

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

Vol. 13

KANSAS CITY, MO., AUGUST 1, 1928

No. 8

BUSINESS ACTIVITY IN THE TENTH FEDERAL RESERVE DISTRICT

Statistics for June 1928 compared to May 1928 and June 1927, and for six months of 1928 compared to six months of 1927, in percentages of increase or decrease.

| | June 1928 compared to May 1928 | June 1928 compared to June 1927 | Six Mos. 1928 compared to Six Mos. 1927 |
|---|--------------------------------------|---------------------------------------|---|
| General Business and Banking | | | |
| Bank debits, 30 cities..... | 8.4 | 6.3 | 4.2 |
| Loans and discounts, 64 banks..... | 0.6 | 2.7 | 2.3 |
| Investments, 64 banks..... | 0.9 | 17.5 | 7.8 |
| Net demand deposits, 64 banks..... | 2.0 | 0.9 | 0.7 |
| Time deposits, 64 banks..... | — 0.9 | 16.3 | 9.5 |
| Savings deposits, 53 banks..... | 1.4 | 10.1 | 9.5 |
| Savings accounts, 52 banks..... | 0.3 | 8.2 | 4.6 |
| Business failures, number..... | —31.2 | —28.4 | — 7.5 |
| Amount of liabilities..... | —40.0 | —40.0 | —12.9 |
| Trade | | | |
| Sales of wholesale firms..... | — 1.9 | — 0.1 | 3.5 |
| Sales of department stores..... | —12.0 | — 2.4 | — 0.2 |
| Sales of lumber, retail yards..... | —16.1 | —25.2 | — 6.5 |
| Market Receipts | | | |
| Wheat, 5 markets..... | — 2.3 | —46.6 | —25.2 |
| Corn, 5 markets..... | — 9.2 | —37.4 | 104.1 |
| Oats, 5 markets..... | —45.1 | — 6.3 | 33.2 |
| Cattle, 6 markets..... | —23.3 | —15.0 | — 5.2 |
| Calves, 6 markets..... | —11.5 | — 9.2 | — 1.7 |
| Hogs, 6 markets..... | — 4.9 | 17.1 | 29.5 |
| Sheep, 6 markets..... | — 4.5 | 5.9 | 20.1 |
| Horses and mules, 6 markets..... | 14.7 | 17.5 | 27.4 |
| Production | | | |
| Flour..... | —16.5 | —13.8 | — 4.0 |
| Coal..... | — 6.6 | 1.2 | — 4.3 |
| Cement..... | —11.3 | 5.0 | 8.8 |
| Face Brick..... | 6.0 | — 6.8 | —10.2 |
| Petroleum..... | —14.2 | —20.2 | — 6.6 |
| Zinc ore (shipments)..... | — 6.9 | 47.7 | — 7.7 |
| Lead ore (shipments)..... | 100.1 | 174.3 | —11.0 |
| Meat Packing | | | |
| Cattle..... | —19.0 | —23.2 | —13.3 |
| Calves..... | —13.6 | —24.2 | —11.6 |
| Hogs..... | — 8.5 | 11.3 | 31.5 |
| Sheep..... | — 7.6 | 6.4 | 1.4 |
| Construction | | | |
| Contracts awarded, District..... | 38.9 | 59.5 | 22.2 |
| Number building permits, 19 cities..... | — 3.6 | —16.0 | — 0.8 |
| Value building permits, 19 cities..... | — 2.9 | 9.9 | 13.6 |

A Supplement to this issue of the Monthly Review contains a summary of Building, Lumber and Materials in this District and the summary of Business Conditions in the United States.

MAJOR industrial operations in the Tenth Federal Reserve District at this summer season have to do with the harvesting of record crops of winter and spring wheat, oats, barley and potatoes. Estimates by the United States and State Departments of Agriculture, based on the July 1 condition, forecast combined yields of these five crops at 569,333,000 bushels. This is 117,870,000 bushels, or 26.1 percent, above the combined yields of the five crops in 1927.

The July 1 promise for this District was an all-wheat crop of 322,386,000 bushels, an increase of 73,219,000 bushels or 28.9 percent over all-wheat production in 1927. The winter wheat crop was estimated 307,880,000 bushels, equivalent to 56.6 percent of the entire United States winter wheat crop of 543,782,000 bushels, estimated as of the same date. This promise of winter wheat in the District is 71,426,000 bushels greater than the crop of 1927, and 31,919,000 bushels greater than the crop of 1926. The yield of spring wheat, forecast July 1, is 14,506,000 bushels, 1,793,000 bushels more than that of 1927.

This District's production of oats is estimated at 155,135,000 bushels, an increase of 16,735,000 bushels over the previous year's production; the estimated barley crop of 47,464,000 bushels is 20,587,000 bushels larger; and the estimated potato crop of 44,348,000 bushels exceeds 1927 production by 7,420,000 bushels.

Other important farm crops produced in this District, including corn, cotton, hay, sugar beets, sorghums, and broom corn, made considerable progress in June, and official July estimates indicated yields either a little above or a little below those of the preceding year, the final outturn depending on weather conditions from now on to the time of their harvesting.

The new crop of winter wheat began to move to market from southern sections late in June, increasing in volume as the harvest moved northward, and by the middle of July receipts at primary markets attained high record proportions. The heavy marketings of wheat and other farm products such as potatoes, vegetables and early fruits, were accompanied by some decline in prices.

While mid-year reports were more favorable for agricultural production than a year ago, there were seasonal declines during June in the output of manufactures and minerals, both as compared with May of this year and June of last year. The production of flour during the month and the first six months was smaller than in the same month and six months of last year. Early in July the mills shifted to new wheat and with plentiful supplies available operations were increased to a high per-

centage of productive capacity. Market supplies of livestock declined seasonally during June and the activity at meat packing plants showed corresponding decreases. The meat packing record for the month and also for the first half of the current year showed larger numbers of hogs and sheep slaughtered and smaller numbers of cattle and calves slaughtered than in the same month and six months of 1927.

In mineral production the gross output of crude oil for June and the first half of 1928 was smaller than in the same month and six months of last year. Shipments of zinc and lead ore during June were the largest of the year and larger than in June 1927, while for the six months' period they were smaller than in the same period last year. Gradually strengthening prices were reported as giving impetus to the metal mining industry in Colorado and New Mexico. The soft coal output in June was slightly larger than a year ago, but for the calendar year to June 30 it was slightly below 1927 production.

The value of building permits issued in leading cities during June was the highest of record for that month in three years, and the value of permits issued during the half year exceeded that for the first half of 1927 by 13.6 percent. The aggregate of contracts awarded in June in the District, as reported by the F. W. Dodge Corporation, showed a gain of 59.5 percent over that month in 1927, and for the six months a gain of 22.2 percent over the six months period last year.

Distributive trade of wholesale firms in six lines, and of retail department stores, were affected during June by unfavorable weather conditions, and the month's sales were smaller than in June of last year. Accumulated sales totals for the first six months of 1928 showed the dollar volume of sales by wholesalers was 3.5 percent above, and of department stores 0.2 percent below the volume of sales in the first six months of 1927.

Debits by banks to individual accounts in thirty cities during four weeks ending June 27 were \$103,878,000 or 8.4 percent larger than for the preceding four weeks and \$78,310,000 or 6.3 percent larger than in the same four weeks in 1927. The accumulated total of debits for the first twenty-six weeks of 1928 was larger by \$337,543,000 or 4.2 percent than for the first twenty-six weeks of 1927.

Banking and Credit

The volume of credit in use at 64 reporting member banks in the Tenth District at the mid-year reporting date, July 3, stood 0.7 percent higher than four weeks earlier, 4.2 percent higher than on the first reporting date in the present year, and 7.6 percent higher than at the corresponding mid-year reporting date in 1927. Loans secured by stocks and bonds decreased in recent weeks and on July 3 were smaller than either six months ago or a year ago. Loans otherwise secured, mainly for commercial and agricultural uses, showed substantial increases and accounted for the increase in all loans over the three former dates with which comparison is made. Investments of reporting member banks reached the highest level of record on June 20, and although there were slight declines in subsequent weeks, the total on July 3 was 7.8 percent higher than six months ago and 17.5 percent higher than a year ago. Net demand deposits increased 2 percent between June 6 and July 3, and on the last mentioned date were slightly larger than at the beginning of the year and at the corresponding date last year. Time deposits declined nearly 1 percent in the four weeks period but were 10.7 percent larger than on January 4 and 16.3 percent

larger than on July 6, 1927. Principal items in the weekly statements of the 64 member banks are here shown for four dates:

