



MONTHLY REVIEW

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

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DUE mainly to seasonal influences, business in this district during the past thirty days developed moderate improvement as contrasted with the similar period just preceding. As compared with a year ago, however, the volume of trade and industry in March and early April showed a considerable decrease. In virtually all lines investigated by this bank, March sales were smaller than during the same month in 1929, also below the average of the corresponding period during the past half decade. Such lines as reported gains from March to April were affected by the usual seasonal considerations, and the percentage of increase was smaller than in recent years. A number of industries which ordinarily increase their activities at this season failed to show any upward trend. Among these were certain iron and steel lines, building materials, clothing, automobiles and millinery.

Unfavorable weather during March and the lateness of Easter had a tendency to hold down retail trade, both in the large cities and the country. These same causes also reacted adversely against the volume of wholesale distribution, particularly of merchandise for ordinary consumption. The most important factor in the curtailment of business, according to the reporting interests, was the general disposition on the part of buyers to purchase conservatively and almost exclusively on a necessity basis. While retail stocks are universally small, merchants are slow to replenish and fill out assortments. Manufacturers, in turn, are making up very little merchandise for which they have not actual orders booked or in fairly certain prospect.

The average rate of operations at iron and steel plants in the district showed little variation from the preceding thirty days. The estimated melt of pig iron and scrap in March was approximately the same as in February, though measurably below the total in March last year. Certain specialty makers, notably of stoves and implements, increased their operations, while curtailment was reported by other plants. The general employment situation was also

spotted, and showed no marked change as a whole from the month before. Outdoor work reduced the number of idle common laborers, while the average number of unemployed factory and building workers remained about stationary. There was an increase in the surplus of clerical help and miscellaneous workers. In all states of the district the supply of farm help is adequate, with an overplus reported in scattered localities.

As reflected by sales of department stores in the principal cities in March, the volume of retail trade was 10.7 per cent smaller than for the same month a year ago. Combined sales of all wholesale lines investigated showed a decrease of 8.3 per cent in March under the same month in 1929. Debits to checking accounts in March as reported by the large centers were larger by 12.9 per cent than in February, but 12.9 per cent smaller than in March a year ago. The amount of savings deposits increased 0.9 per cent between March 5 and April 2 and on the latter date reached the highest figure this year. The total, however was 4.9 per cent below that on April 3, 1929.

Aside from a slight pickup in demand for domestic sizes, occasioned by the cold snap in late March, the bituminous coal market continued quiet. There was a decline in production in all the chief fields of the district, despite which fact mine operators experienced difficulty in placing their full current output. Due to smaller production of prepared sizes, however, screenings were stronger than heretofore, though demand for steaming fuel failed to increase in volume. Contracting for future requirements, which at this time of year is usually an important factor in the market was much less in evidence than during past seasons. As has been the case in recent months, industrial users and retailers are satisfied to deal in the open market, and there was little disposition to augment storage stocks. Absence of labor troubles in the industry, coupled with efficient transportation service, tended to hold

down future commitments to a minimum. Such contracting as was reported was at a reduction in prices, except in the case of steaming coal. For the country as a whole, production of bituminous coal during the present calendar year to April 5, approximately 81 working days, amounted to 131,726,000 tons, against 145,762,000 tons for the corresponding period in 1929, and 135,156,000 tons in 1928.

Railroads operating in this district showed a smaller volume of freight traffic handled than during the same period last year or in 1928. Decreases extended to all classifications, but were most marked in coal, coke, ore and grain and grain products categories. Combined merchandise and miscellaneous freight made a relatively better showing than other classifications. For the country as a whole loadings of revenue freight for the first 13 weeks this year, or to March 29, totaled 11,270,011 cars, against 12,153,528 cars for the corresponding period in 1929, and 11,792,196 cars in 1928. The St. Louis Terminal Railway Association, which handles interchanges for 28 connecting lines, interchanged 220,296 loads in March, against 192,513 loads in February and 255,717 loads in March, 1929. During the first nine days of April the interchange amounted to 64,523 loads, which compares with 64,274 loads during the corresponding period in March, and 70,280 loads during the first nine days of April, 1929. Passenger traffic of the reporting lines in March was 10 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 March was 70,300 tons, against 75,157 tons in February, and 104,483 tons in March, 1929.

Reports relative to collections reflect generally less satisfactory conditions than existed earlier this year, and during the corresponding period a year and two years ago. Retailers in both the large cities and the country complain of backwardness in payments. In the case of country stores the slowness was accounted for partly by preoccupation of farmers with spring work and inclement weather during March. City retail merchants report collections on deferred payment accounts backward. Wholesalers in the large centers reported March settlements generally below estimates. Boot and shoe and dry goods wholesaling interests, with whom April is an important collection month, report payments to April 15 in measurably smaller volume than a year ago. There has been further good liquidation in the tobacco and rice areas, following marketing of those crops. Manufacturers and distributors of building materials continue to complain of backward collections. 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>
March, 1930	1.4%	14.1%	59.2%	25.3%
February, 1930.....	1.5	15.0	56.2	27.3
March, 1929	4.1	30.6	50.0	15.3

Commercial failures in the Eighth Federal Reserve District in March, according to Dun's, numbered 133, involving liabilities of \$2,419,565, against 102 failures in February with liabilities of \$6,029,700, and 123 failures for a total of \$1,897,665 in March, 1929.

