

THE MONTHLY REVIEW

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

FEDERAL RESERVE BANK OF KANSAS CITY

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No. 1

BUSINESS activity in the Tenth Federal Reserve District, following a rather marked expansion in October, was sustained in November at a level above that of a year ago although the rate of improvement was somewhat less than in the two preceding months. Retail distribution, as reflected by department store sales, and wholesale distribution increased moderately compared to November of last year and there was a sizable increase in retail sales of lumber. The value of construction contracts awarded during the month, while showing less than the usual seasonal decrease from October, was smaller than in November, 1935, owing to the reduced volume of non-residential construction. Commodity prices, including grains, live stock, flour, zinc, and lead have recently advanced and an increase in the price of crude oil was announced for early next year.

The production of flour, crude petroleum, and bituminous coal, while seasonally smaller than in October, continued at a high rate in November and in the meat packing industry output was at a high level and substantially larger than a year ago. Shipments of zinc and lead increased during November but shipments of lead fell below deliveries in the corresponding period of last year.

Marketings of corn and hogs increased seasonally during November while marketings of most other grains and live stock declined. Receipts of corn were heavy for the month but arrivals of grain were generally light and only wheat was received in larger volume than a year ago. Receipts of live stock were about normal for the month and were heavier than in November, 1935, although the countryward movement of stockers and feeders continued in small volume. Wheat prices were at the highest November level in six years and live stock prices, with the exception of 1935, were the highest for the month in the same period or longer.

The mild, open weather of November was favorable for live stock and for the completion of harvesting operations and other fall farm work but afforded little moisture for the unusually large acreage sown to winter grains this fall. The moisture deficiency has been partially relieved by early December rains and snows but additional moisture was needed generally throughout the District unless abandonment will again be heavy next year. The total value of crop production in the District this year was about 7 per cent larger than in 1935, a decline in output being more than offset by the higher prices received for this season's crops.

Member Bank Operations

Loans and discounts of fifty-one reporting member banks in the Tenth District, which have shown a slight decline from the high point of the year at the middle of September, recovered part of this decline during the four weeks ended December 2, reflecting an increase in the volume of so-called "other" loans,

BUSINESS IN THE TENTH FEDERAL RESERVE DISTRICT

In Percentages of Increase or Decrease

	Nov. 1936 compared to		11 Months 1936 compared to 11 Months 1935
	Oct. 1936	Nov. 1935	
Banking			
Payments by check, 29 cities.....	+ 3.4	+15.1	+13.1
Federal Reserve Bank check collections	- 6.1	+ 8.5	+10.7
Business failures, number.....	+10.3	+52.4	- 0.5
Business failures, liabilities.....	-22.3	+37.7	+15.7
Loans, 51 member banks.....	+ 0.7	+ 8.8
Investments, 51 member banks.....	Even	+10.6
Adjusted dem. depts., 51 member banks	+ 0.2	+ 8.8
Time deposits, 51 member banks.....	- 0.7	- 0.2
Savings deposits, 45 selected banks.....	+ 0.3	+ 3.9
Savings accounts, 45 selected banks.....	- 1.1	+ 2.0
Distribution			
Wholesalers' sales, 5 lines combined.....	-12.7	+ 4.0	+ 8.9
Retailers' sales, 32 department stores....	-10.7	+ 5.7	+ 8.3
Lumber sales, 158 retail yards.....	-14.1	+31.3	+34.2
Construction			
Building contracts awarded, value.....	- 2.9	-22.4	+43.1
Residential contracts awarded, value....	- 6.5	+78.1	+68.8
Building permits in 18 cities, value.....	-35.6	+71.9	+64.4
Production			
Flour.....	- 8.1	+18.8	+ 5.2
Crude petroleum.....	- 5.7	+13.7	+10.5
Bituminous coal.....	- 4.7	+ 5.5	+14.1
Zinc ore (shipped) Tri-State district....	+ 9.3	+ 5.4	+15.4
Lead ore (shipped) Tri-State district....	+71.3	- 6.6	+22.5
Grain receipts, 5 markets			
Wheat.....	-22.3	+17.3	+25.4
Corn.....	+96.9	-22.8	+45.9
Oats.....	- 8.1	-43.9	- 9.9
Rye.....	- 4.7	-12.4	+14.9
Barley.....	+ 2.2	-61.3	- 3.2
Live stock receipts, 6 markets			
Cattle.....	- 4.4	+ 4.6	+ 2.4
Calves.....	-10.6	+30.9	+ 5.1
Hogs.....	+33.2	+129.5	+42.5
Sheep.....	-45.3	+29.1	- 1.7
Horses and mules.....	-13.0	+ 8.7	-17.2
Stocker and feeder shipments, 4 markets			
Cattle.....	- 4.6	-11.9	-18.3
Calves.....	- 7.3	+21.6	-13.9
Hogs.....	-48.1	+ 9.2	+31.9
Sheep.....	-52.6	+ 9.4	- 7.8
Meat packing, 6 markets			
Cattle.....	- 6.8	+17.0	+17.8
Calves.....	-11.6	+32.6	+10.9
Hogs.....	+40.1	+166.7	+46.4
Sheep.....	-20.9	+24.5	- 2.9

which include loans to customers for agricultural, commercial, and industrial purposes. Growth in the volume of these loans during the past year represented about four-fifths of an increase of 8.8 per cent in total loans and discounts as compared to December 4, 1935. Total investments showed little change from November 4 to December 2, a decrease in holdings of United States Government direct obligations being offset by an increase in holdings of guaranteed Government obligations and of other securities, and on the latter date investments were

10.6 per cent greater than a year ago, owing to increases in the volume of holdings of direct Government obligations and of other securities. Since early in August, when investments were at the high level this year, there has been a small, irregular decline in holdings of direct and guaranteed Government securities and a further increase in holdings of other securities. Reserve balances of these reporting member banks declined slightly during the four weeks.

Demand deposits on December 2 were fractionally larger than four weeks earlier and 8.8 per cent above a year ago but had declined slightly from the high level of the year on October 14. Balances held for domestic banks increased from November 4 to December 2 and at that time were 12.6 per cent greater than on December 4, 1935.

