

THE MONTHLY REVIEW

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

FEDERAL RESERVE BANK OF KANSAS CITY

Vol. 20

KANSAS CITY, Mo., AUGUST 1, 1935

No. 8

AGRICULTURAL conditions throughout the Tenth Federal Reserve District have undergone a complete change for the better since this time last year. Crop acreages are larger and yields of all crops are expected to exceed the extremely short harvest of 1934. Above average yields of oats, tame and wild hay, spring wheat, dry beans, and most varieties of fruit are anticipated. Owing to the heavy early acreage abandonment, occasioned by the drouth, the winter wheat crop, which is estimated at 152,764,000 bushels, will be about 45 per cent short of the five-year, 1928 to 1932, average. Threshing returns from many sections are proving disappointing, losses attributable to wet weather and black stem rust reducing prospects materially since July 1. Corn planting was delayed almost a month by wet weather but the recent warm days have favored growth and cultivation and the crop, although backward, promises a harvest of 308,726,000 bushels, which is six times the amount gathered last year but 35 per cent below normal.

Supplies of finished cattle and hogs being scarce, prices have advanced rapidly since last fall to the highest levels in four or five years and, with ample feed supplies in prospect, the outlook is encouraging. The position of dairy products continues unfavorable, prices being low and feed costs comparatively high. Poultry prices are also low but egg prices have held up well throughout the spring season. Government rental and benefit payments to farmers in the District are expected to be somewhat larger this year than last.

June witnessed a continuation of subnormal receipts of grain and live stock at Tenth District markets, a sharp reduction in the slaughter of meat animals, and a slight decline in flour milling. Grain and live stock prices weakened somewhat during the month, with wheat and hogs showing pronounced strength late in July. Crude oil production declined slightly and prices were unchanged. Operations at numerous mines in the Tri-State district were resumed and zinc ore and lead ore shipments increased. Coal production expanded, the June output being the largest for the month in five years. Building activity, off slightly for the month, was substantially larger than a year ago. Business mortality continued low. Trade at both wholesale and retail held up better than is usual at this season, department store sales being 11.2 per cent larger and wholesalers' sales, five representative lines combined, 2.2 per cent smaller than in June, 1934. Department store sales during the first six months this year were 4.6 per cent above and wholesalers' sales 4.9 per cent less than in the like period last year. Net demand deposits at member banks increased to all-time high levels and savings deposits in a selected list of banks continued to gain.

BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT
Percentages of Increase, or Decrease (—), for June 1935 over May 1935 and for the first six months of 1935 over the like period in 1934.

	May 1935	June 1935	6 Months 1935
	compared to	compared to	compared to
	June 1934	June 1934	6 Months 1934
Banking			
Payments by check, 29 cities.....	5.0	9.1	10.6
Federal Reserve Bank clearings.....	— 2.3	10.0	10.8
Business failures, number.....	23.1	20.0	— 5.9
Business failures, liabilities.....	—45.1	—76.9	—42.9
Loans, 51 member banks.....	— 0.8	— 7.1	.....
Investments, 51 member banks.....	— 2.2	16.2	.....
Net demand deposits, 51 member banks	1.1	30.7	.....
Time deposits, 51 member banks.....	0.1	— 5.6	.....
Savings deposits, 45 selected banks.....	0.7	9.8	.....
Savings accounts, 45 selected banks.....	0.1	3.0	.....
Distribution			
Wholesalers' sales, 5 lines combined.....	1.1	— 2.2	— 4.9
Retailers' sales, 32 department stores....	— 6.3	11.2	4.6
Lumber sales, 155 retail yards.....	— 6.3	30.7	9.5
Life insurance, written.....	— 4.4	—23.9	— 9.5
Production			
Building permits in 17 cities, value.....	— 6.2	109.2	48.0
Flour.....	— 6.9	— 3.0	3.0
Crude petroleum.....	— 5.1	— 2.7	4.0
Soft coal.....	4.4	42.9	19.0
Zinc ore (shipped) Tri-State district.....	204.2	—14.5	4.4
Lead ore (shipped) Tri-State district....	73.6	—80.3	— 9.4
Cement.....	5.0	15.0	— 3.7
Grain receipts, 5 markets			
Wheat.....	5.3	—84.6	—60.8
Corn.....	18.4	53.8	4.1
Oats.....	—50.9	— 6.5	5.3
Rye.....	—62.5	—65.3	—62.1
Barley.....	16.3	—75.6	—70.7
Kafir.....	12.8	—68.9	—63.6
Live stock receipts, 6 markets			
Cattle.....	—21.2	—35.2	—14.0
Calves.....	—25.2	—35.5	9.2
Hogs.....	—22.6	—68.5	—54.8
Sheep.....	—18.4	1.4	— 4.5
Horses and mules.....	—31.0	4.9	14.6
Meat packing, 6 markets			
Cattle.....	—12.9	—38.3	—25.1
Calves.....	—10.0	—41.7	— 1.5
Hogs.....	—19.2	—68.8	—56.4
Sheep.....	—29.5	— 1.2	— 5.4
Stocker and feeder shipments, 4 markets			
Cattle.....	—53.6	—10.0	31.2
Calves.....	—61.9	66.2	51.7
Hogs.....	37.3	—46.0	—20.9
Sheep.....	20.8	—38.1	—18.6

Financial

MEMBER BANK CONDITIONS: Weekly condition statements of fifty-one reporting member banks in selected cities of the District, for the four weeks' period ended July 10, reflect a further increase in net demand deposits and reductions in loans and discounts and total investment holdings. Net

demand deposits increased \$5,788,000 in four weeks to an all-time peak of \$549,921,000 as of July 10, on which date they were \$129,276,000, or 30.7 per cent, higher than on July 11, 1934. Time deposits, showing little change in four weeks, are 5.6 per cent smaller than a year ago.

Loans and discounts, now at the lowest levels in recent years, declined 0.8 per cent in four weeks, a recession of \$1,790,000 in "all other" loans offsetting a slight gain in loans on securities. Investments in United States Government securities were reduced \$12,396,000 and other securities \$3,864,000 between June 12 and July 10 but holdings of securities fully guaranteed, both as to principal and interest, by the United States Government increased \$7,475,000 for the period.

Changes in the principal items of the condition statements of the fifty-one banks in four weeks and fifty-two weeks are shown in the following table:

	July 10, 1935	June 12, 1935	July 11, 1934
Loans and investments—total.	\$588,211,000	\$598,588,000	\$547,522,000
Loans and discounts—total.....	192,291,000	193,883,000	206,915,000
Secured by stocks and bonds	46,416,000	46,218,000	59,044,000
All other loans and discounts	145,875,000	147,665,000	147,871,000
Investments—total.....	395,920,000	404,705,000	340,607,000
U. S. securities direct.....	231,441,000	243,837,000	227,242,000
Obligations fully guaranteed by the U. S. Government..	44,799,000	37,324,000	-----
Other securities.....	119,680,000	123,544,000	113,365,000
Reserve with F. R. bank.....	115,475,000	116,813,000	83,733,000
Net demand deposits.....	549,921,000	544,133,000	420,645,000
Time deposits.....	156,571,000	156,424,000	165,804,000
Government deposits.....	7,478,000	15,545,000	25,310,000

FEDERAL RESERVE OPERATIONS: Gains of \$2,977,591 in member banks' reserve deposits carrying them to an all-time peak, the total of \$196,828,648 as of May 15, 1935, excepted, and of \$2,222,595 in Federal reserve note circulation and \$6,579,783 in total reserves were the principal changes in the weekly condition figures of this bank and branches in the four weeks ended July 10.

Loans to member banks declined to a record low of only \$64,543 on July 10. Commitments for industrial advances increased slightly but holdings of bills purchased in the open market, United States Government securities, and total bills and securities were virtually unchanged in four weeks.

