

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 during November showed no significant change from the low levels of September and October. The seasonally adjusted indexes for miscellaneous freight carloadings and l.c.l. loadings were exactly the same in November as in October, and only one point lower than in September. The seasonally adjusted indexes of bank debits and country check clearings were one point lower in November than in October. The following table gives the corrected indexes for these four series in the last three complete months:

Northwest Business Indexes

(Seasonally Corrected)

	September 1931	October 1931	No- vember 1931
Bank Debits	61	61	60
Country Check Clearings	72	64	63
Miscellaneous			
Carloadings	68	67	67
L. C. L. Carloadings . . .	79	78	78

Bank debits were 31 per cent smaller in November than in the corresponding month last year, using daily averages for each period. The reductions were largest in the principal cities and smallest in the mining and lumber towns. The country check clearings index was 26 per cent lower in November than in the same month a year ago. In this index, the Dakotas reported the largest reduction.

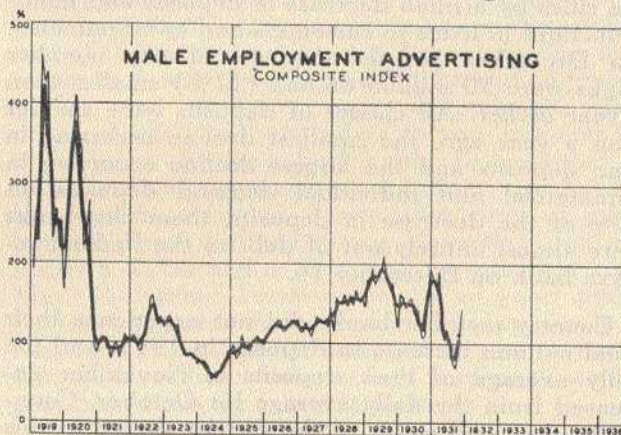


Bank Debits Index for Reporting Cities in the Ninth Federal Reserve District, adjusted for seasonal variations.

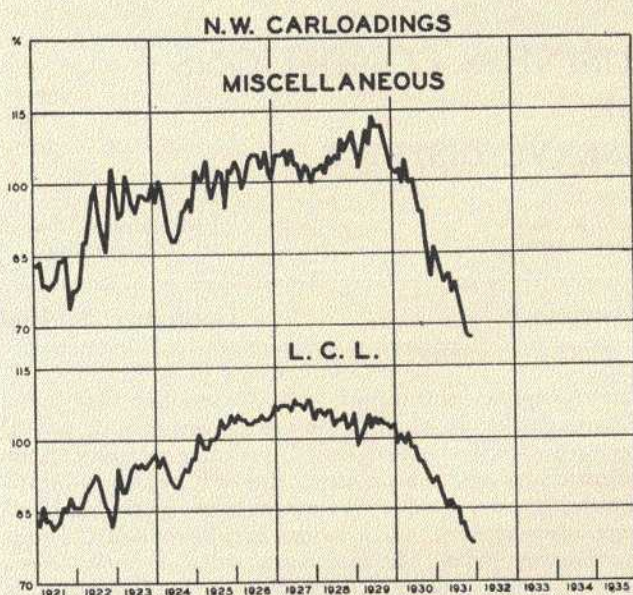
Decreases, as compared with November last year, also occurred in electric power consumption, postal receipts, freight carloadings, building permits, flour production and shipments, linseed products shipments, copper and iron ore output, grain marketings, department store sales, furniture sales, country lumber sales, life insurance sales, security sales and wholesale trade. The only increases in business volume over last year's November totals were reported in live stock receipts and building contracts. Business failures were 38 per cent more numerous in November this year than in the same month last year.

Employment indexes for Minneapolis showed a smaller reduction in demand for labor than is usual during November, and consequently the adjusted indexes of employment conditions improved. This was true of both the "Skilled Help" data from the public employment office and the "Male Employment" advertising in newspapers.

During the first part of December, business continued at lower levels than in the corresponding period last year. Bank debits at seventeen cities during the two weeks ending December 16 were 23 per cent smaller than in the same two weeks last year. Country check clearings for the first fifteen business days of December were 34 per cent smaller than in the same days a year ago. The daily



Male Employment Advertising Index for Minneapolis. This index is computed by dividing the seasonally adjusted index numbers of "Situations Wanted" into the similar index numbers for "Help Wanted." The heavy curve is a 3-month moving average of the light curve.



Carloadings of Miscellaneous Commodities and Less-than-Carlot Freight in the Northwestern District, adjusted to remove seasonal variations.

