

# 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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**T**HE low level of commodity prices continues to have a depressing effect on conditions in the Tenth District. Substantial improvement in grain prices the latter part of October and the forepart of November has encouraged agricultural and business interests, although reactions in prices to November 20 reduced the gains by approximately one-half from the extreme advances.

The advance in grain prices was followed by an advance in flour and millfeed prices. Livestock values, with the exception of prime, long fed steers and yearlings, declined, with well finished hogs selling at the lowest prices since 1908 and fat lambs at the lowest prices since 1911. Crude oil prices were unchanged in October but advanced 15 cents per barrel the first week in November, and prices of refined products strengthened somewhat. Zinc ore and lead ore prices declined during October.

Weather conditions were exceptionally favorable for the maturing and harvesting of crops. Fall sown wheat in the western part of the District remained in need of moisture.

Retail trade, as measured by the dollar sales of thirty-five department stores, increased 7.7 percent in October as compared to September, equalling the five year average increase. Compared to October, 1930, the dollar volume of sales declined 20.5 percent. Sales at wholesale were 3.8 percent smaller in October in dollar volume than in the preceding month and 28.6 percent smaller than in the corresponding month last year.

Crude oil production increased with the removal of shut-down orders in Oklahoma on October 10. Bituminous coal production was seasonally larger in October than in September, flour production increased 8.2 percent, and cement production 4.5 percent. Zinc ore and lead ore shipments declined. Production in all lines, with the exception of a slight increase in flour milling, was somewhat smaller than in October, 1930.

## Financial

**REPORTING MEMBER BANKS:** The combined statements of fifty-four member banks in selected cities in this District showed loans and discounts declined 0.4 percent, investments 1.8 percent, net demand deposits 4.7 percent and time deposits 2.5 percent between October 14 and November 10.

Compared to November 12, 1930, total loans and discounts were reduced 18.6 percent, those secured by stocks and bonds 18.7 percent, and "all other" loans 18.5 percent. Due to an increase of 21.7 percent in investments in United States Government securities, total investments increased 5.7 percent during the year as investments in other bonds, stocks, and securities were reduced 6.1 percent. Net demand deposits declined 21.2 percent and time deposits 3.9 percent in fifty-two weeks.

## BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT

Percentages of Increase, or Decrease (—), for October 1931 over September 1931 and October 1930, and for the first ten months of 1931 over the like period in 1930.

	October 1931 Compared to		10 Mos. 1931 Compared to	
	Sept. 1931	Oct. 1930	10 Mos. 1931	10 Mos. 1930
<b>Banking</b>				
Payments by check, 29 cities.....	0.6	—29.4	—	—24.0
Federal Reserve Bank clearings.....	5.2	—22.4	—	—18.2
Business failures, number.....	— 2.3	— 3.1	—	— 3.3
Business failures, liabilities.....	—68.3	—24.6	—	— 2.3
Loans, 54 member banks.....	— 0.4	—18.6	—	—
Investments, 54 member banks.....	— 1.8	5.7	—	—
Net demand deposits, 54 member banks.....	— 4.7	—21.2	—	—
Time deposits, 54 member banks.....	— 2.5	— 3.9	—	—
Savings deposits, 49 selected banks.....	— 3.7	— 4.2	—	—
Savings accounts, 47 selected banks.....	— 1.0	— 0.8	—	—
Life insurance, written.....	6.7	—20.4	—	—16.3
<b>Distribution</b>				
Wholesalers' sales, 5 lines combined.....	— 3.8	—28.6	—	—20.4
Retailers' sales, 35 department stores.....	7.7	—20.5	—	—11.6
Lumber sales, 169 retail yards.....	7.1	—31.9	—	—26.3
<b>Construction</b>				
Building contracts awarded, value.....	—47.6	—71.6	—	—49.8
Building permits in 18 cities, value.....	21.7	—62.1	—	—37.6
<b>Production</b>				
Flour.....	8.2	0.2	—	— 7.5
Crude petroleum.....	37.4	—18.3	—	—16.9
Soft coal.....	15.7	—20.1	—	—14.3
Zinc ore (shipped) Tristate District.....	—18.8	—56.1	—	—47.4
Lead ore (shipped) Tristate District.....	—49.9	—62.4	—	—39.4
Cement.....	4.5	—16.4	—	—25.1
<b>Grain receipts</b>				
Wheat.....	—13.8	93.2	—	34.9
Corn.....	38.6	—38.7	—	—22.9
Oats.....	—35.0	—53.8	—	—42.4
Rye.....	—12.8	—83.2	—	—79.2
Barley.....	29.9	—53.5	—	—68.4
Kafir.....	539.8	280.2	—	—42.0
<b>Livestock receipts</b>				
Cattle.....	20.6	—13.3	—	— 4.7
Calves.....	54.6	—25.8	—	—22.2
Hogs.....	7.6	— 2.2	—	— 8.5
Sheep.....	12.6	19.6	—	6.4
Horses and mules.....	49.0	13.6	—	—31.6
<b>Meat packing, 6 cities</b>				
Cattle.....	2.9	—12.4	—	— 6.6
Calves.....	5.4	—26.0	—	—16.7
Hogs.....	8.7	7.0	—	— 5.7
Sheep.....	— 5.2	— 5.1	—	— 7.4
<b>Stocker and feeder shipments, 4 markets</b>				
Cattle.....	50.6	—23.8	—	—11.5
Calves.....	138.1	—18.9	—	—21.8
Hogs.....	76.8	81.2	—	—14.6
Sheep.....	18.3	20.3	—	25.7

**RESERVE BANK OPERATIONS:** The demand for credit at the Federal Reserve Bank of Kansas City and branches continued to expand between October 14 and November 10, and rediscounts of member banks, as of the latter date, were \$13,041,357 larger than four weeks earlier and \$20,854,113 larger than on November 12, 1930. The bank decreased its holdings of acceptances \$6,540,159 in four weeks, but the total as of November 10 was \$26,747,603 larger than on the corresponding date last year.

Increased rediscounts and the purchase of United States Government securities to the amount of \$10,400,000, offset in part by the reduction in acceptance holdings, resulted in an increase of 22.9 percent during the four weeks in the total of bills and securities held by this bank, which, on November 10, was 73.5 percent larger than one year ago.

Federal reserve note circulation was increased 6.4 percent in four weeks and 21 percent during the year.

