

# 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 April was somewhat smaller than the volume in April last year in the rural portions of the district, but exceeded last year's volume in Minneapolis and St. Paul. The April decrease in business compared with the volume a year ago throughout the greater part of the district was not as pronounced as the decrease which occurred in March. Part of the more favorable record made in April was due to the earlier opening of spring activity this year, and part was due to the later date of Easter in 1930. The calendar position of Easter affects principally retail merchandising. The Federal Reserve Board has estimated that when Easter falls as late as it did in 1930, department store sales in April are 3 per cent larger than average for that month. Conversely, when Easter falls as early as it did in 1929, April department store sales are 3 per cent smaller than average. Reporting department stores in the cities of this district experienced an increase of sales in April this year over April a year ago of only 3 per cent, which was a smaller increase than would be expected if the changing date of Easter was the only contributing factor. Consequently, it must be inferred that department store sales conditions were somewhat less favorable in April this year than a year ago.

The Easter effects were also noticeable in debits to individual accounts which were 6 per cent smaller in March than in the same month last year, but were fully as large in April as in the corresponding month a year ago. Similarly, the country check clearings index in March was 14 per cent below last year's figure, while in April the decrease was only 7 per cent. The same factor was also probably apparent in the record of postal receipts which was 4 per cent below last year's volume in March, and only 1 per cent below in April.

The majority of other business records of the district showed declines in April from the volume in April a year ago. Freight carloadings in the northwestern district were unusually small in April, owing to the late opening of the lake shipping season for iron ore, but all classes of freight moved in smaller volume during April than in the same month

last year. Building permits and contracts, flour production and shipments, linseed product shipments, copper production, country lumber sales and wholesale trade were smaller in April than a year ago. Electric power consumption in Minnesota and the Dakotas, life insurance sales and securities sales were larger in April than a year ago. Business failures were fewer in April than in the corresponding month last year, but the liabilities involved were larger.

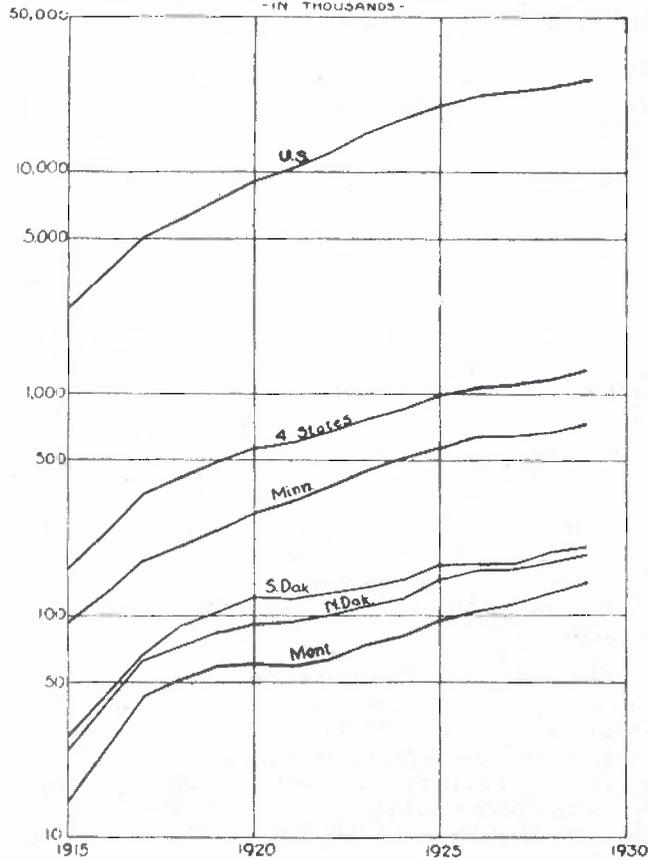
The condition of reduced volume of business as compared with last year apparently continued into May. Debits to individual accounts at seventeen cities were 2 per cent smaller in the first two weeks of May than in the corresponding weeks a year ago. Country check clearings for the first fifteen business days of May were 11 per cent smaller than in the same days last year. The daily average of contracts awarded during the first fourteen business days of May was smaller than the daily average for the month of May 1929, according to the report of the F. W. Dodge Corporation.

During 1929, 1,263,031 motor vehicles were registered in the four states of Minnesota, Montana, North Dakota and South Dakota, an increase of 8 per cent over the number of motor vehicles registered in the preceding year. Registrations increased in all four states, with the largest percentage increase occurring in Montana. The registrations in 1929 consisted of 1,089,499 passenger cars and 173,532 motor trucks. Truck registrations increased 13 per cent and passenger car registrations increased 8 per cent, both as compared with 1928.

Farm owned passenger cars increased only 2 per cent in 1929 over 1928, and the percentage of passenger cars in the four states which were farm owned decreased from 42 per cent in 1928 to 40 per cent in 1929. Also, the number of farm owned motor trucks increased at a smaller rate than the total increase in motor trucks in the four states, and the percentage of motor trucks which were farm owned decreased from 35 per cent to 33 per cent. (The figures for motor vehicles on farms were collected by the Farm Journal and reported in "Facts and Figures of the Automobile Industry," which is the yearbook of the National Automobile Chamber of Commerce.)

**MOTOR VEHICLE REGISTRATIONS**

- IN THOUSANDS -



**Passenger Car Registrations**

|                    | Total     | On Farms | % Farm Owned |
|--------------------|-----------|----------|--------------|
| 1928               |           |          |              |
| Minnesota .....    | 583,789   | 193,000  | 33           |
| Montana .....      | 104,231   | 64,000   | 61           |
| North Dakota ..... | 151,778   | 81,000   | 53           |
| South Dakota ..... | 171,067   | 87,500   | 51           |
| Four States.....   | 1,010,865 | 425,500  | 42           |

1929

|                    |           |         |    |
|--------------------|-----------|---------|----|
| Minnesota .....    | 630,703   | 198,000 | 31 |
| Montana .....      | 115,285   | 64,000  | 56 |
| North Dakota ..... | 162,092   | 83,000  | 51 |
| South Dakota ..... | 181,419   | 87,500  | 48 |
| Four States.....   | 1,089,499 | 432,500 | 40 |

