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

FEDERAL RESERVE BANK OF KANSAS CITY

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No. 3

**J**ANUARY weather conditions were unfavorable to the advancement of preparations for the approaching new crop season and muddy roads were a contributing factor to a reduction in the volume of merchandise moving into consumption.

Dollar sales of thirty-five department stores declined 55.3 percent in January as compared to December, against a five-year average decline of 51.5 percent, and were 25.9 percent below January, 1931. Contrary to the normal tendency, sales at wholesale declined 13.1 percent in January, and were 28.4 percent below a year ago. Department stores reduced their stocks slightly during the month but wholesalers' stocks increased somewhat.

The farmers' purchasing power declined further during the month, due primarily to sharp declines in the farm price of eggs, milk, and butter fat, and the failure of other products to show any sustained strength in price.

Production of flour, crude oil, bituminous coal and cement declined as compared to the preceding month and was somewhat below January, 1931. Zinc ore shipments declined, but lead ore shipments increased sharply and were more than twice as large as a year ago. Building activity was seasonally dull.

Marketings of wheat were unusually heavy for January but marketings of all other classes of grain were unusually light. This was particularly true of corn, the new crop movement of which has so far failed to arrive at terminal markets in anything like normal volume.

Receipts of cattle and calves and horses and mules at Tenth District markets in January were the lightest in years, whereas, those of sheep and lambs were the heaviest. Hogs, including direct shipments to packers' yards, which were the heaviest of record, were in about normal supply. Packers took a larger proportion of all offerings, except hogs, than in either the preceding month or the corresponding month last year.

Estimates of the United States Department of Agriculture as to the numbers and value of livestock on farms January 1, 1932, compared to the like date in preceding years, disclose an increase in numbers, all species combined, for both the United States and this District and sharp declines in values of all species. The average per head decline in values was even more pronounced during 1931 than in the preceding year, amounting for this District to 34.9 for last year and 26.0 percent for 1930.

## Banking and Credit

**MEMBER BANK OPERATIONS:** Outstanding loans of fifty-four reporting member banks in selected cities of this District declined 4.4 percent during the initial six weeks of the new year, and on February 10 were 19.1 percent below the amount reported February 11, 1931. Loans secured by stocks and bonds

**BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT**  
Percentages of Increase, or Decrease (—), for January 1932 over December 1931 and January 1931.

	January 1932 Compared to December 1931    January 1931	
<b>Banking</b>		
Payment by check, 29 cities.....	— 2.8	— 26.7
Federal Reserve Bank clearings.....	— 11.9	— 27.3
Loans, 54 member banks.....	— 4.4	— 19.1
Investments, 54 member banks.....	— 1.7	— 5.7
Net demand deposits, 54 member banks.....	— 7.2	— 19.7
Time deposits, 54 member banks.....	— 1.7	— 6.9
Savings deposits, 50 selected banks.....	— 0.4	— 7.2
Savings accounts, 49 selected banks.....	0.6	— 1.8
<b>Distribution</b>		
Wholesalers' sales, 5 lines combined.....	— 13.1	— 28.4
Retailers' sales, 35 department stores.....	— 55.3	— 25.9
Lumber sales, 166 retail yards.....	— 6.2	— 44.7
Life insurance, written.....	— 27.1	— 3.1
<b>Construction</b>		
Building contracts awarded, value.....	— 49.9	— 77.1
Building permits in 17 cities, value.....	— 40.0	— 82.4
<b>Production</b>		
Flour.....	— 1.7	— 7.9
Crude petroleum.....	— 16.1	— 8.7
Soft coal.....	— 9.1	— 11.7
Zinc ore (shipped) Tristate District.....	— 36.5	— 53.5
Lead ore (shipped) Tristate District.....	271.1	110.3
Cement.....	— 23.8	— 0.7
<b>Grain receipts, 5 markets</b>		
Wheat.....	19.1	— 20.4
Corn.....	0.3	— 83.9
Oats.....	23.7	8.6
Rye.....	11.6	— 58.5
Barley.....	57.2	— 21.7
Kafir.....	36.3	— 35.3
<b>Livestock receipts, 6 markets</b>		
Cattle.....	2.8	— 10.4
Calves.....	— 22.9	— 33.7
Hogs.....	13.7	0.2
Sheep.....	12.0	4.4
Horses and mules.....	82.7	— 40.4
<b>Meat packing, 6 cities</b>		
Cattle.....	5.8	12.6
Calves.....	— 7.5	— 20.1
Hogs.....	12.5	— 0.6
Sheep.....	12.8	13.3
<b>Stocker and feeder shipments, 4 markets</b>		
Cattle.....	— 39.5	— 52.9
Calves.....	— 62.0	— 50.5
Hogs.....	7.2	— 44.3
Sheep.....	— 42.9	— 41.5

increased 0.9 percent since December 30, but this increase was more than offset by a 6.4 percent decline in "all other" loans.

Investment holdings of the reporting banks were 1.7 percent smaller on February 10 than six weeks earlier, but 5.7 percent larger than on the corresponding date last year. Investments in United States securities declined 2.1 percent in six weeks, but increased 25.7 percent in fifty-two weeks, whereas, investments in other bonds, stocks, and securities declined 1.2 and 9.1 percent, respectively.

Net demand deposits declined 7.2 percent in six weeks and on February 10 were 19.7 percent smaller than one year earlier. Time deposits declined 1.7 percent in six weeks and 6.9 percent during the year.

The principal resource and liability items of the fifty-four reporting member banks are here presented as of the three dates of comparison:

	Feb. 10, 1932	Dec. 30, 1931	Feb. 11, 1931
Loans and investments—total	\$575,325,000	\$594,055,000	\$634,526,000
Loans and discounts—total	311,407,000	325,684,000	384,825,000
Secured by stocks and bonds	89,901,000	89,066,000	105,517,000
All other loans and discounts	221,506,000	236,618,000	279,308,000
Investments—total	263,918,000	268,371,000	249,701,000
U. S. securities	133,319,000	136,246,000	106,073,000
Other bonds, stocks, and securities	130,599,000	132,125,000	143,628,000
Reserve with F. R. bank	43,154,000	46,025,000	54,899,000
Net demand deposits	361,976,000	389,990,000	450,948,000
Time deposits	181,799,000	184,866,000	195,228,000
Government deposits	1,783,000	2,751,000	826,000

**RESERVE BANK OPERATIONS:** There has been a sharp increase in the demand for credit at this bank and branches since the first of the year. The total of bills rediscounted for member banks increased 33.1 percent between December 31, 1931, and February 10, 1932, and on the latter date totaled \$36,904,232 as compared to \$14,422,871 on February 11, 1931. The bank reduced its acceptance holdings 35.3 percent in six weeks, but the total as of February 10 was \$3,183,222 larger than one year earlier.

