

# 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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**T**HE general volume of business in the Tenth Federal Reserve District was slightly higher in January than that recorded for December but considerably lower than that recorded for January a year ago. While the reports reflected some recovery from the recession in December, the fact that January was the coldest month this region has witnessed in many years served as a check on business and accounted for some part of the decrease from a year ago. At the opening of February, a shift to higher temperatures and spring-like weather stimulated activity in practically all lines, and preliminary reports to the end of the third week indicated business was moving with steady strides toward the busy season of the year.

Trade reports, complete for January, indicated seasonal gains over December in wholesale distribution, although the volume for the month was below that for January a year ago. Retail trade at department stores experienced a heavy decline in January, such as usually follows a December peak, but the month's sales were smaller than for January a year ago.

Production of leading manufactures, including the slaughtering of meat animals, made seasonal gains in January over December, but showed losses for nearly all lines as compared with January 1929. The January output of crude petroleum and soft coal was larger and shipments of zinc and lead ore smaller than for the preceding month, while in all mineral lines the January output did not measure up to that reported for January 1929.

Reports indicated more than the usual mid-winter curtailment of building and general construction activity. The value of contracts awarded in the District as a whole, and the value of permits issued in leading cities, was smaller than in the corresponding month last year.

Unemployment was unusually high in January, due to the almost complete cessation of out-of-door work and curtailed operations of industrial plants. However, the advent of warmer weather in February brought a resumption of activity and general relief to this situation.

Conditions for the agricultural and livestock industries in February were reported as highly favorable in practically all sections of the District. Winter wheat was making an excellent showing, pastures were greening-up, and farmers were busy with preparations for the season's planting of crops. The annual survey of livestock on farms showed small increases over a year ago in numbers of beef and dairy cattle, and sheep, a moderate decrease in numbers of hogs, and small decreases in numbers of horses and mules.

## BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT

Percentage of Increase, or Decrease(—), for January 1930 over December 1929 and January 1929.

	January 1930 Compared to December 1929	January 1930 Compared to January 1929
Bank Debits, 30 cities.....	0.9	— 2.7
Loans and discounts, 58 member banks.....	— 2.5	— 1.9
Investments, 58 member banks.....	— 0.3	—10.4
Total deposits, 58 member banks.....	— 2.4	— 7.0
Savings deposits, 51 banks.....	1.9	— 5.3
Retail sales, 38 department stores.....	—49.9	— 7.7
Wholesale sales, 5 lines combined.....	4.3	— 9.2
Lumber sales, 179 retail yards.....	—17.9	—36.6
Grain Receipts, 5 markets		
Wheat.....	—29.4	—17.1
Corn.....	21.7	— 6.1
Oats.....	— 6.8	—12.7
Rye.....	—76.3	—23.3
Barley.....	—45.9	2.7
Kafir.....	—39.5	—64.0
Livestock Receipts, 6 markets		
Cattle.....	8.5	3.2
Calves.....	—14.4	— 2.8
Hogs.....	25.8	— 5.3
Sheep.....	32.1	— 7.2
Horses—Mules.....	187.8	23.1
Production		
Flour.....	— 1.0	—10.7
Crude Petroleum.....	2.3	— 5.2
Soft coal.....	16.8	— 1.1
Zinc ore (shipped).....	— 4.1	—27.3
Lead ore (shipped).....	—52.1	—56.2
Cement.....	—33.9	5.6
Meat Packing, 6 centers		
Cattle.....	3.0	— 9.8
Calves.....	—12.8	—21.9
Hogs.....	19.8	—12.0
Sheep.....	24.6	7.1
Construction		
Building contracts awarded.....	76.3	— 4.8
Building permits in 19 cities, value.....	—29.2	—29.9

Note: Loans, investments and deposits of 58 reporting member banks are for February 12, compared with January 15, 1930, and, February 13, 1929.

## Payments by Check

During the five weeks ending February 5, 1930, payments by check in thirty cities of this District totaled \$1,782,308,000, according to a compilation of debits by banks to individual accounts. This total was \$15,486,000 greater than for the preceding five weeks, but \$50,354,000 less than for the corresponding five weeks last year. With the exception of 1929, this year's

debits for five weeks was the largest for the corresponding period in any year of record. The reports in detail covering the first five weeks of this year show debits in nine cities were larger and in twenty-one cities smaller than in the like period in 1929.

#### BANK DEBITS IN TENTH DISTRICT CITIES

	FIVE WEEKS ENDING		Percent Change
	Feb. 5, 1930	Feb. 6, 1929	
Albuquerque, N. M.....	\$ 15,520,000	\$ 16,068,000	- 3.4
Atchison, Kans.....	7,658,000	7,370,000	3.9
Bartlesville, Okla.....	28,345,000	23,237,000	21.9
Casper, Wyo.....	8,232,000	9,488,000	-13.2
Cheyenne, Wyo.....	7,897,000	8,405,000	- 6.0
Colorado Springs, Colo.....	17,276,000	18,614,000	- 7.2
Denver, Colo.....	207,814,000	232,146,000	-10.5
Enid, Okla.....	16,191,000	17,074,000	- 5.2
Fremont, Nebr.....	4,953,000	5,410,000	- 8.4
Grand Junction, Colo.....	3,704,000	3,980,000	- 6.9
Guthrie, Okla.....	3,855,000	4,484,000	-14.0
Hutchinson, Kans.....	23,714,000	21,507,000	10.3
Independence, Kans.....	15,846,000	17,520,000	- 9.6
Joplin, Mo.....	14,651,000	16,905,000	-13.3
Kansas City, Kans.....	25,772,000	24,625,000	4.7
Kansas City, Mo.....	492,938,000	502,315,000	- 1.9
Lawrence, Kans.....	6,293,000	6,272,000	0.3
Lincoln, Nebr.....	39,153,000	42,532,000	- 7.9
Muskogee, Okla.....	13,398,000	15,490,000	-13.5
Oklahoma City, Okla.....	160,516,000	152,285,000	5.4
Okmulgee, Okla.....	7,035,000	11,149,000	-36.9
Omaha, Nebr.....	258,051,000	254,165,000	1.5
Parsons, Kans.....	3,145,000	3,731,000	-15.7
Pittsburg, Kans.....	6,913,000	7,574,000	- 8.7
Pueblo, Colo.....	24,820,000	24,384,000	1.8
Salina, Kans.....	13,172,000	16,328,000	-19.3
St. Joseph, Mo.....	65,727,000	70,397,000	- 6.6
Topeka, Kans.....	28,229,000	26,432,000	6.8
Tulsa, Okla.....	183,630,000	190,179,000	- 3.4
Wichita, Kans.....	77,860,000	82,592,000	- 5.7
Total 30 cities.....	\$1,782,308,000	\$1,832,662,000	- 2.7