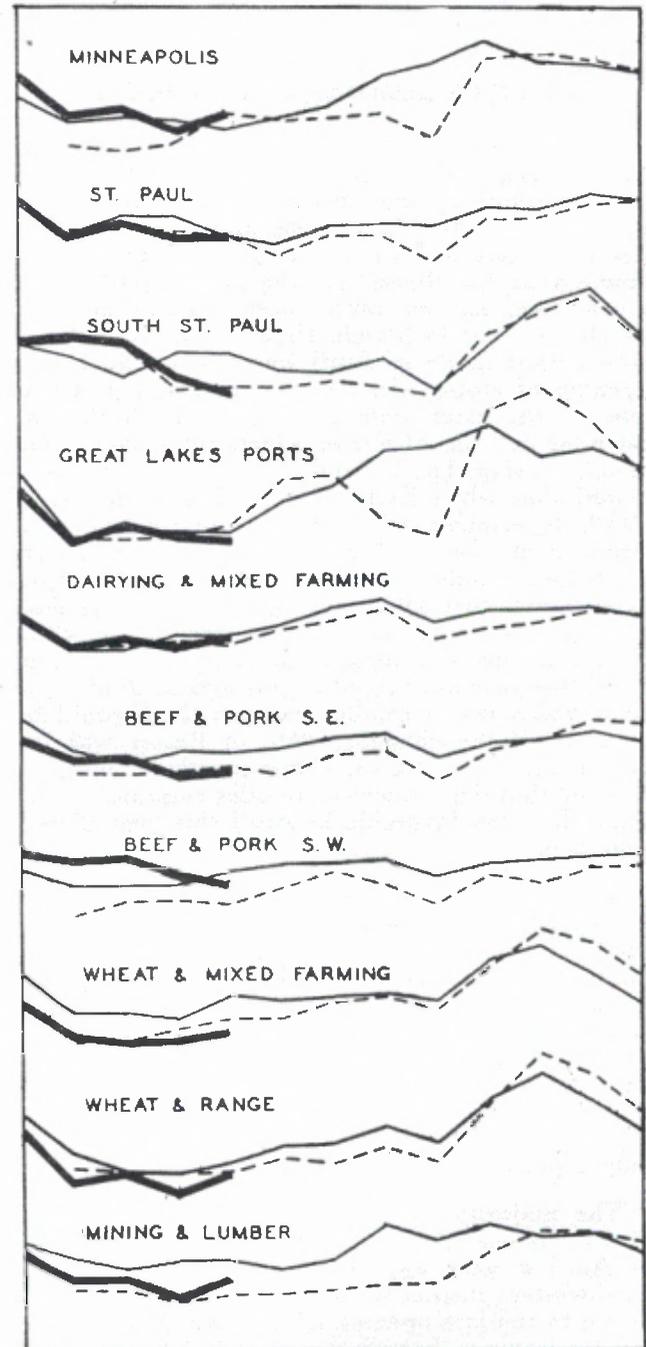
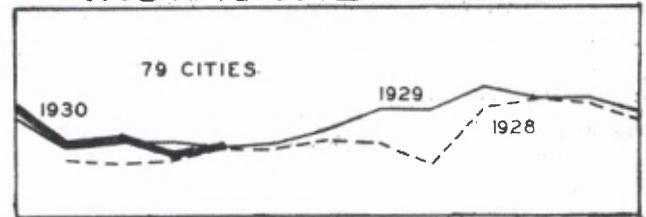
**Motor Truck Registrations**

|                    | Total   | On Farms | % Farm Owned |
|--------------------|---------|----------|--------------|
| 1928               |         |          |              |
| Minnesota .....    | 89,784  | 26,500   | 30           |
| Montana .....      | 21,804  | 8,500    | 39           |
| North Dakota ..... | 21,747  | 9,300    | 43           |
| South Dakota ..... | 20,307  | 9,500    | 47           |
| Four States.....   | 153,642 | 53,800   | 35           |

1929

|                    |         |        |    |
|--------------------|---------|--------|----|
| Minnesota .....    | 99,696  | 28,500 | 29 |
| Montana .....      | 25,102  | 8,500  | 34 |
| North Dakota ..... | 25,954  | 10,300 | 40 |
| South Dakota ..... | 22,780  | 10,500 | 46 |
| Four States.....   | 173,532 | 57,800 | 33 |

**NINTH FED. RES. DISTRICT  
INDIVIDUAL DEBITS**



DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

The number of tractors on farms on December 31, 1929 was also reported by the Farm Journal and included in the 1930 edition of "Facts and Figures of the Automobile Industry." According to these figures, there has been an increase of 55 per cent in the number of tractors on farms in the four states mentioned above during the five years since January 1, 1925, when the Farm Census tabulated the number of tractors on farms.

**Tractors on Farms**

|                    | 1925   | 1929    |
|--------------------|--------|---------|
| Minnesota .....    | 26,739 | 41,858  |
| Montana .....      | 6,602  | 9,631   |
| North Dakota ..... | 17,483 | 27,318  |
| South Dakota ..... | 17,426 | 27,226  |
| Four States .....  | 68,250 | 106,033 |

**DISTRICT SUMMARY OF AGRICULTURE**

Cool weather and abundant moisture continued through the first two-thirds of May. The satisfactory moisture conditions were uniform throughout the district, and very favorable reports have been made by observers of the condition of small grains in the Northwest.

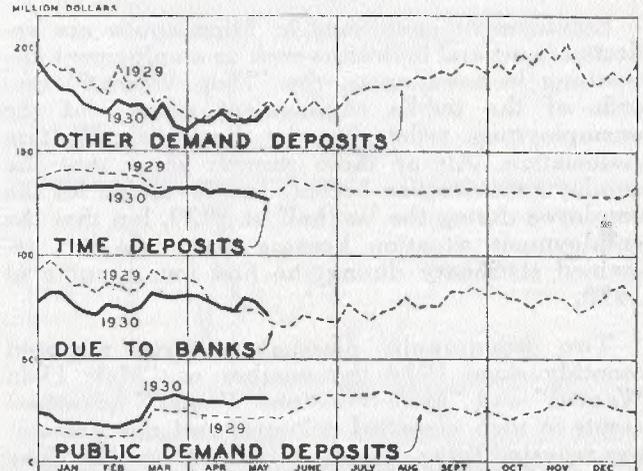
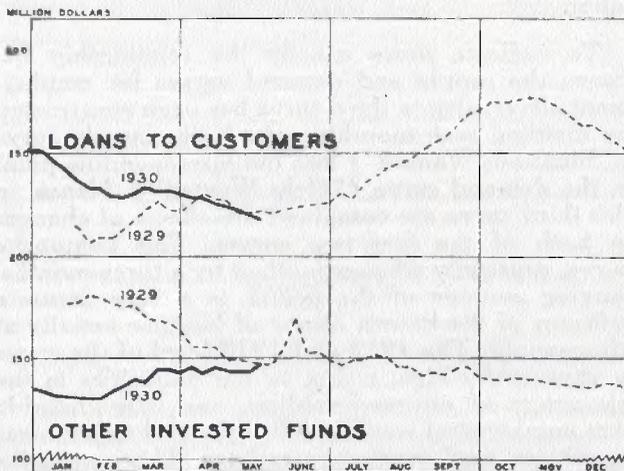
The butter situation showed further improvement during the month of April. Storage stocks of butter in the United States decreased nearly 8 million pounds, although usually there is very little change in the amount of butter in storage during the month of April. The price of butter increased 1½ cents per pound between March and April. Usually there is a decrease of 2 cents a pound at this time of year, and last year the decrease was 2½ cents. As a result, the price of butter in April 1930, was only 8 cents per pound below the price in April 1929, as compared with a decrease of 12 cents reported in March.

