



MONTHLY REVIEW

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

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AS CONTRASTED with the similar period immediately preceding, the past thirty days were marked by noticeable improvement in distribution of merchandise in the Eighth District. Of the wholesaling and jobbing lines investigated by this bank, a large majority showed increases in March sales over those of February, and in varying degree, this betterment extended to retail channels. While a considerable part of the improvement may be accounted for by seasonal influences and purchasing deferred earlier in the year, the gains in several important classifications were larger than usual at this season, and generally there appeared an undertone of greater confidence, both among merchants and ultimate consumers. As compared with a year ago and the average for that month during the past ten years, March volume of distribution showed a considerable decrease. As has been the case since last fall, lines dealing in commodities for ordinary consumption, such as dry goods, groceries, apparel and drugs, continued to make a relatively much more favorable exhibit than those dispensing goods of the heavier and more permanent sort. In the latter lines decreases were the rule, both as compared with the volume a month and a year earlier.

The general level of industrial production during March receded slightly below that of February. There was a further curtailment of activities at iron and steel plants, the estimated melt of pig iron being at the lowest rate reached in the present depression. Reduced outputs were reported by lumber mills, wood working plants, and glass factories. Operations of the quarrying and cement industries were on a smaller scale, and measurably below those at the corresponding time a year ago. Production of bituminous coal in fields of this district was considerably smaller than during recent years, though the cold snap in March served to stimulate consumption and to reduce stocks in retail yards. The employment situation as a whole failed to show improvement. There is a heavy surplus of skilled and common labor in the building industry and virtually all manufacturing lines. The supply of farm labor is

largely in excess of demand, with wage scales continuing downward. Construction work of all descriptions was interfered with by the cold weather.

The trend of commodity prices was lower, which fact was partly responsible for a continuance of the hand-to-mouth purchasing which has obtained during the past several months. Commitments for future requirements, particularly on raw materials, were negligible. Inventories of manufactured goods were in the main smaller than during the preceding thirty days, but stocks of raw materials continue large, and above the average for this time of year. Crop prospects were lowered during March, mainly as a result of the unseasonably low temperatures. Considerable damage was done to fruit and early vegetable crops by the spring freeze.

The volume of retail trade in March, as indicated by department store sales in the principal cities, was 10.9 per cent greater than in February, and 18.7 per cent less than in March, 1931; for the first quarter this year there was a decrease of 15.9 per cent as compared with the same period in 1931. Combined sales of all wholesaling and jobbing firms reporting to this bank in March were 2 per cent larger than in February and 23.5 per cent smaller than in March, 1931; first quarter sales of these firms this year fell 22 per cent below the total for that period in 1931. The dollar value of building permits issued for new construction in the five largest cities in March was 25 per cent smaller than in February, and only about one-third as great as in March, 1931. Construction contracts let in the Eighth District in March were slightly under the February total, and 73.6 per cent smaller than in March last year; for the first quarter this year a decrease of 65 per cent was shown as compared with the same time in 1931. There was an increase in individual checking accounts of slightly more than 6 per cent in March as compared with February, but the March total was 27 per cent smaller than a year ago; for the first quarter this year a decrease of about one-fourth was noted as compared with the first three months of 1931. The amount of savings

accounts increased slightly between March 6 and April 2 and on the latter date was 11 per cent less than a year ago.

Railroads operating in the district showed a considerably smaller volume of freight traffic handled than during the same period last year and in 1930. The cold snap in March was reflected in heavier loadings of coal and coke, but this was only temporary, and failed to offset decreases in all other classifications. For the country as a whole, loadings of revenue freight for the first thirteen weeks this year, or to April 2, totaled 7,340,833 cars, against 9,372,110 cars for the corresponding period last year and 11,401,488 cars in 1930. The St. Louis Terminal Railway Association, which handles interchanges for 28 connecting lines, interchanged 149,953 loads in March, against 133,429 loads in February, and 192,150 loads in March, 1931. During the first nine days of April the interchange amounted to 39,569 loads, against 43,433 loads during the corresponding period in March, and 53,784 loads during the first nine days of April, 1931. Passenger traffic of the reporting roads decreased 30 per cent in March as compared with the same month a year ago. Estimated tonnage of the Federal Barge Line between St. Louis and New Orleans in March was 113,600 tons, against 112,558 tons in February, and 82,970 tons in March, 1931.

Mercantile and industrial interests report collections during the past thirty days as being somewhat less satisfactory as a whole than during the similar period immediately preceding, though comparing favorably with a year ago. Throughout March inclement weather had a tendency to hold down payments to country merchants, and preoccupation of farmers with spring work also had the effect of curtailing settlements. Generally in the south liquidation was in smaller volume, relatively, than earlier in the year. Wholesalers and jobbers in the large distributing centers, with whom April is an important settlement month, reported payments fully up to expectations. Though actual losses from weak accounts were slightly greater than last year, customers able to do so are paying their bills promptly, in many instances taking advantage of discounts. Retailers in the large cities are experiencing more difficulty than heretofore in getting in their money. Questionnaires addressed to representative interests in the several lines scattered through the district showed the following results:

		Excellent	Good	Fair	Poor
March, 1932.....		1.6%	14.8%	59.4%	24.2%
February, 1932.....		1.7	18.5	51.0	28.8
March, 1931.....		0.0	12.6	60.1	27.3

The average daily circulation in the United States during March was \$5,530,000,000 against \$5,627,000,000 in February, and \$4,590,000,000 in March, 1931.

