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MONTHLY REPORT
CROP AND BUSINESS CONDITIONS IN THE
NINTH FEDERAL RESERVE DISTRICT.

November

John H. Rich

Federal Reserve Agent.

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The outstanding feature of the month's developments is the growing promise of an acute situation in the spring in regard to seed corn. Generally over the district, the recent crop is soft and comparatively little of it will germinate. Experts who have given the situation close study during the month report that the quantity of good seed that is available is alarmingly small. In view of the fact that in the greater part of the district corn from Iowa, Nebraska, and Illinois is not the most desirable for use as seed, farmers will be compelled to depend largely upon what they can obtain within their own states. Montana, where the corn crop is small, will probably be able to get along without shipping in seed. The available supply of good seed in North Dakota is very small, and in South Dakota, Minnesota, and Wisconsin, much the same situation prevails. The larger seed concerns, which ordinarily accumulate considerable supplies, have little or nothing on hand and are having the greatest difficulty in obtaining sound corn that will germinate. It is improbable that they will be able to accumulate supplies that will relieve the situation in the spring to any great extent. The consensus of expert opinion is that the one solution of the problem is for farmers generally over the entire Ninth Federal District to at once sort over the corn they have on hand, and throw out the good ears, drying them and testing them as soon as possible to make sure that the ears thus selected will germinate. The germinating quality of a considerable amount of corn has been spoiled by mold, and weather conditions since the harvest of the corn crop, have been such as to ruin the seeding value of much corn that would otherwise have been available for spring planting. In many districts farmers are alive to the danger of a very serious shortage of seed but without immediate action to gather and safely store seed corn that will germinate, it is probable that next year's acreage will be very considerably reduced. The danger of such a result, at a time when a large production of this important crop is so urgently needed, is sufficient to justify the immediate attention of bankers and business men to this question and such action in each locality as will make sure that no corn fit for use as seed is permitted to be used as feed or otherwise made unavailable.

The final figures on the Second Liberty Loan, compiled during the month, are such as to cause great satisfaction. The Ninth Federal Reserve District subscribed a total of \$140,932,650, or approximately \$32.00 per individual or \$160 per family, on the basis of population. A fraction better than 14% of all the people in the Ninth Federal Reserve District were bond buyers as compared with an average of 9.4% for the United States as a whole. Liberty Bonds have found their way into 70% of all the families in the district, and an especially satisfactory feature of the result is the fact that 620,311 people purchased bonds in denominations of \$10,000 or less. The exceptionally wide distribution of the small denomination bonds indicates that every class of the population participated, and that the sales among the farmers and in the purely agricultural sections were very satisfactory.

It is probable that in point of the general distribution of bonds to the people, and percentage of bond sales on the basis of population, the Ninth Federal Reserve District has done as well, if not better, than any other district in the United States.

Normal business conditions have prevailed during the month. Wholesale and retail trade have been satisfactory and collections good. Bank clearings in practically all cases are about the same as a month ago.

Industrial concerns are operating with large forces of men, and labor has been in good demand at good wages. Labor conditions have been satisfactory except in St. Paul and Minneapolis, where difficulties between the street railway company and its employees resulted in some disorder.

The demand at both city and country banks has been active and rates have been very firm, with some slight advances. The discount rates of the Federal Reserve Bank have undergone fractional advances in order to bring them into line with banking conditions throughout the district.

An unsatisfactory feature of the month's development has been the heavy movement of stock out of Montana due to a shortage of feed and an apprehension on the part of stock men that they would not be able to carry stock through in case of another winter as severe as the last. This movement has made heavy demands on the railroads, with the result that stock cars have been hard to obtain and shipments interfered with in both North and South Dakota and Minnesota. A reduced movement from Montana promises to relieve the car situation so far as it concerns other shippers. The shortage of box cars is severely felt at practically all country points, especially in the western half of the district, where cars are urgently needed to move grain. Country elevators are well filled, but are having difficulty in making shipments. The movement to encourage capacity loading has had some effect, but is not yet general enough to provide much relief.

Exceptionally favorable weather throughout all of November has permitted farmers to complete a large amount of fall work. Recent freezing weather has put an end to plowing throughout most of the district, but Montana farmers are still in their fields and have put in a large acreage of winter wheat, which is very promising. In that state the loss of winter wheat which winter killed last year has had the result of inducing most farmers to save out a sufficient supply of good seed for spring planting on any acreage that shows injury. This will prove to be good insurance of a large acreage in that state on the next crop.

An interesting development during the month was the Government's issue of the first of the new war savings and thrift stamps. The former are in denominations of \$5.00, selling at this time at \$4.12, and redeemable at the end of the five year period for their full face value. The latter are of a face value of 25 cents, and interest does not accrue on them except as they are accumulated and exchanged for \$5.00 war savings stamps. The Government has provided certificates upon which both classes of stamps may be pasted as bought and has made provision for numerous selling agencies through which all classes of the people will be able to obtain both war savings and thrift stamps. The interest displayed and the evident disposition of many people to utilize government stamps for savings, gives prospect of complete success for the most novel and interesting form of financing the United States Government has ever adopted.

Both classes of stamps will be available to the people through the postoffices, and banks throughout the entire district, and as soon as necessary arrangements can be made, they will be on sale at numerous additional agencies.