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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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RAINS in late August and the forepart of September, while too late to alleviate materially the severe effects of drought on crop production in the District this year, improved somewhat the outlook for fall pastures and late forage crops, relieved the shortage of stock water over a wide area, and enabled farmers to proceed with fall plowing and the seeding of winter grains under more favorable conditions than had obtained previously. The need for more moisture, however, was general and in an extensive area centering in eastern Oklahoma, where the continued hot, dry weather had resulted in a marked decline in the condition of cotton and other crops in August, the drought had not yet been relieved. Heavy rains in Colorado and cooler weather in Wyoming and Nebraska largely accounted for the slight improvement in crop prospects in the northern and western portions of the District between August 1 and September 1.

Marketings of the principal grains declined in August, partly owing to seasonal influences, but the volume of wheat receipts was far below normal, reflecting to some extent the tendency of growers to withhold supplies for live stock feeding, and the volume of corn receipts continued small. Marketings of live stock generally increased seasonally, while hog supplies were seasonally smaller than in July and continued below normal. Forced liquidations of live stock, occasioned by the prospective small production of feed grains and by advancing feed costs, have not been as extensive as in 1934 or at as low price levels as prevailed two years ago. Prices of grains, cattle, and hogs advanced in August, while lamb prices declined.

Retail distribution at thirty-two department stores in the District increased by somewhat less than the usual seasonal amount in August and wholesale distribution showed a slight decrease contrary to the usual trend, although increasing 5.2 per cent as compared to a year ago. Lumber sales increased moderately, but building operations were less active. The volume of payments by check was seasonally smaller than in July and was 15.2 per cent greater than in August, 1935.

The production of flour, crude petroleum, and bituminous coal exceeded the levels of a year ago despite a contraseasonal decline in flour production during the month. Crude oil production continued at a high level although it normally declines at this season. Shipments of zinc ore increased and shipments of lead ore decreased, with shipments of both zinc and lead below a year ago. The slaughter of cattle and calves was at a high level during August but the slaughter of hogs and sheep was substantially below normal for the month.

Member Bank Operations

Loans and discounts of fifty-two reporting member banks in the Tenth District, following an increase of 6.9 per cent in July, showed little change between August 5 and September 9 at which time loans and discounts were 15.1 per cent greater than on September 11, 1935, reflecting principally an increase

BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT

In Percentages of Increase or Decrease

	Aug. 1936 compared to		8 Months 1936 compared to 8 Months 1935
	July 1936	Aug. 1935	
Banking			
Payments by check, 29 cities.....	- 9.2	+15.2	+14.1
Federal Reserve Bank check collections.....	-10.8	+ 4.5	+12.3
Business failures, number.....	+28.0	+28.0	- 3.7
Business failures, liabilities.....	+ 3.8	+39.1	+20.2
Loans, 52 member banks.....	+ 0.1	+15.1	.....
Investments, 52 member banks.....	- 5.7	+ 6.4	.....
Adjusted dem. depts., 52 member banks.....	+ 1.1	+ 9.4	.....
Time deposits, 52 member banks.....	- 0.1	- 0.1	.....
Savings deposits, 45 selected banks.....	+ 0.6	+ 3.3	.....
Savings accounts, 45 selected banks.....	Even	+ 2.5	.....
Distribution			
Wholesalers' sales, 5 lines combined.....	- 3.6	+ 5.2	+ 9.7
Retailers' sales, 32 department stores.....	+16.1	- 0.2	+ 8.0
Lumber sales, 158 retail yards.....	+ 7.8	+25.7	+34.8
Life insurance, written.....	-13.8	- 1.6	- 2.0
Construction			
Building contracts awarded, value.....	-52.6	-12.4	+64.0
Residential contracts awarded, value.....	- 2.5	+31.4	+60.8
Building permits in 18 cities, value.....	+14.1	+127.6	+71.2
Production			
Flour.....	- 1.7	+17.3	+ 2.4
Crude petroleum.....	+ 4.4	+15.5	+ 8.7
Bituminous coal.....	+19.5	+18.7	+17.1
Zinc ore (shipped) Tri-State district.....	+ 5.1	-15.8	+22.1
Lead ore (shipped) Tri-State district.....	-39.6	-38.6	+31.9
Cement.....	+ 0.6	+28.6	+25.5
Grain receipts, 5 markets			
Wheat.....	-79.8	-53.1	+50.5
Corn.....	-10.9	+160.6	+63.3
Oats.....	-12.1	-56.7	+23.6
Live stock receipts, 6 markets			
Cattle.....	+28.9	+14.2	+ 7.4
Calves.....	+51.1	+23.9	- 2.7
Hogs.....	-18.6	+46.5	+27.6
Sheep.....	+16.1	- 0.6	- 4.8
Horses and mules.....	+65.9	-11.4	-22.3
Meat packing, 6 markets			
Cattle.....	+28.4	+38.8	+20.8
Calves.....	+37.0	+30.9	+ 2.3
Hogs.....	-20.9	+39.3	+29.7
Sheep.....	- 5.8	-18.8	- 9.8

in commercial loans during the year. Investment holdings on September 9 had declined 5.7 per cent from the high level of the year five weeks earlier, reflecting chiefly a reduction in holdings of United States Government direct and guaranteed obligations, but were 6.4 per cent greater than a year ago, reflecting principally increases in holdings of direct Government obligations and in holdings of other securities. Reserve balances of these reporting member banks increased further and on September 9 were but slightly below the record high level reached on August 26 and 43.5 per cent above the level of September 11, 1935.

Adjusted demand deposits, which increased to a new high level for the year on August 12, subsequently declined and at

the close of the five-week period were only slightly larger than on August 5 but were 9.4 per cent greater than one year earlier. Time deposits showed little change. Balances held for domestic banks declined between August 5 and September 9 but had increased 20.4 per cent during the year.

The principal resource and liability items of the consolidated weekly condition statements of the fifty-two reporting banks, for the three dates of comparison:

	Sept. 9, 1936	Aug. 5, 1936	Sept. 11, 1935
Loans and investments—total..	\$677,575,000	\$703,372,000	\$619,810,000
Loans and discounts—total.....	242,491,000	242,215,000	210,715,000
Secured by stocks and bonds	51,366,000	51,388,000	47,040,000
All other loans and discounts	191,125,000	190,827,000	163,675,000
Investments—total.....	435,084,000	461,157,000	409,095,000
U. S. securities direct.....	252,408,000	270,564,000	234,557,000
Obligations fully guaranteed by the U. S. Government..	49,248,000	56,088,000	52,283,000
Other securities.....	133,428,000	134,505,000	122,255,000
Reserve with F. R. Bank.....	154,528,000	128,443,000	107,704,000
Demand deposits—adjusted.....	478,856,000	473,503,000	437,527,000
Time deposits.....	145,962,000	146,083,000	146,074,000
U. S. Government deposits.....	22,397,000	22,772,000	10,806,000
Inter-bank deposits:			
Domestic banks.....	410,544,000	429,425,000	341,048,000
Foreign banks.....	174,000	159,000	163,000

Reserve Bank Operations

Holdings of bills discounted for member banks and holdings of bills purchased continued in small volume during the five weeks ended September 9. Industrial advances increased fractionally between August 5 and September 9 while commitments to make industrial advances declined. The total of loans and commitments on September 9 was virtually unchanged from that five weeks earlier and was substantially below the total on September 11, 1935. Holdings of United States Government securities were unchanged during the five weeks at a level 15.1 per cent above that of a year ago.

