

# MONTHLY REVIEW

## OF

### AGRICULTURAL AND BUSINESS CONDITIONS

#### IN THE

#### NINTH FEDERAL RESERVE DISTRICT

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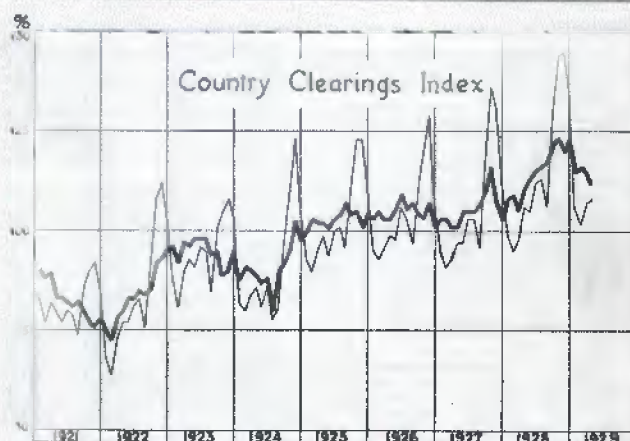
#### DISTRICT SUMMARY OF BUSINESS

The volume of business in the district showed mixed changes as compared with April 1928. Increases apparently predominated, but the net increase in business was not as large as the increases have been in earlier months this year, when the business volume is compared with the same months a year ago. One reason for the smaller increase was the earlier date of Easter this year. The record of debits to individual accounts shows that the volume of these transactions was 1 per cent larger in April than in the same month last year at eighty reporting cities, using the daily average to eliminate the effect of variations in the number of business days. It will be recalled that during the first quarter of 1929 debits to individual accounts were 10 per cent larger than in the first quarter of 1928. All states in the district reported increases in individual debits during April as compared with April last year, except Minnesota. In Minnesota, decreases at Duluth and Minneapolis more than offset increases in other parts of the state.

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

	January 1929	February 1929	March 1929	April 1929
Duluth .....	101	115	103	95
Minneapolis ....	111	118	112	94
St. Paul .....	100	106	107	100
South St. Paul...	88	86	120	118
"Other" Minnesota	105	102	108	104
Montana .....	123	109	113	116
Northern Michigan	108	118	119	110
North Dakota ...	132	116	110	117
South Dakota ...	115	106	104	121
Northwestern				
Wisconsin ....	102	103	111	116
Ninth District ...	108	111	110	101

The country check clearings index, which is prepared from the records of the Check Collection Department of this bank to serve as an additional indication of changes in the volume of rural business, increased 2 per cent in April over the index for April last year. Rural Minnesota showed the



Country Check Clearings Index for the Ninth Federal Reserve District. The light curve represents figures without seasonal adjustments. The heavy curve represents figures with seasonal adjustments.

largest increase. Department store sales, country lumber sales and wholesale trade increased in April, as compared with April a year ago, while security sales and shipments of flour and linseed products declined. Business failures were fewer in number in April this year than in the same month last year.

Carloadings of freight in full carlots were 25



Business Failures in the Ninth Federal Reserve District, as reported by R. G. Dun and Company. The heavy curve is the twelve-month moving average of the monthly data.