The average daily circulation in the United States during March was \$4,534,000,000, against \$4,556,000,000 in February and \$4,709,000,000 in March, 1929.

MANUFACTURING AND WHOLESALING

Automobiles — Combined passenger car, truck and taxicab production in the United States in March was 401,378, against 323,962 in February and 585,457 in March, 1929.

Following a sharp upturn in February, distribution of automobiles in this district during March, according to dealers reporting to this bank, resumed the downward trend which had proceeded without interruption since last September. Reversing the seasonal trend of the past several years, March sales were in smaller volume than in February, and the total was also substantially less than in March, 1929. Relatively the greatest decreases in both sales comparisons were reported by country dealers, which fact is ascribed partly to the depressed prices of certain farm products and to cold weather and snow storms which prevailed during March. Losses extended to virtually all classes of passenger cars, but was most marked in the more expensive descriptions. Distributors of cheap priced vehicles report a marked falling off in new prospects, that is of persons who have not previously owned cars. Renewal sales, according to a number of dealers, have been held down by the congested condition of the used car market. Due to the large number of secondhand vehicles in stock and difficulty of moving them profitably, terms offered on trades are necessarily less advantageous than heretofore. This condition has resulted in numerous owners retaining their old cars and reconditioning them for additional service. March sales of new passenger cars by 320 dealers scattered through the district were 31.6 per cent smaller than in February, and 27.9 per cent smaller than in March, 1929. New commitments by both wholesale and retail distributors continue on a conservative basis, less than the usual numbers for spring and early summer distribution being ordered from producers. Stocks of new passenger cars in dealers' hands on April 1 were 2.6 per cent smaller

than on March 1 and 7.2 per cent less than on April 1, 1929. Stocks of used cars increased further, the number on hand on April 1 being 21.5 per cent and 16.2 per cent larger respectively than a month and a year earlier. As has been the case for a considerable while, the increase in number of secondhand cars in the yearly comparison was relatively much larger than the dollar value represented. Business in parts and accessories declined slightly as compared with a year ago, but was relatively better than in automobiles proper. March sales of parts and accessories were 1.2 per cent larger than in February and 3.7 per cent less than in March, 1929. Deferred payment sales of dealers reporting on that detail in March constituted 54.2 per cent of their total sales, against 57.2 per cent in February and 56.2 per cent in March, 1929. Collections were less satisfactory than during the preceding several months.

Boots and Shoes — March sales of the five reporting firms were 29.5 per cent larger than in February and 7.1 per cent smaller than in March, 1929. Stocks on April 1 were 12.2 per cent smaller than thirty days earlier and 10.9 per cent greater than on April 1, 1929. In the yearly sales comparison decreases were noted in practically all classes of goods, but particularly marked in merchandise for Easter. Since April 1 some improvement has taken place in orders received from salesmen on the road who are selling goods for consumption in the fall. A reduction in prices on fall lines was announced. April collections were reported relatively smaller than a year ago. Factory operations were at a lower average daily rate than in March, 1929.

Clothing — The lateness of Easter and unfavorable weather during the past thirty days had a tendency to hold down distribution of clothing at retail, and this was reflected in a reduction in sales of manufacturers and jobbers. As has been the case for the past few months, demand for work clothes of all descriptions was in less than the usual seasonal volume. Sales of the reporting clothiers in March were 43.0 per cent smaller than in February, and 16.8 per cent less than the March, 1929, total.

Drugs and Chemicals — Sales of the 6 reporting firms in March were 7.5 per cent larger than in February, but 10.1 per cent smaller than in March, 1929. Stocks on April 1 were 0.2 per cent greater than on March 1, and 12.8 per cent larger than on April 1, 1929. As has been the case for the past several months, decreased sales as compared with a year earlier were due in large measure to smaller volume of heavy drugs and chemicals taken by manufacturers. Purchasing of insecticides and spraying materials were in smaller volume than at the same period a year and two years ago. The trend of prices was lower. Since April 1 considerable improvement in ordering of seasonal materials has taken place.

Dry Goods — There was a further decline in activities in this classification, March sales of the eight reporting interests being 4.7 per cent smaller than in February, and 8.6 per cent less than the March, 1929, total. Stocks on April 1 were 3.6 per cent and 12.9 per cent, smaller, respectively, than thirty days and a year earlier. Easter business was considerably under expectations, and in smaller volume than during the past several years. The downward trend in prices served to hold back commitments for future delivery. However, considerable improvement in advance orders has taken place since April 1. Ready-to-wear clothing and other specialty departments are reported doing relatively better than those handling more staple merchandise. Collections were below the average of the corresponding period during the past half decade.

Electrical Supplies — March sales of the reporting firms were 4.3 per cent smaller than in February and 28.6 per cent less than in March, 1929. Stocks on April 1 were 8.3 per cent and 5.0 per cent larger, respectively, than thirty days and a year earlier. In the yearly sales comparison a considerable part of the decline was accounted for by reduced sales of radio materials, and smaller volume of electrical installations in new structures.