All items but bills discounted for member banks and bills purchased in the open market showed substantial increases as of July 10 this year over July 11 last year.

Principal resource and liability items of the Federal Reserve Bank of Kansas City and branches as shown by the weekly condition statements of the dates indicated:

	July 10, 1935	June 12, 1935	July 11, 1934
Total reserves.....	\$212,970,281	\$206,390,498	\$168,536,363
Bills discounted.....	64,543	106,913	187,218
Bills purchased.....	126,615	126,896	142,109
Industrial advances.....	1,160,227	1,137,565	-----
U. S. securities.....	107,044,200	106,844,250	93,444,200
Total bills and securities.....	108,395,585	108,215,624	93,773,527
Total resources.....	356,686,615	350,767,981	295,465,542
F. R. notes in circulation.....	122,596,670	120,374,075	110,378,110
Member banks' reserve deposits	190,783,352	187,805,761	143,019,907

The discount rate of the Federal Reserve Bank of Kansas City, on all classes of paper and maturities, remains unchanged at 2 per cent.

RESERVE BANK CLEARINGS: Clearings through the Federal Reserve Bank of Kansas City and branches at Omaha, Denver, and Oklahoma City amounted to \$833,638,000 for the month of June and represented a decrease of 2.3 per cent as compared to May and an increase of 10 per cent over last June. The number of items handled during the month was 5,054,843, or 2.7 per cent below the May volume but 5.1 per cent above that of a year ago.

Mid-year comparisons disclose that, whereas there was virtually no change in the number of items handled during the

first six months this year as compared to the same period last year, the dollar volume increased 10.8 per cent.

The following table shows the number of items handled and the amount:

	ITEMS		AMOUNT	
	1935	1934	1935	1934
June.....	5,054,843	4,808,092	\$ 833,638,000	\$ 757,828,000
May.....	5,194,074	4,780,073	853,482,000	704,981,000
Six months.....	31,085,341	31,094,435	4,830,662,000	4,360,409,000

BANK DEBITS: Banks in twenty-nine Tenth District cities charged \$941,644,000 in checks to depositors' accounts during the four weeks' period ended July 3, \$44,828,000, or 5 per cent, more than in the preceding four weeks, and \$78,918,000, or 9.1 per cent, more than in the corresponding four weeks last year. Debits to individual accounts for the first twenty-six weeks this year aggregated \$5,745,895,000 as against \$5,195,032,000 during the like period in 1934. Only three reporting cities failed to show an increase for the half year.

PAYMENTS BY CHECK

(In thousands of dollars—000 omitted)

	FOUR WEEKS ENDED		TWENTY-SIX WEEKS ENDED	
	July 3, 1935	July 4, 1934	July 3, 1935	July 4, 1934
Albuquerque, N. M.....	\$ 10,967	\$ 7,947	\$ 60,303	\$ 48,701
Atchison, Kans.....	3,562	3,014	19,805	16,540
Bartlesville, Okla.....	21,896	18,362	129,397	125,356
Casper, Wyo.....	4,352	3,604	25,766	21,834
Cheyenne, Wyo.....	6,239	5,371	38,964	31,069
Colorado Springs, Colo.	12,273	9,670	69,765	63,531
Denver, Colo.....	131,731	110,394	805,852	710,350
Enid, Okla.....	8,412	12,491	49,008	50,156
Fremont, Nebr.....	2,550	1,889	14,323	13,006
Grand Junction, Colo.	1,987	1,600	13,377	10,407
Guthrie, Okla.....	1,423	1,044	9,322	8,014
Hutchinson, Kans.....	10,072	18,189	68,626	62,444
Independence, Kans.....	2,164	4,425	12,760	25,768
Joplin, Mo.....	7,437	6,586	47,234	42,306
Kansas City, Kans.....	10,919	9,847	68,302	59,580
Kansas City, Mo.....	260,890	241,122	1,626,574	1,480,068
Lawrence, Kans.....	2,995	2,850	18,398	17,429
Lincoln, Nebr.....	24,853	21,317	152,703	139,073
Muskogee, Okla.....	6,273	5,194	38,667	38,346
Oklahoma City, Okla.	89,181	76,834	479,277	430,439
Okmulgee, Okla.....	2,455	2,058	15,471	14,610
Omaha, Nebr.....	121,080	115,805	750,510	706,387
Pittsburg, Kans.....	2,967	2,843	20,643	18,425
Pueblo, Colo.....	12,388	13,936	79,232	79,301
Salina, Kans.....	6,885	8,974	46,018	43,063
St. Joseph, Mo.....	23,025	23,406	155,757	154,594
Topeka, Kans.....	14,640	12,618	94,568	80,647
Tulsa, Okla.....	102,361	79,876	600,477	503,077
Wichita, Kans.....	35,667	41,460	234,796	200,511

Total 29 cities.....	\$ 941,644	\$ 862,726	\$ 5,745,895	\$ 5,195,032
Total 270 cities, U. S.	33,398,892	29,107,928	197,920,531	184,287,223

SAVINGS: Total savings deposits reported by forty-five selected banks in leading cities of the District amounted to \$124,324,714 on July 1 as against \$123,501,772 on June 1 and \$113,243,917 on July 1, 1934. This was the sixth consecutive monthly increase in deposits. The number of depositors totaled 402,987 on July 1 as compared with 402,525 one month earlier and 391,201 on the like date last year.

BUSINESS FAILURES: There were eight more business defaults in the Tenth District in June, 1935, than in June, 1934, but, with this one exception, no June since 1920 has recorded fewer failures. Half-year defaults, numbering 238 this year against 253 last year, were, without exception, the smallest in fifteen years. The June, second quarter, and first half-year record of liabilities involved in Tenth District failures established new lows since 1920 for their respective periods of comparison.

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

Stores Reporting	SALES		STOCKS (RETAIL)		STOCK TURNOVER				ACCOUNTS RECEIVABLE		AMOUNTS COLLECTED		
	June 1935 compared to June 1934	Year 1935 compared to Year 1934	June 30, 1935 compared to June 30, 1934		June		Year		June 30, 1935 compared to June 30, 1934		June 1935 compared to June 1934		
			May 31, 1935	June 30, 1934	1935	1934	1935	1934	May 31, 1935	June 30, 1934	May 1935	June 1934	
Kansas City.....	4	17.3	8.4	— 9.0	—20.2	.30	.20	1.70	1.31	— 6.9	6.1	6.5	0.8
Denver.....	4	12.9	7.5	— 9.2	— 1.1	.31	.29	1.74	1.66	3.2	9.5	— 1.3	3.5
Oklahoma City....	3	— 2.7	— 1.9	— 7.3	— 6.2	.31	.30	2.06	2.09	— 2.5	— 4.4	— 6.8	Even
Tulsa.....	3	10.9	1.3	— 7.6	— 5.1	.35	.30	2.10	2.06	— 2.0	11.8	— 4.0	— 5.7
Wichita.....	3	12.9	13.0	— 3.2	3.4	.24	.23	1.67	1.58	— 1.2	6.0	3.8	3.8
Other cities.....	15	9.7	0.5	— 7.2	1.6	.23	.21	1.43	1.45	— 2.6	1.7	— 1.7	— 4.1
Total.....	32	11.2	4.6	— 8.1	— 5.6	.29	.25	1.70	1.57	— 1.4	4.8	— 0.5	0.1

NOTE: Percentage of collections in June on open accounts May 31, all stores reporting 43.3. Collections same month last year 43.4.

Numerically, June and first half-year failures in the United States were less than in any year since 1920, as was likewise true of indebtedness.