DEBITS TO INDIVIDUAL ACCOUNTS IN THE  
NINTH FEDERAL RESERVE DISTRICT

Number of Business Days:	April 1929	March 1929	April 1928	March 1928
Minnesota .....	26	25	24	27
Other States .....	26	26	25	27
(000 omitted)				
<b>Michigan</b>				
Escanaba (1 Bank) .....	\$ 978	\$ 992	\$ 959	\$ 945
Hancock .....	1,995	2,523	1,685	1,269
Houghton (1 Bank) .....	760	780	.....	.....
Iron Mountain .....	5,840	5,412	4,008	4,684
Iron River, Caspian, Stambaugh....	1,924	1,483	1,725	1,601
Manistique (1 Bank) .....	525	449	.....	.....
Marquette .....	4,216	4,009	3,746	3,691
Menominee .....	3,693	3,346	3,328	3,279
Sault Ste. Marie .....	2,436	2,678	2,644	2,251
<b>Minnesota</b>				
Albert Lea .....	3,218	3,179	2,929	3,230
Austin (2 Banks) .....	3,874	4,862	.....	.....
Austin (1 Bank) .....	1,143	1,230	937	1,004
Benson (1 Bank) .....	406	463	411	488
Chaska .....	535	535	495	576
Chisholm .....	896	671	735	631
Cloquet .....	3,159	4,471	2,765	2,895
Crookston (1 Bank) .....	1,087	1,117	1,011	1,029
Detroit Lakes .....	924	844	.....	.....
Duluth .....	70,149	68,095	68,378	71,718
Ely .....	844	577	732	649
Glenwood .....	469	455	565	524
Hutchinson .....	1,589	1,585	1,298	1,404
Little Falls .....	1,202	1,035	1,052	1,161
Mankato .....	6,947	6,454	6,042	6,851
Minneapolis .....	427,505	429,349	421,564	412,882
Morris .....	593	575	510	616
Owatonna .....	3,089	3,335	2,533	3,137
Park Rapids .....	479	500	509	412
Red Wing .....	2,615	2,195	2,532	2,589
Rochester .....	6,932	5,872	5,983	6,196
St. Cloud (1 Bank) .....	411	324	391	335
St. Paul .....	179,653	190,062	165,692	191,946
South St. Paul .....	36,711	35,488	28,733	32,074
Stillwater .....	2,973	2,630	.....	.....
Thief River Falls .....	825	720	800	750
Virginia .....	2,637	2,785	.....	.....
Wabasha .....	767	751	718	727
Wadena .....	1,064	912	1,064	974
Whenton .....	652	616	.....	.....
Willmar .....	1,376	1,512	1,305	1,595
Winona .....	7,947	7,351	7,664	8,210
Worthington (1 Bank) .....	983	786	802	785
<b>Montana</b>				
Billings .....	9,581	8,359	8,635	9,535
Bozeman .....	2,273	2,279	2,190	2,276
Butte (2 Banks) .....	14,211	16,920	10,963	10,671
Deer Lodge .....	1,464	1,304	823	1,482
Glendive .....	1,367	1,447	1,324	1,381
Great Falls .....	17,192	16,731	14,329	15,294
Helena .....	11,075	8,482	8,486	8,748
Lewistown .....	2,421	2,174	2,297	2,375
Miles City (1 Bank) .....	1,915	1,744	1,812	1,736
<b>North Dakota</b>				
Bismarek .....	4,254	4,092	3,444	3,406
Devils Lake .....	1,912	1,849	1,859	1,741
Dickinson .....	1,640	1,411	1,352	1,638
Fargo .....	21,596	19,552	17,087	17,404
Grand Forks .....	8,033	7,426	7,500	7,760
Jamestown .....	3,162	2,613	2,672	2,614
Mandan .....	2,003	1,797	1,429	1,770
Minot .....	8,709	6,800	6,845	6,837
Wahpeton .....	1,067	1,186	874	1,018
Williston .....	1,629	1,618	1,393	1,467
<b>South Dakota</b>				
Aberdeen .....	6,491	5,892	7,059	7,831
Brookings (1 Bank) .....	1,159	1,138	1,046	1,396
Huron .....	5,854	5,299	5,195	6,320
Lead .....	1,424	1,271	1,182	1,126
Madison (1 Bank) .....	1,032	749	.....	.....
Mitchell (2 Banks) .....	4,800	4,223	4,085	4,471
Mobridge .....	802	625	790	746
Pierre .....	1,625	1,262	1,584	1,775
Rapid City .....	4,135	3,715	3,883	2,796
Sioux Falls .....	22,360	21,832	17,882	19,574
Watertown .....	5,624	4,750	4,472	4,632
Yankton (3 Banks) .....	2,463	2,721	1,959	2,050
<b>Wisconsin</b>				
Ashland .....	2,378	2,218	.....	.....
Chippewa Falls .....	2,576	2,773	2,748	3,529
Eau Claire .....	3,208	7,872	.....	.....
Hudson .....	614	789	530	768
La Crosse .....	13,823	14,451	10,755	12,123
Merrill (1 Bank) .....	1,410	1,584	1,292	1,322
Superior .....	8,906	8,041	7,325	8,027

per cent larger in April than in the corresponding month last year. A large part of the increase was due to the earlier commencement of the ore movement, for 71,600 cars of ore were loaded on freight cars in April this year as compared with 9,600 cars in April last year. Excluding the increase in the movement of ore, the increase in carloadings as compared with a year ago was 7 per cent.

Building permits and contracts showed large increases in April over the same month last year chiefly on account of increased building programs at Minneapolis, St. Paul and Great Falls. The valuation of building permits granted during April at eighteen reporting cities was \$11,181,000. This is the second largest month's record which has been reported during the ten years beginning with 1919. The only month which exceeded April 1929 was April 1925. During the first four months of 1929, the valuation of building permits and contracts was the largest since the same months in 1926.

In the first half of May, debits to individual accounts at seventeen cities showed a reduction of 2 per cent as compared with the same period last year. This reduction was due in great part to the smaller volume reported at Minneapolis and Duluth. The country check clearings index for the first sixteen business days of May was 7 per cent larger than in the corresponding days last year, with rural Minnesota showing the largest increase. The daily average of building contracts awarded in the Northwest during the first seventeen days of May was \$509,800, as compared with the daily average for the whole month of May 1928 of \$364,800, according to the F. W. Dodge Corporation reports.

Farm income from cash crops and hogs combined during April was 6 per cent smaller than the income from these sources in April last year. Decreases occurred in the cash value of bread wheat, rye and potato marketings, while increases occurred in the income from durum wheat, flax and hogs. The value of dairy products sold during March was 17 per cent larger than the value of dairy products sold in the same month last year. The April prices of flax, cattle, calves, hogs, sheep, butter, milk and hens were higher than a year ago. The April prices of wheat, corn, oats, barley, rye, eggs and potatoes were lower than a year ago.

