

MONTHLY REVIEW

OF
AGRICULTURAL AND BUSINESS CONDITIONS
IN THE
NINTH FEDERAL RESERVE DISTRICT

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Vol. V (Serial
No. 192)

Minneapolis, Minnesota

December 30, 1930

DISTRICT SUMMARY OF BUSINESS

Business in the district during November continued to be in smaller volume than a year ago, but the reduction was not as great as in the earlier months of the fall. This was partly due to a lower level of business in November last year than in the early fall months of that year, and partly due to a small rise in the level of some business indexes in November this year.

Bank debits were 18 per cent smaller in November this year than a year ago. Of the ninety-three cities reporting bank debits, nineteen reported increases over the volume in November a year ago. In October, only six cities reported increases, and in August and September only twelve cities reported increases in bank debits over last year's figures. The increases in bank debits were almost entirely in the mixed farming region of central South Dakota, Minnesota and western Wisconsin. The cities reporting increases were Brookings, Huron, Madison, Milbank, Watertown and Yankton in South Dakota; Dickinson and Valley City in North Dakota; Austin, Chaska, Crookston, Detroit Lakes, Luverne, Moorhead, Park Rapids, St. Cloud and Wabasha in Minnesota, and Eau Claire and Hudson in Wisconsin. Some of these cities also reported a larger volume of bank debits than in 1928.

The majority of other business indexes showed declines in November as compared with the same month last year. For the country check clearings index, the decrease was 18 per cent, and for freight carloadings the decrease was 27 per cent. Decreases were also shown in postal receipts, building permits and contracts, mining activity, livestock receipts, department store sales, furniture sales, country lumber sales, life insurance sales and wholesale trade. Increases occurred in electric power consumption in the eastern part of the district, in flour and linseed product shipments, grain marketings and securities sales. Business failures were fewer than in the same month last year.

DISTRICT SUMMARY OF BANKING

The banking records of November and the first half of December show very little change from the records of October. The reduced agricultural income and the low level of activity in the mining

and lumbering regions have prevented the autumn seasonal increase in deposits of country banks, and the seasonal reduction in borrowings by country banks from the Federal Reserve Bank. On the other hand, city member banks in the district have the largest volume of deposits which they have ever held at this time of year.

The loans of this Federal Reserve Bank this fall have been almost entirely to country member banks. Borrowings by these country member banks from the Federal Reserve Bank have declined only \$600,000 from their autumn peak, which is a smaller reduction than usually occurs. In the fall months, there are always two contrary trends in borrowings from this bank—an increase in the mixed farming region where livestock is being purchased and fed for sale during the winter and spring, and a decrease in the sections where small grain raising provides the peak of farm income in the fall. Usually the decrease in borrowings from the small grain sections is greater than the increase in borrowings by the banks in the mixed farming region. This year, the two trends nearly offset each other. On December 17, country banks in the eastern half of the district were borrowing one-third less than a year ago, but the banks in the western half of the district were borrowing about twice as much as a year ago.

Country member bank deposits increased slightly in November over the October level, but were only 1 per cent larger than the level in August, which was the lowest point in the post-war years. This autumn increase was smaller than the usual seasonal increase at this time of year. Deposits of country member banks in all states of the district were below last year's figures, the smallest decreases occurring in Michigan and Minnesota, and the largest decrease occurring in North Dakota. City member banks experienced a decrease in deposits during the four weeks ending December 17, but on the latter date their deposits were larger than on the corresponding date in any of the preceding four years for which records are available. This high level of deposits is entirely due to a record volume of time deposits and deposits of government funds. Other demand deposits and balances due to banks were at the lowest level for this time of year in the five-year record.

Loans to customers by city member banks con-

tinued to decline, and on December 17 were 37 million dollars smaller than on the corresponding date last year. The high level of deposits and the low level of customers' loans made it unnecessary for these city banks to borrow from the Federal Reserve Bank as they did a year ago, and allowed them to increase their investments to the highest level since June 1929.

DISTRICT SUMMARY OF AGRICULTURE

The December 1 government crop estimates showed increases for wheat, oats, and rye, as compared with previous estimates for this year's production, and decreases for corn, barley, flax, potatoes and wild hay. The 1930 crops of wheat, oats, barley, rye and flax were larger than the 1929 crops in this district, while the crops of corn, potatoes and hay were smaller than the 1929 crops. As compared with the ten-year average, all of the 1930 crops were smaller, except barley and flax.

Relative Size of Forecasted 1930 Crop Production in Minnesota, Montana, North Dakota and South Dakota