Federal Reserve note circulation reached a new high level on September 9 which was 1.4 per cent above that of August 5 and 19 per cent above that of September 11, 1935. Member banks' reserve deposits increased further to \$229,974,032 on August 26 but subsequently declined slightly, although recording an increase of 16.5 per cent for the five-week period and of 28.2 per cent as compared to the corresponding date of last year.

The principal resource and liability items of the weekly condition statements of the Federal Reserve Bank of Kansas City and branches, for the three dates of comparison:

	Sept. 9, 1936	Aug. 5, 1936	Sept. 11, 1935
Total reserves.....	\$269,724,827	\$259,566,943	\$207,743,830
Bills discounted.....	59,714	87,785	181,588
Bills purchased.....	87,128	87,062	126,464
Industrial advances.....	905,415	897,898	1,134,972
Commitments to make industrial advances.....	390,077	396,517	1,174,500
U. S. securities.....	122,927,000	122,927,000	106,844,200
Total bills and securities.....	123,979,257	124,180,745	108,287,224
Total resources.....	431,759,110	422,699,879	352,925,000
F. R. notes in circulation.....	155,908,025	153,704,125	130,975,410
Member banks' reserve deposits	227,779,518	195,477,917	177,636,562

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

Reserve Bank Check Collections

The dollar volume of check collections through this bank and branches declined somewhat more than seasonally from July to August but exceeded the total for August of last year by 4.5 per cent, with the number of items handled showing an increase of 8.1 per cent. Check collections for the first eight months of 1936 increased 12.3 per cent in dollar volume and 14 per cent in the number of items compared to the first eight months of 1935.

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

	ITEMS		AMOUNT	
	1936	1935	1936	1935
August.....	5,707,494	5,280,320	\$ 934,125,000	\$ 894,135,000
July.....	6,387,366	5,467,895	1,047,059,000	902,039,000
Eight months..	47,670,632	41,833,556	7,442,818,000	6,626,836,000

Bank Debts

Banks in twenty-nine cities in the District reported debits to individual accounts during the five weeks ended September 2 as 9.2 per cent smaller than in the preceding five-week period but 15.2 per cent greater than in the corresponding five weeks in 1935. Check payments during the first thirty-five weeks of this year increased 14.1 per cent compared to the total for the first thirty-five weeks of last year.

PAYMENTS BY CHECK

	FIVE WEEKS ENDED		Per cent Change
	Sept. 2, 1936	Sept. 4, 1935	
Albuquerque, N. M.....	\$ 14,433,000	\$ 11,408,000	+26.5
Atchison, Kans.....	4,373,000	3,828,000	+14.2
Bartlesville, Okla.....	29,257,000	25,010,000	+17.0
Casper, Wyo.....	6,328,000	5,191,000	+21.9
Cheyenne, Wyo.....	8,974,000	8,109,000	+10.7
Colorado Springs, Colo.....	16,749,000	14,795,000	+13.2
Denver, Colo.....	186,240,000	158,060,000	+17.8
*Emporia, Kans.....	3,567,000	.....	.....
Enid, Okla.....	14,421,000	13,091,000	+10.2
Fremont, Nebr.....	3,205,000	2,734,000	+17.2
Grand Junction, Colo.....	3,883,000	2,840,000	+36.7
Guthrie, Okla.....	1,748,000	1,702,000	+ 2.7
Hutchinson, Kans.....	16,945,000	16,493,000	+ 2.7
Independence, Kans.....	2,850,000	2,572,000	+10.8
Joplin, Mo.....	10,170,000	9,587,000	+ 6.1
Kansas City, Kans.....	14,379,000	11,231,000	+28.0
Kansas City, Mo.....	375,498,000	343,118,000	+ 9.4
Lawrence, Kans.....	3,979,000	3,264,000	+21.9
Lincoln, Nebr.....	31,884,000	27,400,000	+16.4
Muskogee, Okla.....	8,375,000	7,204,000	+16.3
Oklahoma City, Okla.....	101,331,000	88,596,000	+14.4
Oklmulgee, Okla.....	2,755,000	2,825,000	- 2.5
Omaha, Nebr.....	181,481,000	153,197,000	+18.5
Pittsburg, Kans.....	4,086,000	3,483,000	+17.3
Pueblo, Colo.....	16,448,000	12,655,000	+30.0
Salina, Kans.....	10,549,000	10,079,000	+ 4.7
St. Joseph, Mo.....	34,076,000	30,972,000	+10.0
Topeka, Kans.....	21,143,000	18,944,000	+11.6
Tulsa, Okla.....	144,571,000	111,748,000	+29.4
Wichita, Kans.....	55,086,000	50,342,000	+ 9.4
Total 29 cities, 5 weeks.....	\$ 1,325,217,000	\$ 1,150,478,000	+15.2
Total 29 cities, 35 weeks.....	8,913,856,000	7,814,831,000	+14.1
U. S. 273 cities, 5 weeks.....	39,832,149,000	35,294,978,000	+12.9
U. S. 273 cities, 35 weeks.....	299,983,454,000	263,119,656,000	+14.0

*Not included in totals.

Savings

Savings deposits at forty-five selected banks in leading cities of the District showed a slight increase between August 1 and September 1 while the number of savings accounts showed little change. Savings deposits on September 1 were 3.3 per cent and the number of accounts 2.5 per cent greater than on September 1, 1935.

