

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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LATE August reports from over the extensive agricultural area embraced in the Tenth Federal Reserve District indicated widespread rains and cooler weather had effectually broken the severe drought which continued from late June through July to near the middle of August. Corn, having suffered severe injury from the exceptionally hot and dry weather, responded favorably to the lower temperatures and precipitation, and in many sections there was a promise of fair to good yields, while in other sections many fields were beyond help and corn was being conserved for silage. Other fall crops, including sorghums and forage crops, improved somewhat under the changed conditions, pastures took on new growth and the outlook for livestock improved.

While a complete inventory of crop losses by Tenth District farmers because of the drought is not possible to obtain at this time, the official reports of the United States Department of Agriculture and State Boards of Agriculture indicate that all growing crops deteriorated to a greater or less extent and probable yields would be smaller than last year and below the ten-year average. On the other hand, the official reports showed crops of wheat, oats, rye, barley, sugar beets, broom corn and potatoes were less affected by the unfavorable conditions at midsummer and yields generally were higher than last year.

Tenth District Business Summary

RETAIL trade in the Tenth District in July, as measured by dollar sales of thirty-eight department stores, exhibited somewhat more than the customary decline from June to July and was about 6 percent below that for July 1929. Wholesale trade, taking the combined sales of firms reporting, was 1 percent smaller than in June but 16 percent smaller than in the same month last year.

Arrivals of new wheat at primary markets during July were nearly 7½ million bushels, or 9 percent, less than the high record receipts in July last year. Receipts of sheep and lambs were the largest for July of record. Receipts of cattle exceeded those for June but were 12 percent below those for July last year. Fewer hogs were marketed than in either the preceding month or the same month last year.

While some manufacturing plants continued to operate with reduced working forces, or on part-time schedules, industry as a whole made a favorable showing for the quiet mid-summer month. Flour mills were operated in July at a higher rate of full-time capacity and produced more flour than in any previous July. The number of sheep and lambs dressed at meat packing plants had not been exceeded in any previous July on twelve

BUSINESS IN THE TENTH DISTRICT IN JULY

Percentage of increase or decrease (—) for the month over the preceding month and the corresponding month last year.

	July 1930	Compared with June 1930	July 1929
Banking			
Debits in 29 cities.....	— 1.0	—18.4	
Federal Reserve Bank clearings.....	0.2	—15.6	
Loans, 56 member banks.....	— 2.3	— 9.4	
Investments, 56 member banks.....	— 0.1	— 5.1	
Demand deposits, 56 member banks.....	1.4	— 3.7	
Time deposits, 56 member banks.....	— 2.2	— 3.5	
Savings deposits, 49 selected banks.....	0.6	— 0.6	
Savings accounts, 47 selected banks.....	1.4	6.1	
Trade			
Wholesalers' sales, 5 lines combined.....	— 1.1	—16.2	
Retail sales, 38 department stores.....	—15.8	— 6.3	
Lumber sales, 177 retail yards.....	15.9	—25.2	
Construction			
Contracts awarded, value.....	—69.9	—22.2	
Building permits in 20 cities, value.....	16.3	— 5.1	
Grain receipts at 5 markets			
Wheat.....	488.4	— 8.7	
Corn.....	—35.8	—12.4	
Oats.....	—54.6	—38.6	
Rye.....	212.1	—32.0	
Barley.....	34.2	—64.2	
Kafir.....	—71.5	—66.0	
Livestock receipts at 6 markets			
Cattle.....	3.1	—11.9	
Calves.....	17.0	— 4.0	
Hogs.....	—13.0	—16.7	
Sheep.....	12.2	8.6	
Horses and mules.....	—54.0	—69.1	
Production			
Flour.....	10.6	1.0	
Coal.....	6.9	—16.9	
Petroleum.....	— 3.0	—13.9	
Cement.....	0.1	9.7	
Zinc ore (shipped).....	—41.7	—49.6	
Lead ore (shipped).....	—47.5	—52.6	
Meat packing at 6 centers			
Cattle.....	8.8	— 2.0	
Calves.....	22.8	— 0.7	
Hogs.....	—21.4	—18.2	
Sheep.....	10.7	16.6	

years' records. The July slaughter of cattle was the largest for any month of the year, although it showed a small decrease from a year ago. The number of hogs slaughtered was the smallest monthly total of the year and 18 percent smaller than in July 1929.

The petroleum industry further curtailed production of crude oil in the effort to bring the output within range of market requirements. The soft coal output increased but was not up to a year ago. Production and shipments of zinc and lead ores was

at the lowest point of the year. Cement production, as in the earlier months of the year, was larger than a year ago.

Building contracts awarded in this District during July showed a sharp decline from June and were below those for July last year, but awards for the first seven months of 1930 still were about 48 million dollars ahead of the like period in 1929. The value of building permits in cities increased 16 percent over June but was 5 percent less than a year ago.

Financial

A slow demand for commercial credit, accompanied by a reduction in the amount of collateral loans outstanding and a rise in the volume of net demand deposits, has in recent weeks tended to further ease money rates in the Tenth District. In recognition of the unfavorable position of the agricultural and livestock interests, the result of prevailing low prices and hot and dry weather, the Federal Reserve Bank of Kansas City on August 15 reduced its discount rate from 4 to 3½ percent on all classes of maturities of rediscount and member bank notes. Rates charged customers by member banks at the principal financial centers in this District on August 15 changed by slightly from those of a month ago. The rate on prime commercial paper was 4½ to 5 percent, and on commercial paper secured by warehouse receipts from 4½ to 6 percent. On loans to other banks and loans secured by stocks and bonds rates were 5 to 6 percent. On cattle loans the rate was 5½ to 7 percent.

