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 April and the first part of May was smaller than the volume in the corresponding periods last year. The index of bank debits, adjusted to remove seasonal variations, decreased two points between March and April, reaching a new low level of 58 in the latter month. The index of country check clearings, also adjusted to remove seasonal variations, decreased one point between March and April, and in the latter month stood at a new low level of 57.

Bank debits were 26 per cent smaller in April than in the same month last year. Country check clearings were 33 per cent smaller than in April last year, and freight carloadings in the northwestern district, excluding l. c. l. shipments, were 37 per cent smaller than a year ago. Declines in April as compared with last year's totals also occurred in electric power consumption, postal receipts, building permits and contracts, flour production and shipments, linseed products shipments, copper and iron ore output, grain marketings, receipts of cattle and calves, department store sales, country lumber sales, life insurance sales, securities sales and wholesale trade. Increases occurred in receipts of hogs and sheep. Business failures in April were less numerous than in the same month last year.

During the first fifteen business days of May, country check clearings were 30 per cent smaller than in the corresponding period last year. In the two weeks ending May 18, bank debits were 24 per cent smaller than in the same two weeks last year.

DISTRICT SUMMARY OF AGRICULTURE

Crops

It is too early in the season for acreage estimates on the spring sown crops, but private reports indicate that the total acreage sown to the eight principal crops this year will probably be the largest acreage ever recorded for our four states. Much of the early sown grain is up and shows both good stand and color. Moisture and soil conditions were excellent for planting and germination throughout almost the entire territory.

The United States Department of Agriculture's forecasts of winter wheat production in Minnesota, Montana and South Dakota were increased materially by favorable weather during April. The May 1 forecast for the three of our four states which report on winter wheat was about 17 per cent higher than that of April 1. For the entire United States, the May 1 forecast was about 3 per cent smaller than the April 1 forecast. The per cent of fall sown acreage abandoned was heavy in Montana, but in Minnesota and South Dakota, was less than the United States average.

Winter Wheat and Rye Forecasts, May 1

(U. S. Dept. of Agriculture—000's omitted)

Winter Wheat

	Acres		Production	
	1932	1931*	1932	1931*
Minnesota	149	152	2,756	3,192
Montana	527	412	7,642	4,120
South Dakota..	276	185	3,588	1,166
Three States...	952	749	13,986	8,478
United States..	32,277	41,009	440,781	787,465

Rye

	Acres		Production	
	1932	1931*	1932	1931*
Minnesota	310	365	4,650	5,475
Montana	59	20	620	100
North Dakota..	888	819	8,880	4,914
South Dakota..	543	373	7,059	2,723
Four States....	1,800	1,577	21,209	13,212
United States..	3,282	3,143	39,464	32,746

*Harvested.

Cattle

Following the trend established during the first quarter of 1932, marketings of beef cattle and calves at South St. Paul during April were substantially less than in April last year. For the first four months of 1932, cattle and calves marketed totaled 373,889 compared with 432,452 in the same four months last year.

The median prices for April computed in our office for prime butcher steers and all butcher steers as well as stockers and feeders, were a little higher than at the beginning of the year. Prices have been firm or rising during the four month period exhibiting the first strength since the middle of last summer. The median prices of butcher cows and calves were the same in April as in January. During the same four months last year, contrary to the customary seasonal rise during this period, the median prices were falling rapidly. The quality of the April receipts continued below average, being lowest during the last week of the month when a heavy proportion of each day's receipts was trucked in. April receipts by truck established an all time record, nearly 50 per cent of the total arriving by truck.

Demand for stockers and feeders continued strong during April but diminished somewhat at the end of the month. During the first two weeks of May, demand slackened farther, largely as a result of favorable weather for field work on the farm, but partly because of slow development of pastures and in some cases on account of inability to arrange satisfactory financial arrangements. Country demand for good feeders has continued strong for several months and receipts have not contained enough high grade animals to satisfy it. Consequently a wide spread developed between common feeders and the better animals. This spread was narrowed somewhat about the middle of May when interest in heavy feeders was transferred to stock calves. Nearly 50 per cent of the feeder shipments from South St. Paul during the week ending May 18 weighed 500 pounds or less.

Hogs

Hog marketings at South St. Paul during April were larger than in April last year. Median hog prices showed further declines during the month and reached new low record levels. During each of the first three weeks of May new low record prices were established.

United States Cold Storage Holdings

(In thousands of pounds)

	May 1 5-year Average	May 1, 1931	May 1, 1932
Beef	62,721	53,150	41,192
Pork	846,734	867,524	796,862
Lard	131,609	95,693	110,724
Lamb & Mutton	2,788	2,529	1,039
Butter	10,916	17,195	10,350
Poultry	62,071	45,920	56,586
Eggs*	6,828	7,777	5,322

*Thousand cases.

