

MONTHLY REVIEW

OF

AGRICULTURAL AND BUSINESS CONDITIONS

IN THE

NINTH FEDERAL RESERVE DISTRICT

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DISTRICT SUMMARY OF BUSINESS

The volume of business in the district turned upward in December and the first half of January, owing in part to the direct or indirect effects of government funds flowing into the district from the activities of the Civil Works Administration and loans made by the Farm Credit Administration.

The most noteworthy development was a general stimulus to the movement of heavy commodities in the district, represented by miscellaneous freight carloadings of northwestern railroads, which showed much less than the customary seasonal decrease in December from the November totals. As a result, the adjusted index of miscellaneous carloadings, corrected for changes in the season and in the number of business days, rose from 61 in November to 75 in December. This was the sharpest increase which has occurred in any one month during the thirteen-year life of these records, and brought the adjusted index up to the level of July, 1931. Freight traffic officials of northwestern railroads report that the increase in miscellaneous traffic over last year's December volume has been very general, affecting such widely diversified products as paint, shovels, mining machinery, green fruit, potatoes and sugar beets. The index of the movement of l. c. l. freight, corrected for seasonal changes, increased from 60 in November to 63 in December, which was the highest figure since January, 1933. The adjusted index of bank debits increased from 52 in November to 54 in December. The country check clearings index increased from 77 in November to 83 in December. Neither of these latter indexes recovered to the level of midsummer.

Business in the district was in larger volume during December than in the corresponding month last year. Bank debits were 13 per cent larger on a daily average basis, and the increase was very general, for 58 cities out of 93 reporting cities experienced increases. The country check clearings index was 23 per cent higher in December than in the same month last year.

City department stores reported a very definite improvement in trade during December from the level of November, and attributed a considerable portion of the increase to the spending of Civil

Works Administration payroll funds. It will be recalled that department store sales in November were 3 per cent smaller than in November a year ago. In December, sales (of a larger group of stores) were 10 per cent greater than sales in December last year. Inasmuch as December is the most active month in department store sales, this increase takes on added significance. At the close of December, department stores had stocks of merchandise 3 per cent larger than a year ago. Both the increase in sales and the increase in stocks, as compared with last year's figures, should be considered in the light of price changes. An indeterminate portion of the increase in both cases was due to price increases in retail merchandise. Accounts receivable reported by department stores at the close of December were 6 per cent greater than the total one year earlier.

Other increases in December as compared with the same month last year occurred in the freight movement of grains and grain products and forest products, building contracts, marketings of cattle and calves, country lumber sales, securities sales and wholesale trade. Decreases as compared with December, 1932, occurred in the freight movement of coal and in building permits, flour production and shipments, linseed products shipments, copper output, marketings of hogs and sheep and life insurance sales. Business failures reported by Dun and Bradstreet were 41 in December, as compared with 74 in the same month last year.

In the first half of January, it appears that the increases over last year's volume continued and that the level of business, after allowing for seasonal changes, advanced in January over the December level. Bank debits for seventeen cities which make weekly reports were 12 per cent larger during the three weeks ending January 17, 1934, than in the corresponding weeks last year. If this increase is maintained throughout the remainder of the month, the bank debits index for January, 1934, will be slightly higher than the index for December, 1933. Similarly, country check clearings for the first seventeen business days of January were 24 per cent larger than in the corresponding days last year. If this increase is maintained for the remainder of the month, the country check clearings index will also show an increase from December, 1933, to January, 1934.

DISTRICT SUMMARY OF BANKING

The call for condition reports of member banks on December 30 affords an opportunity to make a preliminary survey of changes in the volume of earning assets of member banks in the district during recent months. Between October 25, the date of the preceding call, and December 30, loans and investments of member banks in the district decreased 12 million dollars. Since banks with loans and investments amounting to 4 million dollars were added to the System during this period, it follows that the loans and investments of those banks which were members of the System on October 25 have declined 16 million dollars. Of this decrease, 13 million dollars was in the city banks and 3 million dollars in the country banks of the System.

Dividing earning assets into loans to customers and investments, it is found that loans to customers of banks which were members of the System on October 25, decreased 18 million dollars between that date and December 30, and that investments of this same group of banks increased 2 million dollars.

At the city member banks of this district, loans to customers decreased 13 million dollars during the period from October 25 to December 30. This decrease cancelled the entire seasonal increase which occurred after June 30, but did not reduce the volume of customer loans at these banks to the low level of last spring. Country banks which were members of the Federal Reserve System on October 25, experienced a decrease of 5 million dollars in loans to customers between the last two call dates, thus continuing the decline which has been under way, with only one interruption, since the summer of 1929. The entire increase in investments (2 million dollars) between the last two call dates was reported by country member banks.

Turning now to other data than the call reports, it is found that the daily average of deposits of country member banks during December was nearly 2 million dollars higher than the daily average during November, continuing the increase which has been uninterrupted since the banks reopened after the banking holiday. A portion of this latest increase, as in earlier months, was due to the admission of additional banks to the Federal Reserve System. Since the banking holiday, country member bank deposits in this district have increased 25 million dollars, of which 10 million dollars has been due to the addition of new member banks. Excluding these new member banks from the figures, it is found that deposits of the remaining country member banks have risen 15 million dollars since the banking holiday, but that in December the deposits of those banks were 34 million dollars lower than deposits of the larger group of country member banks in existence a year ago.

