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 in July and early August was considerably smaller than a year ago. However, the decreases in many instances between July, 1931 and July, 1932 were not as great as the decreases between June, 1931 and June, 1932. This was partly due to the fact that the volume of business was declining a year ago, but was also partly due to the fact that the level of activity in many lines was improving somewhat in July this year. The table below shows the improvement recorded in a number of important northwestern indexes in July.

	Percentage Change From Last Year July	June
Bank debits	—26	—31
Country check clearings	—15	—26
Building permits	—72	—81
Building contracts	+20	—51
Farmers' cash income	—40	—42
Linseed products shipments	—24	—42
Iron ore shipments	—87	—94

Decreases also occurred between July, 1931 and July, 1932 in freight carloadings, electric power consumption, flour production and shipments, copper output, grain and livestock marketings, department store sales, country lumber sales, life insurance sales, securities sales and wholesale trade.

Minneapolis employment indexes registered a moderate improvement in the relation between labor demand and supply during July. The indexes

Bank Debits Index for Reporting Cities in the Ninth Federal Reserve District, adjusted for seasonal variations.

used are the seasonally corrected figures of "skilled help wanted" as reported by the Minneapolis Public Employment Office, and the advertisements of "help wanted" and "situations wanted" in Minneapolis newspapers.

Country check clearings for the first sixteen business days of August were 8 per cent smaller than for the same days last year. This is a smaller decline than the decrease in June or July, as shown in the table above. Country check clearings in the Dakotas were actually larger in the first part of August than a year ago, and the decrease in Minnesota was very small. Bank debits at seventeen cities were 26 per cent smaller in the first three weeks of August than in the corresponding weeks last year. This is exactly the same percentage decrease as that reported by the larger group of cities for the month of July.

DISTRICT SUMMARY OF BANKING

The latest weekly bank reports bring the record down to August 17. On that date, reports reflected the full effect of the summer's farm activities, prior to harvest, on the country banks of the district. Loans of this bank to country banks were at their highest level of the year. Country bank balances due from other banks were at a low level. Federal reserve loans to country banks on August 17 were three times as large as on the corresponding date last year and were larger than in any other year since 1924. The daily average of deposits in country member banks was 20 per cent smaller in July than in the same month last year.

City member banks experienced a decrease in deposits to the lowest level of the year on August 17, and on that date, their deposits were 21 per cent smaller than a year ago. Decreases occurred in all classes of deposits during the year, the declines being most important in commercial and individual demand deposits and deposits due to country banks. On the asset side of the balance sheet of city member banks, decreases occurred during recent weeks in loans to customers, other invested funds and cash and balances due from banks. These decreases almost equaled the decrease in deposits, so that borrowings from the Federal Reserve Bank were not large. All of these asset items were smaller on August 17 than a year ago, the decline being largest in cash and balances due from banks.

The commercial paper rate quoted by Minneapolis brokers to borrowers declined one-fourth of 1 per cent during July, to 2¾ per cent, as compared with 3 per cent in June and 2½ per cent in July last year. Lending rates quoted by Minneapolis commercial banks remained unchanged during the month ending August 15 and were slightly higher than a year ago. The discount rate of this Federal Reserve Bank remained unchanged at 3½ per cent.