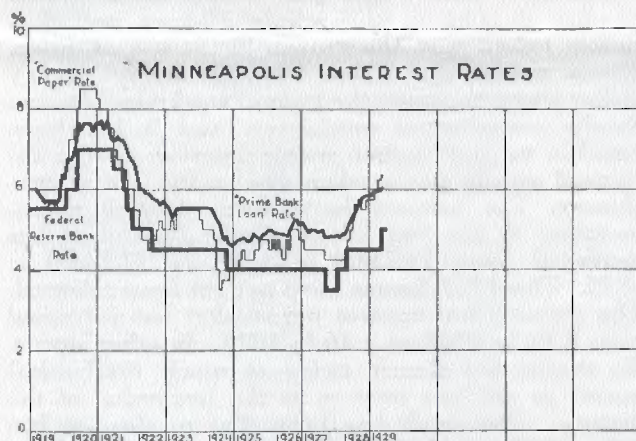
## DISTRICT SUMMARY OF BANKING

City member banks in this district experienced only minor changes in their balance sheets during the four weeks ending May 15. Their deposits remained quite stationary following the early spring decline and appeared to be entering the usual summer period of small fluctuations other than those caused by real estate tax payments. There were declines in loans and investments of city member banks during this four-week period and a decrease in borrowing by these banks from the



Federal Reserve Bank of 8 million dollars from the spring peak of \$19,855,000, reached on April 24. Deposits of these city banks were 20 million dollars smaller on May 15 than on the corresponding date last year. This was almost entirely due to a smaller amount of country bank balances held, which showed a decrease of more than 23 million dollars during the year. Commercial and individual time and demand deposits were practically at last year's level, and public deposits were slightly higher than a year ago. Loans and discounts of these banks on May 15 were 8 million dollars higher than a year ago; investments were 9 million dollars lower; reserve balances with the Federal Reserve Bank were 2 million dollars lower; checks in process of collection were 10 million dollars lower and borrowings from the Federal Reserve Bank were 5 million dollars higher.

Interest rates increased slightly in recent weeks. Commercial paper rates to borrowers, as quoted by a leading firm in Minneapolis, increased from  $6\frac{1}{4}$  per cent to  $6\frac{1}{4}$ - $6\frac{1}{2}$  per cent during the month of April. Interest rates on prime customers' loans, as quoted by Minneapolis member banks, increased slightly from  $5\frac{1}{2}$ -7 per cent on April 15 to  $5\frac{3}{4}$ -7 per cent on May 15. The discount rate of this Federal Reserve Bank was raised from  $4\frac{1}{2}$  to 5 per cent on May 14.

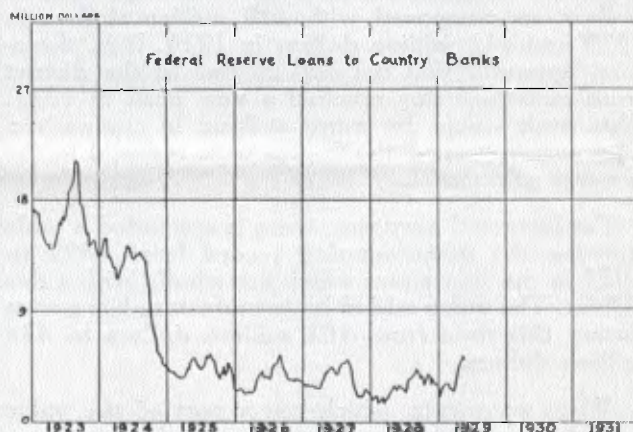


Interest Rates at Minneapolis on Prime Bank Loans and Commercial Paper and the Discount Rate at the Federal Reserve Bank, 1919-1929.

The condition of the country banks is indicated by the smaller balances carried with city correspondents in this district as compared to balances a year ago, and by larger borrowings from the Federal Reserve Bank. Balances carried by country banks with the twenty-three city member banks which make weekly reports to this office declined this spring to \$69,100,000 on May 15. This was 23 million dollars smaller than the figure for the corresponding date of last year, and was the smallest figure reported in the three years for which we have records. For Minneapolis member banks only the record of correspondent balances extends back through most of 1920. On May 15, Minneapolis

member banks reported \$38,800,000 of balances due to country banks. This was the smallest total since May 28, 1924.

Borrowings by country member banks from the Federal Reserve Bank increased sharply this spring to \$5,417,000 on May 8. During the following week these borrowings decreased to \$5,085,000. At their peak these borrowings were larger than in the spring of any other year since 1924, and slightly larger than at any time of year during the last three years. The small decrease for the week ending May 15 was the result of a shrinkage in borrowings by banks in the eastern half of the district where the peak of the dairy income causes some easement of banking conditions at this time of year. The western half of the district continued the increase in borrowings, which began in March. Country member bank deposits decreased less than 3 million dollars in April as compared with the average deposits held by these banks in March, and showed an increase of 2 million dollars over the deposit totals a year ago. Country member bank deposits in all parts of the district, except North Dakota, were larger than last year.



Federal Reserve Loans to Country Banks in the Ninth Federal Reserve District.