Weekly statistics of city member banks in the district have been distorted in recent weeks by the

merger of a large non-member trust company with a reporting national bank. However, it is interesting to note that deposits of city member banks declined slightly during the four weeks preceding the above mentioned merger, but that in spite of this decrease, they were 20 million dollars higher at the close of the year than the total one year earlier. Cash and balances due from banks reported by city member banks increased slightly during the last four weeks of 1933, but at the close of the year were slightly below the level reached one year earlier. Changes in loans and investments of city member banks were adequately reflected in the tabulation from the call reports which was discussed above.

DISTRICT SUMMARY OF AGRICULTURE

Live Stock Marketings

The outstanding feature of the live stock markets during December was the strength shown by sheep and lamb prices. Receipts were smaller than in the corresponding month of 1932, as had been the case during most of the last half of the year. The "top" prices paid for fat lambs and fat ewes were higher each week during December than in the preceding week with the result that the December median was higher than in any other month since last August. During the first three weeks of January sheep and lamb prices have continued to rise as a result of a continued broad demand and an upturn in the market prices for dressed mutton and lamb.

Cattle receipts at South St. Paul were much smaller in December than in the preceding month and were only slightly larger than in December, 1932. Cattle receipts each month since March, 1933, have been considerably larger than in the corresponding month a year earlier. Total cattle receipts at South St. Paul for 1933 were more than 20 per cent greater than receipts in 1932.

Median prices paid at South St. Paul for cattle and calves received during December were mostly higher or unchanged from the November medians and were higher than in December, 1932. During December, the top for the month was \$6.00 per hundredweight, paid on December 13 for some lightweight butcher steers. Well finished lightweight steers were scarce, and the median price for that class was slightly lower than the median price for heavier steers.

Since January 1, receipts of cattle have been higher each week than in the corresponding week of 1933, both at South St. Paul and at the seven principal live stock markets of the United States. With the increased receipts there has been a noticeable decrease in the quality and finish, indicating that, according to government commentators, beef producers have decided to accept Commodity Credit Corporation loans on their corn rather than to feed it. Owing to poorer quality, prices during the first three weeks of January have averaged lower than

in December, but well finished, medium weight steers have been salable at unchanged prices so that the January "top" shows but little change from that of December.

Hog receipts at South St. Paul during December were smaller than in November or in December, 1932. Hog prices continued to decline during each of the first three weeks, but rose sharply in the last week of the month when cold weather and holidays caused a heavy decrease in receipts.

During the first three weeks of January, receipts have been running lighter than in the same three weeks last year as was to be expected from the slightly smaller spring pig crop in 1933 and from the unseasonably early marketing of pigs last August and September in connection with the AAA purchases. Average prices have declined in January chiefly as a result of an increasing percentage of unfinished and lightweight hogs. The weekly government live stock review suggests that hog producers, as well as beef producers, have evidently decided that chances for profit are larger by taking Commodity Credit Corporation loans on corn than by feeding.

Cold Storage Holdings

Cold storage holdings of all reported commodities in the United States were higher on January 1 than the five-year average for that date, with the exception of eggs, lamb and mutton and miscellaneous meats. As has been the case during the entire second half of 1933, the excess over average holdings was especially pronounced in butter and lard. However, the reduction in butter holdings during the month of December was larger than usual.

Usual seasonal decreases occurred in the stocks of cheese and eggs and usual seasonal increases in beef, lamb and mutton and miscellaneous meats. Stocks of lard and poultry increased by more than the seasonal amount.

Stocks of pork which have been running 15-20 per cent greater than the five-year average for several months, increased by less than the seasonal amount during December and on January 1 were only 9 per cent above the average.

Farm Income

Cash income to farmers from marketings of important products during December was estimated to be 2 per cent larger than income from these sources in December last year. The increase was entirely due to the higher prices prevailing for cash grains and potatoes. The decrease in the prices of dairy products during November brought the farmers' income from dairy products during December down to the level of the same month last year, in spite of a larger physical output. Farm income from the marketing of hogs during December was 25 per cent below the income from this source in December last year, in spite of somewhat higher prices. December prices of all important farm products in the Northwest were equal to, or higher than, prices a year ago, with the exception of butter, hens and eggs. The composite index of farm prices in Minnesota computed by the Agricultural Extension Division of the University of Minnesota was 41.9 in December, as compared with 34.2 in December last year. However, the index for December, 1933 was considerably lower than the index one month earlier.

THE YEARS 1929 TO 1933 IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS

BANK DEBITS	1929	1930	1931	1932	1933
94 Cities	\$13,697,233,000	\$11,799,197,000	\$ 9,299,931,000	\$ 6,887,474,000	\$ 7,034,848,000
Minneapolis	6,032,376,000	5,100,905,000	3,894,430,000	2,958,446,000	3,423,602,000
St. Paul	2,260,995,000	2,037,641,000	1,668,625,000	1,330,056,000	1,203,693,000
South St. Paul	433,386,000	366,829,000	275,676,000	156,751,000	139,665,000
Great Lakes Ports	1,345,757,000	1,111,825,000	799,534,000	544,094,000	537,429,000
Beef and Pork, S. E.	436,359,000	391,162,000	333,911,000	252,987,000	225,006,000
Beef and Pork, S. W.	547,541,000	526,826,000	424,017,000	237,576,000	243,440,000
Dairy and Mixed Farming ..	586,582,000	542,665,000	461,538,000	344,741,000	298,499,000
Wheat and Mixed Farming ..	757,781,000	660,678,000	565,133,000	440,926,000	388,724,000
Wheat and Range	428,380,000	357,887,000	292,672,000	202,536,000	184,795,000
Mining and Lumber	868,076,000	702,779,000	584,395,000	419,361,000	389,995,000
Electric Power Consumption (K.W.H.)					
Minn., No. Dak. and So. Dak.	1,733,357,000	1,811,807,000	1,785,319,000	1,634,261,000	1,523,899,000
Montana	1,613,592,000	1,317,792,000	966,097,000	635,093,000	932,952,000
Country Check Clearings					
Total	\$ 1,212,684,000	\$ 1,015,198,000	\$ 799,150,000	\$ 665,320,000	\$ 803,242,000
Minnesota	445,392,000	363,917,000	292,122,000	263,987,000	317,754,000
Montana	225,631,000	173,437,000	137,454,000	98,980,000	112,679,000
North and South Dakota	302,932,000	266,234,000	194,329,000	170,050,000	238,880,000
Michigan and Wisconsin	238,729,000	211,604,000	175,245,000	132,303,000	133,929,000
Freight Carloadings—N. W. District					
Total—Excluding L. C. L.	5,764,501	4,790,793	3,427,832	2,276,749	2,741,143
Grain and Grain Products ..	621,375	578,506	444,812	366,208	444,280
Livestock	403,566	373,782	363,812	255,730	240,087
Coal	367,546	350,499	290,222	264,347	263,000
Coke	91,458	69,990	45,605	32,295	43,749
Forest Products	840,929	604,625	363,525	204,537	280,631
Ore	1,311,442	941,936	466,028	68,224	384,350
Miscellaneous	2,128,185	1,871,449	1,453,828	1,085,408	1,085,046
Merchandise—L. C. L.	1,655,813	1,556,659	1,343,827	1,071,496	964,490

