

# MONTHLY REVIEW

## OF AGRICULTURAL AND BUSINESS CONDITIONS IN THE NINTH FEDERAL RESERVE DISTRICT

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### DISTRICT SUMMARY OF BUSINESS

Business during February was hampered in many parts of the district by heavy snows and impassable roads, but in spite of this handicap the volume was larger than in February, 1928. From the evidence of the daily averages of debits to individual accounts, the largest increases were shown in Minneapolis, northern Michigan, North Dakota and Duluth. For all reporting cities in the district, the increase was 11 per cent. This comparison is more favorable than the comparison a month earlier, for the daily averages of January individual debits exceeded the figures for January 1928 by only 8 per cent. Improvement between January and February in the comparison with last year was entirely in the larger cities and in northern Michigan and northwestern Wisconsin, as shown by the following table:

#### Daily Averages of Debits to Individual Accounts Shown as Percentages of the Corresponding Months in 1928

	January 1929	February 1929
Duluth .....	101	115
Minneapolis .....	111	118
St. Paul .....	100	106
South St. Paul .....	88	86
Other Minnesota .....	105	102
Michigan .....	108	118
Montana .....	123	109
North Dakota .....	132	116
South Dakota .....	115	106
Wisconsin .....	102	103
Ninth District .....	108	111

Debits to individual accounts for the larger group of individual cities which was announced last month will be found on a later page of this Review.

Other indexes of business reflect the mixed situation caused by a potentially large business volume hindered by weather conditions. The country check clearings index was 7 per cent higher than the index in February last year. All parts of the district experienced increases in country check clearings, but the only important increase was in Minnesota outside of Minneapolis and St. Paul. Carloadings of freight were 9 per cent smaller in February than in the same month last year, a decrease which was

partly due to the smaller number of business days. The only increases in carloadings over last year were reported for coal, coke and ore. Flour and linseed product shipments, department store sales, country lumber sales, wholesale trade and security sales were smaller in February than in the corresponding month last year. Building permits at eighteen cities decreased 36 per cent, but building contracts awarded in the northwestern district increased 70 per cent, as compared with February 1928.

The volume of business during the first half of March continued to be larger than the volume a year ago. Debits to individual accounts at seventeen cities in the two weeks ending March 13 were 12 per cent larger than in the corresponding weeks last year. Country check clearings in the first half of March were 7 per cent larger than in the first half of March 1928, although the figures for Montana, North Dakota and South Dakota indicated declines in those states. The daily average of building contracts awarded in the first thirteen business days of March amounted to \$268,200, as compared with the daily average for the month of March 1928 of \$211,700, according to the F. W. Dodge Corporation.

### DISTRICT SUMMARY OF AGRICULTURE

The estimated value of cash crops and hogs sold during February was 19 per cent smaller than the value of marketings of these products in February last year. The value of the January production of dairy products was 8 per cent larger than the value of January dairy production last year. Prices of durum wheat, rye, flax, butter, fluid milk, hens, eggs, hogs, lambs and ewes were higher in February than a year ago, while prices of bread wheat, corn, oats, barley, potatoes, cattle and calves were lower than a year ago.

Dairymen in Minnesota, Montana, North Dakota and South Dakota again reduced the number of dairy cows during the year 1928 according to the annual livestock inventory estimates issued by the United States Department of Agriculture. This is the third consecutive year in which the number of dairy cows has been decreased in these four states. The high point was reached at the end of 1925 when the dairy cow population was 2,821,000.

