

# MONTHLY REVIEW

## OF

### AGRICULTURAL AND BUSINESS CONDITIONS

#### IN THE

#### NINTH FEDERAL RESERVE DISTRICT

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#### DISTRICT SUMMARY OF BUSINESS

In December some of the important Ninth District records showed improvement over November, undoubtedly due in part to unusually mild and open weather. The bank debits index, adjusted for seasonal variations, increased from 60 to 67. The adjusted country check clearings index increased from 63 to 65. Freight statistics revealed the same improvement, for the adjusted index of miscellaneous carloadings increased from 67 in November to 72 in December, and the adjusted index of l. c. l. carloadings increased from 78 to 80.

In spite of these more favorable indications, the general volume of business in December was smaller than in December last year. The reduction as compared with December 1930 in bank debits was 21 per cent, in country check clearings 25 per cent and in freight carloadings, excluding l. c. l. freight, 24 per cent. Other declines occurred in electric power consumption, postal receipts, building permits and contracts, flour and linseed products shipments, copper output, grain marketings, receipts of cattle, calves and sheep, department store sales, country lumber sales, life insurance sales, securities sales to banks and wholesale trade. Increases occurred in receipts of hogs, furniture sales, securities sales to the general public and in warranty deeds recorded in Hennepin and Ramsey Counties of Minnesota. Employment indexes remained at the higher levels established in November, but were less favorable than a year ago. Business failures were more numerous in December than in December last year.

In the first half of January, available records indicate a continuation of the reduction from last year's volume. Bank debits at seventeen cities during the two weeks ending January 13, were 19 per cent smaller than in the corresponding weeks last year. Country check clearings for the first fifteen days of January were 27 per cent smaller than in the same days a year ago. Heavy snows throughout the district in the early part of January probably had some adverse effect on the general volume of business during the month.

#### DISTRICT SUMMARY OF AGRICULTURE

##### Farm Income

The estimated December cash income of farmers from seven important items was 36 per cent smaller than in December last year. The shrinkage

in farm income was largely caused by lower prices for hogs and greatly reduced marketings of cash grains. Prices of durum wheat, barley and rye were higher in December than a year ago, and the price of butter in December was equal to last year's December price. Prices of all other important northwestern farm products were lower than a year ago.

##### Butter

The price paid to farmers in January for butterfat delivered in December was exactly the same as the price paid in January last year, in spite of indications that butter production in the United States was larger in December than a year ago. Furthermore, the price of butter did not decline from the price paid for November production. Heavy butter production was due to a variety of factors, including favorable weather conditions, low feed costs, an increasing number of milk cows, an increasing percentage of fall-fresh cows and the tendency of farmers to rely on their sales of milk and cream for ready cash. Cold storage holdings of butter were less than half as large on January 1 as a year earlier, and also less than half as large as butter stocks on the five year average at the date. Imports of butter into the United States declined from 587,000 pounds in October to 134,000 pounds in November.

##### Cold Storage Holdings

On January 1, United States stocks of beef, pork, lard, lamb and mutton, butter and poultry were smaller than the five year average for the date. Cold storage holdings of eggs were larger than the five year average. As compared with January 1 last year, declines were reported in stocks of beef, lard, lamb and mutton, butter and eggs, and increases were reported in pork and poultry.

##### United States Cold Storage Holdings

(In thousands of pounds)

	January 1 5-year Average	January 1 1931	January 1 1932
Beef .....	91,180	75,285	53,262
Pork .....	561,681	521,192	559,402
Lard .....	64,719	51,434	50,818
Lamb and Mutton..	4,916	4,677	2,260
Butter .....	53,951	63,401	26,550
Poultry .....	123,462	104,913	116,759
Eggs* .....	2,762	4,271	3,736

\*Thousand cases.

### Cattle and Sheep on Feed—January 1, 1932

The United States Department of Agriculture estimate of the total number of cattle on feed on January 1 was about 5 per cent smaller than the estimate for the same date last year. The decrease for the country as a whole was largely due to curtailed shipments of feeders to the country during December, on account of the sharp declines in fat cattle prices which occurred early in that month. The two states in the Ninth Federal Reserve District where cattle feeding is important both showed declines when compared with January 1, 1931. Minnesota showed a decline of 10 per cent and South Dakota a decline of 50 per cent, the latter partly due to feed conditions.

The number of lambs and sheep on feed in the United States on January 1 was 14 per cent larger than a year earlier, as reported by the United States Department of Agriculture.

### DISTRICT SUMMARY OF BANKING

Customers of country member banks repaid loans to these banks at an unusually rapid rate during the fourth quarter of 1931. This conclusion is based on a preliminary tabulation of the loans and investments of member banks in the district as of December 31. In the fourth quarter of 1931, the reduction in loans to customers by country member banks was \$12,700,000; in the fourth quarter of 1930, the reduction in customers loans was \$6,100,000; in the fourth quarter of 1929, the reduction was only \$500,000; and in the fourth quarter of 1928, the reduction was \$1,600,000. Of the loan reduction by customers of country banks during the last three months of 1931, a small part, about 2 million dollars, was due to the elimination from the year end figures of member banks which closed during the quarter. Another small part of the reduction was undoubtedly due to the writing off of certain losses, but even after allowance for these two factors, the fact remains that the loan repayment by borrowers from country banks was greater in the latter part of 1931 than in the same portion of any of the preceding three years.

