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

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BUSINESS in the Tenth Federal Reserve District continued to improve in February. Debits by banks to individual accounts, reflecting the dollar volume of business transactions, were slightly larger than in January and 24.4 per cent larger than in February a year ago. Gains in trade volume were general with virtually every reporting retail and wholesale establishment showing a dollar volume of sales substantially larger this year than last. Department store sales increased 20.4 per cent and wholesalers' sales increased 45.3 per cent. Agricultural purchasing power advanced more rapidly than at any time since last July as prices of livestock and dairy and poultry products, which have tended to lag, worked higher. The record of commercial failures was the best in fourteen years and farm foreclosures and forced sales declined in number.

Weather conditions were, on the whole, favorable for livestock and farm work. Livestock has wintered well and is in fair to good condition. Recent rains and snows, which were general, temporarily relieved a shortage of surface soil moisture and were beneficial to fall sown grains. A sub-soil moisture deficiency continues to exist. Farm work, seed bed preparation, and the planting of oats and potatoes are well advanced.

Livestock marketings and meat packing operations were, with the exception of sheep, somewhat heavier than a year ago and more nearly normal than for sometime. Market receipts of grain were, as in recent months, comparatively light.

Building activity, although showing a sharp increase over February, 1933, was in only about one-third normal volume. Flour production declined and petroleum output increased slightly. Output of bituminous coal showed a loss of 17.3 per cent. Shipments of zinc ore were larger and of lead ore smaller than a year ago.

A proportionately small part of Government advances under production control measures and Federal financing, which will eventually be distributed throughout this District, have been disbursed. The principal recipients to date are wheat and cotton producers and those employed under Civil Works.

Financial

RESERVE BANK OPERATIONS: Bills rediscounted for member banks by the Federal Reserve Bank of Kansas City and branches declined \$299,973 during the four weeks' period ended March 14 to a total of \$357,187. Present holdings are the lowest in many years, comparing with \$30,852,109 on March 15, 1933, the approximate peak of last year, and \$119,193,652 on October 15, 1920, when they were the highest of record. Holdings of bills purchased in the open market declined substantially in four weeks and fifty-two weeks.

Purchases of United States Government securities have shown no change in ten weeks and the total as of March 14

BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT

Percentages of Increase, or Decrease (—), for February 1934 over January 1934 and February 1933 and for the first two months of 1934 over the like period in 1933.

	February 1934 Compared to		2 Months 1934 Compared to 2 Months 1933
	Jan. 1934	Feb. 1933	
Banking			
Payments by check, 29 cities.....	1.2	24.4	16.5
Federal Reserve Bank clearings.....	— 7.3	53.4	51.1
Business failures, number.....	— 8.3	— 56.9	— 57.4
Business failures, liabilities.....	34.7	— 65.1	— 72.2
Savings deposits, 44 selected banks.....	1.5	2.1	.....
Savings accounts, 44 selected banks.....	0.2	2.5	.....
Distribution			
Wholesalers' sales, 5 lines combined.....	— 1.4	45.3	40.5
Retailers' sales, 32 department stores.....	2.2	20.4	19.8
Lumber sales, 156 retail yards.....	— 20.9	17.2	29.1
Construction			
Building contracts awarded, value.....	— 47.9	127.6	100.4
Residential contracts awarded, value.....	— 27.5	190.6	69.7
Building permits in 17 cities, value.....	— 11.1	26.0	30.1
Production			
Flour.....	— 11.3	— 1.9	— 2.5
Crude petroleum.....	— 14.0	2.5	11.0
Soft coal.....	— 16.7	— 17.3	— 4.0
Zinc ore (shipped) Tristate District.....	0.5	10.7	— 17.8
Lead ore (shipped) Tristate District.....	25.8	— 20.9	— 21.8
Cement.....	— 28.5	78.5	102.7
Grain receipts			
Wheat.....	2.1	— 20.4	— 27.9
Corn.....	— 32.6	34.0	52.7
Oats.....	46.4	31.2	— 22.3
Rye.....	— 79.5	— 51.6	81.7
Barley.....	— 39.0	0.9	13.9
Kafir.....	— 26.9	48.2	29.5
Livestock receipts, 6 markets			
Cattle.....	— 17.5	20.6	21.0
Calves.....	— 8.4	34.2	19.3
Hogs.....	— 34.5	0.3	5.0
Sheep.....	— 4.2	— 8.5	2.9
Horses and mules.....	— 5.9	71.6	64.0
Meat packing, 6 markets			
Cattle.....	— 16.5	33.0	35.2
Calves.....	— 11.3	61.0	58.7
Hogs.....	— 35.4	0.4	4.2
Sheep.....	— 15.2	— 0.5	12.4
Stocker and feeder shipments, 4 markets			
Cattle.....	— 27.3	— 17.8	— 11.9
Calves.....	— 53.5	— 25.8	— 4.7
Hogs.....	— 18.6	— 1.5	11.3
Sheep.....	— 16.8	5.8	7.4

was 36.3 per cent larger than on the like date last year. Total holdings of bills and securities were 2 per cent smaller on March 14 than four weeks earlier and 15.7 per cent less than fifty-two weeks earlier. Member banks' reserve deposits, which have increased 56.1 per cent since March 15, 1933, are, with one exception, January 24, 1934, the highest of record.

An increase in Federal reserve note circulation of \$1,928,975 in four weeks was more than offset by a decrease of \$5,155,150

in the amount of Federal reserve bank notes outstanding. Total note circulation is now \$36,166,685 less than a year ago.

Changes in four weeks and fifty-two weeks are shown by a comparison of the principal resource and liability items contained in the weekly condition statements of this bank and branches as of the three dates:

	March 14, 1934	Feb. 14, 1934	March 15, 1933
Total reserves.....	\$182,447,744	\$170,248,181	\$146,295,844
Redemption fund F.R.B. notes.....	500,000	500,000	.....
Bills discounted.....	357,187	657,160	30,852,109
Bills purchased.....	1,339,582	2,792,910	8,879,272
U. S. securities.....	83,444,200	83,444,200	61,220,100
Total bills and securities.....	85,140,969	86,894,270	100,951,481
Total resources.....	302,107,587	292,020,540	273,213,395
F. R. notes in circulation.....	109,254,560	107,325,585	149,699,955
F. R. bank notes in circulation.....	4,278,700	9,433,850	.....
Member banks' reserve deposits.....	137,241,044	129,549,933	87,937,480

The discount rate of the Federal Reserve Bank of Kansas City, on all classes of paper and all maturities, remains unchanged at 3 per cent.