DEBITS TO INDIVIDUAL ACCOUNTS IN THE  
NINTH FEDERAL RESERVE DISTRICT

Number of Business Days	February	January	February	January
	1929	1929	1928	1928
Wisconsin	23	26	24	25
Other States	22	26	23	25
Michigan	(000's omitted)			
Escanaba (1 Bank)	\$ 835	\$ 992	\$ 835	\$ 851
Hancock	1,797	1,831	1,332	1,350
Houghton (1 Bank)	728	.....	.....	.....
Iron Mountain	4,363	6,027	3,563	5,638
Manistique (1 Bank)	389	557	.....	.....
Marquette (2 Banks)	3,909	5,507	3,627	4,799
Menominee	3,014	4,246	2,324	3,972
Stambaugh	334	441	300	453
Minnesota				
Albert Lea	2,729	2,906	2,903	2,976
Austin (2 Banks)	2,624	.....	.....	.....
Austin (1 Bank)	981	1,309	775	978
Benson (1 Bank)	361	361	311	435
Chaska	380	572	392	544
Chisholm (2 Banks)	629	718	631	686
Cloquet	2,266	2,083	2,604	2,207
Crookston (1 Bank)	984	1,021	963	971
Detroit Lakes	653	839	.....	.....
Duluth	60,143	66,721	54,730	63,591
Ely	469	555	.....	.....
Ely (1 Bank)	233	254	233	282
Glenwood	385	406	377	455
Hutchinson	1,160	1,462	1,117	1,411
Little Falls	901	993	907	1,062
Mankato	5,261	6,603	6,699	6,456
Minneapolis	381,074	435,800	338,117	377,037
Morris	463	659	489	558
Owatonna	2,553	2,576	2,548	.....
Park Rapids	360	446	426	427
Red Wing	2,176	2,543	2,673	2,340
Rochester	5,466	7,038	5,919	5,262
St. Cloud (1 Bank)	334	.....	231	.....
St. Paul	167,364	183,444	164,737	177,235
South St. Paul	27,843	35,325	33,777	38,642
Stillwater	2,196	2,862	.....	.....
Thief River Falls	571	646	665	635
Virginia	.....	2,531	.....	2,273
Wabasha	783	750	662	822
Wadena	753	.....	818	.....
Willmar	1,266	1,609	1,159	1,264
Winona	6,481	7,752	5,988	7,195
Worthington (1 Bank)	571	750	591	617
Montana				
Billings	6,780	9,480	7,548	7,892
Bozeman	2,395	2,636	2,195	2,409
Butte (2 Banks)	13,157	16,220	10,843	9,856
Deer Lodge	1,284	1,383	777	1,299
Glenville	1,006	1,191	1,204	1,311
Great Falls	13,420	17,909	14,154	14,397
Helena	8,128	10,332	7,063	7,997
Lewistown	1,933	2,690	2,356	2,554
Miles City (1 Bank)	1,443	1,796	1,585	1,930
North Dakota				
Bismarck	3,570	4,111	3,025	3,703
Devils Lake	1,433	1,793	1,503	1,793
Dickinson	1,336	1,709	1,331	1,571
Fargo	17,908	19,416	14,586	14,029
Grand Forks	6,433	7,844	6,461	7,182
Jamestown	2,056	2,567	2,392	2,384
Mandan	1,251	1,637	1,296	1,632
Minot	5,640	6,965	5,053	5,971
Wahpeton	899	1,023	913	953
Williston	1,375	1,409	1,342	1,301
South Dakota				
Aberdeen	4,095	6,631	5,223	6,239
Brookings (1 Bank)	860	1,072	1,196	1,178
Huron	4,363	6,350	5,326	5,290
Lead	1,098	1,275	1,088	1,256
Madison (1 Bank)	625	798	.....	.....
Mitchell	3,634	.....	3,849	.....
Mobridge	531	806	654	664
Pierre	1,071	1,362	1,421	1,680
Rapid City	3,264	4,019	3,163	2,981
Sioux Falls	18,307	22,349	16,708	18,101
Watertown	4,399	5,839	3,946	4,709
Yankton (3 Banks)	2,306	2,438	1,625	1,590
Wisconsin				
Ashland	2,011	2,357	.....	.....
Chippewa Falls	2,291	2,462	3,032	3,043
Eau Claire	6,598	8,060	.....	.....
Hudson	479	562	623	.....
La Crosse	11,419	13,194	10,718	11,254
Merrill (2 Banks)	1,591	1,603	.....	.....
Superior	7,223	7,964	7,513	8,081

## Definition of Debits to Individual Accounts

For the most part debits to individual accounts are checks against depositors' accounts and thus represent payments. Debits to individual accounts of banks are all debits against accounts of individuals, firms, corporations and government accounts, including war loan deposit accounts; and also debits to savings accounts, payments from trust accounts and certificates of deposit paid. Debits to individual accounts do not include debits in settlement of clearing house balances nor debits to correspondent bank accounts nor payments of cashiers' checks, charges to expense and miscellaneous accounts, corrections and similar charges.

While the number of dairy cows has been decreased, the average production per cow has evidently been steadily increased, as the farmers' dairy cash income in the Ninth Federal Reserve District has shown an increase during each of the last five years.

Northwestern dairymen were raising 6 per cent more 1 to 2 year old heifers than they were at the end of the preceding year. The total number of dairy heifers was 602,000, nearly 23 per cent of the number of dairy cows, which is considerably in excess of the percentage needed for replacements, indicating that the dairymen expect either to continue building up the quality of their herds by replacing some of their older, low-producing cows with their better bred young stock, or to increase the size of their herds during the coming year.

Farmers whose diversification programs include the finishing of beef cattle for market held larger numbers of beef cattle on January 1, 1929, than a year ago. During the first two months of 1929 prices of ordinary butcher cattle have averaged about as high as a year ago, but prime butcher steers have been a little lower. The increased number of cattle on feed in our district is more than offset by decreases in other sections of the United States. Furthermore, in our own district, in the important range beef cattle area—the ranges of Montana and South Dakota—decreases are again shown.

The number of swine on farms in Minnesota, Montana, North Dakota and South Dakota was 10 per cent smaller than the number on hand a year earlier. The decreases were greatest in the most important swine producing sections, Minnesota and South Dakota. The only increase was in Montana where there were 14 per cent more hogs on hand than on the same date the year before. For the United States as a whole, a 9 per cent inventory decrease was estimated.

