



MONTHLY REVIEW

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

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DU^E to extremely unfavorable weather, certain lines of business in this district developed declining tendencies during the past thirty days. Temperatures during April and early May were unseasonably low, which, coupled with almost incessant rains, served to retard distribution of seasonal merchandise and to interfere with outdoor occupations. Serious flood conditions prevailed along the Mississippi River and its tributaries, and many sections were visited by severe hail and wind storms which wrought considerable damage to crops and property. Despite these handicaps, however, business and industry as a whole made a good showing with sales volume in a majority of the lines investigated being larger than at the corresponding period a year ago. As was the case earlier in the year, relatively greater activity was noted in industry than in distribution of merchandise.

While receding slightly from its peak for the year, the iron and steel industry continued at a high rate of activity. There was the usual seasonal decrease in sales of automobiles from March to April, but the total for April showed a substantial gain over the same month a year earlier. A higher rate of operations was reported by lumber mills, fire clay product manufacturers, glass plants and quarries. Some textile mills increased their activities, while others curtailed their outputs, with the average rate of operations being about the same as during the month before. Building receded as compared with a year ago, being interrupted in St. Louis by industrial disputes.

The distributive trade, both wholesale and retail, suffered from the effects of the unseasonable and wet weather. This was true particularly of the agricultural sections, and areas affected by the overflows. Withal, increases over a year earlier were shown in sales of wholesalers of clothing, dry goods, drugs and chemicals, hardware, men's hats and several other less important classifications. As indicated by sales of department stores in the principal cities of the district, retail trade in April recorded

a loss of 0.6 per cent as compared with the same month last year. Moderate increases were made in the same comparison by five and ten cent stores, mail order houses and chain stores. Debits to checking accounts in April were 5.6 per cent larger than for the same month in 1928, and the total for the first four months of the year was greater by 5.7 per cent than for the corresponding period last year.

Preparation for and planting of spring crops was generally retarded by the excessive rainfall and unseasonable temperatures. Seeding of corn is backward and in many important growing areas, several weeks of clear, warm weather will be needed to dry the soil sufficiently to permit of its cultivation. Considerable actual damage to growing crops was wrought by the high water, and reseeded will be necessary in many sections. Some injury to fruit crops resulted from the snow and low temperatures early this month, but latest reports indicate the extent of the damage is considerably less than was at first believed. Save where affected by local conditions, the employment situation underwent no marked change as contrasted with the preceding thirty days.

Conditions in the bituminous coal trade were quiet, and operators in all the chief fields of the district complained of backwardness in contracting, both by retail dealers and industrial consumers. There is a disposition on the part of all users of coal to purchase closely, and to take their chances in the open market rather than cover their prospective requirements with contracts. The unseasonable cold wet weather in April and early this month had a temporary stimulating effect on heating coal, but demands thus created were mainly satisfied by shipments from yards and failed to appreciably affect the movement from mines. In sections of Illinois, mines were operating only two days per week, while in Kentucky and elsewhere many mines were closed by the high water. There were further rather sharp price recessions on the higher priced

prepared coals which brought the average quotations on all grades to the lowest levels in several years. While industrial consumption was high, manufacturers and public utility companies were cutting heavily into reserve stocks rather than increasing their commitments. Kentucky mines which usually ship heavily for the lake trade report that business has been slow in materializing this season. Purchasing by the railroads generally was in small volume. Production of soft coal for the country as a whole, during the present calendar year to May 11, approximately 112 working days, totaled 189,649,000 tons, against 174,962,000 tons for the corresponding period in 1928, and 215,861,000 tons in 1927.

According to officials of railroads operating in this district, freight traffic continued in larger volume than usual at this season of the year. Despite interference to transportation in many sections by the high water, the movement of early farm products was large, and loadings of merchandise and miscellaneous freight maintained the high records of the past several months. Gains over a year ago were noted in the movement of coal, ore and forest products. For the country as a whole, loadings of revenue freight for the first seventeen weeks this year, or to April 27, totaled 16,130,658 cars, against 15,532,503 cars for the corresponding period in 1928, and 16,416,714 cars in 1927. The St. Louis Terminal Railway Association, which handles interchanges for 28 connecting lines, interchanged 241,881 loads, in April, which compares with 255,717 loads in March, and 214,952 loads in April, 1928. During the first nine days of May the interchange amounted to 72,140 loads, against 70,280 loads during the corresponding period in April and 65,410 loads during the first nine days of May, 1928. Passenger traffic of the reporting roads decreased 5.0 per cent in April as compared with the same month in 1928. Estimated tonnage of the Federal Barge Line between St. Louis and New Orleans in April was 133,300 tons, against 104,483 tons in March, and 112,960 tons in April, 1928.

Collections generally through the district developed no marked change as contrasted with the preceding thirty days, continuing to be substantial in the large centers of population, particularly with reference to wholesalers, jobbers and manufacturers. In the flooded sections backwardness is complained of, and elsewhere excessive rains interfered with communications and tended to hold down settlements. Country retailers complained of some slowness in their collections, which, however, they attribute principally to preoccupation of farmers with spring work. In the south where fruits and early truck crops are important industries, liquidation has been in fair volume, though not up to the average of a

year ago. Answers to questionnaires addressed to representative interests in the several lines scattered through the district showed the following results:

	<u>Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>
April, 1929.....	2.6%	36.7%	50.6%	10.1%
March, 1929.....	4.1	30.6	50.0	15.3
April, 1928.....	1.4	26.4	59.9	12.3

Commercial failures in the Eighth Federal Reserve District in April, according to Dun's numbered 126, involving liabilities of \$1,992,932, against 123 defaults in March with liabilities of \$1,897,665, and 97 failures for a total of \$1,208,376 in April, 1928.

