

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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No. 1

The volume of business in the Tenth Federal Reserve District during the forty-eight weeks ending November 30, 1927, as measured by payments by check, was 1.1 percent greater than in the forty-eight weeks ending December 1, 1926. Later returns indicated this lead was maintained to the middle of December, though the final returns for the fifty-two weeks were needed to determine whether or not business in 1927 would pass the high mark set in 1926.

NOVEMBER brought a decline in the industrial output in the Tenth District, owing partly to the fewer working days in the month and partly to the slowing down of operations of some industries for the winter season. Distributive trade by wholesalers in six leading lines was smaller than in October, although the total of sales of all firms reporting was larger in dollars than in November 1926. Retail trade expanded and sales of department stores during the month and eleven months of 1927 were larger than in the corresponding month and eleven months in 1926. With the Christmas spirit abiding, the holiday trade in December was close to the previous high records.

The final 1927 crop report of the United States Department of Agriculture and of the State Boards of Agriculture, released to the public on December 19, added about 17,600,000 bushels to the corn crop, but on other crops there were no important changes in estimated production from the figures presented one month earlier. The value of all crops produced in the states and parts of states which form the Tenth District, as estimated, was substantially larger than the farm value of crops produced in 1926. The index figure on prices of agricultural commodities was above that for non-agricultural commodities since July.

The livestock industry moved into stronger position as the year advanced, due to the larger crops of corn, hay and other stock feeds, and to advances in prices of cattle. While receipts of meat animals, notably of cattle and hogs, at primary markets in November and eleven months were smaller than in the same month and eleven months of the preceding year, the increased value of cattle and heavier weights of live stock more than offset the marked decline in hog prices and gave the year's marketings a greater value than that for meat animals marketed in 1926.

The dairy industry, and also the poultry industry, expanded during the year and the value of their products marketed was the largest in recent years, according to the reports.

The production of flour declined seasonally in November from the higher rate maintained during the summer and fall, although the output for eleven months exceeded that for the like period

BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT
[Statistics for November 1927, in which there were 24 business days, are compared with those for October 1927, a month of 26 business days, and with those for November 1926, also a month of 24 business days. Statistics for eleven months of 1927 also are compared with those for eleven months of 1926. Comparisons are made in the percentages of increase or decrease.]

	Nov. 1927 compared to Oct. 1927	Nov. 1927 compared to Nov. 1926	11 Mos. 1927 compared to 11 Mos. 1926
General			
Bank debits, 29 cities.....	- 4.2	- 0.004	1.1
Reserve Bank clearings.....	- 3.6	- 2.1	- 1.3
Items handled.....	- 1.4	3.6	- 0.7
Trade			
Department stores.....	5.3	0.8	1.8
Wholesale stores, 6 lines.....	- 4.9	0.8	0.2
Lumber sales, retail yards.....	3.9	- 2.2	- 18.8
Grain receipts, 5 markets			
Wheat.....	- 28.3	16.6	- 2.3
Corn.....	66.8	68.9	- 8.5
Oats.....	- 36.5	75.2	- 7.8
Live Stock receipts, 6 markets			
Cattle.....	- 20.0	- 3.0	- 2.9
Calves.....	- 13.6	5.3	- 7.3
Hogs.....	5.8	- 19.7	- 0.6
Sheep.....	- 58.0	5.2	- 3.1
Horses and Mules.....	- 17.8	91.9	11.9
Industrial output			
Flour.....	- 16.5	- 16.6	2.0
Crude oil.....	- 4.5	24.8	38.6
Soft coal.....	- 16.5	- 27.6	- 5.9
Cement.....	- 18.3	3.7	- 5.6
Face Brick.....	- 10.6	1.0	3.1
Zinc ore (shipped).....	- 31.1	- 34.9	- 18.5
Lead ore (shipped).....	- 1.1	- 28.2	- 25.1
Meat packing, 6 centers			
Cattle.....	- 10.7	- 9.2	- 5.2
Calves.....	- 21.2	- 14.2	- 10.7
Hogs.....	8.9	- 15.8	3.3
Sheep.....	- 25.6	- 1.8	- 5.6
Building			
Contract awards, district.....	- 14.4	37.9	7.6
Permits issued, 17 cities.....	- 27.5	15.3	3.7
Value of permits.....	- 29.4	16.5	- 7.2

in 1927, this district ranking first in flour production. Meat packing operations declined seasonally during the month, owing to the smaller supplies of live stock.