Farm Income

The estimated cash income of farmers in the district from seven important items was 47 per cent smaller in April than in the same month last year. Decreases occurred in income from wheat, flax, dairy products and hogs. The income from rye was larger in April than in the same month last year and the income from potatoes was equal to that of April last year. Prices of all important farm products in the Northwest, except barley and rye, were lower in April than a year ago.

DISTRICT SUMMARY OF BANKING

Banking developments in the district were not important during the five weeks ending May 18. Deposits of city banks increased moderately during the three weeks ending May 11, but decreased seasonally during the next week. City bank deposits in the middle of May were at the lowest point of the year, which is the customary condition, and is usually followed by a sharp increase in deposits as real estate tax payments are made. As compared with last year, deposits of city member banks on May 18 were 17 per cent lower.

Loans to customers by city member banks decreased slightly during the five weeks ending May 18, and other invested funds of these banks increased slightly. Loans to customers were 11 per cent lower than a year ago, whereas other invested funds were practically equal to the total a year ago. These banks were borrowing a small amount from the Federal Reserve Bank on May 18, whereas a year ago they were entirely out of debt to this bank.

Country member banks continued to increase their borrowings from the Federal Reserve Bank during the five weeks ending May 18, and on that date, their borrowings from this bank were $10,756,000, as compared with $3,841,000 on May 20 last year. Borrowings by country banks from the Federal Reserve Bank were the largest total since the fall of 1924. The increase in borrowings by country banks during recent weeks was chiefly in the eastern half of the district.

Country member bank deposits decreased slightly between the daily average for March and the daily average for April. This is a seasonal occurrence. Deposits at country member banks were 17 per cent smaller in April than in the same month last year.

Interest rates at Minneapolis declined in recent weeks. The Minneapolis commercial banks decreased their lending rate on prime loans from 5-5¼ per cent on April 15 to 4¾-5 per cent on May 15. The rate quoted by brokers on commercial paper was 3½ per cent net to borrower on April 30, as compared with 4¼ per cent a month earlier. The discount rate of the Federal Reserve Bank remained unchanged at 3½ per cent. All of these rates were practically the same as the rates quoted a year ago.

RETAIL TRADE IN THE NINTH FEDERAL RESERVE DISTRICT

The first census of distribution taken in 1930 and tabulating retail sales in 1929, furnishes important information as to the volume of retail purchases in the district. The question is commonly asked as to the volume of retail trade in the district and the volume of various lines of trade. The answer to the first question, based on the census of distribution, is that net retail sales in 1929 were $2,099,840,000. This was $393.16 of retail purchases for each one of the 5,340,897 people in the district. These sales were divided among 65,989 stores, and the average sales per store were $31,-821.

The volume of sales per capita in 1929 and the volume of sales per store were not greatly different in this district from the volume in the whole United States. The 1929 sales per capita in the United States were $407.53, and the sales per store in the United States were $32,297.

The $2,099,840,000 of sales in the district in 1929 were sub-divided by the census bureau into their more important grand divisions. The largest single class of retail trade was the automobile group, including original purchases of automobiles and purchases of accessories, gasoline, oil, repairs, storage and service. This group of sales totaled $465,700,-000. The next group in importance was the food group, totaling $375,240,000. Third in importance was the miscellaneous group, including radio, hardware, drug, jewelry, book and second-hand stores. The total sales in this group of stores were $363,-550,000. The fourth group was the general merchandise stores, whose sales totaled $321,150,000.

The importance of the various groups of stores varied between the larger cities and the smaller towns and rural districts. The census gives separate figures for the cities over 10,000 population, and it is, therefore, possible to sub-divide the retail trade between the cities and the rural sections. The population of cities over 10,000 in the district was 1,477,921 people, or 28 per cent of the total population of the district. The smaller towns and rural areas had 3,862,976 people, or 72 per cent of the total population. In spite of the fact that the cities had less than one-third of the population, the city stores in several merchandise groups had more than one-half of the sales in the district for those groups. This was the case in food, general merchandise, apparel, shoes, furniture and restaurants. A part of the explanation of the preponderance of city sales in some of these items can be found in the fact that the cities are natural trading centers for the rural areas surrounding the cities. However, it is also undoubtedly true that in such items as food, the people of the cities are more dependent on their retail stores than are the people of the rural areas. The following table shows the population, number of stores and retail sales in the various classes of trade in the Ninth District and also the same information sub-divided by cities over 10,000 population and other parts of the district.

