

THE MONTHLY REVIEW

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

FEDERAL RESERVE BANK OF KANSAS CITY

M. L. McCLURE, Chairman and Federal Reserve Agent
A. M. McADAMS, Assistant Federal Reserve Agent and Secretary

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WITH the advance into the spring season industrial activity in the Tenth District increased, wholesale and retail trade expanded, and marketings of farm products and livestock were at high levels. Payments by check at banks in 29 important cities during the short month of February were 7.2 percent less than in January but .2 percent greater than in February 1927. Loans of Federal Reserve member banks increased, discount rates were firm and deposits in commercial banks and in savings institutions were larger than one month earlier or one year earlier.

Mild temperatures, accompanied by rains and snows during February and March, improved conditions and prospects for the year's farm production. Winter wheat made fine progress and with abundant moisture for spring needs a good crop was in prospect at the close of March, though depending on average conditions to harvest time. Preparation of the soil and the planting of spring crops advanced rapidly and, according to the Government's report of intended plantings, this year's acreages of most crops would be up to those of last year. However, no figures on the intended cotton acreage are obtainable at this time. The abundant moisture was beneficial to ranges and pastures and to the livestock industry. A feature of the situation in February was the heavy market supplies of corn, moderate supplies of wheat and other grains, the largest receipts of hogs for any month since January 1925, and smaller receipts of cattle.

Activity at most of the industrial plants increased during February. Slaughter of hogs was the largest monthly total since January 1919. There was an increase in the slaughter of sheep but a decrease in the slaughter of cattle as compared with the preceding month and the corresponding month last year. Flour output was smaller than in either January or a year ago, reflecting the seasonal decline in the wheat supply.

Petroleum industry reports reflected further curtailment in production during February in conformity to plans of operators to prevent over-production and accumulation of stocks. The output for the month was the smallest since January 1927. The production of bituminous coal declined from both the preceding month and the corresponding month last year. There were increases in shipments of zinc and lead ores over those for January but decreases as compared with a year ago.

Building activity increased and with an early start operations were ahead of last year. Permits issued in leading cities during February were substantially larger than in the preceding month and a year ago, both in number and value. Contract awards in the District as a whole showed a good increase over January but were a little below awards in February 1927.

BUSINESS ACTIVITY IN THE TENTH FEDERAL RESERVE DISTRICT

Statistics for February 1928 compared to those for January 1928 and February 1927 in Percentages of Increase or Decrease.

	February 1928 compared to January 1928	February 1928 compared to February 1927
General Business and Banking		
Bank Debits, 29 cities.....	- 7.2	0.2
Reserve Bank Clearings.....	-12.3	- 2.6
Items Handled.....	- 6.8	4.8
Loans, 65 Member Banks.....	2.0	3.2
Investments, 65 Member Banks.....	- 1.4	9.3
Deposits, 65 Member Banks.....	2.0	3.1
Savings Deposits, 58 Banks.....	0.9	5.3
Savings Accounts, 55 Banks.....	0.5	5.8
Business Failures, No.....	9.9	0.7
Amount of Liabilities.....	42.3	6.8
Trade		
Sales of Department Stores.....	- 3.0	1.2
Sales of Wholesalers, 6 lines.....	5.9	6.4
Sales of Lumber, 187 Retail Yards.....	2.1	- 3.5
Sales of All Materials, 187 Retail yards.....	- 5.8	- 8.0
Market Receipts		
Wheat.....	-21.5	-34.5
Corn.....	- 8.1	223.8
Oats.....	8.9	14.7
Cattle.....	-22.0	1.5
Calves.....	-13.9	5.4
Hogs.....	21.1	78.3
Sheep.....	32.4	65.8
Horses and Mules.....	-24.1	22.4
Production		
Flour.....	- 5.2	- 3.9
Coal.....	-21.4	-13.5
Petroleum.....	- 7.5	- 3.2
Refinery operations (daily runs crude oil).....	1.1	0.1
Lead ore (Shipments).....	15.2	- 2.3
Zinc ore (shipments).....	3.7	-17.2
Cement.....	- 4.9	97.6
Face Brick.....	9.1	- 6.0
Meat Packing		
Cattle.....	-12.2	- 5.9
Calves.....	- 5.8	- 0.3
Hogs.....	22.9	105.2
Sheep.....	9.9	39.4
Construction		
Building Permits, 18 Cities.....	19.2	12.5
Value Permits, 18 Cities.....	38.0	22.0
Contract awards, District.....	3.5	-14.7

Financial

MEMBER BANKS SHOWING: Condition statements of 65 reporting member banks in leading cities of this District showed an increase in volume of outstanding credit between February 1 and February 29. Loans and discounts increased \$8,644,000 during this four weeks period, and the total on Feb-

ruary 29 stood \$13,397,000 above that for March 2, 1927. Loans secured by United States Government obligations increased slightly, though they showed a decrease of \$807,000 from the total reported on the corresponding date in 1927. Loans secured by other bonds and stocks were larger than four weeks earlier and one year earlier. There was a decline in four weeks of \$3,142,000 in amount of investments by these banks, but the total at the last reporting date in February was \$18,629,000 larger than one year earlier. Total deposits increased \$13,304,000 in four weeks and were \$20,083,000 larger than on March 2, 1927. Statements of the principal resource and liability items shown for three separate dates in the following table are given for purpose of comparison:

	Feb. 29, 1928	Feb. 1, 1928	Mar. 2, 1927
Total loans and discounts.....	\$435,509,000	\$426,865,000	\$422,112,000
Secured by U. S. obligations.....	3,671,000	3,367,000	4,478,000
Secured by other bonds and stocks..	129,777,000	126,928,000	115,215,000
All other.....	302,061,000	296,570,000	302,419,000
Total investments.....	219,693,000	222,835,000	201,064,000
U. S. Securities.....	105,119,000	105,455,000	103,717,000
Other bonds, stocks and securities..	114,574,000	117,380,000	97,347,000
Total Loans, Discounts and Invest- ments.....	655,202,000	649,700,000	623,176,000
Total Deposits.....	672,887,000	659,583,000	652,804,000
Demand deposits.....	506,081,000	493,480,000	502,816,000
Time deposits.....	166,057,000	164,463,000	148,541,000
Government deposits.....	749,000	1,640,000	1,447,000
Reserve balance with F. R. Bank.....	57,676,000	54,783,000	53,578,000

