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

FEDERAL RESERVE BANK OF KANSAS CITY

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GENERAL business conditions in the Tenth Federal Reserve District showed some improvement in September, debits by banks to individual accounts increasing 8.5 per cent, retail trade 14 per cent, and wholesale trade 1.4 per cent. Building activity, which usually declines, expanded but the improvement did not extend to retail sales of lumber, which were lower. Sales of new paid-for life insurance declined. Business mortality continued at the lowest levels since 1920.

Flour mills enjoyed the most active demand for flour experienced in many months. Buyers, reconciled to higher prices and in need of flour, purchased freely, extending their commitments. At meat packing plants, beef slaughter increased seasonally and butcherings of hogs and sheep and lambs declined. Operations were reduced about half as compared to a year ago when large numbers of cattle and sheep were being slaughtered for the Government account. The output of bituminous coal increased by somewhat less than the customary seasonal amount and crude oil production declined about as usual.

Marketings of all classes of grain but rye were smaller and all species of live stock but hogs larger in September than in August. Receipts of wheat, oats, rye, and barley were considerably larger than a year ago or the ten-year average for the season but those of corn were the lowest of record. Compared to last year's heavy marketings, occasioned by the drouth, receipts of all species of live stock registered sharp declines, marketings of hogs being conspicuously small. All grain prices advanced during the month as was also true of sheep and lambs, but cattle and hogs closed lower. Live stock returns show a considerable improvement over last year.

Most row crops are backward and, although September weather conditions were quite favorable to development, an unusually early freeze in the northern half of the District the first week of October severely injured corn, grain sorghums, and dry beans. Hay and forage crops are plentiful except in a few drouth areas and stockmen are assured of an adequate supply of feed the coming winter. Recent rains over the greater part of the winter wheat belt have put the soil in good condition for seeding, and plant growth and early sown fields are up to good stands. In the dry areas of the southwest a large part of the intended acreage remains to be sown. Government restrictions being lowered, the acreage will be larger this year than last.

Member Bank Operations

Total loans and discounts of fifty-one reporting member banks in leading cities of the District increased \$2,014,000 during the four weeks' period ended October 9 to a new high for the year of \$208,608,000 as of that date. The increase was in "all other" loans as loans on securities dropped \$913,000

BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT

Percentages of Increase, or Decrease (—), for September 1935 over August 1935 and September 1934 and for the first nine months of 1935 over the like period in 1934.

	Sept. 1935 compared to		9 Months 1935 compared to
	Aug. 1935	Sept. 1934	9 Months 1934
Banking			
Payments by check, 29 cities.....	8.5	13.6	10.2
Federal Reserve Bank clearings.....	— 6.0	5.5	9.6
Business failures, number.....	24.0	—13.9	—11.1
Business failures, liabilities.....	107.9	3.1	—38.3
Loans, 51 member banks.....	1.0	— 2.6	.....
Investments, 51 member banks.....	2.3	10.0	.....
Net demand deposits, 51 member banks.....	1.8	13.7	.....
Time deposits, 51 member banks.....	— 0.6	— 6.6	.....
Savings deposits, 45 selected banks.....	0.9	8.0	.....
Savings accounts, 45 selected banks.....	0.1	2.2	.....
Distribution			
Wholesalers' sales, 5 lines combined.....	1.4	3.8	— 1.1
Retailers' sales, 31 department stores.....	14.0	— 0.9	5.4
Lumber sales, 155 retail yards.....	—11.5	26.5	24.0
Life insurance, written.....	—13.9	— 6.2	— 8.3
Building permits in 17 cities, value.....	55.5	278.5	87.0
Production			
Flour.....	5.3	— 2.3	2.5
Crude petroleum.....	— 5.9	7.4	5.6
Soft coal.....	17.4	—14.3	12.3
Zinc ore (shipped) Tri-State district.....	12.4	49.4	17.2
Lead ore (shipped) Tri-State district.....	—44.9	3.0	13.2
Cement.....	—35.2	— 6.0	— 2.9
Grain receipts, 5 markets			
Wheat.....	—38.6	140.0	— 5.5
Corn.....	— 8.6	—86.3	—55.8
Oats.....	—54.3	263.4	125.5
Live stock receipts, 6 markets			
Cattle.....	17.3	—44.1	—37.3
Calves.....	13.7	—58.2	—43.1
Hogs.....	— 8.4	—56.1	—56.5
Sheep.....	22.1	—31.6	—11.6
Horses and mules.....	22.9	—29.2	3.3
Meat packing, 6 markets			
Cattle.....	10.7	—51.3	—39.1
Calves.....	7.5	—56.2	—40.9
Hogs.....	—12.7	—59.5	—57.9
Sheep.....	—17.0	—34.1	— 8.0
Stocker and feeder shipments, 4 markets			
Cattle.....	37.3	— 5.6	—25.8
Calves.....	35.5	—14.3	3.6
Hogs.....	—15.8	—60.2	—39.6
Sheep.....	89.1	—28.5	—22.7

to a total of \$45,378,000, the lowest point in recent years. The banks enlarged their investment holdings \$9,216,000 during the period, holdings of United States Government securities increasing \$9,667,000 and securities fully guaranteed by the Government, both as to principal and interest, increasing \$1,495,000, whereas holdings of other securities were reduced \$1,946,000. The total of loans and discounts as of October 9 was 2.6 per cent smaller and that of investment holdings 10 per cent larger than on October 10, 1934.

Net demand deposits, up \$9,036,000 between September 11 and October 9, were \$63,027,000 larger on the latter date than one year earlier although \$27,694,000 smaller than on July 10 this year when they reached an all-time peak. Time deposits, which declined slightly in four weeks, were 6.6 per cent smaller on October 9 this year than on October 10 last year.