Holdings of United States securities increased 7.2 percent during the six weeks' period, but on February 10 were 41.1 percent smaller than a year ago. The total of bills and securities held by the bank increased 11.3 percent since the beginning of the year and 23.3 percent in fifty-two weeks.

Federal reserve note circulation declined 0.5 percent in six weeks, but increased 24.6 percent in fifty-two weeks. Member banks' reserve deposits declined 9.5 percent between December 3 and February 10 when they were 19.1 percent smaller than on the corresponding date last year.

Changes in the principal resource and liability items of the bank and branches in six weeks and fifty-two weeks are indicated in the following:

	Feb. 10, 1932	Dec. 31, 1931	Feb. 11, 1931
Gold reserves	\$ 84,430,732	\$ 97,771,138	\$ 97,010,355
Reserves other than gold	8,717,575	7,665,279	8,249,570
Total reserves	93,148,307	105,436,417	105,259,925
Bills discounted	36,904,232	27,725,836	14,422,871
Bills purchased	7,553,205	11,666,126	4,369,983
U. S. securities	20,057,600	18,707,600	34,028,000
Other securities	590,000	400,000	
Total bills and securities	65,105,037	58,499,561	52,820,854
Total resources	183,665,676	194,416,163	190,567,822
F. R. notes in circulation	82,305,885	82,711,485	66,069,530
Member banks' reserve deposits	68,080,500	75,228,701	84,201,904

The discount rate of the Federal Reserve Bank of Kansas City, on all classes of paper and all maturities, remained unchanged at 3½ percent.

**SAVINGS:** A slight increase in the number of savings accounts and a slight decrease in the amount of savings deposits between January 1 and February 1 is indicated by the reports of fifty banks and savings institutions in leading cities of this District. Compared to February 1, 1931, savings deposits declined 7.2 percent and the number of savings accounts 1.8 percent. The number of accounts and amount of deposits as of the three dates:

	Savings Accounts	Savings Deposits
	49 Banks	50 Banks
February 1, 1932	428,857	\$123,279,233
January 1, 1932	426,342	123,787,898
February 1, 1931	436,551	132,789,938

## Federal Reserve Bank Check Collections

The number of checks collected through the Federal Reserve Bank of Kansas City and branches at Omaha, Denver, and Oklahoma City during January declined 15.9 percent as compared to December and 18.8 percent as compared to January, 1931. The aggregate value of checks handled declined 11.9 percent for the month and 27.3 percent from January of last year.

The number and value of checks handled in each of the three months of comparison, is shown in the following:

	ITEMS	AMOUNT
January 1932	4,535,143	\$572,052,000
December 1931	5,393,124	649,039,000
January 1931	5,586,152	787,363,000

## Debits

Banks in twenty-nine leading cities of the District reported debits to individual accounts during the five weeks' period ended February 3 declined 2.8 percent as compared to the preceding five weeks ended December 30 and 26.7 percent as compared to the corresponding five weeks ended February 4, 1931. Debits reported throughout the United States declined 23.1 percent as compared to last year.

### PAYMENTS BY CHECK

	FIVE WEEKS ENDED		Percent Change
	Feb. 3, 1932	Feb. 4, 1931	
Albuquerque, N. Mex.	\$ 10,653,000	\$ 14,615,000	— 27.1
Atchison, Kans.	3,562,000	5,553,000	— 35.9
Bartlesville, Okla.	21,392,000	26,545,000	— 19.4
Casper, Wyo.	5,288,000	7,769,000	— 31.9
Cheyenne, Wyo.	6,120,000	7,902,000	— 22.6
Colorado Springs, Colo.	15,274,000	15,862,000	— 3.7
Denver, Colo.	131,396,000	180,757,000	— 27.3
Enid, Okla.	8,866,000	14,244,000	— 37.8
Fremont, Nebr.	3,154,000	4,356,000	— 27.6
Grand Junction, Colo.	2,601,000	3,233,000	— 19.5
Guthrie, Okla.	1,693,000	3,257,000	— 48.0
Hutchinson, Kans.	11,240,000	19,847,000	— 43.4
Independence, Kans.	7,026,000	9,205,000	— 23.7
Joplin, Mo.	7,774,000	10,309,000	— 24.6
Kansas City, Kans.	17,415,000	22,745,000	— 23.4
Kansas City, Mo.	316,960,000	411,776,000	— 23.0
Lawrence, Kans.	4,575,000	6,287,000	— 27.2
Lincoln, Nebr.	29,552,000	36,518,000	— 19.1
Muskogee, Okla.	8,968,000	11,326,000	— 20.8
Oklahoma City, Okla.	76,191,000	120,690,000	— 36.9
Okmulgee, Okla.	3,095,000	4,795,000	— 35.5
Omaha, Nebr.	147,490,000	216,925,000	— 32.0
Pittsburg, Kans.	4,822,000	6,009,000	— 19.8
Pueblo, Colo.	15,123,000	18,436,000	— 18.0
Salina, Kans.	8,919,000	13,582,000	— 34.3
St. Joseph, Mo.	34,722,000	50,235,000	— 30.9
Topeka, Kans.	19,469,000	27,755,000	— 29.9
Tulsa, Okla.	107,579,000	135,513,000	— 20.6
Wichita, Kans.	46,239,000	63,062,000	— 26.7
29 centers, this District	\$ 1,077,158,000	\$ 1,469,108,000	— 26.7
263 centers, United States	42,385,814,000	55,123,058,000	— 23.1

## Trade

Distribution of merchandise at wholesale in this District, as measured by the dollar sales of five representative lines combined, was 13.1 percent smaller than in the preceding month and 28.4 percent smaller than in the same month last year. As a rule the January volume slightly exceeds the December volume, and reports from some sections attribute the decline this year largely to impassible roads. By individual lines, drygoods was the only one to report their January sales as larger than their December sales, and all five lines, drygoods, groceries, hardware, furniture, and drugs, reported their January sales as substantially under a year ago. Wholesalers of drygoods, hardware, and drugs increased their stocks somewhat during the month, and all lines reported inventories as of January 31 smaller than on the like date last year.