The price of all grades of cattle, except well-finished steers, declined sharply during the first two weeks of May. The prices of most grades of cattle were lower than at any time in the last two years. The weakness of cattle prices has been attributed to a falling off in demand, since stocks of beef in cold storage on May 1 were only moderately larger than stocks a year ago, and combined stocks of all meats in the United States were smaller than a year ago and smaller than the five-year average. The decrease in demand for meats has also affected the price of hogs, which was lower in April than in the same month last year, although storage stocks of pork and lard were 26 per cent smaller on May 1 than a year ago, and 15 per cent smaller than the five-year average holdings for that date.

The estimated cash income to farmers from the marketing of cash crops, hogs and dairy products in April was 28 per cent smaller than the income from these sources in April last year. Declines occurred in the income from all the estimated sources, except potatoes. Wheat receipts at Minneapolis and Duluth-Superior were only two-fifths as large in April this year as in April a year ago. Decreases in April as compared with the same month last year also occurred in the prices of wheat, corn, oats, barley, rye, cattle, calves, hogs, lambs, milk, hens and eggs. Price increases occurred in flax and potatoes.

**DISTRICT SUMMARY OF BANKING**

Banking reports during April and the first half of May continued to reflect quiet business conditions both in the larger cities and in the rural portion of the district. In the cities, bank deposits have been larger than last year's totals since the beginning of April, and on May 14 they exceeded the deposits a year ago by 2 per cent. This increase in deposits was entirely caused by larger balances due to country correspondent banks and larger deposits of governmental funds. Time deposits and other demand deposits were smaller on May 14 than a year



Principal Assets and Liabilities of Selected City Member Banks in the Ninth Federal Reserve District, as Reported Weekly in 1929 and 1930.

ago. On the asset side of the consolidated balance sheet of city banks, loans to customers continued to decline and were smaller on May 14 than a year ago. City bank investments, consisting of bonds, brokers' loans, commercial paper and acceptances, showed no significant change during April or the first week in May, but increased slightly in the second week of May, and on May 14 these invested funds were as large as the total a year ago. This was the first date in 1930 when invested funds, other than loans to customers, equaled the volume held a year ago. It is interesting to note that during 1929, the investments held by these banks followed a declining trend throughout the year, whereas the trend has been generally upward during the first part of 1930. Borrowings by Twin City banks from the Federal Reserve Bank have continued to be very small, and amounted to only \$175,000 on May 14, as compared with \$11,284,000 on May 15 last year.

Country member bank deposits decreased very slightly in April from the March total, and were 5 per cent smaller than a year ago. In spite of this decrease in deposits, country bank balances with city correspondent banks were 4 per cent larger on May 14 than a year ago, and country bank borrowings from this Federal Reserve Bank were smaller than a year ago. There has been a seasonal growth in borrowings by country banks from the Federal Reserve Bank since the middle of March, but the increase this spring was not as sharp as in 1929.

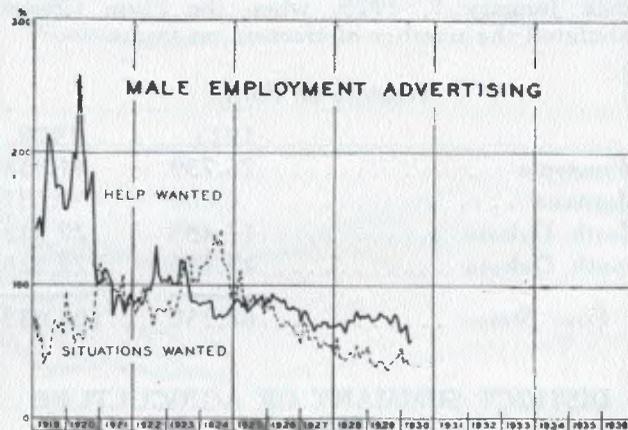
Interest rates charged by Minneapolis commercial banks were reduced slightly during the month ending May 15. The commercial paper rate quoted by brokers and the discount rate of the Minneapolis Federal Reserve Bank remained unchanged during the month. All rates were lower than rates a year ago.

### EMPLOYMENT INDICATORS FOR MINNEAPOLIS

Employment conditions in Minneapolis are reflected in several indicators such as employment advertising in newspapers, the "Help Wanted" records of the public employment office and the unemployment relief given by the Family Welfare Association. All of these records show that the employment situation became less favorable for the employee during the last half of 1929, but that the employment situation became no worse but remained stationary during the first four months of 1930.

Two Minneapolis newspapers have reported monthly since 1924 the number of "Male Help Wanted" and "Male Situations Wanted" advertisements in their classified columns, and one newspaper reported these records as far back as 1919. The chart below shows index numbers based on the course of these two series after making adjustments to eliminate the effects of seasonal variations and

fluctuations due to the varying number of Sundays in the month. The "Help Wanted" curve indicates the course of demand for labor and the "Situations Wanted" curve indicates variations in the supply of labor. The classes of labor represented are largely in clerical and sales lines.

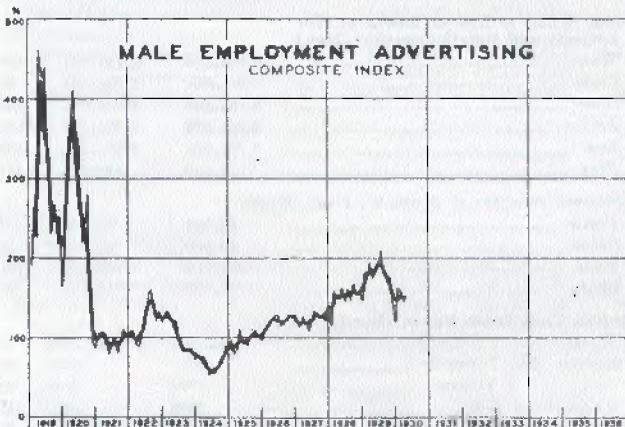


"Male Help Wanted" and "Male Situations Wanted" Advertising in Minneapolis newspapers, expressed as index numbers with corrections made for seasonal variations.

From an inspection of these curves, it becomes immediately apparent that when labor supply is small the demand for labor tends to be large and vice versa. From the course of the two curves, can be read the exceptional activity in the labor market at the close of the war before the returned soldiers had found permanent positions in civil life. The curves also reflect the active periods of business in 1922, 1925 and 1929, and the periods of sluggish business conditions of 1921, 1923-4, 1927 and 1930. It is interesting to note that both curves have followed a downward course in varying degrees since 1923-4, although the population of Minneapolis has increased. This indicates a more stable employment condition with a smaller turnover of labor.

