

MONTHLY REVIEW

OF

AGRICULTURAL AND BUSINESS CONDITIONS

IN THE

NINTH FEDERAL RESERVE DISTRICT

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Vol. VI (Serial
No. 221)

Minneapolis, Minnesota

May 29, 1933

DISTRICT SUMMARY OF BUSINESS

Business in the Ninth Federal Reserve District was considerably better in April and early May than in the earlier months of 1933, although still at depression levels. Higher prices for farm products and the reopening of the banks provided the basis for the improvement. In the case of wheat, the hold-over from the 1932 crop caused by the delayed marketing last fall, provided the means to make the higher price immediately effective. On April 1, according to Government estimates, there were 83 million bushels of wheat on farms in Minnesota, North Dakota, South Dakota and Montana and 29 million bushels of wheat in country elevators and mills in the same states. This amounted to 45 per cent of the wheat produced in those four states in 1932, plus the carry-over from the 1931 crop. Measuring this most unusual condition in another way, the April 1 interior wheat stocks in the Northwest were larger than the entire wheat crop in the crop failure year of 1931.

Farmers and other holders of wheat in the interior of the Northwest were quick to take advantage of the higher wheat prices. Wheat receipts at northwestern terminal markets increased from 3¼ million bushels in February to 5½ million bushels in March and more than 7½ million bushels in April. Wheat receipts during the first three weeks of May were over 7 million bushels. The April receipts were five times as large as receipts in the same month last year and larger than April receipts in any other year since 1923. It cannot be inferred that all of the income to the district from this increased movement of wheat at higher prices flowed to the farmer, since part of the wheat held in the interior was not owned by farmers at the time of its shipment. Nevertheless, the increased movement has generated a considerable amount of debt-paying power and purchasing power for the farmer, together with increased freight revenues and increased income to those handling the wheat at terminal markets.

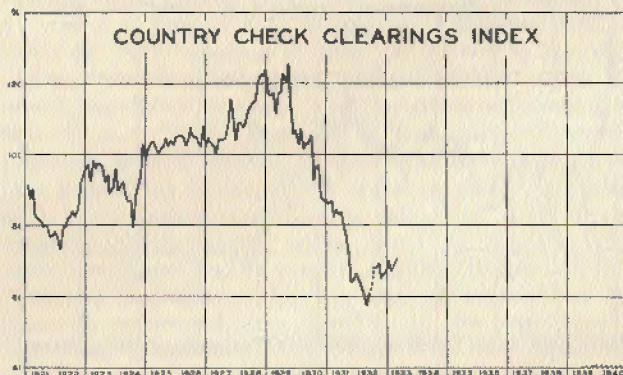
Bank debits have reflected the improvement in business conditions. The bank debits index for this district adjusted to remove purely seasonal fluctuations, increased from 48 in February to 55 in April. (No index was computed for March.) The April index was the highest since July, 1932. In April,



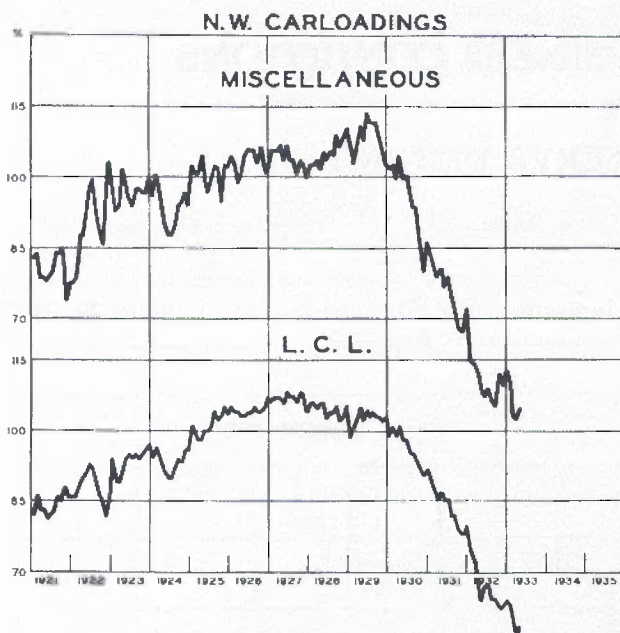
Bank Debits Index for Reporting Cities in the Ninth Federal Reserve District, adjusted for seasonal variations.

bank debits for all reporting cities combined were only 6 per cent below debits for April last year on the daily average basis. A larger number of cities reported increases in daily average bank debits over April last year than had been reported for many months. This group of cities included Cloquet, Detroit Lakes, Duluth, Lakefield, Minneapolis, Owatonna, and Wabasha in Minnesota, Grafton, North Dakota, and Helena, Montana. Fourteen other cities reported bank debits less than 10 per cent smaller than the volume a year ago. In the three weeks ending May 17, bank debits at seventeen cities were only 4 per cent below the debits for the same weeks last year.