RESERVE BANK OPERATIONS: The weekly condition statement of the Federal Reserve Bank of Kansas City and branches as of February 29, showed total reserves were \$10,074,459 larger than on February 1, but \$4,611,846 smaller than on March 2 of last year. The amount of reserve bank credit outstanding on the last reporting date in February was \$7,259,561 less than on February 1, but \$3,567,772 greater than on March 2, 1927. Bills rediscounted for member banks in the last two weeks of February were at the lowest level since last September but above the level of one year ago. There were declines in the total of bills purchased both as compared with four weeks earlier and one year earlier. This bank's holdings of United States Government securities declined during the month, but at the close were larger than a year earlier. Federal Reserves note circulation also showed a decline from both former periods. Principal items in the statement are here shown for three dates:

	Feb. 29, 1928	Feb. 1, 1928	Mar. 2, 1927
Gold reserves.....	\$ 99,582,795	\$ 88,891,297	\$106,149,746
Reserves other than gold.....	6,987,209	7,604,248	5,032,104
Total reserves.....	106,570,004	96,495,545	111,181,850
Bills discounted.....	10,768,404	14,144,469	7,513,217
Bills purchased.....	12,106,592	13,738,088	12,693,707
United States securities.....	28,968,600	31,220,600	28,068,900
Total bills and securities.....	51,843,596	59,103,157	48,275,824
Total resources.....	202,505,240	198,114,601	211,592,591
F. R. notes in circulation.....	59,203,775	61,420,075	68,326,425
Total deposits.....	95,258,320	91,650,937	89,427,589

RESERVE BANK CLEARINGS: The Federal Reserve Bank of Kansas City and branches at Omaha, Denver and Oklahoma City reported clearings or check collections in February were in amount 12.3 percent less than in January and 2.6 percent less than in February a year ago. Items handled during the month under review were 6.8 percent less than in the preceding month but 4.8 percent greater than in the same month last year. The monthly totals:

	ITEMS		AMOUNT	
	1928	1927	1928	1927
January.....	5,834,219	5,543,292	\$ 942,609,000	\$ 985,048,000
February.....	5,438,210	5,188,147	826,861,000	849,360,000
Two months.....	11,272,429	10,731,439	\$1,769,470,000	\$1,834,408,000

BANK DEBITS: Reports of Clearing Houses in twenty-nine leading cities in the Tenth District show debits by banks to individual accounts, (exclusive of charges to accounts of banks), during the four weeks ending February 29 exceeded those for the like period in 1927 by .2 percent. Fifteen cities reported increases and fourteen cities reported decreases. During the first nine weeks of 1928 the volume of debits in the twenty-nine cities was 2.2 percent larger than for the corresponding period in 1927. The totals for the cities, as reported to the Federal Reserve Bank of Kansas City, follow:

	FOUR WEEKS ENDING		Per Cent Change
	Feb. 29, 1928	Mar. 2, 1927	
Albuquerque, N. M.....	\$ 10,632,000	\$ 10,149,000	4.7
Atchison, Kans.....	5,494,000	5,347,000	2.7
Bartlesville, Okla.....	17,056,000	26,048,000	-34.5
Casper, Wyo.....	6,034,000	8,326,000	-27.5
Cheyenne, Wyo.....	5,006,000	5,024,000	-0.3
Colo. Springs, Colo.....	13,748,000	12,173,000	12.9
Denver, Colo.....	149,341,000	149,425,000	-0.06
Enid, Okla.....	11,326,000	12,903,000	-12.2
Fremont, Nebr.....	3,790,000	3,167,000	19.7
Grand Junction, Colo.....	2,838,000	2,659,000	6.7
Guthrie, Okla.....	3,070,000	3,282,000	-7.0
Hutchinson, Kans.....	13,783,000	15,810,000	-12.8
Independence, Kans.....	9,516,000	10,787,000	-11.8
Joplin, Mo.....	12,550,000	13,784,000	-8.9
Kansas City, Kans.....	18,897,000	18,613,000	1.5
Kansas City, Mo.....	337,191,000	330,571,000	2.0
Lawrence, Kans.....	4,650,000	4,851,000	-4.1
Lincoln, Nebr.....	29,297,000	27,661,000	5.9
Muskogee, Okla.....	10,075,000	10,785,000	-6.6
Oklahoma City, Okla.....	94,487,000	90,197,000	4.8
Okmulgee, Okla.....	6,963,000	9,541,000	-27.0
Omaha, Nebr.....	191,446,000	175,269,000	9.2
Parsons, Kans.....	2,771,000	2,700,000	2.6
Pittsburg, Kans.....	6,585,000	6,773,000	-2.8
Pueblo, Colo.....	16,407,000	15,697,000	4.5
St. Joseph, Mo.....	55,779,000	50,932,000	9.5
Topeka, Kans.....	17,641,000	17,301,000	2.0
Tulsa, Okla.....	112,186,000	131,737,000	-14.8
Wichita Kans.....	57,727,000	52,242,000	10.5
Last four weeks.....	\$1,226,286,000	\$1,223,754,000	0.2
First Nine Weeks of Year.....	\$2,946,025,000	\$2,883,178,000	2.2

FAILURES: The report of R. G. Dun and Company showed commercial failures in the United States in February were 6.9 percent greater while the amount of liabilities was 4 percent less than in February 1927. There was one more failure in the Tenth District than reported for the same month last year, and the amount of liabilities was \$146,360 or 6.8 percent larger than a year ago. Dun's figures for February by Federal Reserve Districts:

	NUMBER		LIABILITIES	
	1928	1927	1928	1927
Districts				
First, Boston.....	238	210	\$ 3,950,081	\$ 3,412,009
Second, New York.....	369	276	9,285,206	9,722,481
Third, Philadelphia.....	99	68	2,296,593	8,272,430
Fourth, Cleveland.....	186	162	4,727,509	3,494,055
Fifth, Richmond.....	158	156	4,304,424	4,248,597
Sixth, Atlanta.....	294	191	7,254,112	1,686,424
Seventh, Chicago.....	128	260	2,204,866	3,738,344
Eighth, St. Louis.....	105	127	1,853,273	2,006,081
Ninth, Minneapolis.....	72	77	383,730	1,114,000
TENTH, KANSAS CITY.....	144	143	2,283,548	2,137,188
Eleventh, Dallas.....	47	103	1,637,036	2,023,100
Twelfth, San Francisco.....	336	262	4,890,264	5,086,007
Twelve Districts.....	2,176	2,035	\$45,070,642	\$46,940,716

