

THE MONTHLY REVIEW

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

FEDERAL RESERVE BANK OF KANSAS CITY

Vol. 19

KANSAS CITY, MO., JUNE 1, 1934

No. 6

CONTINUOUS drouth, high winds, and insect pests have caused serious damage to growing crops in this District the past six weeks. Rains the second week of May were general over the eastern third of the District where moisture supplies are now adequate for immediate needs. Central areas and Nebraska received only scattered or light showers and dryness prevails. In Colorado, Wyoming, and New Mexico rains and snows improved crop prospects.

Farm work is well advanced but spring seeding has been delayed in some sections by lack of moisture. Winter wheat deteriorated in April and the forepart of May, and production for the District is officially estimated, on the basis of May 1 conditions, at 198,664,000 bushels, or 35,835,000 less than on April 1 but 61,193,000 bushels more than harvested in 1933.

Trade at wholesale and retail declined 6.2 per cent in April as compared to March, the decline in department store sales being attributable to Easter being two weeks earlier this year than last. Dollar sales of five reporting wholesale lines combined were 28.5 per cent larger than in April, 1933, and sales at thirty-two department stores increased 12.8 per cent. Retail sales of lumber were larger than in either March this year or April last year. Payments by check increased 5.1 per cent for the month and 28.7 per cent for the year. Life insurance sales were substantially larger than for either of the two preceding periods of comparison.

In the production lines, output of crude oil, bituminous coal, and cement, and shipments of zinc ore and lead ore were somewhat larger than in April, 1933, but flour production was 23.1 per cent less. Meat packing was heavier than in March in all departments. Operations in the beef division were considerably above a year ago, but the slaughter of sheep and swine declined.

Receipts of all classes of grain at central markets were considerably lighter than in April, 1933, or normally, and terminal elevator stocks were reduced. Marketings of cattle, calves, and horses and mules were heavy, sheep moderate, and hogs light.

Grain prices declined in April but losses were more than recovered by May advances, and on May 15 all grains were selling well above a year ago. A shortage of fed cattle, smaller receipts of sheep and lambs, and a good eastern demand for meats resulted in sharp advances in cattle and sheep prices to the highest levels in two years or more, but pork prices declined. Poultry, milk, and butterfat prices, as of May 15, were on a parity with 1933 and eggs were somewhat higher.

BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT

Percentages of Increase, or Decrease (—), for April 1934 over March 1934 and April 1933 and for the first four months of 1934 over the like period in 1933.

	April 1934 Compared to		4 Months 1934 Compared to
	Mar. 1934	Apr. 1933	4 Months 1933
Banking			
Payments by check, 29 cities.....	5.1	28.7	25.6
Federal Reserve Bank clearings.....	—10.4	43.1	55.8
Business failures, number.....	—41.1	—72.7	—56.5
Business failures, liabilities.....	—56.8	—82.3	—71.0
Loans, 52 member banks.....	1.5	—4.3	.....
Investments, 52 member banks.....	—1.4	28.9	.....
Net demand deposits, 52 member banks.....	2.3	28.2	.....
Time deposits, 52 member banks.....	0.6	5.7	.....
Savings deposits, 44 selected banks.....	1.0	11.1	.....
Savings accounts, 44 selected banks.....	0.5	5.7	.....
Distribution			
Wholesalers' sales, 5 lines combined.....	—6.2	28.5	37.7
Retailers' sales, 32 department stores.....	—6.2	12.8	23.5
Lumber sales, 157 retail yards.....	11.7	13.5	23.2
Life insurance, written.....	0.2	42.1	22.8
Construction			
Building contracts awarded, value.....	—22.6	194.4	129.7
Residential contracts awarded, value.....	—41.2	—4.8	56.0
Building permits in 17 cities, value.....	11.2	55.1	50.3
Production			
Flour.....	—9.7	—23.1	—9.1
Crude petroleum.....	—2.8	21.1	11.9
Soft coal.....	—33.8	7.3	5.1
Zinc ore (shipped) Tristate District.....	17.7	66.1	13.3
Lead ore (shipped) Tristate District.....	—6.9	2.2	0.3
Cement.....	47.1	56.8	69.0
Grain receipts			
Wheat.....	—24.7	—15.7	—20.4
Corn.....	—52.6	—62.9	17.1
Oats.....	—15.4	—73.4	—44.2
Rye.....	—47.7	—80.2	—4.9
Barley.....	—72.4	—43.0	37.9
Kafir.....	—18.3	—42.9	1.8
Livestock receipts, 6 markets			
Cattle.....	13.5	35.7	27.5
Calves.....	2.1	28.4	27.9
Hogs.....	18.0	—10.2	—0.9
Sheep.....	12.2	—11.9	—6.3
Horses and mules.....	—22.6	27.9	59.7
Meat packing, 6 markets			
Cattle.....	6.8	39.0	34.1
Calves.....	4.6	64.8	62.1
Hogs.....	19.3	—18.0	—4.6
Sheep.....	3.2	—5.1	0.5

Banking and Credit

MEMBER BANK OPERATIONS: An expansion of credit, increased deposits, and a reduction in investment holdings during the four weeks ended May 9 are reflected by the combined weekly condition statements of fifty-two reporting member banks in leading cities of this District.

These banks increased their loans and discounts 1.5 per cent between April 11 and May 9 to a total of \$201,000,000

on the latter date which compares with \$196,000,000 on May 21, the low point of recent years, and \$210,000,000 on May 10, 1933. Loans on securities and "all other" loans shared about equally in the gain in four weeks; whereas, although loans on securities were 6.9 per cent larger on May 9 than a year ago, "all other" loans were 8.6 per cent smaller.

Total investments, which reached their all-time peak of \$357,000,000 on March 7, now total \$343,000,000. The reduction for the four weeks' period amounted to \$5,000,000, a \$6,000,000 decline in investments in United States Government securities being partially offset by a \$1,000,000 advance in investments in other bonds, stocks, and securities. Compared to May 10, 1933, investments in United States Government securities show a gain of 43.2 per cent, other bonds, stocks, and securities a gain of 6.7 per cent, and total investments a gain of 28.9 per cent.

Net demand deposits were up \$9,000,000 in four weeks and at \$409,000,000 were higher on May 9 than at any time since October 14, 1931, and \$90,000,000 larger than one year earlier. Time deposits also improved, showing gains of \$1,000,000 for the month and \$9,000,000 for the year.

