MONTHLY REVIEW
OF
AGRICULTURAL AND BUSINESS CONDITIONS
IN THE
NINTH FEDERAL RESERVE DISTRICT

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DISTRICT SUMMARY OF BUSINESS

Business in the Ninth Federal Reserve District during January and early February continued to be better than a year ago, and the level of business increased from December to January and February after allowance for seasonal changes. The improvement was greater in the rural areas than in the large cities.

The bank debits index rose from 54 in December to 58 in January. In the first two weeks of February, the volume of debits at seventeen cities indicates a further rise in this index in February. The country check clearings index rose from 83 in December to 88 in January. Country check clearings data for the first fourteen business days of February indicate that this index for the month of February will exceed the high point of last summer and will approach the level of the spring of 1930. The index of less-than-carlot freight movement increased from 63 in December to 64 in January. A reverse trend occurred in miscellaneous freight carloadings, for which the adjusted index declined from 75 in December to 71 in January, but it will be recalled that the December index had shown a remarkable rise over the level of preceding months.

The trade of the district continued to be stimulated by the spending of Federal funds, especially in the rural areas. Throughout the district CWA expenditures continued to be made, and in the rural portions of the district, the funds received from the Federal corn loans, Federal land bank loans and other disbursements by United States Government agencies, together with higher prices for farm products, had a beneficial effect. Rural lumber sales at representative lumber yards were 90 per cent larger in January than in January last year. This office is undertaking to secure monthly reports from leading stores in the agricultural communities of the district. The first fourteen of these rural stores (located in southern Minnesota and South Dakota), to report for the month of January had a sales volume 41 per cent larger than their sales in January last year. Seven rural furniture stores reported sales 24 per cent above sales in January last year. City department store sales were 14 per cent larger in January than in the same month last year. This compared with an increase of 10 per cent in December and a decrease of 3 per cent in November as compared with the volume in the corresponding months of the previous year.

The majority of the other records of northwestern business also showed increases in January over January last year. Bank debits increased 15 per cent, country check clearings 25 per cent, freight carloadings, excluding l.c.l., 29 per cent, building permits 195 per cent and building contracts 162 per cent, as compared with January, 1933. Increases also occurred in electric power consumption, flour production and shipments, linseed products shipments, copper output, the movement of cattle and calves to market, securities sales and wholesale
trade. Decreases occurred in grain marketings, but-
ter output and market receipts of hogs and sheep.

Because the trend of business was downward a
year ago and is upward at the present time, the
records for the first half of February show a greater
increase over the records for the corresponding
period last year than the increase revealed in the
January comparison. Bank debits at seventeen cities
were 25 per cent larger in the first two weeks of
February than in the same two weeks last year.
Country check clearings in the first fourteen business
days of February were 47 per cent higher than in
the same period a year ago. The January increases
for these indexes, as cited in a preceding paragraph,
were not so large.

**DISTRICT SUMMARY OF BANKING**

Recent banking reports for this district reveal a
continuance of the increase in bank deposits and an
increase in balances carried with other banks. Coun-
try banks and city banks both showed these trends.
City banks also experienced a decline in loans and
an increase in investments.

The daily average of deposits of country mem-
ber banks in the district increased 7 million dollars
from December to January. This increase is partic-
ularly noteworthy, inasmuch as this is the first
time that an increase in country bank deposits has
occurred at this time of year, with the exception of
the customary increase in Michigan due to tax de-
posits. A portion of the increase in deposits from
December to January was due to the inclusion in
January of figures for several banks which recently
joined the Federal Reserve System, but excluding
those banks, there was an increase of $4,669,000.
The distribution of country member bank deposits
in the district during December and January and
the increase by states is shown in the following table.
For this purpose, country member banks are all
member banks in cities with less than 15,000 popu-
lation.