The country check clearings index rose from 67 in February to 71 in April and at that level, it was



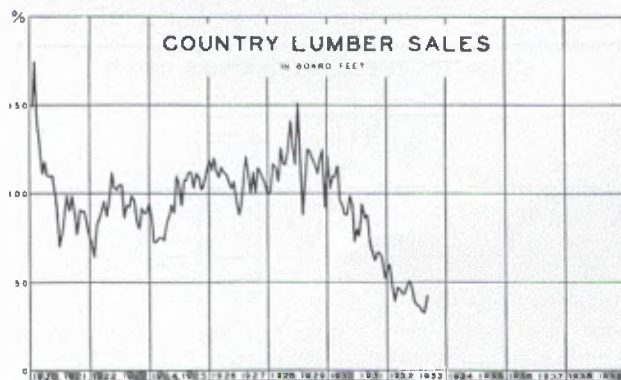
Country Check Clearings Index, adjusted to remove seasonal variations.



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

the highest since September, 1931. Based on records for the first sixteen business days of May, it is evident that the country check clearings index for that month will show a further increase, cancelling very nearly all of the decline since the spring of 1931. The improvement in country check clearings has been especially pronounced in the Dakotas and Montana, where the effect of the higher grain prices has been most direct.

Trade and distribution statistics also reveal improvement of varying degrees during the month of April. The index of freight carloadings of miscellaneous commodities adjusted to remove seasonal influences, advanced from 48 in March to 51 in April. The index of l.c.l. freight carloadings, similarly adjusted, increased from 56 to 58. The adjusted index of country lumber sales advanced from 32 in March to 42 in April. All reporting lines of



Country Lumber Sales in the Ninth Federal Reserve District. The figures are reported in board feet and have been adjusted to remove seasonal fluctuations.

trade, except wholesale shoes, reported smaller sales volumes in April than in the same month last year, but in nearly every line, the reduction from last year's volume was smaller in April than in March. This was especially true in department store sales, which were only 7 per cent smaller in April than in April last year, whereas March sales were 23 per cent smaller than in March a year ago, February sales were 22 per cent smaller and January sales were 21 per cent smaller than sales in the corresponding months of 1932. Only a portion of the improvement in department store trade was due to the later date of Easter.

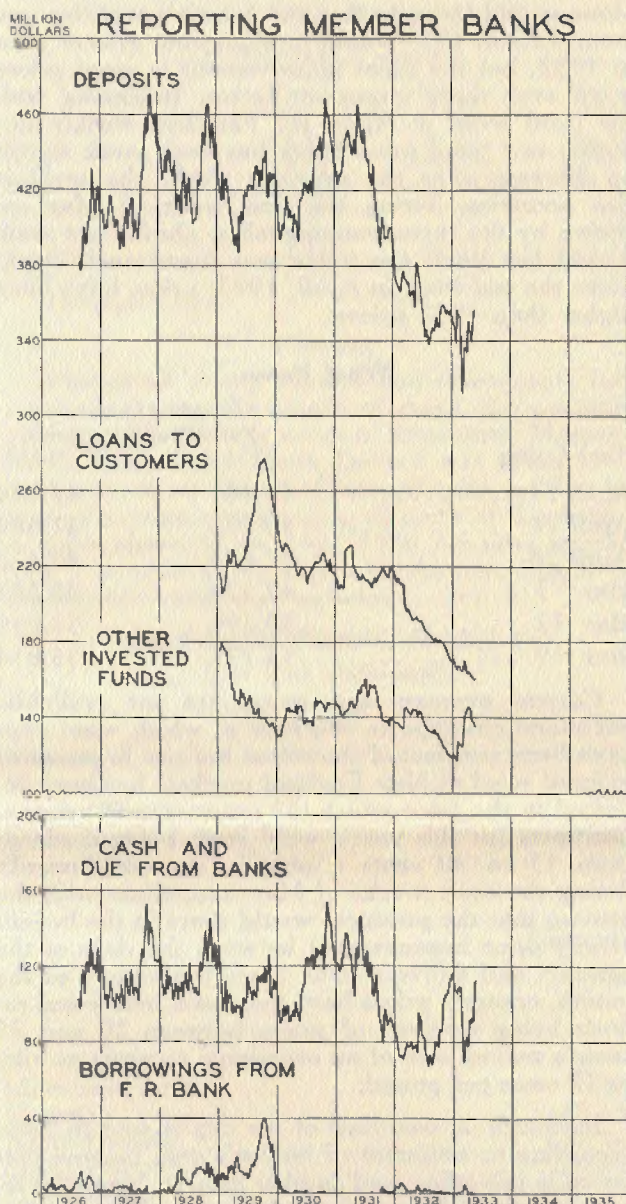
Among the other northwestern business indexes, there were more increases than decreases as compared with last year's records. Increases occurred in freight carloadings of coal, coke, forest products and ore, building permits, flour production and shipments, linseed products shipments, copper output, grain marketings and receipts of cattle and sheep. Decreases occurred in electric power consumption, building contracts and marketings of calves and hogs. Business failures during April were 64 in number, as compared with 65 in the corresponding month last year.