Flour — Production at the twelve leading mills of the district in March totaled 398,763 barrels, which compares with 393,212 barrels in February, and 369,619 barrels in March, 1929. Stocks of flour in St. Louis on April 1 were 1.8 per cent smaller than on March 1 and 6.2 per cent larger than on April 1, 1929. Business continued quiet and very irregular.

Furniture — March sales of the 12 reporting interests were 10.6 per cent larger than in February, but 25.6 per cent smaller than in March, 1929. Stocks on April 1 were 2.4 per cent smaller than a month earlier, and 0.2 per cent larger than on April 1, 1929. Demand for household furniture and furnishings continues slow, and there is generally a scarcity of large stock orders.

Groceries — Business in this classification was relatively better than in some other lines handling goods for ordinary consumption. March sales of the 12 reporting firms were 10.9 per cent larger than in February and 0.5 per cent less than the March, 1929 total. Stocks on April 1 were 35.4 per cent larger than thirty days earlier, and 4.1 per cent smaller than on April 1, 1929.

Hardware — There was a considerable pickup in activity in this classification from March to April, particularly noticeable in seasonable merchandise, and goods for consumption in the rural areas. Hand implements, wire fencing, dairy and poultry supplies and materials for country machine shops were

among the items showing improvement. Builders' tools and hardware, paints, shelf hardware, and certain staple lines continued quiet. Demand for sporting goods, while showing greater activity since the first of April, is in less than the usual seasonal volume. Sales of the 12 reporting interests in March were 14.4 per cent greater than in February, but 10.3 per cent smaller than the March, 1929, total.

Iron and Steel Products—The iron and steel industry in this district during the past thirty days showed little change worthy of note as contrasted with the like period just preceding. With the exception of a limited number of commodities, new purchasing was light and confined almost exclusively to an immediate requirement basis. Specifications on seasonal materials were spotted and irregular, and in smaller volume than a year ago, and the average at this time during the past decade. Reports of warehousemen and jobbers reflect a sharp decline in March sales as compared with a year ago, while their entire first quarter volume reached the lowest level in a number of years. Operating schedules at mills, foundries, machine shops and other ferrous metal working plants during the month were at about the same average rate as in February. Since April 1 there have been some additions to working forces, notably in jobbing foundries and plants specializing in automobile materials. As has been the case since the first of the year, purchasing by the railroads was backward. New orders and inquiries for equipment were disappointing, and ordering out of cars previously contracted for progressed slowly. Farm implement manufacturers reported a fair volume of shipments, and small accretions to unfinished business, mainly for delivery during the early summer. Demand for farm tractors continued active, with producers operating at capacity. Due to the cold weather in March, highway construction work was retarded, and there were a number of requests for delayed delivery on materials for that purpose. The low temperatures tended to hold back building operations generally, and fabricators of iron and steel structural materials reported a further curtailment in activities. Sheets and plates were quiet, particularly galvanized roofing descriptions. Tin plate was relatively more active than the general run of rolled products. Demand for oil country goods was at a low ebb, and purchasing by the bituminous coal, quarrying, fireclay products and cement industries was under the usual seasonal volume. Quietness in the demand for finished and semi-finished iron and steel goods was reflected in very conservative buying of raw materials. New buying of pig iron during March was in smaller volume than a year ago, and with competition keen, shading of prices was reported on particularly desirable business, though no change was recorded in

list quotations. A further decline in iron and steel scrap prices occurred, most marked on steel-mill scrap and cast grades. Production of pig iron for the country as a whole in March totaled 3,274,122 tons, against 2,845,937 tons in February, and 3,709,518 tons in March, 1929. Production of steel ingots in the United States in March totaled 4,288,985 tons, against 4,067,971 tons in February and 5,058,258 tons in March, 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
	Mar. 1930 comp. to Mar. 1929	3 months ending Mar. 31, 1930 to same period 1929	Mar. 31, 1930 comp. to Mar. 31, 1929	Jan. 1, to Mar. 31, 1930 1929
Evansville	-19.8%	-12.7%	+25.9%	.48 .60
Little Rock.....	-17.4	-11.7	-10.6	.54 .59
Louisville	-19.5	-14.8	+ 2.6	.67 .79
Memphis	-19.0	- 2.6	- 5.3	.73 .78
Quincy	- 6.0	+ 1.5	+ 2.5	.61 .64
St. Louis.....	-13.6	- 9.6	- 1.2	.92 .98
Springfield, Mo..	-20.7	-13.5	-16.9	.30 .31
8th District.....	-15.3	-10.7	- 2.2	.80 .86

	Net sales comparison		Stocks on hand	
	Mar. 1930 comp. to Mar. 1929	Feb. 1930	Mar. 1930 comp. to Mar. 1929	Feb. 1930
Men's furnishings.....	-38.2%	+ 8.8%	- 3.0%	+10.6%
Boots and shoes.....	-21.7	+32.9	- 8.7	+ 6.5

