

MONTHLY REVIEW

OF

AGRICULTURAL AND BUSINESS CONDITIONS

IN THE

NINTH FEDERAL RESERVE DISTRICT

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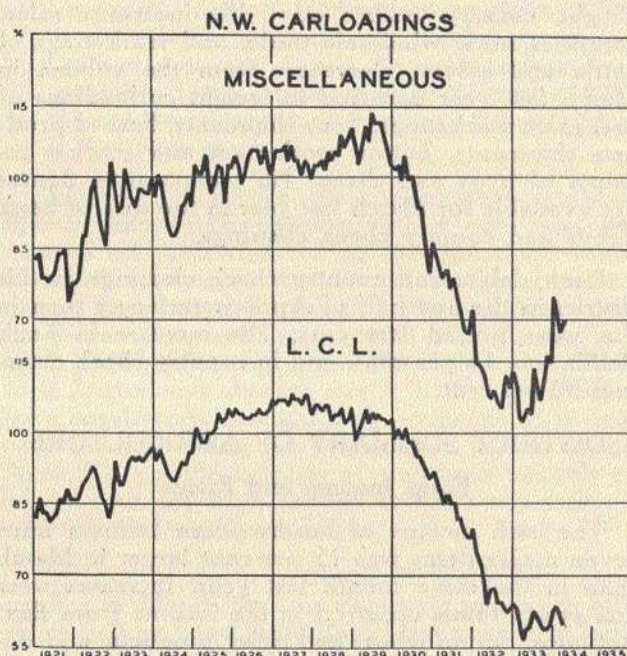
April 28, 1934

DISTRICT SUMMARY OF BUSINESS

Business in the district appears to have been somewhat more active in March than in February, after allowance for purely seasonal factors. The volume of business in the district was also larger than the volume a year ago, but this comparison is of small significance since in March last year the events of the bank holiday period greatly hampered the transaction of many kinds of business, and as a result the total volume of business in that month was the smallest in any month during the depression years, after making seasonal corrections.

The index of bank debits, on a seasonally corrected basis, increased from 57 in February 1934, to 61 in March. The country check clearings index rose from 99 in February, to 101 in March. The seasonally corrected index of miscellaneous freight carloadings increased from 67 in February, to 70 in March, but the index of less-than-carlot freight movement declined from 62 in February, to 60 in March.

Retail trade reports for March indicate that the rural areas continued to experience greater increases over last year than the larger cities. Eighty-two rural department stores and general stores reported sales 54 per cent larger in March than in the same month last year, whereas thirty-two city department stores reported a 29 per cent increase. Similarly, representative rural furniture stores reported sales 31 per

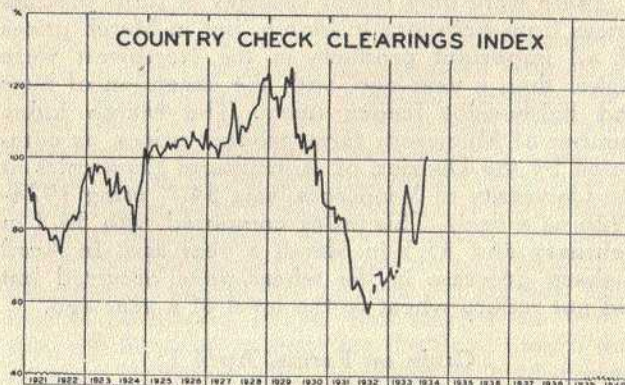


Carloadings of Miscellaneous Commodities and Less-than-carlot Freight in the Northwestern District, Adjusted to remove seasonal variations.

cent larger in March than a year ago, whereas city furniture stores reported only a 3 per cent increase.



Bank Debits Index for Reporting Cities in the Ninth Federal Reserve District, Adjusted for Seasonal Variations.



Country Check Clearings Index, Adjusted to Remove Seasonal Variations.

The greatest percentage increase over March last year among the individual lines of business in this district was in building contracts awarded, which were more than six times as large in March this year as in March a year ago. However, upon analysis, it appears that this enormous increase was due to the small volume of building contracts in the Northwest last year. As a matter of fact, March building contracts in 1934 were slightly smaller than contracts in March 1932, and were less than half as large as March contracts in 1931 or 1930. Other increases over the volume of business in March a year ago occurred in building permits, freight carloadings of coal, coke, forest products, miscellaneous and l.c.l. freight, country lumber sales, life insurance sales, securities sales, wholesale trade, and marketings of cattle and calves. Decreases from the volume in March last year occurred in freight carloadings of ore, grain marketings, flour shipments, linseed products shipments, butter production and market receipts of hogs and sheep. No comparative figures are available for March last year in the case of bank debits and country check clearings.

Bank debits and country check clearings in this district in the first half of April were larger than in the same period last year. The increase in bank debits was 16 per cent, and in country check clearings 36 per cent.

DISTRICT SUMMARY OF AGRICULTURE

Farm Income and Prices

The cash income of northwestern farmers from seven major items was 15 per cent larger in March than in the same month last year. Increases over last year's totals occurred in the income from flax, potatoes, durum wheat and dairy products, and decreases occurred in the income from bread wheat, rye and hogs. These farm income estimates do not include payments to farmers by the Agricultural Adjustment Administration or loans to farmers through the Federal Farm Loan System, or through the corn loan activities of the Reconstruction Finance Corporation.