THE YEARS 1929 TO 1933 IN THE NINTH FEDERAL RESERVE DISTRICT (CONTINUED)

	1929	1930	1931	1932	1933
Building Permits					
Number (18 Cities).....	16,941	15,125	15,188	10,063	9,419
Valuation (18 Cities).....\$	47,741,900	\$ 38,098,500	\$ 34,512,600	\$ 13,885,000	\$ 10,391,600
Minneapolis	20,960,000	13,449,300	12,371,900	6,427,000	2,537,400
St. Paul	9,255,200	11,055,400	13,994,700	3,053,800	5,309,200
Duluth-Superior	4,911,000	3,233,700	1,275,900	1,616,900	1,111,600
4 Wheat Belt Cities.....	5,964,900	3,561,800	2,210,700	1,928,400	376,900
6 Mixed Farming Cities.....	5,346,800	5,656,700	4,219,700	1,720,200	728,100
4 Mining Cities.....	1,304,000	1,064,900	439,700	447,300	328,400
Building Contracts Awarded					
Total	\$ 104,120,000	\$ 98,711,600	\$ 93,815,300	\$ 61,516,400	\$ 44,071,400
Residential		15,659,200	15,934,500	7,112,000	5,565,200
Commercial and Industrial..		24,147,600	8,723,300	4,479,900	6,541,300
Public Works and Utilities...		41,754,800	49,235,300	39,946,300	25,001,800
Educational		8,935,200	7,114,300	2,455,400	1,880,200
All Other		8,214,800	12,807,900	7,522,800	5,082,900
Real Estate Activity in Hennepin and Ramsey Counties					
Warranty Deeds Recorded...	17,379	15,169	14,179	11,147	8,110
Mortgages Recorded	18,252	16,028	15,490	11,787	8,963
Manufacturing and Mining					
Flour Prod. at Mpls. (bbls.)..	10,429,146	10,876,778	9,123,970	8,262,834	7,253,242
Flour Ship. at Mpls. (bbls.)..	11,421,249	11,407,056	9,701,671	7,685,170	7,594,616
Linseed Prod. Ship. (lbs.)...	381,341,683	274,075,113	255,642,803	157,000,958	155,635,844
Cop. Output (3 firms) (lbs.)	455,930,200	337,494,000	271,053,500	143,800,700	140,115,000
Business Failures	621	705	867	928	725

AGRICULTURE

Farmers' Cash Income

Bread Wheat	\$ 155,317,000	\$ 104,901,000	\$ 53,010,000	\$ 43,551,000	\$ 75,065,000
Durum Wheat	61,095,000	42,153,000	21,723,000	9,086,000	12,682,000
Rye	13,062,000	7,868,000	1,645,000	2,056,000	4,969,000
Flax	40,045,000	30,038,000	16,802,000	10,651,000	10,072,000
Dairy Products	250,741,000	197,259,000	147,551,000	108,016,000	116,093,000
Hogs			119,704,000	70,160,000	67,027,000
Wool	14,271,000	11,108,000	7,801,000	4,735,000	10,862,000
Potatoes	26,844,000	22,918,000	11,048,000	8,458,000	11,465,000
Butter Production (Lbs.)...	512,264,000	501,392,000	514,120,000	504,641,000	527,000,000*

Grain Marketings at Minneapolis and Duluth-Superior (Bus.)

Bread Wheat	115,436,000	111,554,000	71,217,000	75,330,000	93,912,000
Durum Wheat	50,547,000	50,974,000	29,738,000	15,945,000	15,161,000
Rye	13,425,000	13,452,000	4,094,000	5,696,000	8,483,000
Flax	12,863,000	15,563,000	11,689,000	9,635,000	5,863,000

Livestock Receipts at South St. Paul (Head)

Cattle	878,509	779,143	811,361	689,930	835,173
Calves	546,459	559,423	603,231	544,125	515,370
Hogs	2,868,883	2,759,166	3,251,214	2,599,915	2,742,455
Sheep	1,139,073	1,353,995	1,690,080	1,522,383	1,551,906

Prices in December

Median Cash Grain Prices at Mpls.