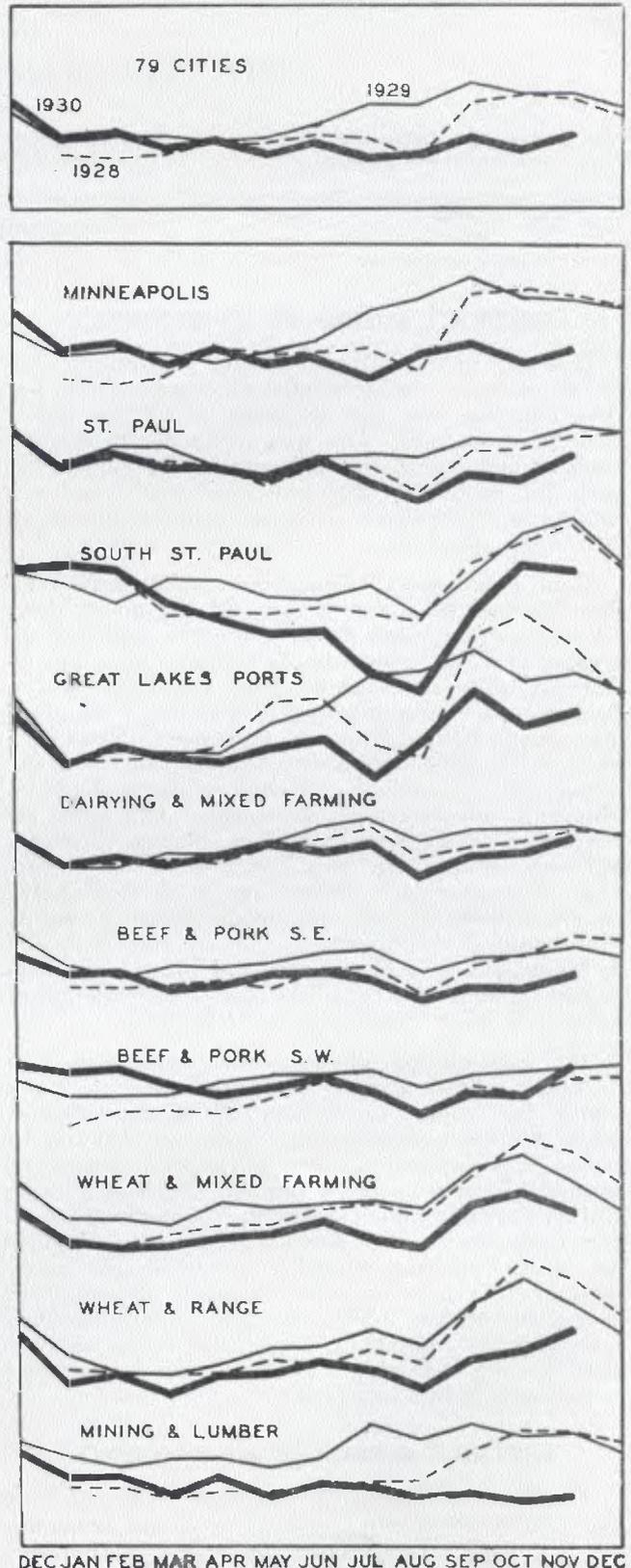
	% 1930 of 1929	% 1930 of 10-Year Average
Spring Bread Wheat	105.7	95.6
Durum Wheat	102.7	87.1
Winter Wheat	87.9	83.4
Rye	133.3	91.4
Flax	137.6	127.8
Potatoes	82.5	61.3
Corn	83.7	84.9
Oats	108.7	96.7
Barley	104.8	150.4
Tame Hay	88.1	95.4
Wild Hay	99.9	70.1

Wheat marketings from the 1930 crop and carry-over amounted to 104 million bushels between July 1 and November 30, according to the record of receipts at terminals, excluding duplications and southwestern wheat receipts. This left approximately 108 million bushels to be marketed at terminals, milled by western mills, fed to livestock or carried over into the next crop year, after making allowance for seed requirements.

Cold storage holdings of pork and lard in the United States were smaller on December 1 than a year ago, and smaller than the five-year average for that date. Partly on account of this favorable storage condition, hog prices were only 8 per cent lower in November than a year ago, which was the smallest percentage reduction shown in the price of any of the major farm products in the Northwest.

Stocks of butter in the United States on December 1 were smaller than a year ago, but somewhat larger than the five-year average for that date. Butter prices were reduced during November from the October level, contrary to the seasonal movement which would have brought November prices up to the highest level of the winter. The November price of butter was 7½ cents lower than the price a year ago, and only 2½ cents higher than at the low point in the summer of 1930.

NINTH FED. RES. DISTRICT BANK DEBITS



The estimated cash value of farm products marketed in November was 17 per cent smaller than the value of marketings in November last year. Decreases occurred in all estimated items, the smallest decreases occurring in durum wheat and hogs. Prices of all important agricultural products in the district were lower in November than a year ago.

BANKING TRENDS IN THE RURAL COMMUNITIES OF MINNESOTA 1913-1929

Part IV

Trends by Economic Areas

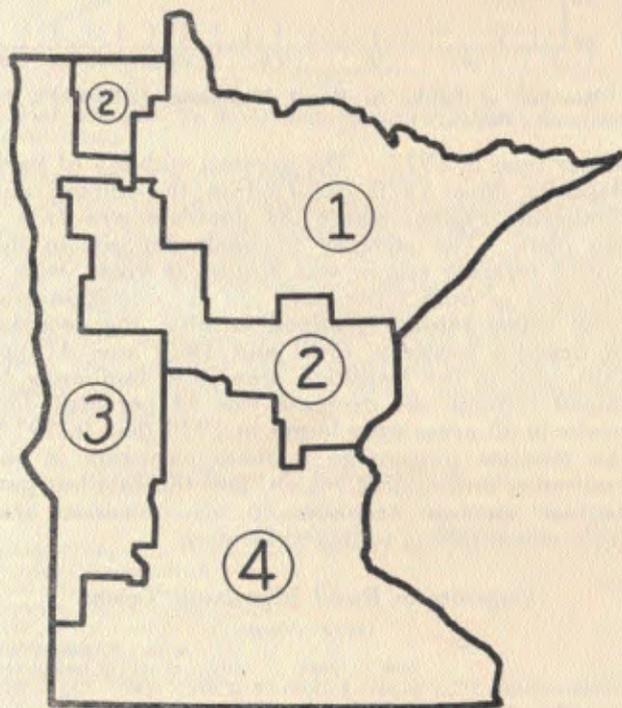
The chief conclusions from this study are as follows:

1. In the four economic areas of rural Minnesota, banking trends have been quite dissimilar, especially since 1920.

2. The non-agricultural mining and lumbering area has shown the greatest stability and freedom from banking disorders.

3. Of the three agricultural regions, the area where mixed farming was well established before the war has shown the most stability of banking conditions.

4. The areas where transitions in type of industry were in process after 1913 have had the most banking difficulties. The two transition areas, with 36 per cent of the rural banks of Minnesota in 1920, have had 51 per cent of the bank failures in Minnesota since 1920.