Principal resource and liability items of the fifty-one reporting banks, as shown by the consolidated weekly condition statements as of the three dates of comparison:

	Oct. 9, 1935	Sept. 11, 1935	Oct. 10, 1934
Loans and investments—total.....	\$615,084,000	\$603,854,000	\$583,858,000
Loans and discounts—total.....	208,608,000	206,594,000	214,208,000
Secured by stocks and bonds.....	45,378,000	46,291,000	56,488,000
All other loans and discounts.....	163,230,000	160,303,000	157,720,000
Investments—total.....	406,476,000	397,260,000	369,650,000
U. S. securities direct.....	240,612,000	230,945,000	242,892,000
Obligations fully guaranteed by the U. S. Government.....	48,145,000	46,650,000	.....
Other securities.....	117,719,000	119,665,000	126,758,000
Reserve with F. R. bank.....	100,633,000	103,049,000	84,988,000
Net demand deposits.....	522,227,000	513,191,000	459,200,000
Time deposits.....	155,343,000	156,335,000	166,292,000
Government deposits.....	11,505,000	10,340,000	19,643,000

Federal Reserve Bank Operations

Bills rediscounted by the Federal Reserve Bank of Kansas City and branches for member banks, as shown by the weekly condition statement of October 9, exhibited an increase of \$222,203 over the amount reported four weeks earlier, present holdings of \$403,791, although small, being larger than on any previous reporting date since February 28, 1934. Holdings of bills purchased were relatively unchanged in four weeks and industrial advances were reduced slightly. The total of United States securities held by this bank, virtually unchanged since March 13, exceeds that of October 10, 1934, by \$15,000,000, or 16.3 per cent.

Member banks' reserve deposits declined 3.9 per cent between September 11 and October 9 but on that date were 14.9 per cent larger than on October 10, 1934. Federal reserve note circulation, expanding \$3,381,400 in four weeks, is, with two exceptions, March 8 and 15, 1933, the highest of record, exceeding by \$18,015,850, or 15.5 per cent, the total as of October 10, 1934.

Changes in the principal items in four weeks and fifty-two weeks are reflected by the weekly condition statements shown in the following:

	Oct. 9, 1935	Sept. 11, 1935	Oct. 10, 1934
Total reserves.....	\$205,809,978	\$207,743,830	\$181,992,548
Bills discounted.....	403,791	181,588	180,592
Bills purchased.....	126,581	126,464	159,350
Industrial advances.....	1,102,982	1,134,972	172,911
U. S. securities.....	106,844,200	106,844,200	91,844,200
Total bills and securities.....	108,658,554	108,287,224	92,357,053
Total resources.....	348,462,035	352,925,224	305,373,421
F. R. notes in circulation.....	134,356,810	130,975,410	116,340,960
Member banks' reserve deposits.....	170,763,525	177,636,562	148,563,879

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

Bank Debits

Debits by banks to individual accounts, in twenty-nine cities of the Tenth District for the four weeks' period ended October 2, increased by 8.5 per cent over the total for the four weeks ended September 4 and were 13.6 per cent larger than the amount reported for the corresponding four weeks in 1934. The accumulated total of payments by check during the first thirty-nine weeks of 1935 was \$8,801,208,000, exceeding the total for the same period last year by 10.2 per cent.

PAYMENTS BY CHECK

	FOUR WEEKS ENDED		Per cent Change
	Oct. 2, 1935	Oct. 3, 1934	
Albuquerque, N. M.....	\$ 9,751,000	\$ 8,730,000	11.7
Atchison, Kans.....	3,357,000	3,203,000	4.8
Bartlesville, Okla.....	21,428,000	20,368,000	5.2
Casper, Wyo.....	4,582,000	4,081,000	12.3
Cheyenne, Wyo.....	6,720,000	5,485,000	22.5
Colorado Springs, Colo.....	12,589,000	11,871,000	6.0
Denver, Colo.....	134,421,000	118,968,000	13.0
Enid, Okla.....	11,214,000	8,879,000	26.3
Fremont, Nebr.....	2,291,000	2,257,000	1.5
Grand Junction, Colo.....	2,887,000	2,515,000	14.8
Guthrie, Okla.....	1,329,000	1,175,000	13.1
Hutchinson, Kans.....	13,221,000	10,111,000	30.8
Independence, Kans.....	1,988,000	3,801,000	-47.7
Joplin, Mo.....	8,467,000	7,315,000	15.7
Kansas City, Kans.....	9,760,000	10,080,000	-3.2
Kansas City, Mo.....	287,947,000	248,736,000	15.8
Lawrence, Kans.....	3,196,000	2,707,000	18.1
Lincoln, Nebr.....	23,810,000	21,710,000	9.7
Muskogee, Okla.....	6,614,000	5,694,000	16.2
Oklahoma City, Okla.....	81,170,000	67,906,000	19.5
Okmulgee, Okla.....	2,491,000	2,329,000	7.0
Omaha, Nebr.....	132,291,000	121,617,000	8.8
Pittsburg, Kans.....	3,189,000	2,891,000	10.3
Pueblo, Colo.....	11,788,000	12,518,000	-5.8
Salina, Kans.....	9,431,000	7,118,000	32.5
St. Joseph, Mo.....	27,305,000	26,252,000	4.0
Topeka, Kans.....	12,387,000	13,988,000	-11.4
Tulsa, Okla.....	97,880,000	81,266,000	20.4
Wichita, Kans.....	42,873,000	34,767,000	23.3
Total 29 cities, 4 weeks.....	\$ 986,377,000	\$ 868,338,000	13.6
Total 29 cities, 39 weeks.....	8,801,208,000	7,987,951,000	10.2
U. S. 270 cities, 4 weeks.....	31,842,316,000	26,194,368,000	21.6
U. S. 270 cities, 39 weeks.....	295,662,256,000	268,345,817,000	10.2

Reserve Bank Clearings

This bank and branches handled 5,376,451 checks aggregating \$840,919,000 for collection in September. These totals represent an increase for the month of 1.8 per cent in the number of items handled but a decrease of 6 per cent in the dollar volume. Compared to September, 1934, increases of 10.3 per cent in items handled and 5.5 per cent in the amount were recorded.

Check collections through the Federal Reserve Bank of Kansas City and branches at Omaha, Denver, and Oklahoma City:

	ITEMS		AMOUNT	
	1935	1934	1935	1934
September.....	5,376,451	4,875,082	\$ 840,919,000	\$ 797,292,000
August.....	5,280,320	4,860,092	894,135,000	818,078,000
Nine months.....	47,210,007	45,585,700	7,467,755,000	6,812,953,000

Savings

Fractional gains in savings deposits and in the number of savings accounts during September were reported by forty-five selected banks in leading cities of the District. Total savings deposits as of October 1 this year were 8 per cent larger than on the like date last year, whereas the number of depositors increased but 2.2 per cent.

