

THE MONTHLY REVIEW

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

FEDERAL RESERVE BANK OF KANSAS CITY

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Business in the Tenth District

Statistics for October 1928 are Compared with those for September 1928 and October 1927 in Percentages of Increase, or Decrease(—).

	October 1928	September 1928	October 1927
General Business and Banking			
Bank debits, 30 cities.....	— 2.4	8.8	
Loans and discounts, 64 banks.....	0.3	5.0	
Investments, 64 banks.....	1.1	14.6	
Net demand deposits, 64 banks.....	— 1.9	2.3	
Time deposits, 64 banks.....	0.8	13.6	
Savings deposits, 58 banks.....	0.5	7.8	
Savings accounts, 56 banks.....	0.5	7.1	
Trade			
Sales of wholesale firms.....	3.7	5.3	
Sales of department stores.....	7.0	4.3	
Sales of retail lumber yards.....	7.9	8.4	
Market Receipts			
Wheat.....	—11.6	17.2	
Corn.....	—30.9	13.9	
Oats.....	—11.6	—38.0	
Cattle.....	12.8	— 8.7	
Calves.....	45.2	5.0	
Hogs.....	4.1	30.9	
Sheep.....	15.5	8.7	
Horses and Mules.....	—12.6	—45.6	
Production			
Flour.....	13.1	10.7	
Coal.....	13.8	— 8.4	
Cement.....	— 8.7	7.2	
Face Brick.....	0.2	11.5	
Petroleum.....	2.0	— 5.9	
Refinery activity.....	— 0.2	13.5	
Zinc ore (shipments).....	39.4	—33.1	
Lead ore (shipments).....	50.5	50.3	
Meat Packing			
Cattle.....	4.8	—18.5	
Calves.....	— 3.2	—24.6	
Hogs.....	12.8	25.5	
Sheep.....	23.0	33.3	
Construction			
Contracts awarded.....	—30.6	—18.7	
Building permits, 19 cities.....	16.3	1.6	
Value of permits, 19 cities.....	12.9	— 2.6	

PRODUCTION OF LEADING FARM CROPS IN THIS DISTRICT

	Nov. 1, 1928	Yield 1927
Winter wheat, bus.....	325,226,000	236,454,000
Spring wheat, bus.....	15,759,000	12,713,000
All wheat, bus.....	340,985,000	249,167,000
Corn, bus.....	512,243,000	612,497,000
Oats, bus.....	164,988,000	138,400,000
Rye, bus.....	6,003,000	6,480,000
Barley, bus.....	50,125,000	26,877,000
Grain sorghums, bus.....	74,279,000	73,230,000
White potatoes, bus.....	43,157,000	36,928,000
Cotton, bales.....	1,137,000	976,000
Tame hay, tons.....	11,951,000	14,401,000
Broom corn, tons.....	34,365	31,338
Sugar beets, tons.....	3,811,000	4,241,000

THE forward surge in industry, trade and banking in the Tenth District that began with the opening of the Fall season gained momentum in October, carrying the volume of business to the high peak of the year, thus far attained, and considerably above the level of a year ago. November reports, while lacking in detail, indicated the devastating floods at the middle of the month temporarily retarded business in some sections of the District, and to an extent interrupted traffic. But it was apparent there were no general recessionary tendencies in the District as a whole, and business was moving toward the end of the year in record volume.

The outstanding development of the month and season was a strong demand for goods and merchandise. Distribution by wholesalers was larger than in either September of this year or in October of last year. Trade at department stores and single line retail stores, located in cities, made substantial gains over the preceding month and the same month last year. It was observed that, for the first time in many months, all of the leading lines of wholesale and retail trade advanced at the same time.

Improvement in the agricultural and livestock situation accounted mainly for the expansion of general business. With the crops practically all harvested it was apparent from the official November reports this year's farm production exceeds the production of last year, and is 7.5 percent above the average for the ten years preceding this one. Corn and hay crops in the District are not up to those of last year, but there are larger crops of wheat, oats, barley, potatoes, and cotton, as compared with a year ago. October brought a seasonal increase in movements of livestock to the markets, and a considerable revival of stock-feeding operations.

The production and distribution of commodities in the District was seasonally heavy in October. The output of pork and mutton at meat packing plants was larger and of beef smaller than in the same month last year. The production of flour was the largest for a month since August 1926, and 10.7 percent above a year ago. Canning factories and beet sugar refineries continued their seasonally heavy operations. The production and shipment of cement and lead ore, and the activity of petroleum refineries, was greater than in the same month last year, while the output of crude oil, soft coal, and the shipment of zinc ore was not up to that of a year ago.

Building permits issued in leading cities during October was the largest monthly total since August 1927, and the value of permits was the third largest of the year, though slightly less than in the same month last year. The value of contracts awarded for future construction, according to the Dodge reports, was smaller than in the same month last year.

Bank Debits

Payments by check in thirty cities of this District, as shown by amounts debited by banks to accounts of individuals, firms and corporations, totaled \$1,485,015,000 for the four weeks ending October 31, a decrease of \$36,513,000 from the total for the preceding four weeks ending October 3. But, as compared with the corresponding four weeks of last year, (twenty-nine cities reporting for both periods) there was an increase of \$119,340,000.

Debits by banks in the twenty-nine cities during the first forty-four weeks of the current year, amounted to \$14,920,077,000 against \$13,976,331,000 for the corresponding forty-four weeks ending November 2, 1927. The increase for the year to October 31 was \$943,746,000 or 6.7 percent.