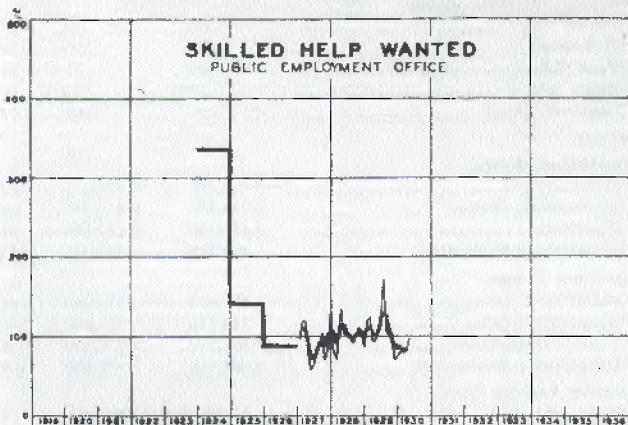
To indicate more exactly the relationship between the supply and demand curves for employment advertising, a third curve has been constructed by dividing each monthly point in the supply curve ("Situations Wanted") into the corresponding point in the demand curve ("Help Wanted"). Hence, in this third curve are combined the effects of changes in both of the first two curves. This composite curve, especially when smoothed by a three-months' moving average of the points, is a very accurate reflector of the known course of business activity at Minneapolis. The 1919 and 1920 level of the curve is abnormally high, owing to the difficulties in the placement of returned soldiers, and it is probable that employment was not fully adjusted to post-war conditions until several years later. This composite employment advertising curve portrays the active business conditions in Minneapolis culminating in April 1920, and the sharp decline which followed

and which lasted through the first quarter of 1922. The curve then reflects the active business conditions which developed with the harvesting of the large crop of 1922 and the slump in business following the crop failure of 1923 and the unfavorable national business condition at that time. From a low point in 1924, the curve rises to a peak in June 1929, interrupted by a slight decline in the last half of 1926 and the first half of 1927, which was chiefly due to the poor crop of 1926. The sharp decline in the curve which began in July 1929, came to an end in December 1929, and has been followed by a side-wise movement of the curve at a level about as high as in 1928.



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

A second series available for a shorter period of years is the record of "Skilled Help Wanted" registrations at the public employment office at Minne-

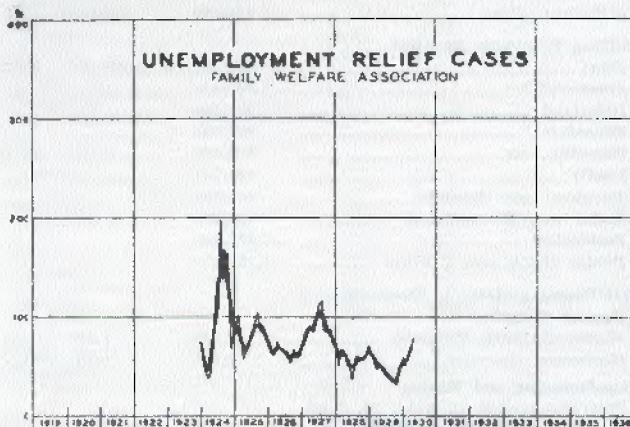


"Male Skilled Help Wanted" Registrations at the Minneapolis Public Employment Office, expressed as index numbers with seasonal variations eliminated. The curve from 1924 to 1926 is constructed from annual totals. The heavy curve from 1927 to 1930 is a 3-month moving average of the light curve.

apolis. This record is available on a monthly basis since January 1927, and in annual totals from 1924 to 1926, inclusive. This series, after seasonal corrections, exhibits the same tendencies as the employment advertising curve portrays. There was a slump in the demand for skilled labor in the first half of 1927, followed by an increase to a peak in June 1929. In the last half of 1929, the demand for skilled labor fell off sharply, but during the first months of 1930 the demand has been quite stationary at the level of December 1929, except for seasonal fluctuations.

The number of families receiving assistance from the Family Welfare Association in Minneapolis on account of unemployment has fluctuated in the opposite direction from fluctuations in the employment curves described above. There is a slight lag between the relief curve and the employment curves and also a tendency for the number of families receiving unemployment relief to increase throughout a period of depression or stagnation in the labor market. This can be attributed to the fact that the unemployed laborers exhaust their own financial resources before calling on the association for aid. Consequently, the longer the period of unsatisfactory employment conditions, the greater becomes the load carried by the Family Welfare Association.

The chart below shows the trend in number of unemployment relief cases handled by the Family Welfare Association, after corrections have been made for the growth of population in Minneapolis and for seasonal changes. It can be seen that unemployment relief was important in 1924, 1927 and 1930, coinciding closely with the low points in the employment curves presented above. Also, unemployment relief was at a low level in 1926 and 1929, when the employment curves indicated that the demand for labor was good.



Families Given Assistance, on Account of Unemployment, by the Family Welfare Association of Minneapolis. The curves are index numbers with seasonal variations eliminated. The heavy curve is a 3-month moving average of the light curve.