Production of crude petroleum during November was at a smaller daily average than in any month since April, but it exceeded production in November 1926, and for the first eleven months of the year was 38.6 percent larger than in the like period in 1926. The production of soft coal and of lead and zinc ores was smaller than in either October or November a year ago, and

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

	Reporting Stores	SALES		OUTSTANDING (Mo. END)		COLLECTIONS		STOCKS (Mo. END.)	
		Nov. 1927 compared with		Nov. 30, 1927 compared with		November 1927 compared with		Nov. 30, 1927 compared with	
		Oct. 1927	Nov. 1926	Oct. 31, 1927	Nov. 30, 1926	Oct. 1927	Nov. 1926	Oct. 31, 1927	Nov. 30, 1926
Dry Goods.....	5	— 4.8	—10.9	—6.6	—10.2	0.7	—6.3	—9.4	13.9
Groceries.....	6	— 1.4	— 2.6	—2.1	— 6.5	3.3	2.9	1.4	—5.0
Hardware.....	9	— 5.9	4.5	—3.4	3.0	—1.3	6.9	—2.7	—8.8
Furniture.....	4	— 9.7	5.8	—3.6	— 0.1	3.7	2.6	—1.7	—6.3
Drugs.....	6	— 5.4	9.0	—3.3	4.6	—7.7	1.4	—3.1	8.0
Millinery.....	3	—49.5	— 4.3	-----	-----	-----	-----	-----	-----

policy of buying from hand to mouth, with retail merchants not inclined to anticipate their wants by buying in advance of the season, the business of wholesalers was restricted.

Wholesalers of dry goods reported that, as the heaviest fall orders were filled early, sales in November were considerably under those for October, while the unfavorable comparison with November 1926 could be partly accounted for by unseasonably warm weather affecting the sale of winter goods. A moderate contraction in the consumption of textiles was disclosed by the reports. Orders taken for spring goods to be shipped in the early part of 1928 were reported in excess of orders taken in the same period a year ago.

Trade with wholesalers of groceries continued moderately heavy and in about the same daily volume as in the preceding month, but showing a decrease as compared with November 1926. The hardware trade exhibited considerable activity and the wholesale furniture trade was substantially larger than a year ago. Wholesalers of drugs reported the volume of their business was heavy and above that of a year ago.

COLLECTIONS: Department store reports, reflecting the general retail trade, showed the percentage of collections during November on amounts outstanding at the end of October were 41.3 percent. This figure compares with 41.4 percent for October and 42.2 percent for November 1926. Wholesalers of groceries reported collections a shade better than in the preceding month and approximately the same as in the corresponding month in 1926, while wholesalers in other lines reported very slight changes in the ratio of collections to outstanding.

Building

Building and general construction in this district in November exhibited its usual tendency to slow down for the winter season, although the statistical reports reflected greater activity than in November 1926.

Building contract awards in the Tenth District as a whole totaled \$16,516,000 for the month of November, compared with

