

THE MONTHLY REVIEW

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

FEDERAL RESERVE BANK OF KANSAS CITY

M. L. McCLURE, Chairman and Federal Reserve Agent

A. M. McADAMS, Assistant Federal Reserve Agent and Secretary

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No. 7

WHEAT harvest commenced in the southern part of the District about June 15 and the June 1 estimates of the United States Department of Agriculture, although slightly lower than the May 1 estimates, placed this year's Tenth District crop above that of last year and the five-year average. Labor was reported plentiful, with little or no outside help needed for harvest. Early threshing returns indicate yields equalling expectations, and the wheat of good quality. Oats and rye prospects are good. Corn and cotton planting are completed, and fields are reported clean but some replanting was made necessary because of cut worm damage.

Tenth District commodity prices continued to decline in May. Grain prices held steady throughout the month, but wheat was somewhat lower by June 23, selling at the lowest price in thirty-five years. Livestock prices declined sharply the latter part of the month, cattle reaching the lowest level since 1911 and hogs the lowest level since 1908. During the first two weeks in June there was a sharp upturn in market quotations on cattle and hogs but sheep were lower. Prices of butter, eggs, and poultry were unchanged to lower, fluctuating narrowly throughout the month. There was a slight increase in flour prices at the close of the month but millfeed prices were lower.

On June 1, posted prices for crude oil were reduced 44 percent, on the average, to the lowest level since 1909, and resulted in lower quotations on refined products. Zinc ore increased \$1 per ton during the month, but lead ore declined \$5 per ton.

By June 1 cold storage holdings of meats other than pork, and of lard, eggs, poultry, butter, and cheese were below those of one year ago, and stocks of beef, poultry, lard, eggs, and cheese were below the June 1 five-year average. Reports also indicate less livestock on feed June 1 than on the corresponding date in 1930, with replacement costs and feed costs lower than a year ago.

Department store trade in May was seasonally smaller than in April and the dollar volume was 9.6 percent less than in May, 1930. Five wholesale lines, drygoods, groceries, hardware, furniture, and drugs, reported their May sales as slightly less than in the preceding month, and somewhat less than in May, 1930. Retailers' stocks were smaller on May 31 than one month or one year earlier. Wholesalers' stocks were increased slightly during the month, but were smaller than a year ago. Department stores reported collections during May were less than one month or one year earlier.

Mineral production in May in all lines except cement, which was seasonally larger than in April, was less than in the preceding month or the corresponding month last year. Building operations were at a standstill, the value of permits issued in Tenth District cities being the smallest May total reported in the twelve years for which records have been compiled.

BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT
Percentages of Increase or Decrease (—), for May 1931 over April 1931 and May 1930, and for the first five months of 1931 over the like period in 1930.

	May 1931		5 Months 1931	
	April 1931	May 1930	5 Months 1930	5 Months 1931
Banking				
Payments by check, 29 cities.....	— 5.4	— 21.0	—	— 20.6
Federal Reserve Bank clearings.....	— 6.1	— 21.4	—	— 17.6
Business failures, number.....	— 5.8	5.6	—	2.4
Business failures, liabilities.....	255.2	101.5	—	— 5.3
Loans, 56 member banks.....	0.3	— 16.7	—	—
Investments, 56 member banks.....	0.4	21.9	—	—
Net demand deposits, 56 member banks —	2.4	— 9.5	—	—
Time deposits, 56 member banks.....	— 0.1	12.9	—	—
Savings deposits, 50 selected banks.....	0.7	8.6	—	—
Savings accounts, 47 selected banks.....	0.3	5.6	—	—
Distribution				
Wholesalers' sales, 5 lines combined.....	— 5.2	— 18.7	—	— 18.8
Retailers' sales, 37 department stores.....	— 3.8	— 9.6	—	— 7.3
Lumber sales, 172 retail yards.....	1.6	— 28.0	—	— 30.1
Construction				
Building contracts awarded, value.....	6.5	— 18.9	—	— 30.7
Building permits in 18 cities, value.....	— 7.3	— 46.6	—	— 34.8
Grain receipts, 5 markets				
Wheat.....	80.0	247.6	—	98.1
Corn.....	— 43.7	— 17.4	—	— 16.3
Oats.....	— 40.0	— 65.8	—	— 42.4
Rye.....	30.1	37.7	—	18.3
Barley.....	75.3	— 7.3	—	— 49.0
Kafir.....	— 31.9	— 53.3	—	— 54.1
Livestock receipts, 6 markets				
Cattle.....	— 5.2	— 0.4	—	— 6.3
Calves.....	— 3.3	— 20.3	—	— 19.0
Hogs.....	13.1	— 13.7	—	— 10.3
Sheep.....	— 21.5	27.0	—	2.3
Horses and mules.....	— 33.0	— 3.0	—	— 38.0
Production				
Flour.....	— 6.1	— 18.8	—	— 8.1
Crude petroleum.....	— 0.1	— 13.5	—	— 11.0
Soft coal.....	— 9.4	— 15.5	—	— 21.2
Zinc ore (shipped) Tristate District.....	— 42.6	— 59.8	—	— 42.1
Lead ore (shipped) Tristate District.....	— 34.7	— 66.6	—	— 37.7
Cement.....	70.2	— 7.8	—	— 26.8
Meat packing, 6 cities				
Cattle.....	— 6.4	1.5	—	— 3.2
Calves.....	— 1.6	— 16.2	—	— 12.2
Hogs.....	13.6	— 13.6	—	— 3.1
Sheep.....	— 9.3	— 3.7	—	— 10.2

Banking and Credit

Condition statements of fifty-six reporting member banks in selected cities of this District as of June 10, 1931 reflect a slight increase in loans and discounts and investments, and a slight decrease in net demand deposits and time deposits since May 13.

Compared with the combined statements of the same fifty-six banks for the corresponding date in 1930, there was a decrease

of 16.7 percent in loans and discounts, with loans secured by stocks and bonds decreasing 30.8 percent and "all other" loans decreasing 9.7 percent.

Investments increased 21.9 percent during the year, there being a 20.0 percent increase in investments in United States securities and 23.4 percent increase in holdings of other bonds, stocks, and securities. Net demand deposits decreased 9.5 percent in the fifty-two weeks, but time deposits increased 12.9 percent.

