

MONTHLY REVIEW

OF
AGRICULTURAL AND BUSINESS CONDITIONS
 IN THE
NINTH FEDERAL RESERVE DISTRICT

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DISTRICT SUMMARY OF BUSINESS

For the eighth consecutive month, the volume of business in this district has exceeded the volume in the corresponding month of the preceding year. Business developments have been somewhat similar to developments after the large crop of 1924. Debits to individual accounts at representative cities, which constitute the chief index of the volume of payments, rose to very high levels during the crop marketing season in 1927 as in 1924. In both years, this high level was followed by a quieter period during the winter and renewed activity, exceeding the usual seasonal increase in the following spring. In 1928, the recovery from the winter dull season has been especially marked and the volume of debits in April was larger than in any other April on record.



Debits to Individual Accounts at Banks in Seventeen Cities in the Ninth Federal Reserve District. Heavy curve represents figures adjusted to eliminate seasonal changes; light curve represents unadjusted figures as percentages of the average month.

The increase in debits this spring has been most pronounced at those cities where the small grain crop has had the most direct effect, namely, Minneapolis and the cities of Montana, North Dakota and northern South Dakota.

In the southern part of the district, which is devoted to a variety of mixed farming activities, an increase in the volume of debits occurred during the

three years ending in the spring of 1927. This recovery was checked during the remainder of 1927, but in the first four months of 1928 there has been a renewal of the upward trend. At St. Paul, debits to individual accounts have followed a fairly level course during the past five years, with only minor variations up and down. In the fall of 1927, the volume of debits at St. Paul reached the highest level on record, and in April 1928 was 4 per cent above the usual volume for the month. At Duluth-Superior, the volume of debits follows a very irregular course, depending chiefly on the volume of grain, iron ore and coal shipments, and on the dates of opening and closing of lake navigation. In April, the volume was slightly under the usual volume for the month. South St. Paul debits provide a useful measure of the activity in the meat packing industry in the district. The volume of debits at this city during April was in line with the trend of recent years but was smaller relative to this trend than the volumes recorded for the preceding seven months.

One of the causes of the improvement in the volume of debits in the district this spring is indicated by the increase in security sales by representative Twin City dealers. Sales to the general public during April totaled \$10,907,000, which exceeded the previous high record which had been reported in January of this year and was 56 per cent larger than sales in April a year ago. Sales of securities to the public by these firms have never totaled as much as 10 million dollars in any one month until the last few months, but in three of the last five months sales have exceeded this figure. There has also been a good demand for bonds from banks. Sales by these Twin City firms to bank customers were 25 per cent larger in April this year than in the same month a year ago.