MANUFACTURING AND WHOLESALING

Boots and Shoes — March sales of the reporting firms were 6 per cent larger than in February, but approximately 27 per cent smaller than in March, 1931. For the first quarter this year, the dollar value of sales was 9 per cent smaller than for the same period in 1931, but due to the decrease in prices, the unit volume for the first quarter this year was slightly larger than in 1931. A further decline in inventories was noted, stocks on April 1 being 18 per cent and 16 per cent smaller, respectively, than thirty days and a year earlier. A slight slowing down in orders booked has taken place since April 1, and demand for seasonal lines is less in evidence than during the past several years. Factory operations declined moderately, being at about 78 per cent of capacity.

Clothing — Extremely conservative buying both on the part of retailers and ultimate consumers was reflected in a further decrease in the volume of business in this classification. Sales of the reporting firms in March fell 29 per cent below the total of the preceding month, and 16 per cent below that of the same period in 1931. In the yearly comparison, decreases were general in all descriptions of apparel, but most marked in men's suits and the general line of work clothes.

Drugs and Chemicals — There was little change in the drug and chemical trade from the quiet conditions which have obtained during the past several months, and, according to the reporting firms, purchasing continues on a strictly necessity basis. Demand for seasonal goods, particularly fertilizers and insecticides, has been in small volume, and no expansion has taken place in requirements of the general manufacturing trade. Sales of toilet preparations are considerably below a year ago, and this is true also of remedial drugs. March sales of the reporting firms were 13 per cent larger than in February, and 23 per cent less than the March total last year. Stocks on April 1 were 1 per cent and 15 per cent smaller, respectively than a month and a year earlier.

Dry Goods — Unfavorable weather during March, coupled with uncertainty relative to prices and extremely conservative purchasing by retailers were reflected in a further shrinkage in the volume of business in this classification as compared with a year ago. March sales of the reporting firms were 16 per cent smaller than for the same month in 1931,

and 6.5 per cent greater than the February total this year. The increase in the month-to-month comparison is seasonal in character, and compares with a gain of 4 per cent from February to March a year ago. There was an increase in inventories of 2 per cent between March 1 and April 1, and on the latter date the aggregate was 26 per cent smaller than a year ago. Since April 1 a substantial pickup has taken place in orders booked, particularly in seasonal merchandise.

Electrical Supplies — The usual seasonal improvement in the electrical supply industry from February to March failed to appear this year. Sales of the reporting firms in March fell 6 per cent below the preceding month, and 46 per cent below the total of March, 1931. Inventories decreased 8 per cent between March 1 and April 1, and on the latter date were more than one-third smaller than a year ago. While decreases were general through the entire line, the heaviest declines as compared with last year took place in installations for new buildings and radio and automobile materials.

Flour — Production at the twelve leading mills of the district in March totaled 232,282 barrels, against 225,971 barrels in February and 295,434 barrels in March, 1932. Business during the last half of March continued in small volume, with prices declining in sympathy with the downturn in cash wheat. Since the first week in April moderate improvement has developed, with the volume of inquiry from important consumers being larger than at any time this year. Consumer stocks are for the most part of small size, and there is more of a disposition to replenish than heretofore. As has been the case for a number of months, however, demand centers chiefly in cheap and low grade flours. Mill operations were at from 42 to 45 per cent of capacity.

Furniture — March sales of the reporting firms were 6 per cent smaller than in February, and 41 per cent below the March, 1931, total. Stocks held by these firms on April 1 were 14 per cent smaller than a month earlier, and 37 per cent less than on March 1 last year. Ordering by retailers is on a hand-to-mouth basis, with large stock orders almost entirely lacking. The trend of prices continues downward.

Groceries — Buying on a larger scale in the country, where retailers are more inclined than heretofore to replenish depleted stocks, was partly responsible for an increase in March sales of the reporting firms of 15 per cent over the preceding month. As compared with last year, the March total showed a decrease of 23 per cent. In the yearly comparison, the decrease in dollar value is considerably

less than in unit volume, due to lower prices of numerous commodities. Stocks on April 1 were 16 per cent larger than a month earlier, and one-fourth smaller than on March 1, 1931.

Hardware — The past thirty days have been marked by considerable improvement in demand for seasonal lines of hardware, particularly items used in the rural sections. Retail stocks of country retailers are for the most part small, and there is more of a disposition than heretofore to replenish and fill out assortments. Paints, varnishes and kindred lines are showing more activity, but builders' tools and hardware continue quiet. March sales of the reporting interests were 23 per cent larger than in February, but 13 per cent smaller than for March a year ago. Stocks on April 1 were slightly smaller than a month earlier, and 17.5 per cent less than on April 1, 1931. The trend of prices continues downward.