MEMBER BANK OPERATIONS: Loans and discounts at fifty-two member banks as of March 14 were approximately the same as four weeks earlier. Investment holdings continued to expand but new purchases were confined to United States Government securities, the total of securities increasing 3.8 per cent and investments in United States Government securities increasing 6 per cent. Net demand and time deposits were slightly larger on March 14 than on February 14 and Government deposits showed a gain of \$9,000,000 for the period.

No comparisons are made with a year ago as a nationwide banking holiday, invoked by presidential proclamation and extending from March 5 to March 14 and 15, resulted in a postponement of a substantial volume of business transactions.

The totals for the fifty-two banks as of the two dates:

	March 14, 1934	Feb. 14, 1934
Loans and investments—total.....	\$552,000,000	\$540,000,000
Loans and discounts—total.....	198,000,000	199,000,000
Secured by stocks and bonds.....	62,000,000	61,000,000
All other loans and discounts.....	136,000,000	138,000,000
Investments—total.....	354,000,000	341,000,000
U. S. securities.....	246,000,000	232,000,000
Other bonds, stocks, and securities.....	108,000,000	109,000,000
Reserve with F. R. bank.....	83,000,000	75,000,000
Net demand deposits.....	407,000,000	404,000,000
Time deposits.....	165,000,000	163,000,000
Government deposits.....	30,000,000	21,000,000

RESERVE BANK CLEARINGS: This bank and branches at Omaha, Denver, and Oklahoma City handled 5,195,058 items, aggregating \$680,161,000, for collection during February. Items handled during the month, although 11.1 per cent less than in January, were 56.1 per cent greater than in February, 1933. The dollar amount, which declined 7.3 per cent for the month, increased 53.4 per cent as compared to a year ago.

The totals follow:

	ITEMS		AMOUNT	
	1934	1933	1934	1933
February.....	5,195,058	3,328,098	\$ 680,161,000	\$ 443,410,000
January.....	5,841,067	3,708,108	733,545,000	492,211,000
Two months.....	11,036,125	7,036,206	1,413,706,000	935,621,000

Bank Debits

Banks in twenty-nine leading cities of the District reported \$755,898,000 debited to individual accounts in February. This total represents an increase, in which all cities shared, of 24.4 per cent over a year ago and was slightly in excess of the amount reported for the preceding four weeks ended January 31. The increase over the corresponding period of the previous year was the most favorable comparison reported in recent years. Totals for two hundred and sixty-six cities in

the United States showed a gain of 10.3 per cent for February this year over February, 1933.

PAYMENTS BY CHECK

	FOUR WEEKS ENDED		Per cent Increase
	Feb. 28, 1934	March 1, 1933	
Albuquerque, N. M.....	\$ 7,122,000	\$ 6,009,000	18.5
Atchison, Kans.....	2,473,000	2,135,000	15.8
Bartlesville, Okla.....	18,463,000	14,307,000	29.0
Casper, Wyo.....	3,064,000	2,960,000	3.5
Cheyenne, Wyo.....	4,006,000	3,743,000	7.0
Colorado Springs, Colo.....	10,352,000	8,082,000	28.1
Denver, Colo.....	112,744,000	83,163,000	35.6
Enid, Okla.....	7,280,000	4,426,000	64.5
Fremont, Nebr.....	1,854,000	1,364,000	35.9
Grand Junction, Colo.....	1,516,000	1,226,000	23.7
Guthrie, Okla.....	1,229,000	863,000	42.4
Hutchinson, Kans.....	8,437,000	5,952,000	41.8
Independence, Kans.....	3,646,000	2,701,000	35.0
Joplin, Mo.....	6,433,000	6,193,000	3.9
Kansas City, Kans.....	8,194,000	8,096,000	1.2
Kansas City, Mo.....	205,328,000	177,835,000	15.5
Lawrence, Kans.....	2,803,000	2,540,000	10.4
Lincoln, Nebr.....	19,799,000	15,362,000	28.9
Muskogee, Okla.....	5,445,000	4,226,000	17.7
Oklahoma City, Okla.....	63,958,000	46,514,000	37.5
Okmulgee, Okla.....	1,976,000	1,700,000	16.2
Omaha, Nebr.....	100,147,000	83,868,000	19.4
Pittsburg, Kans.....	3,005,000	2,841,000	5.8
Pueblo, Colo.....	10,484,000	7,595,000	38.0
Salina, Kans.....	6,114,000	4,289,000	42.6
St. Joseph, Mo.....	22,694,000	17,340,000	30.9
Topeka, Kans.....	12,178,000	11,516,000	5.7
Tulsa, Okla.....	75,552,000	56,075,000	34.7
Wichita, Kans.....	29,602,000	24,291,000	21.9
Total, 29 cities, 4 weeks.....	\$ 755,898,000	\$ 607,612,000	24.4
Total, 29 cities, 8 weeks.....	1,502,689,000	1,289,905,000	16.5
U. S., 266 cities, 4 weeks.....	26,770,685,000	24,274,912,000	10.3
U. S., 266 cities, 8 weeks.....	52,901,003,000	48,408,242,000	9.3

Savings

Deposits to savings accounts in forty-four selected banks in leading cities of this District increased 1.5 per cent between February 1 and March 1, and the total as of the latter date was 2.1 per cent higher than on March 1, 1933. Savings accounts in these banks increased 0.2 per cent in number during the month and 2.5 per cent for the year.

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

	Savings Accounts	Savings Deposits
March 1, 1934.....	375,646	\$ 105,289,316
February 1, 1934.....	375,020	103,701,777
March 1, 1933.....	366,488	103,146,929

Business Failures

Insolvencies in the District and the United States were less numerous in February than in any month since November, 1920. Amounts involved in Tenth District defaults, although slightly larger than for January, 1934, and October and December, 1933, were otherwise the lowest since September, 1920. Liabilities for the United States were less than at any time since May, 1920.

Reductions from February last year for the District amounted to 56.9 per cent in number and 65.1 per cent in dollars as compared to declines of 55.9 and 61.6 per cent for the United States.