June and mid-year failures as reported by Dun and Bradstreet, Incorporated:

	TENTH DISTRICT		UNITED STATES	
	Number	Liabilities	Number	Liabilities
June 1935.....	48	\$ 216,195	961	\$ 20,463,097
May 1935.....	39	393,874	1,027	15,669,627
June 1934.....	40	936,652	1,033	23,868,293
Six months 1935.....	238	2,055,657	6,268	110,280,841
Six months 1934.....	253	3,599,744	6,577	151,793,760

Life Insurance

Reports to the Life Insurance Sales Research Bureau indicate sales of new paid-for ordinary life insurance in the seven states, whose areas or parts thereof comprise the District, declined 4.4 per cent from May to June, 23.9 per cent from June, 1934, to June, 1935, and 9.5 per cent for the first half of the year 1935 as compared to the same period in 1934. All seven states reported losses for June, with New Mexico the only state to report an increase for the six months' period.

The sales totals in thousands of dollars:

	June 1935	May 1935	June 1934	Six Months	
				1935	1934
Colorado.....	\$ 4,384	\$ 4,286	\$ 9,126	\$ 26,132	\$ 30,808
Kansas.....	4,686	5,086	6,260	30,878	34,158
Missouri.....	14,641	15,396	17,953	95,894	109,888
Nebraska.....	4,048	5,148	4,766	26,952	27,955
New Mexico.....	637	647	745	4,420	4,238
Oklahoma.....	5,627	5,126	5,996	33,874	34,017
Wyoming.....	790	724	922	4,351	4,722
Seven states.....	\$ 34,813	\$ 36,413	\$ 45,768	\$ 222,501	\$ 245,786
United States.....	490,268	500,380	556,379	3,255,496	3,240,358

Trade

RETAIL: Dollar sales of thirty-two department stores in the Tenth District declined by somewhat less than the usual seasonal amount from May to June and were 11.2 per cent larger than in June, 1934. Reflecting the lateness of the summer season and the postponement of purchases which are usually made in May, June sales, which ordinarily decline about 13 per cent, showed a loss of only 6.3 per cent, or less

than any year since 1927. Reports indicate that the improved demand for seasonal merchandise, stimulated by sales promotions, extended well into July.

Inventories declined 8.1 per cent between May 31 and June 30 and on the latter date were 5.6 per cent smaller than one year earlier and the lowest for the season in many years. Collections on open accounts during June, down 1 point from May but the same as a year ago, averaged 43.3 per cent of amounts receivable at the close of the preceding month. Collections on installment accounts also declined for the month but were slightly better than in June, 1934, averaging 14.9 per cent of amounts receivable this year as against 14.2 per cent last year.

According to preliminary estimates released by the Bureau of Foreign and Domestic Commerce, Department of Commerce, grocery chain store sales throughout the United States in June, 1935, were up 4 per cent and variety store sales were down less than one-half of one per cent as compared with June, 1934. Total sales of the former for the first six months of 1935 were about 4 per cent above and of the latter 1 per cent under those for the corresponding period of 1934.

WHOLESALE: Wholesale trade also held up slightly better than is usual at this season, the June dollar volume of five representative lines combined increasing 1.1 per cent as compared to May but declining 2.2 per cent as compared to June last year. Sales of dry goods, groceries, and drugs were smaller in June than in either the preceding month this year or the corresponding month last year, whereas sales of hardware and furniture were larger in June than in May with hardware showing a slight decline as compared with June, 1934. Cumulative comparisons for the year to July 1 show sales of groceries were 0.3 and furniture 4.6 per cent larger and of dry goods 15.2, hardware 6.5, and drugs 2.3 per cent smaller in the first six months of 1935 than in the like period of the previous year. Implement sales are considerably larger than a year ago with reports of dealers pressed for deliveries frequent.

Wholesalers of dry goods, groceries, and hardware reduced their stocks during June but inventories of furniture and drugs were enlarged. Stocks of hardware and furniture were somewhat smaller and those of dry goods, groceries, and drugs larger on June 30 this year than on the like date last year.

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

Stores Reporting	SALES		OUTSTANDINGS		AMOUNTS COLLECTED		STOCKS		
	June 1935 compared to June 1934		June 30, 1935 compared to June 30, 1934		June 1935 compared to June 1934		June 30, 1935 compared to June 30, 1934		
	May 1935	June 1934	May 31, 1935	June 30, 1934	May 1935	June 1934	May 31, 1935	June 30, 1934	
Dry goods.....	6	— 7.7	— 4.3	— 2.9	— 10.7	— 1.3	— 8.0	— 8.1	1.4
Groceries.....	4	— 0.9	— 7.4	— 2.9	4.1	— 0.9	— 9.5	— 12.4	12.1
Hardware.....	9	9.0	— 1.6	4.1	— 5.6	— 3.4	— 16.3	— 1.0	— 10.4
Furniture.....	3	23.3	59.9	10.8	— 0.3	— 2.7	9.5	0.6	— 19.2
Drugs.....	7	— 2.4	— 4.4	1.3	0.2	— 6.2	— 3.0	12.4	13.6

Lumber

According to reports received by this bank, June witnessed a decline in sales of lumber and other materials at 155 retail yards in the District. Lumber sales were down 6.3 per cent and dollar sales of all materials declined 15.9 per cent for the month. Sales of lumber were, however, 30.7 per cent and of all materials 35.6 per cent larger than in June, 1934, with lumber sales for the first six months this year 9.5 per cent above the same period last year. Inventories showed minor changes for the month and the twelve months. Collections during June, averaging 34.9 per cent of amounts receivable at the close of May, were not as good as in the preceding month but somewhat better than a year ago when the average was 31.4 per cent.

Comparative percentage changes in retail lumber trade at 155 yards:

	June 1935 compared to May 1935	June 1934
Sales of lumber, board feet.....	— 6.3	30.7
Sales of all materials, dollars.....	—15.9	35.6
Stocks of lumber, board feet.....	0.8	— 2.7
Outstandings, end of month.....	2.5	13.1

Building

Building departments in seventeen Tenth District cities, reporting to this bank, issued 1,695 permits for new construction, alterations, and repairs estimated to cost \$2,083,773 in June. This was 111 more permits than were issued in May this year and 592 more than were issued in June last year. Estimated construction costs, which declined 6.2 per cent for the month, exceeded the June, 1934, expenditures by \$1,087,940, or 109.2 per cent.

BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST	
	1935	1934	1935	1934
Albuquerque, N. M.....	74	58	\$ 72,848	\$ 134,710
Cheyenne, Wyo.....	45	26	113,531	13,282
Colorado Springs, Colo.....	29	28	26,645	14,585
Denver, Colo.....	363	226	425,351	215,135
Joplin, Mo.....	11	9	5,600	1,900
Kansas City, Kans.....	36	30	18,829	10,275
Kansas City, Mo.....	333	229	436,500	154,100
Lincoln, Nebr.....	148	96	70,923	36,537
Oklahoma City, Okla.....	133	79	255,875	50,164
Omaha, Nebr.....	109	96	189,857	136,569
Pueblo, Colo.....	51	46	11,707	12,719
Salina, Kans.....	17	6	25,760	1,440
Shawnee, Okla.....	11	6	17,600	1,500
St. Joseph, Mo.....	19	20	37,600	12,125
Topeka, Kans.....	64	37	100,560	20,365
Tulsa, Okla.....	49	62	178,268	162,579
Wichita, Kans.....	203	49	96,319	17,848
Total 17 cities, June.....	1,695	1,103	\$2,083,773	\$ 995,833
Total 17 cities, May.....	1,584	1,384	2,222,123	1,715,935
Total 17 cities, 6 months.....	8,134	6,104	9,369,720	6,332,169

Flour Production

Southwestern mills, reporting weekly to the Northwestern Miller, were operated at 58.6 per cent of full-time capacity during June, the same rate as a year ago. Production of flour for the month totaled 1,756,061 barrels, or 6.9 per cent less than in May and 3 per cent less than in June, 1934. During the first six months of 1935 these mills reported an output of 11,304,430 barrels of flour as compared with 10,975,108 barrels ground during the first six months of 1934. Production for the wheat year ended July 1 of 22,831,004 barrels exceeded that for the preceding wheat year by 1,439,225 barrels, or 6.7 per cent.