RETAIL TRADE IN THE NINTH FEDERAL RESERVE DISTRICT IN 1929

(Sales in thousands of dollars)

	Ninth District	Cities over 10,000 Population	Towns under 10,000 Population and Rural
Population	5,340,897	1,477,921	3,862,976
Total—Stores	65,989	20,567	45,422
Sales	2,099,840	926,218	1,173,622
Food Group—			
Stores	15,020	6,558	8,462
Sales	375,240	198,284	176,956
Grocery, Meat and Combination Stores*—			
Stores	11,094	5,310	5,784
Sales	317,150	172,807	144,343
Country General Stores—			
Stores	5,160	0	5,160
Sales	155,390	0	155,390
General Merchandise Group—			
Stores	2,819	662	2,157
Sales	321,150	197,250	123,900
Automotive Group—			
Stores	12,937	3,433	9,504
Sales	465,700	192,650	273,050
Motor Vehicle Sales Establishments**			
Stores	3,410	637	2,773
Sales	301,930	128,610	173,320
Filling Stations**—			
Stores	5,197	1,400	3,797
Sales	107,080	37,620	69,460
Garages—Repairs, Gas, Oil and Storage**—			
Stores	3,075	738	2,337
Sales	31,250	10,300	20,950
Accessories and Other Automotive**—			
Stores	1,254	577	677
Sales	25,040	16,070	8,970
Apparel Group—Stores.	4,513	2,107	2,406
Sales	129,830	93,480	36,350
Shoe Stores—Men's, Women's and Children's***—			
Stores	1,142	435	707
Sales	21,960	15,380	6,580
Furniture and Household Group (except radio stores)—			
Stores	1,885	620	1,265
Sales	64,900	37,990	26,910
Restaurants and Eating Places—			
Stores	5,166	1,725	3,441
Sales	71,000	40,790	30,210
Lumber and Building Group (except hardware stores)—			
Stores	4,033	948	3,085
Sales	142,720	47,860	94,860
All Other Stores (includes also radio, hardware, drugs, jewelry, book and second-hand stores)—			
Stores	14,444	4,514	9,930
Sales	363,550	163,510	200,040
Drug Stores****—			
Stores	2,286	763	1,523
Sales	55,620	26,370	29,250

*Included in Food Group Total.
**Included in Automotive Group Total.
***Included in Apparel Group Total.
****Included in All Other Stores Total.

The stores varied greatly in size according to the kind of merchandise sold. The average of sales per store for all groups was $31,821. The largest stores were the general merchandise stores, whose average sales were $113,923. The smallest stores were the garages and automobile repair shops, whose average sales were $10,163. The following table shows the average sales per store in the various classes of trade.

AVERAGE SIZE OF RETAIL STORES IN THE NINTH FEDERAL RESERVE DISTRICT

(Average Sales Per Store in 1929)

Total All Groups	$ 31,821
Food Group	24,983
Grocery, Meat and Combination Stores	28,588
Country General Stores	30,114
General Merchandise Group	113,923
Automotive Group	35,998
Motor Vehicle Sales Establishments	88,542
Filling Stations	20,604
Garages—Repairs, Gas, Oil and Stge.	10,163
Accessories and Other Automotive	19,968
Apparel Group	28,768
Shoe Stores—Men's, Women's and Children's	19,229
Furniture and Household Group (except radio stores)	34,430
Restaurants and Eating Places	13,744
Lumber and Building Group (except hardware stores)	35,388
All Other Stores (includes also radio, hardware, drugs, jewelry, book, and second-hand stores)	25,170
Drug Stores	24,331

Comments on Composition of Data

The retail trade statistics quoted above should not be construed to represent the total expenditures of the people of the Ninth Federal Reserve District. The figures do not include such important items as taxes, interest, insurance, professional and personal service payments, such as doctors' bills, or such minor items as transportation expenses, or newspaper subscriptions, etc. The figures also do not include mail order purchases from outside the district. The following paragraphs are quoted from the introductory statement of the census of distribution for 1930 to indicate the method of collection of the data and its tabulation and interpretation.

"Retail distribution is the process of purveying goods to ultimate consumers for consumption or utilization, together with services incidental to the sale of goods. The function of the retailer is primarily to anticipate the wants of the consumer and to make available, at the right time and at a convenient place, a reasonable selection of goods capable of satisfying those wants. The distinguishing characteristic of a retailer is that the business is done in a retail manner, the place of business in most cases being a retail store.

"Restaurants are included in the retail field, for their sales are to the general public for consumption. Stores selling feed and other supplies to farmers, and hardware stores selling to the general public as well as to builders, since their business is conducted in a retail manner, have been classified as retailers in this census. Concerns doing both a retail and a wholesale business have been classified as retailers if the major portion of their business consists of sales to consumers rather than to other dealers or industries. Dealers specializing in goods for industrial utilization, such as industrial supplies and equipment, hotel supplies, and the like, are included in the Wholesale Census."

". . . The census does not include wholly service businesses, such as laundries, dry cleaners, barber shops, and the like, nor does it include the professions, such as medicine and law, nor does it include public utilities, such as water, gas, and electricity. Some semi-service businesses, such as garages, sell a substantial amount of merchandise in addition to service, and are included. The service income is included with the sale of merchandise in such cases but is shown separately in the later analyses.