**Daily Average Deposits of Identical Country
Member Banks**

<table>
<thead>
<tr>
<th>State/Region</th>
<th>December 1933 (000's omitted)</th>
<th>January 1934</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michigan (15 counties)</td>
<td>$39,812</td>
<td>$42,015</td>
<td>$2,203</td>
</tr>
<tr>
<td>Minnesota</td>
<td>106,328</td>
<td>107,620</td>
<td>1,292</td>
</tr>
<tr>
<td>Montana</td>
<td>39,591</td>
<td>39,924</td>
<td>333</td>
</tr>
<tr>
<td>North Dakota</td>
<td>24,644</td>
<td>24,689</td>
<td>45</td>
</tr>
<tr>
<td>South Dakota</td>
<td>32,214</td>
<td>32,638</td>
<td>424</td>
</tr>
<tr>
<td>Wisconsin (26 counties)</td>
<td>13,762</td>
<td>14,134</td>
<td>372</td>
</tr>
<tr>
<td>Ninth District</td>
<td>256,351</td>
<td>261,020</td>
<td>4,669</td>
</tr>
</tbody>
</table>

In the above table, the deposit increase in Michi-
gan is of no particular significance, since it is an
annual matter and results almost entirely from the
deposit of real estate tax moneys which are due
January 1. There are many reasons for the increase
in deposits in the other states of the district. Among

these reasons are the beginning of the Federal in-
surance of bank deposits, the deposit of funds re-
leased to private investors through the re-financing
by the Federal land banks of privately owned farm
mortgages and the larger balances carried by busi-
ness men and farmers as a result of the increase in
the volume of rural business.

It is not possible to trace completely the use to
which these larger deposits are being put by country
member banks. However, the weekly reports of cor-
respondent banks in the cities of this district show
that country banks are carrying larger balances with
these city correspondent banks than they have been
able to carry for two and one-half years. These
balances increased 2 million dollars between the average for December and the average for January, and increased an additional 5 million dollars during the first two weeks of February. On February 14, balances due to country banks amounted to 85 million dollars, which was the highest figure since the summer of 1931, and only 4 million dollars below the average level of the relatively good years preceding the depression.

Largely as a result of these higher balances carried by country banks, the city member banks of the district experienced an increase of more than 6 million dollars in deposits during the four weeks ending February 14. At the same time their loans to customers decreased 7 million dollars and their investments increased 4 million dollars. On February 14, for the first time in our records, the investments of the city member banks of the district were larger than their loans to customers. Balances which these city banks were carrying with correspondent banks, including the Federal Reserve Bank, rose sharply, by 10 million dollars, during the four-week period, and on the latest reported date were higher than at any time since last June.

**DISTRICT SUMMARY OF AGRICULTURE**

**Farm Income**

Farm income from seven important items was 18 per cent smaller in January than in the same month last year. Our farm income estimates for these months did not include payments from the Federal Agricultural Adjustment program. The decreases were due to smaller marketings of grain, smaller butter production and a reduced market movement of hogs. The majority of prices of northwestern farm products strengthened in January. Durum wheat rose 12 cents, to the highest level since January, 1930. The price of butter halted the decline of the preceding two months. The prices of all the grains and of most classes of livestock were higher in January than a year ago. The prices of butter and eggs were equal to last year's prices, and the price of hens was below last year's price. To summarize the changes in farm product prices, it is most convenient to use the index number of Minnesota farm prices computed for the Agricultural Extension Division of the University of Minnesota. This index number for January was 46.0, using 1924-1926 as the base period. In December the index was 41.9, and in January last year, the index was 34.6. In other words, prices of farm products in Minnesota were about one-third higher in January this year than a year ago.

**Minnesota Farm Income in 1933**

The Division of Agricultural Economics of the University of Minnesota computes an annual estimate of net cash income of the farmers of Minnesota. In 1933, it is estimated that Minnesota farmers had a net cash income of 43 million dollars, as compared with only 16 million dollars in 1932. While this increase is most welcome, Minnesota farm income is still far below the level of other recent years. The peak was reached in 1918, when farmers of the state had a net income of 285 million dollars, according to the University estimates. The improvement in 1933 over 1932 was caused by an increase of 20 million dollars in gross cash sales of farm products and a decrease of 7 million dollars in cash expenses, including taxes and interest paid. The following table gives the income and expense statistics as estimated by the University of Minnesota for the years 1924 to 1933, inclusive.