MEMBER BANK CREDIT: During the four weeks ended August 13 the total amount of loans of fifty-six reporting member banks located at the leading financial centers of this District declined by \$9,987,000 to the lowest level since July 1928. The bulk of the decline, \$7,018,000, was in security loans, while commercial or all other loans decreased \$2,969,000. Total investments of these banks showed no important change during the four weeks. Their holdings of Government securities decreased \$2,144,000. Their holdings of other stocks, bonds and securities increased \$1,930,000, and at \$129,222,000, (with the exception of \$130,095,000 on July 6), were the highest since July 3, 1928. Net demand deposits rose \$6,887,000 during the four weeks to \$506,001,000, the highest since September 18, 1929. Time deposits, while showing a decline of \$4,223,000 from the total reported four weeks earlier, have been for the past ten weeks at the highest level of record for the reporting member banks. The principal resource and liability items of the fifty-six reporting member banks as of August 13 are here shown in comparison with those reported four weeks earlier and one year ago:

	Aug. 13, 1930	July 16, 1930	Aug. 14, 1929
Loans and investments—total.....	\$650,609,000	\$660,810,000	\$707,277,000
Loans and discounts—total.....	430,370,000	440,357,000	475,114,000
Secured by stocks & bonds.....	133,114,000	140,132,000	137,618,000
All other loans and discounts.....	297,256,000	300,225,000	337,496,000
Investments—total.....	220,239,000	220,453,000	232,163,000
U. S. Securities.....	91,017,000	93,161,000	110,015,000
Other bonds, stocks and securities.....	129,222,000	127,292,000	122,148,000
Reserve with F. R. Bank.....	56,698,000	57,701,000	57,340,000
Net demand deposits.....	506,001,000	499,114,000	525,261,000
Time deposits.....	188,612,000	192,835,000	182,312,000
Government deposits.....	578,000	1,694,000	873,000

RESERVE BANK OPERATIONS: Borrowings of member banks at the Federal Reserve Bank of Kansas City on August 13, in the amount outstanding, were \$970,636 less than four weeks earlier and the lowest for any weekly report date since February 21, 1928. Holdings of purchased bills increased \$2,353,255 during the four weeks to the highest amount reported since May 21. The amount of United States securities held by this Bank on August 13 was the same as reported four weeks

earlier and at the highest level since April 11, 1928. There was little change in Federal Reserve note circulation, or in total deposits, during the four-week period. The ratio of total reserves to deposit and Federal Reserve note liabilities combined stood at 73.8 percent on August 13, against 73.8 percent on July 16, and 82.5 percent on August 14, 1929. Weekly condition statements of the Federal Reserve Bank of Kansas City and branches as of the three dates indicate the changes in the amount of credit outstanding and other related items:

	Aug. 13, 1930	July 16, 1930	Aug. 14, 1929
Gold reserves.....	\$112,349,536	\$112,749,777	\$137,795,704
Reserves other than gold.....	6,007,058	5,991,624	4,492,749
Total reserves.....	118,356,594	118,741,401	142,288,453
Bills discounted.....	9,114,797	10,085,433	28,837,066
Bills purchased.....	8,254,960	5,901,705	996,513
U. S. Securities.....	28,736,000	28,736,000	974,500
Total bills and securities.....	46,105,757	44,723,138	32,308,079
Total resources.....	208,365,595	210,924,858	228,191,308
F. R. Notes in circulation.....	69,445,930	69,578,630	77,369,830
Total deposits.....	90,899,610	91,295,414	94,995,994

Payments by Check

Debits to individual accounts at banks in twenty-nine cities of this District ran at a daily average of \$60,877,043 for the twenty-three banking days in the four weeks ending July 30. This compares with a daily average of \$58,921,021 for the twenty-four banking days in the four weeks ending July 2, and with a daily average of \$74,963,739 for the twenty-three banking days in the four weeks ending July 3, last year. The cities of Albuquerque, Colorado Springs, Kansas City, Kans., Lincoln and Wichita reported their debits or payments by check exceeded the amounts debited in the like period last year. The reports in detail:

	FOUR WEEKS ENDING		Percent Change
	July 30, 1930	July 31, 1929	
Albuquerque, N. M.....	\$ 11,558,000	\$ 10,931,000	5.7
Atchison, Kans.....	6,319,000	6,658,000	-5.4
Bartlesville, Okla.....	21,958,000	21,988,000	-0.1
Casper, Wyo.....	6,619,000	7,684,000	-13.9
Cheyenne, Wyo.....	5,494,000	6,529,000	-15.9
Colorado Springs, Colo.....	17,631,000	16,610,000	6.1
Denver, Colo.....	141,569,000	174,222,000	-18.7
Enid, Okla.....	34,616,000	34,695,000	-0.2
Fremont, Nebr.....	3,296,000	3,977,000	-17.1
Grand Junction, Colo.....	2,452,000	2,953,000	-17.0
Guthrie, Okla.....	2,928,000	3,133,000	-6.6
Hutchinson, Kans.....	41,469,000	69,614,000	-40.4
Independence, Kans.....	10,303,000	12,833,000	-19.7
Joplin, Mo.....	9,243,000	15,015,000	-38.4
Kansas City, Kans.....	21,677,000	20,383,000	6.3
Kansas City, Mo.....	406,670,000	537,238,000	-24.3
Lawrence, Kans.....	4,802,000	5,204,000	-7.7
Lincoln, Nebr.....	30,764,000	29,101,000	5.7
Muskogee, Okla.....	9,556,000	11,536,000	-17.2
Oklahoma City, Okla.....	112,512,000	125,116,000	-10.1
Okmulgee, Okla.....	4,409,000	7,015,000	-37.1
Omaha, Nebr.....	188,830,000	226,677,000	-16.7
Pittsburg, Kans.....	4,937,000	5,225,000	-5.5
Pueblo, Colo.....	15,470,000	18,306,000	-15.5
Salina, Kans.....	17,964,000	20,912,000	-14.1
St. Joseph, Mo.....	41,482,000	60,366,000	-31.3
Topeka, Kans.....	18,224,000	20,109,000	-9.4
Tulsa, Okla.....	130,508,000	167,386,000	-22.0
Wichita, Kans.....	76,912,000	73,550,000	4.6
Total 29 cities, 4 wks.....	\$ 1,400,172,000	\$ 1,714,966,000	-18.4
Total 29 cities 30 wks.....	\$10,291,103,000	\$11,120,360,000	-7.5

RESERVE BANK CLEARINGS: The money volume of checks collected for banks through the Federal Reserve Bank of Kansas City and branches during the four weeks ending July 30 was a fractional part of 1 percent higher than in the preceding four weeks, but 15.6 percent lower than in the corresponding

