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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. 1

MARKET prices for agricultural products and for many other items of Tenth District production continue at abnormally low levels, and business activity in the District failed to show any improvement in November and the forepart of December.

November grain prices were generally steady, with the exception of corn which moved into lower ground. Hay prices were steady, and cotton declined slightly. Lambs were 50 cents per hundredweight higher for the month, pork prices closed unchanged, but beef was lower. Prices of cattle and hogs declined further to mid-December, the former selling at the lowest levels in over twenty years, and the latter the lowest since 1879. Butter and egg prices advanced rapidly late in November. Turkey prices broke badly under heavy holiday offerings but other classes of poultry continued to sell at the same low levels.

The December 1 summary of the Bureau of Agricultural Economics, United States Department of Agriculture, commenting on the agricultural situation, states as follows:

"Prices of farm products stand this fall at an index of 54 (pre-war average being considered as 100), prices paid by farmers for commodities bought 106, farm taxes about 250, farm wages 84. The general wholesale price level of all commodities stands at 94. Industrial wage rates are around 175."

The ratio of prices received by the farmer to prices paid by him for commodities, is estimated at 51, as compared to a low ratio of 48 for June of this year.

Sales at both wholesale and retail declined seasonally, the former by somewhat less than usual and the latter slightly more.

Marketings of grain and livestock were extremely light, and the countryward movement of livestock for feeding purposes was substantially below normal.

Production of flour, crude oil, and cement declined, both as compared to October this year and November, 1931. Coal production was the same as a month ago but exceeded last year's output.

Building activity, especially residential construction, was quiet.

Deposits in member banks show a tendency to increase, but loans and discounts show further reductions.

Banking and Credit

MEMBER BANK OPERATIONS: Reductions in borrowings at member banks continued, although less rapidly than in the earlier months of the year. Fifty-four reporting member banks in selected cities reported \$246,387,000 in loans and discounts on December 14, reflecting reductions of 2 percent since November 9 this year, 25.7 percent since December 16,

BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT

Percentages of Increase, or Decrease (—), for November 1932 over October 1932 and November 1931 and for the first eleven months of 1932 over the like period in 1931.

	November 1932		11 Months 1932
	Compared to Oct. 1932	Nov. 1931	11 Months 1931
Banking			
Payments by check, 29 cities.....	— 7.3	—28.8	—28.0
Federal Reserve Bank clearings.....	— 7.4	—19.7	—25.5
Loans, 54 member banks.....	— 2.0	—25.7	.....
Investments, 54 member banks.....	— 1.0	— 2.3	.....
Net demand deposits, 54 member banks	1.3	—13.2	.....
Time deposits, 54 member banks.....	— 0.9	— 3.8	.....
Savings deposits, 49 selected banks.....	0.3	— 8.3	.....
Savings accounts, 49 selected banks.....	— 0.8	— 2.5	.....
Distribution			
Wholesalers' sales, 5 lines combined.....	— 9.6	—14.1	—22.1
Retailers' sales, 34 department stores.....	— 8.3	—21.2	—21.9
Lumber sales, 161 retail yards.....	—26.0	—31.4	—35.7
Construction			
Building contracts awarded, value.....	—44.4	30.9	—47.1
Residential contracts awarded, value.....	—14.1	—46.7	—61.6
Building permits in 17 cities, value.....	77.5	— 0.1	—70.9
Production			
Flour.....	— 8.0	—12.7	— 4.4
Crude petroleum.....	— 3.1	—24.7	—12.6
Soft coal.....	— 0.3	7.8	—10.9
Zinc ore (shipped) Tristate District.....	Even	41.9	—26.6
Lead ore (shipped) Tristate District.....	29.3	49.9	—14.7
Cement.....	—20.3	— 1.5	—36.5
Grain receipts, 5 markets			
Wheat.....	—23.5	—43.4	—40.3
Corn.....	—38.0	0.5	—64.6
Oats.....	—44.8	—30.8	—20.7
Rye.....	—42.1	95.3	26.2
Barley.....	14.5	—38.9	—51.2
Kafir.....	—37.2	—70.4	2.6
Livestock receipts, 6 markets			
Cattle.....	—29.9	—27.2	—10.0
Calves.....	—30.8	—28.4	— 8.9
Hogs.....	—11.8	—21.8	6.3
Sheep.....	—56.0	—43.0	—12.1
Horses and mules.....	—33.0	19.2	— 1.5
Meat packing, 6 markets			
Cattle.....	—26.0	—13.1	— 5.8
Calves.....	—38.7	—11.3	— 5.1
Hogs.....	—13.2	—14.8	17.5
Sheep.....	—31.5	—35.0	—10.6
Stocker and feeder shipments, 4 markets			
Cattle.....	—24.4	—23.0	—14.0
Calves.....	—13.7	—17.7	1.2
Hogs.....	35.8	—67.9	—54.5
Sheep.....	—46.5	—37.1	—45.4

1931, and 48.7 percent from the high of August 7, 1929. Liquidations during the five weeks ended December 14 were confined to "all other" loans, as loans secured by stocks and bonds increased slightly. In fifty-two weeks "all other" loans declined 29.9 percent and loans on securities 14.8 percent.

Declines in total investment holdings of these banks, amounting to 1 percent in five weeks and 2.3 percent in fifty-two weeks, were entirely attributable to reductions in holdings of bonds, stocks, and securities other than United States securities, as purchases of the latter were expanded.

An improvement of 1.3 percent in net demand deposits and a seasonal decline in time deposits between November 9 and December 14 were reported, but net demand deposits as of the latter date were 13.2 percent and time deposits 3.8 percent less than one year earlier.

The accompanying table shows the principal items contained in the condition statements of the fifty-four reporting member banks as of the three dates of comparison:

	Dec. 14, 1932	Nov. 9, 1932	Dec. 16, 1931
Loans and investments—total...	\$507,631,000	\$515,182,000	\$598,804,000
Loans and discounts—total.....	246,387,000	251,383,000	331,474,000
Secured by stocks and bonds.....	78,581,000	77,876,000	92,203,000
All other loans and discounts.....	167,806,000	173,507,000	239,271,000
Investments—total.....	261,244,000	263,799,000	267,330,000
U. S. securities.....	145,641,000	144,146,000	134,385,000
Other bonds, stks., and sec.....	115,603,000	119,653,000	132,945,000
Reserve with F. R. bank.....	42,911,000	43,263,000	59,022,000
Net demand deposits.....	341,256,000	336,984,000	393,158,000
Time deposits.....	179,639,000	181,224,000	186,786,000
Government deposits.....	5,181,000	6,963,000	4,364,000

RESERVE BANK OPERATIONS: Rediscounts for member banks held by this bank and branches declined \$3,279,523 between November 9 and December 14, with total holdings, as of the latter date, \$17,187,746 less than on December 16, 1931, and the smallest since September 16 of that year. Holdings of bills purchased in the open market also declined during the five weeks' period and showed a reduction of \$15,118,581 in fifty-two weeks. These reductions, and an inconsequential one of \$400 in holdings of United States Government securities, resulted in a 4.4 percent decrease for the month in total earning assets. Total earning assets on December 16 were somewhat larger than a year earlier, increased holdings of Government securities having offset reductions in other items.