DISTRICT SUMMARY OF BANKING

An increase in deposits at city banks and a reduction in borrowings from the Federal Reserve Bank were the most important recent banking developments in the district. Deposits in country member banks also increased slightly in April from the level of March. City member banks experienced an increase of 11 million dollars in deposits during the four weeks ending May 17. Commercial and individual demand deposits increased 13 million dollars, balances carried with city banks by country banks increased 2 million dollars, and municipal deposits and time deposits each increased 1 million dollars. The total of these increases was 17 million dollars, which was partly offset by a reduction of 6 million dollars in United States Government deposits. During the same four week period, loans to customers by city member banks were reduced 4 million dollars and other invested funds were reduced 9 million dollars. These changes in deposits and earning assets made it possible for city member banks to increase their balances due from banks by 23 million dollars during the four week period and to pay off most of their remaining borrowings from the Federal Reserve Bank.

The condition of city member banks was considerably different on May 17 from their condition a year ago. Deposits were only 2 per cent smaller this year than a year ago, but loans to customers were 17 per cent smaller and other invested funds 7 per cent smaller than last year. City member banks were carrying cash and balances due from banks on May 17 this year which were 52 per cent larger than these items a year ago.

The condition of country banks has improved,



Principal Assets and Liabilities of City Member Banks in the Ninth Federal Reserve District which make Weekly Reports to the Federal Reserve Bank.

according to the latest reports. The daily average of deposits in country member banks increased slightly in April over the level of March, reversing the downward trend which has been continuous since the spring of 1931. Country bank balances with city correspondent banks in this district increased 2 million dollars during the four weeks ending May 17 and on that date were 5 million dollars (8 per cent) higher than a year ago. Country member bank borrowings from this Federal Reserve Bank were reduced by about 1 million dollars during the four weeks ending May 17. This was a very unusual circumstance, since ordinarily borrowings from the Federal Reserve Bank are beginning to increase at

this time of year. The unseasonal decrease in borrowings was most pronounced in the western half of the district, reflecting the inflow of cash from the delayed sale of grain. Borrowings by country member banks from this Federal Reserve Bank are now about 30 per cent lower than at this time last year.

DISTRICT SUMMARY OF AGRICULTURE

Farm Income

Our estimates of cash income to the Northwest from the marketing of seven important farm products were 8 per cent larger in April than in the same month last year. This is the first time since August, 1929 that farm income in any month has exceeded the total for the same month in the preceding year. The increase in farm income was due to rising farm product prices and to increased marketings of grains. The stated percentage of increase in farm income under-estimates the effect of higher prices on the farmer's purchasing power and debt-paying power because prices at the farm have risen more in percentage than prices at terminal markets have advanced. As an illustration, let us assume that the price of a grain has risen in the terminal markets from 50 cents a bushel to 70 cents a bushel. At an interior town where the freight rate to haul this grain to the terminal market is 15 cents a bushel, the local elevator price of the grain would rise from 35 cents to 55 cents. The percentage increase in price at the terminal market would have been 40 per cent, whereas the increase in the country would have been 57 per cent. The same principle applies to all grains and livestock and livestock products for which we necessarily use terminal market prices in making our computations. Prices of all of the grains and prices of the majority of livestock products increased in April over March. The advance in prices continued irregularly throughout the first part of May. In April, the prices of hogs, ewes, butter and eggs were higher than a year ago.

Butter

Butter prices have advanced contrary to the seasonal movement. Farmers in this district were paid for butterfat produced in April at a price based on 17 cents a pound for butter, as compared with a basis of 14¾ cents a pound for butter in the preceding month. Only once before in the years for which we have records has the price advanced at this time of year. The rise in the price of butter, together with a decline in the corresponding period last year, has brought the present price of butter to a level higher than that of last year. This development will favorably affect the farm income from dairy products for the month of May. It appears that butterfat production in this district was about the same in volume during April as in the same month last year. Farmers are paid in May for April deliveries of butterfat. With the slightly higher prices prevailing, the farmer's May income from this source should be at least as large this year as a year ago.

The farmer's April income from dairy products was 22 per cent smaller than the income in that month of the preceding year on account of lower butter prices in March.

Wool

Revised figures of wool production in the four complete states in the Ninth Federal Reserve District for the three years 1930, 1931 and 1932 were recently released by the United States Department of Agriculture at Washington. These figures indicate that the 1932 wool crop in our four states was smaller than the 1931 crop, but not as small as the previous estimate which was made late last summer. Minnesota, North Dakota and South Dakota all showed increases, but the huge decrease in Montana more than offset the increases in the other three states. The decrease in Montana wool production was occasioned by a reduction in the number of sheep shorn of nearly a half million head.