(In thousands of dollars—000 omitted)

| | July 3, 1928 | June 6, 1928 | Jan. 4, 1928 | July 6, 1927 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Loans and Investments—total..... | 671,144 | 666,277 | 643,905 | 623,926 |
| Loans and Discounts—total..... | 429,937 | 427,203 | 420,190 | 418,685 |
| Secured by stocks and bonds..... | 115,441 | 118,238 | 120,300 | 127,577 |
| All other loans and discounts..... | 311,298 | 305,377 | 296,425 | 286,929 |
| Investments—total..... | 241,207 | 239,074 | 223,715 | 205,241 |
| U. S. Government Securities..... | 109,423 | 111,278 | 102,224 | 97,599 |
| Other bonds, stocks and securities.. | 131,784 | 127,796 | 121,491 | 107,642 |
| Reserve with F. R. Bank..... | 60,107 | 55,100 | 56,755 | 58,006 |
| Net demand deposits..... | 502,319 | 492,308 | 498,719 | 497,597 |
| Time deposits..... | 176,900 | 178,485 | 159,844 | 152,087 |

Bills rediscounted for member banks at the Federal Reserve Bank of Kansas City and branches as of July 3, showed some increase over the amount reported four weeks earlier and were larger than at the beginning of the year and at the corresponding date last year. Acceptances held by this bank, while showing but slight change in recent weeks, were larger in amount than six months ago or a year ago. Government securities held were slightly larger than four weeks earlier, but smaller than six months ago or a year ago. Important resource and liability items of the Federal Reserve Bank of Kansas City and branches are shown for July 3, 1928 and for three former periods:

(In thousands of dollars—000 omitted)

| | July 3, 1928 | June 6, 1928 | Jan. 4, 1928 | July 6, 1927 |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|
| Gold reserves..... | 93,068 | 88,975 | 93,870 | 94,014 |
| Reserves other than gold..... | 6,420 | 6,917 | 5,942 | 5,487 |
| Total reserves..... | 99,488 | 95,892 | 99,812 | 99,501 |
| Bills discounted..... | 23,733 | 22,621 | 12,955 | 14,438 |
| Bills purchased..... | 11,485 | 12,794 | 7,588 | 9,743 |
| U. S. Securities..... | 18,521 | 18,029 | 40,091 | 31,841 |
| Total bills and securities..... | 53,740 | 53,444 | 60,635 | 56,023 |
| Total resources..... | 197,427 | 193,327 | 216,118 | 207,004 |
| F. R. Notes in circulation..... | 55,543 | 56,537 | 66,793 | 64,176 |
| Total deposits..... | 95,394 | 90,436 | 94,651 | 91,638 |

SAVINGS: Deposits to savings accounts and also the number of depositors, in reporting banks in cities of this District increased during June and on July 1 were larger than at the beginning of the year or at the middle of 1927. The returns, here shown, do not represent savings in all banks in the cities reporting, but are intended to show the trend of savings:

DEPOSITS

| Banks | July 1, 1928 | June 1, 1928 | July 1, 1927 |
|--------------------------|------------------|---------------|---------------|
| Denver, Colo..... | \$ 44,107,327 | \$ 44,280,338 | \$ 41,080,998 |
| Kansas City, Kans..... | 3,058,058 | 2,968,350 | 2,550,071 |
| Kansas City, Mo..... | 14,055,704 | 13,958,828 | 11,985,348 |
| Lincoln, Nebr..... | 2,996,384 | 2,993,717 | 3,042,729 |
| Oklahoma City, Okla..... | 9,753,648 | 9,571,230 | 7,987,084 |
| Omaha, Nebr..... | 9,251,913 | 9,033,336 | 8,082,451 |
| St. Joseph, Mo..... | 8,473,327 | 8,153,511 | 7,335,727 |
| Tulsa, Okla..... | 14,741,631 | 13,774,919 | 14,604,430 |
| Wichita, Kans..... | 6,070,278 | 6,239,941 | 5,432,382 |
| Other Cities..... | 1,117,498 | 1,096,950 | 1,099,765 |
| Total..... | 53 \$113,625,768 | \$112,071,120 | \$103,200,985 |

ACCOUNTS

| Banks | July 1, 1928 | June 1, 1928 | July 1, 1927 |
|--------------------------|--------------|--------------|--------------|
| Denver, Colo..... | 86,090 | 85,760 | 80,923 |
| Kansas City, Kans..... | 9,069 | 9,008 | 8,060 |
| Kansas City, Mo..... | 65,661 | 65,249 | 58,541 |
| Lincoln, Nebr..... | 17,979 | 17,839 | 14,851 |
| Oklahoma City, Okla..... | 30,238 | 30,320 | 27,850 |
| Omaha, Nebr..... | 38,031 | 37,878 | 37,038 |
| St. Joseph, Mo..... | 18,821 | 18,785 | 17,511 |
| Tulsa, Okla..... | 27,528 | 27,243 | 25,796 |
| Wichita, Kans..... | 17,626 | 17,966 | 16,796 |
| Other Cities..... | 4,365 | 4,443 | 4,262 |
| Total..... | 52 315,408 | 314,491 | 291,628 |

BANK DEBITS IN THIRTY CITIES OF THE TENTH DISTRICT

| | FOUR WEEKS ENDING | | | TWENTY-SIX WEEKS ENDING | | |
|-------------------------|-------------------|-----------------|----------|-------------------------|-----------------|----------|
| | June 27, 1928 | June 29, 1927 | % Change | June 27, 1928 | June 29, 1927 | % Change |
| Albuquerque, N. M. | \$ 11,677,000 | \$ 10,583,000 | 10.3 | \$ 73,098,000 | \$ 68,862,000 | 6.2 |
| Atchison, Kans. | 5,798,000 | 5,862,000 | - 1.1 | 37,404,000 | 37,099,000 | 0.8 |
| Bartlesville, Okla. | 16,945,000 | 26,855,000 | -37.0 | 105,929,000 | 160,219,000 | -33.9 |
| Casper, Wyo. | 8,074,000 | 9,079,000 | -11.1 | 45,601,000 | 54,790,000 | -16.8 |
| Cheyenne, Wyo. | 6,462,000 | 5,666,000 | 14.0 | 38,315,000 | 34,931,000 | 9.7 |
| Colorado Springs, Colo. | 16,322,000 | 13,506,000 | 20.9 | 100,349,000 | 86,251,000 | 16.3 |
| Denver, Colo. | 166,112,000 | 157,165,000 | 5.7 | 1,061,925,000 | 1,057,625,000 | 0.4 |
| Enid, Okla. | 12,642,000 | 14,823,000 | -14.7 | 79,874,000 | 88,228,000 | -9.5 |
| Fremont, Nebr. | 4,272,000 | 3,740,000 | 14.2 | 27,356,000 | 23,988,000 | 14.0 |
| Grand Junction, Colo. | 3,249,000 | 2,970,000 | 9.4 | 20,251,000 | 19,329,000 | 4.6 |
| Guthrie, Okla. | 3,146,000 | 3,184,000 | - 1.2 | 20,433,000 | 22,221,000 | - 6.2 |
| Hutchinson, Kans. | 13,758,000 | 13,552,000 | 1.5 | 88,364,000 | 93,850,000 | - 5.8 |
| Independence, Kans. | 12,502,000 | 9,343,000 | 33.8 | 73,786,000 | 68,167,000 | 8.2 |
| Joplin, Mo. | 14,350,000 | 13,291,000 | 8.0 | 85,759,000 | 95,848,000 | -10.5 |
| Kansas City, Kans. | 21,232,000 | 18,359,000 | 15.6 | 123,608,000 | 123,718,000 | - 0.1 |
| Kansas City, Mo. | 368,822,000 | 343,982,000 | 7.2 | 2,372,459,000 | 2,190,472,000 | 8.3 |
| Lawrence, Kans. | 5,146,000 | 4,784,000 | 7.6 | 30,944,000 | 33,161,000 | - 6.7 |
| Lincoln, Nebr. | 34,061,000 | 29,737,000 | 14.5 | 213,394,000 | 196,032,000 | 3.8 |
| Muskogee, Okla. | 9,885,000 | 10,381,000 | - 4.8 | 71,265,000 | 72,262,000 | - 1.4 |
| Oklahoma City, Okla. | 100,701,000 | 100,145,000 | 0.5 | 659,773,000 | 622,064,000 | 6.1 |
| Oklmulgee, Okla. | 7,162,000 | 8,659,000 | -17.3 | 47,125,000 | 58,963,000 | -20.1 |
| Omaha, Nebr. | 194,290,000 | 181,986,000 | 6.7 | 1,263,366,000 | 1,162,843,000 | 8.9 |
| Parsons, Kans. | 4,226,000 | 3,526,000 | 20.0 | 20,106,000 | 18,826,000 | 6.8 |
| Pittsburg, Kans. | 5,458,000 | 5,434,000 | 0.4 | 38,100,000 | 38,673,000 | - 1.5 |
| Pueblo, Colo. | 19,899,000 | 18,829,000 | 5.7 | 125,517,000 | 117,697,000 | 6.6 |
| Salina, Kans. | 10,920,000 | ..... | ..... | 66,387,000 | ..... | ..... |
| St. Joseph, Mo. | 53,211,000 | 52,341,000 | 1.7 | 359,048,000 | 339,757,000 | 5.7 |
| Topeka, Kans. | 22,539,000 | 16,616,000 | 35.6 | 126,161,000 | 110,967,000 | 13.7 |
| Tulsa, Okla. | 123,911,000 | 117,568,000 | 5.4 | 766,069,000 | 816,016,000 | - 6.1 |
| Wichita, Kans. | 61,174,000 | 46,750,000 | 30.9 | 381,352,000 | 306,329,000 | 24.5 |
| Total..... | \$1,337,946,000 | \$1,248,716,000 | 6.3 | \$8,523,118,000 | \$8,119,188,000 | 4.2 |

Note: Percentages of increase or decrease are computed on returns from 29 cities reporting for both years.