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

Stores Reporting	SALES		STOCKS (RETAIL)		STOCK TURNOVER		ACCOUNTS RECEIVABLE		COLLECTIONS	
	January 1932 compared to		January 31, 1932 compared to		January		January 31, 1932 compared to		January 1932 compared to	
	January 1931	Dec. 31, 1931	Jan. 31, 1931	Jan. 31, 1931	1932	1931	Dec. 31, 1931	Jan. 31, 1931	Dec. 1931	Jan. 1931
Kansas City	4	-25.4	1.5	-8.5	.16	.19	-16.8	-15.6	13.5	-9.9
Denver	5	-20.2	-4.3	-8.5	.19	.22	-13.2	-4.5	20.8	-7.4
Oklahoma City	3	-28.4	-9.8	-14.9	.21	.25	4.8	-3.6	19.7	-32.7
Lincoln	2	-29.1	-10.4	-15.6	.26	.30	-9.8	-14.0	4.5	-21.8
Topeka	3	-28.3	-9.3	-18.8	.18	.19	-17.0	-17.2	Even	-22.0
Tulsa	3	-24.3	-10.6	-12.2	.30	.34	-16.3	-10.2	-3.9	-30.7
Wichita	3	-31.6					-26.3	-17.0	10.9	-25.1
Other cities	12	-29.5	-15.1	-17.0	.21	.25	-13.1	-13.5	14.6	-14.0
Total	35	-25.9	-5.7	-11.2	.19	.23	-12.2	-9.7	14.2	-17.2

NOTE: Percentage of collections in January on accounts December 31, all stores reporting 38. Collections same month last year 40.2.

**RETAIL:** The combined dollar sales of thirty-five reporting department stores in the District declined 55.3 percent in January as compared to December, and 25.9 percent as compared to January, 1931. The decline for the month compares with a five year average decline of 51.5 percent and the decline as compared to the corresponding month in the preceding year is the largest reported for any month of the past two years. Retailers reduced their stocks 5.7 percent during the month, and on January 31 inventories were 11.2 percent smaller than on January 31, 1931.

Collections in January amounted to 38 percent of accounts outstanding at the end of the previous month as compared to 37.5 percent in December and 40.2 percent in January, 1931.

**Building**

Official returns from seventeen reporting cities in the District showed 652 permits were issued in January for buildings estimated to cost \$880,957. This was the smallest number of permits issued and the smallest estimated cost of construction reported by these cities for any month in over thirteen years. The decline was general, all cities reporting the estimated cost of construction substantially below that of a year ago. Compared to December, permits declined 19.7 percent as to number and 40 percent as to estimated value.

BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST	
	1932	1931	1932	1931
Albuquerque, N. M.	12	48	\$ 24,600	\$ 106,550
Colorado Springs, Colo.	28	32	16,162	24,380
Denver, Colo.	203	239	315,080	508,400
Hutchinson, Kans.	13	25	21,665	32,800
Joplin, Mo.	10	8	3,900	7,183
Kansas City, Kans.	20	28	9,655	31,745
Kansas City, Mo.	89	129	196,600	214,800
Lincoln, Nebr.	16	24	14,790	53,580
Oklahoma City, Okla.	73	198	107,489	3,068,760
Omaha, Nebr.	18	32	45,275	87,225
Pueblo, Colo.	26	47	14,875	35,329
Salina, Kans.	7	16	8,470	19,325
Shawnee, Okla.	3	12	1,750	29,350
St. Joseph, Mo.	12	19	4,180	16,860
Topeka, Kans.	13	34	25,660	34,760
Tulsa, Okla.	75	182	40,546	535,013
Wichita, Kans.	34	88	30,260	202,600
Total 17 cities, January	652	1,161	\$880,957	\$5,008,660

**Lumber**

**RETAIL:** Sales of lumber in board feet at 166 retail yards located in cities and towns of this District declined 6.2 percent in January as compared to December, and 44.7 percent as compared to January, 1931. January sales of all materials in dollars increased 14.4 percent over December, but were 40.3 percent below a year ago.

Stocks of lumber were reduced 2.1 percent in January and 11.6 percent during the year.

Collections during January were reported equalling 23 percent of the amount of accounts outstanding at the close of the year as compared to 32.9 percent for January, 1931.

The volume of January business at these yards is here compared with that for December and January, 1931, in percentages of increase or decrease:

	January 1932	Compared to
	December 1931	January 1931
Sales of lumber, board feet	-6.2	-44.7
Sales of all materials, dollars	14.4	-40.3
Stocks of lumber, board feet	-2.1	-11.6
Outstandings, end of month	-4.5	-21.0

Lumber production in the United States as reported by mills to the National Lumber Manufacturers Association for the first five weeks of the current year was only 19 percent of normal and 38 percent of the average for the past three years. Shipments during the five weeks exceeded production and orders received exceeded shipments. Compared to the like period last year, production declined 45 percent; shipments, 34; and orders received, 33 percent.

**Cement**

The decline in the production of finished Portland cement at mills in this District in January as compared to December, although slightly larger than last year, was somewhat less than the five year average. The January output was only 0.7 percent below that of January, 1931. Production exceeded shipments, and stocks on hand as of January 31 were the heaviest since June, but 12.4 percent smaller than on January 31, 1931.

Production in the United States during January totaled 4,989,000, shipments 3,363,000, and month-end stocks 25,568,000 barrels, as against 6,595,000, 4,692,000, and 27,759,000 barrels, respectively, for the like month in the preceding year.