Business insolvencies as reported by Dun and Bradstreet, Inc.:

	TENTH DISTRICT		UNITED STATES	
	Number	Liabilities	Number	Liabilities
February 1934.....	44	\$ 543,032	1,049	\$ 19,444,718
January 1934.....	48	403,280	1,364	32,905,428
February 1933.....	102	1,556,459	2,378	65,576,068
Two months 1934.....	92	946,312	2,413	52,350,146
Two months 1933.....	216	3,398,674	5,297	144,676,670

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

Stores Reporting	SALES		STOCKS (RETAIL)		STOCK TURNOVER				ACCOUNTS RECEIVABLE		AMOUNTS COLLECTED		
	Feb. 1934 compared to Feb. 1933	Year 1934 compared to Year 1933	Feb. 28, 1934 compared to		February		Year		Feb. 28, 1934 compared to		February 1934 compared to		
	Feb. 1933	Year 1933	Jan. 31, 1934	Feb. 28, 1933	1934	1933	1934	1933	Jan. 31, 1934	Feb. 28, 1933	Jan. 1934	Feb. 1933	
Kansas City.....	4	12.8	12.7	3.5	-1.7	.18	.16	.37	.32	-11.1	-2.2	-24.6	4.6
Denver.....	4	21.2	21.2	12.6	7.5	.22	.19	.46	.39	-12.0	13.0	-23.5	22.0
Oklahoma City....	3	27.6	26.4	19.2	4.8	.33	.27	.65	.52	-9.9	5.0	-24.3	3.2
Tulsa.....	3	18.1	20.1	16.5	18.8	.35	.39	.67	.74	-14.8	9.1	-26.9	19.7
Wichita.....	3	30.0	27.5	20.5	26.8	.23	.19	.46	.35	-6.3	6.8	-26.8	23.0
Other cities.....	15	21.3	19.9	14.8	12.2	.22	.20	.43	.45	-9.5	-0.8	-18.9	20.9
Total.....	32	20.4	19.8	11.9	7.4	.23	.20	.46	.40	-10.7	4.6	-23.2	14.9

NOTE: Percentage of collections in February on open accounts January 31, all stores reporting 39.6. Collections same month last year 35.0.

Trade

Continuing the improvement of recent months retail sales of merchandise, as indicated by the dollar volume of trade at 32 department stores in the District, increased 2.2 per cent over January and 20.4 per cent over February, 1933. Cumulative sales for the first two months of the year were 19.8 per cent larger than in the corresponding period last year. The increases for February and the two months over the like month and period of the preceding year were the first reported since 1928 as compared to 1927 and all stores but one participated in the gains.

Inventories were enlarged 11.9 per cent, or about as usual, during the month and stocks on hand as of February 28 were 7.4 per cent heavier than one year earlier. Not since 1928 have merchandise holdings at the end of February been larger than in the previous year.

Collection percentages were about the same in February as in January but better than a year ago. Collections on 30-day accounts equaled 39.6 per cent of amounts outstanding on January 31 as compared to ratios of 40 per cent for January this year and 35 per cent for February last year. Collections on installment accounts averaged 15.5 per cent in February, 1934, as against 14 per cent in February, 1933.

WHOLESALE: Showing the first increase for the month since 1928 as compared to 1927, February sales of five representative wholesale lines combined were 45.3 per cent larger than a year ago. Every firm in each of the five reporting lines had a substantial sales increase over February, 1933. Increases for hardware, furniture, and drugs of 67.9, 113.7, and 40 per cent, respectively, were the first reported for the month in four years. Sales of dry goods increased 58.2 per cent and of groceries 19 per cent. The last February gain recorded for dry goods was in 1928 and for groceries in 1929. Combined sales of all lines for the two months also showed the first improvement since 1928. Changes as compared to January were about as usual.

Inventories of wholesale firms at the close of February showed stocks of groceries were smaller than on the corresponding date last year, while those of dry goods, hardware, furniture, and drugs were larger. The increase for dry goods was the first reported for the date in six years, hardware and drugs in five years, and furniture in four years. The last increase reported for groceries was in 1928.

Lumber

RETAIL: Sales of lumber, as reported by 156 retail yards located in the Tenth District, declined somewhat more than usual in February as compared to January, but were 17.2 per cent larger than in the same month last year. Dollar sales of all materials also declined for the month but showed a gain of 43.6 per cent over February, 1933. Inventory changes have been slight in recent months and lumber stocks as of February 28 were approximately the same as one month and one year earlier. Collections during February equaled 30 per cent of amounts outstanding on January 31. In January collections totaled 33.8 per cent and in February, 1933, 19 per cent of amounts receivable.

February trade is herewith compared to that of January this year and February last year in percentages of increase or decrease:

	February 1934	Compared to January 1934	February 1933
Sales of lumber, board feet.....	-20.9		17.2
Sales of all materials, dollars.....	-17.7		43.6
Stocks of lumber, board feet.....	-0.6		1.0
Outstandings, end of month.....	-3.6		-5.4

Reports to the National Lumber Manufacturers Association, covering the first eight weeks of the new year, indicate national lumber production is 48 per cent greater than a year ago, with shipments 19 per cent and orders booked 32 per cent larger. Orders were 3 per cent above and shipments 9 per cent below output. Gross stocks of lumber at mills on February 24 were about 9 per cent lighter than on the similar date in 1933.

Building

Building activity in this District, although somewhat smaller in February than in January and equal to but about one-third the normal volume, was considerably heavier than a year ago. The value of total construction and residential contracts awarded in the Tenth District, reported by the F. W. Dodge Corporation, showed substantial increases for both February and January over the corresponding months of 1933. February gains were somewhat larger than those recorded for January. Total construction for the two months' period doubled and residential awards increased 69.7 per cent as compared to the like period last year.