Principal resource and liability items of the fifty-four reporting banks and of the Federal Reserve Bank of Kansas City, as of three dates, follow:

	REPORTING MEMBER BANKS		
	Nov. 10, 1931	Oct. 14, 1931	Nov. 12, 1930
Loans and investments—total.....	\$601,696,000	\$607,906,000	\$664,152,000
Loans and discounts—total.....	336,921,000	338,367,000	413,753,000
Secured by stocks and bonds	91,181,000	89,872,000	112,096,000
All other loans and discounts	245,740,000	248,495,000	301,657,000
Investments—total.....	264,775,000	269,539,000	250,399,000
U. S. securities.....	130,095,000	129,897,000	106,928,000
Other bonds, stks. and sec.....	134,680,000	139,642,000	143,471,000
Reserve with F. R. bank.....	45,967,000	49,822,000	54,535,000
Net demand deposits.....	390,404,000	409,743,000	495,235,000
Time deposits.....	190,823,000	195,694,000	198,576,000
Government deposits.....	2,024,000	6,425,000	716,000

	FEDERAL RESERVE BANK		
	Nov. 10, 1931	Oct. 14, 1931	Nov. 12, 1930
Gold reserves.....	\$ 64,342,489	\$ 85,925,408	\$ 99,397,902
Reserves other than gold.....	7,645,529	7,376,218	7,027,297
Total reserves.....	71,988,018	93,301,626	106,425,199
Bills discounted.....	35,012,804	21,971,447	14,158,691
Bills purchased.....	36,076,602	42,616,761	9,328,999
U. S. securities.....	19,514,600	9,114,600	28,736,000
Total bills and securities.....	90,604,006	73,702,808	52,223,690
Total resources.....	195,231,484	203,229,550	202,189,752
F. R. notes in circulation.....	80,033,310	75,226,490	66,120,080
Total deposits.....	78,588,134	88,279,210	86,111,315

The discount rate of the Federal Reserve Bank of Kansas City, on all classes of paper and all maturities, was advanced from 3 percent to 3½ percent, effective October 23.

### Savings

Reports as of November 1 reflected decreases from October 1 this year and November 1, 1930, in the number of savings accounts and the amount of savings deposits in selected banks in leading cities of the District. Forty-nine banks reported their savings deposits declined 3.7 percent during October, and 4.2 percent during the year. Reports from forty-seven banks indicate the number of savings accounts declined 1 percent for the month and 0.8 percent for the year.

Savings accounts and savings deposits as of the three dates:

	Savings Accounts		Savings Deposits	
	47 Banks		49 Banks	
November 1, 1931.....	422,835		\$125,609,656	
October 1, 1931.....	427,119		130,463,993	
November 1, 1930.....	426,425		131,157,643	

### Payments By Check

Returns from banks in twenty-nine leading cities of the District indicate a seasonal increase, slightly under the average, in payments made by check in the five weeks' period ended November 4 as compared to the total for the preceding five weeks. Compared to the corresponding five weeks last year,

payments declined 29.4 percent, carrying the total decrease for the forty-four weeks of the current year as compared to the like period last year, to 24 percent.

### PAYMENTS BY CHECK

	FIVE WEEKS ENDED		Percent Change
	Nov. 4, 1931	Nov. 5, 1930	
Albuquerque, N. M.....	\$ 10,780,000	\$ 14,954,000	-27.9
Atchison, Kans.....	4,274,000	6,758,000	-36.8
Bartlesville, Okla.....	15,690,000	30,936,000	-49.3
Casper, Wyo.....	6,773,000	9,292,000	-27.1
Cheyenne, Wyo.....	8,050,000	8,255,000	-2.5
Colorado Springs, Colo.....	15,856,000	19,634,000	-19.2
Denver, Colo.....	160,315,000	208,178,000	-23.0
Enid, Okla.....	12,980,000	15,970,000	-18.7
Fremont, Nebr.....	3,475,000	3,950,000	-12.0
Grand Junction, Colo.....	3,059,000	4,125,000	-25.8
Guthrie, Okla.....	1,924,000	3,303,000	-41.7
Hutchinson, Kans.....	14,412,000	16,827,000	-14.4
Independence, Kans.....	5,845,000	11,867,000	-50.7
Joplin, Mo.....	8,577,000	13,370,000	-35.8
Kansas City, Kans.....	16,076,000	23,047,000	-30.2
Kansas City, Mo.....	344,995,000	488,286,000	-29.3
Lawrence, Kans.....	4,989,000	5,444,000	-8.4
Lincoln, Nebr.....	33,642,000	41,142,000	-18.2
Muskogee, Okla.....	9,072,000	12,603,000	-28.0
Oklahoma City, Okla.....	91,404,000	143,911,000	-36.5
Okmulgee, Okla.....	3,204,000	5,963,000	-46.3
Omaha, Nebr.....	182,141,000	234,617,000	-22.4
Pittsburg, Kans.....	4,699,000	5,649,000	-16.8
Pueblo, Colo.....	18,266,000	20,907,000	-12.6
Salina, Kans.....	10,042,000	13,358,000	-24.8
St. Joseph, Mo.....	35,791,000	49,347,000	-27.5
Topeka, Kans.....	16,468,000	26,037,000	-36.8
Tulsa, Okla.....	87,592,000	167,528,000	-47.7
Wichita, Kans.....	48,116,000	64,754,000	-25.7
Total 29 cities, 5 weeks.....	\$ 1,178,507,000	\$ 1,670,012,000	-29.4
Total 29 cities, 44 weeks.....	11,347,131,000	14,922,726,000	-24.0
United States, 5 weeks.....	45,206,644,000	62,379,299,000	-27.5
United States, 44 weeks.....	448,167,274,000	609,165,253,000	-26.4

### Reserve Bank Clearings

Check collections through the Federal Reserve Bank of Kansas City and branches, following the course of bank debits, showed a slight seasonal increase in October as compared to September in both the number of items handled and their dollar amount. The totals for October this year as compared to October, 1930, showed 12.8 percent fewer items handled and a 22.4 percent reduction in the dollar amount.

The number of items handled and their aggregate amount for October and the year to date with comparisons:

	ITEMS		AMOUNT	
	1931	1930	1931	1930
October.....	5,370,096	6,160,109	\$ 712,979,000	\$ 918,790,000
September.....	5,153,122	5,652,121	677,683,000	858,104,000
Ten months.....	54,140,474	58,159,182	7,179,152,000	8,776,821,000

### Business Failures

R. G. Dun and Company reported a smaller amount of liabilities involved in commercial insolvencies in this District in October than in any month since June, 1929, or any October since 1928. The number of failures differed but slightly from the totals for preceding months this year, but there were four fewer failures in October this year than one year ago.

In the ten months this year, as compared to the like period last year, there was a reduction of 3.3 percent in the number of failures and of 2.3 percent in the amount of liabilities.