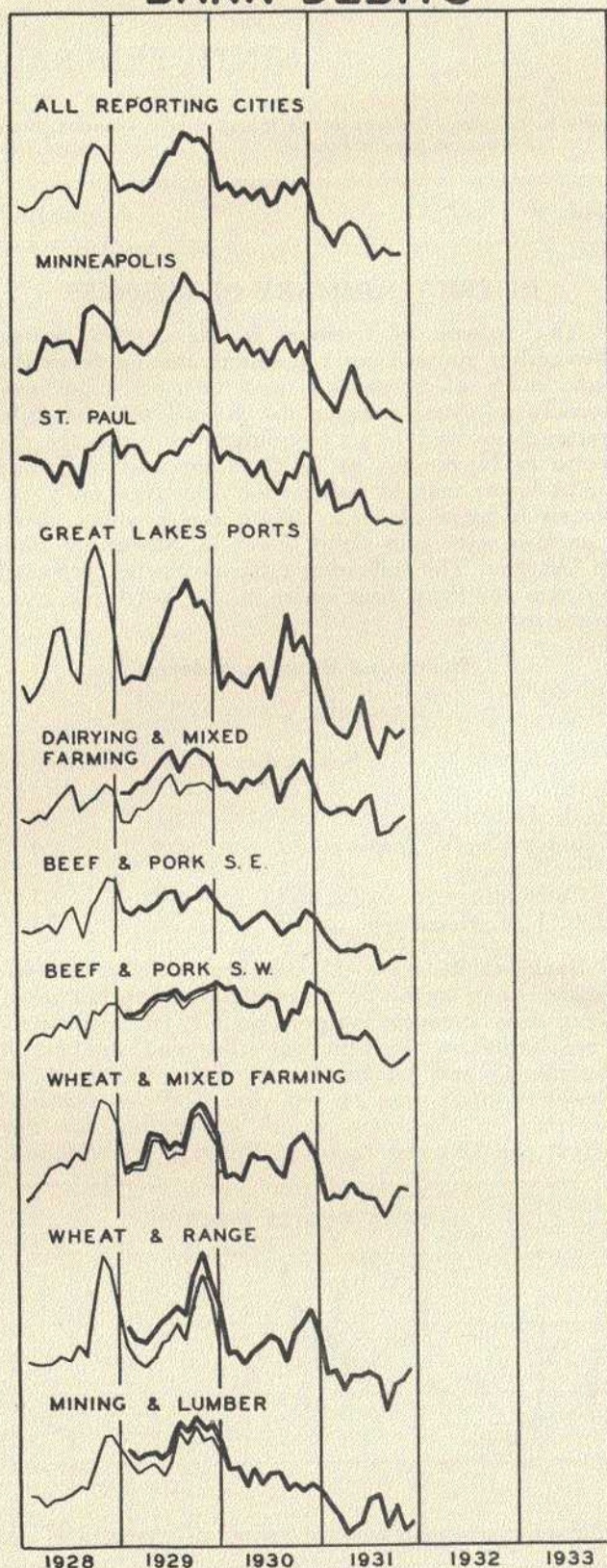
average of building contracts awarded in the central northwest territory during the first thirteen business days of December was slightly smaller than the total for the corresponding period last year, according to the report of the F. W. Dodge Corporation.

DISTRICT SUMMARY OF BANKING

Changes in banking in the district during the four weeks ending December 16 were of a minor character. In this period, small recessions in deposits ordinarily occur after the peak of real estate tax payments is passed. The effect of grain marketings is also largely spent before this period begins. In 1931, this four week period was characterized in the cities by a small decrease in deposits and minor reductions in loans to customers and in investments. On December 16, the deposits of city member banks were 50 million dollars (12%) smaller than a year earlier. All classes of deposits were smaller than a year ago, the smallest decline occurring in time deposits and the largest decline occurring in commercial and individual demand deposits. In spite of the decrease in deposits, these city banks were almost entirely out of debt to the Federal reserve bank on December 16.

Country member banks did not experience their usual autumn increase in deposits in 1931, and the daily average of their deposits in November decreased from the daily average for October. Country banks in all states of the district shared in this decrease. Also, country member bank deposits in November were 58 million dollars (14%) smaller than in November last year. The greatest percentage decreases occurred in North Dakota and

NINTH FED. RES. DISTRICT BANK DEBITS



South Dakota, and the smallest decrease occurred in the upper peninsula of Michigan.

Country member banks were borrowing more from this Federal Reserve Bank on December 16 than a year earlier. Banks in all parts of the district were borrowing more than a year ago, the increase being most noticeable in the eastern part of the district. The increase in country bank borrowings, as compared with last year, was 53 per cent, but this did not represent a large increase in dollar amount, since borrowings a year ago were at a low figure. Nevertheless, borrowings by country banks from this Federal Reserve Bank were larger in December than in any preceding December since 1923.

DISTRICT SUMMARY OF AGRICULTURE

Prices

Prices of northwestern farm products exhibited four increases during November as compared with November last year. In October, there were only two increases over last year's figures, and before that there was a period of eleven months with no increases in the yearly comparison for any major northwestern farm product. In November, the price increases as compared with last year occurred in bread wheat, durum wheat, barley and rye. Furthermore, the decreases in oats and hens, as compared with last year, were so small as to be insignificant.

During the past few months, an increasing number of farm products have passed their low point for 1931 and have since increased in price steadily until November. The price of rye has been increasing for seven months, barley and eggs for five months, durum wheat for four months, bread wheat, oats and wool for three months, and flax, potatoes and corn for one month. The increases from the 1931 lowest prices have ranged from 11 per cent for flax and potatoes to 115 per cent for eggs. Part of these increases are seasonal, but a larger proportion are due to supply and demand factors of a more permanent character. It is also significant to note that the price of hens remained stationary from September to November this year, whereas in every former year since our records started in 1920, there has been a decrease in the price of hens during this period.

Livestock Marketings

November livestock receipts at South St. Paul greatly exceeded those of November last year. Hog receipts were larger than in any previous November, despite the fact that the November median price paid for all classes of hogs was lower than in any previous month since our records began in 1920. Furthermore, the "average price paid" for hogs as computed by the United States Department of Agriculture representative at South St. Paul was lower than in any November since 1901, and the lowest price in any month since December 1904.

While hog feed supplies are considerably greater than last year, hogs have been coming to market since last August somewhat lighter than in the corresponding months last year. The average weight per hog in November was lighter than in any month since November 1926. The table below gives a resume of the hog marketings in the Ninth Federal Reserve District during the current season in comparison with a year ago.