Minnesota Map Showing Sub-divisions of the State, as used in this study of banking trends: 1. Lumber and mining area; 2. Transition area, lumber to mixed farming; 3. Transition area, wheat to mixed farming; 4. Mixed farming area.

Rural Minnesota is composed of four distinct economic areas. The most important of these areas in population is the mixed farming region in the southern and central part of the state. In this area, agriculture is diversified, and the sources of income are numerous. The same type of agriculture has been practised for a generation, or more, and farming capital has accumulated in the form of buildings, livestock, savings deposits and investments. As a result of the varied sources of income and the backlog of individual wealth, this part of Minnesota has been better able to withstand the adverse agricultural conditions of the post-war period than have the other agricultural sections of the state.

The next most important area in point of population is the area along the western border of Minnesota where farming has been changing during the last generation from strictly small grain farming to a diversified form of agriculture. This region has been adopting dairying and livestock and poultry raising, either as a supplement to wheat and other small grain production or as a major activity. In this transition, additional capital was required for the erection of additional farm buildings, for the purchase of livestock, and for improvements and alterations. A change in farming technique was required which involved, in many cases, experiment with various combinations of farming activities to determine the combination which would produce the best income results. Under these conditions, farming capital has been slower to accumulate in this transition area, and farm income has been unequally distributed. The post-war agricultural depression came upon this region while it was in the midst of its transition.

The next area in importance, according to population, is the area to the north and east of the older mixed farming and wheat raising territories, and south and west of the forest country. Most of this third region is cut-over land where, until recent years, lumbering was a major industry. With the dying out of the lumber industry in this belt, farming has gradually developed, chiefly along the lines of dairying, livestock and poultry production. The settlers in this new agricultural country, in most cases, had little or no capital. Some of the settlers were immigrants; others were unsuccessful farmers from other parts of the country; others were children of successful farmers from the territory to the south and east, and probably a few were successful farmers who moved into this territory for a variety of reasons. Some of the settlers had had no agricultural experience, and the majority of the other settlers had had very little experience with agriculture under the climatic, soil and other conditions of this area. As agricultural communities developed, banks were established and the area has made marked progress in the development of a satisfactory type of agricultural industry. However, in this area, the period of agricultural depression following the war came before farming capital and farming operations had been developed far enough to avoid serious financial disturbances, as represented by bank failures and farm foreclosures.

The last area is the mining and lumber territory in the northeastern section of Minnesota, where farming is of minor importance as an industry, and where the majority of the population is engaged either as wage earners and executives in the extractive industries, or in the retail trades serving the lumber and mining population. In this area, the principal capital requirements of lumbering and mining have always been supplied by large banking institutions and capitalists located outside of this territory, and the capital and credit requirements of the population of this area have been small. The demands on banks by local borrowers have been much smaller in proportion to deposits than in other parts of the state, and the deposits are largely savings accounts of the inhabitants. The banks of the area carry a large portion of their assets in the form of bonds, which permits wide diversification of assets and a relative freedom from banking troubles which would arise from a concentration of assets in local loans.

The history of the number of banks and the amount of bank deposits in the four economic areas of rural Minnesota is shown in the two accompanying charts. These charts are drawn on a ratio scale vertically so that increases or decreases of a certain amount on any of the curves indicate the same percentage change.

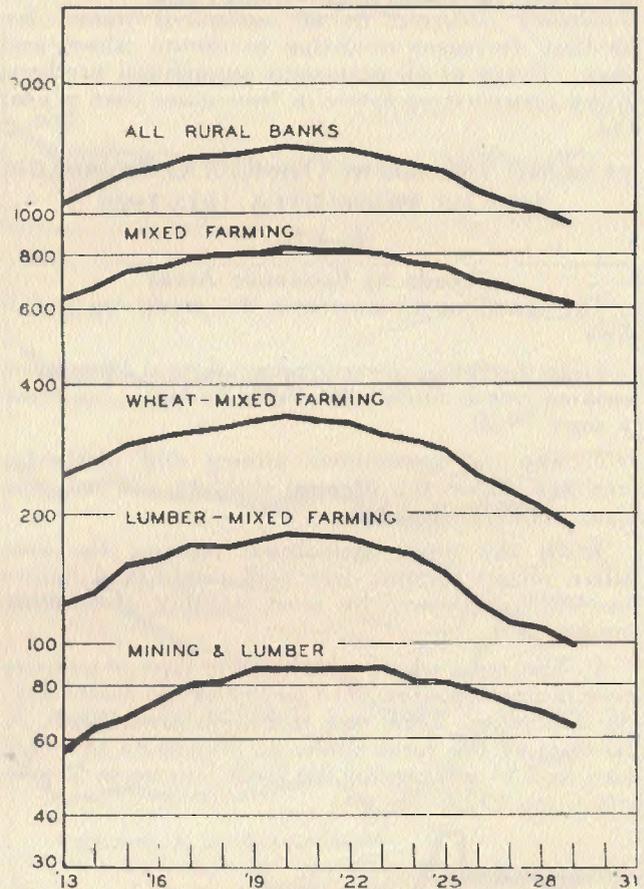
As was indicated in preceding studies, the number of banks in rural Minnesota increased from 1913 to 1920, and has decreased since that time to a number in 1929 which was 9 per cent smaller than the number in 1913. The rate of growth in number of banks between 1913 and 1920 was greatest in the lumber and mining regions, and smallest in the mixed farming region. Since 1920, the numbers of banks in the lumber and mining regions and in the mixed farming region declined 25 per cent up to the end of 1929. In the areas where transitions were under way between wheat raising and mixed farming and between lumbering and mixed farming the number of banks declined 45 per cent between 1920 and 1929. The net result for the whole sixteen-year period was an increase of 14 per cent in the number of banks in the lumber and mining regions, a decrease of 3 per cent in the mixed farming region, a decrease of 20 per cent in the transition area from lumbering to mixed farming, and a decrease of 25 per cent in the transition area from wheat raising to mixed farming.