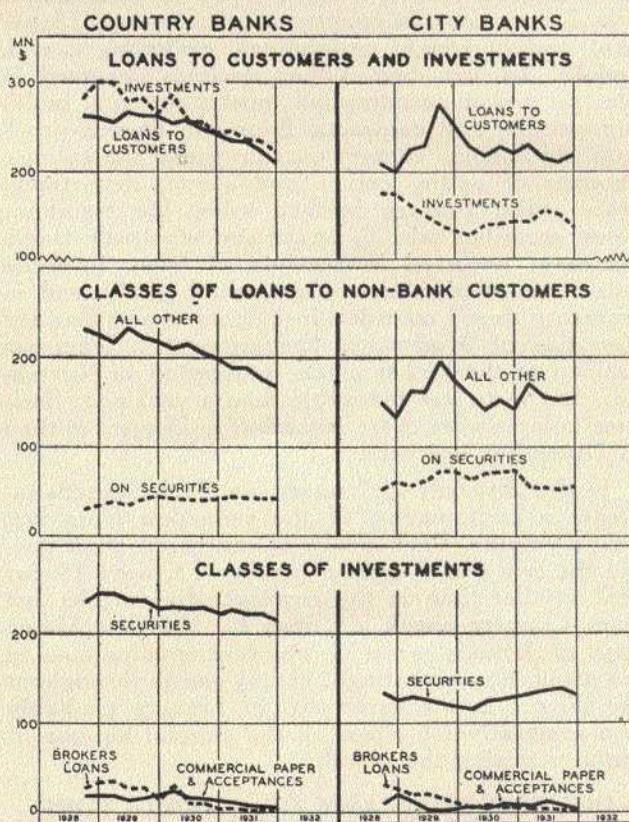
Available evidence shows that the decrease in deposits of country banks during the quarter was more rapid than the decrease in loans. This was evidenced by reductions in their security holdings and in balances due from correspondent banks, and by increases in their borrowings from other banks. Country member banks decreased their investment holdings (including acceptances, commercial paper, broker's loans and securities) by 11 million dollars during the last quarter of 1931. During approximately the same period, the weekly reports of this bank show that country member banks increased their borrowings from the Federal Reserve Bank nearly 2 million dollars. Records of the group of city banks which report weekly to this office show that correspondent balances for country banks, including both member and non-member

banks, decreased 9 million dollars during the last quarter of 1931. The called reports of these same city banks reveal the fact that their loans to country banks, including both member and non-member banks, increased 1 million dollars during the quarter.

During the year 1931, loans and investments of country member banks were reduced 56 million dollars, or 11 per cent. Loans to customers were reduced 34 million dollars and investments were reduced 22 million dollars. Throughout the year, country member banks maintained their investments at higher totals than their loans to customers.

The called reports of city member banks in the district do not reveal clearly the city banking trends of the last quarter of 1931, because the deposits of a non-member trust company and a savings bank were absorbed by one of these city banks during the quarter, which enlarged the figures of the group. The figures, as reported, show an increase of 6 million dollars in loans to customers, and a decrease of 14 million dollars in investment holdings.

During the first two weeks of January, country member banks increased their borrowings from this Federal Reserve Bank by a small amount, which was, nevertheless, sufficient to raise their total borrowings to the highest figure for any January since



Loans and Investments of City and Country Member Banks in the Ninth Federal Reserve District on call dates, 1928-1931.

1924. Borrowings by banks in the eastern half of the district showed little change, while borrowings in the western states of the district increased during the two week period.

During the two weeks ending January 13, city member banks experienced a decrease in deposits of 14 million dollars. This decrease was accompanied by a shrinkage of 3 million dollars in loans to customers. Other changes during the two week period were a decrease in security holdings of 2 million dollars, a decrease in cash and due from banks of 7 million dollars and an increase in borrowings from the Federal Reserve Bank of \$3,600,000.

The balance sheets of these city member banks

showed smaller totals on January 13 than a year earlier, in spite of the absorption during December of the deposits of a non-member trust company and a savings bank. Total deposits showed a reduction of 48 million dollars. All classes of deposits shared in the decrease, except time deposits, which were enlarged by the inclusion of the figures of the two non-member banks mentioned above. At the present time, these city banks hold a larger amount of time and savings deposits than of commercial and individual demand deposits. Loans to customers by these city banks were 2 million dollars larger on January 13, 1932 than a year earlier. Investments were 10 million dollars smaller, cash and due from banks were 39 million dollars smaller, and borrowings \$3,700,000 larger than a year ago.

### THE YEARS 1927 TO 1931 IN THE NINTH FEDERAL RESERVE DISTRICT

#### GENERAL BUSINESS

Bank Debits	1927	1928	1929	1930	1931
94 Cities .....	\$11,822,882,000*	\$12,636,506,000*	\$13,697,233,000	\$11,799,197,000	\$ 9,299,931,000
Minneapolis .....		5,313,805,000	6,032,376,000	5,100,905,000	3,894,430,000
St. Paul .....		2,148,393,000	2,260,995,000	2,037,641,000	1,668,625,000
South St. Paul .....		419,280,000	433,386,000	366,829,000	275,676,000
Great Lakes Ports .....			1,345,757,000	1,111,825,000	799,534,000
Beef and Pork, S. E. ....			436,359,000	391,162,000	333,911,000
Beef and Pork, S. W. ....			547,541,000	526,826,000	424,017,000
Dairy and Mixed Farming ..			586,582,000	542,665,000	461,538,000
Wheat and Mixed Farming ..			757,781,000	660,678,000	565,133,000
Wheat and Range .....			428,380,000	357,887,000	292,672,000
Mining and Lumber .....			868,076,000	702,779,000	584,395,000
Electric Power Consumption (K. W. H.)					
Minn., No. Dak. and So. Dak.	1,562,636,000	1,680,873,000	1,733,357,000	1,811,807,000	1,782,776,000
Montana .....	1,394,655,000	1,619,351,000	1,613,592,000	1,317,792,000	964,062,000

