

# 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. 5

**N**EARLY all classes of business and industry were affected by the bank holiday in March, but the resumption of banking was accompanied by a decidedly improved morale, which, in this District, has been further strengthened by the sharp advance in grain prices. The upward surge in grain prices carried quotations on all classes, as of April 20, to or above the prevailing levels of a year ago, with wheat 10 cents per bushel higher.

Aside from the improvement in prices of grains, agricultural commodity prices have failed to record any substantial gains, although at present they are somewhat above the recent lows. Marketings of all commodities were somewhat restricted in March and were comparatively light, although in some instances exceeding last year's volume.

The condition of fall sown grains showed further deterioration in March. The April 1 condition of winter wheat, reported by the United States Department of Agriculture as the lowest of record, indicates heavy abandonment and promises a harvest for the seven Tenth District states of but 116,014,000 bushels, the smallest since 1904. Rye prospects are also poor. Spring planting operations have been retarded somewhat by cold weather and frequent rains in the eastern part of the District and by inadequate moisture supplies in the western part.

Sales of merchandise at both wholesale and retail increased by about the usual seasonal rate in March. Compared to 1932, the dollar volume of March and first quarter sales at thirty-two department stores declined over 22 per cent, with declines for the five reporting wholesale lines, combined, averaging 17.6 per cent for the month and 14.9 per cent for the three months.

Production of flour, crude oil, and cement was larger than one month or one year earlier, whereas, that of bituminous coal was smaller. Shipments of zinc ore and lead ore declined during the month but exceeded the March, 1932, totals. Operations at meat packing establishments were stepped up during the month, but packers purchased less livestock of all species than a year ago. Building activity remains dormant, although there were some seasonal gains reported for the District as a whole.

Business insolvencies in this District in March and the first three months of 1933 were less numerous, and total liabilities involved were smaller than in any corresponding month or three months in recent years.

## Financial

A sharp reversal of currency and credit trends following the reopening of the banks on March 13, 14, and 15 is strikingly evidenced by a comparison of the weekly condition statements of this bank and branches. In the four weeks ended April 12 gold reserves declined 19.7, bills rediscounted for member

## BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT

Percentages of Increase, or Decrease (—), for March 1933 over February 1933 and March 1932 and for the first three months of 1933 over the like period in 1932.

	March 1933 Compared to		3 Mos. 1933 Compared to 3 Mos. 1932
	Feb. 1933	Mar. 1932	
<b>Banking</b>			
Payments by check.....	8.1	23.0	20.0
Federal Reserve Bank clearings.....	2.1	21.5	16.1
Business failures, number.....	22.5	43.6	33.3
Business failures, liabilities.....	12.7	28.8	54.9
Savings deposits, 45 selected banks.....	4.5	11.7	.....
Savings accounts, 45 selected banks.....	2.0	5.9	.....
<b>Distribution</b>			
Wholesalers' sales, 5 lines combined.....	12.8	17.6	14.9
Retailers' sales, 32 department stores.....	18.3	22.7	22.5
Lumber sales, 157 retail yards.....	8.6	9.7	0.6
Life insurance written.....	0.3	25.0	19.9
<b>Construction</b>			
Building contracts awarded, value.....	75.9	40.9	36.7
Residential contracts awarded, value.....	76.8	47.6	29.6
Building permits in 17 cities, value.....	14.1	48.7	38.1
<b>Production</b>			
Flour.....	17.8	2.6	0.4
Crude petroleum.....	15.8	9.2	0.2
Soft coal.....	32.4	26.3	16.0
Zinc ore (shipped) Tristate District.....	41.0	4.4	75.2
Lead ore (shipped) Tristate District.....	20.6	23.7	35.6
Cement.....	55.4	4.5	33.9
<b>Grain receipts, 5 markets</b>			
Wheat.....	6.4	27.2	60.2
Corn.....	32.5	20.5	28.8
Oats.....	20.2	48.2	7.0
Rye.....	27.2	427.4	151.9
Barley.....	17.9	67.7	53.0
Kafir.....	18.5	63.6	61.3
<b>Livestock receipts, 6 markets</b>			
Cattle.....	5.4	16.6	9.6
Calves.....	5.3	10.5	12.3
Hogs.....	4.5	11.7	19.8
Sheep.....	22.3	15.1	19.7
Horses and mules.....	10.9	36.4	8.0
<b>Meat packing, 6 markets</b>			
Cattle.....	4.0	7.4	8.6
Calves.....	13.0	14.1	10.4
Hogs.....	0.1	3.2	13.6
Sheep.....	23.0	2.0	22.1
<b>Stocker and feeder shipments, 4 markets</b>			
Cattle.....	26.2	13.1	11.4
Calves.....	31.8	1.6	66.9
Hogs.....	6.0	6.9	6.3
Sheep.....	16.4	9.9	6.1

banks 29, bills purchased in the open market 22.6, United States security holdings 6.5, total bills and securities 14.8, Federal reserve note circulation 17.7, and member bank reserve deposits 14.9 per cent, whereas, in the preceding four weeks ended March 15, all of the above items increased substantially.

Comparisons between April 12 this year and April 13 last year disclose large increases for all of the principal items except bills discounted, which are 33.9 per cent less.

Changes in four weeks and fifty-two weeks, in the principal resource and liability items of the Federal Reserve Bank of Kansas City and branches, are shown in the following:

	April 12, 1933	Mar. 15, 1933	April 13, 1932
Gold reserves.....	\$112,839,569	\$140,581,986	\$ 88,806,514
Reserves other than gold.....	7,728,095	3,299,262	7,147,479
Total reserves.....	120,567,664	143,881,248	95,953,993
Bills discounted.....	21,895,491	30,852,109	33,125,677
Bills purchased.....	6,868,826	8,879,272	2,292,904
U. S. securities.....	57,220,100	61,220,100	24,935,600
Total bills and securities.....	85,984,417	100,951,481	60,354,181
Total resources.....	234,607,445	273,213,395	184,339,312
F. R. notes in circulation.....	123,219,525	149,699,955	81,168,535
Member banks' reserve deposits.....	74,797,916	87,937,480	68,056,236

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

### Commercial Failures

There was a decided reduction in business insolvencies in this District and the United States in March, both as to the number of defaults and the amount of liabilities involved. A comparison of the reports of Dun and Bradstreet, Inc., reveals that March and first quarter failures in this District were less numerous than in any like month or three months since 1921, with liabilities for both periods the smallest since 1926.

