

# 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  
P. W. MORGAN, Director of Research

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**I**NDUSTRIAL OPERATIONS in the Tenth District slackened in December, after continuing at a high rate of activity through the summer and fall of 1929, and the output for the month was smaller than that for December 1928. Retail trade, as reflected by sales of department stores, rose in December to the highest monthly volume of the year, but failed to reach the high peak attained in the final month of 1928. Wholesale distribution, following the usual custom, declined in December but the sales volume was smaller than a year earlier. Preliminary reports covering the first three weeks of 1930 reflected no marked change in the general situation from the closing weeks of 1929, save that the usual January quiet was accentuated by a long period of severely cold weather. A heavy blanket of snow over practically the entire area interfered with production and distribution and effectually checked out-of-door work.

**F**INAL returns for 1929 reveal that the general volume of business in the Tenth District was greater than that reported for 1928, despite the more than seasonal decline in the closing month.

The statistical records show production in the foods, petroleum and metal industries, and in leading manufacturing lines, exceeded that for 1928, and many new high records were established. Building reports reflected a decline in residential construction, but a small increase over 1928 in other types of construction.

The composite farm production for 1929 was lower than that for 1928, due mainly to smaller yields of two of the major crops, corn and wheat. On the whole, this year's crops were well-balanced and more diversified than in former years, and the higher level of prices prevailing through the marketing season gave production a value but slightly lower than that for 1928.

Movements of livestock from farms and ranges to primary markets in this District were in larger numbers than in the preceding year for all classes of animals except cattle, which showed a small decrease.

Trade reports reflected an unusually large volume of goods and merchandise going into consumption. Aggregate dollar sales of reporting department stores was 2.5 percent above the figure for 1928, while the combined total sales of wholesale firms engaged in five lines of merchandising fell six-tenths of 1 percent below that for the preceding year.

## Banking and Credit

The high level of business activity in the Tenth District in 1929 was accompanied by an active demand for bank credit which became more insistent with the advance through the summer and fall months. Loans and discounts of commercial banks, and rediscounts of the Federal Reserve Bank of Kansas City and its branches, averaged higher than in the preceding year and new peak records for recent years were established. Deposits also were at a high level, and funds were ample for all legitimate requirements. Rates during the summer and fall were slightly higher than in 1928, though easing somewhat in December with the seasonal slackening in the demand for bank credit.

**WITH REPORTING MEMBER BANKS:** The combined weekly statements of fifty-eight reporting member banks in cities are indicative of the volume of business of the banks in this District in the past twelve months. These reporting member banks began the year with \$444,338,000 of loans and discounts. During the early months there was a slight tendency to increase, but at the turn of the half-year

### BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT

Percentage of Increase, or Decrease (—), for December 1929 over November 1929 and December 1928, and for the year 1929 over the year 1928.

	December 1929		Year 1929
	Over Nov. 1929	Dec. 1928	Over Year 1928
<b>General</b>			
Bank debts, 30 cities.....	— 5.3	— 0.8	10.2
Business Failures, number.....	—23.2	— 6.8	18.3
Liabilities.....	—27.6	—22.2	37.1
Building Permits, 20 cities, Value.....	—38.5	—42.0	1.4
Building Contracts, Value, District.....	—37.5	—48.7	— 8.8
Retail sales, department stores.....	44.8	— 2.2	2.5
Wholesale sales, 5 lines combined.....	—25.3	—13.4	— 0.6
Lumber.....	—33.6	—17.1	— 1.1
<b>Grain Receipts, 5 markets</b>			
Wheat.....	85.6	— 0.7	7.1
Corn.....	142.3	11.7	—20.9
Oats.....	—19.9	—22.6	7.5
Rye.....	174.1	104.0	24.9
Barley.....	38.1	31.7	— 9.1
Kafir.....	80.0	—11.3	12.8
<b>Livestock Receipts, 6 markets</b>			
Cattle.....	—23.8	15.4	— 2.7
Calves.....	—47.1	26.3	3.4
Hogs.....	20.9	—10.9	0.2
Sheep.....	—18.7	— 1.6	0.4
Horses and Mules.....	—29.7	—32.3	3.7
<b>Production</b>			
Flour.....	— 2.2	— 6.4	3.4
Crude Petroleum.....	4.2	— 7.8	1.6
Soft Coal.....	— 5.7	— 2.5	2.3
Zinc Ore (Shipped).....	21.1	—38.3	2.6
Lead Ore (Shipped).....	14.8	—25.5	1.3
Cement.....	—18.2	18.2	9.4
<b>Meat Packing</b>			
Cattle.....	— 0.8	9.9	0.5
Calves.....	—21.5	10.0	— 0.1
Hogs.....	24.7	—17.8	— 2.6
Sheep.....	33.4	3.8	0.9

loans and discounts turned sharply upward and continued in record volume through the remaining months, with the peak total of \$480,545,000 on August 7, and the year closing with \$458,807,000 or \$14,469,000 above the total reported fifty-two weeks earlier.

Investments, which in the last half of 1928 were the highest of record, declined during 1929 and on December 31 the total of \$217,568,000 was \$20,574,000 below the amount reported at the beginning of the year.

Total deposits of \$690,874,000 on January 2, 1929, ran considerably higher than in 1928 to the middle of October, with a record total of \$708,446,000 on August 14. During the last ten weeks of the year, total deposits were less than in the like period in 1928, and at the year-end stood at \$670,345,000, or \$20,529,000 less than fifty-two weeks earlier.

**AT THE FEDERAL RESERVE BANK:** Although the volume of loans and discounts of the Federal Reserve Bank of Kansas City was not as great in 1929 as during the three years following the World War, they did reach a higher point in the last year than at any time since January 1922. At the beginning of the year the total stood at \$40,198,749 and for the first three months there was little fluctuation. Early in April there began a gradual increase and on June 1 the total reached \$60,523,283. After this there was a sharp decline until August 12, when the year's low point of \$26,340,505 was reached. Immediately thereafter loans again began to climb and continued the upward movement until on November 30 the year's peak of \$64,227,389.99 was attained. A rapid decline through December brought the total on the last day of the year to \$29,649,108.21, a drop of approximately \$35,000,000 during the month. However, the amount shown at the end of the year is not a satisfactory comparative figure, for the reason that there was a decrease of approximately \$12,000,000 in the last two days of the year, and an increase of approximately \$10,000,000 on January 2, 1930.