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

Reporting Stores	SALES		OUTSTANDINGS		COLLECTIONS		STOCKS		
	January 1932 compared to		January 31, 1932 compared to		January 1932 compared to		January 31, 1932 compared to		
	Dec. 1931	Jan. 1931	Dec. 31, 1931	Jan. 31, 1931	Dec. 1931	Jan. 1931	Dec. 31, 1931	Jan. 31, 1931	
Dry Goods	6	3.4	-32.3	-1.3	-20.6	-39.6	-24.0	16.8	-13.9
Groceries	5	-14.7	-16.7	-2.0	-3.8	-17.2	-26.5	-8.7	-5.5
Hardware	9	-33.6	-37.3	-4.6	-11.4	-34.5	-36.1	2.1	-18.8
Furniture	6	-25.4	-53.1	-3.4	-35.6	-27.9	-49.8	-5.4	-29.9
Drugs	6	-1.0	-23.7	2.4	-8.2	-18.8	-25.3	6.8	-17.4

January production, shipments, and stocks of finished Portland cement at mills in this District:

	January 1932	December 1931	January 1931
	Barrels	Barrels	Barrels
Produced .....	569,000	747,000	573,000
Shipped .....	227,000	415,000	371,000
Stocks, end of month .....	2,303,000	1,961,000	2,628,000

### Bituminous Coal

The demand for coal continued below normal and the January output of mines in the six coal producing states of this District declined 9.1 percent as compared to December and 11.7 percent as compared to January, 1931, and was the smallest for that month in many years.

The tonnage of soft coal produced in each of the six states and the United States during January is shown in the following:

	*January 1932	December 1931	January 1931
	Tons	Tons	Tons
Colorado .....	669,000	773,000	819,000
Kansas .....	218,000	228,000	246,000
Missouri .....	391,000	381,000	315,000
New Mexico .....	140,000	155,000	168,000
Oklahoma .....	158,000	184,000	236,000
Wyoming .....	429,000	484,000	488,000
Total, six states .....	2,005,000	2,205,000	2,272,000
Total, United States .....	27,860,000	30,260,000	38,542,000

\*Estimated.

### Petroleum

Estimates based on the weekly reports of the American Petroleum Institute indicate a 16.1 percent reduction in the flow of crude oil from wells in this District in January as compared to December. The January production was 8.7 percent under a year ago and the smallest for that month since 1925.

The following table gives the gross production of crude oil in each of the five oil producing states of this District and the United States:

	*Jan. 1932	Dec. 1931	Jan. 1931
	Barrels	Barrels	Barrels
Oklahoma .....	13,633,000	16,987,000	15,168,000
Kansas .....	3,081,000	3,183,000	3,102,000
Wyoming .....	1,111,000	1,139,000	1,317,000
Colorado .....	111,000	126,000	139,000
New Mexico .....	1,155,000	1,313,000	1,185,000
Total, five states .....	19,091,000	22,748,000	20,911,000
Total, United States .....	67,909,000	73,174,000	65,991,000

\*Estimated, American Petroleum Institute.

Field operations in this District as measured by the number of wells completed and rigs up and wells drilling at the close of the month, although slightly more active than in the preceding month, were comparatively quiet in relation to the like month in recent years. The cessation of field work has extended over an unusually long period of time, and reports covering the United States indicate more wells were abandoned than drilled last year.

Field activity in the oil producing states of this District is shown in the following table:

	Wells Completed	Barrels Daily New Production	Dry Wells	Gas Wells	Rigs-Wells Drilling
Oklahoma .....	63	56,497	25	11	308
Kansas .....	42	13,980	11	4	160
Wyoming .....	2	0	2	0	78
Colorado .....	5	0	5	0	83
New Mexico .....	7	8,565	3	1	53
January 1932 .....	119	79,042	46	16	682
December 1931 .....	89	79,306	23	17	676
January 1931 .....	264	578,135	94	41	919

Mid-continent crude oil prices remained unchanged, ranging from 61 cents per barrel for oil testing below 29 degrees gravity up to 85 cents for oil testing 40 degrees gravity and over. Prices were approximately 15 cents per barrel below a year ago.

### Zinc and Lead

Mines in the Tri-State district reported shipments of zinc ore during the five week period ended January 30 were 36.5 and 53.5 percent, respectively, smaller than in the preceding five weeks ended December 26 and the corresponding five weeks ended January 31, 1931. Shipments improved the first two weeks in February and the total for the second week of that month exceeded production by 500 tons and sales exceeded production by more than 1,500 tons.

Lead ore shipments increased sharply during the current five weeks and were almost three times as large as in the preceding period and more than double those of the corresponding period last year. In the first four weeks of January stocks were reduced 3,500 tons, equal to two months' production. The increase in shipments is attributed to a desire on the part of producers to dispose of lead concentrates and hold zinc, and to the approach of tax assessment time in Kansas, where the greatest increase in shipments was shown.

Shipments of zinc ore and lead ore from each of the three states in the Tri-State district in the five weeks' period ended January 30, 1932, with comparisons:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma .....	5,952	\$103,918	2,607	\$108,252
Kansas .....	5,772	100,194	2,982	125,490
Missouri .....	347	5,960	133	5,372

5 Wks. ended Jan. 30, 1932 .....	12,071	\$210,072	5,722	\$239,114
5 Wks. ended Dec. 26, 1931 .....	18,999	352,677	1,542	59,340
5 Wks. ended Jan. 31, 1931 .....	25,987	675,662	2,721	144,172

Zinc ore prices declined \$1 per ton during January, opening at \$18 and closing at \$17 per ton as compared to \$27 per ton one year earlier. Values were \$1 per ton higher the second week of February. Lead ore was unchanged at \$40 per ton the first seven weeks of the new year compared to \$50 per ton at the close of January, 1931, and \$45 per ton two weeks later.

### Grain Marketing

Receipts of grain at the five principal markets of the Tenth District during January were larger for all classes than in the preceding month, but substantially smaller than during January last year for all classes except oats.

In normal years corn begins to move to market in volume the forepart of November, with the movement reaching its peak in January or February, but the new crop movement has been unusually light so far. Wet fields delayed harvest, demand at terminal markets has been limited, and with the increased use of trucks, more corn has moved direct from producers to consumers. The five markets received only 1,314,000 bushels of corn in January this year as against 8,162,450 bushels last year, and a ten year average of 8,817,000 bushels.

Marketings of wheat continued heavy and, excluding January, 1931, were the largest for that month since 1921. January receipts of oats were practically 1,000,000 bushels short of the ten year average and were the smallest for any January in a generation, January, 1930, excepted. Farmers are feeding their oats in preference to selling them. Arrivals of barley, rye, and kafir were the smallest for any January in recent years.

All grain prices moved narrowly during January. No. 1 hard and dark wheat at Kansas City opening the month at 49 and closing at 51½ cents per bushel. No. 2 mixed corn and No. 2 white oats opened at 38½ and 28½ cents per bushel, respectively, both closing 2 cents per bushel lower.

