

# THE MONTHLY REVIEW

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

FEDERAL RESERVE BANK OF KANSAS CITY

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No. 3

**C**HANGES in Tenth District business conditions during January were mainly of a sidewise character. Agricultural commodity prices, with the exception of an unusually sharp decline in egg prices and lower fat beef, fluctuated narrowly. Trade at both wholesale and retail experienced the usual seasonal trends as compared to December, with decreases in sales compared to the corresponding month of the preceding year averaging about the same as shown for recent months. Liquidation of loans at member banks continue at about the same rate as in previous months.

Weather conditions favorable to livestock and for farm work prevailed throughout the month, but snows and sub-zero temperatures the forepart of February retarded farm activity, caused some loss of livestock and injury to wheat, peaches, and apricots.

Market receipts of all classes of livestock, although exceeding the December totals, continued below normal, as did receipts of all classes of grain.

Flour production showed a slight increase over last month and January last year. Lead ore shipments and crude oil production were larger than in December but less than in January, 1932. Zinc ore shipments exceeded both December and last January. Output of bituminous coal and cement was smaller than a month ago or a year ago.

Building activity remains decidedly sub-normal although there was some improvement in residential construction during January.

## Member Bank Operations

Loans and discounts of fifty-four reporting member banks in leading cities of this District established a new post war low on the weekly reporting date of February 15, declining 3.7 percent in the five weeks beginning January 11 and 25.7 percent as compared to February 17, 1932. Declines in loans secured by stocks and bonds amounted to 2.1 percent in five weeks and 14.8 percent in fifty-two weeks, whereas, "all other loans" declined 4.5 and 30.1 percent, respectively, during the two periods of comparison. Total investment holdings of these banks were 1.4 percent larger on February 15 than five weeks earlier and 0.8 percent larger than on the corresponding date last year. The increase in five weeks was about equally distributed between investments in United States Government securities and other bonds, stocks, and securities, but the increase for the year was entirely in investments in Government securities, with holdings of other securities reduced 9.4 percent.

Between January 11 and February 15 there was a slight increase in net demand deposits, but time deposits showed a loss of 2.4 percent. Since February 17, 1932, net demand deposits have dropped 8.1 percent and time deposits 4 percent.

## BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT

Percentages of Increase, or Decrease (—), for January 1933 over December 1932 and January 1932.

	January 1933 Compared to	
	Dec. 1932	Jan. 1932
<b>Banking</b>		
Payments by check, 29 cities.....	14.6	—16.6
Federal Reserve Bank clearings.....	— 3.2	—14.0
Business failures, number.....	—21.4	—27.4
Business failures, liabilities.....	—20.8	—67.6
Loans, 54 member banks.....	— 3.7	—25.7
Investments, 54 member banks.....	1.4	0.8
Net demand deposits, 54 member banks.....	0.1	— 8.1
Time deposits, 54 member banks.....	— 2.4	— 4.0
Savings deposits, 47 selected banks.....	— 1.6	— 5.9
Savings accounts, 47 selected banks.....	— 0.6	— 4.0
<b>Distribution</b>		
Wholesalers' sales, 5 lines combined.....	— 2.7	— 9.4
Retailers' sales, 33 department stores.....	—52.9	—19.9
Lumber sales, 158 retail yards.....	26.0	1.4
Life insurance, written.....	—10.4	—17.8
<b>Construction</b>		
Building contracts awarded, value.....	—11.5	2.6
Residential contracts awarded, value.....	245.5	45.9
Building permits in 18 cities, value.....	75.1	—29.2
<b>Production</b>		
Flour.....	1.3	2.6
Crude petroleum.....	2.9	—12.4
Soft coal.....	—28.5	—24.2
Zinc ore (shipped) Tristate District.....	58.9	207.5
Lead ore (shipped) Tristate District.....	5.2	—58.6
Cement.....	— 1.4	—64.2
<b>Grain receipts, 5 markets</b>		
Wheat.....	—16.0	—51.3
Corn.....	40.4	95.9
Oats.....	24.4	51.0
Rye.....	—24.6	73.4
Barley.....	—17.3	—50.5
Kafir.....	2.7	—37.2
<b>Livestock receipts, 6 markets</b>		
Cattle.....	21.3	— 3.2
Calves.....	13.8	43.1
Hogs.....	36.2	—14.8
Sheep.....	32.9	—29.1
Horses and mules.....	125.0	65.4
<b>Meat packing, 6 markets</b>		
Cattle.....	32.9	— 6.3
Calves.....	31.9	4.0
Hogs.....	37.4	— 5.7
Sheep.....	39.5	—35.7
<b>Stocker and feeder shipments, 4 markets</b>		
Cattle.....	—16.0	20.6
Calves.....	—30.8	92.6
Hogs.....	4.6	6.1
Sheep.....	—43.9	— 5.0

Combined statements of the fifty-four banks are here shown for the three dates of comparison:

	Feb. 15, 1933	Jan. 11, 1933	Feb. 17, 1932
Loans and investments—total.....	\$496,363,000	\$501,498,000	\$573,551,000
Loans and discounts—total.....	228,874,000	237,687,000	308,144,000
Secured by stocks and bonds.....	75,272,000	76,893,000	88,398,000
All other loans and discounts.....	153,602,000	160,794,000	219,746,000
Investments—total.....	267,489,000	263,811,000	265,407,000
U. S. securities.....	148,774,000	147,247,000	134,389,000
Other bonds, stks, and sec.....	118,715,000	116,564,000	131,018,000
Reserve with F. R. bank.....	56,750,000	43,281,000	42,902,000
Net demand deposits.....	335,062,000	334,581,000	364,688,000
Time deposits.....	174,770,000	179,109,000	182,117,000
Government deposits.....	2,491,000	4,118,000	1,472,000

### Federal Reserve Bank Operations

Comparison of the weekly condition statements of the Federal Reserve Bank of Kansas City and branches at Omaha, Denver, and Oklahoma City discloses sharp increases in gold reserves, Federal reserve note circulation, and member bank reserve deposits in the five weeks ended February 15. Gold reserves increased 27.6 percent during the period and on February 15 were 32.3 percent larger than on February 17 last year, and the highest for any reporting date since September 3, 1930.