Federal reserve note circulation expanded 1 percent in the five weeks ended December 14, at which time it was 10.9 percent larger than one year earlier. Member banks' reserve deposits declined 0.6 percent in five weeks and 17.1 percent in fifty-two weeks.

Principal items contained in weekly statements of the Federal Reserve Bank of Kansas City as of the three dates of comparison:

	Dec. 14, 1932	Nov. 9, 1932	Dec. 16, 1931
Gold reserves.....	\$ 83,599,870	\$ 84,016,532	\$ 94,474,774
Reserves other than gold.....	6,842,670	5,297,100	7,524,587
Total reserves.....	90,442,540	89,313,632	101,999,361
Bills discounted.....	13,280,983	16,550,506	30,468,729
Bills purchased.....	859,911	889,100	15,978,442
U. S. securities.....	57,252,100	57,252,500	18,959,100
Other securities.....	.....	.....	400,000
Total bills and securities.....	71,392,994	74,692,106	65,806,271
Total resources.....	188,139,646	189,087,933	203,823,446
F. R. notes in circulation.....	91,680,915	90,810,065	82,657,235
Member banks' reserve deposits.....	64,875,269	65,240,394	78,213,981

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 savings deposits and a slight decrease in the number of savings accounts for the month of November were reported by forty-nine selected banks in leading cities of this District. Deposits as of December 1 this year showed a decline of 8.3 percent since December 1, 1931, whereas, the number of accounts declined only 2.5 percent.

Savings accounts and savings deposits as reported by the forty-nine banks:

	Savings Accounts	Savings Deposits
December 1, 1932.....	419,195	\$114,718,098
November 1, 1932.....	422,468	114,333,061
December 1, 1931.....	430,026	125,038,243

BANK DEBITS: The volume of debits to individual accounts, as reported by banks in twenty-nine Tenth District cities, declined 7.3 percent in the four weeks ended November 30, as compared to the total for the preceding four weeks ended November 2, and 28.8 percent as compared to the corresponding four weeks ended December 2, 1931. The total for the first eleven months of 1932 showed a loss of 28 percent as compared to a year ago.

Check payments in 263 cities in the United States were 33.9 percent lighter in the four weeks ended November 30 this year than in the like period last year, with the eleven months' total 33.1 percent smaller.

PAYMENTS BY CHECK

	FOUR WEEKS ENDED		Percent Change
	Nov. 30, 1932	Dec. 2, 1931	
Albuquerque, N. M.....	\$ 6,864,000	\$ 8,894,000	-22.8
Atchison, Kans.....	2,073,000	3,089,000	-32.9
Bartlesville, Okla.....	16,533,000	14,574,000	13.4
Casper, Wyo.....	4,471,000	5,775,000	-22.6
Cheyenne, Wyo.....	4,615,000	5,508,000	-16.2
Colorado Springs, Colo.....	9,043,000	14,781,000	-38.8
Denver, Colo.....	81,549,000	115,595,000	-29.5
Enid, Okla.....	5,212,000	7,840,000	-33.5
Fremont, Nebr.....	1,403,000	2,483,000	-43.5
Grand Junction, Colo.....	1,516,000	2,463,000	-38.4
Guthrie, Okla.....	859,000	1,384,000	-37.9
Hutchinson, Kans.....	6,291,000	9,759,000	-35.5
Independence, Kans.....	2,970,000	4,860,000	-38.9
Joplin, Mo.....	5,679,000	6,256,000	-9.2
Kansas City, Kans.....	8,286,000	11,514,000	-28.0
Kansas City, Mo.....	189,352,000	271,586,000	-30.3
Lawrence, Kans.....	2,412,000	3,249,000	-25.8
Lincoln, Nebr.....	16,044,000	22,341,000	-28.2
Muskogee, Okla.....	6,064,000	6,674,000	-9.1
Oklahoma City, Okla.....	49,684,000	66,980,000	-25.8
Okmulgee, Okla.....	1,759,000	2,351,000	-25.2
Omaha, Nebr.....	86,574,000	125,958,000	-31.3
Pittsburg, Kans.....	2,640,000	3,498,000	-24.5
Pueblo, Colo.....	17,058,000	34,552,000	-50.6
Salina, Kans.....	4,478,000	8,180,000	-45.3
St. Joseph, Mo.....	16,837,000	26,268,000	-35.9
Topeka, Kans.....	8,756,000	11,686,000	-25.1
Tulsa, Okla.....	60,321,000	71,990,000	-16.2
Wichita, Kans.....	24,137,000	33,801,000	-28.6
Total 29 cities, 4 weeks.....	\$ 643,480,000	\$ 903,889,000	-28.8
Total 29 cities, 48 weeks.....	8,816,941,000	12,251,020,000	-28.0
U. S. 263 cities, 4 weeks.....	20,519,432,000	31,060,399,000	-33.9
U. S. 263 cities, 48 weeks.....	320,393,222,000	479,227,673,000	-33.1

FEDERAL RESERVE BANK CHECK COLLECTIONS: Check collections for banks through the Federal Reserve Bank of Kansas City and branches at Denver, Oklahoma City, and Omaha during November totaled 3,809,061 items representing \$508,756,000. These totals show decreases of 7 percent in the number of items handled and 7.4 percent in the dollar amount as compared to October, and of 21.9 percent in items and 19.7 percent in amount as compared to November last year.

