

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 during July declined from the June level and as compared with July last year. The decline apparently continued during the early part of August. Some indexes in July were at the lowest point in the current business depression, including the adjusted indexes of bank debits, miscellaneous freight carloadings, and less-than-carlot freight carloadings. The country check clearings index for July equalled the previous low level for the present depression, which was reached in March.

Bank debits were 16 per cent smaller in July than in the same month last year, with all parts of the district sharing in the decrease. During the three weeks ending August 19, bank debits at seventeen reporting cities were 24 per cent smaller than in the same weeks last year. The country check clearings index in July was 19 per cent smaller than a year ago, and country check clearings for the first fourteen business days in August were 18 per cent smaller than in the corresponding days last year.

The majority of the other records of business were also lower in July than a year ago, including postal receipts, building permits and contracts, flour production and shipments, copper and iron ore output, grain marketings, department store sales, life insurance sales and wholesale trade. Business records which were larger in July than a year ago were electric power consumption in the eastern half of the

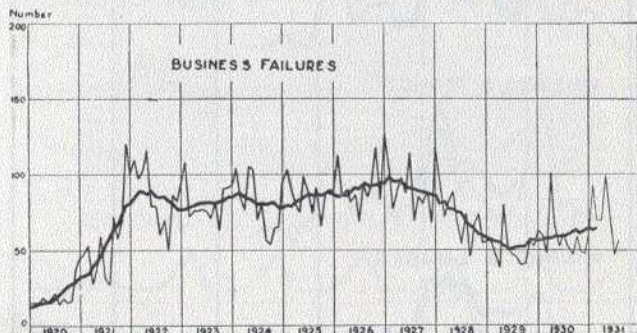
district, linseed product shipments, livestock marketings and securities sales. The employment indexes for Minneapolis were less favorable in July than in the earlier months of the year, and business failures were 56 in July, as compared with 51 in July last year, according to the tabulation of R. G. Dun and Company.

Country Lumber Sales

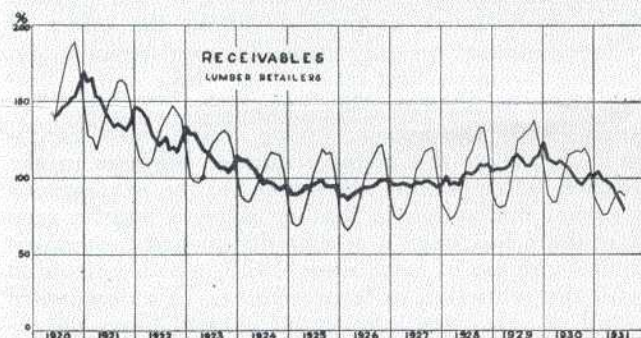
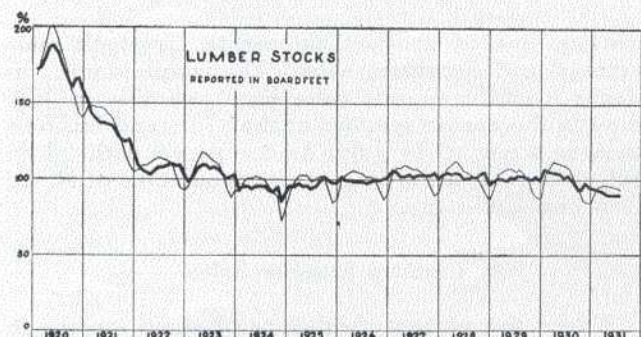
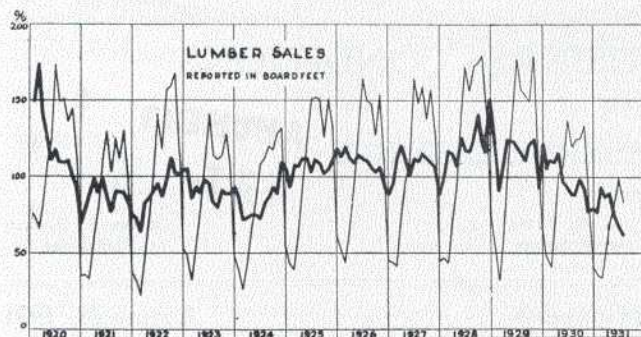
Under the present conditions of small income in the agricultural part of the district, it is important to know as much as possible about the effect of reduced income on the various types of retail trade. Among the important retailers are the country lumber yards which have been reporting to this office since 1920. The accompanying charts show significant details of the country lumber business in the district. After making allowance for the pronounced seasonal fluctuation in lumber sales, it can be seen that there has been a steady downward movement in the volume of sales since 1928, which coincided with the reduction in farm income. This downward trend of sales was interrupted several times on account of special weather conditions, the last of which was the abnormally mild winter of 1930-31. In July, country lumber sales were at the lowest level in the post-war years. These sales figures were reported in board feet, and, consequently, they reflect the changes in the volume of rural building without allowance for changes in prices of material.

Lumber stocks at country yards, also reported in board feet, have declined for the past year and a half, after allowance for seasonal fluctuations. At the end of July this year, lumber stocks were at the lowest level in the post-war years, with the exception of November, 1924, when lumber stocks were sharply reduced by the unexpectedly large volume of sales in that month.

The accounts receivable of country lumber yards have been declining for the past two years in conjunction with the decline in sales, indicating that during this period the purchasers of lumber have been able to repay a considerable part of their indebtedness. In fact, the receivables of lumber retailers in this district are at the lowest point in the post-war years, after elimination of seasonal variation.