BANK DEBITS: Payments by check in reporting cities throughout the Tenth Federal Reserve District, as indicated by amounts debited by banks to accounts of individuals, firms and corporations, were substantially larger in June and the first half of 1928 than in June and the first half of 1927. The aggregate of debits in thirty cities for four weeks ending June 27 was larger by \$103,878,000 or 8.4 percent than in the preceding four weeks ending May 29, and with twenty-nine cities reporting for both periods, the aggregate for the four weeks ending June 27 was \$78,310,000 or 6.3 percent larger than in the four weeks ending June 29, 1927. The accumulated total of debits for twenty-six weeks of 1928, reported by twenty-nine cities, was \$337,543,000 or 4.2 percent larger than for the first twenty-six weeks of 1927.

Payments through banks during the four weeks ending June 27 were larger in twenty-two cities than in the corresponding period last year, seven cities reporting decreases. While for the half-year period seventeen cities reported increases and twelve cities reported decreases.

COLLECTIONS: Reports of wholesale firms indicated collections, compared with outstandings, were generally very good, and with some of the firms up to the best former records. Reports of retail department stores in cities were also favorable. The percentage of collections in June on outstanding, combined for all department stores, was 42.6 percent, as compared with 41.7 percent in May, and 41.4 percent in June 1927.

Failures

During the month of June and the first six months of 1928 there were fewer business insolvencies and a smaller amount of liabilities in the Tenth Federal Reserve District than in the corresponding month and six months of 1927, according to a compilation of the monthly reports of R. G. Dun & Company. The record for the United States for the same period, although reflecting a small increase in the number of insolvencies, showed marked decrease in the amount of liabilities. The record of failures and liabilities for the first six months of 1928 and 1927 follows:

| | NUMBER | | LIABILITIES | |
|---------------------|--------|--------|--------------|---------------|
| | 1928 | 1927 | 1928 | 1927 |
| Tenth District..... | 680 | 735 | \$ 9,489,334 | \$ 10,894,386 |
| United States..... | 12,828 | 12,296 | 251,448,406 | 281,527,518 |

The number of failures and the amount of liabilities reported for the month of June is shown in the following table for each of the twelve Federal Reserve Districts with figures for June 1927 for comparison:

| | NUMBER | | LIABILITIES | |
|-----------------------------|--------|-------|---------------|---------------|
| | 1928 | 1927 | 1928 | 1927 |
| First, Boston..... | 278 | 171 | \$ 3,242,468 | \$ 2,476,055 |
| Second, New York..... | 364 | 260 | 6,475,521 | 4,733,218 |
| Third, Philadelphia..... | 79 | 41 | 1,806,562 | 5,610,200 |
| Fourth, Cleveland..... | 136 | 164 | 2,847,201 | 3,572,903 |
| Fifth, Richmond..... | 98 | 142 | 1,397,502 | 2,255,430 |
| Sixth, Atlanta..... | 108 | 174 | 1,984,306 | 2,347,238 |
| Seventh, Chicago..... | 265 | 253 | 4,901,261 | 4,000,364 |
| Eighth, St. Louis..... | 105 | 98 | 962,860 | 1,897,022 |
| Ninth, Minneapolis..... | 55 | 114 | 498,560 | 1,397,112 |
| TENTH, KANSAS CITY..... | 88 | 123 | 1,060,074 | 1,767,937 |
| Eleventh, Dallas..... | 46 | 59 | 539,916 | 1,555,260 |
| Twelfth, San Francisco..... | 325 | 234 | 4,110,842 | 2,852,426 |
| Total, June..... | 1,947 | 1,833 | \$ 29,827,073 | \$ 34,465,165 |

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

| | Reporting Stores | SALES | | OUTSTANDINGS | | COLLECTIONS | | STOCKS | |
|----------------|------------------|-----------------------|-----------|---------------------------|---------------|-----------------------|-----------|---------------------------|---------------|
| | | June 1928 compared to | | June 30, 1928 compared to | | June 1928 compared to | | June 30, 1928 compared to | |
| | | May 1928 | June 1927 | May 31, 1928 | June 30, 1927 | May 1928 | June 1927 | May 31, 1928 | June 30, 1927 |
| Dry Goods..... | 8 | -2.6 | -0.7 | -0.6 | 3.0 | -8.2 | 0.9 | 14.7 | 9.5 |
| Groceries..... | 7 | 2.3 | -2.0 | 1.6 | -0.5 | -0.3 | -1.0 | -1.6 | -1.4 |
| Hardware..... | 10 | 7.5 | 0.1 | 3.0 | -3.0 | -2.5 | -6.7 | -5.9 | -3.2 |
| Furniture..... | 7 | -12.1 | 13.2 | 0.5 | 6.8 | 5.7 | 7.1 | -4.4 | 12.2 |
| Drugs..... | 6 | -6.9 | -1.7 | -0.8 | 1.1 | -0.3 | -6.2 | 0.7 | -1.0 |
| Millinery..... | 3 | -18.0 | -43.9 | -14.1 | -57.4 | -22.2 | -54.4 | ----- | ----- |

Trade

RETAIL: June sales or reporting retail stores in cities of this District showed more than the customary seasonal decline from the preceding month and were smaller than in June last year. Most of the decrease was attributed to the cold and rainy weather during the month, which was unfavorable for shopping. The higher temperatures at the close of the month stimulated buying activity and in the early part of July sales were in about the usual volume for this time of the year.

Reports of department stores showed the dollar volume of sales in June was 12 percent smaller than in May and 2.4 percent smaller than in June of last year while for the first six months of 1928 the accumulated total of sales stood 0.2 percent below that for the first six months of 1927.

June sales of reporting apparel stores were 5.2 percent smaller than in May, but 9.1 percent larger than in the same month last year. Sales of shoes showed a decrease of 11.1 percent from the preceding month and ran about even with those in June last year. Reports of retail furniture houses showed their June sales in dollars were 23 percent less than in May and 21.6 percent less than in June of last year.

Department store stocks at the close of June were 7.2 percent smaller than a month earlier and 1.1 percent smaller than on June 30, 1927. Stocks of apparel stores showed a decline of 2.6 percent for the month, and an increase of 6.3 percent over a year earlier. Retail furniture stocks increased 21 percent in June but were smaller by 11.8 percent than on June 30, 1927.

WHOLESALE: Reports of wholesale firms, representing six leading lines, showed the combined dollar volume of their June sales was 1.9 percent below that for May and 0.1 percent below that for June of last year, while their combined sales for the first half of 1928 were 3.5 percent larger than for the first half of 1927.

Considered by separate lines the reports disclosed business was somewhat irregular. Of the six lines reporting only two, groceries and hardware, showed larger sales in June than in May.

Only two lines, hardware and furniture, reported their June sales were larger than in June 1927. For the half year period sales of drygoods, groceries, furniture and drugs were larger and of hardware and millinery smaller, than for the first half of 1927.

Wholesalers of drygoods attributed the shrinkage in June to continued cold and wet weather. With outstanding orders for goods to be shipped in July and August considerably in excess of the same period last year, and the crop outlook and market prices for grain and livestock favorable, there was a note of optimism in the reports.

Crops in the Tenth District

Reports of farmers to their State Boards of Agriculture and state crop reporting bureaus of the United States Department of Agriculture reflected improvement in the condition of crops in the Tenth Federal Reserve District between June 1 and July 1, and with favorable weather and plenty of moisture further progress was made in July.

