



MONTHLY REVIEW

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

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TAKEN as a whole, business in this district during the past thirty days about maintained the rate of the similar period just preceding. Spotted conditions obtained, however, and aggregate volume of production and distribution of commodities continued considerably below the volume at the corresponding time a year and two years earlier. In practically all lines, purchasing is on an extremely conservative basis, and confined principally to immediate requirements. There is a general disposition on the part of merchants and the public to postpone commitments as long as possible. This is true particularly in the rural areas, where the recent sharp decline in prices of wheat, corn, cotton and other important farm products served to curtail purchasing power and create uncertainty relative to planting programs for spring crops. Continued depression in the building industry, which was still feeling the effects of between-season inactivity, adversely affected the movement of an important group of commodities, and retarded the usual seasonal pickup in employment.

Reports relative to the iron and steel industry reflected unevenness and mixed conditions. Some lines increased their working schedules, while others were less active than during the preceding month. Ordering of iron and steel by the railroads was in smaller volume, and plants specializing in materials for the carriers reported shipments in excess of new business placed. The outlet through the building industry was smaller than during the past several years, but some improvement was noted in requirements of automobile manufacturers, and during the past two or three weeks, miscellaneous users of ferrous goods have increased their takings. There was a notable gain in distribution of automobiles in February over the month before and a year ago, and makers of tractors and farm implements reported improvement in business.

Of the wholesale lines investigated by this bank, a large majority recorded decreases in February sales under those of the same month last year,

while gains and losses as compared with January this year were about evenly divided. Combined February sales of all wholesale lines showed a decrease of 10.4 per cent as compared with the same month in 1929. The volume of retail trade, as reflected by sales of department stores in the principal cities of the district, was 2.2 per cent smaller in February than a year ago. The mild, clear weather which was general through the district in February resulted in increased sales by country retailers as compared with January, but in virtually all sections, February totals were under those of last year. Debits to individual accounts in the principal cities of the district in February were 18.4 per cent smaller than in January, and 13.5 per cent less than the February, 1929, total.

The mildest February weather experienced in this general region in recent years had a decidedly quieting effect on the bituminous coal industry. Demand for domestic sizes slumped to almost nothing, and the recession was accompanied by lower prices and increased accumulations at mines in Illinois, Western Kentucky and Indiana. Curtailment of production was apparent in all districts, and this had a strengthening effect on screenings, which recovered some of the price decline which occurred earlier in the winter. Demand for steaming coal generally, however, was quiet, and there is little disposition to stock up, even though this is the season at which contracting for future requirements is usually done. Large operators are content to deal in the open market as needs arise, which attitude, is attributable in part to efficient transportation. In the St. Louis area a number of important industries which were formerly heavy consumers of coal are substituting natural gas for their fuel requirements. For the country as a whole, production of bituminous coal during the present coal year to March 15, approximately 294 working days, totaled 499,125,000 tons, against 492,469,000 tons during the corresponding period a year earlier, and 458,188,000 tons for the coal year of 1927-1928.

According to officials of railroads operating in this district, freight traffic continued in smaller volume than at the corresponding period last year and in 1928. Considerable losses in both comparisons were noted in the tonnage of merchandise and miscellaneous freight hauled. There were also well defined decreases in the movement of grain and grain products and live stock. For the country as a whole, loadings of revenue freight during the first nine weeks this year, or to March 1, totaled 7,754,575 cars, against 8,315,792 cars for the corresponding period in 1929 and 7,999,131 cars in 1928. The St. Louis Terminal Railway Association, which handles interchanges for 28 connecting lines, interchanged 194,531 loads in February, against 208,059 loads in January, and 243,690 loads in February, 1929. During the first nine days of March the interchange amounted to 64,274 loads, against 62,703 loads during the corresponding period in February, and 76,709 loads during the first nine days of March, 1929. Passenger traffic of the reporting lines in February was 6 per cent smaller than that of the same month a year ago. Estimated tonnage of the Federal Barge Line, between St. Louis and New Orleans, in February was 75,000 tons, against 75,739 tons in January, and 109,419 tons in February, 1929.

As was the case during the preceding thirty days, reports relative to collections reflected considerable spottiness and irregularity. Wholesalers in the large centers reported moderate betterment in payments in February as contrasted with the preceding month, but the average was below that at the corresponding period a year ago. Generally through the rural sections, but more particularly the winter wheat areas, retailers reported payments slow, due partly to weather conditions and depression in the market for cereals. Further liquidation was noted in the tobacco and rice sections, but generally in localities where cotton is the chief crop, backwardness was complained of. Retailers in the principal cities reported payments in relatively smaller volume than at the same time a year and two years earlier. Answers to questionnaires addressed to representative interests in the several lines scattered through the district showed the following results:

	Excellent	Good	Fair	Poor
February, 1930.....	1.5%	15.0%	56.2%	27.3%
January, 1930.....	1.4	20.3	55.4	22.9
February, 1929.....	2.7	33.0	44.0	20.3

Commercial failures in the Eighth Federal Reserve District during February, according to Dun's, numbered 102, involving liabilities of \$6,029,700, against 170 failures with liabilities of \$3,054,140 in January, and 120 failures for a total of \$1,762,479 in February, 1929.

The average daily circulation in the United States in February was \$4,556,000,000 against \$4,652,000,000 in January and \$4,686,000,000 in February, 1929.