"Bakeries, planing mills, power laundries, and cleaning and dyeing establishments for many years have been included in the census of manufactures, and therefore they were not reported by the enumerators as part of the census of distribution. Bakery goods stores shown in the retail reports are those which do not manufacture on the retail premises. Lumber yards which manufacture their own lumber and millwork are likewise excluded, as are hotel dining rooms.

"How Stores are Classified"

"Some stores report that they sell a certain proportion, but less than half of their goods to other retailers. Such 'wholesale' sales are not excluded but are shown separately in a later tabulation. The volume of sales at retail made by wholesale establishments is shown in the wholesale census. This is an important consideration in some kinds of business such as hardware stores, where a store that is popularly known as a retail store actually may be doing more than one-half of its business at wholesale and therefore does not appear at all in the retail census.

"The sales of some stores, particularly in the rural districts, include some operations as assemblers of farm products. These figures will also be shown separately in the final analyses.

"Sales of milk by milk dealers are known to be incomplete due to the obvious difficulty in the field canvass of locating many producers who deliver directly to consumers. This situation is being remedied by further direct investigations which will be reflected in the final reports. Milk dealers are included in the food group column in this report."

The figures are preliminary and contain some minor machine errors in tabulation, so that in some cases the figures for the various groups do not entirely balance with state totals. There were also a few cases where the number of stores of a certain class in a city was too few to permit of the figures for those stores in that city being published by the census bureau without revealing the activities of particular stores. In such cases, the totals in the tables above would show too large a volume of sales in the small towns and rural areas and too small a volume of sales in the larger cities. These cases were few and not of sufficient importance to distort the data materially.

RETAIL TRADE IN THE NINTH FEDERAL RESERVE DISTRICT

State Subtotals

(Sales in thousands of dollars)

	Michigan (15 Counties)	Minnesota	Montana	North Dakota	South Dakota	Wisconsin (26 Counties)
Population	318,676	2,563,953	537,606	680,845	692,849	546,968
Total—Stores	3,597	31,027	6,996	8,131	8,990	7,248
Sales	107,460	1,071,790	240,080	232,810	262,150	185,550
Food Group—Stores	1,157	7,880	1,528	1,336	1,444	1,675
Sales	25,970	202,380	45,300	31,170	34,700	35,720
Grocery, Meat and Combination Stores*						
Stores	740	5,956	1,205	1,004	1,076	1,113
Sales	22,370	167,120	40,810	27,030	29,850	29,970
Country General Stores—Stores	252	1,981	612	941	785	589
Sales	9,800	57,230	20,150	27,310	22,660	18,240
General Merchandise Group—Stores	222	1,261	287	341	443	265
Sales	18,150	191,910	30,660	26,930	32,480	21,020
Automotive Group—Stores	630	5,943	1,331	1,588	2,012	1,433
Sales	24,270	216,470	56,210	57,160	68,940	42,650
Motor Vehicle Sales Establishments**—						
Stores	166	1,463	360	502	568	351
Sales	17,920	136,380	38,470	39,980	40,980	28,200
Filling Stations**—Stores	282	2,511	454	528	779	643
Sales	4,490	53,050	10,230	11,010	18,890	9,410
Garages—Repairs, Gas, Oil and Storage**						
Stores	126	1,278	410	450	503	308
Sales	1,280	12,930	5,020	3,970	5,210	2,840
Accessories and Other Automotive**						
Stores	57	689	107	108	162	131
Sales	560	14,100	2,480	2,200	3,860	1,840
Apparel Group—Stores	261	2,319	450	427	553	503
Sales	5,250	78,440	13,580	9,350	12,110	11,100
Shoe Stores—Men's, Women's, and Children's***—Stores	45	634	68	117	143	135
Sales	660	13,560	2,260	1,330	2,060	2,090
Furniture and Household Group (except radio stores)—Stores	82	900	199	210	294	200
Sales	2,760	37,150	6,800	6,240	6,720	5,230
Restaurants and Eating Places—Stores	236	2,278	585	619	649	799
Sales	2,330	36,300	9,940	7,860	8,640	5,930
Lumber and Building Group (except hardware stores)—Stores	144	1,769	390	652	656	422
Sales	5,580	63,930	15,780	20,390	22,460	14,580
All Other Stores (Includes also radio, hardware, drugs, jewelry, book, and second-hand stores)—Stores	595	6,696	1,614	2,017	2,154	1,368
Sales	12,700	179,750	41,660	46,400	53,440	29,600
Drug Stores****—Stores	93	1,078	271	282	359	203
Sales	2,200	27,790	7,050	6,130	8,050	4,400

*Included in Food Group Total.
**Included in Automotive Group Total.
***Included in Apparel Group Total.
****Included in All Other Stores Total.