The principal resource and liability items of these reporting banks are herewith presented for June 10, with comparisons:

	June 10, 1931	May 13, 1931	June 11, 1930
Loans and investments—total..	\$635,548,000	\$633,439,000	\$661,437,000
Loans and discounts—total.....	368,401,000	367,445,000	442,331,000
Secured by stocks and bonds	101,617,000	101,150,000	146,872,000
All other loans and discounts	266,784,000	266,295,000	295,459,000
Investments—total.....	267,147,000	265,994,000	219,106,000
U. S. securities.....	113,892,000	115,770,000	94,903,000
Other bonds, stks. and sec.....	153,255,000	150,224,000	124,203,000
Reserve with F. R. bank.....	51,908,000	53,448,000	55,011,000
Net demand deposits.....	442,216,000	452,956,000	488,468,000
Time deposits.....	205,522,000	205,628,000	181,976,000
Government deposits.....	172,000	2,198,000	248,000

The condition statement of the Federal Reserve Bank of Kansas City and branches as of June 10 showed the total of bills rediscounted for member banks was larger and of bills purchased smaller than on May 13. Compared to June 11, 1930 there was a decrease of 29.6 percent in bills rediscounted and an increase of 46.4 percent in bills purchased.

Total gold reserves, total resources, Federal Reserve notes in circulation, and total deposits as of June 10 were 21.5; 9.2; 12.1 and 6.4 percent, respectively, smaller than on the corresponding date last year and slightly smaller than four weeks earlier.

Total bills and securities held by this bank on June 10 were 1.5 percent larger than on May 13 and, due principally to an increase of 80.3 percent in United States securities held, 32.3 percent larger than on June 11, 1930.

Principal resource and liability items contained in the Federal Reserve Bank statement as of the dates of comparison, are shown in the following:

	June 10, 1931	May 13, 1931	June 11, 1930
Total gold reserves.....	\$ 90,247,168	\$ 93,156,011	\$115,025,458
Reserves other than gold.....	6,462,108	7,253,376	7,700,047
Total reserves.....	96,709,276	100,409,387	122,725,505
Bills discounted.....	11,105,532	8,712,511	15,771,026
Bills purchased.....	7,836,312	9,452,781	5,352,929
U. S. securities.....	33,779,500	33,779,500	18,736,000
Total bills and securities.....	52,721,344	51,944,792	39,859,955
Total resources.....	184,395,760	186,310,686	203,164,775
F. R. notes in circulation.....	62,826,290	63,745,640	71,464,380
Total deposits.....	81,889,724	84,136,717	87,521,346

The discount rate of the Federal Reserve Bank of Kansas City, on all classes of paper and all maturities, was reduced from 3½ percent to 3 percent, effective May 21.

Business Failures

There were fewer business failures in the Tenth District in May than in the preceding month, which is in accord with the seasonal trend, but the amount of liabilities involved in May failures was unusually large, having been exceeded only twice in the past four years, November, 1930 and September, 1929. There were six more failures in May than in the corresponding month last year, and the amount of liabilities involved was 101.5 percent greater. In the five months of the current year there were 2.4 percent more failures, but liabilities were 5.3 percent less than in the corresponding five months of 1930.

Commercial failures in the Tenth District and the United States, as reported by R. G. Dun and Company, are shown in the following:

	TENTH DISTRICT		UNITED STATES	
	Number	Liabilities	Number	Liabilities
May 1931.....	113	\$ 4,561,233	2,248	\$ 53,371,212
April 1931.....	120	1,284,051	2,383	50,868,135
May 1930.....	107	2,263,283	2,179	55,541,462
Five months 1931.....	644	11,105,919	13,114	318,841,721
Five months 1930.....	629	11,733,250	11,745	273,958,281

Payments By Check

Reporting banks in twenty-nine selected cities of the Tenth District reported payments by check during the four weeks ended June 3 as 5.4 percent less than in the preceding four weeks, and 21.0 percent less than in the corresponding four weeks in 1930. These declines compare with 8.8 percent and 21.4 percent, respectively, for the United States as a whole. This was the seventh consecutive period to show a decrease from the preceding period and the third consecutive period for which each of the twenty-nine cities reported a decrease from the corresponding period last year.

PAYMENTS BY CHECK

	FOUR WEEKS ENDED		Percent Change
	June 3, 1931	June 4, 1930	
Albuquerque, N. M.....	\$ 10,082,000	\$ 11,579,000	-12.9
Atchison, Kans.....	3,591,000	5,260,000	-31.7
Bartlesville, Okla.....	14,947,000	24,529,000	-39.1
Casper, Wyo.....	5,199,000	6,592,000	-21.1
Cheyenne, Wyo.....	5,719,000	5,783,000	-1.1
Colorado Springs, Colo.....	12,306,000	14,244,000	-13.6
Denver, Colo.....	129,858,000	149,709,000	-13.3
Enid, Okla.....	8,610,000	13,010,000	-33.8
Fremont, Nebr.....	3,002,000	3,647,000	-17.7
Grand Junction, Colo.....	2,403,000	2,856,000	-15.9
Guthrie, Okla.....	1,580,000	2,954,000	-46.5
Hutchinson, Kans.....	10,670,000	13,249,000	-19.5
Independence, Kans.....	5,463,000	9,418,000	-42.0
Joplin, Mo.....	6,630,000	9,952,000	-33.4
Kansas City, Kans.....	12,800,000	17,833,000	-28.2
Kansas City, Mo.....	304,809,000	362,930,000	-16.0
Lawrence, Kans.....	3,680,000	4,084,000	-9.9
Lincoln, Nebr.....	26,059,000	30,657,000	-15.0
Muskogee, Okla.....	6,831,000	9,344,000	-26.9
Oklahoma City, Okla.....	82,250,000	111,134,000	-26.0
Oklmulgee, Okla.....	2,878,000	6,430,000	-55.2
Omaha, Nebr.....	157,883,000	186,742,000	-15.5
Pittsburg, Kans.....	3,434,000	4,520,000	-24.0
Pueblo, Colo.....	14,235,000	16,825,000	-15.4
Salina, Kans.....	8,784,000	10,715,000	-18.0
St. Joseph, Mo.....	33,240,000	43,026,000	-22.7
Topeka, Kans.....	14,707,000	18,234,000	-19.3
Tulsa, Okla.....	81,163,000	135,261,000	-40.0
Wichita, Kans.....	39,588,000	51,356,000	-22.9
Total 29 cities, 4 weeks.....	\$ 1,012,401,000	\$ 1,281,873,000	-21.0
Total 29 cities, 22 weeks.....	5,939,314,000	7,476,825,000	-20.6
United States, 4 weeks.....	42,959,528,000	54,639,254,000	-21.4
United States, 22 weeks.....	243,219,263,000	328,831,465,000	-26.0