MANUFACTURING AND WHOLESALING

Automobiles — Combined passenger car, truck and taxicab production in the United States in February was 323,962, against 273,089 in January and 466,418 in February, 1929.

Stimulated by the usual demand and annual shows in St. Louis and elsewhere, distribution of automobiles in this district during February showed substantial gains over the preceding month and the corresponding period a year ago. In point of the number of cars sold, the February total was the largest reported since April, 1926. Increases in value of cars sold in both comparisons were measurably smaller than the numerical gains, indicating greater demand for low and medium priced vehicles than for the more expensive makes. Marked increases in passenger car distribution from January to February are seasonal in character, and have taken place in this district during the past six years. The gain this year, however, was larger than the average, due partly to the unusually small total recorded in January. As has been the case for the past several months, relatively the largest sales were made by dealers in the chief centers of population. Weather in early February was against best results in the country and generally there is a disposition on the part of farmers to postpone filling automobile requirements until more definite estimate of crops can be made. Considerable betterment was noted in sales of trucks, with substantial gains over a year and a month earlier being made in the light varieties for retail delivery service in the large cities. Distributors of heavy trucks report a good volume of inquiry for delivery during the second quarter of the year, principally for use by contractors on river, levee and other public and semi-public construction operations. Sales of new passenger cars in February by 320 dealers scattered through the district were nearly six times as large as in January, and 35.7 per cent greater than in February, 1929. Due to generally conservative buying by these dealers, their stocks of new cars, on March 1 were smaller by 3.8 per cent than a month earlier, and by 9.2 per cent than on March 1, 1929. Generally unsatisfactory conditions continued in the used car market. Dealers reported an increase of 10.6 per cent and 19.3 per cent, respectively, over a month and a year earlier in the number of secondhand cars on hand on March 1, though in both comparisons increases in value represented was considerably smaller, relatively,

than in the number of cars in stock. February sales of parts and accessories showed an increase of 3.4 per cent over January, and the total was about the same as that for February last year. Deferred payment sales of dealers reporting on that detail in February constituted 57.2 per cent of their total sales against 55.0 per cent in January, and 57.3 per cent in February, 1929.

Boots and Shoes — February sales of the five reporting interests were 9.0 per cent smaller than in January, and 6.9 per cent smaller than the February, 1929 total. Stocks on March 1 were 3.8 per cent and 7.8 per cent larger, respectively, than thirty days and a year earlier. Since March 1 there has been some improvement in ordering for immediate shipment, but future business shows little if any betterment, and the volume is measurably below that at the corresponding period a year ago. There was no change in prices of finished materials as compared with the preceding thirty days.

Clothing — February sales of the reporting clothiers were 17.2 per cent larger than in January, and 2.4 per cent greater than for February, 1929. Purchasing is mainly for immediate requirements, ordering for future being held in check by price uncertainty. The unusually mild weather in February adversely affected the movement of heavy apparel through retail channels, and clearance of this class of goods was below expectations. Demand for work clothes of all descriptions was reported in smaller volume than at any corresponding period in recent years.

Drugs and Chemicals — As was the case earlier in the year, demand for heavy drugs and chemicals from the general manufacturing lines, particularly the metal industries, was quiet, with purchasing almost exclusively for immediate needs. Partly as a result of this condition February sales of the six reporting interests fell 9.2 per cent below those for the same month in 1929, and 5.0 per cent below the January total this year. Stocks on March 1 were 0.7 per cent smaller than a month earlier, and 13.7 per cent larger than on March 1, 1929.

Dry Goods — Affected by unseasonable weather and the disturbed condition of the raw cotton market, February sales of the eight reporting firms showed a decrease of 19.3 per cent as compared with the corresponding period a year ago. The February total, however, was 7.8 per cent larger than that for January. Stocks on March 1 were 4.3 per cent and 12.6 per cent smaller, respectively, than a month and a year earlier. Retail stocks generally are below the seasonal average, and this condition has resulted in a considerable volume of ordering of small lots for immediate shipment. Future business at the middle

of March was larger than a year ago, but was unusually spotted, the increase being due to a limited number of items. Factory lines are reported active, particularly women's ready-to-wear garments.

Electrical Supplies — In virtually all sections of this classification, business was in smaller volume than a year and a month earlier. Most marked decreases were noted in sales of radio materials, electrical installations in new buildings and commodities for the public utilities companies. February sales of the five reporting interests were 4.0 per cent smaller than in January, and 6.2 per cent less than in February, 1929. Stocks on March 1 were 1.3 per cent larger than on February 1, and 9.3 per cent greater than on March 1 last year.

Flour — Production at the 12 leading mills of the district in February totaled 368,286 barrels, against 379,967 barrels in January and 392,465 barrels in February, 1929. Stocks of flour in St. Louis on March 1 were 8.2 per cent smaller than on February 1, and 2.0 per cent less than on March 1, 1929. The drop in cash wheat values to the lowest point in more than a half decade had a disturbing effect on the market. New orders were confined almost exclusively to immediate requirements, and for prompt shipment. At the extreme low point in the decline in wheat, some export demand developed for clears and low grade flours from the United Kingdom and the Continent. On the rebound in wheat, however, renewed offers were not acceptable, and relatively little business was done. Buying by the domestic trade improved somewhat on the decline, but not sufficiently to warrant increased mill operations, which were at from 50 to 55 per cent of capacity.