The report of R. G. Dun and Company on commercial failures in the Tenth District and the United States:

	TENTH DISTRICT		UNITED STATES	
	Number	Liabilities	Number	Liabilities
October 1931.....	125	\$ 1,055,207	2,362	\$ 70,660,436
September 1931.....	128	3,324,257	1,936	47,255,650
October 1930.....	129	1,399,900	2,124	56,296,577

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

Stores Reporting	SALES		STOCKS (RETAIL)		STOCK TURNOVER				ACCOUNTS RECEIVABLE		COLLECTIONS		
	Oct. 1931	10 Mos. 1931	Oct. 31, 1931	Oct. 31, 1930	1931	1930	1931	1930	Oct. 31, 1931	Oct. 31, 1930	Oct. 1931	Oct. 1930	
	compared to Oct. 1930	compared to 10 Mos. 1930	compared to Sept. 30, 1931	compared to Oct. 31, 1930	Oct.	10 Months	1930	1930	compared to Sept. 30, 1931	compared to Oct. 31, 1930	compared to Sept. 1931	compared to Oct. 1930	
Kansas City.....	4	-20.9	-10.0	3.7	-10.4	.19	.22	2.05	2.00	3.5	-11.7	22.0	- 8.4
Denver.....	5	-13.5	- 8.7	4.2	-14.7	.25	.25	2.30	2.23	- 2.1	- 7.7	20.1	- 7.8
Oklahoma City	3	-29.6	-19.7	0.5	-20.4	.26	.30	2.38	2.73	5.6	-19.7	34.9	-26.0
Lincoln.....	2	-16.3	- 6.5	1.8	-14.6	.29	.29	2.55	2.32	5.4	- 7.7	33.8	-14.7
Topeka.....	3	-37.7	-13.7	3.4	-25.1	.28	.34	1.96	1.75	5.5	-26.0	23.0	- 9.6
Tulsa.....	3	-28.3	-17.7	4.4	-17.3	.30	.35	3.25	3.16	8.2	-11.5	24.6	-29.0
Wichita.....	3	-15.5	-11.2	0.3	-19.1	.23	.20	2.22	1.95	2.5	-14.6	21.6	-20.5
Other Cities.....	12	-18.4	-11.6	-3.1	-12.7	.21	.24	2.16	2.24	0.7	- 6.5	12.1	-15.2
Total.....	35	-20.5	-11.6	2.2	-14.7	.23	.26	2.26	2.25	1.7	-11.2	22.1	-14.6

NOTE: Percentage of collections in October on accounts September 30, all stores reporting 36.8. Collections same month last year 39.8.

Trade

RETAIL: Dollar sales at thirty-five department stores located in Tenth District cities were seasonally larger in October than in the preceding month, the increase of 7.7 percent equaling the five year average increase. Compared to October, 1930, sales this year declined 20.5 percent, carrying the dollar volume for the calendar year to November 1 to 11.6 percent below the total reported for the corresponding period last year.

Stocks were increased 2.2 percent during October as compared to the five year average increase of 5.5 percent, and on October 31 this year were 14.7 percent smaller than on October 31, 1930.

October collections showed a slight improvement over September, but were under a year ago. The stores reported their October collections as 36.8 percent of outstanding accounts as of September 30 compared to 32.8 percent for September, and 39.8 percent for October, 1930.

WHOLESALE: Wholesalers of drygoods, groceries, furniture, and drugs reported their dollar sales in October as somewhat smaller than in September and substantially smaller than in October, 1930. Sales of hardware increased over September by slightly more than the usual amount, but were 40.7 percent less than a year ago. Total sales of the five lines combined were 3.8 percent smaller in October than in September, and 28.6 percent smaller than in October last year.

Stocks, with the exception of an 8.4 percent reduction reported by wholesalers of drygoods, showed little change during the month, but October 31 inventories were reported by all lines, except groceries, as somewhat reduced from the figures of October 31, 1930.

Building

There was a slight increase in the number of building permits issued in eighteen reporting cities of this District in October as compared to September, with the estimated construction cost showing an increase of 21.7 percent. The October total of permits issued was, however, 29.0 percent less than in October, 1930, and the estimated cost of construction 62.1 percent less.

The number of building permits issued in the eighteen reporting cities in the ten months of the current year was 20.2 percent less than in the same period last year and the estimated cost of construction 37.6 percent smaller.

BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST	
	1931	1930	1931	1930
Albuquerque, N. M.....	49	77	\$ 41,853	\$ 80,830
Cheyenne, Wyo.....	28	21	34,900	22,172
Colorado Springs, Colo...	37	58	85,753	63,623
Denver, Colo.....	490	631	730,820	617,950
Hutchinson, Kans.....	28	44	22,125	244,035
Joplin, Mo.....	31	17	21,630	27,550
Kansas City, Kans.....	76	67	28,405	104,965
Kansas City, Mo.....	184	161	297,200	2,353,050
Lincoln, Nebr.....	51	56	60,445	91,167
Oklahoma City, Okla.....	104	359	383,475	2,171,245
Omaha, Nebr.....	90	113	158,052	292,360
Pueblo, Colo.....	60	96	93,080	21,968
Salina, Kans.....	13	21	6,755	68,250
Shawnee, Okla.....	8	22	4,825	26,550
St. Joseph, Mo.....	48	50	24,040	46,679
Topeka, Kans.....	46	64	975,655	46,765
Tulsa, Okla.....	149	252	189,094	1,092,076
Wichita, Kans.....	106	143	137,745	1,323,558
Total 18 cities, Oct.....	1,598	2,252	\$ 3,295,852	\$ 8,694,793
Total 18 cities, 10 mos...	15,849	19,851	43,115,173	69,094,318

The total value of construction contracts awarded in this District in October, as reported by the F. W. Dodge Corporation, was 47.6 percent less than in the preceding month and 71.6 percent under a year ago. Awards for residential construction declined only 1.7 percent for the month, but were 56.1 percent short of the October, 1930, total. In the ten months of the current year the value of total contracts awarded declined 49.8 percent and residential construction 42.6 percent as compared to the corresponding ten months of 1930.