### Financial

The situation in the Tenth Federal Reserve District during the first six weeks of 1930 was characterized by a reduction in loans, discounts and investments at reporting member banks to the lowest amount recorded for two years, and also by a marked reduction in member bank borrowings from the Federal Reserve Bank of Kansas City.

Rates charged customers by member banks at the principal financial centers of the District, while somewhat lower than last autumn when the peak of loans was reached, showed no material change during the current year to February 15, with  $5\frac{1}{2}$  to 6 percent the prevailing rate for the bulk of loans. The rediscount rate of the Federal Reserve Bank of Kansas City, which was lowered from 5 percent to  $4\frac{1}{2}$  percent on December 20, was again lowered on February 13 to 4 percent for all classes of maturities of rediscounts and member bank notes. Thus, with the money market in a position of comparative ease, the reports indicated plenty of funds were available to meet all commercial and agricultural requirements during the busy time of the year.

Weekly statements of fifty-eight reporting member banks to the Federal Reserve Bank of Kansas City show that, following heavy reductions of loans at the year-end, there were gradual decreases through the first six weeks of the year, with total loans and discounts on February 5 the lowest for any weekly reporting date since December 5, 1928. Loans secured by stocks and bonds showed a small increase, and the total reported February 12 was the highest since September 18, last, and slightly higher

than on February 13 last year. All other loans and discounts, principally commercial, showed moderate decreases and were smaller than at the middle of February last year. Investments continued the steady decline which had been observed for several months and were considerably lower than a year ago. Demand deposits decreased and, except for the two preceding weeks, were lower on February 12 than at any weekly reporting date since May 29 last year, and 8.5 percent lower than February 13, 1929. Time deposits showed a small increase but the total was smaller than a year ago.

The weekly condition statements of the Federal Reserve Bank of Kansas City and branches show that, after a sharp decline in the opening week of the year, there were small weekly fluctuations in the amount of bills discounted for member banks, the total on February 12 showing a decrease of \$4,746,844 as compared with that reported for February 13, 1929. Due to this bank's non-participation in the acceptance market its holdings of purchased bills declined sharply since the beginning of the year and the total on February 12 was the smallest reported for any week since August 15, 1923. The bank's holdings of United States securities showed no change between January 15 and February 12, and were smaller than a year ago.

A summary of the principal assets and liabilities of reporting member banks, and also of the Federal Reserve Bank of Kansas City, together with changes in four weeks and in one year, follows:

#### PRINCIPAL RESOURCE AND LIABILITY ITEMS

##### Fifty-eight Reporting Member Banks

	Feb. 12, 1930	Jan. 15, 1930	Feb. 13, 1929
Loans and Investments—total.....	\$653,416,000	\$665,205,000	\$686,525,000
Loans and Discounts—total.....	441,066,000	452,232,000	449,525,000
Secured by stocks and bonds.....	135,560,000	130,031,000	134,649,000
All other loans & discounts.....	305,506,000	322,201,000	314,876,000
Investments—total.....	212,350,000	212,973,000	237,000,000
U. S. Securities.....	95,177,000	93,473,000	113,967,000
Other bonds, stocks and securities.....	117,173,000	119,500,000	123,033,000
Reserve with F. R. Banks.....	52,638,000	56,702,000	59,557,000
Net demand deposits.....	475,866,000	494,426,000	520,209,000
Time deposits.....	173,008,000	170,378,000	177,331,000
Government deposits.....	88,000	389,000	597,000

##### Federal Reserve Bank of Kansas City

	Feb. 12, 1930	Jan. 15, 1930	Feb. 13, 1929
Total gold reserves.....	\$132,261,916	\$140,250,791	\$105,790,806
Reserves other than gold.....	8,855,564	8,136,137	6,355,341
Total reserves.....	141,117,480	148,386,928	112,146,147
Bills discounted.....	62,043,451	25,811,066	30,790,295
Bills purchased.....	270,589	1,919,218	9,621,241
U. S. Securities.....	3,063,000	3,063,000	9,763,300
Other securities.....	.....	.....	1,500,000
Total bills and securities.....	29,377,040	30,793,284	51,674,836
Total resources.....	218,698,098	225,103,198	207,851,555
F. R. Notes in circulation.....	80,839,730	85,257,680	66,466,930
Total deposits.....	92,074,957	91,655,029	93,903,164

### Savings in Banks

Fifty-two commercial and savings banks in leading cities of the Tenth District reported \$119,941,188 of savings deposits on February 1, 1930. This total showed an increase of \$2,202,477 or 1.9 percent over that reported for January 2, 1930, but a decrease of \$6,684,670 or 5.3 percent from that reported for February 1, 1929. Numbers of savings accounts in forty-eight banks totaled 384,306 on February 1, against 383,398 on January 2, and 373,753 on February 1 last year.



