



MONTHLY REVIEW

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

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VIRTUALLY all measurements of business activity and actual statistics of the various interests reporting to this bank during March and the first half of April reflected a continuance of the upward trends in Eighth District commerce and industry, noted during earlier months this year. Distribution of merchandise through both wholesale and retail channels was larger in the aggregate than during the similar period immediately preceding, and in considerably larger volume than a year and two years earlier. Except where affected by seasonal influences, output of manufacturing plants in March was well above that of February, and reports covering early April reflect further gains. The showing made during the first quarter of the current year was the most favorable for any like period since 1931. In a majority of instances, the increased volume of business has been accompanied by broader profit margins. Quite generally through the district merchants report that a better quality and greater diversity of goods are being taken than has been the case for a number of years. This is true of both the large urban centers and the country. Increased purchasing power in the south, incident to higher prices of cotton, and other agricultural products, and rental and benefit payments to farmers from the Government's crop reduction campaign, has served to materially assist business in that general area.

Despite the cold weather, Easter trade was above expectations and accounted for the movement of a larger volume of goods of all descriptions. Wholesaling and jobbing interests reported a fair volume of reordering of merchandise to fill demands in certain lines. Taken as a whole the employment situation developed moderate betterment over the preceding thirty days. This was ascribable to increased industrial activities, and the absorption of workers in seasonal occupations. March consumption of electric power by industrial plants in the chief cities of the district showed substantial increases over a month and a year earlier. Betterment in the iron and steel industry, which started early in the year, was carried further in March and proceeded at an accelerated rate during the first half of April. Output of steel mills gained

sharply, and jobbing foundries and specialty makers reported an accretion to unfilled orders, despite continued heavy shipments of finished products. Purchases of pig iron and finished steel early in April were stimulated by the desire of consumers to fill their needs before the advance in prices, which became effective around the middle of the month.

Taken as a whole, weather conditions have been favorable for agriculture, and preparations for and seeding of spring crops is somewhat in advance of the usual seasonal schedule. In the south the open winter permitted of an unusually large amount of field work. Business of interests handling farm and garden supplies, such as seeds, hand implements, spraying materials, etc., was reported more active than at any like period since the depression started. In states of the Eighth District, sales of fertilizer tags during the first quarter of 1934, according to the National Fertilizer Association, were 129 per cent larger than for the first three months of 1933 and 69 per cent in excess of the first quarter of 1931, total. Grain prices, which had ruled fairly steady during the preceding four or five weeks, declined sharply at mid-April.

March retail trade in the Eighth District, as reflected by department store sales in the principal cities, was 38 per cent greater than in February, and 49.5 per cent in excess of the March, 1933, volume; cumulative total for the first quarter this year showed an increase of 33.4 per cent over the like period in 1933. Combined sales of all wholesaling and jobbing interests reporting to this bank in March were slightly below the preceding month, but 52 per cent larger than a year ago; first quarter sales of these firms this year were 65 per cent larger than the total for that period in 1933. The dollar value of building permits issued for new construction in the five largest cities in March was 35 and 72 per cent greater, respectively, than a month and a year earlier, and the cumulative total for the first quarter was approximately 104 per cent above that of the same period in 1933. Construction contracts let in the Eighth District in March showed an increase of 185 per cent over February and of 242 per cent over March, 1933; for the first quarter

the total was 163 per cent larger than a year ago. Debits to checking accounts in March exceeded those of February by 12.4 per cent.

According to officials of railroads operating in this district, freight traffic continues in measurably larger volume than at the corresponding period in 1933 and slightly larger than in 1932. Increases in both comparisons extend to virtually all classifications, with a particularly favorable showing being made by miscellaneous freight, forest products and fuel. The movement of coal and coke has been stimulated by the belated cold weather, also, by heavier demands from industrial users. March loadings of livestock fell below a year and two years earlier, which fact is ascribed partly to the steadily increasing number of cattle, hogs and sheep being transported by trucks. For the country as a whole, loadings of revenue freight for the first fourteen weeks this year, or to April 7, totaled 8,103,535 cars, against 6,741,356 cars for the corresponding period in 1933 and 7,881,413 cars in 1932. The St. Louis Terminal Railway Association, which handles interchanges for 28 connecting lines, interchanged 81,391 loads in March, which compares with 68,837 loads in February, and 62,045 loads in March, 1933. During the first nine days of April the interchanges amounted to 21,418 loads, against 23,012 loads during the first nine days of March and 18,331 loads during the corresponding period in 1933. Passenger traffic of the reporting lines increased 25 per cent in March, as compared with the same month in 1933. Estimated tonnage of the Federal Barge Line between St. Louis and New Orleans in March was 81,000 tons, against 65,978 tons in February and 79,499 tons in March, 1933.