**Gross Cash Income, Cash Operating Expenses and Net Cash Income for Agriculture in Minnesota, 1924-1933**

<table>
<thead>
<tr>
<th>M</th>
<th>Gross Cash</th>
<th>Cash Expenses</th>
<th>Net Cash Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1924</td>
<td>$342</td>
<td>$188</td>
<td>$154</td>
</tr>
<tr>
<td>1925</td>
<td>395</td>
<td>195</td>
<td>200</td>
</tr>
<tr>
<td>1926</td>
<td>398</td>
<td>189</td>
<td>209</td>
</tr>
<tr>
<td>1927</td>
<td>366</td>
<td>193</td>
<td>173</td>
</tr>
<tr>
<td>1928</td>
<td>367</td>
<td>192</td>
<td>175</td>
</tr>
<tr>
<td>1929</td>
<td>384</td>
<td>199</td>
<td>185</td>
</tr>
<tr>
<td>1930</td>
<td>332</td>
<td>171</td>
<td>161</td>
</tr>
<tr>
<td>1931</td>
<td>233</td>
<td>159</td>
<td>74</td>
</tr>
<tr>
<td>1932</td>
<td>165*</td>
<td>149*</td>
<td>16*</td>
</tr>
<tr>
<td>1933</td>
<td>185*</td>
<td>142*</td>
<td>43*</td>
</tr>
</tbody>
</table>

*Preliminary

**Cold Storage Holdings**

On February 1 stocks of all commodities continued larger than the five year average, excepting eggs and miscellaneous meats. Changes during the month of January for all commodities were in the direction of the seasonal trends for the month, with the single exception of lamb and mutton, which showed a 25 per cent increase, compared with a usual decrease of about that amount. As a result of this change, on February 1 cold storage holdings of lamb and mutton were larger than the five year average for the first time since July, 1931.

The outstanding change in the cold storage situation during January was the extremely heavy decrease in stocks of butter. Butter stocks were still more than double the five year average on February 1, but the low prices that have prevailed for the last two months resulted in net withdrawals during January that were two and one-half times the five year average withdrawal for that month. In January last year, before the huge 1933 increase in butter stocks was under way, net withdrawals were less than a third of the five year average, and only onethird of the net withdrawals in January this year. There were also improvements between January 1 and February 1 in the cold storage situation of other dairy products. Cans of cream in cold storage declined and stocks of cheese decreased by considerably more than the customary amount.
Despite the large increase in January hog receipts in the United States as compared with last year (So. St. Paul being an exception), cold storage holdings of pork increased less than the five year average during January. As a result of this smaller than usual increase, February 1 stocks of pork were only a little larger than the five year average. Stocks of lard, however, increased more than the five year average during the month and on February 1 were nearly double the average for the last five years. Seasonal decreases occurred in poultry and beef, and a seasonal increase in miscellaneous meats.

United States Cold Storage Holdings
(In thousands of pounds)

<table>
<thead>
<tr>
<th></th>
<th>Feb. 1, 1934</th>
<th>Feb. 1, 1933</th>
<th>5-year Av.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beef</td>
<td>73,671</td>
<td>39,550</td>
<td>71,248</td>
</tr>
<tr>
<td>Pork</td>
<td>728,403</td>
<td>575,084</td>
<td>700,177</td>
</tr>
<tr>
<td>Lamb and Mutton</td>
<td>4,177</td>
<td>2,029</td>
<td>3,347</td>
</tr>
<tr>
<td>Miscellaneous Meats</td>
<td>71,463</td>
<td>47,313</td>
<td>77,626</td>
</tr>
<tr>
<td>Total Meats</td>
<td>877,714</td>
<td>663,976</td>
<td>852,398</td>
</tr>
<tr>
<td>Lard</td>
<td>169,098</td>
<td>52,841</td>
<td>85,318</td>
</tr>
<tr>
<td>Cream**</td>
<td>139</td>
<td>123</td>
<td></td>
</tr>
<tr>
<td>Butter</td>
<td>76,051</td>
<td>17,833</td>
<td>34,422</td>
</tr>
<tr>
<td>Cheese</td>
<td>78,830</td>
<td>63,321</td>
<td>71,807</td>
</tr>
<tr>
<td>Poultry</td>
<td>120,157</td>
<td>104,833</td>
<td>112,325</td>
</tr>
<tr>
<td>Eggs*</td>
<td>1,477</td>
<td>1,402</td>
<td>2,010</td>
</tr>
</tbody>
</table>

* Thousand Cases
** Thousand Cans

Livestock Marketings

The outstanding development at the South St. Paul livestock market in January and early February was the continued rise in prices paid for fat lambs and ewes. The top price for lambs in January ($8.85), established late in the month, was higher than the top in any other month for nearly three years. Prices increased still further in each of the first two weeks of February, establishing a new 1934 top on February 14 of $9.50, the highest price paid for fat lambs at South St. Paul since August 22, 1930. On the same day, a top price of $5.00 was established for choice, fed Montana ewes. One important reason for the higher lamb and ewe prices is the continued strength shown by wool prices. According to a report issued by the United States Department of Agriculture representative at South St. Paul, in-the-grease wool prices at Boston early in February ranged from 20 to 42 cents, according to quality and fineness. The average price received by farmers in the Ninth Federal Reserve District on February 15 a year ago was slightly less than 9 cents per pound. The higher prices demanded by sellers of lambs and ewes in recent weeks have necessarily increased wholesale prices of dressed lamb and mutton and have affected the cold storage stocks of mutton and lamb on February 1, which are discussed in another paragraph.