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.



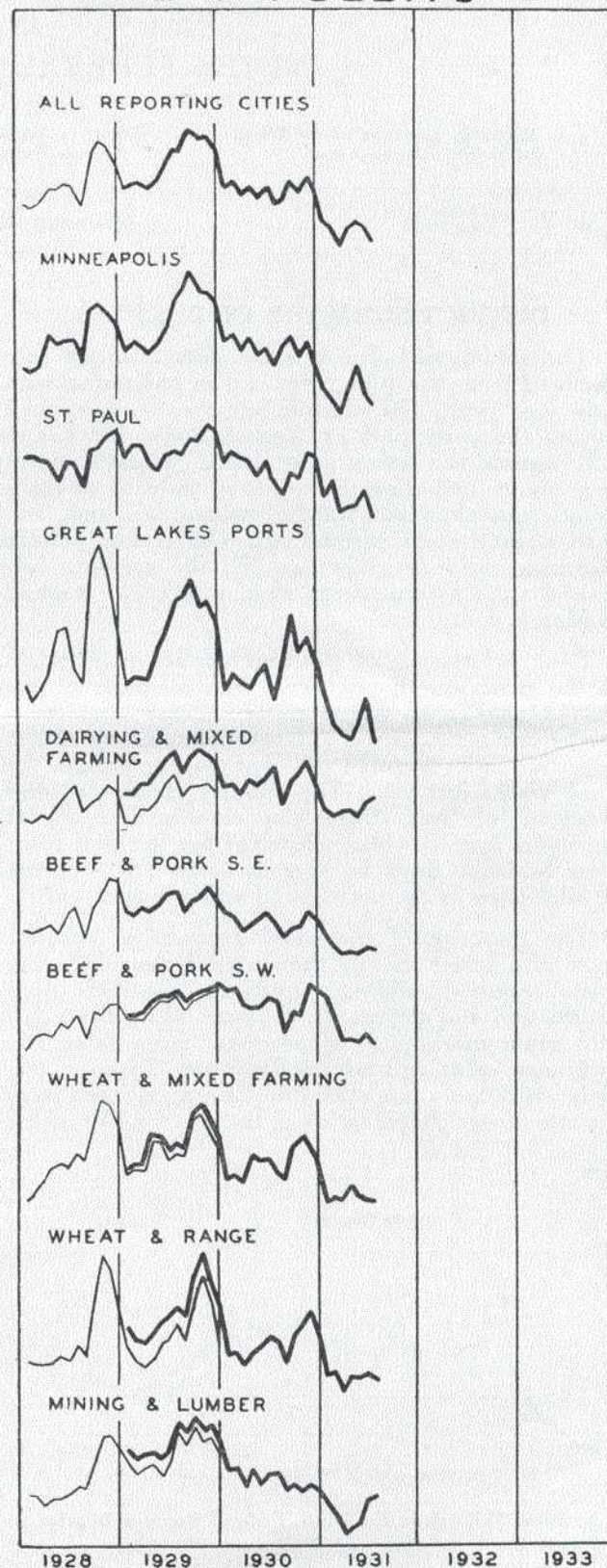
Country Lumber Sales and Stocks in Board Feet and Accounts and Notes Receivable in Dollars. The heavy curves are seasonally adjusted and the light curves show the lumber data without seasonal correction.

DISTRICT SUMMARY OF AGRICULTURE Cold Storage Holdings

Cold storage holdings of meats, butter and poultry products were below the five-year average on August 1, with the exception of eggs, which were very slightly above the average. Cold storage holdings on August 1 were also smaller than a year ago for all of the above commodities, except pork and lard. The shrinkage in stocks of butter occurred as a result of smaller production during the hot weather in July and the low price. In consequence, butter prices advanced $1\frac{1}{2}$ cents in July, which was more than the usual increase at that time of year.

Stocks of poultry and eggs have been reduced by the action of poultrymen and farmers in decreasing the size of their flocks, as well as by low prices. On July 1, the average farm flock contained 67

NINTH FED. RES. DISTRICT BANK DEBITS



hens, as compared with 71 on July 1, 1930, and 72 on the five-year average for that date. Furthermore, egg laying was decreased by hot weather. On July 1, the average farm flock in the United States laid 29 eggs, as compared with 30 eggs on July 1, 1930, and 30.4 eggs on the five-year average for that date.

United States Cold Storage Holdings (In thousands of pounds)

	August 1, 5-year Average	August 1, 1930	August 1, 1931
Beef	44,946	64,591	41,075
Pork	753,786	651,444	714,709
Lard	171,802	118,353	122,239
Lamb and Mutton.	2,382	4,476	1,892
Butter	138,684	145,061	115,179
Poultry	41,269	46,967	36,410
Eggs *	12,664	14,520	12,780

*Thousand Cases.

Cattle Feeding

The number of cattle on feed in Minnesota and South Dakota on August 1 was appreciably less than on the same date last year, according to reports issued by the United States Department of Agriculture. The smaller number on feed, together with the greatly reduced price per hundred for fed cattle, indicates that feeder farmers will have a much smaller cash income during the fed cattle marketing season than they did last year. Reports also indicate that demand for stocker and feeder cattle will be less during the next five months than it was during the same period last year. On account of unfavorable pasture conditions and scanty roughage supplies and the lack of profit or actual loss resulting from feeding operations during the last two years, feeder

farmers expect to conduct their feeding operations on a smaller scale than a year ago. In some sections, feed supplies apparently will be sufficient to permit feeding in about the same volume as last year, but local facilities for financing the purchase of sufficient feeders are not available. Heavy rains, which were fairly general throughout the territory early in August, greatly benefitted pastures. As a result, there was a very appreciable increase in the demand for feeder cattle at South St. Paul.