RETAIL TRADE AT 38 DEPARTMENT STORES IN THE TENTH FEDERAL RESERVE DISTRICT

	Stores Reporting	SALES		(RETAIL) STOCKS		STOCK TURNOVER		ACCOUNTS RECEIVABLE		COLLECTIONS	
		Jan. 1930	Jan. 1929	Jan. 31, 1930	Jan. 31, 1929	Jan.	Jan. 1930	Jan. 1930	Jan. 1930	Jan. 1929	Jan. 1929
		compared to		compared to			compared to	compared to	compared to		
Kansas City.....	4	-10.5		7.7	- 7.1	.20	.22	-16.2	1.3	-3.0	-2.0
Denver.....	5	- 7.0		- 6.4	2.7	.18	.19	-17.1	3.1	20.2	2.1
Oklahoma City.....	3	-12.7		-12.0	5.9	.24	.28	-11.7	12.1	23.0	6.6
Omaha.....	3	9.6		-18.5	-15.6	.28	.21	-17.9	1.8	11.2	-4.2
Lincoln.....	2	- 6.7		- 9.1	-12.6	.23	.22	-10.4	3.0	22.0	-7.9
Topeka.....	3	- 3.5		- 6.8	- 3.6	.16	.16	-13.9	10.3	15.1	2.3
Tulsa.....	4	-11.1		- 7.8	10.7	.24	.31	-21.4	23.4	15.1	23.4
Wichita.....	4	-17.4		-----	- 3.6	---	---	-----	14.8	-----	10.9
Other Cities.....	10	-10.0		- 3.5	- 5.6	.24	.25	-15.2	3.4	27.1	9.3
Total.....	38	- 7.7		- 5.1	- 1.8	.21	.22	-15.8	6.1	16.0	3.0

NOTE: Percentage of collections in January on accounts Dec. 31, all stores reporting 39.2. Collections same month last year 41.2.

Trade

WHOLESALE: Business of representative wholesale firms in this District which report their monthly trade statistics to this bank, was in moderately heavy volume during January, notwithstanding conditions for the distribution of merchandise were unfavorable and retail merchants apparently were exercising a degree of caution in purchasing stocks. The January sales, combined for five leading lines reporting, showed an increase over December of 4.3 percent, but a decrease from January a year ago of 9.2 percent.

There were seasonal gains over December in sales of drygoods, groceries and drugs, but decreases in sales of hardware and furniture as compared with the heavy business of the preceding month. In comparison with January of last year, the sales for this January showed slight decreases in sales of groceries, hardware and drugs and moderate decreases in sales of drygoods and furniture.

Inventories at the close of January showed stocks of drygoods, hardware and drugs increased while stocks of groceries and furniture decreased as compared with the close of December. However, stocks of wholesalers at the close of January averaged smaller than a year ago for all lines except furniture, which reported a slight increase.

RETAIL: Complete reports of sales of department stores in cities throughout this District during January showed a decrease of 7.7 percent from January last year. The decline in retail trade was general over the District, as only six of the thirty-eight reporting stores indicated their January sales were larger than a year ago.

Sales of apparel stores in January, influenced by increased purchases of heavy winter clothing, closely approximated those of a year ago. Sales of retail furniture stores averaged about 25 percent lower than those for January of last year.

Stocks of merchandise on hand at reporting department stores at the close of January averaged slightly lower than a year ago.

COLLECTIONS: Department stores reported their January collections amounted to 39.2 percent of accounts outstanding on December 31. This compares with 40 percent collected in December and 41.2 percent collected in January 1929. Collections reported by wholesale firms averaged slightly lower than in either the preceding month or a year ago.

Business Failures

The report of R. G. Dun and Company for the initial month of 1930 showed a seasonal increase in failures in this District. Failures for January were 163 in number, with liabilities amounting to \$3,982,860. These totals compare with 96 failures and \$1,578,095 liabilities for December and 144 failures and \$1,274,219 of liabilities for January 1929.

Lumber

Retail lumber yards in this District reported the volume of their January business was below normal for the usually quite initial month of the year, due in a very large measure to the unfavorable weather and road conditions. The month's sales at 176 retail yards totaled 2,747,000 feet, compared with 3,344,000 feet for December and 4,333,000 feet for the previous January. Sales of other materials in dollars exceeded those for December but were smaller than a year ago. Stocks of lumber at reporting retail yards on January 31 were larger than a month earlier but smaller than a year earlier. The volume of January business at these yards is here compared with that for December and January 1929 in percentages of increase or decrease:

	Jan. 1930	Compared to
	Dec. 1929	Jan. 1929
Sales of lumber, board feet.....	-17.9	-36.6
Sales of all materials, dollars.....	1.6	-19.5
Stocks of lumber, board feet.....	11.8	- 1.0
Outstandings end of month.....	- 5.8	- 6.7
Collections during month.....	-26.6	-14.3