Reserve Bank Clearings

Check collections through the Federal Reserve Bank of Kansas City and branches during May were 4.3 percent smaller in the number of items handled and 6.1 percent smaller in dollar volume than in April. Compared to May, 1930 there was a decrease of 7.4 percent in the number of items handled and 21.4 percent in the amount. The figures follow:

	ITEMS		AMOUNT	
	1931	1930	1931	1930
May.....	5,423,176	5,854,125	\$ 685,779,000	\$ 872,060,000
April.....	5,666,127	6,033,121	730,218,000	881,700,000
Five months.....	27,283,721	29,069,582	3,624,081,000	4,396,005,000

RETAIL TRADE AT 37 DEPARTMENT STORES IN THE TENTH FEDERAL RESERVE DISTRICT

Stores Reporting	SALES		STOCKS (RETAIL)		STOCK TURNOVER				ACCOUNTS RECEIVABLE		COLLECTIONS		
	May 1931	5 Months 1931	May 31, 1931	May 31, 1930	May	5 Months	May 31, 1931	May 31, 1930	Apr. 30, 1931	May 31, 1930	Apr. 1931	May 1930	
	compared to May 1930	compared to 5 Months 1930	compared to Apr. 30, 1931	compared to May 31, 1930	1931	1930	1931	1930	compared to Apr. 30, 1931	compared to May 31, 1930	compared to Apr. 1931	compared to May 1930	
Kansas City.....	4	-4.1	-5.7	-4.2	-13.8	.24	.22	1.12	1.04	-3.0	-1.7	-1.5	-2.6
Denver.....	5	-9.5	-5.0	-1.6	-9.3	.23	.23	1.11	1.03	-0.1	4.6	6.6	-2.7
Oklahoma City.....	3	-13.6	-11.4	-5.1	-6.8	.29	.31	1.29	1.39	3.1	-9.5	-4.0	-16.9
Omaha.....	3	-11.4	-6.9	.....	.....	.....	.....	.....	.....	2.1	4.0	-3.6	-6.6
Lincoln.....	2	-5.3	-1.0	-1.0	-14.4	.27	.24	1.31	1.12	0.9	1.2	3.3	-4.6
Topeka.....	3	-4.7	-8.3	-2.4	-15.2	.26	.23	.96	.91	2.0	-5.6	-0.8	-11.2
Tulsa.....	4	-16.6	-10.4	-6.5	-19.9	.26	.26	1.44	1.39	-2.5	-9.5	1.1	-15.0
Wichita.....	3	-7.9	-7.1	-3.4	-14.6	.25	.19	1.20	1.00	-2.9	-9.7	-5.0	-8.7
Other Cities.....	10	-13.7	-14.0	-10.6	-13.8	.19	.19	.84	.85	0.7	-5.8	4.0	-14.8
Total.....	37	-9.6	-7.3	-4.3	-11.8	.25	.24	1.17	1.11	0.1	-1.6	0.8	-7.8

NOTE: Percentage of collections in May on accounts April 30, all stores reporting 37.6 Collections same month last year 40.5.

Savings

For the fifth consecutive month there was an increase in both savings accounts and savings deposits in May over the preceding month, as reported by a selected list of banks in this District. Total savings deposits in fifty reporting banks on June 1 were 0.7 percent larger than on May 1 and 8.6 percent larger than on June 1, 1930. Forty-seven banks reported the number of savings accounts on June 1 as 0.3 percent larger than one month earlier, and 5.6 percent larger than one year earlier.

The combined reports, as of the three dates, are given in the following table:

	Savings Accounts 47 Banks	Savings Deposits 50 Banks
June 1, 1931.....	439,777	\$137,630,422
May 1, 1931.....	438,479	136,690,814
June 1, 1930.....	416,576	126,742,900

Trade

RETAIL: Department store trade in this District during May declined by about the usual seasonal amount. Thirty-seven stores reported their May sales as 3.8 percent below their April sales and as 9.6 percent less than in May, 1930. Cumulative totals for the five months of the current year reflect a decline in sales for the period of 7.3 percent, as compared to the like period last year. Every reporting city in the District reported smaller sales in May and the five months this year than in the corresponding May and five months of 1930.

Stocks of merchandise on hand May 31 were 4.3 percent smaller than one month earlier and 11.8 percent less than one year ago. Every city showed a decrease for the month and for the year.

WHOLESALE: Each of the five reporting wholesale lines, drygoods, groceries, hardware, furniture, and drugs, reported their May sales as slightly under their April sales and substantially under sales for May, 1930. Total dollar sales of the five lines combined for May were 5.2 percent less than in the preceding month, and 18.7 percent less than in the corresponding month in 1930. All lines except drygoods reported stocks as of May 31 smaller than on April 30 this year, and May 31 last

year. Wholesalers of drygoods reported their stocks as 1.3 percent larger on May 31 than one month earlier, but 3.6 percent smaller than one year earlier.

COLLECTIONS: Collections reported by department stores during May on accounts outstanding at the end of the preceding month, averaged 37.6 percent as compared with 38.6 percent in April, and 40.5 percent in May, 1930.

All of the five representative wholesale lines reported their outstanding accounts at the close of May, and their collections during May, as below a year ago, the decrease in outstanding and the decrease in collections being in approximately the same ratio.

Crops

WINTER WHEAT: The June 1 crop forecast of the United States Department of Agriculture placed the probable yield of winter wheat in the United States as 649,115,000 bushels, compared to the 1930 production of 604,337,000 bushels, and a five-year average production of 547,427,000 bushels.

The June 1 condition of winter wheat in every state of this District, except Wyoming, was above that of June 1, 1930 or the ten-year average June 1 condition, and a crop in excess of that of 1930 and the five-year average was forecast for all states except Colorado, where the crop will be 2,200,000 bushels less. The June 1 forecasts were slightly under those for May 1 for all Tenth District states except Colorado and Oklahoma which were unchanged.