The median price paid for stocker and feeder cattle at South St. Paul in July, as computed in our office, was nearly 20 per cent lower than in the preceding month. The July median, \$4.25, is the lowest monthly median since November, 1921. On the other hand, prices of prime butcher steers at \$8.25 in July continued to climb above the low level reached in May—\$7.40. The spread between feeder cattle and prime butcher stock continued during the first three weeks of August. Average prices, however, were somewhat higher, owing to an increased country demand for feeders, and to seasonably short supplies of prime butcher cattle.

Crop Marketing

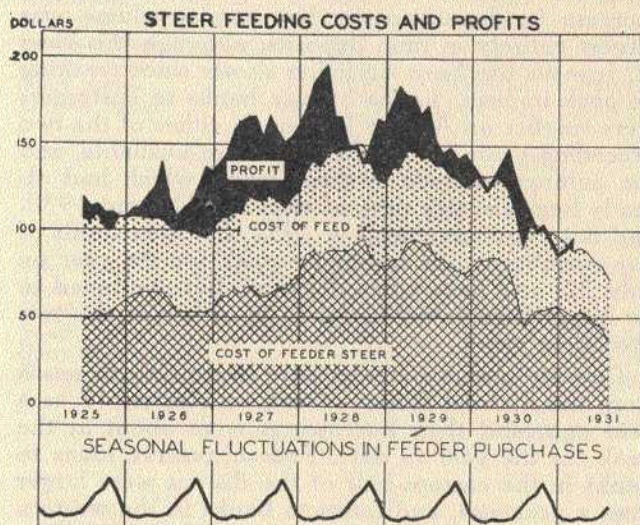
The crop marketing season is opening with a very small volume of wheat moving out of the country and into the terminal markets. The explanation is that the wheat crop is very small, the carry-over from last year's crop was smaller than in the two preceding years, and rains have occurred to delay harvesting and threshing in parts of the district. As a result of these factors, only 6,276,000 bushels of northwestern wheat had arrived at Minneapolis and Duluth-Superior between July 1 and August 15, according to our preliminary estimates. Last year during the same period these markets had received 20,787,000 bushels of wheat from the Northwest.

Wheat Marketing Progress

(Estimates for Minnesota, North Dakota,
South Dakota and Montana combined)
July 1 through August 15, 1930 and 1931

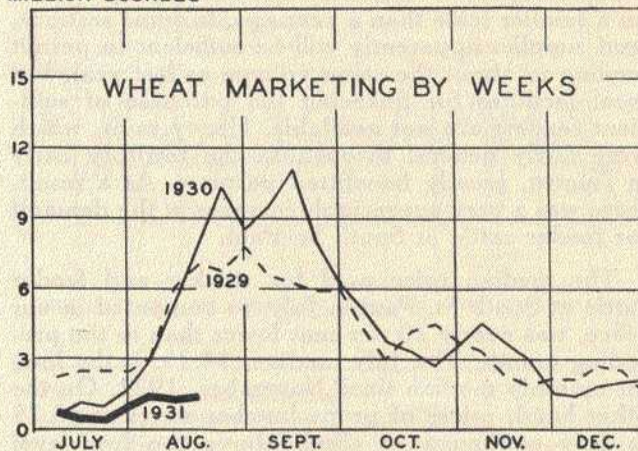
	1930 Bushels	1931 Bushels
Crop and Carry-over		
July 1 Farm Stocks	16,707,000	11,940,000
July 1 Stocks in Country Mills and Elevators	25,350,000	6,500,000
New Crop	203,015,000	93,049,000
Total Wheat Supply	245,072,000	111,489,000
Less: Seed Requirements	19,501,000	19,000,000
Remainder available for market- ing at terminals, feed, country mills, etc.	225,571,000	92,489,000
Receipts July 1-August 15 at Minneapolis, Duluth and Super- ior, excluding S. W. wheat and duplications	20,787,000	6,276,000
Per cent marketed at terminals through August 15	9.22	6.79

Country wheat stocks in the Northwest on July 1 were smaller than a year ago and smaller than the five-year average for the date, according to esti-



Steer Feeding Costs and Profits in the Northwest. The curve at the bottom of the chart illustrates the seasonal fluctuations in purchases of feeder steers at South St. Paul, and indicates the relative importance of the profit index at different times of the year.

MILLION BUSHELS



Wheat Marketings from the Northwest by Weeks, July-December.

mates of the United States Department of Agriculture. Combining wheat stocks on farms with those in interior mills and elevators, there were approximately 18 million bushels of wheat left in the country on July 1, 1931, as compared with 42 million bushels a year ago, and 22 million bushels on the five-year average. The shrinkage in wheat stocks was greater at country elevators than on farms.