Furniture — February sales of the 13 reporting interests were 9.5 per cent smaller than in January and 22.8 per cent less than in February, 1929. Stocks on March 1 were 6.5 per cent smaller than on February 1 and 1.3 per cent smaller than on March 1, 1929. While declines in both sales comparisons were general through the line, the most marked decline was in furniture and furnishings for homes. Prices showed no change as compared with the preceding month, and there was very little variation as contrasted with a year ago.

Groceries — Due to more favorable weather in February, salesmen were able to cover their territories more thoroughly than earlier in the year. This fact, coupled with a general disposition on the part of country retailers to fill out depleted stocks, was partly responsible for an increase in February sales of the 12 reporting firms of 2.8 per cent over the same month a year ago. The February total, however, fell 8.3 per cent below that of January this year. Stocks on March 1 were 4.9 per cent larger

than a month earlier, and 21.4 per cent smaller than on March 1, 1929.

Hardware—Purchasing of seasonal merchandise continues backward, particularly of commodities consumed principally in the country. Builders tools and hardware and the general run of building materials were also reported moving in less than the usual seasonal volume. February sales of the 12 reporting interests were 2.0 per cent smaller than in January and 5.2 per cent smaller than in February, 1929. Stocks on March 1 were 3.1 per cent smaller than a month earlier, and 4.4 per cent larger than on March 1, 1929.

Iron and Steel Products—Purchasing of iron and steel goods by all classes of consumers continued backward during the past thirty days. While several important foundry and mill interests reported a slightly larger volume of unfilled orders than a month earlier, the increase was due in most instances to smaller shipments rather than the placement of additional business. Uncertainty relative to prices tended to emphasize the attitude of hesitation on the part of buyers. The usual seasonal improvement in demand for building materials was considerably less in evidence than at the corresponding period during the past several years. Fabricators of steel structural material report an absence of new lettings, particularly of contracts involving heavy tonnage. There was moderate improvement in demand from the automotive industry, reflected in both specifications and new orders. Interests specializing in gray iron castings and the malleable shops reported fair accretions to their order books, and requirements of the farm implement industry, particularly the tractor division, were in considerable volume. Generally, however, goods designed for consumption in the rural areas continued quiet. The movement of wire fencing, woven wire and the general run of wire products was below the seasonal average. Purchasing by the railroads, except of certain specialties, was less active than earlier in the year. Reduction of operation at a number of railroad shops has resulted in a reduced call for repair materials. Specifications on sheets, plates, bars and other materials going into the manufacture of automobiles have developed improvement during the past two or three weeks. Miscellaneous sheet users, however, have ordered only sufficient quantities for immediate needs. Iron and steel warehouse interests report dullness in virtually all lines, an exception being in items for highway construction, river and levee improvement work, and public utility projects. Demand for oil country goods was reported the

quietest for this particular season for a number of years. New buying of pig iron was in smaller than seasonal volume, but shipments to melters in this district during February were slightly larger than in January, though measurably below the total in February last year. While blast furnace interests are willing to sell for second quarter on a basis of present prices, little interest has been shown supplies for that period. Scrap iron and steel prices, which had held firm since early in January, eased off perceptibly during the first half of March and pig iron was 50c per ton lower. Production of pig iron for the country as a whole in February totaled 2,845,927 tons, against 2,838,751 tons in January, and 3,218,376 tons in February, 1929. Steel ingot production in the United States in February was 4,057,691 tons, compared with 4,328,000 tons in January, and 4,326,000 tons in February, 1929.

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	
	Feb. 1930 comp. to Feb. 1929	2 months ending Feb. 28, 1930 to same period 1929	Feb. 28, 1930 comp. to Feb. 28, 1929	Feb. 28, 1929	Jan. 1, to Feb. 28, 1930	Feb. 28, 1929
Evansville	+15.1%	— 7.8%	+ 0.4%	.31	.35	
Little Rock.....	4.7	— 7.8	— 3.4	.34	.36	
Louisville	+ 7.8	— 5.1	— 1.0	.43	.45	
Memphis	1.6	— 8.3	—10.9	.47	.47	
Quincy	+10.4	+ 6.5	+13.0	.40	.40	
St. Louis.....	3.9	— 6.9	— 4.4	.59	.61	
Springfield, Mo.	6.0	— 8.1	+ 1.1	.17	.18	
8th District.....	2.2	— 6.9	— 4.4	.51	.53	
	Net sales comparison		Stocks on hand		Stock turnover	
	Feb. 1930 comp. to Feb. 1929	Jan. 1930	Feb. 1930 comp. to Feb. 1929	Jan. 1930	Feb. 1930 comp. to Feb. 1929	Jan. 1930
Men's furnishings.....	+ 7.7%	— 5.2%	— 5.2%	+ 9.0%		
Boots and shoes.....	+ 9.2	+ 7.7	+ 5.5	+12.6		

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

	Percentage increase or decrease Feb., 1930 compared to Feb., 1929	
	Net sales for month	Stocks on hand at end of month
Piece goods.....	—13.8%	— 7.9%
Ready-to-wear accessories.....	— 0.5	— 4.3
Women and misses' ready-to-wear.....	— 0.2	—16.0
Men's and boys' wear.....	— 5.0	— 2.5
Home furnishings.....	—15.6	— 0.5