DISTRICT SUMMARY OF AGRICULTURE

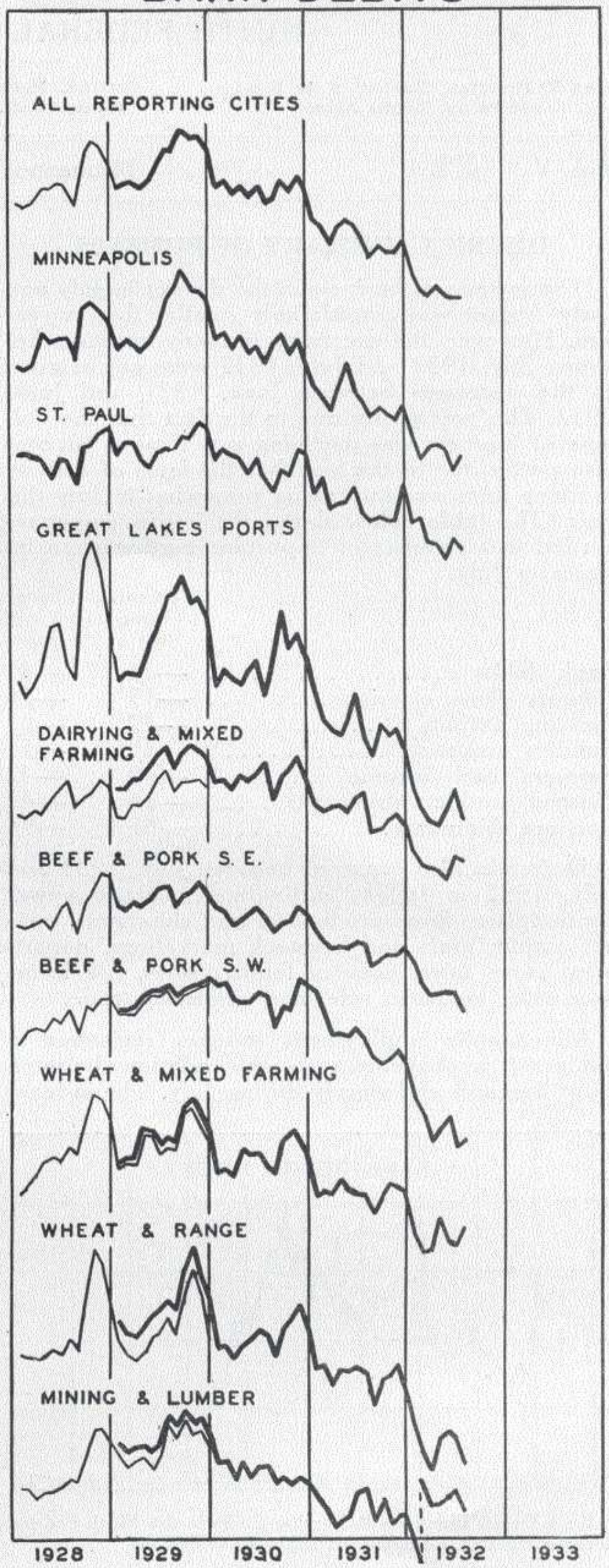
Crops

During July nearly all growing crops in the four complete states in the Ninth Federal Reserve District, Minnesota, Montana, North Dakota and South Dakota, suffered rather severe deterioration, with the result that the August 1 production forecasts issued by the United States Department of Agriculture were appreciably smaller than those issued on July 1. Threshing returns indicated slightly higher yields for winter wheat than were anticipated, so that the August 1 estimate was a little higher than the forecast a month earlier. The August 1 estimate of rye production was only slightly lower than the July 1 forecast.

Reductions in crop forecasts during July were somewhat greater in the "feed crop" group than in the "cash crop" group. However, taking the reduced number of livestock units on farms into consideration, if the actual production approximates the August 1 forecast, there will be sufficient feed produced in our territory to meet all needs for the coming year, and, in all probabilities, the crop will provide some excess for the replacement of reserve stocks which have been consumed during the last two drouth years. Among the feed crops, corn suffered the greatest reduction during July, partly on account of lack of rainfall and partly from grasshopper damage. Hail damage in various local areas was quite severe, but it was not responsible for much of the 15 per cent reduction in forecasted production, although it caused almost a total loss in those areas affected. Pastures in our four states were only in fair condition at the end of July, and trade reports issued the middle of August stated that they were deteriorating rapidly because of the continued lack of moisture.

During July, heat, drouth and grasshoppers effected a 14 per cent reduction in the flax forecast. Early flax was prematurely ripened by the heat and drouth and late fields were stripped by grasshoppers. Heat and drouth also were largely responsible for an 11 per cent reduction in bread spring wheat, although rapid development of black stem rust in some of the late wheat fields towards the end of July was responsible for a part of the reduction. While neither early sown nor late sown crops have gone through the season without encountering some adverse factors, the early sown fields were apparently in much the better condition on August 1. Numerous reports indicated that farmers have noticed this and are planning to plow as much as pos-

NINTH FED. RES. DISTRICT BANK DEBITS



sible this fall in order to increase their prospects for early planting next year. Grasshopper damage on early sown flax was almost negligible, but late flax yields have been greatly reduced, both by stripping the plants of leaves and by cutting off the bolls.

In spite of the reduction in crop forecasts during the month of July, the August 1 government forecasts for all northwestern crops were larger than the estimates of the crops harvested last year. In a number of cases, the 1932 crop is forecast to be more than twice as large as last year's crops. Furthermore, all of the 1932 crops will be larger than the ten year average, with the exception of durum wheat, rye and flax.

Relative Size of 1932 Crop Production in Minnesota, Montana, North Dakota and South Dakota

	Per Cent 1932 of 1931	Per Cent 1932 of 10-Year Year Average
CASH CROPS		
Bread Spring Wheat	331	129
Durum Wheat	278	87
Winter Wheat	236	151
All Wheat	309	119
Rye	189	86
Flaxseed	145	86
Potatoes	124	102
FEED CROPS		
Corn	176	110
Oats	176	105
Barley	184	138
Hay	155	109

Wheat Marketing Progress

Because of the large increase in production over last year, a larger number of bushels of wheat have been marketed during the first seven weeks of the marketing season than in the same seven weeks last year (10,040,000 bushels in the 1932 seven week period; 6,276,000 bushels in the 1931 period). The percentage, however, that net terminal receipts were of the total wheat available for marketing was much smaller than last year and much smaller than in either 1929 or 1930, indicating that the "holding for better prices" movements were having an effect. These movements had the support of the various state officials, as well as a majority of the civic associations, in at least one of our states, and an effort was being made to provide funds for the "orderly marketing" of wheat when the farmers decide that the proper time for marketing has arrived.