The composite condition of the principal crops in this District on July 1 was 100.3 percent, indicating that crops were 0.3 percent above their ten-year average on that date. This figure is 6.8 percent higher than a year ago and 4.9 percent higher than two years ago. This year's July 1 condition figure for the District is 6.1 percent higher than that for the United States, whereas on July 1, 1927 the figure for this District was 3 points lower than for the United States. The composite condition of crops in the states or parts of states which form the Tenth District, and for the United States, are shown for three years:

| | July 1, 1928 | July 1, 1927 | July 1, 1926 |
|--------------------|--------------|--------------|--------------|
| Colorado..... | 100.8 | 93.8 | 103.3 |
| Kansas..... | 109.9 | 96.6 | 91.8 |
| Missouri..... | 93.9 | 85.8 | 93.8 |
| Nebraska..... | 101.1 | 103.3 | 86.1 |
| New Mexico..... | 98.7 | 84.2 | 111.0 |
| Oklahoma..... | 95.3 | 89.4 | 107.6 |
| Wyoming..... | 96.5 | 99.8 | 97.2 |
| Seven States..... | 100.3 | 93.5 | 95.4 |
| United States..... | 94.2 | 96.5 | 93.6 |

RETAIL TRADE AT DEPARTMENT STORES IN THE TENTH FEDERAL RESERVE DISTRICT

| | Stores Reporting | SALES | | (RETAIL) STOCKS | | STOCK TURNOVER | | | | ACCOUNTS RECEIVABLE | | COLLECTIONS | |
|-------------------|------------------|-----------------------|-----------------------------------|---------------------------|---------------|----------------|------|----------|-------|---------------------------|---------------|-----------------------|-----------|
| | | June 1928 compared to | | June 30, 1928 compared to | | June | | 6 Months | | June 30, 1928 compared to | | June 1928 compared to | |
| | | June 1927 | 6 Mo. 1928 compared to 6 Mo. 1927 | May 31, 1928 | June 30, 1927 | 1928 | 1927 | 1928 | 1927 | May 31, 1928 | June 30, 1927 | May 1928 | June 1927 |
| Kansas City..... | 4 | 1.6 | 1.1 | -10.7 | -0.8 | .22 | .22 | 1.43 | 1.40 | -10.3 | -0.1 | 12.9 | 7.6 |
| Denver..... | 5 | -7.2 | -3.8 | -6.4 | -3.6 | .19 | .20 | 1.03 | 1.06 | -1.2 | -7.5 | 0.5 | 0.9 |
| Oklahoma City.. | 3 | 1.4 | 3.0 | -6.7 | 5.0 | .22 | .25 | ..... | ..... | -0.1 | 17.3 | -3.0 | 10.4 |
| Omaha..... | 3 | -2.6 | 0.7 | -1.6 | 0.8 | .21 | .22 | 1.37 | 1.38 | -6.1 | -7.2 | 6.7 | 4.0 |
| Lincoln..... | 2 | -4.2 | 3.7 | -1.5 | 1.3 | .18 | .19 | 1.25 | 1.18 | -7.5 | 11.2 | -2.5 | 5.3 |
| Topeka..... | 3 | -6.0 | -1.3 | -4.7 | -9.2 | .20 | .19 | 1.20 | 1.16 | -5.0 | -11.8 | -22.1 | -1.5 |
| Tulsa..... | 3 | -5.7 | -2.9 | -8.8 | 13.9 | .29 | .33 | 1.94 | 2.27 | -8.2 | 15.4 | -1.4 | 9.5 |
| Other Cities..... | 10 | 5.6 | 5.1 | -6.4 | -2.8 | .13 | .13 | .77 | .79 | -1.9 | 4.1 | 1.0 | 8.5 |
| Total..... | 33 | -2.4 | -0.2 | -6.3 | -1.0 | .20 | .21 | 1.24 | 1.25 | -3.9 | -1.3 | 1.3 | 4.7 |

ESTIMATED PRODUCTION OF FARM CROPS IN SEVEN STATES AND THE TENTH DISTRICT

Compiled from Separate Reports of State Bureaus of the U. S. Department of Agriculture in Cooperation with State Boards of Agriculture.
 Estimates for 1928 are based on July 1 condition and for 1927 final returns at the close of the year.
 (Figures are in thousands of bushels or tons, 000 omitted)

| | CORN | | WINTER WHEAT | | OATS | | RYE | | BARLEY | | POTATOES | | TAME HAY | |
|---------------------|-----------|------------|--------------|------------|-----------|-----------|--------|--------|---------|---------|----------|---------|----------|---------|
| | July 1928 | Final 1927 | July 1928 | Final 1927 | 1928 | 1927 | 1928 | 1927 | 1928 | 1927 | 1928 | 1927 | 1928 | 1927 |
| Colorado..... | 23,572 | 22,816 | 17,316 | 16,003 | 6,052 | 5,481 | 849 | 892 | 15,077 | 10,032 | 19,445 | 16,046 | 2,713 | 2,711 |
| Kansas..... | 134,640 | 176,910 | 168,091 | 111,283 | 38,143 | 32,477 | 390 | 576 | 16,056 | 5,695 | 6,318 | 5,390 | 3,264 | 4,245 |
| Missouri..... | 177,636 | 172,537 | 15,441 | 15,580 | 42,578 | 27,710 | 226 | 264 | ..... | ..... | 9,540 | 7,055 | 3,665 | 5,158 |
| Nebraska..... | 231,710 | 291,446 | 57,647 | 70,868 | 72,344 | 69,813 | 3,559 | 4,110 | 12,497 | 7,577 | 8,789 | 8,904 | 3,270 | 4,145 |
| *New Mexico..... | 3,616 | 2,490 | 2,257 | 150 | 961 | 660 | 12 | 6 | 160 | 149 | 117 | 150 | 450 | 454 |
| Oklahoma..... | 57,942 | 84,190 | 59,062 | 33,372 | 26,026 | 21,128 | 312 | 198 | 1,034 | 1,394 | †..... | ..... | 887 | 901 |
| Wyoming..... | 3,150 | 3,696 | 1,085 | 972 | 4,347 | 4,560 | 509 | 638 | 2,720 | 2,124 | 2,691 | 2,414 | 1,281 | 1,271 |
| Seven States..... | 632,226 | 754,185 | 320,899 | 248,228 | 190,451 | 161,829 | 5,857 | 6,684 | 47,544 | 26,971 | 46,900 | 39,959 | 15,530 | 18,885 |
| Tenth District..... | 488,258 | 612,497 | 307,880 | 236,454 | 155,135 | 138,400 | 5,683 | 47,464 | 47,464 | 26,877 | 44,348 | 36,928 | 12,269 | 13,668 |
| United States..... | 2,735,617 | 2,773,708 | 543,782 | 553,288 | 1,320,097 | 1,184,146 | 39,274 | 58,872 | 303,110 | 264,392 | 443,640 | 406,964 | 84,383 | 106,200 |

* Estimated for 1928 † Not reported

WINTER WHEAT: The winter wheat crop in this District was estimated on the July 1 condition at 307,880,000 bushels, a gain of 20,530,000 bushels over the estimate on June 1 and 71,426,000 bushels more winter wheat than was harvested in 1927. In spite of much loss of wheat from hail and heavy rains in June, the additional moisture increased the average yields sufficiently to more than offset the loss. The harvest season in the greater portion of the winter wheat belt was delayed about two weeks by weather conditions, but the crop made rapid progress late in June, and July harvest returns have exceeded pre-harvest estimates, with the weight running at sixty pounds or better. The July 1 returns indicate five of the seven states produced larger crops of winter wheat than in 1927. Kansas has produced its largest winter wheat crop since 1914, with the estimated yield 56,808,000 bushels over the 1927 crop. Oklahoma's crop is reported at 25,690,000 bushels larger than in previous year, while Colorado reported an increase of 1,313,000 bushels, Wyoming an increase of 113,000 bushels, New Mexico an increase of 2,107,000 bushels. The crop in Nebraska is reported better than the average but on account of a reduction in the acreage the July 1 estimate was 13,221,000 bushels below the yield in that state in 1927. The crop in Missouri made fair progress during June with estimated production about the same as last year.

SPRING WHEAT: The acreage of spring wheat was increased somewhat and the July report indicated a crop of 14,506,000 bushels for this District as compared with 12,713,000 bushels harvested in 1927. Larger production was estimated for Colorado, Wyoming, Kansas and New Mexico, while Nebraska reported a small decrease as compared with final estimates for last year.

OTHER SMALL GRAINS: The oat crop was damaged considerably and given a severe setback by freezing weather in April, but returns since that month have shown a very rapid recovery and the July estimates is for a crop of 155,135,000 bushels for the District, which is 16,735,000 bushels more oats than produced in 1927. The barley crops with an increase in acreage, is estimated at 47,465,000 bushels, an increase of 20,587,000 bushels over last year's crop. The estimated rye crop of 5,683,000 bushels is 765,000 bushels less than in the previous year. Reports indicate a perceptible increase in the acreage planted to grain sorghums and sorghums for forage. These crops were in good condition in July though no estimates on the probable yields were reported.

CORN: The corn crop in this District on July 1 was estimated at 488,258,000 bushels. This was 100,317,000 bushels higher than the Government estimate of 387,941,000 bushels on July 1, last year. However, it is recalled that corn made remarkable growth after July 1, 1927, and the final estimate for this District last year was a crop of 612,497,000 bushels. This year corn had a very poor start because of abnormally cold and wet weather, and on July 1 was somewhat uneven and slightly behind the average state of development for that date. The crop made very fine progress through July, however, and mid-month reports indicated prospects were for larger yields than forecast at the beginning of the month, although the final outturn of the crop, even under most favorable conditions for further growth and maturity, was not expected to reach the final estimate for the preceding year.