Figures showing total collections for November and the eleven months, with comparisons, follow:

	ITEMS		AMOUNT	
	1932	1931	1932	1931
November.....	3,809,061	4,878,110	\$ 508,756,000	\$ 633,278,000
October.....	4,097,060	5,370,096	549,265,000	712,979,000
Eleven months.....	47,068,109	59,018,584	5,817,477,000	7,812,430,000

RETAIL TRADE AT 34 DEPARTMENT STORES IN THE TENTH FEDERAL RESERVE DISTRICT

Stores Reporting	SALES		STOCKS (RETAIL)		STOCK TURNOVER				ACCOUNTS RECEIVABLE		COLLECTIONS		
	Nov. 1932	11 Months 1932	Nov. 30, 1932	Nov. 30, 1931	November	11 Months			Nov. 30, 1932	Nov. 30, 1931	Nov. 1932 compared to		
	compared to Nov. 1931	compared to 11 Months 1931	compared to Oct. 31, 1932	compared to Nov. 30, 1931	1932	1931	1932	1931	compared to Oct. 31, 1932	compared to Nov. 30, 1931	Oct. 1932	Nov. 1931	
Kansas City.....	4	-16.3	-24.2	0.9	-17.5	.18	.18	1.81	2.10	1.7	-9.2	3.0	-13.7
Denver.....	5	-24.6	-21.0	3.8	-22.9	.23	.23	2.50	2.62	-2.9	-17.1	-3.4	-17.7
Oklahoma City.....	3	-22.9	-21.5	3.5	-29.3	.27	.25	2.69	2.63	-1.2	-6.7	9.5	-5.4
Topeka.....	3	-21.5	-21.3	3.4	-8.2	.20	.20	2.24	2.16	-2.7	-22.1	-2.0	-21.3
Tulsa.....	3	-11.1	-12.6	4.5	-25.9	.33	.27	4.10	3.51	-4.7	-12.9	40.6	-2.1
Wichita.....	3	-20.8	-19.9	-0.1	-20.6	.20	.20	.....	.....	-6.4	-22.2	5.0	-18.8
Other cities.....	13	-23.7	-24.0	-1.7	-20.2	.22	.23	2.37	2.47	1.2	-12.8	1.1	-18.7
Total.....	34	-21.2	-21.9	1.5	-21.5	.22	.22	2.33	2.51	-1.3	-13.9	3.4	-14.9

NOTE: Percentage of collections in November on accounts October 31, all stores reporting 35.2. Collections same month last year 36.4.

Trade

RETAIL: Dollar sales of thirty-four department stores located in Tenth District cities declined 8.3 percent in November. Not since 1927 have November sales exceeded October sales, but the decline this year was slightly larger than reported in any of the four preceding years. A decrease of 21.2 percent as compared to November, 1931, although not as favorable a comparison as shown for the months of September and October, was considerably better than reported for the months of June and July. Preliminary reports indicate that holiday sales, which have been retarded somewhat by the extremely cold weather, will fall considerably short of the normal volume.

Stocks, as usual, showed little change between October 31 and November 30, but inventories, as of the latter date, were 21.5 percent lighter than on the like date last year, thus making the third consecutive substantial annual decline.

Collections during November were at the rate of 35.2 percent of accounts outstanding at the close of the previous month as compared to 35 percent in October and 36.4 percent in November, 1931.

WHOLESALE: November witnessed about the usual falling off in wholesale trade, all lines, with the exception of drugs which experienced a slight non-seasonal gain, reporting declines ranging from 9.6 percent for dry goods to 27.9 percent for furniture. Dollar sales substantially smaller than a year ago were reported by all lines, decreases being as follows: dry goods, 11.7; groceries, 17.1; hardware, 19.3; furniture, 36.6; and drugs, 3.5 percent.

All lines, furniture excepted, reduced their inventories during the month and stocks on hand November 30 were, without exception, substantially smaller than one year earlier.

Flour Milling

Operating at 63.4 percent of full-time capacity in November, as against 68.9 percent in October and 75.6 percent in November, 1931, southwestern mills produced 8 percent less flour during November than in the preceding month and 12.7 percent less than in the corresponding month last year. Production during the first five months of the new wheat year is estimated at 10,087,599 barrels as against 11,158,249 barrels for the corresponding period a year ago.

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

	Nov. 1932	Oct. 1932	Nov. 1931
	Barrels	Barrels	Barrels
Atchison.....	139,211	137,815	130,364
Kansas City.....	574,143	612,528	664,701
Omaha.....	114,128	113,634	106,952
Salina.....	159,338	178,000	191,017
St. Joseph.....	48,279	61,442	79,828
Wichita.....	200,225	234,153	214,142
Outside.....	748,618	818,886	886,403
Total southwestern mills.....	1,983,942	2,156,458	2,273,407
United States.....	5,724,825	6,165,944	6,393,856

Flour trade was not active and, except for a few instances, sales were of small size, chiefly for 500 to 1,000 barrels or mixed car lots for delivery within thirty, sixty, or ninety days. Record low prices the forepart of the month failed to attract much buying, and, as wheat and flour prices advanced, buyers were reluctant to enter the market. Prices were shaded somewhat at the close but still showing a net advance of approximately 10 cents per barrel for the month. Strong cash wheat premiums and millfeed prices, that hardly more than covered costs of sacking, packing, and freight, necessitated a relative strengthening of flour prices. Shipping directions were slow and kept mill activity down. Stocks in both jobbers and bakers' hands and bookings are below normal but so is the demand for baked goods.

Demand for millfeed was light and scattered. Supplies, although light, are adequate for the demand and, at present prices, sales beyond current output are not urged.

Grain Marketing

Only about two-thirds as much wheat, one-third as much corn, and a fourth as much oats, rye, barley, and kafir were received at the five principal grain markets of the Tenth District during November as normally. Compared to October, receipts of wheat, oats, and rye declined seasonally and marketings of corn and kafir failed to show the usual increase.

Weather conditions, in contrast to a year ago, were quite favorable to the harvesting and marketing of corn, but receipts, despite a much larger crop, were only one-half of one percent larger than for November, 1931, reflecting the reluctance of producers to dispose of their grain at prevailing prices.