NOVEMBER BUILDING IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST		Per Cent Change
	1927	1926	1927	1926	
Casper, Wyo.....	5	14	\$ 30,400	\$ 5,375	465.6
Cheyenne, Wyo.....	28	18	70,840	32,190	120.1
Colorado Springs, Colo.....	63	59	66,792	57,276	16.6
Denver, Colo.....	511	454	1,103,500	760,450	45.1
Hutchinson, Kans.....	32	35	75,335	37,415	10.1
Joplin, Mo.....	29	22	77,773	270,924	—71.3
Kansas City, Kans.....	68	82	75,205	106,575	—29.4
Kansas City, Mo.....	241	279	1,081,725	1,248,220	—13.3
Lincoln, Nebr.....	94	68	290,730	269,396	8.0
Muskogee, Okla.....	13	21	350,500	21,850	1,504.1
Oklahoma City, Okla.....	212	103	1,516,285	602,813	151.5
Omaha, Nebr.....	69	88	244,980	558,940	—56.2
Pueblo, Colo.....	102	72	101,362	107,520	— 5.7
St. Joseph, Mo.....	47	31	74,205	90,581	—18.1
Topeka, Kans.....	84	88	171,130	170,810	0.2
Tulsa, Okla.....	295	192	1,126,995	1,037,927	8.6
Wichita, Kans.....	177	169	365,880	479,703	—23.7
Total November.....	2,070	1,795	\$ 6,823,637	\$ 5,857,965	16.5
Total Eleven Months.....	27,908	26,904	\$78,324,388	\$84,371,159	— 7.2

\$19,316,000 in October and \$11,979,000 in November 1926, according to the F. W. Dodge Corporation reports. Contract awards in this district for the first eleven months of 1927 amounted to \$200,091,000 against \$185,858,000 for the same period in 1926, indicating an increase for the year to November 30 of \$14,233,000 or 7.6 percent.

Reports of building departments in seventeen leading cities for November, although showing a seasonal decrease from October in the number and value of permits issued, also showed increases over November 1926 of 15.3 percent in the number of permits issued, and of 16.5 percent in the estimated cost of the buildings. In point of the building investment the month's total was the highest for November since 1922. Ten of the seventeen cities reported increases over November 1926 in permits issued for new buildings, and ten cities reported increases in the estimated cost of buildings.

The building record for the seventeen reporting cities covering the first eleven months of 1927 showed an increase of 3.7 percent in the number of permits issued over the first eleven months of 1926. The amount of money invested in buildings, indicated by the estimated cost of construction, was 7.2 percent less than in the eleven month period of 1926.

Lumber and Materials

The lumber movement in the United States during the four weeks ending December 3 reflected a seasonal decline in operations at mills. While total production, shipments and orders were below those for the preceding four weeks, they exceeded those for the corresponding four weeks in 1926. The consolidated reports of eight softwoods associations and two hardwoods associations, compiled by the National Lumber Manufacturers Association, follow:

	FOUR WEEKS ENDING		
	Dec. 3, 1927 Feet	Nov. 5, 1927 Feet	Dec. 4, 1926 Feet
Cut.....	1,114,750,063	1,197,394,790	1,029,543,666
Shipments.....	1,002,167,909	1,135,685,049	976,917,664
Orders.....	962,279,311	1,098,409,624	889,738,855

Reports for the first forty-eight weeks of 1927 show that softwoods lumber production ran below that for the same period in 1926, although the hardwood lumber movement showed but very slight change. The figures for eight softwood associations and two hardwood associations are shown separately in the following:

	FORTY-EIGHT WEEKS ENDING	
	Dec. 3, 1927 Feet	Dec. 4, 1926 Feet
Softwoods		
Cut.....	11,526,094,182	12,787,213,908
Shipments.....	11,477,073,015	12,863,764,762
Orders.....	11,346,241,422	12,587,441,085
Hardwoods		
Cut.....	1,404,811,000	1,410,851,300
Shipments.....	1,428,385,000	1,419,087,981
Orders.....	1,432,389,000	1,448,852,899

RETAIL LUMBER TRADE: Sales of lumber in board feet at 187 retail yards in cities and towns in this district during November were the largest for any month in the year, although small-

er than in November 1926. Sales of all materials in dollars for the month were larger than in either the preceding month or a year ago. November business at the reporting yards is here compared with that for October 1927 and November 1926 in percentages of increase or decrease:

	Nov. 1927	Compared to
	Oct. 1927	Nov. 1926
Sales of Lumber, Board Feet.....	3.9	— 2.2
Sales of Lumber and Materials, dollars.....	2.8	5.0
Stocks of Lumber, end of Month.....	—4.5	— 6.1
Outstandings end of Month.....	1.0	—11.7
Collections during Month.....	—1.0	—14.6

Sales of lumber at these reporting yards during eleven months of 1927 were 18.8 percent under those for the first eleven months of 1926, while sales of all materials in dollars during the eleven months of the year decreased 13.3 percent.