SAVINGS IN BANKS: Deposits to savings accounts in reporting banks in cities of this District increased .9 percent between February 1 and March 1, and the total reported on the date last mentioned stood 5.3 percent above the total on March 1, 1927. The number of savings accounts showed about the same percentage of increase over the preceding month and a year

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

	Reporting Stores	SALES		OUTSTANDINGS (Mo. END)		COLLECTIONS		STOCKS (Mo. END.)	
		Feb. 1928 compared with Jan. 1928	Feb. 1927	Feb. 29, 1928 compared with Jan. 31, 1928	Feb. 28, 1927	Feb. 1928 compared with Jan. 1928	Feb. 1927	Feb. 29, 1928 compared with Jan. 31, 1928	Feb. 28, 1927
Dry Goods.....	7	4.8	4.3	17.4	5.7	1.0	4.5	5.9	45.5
Groceries.....	5	2.1	8.3	-1.3	-3.9	-4.6	6.2	25.4	7.1
Hardware.....	8	9.3	-1.1	5.0	-1.4	5.1	13.3	5.0	2.7
Furniture.....	6	30.2	14.4	8.1	-0.9	-8.0	12.0	1.3	-3.1
Drugs.....	6	-5.1	23.1	-0.3	0.3	-0.1	7.8	6.2	5.9

ago. The figures which appear in the following show the amount of savings deposits and the number of accounts reported by selected lists of banks, but are not supposed to show totals for all banks in the reporting cities.

SAVINGS DEPOSITS

	Banks	Mch. 1, 1928	Feb. 1, 1928	Mch. 1, 1927
Denver, Colo.....	6	\$ 50,003,223	\$ 49,521,720	\$ 49,299,156
Kansas City, Kans.....	4	2,932,238	2,880,202	2,605,522
Kansas City, Mo.....	10	18,707,127	18,456,297	16,549,470
Lincoln Nebr.....	3	2,787,003	2,831,621	2,938,788
Oklahoma City, Okla.....	6	8,828,130	8,624,982	7,883,186
Omaha, Nebr.....	5	8,829,277	8,619,063	7,765,285
St. Joseph, Mo.....	6	8,358,354	8,224,365	7,680,918
Tulsa, Okla.....	6	14,460,381	14,651,076	14,839,931
Wichita, Kans.....	8	5,873,640	5,866,038	5,037,644
Other Cities.....	4	1,044,552	1,096,142	1,085,848
Total.....	58	\$121,823,925	\$120,771,506	\$115,685,748

SAVINGS ACCOUNTS

	Banks	Mch. 1, 1928	Feb. 1, 1928	Mch. 1, 1927
Denver, Colo.....	6	107,072	106,649	103,674
Kansas City, Kans.....	3	8,923	8,664	8,588
Kansas City, Mo.....	10	96,778	96,127	88,544
Lincoln, Nebr.....	3	14,622	14,617	14,893
Oklahoma City, Okla.....	6	30,325	30,081	27,810
Omaha, Nebr.....	5	37,903	37,828	37,192
St. Joseph, Mo.....	6	20,859	20,811	19,260
Tulsa, Okla.....	5	26,906	26,699	24,740
Wichita, Kans.....	7	16,719	16,687	15,515
Other Cities.....	4	4,362	4,386	4,195
Total.....	55	364,469	362,540	344,411

Trade

WHOLESALE: Volume of wholesale trade in this District as indicated by the dollar sales of reporting firms in six important lines, was 5.9 percent larger in February than in January. Compared with February of last year, the combined sales of the same reporting firms showed an increase of 6.4 percent.

In individual lines, wholesalers of dry goods, groceries and furniture reported increases in their February sales over both January 1928 and February 1927. Wholesale hardware trade expanded during the month, but aggregate sales were slightly below those for the same month last year. Sales of drugs were smaller than in January but larger than a year ago. Wholesale millinery firms reported the volume of their business was substantially larger than in January but showed a marked decrease as compared with February 1927. February wholesale

stationary trade showed a decrease of 3.4 percent from January but an increase of 7.8 percent over February of last year.

Distribution of implements and farm machinery during the month was considerably in excess of the volume at this time last year, according to reports.

Merchandise stocks carried by wholesale firms in all lines were larger at the close of February than one month earlier. Inventories at the close of February were also larger than one year earlier for all reporting lines except furniture.

Orders for fall goods received in February were reported by some wholesale drygoods firms as better than they had been at any time during the past five years. Underlying conditions, by which is meant the conditions of the farm population, were reported as having made further improvement through marketings of farm products and livestock.

RETAIL: Sales of department stores in cities of this District reported to this bank, increased during February and the total for the month exceeded that for February 1927 by about 1.2 percent. Of the number of department stores reporting, eighteen showed larger sales than last year, sales of two stores ran about even, and fourteen showed decreases. The accumulated sales of the reporting department stores for two months of 1928 were slightly higher than during the first two months of 1927.

February sales of men and women's clothing at reporting stores were smaller than a year ago, while sales of shoes were larger. Sales of furniture at reporting retail stores increased seasonally during February, but sales for the month were slightly under those for the same month last year. Reports of retail chain stores, operating in a large number of cities over the District, showed sales were running ahead of last year, after making allowance for an increase in number of stores operating this year.

Stocks of department stores at the close of February were larger than one year earlier by less than 1 percent. Stocks of clothing, shoes and furniture at reporting retail stores were smaller than one year ago, while stocks of chain stores showed an increase.

COLLECTIONS: Department stores reported collections during February represented 39.7 percent of amounts outstanding on January 31. This figure compares with 41.3 percent for January, and with 38.9 percent for February 1927. Wholesale firms reported collections ran ahead of a year ago. At retail lumber yards collections were better than at this time last year while implement dealers reported collections were good.