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

	Dec. 2, 1936	Nov. 4, 1936	Dec. 4, 1935
Loans and investments—total.	\$690,352,000	\$688,702,000	\$627,656,000
Loans and discounts—total.....	240,820,000	239,149,000	221,291,000
Secured by stocks and bonds	50,881,000	51,443,000	47,243,000
All other loans and discounts	189,939,000	187,706,000	174,048,000
Investments—total.....	449,532,000	449,553,000	406,365,000
U. S. securities direct.....	257,627,000	261,014,000	240,356,000
Obligations fully guaranteed by the U. S. Government..	50,846,000	49,591,000	51,169,000
Other securities.....	141,059,000	138,948,000	114,840,000
Reserve with F. R. Bank.....	148,685,000	150,371,000	107,035,000
Demand deposits—adjusted.....	486,274,000	485,294,000	446,873,000
Time deposits.....	145,423,000	146,465,000	145,685,000
U. S. Government deposits.....	15,154,000	20,346,000	8,485,000
Inter-bank deposits:			
Domestic banks.....	410,779,000	401,263,000	364,900,000
Foreign banks.....	164,000	167,000	123,000

Reserve Bank Operations

Holdings of bills discounted for member banks showed a slight further increase from November 4 to December 2 but otherwise continued in small volume. Industrial advances under section 13b and commitments to make industrial loans, which have declined steadily since early in September, following a previous decline from the high level reached in February, decreased further during the four weeks ended December 2 and continued somewhat below a year ago. Holdings of United States Government obligations were unchanged during the four weeks.

Federal Reserve note circulation, following the upward trend which since last June has repeatedly carried circulation to new high levels, increased further between November 4 and December 2 with a seasonal holiday demand for currency, and on December 2 note circulation was 14.1 per cent greater than on December 4, 1935. Member banks' reserve deposits on December 2 were slightly smaller than four weeks earlier but were 29.2 per cent greater than a year ago.

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:

	Dec. 2, 1936	Nov. 4, 1936	Dec. 4, 1935
Total reserves.....	\$264,097,065	\$266,256,409	\$211,640,515
Bills discounted.....	340,898	165,254	631,343
Bills purchased.....	86,918	86,918	126,194
Industrial advances.....	804,624	815,443	1,145,155
Commitments to make industrial advances.....	340,545	351,127	1,353,500
U. S. securities.....	125,855,000	125,855,000	106,844,200
Total bills and securities.....	127,087,440	126,922,615	108,927,892
Total resources.....	432,683,284	431,006,422	356,447,793
F. R. notes in circulation.....	159,840,555	157,016,205	140,112,210
Member banks' reserve deposits	221,414,974	223,259,983	171,346,844

The discount rate of the Federal Reserve Bank of Kansas City, on all classes of paper and all maturities under sections 13 and 13a, remained unchanged at 2 per cent.

Reserve Bank Check Collections

Check collections through this bank and branches were seasonally smaller in November than in October but increased 8.5 per cent in dollar volume and 5.9 per cent in the number of items handled compared to November of last year. During the first eleven months of this year there was an increase of 10.7 per cent in dollar volume and of 12 per cent in the number of items as compared to the first eleven months in 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
November.....	5,830,829	5,507,842	\$ 925,938,000	\$ 853,340,000
October.....	6,379,877	5,899,303	985,993,000	956,078,000
Eleven months	65,631,213	58,617,152	10,269,379,000	9,277,173,000

Bank Debits

Debits to individual accounts by banks in twenty-nine reporting centers in the District were slightly greater during the five weeks ended December 2 than during the preceding five weeks ended October 28 and showed an increase of 15.1 per cent compared to the corresponding five-week period in 1935. The volume of payments by check during the first forty-eight weeks of the year was 13.1 per cent larger than in the same period of last year.

PAYMENTS BY CHECK

	FIVE WEEKS ENDED		Per cent Change
	Dec. 2, 1936	Dec. 4, 1935	
Albuquerque, N. M.....	\$ 16,561,000	\$ 14,176,000	+16.8
Atchison, Kans.....	3,947,000	3,493,000	+13.0
Bartlesville, Okla.....	28,955,000	25,255,000	+14.7
Casper, Wyo.....	7,786,000	7,278,000	+ 7.0
Cheyenne, Wyo.....	10,442,000	8,626,000	+21.1
Colorado Springs, Colo.....	21,524,000	19,081,000	+12.8
Denver, Colo.....	216,229,000	183,333,000	+17.9
*Emporia, Kans.....	3,988,000
Enid, Okla.....	10,707,000	9,883,000	+ 8.3
Fremont, Nebr.....	2,960,000	2,793,000	+ 6.0
Grand Junction, Colo.....	4,425,000	3,316,000	+33.4
Guthrie, Okla.....	1,781,000	1,885,000	- 5.5
Hutchinson, Kans.....	14,425,000	13,183,000	+ 9.4
Independence, Kans.....	3,023,000	2,391,000	+26.4
Joplin, Mo.....	11,349,000	9,902,000	+14.6
Kansas City, Kans.....	15,026,000	12,220,000	+23.0
Kansas City, Mo.....	369,746,000	329,063,000	+12.4
Lawrence, Kans.....	4,295,000	3,964,000	+ 8.4
Lincoln, Nebr.....	32,498,000	28,131,000	+15.5
Muskogee, Okla.....	9,370,000	10,239,000	- 8.5
Oklahoma City, Okla.....	107,269,000	99,469,000	+ 7.8
Okmulgee, Okla.....	3,347,000	3,331,000	+ 0.5
Omaha, Nebr.....	178,988,000	153,958,000	+16.3
Pittsburg, Kans.....	4,407,000	3,752,000	+17.5
Pueblo, Colo.....	29,508,000	27,527,000	+ 7.2
Salina, Kans.....	10,047,000	8,510,000	+18.1
St. Joseph, Mo.....	33,560,000	30,296,000	+10.8
Topeka, Kans.....	17,680,000	14,695,000	+20.3
Tulsa, Okla.....	156,513,000	122,344,000	+27.9
Wichita, Kans.....	51,238,000	44,432,000	+15.3

Total 29 cities, 5 weeks.....	\$ 1,377,606,000	\$ 1,196,526,000	+15.1
Total 29 cities, 48 weeks.....	12,386,444,000	10,950,275,000	+13.1
U. S., 274 cities, 5 weeks.....	47,663,938,000	41,519,324,000	+14.8
U. S., 274 cities, 48 weeks.....	416,031,292,000	366,883,421,000	+13.4

*Not included in totals.

Business Failures

The number of commercial failures in the Tenth District followed the usual upward trend during November but the increase in the number of failures was accompanied by a decrease in money losses. Insolvencies continued in small volume although showing an increase both in number and in the amount of liabilities involved compared to last November when insolvencies had reached the lowest level for the month in recent years.