CEMENT: Production and shipments of Portland cement at mills in this district were smaller in November than in October and larger than in November 1926, while stocks on hand at mills were smaller than a year earlier, according to the report of the bureau of mines, United States Department of Commerce. The returns in detail:

	Nov. 1927	Oct. 1927	Nov. 1926
	Barrels	Barrels	Barrels
Production.....	1,059,000	1,296,000	1,021,000
Shipment.....	1,005,000	1,466,000	881,000
Stocks, end month.....	1,581,000	1,526,000	1,992,000

The record of production for this district covering eleven months of 1927 was 11,404,000 barrels, against 12,088,000 barrels in the same period in 1926. Shipments were 12,095,000 barrels, against 12,171,000 barrels.

FACE BRICK: Production of face brick at 65 plants located in seventeen states, including states in this district, declined seasonally in November and was about 10 percent below October but about 1 percent above November a year ago. For the year to December 1 there was an increase of 3.1 percent in production and a decrease of 1 percent in shipments as compared with the same period in 1926. Stocks on hand at the end of November were 31.9 percent larger than a year earlier, while unfilled orders were 5.6 percent larger.

Flour Production

With the inventory period near at hand and new bookings of flour orders seasonally lighter, milling operations in this district were reduced in November to an average of 64.6 percent of full-time capacity, compared with 75 percent in October and 78 percent in November 1926. The output of flour fell 16.5 percent below that for October, and 16.6 percent below that for the same month in the preceding year. Statistics of flour production compiled from the Northwestern Miller's direct reports are here shown.

	Nov. 1927	Oct. 1927	Nov. 1926
	Barrels	Barrels	Barrels
Atchison.....	124,411	132,627	123,774
Kansas City.....	660,053	742,790	622,925
Omaha.....	102,965	107,697	98,107
Salina.....	168,401	185,051	146,773
St. Joseph.....	109,335	190,010	185,783
Wichita.....	153,367	193,135	213,365
Outside.....	683,308	845,417	1,008,790
Total.....	2,001,840	2,396,727	2,399,517

The accumulated total of flour produced at Southwestern Mills for the first eleven months of the year was 23,212,838 barrels, an increase of 447,312 barrels or 2 percent over the like period in 1926.

Agriculture

Final reports of the United States Department of Agriculture and State Boards of Agriculture, in December, indicated but small changes in the year's production of farm crops in this district from estimates announced in November. Yields of corn, spring wheat, barley, rye, white potatoes, sweet potatoes, grain sorghums, sugar beets, hay and tobacco have exceeded those in 1926, while yields of winter wheat, cotton, oats and broom corn were smaller than in the preceding year. The fruit and berry crops in this district as a whole were smaller than in 1926, with a few exceptions. There was an increase in production of vegetables and truck crops, particularly in the irrigated sections, and heavier shipments were reported.

According to all reports the farm production in the district had a much greater value than in 1926, due largely to the higher prices paid producers during the year. The states of Nebraska, Colorado and Wyoming reported the value of 1927 crops exceeded that of all former years. Kansas reported the highest value of field crops, exclusive of live stock and poultry and their products, since 1920. In Oklahoma the value of the year's crops was reported larger than in 1926 notwithstanding a greatly reduced yield of cotton. Missouri made an excellent showing of crop values in the face of the fact that yields of the leading crops were smaller than in the preceding year. The value of crops produced in the nineteen Missouri counties in this district was slightly above that for 1926. In the thirteen counties of New Mexico, which are included in this district, the value of 1927 crops was but slightly different from that of 1926 crops.