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS	Apr. '32	Apr. '31	Per Cent April '32 of Apr. '31
Debits to Individual Accounts[1]			
All Reporting Cities	$ 23,266,500	$ 31,592,500	74
Minneapolis	10,141,000	13,750,000	74
St. Paul	4,474,000	5,485,000	82
South St. Paul	528,000	928,000	57
Great Lakes Ports	1,582,000	2,518,200	63
Beef and Pork, S. E.	861,100	1,108,600	78
Beef and Pork, S. W.	888,000	1,420,900	62
Dairy and Mixed Farming	1,647,200	2,005,400	82
Wheat and Mixed Farming	1,139,000	1,570,400	73
Wheat and Range	691,200	991,100	70
Mining and Lumber	1,315,000	1,814,900	72
Electric Power Consumption (K.W.H.)[1,2]			
Minn., No. Dak. and So. Dak.	4,424,000	4,743,000	93
Montana	2,220,000	2,795,000	79
Country Check Clearings[1]			
Total	$ 1,885,300	$ 2,818,400	67
Minnesota	725,300	1,014,300	72
Montana	292,700	475,900	62
North and South Dakota	448,500	717,200	63
Michigan and Wisconsin	418,800	611,000	69
Postal Receipts			
Six Cities	865,040	1,035,840	84
Minneapolis	460,250	550,180	84
St. Paul	282,570	342,170	83
Duluth	48,620	57,020	85
Three Other Cities	73,600	86,470	85
Freight Carloadings—N. W. District			
Total—Excluding L.C.L.	163,061	258,191	63
Grains and Grain Products	26,563	37,150	72
Livestock	16,503	24,295	68
Coal	11,652	18,435	63
Coke	1,836	4,369	42
Forest Products	18,571	36,873	50
Ore	2,974	8,681	34
Miscellaneous	84,962	128,388	66
Merchandise—L.C.L.	89,147	120,571	74
Building Permits			
Number—18 Cities	1,573	2,115	74
Value—18 Cities	$ 1,645,300	$ 3,711,800	44
Minneapolis	380,600	1,707,900	22
St. Paul	684,200	1,229,700	56
Duluth-Superior	80,400	111,500	72
4 Wheat Belt Cities	65,300	261,400	25
6 Mixed Farming Cities	393,300	340,100	116
4 Mining Cities	41,500	61,200	68
Building Contracts (F. W. Dodge Corp.)			
Total	$ 7,294,300	$ 14,048,800	52
Commercial	250,800	698,700	36
Factories	31,500	317,500	10
Educational	174,400	1,369,600	13
Hospitals, etc.	30,000	12,300	244
Public	189,500	402,200	47
Religious and Memorial	116,700	144,900	81
Social and Recreational	29,000	163,500	18
Residential	787,500	2,061,500	38
Public Works and Utilities	5,684,900	8,878,600	64
Real Estate Activity in Hennepin and Ramsey Counties			
Warranty Deeds Recorded	704	1,125	63
Mortgages Recorded	878	1,418	62
Manufacturing and Mining			
Flour Production at Mpls., St. Paul, and Duluth-Superior (Bbls.)	681,098	774,828	88
Flour Shipments at Mpls. (Bbls.)	646,240	748,356	86
Linseed Product Shipments (Lbs.)	12,607,615	24,936,596	51
Copper Output (5 Firms) (Lbs.)	11,978,800	25,285,400	47
Iron Ore Shipments (Tons)	44,073	175,921	25
Business Failures			
Number	65	99	66
Liabilities	$ 1,045,612	$ 1,966,076	53