Flour production at the principal milling centers of the District in June and the wheat year, with comparisons:

	June 1935	May 1935	June 1934	Wheat Year 1934-1935	Wheat Year 1933-1934
Atchison.....	111,006	128,922	112,415	1,373,469	1,344,938
Kansas City.....	488,360	497,088	496,936	6,022,659	5,765,276
Omaha.....	104,061	113,628	111,344	1,320,454	1,230,238
Salina.....	138,076	154,930	141,397	1,795,515	1,663,891
Wichita.....	154,618	155,815	121,634	1,855,692	1,872,798
Outside.....	759,940	836,090	827,487	10,463,215	9,514,638
Total.....	1,756,061	1,886,473	1,811,213	22,831,004	21,391,779
*United States.....	4,773,545	5,957,434	5,059,077	62,276,574	62,768,191

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

Flour sales lagged during the greater part of June, buyers continuing a hand-to-mouth purchasing policy awaiting crop developments. A few round and large lots were sold toward the close of the month as quotations were advanced sharply in line with wheat but a fair number of widely scattered small sales for immediate shipment accounted for the volume. Prices, except for clears which were weak and hard to sell, advanced 65 cents per barrel the latter half of June and sagged off 15 cents the first week of July. Millfeed prices worked constantly lower as improved pastures reduced demand, closing quotations for bran showing a loss of \$4 and of shorts \$5.50 per ton for the month.

Grain Marketing

The crop year just closed was one of extremely light receipts of all classes of grain but corn at the five principal markets of the District. The general level of prices, up sharply from the previous year and the highest in several years, was well maintained. Drouth curtailment of production accounted for the diminished supplies of small grains, the enlarged receipts of corn, as compared to the previous year notwithstanding the 1934 crop was the lightest in forty years, being occasioned by heavy shipments from Iowa on contract. Marketings of wheat were by far the smallest on records dating back to 1919, receipts for the wheat year at the five markets totaling 71,907,509 bushels compared to 94,598,050 bushels during the 1933-1934 wheat year and 195,000,000 bushels as the average of the past ten years.

June marketings of all classes of grain were extremely light as compared to the ten-year average, receipts of wheat declining 70, corn 33, oats 75, rye 78, barley 88, and kafir 83 per cent. Corn was the only cereal to exceed the June, 1934, volume, increasing 53.8 per cent, whereas receipts of wheat were off 84.6 per cent, oats 6.5 per cent, and rye, barley, and kafir over 65 per cent. Reports indicate that although harvest, which is three to four weeks late, is in full swing and production above a year ago, new crop offerings of wheat, oats, rye, and barley are limited.

Receipts of grain at five Tenth District markets:

	Wheat Bushels	Corn Bushels	Oats Bushels	Rye Bushels	Barley Bushels	Kafir Bushels
Hutchinson.....	922,050	.....	.....	.....	.....	6,500
Kansas City.....	1,547,200	2,212,500	66,000	9,000	8,000	60,200
Omaha.....	613,813	420,000	94,000	.....	.....	.....
St. Joseph.....	48,000	258,000	64,000	.....	.....	.....
Wichita.....	856,500	9,100	.....	.....	1,300	3,900
June 1935.....	3,987,563	2,899,600	224,000	9,000	9,300	70,600
May 1935.....	3,786,364	2,449,150	456,600	24,000	8,000	62,600
June 1934.....	25,849,650	1,885,850	239,500	25,900	38,100	227,200
6 Mos. 1935.....	18,338,706	15,185,060	2,979,100	92,800	80,650	357,600
6 Mos. 1934.....	46,811,300	14,591,450	2,829,000	244,800	275,550	981,100

Wheat and rye prices reached their peak for the crop year in September, corn, oats, and barley in December, and kafir in February. Wheat prices held up well until the latter part o

May then experienced a sharp break which extended into June, but June closing prices were only little below opening quotations. Prices of oats, rye, and barley followed the same general course as wheat but corn and kafir have been independently strong although now lower than at any time since last October. July corn has at times sold on a par with wheat for the first time this crop year. With crop developments the dominating influence, wheat prices have fluctuated widely the past three weeks advancing and declining as much as 5 cents per bushel in a day, or the limit. Prospective large crops of oats, rye, and barley having depressed prices to low levels, changes in recent weeks have been relatively small. All grains but corn and kafir are selling well under a year ago.

Cash grain prices at Kansas City as of the dates indicated:

	July 15 1935	June 29 1935	May 31 1935	July 16 1934	July 15 1933	July 15 1932
No. 1 dark wheat, bu.....	\$.89	\$.88½	\$.89	\$.97½	\$1.07½	\$.41¼
No. 2 mixed corn, bu.....	.86	.84½	.85½	.61¾	.59½	.31½
No. 2 white oats, bu.....	.35	.41½	.38	.47	.44½	.19
No. 2 rye, bu.....	.53	.59	.60	.77	.96	.33
No. 2 barley, bu.....	.48	.54	.55	.62	.53	.27½
No. 2 kafir, cwt.....	1.40	1.80	1.99	1.18	1.45	.57

Marketings of hay were extremely light in June, Kansas City reporting receipts the smallest of record. Prices were changed to a new crop basis during the month but most of the new crop offerings were heated and therefore discounted. Trading was very quiet. Average prices paid at Kansas City during June were: alfalfa, \$8.36; prairie, \$13.91; and tame hay, \$12.50 per ton.

Crops

Crop estimates of the United States Department of Agriculture, based on July 1 conditions, forecast for this District larger yields of all crops than were harvested during the exceedingly poor crop year of 1934. Yields of spring wheat, oats, tame hay, wild hay, dry beans, and apples, peaches, and pears are expected to exceed the five-year, 1928-1932, average, final production of other crops, notably wheat, corn, and sugar beets, falling somewhat below the average. The same general returns are also forecast for the United States, barley, white potatoes, sweet potatoes, and sugar beets being added to the list of crops, yields of which promise to be above and peaches and pears below the average. Crop acreages remaining for

harvest in the District, with the exception of winter wheat, spring abandonment of which was unusually heavy, and of sugar beets, exceed the 1934 harvested acreage, the combined acreage increase for all crops being about 15 per cent, the same as for the United States.

The 1935 production of all wheat in the United States is forecast at 731,045,000 bushels as compared with 496,929,000 bushels harvested in 1934 and a five-year average (1928 to 1932) production of 860,570,000 bushels. Winter wheat production for the District is forecast at 152,764,000 bushels, spring wheat at 13,664,000 bushels, and all wheat at 166,428,000 bushels. These estimates indicate increases over 1934 for the District of 12,093,000 bushels of winter wheat, 10,122,000 bushels of spring wheat, and 22,215,000 bushels of all wheat. Total wheat production for the District will be about 45 per cent short of the five-year average. Colorado and Kansas will have less winter wheat this year than last but indications point to larger crops in the other five states, Nebraska showing the greatest improvement.

Last year's corn crop being almost a complete failure, this year's crop, estimated at 308,726,000 bushels for the District, is six times as large but 35 per cent short of the 1928 to 1932 average. The crop and its cultivation have made good progress but final yields will be determined by weather conditions between now and harvest. A majority of the acreage was planted about a month late and early planted fields became washed and weedy. The oats crop is unusually good. Hay prospects are above the average, first and second cuttings of alfalfa making heavy yields. The fruit outlook is much better than a year ago and above the average, the Colorado peach crop being exceptionally good and apples generally having a good set.