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		
	Nov. 1936 compared to Nov. 1935	Year 1936 compared to Year 1935	Nov. 30, 1936 compared to Oct. 31, 1936	Nov. 30, 1935	November		Year		Nov. 30, 1936 compared to Oct. 31, 1936		Nov. 1936 compared to Nov. 1935		
					1936	1935	1936	1935			Oct. 1936	Nov. 1935	
Kansas City.....	4	+ 6.7	+ 7.3	+ 2.9	+ 1.3	.34	.32	3.51	3.23	- 1.9	+ 7.1	+13.9	+ 3.0
Denver.....	4	+ 6.8	+11.9	+ 2.9	+ 7.0	.29	.29	3.42	3.28	- 3.4	+ 5.1	+ 2.9	+11.4
Oklahoma City	3	+ 3.3	+ 7.6	+ 6.1	- 0.3	.33	.32	3.93	3.82	+ 0.8	+10.4	+12.7	+ 7.2
Tulsa.....	3	- 4.9	+ 6.9	+14.5	- 4.1	.33	.33	3.92	3.81	- 2.9	- 5.2	+14.1	+ 2.7
Wichita.....	3	+ 8.7	+ 7.0	+ 5.5	+ 7.9	.26	.25	3.12	3.00	+ 0.3	+ 6.4	+ 8.6	+ 8.6
Other cities.....	15	+ 6.9	+ 6.3	+ 4.1	+ 3.6	.27	.26	2.83	2.69	+ 1.7	+ 5.1	+ 3.3	+ 6.6
Total.....	32	+ 5.7	+ 8.3	+ 4.4	+ 3.3	.30	.29	3.36	3.19	- 1.0	+ 5.4	+ 7.2	+ 7.3

NOTE: Ratio of collections during month to regular accounts outstanding end of preceding month: November 48.1; October 49.2; November 1935, 48.0.

Business failures reported by Dun and Bradstreet, Incorporated:

	TENTH DISTRICT		UNITED STATES	
	Number	Liabilities	Number	Liabilities
November 1936.....	32	\$ 157,000	688	\$ 11,532,000
October 1936.....	29	202,000	611	8,266,000
November 1935.....	21	114,000	898	14,384,000
Eleven months 1936.....	372	3,815,000	8,493	134,966,000
Eleven months 1935.....	374	3,296,000	10,600	167,327,000

Savings

Savings deposits at forty-five selected banks in leading cities in the District, following increases during the six preceding months, showed a slight further increase during November although the number of savings accounts declined. Savings deposits on December 1 were 3.9 per cent and the number of accounts 2 per cent greater than on December 1, 1935.

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

	Savings Accounts	Savings Deposits
December 1, 1936.....	410,626	\$130,094,933
November 1, 1936.....	415,273	129,708,734
December 1, 1935.....	402,489	125,265,548

Trade

RETAIL: Department store sales, as reflected by the dollar volume of thirty-two reporting stores in leading cities of the District, were seasonally smaller in November than in October but were at the highest level for the month since 1930 and increased 5.7 per cent compared to sales in November, 1935, without adjustment for the one less shopping day and the one less Saturday this year which tended to narrow the increase over a year ago. Trade reports indicated an early movement of holiday merchandise and some difficulty in securing full shipments on reorders. Total sales for the first eleven months of the year were 8.3 per cent larger than in the first eleven months of 1935.

Stocks of merchandise were increased by considerably more than the usual seasonal amount during November although inventories at the close of the month, while larger than at that time in either of the two preceding years, were but 3.3 per cent above a year ago and were slightly smaller than at the close of November, 1933. Collections on regular thirty-day accounts during November averaged 48.1 per cent of amounts

receivable at the close of the preceding month compared to 49.2 per cent in October and 48 per cent in November, 1935. Installment collections averaged 15.6 per cent in November, 15.9 per cent in October, and 16.4 per cent in November of last year.

WHOLESALE: Wholesale distribution, as indicated by the combined dollar volume of sales of five reporting trade groups, decreased 12.7 per cent from October to November, or somewhat more than the usual seasonal amount, but expanded 4 per cent compared to November, 1935, although this increase was considerably smaller than the average monthly increase shown this year over last year. Sales of dry goods, hardware, and drugs showed relatively the greatest decreases during the month and sales of hardware the greatest increase over a year ago. Total sales for the first eleven months of 1936 were 8.9 per cent larger than in the first eleven months of 1935, reflecting an increase in sales of dry goods amounting to 7.5 per cent, groceries 6.6 per cent, hardware 13.3 per cent, furniture 14.7 per cent, and drugs 7.8 per cent during the eleven-month period.

Stocks of merchandise for the five lines combined declined 2.7 per cent during November but at the close of the month were 6.2 per cent greater than a year earlier. Stocks of dry goods, furniture, and drugs were smaller and of groceries and hardware larger than at the close of the preceding month, while inventories of dry goods, hardware, and drugs had increased and inventories of groceries and furniture had decreased compared to a year ago.

Lumber

November sales of lumber in board feet and dollar sales of all materials at 158 reporting retail yards in the District, while seasonally smaller than in October, showed the substantial improvement over a year ago which has been evident throughout most of the year. During the first eleven months of 1936, lumber sales in board feet increased 34.2 per cent compared to sales in the first eleven months of 1935.

Stocks of lumber, which have shown a small decline in each of the four preceding months, decreased slightly further in November to a level but 9 per cent above inventories at the close of November last year. November collections averaged 40.3 per cent of amounts outstanding at the close of the pre-

WHOLESALE TRADE IN THE TENTH FEDERAL RESERVE DISTRICT

In Percentages of Increase or Decrease

Stores Reporting	SALES		OUTSTANDING		AMOUNTS COLLECTED		STOCKS		
	Nov. 1936 compared to Nov. 1935		Nov. 30, 1936 compared to Nov. 30, 1935		Nov. 1936 compared to Nov. 1935		Nov. 30, 1936 compared to Nov. 30, 1935		
	Oct. 1936	Nov. 1935	Oct. 31, 1936	Nov. 30, 1935	Oct. 1936	Nov. 1935	Oct. 31, 1936	Nov. 30, 1935	
Dry goods.....	5	-16.5	+ 4.2	- 2.0	+ 5.8	+ 1.8	+11.2	-10.1	+21.2
Groceries.....	5	- 9.9	+ 0.9	- 7.5	-12.5	- 1.6	+ 6.6	+ 2.4	- 1.4
Hardware.....	9	-13.4	+10.9	- 3.4	- 2.2	+ 3.1	+14.6	+ 3.1	+ 3.6
Furniture.....	3	- 3.2	+ 5.6	- 1.6	+ 8.7	+ 0.2	+24.2	- 4.7	- 3.5
Drugs.....	6	-14.3	+ 2.6	+ 2.9	+ 1.8	- 7.1	+ 0.1	- 5.6	+11.2

ceding month compared to a ratio of 43.1 per cent in October and of 40.6 per cent a year ago.