Number of Banks in Rural Minnesota

Areas	1913	1920	1929	% 1920 of 1913	% 1929 of 1913	% 1929 of 1920
Lumber-Mining	56	88	64	157	114	73
Transition Lumber-Mixed Farming	123	178	99	145	80	56
Transition Wheat-Mixed Farming	245	334	184	136	75	55
Mixed Farming.....	634	824	615	130	97	75
All Rural Banks.....	1,058	1,424	962	135	91	68

Deposits in rural Minnesota banks increased from 1913 to a peak in 1920, and have since declined, but at the close of 1929 they were 90 per cent

NUMBER OF BANKS IN RURAL MINNESOTA



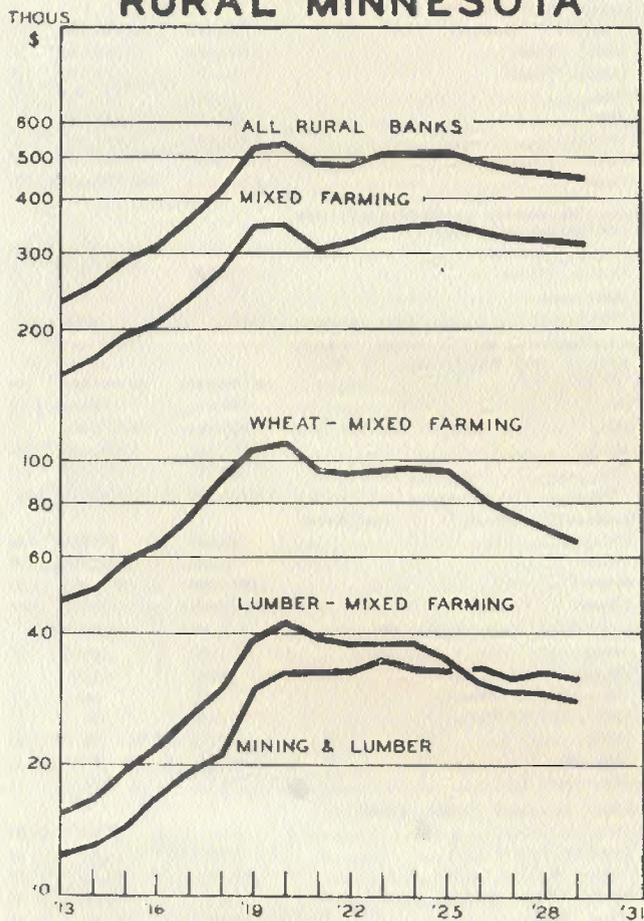
Number of Banks in Rural Minnesota 1913-1929, by Economic Areas.

larger than in 1913. The greatest stability of bank deposits since 1920 occurred in the mining and lumbering region, where the decrease was only 4 per cent. The stability of bank deposits in the mixed farming region was almost as great, with a decrease of only 9 per cent. In the transition area from wheat raising to mixed farming, the decrease in deposits between 1920 and 1929 was 41 per cent, and in the transition area from lumbering to mixed farming the decrease was 34 per cent. Deposits in all areas were larger in 1929 than in 1913, the greatest percentage increase occurring in the lumbering and mining region, and the smallest percentage increase occurring in the transition area from wheat raising to mixed farming.

Deposits in Rural Minnesota Towns

	(000's omitted)			% 1920 of 1913	% 1929 of 1913	% 1929 of 1920
	1913	1920	1929			
Lumber-Mining	\$ 12,383	\$ 32,551	\$ 31,349	263	253	96
Transition Lumber-Mixed Farming.....	15,403	42,395	28,161	275	183	66
Transition Wheat-Mixed Farming	47,865	109,652	64,823	229	135	59
Mixed Farming	156,251	347,157	316,948	222	203	91
All Rural Banks.....	\$231,902	\$531,755	\$441,281	229	190	83

BANK DEPOSITS IN RURAL MINNESOTA



Bank Deposits in Rural Minnesota, 1913-1929, by Economic Areas.

Bank failures in Minnesota since 1920 caused a loss of one-fourth of the number of banks from the peak in 1920. The figures for banks which reopened were not included in the failure record. Bank failures were most serious in the transition areas where more than one-third of the banks failed, and least serious in the mixed farming area where only one-fifth of the banks failed, and in the lumber and mining region where one-seventh of the banks failed.

Bank Failures in Rural Minnesota

	No. of Banks at Peak	Net Bank Failures	Per Cent
Lumber-Mining	88	12	13.6
Transition Lumber-Mixed Farming	178	62	34.8
Transition Wheat-Mixed Farming	334	117	35.0
Mixed Farming	824	162	19.7
All Rural Banks.....	1,424	353	24.8

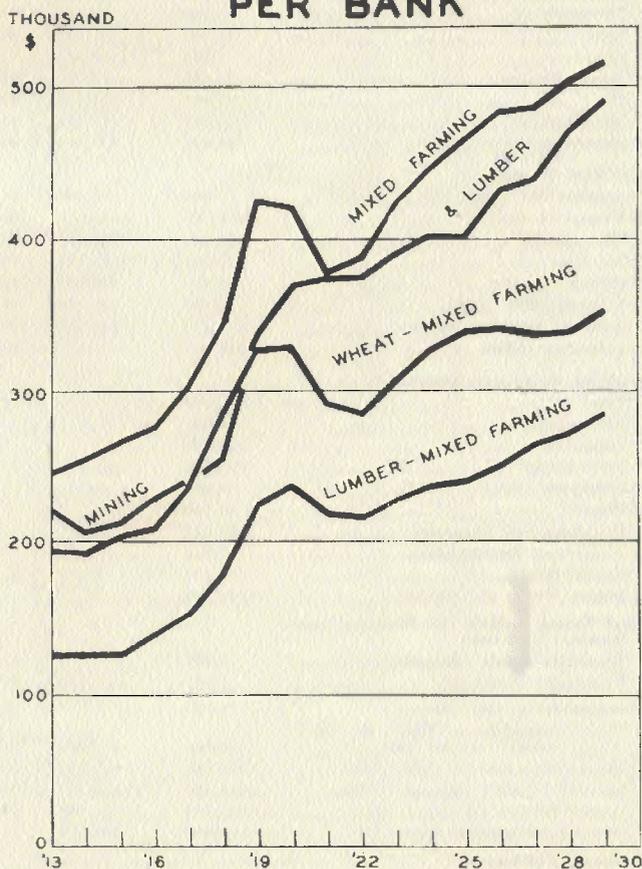
One reason for the greater proportion of bank failures in transition areas than in the other regions was that the banks in the transition areas were smaller, on the average, than in the other parts of the state. This was due, in part, to the newness of