DEBITS BY BANKS IN TENTH DISTRICT CITIES

	FOUR WEEKS ENDING		Percent Change
	Oct. 31, 1928	Nov. 2, 1927	
Albuquerque, N. M.	\$ 14,728,000	\$ 13,616,000	8.2
Atchison, Kans.	6,243,000	6,023,000	3.6
Bartlesville, Okla.	15,498,000	18,411,000	-15.8
Casper, Wyo.	9,495,000	8,832,000	7.5
Cheyenne, Wyo.	8,688,000	8,479,000	2.5
Colorado Springs, Colo.	16,598,000	14,454,000	14.8
Denver, Colo.	18,449,000	175,531,000	5.1
Enid, Okla.	14,026,000	14,190,000	-1.2
Fremont, Nebr.	3,871,000	3,324,000	16.5
Grand Junction, Colo.	4,020,000	3,887,000	3.4
Guthrie, Okla.	3,890,000	3,839,000	1.3
Hutchinson, Kans.	21,300,000	14,255,000	49.4
Independence, Kans.	12,177,000	9,621,000	26.6
Joplin, Mo.	13,336,000	14,782,000	-9.8
Kansas City, Kans.	19,006,000	18,556,000	2.4
Kansas City, Mo.	429,763,000	388,918,000	10.5
Lawrence, Kans.	4,978,000	4,688,000	6.2
Lincoln, Nebr.	32,598,000	30,538,000	6.7
Muskogee, Okla.	13,472,000	13,051,000	3.2
Oklahoma City, Okla.	121,917,000	104,270,000	16.9
Oklmulgee, Okla.	8,302,000	7,259,000	14.4
Omaha, Nebr.	206,435,000	203,585,000	1.4
Parsons, Kans.	3,360,000	2,953,000	13.8
Pittsburg, Kans.	5,577,000	6,169,000	-9.6
Pueblo, Colo.	21,955,000	20,443,000	7.4
Salina, Kans.	12,962,000	.....	.....
St. Joseph, Mo.	54,521,000	53,685,000	1.6
Topeka, Kans.	19,295,000	19,357,000	-0.3
Tulsa, Okla.	139,278,000	114,204,000	21.9
Wichita, Kans.	63,235,000	55,793,000	13.3
Thirty cities 4 weeks.....	\$ 1,485,015,000	\$ 1,352,713,000	* 8.8
Twenty-nine cities 44 weeks.....	14,920,077,000	13,976,331,000	6.7

*Percent of increase computed on returns of twenty-nine cities reporting for both years.

Bank Credit

Demand for bank credit in this regional District exhibited more than the customary Fall activity, reflecting heavy movements of farm products and livestock, expansion in distributive trade and a large industrial output.

The volume of loans continued at the high level of the year, with small week-to-week changes, as seen by the returns from sixty-four reporting Member Banks. The total of \$439,298,000 as of November 7 reflected a gain of \$1,100,000 over the first report date in October and a gain of \$20,959,000 over the first report date in November of last year. It was noted that commercial loans increased \$9,833,000 in five weeks and \$30,415,000 in fifty-two weeks, while loans secured by stocks and bonds decreased \$8,826,000 during the five weeks and were \$8,704,000 less than on the first report date in November 1927.

Total investments of the reporting Member Banks, after attaining the highest level of record on October 24, declined slightly by November 7 and the aggregate of \$242,890,000 on that date was \$2,766,000 higher than five weeks earlier and \$30,695,000 higher than November 9, 1927.

Between October 3 and November 7 demand deposits of the sixty-four banks declined \$9,444,000 to a total of \$499,325,000, but this amount was \$11,357,000 higher than on the corresponding date in 1927. Time deposits on October 31 totaled \$182,448,000, the highest of record for the sixty-four banks. While there was a small decline in the week that followed the amount reported was \$21,622,000 larger than one year earlier.

The summary which follows shows amounts of the principal resource and liability items as reported by the sixty-four banks as of three weekly dates:

	Nov. 7, 1928	Oct. 3, 1928	Nov. 9, 1927
Loans and investments—total.....	\$682,188,000	\$678,322,000	\$630,534,000
Loans and discounts—total.....	439,298,000	438,198,000	418,339,000
Secured by stocks and bonds.....	109,904,000	118,730,000	118,608,000
All other loans and discounts.....	326,098,000	316,265,000	295,683,000
Investments—total.....	242,890,000	240,124,000	212,195,000
U. S. Government securities.....	121,092,000	117,419,000	117,438,000
Other bonds, stocks, and securities.....	121,798,000	122,705,000	94,757,000
Reserve with F. R. Bank.....	56,838,000	57,867,000	54,685,000
Net demand deposits.....	499,325,000	508,769,000	487,968,000
Time deposits.....	180,546,000	179,103,000	158,924,000
Government deposits.....	2,084,000	1,905,000	1,490,000

Bills discounted by the Federal Reserve Bank of Kansas City and its three branches rose \$17,193,564 in the five weeks between October 3 and November 7, and the total as of the last date stood at \$41,190,786. This was \$23,894,934 above the total on November 9, 1927, and the highest amount reported since January 9, 1924. Bills purchased, amounting to \$26,407,779 on the first report date in November, showed an increase of \$15,194,960 over the fifty-two week period and was the largest in three years. Recent increases in rediscounts for member banks, and in holdings of acceptances, resulted mainly from a more active demand for loans for farm crop movements and livestock feeding operations. This Bank's holdings of United States securities were smaller on November 7 than on either of the two former report dates used for comparison. There was a decrease in gold reserves, and the ratio of reserves to deposits and note liabilities stood at 55 percent as against 58.4 percent one year earlier. The principal items are here shown for three dates:

	Nov. 7, 1928	Oct. 3, 1928	Nov. 9, 1927
Gold reserves.....	\$ 81,678,654	\$ 99,553,665	\$ 85,783,206
Reserves other than gold.....	5,629,521	5,276,006	5,721,945
Total reserves.....	87,308,175	104,829,671	91,505,151
Bills discounted.....	41,190,786	23,997,222	17,295,852
Bills purchased.....	26,407,779	17,612,976	11,212,819
U. S. securities.....	12,482,300	15,686,300	37,707,500
Total bills and securities.....	80,080,865	57,296,498	66,216,171
Total resources.....	211,954,187	217,007,994	208,900,927
F. R. Notes in circulation.....	64,197,565	63,035,965	65,683,125
Total deposits.....	94,518,217	97,335,536	90,940,132

COLLECTIONS: Department stores in cities reported their collections during October represented 43.8 percent of accounts outstanding on the last day of September. This figure compares with 39.5 percent for September and 41.6 percent for October, 1927. Wholesalers reports indicated collections were very satisfactory, generally running a little better than at this season last year.