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

	Reporting Stores	SALES		OUTSTANDINGS		COLLECTIONS		STOCKS	
		Jan. 1930	compared with	Jan. 31, 1930	compared with	Jan. 1930	compared with	Jan. 31, 1930	compared with
		Dec. 1929	Jan. 1929	Dec. 31, 1929	Jan. 31, 1929	Dec. 1929	Jan. 1929	Dec. 31, 1929	Jan. 31, 1929
Dry Goods.....	6	15.0	-18.9	- 0.2	- 5.8	-37.7	- 4.7	45.4	- 9.3
Groceries.....	6	7.5	- 1.9	3.1	- 7.8	- 8.5	7.3	-12.8	-26.4
Hardware.....	7	-12.1	- 4.1	1.0	7.9	-19.0	- 1.9	8.2	- 3.5
Furniture.....	5	-16.6	-11.0	- 4.3	11.1	-11.5	3.8	- 9.1	13.4
Drugs.....	4	8.1	- 7.4	19.0	- 0.4	-30.0	-23.3	15.8	- 5.3

Lumber movements in the United States during the five weeks ending February 1, 1930 were smaller than in the corresponding period in 1929, according to reports of identical mills to the National Lumber Trade Barometer. Actual production during the five weeks period was 22 percent below the same period in 1929. Shipments and orders received were larger than actual production during this period, although they were smaller than a year ago.

### Cement

Production of Portland cement at mills in this District totaled 701,000 barrels for the month of January, a decrease of 359,000 barrels from the December production of 1,060,000 barrels, but an increase of 37,000 barrels over the 664,000 barrels produced in January 1929. Shipments of 313,000 barrels from the mills in January were 297,000 barrels less than in December and 97,000 barrels less than in January 1929. Stocks of finished cement at the close of January totaled 2,299,000 barrels, 387,000 more than on December 31 and 165,000 more than a year ago.

### Building

Building and general construction work in this District was suspended during the greater part of January, and comparatively little was done in the awarding of contracts in the District as a whole or in the issuance of permits in leading cities that would indicate the extent of building operations in the coming season.

The value of building contracts awarded in the District during January was reported by the F. W. Dodge Corporation at \$14,921,775. This figure indicates an increase over December of \$6,457,890 or 76.3 percent. As compared with a year ago there was a decrease of \$745,951 or 4.8 percent. Contracts awarded for residential construction in the District totaled \$2,123,974 for January, as compared with \$4,246,761 for January a year ago.

Official reports from leading cities showed 778 permits were issued in January for buildings estimated to cost \$3,195,437. This was nearly 30 percent below the total value reported for January 1929, and the smallest recorded for any month in the eleven years these cities have been reporting their building statistics. In only three cities was the value for the month larger than a year ago.

#### BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST		Percent Change
	1930	1929	1930	1929	
Albuquerque, N. M.	60	54	\$ 84,678	\$ 136,775	-38.1
Cheyenne, Wyo.	9	14	4,121	21,076	-80.4
Colorado Springs, Colo.	18	41	104,735	99,328	5.4
Denver, Colo.	203	255	641,550	425,500	50.8
Hutchinson, Kans.	18	22	34,610	61,205	-43.5
Joplin, Mo.	11	17	15,076	23,979	-37.1
Kansas City, Kans.	16	21	28,410	124,300	-77.1
Kansas City, Mo.	84	75	320,350	519,750	-38.4
Lincoln, Nebr.	19	35	156,075	86,525	80.4
Muskogee, Okla.	5	15	17,750	28,020	-36.7
Oklahoma City, Okla.	96	259	1,121,225	1,139,360	-1.6
Omaha, Nebr.	17	27	34,210	105,325	-67.5
Pueblo, Colo.	39	60	38,920	69,180	-43.7
Salina, Kans.	6	17	5,215	72,228	-92.8
Shawnee, Okla.	12	49	50,965	104,575	-51.3
St. Joseph, Mo.	15	8	20,625	116,075	-82.2
Topeka, Kans.	11	22	23,575	56,615	-58.4
Tulsa, Okla.	86	220	326,462	526,094	-37.9
Wichita, Kans.	53	97	166,885	842,535	-80.2
January	778	1,308	\$3,195,437	\$4,558,445	-29.9

### Petroleum

The production of crude petroleum in the fields of the Tenth District during the month of January was at a daily average of 845,700 barrels, according to weekly estimates of the American Petroleum Institute. This compares with 826,700 barrels per day for December and 891,800 barrels per day for January last year, officially reported by the Bureau of Mines, United States Department of Commerce. The gain for January over December was practically all in Oklahoma, as losses were reported in Kansas, Wyoming and Colorado, and a small gain in New Mexico. The reports in detail by states:

#### DAILY AVERAGE PRODUCTION

	Jan. 1930 Barrels	Dec. 1929 Barrels	Jan. 1929 Barrels
Oklahoma	670,200	649,200	738,200
Kansas	111,500	112,100	94,400
Wyoming	49,500	52,000	49,800
Colorado	4,900	5,400	6,900
New Mexico	9,600	8,000	2,500
Total	845,700	826,700	891,800

#### GROSS PRODUCTION

	Jan. 1930 Barrels	Dec. 1929 Barrels	Jan. 1929 Barrels
Oklahoma	20,776,000	20,125,000	22,884,000
Kansas	3,458,000	3,477,000	2,929,000
Wyoming	1,535,000	1,611,000	1,545,000
Colorado	153,000	166,000	214,000
New Mexico	297,000	248,000	76,000
Total	26,219,000	25,627,000	27,648,000

The summary of field developments for the month discloses the largest number of new wells completed since last October and the largest number of barrels daily new production of record. Only twice in the history of the industry in this District has the total for any quarter exceeded this year's January new production—in the second and third quarters of 1927. Concerning this unusual showing the Oil and Gas Journal says:

"The large volume of initial production credited to Oklahoma was from the Oklahoma City Field, where 35 wells were reported as completions in January. Most of these wells were brought in in November and December but were not reported in the completions of those months as they were kept shut-in because of the curtailment order of the Oklahoma Corporation Commission. As they averaged 12,235 barrels per well in initial production their total volume of 428,219 barrels was sufficient to give January a very high rating in new production."

