

MONTHLY REVIEW

OF

AGRICULTURAL AND BUSINESS CONDITIONS

IN THE

NINTH FEDERAL RESERVE DISTRICT

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Vol. V (Serial
No. 206)

Minneapolis, Minnesota

February 29, 1932

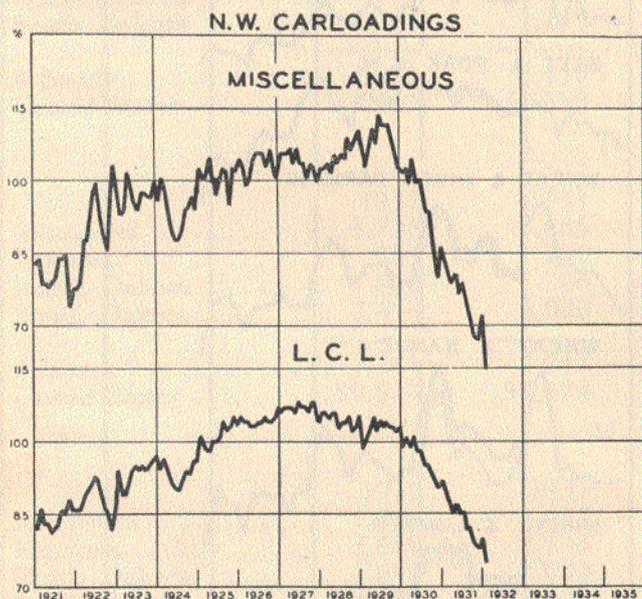
DISTRICT SUMMARY OF BUSINESS

The volume of business in the district decreased between December and January by more than the usual amount, and the volume was also smaller than in January a year ago. Weather conditions were partly responsible for the unfavorable showing. In January, heavy snows occurred over most of the district, blocking roads and hindering trade in the rural areas. Both in December and in January last year mild weather prevailed. The country check clearings index, adjusted for the usual seasonal variation, dropped from 65 in December to 63 in January, the seasonally corrected index of miscellaneous freight carloadings decreased from 72 in December to 61 in January, and the corrected index of less-than-carload freight decreased from 80 in December to 75 in January. The bank debits index remained unchanged from December to January.

Bank debits in January were 24 per cent smaller than in January last year. The country check clear-

ings index was 26 per cent smaller than in January last year. Freight carloadings in January were 32 per cent smaller than in January last year. Other decreases, as compared with January last year, occurred in electric power consumption, postal receipts, building permits and contracts, flour and linseed products shipments, copper output, grain marketings, market receipts of cattle, calves and sheep, department store sales, country lumber sales, securities sales and wholesale trade. Receipts of hogs and warranty deeds recorded in Hennepin and Ramsey Counties were larger in number in January than a year ago.

In the first half of February, business records continued to indicate a smaller volume than in the corresponding period last year. This was again partly due to the less favorable weather conditions prevailing in February this year than a year ago. Bank debits at seventeen cities were 30 per cent smaller in the two weeks ending February 17 than in the same weeks last year. The country check clearings index for the first fifteen business days of February was 27 per cent below the index for the corresponding period a year ago.



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

DISTRICT SUMMARY OF AGRICULTURE

Farm Income

Farmers' cash income in the district from seven important items as estimated by this office, was 38 per cent smaller in January than in the corresponding month last year. The decrease was due to two major causes,—the negligible quantity of grain moving in January this year, and the extremely low price for hogs. The income from dairy products in January resulting from milk and butterfat production in December, for which cream checks were distributed in January, was 10 per cent larger than the income in January last year. The price paid for December butterfat was exactly the same as the price paid a year earlier and production was larger. Prices of bread wheat, durum wheat, barley and rye were higher in January than a year ago, but prices of all other important farm products in the Northwest were lower. The greatest decreases occurred in prices of livestock.

Butter

Butter prices in the national markets declined in January to the lowest January average since 1904. This was reflected in the price paid to farmers in the Northwest by a decrease from 27 cents per pound paid for production in December to 19½ cents per pound paid for production in January. This latter price was 5 cents lower than the price in January last year. The lower price reflected increased supplies from current dairy production, cautious buying by the trade and a general lack of confidence. Butter imports have been reduced to small quantities by the decline in domestic prices. The cold storage situation in butter continued favorable during January, and on February 1 butter in cold storage throughout the United States was less than half the quantity held a year earlier and also considerably less than the five year average holdings for February 1.

Cold Storage Holdings

Cold storage holdings of beef, pork and lamb and mutton were all smaller on February 1 than a year ago and smaller than the five year average for the date. Cold storage holdings of lard and poultry were larger than a year ago, but smaller than the five year average. Eggs in cold storage were less than the quantity held a year ago, but more than the five year average.