Sheep and lamb receipts at South St. Paul in January were 10 per cent larger than the small receipts of December, but were 30 per cent smaller than receipts in January, 1933.

Hog prices rose gradually throughout January, except for one temporary setback early in the month. Owing to an unusually large proportion of light and unfinished hogs, however, a definite two-way price trend developed. Good and choice medium-weight butcher hog prices registered gains each week, but prices for under-weights and pigs showed little gain for the entire month. Consequently, at the end of January an unusually wide spread existed. Since the first of February, prices for all weights have advanced further. The greatest rise has been in the lightweight hogs and pigs, reducing the spread that existed at the end of January between prices for these classes and the more desirable middle-weights. The principal reason for the sharp price advances in early February was a sharp decrease in receipts, although purchases for Government account late in January had some effect.

While hog receipts at South St. Paul during January were somewhat smaller than in January last year, they were surprisingly large, considering the reduced supplies available for marketing this season. Receipts in January were 16 per cent larger than in December. January receipts in the ten preceding years have been smaller than December receipts, except for a small increase in 1931. Inasmuch as the number of hogs available for normal marketing this winter in the Ninth Federal Reserve District was 20 per cent smaller than the number available last year, owing to a slightly smaller pig crop last spring and the abnormal marketing of more than a million head last fall by sales to the Agricultural Adjustment Administration, hog receipts at South St. Paul during the balance of this marketing season will probably be somewhat smaller than the unusually low receipts of about one million head for the February-August period last year.

Cattle marketings at South St. Paul were larger in January than in December, and were larger than in the corresponding month last year. Supplies were smaller than the demand, however, with the result that median prices for all classes of cattle were higher than in December, with one exception. Low quality lightweight stocker and feeder steers were in little demand, except at a discount, and the January median price was 25 cents below that of December.

Since February 1, prices have advanced a little further because of continued small receipts. As an indication of the shortage of supplies, early in February better grade yearling heifers sold at al-
most the same level as steers of comparable quality. Lightweight steers and heifers were in greatest demand throughout the month and during early February, owing to consumers' preference for beef cuts without excess fat.

Owing to the low level of prices paid for finished cattle so far this year, country buyers of feeder cattle have not only been very selective in their purchases, but have also been purchasing in much smaller quantities than a year ago. Shipments of feeder cattle from South St. Paul have been less each week in 1934 than in the corresponding week a year earlier, with only two exceptions. The total number of feeders shipped during the first seven weekly periods this year was only 5,537, compared with 6,899 in the same periods last year.

While the feeder and stocker cattle trade was slow throughout January, about the middle of the month country buyers at South St. Paul began to show some interest in lightweight beef-type animals, and since that time have rather carefully selected such steers, heifers, cows and calves out of the daily offerings. Fortunately, the heavyweight animals and those with less quality than the feeder buyers demanded have been readily taken by packers for use in producing processed meats. As a result of the two-way demand, no surplus supplies have accumulated and prices have improved somewhat.

Moisture Conditions

During the three months of November, December and January, precipitation in the four complete states of the Ninth Federal Reserve District has averaged about normal, as is shown in the table below. There were deficiencies in Minnesota and South Dakota and amounts in excess of normal in Montana and North Dakota. The figures quoted are averages of precipitation at all reporting stations within each state. It should be remembered that deficiencies at some stations are far greater than the state figure in Minnesota and South Dakota, and that some stations in Montana and North Dakota also have accumulated deficiencies.