### MANUFACTURING RECORD OF MINNESOTA, MONTANA, NORTH DAKOTA AND SOUTH DAKOTA 1899-1927

The value of products manufactured in the above four states during 1927 was \$1,400,000,000, according to the biennial Census of Manufactures for which preliminary figures have recently been published. This represented a reduction of 12 million dollars as compared to the output in 1925, and a shrinkage of 104 million dollars as compared to the value of products manufactured in 1919, which was the peak year in this district. Changing price levels make it difficult to compare the output of manufacturing establishments with any accuracy. For the country as a whole, using 1914 wholesale prices as 100 per cent, the United States Bureau of Labor Statistics Index shows that 1919 wholesale prices were 210 per cent, 1925 prices were 162 per cent



and 1927 prices were 149 per cent of pre-war prices. If the value of manufactured products in the Northwest be reduced to the pre-war price level by the use of the Bureau of Labor Statistics' index numbers, it will be found that the physical volume of manufactures in 1927 was the largest on record.

The value of manufactured products does not give a true indication of the importance of manufacturing to the district. A large part of the value of production is represented by the cost of raw materials, supplies, fuel and power. The raw materials of northwestern manufactures consist largely of agricultural materials and, consequently, form a part of farm income and should not also be included in manufacturing income. Similarly, a considerable portion of the fuel and power consists of coal shipped in from other parts of the United States. A better index of the importance of manufacturing income to the district is furnished by the census figures showing value added by manufacture. This figure is computed by deducting the cost of raw materials, factory supplies, containers, fuel and power from the total value of products. The value added by manufacture in 1927 was 424 million dollars, as compared with 419 million dollars in 1925 and 412 million dollars in 1919. It is, therefore, apparent that the real income of the district from manufacturing reached a new peak in 1927. This peak would be more striking in comparison with earlier years if the figures were reduced to the pre-war price level.

For historical purposes, there is appended a table showing the manufacturing record from 1899 to 1927 in the four states which are wholly within this district. The value added by manufacture has grown during this time from 101 million dollars to 424 million dollars.

Wage payments, which are a part of the value added by manufacture, have increased proportionately with the value added by manufacture during the whole period covered by this survey, and have amounted to 36 to 42 per cent of the value added by manufacture. During 1927, wages totaling 156 million dollars were paid to wage earners in these states, excluding payments to salaried employees and proprietors. This wage payment is about the same as the payment in 1925, but smaller than the payments in 1923 and 1919. However, the number of wage earners employed during 1927 was smaller than in any other post-war year, except 1921, when the output was greatly reduced and there was much involuntary unemployment.

The average annual wage per worker has grown steadily from 1899 to 1927 with the single exception of 1921. The year 1921 should be excluded from the comparison on account of the abnormal conditions prevailing. It is undoubtedly true that in 1921 the workers who were not employed were chiefly those in the lower wage scales. Consequently, the average wage per worker was raised to an abnormal height. In 1927, the average annual wage

in the Northwest was \$1,285. The purchasing power of the average wage has varied with changes in the price level. If wages in all years are reduced to dollars of 1914 buying power they have shown a less regular growth but were higher in 1927 than in any other census year.

**Growth in Output Per Wage Earner Compared to Growth in Primary Horsepower Per Wage Earner and Wages Per Wage Earner in Minnesota, Montana, North Dakota and South Dakota, 1899-1927**

	Value of Products per Wage Earner at 1914 Prices	Primary Horsepower per Wage Earner	Average Annual Wage per Wage Earner in 1914 Dollars
1899.....	\$4,866	3.11	\$636
1904.....	5,453	3.48	644
1909.....	5,106	4.07	613
1914.....	5,485	4.23	674
1919.....	4,987	4.64	548
1921.....	6,386	....	859
1923.....	6,095	5.32	805
1925.....	7,051	5.76	776
1927.....	7,734	....	862

The fact that wages per worker have grown steadily throughout this whole 28-year period is closely linked with the growth in the use of power driven machinery. It has been necessary to pay higher wages to secure the type of workmen who can handle complicated machinery, and it has been possible to pay higher wages because of the increased output per worker due to the use of machinery. The primary horsepower used in manufacturing in the four states of the Northwest has increased from 243,000 in 1899 to 713,000 in 1925. The 1927 figures have not yet been released. The primary horsepower per worker has increased from 3.11 in 1899 to 5.76 in 1925. In other words, the worker has almost twice as much mechanical power to aid him now as at the beginning of the century. The result has been that production has increased from \$4,866 per worker in 1899 to \$7,734 per worker in 1927, both figures computed at pre-war prices.

Foot-note: The Censuses from 1899 to 1919, inclusive, contain figures for all manufacturing establishments with an annual production of \$500 or over. The Census of 1921 and those of later years contain the figures for manufacturing establishments with production of \$5,000 or over. However, the lack of comparability between the two series of figures is slight. In 1919, the establishments in the United States with a value of production between \$500 and \$5,000 employed only one-half of 1 per cent of the wage earners of the manufacturing industry of the country and produced only one-third of 1 per cent of the manufactures of the country. (See page 1307 of the biennial Census of Manufactures for 1921.)