The average daily circulation in the United States in April was \$4,679,000,000, against \$4,709,000,000 in March, and \$4,730,000,000 in April, 1928.

MANUFACTURING AND WHOLESALE

Automobiles — Combined passenger car and truck production in the United States during April totaled 584,733, which compares with 572,825 in March and 413,314 in April, 1928.

As has been the case during the past several years, there was a decrease in distribution of automobiles in this district during April as compared with March, but there was a remarkably large gain in April distribution over the corresponding month last year. A considerable part of the decrease in the month-to-month comparison was accounted for by smaller sales of country dealers. The unusually heavy precipitation in April, resulting in poor condition of dirt roads and serious floods in many sections, had a tendency to cause postponement in filling automobile requirements. Dealers in large centers also reported that the unfavorable weather interfered with their business. In the yearly comparison the major part of the increase was found in the cheap priced vehicles, though gains were quite general in virtually all lines. April sales of new passenger cars by 360 dealers scattered through the district were 10.2 per cent smaller than in March, and 67.5 per cent larger than in April, 1928. Stocks of new cars in dealers' hands on May 1 were 8.7 per cent larger than thirty days earlier, and 21.2 per cent greater than on May 1, 1928. The status of the used car market developed no change worthy of note as compared with the preceding thirty days. Stocks gained slightly, the total on hand on the first of this month being 6.2 per cent larger than on April 1, and 16.2 per cent greater than on May 1, 1928. Business in parts and accessories continued active during the period, with sales of the reporting dealers showing a slight gain over March, and a substantial increase as compared with a year ago. Demand for small trucks for city delivery service

was active, with total sales being assisted by the ordering of sizeable fleets by two large mercantile interests. Distributors of tires report continued quietness and small profit margins, due to keen competition and special reduction sales. According to dealers reporting on that item, sales of new cars on the deferred payment plan in April constituted 54.8 per cent of their total sales, against 56.2 per cent in March, and 42.6 per cent in April, 1928.

Boots and Shoes—April sales of the five reporting interests were 1.1 per cent smaller than for the same month in 1928, and 2.3 per cent below the March total this year. Stocks on May 1 were 11.6 per cent smaller than thirty days earlier, and 21.9 per cent less than those on May 1, 1928. Business was reported of a seasonal routine character, but quite satisfactory through all lines. Unfavorable weather adversely affected retail distribution, but retail stocks are light, and there is a general disposition to replenish and fill out assortments. Price changes during the month were confined mainly to adjustments. Factory operations were at from 90 to 95 per cent of capacity.

Clothing—Sales of the reporting clothiers in April showed a gain of 29.8 per cent over the same month in 1928, and 209.1 per cent over the March total this year. The heavy increase in the month-to-month comparison is seasonal, but somewhat heavier than the average of the past several years due to peculiar conditions existing in the early spring. Advance sales of summer goods were in considerable volume, and larger than at the corresponding period last year. Demand for work clothes developed moderate betterment over the two preceding months, particularly in the south. Low temperatures tended to hold down the retail distribution of seasonal apparel.

Drugs and Chemicals—The steady improvement in this classification, noted during the past several months, was continued during the period under review. April sales of the five reporting firms were 10.2 per cent larger than for the same month in 1928, and 0.7 per cent in excess of the March total this year. Stocks on May 1 were 1.8 per cent larger than a month earlier and 1.5 per cent less than the total on May 1, 1928. Advance sales of insecticides and fertilizers were reported in large volume, and demand for the general line of seasonal goods was brisk. Purchasing of heavy drugs and chemicals by the manufacturing trade was maintained at the high levels of recent months.

Dry Goods—April sales of the eight reporting firms were 19.0 per cent larger than for the same month in 1928, and 8.7 per cent smaller than the March total this year. Stocks on May 1 were smaller by 19.8 per cent than on the same date last year,

but 4.7 per cent greater than on April 1 this year. Road business was reported good, with the character of sales indicating generally small retail stocks. Orders during the first half of May were larger than for the corresponding period last year, despite excessive rains and sub-normal temperatures. Prices of cotton goods were firmer, particularly on advance commitments for fall delivery.

Electrical Supplies—While seasonal merchandise was relatively quiet, business generally was active, and sales of the reporting firms in April were 37.4 per cent larger than for the same month in 1928, and 20.9 per cent above the March total this year. Stocks on May 1 were 7.3 per cent larger than thirty days earlier and 6.6 per cent smaller than on May 1, 1928. Sales of pole hardware were in considerable volume, and radio material was also active. Sales of electric fans were in smaller volume than at the corresponding period last year. The trend of prices was slightly upward.