Principal resource and liability items of fifty-two reporting member banks are shown in the following table as of May 9, 1934, with comparisons:

	May 9, 1934	April 11, 1934	May 10, 1933
Loans and investments—total.....	\$544,000,000	\$546,000,000	\$476,000,000
Loans and discounts—total.....	201,000,000	198,000,000	210,000,000
Secured by stocks and bonds.....	62,000,000	61,000,000	58,000,000
All other loans and discounts.....	139,000,000	137,000,000	152,000,000
Investments—total.....	343,000,000	348,000,000	266,000,000
U. S. securities.....	232,000,000	238,000,000	162,000,000
Other bonds, stks., and sec.	111,000,000	110,000,000	104,000,000
Reserve with F. R. Bank.....	83,000,000	76,000,000	46,000,000
Net demand deposits.....	409,000,000	400,000,000	319,000,000
Time deposits.....	168,000,000	167,000,000	159,000,000
Government deposits.....	20,000,000	26,000,000	1,000,000

RESERVE BANK OPERATIONS: An increase of \$6,815,332 in member banks' reserve deposits and the complete redemption of Federal reserve bank notes in circulation were the principal changes in four weeks disclosed by the weekly condition statements of the Federal Reserve Bank and branches as of April 11 and May 9. Member banks' reserve deposits are now \$65,258,938 larger than a year ago.

Borrowings of member banks from this bank and branches declined to a new low level, totaling only \$263,089 on May 9 as against \$13,701,845 one year earlier. Purchases of bills in the open market were off \$296,239 in four weeks to \$170,479 on May 9 as against \$1,883,095 on May 10, 1933.

Holdings of United States Government securities totaled \$93,444,200 on May 9, the same as six weeks earlier but \$36,224,100 more than on May 10, 1933. Federal reserve note circulation declined 1.1 per cent in four weeks and 9 per cent in fifty-two weeks.

Principal items contained in the Federal Reserve Bank statement of May 9 are compared with those of April 11, 1934, and May 10, 1933, in the following table:

	May 9, 1934	April 11, 1934	May 10, 1933
Total reserves.....	\$160,795,217	\$162,014,595	\$132,393,601
Redemption fund F. R. B. notes.....		150,000	50,000
Bills discounted.....	263,089	307,286	13,701,845
Bills purchased.....	170,479	466,718	1,883,095
U. S. securities.....	93,444,200	93,444,200	57,220,100
Total bills and securities.....	93,877,768	94,218,204	72,805,040
Total resources.....	286,302,687	287,188,284	229,640,048
F. R. notes in circulation.....	106,767,060	107,942,260	117,350,125
F. R. bank notes in circul'n-net.....		2,264,200	441,500
Member banks' reserve deposits.....	139,122,240	132,306,908	73,863,302

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.

Bank Debits

Debits by banks to individual accounts in all of the twenty-nine reporting cities of the District, for the four weeks' period ended May 2, continued somewhat higher than in the corresponding period of 1933. The composite total of \$823,222,000 was 28.7 per cent above a year ago and 5.1 per cent larger than that reported for the preceding four weeks ended April 4. Check payments for the first seventeen weeks of the new year showed a gain of 25.6 per cent over the same period last year.

Totals by cities, for the four weeks ended May 2 this year and May 3 last year, are herewith compared:

PAYMENTS BY CHECK

	FOUR WEEKS ENDED		Per cent Increase
	May 2, 1934	May 3, 1933	
Albuquerque, N. M.....	\$ 7,294,000	\$ 4,692,000	55.5
Atchison, Kans.....	2,553,000	2,420,000	5.5
Bartlesville, Okla.....	19,626,000	16,473,000	19.1
Casper, Wyo.....	3,544,000	2,919,000	21.4
Cheyenne, Wyo.....	5,207,000	4,511,000	15.4
Colorado Springs, Colo.....	9,867,000	8,283,000	19.1
Denver, Colo.....	112,376,000	87,659,000	28.2
Enid, Okla.....	6,793,000	5,377,000	26.3
Fremont, Nebr.....	1,881,000	1,312,000	43.4
Grand Junction, Colo.....	1,560,000	954,000	63.5
Guthrie, Okla.....	1,233,000	861,000	43.2
Hutchinson, Kans.....	7,656,000	7,459,000	2.6
Independence, Kans.....	3,955,000	1,997,000	98.0
Joplin, Mo.....	6,636,000	6,415,000	3.4
Kansas City, Kans.....	9,273,000	8,837,000	4.9
Kansas City, Mo.....	236,158,000	189,400,000	24.7
Lawrence, Kans.....	2,596,000	2,486,000	4.4
Lincoln, Nebr.....	22,824,000	15,867,000	43.8
Muskogee, Okla.....	5,758,000	4,870,000	18.2
Oklahoma City, Okla.....	72,652,000	49,645,000	46.3
Okmulgee, Okla.....	2,435,000	1,647,000	47.8
Omaha, Nebr.....	109,813,000	86,454,000	27.0
Pittsburg, Kans.....	2,696,000	2,625,000	2.7
Pueblo, Colo.....	12,225,000	10,078,000	21.3
Salina, Kans.....	6,226,000	5,034,000	23.7
St. Joseph, Mo.....	25,050,000	19,178,000	30.6
Topeka, Kans.....	13,912,000	11,403,000	22.0
Tulsa, Okla.....	82,133,000	56,520,000	45.3
Wichita, Kans.....	29,290,000	24,223,000	20.9
Total 29 cities, 4 weeks.....	\$ 823,222,000	\$ 639,599,000	28.7
Total 29 cities, 17 weeks.....	3,321,560,000	2,644,949,000	25.6
U. S. 266 cities, 4 weeks.....	32,208,781,000	23,013,363,000	40.0

Federal Reserve Bank Clearings

Transit forces of the Federal Reserve Bank of Kansas City and branches at Omaha, Denver, and Oklahoma City handled 4,915,071 checks aggregating \$701,455,000 for collection during April. These totals represented decreases, as compared to March, of 11.5 per cent in the number of items handled and 10.4 per cent in the amount, and increases over April, 1933, of 24.9 per cent in items and 43.1 per cent in dollars. April totals also exceeded those for 1932 but were slightly below 1931.