#### Country Check Clearings

Total .....	\$ 1,112,008,000	\$ 1,201,920,000	\$ 1,212,684,000	\$ 1,015,198,000	\$ 799,150,000
Minnesota .....	404,184,000	426,482,000	445,392,000	363,917,000	292,122,000
Montana .....	202,527,000	219,279,000	225,631,000	173,437,000	137,454,000
North and South Dakota ....	282,746,000	322,752,000	302,932,000	266,234,000	194,329,000
Michigan and Wisconsin ....	222,551,000	233,407,000	238,729,000	211,604,000	175,245,000

#### Postal Receipts

Six Cities .....	\$ 12,810,630	\$ 13,192,350	\$ 13,660,070	\$ 13,167,350	\$ 11,680,470
Minneapolis .....	6,213,650	6,751,760	7,297,960	7,024,190	6,111,270
St. Paul .....	4,618,670	4,420,310	4,385,480	4,195,400	3,779,560
Duluth .....	833,480	843,890	812,270	774,730	704,330
Three Other Cities .....	1,144,830	1,176,390	1,164,360	1,173,030	1,085,310

#### Freight Carloadings—N. W. Dist.

Total—Excluding L.C.L. ...	5,500,811	5,578,688	5,764,501	4,790,793	3,427,832
Grain and Grain Products...	651,099	722,393	621,375	578,506	444,812
Livestock .....	428,070	425,203	403,566	373,782	363,812
Coal .....	378,129	337,581	367,546	350,499	290,222
Coke .....	72,565	72,891	91,458	69,990	45,605
Forest Products .....	886,289	870,724	840,929	604,625	363,525
Ore .....	1,056,233	1,091,878	1,311,442	941,936	466,028
Miscellaneous .....	2,028,426	2,058,018	2,128,185	1,871,449	1,453,828
Merchandise—L.C.L. ....	1,728,613	1,689,247	1,655,813	1,556,659	1,343,827

#### Building Permits

Number (18 Cities) .....	18,166	18,077	16,941	15,125	15,188
Valuation (18 Cities) .....	\$ 49,722,200	\$ 49,479,300	\$ 47,741,900	\$ 38,098,500	\$ 34,512,600
Minneapolis .....	22,421,700	23,257,800	20,960,000	13,449,300	12,371,900
St. Paul .....	10,128,800	8,729,900	9,255,200	11,055,400	13,994,700
Duluth-Superior .....	5,806,400	5,154,100	4,911,000	3,233,700	1,275,900
4 Wheat Belt Cities .....	4,359,500	5,024,400	5,964,900	3,561,800	2,210,700
6 Mixed Farming Cities ....	5,976,300	6,202,300	5,346,800	5,656,700	4,219,700
4 Mining Cities .....	1,029,500	1,110,800	1,304,000	1,064,900	439,700

\*Estimated

## THE YEARS 1927 TO 1931 IN THE NINTH FEDERAL RESERVE DISTRICT

(CONTINUED)

	1927	1928	1929	1930	1931
<b>Building Contracts Awarded</b>					
Total (New District Lines) .....			\$ 104,120,000	\$ 98,711,600	\$ 93,815,300
Total (Old District Lines) .....	\$ 83,816,700	\$ 80,190,700	94,504,500	15,659,200	15,934,500
Residential .....				24,147,600	8,796,100
Commercial and Industrial .....				41,754,800	49,162,500
Public Works and Utilities .....				8,935,200	7,114,300
Educational .....				8,214,800	12,807,900
All Other .....					
<b>Real Estate Activity in Hennepin and Ramsey Counties</b>					
Warranty Deeds Recorded .....	21,385	18,577	17,379	15,169	14,179
Mortgages Recorded .....	20,703	20,473	18,252	16,028	15,490
<b>Manufacturing and Mining</b>					
Flour Prod. at Mpls. (bbls.) .....	11,540,051	12,241,452	10,429,146	10,876,778	9,123,970
Flour Ship. at Mpls. (bbl.) .....	12,195,685	12,596,495	11,421,249	11,407,056	9,701,671
Linseed Prod. Ship. (lbs.) .....	333,823,961	445,697,595	381,341,683	274,075,113	255,642,803
Cop. Outp't (5 firms) (lbs.) .....	416,602,300	446,494,500	483,289,300	361,698,900	283,020,900
<b>Failures</b>					
Business Failures .....	1,081	834	621	705	867
Bank Suspensions .....	142	94	84	156	271