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

	Savings Accounts	Savings Deposits
September 1, 1936.....	414,490	\$128,662,108
August 1, 1936.....	414,380	127,862,084
September 1, 1935.....	404,309	124,581,314

Business Failures

Commercial failures in the Tenth District during August were slightly larger in number and in the amount of liabilities involved than in July or in August of last year but continued at the low

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

In Percentages of Increase or Decrease except Rate of Turnover

Stores Reporting	SALES		STOCKS (RETAIL)		STOCK TURNOVER				ACCOUNTS RECEIVABLE		AMOUNTS COLLECTED		
	Aug. 1936	Year 1936	Aug. 31, 1936	Year 1936	1936	1935	1936	1935	Aug. 31, 1936	Year 1936	July 1936	Aug. 1936	
	compared to Aug. 1935	compared to Year 1935	compared to July 31, 1936	compared to Aug. 31, 1935	August	Year	July 31, 1936	Aug. 31, 1935	compared to July 31, 1936	Aug. 31, 1935	compared to July 1936	Aug. 1936	
Kansas City....	4	- 8.3	+ 5.9	+ 9.7	+ 5.7	.29	.34	2.42	2.23	+ 0.6	- 0.8	-21.3	+ 0.6
Denver.....	4	+ 8.6	+11.5	+ 6.1	+10.2	.34	.35	2.46	2.36	+ 2.6	+ 4.8	-13.6	+10.0
Oklahoma City	3	+ 4.7	+ 8.6	+25.8	+10.9	.35	.36	2.78	2.70	+ 0.2	+ 9.3	-24.6	- 0.9
Tulsa.....	3	+ 7.3	+10.3	+19.7	+ 9.8	.34	.34	2.82	2.75	- 4.4	- 3.8	-17.5	+12.2
Wichita.....	3	- 2.7	+ 4.6	+34.4	+12.4	.28	.28	2.21	2.15	- 3.3	- 1.0	-24.7	- 3.1
Other cities.....	15	- 7.8	+ 6.0	+16.0	+ 5.9	.22	.24	2.00	1.89	- 4.6	- 1.6	-19.9	+ 2.2
Total.....	32	- 0.2	+ 8.0	+13.3	+ 8.1	.29	.32	2.38	2.25	- 0.7	+ 1.9	-18.6	+ 4.6

NOTE: Ratio of collections during month to regular accounts outstanding end of preceding month: August 41.8; July 45.1; August 1935, 42.0.

level of business insolvency which has prevailed generally the past two years. The number of failures for the first eight months of 1936 was below that for the same period in 1935 but there was a slight increase in the amount of liabilities involved during the eight months.

Business failures reported by Dun and Bradstreet, Incorporated:

	TENTH DISTRICT		UNITED STATES	
	Number	Liabilities	Number	Liabilities
August 1936.....	32	\$ 192,000	655	\$ 8,271,000
July 1936.....	25	185,000	639	9,904,000
August 1935.....	25	138,000	884	13,266,000
Eight months 1936.....	286	3,260,000	6,608	105,348,000
Eight months 1935.....	297	2,712,000	7,859	118,756,000

Life Insurance

Sales of new paid-for ordinary life insurance in the seven states in the District declined further during August and fell slightly below the total of sales in August, 1935. Sales for the first eight months of the year decreased 2 per cent compared to sales in the first eight months of 1935.

Life insurance sales 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:

	August 1936	July 1936	August 1935
Colorado.....	\$ 4,415,000	\$ 4,374,000	\$ 4,107,000
Kansas.....	5,101,000	5,439,000	4,757,000
Missouri.....	12,793,000	15,326,000	13,680,000
Nebraska.....	3,844,000	4,533,000	3,958,000
New Mexico.....	758,000	1,054,000	631,000
Oklahoma.....	4,754,000	5,858,000	5,026,000
Wyoming.....	817,000	1,097,000	856,000
Seven states.....	\$ 32,482,000	\$ 37,681,000	\$ 33,015,000
United States.....	451,612,000	512,738,000	456,397,000

Trade

RETAIL: The dollar volume of sales at thirty-two reporting department stores in leading cities of the District increased by somewhat less than the usual seasonal amount during August and was fractionally smaller than in August, 1935, reflecting in part the continuation of high temperatures this year past the time when more seasonable weather for distribution prevailed a year ago. The decline in sales as compared to last August was the first decrease recorded this year and reduced the cumula-

tive gain for the first eight months of 1936 to 8 per cent over sales in the first eight months of 1935.

Stocks of merchandise increased 13.3 per cent from July 31 to August 31, or somewhat more than the usual amount, and were 8.1 per cent larger than a year ago. August collections on regular thirty-day accounts averaged 41.8 per cent of amounts outstanding at the close of the preceding month compared to a ratio of 45.1 per cent in July and 42.0 per cent in August of last year. Installment collections averaged 13.8 per cent in August, 14.2 per cent in July, and 14.6 per cent in August, 1935.

WHOLESALE: The combined sales volume of five representative lines reporting to this bank indicated a slight slackening in wholesale distribution in the District from July to August contrary to seasonal trends but an increase of 5.2 per cent over last August. Sales of dry goods and furniture increased during the month, while there was a decrease in sales of groceries, hardware, and drugs. All lines but drugs showed an increase over a year ago. During the first eight months of the year, the combined sales volume increased 9.7 per cent, reflecting an increase in sales of dry goods of 4.7 per cent, groceries 8.6 per cent, hardware 14 per cent, furniture 17.6 per cent, and drugs 8.6 per cent compared to the first eight months of 1935.

Stocks of merchandise were increased 4.5 per cent during August and at the close of the month were approximately the same amount greater than one year earlier. There was a fractional decrease in hardware stocks during the month but other lines showed increases and only furniture and groceries failed to show an increase in stocks during the year.

Lumber

Sales of lumber in board feet at 158 reporting retail yards in the District increased further during August and dollar sales of all materials, which had shown a decline the past three months, increased slightly. Board feet sales were 25.7 per cent greater than in August of last year and during the first eight months of 1936 increased 34.8 per cent as compared to the first eight months of 1935.

Stocks of lumber at the close of August were slightly smaller than one month earlier but were somewhat larger than a year ago. Outstandings increased moderately from July 31 to August 31 when the total was 23.2 per cent greater than on August 31, 1935. Collections declined in August, averaging 41.5 per

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

In Percentages of Increase or Decrease

Stores Reporting	SALES		OUTSTANDINGS		AMOUNTS COLLECTED		STOCKS		
	Aug. 1936	Year 1936	Aug. 31, 1936	Year 1936	Aug. 1936	Year 1936	Aug. 31, 1936	Year 1936	
	compared to July 1936	compared to Aug. 1935	compared to July 31, 1936	compared to Aug. 31, 1935	compared to July 1936	compared to Aug. 1935	compared to July 31, 1936	compared to Aug. 31, 1935	
Dry goods.....	5	+24.7	+ 0.5	+10.8	- 6.2	+ 9.0	+18.4	+ 6.3	+14.8
Groceries.....	5	- 5.7	+14.8	+ 3.4	+ 0.2	+ 6.7	+17.5	+ 7.8	- 5.2
Hardware.....	9	-15.5	+ 1.3	- 5.7	- 5.6	-18.6	+12.1	- 0.5	+ 3.6
Furniture.....	3	+15.3	+16.1	- 0.8	+17.8	- 8.6	+ 0.3	+ 3.1	- 6.6
Drugs.....	7	- 5.8	- 3.1	+ 0.4	- 1.9	-10.1	- 4.0	+ 1.8	+10.7

cent of amounts outstanding at the close of the preceding month compared to a ratio of 46.4 per cent in July and of 42.4 per cent in August of last year.