HAY: The 1928 crop of tame hay, as estimated on the July 1 condition, was 12,269,000 tons for the District, 1,399,000 tons less than the crop of 1927. Some reduction in acreage was reported, though it was apparent the major part of the loss in production was due to unfavorable weather conditions for the maturing and harvesting of the crop.

SUGAR BEETS: Record crops of sugar beets are in prospect in Nebraska and Wyoming, but with a reduction in the planted area in Colorado the combined production in these three states, estimated at 3,591,000 tons, is 652,000 tons less than the production in 1927.

BROOM CORN: Estimated production of broom corn in Colorado, Kansas and Oklahoma was placed at 29,401 tons on July 1, as compared with 26,514 tons produced last year.

BEANS: Increased areas were planted to beans in Colorado, Wyoming and Nebraska and the crop is estimated at 2,842,000 bushels, compared with 2,100,000 bushels last year.

POTATOES: The acreage planted to potatoes in this District was increased this year and the estimated production reported 44,348,000 bushels, an increase of 7,420,000 bushels over last year's production. Returns on production of sweet potatoes for the District indicated this year's crop would fall short of that of last year by about one-half million bushels.

COTTON: The acreage of cotton in cultivation in the United States on July 1 is estimated at 46,695,000 acres, which is 11.4 percent more than in 1927, but 4.2 percent less than in 1926.

This estimate, like those of previous years, does not refer to the total acreage planted but only to that portion remaining in actual cultivation on July 1. Allowance has been made in the 1928 estimate for about 150,000 acres of cotton flooded out in Arkansas during the last week of June and for a small acreage similarly flooded in Missouri. The reports by states show 63 percent of this year's cotton acreage under cultivation on July 1 is in the eight states lying west of the Mississippi river, known as the Southwest Cotton Belt:

| | ACRES IN CULTIVATION | |
|-----------------------------|----------------------|--------------|
| | July 1, 1928 | July 1, 1927 |
| Oklahoma..... | 4,899,000 | 4,187,000 |
| Missouri..... | 390,000 | 305,000 |
| New Mexico..... | 114,000 | 100,000 |
| Texas..... | 18,366,000 | 16,850,000 |
| Arkansas..... | 3,613,000 | 3,142,000 |
| Louisiana..... | 1,886,000 | 1,585,000 |
| Arizona..... | 200,000 | 140,000 |
| California..... | 223,000 | 130,000 |
| Eight Southwest States..... | 29,691,000 | 26,439,000 |
| Eight Southeast States..... | 16,975,000 | 15,443,000 |
| United States Total..... | 46,665,000 | 41,905,000 |

Owing to late planting, the need for repeated replantings in many sections, and to the impossibility of working the crop out at the proper time, the reported stand of cotton for the entire country is 6 percent below the stand reported by correspondents on July 1 last year.

Grain Movements

During the crop year which began July 1, 1927 and ended June 30, 1928, the five leading markets in the Tenth District received 278,137,100 bushels of grain, as compared with 265,660,050 bushels received during the preceding crop year, July 1, 1926 to June 30, 1927. These figures represent the total receipts of the six major cereals produced in this region. Receipts of wheat during the crop year just ended were smaller by 17.6 percent than in the preceding crop year, reflecting the relatively small winter wheat crop in this District in 1927. However, the smaller receipts of wheat during the crop year were more than offset by larger receipts of oats, barley, rye, kafir and corn. In fact the crop year just closed was a record 12 month period for corn receipts the total standing 82.8 percent above that for the 1926-1927 crop year. Yearly receipts of the six classes of grain at the five markets, with increases or decreases, are shown in the following table:

| | Crop Year 1927-1928 Bushels | Crop Year 1926-1927 Bushels | Increase or decrease Bushels |
|--------------------|-----------------------------------|-----------------------------------|------------------------------------|
| Wheat..... | 162,825,350 | 197,544,850 | —34,719,500 |
| Oats..... | 14,735,500 | 12,672,500 | 2,063,000 |
| Rye..... | 1,979,900 | 1,711,600 | 268,300 |
| Barley..... | 3,173,700 | 959,700 | 2,214,000 |
| Kafir..... | 8,242,900 | 5,093,600 | 3,149,300 |
| Corn..... | 87,179,750 | 47,687,800 | 39,491,950 |
| Yearly totals..... | 278,137,100 | 265,670,050 | 12,467,050 |

WHEAT MOVEMENTS: Movement of the 1928 crop of winter wheat had a late start on account of rains, wet fields and cloudiness delaying the harvest. In southern parts of the District where there is usually a considerable movement of new

wheat in the latter part of June, very little of this year's crop was started on its way to market in June of this year. Under improved conditions, however, harvesting made rapid progress in the first week of July. Market receipts became increasingly heavy and by the middle of the month were at the highest peak in recent years. During the week ending July 21 receipts of wheat at Kansas City were 6,548 cars, a new high weekly record for that market, and 3,980 cars more than in the same week in 1927. Wichita, Hutchinson, Salina, Enid and St. Joseph reported exceptionally heavy movements of wheat at the middle of July, and with the harvest well advanced in northern parts arrivals of the new crop were assuming record proportions at Omaha and other up-river points late in the month.

Very little of this year's crop of wheat moved to market in June, and with stocks of old wheat in farmer's hands about cleaned out, arrivals of wheat at reporting markets in this District during the month were the smallest for any month in the wheat year just ended. The record of receipts at these markets in June and the wheat year ending June 30, follow:

| | MONTH OF JUNE Bushels | | WHEAT YEAR Bushels | |
|------------------|--------------------------|-----------|-----------------------|-------------|
| | 1928 | 1927 | 1927-28 | 1926-27 |
| Hutchinson..... | 483,300 | 1,802,250 | 15,942,150 | 39,032,550 |
| Kansas City..... | 1,871,870 | 3,600,800 | 80,140,350 | 96,334,000 |
| Omaha..... | 628,800 | 949,200 | 36,468,400 | 22,743,000 |
| St. Joseph..... | 281,400 | 390,200 | 9,129,400 | 10,716,600 |
| Wichita..... | 1,583,550 | 2,335,500 | 21,145,050 | 28,718,700 |
| Total..... | 4,848,920 | 9,077,950 | 162,825,350 | 197,544,850 |

Flour Production

The output of flour mills in the Tenth District during the wheat year July 1, 1927 to June 30, 1928, totaled 24,972,804 barrels as compared with 27,294,060 barrels in the preceding wheat year, July 1, 1926 to June 30, 1927. The decrease of 2,321,256 barrels or 8.5 percent was attributed to the smaller crop of wheat harvested in 1927, as compared with that harvested in 1926. The production of flour during June and the wheat year at the leading milling centers of this District, compiled from the Northwestern Miller's weekly reports, follows:

| | June 1928 | June 1927 | Wheat year 1927-1928 | Wheat year 1926-1927 |
|------------------|--------------|--------------|-------------------------|-------------------------|
| Atchison..... | 106,199 | 107,261 | 1,385,473 | 1,383,507 |
| Kansas City..... | 534,090 | 593,233 | 7,496,767 | 7,253,544 |
| Omaha..... | 86,419 | 102,489 | 1,205,814 | 1,156,354 |
| Salina..... | 124,177 | 117,015 | 1,942,915 | 1,441,295 |
| St. Joseph..... | 97,649 | 175,513 | 1,555,295 | 2,003,861 |
| Wichita..... | 123,609 | 178,532 | 1,783,411 | 2,281,598 |
| Outside..... | 686,809 | 765,754 | 9,603,129 | 11,773,901 |
| Total..... | 1,758,952 | 2,039,797 | 24,972,804 | 27,294,060 |

With stocks of old wheat practically cleaned up in anticipation of the large crop now being harvested, the mills started to grind new wheat early in July. Sales of new crop flour to that time had not assumed the large proportions usual for this time of the year, but were increasing, and were about up to full-time capacity at the middle of the month.