Wheat—No. 1 D. N. S. (bu.)	\$1.30 ³ / ₄	\$0.76 ³ / ₄	\$0.73 ³ / ₈	\$0.49	\$0.83 ³ / ₈
Durum—No. 2 Amber (bu.)	1.21**	.74	.84 ³ / ₈	.50 ¹ / ₈	1.00 ³ / ₈
Corn—No. 3 Yellow (bu.)..	.83 ¹ / ₄	.65 ¹ / ₂	.43 ³ / ₄	.21 ¹ / ₂	.43 ³ / ₈
Oats—No. 3 White (bu.)...	.42 ³ / ₄	.29 ¹ / ₂	.26 ³ / ₄	.14 ¹ / ₂	.33
Barley—No. 3 (bu.).....	.58	.42	.50 ³ / ₈	.27	.66
Rye—No. 2 (bu.).....	.97 ¹ / ₂	.43 ¹ / ₄	.45	.30 ¹ / ₂	.58 ⁷ / ₈
Flax—No. 1 (bu.).....	3.20 ¹ / ₂	1.61	1.43	1.07 ¹ / ₂	1.77

Median Livestock Prices at South St. Paul

Butcher Cows (Cwt.).....	\$7.50	\$5.50	\$3.50	\$2.50	\$2.75
Butcher Steers (Cwt.).....	10.50	8.35	4.75	4.00	4.50†
Prime Butcher Steers (Cwt.)	12.85	10.25	6.50	5.50	5.55†
Stocker & Feeder Steers (Cwt)	9.00	6.50	3.50	3.00	3.25††
Veal Calves (Cwt.).....	12.00	8.00	4.00	3.50	4.00
Hogs (Cwt.)	9.15	7.75	3.90	2.80	3.00
Heavy Hogs (Cwt.).....	8.25	7.00	3.35	2.50	2.75
Lambs (Cwt.)	12.50	7.75	4.75	5.75	6.75
Ewes (Cwt.)	3.75	3.00	2.00	1.50	3.00
Wool (lb.) (Farm Price)...	.29	.18 ¹ / ₂	.12 ¹ / ₂	.09	.25

NINTH FEDERAL RESERVE DISTRICT

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THE YEARS 1929 TO 1933 IN THE NINTH FEDERAL RESERVE DISTRICT (CONTINUED)

Wholesale Produce Prices at Mpls.	1929	1930	1931	1932	1933
Butter (Lb.)	\$0.37 $\frac{1}{2}$	\$0.27	\$0.27	\$0.21	\$0.17
Milk (Cwt.)	2.30	1.75	1.46	1.16	1.24
Hens (lb.) .....	.17 $\frac{1}{2}$	.16 $\frac{1}{2}$	.14 $\frac{1}{2}$	.09 $\frac{1}{2}$	.07 $\frac{1}{2}$
Eggs (doz.) .....	.39 $\frac{1}{2}$	.26 $\frac{1}{2}$	.22 $\frac{3}{4}$	.24	.16 $\frac{1}{4}$
Potatoes (bu.)	1.28	.77	.49	.27	.58

TRADE

Retail Sales					
Lumber (449 yds.) (bd. ft.)	129,205,000	107,294,000	78,802,000	52,319,000	53,894,000
Dept. Store Sales (19 firms) .. \$	41,107,950	38,789,650	35,285,330	28,009,620	26,546,970
Furniture Store Sales (5 firms) ..			1,244,350	945,790	891,750
Securities sold (9 firms)	174,610,300	156,343,000	141,441,900	96,977,800	108,611,700
Life Insurance Sales	305,407,000	296,664,000	237,236,000	186,206,000	153,843,000
Wholesale Sales					
Shoes (5 firms)	\$ 5,732,490	\$ 4,108,940	\$ 2,817,870	\$ 2,288,020	\$ 2,904,100
Hardware (12 firms)	25,618,970	21,324,000	15,799,820	11,330,160	12,600,930
Groceries (35 firms)	49,015,500	47,233,780	41,484,880	33,813,520	34,673,180

BANKING

City Bank Condition ('1) Dec. 31					
Loans	\$ 239,000,000	\$ 226,000,000	\$ 222,000,000	\$ 176,000,000	\$ 177,000,000 ²
Investments	178,000,000	166,000,000	155,000,000	139,000,000	158,000,000 ²
Deposits	454,000,000	466,000,000	431,000,000	384,000,000	378,000,000 ²
Borrowings	8,100,000	83,000	164,000	15,000	75,000 ²

Country Bank Condition, Dec. 31					
Loans	\$ 696,000,000	\$ 611,000,000	\$ 478,000,000	\$ 384,000,000	\$ 288,000,000 ²
Investments	392,000,000	391,000,000	365,000,000	313,000,000	285,000,000 ²
Deposits	1,180,000,000	1,082,000,000	879,000,000	704,000,000	616,000,000 ²
Borrowings	9,700,000	10,600,000	14,098,000	30,464,000	8,770,000 ²

Member Bank Deposits					
In Cities over 15,000 pop... \$	461,412,000	\$ 477,458,000	\$ 432,983,000	\$ 376,751,000	\$ 388,269,000
In Cities under 15,000 pop... \$	445,482,000	400,630,000	343,663,000	280,588,000	256,351,000
Michigan—15 Cos.	58,802,000	64,368,000	60,198,000	50,038,000	39,812,000
Minnesota	168,251,000	155,390,000	134,763,000	112,270,000	106,328,000
Montana	65,536,000	59,168,000	50,158,000	39,239,000	39,591,000
North Dakota	61,566,000	43,113,000	33,626,000	27,468,000	24,644,000
South Dakota	61,909,000	51,062,000	41,075,000	31,927,000	32,214,000
Wisconsin—26 Cos.	29,418,000	27,529,000	23,843,000	19,646,000	13,762,000