August business at the 158 reporting yards in percentages of increase or decrease:

	August 1936 compared to	
	July 1936	August 1935
Sales of lumber, board feet.....	+ 7.8	+25.7
Sales of all materials, dollars.....	+ 2.9	+ 2.9
Stocks of lumber, board feet.....	- 1.4	+13.4
Outstandings, dollars.....	+ 5.9	+23.2

Building

The value of residential construction contracts awarded in the Tenth District in August, according to statistics compiled by the F. W. Dodge Corporation, was slightly smaller than in July but was somewhat larger than in any August since 1931. The total value of construction contracts, however, was down sharply in August and was below that in the same month of the two preceding years, although increasing 64 per cent during the first eight months of 1936 compared to the first eight months of 1935. The cumulative value of residential awards has increased 60.8 per cent this year compared to last year.

The value of construction contracts awarded, as reported by the F. W. Dodge Corporation:

	RESIDENTIAL		TOTAL	
	Tenth District	United States	Tenth District	United States
Aug. 1936.....	\$ 2,213,300	\$100,522,500	\$ 6,198,200	\$ 275,281,400
July 1936.....	2,269,500	72,093,700	13,082,000	294,834,500
Aug. 1935.....	1,684,571	40,528,300	7,076,281	168,557,200
8 Mos. 1936..	17,873,971	507,510,800	78,686,604	1,799,918,800
8 Mos. 1935..	11,116,111	297,149,400	47,993,633	1,024,716,400

Construction permits and the estimated cost thereof in eighteen cities in the District increased during August and were at the highest level for the month since 1929 in the number of permits issued and since 1931 in estimated expenditures. The number of permits issued during the first eight months of this year was 14.9 per cent and the value was 71.2 per cent greater than during the first eight months of 1935.

BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST	
	1936	1935	1936	1935
Albuquerque, N. M.....	85	85	\$ 198,239	\$ 60,015
Cheyenne, Wyo.....	58	26	57,541	37,420
Colorado Springs, Colo.....	49	35	61,140	14,247
Denver, Colo.....	575	353	1,893,372	326,923
Hutchinson, Kans.....	85	110	61,865	33,700
Joplin, Mo.....	19	15	17,250	24,990
Kansas City, Kans.....	36	39	26,185	16,315
Kansas City, Mo.....	188	259	233,200	337,300
Lincoln, Nebr.....	141	144	69,280	123,568
Oklahoma City, Okla.....	173	169	1,042,396	250,315
Omaha, Nebr.....	147	107	227,152	144,335
Pueblo, Colo.....	39	33	16,994	7,295
Salina, Kans.....	18	17	27,241	18,391
Shawnee, Okla.....	9	9	14,725	4,025
St. Joseph, Mo.....	41	23	28,840	126,280
Topeka, Kans.....	88	56	135,375	70,520
Tulsa, Okla.....	94	85	117,415	197,553
Wichita, Kans.....	188	150	181,187	143,908
Total 18 cities, August.....	2,033	1,715	\$ 4,409,397	\$ 1,937,100
Eight months.....	13,990	12,171	26,716,346	15,608,287

Flour Milling

Flour milling operations in the District, which usually increase somewhat in August, continued at about the same rate as in July and production declined slightly with one less producing day. Milling operations averaged 70.9 per cent of full-time capacity in August, 69.5 per cent in July, and 57.9 per cent in August, 1935. Production was 2.1 per cent above the average for August during the past ten years and exceeded the

output a year ago by 17.3 per cent. Cumulative production for the year to September 1 increased 2.4 per cent compared to the total for the first eight months of last year.

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

	August 1936	July 1936	August 1935
	Barrels	Barrels	Barrels
Atchison.....	135,190	149,778	100,403
Kansas City.....	529,153	505,734	474,272
Salina.....	210,670	211,379	161,032
Wichita.....	222,841	215,866	180,698
Outside.....	1,102,385	1,155,666	960,013
Total.....	2,200,239	2,238,423	1,876,418
*United States.....	6,138,800	6,156,775	5,222,632

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

Flour sales in the southwest, after attaining a substantial volume in July when the wheat market advanced, declined considerably during August as buyers who had not already contracted for future requirements adopted a hand-to-mouth policy to satisfy immediate needs while awaiting a decline in prices. Routine small lot orders characterized the month's business. Shipping directions were slow but bookings were reported the heaviest in several years. Flour prices at the Kansas City market advanced slightly during the forepart of August but later declined to close below opening quotations. Bran prices weakened with an improvement in prospects for fall feed while prices of shorts advanced owing mainly to a heavy demand for hog and pig feeding because of high corn prices.

Grain Marketing

Receipts of wheat at the five principal markets in the District during August were sharply lower than in July, when the seasonal movement of the new crop had reached its peak, and were slightly less than half the total of receipts in August, 1935, when the seasonal movement was at its height last year. The decline in wheat receipts to 42.8 per cent of the average volume for August during the past ten years also reflected in part the tendency of growers to hold supplies for live stock feeding because of the prospective small production of feed grains this year. Marketings of corn declined further and, although showing an increase over the low level of receipts a year ago, represented but 64.5 per cent of the August ten-year average. Marketings of oats, rye, and kafir were above but of barley somewhat below the average volume. Cumulative receipts for the year to September 1 were substantially heavier for all grains than during the first eight months of 1935.

Receipts of grain at the five markets:

	Wheat	Corn	Oats	Rye	Barley	Kafir
	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels
Hutchinson.....	1,455,300	.....	1,500	.....	2,500	.....
Kansas City.....	6,393,600	1,110,000	388,000	40,500	150,400	138,600
Omaha.....	2,268,800	1,297,800	1,520,000	176,400	408,000	.....
St. Joseph.....	622,400	292,500	548,000	60,000	21,000	1,500
Wichita.....	1,489,500	3,900	27,000	5,200	1,300	28,600
Aug. 1936.....	12,229,600	2,704,200	2,484,500	282,100	583,200	168,700
July 1936.....	60,669,927	3,033,450	2,826,000	64,200	286,000	146,100
Aug. 1935.....	26,079,049	1,037,700	5,744,000	210,700	937,650	71,000
8 Mos. 1936.....	104,964,737	28,529,818	11,632,000	697,500	2,268,950	1,043,900
8 Mos. 1935.....	69,763,238	17,469,710	9,409,500	331,600	1,031,100	517,500

Cash grain prices at the Kansas City market, which had advanced sharply in July, increased further until the third week in August but subsequently declined somewhat to close the month with small net gains. During the first two weeks of September, prices of wheat, corn, oats, and kafir recovered a part of their decline from the high point reached on August

19. At the close of August, all grain quotations were considerably above the levels of a year ago, with wheat and corn above the levels prevailing two years ago.