Hog Marketings

	Estimated Number of Head Marketed	Average Weight per Head Marketed	Median Price per Cwt.	Estimated Monthly Income
1931				
August	375,000	242	\$5.00	\$ 4,540,000
September	562,000	207	4.50	5,234,000
October	937,000	191	4.75	8,503,000
November	1,030,000	188	4.20	8,131,000
4 Months' Total.	2,904,000			\$26,408,000
1930				
August	304,000	251	9.00	\$ 6,867,000
September	474,000	220	9.25	9,648,000
October	778,000	208	8.90	14,400,000
November	682,000	214	8.15	11,891,000
4 Months' Total.	2,238,000			\$42,807,000

The beef cattle market suffered during November from the greatly increased hog marketings, with the attendant decline in hog prices, and a narrowed dressed trade demand on account of the unseasonably mild weather. The median prices of butcher steers and veal calves were at the lowest point since our records began in 1920, and stocker and feeder steers were unchanged from the record low established last month. Shipments of stocker and feeder cattle from South St. Paul to the country during November were nearly 20 per cent smaller than in November last year in spite of an increase of nearly 30 per cent in total cattle receipts. It is interesting to note that farmers and feeders are taking the better kinds of feeder cattle back to the country. During the last week of November, despite the distinct down-turn in average cattle prices, the average cost of the outgoing shipments did not decline, indicating that only feeders and stockers of improved quality and condition were shipped out. With prices of good quality feeders so very low and the outlook for finished beef cattle so unsettled, it would be poor economy to purchase any but the best feeders available. The median price of prime butcher steers declined during November, but was nearly a dollar higher than the low established last May. The spread between the cost of good quality feeder steers plus the cost of a 150 day supply of feed and prime butcher steer prices was favorable during November which put beef feeding on a more profitable basis than hog fattening.

Butter

The butter market was nervous during November and the first half of December. On the favorable

side were the small storage holdings of butter, which on December 1 were only about one-half as large as the five year average for that date, and less than one-half as large as on December 1 a year ago. It was also favorable that apparent consumption of butter in the United States during October was 3 per cent heavier than in October last year.

On the unfavorable side, the leading factor was the unusually mild weather during October, November and December in many parts of the dairy region. Cows enjoyed good pastures during much of this period, when they normally would have been receiving winter rations. As a result, milk production was stimulated and only about one-half as large withdrawals were made from butter in storage during November as usual.

The foreign dairy situation also caused some concern. Butter prices in London and Copenhagen declined during November, and the exchange values of Canadian, English and Danish currencies were lower in terms of American money. As a result of these decreases, the price differential between butter in New York and butter abroad narrowed somewhat during November. Butter imports into the United States increased from 76,000 pounds in September to 587,000 pounds in October, most of the increase coming from Canada.

Cold Storage Holdings

Cold storage holdings of meats and dairy and poultry products were not burdensome on December 1. In fact, stocks of beef, lamb and mutton and butter were only about one-half of the five year average for the date. Stocks of pork, lard and poultry were smaller than the five year average, and only in eggs was there an increase over the five year average for December 1. Cold storage holdings in the United States were also smaller on December 1 than a year ago, with the exception of stocks of lard and poultry.

United States Cold Storage Holdings

(In thousands of pounds)

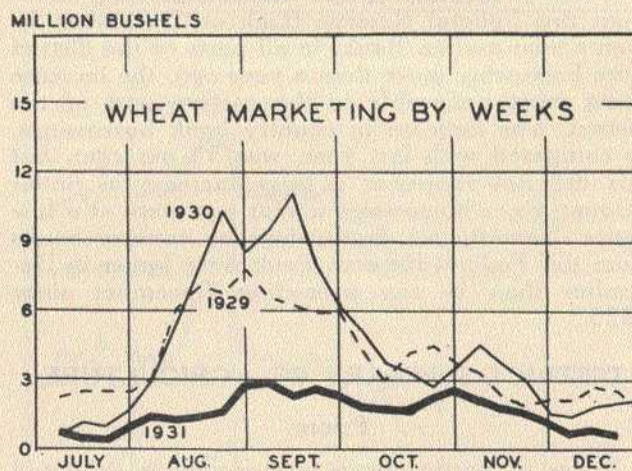
	December 1 5-year Average	December 1 1930	December 1 1931
Beef	79,559	73,392	39,170
Pork	434,229	411,704	394,263
Lard	52,051	31,582	33,915
Lamb & Mutton	4,450	4,628	1,967
Butter	83,650	88,012	42,297
Poultry	93,972	82,925	89,978
Eggs*	5,065	6,713	5,913

*Thousand cases.

Wheat Marketings

Wheat marketings from the northwestern district passed their peak in September and declined to a

very small volume in November. During November, wheat marketings were about as far below the same month last year as in October.



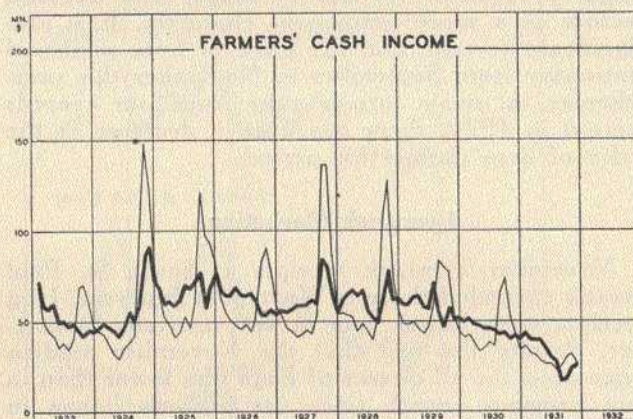
Wheat Marketings from the Northwest by Weeks, July-December.