<table>
<thead>
<tr>
<th>Precipitation (Inches)</th>
<th>1933-34</th>
<th>Normal</th>
<th>Departure from Normal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minnesota</td>
<td>2.48</td>
<td>2.67</td>
<td>—.19</td>
</tr>
<tr>
<td>Montana</td>
<td>3.48</td>
<td>2.77</td>
<td>+.71</td>
</tr>
<tr>
<td>North Dakota</td>
<td>1.73</td>
<td>1.61</td>
<td>+.12</td>
</tr>
<tr>
<td>South Dakota</td>
<td>1.05</td>
<td>1.82</td>
<td>—.77</td>
</tr>
</tbody>
</table>

Grain on Farms January 1, 1934

The total supply of wheat held on farms in the four complete states of the Ninth Federal Reserve District on January 1, 1934, was estimated to be less than 65,000,000 bushels by the United States Department of Agriculture. This amount was 57 per cent of the 1933 production in the same four states. On January 1 last year, farm stocks were 49 per cent of the preceding year's production. The farm stocks estimates include all wheat on farms as of the date of the report, both stocks to be sold and stocks for food, seed and feeding. In the entire United States, January 1, 1934 farm stocks were smaller than any January 1 stocks since these estimates were first made (1927), but in our four states they were more than 50 per cent larger than the low point reached on January 1, 1932, following the exceedingly low production of the drouth year, 1931.

Stocks of corn and oats on farms in the four complete states of the District, on January 1, 1934, were each smaller than on the same date last year but larger than on January 1, 1932. Corn stocks were about 25 per cent smaller than the stocks on January 1, 1933, and about 60 per cent larger than stocks on the same date in 1932. January 1, 1934 oats stocks were only about half as large as on January 1 last year, and only slightly larger than the low stocks figures established on January 1, 1932.

The figures by states and for the United States for the three grains on January 1 of each of the last four years are given in the tables below:

**Wheat Stocks on Farms, January 1**

<table>
<thead>
<tr>
<th>State</th>
<th>1934</th>
<th>1933</th>
<th>1932</th>
<th>1931</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minnesota</td>
<td>10,499</td>
<td>11,461</td>
<td>9,186</td>
<td>12,839</td>
</tr>
<tr>
<td>Montana</td>
<td>11,150</td>
<td>27,249</td>
<td>5,791</td>
<td>12,360</td>
</tr>
<tr>
<td>North Dakota</td>
<td>36,616</td>
<td>52,990</td>
<td>18,097</td>
<td>35,795</td>
</tr>
<tr>
<td>South Dakota</td>
<td>6,656</td>
<td>25,665</td>
<td>8,693</td>
<td>20,376</td>
</tr>
<tr>
<td>Four States</td>
<td>64,921</td>
<td>117,365</td>
<td>41,767</td>
<td>81,370</td>
</tr>
<tr>
<td>United States</td>
<td>194,136</td>
<td>272,622</td>
<td>322,517</td>
<td>258,949</td>
</tr>
</tbody>
</table>

**Corn Stocks on Farms, January 1**

<table>
<thead>
<tr>
<th>State</th>
<th>1934</th>
<th>1933</th>
<th>1932</th>
<th>1931</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minnesota</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Montana</td>
<td>167</td>
<td>406</td>
<td>149</td>
<td>109</td>
</tr>
<tr>
<td>North Dakota</td>
<td>787</td>
<td>1,070</td>
<td>1,252</td>
<td>970</td>
</tr>
<tr>
<td>South Dakota</td>
<td>22,680</td>
<td>33,472</td>
<td>11,456</td>
<td>36,740</td>
</tr>
<tr>
<td>Four States</td>
<td>83,259</td>
<td>112,807</td>
<td>50,997</td>
<td>92,648</td>
</tr>
<tr>
<td>United States</td>
<td>1,422,556</td>
<td>1,807,338</td>
<td>1,556,349</td>
<td>1,118,424</td>
</tr>
</tbody>
</table>

**Oats Stocks on Farms, January 1**

<table>
<thead>
<tr>
<th>State</th>
<th>1934</th>
<th>1933</th>
<th>1932</th>
<th>1931</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minnesota</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Montana</td>
<td>4,362</td>
<td>7,758</td>
<td>2,113</td>
<td>4,270</td>
</tr>
<tr>
<td>North Dakota</td>
<td>15,276</td>
<td>26,513</td>
<td>11,514</td>
<td>26,528</td>
</tr>
<tr>
<td>South Dakota</td>
<td>11,484</td>
<td>52,048</td>
<td>14,048</td>
<td>45,029</td>
</tr>
<tr>
<td>Four States</td>
<td>97,642</td>
<td>193,374</td>
<td>96,849</td>
<td>177,438</td>
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<tr>
<td>United States</td>
<td>450,448</td>
<td>763,263</td>
<td>655,804</td>
<td>746,977</td>
</tr>
</tbody>
</table>
### GENERAL BUSINESS