The F. W. Dodge report:

TOTAL BUILDING CONTRACTS AWARDED

	TENTH DISTRICT		UNITED STATES	
	1931	1930	1931	1930
October.....	\$ 4,822,421	\$ 17,002,794	\$ 242,094,200	\$ 337,301,400
September.....	9,203,851	10,411,809	252,109,700	331,863,500
10 Months.....	124,851,894	248,714,748	2,821,534,100	4,223,399,900

RESIDENTIAL CONTRACTS AWARDED

	TENTH DISTRICT		UNITED STATES	
	1931	1930	1931	1930
October.....	\$ 1,440,018	\$ 3,276,915	\$ 60,540,100	\$ 104,670,300
September.....	1,465,504	3,471,805	54,552,800	98,534,600
10 Months.....	20,456,582	35,610,042	729,934,800	947,619,500

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

	Reporting Stores	SALES		OUTSTANDING		COLLECTIONS		STOCKS	
		Oct. 1931	Oct. 1930	Oct. 31, 1931	Oct. 31, 1930	Oct. 1931	Oct. 1930	Oct. 31, 1931	Oct. 31, 1930
		compared to Sept. 1931	compared to Oct. 1930	compared to Sept. 30, 1931	compared to Oct. 31, 1930	compared to Sept. 1931	compared to Oct. 1930	compared to Sept. 30, 1931	compared to Oct. 31, 1930
Dry Goods.....	6	- 4.3	-26.4	0.3	-18.8	13.7	-22.6	- 8.4	- 9.6
Groceries.....	5	- 8.8	- 2.0	- 1.1	- 5.4	- 2.1	-14.8	0.2	3.8
Hardware.....	8	16.8	-40.7	- 0.1	-19.7	4.3	-35.9	- 0.1	- 0.1
Furniture.....	6	- 7.5	-42.8	- 3.0	-35.6	1.6	-43.9	- 2.5	-25.5
Drugs.....	6	- 4.5	-28.2	0.9	- 9.2	- 1.3	-22.0	0.8	-16.6

## Lumber

**RETAIL:** The combined reports of 169 retail lumber yards located in the District indicate sales of lumber in board feet were 7.1 percent larger in October than in September with dollar sales of all materials 7 percent larger. Lumber sales were 31.9 percent and dollar sales 42.3 percent smaller in October this year than in October, 1930.

Lumber stocks were reduced 2.9 percent for the month and 8.7 percent for the year.

Collections in October amounted to 25.5 percent of accounts outstanding September 30 as compared to 35 percent in October, 1930.

A summary of reports of the retail yards in percentages of increase or decrease:

	October 1931	Compared to September 1931	October 1930
Sales of lumber, board feet.....	7.1	—31.9	
Sales of all materials, dollars.....	7.0	—42.3	
Stocks of lumber, board feet.....	— 2.9	— 8.7	
Outstandings, end of month.....	— 0.8	—26.8	

Lumber production in the United States in the forty-three weeks ended October 31 was, according to reports to the National Lumber Manufacturers Association, 42 percent of normal with softwood production at 43 percent and hardwood production at 36 percent of normal. Compared to 1930, the combined production of hardwoods and softwoods for the forty-three weeks declined 32 percent, whereas, shipments and orders received declined only 23 percent.

## Grain Marketing

Receipts of wheat at the five principal grain markets of the District during October, although seasonally the smallest for any month since June, were, with the exception of October, 1924, the heaviest for that month in the twelve years for which records have been kept. Since July 1, when the new crop movement started, 20.3 percent more wheat has been received at these five markets than in the like period last year.

Marketings of corn, oats, and rye during October were unusually light. Arrivals of corn at the five markets were, with the exception of September, the smallest for any month since April, 1927, and for any October since 1920. The receipts of oats and rye were the smallest for any October of record. Receipts of kafir were substantially larger in October than in September or in October, 1930.

Receipts of grain at five Tenth District markets:

	Wheat Bushels	Corn Bushels	Oats Bushels	Rye Bushels	Barley Bushels	Kafir Bushels
Hutchinson.....	4,715,550	.....	.....	.....	11,250	42,900
Kansas City.....	6,980,800	652,500	156,000	13,500	232,000	134,200
Omaha.....	3,190,400	882,000	174,000	7,000	78,400	.....
St. Joseph.....	873,600	379,500	248,000	.....	5,250	1,500
Wichita.....	2,785,500	5,200	.....	.....	.....	35,100
Oct. 1931.....	18,545,850	1,919,200	578,000	20,500	326,900	213,700
Sept. 1931.....	21,513,400	1,384,950	889,000	23,500	251,600	33,400
Oct. 1930.....	9,598,390	3,133,000	1,251,500	121,800	703,500	56,200
10 Mos. 1931	256,129,150	44,029,500	8,087,100	235,100	1,507,950	1,850,200
10 Mos. 1930	189,883,210	57,136,300	14,037,000	1,128,800	4,765,200	3,190,900

**PRICES:** Future prices of the principal classes of grain, wheat, corn, oats, and rye reached the lowest levels in recent years on October 5, with wheat being quoted the lowest in the history of the grain trade on that date. Prices then rose rapidly to close the month with net gains over September 30 as follows: wheat 13½ cents; corn 5 cents; oats 3½ cents; and rye 7 cents per bushel. Cash wheat, especially high protein samples, advanced more rapidly than futures, due to a shortage of offerings suitable to milling requirements, with No. 1 dark hard wheat

showing an extreme advance of 25 cents per bushel at Kansas City. Top-grades of wheat closed the month slightly higher than last year although lower grades were quoted at about 19 cents per bushel less. Corn closed the month 30 cents per bushel and oats 7 cents per bushel less than a year ago.

Prices continued to advance into the second week of November but reactions brought mid-month prices back to only slightly above the October close.

## Flour Production

Flour mills in the Tenth District, which report their weekly output to the Northwestern Miller, were operated at a higher rate of activity and produced more flour in October than in any month since September, 1930. The October output, although 0.2 percent larger than last year, was, with that exception, the smallest for any October since 1925.

Production during the calendar year to November 1 was 7.5 percent less than in the like period last year.

Flour production at the leading milling centers as compiled from the weekly reports to the Northwestern Miller:

	Oct. 1931 Barrels	Sept. 1931 Barrels	Oct. 1930 Barrels
Atchison.....	135,114	129,206	143,200
Kansas City.....	693,654	618,369	713,154
Omaha.....	100,445	96,616	119,352
Salina.....	187,110	188,200	190,118
St. Joseph.....	146,125	182,629	37,584
Wichita.....	229,381	163,827	157,143
Outside.....	873,447	807,232	1,000,542
Total.....	2,365,276	2,186,079	2,361,093

Flour and millfeed prices advanced with higher grain prices, flour closing the month 40 to 60 cents per barrel higher, bran approximately \$4 per ton, and shorts approximately \$5.50 per ton higher than one month earlier.

Higher wheat prices stimulated flour sales somewhat, but most purchases were for immediate needs with a majority of the orders for two thousand barrels or less, although a few medium sized orders were reported booked. Shipping directions on old contracts were liberal.