# MANUFACTURING RECORD OF MINNESOTA, MONTANA, NORTH DAKOTA AND SOUTH DAKOTA 1899-1927

Source: United States Bureau of the Census Quinquennial Reports 1899-1919 and Biennial Reports 1921-1927. Figures for 1927 are preliminary. (All dollar figures, except averages, are in thousands).

FOUR STATES	Value of Products	Cost of Materials, Factory Supplies, Fuel and Power	Value Added by Manufacture	Number of Wage Earners	Wages	Average Annual Wage per Worker	Primary Horse- power
1899.....	\$ 292,228	\$ 191,002	\$101,226	77,993	\$ 38,207	\$ 490	242,929
1904.....	397,576	267,277	130,299	82,840	46,948	567	288,697
1909.....	519,700	355,952	163,748	102,813	62,457	607	418,934
1914.....	623,086	415,157	207,929	113,601	76,552	674	480,138
1919.....	1,504,340	1,092,717	411,623	143,637	165,156	1,150	667,118
1921.....	1,002,328	682,142	320,186	104,633	134,776	1,288	.....
1923.....	1,220,610	836,021	384,589	128,381	161,220	1,256	683,003
1925.....	1,412,496	993,780	418,716	123,659	155,481	1,257	712,723
1927.....	1,400,234	976,074	424,160	121,505	156,128	1,285	.....
MINNESOTA							
1899.....	\$ 223,693	\$ 150,299	\$ 73,394	64,557	\$ 29,029	\$ 450	180,124
1904.....	307,858	210,554	97,304	69,636	35,843	515	220,934
1909.....	409,420	281,622	127,798	84,767	47,471	560	297,670
1914.....	493,354	336,849	156,505	92,834	58,507	630	358,163
1919.....	1,218,130	883,090	335,040	115,623	127,107	1,099	473,660
1921.....	843,805	579,974	263,831	85,514	106,974	1,251	.....
1923.....	956,270	642,942	313,328	103,740	125,335	1,208	459,299
1925.....	1,099,688	768,798	330,890	100,514	123,656	1,230	508,021
1927.....	1,066,727	726,391	340,336	98,833	123,619	1,251	.....
MONTANA							
1899.....	\$ 52,745	\$ 30,068	\$ 22,677	9,854	\$ 7,377	\$ 749	43,679
1904.....	66,415	40,930	25,485	8,957	8,652	966	46,736
1909.....	73,272	49,180	24,092	11,655	10,901	935	90,402
1914.....	84,446	46,744	37,702	13,704	13,001	949	91,671
1919.....	166,665	122,152	44,513	17,160	24,743	1,442	153,491
1921.....	80,771	49,166	31,605	11,384	16,791	1,475	.....
1923.....	174,874	128,702	46,172	15,943	24,540	1,539	190,516
1925.....	205,474	146,351	59,123	14,777	21,078	1,426	166,528
1927.....	203,503	151,792	51,711	14,242	20,915	1,469	.....
NORTH DAKOTA							
1899.....	\$ 6,260	\$ 4,151	\$ 2,109	1,358	\$ 671	\$ 494	7,351
1904.....	10,218	7,096	3,122	1,755	1,031	587	9,873
1909.....	19,138	13,674	5,464	2,789	1,787	641	13,196
1914.....	21,147	14,484	6,663	3,275	2,416	738	13,980
1919.....	57,374	44,489	12,885	4,472	5,401	1,208	17,791
1921.....	36,358	26,265	10,093	3,107	4,669	1,503	.....
1923.....	42,145	30,704	11,441	3,552	5,134	1,445	16,730
1925.....	44,632	32,307	12,325	3,261	4,575	1,403	16,711
1927.....	47,003	34,271	12,732	3,260	4,808	1,475	.....
SOUTH DAKOTA							
1899.....	\$ 9,530	\$ 6,484	\$ 3,046	2,224	\$ 1,130	\$ 508	11,775
1904.....	13,085	8,697	4,388	2,492	1,422	571	11,154
1909.....	17,870	11,476	6,394	3,602	2,298	638	17,666
1914.....	24,139	17,080	7,059	3,788	2,628	694	16,324
1919.....	62,171	42,986	19,185	6,382	7,905	1,239	22,176
1921.....	41,394	26,737	14,657	4,628	6,342	1,370	.....
1923.....	47,321	33,673	13,648	5,146	6,211	1,207	16,458
1925.....	62,702	46,324	16,378	5,107	6,172	1,209	21,463
1927.....	83,001	63,620	19,381	5,170	6,786	1,313	.....
MINNEAPOLIS							
1899.....	\$ 94,408	\$ 68,910	\$ 25,498	19,620	\$ 9,383	\$ 478	.....
1904.....	121,162	88,882	32,280	21,671	11,418	527	.....
1909.....	165,405	119,993	45,412	26,962	15,638	580	.....
1914.....	187,854	131,199	56,655	28,295	18,895	668	.....
1919.....	491,383	362,834	128,549	38,154	41,275	1,082	.....
1921.....	348,128	230,818	117,310	28,810	36,157	1,255	.....
1923.....	338,329	.....	.....	33,462	41,163	1,230	.....
1925.....	338,824	221,384	117,440	31,730	40,311	1,270	.....
1927.....	357,564	221,968	135,596	35,040	42,742	1,220	.....
ST. PAUL							
1899.....	\$ 30,056	\$ 15,913	\$ 14,143	13,019	\$ 5,324	\$ 409	.....
1904.....	38,319	19,488	18,831	14,363	7,211	502	.....
1909.....	58,990	30,300	28,690	19,339	10,952	566	.....
1914.....	68,682	35,819	32,863	19,483	12,796	657	.....
1919.....	149,638	85,170	64,468	22,649	24,449	1,080	.....
1921.....	115,012	62,276	52,736	18,059	24,291	1,345	.....
1923.....	150,355	.....	.....	22,841	29,108	1,274	.....
1925.....	194,013	107,260	86,753	23,664	30,701	1,297	.....
1927.....	169,370	87,193	82,177	22,351	29,174	1,305	.....