Interior Stocks of Wheat in Northwest on July 1 (000's omitted)

In Interior Mills and Elevators

	Five-year Average 1925-29	1930 Revised	1931 Preliminary
Minnesota	1,347	1,950	1,050
North Dakota.....	5,456	15,800	3,100
South Dakota.....	965	2,150	850
Montana	2,822	5,450	1,500
Total	10,590	25,350	6,500

On Farms

	Five-year Average 1925-29	1930 Revised	1931 Preliminary
Minnesota	1,534	1,578	1,794
North Dakota.....	5,595	8,754	4,491
South Dakota.....	1,363	3,120	3,176
Montana	2,690	3,255	2,479
Total	11,182	16,707	11,940

The extent to which adverse factors have affected crop yields in Minnesota, Montana, North Dakota, and South Dakota is clearly shown in the accompanying table. The August 1 forecast for these four states for wheat is the smallest since 1900, for oats since 1911, for rye since 1915, for potatoes, excluding the small 1930 crop, since 1916, for hay since 1918, for flax since 1922, and for barley since 1926.

Relative Size of Forecasted 1931 Crop Production in Minnesota, Montana, North Dakota and South Dakota

	Per Cent 1931 of 1930	Per Cent 1931 of 10-year Average
CASH CROPS		
Spring Bread Wheat.....	46	45
Durum Wheat	40	36
Winter Wheat	72	63
Rye	47	40
Flax	64	70
Potatoes	120	74
FEED CROPS		
Corn	92	79
Oats	57	56
Barley	55	83
Hay	79	70

The estimated cash income to farmers in July from six important items was 37 per cent smaller than in July last year. Prices of all important farm products in the Northwest were lower in July than a year ago.

DISTRICT SUMMARY OF BANKING

The banking institutions of the district in early August are at the close of one crop year's activities and at the opening of the next year's events. Deposits are at their summer low point and borrowings from the Federal Reserve Bank are usually at their peak for the year. This year, banking developments in the district have been as usual.

City banks experienced a decrease in deposits from the spring peak that resulted from real estate tax payments, but on August 12 their deposits continued to be larger than a year ago on the same date. City member banks reporting to this bank held deposits of 436 million dollars on August 12, as compared with 425 million dollars a year ago. The increase in deposits over last year's volume was almost entirely in time deposits, although this class of deposits has been declining slowly since reaching its peak in June. Loans by city banks to customers were smaller on August 12 than in either of the two preceding years for which figures are available, and the autumn increase in these loans, which had already begun at this time of year in 1929 and 1930, had not yet commenced in 1931. Invested funds of city member banks reached a peak for the year on July 22, and have since declined, but continued to be larger than invested funds in either of the two preceding years.

Country member banks were borrowing as much from the Federal Reserve Bank on August 12 as a year ago, and their borrowings were about at the peak for the year to date. Federal reserve loans to banks in the eastern half of the district were larger than a year ago, and loans to banks in the western states were smaller than last year. Country member bank deposits in cities having less than fifteen thousand population declined 2 per cent in July from the June average, and were 9 per cent smaller than last year. The decrease in deposits was experienced in all the states of the district.

NINTH FEDERAL RESERVE DISTRICT

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AUGUST 1, 1931, PRODUCTION FORECASTS, BY STATES, WITH COMPARISONS,
UNITED STATES DEPARTMENT OF AGRICULTURE

(All figures in thousand bushels, except hay)

SPRING BREAD WHEAT

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	11,167	12,690	16,011	19,537
Montana	12,202	20,336	28,806	39,705
North Dakota	27,010	35,113	64,087	61,679
South Dakota	11,520	21,600	25,775	17,776
Four States	61,899	89,739	134,679	138,697
United States	95,340	124,182	194,057	196,783

DURUM WHEAT

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	1,656	1,800	3,400	3,163
Montana	144	216	225	1,316
North Dakota	15,046	18,808	35,720	46,752
South Dakota	6,216	11,396	17,760	13,721
Four States	23,062	32,220	57,105	64,952

ALL SPRING WHEAT

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	12,823	14,490	19,411	22,700
Montana	12,346	20,552	29,031	41,022
North Dakota	42,056	53,921	99,807	108,430
South Dakota	17,736	32,996	43,535	31,497
Four States	84,961	121,959	191,784	203,649
United States	118,402	156,402	251,162	261,735

ALL WHEAT

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	15,443	16,979	22,431	25,259
Montana	16,974	26,414	35,411	49,972
North Dakota	42,056	53,921	99,807	108,431
South Dakota	18,576	34,256	45,366	32,799
Four States	93,049	131,570	203,015	216,461
United States	893,582	869,013	863,430	808,468

WINTER WHEAT

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	2,620	2,489	3,020	2,559
Montana	4,628	5,862	6,380	8,951
North Dakota .....	.....	.....	.....	.....
South Dakota	840	1,260	1,831	1,402
Four States	8,088	9,611	11,231	12,912
United States	775,180	712,611	612,268	570,048

RYE

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	5,310	5,841	7,197	9,937
Montana	286	408	680	1,625
North Dakota	3,865	4,638	12,144	15,453
South Dakota	2,680	3,680	5,800	3,388
Four States	12,141	14,567	25,821	30,403
United States	36,233	38,325	48,149	57,242

CORN

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	131,992	181,489	139,190	141,756
Montana	2,070	2,277	2,160	5,507
North Dakota	25,158	25,158	19,058	22,222
South Dakota	60,060	131,040	79,840	106,586
Four States	219,280	339,964	239,248	276,071
United States	2,775,301	2,967,953	2,093,552	2,723,641

FLAXSEED

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	6,560	7,380	7,320	5,970
Montana	367	540	1,776	1,215
North Dakota	4,788	6,430	8,208	8,235
South Dakota	1,405	2,750	3,086	3,301
Four States	13,120	17,100	20,390	18,721
United States	13,807	17,947	21,369	19,297