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

Reporting Stores	SALES		OUTSTANDINGS		COLLECTIONS		STOCKS		
	Nov. 1932	Nov. 1931	Nov. 30, 1932	Nov. 30, 1931	Nov. 1932	Nov. 1931	Nov. 30, 1932	Nov. 30, 1931	
	compared to Oct. 1932	compared to Nov. 1931	compared to Oct. 31, 1932	compared to Nov. 30, 1931	compared to Oct. 1932	compared to Nov. 1931	compared to Oct. 31, 1932	compared to Nov. 30, 1931	
Dry goods.....	5	-9.6	-11.7	-2.9	-13.3	-4.5	-7.2	-13.6	-3.9
Groceries.....	5	-10.0	-17.1	-6.9	-12.3	-2.3	-6.9	-4.7	-26.3
Hardware.....	9	-18.2	-19.3	-3.0	-9.6	-8.4	-19.2	-3.0	-11.3
Furniture.....	5	-27.9	-36.6	-5.9	-25.0	-14.2	-31.4	1.1	-28.6
Drugs.....	6	2.3	-3.5	2.3	-6.3	-1.9	-9.0	-2.9	-16.4

All grain prices moved within a narrow range in November with wheat, oats, rye, and barley closing the month fractionally higher and corn and kafir a cent a bushel lower. Number 1 hard and dark wheat at Kansas City closed at 41 cents, number 2 mixed corn at 22½ cents, and white oats at 18 cents per bushel as against 48, 45, and 30 cents, respectively, a year ago. Recessions up to December 15 carried all grains to previous or new lows.

Arrivals of grain at five Tenth District markets are shown in the following table:

	Wheat Bushels	Corn Bushels	Oats Bushels	Rye Bushels	Barley Bushels	Kafir Bushels
Hutchinson.....	1,151,550	-----	-----	-----	-----	19,500
Kansas City.....	3,737,600	601,500	92,000	10,500	40,000	105,000
Omaha.....	433,600	378,000	86,000	26,600	14,400	-----
St. Joseph.....	382,400	264,000	196,000	-----	-----	-----
Wichita.....	799,500	5,200	1,500	-----	-----	1,300
Nov. 1932.....	6,504,650	1,248,700	375,500	37,100	54,400	125,800
Oct. 1932.....	8,508,050	2,012,600	680,000	64,100	47,500	200,400
Nov. 1931.....	11,488,800	1,242,750	542,500	19,000	89,100	425,100
11 Mos. 1932.....	159,813,000	16,022,250	6,847,000	320,600	779,800	2,334,900
11 Mos. 1931.....	267,617,950	45,272,250	8,629,600	254,100	1,597,050	2,275,300

Crops

Revised estimates of the United States Department of Agriculture disclose that farmers in this District harvested a larger acreage of corn, oats, barley, grain sorghums, wild hay, white potatoes, and peanuts, and a smaller acreage of wheat, tame hay, cotton, broom corn, dry beans, rye, and flax in 1932 than in 1931.

Production of wheat, dry beans, cotton, and sugar beets is sharply lower than a year ago. Higher average yields on a somewhat larger acreage have resulted in the largest corn crop in several years. Hay yielded more abundantly and the potato crop is somewhat larger. Adverse spring temperatures cut the harvest of apples, peaches, and pears over 50 percent but most other fruits bore satisfactorily.

Weather has been excellent for the harvesting of corn and grain sorghums, and the picking and ginning of cotton. Fall plowing was retarded generally by dry soil.

Sales of this year's tobacco crop at auction, commencing the forepart of December, are averaging better than a year ago, with a tendency for the market to strengthen from day to day. A million pounds of Tenth District tobacco, sold to December 15, averaged \$13.17 per hundredweight.

WINTER WHEAT: A 1933 national winter wheat harvest of less than 400,000,000 bushels, the smallest in the present century, is suggested by the Department of Agriculture's report of a 1.3 percent reduction in the fall sown acreage, and a December 1 condition of 68.9 percent. Area sown totaled 39,902,000 acres, the smallest since 1923, and marks the third consecutive year the acreage has been reduced. On the basis of past experience, the present condition of 68.9 percent, which is the lowest reported for December 1 in the sixty-nine years records have been compiled, indicates a probable abandonment by harvest time of over 20 percent of the area sown. Abandonment last year amounted to 16.7 percent and the average for the past ten years to 12.4 percent of the fall sown acreage.

Acreage sown and December 1 condition of winter wheat in the states of this District are shown in the following: (Acreage in thousands — 000 omitted).

	AREA SOWN—FALL		CONDITION DECEMBER 1		
	1932	1931	1932	1931	10-Yr. Av.
Colorado.....	877	1,218	55	54	82
Kansas.....	11,477	11,711	57	70	79
Missouri.....	1,311	1,473	76	92	85
Nebraska.....	2,890	3,042	70	76	85
New Mexico.....	360	379	80	79	79
Oklahoma.....	4,275	4,407	49	80	80
Wyoming.....	135	169	67	75	86
Seven states.....	21,325	22,399	58.7	73.5	82
United States.....	39,902	40,420	68.9	79.4	83.3

Reductions in the winter wheat acreage of this District totaled approximately 1,000,000 acres, largely in the drier areas of the southwest. Much late planted wheat is not up, particularly in the western third of the wheat belt where the moisture supply is most deficient. The crop has been damaged somewhat by soil blowing and is subject to extensive injury in the event of extremely low temperatures. Wheat in the eastern part of the District is more promising but the acreage is small. A moisture deficiency exists generally. The December report of the Kansas State Board of Agriculture places the condition of winter wheat in that state at 57 percent of normal, the lowest on record, as compared with 70 percent last December, and the ten-year average condition of 79.4 percent. Rye acreage has been reduced about 10 percent, with the December 1 condition below normal.

DECEMBER 1 ESTIMATES BY THE UNITED STATES DEPARTMENT OF AGRICULTURE OF 1932 AND 1931 HARVESTED ACREAGE AND PRODUCTION OF FIFTEEN IMPORTANT CROPS IN THE UNITED STATES AND THE SEVEN STATES WHOSE AREAS OR PARTS THEREOF COMPRISE THE TENTH FEDERAL RESERVE DISTRICT