The figures for March, April, and the four months this year and last follow:

	ITEMS		AMOUNT	
	1934	1933	1934	1933
April.....	4,915,071	3,936,101	\$ 701,455,000	\$ 490,067,000
March.....	5,555,074	3,465,068	782,439,000	434,091,000
Four months.....	21,506,270	14,437,375	2,897,600,000	1,859,779,000

Savings

Gains of one per cent in savings deposits and one-half of one per cent in the number of depositors between April 1 and May 1, were shown by the combined reports of forty-four selected banks in leading cities of the District. Deposits as of May 1 were 11.1 per cent above the total reported for May 1, 1933, and the number of accounts showed an increase of 5.7 per cent.

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

Stores Reporting	SALES		STOCKS (RETAIL)		STOCK TURNOVER				ACCOUNTS RECEIVABLE		AMOUNTS COLLECTED		
	April 1934	Year 1934	April 30, 1934	Year 1934	April		Year		April 30, 1934		April 1934		
	compared to April 1933	compared to Year 1933	compared to Mar. 31, 1934	compared to Apr. 30, 1933	1934	1933	1934	1933	compared to Mar. 31, 1934	compared to Apr. 30, 1933	compared to Mar. 1934	compared to Apr. 1933	
Kansas City.....	4	14.8	21.0	— 0.2	2.0	.22	.20	.84	.69	5.2	7.3	9.2	14.9
Denver.....	4	9.1	22.6	1.3	14.0	.27	.28	1.04	.91	4.5	12.9	1.6	26.2
Oklahoma City....	3	13.9	26.5	1.5	8.1	.35	.32	1.40	1.14	3.2	5.9	Even	28.4
Tulsa.....	3	6.5	21.2	4.0	24.3	.35	.41	1.51	1.61	6.1	15.1	— 3.2	17.7
Wichita.....	3	18.4	26.8	— 1.0	29.4	.27	.32	1.05	.92	2.0	3.4	3.7	23.7
Other cities.....	15	14.8	25.0	5.2	19.9	.24	.24	1.02	.92	1.2	— 0.7	— 4.9	20.6
Total.....	32	12.8	23.5	1.9	12.6	.26	.26	1.01	.88	3.5	6.7	1.0	22.0

NOTE: Percentage of collections in April on open accounts March 31, all stores reporting 41.8. Collections same month last year 36.9.

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

	Savings Accounts	Savings Deposits
May 1, 1934.....	379,589	\$108,738,451
April 1, 1934.....	377,671	107,643,506
May 1, 1933.....	358,972	97,837,342

Failures

Commercial failures in this District and the United States during April were, as in March, the lowest for the month since 1920, both as to the number of defaults and the amount of liabilities involved.

Compared to April, 1933, insolvencies in the District fell off 72.7 per cent in number and 82.3 per cent in amount. Declines for the year to date amounted to 235 fewer failures, and \$4,425,533 less money involved, than recorded for the District in the like four months of 1933.

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

	TENTH DISTRICT		UNITED STATES	
	Number	Liabilities	Number	Liabilities
April 1934.....	33	\$ 261,170	1,052	\$ 25,786,975
March 1934.....	56	604,283	1,102	27,227,511
April 1933.....	121	1,479,485	1,921	51,097,384
Four months 1934.....	181	1,811,765	4,567	105,364,632
Four months 1933.....	416	6,237,298	9,166	244,274,266

Trade

Easter being in March, or earlier than usual, April sales of merchandise at thirty-two department stores in the District were, for the first time since 1929, below the March dollar volume, declining 6.2 per cent. Sales, following three years of reduced volume, were, mainly due to higher prices, 12.8 per cent larger than in April, 1933. Cumulative sales for the year to date showed a gain of 23.5 per cent over 1933, the first reported for the period in five years.

Inventory changes for the month were, as usual, slight, and stocks on hand as of April 30 were 12.6 per cent heavier than on April 30, 1933. Collections were not as good as in March but were better than a year ago, averaging 41.8 per cent of amounts receivable on open accounts March 31 as compared to 43.6 per cent for March this year and 36.9 per cent for April last year. Collections on installment accounts averaged 15.7 per cent in April, 1934, 16.7 per cent in March, 1934, and 13.8 per cent in April, 1933.

Wholesalers' sales were also smaller in April than in March but larger than a year ago, declining 6.2 per cent for the month

and increasing 28.5 per cent for the year. Dollar sales of the five reporting lines combined, from January to April, inclusive, were 37.7 per cent larger than a year ago, representing the first increase for the period in recent years.

Sales of hardware improved during April although not as much as usual and sales of dry goods, groceries, furniture, and drugs declined. Grocery sales were under April, 1933, declining 3.2 per cent, whereas the dollar volume of dry goods trade was 43.8, hardware 41.9, furniture 52.1, and drugs 37.8 per cent greater. These increases over the previous April were the first recorded since 1929.

Stocks of dry goods, hardware, furniture, and drugs on hand April 30 were slightly larger than one month earlier and 28.0, 35.7, 69.1, and 8.5 per cent, respectively, larger than on April 30, 1933. Inventories of groceries declined fractionally in April, but month-end stocks were 4.8 per cent heavier than last year.

Lumber

Sales of lumber at 157 retail yards, located throughout the Tenth District, were 11.7 per cent larger in April than in March and 13.5 per cent larger than in April last year, and dollar sales of all materials showed gains of 14.5 and 45.6 per cent, respectively.

Stocks of lumber were slightly smaller on April 30 than on March 31 but the same as on April 30, 1933. Collections during the month amounted to 31 per cent of amounts outstanding March 31 as compared with collection percentages of 31.4 for March this year and 20.7 per cent for April, 1933.

The volume of retail business at the reporting yards in April, as compared with that for March, and April, 1933, is shown in the following in percentages of increase or decrease:

	April 1934 Compared to	
	March 1934	April 1933
Sales of lumber, board feet.....	11.7	13.5
Sales of all materials, dollars.....	14.5	45.6
Stocks of lumber, board feet.....	— 1.1	0.1
Outstandings, end of month.....	6.5	— 2.3

According to reports to the National Lumber Manufacturers Association, national lumber production is now running about 50 per cent above a year ago. For the first sixteen weeks of 1934 production was 56 per cent, shipments 19 per cent, and orders booked 26 per cent larger than in the first sixteen weeks of 1933. Shipments were 7 per cent below, and orders 2 per cent above output.