Interest Rates	Jan. '30	Jan. '31	Jan. '32	Jan. '33	Jan. '34
Minneapolis Banks	5 $\frac{3}{4}$ -6	4 $\frac{3}{4}$ -5	4 $\frac{3}{4}$ -5	4 $\frac{1}{2}$ -4 $\frac{3}{4}$	4 $\frac{1}{4}$ -4 $\frac{1}{2}$
Commercial Paper (net to borrower) ..	5 $\frac{1}{2}$	3 $\frac{1}{2}$	4 $\frac{1}{2}$	3 $\frac{1}{2}$	1 $\frac{3}{4}$
Minneapolis Fed. Res. Bank ..	5	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$

Selected City Member Banks	Jan. 15, 1930	Jan. 14, 1931	Jan. 13, 1932	Jan. 18, 1933	Jan. 17, 1934
Loans to customers	\$ 240,653,000	\$ 213,324,000	\$ 215,321,000	\$ 166,466,000	\$ 169,041,000
Other Invested Funds	130,573,000	147,465,000	137,504,000	118,637,000	158,373,000
Deposits due to Banks	76,774,000	83,237,000	62,210,000	59,821,000	81,454,000
Public Demand Deposits	18,900,000	23,039,000	20,784,000	18,297,000	21,456,000
Other Demand Deposits	179,904,000	178,561,000	145,362,000	126,853,000	158,058,000
Time Deposits	132,161,000	147,837,000	156,042,000	138,566,000	126,637,000
Total Deposits	407,739,000	433,175,000	385,350,000	344,323,000	388,766,000
Borrowings at Fed. Res. Bank ..	2,200,000	0	3,741,000	130,000	34,000

Minneapolis Federal Reserve Bank					
Loans to Member Banks	\$ 4,238,000	\$ 4,188,000	\$ 9,952,000	\$ 10,266,000	\$ 1,736,000
Twin Cities	2,230,000	0	3,666,000	0	20,000
Minn., Wis., and Mich.	805,000	1,287,000	2,692,000	3,877,000	674,000
No. Dak. and Mont.	684,000	1,206,000	1,678,000	2,692,000	301,000
So. Dak.	519,000	1,695,000	1,916,000	3,697,000	741,000
Fed. Res. Notes in Circulation ..	64,885,000	50,844,000	68,018,000	80,982,000	92,794,000
Fed. Res. Bank Notes in Cir.					7,945,000

*Estimated for December.

**Duluth

† 1,100 lbs. down.

†† 800 lbs. down.

(1) National Banks in Minneapolis and St. Paul and Savings Banks and Trust Companies in Minnesota.

(2) October 25, 1933 for National Banks; Autumn call dates for State Banks.