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

| GENERAL BUSINESS  |               | Per Cent      |             | AGRICULTURE |    |
|---|---------------|---------------|-------------|-------------|----|
|   |               | April, 1930   | April, 1929 | Apr. '30    | of |
|   |               |               | Apr. '29    | Apr. '29    |    |
| <b>Debits to Individual Accounts<sup>1</sup></b>                              |               |               |             |             |    |
| All Reporting Cities  | \$ 38,525,000 | \$ 38,588,000 | 100         |             |    |
| Minneapolis   | 17,612,000    | 16,443,000    | 107         |             |    |
| St. Paul  | 6,947,000     | 6,910,000     | 101         |             |    |
| South St. Paul  | 1,175,000     | 1,412,000     | 83          |             |    |
| Great Lakes Ports   | 3,224,000     | 3,426,000     | 94          |             |    |
| Beef and Pork, S. E.  | 1,257,000     | 1,365,000     | 92          |             |    |
| Beef and Pork, S. W.  | 1,641,000     | 1,703,000     | 96          |             |    |
| Dairy and Mixed Farming   | 1,572,000     | 1,588,000     | 99          |             |    |
| Wheat and Mixed Farming   | 2,314,000     | 2,526,000     | 92          |             |    |
| Wheat and Range   | 1,020,000     | 1,100,000     | 93          |             |    |
| Mining and Lumber   | 1,762,000     | 2,115,000     | 83          |             |    |
| <b>Electric Power Consumption (K.W.H.)<sup>1,2</sup></b>                      |               |               |             |             |    |
| Minn., No. Dak. and So. Dak.  | 4,513,000     | 4,472,000     | 101         |             |    |
| Montana   | 3,860,000     | 4,529,000     | 85          |             |    |
| <b>Country Check Clearings<sup>1</sup></b>                                    |               |               |             |             |    |
| Total   | \$ 3,461,800  | \$ 3,734,900  | 93          |             |    |
| Minnesota   | 1,290,500     | 1,405,400     | 92          |             |    |
| Montana   | 569,500       | 657,700       | 87          |             |    |
| North and South Dakota  | 863,000       | 958,200       | 90          |             |    |
| Michigan and Wisconsin  | 715,800       | 706,300       | 101         |             |    |
| <b>Postal Receipts</b>  |               |               |             |             |    |
| Six Cities  | 1,113,881     | 1,123,678     | 99          |             |    |
| Minneapolis   | 615,555       | 629,638       | 98          |             |    |
| St. Paul  | 343,155       | 333,648       | 103         |             |    |
| Duluth  | 61,339        | 65,641        | 93          |             |    |
| Three Other Cities  | 93,832        | 94,756        | 99          |             |    |
| <b>Freight Carloadings—N.W. District</b>                                      |               |               |             |             |    |
| Total, Excluding L. C. L.   | 340,538       | 577,875       | 59          |             |    |
| Grains and Grain Products   | 38,233        | 41,360        | 92          |             |    |
| Livestock   | 25,867        | 28,515        | 91          |             |    |
| Coal  | 16,044        | 22,079        | 73          |             |    |
| Coke  | 6,537         | 8,206         | 80          |             |    |
| Forest Products   | 66,320        | 83,294        | 80          |             |    |
| Ore   | 21,499        | 197,554       | 11          |             |    |
| Miscellaneous   | 165,978       | 196,867       | 84          |             |    |
| Merchandise—L. C. L.  | 139,763       | 144,485       | 97          |             |    |
| <b>Building Permits</b>   |               |               |             |             |    |
| Number—18 Cities  | 2,229         | 2,313         | 96          |             |    |
| Value—18 Cities   | \$ 4,426,200  | \$ 11,180,800 | 40          |             |    |
| Minneapolis   | 1,247,500     | 6,938,500     | 18          |             |    |
| St. Paul  | 817,100       | 1,910,000     | 43          |             |    |
| Duluth-Superior   | 724,100       | 284,600       | 254         |             |    |
| 4 Wheat Belt Cities   | 601,800       | 1,341,700     | 45          |             |    |
| 6 Mixed Farming Cities  | 928,800       | 552,100       | 168         |             |    |
| 4 Mining Cities   | 106,900       | 153,900       | 69          |             |    |
| <b>Building Contracts Awarded</b>   |               |               |             |             |    |
| Total   | \$ 10,857,800 | \$ 13,045,000 | 83          |             |    |
| Commercial  | 1,622,400     |               |             |             |    |
| Industrial  | 1,086,500     |               |             |             |    |
| Educational   | 992,800       |               |             |             |    |
| Hospitals, etc.   | 290,600       |               |             |             |    |
| Public  | 122,700       |               |             |             |    |
| Religious and Memorial  | 263,800       |               |             |             |    |
| Social and Recreational   | 192,400       |               |             |             |    |
| Residential   | 2,034,900     |               |             |             |    |
| Public Works and Utilities  | 4,251,200     |               |             |             |    |
| <b>Real Estate Activity in Hennepin and Ramsey Counties</b>                   |               |               |             |             |    |
| Warranty Deeds Recorded   | 1,060         | 1,318         | 81          |             |    |
| Mortgages Recorded  | 1,502         | 1,831         | 82          |             |    |
| <b>Manufacturing and Mining</b>   |               |               |             |             |    |
| Flour Production at Mpls., St. Paul, and Duluth-Superior (Bbls.)              | 912,537       | 926,974       | 98          |             |    |
| Flour Shipments at Mpls. (Bbls.)  | 848,750       | 879,711       | 96          |             |    |
| Linseed Product Shipments (Lbs.)  | 17,744,635    | 31,154,402    | 57          |             |    |
| Copper Output (5 Firms) (Lbs.)  | 30,804,600    | 46,881,500    | 66          |             |    |
| Iron Ore Shipments (Tons)   | 107,559       | 2,516,241     | 4           |             |    |
| <b>Business Failures</b>  |               |               |             |             |    |
| Number  | 67            | 81            | 83          |             |    |
| Liabilities   | \$ 935,695    | \$ 717,778    | 130         |             |    |
| <b>Farmers' Cash Income</b>   |               |               |             |             |    |
| Total of 7 Items  | \$ 32,969,000 | \$ 45,605,000 | 72          |             |    |
| Bread Wheat   | 2,127,000     | 6,296,000     | 34          |             |    |
| Durum Wheat   | 1,479,000     | 3,875,000     | 38          |             |    |
| Rye   | 168,000       | 290,000       | 58          |             |    |
| Flax  | 393,000       | 505,000       | 78          |             |    |
| Potatoes  | 2,713,000     | 1,641,000     | 165         |             |    |
| Dairy Products  | 16,188,000    | 22,651,000    | 71          |             |    |
| Hogs  | 9,901,000     | 10,347,000    | 96          |             |    |
| <b>Grain Marketings at Minneapolis and Duluth-Superior (Bus.)</b>             |               |               |             |             |    |
| Bread Wheat   | 1,560,000     | 4,122,000     | 38          |             |    |
| Durum Wheat   | 1,525,000     | 3,422,000     | 45          |             |    |
| Rye   | 247,000       | 320,000       | 77          |             |    |
| Flax  | 185,000       | 206,000       | 66          |             |    |
| <b>Grain Stocks at End of Month at Minneapolis and Duluth-Superior (Bus.)</b> |               |               |             |             |    |
| Wheat   | 58,486,558    | 53,222,521    | 110         |             |    |
| Corn  | 925,865       | 1,373,624     | 67          |             |    |
| Oats  | 8,747,855     | 2,906,591     | 301         |             |    |
| Barley  | 4,921,999     | 4,574,394     | 108         |             |    |
| Rye   | 3,789,816     | 3,273,763     | 116         |             |    |
| Flax  | 723,439       | 478,684       | 151         |             |    |
| <b>Livestock Receipts at South St. Paul (Head)</b>                            |               |               |             |             |    |
| Cattle  | 56,131        | 69,045        | 81          |             |    |
| Calves  | 58,949        | 56,351        | 96          |             |    |
| Hogs  | 205,720       | 187,624       | 110         |             |    |
| Sheep   | 16,905        | 16,061        | 105         |             |    |
| <b>Median Cash Grain Prices (Bus.)</b>  |               |               |             |             |    |
| Wheat—No. 1 Dark Northern   | \$1.13¼       | \$1.29½       | 88          |             |    |
| Durum—No. 2 Amber   | .97           | 1.13¼         | 86          |             |    |
| Corn—No. 3 Yellow   | .77¾          | .86½          | 91          |             |    |
| Oats—No. 3 White  | .39¾          | .46½          | 87          |             |    |
| Barley—No. 3  | .56           | .63           | 89          |             |    |
| Rye—No. 2   | .68           | .90½          | 75          |             |    |
| Flax—No. 1  | 2.91          | 2.45          | 119         |             |    |
| <b>Median Livestock Prices (Cwt.)</b>   |               |               |             |             |    |
| Butcher Cows  | \$7.50        | \$9.00        | 83          |             |    |
| Butcher Steers  | 10.75         | 12.75         | 84          |             |    |
| Prime Butcher Steers  | 12.25         | 13.90         | 88          |             |    |
| Feeder Steers   | 9.50          | 10.75         | 88          |             |    |
| Veal Calves   | 9.00          | 14.50         | 62          |             |    |
| Hogs  | 9.65          | 11.15         | 87          |             |    |
| Heavy Hogs  | 9.15          | 11.00         | 83          |             |    |
| Lambs   | 8.75          | 16.50         | 53          |             |    |
| Ewes  | 4.25          | 10.00         | 43          |             |    |
| <b>Wholesale Produce Prices</b>   |               |               |             |             |    |
| Butter (Lb.)  | .35           | .43           | 81          |             |    |
| Milk (Cwt.)   | 2.06          | 2.50          | 82          |             |    |
| Hens (Lb.)  | .20           | .25           | 80          |             |    |
| Eggs (Doz.)   | .20¼          | .23½          | 86          |             |    |
| Potatoes (Bu.)  | 1.80          | .66           | 2.73        |             |    |
| <b>TRADE</b>  |               |               |             |             |    |
| <b>Department Stores</b>  |               |               |             |             |    |
| Sales   | \$ 3,704,760  | \$ 3,580,620  | 103         |             |    |
| Merchandise Stocks  | 7,734,290     | 9,307,500     | 83          |             |    |
| Receivables   | 3,630,820     | 3,649,250     | 99          |             |    |
| Installment Receivables   | 814,130       | 747,010       | 109         |             |    |
| <b>Furniture Stores</b>   |               |               |             |             |    |
| Total Sales   | 350,610       | 372,560       | 94          |             |    |
| Installment Sales   | 243,710       | 257,640       | 95          |             |    |
| Merchandise Stocks  | 1,806,700     | 1,773,850     | 102         |             |    |
| Installment Receivables   | 2,358,910     | 2,267,180     | 104         |             |    |
| <b>Country Lumber Yards</b>   |               |               |             |             |    |
| Sales (Bd. Ft.)   | 10,300,000    | 11,076,000    | 93          |             |    |
| Lumber Stocks (Bd. Ft.)   | 93,483,000    | 89,615,000    | 104         |             |    |
| Total Sales   | \$ 1,588,000  | \$ 1,693,500  | 94          |             |    |
| Receivables   | 3,815,200     | 3,736,900     | 102         |             |    |
| <b>Life Insurance Sales</b>   |               |               |             |             |    |
| Four States   | 29,189,000    | 25,732,000    | 113         |             |    |
| Minnesota   | 20,712,000    | 18,216,000    | 114         |             |    |
| Montana   | 3,248,000     | 2,469,000     | 132         |             |    |
| North Dakota  | 2,091,000     | 2,550,000     | 82          |             |    |
| South Dakota  | 3,188,000     | 2,497,000     | 126         |             |    |