## AGRICULTURE

<b>Farmer's Cash Income</b>					
Total of Items Below .....	\$ 795,956,000	\$ 773,361,000	\$ 693,674,000	\$ 547,137,000	\$ 346,653,000
Bread Wheat .....	218,554,000	201,362,000	158,231,000	106,868,000	55,812,000
Durum Wheat .....	77,886,000	91,518,000	61,095,000	42,153,000	21,723,000
Rye .....	25,762,000	18,870,000	12,783,000	7,589,000	1,553,000
Flax .....	40,667,000	35,785,000	29,167,000	29,778,000	16,127,000
Potatoes .....	39,175,000	28,461,000	28,286,000	27,286,000	14,558,000
Dairy Products .....	228,869,000	240,751,000	244,823,000	190,275,000	142,829,000
Hogs .....	153,345,000	140,886,000	145,018,000	132,080,000	86,550,000
Wool .....	11,698,000	15,728,000	14,271,000	11,108,000	7,501,000

## Grain Marketings at Minneapolis and Duluth-Superior (Bus.)

Bread Wheat .....	138,279,000	132,457,000	102,317,000	97,130,000	65,704,000
Durum Wheat .....	59,501,000	80,826,000	50,547,000	50,974,000	29,738,000
Rye .....	29,189,000	18,600,000	13,146,000	12,981,000	3,862,000
Flax .....	18,872,000	15,900,000	9,453,000	15,413,000	11,231,000

## Livestock Receipts at South St. Paul (Head)

Cattle .....	955,358	917,362	878,509	779,143	811,361
Calves .....	627,110	572,553	546,459	559,423	603,231
Hogs .....	3,104,933	2,902,448	2,868,883	2,759,166	3,251,214
Sheep .....	704,830	890,762	1,139,073	1,353,995	1,690,080

## Prices in December

## Median Cash Grain Prices at Mpls.

Wheat—No. 1 D. N. S. (bus.) .....	\$1.34½	\$1.21¾	\$1.30¾	\$0.76¾	\$0.73¾
Durum—No. 2 Amber (Duluth) (Bu.) .....	1.27	1.06½	1.21	.72	.79
Corn—No. 3 Yellow (bu.) .....	.83¾	.78	.83¼	.65½	.43¾
Oats—No. 3 White (bu.) .....	.52	.43¼	.42¾	.29½	.26¾
Barley—No. 3 (bu.) .....	.82½	.58	.58	.42	.50¾
Rye—No. 2 (bu.) .....	1.02	.99	.97½	.43¼	.45
Flax—No. 1 (bu.) .....	2.14¾	2.38½	3.20½	1.61	1.43

## Median Livestock Prices at South St. Paul

Butcher Cows (Cwt.) .....	\$8.00	\$8.25	\$7.50	\$5.50	\$3.50
Butcher Steers (Cwt.) .....	10.50	10.50	10.50	8.35	4.75
Prime Butcher Steers (Cwt.) .....	13.00	12.50	12.85	10.25	6.50
Stocker and Feeder Steers (Cwt.) .....	8.50	9.00	9.00	6.50	3.50
Veal Calves (Cwt.) .....	10.50	12.50	12.00	8.00	4.00
Hogs (Cwt.) .....	8.00	8.25	9.15	7.75	3.90
Heavy Hogs (Cwt.) .....	7.50	7.85	8.25	7.00	3.35
Lambs (Cwt.) .....	12.50	13.50	12.50	7.75	4.75
Ewes (Cwt.) .....	6.00	7.00	3.75	3.00	2.00
Wool (lb.) (farm price) .....	.32½	.37½	.29	.18½	.13*

## Wholesale Produce Prices at Minneapolis

Butter (lb.) .....	\$0.48	\$0.47	\$0.37½	\$0.27	\$0.27
Milk (Cwt.) .....	2.63	2.61	2.30	1.75	1.46
Hens (lb.) .....	.18½	.20½	.17½	.16½	.14½
Eggs (doz.) .....	.37½	.33½	.39½	.26½	.22¾
Potatoes (bu.) .....	1.05	.60	1.57½	1.27½	.75

\*November 15, 1931

**THE YEARS 1927 TO 1931 IN THE NINTH FEDERAL RESERVE DISTRICT**  
(CONTINUED)

**TRADE**

	1927	1928	1929	1930	1931
<b>Retail Sales</b>					
Lumber (530 yds.) (bd. ft.)	135,723,000	147,483,000	141,225,000	114,682,000	83,445,000
Dept. Store Sales (18 firms) \$	26,128,990	24,736,060	25,486,010	24,504,020	21,747,340
Furniture Store Sales (4 firms)	1,976,290	2,414,430	2,223,370	1,678,840	1,389,220
Securities Sold (12 firms) ..	222,021,900	214,716,600	202,792,500	166,990,800	147,853,900
Life Insurance Sales.....	268,741,000	285,514,000	305,407,000	296,664,000	237,236,000
<b>Wholesale Sales</b>					
Shoes (5 firms).....\$	5,694,160	6,119,160	5,732,490	4,108,940	2,817,870
Hardware (12 firms).....	23,393,160	24,441,180	25,552,670	21,324,000	15,795,130
Groceries (37 firms).....	52,828,980	51,236,590	49,914,090	48,099,290	42,258,050
<b>Retail Stocks—Dec. 31</b>					
Lumber (501 yards.) (bd. ft.)	76,410,000	72,771,000	73,891,000	70,531,000	63,374,000
Department Stores (16 firms)\$	5,467,430	5,085,400	4,618,600	4,262,700	3,767,330
Furniture Stores (4 firms) ..	934,570	857,510	830,100	718,840	759,040
<b>Wholesale Stocks—Dec. 31</b>					
Shoes (5 firms).....\$	1,435,600	1,618,800	1,379,390	802,080	585,360
Hardware (9 firms).....	2,350,650	2,446,900	2,249,170	2,037,610	1,896,210
Groceries (33 firms).....	6,657,490	6,984,510	6,955,290	6,190,260	5,403,200
<b>Retail Accounts and Notes Receivable—Dec. 31</b>					
Lumber (530 yards).....\$	3,362,900	3,681,700	4,346,800	3,526,100	2,867,200
Department Stores (15 firms)	2,377,500	2,226,860	2,361,870	2,365,900	2,108,470
Furniture Stores (4 firms) ..	968,560	912,380	1,029,390	782,600	823,620
<b>Wholesale Accounts and Notes Receivable—Dec. 31</b>					
Shoes (5 firms).....\$	1,823,880	1,216,280	1,217,250	896,220	522,920
Hardware (11 firms).....	2,171,750	2,231,240	2,163,360	1,845,140	1,683,260
Groceries (37 firms).....	5,263,340	5,094,140	4,611,000	4,275,260	3,916,540