Closing prices for January, 1930, were as follows: No. 1 hard and dark wheat, 68½; No. 2 mixed corn, 53; and No. 2 white oats, 32 cents per bushel.

Receipts of six classes of grain at the five markets:

	Wheat Bushels	Corn Bushels	Oats Bushels	Rye Bushels	Barley Bushels	Kafir Bushels
Hutchinson	3,102,300	57,500	-----	-----	3,750	127,400
Kansas City	5,937,600	532,500	160,000	7,500	78,400	132,000
Omaha	2,028,800	432,600	46,000	9,800	6,400	-----
St. Joseph	187,200	274,500	450,000	-----	-----	-----
Wichita	1,720,500	16,900	4,500	-----	1,300	-----
January 1932	12,976,400	1,314,000	660,500	17,300	89,850	259,400
December 1931	10,893,850	1,310,500	534,000	15,500	57,150	190,300
January 1931	16,302,450	8,162,450	608,000	41,700	114,800	401,100

Flour Milling

The output of flour by mills in this District during January corresponded closely, as usual, to the amount produced in December. Compared to January of each of the two preceding years, production declined 7.9 percent and was the smallest reported for any January since 1926. Mills operated at 61.5 percent of capacity during January as compared to 63 percent in the like month last year.

The demand for flour was light, with a majority of orders for 2,000 barrels or less calling for immediate delivery or within thirty to sixty days. Jobbers and small bakers were the principal buyers. Prices were steady to slightly lower.

Millfeed demand was dull throughout the month, with supplies adequate and sometimes burdensome. Bran was in a more favorable demand than shorts, but both closed the month somewhat lower.

Flour production in this District as estimated from the weekly reports of southwestern mills to the Northwestern Miller:

	January 1932 Barrels	December 1931 Barrels	January 1931 Barrels
Atchison	106,342	107,913	135,840
Kansas City	660,670	629,883	640,346
Omaha	56,947	91,117	95,669
Salina	144,704	152,594	186,144
St. Joseph	22,549	48,574	27,916
Wichita	196,760	157,177	112,749
Outside	723,904	757,108	876,813
Total	1,911,876	1,944,366	2,075,477

Agriculture

Due to frequent rains and snows there was very little farm work accomplished during January. Some corn remains unharvested and spring plowing has been delayed. Oats seeding commenced in the southern third of the District the second week in February and the pruning of fruit trees is quite general. There is a sufficiency of subsoil moisture in the eastern half of the District but a deficiency in the western half.

Winter wheat prospects in the eastern half of the wheat belt are reported good to excellent, but range from fair to poor in the western half. Western Kansas received some surface moisture during January but subsoil moisture is decidedly lacking in most western counties, and winds in the forepart of February caused some damage to late planted fields where growth was limited and rooting shallow. Missouri reported plant growth too far advanced for the season.

Low prices and limited credit have compelled farmers to reduce their cash outlays. Farm labor is abundant at low wages and production costs have declined somewhat, but fixed charges remain practically unchanged. There is a large demand for rental land, mostly on a share crop rental basis.

The general level of farm prices in the United States on January 15 was placed at 63 percent of the 1910-14 average by the Bureau of Agricultural Economics, a decline of three points since December 15. The decline since December 15 was due primarily to decreases in the prices of eggs, milk, and butter

fat, which declined 33, 16, and 7 percent, respectively, during the period. Farm prices of butter fat and eggs produced in this District between January 15 and February 15 were the lowest for that season in over thirty years.

Livestock

MARKET MOVEMENTS: More cattle, hogs, and sheep, and fewer calves were received at the six principal livestock markets of this District in January than in December, 1931.

The January run of cattle and calves was the smallest, and of sheep the largest, for that month at these markets in over fifteen years. Arrivals of hogs, including direct shipments to packers' yards which were the largest of record, were in about normal supply, although Omaha received more hogs in January than in any other month in the history of that market. Only 6,086 head of horses and mules were received at these markets in January, compared to 10,208 head last year and a ten year January average of 16,535 head.

Receipts of cattle, calves, hogs, and horses and mules at sixty-three markets in the United States during January were somewhat smaller than in the like month last year and 19.4, 14.5, 12.4, and 60.9 percent, respectively, short of the five year average. Arrivals of sheep and lambs were 8.7 percent larger than a year ago and 25.7 percent above the five year average.

STOCKERS AND FEEDERS: Shipments of stocker and feeder cattle, calves, and sheep from four Tenth District markets in January were seasonally smaller than in December and sharply under a year ago. The outgo of cattle was over 50 percent below the ten year average, that of calves the smallest for any January since 1927, and of sheep the smallest for any January since 1921. The countryward movement of hogs was 7.2 percent larger than in the preceding month, but, with that exception, was the smallest for any month since July, 1921. This unusually light movement is attributed largely to weather conditions, low prices, lack of funds, and unsatisfactory returns from previous feeding operations.

LIVESTOCK ON RANGES: The condition of cattle and sheep on western ranges February 1 is reported by the United States Department of Agriculture at 80 percent, the lowest for any month in the nine years records have been kept, and compares with the five year average of 86.5 percent for cattle and 89.9 percent for sheep. There is a serious shortage of feed in the winter grazing areas and the supply of hay and feed generally is the shortest in many years. Supplemental feeding of cattle has been heavier than usual. Cattle are thin but losses have been light. Sheep in eastern New Mexico are reported in good condition but elsewhere are in fair to poor condition with heavy losses reported for some localities. The poor condition of breeding flocks, which carry a larger than usual proportion of old ewes, has materially reduced lamb crop prospects.

PRICES: Livestock prices during January and the forepart of February were irregular. Receipts of hogs were seasonally large, and, although most offerings were well finished, prices averaged 50 to 75 cents per hundredweight less than in December with bulk of sales at \$3.50, the lowest since 1899, compared to \$7.10 last year. In spite of record January receipts of sheep and lambs, prices of lambs were 50 to 60 cents higher for the month and \$1 to \$1.50 above the twenty-four year low of mid-December, but approximately \$2.50 per hundredweight under a year ago. Cattle and calves were in light supply but prices for most grades, except veals which closed \$1 higher, were steady. Prime steers were scarce and most arrivals lacked finish, due largely to bad feed lot conditions and a shortage of corn in some localities. Prices of hides declined in January to the lowest level in nearly forty years, and wool continued low.