## Crops

Weather conditions in October were unusually favorable throughout the District for the maturing and harvesting of late crops and for fall plowing. Frost dates were much later than usual and crop damage from that source was negligible. Corn husking, cotton picking, sugar beet harvest, and bean threshing made good progress during the month, and sugar beet and dry bean harvests were practically completed by November 20. Rains the forepart of November retarded corn husking and farm work.

Corn, due to dry weather and late frosts, is exceptionally well matured, but early husking returns revealed that the yield was not up to pre-harvest expectations. The United States Department of Agriculture reduced the estimated production for this District from 403,196,000 bushels, as indicated by October 1 conditions, to 394,421,000 bushels, as of November 1, which compares with 427,107,000 bushels produced in 1930.

Estimates of the State Departments of Agriculture on the amount of old corn remaining on farms November 1, expressed in percentages of last year's production, were as follows: Kansas and Missouri 3 percent; Nebraska 10 per cent; and Oklahoma 15 percent.

Grain sorghums matured well, and this year's production is estimated as substantially larger than that of 1930, although somewhat smaller than the five year average.

Sugar beet production exceeded expectations, both in yields and sugar content, and harvest was 90 percent completed by November 1. The crop is approximately 20 percent under that of last year, but in excess of the five year average.

Dry, edible bean production was reduced by hot, dry weather earlier in the season and yields are poor but the quality is reported as exceptionally good.

The District's broom corn crop will be somewhat smaller this year than last and also below the five year average.

Cotton picking and ginning were over half completed by November 1. This District's crop is now estimated at 1,278,000 bales of 500 pounds each and that of the United States at 16,903,000 bales, compared with a 1930 production of 860,000 and 13,932,000 bales, respectively. Rains the forepart of October, accompanied by high winds, damaged the Oklahoma crop somewhat.

Less alfalfa and red clover seed and more sweet clover seed will be produced in the District this year than last. Production of all three classes will exceed the five year average. The 1931 production of these seed crops, as estimated by the United States Department of Agriculture, is shown by states in the following table:

	Alfalfa		Sweet Clover		Red Clover	
	Nov. 1 1931	Final 1930	Nov. 1 1931	Final 1930	Nov. 1 1931	Final 1930
Colorado.....	37,500	37,500	17,500	17,500	9,000	10,000
Kansas.....	144,500	185,000	48,100	46,800	9,000	19,200
Missouri.....	-----	-----	12,400	11,200	42,000	91,200
Nebraska.....	59,400	50,400	61,600	58,800	27,200	36,000
New Mexico.....	10,200	8,400	-----	-----	-----	-----
Oklahoma.....	45,500	58,000	-----	-----	-----	-----
Wyoming.....	19,600	42,600	-----	-----	3,000	12,500
Seven states.....	316,700	381,900	139,600	134,300	90,200	168,900
United States.....	831,500	1,159,300	654,300	694,000	1,386,500	1,606,100

Fall sown grains, wheat and rye, are reported in good to excellent condition in the eastern half of the District but poor in the western half, where a moisture deficiency continues to exist. Estimates released November 14 by the Kansas State Board of Agriculture, based on reports from 500 Kansas bankers replying to a special inquiry, indicated a reduction of 2,000,000 acres in fall seedings of winter wheat in that state this year as compared to last year. The reduction amounts to 16 percent and places the acreage sown at 10,812,000 acres, as against 12,812,000 acres sown last fall. The condition of wheat was placed at 67 percent of normal, ranging from 93 percent in the northeast to 36 percent in the southwest. The estimates also placed the amount of wheat fed and to be fed from the 1931 crop at 33,546,000 bushels, or 15 percent of the 223,641,000 bushels produced. In the five years, 1925 to 1929, Kansas farmers fed on an average of 2.3 percent of the wheat produced in those years.

## Livestock

MARKET MOVEMENTS: Receipts of cattle, calves, and sheep at the six principal livestock markets of the District in October were, as usual, the largest of the year and those of hogs were larger than for September. Marketings of all classes of livestock, with the exception of sheep, were, however, unusually light for October. The combined totals for the six markets showed October receipts of cattle were the smallest in recent years, and the report for Kansas City showed fewer cattle received during the month than in any October since 1897. Combined receipts of calves were the lightest for any October since 1920 and of hogs since 1927, although the run of hogs at Omaha was the second heaviest October of record at that market. More horses and mules arrived at the six markets in October than in any month since April, but the October total was, with the exception of October, 1930, the smallest of record.

FEEDING OPERATIONS: The stocker and feeder movement of all classes of meat animals from four Tenth District markets to the country for feeding purposes was seasonally larger in October than in September. The outgo of cattle and calves was the largest for any month since October, 1930, but less than the October totals of other years. The countryward movement of hogs was the largest for any month since April, 1930, and for any October since 1928, and that of sheep and lambs the largest for any month since October, 1929.

The reports of the United States Department of Agriculture on the cattle and lamb feeding situation as of November 1 estimated that there were 13 percent fewer cattle shipped into the corn belt for feeding purposes in October this year than in October last year with total shipments for the four months, July to October, 2 percent smaller than last year and 9 percent smaller than the five year average. There was a decreased movement into the states west of the Mississippi river this year as compared to last, but the movement into states east of the Mississippi river was larger.

Shipments of feeder lambs into the twelve north central states in October, including both shipments through markets and direct, were larger this year than last, but the approximate change in feeding volume this winter as compared to last cannot be determined until the November movement of feeder lambs into Colorado is completed.

RANGES: Rains in October improved pastures and ranges in all Tenth District states, but New Mexico was the only state in which the November 1 condition of ranges was not substantially under the five year average. Native pastures are generally short, wheat pastures poor, and feed supplies light in all range states except New Mexico. Western Kansas reports a plentiful supply of rough feeds.