Savings accounts and savings deposits reported by the forty-five banks as of October 1 with comparisons:

	Savings Accounts	Savings Deposits
October 1, 1935.....	404,604	\$125,700,677
September 1, 1935.....	404,309	124,581,314
October 1, 1934.....	396,082	116,408,625

Failures

Tenth District commercial failures in September numbered thirty-one, six more than in August, but the smallest for any September since 1920. Of this number, twenty-nine failures were listed as trading, one as manufacturing, and one as other-

RETAIL TRADE AT 31 DEPARTMENT STORES IN THE TENTH FEDERAL RESERVE DISTRICT

Stores Reporting	SALES		STOCKS (RETAIL)		STOCK TURNOVER				ACCOUNTS RECEIVABLE		AMOUNTS COLLECTED		
	Sept. 1935	Year 1935	Sept. 30, 1935	Sept. 30, 1934	September		Year		Sept. 30, 1935		September 1935		
	compared to Sept. 1934	compared to Year 1934	compared to	compared to	1935	1934	1935	1934	compared to	compared to	1935	1934	
Kansas City.....	4	2.7	10.1	10.7	—11.9	.33	.27	2.57	1.94	19.4	11.8	0.5	9.9
Denver.....	4	1.4	6.2	8.5	2.2	.33	.34	2.68	2.58	9.5	4.0	—1.7	9.7
Oklahoma City....	3	Even	0.1	12.0	6.2	.42	.43	3.12	3.11	19.2	3.6	Even	2.6
Tulsa.....	3	1.4	3.5	16.7	12.4	.40	.43	3.13	3.07	29.3	20.2	—5.0	10.9
Wichita.....	3	—2.7	10.4	7.5	7.0	.30	.35	2.45	2.42	16.4	2.7	—7.0	—4.0
Other cities.....	14	—3.9	2.2	7.7	2.1	.27	.29	2.17	2.16	12.6	0.9	—1.5	8.3
Total.....	31	—0.9	5.4	9.7	—0.4	.33	.32	2.58	2.37	14.7	5.4	—1.6	7.7

NOTE: Percentage of collections in September on open accounts August 31, all stores reporting 40.6. Collections same month last year 40.1.

commercial. The amount of liabilities involved totaled \$287,488, only slightly more than a year ago, at which time liabilities were the smallest of record.

In the United States, the number of defaults recorded was the smallest for any September since 1920, except 1934, and the amount of indebtedness about the same as for the past three years.

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

	TENTH DISTRICT		UNITED STATES	
	Number	Liabilities	Number	Liabilities
September 1935.....	31	\$ 287,488	806	\$ 21,837,926
August 1935.....	25	138,297	910	17,845,596
September 1934.....	36	278,952	790	16,440,147
Nine months 1935.....	329	3,008,980	8,915	170,411,124
Nine months 1934.....	370	4,876,960	9,208	206,019,327

Life Insurance

Life insurance sales in the seven states whose areas or parts thereof comprise the Tenth District totaled \$28,440,000 for the month of September, a decline of 13.9 per cent from August and 6.2 per cent under September last year. Sales for the first nine months of 1935 amounted to \$318,182,000 as compared with \$346,853,000 for the like period in 1934, the decrease in sales for the year being 8.3 per cent.

The sales totals by states, as reported to the Life Insurance Sales Research Bureau by companies representing 90 per cent of the total legal reserve ordinary life insurance outstanding in the United States:

	September 1935	August 1935	September 1934
Colorado.....	\$ 3,680,000	\$ 4,107,000	\$ 3,699,000
Kansas.....	3,923,000	4,757,000	4,274,000
Missouri.....	11,892,000	13,680,000	13,181,000
Nebraska.....	3,479,000	3,958,000	3,394,000
New Mexico.....	622,000	631,000	599,000
Oklahoma.....	4,196,000	5,026,000	4,621,000
Wyoming.....	648,000	856,000	549,000
Seven states.....	\$ 28,440,000	\$ 33,015,000	\$ 30,317,000
United States.....	413,716,000	456,397,000	399,687,000

Trade

RETAIL: Department store sales in September, as measured by the dollar volume of thirty-one reporting stores in cities of the Tenth District, increased 14.0 per cent from August, or less than the usual seasonal amount. As compared to September,

1934, a decrease of 0.9 per cent was recorded, owing partly to an unusually large volume of retail distribution at this time last year. Cumulative sales for the first nine months of 1935 as compared to the corresponding period in 1934 were consequently reduced 1 point, narrowing the increase to 5.4 per cent.

Stocks of merchandise were enlarged 9.7 per cent during September, or somewhat more than the normal seasonal increase, but were 0.4 per cent under September 30, 1934.

Collection percentages on open accounts remained practically unchanged, the ratio of collections during September to amounts receivable at the end of August being 40.6 per cent as compared to 41.5 per cent for the month of August and 40.1 per cent for September, 1934. Installment collection percentages averaged 14.1 per cent in September, 15.1 per cent in August, and 13.2 per cent in September last year.

WHOLESALE: Distribution of merchandise at wholesale, as indicated by the combined dollar volume of five representative lines reporting to this bank, increased 1.4 per cent during September and was 3.8 per cent larger than in September last year. The increase over last September was the third consecutive increase for 1935 over 1934 and reduced the decrease in cumulative sales for the first nine months of 1935 to only 1.1 per cent under the like period in 1934.

An analysis by individual lines shows that sales of dry goods and hardware declined, and groceries, furniture, and drugs increased as compared to August. All lines except dry goods and groceries showed increases over last September. Implement dealers reported a large increase in sales over last year, with collections on new business good but on old accounts past due as slow.

Cumulative sales for the first nine months of 1935 over the same period in 1934 show increases of 1.2 per cent for hardware, 17.3 per cent for furniture, and 2.1 per cent for drugs, whereas dry goods and groceries decreased 11.3 per cent and 2.2 per cent, respectively.

Merchandise inventories for the five lines combined increased 1.7 per cent from August 31 to September 30 and were 2.8 per cent larger than on September 30, 1934. Month-end stocks of dry goods and hardware decreased, both as compared to August 31, 1935, and September 30, 1934, whereas stocks of groceries, furniture, and drugs increased as compared to these reporting dates.

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

Stores Reporting	SALES		OUTSTANDINGS		AMOUNTS COLLECTED		STOCKS		
	Sept. 1935 compared to		Sept. 1935 compared to		Sept. 1935 compared to		Sept. 30, 1935 compared to		
	Aug. 1935	Sept. 1934	Aug. 31, 1935	Sept. 30, 1934	Aug. 1935	Sept. 1934	Aug. 31, 1935	Sept. 30, 1934	
Dry goods.....	5	—5.9	—4.4	8.9	—5.8	8.6	—7.9	—4.9	—10.0
Groceries.....	5	5.4	—2.7	8.0	9.4	—8.7	—11.1	10.4	8.2
Hardware.....	9	—4.1	5.5	1.2	Even	—6.0	10.4	—5.8	—6.3
Furniture.....	4	20.6	46.7	7.8	19.4	12.8	39.5	2.6	15.1
Drugs.....	7	3.3	8.6	8.1	6.8	—4.8	14.9	4.8	16.6

Lumber

Lumber sales at 155 reporting retail yards in the Tenth District declined 11.5 per cent in volume from August to September but were 26.5 per cent larger than last September. Dollar sales of all materials increased 3.5 per cent during September and were 28.6 per cent above a year ago.