Wheat Marketings from the Northwest (In thousands of bushels)

	1931	1930	Decrease
August	6,613	33,972	27,359
September	10,443	36,492	26,049
October	8,781	15,190	6,409
November	6,230	12,663	6,433

Farm Income

Farmers' cash income from seven important items declined less than usual between October and November, and the adjusted index of farm income for the district increased for the third successive month. However, the farm income index for November was 32 per cent below the index for November last year.

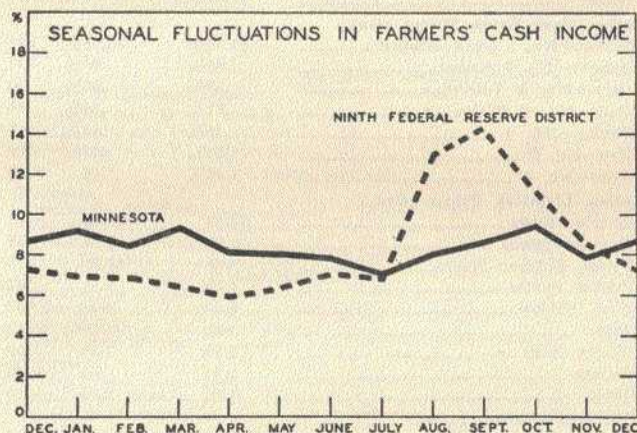


Farmers' Cash Income in the Ninth Federal Reserve District from Cash Crops, Hogs and Dairy Products. The heavy curve is seasonally adjusted, and the light curve shows changes in farm income without seasonal adjustment.

FARM INCOME IN MINNESOTA

Estimates of the annual gross cash income of farmers in Minnesota from 1910 to 1930 by Dr. W. C. Waite were recently published by the Agricultural Extension Division of the University of Minnesota. Although the estimates are not a complete catalog of all cash income of the farmers of Minnesota, they do include the sixteen major products. The figures used in the article were described as follows:

"Sales of the sixteen principal Minnesota agricultural products: butterfat, hogs, cattle, wheat, eggs, milk, corn, flax, oats, barley, potatoes, calves, chickens, hay, rye and lambs-sheep. The amounts of the principal products sold each month multiplied by their farm price constitute the cash income for each month. The sum of the twelve calendar months is the estimated annual cash income. A number of minor crops have been omitted. These figures do not represent the total value of agricultural production and no allowance has been made either for the value of farm products used by the farm family or for changes in inventory of livestock or crops."



Comparison of Seasonal Fluctuations in Farmers' Cash Income in Minnesota and the Ninth Federal Reserve District.

According to these estimates, Minnesota farm income increased from 144 million dollars in 1911 to 451 million dollars in 1918, which was the highest year's total reached in any year of the two decades covered by the study. From this peak, Minnesota farm income decreased to 229 million dollars in 1921 and then increased to 398 million dollars in 1926. Variations in farm income in Minnesota from 1926 to 1929 were of a minor nature. In 1930, the total was reduced to 331 million dollars, which was a preliminary estimate. The article states that data now available indicate that the farm income for 1931 will be at least 30 per cent below that of 1930, which would bring the total down to about 232 million dollars, or approximately the same level as in 1921.

The recent decline in cash income of Minnesota farmers has been chiefly the result of declining

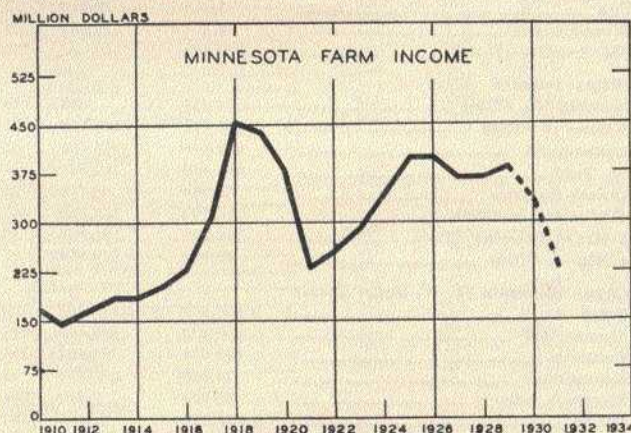
prices. The following table shows the price fluctuations for Minnesota farm products, the quantities sold and gross cash income, using the three years 1924, 1925 and 1926 as the base period.

Indexes of Prices, Quantities Sold and Gross Cash Income

	Price	Quantity	Gross Income Cash
Average 1924-25-26	100	100	100
1927	103.1	93.9	96.7
1928	101.7	95.5	97.1
1929	105.9	95.8	101.4
1930	88.0	98.0	86.2
1931 (preliminary) (10 months)	62.0

Minnesota farmers receive a very even distribution of cash income in the various months of the year, according to Dr. Waite's measures. The smallest portion of the year's income is received in July, when 6.9 per cent of the year's total sales are made. The largest months' incomes are in March and October, in each of which months 9.3 per cent of the year's income is received.

Minnesota farm income flows much more evenly during the year than the farm income of the whole Ninth Federal Reserve District. For the district, a pronounced peak of farm income occurs in August, September and October, due to the marketing of cash crops. The accompanying chart compares the seasonal fluctuations in farmers' cash income in the Ninth Federal Reserve District with the seasonal fluctuation in Minnesota.