The smaller number of hogs on hand at the beginning of the 1929 breeding season, coupled with the probable decreased spring farrowings, as indicated by the December 1 Pig Survey, places the hog producer in a very favorable position. Median hog prices have been higher every month, beginning last November, than for the same month a year earlier. The greatest increase for the November-February period was in February, when the 1929 median hog price was \$10.00 compared with \$7.85 in 1928. For 14 consecutive weeks, beginning the middle of December, the average weekly hog price at South St. Paul was higher than that of the preceding week. This constant increase in price has never before been recorded for so many consecutive weeks since the United States Department of Agriculture established its Bureau of Markets office at South St. Paul in 1920.

With the bulk of the 1928 spring pig crop now marketed, it is possible to review the marketing season and revise our monthly marketing estimates. Revised figures for farmers' cash income from hogs for August to December, 1928, together with a

revised estimate for the calendar year 1928, are given in the accompanying table. October marketings were considerably in excess of the estimated marketings, with the result that the revised income figure is \$3,500,000 higher than the original estimate. It is interesting to note that while August and September median prices were \$11.00 and \$11.50, respectively, the highest since March, 1927, these high prices failed to draw even an average percentage of the hogs to supply the market.

**Revised Hog Income Estimates  
August-December, 1928**

August .....	\$ 5,478,000
September .....	8,177,000
October .....	15,226,000
November .....	16,686,000
December .....	17,861,000
Year, 1928 .....	140,256,000

The number of sheep on farms both in our four states and in the United States again showed a large increase when compared with last year's estimate. Each annual sheep inventory estimate has been larger than the previous one ever since our records began in 1923.

The United States Department of Agriculture advises caution in the further expansion of the sheep industry, using the following language:

"Although increased numbers of sheep in this country have not as yet affected the markets, caution should enter into production plans as present lamb prices can not be maintained if expansion is continued too rapidly. Sheep numbers continued to increase during 1928 and the lamb crop this year may show some increase above last year. Active business conditions will continue to help support the lamb and wool market well through 1929, with possible slackening in late 1929 or in 1930."

This caution is particularly applicable to the range sheep industry. Farm flocks in this district are frequently built up for the indirect benefits such as weed control as well as for the direct cash income.

Reports issued by the United States Department of Agriculture indicate prospects for improvement in the potato situation for the 1929 season. Stocks of potatoes for sale in the "surplus late potato region" which includes all of the Ninth Federal Reserve District, have been sufficiently large to discourage large plantings of early potatoes in the southern sections. Planting intentions reports indicate that the early potato acreage will be nearly 30 per cent less in 1929 than in 1928. While this will not have any great effect on the total 1929 production, as it only means a reduction of approximately 100,000 acres, it may prevent a repetition of the glut which occurred in the northern markets last year when northern growers were trying to close out their stored stocks at the same time that heavy receipts of cheap new potatoes were arriving.

The early reports of intentions to plant late po-

tatoes indicate an additional reduction of about 300,000 acres, making a total decrease of approximately 400,000 acres in United States potato acreage. If these intentions are carried out, they will cause a reduction in acreage of more than 10 per cent, and, with average yields, a decreased production of almost 63,000,000 bushels. This decrease in production would leave a large enough supply for domestic consumption but would relieve the potato situation of the severe surplus problem that has been present since early last summer.

Potato cash income estimates in the district for the months, August to December, 1928, according to our custom, have been revised in accordance with the new estimates published by the United States Department of Agriculture as to the per cent of the 1928 crop that was sold or is held for sale. The revised monthly figures, together with a revised figure for the year 1928, are given below:

**Revised Potato Income Estimates  
August-December, 1928**

August .....	\$ 723,000
September .....	2,500,000
October .....	6,086,000
November .....	1,701,000
December .....	611,000
Year, 1928 .....	28,461,000

March 1 stocks of wheat, rye, corn, oats and barley on farms in Minnesota, Montana, North Dakota, and South Dakota, as estimated by the United States Department of Agriculture, reflected the larger crops of 1928 when compared with those harvested in 1927. Stocks of feed grain (corn, oats and barley) were about 23,000,000 bushels greater than on the same date last year. Stocks of corn were smaller on March 1, 1929 than on March 1, 1928, but stocks of barley and oats were greater. Stocks of corn and oats were somewhat smaller than the five-year average, but barley stocks were much larger.

Stocks of wheat were about 10 per cent greater than a year ago, and about 20 million bushels above the 5-year average, particularly large increases being reported for both North Dakota and Montana. Rye stocks were smaller than on March 1, 1928 and slightly smaller than the 4-year average.

The estimates of the stocks of wheat and rye on farms and the estimates of the amount of these grains shipped or to be shipped out of the county where grown, issued by the United States Department of Agriculture, provide a very satisfactory yardstick for measuring the accuracy of our methods used in computing the total amount of farmers' cash income from wheat and rye in the Ninth Federal Reserve District.