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

Reporting Stores	SALES		OUTSTANDINGS		AMOUNTS COLLECTED		STOCKS		
	Apr. 1934 compared to		Apr. 30, 1934 compared to		Apr. 1934 compared to		Apr. 30, 1934 compared to		
	Mar. 1934	Apr. 1933	Mar. 31, 1934	Apr. 30, 1933	Apr. 1934	Apr. 1933	Mar. 31, 1934	Apr. 30, 1933	
Dry goods.....	6	— 7.8	43.8	0.6	— 2.1	— 10.1	31.2	1.6	28.0
Groceries.....	5	— 10.5	— 3.2	— 4.7	— 24.4	— 11.3	— 4.2	— 0.2	4.8
Hardware.....	9	5.6	41.9	2.4	11.6	14.4	48.3	5.1	35.7
Furniture.....	5	— 12.9	52.1	— 1.2	11.6	3.9	84.6	4.2	69.1
Drugs.....	7	— 9.9	37.8	— 2.4	Even	— 4.7	33.6	0.4	8.5

Building

Building operations in seventeen Tenth District cities, which report the number of permits issued and estimated construction costs, were somewhat more active in April than in either the preceding month this year or the corresponding month last year but greatly below normal for the month.

BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST	
	1934	1933	1934	1933
Albuquerque, N. M.	62	43	\$ 33,285	\$ 15,091
Cheyenne, Wyo.	37	21	8,940	3,612
Colorado Springs, Colo.	28	25	8,056	9,700
Denver, Colo.	325	362	185,054	159,450
Joplin, Mo.	4	16	1,725	7,000
Kansas City, Kans.	35	59	22,005	26,470
Kansas City, Mo.	177	176	76,700	120,500
Lincoln, Nebr.	134	48	17,692	25,363
Oklahoma City, Okla.	96	77	46,900	101,118
Omaha, Nebr.	107	93	315,206	106,570
Pueblo, Colo.	74	44	12,342	5,911
Salina, Kans.	11	9	10,750	7,810
Shawnee, Okla.	12	9	3,712	4,950
St. Joseph, Mo.	23	36	123,070	9,350
Topeka, Kans.	46	52	67,245	42,295
Tulsa, Okla.	86	72	70,955	28,795
Wichita, Kans.	83	58	67,575	16,892
Total 17 cities, April	1,340	1,200	\$1,071,212	\$ 690,877
Four months	3,633	3,252	3,610,401	2,401,500

The F. W. Dodge Corporation reported construction throughout the Tenth District as less than in March and, although exceeding the April, 1933, and 1932 totals, as otherwise the lowest in recent years. Residential construction declined both as compared to March this year and April, 1933, with expenditures the smallest reported for the month in eight years of record.

Total building and residential contracts awarded in the District and the United States as reported by the F. W. Dodge Corporation:

TOTAL BUILDING CONTRACTS AWARDED

	TENTH DISTRICT		UNITED STATES	
	1934	1933	1934	1933
April	\$ 5,967,104	\$ 2,026,945	\$131,413,800	\$ 56,573,000
March	7,705,146	3,165,116	178,439,800	59,958,500
Four months	25,624,325	11,156,455	594,033,600	252,599,800

RESIDENTIAL CONTRACTS AWARDED

	TENTH DISTRICT		UNITED STATES	
	1934	1933	1934	1933
April	\$ 637,979	\$ 670,198	\$ 22,770,000	\$ 19,143,600
March	1,084,891	544,991	28,076,100	16,021,000
Four months	3,854,094	2,470,860	80,476,800	58,920,800

Flour Production

Mills of the District operated at a lower rate of activity and produced less flour in April than in the preceding month or in the like month of any year since 1926. Output, with mills operating at 58.2 per cent of full-time capacity, totaled 1,726,639 barrels for the month, 185,615 barrels less than in March, and 517,816 barrels less than in April, 1933.

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

	April 1934	March 1934	April 1933
	Barrels	Barrels	Barrels
Atchison	118,808	120,546	139,323
Kansas City	451,015	510,513	560,781
Omaha	106,437	110,015	112,933
Salina	130,410	156,690	197,184
Wichita	135,684	180,256	205,897
Outside	784,285	834,234	1,028,337
Total	1,726,639	1,912,254	2,244,455
*United States	4,959,082	5,588,186	6,171,406

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

Demand for flour was very quiet the first half of the month but as wheat prices broke, buying became the heaviest in several months. Orders were well scattered and several round lots were booked but volume was made up of comparatively small lots. Prices declined but did not follow the full loss in wheat due to millfeeds being lower. Shipping directions improved. Export sales were slightly better but unimportant. Wheat and flour prices worked higher the forepart of May.

Millfeed prices broke sharply with full declines amounting to \$4.50 per ton for bran and \$2.25 per ton for shorts. Supplies were not plentiful but demand was very light, especially for bran. Most sales were for immediate shipment and largely to the mixed car trade.

Grain Marketing

Comparatively little grain moved to market in April and, as in recent months, a large percentage of arrivals represented shipments in fulfillment of contracts.

Receipts of each of the six classes of grain at the five principal markets of the District were substantially smaller than in either the preceding month this year or the corresponding month last year. Marketings of wheat were the lightest for any month since April, 1926, oats the smallest for any month in fifteen years of record, and corn and kafir less than in any April of record. Arrivals of wheat were equal to 73 per cent, corn 34, oats 25, rye 46, barley 31, and kafir 26 per cent of April averages for the past ten years.

Restricted offerings of corn were in part accounted for by large quantities being held on farms under seal for Government loans. Most grains met a good manufacturing and shipping demand and stocks at public elevators were reduced.

April receipts of grain at the five markets:

	Wheat Bushels	Corn Bushels	Oats Bushels	Rye Bushels	Barley Bushels	Kafir Bushels
Hutchinson	545,400	8,750	.....	.....	.....	23,400
Kansas City	2,155,200	648,000	118,000	4,500	16,000	75,600
Omaha	414,400	355,600	14,000	14,000	9,600	.....
St. Joseph	292,800	229,500	152,000	.....	.....	.....
Wichita	477,000	94,900	1,500	.....	.....	.....
April 1934	3,884,800	1,336,750	285,500	18,500	25,600	99,000
March 1934	5,158,600	2,821,800	337,500	35,400	92,800	121,200
April 1933	4,608,450	3,607,100	1,071,500	93,600	44,950	173,500
4 Mos. 1934	17,439,350	11,520,450	1,819,500	204,500	207,050	554,500
4 Mos. 1933	21,918,050	9,836,450	3,262,500	215,000	150,100	544,600

Wheat prices declined rapidly the middle of the month but scored a good advance the final week of April and had more than recovered all the loss by May 15. Other grains also weakened slightly despite light offerings and then strengthened in May. A year ago at this time grain prices were staging a recovery from the record lows, wheat advancing 19½ cents, corn 13½, and oats 6½ cents per bushel between March 31 and May 15. Present prices are well above those of May 15, 1933.