Collections during March and early April quite generally through the district maintained the high rate of efficiency which has existed since last fall. As contrasted with a year ago, very marked betterment was noted, but it will be recollected that in the earlier period the usual instrumentalities of exchange were hampered by disabilities incident to the National Banking Holiday. Wholesalers and jobbers of boots and shoes, dry goods and other lines with which April is an important settlement month, report payments relatively the largest for that period since 1930. In all wholesaling lines investigated, reports indicate a steadily decreasing trend in losses from failures and weak accounts. Further betterment was noted in collections in the tobacco districts. Retailers in the principal urban centers report some spottiness in payments, but with average somewhat higher than during the preceding thirty days. Questionnaires addressed to representative interests in the several lines scattered through the district show the following results:

		Excellent	Good	Fair	Poor
March,	1934.....	5.1%	42.3%	50.5%	2.1%
February,	1934.....	5.2	36.0	55.7	3.1
March,	1933.....	0	10.7	52.5	36.8

Commercial failures in the Eighth Federal Reserve District in March, according to Dun and Bradstreet, numbered 37, involving liabilities of \$754,076, against 32 defaults in February with liabilities of \$289,371, and 111 insolvencies involving liabilities of \$2,696,132 in March, 1933.

MANUFACTURING AND WHOLESALING

Boots and Shoes — March sales of the reporting interests were 15 per cent less than for the preceding month, but 28 per cent greater than the March total a year ago. Inventories decreased 20 per cent between March 1 and April 1, and on the latest date were slightly larger than a year ago. For the first quarter this year aggregate sales exceeded those of the same period in 1933 by approximately 60 per cent. Part of this increase is ascribed to higher prices. The movement of styled goods and specialties for the Easter trade was reported in larger volume than at any time since the beginning of the depression. There has been some slowing in production, seasonal in character, since the middle of March. Factory operations were 85 to 90 per cent of capacity.

Clothing — Advance sales of apparel for summer and early autumn distribution continue to run in considerably heavier volume than a year and two years earlier. This is true particularly in the south, where retailers are buying on a freer scale than at this particular season in a number of years. Demand for work clothing in both the large industrial centers and rural areas is in considerable volume. March sales of the reporting clothiers were 58.6 per cent larger than for the same month in 1933, and 19.1 per cent greater than the February total this year. Stocks decreased 8 per cent between March 1 and April 1, and on the latest date were about one-half larger than a year earlier.

Drugs and Chemicals — For the tenth successive month, March sales in this classification were in larger volume than during the corresponding period a year earlier. While betterment was noted generally through all descriptions of drugs and chemicals, relatively the most favorable showing was made in heavy materials taken by the manufacturing trade. Demand for cosmetics, toilet preparations and other luxuries was reported much more in evidence than at this time during the past several years. March sales of the reporting firms were larger by 49 per cent than for the same month in 1933, and 11 per cent in excess of the February total this year. Inventories showed little variation between March 1 and April 1, and on the latter date were 31.5 per cent larger than a year ago.

Dry Goods — Business ascribable to Easter requirements was the largest in a number of years, and in addition marked improvement was noted in the more stable lines as contrasted with a year and two years earlier. Unfavorable weather in March had a tendency to restrict trade in some sections of the district. Sales of the reporting firms in March showed an increase of approximately three-fourths over the same month in 1933, and a decrease of 13 per cent under the February aggregate this year. The decrease in the month-to-month comparison was seasonal, and somewhat smaller than average. Stocks on April 1 were 16 per cent and 97 per cent larger, respectively, than a month and a year earlier.

Electrical Supplies — March sales of the reporting firms showed an increase of 77.5 per cent over the same month in 1933, and of 34 per cent as compared with February this year. Inventories increased further, stocks on April 1 being 3 per cent greater than a month earlier and 19 per cent in excess of those on April 1, 1933. While all sections showed betterment in both sales comparisons, largest gains were reported in electric refrigeration, radio and household appliances. Installations for new buildings remain relatively quiet.

Flour — Production at the twelve leading mills of the district in March totaled 263,960 barrels, against 252,789 barrels in February and 306,680 barrels in March, 1933. Purchasing of all grades of flour continues largely on a requirement basis. Both dealers and consumers are disposed to await more definite information relative to prospects for the growing winter wheat crop before increasing their commitments. Prices declined at mid-April in sympathy with a sharp break in the cash wheat market. The export situation developed no change from trends noted earlier in the year. Mill operations were at from 50 to 55 per cent of capacity.

Furniture — Business in this classification continued the steady betterment which has been in progress since last fall. March sales of the reporting interests were 15 per cent larger than in February, and 73 per cent in excess of the March, 1933, total. Stocks decreased slightly during the month, but on April 1 were larger by 60 per cent than on the same date in 1933. Demand for radio cabinets has expanded, and there is also a more active movement of household furniture and furnishings than heretofore.

Groceries — March sales of the reporting firms were 8 per cent larger than for the preceding month, and 32 per cent greater than in March, 1933. Inventories increased 2 per cent between March 1 and April 1, and on the latest date were 35 per cent greater than a year ago. In the yearly sales com-

parison, a considerable part of the increase is attributable to the larger volume of buying in the country, particularly, in the typically cotton areas. Quite generally the comment is made by reporting firms that a greater diversity and higher grades of merchandise is being taken than was the case a year and two years earlier.

Hardware — Following the seasonal trend, March sales of the reporting firms were 12 per cent larger than in February, and the total was 44 per cent in excess of that in March, 1933. Stocks on April 1 were 3 per cent and 35 per cent larger, respectively, than a month and a year earlier. Merchants in all sections of the district report an active demand for garden tools, hand implements, and the general line of commodities used in the rural areas. Moderate improvement has developed in sales of builders' tools and hardware during the past six weeks.