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

	Percentage increase or decrease March, 1930 compared to March, 1929	
	Net sales for month	Stocks on hand at end of month
Piece goods.....	-16.0%	- 0.8%
Ready-to-wear accessories.....	-21.8	- 1.5
Women and misses' ready-to-wear.....	-29.6	- 5.3
Men's and boys' wear.....	-33.3	- 4.1
Home furnishings.....	-13.3	- 5.8

CONSUMPTION OF ELECTRICITY

Public utilities companies in the five largest cities of the district report consumption of electric current by selected industrial customers in March as being 16.0 per cent larger than in February, and 0.4 per cent greater than in March, 1929. The increase in the month-to-month comparison was due in part to the greater number of working days in March. The comparison with March last year discloses unusually spotty conditions, with the gain due mainly to resumption of cement operations. Detailed figures follow:

	No. of Customers	Mar. 1930	Feb. 1930	Mar. 1930	Mar. 1929	Mar. 1930
		*K.W.H.	*K.W.H.	comp. to Feb. 1930	*K.W.H.	comp. to Mar. 1929
Evansville	40	1,687	1,483	+13.8%	1,709	- 1.3%
Little Rock..	35	1,466	1,331	+10.1	1,477	- 0.8
Louisville	87	7,183	6,126	+17.3	7,503	- 4.3
Memphis	31	1,714	1,724	- 0.6	1,429	+19.9
St. Louis.....	145	18,877	15,998	+18.0	18,681	+ 1.0
Totals.....	338	30,927	26,662	+16.0	30,799	+ 0.4

*In thousands (000 omitted).

BUILDING

The dollar value of building permits issued for new construction in the five largest cities of the district during March was 13.2 per cent larger than in February and 35.0 per cent less than in March, 1929. According to statistics compiled by the F. W. Dodge Corporation, construction contracts let in the Eighth Federal Reserve District in March totaled

\$23,705,343, against \$24,510,045 in February and \$38,795,147 in March, 1929. Production of portland cement for the country as a whole in March totaled 11,225,000 barrels, against 8,162,000 in February, and 9,969,000 barrels in March, 1929. Building figures for March follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1930	1929	1930	1929	1930	1929	1930	1929
Evansville ..	51	412	\$ 189	\$ 295	74	75	\$ 50	\$ 25
Little Rock	65	49	217	194	98	59	96	65
Louisville ..	145	265	478	1,065	77	79	77	134
Memphis	330	311	652	1,036	168	77	157	17
St. Louis....	440	749	873	2,652	440	403	295	467
Mar. totals	1,031	1,786	\$2,409	\$5,242	857	693	\$ 675	\$708
Feb. totals	937	861	2,127	3,457	618	354	545	303
Jan. totals	548	880	853	4,132	523	361	349	367

*In thousands of dollars (000 omitted).

POSTAL RECEIPTS

Returns from the five largest cities of the district show a decrease in postal receipts for the first quarter of 1930 of 3.3 per cent under the corresponding period in 1929, and of 15.3 per cent under the final quarter of 1929. Detailed figures follow:

	For Quarter Ending				Mar. 1930 comp. to Mar. 1929
	Mar. 31, 1930	Dec. 31, 1929	Sept. 30, 1929	Mar. 31, 1929	
Evansville	\$ 164,000	\$ 187,000	\$ 171,000	\$ 163,000	+ 0.6%
Little Rock....	238,000	245,000	225,000	244,000	- 2.5
Louisville	681,000	805,000	681,000	724,000	- 5.9
Memphis	653,000	788,000	605,000	672,000	- 2.8
St. Louis.....	3,049,000	3,629,000	2,923,000	3,147,000	- 3.1
Totals.....	\$4,785,000	\$5,654,000	\$4,605,000	\$4,950,000	- 3.3

AGRICULTURE

The report of the U. S. Department of Agriculture setting forth planting intentions on March 1, 1930, indicates no marked changes in acreage of the principal crops in states entirely or partly within the Eighth Federal Reserve District compared with last year and 1928 and 1927. Total acreage of the chief crops, however, including winter wheat seeded last fall and excluding cotton, on which no estimate is made, will be 1.3 per cent greater than the aggregate acreage of these crops harvested in 1929. Farmers plan to plant larger acreages of corn, oats, rice, potatoes, sweet potatoes, tobacco and peanuts, and smaller acreages of tame hay and winter wheat this year than last.

The following comparative table shows the intended plantings in 1930 by farmers in states including the Eighth District, and the number of acres of the several crops harvested in the three preceding years:

	1930	1929	1928	1927
Corn	28,512,000	27,937,000	30,024,000	28,142,000
Oats	8,863,000	8,389,000	9,474,000	8,170,000
Rice	178,000	156,000	174,000	178,000
Potatoes	351,000	333,000	367,000	317,000
Sweet Potatoes.....	177,000	168,000	161,000	185,000
Tobacco	684,400	627,400	515,000	390,400
Peanuts	70,000	65,000	56,000	54,000
Tame Hay.....	13,289,000	13,379,000	12,148,000	12,940,000
Winter Wheat.....	5,945,580*	6,292,000	4,229,000	6,491,000
Totals.....	58,078,980	57,346,400	57,148,000	56,867,400

*Acreage sown for harvest in 1930, less 10-year average abandonment.