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

				%April 1929 of Mar. 1929	%April 1929 of April 1928
<b>Debits to Individual Accounts, Daily Averages—Unit</b>					
17 Cities .....	April, 1929	March, 1929	April, 1928		
Minneapolis .....	\$32,192,000	\$33,282,000	\$32,677,000	97	99
St. Paul .....	16,325,000	17,121,000	17,470,000	95	93
Duluth-Superior .....	6,910,000	7,602,000	6,904,000	91	100
8 Wheat Belt Cities .....	3,041,000	3,033,000	3,142,000	100	97
4 Mixed Farming Cities .....	2,705,000	2,328,000	2,384,000	116	113
South St. Paul .....	1,799,000	1,778,000	1,570,000	101	115
	1,412,000	1,420,000	1,197,000	99	118
<b>Carloadings—Northwestern District—</b>					
Total—Excluding L. C. L. .... Cars	421,619	355,087	336,804	119	125
Grains and Grain Products .....	38,869	43,677	46,457	89	84
Livestock .....	28,685	31,368	27,803	91	103
Coal .....	18,065	23,400	17,636	77	102
Coke .....	7,405	7,749	6,097	96	121
Forest Products .....	80,813	87,667	73,471	92	110
Ore .....	71,628	2,553	9,612	2806	745
Miscellaneous .....	176,154	158,673	155,728	111	113
Merchandise—L. C. L. .... Cars	144,953	140,427	140,937	103	103
<b>Building Permits—</b>					
Number—18 Cities .....	2,313	1,092	2,096	212	110
Value—18 Cities .....	\$11,180,800	\$2,815,800	\$3,888,200	397	288
Minneapolis .....	6,938,500	1,414,200	1,489,800	491	466
St. Paul .....	1,910,000	360,900	743,400	529	257
Duluth-Superior .....	284,600	240,200	345,200	118	82
4 Wheat Belt Cities .....	1,341,700	388,600	515,500	345	260
6 Mixed Farming Cities .....	552,100	297,900	714,900	185	77
4 Mining Cities .....	153,900	114,000	79,400	135	194
<b>Building Contracts Awarded—</b>					
Total .....	10,984,000	5,494,300	7,138,200	200	154
Residential .....	2,083,600	1,838,900	2,705,300	113	77
Commercial and Industrial .....	3,392,900	931,800	2,014,200	364	168
Public Works and Utilities .....	3,288,400	1,128,400	882,000	291	373
Educational .....	393,500	589,700	930,700	67	42
All Other .....	1,825,600	1,005,500	606,000	182	301
<b>Cash Value of Farm Products Sold—</b>					
Bread Wheat .....	\$6,296,000	\$7,215,000	\$7,642,000	87	82
Durum Wheat .....	3,875,000	5,468,000	3,771,000	71	103
Rye .....	290,000	556,000	1,026,000	52	28
Flax .....	505,000	707,000	419,000	71	121
Potatoes .....	1,641,000	2,678,000	3,715,000	61	44
Dairy Products—See Note .....	22,651,000	20,258,000	19,340,000	112	117
Hogs .....	11,161,000	12,983,000	8,706,000	86	128
<b>Grain Stocks at End of Month at Minneapolis and Duluth-Superior—</b>					
Wheat .....	Bu. 53,222,521	57,349,399	42,011,630	93	127
Corn .....	Bu. 1,373,624	2,463,214	1,539,579	56	89
Oats .....	Bu. 2,906,591	3,006,031	4,279,993	97	68
Barley .....	Bu. 4,574,394	5,748,549	1,377,966	80	332
Rye .....	Bu. 3,273,763	3,557,428	4,141,751	92	79
Flax .....	Bu. 478,684	603,109	1,628,164	79	29
<b>Median Cash Grain Prices—</b>					
Wheat—No. 1 Dark Northern .....	Bu. \$1.29 1/8	\$1.32	\$1.60	98	81
Durum—No. 2 Amber .....	Bu. 1.13 1/4	1.25	1.39	91	81
Corn—No. 3 Yellow .....	Bu. .86 3/8	.92	.99 3/4	94	87
Oats—No. 3 White .....	Bu. .46 1/4	.45 5/8	.57 3/8	101	80
Barley—No. 3 .....	Bu. .63	.64	.90	98	70
Rye—No. 2 .....	Bu. .90 5/8	1.01	1.26	90	72
Flax—No. 1 .....	Bu. 2.45	2.48	2.33	99	105
<b>Wholesale Produce Prices—</b>					
Butter .....	Lb. .43	.45 1/2	.42 1/2	95	101
Milk .....	Cwt. 2.50	2.50	2.48	100	101
Hens—4 1/2 Pounds .....	Lb. .25	.24	.22 1/2	104	112
Eggs .....	Doz. .23 1/2	.26 1/2	.26	89	90
Potatoes .....	Bu. .66	.66	1.35	100	49