United States Government security holdings were reduced \$244,000 in five weeks, but the total held on February 15 showed an increase of \$35,712,500 as compared to the corresponding date last year. Federal reserve note circulation expanded \$10,533,150 between January 11 and February 15 and on the latter date was 21.6 percent larger than one year earlier and higher than at any time since February 11, 1931. Member banks' reserve deposits increased 20.8 percent in five weeks and 17.3 percent in fifty-two weeks.

Changes in the principal items contained in the weekly condition statements of this bank and branches are indicated in the following:

	Feb. 15, 1933	Jan. 11, 1933	Feb. 17, 1932
Gold reserves.....	\$110,187,008	\$ 86,372,764	\$ 83,254,860
Reserves other than gold.....	6,252,020	7,288,780	8,330,125
Total reserves.....	116,439,028	93,661,544	91,584,985
Bills discounted.....	15,060,501	11,327,151	38,370,258
Bills purchased.....	842,030	855,597	7,407,302
U. S. securities.....	55,670,100	55,914,100	19,957,600
Other securities.....			400,000
Total bills and securities.....	71,572,631	68,096,848	66,135,160
Total resources.....	214,166,029	187,754,828	187,605,774
F. R. notes in circulation.....	100,932,715	90,399,565	83,035,235
Member banks' reserve deposits.....	79,509,188	65,814,110	67,762,370

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

### Business Failures

There were fewer business insolvencies in the Tenth Federal Reserve District in January this year than in the like month of any year since 1923 and the total indebtedness was the smallest for that month since 1929, according to the reports of R. G. Dun and Company. Numbers and liabilities involved were also lighter than in December.

January defaults in the United States were more numerous and the amount of money involved exceeded the December totals but both items showed substantial declines as compared to January, 1930, and 1931.

Commercial failures in this District and the United States are reported by R. G. Dun and Company:

	TENTH DISTRICT		UNITED STATES	
	Number	Liabilities	Number	Liabilities
January 1933.....	114	\$1,842,215	2,919	\$79,100,602
December 1932.....	145	2,325,518	2,469	64,188,643
January 1932.....	157	5,691,600	3,458	96,860,205

### Bank Debits

Reports from banks in twenty-nine leading cities of this District disclose an increase of 14.6 percent in amounts debited to individual accounts in the five weeks ended February 1 as compared to the preceding five weeks ended December 28. Debits during the first five weeks this year compared to the like period last year declined 16.6 percent, which is the smallest decrease reported for any period since January, 1931, compared to January, 1930.

Payments by check charged against individual accounts by banks in 161 cities in the United States for the month of January declined 24 percent from January of last year.

	FIVE WEEKS ENDED		Percent Change
	Feb. 1, 1933	Feb. 1, 1932	
Albuquerque, N. M.....	\$ 8,172,000	\$ 10,653,000	-23.3
Atchison, Kans.....	2,781,000	3,562,000	-21.9
Bartlesville, Okla.....	26,279,000	21,392,000	22.8
Casper, Wyo.....	4,992,000	5,288,000	-5.6
Cheyenne, Wyo.....	5,365,000	6,120,000	-12.3
Colorado Springs, Colo.....	11,700,000	15,274,000	-23.4
Denver, Colo.....	115,755,000	131,396,000	-11.9
Enid, Okla.....	6,349,000	8,866,000	-28.4
Fremont, Nebr.....	2,180,000	3,154,000	-30.9
Grand Junction, Colo.....	1,801,000	2,601,000	-30.8
Guthrie, Okla.....	1,323,000	1,693,000	-21.9
Hutchinson, Kans.....	8,262,000	11,240,000	-26.5
Independence, Kans.....	4,005,000	7,026,000	-43.0
Joplin, Mo.....	8,859,000	7,774,000	13.8
Kansas City, Kans.....	14,107,000	17,415,000	-19.0
Kansas City, Mo.....	268,935,000	316,960,000	-15.2
Lawrence, Kans.....	3,658,000	4,575,000	-20.0
Lincoln, Nebr.....	21,626,000	29,552,000	-26.8
Muskogee, Okla.....	8,261,000	8,968,000	-7.9
Oklahoma City, Okla.....	68,513,000	76,191,000	-10.1
Okmulgee, Okla.....	2,686,000	3,095,000	-13.2
Omaha, Nebr.....	107,300,000	147,490,000	-27.2
Pittsburg, Kans.....	3,888,000	4,822,000	-19.4
Pueblo, Colo.....	11,313,000	15,123,000	-25.2
Salina, Kans.....	6,212,000	8,919,000	-30.4
St. Joseph, Mo.....	24,173,000	34,722,000	-30.4
Topeka, Kans.....	16,450,000	19,469,000	-15.5
Tulsa, Okla.....	97,409,000	107,579,000	-9.5
Wichita, Kans.....	35,650,000	46,239,000	-22.9
Total 29 cities.....	\$ 898,004,000	\$ 1,077,158,000	-16.6
Total United States.....	32,230,019,000	42,385,814,000	-24.0

### Reserve Bank Check Collections

The number of checks collected through this bank and branches during January declined 7.7 percent as compared to December and 18.2 percent as compared to last January. The dollar volume of checks handled declined 3.2 percent for the month and 14 percent as compared to January, 1932.

Check collections through this bank and branches are shown in the following table:

	ITEMS	AMOUNT
January 1933.....	3,708,108	\$492,211,000
December 1932.....	4,016,071	508,559,000
January 1932.....	4,535,143	572,052,000

### Savings

Savings deposits, as reported by forty-seven selected banks in leading cities of the District, declined 1.6 percent in January and 5.9 percent between February 1, 1932, and February 1, 1933. Numbers of savings accounts showed a loss of 0.6 percent for the month and 4 percent for the twelve months.