Flour—Production of the 12 leading mills of the district in April totaled 351,777 barrels, against 369,619 barrels in March and 330,724 barrels in April 1928. Stocks of flour in St. Louis on May 1 were 9.9 per cent smaller than on April 1, and 17.7 per cent smaller than on May 1, 1928. Mill operations were about as high as a month earlier, but grinding was mainly on old orders, new commitments being unusually small. The decline in wheat prices had an unsettling effect on the market, and the bakery interests were using up reserve stocks. Prices were lower, but not in proportion with the decline in wheat, millers declaring that the decreases in the price of feeds prevented their lowering the price of flour any further. In the immediate past the lower prices stimulated interest in foreign markets, resulting in fair sales for export.

Furniture—April sales of the fourteen reporting interests were 4.2 per cent larger than for the corresponding month last year, and 11.1 per cent smaller than the March total this year. Stocks on May 1 were 4.8 per cent and 12.3 per cent smaller, respectively, than thirty days and a year earlier. While still purchasing mainly for immediate requirements, dealers have slightly increased their commitments for future delivery, and the volume of stock orders was larger than earlier in the year. Demand for household furniture and equipment continues quiet. Factory operations were at the highest rate this year.

Groceries—Floods, unseasonable weather and the impassable condition of dirt roads in some sections were mentioned as factors contributing to a decrease in April sales of the twelve reporting firms of 5.9 per cent below those for the same month in 1928, and of 4.9 per cent below the March total this

year. Stocks on May 1 were 19.9 per cent smaller than a month earlier and 19.6 per cent below those on May 1 last year. Demand for canned goods was less active than heretofore, the arrival of fresh fruits and vegetables from the south tending to cut down sales. Purchasing of staples was in larger volume, particularly in the south. Prices of flour and some packed and preserved products were lower.

Hardware — Despite unseasonable weather and serious flood conditions, demand for hardware was active, sales of the twelve reporting firms in April showing a gain of 9.1 per cent over the same month in 1928. As compared with the March total this year, April sales recorded a decrease of 0.4 per cent. Stocks on May 1 were 7.3 per cent and 36.0 per cent larger, respectively, than a month and a year earlier. Current orders for seasonal goods were in considerable volume, while staples continued to move actively. Some falling off in sales of builders' tools and hardware was noted, but this was offset by a brisk demand for hand implements, wire fencing, poultry and dairy supplies, and other goods for use in the rural areas. Advance sales of tourist and camping supplies by two leading interests were the largest on record.

Iron and Steel Products — Activities at mills, foundries, machine shops and other ferrous metal working plants continued at a high rate during the past thirty days, in some lines new buying showed a moderate decline in volume as compared with the preceding thirty days, but specifications were as heavy as heretofore, and on certain materials, notably sheets, bars and plates, deliveries were further delayed. Some slowing down in demand from the automotive and building industries was noted, but this was compensated by increased requirements of car builders, the oil industry and general manufacturing trade. Inauspicious weather for outdoor work and floods retarded business to some extent, and in some localities manufacturing operations were temporarily suspended. Due to the delayed deliveries by mills, warehouses reported an increased demand for a variety of rolled goods for prompt shipment. Generally, business of the warehouse interests and jobbers was brisk, with the call for materials for highway construction, river improvement work and municipal projects unusually large. With the exception of galvanized varieties, which were relatively quiet, demand for sheets continued active. Tank plates and tin plates maintained the high rate of activity which marked the two preceding months. The leading producer of sheets in the district continued to operate at full capacity. Machine tool, engine and implement makers were operating at, or close to capacity, though purchasing of farm implements was slowed down somewhat

by the drop in cereal prices and flood conditions along the Mississippi River and its tributaries. Stove manufacturers report advance orders for their products somewhat larger than at the corresponding period in 1928. Interruption of construction work in St. Louis was reflected in some slowing down in demand for structural material. Fabricators of iron and steel report quietness in their line, and several leading interests reduced their working forces. Purchasing of pig iron receded quite markedly as compared with the preceding month, but shipments were in slightly larger volume, and attained the high point for the year. Most melters are covered for second quarter requirements, and little contracting for third quarter has taken place. Prices of pig iron were unchanged, but there was a marked declining tendency in prices of scrap iron and steel, due mainly to heavier offerings by the railroads. For the country as a whole, production of pig iron in April totaled 3,663,167 tons, the largest on record for that particular month, and comparing with 3,709,518 tons in March and 3,181,975 tons in April, 1928. The calculated output of steel ingots in the United States in April was 4,938,025 tons compared with 4,302,573 tons in the corresponding month in 1928, and the revised estimate of 5,058,258 tons in March this year.