In the 1927-1928 crop year, according to the United States Department of Agriculture estimates, 236 million bushels of the 277 million bushels of wheat raised in the Ninth Federal Reserve District

were marketed, the balance presumably, being used for seed and for feeding purposes. The actual marketings as shown by our records were very close to that amount, totaling 241 million bushels for the crop year. The difference is negligible, less than 2 per cent of the crop.

At the present time the United States Department of Agriculture estimates that only 226 million bushels of the 1928 crop have been, or will be, marketed, leaving a somewhat larger amount for feed and seed than last year. Our records show that 183 million bushels of wheat had been shipped to terminal markets by March 1, leaving only 43 million bushels to be delivered between that date and the end of the crop marketing season in July.

The rye crop in our four states in 1927 was 35,256,000 bushels. The United States Department of Agriculture estimates that 29,241,000 bushels were marketed. Our marketing figures for the 1927-1928 season were slightly below that estimate, 28,611,000 bushels, a difference of only 630,000 bushels, or less than 2 per cent of the crop.

On March 1 the United States Department of Agriculture estimated that 17,308,000 bushels of rye were sold or to be sold out of the 22,274,000 bushel crop raised in our four states in 1928. Actual marketings according to our records up to March 1, amounted to 14,031,000 bushels, leaving 3,277,000 bushels to be marketed between March 1 and July 31.

Seventy-one per cent of the 1927 flax crop had been received at terminal markets by March 1, 1928, according to our records. This represented nearly 90 per cent of the total marketings of that crop. The rate of marketing of the 1928 crop, according to our records, has been the same as during the preceding season, 71 per cent being marketed up to March 1, 1929.

#### DISTRICT SUMMARY OF BANKING

Banking changes during recent weeks have been of minor importance. Deposits at country member banks declined 2 million dollars, or less than 1 per cent, in February as compared with the January average. The deposits of country member banks in February were 2 per cent larger than a year ago. Borrowings from the Federal Reserve Bank by banks outside of Minneapolis and St. Paul decreased during the four weeks ending March 13, but were on that date slightly larger than a year ago.

The larger city banks which make weekly reports to this office experienced minor changes in deposits chiefly due to the collection of personal property taxes. Public deposits at these banks and correspondent balances held by them increased during the four weeks ending March 13. These increases were offset by decreases in other demand deposits and in time deposits. The changes were purely seasonal, as indicated by the fact that almost identical changes occurred in the same weeks in the two preceding years. The total deposits of these city banks on March 13 were smaller than a year ago, but were

larger than deposits two years ago. Borrowings by these banks from the Federal Reserve Bank were larger during the first part of March than at this time of year in any year since 1921. On March 13, their borrowings from this bank were more than 13½ million dollars, as compared with 28 millions on the corresponding date in 1921.

On the asset side of the balance sheet of these city banks, commercial loans (the "all other" classification) rose seasonally during the four weeks ending March 13, and on that date the volume of these loans was approximately the average for the same date in recent years. Loans secured by stocks and bonds also increased during these weeks and were larger on March 13 than on the corresponding date in any other year on record. Investment holdings of these banks showed no change during recent weeks and were slightly smaller than a year ago.

#### BANKING IN 1928

The complete record of all banks' assets and liabilities in the Ninth Federal Reserve District indicates that the year 1928 was a year of only minor changes in bank condition. Deposits of all banks in the district increased 23 million dollars to 1,723 million dollars. Bank loans have not declined appreciably for a year and a half, and in 1928 loans of all banks increased 3 million dollars to 950 million dollars. Investment holdings of all banks increased 21 million dollars to 602 million dollars. Borrowings of all banks from the Federal Reserve Bank and other sources increased 1 million dollars to over 9 million dollars. Holdings of real estate in the four states wholly within this district decreased almost 5 million dollars to 27½ million dollars. The number of banks in the district was decreased by 116, leaving 2,497 banks in operation at the close of the year.

These changes were almost entirely in the reports of banks outside of Minneapolis and St. Paul. The decrease in number of banks in the rural portion of the district, together with the increase in total deposits of all rural banks combined, caused a further increase in the size of the average country bank. On December 31, 1928, the amount of deposits held in the average country bank was \$506,000, as compared with \$476,000 a year earlier.

The relatively unimportant changes during 1928 in the condition of banking in the district resulted from more significant changes in banking conditions in various states of the district. In Montana, deposits increased 14 million dollars and deposits in South Dakota increased 10 million dollars. There were also small increases in deposits in the counties of Michigan and Wisconsin which are contained in this district. Deposits in Minnesota and North Dakota decreased during the year.