Stocks of lumber on hand at the close of September were approximately the same as one month earlier but 5.1 per cent greater than one year earlier.

September collections averaged 39.6 per cent of amounts receivable at the close of August as compared to the August percentage of 42.4 and the September, 1934, percentage of 34.4.

September business at these yards is here compared with that for August and for September, 1934, in percentages of increase or decrease:

	September 1935 compared to	
	August 1935	September 1934
Sales of lumber, board feet.....	-11.5	26.5
Sales of all materials, dollars.....	3.5	28.6
Stocks of lumber, board feet.....	0.5	5.1
Outstandings, end of month.....	4.0	21.1

Reports to the National Lumber Manufacturers Association indicate that lumber production for the year to September 28 was 16 per cent above that for the same period in 1934. Shipments and orders booked to September 28 were about 6 per cent above the output for the same period and about 29 per cent above shipments and orders booked to September 29, 1934.

Building

Building departments of seventeen Tenth District cities issued 1,780 permits during September for an estimated expenditure of \$2,999,729. The number of permits issued and the estimated cost thereof was the greatest for any September since 1930. Compared to last September, permits increased by 55.2 per cent, with the estimated cost increasing 278.5 per cent. The number of permits issued this year to October 1 is 39.1 per cent, and the estimated expenditure 87.0 per cent, greater than for the same period of 1934.

BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST	
	1935	1934	1935	1934
Albuquerque, N. M.....	81	83	\$ 65,336	\$ 68,318
Cheyenne, Wyo.....	64	27	97,276	20,430
Colorado Springs, Colo.....	39	13	38,270	4,730
Denver, Colo.....	380	255	1,460,367	157,415
Joplin, Mo.....	16	22	141,150	12,700
Kansas City, Kans.....	28	35	19,265	26,510
Kansas City, Mo.....	248	192	322,100	152,000
Lincoln, Nebr.....	195	117	118,249	47,519
Oklahoma City, Okla.....	140	79	226,795	41,840
Omaha, Nebr.....	127	91	145,556	77,660
Pueblo, Colo.....	57	38	20,229	24,563
Salina, Kans.....	12	11	3,100	8,270
Shawnee, Okla.....	18	13	7,860	4,350
St. Joseph, Mo.....	27	12	13,265	14,880
Topeka, Kans.....	61	27	58,815	5,220
Tulsa, Okla.....	109	67	131,705	94,196
Wichita, Kans.....	178	65	130,391	31,874
Total 17 cities, September.....	1,780	1,147	\$ 2,999,729	\$ 792,475
Nine months.....	13,214	9,500	18,337,575	9,805,788

Flour Milling

Operations at Tenth District flour mills improved in September, running time averaging 65.9 per cent of full-time capacity as against 57.9 per cent in August. Production of flour for the month totaled 1,976,183 barrels, or 99,765 barrels more than in the preceding month, but 46,258 barrels less than in

September, 1934, and 197,000 barrels, or 9 per cent, less than the ten-year average for the month.

Flour buying was active throughout the month, millers averaging a better run of new flour business than for quite some time. A vigorous upturn in wheat and flour prices, with buyers reconciled to continued strength in the market, greater advances in premiums than in cash wheat quotations, and low stocks, particularly of bakery flour, were the compelling factors in the improved business. Several large sales were reported but the bulk of the business consisted of a multitude of small to 5,000 barrel orders. Shipping directions were good and bookings are further extended than for some time. Mill-feed returns were somewhat better than expected. Export trade was of a routine character.

Flour production at the principal milling centers of the District, as estimated from the weekly reports of southwestern mills to the Northwestern Miller:

	September 1935	August 1935	September 1934
	Barrels	Barrels	Barrels
Atchison.....	113,264	100,403	124,449
Kansas City.....	479,167	474,272	513,423
Salina.....	185,536	161,032	145,675
Wichita.....	178,540	180,698	165,230
Outside.....	1,019,676	960,013	1,073,664
Total.....	1,976,183	1,876,418	2,022,441
*United States.....	5,603,158	5,075,797	5,846,613

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

Millfeed demand was somewhat irregular for bran but generally good for shorts. Interest improved and prices strengthened late in the month as grains and high protein feeds advanced.

Grain Marketing

Receipts of all classes of grain but rye at the five principal markets of the District declined from August to September and, with the exception of corn and kafir, were substantially heavier than a year ago. Marketings of wheat, oats, rye, and barley exceeded the ten-year average for September, arrivals of wheat being the largest for the month since 1931, rye and barley since 1930, and of oats since 1925. Receipts of corn continued exceedingly light, the monthly total falling below a million bushels for the first time in fifteen years of record.

September receipts of grain at the five markets:

	Wheat	Corn	Oats	Rye	Barley	Kafir
	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels
Hutchinson.....	1,759,050	6,250	.....	.....	.....	16,900
Kansas City.....	8,230,400	405,000	728,000	105,000	172,800	35,000
Omaha.....	2,346,768	240,800	1,328,000	163,800	609,600	.....
St. Joseph.....	900,800	271,500	566,000	1,500	10,500	.....
Wichita.....	2,784,000	24,700	1,500	.....	.....	3,900
Sept. 1935.....	16,021,018	948,250	2,623,500	270,300	792,900	55,800
Aug. 1935.....	26,079,049	1,037,700	5,744,000	202,900	937,650	71,000
Sept. 1934.....	6,674,250	6,938,000	722,000	93,400	60,100	69,600
9 Mos. 1935.....	85,784,256	18,417,960	11,865,600	595,600	1,824,000	573,300
9 Mos. 1934.....	99,782,400	41,665,000	5,263,000	503,700	439,600	1,249,300

All grain prices advanced in September with the gains extending well into October, wheat displaying exceptional strength with premium margins widening.