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

	SALES		STOCKS (RETAIL)		STOCK TURNOVER				ACCOUNTS RECEIVABLE		COLLECTIONS		
	Stores	July 1930	July 31, 1930	July 31, 1929	July	7 Months	1929	1930	1929	July 31, 1930	July 31, 1929	July 1930	July 1929
	Report-	compared to	compared to	compared to	compared to				compared to		Compared to		
	ing	July 1929	7 Months 1929	June 30, 1930	July 31, 1930	1930	1929	1930	1929	June 30, 1930	July 31, 1929	June 1930	July 1929
Kansas City.....	4	-13.0	-7.8	2.2	-7.3	.16	.17	1.45	1.51	-12.6	4.7	-5.5	-1.1
Denver.....	5	-1.8	-4.4	-3.4	-11.0	.20	.18	1.40	1.35	-8.2	-2.6	1.5	-2.2
Oklahoma City.....	3	6.6	2.1	-6.6	0.7	.22	.20	1.84	1.85	-9.7	7.8	-4.8	3.3
Omaha.....	3	-16.6	0.6							-9.4	6.2	-2.0	3.8
Lincoln.....	2	-7.1	-5.7	-9.3	-22.6	.21	.18	1.54	1.36	-4.5	-3.8	-14.1	-16.2
Topeka.....	3	-4.6	-3.6	-6.7	-6.7	.18	.18	1.19	1.16	-9.7	4.5	-2.4	Even
Tulsa.....	4	0.1	-4.2	-4.4	-5.7	.25	.22	2.09	2.07	-11.1	10.4	-6.3	4.9
Wichita.....	4	-16.8	-10.7	-14.5	-6.0	.15	.18			-17.2	-5.3	8.4	-2.8
Other Cities.....	10	-6.8	-3.0	-6.7	-8.5	.14	.13	1.14	1.08	-4.8	-0.4	-5.0	Even
Total.....	38	-6.3	-3.9	-5.6	-9.1	.19	.19	1.53	1.48	-9.4	1.5	-2.4	-0.7

NOTE: Percentage of collections in July on accounts June 30, all stores reporting 38.7. Collections same month last year 40.2.

four weeks last year. The number of items handled by this Bank in the four weeks ending July 30 was smaller than in either the preceding period or the like period last year. The figures follow:

	Items	Amount
Four weeks ending July 30, 1930.....	5,338,552	\$ 824,360,150
Four weeks ending July 2, 1930.....	5,496,157	823,029,869
Four weeks ending July 31, 1929.....	5,434,266	976,781,371
Thirty weeks ending July 30, 1930.....	40,738,147	6,158,479,372
Thirty weeks ending July 31, 1929.....	40,768,973	6,711,533,106

Savings in Banks

Deposits to savings accounts in forty-nine banks in cities of this District on August 1 aggregated \$120,205,997, as reported to the Federal Reserve Bank of Kansas City. This total shows a gain of \$775,189 over the \$119,430,808 reported for July 1, but a loss of \$790,534 from the \$120,996,531 reported for August 1, 1929. The number of savings accounts in forty-seven of the banks on August 1 was 416,819, an increase of 5,855 for the month and an increase of 24,087 for the year.

Failures

According to the monthly report of R. G. Dun & Company, business failures in this District in July were fewer and the amount of liabilities slightly larger than in either June of this year or July of last year. Failures in this District and in the U. S. follow:

	TENTH DISTRICT		UNITED STATES	
	Failures	Liabilities	Failures	Liabilities
July 1930.....	124	\$1,893,300	2,028	\$39,826,417
June 1930.....	130	1,573,613	2,026	63,130,762
July 1929.....	130	1,826,519	1,752	32,425,519

Collections

Collections by department stores during July showed very little change from June but were not quite up to the record of a year ago, the July collections figure of 38.7 percent comparing with 40.2 percent for July last year. Other retail firms indicated their July collections were not up to this time last year, particularly on installment accounts. Distributors of implements and farm machinery and in some other important lines, reported collections slow and showing but little improvement.

Retail Trade

Total July sales at department stores in this District were 15.8 percent smaller than in June and 6.3 percent smaller than in July last year. Sales at ten stores were larger and at twenty-eight stores smaller than a year ago. Oklahoma City and Tulsa reporting stores showed larger sales than a year ago. Total sales of reporting department stores for the first seven months of 1930 were 3.9 percent smaller than for the corresponding period in 1929. Nine of the thirty-eight stores did a larger business than in the like period last year.

July sales at retail stores handling men's and women's apparel were in about the same volume as a year ago, while sales of shoes and furniture showed decreases as compared with those for July last year.

Stocks on hand at department stores at the close of July were 5.6 percent smaller than one month earlier and 9.1 percent smaller than a year ago. Stocks of men's and women's apparel and furniture averaged slightly higher than a year ago, while stocks of shoes were lower than a year ago.

Wholesale Trade

Wholesale trade during July, taking the combined dollar volume of sales of all firms reporting to this Bank, was about 16 percent below July last year. The July reports by lines revealed that sales of drygoods and drugs were larger than in June, while sales of groceries, hardware and furniture were smaller than reported for that month. In comparison with a year ago all lines showed decreases in their sales volume.

Stocks of wholesale grocery firms on July 31 averaged higher than on June 30, but were lower than on July 31, 1929. Stocks of drygoods, hardware, furniture and drugs on July 31 were smaller than either a month ago or a year ago.

Building

Midsummer witnessed a seasonal decline in the awarding of contracts for building and engineering construction in this District. Statistics reported by the F. W. Dodge Corporation show the value of building contracts awarded in July was \$19,180,779, which compares with awards of \$63,727,271 in June, and awards

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

	SALES		OUTSTANDINGS		COLLECTIONS		STOCKS		
	Reporting	July 1930	July 31, 1930	July 31, 1929	July 1930	July 1929	July 31, 1930	July 31, 1929	
	Stores	June 1930	July 1929	June 30, 1930	July 31, 1929	June 1930	July 1929	June 30, 1930	
Dry Goods.....	7	3.3	-23.5	-2.9	-7.9	9.4	-15.4	25.9	-23.2
Groceries.....	6	-0.3	-6.6	0.2	-6.1	-3.1	-3.5	-9.1	-10.5
Hardware.....	9	-0.5	-18.6	-1.0	-3.3	-0.1	-12.1	-5.4	-9.8
Furniture.....	6	-26.2	-35.4	-14.2	-9.9	-9.3	-20.6	5.9	-7.2
Drugs.....	6	7.2	-9.4	-3.1	-12.9	7.5	-3.2	-0.6	-11.1