However, the reports on field operations, which follow, show fewer wells were drilling or making ready for drilling on February 1 than either one month earlier or one year earlier:

	Wells Completed	Barrels Daily New Production	Dry Wells	Gas Wells	Rigs-Wells Drilling
Oklahoma	381	580,301	100	43	966
Kansas	64	8,610	42	4	325
Wyoming	11	941	2	1	96
Colorado	6	165	4	0	98
New Mexico	13	6,045	5	0	105
January, 1930	475	596,062	153	48	1,590
December, 1929	389	138,224	142	40	1,665
January, 1929	366	112,062	138	29	1,738



Reports on petroleum refinery operations in Oklahoma and Kansas on February 1, as compared with a month earlier and a year ago, follow:

	Plants Operating	Barrels Crude Oil	Daily runs to Stills
February 1, 1930.....	56	280,450	
January 1, 1930.....	56	287,600	
February 1, 1929.....	57	279,700	

### Bituminous Coal

Soft coal mining in this District was active in January, due to seasonal demand for fuel, and while the month's output was 16.8 percent above that for December, it was 1.1 percent below that for January 1929. The tonnage mined in January in each of the producing states is here shown in comparison with that for the preceding month and the corresponding month last year:

	*Jan. 1930 Tons	*Dec. 1929 Tons	Jan. 1929 Tons
Colorado.....	1,297,000	1,074,000	1,215,000
Kansas.....	286,000	255,000	328,000
Missouri.....	407,000	389,000	410,000
New Mexico.....	267,000	238,000	277,000
Oklahoma.....	406,000	342,000	455,000
Wyoming.....	704,000	583,000	720,000
Total.....	3,367,000	2,881,000	3,405,000

\*Estimated

United States production of soft coal, including lignite and coal coked at the mines, during the present coal year to February 8, (approximately 265 working days) is estimated by the Bureau of Mines at 449,510,000 net tons. This total compares with 436,158,000 net tons for the like period in the preceding coal year.

### Zinc and Lead Mining

Sub-zero weather and storm-blocked roads made it extremely difficult to handle ores in the Tri-state District during the greater part of January, with the result that weekly deliveries of both zinc and lead ores were very light. In the opening week of the year zinc ore shipments totaled 12,575 tons, or 1,269 tons greater than for the corresponding first week in last year, but in subsequent weeks shipments fell off sharply and the accumulated total of 44,724 tons for the five-weeks to February 1, was 16,787 tons less than the tonnage shipped in the like period in 1929. Lead ore shipments, which were moderately heavy in the opening week, subsequently dropped to the lowest weekly tonnage shipped in many years, the total of 3,414 tons for the five weeks showing a drop of 4,382 tons from the figures reported for the like period last year. Demand for both lead and zinc improved with the advent of warmer weather early in February and reports indicated some increase in activity in production at the mines. Zinc concentrates averaged \$35 to \$37 a ton for the five week period as compared with \$40 a ton for the like period in 1929. Lead ore was unchanged at \$75 per ton against \$87 a year ago.

#### ZINC AND LEAD ORE SHIPMENTS

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	21,434	\$ 750,190	2,653	\$198,975
Kansas.....	22,770	796,950	626	46,950
Missouri.....	520	18,200	135	10,125
5 Wks. ending February 1, 1930....	44,724	\$1,565,340	3,414	\$256,050
5 Wks. ending December 28, 1929..	46,645	1,747,652	7,121	534,075
5 Wks. ending February 2, 1929....	61,511	2,460,440	7,796	673,114

### Agriculture

Conditions throughout this District in February were favorable for starting the year's farm operations. Mild open weather caused gradual melting of the January snow and ice, the frost disappeared from the ground, fields dried slowly and vegetation greened up. By the middle of the month spring plowing was under way in many parts of the District and farmers were busy with preparations for the season's planting of crops. Reports indicated a further tendency toward widely diversified crops with the total intended acreage for cultivation about the same as last year.

Reports indicated wheat emerged from the winter in generally good condition and was making an excellent showing. The area sown in this District last fall was 22,988,000 acres, or 52.6 percent of the United States winter wheat acreage of 43,690,000 acres. While there were scattered reports of injury to wheat by the severe weather in January, it was regarded as too early to justify any estimate of the extent of the damage. A report issued on February 10 by the Kansas State Board of Agriculture, describing the wheat situation in that state, follows:

"Wheat fields began to green up and pasturing was resumed in many sections of the state. Considerable damage from freezing is established in the soft winter wheat district of South-Eastern Kansas. Measure of the damage to hard winter wheat is yet to be determined. In the northern third of the state, opinion prevails that winter loss of acreage will be negligible. In much of Western Kansas the surface is dry and dusty, as the frost leaves the ground, and rain in the near future would be very beneficial to prevent soil drifting."

### Grain Movements

January movements of grain to the five leading markets of this District were smaller than in December for all classes except corn, which showed a moderate increase. In comparison with the same month in 1929, this year's January marketward movement was smaller for all classes except an increase in barley. While bad weather helped to account for the reduction, declining prices of wheat had much to do with the smaller supplies of that cereal. At the close of the month hard wheat was 15½ cents to 17 cents below the December close and soft wheat 13 cents below. Both hard and soft wheat were lower than a year ago. Corn prices showed a slight decline and oats a slight advance during January.