The estimated production for each of the seven states and the United States is shown in the following table:

	CONDITION		ESTIMATED PRODUCTION		
	June 1, '31	June 1, '30	June 1, 1931	May 1, 1931	Final 1930
	Percent	Percent	Bushels	Bushels	Bushels
Colorado.....	80	77	14,400,000	14,400,000	16,632,000
Kansas.....	83	69	167,776,000	173,768,000	158,422,000
Missouri.....	93	71	22,890,000	24,525,000	19,740,000
Nebraska.....	85	84	57,960,000	61,180,000	70,267,000
New Mexico.....	89	46	6,300,000	6,475,000	1,361,000
Oklahoma.....	84	59	52,500,000	52,500,000	33,696,000
Wyoming.....	81	85	1,814,000	1,930,000	1,605,000
Seven States.....	84.2	69.2	323,640,000	334,778,000	301,723,000
United States.....	84.3	71.7	649,115,000	652,902,000	604,337,000

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

	Reporting Stores	SALES		OUTSTANDINGS		COLLECTIONS		STOCKS	
		May 1931	May 1930	May 31, 1931	May 31, 1930	May 1931	May 1930	May 31, 1931	May 31, 1930
		Apr. 1931	Apr. 1931	Apr. 30, 1931	Apr. 30, 1931	Apr. 1931	Apr. 1931	Apr. 30, 1931	Apr. 30, 1931
Dry Goods.....	5	-8.5	-5.9	-3.8	-9.1	1.2	-12.4	1.3	-3.6
Groceries.....	5	-2.3	-12.7	2.8	-0.5	-3.7	-9.5	-7.0	-1.7
Hardware.....	9	-7.2	-27.2	-0.5	-11.9	2.5	-29.4	-5.6	-13.8
Furniture.....	6	-5.3	-38.1	-2.8	-35.7	-9.2	-33.8	-5.6	-37.5
Drugs.....	6	-4.5	-14.5	-1.3	-14.2	-2.2	-17.6	-2.7	-18.7

PERCENTAGE OF CONDITION OF LEADING FIELD AND ORCHARD CROPS IN TENTH DISTRICT STATES ON JUNE 1, 1931 AND 1930
(From reports of the United States Department of Agriculture)

	Winter Wheat		Spring Wheat		Oats		Rye		Barley		Tame Hay		Wild Hay		Apples		Peaches	
	1931	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931	10 yr. av.	1931	10 yr. av.	1931	10 yr. av.	1931	10 yr. av.
Colorado.....	80	77	84	87	87	87	83	83	85	88	80	91	85	91	62	81	88	73
Kansas.....	83	69	80	80	85	78	88	78	77	79	82	81	84	83	66	56	59	39
Missouri.....	93	71	85	70	88	74	90	83	88	78	79	78	83	84	84	57	88	45
Nebraska.....	85	84	77	92	85	88	79	92	82	92	80	85	76	86	52	62	39	46
New Mexico.....	89	46	91	76	88	80	89	67	88	71	85	85	90	82	62	60	45	37
Oklahoma.....	84	59	.....	.....	84	73	83	60	81	60	76	82	80	84	40	54	15	42
Wyoming.....	81	85	81	91	83	93	83	89	84	93	77	93	77	93	65	85	.....	.....
United States.....	84.3	71.7	67.9	85.7	84.7	83.2	74.8	81.4	77.2	86.4	77.4	83.7	69.6	82.9	75.7	68.2	78.5	64.3

SPRING WHEAT: The United States June 1 condition of spring wheat was reported at 67.9 percent, the lowest ever reported for that date. This low condition is due to a serious lack of moisture in the important spring wheat areas of the nation.

CORN: Planting was completed by mid-June in all Tenth District states and was reported generally good and clean. Some cut worm and army worm damage was reported from Kansas, Missouri, Oklahoma, and Nebraska, necessitating some replanting, especially in Kansas and Missouri.

Moisture is needed in western Kansas and Nebraska, north-eastern Wyoming, and in Colorado and New Mexico.

HAY: Alfalfa was damaged somewhat in Kansas by cut worms, and in Nebraska and Colorado by May freezes, and the first cutting will be light in those states. Missouri reports clover and timothy meadows showing effect of last summer's drought. Wild hay was retarded somewhat in Nebraska, Kansas, and Colorado by low temperatures and lack of moisture.

COTTON: Oklahoma reports cotton small and late but making good advance, well cultivated, and stands fair to good. In Missouri the crop has not made favorable progress due to cold rains after planting.

FRUIT: Fruit prospects, although not up to earlier expectations, are good in all states of the District, except Oklahoma, where late freezes did considerable damage, especially to peaches. The strawberry movement from the Ozark district is completed, and, although production was not as large as in former years due to many plants being killed by last summer's drought, prices were fairly satisfactory.

Flour Production

With only one month remaining of the 1930-1931 wheat year and the price uncertainty of new crop wheat, flour production in this District in May was the smallest for any month since June, 1928, and the smallest for any May since 1926. Production during the month was 6.1 percent less than in the preceding month and 18.8 percent less than in May, 1930.

Production during the eleven months of the current wheat year was 4.8 percent less than in the corresponding eleven months of the preceding wheat year.

Production at the leading milling centers in this District as compiled from weekly reports to the Northwestern Miller:

	May 1931	April 1931	May 1930
	Barrels	Barrels	Barrels
Atchison.....	110,110	122,713	137,052
Kansas City.....	606,651	625,026	680,951
Omaha.....	85,305	91,263	111,774
Salina.....	193,234	198,054	164,711
St. Joseph.....	22,440	22,641	111,231
Wichita.....	100,420	124,287	170,800
Outside.....	700,577	753,319	863,773
Total.....	1,818,737	1,937,303	2,240,292

Millfeed prices continued to decline during May, with bran displaying greater weakness than shorts. The decline in millfeed prices caused advances of 5 to 15 cents per barrel in flour prices the closing week of the month.

Demand for flour continued on a hand-to-mouth basis with car lot orders for immediate shipment predominating, although a few scattered sales of large lots were reported. A few sales of flour from new crop wheat were reported, but both the millers and the trade are waiting until the new crop comes in and a price is more definitely established.

Grain Marketing

Receipts of wheat in all American grain markets during May were exceptionally large as the Federal Farm Board had announced the abandonment of the fixed price schedule on new crop wheat, which would start moving to market by mid-June, and holders were anxious to take advantage of the fixed price on old wheat and wished to dispose of their stocks before new wheat arrived on the markets.

May receipts of old wheat at the five principal grain markets in this District were 80.0 percent larger than in April, 247.6 percent larger than in May, 1930, and almost twice as large as in any May of record. Receipts at these five markets during the eleven months of the 1930-31 wheat year totaled 232,622,320 bushels, compared to 210,472,980 bushels marketed in the corresponding eleven months of the preceding wheat year.

Marketings of corn, oats, and kafir were smaller and of rye larger in May than in April or in May, 1930. May receipts of corn at the five markets were the smallest for any month since October and for any May since 1925, and arrivals of oats were the smallest for any May on records beginning in 1920, and of kafir the smallest for any May since 1923.