Iron and Steel Products — General conditions in the iron and steel industry in this district showed little change during March and early April as contrasted with the preceding three or four months. Reflecting conservative purchasing policies of all classes of consumers, output and shipments of finished products of mills, foundries, machine shops and other ferrous working plants failed to show the usual seasonal expansion. Ordering of raw materials, notably pig iron, scrap and coke, during March for second quarter delivery was almost entirely absent. Considerable tonnages of pig iron are being carried over from the first quarter, and as has been the case for many months, melters are filling their requirements from month to month in the open market. Automobile manufacturers were still disposed to defer commitments, new orders and specifications from that source being below expectations. Except for shop materials, and other miscellaneous commodities, the railroads did not increase their buying. Producers and distributors of sheets reported shipments during March slightly larger than in February, but considerably smaller than during the same period last year. Moderate betterment took place in demand for galvanized material and tin plate, due chiefly to seasonal influences. Efforts to stabilize prices of sheets and other rolled steel commodities made further progress, though with business lacking, quotations named for the second quarter have not received an actual test. The rate of structural steel awards continued low, and there was a further curtailment of activities at plants of fabricators. Since the first of April some betterment has taken place in demand for reinforcing concrete bars, bridge materials and other items used in high-

way construction work. Wire and wire products remained sluggish, and the same was true of the entire line of tubular goods. Demand from the general manufacturing trade has not yet shown the usual seasonal expansion, and the outlet through the building industry has developed no broadening tendencies. Warehouse and jobbing interests report March sales slightly ahead of the February total, but considerably below the volume in March last year. Pig iron production for the country as a whole in March, was 967,015 tons, against 960,550 tons in February and 2,028,906 tons in March, 1931. In point of daily average this year, March production was the lowest for any month since August, 1921. Output for the first quarter this year was 2,896,932 tons, a decrease of 48 per cent as compared with the same period in 1931. Steel ingot production in the United States during March totaled 1,410,830 tons, against 1,459,547 tons in February and 2,993,590 tons in March, 1931.

AUTOMOBILES

Combined passenger car, truck and taxicab production in the United States in March was 118,959 against 117,413, in February and 276,341 in March, 1931.

Following the usual seasonal trend, distribution of automobiles in this district increased during March as compared with February, but, according to the reporting dealers, March sales were smaller by approximately one-third than during the same month last year. The March total was the largest for any single month since last June. In the yearly comparison the increase was smaller than the average during the past decade, due partly to the fact that one important manufacturer of cheap priced cars who is introducing new models, was not in a position to make deliveries of these vehicles during March. Intensive efforts made by two leading producers to market their cars have been reflected in a quickening of business during the first half of April; preliminary reports of sales for that period comparing favorably with a year ago. The unseasonably cold weather during March had a tendency to hold down sales, particularly of dealers in the country and small towns. Dealers generally report good response on the part of the public to new models and price reductions, and a more optimistic view is being taken of spring and early summer trade than was the case earlier in the year. March sales of new passenger cars by the reporting dealers were 3.4 per cent greater than in February, and 33 per cent smaller than the March, 1931, total. The policy of conservative purchasing by dealers, which has obtained

in recent months, continued during March. Stocks on hand April 1 were 12 per cent larger than a month earlier and about one-fourth less than a year ago. Stocks of salable secondhand cars increased 8 per cent between March 1 and April 1, and on the latter date were 4 per cent smaller than a year ago. Demand for trucks was less active than heretofore, March sales of the reporting dealers being 4 per cent and 16 per cent smaller, respectively, than a month and a year earlier. According to dealers reporting on that detail, deferred payment sales in March constituted 54 per cent of their total sales, against 52 per cent in February and 51.5 per cent in March, 1931.

RETAIL TRADE

The condition of retail trade is reflected in the following comparative statements showing activities in the leading cities of the district:

Department Stores

	Net sales comparison		Stocks on hand	Stock turnover	
	Mar. 1932 comp. to Mar. 1931	3 months ended Mar. 31, 1932 to same period 1931	Mar. 31, 1932 comp. to Mar. 31, 1931	Jan. 1, to Mar. 31, 1932	Mar. 31, 1931
Evansville	-22.4%	-25.6%	-23.1%	.40	.40
Little Rock.....	-24.1	-21.6	- 3.7	.51	.62
Louisville	-12.0	-13.6	-13.9	.59	.58
Memphis	-19.7	-15.8	-13.7	.70	.66
Quincy	-12.8	-18.1	-12.0	.56	.61
St. Louis.....	-19.0	-15.6	-13.9	.87	.89
Springfield	-18.2	-20.2	- 9.2	.29	.34
8th District.....	-18.7	-15.9	-13.1	.76	.77

Retail Stores

	Net sales comparison		Stocks on hand	Stock turnover	
	Mar. 1932 comp. to Mar. 1931	3 months ended Mar. 31, 1932 to same period 1931	Mar. 31, 1932 comp. to Mar. 31, 1931	Jan. 1, to Mar. 31, 1932	Mar. 31, 1931
Men's Furnishings	-30.6%	-30.1%	-14.9%	.65	.83
Boots and Shoes.....	-15.0	-19.1	-15.1	.62	.64