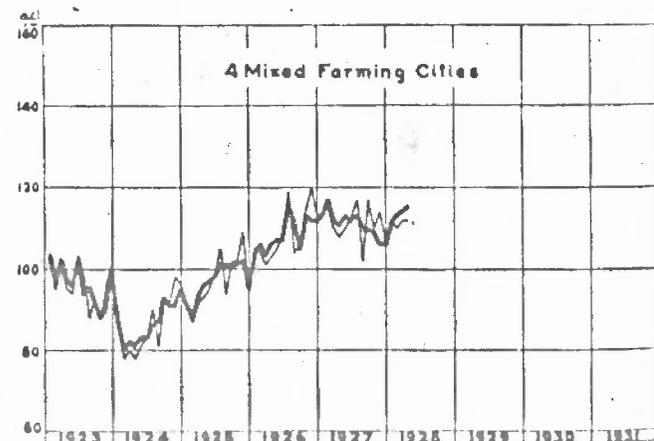
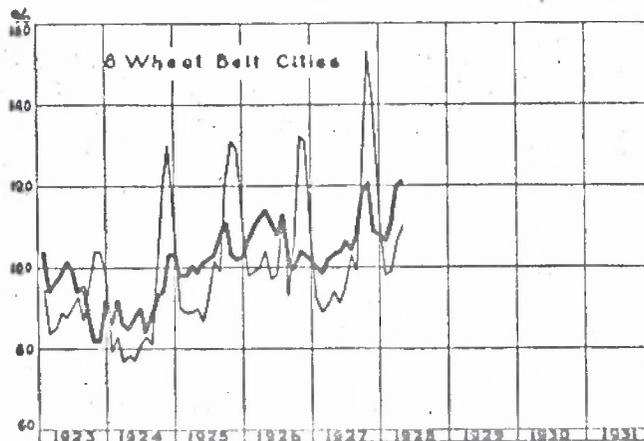
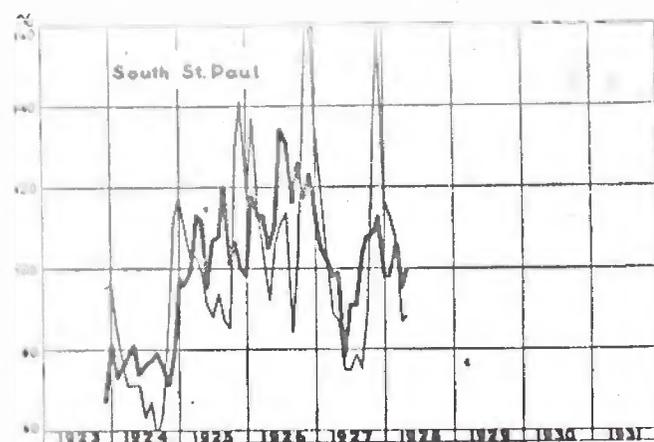
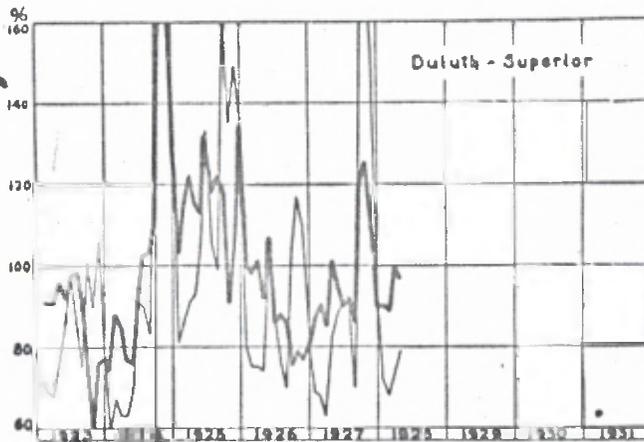
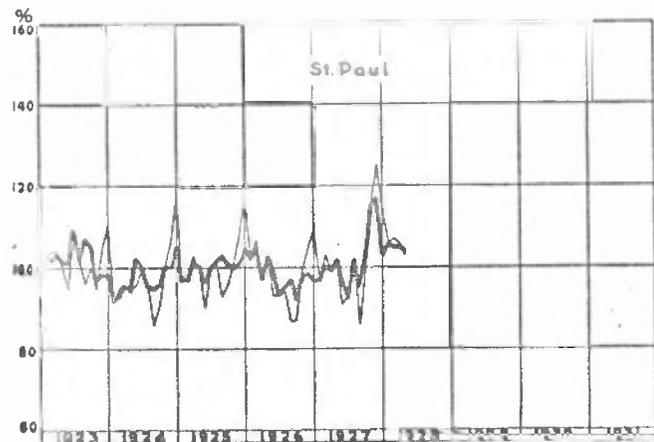
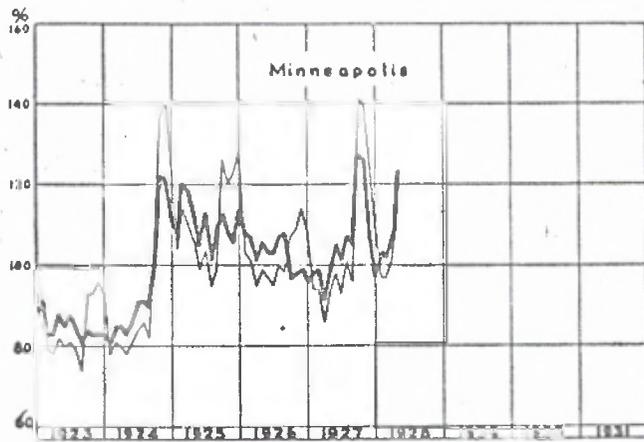
Flour and linseed shipments, farm implement sales and life insurance sales made gains over the volume of April 1927. Country lumber sales and wholesale hardware and grocery sales were about as large as in April 1927, if the smaller number of business days in April 1928 is considered. Business failures in each of the last ten months have been reduced in number as compared with a year ago.

In several major lines of activity, reports show an unfavorable condition. Building permits in April