Wool Production and Number of Sheep Shorn in Minnesota, Montana, North Dakota and South Dakota, 1930-32

(000's omitted)

	Production in Pounds		
	1930	1931	1932
Minnesota	6,115	6,591	6,638
Montana	34,034	38,313	32,300
North Dakota	6,264	7,012	7,802
South Dakota	7,794	8,820	8,960
Four States	54,207	60,736	55,700
United States	350,311	372,228	344,354

	Number of Sheep Shorn		
	1930	1931	1932
Minnesota	784	845	885
Montana	3,740	3,870	3,400
North Dakota	737	825	940
South Dakota	939	1,050	1,120
Four States	6,200	6,590	6,345
United States	44,267	46,284	44,431

While no estimates are as yet available as to the quantity of wool to be produced in 1933, it is quite evident that this year's production will be at least equal to, if not greater than, that produced in 1932. On January 1 this year, the number of sheep on farms in our four states was nearly 5 per cent larger than on the same date a year earlier. Average fleece weights were lower in 1932 than in 1931 in each of our four states, and in all of our states, except Montana, were lower than in 1930. Consequently, it is safe to assume that average weights per fleece will not be smaller in 1933 than in 1932. Furthermore, the 5 per cent increase in number of sheep on farms on January 1 is probably more than sufficient to compensate for the unusual number of deaths between January 1 and shearing time this year, so that the 1933 wool production in our four states will probably be a little larger than in 1932. This factor

alone would indicate that the farmer's cash income from wool in 1933 would be somewhat greater than in 1932, but the great improvement in wool prices is an even more important factor. Beginning with the third week in April, the Fairchild weekly domestic raw wool price index has each week shown an increase over the previous week, the greatest rise occurring during the first week of May, as shown by the accompanying table. During the same period last year, the index was lower each week. Since the last week in April, 1933, prices have been higher than 1932 prices.

Wool Prices

Week Ending	Fairchild Domestic Raw Wool Price Index	
	1933	1932
April 14	40.285	42.194
April 21	40.596	41.584
April 28	41.474	40.472
May 5	49.374	38.853
May 12	50.690	37.059
May 19	54.275	35.814

Current average farm prices are not available, but numerous reports of prices at which wool clips have been contracted show that the rise in prices of scoured wool at New England markets has been reflected in the price which the producer will receive. Contracts for this year's wool were being made at from 15 to 20 cents a pound (unwashed wool) during the early weeks of May, sometimes with the proviso that the producer would share in the benefit of any price improvement between the date of the contract and delivery date. Since the middle of the month, contract prices have increased, numerous reports being received of prices between 20 and 25 cents a pound, and of an occasional contract as high as 27 cents per pound.

Inasmuch as one-third of the clip is sold in May, according to estimates of farmer's cash income prepared in this office, and another third in June (the remaining third being divided equally between the months of April and July), it is clear that the 1933 estimates of farmer's cash income from wool will be appreciably higher than the 1932 estimates, despite the fact that at the beginning of the contracting season, the 1933 prices were lower than those of a year ago.

Cold Storage Holdings

Cold storage holdings of meats and poultry and dairy products in the United States continued generally at low levels during the month of April. Beef, pork, lard, butter and poultry stocks were lower on May 1 than a year ago, and also lower than the five-year average for that date. Stocks of lamb and mutton were smaller than the five-year average, but larger than a year ago. Stocks of eggs were larger than the five-year average and larger than a year ago.

United States Cold Storage Holdings

(In thousands of pounds)

	May 1 5-year Average	May 1, 1932	May 1, 1933
Beef	58,380	41,226	30,501
Pork	852,503	799,064	629,673
Lard	133,888	111,007	71,851
Lamb and Mutton....	2,628	1,061	1,764
Butter	12,308	10,394	9,395
Poultry	57,950	56,676	45,900
Eggs*	6,495	5,323	6,648

*Thousand Cases

Pastures

Because of scanty rainfall and sub-normal temperatures during the month of April, the condition of pastures in the four states of Minnesota, Montana, North Dakota and South Dakota was much lower than normal on May 1. Frequent rains in May improved pasture conditions in all parts of the district. A table showing the 1921-1930 ten-year average May 1 condition, together with the percentages for the last two years is given below:

Condition of Pastures on May 1

(Per Cent of Normal)

	10-year Average 1921-1930	1932	1933
Minnesota	78	70	61
Montana	84	76	71
North Dakota.....	75	62	59
South Dakota.....	79	77	65
United States.....	81.7	74.1	71.5

Farm Income in 1932

The cash income of farmers in the four complete states of this district amounted to \$332,886,000 in 1932, according to recently published estimates of the United States Department of Agriculture. The 1932 total represented a reduction of 29 per cent from the cash income of 1931, which was \$471,-231,000. In the six post-war years ending with 1929, farm income in these states had averaged approximately \$1,000,000,000 annually. During every recent year, farm income in the four states has been predominantly produced from livestock and livestock products. During the past four years, the livestock portion of farm income has ranged from two-thirds to five-sixths of total farm income in these states.