The May record for the five markets follows:

	Wheat	Corn	Oats	Rye	Barley	Kafir
	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels
Hutchinson.....	1,865,700	71,250	1,500	.....	22,500	33,800
Kansas City.....	9,929,200	1,929,000	180,000	16,500	96,000	108,900
Omaha.....	4,678,400	789,600	182,000	19,600	33,600	.....
St. Joseph.....	591,000	507,000	212,000	1,500	10,500	.....
Wichita.....	1,135,500	80,600	.....	.....	23,400	7,800
May 1931.....	18,169,800	3,377,450	575,500	37,600	186,000	150,500
April 1931.....	10,117,450	6,000,100	959,000	28,900	106,100	221,100
May 1930.....	5,226,850	4,090,950	1,682,000	27,300	200,700	322,200
5 Mos. 1931	71,897,650	31,364,550	4,449,000	167,500	594,650	1,231,400
5 Mos. 1930	36,284,920	37,474,350	7,718,000	141,600	1,165,200	2,682,200

PRICES: Wheat prices, at the lowest level in nearly thirty-five years, remained unchanged during May, with No. 1 hard and dark wheat opening at 74 to 76 cents per bushel and closing at the same price on the Kansas City market. No. 2 mixed corn opened at 49½ to 51 cents per bushel, rose to 54½ cents on May 10 and closed the month at 49 to 50 cents. Prices paid for No. 2 white oats fluctuated between 29 cents per bushel and 32 cents, closing at the latter figure. May, 1930 closing prices

were as follows: No. 1 hard and dark wheat \$1.02 to \$1.17; No. 2 mixed corn 75 to 77 cents, and No. 2 white oats 40½ to 41 cents per bushel.

On June 3 the Grain Stabilization Corporation announced its immediate abandonment of paying fixed prices for wheat and for several days quotations on old crop wheat fluctuated considerably at lower levels. On June 23 quotations on the Kansas City market were 12 to 15 cents under the May close.

Livestock

Livestock on western ranges are reported in good condition with ranges and pastures generally good. Prospects are favorable for a good calf crop with cows in good flesh. Weather conditions during May were favorable for range lambing and reports indicate a large lamb crop and light losses. Few sales and trades of cattle have been reported, but no lambs had been contracted to June 1. Some wool has been marketed at 12 to 16 cents per pound and some consignments to the National Wool Marketing Corporation have been made.

The June 1 condition of livestock and ranges in this District was reported by the Division of Crop and Livestock Estimates as follows:

"COLORADO: Ranges made slow growth in May but feed generally good. Cattle generally in good flesh. Sheep are in good condition with a few thin ewes in western and southcentral sections. Lamb crop good with about normal losses. Calf crop generally good. Snow light in mountain areas.

"KANSAS (WESTERN): Soil moisture generally adequate but somewhat short in northwest. Grass prospects good. Cattle are in good condition. Some calves lost as the result of the March storm. Some pastures are not filled.

"NEBRASKA (WESTERN): Late freezes and lack of moisture have reduced range feed which is fair to good. Cattle generally in good condition. Calf crop below normal due to spring storms.

"NEW MEXICO: Ranges improved with May rains and carry a good supply of feed, although a few places are beginning to dry up. Cattle are doing well with favorable prospects for a calf crop. Sheep are generally in good condition with some losses of old ewes. The lamb crop ranges from poor to very good, with considerable loss in a few areas.

"OKLAHOMA: Soil moisture conditions are good, except in a few places, pastures have improved and feed is good. Cattle are making good gains and are in good flesh.

"WYOMING: Ranges good in northwest, central and southwest, but dry in northeast and southeast. Moisture below normal. Summer feed prospects good but rain needed. Lamb and calf crops generally good with light losses from May storms. Ewes are generally in fair to good condition. Cattle and sheep have done well but show a slight shrink in drier areas."

There was a decrease of 18 percent in the spring movement of cattle to the Blue Stem pastures of Kansas and the Osage country in Oklahoma. The two regions received 386,000 head of cattle from January 1 to May 31 this year, compared with 471,000 head in 1930 and a five-year (1925-1929) average of 439,000 head. The movement from the southwest was late, but cattle were in unusually good condition and pastures in both sections are excellent with stock water plentiful. Many of these cattle will be ready for marketing in late June and July if prices are satisfactory.

MARKET MOVEMENTS: Fewer cattle, calves, and sheep and more hogs were received at the six principal livestock markets of this District during May than in any month since February. The May movement of hogs was the smallest for that month since 1922, and of calves since 1921. Marketings of cattle during the month were the smallest, and of sheep the largest recorded for any May in the twelve years for which our records have been compiled.

There was a seasonal decline in the number of horses and mules arriving at these markets during May as compared to April amounting to 33 percent, and the total for the month was 3.0 percent under that of May, 1930.

Sixty-five markets in the United States received 4.4 percent more cattle, 1.7 percent fewer calves, 10.8 percent fewer hogs, and 20.4 percent more sheep in May, 1931 than in May, 1930. May receipts of cattle, calves, and hogs were 12.9, 10.6, and 14.1 percent, respectively, under the five year average (1926-30) for that month and receipts of sheep were 37.9 percent in excess of the five-year average.

STOCKER AND FEEDER MOVEMENT: Four Tenth District markets reported fewer cattle, calves, and hogs and more sheep shipped to the country for feeding during May than in April this year or May, 1930. The outgo of cattle was the smallest and of sheep the largest for any May on records beginning in 1921. Shipments of hogs were the smallest for any May since 1921, and of calves the smallest for any May since 1925.

All principal markets in the United States reported a reduction of 21.4, 33.4, and 29.9 percent in the countryward movement of cattle, calves, and hogs in May as compared to May, 1930, and an increase of 23.9 percent in the outgo of sheep. Compared to the May five-year average (1926-30), stocker and feeder shipments of cattle, calves, hogs, and sheep declined 39.5, 18.7, 46.2, and 7.8 percent, respectively.

MEAT PACKING: Following the course of receipts at the six Tenth District markets, there was a decline in meat packing operations in the beef and mutton departments and an increase in the swine department in May as compared to April.

The May slaughter of cattle was the largest for that month since 1928 and of calves the smallest since 1922. Fewer hogs and, with the exception of May, 1930, more sheep were killed during the month than in any like month of record.

As measured by the number of animals slaughtered under federal meat inspection, there were 2.0 percent more cattle, 0.9 percent more calves, 5.4 percent more sheep, and 10.8 percent fewer hogs killed in the United States in May, 1931 than in May, 1930.