BUILDING

The dollar value of permits issued for new construction in the five largest cities of the district in March was 24.6 per cent less than in February, and 69 per cent smaller than the March, 1931 total. According to statistics compiled by the F. W. Dodge Corporation, construction contracts let in the Eighth Federal Reserve District in March amounted to \$6,055,684 which compares with \$6,118,904 in February and \$22,970,128 in March, 1931. Production of portland cement for the country as a whole in March totaled 4,847,000 barrels against 3,971,000 barrels in February and 8,245,000 barrels in March, 1931. Building figures for March follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1932	1931	1932	1931	1932	1931	1932	1931
Evansville ..	106	208	\$ 22	\$ 78	76	62	\$ 20	\$ 12
Little Rock	10	31	2	76	69	38	12	17
Louisville ..	44	86	82	748	40	50	38	72
Memphis	136	309	99	178	157	65	66	33
St. Louis....	201	360	431	969	223	306	88	154
Mar. totals	497	994	\$ 636	\$ 2,049	565	521	\$ 224	\$ 288
Feb. totals	407	626	844	2,170	486	490	400	299
Jan. totals	348	484	360	2,855	417	491	289	331

*In thousands of dollars (000 omitted).

POSTAL RECEIPTS

Returns from the five largest cities of the district show a decrease in combined postal receipts for the first three months this year of 15.1 per cent under the corresponding period in 1931 and of 17.2 per cent under the final quarter in 1931. Detailed figures follow:

	For Quarter Ending			Mar. 1932 com. to Mar. 1931
	Mar. 31, 1932	Dec. 31, 1931	Sept. 30, 1931	
Evansville	\$ 131,608	\$ 142,000	\$ 147,000	\$ 165,000 —20.2%
Little Rock.....	168,130	182,000	189,000	212,000 —20.7
Louisville	562,491	659,000	577,000	627,000 —10.3
Memphis	418,576	551,000	440,000	521,000 —19.7
St. Louis.....	2,466,366	2,993,000	2,459,000	2,890,000 —14.7
Totals.....	\$3,747,171	\$4,527,000	\$3,812,000	\$4,415,000 —15.1

CONSUMPTION OF ELECTRICITY

Public utilities companies in the five largest cities of the district reported consumption of electric current in March by selected industrial customers as being 4.3 per cent more than in February, but 20.1 per cent less than in March, 1931. Detailed figures follow:

	No. of Custom- ers	Mar. 1932		Mar. 1932 comp. to Feb. 1932		Mar. 1931 comp. to Mar. 1931	
		*K.W.H.	Feb. 1932	*K.W.H.	Feb. 1932	*K.W.H.	Mar. 1931
Evansville	40	1,958	1,523	+28.6%	2,007	— 2.4%	
Little Rock..	35	747	1,140	—34.5	1,285	—41.9	
Louisville	85	5,213	5,196	+ 0.3	5,638	— 7.5	
Memphis	31	1,441	1,389	+ 3.7	948	+52.0	
St. Louis.....	158	12,601	11,806	+ 6.7	17,607	—28.4	
Totals.....	349	21,960	21,054	+ 4.3	27,485	—20.1	

*In thousands (000 omitted).

AGRICULTURE

The report of the U. S. Department of Agriculture giving planting intentions of farmers as of March 1, 1932, indicates no marked change in aggregate acreage of the principal crops in states including the Eighth District as compared with the harvested area of these crops in 1931. Smaller acreages of corn, wheat and tobacco are estimated, while increases are indicated in hay and a number of the less important productions. This is in conformity with the general program of diversification and rotation which has been in effect during the past several years. Total acreage of the chief crops, including winter wheat seeded last fall and excluding cotton, on which no estimate is made, will be 0.8 per cent less than the aggregate harvested in 1931.

The following comparative table shows intended plantings in 1932 by farmers in states of this district and the number of acres of the several crops harvested in the three preceding years:

	1932	1931	1930	1929
Corn	29,230,000	29,920,000	28,815,000	27,937,000
Oats	9,122,000	8,593,000	8,927,000	8,389,000
Rice	150,000	177,000	173,000	157,000
Barley	428,000	385,000	537,000	429,000
Potatoes	354,000	331,000	338,000	333,000
Sweet Potatoes.....	229,000	204,000	165,000	168,000
Tobacco	613,000	763,000	663,000	630,000
Peanuts	73,000	56,000	62,000	46,000
Tame Hay.....	10,438,000	10,150,000	12,337,000	13,235,000
Winter Wheat.....	5,000,000	5,519,000	6,144,000	6,656,000
Totals.....	55,637,000	56,098,000	58,161,000	57,980,000

General Farm Conditions—In the wake of one of the mildest Februaries on record, March brought

unusually low temperatures, accompanied by heavy snow storms, sleet and ice. Prior to the cold snap considerable progress had been made in field work, particularly in the northern stretches of the district, where soil preparation was somewhat in advance of the seasonal schedule. Weather in March, however, held up outdoor activities and at the end of that month all descriptions of spring work had fallen behind what is ordinarily accomplished at that date. Widespread damage was done to fruits, and in the south early vegetables were either ruined or sustained serious injury. Scattered reports indicate damage to the growing wheat crop, but such damage in this district is considerably less than in other sections. Surface and subsoil conditions were greatly benefitted by the precipitation in March, and are for the most part good.