**Debts to Individual Accounts**
- All Reporting Cities: $21,894,900
- Minneapolis: 10,293,009
- St. Paul: 4,189,000
- South St. Paul: 416,600
- Great Lakes Ports: 1,441,600
- Beef and Pork, S.E.: 826,900
- Beef and Pork, S.W.: 767,800
- Dairy and Mixed Farming: 907,900
- Wheat and Mixed Farming: 1,258,900
- Wheat and Range: 652,300
- Mining and Lumber: 1,318,400

**Electric Power Consumption (K.W.H.)**
- Minneapolis, No. Dak. and So. Dak.: 3,626,100
- Montana: 2,559,200

**Country Check Clearings**
- Total: $2,725,000
- Minnesota: 1,034,000
- Montana: 387,600
- North and South Dakota: 802,600
- Michigan and Wisconsin: 510,300

**Freight Carloadings—N. W. District**
- Total—Excluding L. C. L.: 255,185
- Grains and Grain Products: 33,441
- Livestock: 20,557
- Coal: 34,845
- Coke: 3,854
- Forest Products: 24,312
- Ore: 354
- Miscellaneous: 87,284
- Merchandise—L.C.L.: 7,032

**Building Permits**
- Number—18 Cities: 249
- Value—18 Cities: $574,800
- Minneapolis: 361,700
- St. Paul: 161,100
- Duluth-Superior: 29,200
- 4 Wheat Belt Cities: 5,200
- 6 Mixed Farming Cities: 1,500
- 4 Mining Cities: 1,500

**Building Contracts Awarded**
- Total: $3,821,000
- Commercial: 176,200
- Factories: 103,900
- Educational: 467,800
- Hospitals, etc.: 12,600
- Public: 243,900
- Religious and Memorial: 25,000
- Social and Recreational: 276,600
- Residential: 73,700
- Public Works: 1,704,800
- Public Utilities: 761,100

**Real Estate Activity in Hennepin and Ramsey Counties**
- Warranty Deeds Recorded: 336
- Mortgages Recorded: 914

**Manufacturing and Mining**
- Flour Production at Mpls., St. Paul and Duluth-Superior (Bbls.): 806,781
- Flour Shipment at Mpls., (Bbls.): 741,841
- Unseed Product Shipment (Lbs.): 13,435,090
- Copper Output (3 Firms) (Lbs.): 11,255,060

**Business Failures**
- Number: 30
- Liabilities: $414,803

---

### AGRICULTURE

**Farmers' Cash Income**
- Total of 7 Items: $16,982,900
- Bread Wheat: 2,150,000
- Durum Wheat: 386,000
- Rye: 140,000
- Flux: 852,000
- Potatoes: 1,016,000
- Dairy Products: 7,200,000
- Hogs: 5,421,000

**Butter Production (Lbs.)**
- 32,632,000

**Grain Marketings at Minneapolis and Duluth-Superior (Bus.)**
- Wheat: 2,102,000
- Durum Wheat: 338,000
- Rye: 232,000
- Flux: 120,000

**Grain Stocks at End of Month at Minneapolis and Duluth-Superior (Bus.)**
- Wheat: 24,905,401
- Corn: 9,465,886
- Oats: 28,005,214
- Barley: 10,284,416
- Rye: 6,813,886

**Duluth-Superior (Bus.)**
- 30,937,613

**Wheat and Mixed Farming Cities**
- Value: 1,118,000
- Corn: 377,000

**Bread Butcher Steers**
- 5,850,000

**Prime Light Butcher Steers**
- 5.85,000

**Total**
- 125,493,000

---

### TRADE

**Department Stores**
- Sales: $3,704,720

**Furniture Stores**
- Total Sales: $4,480,000

**Cattle Receipts**
- Prime Light Butcher Steers: 5,850

---

### LIFE INSURANCE SALES

**Four States**
- Minnesota: 9,124,000
- Montana: 1,116,000
- North Dakota: 915,000
### Comparative Statistics of Business in the Ninth Federal Reserve District (Continued)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales to Banks</td>
<td>1,715,100</td>
<td>1,656,300</td>
<td>1,621,600</td>
<td>1,586,900</td>
</tr>
<tr>
<td>Sales to Insurance Companies</td>
<td>557,560</td>
<td>556,350</td>
<td>555,140</td>
<td>553,930</td>
</tr>
<tr>
<td>Sales to General Publics</td>
<td>5,347,900</td>
<td>5,288,200</td>
<td>5,269,500</td>
<td>5,249,800</td>
</tr>
</tbody>
</table>