There were only minor changes in farm product prices from February to March, but in March prices of all important products in the Northwest were higher than a year ago, with the exception of hens and lightweight feeder steers. The March index number of Minnesota farm product prices, as computed by the Division of Agricultural Economics at the University of Minnesota, was 54.1, using 1924-1926 as a basis. This index compared with 54.3 in February and 35.5 in March a year ago. In April a sharp decrease in the wheat price occurred but did not reduce wheat to the level of a year ago.

Grain on Farms, April 1

According to a report issued by the United States Department of Agriculture, farm stocks of wheat on April 1 in the four complete states in the Ninth

Federal Reserve District were about half as large as on the same date last year, but were nearly double the farm stocks April 1 two years ago, and about the same as on April 1, 1931. In the entire United States, however, the April 1 stocks of wheat on farms were smaller than on any other April 1 since the current series of estimates was started (1928). Disappearance of wheat from farms in the United States was smaller during the first quarter of 1934 than in the same period of any of the last seven years.

Farm stocks of the principal feed grains, corn and oats, in our four states were smaller on April 1 this year than on the same date a year ago. Farm stocks of oats showed the greatest reduction, being only about half as large as on April 1 last year. They were slightly larger than on April 1, 1932, following the low production year of 1931, but were much smaller than on April 1, 1931. Stocks of corn on farms in our four states on April 1 were less than the stocks on Minnesota farms alone on April 1 last year. They were a little smaller than on April 1, 1931, although they were about double the stocks on April 1, 1932, because of the unusually small corn crop of 1931 in our district.

In the United States as a whole, the April 1 farm stocks of oats were the smallest of the entire nine year period for which the current series of estimates is available. Farm stocks of corn in the entire United States were nearly three-fourths as large as on the same date last year, and were almost as large as the average since 1928.

Grain on Farms, April 1, 1931-1934

(Bushels; 000's omitted)

Wheat	1934	1933	1932	1931
Minnesota	5,333	7,502	5,043	7,371
Montana	8,702	20,576	3,620	7,416
North Dakota ...	24,193	37,535	12,065	20,609
South Dakota ...	4,096	18,714	4,681	11,773
Four States	42,324	84,327	25,409	47,169
United States	114,647	182,935	169,990	118,772
Corn				
Minnesota	32,698	46,229	18,696	29,820
Montana	69	203	133	38
North Dakota	277	438	417	306
South Dakota ...	13,097	18,409	4,582	18,059
Four States ...	46,141	65,279	23,828	48,223
United States ...	834,337	1,123,809	913,666	625,086
Oats				
Minnesota	41,455	67,527	37,058	59,967
Montana	3,256	5,239	1,601	2,402
North Dakota	9,963	18,938	6,945	16,881
South Dakota ...	8,874	33,100	8,629	28,143
Four States	63,548	124,804	54,233	107,393
United States ...	271,339	468,009	365,794	429,885

Winter Wheat and Rye Conditions

The United States Department of Agriculture April 1 forecast of winter wheat production in the three of our four complete states for which forecasts are prepared, was about the same as last

year's production, and about 70 per cent of the 1927-1931 average. As usual, more than two-thirds of the Ninth Federal Reserve District winter wheat production is forecast for Montana. The total United States forecast is nearly 50 per cent larger than the 1933 production and about 75 per cent of the 1927-31 average. Forecasts were based entirely on the April 1 seeded acreage and the condition of the winter wheat crop as of that date (after taking probable abandonment into consideration) and make no allowance for acreage reductions which may be made in order to comply with wheat production contracts under the controlled production program of the AAA.

While no forecasts of 1934 rye production were made as of April 1, the condition of winter rye in each of our four states and in the United States was lower than on April 1 last year and lower than the ten year average 1922-1931. The condition of winter rye on April 1 in South Dakota was much lower than in any other state, and the next lowest was North Dakota. These two states normally produce nearly 60 per cent of the entire United States rye crop.

Winter Wheat Production (Bushels; 000's omitted)

	Forecast April 1, 1934	Production 1933	Production 1927-1931 Average
Minnesota	1,608	2,370	3,284
Montana	7,756	6,166	9,016
South Dakota	354	870	1,386
Three States	9,718	9,406	13,686
United States	491,673	351,030	632,061

Livestock Marketings

Hog receipts at South St. Paul continued to decrease during March, and were much smaller than in March last year. On the other hand, total receipts at the seven principal midwestern livestock markets (including South St. Paul) were a little larger in March 1934 than in March a year ago. During the first three weeks of April, however, total receipts at the seven markets, as well as receipts at South St. Paul, have been smaller than in the same period last year.

The median price of hogs at South St. Paul declined during March from the comparatively high price of February (\$4.20), and has continued to decline during the first three weeks of April. The weekly average price has declined each week since the middle of February, despite a noticeable improvement in the quality of the marketings to a point where a majority of the hogs received merit a "medium to good" classification. The average for the week ending February 15 was \$4.07, and for the week ending April 19, \$3.39.

Cattle receipts at South St. Paul during March were somewhat larger than in the shorter month of February and were much larger than in March last year. Receipts of cattle and calves during the first quarter of 1934 were 32 per cent larger than during the same three months in 1933. Prices for all grades and classes of cattle for which medians are computed in this office were higher in March than in February, with the exception of lightweight feeder steers, which were unchanged, and veal calves, which showed a seasonal decline.