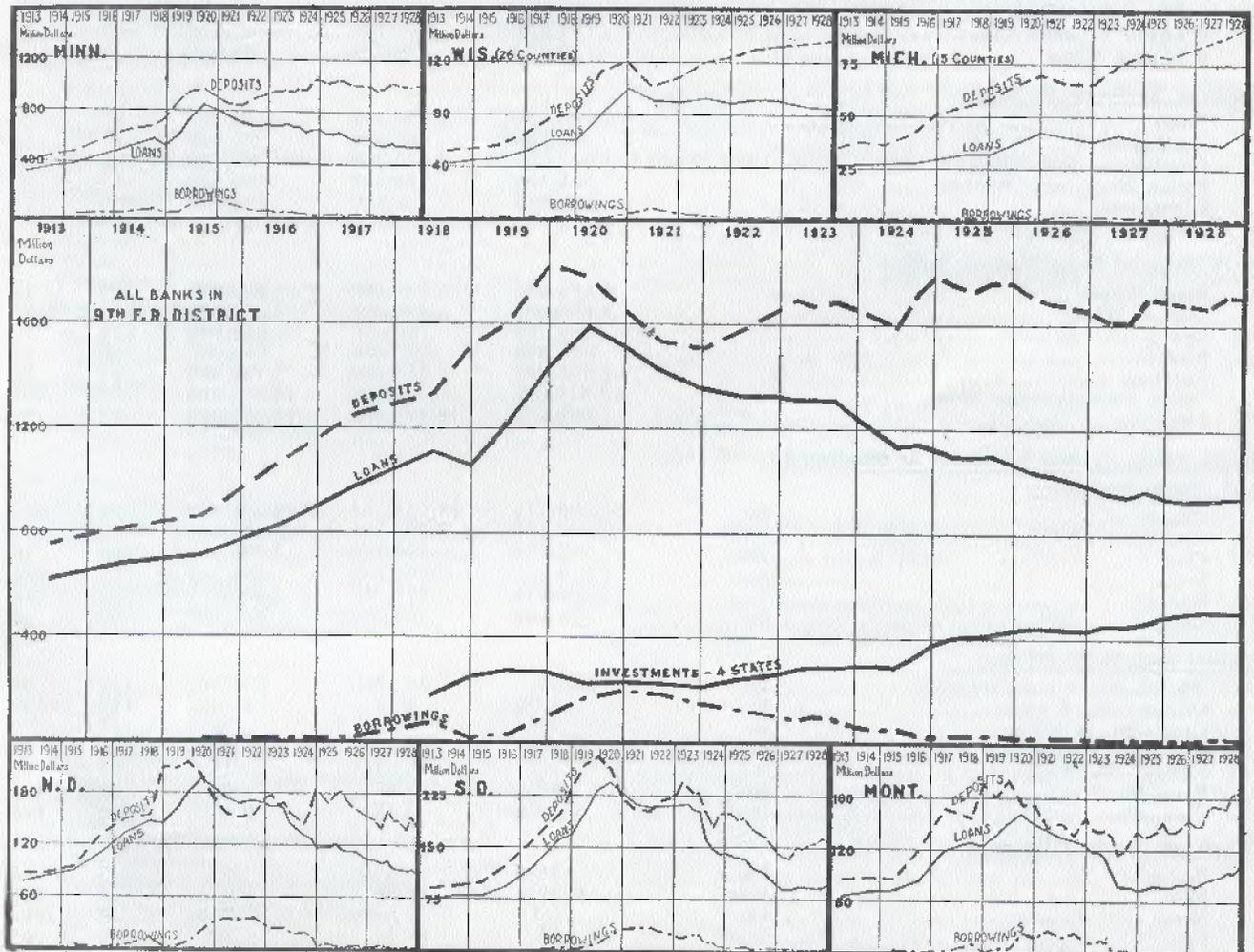
Although the total deposits of banks in the district increased only 23 million dollars, the deposits of individuals and firms increased 30 million dollars during the year, while the deposits of country banks with their city correspondent banks decreased 7 million dollars.

BANK RETURNS IN THE NINTH FEDERAL RESERVE DISTRICT  
(000's omitted)

	Loans	Investments	Cash and Due from Banks	Deposits	Borrowings	No. of Banks
December 31, 1928						
Minnesota .....	\$537,880	\$375,271	\$199,377	\$1,006,276	\$5,243	1,100
North Dakota .....	88,482	36,133	30,184	143,659	933	470
South Dakota .....	95,569	40,877	34,446	159,416	1,174	409
Montana .....	99,942	58,809	41,694	185,618	245	201
Michigan* .....	43,214	47,427		92,647	840	73
Wisconsin* .....	84,507	43,567		135,591	1,057	244
<b>Total .....</b>	<b>\$949,594</b>	<b>\$602,084</b>	<b>\$305,701**</b>	<b>\$1,723,207</b>	<b>\$9,492</b>	<b>2,497</b>
December 31, 1927						
Minnesota .....	\$549,533	\$370,700	\$196,311	\$1,008,634	\$3,869	1,163
North Dakota .....	93,108	34,689	32,240	149,307	991	512
South Dakota .....	93,072	33,470	33,497	149,076	1,621	415
Montana .....	87,880	52,785	44,368	171,571	145	205
Michigan* .....	36,811	45,745		87,715	684	74
Wisconsin* .....	85,838	43,415		134,319	699	244
<b>Total .....</b>	<b>\$946,242</b>	<b>\$580,804</b>	<b>\$306,416**</b>	<b>\$1,700,622</b>	<b>\$8,009</b>	<b>2,613</b>

\*Portion of states in the Ninth Federal Reserve District.