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

Reporting Stores	SALES		OUTSTANDINGS		AMOUNTS COLLECTED		STOCKS		
	Feb. 1934 compared to Jan 1934	Feb. 1933	Feb. 28, 1934 compared to Jan. 31, 1934	Feb. 28, 1933	Feb. 1934 compared to Feb. 1933	Feb. 1933	Feb. 28, 1934 compared to Jan. 31, 1934	Feb. 28, 1933	
Dry goods.....	6	-2.8	58.2	5.6	-3.5	-10.1	39.0	0.2	11.2
Groceries.....	5	1.3	19.0	4.0	-11.3	-3.6	10.2	6.4	-5.6
Hardware.....	9	12.6	67.9	4.3	11.9	2.1	68.7	1.5	24.1
Furniture.....	5	14.0	113.7	9.2	20.8	11.2	111.5	1.4	41.7
Drugs.....	7	-13.7	40.0	-2.0	1.0	-2.8	26.3	7.6	3.6

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

	RESIDENTIAL		TOTAL	
	Tenth District	United States	Tenth District	United States
Feb. 1934.....	\$ 895,510	\$ 14,520,300	\$ 4,094,506	\$ 96,716,300
Jan. 1934.....	1,235,714	15,110,400	7,857,569	187,463,700
Feb. 1933.....	308,188	11,805,300	1,799,194	52,712,300
2 Mos. 1934..	2,131,224	29,630,700	11,952,075	284,180,000
2 Mos. 1933..	1,255,671	23,756,200	5,964,394	136,068,300

Seventeen reporting cities in the District issued more building permits in February than in either January, 1934, or February, 1933, but estimated construction costs, although 26 per cent above a year ago, were 11.1 per cent under the January figures. For the year to March 1 the number of permits issued showed an increase of 16.5 per cent and construction costs a gain of 30.1 per cent.

Permits issued and estimated construction costs as reported by seventeen Tenth District cities:

	PERMITS		ESTIMATED COST	
	1934	1933	1934	1933
Albuquerque, N. M.....	33	20	\$ 10,530	\$ 246,860
Cheyenne, Wyo.....	25	6	6,312	750
Colorado Springs, Colo.....	15	14	8,445	4,710
Denver, Colo.....	171	163	115,379	105,070
Joplin, Mo.....	6	11	3,950	6,050
Kansas City, Kans.....	13	12	10,400	7,165
Kansas City, Mo.....	86	74	95,700	41,200
Lincoln, Nebr.....	55	16	21,603	6,175
Oklahoma City, Okla.....	93	41	184,970	62,065
Omaha, Nebr.....	39	26	107,575	26,830
Pueblo, Colo.....	18	28	3,949	3,063
Salina, Kans.....	3	0	960	0
Shawnee, Okla.....	8	8	4,225	2,575
St. Joseph, Mo.....	16	15	12,210	23,610
Topeka, Kans.....	19	22	7,980	8,905
Tulsa, Okla.....	47	49	121,365	19,654
Wichita, Kans.....	37	33	26,108	23,927
Total 17 cities, Feb.....	684	538	\$ 741,661	\$ 588,609
Two months.....	1,303	1,118	1,575,548	1,209,573

Flour Milling

Output of flour at Tenth District mills during February was the smallest, and the rate of mill activity the lowest, for the month since 1926. Production fell 11.3 per cent below that for January and was 1.9 per cent less than a year ago. Mills operated at an average of 59.2 per cent of full-time capacity for the month as compared to 59.4 per cent in January this year and 60.3 per cent in February last year.

Production figures at the principal milling centers, as estimated from the weekly reports of southwestern mills to the Northwestern Miller, are shown herewith:

	Feb. 1934	Jan. 1934	Feb. 1933
	Barrels	Barrels	Barrels
Atchison.....	111,506	126,048	113,579
Kansas City.....	442,179	523,417	491,827
Omaha.....	96,858	105,644	87,282
Salina.....	137,780	152,224	118,788
Wichita.....	148,861	168,034	174,409
Outside.....	749,746	824,443	733,465
Total.....	1,686,930	1,900,810	1,719,350
*United States.....	5,119,342	5,565,063	4,829,492

*Represents about 60 per cent of the total output in the United States.

Several round lots of flour were sold during the month but the majority of sales were small and for immediate shipment. Prices were steady to lower except for clears and low grade flour which strengthened somewhat as supplies became less burdensome. Shipping directions were spasmodic, with bookings reported being absorbed more readily than considered likely a few months ago.

Demand for limited offerings of millfeed was good throughout the month and prices were steady to higher. Most of the output was absorbed by the mixed car trade, with bran in better demand than shorts although sales of the latter improved.

Production and consumption of flour in January was the largest since May, 1933, according to the Department of Commerce. Production of flour for the first seven months of the crop season showed a loss of nearly 6 million barrels as compared with the previous season and consumption of wheat was 27 million bushels less.

Grain Marketing

Marketings of grain continue unusually light, reflecting in part the light crops of last season. Only twice in the past fifteen years have February receipts of corn, rye, and barley at the five principal grain markets of the District been smaller than in 1934. Receipts of wheat were the lightest for the month of record as, excluding 1933, were those of oats and kafir.

Supplies of wheat were 20 per cent under a year ago and equal to but 40 per cent of normal offerings. Marketings of corn and oats were a third heavier than in February, 1933, but respectively equal to only 43 and 55 per cent of the ten-year average volume. Government loans of 45 cents per bushel on corn in the crib reduced offerings of that grain at public markets.

February receipts of six classes of grain at the five markets:

	Wheat	Corn	Oats	Rye	Barley	Kafir
	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels
Hutchinson.....	557,550	5,000	9,000	.....	.....	36,400
Kansas City.....	2,446,400	1,204,500	106,000	6,000	11,200	102,200
Omaha.....	689,600	660,800	32,000	19,600	22,400	.....
St. Joseph.....	172,800	855,000	552,000	.....	.....	.....
Wichita.....	375,000	198,900	12,000	.....	.....	2,600
Feb. 1934.....	4,241,350	2,924,200	711,000	25,600	33,600	141,200
Jan. 1934.....	4,154,600	4,337,700	485,500	125,000	55,050	193,100
Feb. 1933.....	5,326,300	2,182,650	542,000	52,900	33,300	95,300
2 Mos. 1934..	8,395,950	7,261,900	1,196,500	150,600	88,650	334,300
2 Mos. 1933..	11,643,850	4,756,800	1,539,500	82,900	77,800	258,200

Grain prices generally tended lower, wheat declining 5 cents, rye 4½, oats and kafir 3, and corn and barley 1 cent per bushel for the month. At this time last year prices were at the lowest levels in the history of the grain exchanges, and after March 3 trading in futures was suspended for two weeks.