During the first three weeks of April, despite sustained heavy marketings both at South St. Paul and at the seven principal midwestern markets, prices of butcher cattle at South St. Paul have shown further increases, and during the week ending April 18, established new top prices since November 1932 for the comparatively small number of well-finished cattle that were received.

Shipments of feeder cattle were much larger in March than in the same month a year ago, but tapered off somewhat during the first three weeks of April, and were slightly below the shipments during the same three weeks last year. Prices paid for feeder cattle in March showed little change from those paid in February and in March last year. Well-bred feeder and stocker steers, heifers and calves have consistently brought high premiums over ordinary feeders during the seven week period ending April 18, but the number of well-bred animals received was not large enough to have any material effect on the weekly averages.

Receipts of sheep at South St. Paul were much smaller in March than in February and were only about half as large as in March last year. The large decrease in marketings, when compared with a year ago, occurred despite a total number of sheep on farms on January 1, 1934 that was practically as large as on January 1, 1933.

Cold Storage Holdings

United States cold storage holdings of important farm products improved during the month of March. There was a decrease of 22,000,000 pounds of butter during that month as compared with an average March decrease of 9,000,000 pounds. As a result stocks of butter which have been abnormally large throughout the winter were less than 1,000,000 pounds larger on April 1 than the five-year average for that date. Cold storage holdings of pork showed a similar improvement with a decline during March of 79,000,000 pounds as compared with an average decrease of 17,000,000 pounds. As a result holdings of pork were 16 per cent smaller on April 1 than the five-year average for the date. Larger than average decreases also occurred in cold storage holdings of poultry, beef, and lamb and mutton. Holdings of lard decreased 4,000,000 pounds, whereas there is usually an increase during March

of about the same amount. Nevertheless, holdings of lard continued to be considerably heavier than the average.

United States Cold Storage Holdings

(In thousands of pounds)

	April 1, 1934	April 1, 1933	April 1 5-year Average
Beef	55,905	33,781	62,317
Pork	657,466	610,240	784,213
Lamb and Mutton...	2,023	1,818	2,877
Miscellaneous Meats..	55,692	41,858	73,887
Total Meats	771,086	687,697	923,294
Lard	173,414	61,674	106,011
Cream**	82	55	.....
Butter	15,352	9,255	14,489
Cheese	62,155	48,806	56,338
Poultry	74,201	67,285	77,274
Eggs*	2,313	3,121	3,025

* Thousand Cases

** Thousand Cans

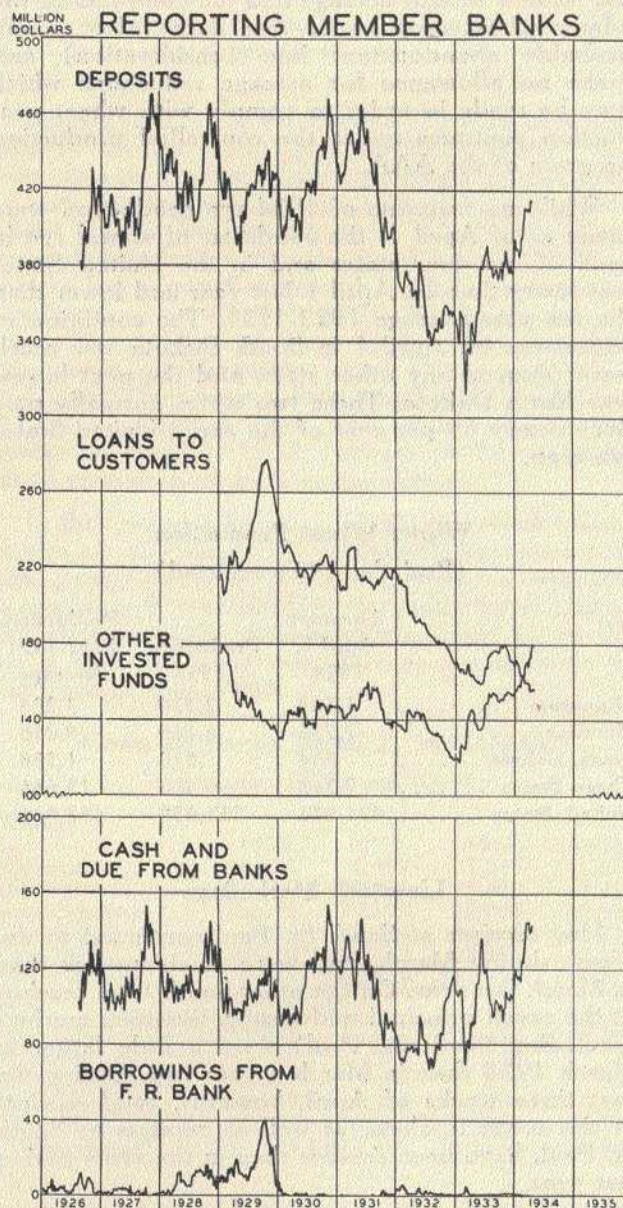
DISTRICT SUMMARY OF BANKING

Banking reports in recent weeks have revealed a continued growth of deposits and of the idle funds in northwestern banks. The excess reserves of member banks in the Ninth Federal Reserve District increased from \$21,100,000 in February to \$29,600,000 in March, using daily averages as a basis. Of this increase \$5,000,000 occurred in the excess reserves of country banks, and \$3,500,000 in the excess reserves of reserve city banks.