Cash Income of Minnesota Farmers from 16 major commodities, estimated annually from 1910 to 1931 at the University of Minnesota.

Results of United States Department of Agriculture
December 1, 1931 Pig Survey

	Sows Farrowed*	Total Pigs Saved*	Average Number of Pigs Saved Per Litter
Minnesota	113.4	115.6	6.0
Montana	140.7	131.5	6.0
North Dakota	126.9	132.6	5.9
South Dakota	96.1	97.6	5.5
United States	119.5	119.7	6.07

*Per cent fall 1931 of fall 1930.

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS				AGRICULTURE			
		Per Cent				Per Cent	
		1931 of				1931 of	
		Nov. '31				Nov. '31	
		Nov. '30				Nov. '30	
		1930				1930	
Bank Debits ¹				Farmers' Cash Income			
All Reporting Cities.....	\$ 28,943,800	\$ 41,773,400	69	Total of 7 Items.....	\$ 27,678,000	\$ 40,448,000	68
Minneapolis.....	11,580,000	17,427,000	66	Bread Wheat.....	4,177,000	6,985,000	60
St. Paul.....	5,029,000	7,261,000	69	Durum Wheat.....	1,182,000	3,170,000	37
South St. Paul.....	1,031,000	1,468,000	70	Rye.....	298,000	246,000	121
Great Lakes Ports.....	2,588,900	4,254,700	61	Flax.....	1,483,000	3,083,000	48
Beef and Pork, S. E.....	1,054,900	1,362,200	77	Potatoes.....	1,168,000	1,751,000	67
Beef and Pork, S. W.....	1,313,600	1,882,400	70	Dairy Products.....	11,239,000	13,322,000	84
Dairy and Mixed Farming.....	1,517,900	2,011,200	75	Hogs.....	8,131,000	11,891,000	68
Wheat and Mixed Farming.....	1,907,800	2,431,300	78	Grain Marketings at Minneapolis and Duluth-Superior (Bus.)			
Wheat and Range.....	1,033,000	1,394,400	74	Bread Wheat.....	4,864,000	7,940,000	61
Mining and Lumber.....	1,887,700	2,281,200	83	Durum Wheat.....	1,366,000	4,723,000	29
Electric Power Consumption (K.W.H.) ^{1,2}				Rye.....	582,000	577,000	101
Minn., No. Dak., and So. Dak.....	5,001,000	5,091,000	98	Flax.....	1,014,000	1,857,000	55
Montana.....	2,514,000	3,500,000	72	Grain Stocks at End of Month at Minneapolis and Duluth-Superior (Bus.)			
Country Check Clearings ¹				Wheat.....	52,595,972	57,399,893	92
Total.....	\$ 2,652,100	\$ 3,591,200	74	Corn.....	6,412	705,310	1
Minnesota.....	1,000,600	1,248,600	80	Oats.....	5,975,854	8,027,131	74
Montana.....	478,300	605,800	79	Barley.....	3,041,076	6,181,456	49
North and South Dakota.....	613,600	1,014,500	60	Rye.....	5,370,875	9,216,691	58
Michigan and Wisconsin.....	559,600	722,300	77	Flax.....	1,285,268	1,141,833	91
Postal Receipts				Livestock Receipts at So. St. Paul (Head)			
Six Cities.....	879,321	994,728	88	Cattle.....	80,450	62,382	129
Minneapolis.....	465,387	527,829	88	Calves.....	54,681	42,938	127
St. Paul.....	283,992	330,109	86	Hogs.....	492,540	278,309	177
Duluth.....	55,227	58,149	95	Sheep.....	275,799	197,944	139
Three Other Cities.....	74,715	78,641	95	Median Cash Grain Prices (Bus.)			
Freight Carloadings—N. W. District				Wheat—No. 1 Dark Northern.....	\$0.76½	\$0.75½	100
Total—Excluding L.C.L.....	218,464	291,723	75	Durum—No. 2 Amber.....	.86½	.67½	129
Grains and Grain Products.....	32,362	39,108	83	Corn—No. 3 Yellow.....	.51½	.64½	80
Livestock.....	36,138	32,740	110	Oats—No. 3 White.....	.27	.28½	94
Coal.....	28,542	35,916	79	Barley—No. 3.....	.49½	.43½	114
Coke.....	2,773	4,718	59	Rye—No. 2.....	.51½	.42½	120
Forest Products.....	18,961	33,441	57	Flax—No. 1.....	1.46½	1.66	88
Ore.....	3,016	22,854	13	Median Livestock Prices (Cwt.)			
Miscellaneous.....	96,672	122,945	79	Butcher Cows.....	\$3.50	\$5.00	70
Merchandise—L.C.L.....	100,450	116,441	86	Butcher Steers.....	5.75	8.75	66
Building Permits				Prime Butcher Steers.....	8.35	11.00	76
Number—18 Cities.....	988	833	119	Feeder Steers.....	4.00	6.50	62
Value—18 Cities.....	\$ 1,290,000	\$ 1,811,100	71	Veal Calves.....	4.50	8.50	53
Minneapolis.....	589,900	676,500	87	Hogs.....	4.20	8.15	52
St. Paul.....	303,200	400,000	76	Heavy Hogs.....	8.75	7.50	50
Duluth-Superior.....	70,300	88,600	79	Lambs.....	5.25	7.50	70
4 Wheat Belt Cities.....	58,700	125,500	47	Ewes.....	1.00	3.50	29
6 Mixed Farming Cities.....	240,600	273,600	88	Wholesale Produce Prices			
4 Mining Cities.....	27,300	246,900	11	Butter (Lb.).....	\$0.27	\$0.32½	83
Building Contracts (F. W. Dodge Corp.)				Milk (Cwt.).....	1.55	1.96	79
Total.....	\$ 6,900,600	\$ 4,851,000	142	Hens (Lb.).....	.15½	.16	97
Commercial.....	307,500	188,000	164	Eggs (Doz.).....	.25½	.30	86
Factories.....	189,000	114,000	166	Potatoes (Bu.).....	.75	1.35	56
Educational.....	74,000	652,000	11	TRADE			
Hospitals, etc.....	56,000	1,700	3294	Department Stores			
Public.....	1,527,400	27,600	5534	Sales.....	\$ 2,796,090	\$ 3,222,030	87
Religious and Memorial.....	25,000	182,500	14	Merchandise Stocks.....	6,928,940	7,828,120	89
Social and Recreational.....	5,000	9,800	51	Receivables.....	3,388,710	3,703,290	92
Residential.....	1,400,100	1,179,300	119	Instalment Receivables.....	688,910	798,840	86
Public Works and Utilities.....	3,316,600	2,496,100	133	Furniture Stores			
Real Estate Activity in Hennepin and Ramsey Counties				Total Sales.....	\$ 131,260	\$ 139,770	94
Warranty Deeds Recorded.....	1,400	1,467	95	Instalment Sales.....	99,390	68,020	146
Mortgages Recorded.....	1,228	1,226	100	Merchandise Stocks.....	673,840	759,320	89
Manufacturing and Mining				Instalment Receivables.....	767,640	768,950	100
Flour Production at Mpls., St. Paul, and Duluth-Superior (bbls.).....	963,839	1,030,966	93	Country Lumber Yards			
Flour Shipments at Mpls. (bbls.).....	846,093	915,018	92	Sales (Bd. Ft.).....	6,329,000	9,028,000	70
Linseed Product Shipments (lbs.).....	22,144,207	27,513,460	80	Lumber Stocks (Bd. Ft.).....	65,515,000	71,025,000	92
Copper Output (5 firms) (lbs.).....	22,715,300	28,018,800	81	Total Sales.....	\$ 1,064,400	\$ 1,539,200	69
Iron Ore Shipments (Tons).....	420,594	1,987,688	21	Receivables.....	3,341,800	4,405,100	76
Business Failures				Life Insurance Sales			
Number.....	66	48	138	Four States.....	\$ 17,113,000	\$ 20,375,000	84
Liabilities.....	\$ 681,317	\$ 397,835	171	Minnesota.....	13,063,000	14,723,000	89
				Montana.....	1,534,000	1,854,000	83
				North Dakota.....	1,140,000	1,510,000	75
				South Dakota.....	1,376,000	2,288,000	60