OATS

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	121,744	152,180	170,048	151,808
Montana	2,664	3,256	6,475	16,462
North Dakota	19,701	25,970	39,585	54,843
South Dakota	19,584	50,184	69,600	70,338
Four States	163,693	231,590	285,708	293,451
United States	1,169,657	1,306,267	1,358,052	1,304,538

POTATOES

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	27,552	31,920	21,350	33,893
Montana	1,885	2,030	1,824	3,701
North Dakota	8,450	8,450	7,345	11,153
South Dakota	2,345	4,355	3,074	5,525
Four States	40,232	46,755	33,593	54,272
United States	370,580	396,451	343,236	390,092

BARLEY

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	45,166	51,325	59,671	38,475
Montana	1,970	2,167	3,614	3,644
North Dakota	24,070	30,088	46,795	34,248
South Dakota	14,417	35,488	44,352	26,641
Four States	85,623	119,068	154,432	103,008
United States	221,259	266,618	334,971	237,897

TAME HAY (tons)

	Forecasts		Production	
	8-1-31	7-1-31	1930	10-Yr. Av.
Minnesota	3,517	3,642	3,778	3,758
Montana	1,878	1,960	2,005	2,152
North Dakota	1,056	1,056	1,347	1,570
South Dakota	1,263	1,137	1,646	1,730
Four States	7,714	7,795	8,776	9,210
United States	77,587	79,107	77,850	91,538

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS			Per Cent July '31 of July '30	AGRICULTURE			Per Cent July '31 of July '30
Bank Debits¹	July '31	July '30	July '30	Farmers' Cash Income	July '31	July '30	July '30
All Reporting Cities.....	\$ 30,447,500	\$ 36,384,200	84	Total of 6 Items.....	\$22,860,000	\$ 36,048,000	63
Minneapolis	12,764,000	15,388,000	83	Bread Wheat	3,205,000	5,898,000	54
St. Paul	5,263,000	6,332,000	83	Durum Wheat	166,000	1,961,000	8
South St. Paul.....	795,000	876,000	91	Rye	110,000	266,000	41
Great Lakes Ports.....	2,476,500	3,087,600	80	Flax	651,000	587,000	111
Beef and Pork, S. E.....	1,117,600	1,270,900	88	Dairy Products	13,620,000	20,446,000	67
Beef and Pork, S. W.....	1,389,400	1,786,500	80	Hogs	5,108,000	6,890,000	74
Dairy and Mixed Farming.....	1,676,400	1,976,600	85	Grain Marketings at Minneapolis and Duluth-Superior (Bus.)			
Wheat and Mixed Farming.....	1,843,500	2,104,500	88	Bread Wheat	4,355,000	3,599,000	121
Wheat and Range.....	978,900	1,203,400	81	Durum Wheat	293,000	2,287,000	13
Mining and Lumber.....	2,143,200	2,408,700	89	Rye	302,000	482,000	63
Electric Power Consumption (K.W.H.)^{1,2}				Flax	397,000	257,000	154
Minn., No. Dak., and So. Dak.....	5,008,000	4,948,000	101	Grain Stocks at End of Month at Min- neapolis and Duluth-Superior (Bus.)			
Montana	2,590,000	3,542,000	73	Wheat	56,815,555	44,836,281	127
Country Check Clearings³				Corn	111,610	98,872	113
Total	\$2,694,100	\$3,337,600	81	Oats	2,992,098	2,049,217	146
Minnesota	993,500	1,229,700	81	Barley	1,989,192	2,965,615	67
Montana	452,500	556,400	81	Rye	5,451,447	4,398,081	124
North and South Dakota.....	616,700	836,200	74	Flax	675,254	318,778	212
Michigan and Wisconsin.....	631,300	715,300	88	Livestock Receipts at So. St. Paul (Head)			
Postal Receipts				Cattle	56,044	52,267	107
Six Cities	867,200	954,500	91	Calves	38,193	35,193	109
Minneapolis	456,400	501,700	91	Hogs	178,019	147,137	121
St. Paul	270,400	296,900	91	Sheep	51,595	46,193	112
Duluth	53,600	59,000	91	Median Cash Grain Prices (Bus.)			
Three Other Cities.....	86,800	96,900	90	Wheat—No. 1 Dark Northern.....	\$0.66½	\$0.96¾	69
Freight Carloadings—N. W. District				Durum—No. 2 Amber.....	.56¾	.85¾	66
Total—Excluding L.C.L.	344,798	491,563	70	Corn—No. 3 Yellow.....	.53¾	.76	71
Grains and Grain Products.....	33,974	44,676	76	Oats—No. 3 White.....	.23½	.32¾	71
Livestock	26,640	26,804	99	Barley—No. 3 .....	.42	.46½	90
Coal	15,349	20,123	76	Rye—No. 2 .....	.36½	.55¼	66
Coke	3,520	5,380	65	Flax—No. 1	1.64	2.28¾	72
Forest Products	25,677	37,761	68	Median Livestock Prices (Cwt.)			
Ore	100,054	175,127	57	Butcher Cows	\$4.50	\$6.00	75
Miscellaneous	139,584	181,699	77	Butcher Steers	7.25	9.35	78
Merchandise—L.C.L.	115,894	134,014	86	Prime Butcher Steers.....	8.25	10.50	79
Building Permits				Feeder Steers	4.25	5.25	81
Number—18 Cities	1,309	1,368	96	Veal Calves	6.00	9.50	63
Value—18 Cities	\$2,350,100	\$3,973,700	59	Hogs	5.25	7.75	68
Minneapolis	1,108,500	1,072,400	103	Heavy Hogs	5.00	7.60	66
St. Paul	442,200	1,303,500	34	Lambs	6.50	9.25	70
Duluth-Superior	126,000	767,700	16	Ewes	2.00	3.00	67
4 Wheat Belt Cities.....	274,700	265,800	103	Wholesale Produce Prices			
6 Mixed Farming Cities.....	336,700	517,000	65	Butter (Lb.)	\$0.22	\$0.32½	68
4 Mining Cities	62,000	47,300	131	Milk (Cwt.)	1.48	2.05	72
Building Contracts (F. W. Dodge Corp.)				Hens (Lb.) .....	.14½	.15	97
Total	\$7,842,400	\$ 10,433,500	75	Eggs (Doz.) .....	.12½	.17½	71
Commercial	598,600	1,598,700	37	Potatoes (Bu.)	1.27½	1.72	74
Factories	126,000	489,100	26	TRADE			
Educational	1,349,600	1,494,500	90	Department Stores			
Hospitals, etc.	110,000	909,700	12	Sales	\$2,110,290	\$2,351,830	90
Public	26,700	483,700	6	Merchandise Stocks	6,014,700	6,525,890	92
Religious and Memorial.....	105,000	273,100	38	Receivables	3,011,650	3,146,370	96
Social and Recreational	171,100	199,600	86	Instalment Receivables	662,210	700,660	95
Residential	1,211,100	1,550,100	78	Furniture Stores			
Public Works and Utilities.....	4,144,300	3,435,000	121	Total Sales	\$80,660	\$91,210	88
Real Estate Activity in Hennepin and Ramsey Counties				Instalment Sales	47,780	53,420	89
Warranty Deeds Recorded.....	985	1,081	91	Merchandise Stocks	680,100	753,800	90
Mortgages Recorded	1,395	1,478	94	Instalment Receivables	683,250	849,760	80
Manufacturing and Mining				Country Lumber Yards			
Flour Production at Mpls., St. Paul, and Duluth-Superior (bbls.).....	931,914	986,939	94	Sales (Bd. Ft.)	8,513,000	12,110,000	70
Flour Shipments at Mpls. (bbls.).....	854,126	891,972	96	Lumber Stocks (Bd. Ft.).....	78,274,000	88,919,000	88
Linseed Product Shipments (lbs.).....	17,698,473	11,501,952	154	Total Sales	\$1,040,400	\$1,505,400	69
Copper Output (5 firms) (lbs.).....	24,715,800	29,417,100	84	Receivables	3,582,400	4,669,600	77
Iron Ore Shipments (Tons).....	4,956,061	8,586,649	58	Life Insurance Sales			
Business Failures				Four States	\$21,135,000	\$25,248,000	84
Number	56	51	110	Minnesota	16,067,000	17,802,000	90
Liabilities	\$591,669	\$415,700	142	Montana	1,811,000	2,470,000	73
				North Dakota	1,352,000	2,195,000	62
				South Dakota	1,905,000	2,781,000	69