The weekly reports of city banks give further evidence of this growth of idle country bank funds. These city banks maintain accounts for country correspondent banks and these country bank accounts increased from \$85,000,000 in the middle of February to \$96,000,000 in the middle of March and to more than \$100,000,000 in mid-April. At present these balances are considerably larger than the average carried by country banks with their city correspondents during the pre-depression years and, in fact, the present total of these balances has only been exceeded a few times in the entire period for which records are available. Likewise, the city banks of this district, in addition to carrying excess reserves with the Federal Reserve Bank, were also carrying large balances with other banks. These funds due from banks, as reported by city member banks, amounted to \$75,000,000 in the middle of February, \$90,000,000 in the middle of March and \$87,000,000 in mid-April.

Country bank deposits continued to increase during March according to the evidence of the daily average deposits of member banks in the district located in cities with less than 15,000 population. At these member banks deposits increased nearly \$6,000,000 between the daily average for February and the daily average for March, of which \$1,000,000 was due to the admission of new mem-

ber banks and the reopening of banks which had been in the hands of conservators. Since the bank holiday more than a year ago, deposits of country member banks in the district have risen \$47,000,000, of which \$20,000,000 was due to the admission of new member banks and the reopening of other member banks.



Principal Assets and Liabilities of City Member Banks in the Ninth Federal Reserve District, which make weekly reports to the Federal Reserve Bank.

Reporting city member banks in the district experienced an increase in deposits of \$4,000,000 during the five weeks ending April 18. This increase was entirely caused by a rise in balances due to other banks, which gained \$5,000,000. Other deposit changes at these city banks during the five-week period include an increase of \$1,000,000 in

public funds, an increase of \$1,000,000 in other demand deposits, and a decrease of \$3,000,000 in time deposits. On the asset side of the report, the city banks experienced a decrease of \$4,000,000 in loans to customers and a decrease in cash and due from banks of \$2,000,000. Investment holdings increased \$12,000,000 during the five weeks. The additions were chiefly United States Government securities.

The Call of March 5

Preliminary figures from the call for member bank reports of condition on March 5, 1934 indicate that deposits of member banks in the district increased nearly 38 million dollars between the close of 1933 and the date of the latest call. About four million dollars of this increase in deposits was due to the admission of several new member banks during the first two months of 1934 and to the reopening of several other member banks which had been in the hands of conservators. An additional portion of the deposit increase resulted from the absorption of a non-member trust company by one of the city member banks early in January. As a result of these additions and other deposit increases, the total deposits of member banks in the district on March 5 were 778 million dollars. Loans and investments increased 24 million dollars between the December and March calls and amounted to 655 million dollars on March 5. Of the loans and investments, 283 million dollars were loans to customers and 372 million dollars were investments, including such short-term investments as bankers' acceptances, commercial paper, and brokers' loans.

City bank changes as revealed by the March 5 call were not particularly significant in view of the lack of comparability, owing to the absorption of a non-member bank, as noted above, and also because more recent figures for the same banks are available on a weekly basis. It is sufficient to say that deposits of the twenty city member banks increased 13 million dollars between the December and March calls, loans to customers decreased six million dollars, and investments increased 20 million dollars. Of the increase in investments, 18 million dollars was in United States Government securities.

The country member bank changes as revealed by the March 5 call were much more significant. Although other statistics have indicated that country bank deposits have been rising and that there have been increases in their excess reserves and balances with correspondent banks, it is only on call dates that it is possible to inspect the changes in country member bank loans and investments. It is advisable, in analyzing the country bank changes, to eliminate from the figures for March 5 the reports of those banks which have entered the System, or reopened, since the preceding call. After making this elimination for the sake of comparability, it is found that deposits of country member banks in the district

increased 20 million dollars, or approximately 6 per cent, between the December and March calls. Loans and investments at these country banks increased only seven million dollars during the same period. The increase in deposits was greater than the increase in loans and investments, and this fact, together with the receipt of funds from other sources, such as the sale of preferred stock to the Reconstruction Finance Corporation, was responsible for the pronounced growth in idle funds of country member banks which has been in evidence in recent months.

Loans to customers at country member banks in this district declined six million dollars, or 5 per cent, between the December and March calls. Of this decrease, one and one-half million dollars was in loans on farm land, one-half million dollars was in loans on other real estate, and four million dollars was in "all other" loans. Almost the entire increase of 13 million dollars in investment holdings of country member banks was in United States Government securities.

In the table below is shown the composition of the portfolio of loans and investments and deposits of city and country member banks in the district on March 5, 1934. This table includes those banks which entered the System between the December and March calls. The city member banks are the twenty banks which make weekly reports to this office.