BUILDING

In point of dollar value, building permits issued for new construction in the five largest cities of the district in February were 149.3 per cent larger than in January, but 48.8 per cent smaller than in February, 1929. According to statistics compiled by the F. W. Dodge Corporation, construction contracts let in the Eighth Federal Reserve District in February totaled \$24,510,045, against \$13,114,166 in January, and \$23,371,859 in February, 1929. Production of portland cement for the country as a whole in February totaled 8,162,000 barrels, against 8,498,000

barrels in January, and 8,522,000 barrels in February, 1929. Building figures for February follow:

	New Construction				Repairs, etc.			
	Permits 1930	Permits 1929	*Cost 1930	*Cost 1929	Permits 1930	Permits 1929	*Cost 1930	*Cost 1929
Evansville ..	258	181	\$ 97	\$ 116	45	20	\$ 88	\$ 7
Little Rock ..	44	38	262	146	122	33	46	14
Louisville ..	69	100	247	1,189	52	43	76	44
Memphis	312	306	874	608	63	48	20	36
St. Louis....	254	236	647	2,101	336	210	315	202
Feb. totals	937	861	\$2,127	\$4,160	618	354	\$ 545	\$303
Jan. totals	548	880	853	3,457	523	361	349	367
Dec. totals	705	889	2,273	4,132	343	363	781	881

*In thousands of dollars (000 omitted).

CONSUMPTION OF ELECTRICITY

Public utilities companies in the five largest cities of the district report consumption of electric current by selected industrial customers in February as being 2.7 per cent greater than in January, and 8.7 per cent less than in February, 1929. In the month-to-month comparison increases were fairly general among all classes of consumers. The decrease in the yearly comparison was due chiefly to smaller loads taken by cement, iron and steel, fire clay products and railroad shops. Detailed figures follow:

	No. of Custom- ers	Feb. 1930 *K.W.H.	Jan. 1930 *K.W.H.	Feb. 1930 comp. to Jan. 1930	Feb. 1929 *K.W.H.	Feb. 1930 comp. to Feb. 1929
Evansville	40	1,483	1,540	- 3.7%	1,603	- 7.5%
Little Rock..	35	1,331	1,390	- 4.2	1,356	- 1.8
Louisville	87	6,126	6,948	-11.8	7,789	-21.4
Memphis	31	1,724	1,791	- 3.7	1,786	- 3.5
St. Louis.....	144	15,998	14,294	+11.9	16,660	- 4.0
Totals.....	337	26,662	25,963	+ 2.7	29,194	- 8.7

*In thousands (000 omitted).

The following figures compiled by the Department of the Interior show kilowatt production both for lighting and industrial purposes for the country as a whole:

	By water power	By fuels	Totals
January, 1930.....	2,899,855,000	5,747,518,000	8,647,373,000
December, 1929.....	2,757,827,000	5,758,637,000	8,516,464,000
January, 1929.....	2,715,122,000	5,503,422,000	8,218,544,000

AGRICULTURE

According to the U. S. Department of Agriculture, combined stocks of the principal grains on farms in states entirely or partly within the Eighth Federal Reserve District were considerably smaller than on the same date in 1929 and the 5-year average. The combined farm reserves of wheat, corn and oats in these states on March 1 was 413,503,000 bushels, which compares with 444,418,000 bushels on the same date in 1929, and the 5-year average (1924-1928) of 475,917,000 bushels.

For the country as a whole stocks of grain on farms on March 1 were also smaller than a year earlier and the 5-year average. Combining the estimated farm stocks of corn, wheat, oats, barley, and rye on March 1 this year, holdings total 1,596,482,000 bushels, against 1,773,495,000 bushels on March 1, 1929, and a 5-year average of 1,726,202,000 bushels, which includes the very small holdings of March 1, 1925, resulting from the short crop of 1924.

Taken as a whole, weather during the past thirty days was more favorable for farming operations than at any time since last fall. While preparation for spring crops is still somewhat behind the seasonal schedule, excellent progress was made in that direction, both in the cotton and grain areas. Seeding of oats has been about completed, but it is still too early to form an accurate estimate as to the area planted. Plowing and discing of corn land in Missouri, Illinois and Indiana made considerable headway. Supplies of farm labor are abundant, with an overplus reported in some sections.

As an offset to the more favorable weather and farming conditions was the further sharp decline in prices of cereals, cotton and some other farm products. In the St. Louis market, No. 2 mixed corn declined to 74c per bushel on March 13, the lowest since the spring of 1927. Wheat values declined to the lowest level since May, 1924. Middling cotton at 13½c per pound on March 8 was the lowest since January, 1927.

Winter Wheat — Reports covering the more important wheat producing areas of the district indicate apparently little damage to the growing crop from the low temperatures early in March. Temperatures through February were mild and the plant achieved good growth, and is for the most part showing fine color and stand. There were scattered complaints of damage from alternate freezing and thawing, but nothing of a serious nature. Reports of winter killing are relatively few, and due to abundant moisture during the dormant season, soil conditions are good. On March 1 stocks of wheat on farms in states partly or wholly within this district totaled 12,162,000 bushels, against 5,867,000 bushels in 1929 and the 5-year average of 15,112,000 bushels.