WINTER WHEAT: While November weather was favorable for farm work and for gathering late crops it was quite unsatisfactory for wheat sown in the fall. Over the major part of the wheat belt, in the eastern half of the district, wheat entered the winter in fair to good condition and with sufficient moisture for its present needs. In western Kansas and over a large portion of adjoining states, where there was scant rainfall during the fall, wheat was in poor condition and needing moisture. This condition was described in the first weekly Kansas Bulletin in December as follows:

"Wheat in the eastern third of Kansas has sufficient soil moisture for the present and covers the ground well. Towards the central third the need of a good rain or snow is becoming apparent, though the crop there is not suffering. In the western third, which has had a dry spell extending over more than two months, wheat is suffering badly and in poor shape to enter the winter. Most of the fields in that section are bare and germination and stooling have been poor."

COTTON: The December report of the crop reporting board of the United States Department of Agriculture indicated 56 percent of the 1927 cotton crop in the United States was produced in the eight states lying west of the Mississippi river. In 1926 the eight states, constituting the southwestern Cotton Belt, produced 57 percent of the Nation's cotton crop. The report by states on acres for harvest and estimated production follows:

	LEFT FOR HARVEST		PRODUCTION	
	1927	1926	Dec. 1927	Final 1926
	Acres	Acres	Bales	Bales
Texas.....	16,270,000	18,363,000	4,280,000	5,628,000
Oklahoma.....	3,433,000	4,912,000	990,000	1,773,000
Arkansas.....	3,045,000	3,782,000	980,000	1,548,000
Louisiana.....	1,560,000	1,960,000	545,000	829,000
Missouri.....	281,000	488,000	104,000	218,000
New Mexico.....	95,000	120,000	70,000	75,000
Arizona.....	137,000	167,000	93,000	122,000
California.....	128,000	160,000	94,000	131,000
Eight S. W. States.....	24,949,000	29,952,000	7,156,000	10,324,000
United States.....	40,168,000	47,653,000	12,789,000	17,977,000

1927 than in the same period in 1926. Cattle at the twenty markets decreased 1,664,000, sheep decreased 777,000, while hogs increased 233,000.

November receipts of livestock at six markets in this district showed more than the usual seasonal decline from October in cattle, calves, and sheep, although receipts of hogs were the largest since August. Compared with November 1926 receipts of cattle and hogs decreased while receipts of calves and sheep increased.

Receipts of horses and mules at the six markets during November totaled 14,935, compared with 18,193 in October and 7,782 in November a year earlier. Total receipts of horses and mules during the first eleven months of 1927 were 113,417, against 101,379 for the first eleven months of 1926, an increase of 12,038 or 11.9 percent.

FEEDER MOVEMENTS: The record of four markets covering the first eleven months of 1927 showed shipments of stocker and feeder cattle fell 4.6 percent below those for the corresponding period in 1926. However, the countryward movement of calves increased 34.9 percent, hogs increased 2.6 percent, and sheep increased 17.3 percent over the totals for the eleven months in 1926.

The November movement of stock and feeding cattle from the four reporting markets to the country were 19.9 percent smaller than in October but 3 percent larger than in November 1926, and the largest for November since 1923. Countryward movements of calves and hogs during the month exceeded those for the preceding month and a year earlier. The outgo of sheep to feed lots in the corn belt during the month fell 64.7 percent short of the October record, but was 14.3 percent larger than in November 1926 and the largest for November since 1924.

Meat Packing

The slaughter of cattle, calves and sheep declined in November mainly the result of smaller supplies of these classes of livestock at the six leading livestock markets. There was a small increase over October in the slaughter of hogs, but operations in that branch of the industry were not up to a year earlier.

The record of meat packing for eleven months of the year, however, showed 179,066 or 3.3 percent more hogs were slaughtered than in the corresponding eleven months of 1926. On the other hand, there were decreases of 144,169 or 5.2 percent in the number of cattle slaughtered, of 64,389 or 10.7 percent in calves, and of 213,104 or 5.6 percent in sheep.

The market for dressed beef and dressed lamb was slow and irregular during November, due to adverse weather. In the domestic field there was a good trade in pork products, and especially good in the case of fresh pork cuts. Stocks of provisions, pork and lard, at Kansas City on November 30 were 23,522,600 pounds, compared with 25,708,200 pounds a month earlier and 21,612,600 pounds on November 30, 1926.