**BANKING****City Bank Condition (1) Dec. 31**

Loans .....	\$ 227,000,000	\$ 222,000,000	\$ 239,000,000	\$ 226,000,000	\$ 222,000,000 2
Investments .....	201,000,000	198,000,000	178,000,000	166,000,000	171,000,000 2
Deposits .....	473,000,000	475,000,000	454,000,000	466,000,000	442,000,000 2
Borrowings .....	100,000	2,100,000	8,100,000	83,000	42,000 2

**Country Bank Conditions, Dec. 31**

Loans .....	\$ 720,000,000	\$ 727,000,000	\$ 696,000,000	\$ 611,000,000	\$ 525,000,000 2
Investments .....	380,000,000	404,000,000	392,000,000	391,000,000	383,000,000 2
Deposits .....	1,228,000,000	1,248,000,000	1,180,000,000	1,082,000,000	955,000,000 2
Borrowings .....	7,800,000	7,400,000	9,700,000	10,600,000	10,400,000 2

(1) National Banks in Minneapolis and St. Paul and Savings Banks and Trust Companies in Minnesota.

(2) September 29, 1931 for National Banks; Autumn call dates for State Banks.

**Member Bank Deposits**

In Cities Over 15,000 pop... \$	483,272,000	\$ 478,948,000	\$ 461,412,000	\$ 477,458,000	\$ 432,983,000
In Cities Under 15,000 pop...	456,005,000	470,301,000	445,482,000	400,630,000	343,663,000
Michigan—15 Cos. ....	57,994,000	61,562,000	58,802,000	64,368,000	60,198,000
Minnesota .....	173,671,000	174,165,000	168,251,000	155,390,000	134,763,000
Montana .....	67,758,000	73,890,000	65,536,000	59,168,000	50,158,000
North Dakota .....	69,217,000	67,432,000	61,566,000	43,113,000	33,626,000
South Dakota .....	58,937,000	62,508,000	61,909,000	51,062,000	41,075,000
Wisconsin—26 Cos. ....	28,428,000	30,744,000	29,418,000	27,529,000	23,843,000

**Interest Rates**

Minneapolis Banks .....	Jan. '28 4¾-5	Jan. '29 5¾-6	Jan. '30 5¾-6	Jan. '31 4¾-5	Jan. '32 4¾-5
Commercial Paper (net to borrower)	4¼	5¾	5½	3½	4½
Minneapolis Fed. Res. Bank..	3½	4½	5	3½	3½

<b>Selected City Member Banks</b>	Jan. 18 1928	Jan. 16 1929	Jan. 15, 1930	Jan. 14, 1931	Jan. 13, 1932
Loans to customers.....	\$ 216,684,000	\$ 216,684,000	\$ 240,653,000	\$ 213,324,000	\$ 215,321,000
Other Invested Funds.....	175,098,000	175,098,000	130,573,000	147,465,000	137,504,000
Deposits due to Banks.....\$	99,654,000	85,528,000	76,774,000	83,237,000	62,210,000
Public Demand Deposits....	12,646,000	13,253,000	18,900,000	23,039,000	20,784,000
Other Demand Deposits....	180,614,000	189,046,000	179,904,000	178,561,000	145,362,000
Time Deposits .....	138,295,000	141,348,000	132,161,000	147,837,000	156,042,000
Total Deposits .....	431,209,000	429,175,000	407,739,000	433,175,000	385,350,000
Borrowings at Fed. Res. Bank	2,250,000	10,409,000	2,200,000	0	3,741,000
<b>Minneapolis Federal Reserve Bank</b>					
Loans to Member Banks....\$	4,154,000	\$ 13,342,000	\$ 4,238,000	\$ 4,188,000	\$ 9,952,000
Twin Cities .....	2,284,000	10,531,000	2,230,000	0	3,666,000
Minn., Wis., and Mich.....	897,000	1,656,000	805,000	1,287,000	2,692,000
N. Dak., and Mont.....	376,000	701,000	684,000	1,206,000	1,678,000
South Dakota .....	597,000	454,000	519,000	1,695,000	1,916,000
Fed. Res. Notes in Circulation	58,225,000	61,979,000	64,885,000	50,844,000	68,018,000