General Farm Conditions — Following the mildest February in recent years, March brought unusually low temperatures for that month, accompanied by heavy snow storms, sleet and ice. Considerable

progress was made in early farming operations in February, particularly in the south, where soil preparation was reported ahead of the seasonal schedule. Conditions obtaining in March, however, badly hampered outdoor activities, and in the northern tiers of the district little headway was made in plowing and clearing the land for spring planting. The snow proved beneficial in affording moisture, and in protecting winter wheat, pastures and vegetation generally. Subsoil conditions were substantially improved, and have served in a large measure to offset effects of scanty precipitation during late March and early in April.

Since the beginning of April weather conditions have been mainly favorable for agriculture. Much of the time lost in March has been made up, and taken as a whole the middle of April found farm work well up to the average at that date during the past decade. In the south seeding of oats has been completed, seeding of corn has made headway, gardens have been planted, and extensive cultivation of cotton fields and some planting has taken place. Prospects for fruits are much below those a year ago. Serious damage to peach trees was wrought by the extreme low temperatures during the winter, and injury to tree and cane fruits resulted from the freezes in March. At the middle of April rains were badly needed generally throughout the district, but particularly in sections where wheat is the principal crop.

Winter Wheat — In states entirely or partly within the Eighth Federal Reserve District the winter wheat deteriorated during the winter. The condition on April 1, according to the United States Department of Agriculture, was considerably lower than on December 1, 1929, also below the condition on April 1, 1929, and with the exception of Arkansas, a state of small importance in this culture, below the 10-year average (1919-1929). Based on the April 1 condition, the aggregate indicated yield in Indiana, Illinois, Missouri, Kentucky and Tennessee is 82,100,000 bushels, against 84,705,000 bushels harvested in 1929, and a 5-year average of 84,591,000 bushels. Winter killing was responsible for the major part of the deterioration since planting. Most recent reports indicate that the crop is doing well, warm weather in late March and early this month having materially assisted growth and development. In all sections of the district, however, precipitation was much needed at the middle of April.

Corn — Preparations for and planting of the new crop have made excellent progress. Through the south considerable acreage has been seeded, and the warm weather since early this month has favored field work and germination. Soil texture is good, and in river bottoms flooded during the past several seasons, corn acreage will be large. There

are still numerous complaints of scarcity and high prices of prime seed corn.

Fruits and Vegetables — Latest available reports reflect spotty conditions in the fruit and vegetable crops in this district. The extreme cold weather of January caused serious damage to peach trees, and the outlook for the peach crop is the poorest in many years. Buds have failed to form, and in some of the most important growing sections, the crop will be a complete failure. The low temperatures also did considerable damage to cane fruits, both in the northern and southern sections of the district. Frosts in March injured truck crops in the southern areas, besides doing much damage to early blossoming fruit trees, notably plums, pears and apricots. Reports relative to the apple crop vary considerably, with some sections having prospects for an average crop, while elsewhere the outlook is for less than 30 per cent of normal yield. Cherries will be a small crop, but grapes are not believed to have sustained material damage, and with average weather conditions to harvest should produce the largest crop on record in this district. Many early planted potatoes were caught by the March freezes, necessitating replanting.

Live Stock — Reports from the principal producing sections of the district reflect mainly satisfactory conditions in the spring lamb crop. Generally the condition of live stock is good, herds having come through the winter in better shape than it was thought the extreme cold weather would have permitted. The movement of cattle and hogs to market in March was heavier than in February, also considerably in excess of March, 1929. Prices were fairly well sustained. The condition of pastures on April 1 was below that a year ago, and at the middle of the month there has been further deterioration, due to lack of rainfall.

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

	Receipts			Shipments		
	Mar., 1930	Feb., 1930	Mar., 1929	Mar., 1930	Feb., 1930	Mar., 1929
Cattle and calves.....	79,627	61,548	68,075	50,764	39,760	40,190
Hogs	306,178	270,008	286,352	263,597	211,607	229,048
Horses and mules.....	10,163	10,823	8,948	9,725	11,940	10,743
Sheep	29,029	25,565	17,751	16,221	10,646	11,446

Cotton — Preparations for the new crop are well advanced, due to an unusually favorable February, an average March and auspicious conditions in early April. Another factor in aiding initial work is a supply of labor generally above the average during recent years. Considerable planting was accomplished in the lower tier of counties in late March and early April, and by the middle of this month seeding was general throughout the district, except, possibly, in the extreme north. Supplies of seed are apparently adequate, with quality mainly good. Re-

ports relative to use of fertilizer reflect uneven conditions, but indications are that the entire quantity employed will show only minor variation from last season. The market for spot cotton during the past thirty days has been quiet, with demand from the mills lacking energy. Selling pressure was absent, however, and prices scored a fair recovery from the low point of early March. In the St. Louis market the middling grade advanced to 16c per pound on April 1 from 15c on March 19, and closed on April 15 at 15c, which compares with 20c on April 15, 1929. Stocks of cotton in Arkansas warehouses on April 12 totaled 201,020 bales, against 269,064 bales on March 12, and 97,712 bales on April 12, 1929.