	ACREAGE HARVESTED, in thousands				PRODUCTION, in thousands of units			
	SEVEN STATES		UNITED STATES		SEVEN STATES		UNITED STATES	
	1932	1931	1932	1931	1932	1931	1932	1931
Winter wheat, bu.....	17,411	23,596	33,656	41,357	196,278	424,382	462,151	787,393
Spring wheat, bu.....	572	418	21,521	13,987	6,340	4,504	264,680	112,826
All wheat, bu.....	17,983	24,014	55,177	55,344	202,618	428,886	726,831	900,219
Corn, bu.....	29,835	28,429	107,729	105,301	676,625	531,480	2,908,045	2,567,306
Oats, bu.....	7,546	7,516	41,224	39,800	174,410	193,287	1,242,437	1,117,970
Barley, bu.....	2,358	2,090	13,213	11,419	39,702	34,528	299,950	198,389
Rye, bu.....	372	473	3,271	3,060	3,505	4,271	39,855	32,026
Grain sorghums, bu.....	3,636	3,192	7,850	7,156	39,231	42,979	105,871	105,214
Tame hay, tons.....	8,010	8,173	52,819	53,879	10,878	9,836	69,609	65,058
Wild hay, tons.....	5,179	4,914	14,298	12,259	4,248	3,260	12,179	8,378
Cotton, bales.....	3,625	3,782	37,589	40,495	1,441	1,651	12,727	17,096
White potatoes, bu.....	412	410	3,368	3,375	35,391	30,931	356,589	375,310
Dry beans, bags.....	380	563	1,348	1,883	1,016	1,952	10,095	12,662
Broom corn, tons.....	254	257	284	295	26	35	33	44
Peanuts, lbs.....	48	36	2,421	2,145	38,320	19,440	1,403,050	1,538,790
Flaxseed, bu.....	56	79	2,087	2,416	346	387	11,841	11,798
Sugar beets, tons.....	-----	-----	-----	-----	3,113	3,975	8,788	7,903

Livestock

MARKETINGS: November receipts of all classes of livestock at the six principal market centers of this District were extremely light. Arrivals of cattle, calves, hogs (not including shipments direct to packers' yards), and sheep were the lightest recorded for any November in over fourteen years. Horses and mules, although somewhat more numerous than in November, 1930, and 1931, were otherwise less numerous than in any November since 1920. Compared to the ten-year average November offerings, the following declines are noted: cattle, 35; calves, 26; hogs, 32.5; sheep, 24; and horses and mules, 40 percent. With direct shipments considered, the decline in receipts of hogs would not be nearly so impressive, but, even so, they were 21.8 percent lighter than in November a year ago.

FEEDING OPERATIONS: Shipments of stocker and feeder cattle, calves, and sheep, from four Tenth District markets to the country, declined sharply as compared to October this year, November last year, and the ten-year average. More hogs moved to feedlots than in the previous month, but the November outgo was off 67.9 percent as compared to a year ago and 80 percent as compared to normal.

The Department of Agriculture points out that the movement direct to feeders, particularly of cattle and hogs, being more pronounced this year than usual, shipments from stockyards are not as indicative of feeding operations as formerly. Commenting on the December 1 livestock feeding situation, the Department said in part:

CATTLE: "Shipments of stocker and feeder cattle into the Corn Belt states through stockyards in November were small. The estimated number, inspected through markets, was 23 percent smaller than in November, 1931, and the second smallest for the month in the fourteen years for which records are available.

"The total inspected shipments for the five months, July to November this year were also the smallest for the period in fourteen years, being 9 percent below the total of 1931. The total into the states east of the Mississippi, however, was the largest in six years, while the total into the states west of the Mississippi was much the smallest in fourteen years. The largest decreases this year were in the shipments into Nebraska and Kansas. Direct shipments to feeders, not going through stockyards, apparently were larger this year than last.

"Cattle feeding in the western states will be considerably less this year than last due to the marked reduction in Colorado."

SHEEP: "While the estimated shipments of stocker and feeder lambs and sheep inspected through markets into the eleven Corn Belt states were considerably smaller in November this year than in November, 1931, they were not greatly different from the five-year (1926-1930) average November shipments.

"Total shipments inspected through markets into the Corn Belt states for the five months (July to November) this year were 40 percent smaller than in 1931 and about 17 percent smaller than in 1921, in which year they were the smallest from 1919 to 1931. Shipments of feeder lambs direct to feedlots in the Corn Belt states and not going through livestock markets during these five months this year were much smaller than last year, but probably larger than in most years before 1930.

"The movement of feeder lambs into Colorado feeding areas in late October and November were relatively heavy and as a result the reduction in the number fed this season from that of last will be smaller than was indicated earlier.

"Some increases in lamb feeding in Wyoming and a material increase in Montana are reported. Shipments into Nebraska and Kansas to December 1 are smaller than last year. Quality on the whole is above average."

According to reports to the Bureau of Agricultural Economics, livestock on western ranges are in good condition, with supplies of range feed, hay, and grain generally ample for an average winter except in dry areas of eastern Colorado, western Kansas and Oklahoma, southeastern Wyoming, and northeastern New Mexico. A shortage of stock water in the drier areas was reported.

Ranges were open in November and livestock gained in weight. The fall movement of range lambs and cattle is about completed, with shipments running somewhat below a year ago. The tendency is to hold livestock, particularly she-stuff, where feed and finances will permit. Few sales of breeding ewes have been made and shipments of old ewes have been limited. Inquiry for feeder lambs has been rather broad with scattered sales ranging from \$4 to \$4.50 per hundredweight.

PRICES: Reduced supplies the forepart of November checked the decline in hog prices and a reaction carried Kansas City quotations of \$3.00 per hundredweight at the opening to \$3.70 on November 10, from which figure they steadily declined to close at a top of \$3.05. Values declined further the first two weeks of December and on December 14 top hogs, selling at \$2.80 per hundredweight at Kansas City, were the lowest since 1879, in which year an all-time low for that market of \$2.35 was established.

Beef prices, with most fed steers selling from \$4.50 to \$6.00 per hundred pounds and all classes of cattle selling from 25 cents to \$1 lower for the month, reached the season's lowest level in over twenty years. Declines continue with mid-December prices 25 to 50 cents per hundredweight below opening quotations.

Sheep were the best performers, with slaughter lambs and yearlings 25 to 50 cents higher for the month and the only class of livestock selling at about the same level as a year ago.

Poultry and Dairy Products

Butter prices advanced 5 cents per pound and egg prices 6 cents per dozen the closing weeks of November but recessions the third week of December destroyed a large part of these gains. Heavy offerings of turkeys depressed that market, but prices of other classes of poultry hold steady at low levels.

Unfavorable weather conditions and less intensive care and feeding have contributed to a reduction in egg and milk production. Poultry flocks are smaller than a year ago but dairy herds are 4 percent larger.

