

MONTHLY REVIEW

Agricultural and Business Conditions

TENTH FEDERAL RESERVE DISTRICT

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THE WOOL OUTLOOK

Surplus Stocks An Associated Press dispatch recently stated that "A United Kingdom stock pile of 4 billion pounds of wool is casting a dark shadow across Western American rangelands. Wool-growers see in the huge stock pile a threat of low prices that will be ruinous to their industry." Undoubtedly the memory of what happened to wool in World War I adds to the present uneasiness. The average farm price of wool in the United States increased from 25 to nearly 58 cents a pound between 1916 and 1918; three years after the Armistice, the farm price was less than 17 cents. The chart below shows the world production of wool and average American farm prices.

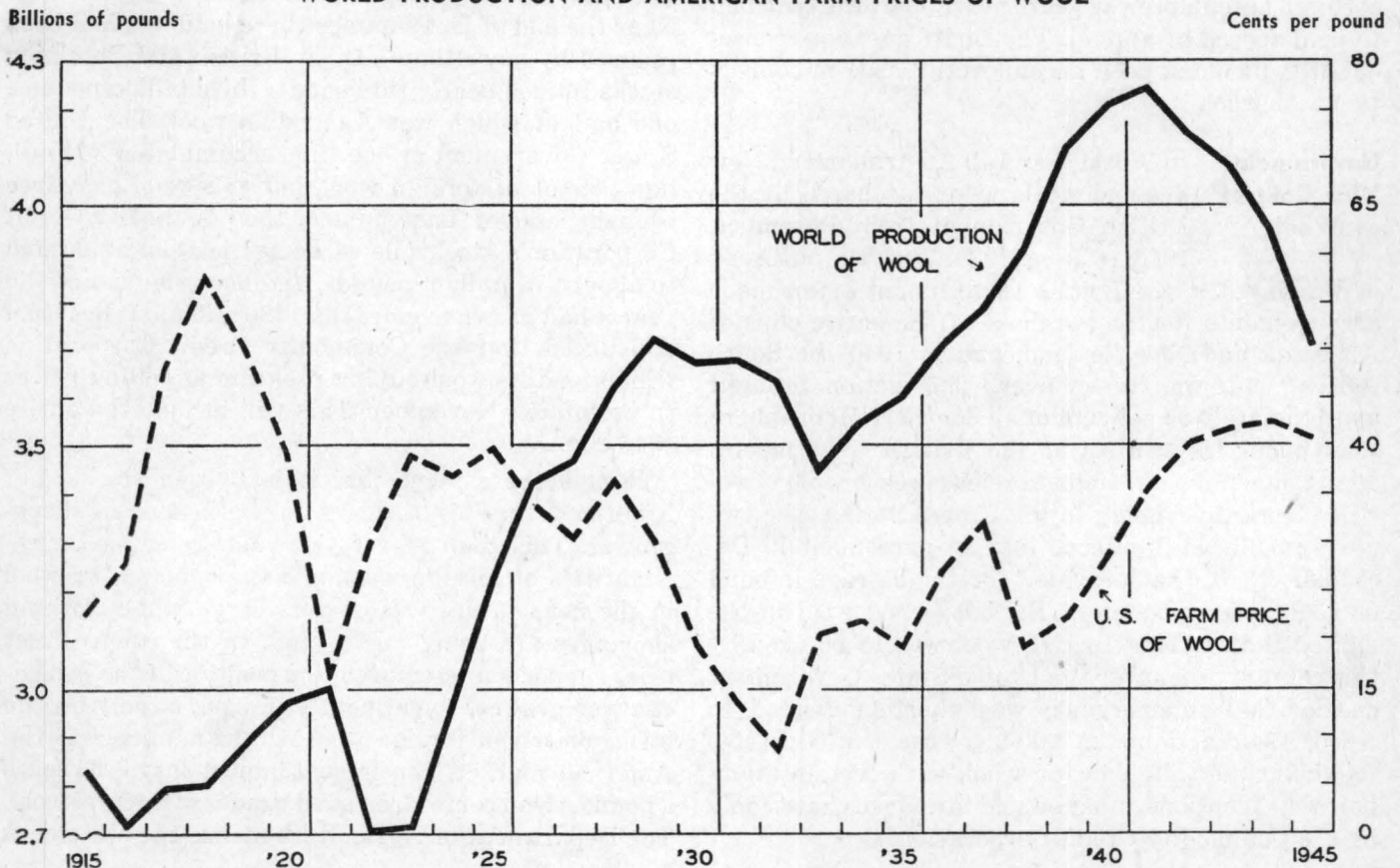
Under the caption "Empire Partnership in Wool,"

the London *Economist* recently summarized the wool problem that faces the British Empire.

The Governments of Great Britain, Australia, New Zealand and South Africa have entered into partnership to control the marketing of the wartime surplus of raw wool owned by this country and of the new clips of the three Dominions. They have, in fact, accepted the verdict of a conference of officials and wool experts of Britain and the three Dominions which, after lengthy discussions in April and May, was against the restoration of a free market and in favour of controlled marketing.

The problem to which the conference had to find a rational answer was this: First, the wool surplus accumulated during the war is tremendous. Stocks of Empire and of Latin American wool total some 4,000 million pounds, equivalent to more than two years' prewar exportable surplus of 1,830 million pounds; stocks of Empire wool alone stand in a similar ratio to their prewar exportable surplus, that is,

WORLD PRODUCTION AND AMERICAN FARM PRICES OF WOOL



in the ratio of 3,245 million pounds to 1,440 million pounds. (Together, the three Dominions, Argentina and Uruguay contributed 85 per cent of the total quantity of wool entering international trade during 1934-1938; the three Dominions alone contributed two-thirds.) Secondly, the conference calculated that, even if there is a 12 per cent increase in the consumption of apparel wool over the prewar intake, which would raise the consumption of Dominion and Latin American wool by 20 per cent, it would take 13 years to dispose of the existing surplus, on the assumption that the new crops give rise to exportable surpluses of the prewar order of magnitude.

The British Empire has the largest stake in the wool problem, Australia alone accounting for more than a quarter of the world's supply. The United States produces more than 10 per cent of the world's supply and until recent years was the second largest producer. Argentina now occupies second place. The seven states that are represented in the Tenth Federal Reserve District account for nearly a fourth of the country's wool. Only Texas produces more wool than Wyoming. New Mexico ranks sixth and Colorado seventh.

In the decade from 1930 to 1940, wool production in this country averaged about 427 million pounds yearly, and imports averaged 176 million. In time of war, however, imports expand rapidly, usually exceeding domestic production by a wide margin. The fact that the United States is dependent on foreign production makes the problem of protecting the domestic producer by a tariff duty much simpler than in the case of cotton where in prewar years nearly half the crop had to be disposed of abroad. The tariff question, consequently, has long been an important issue in connection with wool.

Government War Control of Wool In World War I all Australian and New Zealand wools were purchased by the British Government from December, 1916, to June, 1920. With the outbreak of war in 1939, the British Government again made arrangements for the purchase of the entire clips of Australia and New Zealand, and in 1940 the South African clip was taken over. This action brought approximately 85 per cent of all Southern Hemisphere wool under the control of the British Government. Arrangements were made to release reasonable quantities from this supply to the United States. The two governments also entered into an agreement in December, 1940, that provided for the storage-in-bond of 250 million pounds of British owned wool in the United States. This British wool was to be used by this country whenever the United States Government decided that an emergency wool shortage existed. In April, 1943, action was taken by the United States requiring that all domestic wool, with certain unimportant exceptions, must be sold to and purchased only by the Commodity Credit Corporation.