Iron and Steel Products — Activities in the iron and steel industry in this district during March and the first half of April were characterized by the steadily upward trend which has been in effect since the beginning of the year. Virtually all sections of industry in this area participated in the betterment, an exception being building materials, which have failed to respond to the usual seasonal influences. In point of output at foundries, mills, machine shops and other ferrous metal working plants, according to interests reporting to this bank, March represented the largest total for any month this year, and was substantially greater than the small aggregate of the corresponding period in 1933. The melt of pig iron and scrap exceeded that of February by a fair margin, and was more than one-half again as large as a year ago. Stimulated by price advances, subsequent to wage increases granted by many steel manufacturers, purchasing of finished and semi-finished steel during late March and the first half of April was in considerable volume, and embraced a broad variety of commodities. Commitments for second quarter requirements are reported the largest for any similar period since 1930. Ordering of raw materials, notably pig iron, and iron and steel scrap, was also on a liberal scale. Requirements of farm implement manufacturers and the automotive industry continue to expand. Business of jobbing foundries increased, with new orders reflecting chiefly miscellaneous requirements. Despite temporary interruption due to weather conditions, iron and steel warehouse and jobbing interests report March sales and deliveries the largest for the period since 1930. There has been steady improvement in demands of the general manufacturing trade, and goods for use in the rural areas are moving in relatively large volume, as con-

trusted with the three preceding years. Heavier purchasing by the railroads was reflected in a higher rate of activity at steel mills and foundries specializing in this business. In addition to the mills which recently resumed operations, an additional plant began production on part-time schedules on April 16, after having been closed since the fall of 1932. The advance in steel prices which became effective between April 12 and 15, affected a number of important commodities, including sheets, strips, billets, slabs, bars, plates, plain wire, long terns and certain tubular goods. Tin plate remained unchanged. Pig iron was advanced \$1 per ton, but due to heavier offerings, scrap prices in this area declined from the year's peak in late February. For the country as a whole, production of pig iron in March, according to the Magazine "Steel", totaled 1,625,588 tons, against 1,270,792 tons in February, and 542,013 tons in March, 1933. Steel ingot production in the United States in March aggregated 2,797,194 tons against 2,213,569 tons in February and 909,886 tons in March, 1933.

AUTOMOBILES

Combined passenger car, truck and taxicab production in the United States in March was 335,993, against 235,384 (revised figure) in February, and 118,609 (revised figure) in March, 1933.

According to dealers reporting to this bank, distribution of automobiles in the Eighth District in March developed marked improvement, both as compared with the preceding month and a year ago. The large increase in sales over February was attributable partly to carryover of orders against which dealers were unable to effect deliveries. In both comparisons, increases were general through all classes of makes, and well distributed geographically. Relatively the largest gains were reported by dealers in the south. As has been the case for the past several months, demand centers mainly in the cheap priced field, but decided betterment is noted in medium priced vehicles, particularly where new models and equipment are featured. Reflecting betterment in business conditions, the demand for trucks of all descriptions continues active, March sales being nearly twice as large as a year earlier and approximately 90 per cent greater than the February total this year. Business in replacement part and accessories showed little change from the preceding month, but was in measurably larger volume than in March, 1933.

March sales of new passenger cars by the reporting dealers were 86 per cent larger than for the same month in 1933, and 113 per cent in excess of the February total this year. Reflecting freer factory deliveries, inventories moved upward, stocks on April 1 being 16 per cent greater than a month

earlier and approximately 30 per cent larger than a year ago. The situation in the used car market was reported less satisfactory than that for new vehicles, due partly to seasonal influences, but more particularly to a lack of desirable cars and of makes for which demand exists. March sales of second-hand cars were 12 per cent larger than in February and about 36 per cent greater than in March, 1933. Stocks of salable secondhand cars on April 1 were 16 per cent and 10 per cent larger, respectively, than a month and a year earlier. According to dealers reporting on that item, the ratio of deferred payment sales in March to total sales was 51 per cent, against 49 per cent in February and 52 per cent in March, 1933.

BUILDING

The dollar value of permits issued for new construction in the five largest cities of the district in March was 34.7 per cent more than in February, and 71.6 per cent greater than the March, 1933, total. According to statistics compiled by the F. W. Dodge Corporation, construction contracts let in the Eighth Federal Reserve District in March amounted to \$16,717,591 which compares with \$5,864,233 in February and \$4,890,487 in March, 1933. Production of portland cement for the country as a whole in March totaled 5,257,000 barrels against 4,168,000 barrels in February, and 3,684,000 barrels in March, 1933. Building figures for March follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1934	1933	1934	1933	1934	1933	1934	1933
Evansville ..	11	120	\$ 10	\$ 15	138	40	\$ 37	\$ 11
Little Rock ..	8	7	2	2	88	16	19	5
Louisville ..	45	22	26	18	33	25	27	13
Memphis ...	178	101	73	55	128	100	63	38
St. Louis....	111	97	227	107	170	189	76	102
Mar. totals..	353	347	\$ 338	\$ 197	557	370	\$ 222	\$ 169
Feb. " ...	227	228	251	133	404	269	302	129
Jan. " ...	206	246	320	115	352	277	177	152

*In thousands of dollars (000 omitted).