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

	Oct. 15	Sept. 30	Aug. 31	Sept. 29	Sept. 30	Sept. 30
	1935	1935	1935	1934	1933	1932
No. 1 dark hd. wheat, bu.	\$1.09½	\$1.07	\$.99	\$1.04½	\$.85½	\$.47
No. 2 mixed corn, bu.....	.77½	.78½	.76½	.80½	.43½	.26
No. 2 white oats, bu.....	.30½	.31½	.29½	.56	.36	.18
No. 2 rye, bu.....	.53	.52	.47	.94	.65	.36
No. 2 barley, bu.....	.52	.51½	.49	.88	.45½	.22
No. 2 kafir, cwt.....	1.22	1.26	1.15	1.71	1.09	.58

Agriculture

CROPS: September weather was very favorable for the growth and maturity of late crops and October 1 indications were for somewhat higher yields of corn, tame hay, dry beans, tobacco, and sugar beets in the District than promised on September 1. Department of Agriculture estimates for grain sorghums, broom corn, white potatoes, sweet potatoes, peaches, and grapes were lowered slightly. Irrigated crops developed significantly.

Freezing temperatures the first week of October did considerable damage to late planted corn, of which there was a large acreage, growth was checked, and there will be a considerable quantity of soft corn this year as a result. Grain sorghums were also injured badly, the greater portion of the crop failing to mature. Colorado reported dry beans severely damaged by frost, with some fields in the east central and northeastern dry land areas a total loss.

Very little corn has been harvested to date as the crop is maturing later than usual. Sorghum feed is being cut and, although fodder tonnage ranges from normal to poor, grain yields will be very low. The acreage is much larger than usual this year. The harvest of broom corn is well advanced and production for the District is placed at 31,300 tons compared with 16,700 tons last year and 38,140 tons as the average for the five years, 1928 to 1932 inclusive. Abandonment has been heavy in the dwarf area with yields and quality low. Sugar beets give promise of the highest yields since 1930 and slicing has commenced. Oklahoma reports the condition of pecans October 1 at 69 per cent of normal, with production estimated at 20,000,000 pounds, a record crop, almost doubling last year's yield.

Cotton picking is under way but, as the crop is two to three weeks late, ginnings to date are the smallest reported in many years. In contrast to 1934, acreage abandonment has been light. Tenth District production of cotton is estimated at 622,000 bales this year against 263,000 bales last year.

The acreage of cotton remaining for harvest on October 1 and estimated production for the past three years (acreage and production in thousands, 000 omitted):

	ACREAGE FOR HARVEST			ESTIMATED PRODUCTION (500 lb. bales)		
	Oct. 1	Oct. 1	Oct. 1	Oct. 1	Final	Final
	1935	1934	1933	1935	1934	1933
Oklahoma.....	2,628	2,539	2,932	750	317	1,266
New Mexico....	108	92	84	85	89	94
Missouri.....	320	288	337	224	242	253
Three states....	3,056	2,919	3,353	1,059	648	1,613
United States....	28,652	27,241	30,036	11,464	9,636	13,047

Wheat seeding, well advanced in the eastern half of the District where soil conditions are good and early sown fields are up to a good stand, has been delayed in the western part of the wheat belt by a shortage of soil moisture, and much

of the intended acreage remains to be sown in that area. The eventual acreage for the District will be greater than a year ago as Government restrictions have been reduced and only 5 per cent of the base average under contract must be held out of production this year.

STOCKS OF GRAIN ON FARMS: Meager supplies of corn, triple the amount of oats, and slightly less wheat on farms in the District on October 1 this year as compared to the like date last year are disclosed by estimates of the United States Department of Agriculture. Stocks of wheat show a loss of 5.6 per cent, a heavy reduction in Kansas being offset in part by increases in the other major producing states. Holdings of old corn are very small in all states as last year's drouth resulted in a virtual crop failure throughout the District. The 1935 oats harvest being one of the best of record, farm stocks of this grain are extensively held.

Stocks of grain on farms in the seven Tenth District states and the United States on October 1, as estimated by the Crop Reporting Board of the United States Department of Agriculture, in thousands of bushels, 000 omitted:

	Wheat		Corn		Oats	
	1935	1934	1935	1934	1935	1934
Colorado.....	2,806	2,830	101	1,435	3,776	1,756
Kansas.....	20,695	30,286	227	12,649	30,189	12,392
Missouri.....	10,223	8,512	1,733	16,901	26,128	12,770
Nebraska.....	14,516	11,087	4,506	55,496	65,766	10,710
New Mexico....	259	107	9	156	597	124
Oklahoma.....	12,333	12,325	202	1,187	29,152	12,694
Wyoming.....	1,471	833	22	65	3,145	1,743
Seven states....	62,303	65,980	6,800	87,889	158,753	52,189
United States....	257,242	229,100	60,696	266,740	962,035	446,287

FARM LABOR AND WAGES: Higher farm wages and a closer adjustment of supply and demand of farm labor than have existed since 1931 are reported generally. Kansas reports wages as somewhat higher than a year ago but only about 50 per cent as high as in 1929, with a shortage of labor existing in some localities. Farm wages in Missouri are the highest since 1931. In Oklahoma the supply of farm labor is placed at 104 per cent of normal and the demand at 74 per cent, with the October 1 ratio of supply and demand standing at 141 per cent, the lowest since October, 1929, which ratio compares with 209 per cent a year ago.

PURCHASING POWER: The United States Department of Agriculture's index of the ratio of prices received by farmers to prices paid advanced 2 points between August 15 and September 15 to 86 per cent of the 1909-1914 average, or within 1 point of the previous high since June, 1930, established in February and April this year. The present ratio is 4 points above a year ago and 32 points above the lows of June, 1932, and February, 1933. The gain for the month in farm purchasing power was a two-way affair, the index of farm prices advancing 1 point to 107 per cent of pre-war and that of prices paid by farmers for commodities bought declining 1 point to

THE ESTIMATED PRODUCTION OF SEVEN TENTH DISTRICT CROPS, BASED ON THE OCTOBER 1 CONDITION

Reported by the United States Department of Agriculture, in thousands of units, 000 omitted, except broom corn