AGRICULTURE	Apr. '32	Apr. '31	Per Cent April '32 of Apr. '31
Farmers' Cash Income			
Total of 7 Items	$ 15,111,000	$ 28,386,000	53
Bread Wheat	837,000	4,204,000	20
Durum Wheat	284,000	1,525,000	19
Rye	108,000	63,000	171
Flax	238,000	588,000	40
Potatoes	1,154,000	1,154,000	100
Dairy Products	8,706,000	13,917,000	63
Hogs	3,784,000	6,935,000	55
Grain Marketings at Minneapolis and Duluth-Superior (Bus.)			
Bread Wheat	1,005,000	4,602,000	22
Durum Wheat	397,000	2,085,000	19
Rye	239,000	183,000	131
Flax	176,000	376,000	47
Grain Stocks at End of Month at Minneapolis and Duluth-Superior (Bus.)			
Wheat	44,042,865	71,900,537	61
Corn	138,415	1,449,945	10
Oats	4,708,778	5,591,148	84
Barley	1,607,991	3,551,345	45
Rye	5,672,429	6,318,880	90
Flax	684,199	966,188	71
Livestock Receipts at So. St. Paul (Head)			
Cattle	44,859	61,269	73
Calves	48,049	57,275	84
Hogs	207,404	199,400	104
Sheep	26,753	24,314	110
Median Cash Grain Prices (Bus.)			
Wheat—No. 1 Dark Northern	$0.73⅛	$0.79¾	92
Durum—No. 2 Amber	.71½	.73⅛	98
Corn—No. 3 Yellow	.37⅝	.54¾	69
Oats—No. 3 White	.25¾	.28	92
Barley—No. 3	.50	.42	119
Rye—No. 2	.45⅛	.34½	131
Flax—No. 1	1.35	1.56½	86
Median Livestock Prices (Cwt.)			
Butcher Cows	$3.50	$5.00	70
Butcher Steers	5.75	6.75	85
Prime Butcher Steers	6.75	8.00	84
Feeder Steers	4.00	6.00	67
Veal Calves	5.00	6.50	77
Hogs	3.55	6.90	51
Heavy Hogs	3.00	6.50	46
Lambs	6.25	8.75	71
Ewes	2.00	3.50	57
Wholesale Produce Prices			
Butter (Lb.)	$0.16¼	$0.26	63
Milk (Cwt.)	1.05	1.50	70
Hens (Lb.)	.12½	.18	69
Eggs (Doz.)	.09¼	.13½	69
Potatoes (Bu.)	.75	1.05	71
TRADE			
Department Stores			
Sales	$ 2,669,490	$ 3,462,230	77
Merchandise Stocks	5,919,030	6,926,450	85
Receivables	3,039,940	3,660,980	83
Instalment Receivables	616,040	737,380	..
Furniture Stores			
Total Sales	$ 131,970	$ 141,850	93
Instalment Sales	95,120	100,600	95
Merchandise Stocks	744,700	817,030	91
Instalment Receivables	848,750	805,750	105
Country Lumber Yards			
Sales (Bd. Ft.)	4,124,000	7,767,000	53
Lumber Stocks (Bd. Ft.)	69,025,000	80,816,000	85
Total Sales	$ 710,200	$ 1,211,400	59
Receivables	2,513,700	3,313,800	76
Life Insurance Sales			
Four States	$ 16,015,000	$ 21,724,000	74
Minnesota	12,368,000	15,995,000	69
Montana	1,466,000	2,001,000	76
North Dakota	1,060,000	1,666,000	81
South Dakota	1,121,000	2,062,000	83

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

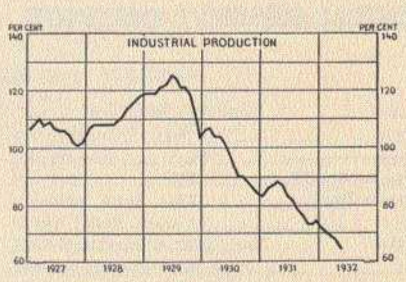
	Apr. '32	Apr. '31	Per Cent April '32 of Apr. '31
Investment Dealers			
Sales to Banks	4,484,000	5,262,000	85
Sales to Insurance Companies	180,200	409,600	44
Sales to General Public	3,463,800	4,379,700	79
Wholesale Trade			
Groceries—			
Sales	$ 2,852,870	$ 3,563,970	80
Stocks	4,813,730	5,475,680	88
Receivables	3,929,260	4,341,440	91
Hardware—			
Sales	$ 1,049,990	$ 1,439,170	73
Stocks	2,235,090	2,484,840	90
Receivables	1,469,170	1,640,510	90
Shoes—			
Sales	$ 193,590	$ 298,790	65
Stocks	625,380	773,510	81
Receivables	549,540	805,490	68
BANKING			
Member Bank Deposits			
In Cities Over 15,000 pop.	$404,841,000	$475,204,000	85
In Cities Under 15,000 pop.	322,262,000	387,078,000	83
Michigan—15 Cos.	58,923,000	66,960,000	88
Minnesota	128,260,000	148,365,000	86
Montana	42,009,000	52,988,000	79
North Dakota	32,438,000	42,063,000	77
South Dakota	37,621,000	48,737,000	77
Wisconsin—26 Cos.	23,011,000	27,965,000	82

	Apr. '32	Apr. '31	Per Cent April '32 of Apr. '31
Interest Rates[2]			
Minneapolis Banks	4¾-5	4¾	..
Commercial Paper (net to borrower)	3½	3¼	..
Minneapolis Federal Reserve Bank	3½	3½	..
Selected City Member Banks	May 18, '32	May 20, '31	
Loans to Customers	$192,067,000	$216,738,000	89
Other Invested Funds	144,349,000	146,544,000	99
Cash and Due from Banks	74,479,000	124,036,000	60
Deposits Due to Banks	58,712,000	87,080,000	67
Public Demand Deposits	22,044,000	29,420,000	75
Other Demand Deposits	131,624,000	168,865,000	78
Time Deposits	146,981,000	152,693,000	96
Total Deposits	362,042,000	438,743,000	83
Borrowings at Fed. Res. Bank	2,765,000	0	..
Minneapolis Federal Reserve Bank			
Loans to Member Banks	12,271,000	3,841,000	319
Twin Cities	1,515,000	0	..
Minn., Wis. and Mich.	4,526,000	1,030,000	439
N. Dak. and Mont.	3,379,000	1,460,000	231
South Dakota	2,851,000	1,351,000	211
Fed. Res. Notes in Circulation	72,664,140	47,458,640	153
Member Bank Reserve Deposits	39,854,780	47,580,960	84

[1]Daily Averages.
[2]Latest Reported Data.

