

Member Bank Operations

The rapid rise in loans at 50 weekly reporting member banks in the Tenth District leveled off in the last half of November but was resumed early in December. The increase, as in preceding months, was chiefly in commercial, industrial, and agricultural loans. Investments increased sharply in the first two weeks of December, owing to large purchases of Treasury bills and notes and Government bonds. Holdings of guaranteed obligations and other securities continued to decline. Loans at the middle of December were 38 and investments 8 per cent above a year earlier. Volume of loans is little below the all-time high in 1929, and holdings of Government obligations are the largest since the end of 1937.

Deposits at these 50 reporting banks have increased somewhat in recent weeks, though adjusted demand deposits are below the record level of early November and interbank deposits are below their high point at the middle of September. Reserve balances carried at this bank reached a new high early in December but have since declined, while balances carried at other banks have been drawn down further. Adjusted demand deposits are 18 and interbank deposits 13 per cent larger than a year earlier. Reserve balances are 16 per cent above a year ago but balances carried at other banks are 4 per cent smaller.

Principal items of condition of 50 member banks:

	Change from		
	Dec. 17 1941	Nov. 19 1941	Dec. 18 1940
(In thousands of dollars)			
Loans and investments—total.....	882,571	+22,258	+159,484
Loans—total.....	468,976	+11,506	+128,116
Coml., indust., agric.....	299,775	+13,595	+96,736
Open market paper.....	28,077	-874	+7,052
To security brokers and dealers..	3,865	+674	-28
Other to purchase or carry secur.	10,822	-868	+1,316
Real estate loans.....	32,900	-141	+1,781
Loans to banks.....	301	-188	-122
All other loans.....	93,236	-692	+21,381
Investments—total.....	413,595	+10,752	+31,368
U. S. Treasury bills.....	30,007	+6,098	+1,861
U. S. Treasury notes.....	47,639	+1,895	-5,734
U. S. Govt. bonds.....	121,194	+8,432	+24,727
Oblig. guar. by U. S. Govt.....	88,901	-3,182	+10,216
Other securities.....	125,854	-2,491	+298
Reserve with F. R. Bank.....	238,554	-1,807	+32,220
Balances with domestic banks.....	281,633	-6,277	-13,253
Demand deposits—adjusted.....	656,135	+1,582	+102,272
Time deposits.....	138,206	-4,563	-6,496
U. S. Govt. deposits.....	30,363	+12,206	+17,450
Interbank deposits.....	497,264	+6,305	+56,650

Reserve Bank Operations

Note circulation of this bank in recent weeks has been rising much more rapidly than earlier, owing to the seasonal demand for currency for Christmas shopping. Circulation in the third week of December was at a new record level of 257 million dollars, which was about 48 million, or 23 per cent, above a year ago and 73 million, or 39 per cent, above two years ago.

Principal items of condition of this Reserve Bank:

	Change from		
	Dec. 17 1941	Nov. 19 1941	Dec. 18 1940
(In thousands of dollars)			
Total reserves.....	555,281	+6,939	+114,796
Bills discounted.....	2,130	-1,196	+996
Industrial advances.....	87	-8	+1
Commit. to make indust. adv.....	1,500	-1	+1,465
U. S. Govt. sec., direct & guar.....	95,729	+1,797	-11,314
Total assets.....	719,195	+17,455	+122,364
F. R. notes in circulation.....	257,105	+10,784	+47,778
Member bank reserve deposits.....	333,292	-4,612	+48,917

Dollar volume of check collections declined as is usual during November, following a steady rise since last summer to the highest level for any month of record in October. Dollar volume in November and in the first eleven months of 1941 was a fourth larger than in the corresponding periods of 1940.

Check collections through this bank and branches:

	ITEMS		AMOUNT	
	1941	1940	1941	1940
(In thousands)				
November.....	6,096	5,934	\$ 1,328,441	\$ 1,064,662
October.....	6,689	6,414	1,525,562	1,132,330
Eleven months.....	68,544	65,183	13,585,207	10,829,945

Bank Debits

Debits to individual accounts by banks in reporting centers of the District in November and in the first eleven months of 1941 were about one-fifth larger than in the same periods of 1940. In the forepart of December, volume of check payments was more than a fourth above a year earlier.

Payments by check in thirty District cities:

	Nov.		Change from 1940	
	1941	11 Mos. 1941	Nov. 1941	11 Mos. 1941
(Thousand dollars)		(Per cent)		
Albuquerque, N. M.....	24,979	239,774	+25	+26
Atchison, Kans.....	3,289	37,859	+16	+14
Bartlesville, Okla.....	31,323	330,351	+32	+13
Casper, Wyo.....	8,194	80,494	+8	+12
Cheyenne, Wyo.....	11,394	119,274	+16	+27
Colo. Springs, Colo..	17,261	161,455	-2	+7
Denver, Colo.....	216,393	2,121,618	+27	+22
Emporia, Kans.....	4,211	41,690	+9	+17
Enid, Okla.....	12,520	143,298	+33	+17
Fremont, Nebr.....	3,120	36,904	+8	+19
Gr. Junction, Colo....	3,983	41,412	+11	+2
Guthrie, Okla.....	1,886	18,378	+22	+16
Hutchinson, Kans....	12,115	149,223	+25	+10
Indep., Kans.....	2,788	33,819	+9	+16
Joplin, Mo.....	14,341	123,818	+45	+20
Kansas City, Kans..	20,801	227,823	+9	+20
Kansas City, Mo.....	366,807	4,158,189	+16	+18
Lawrence, Kans.....	3,502	43,471	0	+11
Lincoln, Nebr.....	28,865	323,622	+3	+4
Muskogee, Okla.....	10,001	105,746	+12	+26
Okla. City, Okla.....	119,267	1,249,930	+21	+16
Okmulgee, Okla.....	3,015	31,043	+16	+9
Omaha, Nebr.....	180,341	1,944,389	+17	+21
Pittsburg, Kans.....	4,487	48,853	+21	+17
Pueblo, Colo.....	21,040	188,843	+10	+17
Salina, Kans.....	9,986	120,051	+29	+22
St. Joseph, Mo.....	32,628	353,229	+17	+16
Topeka, Kans.....	17,454	224,674	+7	+9
Tulsa, Okla.....	172,187	1,667,719	+31	+15
Wichita, Kans.....	65,948	726,723	+40	+43
District, 30 cities.....	1,424,126	15,093,672	+21	+19
U. S., 274 cities.....	45,081,000	480,798,000	+15	+20

Trade

RETAIL SALES

Department store sales have receded further from the very high level of last summer and early fall, when much buying had been "borrowed" from succeeding months. Dollar volume of sales in November was only 6 per cent larger than a year earlier as compared with trade gains of 13 per cent for October and 25 per cent for the three preceding months. In the first three weeks of December, dollar volume was 7 per cent above last year. Since retail prices, according to the Fairchild Index, currently are nearly 15 per cent higher than a year ago, the physical volume of sales now is probably below last year. Inventories have increased further and, in terms of dollars, are a third above a year ago, while orders outstanding are nearly half again larger than a year earlier. Collection ratios continue to show improvement over last year.

Department store sales and stocks in leading cities:

No. of Stores	SALES		STOCKS
	Nov. '41 comp. to Nov. '40	11 Mos. '41 comp. to 11 Mos. '40	Nov.30,'41 comp. to Nov.30,'40
(Per cent increase or decrease)			
Denver.....	7	+8	+16
Hutchinson.....	3	+8	+16
Topeka.....	3	-3	+10
Wichita.....	4	+13	+22
Joplin.....	3	+26	+22
Kansas City.....	8	+7	+16
St. Joseph.....	3	-4	+8
Omaha.....	4	+4	+13
Oklahoma City.....	6	+5	+15
Tulsa.....	6	+11	+16
Other cities.....	31	-5	+11
District.....	78	+6	+15

Sales of independent retail stores, by states, as reported by the Bureau of the Census:

	Nov. 1941 per cent change from Nov. 1940						
	Colo.	Kans.	Mo.	Nebr.	N.Mex.	Okla.	Wyo.
Apparel.....	+5	+11	+8	+3	+10	+6	+13
Automobile.....	-12	-15	-24	-37	-11	-27	-22
Department.....	+5	+10	+13	-1	....	+3	....
Drug.....	+11	+22	+13	+16	+10	+13	+8
Dry goods.....	-3	+8	+8	+8	+5	+9	....
Food.....	+6	+10	+9	+4	+2	+20	0
Furniture.....	+5	+7	+1	+13	....	+4	....
General.....	+5	+21	+9	0	-1	+15	+5
Hardware.....	+7	+25	+11	+11	....	+3	....
Jewelry.....	+13	+12	+5	....	+1	+9	....
Lbr. and mtl's...	+10	+12	+17	+8	+14	+51	+7
Miscellaneous...	0	+20	+17	+8	+8	+43	+32
Total.....	+2	+8	+9	-1	+2	+4	+4

WHOLESALE SALES

Gains in wholesale trade also have narrowed in recent months, though wholesale sales continue to show a greater increase than retail sales, the value of November wholesale sales in this District being 19 per cent above last year. Inventories have risen further and are a fourth larger than a year earlier. The November collection ratio was 70 per cent against 67 per cent in the same month last year.

Wholesale sales and stocks reported by the Bureau of the Census for this District:

No. of Firms	SALES		STOCKS
	Nov. '41 comp. to Nov. '40	11 Mos. '41 comp. to 11 Mos. '40	Nov.30,'41 comp. to Nov.30,'40
(Per cent increase or decrease)			
Auto. supplies.....	16	0	+13
Drugs.....	7	+14	+13
Dry goods.....	4	+2	+24
Electrical goods.....	12	+69	+52
Farm products.....	11	+24	+33
Furniture.....	5	+57	+37
Groceries.....	28	+8	+12
Hardware—total...	(17)	+42	+44
General.....	5	+10	+38
Industrial.....	6	+94	+62
Plbg. & htg.....	6	+46	+31
Jewelry.....	3	+48	+48
Machinery.....	4	+37	+49
Paper and prod.....	4	+25	+20
Tobacco and prod..	5	-2	+6
All other lines.....	20	+13	+24
Total.....	136	+19	+23

Crops

The acreage of winter wheat seeded in the fall of 1941 was 18 per cent less than in the preceding year in Kansas, 15 per cent smaller in Oklahoma, and 13 per cent less in Nebraska, and generally shows an even greater decrease as compared with average plantings from 1930 to 1939. The decline is due to reduced AAA allotments and to unfavorable weather at seeding time. Plantings in Kansas and Nebraska are well within the allotment, while in Oklahoma they are somewhat larger. In Kansas and Nebraska, however, there is a large acreage of volunteer wheat in excellent condition that must be plowed up by early spring to comply with AAA regulations.