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. 1934 comp. to Mar. 1933	3 months ended Mar. 31, 1934 to same period 1933	Mar. 31, 1934 comp. to Mar. 31, 1933	Jan. 1, to Mar. 31, 1934 1933
El Dorado, Ark.	+ 69.6%	+ 51.9%	+ 6.8%	.62 .44
Evansville, Ind.	+ 77.9	+ 40.3	+ 17.6	.43 .33
Fort Smith, Ark.	+ 56.9	+ 44.0	+ 18.1	.35 .44
Little Rock, Ark.	+ 100.9	+ 58.7	+ 41.1	.57 .47
Louisville, Ky.	+ 42.3	+ 22.2	+ 7.7	.69 .61
Memphis, Tenn.	+ 58.2	+ 37.9	+ 23.3	.78 .63
Quincy, Ill.	+ 60.3	+ 41.8	+ 13.9	.64 .49
St. Louis, Mo.	+ 43.4	+ 31.0	+ 22.3	.88 .78
Springfield, Mo.	+ 52.8	+ 41.0	+ 5.9	.42 .29
All Other Cities.	+ 68.4	+ 45.6	+ 31.4	.64 .60
8th F. R. District	+ 49.5	+ 33.4	+ 21.8	.78 .67

Retail Stores

	Net sales comparison		Stocks on hand	Stock turnover
	Mar. 1934 comp. to Mar. 1933	3 months ended Mar. 31, 1934 to same period 1933	Mar. 31, 1934 comp. to Mar. 31, 1933	Jan. 1, to Mar. 31, 1934 1933
Men's				
Furnishings	+ 117.3%	+ 63.7%	+ 37.9%	.60 .48
Boots and				
Shoes	+ 39.6	+ 4.4	- 8.5	.71 .56

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 17.2 per cent greater than in February and 21.5 per cent more than in March, 1933. Detailed figures follow:

	No. of Custom- ers	Mar., 1934	Feb., 1934	Mar. 1934 comp. to Feb. 1934	Mar., 1933	Mar. 1934 comp. to Mar. 1933
		*K.W.H.	*K.W.H.		*K.W.H.	
Evansville	40	2,362	1,984	+19.1%	1,489**	+58.6%
Little Rock...	35	1,251	1,191	+ 5.0	1,084**	+15.4
Louisville	85	6,523	5,651	+15.4	5,341**	+22.1
Memphis	31	1,692	1,534	+10.3	1,102	+53.5
St. Louis.....	195	16,318	13,651	+19.5	14,158**	+15.3
Totals	386	28,146	24,011	+17.2	23,174	+21.5

*In thousands (000 omitted).
**Revised figures.

POSTAL RECEIPTS

Returns from the five largest cities of the district show an increase in combined postal receipts for the first three months this year of 4 per cent over the corresponding period in 1933 and a decrease of 6.8 per cent under the final quarter in 1933. Detailed figures follow:

	For Quarter Ended			Mar. 31, 1933	Mar. 1934 comp. to Mar. 1933
	Mar. 31, 1934	Dec. 31, 1933	Sept. 30, 1933		
Evansville	\$ 141,196	\$ 130,008	\$ 139,549	\$ 130,563	+ 8.1%
Little Rock.....	182,751	171,715	153,540	162,088	+12.7
Louisville	605,216	617,313	540,284	547,544	+10.5
Memphis	499,219	543,508	448,329	463,886	+ 7.6
St. Louis.....	2,320,894	2,562,155	2,107,190	2,302,362	+ .1
Totals	\$3,749,276	\$4,024,699	\$3,388,892	\$3,606,443	+ 4.0

AGRICULTURE

The report of the U. S. Department of Agriculture relative to planting intentions as of March 1, 1934, indicates that in states entirely or partly within the Eighth District, acreages of the principal field crops will be smaller than in each of the three preceding years. As contrasted with 1933, reductions are particularly marked in the case of corn and tobacco, both of which productions are involved in the Government's curtailment program. Indicated acreages of tame hay and oats are heavier than a year ago. Sweet potatoes, white potatoes, and peanuts have indications for somewhat larger acreages, this being in conformity with the general trend to diversify and rotate crops which has been in effect in recent years. Total acreage of the chief crops, including winter wheat seeded last fall, and excluding cotton, is estimated at 4.9 per cent less than in 1933, and 10 per cent and 9.5 per cent less than the aggregate harvested in 1932 and 1931, respectively.

The following comparative table shows intended plantings in 1934 by farmers in states of this district and the number of acres of the several crops harvested in the three preceding years:

	1931	1932	1933	1934
Corn	29,920,000	30,609,000	28,591,000	25,494,000
Oats	8,593,000	8,775,000	7,809,000	7,906,000
Rice	177,000	163,000	153,000	150,000
Barley	385,000	460,000	390,000	224,000
Potatoes	331,000	335,000	330,000	359,000
Sweet Potatoes.....	204,000	238,000	181,000	202,000
Tobacco	763,000	580,000	661,000	472,000
Peanuts	56,000	82,000	74,000	83,000
Tame Hay.....	10,150,000	10,138,000	10,117,000	10,393,000
Winter Wheat.....	5,812,000	5,274,000	5,351,000	5,731,000
Totals	56,391,000	56,654,000	53,657,000	51,014,000

General Farm Conditions—Following one of the mildest and most open winters in recent years, late February and a considerable part of March brought freezing temperatures, accompanied by heavy precipitation in the form of snow and rain. Taken as a whole the belated cold weather was favorable for agriculture, as it tended to prevent too rapid growth and development of vegetation, and the snow and rain were of distinct benefit, especially where moisture had been deficient earlier in the season. Generally throughout the district soil conditions are favorable for final field preparations and the seeding of spring crops. Prior to the cold weather an unusual amount of work had been accomplished, both in the cotton areas and the more northerly stretches of the district.