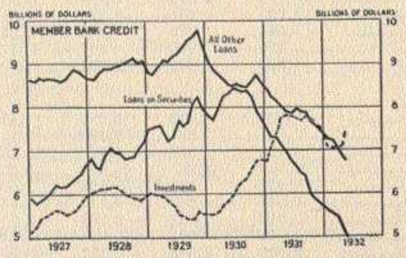
BANK DEBITS

	April 1932	March 1932	April 1931	March 1931
Number of Business Days:				
Minnesota	26	26	25	26
All other States in District	26	27	26	26
	(000's omitted)			
Michigan				
Escanaba (1 Bank)	$ 616	$ 533	$ 855	$ 693
Hancock	860	819	1,317	1,214
Houghton (1 Bank)	272	245	441	429
Iron Mountain	2,363	2,516	3,124	3,847
Iron River, Caspian, Stambaugh	7,717	739	1,392	1,442
Marquette	3,235	3,023	4,157	3,976
Menominee	2,063	2,098	2,508	2,335
Sault Ste. Marie	1,975	1,823	2,461	2,172
Minnesota				
Albert Lea	1,936	1,997	2,570	2,794
Austin (1 Bank)	2,629	2,400	2,897	3,073
Bemidji (2 Banks)	775	773	999	927
Chaska	515	526	471	488
Chisholm	670	639	857	750
Cloquet	1,042	1,427	1,946	2,784
Crookston	962	959	1,255	1,139
Detroit Lakes	694	731	864	834
Duluth	29,237	30,630	47,947	50,287
Ely	600	385	706	581
Faribault (1 Bank)	986	924	1,138	1,018
Farmington	206	162	228	220
Fergus Falls	2,167	2,175	2,937	2,491
Glenwood	309	314	377	405
Hutchinson	759	849	1,101	1,203
Lakefield (2 Banks)	163	245	245	367
Lanesboro	245	220	335	365
Little Falls (3 Banks)	720	932	871	886
Luverne	505	510	477	740
Mankato	4,110	4,410	5,673	5,811
Minneapolis	263,673	254,810	343,750	317,830
Moorhead	1,370	1,527	1,657	1,796
Morris	360	350	467	511
Owatonna	2,167	2,157	2,839	2,963
Park Rapids	259	251	310	383
Red Wing	1,833	1,550	2,154	1,946
Rochester	4,198	3,882	5,116	5,224
St. Cloud	3,105	2,847	3,562	......
St. Paul	116,317	117,101	137,136	140,881
South St. Paul	13,747	15,365	23,204	23,176
Stillwater	1,471	1,475	2,077	1,977
Thief River Falls	673	568	678	715
Two Harbors	334	329	397	404
Virginia	1,601	1,426	1,985	1,795
Wabasha	573	602	638	782
Wadena (1 Bank)	257	252	334	322
Wheaton	280	390	385	482
Willmar (1 Bank)	862	959	1,380	1,408
Winona	5,465	5,235	6,554	5,865
Worthington (1 Bank)	477	482	790	714
Montana				
Anaconda	1,048	1,060	1,565	1,561
Billings	5,206	4,720	7,204	7,375
Bozeman	1,500	1,500	1,903	2,024
Butte (2 Banks)	7,305	6,932	9,696	8,832
Deer Lodge	853	1,004	1,306	759
Glendive	658	658	1,050	927
Great Falls	7,537	7,536	11,099	11,463
Harlowton	188	186	301	283
Havre	819	798	1,413	1,456
Helena	5,251	5,939	7,008	6,234
Kalispell	1,169	1,201	1,694	1,621
Lewistown	1,066	969	1,753	1,530
Malta	380	285	566	419
Miles City (1 Bank)	855	768	1,787	1,339
North Dakota				
Bismarck	12,121	9,036	13,597	11,483
Devils Lake	1,011	866	1,463	1,310
Dickinson	1,192	988	1,526	1,250
Fargo	13,359	12,561	15,902	15,408
Grafton	475	486	464	504
Grand Forks	5,247	4,633	6,147	5,638
Jamestown	1,606	1,374	2,189	2,214
Mandan	1,026	903	1,525	1,529
Minot	4,393	3,649	5,382	5,064
Valley City	882	803	1,170	1,255
Wahpeton	842	895	905	1,186
Williston	893	800	1,134	1,171
South Dakota				
Aberdeen	3,310	3,369	5,332	5,049
Brookings (1 Bank)	726	715	1,011	1,077
Deadwood	649	670	665	632
Huron	3,332	3,136	5,414	5,392
Lead	1,483	1,177	1,169	1,130
Madison	737	607	943	827
Milbank	378	353	504	589
Mitchell (2 Banks)	2,259	2,057	3,401	3,526
Mobridge	421	363	495	520
Pierre	863	694	978	1,157
Rapid City	2,474	2,095	3,324	3,152
Sioux Falls	10,820	10,872	19,217	19,278
Watertown	2,024	2,059	3,346	3,260
Yankton	1,670	1,380	2,372	2,454
Wisconsin				
Ashland	1,301	1,488	1,843	1,932
Chippewa Falls	1,456	1,382	1,829	1,907
Eau Claire	4,672	4,834	7,012	6,879
Hudson (2 Banks)	449	474	544	719
La Crosse	7,446	8,782	10,421	11,384
Merrill (1 Bank)	745	860	1,223	1,205
Superior	4,436	4,735	5,849	6,730
Total for All Cities Reporting Both Years	$612,781	$594,367	$798,641	$775,079