Department of Agriculture estimates of winter wheat acreage and condition:

	FALL SEEDING ACREAGE				CONDITION DEC. 1			
	1941	1940	1939	Aver. '30-'39	'41	'40	'39	Aver. '30-'39
(000 omitted)								
(Per cent)								
Colo.....	1,162	1,321	1,180	1,234	94	90	38	64
Kans.....	10,712	13,064	12,496	14,064	88	88	35	68
Mo.....	1,336	1,856	1,802	2,048	66	72	68	80
Nebr.....	2,930	3,368	3,021	3,532	93	81	37	70
N. Mex....	302	335	342	380	89	50	57	72
Okla.....	4,276	5,030	4,657	4,876	80	77	34	67
Wyo.....	160	160	239	206	93	92	60	70
7 States..	20,878	25,134	23,737	26,340	....	....	....	....
U. S.....	39,318	45,663	43,820	47,875	87	84	55	74

Winter wheat is in excellent condition in the western two-thirds of Kansas and in adjacent parts of other states, but the situation is not quite so favorable eastward, where abnormally heavy rainfall from late September to the second week of November seriously delayed seeding operations. Late seeded fields in eastern Kansas, however, are coming up to good stands with continued mild weather, and planting was still in progress at the middle of December, though such late seedings usually mean materially

reduced yields. Because of the unprecedented depth of soil moisture this fall, prospects on the whole are very bright for the 1942 wheat crop if the weather should not be too wet next spring.

November precipitation in Wyoming was 103 per cent of normal but in Colorado it was only 51, New Mexico 58, Nebraska 77, Kansas 67, Oklahoma 64, and Missouri 87 per cent of normal. However, in the three fall months, September through November, rainfall had been far above normal throughout the District.

Rainfall

	Nov. 1941		11 Mos. 1941	
	Total	Normal	Total	Normal
	(In inches)			
COLORADO				
Denver.....	.79	.55	16.65	13.32
Leadville.....	1.05	.93	16.73	17.55
Pueblo.....	.23	.36	16.27	11.17
Lamar.....	.19	.53	21.54	15.44
Steamboat Springs....	1.93	1.49	22.70	21.16
KANSAS				
Topeka.....	.65	1.52	42.38	32.57
Iola.....	1.76	2.22	50.42	36.78
Concordia.....	.83	.99	28.47	25.92
Salina.....	.88	1.43	36.66	26.50
Wichita.....	.78	1.39	32.33	29.11
Hays.....	.54	1.01	27.06	23.07
Goodland.....	.24	.72	27.03	18.14
Dodge City.....	.87	.73	29.76	19.94
Elkhart.....	.36	.84	26.04	16.97
MISSOURI				
St. Joseph.....	.96	1.58	35.76	34.27
Kansas City.....	.94	1.83	44.86	35.78
Joplin.....	1.70	2.77	54.01	41.83
NEBRASKA				
Omaha.....	1.01	1.07	26.07	26.84
Lincoln.....	.94	1.07	22.55	27.14
Norfolk.....	.30	1.12	26.57	27.43
Grand Island.....	.77	1.04	23.32	26.31
McCook.....	.18	.78	25.11	19.13
North Platte.....	.23	.47	19.57	17.97
Bridgeport.....	.21	.43	17.34	15.71
Valentine.....	.45	.56	21.85	17.76
NEW MEXICO				
Clayton.....	Trace	.72	37.60	16.23
Santa Fe.....	.48	.68	17.37	13.53
Farmington.....	.44	.86	17.76	9.01
OKLAHOMA				
Tulsa.....	1.90	2.48	62.68	36.83
McAlester.....	1.40	2.84	46.36	40.66
Oklahoma City.....	1.49	1.87	41.21	29.65
Pauls Valley.....	1.07	2.32	51.32	33.10
Hobart.....	.78	1.66	44.86	26.97
Enid.....	1.61	1.60	35.41	29.52
Woodward.....	.74	1.67	45.92	26.00
WYOMING				
Cheyenne.....	.71	.52	18.29	14.44
Casper.....	.46	.75	15.51	14.21
Lander.....	.86	.60	19.91	11.95
Sheridan.....	.48	.63	14.35	14.42

Grain Marketing

Grain marketings in November were substantially larger than the small marketings of a year ago. Receipts of corn were about a fourth short of the November average of the past ten years, due chiefly to unfavorable weather for harvest and some delay in marketing awaiting the announcement of 1941 loan rates, but receipts of wheat were about equal to average and marketings of other grains were heavy.