Winter Wheat—In its report as of April 1, the U. S. Department of Agriculture estimated production of wheat in states including the Eighth District at 81,097,000 bushels, which compares with 71,766,000 bushels harvested in 1933, and the 5-year average (1927-1931) of 85,397,000 bushels. This estimate makes no allowance for the effect upon wheat acreage of the reopening of the wheat campaign, or for adjustments in acreage which farmers may find necessary in compliance with wheat contracts. Reports from all sections of the district indicate a relatively high condition for the crop. Unfavorable planting conditions in some areas have been offset by auspicious weather during the winter. General precipitation since the middle of March has resulted in improvement in soil conditions, and almost universally the crop has attained good growth and is healthy in color. Considerably less than the average damage from winter kill is indicated, and insect infestation is less in evidence than at this time last year. Stocks of wheat on farms in states of the district as of April 1 are estimated by the Department at 9,968,000 bushels, a decrease of 28 per cent as compared with a year ago, and 35 per cent below the average of the three preceding years.

Corn—Preparations for the new crop have made good headway, though some delay has been occasioned by cold weather and heavy rains since mid-March. Planting has commenced in the southern sections of the district, but the recent cold weather has held germination in check. Weather permitting, seeding operations will be general by the end of April. In its annual survey of farm reserves, the Government estimates the amount of corn on farms in states of the Eighth District as of April 1, at 269,397,000 bushels, which compares with 441,083,000 bushels in 1933, 412,283,000 bushels in 1932 and 182,467,000 bushels in 1931.

Fruits and Vegetables—With the exception of injury sustained by peach buds in sections of Illinois, Indiana and Missouri from the late freezes, the outlook for fruits in this district at the middle of April was mainly favorable. In the early strawberry states, Mississippi, Arkansas and Tennessee, the 1934 crop is estimated at 3,165,000 crates, an increase of 64.5 per cent over the 1933 production. No official estimate of the condition of apples has been made, but reports from county agents and orchardists in various sections of the district indicate little damage to trees during the past winter, and in the southern states bloom has been abundant and prospects are for above average yields. The April 1 condition of early potatoes is generally above that of a year ago. February and March freezes injured some early plantings, which will slightly affect yield, but the chief results will be delay in maturity.

Live Stock—As of April 1, according to the U. S. Department of Agriculture, there were about 12 per cent less cattle on feed for market in the Corn Belt States than on the same date in 1933, representing in numbers around 170,000 head. Compared with the number on feed on April 1, 1932, there was an increase of about 82,000 head. The decrease is general over the entire area, and is in part a reflection of the corn situation. Large quantities of the 1933 corn crop, which was 15 per cent under average in the Corn Belt, have been sealed on farms to secure Federal Loans, with the result that corn prices are relatively high as compared with cattle prices. For the first quarter of 1934, shipments of stocker and feeder cattle inspected at stockyards into the Corn Belt were 14 per cent smaller than for the same period a year earlier.

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

	Receipts			Shipments		
	Mar., 1934	Feb., 1934	Mar., 1933	Mar., 1934	Feb., 1934	Mar., 1933
Cattle and Calves.....	85,772	81,028	67,729	40,708	36,749	33,985
Hogs	202,216	201,857	224,256	126,977	142,897	136,994
Horses and Mules.....	6,565	8,270	5,031	6,723	8,546	5,398
Sheep	41,035	27,112	36,011	4,960	7,977	10,474

Cotton—Generally in this district, preparations for the new crop have been completed, and seeding has made considerable headway in the southern counties. While there has been some interruption to field work during the past month, earlier conditions were unusually auspicious and taken as a whole, progress of the crop is well up to the seasonal schedule. In practically all sections, reports continue to indicate much freer use of fertilizers than has been the case in recent years. Demand for raw cotton showed little change as contrasted with the preceding thirty days, and prices fluctuated within a relatively narrow range. The average,

however, continued approximately twice as high as during the corresponding period a year and two years earlier. In the St. Louis market the middling grade ranged from 11.50c to 11.95c per pound between March 16 and April 16, closing at 11.50c on the latter date, which compares with 11.90c on March 16, and 6.45c on April 13, 1933. Receipts at Arkansas compresses from August 1, 1933, to April 13, 1934, totaled 986,997 bales, against 1,203,745 bales for the corresponding period a year earlier. Stocks on hand as of April 13 were 414,022 bales against 426,278 bales on the corresponding date a year ago.

Tobacco—As of April 14, burley tobacco markets of the district had closed, except for minor sales in Lexington and Owensboro, Ky. The total 1933 burley crop is estimated at 385,000,000 pounds. Indications are that at the final closing of all markets, there will be less burley tobacco in farmers' hands than for any crop in recent years. This is ascribed partly to the fact that the farmers are required to show actual 1933 sales in order to secure their acreage allotment for the 1934 crop.

Late sales of dark fired tobacco in the Clarksville, Springfield and Hopkinsville markets were the largest of the season. Good to fine quality sold from \$27 to \$38.50 per cwt., the highest prices of the season. There has been a ready sale for all tobacco offered. As of April 18 it was estimated that approximately 88 per cent of the dark fired crop had been sold and delivered in the eastern district and about 90 per cent in the western district.