Total savings deposits and savings accounts reported by forty-seven banks for the three dates of comparison:

	Savings Accounts	Savings Deposits
February 1, 1933.....	412,936	\$111,955,366
January 1, 1933.....	415,589	113,760,921
February 1, 1932.....	429,941	118,957,631

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

Reporting Stores	SALES		OUTSTANDING		COLLECTIONS		STOCKS		
	Jan. 1933 compared to Dec. 1932	Jan. 1932	Jan. 31, 1933 compared to Dec. 31, 1932	Jan. 31, 1932	Jan. 1933 compared to Dec. 1932	Jan. 1932	Jan. 31, 1933 compared to Dec. 31, 1932	Jan. 31, 1932	
Dry goods .....	6	12.2	-14.7	-5.7	-13.6	-37.9	-5.5	20.6	-3.7
Groceries.....	5	3.3	-8.6	0.4	-9.1	-7.6	-0.3	5.0	-25.0
Hardware.....	8	-20.7	-11.3	-2.7	-7.3	-36.4	-21.3	9.1	-13.6
Furniture.....	4	0.6	-17.2	-1.5	-23.7	-12.9	-20.9	4.1	-23.4
Drugs.....	6	-7.6	-4.2	-3.3	-8.0	-11.5	7.6	8.0	-14.7

Trade

RETAIL: Retail trade in the Tenth District, as reflected by the dollar volume of sales of thirty-three reporting department stores, declined 19.9 percent in January as compared to January last year. The seasonal decline of 52.9 percent from the December volume was about the same as is usually reported.

Reductions in inventories during the month averaged 6.7 percent, with stocks on hand January 31 reported as 21.9 percent smaller than on January 31, 1932.

Collections in January averaged 34.6 percent of the amounts outstanding on December 31 last year, as against ratios of 34.8 and 35.7 percent reported for December and January, 1932.

WHOLESALE: In the reporting wholesale lines, dollar sales of dry goods, groceries, and furniture increased and of hardware and drugs declined for the month. The seasonal increase in sales of dry goods was somewhat larger than reported for the two preceding years and the seasonal decline in sales of hardware was somewhat smaller. Wholesalers of furniture reported the first January increase in five years and those of groceries the first in three years.

All lines reported their January volume as less than a year ago, thus making the fifth consecutive annual decline in sales of dry goods and the fourth in sales of groceries, hardware, furniture, and drugs.

Inventory changes during the month were of usual trends and about usual proportions. Stocks of dry goods, hardware, and drugs increased, whereas, those of groceries and furniture declined. All lines reported less merchandise on hand January 31 than one year earlier, the decreases by lines being as follows: dry goods, 3.7; groceries, 25; hardware, 13.6; furniture, 23.4; and drugs, 14.7 percent.

Flour Milling

Flour production at mills in this District during January, although 2.6 percent greater than for the same month last year, was otherwise the smallest reported for the like month of any year since 1926. Month to month comparisons since harvest have shown but slight change and the January total was only 1.3 percent above the December output. Mills operated at 63.4 percent of capacity in January as compared to 61.5 percent a year ago.

Tenth District flour production as estimated from the weekly reports of southwestern mills to the Northwestern Miller:

	Jan. 1933 Barrels	Dec. 1932 Barrels	Jan. 1932 Barrels
Atchison.....	129,200	134,902	106,342
Kansas City.....	580,287	574,753	660,670
Omaha.....	92,415	109,136	56,947
Salina.....	131,848	156,859	144,704
Wichita.....	219,440	213,513	196,760
Outside.....	807,526	746,869	746,453
Total.....	1,960,716	1,936,032	1,911,876

Flour sales improved the forepart of the month and prices advanced 20 to 25 cents per barrel in sympathy with wheat, but closed net unchanged as wheat prices receded.

Millfeed demand was brisk, in some cases exceeding the limited supply. Prices advanced up to the final week of the month when they weakened somewhat as the market became easier.

Grain Marketing

January receipts of all classes of grain at the five principal grain markets of the District were considerably below the ten-year average. Receipts of wheat, much of which was for grinding into Red Cross flour, were the lightest for any January since 1926 and equal to but 63 percent of the average.

Shipping demand for corn was light but export demand was fair. Supplies, although heavier than a month or a year ago, were less than a third of normal. Marketings of oats, although the heaviest for any January in three years, showed a loss of 33 percent as compared to the ten-year average. Offerings of rye, barley, and kafir were extremely light, declining over 70 percent as compared to normal.

Receipts of the six classes of grain at the five principal Tenth District markets:

	Wheat Bushels	Corn Bushels	Oats Bushels	Rye Bushels	Barley Bushels	Kafir Bushels
Hutchinson.....	1,208,250	11,250	.....	.....	.....	28,600
Kansas City.....	3,681,600	841,500	208,000	9,000	35,200	133,000
Omaha.....	545,600	716,800	206,000	21,000	8,000	.....
St. Joseph.....	145,600	963,000	582,000	.....	.....	.....
Wichita.....	736,500	41,600	1,500	.....	1,300	1,300
Jan. 1933.....	6,317,550	2,574,150	997,500	30,000	44,500	162,900
Dec. 1932.....	7,522,250	1,833,200	802,000	39,800	53,800	158,600
Jan. 1932.....	12,976,400	1,314,000	660,500	17,300	89,850	259,400

RETAIL TRADE AT 33 DEPARTMENT STORES IN THE TENTH FEDERAL RESERVE DISTRICT

Stores	SALES		STOCKS (RETAIL)		STOCK TURNOVER		ACCOUNTS RECEIVABLE		COLLECTIONS	
	Report- ing	Jan. 1933 Compared to Jan. 1932	Dec. 31, 1932	Jan. 31, 1933 Compared to Jan. 31, 1932	1933	1932	Jan. 31, 1933 Compared to Jan. 31, 1932	Dec. 31, 1932	Jan. 1933 Compared to Jan. 1932	Dec. 1932
Kansas City.....	4	-21.0	-0.6	-20.6	.15	.16	-17.9	-18.7	5.8	-9.5
Denver.....	4	-17.9	-4.0	-22.4	.21	.20	-10.4	-16.4	12.9	-21.6
Oklahoma City.....	3	-21.7	-13.0	-36.3	.26	.21	-12.4	-26.3	8.2	-35.3
Topeka.....	3	-25.6	-6.6	-23.7	.18	.18	-19.5	-26.2	1.9	-22.2
Tulsa.....	3	-10.2	-11.5	-20.6	.35	.30	-17.0	-22.9	3.4	-11.7
Wichita.....	3	-19.9	-14.8	-21.7	.16	.16	-17.1	-25.2	17.9	-22.2
Other cities.....	13	-22.2	-13.9	-21.2	.21	.21	-10.4	-12.9	9.7	-23.4
Total.....	33	-19.9	-6.7	-21.9	.19	.19	-13.1	-18.7	7.3	-21.5

NOTE: Percentage of collections in January on accounts December 31, all stores reporting 34.6. Collections same month last year 35.7.