The purpose of the British Government in taking over the Empire wool clips in both wars was to assure ample supplies for military and civilian needs at reasonable prices. Much the same motive accounted for similar action by the United States in World War II. As a consequence of this action, it is inevitable that governments find themselves with burdensome supplies when hostilities cease. The disposal of these surplus stocks presents a delicate problem at a time when markets are apt to be demoralized by the cessation of war demand. After the Armistice the price of wool slumped badly and the British Australian War Realization Association was formed to dispose of Government wool stocks. Wool prices touched bottom in 1921 and in the following three and one half years the whole of the British Government's accumulations was disposed of on a rising market. The 1925 Year Book of the Commonwealth of Australia, commenting on this successful operation, said that "contributing factors were the shortage in Australian production, the dearth of cotton, and the activity in textile manufacturing centers."

The agreement in December, 1940, between the British and American governments provided for the storage-in-bond of 250 million pounds of British owned wool in the United States. This wool was to be used in this country or shipped elsewhere. But this stock pile grew and amounted to 650 million pounds at one time. Near the end of last summer these holdings had been reduced by more than a third. British and Dominion stocks totaled nearly three and a third billion pounds, one half of which was Australian wool. The United States Government at one time accumulated 344 million pounds of foreign wool, but this wool has since been disposed of. Last summer the Commodity Credit Corporation's stock pile of domestic wool amounted to about 275 million pounds, and near the end of the year it had grown to more than 420 million. It has been announced that the Commodity Credit Corporation will extend its wool-buying program at ceiling prices through next November. This will include the entire 1946 clip.

It must be evident that it is British stocks, not American, that are a threat to the American sheep-grower. This country for years has consumed large quantities of foreign wool, and the demand for wool in the near future will be very large while clothing shortages are being made good. In the event direct price supports are removed, the position of the American woolgrower, consequently, hinges largely on the terms on which foreign wool will be admitted to the American market. The present import duty is 34 cents a pound, clean content, on most grades of apparel wool. The Department of Agriculture makes the statement

that "Government support prices of \$1.19 a pound, scoured basis, for fine strictly combing territorial wool and \$1.04 for combing $\frac{3}{8}$ blood wools at Boston are approximately 20 per cent higher than current duty-paid prices of imported wools of comparable quality and preparation."

Liquidation of British Empire Wool Stocks

Since British stocks are the key to the postwar world price outlook, this country is tremendously interested in the organization being set up within the British Empire to deal with them. The London *Economist* describes it as follows:

The four governments will form a Joint Organisation to be incorporated as a private registered company. Its capital is to consist of eight shares; half of these are to be held by nominees of the United Kingdom, two by nominees of the Government of Australia, and one each by nominees of the Governments of New Zealand and South Africa. The Company will have three subsidiaries acting on its behalf, one in each of the three Dominions. . . .

The Joint Organisation will buy, hold and sell wool as agent for the four governments. The new wool clips are not to be acquired by it by way of bulk contracts—the method adopted by the British Government during the war—but these, and existing surplus wool, are to be auctioned, as before the war, subject to a system of reserve or minimum prices. Reserve prices are to be fixed prior to the opening of each wool season or "at such other times as may be required," not by the Joint Organisation but by representatives of the four governments. The price-fixing powers of the Joint Organisation are to be limited to the making of "minor changes" in the general price level.

In sum, a careful balance has been established between this country as a consumer and the owner of the existing Empire wool surplus, and the three Dominions as producers. In the crucial matter of price-policy, the marketing company is to have little discretion; the final decision lies with the four governments. . . .

The partnership will stand or fall, not by the principles it professes or by its organization—however ingenious—but by its policy. The three Dominion partners will be predominantly interested in the scheme as producers and, inevitably, in securing the highest possible "low" price; the British Government, though predominantly interested in it as a consumer, will also inevitably be influenced—at least temporarily—by the fact that it will own a half share in the enormous stocks.

The Economist comments as follows regarding the prospects for this enterprise.

If controlled marketing is to be a success, it must result in a steady reduction of the stock of surplus wool. How extraordinarily difficult this is to achieve has been demonstrated by the chronic surplus of cotton held by the Government of the United States. . . . If prices are fixed too high there are the triple dangers of continued high production, not merely in the Dominions but also in Latin America, of a restrained demand, and of the substitution of new textile fibres for wool. . . . The conference calmly assumed that the combined exportable surpluses of the three Dominions will be no greater than before the war for more than a decade. Is this not a large assumption?

Competition of Synthetics

Looking beyond the immediate problem, the competition of synthetics is probably the greatest uncertainty

in connection with the future of wool. The world production of rayon and staple fiber now practically equals the world production of wool, and the per capita consumption by weight of rayon in the United States now exceeds that of wool. A pound of rayon costs only about a fifth as much as a pound of wool, and rayon possesses many desirable qualities including its superior strength. Reports from Europe are to the effect that the war gave a big impetus to the continent's synthetic industry.

There are many, however, who believe rayon may increase the consumption of wool. Francis Westbrook, Jr., has pointed out that a blend of wool and rayon results in a fabric possessing the good qualities of both: rayon adds strength and reduces cost while wool gives warmth and softness. He also says, "If the unique characteristics of wool as a blending fiber are energetically promoted and a large demand for it generated in the cheaper fabrics, the chances are that over-all consumption of wool will increase—even if the markets for all-wool fabrics shrink." The wool-exporting countries are alert to the need of increasing the competitive strength of wool, and research is going forward to improve the quality of raw wool and wool products. Scientists are working on the problem of making wool moth and shrink proof.

Douglas T. Boyd, general manager of the Australian Wool Board, has this to say in speaking of the outlook for new woolen fabrics.

Astonishing changes are forecast in the types of fabrics for the postwar world, which will be treated to materials of completely new appearances and holding new combinations of qualities. According to one Bradford authority, these will include a wool material which will be neither worsted nor woolen but somewhere between these two types. Woolen sheets practically indistinguishable from cotton or linen, except for additional warmth, will be available. Woolen materials, to which a sheen has been imparted, will rival the finest silks and satins. These are no mere figments of imagination; they are practical postwar certainties.

Regarding the opportunities for improving the quantity and quality of wool, F. E. Ackerman, executive secretary of the American Wool Council, makes this statement.

A great part of wool's future lies in improved production. Domestic woolgrowers are culling low-grade sheep from their flocks. They are raising better wool and more wool on each animal. They are also increasing the size of individual sheep. This will result in lower costs.

Wool and the Decline in Sheep Numbers

The sheep population of the United States has been declining since 1942. The drop has been very sharp in each succeeding year. At the beginning of 1946 numbers were down 12 $\frac{1}{2}$ million head, or 22 per cent, from the high point in 1942. This decline in numbers is the principal reason why this

country has slipped in recent years from second to third place in world production of wool. This decline in sheep numbers is the more singular as there have been very large increases in the cattle and hog populations since the beginning of the war. The chart below shows changes in livestock numbers in the states of the Tenth Federal Reserve District.