Cash grain prices at Kansas City:

	Sept. 15 1936	Aug. 31 1936	Aug. 19 1936	July 31 1936	June 30 1936	Aug. 31 1935
No. 1 hard, dk. wheat, bu.	\$1.19	\$1.17½	\$1.23½	\$1.16½	\$.94½	\$.99
No. 2 mixed corn, bu.....	1.14½	1.10½	1.18	1.09½	.65½	.76½
No. 2 white oats, bu.....	.46½	.46	.49	.45	.32	.29½
No. 2 rye, bu.....	.90	.92	.95	.87	.59	.47
No. 2 barley, bu.....	.89	.90	.93	.84	.52	.49
No. 2 white kafir, cwt.....	1.85	1.77	2.00	1.64	1.23	1.15

Agriculture

CROPS: The continuation of drought and hot weather, which had damaged crops in the District extensively in July and earlier in the season, resulted in a further slight decline in prospects in Kansas and Missouri and a rather marked decline in Oklahoma and New Mexico during August, partially offset by little or no further deterioration in Nebraska and Wyoming and by a considerable improvement in prospects in Colorado following heavy rains early in the month. The most marked decline in crop prospects during August occurred in grain sorghums, broomcorn, cotton, sweet potatoes, and tobacco which are important in those states where growing conditions were the least favorable during the month, while the indicated production of corn, barley, sugar beets, white potatoes, dry beans, apples, peaches, and pears in the District increased slightly, reflecting principally the favorable growing conditions which prevailed in Colorado and to a lesser extent in Nebraska and Wyoming. Crops in irrigated areas generally showed good improvement during the month.

Rains in late August and the first two weeks of September, although too late to help most crops, improved somewhat the outlook for fall pastures and forage crops, relieved the shortage of stock water, and conditioned the soil over a wide area for plowing and the seeding of fall grains which had proceeded slowly because of insufficient soil moisture. Much more rain was needed, however, to give average prospects to the 1937 crop of winter wheat, and in an extensive area centering in eastern Oklahoma the drought had not yet been broken.

Crop production in the seven states whose areas or parts thereof comprise the Tenth District and in the United States, as estimated by the Department of Agriculture on September 1, in thousands of units:

	SEVEN STATES			UNITED STATES		
	Sept. 1 1936	Final 1935	5-Yr. Av. 1928-32	Sept. 1 1936	Final 1935	5-Yr. Av. 1928-32
Winter wheat, bu.	230,391	163,053	324,606	519,097	464,203	622,252
Spring wheat, bu.	6,902	9,106	9,506	111,144	159,241	241,312
All wheat, bu....	237,293	172,159	334,112	630,241	623,444	863,564
Corn, bu.....	107,189	260,533	575,646	1,458,295	2,291,629	2,553,424
Oats, bu.....	101,766	186,597	176,977	776,661	1,196,668	1,215,102
Rye, bu.....	4,716	7,209	3,820	27,095	58,928	38,212
Barley, bu.....	17,723	29,731	38,839	144,847	282,226	281,237
Gr. sorghums, bu.	20,205	31,674	39,137	58,850	97,823	97,760
Tame hay, tons....	7,993	10,813	11,055	62,997	76,146	69,533
Wild hay, tons....	2,496	4,325	4,077	7,197	11,338	10,719
Broomcorn, tons..	20	34	40	39	63	47
Sugar beets, tons..	3,673	2,976	4,052	9,056	7,908	8,118
Cotton, bales.....	543	819	1,428	11,121	10,638	14,667
White potatoes, bu.	27,853	40,689	40,452	311,951	387,678	372,115
Sweet potatoes, bu.	1,720	2,800	2,805	67,594	83,198	66,368
Dry beans, bags....	1,767	2,093	2,290	10,771	13,799	11,858
Tobacco, lbs.....	3,465	4,150	5,836	1,142,887	1,296,810	1,427,174
Apples, bu.....	3,602	8,910	7,220	105,856	167,283	161,333
Peaches, bu.....	1,441	3,639	2,263	43,873	52,808	56,451
Pears, bu.....	437	1,365	996	23,914	22,035	23,146
Grapes, tons.....	9	20	20	1,875	2,455	2,200

While production this year is much below the average and, with the exception of winter wheat and sugar beets, below that in 1935, the September 1 estimates of the Department of

Agriculture indicated that greater quantities of all crops except cotton and fruit will be harvested in this District than in the drought year of 1934. The estimates placed the yield per acre of thirty-three important crops combined at 61 per cent of the 1921-1930 average in Kansas, 56 per cent in Missouri, 48 per cent in Oklahoma, 99 per cent in New Mexico, 72 per cent in Wyoming, 42 per cent in Nebraska, 86 per cent in Colorado, and 82.8 per cent in the United States.

Fruit prospects in the District have not been favorable this year except in Colorado because of frost damage in April, and drought had already reduced the production of feed grains, hay, broomcorn, sugar beets, potatoes, and dry beans substantially below the average in July. The eventual yields of white potatoes, grain sorghums, and dry beans, which were benefited by recent rains, are now largely dependent on a late frost. Late cuttings of alfalfa have generally been light and of poor quality and pastures were furnishing little feed to live stock.

The prospective yield of cotton in Oklahoma declined severely during August as a result of the extremely hot, dry weather which caused excessive shedding of squares and young bolls and prevented the full development, as well as forcing the premature opening, of bolls remaining on the plants. Moisture in Oklahoma has been deficient since planting time and rains now would damage the open cotton. The September 1 condition of 24 per cent was the lowest of record and abandonment since July 1 had amounted to 11 per cent of the planted acreage in contrast to 0.6 per cent in Missouri, 1.8 per cent in New Mexico, and 2.9 per cent in the United States.

Cotton acreage and production, estimated by the Department of Agriculture, in thousands of units:

	ACREAGE FOR HARVEST		INDICATED PRODUCTION (Bales)		
	Sept. 1 1936	Sept. 1 1935	Sept. 1 1936	Aug. 1 1936	Final 1935
Oklahoma.....	2,290	2,628	239	465	567
Missouri.....	349	320	204	287	177
New Mexico.....	109	108	100	101	75
Three states.....	2,748	3,056	543	853	819
United States.....	29,720	28,652	11,121	12,481	10,638

FARM PRICES: The Department of Agriculture index of prices received by farmers for farm products advanced from 103 per cent of the pre-war, 1909-1914, average on May 15 to 124 per cent on August 15, reflecting principally increases in the price of grains, truck crops, dairy products, and poultry and poultry products the past three months. The index of prices paid by farmers advanced much less rapidly, increasing from 121 to 126 per cent of the average, and the ratio of prices received to prices paid advanced from 85 per cent of the pre-war level on May 15 to 98 per cent on August 15. On August 15, 1935, the index of prices received stood at 106 per cent of the average, prices paid at 125 per cent, and the ratio at 85 per cent of the pre-war level. The price indexes for all commodities except meat animals have increased during the year.