### THE ESTIMATED PRODUCTION OF SEVEN TENTH DISTRICT CROPS, BASED ON THE NOVEMBER 1 CONDITION

Reported by the United States Department of Agriculture  
In thousands of bushels (000 omitted) or in tons

	Corn Bushels		Grain Sorghums Bushels		Dry Beans Bushels		White Potatoes Bushels		Sweet Potatoes Bushels		Broom Corn Tons		Sugar Beets Tons	
	1931	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931	1930
Colorado.....	18,850	41,234	2,166	2,848	1,201	3,927	7,420	15,400	-----	-----	5,200	10,400	2,564	3,312
Kansas.....	116,078	82,908	23,760	14,300	70	144	4,018	4,955	612	525	4,200	7,600	-----	-----
Missouri.....	171,668	73,935	2,247	1,602	-----	-----	4,416	6,206	1,040	855	600	400	-----	-----
Nebraska.....	166,584	247,106	420	340	112	118	6,750	9,900	-----	-----	-----	-----	845	1,136
New Mexico.....	5,680	3,612	5,434	1,689	1,062	726	385	350	320	160	7,200	5,600	-----	-----
Oklahoma.....	53,397	36,436	23,940	13,059	-----	-----	4,067	3,997	1,098	915	19,600	17,100	-----	-----
Wyoming.....	2,951	3,696	-----	-----	527	726	2,375	3,000	-----	-----	-----	-----	536	646
Seven states.....	535,208	488,927	57,967	33,838	2,972	5,641	29,431	43,808	3,070	2,455	36,800	41,100	3,945	5,094
United States.....	2,674,369	2,093,552	127,039	86,514	20,369	22,107	382,325	343,236	73,475	62,230	47,100	50,200	7,620	9,201

Cattle are in fair to good condition, but lambs, with the exception of those in New Mexico, are not in as good condition as usual, running lighter and with a smaller proportion of fat lambs. Cattle marketings have been light except from areas of very short feed supplies, but the movement of range lambs has been heavy.

PRICES: Prime long fed steers and yearlings advanced \$1 per hundred pounds during October, but all other livestock prices declined. Cattle declined 25 to 50 cents and calves \$1.50 to \$2. Hogs declined 25 to 50 cents per hundred pounds, with light weight hogs selling under heavy hogs. The low top for the month of \$4.75 was the lowest since 1908. Native lambs were 25 cents lower and western lambs 25 to 90 cents lower. On two different occasions top prices for fat lambs dropped below \$6, the lowest in twenty years. On November 17 top hogs at Kansas City sold at \$4.50 and best lambs at \$5.25.

The top prices at Kansas City in October compared to October, 1930, were as follows: Steers \$10.65 against \$13.40; stockers \$7 against \$9; calves \$8 against \$12; hogs \$5.45 against \$10; and lambs \$7 against \$9.

### Meat Packing

As measured by the number of head of livestock purchased by packers at the six principal markets of the District, including hogs shipped direct to packers' yards, there were more cattle, calves, and hogs and fewer sheep slaughtered in October than in the preceding month. Compared to October last year the slaughter of cattle declined 12.4 percent, of calves 26 percent, and of sheep 5.2 percent, whereas, the slaughter of hogs increased 7.0 percent.

### Cold Storage Holdings

The report of the United States Department of Agriculture on cold storage holdings in the United States on November 1 as compared to October 1, discloses a seasonal out-of-storage movement during October of all commodities, except eggs and cheese, in excess of the five year average, and a seasonal in-storage movement of lamb and mutton and poultry considerably short of the five year average. Storage stocks of beef declined 1.9 percent during the month in contrast to a five year average increase of 26.8 percent.

The seasonal out-of-storage movement of all commodities, except cheese, was greater in October this year than last. The seasonal in-storage movement of mutton was slightly larger, that of poultry was somewhat less and stocks of beef declined, whereas, last year they increased.

In only two commodities, poultry with an increase of 2.2 percent and eggs with an increase of 7.6 percent, were stocks on November 1 in excess of the five year average for that date. Stocks of beef were 42.3 percent, pork 11.9 percent,

lamb and mutton 49.6 percent, lard 45.5 percent, creamery butter 51.0 percent, and cheese 10.3 percent below the five year average.

A comparison of United States cold storage holdings as of November 1 and October 1 this year, November 1, 1930, and the November 1 five year average:

	*Nov. 1 1931	Oct. 1 1931	Nov. 1 1930	Nov. 1 5 Yr. Av.
Beef, lbs.....	34,491	35,171	63,862	59,814
Pork, lbs.....	379,746	474,887	356,806	430,822
Lamb and mutton, lbs.....	1,958	1,908	4,326	3,882
Poultry, lbs.....	65,690	56,215	59,269	64,277
**Turkeys, lbs.....	2,301	3,365	2,751	3,436
Miscellaneous meats, lbs.....	49,109	56,881	72,444	58,077
Lard, lbs.....	39,641	69,296	36,211	72,801
Eggs, cases.....	5,740	7,960	6,785	5,867
Eggs, frozen (case equivalent)...	2,710	2,951	2,810	1,995
Butter, creamery, lbs.....	56,164	80,152	109,646	114,682
Cheese, all varieties, lbs.....	81,860	83,426	96,393	91,217

\*Subject to revision.

\*\*Included in Poultry.

(ooo omitted).

### Bituminous Coal

The production of soft coal at mines in the six coal producing states of this District was 15.7 percent larger in October than in September and the largest for any month since January. The output for the month was 20.1 percent below that of last year and 32 percent short of the ten year average October production.

In the ten months of the current year soft coal mines in this District and the United States produced 14.3 and 17.2 percent, respectively, less coal than in the corresponding ten months of 1930.

The tonnage by states:

	*Oct. 1931 Tons	Sept. 1931 Tons	Oct. 1930 Tons
Colorado.....	631,000	598,000	881,000
Kansas.....	218,000	* 204,000	267,000
Missouri.....	310,000	* 229,000	322,000
New Mexico.....	136,000	111,000	191,000
Oklahoma.....	235,000	183,000	320,000
Wyoming.....	541,000	465,000	610,000
Total, six states.....	2,071,000	1,790,000	2,591,000
Total, United States.....	35,740,000	31,919,000	44,150,000

\*Estimated.

### Cement

There was a slight increase in the production of finished Portland cement at mills in this District in October as compared to September, but as compared to October, 1930, production declined 16.4 percent. For the seventh consecutive month shipments exceeded production, and stocks at the close of the month were the lowest since November, 1929.