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

GENERAL BUSINESS			Per cent Dec. '31 of Dec. '30	AGRICULTURE			Per cent Dec. '31 of Dec. '30
Bank Debits <sup>1</sup>	Dec. '31	Dec. '30	Dec. '30	Farmers' Cash Income	Dec. '31	Dec. '30	Dec. '30
All Reporting Cities.....	\$ 30,215,600	\$ 38,446,600	79	Total of 7 Items.....	\$ 20,158,000	\$ 31,614,000	64
Minneapolis .....	12,452,000	15,818,000	79	Bread Wheat .....	1,700,000	5,075,000	33
St. Paul .....	6,219,000	7,181,000	87	Durum Wheat .....	317,000	1,761,000	18
South St. Paul .....	823,000	1,141,000	72	Rye .....	117,000	272,000	43
Great Lakes Ports.....	2,313,700	3,731,800	62	Flax .....	469,000	1,127,000	42
Beef and Pork, S. E. ....	1,093,500	1,317,300	83	Potatoes .....	431,000	606,000	71
Beef and Pork, S. W. ....	1,217,200	1,818,500	67	Dairy Products .....	9,999,000	10,582,000	94
Dairy and Mixed Farming.....	1,435,000	1,791,100	80	Hogs .....	7,125,000	12,191,000	58
Wheat and Mixed Farming.....	1,855,600	2,183,100	85	Grain Marketings at Minneapolis and Duluth-Superior (Bus.)			
Wheat and Range .....	914,100	1,245,600	73	Bread Wheat .....	2,072,000	5,789,000	36
Mining and Lumber .....	1,892,500	2,219,200	85	Durum Wheat .....	376,000	2,446,000	15
Electric Power Consumption (K.W.H.) <sup>1,2</sup>				Rye .....	259,000	629,000	41
Minn., No. Dak., and So. Dak. ....	4,961,000	5,022,000	99	Flax .....	328,000	700,000	47
Montana .....	2,584,000	3,207,000	81	Grain Stocks at End of Month at Min- neapolis and Duluth-Superior (Bus.)			
Country Check Clearings <sup>3</sup>				Wheat .....	50,127,967	55,624,267	90
Total .....	\$ 2,440,800	\$ 3,238,900	75	Corn .....	156,279	2,677,220	6
Minnesota .....	939,600	1,161,400	81	Oats .....	5,706,776	8,328,863	69
Montana .....	440,900	532,100	83	Barley .....	2,626,204	5,739,422	46
North and South Dakota .....	547,100	872,000	63	Rye .....	5,395,517	8,329,739	61
Michigan and Wisconsin .....	513,200	673,400	76	Flax .....	872,675	1,377,147	63
Postal Receipts				Livestock Receipts at So. St. Paul (Head)			
Six Cities .....	1,304,340	1,553,700	84	Cattle .....	47,841	58,235	82
Minneapolis .....	692,100	859,540	81	Calves .....	54,801	57,909	95
St. Paul .....	414,360	475,130	87	Hogs .....	419,782	294,921	142
Duluth .....	84,760	95,570	89	Sheep .....	152,307	161,217	94
Three Other Cities .....	113,120	123,460	92	Median Cash Grain Prices (Bus.)			
Freight Carloadings—N. W. District				Wheat—No. 1 Dark Northern.....	\$ .73%	\$ .76%	96
Total—Excluding L.C.L. ....	195,193	257,786	76	Durum—No. 2 Amber .....	.84%	.74	114
Grains and Grain Products .....	25,892	42,391	61	Corn—No. 3 Yellow .....	.43%	.65½	67
Livestock .....	32,817	33,267	99	Oats—No. 3 White .....	.26%	.29½	91
Coal .....	33,186	41,955	79	Barley—No. 3 .....	.50%	.42½	119
Coke .....	3,377	5,583	60	Rye—No. 2 .....	.45	.43½	104
Forest Products .....	16,965	34,310	49	Flax—No. 1 .....	1.43	1.61	89
Ore .....	251	835	30	Median Livestock Prices (Cwt.)			
Miscellaneous .....	82,704	99,445	83	Butcher Cows .....	\$ 3.50	\$ 5.50	64
Merchandise—L.C.L. ....	100,106	115,283	87	Butcher Steers .....	4.75	8.35	57
Building Permits				Prime Butcher Steers .....	6.50	10.25	63
Number—18 Cities .....	606	544	111	Feeder Steers .....	3.50	6.50	54
Value—18 Cities .....	\$ 3,478,900	\$ 3,579,200	97	Veal Calves .....	4.00	8.00	50
Minneapolis .....	1,247,600	1,973,800	63	Hogs .....	3.90	7.75	50
St. Paul .....	1,748,600	281,600	621	Heavy Hogs .....	3.35	7.00	48
Duluth-Superior .....	68,100	56,200	121	Lambs .....	4.75	7.75	61
4 Wheat Belt Cities.....	49,700	410,300	12	Ewes .....	2.00	3.00	67
6 Mixed Farming Cities.....	355,800	834,900	43	Wholesale Produce Prices			
4 Mining Cities .....	9,100	22,400	41	Butter (Lb.) .....	\$ .27	\$ .27	100
Building Contracts (F. W. Dodge Corp.)				Milk (Cwt.) .....	1.46	1.75	83
Total .....	\$ 4,734,800	\$ 5,538,500	85	Hens (Lb.) .....	.14½	.16½	88
Commercial .....	279,500	263,600	106	Eggs (Doz.) .....	.22¾	.26½	86
Factories .....	90,000	1,076,000	8	Potatoes (Bu.) .....	.75	1.27½	59
Educational .....	2,600	290,300	1	TRADE			
Hospitals, etc. ....	33,500	16,000	209	Department Stores			
Public .....	254,800	7,900	3225	Sales .....	\$ 4,324,990	\$ 5,013,230	86
Religious and Memorial .....		110,000		Merchandise Stocks .....	5,868,940	6,567,730	89
Social and Recreational .....	10,000	89,000	11	Receivables .....	3,828,720	4,296,260	89
Residential .....	1,097,000	669,000	164	Installment Receivables .....	668,850	779,670	86
Public Works and Utilities.....	2,967,400	3,016,700	98	Furniture Stores			
Real Estate Activity in Hennepin and Ramsey Counties				Total Sales .....	\$ 155,780	\$ 133,520	117
Warranty Deeds Recorded .....	3,022	3,004	101	Installment Sales .....	103,420	86,870	119
Mortgages Recorded .....	1,351	1,424	95	Merchandise Stocks .....	759,040	718,840	106
Manufacturing and Mining				Installment Receivables .....	823,620	782,600	105
Flour Production at Mpls., St. Paul, and Duluth-Superior (bbis.) .....	615,957	906,401	68	Country Lumber Yards			
Flour Shipments at Mpls. (bbis.) .....	611,510	823,439	74	Sales (Bd. Ft.) .....	2,932,000	4,145,000	71
Linseed Product Shipments (lbs.) .....	17,669,894	24,209,541	73	Lumber Stocks (Bd. Ft.) .....	63,374,000	70,531,000	90
Copper Output (5 firms) (lbs.) .....	23,792,900	25,141,700	95	Total Sales .....	\$ 569,200	\$ 730,800	78
Business Failures				Receivables .....	2,867,200	3,526,100	81
Number .....	81	63	129	Life Insurance Sales			
Liabilities .....	\$ 2,914,920	\$ 549,010	531	Four States .....	\$ 23,576,000	\$ 24,630,000	96
				Minnesota .....	18,063,000	17,554,000	103
				Montana .....	1,963,000	2,193,000	90
				North Dakota .....	1,717,000	1,940,000	89
				South Dakota .....	1,833,000	2,943,000	62