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

	November 1936 compared to	
	October 1936	November 1935
Sales of lumber, board feet.....	-14.1	+31.3
Sales of all materials, dollars.....	-11.9	+27.2
Stocks of lumber, board feet.....	- 1.8	+ 9.0
Outstandings, dollars.....	- 1.6	+28.9

The National Lumber Manufacturers Association reported lumber production in the United States for the first forty-eight weeks of the year as 28 per cent greater than in the corresponding period in 1935. Lumber shipments showed an increase of 24 per cent and orders booked an increase of 25 per cent.

Building

The value of total construction contracts awarded in the Tenth District during November, according to statistics of the F. W. Dodge Corporation, was only slightly smaller than in October but was somewhat less than in November of last year, reflecting a reduction in the volume of non-residential construction. Residential construction continued to show improvement over a year ago and was at the highest level for the month since 1930. Total awards for the first eleven months of the year were 43.1 per cent larger and residential awards 68.8 per cent larger than in the same period of last year.

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

	TENTH DISTRICT		37 EASTERN STATES	
	Total	Residential	Total	Residential
Nov. 1936.....	\$ 8,590,600	\$ 2,218,500	\$ 208,204,200	\$ 68,440,700
Oct. 1936.....	8,850,800	2,371,500	225,839,900	79,736,200
Nov. 1935.....	11,065,860	1,245,541	188,115,000	39,695,200
11 Mos. 1936	106,865,128	26,573,664	2,468,233,400	736,357,500
11 Mos. 1935	74,682,000	15,745,658	1,580,408,400	433,703,000

The number and value of permits issued for new construction, alterations, and repairs in eighteen reporting cities in the District declined seasonally in November but in nearly all of these cities there was a considerable increase in building activity as compared to a year ago. Estimated expenditures were the highest for the month since 1930 while the number of permits issued was greater than in any November since 1928. The increase in permits for the first eleven months of the year compared to the same period in 1935 amounted to 17.9 per cent and expenditures showed an increase of 64.4 per cent.

BUILDING PERMITS IN TENTH DISTRICT CITIES

	PERMITS		ESTIMATED COST	
	1936	1935	1936	1935
Albuquerque, N. M.....	87	51	\$ 416,517	\$ 41,274
Cheyenne, Wyo.....	41	21	65,795	21,080
Colorado Springs, Colo.....	44	21	43,988	8,422
Denver, Colo.....	414	240	503,723	326,045
Hutchinson, Kans.....	65	132	50,153	32,363
Joplin, Mo.....	18	16	38,200	13,625
Kansas City, Kans.....	34	20	29,370	23,685
Kansas City, Mo.....	147	163	157,800	256,800
Lincoln, Nebr.....	90	82	70,269	62,784
Oklahoma City, Okla.....	161	110	344,619	141,107
Omaha, Nebr.....	103	78	251,646	128,310
Pueblo, Colo.....	42	23	14,896	9,665
Salina, Kans.....	15	14	25,000	8,070
Shawnee, Okla.....	15	19	12,100	26,150
St. Joseph, Mo.....	38	13	36,515	17,850
Topeka, Kans.....	49	60	39,865	60,620
Tulsa, Okla.....	86	67	235,930	125,500
Wichita, Kans.....	168	126	153,545	145,602
Total 18 cities, November.....	1,617	1,256	\$ 2,489,931	\$ 1,448,752
Eleven months.....	19,817	16,805	35,784,401	21,762,524

Flour Milling

Operations at southwestern flour mills were sustained in November at about the October level but production declined 8.1 per cent with two less milling days. November output was slightly above the average for the month during the past ten years and exceeded that of a year ago by 18.8 per cent, increasing the cumulative gain for the first eleven months of 1936 over the same period in 1935 to 5.2 per cent. Operations averaged 72.1 per cent of full-time capacity in November, 72.4 per cent in October, and 57.8 per cent in November of last year.

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

	Nov. 1936	Oct. 1936	Nov. 1935
	Barrels	Barrels	Barrels
Atchison.....	128,021	132,711	114,241
Kansas City.....	556,958	591,195	514,011
Salina.....	195,599	180,803	159,205
Wichita.....	205,988	252,965	109,382
Outside.....	1,057,100	1,174,937	907,859
Total.....	2,143,666	2,332,611	1,804,698
*United States.....	5,158,226	5,862,196	5,708,934

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

Flour sales in the southwest improved somewhat in November with a steady volume of small lot orders in the first part of the month which enabled mills to operate at an unusually good rate for this season of the year, and bookings in the first week of December on an advance in the wheat market increased to the heaviest volume in several months. Export trade showed further improvement. The comparatively low prices of flour, which have been reflected in the high prices obtainable for the limited supplies of millfeeds, strengthened at the Kansas City market in November and early December, and there was a further increase in prices of millfeeds.

Grain Marketing

The movement of wheat, oats, and rye to the five principal markets in the District declined seasonally in November while receipts of corn and kafir showed a seasonal increase and marketings of barley a small increase contrary to the usual trend. Receipts of wheat were the heaviest for the month in four years and kafir the heaviest in three years but arrivals of other grains were somewhat smaller than the rather heavy amounts marketed in November, 1935, although receipts of corn exceeded the average volume for November during the past ten years. Receipts of wheat represented but 74.6, oats 87.4, rye 74.7, barley 70.6, and kafir 51.4 per cent of the average volume.

Receipts of grain at the five markets:

	Wheat	Corn	Oats	Rye	Barley	Kafir
	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels
Hutchinson ..	1,183,950	-----	-----	1,200	-----	70,200
Kansas City..	2,760,000	1,042,500	76,000	31,500	96,000	141,100
Omaha.....	627,051	2,067,800	226,000	25,200	54,400	-----
St. Joseph....	187,200	282,000	408,000	4,500	14,000	1,500
Wichita.....	912,000	29,900	3,000	-----	-----	5,200
Nov. 1936.....	5,670,201	3,422,200	713,000	62,400	164,400	218,000
Oct. 1936.....	7,301,291	1,737,850	775,500	65,500	160,900	52,900
Nov. 1935.....	4,835,221	4,435,400	1,271,000	71,200	425,250	74,000
11 Mos. 1936	123,788,529	35,260,318	13,958,000	912,800	2,713,750	1,401,500
11 Mos. 1935	98,694,530	24,167,310	15,487,500	794,700	2,802,850	705,400

Cash prices of all grains except corn advanced at the Kansas City market in November. Cash corn was quoted steady to

slightly lower for the month but shared in the general increase in prices which occurred early in December.