### OCTOBER MOVEMENT OF LIVESTOCK IN THE TENTH DISTRICT

	RECEIPTS			STOCKERS AND FEEDERS				PURCHASED FOR SLAUGHTER				
	Cattle	Calves	Hogs	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep	
Kansas City.....	201,489	48,004	*206,474	197,064	99,370	20,993	10,621	45,401	68,678	14,962	*169,393	118,812
Omaha.....	164,313	24,520	192,119	372,988	80,809	13,042	1,533	184,049	60,875	11,478	121,531	166,205
St. Joseph.....	47,264	9,534	100,859	123,801	13,211	3,474	1,687	31,197	29,286	5,325	80,631	86,928
Denver.....	62,503	7,776	44,926	660,299	39,659	4,076	715	409,430	11,311	1,849	28,676	41,904
Oklahoma City.....	18,272	8,045	22,058	5,946	.....	.....	.....	8,735	6,441	16,796	4,362	.....
Wichita.....	23,555	13,198	37,243	17,699	.....	.....	.....	8,838	2,137	33,743	4,354	.....
October 1931.....	517,396	111,077	603,679	1,377,797	233,049	41,495	14,557	670,077	187,723	42,192	450,770	422,565
September 1931.....	429,074	71,864	561,285	1,223,714	154,723	17,427	8,232	566,430	182,444	40,020	414,803	445,907
October 1930.....	596,564	149,670	617,147	1,151,736	306,013	51,169	8,033	557,220	214,281	57,044	421,099	445,112
Ten months 1931.....	3,752,665	550,004	7,333,450	8,595,804	918,645	116,396	94,198	2,118,194	1,832,979	337,009	5,393,030	4,247,706
Ten months 1930.....	3,936,314	707,267	8,013,294	8,080,889	1,037,930	148,904	110,317	1,685,285	1,962,967	404,570	5,718,056	4,585,694

\* Includes 99,566 hogs shipped direct to packers' yards.

Production, shipments, and stocks of Portland cement at mills in the Tenth District and the United States in thousands of barrels:

	TENTH DISTRICT			UNITED STATES		
	Prod'n	Shipments	Stocks	Prod'n	Shipments	Stocks
Oct. 1931.....	912	1,066	1,693	10,762	12,360	21,138
Sept. 1931.....	872	1,110	1,846	12,092	13,671	22,736
Oct. 1930.....	1,091	1,174	2,066	14,410	15,599	20,697
10 Mos. 1931	9,976	10,650	.....	110,435	115,167	.....
10 Mos. 1930	13,336	13,169	.....	141,327	144,272	.....

Cement mills in the United States produced at the rate of 47.4 percent of capacity in October as compared to 65.4 percent last year. Shipments exceeded production and month-end stocks were the lowest since October, 1930.

### Zinc and Lead

Reports from the zinc and lead mines in Oklahoma, Kansas, and Missouri showed shipments of zinc ore and lead ore during the four weeks ended October 31 were somewhat smaller than in the preceding four weeks ended October 3 both in tonnage and value. Compared to the corresponding four weeks last year, shipments of zinc ore declined 56.1 percent and of lead ore 62.4 percent, with values declining 69.8 and 74.3 percent, respectively.

The record of shipments and their value, follows:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	10,869	\$ 209,951	654	\$ 26,655
Kansas.....	3,278	63,971	336	14,255
Missouri.....	453	8,210	228	8,690
4 weeks ended Oct. 31, 1931	14,600	\$ 282,132	1,218	\$ 49,600
4 weeks ended Oct. 3, 1931	17,979	413,517	2,433	121,650
4 weeks ended Nov. 1, 1930	33,272	934,898	3,236	192,214
44 weeks ended Oct. 31, 1931	201,526	4,702,953	24,108	1,090,564
44 weeks ended Nov. 1, 1930	382,912	12,611,343	39,778	2,638,308

Lead ore declined \$2 per ton in October, closing at \$18 per ton as against \$26 per ton last year. Zinc ore declined \$10 per ton during the month, but recovered \$5 per ton the closing week of the month to close at \$40 per ton as compared to \$67.50 one year earlier.

### Petroleum

Total daily average crude oil production for the five oil producing states of the District increased 33 percent in October as compared to September but declined 18.3 percent as compared to October, 1930.

On October 10 Oklahoma oil fields, which had been shut down since August 4, were reopened on a restricted production basis. The daily average production of wells in that state increased from 251,550 barrels per day, for the week preceding the reopening, to 505,600 barrels per day the week following reopening, according to estimates of the American Petroleum Institute.

Gross production of crude oil in the five states for the ten months this year totaled 204,294,000 barrels compared to 245,737,000 barrels produced in the like period last year.

The gross and daily average crude oil production in each of the five states and the United States:

	GROSS PRODUCTION		
	*Oct. 1931 Barrels	Sept. 1930 Barrels	Oct. 1930 Barrels
Oklahoma.....	13,131,000	8,393,000	16,854,000
Kansas.....	3,222,000	2,926,000	3,454,000
Wyoming.....	1,182,000	1,116,000	1,539,000
Colorado.....	139,000	112,000	135,000
New Mexico.....	1,326,000	1,286,000	1,260,000
Total, five states.....	19,000,000	13,833,000	23,242,000
Total, United States.....	72,328,000	63,636,000	72,696,000

	DAILY AVERAGE PRODUCTION		
	*Oct. 1931 Barrels	Sept. 1930 Barrels	Oct. 1930 Barrels
Oklahoma.....	423,600	280,000	544,000
Kansas.....	104,000	97,000	111,000
Wyoming.....	38,100	37,000	50,000
Colorado.....	4,500	4,000	4,000
New Mexico.....	42,800	43,000	41,000
Total, five states.....	613,000	461,000	750,000
Total, United States.....	2,333,000	2,121,000	2,345,000

\*Estimated, American Petroleum Institute.

Crude oil prices were practically unchanged during October. On November 2, posted prices for crude oil produced in the mid-continent area were advanced 15 cents per barrel with oil testing 40 degrees gravity and over quoted at 85 cents per barrel, and oil below 29 degrees at 61 cents per barrel. These prices compare with the record low prices of 22 and 15 cents per barrel, respectively, that were in effect the forepart of July.

## Business Conditions in the United States

By the Federal Reserve Board

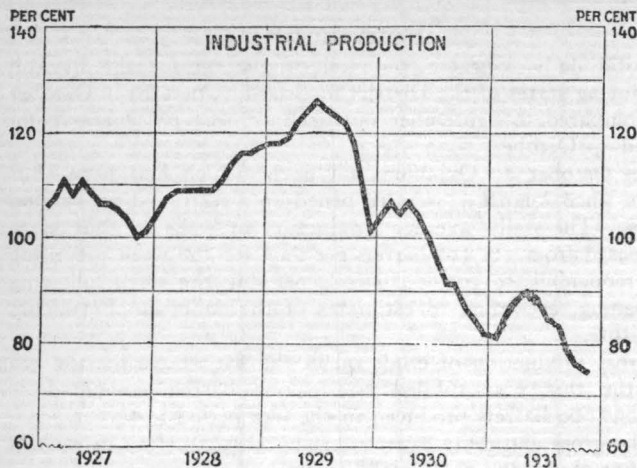
Production and employment in manufacturing industries declined further in October, while output of minerals increased more than is usual at this season. There was a considerable decrease in the demand for reserve bank credit after the middle of October, reflecting a reduction in member bank reserve balances and in November an inflow of gold, largely from Japan. Conditions in the money market became somewhat easier.