Grain prices, with the exception of wheat, were extremely sluggish throughout January and the first three weeks of February. Wheat prices improved sharply early in the month but subsequently lost a large part of this gain. Wheat and rye closed the month with a net advance of 2 cents per bushel but corn, oats, barley, and kafir were nominally unchanged. January closing prices at Kansas City as compared to a year ago were, in cents per bushel, as follows: No. 2 hard and dark wheat 42 against 51½; No. 2 mixed corn 21¾ and 36½; No. 2 white oats 17 and 26½; No. 2 rye 33½ and 46; No. 2 barley 23½ and 37; and No. 2 kafir 43 against 58.

### Agriculture

Mild, open weather in January enabled farmers to make good progress with preliminary preparations incident to the approaching crop season. Snows and sub-zero temperatures the first two weeks of February interfered with farm activity and resulted in minor losses of livestock.

The winter wheat crop, already shortened by late planting, poor seed bed preparation, and insufficient moisture, received further injury from the cold weather and soil blowing, particularly in the western areas where the snow covering was insufficient to protect the plants.

Peaches and apricots are reported severely injured by the low temperatures, with other fruit escaping apparently unharmed.

A Department of Agriculture survey of planting intentions indicates that the total acreage of white potatoes in the United States this year will be 3 percent smaller than the acreage harvested in 1932.

The Bureau of Agricultural Economics index of farm prices in January established a new low of 51 percent of the 1909-1914 average. This decline was due primarily to a drop in the poultry products index which stood at 121 in December to 96 in January. Prices paid by farmers for commodities purchased were off 1 point to 105 and the ratio of prices paid to prices received stood at 49 on January 15 as against 50 on December 15 and 48 on June 15.

### Farm Land

VALUE: Estimates just published by the Division of Land Economics, United States Department of Agriculture, placed the March 1, 1932, per acre value of farm land and buildings in the United States at 11 percent below the pre-war base or lower than at any time since the records, beginning in 1912, have been compiled. Declines for the year ended March 1, 1932, were remarkably uniform throughout the United States, averaging 17 percent and carrying values 48 percent below the 1920 peak.

Declines in land values in states of this District during the twelve months ended March 1, 1932, varied from 12 percent in Missouri to 22 percent in Oklahoma. These losses carried

land values in all states of this District below pre-war levels, with percentage declines from the 1920 highs as follows: Colorado, 54; Kansas, 41; Missouri, 60; Nebraska, 50; New Mexico, 38; Oklahoma, 43; and Wyoming, 56 percent.

The index numbers of the estimated value per acre of farm land and buildings in the United States and the seven states of this District on March 1 of the years indicated, as reported by the United States Department of Agriculture, are as follows:

	1932	1931	% Change	1929	1920	1912
Colorado.....	65	81	-16	82	141	98
Kansas.....	89	103	-14	113	151	101
Missouri.....	67	79	-12	95	167	97
Nebraska.....	90	106	-16	113	179	98
New Mexico.....	89	109	-20	109	144	100
Oklahoma.....	94	116	-22	127	166	98
Wyoming.....	77	95	-18	96	176	97
United States.....	89	106	-17	116	170	97

CHANGES IN OWNERSHIP: Between March 1, 1931, and March 1, 1932, 76.7 farms in every thousand changed ownership. This pronounced increase in land turnover was due largely to foreclosures and delinquent tax sales, the former amounting to 28.4 and the latter 13.3 farms per thousand. Voluntary sales and trades were less numerous, amounting to 16.2 farms per thousand as against 28.3 in 1927, 23.7 in 1930, and 19.0 in 1931. Commenting on changes in farm ownership, the report in part said:

"Notwithstanding the reduced volume of voluntary activity, some bona fide sales on a substantial basis have been reported. The business depression is bringing considerable inquiry from city workers for small, easily accessible properties suitable for part-time farming. There is also a tendency for many, spurred by unemployment, to try to find farms. Nevertheless, the major part of voluntary buying, although a decreasing part, is still done by farmers. Some speculative and investment buying by non-operators appears. Of the farms offered for sale, aside from distress deals, and farms involuntarily acquired, a large number are said to be of poor quality. The better farms, generally, are not for sale at current prices or terms."

New Mexico was the only state in this District in which foreclosures and delinquent tax sales were less numerous and the total turnover was smaller in the twelve months ended March 1, 1932, than in the preceding twelve months. All states reported a sharp decline in voluntary sales and trades.

### Cold Storage Holdings

February 1 United States cold storage holdings of all commodities were sharply below the five-year average holdings as of that date and, holdings of lamb and mutton excepted, substantially smaller than one year earlier.

Holdings of pork, lard, and miscellaneous meats increased and all other commodities decreased during January, as usual. Net increases in inventories of pork and lard were considerably less than a year ago or normally, whereas, the accumulation of miscellaneous meats showed but a slight variation from either of the two periods of comparison.