Weather conditions during the latter part of June and the first part of July were generally favorable for Tenth District crops, haying, harvesting, and the planting of corn and grain sorghums, but by the third week of July the soil was becoming dry and hard and in need of rain. There has been very little abandonment of spring planted crops and conditions indicate a below average abandonment this year. Harvest of small grains is nearing completion and, although good yields are

THE ESTIMATED PRODUCTION AND ACREAGE, HARVESTED OR REMAINING FOR HARVEST, OF CROPS IN THE UNITED STATES AND THE SEVEN STATES OF THIS DISTRICT, AS ESTIMATED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE, JULY 1 (In thousands of units, 000 omitted)

	ACREAGE FOR HARVEST				PRODUCTION					
	SEVEN STATES		UNITED STATES		SEVEN STATES			UNITED STATES		
	July 1	Revised	July 1	Revised	Indicated	Harvested	5-Yr.Av.	Indicated	Harvested	5-Yr.Av.
All wheat, bu.....	16,069	16,963	52,226	42,249	185,269	161,695	334,488	731,000	497,000	861,000
Winter wheat, bu.....	15,075	16,545	31,389	32,968	171,460	158,087	325,059	458,091	405,552	618,186
Spring wheat, bu.....	994	418	18,100	8,291	13,809	3,608	9,429	235,651	84,291	188,476
Corn, bu.....	22,214	18,494	93,590	87,795	379,643	75,176	590,390	2,044,601	1,377,126	2,562,147
Oats, bu.....	7,405	5,200	39,530	30,172	204,771	62,765	178,840	1,266,243	525,889	1,217,646
Barley, bu.....	1,741	999	12,957	7,095	34,846	10,091	40,383	316,850	118,348	282,841
Rye, bu.....	627	273	3,699	1,942	7,936	1,326	4,282	53,141	16,045	38,655
Flaxseed, bu.....	58	53	2,138	969	371	284	409	14,499	5,213	15,961
Tame hay, tons.....	7,982	7,075	53,010	51,828	11,696	6,405	11,259	74,538	52,269	69,591
Wild hay, tons.....	4,888	3,868	13,086	8,912	4,104	1,762	4,096	11,107	4,759	10,793
Alfalfa hay, tons.....	3,681	3,070	13,198	11,482	7,261	3,906	6,406	28,939	19,042	23,668
Clover and timothy, tons.....	1,760	1,723	20,629	20,454	1,816	1,031	2,645	25,656	15,966	30,501
White potatoes, bu.....	371	346	3,256	3,312	38,070	16,260	39,472	367,589	385,421	363,367
Sweet potatoes, bu.....	31	30	757	762	2,575	1,656	2,808	65,552	67,400	63,841
Dry beans, 100 lb. bags.....	818	268	2,047	1,399	2,884	663	2,290	13,119	10,369	11,858
Sugar beets, short tons.....	263	334	847	945	3,006	2,549	4,052	8,472	7,481	8,118
Tobacco, lbs.....	5	5	1,502	1,271	4,570	3,121	5,836	1,192,626	1,045,660	1,432,845
Apples, bu.....	-----	-----	-----	-----	9,257	5,496	7,220	170,232	120,670	161,333
Peaches, bu.....	-----	-----	-----	-----	3,728	2,558	2,263	52,870	45,665	56,451
Pears, bu.....	-----	-----	-----	-----	1,267	990	996	20,862	23,490	23,146

ESTIMATED PRODUCTION OF LEADING FARM CROPS IN THE UNITED STATES AND THE TENTH FEDERAL RESERVE DISTRICT
From Reports of the United States Department of Agriculture and State Boards of Agriculture, in Thousands of Units, 000 Omitted

	WINTER WHEAT		SPRING WHEAT		CORN		OATS		BARLEY		POTATOES		TAME HAY	
	July Est.	Yield	July Est.	Yield	July Est.	Yield	July Est.	Yield	July Est.	Yield	July Est.	Yield	July Est.	Yield
Colorado.....	1,834	3,760	5,670	2,016	20,683	3,368	5,075	2,280	7,215	3,024	13,175	5,700	2,047	1,164
Kansas.....	67,540	79,663	99	37	76,144	10,576	38,448	16,094	5,380	1,988	3,240	1,480	1,955	861
Missouri.....	22,788	21,266	39	15	85,994	26,482	35,568	13,585	1,320	220	3,760	1,380	2,685	1,510
Nebraska.....	40,460	15,008	6,264	830	163,628	21,363	82,708	8,568	17,112	2,700	11,700	3,450	2,938	1,421
New Mexico.....	700	561	312	150	3,718	1,088	700	345	222	120	490	490	322	283
Oklahoma.....	37,373	37,348	-----	-----	26,928	11,644	38,870	20,150	1,320	1,265	2,450	2,760	647	496
Wyoming.....	765	481	1,425	560	2,548	655	3,402	1,743	2,277	774	3,255	1,000	1,102	670
Seven states.....	171,460	158,087	13,809	3,608	379,643	75,176	204,771	62,765	34,846	10,091	38,070	16,260	11,696	6,405
Tenth District.....	152,764	140,671	13,664	3,542	308,726	53,194	174,156	50,782	34,000	9,900	34,753	14,816	9,305	4,994
United States.....	458,091	405,552	235,651	84,291	2,044,601	1,377,126	1,266,243	525,889	316,850	118,348	367,589	385,421	74,538	52,269

reported from some localities, threshing returns are spotted, with yields in some areas failing to fulfill earlier anticipations, wet weather and black and red rust having reduced yields materially since July 1.

Corn planting is completed but grain sorghums and broom-corn are still being planted in some areas. Broomcorn harvest has commenced in southern Oklahoma and is about two weeks earlier than usual. Potato digging is well under way in the Kaw Valley of Kansas and the Orrick district of Missouri. The crop is short, due to flood damage, and yields and quality are somewhat spotted. Demand is moderate, with cash prices to growers ranging from 75 to 77½ cents per hundredweight. Potatoes in the North Platte Valley and dry land districts of Nebraska are looking exceptionally good. Sugar beets are making good progress.

The cotton acreage under cultivation on July 1 this year and last is estimated, respectively, as follows: Oklahoma, 2,737,000 and 2,943,000; New Mexico, 110,000 and 100,000; Missouri, 325,000 and 319,000; and the United States, 29,166,000 and 27,883,000 acres. The increase for the nation is largely accounted for by a more liberal acreage allowance by the Agricultural Adjustment Administration to producers who signed reduction contracts. The 1935 acreage is with one exception, 1934, the smallest since 1905. In Oklahoma, which is the only major producing state to report a reduced acreage, a material part of the originally planted acreage was washed out and many fields were replanted two and three times. The crop is progressing very well, the condition ranging from poor in eastern Oklahoma to fair to good elsewhere. Fields are mostly clean. No official estimates of probable production will be made until August 8.

The farm carryover of wheat, corn, and oats is much smaller than last year or normally. Stocks of wheat on farms in the seven states of the District as of July 1 were estimated at 16,063,000 bushels this year and 22,411,000 bushels last year; corn 16,361,000 and 106,806,000 bushels; oats 6,807,000 and 14,779,000 bushels. The shortage was general, all states reporting substantial declines. Farm stocks of wheat in the United States were placed at 41,926,000, corn 202,459,000, and oats 70,492,000 bushels on July 1, 1935, as against 60,323,000, 474,370,000, and 107,577,000 bushels, respectively, so held on July 1, 1934.

Under the Agricultural Adjustment Administration announcement of July 8, adjustment benefit payments of 33 cents a bushel will be made to wheat farmers this year instead of the 29 cent minimum paid last year. The first payment of 20 cents a bushel will be made as soon as contracts are checked and the final payment of 13 cents will be made after local administrative costs have been determined and deducted.