#### JANUARY RECEIPTS OF GRAIN

	Wheat Bushels	Corn Bushels	Oats Bushels	Rye Bushels	Barley Bushels	Kafir Bushels
Hutchinson.....	1,629,450	418,750	.....	.....	11,250	245,700
Kansas City.....	4,663,440	3,938,000	420,000	22,500	115,200	295,900
Omaha.....	1,073,600	3,980,200	442,000	43,400	65,600	.....
St. Joseph.....	762,000	1,464,000	46,000	.....	12,250	4,500
Wichita.....	964,800	399,100	12,000	.....	28,600	31,200
Jan. 1930.....	9,093,290	10,200,050	920,000	65,900	232,900	577,300
Dec. 1929.....	12,879,630	8,378,000	987,500	278,200	430,350	954,500
Jan. 1929.....	10,975,240	10,857,700	1,054,000	85,900	226,850	1,604,600

### Flour Production

Flour mills in this District were operated at an average of 63.9 percent of their capacity during January, as compared with 65 percent in December and 71.3 percent in January 1929, according to weekly reports to the Northwestern Miller.

The flour output for the month, totaling 2,074,195 barrels, was 20,532 barrels less than in December, and 249,108 barrels less than in January a year ago. This year's January production was the smallest for a month since June 1928. Reports from mills over this District at the opening of February reflected some improvement in the domestic flour trade. While most of the new business was in small lots for near-future shipment it amounted to a considerable volume. There was also some improvement in export inquiry, with scattered sales to Holland and Continental Europe, although the bulk of foreign sales were to Latin America.

#### JANUARY FLOUR PRODUCTION

	Jan. 1930 Barrels	Dec. 1929 Barrels	Jan. 1929 Barrels
Atchinson.....	133,303	110,636	135,656
Kansas City.....	606,048	636,215	647,074
Omaha.....	99,841	97,349	107,357
Salina.....	139,208	158,836	177,763
St. Joseph.....	111,620	134,833	133,403
Wichita.....	151,611	146,124	170,997
Outside.....	832,564	810,734	951,053
Total.....	2,074,195	2,094,727	2,323,303

#### Cottonseed Products

During the first six months of the cotton year—August 1, 1929 to January 31, 1930—Oklahoma mills received 337,783 tons and crushed 277,753 tons of cottonseed. These totals compare with 367,621 tons received and 283,899 tons crushed during the corresponding period in the preceding year.

Cottonseed products manufactured from seed crushed during the present season were: crude oil 82,939,626 pounds, cake and meal 132,986 tons, and hulls 67,417 tons. Linters (running bales) were 58,519.

Stocks of these products on hand at mills on January 31 were: crude oil 14,831,533 pounds, cake and meal 12,446 tons, hulls 5,937 tons, linters 35,202 running bales.

#### Meat Packing

Operations of meat packing establishments at the leading livestock market centers in this District in January were as a whole at a higher rate than in December, but were less active than in January last year. The record of packers' purchases for the month showed increases over the preceding month in numbers of cattle, hogs and sheep slaughtered, and a decrease in the number of calves slaughtered. Compared with a year ago there was an increase in the slaughter of sheep, but decrease in numbers of cattle, calves and hogs slaughtered.

#### Livestock

Livestock on farms and ranges throughout this District made slow gains during the recent cold weather and their condition on February 1, although generally good, was slightly lower than a month earlier, but about the same as on February 1, 1929. While practically all sections reported heavy feeding during January, the supply of hay and feed crops was ample, with shortages in a few localities. The condition of ranges, cattle and sheep in the range country was fairly reflected by the February 1 report of the Colorado office of the Division of Crop and Livestock Estimates, United States Department of Agriculture, which in part follows:

"Higher ranges are covered with snow except in southern Colorado where snowfall has been light. Valleys and plains areas are mostly open. Conditions of range is slightly lower than last month and is now reported at 90% compared with 91% a month ago, 89% a year ago, and the five year average of 94.4%. Feeding requirements were heavier than usual last month but the supply of hay and feeds appears generally ample for the season's needs.

"Cattle are in fairly good flesh but the extreme cold January weather has resulted in some shrink in condition. Losses have been light. Cattle were sold close last fall and there has been little restocking. The condition of cattle and calves is 93% compared to 95% last month, 93% a year ago and the five year average of 96.4%.

"Sheep condition was hardly maintained during January and is now reported at 94% compared with 95% last month, 94% a year ago, and the five year average of 96.6%. Lambs on feed have made slow gains. Losses have been heavier than usual. Winter conditions for sheep in Western Colorado are better than a year ago."

**MARKETINGS OF LIVESTOCK:** Receipts of livestock at the six leading markets in this District in January were materially larger than in December for all classes except calves. Compared with January a year ago, cattle receipts for the month showed an increase of 3.2 percent while receipts of calves, hogs and sheep showed decreases.

The month of January witnessed a large increase in receipts of horses and mules at the six markets. The total of 20,363 head was greater than that for December by 13,287 head and greater than that for January 1929 by 3,818 head.

**STOCKER AND FEEDER SHIPMENTS:** The movement of stocker and feeder cattle from four markets to the country during January exceeded that for December by 8.5 percent,

#### JANUARY MOVEMENT OF LIVESTOCK IN THE TENTH DISTRICT

	RECEIPTS				STOCKERS AND FEEDERS				PURCHASED FOR SLAUGHTER			
	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep
Kansas City.....	157,997	17,378	* 380,419	146,037	45,090	3,514	3,616	10,163	69,824	12,743	*291,303	120,812
Omaha.....	117,195	7,072	454,179	228,996	25,581	3,086	1,117	26,065	72,615	3,701	320,462	150,145
St. Joseph.....	37,190	6,260	156,145	165,004	6,520	682	1,379	24,224	23,425	5,493	113,258	123,187
Denver.....	47,751	8,321	82,932	76,048	29,483	4,060	1,939	7,209	10,306	2,383	57,880	15,956
Oklahoma City.....	23,530	6,062	35,089	4,447	-----	-----	-----	-----	16,793	5,177	28,959	3,763
Wichita.....	23,663	8,049	50,741	6,827	-----	-----	-----	-----	7,357	2,070	48,246	3,929
January 1930.....	407,326	53,142	1,159,505	627,359	106,674	11,342	8,051	67,661	200,320	31,567	860,108	417,792
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
January 1929.....	394,833	54,633	1,224,822	675,964	84,833	11,433	14,456	129,058	222,200	40,396	977,718	390,141

\*Includes 165,427 hogs shipped direct to packer's yards.