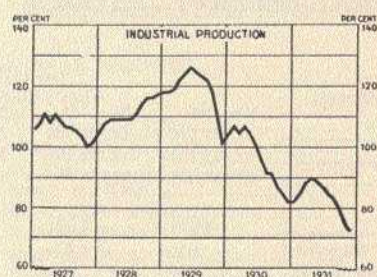
COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT
(Continued)

Investment Dealers	Per Cent			Member Bank Deposits (continued)	Per Cent		
	Nov. '31	Nov. '30	1931 of 1930		Nov. '31	Nov. '30	1931 of 1930
Sales to Banks.....	1,355,000	6,367,600	21	North Dakota	34,297,000	44,580,000	77
Sales to Insurance Companies.....	310,400	438,800	71	South Dakota	42,273,000	53,562,000	79
Sales to General Public.....	3,647,900	3,997,700	91	Wisconsin—26 Cos.	23,957,000	28,068,000	85
Wholesale Trade				Interest Rates¹			
Groceries—				Minneapolis Banks	4½-5	5-5½	
Sales	\$ 3,181,500	\$ 3,740,700	85	Commercial Paper (net to borrower) ..	4½	3½	
Stocks	5,765,460	6,424,520	90	Minneapolis Federal Reserve Bank....	3½	3½	
Receivables	4,532,020	4,851,880	93	Selected City Member Banks			
Hardware—				Loans to Customers.....	Dec. 16, '31	Dec. 17, '30	
Sales	\$ 1,040,000	\$ 1,501,810	69	Other Invested Funds.....	\$214,198,000	\$224,292,000	95
Stocks	2,431,370	2,590,130	94	Deposits Due to Banks.....	135,870,000	147,183,000	92
Receivables	1,951,460	2,255,530	87	Public Demand Deposits.....	68,691,000	83,028,000	82
Shoes—				Other Demand Deposits.....	29,678,000	40,645,000	73
Sales	\$ 182,580	\$ 279,350	65	Time Deposits	149,883,000	173,327,000	86
Stocks	625,370	1,000,010	63	Total Deposits	144,575,000	151,497,000	95
Receivables	634,460	1,155,280	55	Borrowings at Fed. Reserve Bank....	394,594,000	449,614,000	88
BANKING				Minneapolis Federal Reserve Bank			
Member Bank Deposits				Loans to Member Banks.....	209,000	0	
In Cities Over 15,000 pop.....	\$439,143,000	\$483,305,000	91	Twin Cities	5,998,000	3,861,000	155
In Cities Under 15,000 pop.....	350,337,000	408,139,000	86	Minn., Wis. and Mich.....	86,000	0	
Michigan—15 Cos.	61,749,000	65,443,000	94	N. Dak. and Mont.....	2,909,000	1,341,000	217
Minnesota	138,744,000	157,338,000	88	South Dakota	1,284,000	1,145,000	112
Montana	49,317,000	59,148,000	83	Fed. Res. Notes in Circulation.....	1,719,000	1,375,000	125
				Member Bank Reserve Deposits.....	67,791,775	51,353,085	132
					44,571,428	52,430,716	85

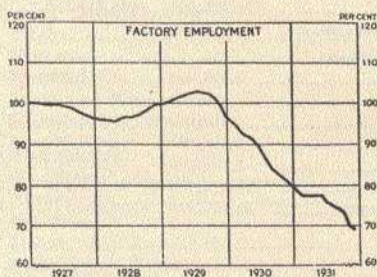
¹Daily Averages.
²Latest Reported Data.