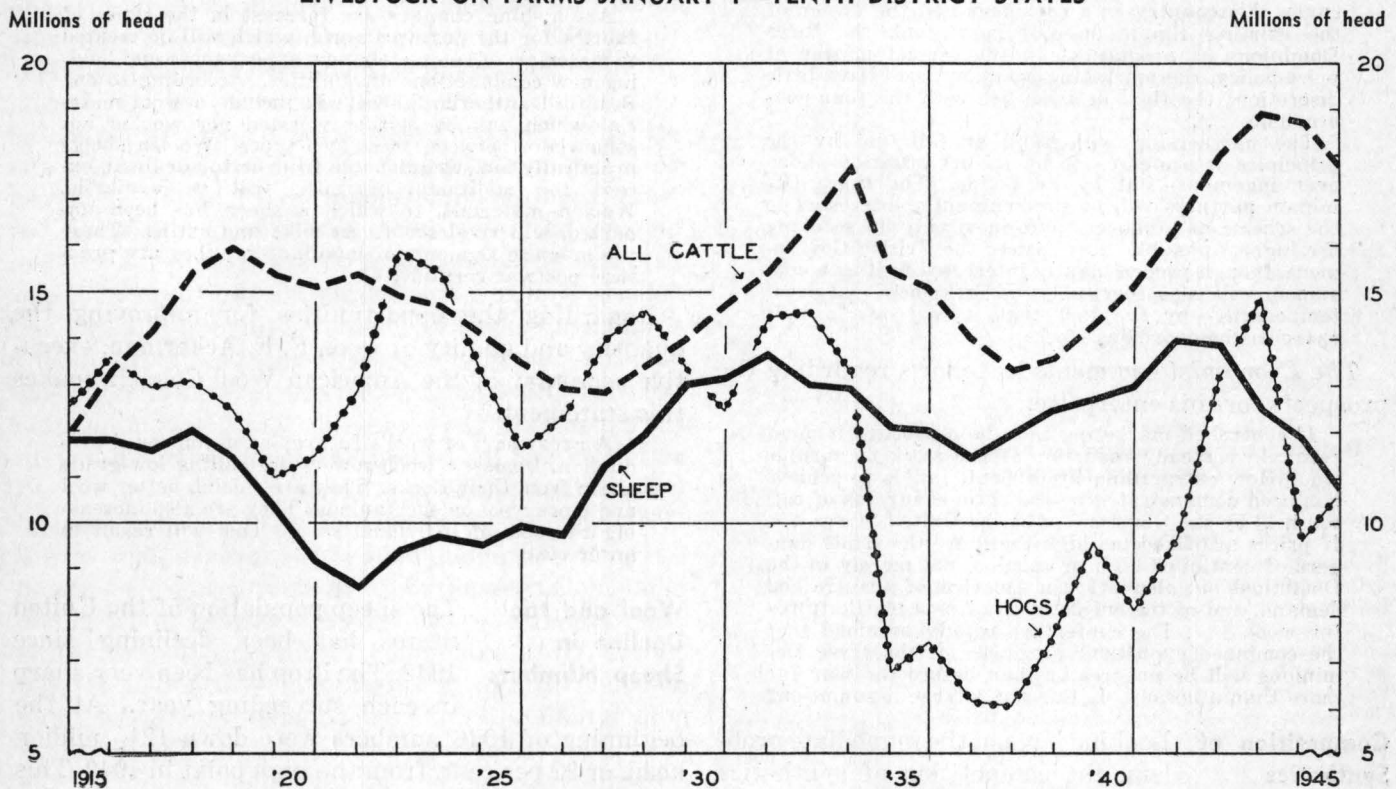
The wool situation is probably responsible only in a small way for the recent decline in sheep numbers. Sheep no longer are raised primarily for wool. The following is a quotation from a publication of the College of Agriculture of the University of California. "Wool is now predominantly a by-product of the meat industry in the United States. Formerly, wool production was the mainspring of the sheep industry but with the diminishing sheep population and the growing popularity of lamb, conditions are tending more and more to a meat-production basis, with wool as the by-product."

Since 1943 both wool and lamb prices have been lower in relation to prewar prices than most farm products. The Department of Agriculture says that "reports from farmers indicate that much of the reduction in sheep numbers in the farming states was caused by producers giving up sheep raising entirely, with a noticeable decline in the percentage of farms keeping sheep. With growers everywhere it is probable that the rather unfavorable outlook for wool in the

postwar period may have influenced actions." And the Department makes this statement regarding the cost factor. "Sheep raising probably has been in a less favorable position in respect to increasing costs of production in the last two or three years. Costs of hired labor and feed account for a greater percentage of cash costs in producing sheep, lambs, and wool than in producing beef cattle. Hired labor costs probably are a more important consideration in producing sheep than they are in the production of mechanized crops such as grains."

In contrast to the situation in the eastern part of the District, probably the principal reason for declining sheep numbers in Colorado, Wyoming, and New Mexico has been manpower difficulties. The labor problem became acute even before 1942 and the draft and the lure of high wages in war industries greatly intensified the situation. Early in the war a serious shortage of competent help at lambing time developed, and the danger of heavy losses under unfavorable weather conditions caused many sheep-growers to reduce operations to a point that could be handled with the labor available. As early as 1942 there had been much complaint of the inexperienced and inefficient herders available as compared with former years. The decline in the supply of experienced herders was attributed to the fact that fewer young men were being attracted to that work. By

LIVESTOCK ON FARMS JANUARY 1—TENTH DISTRICT STATES



1942 higher wages were no solution as the principal result was said to be that the more money the less work, thus making the available supply of herders even more irresponsible. Numerous instances developed where bands of sheep were abandoned by herders with resulting great loss to the owner. It is a hazardous operation to commit a large investment

— represented by thousands of sheep — to inexperienced and untrustworthy herders who neglect the sheep and sometimes abandon them entirely. In 1942 it was often pointed out that such a condition could result in only one thing—a serious liquidation in sheep numbers. As already pointed out, the sharpest reduction in numbers did take place in 1943 and 1944.

THE PRESIDENT'S BUDGET MESSAGE

In his annual budget message to the Congress, the President indicates that the international and domestic responsibilities of the United States Government will require postwar annual budgets much larger than the prewar budgets, and that future annual outlays can hardly be expected to drop below 25 billion dollars.

Although the budget for the fiscal year 1947 is only one third of the maximum war period outlay of 100 billion dollars in the fiscal year 1945, and slightly over one half of the estimated expenditure of 67.2 billion dollars in the current fiscal year, it is nearly four times as large as the cost of Government in 1940. The budget estimates expenditures at 35.9 billion dollars and receipts at 31.5 billion, leaving a deficit of 4.3 billion. The receipts were 46.5 billion in the fiscal year 1945, with a deficit of 53.6 billion, while the estimated receipts and the estimated deficit for the fiscal year 1946 are 38.6 billion dollars and 28.6 billion, respectively. It now appears, however, that the deficit of 28.6 billion dollars estimated in the budget for the fiscal year 1946 is overstated.