	CORN		TAME HAY		GRAIN SORGHUMS		BROOM CORN		SUGAR BEETS		DRY BEANS		WHITE POTATOES	
	Bushels		Tons		Bushels		Tons		Short Tons		100 Lb. Bags		Bushels	
	Est.	Final	Est.	Final	Est.	Final	Est.	Final	Est.	Final	Est.	Final	Est.	Final
	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934
Colorado.....	12,728	3,368	1,866	1,164	2,320	306	4,800	2,900	1,918	1,566	1,523	279	14,875	5,700
Kansas.....	33,313	10,576	1,840	861	15,665	3,615	2,800	1,500	-----	-----	36	-----	2,880	1,480
Missouri.....	85,994	26,482	2,941	1,510	1,958	833	-----	-----	-----	-----	-----	-----	3,854	1,380
Nebraska.....	124,874	21,363	2,856	1,421	4,260	148	5,000	-----	578	549	132	68	7,800	3,450
New Mexico....	3,861	1,088	330	283	5,460	1,694	5,500	2,500	-----	-----	450	66	525	490
Oklahoma.....	29,172	11,644	647	496	14,800	7,392	18,200	9,800	-----	-----	-----	-----	2,485	2,760
Wyoming.....	2,156	655	1,142	670	-----	-----	-----	-----	576	434	466	250	2,790	1,000
Seven states....	292,098	75,176	11,622	6,405	44,463	13,988	31,300	16,700	3,072	2,549	2,607	663	35,209	16,260
United States....	2,213,319	1,377,126	76,707	52,269	124,426	34,542	54,300	31,500	8,453	7,481	14,005	10,369	365,995	385,421

125 per cent of the 1909-1914 average. By commodity groups, prices of grains, truck crops, meat animals, dairy products, and poultry and eggs increased and those of cotton and fruits declined.

Live Stock

The six principal live stock markets of the Tenth District received the year's biggest run of cattle and calves in September. Commercial supplies of cattle were the largest for the month in five years although cattle numbers fell 44.1 per cent and calf numbers 58.2 per cent below the heavy marketings of a year ago when Government drouth relief purchases swelled arrivals. The seasonal movement of grass steers from Oklahoma and Kansas pastures reached its peak during the month, with indications that mid-October will probably mark the end of the movement. Most offerings were in good flesh and the general condition was the best and prices the most satisfactory in several years.

Hog receipts dropped 8.4 per cent as compared to August and 56.1 per cent as compared to September, 1934, to, June, 1935, excluded, the lowest monthly volume in sixteen years of record. Arrivals of sheep and lambs, the largest since April but the smallest for the month since 1922, were 31.6 per cent less than a year ago, no deductions for Government purchases of ewes in 1934 taken into consideration. The six markets received 12,094 horses and mules in September, 9,843 in August, and 17,079 in September, 1934.

Cattle and hog prices declined in September but lamb values advanced and the broad upturn from a year ago in all live stock prices was maintained. The slump in cattle prices was uneven, long fed cattle were scarce, and prices on best beefs held up fairly well but range cattle were in liberal supply and stocker and feeder values broke sharply. The month's top for beef steers at Kansas City was \$12 this year against \$10.60 last year and the advance in other grades, particularly stock cattle, was considerably more pronounced. Most of the break in hog prices, ranging from 50 to 65 cents per hundredweight, occurred the final week of the month in the face of small receipts. A light shipping demand and consumer resistance to prevailing prices depressed the market. The September top of \$11.65 was paid on September 4. The September, 1934, top was \$7.65. Range lambs commenced moving to market in volume and, with short supplies anticipated and offerings in good flesh, packers and feeders bought freely. Higher prices for wool and competitive meats were also strengthening influences and range lambs closed 65 cents and native lambs 25 cents higher. The top for native lambs was \$10 and for western lambs \$9.75 this year as against \$9.10 for both classes last September. Breeding ewes were in healthy demand at all times.

Hay supplies being large and forage crops having made remarkable growth the past six weeks, an abundance of cheap

live stock feed is assured and stockmen are encouraged to increase cattle feeding operations. A material increase is expected in all areas, particularly in the western corn belt states where drouth conditions compelled a great reduction in last year's operations. Shipments through public stockyards do not reflect the movement, the July to September outgo being the smallest of record, but the movement of cattle direct from growing areas and through auction markets has been heavy. Lamb feeding operations, however, are expected to show a substantial reduction with ultimate numbers the smallest in six years. A few of the 1934 drouth states may feed more lambs this year than last. Lamb feeding operations in Colorado and the Scottsbluff areas of Wyoming and Nebraska are expected to show reductions of 10 to 15 per cent from the small number fed last season.

According to the Division of Crop and Live Stock Estimates, fall and winter range and pasture feeds are good in western states with only limited areas having a short supply of feed. Pastures in western Kansas, western Oklahoma, and parts of southeastern Colorado and northeastern New Mexico are short and wheat pastures are late. Cattle and calves are in good flesh and above normal condition and the condition of sheep is the best since 1932. Grass fat cattle are moving to market, with the movement from those areas having an abundance of feed somewhat restricted. A large proportion of the lamb crop being fat, feeder lambs are scarce and most of them have been sold. Marketings of old ewes have been heavy with ewe lambs being retained for replacement purposes.

Meat Packing

Packers purchased more cattle and calves and fewer hogs and sheep at the six principal market centers of the District for slaughter in September than in August. Compared to the heavy operations of a year ago when many cattle and calves and old ewes were slaughtered for the Government account, cattle slaughter was off 51.3 per cent, calf slaughter 56.2 per cent, and sheep and lamb slaughter 34.1 per cent. Hog slaughter, direct purchases included, was 59.5 per cent under a year ago, 67 per cent below the ten-year average, and the lightest for any month of record.

Emphasizing the extraordinary shortage of hogs, the Government's report of live stock slaughtered under Federal meat inspection in the United States during September showed the September total was 12.9 per cent less than in August and 44.1 per cent below a year ago. The commercial slaughter was, with the exception of September, 1917, the smallest monthly total recorded in over thirty years. The commercial slaughter of cattle was the largest for the month since 1926, exceeding last year's total by 4 per cent and the ten-year average by 10.5 per cent. Calf slaughter, although slightly under a year ago, was 17 per cent above normal. Sheep and lamb slaughter was 4.7 per cent above a year ago and 9.6 per cent above the average.