the communities which had not had time to accumulate large deposits, but which, nevertheless, desired banking service. In 1913, the average deposits per bank in the transition area from lumbering to mixed farming were \$125,000, and in the transition area from wheat raising to mixed farming, \$195,000. The average deposits per bank in the other areas were slightly larger, amounting to \$221,000 in the lumbering and mining area, and \$246,000 in the mixed farming region. There has been a rapid growth in the size of banks since 1913 in all four areas of rural Minnesota. This growth was partly due to an accumulation of deposits at a more rapid rate than the growth in the number of banks prior to 1920, and partly to the failure of small banks and the consolidation of other banks since 1920, which reduced the number of banks without a corresponding reduction in bank deposits.

Average Deposits per Bank in Rural Minnesota (000's omitted)

	1913	1920	1929	% 1920 of 1913	% 1929 of 1913	% 1929 of 1920
Lumber-Mining	\$221	\$370	\$490	167	222	132
Transition Lumber-Mixed Farming	125	238	284	190	227	119
Transition Wheat-Mixed Farming	195	328	352	168	181	107
Mixed Farming	246	421	515	171	209	122
All Rural Banks.....	\$219	\$373	\$459	170	209	123

AVERAGE DEPOSITS PER BANK



Average Deposits per Bank in Rural Minnesota, 1913-1929, by Economic Areas.

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS		Per cent Nov. '30 of Nov. '29		AGRICULTURE	
	Nov. '30	Nov. '29	Nov. '29	Farmers' Cash Income	
Bank Debits¹				Total of 7 Items	\$ 43,259,000 \$ 52,247,000 83
All Reporting Cities	\$ 40,705,300	\$ 49,801,000	82	Bread Wheat	6,985,000 10,206,000 68
Minneapolis	17,427,000	22,440,800	78	Durum Wheat	3,170,000 3,510,000 90
St. Paul	7,261,000	8,400,000	86	Rye	246,000 855,000 29
South St. Paul	1,468,000	1,913,000	77	Flax	2,817,000 3,639,000 77
Great Lakes Ports	4,230,300	5,158,200	82	Potatoes	2,316,000 2,762,000 84
Beef and Pork, S. E.	1,344,600	1,530,900	88	Dairy Products	13,322,000 15,388,000 87
Beef and Pork, S. W.	1,847,300	1,821,500	101	Hogs	14,409,000 15,837,000 91
Dairy and Mixed Farming	1,746,900	1,823,800	96	Grain Marketings at Minneapolis and Duluth-Superior (Bus.)	
Wheat and Mixed Farming	2,004,400	2,332,400	86	Bread Wheat	7,940,000 6,841,000 116
Wheat and Range	1,270,500	1,482,900	86	Durum Wheat	4,723,000 2,962,000 159
Mining and Lumber	2,105,800	2,897,700	73	Rye	577,000 900,000 64
				Flax	1,697,000 1,118,000 152
Electric Power Consumption (K.W.H.)^{1,2}				Grain Stocks at End of Month at Minneapolis and Duluth-Superior (Bus.)	
Minn., No. Dak., and So. Dak.	5,091,000	4,948,000	103	Wheat	57,390,393 56,679,933 101
Montana	3,500,000	4,322,000	81	Corn	705,310 22,602 3121
				Oats	8,027,181 8,117,714 99
Country Check Clearings¹				Barley	6,181,456 5,596,832 112
Total	\$ 3,591,200	\$ 4,358,400	82	Rye	9,216,691 5,596,758 165
Minnesota	1,248,600	1,550,800	81	Flax	1,411,833 594,518 237
Montana	605,800	877,200	69	Livestock Receipts at So. St. Paul (Head)	
North and South Dakots	1,014,500	1,100,700	92	Cattle	62,382 97,476 64
Michigan and Wisconsin	722,300	820,600	87	Calves	42,938 44,373 97
				Hogs	278,209 331,343 73
Postal Receipts				Sheep	197,944 197,371 100
Six Cities	894,728	1,168,289	85	Median Cash Grain Prices (Bus.)	
Minneapolis	527,829	620,595	85	Wheat—No. 1 Dark Northern	75% \$ 1.30½ 58
St. Paul	330,109	387,834	85	Durum—No. 2 Amber	67% 1.18½ 57
Duluth	58,149	70,916	82	Corn—No. 3 Yellow	64% .85½ 75
Three Other Cities	78,641	88,944	88	Oats—No. 3 White	28% .43 67
				Barley—No. 3	43% .59 74
Freight Carloadings—N. W. District				Rye—No. 2	42% .95 45
Total—Excluding L.C.L.	291,723	399,175	73	Flax—No. 1	1.66 3.25½ 51
Grains and Grain Products	39,108	44,320	88	Median Livestock Prices (Cwt.)	
Livestock	82,740	39,056	84	Butcher Cows	5.00 \$ 7.00 71
Coal	35,916	40,715	88	Butcher Steers	8.75 10.50 83
Coke	4,718	6,665	71	Prime Butcher Steers	11.00 14.50 76
Forest Products	33,441	57,510	58	Feeder Steers	6.50 8.50 76
Ore	22,854	50,774	45	Veal Calves	8.50 12.50 68
Miscellaneous	122,945	160,125	77	Hogs	8.15 8.90 92
Merchandise—L.C.L.	116,441	135,850	86	Heavy Hogs	7.50 8.00 94
				Lambs	7.50 12.00 63
Building Permits				Ewes	3.50 4.00 88
Number—18 Cities	833	1,029	81	Wholesale Produce Prices	
Value—18 Cities	\$ 1,811,100	\$ 2,988,700	61	Butter (Lb.)	.32½ \$.40 81
Minneapolis	876,500	1,298,200	52	Milk (Cwt.)	1.96 2.42 81
St. Paul	400,000	798,200	50	Hens (Lb.)	.16 .17½ 91
Duluth-Superior	88,600	334,100	23	Eggs (Doz.)	.30 .41½ 72
4 Wheat Belt Cities	125,500	173,800	72	Potatoes (Bu.)	1.35 1.50 90
6 Mixed Farming Cities	273,600	266,200	103	TRADE	
4 Mining Cities	246,900	68,200	362	Department Stores	
				Sales	\$ 3,237,830 \$ 3,821,170 85
Building Contracts Awarded				Merchandise Stocks	7,819,400 8,732,820 90
Total	\$ 4,851,000	\$ 11,166,500	43	Receivables	3,706,630 3,674,130 101
Commercial	188,000	.....	.....	Instalment Receivables	798,840 767,050 104
Industrial	164,000	.....	.....	Furniture Stores	
Educational	652,000	.....	.....	Total Sales	\$ 280,660 \$ 353,720 79
Hospitals, etc.	1,700	.....	.....	Instalment Sales	169,560 242,400 70
Public	27,600	.....	.....	Merchandise Stocks	1,539,360 1,827,680 87
Religious and Memorial	132,500	.....	.....	Instalment Receivables	2,032,730 2,365,090 86
Social and Recreational	9,800	.....	.....	Country Lumber Yards	
Residential	1,179,300	.....	.....	Sales (Bd. Ft.)	7,845,000 11,270,000 70
Public Works and Utilities	2,446,100	.....	.....	Lumber Stocks (Bd. Ft.)	70,380,000 74,265,000 95
				Total Sales	\$ 1,227,700 \$ 1,719,500 71
Real Estate Activity in Hennepin and Ramsey Counties				Receivables	4,492,500 5,103,200 88
Warranty Deeds Recorded	1,467	1,795	82	Life Insurance Sales	
Mortgages Recorded	1,226	1,435	85	Four States	\$ 20,375,000 \$ 25,531,000 80
				Minnesota	14,723,000 17,863,000 82
Manufacturing and Mining				Montana	1,854,000 2,843,000 65
Flour Production at Mpls., St. Paul, and Duluth-Superior (bbls.)	1,030,966	843,568	122	North Dakota	1,510,000 2,225,000 68
Flour Shipments at Mpls. (bbls.)	915,018	912,252	100	South Dakota	2,288,000 2,600,000 88
Lined Product Shipments (lbs.)	27,513,460	25,909,117	106		
Copper Output (5 firms) (lbs.)	27,947,490	37,241,700	75		
Iron Ore Shipments (tons)	1,987,688	3,941,524	50		
Business Failures					
Number	48	53	91		
Liabilities	\$ 397,835	\$ 743,042	54		