RETAIL TRADE

The condition of retail trade is reflected in the following comparative statement showing activity at department stores in leading cities of the district:

	Net sales comparison		Stocks on hand	Stock turnover	
	April, 1929 comp. to April, 1928	4 months ending April 30, 1929 to same period 1928	April 30, 1929 comp. to April 30, 1928	Jan. 1 to April 30, 1929	April 30, 1928
Evansville	+ 9.0%	+ 5.8%	- 8.8%	.77	.80
Little Rock.....	- 4.2	- 0.9	- 8.4	.69	.77
Louisville	- 0.2	- 0.5	- 1.2	.96	1.03
Memphis	- 2.0	- 2.6	- 5.1	.96	1.01
Quincy	+ 17.0	+ 6.7	- 5.0	.81	.85
St. Louis.....	- 0.4	+ 1.7	- 7.5	1.22	1.32
Springfield, Mo.	- 3.0	+ 7.6	+ 9.3	.49	.43
8th District.....	- 0.6	+ 0.7	- 6.1	1.07	1.15
	Net sales comparison		Stocks on hand		
	April, 1929 comp. to April, 1928	Mar. 1929	April, 1929 comp. to April, 1928	Mar. 1929	
Men's furnishings.....	+ 1.2%	- 22.5%	- 5.9%	+ 0.9%	
Boots and shoes.....	- 9.7	- 16.2	- 8.9	+ 2.2	

Department Store Sales by Departments — As reported by the principal department stores in Little Rock, Louisville, Memphis, and St. Louis.

	Percentage increase or decrease April, 1929 compared to April, 1928	
	Net sales for month	Stocks on hand at end of month
Piece goods.....	- 2.5%	- 11.7%
Ready-to-wear accessories.....	- 17.5	- 4.5
Women and misses' ready-to-wear.....	- 5.6	+ 2.4
Men's and boys' wear.....	- 17.1	- 11.4
Home furnishings.....	+ 1.6	- 3.1

CONSUMPTION OF ELECTRICITY

Public utilities companies in the five largest cities of the district reported consumption of electric current in April by selected industrial customers as being 6.8 per cent greater than in March, and 17.2 per cent in excess of April, 1928. In both comparisons the gains were spread generally through all

classes of consumers, but were most marked with steel, electric refrigeration, and furniture plants. Smaller loads were taken by the cement industry. Detailed figures follow:

	No. of Custom- ers	April, 1929 *K.W.H.	Mar., 1929 *K.W.H.	Apr. 1929 comp. to Mar. 1929	April, 1928 *K.W.H.	April, 1929 comp. to April, 1928
Evansville	40	1,676	1,709	- 2.0%	1,338	+25.3%
Little Rock..	35	1,781	1,477	+20.6	1,385	+28.5
Louisville	89	8,115	7,503	+ 8.2	5,409	+50.0
Memphis	31	1,522	1,429	+ 6.5	1,152	+32.1
St. Louis.....	132	19,774	18,657	+ 6.0	18,753	+ 5.4
Totals.....	327	32,868	30,775	+ 6.8	28,037	+17.2

*In thousands (000 omitted.)

BUILDING

In point of dollar value, permits for new construction issued in the five largest cities of the district in April were 31.1 per cent larger than in March, but 11.0 per cent smaller than in April, 1928. According to statistics compiled by the F. W. Dodge Corporation, construction contracts let in the Eighth Federal Reserve District in April totaled \$54,362,947, against \$38,795,147 in March and \$43,817,596 in April, 1928. Production of portland cement for the country as a whole in April totaled 13,639,000 barrels, against 9,969,000 barrels in March and 13,468,000 barrels in April, 1928. Detailed figures follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1929	1928	1929	1928	1929	1928	1929	1928
Evansville ..	452	482	\$ 427	\$ 399	98	101	\$ 53	\$ 29
Little Rock	62	54	377	169	76	140	28	195
Louisville ..	217	237	1,381	1,223	99	95	144	118
Memphis ...	473	467	959	1,124	86	185	150	103
St. Louis....	690	825	3,730	4,810	368	470	325	394
April totals	1,894	2,065	\$6,874	\$7,725	727	991	\$ 700	\$839
Mar. totals	1,786	1,996	5,242	6,890	693	853	708	803
Feb. totals	861	1,514	3,457	5,484	354	751	303	1,151

*In thousands of dollars (000 omitted.)

AGRICULTURE

Due to the late spring, agricultural progress in this district is considerably behind the seasonal schedule. Throughout virtually the entire district weather was distinctly unfavorable during the past thirty days, resulting in serious delay to field work and lowering prospects for important crops. The most detrimental factor affecting the situation was the excessive rainfall during the entire month of April and the first half of May. Flood conditions approximating in seriousness those of 1927 prevailed in certain localities, and universally the soil was too moist to permit of preparation for and planting of corn, cotton, potatoes and other spring crops. Unusually low temperatures, accompanied in broad areas by snow and disastrous hail and wind storms, marked the early days of this month. These manifestations wrought considerable actual damage to fruits and early vegetables, besides interfering with routine farm activities. At the middle of May flood waters still covered rich bottom lands along the

Mississippi River and its tributaries and in numerous sections not directly affected by the overflows, standing water in fields prevented their being tilled. A number of weeks of dry weather will be required to correct this situation.

On the other hand, hay and other pasturage crops were benefitted by the abundant moisture and high condition was shown on May 1. Soil and sub-soil conditions are for the most part good and with average weather conditions from this time forward, a considerable part of the backwardness may be caught up with. Ample time remains for putting in corn and other spring crops, and supplies of farm labor and seed are reported adequate. The principal need is a prolonged period of sunshine and seasonable temperatures.