**PRODUCTION AND EMPLOYMENT:** Total output of manufactures and minerals, as measured by the Board's seasonally adjusted index of industrial production, declined from 76 percent of the 1923-1925 average in September to 74 percent in October. Output of steel remained unchanged at 28 percent of capacity in October, although it usually shows an increase for that month. In the first half of November activity at steel mills increased somewhat. Automobile production declined sharply in October. Production of shoes and woollens decreased and cotton mill activity showed little change, although an

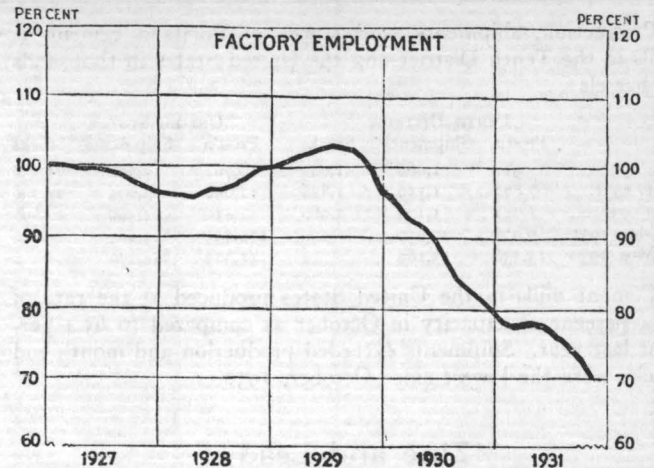
increase is usual at this season. Output of bituminous coal increased seasonally, and there were large increases in the output of anthracite coal and petroleum. Volume of factory employment declined substantially from the middle of September to the middle of October. At woolen mills, where an increase in employment is usual at this season, there was a large decrease. In the automobile and shoe industries reductions in employment were considerably larger than usual, while in the canning industry the decline was wholly of a seasonal character. In the silk goods and hosiery industries employment increased by more than the usual seasonal amount.

The November cotton crop estimate of the Department of Agriculture was 16,903,000 bales, 600,000 bales larger than the October estimate and 3,000,000 bales larger than last year in spite of a reduction in acreage.

Data on the value of building contracts awarded in the period between September 1 and November 15, as reported



Index number of industrial production, adjusted for seasonal variation. (1923-1925 average=100.) Latest figure, October, 74.



Federal Reserve Board's index of factory employment with adjustment for seasonal variation. (1923-1925 average=100.) Latest figure, October, 70.3.

by the F. W. Dodge Corporation, showed a continuation of the downward movement. In this period value of contracts was 29 percent smaller than in the corresponding period of 1930, reflecting smaller volume of construction and somewhat lower building costs.

**DISTRIBUTION:** Total volume of freight-car loadings remained unchanged in October while loadings of merchandise decreased. Department store sales increased by somewhat more than the usual seasonal amount.

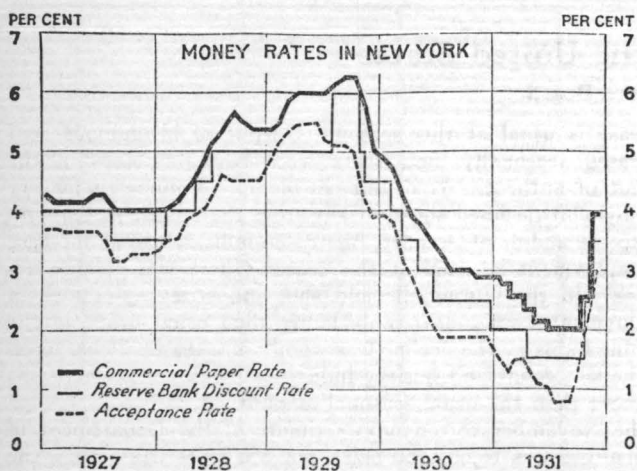
**WHOLESALE PRICES:** The general level of wholesale prices declined from 69 percent of the 1926 average in September to 68.4 percent in October according to the Bureau of Labor Statistics. Prices of grains, cotton, and silver, after showing a rapid rise beginning early in October, declined considerably, but in the third week of November were still above their October low points. Prices of hides and petroleum were also higher in the middle of November than in early October. During this period the prices of livestock and meats declined rapidly, reflecting, in part, developments of a seasonal character.

**BANK CREDIT:** Reserve bank credit, which had increased rapidly between the middle of September and the third week

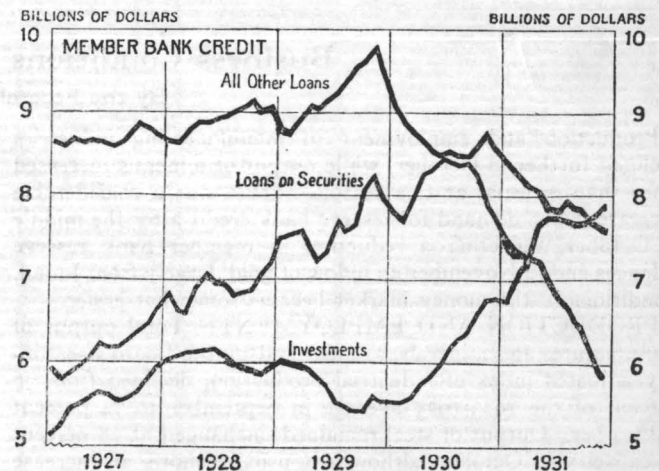
of October, declined by \$265,000,000 during the following four weeks. This decline reflected a large reduction in member bank and other balances at the reserve banks and also an inflow of gold, chiefly from Japan. Demand for currency, which had been on a large scale during September and the first three weeks of October, showed relatively small fluctuations after that time and in the second week of November declined by somewhat more than the seasonal amount.

Loans and investments of member banks in leading cities continued to decline during recent weeks and on November 18 the total volume was \$500,000,000 smaller than five weeks earlier. This decrease reflected substantial reductions in loans on securities and in other loans, as well as in the banks' holdings of investments. At the same time deposits of these banks also declined with a consequent reduction in the reserve balances which they were required to hold with the reserve banks.

Money rates in the open market, which had advanced sharply during October, declined somewhat early in November. Rates on prime commercial paper declined from a range of 4-4½ percent to a range of 3¾-4 percent and rates on bankers' acceptances from 3¼ to 2⅞ percent.



Monthly rates in the open market in New York: Commercial paper rate on 4 to 6 month paper. Acceptance rate on 90-day bankers' acceptances. Latest figures are averages of first twenty-one days in November.



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