Loans to Customers, Investments and Deposits of Member Banks in the Ninth Federal Reserve District, March 5, 1934

(000's omitted)

	All Mem- ber Bks.	City Mem- ber Bks.	Country Member Bks.
Loans to Customers			
To banks	\$ 3,206	\$ 1,399	\$ 1,807
To other customers			
On securities	64,660	40,972	23,688
On farm land	15,606	1,907	13,699
On other real estate	19,064	6,212	12,852
All other (inc. overdrafts)	180,161	109,705	70,456
Total	\$282,697	\$160,195	\$122,502
Investments			
Bankers' Acceptances of			
other banks	\$ 1,553	\$ 1,503	\$ 50
Commercial Paper	4,569	1,624	2,945
Brokers' loans	2,444	2,232	212
U. S. Securities	197,268	110,580	86,688
Other securities	166,704	55,478	111,226
Total	\$372,538	\$171,417	\$201,121
Total Loans and			
Investments	\$655,235	\$331,612	\$323,623
Total Deposits	\$778,048	\$408,797	\$369,251

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS			Per Cent March '34 of March '33
Debits to Individual Accounts ¹			
March '34	March '33	March '33	
All Reporting Cities.....	\$ 22,661,700	\$.....	
Minneapolis	10,060,000	.....
St. Paul	4,752,000	.....
South St. Paul.....	418,000	.....
Great Lakes Ports.....	1,394,100	.....
Beef and Pork, S.E.....	845,000	.....
Beef and Pork, S.W.....	819,100	.....
Dairy and Mixed Farming.....	1,091,400	.....
Wheat and Mixed Farming.....	1,364,400	.....
Wheat and Range.....	622,400	.....
Mining and Lumber.....	1,295,300	.....
Electric Power Consumption (K.W.H.) ^{1,2}			
Minn., No. Dak and So. Dak.....	4,574,900	4,185,800	109
Montana	2,500,900	1,999,400	125
Country Check Clearings ¹			
Total	\$ 3,132,300	\$.....	
Minnesota	1,180,200	.....
Montana	417,500	.....
North and South Dakota.....	974,800	.....
Michigan and Wisconsin	559,800	.....
Freight Carloadings—N. W. District			
Total—Excluding L. C. L.....	220,727	159,934	138
Grains and Grain Products.....	34,369	28,810	119
Livestock	14,645	15,262	96
Coal	26,524	18,542	143
Coke	4,697	2,135	220
Forest Products	32,798	19,292	170
Ore	441	1,829	24
Miscellaneous	107,253	74,064	145
Merchandise—L.C.L.	86,144	80,449	107
Building Permits			
Number—18 Cities	691	558	124
Value—18 Cities	\$ 630,200	\$ 391,000	161
Minneapolis	208,900	137,200	152
St. Paul	154,600	141,800	109
Duluth-Superior	158,400	44,000	360
4 Wheat Belt Cities	27,100	11,200	242
6 Mixed Farming Cities	62,200	35,900	173
4 Mining Cities	19,000	20,900	91
Building Contracts Awarded			
Total	\$ 4,459,700	\$ 726,100	614
Commercial	303,700	149,400	203
Factories	60,200	44,500	135
Educational	940,500	57,800	1,627
Hospitals, etc.	60,000	.....
Public	205,400	27,500	747
Religious and Memorial.....	51,000	25,700	198
Social and Recreational	137,500	10,000	1,375
Residential	261,400	307,400	85
Public Works	1,932,400	65,400	2,955
Public Utilities	507,600	38,400	1,322
Real Estate Activity in Hennepin and Ramsey Counties			
Warranty Deeds Recorded.....	479	444	108
Mortgages Recorded	1,090	540	202
Manufacturing and Mining			
Flour Production at Mpls., St. Paul and Duluth-Superior (Bbls.).....	718,274	770,586	93
Flour Shipments at Mpls. (Bbls.).....	679,249	693,570	98
Linseed Product Shipments (Lbs.).....	12,706,281	13,597,312	93
Copper Output (3 Firms) (Lbs.).....	12,384,200	12,044,000	103
Business Failures			
Number	35	61	57
Liabilities	\$ 712,498	\$ 1,409,029	51
AGRICULTURE			Per Cent March '34 of March '33
Farmers' Cash Income			
March '34	March '33	March '33	
Total of 7 Items.....	\$ 21,248,000	\$ 18,527,000	115
Bread Wheat	1,911,000	2,788,000	69
Durum Wheat	525,000	512,000	103
Rye	73,000	168,000	43
Flax	259,000	134,000	193
Potatoes	3,762,000	2,302,000	163
Dairy Products	10,062,000	7,674,000	131
Hogs	4,656,000	4,949,000	94
Butter Production (Lbs.).....	35,725,000	41,967,000	85
Grain Marketings at Minneapolis and Duluth-Superior (Bus.)			
Bread Wheat	1,912,000	4,591,000	42
Durum Wheat	470,000	893,000	53
Rye	123,000	480,000	26
Flax	142,000	119,000	119
Grain Stocks at END of Month at Minneapolis and Duluth-Superior (Bus.)			
Wheat	32,477,912	40,121,479	81
Corn	10,846,226	1,469,626	738
Oats	26,726,002	13,183,442	203
Barley	9,359,659	6,300,747	149
Rye	5,632,911	5,186,899	109
Flax	980,232	1,145,421	86
Livestock Receipts at So. St. Paul (Head)			
Cattle	55,397	45,367	122
Calves	58,645	42,813	137
Hogs	137,418	161,518	85
Sheep	42,172	83,817	50
Median Cash Grain Prices (Bus.)			
Wheat—No. 1 Dark Northern.....	\$0.887½	\$0.54¼	164
Durum—No. 2 Amber	1.11¼	.57¾	194
Corn—No. 3 Yellow .....	.43¾	.24	182
Oats—No. 3 White .....	.32½	.16	203
Barley—No. 3 .....	.68¾	.27	255
Rye—No. 2 .....	.59½	.35	169
Flax—No. 1	1.82½	1.13	162
Median Livestock Prices (Cwt.)			
Butcher Cows and Heifers.....	\$3.75	\$3.00	125
Heavy Butcher Steers.....	5.25	4.25	124
Light Butcher Steers.....	5.00	4.00	125
Prime Heavy Butcher Steers.....	6.40	5.25	122
Prime Light Butcher Steers.....	6.25	5.00	125
Heavy Stocker & Feeder Steers.....	3.75	3.50	107
Light Stocker & Feeder Steers.....	3.50	3.50	100
Veal Calves	5.50	4.00	138
Hogs	4.00	3.50	114
Heavy Hogs	3.85	3.30	117
Lambs	8.85	6.00	148
Ewes	4.75	2.00	238
Wholesale Produce Prices			
Butter (Lb.)	\$0.21¾	\$0.14¾	143
Milk (Cwt.)	1.30	.73	178
Hens (Lb.) .....	.09	.10½	86
Eggs (Doz.) .....	.12½	.10½	119
Potatoes (Bu.) .....	.95	.30	317
TRADE			
City Department Stores ³			
Sales	\$ 4,975,260	\$ 3,854,890	129
Merchandise Stocks	9,349,850	8,284,670	113
Receivables	5,497,620	4,958,870	111
Instalment Receivables	1,285,700	1,139,970	113
Country Department and Gen'l Stores ³			
Sales	805,180	524,090	154
Merchandise Stocks	2,482,850	2,213,570	112
City Furniture Stores ³			
Total Sales	\$ 62,280	\$ 60,410	103
Instalment Sales	54,730	54,250	101
Merchandise Stocks	286,700	253,280	113
Instalment Receivables	660,490	587,950	112
Country Furniture Stores ³			
Sales	53,720	41,000	131
Merchandise Stocks	285,110	241,810	118
Country Lumber Yards ³			
Sales (Bd. Ft.)	3,778,000	1,902,000	199
Lumber Stocks (Bd. Ft.).....	61,827,000	53,277,000	116
Total Sales	\$ 645,100	\$ 399,100	162
Receivables	1,455,000	1,501,900	97
Life Insurance Sales			
Four States	\$ 13,797,000	\$ 12,583,000	110
Minnesota	10,408,000	9,976,000	104
Montana	1,228,000	1,026,000	120
North Dakota	946,000	625,000	151
South Dakota	1,215,000	956,000	127