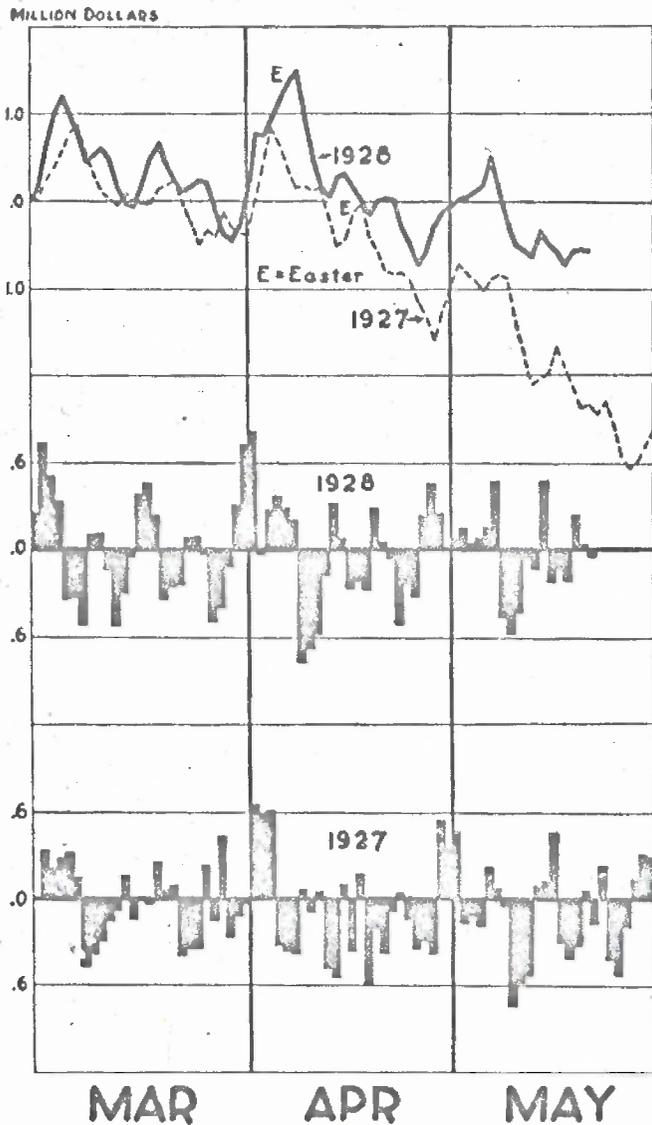
were 33 per cent smaller than in April a year ago and the volume of building over the past twelve months has been the smallest in more than seven years. Cities in all parts of the district, except the mixed farming territory, reported a smaller volume of building in April than in the same month last year. In the case of Minneapolis, St. Paul and Duluth, the volume of building during the past twelve months has been at or near the low level of 1921. In the mixed farming cities, building is

about on an average with the last three years. In the wheat belt cities, the volume of building is near the highest level of the post-war years. Freight carloadings and wholesale shoe sales were smaller in April than in April 1927.

Department store sales during March and April were 6 per cent smaller than in the same two months last year. The fact that Easter fell on an earlier date in 1928 than in 1927 caused March sales this



Debits to Individual Accounts at Banks in Cities and Regional Groups of Cities in the Ninth Federal Reserve District. Heavy curves represent figures adjusted to eliminate seasonal changes; light curves represent actual figures.



Currency Outflow and Inflow at the Minneapolis Federal Reserve Bank during March, April and May of 1927 and 1928. In the lower half of the chart are shown the net daily outflow or inflow by means of bars above or below the zero line. The curves in the upper part of the chart show the cumulative effects of these daily changes on currency in circulation.

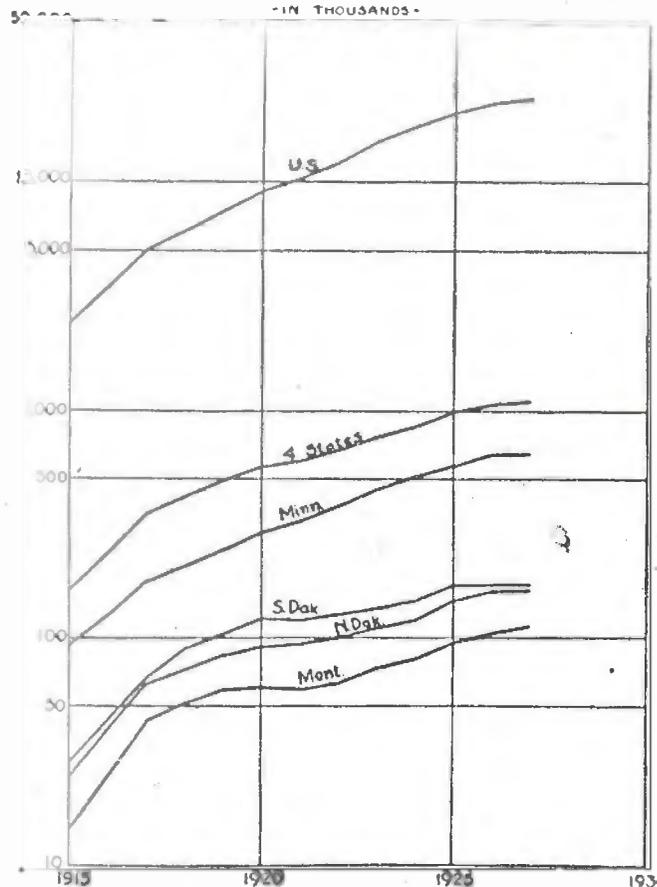
year to be 3 per cent larger than sales in March last year, but April sales this year were 15 per cent smaller than April sales a year ago. The earlier Easter also had a noticeable effect on the demand for currency at this Federal Reserve Bank. Currency movements into and out of this bank during March and the first three business days of April were very similar in the two years. The volume in circulation decreased in March and increased during the first few days of April. In 1927, this increase was followed by a rapid decrease until April 14, but in 1928, owing to the demand for pocket money incidental to Easter trade, a further increase occurred in currency in circulation until April 9, after which the volume in circulation de-

creased to its usual amount. The Easter demand for currency in 1927 caused a small increase in currency in circulation during the three business days, April 14, 16 and 18. The accompanying chart shows the net daily movement into and out of this Federal Reserve Bank during March, April and May of the last two years. The curves in the upper part of the chart indicate the cumulative effects of these daily movements on the amount of currency in circulation, assuming that the end of February was normal for both years.