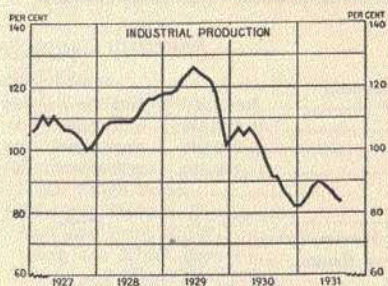
COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT (Continued)

Investment Dealers	Per Cent July '31 of July '30			Member Bank Deposits (continued)	Per Cent July '31 of July '30		
	July '31	July '30	July '30		July '31	July '30	July '30
Sales to Banks.....	7,693,000	3,297,200	233	North Dakota	38,579,000	44,128,000	87
Sales to Insurance Companies.....	456,200	567,300	80	South Dakota	47,594,000	53,758,000	89
Sales to General Public.....	4,675,600	4,365,100	107	Wisconsin—26 Cos.	27,259,000	29,143,000	94
Wholesale Trade				Interest Rates ¹			
Groceries—				Minneapolis Banks	4¼-4½	5-5¼	
Sales	\$3,953,160	\$4,336,090	91	Commercial Paper (net to borrower) ..	2½	3½	
Stocks	5,520,630	6,116,490	90	Minneapolis Federal Reserve Bank...	3½	4	
Receivables	4,684,720	5,023,020	93	Selected City Member Banks	Aug. 12, '31	Aug. 13, '30	
Hardware—				Loans to Customers.....	\$211,540,000	\$216,314,000	98
Sales	\$1,472,210	\$2,013,420	73	Other Invested Funds.....	155,821,000	138,244,000	113
Stocks	2,778,970	3,074,270	90	Deposits Due to Banks.....	83,150,000	83,161,000	100
Receivables	2,051,830	2,324,570	88	Public Demand Deposits.....	38,440,000	36,693,000	105
Shoes—				Other Demand Deposits.....	168,044,000	173,840,000	97
Sales	\$208,600	\$332,640	63	Time Deposits	146,302,000	131,294,000	111
Stocks	715,800	1,352,350	53	Total Deposits	436,311,000	425,150,000	103
Receivables	673,800	1,139,310	59	Borrowings at Fed. Reserve Bank...	50,000	0	
BANKING				Minneapolis Federal Reserve Bank			
Member Bank Deposits				Loans to Member Banks.....	4,498,000	4,459,000	101
In Cities Over 15,000 pop.....	\$468,992,000	\$456,749,000	103	Twin Cities	80,000	0	
In Cities Under 15,000 pop.....	373,845,000	410,696,000	91	Minn., Wis. and Mich.....	1,439,000	986,000	146
Michigan—15 Cos.	64,048,000	68,325,000	94	N. Dak. and Mont.....	1,535,000	2,339,000	66
Minnesota	144,076,000	158,773,000	91	South Dakota	1,444,000	1,134,000	127
Montana	52,289,000	56,569,000	92	Fed. Res. Notes in Circulation.....	49,969,205	49,158,545	102
				Member Bank Reserve Deposits.....	47,247,713	48,221,729	98