**GOVERNMENT EXPENDITURES AND RECEIPTS,
FISCAL YEARS 1945-47
(In billions of dollars)^a**

	Estimated 1947	Estimated 1946	Actual 1945
Expenditures:			
National defense			
General and special account.....	16.0	48.8	90.0
Government corporations (net expenditures).....	-1.0	0.2	0.5
Total national defense.....	15.0	49.0	90.5
Interest on the public debt.....	5.0	4.8	3.6
Refunds.....	1.6	2.7 ^b	1.7 ^b
Veterans' pensions and benefits.....	4.2	3.3	2.0
International finance.....	2.8 ^c	2.6 ^c	^d
Aids to agriculture.....	0.5	0.5	0.6
Social security.....	1.1	1.2	1.0
Public works.....	1.0	0.7	0.3
General Government.....	1.5	1.3	1.1
Expenditures from anticipated supplemental appropriations.....	0.9	1.3
Expenditures based on proposed legislation (excluding international finance).....	1.5	0.3
Government corporations (net expenditures excluding debt retirement).....	0.7	-0.5	-0.8
Total expenditures.....	35.9	67.2	100.0
Receipts:			
Direct taxes on individuals.....	12.9	15.8	19.8
Direct taxes on corporations.....	8.2	12.4	16.4
Excise taxes.....	6.3	6.3	5.9
Employment taxes.....	1.9	1.6	1.8
Customs.....	0.4	0.4	0.4
Miscellaneous receipts.....	3.2	3.2	3.5
Total receipts.....	32.9	39.7	47.7
Deduct net appropriations for Federal old age and survivors' insurance trust fund.....	1.4	1.1	1.3
Net receipts.....	31.5	38.6	46.5
Excess of expenditures.....	4.3	28.6	53.6
Trust account net expenditures.....	0.3	0.3	-2.0
Redemption of Government corporation debt.....	0.1	0.2	1.6
Change in Treasury balance.....	-8.7	-12.8	+4.5
Increase in public debt.....	-4.0	16.3	57.7
Public debt end of year.....	271.0	275.0	258.7

a All figures are rounded, and consequently additions and subtractions will not necessarily check.
b Includes transfers to public debt accounts for excess-profits tax refund bond issued.
c Based on existing and proposed legislation, including net expenditures of Government corporations.
d Less than 500 million dollars.

Despite the fact that fighting has ceased on all fronts, the 1947 budget still bears the imprint of global war, with 42 per cent of its total constituting outlays for national defense and another 30 per cent classified under the heading of "aftermath of war" expenditures. National defense expenditures will aggregate 16 billion dollars, but estimated net receipts of 1 billion dollars arising from war activities of the Reconstruction Finance Corporation reduce the estimated national defense figure to 15 billion dollars. Army and Navy requirements amount to 13 billion, of which amount pay allowances, subsistence, mustering out pay, and miscellaneous expenses account for 5 billion dollars. New construction and the procurement of new equipment constitute about one third of military and naval expenses compared with about two thirds during the war. Other national defense expenditures include the expenses of the occupation forces, war liquidation activities, and the United Nations Relief and Rehabilitation Administration program.

Among the "aftermath of war" expenditures, interest on the public debt is the largest item with 5 billion dollars required for this purpose. Pensions and other benefits to war veterans amount to 4.2 billion dollars. Of this amount, 1.7 is for pensions, two thirds of which will go to veterans of World War II; 850 million dollars is for unemployment allowances; and 535 million is for veterans' education. The President estimates tax refunds at 1.6 billion dollars for the fiscal year 1947 and 2.7 billion for the current fiscal

year ending June 30, 1946.

Net expenditures of the Export-Import Bank, current expenses arising from the proposed, but as yet unauthorized British loan, non-cash payments in the form of Government obligations to the International Monetary Fund, and initial payments for capital stock of the International Bank for Reconstruction and Development are estimated at 2.6 billion in the current fiscal year and 2.8 billion in the fiscal year 1947. These estimates exclude payments of 1.8 billion to the International Fund from the Exchange Stabilization Fund.

The price stabilization and price support activities of the Commodity Credit Corporation are estimated at 1.5 billion dollars and "aids to agriculture" at 500 million for the fiscal year 1947. Expenditures for public works which were curtailed during the war show an increase for the new fiscal period. They are estimated at 1 billion dollars and include highway improvements and an expansion of the reclamation program.

The estimated receipts of 31.5 billion dollars for the fiscal year 1947 are 18 per cent under the estimated receipts for the current fiscal period. The estimates of receipts for 1947 are based upon the present tax rates as well as upon the assumption that the nation will experience a year of "good business" characterized by a "rapid liquidation of the war program," and highlighted by a "rapid reconversion and expansion of peacetime production."

Direct taxes on individuals are estimated at 12.9 billion dollars for 1947 compared with an estimated 15.8 billion in 1946 and 19.8 billion paid in 1945. The decrease reflects an estimated decline in income payments to individuals together with the reduction in tax rates. Direct taxes on corporations are estimated at 8.2 billion in 1947 and 12.4 billion in 1946 compared with receipts of 16.4 billion in 1945. Corporation tax receipts in the fiscal year 1946 will be substantially reduced by the Revenue Act of 1945 as well as by lower income. These factors also will be reflected in the fiscal year 1947, but in addition, the second half of the fiscal year will reflect the effect of the repeal of the Excess Profits tax. However, the full effect of the Revenue Act of 1945 will not be felt in corporation taxes until the following year. Excise taxes are estimated at 6.3 billion in both 1946 and 1947 compared with actual receipts of 5.9 billion in 1945.

Receipts from disposal and rental of surplus property are estimated at 2 billion dollars. The President states that surplus property originally costing 50 billion dollars or more will ultimately be declared surplus but that the sale value of this property will be for less than original cost, and disposal expenses are estimated

at 10 to 15 cents per dollar received. At the time the budget message was prepared only about 13 billion dollars of the ultimate surplus, including 5 billion dollars of unsalable aircraft, had been declared surplus. Of this amount, 2.3 billion dollars had been disposed of, in sales yielding 600 million dollars.

In view of the still extraordinarily large expenditures in the coming year and the continuing inflationary pressures, the President states that he is making no recommendation for tax reduction at this time. He further states that the possibility of additional tax reduction must depend upon the budgetary situation and the economic situation, that the level of anticipated expenditures for the fiscal year 1947 and the volume of outstanding public debt requires the maintenance of large revenues, and that inflationary pressures are so powerful that it would be ill advised to strain them by further tax reduction.

Although the fiscal year 1947 will involve an estimated deficit of 4.3 billion dollars, there will be no increase in the public debt. In fact, it is anticipated that the public debt will be decreased 7 billion dollars during the latter half of the fiscal year 1946 and during the fiscal year 1947. At the close of the Victory Loan Drive, the Treasury balance was at the high level of approximately 26 billion dollars. During the course of the war the Treasury followed the policy of maintaining a large minimum balance at all times, but such a policy is deemed unnecessary for peacetime conditions. By drawing down the Treasury balance from 26 billion dollars on December 31, 1945, to 3.2 billion on June 30, 1947, it is believed possible to cover the anticipated deficit of 10.5 billion dollars during the last half of the fiscal year 1946 and the estimated deficit of 4.3 billion for the fiscal year 1947, and in addition to retire some of the public debt.

Although the public debt is expected to decline, a substantial amount of refinancing will be required as 72 billion dollars of public marketable Government securities will mature or become callable between December 31, 1945, and June 30, 1947. Savings bond redemptions and sales are currently in approximate balance, but it is expected that the volume of Treasury savings notes redeemed will exceed sales. The President states that this refinancing will be accomplished under the low interest rate policy which has characterized the Government's wartime borrowing. At present the average rate on the public debt is a little less than 2 per cent. The President believes that this level of rates should be maintained. One reason advanced for doing so is that it holds down the interest charge for future Federal budgets; second, it is stated that the lower interest rates will promote full employment and high productivity in the economy; and,

third, it is contended that increased interest rates on Government securities would result in unjustifiable

expansion in bank profits at the expense of the general public.