Farm income from important products was estimated to be 23 per cent larger in April 1928 than in April 1927. The increase was again occasioned by great increases in the marketings of small grains. The income from hogs was smaller than in the corresponding month last year. All important farm product prices were higher than a year ago, except durum wheat, butter, hogs and lambs. Dairy income in March, which is the latest month for which complete records are available, was 8 per cent smaller than in March last year, when production was 5 per cent larger and wholesale butter prices were 2 cents per pound higher.

Motor vehicle registrations in Minnesota, North Dakota, South Dakota and Montana on December

MOTOR VEHICLE REGISTRATIONS



Motor Vehicle Registrations in Minnesota, North Dakota, South Dakota and Montana and for the Entire United States, 1915-1927.

31, 1927 were 2 per cent larger than registrations a year earlier. Passenger car registrations increased 1 per cent and truck registrations increased 17 per cent. Increases in motor vehicle registrations in all of these states, except Montana, were moderate. In Montana, the number of motor vehicles increased 9 per cent. Farm owned passenger cars in the four states made a most unusual gain from 363,000 cars to 413,000 cars. While the total registrations of passenger cars in these four states increased only 1 per cent, the number on farms increased 14 per cent and the proportion of the total number of cars in these states, which are the property of farmers, increased from 38 per cent to 43 per cent. Here again, Montana shows the most favorable comparison. The number of farm owned automobiles in Montana increased from 39,000 in 1926 to 65,000 in 1927, and the number of farm owned trucks in Montana increased from 4,000 to 6,500.

Passenger Car Registrations

December 31, 1926		Per cent
Total	On Farms	Farm Owned
Minnesota 559,128	166,884	30
Montana 88,840	38,835	44
North Dakota 145,571	76,373	52
South Dakota 153,840	80,843	53
Four States 947,379	362,935	38
December 31, 1927		
Minnesota 565,401	183,572	32
Montana 94,733	64,719	68
North Dakota 144,830	80,192	55
South Dakota 153,019	84,885	55
Four States 957,983	413,368	43

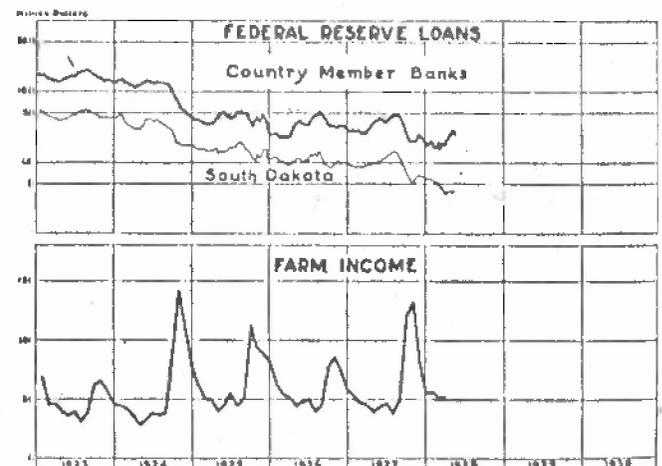
Motor Truck Registrations

December 31, 1926		Per cent
Total	On Farms	Farm Owned
Minnesota 71,157	20,961	29
Montana 15,118	3,931	26
North Dakota 12,251	6,656	54
South Dakota 14,390	6,824	47
Four States 112,916	38,372	34
December 31, 1927		
Minnesota 81,281	23,057	28
Montana 18,002	6,524	36
North Dakota 15,871	7,322	46
South Dakota 16,533	7,506	45
Four States 131,687	44,409	34

DISTRICT SUMMARY OF BANKING

The first two weeks of May witnessed the end of the spring period of seasonal strain on the city banks in this district, and at least a temporary relief for country member banks in the mixed farming territory. Probably the loans of this Federal Reserve Bank furnish the best index of credit conditions over short periods of time. The loans of this bank to member banks, both in the cities and in the rural portions of the district, reached a peak on May 2, and declined for the next two weeks. Loans to country member banks on May 16 were lower than on the same date in any recent year. Loans to city member banks on May 16 amounted to less than 7 million dollars, but this total was greater than the loans to city member banks on the same date in any previous year since 1923.