BANK DEBITS

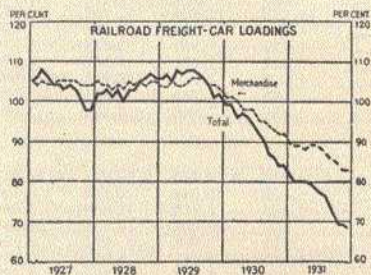
Number of Business Days:	November		October		Montana				
	1931	1930	1931	1930					
Montana and North Dakota.....	23	26	22	26	Anaconda	\$ 1,348	\$ 1,701	\$ 1,821	\$ 1,867
Minnesota and South Dakota.....	23	27	22	27	Billings	6,670	6,948	8,754	9,509
Michigan and Wisconsin.....	24	27	23	27	Bozeman	2,083	2,329	2,112	2,702
(000's omitted)					Butte (2 Banks).....	9,200	9,834	9,974	11,556
Michigan					Deer Lodge	931	961	1,069	960
Escanaba (1 Bank).....	\$ 512	\$ 604	\$ 673	\$ 819	Glendive	840	830	1,352	1,489
Hancock	1,135	1,289	1,576	1,840	Great Falls	10,012	11,506	12,767	14,717
Houghton (1 Bank).....	334	396	515	621	Harlowton	317	384	389	455
Iron Mountain	2,598	2,900	2,974	3,679	Havre	1,119	1,250	1,618	1,774
Iron River, Caspian & Stambaugh	885	1,108	1,226	1,559	Helena	7,254	7,971	8,369	9,231
Manistique (1 Bank).....	337	442	468	489	Lewistown	1,676	1,659	2,263	2,605
Marquette	3,483	4,490	3,872	5,033	Malta	608	551	731	761
Menominee	2,146	2,393	2,341	2,803	Miles City (1 Bank).....	1,458	1,662	2,194	2,704
Sault Ste. Marie.....	2,297	2,590	2,711	3,164	North Dakota				
Minnesota					Bismarck	\$ 11,215	\$ 10,165	\$ 10,047	\$ 10,515
Albert Lea	\$ 2,389	\$ 2,837	\$ 3,029	\$ 3,405	Devils Lake	1,319	1,546	1,620	2,186
Austin (1 Bank).....	3,703	3,400	4,319	4,062	Dickinson	1,187	1,918	1,846	2,064
Bemidji (2 Banks).....	896	992	1,113	1,187	Fargo	13,857	16,668	16,578	20,865
Chaska	797	632	921	698	Grafton	512	708	858	1,078
Chisholm	1,158	623	1,029	880	Grand Forks	5,437	6,982	6,995	9,020
Cloquet	1,287	1,208	1,789	1,857	Jamestown	1,786	2,576	2,520	3,427
Crookston	1,363	1,325	1,481	1,669	Mandan	1,113	1,669	1,640	1,896
Detroit Lakes	970	952	964	1,053	Minot	4,158	5,364	6,296	8,419
Duluth	47,247	51,694	78,138	86,718	Valley City	1,064	1,625	1,556	1,984
Ely	627	594	644	780	Wahpeton	860	1,183	954	1,378
Faribault (1 Bank).....	899	1,337	1,101	1,374	Williston	942	1,117	1,420	2,219
Farmington	190	259	238	333	South Dakota				
Fergus Falls		3,273	2,847	3,527	Aberdeen	\$ 4,016	\$ 4,773	\$ 5,834	\$ 6,732
Glenwood	343	485	462	522	Brookings (1 Bank).....	803	1,028	1,299	1,396
Hutchinson		1,142	1,184	1,305	Deadwood	943	782	925	966
Lakefield (2 Banks).....	252	217	358	353	Huron	4,556	4,560	6,319	5,752
Lanesboro	295	375	388	421	Lead	1,521	1,401	1,171	1,162
Little Falls	1,074	957	1,131	1,149	Madison	888	856	1,003	946
Luverne	660	658	966	1,079	Milbank	510	500	652	649
Mankato	5,275	5,361	6,398	6,950	Mitchell (2 Banks).....	2,876	3,374	3,907	4,305
Minneapolis	266,349	321,993	383,389	441,845	Mobridge	513	484	722	730
Moorehead	1,394	1,833	1,630	3,144	Pierre	1,135	1,123	1,358	1,424
Morris	501	509	541	698	Rapid City	3,677	3,328	3,934	3,654
Owatonna	2,412	2,738	2,676	3,142	Sioux Falls	14,668	16,511	19,621	22,538
Park Rapids	329	406	429	423	Watertown	2,920	3,351	5,244	4,259
Red Wing	1,766	2,317	2,194	2,594	Yankton	1,726	2,005	2,292	2,660
Rochester	4,704	5,266	5,609	6,061	Wisconsin				
St. Cloud	3,498	3,927	4,197	4,547	Ashland	\$ 1,456	\$ 1,743	\$ 1,831	\$ 2,011
St. Paul	115,656	135,499	159,748	171,431	Chippewa Falls	1,510	1,710	1,958	2,313
St. Paul	23,708	27,499	32,298	40,903	Eau Claire	4,493	4,965	7,787	8,023
Stillwater	1,766	2,490	2,339	2,790	Hudson	426	515	619	568
Thief River Falls.....	1,022	883	1,113	1,094	La Crosse	8,241	10,287	10,431	12,182
Two Harbors	404	436	426	473	Merrill (1 Bank).....	866	1,154	1,168	1,279
Virginia	2,044	1,920	2,084	2,279	Superior	4,664	6,064	6,619	8,199
Wabasha	682	806	757	783	Total for All Cities Reporting				
Wadena (1 Bank).....	390	326	452	420	Both Years	\$668,644	\$775,638	\$918,915	\$1,039,383
Wheaton	537	609	570	662					
Willmar	1,157	1,151	1,553	1,887					
Winona	5,215	6,306	6,726	7,689					
Worthington (1 Bank).....	606	654	762	923					