The large volume of loans to member banks in the latter part of the year was accompanied by a considerable volume of acceptances, resulting in the largest total of loans and acceptances since January, 1922. Early in November this bank was relieved from further participation in purchases of acceptances, having previously discontinued participation in open market purchases of government securities and sold all of its holdings of such securities during May and June.

Earning assets of this Bank at the beginning of the year totaled \$53,476,401. There was not much fluctuation until early in the spring, when there was a gradual increase which carried total earning assets to approximately \$72,000,000 at the end of May. This was followed by decreases through June to the middle of August, after which there was a gradual increase to approximately \$84,000,000 at the end of November, and a rapid decrease during December to \$42,907,274 on the last date of the year.

Member bank reserve deposits ranged between \$83,000,000 and \$99,000,000 with an average for the year of around \$90,000,000. The ratio of total reserves to deposits and Federal Reserve Note liability, combined, fluctuated between 53 percent and 83 percent and at the end of the year stood at 77.5 percent.

The rediscount rate of the Federal Reserve Bank of Kansas City, which had remained constant at  $4\frac{1}{2}$  percent for nine

## PRINCIPAL RESOURCE AND LIABILITY ITEMS

Fifty-eight Reporting Member Banks.

	Dec. 31, 1929	*Jan. 2, 1929
Loans and Investments—total.....	\$676,375,000	\$682,480,000
Loans and Discounts—total.....	458,807,000	444,338,000
Secured by stocks & bonds.....	125,087,000	123,629,000
All other loans & discounts.....	333,720,000	320,709,000
Investments—total.....	217,568,000	238,142,000
U. S. Securities.....	93,355,000	115,481,000
Other bonds, stocks and securities.....	124,213,000	122,661,000
Reserve with F. R. Banks.....	52,267,000	60,717,000
Net demand deposits.....	501,817,000	511,600,000
Time deposits.....	167,734,000	176,955,000
Government deposits.....	794,000	2,319,000

\*Revised

## Federal Reserve Bank of Kansas City and Branches

	Dec. 31, 1929	Dec. 31, 1928
Gold Reserves.....	\$131,718,861.98	\$118,664,085.05
Reserves other than Gold.....	6,172,445.00	5,766,058.00
Total Cash Reserves.....	137,891,306.98	124,430,143.04
Bills discounted.....	29,649,108.21	31,142,752.47
Bills purchased.....	8,195,165.54	96,016.74
U. S. Securities.....	3,063,000.00	10,513,300.00
Federal Intermediate Credit Bank		
Debentures.....		1,500,000.00
Total Bills and Securities.....	40,907,273.75	43,252,069.21
Total resources.....	226,461,976.02	213,276,787.60
Federal Reserve Notes in Circulation.....	89,434,280.00	70,663,130.00
Total deposits.....	123,092,977.39	128,779,265.98

months, was on May 6 raised to 5 percent, but again restored to  $4\frac{1}{2}$  percent on December 20. This rate applies to all classes of maturities of rediscounts and member bank notes.

## Savings in Banks

Deposits to savings accounts in reporting banks in Tenth District cities made further declines during December while the number of savings depositors increased. The reports of fifty-one banks show they had \$115,310,510 of savings deposits on January 2, 1930, as compared with \$116,468,469 on December 1, and \$124,001,499 on January 2, 1929. The number of savings accounts reported by forty-nine banks was 399,754 at the beginning of the year, this figure showing increases of 3,459 accounts for the month and 17,160 for the year.

## Payments by Check

Returns to the Federal Reserve Bank of Kansas City show the banks in thirty cities of the Tenth District debited amounts aggregating \$19,663,062,000 to accounts of individuals, firms and corporations in the fifty-two weeks ended December 31, 1929. This was the highest yearly total of debits recorded for the cities reporting. It exceeded by \$1,827,170,000, or 10.2 percent, the total of \$17,835,892,000 debited in the fifty-two weeks of the preceding year. The returns in detail show debits took an upturn in the first week of the year when \$430,431,000 was reported. This was the first time a weekly total exceeded 400 million dollars, although later in the year there were thirteen other weeks in which the amounts reported passed that mark. Of the thirty cities from which reports were received twenty-seven showed increases in debits over the preceding year, while three cities showed small fractional decreases.

Debits for the four weeks ending December 31 was smaller by 5.3 percent than for the preceding four weeks and eight-tenths of 1 percent smaller than for the like period a year ago.

BANK DEBITS IN THIRTY TENTH DISTRICT CITIES

	FIFTY TWO WEEKS ENDING		Percent Change
	Dec. 31, 1929	Jan. 2, 1929	
Albuquerque, N. M.	\$ 161,814,000	\$ 153,970,000	5.1
Atchison, Kans.	80,894,000	76,213,000	6.1
Bartlesville, Okla.	277,672,000	211,475,000	31.3
Casper, Wyo.	97,502,000	96,071,000	1.5
Cheyenne, Wyo.	88,938,000	85,805,000	3.7
Colorado Springs, Colo.	206,997,000	200,754,000	3.1
Denver, Colo.	2,425,413,000	2,177,954,000	11.4
Enid, Okla.	215,498,000	196,824,000	9.5
Fremont, Nebr.	53,279,000	52,295,000	1.9
Grand Junction, Colo.	46,408,000	42,786,000	8.5
Guthrie, Okla.	43,150,000	41,856,000	3.1
Hutchinson, Kans.	304,867,000	241,126,000	26.4
Independence, Kans.	160,638,000	156,488,000	2.7
Joplin, Mo.	184,028,000	169,964,000	8.3
Kansas City, Kans.	244,111,000	246,435,000	-0.9
Kansas City, Mo.	5,672,220,000	5,054,722,000	12.2
Lawrence, Kans.	63,718,000	63,567,000	0.2
Lincoln, Nebr.	428,588,000	422,328,000	1.5
Muskogee, Okla.	152,581,000	145,277,000	5.0
Oklahoma City, Okla.	1,560,444,000	1,356,645,000	15.0
Okmulgee, Okla.	96,654,000	95,728,000	1.0
Omaha, Nebr.	2,757,520,000	2,592,657,000	6.4
Parsons, Kans.	40,837,000	41,026,000	-0.5
Pittsburg, Kans.	74,266,000	73,298,000	1.3
Pueblo, Colo.	284,004,000	259,483,000	9.5
Salina, Kans.	169,771,000	156,035,000	8.8
St. Joseph, Mo.	700,725,000	712,019,000	-1.6
Topeka, Kans.	247,910,000	247,413,000	0.2
Tulsa, Okla.	1,983,703,000	1,650,630,000	20.2
Wichita, Kans.	838,912,000	815,048,000	2.9
Total, 30 Cities, 52 Wks.	\$19,663,062,000	\$17,835,892,000	10.2
Total, 30 Cities last 4 Wks.	1,435,953,000	1,447,877,000	-0.8