Winter Wheat—According to the U. S. Department of Agriculture's May 1 report, the indicated yield of winter wheat in states partly or entirely within the Eighth Federal Reserve District is estimated at 100,498,000 bushels, which compares with 52,311,000 bushels harvested in 1928, and a 5-year average (1923-1927) of 103,598,000 bushels. The condition in all these states on May 1 was materially higher than the unusually low condition on the same date last year, and with the exception of Mississippi, was equal to or higher than the 10-year average. Abandonment of planted acreage was considerably smaller than last year, and the abandonment was due chiefly to high water. Since May 1, floods in Missouri, Illinois and Indiana have caused additional abandonment. Reports relative to the crop indicated mixed conditions. In some sections the plant was said to be poor in color, due to excessive moisture and low temperatures. Appearance of hessian fly was noted in parts of Missouri, Illinois and Indiana. Elsewhere conditions are reported almost ideal, the plant having attained good growth and fine color.

Oats—The condition of oats in the South is above a year ago and in 1927. In the northern sections of the district, however, seeding was delayed, and full intended acreage has not been planted.

Corn—Due to the continuous wet weather corn planting has been much delayed, and with fields soaked during April and early this month, little plowing was done. Up to the middle of May plowing in much of the more important corn producing area in the northern sections had not been begun, while ordinarily at that date it is 50 to 75 per cent completed. In Missouri less than 10 per cent of the crop had been seeded on May 1. Stocks of old corn on farms are large, and due to the decline in price the movement to market fell off markedly as contrasted with earlier in the year.

Fruits and Vegetables — Prospects for fruits and vegetables throughout the district were lowered by the cold weather through April and early May. Damage was done to tree fruits by frost and hail storms and snow took a heavy toll of orchards and ground fruits in scattered localities. Withal, the outlook is above the average for most of the principal fruits, and in the south indications are for a heavy yield of peaches and apples. Where affected by the cold weather, apple orchardists report stems shriveling and a heavy drop of green fruit. In the Ozark district and southern Illinois favorable conditions are the rule. Prospects for plums, cherries and pears are generally excellent, and due to present high condition and numerous new vineyards coming into bearing, indications point to the largest grape crop ever produced in this district. Heavy rains interfered with best results in the strawberry crop, but in some of the chief producing sections shipments exceeded those of a year ago. The outlook for cane fruits is in the main fair, with yield depending on weather to harvest. The wet season has resulted in more than the usual appearance of aphids and other insect pests, and fruit raisers have intensified spraying and culture to overcome this menace. The area planted to potatoes is smaller than a year ago in some sections, and stands and growth are much under the average. Gardens generally got a late start, and the average condition is poor.

Live Stock — The condition of hay and pastures in all states of the district on May 1 was higher than on the same date last year, also above the five year average. Stocks of old hay in states entirely or partly within the district, according to the U. S. Department of Agriculture, amounted to 2,185,000 tons on May 1, against 3,586,000 tons on the same date last year and 2,536,000 tons in 1927. While lateness of the spring and excessive rains were unfavorable for young lambs and pigs, scattered reports reflect mainly satisfactory conditions among herds. Some improvement was noted in demand for stocker and feeder cattle.

Receipts and shipments at St. Louis, as reported by the National Stock Yards, were as follows:

	Receipts			Shipments		
	April, 1929	Mar., 1929	April, 1928	April, 1929	Mar., 1929	April, 1928
Cattle and Calves.....	81,881	68,075	79,795	46,197	40,190	56,147
Hogs	319,092	286,352	286,872	231,809	229,048	223,630
Horses and mules.....	5,170	8,948	3,986	4,898	10,743	4,628
Sheep	25,810	17,751	25,258	14,484	11,446	16,298

Cotton — Almost continuous rains and unseasonably low temperatures during the past thirty days have interfered with planting and soil preparation, and generally the crop is late. In sections

where cotton was up the cold weather adversely affected the plant, and considerable replanting will be necessary. Hail storms and high winds wrought damage in scattered localities, and in Arkansas, Southern Missouri and Mississippi, floods have held back cultivation of cotton fields. Reports quite generally indicate an increase in use of fertilizers and greater care in seed selection. To date labor supply in most localities has been adequate, notwithstanding the heavy requirements for levee building and repair work, and highway construction. There was a rather sharp decline in cotton prices in late April and early this month. In the St. Louis market the middling grade sold down to 17 $\frac{3}{4}$ c per pound on May 8, from 20c on March 15 and 19c on April 15. Stocks of cotton in Arkansas warehouses on May 17 totaled 61,156 bales, against 101,836 bales on the corresponding date in 1928.

Rice — Virtually all rough rice has been disposed of by farmers, and preparations are being made for the new crop. Wet weather has delayed seeding, and necessitated replanting in many instances. Demand for clean rice was quiet, with prices showing little variation as contrasted with the preceding thirty days.

Commodity Prices — Range of prices in the St. Louis market between April 15, 1929 and May 15, 1929, with closing quotations on the latter date and on May 15, 1928.