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

Reporting Stores	SALES		OUTSTANDINGS		COLLECTIONS		STOCKS		
	Oct. 1928 compared with Sept. 1928	Oct. 1927	Oct. 31, 1928 compared with Sept. 30, 1928	Oct. 31, 1927	Oct. 1928 compared with Sept. 1928	Oct. 1927	Oct. 31, 1928 compared with Sept. 30, 1928	Oct. 31, 1927	
Dry Goods.....	8	1.7	4.1	1.0	1.1	34.1	3.4	8.7	10.4
Groceries.....	7	11.1	8.9	1.4	4.6	3.0	13.0	5.5	11.6
Hardware.....	9	11.8	7.2	1.7	3.3	14.8	1.6	Even	5.7
Furniture.....	7	0.6	7.0	1.0	3.9	18.1	9.2	6.4	8.8
Drugs.....	5	11.0	2.8	8.1	1.8	6.3	7.8	1.9	2.7
Millinery.....	3	-38.2	-24.4	-14.7	-31.5	53.8	-11.8	.....	.....

Savings in Banks

Further increases in the amount of savings deposits and in the number of savings accounts in selected banks in leading cities in this District were reflected by the figures reported on November 1, compared with one month earlier and one year earlier.

DEPOSITS

Banks	Nov. 1, 1928	Oct. 1, 1928	Nov. 1, 1927
Denver, Colo.....	7 \$ 54,855,157	\$ 55,617,839	\$ 51,739,974
Kansas City, Kans.....	4 3,212,851	3,131,945	2,741,053
Kansas City, Mo.....	10 19,588,737	19,305,153	17,635,547
Lincoln, Nebr.....	4 3,246,654	3,226,441	3,404,241
Oklahoma City, Okla.....	6 10,102,079	9,598,486	8,037,356
Omaha, Nebr.....	5 9,494,369	9,383,791	8,247,548
St. Joseph, Mo.....	5 7,004,909	7,017,000	6,535,772
Tulsa, Okla.....	6 15,600,704	15,362,904	16,115,289
Wichita, Kans.....	8 6,538,048	6,404,734	5,765,912
Other Cities.....	3 778,877	743,074	788,036
Total.....	58 \$130,422,385	\$129,791,367	\$121,010,728

ACCOUNTS

Banks	Nov. 1, 1928	Oct. 1, 1928	Nov. 1, 1927
Denver, Colo.....	7 126,345	126,196	120,554
Kansas City, Kans.....	4 10,583	10,352	9,440
Kansas City, Mo.....	10 99,904	99,354	93,531
Lincoln, Nebr.....	4 19,340	19,445	16,461
Oklahoma City, Okla.....	6 31,141	30,759	29,056
Omaha, Nebr.....	5 39,245	38,955	36,895
St. Joseph, Mo.....	5 18,377	18,445	18,061
Tulsa, Okla.....	5 30,811	30,451	26,394
Wichita, Kans.....	7 16,871	16,748	15,839
Other Cities.....	3 2,662	2,681	2,848
Total.....	56 \$ 395,279	\$ 393,386	\$ 369,079

Trade

Distribution of merchandise by wholesalers to retailers and by retailers to consumers increased seasonally during October and the combined sales of all firms reporting to this Federal Reserve Bank was substantially larger than in either the preceding month or the same month last year. General conditions were described in the reports as highly favorable to trade, with

the purchasing power of the people higher at this time than in recent years.

WHOLESALE: Reports of wholesale firms engaged in six leading lines, located at the principal centers within the District, showed their combined sales for October were 3.7 percent larger than in September and 5.3 percent larger than in October of last year. By individual lines the report showed sales of dry goods, groceries, hardware, furniture and drugs were larger in October than in the corresponding month last year. Wholesalers of millinery reported the volume of sales for the month was smaller than in either of the two former periods.

RETAIL: Dollar sales at retail stores located in Tenth District cities made further expansion during the month of October and were larger than in the same month last year for all retail lines reported.

Combined sales of thirty-five department stores for October showed an increase of 7.0 percent over September and an increase of 4.3 percent over October 1927. Twenty-four stores reported their sales for the month were larger than for the same month last year, while eleven stores reported decreases. Accumulated sales of department stores from January 1 to October 31, inclusive, were larger by 1.1 percent than in the corresponding period in 1927.

Sales at other retail stores exhibited a similar trend. Those handling men's and women's apparel reported their October business was 11.1 percent above that of a year ago. The furniture trade, as reflected by reports from leading stores, was 8.8 percent larger than in the same month in the preceding year.

Chain stores handling foods reported their October sales were 2.1 percent smaller than in September, though they showed an increase of 22.5 percent over October 1927.

Stocks of merchandise on hand at department stores and also at single line stores were larger at the end of October than one month earlier, though stocks of department stores were smaller than at the end of October of the previous year.

RETAIL TRADE AT 35 DEPARTMENT STORES IN THE TENTH FEDERAL RESERVE DISTRICT

Stores	SALES		(RETAIL) STOCKS		STOCK TURNOVER		ACCOUNTS RECEIVABLE		COLLECTIONS				
	Oct. 1928	10 Months 1928	Oct. 31, 1928	Oct. 31, 1927	October 10 Months	October 10 Months	October 31, 1928	October 31, 1927	October 1928	October 1927			
	Report- ing	compared to 10 Months 1927	compared to Sept. 30, 1928	compared to Oct. 31, 1927	1928	1927	compared to Sept. 30, 1928	compared to Oct. 31, 1927	compared to Sept. 1928	compared to Oct. 1927			
Kansas City.....	4	1.0	1.3	8.3	-5.8	.23	.22	2.29	2.22	3.3	4.1	16.5	1.8
Denver.....	5	2.4	-2.1	2.1	-8.7	.21	.19	1.82	1.80	Even	-10.3	21.6	3.2
Oklahoma City.....	3	12.6	6.2	4.0	10.7	.29	.29	.....	.....	14.2	14.7	43.5	17.1
Omaha.....	4	4.1	0.8	10.4	4.7	.23	.23	2.24	2.24	12.6	3.1	14.0	5.7
Lincoln.....	2	7.2	4.2	4.1	0.2	.23	.22	2.09	1.98	11.4	23.7	25.0	2.4
Topeka.....	3	0.4	0.2	7.1	-6.0	.18	.17	1.53	.....	12.1	18.4	18.5	10.3
Tulsa.....	3	19.1	2.7	11.8	10.5	.32	.29	2.94	3.02	11.8	23.6	35.2	15.3
Other Cities.....	11	-1.7	2.2	2.0	-4.7	.17	.15	1.26	1.26	7.9	2.5	30.3	15.7
Total.....	35	4.3	1.1	5.5	-2.7	.23	.22	2.06	2.04	6.5	2.2	24.1	7.0

NOTE: Percentage of collections in October on outstanding accounts September 30, all stores reporting, 43.8%. Collections same month last year 41.6%.