RETAIL TRADE AT 34 DEPARTMENT STORES IN THE TENTH FEDERAL RESERVE DISTRICT

	Number Stores	SALES		STOCKS (RETAIL)		STOCK TURNOVER		ACCOUNTS RECEIVABLE		COLLECTIONS	
		February 1928 compared to February 1927	Two Mo. 1928 compared to Two Mo. 1927	February 29, 1928 compared to Feb. 28, 1927	February 29, 1928	Two Months	February 29, 1928 compared to Jan. 31, 1928	February 28, 1927	February 29, 1928 compared to Feb. 28, 1927	February 28, 1927	
		Reporting	Reporting	Reporting	Reporting	Reporting	Reporting	Reporting	Reporting	Reporting	
Kansas City.....	4	0.2	-1.5	9.2	-4.5	0.43	0.44	-15.2	-2.4	8.4	5.0
Denver.....	5	-1.8	-4.7	11.8	1.9	0.31	0.33	-11.7	-5.3	-25.4	-1.1
Oklahoma City.....	3	3.2	8.6	27.4	7.2	0.67	0.69	-7.6	32.0	-21.1	24.9
Omaha.....	3	5.1	0.8	26.2	1.7	0.45	0.47	-4.7	-6.1	-14.7	2.3
Lincoln.....	2	5.0	8.1	12.3	-3.0	0.43	0.38	-6.6	13.5	-26.0	-1.0
Topeka.....	3	3.3	-1.3	12.5	-10.1	0.37	0.35	-9.7	-4.7	-15.1	2.2
Tulsa.....	3	-1.5	0.6	21.6	8.0	0.60	0.62	-9.6	16.9	-23.6	8.9
Other Cities.....	11	1.2	9.1	8.4	-4.0	0.25	0.24	-8.6	9.3	-23.4	13.4
Total.....	34	1.2	0.4	14.2	0.1	0.40	0.41	-10.0	2.2	-18.4	4.6

NOTE: Percentage of collections in February on outstanding accounts January 31, all stores reporting, 39.7%. Collections same month last year, 38.9%.

Agriculture

The outlook for farm crops improved markedly during February as a result of mild temperatures and generous rains and snows over practically the entire area embraced in the Tenth District. Weather bureau reports from 138 stations in Kansas showed the month was the eighth mildest and the sixth wettest February on record for forty-one years. In the western third of Kansas drought that had prevailed since last fall was broken on February 6 and subsequent precipitation to the middle of March provided ample moisture for early spring needs. The soil in Missouri was well soaked with moisture and conditions for agriculture were more satisfactory than earlier in the season. In Oklahoma the greatest improvement was in the western counties of the state extending through the Texas Panhandle and into New Mexico, where the soil had been dry during the winter.

The state of Nebraska received a generous supply of moisture, particularly the western part which early in March was blanketed with a wet, heavy show. The accumulated snow fall in the Rocky Mountain region during the winter was heavier than the average for the season, assuring an ample supply of water for irrigation, as well as for early spring needs in dry farming areas.

SPRING PLOWING AND PLANTING: The favorable conditions during February and March gave farmers an early start with their preparations for the year's production of crops. Except in sections where the soil was too wet spring plowing made excellent progress. In extreme southern portions some cotton was planted by March, although this work did not become general in producing sections of the District until near the close of the month, and there was then an uncertainty as to the extent of the acreage to be planted to cotton. Seeding of oats was about completed in Oklahoma at the close of February and some of the early planted crop was coming through the ground. Seeding of this crop made good progress in Kansas and Missouri during the early half of March and later in the month was extending into Nebraska and the Mountain States.

The Government's reports of farmers intentions to plant spring crops, made public March 16, indicated the acreage of corn in this District to be planted this year would slightly exceed that of 1927. However, a full realization of their intentions would depend upon conditions for preparing the ground and planting the crop during April and May.

Plantings of early potatoes made rapid progress in the southern part of the District in February and with the acreage showing an increase over last year. The large commercial area in the Kaw Valley of Kansas had practically all been seeded by St. Patrick's Day.

Preparations were going forward for the planting of sugar beets in irrigated sections of Colorado, Nebraska, Wyoming and Kansas. To March 1, however, the Mountain States beet growers marketing association had not entered into agreement with refiners on the price to be paid for this year's crop of beets. In the absence of an agreement the extent of the acreage to be planted this spring could not be foretold with any degree of accuracy.

While conditions for apples and other fruits throughout the District were regarded as favorable during March it was still too early for accurate reports as to the outlook because of the danger of killing frosts which often come in April. In New Mexico, where the first apple trees were planted three centuries ago by Franciscan friars from Spain, the State College officials reported prospects for a good apple crop were excellent. This year's acreage of commercial strawberries in Missouri and Kansas was estimated 28,300 acres, the same as last year, although Arkansas reports indicated 19,600 acres, an increase of 2,010 acres over 1927.

PLANTING INTENTIONS ON MARCH 1: U. S. Department of Agriculture figures showing reported percent of 1927 harvested acreages farmers in seven states intend to plant this season:

	Corn	Spring Wheat	Oats	Barley	White Potatoes	Tame Hay
Colorado.....	101	100	110	135	110	95
Kansas.....	104	150	104	120	109	92
Missouri.....	104	135	110	160	115	98
Nebraska.....	100	96	101	120	112	101
New Mexico.....	120	115	120	120	100	100
Oklahoma.....	100	.....	86	80	120	96
Wyoming.....	96	118	140	170	170	102
Seven States.....	102	105	101.9	123.9	114.9	98.1
United States.....	101.7	98.5	114.3	114.3	119.9	98.6

WINTER WHEAT showed remarkable improvement in recent weeks as a result of the favorable conditions mentioned. A Kansas report made public March 7 said: "In the eastern counties wheat greened up and made some growth. In the western third of the state some wheat that never sprouted on account of lack of moisture germinated and came up, and other wheat that seemed dead began to show green." Oklahoma wheat was making slow growth early in March and while green it was short for the season. No serious insect infestation had been reported and the condition of the crop ranged from poor to good with the average fairly good. The condition ranged from 75 to 80 percent. Nebraska wheat, which showed an average condition of 80.4 percent on February 15, improved during the last half of the month. At the middle of March the growing crop was in fine condition in the western part of the state and was very promising elsewhere. A considerable portion of the Missouri wheat was injured by freezing and thawing during the open winter and abandonment would be large. Wheat prospects were generally good in Colorado and Wyoming and fair in northern New Mexico.

FARM LAND VALUES: The large and well-balanced farm crops in the past few years, improvement in the position of the agricultural and livestock industries, and the abundant supply of money available for investment at favorable interest rates, brought a revival of interest in farm lands, an upturn in values, and indications of a desire to own land. Reports from over the western corn belt states of Missouri, Kansas, Nebraska and Oklahoma showed inquiries for productive farm lands were more numerous in recent weeks than for several years. A large acreage of farm lands was sold. Nebraska bankers, replying to a questionnaire of the colonization department of the Burlington railroad system, told of an increased demand for farms in that state both for purchase and rental. These reports, as a whole, indicated farms for rent were "scarcer than ever known before," and the number of applicants far exceeded the number of farms for rent. Many were willing to pay premiums for the rental of unimproved lands. Unusual interest in government irrigation farms in western Nebraska and in Colorado, Wyoming and New Mexico was reported. The remarkable crops produced on un-irrigated lands in 1927 attracted interest in dry farming sections of the Rocky Mountain and Upper Great Plains area. Lands for which there had been no sale in recent years were beginning to move at fair prices. A number of large transfers of ranch lands for grazing was reported this season.