MOVEMENTS OF LIVE STOCK IN JUNE AND SIX MONTHS, TENTH FEDERAL RESERVE DISTRICT

| | RECEIPTS | | | | STOCKERS AND FEEDERS | | | | PACKERS PURCHASES | | | |
|----------------------|-----------|---------|-----------|-----------|----------------------|--------|---------|---------|-------------------|---------|-----------|-----------|
| | Cattle | Calves | Hogs | Sheep | Cattle | Calves | Hogs | Sheep | Cattle | Calves | Hogs | Sheep |
| Kansas City..... | 101,392 | 22,632 | 386,819 | 127,820 | 25,921 | 3,495 | 6,813 | 12,925 | 56,331 | 15,396 | 331,120 | 107,276 |
| Omaha..... | 109,290 | 5,242 | 298,429 | 179,489 | 6,151 | 702 | 5,399 | 33,774 | 73,160 | 4,487 | 189,564 | 130,922 |
| St. Joseph..... | 31,977 | 6,371 | 152,526 | 111,665 | 4,081 | 381 | 2,592 | 9,481 | 21,969 | 5,871 | 113,969 | 96,418 |
| Denver..... | 26,855 | 3,796 | 37,276 | 92,998 | 14,515 | 1,489 | 1,162 | 23,073 | 9,052 | 2,148 | 33,257 | 12,959 |
| Oklahoma City..... | 15,182 | 6,261 | 34,861 | 2,898 | ----- | ----- | ----- | ----- | 9,885 | 4,946 | 31,809 | 1,044 |
| Wichita..... | 12,737 | 3,583 | 77,311 | 13,163 | ----- | ----- | ----- | ----- | 5,680 | 2,165 | 74,643 | 8,208 |
| June, 1928..... | 297,433 | 47,885 | 987,222 | 528,033 | 50,668 | 6,067 | 15,966 | 79,253 | 176,077 | 35,013 | 774,362 | 356,827 |
| May, 1928..... | 387,599 | 54,085 | 1,038,480 | 552,850 | 89,400 | 8,541 | 17,204 | 82,024 | 217,451 | 40,538 | 846,121 | 386,014 |
| June, 1927..... | 349,817 | 52,715 | 843,291 | 496,936 | 56,577 | 4,690 | 11,747 | 85,189 | 229,349 | 46,186 | 695,004 | 335,412 |
| Six Months 1928..... | 2,187,520 | 301,872 | 6,214,935 | 3,792,524 | 453,779 | 47,695 | 104,027 | 442,752 | 1,188,969 | 228,087 | 4,991,176 | 2,269,202 |
| Six Months 1927..... | 2,307,825 | 307,121 | 4,797,914 | 3,156,978 | 441,535 | 29,514 | 99,067 | 506,547 | 1,372,088 | 258,141 | 3,795,520 | 1,995,813 |

Livestock

During the first six months of 1928 the six leading markets in the Tenth District received 12,567,678 head of livestock, compared with 10,625,417 head received during the first six months of 1927. The increase of 1,942,261 head for this year's six months period was due to substantially larger receipts of hogs, sheep, horses and mules, as there were decreases in the number of cattle and calves received.

The outstanding feature of the reports from the six markets covering the first half of the year was the heavy receipts of hogs. The total for this period was 6,214,935, against 4,797,914 for the like period in 1927, indicating an increase of 1,417,021, or 29.5 percent.

Sheep and lambs received at these markets during the half year period were 3,792,524 in number, against 3,156,978 for the first six months of last year, an increase of 635,546 or 20.1 percent.

Arrivals of cattle totaled 2,187,520 for the six months period, against 2,307,825 for the same period last year, a decrease of 120,305 or 5.2 percent. Receipts of calves were 301,872 as compared with 307,121, a decrease of 5,249 or 1.7 percent.

Horses and mules received during the first six months of 1928 totaled 70,827, against 55,579 in the same period in 1927, an increase of 15,248 or 27.4 percent.

Arrivals of all classes of meat animals at the six markets during the month of June were seasonally smaller than in the preceding month. Compared with June of last year, receipts of cattle and calves decreased and receipts of hogs and sheep increased. June receipts of horses and mules were larger than in either the preceding month or the same month last year.

Under light receipts prices of cattle showed further strength during June, and there were high record prices for the year on yearlings, light steers and good heifers. Stockers and feeders were scarce and sold at the highest price level of the season. Hog prices at the close of the month were 50 cents to \$1 above May prices, the highest since last October, and further advances were made during the forepart of July. The sheep and lamb market in June was featured by slight recessions in prices. Demand for feeding and breeding stock improved at the close of the month and trade was active, though supplies were limited.

Movements of stock and feeding livestock from four markets reporting were relatively small in number during June, although for the first six months of the year the outgo was larger than in the same period last year. Countryward shipments of cattle during this period showed an increase of 12,244, or 2.8 percent; calves an increase of 18,181, or 6.2 percent; hogs an increase of 4,960, or 5 percent; sheep and lambs a decrease of 63,795, or 12.6 percent.

JUNE PIG SURVEY: A decrease of about 7 percent in the spring pig crop of 1928 from that of 1927 for the United States as a whole was shown by the June survey of the United States Department of Agriculture in connection with the Post Office Department through the rural mail carriers and rural post offices. This decrease is equivalent to about 4,000,000 pigs for the United States, of which about 3,000,000 represents the decrease in the eleven corn belt states. The report shows the seven states whose areas or parts form the Tenth District fared a little better than the corn belt or the country as a whole. The number of pigs saved in the spring was larger in Colorado, Missouri, Nebraska and Wyoming than in the spring of 1927, and smaller in Kansas, New Mexico and Oklahoma. The average for these seven states was an increase over the spring of last year of 1.8 percent, while for the eleven corn belt states there was a decrease of 7 percent and for the United States a decrease of 7.1 percent. The number of sows farrowed in the spring of 1928 was larger than in 1927 in Colorado, Missouri, New Mexico and Wyoming, and smaller in Kansas, Nebraska and Oklahoma. While the average for the seven states showed a decrease of 0.7 percent, there was a decrease of 9 percent in the corn belt states and of 7.7 percent in the United States.

Meat Packing

The slaughter of meat animals at packing plants located at the six markets in the District, as indicated by packers' purchases, totaled 8,677,434 head for the first half of 1928, compared 7,421,562 head in the corresponding six months in 1927. The records show local packers during the half year period purchased 69.4 percent of the entire receipts of meat animals at the six markets, while during the same period last year they purchased 70.2 percent of the entire receipts of meat animals.

As in the case of market receipts, most of the increase over the first half of last year was in the slaughter of hogs. The number of hogs purchased for slaughter during the first six months was 4,991,176, which was 1,195,656 or 31.5 percent greater than in the corresponding period last year.

The number of sheep slaughtered in the six months period was 2,269,202, an increase of 273,389 or 1.4 percent.

Purchases of 1,188,969 head of cattle were 183,119 or 13.3 percent less, while 228,087 calves purchased for slaughter, were 30,054, or 11.6 percent, less than in the same period last year.

Reports of packing operations during June showed the numbers of all classes of meat animals slaughtered were less than in May. The June slaughter of cattle and calves was less than in June of last year, while there were substantial increases over a year ago in hogs and sheep slaughtered.

Mineral Production in the Tenth District

Petroleum

Total output of crude oil in the five producing states of the Tenth District during the first six months of 1928 was 152,267,000 barrels, a decrease of 10,692,000 barrels or 6.6 percent from the total for the first six months of 1927. Save for an increase in January over January 1927, the output for each month of the current year was smaller than in the corresponding month in the preceding year.

During June production in this District, reported by the American Petroleum Institute, was at an average of 772,000 barrels per day, as compared with 871,300 barrels per day in May and 967,600 barrels per day in June, 1927. Gross production for the month, totaling 23,160,000 barrels, was 3,851,000 barrels or 14.2 percent less than in the preceding month, and 5,867,000 barrels or 20.2 percent less than in the same month last year. The Institute's production figures usually run slightly below those of the United States Geological Survey, Bureau of Mines, and the final returns may show a smaller decrease than is here indicated. Production figures follow:

| | *June 1928 Barrels | May 1928 Barrels | *June 1927 Barrels | 6 Mos. 1928 Barrels | 6 Mos. 1927 Barrels |
|----------------|-----------------------|---------------------|-----------------------|------------------------|------------------------|
| Oklahoma..... | 17,846,000 | 21,386,000 | 23,519,000 | 119,735,000 | 128,956,000 |
| Kansas..... | 3,156,000 | 3,424,000 | 3,432,000 | 20,148,000 | 21,024,000 |
| Wyoming..... | 1,879,000 | 1,905,000 | 1,769,000 | 10,589,000 | 10,779,000 |
| Colorado..... | 217,000 | 223,000 | 217,000 | 1,366,000 | 1,456,000 |
| New Mexico.... | 62,000 | 73,000 | 90,000 | 429,000 | 744,000 |
| Total..... | 23,160,000 | 27,011,000 | 29,027,000 | 152,267,000 | 162,959,000 |

*June estimated, American Petroleum Institute.

The field summary shows fewer wells completed and smaller daily new production during June and the first six months of 1928 than in the corresponding month and first six months of 1927. Reports on new development work showed continued curtailment of drilling operations. The summary follows:

| | Wells Completed | Barrels Daily New Production | Dry Wells | Gas Wells | Rigs-Wells Drilling |
|--------------------|--------------------|---------------------------------|--------------|--------------|------------------------|
| Oklahoma..... | 271 | 52,161 | 101 | 30 | 782 |
| Kansas..... | 101 | 6,176 | 44 | 9 | 262 |
| Wyoming..... | 28 | 3,092 | 12 | 2 | 145 |
| Colorado..... | 10 | 375 | 6 | 0 | 108 |
| New Mexico.... | 9 | 49 | 6 | 0 | 87 |
| June 1928..... | 419 | 61,853 | 169 | 41 | 1,384 |
| May 1928..... | 388 | 92,350 | 145 | 45 | 1,373 |
| June 1927..... | 522 | 214,316 | 177 | 43 | 2,025 |
| 6 Months 1928..... | 2,656 | 411,669 | 982 | 360 | ..... |
| 6 Months 1927..... | 3,422 | 1,147,572 | 1,136 | 294 | ..... |

Refinery operations continued through June at a little above those for the same month last year. On July 1 fifty-four refineries in operation in Kansas and Oklahoma reported daily runs of 292,275 barrels of crude oil to stills.