March and first quarter failures in the United States and this District were below the ten-year average. Tenth District liabilities were below, whereas, United States totals were slightly above the average.

Business failures in the Tenth District and the United States as reported by Dun and Bradstreet, Inc.:

	TENTH DISTRICT		UNITED STATES	
	Number	Liabilities	Number	Liabilities
March 1933.....	79	\$ 1,359,139	1,948	\$ 48,500,212
February 1933.....	102	1,556,459	2,378	65,576,068
March 1932.....	140	1,908,380	2,951	93,760,311
Three months 1933.....	295	4,757,813	7,245	193,176,882
Three months 1932.....	442	10,551,658	9,141	275,520,622

### Reserve Bank Clearings

Check collections through the Federal Reserve Bank of Kansas City and branches at Denver, Oklahoma City, and Omaha totaled 3,708,108 items representing \$492,211,000 in March. These totals indicate an increase of 4.1 per cent in the number of items handled and a decrease of 2.1 per cent in the amount as compared to February, and decreases of 28.9 per cent in number and 21.5 per cent in amount as compared to March, 1932. First quarter collections were 23.8 per cent smaller as to the number of items handled and the dollar amount was 16.1 per cent less than in the first three months last year.

The clearings figures follow:

	ITEMS		AMOUNT	
	1933	1932	1933	1932
January.....	3,708,108	4,535,143	\$ 492,211,000	\$ 572,052,000
February.....	3,328,098	4,372,154	443,410,000	506,516,000
March.....	3,465,068	4,875,141	434,091,000	553,048,000
Three months ..	10,501,274	13,782,438	\$1,369,712,000	\$1,631,616,000

### Bank Debits

The volume of debits to individual accounts for the five weeks ended April 5, as reported by banks in twenty-eight leading cities of the District, declined 8.1 per cent as compared to the five weeks ended March 1 this year and 23 per cent as compared to the five weeks ended April 6, 1932. Cumulative payments by check for the first fourteen weeks of the current year were 20 per cent less than a year ago.

Many checks written during the bank holiday were of small denominations and a majority, circulating as a medium of exchange, carried an unusual number of endorsements. Check payment figures below:

	FIVE WEEKS ENDED		Per cent Change
	April 5, 1933	April 6, 1932	
Albuquerque, N. M.....	\$ 6,714,000	\$ 8,542,000	-21.4
Atchison, Kans.....	2,319,000	3,286,000	-29.4
Bartlesville, Okla.....	16,863,000	16,178,000	4.2
Casper, Wyo.....	3,430,000	5,430,000	-36.8
Cheyenne, Wyo.....	4,196,000	5,183,000	-19.0
Colorado Springs, Colo.....	10,577,000	12,022,000	-12.0
Denver, Colo.....	111,628,000	132,674,000	-15.9
Enid, Okla.....	5,639,000	7,019,000	-19.7
Fremont, Nebr.....	1,573,000	2,849,000	-44.8
Guthrie, Okla.....	923,000	1,448,000	-36.3
Hutchinson, Kans.....	8,138,000	9,206,000	-11.6
Independence, Kans.....	1,373,000	6,970,000	-80.3
Joplin, Mo.....	6,008,000	7,886,000	-11.5
Kansas City, Kans.....	8,907,000	12,237,000	-27.2
Kansas City, Mo.....	208,064,000	274,466,000	-24.2
Lawrence, Kans.....	2,849,000	3,850,000	-26.0
Lincoln, Nebr.....	17,937,000	26,253,000	-31.7
Muskogee, Okla.....	5,239,000	7,441,000	-29.6
Oklahoma City, Okla.....	57,806,000	69,846,000	-17.2
Okmulgee, Okla.....	1,627,000	2,608,000	-37.6
Omaha, Nebr.....	97,900,000	133,754,000	-26.8
Pittsburg, Kans.....	2,924,000	3,739,000	-21.8
Pueblo, Colo.....	10,531,000	14,600,000	-27.9
Salina, Kans.....	4,938,000	6,951,000	-29.0
St. Joseph, Mo.....	20,098,000	28,336,000	-29.1
Topeka, Kans.....	14,697,000	13,968,000	5.2
Tulsa, Okla.....	55,434,000	76,432,000	-27.5
Wichita, Kans.....	26,463,000	35,822,000	-26.1
Total 28 cities, 5 weeks.....	\$ 714,795,000	\$ 927,896,000	-23.0
Total 28 cities, 14 weeks.....	2,217,384,000	2,770,082,000	-20.0

### Savings

Deposits to savings accounts in forty-five selected commercial and savings banks in cities of this District declined 4.5 per cent between March 1 and April 1, and the total, as of the latter date, was 11.7 per cent below that reported by the identical banks on April 1, 1932. Reductions of 2 per cent for the month and 5.9 per cent for the year in the number of savings accounts were also reported.

The number of savings accounts and the amount of savings deposits, as reported by the forty-five banks, are shown in the following table for the three dates under review:

	Savings Accounts	Savings Deposits
April 1, 1933.....	361,810	\$ 98,953,941
March 1, 1933.....	369,068	103,627,162
April 1, 1932.....	384,600	112,127,085

### Trade

Department store sales for March, as reported by thirty-two stores in this District, showed about the normal seasonal increase, 18.3 per cent, over February, but were 22.7 per cent below those for the corresponding month a year ago. Sales are based on the dollar volume and the decrease, as compared to last March, reflected in part lower prices and the fact that Easter, which fell on April 16 this year, was twenty days earlier last year. Dollar sales during the first quarter of 1933, were

RETAIL TRADE AT 32 DEPARTMENT STORES IN THE TENTH FEDERAL RESERVE DISTRICT

Stores Reporting	SALES		STOCKS (RETAIL)		STOCK TURNOVER				ACCOUNTS RECEIVABLE		COLLECTIONS		
	March 1933	3 Mos. 1933	March 31, 1933		March	3 Months			March 31, 1933		March 1933		
	Compared to March 1932	Compared to 3 Mos. 1932	Feb. 28, 1933	Mar. 31, 1932	1933	1932	1933	1932	Compared to Feb. 28, 1933	Mar. 31, 1932	Feb. 1933	Mar. 1933	
Kansas City.....	4	-26.1	-24.1	0.6	-20.3	.16	.17	.45	.48	2.1	-10.8	-18.7	-25.6
Denver.....	4	-17.1	-22.4	4.3	-23.8	.24	.22	.62	.62	3.7	-16.6	-10.9	-27.0
Oklahoma City....	3	-24.3	-24.3	1.7	-35.3	.29	.25	.81	.69	-4.4	-19.6	-21.5	-27.1
Tulsa.....	3	-13.1	-13.7	-2.3	-22.5	.34	.31	1.12	1.05	2.0	-15.1	-9.2	-22.9
Wichita.....	3	-19.8	-22.0	1.7	-43.8	.29	.21	.62	.55	4.4	-30.0	-4.8	-40.1
Other cities.....	15	-27.1	-22.9	3.6	-18.0	.22	.24	.62	.65	0.2	-14.9	-5.4	-21.7
Total.....	32	-22.7	-22.5	2.2	-23.5	.22	.22	.60	.60	1.2	-16.5	-12.1	-26.2

NOTE: Percentage of collections in March on accounts February 28, all stores reporting 31.7. Collections same month last year 35.5.