Wheat Marketing Progress

(Estimates for Minnesota, North Dakota, South Dakota and Montana combined)

July 1 through August 20, 1931 and 1932

Crop and Carry-over	1931 Bushels	1932 Bushels
July 1 Farm Stocks	12,333,000	4,478,000
July 1 Stocks in Country Mills and Elevators	6,200,000	5,473,000
New Crop	81,243,000	250,823,000
Total Wheat Supply	99,776,000	260,774,000
Less: Seed Requirements	25,462,000	23,000,000
Remainder available for marketing at terminals, feed, country millings, etc.	74,314,000	237,774,000
Receipts since July 1 at Minneapolis, Duluth and Superior, excluding Southwestern wheat and duplications	6,276,000	10,040,000
Per cent marketed through August 20	8.44	4.21
During the twelve-month period, July 1, 1931 to June 30, 1932 68 per cent of the 74,314,000 bushels available was marketed at terminals, amounting to	50,217,000	

Livestock

Butcher steers during July were in strong demand, and the price spread between heavy weight steers and the average run of cattle was considerably increased. Both butcher steers and prime butcher steers sold at higher levels than in July last year. This is the first time this year that any livestock prices have been higher than in the same month in the preceding year.

Prices of hogs and lambs also rose during July, according to medians computed in our office from sales at South St. Paul. Butcher cows and heifers and stocker and feeder steers remained at about the same level as in June. Veal calves and ewes each dropped 50 cents a hundredweight. Prices of butcher steers, hogs and lambs, however, were lower at the end of July than at any other time of the month.

During the first half of August, decreased receipts and a fairly strong retail demand prevented additional declines and some small increases were recorded. During the third week of August, increased receipts in the case of cattle and a weakening of dressed pork demand resulted in further declines. Lamb prices during the first three weeks of August have remained at about the same level as in July. Because of the fluctuations mentioned above, average cattle and hog prices for the first three weeks of August were slightly below the July medians.

High prices for fat cattle, with a strong preference for the heavy weights, resulted in a steady demand for better grade feeder cattle throughout most of the month of July. The bulk of the receipts, however, were only of common or average quality. During the first three weeks of August, the quality of receipts of feeder cattle gradually improved, the demand increased, and average prices for each week were higher than the preceding week, despite the weakness exhibited by slaughter cattle prices.

One fact of particular interest, because of its influence on future cattle supplies, is the lack of demand for stock cows for expanding beef herds. Shipments of stock cows to the country have been very light, despite the low cost of stockers, which indicates that cattle producers are not sure that the longer future of the cattle industry justifies any expansion at the present time.

Cattle on Feed

The United States Department of Agriculture report of the number of cattle on feed in the corn belt indicates that there were 5 per cent less cattle on feed on August 1, 1932 than a year earlier. The report also calls attention to the fact that a much larger proportion of the cattle on feed were in the light weight class, less than 900 pounds, so that the available beef poundage is considerably more than 5 per cent smaller than last year. Reports from a large number of cattle feeders indicate that they intend to purchase more cattle for feeding this fall than they did last year, provided that they are able to make the necessary financial arrangements. The report stated that it would be difficult to finance feeder purchases locally in many instances, and if the intentions were to be carried out, it would be necessary to obtain credit from some outside source.

Spring Pig Crop

Hog marketings in the Ninth Federal Reserve District will doubtless be much smaller next fall and winter than they were during the last heavy marketing period. The number of pigs saved from the spring crop in this district, according to the United States Department of Agriculture June pig survey, was only 7,802,000, a decrease of nearly 27 per cent from 1931. Furthermore, the number of sows reported bred or to be bred for fall farrowing was only 366,000, a reduction of 15 per cent from 1931.

The large decrease in the number of pigs was chiefly due to decreased number of farrowings, but a slightly smaller average number of pigs saved per litter was responsible for a part of the reduction. In some cases, farmers planned to decrease the number of farrowings because of scanty feed supplies for the spring pigs, but many farmers have reported that their sows were in such poor condition that they could not be bred, on account of insufficient feed last winter.

All geographical divisions of the United States, except the West North Central and the West, showed increases in the spring pig crop this year compared with a year ago. However, since such a large proportion of the total pig crop is raised in the West North Central division (an average of about 60 per cent for the last three years), the total United States spring pig crop was 7 per cent smaller than in 1931. Reports from Germany and Denmark indicate sizable reductions in hog holdings in both of those countries, and also reductions in the number of sows to farrow this fall.

Spring Pig Crops, 1930-1932

(000's omitted)

	1930	1931	1932
Minnesota	4,499	5,253	4,245
Montana	228	284	203
North Dakota	966	1,176	866
South Dakota	3,390	3,534	2,112
Wisconsin-Michigan*	380	408	376
Ninth Federal Reserve District	9,463	10,655	7,802
United States	49,431	53,851	50,093

*26 northern counties of Wisconsin and the upper peninsula of Michigan.