Petroleum

The output of crude oil from wells in the five producing states in this district declined in November to a daily average of 935,100 barrels. This was the smallest daily average reported for these states since last April, although it exceeded the daily average for November 1926 by 185,800 barrels. Gross production during the thirty days of November was 1,314,000 barrels

or 4.5 percent less than in the thirty-one days of October but exceeded that for November 1926 by 5,577,000 barrels or 24.8 percent. The November production brought the total for the first eleven months of 1927 to 313,545,000 barrels against 226,160,000 barrels in the like period in 1926, an increase of 87,385,000 barrels or 38.6 percent. Production figures for the five states follow:

	GROSS PRODUCTION		
	*Nov. 1927 Barrels	*Oct. 1927 Barrels	Nov. 1926 Barrels
Oklahoma.....	23,007,000	24,264,000	16,855,000
Kansas.....	3,200,000	3,255,000	3,445,000
Wyoming.....	1,588,000	1,574,000	1,787,000
Colorado.....	193,000	206,000	230,000
New Mexico.....	66,000	69,000	160,000
Total.....	28,054,000	29,368,000	22,477,000

	DAILY AVERAGE		
	*Nov. 1927 Barrels	*Oct. 1927 Barrels	Nov. 1926 Barrels
Oklahoma.....	766,900	782,700	561,800
Kansas.....	106,700	105,000	114,900
Wyoming.....	52,900	50,800	59,600
Colorado.....	6,400	6,700	7,700
New Mexico.....	2,200	2,200	5,300
Total.....	935,100	947,400	749,300

*Estimated American Petroleum Institute

The summary of field operations showed that during the first eleven months of 1927 the number of wells completed was 1,780 fewer than in the same period in 1926, although daily new production was 999,228 barrels greater than in the same period in 1926. Indications of a general movement to reduce production in this district are seen in the reports from the five states. These reports show the number of wells drilling on December 1 was 1,030, or 41.2 percent less than on the corresponding day in 1926. The November field summary follows:

	Wells Completed	Bbls. Daily New Prod'n	Dry Wells	Gas Wells	Rigs-Wells Drillin
Oklahoma.....	376	98,896	122	42	899
Kansas.....	137	12,991	45	16	227
Wyoming.....	16	3,040	6	0	168
Colorado.....	15	731	7	2	89
New Mexico.....	11	138	9	1	86
November 1927.....	555	115,796	189	61	1,469
October 1927.....	543	178,661	170	58	1,572
November 1926.....	642	184,687	216	47	2,499
11 Months 1927.....	6,052	2,150,308	2,062	563	—
11 Months 1926.....	7,832	1,151,080	2,505	562	—

Reports on refinery operations in Oklahoma and Kansas showed fewer plants were operating on December 1, but daily runs of crude oil to refinery stills were larger than a year earlier. The reports on the refinery operations in the states follow:

	Plants Operating	Daily Runs
December 1, 1927.....	57	265,605
November 1, 1927.....	58	273,025
December 1, 1926.....	62	250,480

Lead and Zinc

Shipments of zinc and lead ores in the Tristate District during the four weeks ending December 3 were considerably smaller

than in the preceding four weeks ending November 5. Compared with the corresponding four weeks in 1926 shipments of zinc ore showed a decrease of 34.9 percent and of lead ore a decrease of 28.2 percent. Zinc ore at the close of November sold at an average of \$37 per ton, an increase of \$2 per ton during the month but \$9 per ton below the price paid a year ago. Lead ore prices, after remaining steady at \$80 per ton for twelve weeks, rose to \$85 for the week ending December 3, and at that time were \$15 per ton below the price paid producers one year earlier. The record of shipments of ores and their values:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	27,660	\$ 988,040	4,760	\$ 380,880
Kansas.....	15,127	538,775	2,261	180,880
Missouri.....	2,141	76,325	139	11,120
4 weeks ending Dec. 3, 1927.....	44,928	\$ 1,603,140	7,160	572,800
4 weeks ending Nov. 5, 1927.....	65,214	2,463,096	7,243	579,440
4 weeks ending Dec. 4, 1926.....	68,965	3,241,355	9,976	997,600
49 weeks ending Dec. 3, 1927.....	644,607	\$26,744,276	92,577	\$ 8,099,867
49 weeks ending Dec. 4, 1926.....	790,687	38,839,785	123,546	13,127,004