Cash grain prices at Kansas City:

	Dec. 15 1936	Nov. 30 1936	Oct. 31 1936	Dec. 16 1935	Nov. 30 1935	Nov. 30 1934
No. 1 hard, dk. wheat, bu.	\$1.36	\$1.25	\$1.19½	\$1.03	\$1.04½	\$1.02
No. 2 mixed corn, bu.	1.12½	1.10¾	1.11½	.61	.58	.95½
No. 2 white oats, bu.	.55	.51	.45½	.28	.28½	.61
No. 2 rye, bu.	1.05	1.00	.92	.50	.52	.88
No. 2 barley, bu.	.95	.90	.87	.48	.48	.90
No. 2 white kafir, cwt.	1.99	1.91	1.78	1.14	1.15	2.07

Crops

November weather conditions were generally favorable for the completion of harvesting operations and for fall plowing and other farm work but the continued dryness has not been favorable for winter grains. Following the September rains, precipitation in October and November was generally light, and moisture supplies for the three months, September through November, ranged from 25 to 50 per cent below normal in Nebraska, in northern and western Kansas, in most of Wyoming, and in western Colorado. Wheat pastures this fall have been somewhat disappointing as part of the intended acreage was seeded too late and wheat on early seeded acreage failed to grow back satisfactorily after being grazed off. Early December rains and snows, however, have temporarily relieved the shortage in moisture and have materially improved the outlook but there was a general need for additional moisture supplies to prevent the occurrence of heavy abandonment similar to that in the past several years.

The fall sown acreage of winter wheat in the seven states in the District was 19.3 per cent greater than in 1935, reflecting the need for increased fall and winter pasturage to supplement short feed supplies, relatively high prices of wheat at seeding time, and a tendency to shift some acreage from corn to wheat because of several recent corn crop failures. Seedings were rather heavily increased in all of the states in the District except Wyoming and in many of these states, as in the country as a whole, the seeded acreage was the heaviest of record. The national acreage of winter wheat sown this fall was 15.1 per cent larger than that sown in the fall of 1935 and the December 1 condition, based on past relationships between the December 1 condition and yields per seeded acre, an estimated abandonment next year of from 15 to 20 per cent of the seeded acreage, and the probable effect of weather conditions during the past summer and fall, indicated a 1937 crop of about 600,000,000 bushels compared to 519,013,000 bushels harvested this year and an average crop of 622,252,000 bushels during the years 1928 to 1932. The estimated acreage of rye sown for all purposes in this District showed an increase of 33.7 per cent, reflecting a substantial increase in all rye producing states except Wyoming, and in the United States the rye acreage was increased 17.2 per cent over that of last fall.

The fall sown acreage of winter wheat, thousands omitted, and the December 1 condition, reported by the Department of Agriculture:

	FALL SEEDED ACREAGE			CONDITION DECEMBER 1				
	1936	1935	1934	1933	1932	1936	1935	1934
Colo.	1,377	1,197	986	1,292	924	82	77	37
Kans.	16,523	14,244	13,438	12,677	13,205	80	81	71
Mo.	3,387	2,258	2,130	1,669	1,412	80	78	93
Nebr.	4,447	3,474	3,217	3,063	2,890	58	74	79
N. M.	410	360	300	344	400	67	69	71
Okla.	5,426	4,845	4,726	4,317	4,419	68	71	76
Wyo.	239	285	253	130	192	68	70	50
7 States...	31,809	26,663	25,050	23,492	23,442	74.7	77.6	73.3
U. S.	57,187	49,688	47,042	44,585	44,445	75.8	78.2	77.8

On the basis of December 1 prices, the farm value of crops produced in the District during 1936 was about 7 per cent

greater than the value of crops harvested in 1935 and was more than 40 per cent greater than the total value of production in the extremely short crop year of 1934. A reduction in the yield of all major crops in the District except winter wheat and sugar beets from that of last year has been more than offset by prices generally averaging higher than at any time since 1929. The increase in crop values for the United States amounted to about 12 per cent as compared to 1935 and 27 per cent as compared to 1934.

1936 crop production in the seven states, all or parts of which are included in the Tenth District, and the December 1 farm value, as reported by the Department of Agriculture, thousands omitted:

	Production			Farm Value		
	1936	1935	1934	1936	1935	1934
Winter wheat, bu.	231,725	162,994	158,087	\$ 232,271	\$ 141,348	\$ 131,765
Spring wheat, bu.	7,689	9,106	3,608	7,667	7,812	3,014
All wheat, bu.	239,414	172,100	161,695	239,938	149,160	134,779
Corn, bu.	104,037	260,533	75,176	119,526	174,972	70,606
Oats, bu.	107,033	186,753	62,765	49,844	54,889	30,770
Rye, bu.	4,790	7,209	1,326	4,152	3,095	1,027
Barley, bu.	19,220	29,701	10,091	14,092	12,228	6,425
Grain sorghums, bu.	18,258	31,674	13,988	17,310	21,044	14,292
All tame hay, tons.	7,602	10,887	6,405	84,001	71,341	92,533
Wild hay, tons.	2,287	4,325	1,762	19,739	20,174	22,951
Sweet sorghums, tons	1,520	2,761	1,595	10,896	12,296	15,113
Broomcorn, tons.	21	35	17	2,277	2,320	2,439
Sugar beets, short tons	3,492	2,976	2,549	-----	17,547	12,584
Cotton, bales.	400	642	648	22,590	34,360	39,401
Cottonseed, tons.	178	285	288	5,745	8,546	9,664
White potatoes, bu.	31,727	40,689	16,260	36,433	23,125	11,743
Sweet potatoes, bu.	1,519	2,730	1,656	2,204	2,266	1,697
Dry beans, 100 lb. bags	1,959	2,400	663	7,632	6,483	3,121
Tobacco, lbs.	2,846	4,150	3,121	515	505	220
Apples, bu.	3,929	8,910	5,496	5,268	7,423	5,576
Peaches, bu.	1,381	3,639	2,558	1,218	3,311	2,501
Pears, bu.	472	1,365	990	420	813	723
Grapes, tons.	10	20	15	513	800	684
64 crops, 7 states.	-----	-----	-----	701,494	655,320	492,449
Total 64 crops, U. S.	-----	-----	-----	6,084,932	5,418,755	4,779,335

Live Stock

MARKETINGS: November receipts of cattle, calves, and sheep at the six principal markets in the District were seasonally smaller than in October while receipts of hogs, including direct shipments to packers, showed a seasonal increase. Marketings were somewhat larger than a year ago and were about normal for the season, receipts of cattle exceeding the November ten-year average by 2.7 and calves by 20.4 per cent and receipts of hogs and sheep falling but 1.9 and 4.9 per cent, respectively, below the average volume. The six markets received 10,497 head of horses and mules in November, 12,063 head in October, and 9,659 head in November, 1935. During the first eleven months of the year, market supplies of cattle and calves were slightly larger and of sheep slightly smaller than in the first eleven months of 1935 while there has been a considerable increase in market supplies of hogs compared to the small volume of marketings last year.