	High	Low	Close	
			May 15, 1929	May 15, 1928
Wheat				
May	per bu. \$1.21	\$1.06 $\frac{1}{2}$	\$1.04 $\frac{1}{2}$	.....
July	" 1.23 $\frac{3}{4}$	1.05 $\frac{3}{4}$	1.07 $\frac{3}{4}$	\$1.51 $\frac{1}{2}$
Sept.	" 1.25 $\frac{1}{2}$	1.10	1.11 $\frac{1}{8}$	1.52 $\frac{1}{4}$
No. 2 red winter	1.30	1.15	\$1.24 @ 1.25	\$1.88 @ 1.89
No. 2 hard.....	" 1.18	1.06	1.08 $\frac{1}{2}$ @ 1.11	1.55 @ 1.57
Corn				
May	" .95 $\frac{1}{4}$	.85 $\frac{1}{2}$	.87 $\frac{1}{2}$	1.05
July	" .98 $\frac{1}{2}$	.88 $\frac{3}{4}$	.90 $\frac{3}{4}$	.....
Sept.	" .92 $\frac{3}{4}$	.91 $\frac{1}{2}$	.92 $\frac{3}{4}$	1.07 $\frac{1}{2}$
No. 2 mixed.....	.93	.86 $\frac{1}{2}$	.91 @ .93	1.03 @ 1.04
No. 2 white.....	" .95	.89	.93 @ .93 $\frac{1}{2}$	1.01 @ 1.02
Oats				
No. 2 white.....	" .51 $\frac{1}{2}$	.46	.48	.72 @ .73
Flour				
Soft patent.....	per bbl. 7.00	6.50	6.50 @ 6.75	9.25 @ 9.75
Spring patent.....	" 6.05	5.50	5.50 @ 5.75	7.50 @ 7.65
Middling cotton....	per lb. .19	17 $\frac{3}{4}$	.17 $\frac{3}{4}$	.20 $\frac{3}{4}$
Hogs on hoof.....	per cwt. 11.90	8.25	9.00 @ 11.00	8.40 @ 9.80

Tobacco — Extensive preparations for planting the new crop are in progress. Plants and preparation of tobacco land are about two weeks ahead of the average during the past several years, due to favorable weather early in the season. However, recent low temperatures and excessive moisture have retarded development of plants and apprehension is felt in some sections of damage to the crop from growth of grass and weeds in fields too wet to permit of cultivating. There is abundant supply of plants generally, mainly of good quality. Transplanting began around May 15, and is being pushed forward as rapidly as weather conditions will allow.

FINANCIAL

Credit conditions generally in the Eighth District during the past thirty days underwent no marked changes as contrasted with the similar period immediately preceding. There was the usual seasonal recession in requirements of mercantile and manufacturing interests, and liquidation by that class of borrowers was in fair volume. Due to lateness of the spring, demands from agricultural sources fell somewhat below expectations. Commitments of flour millers and grain handlers were considerably reduced, but the total volume was in excess of that at the same time last year. The recent drastic decline in wheat and corn prices has had a tendency to cause holders of these cereals to retain their stocks for a more favorable market. In sections where early fruits and vegetables are important crops there has been considerable liquidation, and the movement of the spring lamb crop and wool has also resulted in extensive settlements with country banks. Banks specializing in financing live stock operations report continued good demand from that class of borrowers.

Deposits of the reporting member banks continued the sharp downward trend which began early in February, and in the second week of May reached the lowest total since last August. Loans of these banks receded slightly during the past thirty days, falling to a new low point for the year in the first week of May. Since that date there has been a moderate recovery, accounted for by heavier borrowing by security brokerage interests. Discounting by member banks with this institution receded sharply between the first week of April and the second week of this month, but throughout that period was uniformly greater than at the corresponding time last year.

Interest rates were substantially unchanged from the recently prevailing levels. At St. Louis banks, current rates were as follows: Prime commercial loans, 5½ to 6½ per cent; collateral loans, 6 to 7 per cent; loans secured by warehouse receipts, 5¾ to 6 per cent; Interbank loans, 5¾ to 6 per cent, and cattle loans, 6 to 7 per cent.

Condition of Banks — Loans and discounts of the reporting member banks on May 15, 1929 showed a decrease of 1.0 per cent as contrasted with April 17, 1929. Deposits decreased 0.4 per cent between April 17, 1929 and May 15, 1929 and on the

latter date were 6.5 per cent smaller than on May 16, 1928. Composite statement follows:

	*May 15, 1929	*April 17, 1929	*May 16, 1928
Number of banks reporting.....	†28	†28	29
Loans and discounts (incl. rediscounts) Secured by U. S. Govt. obligations and other stocks and bonds....	\$241,304	\$237,118	\$208,572
All other loans and discounts....	282,621	292,042	290,290 (1)
Total loans and discounts.....	\$523,925	\$529,160	\$498,862 (1)
Investments U. S. Government securities.....	71,251	71,146	80,729
Other securities.....	105,753	109,373	142,158
Total investments.....	\$177,004	\$180,519	\$222,887
Reserve balance with F. R. bank..	44,656	44,731	47,868
Cash in vault.....	6,010	6,349	6,946
Deposits Net demand deposits.....	377,357	379,652	405,548
Time deposits.....	232,325	231,917	246,267
Government deposits.....	1,173	1,835	1,250
Total deposits.....	\$610,855	\$613,404	\$653,065
Bills payable and rediscounts with Federal Reserve Bank.....	20,445	36,084	22,789

*In thousands (000 omitted).

†Decrease due to consolidation. These 28 banks are located in St. Louis, Louisville, Memphis, Little Rock and Evansville, and their resources represent 53.1 per cent of all the resources of member banks in this district.