22.5 per cent less than in the first quarter of 1932. March and first quarter sales have shown four consecutive declines, those of 1933 compared to 1932 being the largest.

Inventories were enlarged 2.2 per cent in March, or slightly less than the usual seasonal amount, and stocks as of March 31 were 23.5 per cent smaller than one year earlier, thus recording the seventh consecutive and most severe decline in annual comparisons.

Collections for March totaled 31.7 per cent of amounts outstanding February 28. This collection figure compares with 32.1 per cent for the preceding month and 35.5 per cent for the corresponding month last year.

Wholesale distribution of merchandise in this District in March, as indicated by the reports of a number of representative firms in five reporting lines, increased substantially. The 11.9 per cent increase in dollar sales of dry goods was somewhat larger than usual, whereas, increases of 14.2 per cent for furniture and 2.8 per cent for drugs were somewhat smaller. Sales of groceries and hardware displayed about normal strength, increasing 11.6 and 30.4 per cent, respectively. All lines reported their dollar volume as substantially short of that of March, 1932, declines being as follows: dry goods, 17.4; groceries, 12.5; hardware, 16.5; furniture, 34.8; and drugs, 20.6 per cent.

Inventories, except those of groceries, were reduced in March and stocks at the close of the month were considerably smaller for all lines than on March 31, 1932, the combined reduction being 15.5 per cent.

Lumber

A sub-normal increase of 8.6 per cent in the sales of lumber, by 157 retail yards located in cities and towns throughout the Tenth District, was reported in March. March sales were 9.7 per cent smaller than a year ago, making the fourth successive but least abrupt March to March comparison. Dollar sales of all materials increased 5.5 per cent as compared to February, but showed a loss of 22 per cent from the March, 1932, total.

Stocks were reduced slightly during the month and at the close were 18.2 per cent lighter than one year earlier. Collections in March, both this year and last, were equal to 17.9 per cent of amounts outstanding at the end of February.

February, 1933, collections averaged 19 per cent of receivables as of January 31.

March totals are herewith compared with those for February, 1933, and March, 1932, in percentages of increase or decrease:

	March 1933 Compared to	
	February 1933	March 1932
Sales of lumber, board feet.....	8.6	-9.7
Sales of all materials, dollars.....	5.5	-22.0
Stocks of lumber, board feet.....	-0.7	-18.2
Outstandings, end of month.....	2.8	-22.8

Lumber production in the United States, as reported to the National Lumber Manufacturers Association, continues at about 20 per cent of normal.

Building

Very little construction activity was recorded for this District in March and the first three months of 1933. Seventeen reporting cities issued only about one-third of the ten-year average number of building permits, and the estimated cost of construction was but 10 per cent of normal.

BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST	
	1933	1932	1933	1932
Albuquerque, N. M.....	45	43	\$ 17,242	\$ 39,190
Colorado Springs, Colo.....	35	46	11,861	33,807
Denver, Colo.....	326	361	176,192	271,650
Hutchinson, Kans.....	38	16	13,643	18,660
Joplin, Mo.....	16	16	5,100	9,025
Kansas City, Kans.....	29	45	12,390	21,230
Kansas City, Mo.....	106	117	66,250	121,800
Lincoln, Nebr.....	34	29	22,862	20,942
Oklahoma City, Okla.....	55	112	58,666	118,354
Omaha, Nebr.....	51	71	56,605	129,160
Pueblo, Colo.....	51	55	5,290	18,545
Salina, Kans.....	11	13	3,840	12,460
Shawnee, Okla.....	3	9	2,450	2,980
St. Joseph, Mo.....	22	37	9,090	19,160
Topeka, Kans.....	27	55	4,725	75,183
Tulsa, Okla.....	56	67	25,868	55,010
Wichita, Kans.....	53	60	18,710	27,751
Total 18 cities, March.....	958	1,152	\$ 510,784	\$ 994,907
Three months.....	2,096	2,706	1,728,752	2,794,865

There was, according to the F. W. Dodge Corporation, a seasonal improvement in March in residential and total building contracts awarded in the District, as a whole, but the value of total awards declined 40.9 per cent and of residential awards 47.6 per cent as compared with March, 1932. Residential

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

Reporting Stores	SALES		OUTSTANDINGS		COLLECTIONS		STOCKS		
	March 1933	March 1932	March 31, 1933	March 31, 1932	March 1933	March 1932	March 31, 1933	March 31, 1932	
	Feb. 1933	March 1932	Feb. 28, 1933	March 31, 1932	Feb. 1933	March 1932	Feb. 28, 1933	March 31, 1932	
Dry goods.....	6	11.9	-17.4	3.0	-15.3	3.8	-26.3	-4.8	-13.8
Groceries.....	5	11.6	-12.5	5.3	-7.4	7.4	5.3	3.9	-17.3
Hardware.....	9	30.4	-16.5	4.8	-6.5	20.9	-20.6	-1.3	-15.6
Furniture.....	5	14.2	-34.8	4.0	-22.6	8.4	-35.9	-1.8	-24.7
Drugs.....	6	2.8	-20.6	1.5	-12.5	-1.9	-15.4	-3.7	-19.7

awards during the first quarter showed a reduction of 85 per cent and total awards a decline of 81 per cent as compared to the five-year average volume for the like period.