PRICES: Values of the principal classes of slaughter live stock advanced at the Kansas City market during November despite fairly liberal marketings, cattle closing \$1 to \$1.75, hogs 30 to 60 cents, and lambs 40 to 50 cents per hundredweight higher than at the close of October. These increases reflected a further increase in cattle prices and a partial recovery in hog and sheep prices which had broken sharply in October. Prime finished steers reached a new seasonal peak of \$12 in November, the highest price since the \$12.50 top recorded last January and but little short of the \$12.25 top a year ago. The October cattle top was \$10.40. Stocker and feeder cattle prices were steady to about 30 cents higher at the close of the month. Butcherweight and heavyweight hogs sold up to \$9.55, within

NOVEMBER 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.....	156,101	46,516	*225,958	89,054	60,914	14,476	3,771	13,334	73,662	26,709	*207,919	74,870
Omaha.....	121,156	21,421	230,480	92,682	31,836	5,657	287	19,938	75,102	15,689	190,581	68,297
St. Joseph.....	35,963	10,652	106,718	70,799	7,893	1,784	1,222	5,353	25,782	8,658	94,741	64,922
Denver.....	88,978	14,040	62,897	244,983	45,928	6,799	477	140,250	22,054	4,556	49,822	20,910
Oklahoma City.....	46,440	18,889	31,627	12,543	-----	-----	-----	-----	30,470	16,113	26,360	8,683
Wichita.....	31,005	7,945	22,234	9,285	-----	-----	-----	-----	12,362	5,911	20,186	6,898
November 1936.....	479,643	119,463	679,914	519,346	146,571	28,716	5,757	178,875	239,432	77,636	589,609	244,580
October 1936.....	501,646	133,628	510,375	948,988	153,615	30,970	11,100	377,072	256,907	87,824	420,915	309,161
November 1935.....	458,584	91,271	296,253	402,328	166,297	23,614	5,273	163,558	204,560	58,570	221,117	196,441
11 Months 1936.....	4,267,952	849,264	5,066,566	6,830,666	873,564	141,085	88,199	1,276,063	2,441,721	646,770	4,241,325	3,154,830
†11 Months 1935.....	4,167,257	808,008	3,555,758	6,950,360	1,068,897	163,905	66,875	1,383,352	2,072,645	583,461	2,898,032	3,250,138

*Includes 156,107 hogs shipped direct to packers' yards. †Receipts include Government purchases of cattle and calves.

10 cents of the November top last year and the highest price since October 23 when the price decline was under way but 65 cents below the high time in October prior to the decline. Prices of stock pigs advanced about 50 cents. Grain fed and wheat pasture lambs began moving to market as the range lamb season was drawing to a close and native offerings topped at \$9.25, the highest price since October 1 but somewhat below the lamb top of \$10.90 last November. With the exception of 1935, however, cattle prices were at the highest November level since 1930, hogs since 1927, and lambs since 1929. Cattle and hog prices advanced further during the forepart of December but lamb prices had declined.

STOCKERS AND FEEDERS: The countryward movement of stocker and feeder live stock from four markets in the District declined seasonally in November, with shipments of cattle somewhat smaller and of calves, hogs, and sheep slightly larger than in November of last year. Stocker and feeder shipments were below normal for the month, cattle falling 19.7, calves 9.9, hogs 46, and sheep 30.5 per cent below the November ten-year average volume. During the first eleven months of the year only hogs showed an increase in numbers shipped to the country compared to the outgo in the first eleven months of 1935.

According to the Department of Agriculture, the cattle feeding situation on December 1 gave further indication of a sharp reduction in operations in the western Corn Belt during the coming winter and spring compared with one year earlier, owing to the continued high price of feeder cattle in relation to fat cattle prices in view of advancing prices of corn and other feeds. An expected increase in cattle feeding was reported for all of the principal feeding areas in Colorado, tending to offset an estimated decrease of 25 per cent in lamb feeding in that state, principally in northern Colorado and in the Arkansas Valley. From 20 to 25 per cent fewer lambs were on feed in the Scottsbluff area of Nebraska and there was also a sharp decrease in the number being fed in the Central Platte Valley, while a large increase was reported for Wyoming and some increase in the San Luis Valley and Western Slope areas of Colorado and on wheat pasture in Oklahoma. The movement to Kansas wheat fields was less than expected a month ago, owing to lack of moisture in November which reduced feed prospects. A much smaller proportion of lambs than usual was on feed in the late marketing areas of Colorado and western Nebraska.

The generally mild, open weather of November permitted the full use of ranges and pastures in the District and helped to conserve the short feed supplies which in most areas were reported insufficient for heavy feeding but ample if the winter is not severe. A surplus of hay and other feeds existed in mountain and irrigated sections of the District. Ranges continued very short over northeastern Wyoming, parts of north-

western Nebraska, western Kansas, western Oklahoma, and northeastern New Mexico, while wheat pastures failed to make the expected growth in much of western Kansas, Nebraska, and Oklahoma because of continued dryness. Cattle and sheep were going into the winter in fair to good condition except in the extremely dry areas. Contracting of the 1937 wool clip was active in Wyoming during November with initial quotations at a higher level than a year ago, some exceptional fleeces being contracted at 35 cents a pound.

Meat Packing

Packers' purchases of live stock at the six principal markets in the District, direct shipments of hogs included, indicated a seasonal decline in the slaughter of cattle, calves, and sheep and a seasonal increase in hog slaughter during November. Meat packing operations were much heavier than a year ago, with the indicated slaughter of cattle 18.2, calves 66.8, and hogs 5.5 per cent above and sheep but 3.2 per cent below the average volume for the month during the past ten years.

Federally inspected commercial live stock slaughter in the United States continued at a high level in November. The slaughter of cattle exceeded the November ten-year average by 26.7, calves by 18.7, hogs by 8.6, and sheep by 21.1 per cent. Sheep slaughter established a new high record for the month while calf slaughter has been exceeded but twice and cattle slaughter three times in that month.

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
November 1936.....	988,167	476,532	4,291,635	1,543,916
October 1936.....	1,124,175	585,425	3,491,671	1,741,798
November 1935.....	955,684	480,101	2,421,898	1,406,985
Eleven months 1936.....	9,984,756	5,575,717	31,373,868	15,642,746
Eleven months 1935.....	8,773,657	5,198,531	23,182,772	16,275,534

NOTE: Slaughter for Government relief purposes excluded.