LIVESTOCK ON FARMS IN THE TENTH DISTRICT AND THE UNITED STATES

On January 1, 1930 and 1929  
From the Annual Livestock Survey of the United States Department of Agriculture.

	TENTH DISTRICT				UNITED STATES			
	Number		Value		Number		Value	
	1930	1929	1930	1929	1930	1929	1930	1929
All Cattle and calves.....	10,523,000	10,294,000	\$529,638,000	\$556,231,000	57,967,000	56,467,000	\$3,320,104,000	\$3,340,182,000
*Milk Cows and heifers.....	2,474,000	2,410,000	176,732,000	181,126,000	22,499,000	21,919,000	1,876,537,000	1,855,080,000
Sheep and lambs.....	10,363,000	9,829,000	90,266,000	104,897,000	48,913,000	47,509,000	435,515,000	504,022,000
Hogs and pigs.....	10,576,000	11,071,000	146,492,000	150,385,000	52,600,000	56,880,000	717,306,000	739,255,000
Horses and colts.....	2,610,000	2,701,000	126,981,000	132,136,000	13,440,000	13,905,000	950,318,000	976,300,000
Mules and colts.....	637,000	677,000	40,691,000	43,116,000	5,322,000	5,390,000	441,726,000	443,839,000
Totals.....	34,709,000	34,512,000	\$934,068,000	\$986,765,000	178,242,000	180,151,000	\$5,864,969,000	\$6,003,598,000

\*Included in 'All Cattle'.

and was 25.7 percent greater than in January a year ago. On the other hand, the countryward shipments of calves, sheep and hogs during the month were considerably smaller than in either the preceding month or the corresponding month last year.

**LIVESTOCK ON FARMS:** According to the annual survey made by the United States Department of Agriculture, there were 34,709,000 head of livestock on farms in the Tenth Federal Reserve District on January 1, 1930, an increase of 197,000 head over the 34,512,000 head reported on January 1, 1929. The value of this year's livestock was estimated at \$934,068,000, or

\$52,697,000 less than the total of \$986,765,000 as the estimated value one year earlier.

The figures for this year, by classes of livestock, as compared with those for the preceding year, show there were increases in numbers of beef and dairy cattle and sheep, and decreases in numbers of hogs, horses and mules.

The value of each class of livestock for this year was smaller than that of a year ago. Lower per head values of cattle and sheep more than offset the small gains in numbers. And, contrariwise, the slightly higher per head values of hogs, horses and mules did not make up for the losses in numbers.

Business Conditions in the United States

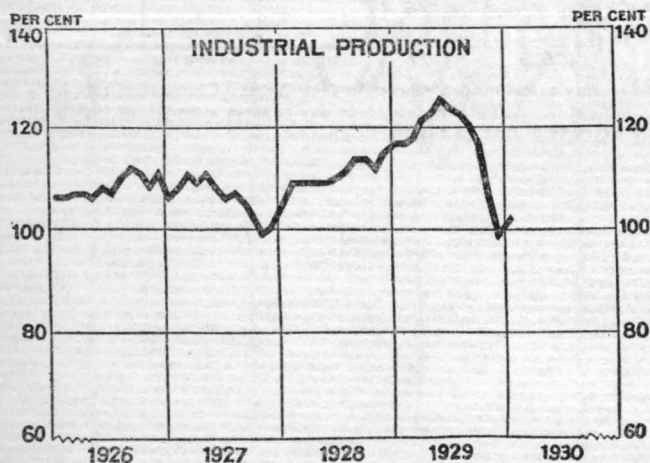
By the Federal Reserve Board

Industrial production increased in January from the extreme low level of December. Factory employment, which was in relatively small volume in the middle of December, was further reduced by the middle of January, but preliminary reports indicate a slight increase in the three weeks following. There was a further liquidation of bank credit and a decline in money rates. Commodity prices continued to move downward.

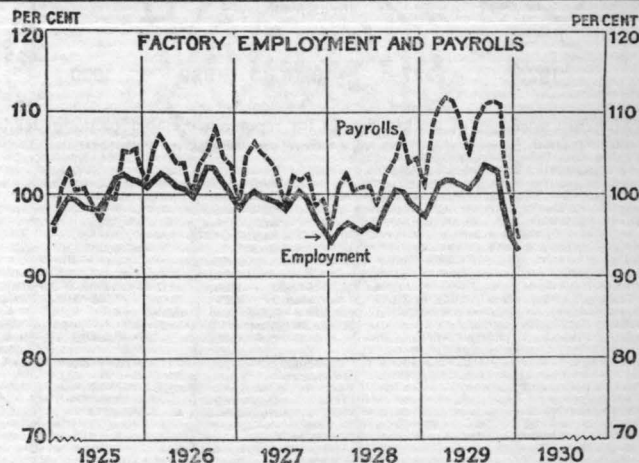
**PRODUCTION:** Industrial production showed an increase of about 4 percent in January, according to the Board's index which makes allowance for the usual seasonal variations. This increase reflected principally a larger output of automobiles,

steel, cotton textiles and shoes. Output of copper, cement, lumber, anthracite coal and flour declined and the increase in bituminous coal output was smaller than is usual for this season. For the first two weeks of February steel plants increased their rate of operation further, but continued to be less active than in the corresponding period of last year.

