

Monthly Report
Crop and Business Conditions In The Ninth Federal
Reserve District

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Spring operations throughout the entire Ninth District have opened up from 15 to 30 days earlier than in an average year. In the western half of the district spring plowing and cultivating are in very active progress, and a large amount of land that was not plowed last fall is being put in condition for immediate planting. Wheat seeding is in progress generally over all of North and South Dakota and Montana. In Montana it was from 10 to 15 percent completed on April 1st, while very rapid progress has been made in both of the Dakotas. In Minnesota, the wheat planting is much further advanced, and from 25% to 40% of this crop is already in the ground. On account of the peculiarly important position that wheat occupies this year, a special interest surrounds the question of the acreages of the various states of this district. Until planting is completed, accurate estimates will be very difficult to obtain. There are strong indications that with a winter acreage approximately 25 percent greater in Montana, that the increase of spring wheat will be about the same, providing for a largely increased production in that State. This will also apply to the western counties of North Dakota that plant winter wheat. Throughout the remainder of North Dakota, an increase of from 5 to 10 percent in wheat acreage is in prospect with some increase in South Dakota as well. In Minnesota and Wisconsin it is evident that the wheat acreage will be increased fully 10 percent and perhaps more.

A novel and interesting feature of the situation is that many farmers who have grown no wheat for many years are including from 10 to 40 acres of wheat planting and are thus making a substantial contribution to the production of the chief bread grain.

Corn acreages except in Montana will be decreased, but not as heavily as was previously feared. Winter rye shows a considerably increased acreage, and barley will probably show an increase in North and South Dakota and Montana, and some increase in Minnesota. The indications are that planting of oats will be about the same as in an average year, and that the planting of flax will show some decrease.

Reports received by this bank are of such a character as to indicate that there has been a change of sentiment on the wheat question, and that with seeding actually in progress, farmers are more inclined than 30 days ago to accept the certainties that surround a fixed price for the 1918 wheat crop rather than to take chances upon an uncertain market with rye and barley.

Montana's winter wheat acreage planted last fall was larger than usual. The failure of last year's crop prompted numerous farmers to make an effort to offset the loss by a larger crop this year. Reports from winter wheat territory are very favorable. The amount killed by winter weather is unusually small. The fall planted wheat got an excellent start and rooted down in good shape. There is very little danger that sudden cold spells this spring will do any damage. In some localities the acreage of spring wheat will be double. The amount of plowing completed by April 1st, is considerably larger than in an average year and weather conditions have been favorable to spring work.

DEC 5 - 1921 102

-2-

Spring operations have opened up throughout all of the grain growing territory 30 days earlier than usual, which promise to give this year's crops a very unusual advantage and a particularly early start. The oat crop will be increased. Flax will show about the same acreage as a year ago. Moisture conditions are satisfactory at present, but rains will be needed later in order to bring the crop along in good shape after the planting season is over. Acreage estimates at this time are unsatisfactory, owing to the fact that the planting is not yet completed. It is probable that the increase in the spring wheat acreage will be about 20 percent, which with an increase of from 20 to 25 percent in the fall planting of wheat will substantially increase the production of this important crop.

A considerably larger acreage of corn than usual will be put in, and the total acreage of all crops will be substantially increased.

Western North Dakota has a substantial increase in both winter wheat and winter rye. The portion of the state in which fall planting is practicable reports a 25 to 30 percent increase in wheat and from 30 to 40 percent increase in winter rye. In the western portion of North Dakota the spring wheat situation is spotted. Some localities will plant largely increased acreages, while in other localities the acreage will be less. Throughout the central portion of the state, the prospects are for an increased total acreage including an increase in the acreage of wheat. In the eastern and southern portions of the state approximately the same conditions prevail. Throughout the valley counties along the eastern border, the wheat acreage will be larger than last year, and other crops will also show an increase. For the state as a whole, it appears probable that the total acreage of wheat will be somewhat increased, although the percentage may not be large. The barley acreage and the acreage of rye will both be increased, and there will be a large planting of oats. The flax acreage for the state as a whole will be less than a year ago. The corn acreage will be considerably decreased due to difficulties in obtaining seed, but the shortage will not be as great as was in prospect six weeks ago.

South Dakota reports indicate a full average planting of wheat, but no very great increase over an average year. In the south central counties of the state, including Tripp, Gregory, Douglas and Charles Mix counties, the wheat acreage will be substantially increased, with an improved corn acreage. Codington County reports that fully half of the total area planted will go into wheat. Reports from the eastern half of the state indicate an increased amount of corn. In the other crops, the state will plant a full average acreage.

Throughout Minnesota and Wisconsin a new and interesting condition which will substantially improve the production of wheat is disclosed by numerous reports which indicate that in sections where farmers have been practically out of wheat growing for years past, there is a decided movement toward the planting of this crop this year. As one Minnesota bank expresses it, "Our farmers are getting tired of war bread and are putting in from ten to forty acres each of wheat this year". This contribution to the wheat acreage will be a most welcome and valuable addition to the crop. The planting will be done on farms that are under excellent cultivation and in territory where the soil fertility and advanced methods of farming are such as to ensure consider-

DEC 5 - 1921 103

-3-

ably better than the average returns per acre. In the remaining portions of the state where wheat has been a staple crop, there is every indication that the acreage will increase by at least 10 per cent, while corn in most localities will show a decrease of from 10 to 25 per cent in the acreage planted. Both rye and barley promise an improved acreage, while oats, flax and buckwheat will remain about the same.

Reports from all parts of the district indicate that all that could be expected has been done to hold corn up to a normal production. The movement during the past 60 days to ear test all seed corn has gained remarkable headway, and has undoubtedly resulted in substantially increasing the amount of corn that will be planted. The difficulties of obtaining seed have been very great and the price has been extremely high. While the loss of acreage is regrettable, there is still room for congratulation that under the peculiarly adverse conditions that have prevailed that the decrease in acreage is not much greater than now appears to be in prospect.

Banking and business conditions show little change. The demand upon all banks is active as a consequence of the early opening of spring operations, and business, while slow in construction and similar lines, is fair to good in the merchandising lines, and staple commodities are moving much as usual.

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