Country bank conditions on the whole are better this spring than for a number of years, according to the available evidence. Borrowings from this Federal Reserve Bank in all parts of the district, except the larger cities, were only \$2,245,000 on May 16. The low level of borrowings is particularly noticeable in South Dakota where the late market movement of hogs has furnished banks with funds to meet the seasonal requirements of farming and, consequently, there has been no spring increase in borrowings from this Federal Reserve Bank. In North Dakota and Montana, the usual spring increase in borrowings from this bank has developed and borrowings on May 16 were at the highest level of the year, although they were only half as large as borrowings from this bank a year ago. Country banks in Minnesota and the portions of Wisconsin and Michigan which are included in this district, increased their borrowings until May 2, at which time their borrowings were the largest for that date since 1925. However, in the next two weeks these banks were able to reduce their



Federal Reserve Loans to Country Banks in the Ninth Federal Reserve District and in South Dakota and Income from Cash Crops, Hogs and Dairy Products.

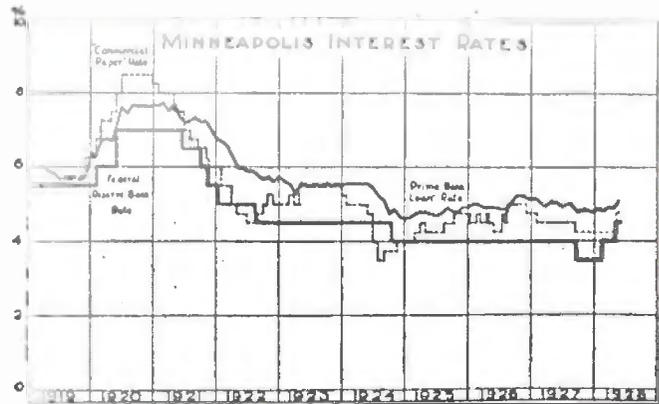
borrowings, contrary to the usual trend. Consequently there is a possibility that this decline in borrowings was temporary.

Country banks have been reducing their balances with city member banks in this district, according to the usual seasonal trend. Between March 7 and May 16, there was a reduction in these balances of 20 million dollars, or 18 per cent. This probably measures the maximum withdrawals to meet the spring requirements. According to experience of past years, real estate tax deposits at the end of May enable country banks to increase their correspondent bank balances by approximately 8 million dollars. On May 16, city correspondent banks were carrying 11 million dollars more of country bank balances than a year ago.

City member banks have experienced a very rapid liquidation of commercial loans during the five weeks ending May 16, which has enabled them to meet withdrawals of country bank balances and other withdrawals and to reduce borrowings at this bank. Total withdrawals of net demand deposits from the spring peak reached on March 7 to the low point of May 2 amounted to 21 million dollars and the withdrawals of time deposits this spring were 6 million dollars, making a total deposit reduction of 27 million dollars. This seasonal condition was exaggerated in the early spring by an increase of 12 million dollars in commercial loans (the "all other" classification), which necessitated withdrawals of balances with eastern correspondents amounting to 9 million dollars and an increase of 12 million dollars in borrowings from this bank. Loans secured by stocks and bonds were also reduced 11 million dollars.

During the two weeks ending May 16, there has been no further decrease in deposits and the reduction in commercial loans which began after April 11, has become very marked. These developments have made it possible for the city member banks to reduce their borrowings 5 million dollars, to increase their correspondent bank balances 6 million dollars and to increase their loans secured by stocks and bonds 5 million dollars.

Interest rates on prime loans quoted by Minneapolis banks increased slightly during the last month, bringing the rate above 5 per cent for the first time since August 1927. Commercial paper rates were increased one-half of 1 per cent during the month to the highest level since January 1927. The discount rate of this Federal Reserve Bank was raised on April 25 to 4½ per cent.



Interest Rates at Minneapolis on Prime Bank Loans and Commercial Paper and the Discount Rate at the Federal Reserve Bank, 1919-1928.

MAY 1, 1928 ACREAGE ESTIMATES AND PRODUCTION FORECASTS WITH COMPARATIVE FIGURES FOR 1927 AND THE TEN YEAR AVERAGE 1918-1927

Source: United States Department of Agriculture

	Estimated Acreage (000's omitted)			Yield per Acre			Production (Bushels: 000's omitted)		
	May 1, 1928	1927	Ten Year Average	May 1, 1928	1927	Ten Year Average	Forecast May 1, 1928	1927	Ten Year Average
WINTER WHEAT									
Minnesota	110	155	113	13.5	21.4	18.4	1,490	3,317	2,079
Montana	764	625	544	17.4	22.0	14.6	13,317	13,750	7,950
North Dakota
South Dakota	81	105	99	11.7	18.0	14.2	949	1,890	1,405
Four States	955	885	756	16.5	21.4	15.1	15,756	18,957	11,434
United States	35,858	37,872	39,468	13.6	14.6	14.9	486,478	552,384	586,904
RYE									
Minnesota	409	409	618	14.5	18.3	17.0	5,921	7,485	10,527
Montana	141	134	107	13.0	18.0	12.2	1,840	2,412	1,313
North Dakota	1,353	1,381	1,482	9.2	16.7	11.1	12,488	23,063	16,470
South Dakota	169	154	280	11.6	18.0	14.8	1,965	2,772	4,141
Four States	2,072	2,078	2,487	10.7	17.2	13.0	22,214	35,732	32,451
United States	3,562	3,670	4,885	11.1	16.0	13.6	39,368	58,572	66,642