Cash grain prices at Kansas City in cents per bushel as of the dates indicated:

	Mar. 15	Feb. 28	Jan. 31	Feb. 28	Jan. 31
	1934	1934	1934	1933	1933
No. 1 hard & dark wheat	\$.82	\$.81½	\$.86½	\$.43¾	\$.42¾
No. 2 mixed corn.....	.45¾	.44	.44¾	.20¾	.21¾
No. 2 white oats.....	.33	.34½	.37¾	.17	.17
No. 2 rye.....	.58½	.58	.63¾	.32	.33½
No. 2 barley.....	.46	.44¾	.45¾	.23¾	.23
No. 2 kafir.....	.82	.74	.77	.42	.44

Agriculture

CROPS: Field work and seed bed preparation, which made unusually good progress up to the final week of February, was then halted by general snows and freezing temperatures extending into March. The much needed moisture varied from one-half inch to one inch, leaving the surface soil temporarily well supplied. Sub-soil moisture is still deficient, particularly in the western part of the wheat belt. Snows in the mountain regions also increased the supply of water for irrigation purposes.

Wheat has improved the past few weeks and, although some damage from soil blowing has been reported from western Kansas and the Oklahoma panhandle, abandonment will probably not be as heavy this year as last. Seeding of oats is general, nearing completion in Oklahoma and southern Kansas. Plant-

PLANTING INTENTIONS OF SIX CROPS PRODUCED IN THE SEVEN STATES OF THIS DISTRICT AND THE UNITED STATES
As Reported by the United States Department of Agriculture. (Acres in thousands, 000 omitted.)

	ACRES INDICATED FOR HARVEST					PER CENT OF 1933						
	Spring		Grain		Tame	Spring		Grain		Tame		
	Wheat	Oats	Sorghums	Potatoes	Hay	Wheat	Oats	Sorghums	Potatoes	Hay		
Colorado.....	1,703	288	170	278	99	1,321	85	103	105	98	114	99
Kansas.....	5,595	22	1,497	1,768	48	1,119	80	150	98	110	115	98
Missouri.....	4,936	3	1,676	92	59	2,853	82	100	95	105	110	102
Nebraska.....	8,449	232	2,226	37	135	1,796	81	56	100	100	117	96
New Mexico.....	226	28	38	409	8	172	95	110	100	110	100	105
Oklahoma.....	2,156	-----	1,289	1,456	38	471	83	-----	111	104	105	105
Wyoming.....	197	128	159	-----	34	874	90	96	105	-----	110	100
Seven states.....	23,262	701	7,055	4,040	421	8,606	81.6	80.6	100.4	106.7	112.9	99.7
United States.....	92,073	16,439	38,640	8,743	3,412	54,092	90.1	98.1	105.7	107.4	107.2	100.5

ing of potatoes in the Kaw valley of Kansas and the Orrick district in Missouri, and of onions in the Arkansas Valley commenced the forepart of March. An increase of 12 per cent in the Kaw valley potato acreage is indicated by growers' intentions.

Sub-zero temperatures in the northern half of the District damaged peaches severely, but other fruits have apparently escaped injury. With over 50 per cent of the acreage of strawberries in the Ozark region consisting of new first-year beds and fields in good condition, prospects for the approaching season are reported good.

On March 15 the Crop Reporting Board of the United States Department of Agriculture issued a summary of farmers' planting intentions for the coming year as indicated March 1. According to the report the nation's spring wheat acreage will be reduced less than one-half million acres, or 2.5 per cent, whereas, the Government program seeks a reduction of 10 to 15 per cent. Corn acreage will be 9.9 per cent less than in 1933. Producers who will participate in the corn-hog program have agreed to cut their corn acreage at least 20 per cent. Tobacco acreage, also subject to production control measures, will be reduced 25.6 per cent and that of rice 3.9 per cent. Increases are indicated for various other crops as follows: oats 5.7, barley 17.6, flaxseed 21.5, grain sorghums 7.4, potatoes 7.2, sweet potatoes 4.2, dry beans 10.9, cowpeas 9.8, and tame hay 0.5 per cent.

LAND: There has been a general decrease in the number of farms forced for sale recently. Voluntary sales at prevailing prices have also shown a marked decline. Farm rentals are mostly on a share basis.

PRICES: A gain of 6 points in the farm price index of the Department of Agriculture, between January 15 and February 15, was the largest monthly increase since last July and raised the index of prices of farm commodities to 76 per cent of the 1909-1914 average of 100. A year ago the index stood at 49. The index of prices farmers pay advanced 2 points to 118 on February 15 compared with 101 on February 15 last year. Farm purchasing power, based on the ratio of prices received to prices paid, advanced from 49 per cent of the 1909-1914 average on February 15, 1933, to 64 per cent on the same date this year.

Livestock

Weather conditions continued favorable for livestock on farms and ranges during February. The February 1 condition of cattle and sheep on western ranges was reported fair to good and the same as on January 1. Ranchmen were able to make full use of range feed and conserve the short supplies of hay, grains, and forage and reduce expenditures for supplemental feeds. Winter losses of sheep, largely of old ewes, have been light.

Feed lots in the western part of the District became muddy in March and livestock on feed failed to make satisfactory gains. Also, wheat fields were too soft to pasture. A shortage of stock water has, with few exceptions, been temporarily relieved by recent rains and snows.

There were 880,000 lambs left in northern Colorado, Arkansas valley, and Scottsbluff section feed lots on March 10, compared with 985,000 and 1,125,000 one and two years ago, according to the Division of Crop and Livestock Estimates. Shipments from these three areas since January 1 have totaled 2,455 cars this year, compared with 3,133 last year and 3,131 in 1932. The early spring lamb crop of 1934 is a little larger than the early crop of 1933. A shipment of these lambs from Arizona was received at Kansas City March 19.

According to a recent announcement, national grazing fees for cattle will be lower and for sheep higher in 1934 than in 1933. The fee for cattle will be 52 per cent and for sheep 53 per cent of the 1931 rate as compared to 62.4 and 46 per cent, respectively, in 1933.