# NINTH FEDERAL RESERVE DISTRICT

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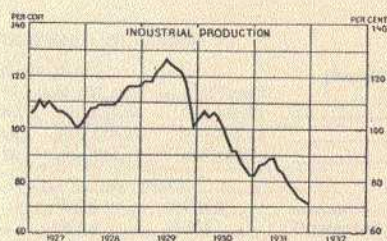
## COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT (Continued)

Investment Dealers	Per Cent			Member Bank Deposits (continued)	Per Cent		
	Dec. '31	Dec. '30	Dec. '31		Dec. '31	Dec. '30	Dec. '31
Sales to Banks	\$ 1,970,400	\$ 4,278,000	46	North Dakota	33,626,000	43,113,000	78
Sales to Insurance Companies	240,800	219,800	110	South Dakota	41,075,000	51,062,000	80
Sales to General Public	4,984,000	3,856,600	129	Wisconsin—26 Cos.	23,843,000	27,529,000	87
<b>Wholesale Trade</b>				<b>Interest Rates<sup>1</sup></b>			
Groceries—				Minneapolis Banks	4¾-5	4¾-5	—
Sales	\$ 2,954,840	\$ 3,376,480	88	Commercial Paper (net to borrower)	4½	3½	—
Stocks	5,403,200	6,162,190	88	Minneapolis Federal Reserve Bank	3¾	3¾	—
Receivables	3,916,540	4,267,930	92	<b>Selected City Member Banks</b>			
Hardware—				Loans to Customers	Jan. 13, '32	Jan. 14, '31	
Sales	\$ 967,490	\$ 1,352,870	72	Other Invested Funds	\$215,321,000	\$213,324,000	101
Stocks	2,322,010	2,480,580	94	Deposits Due to Banks	137,504,000	147,465,000	93
Receivables	1,683,260	1,838,320	92	Public Demand Deposits	62,210,000	83,237,000	75
Shoes—				Other Demand Deposits	20,784,000	23,039,000	90
Sales	\$ 151,790	\$ 161,570	94	Time Deposits	145,362,000	178,561,000	81
Stocks	585,360	802,080	73	Total Deposits	156,042,000	147,837,000	106
Receivables	522,920	896,220	58	Borrowings at Fed. Reserve Bank	385,350,000	433,997,000	89
<b>BANKING</b>				<b>Minneapolis Federal Reserve Bank</b>			
Member Bank Deposits <sup>2</sup>				Loans to Member Banks	3,741,000	—	—
In Cities Over 15,000 pop.	\$432,983,000	\$477,458,000	91	Twin Cities	9,952,000	4,188,000	238
In Cities Under 15,000 pop.	343,663,000	400,630,000	86	Minn., Wis. and Mich.	3,666,000	—	—
Michigan—15 Cos.	60,198,000	64,368,000	94	N. Dak. and Mont.	2,692,000	1,287,000	209
Minnesota	134,763,000	155,390,000	87	South Dakota	1,678,000	1,206,000	139
Montana	50,158,000	59,168,000	85	Fed. Res. Notes in Circulation	1,916,000	1,695,000	113
				Member Bank Reserve Deposits	68,018,380	50,844,400	134
					42,167,700	48,541,840	87

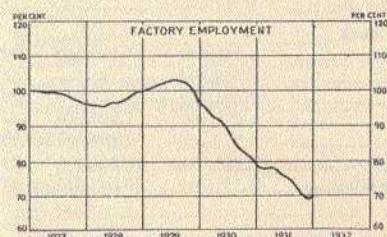
<sup>1</sup>Daily Averages.  
<sup>2</sup>Latest Reported Data.