Cold Storage Holdings

Reports of meats and meat products in cold storage in the United States on August 1 were an impressive record of the absence of burdensome stocks of these commodities. Stocks were below the five year average for the date by the following amounts: Beef 17,000,000 pounds, pork 124,000,000 pounds, lard 44,000,000 pounds, lamb and mutton 1,000,000 pounds, butter 25,000,000 pounds, poultry 10,000,000 pounds and eggs 3,600,000 cases. This represents a total reduction of 19 per cent for meats and meat products, and 29 per cent for eggs. These cold storage holdings were also smaller than cold storage holdings a year ago on the same date. Storage holdings of butter were the smallest in any recent year and were even below holdings in 1923, which was the lowest year in the post-war period. The seasonal increase in storage butter during July only equaled the small volume of July last year and was only about one-half as large as the normal increase in storage butter during the month.

United States Cold Storage Holdings

(In thousands of pounds)

	August 1, 5-year Average	August 1, 1931	August 1, 1932
Beef	43,949	41,055	26,642
Pork	767,614	711,811	643,213
Lard	165,473	121,926	121,672
Lamb and Mutton	2,398	1,892	1,022
Butter	135,477	115,121	110,062
Poultry	41,397	36,438	31,446
Eggs*	12,956	12,781	9,236

*Thousand cases.

AUGUST 1, 1932, PRODUCTION FORECASTS, BY STATES, WITH COMPARISONS
UNITED STATES DEPARTMENT OF AGRICULTURE

(All figures in thousand bushels, except hay)

SPRING BREAD WHEAT

	Forecasts 8-1-32	Forecasts 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	15,366	16,548	13,055	18,758
Mont.	47,320	61,880	10,500	38,543
No. Dak.	83,116	86,894	21,590	63,693
So. Dak.	33,925	35,282	9,225	18,693
4 States	179,727	200,604	54,370	139,687
U. S.	229,804	250,464	86,347	189,052

DURUM WHEAT

	Forecasts 8-1-32	Forecasts 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	2,012	2,160	1,764	2,968
Mont.	594	704	64	894
No. Dak.	34,020	36,855	11,127	41,620
So. Dak.	14,469	15,026	5,440	13,096
4 States	51,095	54,745	18,395	58,578
U. S.	52,175	....	18,920	....

ALL SPRING WHEAT

	Forecasts 8-1-32	Forecasts 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	17,378	18,708	14,819	21,726
Mont.	47,914	62,584	10,564	39,437
No. Dak.	117,136	123,749	32,717	105,313
So. Dak.	48,394	50,308	14,665	31,789
4 States	230,822	255,349	72,765	198,265
U. S.	280,899	304,745	104,742	247,631

ALL WHEAT

	Forecasts 8-1-32	Forecasts 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	20,507	21,837	18,011	24,567
Mont.	59,694	73,744	14,684	48,398
No. Dak.	117,136	123,749	32,717	105,313
So. Dak.	53,486	54,864	15,831	33,225
4 States	250,823	274,194	81,243	211,503
U. S.	722,687	736,507	892,264	831,256

WINTER WHEAT

	Preliminary Estimate 8-1-32	Forecast 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	3,129	3,129	3,192	2,841
Mont.	11,780	11,160	4,120	8,961
No. Dak.	....	....	....	....
So. Dak.	5,092	4,556	1,166	1,436
4 States	20,001	18,845	8,478	13,238
U. S.	441,788	431,762	787,465	583,626

RYE

	Preliminary Estimate 8-1-32	Forecast 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	4,960	5,704	5,475	9,382
Mont.	756	702	100	794
No. Dak.	10,656	11,544	4,914	15,187
So. Dak.	8,656	8,115	2,723	3,646
4 States	25,028	26,065	13,212	29,009
U. S.	42,453	44,307	32,746	49,205

CORN

	Forecasts 8-1-32	Forecasts 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	164,016	171,360	115,056	136,015
Mont.	2,880	3,072	1,722	3,273
No. Dak.	31,464	34,200	21,442	22,014
So. Dak.	88,808	127,988	25,152	100,746
4 States	287,168	336,620	163,372	262,138
U. S.	2,819,794	2,995,850	2,556,863	2,582,672

FLAXSEED

	Forecasts 8-1-32	Forecasts 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	5,856	5,856	6,027	6,264
Mont.	1,520	1,976	416	1,124
No. Dak.	6,600	7,920	3,521	8,227
So. Dak.	1,125	1,750	462	2,969
4 States	15,101	17,502	10,426	17,584
U. S.	15,812	18,243	11,071	19,169

OATS

	Forecasts 8-1-32	Forecasts 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	158,644	163,310	123,525	149,484
Mont.	11,136	11,520	2,654	12,049
No. Dak.	45,472	50,760	18,276	48,847
So. Dak.	74,648	75,852	20,068	66,920
4 States	289,900	301,442	164,523	277,300
U. S.	1,214,733	1,217,244	1,112,037	1,226,882

POTATOES

	Forecasts 8-1-32	Forecasts 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	31,620	34,224	28,880	32,953
Mont.	2,226	2,520	1,805	2,339
No. Dak.	12,160	13,120	8,436	9,747
So. Dak.	5,100	5,916	2,160	4,865
4 States	51,106	55,780	41,281	49,904
U. S.	367,399	377,769	375,518	363,063