BUSINESS AND AGRICULTURAL CONDITIONS

FINANCE

Call Report Preliminary figures based on the December 31, 1945, call report show an expansion in loans and discounts of the District member banks over both the June 30, 1945, and the December 30, 1944, calls. For the District country banks, the volume of loans is larger than for any call report since December 31, 1942, while for the Reserve city banks, the loan figure exceeds the volume of loans for the call dates of the entire war period. A significant proportion of the Reserve city banks' loan expansion can be explained by the large growth in loans on Government securities during the war period and particularly during the Victory Loan Drive which ended in December. However, allowance for the loans on Governments still leaves a noteworthy expansion in the loan volume.

The United States Government security holdings of the District member banks increased about 32 per cent during the year ended December 31, 1945. The holdings of the Reserve city banks increased 27 per cent during the year, while the holdings of the country banks increased 41 per cent. Sixty-five per cent of the country banks' increase occurred during the last six months of the year, while 44 per cent of the Reserve city expansion took place during that period.

The continued growth of District bank deposits is indicated by an expansion of 548 million dollars, or 22 per cent, in demand deposits of individuals, partnerships, and corporations between December 30, 1944, and December 31, 1945. Whereas the Reserve city banks' deposits expanded 156 million dollars, or 13 per cent, the country banks' deposits expanded 392 million, or 32 per cent. Moreover, three fourths of the country banks' deposit growth occurred during the second half of the year.

Member Bank Credit During the 5-week period ended February 20, the earning assets of the Tenth District weekly reporting banks declined approximately 10 million dollars, as loans contracted 5.6 million and investments decreased 4.4

million. The largest change in the loan items occurred in the loans on Government securities which decreased by 5.6 million dollars. "Commercial, industrial, and agricultural" loans showed a decline of 2.3 million, while real estate loans expanded by 1.3 million.

A decrease in Government security holdings of the reporting banks, amounting to 7.1 million, was partially offset by an increase in other security holdings of 2.7 million. A reduction in Treasury bill holdings of 16.4 million was accounted for largely by the action of one of the reporting banks. Treasury note holdings of the reporting banks decreased 13.8 million dollars, and certificates of indebtedness and Government bonds expanded 12.0 and 11.0 million dollars, respectively, to reach new high figures.

During the period under review, the major change in the deposits of the District reporting banks was a decline of 91.4 million dollars in interbank deposits. Time deposits continued to increase, and both private demand deposits and United States Government deposits also expanded.

Principal items of condition of 50 member banks:

	Feb. 20 1946	Jan. 16 1946	Feb. 21 1945
(In thousands of dollars)			
Loans and investments—total.....	2,511,395	-9,979	+510,767
Loans—total.....	428,947	-5,589	+84,408
Coml., indust., agric.....	248,789	-2,349	+31,414
To security brokers and dealers.....	6,347	0	+2,549
Other to purchase or carry secur.....	59,424	-5,664	+31,216
Real estate loans.....	41,623	+1,273	+4,694
Loans to banks.....	753	-40	+253
All other loans.....	72,011	+1,191	+14,282
Investments—total.....	2,082,448	-4,390	+426,359
U. S. Govt. securities—total.....	1,933,881	-7,131	+404,584
Bills.....	93,270	-16,414	+4,330
Certificates of indebtedness.....	574,416	+12,037	+214,610
Notes.....	378,223	-13,754	+16,554
Bonds.....	887,514	+11,036	+194,906
Guaranteed obligations.....	458	-36	-25,816
Other securities.....	148,567	+2,741	+21,775
Reserves with F. R. Bank.....	442,489	-22,517	+57,155
Balances "due from" banks—net.....	290,465	-32,650	+10,209
Demand deposits—adjusted.....	1,408,224	+9,802	+138,522
Time deposits.....	295,639	+4,325	+60,141
U. S. Govt. deposits.....	506,798	+7,822	+236,614
Deposits "due to" banks—net.....	910,454	-91,390	+135,960
Borrowings.....	11,000	+1,000	-8,300

SELECTED ITEMS OF CONDITION OF TENTH DISTRICT MEMBER BANKS
(Amounts in thousands of dollars)

	RESERVE CITY BANKS			COUNTRY BANKS		
	Dec. 31 1945*	June 30 1945	Dec. 30 1944	Dec. 31 1945*	June 30 1945	Dec. 30 1944
Loans and discounts.....	503,598	408,409	400,432	276,871	257,090	263,598
U. S. Government obligations, direct and guaranteed.....	1,948,842	1,766,087	1,535,025	1,306,164	1,058,192	923,774
Obligations of States and political subdivisions.....	99,841	98,956	93,568	74,422	67,583	69,642
Other bonds, notes, and debentures.....	43,507	37,560	31,617	24,500	17,874	16,479
Corporate stock, including stock of Federal Reserve Bank....	7,397	6,028	7,086	2,737	2,611	2,564
Demand deposits of individuals, partnerships, corporations	1,405,248	1,311,514	1,249,642	1,634,350	1,342,212	1,242,212

* Preliminary figures.

	BANK DEBITS		Change from 1945 (Per cent)
	Jan. 1946 (Thousand dollars)	Jan. 1945	
Colo. Springs, Colo.....	29,099	23,661	+23
Denver, Colo.....	353,184	297,004	+19
Gr. Junction, Colo.....	9,818	7,648	+28
Greeley, Colo.....	14,204	11,021	+29
Pueblo, Colo.....	26,295	21,644	+21
Atchison, Kans.....	13,734	6,870	+100
Emporia, Kans.....	8,093	7,021	+15
Hutchinson, Kans.....	43,031	32,097	+34
Independence, Kans.....	5,555	5,039	+10
Kansas City, Kans.....	49,268	40,980	+20
Lawrence, Kans.....	7,854	8,120	-3
Parsons, Kans.....	5,923	6,469	-9
Pittsburg, Kans.....	8,457	6,754	+25
Salina, Kans.....	29,630	21,268	+39
Topeka, Kans.....	64,658	62,201	+4
Wichita, Kans.....	196,960	230,553	-15
Joplin, Mo.....	23,518	17,301	+36
Kansas City, Mo.....	728,160	707,066	+3
St. Joseph, Mo.....	67,759	65,965	+3
Fremont, Nebr.....	8,006	7,248	+10
Grand Island, Nebr.....	14,733	15,171	-3
Lincoln, Nebr.....	60,236	47,538	+27
Omaha, Nebr.....	359,810	339,872	+6
Albuquerque, N. Mex.....	57,545	40,269	+43
Bartlesville, Okla.....	47,973	46,209	+4
Enid, Okla.....	26,197	27,534	-5
Guthrie, Okla.....	4,005	3,229	+24
Muskogee, Okla.....	18,676	17,067	+9
Okla. City, Okla.....	220,746	207,386	+6
Okmulgee, Okla.....	5,507	4,445	+24
Tulsa, Okla.....	255,041	285,272	-11
Casper, Wyo.....	14,547	12,230	+19
Cheyenne, Wyo.....	26,910	22,533	+19
District, 33 cities.....	2,805,132	2,654,685	+6
U. S., 334 cities.....	89,131,000	82,756,000	+8

DEPARTMENT STORE TRADE

Dollar volume of department store sales in this District in January was 12 per cent above the already high level prevailing at this time a year ago, and sales in the first three weeks of February showed an increase of 18 per cent over the corresponding period last year. Sales declined much less than is usual from December to January, and the seasonally adjusted index of daily average sales increased from 225 per cent of the 1935-39 average in December to 271 per cent in January, a new record high.