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS			Per Cent Dec. '33 of Dec. '32	AGRICULTURE			Per Cent Dec. '33 of Dec. '32
Debits to Individual Accounts ¹	Dec. '33	Dec. '32	Dec. '32	Farmers' Cash Income	Dec. '33	Dec. '32	Dec. '32
All Reporting Cities.....	\$ 24,137,900	\$ 21,397,800	113	Total of 7 Items.....	\$ 18,717,000	\$ 18,326,000	102
Minneapolis	10,963,000	9,139,000	120	Bread Wheat	4,625,000	2,817,000	164
St. Paul	4,570,000	4,177,000	109	Durum Wheat	718,000	414,000	173
South St. Paul.....	396,000	456,000	87	Rye	85,000	93,000	91
Great Lakes Ports.....	1,873,600	1,590,700	118	Flax	276,000	434,000	64
Beef and Pork, S.E.....	827,500	782,600	106	Potatoes	383,000	185,000	207
Beef and Pork, S.W.....	820,100	840,800	98	Dairy Products	7,365,000	7,358,000	100
Dairy and Mixed Farming.....	1,097,300	1,064,500	103	Hogs	5,265,000	7,025,000	75
Wheat and Mixed Farming.....	1,369,500	1,311,400	104	Butter Production (Lbs.).....	29,654,000	31,370,000	95
Wheat and Range.....	721,100	690,100	104	Grain Marketings at Minneapolis and Duluth-Superior (Bus.).....			
Mining and Lumber.....	1,499,800	1,345,700	111	Bread Wheat	4,963,000	5,152,000	96
Electric Power Consumption (K.W.H.) ^{1,2}				Durum Wheat	714,000	825,000	87
Minn., No. Dak and So. Dak.....	4,527,700	4,578,200	99	Rye	144,000	304,000	47
Montana	2,997,700	1,558,800	192	Flax	152,000	404,000	38
Country Check Clearings ¹				Grain Stocks at END of Month at Min- neapolis and Duluth-Superior (Bus.).....			
Total	\$ 3,021,700	\$ 2,461,000	123	Wheat	37,832,132	39,249,954	96
Minnesota	1,160,500	983,000	118	Corn	9,017,962	1,057,086	853
Montana	446,400	360,400	124	Oats	27,869,546	12,609,851	221
North and South Dakota.....	899,800	712,000	126	Barley	10,389,923	5,722,527	182
Michigan and Wisconsin	515,000	405,600	127	Rye	5,978,643	5,068,842	118
Freight Carloadings—N. W. District				Flax	1,038,632	1,210,673	86
Total—Excluding L. C. L.	184,929	168,562	110	Livestock Receipts at So. St. Paul (Head)			
Grains and Grain Products.....	28,772	26,245	110	Cattle	44,575	42,309	105
Livestock	17,369	23,322	74	Calves	43,115	38,849	111
Coal	31,810	33,414	95	Hogs	219,557	291,185	75
Coke	3,601	3,359	107	Sheep	93,787	130,920	72
Forest Products	19,258	14,023	137	Median Cash Grain Prices (Bus.)			
Ore	601	210	299	Wheat—No. 1 Dark Northern.....	\$0.83½	\$0.49	171
Miscellaneous	83,518	67,989	123	Durum—No. 2 Amber	1.00½	.50½	201
Merchandise—L.C.L.	75,921	80,328	95	Corn—No. 3 Yellow.....	.43½	.21½	202
Building Permits				Oats—No. 3 White .....	.33	.14½	228
Number—18 Cities	291	235	124	Barley—No. 3 .....	.66	.27	244
Value—18 Cities	\$ 274,900	\$ 2,413,400	11	Rye—No. 2 .....	.58½	.30½	193
Minneapolis	58,200	2,308,000	3	Flax—No. 1	1.77	1.07½	165
St. Paul	148,300	33,300	445	Median Livestock Prices (Cwt.)			
Duluth-Superior	19,400	10,300	188	Butcher Cows and Heifers.....	\$2.75	\$2.50	110
4 Wheat Belt Cities	15,900	9,700	164	Heavy Butcher Steers.....	4.50	3.75	120
6 Mixed Farming Cities	31,100	50,300	62	Light Butcher Steers.....	4.35	4.00	109
4 Mining Cities	2,000	1,800	111	Prime Heavy Butcher Steers.....	5.60	5.50	102
Building Contracts Awarded				Prime Light Butcher Steers.....	5.50	5.50	100
Total	\$ 5,391,000	\$ 2,028,900	266	Heavy Stocker & Feeder Steers.....	3.00	3.00	100
Commercial	316,000	81,300	389	Light Stocker & Feeder Steers.....	3.25	3.00	108
Factories	50,000	60,900	82	Veal Calves	4.00	3.50	114
Educational	852,000	0		Hogs	3.00	2.80	107
Hospitals, etc.	35,000	12,300	285	Heavy Hogs	2.75	2.50	110
Public	329,000	5,000	6,580	Lambs	6.75	5.75	117
Religious and Memorial.....	2,000	7,000	29	Ewes	3.00	1.50	200
Social and Recreational	230,000	10,000	2,300	Wholesale Produce Prices			
Residential	551,000	195,600	282	Butter (Lb.)	\$0.17	\$0.21¼	80
Public Works	2,639,000	1,590,000	166	Milk (Cwt.)	1.24	1.16	107
Public Utilities	387,000	66,000	586	Hens (Lb.) .....	.07½	.09½	79
Real Estate Activity in Hennepin and Ramsey Counties				Eggs (Doz.) .....	.16¼	.24	68
Warranty Deeds Recorded.....	1,954	2,419	81	Potatoes (Bu.) .....	.58	.27	215
Mortgages Recorded	993	964	103	TRADE			
Manufacturing and Mining				Department Stores ³			
Flour Production at Mpls., St. Paul and Duluth-Superior (Bbls.).....	589,230	693,379	85	Sales	\$ 5,848,310	\$ 5,370,080	110
Flour Shipments at Mpls. (Bbls.).....	525,899	624,057	84	Merchandise Stocks	7,927,180	7,679,520	103
Linseed Product Shipments (Lbs.)...	9,225,447	11,086,452	83	Receivables	5,520,440	5,207,530	106
Copper Output (3 Firms) (Lbs.).....	11,319,300	11,537,400	98	Instalment Receivables	1,092,940	1,051,120	104
Business Failures				Furniture Stores ³			
Number	41	74	55	Total Sales	\$ 95,650	\$ 72,290	132
Liabilities	\$ 686,980	\$ 945,199	73	Instalment Sales	68,100	50,380	135
				Merchandise Stocks	464,930	435,040	107
				Instalment Receivables	753,540	698,060	108
				Country Lumber Yards ³			
				Sales (Bd. Ft.)	2,266,000	1,805,000	126
				Lumber Stocks (Bd. Ft.).....	56,513,000	51,123,000	111
				Total Sales	\$ 384,200	\$ 426,100	90
				Receivables	1,617,700	1,751,200	92
				Life Insurance Sales			
				Four States	\$ 14,673,000	\$ 15,994,000	92
				Minnesota	10,684,000	11,995,000	89
				Montana	1,333,000	1,140,000	117
				North Dakota	1,334,000	1,425,000	94
				South Dakota	1,322,000	1,434,000	92

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT
(Continued)