Failures

Statistics compiled by R. G. Dun and Company show there were 81 failures in the Tenth District during October with an aggregate indebtedness of \$963,129. Although insolvencies were relatively small for the month the figures show failures were slightly more numerous and the amount of liabilities slightly larger than in either September of this year or October of last year. Dun's figures for the United States by Federal Reserve Districts:

Districts	NUMBER		LIABILITIES	
	1928	1927	1928	1927
First, Boston.....	217	169	\$ 4,592,407	\$ 5,842,687
Second, New York.....	412	297	9,608,814	9,509,984
Third, Philadelphia.....	113	66	2,713,365	2,336,345
Fourth, Cleveland.....	162	159	2,359,380	3,715,998
Fifth, Richmond.....	106	119	1,633,885	2,700,752
Sixth, Atlanta.....	131	111	1,965,866	1,788,026
Seventh, Chicago.....	285	224	6,113,449	3,246,073
Eighth, St. Louis.....	93	85	1,074,591	1,009,897
Ninth, Minneapolis.....	74	67	677,804	405,656
TENTH, KANSAS CITY.....	81	71	963,129	838,906
Eleventh, Dallas.....	65	41	857,123	533,137
Twelfth, San Francisco.....	284	226	2,430,661	2,029,225
Total, United States.....	2,023	1,635	\$34,990,474	\$33,956,686

The record for the Tenth District covering the first ten months of 1928 was 1,003 failures and \$12,674,712 of liabilities, against totals for the like period in 1927 of 1,067 failures and \$14,993,088 of liabilities, indicating a decrease for this year of 64 failures and \$2,318,376 in the amount of liabilities.

Failures in the United States in ten months of this year were 20,061 and liabilities \$408,184,029. During the first ten months of last year there were 18,968 failures and \$430,616,256 of liabilities.

Building

Building and general construction activity was speeded up during October under generally favorable weather conditions and an urge to complete, as nearly as possible, projects under way before winter comes.

More building permits were issued in leading cities during the month than in any previous month since August 1927. The month's total of 3,034 permits in nineteen cities was an increase of 425 over September, and 48 more than in October of last year. In point of the building investment the October total of \$9,694,227 combined for the nineteen cities was the third highest monthly total of the year, having been exceeded only in May and June. It was \$1,107,121 or 12.9 percent above the September total but was \$258,709 or 2.6 percent under the total for October 1927.

The returns in detail show the value of permits issued in October was larger in eleven cities and smaller in eight cities than in October of last year. Oklahoma City again led in the value of permits, although its October total of \$2,144,436 was \$972,650 less than that reported for October 1927 which was that city's banner month for building permit values.

A summary of the reports on building operations in the nineteen cities covering the first ten months of 1928 shows 25,578 permits issued for buildings estimated to cost \$83,253,895. These figures, compared with those the first ten months of 1927, show a decrease of 1,227 permits but an increase of \$9,817,274 in the value of permits. The aggregate value of permits for the ten months of 1928 is the largest for any like period since 1925 when the total stood at \$107,829,175.

OCTOBER BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST		Percent Change
	1928	1927	1928	1927	
Albuquerque, N. M.....	68	99	\$ 165,970	\$ 236,852	-29.9
Casper, Wyo.....	14	9	8,600	13,110	-34.4
Cheyenne, Wyo.....	24	32	97,150	77,775	24.9
Colorado Springs, Colo.....	83	71	59,580	29,201	10.4
Denver, Colo.....	774	723	1,255,500	1,212,300	3.6
Hutchinson, Kans.....	58	40	106,501	87,957	21.1
Joplin, Mo.....	43	41	114,775	142,650	-19.5
Kansas City, Kans.....	107	111	182,577	113,997	60.2
Kansas City, Mo.....	261	343	879,800	1,402,000	-37.2
Lincoln, Nebr.....	119	135	229,743	1,183,565	-80.6
Muskogee, Okla.....	32	22	56,430	118,570	-52.4
Oklahoma City, Okla.....	331	221	2,144,436	3,117,086	-31.2
Omaha, Nebr.....	148	108	783,487	319,030	145.6
Pueblo, Colo.....	134	160	160,162	145,598	10.0
Salina, Kans.....	34	30	99,260	48,095	107.2
St. Joseph, Mo.....	55	64	1,248,815	57,675	2,065.3
Topeka, Kans.....	146	129	182,577	150,637	108.8
Tulsa, Okla.....	364	416	1,240,644	925,962	34.0
Wichita, Kans.....	239	232	546,262	570,876	-4.3
October.....	3,034	2,986	\$ 9,694,227	\$ 9,952,936	-2.6
Ten Months.....	25,578	26,805	83,253,895	73,436,621	13.3

Building contracts awarded in the District during October represented a value of \$15,699,019, compared with \$22,610,874 in September, and \$19,316,507 in October of last year according to the F. W. Dodge Corporation. These figures indicate the value of October contracts were \$6,911,855 less than in the preceding month and \$3,617,488 less than in the corresponding month last year. The value of building contracts awarded in the ten months of 1928, as shown by the Dodge figures, was \$217,504,302 against \$183,575,294 for the same period in 1927, indicating an increase for this year of \$33,929,008 or 18.4 percent.