Department store inventories increased during January contrary to the usual seasonal trend. According to trade reports, tightness in supplies appeared to be easing for the first time in more than a year, as stores gradually began to receive more goods than were being sold, a reversal of the situation where stores were disposing of all current replacements of merchandise and were unable to augment scant inventories. The improvement in supplies, however, thus far has been limited largely to housewares such as kitchen utensils and to housefurnishings such as rugs, furniture, draperies, and curtains; there has been little increase in available supplies of major durable household goods such as radios, stoves, refrigerators, and electrical appliances and in many types of

clothing and apparel. Outstanding orders increased sharply to a new record level in January. At the end of the month, stocks on hand were 9 per cent larger in value, and orders 29 per cent larger, than a year earlier.

Department store sales and stocks in leading cities:

	No. of Stores	SALES	STOCKS
		Jan. '46 comp. to Jan. '45 (Per cent increase or decrease)	Jan. 31, '46 comp. to Jan. 31, '45 (Per cent increase or decrease)
Denver.....	7	+18	+9
Hutchinson.....	3	+9	-5
Topeka.....	3	+1	*
Wichita.....	4	+6	+20
Kansas City.....	8	+13	+12
St. Joseph.....	3	+17	*
Omaha.....	4	+16	*
Oklahoma City.....	6	+6	+3
Tulsa.....	4	+5	*
Other cities.....	33	+16	+6
District.....	75	+12	+9

*Not shown separately but included in District total.

INDUSTRIAL PRODUCTION

Meat Packing Operations at meat-packing plants in the District generally were very heavy during the fore part of January, partly in anticipation of a strike of packing-house workers at many large plants. Operations declined sharply in the latter part of January, chiefly because of the strike which lasted from January 16 to January 28. For the month as a whole, the slaughter of cattle, calves, and sheep, as indicated by packers' purchases at leading District markets, was approximately 40 per cent lower than in January a year ago, while hog slaughter was very little larger than a year earlier despite an increase of more than one fifth in hog marketings. Small plants, not affected by the strike, operated at close to capacity levels throughout the month, and production at the larger plants was resumed rapidly following the strike.

Early in February, the Government reinstated war-time requisitioning measures to obtain pork for relief shipments abroad, by requiring Federally inspected slaughterers to set aside for the Government approximately 16 per cent of their output of pork. No set-aside on pork had been in effect since last September, but the Government has been requisitioning some quantities of beef, veal, and lamb. Coinciding with the new set-aside on pork, Federally inspected slaughterers were required to increase the amount of lard being set aside to about one third of their lard production.

United States cold storage stocks of beef increased more than is usual during January, but increases in pork and lard stocks were smaller than is usual. Total meat stocks on February 1 aggregated 688 million pounds as compared with 618 million a year earlier.

Most of this increase over last year was in holdings of beef, which totaled 180 million pounds against 116 million a year ago. Pork stocks, at 394 million pounds, were somewhat smaller than the 407 million pounds in storage a year earlier. Lard stocks of 84 million pounds were slightly larger than the 81 million pounds in storage last year.

Flour Milling Southwestern flour milling operations rose from an average of 98 per cent of full-time capacity in December to 102 per cent in January. These percentages are in terms of a normal work day and a normal work week, such operations in excess of 100 per cent resulting from an extension of the work day at some mills to 24 hours and the work week to 7 days. In the third week of February, operations reached a record level of 111 per cent of normal capacity, reflecting the extreme efforts of mills to meet shipping directions on old contracts. Export demand continued unabated. Demand for shipment also was heavy from domestic bakers and distributors. Bakers desired to accumulate large stocks of the old-type white flour prior to the change-over to the manufacture of the new-type "dark" flour on March 1, and distributors were endeavoring to replenish retail stocks that had been virtually depleted by a run on flour early in February when widespread fears of a shortage had given rise to consumer hoarding of flour.

War Food Order 144, issued February 15 and designed to conserve wheat and flour and to facilitate exports to meet relief needs, affects the flour milling industry in two major respects. First, effective February 18 through June 30, it limits mill inventories of wheat, including wheat bought to arrive or contracted for purchase, to a 45-day supply. Mills consequently are concerned over their wheat position, as the enforced cancellation of wheat purchase contracts in excess of the 45-day inventory limit leaves mills with a substantial amount of flour sold which is not covered by wheat. Second, effective on and after March 1, the order prohibits millers from producing any flour that consists of less than 80 per cent by weight of the cleaned wheat from which the flour is produced. This compares with an extraction rate of around 68 to 72 per cent in the production of standard old-type white flour and a rate as low as 35 per cent for some specialized types of prepared flours.

Petroleum National crude oil production attained a daily average rate of 4,596,000 barrels in January, a rate somewhat higher than in the previous month. Total production for the month was the highest since August but was 3 per cent lower than in January, 1945.

In the Tenth District, daily average production of crude oil in January was 858,000 barrels, 1 per cent greater than that in December. In contrast to the decline from 1945 in United States production, total District output in January increased 2 per cent from the corresponding period a year ago. Production in Oklahoma accounted for the major part of the increase, although that in Colorado showed the greatest percentage gain.

Data for gross crude oil production as reported by the Bureau of Mines and the American Petroleum Institute are given below:

	Jan. 1946	Jan. 1945	Change from 1945 (Per cent)
	(Thousand barrels)		
Colorado.....	788	282	+179
Kansas.....	7,584	8,318	-9
Nebraska.....	23	25	-8
New Mexico.....	3,049	3,226	-6
Oklahoma.....	12,130	11,278	+8
Wyoming.....	3,028	2,966	+2
Six states.....	26,602	26,095	+2
United States.....	142,461	147,186	-3

Stocks of residual fuel and of distillate were smaller in the country as a whole the latter part of January than a year ago. In order to help alleviate the shortages and to encourage production, price increases of 1/2 cent per gallon were authorized, effective through April 30, in the Eastern Seaboard, Middle West, and Gulf Coast areas for kerosene and all grades of distillate fuel oils. Residual fuel oil was not included. Gasoline prices tended downward, as stocks were high and consumption low. By the end of January, refiners were still unable to fill the demand for fuel oil, and shipments lagged as much as three weeks behind orders.

Demand for domestic crude petroleum for February was estimated at 4,430,000 barrels daily, 836,800 barrels of which were for the six oil-producing states of the District. The forecasts for increased demand in January and February were the result of increased estimates of naval fuel oil requirements, increased civilian demands, and an attempt to compensate for the loss in runs caused by reduced refinery operations in September and October. The current rate of crude demand may decline in March, as gasoline stocks reach the limits of storage capacity, unless total demand for all oils is much higher than indicated.

Employment In November, employment in nonagricultural establishments in the United States as a whole showed a slight month-to-month increase for the first time since March. This increase over October was shown in six of the seven industry divisions, the trade division showing the largest gain in number of employees and mining the greatest per-

centage gain. The only decline was in government employees, principally in the War and Navy Departments of the Federal Government.

From October to November, the latest month for which data are available for the states which lie wholly or partly within the Tenth District, non-agricultural employment in the District gained 1 per cent. Small gains in factory employment in Colorado, Nebraska, New Mexico, and Wyoming were offset by losses in Kansas and Missouri. Consequently, District manufacturing employment was practically unchanged from the previous month.

In comparison with November, 1944, total non-agricultural employment and manufacturing employment in the District declined 9 per cent and 34 per cent, respectively. However, the downward movement did not prevail in New Mexico where non-agricultural employment rose 3 per cent, and manufacturing employment rose 14 per cent to the highest level since the latter part of 1940. A gain of 8 per cent over the corresponding month of the preceding year also was recorded in non-agricultural employment in Wyoming.