MARKETINGS: Receipts of livestock at the six principal market centers of the District during February were somewhat smaller for all classes than in the preceding month. Marketings of cattle, although 20.6 per cent heavier than a year ago and the largest for the month in four years, were in normal supply. Calf numbers were the largest since 1928 and 9 per cent in excess of the ten-year average. The pig slaughter campaign of last September was partially responsible for the light supply of hogs which, although fractionally larger than a year ago, were otherwise the smallest for the month in fifteen

FEBRUARY 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.....	108,045	19,736	*227,565	128,967	20,774	2,252	2,172	20,727	66,560	16,967	*214,425	95,472
Omaha.....	112,633	7,930	247,042	153,322	12,932	1,652	2,349	9,552	70,985	6,278	192,268	129,258
St. Joseph.....	33,687	6,448	104,973	91,094	3,377	169	461	3,519	26,570	6,179	101,978	80,409
Denver.....	20,524	5,563	64,999	160,043	6,232	2,771	605	16,852	8,670	2,268	34,238	11,136
Oklahoma City.....	23,891	3,401	30,251	2,968	-----	-----	-----	-----	16,242	2,698	25,932	2,402
Wichita.....	20,515	6,119	25,744	9,368	-----	-----	-----	-----	8,179	2,609	23,317	9,251
February 1934.....	319,295	49,197	700,574	545,762	43,315	6,844	5,587	50,650	197,206	36,999	592,158	327,928
January 1934.....	386,790	53,715	1,069,504	569,829	59,554	14,721	6,862	60,884	236,215	41,706	916,336	386,673
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

*Includes 145,271 hogs shipped direct to packers' yards.

years of record, or 30 per cent short of the average volume. Offerings of sheep and lambs were 15 per cent smaller than usual and 8.5 per cent less than a year ago. Horses and mules arrived in normal numbers but receipts exceeded the light movement of February, 1933, by 71.6 per cent.

The countryward movement of stocker and feeder cattle, calves, and hogs from four markets was somewhat smaller than in either January this year or February last year. Shipments of sheep and lambs, although 16.8 per cent less than in the previous month, were 5.8 per cent above a year ago.

The final advance in the processing tax on pork of 75 cents per hundred pounds became effective March 1, making the total tax \$2.25 per hundredweight. Government buying of cows and hogs was renewed during the month but the purchase of hogs and pork products was suspended March 8.

Higher swine values have resulted in a material improvement the past two months in the corn-hog feeding ratio which has advanced from the near record low of 7 bushels of corn to 100 pounds of pork early in January to 9.5 recently, or 2 points below the average of the last five years.

PRICES: Fed lambs at \$10 per hundredweight at Kansas City, the highest price in four years, featured the February gains in livestock prices. Without exception, all classes of all species of livestock showed substantial improvement for the month and sold higher than a year ago. In the cattle division increases ranged from 25 cents to 50 cents per hundredweight. Hogs were mostly \$1 higher, with light lights, when unsupported by Government buying, the only class to show a lesser gain, whereas, stock pigs made an extreme advance of \$1.50. Fed lambs, native lambs, yearlings, and weathers were up \$1 for the month, with fat ewes and feeder lambs 50 to 75 cents higher. Hogs and sheep closed at the full advance but cattle prices weakened slightly the final week of the month. February top prices at Kansas City this year compared to last were: beef steers, \$7 and \$6.60; calves, \$7 and \$6.50; stockers, \$5.75 and \$5.60; hogs, \$4.75 and \$3.75; fed lambs, \$10 and \$5.70; native lambs, \$9.75 and \$6; and fat ewes, \$5.25 and \$2.75 per hundredweight.

MEAT PACKING: Packers purchased, at the six market centers, 33 per cent more cattle, 61 per cent more calves and 0.4 per cent more hogs, including those shipped direct to their yards, for slaughter in February, 1934, than in the like month last year. Purchases of sheep and lambs showed a loss of 0.5 per cent. The slaughter of cattle was 9 per cent, and of calves 6 per cent above the ten-year average for February and the heaviest since 1928, whereas, the slaughter of hogs was 26 per cent and of sheep and lambs 11 per cent below the average. Purchases of sheep were the lightest for the month since 1927 and of hogs, excluding 1933, the lightest since 1926.

Based on the number of animals killed under Federal meat inspection, the February slaughter of cattle in the United States was the heaviest in sixteen years and 29 per cent above the average of the past five years. Sheep slaughter was the smallest for the month in five years and 7.3 per cent less than last year. Swine numbers declined to 3,433,419 head in February as against 5,390,940 in January and 3,647,017 in February, 1933.

Compared to January butcherings, all species showed substantial declines both in this District and the United States.

Animals slaughtered under Federal meat inspection:

	Cattle	Calves	Hogs	Sheep
February 1934.....	732,638	437,099	3,433,419	1,159,117
January 1934.....	831,356	471,222	5,390,940	1,406,646
February 1933.....	568,908	317,491	3,647,017	1,249,958
Two months 1934	1,563,994	908,321	8,824,359	2,565,763
Two months 1933	1,180,922	662,045	8,346,634	2,581,480

Poultry and Dairy Products

On the basis of Kansas City quotations of prices paid to shippers, mid-March prices of butterfat, eggs, and poultry are substantially higher than the recent lows or at the like time last year. Extra butterfat is now quoted at 20 cents per pound as compared to the December low of 10 cents and a March 15, 1933, price of 13 cents. Eggs have advanced 2 cents in recent weeks to 15½ cents per dozen and are now 6 cents higher than a year ago. The into-storage movement of eggs at these prices is less rapid than at this time last year. Heavy hens are quoted at 12 cents per pound as against 7 cents in December and 10 cents last March. New crop broilers are scarce with dealers offering premiums over present market quotations of 21 cents per pound. Last year at this time broilers were selling at 14 cents per pound.

Code requirements fix the minimum price of day old chicks at \$6.30 per hundred and charges for custom hatching at 2½ cents per egg. Hatcherymen report sales of baby chicks to March 15 as unusually light and an accumulation of unsold chicks on hand.

Market receipts of butter and eggs for the year to March 1 are about 10 per cent lighter and of poultry 3 per cent less than in the like period last year.

Cold Storage Holdings

A reduction of 39,153,000 pounds in storage stocks of creamery butter featured the United States cold storage movement in February. March 1 holdings of butter were still 25,262,000 pounds heavier than a year ago, or 13,655,000 pounds in excess of the five-year average for that date. Government purchases of butter for relief distribution totaled 48,059,437 pounds up to March 1 of which 43,945,033 pounds had been distributed, leaving 4,114,404 pounds held in storage on that date for Government account.