### CHANGES IN FARM OWNERSHIP PER 1000 FARMS IN THE TWELVE MONTHS' PERIODS ENDED MARCH 1, 1932 AND 1931

As Reported by the Division of Land Economics, United States Department of Agriculture

	Voluntary Sales and Trades		Forced Sales and Related Defaults				Total	Inheritances and Gifts		Administrators and Executors Sales		Miscellaneous and Unclassified		Total All Classes		
	1932	1931	1932	1931	1932	1931		1932	1931	1932	1931	1932	1931	1932	1931	
Colorado.....	16.0	24.5	11.0	5.9	27.5	20.3	38.5	26.2	6.6	7.5	4.0	4.9	3.1	.4	68.2	63.5
Kansas.....	13.8	22.1	7.1	3.4	36.0	20.0	43.1	23.4	9.0	10.1	4.6	6.2	1.3	1.2	71.8	63.0
Missouri.....	18.2	21.8	8.0	4.2	42.1	23.7	50.1	27.9	10.4	10.8	4.5	3.6	2.6	1.0	85.8	56.1
Nebraska.....	13.5	20.2	4.6	2.6	34.4	21.8	39.0	24.4	9.4	9.6	5.7	6.9	1.4	2.4	69.0	63.5
New Mexico.....	22.0	34.4	3.7	3.9	20.1	22.3	23.8	26.2	9.3	4.9	6.2	2.2	3.8	1.6	65.1	69.3
Oklahoma.....	15.4	15.3	17.2	9.8	30.5	22.4	47.7	32.2	7.5	7.4	4.8	3.5	1.4	1.7	76.8	60.1
Wyoming.....	22.5	29.0	14.9	10.4	26.3	20.1	41.2	30.5	10.7	4.4	4.7	4.5	3.3	0	82.4	68.4
United States....	16.2	19.0	13.3	7.4	28.4	18.7	41.7	26.1	10.4	9.4	6.2	5.7	2.2	1.7	76.7	61.9

Seasonal withdrawals of beef, poultry, and lamb and mutton were somewhat heavier than a year ago, with the net out-movement of beef and lamb approximating, and of poultry exceeding, the five-year average. The net out-movement of 4,201,000 pounds of butter was equivalent to last year's volume but 11,700,000 pounds short of the average. Withdrawals of cheese were somewhat less than a year ago or normally. Stocks of shell eggs, which were unusually low at the beginning of the month, practically disappeared and the trade was compelled to draw more heavily than usual upon stocks of frozen eggs.

United States cold storage holdings on February 1, as reported by the Bureau of Agricultural Economics:

	*Feb. 1	Jan. 1	Feb. 1	Feb. 1	5 Yr. Av.
Beef, lbs.....	1933	1933	1932	1932	5 Yr. Av.
Pork, lbs.....	39,596	42,870	51,285	77,669	
Lamb and mutton, lbs.....	576,098	490,850	674,151	716,288	
Poultry, lbs.....	2,023	2,767	1,947	3,822	
Miscellaneous meats, lbs.....	104,752	111,642	111,554	114,989	
Lard, lbs.....	47,330	42,892	69,249	81,007	
Eggs, cases.....	52,975	41,088	78,430	91,552	
Eggs, frozen (case equivalent).....	76	159	663	362	
Butter, creamery, lbs.....	1,326	1,581	2,070	1,593	
Cheese, all varieties, lbs.....	17,842	22,043	22,506	36,510	
	63,198	68,714	70,682	70,725	

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

**Poultry and Dairy Products**

Drastic declines as a result of a materially weaker demand and increased layings carried egg prices from 25½ cents per dozen on January 1 to 9 cents per dozen February 1. The February 1 price was 3½ cents below that of a year earlier and the lowest for the season in years. On February 15 the National Association of Refrigerated Warehouses decided on \$3 per case as the maximum loan on eggs going into storage the coming season. Poultry prices closed the month nominally unchanged but 3 to 4 cents per pound below January, 1932, closing prices.

Butterfat declined 5 cents per pound during the month and at the close quotations at Kansas City ranged from 11 to 13 cents per pound or 3 cents under a year ago.

**Livestock**

MARKETINGS: Arrivals of all species of livestock at the six principal market centers of the Tenth District, although heavier than in the preceding month, were comparatively light for January. Horses and mules and calves were more numerous than a year ago, but receipts of the former were otherwise the lightest for the like month in years and of the latter the lightest since 1922. January receipts of sheep were the smallest for that month since 1927 and of cattle and hogs, including shipments direct to packers' yards, in over fifteen years of record. Compared to the ten-year average January volume, marketings of cattle declined 25, calves 13, hogs and sheep 17, and horses and mules 34 percent.

PRICES: Livestock values for January varied slightly from December levels. Fat cattle prices established new low levels for the past twenty years with heavy beef steers and butcher cows declining 25 to 75 cents per hundredweight. Stocker demand broadened somewhat and feeder demand contracted with the weakness in fat cattle prices, but prices of both stockers and feeders were mostly steady to 25 cents higher. Veal and stock calves closed steady to 50 cents higher. The month's top for cattle at Kansas City was \$6.60 as against \$9.25 last year.

Hog prices showed a slight advance from the fifty-three year low top of \$2.80 per hundred pounds January 1 to close at \$2.90. The January top was \$3.25 compared with \$4.50 a year ago.

Fat lambs reached the highest levels since July the third week of the month, but sharp declines thereafter forced values to levels slightly below those of December 31. The January top of \$6.35 was equal to that of January, 1932, but the general average price was a shade under a year ago. Ewe prices experienced a seasonal advance to close at the highest levels since last April.

STOCKERS AND FEEDERS: Shipments of stocker and feeder hogs increased over December but there was less movement to the country of other classes of livestock. Compared to January, 1932, out shipments were heavier for all classes except sheep. The countryward movement of cattle and calves was the smallest since July, with that of the former, exclusive of 1932, the smallest and of the latter, exclusive of 1931, the largest for any January in recent years. Outgo of sheep was the smallest since July and for any January since 1921. More hogs were shipped to the country than in any month since last May, but the January total was equal to but 36.5 percent of the ten-year average.

RANGES: Mild weather in January was very favorable for livestock on western ranges and at the close of the month cattle and sheep were generally in much better condition than a year earlier. Losses up to the first of February had been light, but storms and low temperatures the forepart of the month were severe on both cattle and sheep, causing considerable shrink and some losses, particularly of old ewes.

The United States Department of Agriculture reports winter ranges generally carrying a good supply of feed, with hay and other feeds plentiful except in eastern Colorado, southwestern Wyoming, western Kansas, northeastern New Mexico, and northwestern Oklahoma. Western Kansas reports wheat as not furnishing any pasture.