Cold Storage Holdings

United States cold storage stocks of beef, pork, lamb and mutton, poultry, and miscellaneous meats accumulated at a considerably higher than seasonal rate during November while stocks of lard, which ordinarily decline in that month, increased about 13 per cent. Eggs moved out of storage at about the usual rate but declines in storage stocks of butter and cheese were somewhat smaller than usual. Holdings of all commodities on December 1 except eggs were substantially larger than a year ago, with stocks of beef and of lamb and mutton more than twice the average amounts held on that date during the past five years. Storage stocks of pork were 5.9, poultry 63.3, miscellaneous meats 49.4, lard 65.8, butter 19.9, and cheese 21.4 per cent above and cased eggs 29.3 per cent below the December 1 five-year average.

United States cold storage holdings reported by the Bureau of Agricultural Economics, in thousands of units:

	*Dec. 1 1936	Nov. 1 1936	Dec. 1 1935	Dec. 1 5-Yr. Av.
Beef, lbs.....	152,489	104,961	91,164	73,862
Pork, lbs.....	456,429	354,950	253,209	431,007
Lamb and mutton, lbs.....	8,420	5,930	2,661	3,025
Poultry, lbs.....	149,952	104,981	86,098	91,848
Miscellaneous meats, lbs.....	94,395	77,411	63,284	63,187
Lard, lbs.....	106,927	94,748	37,906	64,480
Eggs, cases.....	1,754	3,788	2,738	2,481
Eggs, frozen (case equivalent).....	1,894	2,344	2,258	2,160
Butter, creamery, lbs.....	88,903	105,368	71,948	74,119
Cheese, all varieties, lbs.....	114,539	118,907	104,661	94,318

*Subject to revision.

Petroleum

Output of crude oil in the District continued at a high rate in November. Gross production was 5.7 per cent smaller than in October, reflecting a decline of 2.6 per cent in daily average production and one less producing day, but was 13.7 per cent larger than in November of last year and exceeded the average for the month during the past ten years by 14.2 per cent. Output for the first eleven months of the year was 10.5 per cent greater than that in the first eleven months of 1935.

Petroleum production, estimated from the weekly reports of the American Petroleum Institute for November and officially reported by the Bureau of Mines for October and for November, 1935, in thousands of barrels:

	November 1936		October 1936		November 1935	
	Gross	D. Av.	Gross	D. Av.	Gross	D. Av.
Oklahoma.....	16,988	566.3	18,259	589.0	15,319	510.6
Kansas.....	4,823	160.8	5,157	166.4	4,385	146.2
Wyoming.....	1,416	47.2	1,315	42.4	1,107	36.9
Colorado.....	123	4.1	151	4.9	122	4.1
New Mexico.....	2,503	83.4	2,540	81.9	1,806	60.2
Five states.....	25,853	861.8	27,422	884.6	22,739	758.0
United States.....	90,601	3,020.0	95,795	3,090.2	86,476	2,882.5

Mid-continent crude oil prices were unchanged in November at schedules posted on January 9 of this year, ranging from 86 cents to \$1.18 per barrel according to gravity. On December 4 a price advance of 17 cents per barrel was announced effective January 4, 1937. This increase reflected the heavy demand existing for petroleum products and the gradual decrease in refinable crude supplies above ground.

Field operations, which in 1935 had been more active than at any time since 1930, have continued at a high level during the year as companies have endeavored to increase their reserves. There has been a substantial increase in the number of wells completed, accompanied by an increase of about 8 per cent in new production, and at the close of November the

number of rigs up and wells drilling was the largest for that date in the past five years.

Coal

The production of bituminous coal in the District in November, while seasonally smaller than in the longer month of October, showed less than the usual seasonal decline. Output for November was 5.5 per cent larger and for the first eleven months of the year 14.1 per cent larger than in the same periods in 1935.

Bituminous coal production reported by the Bureau of Mines:

	*Nov. 1936 Tons	Oct. 1936 Tons	Nov. 1935 Tons
Colorado.....	751,000	785,000	724,000
Kansas and Missouri.....	651,000	641,000	598,000
New Mexico.....	156,000	163,000	154,000
Oklahoma.....	218,000	261,000	199,000
Wyoming.....	586,000	628,000	564,000
Six states.....	2,362,000	2,478,000	2,239,000
United States.....	40,615,000	43,284,000	33,404,000

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

Zinc and Lead

Shipments of zinc and lead ore from Tri-State mines and tailing mills increased somewhat during the four weeks ended November 28 but shipments of lead fell slightly below deliveries in the corresponding four weeks in 1935. Demand for both concentrates was brisk and shipments generally exceeded production although zinc producers were reported reluctant to release supplies at prevailing prices. Zinc output was sustained in November at the highest level since last April and there was a slight further increase in the number of mines and mills in operation.

Zinc and lead shipments from the Tri-State district:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Oklahoma.....	22,778	\$ 725,770	5,273	\$ 303,601
Kansas.....	14,544	463,463	830	47,896
Missouri.....	3,508	111,837	287	16,483
4 Wks. ended Nov. 28, 1936.....	40,830	\$ 1,301,070	6,390	\$ 367,980
4 Wks. ended Oct. 31, 1936.....	37,350	1,176,525	3,730	186,500
4 Wks. ended Nov. 30, 1935.....	38,728	1,239,296	6,839	321,433
48 Wks. ended Nov. 28, 1936.....	402,020	12,749,760	48,489	2,450,530
48 Wks. ended Nov. 30, 1935.....	348,322	9,905,480	39,584	1,616,096

Zinc prices at the Joplin market advanced \$1 and lead \$5 per ton in November to the highest level of the year, zinc closing at \$32.50 and lead at \$59, or 50 cents and \$12, respectively, above a year ago. Zinc prices, which had increased about \$6 during the year 1935, have shown little change this year while an increase of about \$11 in the price of lead during 1935 has been duplicated during the current year.

National Summary of Business Conditions

By the Board of Governors of the Federal Reserve System

Production, wage payments, and the distribution of commodities to consumers increased considerably from October to November. Wholesale commodity prices have advanced steadily since the end of October.