Cash grain prices at Kansas City this year and last, for the periods covered, are reflected in the following table in cents per bushel:

	May 15	Apr. 30	Mar. 31	May 15	Apr. 29	Mar. 31
	1934	1934	1934	1933	1933	1933
No. 1 dark wheat	\$.81½	\$.73½	\$.80½	\$.70	\$.66	\$.50½
No. 2 mixed corn	.45	.42	.43	.43	.34½	.29½
No. 2 white oats	.36	.31	.32	.26½	.24½	.20
No. 2 rye	.59	.55½	.57	.50	.48½	.41
No. 2 barley	.44	.41½	.43½	.34½	.32½	.29
No. 2 kafir	.88	.84	.80	.80	.73	.55

Crops

General farm work is as far advanced as usual at this season but a moisture shortage has delayed seeding operations and retarded the growth of pastures, hay crops, and oats. In some sections, where the soil has been too dry to work well or for seeds to germinate, the planting of corn, sorghums, and hay crops has been delayed. Mid-May rains in the eastern third of the District and rains and snows in the western third aided growing crops and spring seeding. In western Kansas, Nebraska, and the Oklahoma panhandle, where moisture supplies were spotted and mostly light, dryness prevails. Although some crops, particularly winter wheat, are irreparably damaged, the much needed moisture will temporarily prevent further deterioration. More rains are needed in all parts of the District as the sub-soil moisture supply is deficient.

Corn planting is well advanced in the southern part of the District, with much up to good stands in Oklahoma and being cultivated. In Missouri, Kansas, and Nebraska planting and growth have been delayed somewhat. Cotton planting is normally advanced and coming up to good stands. The controversy between growers and refiners over the 1934 contracts being settled, sugar beet seeding, which is late, is going forward rapidly. Contract prices and Government parity payments will return growers about \$6.50 per ton for their beets, or \$2 a ton above last year's price.

Meadows and pastures are about normal in Colorado and hay stocks are larger than last year but other states report pastures and hay crops as unusually late, conditions much below average, with farm reserves low.

Fruit prospects are, on the whole, excellent. Late frosts were light and did little damage and recent moisture supplies have been beneficial. Oklahoma reports the condition of peaches at 77 per cent of normal, the highest since 1924, and Colorado expects a record crop. Strawberries are being marketed from the Ozark region and, although the crop is good and the acreage larger than last year, returns are unsatisfactory. Apples, grapes, and cane fruits promise good yields generally.

Insect injury to oats, rye, alfalfa, and potatoes is extensive. The Federal Government has launched a grasshopper control campaign with shipments of poison bran bait into the states of Nebraska, Kansas, Wyoming, and Colorado to be scattered during the hatching season. Winter and spring weather conditions have been ideal for the development of grasshopper eggs.

Winter wheat prospects improved in Colorado, Wyoming, and New Mexico, and declined in the principal producing states of Kansas, Nebraska, Oklahoma, and Missouri between April 1 and May 1. Dry soil, winds, and green bugs caused a 15.3 per cent reduction in prospective yields during the month and injury from these causes extended into May. Abandonment to May 1 was much less this year than last in all states but New Mexico, and the total acreage remaining for harvest in the seven states of this District exceeds that of 1933 by 5,330,000 acres, or 41.8 per cent, although the area seeded last fall was reduced 4 per cent. Potential production of 198,664,000 bushels, as indicated by May 1 conditions, compares with 137,471,000 bushels harvested in 1933 and a five-year average yield of 332,227,000 bushels. Wheat is heading in southern areas and harvest is expected to begin about June 15.

United States production was estimated at 461,471,000 bushels on May 1, 491,793,000 bushels on April 1, 351,030,000 bushels in 1933, and 632,061,000 bushels as the average for the five years of 1927 to 1931.

Area seeded, abandonment, and indicated production of winter wheat in the United States and the seven states, whose areas or parts thereof comprise the Tenth Federal Reserve District, as estimated by the United States Department of Agriculture, acreage and production in thousands, 000 omitted:

	Fall Sown Acreage		Per cent Abandoned		Acreage left for Harvest May 1		Production Indicated	
	1933	1932	1934	1933	1934	1933	May 1, 1934	1933
Colo.....	938	893	30.0	70.0	657	263	8,212	2,412
Kans.....	11,953	12,853	20.0	47.4	9,463	5,968	99,362	57,452
Mo.....	1,554	1,413	5.0	6.0	1,461	1,232	18,993	16,600
Nebr.....	3,034	2,890	10.0	30.0	2,630	2,023	34,190	25,894
N. M.....	340	400	60.0	45.0	154	198	847	1,210
Okla.....	4,198	4,419	16.0	30.0	3,588	2,992	35,880	33,095
Wyo.....	182	202	35.0	50.0	118	68	1,180	808
7 States.....	22,199	23,070	18.6	44.8	18,071	12,744	198,664	137,471
U. S.....	41,002	42,692	15.3	33.4	34,725	27,096	461,471	351,030

Five-year average (1927-1931) production was 332,227,000 bushels for the seven states and 632,061,000 bushels for the United States.

The Department of Agriculture reported the season as very unfavorable for spring wheat seeding which, due to an accumulated deficiency of moisture, is especially late. The Canadian spring wheat area will be cut 8 per cent to the smallest total acreage since 1928, according to official estimates based on planting intentions.

Stocks of wheat in interior mills and elevators, in the United States on April 1, were estimated by the Crop Reporting Board at 83,588,000 bushels in 1934, 95,911,000 in 1933, 69,366,000 in 1932, and 72,253,000 in 1931.

Livestock

Heavy receipts of cattle and calves and horses and mules, moderate receipts of sheep and lambs, and unusually light marketings of hogs in April were disclosed by reports from the six principal livestock markets of the District. Arrivals of cattle were the largest for the month in nine years, calves in five years, and horses and mules in over sixteen years of record, being 7, 13, and 57 per cent, respectively, in excess of the average April volume for the past ten years. The continued drouth, poor pastures, and short supplies of feed and water resulted in an almost unprecedented run of thin calves, cows, and heifers to market.