Tobacco plant beds were sown in late February and in the intervals of favorable weather in March. Plants are coming up and are mainly healthy, with good prospects for early development and transplanting. At the middle of April much ground had been prepared for this year's crop.

COMMODITY PRICES

Range of prices in the St. Louis market between March 15, 1934, and April 16, 1934, with closing quotations on the latter date and on April 15, 1933, follow:

	High	Low	Close	
			April 16, 1934	April 15, 1933
Wheat				
May .....	.85¾	.77¾	.77¾	.62¾
July .....	.86¾	.79	.79	.63¾
*Sept. ....	.87½	.82	.82	.64
No. 2 red winter ..	.91	.83½	.83	.67
No. 2 hard .....	.88¾	.79½	.79½	.65
Corn				
*May .....	.51¾	.42¾	.42¾	.32
*July .....	.53¾	.45¾	.45¾	.34¾
*Sept. ....	.55¾	.47¾	.47¾	.36¾
No. 2 mixed .....	.50	.47¾	.47¾	.33¾
No. 2 white .....	.52	.49	.49	.37
Oats				
No. 2 white .....	.37	.29¾	.29¾	.22
Flour				
Soft patent.....per bbl.	6.90	6.10	6.10	3.75
Spring "	6.90	6.10	6.10	2.25
Middling cotton.....per lb.	.1195	.1150	.1150	*.0645
Hogs on hoof.....per cwt.	4.65	2.00	2.00	2.75

*Nominal quotations.

**Close, as of April 13, 1933.

FINANCIAL

Except for slight changes, traceable to seasonal influences, trends in the banking and financial situation in this district during late March and the first half of April were practically identical with those during the similar period immediately preceding, and, in fact, since the first of the present year. Demands for mercantile and industrial interests continue in limited volume, while loanable resources of commercial banks in both the large cities and smaller communities increased further. There was a considerable volume of liquidation of commercial loans with banks in the chief distributing centers, particularly with institutions which supply accommodations to boot and shoe, dry goods and other wholesaling and jobbing lines with which April is an important settlement month. Less than the ordinary demand at this time of year for financing agricultural operations was in evidence. Country banks further reduced their borrowings from city correspondents and in many instances are seeking investments for their surplus funds.

Total loans and investments of reporting member banks in the principal cities decreased 5 per cent in the four-week period ended April 11, and on that date were 7.8 per cent larger than a year ago; a slight decrease in their demand deposits and an increase in time deposits resulted in a decrease of 1.8 per cent in total deposits for the period. Reserve balances continued the steady upward trend of recent months, and on the second report date in April were approximately 106 per cent greater than a year ago.

The amount of savings deposits held in selected banks as of April 4 was 2.8 per cent greater than on March 7 and 9.7 per cent in excess of total April 5, 1933. Changes in the statement of the Federal Reserve Bank of St. Louis between March 18 and April 18 were relatively unimportant. The total volume of credit extended decreased \$807,000, due to smaller rediscounts for member banks and holdings of open market paper.

Interest rates remained at or about the low levels prevailing in recent months. At St. Louis banks, as of the week ended April 15, current quotations were as follows: Customers' prime commercial paper 3 to 5½ per cent; collateral loans, 4 to 6 per cent; loans secured by warehouse receipts, 2 to 6 per cent; interbank loans, 2 to 6 per cent and cattle loans, 5 to 6 per cent.

Condition of Banks — Loans and discounts of the reporting member banks on April 11, 1934, showed a decrease of 1.6 per cent as contrasted with

March 14, 1934. Deposits decreased 1.8 per cent between March 14, 1934 and April 11, 1934 and on the latter date were 26.1 per cent greater than on April 12, 1933. Composite statement follows:

	*Apr. 11, 1934	*Mar. 14, 1934	*Apr. 12, 1933
Number of banks reporting.....	19	19	19
Loans and discounts (incl. rediscounts) Secured by U. S. Govt. obligations and other stocks and bonds.....\$ 81,326		\$ 86,906	\$ 98,011
All other loans and discounts.....	135,445	133,452	139,518
Total loans and discounts.....	\$216,771	\$220,358	\$237,529
Investments U. S. Govt. securities.....\$183,124		\$204,711	\$117,607
Other securities.....	95,949	96,876	104,668
Total investments.....	\$279,073	\$301,587	\$222,275
Reserve balance with F. R. Bank..\$ 85,131		\$ 71,620	\$ 41,313
Cash in vault.....	7,627	7,992	7,088
Deposits Net demand deposits.....	338,690	342,179	260,197
Time deposits.....	162,977	162,352	157,964
Government deposits.....	31,086	37,720	4,200
Total deposits.....	\$532,753	\$542,251	\$422,361
Bills payable and rediscounts with Federal Reserve Bank.....			\$ 50

*In thousands (000 omitted).

The total resources of these banks comprise approximately 61.6% of all member banks in this district.