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

	Nov. '30	Nov. '29	Per cent Nov. '30 of Nov. '29
Investment Dealers			
Sales to Banks.....	6,267,600	1,709,600	373
Sales to Insurance Companies.....	610,800	790,000	77
Sales to General Public.....	3,997,700	5,262,400	76
Wholesale Trade			
Farm Implements—			
Sales.....	\$ 120,200	\$ 159,610	75
Stocks.....	631,000	600,300	105
Receivables.....	218,280	170,470	128
Groceries—			
Sales.....	\$ 3,790,410	\$ 4,408,590	86
Stocks.....	6,610,630	7,308,630	90
Receivables.....	4,901,350	5,154,890	95
Hardware—			
Sales.....	\$ 1,501,810	\$ 2,014,930	75
Stocks.....	2,143,710	2,312,480	93
Receivables.....	2,255,530	2,592,170	87
Shoes—			
Sales.....	\$ 279,350	\$ 441,290	63
Stocks.....	1,000,010	1,424,780	70
Receivables.....	1,155,280	1,429,680	81

BANKING

Member Bank Deposits	Nov. '30	Nov. '29	Per cent
In Cities Over 15,000 pop.....	\$468,825,000	\$464,055,000	101
In Cities Under 15,000 pop.....	422,619,000	450,533,000	94
Michigan—15 Cos.....	58,404,000	59,428,000	98

Member Bank Deposits (continued)

Minnesota.....	162,019,000	168,468,000	96
Montana.....	59,148,000	65,582,000	90
North Dakota.....	56,291,000	63,737,000	88
South Dakota.....	58,689,000	63,438,000	93
Wisconsin—26 Cos.....	28,068,000	29,880,000	94
Interest Rates¹			
Minneapolis Banks.....	5-5½	6-6¼	
Commercial Paper (net to borrower).....	3½	5½	
Minneapolis Federal Reserve Bank.....	3½	5	
Selected City Member Banks	Dec. 17, '30	Dec. 18, '29	
Loans to Customers.....	\$218,292,000	\$255,386,000	85
Other Invested Funds.....	153,183,000	137,227,000	112
Deposits Due to Banks.....	83,028,000	86,017,000	97
Public Demand Deposits.....	40,645,000	26,353,000	160
Other Demand Deposits.....	173,327,000	184,564,000	94
Time Deposits.....	151,497,000	128,921,000	118
Total Deposits.....	449,614,000	424,928,000	106
Borrowings at Fed. Reserve Bank.....	0	12,516,000	0
Minneapolis Federal Reserve Bank			
Loans to Member Banks.....	3,861,000	15,814,000	24
Twin Cities.....	0	12,509,000	0
Minn., Wis. and Mich.....	1,341,000	1,985,000	68
N. Dak. and Mont.....	1,145,000	671,000	171
South Dakota.....	1,875,000	649,000	212
Fed. Res. Notes in Circulation.....	51,353,985	65,869,090	78

¹Daily Averages.