Total payments will amount to approximately \$115,000,000 this year compared with \$110,000,000 last year. The 1935 payment is the last under the three year, 1933, 1934, and 1935, contract. The proposed new contract is to run for four years. First payments under the 1935 corn and hog contracts call for 15 cents a bushel on the average production of the retired acreage and \$7.50 per head on 10 per cent of the hog base, leaving 20 cents per bushel on corn and \$7.50 per head on hogs, less administrative costs, to be paid on or about January 1, 1936. Final 1934 sugar beet adjustment payments will be made at the rate of 75 cents a ton and the initial 1935 payment will be 80 cents a ton. Total adjustment payments for 1934 amounted to \$1.75 a ton and 1935 payments are yet to be determined by prices received by producers. The ginning tax on cotton has been fixed and announced by the Agricultural Adjustment Administration at 6 cents a pound.

Live Stock

The first six months of 1935 witnessed a rapid recovery in cattle values from the demoralizing conditions prevailing throughout the latter half of 1934; the reestablishment of 1930 hog prices, resulting in a more favorable corn-hog feeding ratio; and an unprecedented improvement in pastures, ranges, and feed prospects. Marketings of hogs were extremely light, falling 60 per cent below the ten-year average and establishing a low record for the six months' period at Tenth District markets. Receipts of cattle and sheep were moderately lower, being 11 and 9 per cent, respectively, below the average but marketings of calves were 23 per cent and of horses and mules 37 per cent above normal.

June receipts of all classes of live stock, at the six principal markets of the District, were considerably lighter than in the preceding month and, excluding slight increases in offerings of sheep and lambs and horses and mules, smaller than in June, 1934. The month's receipts of cattle were the lightest for any month in seventeen years of record, of calves since June, 1933, and of sheep and lambs since February this year. The peak movement having passed, monthly receipts of hogs established a new low for the six markets in June. Receipts of horses and mules totaled 6,250 head in June, 9,063 head in May this year, and 5,959 head in June, 1934.

PRICES: Cattle were mostly \$2 to \$3 per hundredweight higher at the close of June than on December 31, 1934, June prices being \$1 to \$1.50 below the year's best levels reached in April. Butcher hogs, also closing below the 1935 peak, were \$1.75 to \$2 per hundredweight higher and stock pigs were \$5 to \$5.25 higher than six months earlier. Lamb prices fluctuated widely, initial and final prices for the period being about unchanged.

Slack demand for meat, attributable in part to consumer resistance to prevailing retail costs, depressed all live stock prices in June. Cattle were down 50 cents to \$2 per hundred-weight, finished steers bearing the brunt of the downturn. New crop lambs were 25 to 50 cents, ewes 50 cents, and yearling sheep \$1 or more lower. Hog prices broke 50 cents to \$1 in June but a sharp upturn carried top sales to the \$10.50 mark at Kansas City on July 23, the highest since October, 1930.

Live stock on western ranges, which have staged a remarkable comeback after the 1934 drouth and have a good supply of feed, are generally in good condition. Both the calf crop and the lamb crop are smaller than usual but as cows and ewes have received adequate feed, calves and lambs are making good gains. A large number of cattle have been restored to pastures in the severe drouth areas. Few cattle have been offered for sale although inquiry is quite liberal, there being a tendency to hold back shipments in anticipation of better prices. Lamb contracting is almost at a standstill. Shearing is practically completed and wool has sold freely at above early season prices but under a year ago, sales ranging from 18 to 24 3/4 cents per pound, the majority being in the neighborhood of 20 cents per pound. Ranges in southeastern Colorado, western Kansas, eastern New Mexico, and the Oklahoma and western Texas panhandle are dry and short and in need of moisture.

Pastures in the Flint Hills of Kansas and the Osage country of Oklahoma are reported in excellent condition although somewhat weedy. Water supplies are sufficient but the pastures are in need of rain. Cattle have made rapid gains in recent weeks but as grass was late and the early growth washy, the general movement of these cattle to market is expected to be about a month later than usual. A few loads, mostly in stocker and feeder flesh, are now being offered.

JUNE 1 PIG SURVEY: Summarizing the results of its June 1 pig crop survey, the United States Department of Agriculture reports in part:

"A decrease of 20 per cent in the spring pig crop of 1935 from the very small spring crop of 1934; a prospective increase of 19 per cent in the number of sows to farrow in the fall season of 1935 over the small farrowings in the fall of 1934; a decrease of 10 per cent in total farrowings in 1935 from the total of 1934; and a marked reduction in the number of hogs over six months old on June 1 this year from a year earlier, are shown by the June 1 report. In all of the principal hog states, production in 1935 will be far below the maximum allowed under the Corn-Hog Adjustment Program."

These decreases, due largely to the 1934 drouth and an unfavorable corn-hog feeding ratio which prevailed until recently, fell most heavily in western and corn belt states, the 1935 spring pig crop in the seven Tenth District states declining 36.7 per cent as compared to the spring pig crop of 1934. Fall farrowings in the District will be increased 30.9 per cent, the indicated gains by states being: Kansas, 55; Nebraska, 50; Wyoming, 25; Missouri, 20; Oklahoma, 10; and Colorado, 5

per cent. New Mexico has a prospective loss of 5 per cent. The number of pigs saved and sows farrowed or to be farrowed, in thousands of head:

	PIGS SAVED				SOWS FARROWED			
	Spring		Fall		Spring		Fall	
	1935	1934	1934	1933	1935	1934	*1935	1934
Colorado.....	123	241	127	259	22	43	24	23
Kansas.....	959	1,581	562	1,616	155	267	153	99
Missouri.....	1,763	2,438	1,123	3,096	275	405	233	194
Nebraska.....	2,016	3,496	430	1,517	340	630	122	81
New Mexico.....	19	28	16	28	4	5	3	3
Oklahoma.....	341	463	299	695	59	82	59	54
Wyoming.....	20	39	13	28	4	7	3	2
Seven states.....	5,241	8,286	2,570	7,239	859	1,439	597	456
United States.....	30,402	37,807	15,522	29,668	5,021	6,473	3,175	2,657

*Number indicated to farrow from breeding intentions reports.

Meat Packing

Operations at Tenth District meat packing plants, as reflected by packers' purchases of live stock at the six principal market centers, direct purchases included, were somewhat lighter in all departments in June than in either May this year or June last year and also during the first six months of 1935 as compared to the first six months of 1934. The half-year slaughter of cattle, 25.1 per cent below a year ago, was 17.6 per cent below the ten-year average, whereas that of calves, 1.5 per cent under 1934, was 21.5 per cent above the average. Hog slaughter which declined 19.2 per cent from May to June, 68.8 per cent from June, 1934, and 56.4 per cent for the six months' period was smaller in June and the first six months of 1935 than in any month or six months' period of record, the June slaughter being 70 per cent and the half-year slaughter 60 per cent below normal. The slaughter of sheep and lambs, down 1.2 per cent as compared to June and 5.4 per cent for the half-year, fell 16.8 and 14.1 per cent, respectively, below the ten-year average for June and the six months' period.

According to the Federally inspected slaughter report issued by the Department of Agriculture, national slaughter of all classes of live stock declined in June and, with the exception of sheep, up 12.9 per cent, was below a year ago. Compared to June, 1934, cattle slaughter declined 28.2 per cent, calf slaughter 27 per cent, and hog slaughter 51.4 per cent. Swine numbers were the smallest for any month since September, 1917, any June since 1895, and first half-year since 1897. The June slaughter of cattle and calves was the smallest for the month since 1932 and that of sheep the second smallest since 1930.