Farm Crops and Their Value

The final estimates of the Government and State Departments of Agriculture indicated 1929 was a much better crop year than had been indicated at any time during the growing and harvesting season, although on the whole the year's outturn of crops was smaller than in 1928. Due to the higher level of prices, however, agricultural income was generally more satisfactory, and the aggregate value of the year's harvest of all crops closely approximated that for 1928. A summary of this District's production of crops, and their value computed on the December price reported by the Department of Agriculture, is here shown for 1929 and 1928:

	1929		1928	
Corn, bus.	44,5415,000	520,235,000	\$ 347,424,000	\$ 390,176,000
Winter Wheat, bus.	255,306,000	320,240,000	271,901,000	329,847,000
Spring Wheat, bus.	12,187,000	14,716,000	12,382,000	13,436,000
Oats, bus.	152,447,000	158,774,000	66,314,000	64,938,000
Barley, bus.	50,038,000	47,831,000	27,521,000	26,403,000
Grain Sorghums, bus.	47,432,000	64,713,000	33,677,000	40,122,000
Potatoes, bus.	31,937,000	40,120,000	41,965,000	21,625,000
Sugar Beets, tons.	4,577,000	3,939,000	34,419,000	28,006,000
Broom Corn, tons.	41,000	42,000	5,002,000	4,376,000
Tame Hay, tons.	12,348,000	12,381,000	151,015,000	151,915,000
Wild Hay, tons.	5,056,000	4,989,000	41,004,000	36,669,000
Cotton, bales, (and seed)	1,211,000	1,147,000	108,686,000	118,370,000
Miscellaneous Crops			285,689,000	220,517,000
Est. Value all Crops			\$1,426,999,000	\$1,446,400,000

Under the head Miscellaneous, there is included about forty other crops which represent a very large proportion of the farm income in this District. Among these are rye, buckwheat, flaxseed, sweet potatoes, beans, onions, tobacco, the various classes of hay seeds, sugar beet tops and pulp, all fruits and nuts. Yields of many of these crops and also average sales prices were higher in 1929 than in 1928.

According to the reports thus far announced, farm crops harvested in Colorado, Nebraska and Wyoming in 1929 had a greater value than for 1928, while in Missouri and Oklahoma, crop values declined in comparison with totals reported a year ago. Final figures for Kansas and New Mexico have not been announced. Private estimates have indicated the year's value for Kansas would be lower than the \$385,536,000 officially reported for 1928, crops, exclusive of livestock, due to smaller production of wheat and corn in that state. On the other hand, New Mexico has reported larger production of practically all crops than in the preceding year, and private estimates say the aggregate value should be higher than the \$27,000,000 reported for 1928. Values by states thus far reported:

	1929	1928	Inc. or Dec.
Colorado	\$143,000,000	\$118,000,000	\$25,000,000
Missouri	309,000,000	325,000,000	-16,000,000
Nebraska	347,000,000	327,000,000	20,000,000
Oklahoma	276,000,000	304,000,000	-28,000,000
Wyoming	38,000,000	32,000,000	6,000,000

Business Failures

The record of business insolvencies in the Tenth District for December shows the smallest monthly total of failures since August and the smallest monthly total of liabilities since June, with both failures and liabilities considerably below those for December 1928. The record of failures for the full year 1929 shows the number and amount of liabilities exceeded those for the preceding year. The reports of R. G. Dun & Company on failures in this District are here shown for December and the twelve months of both years:

	NUMBER		LIABILITIES	
	1929	1928	1929	1928
December	96	103	1,578,095	\$ 2,028,396
Year	1,426	1,205	21,915,767	15,982,825

Life Insurance

Sales of new ordinary life insurance in seven states in 1929 totaled \$716,910,000, an increase of \$31,672,000 over the \$685,238,000 reported for 1928, according to the Life Insurance Sales Reserch Bureau. All of the states reported increases in sales for the year, with the higher percentages of increase in New Mexico, 17 percent, and Wyoming, 13 percent. The amount of new ordinary paid-for business, (excluding group insurance), was: Colorado \$82,535,000, Kansas \$99,411,000, Missouri \$298,636,000, Nebraska \$88,909,000, New Mexico, \$14,529,000, Oklahoma \$121,224,000, Wyoming \$11,666,000.

Grain Movement

The five leading markets in the Tenth District received 329,027,930 bushels of grain during the calendar year 1929, a decrease of 136,060 bushels or four-one hundredths of 1 percent from the 329,163,990 bushels received in 1928, the record year for grain marketing in the District. A summary of the returns for the year just ended shows receipts of wheat were 7.1 percent larger than in the preceding year and the largest recorded for these markets in ten years. Receipts of corn fell 20.9 percent

RECEIPTS OF GRAIN AT TENTH DISTRICT MARKETS

	WHEAT Bushels	CORN Bushels	OATS Bushels	RYE Bushels	BARLEY Bushels	KAFIR Bushels
Hutchinson	46,291,500	2,886,250	51,000	4,800	362,500	2,884,700
Kansas City	94,917,680	31,514,700	5,156,000	204,000	2,676,800	5,173,300
Omaha	43,185,600	18,761,400	8,290,000	1,904,000	1,779,200	.....
St. Joseph	16,152,800	10,323,000	970,000	6,000	210,000	25,500
Wichita	31,622,100	2,850,900	234,000	3,900	408,200	178,100
Year 1929	232,169,680	66,336,250	14,701,000	2,122,700	5,436,700	8,261,600
Year 1928	216,641,540	83,844,200	13,672,000	1,699,500	5,983,350	7,323,400
Year 1927	175,945,400	59,964,350	13,030,500	2,009,900	2,852,250	6,573,600
Year 1926	183,387,750	50,535,500	14,051,000	1,711,200	979,900	4,742,000
Year 1925	116,094,000	47,188,050	33,964,100	980,200	1,453,100	6,229,200
Dec. 1929	12,879,630	8,378,000	987,500	278,200	430,350	954,500
Nov. 1929	6,938,990	3,457,500	1,232,500	101,500	311,700	530,300
Dec. 1928	12,976,220	7,499,900	1,276,500	136,400	326,750	1,075,900

below 1928 but with this exception were the largest in ten years. The year's receipts of oats increased 7.5 percent, rye increased 24.9 percent, kafir increased 12.8 percent, while barley decreased 9.1 percent, over the preceding year.