### Cold Storage Holdings

There was a seasonal decrease in January in United States cold storage holdings of beef, mutton, poultry, eggs, butter, and cheese, and a seasonal increase in stocks of pork, miscellaneous meats, and lard.

The seasonal out-of-storage movement of poultry was in excess of the five year average, and the percentage decrease in that of mutton was larger but the tonnage was smaller. The out-of-storage movement of beef and cheese was slightly smaller, and that of butter and eggs considerably smaller, than normally occurs. The in-storage movement of miscellaneous meats and lard was somewhat larger than the five year average, whereas, that of pork was substantially smaller.

February 1 holdings of beef, pork, lamb and mutton, miscellaneous meats, butter, and cheese were smaller than on February 1, 1931, or the five year average February 1 holdings. Stocks of poultry were heavier than one year ago but 8.3 percent below the average. Storage stocks of eggs were fractionally higher than last year and 66 percent in excess of the five year average, with the storage season nearing its close.

Cold storage holdings in the United States on February 1, as reported by the Bureau of Agricultural Economics, United States Department of Agriculture, with comparisons:

	*Feb. 1 1932	Jan. 1 1932	Feb. 1 1931	Feb. 1 5 Yr. Av.
Beef, lbs. ....	51,221	53,199	72,398	86,463
Pork, lbs. ....	674,378	563,306	726,264	699,271
Lamb and mutton, lbs. ....	1,968	2,318	4,081	4,322
Poultry, lbs. ....	111,576	116,700	101,307	121,693
**Turkeys, lbs. ....	14,274	10,320	7,018	11,035
Miscellaneous meats, lbs. ....	69,261	65,579	93,747	79,516
Lard, lbs. ....	78,538	51,224	62,624	89,781
Eggs, cases ....	664	1,475	735	280
Eggs, frozen (case equivalent) ....	2,067	2,263	2,162	1,358
Butter, creamery, lbs. ....	22,527	26,643	46,792	35,599
Cheese, all varieties, lbs. ....	65,707	73,289	69,471	66,142

\*Subject to revision. \*\*Included in Poultry. (000 omitted.)

United States cold storage holdings of fruit as of February 1, 1932, compared to February 1, 1931, and the five year average, are shown in the following, in thousands of units:

	Feb. 1, 1932	Feb. 1, 1931	Feb. 1 5 Yr. Aver.
Apples, barrels ....	1,320	834	1,654
Apples, boxes ....	11,760	15,347	11,626
Apples, baskets ....	7,685	4,469	3,206
Pears, boxes ....	591	1,230	729
Pears, baskets ....	81	36	32
Frozen and preserved fruits, lbs. ....	88,812	70,646	56,013

### Meat Packing

Packers purchased a larger proportion of the cattle, calves, and sheep, and a slightly smaller proportion of the hogs arriving at the six principal livestock markets in this District, including hogs shipped direct to packers' yards, in January, 1932, than they did in December or January, 1931. In January they purchased more cattle and sheep and fewer calves for slaughter

than in either the preceding month or the corresponding month last year. The January slaughter of sheep was the largest, and that of calves the smallest, for the like month of any war or post war year. There was a seasonal increase in the slaughter of hogs, but the January total was 0.6 percent below a year ago and slightly smaller than for any January since 1928.

The Bureau of Agricultural Economics reported 0.4 percent less cattle, 8.5 percent less calves, 6.2 percent less hogs, and 17.7 percent more sheep and lambs slaughtered under Federal meat inspection in the United States during January than in the same month last year.

### Livestock on Farms

The annual inventory of the United States Department of Agriculture, as to the numbers and value of livestock on farms in the United States on January 1, discloses a steady increase in the number of all cattle, milk cows, and sheep and lambs, and a steady decrease in the number of horses and colts and mules and mule colts in the last four years. In 1931 there was a sharp increase in swine numbers, which had declined over 6,000,000 head or 10 percent between January 1, 1928, and January 1, 1931.

In spite of greater numbers, the total value of all livestock on farms in the United States declined from \$5,994,970,000 on January 1, 1930, and \$4,450,708,000 on January 1, 1931, to \$3,195,748,000 on January 1, 1932. The decline in the per head values was even more pronounced in 1931 than in 1930 for all species of livestock except horses and mules.

The trends in the seven states, whose areas or parts thereof comprise the Tenth District, followed those for the United States both as to numbers and values. Between January 1, 1930, and January 1, 1932, numbers, all species combined, increased 5.4 percent, but the aggregate values declined 49.3 percent and the per unit value 51.9 percent. The per unit value declined 34.9 percent between January 1, 1931, and January 1, 1932, and 26.0 percent between January 1, 1930, and January 1, 1931. The decline in per head values of meat animals between January 1, 1930, and January 1, 1932, exceeded 55 percent for all species and ranges up to 65 percent for sheep and lambs. Values of horses and mules declined approximately 26 percent in the two years.

The decline in values per head of livestock on farms in this District during 1931, 1930, and the two years combined:

	Jan. 1, 1932 Compared to Jan. 1, 1931	Jan. 1, 1931 Compared to Jan. 1, 1930	Jan. 1, 1932 Compared to Jan. 1, 1930
All cattle ....	- 34.7	- 31.2	- 55.2
Milk cows ....	- 32.1	- 32.2	- 53.5
Swine ....	- 48.9	- 16.3	- 57.2
Sheep and lambs ....	- 42.0	- 39.5	- 64.9
Horses and colts ....	- 11.5	- 15.5	- 25.9
Mules and colts ....	- 11.3	- 17.0	- 26.4
Five species ....	- 34.9	- 26.0	- 51.9

Numbers and values of livestock on farms for each of the seven states and the United States on January 1, 1932, with comparisons, appear in detail on the opposite page.