Bituminous Coal

The output of soft coal at the mines in this district during November was the smallest for any month since August. This was due in part to the fewer working days in the month and in part to the strike in Colorado which resulted in marked curtailment of mining activities. The production figures for the month are here shown for six states:

During the first eleven months of 1927 the mines in these six states produced 25,113,000 tons of soft coal, which was 1,561,000 tons or 5.9 percent less than the production during the same period in 1926.

	*Nov. 1927	Oct. 1927	Nov. 1926
	Tons	Tons	Tons
Colorado.....	478,000	918,000	1,187,000
Kansas.....	285,000	306,000	511,000
Missouri.....	276,000	297,000	349,000
New Mexico.....	296,000	280,000	279,000
Oklahoma.....	301,000	324,000	306,000
Wyoming.....	807,000	802,000	742,000
Total.....	2,443,000	2,927,000	3,374,000

Business Conditions in the United States

Industrial activity and freight car loadings declined further in November, while retail trade showed more than the usual seasonal increase. The general level of wholesale commodity prices after advancing for four months remained practically unchanged in October and November.

Production

Output of manufacturers and minerals was reduced in November and the combined index of production, after adjustments for customary seasonal variations, fell below the 1923-1925 average for the first time since 1924. The largest decline was in the output of automobiles owing largely to preparation for production of new models. Iron and steel production has also declined further and in November was the lowest since 1924. In December, however, inquiries for iron and steel increased. Textile mill activity was slightly curtailed in November but continued at a higher level than in previous years. There were decreases in the production of coal, building materials, and leather and shoes. Building contracts awarded showed seasonal declines in November and the first two weeks of December and were slightly smaller than in the corresponding period of last year.

Total value of about fifty crops in 1927 is estimated by the department of agriculture at \$8,430,000,000, an increase of \$635,000,000 over 1926. The greatest increases in value were shown for cotton, corn, barley, and oats, while the largest decrease for any individual crop was shown for potatoes. The physical quantity of production of the seventeen principal crops was about 2 percent less than last year but 3 percent above the average of the last ten years.

Trade

Retail trade increased slightly more than is usual in November. Compared with a year ago, retail trade of department stores, mail order houses, and chain stores was larger, while wholesale trade continued in slightly smaller volume in nearly

all reporting lines. Freight car loadings declined during November and in the early part of December were smaller than in the corresponding period for the past four years. There were large decreases in loadings of all classes of commodities.

Prices

The general level of wholesale commodity prices, as measured by the index of the Bureau of Labor statistics, after a continuous advance since early in the summer, remained at practically the same level in November as in October. Changes were relatively small in all groups, increases occurring in foods, and hides and leather, and decreases in farm products, textiles, fuels, and building materials. In the first two weeks of December prices of wheat, cattle, hogs, cotton, pig iron, and softwood lumber declined while those of silk, woolen goods, hides, and sole leather advanced.

Bank Credit

Between the middle of November and the middle of December total loans and investments of Member Banks in leading cities showed a considerable increase, reflecting continued growth in the volume of loans on securities and in the banks' investment holdings. In the same period loans chiefly for commercial purposes, which reached a seasonal peak in October, showed a further slight decline.

At Federal Reserve Banks the seasonal increase in currency requirements and the continued demand for gold for export during the four weeks ending December 21 were reflected in a growth in Member Bank borrowing. At the end of this period the total volume of Reserve Bank Credit in use was larger than on any other date in the past six years.

Somewhat firmer conditions in the money market in December were reflected in increased rates on call money. Rates on prime commercial paper and bankers acceptances remained unchanged during the month.