Department of Labor estimates of employment:

	Total Nonagricultural Employment			
	Nov. 1945	Aver. 11 Mos. 1945	Change from '44	
	(Number)	(Number)	Nov.	11 Mos.
Colorado.....	261,000	260,000	-2	-2
Kansas.....	330,000	374,400	-18	-8
Missouri.....	866,000	919,000	-9	-3
Nebraska.....	247,000	254,600	-5	-1
New Mexico.....	81,100	81,000	+3	+3
Oklahoma.....	336,000	361,800	-11	-4
Wyoming.....	66,400	62,500	+8	+2
Seven states.....	2,187,500	2,313,300	-9	-3
United States.....	35,631,000	37,042,000	-7	-4
	Manufacturing Employment			
	Nov. 1945	Aver. 11 Mos. 1945	Change from '44	
	(Number)	(Number)	Nov.	11 Mos.
Colorado.....	44,500	46,000	-11	-6
Kansas.....	55,500	103,000	-58	-26
Missouri.....	250,000	318,700	-27	-8
Nebraska*.....	47,900	58,200	-24	-5
New Mexico.....	5,700	5,200	+14	+4
Oklahoma.....	42,900	72,400	-49	-16
Wyoming.....	5,100	4,400	0	0
Seven states.....	451,600	607,900	-34	-12
United States.....	11,966,000	14,079,000	-23	-13

*Estimates for manufacturing have been revised and are not comparable to current estimates for total nonagricultural employment.

That unemployment is increasing in the principal labor market areas of the District is apparent from several sources. The United States Employment Service labor market classification of February 1 transferred Lincoln and Omaha from Group II (balanced labor supply) to Group III (loose labor supply) and Kansas City, Missouri, and St. Joseph from Group III to Group IV (surplus labor supply). Continued un-

employment compensation claims increased during January in Kansas City, Kansas, Wichita, Denver, Omaha, Lincoln, and St. Joseph. Veterans continued to enter the labor force and to increase the number looking for work. Strikes, although directly affecting a comparatively small proportion of workers in the District, have retarded reconversion and employment.

AGRICULTURE

Crops Wheat in the western part of the winter wheat belt was damaged considerably by soil blowing early in February. Rains near the middle of February effectively relieved winter drought in most of western Oklahoma, southwestern Kansas, and adjoining parts of eastern Colorado and New Mexico, and winter wheat in that area showed substantial improvement as topsoil moisture was replenished, but at the close of the month wheat was still suffering from lack of sufficient moisture in northwestern Kansas and western Nebraska. Moisture conditions continued excellent in the eastern parts of Nebraska, Kansas, and Oklahoma, with winter wheat in the southern part of this area greening rapidly under the influence of unusually mild weather.

Efforts of Government authorities to devise means of obtaining wheat necessary to meet immediate export commitments, of maintaining adequate supplies of wheat and flour for domestic food consumption, and of maintaining an adequate carry-over until new crop wheat becomes available next July culminated in the issuance on February 15 by the Department of Agriculture of War Food Order 144, effective February 18. The order (1) limits the use of wheat by mixed feed manufacturers, and prohibits the use of flour in the manufacture of mixed feed unless the flour is unfit for human consumption, (2) limits inventories of wheat by domestic millers and mixed feed manufacturers, (3) limits inventories of wheat and flour by food manufacturers, (4) limits inventories of flour by distributors, (5) prohibits millers from producing any flour on and after March 1 that consists of less than 80 per cent by weight of the cleaned wheat from which the flour is produced, and (6) tightens control of wheat exports.

The regulation is designed to reduce non-food uses of wheat and flour, as well as facilitate domestic distribution and exports. As part of the program, farmers have been requested to reduce the feeding of wheat to livestock. The use of wheat and wheat products by beverage distillers was prohibited through June, and the use of grain in the production of ethyl and butyl alcohol was discontinued except by express permission of the Department of Agriculture. Near the end

of February, it was indicated that the Government was planning an over-all grain order to bring oats, barley, corn, and grain sorghums under controls similar to those instituted for wheat.

The effectiveness of the new wheat control program, of course, depends upon whether it gets the wheat out of the farmers' bins and granaries and into a position where it can be milled and moved abroad. According to trade opinion, there is considerable doubt that the new program is adequate unless an incentive is provided to liquidate farm stocks and unless transportation is made available to move wheat into commercial channels ahead of the new crop. The unusually favorable financial situation of grain farmers is indicated by the fact that less than one bushel of wheat from the 1945 crop was placed under Government loan for every three bushels from the 1944 crop. In these circumstances, the current pressure to raise agricultural prices and to adjust price ceilings upward is tending to encourage the continued holding of wheat rather than liquidation.

Late in February, several revisions in the 1946 crop acreage goals were announced, reflecting the shortage of grain for livestock needs and of wheat for export and the reduced prospects for world supplies of fats and oils. The Department of Agriculture called upon farmers to plant over a million more acres each in spring wheat and soybeans in 1946 than in 1945, about 5 million more acres in corn, and about 60,000 more acres in dry peas.

Livestock An upswing in hog production occurred in the last half of 1945, the fall pig crop in this District showing an increase of 19 per cent over that in 1944. The fall pig crop in Nebraska was up 44 per cent, in Kansas 30 per cent, in Oklahoma 23 per cent, and in Missouri 9 per cent. The fall crop in western states of the District was down from the preceding year. The larger fall pig crop for the District more than offset a small decrease in the spring crop, so that hog production in 1945 as a whole was 7 per cent larger than that in 1944. Some further increase is in prospect in the spring of 1946.

Department of Agriculture pig crop estimates:

	PIGS SAVED				SOWS FARROWED	
	Fall		Spring		Spring	
	1945	1944	1945	1944	1946*	1945
	(In thousands)					
Colo.....	174	177	236	262	40	40
Kans.....	1,011	777	1,275	1,198	205	203
Mo.....	2,776	2,557	3,036	3,112	461	470
Nebr.....	1,220	845	2,862	2,859	539	481
N. Mex.....	49	64	59	80	10	11
Okla.....	742	601	636	647	108	106
Wyo.....	43	44	59	70	11	10
7 States.....	6,015	5,065	8,163	8,228	1,374	1,321
U. S.....	35,144	31,240	51,570	55,428	8,542	8,187

*Number indicated to farrow from breeding intentions reports.

Department of Agriculture estimates of the number and value of livestock on farms on January 1 are shown on the following page. Figures are given for the last three years, for 1938 at the postdrought low, and for 1934 at the predrought high.

Cattle numbers in this District on January 1, 1946, were about 5 per cent lower, and in the country as a whole about 3 per cent lower, than a year earlier. This was the second successive year of decline in cattle numbers, but there was little evidence of excessive liquidation. The decline apparently represented a continuation of the downward movement of the cattle number cycle that started in 1944 and reflected chiefly an orderly adjustment to a level better related to average feed production and a possibly decreased demand for beef and veal and for dairy products in the postwar period. Kansas, with a decline of 10 per cent, showed the largest decrease in cattle numbers for any state in the country. In Wyoming cattle numbers were unchanged from a year earlier, and in Colorado they increased somewhat to return to the record level of two years ago.

Hog numbers increased about 10 per cent in this District during 1945 as compared with an increase of 4 per cent for the whole country. Most of the District increase in hog numbers was in Nebraska and Kansas; the number of hogs on farms in western states of the District declined. The increase for Nebraska was 23 per cent, the largest increase for any state in the country. The gain in hog numbers, of course, was the result of the upswing in hog production that began with the 1945 fall pig crop. Hog numbers are still quite low as compared with those of two years ago and the predrought level prevailing in the early 30's.