SEPTEMBER MOVEMENT OF LIVE STOCK IN THE TENTH DISTRICT

	RECEIPTS			STOCKERS AND FEEDERS				PURCHASED FOR SLAUGHTER				
	Cattle	Calves	Hogs	Cattle	Calves	Hogs	Sheep	Cattle	Calves	Hogs	Sheep	
Kansas City.....	200,019	40,621	*81,902	95,056	77,499	14,933	3,306	38,010	77,514	26,453	*67,152	50,724
Omaha.....	149,347	14,179	66,424	216,984	50,536	3,699	839	80,220	82,726	10,480	50,637	118,668
St. Joseph.....	37,476	8,898	41,526	59,261	5,980	766	1,561	15,101	25,645	7,674	36,232	40,747
Denver.....	47,283	5,450	18,586	363,458	13,985	743	24	101,156	14,626	3,986	12,926	26,702
Oklahoma City.....	44,362	16,798	23,336	8,839	-----	-----	-----	-----	19,557	11,767	20,971	5,181
Wichita.....	26,426	7,702	13,644	4,194	-----	-----	-----	-----	10,016	3,964	12,882	3,643
September 1935.....	504,913	93,648	245,418	747,792	148,000	20,141	5,730	234,487	230,084	64,324	200,800	245,665
August 1935.....	430,369	82,378	267,926	612,265	107,801	14,860	6,802	123,939	207,829	59,853	230,011	296,034
†September 1934.....	903,833	223,999	558,995	1,093,490	156,847	23,501	14,406	328,127	472,922	146,803	495,369	372,975
Nine months 1935 -	3,106,068	594,977	2,969,579	5,449,697	678,344	109,972	55,277	653,184	1,605,970	447,438	2,448,881	2,806,985
†Nine months 1934 -	4,953,122	1,046,212	6,832,967	6,168,179	914,039	106,144	91,481	844,988	2,636,476	756,542	5,812,188	3,050,190

*Includes 36,841 hogs shipped direct to packers' yards.

†Receipts include Government drouth relief purchases of cattle, calves, and sheep.

Federally inspected slaughter of meat animals (compilations as supplied by the Bureau of Animal Industry are of commercial slaughter only, Government relief purchases being excluded):

	Cattle	Calves	Hogs	Sheep
September 1935.....	885,782	457,894	1,452,926	1,548,865
August 1935.....	875,070	472,184	1,667,540	1,665,449
September 1934.....	851,363	462,703	2,600,937	1,479,068
Nine months 1935.....	6,744,355	4,186,136	18,625,557	13,104,014
Nine months 1934.....	7,271,918	4,614,763	31,822,419	11,775,739

Cold Storage Holdings

Storage stocks of all classes of meat, lard, and eggs in the United States on October 1 were smaller than a year ago and the five-year average for the date. Cold storage holdings of lard showed a shrinkage of 64.7 per cent, miscellaneous meats 53.3, beef 48, pork 47, lamb and mutton 28.5, and eggs 6.8 per cent as compared to this time last year. Total meat inventories, representing a new low for any date since 1917, when official records commenced, were off 48 per cent for the year and were 41 per cent under the five-year average. Stocks of beef were 9.1, pork 46.1, lamb and mutton 44.9, eggs 12.6 per cent below and holdings of creamery butter and cheese were 23.7 and 10.7 per cent, respectively, above the average.

Holdings of beef, poultry, and cheese increased between September 1 and October 1, whereas stocks of all other commodities declined, net withdrawals of lamb and mutton being contra-seasonal.

Cold storage holdings in the United States on October 1, with comparisons, as reported by the Bureau of Agricultural Economics:

	*Oct. 1 1935	Sept. 1 1935	Oct. 1 1934	Oct. 1 5-Yr. Av.
Beef, lbs.....	48,145	47,292	92,575	52,975
Pork, lbs.....	277,711	325,249	524,220	515,045
Lamb and mutton, lbs.....	1,377	1,730	2,400	2,499
Poultry, lbs.....	39,498	34,911	55,262	48,016
**Turkeys, lbs.....	6,433	9,006	3,041	3,074
Miscellaneous meats, lbs.....	49,067	50,467	104,967	69,478
Lard, lbs.....	45,188	53,537	128,054	103,960
Eggs, cases.....	6,343	7,373	6,803	7,260
Eggs, frozen (case equivalent).....	2,838	3,217	2,856	2,784
Butter, creamery, lbs.....	148,666	156,855	125,047	120,178
Cheese, all varieties, lbs.....	114,917	105,851	127,363	103,846

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

NOTE: Meats held for the account of the Federal Emergency Relief Administration are not included in the above.

Coal

Production of bituminous coal in this District during September, as estimated from the weekly reports of the United States Bureau of Mines, was 1,540,000 tons, an increase of 17.4 per cent, or somewhat less than usual over August. Compared with production in September, 1934, there was a decrease of 258,000 tons.

Output at mines in the District during September and August this year and September, 1934:

	*Sept. 1935	Aug. 1935	Sept. 1934
	Tons	Tons	Tons
Colorado.....	446,000	379,000	573,000
Kansas and Missouri.....	435,000	390,000	478,000
New Mexico.....	93,000	104,000	109,000
Oklahoma.....	167,000	110,000	191,000
Wyoming.....	399,000	329,000	447,000
Total six states.....	1,540,000	1,312,000	1,798,000
Total United States.....	24,886,000	26,112,000	27,772,000

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

During the first nine months of 1935 mines in the District produced 13,228,000 tons of soft coal as against 11,775,000 tons mined in the first nine months of 1934, representing an increase of 1,453,000 tons, or 12.3 per cent.

Petroleum

The output of crude oil for the five oil producing states of the District, as estimated from the weekly reports of the American Petroleum Institute, averaged 724,700 barrels daily in September which, compared to the Bureau of Mines' estimates for August this year and September last year, reflect a reduction of 20,500 barrels per day for the month and an increase of 49,700 barrels per day over a year ago. Each of the five states shared in the increase for the year and, Colorado excepted, in the decrease for the month.

Gross and daily average production of crude oil in the five states and the United States is shown in the following:

	GROSS PRODUCTION		
	*Sept. 1935 Barrels	Aug. 1935 Barrels	Sept. 1934 Barrels
Oklahoma.....	14,460,000	15,357,000	13,861,000
Kansas.....	4,314,000	4,613,000	3,716,000
Wyoming.....	1,130,000	1,174,000	1,111,000
Colorado.....	136,000	134,000	110,000
New Mexico.....	1,701,000	1,822,000	1,448,000
Total five states.....	21,741,000	23,100,000	20,246,000
Total United States.....	82,073,000	84,816,000	75,810,000

	DAILY AVERAGE PRODUCTION		
	*Sept. 1935 Barrels	Aug. 1935 Barrels	Sept. 1934 Barrels
Oklahoma.....	482,000	495,400	462,000
Kansas.....	143,800	148,800	124,000
Wyoming.....	37,700	37,900	37,000
Colorado.....	4,500	4,300	4,000
New Mexico.....	56,700	58,800	48,000
Total five states.....	724,700	745,200	675,000
Total United States.....	2,736,000	2,736,000	2,527,000

*Estimated, American Petroleum Institute.