The decrease in farm income in 1931 and 1932 had been more than proportionate with the decrease in the rest of the United States. This district was adversely affected by drouth and grasshoppers, which reduced the volume of production materially, and marketing of the 1932 crops was delayed by low prices. In 1929 and 1930, farm income in the four states was about 9 per cent of the United States total, whereas in 1931 and 1932 farm income in the four states was only 8 per cent of the national total.

Farmer's Cash Income

(000's omitted)

Crops

	1929	1930	1931	1932
Minnesota	\$ 99,816	\$ 74,360	\$ 39,149	\$ 29,945
Montana	49,656	31,112	12,581	20,965
North Dakota	117,364	71,900	18,150	30,720
South Dakota	69,895	39,597	6,208	16,791
Four States	336,731	216,969	76,088	98,421
United States	4,884,203	3,329,437	2,300,302	1,752,631

Livestock and Livestock Products

Minnesota	\$ 309,004	\$ 268,690	\$ 199,223	\$ 134,595
Montana	70,020	52,521	41,633	25,266
North Dakota	72,384	57,284	41,472	29,906
South Dakota	152,089	136,979	112,815	44,698
Four States	603,497	515,474	395,143	234,465
United States	5,400,276	4,658,169	3,446,226	2,446,816

Crops and Livestock Items Combined

Minnesota	\$ 408,820	\$ 343,050	\$ 238,372	\$ 164,540
Montana	119,676	83,633	54,214	46,231
North Dakota	189,748	129,184	59,622	60,626
South Dakota	221,984	176,576	119,023	61,489
Four States	940,228	732,443	471,231	332,886
United States	10,284,479	7,987,606	5,746,528	4,199,447