\*\*Four states only.



Loans, Deposits, Investments and Borrowings of All Banks in the Ninth Federal Reserve District.

## COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

Debits to Individual Accounts, Daily Averages—Unit	Feb., 1929	Jan., 1929	Feb., 1928	%Feb.	%Feb.
				1929	1929
17 Cities .....	\$33,325,000	\$32,222,000	\$29,685,000	103	112
Minneapolis .....	17,262,000	16,672,000	14,653,000	104	118
St. Paul .....	7,607,000	7,056,000	7,162,000	108	106
Duluth-Superior .....	3,048,000	2,872,000	2,693,000	106	113
8 Wheat Belt Cities .....	2,420,000	2,500,000	2,159,000	97	112
4 Mixed Farming Cities .....	1,722,000	1,763,000	1,549,000	98	111
South St. Paul .....	1,266,000	1,359,000	1,469,000	93	86
<b>Carloadings—Northwestern District—</b>					
Total—Excluding L. C. L. .... Cars	327,229	340,423	360,373	96	91
Grains and Grain Products .....	44,517	50,057	54,528	89	82
Livestock .....	32,487	41,209	42,142	79	77
Coal .....	43,467	46,423	31,570	94	138
Coke .....	8,547	7,548	7,499	113	114
Forest Products .....	67,675	61,849	89,141	108	76
Ore .....	2,211	2,398	1,880	92	118
Miscellaneous .....	128,325	130,939	133,613	98	96
Merchandise—L. C. L. .... Cars	116,896	123,023	128,742	95	91
<b>Building Permits—</b>					
Number—18 Cities .....	328	371	603	88	54
Value—18 Cities .....	\$1,565,900	\$1,397,800	\$2,459,800	112	64
Minneapolis .....	1,142,500	734,700	1,498,200	156	76
St. Paul .....	148,600	234,600	231,500	63	64
Duluth-Superior .....	104,800	152,600	159,300	69	66
4 Wheat Belt Cities .....	80,000	33,900	84,700	236	94
6 Mixed Farming Cities .....	86,900	203,100	441,300	43	20
4 Mining Cities .....	3,100	30,300	44,800	10	7
<b>Building Contracts Awarded—</b>					
Total .....	3,746,500	6,220,900	2,199,300	60	170
Residential .....	390,200	483,400	929,600	81	42
Commercial and Industrial .....	1,947,700	4,602,800	481,100	42	405
Public Works and Utilities .....	536,300	794,700	540,600	67	99
Educational .....	297,000	77,800	200,000	382	149
All Other .....	573,300	262,200	48,000	219	1199
<b>Cash Value of Farm Products Sold—</b>					
Bread Wheat .....	6,653,000	6,751,000	12,235,000	99	54
Durum Wheat .....	3,658,000	2,640,000	3,233,000	139	113
Rye .....	676,000	589,000	983,000	115	69
Flax .....	625,000	622,000	716,000	100	87
Potatoes .....	2,165,000	1,515,000	3,722,000	143	58
Dairy Products—See Note .....	19,815,000	18,259,000	18,423,000	109	108
Hogs .....	15,000,000	18,566,000	14,601,000	81	103
<b>Grain Stocks at End of Month at Minneapolis and Duluth-Superior—</b>					
Wheat .....	Bu. 54,498,716	53,521,331	38,658,369	102	141
Corn .....	Bu. 2,536,199	2,257,115	2,425,009	112	105
Oats .....	Bu. 2,792,394	1,386,740	8,020,911	201	35
Barley .....	Bu. 5,524,859	3,981,135	801,941	139	689
Rye .....	Bu. 3,209,936	2,876,754	2,898,519	112	111
Flax .....	Bu. 736,886	1,063,498	2,821,270	69	26
<b>Median Cash Grain Prices—</b>					
Wheat—No. 1 Dark Northern .....	Bu. \$1.35	\$1.28½	\$1.38¼	105	98
Durum—No. 2 Amber .....	Bu. 1.31⅝	1.17	1.24⅝	113	109
Corn—No. 3 Yellow .....	Bu. .91¼	.90	.92⅞	101	99
Oats—No. 3 White .....	Bu. .48¾	.46	.53½	106	91
Barley—No. 3 .....	Bu. .67	.65½	.85	102	79
Rye—No. 2 .....	Bu. 1.07¼	1.03	1.06	104	101
Flax—No. 1 .....	Bu. 2.55¼	2.45	2.25¾	104	113
<b>Wholesale Produce Prices—</b>					
Butter .....	Lb. .46½	.45½	.44	102	106
Milk .....	Cwt. 2.55	2.50	2.50	102	102
Hens—4½ Pounds .....	Lb. .23	.22½	.20½	102	112
Eggs .....	Doz. .30	.30	.28½	100	105
Potatoes .....	Bu. .66	.63	1.14	105	58

Note: January 1929, December 1928, January 1928.