Lumber

Statistics compiled for the National Lumber Trade Barometer from weekly reports of manufacturers in the United States reflected small changes in lumber movement in recent weeks. The report covering the week ending November 3 showed shipments from mills of eight softwood associations and two hardwood associations were greater than production, while new business as represented by orders was less than shipments, and also less than production. An analysis of the lumber supply and demand in percentage figures, covering the current week and forty-four weeks of the year ending November 3, with comparisons, indicates the trend of the lumber movement:

	Current	Forty-four Weeks		
	Week	1928	1927	1926
Softwoods				
Shipments greater, or less, than Production	.5	4.8	.3	.8
Orders greater, or less, than Shipments.....	-5.1	.3	-.9	-1.5
Production greater, or less, than Orders.....	4.9	-4.9	.6	.7
Hardwoods				
Shipments greater, or less, than Production	16.8	5.7	-8.3	-10.3
Orders greater, or less, than Shipments.....	-14.6	2.0	.4	2.3
Production greater, or less, than Orders.....	.3	-7.2	8.5	8.9

RETAIL LUMBER: Sales at 183 retail lumber yards in the Tenth District increased during October, the volume in board feet exceeding that for September by 7.9 percent and that for the same month last year by 8.4 percent. Sales of all materials, in dollars, were larger in October than in either the preceding

month or the same month last year. The figures in percentages of increase or decrease follow:

	October 1928 compared to	
	Sept. 1928	Oct. 1927
Sales of lumber, board feet.....	7.9	8.4
Sales of all materials, dollars.....	12.4	1.7
Stocks of lumber, end of month.....	-0.3	5.2
Outstandings, end of month.....	1.8	0.2
Collections during month.....	19.1	1.9

Cement

The production of Portland cement at the mills in this District in October showed a decline of 8.7 percent from September but an increase of 7.2 percent over October of last year. Shipments for the month showed increases of 3.6 percent over the preceding month and 12 percent over the same month last year. Statistics for October for the United States reflected a small decrease in the production as compared with that for September, but a small increase over October of last year. Statistics showing production, shipments and stocks of Portland cement in this District and the United States are here shown, as compiled from the reports of the Bureau of Mines, United States Department of Commerce.:

	Oct. 1928	Sept. 1928	Oct. 1927
	Barrels	Barrels	Barrels
Tenth District			
Production.....	1,389,000	1,522,000	1,296,000
Shipments.....	1,643,000	1,586,000	1,466,000
Stocks, month-end.....	1,296,000	1,551,000	1,526,000
United States			
Production.....	17,533,000	17,856,000	17,174,000
Shipments.....	19,836,000	20,462,000	18,105,000
Stocks.....	14,495,000	16,799,000	13,141,000

The Crops

According to the report of the Bureau of Agricultural Economics, United States Department of Agriculture, there was a decline in October of two-tenths of one percent in crop prospects in the seven states whose areas or parts form the Tenth District. The November 1 composite of crop yields was reported as 107.5 percent, indicating crops in the seven states are 7.5 percent above the average for the preceding ten years. The composite of crop yields by states is shown in the following table for November 1 and October 1, 1928, and also as reported for November 1, 1927:

	Percentage of ten-year average yields		
	Nov. 1, 1928	Oct. 1, 1928	Nov. 1, 1927
Colorado.....	100.4	99.2	104.0
Kansas.....	130.1	128.7	113.2
Missouri.....	104.9	105.8	98.0
Nebraska.....	98.1	98.8	126.1
New Mexico.....	94.5	96.6	95.4
Oklahoma.....	98.3	99.5	96.0
Wyoming.....	97.2	98.3	109.9
Seven States.....	107.5	107.7	107.3
United States.....	103.4	103.1	102.4

Combining the November estimates of the principal crops in proportion to their ten-year average, it would appear that production of farm crops in the Tenth District would, as a whole, slightly exceed that for 1927. The estimates as of November 1, officially reported, indicate that of fifteen field crops for which this year's figures are now available, eight show larger yields, and seven smaller yields than were recorded as the final estimates for 1927.

Decreases of 100,254,000 bushels of corn, 2,450,000 tons of tame hay and 430,000 tons of sugar beets in the District were offset by increases of 91,818,000 bushels in the combined yields

of winter and spring wheat, 26,588,000 bushels of oats, 23,248,000 bushels of barley, 6,229,000 bushels of white potatoes and 159,000 bales of cotton. Yields of grain sorghums and broom corn also were larger in 1928 than in 1927, while some of the minor crops such as rye, sweet potatoes, beans and tobacco were smaller than in the preceding year. Of the fruit crops those of apples, peaches and pears showed decreases although there was an increase of 1,881,000 tons of grapes over the 1927 production.

CORN: Reports from all sections of the District stated that the month of October was generally favorable to the drying out and harvesting of the corn crop. Little damage from frost was reported and the percent of merchantable corn was above that of last year. The November 1 estimate on production compared with the estimate of a month earlier and the final for 1927, follows:

	Preliminary	Final
	1928	1927
	Bushels	Bushels
Colorado.....	22,358,000	22,816,000
Kansas.....	181,521,000	176,910,000
Missouri.....	193,372,000	172,637,000
Nebraska.....	194,888,000	291,446,000
New Mexico.....	3,582,000	2,490,000
Oklahoma.....	70,886,000	84,190,000
Wyoming.....	3,520,000	3,696,000
Seven States.....	670,127,000	754,185,000
District 10.....	512,243,000	612,497,000
United States.....	2,895,449,000	2,773,708,000

COTTON: Production of cotton in the United States was estimated at 14,133,000 bales as of November 1, according to crop reporting board of the United States Department of Agriculture. This figure indicated a gain of 140,000 bales over the October estimate, and a larger crop by 1,178,000 bales than that of 1927. The estimates for the eight states embraced in the southwestern cotton belt show a gain of 196,000 bales over the October estimate, placing this year's production in these states at 8,677,000 bales, or 373,000 bales above last year's production. The estimates for the states:

	Est. Nov. 1	Est. Oct. 1	Final 1927
	Bales	Bales	Bales
Texas.....	5,150,000	5,050,000	4,352,000
Oklahoma.....	1,180,000	1,210,000	1,037,000
Arkansas.....	1,175,000	1,130,000	1,000,000
Louisiana.....	660,000	580,000	548,000
Missouri.....	158,000	157,000	115,000
California.....	149,000	147,000	91,000
Arizona.....	133,000	130,000	91,000
New Mexico.....	72,000	77,000	70,000
Eight S. W. States.....	8,677,000	8,481,000	7,304,000
United States.....	14,133,000	13,993,000	12,955,000

The late estimates, based on reports from individual states, indicate that with better than the average weather conditions the crop was turning out better than anticipated in Texas, Arkansas, Louisiana and Missouri, while in Oklahoma yields were not quite up to the expectations of a month earlier.