Tobacco — At the middle of April practically all of the 1929 crop has been moved to market. Taken as a whole, the crop was marketed more rapidly and thoroughly than any in recent year. Latest reports available give the following average prices paid in Kentucky for the several descriptions during March: Hopkinsville dark-fired, \$11.37 per 100 pounds; Paducah dark-fired, \$9.83; Henderson dark-fired, \$8.32; burley, \$17.88; one sucker, \$8.84, and Green River and Henderson air-cured, \$12.04.

Preparations for the new crop have made good progress. Favorable weather has permitted of sowing plant beds, and except where damaged by the cold weather in late March, plants have come up well. Reports from all districts indicate that there will be sufficient plants to complete intended acreage. Present indications point to a slightly larger acreage of burley tobacco this year than last; about the same acreage in the dark-fired districts as in 1929 and possible small reductions in the one-sucker, air-cured and Green River sections. In all districts special efforts are being made to improve quality.

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

	High	Low	Close	
			April 15, 1930	April 15, 1929
Wheat				
Mayper bu.	\$1.14	\$1.03¾	\$1.04¾	\$1.21½
July	1.15½	1.02	1.04¾	1.24¾
Sept.	1.17¾	1.06	1.07¾	1.26¾
No. 2 red winter “	1.24	1.14	\$1.16½ @ 1.17	\$1.33 @ 1.36
No. 2 hard.....	1.13	1.04	@ 1.05½	1.22 @ 1.22½
Corn				
May88¾	.82¼	.82	.95½
July89¾	.84½	.84½	.98½
No. 2 mixed.....	.86½	.80	.81 @ .81½	.93
No. 2 white.....	.88	.83	.83 @ .84	.94½
Oats				
No. 2 white.....	.47¾	.45	.45 @ .45½	.52 @ .53
Flour				
Soft patent.....per bbl.	6.75	6.25	6.25 @ 6.50	6.50 @ 7.00
Spring patent.....	6.00	5.40	5.70 @ 5.75	6.10 @ 6.25
Middling cotton.....per lb.	.16	.15	.15	.19¾
Hogs on hoof.....per cwt.	10.80	8.25	8.75 @ 10.15	8.25 @ 11.45

FINANCIAL

Demand for credit in this district during the past thirty days was in somewhat smaller volume than earlier in the year, and considerably less than at the corresponding period in 1929. Security loans

on April 9 reached the highest level since the last week in January, but the increase in this item was offset by smaller demands from commercial and industrial sources. There was a considerable volume of liquidation of bank loans by wholesale interests, in the principal centers, particularly in the case of boot and shoe, dry goods and other interests with which April is an important settlement month. Generally through the South there was good liquidation, both by merchants and country banks, resulting in a further reduction of borrowings of country banks from their city correspondents and the Federal reserve bank.

Except in sections where preparations for planting cotton are in progress, demands for financing spring agricultural operations have not made themselves felt to any great extent. The call for funds for conditioning live stock for market, however, continues active. Milling and grain interests further curtailed their commitments, but the aggregate of this class of loans continues relatively greater than the average at this season during the past several years. Requirements of building material manufacturers and some other leading industrial lines are in smaller volume than a year ago.

Deposits of reporting member banks increased during March, and on the second report date in April were at the highest point since the middle of January. Loans and discounts of these banks increased 0.4 per cent between March 12 and April 9, and on the latter date were 2.9 per cent below the total a year earlier. Investments of the reporting member banks showed relatively little variation between the dates mentioned. Borrowings of member banks from this institution continued the downward trend which started in early March, a new low for the year being established on the first report date in April. Federal reserve credit outstanding throughout the period was considerably less than a year ago.

Reflecting less active demand for credit, the trend of interest rates was lower. Current rates at St. Louis banks were as follows; Prime commercial loans, 4½ to 5¾ per cent; collateral loans 5 to 6 per cent; loans secured by warehouse receipts, 4½ to 5¾ per cent; interbank loans, 5 to 6 per cent, and cattle loans, 5¾ to 6½ per cent.

Condition of Banks — Loans and discounts of the reporting member banks on April 9, 1930 showed a decrease of 0.4 per cent as contrasted with March 12, 1930. Deposits increased 0.9 per cent between March 12, 1930 and April 9, 1930 and on the latter

date were 1.2 per cent smaller than on April 10, 1929. Composite statement follows:

	*April 9, 1930	*Mar. 12, 1930	*April 10, 1929
Number of banks reporting.....	124	124	128
Loans and discounts (incl. rediscounts) Secured by U. S. Govt. obligations and other stocks and bonds.....	\$231,721	\$233,060	\$235,690
All other loans and discounts.....	281,540	282,054	292,868
Total loans and discounts.....	\$513,261	\$515,114	\$528,558
Investments U. S. Government securities.....	37,805	35,769	74,275
Other securities.....	116,524	114,056	109,346
Total investments.....	\$154,329	\$149,825	\$183,621
Reserve balance with F. R. bank.....	45,439	45,016	45,800
Cash in vault.....	5,599	6,006	6,385
Deposits Net demand deposits.....	380,305	378,637	385,416
Time deposits.....	231,215	229,795	232,887
Government deposits.....	2,178		2,890
Total deposits.....	\$613,698	\$608,432	\$621,193
Bills payable and rediscounts with Federal Reserve Bank.....	2,130	3,420	31,786

*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.