November grain receipts at five District markets:

	Wheat	Corn	Oats
	(In bushels)		
Hutchinson.....	1,129,000	....	....
Kansas City.....	2,520,000	1,190,000	308,000
Omaha.....	416,000	1,249,000	254,000
St. Joseph.....	229,000	302,000	314,000
Wichita.....	1,310,000	....	....
Nov. 1941.....	5,604,000	2,741,000	876,000
Oct. 1941.....	5,228,000	3,180,000	1,106,000
Nov. 1940.....	2,947,000	2,695,000	466,000
11 Mos. 1941.....	159,092,000	21,863,000	9,234,000
11 Mos. 1940.....	130,034,000	38,096,000	5,561,000

Cash wheat prices were little changed during November but strengthened early in December, reflecting principally an advancing general price level, growing tightness in the cash wheat situation, and unfavorable seeding conditions in some areas this fall. In the second week of December, wheat prices rose sharply following the outbreak of war in the Pacific, prices rising to new high levels since mid-1937 and about 10 cents above the loan rate. To stabilize prices, Government-owned wheat on December 17 was offered for sale at 15 cents above the loan rate, and wheat prices have since eased somewhat. Cash corn prices also advanced, reacting to the rise in wheat but influenced as well by profitable feeding ratios, increasing livestock production, and the likelihood of active participation in the 1941 Federal loan program.

The lower range of cash grain prices at Kansas City:

	Dec. 24 1941	Nov. 29 1941	Oct. 31 1941	Nov. 30 1940
No. 1 hd., dk. wheat, bu.....	\$1.19 ³ / ₄	\$1.14	\$1.11 ³ / ₄	\$.84 ¹ / ₄
No. 2 mixed corn, bu.....	.74	.69 ³ / ₄	.70	.59 ³ / ₄
No. 2 white oats, bu.....	.52	.46	.43	.38 ¹ / ₂
No. 2 rye, bu.....	.67 ¹ / ₂	.63	.58	.51
No. 2 barley, bu.....	.55 ¹ / ₂	.52	.51	.51
No. 2 white kafir, cwt.....	1.04	.99	1.19	.90

Livestock

MARKETINGS

November marketings of cattle were 15 and calves 13 per cent heavier than a year earlier, while receipts of sheep were about the same and of hogs much below last year. Marketings of calves were slightly above the November ten-year average, but receipts of cattle were 5, hogs 12, and sheep 17 per cent below average.

November livestock receipts at six markets:

	Cattle	Calves	Hogs	Sheep
Denver.....	72,456	26,757	41,369	166,803
Kansas City.....	122,100	27,718	189,044	69,957
Oklahoma City.....	35,750	20,229	37,472	11,379
Omaha.....	117,043	16,430	159,318	75,262
St. Joseph.....	37,423	4,673	89,553	74,340
Wichita.....	23,281	7,791	22,004	9,858
Nov. 1941.....	408,053	103,598	538,760	407,599
Oct. 1941.....	529,064	126,891	491,341	1,129,965
Nov. 1940.....	354,342	91,629	753,351	417,651
11 Mos. 1941.....	3,913,267	675,780	5,178,456	6,357,696
11 Mos. 1940.....	3,670,531	744,099	6,094,458	6,549,302

PRICES

The downward trend in fat cattle and lamb prices was reversed after the middle of November by a cur-

tailment of marketings and some improvement in consumer demand for meats, and this recovery in fat livestock prices, together with favorable weather conditions, greatly strengthened prices of stocker and feeder cattle and sheep. Hog prices continued to decline through November, though not so markedly as in the two preceding months. In the second week of December, all livestock prices rose sharply in response to war developments, prices of fat steers reaching their highest point in four years and prices of lambs recovering virtually all and hogs about half their decline from four-year peaks early in September. Hog prices were at the highest December level since 1926, and prices of sheep and lambs, calves, and stocker and feeder cattle were the highest since 1929, while fat steer prices were the highest since 1930.

Top carlot livestock prices at Kansas City:

	Dec. 24 1941	Nov. 1941	Oct. 1941	Nov. 1940	Nov. 1939	Nov. 1938
	(In dollars per hundredweight)					
Beef steers.....	13.30	12.75	12.85	13.75	11.25	11.85
Stocker cattle.....	12.75	11.25	11.90	10.50	10.00	9.25
Feeder cattle.....	12.00	10.90	11.25	10.50	9.35	9.00
Calves.....	13.50	12.50	13.00	11.00	10.00	10.00
Hogs.....	11.25	10.50	11.25	6.15	6.65	8.00
Sheep.....	10.25	10.25	10.00	7.90	7.90	8.00
Lambs.....	12.50	11.50	11.90	9.75	9.75	9.50

STOCKERS AND FEEDERS

Favorable weather following the wet, soggy condition of pastures, fields, and feed lots up to early November resulted in a material broadening of country demand for stocker and feeder livestock. November shipments of cattle from public markets were 17, calves 8, and sheep 19 per cent larger than a year ago, with the movement of cattle 3 and calves 30 per cent above and of sheep only 4 per cent below the November average of the past ten years.

November stocker-feeder shipments:

	Cattle	Calves	Hogs	Sheep
Denver.....	48,914	22,566	13	147,412
Kansas City.....	54,788	15,554	2,927	11,112
Omaha.....	45,201	7,756	774	16,792
St. Joseph.....	8,109	1,683	718	19,866
Nov. 1941.....	157,012	47,559	4,432	195,182
Oct. 1941.....	225,714	54,446	4,409	695,775
Nov. 1940.....	134,030	44,093	5,540	164,472
11 Mos. 1941.....	1,078,859	214,979	45,452	1,845,530
11 Mos. 1940.....	1,162,643	266,355	58,277	1,602,526

There was a rather heavy movement of stocker and feeder cattle into Corn Belt states during November. As a result, the Department of Agriculture estimates that cattle feeding this winter will probably equal or exceed last year in Nebraska and Kansas, and the sharp advance in the price of fat cattle in December is expected to improve the demand for stockers and feeders still further. An increase in cattle feeding also is in prospect in Colorado and in Oklahoma, where larger numbers fed on wheat pastures and grain

sorghums will more than offset decreased feeding at cottonseed-oil mills, while in Wyoming cattle feeding is expected to be reduced and in New Mexico little changed from last year.