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

GENERAL BUSINESS

|                              | Per Cent     |              |     |
|------------------------------|--------------|--------------|-----|
|                              | April, 1930  | April, 1929  |     |
| <b>Investment Dealers</b>    |              |              |     |
| Sales to Banks               | \$ 3,621,100 | \$ 1,105,400 | 328 |
| Sales to Insurance Companies | 524,800      | 1,192,500    | 44  |
| Sales to General Public      | 6,707,800    | 6,304,000    | 106 |
| <b>Wholesale Trade</b>       |              |              |     |
| <b>Farm Implements—</b>      |              |              |     |
| Sales                        | 614,590      | 723,980      | 85  |
| Stocks                       | 1,077,230    | 977,250      | 110 |
| Receivables                  | 645,500      | 757,990      | 85  |
| <b>Groceries—</b>            |              |              |     |
| Sales                        | 4,202,720    | 4,208,840    | 100 |
| Stocks                       | 6,253,410    | 6,446,820    | 97  |
| Receivables                  | 5,558,450    | 5,777,610    | 96  |
| <b>Hardware—</b>             |              |              |     |
| Sales                        | 2,144,030    | 2,287,520    | 94  |
| Stocks                       | 2,832,140    | 3,071,120    | 92  |
| Receivables                  | 2,977,020    | 3,181,110    | 94  |
| <b>Shoes—</b>                |              |              |     |
| Sales                        | 419,900      | 479,770      | 88  |
| Stocks                       | 1,302,670    | 1,604,160    | 81  |
| Receivables                  | 1,199,880    | 1,256,840    | 95  |

BANKING

|                             | April 1930    | April 1929    | Per Cent |
|-----------------------------|---------------|---------------|----------|
| <b>Member Bank Deposits</b> |               |               |          |
| In Cities Over 15,000 Pop.  | \$437,299,000 | \$446,721,000 | 98       |
| In Cities Under 15,000 Pop. | 436,835,000   | 458,119,000   | 95       |
| Michigan—15 Cos.            | 63,098,000    | 64,062,000    | 98       |

Member Bank Deposits (continued)

|                   |               |               |    |
|-------------------|---------------|---------------|----|
| Minnesota         | \$164,211,000 | \$171,364,000 | 96 |
| Montana           | 59,319,000    | 66,870,000    | 89 |
| North Dakota      | 59,689,000    | 63,338,000    | 94 |
| South Dakota      | 60,057,000    | 61,578,000    | 98 |
| Wisconsin—26 Cos. | 29,961,000    | 30,907,000    | 97 |

Interest Rates<sup>2</sup>

|                                    |        |        |
|------------------------------------|--------|--------|
| Minneapolis Banks                  | 5½—5¾% | 6—6¼%  |
| Commercial Paper (net to borrower) | 4½%    | 6½—6¾% |
| Minneapolis Fed. Res. Bank         | 4%     | 5%     |

Selected City Member Banks

|                              | May 14, 1930  | May 15, 1929  |     |
|------------------------------|---------------|---------------|-----|
| Loans to Customers           | \$217,468,000 | \$221,116,000 | 98  |
| Other Invested Funds         | 146,993,000   | 146,853,000   | 100 |
| Deposits Due to Banks        | 71,944,000    | 69,105,000    | 104 |
| Public Demand Deposits       | 31,337,000    | 22,463,000    | 140 |
| Other Demand Deposits        | 171,056,000   | 174,246,000   | 98  |
| Time Deposits                | 128,911,000   | 130,822,000   | 99  |
| Total Deposits               | 403,462,000   | 397,351,000   | 102 |
| Borrowings at Fed. Res. Bank | 325,000       | 11,752,000    | 3   |

Minneapolis Federal Reserve Bank

|                                |            |            |     |
|--------------------------------|------------|------------|-----|
| Loans to Member Banks          | 3,923,000  | 16,367,000 | 24  |
| Twin Cities                    | 175,000    | 11,284,000 | 2   |
| Minn., Wis. and Mich.          | 899,000    | 2,409,000  | 37  |
| No. Dak. and Mont.             | 1,444,000  | 1,986,000  | 73  |
| South Dakota                   | 805,000    | 690,000    | 117 |
| Fed. Res. Notes in Circulation | 57,510,035 | 63,386,480 | 91  |

<sup>1</sup>Daily Averages.