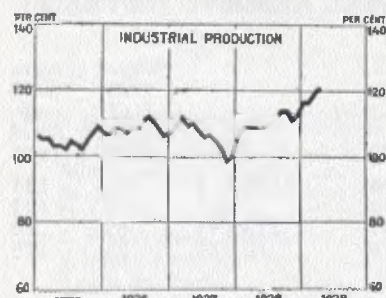
Note: March, 1929; April, 1929; March, 1928.



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

		April, 1929	March, 1929	April, 1928	%April 1929 of Mar. 1929	%April 1929 of April 1928
<b>Livestock Receipts at South St. Paul—</b>						
Cattle .....	Head	69,045	59,336	56,304	116	123
Calves .....	Head	56,351	52,850	55,317	107	102
Hogs .....	Head	187,624	227,141	213,844	83	88
Sheep .....	Head	16,061	19,816	8,978	81	179
<b>Median Livestock Prices at South St. Paul—</b>						
Butcher Cows .....	Cwt.	\$9.00	\$8.50	\$8.50	106	106
Butcher Steers .....	Cwt.	12.75	11.50	11.75	111	109
Prime Butcher Steers .....	Cwt.	13.90	12.75	13.00	109	107
Stocker and Feeder Steers .....	Cwt.	10.75	10.50	10.00	102	108
Veal Calves .....	Cwt.	14.50	14.50	11.50	100	126
Hogs .....	Cwt.	11.15	11.25	8.75	99	127
Heavy Hogs .....	Cwt.	11.00	11.00	7.50	100	147
Lambs .....	Cwt.	16.50	16.25	15.50	102	106
Ewes .....	Cwt.	10.00	7.00	9.00	143	111
<b>Flour—</b>						
Production—Twin Cities and Duluth- Superior .....	Bbls.	926,974	974,336	1,172,812	95	79
Shipments from Minneapolis .....	Bbls.	879,711	886,325	1,041,645	99	84
<b>Linseed Products Shipments from Minneapolis—</b>	Lbs.	31,154,402	34,028,089	36,686,679	92	85
<b>Retail Sales—</b>						
Department Stores .....		\$2,398,250	\$2,547,100	\$2,314,430	94	104
Furniture Stores .....		501,760	433,250	467,380	116	107
Country Lumber Yards .....	Bd. Ft.	11,076,000	6,564,000	9,438,000	169	117
<b>Retail Merchandise Stocks—</b>						
Department Stores .....		\$6,241,540	\$6,263,250	\$6,961,660	100	90
Furniture Stores .....		2,572,350	2,572,150	2,738,070	100	94
Country Lumber Yards .....	Bd. Ft.	89,615,000	88,605,000	93,983,000	101	95
<b>Life Insurance Sales—(4 States)</b> .....		\$25,732,000	\$25,835,000	\$24,257,000	100	106
<b>Wholesale Trade—</b>						
Farm Implements .....		495,580	459,530	463,090	108	107
Hardware .....		2,114,370	2,013,340	1,851,520	105	114
Shoes .....		495,420	513,760	516,940	96	96
Groceries .....		4,759,130	4,532,450	4,572,300	105	104
<b>Business Failures—</b>						
Number .....		81	39	88	208	92
Liabilities .....		\$717,778	\$540,973	\$853,191	133	84
<b>Securities Sold—</b>						
To Banks .....		1,444,400	1,578,200	4,386,200	92	33
To Insurance Companies .....		1,096,000	1,138,200	1,276,400	96	86
To General Public .....		6,520,800	7,114,000	10,907,400	92	60
<b>Real Estate Activity in</b>						
<b>Hennepin and Ramsey Counties—</b>						
Warranty Deeds Recorded .....		1,318	824	1,207	160	109
Mortgages Recorded .....		1,831	1,328	1,687	138	109
<b>Member Bank Deposits—</b>						
In Cities under 15,000 Population .....		\$458,119,000	\$460,831,000	\$456,134,000	99	100
In Cities over 15,000 Population .....		446,721,000	460,440,000	458,867,000	97	97
					%May 1929 of April 1929	%May 1929 of May 1928
<b>24 City Member Banks—</b>						
Loans Secured by Stocks and Bonds .....		\$82,005,000	\$81,754,000	\$75,231,000	100	109
All Other Loans .....		162,244,000	172,578,000	161,179,000	94	101
Securities .....		123,720,000	126,975,000	133,022,000	97	93
Net Demand Deposits Subject to Reserve ..		209,285,000	214,554,000	215,725,000	98	97
Time Deposits .....		130,822,000	131,313,000	132,099,000	100	99
Borrowings at Federal Reserve Bank .....		11,752,000	18,460,000	6,756,000	64	174
<b>Minneapolis Federal Reserve Bank—</b>						
Bills Discounted .....		16,368,975	22,577,333	9,001,445	73	182
Federal Reserve Notes in Circulation .....		63,386,480	63,954,695	56,807,530	99	112