Since the first of April more seasonable weather has developed, and conditions have been ideal for farm operations of all sorts. Much of the time lost in March has been made up, and at the middle of this month considerable progress had been made in preparations for planting corn, cotton, tobacco and other spring crops. Seeding of oats has been completed, and in some southern counties, early planted oats were reported up to a good stand. Generally through the district farmers will raise this year's crops at smaller cost than in past seasons. The amount of fertilizer to be used, as indicated by tag sales to April 1, will be the smallest in many years, and less hired help will be employed than in the past. Financing farmers' needs for seeds and other requirements are being facilitated by Governmental agencies set up for that purpose.

Winter Wheat—According to the U. S. Department of Agriculture, the condition of the growing crop in all states of the Eighth District on April 1 was below that of a year ago, but with the exception of Missouri and Arkansas, the April 1 condition was higher than the 10-year (1919-1928) average on that date. Based on the April 1 condition, the combined yield in states including the district is estimated at 72,200,000 bushels, against 125,743,000 bushels harvested in 1931, and the 5-year average (1924-1928) of 84,941,000 bushels. Stocks of grain on farms on April 1 in these states was estimated at 27,402,000 bushels, against 9,422,000 bushels on the same date last year and a 5-year average of 8,834,000 bushels. Acreage abandonment is expected to be somewhat greater than last year, due chiefly to injury resulting from the March freezes. There are scattered reports of hessian fly infestation, but to greater extent than in average years. Weather since April 1 has been generally favorable for growth and development of the plant.

Corn—Fair progress has been made in preparations for the new crop, and in the south considerable planting has been accomplished. Temperatures have been too low to favor germination of the early planted crop, and replanting has been necessary in some localities.

Fruits and Vegetables—The outlook for 1932 fruits and vegetables, which prior to the March freezes was the most promising in recent years, has been substantially lowered as a result of the unseasonably low temperatures. In many of the chief peach producing areas heavy damage was reported, in some instances amounting to almost complete destruction of this year's crop, though nowhere was material injury done to trees. Considerable damage was sustained by the strawberry crop in the Ozark section, and other commercial growing localities of the district. Withal, due to increased acreage, the crop is expected to be of about average size. Pears in Illinois, Missouri and Arkansas were damaged, and in some sections completely destroyed. Damage to the apple crop was relatively light, and most recent reports indicate that early estimates of the harm done, were excessive. Growers of early truck crops in Mississippi, Arkansas and Tennessee report heavy losses from the freeze. Generally throughout the district farmers plan to increase the size of their gardens, and to produce relatively more feed crops than in past years. Grapes and the general run of cane fruits escaped severe injury from the March cold snap.

Live Stock—Taken as a whole the condition of livestock in the district is good. There is an abundance of hay and rough feed on hand to carry herds to full grazing. Pastures are below average condition in many localities, due to close grazing during the mild winter and checking of growth by the March freeze. There were numerous reports of injury and actual losses of spring pigs from the cold weather in March. The trend of prices continued downward, hogs recording a new low on the present recessionary movement. The movement to market continued in fair volume, receipts of sheep and lambs showing somewhat greater than the usual seasonal increase from February to March.

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

	Receipts			Shipments		
	Mar. 1932	Feb. 1932	Mar. 1931	Mar. 1932	Feb. 1932	Mar. 1931
Cattle and Calves.....	82,454	71,770	86,896	44,634	39,502	52,227
Hogs	219,319	237,181	246,731	154,689	168,303	198,500
Horses and Mules.....	5,703	5,224	5,169	5,729	4,991	5,873
Sheep	36,756	25,798	26,901	10,907	7,455	12,652

Cotton—Since April 1 preparations for the new crop have made considerable progress, and backwardness occasioned by unfavorable weather conditions in February and March has been partly made

up. However, indications are that the start of the crop will be about two weeks late, but this handicap can be easily counterbalanced by prompt germination and auspicious conditions later on. Reports relative to acreage vary broadly, but indications are for moderately reduced plantings in all states of the district as compared with last year. Advices from all the chief producing areas are to the effect that, with smaller use of fertilizers and hired help, this year's crop will be raised at less cost than has been the case in recent times. Demand for raw cotton during the past thirty days continued quiet, and the trend of prices was lower. In the St. Louis market the middling grade ranged from 5.65c to 6.50c between March 15 and April 15, closing at 5.75c on the latter date, which compares with 6.50c on March 15, and 9.35c on April 16, 1931. Receipts at Arkansas warehouses from August 1, 1931, to April 15, 1932, totaled 1,483,702 bales, against 818,317 bales for the corresponding period a year ago. Stocks on hand April 15 totaled 501,383 bales, against 588,390 bales on March 11, and 181,568 bales on the corresponding date in 1931.

Tobacco—Sowing of tobacco plant beds had been about completed at the end of the first week in April, which is somewhat later than usual. Apparently little damage was done to early plantings by the March cold snap, but at the middle of this month, warm weather and sunshine were much needed to promote growth of the plants. Considerable uncertainty exists relative to acreage in the several districts, as there is a disposition to diversify crops in the burley, air-cured, Green River and fired-dark sections. Sales of burley tobacco to March 25 totaled 450,535,821 pounds at an average price of \$8.63, which compares with 372,419,511 pounds at an average of \$15.59 per pound a year ago. Most recent sales of fired-dark tobacco have been at somewhat higher prices.