ON FARMS JANUARY 1: A summary of the annual livestock inventory estimates of the Crop Reporting Board of the United States Department of Agriculture, discloses an increase for the seven states whose areas or parts thereof comprise the Tenth District, in the number of cattle on farms

**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.....	119,429	17,366	*354,149	132,619	29,110	4,598	2,420	18,831	51,338	10,104	*331,213	91,015
Omaha.....	103,120	9,148	283,894	156,524	16,834	3,296	2,276	19,535	68,683	5,852	230,205	100,273
St. Joseph.....	27,073	4,578	134,139	90,997	3,073	474	410	2,685	20,450	3,956	115,271	79,738
Denver.....	26,482	10,308	70,543	87,862	15,083	5,044	407	14,894	9,400	1,686	40,899	16,351
Oklahoma City.....	23,414	3,985	44,534	7,084	-----	-----	-----	-----	16,177	3,648	41,520	6,118
Wichita.....	16,151	4,249	53,445	12,698	-----	-----	-----	-----	6,344	1,367	51,401	12,399
January 1933.....	315,669	49,634	940,704	487,784	64,100	13,412	5,513	55,945	172,392	26,613	810,509	305,894
December 1932.....	260,268	43,596	690,763	366,970	76,325	19,377	1,810	99,801	129,700	20,183	589,749	219,235
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

\*Includes 225,746 hogs shipped direct to packers' yards.

NUMBERS AND VALUE OF LIVESTOCK ON FARMS JANUARY 1, 1933, IN THE UNITED STATES AND THE SEVEN STATES WHOSE AREAS OR PARTS THEREOF COMPRISE THIS DISTRICT WITH COMPARISONS:

(In thousands of head and thousands of dollars)

	SEVEN STATES					UNITED STATES						
	NUMBER		FARM VALUE			NUMBER		FARM VALUE				
	1933	1932	1931	1933	1932	1931	1933	1932	1931	1933	1932	1931
Horses and colts.....	2,894	3,004	3,129	113,035	110,004	129,661	12,163	12,641	13,169	658,684	674,611	795,725
Mules and mule colts.....	849	872	904	44,332	43,505	50,627	4,981	5,089	5,226	300,391	308,617	361,562
All cattle and calves.....	15,364	14,760	14,331	265,202	331,500	492,712	65,129	62,656	60,987	1,297,828	1,668,742	2,396,731
Sheep and lambs.....	12,760	13,588	13,041	36,015	41,830	69,354	51,630	53,321	52,599	149,544	181,051	281,806
Swine, including pigs..	14,191	14,569	12,441	54,673	82,297	137,101	60,716	59,078	54,399	255,538	362,511	618,077
*Cows and heifers.....	3,801	3,697	3,563	90,981	118,225	167,766	25,136	24,469	23,576	732,749	968,274	1,346,119
Total five species.....	46,058	46,793	43,846	513,257	609,136	879,455	194,619	192,785	186,380	2,661,985	3,195,532	4,453,901

SOURCE: Crop Reporting Board, United States Department of Agriculture.

\*Included in cattle and calves.

during the year 1932, and decreases in the numbers of swine and pigs, sheep and lambs, horses and colts, and mules and mule colts. The number of milk cows also increased.

Cattle numbers, largely due to the retention of cows and heifers, have increased steadily since 1927. Swine numbers which declined slightly during the year were otherwise the largest since January 1, 1924. Following four successive increases, sheep and lamb numbers declined, with January 1 totals the smallest for that date in four years. The number of horses on farms continued to decline, with the January 1 total about 40 percent below the high point of 1918. For the seventh consecutive year mule numbers declined, totaling 849,000 on January 1 this year as against 1,184,000 on January 1, 1926.

The total value of all livestock, and of cattle, swine, and sheep and lambs declined, whereas, that of horses and mules increased. Total value of the five species was estimated at \$513,257,000 on January 1, 1933, which compared with \$609,136,000 one year earlier and \$1,202,185,000 on January 1, 1930, and \$1,206,018,000 on January 1, 1929. Per head hog values have suffered five successive declines and cattle and sheep four. The most severe declines for all three species were between January 1, 1931, and January 1, 1932, amounting to 34.7 percent for all cattle, 48.7 percent for swine, and 42.1 percent for sheep and lambs as against 31.4, 16.2, and 39.4 percent, respectively, the preceding year and 23.2, 31.9, and 8.4 percent this year. Horse and mule values have held up better than any other classes of livestock, with the per head value of horses showing an increase of 6.7 percent and mules 4.7 percent between January 1, 1932, and January 1, 1933. Declines from January 1, 1929, to the present were on a per head basis as follows: all cattle 68.4; swine, including pigs, 70.8; sheep and lambs 73.6; horses and colts 20.2; and mules and mule colts 21 percent.

### Meat Packing

Operations at meat packing establishments as measured by the number of meat animals purchased by packers for slaughter at the six principal livestock markets of the District, including hogs purchased direct by the packers, expanded about one-third in all departments in January as compared to December. The January slaughter of hogs was the largest for any month since May and that of cattle and sheep the largest since October.

Compared to a year ago, the slaughter of cattle declined 6.3 percent, that of hogs 5.7 percent, and of sheep 35.7 percent. The 43.1 percent increase in market receipts of calves was only partially reflected in the 4 percent increase in packers' purchases. Purchases of all species of meat animals were, with the exception of calves, in about the same ratio to the January normal as receipts, with declines ranging from 35 percent for calves to 8 percent for hogs.

Annual returns released by the United States Department of Agriculture, disclose that there were 7,625,373 cattle, 4,493,437 calves, 45,244,951 swine, and 17,899,037 sheep and lambs slaughtered under Federal meat inspection in 1932. The slaughter of cattle was the smallest for any year since 1921 and that of calves, excluding 1929, since 1922. Swine numbers were somewhat larger than in the two preceding years but substantially below the 1929 and 1928 totals. 1931, with 18,070,875 sheep and lambs killed, established a record for that species approached only by the 1932 figures.