### JANUARY MOVEMENT OF LIVESTOCK IN THE TENTH DISTRICT

	RECEIPTS				STOCKERS AND FEEDERS				PURCHASED FOR SLAUGHTER			
	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep
Kansas City .....	122,063	10,147	*332,364	183,269	21,188	1,525	2,020	4,310	57,809	10,133	*305,120	155,802
Omaha .....	107,014	6,274	476,402	281,694	12,412	1,658	858	35,207	72,099	4,616	317,127	183,083
St. Joseph .....	33,899	4,597	142,353	117,862	2,772	228	932	11,552	25,784	4,205	99,555	102,167
Denver .....	31,403	5,835	73,912	89,739	16,767	3,554	1,387	7,828	9,174	1,659	50,246	19,784
Oklahoma City .....	19,057	3,865	29,419	8,049	-----	-----	-----	-----	12,800	3,322	25,501	7,912
Wichita .....	12,652	3,958	49,756	7,141	-----	-----	-----	-----	6,257	1,658	61,939	6,642
January 1932 .....	326,088	34,676	1,104,206	687,754	53,139	6,965	5,197	58,897	183,923	25,593	859,488	475,390
December 1931 .....	317,181	45,000	971,564	613,871	87,892	18,332	4,850	103,174	173,776	27,654	764,225	421,435
January 1931 .....	303,822	52,273	1,101,775	658,589	112,873	14,071	9,328	100,705	163,315	32,047	864,640	419,483

\*Includes 210,206 hogs shipped direct to packers' yards.

LIVESTOCK ON FARMS JANUARY 1  
As Estimated by the United States Department of Agriculture  
(In thousands, 000 omitted)

ALL CATTLE AND CALVES

	NUMBER OF HEAD					VALUE				
	1928	1929	1930	1931	*1932	1928	1929	1930	1931	*1932
Colorado.....	1,317	1,317	1,454	1,541	1,541	\$ 61,459	\$ 72,802	\$ 73,985	\$ 58,324	\$ 34,670
Kansas.....	2,696	2,831	2,991	3,141	3,392	121,747	152,045	150,296	104,770	74,668
Missouri.....	2,109	2,109	2,500	2,551	2,660	100,373	121,805	133,772	88,396	63,229
Nebraska.....	2,766	2,766	3,016	3,167	3,104	136,549	164,096	165,815	123,536	75,014
New Mexico.....	1,070	1,017	1,100	1,100	1,144	41,593	47,320	44,343	33,290	24,386
Oklahoma.....	1,723	1,723	1,915	2,010	2,151	68,394	77,926	78,489	51,101	40,151
Wyoming.....	764	764	790	830	863	37,398	47,450	42,875	33,490	21,122
Seven states.....	12,445	12,527	13,766	14,340	14,855	\$ 567,513	\$ 683,444	\$ 689,575	\$ 492,907	\$ 333,240
United States.....	55,681	55,751	59,730	60,915	62,407	2,845,067	3,308,837	3,386,010	2,394,411	1,662,222

MILK COWS AND HEIFERS KEPT FOR MILK

	NUMBER OF HEAD					VALUE				
	1928	1929	1930	1931	*1932	1928	1929	1930	1931	*1932
Colorado.....	242	244	259	260	266	\$ 16,698	\$ 18,788	\$ 18,648	\$ 14,560	\$ 9,576
Kansas.....	701	701	780	811	860	43,462	52,575	57,720	38,928	28,380
Missouri.....	827	810	930	989	1,030	50,447	59,940	65,100	43,516	30,900
Nebraska.....	613	613	680	680	700	43,523	51,492	53,720	38,080	25,200
New Mexico.....	65	65	69	69	70	3,705	4,355	4,485	3,450	2,590
Oklahoma.....	610	610	650	682	716	34,160	39,040	38,350	24,552	19,332
Wyoming.....	72	72	72	72	72	5,040	6,192	6,048	4,680	2,808
Seven states.....	3,130	3,115	3,440	3,563	3,714	\$ 197,035	\$ 232,382	\$ 244,071	\$ 167,766	\$ 118,786
United States.....	21,824	21,820	22,910	23,558	24,379	1,613,373	1,845,675	1,897,011	1,345,479	965,758

SWINE, INCLUDING PIGS

	NUMBER OF HEAD					VALUE				
	1928	1929	1930	1931	*1932	1928	1929	1930	1931	*1932
Colorado.....	509	550	495	520	624	\$ 6,690	\$ 6,630	\$ 5,943	\$ 5,769	\$ 3,271
Kansas.....	2,531	2,531	2,826	2,487	3,105	34,577	32,223	36,156	26,056	17,027
Missouri.....	4,270	4,070	3,750	3,488	4,011	49,845	49,641	42,701	31,029	22,776
Nebraska.....	5,492	4,888	5,010	4,820	5,110	84,248	73,924	78,260	64,522	30,061
New Mexico.....	77	73	65	62	74	800	779	704	596	422
Oklahoma.....	1,104	994	1,053	927	1,205	12,230	9,520	9,905	7,555	5,970
Wyoming.....	138	149	130	137	123	1,862	1,836	1,566	1,482	662
Seven states.....	14,121	13,255	13,329	12,441	14,252	\$ 190,252	\$ 174,553	\$ 175,235	\$ 137,009	\$ 80,189
United States.....	60,420	54,956	55,301	54,374	59,511	794,941	714,760	744,308	617,668	365,133

SHEEP AND LAMBS

	NUMBER OF HEAD					VALUE				
	1928	1929	1930	1931	*1932	1928	1929	1930	1931	*1932
Colorado.....	2,806	2,780	3,750	3,351	3,361	\$ 27,157	\$ 29,615	\$ 33,843	\$ 18,659	\$ 10,575
Kansas.....	512	538	659	669	779	4,804	4,977	5,515	2,996	2,406
Missouri.....	942	987	1,180	1,204	1,205	9,494	10,502	10,726	6,013	3,929
Nebraska.....	905	1,050	1,208	960	1,047	8,262	10,001	9,864	4,543	3,158
New Mexico.....	2,362	2,362	2,527	2,780	3,058	21,136	24,415	20,542	13,520	6,899
Oklahoma.....	97	107	185	174	164	852	1,068	1,650	806	486
Wyoming.....	3,193	3,448	3,540	3,894	4,128	33,938	39,875	32,466	22,620	14,850
Seven states.....	10,817	11,272	13,049	13,032	13,742	\$ 105,643	\$ 120,453	\$ 114,606	\$ 69,157	\$ 42,303
United States.....	44,554	47,171	51,383	52,745	53,912	456,687	500,058	459,208	282,352	183,255