Corn — Wetness of soil, particularly in the river and creek bottoms, interfered to some extent with preparation of corn land, but generally fair progress was made in the matter of clearing and discing. Most recent reports indicate unusually large quantities of low-grade, high moisture-content corn. Much corn was still in the fields on March 1, and a considerable portion of this grain is unfit for fattening live stock. Prime seed corn is universally scarce, and the amount of merchantable corn included in the 1929 crop was the smallest in a long series of years. In many communities tests of seed corn shows germination of the 1929 seed runs only 25 to 75 per cent, and farmers are endeavoring to secure 1928 seed corn to plant this spring. Stocks of corn in farmers' hands on March 1 in states partly or entirely within the Eighth District totaled 325,565,000 bushels, against 332,978,000 bushels on

the same date in 1929, and a 5-year average of 380,348,000 bushels.

Oats — Seeding of oats moved rapidly towards completion in the southern tiers of the district under the favorable weather conditions in February. Early planted oats are generally up to a good stand, and outlook for the crop is favorable. Farm reserves in states entirely or partly within this district on March 1 aggregated 75,276,000 bushels, against 105,573,000 bushels on the corresponding date last year, and a 5-year average of 80,457,000 bushels.

Fruits and Vegetables — With the exception of peaches and cane fruits in some sections, fruit crops, according to most recent reports, appear to have come through the winter in fairly good condition. Apples sustained no serious damage, but peaches were seriously injured, reports of heavy damage to trees being common in Missouri, Illinois and Northern Arkansas.

Live Stock — The movement of live stock to market during February was in considerably smaller volume than a month earlier, and with the exception of sheep and lambs, was below that during the same month last year. There were substantial declines in prices of lambs and dressed mutton, but cattle and hog values were well sustained. Due to mild weather, egg production in this district during February was at a higher rate than has been the case in a number of years. There was little change in the general condition of herds as compared with the preceding thirty days.

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

	Receipts			Shipments		
	Feb. 1930	Jan. 1930	Feb. 1929	Feb. 1930	Jan. 1930	Feb. 1929
Cattle and calves.....	61,548	81,977	62,239	39,760	46,360	39,694
Hogs	270,008	342,603	295,318	211,607	274,802	231,179
Horses and mules.....	10,823	12,011	10,923	11,940	12,329	12,824
Sheep	25,565	35,088	16,214	10,646	20,172	7,099

Cotton—Practically the entire month of February and the first half of March were favorable for field work, and good progress was made in clearing the land and plowing for the new crop. The vigor with which this work has been pursued, coupled with increased sales of fertilizer tags and absence of floods in sections affected by overflows at planting time in recent years, fails to indicate widespread reduction of acreage. Except in river bottoms, where the soil has been slow in drying out, preliminary work is ahead of the usual seasonal schedule. Due to variety of causes, there was a sharp break in prices in late February and early March, the low level of the season being reached at the end of the second week in March. Fair investment buying developed at the decline, resulting in a moderate recovery later in the month. In the St. Louis market the middling grade declined from 14 $\frac{3}{4}$ c per pound on February 17 to 13 $\frac{1}{2}$ c on March 8, and closed at

14 $\frac{3}{4}$ c on March 17, as against 19 $\frac{1}{2}$ c on March 17, 1929. Stocks of cotton in Arkansas warehouses on March 21 totaled 239,758 bales, against 286,231 bales on February 21, and 128,387 bales on March 22, 1929.

Rice — A more active demand for polished rice during the past thirty days was reflected in an advance of from 15c to 20c per bushel to the highest point on the crop. Movement from farms to mills has been rapid, and at the middle of March stocks in producers' hands were reduced to about 8 per cent of the 1929 crop. Farmers have begun preparations for the new crop, and with the favorable conditions prevailing, indications are for an acreage about equal to that of last season.

Tobacco — Termination of tobacco loose-leaf markets develops the fact that the crop has been marketed this season more rapidly than has been the case in a number of years. Interest centers in preparations for the new crop, which, under favorable weather conditions, have made fair progress in all districts. Preliminary reports indicate that there will be an abundance of plants of good quality for planting this spring.

Estimated total sales of the 1929 crop to March 8, with average prices, and comparisons with a year ago, are given in the following tables:

	Pounds	Cost	Average Per 100 lbs.
Burley —			
1929.....	350,709,195	\$76,262,611	\$21.74
1928.....	273,154,726	85,519,485	31.31
One Sucker —			
1929.....	24,000,000	\$ 2,520,000	\$10.50
1928.....	16,000,000	2,000,000	12.50
Owensboro-Green River —			
1929.....	18,000,000	\$ 1,924,200	\$10.69
1928.....	15,000,000	1,800,000	12.00
Western District of Kentucky dark fired —			
1929.....*	31,658,000	\$ 3,007,510	\$ 9.50
1928.....	28,000,000	3,500,000	12.50
Hopkinsville dark fired —			
1929.....	23,680,000	\$ 2,611,904	\$11.03
1928.....	17,000,000	2,550,000	15.00
Clarksville, Tenn., dark fired —			
**1929.....	20,206,365	\$ 2,693,499	\$13.33
1928.....	13,296,485	2,193,906	16.50
Springfield, Tenn., dark fired —			
**1929.....	16,800,000	\$ 2,521,755	\$15.01
1928.....	9,437,185	1,647,717	17.46

*Does not include about 10,000,000 pounds purchased direct from farmers, consisting of better grades, which would improve the 1929 average for the district.