GRAIN MARKETINGS: The heavy receipts of corn at primary markets in this District, which began in November with the harvesting of the 1927 crop, continued through February. Combined receipts at these markets during the month were 13,408,800 bushels, or 1,174,600 bushels less than in January, but 9,268,050 bushels or 223.8 percent more than was received in February of last year. The February total carried the receipts for four months to 50,089,200 bushels, which is 32,964,850 bushels

or 192.5 percent more corn than was received at the five markets during the corresponding four months of the preceding corn year. Receipts of wheat at the five markets during February were 1,880,740 bushels less than in January and 3,607,690 bushels less than in February of last year, while receipts of oats for the month were 99,000 bushels greater than in the preceding month and 155,500 bushels greater than in the corresponding month last year. Arrivals of grain at the five markets during February are shown in the following table with comparisons:

	Wheat Bushels	Corn Bushels	Oats Bushels	Rye Bushels	Barley Bushels	Kafir Bushels
Hutchinson.....	938,250	200,000	13,500	.....	343,200	.....
Kansas City.....	3,148,860	7,381,500	334,000	21,000	30,400	519,200
Omaha.....	1,193,600	4,211,200	764,000	81,200	78,400	.....
St. Joseph.....	407,400	1,384,500	80,000	.....	.....	.....
Wichita.....	1,162,350	231,600	19,500	.....	.....	18,000
Feb. 1928.....	6,850,460	13,408,800	1,211,000	102,200	108,800	880,400
Jan. 1928.....	8,731,200	14,583,400	1,112,000	119,300	189,600	1,209,000
Feb 1927.....	10,458,150	4,140,750	1,055,500	152,000	19,700	683,300

GRAIN ON FARMS: According to the March 1 survey of the United States Department of Agriculture and cooperating State Boards of Agriculture, stocks of corn, oats, barley and rye on Tenth District farms on that date were larger and stocks of wheat were smaller than on March 1 last year. The reports indicated that 41.2 percent of the bumper corn crop of 1927 remained on farms on March 1, whereas, on the same date last year 35.3 percent of the crop of 1926 remained on the farms. Percentages of the 1927 crop of oats, rye and barley on farms on March 1 were larger than those on the same date last year. The reports for the states and parts of states which form this District show the number of bushels of grain on farms and total production for 1927 and 1926;

	GRAIN ON FARMS (Bus)		PRODUCTION (Bus)	
	Mch 1, 1928	Mch 1, 1927	Year 1927	Year 1926
Corn.....	256,607,000	109,364,000	622,644,000	308,674,000
Wheat.....	30,190,000	33,379,000	253,545,000	293,969,000
Oats.....	44,656,000	41,060,000	140,323,000	143,132,000
Barley.....	6,370,000	3,299,000	26,965,000	20,176,000
Rye.....	928,000	667,000	6,559,000	5,474,000

COTTONSEED PRODUCTS: The United States Bureau of Census report showed cottonseed received, crushed, and on hand at mills in Oklahoma during the seven months of the season of 1927-28, as compared with the like period in the season of 1926-27, as follows:

	August 1, 1927 to February 29, 1928	August 1, 1926 to February 28, 1927
Received, tons.....	357,372	534,823
Crushed, tons.....	311,383	421,125
On hand, End of February, tons.....	67,545	114,078

The output of cottonseed products at Oklahoma mills during the seven months ending February 28, 1928 was 94,491,638 pounds of crude cottonseed oil, 146,555 tons of meal, 81,038 tons of hulls, with linters, running bales, totaling 56,561.

Flour Production

The output of flour at mills in the Tenth District during February showed a little more than the customary seasonal decline from January, and the total for the month was 78,641 barrels or 3.9 percent less than in February 1927. Mills were operated in February at 62.9 percent of their full-time capacity, against 65.1 percent in January and 70 percent in February of last year. Flour produced at the leading milling centers, as reported by the Northwestern Miller, is here shown:

	Feb. 1928 Barrels	Jan. 1928 Barrels	Feb. 1927 Barrels
Atchison.....	106,857	109,639	110,893
Kansas City.....	587,124	691,679	575,565
Omaha.....	101,276	98,527	86,263
Salina.....	160,937	164,808	86,659
St. Joseph.....	106,954	113,629	137,549
Wichita.....	146,906	138,780	147,753
Outside.....	691,127	688,345	835,140
Total.....	1,901,181	2,005,407	1,979,822

During the eight months of the current wheat year—July 1, 1927 to February 29, 1928, inclusive—reporting mills in this District made 16,806,451 barrels of flour, as compared with 18,997,232 barrels in the corresponding eight months of the preceding wheat year. The decrease in flour production in the eight months of the current wheat year was 2,190,781 barrels or 11.5 percent; whereas, the wheat crop of 1927 from which this year's flour was made was 40,524,000 bushels or 13.7 percent less than the wheat crop harvested in 1926.

Early March reports indicated new business was coming to millers slowly, although inquiries were fairly numerous and sales were inclined to be a little more free following an advance in wheat on March 5. The Northwestern Miller reported family trade buyers continued to show more interest than bakers were showing. Export sales were small.

Livestock

Heavier market supplies of all classes of animals was the outstanding feature in the livestock situation in the Tenth District during the first two months of the current year.

Arrivals of hogs at the six leading markets in the District during January, including hogs shipped from the country direct to the Kansas City packing plants, numbered 1,021,630 head. This was the largest monthly total hog receipts since January 1925. Yet February saw a continuance of the heavy marketing of hogs and the month's receipts of 1,237,539 head was the highest on record for February. Thus the reports show combined receipts of hogs at the six markets during the first two months of 1928 were 2,259,169 head, as compared with 1,604,444 head received during the first two months of 1927, an increase of 654,725 head or 40.8 percent.