<sup>2</sup>Latest Reported Data.

DEBITS TO INDIVIDUAL ACCOUNTS

| Number of Business Days:     | April 1930 | March 1930 | April 1929 | March 1929 |
|------------------------------|------------|------------|------------|------------|
| Minnesota                    | 25         | 26         | 26         | 25         |
| All Other States in District | 26         | 26         | 26         | 26         |

(000's omitted)

Michigan

|                                |          |        |        |        |
|--------------------------------|----------|--------|--------|--------|
| Escanaba (1 bank)              | \$ 1,210 | \$ 970 | \$ 978 | \$ 992 |
| Hancock                        | 1,520    | 1,550  | 1,995  | 2,523  |
| Houghton (1 bank)              | 625      | 607    | 760    | 780    |
| Iron Mountain                  | 4,832    | 4,985  | 5,340  | 5,412  |
| Iron River, Caspian, Stambaugh | 1,828    | 1,872  | 1,924  | 1,483  |
| Manistique (1 bank)            | 663      | 486    | 525    | 449    |
| Marquette                      | 5,033    | 4,902  | 5,216  | 4,009  |
| Menominee                      | 3,636    | 3,213  | 3,693  | 3,346  |
| Sault Ste. Marie               | 2,785    | 2,621  | 2,644  | 2,878  |

Minnesota

|                      |         |         |         |         |
|----------------------|---------|---------|---------|---------|
| Albert Lea           | 3,225   | 3,056   | 3,218   | 3,179   |
| Austin (2 banks)     | 3,785   | 3,649   | 3,374   | 4,362   |
| Bemidji              | 1,659   | 1,441   | 1,526   | 1,456   |
| Chaska               | 557     | 600     | 535     | 536     |
| Chisholm             | 903     | 783     | 896     | 671     |
| Cloquet              | 2,817   | 3,249   | 3,159   | 4,471   |
| Crookston            | 1,406   | 971     | 1,087   | 1,117   |
| Detroit Lakes        | 987     | 935     | 924     | 844     |
| Duluth               | 62,177  | 68,702  | 70,149  | 68,095  |
| Ely                  | 764     | 581     | 844     | 577     |
| Faribault (1 bank)   | 1,311   | 1,182   | 1,457   | 1,212   |
| Farmington           | 240     | 255     | 273     | 245     |
| Fergus Falls         | 3,279   | 2,902   | 3,744   | 3,114   |
| Glenwood             | 524     | 458     | 463     | 456     |
| Hutchinson           | 1,438   | 1,355   | 1,589   | 1,585   |
| Lanesboro            | 322     | 268     | 392     | 310     |
| Little Falls         | 995     | 1,045   | 1,203   | 1,035   |
| Luverne              | 957     | 1,290   | 992     | 1,285   |
| Mankato              | 6,446   | 6,267   | 6,947   | 6,454   |
| Minneapolis          | 440,286 | 427,295 | 427,505 | 423,849 |
| Moorhead             | 2,080   | 2,240   | 1,146   | 993     |
| Morris               | 589     | 607     | 533     | 575     |
| Owatonna             | 3,049   | 3,180   | 3,089   | 3,336   |
| Park Rapids          | 416     | 468     | 479     | 500     |
| Red Wing             | 3,171   | 2,305   | 2,615   | 2,195   |
| Rochester            | 5,988   | 5,577   | 6,932   | 5,872   |
| St. Cloud (1 bank)   | 898     | 843     | 411     | 324     |
| St. Paul             | 173,673 | 181,908 | 179,653 | 190,062 |
| South St. Paul       | 29,371  | 32,857  | 36,711  | 35,488  |
| Stillwater           | 2,514   | 2,225   | 2,973   | 2,630   |
| Thief River Falls    | 938     | 801     | 825     | 720     |
| Two Harbors          | 440     | 559     | 515     | 488     |
| Virginia             | 2,552   | 2,163   | 2,637   | 2,785   |
| Wabasha              | 821     | 832     | 767     | 751     |
| Wadena               | 1,059   | 992     | 1,064   | 912     |
| Wheaton              | 501     | 578     | 652     | 616     |
| Willmar              | 1,607   | 1,829   | 1,376   | 1,512   |
| Winona               | 7,321   | 6,572   | 7,947   | 7,351   |
| Worthington (1 bank) | 1,008   | 1,029   | 983     | 786     |

Montana

|                     |        |        |        |        |
|---------------------|--------|--------|--------|--------|
| Anaconda            | 1,947  | 1,744  | 2,692  | 2,321  |
| Billings            | 8,236  | 7,891  | 9,581  | 8,359  |
| Bozeman             | 2,082  | 2,066  | 2,273  | 2,279  |
| Butte (2 banks)     | 12,985 | 12,051 | 14,211 | 16,920 |
| Deer Lodge          | 1,446  | 900    | 1,464  | 1,304  |
| Glendive            | 1,311  | 1,066  | 1,367  | 1,447  |
| Great Falls         | 15,732 | 14,116 | 17,192 | 15,731 |
| Harlowton           | 846    | 383    | 445    | 369    |
| Havre (1 bank)      | 649    | 580    | 868    | 769    |
| Helena              | 9,672  | 8,168  | 11,075 | 8,432  |
| Lewistown           | 1,890  | 2,032  | 2,421  | 2,174  |
| Malta               | 623    | 556    | 886    | 735    |
| Miles City (1 bank) | 1,927  | 1,603  | 1,915  | 1,744  |

North Dakota

|             |        |        |        |        |
|-------------|--------|--------|--------|--------|
| Bismarck    | 14,519 | 9,760  |        |        |
| Devils Lake | 1,636  | 1,325  | 1,912  | 1,849  |
| Dickinson   | 1,243  | 1,100  | 1,640  | 1,411  |
| Fargo       | 17,183 | 16,763 | 21,596 | 19,552 |
| Grafton     | 589    | 646    | 467    | 512    |
| Grand Forks | 6,917  | 7,230  | 8,083  | 7,426  |
| Jamestown   | 2,662  | 2,793  | 3,162  | 2,613  |
| Mandan      | 1,612  | 1,691  | 2,003  | 1,797  |
| Minot       | 7,144  | 5,827  | 8,709  | 6,800  |
| Valley City | 1,230  | 1,259  | 1,292  | 1,284  |
| Wahpeton    | 918    | 1,094  | 1,067  | 1,186  |
| Williston   | 1,402  | 1,414  | 1,629  | 1,618  |