COMMODITY PRICES

Range of prices in the St. Louis market between March 15, 1932, and April 15, 1932, with closing quotations on the latter date and on April 16, 1931, follow:

	High	Low	Close	
			April 15, 1932	April 16, 1931
Wheat				
May	per bu. \$.60¾	\$.50	\$.59¾	
July	“ .63¾	.51¾	.61	\$.61¾
Sept.	“ .63¾	.54¾	.63¾	.60¾
Dec.	“ .66¾	.57½	.66¾	
No. 2 red winter	“ .61	.51½	\$.60 @ .60½	\$.80 @ .80½
No. 2 hard	“ .62	.52	.60 @ .61	.81 @ .81½
Corn				
May	“ .36¾	.31¾	.34¾	.61¾
July	“ .38¾	.34¾	.36¾	.63¾
No. 2 mixed	“ .35	.32	.34¾ @ .35	.60 @ .61
No. 2 white	“ .34	.31¾	.34 @ .35	.63 @ .64
Oats				
No. 2 white	“ .24½	.23	.24 @ .24½	.33¾ @ .33½
Flour				
Soft patent.....	per bbl. 3.75	3.20	3.75 @ 4.20	
Spring patent.....	“ 4.50	4.20	4.20 @ 4.50	4.20 @ 4.50
Middling cotton.....	per lb. .0650	.0565	.0575	.0935
Hogs on hoof.....	per cwt. 4.75	3.00	3.00 @ 4.25	6.15 @ 7.75

FINANCIAL

The banking and financial situation in this district during the past thirty days underwent further improvement. While there was a decrease in deposits and total loans and investments of the commercial banks, a further gradual easing in the credit situation was discernible. Greater confidence was in evidence, both with city and country financial institutions. Demand for credit for mercantile and industrial purposes, as measured by loans and discounts of the commercial banks, showed a further moderate recession, but a considerable part of the shrinkage in the note portfolios of these banks was due to liquidation of loans made possible by the large volume of liquidation with wholesaling interests with which April is an important settlement month. In the rural areas Governmental and local loaning agencies are apparently taking good care of agricultural financing requirements. In the cotton and tobacco areas there was a further reduction of loans to country banks, which was reflected in a reduction of commitments of these banks with their city correspondents. The return of currency from circulation increased, indicating that the amount of hoarded money has become smaller. Bank suspensions in the district were negligible, and a number of failed banks were reopened.

Between March 16 and April 13 loans of the reporting member banks decreased, and the total on the latter date was 20 per cent smaller than a year ago. Relatively the greatest decrease was in the classification of loans on securities. Deposits, which had moved sharply upward during the first three weeks of March, declined in early April, the total at the middle of the month being 2.6 per cent less than on March 16. Investments of these banks remained fairly constant in late March, but have tended slightly downward since the first report date in April. Borrowings of all member banks from the Federal Reserve Bank averaged somewhat larger than during the preceding thirty days, and were substantially above the corresponding period a year ago.

While interest rates showed little quotable change, the trend in the immediate past has been easier. At St. Louis banks prevailing rates were as follows: Prime commercial loans, 4½ to 6 per cent; collateral loans, 4¾ to 6 per cent; loans secured by warehouse receipts, 4½ to 6 per cent; interbank loans, 5½ to 6 per cent; cattle loans, 5 to 6 per cent.

Condition of Banks—Loans and discounts of the reporting member banks on April 13, 1932 showed a decrease of 4.7 per cent as contrasted with

March 16, 1932. Deposits decreased 2.6 per cent between March 16, 1932 and April 13, 1932 and on the latter date were 19.9 per cent smaller than on April 15, 1931. Composite statement follows:

	*April 13, 1932	*Mar. 16, 1932	*April 15, 1931
Number of banks reporting.....	24	24	25
Loans and discounts (incl. rediscounts)			
Secured by U. S. Govt. obligations			
and other stocks and bonds....	\$141,318	\$152,698	\$176,510
All other loans and discounts....	213,617	219,743	267,488
Total loans and discounts.....	\$354,935	\$372,441	\$443,998
Investments			
U. S. Government securities.....	89,073	91,314	79,702
Other securities.....	119,638	119,373	141,916
Total investments.....	\$208,711	\$210,687	\$221,618
Reserve balance with F. R. Bank	37,793	41,377	47,995
Cash in vault.....	6,548	6,299	6,293
Deposits			
Net demand deposits.....	303,922	318,674	388,922
Time deposits.....	210,102	208,143	248,620
Government deposits.....	5,344	6,435	10,544
Total deposits.....	\$519,368	\$533,252	\$648,086
Bills payable and rediscounts with			
Federal Reserve Bank.....	2,576	3,483	25