Lamb feeding operations, according to the Department of Agriculture, also will be larger than seemed probable earlier. A material increase is indicated for Nebraska, especially in the Scottsbluff and Central Platte Valley areas and around Omaha. Colorado will feed about 25 per cent more lambs than the relatively small number fed last year, with the bulk of the increase occurring in northern Colorado and in the Arkansas and San Luis Valleys. Some increase is in prospect in Missouri and in Kansas, where the fall movement of lambs to wheat pastures exceeded the very heavy movement a year ago, while operations in Wyoming, New Mexico, and Oklahoma are expected to be smaller, a factor in the reduction in Oklahoma being the holding over of lambs in Texas.

RANGES AND PASTURES

November weather generally was favorable for ranges and livestock, which are in excellent condition and are the best in many years, though the heavy fall rains and late maturity of grass have left range feed in some sections not as well cured as usual and the continued wet weather and muddy fields and pastures up to early November had been limiting weight gains in livestock. Winter wheat pastures are very good in eastern Colorado and New Mexico and in western Kansas and Oklahoma but have been too wet for grazing in eastern Kansas. There is a strong tendency in range areas to hold back cattle to utilize feed.

Farm Income

Cash farm income in the District in October was 25 per cent above a year earlier, reflecting an increase of 30 per cent in income from farm marketings, chiefly the result of higher prices. Government payments were less than half of a year earlier. Income was up in all states of the District except Nebraska, where smaller Government payments, greatly reduced hog marketings, and wet-weather delays in harvest and in the movement of late crops to market and into loans contributed to a decline in income.

Department of Agriculture farm income estimates:

	Oct. 1941	10 Mos. 1941	Change from 1940	
	(Thousand dollars)		(Per cent)	
Colorado.....	21,596	134,896	+14	+21
Kansas.....	34,659	360,038	+39	+46
Missouri.....	53,240	319,193	+42	+32
Nebraska.....	27,867	245,067	-1	+9
New Mexico.....	14,966	47,141	+8	+12
Oklahoma.....	36,910	214,731	+25	+34
Wyoming.....	13,824	54,266	+36	+16
Seven states.....	203,062	1,375,332	+25	+28
United States.....	1,484,891	9,174,943	+32	+25

Meat Packing

Cattle slaughter continued heavy during November, with packers' purchases of cattle 17 and calves 21 per cent above a year earlier. Hog slaughter was nearly a third under last year's high level. A heavy country demand for stocker and feeder sheep currently is absorbing a large proportion of market receipts so that November packers' purchases were 8 per cent smaller than last year though marketings were about the same. The slaughter of cattle was 4, hogs 9, and calves and sheep 16 per cent below average.

November packers' purchases at six markets:

	Cattle	Calves	Hogs	Sheep
Denver.....	17,207	2,907	31,038	26,342
Kansas City.....	54,184	10,615	174,729	52,669
Oklahoma City.....	15,702	14,404	27,290	6,627
Omaha.....	63,233	8,494	144,012	54,985
St. Joseph.....	26,889	2,941	82,712	54,154
Wichita.....	8,139	2,129	19,210	6,316
Nov. 1941.....	185,354	41,490	478,991	201,093
Oct. 1941.....	215,794	47,301	442,754	286,257
Nov. 1940.....	159,089	34,224	698,323	219,691
11 Mos. 1941.....	2,060,623	354,164	4,598,903	3,168,639
11 Mos. 1940.....	1,764,451	367,597	5,402,831	3,098,088

Cold Storage Holdings

After allowing for usual seasonal changes, United States cold storage stocks of beef, lamb, poultry, and cheese continued to increase and of pork and lard to decline during November, and there was also some decrease in holdings of butter and eggs. Stocks of nearly all commodities are very large in comparison with recent years, with holdings of poultry, cheese, frozen eggs, and butter at or near record levels for the season. Stocks of lard are nearly four times as large as at this time in 1917 and are more than double stocks in 1918, during the first World War, but total meat stocks are 23 per cent smaller than in 1917 and 41 per cent less than in 1918.

United States cold storage holdings:

	Dec. 1 1941	Nov. 1 1941	Dec. 1 1940	Aver. '36-'40
(In thousands of units)				
Beef, lbs.....	115,468	89,793	71,508	79,665
Pork, lbs.....	352,272	313,268	408,900	362,070
Lamb and mutton, lbs.....	6,400	4,783	4,427	4,504
Poultry, lbs.....	172,436	127,981	159,110	132,595
Miscellaneous meats, lbs.....	72,830	63,553	65,572	66,790
Lard, lbs.....	172,027	173,156	232,472	107,731
Eggs, shell, cases.....	1,657	3,857	1,969	1,883
Eggs, frozen (case equiv.)	3,711	4,396	2,608	2,539
Butter, creamery, lbs.....	152,526	186,635	67,598	94,614
Cheese, all varieties, lbs.....	188,225	188,727	137,389	120,212

Flour Milling

Activity at southwestern flour mills in November declined sharply from the rather high level of the preceding month and production, though above the November average of the past ten years, was slightly under a year earlier. Flour sales in November averaged only 26 per cent of production capacity, owing in

part to heavy buying last summer, but early in December flour sales increased as wheat prices strengthened and sales were exceptionally large immediately following the outbreak of war in the Pacific on December 7. Export trade has improved somewhat since mills may now buy Government-owned wheat at a discount in order to compete in Latin America.