BARLEY

	Forecasts 8-1-32	Forecasts 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	44,280	48,216	37,480	34,113
Mont.	5,083	5,746	1,946	3,522
No. Dak.	41,547	45,324	18,482	33,161
So. Dak.	46,376	48,484	16,680	24,517
4 States	137,286	147,770	74,588	99,213
U. S.	302,808	312,422	198,185	219,010

TAME HAY (Thousand Tons)

	Forecasts 8-1-32	Forecasts 7-1-32	Production 1931	Production 10-Yr. Av.
Minn.	3,737	4,040	2,756	3,220
Mont.	2,293	2,293	1,492	1,843
No. Dak.	1,526	1,526	1,097	1,236
So. Dak.	1,274	1,390	558	1,210
4 States	8,830	9,249	5,903	7,509
U. S.	67,390	68,259	64,233	72,639

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS	July '32	July '31	Per Cent July '32 of July '31
Debits to Individual Accounts[1]			
All Reporting Cities	$ 22,417,500	$ 30,447,500	74
Minneapolis	9,681,000	12,764,000	76
St. Paul	4,365,000	5,263,000	83
South St. Paul	436,000	795,000	55
Great Lakes Ports	1,649,300	2,476,500	67
Beef and Pork, S. E.	814,200	1,117,600	73
Beef and Pork, S. W.	838,900	1,389,400	60
Dairy and Mixed Farming	1,199,800	1,676,400	72
Wheat and Mixed Farming	1,542,200	1,843,500	84
Wheat and Range	615,100	978,900	63
Mining and Lumber	1,276,000	2,143,200	60
Electric Power Consumption (K.W.H.)[1,2]			
Minn., No. Dak. and So. Dak.	4,412,000	5,026,000	88
Montana	1,356,000	2,590,000	52
Country Check Clearings[1]			
Total	$ 2,293,200	$ 2,694,100	85
Minnesota	954,700	993,500	96
Montana	314,500	452,600	69
North and South Dakota	591,300	616,700	96
Michigan and Wisconsin	432,700	631,300	69
Freight Carloadings—N. W. District			
Total—Excluding L.C.L.	169,412	344,798	49
Grains and Grain Products	23,603	33,974	69
Livestock	14,758	26,640	55
Coal	9,596	15,349	63
Coke	1,663	3,520	47
Forest Products	12,987	25,677	51
Ore	12,808	100,054	13
Miscellaneous	93,997	139,584	67
Merchandise—L.C.L.	87,212	115,894	75
Building Permits			
Number—18 Cities	903	1,309	69
Value—18 Cities	$ 669,600	$ 2,350,100	28
Minneapolis	278,800	1,108,500	25
St. Paul	200,300	442,200	45
Duluth-Superior	45,700	126,000	36
4 Wheat Belt Cities	25,400	274,700	9
6 Mixed Farming Cities	76,100	336,700	23
4 Mining Cities	43,300	62,000	70
Building Contracts (F. W. Dodge Corp.)			
Total	$ 9,392,800	$ 7,842,400	120
Commercial	358,900	598,600	60
Factories	240,000	126,000	190
Educational	189,200	1,349,600	14
Hospitals, etc.	89,000	110,000	81
Public	3,822,100	26,700	14315
Religious and Memorial	185,500	105,000	177
Social and Recreational	37,400	171,100	22
Residential	811,600	1,211,100	67
Public Works and Utilities	3,659,100	4,144,300	88
Real Estate Activity in Hennepin and Ramsey Counties			
Warranty Deeds Recorded	709	985	72
Mortgages Recorded	1,030	1,395	74
Manufacturing and Mining			
Flour Production at Mpls., St. Paul, and Duluth-Superior (Bbls.)	612,437	931,515	66
Flour Shipments at Mpls. (Bbls.)	575,904	854,126	67
Linseed Product Shipments (Lbs.)	11,042,515	14,440,550	76
Copper Output (5 Firms) (Lbs.)	12,176,000	24,740,800	49
Iron Ore Shipments (Tons)	639,884	4,956,061	13
Business Failures			
Number	71	56	127
Liabilities	$ 903,822	$ 591,669	153