Building contracts awarded showed little change in January, a substantial increase in public works and utilities being in large part offset by a decrease in residential construction. In the first half of February the daily average of contracts was lower than in January.



Index of production of manufactures and minerals combined, adjusted for seasonal variations (1923-1925 average 100). Latest figure, January, 103.



Index numbers of factory employment and payrolls, without adjustment for seasonal variations, (1923-1925 average 100). Latest figures, January, employment 93.1; payrolls 94.2.

**EMPLOYMENT AND PAYROLLS:** The number of wage earners employed at factories declined further between the middle of December and the middle of January, and wage payments showed a larger reduction. In automobile and steel plants there was an increase in employment in the month ending January 15, and recent weeks further increases have been reported for these industries. There were decreases in January in the number of wage-earners employed in the machinery, car building and repairing, lumber, and cement industries.

During the three-week period ending February 3 the bureau of labor statistics, on the basis of preliminary returns, reported a slight increase in factory employment.

**DISTRIBUTION:** Shipments of freight were in about the same volume in January as in December. Average daily loadings of miscellaneous freight and merchandise in less-than-car load lots decreased slightly during the month, but by a smaller amount than is usual at this season. During the first two weeks in February there was some increase in shipments, largely seasonal in nature.

Department store sales in January, according to preliminary figures received by the Federal Reserve System, were about 2 percent lower than in the corresponding month of last year this difference being about the same as was shown the month before.

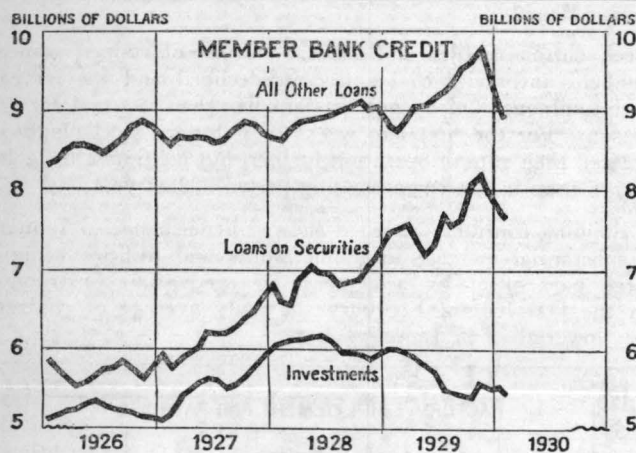
**WHOLESALE PRICES:** Wholesale prices of commodities in January continued to move downward. In general, fluctuations were small until the latter part of the month, when decreases occurred in the prices of grains, cotton, wool, iron and

steel, and petroleum. The prices of meats and livestock fluctuated over a wide range and averaged higher in January than in December. In the first half of February the prices of hogs, pork, and cattle increased, while the prices of wheat, cotton, pig iron, petroleum and textiles continued to decline.

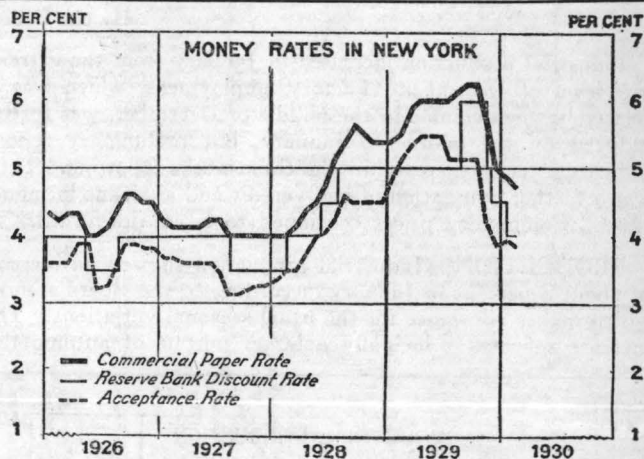
**BANK CREDIT:** Liquidation of Member Bank credit in January and the early part of February was in substantially larger volume than in the corresponding period of 1929. Declines were reported in loans of securities and in all other loans which continued to decrease in February contrary to the usual seasonal trend. There was little change in the banks' holdings of investments.

The volume of reserve bank credit outstanding declined by, about \$140,000,000 between the middle of January and the middle of February. This decline was due in part to the reduction in Member Bank reserve balances which accompanied the decline in the banks' loans and investments; in part to the continued return flow of currency from circulation; and in part to gold imports, largely from Brazil and Japan.

Money rates in the open market eased further. Rates on commercial paper declined to a range of  $4\frac{1}{2}$ - $4\frac{3}{4}$  percent, and rates on 60-90 day bankers acceptances declined from 4 to  $3\frac{7}{8}$  and later to  $3\frac{3}{4}$  percent. Discount rates at the Federal Reserve Banks of New York, Chicago, Boston, and Kansas City were reduced from  $4\frac{1}{2}$  to 4 percent, and rates at Philadelphia, Cleveland, Richmond, St. Louis, Minneapolis and Dallas, from 5 to  $4\frac{1}{2}$  percent.



Monthly averages of weekly figures for reporting member banks in leading cities. Latest figures are averages of first two weeks in February.



Monthly rates in open market in New York. Commercial rate on 4 to 6 month paper. Acceptance rate on 90-day bankers acceptances. Latest figures are averages of first 20 days in February.