Flour output reported by the Northwestern Miller:

	Nov. 1941	11 Mos. 1941	Change from 1940	
	(In barrels)		Nov.	11 Mos.
			(Per cent)	
Kansas City.....	535,000	6,225,000	+11	+9
Salina.....	165,000	2,079,000	-18	-1
Wichita.....	135,000	1,834,000	-12	+14
Other cities.....	1,227,000	13,971,000	-4	+8
Southwest.....	2,062,000	24,109,000	-2	+8
United States*.....	5,615,000	63,603,000	-4	+2

*Represents about 64 per cent of total output in United States.

Petroleum

Crude oil production in the District in November continued at a level about 13 per cent above a year earlier, almost double the rate of increase for the first eleven months of the year. Output was 16 per cent above the November ten-year average.

Oil production reported by the American Petroleum Institute and the Department of the Interior:

	Nov. 1941	11 Mos. 1941	Change from 1940	
	(In barrels)		Nov.	11 Mos.
			(Per cent)	
Colorado.....	164,000	1,625,000	+31	+32
Kansas.....	7,464,000	75,125,000	+33	+25
Nebraska.....	179,000	1,528,000	....	....
New Mexico.....	3,511,000	36,160,000	+16	+1
Oklahoma.....	12,763,000	141,756,000	+3	-1
Wyoming.....	2,408,000	27,330,000	+16	+17
Six states.....	26,489,000	283,524,000	+13	+7
United States.....	124,424,000	1,276,645,000	+16	+3

The rapid decline in stocks of crude oil produced in this District has leveled off in recent weeks, partly the result of a decrease in the emergency movement of Mid-Continent crude by rail to the eastern seaboard, following the resumption of shipments of Gulf Coast crude by tanker. Crude stocks in this District are 14 per cent less than a year ago.

Coal

November output of bituminous coal in the District was unchanged from a year earlier, but for 1941 to date output shows an increase of 11 per cent.

Bituminous coal production estimated from reports of the Department of the Interior:

	Nov. 1941	11 Mos. 1941	Change from 1940	
	(In tons)		Nov.	11 Mos.
			(Per cent)	
Colorado.....	688,000	6,043,000	-10	+6
Kans. and Mo.....	680,000	6,677,000	+3	+12
New Mexico.....	118,000	1,064,000	+24	+10
Oklahoma.....	212,000	1,581,000	+5	+11
Wyoming.....	663,000	5,816,000	+3	+14
Six states.....	2,361,000	21,181,000	0	+11
United States.....	42,865,000	454,473,000	+7	+10

Zinc and Lead

November shipments of zinc ore from the Tri-State district were 21 per cent larger than a year ago, almost double the rate of gain for the first eleven months of the year, and lead shipments were 22 per cent larger than a year earlier. Production in the Tri-State area is running approximately 50 per cent above normal. Unsold stocks of zinc and lead are virtually negligible as the ore is being shipped out about as fast as it can be produced, with some producers sold well ahead.

November shipments from the Tri-State district:

	ZINC ORE		LEAD ORE	
	Tons	Value	Tons	Value
Kansas.....	10,580	\$ 584,862	1,390	\$ 95,308
Missouri.....	3,681	203,513	146	10,009
Oklahoma.....	24,902	1,376,564	2,939	201,321
Nov. 1941.....	39,163	\$ 2,164,939	4,475	\$ 306,638
Oct. 1941.....	43,878	2,350,769	4,419	302,848
Nov. 1940.....	32,468	1,566,269	3,668	244,926
11 Mos. 1941.....	433,929	21,440,717	48,302	3,286,395
11 Mos. 1940.....	390,264	16,080,082	41,320	2,457,912

Employment

The following table shows Department of Labor estimates of employment in nonagricultural establishments. The October figures are preliminary.

Department of Labor employment estimates:

	Oct.	Sept.	Change from 1940	
	1941	1941	Oct.	Sept.
	(Number)		(Per cent)	
Colorado.....	256,000	246,000	+11	+7
Kansas.....	328,000	327,000	+7	+10
Missouri.....	907,000	881,000	+16	+13
Nebraska.....	220,000	219,000	+8	+9
New Mexico.....	78,000	81,000	+8	+14
Oklahoma.....	315,000	314,000	+7	+8
Wyoming.....	61,000	59,000	+13	+7
Seven states.....	2,165,000	2,127,000	+11	+11

Building

November construction awards in this area were double a year ago, owing to an exceptionally large amount of awards for public works and utility construction. Defense work accounts for the gain over a year earlier as non-defense construction has been greatly reduced in recent months by shortages of critical materials and the allocation of these materials to projects necessary to defense and the health and safety of the civilian population, including housing for defense workers, highways, and essential community facilities as well as plants, ammunition depots, storage warehouses, air bases, and army cantonments.