AGRICULTURE	July '32	July '31	Per Cent July '32 of July '31
Farmers' Cash Income			
Total of 6 Items	$ 15,314,000	$ 25,640,000	60
Bread Wheat	1,102,000	3,205,000	34
Durum Wheat	161,000	166,000	97
Rye	74,000	110,000	67
Flax	169,000	690,000	24
Dairy Products	9,576,000	14,187,000	67
Hogs	4,232,000	7,282,000	58
Grain Marketings at Minneapolis and Duluth-Superior (Bus.)			
Bread Wheat	1,677,000	4,355,000	39
Durum Wheat	300,000	293,000	102
Rye	238,000	302,000	79
Flax	166,000	421,000	39
Grain Stocks at End of Month at Minneapolis and Duluth-Superior (Bus.)			
Wheat	33,437,898	56,815,555	59
Corn	19,117	111,610	17
Oats	2,894,411	2,992,098	97
Barley	1,206,908	1,989,192	61
Rye	5,107,521	5,451,447	94
Flax	762,882	675,254	113
Livestock Receipts at So. St. Paul (Head)			
Cattle	52,446	56,044	94
Calves	38,288	38,193	100
Hogs	115,409	178,019	65
Sheep	68,611	51,595	133
Median Cash Grain Prices (Bus.)			
Wheat—No. 1 Dark Northern	$0.58¾	$0.66½	88
Durum—No. 2 Amber	.53⅝	.61¾	87
Corn—No. 3 Yellow	.35	.53¾	65
Oats—No. 3 White	.18¼	.23⅛	79
Barley—No. 3	.29	.42	69
Rye—No. 2	.31	.36½	85
Flax—No. 1	.99¼	1.64	61
Median Livestock Prices (Cwt.)			
Butcher Cows	$3.50	$4.50	78
Butcher Steers	7.50	7.25	103
Prime Butcher Steers	8.50	8.25	103
Feeder Steers	3.25	4.25	76
Veal Calves	5.00	6.00	83
Hogs	4.45	5.25	85
Heavy Hogs	3.90	5.00	78
Lambs	5.65	6.50	87
Ewes	1.00	2.00	50
Wholesale Produce Prices			
Butter (Lb.)	$0.14½	$0.22	66
Milk (Cwt.)	1.02	1.48	69
Hens (Lb.)	.10½	.14½	72
Eggs (Doz.)	.10½	.12½	84
Potatoes (Bu.)	.64½	1.27½	51
TRADE			
Department Stores			
Sales	$1,508,390	$2,082,520	72
Merchandise Stocks	5,056,030	5,942,730	85
Receivables	2,431,490	2,935,750	83
Instalment Receivables	557,280	660,230	84
Country Lumber Yards			
Sales (Bd. Ft.)	5,867,000	8,513,000	69
Lumber Stocks (Bd. Ft.)	65,402,000	78,274,000	84
Total Sales	$ 669,700	$1,040,400	64
Receivables	2,517,400	3,582,400	70
Life Insurance Sales			
Four States	$13,804,000	$21,135,000	65
Minnesota	10,009,000	16,067,000	62
Montana	1,635,000	1,811,000	90
North Dakota	925,000	1,352,000	68
South Dakota	1,235,000	1,905,000	65

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

	July '32	July '31	Per Cent July '32 of July '31
Investment Dealers			
Sales to Banks	1,470,200	7,693,000	19
Sales to Insurance Companies	159,500	456,200	35
Sales to General Public	2,347,100	4,675,600	50
Wholesale Trade			
Groceries—			
Sales	$ 2,829,230	$ 3,905,250	72
Stocks	4,895,260	5,421,950	90
Receivables	4,128,960	4,595,650	90
Hardware—			
Sales	$ 805,000	$ 1,298,620	62
Stocks	2,139,450	2,392,300	89
Receivables	1,407,680	1,539,460	91
Shoes—			
Sales	$ 118,070	$ 208,600	57
Stocks	575,970	715,800	80
Receivables	468,620	673,800	70
BANKING			
Member Bank Deposits			
In Cities Over 15,000 pop.	$393,786,000	$468,992,000	84
In Cities Under 15,000 pop.	300,894,000	373,845,000	80
Michigan—15 Cos.	53,228,000	64,048,000	83
Minnesota	122,581,000	144,076,000	85
Montana	39,669,000	52,289,000	76
North Dakota	29,416,000	38,579,000	76
South Dakota	34,847,000	47,594,000	73
Wisconsin—26 Cos.	21,153,000	27,259,000	78

	July '32	July '31	Per Cent July '32 of July '31
Interest Rates[2]			
Minneapolis Banks	4½-4¾	4¼-4½	
Commercial Paper (net to borrower)	2¾	2½	
Minneapolis Federal Reserve Bank	3½	3½	
Selected City Member Banks	Aug. 17, '32	Aug. 19, '31	
Loans to Customers	$184,062,000	$211,324,000	87
Other Invested Funds	133,125,000	157,708,000	84
Cash and Due from Banks	69,770,000	107,379,000	65
Deposits Due to Banks	47,416,000	81,087,000	58
Public Demand Deposits	27,436,000	37,718,000	73
Other Demand Deposits	126,338,000	163,399,000	77
Time Deposits	137,673,000	146,186,000	94
Total Deposits	340,480,000	428,611,000	79
Borrowings at Fed. Res. Bank	1,064,000	0	
Minneapolis Federal Reserve Bank			
Loans	13,667,000	4,347,000	314
Twin Cities	65,000	0	
Minn., Wis. and Mich.	5,038,000	1,397,000	361
N. Dak. and Mont.	4,477,000	1,423,000	315
South Dakota	4,087,000	1,527,000	268
Fed. Res. Notes in Circulation	79,670,000	51,337,000	155
Member Bank Reserve Deposits	39,622,000	48,465,000	82

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

BANK DEBITS

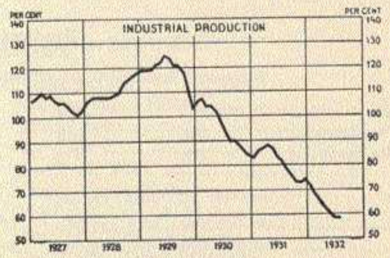
	July 1932	June 1932	July 1931	June 1931
Number of Business Days:				
All States in District	25	26	26	26