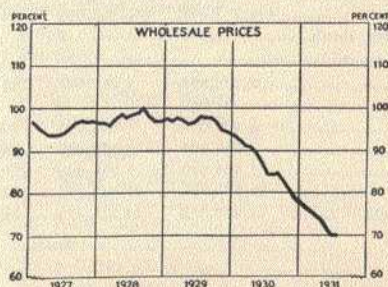
¹Daily Averages.²Latest Reported Data.

BANK DEBITS

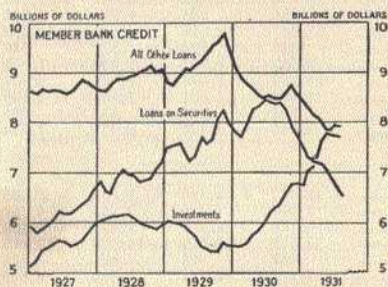
Number of Business Days:	July		June		Montana				
	1931	1931	1930	1930					
North Dakota	26	26	26	24	Anaconda	\$ 1,864	\$ 1,895	\$ 2,799	\$ 1,788
All Other States in District.....	26	26	26	25	Billings	7,082	7,806	7,630	7,945
(000's omitted)					Bozeman	2,403	2,374	2,226	2,115
Michigan					Butte (2 Banks).....	13,086	13,776	13,205	12,661
Escanaba (1 Bank).....	\$ 701	\$ 766	\$ 1,021	\$ 871	Deer Lodge	1,286	1,038	1,429	1,245
Hancock	1,392	1,470	1,556	1,820	Glenview	826	938	1,360	1,565
Houghton (1 Bank).....	574	440	585	680	Great Falls	12,257	12,059	14,195	14,493
Iron Mountain	3,305	3,533	4,151	4,579	Harlowton	324	323	383	367
Iron River, Caspian & Stambaugh	1,122	1,073	1,564	1,464	Hayre	1,293	1,522	2,469	1,795
Manistique (1 Bank).....	427	436	507	521	Helena	10,169	8,150	10,947	8,905
Marquette	4,417	4,763	5,023	5,135	Lewistown	1,503	1,837	2,238	2,189
Menominee	2,938	2,809	2,855	2,712	Malta	644	594	852	728
Sault Ste. Marie.....	2,587	2,708	3,069	3,131	Miles City (1 Bank).....	1,641	1,431	2,012	1,754
Minnesota					North Dakota				
Albert Lea	\$ 2,869	\$ 2,753	\$ 3,258	\$ 3,101	Bismarck	\$ 10,677	\$ 9,756	\$ 9,853	\$ 9,023
Austin (1 Bank).....	3,237	3,201	3,777	3,565	Devils Lake	1,243	1,350	1,561	1,630
Bemidji (2 Banks).....	1,141	1,109	1,495	1,238	Dickinson	1,288	1,313	1,638	1,498
Chaska	623	655	577	556	Fargo	14,873	15,090	16,816	17,916
Chisholm	1,155	1,389	919	1,200	Grafton	365	363	499	453
Cloquet	1,415	2,242	2,956	2,523	Grand Forks	6,410	6,291	7,002	6,689
Crookston	1,103	1,291	1,373	1,361	Jamestown	2,232	2,447	2,864	2,674
Detroit Lakes	1,264	1,183	1,295	1,085	Mandan	1,272	1,268	1,632	1,555
Duluth	47,651	64,945	60,774	73,916	Minot	5,293	5,403	7,034	7,089
Ely	758	722	703	887	Valley City	1,201	1,185	1,516	1,435
Faribault (1 Bank).....	1,586	966	1,430	1,253	Wahpeton	768	820	915	871
Farmington	219	246	300	260	Williston	1,204	1,020	1,519	1,472
Fergus Falls	2,297	2,851	4,215	3,074	South Dakota				
Glenwood	480	518	661	470	Aberdeen	\$ 5,266	\$ 5,701	\$ 6,278	\$ 6,606
Hutchinson	1,228	1,243	1,160	1,313	Brookings (1 Bank).....	733	899	899	1,069
Lakefield (2 Banks).....	218	336	275	388	Deadwood	751	743	987	860
Lanesboro	253	321	359	312	Huron	5,032	5,292	5,416	5,527
Little Falls	935	1,094	1,206	1,324	Lead	1,329	1,254	1,003	1,064
Luverne	691	711	1,198	857	Madison	1,032	1,001	961	1,067
Mankato	6,117	6,173	7,674	6,618	Milbank	501	567	657	591
Minneapolis	331,857	341,812	400,096	420,541	Mitchell (2 Banks).....	3,366	3,578	4,201	4,450
Moorhead	1,288	1,329	1,819	1,320	Mobridge	359	565	635	672
Morris	439	494	530	514	Pierre	1,140	1,271	1,413	1,483
Owatonna	2,557	2,736	2,818	2,856	Rapid City	3,544	3,544	4,472	4,512
Park Rapids	\$ 420	\$ 471	\$ 526	\$ 456	Sioux Falls	18,864	18,993	22,511	24,364
Red Wing	2,117	2,119	2,888	2,553	Watertown	3,361	3,324	4,085	3,329
Rochester	5,457	5,473	6,038	6,700	Yankton	1,885	2,243	2,442	2,449
St. Cloud (1 Bank).....	434	399	492	474	Wisconsin				
St. Paul	136,835	154,387	164,629	174,853	Ashland	\$ 1,933	\$ 1,921	\$ 2,289	\$ 2,221
South St. Paul.....	20,664	20,645	22,770	27,008	Chippewa Falls	1,968	1,864	2,574	2,234
Stillwater	3,454	2,028	4,228	2,674	Eau Claire	7,897	8,212	8,136	8,165
Thief River Falls.....	796	846	1,014	1,024	Hudson	888	552	601	644
Two Harbors	593	477	590	548	La Crosse	10,212	10,530	12,374	12,475
Virginia	2,044	2,351	2,196	2,500	Merrill (1 Bank).....	1,351	1,224	1,886	1,424
Wabasha	1,130	762	1,188	818	Superior	6,492	6,163	7,511	7,573
Wadena (1 Bank).....	335	370	336	382	Total for All Cities Reporting				
Wheaton	486	599	505	553	Both Years	\$791,482	\$837,690	\$942,746	\$984,697
Willmar	1,471	1,452	1,512	1,649					
Winona	6,648	6,752	6,922	7,523					
Worthington (1 Bank).....	646	751	788	913					