Live Stock

MARKETINGS: Receipts of cattle, calves, and sheep at the six principal live stock markets in the District were seasonally larger in August than in July, reflecting the movement of grass fat cattle and range lambs to market and some liquidation because of advancing feed costs, while receipts of hogs, including direct shipments to packers, showed a seasonal decline. Marketings of cattle and calves were approximately of normal proportions for the month but arrivals of sheep were 15.8 and hogs 44.8 per cent below the average volume during the past ten years. Receipts of cattle, calves, and hogs were heavier and of sheep lighter than in August, 1935, with cattle

and hogs showing increases and calves and sheep decreases for the first eight months of 1936 compared to receipts for the first eight months of last year. Marketings of horses and mules totaled 8,719 head in August, 5,255 head in July, and 9,843 head in August, 1935.

PRICES: Cattle and hog values at the Kansas City market advanced during August while lamb prices declined. The spread between prices of grain-fed and pasture-fed cattle widened materially, the former closing 25 to 50 cents per hundredweight higher and the latter about the same amount lower than at the opening of the month. Grain-fed steers reached a top of \$9.50 on August 24, the highest since April but well below the top of \$12.50 last January, and fed heifers sold up to \$9.35, the highest price this year. A year ago the top price for beef steers was \$11.85 and for heifers \$10.75. Stocker and feeder cattle prices were unchanged to 25 cents higher. Hogs closed the month with a net gain of about 45 to 65 cents after light and butcherweights had reached \$11.55 on August 18 as compared to a top price of \$12.00 in August, 1935, and of \$7.80 in August, 1934, when values were at the highest level for each of the two preceding years. Stock pigs were 25 to 50 cents lower. Lamb prices reflected a deterioration in quality resulting from the hot, dry weather, closing about 75 cents lower. The month's top of \$10.25, however, was the highest for any August since 1929. Hog prices declined the first two weeks of September while lamb and cattle prices worked upward, cattle reaching \$10.00 on September 15.

STOCKERS AND FEEDERS: The countryward movement of stocker and feeder live stock from four markets in the District continued to increase during August. Shipments of calves and hogs were particularly heavy, exceeding the ten-year average for the month by 26.7 and 48 per cent, respectively, while cattle shipments were 30.1 per cent and sheep 26.5 per cent below the average volume. Shipments of calves, hogs, and sheep were heavier than in August, 1935, but cattle shipments were somewhat smaller, and during the first eight months of the year all species except sheep showed a decrease in comparison with the numbers shipped to the country during the first eight months of 1935.

RANGES AND PASTURES: Range and pasture feed continued good in the mountain and irrigated areas in the District during August but a continued lack of rain and high temperatures resulted in further deterioration in the Great Plains drought areas of northeastern Wyoming, Kansas, Oklahoma, and New Mexico. Ranges showed a slight improvement in western and southern Wyoming and in western Nebraska and improved markedly in Colorado where rains raised the condition figure from 70 per cent of normal on August 1 to 82 per cent on September 1. Ranges in western Kansas, however, declined 7 points to 43 per cent of normal and in Oklahoma there was a decline of 11 points to 37 per cent of normal. Conditions were

generally materially lower than a year ago except in Colorado. An early feeding of the short supplies of hay and other feeds ordinarily reserved for winter use was reported in the drought sections. While there has been no extensive liquidation in live stock numbers, shipments from Wyoming, Kansas, and Nebraska to other ranges and pastures or to market have been fairly heavy and were expected to continue so because of high feed prices. Cattle and sheep outside the drought areas were reported in good condition.

The condition of ranges, cattle, and sheep in percentages of normal, reported by the Department of Agriculture:

	RANGES			CATTLE			SHEEP		
	Sept. 1 1936	Sept. 1 1935	10-Yr. Aver.	Sept. 1 1936	Sept. 1 1935	10-Yr. Aver.	Sept. 1 1936	Sept. 1 1935	10-Yr. Aver.
Wyo.....	69	85	80.9	80	87	88.8	82	89	89.1
West. Nebr.....	61	89	85.2	80	89	90.4	.....	.....	.....
West. Kans.....	43	50	75.3	74	79	85.9	.....	.....	.....
Colo.....	82	80	84.2	86	85	88.8	91	90	91.3
Okla.....	37	67	72.2	66	79	79.9	.....	.....	.....
N. M.....	71	82	83.6	84	85	87.0	86	88	87.4
17 West. states	70	81	79.6	81	86	85.4	85	89	87.6

Meat Packing

Packers' purchases of live stock at the six principal markets in the District, direct purchases of hogs included, indicated an increase in the slaughter of cattle and calves and a decrease in the slaughter of hogs and sheep in August. Cattle and calf slaughter was at a high level, exceeding the ten-year average for the month by 19 and 20 per cent, respectively, while hog slaughter was 40.1 and sheep slaughter 32.2 per cent below the average volume. Butcherings of all species except sheep were heavier in August and during the first eight months of this year than in August and the first eight months of 1935.

According to the Department of Agriculture, the slaughter of cattle and calves under Federal meat inspection in the United States established a new high record commercial total for the month of August. The slaughter of cattle was the heaviest for any month since last October and of calves the heaviest for any month since October, 1934. Hog slaughter was the smallest since last October but showed an increase of 35.2 per cent over August, 1935, although the total was well below the figures for August from 1921 to 1934, inclusive. Sheep slaughter was the largest since January but has been exceeded in every August since 1930.

Live stock slaughtered under Federal meat inspection in the United States, reported by the Bureau of Agricultural Economics from compilations of the Bureau of Animal Industry:

	Cattle	Calves	Hogs	Sheep
August 1936.....	1,011,743	540,801	2,253,964	1,395,374
July 1936.....	927,536	523,363	2,691,815	1,352,468
August 1935.....	875,070	472,184	1,667,540	1,665,449
Eight months 1936.....	6,800,941	3,961,091	21,187,184	10,764,031
Eight months 1935.....	5,849,147	3,729,446	17,172,631	11,555,149

NOTE: Slaughter for Government relief purposes excluded.