	*Mar. 1930	*Feb. 1930	*Mar. 1929	Mar 1930 comp. to Feb. 1930	Mar. 1929 comp. to Mar. 1929
East St. Louis & Natl. Stock Yards, Ill. \$	40,994	\$ 36,455	\$ 62,909	+12.5%	-34.8%
El Dorado, Ark.....	7,404	6,705	8,690	+10.4	-14.8
Evansville, Ind.....	27,686	23,508	52,154	+17.8	-46.9
Fort Smith, Ark.....	13,589	12,646	14,845	+ 7.5	- 8.5
Greenville, Miss.....	5,249	5,031	4,261	+ 4.3	+23.2
Helena, Ark.....	4,817	4,993	3,528	+ 3.5	+36.5
Little Rock, Ark.....	80,039	68,464	85,749	+36.9	- 6.7
Louisville, Ky.....	181,365	170,644	212,785	+ 6.3	-14.8
Memphis, Tenn.....	162,689	145,890	185,078	+11.5	-12.1
Owensboro, Ky.....	7,064	7,976	6,750	-11.4	+ 4.7
Pine Bluff, Ark.....	10,013	8,757	10,639	+14.3	- 5.9
Quincy, Ill.....	13,453	11,309	14,778	+18.9	- 9.0
St. Louis, Mo.....	736,277	641,667	821,754	+14.7	-10.4
Sedalia, Mo.....	4,587	3,855	4,913	+19.0	- 6.6
Springfield, Mo.....	15,983	13,407	16,802	+19.2	- 4.9
**Texarkana, Ark.-Tex.....	14,042	12,881	15,578	+ 9.0	- 9.9
Totals.....	\$1,325,251	\$1,174,188	\$1,521,213	+12.9	-12.9

*In thousands (000 omitted).

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

Federal Reserve Operations — During March the Federal Reserve Bank of St. Louis discounted for 206 member banks, against 195 in February and 197 in March, 1929. The discount rate was lowered from 4½ to 4 per cent, effective April 12. 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:

	*April 24, 1930	*Mar. 24, 1930	*April 24, 1929
Bills discounted.....	\$14,961	\$12,325	\$47,102
Bills bought.....	11,717	10,698	2,492
U. S. Securities.....	19,268	19,267	7,125
Municipal warrants.....	15	30	309
Total bills and securities.....	\$45,961	\$42,320	\$57,028
F. R. Notes in circulation.....	75,831	81,136	57,120
Total deposits.....	80,995	78,905	82,185
Ratio or reserve to deposits and F. R. Note Liabilities.....	77.0%	79.1%	66.4%

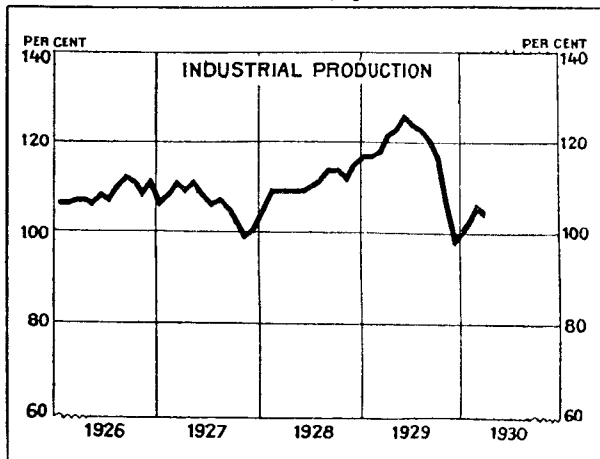
*In thousands (000 omitted).

(Compiled April 23, 1930)

BUSINESS CONDITIONS IN THE UNITED STATES

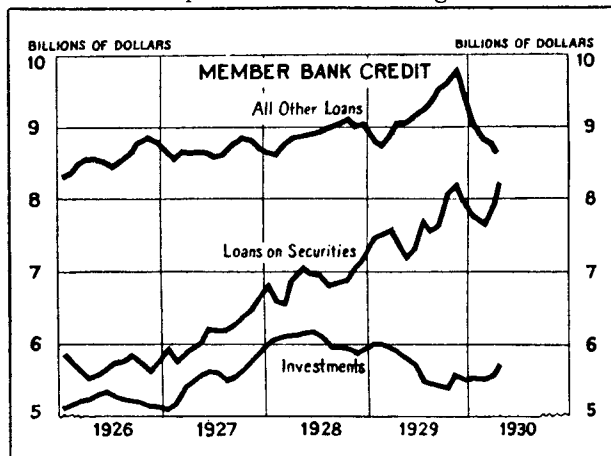
Industrial production declined in March while factory employment and payrolls showed little change, and wholesale prices continued to decline. There was an increase in construction, as is usual at this season. Interest rates continued to decline in the first three weeks of March, but later became somewhat firmer.