The value of residential and total building contracts awarded as reported by the F. W. Dodge Corporation:

## TOTAL BUILDING CONTRACTS AWARDED

	TENTH DISTRICT		UNITED STATES	
	1933	1932	1933	1932
March.....	\$ 3,165,116	\$ 5,354,898	\$ 59,958,500	\$112,234,500
February.....	1,799,194	5,016,031	52,712,300	89,045,800
Three months...	9,129,510	14,429,621	196,026,800	286,078,700

## RESIDENTIAL CONTRACTS AWARDED

	TENTH DISTRICT		UNITED STATES	
	1933	1932	1933	1932
March.....	\$ 544,991	\$ 1,040,846	\$ 16,021,000	\$ 33,208,600
February.....	308,188	869,036	11,805,300	24,417,300
Three months...	1,800,662	2,559,411	39,777,200	85,130,200

## Cement

Production and shipments of finished Portland cement at Tenth District mills in March were comparatively small, although the largest since November and larger than in last March. Shipments exceeded production by 107,000 barrels and stocks were reduced to the lowest levels since June.

Output for the United States during March, although the heaviest of the year, was otherwise the lightest for any month in recent years. Shipments were less than production and, excluding January and February, the lightest since February last year. Inventories as of March 31 were heavier than at any time since July 31, 1932.

Cement production in this District and the United States as estimated by the Bureau of Mines:

	TENTH DISTRICT			UNITED STATES		
	Production	Shipments	Stocks	Production	Shipments	Stocks
March 1933.....	303	410	1,966	3,684	3,510	21,298
February 1933....	195	307	2,074	2,777	2,278	21,125
March 1932.....	290	352	2,336	4,847	3,973	20,624
3 Months 1933...	715	1,041	.....	9,419	8,290	.....
3 Months 1932...	1,082	864	.....	13,844	10,484	.....

## Flour Milling

Operating at 63.1 per cent of full time capacity in March as against 60.3 per cent in February and 61.3 per cent in March, 1932, flour mills in this District increased their output of flour 17.8 per cent as compared to the shorter month and 2.6 per cent as compared to the same month last year.

Production for the nine months of the crop year beginning July 1, 1932, totaled 17,729,882 barrels as against 18,785,672 for the first nine months of the preceding wheat year.

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

	Mar. 1933	Feb. 1933	Mar. 1932
	Barrels	Barrels	Barrels
Atchison.....	129,721	113,579	120,304
Kansas City.....	573,506	491,827	604,221
Omaha.....	105,962	87,282	68,634
Salina.....	154,169	118,788	149,901
Wichita.....	195,257	174,409	236,375
Outside.....	867,570	733,465	794,751
Total southwestern mills.....	2,026,185	1,719,350	1,974,186
United States.....	5,568,721	4,792,656	5,559,195

Mills were hesitant in making deliveries during the banking emergency but, according to reports, surprisingly few cars in transit were held up as the trade was generally able to meet the financial requirements. Shipping instructions were good throughout the month and new business improved with some inquiries for prices up to December 31, but millers were not

anxious to sell far into the new crop year. Bulk of sales were in one and two carlots although a few round lots were booked. Few sales were made without reservations while grain trading was suspended.

Flour and millfeed prices, which had advanced just prior to the bank moratorium and the closing of the grain exchanges were sharply higher at the reopening, as were grain prices. The final week of the month prices eased off somewhat, but flour closed the month with a net gain 15 to 25 cents per barrel and millfeeds were \$1 to \$1.50 per ton higher.

## Grain Marketing

March receipts of corn, barley, and kafir at the five principal grain markets of the District were the smallest for that month in over fifteen years, and equalling but 26.2, 27.9, and 22.6 per cent, respectively, of the ten-year average. Marketings of wheat exceeded the February total by 6.4 per cent but, excluding March, 1930, were the smallest for any March since 1926 and 20 per cent below normal. Receipts of oats were larger than one month or one year ago but 54 per cent less than usual and those of rye, although the heaviest in three years, were below average.

Receipts of six classes of grain at the five markets are shown in the following with comparisons:

	Wheat Bushels	Corn Bushels	Oats Bushels	Rye Bushels	Barley Bushels	Kafir Bushels
Hutchinson.....	924,750	1,250	.....	.....	.....	23,400
Kansas City.....	3,552,000	645,000	172,000	10,500	20,800	88,200
Omaha.....	448,000	425,600	150,000	28,000	4,800	.....
St. Joseph.....	240,000	382,500	328,000	.....	1,750	.....
Wichita.....	501,000	18,200	1,500	.....	.....	1,300
March 1933.....	5,665,750	1,472,550	651,500	38,500	27,350	112,900
February 1933....	5,326,300	2,182,650	542,000	52,900	33,300	95,300
March 1932.....	7,779,100	1,852,400	439,500	7,300	84,800	309,800
3 Months 1933...	17,309,600	6,229,350	2,191,000	121,400	105,150	371,100
3 Months 1932...	43,530,650	4,839,700	2,356,000	48,200	223,900	957,800

All grain markets were closed for nine days during the month and on resumption of business on March 16, wheat and corn prices opened at the full advance allowed under exchange regulations. Prices reacted somewhat thereafter but recovered with advances extending well into April, all deliveries of wheat establishing a season's new high on April 20.

Number 1 hard and dark wheat was up 7 to 8 cents per bushel at Kansas City, opening at 43 to 52½ and closing at 50 to 60½ cents, approximately the same as a year ago although premium margins were not as wide. Trade was practically confined to the domestic market as prices were substantially above Liverpool quotations.

There was a good demand for corn, especially white corn for brewing, and prices closed with a net gain of 9½ cents per bushel at 29½ cents for No. 2 mixed, or the highest since last September but 4 cents under a year ago. Oats advanced 3 cents to close at 20 cents as against 25 cents last year.

Rye was up 9, barley 5½, and kafir 13 cents per bushel for the month, the latter closing 1 cent better than a year ago with rye 2 and barley 8 cents per bushel less.

## Agriculture

WINTER WHEAT: The smallest winter wheat crop since 1904 is forecast by the United States Department of Agriculture on the basis of an April 1 condition of 59.4 per cent of normal, the lowest of record. A crop of 334,087,000 bushels as compared to 462,151,000 bushels harvested last year, 787,393,000 bushels in 1931, and a 1926-1930 average yield of 589,436,000 bushels is in prospect at present.

Reductions were primarily in those states whose areas or parts thereof comprise this District. Kansas, the leading winter wheat state, with a promise of but 54,747,000 bushels accounted for a loss of 51,651,000 bushels as compared to 1932 and 184,995,000 bushels as compared to the record crop of 1931. Losses were also heavy in Oklahoma, Nebraska, Colorado, and Wyoming. Prospects in Missouri and New Mexico indicate yields will be larger than a year ago but below the five-year average. Colorado, Kansas, and Wyoming reported the April 1 condition the lowest of record.