*In thousands (000 omitted).
These 24 banks are located in St. Louis, Louisville, Memphis, Little Rock, and Evansville, and their total resources comprise approximately 52.6 per cent 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. 1932	*Feb. 1932	*Mar. 1931	Mar. 1932 comp. to Feb. 1932	Mar. 1931
East St. Louis & Natl.					
Stock Yards, Ill. \$	20,665	\$ 18,213	\$ 28,950	+13.5%	—28.6%
El Dorado, Ark.....	3,279	3,366	5,083	— 2.6	—35.5
Evansville, Ind.....	15,929	15,603	21,752	+ 2.1	—26.8
Fort Smith, Ark.....	7,537	6,890	9,444	+ 9.4	—20.2
Greenville, Miss....	2,988	3,574	3,550	—16.4	—15.8
Helena, Ark.....	1,200	1,062	3,105	+13.0	—61.4
Little Rock, Ark....	19,346	17,945	28,732	+ 7.8	—32.7
Louisville, Ky.....	101,464	106,023	144,099	— 4.3	—29.6
Memphis, Tenn.....	85,501	85,405	109,695	+ 0.1	—22.1
Owensboro, Ky.....	2,938	3,398	5,367	—13.5	—45.3
Pine Bluff, Ark.....	4,854	4,617	6,807	+ 5.1	—28.7
Quincy, Ill.....	6,072	6,377	7,753	— 4.8	—21.7
St. Louis, Mo.....	456,324	411,816	616,583	+10.8	—26.0
Sedalia, Mo.....	1,309	1,228	3,642	+ 6.6	—64.1
Springfield, Mo....	9,879	8,806	14,000	+12.2	—29.4
*Texarkana, Ark-Tex.....	5,629	6,544	9,264	—14.0	—39.2
Totals	\$744,914	\$700,867	\$1,017,826	+ 6.3	—26.8

*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 245 member banks against 237 in February and 192 in March, 1931. The discount rate remained unchanged at 3½ per cent. Changes in the principal assets and liabilities of this institution appear in the following table:

	*Apr. 14, 1932	*Mar. 14, 1932	*Apr. 14, 1931
Bills discounted	\$16,727	\$19,103	\$ 7,725
Bills bought	1,134	3,639	10,064
U. S. Securities.....	30,974	27,997	23,899
Federal Inter. Cr. Bk. Debentures.....			
Participation in Inv. Foreign Banks.....	1,011	1,011	37
Total bills and securities.....	\$49,846	\$51,750	\$41,725
Total Reserves.....	112,226	109,513	117,737
F. R. Notes in circulation.....	90,645	93,691	76,329
Total deposits.....	64,367	60,573	75,706
Ratio of reserve to deposits			
and F. R. Note Liabilities.....	72.4%	71.0%	77.4%

*In thousands (000 omitted).

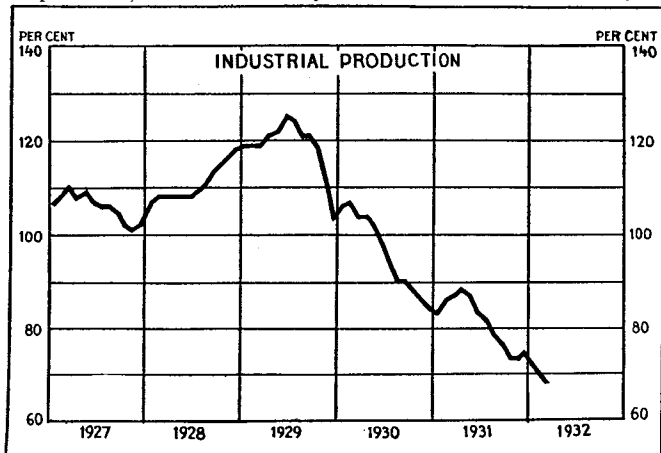
(Compiled April 22, 1932)

BUSINESS CONDITIONS IN THE UNITED STATES

Industrial activity was in smaller volume in March than in February, although usually little change is reported at this season, and the number of employees at factories was also reduced, contrary to seasonal tendency. Volume of Reserve Bank credit decreased in March, but showed a considerable growth in the first three weeks of April. Money rates continued to decline.

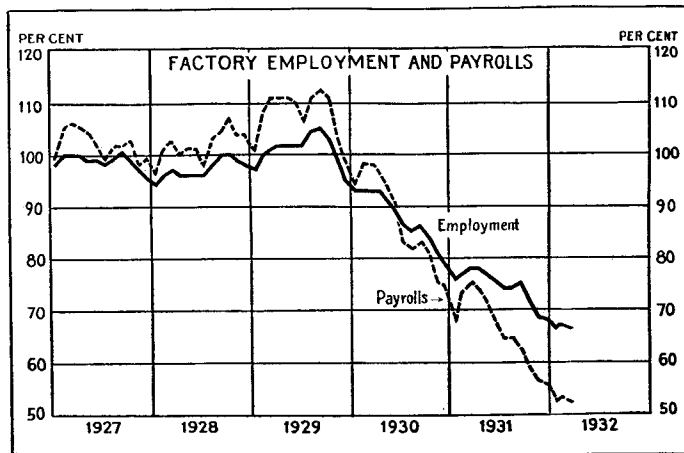
PRODUCTION AND EMPLOYMENT—Output of industrial products, as measured by the Board's seasonally adjusted

WHOLESALE PRICES—The general level of wholesale commodity prices showed little change between February and March, according to the Bureau of Labor Statistics. In the first two weeks in March prices of many commodities, including live-stock and meats, advanced; between the middle of March and the third week in April, prices of cotton, silk, wool, hides, sugar, silver, and tin declined considerably, while prices of coffee and petroleum increased. Wheat prices showed wide fluctuations but were



Index number of industrial production, adjusted for seasonal variation. (1923-1925 average=100.) Latest figure March, 68.