### Lumber

According to reports received from 158 retail yards, located throughout the District, January lumber sales were 1.4 percent greater and dollar sales of all materials 16.1 percent smaller than a year ago. Both items showed substantial increases as compared to December, but these increases are largely accounted for by inventory influences and are not due to a corresponding improvement in sales. Stocks of lumber were reduced 2.6 percent during the month and on January 31 were 18.2 percent smaller than a year earlier. Collections improved slightly amounting to 21.4 percent of amounts outstanding on December 31 as compared to the ratios of 19.5 percent reported for December and 22.7 percent for January, 1932.

Retail lumber sales are herewith shown in percentages of increase or decrease:

	January 1933 December 1932	Compared to January 1932
Sales of lumber, board feet.....	26.0	1.4
Sales of all materials, dollars.....	54.4	-16.1
Stocks of lumber, board feet.....	-2.6	-18.2
Outstandings, end of month.....	-0.4	-25.5

National lumber production, as indicated by the reports of nearly 800 hardwood and softwood mills to the National Lumber Manufacturers Association, in the five weeks ended February 4 was 18 percent of normal and 91 percent of the output reported for the like period last year. During the five weeks shipments were equal to 72 percent and orders received 76 percent of last year's volume. Shipments and orders received continue to exceed production.

The Lumber Survey Committee of the Timber Conservation Board reports lumber stocks have been reduced 30 percent and lumber consumption has declined 65 percent since 1929.

### Building

Construction activity remains comparatively quiet although, for the first time since January, 1923, the estimated cost of buildings, for which permits were issued in eighteen reporting cities of the District in January, exceeded the December figure. Compared to January last year, however, these cities issued 69 fewer permits with construction costs showing a loss of 29.2 percent.

BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST	
	1933	1932	1933	1932
Albuquerque, N. M.....	25	12	\$ 12,250	\$ 24,600
Cheyenne, Wyo.....	4	8	1,125	1,698
Colorado Springs, Colo.....	18	28	6,750	16,162
Denver, Colo.....	172	203	166,760	315,080
Hutchinson, Kans.....	13	13	3,760	21,665
Joplin, Mo.....	6	9	14,000	3,900
Kansas City, Kans.....	14	20	8,315	9,655
Kansas City, Mo.....	74	89	46,600	196,600
Lincoln, Nebr.....	13	16	3,700	14,790
Oklahoma City, Okla.....	38	73	161,904	107,489
Omaha, Nebr.....	31	18	77,070	45,275
Pueblo, Colo.....	20	26	3,315	14,875
Salina, Kans.....	7	7	12,450	8,370
Shawnee, Okla.....	7	3	1,275	1,750
St. Joseph, Mo.....	16	12	28,875	4,180
Topeka, Kans.....	26	13	8,075	25,660
Tulsa, Okla.....	71	78	54,390	40,846
Wichita, Kans.....	38	34	14,110	30,260
Total 18 cities, Jan.....	593	662	\$624,724	\$882,855

According to reports of the F. W. Dodge Corporation, residential construction for the District as a whole increased sharply in January both as compared to December and January last year. The value of total building contracts awarded was 2.6 percent greater than a year ago but 11.5 percent smaller than that reported for December.

Residential and total building contracts awarded in this District and the United States as reported by the F. W. Dodge Corporation:

	RESIDENTIAL		TOTAL AWARDS	
	Tenth District	United States	Tenth District	United States
Jan. 1933.....	\$947,483	\$11,950,900	\$4,165,200	\$83,356,000
Dec. 1932.....	274,252	12,957,500	4,705,087	81,219,300
Jan. 1932.....	649,529	27,504,300	4,058,692	84,798,400

Cement

Output of Portland cement at Tenth District mills reached a new low for recent years in January, declining 1.4 percent as compared to December and 64.2 percent as compared to January, 1932. Shipments, although relatively small, exceeded production and were somewhat larger than either the preceding month or the corresponding month a year ago. Stocks were reduced 106,000 barrels for the month and 305,000 barrels since January 31, 1932.

Portland cement production in this District and the United States as reported to the Bureau of Mines, Department of Commerce, in thousands of barrels:

	TENTH DISTRICT			UNITED STATES		
	Production	Shipments	Stocks	Production	Shipments	Stocks
January 1933.....	217	324	2,184	2,958	2,502	20,660
December 1932.....	220	208	2,290	4,248	2,835	20,205
January 1932.....	606	235	2,489	5,026	3,393	25,778

Petroleum

Estimates, based on the weekly reports of the American Petroleum Institute and compared to the official reports of the Bureau of Mines, Department of Commerce, for January and December, 1932, show a reduction of 12.4 percent in crude oil production in this District for January this year as compared to January last year, but an increase of 2.9 percent as compared to December. January production totaling 16,840,000 barrels was the smallest recorded for that month since 1922.

United States production also increased slightly for the month but was about 9 percent smaller than a year ago. The Bureau of Mines estimated the December daily average domestic production as 232,000 barrels short of the daily average domestic demand,

Gross and daily average production of crude oil in the United States and the five oil producing states of this District are shown in the following:

	*Jan. 1933	Dec. 1932	Jan. 1932
	Barrels	Barrels	Barrels
Oklahoma.....	11,976,000	11,815,000	13,799,000
Kansas.....	2,830,000	2,642,000	2,954,000
Wyoming.....	972,000	965,000	1,184,000
Colorado.....	84,000	84,000	114,000
New Mexico.....	978,000	856,000	1,170,000
Total 5 states.....	16,840,000	16,362,000	19,221,000
Total United States.....	60,752,000	58,044,000	66,884,000

January completions, although more numerous than a year ago, were otherwise the fewest reported for that month in years. There was a smaller number of rigs up and wells drilling at the close of the month than at any time since April and, excluding January, 1932, a smaller number than at the close of any January in over thirteen years of record.

On January 18 crude oil purchasing companies in the mid-continent area reduced quotations, which ranged from 45 to 77 cents per barrel, to 28 cents for oil testing below 29 degrees gravity plus a 2 cent differential for each additional degree with a top of 52 cents per barrel. Prices of practically all refined products worked lower during the month.