NOVEMBER 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.....	123,297	35,765	*201,153	78,800	60,833	19,221	2,047	13,975	51,895	10,570	*178,121	63,005
Omaha.....	103,865	14,994	147,195	140,131	46,788	8,377	481	38,461	41,921	6,617	122,338	92,885
St. Joseph.....	27,197	8,499	92,820	62,714	7,483	3,391	133	10,788	18,039	3,732	74,992	51,344
Denver.....	54,452	12,521	47,301	167,788	29,331	10,251	591	14,802	9,732	1,680	27,520	14,486
Oklahoma City.....	19,557	5,341	25,272	7,670	-----	-----	-----	-----	12,619	4,622	21,776	6,830
Wichita.....	17,196	5,512	38,248	6,316	-----	-----	-----	-----	7,035	1,603	35,530	4,681
November 1932.....	345,564	82,632	551,989	463,419	144,435	41,240	3,252	211,252	141,241	28,824	460,277	233,231
October 1932.....	492,927	119,429	625,768	1,053,829	191,019	47,761	2,394	395,100	190,968	47,047	530,575	340,663
November 1931.....	474,894	115,448	705,806	812,463	187,567	50,136	10,142	335,628	162,551	32,498	539,987	358,871
11 Months 1932.....	3,805,787	606,085	8,543,796	8,271,115	951,833	168,591	47,478	1,338,781	1,880,094	350,592	7,095,972	4,116,902
11 Months 1931.....	4,227,559	665,452	8,039,263	9,408,267	1,106,212	166,532	104,340	2,453,822	1,995,530	369,507	6,037,718	4,606,577

*Includes 112,775 hogs shipped direct to packers' yards.

Cold Storage Holdings

Occasioned by the enormous increase in storage holdings of turkeys during November, poultry was the only commodity of which the December 1 holdings exceeded the five-year average for that date, and poultry and beef were the only commodities to register an increase for the month. December 1 holdings of all meats, except those classified as miscellaneous, were somewhat heavier than a year ago, but holdings of lard, eggs, creamery butter, and cheese were decidedly smaller.

Holdings of pork, lamb and mutton, and miscellaneous meats failed to increase as usual, but all other commodities showed their normal tendencies, although the net increase in stocks of beef was only one-third of the five-year average, with that of poultry 35 percent greater. The net out-of-storage movement of eggs, although slightly smaller than a year ago or the five-year average, was, gross holdings considered, proportionately larger and stocks as of December 1 were the lowest recorded for that date in many years. Withdrawals of butter exceeded the November, 1931, total and the five-year average, whereas, the declines in holdings of lard and cheese, although greater than a year ago, were considerably lighter than usual.

Cold storage holdings in the United States as reported by the Bureau of Agricultural Economics, United States Department of Agriculture:

	*Dec. 1 1932	Nov. 1 1932	Dec. 1 1931	Dec. 1 5 Yr. Av.
Beef, lbs.....	41,180	36,036	39,158	70,194
Pork, lbs.....	407,169	433,548	396,563	435,897
Lamb and mutton, lbs.....	2,911	2,974	1,985	4,214
Poultry, lbs.....	90,988	54,989	89,971	90,595
**Turkeys, lbs.....	11,925	1,033	5,123	5,516
Miscellaneous meats, lbs.....	35,606	37,041	50,664	62,369
Lard, lbs.....	29,186	34,410	34,824	49,667
Eggs, cases.....	1,201	3,225	3,447	3,346
Eggs, frozen (case equivalent).....	1,833	2,123	2,469	2,038
Butter, creamery, lbs.....	37,208	66,828	42,242	79,223
Cheese, all varieties, lbs.....	73,916	78,274	84,035	86,740

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

Meat Packing

In keeping with reduced supplies, operations of meat packing plants in the District, as measured by packers' purchases of livestock at the six principal markets, including hogs shipped direct to packers' yards, were somewhat lighter in all departments in November than one month or one year earlier. Declines in purchases were not as pronounced as the declines in market receipts of meat animals. Purchases of cattle and calves were only in about 60 percent of normal numbers, but purchases of sheep and hogs were only slightly off.

On the basis of numbers of livestock slaughtered under Federal meat inspection in the United States, packers killed 2.1 and 5.9 percent more cattle and calves, and 10.4 and 7.8 percent fewer hogs and sheep in November than a year ago. Eleven months' slaughter of cattle was 4.9 and of calves 3.7 percent smaller, with that of sheep and lambs 0.9 and swine 3.2 percent larger than for the same period in 1931.

Building

With the approach of cold weather there was a seasonal let-up in building activity in November. Fewer permits were issued by the building departments of seventeen reporting cities of the District during the month than in any month, January this year excepted, in over thirteen years. Construction costs of buildings for which permits were issued, although exceeding the October total, were the smallest reported for

BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST	
	1932	1931	1932	1931
Albuquerque, N. M.....	39	41	\$ 17,630	\$ 52,883
Colorado Springs, Colo.....	24	31	7,730	20,985
Denver, Colo.....	264	304	166,030	342,115
Hutchinson, Kans.....	9	18	2,485	4,105
Joplin, Mo.....	6	12	2,635	6,525
Kansas City, Kans.....	17	29	77,610	21,876
Kansas City, Mo.....	52	112	127,000	190,900
Lincoln, Nebr.....	28	29	27,240	32,360
Oklahoma City, Okla.....	74	85	197,155	257,000
Omaha, Nebr.....	47	60	595,715	118,747
Pueblo, Colo.....	26	31	5,001	8,695
Salina, Kans.....	11	6	8,285	12,450
Shawnee, Okla.....	6	4	380	1,020
St. Joseph, Mo.....	11	28	10,025	18,705
Topeka, Kans.....	21	47	9,550	31,585
Tulsa, Okla.....	52	108	25,558	128,378
Wichita, Kans.....	49	59	32,245	65,212
Total 17 cities, Nov.....	736	1,004	\$ 1,312,274	\$ 1,313,541
Eleven months.....	11,417	16,517	12,797,058	43,955,979

any November in recent years and equal to but 21.8 percent of the ten-year average.

Construction activity throughout the District, as reported by the F. W. Dodge Corporation, declined 44.4 percent as compared to October, was 30.9 percent greater than a year ago, but equal to only 48.6 percent of normal. Residential construction, as compared to recent years, suffered somewhat more than other types, declining 46.7 percent as compared to November, 1931, and 83 percent as compared to normal.