²Latest Reported Data.

BANK DEBITS

Number of Business Days:	November 1930	October 1930	November 1929	October 1929
Montana and No. Dakota.....	22	26	24	26
Michigan and Wisconsin.....	23	27	25	27
All other States in District.....	22	27	24	27

(000's omitted)

State	City	Nov. '30	Oct. '30	Nov. '29	Oct. '29	
Michigan	Escazaba (1 Bank).....	\$ 673	\$ 819	\$ 913	\$ 996	
	Hancock.....	1,576	1,840	2,185	2,107	
	Houghton (1 Bank).....	515	621	657	771	
	Iron Mountain.....	2,974	3,679	4,097	4,626	
	Iron River, Caspian, Stambaugh.....	1,226	1,559	1,720	1,825	
	Manistique (1 Bank).....	468	489	550	524	
	Marquette.....	3,872	5,033	5,368	6,228	
	Menominee.....	2,341	2,803	3,155	3,575	
	Sault Ste. Marie.....	2,711	3,164	3,050	3,516	
	Minnesota	Albert Lea.....	\$ 3,029	\$ 3,405	\$ 3,349	\$ 3,538
		Austin (2 Banks).....	4,319	4,062	4,592	4,874
		Bemidji (2 Banks).....	1,113	1,187	1,535	1,626
		Chaska.....	921	698	948	759
		Chisholm.....	1,029	880	1,185	914
		Cloquet.....	1,789	1,857	3,071	2,659
Crookston.....		1,481	1,669	1,253	1,533	
Detroit Lakes.....		964	1,053	940	1,141	
Duluth.....		78,138	86,718	104,645	113,133	
Ely.....		644	780	777	740	
Faribault (1 Bank).....		1,101	1,374	1,478	1,741	
Farmington.....		238	333	316	339	
Fergus Falls.....		2,847	3,527	3,376	4,385	
Glenwood.....		462	522	581	555	
Hutchinson.....		1,184	1,305	1,525	1,545	
Lanesboro.....		388	421	477	484	
Little Falls.....		1,131	1,149	1,557	1,320	
Luverne.....		966	1,070	1,042	1,139	
Mankato.....		6,898	6,950	7,426	7,895	
Minneapolis.....		383,389	441,845	538,583	613,652	
Moorhead.....		1,630	3,144	1,672	3,255	
Morris.....		541	638	721	823	
Owatonna.....		2,676	3,142	2,982	3,311	
Park Rapids.....		429	423	459	527	
Red Wing.....		2,194	2,594	2,719	2,908	
Rochester.....		5,609	6,061	7,166	7,907	
St. Cloud (1 Bank).....		505	473	509	480	
St. Paul.....	159,748	171,431	201,605	211,192		
South St. Paul.....	32,298	40,903	45,915	47,499		
Stillwater.....	2,339	2,799	2,900	4,064		
Thief River Falls.....	1,113	1,094	1,476	1,289		
Two Harbors.....	426	473	675	616		
Virginia.....	2,084	2,279	2,555	2,468		
Wabasha.....	757	783	800	972		
Wadena.....	1,148	1,155	1,373	1,471		
Wheaton.....	570	662	727	706		
Willmar.....	1,553	1,887	1,854	2,235		
Winona.....	6,726	7,689	9,277	9,193		
Worthington (1 Bank).....	762	923	887	977		

State	City	Nov. '30	Oct. '30	Nov. '29	Oct. '29
Montana	Anaconda.....	\$ 1,821	\$ 1,867	\$ 2,280	\$ 2,218
	Billings.....	8,754	9,509	11,478	14,523
	Bozeman.....	2,112	2,702	2,976	3,499
	Butte (2 Banks).....	9,974	11,556	15,202	15,715
	Dear Lodge.....	1,069	950	1,353	1,405
	Glendive.....	1,352	1,489	1,617	1,898
	Great Falls.....	12,767	14,717	21,674	24,937
	Harlowton.....	389	455	521	754
	Hayre.....	1,618	1,774	2,477	2,807
	Helena.....	8,369	9,231	12,062	12,263
North Dakota	Lewistown.....	2,263	2,605	3,178	3,808
	Malta.....	731	761	1,257	1,304
	Miles City (1 Bank).....	2,194	2,704	2,984	3,636
	Bismarck.....	\$ 10,047	\$ 10,515	\$ 11,005	\$ 11,474
	Devils Lake.....	1,620	2,186	2,208	2,320
	Dickinson.....	1,846	2,064	1,570	2,038
	Fargo.....	16,578	20,865	19,886	24,590
	Grafton.....	658	1,078	776	1,263
	Grand Forks.....	6,995	9,020	9,160	10,654
	Jamestown.....	2,520	3,427	2,854	4,052
South Dakota	Mandan.....	1,640	1,896	2,039	2,341
	Minot.....	6,296	8,419	8,639	12,117
	Valley City.....	1,566	1,984	1,647	2,232
	Wahpeton.....	954	1,378	1,157	1,507
	Williston.....	1,420	2,219	2,120	3,353
	Aberdeen.....	\$ 5,334	\$ 6,732	\$ 7,329	\$ 8,784
	Brookings (1 Bank).....	1,299	1,396	1,304	1,486
	Deadwood.....	925	966	1,024	986
	Huron.....	6,319	5,752	5,824	6,476
	Lead.....	1,171	1,162	1,406	1,406
Wisconsin	Madison (1 Bank).....	1,003	946	980	999
	Milbank.....	652	649	598	637
	Mitchell (2 Banks).....	3,907	4,305	4,706	5,143
	Mobridge.....	722	730	854	898
	Pierre.....	1,358	1,424	1,580	1,646
	Rapid City.....	3,934	3,654	4,712	6,176
	Sioux Falls.....	19,621	22,538	22,190	24,710
	Watertown.....	5,244	4,259	5,240	5,664
	Yankton.....	2,292	2,660	2,329	2,641
	Ashland.....	\$ 1,831	\$ 2,011	\$ 2,600	\$ 1,237
Chippewa Falls.....	1,958	2,313	2,600	3,077	
Eau Claire.....	7,787	8,023	7,964	8,881	
Hudson.....	619	568	622	658	
La Crosse.....	10,431	12,182	12,700	14,532	
Merrill (1 Bank).....	1,168	1,279	1,406	1,586	
Superior.....	6,619	8,199	8,632	9,470	
Total for All Cities Reporting					
Both Years.....	\$919,401	\$1,044,482	\$1,222,413	\$1,361,997	