Construction figures of F. W. Dodge Corporation:

	Nov.	11 Mos.	Change from 1940	
	1941	1941	Nov.	11 Mos.
	(Thousand dollars)		(Per cent)	
Residential building.....	6,335	70,130	+21	+59
Nonresidential bldg.....	8,650	96,668	-36	+94
Public wks. construction...	9,921	51,201	+549	+14
Utility construction.....	18,251	61,481	+1,062	+437
Kansas City area.....	43,157	279,480	+98	+86
37 Eastern states.....	458,620	5,575,848	+21	+57

The value of November building permits issued in reporting District cities was about the same as a year earlier, in contrast with a gain of 13 per cent for the first eleven months of the year. The slackening evident in recent months is due primarily to a drastic curtailment in non-defense building.

Value of building permits issued in District cities:

	Nov.	11 Mos.	Change from 1940	
	1941	1941	Nov.	11 Mos.
	(Dollars)		(Per cent)	
Albuquerque, N. M.....	176,000	2,236,000	-13	+4
Cheyenne, Wyo.....	164,000	1,648,000	-5	+29
Colo. Springs, Colo.....	70,000	754,000	+21	-13
Denver, Colo.....	935,000	14,337,000	+6	+19
Hutchinson, Kans.....	24,000	368,000	+4	-16
Joplin, Mo.....	68,000	524,000	+240	-14
Kansas City, Kans.....	24,000	720,000	+380	-23
Kansas City, Mo.....	284,000	4,243,000	-21	+24
Lincoln, Nebr.....	97,000	2,355,000	+10	-5
Okl. City, Okla.....	361,000	5,177,000	-21	-8
Omaha, Nebr.....	428,000	5,061,000	+50	-1
Pueblo, Colo.....	50,000	1,245,000	-48	+22
Salina, Kans.....	30,000	330,000	+233	-38
Shawnee, Okla.....	5,000	164,000	-85	-23
St. Joseph, Mo.....	11,000	574,000	-8	+71
Topeka, Kans.....	63,000	1,129,000	-14	-21
Tulsa, Okla.....	278,000	5,389,000	-27	+11
Wichita, Kans.....	379,000	5,763,000	+73	+102
District, 18 cities.....	3,447,000	52,017,000	+2	+13

Lumber

Retail lumber sales in the District in November were 17 per cent less than a year earlier, when Government buying had been in large volume. Sales in the first eleven months of 1941, however, still show a gain of about a third over the same period of 1940. Lumber stocks are 10 per cent heavier than a year ago, though this increase is much less than for other recent months. Collection ratios in November were under a year earlier for the first time in fourteen months.

Lumber trade at 148 chain retail yards:

	Nov. 1941	
	per cent change from Oct. 1941	Nov. 1940
Sales of lumber, board feet.....	-12	-17
Sales of all materials, dollars.....	-12	+16
Stocks of lumber, board feet.....	-2	+10
Outstandings, dollars.....	-1	+30

Life Insurance

Life insurance sales in the District in recent months have been appreciably above the very low levels prevailing at this time a year earlier.

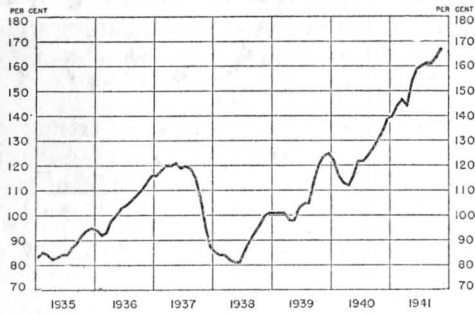
The Life Insurance Sales Research Bureau report:

	Nov.	11 Mos.	Change from 1940	
	1941	1941	Nov.	11 Mos.
	(Thousand dollars)		(Per cent)	
Colorado.....	4,105	52,999	+3	+1
Kansas.....	7,420	79,769	+27	+15
Missouri.....	14,833	178,522	+6	0
Nebraska.....	5,223	61,484	+8	+3
New Mexico.....	1,294	12,108	+60	-5
Oklahoma.....	6,852	82,041	-1	-4
Wyoming.....	873	11,281	+9	+17
Seven states.....	40,600	478,204	+9	+2
United States.....	581,692	6,439,557	+15	+8

NATIONAL SUMMARY OF BUSINESS CONDITIONS

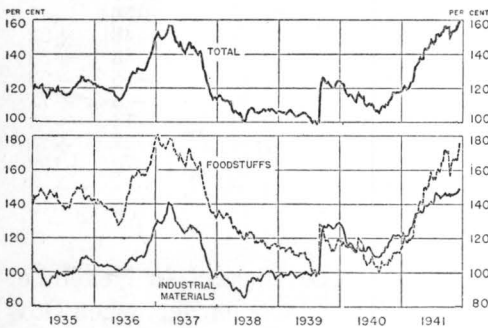
By the Board of Governors of the Federal Reserve System

INDUSTRIAL PRODUCTION



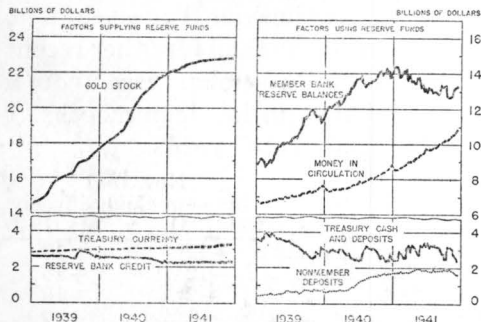
Federal Reserve index of physical volume of production, adjusted for seasonal variation, 1935-39 average=100. By months, January, 1939=100. Thursday figures, January 3, 1935, through November, 1941.