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

	Unit	Feb., 1929	Jan., 1929	Feb., 1928	%Feb. 1929 of Jan. 1929	%Feb. 1929 of Feb. 1928
<b>Livestock Receipts at South St. Paul—</b>						
Cattle .....	Head	35,833	51,708	61,363	69	58
Calves .....	Head	37,825	43,863	52,364	86	72
Hogs .....	Head	239,247	341,946	337,919	70	71
Sheep .....	Head	41,128	67,833	35,124	61	117
<b>Median Livestock Prices at South St. Paul—</b>						
Butcher Cows .....	Cwt.	\$8.00	\$8.50	\$8.25	94	97
Butcher Steers .....	Cwt.	10.40	11.00	11.50	95	90
Prime Butcher Steers .....	Cwt.	11.75	12.50	13.35	94	88
Stocker and Feeder Steers .....	Cwt.	9.50	9.50	10.00	100	95
Veal Calves .....	Cwt.	12.50	14.00	13.25	89	94
Hogs .....	Cwt.	10.00	8.70	7.85	115	127
Heavy Hogs .....	Cwt.	9.50	8.65	6.75	110	141
Lambs .....	Cwt.	16.00	15.75	15.00	102	107
Ewes .....	Cwt.	8.50	9.75	7.00	87	121
<b>Flour—</b>						
Production—Twin Cities and Duluth-Superior .....	Bbls.	1,048,132	1,110,611	1,200,220	94	87
Shipments from Minneapolis .....	Bbls.	912,306	973,412	1,123,586	94	81
<b>Linseed Products Shipments from Minneapolis—</b>	Lbs.	36,693,262	37,192,802	41,456,754	99	89
<b>Retail Sales—</b>						
Department Stores .....		\$1,961,570	\$2,056,460	\$2,021,750	95	97
Furniture Stores .....		384,930	427,930	381,300	90	101
Country Lumber Yards .....	Bd. Ft.	3,285,000	5,489,000	4,346,000	60	76
<b>Retail Merchandise Stocks—</b>						
Department Stores .....		\$6,076,970	\$5,764,920	\$6,650,550	105	91
Furniture Stores .....		2,425,910	2,509,450	2,598,760	97	93
Country Lumber Yards .....	Bd. Ft.	86,453,000	79,400,000	89,704,000	109	96
<b>Life Insurance Sales—(4 States)</b> .....		\$21,601,000	\$20,780,000	\$23,257,000	104	93
<b>Wholesale Trade—</b>						
Farm Implements .....		230,440	74,840	240,090	308	96
Hardware .....		1,454,400	1,655,980	1,468,190	88	99
Shoes .....		353,550	267,420	544,840	132	65
Groceries .....		4,131,990	4,401,960	4,362,680	94	95
<b>Business Failures—</b>						
Number .....		47	56	72	84	65
Liabilities .....		\$1,362,209	\$ 696,709	\$ 383,730	196	355
<b>Securities Sold—</b>						
To Banks .....		2,292,000	1,596,900	3,915,700	144	59
To Insurance Companies .....		758,000	1,034,000	1,201,500	73	63
To General Public .....		8,643,800	10,034,100	7,524,100	86	115
<b>Real Estate Activity in</b>						
<b>Hennepin and Ramsey Counties—</b>						
Warranty Deeds Recorded .....		624	1206	837	52	75
Mortgages Recorded .....		1160	1398	1321	83	88
<b>Member Bank Deposits—</b>						
In Cities under 15,000 Population .....		\$460,531,000	\$462,195,000	\$450,875,000	100	102
In Cities over 15,000 Population .....		457,314,000	461,188,000	454,923,000	99	101
					%Mar. 1929 of Feb. 1929	%Mar. 1929 of Mar. 1928
<b>24 City Member Banks—</b>						
Loans Secured by Stocks and Bonds .....		\$ 84,323,000	\$ 79,977,000	\$ 78,532,000	105	107
All Other Loans .....		180,376,000	173,388,000	174,562,000	104	103
Securities .....		130,096,000	130,637,000	132,588,000	100	98
Net Demand Deposits Subject to Reserve .....		229,017,000	215,565,000	235,073,000	106	97
Time Deposits .....		132,899,000	139,237,000	133,433,000	95	100
Borrowings at Federal Reserve Bank .....		13,615,000	8,493,000	0	160	...
<b>Minneapolis Federal Reserve Bank—</b>						
Bills Discounted .....		16,037,511	11,483,856	1,868,521	140	858
Federal Reserve Notes in Circulation .....		62,911,800	61,274,295	56,011,505	103	112

## Summary of National Business Conditions (Compiled March 26 by Federal Reserve Board)

Industry and trade continued active in February and the first part of March and there was a growth in the volume of bank loans. Borrowing at Reserve banks increased during the period and money rates advanced further.