Zinc and Lead

Increased activity in the zinc and lead industry in the Missouri-Kansas-Oklahoma district was indicated by reports covering the four weeks ending June 30. Combined shipments of ores during this period were the largest in tonnage and value for any similar period this year and considerably larger than in the corresponding four weeks last year. During the first week in July most of the mines were closed down for the holiday and both production and shipments were small.

Shipments of zinc ore during the first three weeks of June were at the highest level of the year, but in the week ending June 30 many operators refused to sell zinc ore at prevailing prices and shipments fell to the lowest point since the week of March 31. On the other hand the tonnage of lead ore shipped was the largest for any four-week period since late in 1926. Shipments and value of these classes of ores are shown in the following table:

| | ZINC ORE | | LEAD ORE | |
|-----------------------------------|----------|--------------|----------|------------|
| | Tons | Value | Tons | Value |
| Oklahoma..... | 32,668 | \$ 1,306,720 | 7,331 | \$ 604,756 |
| Kansas..... | 16,837 | 673,480 | 4,629 | 381,892 |
| Missouri..... | 719 | 28,760 | 25 | 2,063 |
| 4 Weeks ending June 30 '28..... | 50,224 | \$ 2,008,960 | 11,985 | \$ 988,711 |
| 4 Weeks ending June 2, '27..... | 53,953 | 2,133,860 | 5,990 | 467,454 |
| 4 Weeks ending July 2, '27..... | 34,009 | 1,373,684 | 4,369 | 340,782 |
| 26 Weeks ending June 30, '28..... | 299,551 | 11,384,637 | 46,619 | 3,737,020 |
| 26 Weeks ending July 2, '27..... | 324,374 | 13,802,538 | 52,366 | 4,784,442 |

Prices paid producers for zinc ores continued steady at \$40 per ton during this period. Last year the June price averaged \$39 per ton for the first week, \$40 per ton for the second and third weeks and \$42 per ton for the final week. Lead ore prices averaged \$82.50 per ton during the four weeks, as compared with \$78 per ton last year.

Bituminous Coal

The output of soft coal at mines in this District totaled 12,788,000 tons for the calendar year to and including June 30. This total compares with 13,362,000 tons produced in the first half of 1927, showing a decrease of 574,000 tons or 4.3 percent. The June output, while reflecting the usual summer reduction in operations, was larger than in June of last year by 19,000 tons or 1.2 percent. Production in six states:

| | *June 1928 Tons | May 1928 Tons | June 1927 Tons |
|----------------|--------------------|------------------|-------------------|
| Colorado..... | 533,000 | 616,000 | 592,000 |
| Kansas..... | 97,000 | 100,000 | 105,000 |
| Missouri..... | 201,000 | 200,000 | 96,000 |
| New Mexico.... | 222,000 | 230,000 | 215,000 |
| Oklahoma..... | 164,000 | 185,000 | 184,000 |
| Wyoming..... | 373,000 | 372,000 | 379,000 |
| Total..... | 1,590,000 | 1,703,000 | 1,571,000 |

*Estimated

United States production of soft coal for the calendar year to June 30 was 234,289,000 tons, a daily average of 1,517,000 tons. Production in the first half of 1927 was 276,410,000 tons, a daily average of 1,791,000 tons.

Business Conditions in the United States

Industrial production and the distribution of commodities in June were in smaller volume than in May and the general level of wholesale prices, following a sharp advance in April and May, also declined. Member bank credit was in record volume in early July, and indebtedness at the reserve banks was larger than at any time in the past six years.

PRODUCTION: Activity of manufacturing industries declined in June and there was a decrease of about 6 percent in the output of minerals, owing to declines in the production of coal. The manufacture of iron and steel decreased in June by somewhat more than the usual seasonal amount, but there are indications that there were no further declines in July and the industry was somewhat more active than a year ago. Production of flour and activity of cotton and wool mills also declined in June. Automobile production showed considerably less than the usual seasonal decline in June, and weekly employment figures for Detroit indicate that operations of automobile plants were well maintained during the first three weeks of July. The manufacture of agricultural implements and machine tools continued in June at the high level reached last spring. Production of lumber, copper, and shoes, and activity of silk mills increased in June.

Contracts awarded for new building continued large in June and total awards for the first half of the year exceeded those for any previous corresponding period. There were increases over last year in contracts for residential, industrial, public, and educational building. Awards during the first three weeks on July were in somewhat smaller volume than for the corresponding period of last year.

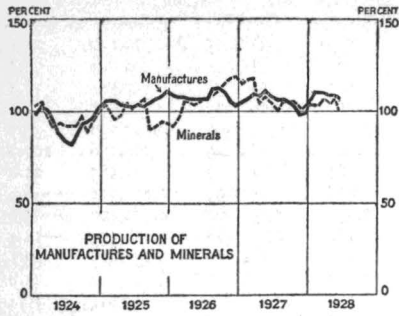
The July estimates of the department of agriculture indicate a yield of wheat of 800,000,000 bushels, a decrease of 8 percent from the harvested yield of 1927, and a yield of corn 2,736,000,000 bushels, a reduction of 2 percent. The production of oats, barley, white potatoes and tobacco is expected to be larger than last year. The acreage of cotton in cultivation on July 1 was estimated at 46,695,000 acres, an increase of 11 percent as compared with that of a year ago.

TRADE: Merchandise distribution at retail and wholesale was seasonally smaller in June than in May. Sales of department stores declined by about the usual seasonal amount, while the declines in sales of chain stores were smaller. Sales of wholesale firms in most lines of trade showed a more than usual seasonal decline. Compared with a year ago sales of department stores and chain stores were larger and those of wholesale firms were smaller. Stocks of wholesale firms were in about the same volume at the end of June as a year ago, and those of department stores were smaller.

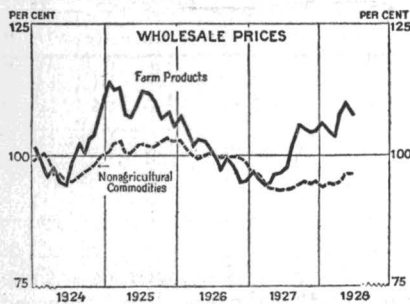
Freight car loading for practically all classes of commodities declined in June and continued in smaller volume than a year ago. During the first two weeks of July, however, owing to increases in loadings of grains and miscellaneous commodities, total loadings were larger than in the corresponding period of 1927, but continued below the high level of 1926.

PRICES: The general level of wholesale commodity prices declined in June and the bureau of labor statistics index, which had advanced from 96 percent of the 1926 average in March, the low point for the year, to 98.6 percent in May, declined in June to 97.6 percent. The decline in the all commodities index reflected decreases in those groups which had advanced most rapidly in previous months—farm products, foods and hides and leather products. Prices of livestock and meats, which are included in these groups, however, showed further advances in June, and there was also an increase in the prices of building materials, while prices of silk and rayon, fertilizer materials, house furnishings, and automobile tires declined. During the first three weeks in July there were declines in the prices of wheat and cotton, and advances in those of cattle and hogs.

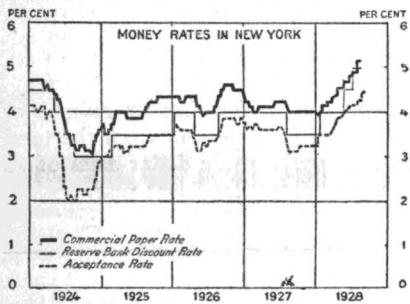
BANK CREDIT: Member bank credit, after rising to a record volume early in July declined somewhat during the two following weeks and on July 18 total loans and investments of reporting banks in leading cities were about \$160,000,000 smaller than four weeks earlier. The decrease was largely the result of reduction by about \$125,000,000 in the banks investment holding, but reflected also a decline in the volume of loans on securities following a temporary increase over the midyear. Contrary to the usual seasonal trend loans largely for commercial purposes were in record volume during the period. Member bank borrowing at the reserve banks showed a decline following the mid-year settlement period, but the volume on July 25, at slightly more than \$1,000,000,000, was somewhat larger than five weeks earlier. Holding of acceptances and United States securities declined during the period. In July there were further advances in open market rates for commercial paper and bills, and discount rates at seven of the Federal Reserve banks were raised from 4½ to 5 percent.



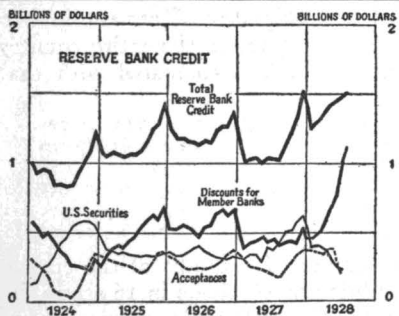
Index of production of manufactures and minerals, combined, adjusted for seasonal variations, (1923-25 average 100). Latest figures June: Manufactures 109, Minerals 100.