BUILDING PERMITS IN TWENTY CITIES

	ESTIMATED COST	
	July 1930	July 1929
Albuquerque, N. M.	\$ 84,248	\$ 142,300
Casper, Wyo.	20,050	66,500
Cheyenne, Wyo.	191,983	78,880
Colorado Springs, Colo.	28,570	29,080
Denver, Colo.	1,251,550	913,600
Hutchinson, Kans.	58,537	16,644
Joplin, Mo.	96,218	57,599
Kansas City, Kans.	96,795	180,380
Kansas City, Mo.	2,331,350	621,450
Lincoln, Nebr.	54,565	219,803
Muskogee, Okla.	176,625	23,645
Oklahoma City, Okla.	1,588,340	2,514,175
Omaha, Nebr.	197,788	585,335
Pueblo, Colo.	53,730	218,239
Salina, Kans.	215,360	72,110
Shawnee, Okla.	18,630	134,618
St. Joseph, Mo.	91,723	250,860
Topeka, Kans.	108,220	120,110
Tulsa, Okla.	598,698	1,120,045
Wichita, Kans.	404,722	710,230
Total 20 cities, July	\$ 7,667,702	\$ 8,075,603
Total 20 cities, 7 months	50,998,644	62,156,805

of \$24,659,361 in July last year. The July awards brought the total for seven months of 1930 for this District to \$189,845,568, which is \$47,815,879 above the awards of \$142,029,689 for the first seven months of 1929.

The estimated cost of new building projects in twenty cities of the Tenth District, for which permits were issued in July, totaled \$7,667,702, as reported to this Federal Reserve Bank by their engineering departments. This figure indicates an increase of \$1,076,674 over June, but a decrease of \$407,901 from July 1929. Seven cities reported increases and thirteen decreases in the estimated cost of July buildings compared with the same month last year. The record for the first seven months of 1930 shows the estimated cost of building permits in the reporting cities to have been \$50,998,644, which is \$11,158,161 below the total for the like period in 1929.

Lumber

Sales of lumber at 177 retail yards in the Tenth District totaled 4,407,000 feet for the month of July, compared with 3,803,000 feet in June and 5,889,000 feet in July last year. July sales of all materials at the reporting yards were also larger than in June, but smaller than a year ago. Stocks of lumber at the close of July were smaller than a month earlier or a year ago. July business at these yards is compared with that for the two former periods, in percentages of increase or decrease, in the following:

	July 1930 Compared to	
	June 1930	July 1929
Sales of lumber, board feet	15.9	-25.2
Sales of all materials, dollars	7.2	-25.1
Stocks of lumber, board feet	-1.2	-7.8
Outstandings, end of month	-5.4	-12.8
Collections during month	8.0	-23.3

Production of lumber in the United States, at both softwoods and hardwoods mills, continued through July at the lowest level in recent years, according to reports to the National Lumber Manufacturers Association. Production of identical mills for thirty-one weeks ending August 2 totaled 9,422,445,000 feet, which was 15 percent below the 11,056,388,000 feet produced in the like period in 1929. Shipments of 8,915,234,000 feet during this period showed a decline of 20 percent from the previous year while orders received, totaling 8,569,019,000 feet, were 23 percent below a year ago.

Petroleum

The production of crude petroleum in this District declined during July to a daily average of 805,500 barrels, 51,500 barrels below the daily average for June and 130,400 barrels below the daily average for July last year. Due to curtailment by producers the July daily average for Oklahoma and Kansas showed material declines both as compared with the preceding month and the corresponding month last year. Wyoming reported no change from June but a small reduction from July last year. New Mexico reported a sizeable increase and Colorado a small decrease as compared with the daily average for July 1929. The daily average and gross production in each of the five states for July, with comparisons, is shown in the following:

	DAILY AVERAGE PRODUCTION		
	*July 1930 Barrels	June 1930 Barrels	July 1929 Barrels
Oklahoma	594,700	646,000	731,700
Kansas	121,600	135,000	139,600
Wyoming	47,000	47,000	54,200
Colorado	4,600	4,000	6,900
New Mexico	37,600	25,000	3,500
Total	805,500	857,000	935,900

	GROSS PRODUCTION		
	*July 1930 Barrels	June 1930 Barrels	July 1929 Barrels
Oklahoma	18,437,000	19,382,000	22,682,000
Kansas	3,770,000	4,064,000	4,329,000
Wyoming	1,450,000	1,421,000	1,681,000
Colorado	142,000	131,000	215,000
New Mexico	1,167,000	733,000	107,000
Total	24,966,000	25,731,000	29,014,000

*Estimated, American Petroleum Institute.

The month of July witnessed a considerable decline in the number of wells completed, although the number of barrels daily new production from the fewer wells completed showed a remarkable increase over the preceding month and a year ago. New development work, indicated by the number of wells drilling, showed but little change. The July summary of field operations:

	Wells Completed	Barrels Daily New Production	Dry Wells	Gas Wells	Rigs-Wells Drilling
	Oklahoma	281	474,705	81	37	992
Kansas	70	14,938	32	1	278
Wyoming	15	1,853	6	0	141
Colorado	6	230	3	1	99
New Mexico	22	122,695	1	1	111
July 1930	394	614,421	123	40	1,621
June 1930	524	451,523	145	52	1,674
July 1929	488	153,195	182	51	1,684
7 Mos. 1930	2,938	3,254,079	921	291	.....
7 Mos. 1929	2,853	739,276	1,073	244	.....