Federal Reserve Operations — During March the discount rate of the Federal Reserve Bank of St. Louis remained unchanged at 2½ per cent. Changes in the principal assets and liabilities of this institution appear in the following table:

	*Apr. 19, 1934	*Mar. 19, 1934	*Apr. 19, 1933
Bills discounted	\$ 246	\$ 245	\$ 4,333
Bills bought	238	993	9,438
U. S. Securities.....	93,200	93,200	65,832
Participation in Inv. Foreign Banks....	128	128	210
Total Bills and Securities.....	\$ 93,812	\$ 94,566	\$ 79,813
Total Reserves	\$197,524	\$175,903	\$153,037
Total Deposits	148,876	116,097	79,105
F. R. Notes in circulation.....	134,024	136,620	149,565
F. R. Bank Notes in circulation.....	3,195	10,274	39
Ratio of reserve to deposits and F. R. Note Liabilities.....	69.8%	69.6%	66.9%

*In thousands (000 omitted).

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., 1934	*Feb., 1934	*Feb., 1933	Mar., 1934 comp. to Feb. 1934	Feb. 1933
East St. Louis and Natl. Stock Yards, Ill..\$ 17,624	\$ 15,846	\$ 14,391	\$ 14,391	+11.2%	+22.5%
El Dorado, Ark.....	3,437	3,160	3,093	+ 8.8	+11.1
Evansville, Ind.....	15,923	13,255	12,280	+20.1	+29.7
Fort Smith, Ark.....	7,906	7,896	6,039	+ 0.1	+30.9
Greenville, Miss.....	3,080	3,289	2,732	- 6.4	+12.7
Helena, Ark.....	1,680	1,413	913	+18.9	+84.0
Little Rock, Ark.....	21,843	18,460	13,914	+18.3	+57.0
Louisville, Ky.....	149,867	135,004	100,810	+11.0	+48.7
Memphis, Tenn.....	104,783	92,362	60,633	+13.4	+72.8
Owensboro, Ky.....	3,826	3,611	2,836	+ 6.0	+34.9
Pine Bluff, Ark.....	5,147	5,418	3,434	- 5.0	+49.9
Quincy, Ill.....	5,335	4,513	3,603	+18.2	+48.1
St. Louis, Mo.....	435,203	387,747	320,316	+12.2	+35.9
Sedalia, Mo.....	1,473	1,235	1,182	+19.3	+24.6
Springfield, Mo.....	11,126	8,501	7,576	+30.9	+46.9
**Texarkana, Ark.-Tex.....	5,505	4,749	4,657	+15.9	+18.2
Totals	\$793,758	\$706,459	\$558,409	+12.4	+42.1

*In thousands (000 omitted).

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

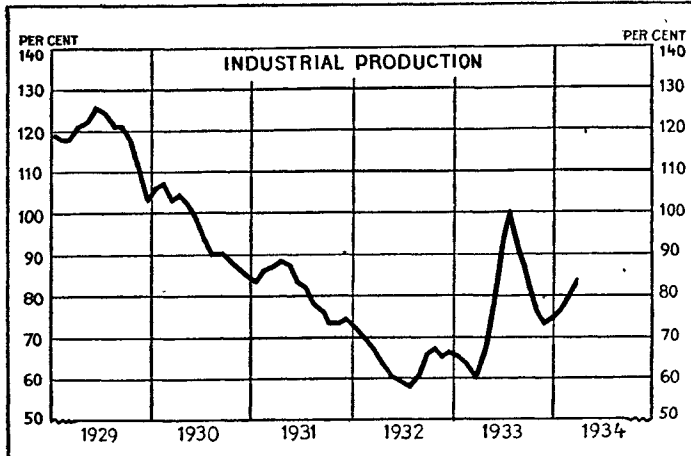
NOTE: No debit figures reported for March, 1933.

(Compiled April 23, 1934)

BUSINESS CONDITIONS IN THE UNITED STATES

Volume of industrial production increased further in March and there was considerable growth in factory employment and payrolls. The general level of commodity prices showed little change between the middle of March and the middle of April, but in the third week of April there was a sharp decline in grain prices.

PRODUCTION AND EMPLOYMENT—Output of manufactures and minerals, as measured by the Federal Reserve Board's seasonally adjusted index of industrial production, advanced from 81 per cent of the 1923-1925 average in February to 84 per cent in March. This advance reflected chiefly increases



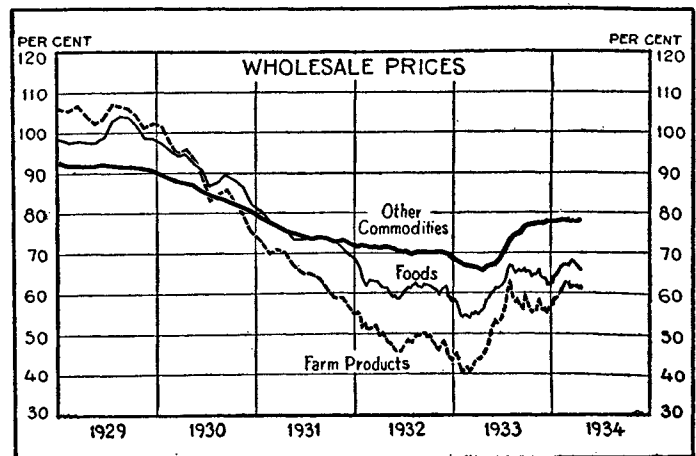
Index number of industrial production, adjusted for seasonal variation (1923-1925 average=100.) Latest figure, March, preliminary 84.

of more than the usual seasonal amount in the output of steel, automobiles, and lumber and an increase contrary to seasonal tendency in the output of coal. Production of textiles showed little change in volume on a daily average basis.