	Dec. '33	Dec. '32	Dec. '32	Per Cent of Dec. '33		Dec. '33	Dec. '32	Dec. '32	Per Cent of Dec. '33
Investment Dealers					Interest Rates²				
Sales to Banks.....	\$ 1,397,000	\$ 1,691,400	83		Minneapolis Banks	4 1/4-4 1/2	4 1/2-4 3/4		
Sales to Insurance Companies.....	1,191,100	376,400	316		Commercial Paper (net to borrower)	1 3/4	1 3/4		
Sales to General Public.....	3,844,000	3,145,100	122		Minneapolis Fed. Res. Bank.....	3 1/2	3 1/2		
Wholesale Trade					Selected City Member Banks	1-17-34	1-18-33		
Groceries³					Loans to Customers.....	\$169,041,000	\$166,466,000	102	
Sales	\$ 2,793,260	\$ 2,324,360	120		Other Invested Funds.....	158,373,000	118,637,000	133	
Stocks	5,496,520	4,582,110	120		Cash and Due from Banks.....	114,726,000	106,114,000	108	
Receivables	3,589,100	3,628,310	99		Deposits Due to Banks.....	81,454,000	59,821,000	136	
Hardware³					Public Demand Deposits.....	21,456,000	18,297,000	117	
Sales	\$ 1,215,490	\$ 674,260	180		Other Demand Deposits.....	158,058,000	126,853,000	125	
Stocks	2,268,440	2,196,530	103		Time Deposits	126,637,000	138,566,000	91	
Receivables	1,200,970	1,152,950	104		Total Deposits	388,766,000	344,323,000	113	
Shoes					Borrowings at Fed. Res. Bank.....	34,000	130,000	26	
Sales	\$ 114,410	\$ 102,310	112		Minneapolis Federal Reserve Bank				
Stocks	589,000	505,200	117		Loans to Member Banks.....	\$ 1,736,000	\$ 10,266,000	17	
Receivables	571,970	459,280	125		Twin Cities	20,000	0		
BANKING					Minn., Wis. and Mich.....	674,000	3,877,000	17	
Member Bank Deposits					N. Dak. and Mont.....	301,000	2,692,000	11	
In Cities Over 15,000 pop.....	\$388,269,000	\$376,751,000	103		South Dakota	741,000	3,697,000	20	
In Cities Under 15,000 pop.....	256,351,000	280,588,000	91		Fed. Res. Notes in Circulation.....	92,793,000	80,982,000	115	
Michigan—15 Cos.	39,812,000	50,038,000	80		Fed. Res. Bank Notes in Circulation	7,945,000	0		
Minnesota	106,328,000	112,270,000	95		Member Bank Reserve Deposits.....	59,396,000	38,665,000	154	
Montana	39,591,000	39,239,000	101						
North Dakota	24,644,000	27,468,000	90						
South Dakota	32,214,000	31,927,000	101						
Wisconsin—26 Cos.	13,762,000	19,646,000	70						

¹Daily Averages.²Latest Reported Data.³Figures for the various items in this section not always from identical firms.

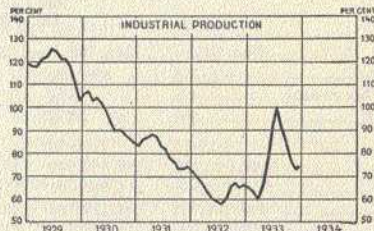
BANK DEBITS

Number of Business Days:	Dec. 1933	Nov. 1933	Dec. 1932	Nov. 1932					
Michigan and Wisconsin.....	25	25	26	24	Montana				
All other States in District	25	24	26	23	Anaconda	1,101	1,038	980	838
(000's omitted)					Billings	5,796	5,998	5,405	5,291
Michigan					Bozeman	1,511	1,340	1,612	1,479
Escanaba (1 Bank).....	\$ 432	\$ 385	\$ 411	\$ 344	Butte (2 Banks).....	7,155	6,430	6,364	5,532
Hancock	1,314	1,020	1,176	970	Deer Lodge	459	367	633	447
Houghton	1,336	1,422	1,305	973	Glendive	700	588	771	569
Iron Mountain	1,213	1,163	1,155	1,222	Great Falls	7,531	7,289	7,437	7,144
Iron River, Caspian, Stambaugh	650	586	383	429	Harlowton	211	243	245	198
Manistique (1 Bank).....	116	121	64	63	Havre	1,053	1,041	1,096	949
Marquette	2,601	2,310	2,482	2,345	Helena	7,367	5,582	7,473	6,396
Menominee	2,474	1,991	2,091	1,703	Kalispell	1,378	1,090	1,628	1,265
Sault Ste. Marie.....	1,933	1,791	1,818	1,801	Lewistown	1,318	1,063	1,363	1,169
Minnesota					Malta	496	420	502	530
Albert Lea	2,196	1,926	2,148	1,852	Miles City (1 Bank).....	1,023	1,000	1,048	1,113
Austin	3,173	3,038	2,626	2,824	North Dakota				
Bemidji	689*	707*	763	763	Bismarck	8,788	7,457	8,396	8,461
Chaska	592	675	567	632	Devils Lake	906	954	851	861
Chisholm	741	625	937	949	Dickinson	977	900	816	892
Cloquet	1,560	1,688	1,049	912	Fargo	11,819	11,321	11,450	11,869
Crookston	946	1,034	874	1,048	Grafton	476	575	359	330
Detroit Lakes	934	946	909	862	Grand Forks	3,359	3,761	3,598	4,794
Duluth	38,209	34,862	31,399	37,757	Jamestown	1,422	1,516	1,243	1,408
Ely	361	424	296	407	Mandan	604	725	749	750
Faribault (1 Bank)	1,085	1,474	1,088	1,200	Minot	3,259	3,341	3,517	3,979
Farmington	162	151	175	142	Valley City	722	919	799	752
Fergus Falls	1,716	1,583	1,842	1,700	Wahpeton	649	781	584	682
Glenwood	261	236	341	234	Williston	634	694	685	757
Hutchinson (1 Bank).....	452	454	446	507	South Dakota				
Lakefield	227	344	190	216	Aberdeen	3,026	2,750	3,442	3,852
Lanesboro	253	485	217	228	Brookings (1 Bank).....	494	605	525	559
Little Falls	733	1,049	773	802	Deadwood	676	816	668	789
Luverne	549	622	433	390	Huron	2,199	2,387	3,006	2,829
Mankato	4,170	4,215	3,827	4,164	Lead	1,581	1,533	1,422	1,564
Minneapolis	274,084*	290,157*	237,624	236,175	Madison	635	542	595	521
Moorhead	1,158	1,358	976	960	Milbank	294	325	312	351
Morris	297*	279*	354	329	Mitchell	1,779	1,814	2,057	1,814
Owatonna	1,846	1,675	1,863	1,568	Mobridge	461	463	443	529
Park Rapids	175	191	231	235	Pierre	1,540	978	1,141	1,015
Red Wing	1,397	1,500	1,362	1,562	Rapid City	1,707	1,884	1,877	1,775
Rochester	3,576	3,475	3,474	3,655	Sioux Falls	11,062	10,468	11,319	9,888
St. Cloud	2,417	2,374	2,473	2,536	Watertown	1,649	1,844	1,807	1,807
St. Paul	114,261*	100,533*	108,605	118,353	Yankton	1,188	1,142	1,087	1,214
South St. Paul.....	9,912	12,387	11,850	10,957	Wisconsin				
Stillwater	1,682	1,318	1,655	1,317	Chippewa Falls	1,561	1,350	1,462	1,203
Thief River Falls.....	1,052*	997*	1,098	1,005	Eau Claire	4,361	3,959	3,694	3,610
Two Harbors	411	295	366	274	Hudson	312*	198*	381	336
Virginia	1,606	1,491	1,431	1,423	La Crosse	6,704	5,804	6,302	7,513
Wabasha	691	712	577	499	Merrill	999	.....	.....	.....
Wheaton	287	308	312	289	Superior	3,265	2,648	3,735	4,295
Willmar (1 Bank).....	486	601	713	744					
Winona	5,339	5,120	6,271	5,195					
Worthington (1 Bank).....	419	481	390	383					