Federally inspected slaughter of meat animals:

	Cattle	Calves	Hogs	Sheep
June 1935.....	669,253	4,39,134	1,828,279	1,420,679
May 1935.....	735,463	508,030	2,172,109	1,584,125
June 1934.....	931,970	601,332	3,763,455	1,258,628
Six months 1935.....	4,414,782	2,832,503	13,792,009	8,343,191
Six months 1934.....	4,880,463	3,169,620	23,255,855	7,475,231

JUNE MOVEMENT OF LIVE STOCK 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.....	80,659	20,460	*84,703	107,247	19,943	4,719	2,130	15,294	41,082	16,273	*78,647	79,909
Omaha.....	70,947	5,432	83,229	93,074	6,163	827	1,371	6,906	48,886	4,605	61,792	81,910
St. Joseph.....	17,565	6,700	49,255	66,024	1,950	207	1,439	1,385	14,906	6,400	45,878	63,838
Denver.....	18,833	2,530	13,915	229,180	5,802	762	1,168	4,811	11,341	1,816	10,506	27,171
Oklahoma City.....	32,621	5,668	14,534	15,542	.....	.....	.....	.....	20,274	3,642	12,469	9,536
Wichita.....	18,287	3,692	11,798	21,198	.....	.....	.....	.....	9,526	3,562	10,904	20,631
June 1935.....	238,912	44,482	257,434	532,265	33,858	6,515	6,108	28,396	146,015	36,298	220,196	282,995
May 1935.....	303,222	59,487	332,520	651,996	72,929	17,078	4,448	23,498	167,547	40,343	272,420	401,187
June 1934.....	368,724	68,962	817,005	525,144	37,619	3,920	11,310	45,842	236,486	62,259	705,292	286,337
Six months 1935.....	1,871,989	364,805	2,185,542	3,517,839	386,075	69,861	36,803	247,799	983,503	276,988	1,807,697	1,970,030
Six months 1934.....	2,175,732	334,057	4,836,233	3,683,891	294,282	45,998	46,513	304,363	1,312,783	281,320	4,143,896	2,081,448

*Includes 52,706 hogs shipped direct to packers' yards.

Cold Storage Holdings

Stocks of pork and lard being smaller on July 1 this year than for any like date since before the war, United States cold storage holdings of all meats and lard are at similar low levels despite the fact July 1 holdings of beef are the highest since 1930. Present stocks of all meats, Government holdings of drouth relief meat excluded, are 24.6 per cent and of lard 56.5 per cent smaller than a year ago and 33 per cent and 43.2 per cent, respectively, below the July 1 five-year average. Net withdrawals of pork during June amounted to 58,190,000 pounds as against normal withdrawals of 8,719,000 pounds, and inventories of lard, which usually increase, declined 5,115,000 pounds. The out-of-storage movement of beef was also larger than usual and holdings of lamb and mutton and miscellaneous meats declined, contrary to seasonal tendencies.

June witnessed an unusually heavy in-to-storage movement of butter, net accumulations amounting to 63,158,000 pounds as compared to 42,987,000 pounds a year ago and a five-year average of 55,895,000 pounds. Holdings of creamery butter now total 96,254,000 pounds, 26,106,000 pounds more than a year ago and are 4,956,000 pounds in excess of the five-year average. The in-movement of cheese was not quite as large as a year ago or as usual at this season. Egg holdings increased and poultry holdings declined seasonally for the month. The in-put of eggs was slightly larger than a year ago, with July 1 holdings of cased eggs 15.3 per cent below a year ago and 15.5 per cent below the five-year average. Holdings of poultry are 15.7 per cent larger than on July 1, 1934, and 14.7 per cent above the average.

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

	*July 1 1935	June 1 1935	July 1 1934	July 1 5-Yr. Av.
Beef, lbs.....	55,543	63,523	45,471	44,591
Pork, lbs.....	445,223	503,413	628,425	713,461
Lamb and mutton, lbs.....	2,374	2,818	1,450	2,354
Poultry, lbs.....	46,967	48,274	40,609	40,957
**Turkeys, lbs.....	13,836	14,258	8,385	6,698
Miscellaneous meats, lbs.....	52,666	57,049	61,228	68,852
Lard, lbs.....	84,871	89,986	195,135	149,526
Eggs, cases.....	7,591	6,366	8,965	8,984
Eggs, frozen (case equivalent).....	3,084	2,419	3,316	3,133
Butter, creamery, lbs.....	96,254	33,096	70,148	91,298
Cheese, all varieties, lbs.....	75,280	56,767	96,960	83,083

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

NOTE: Meats held for the account of the Federal Emergency Relief Administration are not included in the above. On May 1 these holdings, available for relief distribution, included 115,224,187 pounds of beef, 7,977,402 pounds of veal, and 5,572,183 pounds of mutton. All pork obtained through the hog-purchase program has been disposed of.

Petroleum

Enlarged field activity, increased production, record domestic consumption of gasoline, and steady crude oil prices distinguished the first six months of 1935 in the petroleum industry. Despite enhanced production, stocks of crude petroleum in the United States were somewhat smaller on June 1 than one year earlier.

The production of crude oil in this District during June, as estimated from the weekly reports of the American Petroleum Institute, was 22,680,000 barrels, a daily average of 756,000 barrels. This represents a decrease of 2 per cent in daily average production from the Bureau of Mines' figures for May and of 2.7 per cent from June a year ago. National production was slightly larger for the month and the year. Tenth District production for the first six months of 1935 is estimated at 135,680,000 barrels, 5,160,000 more than in the corresponding six months of 1934.

The estimated production figures, for June and the first six months of 1935 and 1934, are shown in the following by states:

	*June 1935 Barrels	May 1935 Barrels	June 1934 Barrels	*6 Mos. 1935 Barrels	6 Mos. 1934 Barrels
Oklahoma.....	15,423,000	16,215,000	16,509,000	91,885,000	92,844,000
Kansas.....	4,409,000	4,736,000	4,101,000	26,939,000	22,993,000
Wyoming.....	1,142,000	1,155,000	1,183,000	6,452,000	6,069,000
Colorado.....	120,000	123,000	88,000	778,000	523,000
New Mexico	1,586,000	1,675,000	1,418,000	9,626,000	8,091,000
Total.....	22,680,000	23,904,000	23,299,000	135,680,000	130,520,000
United States	80,764,000	82,454,000	80,040,000	474,611,000	448,680,000

*June estimated, American Petroleum Institute.

In the mid-continent area crude oil prices remain steady at schedules posted almost two years ago which range from 76 cents to \$1.08 per barrel per gravity basis. Prices of refined products, with the exception of kerosene, which was weak to lower, were steady to strong throughout June.

Field activity, with completions in the District more numerous and the number of rigs up and wells drilling greater than at any time since 1930, continues to reflect the demand for oil and the desire for greater crude oil reserves. Although operations are widely scattered, with many new locations of a "wild-cat" nature, no major discoveries have been reported but new pools in Kansas, New Mexico, and Oklahoma were opened or extended during the month.

Bituminous Coal

Reports of the United States Bureau of Mines reflect the June output of soft coal at mines in the Tenth District and the United States this year was somewhat larger than in either of the four preceding years. The June total for the six producing states of this District was 4.4 per cent larger than for May and 42.9 per cent larger than for June, 1934. Production for the calendar year to July 1 exceeded that for the like period last year by 1,471,000 tons or 19 per cent.

Production by states in tons:

	*June 1935	*May 1935	June 1934	Six Months *1935	1934
Colo.....	268,000	292,000	191,000	2,488,000	2,153,000
Kans. & Mo.	429,000	355,000	315,000	3,107,000	2,702,000
N. M.....	104,000	99,000	72,000	649,000	598,000
Okl.....	58,000	41,000	32,000	569,000	455,000
Wyo.....	361,000	382,000	244,000	2,406,000	1,840,000

Six states.....	1,220,000	1,169,000	854,000	9,219,000	7,748,000
U. S.....	30,264,000	26,790,000	25,877,000	189,091,000	182,308,000

*May and June estimated from the weekly reports of the United States Bureau of Mines.