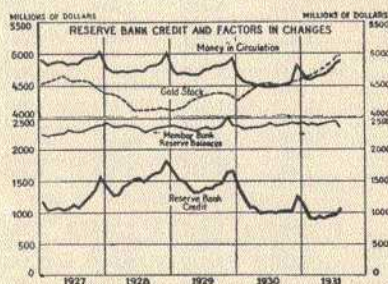
Index number of industrial production, adjusted for seasonal variation.



Index of United States Bureau of Labor Statistics (1926=100).



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



Monthly averages of daily figures. Latest figures are averages of first twenty days in August.

Summary of National Business Conditions (Compiled August 24 by Federal Reserve Board)

Industrial production and factory employment declined by somewhat more than the usual seasonal amount in July, while the general level of commodity prices remained unchanged. Conditions in the money market continued easy.

PRODUCTION AND EMPLOYMENT: Industrial production, as measured by the Board's index, which is adjusted to allow for the usual seasonal variations, declined one per cent further in July to 83 per cent of the 1923-1925 average, compared with the low point of 82 for last December and the year's high point of 90 in April. Output of iron and steel, automobiles, lumber and copper decreased further while activity at textile mills and shoe factories was maintained at a high level.

Factory employment and payrolls declined by somewhat more than the seasonal amount from the middle of June to the middle of July. Large decreases in employment were reported at car building shops and machinery and automobile factories, and at lumbermills. In the textile industries as a whole, employment decreased somewhat less than is usual in July; and there were increases in employment in the woolen goods and men's clothing industries.

Figures on the value of building contracts awarded during July and the first half of August, as reported by the F. W. Dodge Corporation, show a continuation of the downward movement of recent months.

Department of Agriculture estimates based on August 1 conditions indicated an unusually large crop of winter wheat, an exceptionally small yield of spring wheat and a total wheat crop of 894,000,000 bushels, 72,000,000 bushels larger than the five year average. The corn crop was estimated at 2,775,000,000 bushels, about the usual size and 700,000,000 bushels larger than last year's small crop. In spite of a 10 per cent reduction in acreage, the cotton crop was estimated by the Department of Agriculture to be about 15,584,000 bales, an increase of 1,600,000 bales over last year.

DISTRIBUTION: Freight car loadings increased by slightly less than the usual seasonal amount in July and department store sales, which ordinarily decline sharply at this season, apparently decreased somewhat more than usual.

WHOLESALE PRICES: The general level of wholesale prices in July continued at 70 per cent of the 1926 average, according to the index of the Bureau of Labor statistics. Increases were reported in the prices of live stock and meats, while prices of building material and of grains, particularly wheat, declined. During July and the first half of August prices of cotton and cotton textiles declined sharply, while prices of dairy products increased.

BANK CREDIT: Loans and investments of reporting member banks in leading cities declined by about \$340,000,000 between July 15 and August 19 reflecting chiefly further liquidation of loans on securities, and a decrease in all other loans which was partly a consequence of sales of acceptances to the reserve banks. The volume of the member banks' investments also showed a slight decline for the period.

At the reserve banks there was an increase in the total volume of credit of \$190,000,000 between July 15 and August 19. Demand for reserve bank credit during this period increased as a result of an outflow of \$144,000,000 of currency which was larger than is usual at this season, and further transfers of foreign funds from the open market into balances at the reserve banks. This demand for reserve bank credit was met by the reserve banks for the most part through the purchase of bills and United States Government securities in the open market, but also through increased discounts for member banks.

Money rates remained at low levels.