Receipts of cattle and calves during February were the smallest for any month since July, 1927, though the month's totals

JANUARY MOVEMENTS OF LIVE STOCK IN THE TENTH DISTRICT

	RECEIPTS				STOCKERS AND FEEDERS				PACKERS PURCHASES			
	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep
*Kansas City.....	133,547	20,063	406,837	129,005	37,591	3,629	9,666	18,533	69,914	17,778	369,117	98,810
Omaha.....	111,679	7,168	423,626	245,328	18,306	2,831	3,529	14,109	70,244	4,970	301,201	165,457
St. Joseph.....	36,491	7,261	189,018	157,468	5,467	585	4,389	19,304	25,992	6,611	157,128	120,541
Denver.....	28,392	4,712	83,014	204,258	15,480	1,798	1,781	19,241	10,584	2,683	79,209	16,296
Oklahoma City.....	20,176	6,387	44,990	531	.....	.....	.....	.....	13,532	5,732	40,906	418
Wichita.....	23,660	4,999	90,054	8,143	.....	.....	.....	.....	7,995	2,566	88,053	8,012
February 1928.....	353,945	50,590	1,237,539	744,733	76,844	8,843	19,365	71,187	198,261	40,340	1,035,614	409,534
January 1928.....	453,558	58,774	1,021,630	562,396	108,852	8,601	15,977	69,072	225,819	42,843	842,605	372,479
February 1927.....	348,822	48,018	694,233	449,253	70,025	3,834	19,469	84,973	210,634	40,466	504,655	293,791
Two Months 1928.....	807,503	109,364	2,259,169	1,307,129	185,696	17,444	35,342	140,259	424,080	83,183	1,878,219	782,013
Two Months 1927.....	781,920	108,643	1,604,444	920,225	167,308	9,353	37,936	206,195	451,787	87,160	1,049,577	596,162

*The Kansas City total of receipts and packers purchases of hogs include direct shipments to packers.

exceeded those for February of last year by 1.5 percent and 5.4 percent, respectively.

Marketing of sheep and lambs were heavier than usual. Total receipts for February were the largest since last October and 65.8 percent larger than in February a year ago.

Arrivals of horses and mules at the six markets showed the usual decline in numbers with the coming of the busy season on the farms. Total receipts in February were 17,177 head, 5,444 less than in January, but 3,145 more than in February of last year.

PRICES: The heavier market supplies of hogs in February was accompanied by a further slight reduction which brought prices to the lowest level since 1924. The extreme top at Kansas City for the month, which was \$8.35 per hundred pounds on February 9, represented an extreme range of only 35 cents for the month. The top price of hogs for February 1927 was \$12.35. The February top price for fat steers was \$17 per hundred pounds, the highest February top in the history of the Kansas City market with the exception of February 1919. Other grades were relatively high, although the bulk of good beef cattle sold at considerably less than was paid for the extreme top on finished steers. Prices of sheep and lambs advanced during the month, woolled lambs on February 21 selling up to \$15.80, or \$1.55 higher than at the close of January and the highest price since June 1927.

STOCKS AND FEEDERS: The countryward movement of stock and feeding cattle during February was considerably smaller than in January but larger than in February of last year. However, the outgo of calves to the country exceeded that for the preceding month and was 130.6 percent larger than a year ago. There was considerable increase in the number of sheep and hogs moving from the markets to country feed lots, but the February totals were smaller than those reported a year ago.

LIVESTOCK AND RANGE CONDITIONS: March reports indicated cattle and sheep on ranges and pastures throughout the District maintained a high condition, with minimum losses, due to the mild and open winter and ample supplies of feed. The Colorado report, issued by the United States Division of Crop and Livestock Estimates, placed the condition of cattle in that state on March 1 at 100 percent and of sheep at 99 percent. Ranges showed only slight decline but were regarded as having a condition of 98 percent, 1 point lower than a month earlier and 3 points higher than a year ago. Comments were to the effect that cattle were mostly on the ranges, were being fed hay and other roughage and doing exceptionally well.

Reports indicated sheep were in excellent condition and in some districts above normal. Losses have been light though flocks required special care in sections where the snow covering was heavy, particularly in the northwest and southwest parts of Colorado. There would be some additional stocking of sheep if breeding stock were available at favorable prices. A large percent of the 1928 wool clip was contracted at prices ranging mostly from 32 to 36 cents, the highest quotation being 38½¢. A considerable percent of the 1928 lamb crop was contracted at prices ranging from 10 to 11½¢, with some growers looking forward to even slightly higher prices. Lambs in the feed lots have been doing well and during most of February moved to market in an orderly manner, commanding more satisfactory prices than the earlier marketings.

Meat Packing

The slaughter of hogs at the six leading meat packing centers in this District during February, measured by the number of animals purchased at the public stock yards and those shipped direct to packers, was the largest for any month since January 1919 and the largest February slaughter of record. The number

of sheep slaughtered in February exceeded that for January by 9.9 percent, and that for February a year ago by 39.4 percent and was the largest February total of record. The returns showed further decrease in the slaughter of cattle and calves, both as compared with the preceding month and a year ago. The number of cattle slaughtered during the month was the smallest since July 1927 and of calves the smallest since April 1925.

Increased supplies of hogs enabled packers to add to their stocks of pork and lard. At Kansas City stocks on February 29 amounted to 53,993,000 pounds. This was 22,347,000 pounds above the total on January 31, and 15,483,700 pounds more than reported February 28, 1927.

Bituminous Coal

The output of soft coal at mines in this District declined seasonally during February and was 13.5 percent smaller in tonnage than in February 1927. The reports on production by states:

	Feb. 1928 Tons	Jan. 1928 Tons	Feb. 1927 Tons
Colorado.....	828,000	1,000,000	940,000
Kansas.....	201,000	250,000	430,000
Missouri.....	323,000	404,000	260,000
New Mexico.....	245,000	335,000	250,000
Oklahoma.....	227,000	290,000	220,000
Wyoming.....	530,000	715,000	620,000
Total.....	2,354,000	2,994,000	2,720,000

Petroleum

The production of crude petroleum in the fields in the Tenth District declined during February and the daily average and gross output for the month were the lowest for any month since January 1927. The decline was the result of intensive efforts on the part of operators to exercise greater control over the output, preventing over-production and placing the industry on a sounder basis. The reports from the five producing states in this district showed daily average production of 839,700 barrels of crude petroleum during February, as against 849,100 barrels in January and 898,800 barrels in February 1927. The gross production in the five states:

	*Feb. 1928 Barrels	Jan. 1928 Barrels	Feb. 1927 Barrels
Oklahoma.....	19,269,000	20,956,000	19,828,000
Kansas.....	3,206,000	3,346,000	3,363,000
Wyoming.....	1,599,000	1,723,000	1,622,000
Colorado.....	213,000	219,000	221,000
New Mexico.....	71,000	79,000	135,000
Total.....	24,358,000	26,323,000	25,169,000

*Estimated, American Petroleum Institute.