Further curtailment in petroleum refinery operations in Oklahoma and Kansas is indicated by the report which follows:

	Aug. 1	July 1	Aug. 1
	1930	1930	1929
Refineries in operation, number	57	56	59
Daily runs crude oil to stills, barrels	290,450	300,600	303,150

Cement

Portland cement mills in the Tenth District produced 2,000 barrels more cement in July than in June and 143,000 barrels more than in July last year, as reported by the United States Bureau of Mines, Department of Commerce. Shipments of cement increased during the month by 12,000 barrels over June and 31,000 barrels over July last year. Stocks of finished cement on hand at the close of July were 88,000 barrels less than one month earlier and 401,000 barrels more than a year ago. The number of barrels produced and shipped during July, and

FARM CROPS IN THE TENTH DISTRICT AND THE UNITED STATES

Estimated production on August 1 compared with that for July 1 and the yield for 1929. Compiled from the August report of the United States Department of Agriculture. (In thousands of units, 000 omitted)

	TENTH DISTRICT			UNITED STATES		
	Est. 1930	Est. July 1, 1930	Prod'n. In 1929	Est. 1930	Estimate July 1, 1930	Prod'n. In 1929
	Aug. 1	July 1	In 1929	Aug. 1	July 1	In 1929
Corn, bushels.....	352,065	494,304	445,415	2,211,823	2,802,442	2,614,307
Winter wheat, bu.....	279,277	266,240	255,306	597,392	557,719	577,784
Spring wheat, bu.....	10,345	10,692	12,187	223,221	249,546	228,006
Oats, bushels.....	165,926	164,817	152,447	1,316,369	1,329,407	1,233,574
White potatoes, bu.....	33,421	34,130	31,933	372,557	398,419	359,796
Tobacco, lbs.....	2,822	3,310	2,714	1,474,758	1,597,670	*1,519,081
Cotton, bales.....	1,043	**	1,169	14,362	**	14,828
Tame hay, tons.....	11,865	12,342	12,348	83,460	85,431	* 101,786

*Revised. **No estimate on cotton production for July.

stocks on hand at the close of the month, is shown in the following table, with comparisons:

	TENTH DISTRICT		
	July 1930	June 1930	July 1929
Produced.....	1,624,000	1,622,000	1,481,000
Shipped.....	1,712,000	1,700,000	1,681,000
Stocks, end of month.....	2,199,000	2,287,000	1,798,000

	UNITED STATES		
	July 1930	June 1930	July 1929
Produced.....	17,080,000	17,293,000	17,315,000
Shipped.....	20,147,000	18,781,000	20,319,000
Stocks, end of month.....	26,298,000	29,364,000	24,525,000

Production of clinker (unground cement) in this District during July totaled 1,571,000 barrels compared with 1,324,000 barrels in July last year. Stocks at the end of July were 582,000 barrels against 1,083,000 barrels on hand a year ago.

Bituminous Coal

Activity at the soft coal mines in this District increased during July and the tonnage produced was larger by 6.9 percent than in June, but as compared with July last year it was smaller by 16.9 percent. Production for the month with comparisons:

	July 1930	June 1930	July 1929
	Tons	Tons	Tons
Colorado.....	437,000	392,000	496,000
Kansas.....	142,000	145,000	177,000
Missouri.....	247,000	225,000	230,000
New Mexico.....	123,000	140,000	210,000
Oklahoma.....	127,000	125,000	200,000
Wyoming.....	337,000	325,000	387,000
Total.....	1,413,000	1,322,000	1,700,000

*Estimated.

Total soft coal production in the United States during the present calendar year to August 2, (approximately 182 working days), amounted to 267,418,000 net tons, according to the United States Bureau of Mines. This figure compares with 300,036,000 net tons produced during the corresponding period in 1929.

Zinc and Lead

Activity at the zinc and lead mines in the Tristate District declined during July and shipments of concentrates were at the low point of the year. Late reports indicated that some advances in prices of zinc and lead ores for the week ending August 11 brought more liberal sales, although shipments still were considerably below those of a year ago. Shipments during the five weeks ending August 4 in both tonnage and value, follow:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	21,170	\$ 629,898	2,533	\$ 151,980
Kansas.....	8,715	259,470	765	45,900
Missouri.....	590	17,687	120	7,200
5 Wks. ending Aug. 2, 1930.....	30,475	\$ 907,055	3,418	\$ 205,080
5 Wks. ending June 28, 1930.....	52,258	1,600,272	6,506	417,776
5 Wks. ending Aug. 3, 1929.....	60,452	2,659,888	7,204	625,592

Farm Crops in the Tenth District

CORN: With an average condition of 53.4 percent of normal on August 1, the corn crop in the Tenth District promised a yield of 352,065,000 bushels. This total was 142,239,000 bushels below the 494,304,000 bushels forecast as of the July 1 condition, and 93,350,000 bushels below the 445,415,000 bushels harvested last year. This August 1 estimate, made by the Department of Agriculture and State Boards of Agriculture, did not reflect the full effect of the summer drought in this regional District, as considerable further damage resulted during the early part of August before the situation was to an extent relieved by lower temperatures and scattered rains. The State reports disclosed few sections of this District escaped the blight of the drought.

In Nebraska, the leading producing state in this District, the corn prospect on August 1 was for a yield of 193,935,000 bushels, 46,175,000 below the July estimate and 43,089,000 bushels below 1929 production. But the situation in that state was far from gloomy, according to a report on August 11, which said: "The fact that western Nebraska has good prospects on nearly one-third of the corn acreage and the east central portion has a fair prospect on another third of the state's acreage, combined with the fact that the acreage is nearly a record, accounts for a larger crop than some expected."

Missouri's corn crop, after one of the driest July's in the history of that state, declined during the month and the condition on August 1 was down to 50 percent of normal, and indicated a yield of 109,557,000 bushels compared to 126,524,000 bushels produced in 1929.

The Kansas report said: "The heat and drought of July cost Kansas at the rate of about 1,750,000 bushels of corn per day. A corn outlook that was rated at 77 percent of normal on July 1 slipped gradually but certainly to a rating of 45 percent on August 1 and had declined to 30 percent by August 7. This condition allows a potential forecast of 76,164,000 bushels production this year, an average possible yield of 12 bushels per acre on 6,347,000 acres."

Deterioration of corn in Oklahoma during July resulted in a condition of 43 percent of normal on August 1 with a promise of 35,000,000 bushels, which is 32,000,000 bushels less than forecast one month earlier.

Colorado corn prospects improved during July in sharp contrast with other sections of this District and of the United States. The estimate was for 20,490,000 bushels in that state, an increase of 2,732,000 bushels over the July forecast.

New Mexico and Wyoming, with relatively small acreages of corn, reported slight changes in their production figures from those reported a month earlier.