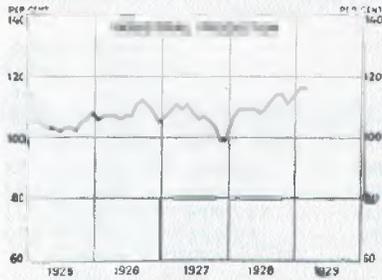
**PRODUCTION:** Production continued at a high rate throughout February and the first half of March, and was substantially above a year ago. Automobile output was at a record rate in February, and there was also an unusually high daily average production of copper and iron and steel. The large output in the iron and steel industry reflected demands from manufacturers of automobiles, machine tools and agricultural implements, and from railroad companies. Preliminary reports for the first half of March indicate further expansion in automobile and iron and steel production. During February, the daily average output of coal and crude petroleum also increased, and production of cotton and wool textiles continued large, while silk output declined somewhat from the unusually high level of January. There was also some decline from January in the production of lumber and cement and in the output of meat-packing companies. The high rate of activity in manufacturing during February was reflected in a larger than seasonal increase in factory employment and payrolls, both of which were considerably above the level of February, 1928.

Building activity declined further in February, and the value of contracts awarded was over 20 per cent smaller than a year ago. Residential building contracts showed the largest decline in comparison with February, 1928, while those for public works and utilities were only slightly smaller in value and commercial and industrial building awards increased. During the first half of March there was some seasonal increase in total building awards, but they continued to be substantially below a year ago.

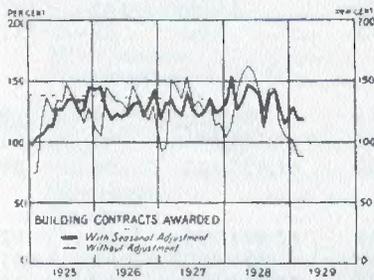
**TRADE:** In February shipments of commodities by rail increased more than is usual for the season, reflecting larger loadings of coal and coke and miscellaneous freight, which includes automobiles. During the first two weeks of March, freight carloadings continued to increase. Sales of wholesale firms were generally smaller in February than a year ago. In comparison with January, sales of dry goods, shoes and furniture increased seasonally, while sales of groceries and hardware were smaller. Department stores reported about the same daily volume of sales in February as in the preceding month, and larger sales than a year ago.

**PRICES:** The general level of wholesale prices declined slightly in February and was approximately the same as a year ago. The decline from January reflected primarily decreases in the prices of hides and leather, live stock and meats, and small declines in the prices of wool, cotton and woolen goods. The influence of these declines on the general average was partly offset by increases in the prices of copper, lead, iron and steel, rubber and grain. During the first two weeks of March, prices of wool and petroleum continued to decline and rubber prices receded somewhat after a marked rise in February, while leather prices declined sharply, prices of copper rose further and there were small increases in prices of hides, raw cotton and certain grades of lumber.

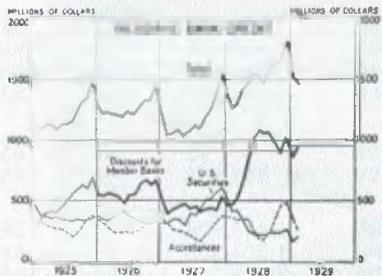
**BANK CREDIT:** Between the middle of February and the middle of March, there was a rapid growth of loans at member banks in leading cities. The increase was in loans chiefly for commercial purposes, which on March 13 were more than \$200,000,000 larger than four weeks earlier. Investments of the reporting banks declined further during the period. The total volume of Reserve bank credit declined somewhat between February 20 and March 20, reflecting for the most part some further gold imports from abroad. Member bank borrowing at Federal reserve banks was nearly \$80,000,000 larger on March 20 than four weeks earlier, while acceptances showed a further decline of about \$120,000,000 during the period. Security holdings showed relatively little change. Money rates continued to advance. Rates on 4-6 months' commercial paper rose from 5½-5¾ to 5¾-6 per cent and rates on 90-day bankers' acceptances increased from 5 to 5¼ per cent on February 13 and to 5½ per cent on March 21. Open market rates for collateral loans also increased.



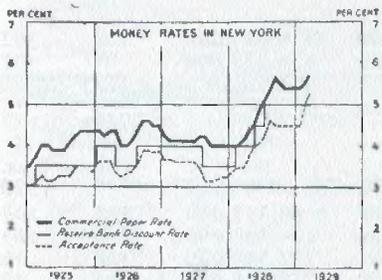
Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-25 average=100). Latest figure, February, 117.



Federal Reserve Board's indexes of value of building contracts awarded, as reported by the F. W. Dodge Corporation (1923-25 average=100). Latest figures, February, adjusted index 119, unadjusted index 88.



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 21 days in March.



Monthly rates in the open market in New York; commercial paper rate on 4- to 6-month paper and acceptance rate on 90-day bankers' acceptances. Latest figures are averages of first 22 days in March.