Index of United States Bureau of Labor Statistics, (1926-100, base adopted by Bureau). Latest figures June: Farm products 106.7, non-agricultural commodities 95.2.



Weekly rates in New York money market. Latest figures week ending July 21.



Monthly averages of daily figures for 12 Federal Reserve Banks. Latest figures are averages for the first 23 days in July.

BUILDING IN JUNE AND THE HALF YEAR IN TENTH DISTRICT CITIES

| | MONTH OF JUNE | | | | | SIX MONTHS | | | | |
|-------------------------|---------------|--------------|---------------------|--------------------|----------------|---------------|---------------|---------------------|---------------------|----------------|
| | Permits | | Value | | Percent Change | Permits | | Value | | Percent Change |
| | 1928 | 1927 | 1928 | 1927 | | 1928 | 1927 | 1928 | 1927 | |
| Albuquerque, N. M. | 93 | 74 | \$ 156,566 | \$ 137,165 | 14.1 | 517 | 399 | \$ 928,815 | \$ 770,100 | 20.6 |
| Casper, Wyo. | 6 | 15 | 1,170 | 4,900 | -76.1 | 41 | 68 | 18,055 | 68,079 | -73.5 |
| Cheyenne, Wyo. | 48 | 37 | 77,780 | 57,020 | 36.4 | 176 | 145 | 541,055 | 457,114 | 18.4 |
| Colorado Springs, Colo. | 72 | 63 | 169,718 | 26,190 | 548.0 | 418 | 419 | 508,505 | 296,991 | 71.2 |
| Denver, Colo. | 613 | 948 | 2,311,750 | 1,043,250 | 121.6 | 3,434 | 3,809 | 9,208,200 | 6,887,750 | 33.7 |
| Hutchinson, Kans. | 61 | 46 | 121,835 | 75,690 | 61.0 | 405 | 226 | 689,629 | 328,536 | 109.9 |
| Joplin, Mo. | 40 | 37 | 71,837 | 101,225 | -29.0 | 266 | 184 | 841,729 | 693,585 | 21.4 |
| Kansas City, Kans. | 107 | 124 | 150,495 | 322,990 | -53.4 | 556 | 638 | 954,795 | 1,020,378 | -6.4 |
| Kansas City, Mo. | 242 | 600 | 1,869,575 | 1,629,550 | 14.7 | 1,503 | 2,637 | 8,451,200 | 8,912,400 | -5.2 |
| Lincoln, Nebr. | 90 | 101 | 295,635 | 349,965 | -15.5 | 540 | 489 | 1,728,278 | 2,018,535 | -14.4 |
| Muskogee, Okla. | 32 | 16 | 75,605 | 27,110 | 178.9 | 128 | 131 | 284,780 | 231,047 | 23.2 |
| Oklahoma City, Okla. | 235 | 199 | 1,523,625 | 1,149,899 | 32.5 | 1,544 | 1,112 | 9,149,647 | 6,275,864 | 45.8 |
| Omaha, Nebr. | 116 | 115 | 517,967 | 492,003 | 5.3 | 578 | 512 | 2,704,468 | 2,324,268 | 16.4 |
| Pueblo, Colo. | 153 | 156 | 120,273 | 193,544 | -37.9 | 807 | 743 | 805,488 | 900,273 | -10.5 |
| Salina, Kans. | 20 | 11 | 454,135 | 18,905 | 2,302.2 | 122 | 135 | 864,853 | 361,070 | 139.5 |
| St. Joseph, Mo. | 71 | 63 | 51,383 | 38,020 | 35.1 | 361 | 323 | 435,277 | 329,619 | 32.1 |
| Topeka, Kans. | 105 | 124 | 258,780 | 134,917 | 91.8 | 557 | 659 | 1,189,631 | 1,213,912 | -2.0 |
| Tulsa, Okla. | 350 | 257 | 1,225,735 | 3,028,161 | -59.5 | 2,030 | 1,579 | 6,862,109 | 7,109,621 | -3.5 |
| Wichita, Kans. | 214 | 190 | 788,945 | 401,604 | 96.4 | 1,229 | 1,129 | 3,247,613 | 3,305,948 | -1.8 |
| Total 19 Cities | 2,668 | 3,176 | \$10,242,809 | \$9,232,108 | 9.9 | 15,212 | 15,337 | \$49,414,127 | \$43,505,090 | 13.6 |

Building

Building activity in cities of the Tenth District which report their statistics to this Federal Reserve Bank, continued at a higher level during June and the first six months of the year than in the corresponding month and six months of last year. The value of permits issued in nineteen cities during June fell 2.9 percent below the May total but was 9.9 percent higher than in June last year and the highest June value in three years. For the first six months of 1928 the value of permits issued in the cities reporting was 13.6 percent greater than in the first six months of 1927. The reports in detail show the value of permits issued in June was larger in thirteen cities and smaller in six cities than in June of last year. For the first half of the year eleven cities showed increases in the value of permits and eight showed decreases.

The value of building contracts awarded in the Tenth District as a whole during the first six months of 1928 was \$129,210,687, according to monthly reports compiled by the F. W. Dodge Corporation and subdivided by districts by the Division of Research and Statistics of the Federal Reserve Board. This total compares with \$105,741,670 for the corresponding six months in 1927, indicating an increase for the first six months of 1928 of \$23,469,008 or 22.2 percent. The June report showed contracts awarded during that month had a value of \$28,069,641, exceeding that for May by \$7,871,113 or 38.9 percent, and that for June 1927 by \$10,471,450 or 59.5 percent.

Contracts awarded in thirty-seven states during the first six months of the year had a value of \$3,446,767,500 as compared with \$3,189,280,300 for the corresponding period last year, an increase of \$257,487,200 or 8 percent.

Lumber and Materials

According to reports of all associations to the National Lumber Manufacturers Association, shipments of lumber during the first twenty-six weeks of 1928 exceeded production by 6.5 percent and orders exceeded production by 9.2 percent. The totals for the twenty-six weeks:

| | Softwoods M. Feet | Hardwoods M. Feet |
|----------------|----------------------|----------------------|
| Cut..... | 6,720,074 | 1,264,501 |
| Shipments..... | 7,158,908 | 1,273,321 |
| Orders..... | 7,341,100 | 1,312,226 |

Combined reports of all associations covering the four weeks ending June 30 showed a total lumber cut of 1,354,192 thousand

feet, shipments of 1,467,057 thousand feet, and orders totaling 1,406,517 thousand feet. These figures indicate very slight increases over the preceding four weeks ending June 2.

RETAIL LUMBER TRADE: June volume of sales of lumber, in board feet, at 186 reporting retail yards in cities and towns in the Tenth District was smaller than in either the month of May or in June of last year. Dollar sales of all materials at these yards also fell below those reported for the preceding month and the corresponding month last year. June business at the reporting yards is here compared with that for May and that for June of last year in percentages of increase or decrease:

| | June 1928 Compared to | |
|--------------------------------------|-----------------------|-----------|
| | May 1928 | June 1927 |
| Sales of lumber, board feet..... | -16.1 | -25.2 |
| Sales of all materials, dollars..... | -18.2 | -2.4 |
| Stocks of lumber, end of month..... | 1.7 | 3.4 |
| Outstandings, end of month..... | 0.4 | -2.4 |
| Collections during month..... | -5.7 | -7.5 |

Sales of lumber in board feet during the first six months of 1928 at the reporting yards declined 6.5 percent from the total recorded for the same period in 1927, while dollar sales of all materials showed a decline of 3.4 percent from last year.

CEMENT: Production of Portland cement at mills in the Tenth District, reported by minerals statistics division of the Bureau of Mines, totaled 1,330,000 barrels for the month of June, as compared with 1,499,000 barrels in May and 1,262,000 barrels in June 1927. Shipments of 1,357,000 barrels during June compared with 1,448,000 barrels in the preceding month and 1,209,000 barrels for June 1927.

The record of production and shipment of cement in barrels, from mills in the Tenth District and in the entire country for the first six months of 1928 is here compared with that for the corresponding period in 1927:

| | TENTH DISTRICT | | UNITED STATES | |
|-----------------------|------------------|-----------|---------------|------------|
| | First Six Months | 1927 | 1928 | 1927 |
| Production..... | 5,961,000 | 5,480,000 | 77,005,000 | 75,058,000 |
| Shipments..... | 5,926,000 | 5,459,000 | 73,953,000 | 74,775,000 |
| Stocks (June 30)..... | 2,056,000 | 2,284,000 | 25,021,000 | 20,972,000 |

FACE BRICK: During the first six months of the current year the production of face brick at 56 plants in 16 states, including the larger plants in the Tenth District, averaged 3,910 thousand per plant, a decrease of 10.2 percent from the corresponding six months last year. Shipments during the same period averaged 4,104 thousand per plant, an increase of 4.1 percent over the same period in last year.