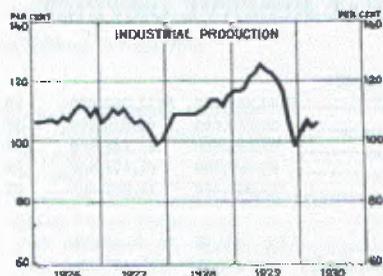
South Dakota

|                    |        |        |        |        |
|--------------------|--------|--------|--------|--------|
| Aberdeen           | 5,794  | 5,554  | 6,491  | 5,892  |
| Brookings (1 bank) | 1,116  | 1,150  | 1,159  | 1,138  |
| Deadwood           | 764    | 817    | 901    | 886    |
| Huron              | 5,383  | 5,663  | 5,854  | 5,299  |
| Lead               | 1,138  | 1,174  | 1,424  | 1,271  |
| Madison (1 bank)   | 1,064  | 1,043  | 1,032  | 749    |
| Milbank            | 499    | 525    | 624    | 613    |
| Mitchell (2 banks) | 4,512  | 4,508  | 4,800  | 4,223  |
| Mobridge           | 692    | 599    | 802    | 625    |
| Pierre             | 1,220  | 1,178  | 1,625  | 1,262  |
| Rapid City         | 4,103  | 3,779  | 4,135  | 3,715  |
| Sioux Falls        | 23,321 | 23,527 | 22,360 | 21,832 |
| Watertown          | 3,667  | 3,961  | 5,624  | 4,750  |
| Yankton            | 2,563  | 2,717  | 2,960  | 3,389  |

Wisconsin

|                  |        |        |        |        |
|------------------|--------|--------|--------|--------|
| Ashland          | 2,234  | 2,197  | 2,378  | 2,218  |
| Chippewa Falls   | 2,277  | 2,355  | 2,576  | 2,782  |
| Eau Claire       | 8,010  | 7,013  | 8,208  | 7,872  |
| Hudson           | 616    | 774    | 614    | 789    |
| LaCrosse         | 11,809 | 12,861 | 13,823 | 14,451 |
| Merrill (1 bank) | 1,430  | 1,490  | 1,409  | 1,584  |
| Superior         | 7,902  | 8,191  | 8,906  | 8,041  |

|                                |           |           |             |             |
|--------------------------------|-----------|-----------|-------------|-------------|
| Total for All Cities Reporting | \$984,292 | \$979,719 | \$1,019,314 | \$1,011,931 |
| Both Years                     |           |           |             |             |



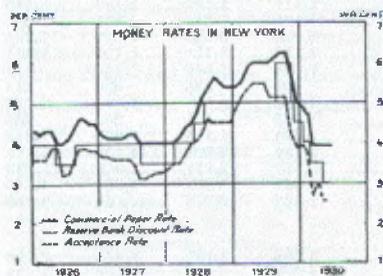
Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-1925 average=100). Latest figures, April, 106.



Index numbers of factory employment and payrolls, without adjustment for seasonal variations (1923-1925 average=100). Latest figures, April, employment 92.1, payrolls 96.7.



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



Monthly rates in the open market in New York: commercial paper rate on 4 to 6 month paper. Acceptance rate on 90-day bankers' acceptances. Latest figures are averages of first 20 days in May.

## Summary of National Business Conditions (Compiled May 22 by Federal Reserve Board)

Industrial activity increased slightly in April from the rate prevailing in March. Factory employment declined by the usual seasonal amount, while factory payrolls showed a smaller reduction than usual. Wholesale prices continued to decline in April and the first half of May. There was a further easing of open market money rates.

**PRODUCTION:** Production in basic industries in April was slightly larger than in March and the Board's index, which makes allowance for the usual seasonal changes, shows an increase of about 2 per cent, offsetting a large part of the decrease in March. The output of automobiles showed the usual seasonal expansion. Steel output declined seasonally in April and the early part of May. The output of silk textiles was considerably reduced, and woolen mills curtailed operations, though less than seasonally. Cotton mills were more active in April, and there was some increase in stocks. In the first half of May, however, a program of curtailment was instituted in the industry.

In comparison with the first four months of 1929, a year of exceptionally active business, production was smaller in almost all major branches of industry with the exception of tobacco. In comparison with 1928, however, output was larger in the automobile, petroleum and silk industries, slightly smaller in steel and coal and considerably smaller in cotton and wool textiles, flour, meat packing, automobile tires and lumber.

Building contracts awarded during April, according to the F. W. Dodge Corporation, were 6 per cent larger than in March, reflecting further expansion in awards for public works and utilities, and some increase in residential construction, largely seasonal in character. In the first two weeks in May, there was a further increase in building activity. In comparison with 1929, awards in the first four months of the year were 17 per cent smaller, reflecting chiefly the continued small volume of residential building, which more than offset increases in public works and in utility construction.

**EMPLOYMENT AND PAYROLLS:** Factory employment, which had been decreasing since last September, declined by about 1 per cent in April, which represents the usual development for that month, while the reduction in factory payrolls from March to April was smaller than usual.

**DISTRIBUTION:** Department store sales increased during the month by an amount estimated to be slightly larger than is accounted for by the late Easter holiday. The value of foreign trade decreased further in April, and for the first four months of the year exports were about 20 per cent smaller than a year ago when trade was exceptionally active. In part, this decline reflected the lower level of wholesale prices.

**PRICES:** An increase in wholesale prices in the first week in April was followed by a substantial decline which continued into May and brought the level of prices to the lowest point in a number of years. Prices of important raw materials, such as wheat, cotton and silk declined during most of the period, but steadied somewhat around the middle of May, while prices of silver, hides and coffee were comparatively stable. There were fairly continuous price declines in steel, sugar, raw wool and the textiles. Copper prices were reduced further early in May, but recovered somewhat following large purchases for domestic and foreign consumption.

**BANK CREDIT:** Loans and investments of member banks increased by about \$160,000,000 in the latter half of April, but declined by \$140,000,000 in the first two weeks in May, both movements reflecting chiefly fluctuations in loans on securities. Investments increased further, while "all other" loans continued to decline, and on May 14 at \$8,560,000,000 were the smallest in more than two years. The volume of Reserve bank credit declined further by \$125,000,000 between the weeks ending April 19 and May 17, largely as a result of the addition of about \$65,000,000 to the stock of monetary gold and of a further substantial reduction in the volume of money in circulation, which reflected chiefly the smaller volume of payrolls and declines in retail prices. The System's holdings of bills declined, while United States securities and discounts for member banks showed little change. Money rates on all classes of paper declined further in May. The discount rate of the Federal Reserve Bank of New York was reduced from 3½ to 3 per cent on May 2, and that at the Federal Reserve Bank of Boston from 4 to 3½ per cent on May 8.