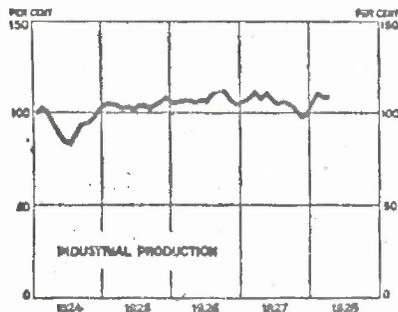
COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

		April, 1928	March, 1928	April, 1927	%April 1928 of March 1928	%April 1928 of April 1927
Debits to Individual Accounts—Daily Averages Unit						
17 Cities		\$32,677,000	\$30,384,000	\$28,833,000	108	113
Minneapolis		17,470,000	15,250,000	14,057,000	115	124
St. Paul		6,904,000	7,109,000	6,782,000	97	102
Duluth-Superior		3,142,000	2,953,000	3,259,000	106	96
8 Wheat Belt Cities		2,384,000	2,310,000	2,033,000	103	117
4 Mixed Farming Cities		1,570,000	1,574,000	1,514,000	100	104
South St. Paul		1,197,000	1,188,000	1,188,000	101	101
Carloadings—Northwestern District—						
Total	Cars	477,741	539,209	546,924	89	87
Grains and Grain Products	Cars	46,457	59,883	35,347	78	131
Livestock	Cars	27,803	40,180	30,575	69	91
Coal	Cars	17,636	26,853	18,856	66	94
Coke	Cars	6,097	7,483	6,514	81	94
Forest Products	Cars	73,471	91,160	81,907	81	90
Ore	Cars	9,612	2,597	54,702	370	18
Merchandise—L. C. L.	Cars	140,937	149,755	148,566	94	95
Miscellaneous	Cars	155,728	161,298	170,457	97	91
Building Permits—						
Number—18 Cities		2096	1380	2314	152	91
Value—18 Cities		\$ 3,888,200	\$ 3,779,500	\$ 5,794,000	103	67
Minneapolis		1,489,800	1,800,000	2,140,800	83	70
St. Paul		743,400	585,700	1,609,100	127	46
Duluth-Superior		345,200	478,500	554,800	72	62
4 Wheat Belt Cities		515,500	326,400	700,000	158	74
6 Mixed Farming Cities		714,900	508,900	653,700	140	109
4 Mining Cities		79,400	80,000	135,600	99	59
Building Contracts Awarded—						
Total		7,138,200	5,505,400	9,268,900	130	77
Residential		2,705,300	1,948,500	3,175,900	139	85
Commercial and Industrial		2,014,200	1,460,800	1,625,600	138	124
Public Works and Utilities		882,000	664,100	1,698,500	133	52
Educational		930,700	369,500	2,059,800	252	45
All Other		606,000	1,062,500	709,100	57	85
Cash Value of Farm Products Sold—						
Bread Wheat		6,822,000	12,062,000	4,127,000	57	165
Durum Wheat		3,771,000	4,571,000	2,999,000	82	126
Rye		984,000	1,520,000	394,000	65	250
Flax		361,000	322,000	136,000	112	265
Potatoes		3,715,000	5,114,000	2,917,000	73	127
Hogs		8,776,000	8,903,000	9,229,000	99	95
Dairy Products (See Note)		19,340,000	17,308,000	20,874,000	112	93
Grain Stocks at End of Month at Minneapolis and Duluth-Superior—						
Wheat	Bu.	42,011,630	41,967,419	14,875,915	100	282
Corn	Bu.	1,539,579	2,140,440	372,650	72	413
Oats	Bu.	4,279,993	6,432,367	15,213,618	67	28
Barley	Bu.	1,377,966	1,655,847	891,541	83	155
Rye	Bu.	4,141,751	3,885,473	4,413,739	107	94
Flax	Bu.	1,628,164	2,089,105	1,860,217	78	88
Median Cash Grain Prices—						
Wheat—No. 1 Dark Northern	Bu.	\$1.60	\$1.43 ³ / ₈	\$1.40 ³ / ₄	112	114
Durum—No. 2 Amber	Bu.	1.39	1.30 ³ / ₄	1.53	106	91
Corn—No. 3 Yellow	Bu.	.99 ³ / ₄	.94	.72 ³ / ₈	106	137
Oats—No. 3 White	Bu.	.57 ³ / ₈	.55 ³ / ₈	.43 ³ / ₄	104	132
Barley—No. 3	Bu.	.90	.89	.76 ¹ / ₂	101	118
Rye—No. 2	Bu.	1.26	1.14	.99 ¹ / ₈	111	127
Flax—No. 1	Bu.	2.33	2.31 ¹ / ₂	2.23 ¹ / ₂	101	104
Wholesale Produce Prices—						
Butter	Lb.	.42 ¹ / ₂	.45	.46 ¹ / ₂	94	91
Milk	Cwt.	2.48	2.52	2.50	98	99
Hens—4 ¹ / ₂ Pounds	Lb.	.22 ¹ / ₂	.21 ¹ / ₂	.21	105	107
Eggs	Doz.	.26	.23 ¹ / ₂	.23	111	113
Potatoes	Bu.	1.35	1.24 ¹ / ₂	1.55	108	87