### Wholesale Trade

<table>
<thead>
<tr>
<th>Groceries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
</tr>
<tr>
<td>Stocks</td>
</tr>
<tr>
<td>Receipts</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hardware</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
</tr>
<tr>
<td>Stocks</td>
</tr>
<tr>
<td>Receipts</td>
</tr>
</tbody>
</table>

**BANKING**

### Member Bank Deposits

<table>
<thead>
<tr>
<th>In Cities Over 15,000 pop.</th>
<th>$331,085,000</th>
<th>$264,325,000</th>
<th>$236,750,000</th>
<th>$208,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Cities Under 15,000 pop.</td>
<td>$263,565,000</td>
<td>$274,165,000</td>
<td>$289,000,000</td>
<td>$301,000,000</td>
</tr>
<tr>
<td>Minnesota - 15 Cos.</td>
<td>$40,925,000</td>
<td>$31,790,000</td>
<td>$30,500,000</td>
<td>$29,250,000</td>
</tr>
<tr>
<td>Minnesota</td>
<td>$108,958,000</td>
<td>$105,326,000</td>
<td>$99,000,000</td>
<td>$92,500,000</td>
</tr>
<tr>
<td>Montana</td>
<td>$39,024,000</td>
<td>$37,538,000</td>
<td>$35,000,000</td>
<td>$32,500,000</td>
</tr>
<tr>
<td>North Dakota</td>
<td>$24,844,000</td>
<td>$27,011,000</td>
<td>$25,500,000</td>
<td>$23,000,000</td>
</tr>
<tr>
<td>South Dakota</td>
<td>$32,707,000</td>
<td>$36,900,000</td>
<td>$34,500,000</td>
<td>$32,000,000</td>
</tr>
<tr>
<td>Wisconsin - 26 Cos.</td>
<td>$14,519,000</td>
<td>$17,495,000</td>
<td>$16,000,000</td>
<td>$14,500,000</td>
</tr>
</tbody>
</table>

### BANK DEBITS

#### Number of Business Days:

- Michigan
  - Escanaba (1 Bank)...
  - Hancock
  - Houghton
  - Iron Mountain
  - Iron River (Capian, Stambaugh)
  - Manistique (1 Bank)
  - Marquette
  - Menominee
  - Sault Ste. Marie...
- Minnesota
  - Albert Lea
  - Austin
  - Belvid
  - Chaska
  - Chisago
  - Cloquet
  - Crookston
  - Detroit Lakes
  - Duluth
  - Ely
  - Faribault (1 Bank)
  - Farmington
  - Fargo Falls
  - Glens Falls
  - Hutchinson (1 Bank)
  - Lakefield
  - Larssbo
  - Little Falls
  - Luverne
  - Manistee
  - Minnesota (2 Banks)
  - Moorhead
  - Morris
  - Owatonna
  - Park Rapids
  - Red River Falls
  - Rochester
  - St. Cloud
  - St. Paul...
  - South St. Paul...
  - Stillwater...
  - Thief River Falls...
  - Two Harbors...
  - Wabasha
  - Waseca
  - Watonwan (1 Bank)
  - Winona
  - Worthington (1 Bank)

#### Sales

- North Dakota
  - Bismarck
  - Devils Lake
  - Dickinson
  - Fargo
  - Grafton
  - Grand Forks
  - Jamestown
  - Mandan
  - Minot
  - Valley City
  - Washington
  - Williston

#### Montana

- Anaconda
- Billings
- Bozeman
- Butte (2 Banks)
- Deer Lodge
- Glendive
- Great Falls
- Havre
- Helena
- Kalispell
- Lewistown
- Miles City (1 Bank)
- Missoula
- Montana
- Nashville
- North Dakota
- Bismarck
- Devils Lake
- Dickinson
- Fargo
- Grafton
- Grand Forks
- Jamestown
- Mandan
- Minot
- Valley City
- Washington
- Williston
- Worthington

#### South Dakota

- Aberdeen
- Brookings (1 Bank)
- Deadwood
- Huron
- Lead
- Milbank
- Mitchell
- Mobridge
- Pierre
- Rapid City
- Roby Falls
- Watertown
- Yankton
- Wisconsin
  - Ashland
- Chippewa Falls
- Eau Claire
- Hudson
- La Crosse
- Melbourne
- Superior