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

The volume of industrial production and factory employment decreased further in November, and wholesale commodity prices continued to decline. Distribution of commodities by department stores increased less than is usual for November.

PRODUCTION AND EMPLOYMENT: Industrial production declined about 4 per cent in November, according to the Federal Reserve Board's seasonally adjusted index. The output of iron and steel decreased further, while the number of automobiles produced per working day continued at a low level. Daily average cotton consumption increased further by somewhat more than the usual seasonal amount, and activity at silk mills continued to increase, while wool consumption decreased by an amount substantially larger than is usual in November. Production at cement mills was reduced considerably. The daily output at meat packing establishments increased less than the usual seasonal amount, and the output of minerals declined.

Factory employment and payrolls showed decreases in November, reflecting, in part, changes of a seasonal character. The number employed in the clothing and shoe industries decreased by more than the usual amount, while employment at silk mills showed an increase contrary to the ordinary seasonal movement. In the industries producing building materials, including lumber, cement and brick, declines in employment exceeded the usual seasonal proportions. In the automobile industry, employment declined further, but by an amount considerably smaller than is usual in November.

The value of contracts awarded for residential building and for public works and utilities, as reported by the F. W. Dodge Corporation, declined in November and contracts for commercial and industrial building continued at the low levels of other recent months. In the first two weeks of December, the daily average of total contracts awarded was somewhat smaller than in November.

According to the December crop report of the Department of Agriculture, the output of corn in 1930 was 2,081 million bushels, about 500 million less than last year, and 600 million less than the five-year average, while the total wheat crop of 851 million bushels was about equal to the 1924-1928 average. The cotton crop of 14,243,000 bales was slightly smaller than in the two previous seasons. Total crop production was about 5 per cent smaller than a year ago.

DISTRIBUTION: Freight carloadings decreased further in November by more than the ordinary seasonal amount. Expansion of department store sales from October to November was smaller than usual, following a growth in October that was larger than usual.

WHOLESALE PRICES: The general level of wholesale commodity prices declined further in November, according to the Bureau of Labor Statistics, and there were additional price declines in the first half of December when several commodities, including silver and cotton, reached new low levels. From the end of October to the middle of December, there were substantial declines in prices of many other commodities, including corn, hogs, pork, hides, tin and coffee, while prices of copper and rubber fluctuated widely, declining at the end of the period.

BANK CREDIT: Loans and investments of reporting member banks in leading cities declined by about \$250,000,000 during the three-week period ending December 10, reflecting a further reduction of \$69,000,000 in loans on securities, and a decline of \$196,000,000 in all other loans, offset, in part, by a further small increase in investments. There was also a decline in time deposits, reflecting in large part withdrawal of Christmas funds.

In the following week, December 10 to December 17, changes in the figures for reporting banks reflected, in part, the closing of a large reporting bank in New York City. This resulted in a decline in the reported assets and liabilities of New York City banks.

Reserve bank credit outstanding increased by about \$294,000,000 during the four weeks ending December 17, and there was also an addition of \$30,000,000 to the country's stock of gold. Discounts for member banks increased by \$126,000,000, acceptance holdings of the Reserve banks by \$74,000,000, and their holdings of United States securities, including one-day treasury certificates issued in connection with December 15 fiscal operations, by \$96,000,000. The increase in Reserve bank credit outstanding reflected a large growth in the demand for currency by the public and by banks, resulting, in part, from the currency requirements for the holiday trade, and in part from demand for cash from banks and from the public in regions where important bank failures occurred during the period.

During November and the first two weeks of December, money rates continued fairly steady at extremely low levels, with prime commercial paper at a range of $2\frac{3}{4}$ to 3 per cent, and bankers' acceptances at $1\frac{7}{8}$ per cent. In the third week of December, there was a slight increase in rates for call and time loans on the New York stock exchange. The yields on high-grade bonds increased during the latter part of the period.



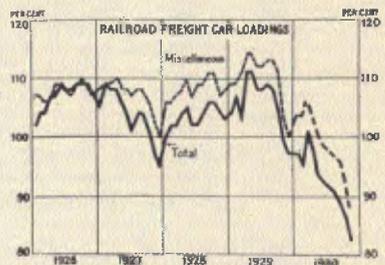
Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-1925 average = 100). Latest figure, November, 84.



Index of United States Bureau of Labor Statistics (1926 = 100, base adopted by Bureau). Latest figure, November, 80.4.



Index numbers of factory employment and payrolls, without adjustment for seasonal variations (1923-1925 average = 100). Latest figures, November, employment 81.1, payrolls 75.1.



Cars of revenue freight loaded, as reported by the American Railway Association. Index numbers adjusted for seasonal variations (1923-1925 average = 100). Latest figures, November, total 82, miscellaneous 88.