The favorable prices prevailing during December at the five markets resulted in heavier receipts for the month of all classes of grain, except oats, than in the preceding month. In comparison with December 1928, the returns for the month show receipts of wheat, oats and kafir were lighter while receipts of corn, rye and barley were heavier.

Livestock

During the year 1929 the livestock industry shipped to the six leading markets in the Tenth District 25,426,051 head of livestock having a sales value of \$743,960,903. The number of animals received was smaller by only 42,790 head, or a small fractional part of 1 percent, than the receipts for 1928. In point of values, however, the year's total was smaller by \$78,005,426, or 9.5 percent, than the aggregate for the preceding year. The receipts of the various classes of livestock, and their values, are here shown for the two years:

	RECEIPTS		VALUE	
	1929	1928	1929	1928
Cattle	4,828,791	4,961,896	\$394,959,345	\$487,387,105
Calves	814,708	787,972	22,588,610	22,172,180
Hogs	10,779,320	10,759,756	230,228,876	208,133,210
Sheep	8,875,189	8,835,717	84,660,202	92,445,834
Horses—Mules	128,043	123,500	11,523,870	11,828,000
Total	25,426,051	25,468,841	\$743,960,903	\$821,966,329

The reports for December show a seasonal increase over November in the number of hogs received at the public yards at the

six centers, including direct shipments to packers, although the month's total fell 10.9 percent below that for December of 1928. Market runs of cattle and calves declined seasonally during the month but were larger than in December of the preceding year. Marketings of sheep also declined with the advent of winter weather and were smaller in December than for the preceding month or the corresponding month in 1928.

**FEEDING OPERATIONS:** The annual reports of the stock yards companies at Kansas City, Omaha, St. Joseph and Denver indicate the year's shipments of cattle to the country for stock and feeding purposes were smaller by 5.7 percent than in 1928, and the smallest yearly total of countryward shipments on nine years' records. Shipments of stock and feeding calves for the year were in greater numbers than in the preceding year, by 5.5 percent, and were larger than in other previous years of record. The 1929 shipments of stock and feeding sheep, exceeding those for 1928 by 5.6 percent, were the largest of record for ten years.

The December countryward movement of cattle and calves from four markets to the country was small in comparison with the year's peak movement in October and November, although shipments for the month were larger than in the same month in 1928. The outgo of sheep from the four markets was the smallest for the month of December since 1923.

Meat Packing

The reports show operations of meat packing plants at the six market centers of the Tenth District during 1929 were on about the same level as in 1928. Purchases of meat animals by packers during the year indicated the number of cattle killed and dressed exceeded the total for 1928 by one-half of 1 percent, while the number of calves killed and dressed fell below the previous year's total by one-tenth of 1 percent. The slaughter of sheep increased by nine-tenths of 1 percent to the largest yearly total on eleven years records. In the hog departments the year's slaughter fell 2.6 percent below that for 1928, although with that exception it was the largest yearly slaughter since 1924.

Reports for December show larger numbers of cattle, calves and sheep were killed and dressed than in the final month of 1928. The number of hogs slaughtered during the month showed an increase of 24.7 percent over November, but was smaller by 17.8 percent than for December 1928.

MOVEMENT OF LIVESTOCK IN THE TENTH FEDERAL RESERVE DISTRICT

	RECEIPTS				STOCKERS AND FEEDERS				PACKERS' PURCHASES			
	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep
Kansas City	1,835,792	341,959	4,155,445	1,752,882	652,197	74,852	104,097	260,907	840,289	206,510	3,133,472	1,290,177
Omaha	1,444,210	102,223	3,165,793	3,030,619	371,447	43,034	29,261	975,666	855,996	58,452	2,277,700	1,696,965
St. Joseph	500,390	89,274	1,626,641	1,635,607	92,382	16,516	24,156	381,060	321,765	69,166	1,199,514	1,166,824
Denver	555,588	68,479	538,524	2,290,395	306,930	37,743	18,300	1,191,550	131,489	27,330	418,063	239,605
Oklahoma City	253,012	121,552	460,280	25,262	.....	.....	.....	.....	163,372	97,279	388,666	18,303
Wichita	239,799	91,221	832,637	140,424	.....	.....	.....	.....	78,688	23,209	790,613	84,997
Year 1929	4,828,791	814,708	10,779,320	8,875,189	1,422,956	172,145	175,814	2,809,183	2,391,599	481,946	8,208,028	4,496,871
Year 1928	4,961,896	787,972	10,759,756	8,835,717	1,509,054	163,130	198,170	2,660,741	2,379,944	482,158	8,424,051	4,457,912
Year 1927	5,272,676	827,830	8,264,750	7,640,649	1,426,291	113,769	174,356	2,647,521	2,814,718	578,299	6,551,295	3,914,142
Year 1926	5,425,272	884,136	7,967,737	7,809,370	1,478,542	80,584	169,617	2,286,642	2,993,768	646,521	5,964,080	4,086,929
Year 1925	5,771,141	1,037,637	9,087,803	7,518,485	1,626,382	78,848	145,953	2,244,965	3,098,640	760,690	6,645,247	3,635,659
December 1929	375,276	62,060	922,027	475,080	98,317	16,552	9,448	85,472	194,443	36,200	718,131	335,247
November 1929	492,257	117,300	762,544	584,073	215,972	41,106	10,911	309,528	196,033	46,105	576,042	251,254
December 1928	325,253	49,129	1,034,252	482,814	85,238	11,560	13,085	110,340	176,876	32,919	873,464	322,998

\*Includes 1,679,138 hogs shipped direct to packers' yards.