#### Interest Rates

- Minneapolis Banks
  - Commercial Paper (net to borrower) 1% 1%

- Minneapolis Fed. Res. Bank

- Selected City Member Banks

- Loans to Customers

- Other Invested Funds

- Cash and Due from Banks

- Deposits Due to Banks

- Loans to Public Demand Deposits

- Other Demand Deposits

- Time Deposits

- Total Deposits

- Borrowings at Fed. Res. Bank

- Minneapolis Federal Reserve Bank

- Loans to Member Banks

#### Daily Averages

#### Figures for Smaller Number of Banks

*Figures for a smaller number of banks.*
Summary of National Business Conditions
(Compiled February 24 by Federal Reserve Board)

The volume of industrial production increased by more than the usual seasonal amount in January and the early part of February. The general level of wholesale commodity prices, after showing relatively little change during the last five months of 1933, advanced considerably after the turn of the year.

PRODUCTION AND EMPLOYMENT: The output of factories and mines, as measured by the Federal Reserve Board's seasonally adjusted index of industrial production, advanced from 75 per cent of the 1923-1925 average in December to 78 per cent in January. This compares with a record low level of 72 per cent in November and a level of 65 per cent in January, 1933. The January advance reflected chiefly increases of more than the usual seasonal amount in the textile, meat packing, automobile and anthracite coal industries. Activity at cotton mills, which had reached an unusually high level in the summer of 1933 and had declined sharply in the latter part of the year, showed a substantial increase in January. The output of automobiles also increased by more than the usual seasonal amount, while activity in the steel industry showed little change, following a non-seasonal increase in December. In the first half of February, there was a further growth in output at automobile factories, and activity at steel mills showed a substantial increase.

Factory payrolls, which usually decline considerably at this season, showed little change between the middle of December and the middle of January, while factory employment declined by about the usual seasonal amount. There were substantial increases in employment and payrolls in the automobile, hardware, shoe and women's clothing industries. While decreases, partly of a seasonal character, were reported for the hosiery, tobacco, furniture and lumber industries.

The value of construction contracts, as reported by the F. W. Dodge Corporation, showed a decline in January and the first part of February, following a substantial increase in the latter part of 1933. As in other recent months, public works made up a large part of the total.

DISTRIBUTION: Freight traffic increased in January by more than the usual seasonal amount, reflecting larger shipments of coal and merchandise. Sales by department stores showed the usual seasonal decline after the holiday trade.

DOLLAR EXCHANGE: The foreign exchange value of the dollar in relation to gold currencies, which in January had fluctuated around a 63 per cent of par, declined after January 31 to slightly above its new parity of 59.06 per cent.

PRICES: Wholesale commodity prices showed a general increase between the third week of December and the third week of February and the weekly index of the Bureau of Labor Statistics advanced from 70.4 per cent of the 1926 average to 73.7 per cent. There were substantial increases in livestock prices; wool continued to advance and cotton reached a level higher than at any other time since 1930. Scrap steel advanced to about the level prevailing in the summer of 1933.

BANK CREDIT: As a consequence of the reduction on January 31 of the weight of the gold dollar, together with substantial imports of gold from abroad, the dollar amount of the country's stock of monetary gold increased from $4,035,000,000 on January 17 to $7,089,000,000 on February 16. About $3,000,000,000 of this increase was reflected in a growth of the cash held by the Treasury, which includes gold bullion.

Notwithstanding a further reduction in discounts for member banks and in acceptance holdings of the Reserve banks, member banks' reserve balances increased moderately during this period, reflecting gold imports, a return of currency from circulation and a reduction in United States Government deposits with the Reserve banks. In the middle of February, these balances were more than $900,000,000 above legal reserve requirements.

At reporting member banks, there was a growth between January 17 and February 14 of more than $600,000,000 in holdings of United States Government securities and of more than $500,000,000 in United States Government deposits, reflecting Treasury financing. Loans on securities and other loans increased slightly and bankers' balances showed a substantial growth.

Short-term money rates in the open market remained at low levels. On February 2, the Federal Reserve Bank of New York reduced its discount rate from 2 per cent to 1 1/2 per cent, and during the succeeding two weeks reductions of one-half per cent were made at the Federal Reserve Banks of Cleveland, Boston, St. Louis, Dallas, Richmond, Kansas City, Atlanta and San Francisco.