The seasonal out-of-storage movement of cheese, beef, lamb and mutton, and poultry was also somewhat larger than a year ago or normally. February marked the end of the old and the beginning of the new storage season for eggs, with holdings unimportant.

The light February slaughter of hogs, largely attributed to the Government's pig slaughter campaign of last September, resulted in a comparatively small gain in storage stocks of all meats and lard for the month. Stocks of lard and all classes of meat were larger on March 1 than a year earlier, but inventories of beef were 3.7, pork 8.1, and lamb and mutton 1.8 per cent below the March 1 five-year average. Holdings of pork were 73.5 and poultry 1.3 per cent above the average.

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

	*March 1 1934	Feb. 1 1934	March 1 1933	March 1 5-Yr. Av.
Beef, lbs.....	65,308	72,948	36,015	67,823
Pork, lbs.....	735,903	730,404	609,321	801,086
Lamb and mutton, lbs.....	3,083	4,183	1,683	3,140
Poultry, lbs.....	101,790	120,177	88,675	100,509
**Turkeys, lbs.....	19,121	19,941	15,744	13,402
Miscellaneous meats, lbs.....	65,803	71,359	45,919	78,673
Lard, lbs.....	177,560	168,756	58,182	102,360
Eggs, cases.....	90	50	163	185
Eggs, frozen (case equivalent).....	1,135	1,426	1,156	1,462
Butter, creamery, lbs.....	36,842	75,995	11,580	23,187
Cheese, all varieties, lbs.....	67,188	78,789	55,731	63,447
*Subject to revision. **Included in Poultry.			(000 omitted).	

NOTE: Figures do not include "Dry Salt Rough Sides" held for the account of the Government under the Emergency Hog Control Program but do include meats held for the Federal Surplus Relief Corporation.

Petroleum

February production of crude oil in this District, as estimated from the weekly reports of the American Petroleum Institute, totaled 18,024,000 barrels. According to reports of the Bureau of Mines, Department of Commerce, the January flow totaled 20,940,000 barrels and the February, 1933, output totaled 17,582,000 barrels. On a daily average basis, February production declined 4.6 per cent for the month and increased 2.5 per cent for the year. Production again exceeded the allowables set by the Federal Oil Administration, the average amounting to 14,900 barrels per day.

As the season of increased consumption approaches the daily average allowable oil production in the United States was increased 99,800 barrels and of this District 16,100 barrels, effective March 1. Allowables in effect since January 1 were 2,183,000 barrels for the nation and 629,000 barrels for the District. Present daily allowables are as follows: Oklahoma, 456,000; Kansas, 112,300; Wyoming, 29,600; Colorado, 2,500; New Mexico, 44,300; Tenth District, 645,100; and the United States, 2,282,800 barrels.

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

GROSS PRODUCTION

	*Feb. 1934 Barrels	Jan. 1934 Barrels	Feb. 1933 Barrels
Oklahoma.....	12,852,000	15,218,000	12,810,000
Kansas.....	3,095,000	3,407,000	2,806,000
Wyoming.....	839,000	909,000	868,000
Colorado.....	76,000	87,000	74,000
New Mexico.....	1,162,000	1,319,000	1,024,000
Total five states.....	18,024,000	20,940,000	17,582,000
Total United States.....	62,694,000	71,796,000	61,029,000

DAILY AVERAGE PRODUCTION

	*Feb. 1934 Barrels	Jan. 1934 Barrels	Feb. 1933 Barrels
Oklahoma.....	460,000	491,000	458,000
Kansas.....	110,000	110,000	100,000
Wyoming.....	30,000	29,000	31,000
Colorado.....	3,000	3,000	3,000
New Mexico.....	41,000	42,000	37,000
Total five states.....	644,000	675,000	629,000
Total United States.....	2,239,000	2,321,000	2,180,000

*Estimated, American Petroleum Institute.

There has been no change in mid-continent crude oil prices since September 29, 1933. Quotations range, on a gravity basis, from 76 cents to \$1.08 per barrel. Refinery and natural gasoline prices sagged during the month and furnace oils were weak but most other products held steady.

A general increase in field work is reported with several new pools discovered. Refinery activity as of March 1 was about the same as one month earlier, but the daily average runs of crude oil to mid-continent stills were larger than for any like date since 1930.

Zinc and Lead

Shipments of zinc ore from mines in Oklahoma, Kansas, and Missouri, during the four weeks' period ended March 3, exceeded output and were 0.5 per cent larger than in the preceding four weeks and 10.7 per cent larger than in the corresponding

four weeks of last year. Lead ore shipments, although showing a gain of 25.8 per cent over the total for the four weeks ended February 3, were 20.9 per cent less than in the four weeks ended March 4, 1933. As ore prices were much better than a year ago, the value of shipments was substantially greater.

Mines which were voluntarily closed a part of the month to restrict production are now operating. Cold weather the final week of the month also retarded operations.

Shipments of zinc ore and lead ore from the Tri-state district:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	14,188	\$ 419,394	1,107	\$ 47,047
Kansas.....	7,385	218,160	681	28,942
Missouri.....	339	9,916	43	1,828
4 Weeks ended Mar. 3, 1934.....	21,912	\$ 647,470	1,831	\$ 77,817
4 Weeks ended Feb. 3, 1934.....	21,794	549,688	1,455	61,837
4 Weeks ended Mar. 4, 1933.....	19,793	322,215	2,314	74,048
9 Weeks ended Mar. 3, 1934.....	47,552	1,306,769	3,701	158,744
9 Weeks ended Mar. 4, 1933.....	57,835	999,804	4,731	151,392

After advancing \$2 per ton the forepart of February, zinc ore closed steady at \$30 as against \$17 last year. Lead ore remained unchanged at \$42.50 per ton, \$10 per ton higher than a year ago.

Bituminous Coal

Declining seasonally at about the usual ratio, the output of soft coal at mines in the District is established from weekly reports to the Bureau of Mines at 1,507,000 tons in February as compared to 1,808,000 tons in January. February production declined 17.3 per cent as compared to a year ago and, with the exception of 1,465,000 tons mined in February, 1931, was the lightest for the month in many years.