### Flour Milling

Mills in the Tenth District were operated in 1929 at an average of 69.8 percent of their capacity, as compared with an average of 67.6 percent of capacity in 1928. Production of flour for the year not only exceeded that for the preceding year by 3.4 percent but was the largest for any year in the history of Southwestern milling. A survey of milling activity reveals that the output of flour for each of the first eight months of the calendar year 1929 was larger than for each corresponding month in 1928. The August output of 2,456,600 barrels was the largest for a single month. Although the output continued heavy during the last four months of the year, it was smaller than in the like period in 1928, the December total indicating a decrease of 6.4 percent as compared with that for the previous December. The record of flour production for December and the year 1929 and 1928, compiled from the weekly reports to the Northwestern Miller:

	Dec. 1929	Nov. 1929	Dec. 1928	Year 1929	Year 1928
	Barrels	Barrels	Barrels	Barrels	Barrels
Atchison.....	110,636	124,247	122,355	1,488,473	1,407,947
Kansas City.....	636,215	646,175	619,746	7,955,368	7,599,591
Omaha.....	97,349	100,205	103,958	1,151,663	1,252,114
Salina.....	158,836	169,587	153,493	2,030,191	1,941,266
St. Joseph.....	134,833	121,812	161,178	1,537,265	1,580,746
Wichita.....	146,124	138,974	160,770	1,880,733	1,828,742
Outside.....	810,734	840,158	917,271	10,816,178	10,376,585
Total.....	2,094,727	2,141,158	2,238,771	26,859,871	25,986,991

### Petroleum

The output of crude petroleum in the five producing states of the Tenth District in 1929 totaled 319,670,000 barrels, or 31.7 percent of the United States output of 1,006,547,000 barrels for the year. This District's total for the year was 5,001,000 barrels or 1.6 percent larger than that for 1928, but 23,480,000 barrels or 6.8 percent smaller than for 1927, which was the high record of production.

December production of crude petroleum in this District was at a daily average of 824,000 barrels as compared with daily averages of 817,200 barrels for November and 893,500 barrels for December 1928. Due to efforts to stabilize production the November and December daily averages were the lowest since last February. Gross production for December and the year:

	*Dec 1929	Dec. 1928	*Year 1929	Year 1928
	Barrels	Barrels	Barrels	Barrels
Oklahoma.....	20,064,000	22,772,000	253,643,000	251,241,000
Kansas.....	3,459,000	2,979,000	42,857,000	38,332,000
Wyoming.....	1,605,000	1,633,000	19,184,000	21,415,000
Colorado.....	165,000	208,000	2,297,000	2,722,000
New Mexico.....	248,000	107,000	1,689,000	959,000
Total.....	25,541,000	27,699,000	319,670,000	314,669,000

\*December 1929 estimated.

A survey of field operations covering the past twelve months shows a decrease from 1928 of 4.2 percent in the number of new wells completed, but an increase of 20.4 percent in daily new production from new wells completed. While the December reports reflected a seasonal decline from November, the number of wells completed during the month was the largest for the final month of a year since 1926. The number of barrels daily new production was larger for December than in either the

preceding month or a year ago. The record for the month and twelve months, with comparisons, follows:

	Wells Completed	Barrels Daily New Production	Dry Wells	Gas Wells	Rigs-Wells Drilling
Oklahoma.....	283	127,327	89	39	995
Kansas.....	82	10,042	37	0	307
Wyoming.....	8	723	3	0	154
Colorado.....	8	132	6	0	99
New Mexico.....	8	0	7	1	110
December 1929.....	389	1,38,224	142	40	1,665
November 1929.....	414	122,076	153	52	1,704
December 1928.....	355	85,541	127	33	1,713
Year 1929.....	5,023	1,397,204	1,874	447	.....
Year 1928.....	5,245	1,160,084	1,862	627	.....

New development work declined at the closing month of the year and the number of wells drilling at the opening of 1930 was smaller by 2.8 percent than one year earlier.

Reports on petroleum refinery operations in Oklahoma and Kansas at the opening of the new year, as compared with a month earlier and a year earlier, follow:

	Plants Operating	Bbls. Daily runs Crude oil to stills
January 1, 1930.....	56	287,600
December 1, 1929.....	55	291,050
January 1, 1929.....	58	284,300

### Bituminous Coal

The total production of soft coal in the six producing states of the Tenth District in 1929 exceeded that for 1928 by 2.3 percent, but with that exception it was the smallest yearly output since 1922. During the summer and fall months the production of soft coal ran considerably ahead of the corresponding months of the preceding year. In December there was a decline in productive activity, and the output for the month was smaller than in either the preceding month or the final month of 1928.

#### SOFT COAL PRODUCTION IN THE TENTH DISTRICT

	* Dec. 1929	Dec. 1928	*Year 1929	Year 1928
	Tons	Tons	Tons	Tons
Colorado.....	1,074,000	1,126,000	9,865,000	9,877,000
Kansas.....	255,000	266,000	2,681,000	2,220,000
Missouri.....	389,000	343,000	3,569,000	3,400,000
New Mexico.....	238,000	237,000	2,675,000	2,905,000
Oklahoma.....	342,000	355,000	3,240,000	3,050,000
Wyoming.....	583,000	627,000	6,557,000	6,486,000
Total.....	2,881,000	2,954,000	28,587,000	27,938,000

\*Estimated.

### Cement

Production and shipments of Portland cement at mills in the Tenth District in December and the year 1929 was larger than in the corresponding month and twelve months of 1928. The number of barrels produced and shipped from these mills follow:

	PRODUCTION	SHIPMENTS
December 1929.....	1,060,000	610,000
December 1928.....	897,000	575,000
Year 1929.....	14,954,000	15,016,000
Year 1928.....	13,675,000	13,795,000

Stocks of finished cement on hand at mills at the close of December totaled 1,912,000 barrels as compared with 1,462,000 barrels at the close of November, and 1,870,000 barrels at the close of December 1928.

## Metal Mining

The tonnage and value of zinc and lead ore produced and shipped in the Tri-state District of Missouri, Kansas and Oklahoma in 1929 exceeded the figures for 1928 but fell below those for 1927 and 1926.

Stimulated by a strong market demand and an increase in the price, sales and shipments of zinc ore continued through the summer and early fall at a higher level than in the preceding year. The demand for zinc ore weakened at the opening of November, prices declined, production was curtailed, and shipments during the remaining weeks were the lowest of the year. The demand for lead ore held fairly steady through the year and, except for a slight decline in the last eight weeks, shipments were larger than in 1928.