The most spectacular price advance for the season since 1918 carried fed steers to a top of \$8.25 in April and \$8.75 on May 7 at Kansas City. A scarcity of strongweight steers, occasioned by a heavy liquidation last year at a loss, a broad eastern wholesale demand for beef, and comparatively higher retail prices for pork, were the underlying influences to the upturn. The April advance ranged from 75 cents to \$1.40 per hundredweight, with the top about \$2 higher than a year ago and the best price paid since November, 1932, which it equalled. Other classes of cattle shared in the advance, closing 25 to 50 cents higher for the month, with all classes except stock calves selling above a year ago.

Marketings of sheep were the lightest in six years but only 5 per cent below normal. Offerings met a strong demand and values also reached new highs in April on a general rise of \$1 to \$1.50 per hundredweight, fed shorn lambs showing the greater gains. Fat ewes were mostly steady and feeder lambs were up 50 to 75 cents. Lamb prices were the highest since May, 1931, up \$4 to \$4.50 per hundred pounds as compared to April, 1933.

Although hog supplies were the lightest in about twenty years, the course of the market was continually downward, most classes closing 50 to 75 cents per hundredweight lower. Stock pigs were 25 to 50 cents higher. Quality of offerings was unusually poor and receipts, although light, exceeded

expectations and at times plain kinds were hard to dispose of, order buyers relieving the situation somewhat. The opening top at Kansas City was \$4 and the closing top \$3.50 per hundred-weight as compared to \$3.65 and \$3.70 last year. In addition to market returns producers, who signed contracts to reduce swine numbers, will receive Government payments of \$5 per head on their hogs. Influenced by a break in eastern meat trade, fat cattle and sheep and lamb prices experienced a setback the second week of May.

Farmers have been hesitant in taking out stocker and feeder livestock, and countryward shipments from four markets were lighter than a year ago for all classes. Calf shipments were normal but other classes showed losses. The April average price for stocker and feeder steers at Kansas City was \$4.69 per hundredweight as against \$4.79 a year ago.

Western ranges, after an early start, are generally in need of rain and prospects for summer feed are not favorable. May moisture relieved conditions somewhat but more rains are needed. Owing to the open weather and early feed, the condition of cattle and sheep improved one point between April 1 and May 1 and they are in fair to good condition except in the extremely dry areas. Losses have been confined to old cows and ewes. Calf and lamb crop prospects are generally good and early calves and lambs are making satisfactory gains. Sheep shearing has progressed rapidly in the range areas and the corn belt under very favorable conditions.

Leasing of pasture land in the Blue Stem region of Kansas and the Osage region of Oklahoma has virtually closed with all available grass contracted. Prices advanced as leasing progressed, contracts starting at \$5 and closing as high as \$6 per head. Shipments of cattle from the southwest have commenced. These areas received abundant rains in May.

Marketward shipments of lambs from feedlots in northern Colorado, Arkansas Valley, and Scottsbluff sections from January 1 to May 5 totaled 6,334 cars this year, 7,204 cars last year, and 7,510 cars in 1932, according to the United States Division of Crop and Livestock Estimates.

POULTRY AND DAIRY PRODUCTS: Poultry and egg prices were fairly constant in April. Quotations on all classes of poultry declined the forepart of May to sell at last year's levels, except springs which advanced slightly to sell 25 per cent higher than on May 15, 1933. Eggs are quoted at 13½ cents per dozen wholesale as against 11½ cents at this time last year. Reports indicate that less young poultry of all kinds is being raised this year than last.

Butterfat advanced 1 cent per pound in April, extras being quoted at 19 cents the same as a year ago. Storage stocks are less burdensome than in recent months and receipts and production are running under 1933. Consumer demand for butter and eggs has failed to hold up to the February and March levels.

Meat Packing

Packers absorbed 56 per cent of the cattle, 85 per cent of the calves, 83 per cent of the hogs, including direct shipments, and 52 per cent of the sheep and lambs offered at the six market centers in April. Purchases of all species exceeded the March totals. The slaughter of cattle was 39 per cent and of calves 64.8 per cent larger, and of hogs 18 per cent and sheep and lambs 5.1 per cent smaller than in April, 1933. The April slaughter of cattle was the heaviest since 1926 and of calves since 1925, exceeding the ten-year average by 8 and 29 per cent, respectively. Butcherings of hogs and sheep were 16 and 9 per cent below normal, the slaughter of hogs being the lightest for the month since 1926, and that of sheep and lambs since 1928.

Federally inspected slaughter of calves in the United States during April was 23 per cent above a year ago and the largest for the month since records, beginning in 1907, have been kept. Cattle slaughter, with an increase of 22 per cent over April, 1933, was the heaviest since 1926. The April slaughter of hogs was the smallest since 1927 and of sheep and lambs the smallest since 1929, declining 11 per cent and 18 per cent, respectively, as compared to April last year.

Federally inspected slaughter of livestock in the United States for the periods of comparison:

	Cattle	Calves	Hogs	Sheep
April 1934.....	749,180	525,560	3,411,393	1,163,899
March 1934.....	771,244	534,179	3,039,024	1,242,450
April 1933.....	616,311	425,801	3,847,293	1,409,345
Four months 1934.....	3,084,418	1,968,060	15,274,776	4,972,112
Four months 1933.....	2,414,242	1,486,299	15,795,703	5,404,182

On May 15 the Federal Surplus Relief Corporation awarded contracts to packers for the purchase and processing of 225,000 hogs for Government relief purposes. The new order calls for purchases of 15,000 hogs per day as against 3,200 a day in April. Purchases of 15,000,000 pounds of pork and 5,000,000 pounds of lard were also authorized.

Cold Storage Holdings

May 1 United States cold storage holdings of beef, pork, poultry, miscellaneous meats, lard, butter, and cheese were somewhat larger than a year ago, but those of lamb and mutton, eggs, apples, pears, and preserved fruits were smaller. Holdings of lard were 57.9 per cent, and of cheese 22.3 per cent, above the five-year average for that date, whereas stocks of all other commodities were substantially less.