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

(Continued)

	March '34	March '33	Per Cent March '34 of '33		March '34	March '33	Per Cent March '34 of '33
Investment Dealers				Interest Rates*			
Sales to Banks.....	\$ 3,065,100	\$ 4,309,400	71	Minneapolis Banks	4-4 1/4	4 3/4-5	
Sales to Insurance Companies.....	626,100	143,500	436	Commercial Paper (net to borrower)	1 1/2	3 1/2	
Sales to General Public.....	3,490,300	2,271,100	154	Minneapolis Fed. Res. Bank.....	3	3 1/2	
Wholesale Trade				Selected City Member Banks	4-18-34	4-19-33	
Groceries*				Loans to Customers.....	\$155,850,000	\$161,713,000	96
Sales	\$ 3,061,790	\$ 2,650,740	116	Other Invested Funds.....	179,000,000	143,019,000	125
Stocks	5,634,960	4,519,120	125	Cash and Due from Banks.....	144,040,000	90,174,000	160
Receivables	3,516,060	3,769,290	93	Deposits Due to Banks	100,257,000	61,338,000	163
Hardware*				Public Demand Deposits.....	29,076,000	19,801,000	147
Sales	\$ 1,290,250	\$ 776,600	166	Other Demand Deposits.....	155,792,000	117,515,000	133
Stocks	2,551,770	2,171,440	118	Time Deposits	122,650,000	139,781,000	88
Receivables	1,391,200	1,255,420	111	Total Deposits	414,109,000	345,123,000	120
Shoes				Borrowings at Fed. Res. Bank.....	0	851,000	0
Sales	\$ 343,130	\$ 194,540	176	Minneapolis Federal Reserve Bank			
Stocks	641,850	548,700	117	Loans to Member Banks.....	\$ 574,000	\$ 8,653,000	7
Receivables	613,670	497,770	123	Twin Cities	0	761,000	0
BANKING				Minn., Wis. and Mich.....	246,000	3,389,000	7
Member Bank Deposits				N. Dak. and Mont.....	132,000	2,217,000	6
In Cities Over 15,000 pop.....	\$392,658,000	\$341,009,000	115	South Dakota	196,000	3,047,000	6
In Cities Under 15,000 pop.....	278,434,000	231,525,000	120	Fed. Res. Notes in Circulation.....	95,812,000	97,351,000	98
Michigan—15 Cos.	44,684,000	37,038,000	121	Fed. Res. Bank Note Circulation—			
Minnesota	115,793,000	95,444,000	121	Net	752,000	20,000	3760
Montana	40,793,000	34,918,000	117	Member Bank Reserve Deposits.....	72,153,000	38,829,000	186
North Dakota	26,591,000	23,989,000	111				
South Dakota	35,016,000	28,221,000	124				
Wisconsin—26 Cos.	15,557,000	11,915,000	131				

*Daily Averages.