Regarding conditions in that state, the Kansas State Board of Agriculture commented in part as follows:

"The condition of winter wheat at 37 per cent of normal is the lowest April 1 condition on record and indicates a crop of 54,747,000 bushels, the smallest since 1917. While the full extent of abandonment caused by dry weather, winter-killing, high winds, cutworms, and other causes is not known at this early date, present evidence indicates that 48 per cent of the 11,477,000 acres sown last fall will not be harvested. This compares with 21 per cent abandoned last year, 2 per cent in 1931, and 13.2 per cent the ten year average and is the largest since 1917 when 53 per cent of the acreage failed."

High winds and dust storms the second week in April caused additional damage.

No official estimate of abandonment will be made before May 1 as much depends on weather conditions the next few weeks.

Seeding of spring wheat has been slow with only about half of the intended acreage sown by April 1.

April 1 conditions and estimated production of winter wheat:

	CONDITION			PRODUCTION		
	Apr. 1 1933	Apr. 1 1932	5 Yr. Aver.	Estimated 1933	Harvested 1932	5 Yr. Av.
	1933	1932	Aver.	1933	1932	5 Yr. Av.
Colorado.....	34	52	80	2,528,000	4,383,000	15,672,000
Kansas.....	37	64	76	54,747,000	106,398,000	153,186,000
Missouri.....	74	80	80	15,400,000	14,851,000	18,094,000
Nebraska.....	59	67	83	20,230,000	24,600,000	59,422,000
New Mexico...	59	79	70	1,512,000	1,320,000	2,102,000
Oklahoma.....	49	74	79	21,165,000	43,626,000	52,386,000
Wyoming.....	45	74	87	432,000	1,100,000	1,637,000
Seven states....	48.2	67.7	78.4	116,014,000	196,278,000	302,499,000
United States..	59.4	75.8	79.4	334,087,000	462,151,000	589,436,000

Rye has experienced about the same unfavorable conditions as wheat, being fair to good in the eastern third of the District but otherwise unusually poor.

OTHER CROPS: Planting operations in the eastern part of the District were somewhat delayed by cold weather and frequent showers in March, and in the western part by unfavorable moisture conditions which were relieved somewhat by recent rains and snows. A good general rain is needed as all areas report surface and subsoil moisture supplies at below normal. In the eastern section conditions have been favorable for grass seeding, and alfalfa and clover fields have made good growth.

Planting of potatoes in the Kaw Valley and oats seeding were virtually completed, and corn and cotton planting were commencing in the southern part of the District by April 15. Sugar beet planting is under way in Colorado, Nebraska, Wyoming, and western Kansas. Indications are that this year's beet acreage will be about the same as last, with seeding somewhat earlier than usual.

Canners in the Ozark region are busy contracting tomato acreage for the coming season on the basis of \$6 per ton delivered, or about half the 1929 price.

Practically all fruit, except peaches and apricots, came

through the winter in excellent condition and the March freezes did little or no damage but checked growth, which served as a protection against late freezes. Peaches are killed in Kansas and virtually so in Oklahoma where the April 1 condition was reported as 8 per cent of normal, but Missouri reports considerable bloom. Dormant sprays were being applied to orchards generally the forepart of April.

STOCKS OF GRAIN ON FARMS: Stocks of wheat, corn, and oats on farms in the United States on April 1 were, according to estimates of the United States Department of Agriculture, the largest for that date in recent years. Stocks of wheat totaled 178,354,000 bushels or 12,451,000 bushels more than a year ago but of the total approximately 25,000,000 bushels will be required for seed by the spring wheat states.

There were 1,126,616,000 bushels of corn and 467,048,000 bushels of oats on farms April 1 this year as against 907,469,000 and 362,815,000 bushels, respectively, one year earlier.

Tenth District farm stocks of oats were about the same on April 1 as one year earlier, but those of wheat were 43 per cent smaller and of corn 60 per cent larger. Stocks of wheat in the District represented approximately 21, corn 40, and oats 35 per cent of last year's harvest as compared to 24.5, 44.9, and 37.6 per cent reported for the United States.

Stocks of wheat, corn, and oats on farms April 1, thousands of bushels:

	WHEAT		CORN		OATS	
	1933	1932	1933	1932	1933	1932
Colorado.....	1,005	2,827	3,185	4,295	1,523	1,363
Kansas.....	20,245	40,778	44,409	33,752	10,026	13,112
Missouri.....	3,134	5,987	74,602	58,762	11,342	16,114
Nebraska.....	9,051	15,178	126,563	52,875	31,160	18,384
New Mexico..	316	627	961	1,555	276	399
Oklahoma.....	8,725	9,739	18,789	16,648	5,523	11,666
Wyoming.....	855	504	198	182	1,421	624
Seven states....	43,331	75,640	268,707	168,069	61,271	61,662
United States..	178,354	165,903	1,126,616	907,469	467,048	362,815

LABOR: Farm wages, the lowest in over thirty years, are about 15 to 20 per cent less than a year ago, ranging from \$13.50 per month with board in Oklahoma to \$16.55 in Nebraska. Daily wages range from 65 cents to 85 cents per day with board to 90 cents to \$1.25 without board. Supply far exceeds the demand in all states and, due to a slightly lower level of industrial employment, is greater than a year ago.

The April 1 supply of and demand for farm labor in the states of this District and the United States, as estimated by the Bureau of Agricultural Economics:

	Per cent of Normal				Supply per cent of Demand	
	Supply		Demand		1933	1932
	1933	1932	1933	1932	1933	1932
Colorado.....	141	132	50	55	282	240
Kansas.....	146	130	44	55	332	236
Missouri.....	119	119	55	62	216	192
Nebraska.....	128	123	53	64	242	192
New Mexico....	128	129	49	59	261	219
Oklahoma.....	131	124	50	52	262	238
Wyoming.....	134	127	60	73	223	174
United States..	125.8	122.2	58.9	63.2	213.5	193.4

FARM RENTALS: With both landlord and tenant favoring share cropping more than usual, and because of a shortage of funds, fewer farms are renting for cash although cash rents are about 20 per cent lower than a year ago. Land values are reported as 10 to 15 per cent lower than last year.

**Livestock**

Interrupted by the bank holiday, which resulted in the markets of this District being completely closed one day and restricting operations for several days, the movement of all classes of livestock to the six principal market centers decreased in March as compared to a year ago. Receipts of cattle, hogs, and horses and mules were the smallest for any March in recent years, with that of calves the smallest since 1919 and of sheep since 1929. Kansas City reported arrivals of cattle the lightest for any March since 1892 and Omaha the marketing of hogs the lightest in thirty years. Arrivals of sheep and lambs were seasonally larger than in the preceding month, increasing 22.3 per cent, but marketings of the other four classes of livestock were lighter. In general the quality of both cattle and hogs offered was surprisingly poor considering the abundance of feed on farms.