(1) Figures for 1928 include acceptances of other banks and bills of exchange sold with endorsement, while figures for 1929 exclude same.

Debits to Individual Accounts — The following table gives the total debits charged by banks to checking accounts, savings accounts, certificates of deposit accounts and trust accounts of individuals, firms, corporations and U. S. Government in leading cities of the district. Charges to accounts of banks are not included.

	*April, 1929	*Mar., 1929	*April, 1928	April, 1929 comp. to Mar. 1929	Apr. 1928
East St. Louis & Natl. Stock Yards, Ill..	\$ 68,556	\$ 62,909	\$ 60,990	+ 9.0%	+12.4%
El Dorado, Ark.....	8,792	8,690	8,058	+ 1.2	+ 9.1
Evansville, Ind.....	43,886	52,154	46,739	-15.9	- 6.1
Fort Smith, Ark....	14,357	14,845	12,889	- 3.3	+11.4
Greenville, Miss....	3,827	4,261	3,341	-10.2	+14.5
Helena, Ark.....	3,529	3,528	2,635	0.0	+33.9
Little Rock, Ark..	80,886	85,749	75,525	- 5.7	+ 7.1
Louisville, Ky.....	198,707	212,785	202,932	- 6.6	-2.1
Memphis, Tenn....	165,176	185,078	141,108	-10.8	-17.1
Owensboro, Ky....	6,107	6,750	5,365	- 9.6	+13.8
Pine Bluff, Ark....	10,809	10,639	10,308	+ 1.6	+ 4.6
Quincy, Ill.....	14,459	14,778	12,956	- 2.2	+11.6
St. Louis, Mo.....	810,565	821,754	770,550	- 1.4	+ 5.2
Sedalia, Mo.....	5,169	4,913	4,631	+ 5.2	+11.6
Springfield, Mo..	15,351	16,802	16,602	- 8.6	- 7.5
**Texarkana, Ark.-Tex.....	16,579	15,578	14,282	+ 6.4	+16.1
Totals.....	\$1,466,755	\$1,521,213	\$1,388,911	- 3.6	+ 5.6

*In thousands (000 omitted).

**Includes one bank in Texarkana, Texas not in Eighth District.

Federal Reserve Operations — During April the Federal Reserve Bank of St. Louis discounted for 225 member banks, against 197 in March and 182 in April, 1928. The discount rate remained unchanged at 5 per cent. Changes in the principal assets and liabilities of the institution as compared with the preceding month and a year ago appear in the following table:

	*May 23, 1929	*April 23, 1929	*May 23, 1928
Bills discounted.....	\$52,433	\$46,706	\$46,666
Bills bought.....	1,142	2,585	934
U. S. Securities.....	13,625	7,125	21,716
Foreign loans on Gold.....	.....	309	.....
Total bills and securities.....	\$67,200	\$56,725	\$69,316
F. R. Notes in circulation.....	57,712	57,261	53,570
Total deposits.....	78,013	80,595	83,958
Ratio of reserve to deposits and F. R. Note Liabilities.....	57.5%	65.2%	56.0%

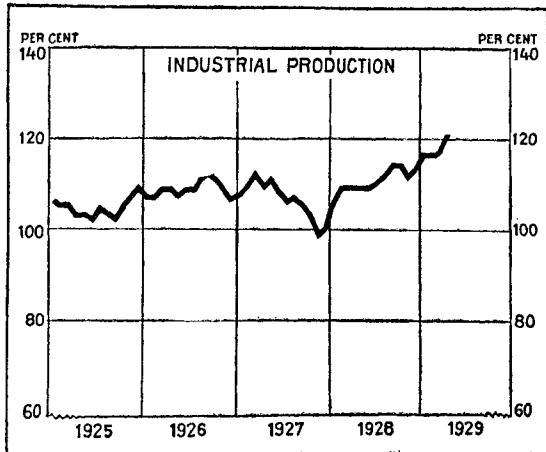
*In thousands (000 omitted).

(Compiled May 21, 1929)

BUSINESS CONDITIONS IN THE UNITED STATES

Industrial activity continued at a high level in April, and the volume of factory employment and payrolls increased further. Loans and investments of member banks in leading cities continued to decline between the middle of April and the middle of May, and were at that time at approximately the same level as a year ago.

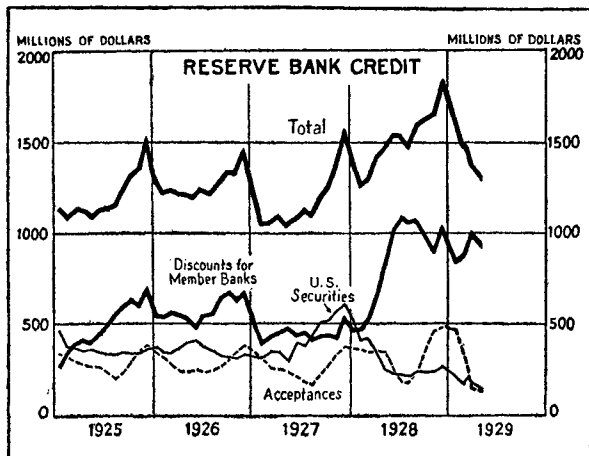
PRODUCTION—Industrial activity increased in April to the highest level on record. The iron and steel and automobile industries continued exceptionally active during April. Activity in copper refining, lumber, cement, silk and wool textiles, and the meat packing industry increased, and



Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-25 average=100). Latest figure, April, 121.

production of cotton textiles showed a less than seasonal reduction. Factory employment and payrolls increased, contrary to the seasonal trend. Output of mines was also larger in April. Copper and anthracite coal production increased and the seasonal decline in output of bituminous coal was smaller than usual. Petroleum production declined slightly. Preliminary reports for the first half of May indicate a continued high rate of operation in the iron and steel industry. Output of lumber and bituminous coal was somewhat larger during the first part of May than at the end of April.