**In the Springfield and Clarksville Districts approximately 10,000,000 pounds of the better grades of tobacco were purchased direct from farmers, which would materially raise the 1929 average price.

Commodity Prices — Range of prices in the St. Louis market between February 17, 1930 and March 17, 1930, with closing quotations on the latter date and on March 15, 1929:

			Close	
			Mar. 17, 1930	Mar. 15, 1929
Wheat				
May	per bu.	High Low	\$1.17 $\frac{1}{2}$ \$1.02 $\frac{3}{4}$	\$1.04 $\frac{3}{4}$ \$1.28 $\frac{3}{4}$
July	"	"	1.18 $\frac{1}{2}$.99 $\frac{1}{4}$	1.03 $\frac{3}{4}$ 1.30 $\frac{3}{4}$
No. 2 red winter	"	"	1.24 1.13	\$1.18@ 1.18 $\frac{1}{2}$ \$1.40@ 1.47
No. 2 hard.....	"	"	1.16 $\frac{1}{2}$ 1.03	1.05@ 1.06 1.26@ 1.28
Corn				
May	"	"	.90 $\frac{3}{4}$.78 $\frac{3}{4}$.82 $\frac{1}{2}$ 1.01 $\frac{1}{4}$
July	"	"	.92 $\frac{1}{2}$.80 $\frac{1}{4}$.82 $\frac{3}{4}$ 1.04 $\frac{3}{4}$
No. 2 mixed	"	"	.83 .74	.76@ .77 .95@ .96
No. 2 white	"	"	.84 $\frac{3}{4}$.77 $\frac{1}{2}$.81@ .81 $\frac{1}{2}$.96@ .96 $\frac{1}{2}$
Oats				
No. 2 white	"	"	.47 $\frac{1}{2}$.43	.45@ .45 $\frac{1}{2}$.52@ .52 $\frac{1}{2}$
Flour				
Soft patent.....	per bbl.		6.60 6.15	6.25@ 6.50 7.00@ 7.25
Spring patent.....	"		6.40 5.50	5.50@ 6.00 6.15@ 6.25
Middling cotton.....	per lb.		.14 $\frac{3}{4}$.13 $\frac{1}{2}$.14 $\frac{3}{4}$.20
Hogs on hoof.....	per cwt.		11.60 8.50	8.50@10.75 7.75@12.10

FINANCIAL

Generally through the past thirty days, demand for bank accommodation from industrial and commercial sources was somewhat less active than during the similar period immediately preceding and at the same time in 1929. Liquidation with both city and country financial institutions continued in considerable volume, and in some sections, notably areas where tobacco is the principal crop, there was a further reduction in borrowings of country banks from their city correspondents. Loanable resources of the commercial banks increased, and the trend of interest rates was toward lower levels, though actual quotations on certain classes of loans underwent no marked change as contrasted with the month before.

In late February and early March, there was the usual decrease in deposits of commercial banks, incident to income tax settlements. Since the first report date in March, however, there has been a well defined rise in deposits of the reporting member banks, the total on March 12 advancing to the highest point since the middle of January. Loans and discounts of the reporting member banks declined by approximately 1.0 per cent between February 12 and March 12, and on the latter date were 2.5 per cent smaller than a year earlier. Security loans showed a moderate decrease as compared with last year. Borrowings by all member banks from this institution increased during the last half of February, but receded in early March and on the second report date were about on a parity with the closing week in January. Throughout the period Federal reserve bank credit outstanding was substantially smaller than a year ago.

Except for a continued good demand for funds for financing live stock operations, agricultural requirements have not made themselves felt to any appreciable extent. Generally through the south, country banks have completed preparations for financing planting of the cotton and tobacco crops. There was the usual seasonal liquidation of loans to the flour milling and grain interests, though the total of such loans is still above the seasonal average.

St. Louis banks' interest rates were as follows: Prime commercial paper, $4\frac{1}{2}$ to 6 per cent; collateral loans, $5\frac{1}{2}$ to $6\frac{1}{2}$ per cent; loans secured by warehouse receipts 5 to 6 per cent; interbank loans, $5\frac{1}{2}$ to 6 per cent, and cattle loans 6 to $6\frac{1}{2}$ per cent.

Condition of Banks—Loans and discounts of the reporting member banks on March 19, 1930, showed a nominal decrease as contrasted with February 19, 1930 and a decrease of 2.1 per cent as compared with March 20, 1929. Deposits increased 2.4

per cent between February 19, 1930 and March 19, 1930 and on the latter date were 1.7 per cent smaller than on March 20, 1929. Composite statement follows:

	*Mar. 19, 1930	*Feb. 19, 1930	*Mar. 20, 1929
Number of banks reporting.....	†24	†25	†29
Loans and discounts (incl. rediscounts)			
Secured by U. S. Govt. obligations			
and other stocks and bonds.....	\$233,073	\$232,247	\$236,832
All other loans and discounts.....	283,390	284,360	290,887
Total loans and discounts.....	\$516,463	\$516,607	\$527,719
Investments			
U. S. Government securities.....	37,644	36,301	78,284
Other securities.....	116,291	112,624	115,508
Total investments.....	\$153,935	\$148,925	\$193,792
Reserve balance with F. R. bank.....	46,109	44,397	46,021
Cash in vault.....	5,769	5,760	6,321
Deposits			
Net demand deposits.....	378,482	369,811	384,755
Time deposits.....	230,660	228,574	235,272
Government deposits.....	3,534	30	3,409
Total deposits.....	\$612,676	\$598,415	\$623,436
Bills payable and rediscounts with			
Federal Reserve Bank.....	2,535	6,431	34,992

*In thousands (000 omitted).
†Decrease due to consolidation. These 24 banks are located in St. Louis, Louisville, Memphis, Little Rock, and Evansville, and their resources represent 53.1 per cent of the resources of all member banks in this district.