PRODUCTION—Production in basic industries declined in March, contrary to the usual seasonal trend. Average daily output of steel, coal, and copper decreased substantially, while output of cotton and wool textiles declined at about the usual seasonal rate; production of automobiles



Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-1925 average=100). Latest figure, March, 105.

and lumber increased. For the first quarter of the year, taken as a whole, output of basic industries was considerably smaller than in the unusually active first quarter of 1929 and smaller than in any other first quarter since 1925. In the steel and automobile industries output for the first three months, though smaller than in 1929, was about the same as in the corresponding months in 1928, while in most of the other major industries it was smaller than in either of the two preceding years. Building contracts awarded increased substantially in March, as is usual at this season, according to reports of the F. W. Dodge Corporation. In comparison with a year ago a large increase in contracts for public works and utilities was more than offset by a decrease in residential buildings. Average daily awards in the first half of April were somewhat larger than in March,



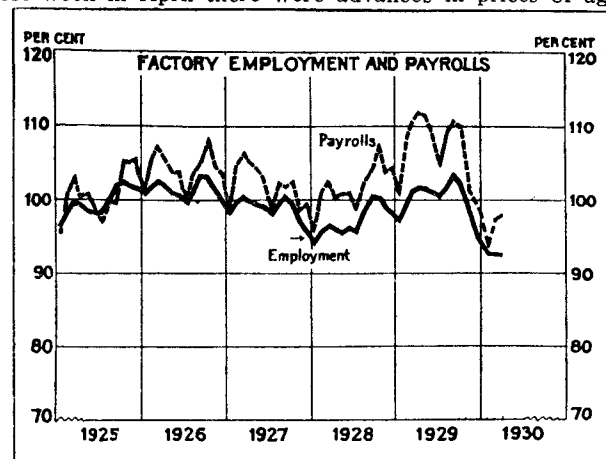
Monthly averages of weekly figures for reporting member banks in leading cities. Latest figures are averages of first three weeks in April, but continued smaller than a year ago.

EMPLOYMENT—Factory employment and payrolls, which usually increase during March, changed little from February and continued to be considerably smaller than in other recent years. The number of workers employed in the automobile industry increased somewhat less than is usual at this season and reductions in employment and in earnings were reported in the iron and steel, machinery, and car building industries.

DISTRIBUTION—Freight car loadings, which have been at low levels in recent months, did not show the usual

seasonal increase during March. Department store sales continued in smaller volume than a year ago.

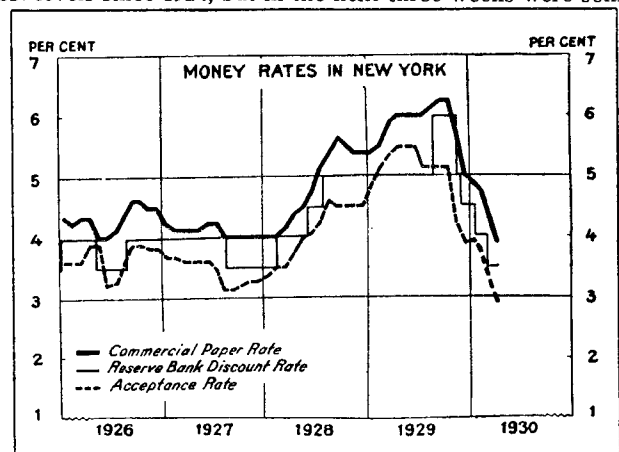
WHOLESALE PRICES—Wholesale prices, which began to decline last summer, continued downward in March to the lowest level since 1916, the decline reflecting chiefly sharp decreases in prices of agricultural products. Prices of imported raw materials such as sugar, coffee, and silk, fluctuated around the low levels reached in February. The price of silver advanced slightly from the low point reached early in March. In the last week in March and the first week in April there were advances in prices of agri-



Index numbers of factory employment and payrolls, without adjustment for seasonal variations. (1923-1925 average=100). Latest figures, March: Employment, 92.7; payrolls, 98.0.

cultural products, especially grains and cotton, while the price of steel declined. On April 15 the price of copper was sharply reduced, and in the same week prices of a number of other import commodities also declined.

BANK CREDITS—At member banks in leading cities total loans and investments increased in the four-week period ending April 16, reflecting a growth of \$184,000,000 in loans on securities and of \$80,000,000 in investments, offset in part by a further decrease of \$186,000,000 in "all other" loans. Member bank indebtedness at the reserve banks and total reserve bank credit declined further between the weeks ending March 15 and April 12, reflecting primarily additional imports of gold from the Orient. In the third week of March money rates in the open market reached the lowest levels since 1924, but in the next three weeks were some-



Monthly rates in the open market in New York: Commercial paper rate on 4 to 6 month paper; acceptance rate on 90-day bankers' acceptances. Latest figures are averages of first 20 days in April.

what firmer. Rates on commercial paper declined to a range of 3¾ to 4 per cent on March 24 and remained steady at that level. Rates on 60-90 day bankers' acceptances were reduced to 2½ per cent on March 20, but later advanced to 3 per cent. The bond yield, after declining during most of March, increased gradually in the first half of April. During April the rediscount rates of the Federal Reserve Banks of Richmond, Atlanta, St. Louis, Minneapolis, and Dallas were reduced to 4 per cent, the rate prevailing at all the reserve banks except New York, where the rate is 3½ per cent.