Price changes during the month were comparatively slight despite the sluggish demand for dressed meat resulting from the financial difficulties, warmer weather, and the Lenten season. All livestock values advanced sharply during the bank holiday period but receded thereafter as supplies increased. Fed steers and yearlings closed the month steady to lower but other classes of cattle were 25 to 50 cents per hundredweight higher. On March 16 choice yearling steers sold for \$6.50 per hundredweight at Kansas City as compared to the March, 1932, top of \$8.25. Stocker and feeders averaged \$4.75 per hundredweight the closing week of the month as against \$5.62 a year earlier.

Hogs were 40 to 50 cents higher, reaching \$4 per hundred pounds on March 7, the highest price in six months, and closing at \$3.70. A year ago the March top was \$4.60 and the closing price \$3.90.

Increased offerings of sheep and lambs met a broad outlet and quotations were 10 to 25 cents higher for the month. Fed woolled lambs touched \$5.65 per hundredweight and closed at \$5.35, whereas, last year they sold up to \$7.60 and closed at \$6.75. Arizona spring lambs topped the market at \$7 this year and \$10 last year.

**FEEDING OPERATIONS:** An increase of 10.4 per cent, or 130,000 head, in the number of cattle on feed in the eleven Corn Belt states on April 1 this year as compared to the same date in 1932, is reported by the United States Department of Agriculture. The increase was general, Wisconsin and Kansas being the only two states to show decreases, the percentage changes in relation to last year being as follows: Kansas 95; Missouri 105; Nebraska 110; Ohio 100; Indiana 107; Iowa 112; Michigan 112; Minnesota 117; Illinois 120; South Dakota 140; and Wisconsin 91. There was, however, a decrease of 181,000 head as compared to April 1, 1931, and 40,000 head as compared to the five-year average.

Shipments of stocker and feeder cattle through stockyards into the Corn Belt during the nine months, July, 1932, to March, 1933, inclusive, were 4 per cent smaller, and for the three months, January to March this year, 29 per cent larger than in the corresponding periods of the preceding season.

The Division of Crop and Livestock Estimates placed the number of lambs left on feed April 8 in northern Colorado, Arkansas Valley, and Scottsbluff sections at 475,000 head, or 20 per cent less than a year ago and 7 per cent less than on the like date in 1931. Shipments from the three areas since January 1 have totaled 5,263 cars this year compared with 5,434 last year and 5,375 two years ago.

**RANGES AND PASTURES:** Cattle and sheep on western ranges came through the winter in fair to good condition, and losses, with the exception of old ewes, were comparatively light. Range feed has been slow in starting, especially in southeastern Wyoming, eastern Colorado, southwestern Nebraska, western Kansas, western Oklahoma, and north-eastern New Mexico, which area continues dry. The April 1 condition of cattle, sheep, and ranges is reported by the Bureau of Agricultural Economics as better than a year ago but 5 to 7 points below the ten-year average. In commenting on the April 1 conditions in the various states of this District, the Bureau said:

**COLORADO:** "Range feed good in San Luis Valley and western sections, but poor in eastern Colorado, where it continues very dry. Livestock are in good flesh in western areas but thin in eastern dry sections. Lamb and calf crop prospects good except in dry areas.

**KANSAS (Western):** "Pastures continue very poor due to lack of moisture. Present outlook is for little or no pasture feed for six weeks. Cattle getting thin account limited supply and poor quality of feed. No wheat pastures available, and very little in prospect. Soil very dry. Calf crop fair to good.

**NEBRASKA (Western):** "March snow supplied moisture and improved pasture prospects, but more moisture is needed. Cows are in fairly good flesh and a good calf crop is expected.

**NEW MEXICO:** "Old grass is short and moisture is needed to start new feed. Feed will be short unless range feed develops soon. Cattle wintered well and are in fairly good shape. Ewes are in fair to good condition, with a few thin ewes in dry areas. Lamb crop prospects are good.

**OKLAHOMA:** "Ranges are poor, except in the northeast, due to lack of moisture and cold weather. Wheat has provided little pasture. Feed is short in western sections and oil cake is being used. Cattle are thin except in the northeast and eastern areas; losses have been light.

**WYOMING:** "Ranges in north, northeast and southwest fairly good, only fair in central and south central, and poor in southeast. Hay fed close with considerable feeding of corn and cake to range sheep. Cattle fairly strong, a few are thin, with light losses. Ewes in fair to good flesh, with considerable loss of old ewes. Lamb crop prospects fair to good."

According to the United States Department of Agriculture, the spring movement, March to June inclusive, of cattle from the southwest to market and northern grass will about equal the light movement of last spring. Texas will ship about the

MARCH 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.....	78,587	12,102	*222,841	170,482	18,332	1,881	1,980	11,546	43,401	10,428	*208,541	126,152
Omaha.....	94,663	5,179	186,699	188,708	12,721	1,489	2,247	19,560	63,124	3,690	160,613	126,312
St. Joseph.....	25,489	5,305	84,346	115,469	3,271	240	655	3,870	21,791	4,485	73,256	100,091
Denver.....	17,333	4,431	60,563	223,612	4,543	2,678	452	5,043	8,492	1,935	41,921	24,135
Oklahoma City.....	18,254	4,212	61,491	9,145	.....	.....	.....	.....	10,526	3,843	57,225	6,719
Wichita.....	16,190	3,500	51,273	22,169	.....	.....	.....	.....	6,765	1,599	49,225	22,097
March 1933.....	250,516	34,729	667,213	729,585	38,867	6,288	5,334	40,019	154,099	25,980	590,781	405,506
February 1933.....	264,811	36,663	698,479	596,705	52,677	9,220	5,672	47,856	148,223	22,982	589,997	329,716
March 1932.....	300,461	38,816	755,231	859,166	44,749	6,393	4,990	44,428	166,498	30,261	610,073	413,788
Three months 1933.....	830,996	121,026	2,306,396	1,814,074	155,644	28,920	16,519	143,820	474,714	75,575	1,991,287	1,041,116
Three months 1932.....	918,905	107,786	2,875,329	2,259,593	139,753	17,331	15,538	153,147	519,326	84,349	2,305,009	1,337,254

\*Includes 137,262 hogs shipped direct to packers' yards.

same number, or 579,000 head, as compared to the 1926-1930 average of 660,000 head. New Mexico and Arizona shipments will be slightly smaller than in 1932 when they totaled 74,000 and 51,000, respectively, as compared to the five-year average of 116,000 and 97,000 head.