WHEAT: The harvest of winter wheat was nearly completed by August 1 and yields in many sections turned out better than expected a month earlier. Total production in this District was estimated at 279,277,000 bushels, an increase of 13,037,000 bushels over July 1, and 23,971,000 bushels more than the 1929 crop. Kansas reported an increase of 8,214,000 bushels over the July estimate to an August 1 total of 154,902,000 bushels, or 17,190,000 bushels above 1929 production. Nebraska's estimate was raised 2,495,000 bushels to a total of 68,160,000 bushels which was that state's second largest winter wheat crop. Oklahoma's reported yield of 33,696,000 bushels compares with last year's production of 44,478,000 bushels. Missouri, with 19,740,000 bushels harvested, had a larger crop than last year. Colorado reported a gain of 2,294,000 bushels for the month, the August total of 16,632,000 bushels showed an increase of 4,638,000 over the crop of 1929. Wyoming reported an increase

in winter wheat production and New Mexico little change as compared with the harvested crop of 1929.

The spring wheat crop in Colorado was too nearly matured to be benefited by July rains in that state, and the crop was damaged slightly by dry weather in Wyoming. Total production for this District as of August 1 was estimated at 10,345,000 bushels, as compared with a July 1 promise of 10,692,000 bushels and last year's yield of 12,187,000 bushels.

OATS, BARLEY AND RYE: The oats crop in Kansas is one of the finest in history, official reports from that state said. An average yield of 31 bushels per acre is recorded which is the best since 1920 and has only been exceeded five times in the last thirty-five years. Total oats production in that state was estimated at 42,687,000 bushels, compared with 28,249,000 bushels in 1929. Missouri reported a yield of 46,306,000 bushels against 33,770,000 bushels last year, Nebraska 80,960,000 bushels against 86,304,000, Oklahoma 23,940,000 bushels against 20,592,000 bushels, Colorado 5,562,000 bushels against 6,572,000 bushels, and Wyoming 4,000,000 bushels against 4,205,000 bushels. Figures for the Tenth District area indicated a yield of 165,926,000 bushels of oats as compared with 164,817,000 bushels a month earlier and 152,447,000 bushels in 1929.

The barley yield in this District, indicated by the August 1 condition, totaled 48,270,000 bushels, a decrease of 1,283,000 bushels from the July 1 estimate, and 1,703,000 bushels below production in 1929. This year's crop of rye was estimated at 6,943,000 bushels as compared with 5,391,000 bushels last year.

POTATOES suffered in yield during July from heat-rot and sun-scald, the Kansas report said in announcing an estimated yield of 125 bushels per acre for a crop of 5,875,000 bushels as compared with 4,375,000 bushels last year. Shortage of irrigation water in Northern Colorado and in the San Luis Valley early in July caused a sharp drop in the condition of potatoes in that state, though recent rains improved the situation. The Colorado crop is estimated at 11,610,000 bushels, 710,000 bushels below last year's production. Nebraska, with a promise of 7,912,000 bushels, also has a smaller potato crop than last year, by 1,012,000 bushels, and Wyoming's estimated crop of 2,080,000 bushels is 10,000 bushels below that of last year. With small increases in Missouri, Oklahoma and New Mexico, however, the Tenth District crop as a whole is estimated at 33,421,000 bushels, or 1,488,000 bushels above 1929 production.

TAME HAY crops, particularly late maturing millet, sudan, sweet clover and the third cutting of alfalfa, all suffered from the July heat wave in Kansas and, to a considerable extent elsewhere in sections affected by hot and dry weather. While Nebraska reported a moderate increase over last year in tame hay production, the states of Colorado, Kansas, New Mexico, Oklahoma and Wyoming each reported a small decrease, and Missouri a large decrease. The figures compiled for the Tenth District place this year's tame hay crop at 11,865,000 tons, a decline of 477,000 tons from the July estimate, and 483,000 tons below last year's crop.

OTHER FALL CROPS: Grain sorghums suffered from the heat in July, as did corn, and there was a marked decline in the condition between July 1 and August 1. Production in Colorado, Kansas and Oklahoma was forecast at 35,812,000 bushels against 42,376,000 bushels in 1929. The sugar beet crop in Colorado, Wyoming and Nebraska was estimated at 4,225,000 tons as compared with the 1929 production of 4,153,000 tons. The broom corn crop in this District was estimated at 50,390 tons on its condition of August 1, which is 9,990 tons above the previous year's crop of 40,400 tons.

COTTON: A United States cotton crop of 14,362,000 bales of 500 pounds gross weight was indicated for 1930 by an August 1 condition of 62.6 percent, according to the crop reporting board of the United States Department of Agriculture. Last year the August 1 condition was reported as 69.6 percent of normal and production for the year, as shown by the final report on ginnings, was 14,828,000 bales. The report in detail, presented in the table which follows, shows the August 1 condition and estimated production for the eight cotton producing states lying west of the Mississippi River and also the total for the United States:

	CONDITION		PRODUCTION	
	Percent of Normal		500-lb. Bales	
	August 1 1930	August 1 1929	Ginnings, Aug. 1, 1930	Estimated 1929
Texas.....	61	64	4,496,000	3,940,000
Oklahoma.....	60	72	1,072,000	1,143,000
Arkansas.....	46	73	1,106,000	1,435,000
Louisiana.....	54	69	632,000	809,000
Missouri.....	64	81	153,000	220,000
Arizona.....	92	86	162,000	153,000
New Mexico.....	89	86	97,000	90,000
California.....	92	86	224,000	260,000
Total 8 states.....	58.9	67.1	7,942,000	8,050,000
Total United States.....	62.2	69.6	14,362,000	14,828,000

The report said that during July unusually hot, dry weather prevailed in most of the belt from Alabama west, amounting to severe drought in many sections. Curtailment of the crop from this cause was particularly severe in Arkansas and Louisiana where the forecasts are approximately 23 percent below last year's production. Mississippi, Oklahoma, Alabama, Tennessee and Missouri are other States affected by drought with prospects below last year. The forecast in Texas is approximately 550,000 bales above the short crop of 1929. The South Atlantic States have had ample rainfall and prospective production is larger than the crop produced last year. Weevils are reported less from Alabama west to Oklahoma and prospective damage in this area is much below last year and is similar to 1924.

Grain Marketing

Receipts of new wheat at primary markets in the Tenth District since the beginning of the harvest season have been somewhat below the high record receipts at the same markets during the corresponding period last year, notwithstanding the Government's preliminary estimates indicated Tenth District farmers this year produced 4 percent more winter wheat than in 1929. This apparent slowing down in the marketing of wheat is generally attributed to a large increase in storage bins on farms and country elevators which have enabled farmers to hold much of their wheat rather than sell it at the low prices prevailing.