PRICES: Livestock prices continued downward in May, cattle closing the month \$1 to \$1.25 per hundred lower than one month earlier, fed steers showing the greater loss with the low

MAY 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.....	107,711	14,156	*277,908	284,830	21,337	1,758	3,274	19,446	57,353	12,037	*236,059	129,139
Omaha.....	122,623	4,741	254,381	243,004	7,914	1,187	2,269	46,650	76,866	3,554	181,179	155,427
St. Joseph.....	34,253	6,009	116,549	149,124	2,348	584	2,283	24,370	26,116	5,512	83,388	111,797
Denver.....	33,625	3,082	49,323	86,556	13,904	1,019	1,019	9,305	9,777	2,049	42,435	24,746
Oklahoma City.....	13,101	5,160	23,993	17,167	.....	.....	.....	.....	8,389	4,572	19,441	12,404
Wichita.....	19,630	4,837	48,337	11,825	.....	.....	.....	.....	5,565	1,648	46,291	11,518
May 1931.....	330,943	37,985	770,491	792,506	45,503	4,548	8,935	99,771	184,066	29,372	608,793	445,031
April 1931.....	349,173	39,287	681,164	1,009,327	62,960	5,489	9,730	92,880	196,643	29,845	535,715	490,830
May 1930.....	332,247	47,638	893,206	623,846	66,885	8,156	13,141	55,164	181,421	35,065	704,466	462,146
5 Months 1931.....	1,699,615	208,781	4,147,746	3,958,352	349,445	35,677	40,224	424,292	881,296	148,031	3,184,026	2,177,595
5 Months 1930.....	1,813,564	257,708	4,626,050	3,870,745	408,183	49,206	71,674	333,800	910,633	168,557	3,285,824	2,425,081

* Includes 146,114 hogs shipped direct to packers' yards.

top of the month on heavy hives being the lowest since 1911. On May 28 the top on hogs at Kansas City was \$5.85, the lowest top price on that market since 1908. The lamb market was erratic during May, but closing prices showed net losses for the month of 25 cents to \$1.

Moderate receipts of cattle and light receipts of hogs coupled with a slightly improved demand for pork, resulted in an upturn in prices the first half of June of approximately \$1 per hundred pounds on cattle and \$1.60 per hundred on hogs above the May low. On June 18, yearling steers topped the Kansas City market at \$8.85, the highest since May 4, and the top on hogs for that date was \$7.45, within 55 cents of the year's highest price. Increased receipts of sheep caused an average decline of \$1 per hundred in values up to June 20.

Cold Storage Holdings

United States cold storage holdings of meat, exclusive of poultry, totaled 958,594,000 pounds June 1 this year compared to 834,656,000 pounds June 1, 1930 and a five-year June 1 average of 889,497,000 pounds. This increase was due to larger holdings of frozen and cured pork, as holdings of beef, lamb and mutton, and miscellaneous meats were smaller than one year earlier and beef stocks were under the five-year average. Storage stocks of lard were 10.2 percent smaller on June 1 than one year earlier and 26.5 percent smaller than the five-year average.

Between May 1 and June 1 there was a seasonal out-of-storage movement of meats and a seasonal in-storage movement of lard, eggs, butter, and cheese. The in-storage movement of butter, eggs, and cheese during May was under that of last year or the five-year average.

On June 1 cold storage holdings of all commodities, except pork, were smaller than on June 1, 1930 and stocks of beef, poultry, turkeys, lard, eggs (loose), and cheese were below the five-year average June 1 holdings.

The June 1 cold storage holdings for the United States, as reported by the Bureau of Agricultural Economics, are shown in the following:

	*June 1 1931	May 1 1931	June 1 1930	June 1 5-Yr. Av.
Beef, lbs.....	49,169	53,150	71,556	53,816
Pork, lbs.....	827,743	867,524	675,167	765,528
Lamb and mutton, lbs.....	2,331	2,529	4,639	2,257
Poultry, lbs.....	35,343	45,920	61,167	50,203
**Turkeys, lbs.....	3,894	4,816	8,742	7,783
Miscellaneous meats, lbs.....	79,351	81,359	83,294	67,896
Lard, lbs.....	103,456	95,693	115,270	140,727
Eggs, case.....	7,881	5,162	9,178	8,050
Eggs, frozen (case equivalent).....	3,046	2,615	3,054	2,016
Butter, creamery, lbs.....	35,286	17,195	50,378	30,133
Cheese, all varieties, lbs.....	55,941	53,172	68,127	56,249

*Subject to revision. **Included in poultry. (000 omitted).

Building

Building operations in this District during May, as measured by the number and value of permits issued in eighteen leading cities, were substantially under those of the corresponding month of the twelve preceding years for which records have been compiled. Compared to April, there was a decrease for the month of 12.4 percent in the number of permits issued and 7.3 percent in the estimated cost of construction. The number and value of building permits issued during the first five months of the current year were 15.4 percent and 34.8 percent, respectively, less than in the corresponding five months of 1930.

BUILDING IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST	
	1931	1930	1931	1930
Albuquerque, N. M.....	81	99	\$ 127,657	\$ 131,251
Cheyenne, Wyo.....	32	21	39,190	30,675
Colorado Springs, Colo.....	40	62	17,670	64,675
Denver, Colo.....	405	570	906,400	741,100
Hutchinson, Kans.....	31	30	29,155	42,430
Joplin, Mo.....	14	33	5,100	219,556
Kansas City, Kans.....	77	75	62,300	174,165
Kansas City, Mo.....	202	199	574,700	2,026,250
Lincoln, Nebr.....	54	50	85,555	416,760
Oklahoma City, Okla.....	259	282	1,522,556	2,347,841
Omaha, Nebr.....	103	107	320,130	554,364
Pueblo, Colo.....	107	112	64,040	46,225
Salina, Kans.....	17	20	59,150	52,850
Shawnee, Okla.....	8	17	35,650	22,975
St. Joseph, Mo.....	53	58	169,555	64,563
Topeka, Kans.....	53	63	98,000	347,119
Tulsa, Okla.....	122	207	385,072	839,265
Wichita, Kans.....	105	159	168,357	617,968
May, 18 cities.....	1,763	2,164	\$ 4,670,237	\$ 8,740,932
Five months, 18 cities.....	8,126	9,600	23,914,257	36,684,319

The F. W. Dodge Corporation reports the value of building contracts awarded in the Tenth District, as a whole, during May as 6.5 percent larger than in April but 18.9 percent smaller than in May, 1930. Residential construction declined 7.7 percent from the preceding month and 7.6 percent from the corresponding month last year, and the May total was the smallest reported for that month in the six years of record.