Storage holdings of lard and eggs increased seasonally in April, the in-movement of lard being lighter and of eggs heavier than in April, 1933, or normally. Contrary to seasonal trends, inventories of cheese were enlarged and of pork reduced. The out-of-storage movement of beef, lamb and mutton, poultry,

APRIL MOVEMENT OF LIVESTOCK IN THE TENTH DISTRICT

	RECEIPTS				STOCKERS AND FEEDERS				PURCHASED FOR SLAUGHTER			
	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep
Kansas City.....	123,855	21,174	*260,222	173,408	32,941	2,409	4,169	14,397	59,312	20,207	*235,414	132,331
Omaha.....	136,436	7,556	200,769	156,803	13,561	797	1,414	10,080	83,759	6,759	146,261	107,811
St. Joseph.....	43,472	8,639	110,482	133,798	4,519	313	879	17,367	32,985	8,112	100,723	91,362
Denver.....	25,936	6,265	56,665	217,479	6,020	2,929	759	7,399	12,323	2,969	36,927	9,155
Oklahoma City.....	22,710	3,438	28,154	8,161	-----	-----	-----	-----	13,792	3,104	23,731	7,012
Wichita.....	23,566	5,711	37,924	17,064	-----	-----	-----	-----	7,201	3,846	36,160	17,065
April 1934.....	375,975	52,783	694,216	706,713	57,041	6,448	7,221	49,243	209,372	44,997	579,216	364,736
March 1934.....	331,205	51,693	588,518	629,810	52,070	7,281	6,734	47,211	196,018	43,007	485,320	353,452
April 1933.....	277,064	41,119	773,248	802,068	59,026	8,897	7,701	59,301	150,578	27,296	706,124	384,211
Four months 1934.....	1,413,265	207,388	3,052,812	2,452,114	211,980	35,294	26,404	207,988	838,811	166,709	2,573,030	1,432,789
Four months 1933.....	1,108,060	162,145	3,079,644	2,616,142	214,670	37,817	24,220	203,121	625,292	102,871	2,697,411	1,425,327

*Includes 155,629 hogs shipped direct to packers' yards.

miscellaneous meats, and butter was heavier than usual. Last year stocks of miscellaneous meats and butter showed a moderate increase for the month.

The report by the Bureau of Agricultural Economics, of cold storage holdings in the United States, follows:

	*May 1 1934	April 1 1934	May 1 1933	May 1 5-Yr. Av.
Beef, lbs.....	47,324	55,848	30,658	55,274
Pork, lbs.....	655,324	657,222	630,360	786,441
Lamb and mutton, lbs.....	1,282	2,024	1,773	2,617
Poultry, lbs.....	49,193	74,197	45,824	55,582
*Turkeys, lbs.....	11,157	14,499	9,179	8,860
Miscellaneous meats, lbs.....	51,675	55,631	44,993	71,645
Lard, lbs.....	179,441	173,775	71,895	113,650
Eggs, cases.....	4,620	1,208	4,857	4,544
Eggs, frozen (case equivalent).....	1,788	1,105	1,798	2,085
Butter, creamery, lbs.....	11,840	15,351	9,398	13,165
Cheese, all varieties, lbs.....	65,147	62,153	43,626	53,264

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

Petroleum

As estimated from the weekly reports of the American Petroleum Institute, daily average production of crude oil in the Tenth District during April was 0.6 per cent above the official estimates of the Bureau of Mines for March, but gross production was 2.8 per cent less. April compared to April, 1933, showed a gain of 21 per cent and the four months this year compared to the like four months last year a gain of 11.9 per cent.

Excess production by the states of Oklahoma and Kansas resulted in the District output exceeding Federal allowables every week of the month but the first. Texas, California, and national production were also above the prorated amounts. Federal agency allowables, effective April 1, were: Oklahoma, 476,400; Kansas, 122,100; Wyoming, 32,400; Colorado, 3,000; New Mexico, 45,800; Tenth District, 679,700; and the United States, 2,366,200 barrels per day.

Gross and daily average production figures follow:

GROSS PRODUCTION

	*April 1934 Barrels	March 1934 Barrels	April 1933 Barrels
Oklahoma.....	15,128,000	15,451,000	11,960,000
Kansas.....	3,846,000	4,064,000	3,564,000
Wyoming.....	902,000	985,000	902,000
Colorado.....	78,000	81,000	71,000
New Mexico.....	1,344,000	1,341,000	1,092,000
Total five states.....	21,298,000	21,922,000	17,589,000
Total United States.....	72,537,000	75,548,000	65,313,000

DAILY AVERAGE PRODUCTION

	*April 1934 Barrels	March 1934 Barrels	April 1933 Barrels
Oklahoma.....	504,000	498,000	399,000
Kansas.....	128,000	131,000	119,000
Wyoming.....	30,000	31,000	30,000
Colorado.....	3,000	3,000	3,000
New Mexico.....	45,000	43,000	36,000
Total five states.....	710,000	706,000	587,000
Total United States.....	2,418,000	2,437,000	2,177,000

*Estimated, American Petroleum Institute.

Crude oil prices are much higher and sentiment is distinctly better than a year ago. Purchases of acreage and a substantial increase in field operations in recent weeks, which is not confined to any particular area, reflect a desire of companies to establish greater reserves.

Mid-continent crude oil prices remain constant at schedules posted September 29, 1933, of 76 cents to \$1.08 per barrel,

depending on gravity. Quotations, which ranged from 28 to 55 cents per barrel in April, 1933, were cut to a flat 25 cents per barrel in May. All refined products opened the month strong but refinery and natural gasoline declined and kerosene was weak toward the close. Lubricants met a good demand and were firm throughout the month.

Stocks of domestic and foreign crude petroleum, reported to the Secretary of the Interior by companies holding 100,000 barrels or more, totaled 341,363,000 barrels for the United States on March 31 and 340,718,000 barrels on April 28.

Zinc and Lead

Demand for zinc ore in the Tri-state district was active throughout April. Tonnage shipments for the five weeks' period ended May 5 were 17.7 per cent larger than in the preceding five weeks and 66.1 per cent larger than in the corresponding five weeks last year. Lead ore shipments declined 6.9 per cent as compared to the total for the five weeks ended March 31 and were only 2.2 per cent heavier than in the like period of 1933.

With the tonnage larger and prices higher than in 1933, the combined value of ore shipments for the year to May 5 exceeded the total for the first six months of 1933.