Cement

June production of 987,000 barrels of finished Portland cement by mills in the Tenth District was the heaviest for any month since August, 1931, but shipments of 697,000 barrels were the lightest since March this year. Production was 5 per cent larger than in May and 15 per cent larger than in June, 1934, whereas shipments were 3.9 and 13.5 per cent, respectively, smaller. Stocks increased 290,000 barrels for the month to 2,367,000 barrels held at mills on June 30 this year, or 556,000 barrels more than twelve months earlier.

Production, shipments, and stocks of Portland cement as reported by the United States Bureau of Mines, Department of Interior:

	TENTH DISTRICT			UNITED STATES		
	Production	Shipments	Stocks	Production	Shipments	Stocks
June 1935.....	987	697	2,367	8,730	7,624	23,098
May 1935.....	940	725	2,077	8,222	7,428	21,991
June 1934.....	858	806	1,811	8,813	8,541	21,600
6 Months 1935	3,641	3,651	.....	33,642	31,926	.....
6 Months 1934	3,782	3,941	.....	37,115	35,165	.....

Zinc and Lead

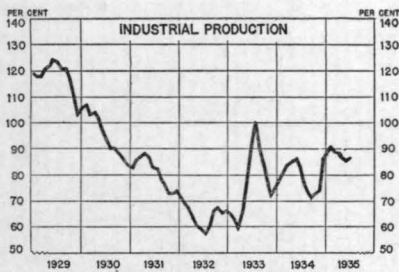
Resuming operations curtailed by the strike of mine, mill, and smelter workers called May 8, mines and tailing mills in the Tri-State district shipped 22,876 tons of zinc ore and 878 tons of lead ore during the four weeks' period ended June 29. Shipments, although considerably heavier than in the preceding four weeks, were substantially under a year ago, zinc ore deliveries declining 14.5 per cent and lead shipments falling off 80.3 per cent.

Despite the cessation of activities in May as a result of the strike, shipments of zinc ore for the first half of 1935 exceeded those of the first half of 1934 by 4.4 per cent but the lead ore tonnage showed a loss of 9.4 per cent. Prices of both classes of ore averaging lower this year than last, the combined value of deliveries declined 7 per cent.

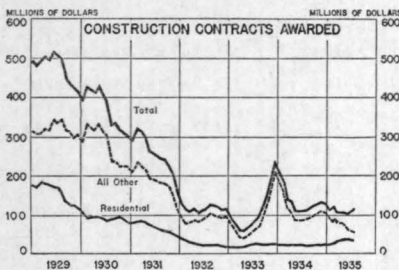
Shipments and value of zinc ore and lead ore from mines in Oklahoma, Kansas, and Missouri:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	16,891	\$ 464,414	593	\$ 22,968
Kansas.....	4,449	123,002	247	9,382
Missouri.....	1,536	41,942	38	1,446
4 Weeks ended June 29, 1935.....	22,876	\$ 629,358	878	\$ 33,796
4 Weeks ended June 1, 1935.....	7,521	195,546	503	18,108
4 Weeks ended June 30, 1934.....	26,749	703,630	4,462	189,788
26 Weeks ended June 29, 1935.....	161,591	4,227,965	16,244	567,232
26 Weeks ended June 30, 1934.....	154,812	4,377,759	17,931	780,991

Two \$2 per ton advances in lead ore and one \$2 per ton advance in zinc ore carried prices of those metals to \$40 and \$28 per ton, respectively, or the best levels of the year, in June. Zinc ore is now selling on the same basis as a year ago and lead ore is \$2.50 per ton higher.



Index of industrial production, adjusted for seasonal variation. (1923-1925 average=100.) Latest figure: June, 86.



Three month moving averages of F. W. Dodge data for 37 eastern states, adjusted for seasonal variation. Latest figure based on data for April and May and estimate for June: total, 117.8; residential, 42.9; all other, 74.9.



Indexes of the United States Bureau of Labor Statistics. (1926=100.) By months, 1929 to 1931; by weeks, 1932 to date. Latest figure, July 20: farm products, 77.2; foods, 82.0; other commodities, 77.9.

Business Conditions in the United States

By the Federal Reserve Board

Factory production declined seasonally in June, while output of mines increased. Employment and payrolls at factories showed more than seasonal declines. There was little change in the average level of wholesale prices, and a decrease in retail food prices.

PRODUCTION AND EMPLOYMENT: Daily average output at factories, according to the Federal Reserve Board's production index, declined by about the usual seasonal amount during June. Output of mines increased, and the Board's combined index of industrial production, which is adjusted for usual seasonal changes, advanced from 85 per cent of the 1923-1925 average in May to 86 per cent in June. Daily average output of automobiles and lumber increased in June, while activity at cotton mills, shoe factories, and meat packing establishments declined. Activity at steel mills declined seasonally during June, but, according to trade reports, increased after the first week of July. There were sharp increases in the production of anthracite and bituminous coal during June and output of crude petroleum was also larger than in May.

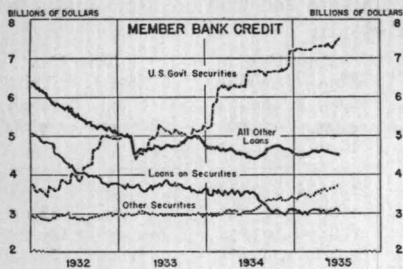
Factory employment and payrolls decreased between the middle of May and the middle of June. More than seasonal declines in employment were reported by producers of automobiles, clothing, shoes, and cotton fabrics, and employment at lumber mills also decreased, while the number of workers at woolen mills increased. In most other manufacturing industries changes in employment from May to June were largely seasonal in character. Employment and payrolls at mines increased considerably.

Daily average construction contracts awarded, according to reports of the F. W. Dodge Corporation, were larger in value in June and the first half of July than in May. Awards of residential building contracts were twice as large as a year ago, while contracts for public projects continued smaller than last year.

The Department of Agriculture July 1 estimates forecast corn and wheat crops larger than a year ago, but smaller than the five-year average for 1928-1932. Acreage of cotton in cultivation on July 1 was reported as about 5 per cent larger than at the same time last year.

DISTRIBUTION: Daily average loadings of freight on railroads increased during June, reflecting larger shipments of coal. Daily average value of department store sales showed little change from May to June, when a decline is usual, and the Board's seasonally adjusted index advanced from 76 per cent of the 1923-1925 average to 80 per cent.

COMMODITY PRICES: Wholesale prices of farm products and foods declined during June, while the prices of other commodities as a group showed little change. Retail prices of food, which have increased sharply in the two years ending last April, according to the index of the Bureau of Labor Statistics, declined somewhat in May and June.



Wednesday figures for reporting member banks in 91 leading cities. Latest figures are for July 17.

BANK CREDIT: Member bank reserve balances with the Federal reserve banks and excess reserves showed declines for the four weeks ending July 17, reflecting in large measure an increase in the balance of the Treasury with the Federal reserve banks following a sale of Treasury notes.

Total loans and investments of reporting banks in leading cities increased by \$260,000,000 during the five-week period ended July 17. Subscriptions by reporting banks to new security offerings by the Treasury exceeded retirement of bonds held by these banks, and consequently their holdings of direct obligations of the United States increased by \$200,000,000. Holdings of other securities increased by \$125,000,000, while loans declined by \$60,000,000. Government deposits with these banks were reduced by over \$200,000,000, while other deposits, exclusive of interbank balances, showed an increase of a similar amount.

Yields on Government securities declined slightly during this period, while other short-term, open-market money rates remained at low levels.