*Latest Reported Data.

*Figures for the various items in this section not always from identical firms.

BANK DEBITS

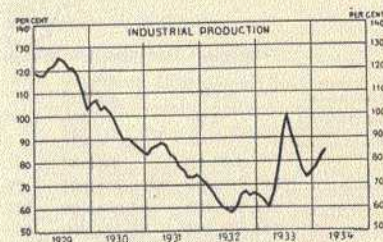
	March 1934	February 1934	March 1933	February 1933		March 1934	February 1934	March 1933	February 1933
Number of Business Days:					Montana				
Minnesota	26	22	—	22	Anaconda	1,112	926	688	613
Wisconsin	27	23	—	23	Billings	5,813	4,640	3,702	3,577
All Other States in District.....	27	22	—	22	Bozeman	1,356	1,192	1,063	1,172
(000's omitted)					Butte (2 Banks).....	6,741	6,651	5,675	5,071
Michigan					Deer Lodge	380	450	523	358
Escanaba (1 Bank).....	\$ 484	\$ 384	\$ 309	\$ 334	Glendive	598	520	638	394
Hancock	1,202	1,053	480	1,088	Great Falls	7,057	5,999	4,637	4,819
Houghton	1,086	1,180	784	1,201	Harlowton	195	180	146	144
Iron Mountain	1,369	1,327	1,043	1,301	Hayre	1,048	778	619	540
Iron River, Caspian, Stambaugh	706	551	286	493	Helena	6,441	5,868	4,861	4,639
Manistique (1 Bank).....	132	105	61	51	Kallispell	1,130	943	863	775
Marquette	2,303	1,837	1,965	2,091	Lewistown	1,021	912	917	783
Menominee	2,472	2,106	1,381	1,432	Malta	390	297	331	299
Sault Ste. Marie.....	1,874	1,551	1,165	877	Miles City (1 Bank).....	749	700	766	555
Minnesota					North Dakota				
Albert Lea	2,040	1,631	1,613	1,261	Bismarck	9,953	9,119	8,689	4,728
Austin	3,296	3,256	2,226	2,107	Devils Lake	1,125	700	619	589
Bemidji	746	781	341*	531	Dickinson	890	663	552	608
Chaska	468	279	343	310	Fargo	12,483	9,329	9,340	8,472
Chisholm	566	585	255	440	Grafton	687	496	316	253
Cloquet	1,517	1,332	1,092	766	Grand Forks	3,419	2,824	1,296**	2,481
Crookston	884	791	536*	699	Jamestown	1,325	1,004	1,237	1,093
Detroit Lakes	764	642	604	519	Mandan	696	576	645	540
Duluth	27,004	22,865	26,224	22,148	Minot	3,557	2,415	2,731	2,370
Ely	280	276	205	225	Valley City	832	640	604	575
Faribault (1 Bank)	1,132	816	707	607	Wahpeton	780	654	580	542
Farmington	140	108	126	110	Williston	754	566	44	607
Fergus Falls	1,748	1,332	1,104	1,061	South Dakota				
Glenwood	219	182	76	193	Aberdeen	3,028	2,346	2,395	2,254
Hutchinson (1 Bank).....	529	463	366	266	Brookings (1 Bank).....	558	554	372	405
Lakefield	292	228	162	164	Deadwood	770	574	593	522
Lanesboro	227	160	161	129	Huron	2,021	1,712	2,425	2,107
Little Falls	623	525	506	467	Lead	1,429	1,291	1,095	1,140
Luverne	572	454	331	281	Madison	667	491	416	366
Mankato	4,029	3,345	3,075	2,741	Milbank	311	220	275	234
Minneapolis	261,547*	216,051*	209,553*	179,575	Mitchell	1,819	1,668	1,322	1,381
Moorhead	1,908	1,588	1,017	738	Mobridge	428	373	310	333
Morris	365*	294*	151*	273	Pierre	1,620	1,548	771	830
Owatonna	2,029	1,587	1,443	1,357	Rapid City	1,687	1,340	1,037	1,202
Park Rapids	182	141	63	231	Sioux Falls	11,987	9,667	9,121	8,254
Red Wing	1,587	1,292	963	891	Watertown	1,876	1,350	1,354	1,336
Rochester	3,184	2,958	2,709	2,578	Yankton	1,412	1,194	925	955
St. Cloud	2,176	2,060	—	—	Wisconsin				
St. Paul	123,560*	98,890*	81,130*	89,365	Ashland	933	613	—	—
Sauk Rapids	253	210	—	—	Chippewa Falls	1,426	1,190	1,025	1,076
South St. Paul.....	10,876	9,959	9,661	8,866	Eau Claire	4,811	3,954	3,062	3,235
Stillwater	1,261	1,090	1,120	1,151	Hudson	322*	292*	197*	334
Thief River Falls.....	647*	643*	344*	445	La Crosse	7,209	5,489	5,478	5,072
Two Harbors	314	270	242	245	Merrill	1,491	992	—	—
Virginia	1,249	1,135	1,007	1,025	Superior	3,607	2,476	2,171	3,033
Wabasha	676	568	417	366					
Wells	429	327	—	—					
Wheaton	283	200	199	192					
Willmar (1 Bank).....	477	384	—	478					
Winona	6,059	4,770	3,679	3,390					
Worthington (1 Bank).....	544	394	295	322					