The dry weather during July and threatened shortage of feed crops caused farmers generally to hold their stocks of old corn, with the result that July receipts of corn at the five markets were the smallest for that month since 1927. Receipts of oats, rye, barley and kafir were considerably smaller than a year ago. Receipts of grain at the five markets are shown in the following table for the month of July with comparisons:

	Wheat Bushels	Corn Bushels	Oats Bushels	Rye Bushels	Barley Bushels	Kafir Bushels
Hutchinson.....	14,370,750	17,500	3,000	.....	10,000	2,600
Kansas City.....	33,054,740	1,702,500	200,000	16,500	225,600	68,200
Omaha.....	14,296,000	1,233,400	256,000	64,400	49,600	.....
St. Joseph.....	5,008,500	327,000	146,000	3,000	15,750	1,500
Wichita.....	10,395,000	37,700	6,000	1,300	36,400	5,200
July 1930.....	77,124,990	3,318,100	611,000	85,200	337,350	77,500
June 1930.....	13,108,300	5,166,950	1,345,000	27,300	251,300	272,000
July 1929.....	84,500,770	3,789,450	994,500	125,300	955,850	229,500

Market prices of wheat continued through July at the lowest level in recent years. At the close of the month No. 1 hard and dark wheat was quoted at 76½c to 90c per bushel at Kansas City, which was 2c to 4c under the prevailing price at the close of June. Car lot prices of No. 2 mixed corn at Kansas City on the last day of July ranged from 82½c to 83½c per bushel, which was 11c higher than the cash price paid one month earlier. The market prices of oats fluctuated narrowly during the month but at the close No. 2 white oats sold at 34c to 35c per bushel, about 15c below the price paid on July 31, 1929.

Flour Production

Mills in the Tenth District which report their weekly output to the Northwestern Miller were operated during July at 68.6 percent of their full time capacity and produced 2,248,840 barrels of flour. This was the highest percentage of full time operation and the largest number of barrels produced in any July of record. The month's production shows an increase of 215,213 barrels over June and an increase of 22,653 barrels over July last year. The reports in detail for the various milling centers of the District follow:

	July 1930 Barrels	June 1930 Barrels	July 1929 Barrels
Atchison.....	132,817	124,068	115,820
Kansas City.....	638,621	623,007	667,693
Omaha.....	113,325	103,061	90,762
Salina.....	183,206	153,100	159,281
St. Joseph.....	87,770	91,439	142,483
Wichita.....	180,394	135,096	185,400
Outside.....	912,707	803,856	854,748
Total.....	2,248,840	2,033,627	2,216,187

While the July increase in flour production was seasonal in character, miller's reports indicated the low price of wheat had stimulated domestic buying, although orders were for small lots and usually for 60 to 90-day shipments, and in a few instances for shipment through January 1. There was slight improvement in export flour trade late in July and early August. Moderate sales to the Latin Americas were reported, and there were scattered sales to Scandinavia and Russia, but bookings for other European countries were small.

Livestock

Movements of cattle from farms and ranges to the six leading markets in this District in July were heavier than in June but somewhat lighter than in July last year. The reports indicated very few shipments during July were forced on account of dry weather and feed shortage, the tendency being to withhold cattle from the market because of low prices and a slow dressed beef trade.

July reports show the number of sheep and lambs arriving at the six markets during the month was the largest for any July on twelve years' records, with increases of 12.2 percent over June and 8.6 percent over July last year. The marketing of

hogs during the warm summer month of July declined seasonally, with receipts at the six markets in July the smallest in number recorded for any month since October, and 16.7 percent below the total for July 1929.

Horses and mules received at the six markets during July totaled only 1,752 head, the smallest number received in any single month in the twelve years these statistics have been compiled. Receipts in June were 3,806 head, and in July last year they were 5,343 head.

CONDITIONS: Pastures and ranges throughout the Tenth District, as elsewhere, were damaged and livestock declined in condition as a result of the hot, dry weather which continued through July to the middle of August when checked by rains and cooler temperatures.

Reports of the United States Department of Agriculture and State Boards of Agriculture showed the August 1 condition of pastures in the farming areas of Missouri, Kansas, Oklahoma and parts of Nebraska was the lowest for many years. Stock water in many sections was low, and livestock lost flesh.

The monthly range report of the United States division of crop and livestock estimates indicated Colorado and New Mexico ranges improved by July rains and feed prospects were good, while in Wyoming and in the western plains of Kansas, Oklahoma and Nebraska ranges were dry but generally there was a good supply of feed.

The report indicated cattle in Colorado were in good shape, having made gains during the month. Cattle did well in New Mexico and western Nebraska, and held up well under dry conditions in Wyoming and on the Upper Great Plains areas. Sheep and lambs in Colorado were reported as having made good gains during July. They did well in New Mexico, but showed some slight shrinkage in parts of Wyoming.

The United States division of crop and livestock estimates, in its monthly report on the condition of ranges, cattle and sheep in thirteen western range states, gave the following figures as the composite percentages of normal condition:

(Condition, percent of normal)

	Ranges	Cattle	Sheep
August 1, 1930.....	82	87	89
July 1, 1930.....	88	90	92
August 1, 1929.....	86	89	90
Five year average.....	88.5	90.3	94.3

CATTLE ON FEED: The number of cattle on feed for market in the eleven Corn Belt states August 1 this year was about 1 percent smaller than at the same date in 1929, according to the estimates of the Department of Agriculture. The states east of the Mississippi River as a whole had about 8 percent less cattle on feed this year than last, while the states west of the river had 2 percent more. Substantial increases in the number on feed are shown for Iowa and Nebraska while all of the other states had decreases or no change from last year. The estimated num-