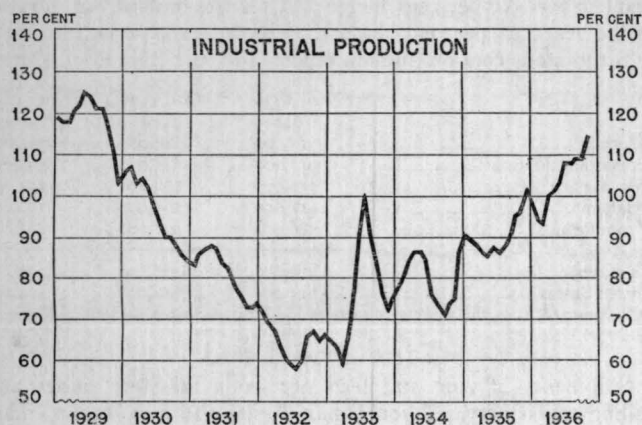
PRODUCTION AND EMPLOYMENT: The Board's index of industrial production, which makes allowance for changes in the number of working days in the month and for the usual seasonal variations, was 114 per cent of the 1923-1925 average in November, as compared with 109 per cent in October. Output of both durable and nondurable manufactures showed a considerable rise. Production of steel ingots increased further

to a rate of 79 per cent of capacity in November, and output of automobiles also increased. Figures for the first three weeks of December indicate continued expansion in output of both steel and automobiles. In the plate glass industry, where there has been a strike, production was sharply reduced in November, and activity at lumber mills declined, reflecting the effects of the maritime shipping strike on the Pacific Coast. Increases in output were reported at meat packing establishments and textile mills, and sugar meltings and output of tobacco products declined by less than the usual seasonal amount. At mines, coal production increased and output of crude petroleum and

iron ore showed a smaller than seasonal reduction.

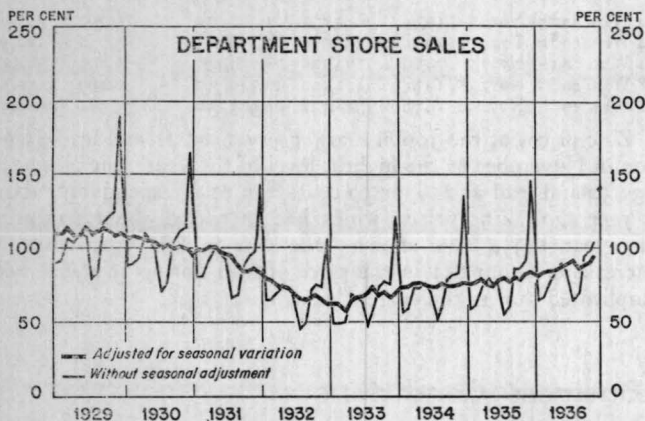
Value of construction contracts awarded, according to figures of the F. W. Dodge Corporation, continued at about the same rate in November as in the previous month.

Factory employment showed little change from October to November, although a decrease is usual at this season of the year, and the Board's seasonally adjusted index advanced to



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

96 per cent of the 1923-1925 average. The number employed at factories producing durable goods continued to increase, with the largest expansion in the automobile and machinery industries. There was a decline in employment at lumber mills and in the glass industry. In the nondurable goods industries as a group employment showed a smaller decline than is usual in November. At shoe factories and establishments producing wearing apparel smaller than seasonal declines were reported and there were increases in employment at cotton and woolen textile mills and at meat packing plants.

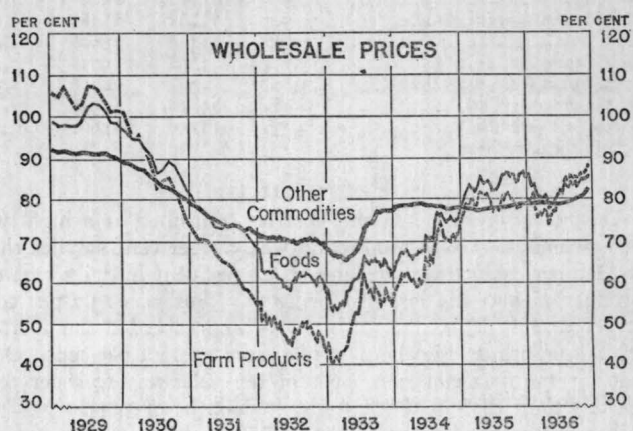


Indexes of value of sales, 1923-1925 average=100. By months, January 1929 through November 1936.

DISTRIBUTION: Department store sales increased substantially in November, and there was also a rise in sales at variety stores and at chain grocery stores. Sales by general merchandise stores and mail order houses serving rural areas declined from the high level reported for October.

Freight-car loadings showed a smaller than seasonal decrease in November. Loadings of coal, coke, and grain increased contrary to the usual seasonal tendency, and shipments of miscellaneous commodities and of most other classes of freight declined by less than the seasonal amount.

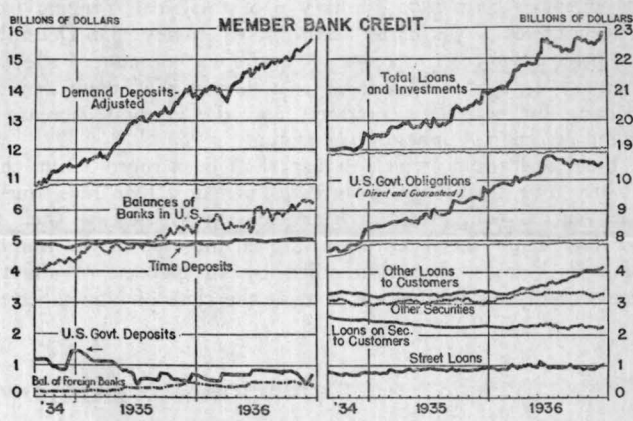
COMMODITY PRICES: The general level of wholesale commodity prices continued to advance from the middle of November to the third week of December. There were substantial increases in the prices of wheat, flour, nonferrous metals, and rubber. Prices of wool, cotton yarns, and worsted yarns advanced somewhat further and cotton, pig iron, and steel scrap prices also increased in this period.



Indexes 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 December 19, 1936.

BANK CREDIT: The reserve position of member banks in recent weeks has been influenced largely by temporary seasonal developments in connection with holiday currency requirements and mid-December financing by the United States Treasury.

Notwithstanding the increased demand for currency for Christmas shopping, there was a further growth in demand deposits at weekly reporting member banks through the first half of December, reflecting additions to monetary gold stock, as well as sharp increases in bank loans.



Wednesday figures for reporting member banks in 101 leading cities.

September 5, 1934, through December 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.

At reporting banks outside New York City holdings of Government securities increased by \$140,000,000 in the four weeks ending December 16, while at New York City banks they showed a further small decline. There was an increase of \$100,000,000 in loans to brokers and dealers in securities in New York City, largely for the purpose of buying United States Government securities. Commercial loans showed a further increase of \$150,000,000, carrying the total volume of such loans to a level \$800,000,000 higher than a year ago.