(000's omitted)

	July 1932	June 1932	July 1931	June 1931
Michigan				
Escanaba (1 Bank)	$ 424	$ 472	$ 701	$ 766
Hancock	1,246	1,236	1,392	1,470
Houghton	1,140	1,498	......	......
Iron Mountain	1,560	2,667	3,305	3,533
Iron River, Caspian	322	351	1,122	1,073
Marquette	2,754	3,132	4,417	4,763
Menominee	1,909	1,958	2,938	2,809
Sault Ste. Marie	1,896	2,046	2,587	2,708
Minnesota				
Albert Lea	2,146	2,429	2,869	2,753
Austin (1 Bank)	2,086	2,776	3,237	3,201
Bemidji (2 Banks)	842	831	1,141	1,109
Chaska	406	612	623	655
Chisholm	734	1,154	1,155	1,389
Cloquet	951	1,572	1,415	2,242
Crookston	812	1,030	1,103	1,291
Detroit Lakes	1,002	906	1,264	1,183
Duluth	30,594	37,757	47,651	64,945
Ely	356	556	758	722
Faribault (1 Bank)	841	1,173	1,586	966
Farmington	166	199	219	246
Fergus Falls	2,328	2,141	2,297	2,851
Glenwood	375	307	480	518
Hutchinson	701	822	1,228	1,243
Lakefield (2 Banks)	197	226	218	336
Lanesboro	300	268	253	321
Little Falls (3 Banks)	749	871	935	1,094
Luverne	497	541	691	711
Mankato	4,425	4,964	6,117	6,173
Minneapolis	242,027	236,346	331,857	341,812
Moorhead	1,051	1,134	1,288	1,329
Morris	346	354	439	494
Owatonna	1,924	1,888	2,557	2,736
Park Rapids	294	312	420	471
Red Wing	1,391	1,562	2,117	2,119
Rochester	3,836	4,647	5,457	5,473
St. Cloud	2,766	3,170	3,789	3,882
St. Paul	109,118	118,353	136,835	154,387
South St. Paul	10,893	10,957	20,664	20,645
Stillwater	2,565	1,708	3,493	2,028
Thief River Falls	675	690	796	846
Two Harbors	388	334	593	477
Virginia	1,335	1,791	2,044	2,351
Wabasha	780	767	1,130	762
Wadena (1 Bank)	261	298	335	370
Wheaton	274	344	486	599
Willmar (1 Bank)	830	1,226	1,471	1,452
Winona	4,666	5,195	6,648	6,752
Worthington (1 Bank)	394	481	646	751
Montana				
Anaconda	$ 973	$ 1,108	$ 1,864	$ 1,895
Billings	4,529	5,291	7,082	7,806
Bozeman	1,596	1,580	2,403	2,374
Butte (2 Banks)	6,256	7,565	13,086	13,776
Deer Lodge	863	703	1,286	1,038
Glendive	495	......	826	938
Great Falls	6,604	7,519	12,257	12,059
Harlowton	175	208	324	323
Havre	927	1,031	1,293	1,522
Helena	5,797	6,396	10,169	8,150
Kalispell	1,154	1,474	1,421	1,966
Lewistown	955	1,374	1,503	1,837
Malta	391	476	644	594
Miles City (1 Bank)	807	923	1,641	1,431
North Dakota				
Bismarck	9,803	8,622	10,677	9,756
Devils Lake	997	1,013	1,243	1,350
Dickinson	904	892	1,288	1,313
Fargo	12,641	11,869	14,873	15,090
Grafton	275	297	365	363
Grand Forks	4,734	4,794	6,410	6,291
Jamestown	1,528	1,408	2,232	2,447
Mandan	765	821	1,272	1,268
Minot	3,711	3,979	5,293	5,403
Valley City	823	948	1,201	1,185
Wahpeton	735	628	768	820
Williston	697	697	1,204	1,020
South Dakota				
Aberdeen	3,686	3,852	5,266	5,701
Brookings (1 Bank)	499	631	733	899
Deadwood	646	671	751	743
Huron	2,706	2,991	5,032	5,292
Lead	1,231	1,149	1,329	1,254
Madison	618	674	1,032	1,001
Milbank	335	362	501	567
Mitchell (2 Banks)	1,808	2,025	3,366	3,578
Mobridge	359	450	359	565
Pierre	810	1,026	1,140	1,271
Rapid City	1,463	2,450	3,544	3,544
Sioux Falls	10,687	9,888	18,864	18,993
Watertown	2,058	2,019	3,361	3,324
Yankton	1,176	1,263	1,885	2,243
Wisconsin				
Ashland	1,263	1,444	1,933	1,921
Chippewa Falls	1,268	1,486	1,968	1,864
Eau Claire	4,317	4,641	7,897	8,212
Hudson (2 Banks)	441	530	888	552
La Crosse	7,299	7,513	10,212	10,530
Merrill (1 Bank)	841	700	1,351	1,224
Superior	3,912	4,295	6,492	6,163
Total for All Cities Reporting Both Years	$562,496	$587,604	$791,503	$836,123