The production figures follow:

	*Feb. 1934 Tons	Jan. 1934 Tons	Feb. 1933 Tons
Colorado.....	450,000	536,000	614,000
Kansas and Missouri.....	526,000	605,000	618,000
New Mexico.....	91,000	130,000	118,000
Oklahoma.....	123,000	161,000	143,000
Wyoming.....	317,000	376,000	329,000
Total six states.....	1,507,000	1,808,000	1,822,000
Total United States.....	31,950,000	32,916,000	27,134,000

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

Cement

Output of finished Portland cement at mills in the Tenth District declined seasonally in February but was the largest for the month since 1931. February shipments were also the heaviest in three years. Month-end stocks were lower than on any like date since 1927.

Production, shipments, and stocks of finished Portland cement as reported by the United States Bureau of Mines, Department of Commerce, in thousands of barrels:

	TENTH DISTRICT		UNITED STATES			
	Production	Shipments	Stocks	Production	Shipments	Stocks
February 1934	348	404	2,045	4,168	2,952	20,763
January 1934	487	434	2,101	3,779	3,778	19,547
February 1933	195	307	2,074	2,777	2,279	21,125

Business Conditions in the United States

By the Federal Reserve Board

Volume of industrial activity increased in February for the third consecutive month and there was a considerable growth in factory employment and payrolls. Wholesale commodity prices, after advancing for two months, showed little change between the middle of February and the middle of March.

PRODUCTION AND EMPLOYMENT: Output of manufactures and minerals, as measured by the Board's seasonally adjusted index of industrial production, increased from 78 per cent of the 1923-1925 average in January to 81 per cent in February. The advance reflected chiefly increases of considerably more than the usual seasonal amount in the output of steel and automobiles, while activity at meat packing establishments declined. Activity at textile mills, which in January had increased from the low level prevailing at the end of the year, showed a further moderate increase in February, partly of seasonal character. In the first week of March, steel production showed a further increase and in the following two weeks remained unchanged.

Factory employment and payrolls increased substantially between the middle of January and the middle of February to a level higher, on a seasonally adjusted basis, than at any other time since the summer of 1931. Working forces on railroads also showed an increase, while at mines there was little change in the volume of employment. The number on the payrolls of the Civil Works Administration declined from about 4,000,000 in January to about 2,900,000 in the week ending March 1. At automobile factories there was a large increase in the number employed to approximately the level prevailing four years ago. Substantial increases were reported also for the textile, clothing, shoe, and tobacco industries.

Value of construction contracts awarded, as reported by the F. W. Dodge Corporation, showed a decline in February, followed by an increase in the first half of March. The total volume indicated for the first quarter is somewhat smaller than in the last quarter of 1933 but considerably larger than in the first quarters of 1932 and 1933.

DISTRIBUTION: Freight traffic increased seasonally during February and the early part of March. Dollar volume of department store sales, on a daily average basis, showed little change in February.

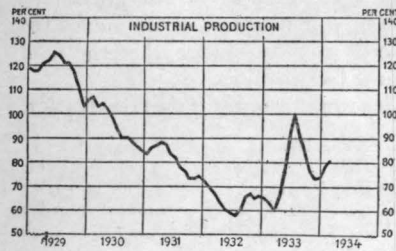
DOLLAR EXCHANGE: The foreign exchange value of the dollar in relation to gold currency declined in the second week of February to within two per cent of its new parity and in the latter part of February and the first three weeks of March showed a further slight decline.

COMMODITY PRICES: Wholesale prices of commodities showed little change from the middle of February to the middle of March after a considerable increase earlier in the year. The index of the Bureau of Labor Statistics for the week ending March 17 was at 73.7 per cent of the 1926 average compared with 73.8 per cent the week before and 72.4 per cent at the end of January.

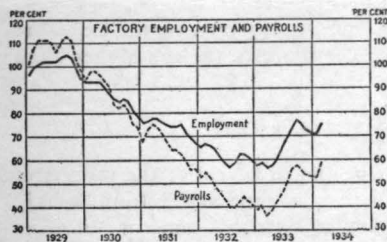
BANK CREDIT: Between the middle of February and the third week of March, imports of gold from abroad resulted in a growth of about \$550,000,000 in the country monetary gold stock. Funds arising from these imports of gold and from expenditures by the Treasury of about \$140,000,000 of its cash and deposits with the Federal Reserve banks were for the most part added to the reserves of member banks, which consequently increased by \$600,000,000 during the four week period. At the close of the period member bank reserves were nearly \$1,500,000,000 in excess of legal requirements.

Total deposits of reporting member banks increased by about \$1,000,000,000 between the middle of February and the middle of March, reflecting the imports of gold, purchases by the banks of United States Government and other securities, and a growth of bankers' balances.

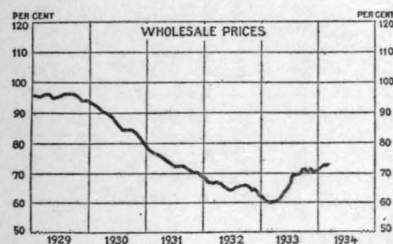
During March money rates in the open market declined further. Rates on 90-day bankers' acceptances were reduced from $\frac{1}{2}$ per cent to $\frac{1}{4}$ per cent, and rates on prime commercial paper were reduced by $\frac{1}{4}$ per cent to a range of $1\frac{1}{4}$ per cent. Yields on United States Government securities also declined considerably. On March 16, the Federal Reserve Bank of Minneapolis reduced its discount rate from $3\frac{1}{2}$ to 3 per cent.



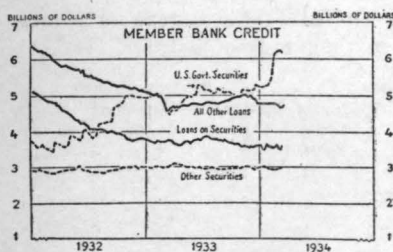
Index number of industrial production, adjusted for seasonal variation. Latest figure, February, 81.



Indexes of factory employment and payrolls, without adjustment for seasonal variation. (1923-1925 average=100.) Latest figures, February, employment, 74.7; payrolls, 59.2.



Index of United States Bureau of Labor Statistics. (1926=100.) By months 1929 to 1931; by weeks 1932 to date. Latest figure is for week ending March 17.



Wednesday figures for reporting member banks in 90 leading cities. Latest figures are for March 14.