JULY 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.....	117,750	23,455	* 229,074	130,765	21,696	1,783	2,178	9,981	70,181	16,856	* 175,327	116,574
Omaha.....	117,887	5,098	314,394	245,731	7,280	141	1,345	47,920	78,798	4,701	217,059	171,693
St. Joseph.....	37,597	6,692	113,193	115,882	3,922	928	1,019	7,758	29,828	5,407	70,765	105,669
Denver.....	15,488	2,482	31,344	59,504	4,973	260	1,405	4,839	8,437	2,131	22,549	14,896
Oklahoma City.....	21,696	9,878	18,631	6,503	.....	.....	.....	.....	16,245	8,898	14,161	5,365
Wichita.....	11,539	3,697	34,981	6,599	.....	.....	.....	.....	5,840	1,481	32,595	5,323
July 1930.....	321,957	51,302	741,617	564,984	37,871	3,112	5,947	70,498	209,329	39,474	532,456	419,520
June 1930.....	312,156	43,849	852,650	503,333	40,221	6,449	8,552	52,826	192,434	32,156	677,416	379,017
July 1929.....	365,253	53,459	890,705	516,536	58,332	5,266	10,289	96,383	213,679	39,750	650,803	359,932
7 Months 1930.....	2,447,677	352,859	6,220,317	4,939,062	486,275	58,767	86,173	457,124	1,312,396	240,187	4,495,696	3,223,618
7 Months 1929.....	2,363,244	341,495	6,948,221	4,528,760	455,088	51,222	127,230	630,134	1,328,761	246,535	5,350,480	2,773,694

*Includes 91,823 hogs direct to packers' yards.

ber of cattle on feed August 1 this year as a percentage of the number August 1, 1929 is as follows: Ohio, 100; Indiana, 90; Illinois, 90; Michigan, 85; Wisconsin, 100; Minnesota, 100; Iowa, 108; Missouri, 85; South Dakota, 100; Nebraska, 108; Kansas, 95; Eleven states weighted, 99.3.

THE LAMB CROP: The United States lamb crop of 1930 is placed at 28,458,000, compared with 26,441,000 in 1929, an increase of 2,017,000 or nearly 8 percent, as reported by the United States division of crop and livestock estimates. Of the Nation's total lamb crop, thirteen western range states produced 18,724,000 compared with 17,115,000 last year, an increase of 1,609,000 or 9.5 percent. The report shows all western states produced more lambs than in 1929 except Texas, with a crop only slightly smaller than that of last year.

WOOL: Total wool produced in the United States in 1930 amounted to 327,989,000 pounds, 19,042,000 pounds or 6 percent greater than the 1929 crop. This increase was brought about not only by increased production of sheep but a higher average of wool per sheep. Wyoming, ranking third in wool production,

(with Texas first and Montana second) reported this year's wool production amounted to 28,710,000 pounds, an increase of 2,710,000 pounds over the 1929 output. Colorado's crop this year was 10,800,000 pounds, an increase of 1,000,000 pounds while Nebraska reported 3,081,000 pounds, a gain of 231,000 pounds.

Meat Packing

Meat packers at the six livestock centers during July purchased larger numbers of cattle and calves for their slaughtering operations than in any preceding month of the present year. However, their July purchases of these animals fell 2.6 percent and seven-tenths of 1 percent, respectively, below those for July last year. The number of sheep purchased for slaughter during July was the largest for the seventh month of any year of record. The July total of 419,520 head exceeded that for June by 40,503 head, and was 59,588 head above the total for July 1929. The summer slaughter of hogs reached the lowest point of the season, the July total showing a decrease of 21.4 percent from June and a decrease of 18.2 percent from July last year.

Business Conditions in the United States

By the Federal Reserve Board

Business activity declined further during July and industrial production and factory employment reached the lowest levels in recent years. Crops were damaged by prolonged drought. Wholesale prices declined further until early in August when agricultural prices increased, money rates continued easy.

PRODUCTION AND EMPLOYMENT: Output of factories and mines decreased by about 6 percent during July, according to the Board's index of production, which makes allowance for seasonal fluctuations. A number of automobile factories were closed during part of the month and there was substantial reduction in output of iron and steel and cotton textiles. Daily average production of bituminous coal, lumber, and shoes continued small. In the first half of August the output of steel showed a further slight decrease. Some automobile plants resumed operations on a limited scale.

Factory employment and wage payments decreased further and at the middle of July were at the lowest level since 1922. The reduction in number of workers employed was largest at steel and automobile plants, car shops and foundries, hosiery and cotton mills, and clothing factories. There was a seasonal increase in employment in the canning, flour and shoe industries. Working forces at bituminous coal mines were further reduced, and the Department of Agriculture reported an unusually small demand for farm labor.

Building contracts awarded during July and the first half of August were in exceptionally small volume, according to reports by the F. W. Dodge Corporation. The reduction from June was primarily on account of smaller awards for public works and utility construction. Building in other lines continued relatively inactive.

Feed crops and pasturage have been severely damaged by drought, which was not broken until the middle of August. The August 1 crop report of the Department of Agriculture indicated a corn crop of 2,212,000,000 bushels, the smallest since 1901 and the smallest hay crop in ten years. Food crops were less severely affected, with wheat production estimated at 821,000,000 bushels—15,000,000 bushels larger than last year.

The cotton crop was estimated at 14,362,000 bales, or slightly less than a year ago.

DISTRIBUTION: Freight-car loadings have been in smaller volume than at the same season of any other recent year. Department store sales declined in July to the lowest level since the summer of 1924.

PRICES: The sharp downward movement of wholesale prices continued through July, and the bureau of labor statistics index fell to a level 14 percent below that of a year ago. The most pronounced decreases from June to July were in the prices of cattle, beef, wheat, cotton, silk, and rubber, and nearly all commodities showed some decline. During the first half of August, prices of grains moved upward, reflecting the influence of the drought. There have also been recent increases in the prices of cattle, hogs, silver, and silk, while the prices of cotton, copper, iron and steel, and rubber have declined further to the lowest level in recent years.

BANK CREDIT: Loans and investments of reporting member banks in leading cities decreased slightly between July 16 and August 13, largely as a result of a decline of \$48,000,000 in security loans. All other loans showed little change, while investments increased further. Reserve bank credit outstanding increased by about \$60,000,000 during the first three weeks of August, reflecting seasonal increases in the demand for currency and a decrease of about \$25,000,000 in the country's gold stocks chiefly on account of gold exports to France. The increase in reserve bank credit was in the form of bankers acceptances and United States Government securities. Member bank borrowings showed little change.

Money rates continued easy. The prevailing rate on commercial paper was reduced to 3 percent around the first of August and remained at that level during the first three weeks of the month. Bond yields continued to decline. Discount rates at the Federal Reserve banks of St. Louis, San Francisco and Kansas City were lowered from 4 to 3½ percent during August.