HORSES AND COLTS

	NUMBER OF HEAD					VALUE				
	1928	1929	1930	1931	*1932	1928	1929	1930	1931	*1932
Colorado.....	324	308	338	331	324	\$ 13,831	\$ 14,554	\$ 15,023	\$ 13,420	\$ 11,008
Kansas.....	798	766	728	699	685	34,335	37,404	35,075	26,904	25,103
Missouri.....	604	574	610	592	574	30,404	30,572	33,200	26,472	22,922
Nebraska.....	788	764	757	719	697	46,864	46,046	45,923	37,376	30,944
New Mexico.....	168	163	142	135	128	5,152	5,811	4,720	3,717	2,930
Oklahoma.....	537	516	507	482	453	20,229	19,984	19,628	15,844	13,561
Wyoming.....	190	186	176	171	166	5,930	5,970	6,013	5,784	4,352
Seven states.....	3,409	3,277	3,258	3,129	3,027	\$ 156,745	\$ 160,341	\$ 159,582	\$ 129,517	\$ 110,820
United States.....	14,540	14,029	13,684	13,165	12,679	974,855	981,331	955,964	795,541	676,698

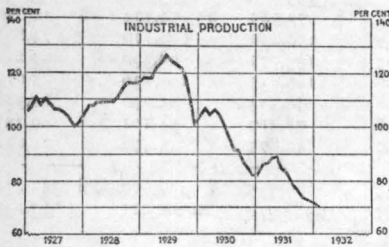
MULES AND MULE COLTS

	NUMBER OF HEAD					VALUE				
	1928	1929	1930	1931	*1932	1928	1929	1930	1931	*1932
Colorado.....	33	32	30	28	27	\$ 1,845	\$ 1,850	\$ 1,721	\$ 1,445	\$ 1,132
Kansas.....	213	198	160	155	143	12,719	12,775	10,579	8,943	7,410
Missouri.....	330	313	300	297	291	22,553	23,377	22,824	18,922	16,037
Nebraska.....	110	106	99	95	91	8,195	8,102	7,869	5,923	5,158
New Mexico.....	31	30	24	23	22	1,394	1,491	1,171	903	855
Oklahoma.....	347	333	318	302	287	18,156	19,356	18,788	14,337	12,241
Wyoming.....	5	5	4	4	4	262	276	235	190	180
Seven states.....	1,069	1,017	935	904	865	\$ 65,124	\$ 67,227	\$ 63,187	\$ 50,663	\$ 43,013
United States.....	5,532	5,447	5,366	5,215	5,082	440,958	447,727	449,480	360,736	308,440

\*Subject to revision.

## Business Conditions in the United States

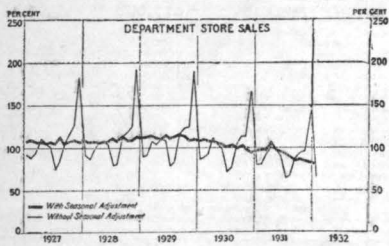
By the Federal Reserve Board



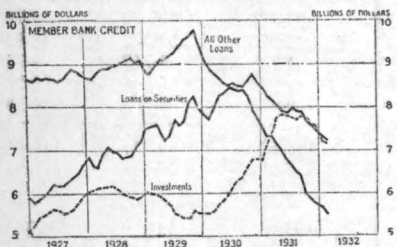
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average = 100.) Latest figure, January, 70.



Indexes based on three month moving averages of F. W. Dodge data for 37 Eastern States, adjusted for seasonal variation. (1923-1925 average = 100.) Latest figures January, total 33, residential 20.



Indexes of daily average value of sales with adjustment for seasonal variation and without adjustment for seasonal variation. Latest figures January, adjusted 80, unadjusted 65.



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

In January, production of manufactures increased by about the usual seasonal amount, while output of minerals and value of building contracts awarded continued to decline. Wholesale prices declined further during January and early February, but more recently prices of certain leading commodities showed an advance.

**PRODUCTION AND EMPLOYMENT:** Volume of industrial production, which includes both manufactures and minerals, increased from December to January by an amount somewhat smaller than is usual at this time of year, and the board's seasonally adjusted index declined from 71 percent of the 1923-1925 average to 70 percent. In the steel industry there was a seasonal increase in activity during January, followed by a slight decline during the first three weeks of February. Production of automobiles which usually increases considerably at this season, showed little change in January, following an increase in December. Activity at textile mills increased by more than the usual seasonal amount, and at shoe factories there was a seasonal increase in production. Output of coal and petroleum was substantially reduced.

Volume of factory employment declined by more than the usual seasonal amount between the middle of December and the middle of January. Numbers employed at foundries, car building shops, clothing factories and establishments producing building materials declined substantially, while employment in the tobacco industry decreased less than is usual at this season, and employment in the woolen goods industry increased, contrary to seasonal tendency.

Total value of building contracts awarded in 37 eastern states, as reported by the F. W. Dodge Corporation, declined sharply in January, and for the three months' period ending in that month was about one-half of the amount awarded in the corresponding period a year ago. Approximately one-fourth of the decrease was in residential building and three-fourths in other types of construction.

**DISTRIBUTION:** Total freight car loadings decreased in January, contrary to seasonal tendency, reflecting chiefly smaller shipments of merchandise, miscellaneous freight, and coal. Department store sales declined by about the usual seasonal amounts.

**WHOLESALE PRICES:** The general level of wholesale commodity prices as measured by the index of the Bureau of Labor Statistics declined 2 percent further from December to January, although prices of some important commodities, such as wheat, showed little change and the price of cotton advanced. During early February, prices of certain leading commodities including grain and cotton declined, but later in the month there was some advance in the prices of these commodities.

**BANK CREDIT:** Volume of reserve bank credit outstanding declined in January and the first half of February. This decrease has reflected a return flow of currency from circulation, which has been smaller than usual this year, together with a continued reduction in member bank reserve balances, offset in part by a demand for reserve bank credit caused by an outward movement of gold amounting to \$100,000,000 since the turn of the year. A decline in money in circulation after the first few days in February reflected some return of hoarded currency accompanying a decrease in bank failures.

At member banks in leading cities volume of credit continued to decline during January and the first half of February. Between January 13 and February 17, total loans and investments decreased by \$550,000,000 representing declines in loans on securities, in other loans and in investments. Deposits of these banks also declined substantially during this period.

Money rates in the open market showed little changes. On February 26 the discount rate of the Federal Reserve Bank of New York was reduced from 3½ to 3 percent, and buying rates on bankers acceptances of short maturities were reduced from 2¾ to 2⅝ percent.