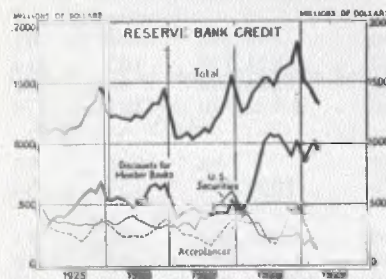




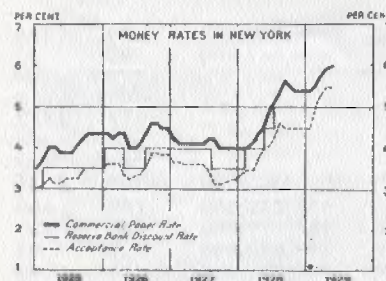
Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-25 average =100). Latest figure, April, 121.



Index of United States Bureau of Labor Statistics (1926=100, base adopted by Bureau). Latest figure, April, 96.8.



Monthly averages of daily figures for 12 Federal Reserve banks. Latest figures are averages of first 22 days in May.



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 24 days in May.

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

Industrial activity continued at a high level in April and the volume of factory employment and payrolls increased further. Loans and investments of member banks in leading cities continued to decline between the middle of April and the middle of May, and were at that time at approximately the same level as a year ago.

**PRODUCTION:** Industrial activity increased in April to the highest level on record. The iron and steel and automobile industries continued exceptionally active during April. Activity in copper refining, lumber, cement, silk and wool textiles, and the meat packing industry increased, and production of cotton textiles showed a less than seasonal reduction. Factory employment and payrolls increased, contrary to the seasonal trend. The output of mines was also larger in April. Copper and anthracite coal production increased and the seasonal decline in the output of bituminous coal was smaller than usual. Petroleum production declined slightly. Preliminary reports for the first half of May indicate a continued high rate of operation in the iron and steel industry. The output of lumber and bituminous coal was somewhat larger during the first part of May than at the end of April.

Building contracts awarded during the month of April increased sharply and for the first time in five months approximated the total for the corresponding month in the preceding year. The increase was not continued, however, in the first part of May, when awards averaged 20 per cent below the same period in May, 1928. During April, most classes of building showed seasonal increases over March, the largest being in contracts for residential building and public works and utilities.

**DISTRIBUTION:** Shipments of commodities by rail increased during April and were the largest for this month in any recent year. The increase from March reflected larger loadings of miscellaneous freight, lumber, livestock and ore. During the first half of May, shipments of freight continued to increase. Sales at wholesale declined seasonally in April, except in the case of grocery and hardware firms. In comparison with April 1928, all lines of trade reporting to the Federal Reserve System showed increases. Department store sales were also smaller in April than in March, but continued above the level of a year ago.

**PRICES:** Wholesale commodity prices averaged slightly lower in April than in March, according to the Index of the United States Bureau of Labor Statistics, reflecting primarily declines in prices of farm products and their manufactures. Prices of mineral and forest products and their manufactures, on the average, showed little change. There were increases in the prices of iron and steel, and sharp declines in copper, lead and tin. Seasonal declines occurred in prices of coal and coke, while gasoline prices advanced. Prices of grain, especially wheat, moved downward more sharply and wool and cotton continued to decline. Livestock and meat prices continued the upward movement of the previous month, but at a slower rate, hides averaged slightly higher in price and leather somewhat lower. Among imported raw materials, rubber, sugar and coffee showed marked price recessions. Early in May, cattle, hides and wheat prices declined sharply and the price of rubber increased.

**BANK CREDIT:** During the four weeks ending May 15, loans and investments of member banks in leading cities showed a decrease of nearly \$200,000,000 largely in loans on securities, together with some further decline in investments. All other loans, chiefly for commercial and agricultural purposes, remained unchanged at a relatively high level. There was a further reduction in the average volume of Reserve bank credit outstanding between the weeks ending April 24 to May 22, owing largely to additions to the country's monetary stock of gold. The decline was in discounts for member banks. Holdings of acceptances and of United States securities showed practically no change. Open market rates for commercial paper remained unchanged, as did rates on prime bankers' acceptances, except for a temporary decline at the end of April and the first week in May. In the first three weeks of May rates on collateral loans averaged considerably higher than in April.