The April report of the F. W. Dodge Corporation on residential and total building contracts awarded in the Tenth District and the United States:

TOTAL BUILDING CONTRACTS AWARDED

	TENTH DISTRICT		UNITED STATES	
	1931	1930	1931	1930
May.....	\$13,954,367	\$ 17,216,399	\$ 306,079,100	\$ 457,416,000
April.....	13,105,310	20,754,472	336,925,200	483,251,700
5 Months.....	74,089,920	106,937,518	1,476,347,100	2,038,814,900

RESIDENTIAL CONTRACTS AWARDED

	TENTH DISTRICT		UNITED STATES	
	1931	1930	1931	1930
May.....	\$ 2,129,151	\$ 3,385,148	\$ 88,899,600	\$116,568,500
April.....	4,305,784	4,027,702	95,896,400	123,141,900
5 Months.....	11,259,917	20,787,267	418,001,900	480,597,100

Lumber

Retail lumber sales in this District in May, as indicated by the combined reports of 172 retail yards, was 1.6 percent larger than in April, but 28.0 percent smaller than in May, 1930. In 1930 and 1929 May sales declined from April sales by 15.5 percent and 7.5 percent, respectively, but in the three years immediately preceding 1929, May sales slightly exceeded April sales.

Stocks were reduced 1.8 percent between April 30 and May 31, and on the latter date were 12.3 percent smaller than one year earlier.

Percentages of increase or decrease for May, 1931 over April, 1931 and May, 1930 on the various items reported, are shown in the following summary:

	May 1931 April 1931	Compared to May 1930
Sales of lumber, board feet.....	1.6	-28.0
Sales of all materials, dollars.....	-2.5	-37.7
Stocks of lumber, board feet.....	-1.8	-12.3
Outstandings, end of month.....	2.9	-27.9
Collections during month.....	-13.4	-38.3

Cement

Cement production in this District in May was the largest for any month since last August and 70.2 percent larger than in April, which is considerably more than the usual seasonal increase. May production was 7.8 percent smaller than in the corresponding month last year, but larger than that for May, 1929 and 1928. Shipments were also larger than in April but 4.3 percent smaller than in the corresponding month last year, exceeding however, shipments during May, 1929 and 1928.

Portland cement stocks at mills on May 31 were 2.5 percent less than on April 30 and the lowest since December 31, 1930. However, stocks on May 31 were 2.2 percent larger than one year earlier.

Production in this District in May, as reported by the United States Bureau of Mines, with comparisons:

	May 1931	April 1931	May 1930
Production.....	1,544,000	907,000	1,674,000
Shipments.....	1,607,000	1,126,000	1,680,000
Stocks, end of month.....	2,423,000	2,485,000	2,370,000

Portland cement production in the United States in May totaled 14,006,000 barrels, shipments 14,222,000 barrels, and stocks on hand at the end of the month 29,447,000 barrels. Compared to May, 1930, production decreased 18.8 percent, shipments 17.4 percent, and stocks 4.7 percent.

Petroleum

Crude oil production in Tenth District fields declined slightly during May although production in the United States increased somewhat, due to large initial new production in east Texas fields. The May production in this District was the smallest for any May since 1926, 0.1 percent smaller than in April and 13.5 percent smaller than in May, 1930. New Mexico was the only state in the District to report larger production in May this year than in May, 1930. The production figures:

GROSS PRODUCTION

	*May 1931	April 1931	May 1930
	Barrels	Barrels	Barrels
Oklahoma.....	17,421,000	17,750,000	20,959,000
Kansas.....	3,330,000	3,172,000	3,969,000
Wyoming.....	1,320,000	1,334,000	1,572,000
Colorado.....	126,000	128,000	137,000
New Mexico.....	1,351,000	1,197,000	588,000
Total, five states.....	23,548,000	23,581,000	27,225,000
Total, United States.....	75,683,000	73,101,000	80,176,000

On June 1 crude oil purchasing companies posted a new schedule of prices to be paid for the various grades amounting on the average to a 44 percent decline. This was the second drastic price cut during 1931 as the first week in March prices were reduced approximately 35 cents per barrel. Under the new price schedule, high grade Oklahoma and Kansas crudes are selling at 37 cents per barrel and low grade oils at 25 cents per barrel. The lowest price ever previously posted was 35 cents for oil above 30 degree gravity in 1909 and the highest posted price ever paid for Kansas and Oklahoma oil was \$3.50 per barrel from March 20, 1920 to January 2, 1921, with independent refineries paying premiums of 25 to 50 cents per barrel.

Prices of refined products weakened in sympathy with the reduction in crude oil prices.

The May report on field operations discloses that fewer wells were completed during the month than in any month on records beginning in 1919, and that the daily new production from wells completed was the smallest for any month since January, 1924, and for any May of record.

For the eleventh consecutive month there was a decrease in the number of rigs up and wells drilling on June 1 and the total number, as of that date, was the smallest of record.

The field summary:

	Wells Completed	Barrels Daily New Production	Dry Wells	Gas Wells	Rigs-Wells Drilling
Oklahoma.....	65	34,742	36	12	375
Kansas.....	41	13,569	14	8	165
Wyoming.....	4	150	2	0	96
Colorado.....	0	0	0	0	80
New Mexico.....	2	0	2	0	48
May 1931.....	112	48,461	54	20	764
April 1931.....	188	232,233	53	40	783
May 1930.....	439	356,705	138	34	1,444

Bituminous Coal

There was more than the usual seasonal decline in soft coal mining in this District in May as compared to April. Production during May was 9.4 percent less than in April and 15.5 percent less than in May, 1930, and the total for the month was the smallest recorded for any month since May, 1922.

United States production of bituminous coal during May was the smallest for any month since August, 1922 and for any May since that year.

The production of the six coal producing states of this District and the United States for May, with comparisons:

	*May 1931	April 1931	May 1930
	Tons	Tons	Tons
Colorado.....	355,000	396,000	490,000
Kansas.....	153,000	165,000	126,000
Missouri.....	185,000	208,000	225,000
New Mexico.....	122,000	122,000	146,000
Oklahoma.....	78,000	90,000	110,000
Wyoming.....	340,000	380,000	362,000
Total, six states.....	1,233,000	1,361,000	1,459,000
Total, United States.....	28,333,000	28,478,000	35,954,000

*Estimated.