WHOLESALE PRICES OF BASIC COMMODITIES



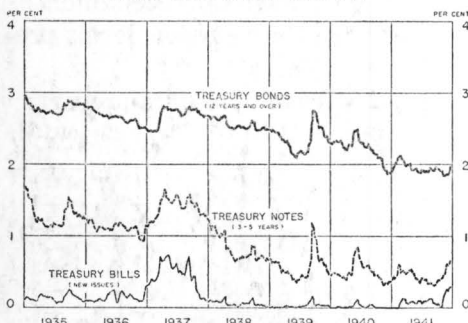
Bureau of Labor Statistics' indexes based on 12 foodstuffs and 16 industrial materials, August, 1939=100. Thursday figures, January 3, 1935, through December 11, 1941.

MEMBER BANK RESERVES AND RELATED ITEMS



Wednesday figures, January 4, 1939, through December 10, 1941.

MONEY RATES IN NEW YORK CITY



Weekly averages of daily yields of 3- to 5-year tax-exempt Treasury notes, Treasury bonds callable after 12 years, and average discount on new issues of Treasury bills offered within week. For weeks ending January 5, 1935, through December 13, 1941.

Industrial activity was maintained at a high rate in November and the first half of December and distribution of commodities continued in large volume. Our entry into the war was reflected in the prices of some commodities, some decline in security prices, and further curtailment of non-military production.

PRODUCTION

Volume of industrial output was sustained in November at the high rate of the previous two months, although a decline is usual at this season. The Board's adjusted index advanced from 163 to 167 per cent of the 1935-39 average. In industries engaged in production of armament and munitions activity continued to increase and in most other lines volume of output was maintained or declined less than seasonally.

Crude petroleum production increased further in November. Bituminous coal production declined somewhat owing to temporary shutdowns at some mines during November, and anthracite production was curtailed as a result of unusually warm weather in some areas and the existence of considerable stocks of coal accumulated in earlier months.

Following a declaration of war by this country in early December further steps were taken to curtail output of nondefense goods using critical materials. Output quotas for passenger cars and household appliances were greatly reduced and cessation of output of some other products was ordered as of the end of January. Also, the production and sale of new automobile tires and tubes for civilian use were halted temporarily, pending establishment of a system for controlling their distribution.

Value of construction contracts awarded in November declined sharply from the high level of other recent months, according to figures of the F. W. Dodge Corporation. Awards for privately-financed construction decreased more than seasonally and contracts for publicly-financed projects also declined following a continued large volume of awards since last spring. Total awards in November were about a fifth larger than a year ago, while for the first ten months of the year they were three-fifths larger.

DISTRIBUTION

Volume of retail trade increased in November following some decline in the previous month. Department store sales, as measured by the Board's seasonally adjusted index, advanced to 115 per cent of the 1923-25 average as compared with 105 in October and 116 in September. Larger sales in November were also reported by variety stores. Sales of automobiles increased somewhat, according to trade reports, but, as in other recent months, new car sales were smaller than output and dealers' stocks rose further.

In the second week of December sales at department stores rose less than seasonally, particularly in the coastal regions.

Freight traffic on the railroads continued in large volume in November and the first half of December. Grain shipments increased considerably and loadings of miscellaneous merchandise, which includes most manufactured products, were maintained at the high level reached several months earlier. Coal loadings declined somewhat, owing in part to temporary shutdowns at some mines. Shipments of most other classes of freight decreased less than seasonally.

COMMODITY PRICES

Following the entry of the United States into the war, prices of grains, livestock, and foods rose sharply. Prices of most industrial materials traded in the organized markets, being limited by Federal regulation, showed little change. Additional measures to prevent advances in wholesale prices were soon announced for wool and shellac and for cocoa, coffee, pepper, and fats and oils.

Retail food prices, as measured by the Bureau of Labor Statistics' index, increased 1½ per cent further from the middle of October to the middle of November to a level 18 per cent above a year ago. Indications are that retail prices of both foods and other commodities continued to rise in December.

BANK CREDIT

Total loans and investments at banks in leading cities continued to advance during November and the first two weeks of December, owing mostly to increased holdings of Government securities at banks outside New York City. Commercial loans, after showing little net change in November, again increased sharply in the first two weeks of December.

Excess reserves increased through most of the period as a result of Treasury expenditures from Reserve Bank balances, but declined sharply on December 15 when these balances were replenished in connection with the issue of 1.6 billion dollars of new Government securities. Money in circulation has continued to show a marked increase.

YIELDS ON UNITED STATES GOVERNMENT SECURITIES

The yield on 2½ per cent United States Government bonds of 1967-72, which reached a record low level of 2.32 per cent on November 5, advanced somewhat in November and, after the entry of the United States into the war, rose to 2.50 per cent. Yields on short-term Government securities increased further. The yield on Treasury notes of December 1945 advanced to 0.93 per cent on December 17, compared with 0.62 per cent on September 15, and the rate on three-month bills rose to .295 per cent.