SUGAR BEETS: Estimated yields of sugar beets in the three states of the District which produce approximately 55 percent of the Nation's crop, indicate this year's production would be smaller than that of 1927 by 426,000 tons or 10 percent. Tonnage reported for the three states:

	Nov. 1, 1928	Yield in 1927
	Tons	Tons
Colorado.....	2,262,000	2,774,000
Nebraska.....	1,058,000	1,036,000
Wyoming.....	495,000	431,000
Production, 3 states.....	3,815,000	4,241,000

Grain Movements

Arrivals of wheat at five markets in the District during October amounted to 17,121,420 bushels, a decrease of 2,238,800 bushels as compared with September, but an increase of 2,514,020 over October 1927. Market receipts of this year's wheat crop from July 1 to October 31 were 152,839,700 bushels, an increase of 48,220,700 bushels or 46 percent over the corresponding four months in 1927.

Arrivals of corn during October at the five markets were smaller than in the preceding month but larger than in the same month last year. Arrivals of oats and rye in October were in smaller quantities than in either the preceding month or the same month last year.

October receipts of six classes of grain are here shown for each of the reporting markets with totals for September of this year and October of last year for comparison:

	Wheat Bus.	Corn Bus.	Oats Bus.	Rye Bus.	Barley Bus.	Kafir Bus.
Hutchinson.....	2,501,550	13,750	3,000	1,200	70,000	106,600
Kansas City.....	7,842,120	1,437,000	512,000	16,500	411,200	236,500
Omaha.....	3,902,400	1,076,600	504,000	196,000	332,800	.....
St. Joseph.....	1,167,600	466,500	140,000	.....	12,250	.....
Wichita.....	1,707,750	58,800	60,000	3,600	84,000	3,600
October 1928.....	17,121,420	3,052,650	1,219,000	217,300	910,250	346,700
Sept. 1928.....	19,360,220	4,416,800	1,378,500	313,600	1,117,550	66,300
October 1927.....	14,607,400	2,680,700	1,965,500	312,200	503,700	171,700

Flour Production

The October output of flour at Southwestern mills was the largest for a month since August 1926, and the month's operations at 80.8 percent of full-time capacity was the largest since September 1926. The October production of 2,652,227 barrels was 307,414 barrels or 13.1 percent higher than in September and 255,500 barrels or 10.7 percent higher than in October 1927. The production of flour for the four months of the wheat year—July 1 to October 31—amounted to 9,538,318 barrels as compared with 8,878,904 barrels for the corresponding first four months in the preceding wheat year, an increase of 659,414 barrels or 7.4 percent. Production of flour at the leading centers compiled from weekly reports to the Northwestern Miller is shown in the following:

	Oct. 1928 Barrels	Sept. 1928 Barrels	Oct. 1927 Barrels
Atchison.....	139,859	110,396	132,627
Kansas City.....	722,541	649,402	742,790
Omaha.....	120,349	106,670	107,697
Salina.....	183,933	169,956	185,051
St. Joseph.....	193,556	148,528	190,010
Wichita.....	198,386	175,015	193,135
Outside.....	1,093,603	984,846	845,417
Total.....	2,652,227	2,344,813	2,396,727

Reports from representative mills over the District indicated new business was light in the closing period of the month. Yet,

with a record volume of orders on their books, many millers were less concerned about selling flour than they were in obtaining shipping directions on flour already sold. Export flour trade was disappointing, with less than the usual quantity going to Continental Europe and the Latin America business small.

Livestock

Conditions during the Fall season were favorable for the livestock industry. November reports received at the offices of the United States Division of Livestock Estimates in the states of this District indicated all classes of livestock were in good health and flesh to enter the winter. Favorable weather during the Fall cured the grass and crops were harvested in good shape. Mild storms with rain and snow near the middle of October, and also in the closing days of that month, generally relieved drought conditions, which were becoming serious in parts of the upper Great Plains and the Rocky Mountain region. Much needed supplies of stock water were replenished. In most sections of the range country grass was good in November. Supplies of winter feed were termed as ample, save in the desert sheep ranges in western Colorado and in parts of western Wyoming and northwestern New Mexico, where feed crops were short and prices of hay were high.

MARKET MOVEMENTS: The feature of the situation in October was an increase in the marketward movement of livestock from farms and ranges to the six leading markets in the District. Cattle, calves and sheep arrived during the month in larger numbers than in any previous month of the present year, and the number of hogs received exceeded that for September.

The peak of the fall market runs of cattle came in October when receipts at the six leading markets rose to a total of 662,897 head, 75,226 more than in September but 63,238 less than in October of the preceding year. The October receipts carried the total for the ten months of 1928 now passed to 4,205,461 head, which was 100,438 head or 2.3 percent less than the total received in the same period in 1927. Reports from over the range country indicated that many cattlemen took advantage of the favorable prices to clean up their financial obligations, with the result that cattle were sold close, with little tendency to hold heifers and heifer calves for the building up of breeding herds.

The marketward movement of calves was the largest for any month since the year 1924. Receipts of 130,464 head at the six markets were 40,601 more than those for September and 6,172 more than those for October of last year. During the ten months of 1928 calves received at these markets totaled 653,692 head, which was a decrease of 3,475 or one-half of one percent below receipts for the like period in 1927.

Arrivals of sheep in October also were the largest of the year and the largest for any month in all years since 1923. The October total was 1,441,520 head, which was 193,159 more than

MOVEMENTS OF LIVE STOCK IN OCTOBER AND TEN 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.....	244,922	61,062	* 280,847	237,876	149,998	19,437	12,636	66,915	82,442	22,607	* 217,207	152,490
Omaha.....	178,541	17,928	125,636	345,434	90,193	9,730	3,331	175,259	75,546	7,002	96,000	153,311
St. Joseph.....	60,102	10,449	14,3486	155,250	20,449	3,214	4,628	51,120	33,257	5,055	102,853	101,208
Denver.....	112,713	17,937	33,110	669,149	73,352	11,503	1,083	505,323	12,758	2,771	23,764	34,458
Oklahoma City.....	27,397	11,675	37,785	1,840	.....	.....	.....	.....	15,653	8,996	30,627	1,176
Wichita.....	39,222	11,413	59,281	31,971	.....	.....	.....	.....	8,800	2,434	55,451	3,474
October 1928.....	662,897	130,464	680,145	1,441,520	333,992	43,884	21,678	798,617	228,456	48,865	525,902	446,117
September 1928.....	587,671	89,863	653,279	1,248,361	252,087	15,933	18,926	581,886	217,973	50,479	466,180	436,077
October 1927.....	726,135	124,292	519,649	1,325,647	304,305	23,468	17,714	849,918	280,486	64,856	419,034	334,668
Ten Months 1928.....	4,205,461	653,692	8,950,249	7,755,541	1,237,825	126,517	167,265	2,233,475	2,019,469	412,923	6,915,081	3,869,469
Ten Months 1927.....	4,305,899	657,167	7,086,297	6,618,112	1,062,956	74,942	139,176	2,259,073	2,363,218	487,267	5,571,756	3,355,374