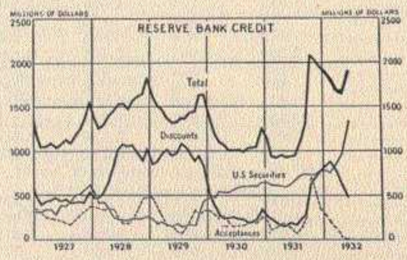


Index number of Industrial production, adjusted for seasonal variation. (1923-1925 average = 100.)

Indexes based on three month moving averages of F. W. Dodge data for 37 Eastern States, adjusted for seasonal variation. (1923-1925 average = 100.)



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 23 days in May.



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

Summary of National Business Conditions

(Compiled May 24 by Federal Reserve Board)

Industrial activity and factory employment declined substantially from March to April, although usually little change occurs at this season. Purchases of government securities by the Federal reserve banks have continued during April and the first three weeks of May and there has been a considerable growth in the reserves of member banks.

Production and Employment: The volume of industrial production, as measured by the Board's seasonally adjusted index, decreased from 67 per cent of the 1923-1925 average in March to 64 per cent in April. Reductions in activity were reported for many leading industries, with sharp declines at cotton and woolen mills and at bituminous coal mines. In the automobile industry output increased from the low level of March by more than the usual seasonal percentage, and in the steel industry, where activity had declined from early February to the middle of April, production increased somewhat between the middle of April and the third week of May. The number of wage earners employed at manufacturing establishments declined further between the middle of March and the middle of April and there was a substantial reduction in factory payrolls. Large decreases in employment were reported for the iron and steel, machinery and textile industries, while the volume of employment in the food and leather industries showed the usual seasonal changes. The daily average value of building contracts awarded during April and the first half of May, as reported by the F. W. Dodge Corporation, showed a seasonal increase over the first quarter. A substantial increase was reported for public works and public utilities, while residential building continued at the low level of the first quarter, showing none of the usual seasonal expansion.

Distribution: Freight carloadings of merchandise showed little change in volume from March to April, continuing at the level prevailing since January, although increases are usual during this period. Sales by department stores increased considerably in April.

Wholesale Prices: Wholesale prices of commodities declined from 66 per cent of the 1926 average in March to 65.5 per cent in April, according to the Bureau of Labor Statistics, and in the first three weeks of May, further decreases in the prices of many leading commodities were reported. The downward movement in prices of textiles, nonferrous metals and imported raw materials, as well as in most domestic agricultural products except wheat, were offset in part by increases in the prices of coffee, petroleum and petroleum products.

Bank Credit: Further purchases of United State Government securities by the Federal reserve banks were made during April and the first three weeks in May, and on May 18, total holdings were $1,466,000,000. The funds placed in the market through these purchases between April 6 and May 18 were used to the extent of $170,000,000 in a further reduction of member bank indebtedness to the Reserve banks; and to the extent of $122,000,000 in meeting a demand for gold from abroad; at the same time, member banks accumulated reserve balances considerably in excess of legal requirements. During May, the demand for currency, which had declined in April, increased somewhat, contrary to the usual seasonal movement.

Loans and investments of reporting member banks in leading cities which had declined continuously until the middle of April, showed little net change between April 13 and May 18. The banks' investments increased by nearly $300,000,000, chiefly in New York City; while loans declined by about an equal amount. There was also a growth in net demand deposits, which reflected in part an increase in bankers' balances, deposited in New York City banks. Money rates in the open market continued easy. Rates on commercial paper were reduced about one-half per cent to a range of 2¾-3 per cent for prime names, and the offering rate on 90-day bankers acceptances, which had advanced to 1⅛ per cent in the first week of May, declined on May 11 to the previously prevailing rate of ⅞ of one per cent.