### PRODUCTION AND VALUE OF ZINC AND LEAD

ZINC ORE	Four Weeks Ending		Fifty-two Weeks Ending	
	Dec. 28, 1929	Value	Dec. 28, 1929	Value
Oklahoma.....	28,108	\$1,037,493	391,076	\$16,585,764
Kansas.....	10,954	408,130	209,790	8,901,615
Missouri.....	602	22,789	11,977	509,608
<b>Total 1929.....</b>	<b>39,664</b>	<b>\$1,468,412</b>	<b>612,843</b>	<b>\$25,996,987</b>
<b>Total 1928.....</b>	<b>64,330</b>	<b>2,573,200</b>	<b>597,386</b>	<b>23,292,277</b>
LEAD ORE				
Oklahoma.....	5,234	\$ 392,550	63,886	\$ 5,670,723
Kansas.....	1,061	79,575	34,639	3,103,885
Missouri.....	74	5,550	1,402	123,060
<b>Total 1929.....</b>	<b>6,369</b>	<b>\$ 477,675</b>	<b>99,927</b>	<b>\$ 8,897,668</b>
<b>Total 1928.....</b>	<b>8,552</b>	<b>718,457</b>	<b>98,683</b>	<b>8,058,225</b>

The average price received for zinc ore for the entire year was \$42.99 a ton as compared with \$39 a ton for 1928. The average price paid for lead ore in 1929 was \$87.50 a ton as compared with \$81.21 a ton for 1928. In the opening week of 1930 zinc ore sold at an average of \$35 a ton, and lead ore at \$75 a ton, which compares with \$40 a ton for zinc and \$85 a ton for lead in the opening week of 1929.

The Government's estimate on the output of principal metals from Colorado mines in 1929 indicated larger production of silver and smaller production of gold, copper, lead and zinc than in 1928. Due to the lower prices of silver—it was down to 49 cents an ounce at one time during the year—the aggregate

value of that metal produced was less than in 1928, while on the other hand the more favorable price of copper gave the year's output a greater value than the larger output of 1928. The production and value of five metals in Colorado, in terms of recovered and recoverable metal, is here shown from the advance figures of C. W. Henderson, United States Bureau of Mines, Department of Commerce:

	PRODUCTION		VALUE	
	1929	1928	1929	1928
Gold.....	.....	.....	\$ 4,369,632	\$ 5,304,876
Silver, oz. fine.....	4,323,387	4,052,253	2,308,689	2,370,568
Copper, lbs.....	8,352,000	8,594,646	1,495,008	1,237,629
Lead, lbs.....	49,751,000	53,501,723	3,159,189	3,103,100
Zinc, lbs.....	59,312,000	71,462,000	3,944,248	4,359,182
<b>Total value, five metals.....</b>			<b>\$15,276,766</b>	<b>\$16,375,355</b>

## Building

Official reports of building and engineering departments of twenty cities in the Tenth District showed a smaller number of permits issued in 1929 than in 1928, although the value of the permits for the year exceeded that for the preceding year by 1.4 percent and was the largest yearly building expenditure since 1925. The smaller number of new projects for which permits were issued during the year reflected a decline in residential construction. Increases in building expenditures over the previous year were reported by nine cities and decreases by eleven cities. The December record of permits and values, however, was the smallest for a month since January 1927.

The value of building contracts awarded in the Tenth District in 1929 was smaller by 8.8 percent than in 1928. The decrease for the year was in residential construction, as the figures show an increase of about one-fourth of 1 percent in the value of other types of building construction. The yearly totals for this District, as reported by the F. W. Dodge Corporation, follow:

	1929	1928	Change %
Residential construction.....	\$ 67,336,406	\$ 89,573,938	-24.8
Other construction.....	158,779,503	158,349,695	0.27
<b>Total.....</b>	<b>\$226,115,909</b>	<b>\$247,923,633</b>	<b>- 8.8</b>

The December report showed contracts awarded had a value of \$8,463,885, a decrease of \$5,077,332 from November and \$8,047,439 less than in December 1928.

### BUILDING IN TENTH DISTRICT CITIES

	MONTH OF DECEMBER					TWELVE MONTHS				
	PERMITS		ESTIMATED COST		Percent Change	PERMITS		ESTIMATED COST		Percent Change
	1929	1928	1929	1928		1929	1928	1929	1928	
Albuquerque, N. M.....	39	51	\$ 49,542	\$ 96,515	-48.7	778	848	\$ 1,966,341	\$ 2,009,194	- 2.1
Casper, Wyo.....	1	4	325	4,650	-93.0	96	114	232,315	63,922	263.4
Cheyenne, Wyo.....	30	10	48,968	7,220	578.2	316	278	805,429	1,246,649	-35.4
Colorado Springs, Colo.....	33	31	30,910	15,680	97.1	632	761	1,030,026	812,495	26.8
Denver, Colo.....	223	231	594,350	941,700	-36.9	6,200	7,459	16,633,600	15,958,400	4.2
Hutchinson, Kans.....	25	25	80,950	48,180	68.0	495	499	1,578,654	1,291,462	22.2
Joplin, Mo.....	13	7	61,850	19,100	223.8	314	378	644,615	1,453,591	-55.7
Kansas City, Kans.....	39	36	40,775	74,005	-44.9	879	1,182	1,843,761	1,634,277	12.8
Kansas City, Mo.....	121	158	312,050	1,122,000	-72.2	2,415	4,810	15,270,750	15,826,900	- 3.5
Lincoln, Nebr.....	28	36	45,520	165,235	-72.5	982	1,052	2,560,098	3,221,608	-20.5
Muskogee, Okla.....	5	13	9,585	80,200	-88.0	181	263	468,149	555,470	-15.7
Oklahoma City, Okla.....	244	243	1,823,410	1,217,686	49.7	3,529	2,313	24,418,295	17,660,653	38.3
Omaha, Nebr.....	25	37	482,750	1,944,755	-75.2	1,046	1,036	5,554,497	9,050,410	-38.6
Pueblo, Colo.....	34	50	28,749	48,177	-40.3	1,173	1,445	1,574,521	1,468,012	7.2
Salina, Kans.....	8	8	47,875	56,950	-15.9	262	291	1,146,749	1,148,558	- 0.2
St. Joseph, Mo.....	12	8	8,862	35,300	-74.9	560	638	1,466,745	2,004,407	-26.8
Shawnee, Okla.....	19	36	22,845	55,975	-59.2	530	466	1,727,155	1,154,152	49.6
Topeka, Kans.....	27	44	104,825	36,915	184.0	897	1,230	1,751,922	1,993,216	-12.1
Tulsa, Okla.....	138	200	471,320	1,056,749	-55.5	3,253	3,457	12,132,090	13,553,351	-10.5
Wichita, Kans.....	115	109	250,633	762,010	-67.1	2,712	2,322	8,651,582	7,928,221	9.1
<b>Total 20 Cities.....</b>	<b>1,179</b>	<b>1,337</b>	<b>\$4,516,094</b>	<b>\$7,789,002</b>	<b>-42.0</b>	<b>27,250</b>	<b>30,842</b>	<b>\$101,457,294</b>	<b>\$100,034,948</b>	<b>1.4</b>