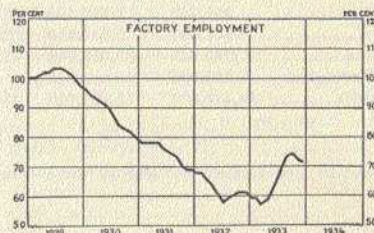
*Figures for a smaller number of banks.

Summary of National Business Conditions

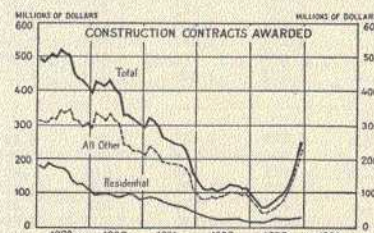
(Compiled January 24 by Federal Reserve Board)



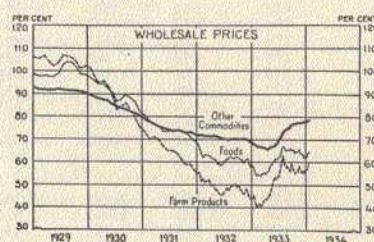
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average=100.)



Federal Reserve Board's index of factory employment with adjustment for seasonal variation. (1923-1925 average=100.)



Three month moving averages of F. W. Dodge data for 37 Eastern states, adjusted for seasonal variation. Latest figure based on data for November, 1933, December, 1933 and estimates for January, 1934.



Indexes of the United States Bureau of Labor Statistics. By months 1929 to 1931; by weeks 1932 to date. (1926=100.)

Industrial activity, as measured by the Federal Reserve Board's seasonally adjusted index, showed an increase in December, following upon four months of decline. Factory employment declined somewhat, while employment by public agencies showed a considerable increase.

PRODUCTION AND EMPLOYMENT: The Board's index of industrial production, which is adjusted to allow for seasonal variation, advanced from 73 per cent of the 1923-1925 average in November to 74 per cent in December. For the fourth quarter of 1933 as a whole, the volume of industrial output was 13 per cent larger than for the corresponding period of 1932. Activity in the steel industry, contrary to seasonal tendency, increased considerably in December, and there was also an increase in the output of automobiles. Shoe production declined by an amount smaller than is usual in December. At textile mills, activity declined further by considerably more than the usual seasonal amount, to about the low level of last spring.

The number of employees at factories declined between the middle of November and the middle of December by somewhat more than the usual seasonal amount, reflecting chiefly reductions in working forces at cotton, woolen and silk mills and at clothing factories. At automobile factories, there was a substantial increase in employment.

The value of construction contracts awarded, as reported by the F. W. Dodge Corporation, increased further in December and the first half of January. There was a large increase in contracts awarded for public works. Private construction also increased. In the fourth quarter of 1933 as a whole, construction contracts in thirty-seven states totaled \$500,000,000, as compared with \$300,000,000 in the last quarter of 1932.

DISTRIBUTION: Freight carloadings, particularly of miscellaneous freight, declined in December as compared with November by less than the usual seasonal amount. Dollar value of sales by department stores showed an increase slightly larger than is usual for December.

DOLLAR EXCHANGE: The foreign exchange value of the dollar which had fluctuated around 64 per cent of parity from the end of November to January 13, declined to 62 per cent on January 17, and subsequently advanced to a range from 62 to 63 per cent.

PRICES: Wholesale commodity prices, which had shown a slight decline between the middle of November and the third week of December, advanced in the following month, reflecting chiefly increases in the prices of farm products and foods. Cotton and grains showed marked increases and live stock prices also advanced somewhat.

BANK CREDIT: At the Reserve Banks the seasonal return of currency from circulation after the holiday demand amounted to about \$250,000,000 from the high point on December 22 to January 17. A large part of the funds arising from this inflow of currency to the Reserve Banks was added to the reserve balances of member banks, with the consequence that these balances increased by January 17 to \$900,000,000 in excess of legal requirements.

The return flow of currency from circulation and the reduction of balances held by commercial banks for the United States Government were reflected in an increase of demand deposits at reporting member banks. Loans of the banks declined between December 13 and January 17, while holdings of United States Government and other securities increased.

Short-term money rates in the open market, which had shown a slight advance in December, declined in January to the previous level.