Posted prices for mid-continent crude oil, in effect for over two years, remain unchanged at schedules ranging from 76 cents to \$1.08 per barrel per degrees gravity.

Field operations continue active as companies endeavor to increase their reserves.

Zinc and Lead

Shipments of zinc concentrates by Tri-State mines and tailing mills for the five-weeks' period ended October 5 were 12.4 per cent larger than in the preceding five-weeks' period ended August 31 and 49.4 per cent larger than in the like period of 1934. Although more mills were in operation during September than at any previous time this year, a price deadlock between producers and smelters restricted sales. A number of mills voluntarily closed the final week of September in an effort to limit zinc ore production to a demand basis and surplus stocks were substantially reduced the following week as a result.

Lead ore deliveries, consistently below production, declined sharply in five weeks but showed a 3 per cent increase over the corresponding five weeks last year.

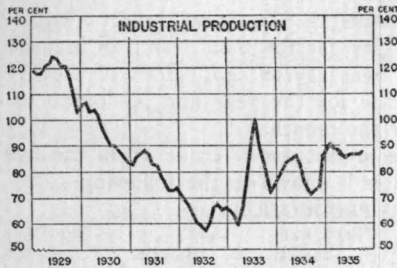
The tonnage and value of zinc ore and lead ore shipments from Missouri, Kansas, and Oklahoma:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	33,875	\$1,020,791	2,605	\$ 119,793
Kansas.....	8,131	246,048	764	34,674
Missouri.....	1,369	41,350	100	4,576
5 Weeks ended Oct. 5, 1935.....	43,375	\$1,308,189	3,469	\$ 159,043
5 Weeks ended Aug. 31, 1935.....	38,584	1,138,407	6,292	271,346
5 Weeks ended Oct. 6, 1934.....	29,042	711,180	3,369	120,599
40 Weeks ended Oct. 5, 1935.....	271,846	7,466,849	29,442	1,139,422
40 Weeks ended Oct. 6, 1934.....	231,944	6,426,875	26,008	1,076,687

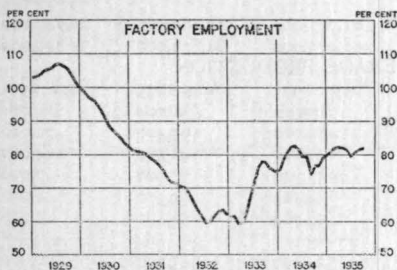
Zinc ore advanced \$1 and lead ore \$2 per ton to new highs for the year of \$31 and \$47 per ton, respectively. At this time last year zinc ore was bringing \$24 per ton and lead ore \$34 per ton.

Business Conditions in the United States

By the Board of Governors of the Federal Reserve System



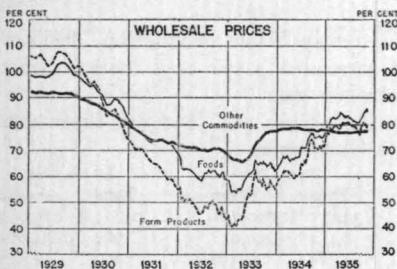
Index of industrial production, adjusted for seasonal variation. (1923-1925 average=100.) Latest figure: September, 88.



Index of factory employment, adjusted for seasonal variation. (1923-1925 average=100.) Latest figure: September, 81.9.



Indexes of daily average value of sales. (1923-1925=100.) Latest figures, September: adjusted, 82; unadjusted, 86.



Indexes of the United States Bureau of Labor Statistics. (1926=100.) By months, 1929 to 1931; by weeks, 1932 to date. Latest figures, October 19: farm products, 79.5; foods, 85.6; other commodities, 78.4.

Industrial production and employment increased in September and distribution of commodities to consumers was in larger volume, reflecting in part seasonal influences. The general level of wholesale prices showed little change.

PRODUCTION AND EMPLOYMENT: Output at factories and mines, as measured by the Board's seasonally adjusted index of industrial production, advanced from 87 per cent of the 1923-1925 average in August to 88 per cent in September, reflecting chiefly increases in the output of iron and steel, lumber, cotton and silk textiles, and anthracite, offset in part in the total by declines in the production of automobiles and woolen textiles. At steel mills activity increased from 49 per cent of capacity in August to 51 per cent in September and during the first three weeks of October continued at about the September level. At automobile factories a sharp decline in output during September, as preparations were made for new models, was followed in the early part of October by a rapid advance. Lumber production continued to increase in September. In the cotton textile industry, where output had been at a relatively low level since April, activity showed a marked increase in September and there was also an increase in output at silk mills, while at woolen mills, where activity has been at an exceptionally high level for several months, there was a decline.

Factory employment showed a seasonal increase between the middle of August and the middle of September. The number employed at foundries and in the lumber, non-ferrous metals, and machinery industries increased substantially, while in the automobile industry there was a considerable decline. At cotton mills employment showed a seasonal increase and at silk and rayon mills there was an increase of more than the usual seasonal amount, while employment at woolen mills and shoe factories declined.

The value of construction contracts awarded, as reported by the F. W. Dodge Corporation, was about the same in the six weeks ending October 15 as in the previous six weeks, reflecting an increase in residential building, partly of a seasonal character, and a slight decline in other types of construction.

DISTRIBUTION: Freight carloadings showed an increase of more than the usual seasonal amount in September and increased further in the first half of October. Department store sales also increased by more than the estimated seasonal amount in September, and for the third quarter the average of the Board's seasonally adjusted index was 80 per cent of the 1923-1925 average as compared with 75 per cent a year ago.

COMMODITY PRICES: The general level of wholesale commodity prices, as measured by the index of the Bureau of Labor Statistics, showed little change during September and the first three weeks of October. Prices of grains decreased in the middle of October, following a considerable advance, while prices of silk, hides, and copper increased throughout the period.

BANK CREDIT: Reserves of member banks continued to increase during the five weeks ending October 23, reflecting chiefly imports of gold from abroad. At the end of the period reserves in excess of legal requirements at \$2,930,000,000 were at the highest level on record.

At weekly reporting member banks in 91 leading cities adjusted demand deposits increased by \$40,000,000 during the four weeks ending October 16, while United States Government deposits declined and inter-bank balances rose to a new high level. Loans on securities decreased by \$40,000,000, while other loans, including commercial credits, increased by \$80,000,000.

Yields on both short-term and long-term Government obligations increased from the last week in August to the first part of October and subsequently declined. Other short-term open-market money rates remained at previous low levels.