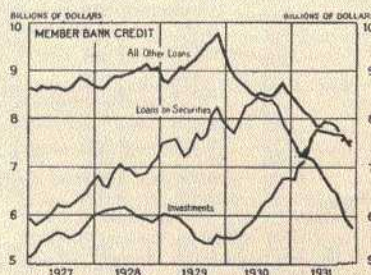
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average = 100.)



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



Indexes of daily average number of cars loaded; adjusted for seasonal variation. (1923-1925 average = 100.)



Monthly averages of weekly figures for reporting member banks in leading cities. Latest figures are averages of first 2 weeks in December.

Summary of National Business Conditions

(Compiled December 23 by Federal Reserve Board)

Industrial activity and factory employment declined further from October to November, reflecting in part the usual seasonal tendencies. Continued gold imports and further reduction in member bank reserve requirements during November and the first half of December were reflected in a considerable decline in the outstanding volume of reserve bank credit.

PRODUCTION AND EMPLOYMENT: In November industrial production showed a somewhat larger decrease than is usual at this season, and the Board's seasonally adjusted index declined from 73 to 72 per cent of the 1923-25 average. Activity declined at woolen mills, lumber mills and coal mines, while the daily average output at steel mills increased and the volume of automobile production showed less than the usual seasonal decline from the low level of October. The November increase in steel production was followed by a considerable decline in the first three weeks of December. The output of petroleum increased further in November to a level slightly lower than that prevailing last summer before output was sharply curtailed.

The volume of employment in most manufacturing industries declined by more than the seasonal amount between the middle of October and the middle of November. Reductions were particularly large in the wearing apparel, leather and building materials industries, while in the automobile and tire industries declines were smaller than usual at this season.

The value of building contracts awarded, as reported by the F. W. Dodge Corporation, has declined further in recent months, and a preliminary estimate of the Board's seasonally adjusted index for the last quarter of 1931 is 49 per cent of the 1923-1925 average, compared with 59 for the third quarter, 65 for the second quarter, and 79 for the first quarter of the year. Part of this decline in dollar volume reflects lower building costs.

The production of principal crops in 1931 was about 10 per cent larger than in 1930, according to the December crop report of the Department of Agriculture, while acreage harvested was slightly smaller than a year ago. There were large increases in the crops of cotton, corn, winter wheat, apples and peaches, while the harvests of oats, barley and rye were smaller than last year. As in 1930, the hay crop was unusually small.

DISTRIBUTION: Commodity distribution continued at about the same rate in November as in October, the volume of freight carloadings showing a seasonal decline, while sales at department stores increased by about the usual amount for that month.

WHOLESALE PRICES: The general level of wholesale prices remained practically unchanged from October to November, according to the Bureau of Labor Statistics' index. Prices of grains, petroleum and silver advanced, while those of live stock and dairy products showed declines partly of a seasonal character. Between the middle of November and the middle of December, there were decreases in the prices of many leading commodities, including live stock, meats, grains, sugar, silk and silver. During this period prices of copper and rubber showed a decline, followed by a recovery.

BANK CREDIT: The volume of reserve bank credit outstanding declined during November and the first half of December and averaged \$360,000,000 less in the week ending December 12 than at its October peak seven weeks earlier. The decrease was in large part in the banks' portfolio of acceptances, as discounts for member banks and holdings of United States Government securities showed little change for the period. The decline in total volume of reserve bank credit outstanding during the period reflected a growth of \$100,000,000 in the stock of monetary gold, largely through imports from Japan, and a continued reduction in the reserve balances of member banks, reflecting a further liquidation of member credit. Demand for currency declined during the last three weeks of November and showed considerably less than the usual seasonal increase in the first half of December. After the middle of December, however, bank suspensions in New England were followed by some increased withdrawals of currency, part of which has begun to return. Loans and investments of member banks in leading cities continued to decline and on December 9, were \$370,000,000 smaller than four weeks earlier. The decrease was equally divided between the banks' loans and their investments. Deposits of these banks, both demand and time, also showed a decrease, with a consequent reduction in required reserves.

Money rates in the open market showed little change from the middle of November to the middle of December. Rates on prime commercial paper continued at $3\frac{3}{4}$ to 4 per cent, while rates on 90-day bankers' acceptances advanced from $2\frac{7}{8}$ to 3 per cent on November 25.