Credit restrictions and the improved condition of southwestern pastures in contrast with the lateness and below normal condition of Oklahoma and Kansas pastures, have retarded the movement of cattle from the southwest into the Osage pastures of Oklahoma and the Blue Stem or Flint Hills pastures of Kansas. Ordinarily this movement reaches substantial proportions by April 1 but present indications are that volume will be delayed until May 1. Leasing has been very light with only about 35 per cent of the Blue Stem and 55 per cent of the Osage pastures leased by April 1, whereas, normally they are 70 to 90 per cent contracted for by that date. Present indications are that the January to May in-movement to Oklahoma and Kansas grass will be somewhat below the 290,000 head received last year and far below the numbers received in past years. Lease prices are about \$1 to \$1.50 per head lower than last year and \$3 to \$4 lower than in 1931, ranging from \$2.50 to \$5.00 per head for steers and cows and \$2 to \$3.50 per head for young stock. Kansas acreage quantities are averaging 4.3 acres per head for older cattle and 3 acres per head for calves, with Oklahoma guarantees ranging from 4 to 7 and 2 to 5 acres, respectively.

**Meat Packing**

With marketings of livestock during the bank holiday period confined chiefly to butcher stock, a larger than usual proportion of the animals received at market centers during March were purchased for slaughter. Packers' purchases of all species of meat animals at the six principal market centers of this District, including hogs shipped direct to packers' yards, exceeded the February volume, although receipts of cattle, calves, and hogs were lighter. Purchases for all departments were smaller, however, than in March, 1932, the slaughter of sheep and lambs, although the largest since last May, being the smallest for any March since 1929, that of calves the smallest since 1919, and of cattle the smallest for any like month in recent years. Purchases of hogs, although exceeding the March, 1930, and 1931 totals, were otherwise the lightest in years.

There was a reduction in the numbers of cattle, calves, hogs, and sheep slaughtered under Federal meat inspection in the United States in March and the first quarter of 1933 compared to the like month and three months of 1932, according to the Department of Agriculture. Quarterly comparisons show the following declines: cattle, 3.8; calves, 5.9; hogs, 10; and sheep and lambs, 12.1 per cent. March slaughter exceeded the February slaughter for all species except swine.

**Cold Storage Holdings**

An unusually large accumulation of eggs for the initial month of the new storage season was the outstanding change in United States cold storage holdings during March. The into-storage movement of cased eggs was almost four times as heavy as in March a year ago, with holdings on April 1 totaling 1,821,000 cases compared to 700,000 last year and a five-year April 1 average of 1,294,000 cases. Holdings of frozen eggs, which increased but slightly for the month, were 34.8 per cent lighter than a year ago and 15.5 per cent below the average. April 1 holdings of beef, pork, poultry, miscellaneous meats, lard, and cheese were smaller and of lamb and mutton larger than one year earlier. Storage stocks of all commodities except eggs were substantially below the five-year average.

The net out-of-storage movement of creamery butter and beef and the seasonal in-movement of pork and lard during March was lighter than usual, whereas, the seasonal out-movement of poultry, miscellaneous meats and cheese were approximately normal.

United States cold storage holdings as reported by the Bureau of Agricultural Economics:

	*April 1 1933	March 1 1933	April 1 1932	April 1 5 Yr. Av
Beef, lbs.....	33,702	36,015	46,346	67,013
Pork, lbs.....	610,138	609,321	792,197	861,712
Lamb and mutton, lbs.....	1,805	1,683	1,222	3,164
Poultry, lbs.....	67,195	88,675	74,660	80,450
**Turkeys, lbs.....	12,729	15,744	11,423	10,745
Miscellaneous meats, lbs.....	41,993	45,919	65,901	80,505
Lard, lbs.....	61,713	58,182	105,635	126,577
Eggs, cases.....	1,821	163	700	1,294
Eggs, frozen (case equivalent).....	1,286	1,156	1,972	1,521
Butter, creamery, lbs.....	9,253	11,580	9,094	13,782
Cheese, all varieties, lbs.....	48,742	55,731	54,021	55,518

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

**Petroleum**

Estimates, based on the weekly figures of the American Petroleum Institute for March, compared to the official reports of the Bureau of Mines for February this year and March, 1932, indicate that the flow of crude oil from wells in the five oil producing states of the District was 15.8 per cent greater in March than in February, and 9.2 per cent larger than last March. The increase for the month was due in part to the three extra days, but the daily average flow was 4.6 per cent greater. On the basis of above estimates, first quarter production totaled 55,459,000 barrels this year as compared with 55,352,000 barrels last year.

Gross production of crude oil, in the United States and each of the five states of this District, is shown in the following:

	*March 1933 Barrels	Feb. 1933 Barrels	March 1932 Barrels
Oklahoma.....	14,510,000	12,810,000	13,329,000
Kansas.....	3,644,000	2,806,000	2,879,000
Wyoming.....	974,000	868,000	1,170,000
Colorado.....	79,000	74,000	116,000
New Mexico.....	1,154,000	1,024,000	1,152,000
Total five states.....	20,361,000	17,582,000	18,646,000
Total United States.....	67,474,000	61,029,000	67,189,000

\*Estimated, American Petroleum Institute.

Posted prices for mid-continent crude oil remain unchanged, ranging from 28 cents per barrel for oil testing below 29 degrees gravity to 52 cents for that testing 40 degrees and over. Prices of all grades of natural and refinery gasoline were lower, but, with the spring demands of agriculture, kerosene and tractor distillates moved freely at firm to higher prices. Fuel and gas oils were slow and prices weak with the seasonal let-up in demand.

Field activity in the District continues comparatively light with the number of wells completed in the first quarter smaller than in any like period in over ten years, 1932 excepted. There were fewer rigs up and wells drilling at the close of March than a year ago or on the like date of any recent year.

A summary of field operations in this District and the United States follows:

	TENTH DISTRICT			UNITED STATES		
	Comple- tions	New Prod'n	Rigs Up and Wells Drilling	Comple- tions	New Prod'n	Rigs Up and Wells Drilling
March 1933.....	129	45,335	668	811	259,201	2,330
Feb. 1933.....	133	60,250	553	848	231,155	2,538
March 1932.....	117	71,790	670	962	125,539	2,631
3 Mos. 1933.....	404	184,923	.....	2,621	761,496	.....
3 Mos. 1932.....	346	259,286	.....	2,775	469,531	.....