The number of sheep and lambs on farms and ranches declined 9 per cent in this District during 1945 and 7 per cent in the country as a whole. The relatively sharp decline in sheep numbers generally represented a continuing liquidation of breeding flocks, especially in western states of the District, reflecting chiefly the growing unprofitableness of sheep raising and extreme difficulties in securing competent labor during the war. Sheep numbers have been declining for four or five years, and the number of stock sheep in Wyoming, Colorado, and New Mexico has dropped to the lowest level in twenty years or more. Percentagewise, Kansas showed the largest decrease, 19 per cent, for any state in the country. The very large decrease in sheep numbers in that state between January 1, 1945, and January 1, 1946, was the result not only of a reduction in the number of stock sheep on farms but also of a sharp decline in feeding operations because of a lack of winter wheat pasturage.

LIVESTOCK ON FARMS JANUARY 1

Estimated by the United States Department of Agriculture

Number, in thousands of head

Value, in thousands of dollars

	Number, in thousands of head				Value, in thousands of dollars					
	1946	1945	1944	1938	ALL CATTLE AND CALVES		1934			
Colorado.....	1,920	1,882	1,920	1,430	1,773	138,869	115,349	121,798	44,873	25,709
Kansas.....	3,564	3,960	3,960	2,505	3,860	242,501	236,878	242,116	77,830	58,672
Missouri.....	3,113	3,347	3,486	2,350	2,875	219,706	203,962	229,176	81,475	44,275
Nebraska.....	3,847	4,004	3,890	2,780	3,980	277,124	247,559	254,111	89,071	69,650
New Mexico.....	1,242	1,335	1,420	1,288	1,560	79,160	74,151	74,297	35,343	22,152
Oklahoma.....	2,936	3,091	3,154	2,160	2,750	162,035	159,007	142,936	56,743	30,525
Wyoming.....	1,043	1,043	1,033	820	1,050	81,287	68,712	69,420	26,470	16,800
Seven states.....	17,665	18,662	18,863	13,333	17,848	1,200,682	1,105,618	1,133,854	411,805	267,783
United States.....	79,791	81,909	82,364	65,249	74,369	6,103,365	5,503,311	5,661,097	2,386,808	1,322,281
						MILK COWS AND HEIFERS KEPT FOR MILK				
	1946	1945	1944	1938	1934	1946	1945	1944	1938	1934
Colorado.....	236	246	251	235	300	24,780	22,632	23,845	10,810	6,600
Kansas.....	734	807	841	709	967	74,868	74,244	78,213	31,905	21,274
Missouri.....	1,079	1,148	1,115	934	1,097	96,031	89,544	94,775	41,096	20,843
Nebraska.....	591	656	698	629	820	63,828	61,008	67,706	30,192	21,320
New Mexico.....	73	75	83	74	81	6,132	5,625	6,723	2,812	2,025
Oklahoma.....	866	912	921	718	838	64,084	63,840	56,181	26,566	13,408
Wyoming.....	67	69	71	68	78	7,638	6,969	7,100	3,400	2,106
Seven states.....	3,646	3,913	3,980	3,367	4,181	337,361	323,862	334,543	146,781	87,576
United States.....	26,785	27,674	27,656	24,466	26,931	2,998,545	2,745,236	2,822,040	1,333,886	727,137
						HOGS, INCLUDING PIGS				
	1946	1945	1944	1938	1934	1946	1945	1944	1938	1934
Colorado.....	303	356	774	253	440	6,685	6,457	10,187	2,485	1,496
Kansas.....	1,616	1,405	2,601	804	2,430	34,051	28,520	37,260	7,861	8,384
Missouri.....	4,120	4,000	5,405	2,622	4,113	87,600	74,960	80,394	27,470	14,190
Nebraska.....	3,354	2,727	4,399	1,507	5,010	95,802	73,420	96,389	18,566	21,543
New Mexico.....	113	126	140	80	67	2,356	1,776	1,784	770	241
Oklahoma.....	972	908	1,465	730	1,180	15,650	13,728	13,428	6,081	3,245
Wyoming.....	83	87	164	60	87	1,941	1,792	2,516	747	300
Seven states.....	10,561	9,609	14,948	6,056	13,327	244,085	200,653	241,958	63,980	49,399
United States.....	62,344	59,759	83,852	44,525	58,621	1,496,966	1,239,108	1,470,533	501,352	239,760
						ALL SHEEP AND LAMBS				
	1946	1945	1944	1938	1934	1946	1945	1944	1938	*1934
Colorado.....	2,350	2,475	2,602	2,853	3,028	27,807	26,770	25,712	17,356	12,818
Kansas.....	1,173	1,444	974	614	689	11,572	13,383	8,425	3,580	2,687
Missouri.....	1,350	1,522	1,702	1,441	1,310	13,379	13,170	16,019	9,782	4,978
Nebraska.....	1,055	1,079	1,248	859	1,055	11,403	10,152	11,381	5,015	4,395
New Mexico.....	1,633	1,863	2,108	2,170	2,757	14,286	14,960	16,758	11,262	8,822
Oklahoma.....	257	290	320	375	183	2,235	2,306	2,387	2,134	586
Wyoming.....	2,911	3,126	3,510	3,543	3,873	28,969	28,292	33,613	22,392	15,879
Seven states.....	10,729	11,799	12,464	11,855	12,895	109,651	109,033	114,295	71,521	50,165
United States.....	44,241	47,780	51,769	51,210	53,503	428,488	409,844	451,383	312,893	202,241
						HORSES AND COLTS				
	1946	1945	1944	1938	1934	1946	1945	1944	1938	1934
Colorado.....	179	188	202	239	297	5,855	7,960	11,851	16,137	12,177
Kansas.....	338	360	375	450	604	12,004	17,154	25,015	28,225	32,012
Missouri.....	493	519	519	534	531	21,100	27,511	36,904	41,855	31,329
Nebraska.....	381	405	440	523	666	13,635	19,324	25,894	35,024	38,628
New Mexico.....	112	114	118	135	143	3,696	3,966	5,939	6,926	5,720
Oklahoma.....	330	347	351	400	421	10,534	14,973	16,152	24,969	22,313
Wyoming.....	110	115	120	133	158	3,116	3,917	4,950	7,802	5,688
Seven states.....	1,943	2,048	2,125	2,414	2,820	69,940	94,805	126,705	160,938	147,867
United States.....	8,259	8,841	9,302	10,995	12,052	473,388	574,229	732,865	999,336	806,038
						MULES AND MULE COLTS				
	1946	1945	1944	1938	1934	1946	1945	1944	1938	1934
Colorado.....	7	8	9	13	22	406	600	725	1,109	1,188
Kansas.....	34	41	46	70	120	1,910	2,930	3,936	5,920	8,400
Missouri.....	163	172	172	214	264	12,234	14,681	18,138	23,024	20,328
Nebraska.....	24	31	35	55	83	1,282	2,137	2,863	4,802	6,142
New Mexico.....	9	10	10	10	19	499	547	743	798	1,045
Oklahoma.....	98	109	117	165	258	5,088	7,181	8,065	14,814	18,318
Wyoming.....	2	2	2	15	3	108	120	150	1,500	180
Seven states.....	337	373	391	542	769	21,527	28,196	34,620	51,967	55,601
United States.....	3,196	3,405	3,531	4,250	4,945	420,556	454,021	505,710	524,408	407,567

*State figures computed by this bank.