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.

	*Feb. 1930	*Jan. 1930	*Feb. 1929	Feb. 1930 Jan. 1930	comp. to Feb. 1929
East St. Louis & Natl.					
Stock Yards, Ill. \$	36,455	\$ 49,027	\$ 56,638	—25.6%	—35.6%
El Dorado, Ark.....	6,705	8,187	7,447	—18.1	—10.0
Evansville, Ind.....	23,508	27,445	44,541	—14.3	—47.2
Fort Smith, Ark....	12,646	15,075	12,359	—16.1	+ 2.3
Greenville, Miss....	5,031	5,898	4,224	—14.7	+19.1
Helena, Ark.....	4,993	6,321	3,229	—21.0	+54.6
Little Rock, Ark....	68,464	81,154	71,658	—15.6	— 4.5
Louisville, Ky.....	170,644	199,021	208,297	—14.3	—18.1
Memphis, Tenn.....	145,890	177,420	164,356	—17.8	—11.2
Owensboro, Ky.....	7,976	9,834	6,245	—18.9	+27.7
Pine Bluff, Ark....	8,757	12,097	9,691	—27.6	— 9.6
Quincy, Ill.....	11,309	12,597	12,782	—19.4	—11.5
St. Louis, Mo.....	641,667	796,378	722,900	—19.4	—11.2
Sedalia, Mo.....	3,855	5,104	4,102	—24.5	— 6.0
Springfield, Mo....	13,407	16,755	14,926	—20.0	—10.2
**Texarkana,					
Ark-Tex.....	12,881	16,196	14,754	—20.5	—12.7
Totals.....	\$1,174,188	\$1,438,509	\$1,358,149	—18.4	—13.5

*In thousands (000 omitted).

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

Federal Reserve Operations—During February the Federal Reserve Bank of St. Louis discounted for 195 member banks, against 196 in January and 174 in February, 1929. The discount rate remained unchanged at $4\frac{1}{2}$ per cent. Changes in the principal assets and liabilities of this institution as compared with the preceding month and a year ago appear in the following table:

	*Mar. 21, 1930	*Feb. 21, 1930	*Mar. 21, 1929
Bills discounted.....	\$12,948	\$20,093	\$51,086
Bills bought.....	12,137	18,584	8,438
U. S. Securities.....	19,266	19,266	19,062
Municipal warrants.....	30	30	—
Total bills and securities.....	\$44,381	\$57,973	\$78,586
F. R. Notes in circulation.....	81,381	85,099	58,813
Total deposits.....	77,644	81,973	78,723
Ratio of reserve to deposits			
and F. R. Note Liabilities.....	78.3%	69.8%	49.7%

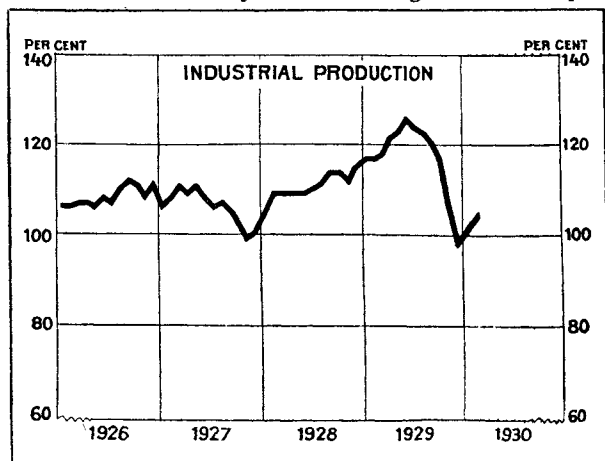
*In thousands (000 omitted).

(Compiled March 21, 1930)

BUSINESS CONDITIONS IN THE UNITED STATES

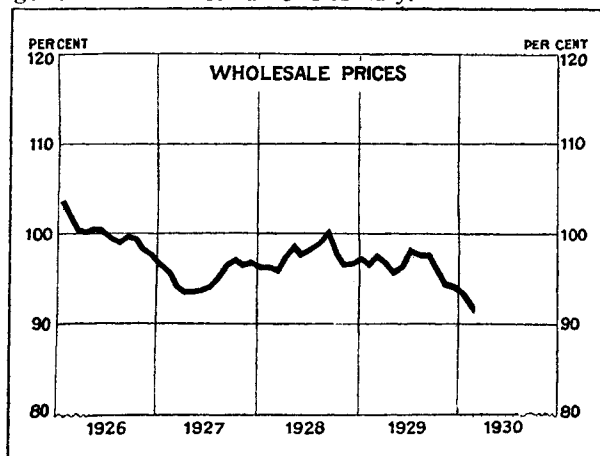
Industrial production increased in February, while the number of workers employed in factories was about the same as in January. Wholesale commodities prices continued to decline. Credit extended by member banks was further reduced in February, but increased in the first two weeks of March. Money rates continued to decline.