Zinc and Lead

Shipments of both zinc ore and lead ore, from mines in Missouri, Kansas, and Oklahoma during the five weeks' period ended February 4, were 58.9 and 5.2 percent, respectively, larger than in the preceding five weeks ended December 31. Zinc ore shipments were more than three times as large as in the same period last year, but lead ore shipments were 58.6 percent smaller. Last year mines were disposing of surplus lead but this year are reducing their zinc stocks.

Lead ore remained steady at \$32.50 per ton as against \$40 last year. Zinc ore declined \$1 per ton to equal last year's price of \$17 per ton.

Zinc ore and lead ore shipments from the Tri-state district:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	20,788	\$368,498	1,810	\$ 57,920
Kansas.....	17,027	305,056	490	15,680
Missouri.....	227	4,035	117	3,744
5 Weeks ended Feb. 4, 1933.....	38,042	\$677,589	2,417	\$ 77,344
5 Weeks ended Dec. 31, 1932.....	23,948	435,840	2,298	73,536
5 Weeks ended Feb. 6, 1932.....	12,371	212,388	5,837	244,689

Bituminous Coal

Output of soft coal at mines in the six coal producing states of this District totaled 1,558,000 tons in January as against 2,055,000 tons a year ago and a ten-year average of 3,166,000 tons. Compared to December, production declined 28.5 percent which is somewhat less than the usual seasonal change.

Production of soft coal in the United States and the six coal producing states of this District:

	*Jan. 1933	Dec. 1932	Jan. 1932
	Tons	Tons	Tons
Colorado.....	463,000	770,000	756,000
Kansas.....	188,000	232,000	217,000
Missouri.....	349,000	446,000	376,000
New Mexico.....	115,000	126,000	141,000
Oklahoma.....	120,000	183,000	147,000
Wyoming.....	323,000	421,000	418,000
Total six states.....	1,558,000	2,178,000	2,055,000
Total United States.....	27,093,000	31,110,000	27,892,000

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

## Business Conditions in the United States

By the Federal Reserve Board

Volume of industrial production increased in January by less than the usual seasonal amount and factory employment and payrolls continued to decline. Prices of commodities at wholesale, which declined further in January, showed relatively little change in the first three weeks of February.

**PRODUCTION AND EMPLOYMENT:** Industrial activity, as measured by the Board's index, which makes allowance for usual seasonal changes, declined from 66 percent of the 1923-1925 average in December to 64 percent in January, which compares with a low level of 58 percent last July. Output of coal declined considerably contrary to the usual seasonal tendency. Increases in activity in the cotton and silk industries were somewhat less than seasonal in amount, and there was a slight decline in production at woolen mills. Output of shoes increased seasonally. Activity in the steel industry showed a seasonal increase during January, and little change during the first three weeks of February. Automobile production, which had increased substantially in December, showed a further slight increase in January.

Factory employment declined between the middle of December and the middle of January by considerably more than the seasonal amount. Decreases were reported in most lines except in the cotton, wool, and silk industries, where employment showed little change, and in the automobile and shoe industries, where employment increased.

Construction contracts awarded were in about the same volume in January as in December, according to the F. W. Dodge Corporation. In the first half of February the value of awards showed a decline.

**DISTRIBUTION:** Volume of freight traffic was somewhat smaller in January than in December reflecting a reduction in shipments of coal. Sales by department stores decreased after Christmas by more than the usual seasonal amount.

**WHOLESALE PRICES:** The general level of wholesale commodity prices, as measured by the index of the Bureau of Labor Statistics, declined further from 62.6 percent of the 1926 average in December to 61.0 percent in January, reflecting substantial reductions in the prices of crude petroleum, gasoline, textiles and dairy and poultry products. Prevailing prices for wheat, cotton, and hogs in January and the first three weeks of February were somewhat above the low levels reached in December.

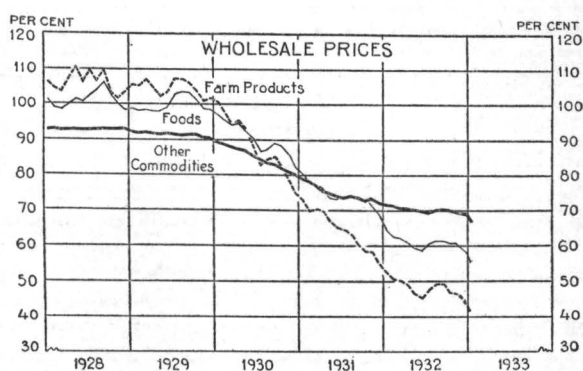
**BANK CREDIT:** Between January 4 and February 21 there was an increase of \$319,000,000 in the demand for currency, accompanying banking disturbances in different parts of the country, and a decrease of \$64,000,000 in the country's stock of monetary gold. These demands were met by member banks in part by the use of their balances at the reserve banks, which declined by \$243,000,000 during the period, but continued to be considerably above legal requirements. Reserve bank holdings of United States securities declined by \$88,000,000 between January 4 and February 1, but increased by \$70,000,000 during the following three weeks. Their holdings of acceptances increased by \$141,000,000 and discounts for member banks increased by \$76,000,000.

Loans and investments of reporting member banks in leading cities declined by about \$100,000,000 during the five weeks ending February 15. The banks' net demand deposits declined by \$390,000,000 reflecting largely reductions in bankers' deposits, and time deposits showed a decrease of \$93,000,000 for the period.

Money rates in the open market were slightly firmer during the first half of February. Open market rates on 90-day bankers' acceptances, which had been  $\frac{1}{4}$  of one percent, had increased to 5-8 of one percent by February 20. Rates on prime commercial paper and on stock exchange loans remained unchanged. The minimum buying rate on bills at the Federal Reserve Banks of Boston, New York, and Chicago was reduced from 1 to  $\frac{1}{2}$  of one percent.



Federal Reserve Board's index of factory employment with adjustment for seasonal variation. (1923-1925 average=100.) Latest figure, January, 59.4.



Indexes of the United States Bureau of Labor Statistics (1926=100). Latest figures, January, farm products, 42.6; foods, 55.8; other commodities, 67.3.