AUGUST 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.....	179,968	43,031	*135,856	65,443	43,672	7,337	10,033	13,180	93,686	31,938	*113,833	52,310
Omaha.....	150,741	18,363	120,374	151,984	28,499	4,256	1,062	49,156	91,887	13,931	90,895	93,542
St. Joseph.....	41,322	11,251	49,260	64,501	3,981	990	1,792	7,334	31,837	9,754	41,569	52,121
Denver.....	32,863	6,619	29,026	311,435	9,740	2,594	969	85,165	16,809	3,982	22,410	29,581
Oklahoma City.....	54,962	15,728	34,126	9,763	.....	.....	.....	.....	38,888	12,117	29,770	7,867
Wichita.....	31,740	7,065	20,502	5,562	.....	.....	.....	.....	15,299	6,651	18,614	5,018
August 1936.....	491,596	102,057	389,144	608,688	85,892	15,177	13,856	154,835	288,406	78,373	317,091	240,439
July 1936.....	381,397	67,548	478,209	524,331	64,148	7,565	7,463	70,348	224,679	57,206	400,706	255,166
August 1935.....	430,369	82,378	265,591	612,265	107,801	14,860	6,802	123,939	207,829	59,853	227,676	296,034
Eight months 1936.....	2,793,208	488,029	3,475,793	4,476,037	464,114	61,687	46,554	527,748	1,662,213	392,059	2,916,231	2,309,247
†Eight months 1935.....	2,601,155	501,329	2,724,161	4,701,905	530,344	89,831	49,547	418,697	1,375,886	383,114	2,248,081	2,561,320

*Includes 77,369 hogs shipped direct to packers' yards.

†Receipts include Government purchases of cattle and calves.

Coal

The production of bituminous coal in the District increased by about the usual seasonal amount from July to August and was 18.7 per cent greater than in August of last year. Production for the first eight months of the year increased 17.1 per cent compared to production for the first eight months of 1935.

Bituminous coal production reported by the Bureau of Mines:

	*August 1936 Tons	July 1936 Tons	August 1935 Tons
Colorado.....	396,000	293,000	379,000
Kansas and Missouri.....	471,000	420,000	377,000
New Mexico.....	110,000	122,000	106,000
Oklahoma.....	157,000	93,000	106,000
Wyoming.....	400,000	356,000	324,000
Six states.....	1,534,000	1,284,000	1,292,000
United States.....	32,818,000	32,054,000	26,164,000

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

Petroleum

The gross and daily average production of crude oil in the District increased 4.4 per cent from July to August and was slightly in excess of the Bureau of Mines recommendatory level of 855,400 barrels daily for the month. Production was 14 per cent above the average for August during the past ten years and exceeded production a year ago by 15.5 per cent. During the first eight months of 1936, production increased 8.7 per cent compared to the output for the same period in 1935.

Gross and daily average production, estimated from the weekly reports of the American Petroleum Institute for August, 1936, and officially reported by the Bureau of Mines for July, 1936, and August, 1935:

GROSS PRODUCTION

	August 1936 Barrels	July 1936 Barrels	August 1935 Barrels
Oklahoma.....	17,838,000	16,952,000	15,357,000
Kansas.....	5,015,000	4,968,000	4,613,000
Wyoming.....	1,253,000	1,212,000	1,174,000
Colorado.....	153,000	147,000	134,000
New Mexico.....	2,417,000	2,280,000	1,822,000
Total five states.....	26,676,000	25,559,000	23,100,000
Total United States.....	87,016,000	92,078,000	84,816,000

DAILY AVERAGE PRODUCTION

	August 1936 Barrels	July 1936 Barrels	August 1935 Barrels
Oklahoma.....	575,400	546,800	495,400
Kansas.....	161,800	160,300	148,800
Wyoming.....	40,400	39,100	37,900
Colorado.....	4,900	4,800	4,300
New Mexico.....	78,000	73,600	58,800
Total five states.....	860,500	824,600	745,200
Total United States.....	2,807,000	2,970,300	2,736,000

Mid-continent crude oil prices were unchanged in August at posted schedules, ranging from 86 cents to \$1.18 per barrel according to gravity, which have been in effect since January 9. Refinery operations continued an upward trend during August and reached the highest point since September, 1931. There was a decline in the number of wells completed and in the amount of new crude production during the month but the number of rigs and wells drilling at the close of August showed little change from that at the end of July.

Field operations in the District, reported by the Oil and Gas Journal:

	Wells Completed	Barrels Daily New Production	Dry Wells	Gas Wells	Rigs-Wells Drilling
Oklahoma.....	242	115,012	51	13	577
Kansas.....	139	60,450	44	4	346
Wyoming.....	16	7,812	4	0	69
Colorado.....	3	110	2	0	35
New Mexico.....	46	31,525	0	0	126
August 1936.....	446	214,909	101	17	1,153
July 1936.....	550	359,541	102	20	1,162
August 1935.....	380	252,056	88	14	1,032

Zinc and Lead

Shipments of zinc ore from Tri-State mines and tailing mills increased slightly during the four weeks ended August 29, reversing the trend during the preceding three months, while shipments of lead ore declined somewhat after reaching a substantial volume in July. Zinc deliveries exceeded production during the four weeks although production had increased by the final week in August to the highest level since the inauguration of the curtailment program at the beginning of July. Shipments of both zinc and lead were below shipments for the corresponding four-week period a year ago but showed increases of 22.1 per cent for zinc and of 31.9 per cent for lead during the first thirty-five weeks of 1936 compared to the same period in 1935.

Zinc and lead shipments from the Tri-State district:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	16,682	\$ 517,142	1,510	\$ 75,500
Kansas.....	7,753	240,343	1,018	50,900
Missouri.....	3,245	100,595	162	8,100
4 Weeks ended Aug. 29, 1936.....	27,680	\$ 858,080	2,690	\$ 134,500
4 Weeks ended Aug. 1, 1936.....	26,340	807,435	4,450	222,500
4 Weeks ended Aug. 31, 1935.....	32,875	978,555	4,382	191,126
35 Weeks ended Aug. 29, 1936.....	278,910	8,860,395	34,249	1,690,050
35 Weeks ended Aug. 31, 1935.....	228,471	6,158,660	25,973	980,379

Prices at the Joplin market were unchanged during August at \$31 per ton for zinc and \$50 per ton for lead, but zinc ore advanced 50 cents the first week of September. In August of last year both zinc and lead advanced \$2 to close the month at \$30 and \$45 per ton, respectively.

National Summary of Business Conditions

By the Board of Governors of the Federal Reserve System

Industrial activity increased seasonally in August and there was a substantial increase in factory employment and payrolls. Commodity prices, which had advanced for three months, showed little change after the middle of August.