PRODUCTION—In February industrial production increased about two per cent, according to the Board's index, which is adjusted to allow for seasonal variations. This increase reflected chiefly a substantial gain in the output of



Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-25 average=100). Latest figure, February, 105.

iron and steel. Automobile production was in larger volume than during January, but was 30 per cent smaller than the large output of a year ago. Cotton and wool consumption by mills was substantially lower in February, and production of bituminous coal and copper also decreased. In the first two weeks of March the output of steel mills declined in comparison with February, contrary to the usual seasonal movement. Bituminous coal output also was smaller. The volume of building contracts awarded in February was about the same as in the preceding month. Residential building continued at an exceptionally low level, while contracts for public works and utilities were larger in comparison with the corresponding months in other recent years. Awards in the first two weeks of March were larger than in the first half of February.



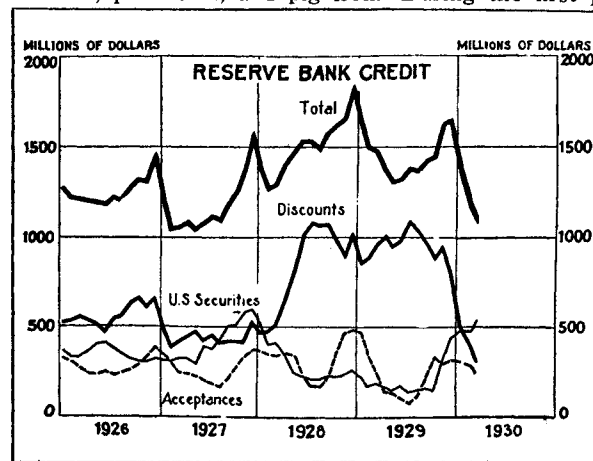
Index of United States Bureau of Labor Statistics (1926=100, base adopted by Bureau). Latest figure, February, 92.

EMPLOYMENT—The volume of factory employment, which had reached a low point in January showed little change in February, when an increase usually occurs. Factory payrolls increased during the month, but by a smaller amount than is usual at this season. In the steel, automobile, agricultural implement and tobacco industries, employment increased during the four weeks period, while further decreases occurred in the cotton and wool textile, lumber, automobile tire, electrical machinery, and machine tool industries.

DISTRIBUTION—Freight carloadings on an average daily basis were slightly larger than in January, but smaller than in the corresponding month of any other recent year.

Slight seasonal increase was reported during early March.

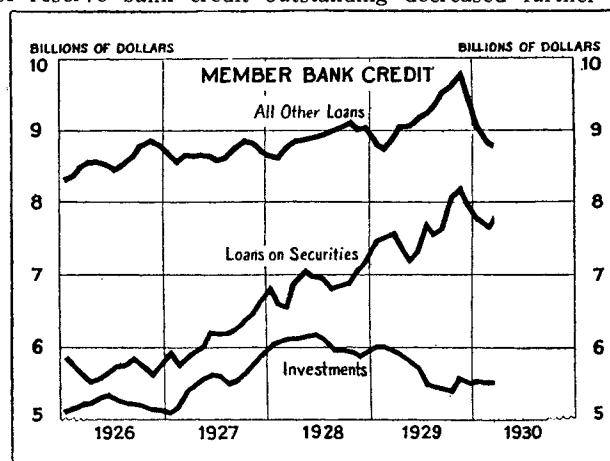
Department store sales in February continued to be below the level of a year ago. Wholesale prices of commodities declined further during February and The Bureau of Labor Statistics index, at 92.1 per cent of the 1926 average, was at the lowest point since January, 1922. Marked declines occurred during the month in the price of many agricultural products—grains, hides, raw wool and cotton—in certain imported raw materials, notably sugar and silk, and also in textiles, petroleum, and pig iron. During the first part



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 18 days in March.

of March, a number of these commodities declined still further in price. Wheat and cotton prices were considerably lower, and silver reached the lowest point on record. By the middle of the month, however, prices of cotton, hides, and silver had recovered somewhat.

BANK CREDIT—Liquidation of credit at member banks continued throughout February, and on February 26 total loans and investments of member banks in leading cities were in about the same volume as in the early summer of last year. During the following two weeks, however, there was an increase of \$230,000,000 in loans and investments chiefly in loans on securities. All other loans largely for commercial purposes increased slightly. From the middle of February to the middle of March the volume of reserve bank credit outstanding decreased further by



Monthly averages of weekly figures for reporting member banks in leading cities. Latest figures are averages of first two weeks in March.

\$90,000,000. This decline reflected chiefly an increase in gold stock of \$75,000,000 and a further decline of money in circulation, offset in part by some increase in member bank reserve balances. Member bank indebtedness at the reserve banks declined to \$267,000,000, the lowest level since early in 1925. Reserve bank holdings of bills declined, while those of United States securities increased. Money rates in the open market eased further and bond yields declined rapidly to the lowest level since 1928. At the middle of March the discount rate at the Federal Reserve Bank of New York was reduced from 4 to 3½ per cent, and the rate at the Cleveland, Philadelphia and San Francisco banks from 4½ to 4 per cent.