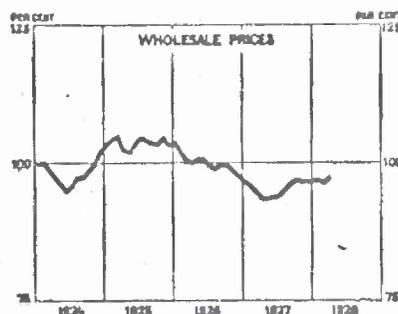
NOTE: Dairy products figures for Mar., 1928, Feb., 1928 and Mar., 1927.

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT
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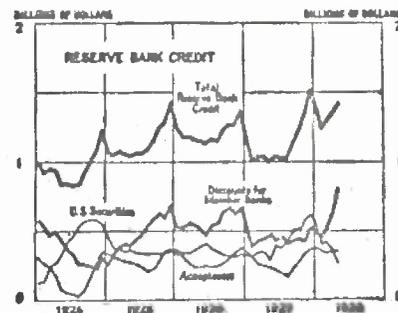
	Unit	April, 1928	March, 1928	April, 1927	%April 1928 of March 1928	%April 1928 of April 1927
Livestock Receipts at South St. Paul—						
Cattle	Head	56,304	57,350	51,412	98	110
Calves	Head	55,317	51,398	58,908	108	94
Hogs	Head	213,844	280,884	223,605	76	96
Sheep	Head	8,978	13,886	9,198	65	98
Median Livestock Prices at South St. Paul—						
Butcher Cows	Cwt.	\$8.50	\$8.25	\$7.00	103	121
Butcher Steers	Cwt.	11.75	11.50	9.75	102	121
Prime Butcher Steers	Cwt.	13.00	12.75	11.50	102	113
Stocker and Feeder Steers	Cwt.	10.00	9.50	7.25	105	138
Veal Calves	Cwt.	11.50	11.50	9.25	100	124
Hogs	Cwt.	8.75	7.90	10.50	111	83
Heavy Hogs	Cwt.	7.50	6.75	9.00	111	83
Lambs	Cwt.	15.50	15.60	15.50	99	100
Ewes	Cwt.	9.00	9.00	8.75	100	103
Flour—						
Production—Twin Cities & Duluth-Superior	Bbls.	1,233,803	1,343,519	954,238	92	129
Shipments from Minneapolis	Bbls.	1,041,645	1,235,496	902,196	84	115
Linseed Products Shipments from Minneapolis . . Lbs.						
		36,686,679	45,269,389	22,004,324	81	167
Retail Sales—						
Department Stores		\$2,111,120	\$2,335,320	\$2,483,550	90	85
Furniture Stores		484,720	454,560	500,800	107	97
Country Lumber Yards	Bd. Ft.	9,485,000	7,106,000	9,789,000	133	97
Retail Merchandise Stocks—						
Department Stores		\$6,408,550	\$6,369,150	\$6,678,170	101	96
Furniture Stores		2,794,870	2,785,910	2,772,350	100	101
Country Lumber Yards	Bd. Ft.	93,983,000	91,428,000	91,902,000	103	102
Life Insurance Sales (4 States)						
		\$24,257,000	\$25,717,000	\$22,721,000	94	107
Wholesale Trade—						
Farm Implements		314,900	366,080	243,620	86	129
Hardware		1,851,520	1,998,850	1,919,580	93	96
Shoes		349,500	451,750	520,180	77	67
Groceries		4,676,590	4,935,980	4,829,630	95	97
Business Failures—						
Number		88	83	98	106	90
Liabilities		\$853,191	\$996,828	\$1,220,988	86	70
Securities Sold—						
To Banks		4,386,200	3,490,700	3,508,000	126	125
To Insurance Companies		1,294,900	1,338,000	2,974,100	97	44
To General Public		10,907,400	8,037,900	6,975,100	136	156
Real Estate Activity in Hennepin and Ramsey Counties—						
Warranty Deeds Recorded		1207	1050	1720	115	70
Mortgages Recorded		1687	1625	1973	104	86
Member Bank Deposits—						
		May 9, 1928	April 11, 1928	May 25, 1927	%May of April	%May '28 of May '27
In Cities under 15,000 Population		456,871,000	456,134,000	427,365,000	100	107
In Cities over 15,000 Population		446,696,000	458,867,000	403,736,000	97	111
24 City Member Banks—						
		May 16, 1928	April 18, 1928	May 18, 1927		
Loans Secured by Stocks and Bonds		\$75,231,000	\$74,475,000	\$79,940,000	101	94
All Other Loans		161,179,000	176,942,000	147,691,000	91	109
Securities		133,022,000	133,161,000	122,211,000	100	109
Net Demand Deposits Subject to Reserve		215,725,000	222,217,000	202,827,000	97	106
Time Deposits		132,099,000	134,470,000	126,363,000	98	105
Borrowings at Federal Reserve Bank		6,756,000	11,978,000	4,534,000	56	149
Minneapolis Federal Reserve Bank—						
Loans to Member Banks		\$9,001,445	\$14,089,968	\$8,215,332	64	110
Federal Reserve Notes in Circulation		56,807,530	56,343,755	61,926,295	101	92