### Bituminous Coal

Bituminous coal production at mines in this District decreased 32.4 per cent in March, or somewhat more than the usual seasonal amount. The monthly output was 26.3 per cent less than that of March, 1932, and the cumulative production for the first quarter this year was 16 per cent less than for the like period last year.

March production figures, as estimated from the weekly reports of the United States Bureau of Mines, Department of Commerce, with comparisons, follow:

	*Mar. 1933 Tons	*Feb. 1933 Tons	Mar. 1932 Tons
Colorado.....	379,000	614,000	550,000
Kansas.....	160,000	212,000	163,000
Missouri.....	271,000	365,000	387,000
New Mexico.....	82,000	114,000	100,000
Oklahoma.....	45,000	148,000	87,000
Wyoming.....	262,000	320,000	339,000
Total six states.....	1,199,000	1,773,000	1,626,000
Total United States.....	23,685,000	27,134,000	32,250,000

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

### Zinc and Lead

Shipments of both zinc ore and lead ore from mines in the Tri-state district were extremely light the forepart of March. Deliveries of zinc ore during the week ended March 18 were the lowest of record and those of lead ore the second lowest.

Subsequently shipments of both classes of ores improved, exceeding production and last year's shipments. Total shipments for the four weeks ended April 1 were substantially lighter for both ores than in the preceding four weeks, but somewhat heavier than in the corresponding four weeks of the preceding year. Several of the large producers ceased operations the forepart of the month and at the close production was being restricted by a number of operators.

Tonnage and value of zinc ore and lead ore shipped from mines in Missouri, Kansas, and Oklahoma:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	8,178	\$ 145,112	1,116	\$ 38,084
Kansas.....	3,113	55,413	632	22,300
Missouri.....	391	6,999	89	3,012
4 Wks. ended April 1, 1933	11,682	\$ 207,524	1,837	\$ 63,396
4 Wks. ended March 4, 1933	19,793	322,215	2,314	74,048
4 Wks. ended April 2, 1932	11,192	192,537	1,385	43,627
13 Wks. ended April 1, 1933	69,517	1,207,328	6,568	214,788
13 Wks. ended April 2, 1932	39,669	694,833	10,195	403,236

Zinc ore prices opened the month \$1 higher and remained steady at \$18 per ton, or \$1 per ton above last year's quotations. Lead ore prices advanced and then receded \$3.50 per ton to close at \$32.50 as against \$25 a year ago. Quotations on zinc advanced \$6 and lead \$7.50 per ton to April 20.

## Business Conditions in the United States

By the Federal Reserve Board

Production and distribution of commodities, which declined during the latter part of February and the early part of March, increased after the middle of the month. The return flow of currency to the reserve banks, which began with the reopening of banks on March 13, continued in April. Following the announcement by the President on April 19th that the issuance of licenses for the export of gold would be suspended, the value of foreign currencies in terms of the dollar advanced considerably and there was increased activity in the commodity and security markets.

**PRODUCTION AND EMPLOYMENT:** Production at factories and mines decreased from February to March, contrary to seasonal tendency, and the Board's seasonally adjusted index declined from 64 per cent of the 1923-25 average to 60 per cent, compared with a low level of 58 per cent in July, 1932. At steel mills there was a decline in activity from an average of 20 per cent of capacity in February to 15 per cent in March, followed by an increase to more than 20 per cent for the month of April, according to trade reports. In the automobile industry, where there was also a sharp contraction in output when the banks were closed, there was a rapid increase after the reopening of banks. From February to March, production in the food and cotton textile industries showed little change in volume; activity in the woolen industry declined sharply; and there was a reduction in daily average output at shoe factories. At lumber mills activity increased from the low rate of February, while output of bituminous coal declined by a substantial amount.

The volume of factory employment and payrolls showed a considerable decline from the middle of February to the middle of March. Comprehensive figures on developments since the reopening of banks are not yet available. Value of construction contracts awarded in the first quarter, as reported by the F. W. Dodge Corporation, was smaller than in the last quarter of 1932 by about one-third.

**DISTRIBUTION:** Volume of freight carloadings, on a daily average basis, declined from February to March by about 7 per cent, reflecting in large part a substantial reduction in shipments of coal. Shipments of miscellaneous freight and merchandise, which usually increase at this season, declined in the early part of March and increased after the middle of the month.

Department store sales, which had declined sharply in the latter part of February and in the first half of March, increased rapidly after the reopening of banks.

**WHOLESALE PRICES:** Wholesale prices of leading commodities fluctuated widely during March and the first three weeks of April. In this period grain prices increased sharply and prices of cotton, hides, non-ferrous metals, pig iron, scrap steel, and several imported raw materials advanced considerably. During the same period there were reductions in the prices of rayon, petroleum, and certain finished steel products.

**BANK CREDIT:** Currency returned rapidly to the reserve banks and the Treasury following the reopening of the banks and on April 19 the volume of money in circulation was \$1,500,000,000 less than on March 13, when the peak of demand was reached. Funds arising from the return flow of currency were used to reduce the reserve bank holdings of discounted bills by \$1,035,000,000 and their holdings of acceptances by \$200,000,000. At the same time member bank reserve balances increased by \$390,000,000. As a result of the decline in Federal reserve note circulation and an increase in Federal reserve bank reserves, chiefly through the redeposit of gold and gold certificates, the reserve ratio of the twelve Federal reserve banks, combined, advanced from 46.5 per cent on March 13 to 61.5 per cent on April 19.

Deposits of reporting member banks in New York increased rapidly after the reopening of the banks, and on April 19 net demand deposits were \$620,000,000 larger than on March 15, reflecting in part an increase of \$380,000,000 in bankers' balances, as funds were redeposited by interior banks. Money rates in the open market, after a temporary advance in the early part of March, declined rapidly but were still somewhat higher than early in February. By April 21 rates on prime commercial paper had declined from 4½ per cent to a range of 2 to 2½ per cent; rates on 90-day bankers' acceptances from 3½ per cent to ½ of one per cent; and rates on renewals of call loans on the stock exchange from 5 per cent to one per cent. On April 7 the discount rate of the Federal Reserve Bank of New York was reduced from 3½ to 3 per cent. The banks' buying rate on 90-day bankers' acceptances was reduced from 3½ per cent on March 13 to 2 per cent on March 22.