Building contracts awarded in the Tenth Federal Reserve District as reported by the F. W. Dodge Corporation:

TOTAL BUILDING CONTRACTS AWARDED

	TENTH DISTRICT		UNITED STATES	
	1932	1931	1932	1931
November.....	\$ 5,772,258	\$ 4,411,246	\$ 105,302,300	\$ 151,195,900
October.....	10,380,313	4,822,421	107,473,900	242,094,200
11 Months.....	68,422,294	129,263,140	1,270,139,400	2,972,730,000

RESIDENTIAL CONTRACTS AWARDED

	TENTH DISTRICT		UNITED STATES	
	1932	1931	1932	1931
November.....	\$ 683,708	\$ 1,283,896	\$ 19,245,300	\$ 45,290,400
October.....	796,393	1,440,018	21,855,600	60,540,100
11 Months.....	8,356,686	21,740,478	267,110,400	775,225,200

Lumber

RETAIL: Sales of lumber at retail, as indicated by the reports of 161 yards located throughout this District, declined 26 percent in November and were 31.4 percent lighter than reported for November, 1931. Dollar sales of all materials were off 27.1 percent as compared to October and 39 percent as compared to November last year.

Lumber stocks showed a slight reduction for the month and on November 30 were 18.4 percent lighter than one year earlier. Collections during the month were equal to 21 percent of the amounts outstanding on October 31. October collections totaled 23.1 percent and November, 1931, collections 24.2 percent of accounts receivable.

November is herewith compared to that of October this year and November last year in percentages of increase or decrease:

	November 1932 October 1932	Compared to November 1931
Sales of lumber, board feet.....	-26.0	-31.4
Sales of all materials, dollars.....	-27.1	-39.0
Stocks of lumber, board feet.....	- 1.3	-18.4
Outstandings, end of month.....	- 4.6	-25.2

Lumber production in the United States continues at about one-fifth normal, with the total for the year to December 3 reported by the National Lumber Manufacturers Association at 22 percent of normal. Cumulative production of hardwoods and softwoods, combined, for the forty-eight weeks of the current year, were reported at 58 percent, shipments 67 percent, and orders received 68 percent of the volume reported for the like period last year.

Cement

There was a sharp decline, as usual, in production and shipments of finished Portland cement at mills in this District and the United States in November. Output exceeded shipments resulting in an enlargement of stocks.

Figures based on the United States Bureau of Mines report follow:

	TENTH DISTRICT			UNITED STATES		
	Production	Shipments	Stocks	Production	Shipments	Stocks
Nov. 1932.....	653	457	2,278	6,462	4,782	18,764
Oct. 1932.....	819	775	2,082	7,939	8,743	17,084
Nov. 1931.....	663	560	1,796	8,161	7,156	22,219
11 Mos. 1932.....	6,759	6,521	.....	72,261	77,744	.....
11 Mos. 1931.....	10,639	11,208	.....	118,596	122,323	.....

Petroleum

No change from the preceding month is noted in the daily average flow of crude oil from wells in this District during November, but the estimated November output was 24.7 percent short of that reported by the Bureau of Mines for November, 1931.

United States production continues in about the same volume as reported for each of the other nine months this year, averaging 2,114,000 barrels per day, approximately 50,000 barrels short of the estimated daily domestic demand.

Crude oil production in the United States and the five oil producing states of this District as reported by the Bureau of Mines or estimated from the weekly figures of the American Petroleum Institute:

GROSS PRODUCTION

	*Nov. 1932	Oct. 1932	Nov. 1931
	Barrels	Barrels	Barrels
Oklahoma.....	11,502,000	12,014,000	16,257,000
Kansas.....	2,920,000	2,909,000	3,063,000
Wyoming.....	1,042,000	1,044,000	1,148,000
Colorado.....	83,000	89,000	115,000
New Mexico.....	948,000	959,000	1,324,000
Total, five states.....	16,495,000	17,015,000	21,907,000
Total, United States.....	63,442,000	65,219,000	72,851,000

*Estimated, American Petroleum Institute.

Much confusion exists at the present time in mid-continent crude oil prices. Effective October 15, numerous purchasing companies advanced crude oil quotations 12 cents a barrel but all producers did not meet this price which carried top grades to \$1.12 per barrel, and on December 15 the various companies announced cuts ranging from 4 to 35 cents per barrel, with top prices varying from 77 cents to \$1 per barrel.

Demand for refined gasoline is reported as weak with prices lower, but natural gasoline, kerosene, and furnace oils are firm.

Runs of crude oil to refinery stills in the mid-continent area on December 1, although slightly larger than thirty or sixty days earlier, are considerably under those of one, two, or three years ago.

Field activity slowed down seasonally in November and, although showing some increase over last year, is nevertheless

comparatively quiet. Completions and new operations are summarized in the following table:

	Wells Completed	Barrels Daily New Production	Dry Wells	Gas Wells	Rigs-Wells Drilling
Oklahoma.....	111	38,932	34	12	465
Kansas.....	54	10,006	21	2	145
Wyoming.....	8	268	5	1	94
Colorado.....	0	0	0	0	84
New Mexico.....	7	36,545	0	1	73
November 1932.....	180	85,751	60	16	861
October 1932.....	208	81,843	71	6	863
November 1931.....	100	48,593	34	15	646
11 Months 1932.....	1,662	922,666	566	119	.....
11 Months 1931.....	1,596	2,081,930	535	306	.....

Bituminous Coal

About the same amount of soft coal was mined in the six coal producing states of this District in November as in October, but, for the first time since 1929, the November output exceeded that for November of the previous year.

According to reports of the United States Bureau of Mines, Department of Commerce, national production, which declined about two million tons for the month, slightly exceeded the November, 1931, output. Retailers have, according to the reports, kept their inventories low, with stocks of bituminous coal in the United States as of October 1 showing a reduction of 23.9 percent as compared to October 1, 1931.

United States and Tenth District production of soft coal during November with comparisons:

	*Nov. 1932	*Oct. 1932	Nov. 1931
	Tons	Tons	Tons
Colorado.....	581,000	642,000	627,000
Kansas.....	288,000	242,000	215,000
Missouri.....	420,000	360,000	320,000
New Mexico.....	124,000	124,000	130,000
Oklahoma.....	230,000	250,000	160,000
Wyoming.....	455,000	487,000	495,000
Total, six states.....	2,098,000	2,105,000	1,947,000
Total, United States.....	30,634,000	32,677,000	30,110,000

*Estimated from the weekly reports of the United States Bureau of Mines.

Zinc and Lead

Shipments of both zinc ore and lead ore from the Tri-state district during the four weeks' period ended December 3 exceeded production. Zinc ore shipments were practically identical to those for the preceding four weeks ended November 5, whereas, lead ore shipments increased 29.3 percent. Compared to the like period last year, shipments of zinc ore increased 41.9 percent and of lead ore 49.9 percent.