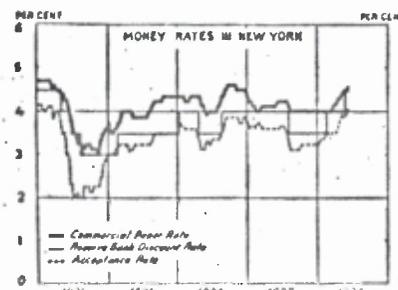
Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-25 average=100). Latest figure, April, 109.



Index of United States Bureau of Labor Statistics (1926=100, base adopted by bureau). Latest figure, April, 97.4.



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 23 days in May.



Weekly rates in New York money market: commercial paper rate on 4-to-6 months paper and acceptance rate on 90-day paper.

Summary of National Business Conditions (Compiled May 25 by Federal Reserve Board)

The volume of industrial production continued large during April, reflecting chiefly increased output in the metal industries, while activity in industries producing food and clothing decreased. Wholesale and retail trade also declined. The general level of wholesale commodity prices increased in April, reflecting advances in farm products. There were large exports of gold in April and May. Member bank loans and their borrowings at the Reserve banks continued to increase, and money rates showed further advances.

PRODUCTION: Production of manufactures remained in about the same volume in April as in March, while output of minerals declined slightly, owing chiefly to a decrease in production of bituminous coal. Daily average output of iron and steel, copper and zinc increased in April, but since the first of May there has been some curtailment in steel mill activity. Automobile production was maintained in large volume during April and, according to preliminary reports, also during the first half of May. Textile mill activity, output of boots and shoes, and meat production showed substantial declines during April. The volume of factory employment declined slightly, reflecting chiefly decreases in the food, leather and textile industries. Building contracts awarded in April exceeded those for any previous month and awards during the first three weeks of May continued in unusually large volume.

TRADE: Sales by department stores and by wholesale firms in most lines of trade declined in April and were in smaller volume than a year ago. Average daily sales of department stores, after allowance is made for the earlier date of Easter and the usual seasonal changes, were smaller in April than in March and were also smaller than in April a year ago. This decrease was due largely to unfavorable weather conditions. Stocks of department stores, after adjustment for seasonal changes, were in about the same volume as in March and slightly smaller than a year ago. Freight carloadings showed an increase between the beginning of April and the middle of May, but for most classes of commodities continued smaller than a year ago.

PRICES: The general level of wholesale commodity prices, as indicated by the index of the Bureau of Labor Statistics, increased from 96 per cent of the 1926 average in March to 97.4 per cent in April. This increase reflected sharp advances in the prices of grains, cotton, livestock, and hide and leather products. Rubber prices continued to decline and most of the other groups of commodities showed little change. During the first three weeks of May there were decreases in the prices of grains, flour, sheep and hogs and increases in copper, zinc and rubber.

BANK CREDIT: At member banks, loans largely for commercial and industrial purposes, following a rapid increase during February and March, have shown little change since the early part of April. Loans or securities continued to increase and total loans and investments of reporting member banks, in the middle of May were larger than at any previous time. The outward movement of gold continued in May, the decline in monetary gold stock during the four weeks ending May 23 being nearly \$90,000,000. This loss of gold, together with further sales of United States securities by the Reserve banks, was reflected in an increase of nearly \$140,000,000 in member bank borrowing at the Reserve banks. There were further advances in open market money rates during May, and discount rates at the Federal Reserve Banks of New York, Philadelphia, Cleveland, Atlanta and Dallas were raised from 4 to 4½ per cent.