Building contracts awarded during the month of April increased sharply and for the first time in five months approximated the total for the corresponding month in the preceding year. The increase was not continued, however, in the first part of May when awards averaged 20 per cent below the same period in May, 1928. During April most



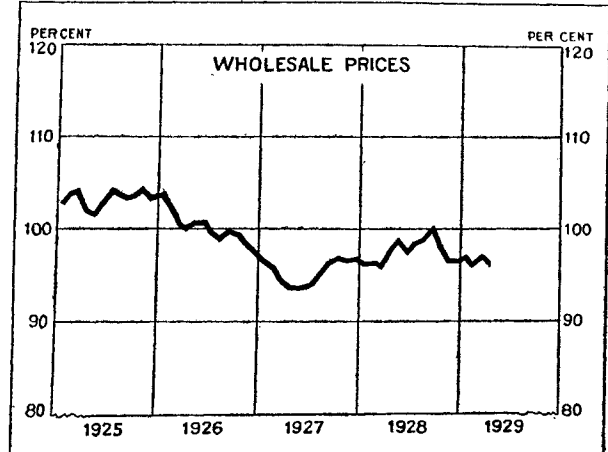
Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 22 days in May.

classes of building showed seasonal increases over March, the largest being in contracts for residential building and public works and utilities.

DISTRIBUTION—Shipments of commodities by rail increased during April and were the largest for this month in any recent years. The increase from March reflected larger loadings of miscellaneous freight, lumber, live stock and ore. During the first half of May shipments of freight continued to increase. Sales at wholesale declined seasonally in April, except in the case of grocery and hardware firms. In comparison with April, 1928 all lines of trade re-

porting to the Federal reserve system showed increases. Department store sales were also smaller in April than in March but continued above the level of a year ago.

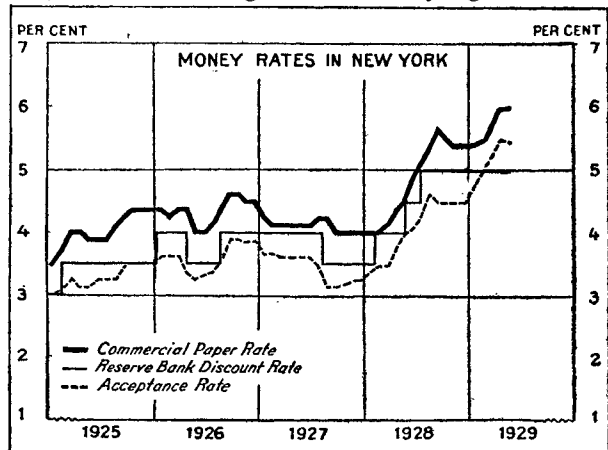
PRICES—Wholesale commodity prices averaged slightly lower in April than in March according to the index of the United States Bureau of Labor Statistics, reflecting primarily declines in prices of farm products and their manufactures. Prices of mineral and forest products and their manufactures, on the average, showed little change. There were increases in the price of iron and steel, and sharp declines in copper, lead and tin. Seasonal declines occurred in



Index of United States Bureau of Labor Statistics (1926=100, base adopted by Bureau). Latest figure, April, 96.8

prices of coal and coke, while gasoline prices advanced. Prices of farm products and their manufactures averaged lower in April than in March. Prices of grain, especially wheat, moved downward sharply, and wool and cotton continued to decline. Live stock and meat prices continued the upward movement of the previous month but at a slower rate; hides averaged slightly higher in price, and leather somewhat lower. Among imported raw materials, rubber, sugar, and coffee showed marked price recessions. Early in May cattle, hides and wheat prices declined sharply and the price of rubber increased.

BANK CREDIT—During the four weeks ending May 15 loans and investments of member banks in leading cities showed a decrease of nearly \$200,000,000 largely in loans on securities together with some further decline in investments. All other loans, chiefly for commercial and agricultural purposes, remained unchanged at a relatively high level. There



Monthly rates in the open market in New York: commercial paper rate on 4- to 6-month paper and acceptance rate on 90-day bankers' acceptances. Latest figures are averages of first 24 days in May.

was a further reduction in the average volume of reserve bank credit outstanding, between the weeks ending April 24 and May 22, owing largely to additions to the country's monetary stock of gold. The decline was in discounts for member banks; holdings of acceptances and of United States securities showed practically no change. Open market rates for commercial paper remained unchanged as did rates on prime bankers' acceptances, except for a temporary decline at the end of April and the first week in May. In the first three weeks in May rates on collateral loans averaged considerably higher than in April.