Shipments of zinc ore and lead ore from mines in Oklahoma, Kansas, and Missouri, during the five weeks and eighteen weeks ended May 5, with comparisons:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	22,887	\$ 672,594	2,793	\$128,288
Kansas.....	6,437	189,922	474	21,565
Missouri.....	1,863	55,204	82	3,811
5 Wks. ended May 5, 1934.....	31,187	\$ 917,720	3,349	\$153,664
5 Wks. ended March 31, 1934.....	26,487	794,610	3,597	152,872
5 Wks. ended May 6, 1933.....	18,775	397,212	3,277	124,010
18 Wks. ended May 5, 1934.....	100,076	2,864,599	9,875	432,470
18 Wks. ended May 6, 1933.....	88,292	1,604,540	9,845	338,798

Zinc ore advanced \$1 and lead ore \$2.50 per ton the forepart of April. The former closed at \$30 and the latter at \$47.50 per ton as against \$25 and \$40 per ton in April, 1933. A year ago concentrate prices registered a brisk rise from the unprecedented lows of the forepart of the year.

Coal

Production of coal declined seasonally in April. Output at bituminous mines in the six coal producing states of the District, as estimated from the weekly reports of the United States Bureau of Mines, was 33.8 per cent less than in March but 7.3 per cent larger than in April, 1933.

During the calendar year to May 1, Tenth District estimated production totaled 5,873,000 tons and United States production 128,360,000, or 5.1 and 31.8 per cent, respectively, more than in the same period last year.

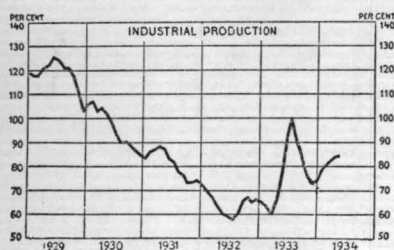
The production figures for the six states and the United States follow:

	*April 1934 Tons	*March 1934 Tons	April 1933 Tons
Colorado.....	284,000	432,000	311,000
Kansas and Missouri.....	344,000	570,000	296,000
New Mexico.....	87,000	96,000	65,000
Oklahoma.....	25,000	89,000	31,000
Wyoming.....	278,000	350,000	246,000
Total six states.....	1,018,000	1,537,000	949,000
Total United States.....	24,977,000	38,497,000	19,523,000

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

Business Conditions in the United States

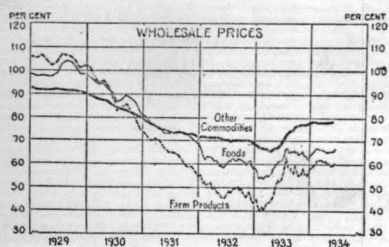
By the Federal Reserve Board



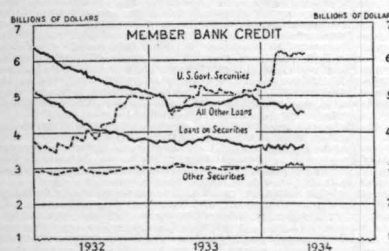
Index number of industrial production, adjusted for seasonal variation. Latest figure: April, 85.



Indexes of daily average value of sales. (1923-1925=100.) Latest figures are for April: adjusted, 76; unadjusted, 72.



Indexes of the United States Bureau of Labor Statistics. By months 1929 to 1931; by weeks 1932 to date. (1926=100.) Latest figures, May 12: farm products, 60.5; foods, 67.3; other commodities, 79.1.



Wednesday figures for reporting member banks in 90 leading cities. Latest figures are for May 16.

Volume of manufacturing production increased during April, while the output of mines declined. Employment and payrolls continued to increase. The general level of commodity prices remained substantially unchanged during April and the first three weeks in May, although prices of individual commodities showed considerable changes.

PRODUCTION AND EMPLOYMENT: Production of manufactures, which had increased continuously since last November, showed a further advance in April, according to the Board's seasonally adjusted index, while output of mines was smaller in April than in March. The Board's combined index of industrial production remained practically unchanged at 85 per cent of the 1923-1925 average. The growth in manufacturing reflected increases in iron and steel, automobiles, and meat packing. Lumber production declined in April, and activity at wool and silk mills was considerably reduced, while cotton consumption by mills showed little change. Crude petroleum output continued to increase, but there was a more than seasonal decline at the beginning of April in the mining of both anthracite and bituminous coal. During the first two weeks of May steel operations increased further, but declined somewhat in the third week. Output of automobiles decreased considerably in May.

Volume of employment and wage payments continued to increase in April and employment in factories, according to the new index of the Bureau of Labor Statistics, was larger than at any time since the end of 1930. There was a substantial seasonal increase in the number of workers employed in private construction as well as in those engaged in projects financed by the Public Works Administration. Employment on railroads, in metal mining and quarrying, and in various service activities also increased further, while in coal mining there was a considerable decrease.

Construction contracts awarded during April, as reported by the F. W. Dodge Corporation, were smaller in value than during March. There was a substantial decline in public works contracts, while contracts for privately financed projects showed a slight increase in April.

Following extended drought in important grain areas, the Department of Agriculture forecast of the winter wheat crop was reduced from 492,000,000 bushels on April 1 to 461,000,000 bushels on May 1. This compares with a five-year average for 1927-1931 of 632,000,000 bushels. The condition of rye, hay, and pastures has also been adversely affected by the drought.

DISTRIBUTION: Railroad freight carloadings declined in April as compared with March, and in the first half of May there was a smaller than seasonal increase in total loadings. The April decline was largely the result of a substantial decrease in coal shipments from the relatively large volume of March. Department store sales showed little change from March to April, after allowance is made for differences in the number of business days, for usual seasonal changes, and for changes in the date of Easter. Sales continued larger than a year ago.

COMMODITY PRICES: The general level of wholesale commodity prices, as measured by the Bureau of Labor Statistics' index, has shown little change during the past three months. Prices of grains, cotton, silk, and silver, which declined sharply in April, rose during the first three weeks of May. Rubber prices advanced sharply until early in May but subsequently declined somewhat, and prices of textile products declined during recent weeks. Steel scrap has declined since March, while finished steel products, automobiles, nonferrous metals, and building materials advanced. Cattle and beef prices rose during April and the early part of May while prices of hogs declined.

BANK CREDIT: Excess reserves of member banks remained at a level of about \$1,600,000,000 between the middle of April and the middle of May. There were no considerable changes in monetary gold stock or in money in circulation. The total volume of reserve bank credit also showed little change.

At reporting member banks in leading cities in the five weeks ending May 16, there were decreases of about \$240,000,000 in loans and of \$80,000,000 in investments, the latter reflecting a decrease in holdings of securities other than those of the United States Government. Net demand and time deposits increased by nearly \$200,000,000 while United States Government deposits were reduced by about \$300,000,000. Short term money rates in the open market continued at low levels during May and yields on United States Treasury bonds declined further to the lowest levels of the post-war period.