PRODUCTION AND EMPLOYMENT: The Board's index of industrial production, which makes allowance for usual seasonal movements, remained unchanged in August at 107 per cent of the 1923-1925 average. Output of steel increased by more than the seasonal amount and the higher level was maintained in the first three weeks of September. Production of automobiles was sharply reduced as plants were closed for inventory taking and for mechanical changes in connection with the introduction of new models. Output of nondurable manu-

factures increased further in August, reflecting chiefly continued expansion in activity at textile plants and shoe factories. At bituminous coal mines output increased less than is usual at this season and at anthracite mines production declined. Output of petroleum showed an increase.

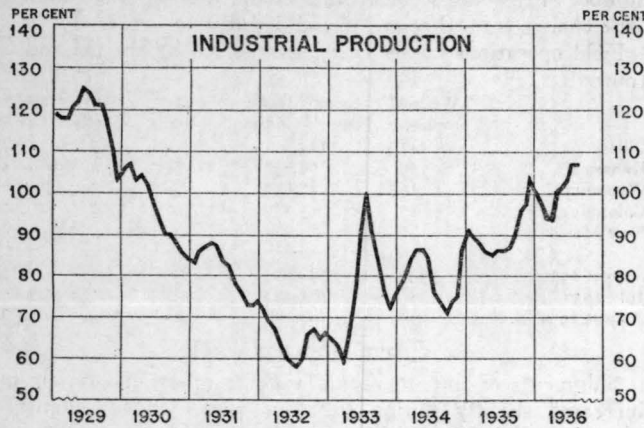
Factory employment rose further between the middle of July and the middle of August by an amount larger than is usual at this season. There were substantial increases in working forces at establishments producing textiles and wearing apparel and smaller increases in most other lines, partly offset in the total by a decline in employment in the automobile industry. Factory payrolls increased.

Value of construction contracts, which had increased sharply

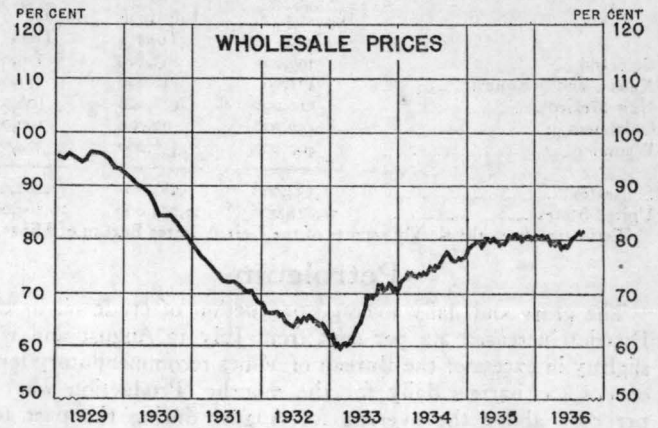
in July, declined somewhat in August, according to the figures of the F. W. Dodge Corporation. The value of non-residential projects was smaller than in July but larger than in other recent months. Residential building increased considerably, reflecting a marked increase in contracts for apartments, several of which were publicly-financed projects. Awards for single-family houses, which have accounted for most of the increase in resi-

third week of September, following three months of advance. Prices of steel scrap and chemicals and drugs continued to advance and there were also increases in the prices of hides and nonferrous metals. There was a seasonal decline in hog prices. Cotton, which advanced in price early this month at the time of the official crop report, declined after the middle of the month.

BANK CREDIT: Demand deposits of reporting member



Index of physical volume of production, adjusted for seasonal variation, 1923-1925 average=100. By months, January 1929 through August 1936.



Index compiled by the United States Bureau of Labor Statistics, 1926=100. By months, 1929 to 1931; by weeks, 1932 to date. Latest figure is for week ending September 19, 1936.

dential building during the past year and a half, showed little change in August.

AGRICULTURE: Department of Agriculture crop estimates based on September 1 conditions were about the same as the estimates made a month earlier, except for a sharp decline in prospects for cotton. Prospective output of leading crops, with the exception of cotton and winter wheat, is considerably smaller than last year, but, in comparison with the drought year 1934, it is larger, except for corn and potatoes.

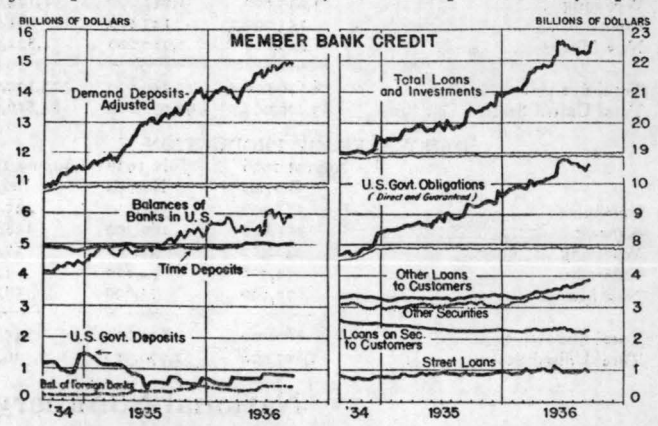
banks in leading cities increased somewhat further in the four weeks ending September 16, reflecting gold imports, Treasury expenditures, and an increase in bank loans. Growth in loans was principally in so-called "other" loans, which include loans to customers for agricultural, commercial, and industrial purposes. These loans are now at the highest level since early in 1933. Loans to security dealers showed an increase, as is usual, prior to flotation of the new issue of Treasury bonds of September 15. A part of the new Treasury issue was purchased by report-



Indexes of number employed and payrolls, without adjustment for seasonal variation, 1923-1925 average=100. By months, January 1929 through August 1936. Indexes compiled by the United States Bureau of Labor Statistics.

DISTRIBUTION: Freight-car loadings of most classes of commodities showed about the usual seasonal increase from July to August. Shipments of grain, however, declined sharply and the increase in total loadings was less than seasonal. Department store sales increased by less than the usual amount and the Board's seasonally adjusted index was 86 per cent of the 1923-1925 average as compared with 91 per cent in July and 87 per cent in June.

COMMODITY PRICES: Wholesale commodity prices showed little change between the middle of August and the



Wednesday figures for reporting member banks in 101 leading cities. September 5, 1934, through September 16, 1936. Loans on real estate, loans to banks, and acceptances and commercial paper bought included in total loans and investments but not shown separately.

ing banks, principally by drawing upon their balances with the Reserve banks.

Largely as a consequence of payments to the Treasury excess reserves of member banks showed a decrease of \$280,000,000 in the week ending September 16. This decline followed an increase of nearly \$200,000,000 in the preceding three weeks, when the Treasury was reducing its deposits with the Reserve banks. Since early in August there has been a renewed inflow of gold and the country's monetary gold stock has increased by about \$100,000,000 in the past month.