In the early part of April, activity at steel mills and automobile factories increased further, according to trade reports, while coal production declined by more than seasonal amount. Volume of employment at factories increased further between the middle of February and the middle of March by about 4 per cent, an amount larger than is usual this season. Employment on the railroads and at mines also showed an increase. The number on the payrolls of the Civil Works Administration was reduced from about 3,700,000 in the middle of February to about 2,400,000 in the middle of March and 1,900,000 at the end of the month.

continued large volume of coal shipments, which usually decline in March. In the early part of April, total car loadings showed a decline, reflecting a sharp reduction in coal shipments. The volume of trade at department stores increased in March by considerably more than the estimated seasonal amount, after an advance for the early date of Easter this year.

PRICES—The general level of wholesale commodity prices, as measured by the index of the Bureau of Labor Statistics, was 73.3 per cent of the 1926 average in the week ending April 14 as compared with 73.8 per cent in the week ending March 10. During

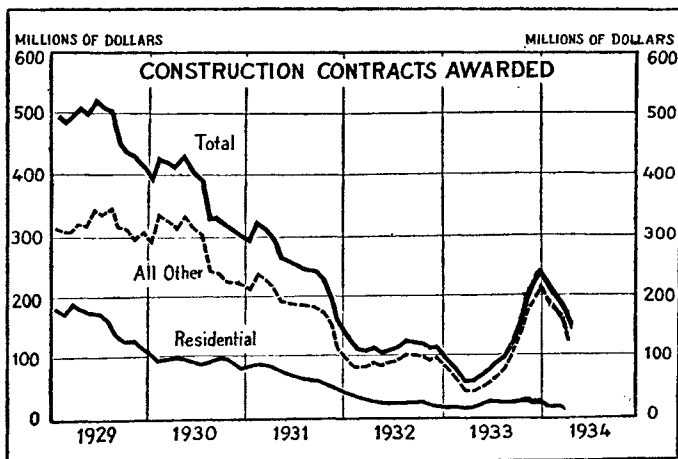


Indexes of the United States Bureau of Labor Statistics. By months 1929 to 1931; by weeks 1932 to date. (1926=100.) Latest figures April 14, farm products 60.5, foods 65.8, other commodities 78.9.

this period prices of steel, copper, and automobiles advanced, while prices of farm products decreased somewhat. In the third week of April, wheat prices declined sharply and there were also declines in the prices of other grains, cotton and silver.

BANK CREDIT—During the four weeks ending April 18 member bank reserve balances increased by \$220,000,000, raising the volume of reserves in excess of legal requirements to \$1,600,000,000. This increase reflected a growth of \$105,000,000 in the monetary gold stock and further disbursements by the Treasury of funds from its cash holdings and its deposits with the Reserve banks.

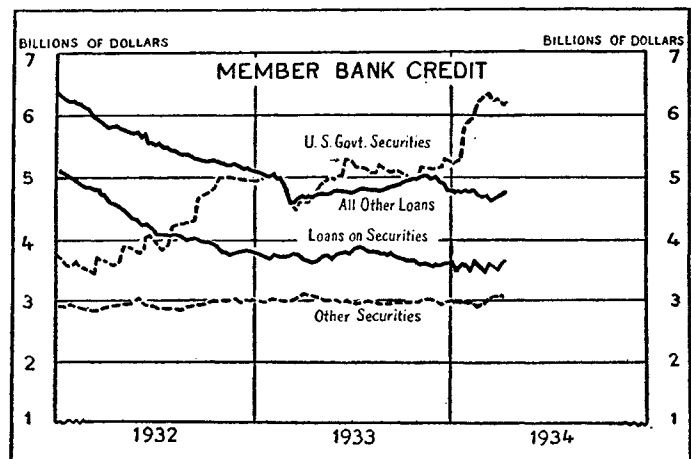
At reporting member banks in leading cities an increase of \$400,000,000 in net demand and time deposits for the four week period ending April 11 reflected chiefly the deposits by the public



Three month moving averages of F. W. Dodge data for 37 Eastern States, adjusted for seasonal variation. Latest figures based on data for January and February and estimate for March.

The value of construction contracts awarded in March, as reported by the F. W. Dodge Corporation, showed a considerable increase from the low level of February, followed in the first half of April, by a decline. For the first quarter as a whole, the value of contracts was somewhat smaller than in the last quarter of 1933; publicly-financed projects continued to make up about three-fourths of the total.

DISTRIBUTION—Volume of freight-car loadings showed a further increase in March, reflecting chiefly seasonal increases in shipments of merchandise and miscellaneous freight and a con-



Wednesday figures for reporting member banks in 90 leading cities. Latest figures are for April 11.

of funds disbursed by the Treasury, as well as a growth in bankers' balances; government deposits were reduced by about \$200,000,000. Holdings by these banks of securities, other than United States Government obligations, increased by \$64,000,000 and their loans both on securities and "all other" also increased slightly with the consequence that total loans and investments showed a growth of \$100,000,000 for the period. Money rates in the open market declined further in April. Rates on prime 4-6 month commercial paper were reduced from a range of 1-1/4 per cent to 1 per cent, and rates on 90-day acceptances were reduced from 3/4 per cent to a range of 1/8-1/4 per cent. Yields on Government securities also declined.