*Includes direct shipments to packers.

in the preceding month and 115,873 more than in the same month last year. The number of sheep received during this year's ten months period was 7,755,541, an increase of 1,137,429 or 17.2 percent over the like period in 1927. Reports from the principal producing areas were to the effect that ewe lambs generally were held to build up breeding flocks, in some localities more than the usual number of one-year breeders having been retained in the farm flocks.

The October marketing of hogs totaled 680,145 head at the six markets, including hogs shipped direct to packers' yards. This was 26,866 above the September receipts and 160,496 above the receipts in October 1927. Hogs received at these markets in ten months were 8,950,249 head, as compared with 7,086,297 in ten months of last year, showing an increase of 1,863,952 or 26.3 percent.

Marketings of horses and mules declined during October. The receipts for the month were 9,904 head, 1,244 less than in September and 8,289 less than in October 1927. The ten months receipts were 102,430 head, an increase of 3,948 or 4 percent over the same period last year.

FEEDING OPERATIONS: During the month there was a general revival of feeding operations throughout the corn belt states, where feed is abundant. Countryward shipments of stock and feeding cattle from four markets for the month totaled 333,992 head, an increase of 81,905 over September, and an increase of 29,687 over October of last year. The month's outgo of stock and feeding cattle brought the total for the first ten months of the year to 1,237,825, which was an increase of 174,869 or 16.4 percent over the first ten months of 1927. Stock and feeding calves were shipped to the country to the number of 43,884 head, this total being 175.4 percent larger than for September and 87 percent larger than that for October of last year.

The four markets reported October shipments of 798,617 sheep to the country for feeding. This total was 216,731 greater than in September, but was 51,301 less than in the same month last year. Between January 1 and November 1, shipments of sheep from the four markets to the country totaled 2,233,475 head compared with 2,259,073 head shipped in the corresponding period in 1927, indicating a decrease of 25,598 or 1.1 percent.

The movement of stock and feeding hogs from the four markets was larger in October than either the preceding month or the corresponding month last year.

MEAT PACKING: Measured by the number of livestock purchased by packers at plants located in six cities of the Tenth District, there was greater activity in all departments of meat packing in October than in September. Compared with the same month last year, slaughtering operations during the month in the cattle department showed a decrease, while operations in the sheep and hog departments showed substantial increases.

Purchases of 228,456 cattle by packers during the month was the largest monthly total of the present year, although it was 52,030 head less than the number purchased in October a year ago. Purchases of 48,865 calves during the month was smaller than in the preceding month and the same month last year. The slaughter of sheep, totaling 446,117 for October, was 10,040 more than in September and 111,449 more than in the same month last year. The October slaughter of hogs, as evidenced by combined purchases at public stockyards and hogs shipped direct to packers yards, was 525,902 head, an increase of 59,722 over September and 106,868 more than in October 1927.

Returns from the six markets showing purchases of animals for slaughter during the first ten months of 1928 as compared with the same period in 1927, were; Cattle 2,019,469, decrease

343,749 or 15.3 percent; Calves 412,923, decrease 74,344 or 15.3 percent; Sheep 3,869,469, increase 514,095 or 15.3 percent; Hogs 6,915,081, increase 1,343,325 or 24.1 percent.

Packers reported declines in the wholesale prices of all pork cuts and further declines in the prices of hogs as featuring the livestock and meat trade during the month of October. Prices decline were the result of continued heavy receipts of hogs, according to the reports. Demand for dressed beef was unsatisfactory during the month and prices declined steadily, although the market was somewhat firmer at the close. The export trade both in pork and lard was quiet throughout the month with the exception of a few days when there was a good demand on the European Continent from stocks previously landed.

Stocks of pork and lard at Kansas City amounting to 34,119,000 pounds on October 31 were 5,441,000 pounds less than on September 30, but were 8,410,800 pounds greater than on October 31, 1927.

Petroleum

The production of crude oil in the various fields in the Tenth District averaged 911,200 barrels per day during October, as compared with 923,000 barrels per day in September and 968,300 barrels per day in October 1927. With one more day in October the gross output of 28,248,000 barrels for the month was 559,000 greater than in the preceding month, but was 1,769,000 barrels less than in the same month last year. Oklahoma and Kansas reported smaller daily average production during the month than in the same month last year, while there were increases in the daily average in Wyoming, Colorado and New Mexico. Total barrels and gross production during October, with comparisons, is shown for each of the five producing states in the following:

	*Oct. 1928 Barrels	Sept. 1928 Barrels	Oct. 1927 Barrels
Oklahoma.....	22,981,000	22,775,000	24,810,000
Kansas.....	3,036,000	2,828,000	3,313,000
Wyoming.....	1,923,000	1,811,000	1,613,000
Colorado.....	226,000	208,000	217,000
New Mexico.....	82,000	67,000	64,000
Total.....	28,248,000	27,689,000	30,017,000

*Estimated American Petroleum Institute.

A summary of field operations in the five states showed the largest number of completions in October for any month since July, though fewer wells were completed than in October a year ago. Daily average new production from the wells completed in October was the largest with the exception of September's total since October 1927. According to the reports more wells were drilling or making ready for drilling on November 1 than at any time since September 1927. The field summary:

	Wells Completed	Barrels Daily New Production	Dry Wells	Gas Wells	Rigs-Wells Drilling
Oklahoma.....	370	140,718	107	38	944
Kansas.....	100	5,273	45	13	303
Wyoming.....	20	3,444	6	3	187
Colorado.....	18	2,616	8	0	99
New Mexico.....	3	250	1	1	102
October 1928.....	511	152,301	167	55	1,635
September 1928.....	404	227,732	122	39	1,560
October 1927.....	543	178,661	170	58	1,572
10 Months 1928.....	4,479	996,348	1,588	558	.....
10 Months 1927.....	5,497	2,034,512	1,873	502	.....