The field summary for February showed fewer wells were completed than in January or in February a year ago. Although the daily average new production from wells completed in February was greater than in the preceding month, it was considerably less than in the same month last year. A decrease in the number of new wells drilling was also indicated. The field summary:

	Wells Completed	Barrels Daily New Production	Dry Wells	Gas Wells	Rigs-Wells Drilling
Oklahoma.....	280	51,955	114	42	801
Kansas.....	94	10,615	34	10	271
Wyoming.....	39	628	27	1	142
Colorado.....	8	2,555	2	0	102
New Mexico.....	4	20	2	0	102
Feb. 1928.....	425	65,773	179	53	1,418
Jan. 1928.....	472	57,328	152	78	1,458
Feb. 1927.....	500	155,426	157	34	2,541

Refinery reports for Oklahoma and Kansas showed an increase in refinery operations between February 1 and March 1, and a

small increase over March 1 of last year in the daily number of barrels run to stills. The figures for the two states:

	Plants Operating	Daily Runs Barrels
March 1, 1928.....	56	262,775
February 1, 1928.....	55	259,825
March 1, 1927.....	64	262,595

Lead And Zinc

Shipments of zinc and lead ores in the fields of Missouri, Kansas and Oklahoma increased during the four weeks ending March 3, but still were below those for the corresponding four weeks ending March 5, 1927. Shipments during this period are here compared with those for the preceding four weeks and the corresponding four weeks of last year:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	24,721	\$ 890,269	3,777	\$ 303,495
Kansas.....	19,635	705,209	3,926	314,490
Missouri.....	1,268	45,667	68	5,270
Four Weeks Ending Mch. 3, 1928..	45,624	\$1,641,145	7,771	\$ 623,255
Four Weeks Ending Feb. 4, 1928..	43,996	1,596,995	6,744	573,240
Four Weeks Ending Mch. 5, 1927..	55,111	2,413,929	7,957	738,816
Nine Weeks Ending Mch. 3, 1928..	96,385	3,474,915	16,488	1,364,200
Nine Weeks Ending Mch. 5, 1927..	116,089	5,097,128	18,269	1,710,256

The ore market took on a firmer tone during the week ending March 10 with an advance of \$2 in the price of zinc ore to \$38 per ton for ordinary grades and \$39 to \$40 per ton for the higher grades. Lead ore was firm and in demand at \$72.50 per ton, but sales were light. Improvement in the situation was attributed to an announcement by the major portion of producers of further curtailment in production for an indefinite period.

Lumber

The lumber movement in the United States during the first nine weeks of the current year exceeded that for the first nine weeks of the preceding year in both softwoods and hardwoods, according to reports of all associations to the National Manufacturers Association. The figures here presented for the nine weeks ending March 3 show shipments ran considerably ahead of production and orders received by manufacturers were in excess of shipments:

	NINE WEEKS 1928		NINE WEEKS 1927	
	Board Feet		Board Feet	
Softwoods				
Cut.....	1,993,882,092		1,746,573,532	
Shipments.....	2,127,765,956		1,815,614,499	
Orders.....	2,303,545,804		1,960,242,312	
Hardwoods				
Cut.....	295,757,000		258,146,000	
Shipments.....	293,303,000		247,355,000	
Orders.....	315,727,000		260,323,000	

The four weeks ending March 3 saw a very perceptible expansion in production, shipments and orders for lumber as a result of early Spring conditions, which had a stimulating effect upon the lumber trade throughout the entire country. There was a tendency among retailers to build up their stocks which were down to a low point. Lumber and material prices showed no material change during February.

RETAIL LUMBER TRADE: Reports of 187 retail yards in the Tenth District showed February sales of lumber in board feet were 2.1 percent in excess of sales in January but were 3.5 percent less than the sales reported for February 1927. Stocks of lumber at the reporting yards showed an increase of 7.4 percent over January and were 2.5 percent larger than in February 1927. A summary of the reports of the 187 retail yards showing percentages of increase or decrease in the volume of busi-

ness for February 1928 over January 1928 and February 1927 follows:

	Feb. 1928 Jan. 1928	Compared to Feb. 1927
Sales of Lumber, Board Feet.....	2.1	- 3.5
Sales of all Materials, dollars.....	- 5.8	- 8.0
Stocks of Lumber, end of Month.....	7.4	2.5
Outstandings, end of Month.....	0.9	-11.5
Collections during Month.....	-12.8	- 4.0

Cement

The Portland cement industry in the Tenth District in February produced 595,000 barrels, shipped 580,000 barrels and had in stock at the end of the month 2,143,000 barrels. The production of cement during the month was 294,000 barrels greater, and shipments were 48,000 barrels less, than in February 1927.

United States production of Portland Cement in February as reported by 155 plants, was 8,785,000 barrels, an increase of 19 percent over February 1927, while shipments from plants during this month amounted to 6,559,000 barrels, or about 3 percent less than a year ago. Stocks of cement at mills were 27,339,000 barrels, or 16 percent higher than on the same date last year.

FACE BRICK: The production of all shades, textures and grades of face brick at 61 plants located in 15 states during February showed an increase of 9.1 percent over January but a decrease of 6 percent as compared with the same month last year. Shipments in February were 11.1 percent larger than in the preceding month and 6.1 percent larger than a year ago.

Building

New building and engineering work started in the Tenth District during the first two months of 1928 exceeded that for the corresponding months in 1927 in the number and value of permits issued in cities, while the value of contracts awarded in the District as a whole was slightly smaller.