*Figures for a smaller number of banks

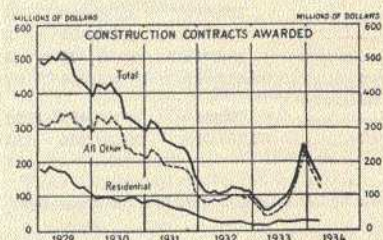
**Including one bank operated by conservator

Summary of National Business Conditions

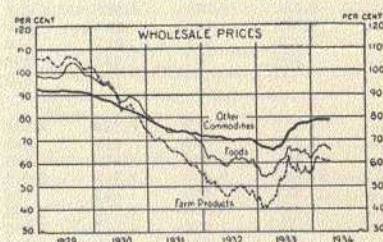
(Compiled April 21 by Federal Reserve Board)



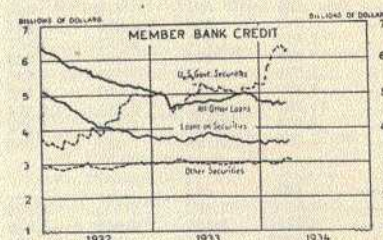
Index number of industrial production, adjusted for seasonal variations. (1923-1925 average=100.)



Three month moving averages of F. W. Dodge data for 37 Eastern states, adjusted for seasonal variation. Latest figure based on data for February and March and estimated for April.



Indexes of the United States Bureau of Labor Statistics. By months 1929 to 1931; by weeks 1932 to date (1926=100.)



Wednesday figures for reporting member banks in 90 leading cities. Latest figures are for April 11.

The volume of industrial production increased further in March and there was considerable growth in factory employment and payrolls. The general level of commodity prices showed little change between the middle of March and the middle of April but in the third week of April there was a sharp decline in grain prices.

PRODUCTION AND EMPLOYMENT: The output of manufactures and minerals, as measured by the Federal Reserve Board's seasonally adjusted index of industrial production, advanced from 81 per cent of the 1923-1925 average in February to 84 per cent in March. This advance reflected chiefly increases of more than the usual seasonal amount in the output of steel, automobiles, and lumber and an increase contrary to seasonal tendency in the output of coal. Production of textiles showed little change in volume on a daily average basis. In the early part of April, activity at steel mills and automobile factories increased further, according to trade reports, while coal production declined by a more than seasonal amount. The volume of employment at factories increased further between the middle of February and the middle of March by about 4 per cent, an amount larger than is usual at this season. Employment on the railroads and at mines also showed an increase. The number on the payrolls of the Civil Works Administration was reduced from about 3,700,000 in the middle of February to about 2,400,000 in the middle of March and 1,900,000 at the end of the month.

The value of construction contracts awarded in March, as reported by the F. W. Dodge Corporation, showed a considerable increase from the low level of February, followed, in the first half of April, by a decline. For the first quarter as a whole, the value of contracts was somewhat smaller than in the last quarter of 1933; publicly-financed projects continued to make up about three-fourths of the total.

DISTRIBUTION: The volume of freight car loadings showed a further increase in March, reflecting chiefly seasonal increases in shipments of merchandise and miscellaneous freight and a continued large volume of coal shipments, which usually decline in March. In the early part of April, total carloadings showed a decline, reflecting a sharp reduction in coal shipments. The dollar volume of trade in department stores increased in March by considerably more than the estimated seasonal amount, after allowance for the early date of Easter this year.

COMMODITY PRICES: The general level of wholesale commodity prices, as measured by the index of the Bureau of Labor Statistics, was 73.3 per cent of the 1926 average in the week ending April 14, as compared with 73.8 per cent in the week ending March 10. During this period prices of steel, copper, and automobiles advanced while prices of farm products decreased somewhat. In the third week of April, wheat prices declined sharply and there were also declines in the prices of other grains, cotton, and silver.

BANK CREDIT: During the four weeks ending April 18 member banks' reserve balances increased by \$220,000,000 raising the volume of reserves in excess of legal requirements to \$1,600,000,000. This increase reflected a growth of \$105,000,000 in the monetary gold stock and further disbursements by the Treasury of funds from its cash holdings and its deposits with the Reserve banks.

At reporting member banks in leading cities an increase of \$400,000,000 in net demand and time deposits for the four week period ending April 11, reflected chiefly the deposit by the public of funds disbursed by the Treasury, as well as a growth in bankers' balances. Government deposits were reduced by about \$200,000,000. Holdings by these banks of securities, other than United States Government obligations, increased by \$64,000,000, and their loans both on securities and all other also increased slightly, with the consequence that total loans and investments showed a growth of \$100,000,000 for the period.

Money rates in the open market declined further in April. Rates on prime 4-6 month commercial paper were reduced from a range of 1-1¼ per cent to 1 per cent, and rates on 90-day acceptances were reduced from ¼ per cent to a range of ⅛-¼ per cent. Yields on government securities also declined.