grains and hides, while prices of cattle, sheep, cotton and gasoline increased.

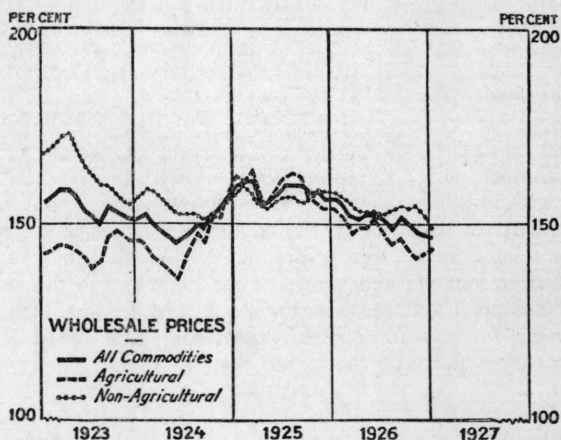
BANK CREDIT: Commercial loans of member banks in leading cities continued to decline during the four weeks ending February 16, although at a less rapid rate than in earlier weeks, and in the middle of February the volume of these loans was about \$270,000,000 below the seasonal peak reached in the middle of November, though about \$200,000,000 above last year's level. Loans on securities also declined during the period, while bank investment holdings increased somewhat.

The volume of reserve bank credit remained during the four weeks ending February 23 near the low level reached at the end of January. Liquidation of reserve bank credit since the high point of last December has been in excess of \$500,000,000 the unusual extent of this reduction being due chiefly to the large inflow of gold from abroad. Total bills and securities of the reserve banks on February 23 were about \$200,000,000 smaller than on the corresponding date of last year.

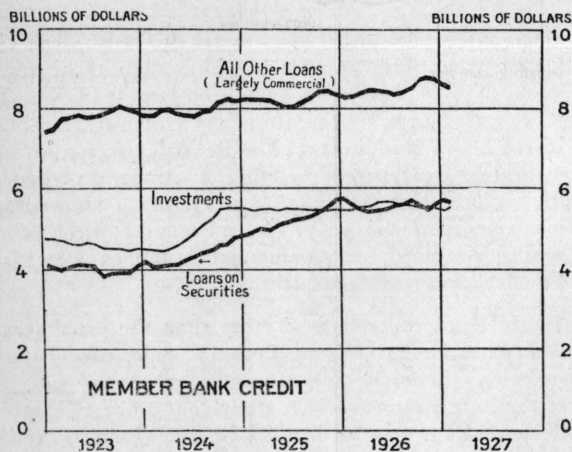
Easier money conditions in February were reflected in a decline in the rate on prime commercial paper from 4¼ to 4 per cent after the first week of the month.



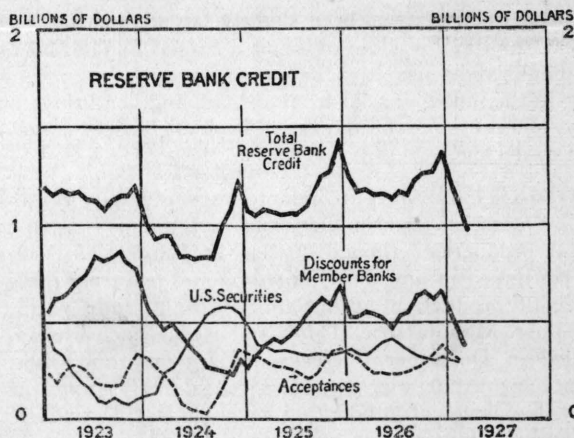
Index number of manufacturers and minerals combined, adjusted for seasonal variations (1923-25 equal 100.) Latest figure January, 106.



Index of United States Bureau of Labor Statistics. (1913 100, base adopted by Bureau.) Latest figures January: All commodities 146.9; non-agricultural 149.6; agricultural 143.4.



Monthly averages of weekly figures for banks in 101 leading cities. Latest figures are averages for the first three weekly reports in February: Loans on securities 5,604; investments 5,578; all other loans 8,562.



Monthly averages of daily figures for twelve Federal Reserve Banks. Latest figures are averages of the first twenty-three days in February: Total 994, discounts 381, acceptances 306, securities 305.