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

	Stores Report- ing	SALES		STOCKS (RETAIL)		STOCK TURNOVER				ACCOUNTS RECEIVABLE		COLLECTIONS	
		Dec. 1929	12 Mo. 1929	Dec. 31, 1929	Dec. 31, 1928	Dec.	12 Months		Dec. 31, 1929		Dec. 1929		
		compared to Dec. 1928	12 Mos. 1928	Nov. 30, 1929	Dec. 31, 1928	1929	1928	1929	1928	Nov. 30, 1929	Dec. 31, 1928	Nov. 1929	Dec. 1928
Kansas City.....	4	-1.5	0.9	-24.2	-0.4	.40	.41	2.87	2.86	28.6	1.6	3.1	1.9
Denver.....	5	-6.9	1.0	-19.5	0.3	.34	.38	2.56	2.44	19.0	3.9	3.1	4.8
Oklahoma City....	3	4.1	6.3	-20.7	4.2	.45	.46	3.39	3.29	14.5	16.8	-0.8	4.6
Omaha.....	3	-6.4	3.0	.....	.....	.....	.....	.....	.....	12.7	11.9	7.4	2.5
Lincoln.....	2	-8.7	-2.9	.....	.....	.37	.32	2.58	2.63	10.7	2.1	-2.8	-6.7
Topeka.....	3	1.2	1.5	-13.7	-10.0	.33	.30	2.13	2.01	24.4	9.0	3.4	-0.7
Tulsa.....	4	-1.6	7.5	-16.8	6.4	.45	.47	3.25	3.46	20.4	21.5	5.1	13.4
Other Cities.....	11	-0.8	4.4	-21.2	-4.3	.30	.29	2.11	2.01	15.7	9.0	-4.6	-4.0
Total.....	35	-2.2	2.5	-20.0	-1.7	.36	.38	2.77	2.68	18.1	8.1	2.2	3.1

NOTE: Percentage of collections in December accounts November 30, all stores reporting, 40.0. Collections same month last year 42.8.

Trade

RETAIL: The dollar volume of goods sold at retail at thirty-five reporting department stores in Tenth District cities in December was the largest for any month of 1929, although smaller by 2.2 percent than for December 1928. Fourteen of the thirty-five department stores reported increases in their December sales over December 1928, the other twenty-one stores reporting decreases. The decline, or part of it, being attributed by dealers to zero weather in the week ending December 21 which effectually checked Christmas buying when it was at its height. The reports show the increase for December over November was 44.8 percent, whereas the increase for December over November 1928 was 51.8 percent.

The accumulated sales of the reporting department stores at the close of 1929 showed an increase of 2.5 percent over the total for 1928.

Stocks of the reporting department stores were reduced during December and at the close of the month they were 20 percent smaller than on November 30, and 1.7 percent smaller than at the close of December 1928.

WHOLESALE: Distributive trade of reporting wholesale firms, engaged in five lines of merchandising, was in smaller volume in December than in either the month of November or in December 1928. Taking the combined sales in dollars of the five lines the December total was 25.3 percent below that for November, which was more than the customary decline from November to December, while in comparison with December of the preceding year the decline amounted to about 13.4 percent. The reports by lines show December sales of drygoods, groceries, hardware, furniture and drugs all shared in the decline from November, while in comparison with December 1928 furniture was the only wholesale line to report an increase in the volume of business.

A summary of the year's business of the reporting wholesale firms in the Tenth District indicates the volume of sales combined for the five lines for 1929 was six-tenths of 1 percent below that of 1928.

Inventories at the end of the year showed stocks of groceries, hardware and furniture were larger and of drygoods and drugs smaller than on November 30. In comparison with a year

ago, stocks of drygoods, groceries and hardware were smaller, while stocks of furniture and drugs were larger.

Reports of implement houses reflected some increase for December over a year ago in orders for implements, tractors and farm machinery for 1930 delivery.

COLLECTIONS: Department stores reported collections in December amounted to 40 percent of amounts outstanding, which was 2.8 percent below the figure for December 1928. Collections of wholesale firms during December was in about the same proportion to amounts outstanding as a year ago, the firms reporting collections "fair" or "good." Some of the implement firms reported collections were not quite up to those for December a year ago.

Lumber

The December sales of lumber at 179 reporting retail yards in the Tenth District exhibited more than the customary seasonal decline from November and was smaller than in December a year ago. With the decrease for the month, the accumulated sales of lumber for the full year was 68,074,000 feet as compared with 68,815,000 feet for 1928, a decrease of 1.1 percent. Lumber stocks at the end of the year totaled 40,175,000 feet, as compared with 44,463,000 feet a year ago. The December business of the reporting yards is here compared with that for the preceding month and that for the corresponding month in 1928 in percentages of decrease:

	Dec. 1929	Compared to Nov. 1929	Dec. 1928
Sales of lumber, board feet.....	-33.6		-17.1
Sales of all materials, dollars.....	-28.8		-6.9
Stocks of lumber, board feet.....	-1.9		-9.6
Outstandings, end of month.....	-18.5		-5.9
Collections, during month.....	-8.1		-7.1

Lumber production in the United States in 1929 was about 2 percent below production in 1928, according to reports of identical mills to the National Lumber Manufacturers Association. Shipments and orders for lumber also were smaller than in the preceding year. The reports of the American Railway Association indicated lumber carloadings in 1929 totaled 28,331,419,000 board feet, as compared with 28,885,652,000 feet for 1928, a decrease of 554,233,000 feet, or 1.9 percent, for the year.