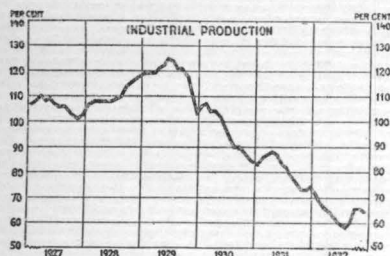
Zinc and lead shipments from mines in Oklahoma, Kansas, and Missouri:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	15,111	\$ 270,264	1,412	\$ 46,656
Kansas.....	6,309	113,811	628	21,052
Missouri.....	130	2,350	144	4,756
4 Wks. ended Dec. 3, 1932.....	21,550	\$ 386,425	2,184	\$ 72,464
4 Wks. ended Nov. 5, 1932.....	21,545	382,304	1,689	54,754
4 Wks. ended Dec. 5, 1931.....	15,189	280,701	1,457	56,585
49 Wks. ended Dec. 3, 1932.....	161,991	2,877,643	22,013	769,696
49 Wks. ended Dec. 5, 1931.....	220,585	5,053,314	25,793	1,156,269

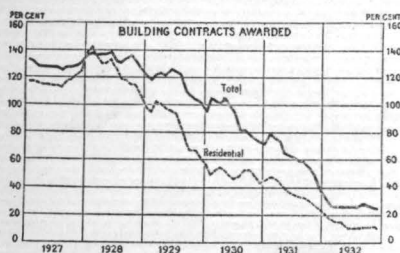
Zinc ore prices, which advanced \$1 per ton the opening week of the month, remained unchanged thereafter, closing at \$18 per ton or \$1 per ton less than a year ago. Lead ore advanced \$2.50 per ton the second week of the month but slipped off a like amount the following week, closing at \$32.50 per ton as against \$37.50 in November, 1931.

Business Conditions in the United States

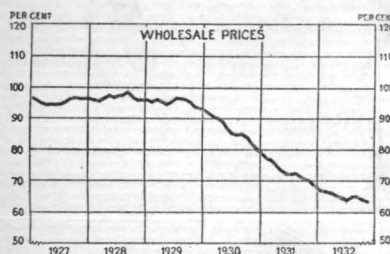
By the Federal Reserve Board



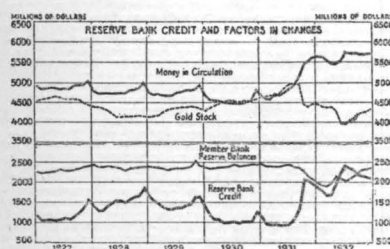
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average=100.) Latest figure, November, 65.



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 November, total 28, residential 11.



Index of United States Bureau of Labor Statistics (1926=100). Latest figure, November, 63.9.



Monthly averages of daily figures. Latest figures are averages of first 20 days in December.

Industrial activity declined in November by somewhat more than the usual seasonal amount. Changes in factory employment and payrolls, reported for the middle of the month, were largely seasonal in character. Prices in wholesale commodity markets were somewhat lower, on the average, in November than in October, and declined further during the first three weeks of December.

PRODUCTION AND EMPLOYMENT: Volume of industrial production, as measured by the Board's seasonally adjusted index, declined from 66 percent of the 1923-25 average in October to 65 percent in November, compared with a low level of 58 percent in July. Output at woolen mills, silk mills, and shoe factories declined in November from the relatively high levels of the autumn, while cotton mills continued active. Lumber production declined by considerably more than the usual seasonal amount. Steel production decreased during November and the first three weeks of December, while automobile output increased considerably in connection with the introduction of new models.

The number employed at factories declined somewhat from October to November reflecting in large part developments of a seasonal character. Working forces in the woolen, silk, shoe, and canning industries were reduced, while at car building shops and at factories producing automobiles and agricultural implements there were increases in employment. Construction contracts awarded up to December 15, as reported by the F. W. Dodge Corporation, indicate for the last three months of the year a decline from the third quarter of somewhat more than the usual seasonal amount, following a non-seasonal increase from the second to the third quarter.

Estimates of the Department of Agriculture, based on December 1 reports, indicate a cotton crop of 12,727,000 bales, about 800,000 bales larger than the estimate a month earlier, but 4,400,000 bales smaller than last year's unusually large crop. Wheat, tobacco, flaxseed, and other leading cash crops are also considerably smaller than a year ago, while feed crops are substantially larger. Acreage of winter wheat planted this fall was slightly smaller than a year ago and condition of the crop on December 1 was unusually poor, according to the Department of Agriculture.

DISTRIBUTION: Distribution of commodities by rail decreased seasonally from October to November, while the dollar volume of department store sales, which ordinarily expands at this season, showed a decline.

WHOLESALE PRICES: During early November the general level of wholesale commodity prices advanced somewhat, reflecting chiefly increases in prices of domestic agricultural products. In the latter part of the month, however, prices of livestock, cotton, and grains declined considerably, and, during the first three weeks of December, further declines in livestock prices were reported. By the third week of December prices of textiles, copper, and silver, as well as of livestock, were substantially lower than in the middle of November and the average of wholesale prices was at a level slightly below that prevailing before the advance that occurred last summer.

BANK CREDIT: During the four weeks ended December 14 there was an addition of \$85,000,000 to the country's stock of monetary gold. The funds derived from this source were utilized in meeting an increase in the demand for currency, which was smaller than usual at this season, in further reducing by \$23,000,000 the indebtedness of member banks to the reserve banks, and in increasing by \$25,000,000 the volume of member bank reserve balances. On December 15 there was a further increase of \$95,500,000 in the stock of monetary gold in connection with the current payment by Great Britain on the war debt. This amount of gold was earmarked in London for account of the Federal Reserve Bank of New York, and an equivalent credit was given by that bank to the United States Treasury. This transaction, together with other fiscal operations on December 15, resulted in a temporary addition of \$100,000,000 to the reserves of member banks, which were subsequently reduced by Christmas currency demands and an increase in treasury deposits with the reserve banks. Loans and investments of reporting member banks declined by more than \$100,000,000 between November 16 and December 14, reflecting reductions in the banks' holdings of United States Government securities, and in loans other than security loans. Loans on securities increased, both at New York City and at other reporting member banks.

Money rates in the open market declined further, rates on 90-day bankers' acceptances declined from $\frac{1}{2}$ of 1 percent to $\frac{3}{8}$ of 1 percent, and rates on prime commercial paper from a range of $1\frac{1}{2}$ to $1\frac{3}{4}$ percent to a range of $1\frac{1}{4}$ to $1\frac{1}{2}$ percent.