February reports of eighteen cities reflected unusual activity in building for this time of the year, due for the greater part to mild weather permitting an early resumption of outdoor work. The reports showed February permits and their value exceeded those for January and were larger than in February 1927. The reports in detail:

	PERMITS		ESTIMATED COST		Per Cent Change
	1928	1927	1928	1927	
Albuquerque, N. M.....	81	59	\$ 159,781	\$ 199,405	-19.9
Casper, Wyo.....	2	5	370	1,000	-63.0
Cheyenne, Wyo.....	23	11	129,290	22,355	478.3
Colorado Spgs. Colo.....	67	68	62,535	34,535	81.8
Denver, Colo.....	436	452	977,400	1,200,200	-18.5
Hutchinson, Kans.....	53	35	55,741	60,690	- 8.2
Joplin, Mo.....	53	22	54,416	124,650	-56.3
Kansas City, Kans.....	62	88	115,375	95,955	20.2
Kansas City, Mo.....	223	282	1,835,850	1,576,675	16.4
Lincoln, Nebr.....	69	54	115,515	140,350	-17.7
Muskogee, Okla.....	13	18	24,045	16,252	47.9
Oklahoma City, Okla.....	271	137	1,349,402	552,415	144.1
Omaha, Nebr.....	40	48	141,675	125,660	12.7
Pueblo, Colo.....	92	88	119,979	98,355	22.0
St. Joseph, Mo.....	33	38	29,595	107,670	-72.5
Topeka, Kans.....	88	79	191,584	300,855	-36.3
Tulsa, Okla.....	345	255	1,146,022	671,452	41.4
Wichita, Kans.....	168	144	382,683	320,585	19.3
February totals.....	2,119	1,883	\$ 6,891,258	\$5,649,059	22.0
Total, 2 Months.....	3,897	3,229	11,883,597	9,599,457	23.8

Contracts awarded for general construction in the Tenth District during February had a value of \$13,792,810, showing an increase of \$474,956 over January and a decrease of \$2,380,000 as compared with February 1927, as reported by the F. W. Dodge Corporation. The combined total of contracts awarded in this district during January and February of this year was \$27,110,664. This figure compares with \$27,630,000 for the first two months of 1927.

Business Conditions in the United States

Production and distribution of commodities increased further in February, while wholesale commodities prices remained practically unchanged. Commercial loans of member banks showed a larger increase in February and the first half of March than at the same season in other recent years.

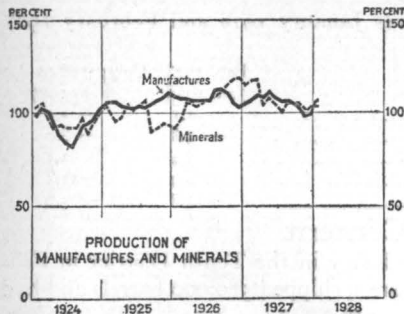
PRODUCTION: Production of manufactures in February, as indicated by the Federal Reserve Board's index, increased 3 percent over January and was 2 percent larger than a year ago, while production of minerals declined slightly and continued to be substantially smaller than last year. Factory employment and payrolls showed a seasonal increase in February but continued at a lower level than a year ago. Output of iron and steel, automobiles, and agricultural machinery has increased considerably since the first of the year. Daily average production of steel ingots in February was larger than in any other month since last March, and current reports indicate that output was sustained in the first three weeks in March. Production of non-ferrous metals also increased in February. Activity in the textile industries has shown little change since the first of year. Production of bituminous coal and crude petroleum, which decreased in February, increased slightly in the first half of March. Building contracts awarded were larger in February than in the corresponding month of any previous year, reflecting chiefly a large volume of awards for residential construction in the New York and Chicago districts. Contracts let in the first two weeks of March were in approximately the same volume as in the corresponding period of last year.

TRADE: Sales of wholesale firms in leading lines increased in February and were slightly larger than a year ago, while sales of department stores, after allowance for the customary seasonal changes, were in about the same volume as in January and somewhat smaller than a year ago. Stocks of merchandise carried by both wholesale firms and by department stores showed a seasonal increase in February.

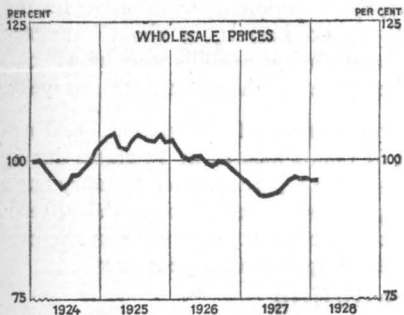
Freight car loadings have shown somewhat more than the usual seasonal increase since the beginning of the year, but have continued to be in smaller volume than in the corresponding period last year, owing chiefly to much smaller shipments of coal. Loadings of merchandise in less than carload lots and of miscellaneous commodities have been less than in the corresponding period of the last two years, while loadings of livestock and grain products have been larger.

PRICES: The general level of wholesale commodity prices, as indicated by the bureau of labor statistics index, remained practically unchanged in February at approximately 96 percent of the 1926 average. There were decreases in the prices of cotton, sugar, nonferrous metals, chemicals and rubber, as well as a seasonal decline of dairy products. Increases occurred in prices of grains, metals, hides and leather products, and steel. In the first two weeks in March, prices of grains, hogs and cotton advanced, while those of cattle and rubber showed further declines.

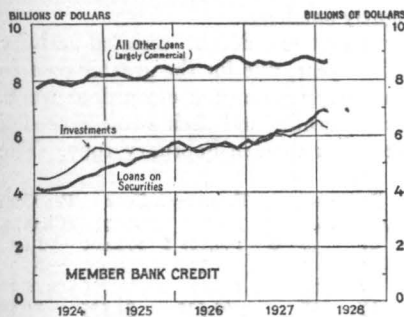
BANK CREDIT: From the middle of February to the middle of March the loans and investments of member banks in leading cities increased by \$200,000,000, reflecting a growth in the banks' commercial loans. The banks' loans on securities and investments showed little change for the period. The volume of reserve bank credit outstanding increased somewhat from February to March, chiefly in consequence of increased borrowings by member banks, which in part reflected further withdrawals of gold for export. During the four weeks ending March conditions in the money market were firmer, the rate on prime commercial paper increased from 4 to 4 $\frac{1}{4}$ percent and there were advances in time rates on security loans.



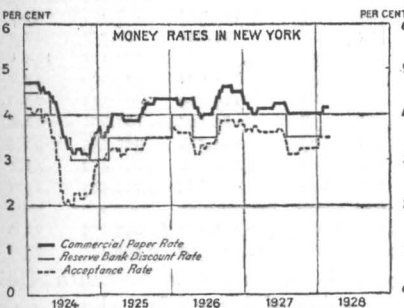
Index of Production of Manufacturers and Minerals combined, adjusted for seasonal variations (1923-25 average, 100). Latest figures February, Manufacturers 109, Minerals 103.



Index of U. S. Department of Labor Statistics (1926-100, base adopted by bureau). Latest figures, February 96.4.



Monthly averages of weekly figures for banks in 101 leading cities. Latest figures are averages first two weekly report dates in March.



Weekly Rates in New York Money Market.