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS			Per Cent Apr. '33 of Apr. '32	AGRICULTURE			Per Cent Apr. '33 of Apr. '32
Debits to Individual Accounts¹				Farmers' Cash Income			
All Reporting Cities.....	\$ 21,235,100	\$ 22,606,400	94	Total of 7 Items.....	\$ 19,282,000	\$ 17,840,000	108
Minneapolis.....	10,629,000	10,141,000	105	Bread Wheat.....	5,276,000	1,018,000	518
St. Paul.....	3,951,000	4,474,000	88	Durum Wheat.....	959,000	234,000	338
South St. Paul.....	374,800	528,000	71	Rye.....	306,000	113,000	271
Great Lakes Ports.....	1,335,500	1,861,400	93	Flax.....	238,000	225,000	106
Beef and Pork, S.E.....	682,600	861,100	79	Potatoes.....	708,000	1,122,000	63
Beef and Pork, S.W.....	769,000	888,000	87	Dairy Products.....	7,612,000	9,788,000	78
Dairy and Mixed Farming.....	834,000	965,300	86	Hogs.....	4,133,000	5,290,000	79
Wheat and Mixed Farming.....	1,111,300	1,445,400	77	Grain Marketings at Minneapolis and Duluth-Superior (Bus.)			
Wheat and Range.....	531,000	691,200	77	Bread Wheat.....	6,257,000	1,229,000	509
Mining and Lumber.....	1,016,900	1,251,000	81	Durum Wheat.....	1,421,000	897,000	358
Electric Power Consumption (K.W.H.)^{1,2}				Rye.....	717,000	252,000	285
Minn., No. Dak. and So. Dak.....	3,750,000	4,424,000	85	Flax.....	185,000	167,000	111
Montana.....	2,052,000	2,220,000	92	Grain Stocks at End of Month at Minneapolis and Duluth-Superior (Bus.)			
Country Check Clearings¹				Wheat.....	41,019,885	44,042,865	93
Total.....	\$ 2,343,900	\$ 1,885,300	124	Corn.....	1,881,186	138,415	1359
Minnesota.....	947,300	725,300	131	Oats.....	13,268,932	4,708,778	282
Montana.....	321,000	292,700	110	Barley.....	6,777,935	1,607,991	422
North and South Dakota.....	710,200	448,500	158	Rye.....	5,651,565	5,672,429	100
Michigan and Wisconsin.....	365,400	418,800	87	Flax.....	1,037,176	634,193	152
Freight Carloadings—N. W. District				Livestock Receipts at South St. Paul (Head)			
Total—Excluding L.C.L.	173,808	163,061	107	Cattle.....	43,495	44,859	110
Grains and Grain Products.....	39,746	26,563	150	Calves.....	40,808	48,049	85
Livestock.....	15,207	16,503	92	Hogs.....	142,429	207,404	69
Coal.....	13,746	11,652	118	Sheep.....	42,265	26,753	158
Coke.....	2,149	1,838	117	Median Cash Grain Prices (Bus.)			
Forest Products.....	19,594	18,571	106	Wheat—No. 1 Dark Northern.....	\$.65½	\$.73½	90
Ore.....	5,368	2,974	180	Durum—No. 2 Amber.....	.67½	.71½	94
Miscellaneous.....	77,998	84,462	92	Corn—No. 3 Yellow.....	.30½	.37½	81
Merchandise—L.C.L.	76,780	89,147	86	Oats—No. 3 White.....	.18½	.25½	72
Building Permits				Barley—No. 3.....	.35	.50	70
Number—18 Cities.....	1,222	1,573	78	Rye—No. 2.....	.42½	.45½	94
Value—18 Cities.....	\$ 3,064,600	\$ 1,645,300	186	Flax No. 1.....	1.28½	1.25	96
Minneapolis.....	202,200	380,600	53	Median Livestock Prices (Cwt.)			
St. Paul.....	2,674,400	684,200	391	Butcher Cows.....	\$ 3.00	\$ 3.50	86
Duluth-Superior.....	47,800	80,400	59	Butcher Steers.....	4.35	5.75	74
4 Wheat Belt Cities.....	53,900	66,300	83	Prime Butcher Steers.....	5.25	6.75	78
6 Mixed Farming Cities.....	72,900	393,300	19	Feeder Steers.....	3.75	4.00	94
4 Mining Cities.....	13,400	41,500	32	Veal Calves.....	4.00	5.00	80
Building Contracts Awarded (F. W. Dodge Corp.)				Hogs.....	3.50	3.55	99
Total.....	\$ 3,466,900	\$ 7,294,300	48	Heavy Hogs.....	3.30	3.15	105
Commercial.....	207,100	250,800	83	Lamba.....	4.75	6.25	76
Factories.....	148,000	31,500	470	Ewes.....	2.50	2.00	125
Educational.....	60,600	174,400	35	Wholesale Produce Prices			
Hospitals, etc.....	205,000	30,000	683	Butter (Lb.).....	\$.17	\$.16½	105
Public.....	1,845,500	189,500	974	Milk (Cwt.).....	.83	1.05	79
Religious and Memorial.....	45,000	116,700	39	Hens (Lb.).....	.10½	.12½	84
Social and Recreational.....	42,000	29,000	145	Eggs (Doz.).....	.11½	.09½	122
Residential.....	518,400	787,500	66	Potatoes (Bu.).....	.30	.35	86
Public Works and Utilities.....	395,300	5,684,900	7	TRADE			
Real Estate Activity in Hennepin and Ramsey Counties				Department Stores			
Warranty Deeds Recorded.....	510	704	72	Sales.....	\$ 2,425,760	\$ 2,612,800	93
Mortgages Recorded.....	687	1,125	61	Merchandise Stocks.....	4,671,840	5,796,500	81
Manufacturing and Mining				Receivables.....	2,653,500	2,943,550	90
Flour Production at Mpls., St. Paul, and Duluth-Superior (Bbls.).....	840,486	686,447	122	Instalment Receivables.....	570,380	610,900	93
Flour Shipments at Mpls. (Bbls.).....	776,248	646,240	120	Furniture Stores			
Linseed Product Shipments (Lbs.).....	17,715,607	12,607,615	141	Total Sales.....	\$ 80,430	\$ 113,290	71
Copper Output (3 Firms) (Lbs.).....	11,218,500	11,185,900	100	Instalment Sales.....	65,950	89,990	73
Business Failures				Merchandise Stocks.....	436,580	508,710	86
Number.....	64	65	98	Instalment Receivables.....	673,360	778,730	86
Liabilities.....	\$ 578,051	\$ 1,045,612	55	Country Lumber Yards			
				Sales (Bd. Ft.).....	3,678,000	4,124,000	89
				Lumber Stocks (Bd. Ft.).....	57,227,000	69,025,000	83
				Total Sales.....	\$ 542,700	\$ 710,200	76
				Receivables.....	1,768,000	2,513,790	70
				Life Insurance Sales			
				Four States.....	\$ 11,881,000	\$ 16,015,000	74
				Minnesota.....	8,933,000	12,368,000	70
				Montana.....	1,120,000	1,466,000	74
				North Dakota.....	792,000	1,060,000	72
				South Dakota.....	1,036,000	1,121,000	88