## BANK DEBITS

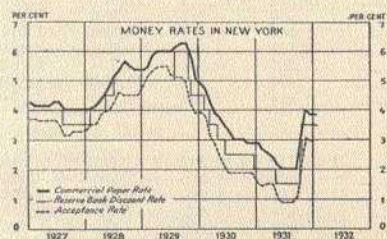
Number of Business Days:	Dec. 1931	Nov. 1931	Dec. 1930	Nov. 1930	Montana
Michigan and Wisconsin.....	26	24	26	23	Anaconda .....
All Other States in District...	26	23	26	22	Billings .....
					Bozeman .....
					Butte (2 Banks).....
					Deer Lodge .....
					Glendive .....
					Great Falls .....
					Harlowton .....
					Havre .....
					Helena .....
					Lewistown .....
					Malta .....
					Miles City (1 Bank).....



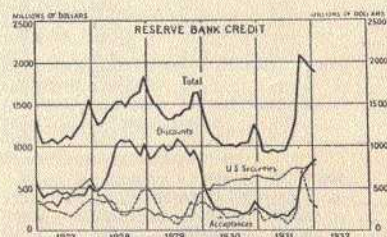
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average = 100.)



Federal Reserve Board's index of factory employment with adjustment for seasonal variation. (1923-1925 average = 100.)



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 January.



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 20 days in January.

## Summary of National Business Conditions (Compiled January 25 by Federal Reserve Board)

Industrial activity declined from November to December by slightly more than the usual seasonal amount, while the volume of factory employment showed about the usual decrease. Wholesale prices declined further.

**PRODUCTION AND EMPLOYMENT:** The volume of industrial output decreased somewhat more than is usual in December, and the Board's seasonally adjusted index declined from 72 per cent of the 1923-1925 average in November to 71 per cent in December. Activity in the steel industry decreased from 30 to 24 per cent of capacity for the month, partly as a result of seasonal influences; in the first three weeks of January, it showed a seasonal increase. Automobile output increased considerably in December from the extreme low level of the preceding month, and daily average output at shoe factories, which ordinarily declines at this season, showed little change. At textile mills, production was curtailed by more than the usual seasonal amount. The number employed at factories decreased seasonally from the middle of November to the middle of December. In the automobile and shoe industries, there were large increases in employment, while in the clothing industries employment declined. In most lines, however, changes were of a seasonal character.

For the year 1931 as a whole, the average volume of industrial production was about 16 per cent smaller than in 1930, reflecting large decreases in output of steel, automobiles, and building materials, offset in part by slight increases in production of textiles and shoes.

The value of building contracts awarded, as reported by the F. W. Dodge Corporation, declined considerably more than is usual from the third to the fourth quarter, and for the year as a whole was 32 per cent smaller than in 1930, reflecting reduced physical volume of construction, as well as lower building costs.

**DISTRIBUTION:** Distribution of commodities by rail declined by the usual seasonal amount in December, and department store sales increased by approximately the usual amount.

**FOREIGN TRADE:** The value of foreign trade continued at a low level in December and for the year as a whole. Exports showed a decline of 37 per cent from 1930 and imports a decline of 32 per cent, reflecting in part the reduction in prices.

**WHOLESALE PRICES:** Wholesale prices of commodities declined from 68 per cent of the 1926 average in November to 66 per cent in December, according to the Bureau of Labor Statistics, reflecting decreases in the prices of many domestic agricultural products, sugar, silk, iron and steel and petroleum products. During the first half of January, prices of hogs, lard, and butter declined further, while prices of cotton, silk, coffee and copper increased.

**BANK CREDIT:** Reserve bank credit, which had declined from the middle of October to the middle of December and had increased in the latter part of the month, declined again in the first three weeks in January.

The growth in the latter part of December reflected a somewhat more than seasonal increase in the demand for currency, partly offset by reductions in member bank reserve balances and in deposits of foreign central banks. In January the return flow of currency was considerably smaller than in other recent years, while member bank reserve balances continued to decline. Acceptance holdings of the Reserve banks, which had reached a total of \$780,000,000 in October, have declined through maturing of bills held almost uninterruptedly since that time, and on January 20 totaled \$190,000,000. The banks' portfolio of United States Government securities showed some increase over the level of the early part of December, and discounts for member banks increased substantially.

Loans and investments of member banks in leading cities declined further during December and the first two weeks of January, reflecting reductions in loans on securities, as well as in other loans, and in investments.

In the middle of January, buying rates for bankers' acceptances at the Federal reserve banks were reduced, and open market rates on 90-day bills declined first from 3 to  $2\frac{7}{8}$  per cent and later to  $2\frac{3}{4}$  per cent. Yields of high grade bonds, after advancing for a period of about four months, declined after the turn of the year, reflecting a rise in bond prices.