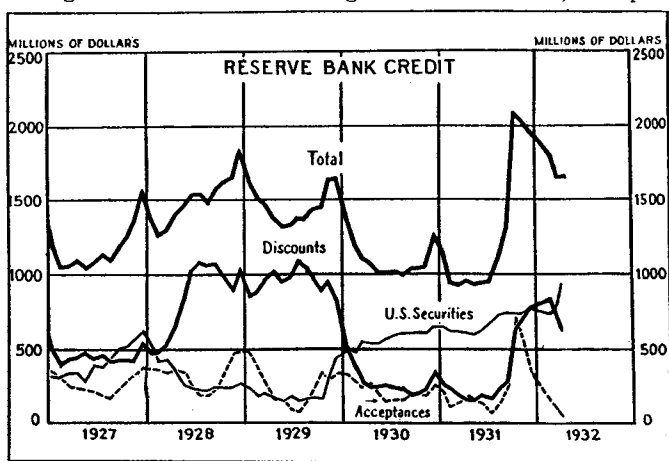
index, declined from 70 per cent of the 1923-1925 average in February to 68 per cent in March. Daily output at steel mills and automobile factories decreased, contrary to seasonal tendency, and activity at woolen mills declined sharply to the lowest level in recent years. Cotton consumption by domestic mills continued at the February rate, although sales of cotton cloth declined, and output of shoes increased considerably. In both of these industries production was at about the same rate as a year ago. Activity in the lumber industry, which recently has been at a level, about 45 per cent lower than last year, increased by more than the usual seasonal amount. Output of coal also increased considerably during March but declined in early April. Volume of factory employment and payrolls decreased from February to March, although an increase is usual at this season. There were substantial reductions in working forces in the steel, automobile, machinery, and furniture industries, as well as at woolen and silk mills, while clothing and shoe factories showed additions to their working forces. Value of building contracts awarded, as reported



Indexes of factory employment and payrolls, without adjustment for seasonal variation. (1923-1925 average=100.) Latest figures March, employment 66.4, payrolls 52.3.

at about the same level in the week ending April 23, as in the first half of March.

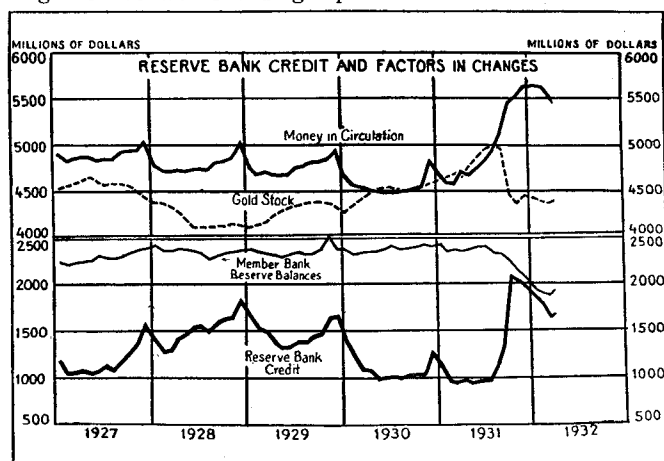
BANK CREDIT—The Federal Reserve System's holdings of United States Government securities, after increasing continuously from early in March totaled \$1,078,000,000 on April 20, an increase of \$338,000,000 since the end of February. This increase has been accompanied by some further decline in the Reserve Banks' holdings of acceptances and a reduction of \$164,000,000 in discounts. Member bank indebtedness to the Reserve Banks showed a considerable reduction in all of the Federal Reserve districts. Total volume of Reserve Bank credit outstanding, which had declined in March reflecting a continued return of money from circulation, and an increase in the country's stock of monetary gold, increased by \$115,000,000 during the first three weeks of April. This increase was accompanied by a substantial growth in member bank reserve balances. Total loans and investments of reporting member banks in leading cities continued to decline during the five weeks ending April 13. At banks in New York



Monthly averages of daily figures for 12 Federal Reserve Banks. Latest figures are averages of first 21 days in April.

by the F. W. Dodge Corporation, showed some increase of a seasonal character during March and the first half of April and was approximately one-third as large as last year.

DISTRIBUTION—Rail shipments of merchandise, which ordinarily increase in March, showed little change, and sales at department stores in leading cities increased by less than the estimated seasonal amount.



Monthly averages of daily figures. Latest figures are averages of first 21 days in April.

City, however, there was an increase in investment holdings both of United States Government securities and other securities, offsetting the decline in loans, which continued until the middle of April. Open market rates for bankers' acceptances showed successive reductions and on April 21 the offering rate for 90 day bills was $\frac{7}{8}$ of 1% the same rate as prevailed between May and September, 1931. Rates on commercial paper also declined.