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

	Apr. '33	Apr. '32	Per Cent Apr. '33 of Apr. '32		Apr. '33	Apr. '32	Per Cent Apr. '33 of Apr. '32
Investment Dealers				Interest Rates¹			
Sales to Banks.....	696,100	4,484,000	16	Minneapolis Banks	4½-5	4½-5	
Sales to Insurance Companies.....	161,700	180,200	90	Commercial Paper (net to borrower)...	2½	3½	
Sales to General Public.....	3,042,000	3,463,800	88	Minneapolis Fed. Res. Bank.....	3½	3½	
Wholesale Trade				Selected City Member Banks	May 17, '33	May 18, '32	
Groceries—				Loans to Customers.....	\$159,596,000	\$102,067,000	83
Sales	\$ 2,744,890	\$ 2,837,010	97	Other Invested Funds.....	134,337,000	144,349,000	93
Stocks	4,365,880	4,724,080	92	Cash and Due from Banks.....	112,988,000	74,479,000	152
Receivables	3,849,050	3,904,560	99	Deposits Due to Banks.....	63,297,000	58,712,000	108
Hardware—				Public Demand Deposits.....	20,566,000	22,044,000	93
Sales	\$ 890,840	\$ 1,102,070	81	Other Demand Deposits.....	130,768,000	131,624,000	99
Stocks	2,178,250	2,585,570	86	Time Deposits	141,056,000	146,981,000	96
Receivables	1,311,810	1,469,170	89	Total Deposits	356,066,000	362,042,000	98
Shoes—				Borrowings at Fed. Res. Bank.....	389,000	2,765,000	14
Sales	\$ 209,570	\$ 193,590	108	Minneapolis Federal Reserve Bank			
Stocks	534,760	625,380	86	Loans to Member Banks.....	7,734,000	12,271,000	63
Receivables	527,070	549,540	96	Twin Cities	97,000	1,515,000	6
BANKING				Minn., Wis. and Mich.....	3,354,000	4,526,000	74
Member Bank Deposits				N. Dak. and Mont.....	1,650,000	3,379,000	49
In Cities Over 15,000 pop.....	\$342,515,000	\$404,841,000	85	South Dakota	2,633,000	2,851,000	92
In Cities Under 15,000 pop.....	231,927,000	322,262,000	72	Fed. Res. Notes in Circulation.....	93,253,000	73,432,000	127
Michigan—15 Cos.	86,997,000	58,923,000	63	Member Bank Reserve Deposits	40,220,000	41,530,000	97
Minnesota	96,345,000	128,260,000	75				
Montana	33,643,000	42,009,000	80				
North Dakota	24,428,000	32,438,000	75				
South Dakota	28,844,000	37,621,000	77				
Wisconsin—26 Cos.	11,670,000	23,011,000	51				

¹Daily Averages.
²Latest Reported Data.

BANK DEBITS

Number of Business Days:	April 1933	March 1933	April 1932	March 1932				
Minnesota.....	24	—	26	26	Montana			
All Other States in District	25	—	26	27	Anaconda	\$ 673	\$ 688	\$ 1,048 \$ 1,060
					Billings	4,026	3,702	5,206 4,720
					Bozeman	1,410	1,063	1,500 1,500
					Butte (2 Banks).....	5,407	5,675	7,305 6,932
					Deer Lodge	577	—	853 1,004
					Glendive	495	638	658 658
					Great Falls	5,559	4,637	7,537 7,536
					Harlowton	157	146	188 188
					Havre	733	619	819 798
					Helena	5,349	4,861	5,251 5,939
					Kalispell	933	863	1,169 1,201
					Lewistown	853	917	1,066 969
					Malta	339	331	380 285
					Miles City (1 Bank).....	790	766	855 768
					North Dakota			
					Bismarck	9,329	8,689	12,121 9,036
					Devils Lake	760	619	1,011 866
					Dickinson	746	552	1,192 988
					Fargo	9,354	9,340	13,859 12,561
					Grafton	302	316	475 486
					Grand Forks	2,860**	1,296**	5,247 4,633
					Jamestown	1,265	1,237	1,606 1,374
					Mandan	605	645	1,026 903
					Minot	3,085	2,731	4,893 2,649
					Valley City	651	604	882 803
					Wahpeton	620	580	842 895
					Williston	463	44	893 800
					South Dakota			
					Aberdeen	2,672	2,395	3,310 3,369
					Brookings (1 Bank).....	488	372	726 715
					Deadwood	607	593	649 670
					Huron	2,497	2,425	3,332 3,136
					Lead	1,262	1,095	1,483 1,177
					Madison	499	416	737 607
					Milbank	283	275	378 353
					Mitchell (2 Banks).....	1,643	1,322	2,259 2,057
					Mobile	362	310	421 363
					Pierre	753	771	863 694
					Rapid City	1,324	1,097	2,474 2,095
					Sioux Falls	10,014	9,121	10,820 10,870
					Watertown	1,543	1,354	2,024 2,059
					Yankton	1,202	925	1,670 1,380
					Wisconsin			
					Chippewa Falls	1,223	1,025	1,456 1,382
					Eau Claire	3,882	3,062	4,672 4,834
					Hudson	—	197*	449 474
					La Crosse	5,191	5,478	7,446 8,782
					Merrill (1 Bank).....	220	189	745 860
					Superior	1,822*	2,120*	4,436 4,735

*Figures for a smaller number of banks.