Reports from Oklahoma and Kansas showed operations at refineries continued well above those of a year ago. The figures follow:

	Plants Operating	Daily Runs
November 1, 1928.....	62	309,900
October 1, 1928.....	58	310,650
November 1, 1927.....	58	273,025

Bituminous Coal

Productive activity at the soft coal mines over the Tenth District increased seasonally during October with the winter season drawing near. The output for the month showed an increase of 13.8 percent over that for September, but fell short of that for October 1927 by 8.4 percent. The monthly output:

	*Oct. 1928 Tons	Sept. 1928 Tons	Oct. 1927 Tons
Colorado.....	937,000	895,000	921,000
Kansas.....	232,000	152,000	347,000
Missouri.....	358,000	305,000	348,000
New Mexico.....	255,000	225,000	274,000
Oklahoma.....	331,000	280,000	422,000
Wyoming.....	705,000	620,000	764,000
Total.....	2,818,000	2,477,000	3,076,000

*Estimated

Production in this District during the calendar year to the close of October was reported at 21,952,000 tons, against 23,816,000 tons during the ten months of 1927, the decrease amounting to 1,864,000 tons or 7.8 percent.

Zinc and Lead

The production and shipment of zinc and lead ore in the Tri-state mining district exhibited substantial increases during October, mainly the result of an improved market demand and better

prices than were paid producers at this season last year. Shipment of zinc ore during four weeks ending November 3 showed an increase of 39.4 percent over the preceding four weeks but were 33.1 percent smaller than in the corresponding four weeks in 1927. Lead ore shipments during the four weeks under review showed an increase of 50.5 percent over the preceding four weeks and were 50.3 percent above those for the four weeks ending November 5, 1927. Shipments by states follow:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	26,004	\$ 1,040,160	7,046	\$ 598,910
Kansas.....	16,123	644,920	3,693	313,905
Missouri.....	1,510	60,400	148	12,580
4 Weeks ending Nov. 3, '28....	43,637	\$ 1,745,480	10,887	\$ 925,395
4 Weeks ending Oct. 6, '28....	31,303	1,233,040	7,232	606,747
4 Weeks ending Nov. 5, '27....	65,214	2,463,096	7,243	579,440
44 Weeks ending Nov. 3, '28....	480,290	18,608,437	81,270	6,607,478
44 Weeks ending Nov. 5, '27....	581,792	24,318,334	82,971	7,288,583

During the four weeks ending November 3 prices paid for zinc ore remained steady at \$40 per ton. Last year's price was \$38 per ton for three weeks and \$37 per ton for the last week. Lead ore prices were steady at \$85 per ton, the highest figure of the year, against \$80 per ton during the corresponding weeks in 1927.

Business Conditions in the United States

Industry continued active in October and the distribution of commodities was in large volume. Wholesale commodity prices declined sharply owing chiefly to decreases in the prices of farm products. Member Bank credit in use increased in October and November, while Reserve Bank credit outstanding showed little change. Conditions in the money market were somewhat easier.

PRODUCTION: Industrial production continued in October at the high level of September and considerably above the level of a year ago. Output of minerals increased over September, while the production of manufacturers declined slightly. Factory employment and payrolls increased to the highest level since early in 1927. The production of pig iron was particularly large in October and the first half of November, and the output of steel continued in record volume. Automobile production declined considerably in October after exceptional activity in September and showed further reduction in November. As is usual at the season activity increased in October in meat-packing and in the textile industries, with the exception of silk. Copper mining and smelting continue at a high level, and the output of coal and petroleum increased by more than the usual seasonal amount, while the production of zinc declined. There was also a decline in the output of lumber and building materials.

Building contracts awarded continued to increase in October and were larger than in that month of any previous year, but declined sharply during the first two weeks of November. The increase in October was due principally to large contracts for engineering and industrial projects.

The November cotton crop estimate of the department of agriculture was slightly larger than the October estimate and indicated a yield of 14,133,000 bales, 1,178,000 more than the production of 1927. Ginnings of the current crop prior to November 14 totalled 11,320,302 bales, compared with 10,894,912 in the similar period of a year ago. Indicated yields of wheat, corn, oats, potatoes, and tobacco were larger than the 1927 crops, while estimates of hay, rye, and flax seed were smaller.

TRADE: Department store sales in October were in about the same volume as in the same period in the preceeding year, but showed somewhat less than the seasonal increase from the

high level of September. Inventories of these stores increased during the month, but continued smaller than a year ago. The volume of distribution at wholesale was larger than in September and showed a substantial gain over October, 1927. Freight car loadings continued larger in October and November than a year ago, reflecting chiefly large loadings of miscellaneous freight.

PRICES: Wholesale commodity prices declined in October after a continuous increase for three months, and the bureau of labor statistics index for October, at 97.8 per cent of the 1926 average, was over 2 per cent below that for September. This decline reflected chiefly large decrease in prices of farm and food products and hides and leather. Prices of industrial commodities increased slightly, with small gains recorded in metals, building materials, and chemicals and drugs. The principal increases occurred in prices of iron and steel, copper and raw silk; during the first three weeks of November prices of cotton, pig iron, copper and petroleum increased, and prices of most farm and food products, except corn, pork, and sugar, recovered somewhat after the October decline.

BANK CREDIT: Between October 24 and Nov. 21 there was a considerable increase in loans and investments of Member Banks in leading cities, but at the end of this period the total was still below the large volume outstanding at the middle of the year. Loans chiefly for commercial purposes remained at a high level during the period and loans on securities showed further growth, reflecting a marked increase in the volume of loans to brokers and dealers in securities. Investments showed further decline.

During the four weeks ending November 21 there was little change in the volume of Reserve Bank credit in use. Reserve Bank holdings of acceptances increased further and discounts for Member Banks declined.

During the last week of October and the first three weeks of November conditions in the money market were somewhat easier. The rate on four to six months commercial paper declined from a level of 5½ per cent to a range of from 5¼ to 5½ per cent, and rates on call and time loans in the open market also declined slightly.