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

	Reporting Stores	SALES		OUTSTANDING		COLLECTIONS		STOCKS	
		Dec. 1929	compared with Dec. 1928	Dec. 31, 1929	compared with Nov. 30, 1929	Dec. 1929	compared with Dec. 1928	Dec. 31, 1929	compared with Nov. 30, 1929
		Nov. 1929	Dec. 1928	Nov. 30, 1929	Dec. 31, 1928	Nov. 1929	Dec. 1928	Nov. 1929	Dec. 31, 1928
Dry Goods.....	5	-33.1	-10.9	-21.2	4.6	6.0	-6.0	-14.1	-17.3
Groceries.....	7	-17.7	-4.0	-15.2	-11.3	2.9	14.6	8.1	-22.4
Hardware.....	8	-17.8	-3.1	-11.4	11.3	-2.2	2.0	0.6	-2.6
Furniture.....	4	-4.9	2.3	-11.7	0.4	9.8	-9.8	0.5	12.1
Drugs.....	3	-11.7	-20.4	-27.8	-5.9	33.1	2.1	-31.7	3.6

## VOLUME OF PRINCIPAL TRANSACTIONS HANDLED BY THE FEDERAL RESERVE BANK OF KANSAS CITY FOR THE YEARS 1929 AND 1928

	1929		1928	
	NUMBER	AMOUNT	NUMBER	AMOUNT
Notes discounted or rediscounted for member banks.....	30,643	\$ 1,673,244,949.53	23,714	\$ 1,359,337,422.93
Currency received and counted.....	66,691,598	315,847,389.00	59,698,468	279,123,200.00
Coin received and counted.....	67,038,107	12,966,024.00	72,308,170	13,165,119.05
Checks handled.....	72,155,000	12,091,899,000.00	69,570,000	11,523,602,000.00
Collection items handled.....	326,828	298,309,928.40	323,695	300,200,070.83
Transfer of Funds.....	149,439	6,974,730,653.71	139,879	6,501,914,844.82
U. S. Government Coupons handled.....	1,152,151	19,919,320.00	1,481,296	18,115,606.40
U. S. Securities received from Treasury Department.....	101,473	166,508,331.86	137,453	205,668,850.00
U. S. Securities returned to Treasury Department.....	178,330	213,888,492.35	429,928	206,866,056.28
U. S. Securities issued, redeemed, canceled or exchanged as Fiscal Agent of the U. S.	221,716	343,143,866.00	513,264	368,655,783.50
Custody transactions.....	338,337	418,055,956.03	389,286	362,034,831.50
Mail handled and value of registered mail.....	3,559,955	1,384,124,429.35	3,796,115	1,181,863,424.18
Purchase and sale of Government Securities.....	4,571	192,156,593.75	3,990	276,441,563.96

## Business Conditions in the United States

By the Federal Reserve Board

Industrial activity declined further in December. There was little change in commodity prices and conditions in the money market continued easy.

**PRODUCTION AND EMPLOYMENT:** Industrial production, as measured by the Federal Reserve Board's index, which is adjusted for seasonal variations, declined by 6 percent in December, following upon a decline of 9 percent for the preceding month. Nearly all industries reported larger than seasonal reductions in December, except for food industries, which showed little change, and coal, in which the output increased. The largest declines in December, as in earlier months, were in automobiles and iron and steel. Production in the textile, shoe, lumber and the nonferrous metals industries also decreased considerably. Stocks of cotton textiles, copper, zinc, and lumber increased in December. In the first three weeks in January steel plants increased their operations somewhat from the low rate prevailing at the holiday season, but were considerably less active than in January 1928, or 1929. There were further decreases in the output of copper and lumber, while production of crude petroleum increased.

Employment in factories in December declined more than the usual amount in the automobile, steel, textile, clothing, and lumber industries. Little change was reported for the food industries and car-repair shops, while at meat-packing plants and in the paper and printing industries there was some increase in employment.

Building contract awards also declined further in December. Residential contracts continued to be in small volume and there were large decreases in awards for commercial buildings and public works and utilities. During the first half of January awards were larger on a daily average basis than in December.

**DISTRIBUTION:** Freight car loadings in December, as in the preceding month, showed more than the usual seasonal decline. The decline occurred principally in shipments of merchandise and lumber products, while loadings of coal and grain were larger than in November. Sales at department stores in leading cities were about 3 percent smaller than in December, 1928, according to reports to the Federal Reserve system. Decreases

in sales were reported for ten Federal Reserve districts, and increases of 2 percent for the Richmond district and little change for the San Francisco district.

**WHOLESALE PRICES:** During December wholesale prices of commodities fluctuated rather narrowly. Grain, livestock, meat and bituminous coal prices increased somewhat, while prices of hides and leather products, textiles, petroleum, and pig iron declined. In the first half of January there was little further change in prices.

**BANK CREDIT:** Member bank credit increased less than usual over the year end and in January continued to reflect the liquidation which began early in November. On January 15, total loans and investments of member banks in leading cities were \$478,000,000 below the level of December 11, 1929. This decline occurred both at banks in New York City and outside and was in "all other loans," apparently reflecting a seasonal decrease in inter-bank loans together with a decreased demand for credit by commercial borrowers. Investments and loans on securities increased slightly during the period.

Reserve bank credit outstanding increased during the latter half of December in response to seasonal demand for currency and gold exports, but declined in January as currency returned from circulation. Between the week ending December 14 and the week ending January 18 there was a net decline of \$277,000,000 in currency in circulation, and also a decline of \$37,000,000 in member bank reserve balances. Of the funds thus released \$64,000,000 served to offset a loss in the monetary gold stock of the country and \$244,000,000 was used to retire reserve bank credit. Reserve bank holdings of government securities showed an increase of \$90,000,000 for the period, acceptances showed little change, while discounts for member banks declined by \$347,000,000.

Money rates in the short-terms open market firmed somewhat over the year-end but eased early in January, and throughout the first half of the month remained generally at the lowest levels since the spring of 1928.

The discount rate at the Federal Reserve Bank of Philadelphia was lowered on January 16, from 5 to 4½ percent, the rate prevailing at six other Federal Reserve banks.