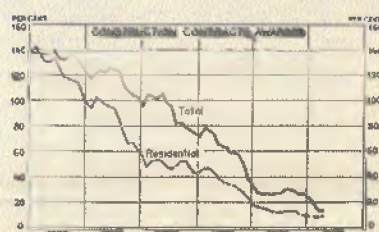
**Including one bank operated by a conservator.

Summary of National Business Conditions

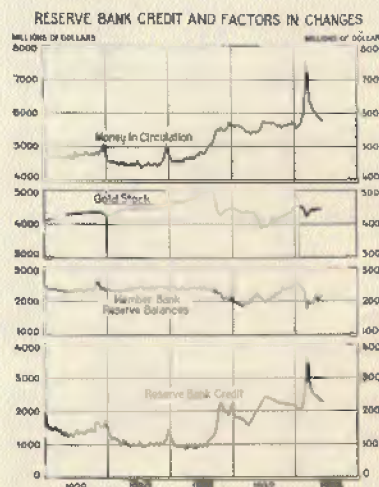
(Compiled May 23 by Federal Reserve Board)



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



Indexes based on three month moving averages of F. W. Dodge data for 37 Eastern States, adjusted for seasonal variation. (1923-1925 average = 100.)



Wednesday figures. Latest figures are for May 17.

Industrial activity increased considerably during April and the first three weeks of May, and wholesale prices of many leading commodities advanced, particularly in the latter part of April and the early part of May. Following the imposition of an embargo on gold on April 20, the exchange value of the dollar declined and on May 20 was 87 per cent of its gold parity.

PRODUCTION AND EMPLOYMENT: The volume of industrial production, as measured by the Board's seasonally adjusted index, increased from 60 per cent of the 1923-1925 average in March to 67 per cent in April, as compared with 63 per cent a year ago and a low of 58 per cent last July. Activity at steel mills increased from 15 per cent of capacity in March to 25 per cent in April and there was a further increase in the first three weeks of May. Increased activity in the steel industry reflected chiefly increased demand from automobile producers and from miscellaneous sources, while demand from the railroad and construction industries continued at low levels. At textile mills and shoe factories, production increased considerably during this period. The output of petroleum fluctuated widely, declining in the middle of April and subsequently increasing to a high level.

The volume of factory employment and payrolls increased between the middle of March and the middle of April by an amount somewhat smaller than the increase in the preceding month. The value of construction contracts, as reported by the F. W. Dodge Corporation, continued at previous low levels in April, but showed a considerable increase in the first half of May. The total value of awards in these six weeks was considerably smaller than in the corresponding period a year ago.

DISTRIBUTION: Freight traffic, which was at a low level in March, increased during April and the first two weeks of May by more than the usual seasonal amount, reflecting chiefly large increases in shipments of miscellaneous products, grain and livestock.

Department store sales increased sharply from March to April and the total for these two months showed slightly more than the usual seasonal increase over the volume of sales in January and February.

WHOLESALE PRICES: During April, particularly in the latter part of the month, there were substantial increases in the wholesale prices of grains, flour, sugar, textile raw materials and finished products, hides, pig iron, nonferrous metals and rubber. Prices of most of these commodities continued to advance rapidly in the first two weeks of May, and showed little change in the third week of the month. Prices of livestock, which did not advance in April, increased considerably in the first three weeks of May. Silver prices, after advancing by a substantial amount in the latter part of April, subsequently showed a decline, and petroleum prices also were reduced.

FOREIGN EXCHANGE: During the four weeks following the imposition of the embargo on gold, the exchange value of the dollar declined to 83 per cent of its gold parity on May 5, but subsequently rose to 87 per cent on May 20. The noon buying rate of cable transfers on the French franc rose from 3.98 cents on April 18 to 4.50 cents on May 20, and the rate on the English pound rose from \$3.49 to \$3.87.

BANK CREDITS: During the four weeks ending May 17, about \$215,000,000 of additional currency was returned to the Reserve banks, and on that date all but \$200,000,000 of the \$1,930,000,000 withdrawn by banks and individuals between February 1 and March 13 had been returned. Funds arising from the return of currency during the four week period were used to reduce Reserve bank holdings of acceptances by an additional \$130,000,000 and to liquidate \$85,000,000 of member bank indebtedness at the Reserve banks. As the result of an addition of about \$100,000,000 to the Reserve banks' holding of gold, and a further reduction of Federal reserve notes in circulation, the reserve ratio of the Reserve banks rose considerably between April 19 and May 17. The decline in Federal reserve notes reflected in part an increase of \$50,000,000 in Federal reserve bank notes in circulation.

Loans and investments of reporting member banks in New York City increased by about \$400,000,000 between the middle of April and the middle of May, reflecting chiefly a growth of \$200,000,000 in loans on securities, and of \$140,000,000 in investments in United States Government securities. Net demand deposits also increased by about \$400,000,000 of which about one-third represented a further growth of bankers' balances.

Money rates in the open market continued at low levels.