Zinc and Lead

Activity at the zinc and lead mines in Oklahoma, Kansas, and Missouri continued to decline in May. Production of both zinc ore and lead ore, for the four weeks ended May 30, was substantially below that of the preceding four weeks ended May 2 and the corresponding four weeks ended May 31, 1930. Zinc ore shipments for the week ended May 23 were the smallest recorded for any week since 1923 and lead ore shipments the smallest since July, 1905.

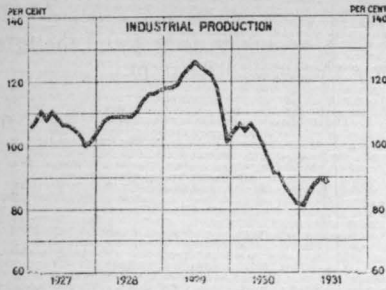
Two \$2.50 per ton declines during the month carried lead ore prices to \$30 per ton, which price was below 1921 levels and compares with \$65 per ton on May 31, 1930. Zinc ore prices, after remaining unchanged for six weeks, increased \$1 per ton the final week of the month to close at \$21 per ton as against \$31 per ton one year earlier.

Tonnages of ores shipped and their sales value are here shown for four week and twenty-two week periods:

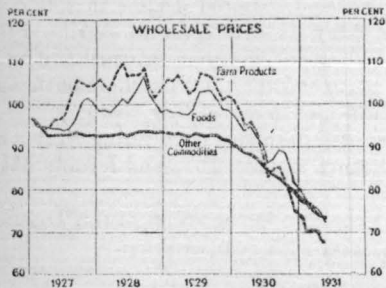
	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	11,990	\$ 239,800	1,047	\$ 33,492
Kansas.....	3,674	73,480	279	9,053
Missouri.....	103	2,060	89	2,775
4 Wks. ended May 30, 1931.	15,767	\$ 315,340	1,415	\$ 45,320
4 Wks. ended May 2, 1931...	27,478	625,083	2,166	95,140
4 Wks. ended May 31, 1930.	39,260	1,292,106	4,240	267,657
22 Wks. ended May 30, 1931.	118,270	2,874,099	12,867	589,121
22 Wks. ended May 31, 1930.	204,415	7,214,491	20,644	1,433,601

Business Conditions in the United States

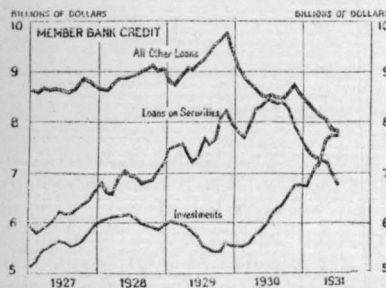
By the Federal Reserve Board



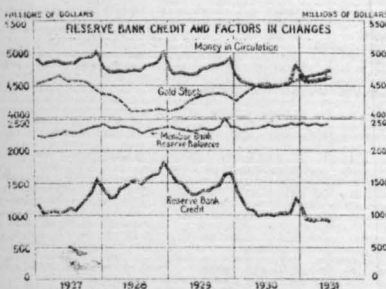
Index number of industrial production, adjusted for seasonal variation (1923-1925 average=100). Latest figure, May, 89.



Indexes of the United States Bureau of Labor Statistics (1926=100). Latest figures May, farm products 67.1, foods 72.9, other commodities 73.2.



Monthly averages or weekly figures for reporting member banks in leading cities. Latest figures are averages of first three weeks in June.



Monthly averages of daily figures. Latest figures are averages of first 17 days in June.

The volume of industrial production showed little change between April and May following upon increases for four consecutive months, while factory employment declined by the usual seasonal amount. The general level of wholesale prices continued to decline.

PRODUCTION AND EMPLOYMENT: Volume of industrial production, as measured by the Board's seasonally adjusted index, was about the same in May as in April, 9 percent larger than in December, and 14 percent smaller than in May, 1930. Steel output continued to decline more rapidly than is usual at this season, and consumption of cotton by domestic mills was also curtailed, while wool consumption continued to increase, contrary to the usual seasonal tendency, and shoe production, which ordinarily declines in May, showed little change. Daily average output of automobiles, according to preliminary reports, was about the same as in April. During the first three weeks of June activity at steel mills declined further.

In the first five months of the year, taken as a whole, output of textile mills and shoe factories has been in about the same volume as in the corresponding period last year, while output of steel, automobiles and lumber has been about one-third smaller.

Changes in employment from the middle of April to the middle of May were of the usual seasonal character in many manufacturing industries. In the iron and steel industry, however, at car building shops, and at establishments producing machinery, employment declined considerably, while it increased in the automobile and tire industries. At textile mills employment increased somewhat, contrary to seasonal tendency, while in the clothing industry the number employed decreased.

Value of building contracts awarded in May was somewhat smaller than in April reflecting chiefly a decline in awards for public works and utilities. In the first half of June daily average value of contracts awarded increased somewhat, reflecting larger awards for public works and utilities, offset in part by decreases in awards for other types of construction.

DISTRIBUTION: Sales by department stores decreased in May, contrary to the usual seasonal tendency, and the Board's index declined to the level prevailing before the sharp increase in April. Total freight car loadings increased somewhat less than usual.

WHOLESALE PRICES: The general level of wholesale prices declined 2.7 percent further in May, according to the Bureau of Labor Statistics, reflecting large decreases in prices of agricultural products, textiles, nonferrous metals and building materials. In the first half of June prices of livestock which had declined rapidly in April and May advanced, while prices of petroleum continued to decline.

BANK CREDIT: Loans and investments of reporting member banks in leading cities declined further by about \$285,000,000 in the four weeks ended June 17, reflecting reductions of loans on securities, "all other" loans, largely commercial, have shown little change since the early part of May. The banks' investments, which reached a new high level late in April, were reduced somewhat during May, and have fluctuated within a range from \$7,800,000,000 to \$7,850,000,000 since that time. During the four weeks ended June 17 there were imports of gold from Argentina and Canada, and in addition a large amount of gold previously earmarked for foreign account was released in the United States. The total increase in the stock of monetary gold was \$120,000,000 for the period, of which \$90,000,000 was added during the last week. Payments of currency into circulation, accompanying bank suspensions in the Chicago district, absorbed a large part of the funds arising out of the additions to the gold stock, with the consequence that there was little change in the volume of reserve bank credit.

MONEY RATES: Money rates in the open market continued at a low level during May and the first three weeks of June. There was a further decline in prevailing rates on commercial paper from a range of 2-2¼ to a level of 2 percent, while rates on banker's acceptances were unchanged at 7-8 of 1 percent. Rates paid on deposits by banks were further reduced and clearing house banks in a number of financial centers established a rate of ½ of 1 percent on banker's balances.