Summary of National Business Conditions

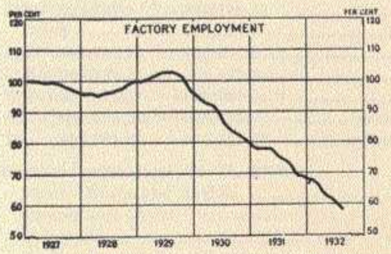
(Compiled August 22 by Federal Reserve Board)



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

The volume of industrial output declined seasonally from June to July while factory employment and payrolls decreased by more than the usual seasonal amount. In July the general level of wholesale prices was about one per cent higher than in June, and in the first half of August prices of many leading commodities advanced considerably. Reserve bank credit declined somewhat in the four weeks ending August 17, reflecting chiefly a substantial growth in the country's stock of monetary gold.

PRODUCTION AND EMPLOYMENT: Industrial production declined by about the usual seasonal amount in July and the board's index which is adjusted to allow for the usual seasonal variations remained unchanged at 59 per cent of the 1923-1925 average. Activity decreased seasonally in the steel industry; by slightly more than the usual seasonal amount in the lumber, cement, newsprint and meat packing industries; and by substantially more than the seasonal amount in the automobile and lead industries. Output of shoes, which ordinarily increases in July, declined. At woolen mills activity increased by a substantial amount and at silk mills there was a seasonal increase in production. Activity at cotton mills decreased, as is usual in July, while sales of cotton cloth by manufacturers increased considerably. Output of coal increased from the low level prevailing in June.

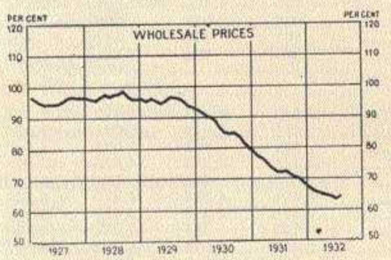


Federal Reserve Board's index of factory employment with adjustment for seasonal variation. (1923-1925 average=100.)

Reports on the volume of factory employment and payrolls showed substantial declines from the middle of June to the middle of July. In the machinery, women's clothing and hosiery industries and at railroad repair shops, the number employed decreased by considerably more than the usual seasonal amount and at shoe factories the increase reported was smaller than usual. In the woolen goods industry a substantial increase in employment was reported.

The value of building contracts awarded, as reported by the F. W. Dodge Corporation, continued at a low level during July and the first half of August.

Prospects for many leading crops, including corn, spring wheat, potatoes and tobacco, were reduced somewhat during July, according to the Department of Agriculture. The estimated total wheat crop, based on August 1 conditions, is 723,000,000 bushels, a decrease of about 175,000,000 bushels from last year's large crop, reflecting a reduction of 350,000,000 bushels in the winter wheat crop, offset in part by an estimated increase of 175,000,000 in the spring wheat crop. The first official cotton estimate, as of August 1, was 11,300,000 bales, as compared with crops of 17,100,000 last season and about 13,900,000 the year before. The indicated production of corn is 2,820,000,000 bushels, substantially larger than the crops of the last two seasons and slightly larger than the five year average.

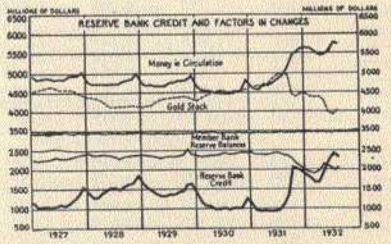


Index of United States Bureau of Labor Statistics (1926=100.)

DISTRIBUTION: The volume of freight traffic decreased somewhat from June to July, and the value of department store sales was substantially reduced.

WHOLESALE PRICES: The general level of wholesale prices, as measured by the monthly index of the Bureau of Labor Statistics advanced from 63.9 per cent of the 1926 average in June to 64.5 per cent in July. Between the middle of July and the third week of August, prices of livestock and meats, which had previously advanced considerably, declined somewhat, while price increases were reported for many other leading commodities, including wheat, textile raw materials and finished products, nonferrous metals, hides, sugar, coffee and rubber.

BANK CREDIT: The total volume of Reserve bank credit outstanding, which had increased by $850,000,000 between the end of March and the third week of July, declined by $95,000,000 in the four weeks to August 17, and in the same period member banks increased their reserve balances by $45,000,000. These changes reflected chiefly the addition of $95,000,000 to the country's stock of monetary gold and an inflow to the banks of $30,000,000 in currency.



Monthly averages of daily figures. Latest figures are averages of first 21 days in August.

Total loans and investments of reporting member banks in leading cities were $250,000,000 larger on August 17 than four weeks earlier. Total loans of these banks continued to decline throughout the period, while their investments increased substantially, reflecting an increase in holdings of United States Government securities in connection with Treasury financing operations. Time deposits increased by $95,000,000 and net demand deposits by $85,000,000.

Money rates in the open market remained at low levels. Successive reductions brought the prevailing rates on prime commercial paper to a range of 2-2¼ per cent in the first part of August.