United States Cold Storage Holdings

(In thousands of pounds)

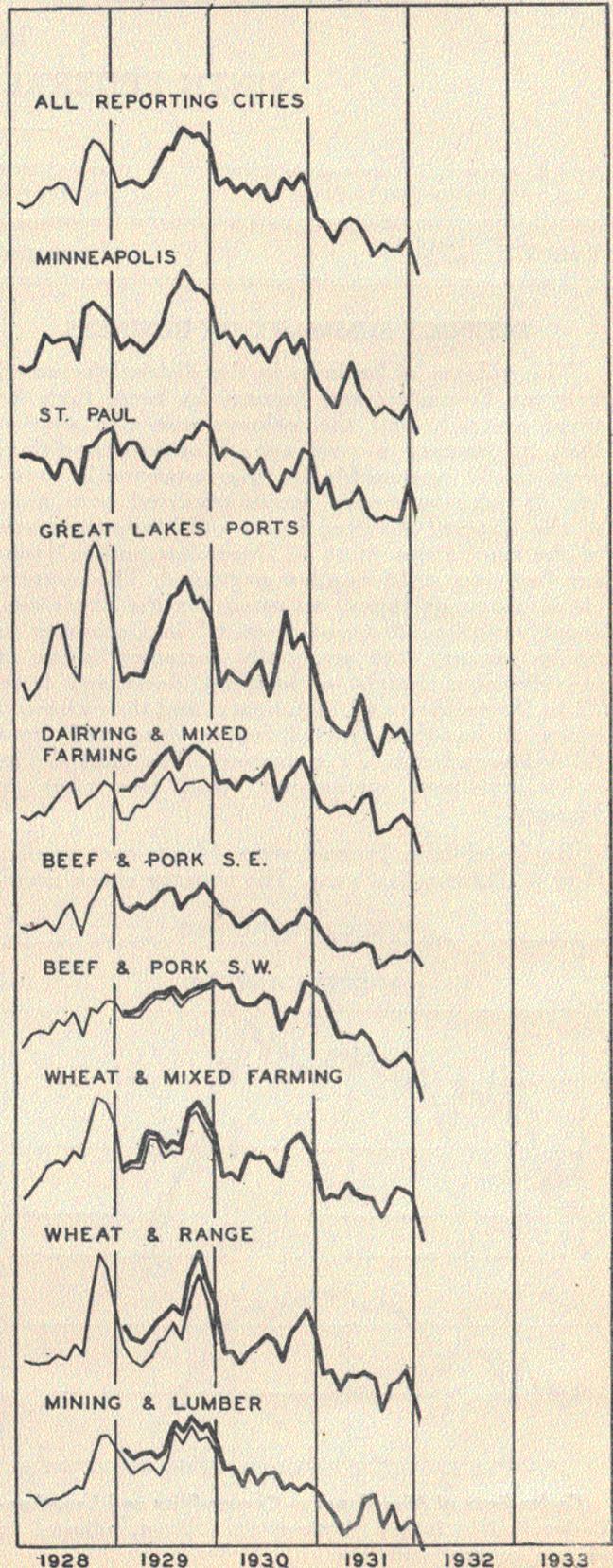
	February 1 5-year Average	February 1 1931	February 1 1932
Beef	86,463	72,398	51,221
Pork	699,271	726,264	674,378
Lard	89,781	62,624	78,538
Lamb and Mutton	4,322	4,081	1,968
Butter	35,599	46,792	22,527
Poultry	121,693	101,307	111,576
Eggs*	1,638	2,897	2,731

*Thousand cases.

Livestock on Farms—January 1, 1932

The total number of cattle, calves, hogs and sheep on farms in Minnesota, Montana, North and South Dakota January 1, 1932, according to the report issued by the United States Department of Agriculture, was nearly 600,000 head smaller than on the same date a year ago. All classes of animals showed a reduction in numbers with the exception of dairy cows, the largest reduction being shown in the number of hogs. North and South Dakota, especially the latter, showed very large decreases in the number of hogs. A considerable portion of these large decreases was made necessary by short feed supplies as a result of the drouth and grasshoppers last summer.

**NINTH FED. RES. DISTRICT
BANK DEBITS**



The number of dairy cows in our four states (two years old and over) showed an appreciable increase when compared with figures for a year ago, indicating some increase in dairy production for 1932 under normal conditions. About the same amount of increase was registered by figures for the

entire United States. On the other hand, the number of one to two year old dairy heifers—which are somewhat of an indicator as to dairy farmers' intentions to expand or contract their herds—showed a slight decrease both in our four states and in the United States as a whole.

UNITED STATES DEPARTMENT OF AGRICULTURE JANUARY 1, LIVESTOCK HOLDINGS BY STATES AND BY YEARS (1928-1932)

(000's omitted)

I. DAIRY COWS (2 years and over)

	1932	1931	1930	1929	1928	5 Yr. Average 1928-1932
Minnesota	1,708	1,634	1,595	1,483	1,499	1,584
Montana	195	193	193	186	177	189
North Dakota	589	567	540	477	463	527
South Dakota	607	589	577	523	518	563
4 States	3,099	2,983	2,905	2,669	2,657	2,863
United States	24,379	23,558	22,910	21,919	21,824	22,918

II. DAIRY HEIFERS (1 to 2 years)

	1932	1931	1930	1929	1928	5 Yr. Average 1928-1932
Minnesota	335	341	339	337	324	335
Montana	39	39	37	37	35	37
North Dakota	115	120	123	108	97	113
South Dakota	138	138	135	123	112	129
4 States	627	638	634	605	568	614
United States	4,665	4,777	4,700	4,413	4,201	4,551

III. OTHER CATTLE AND CALVES

	1932	1931	1930	1929	1928	5 Yr. Average 1928-1932
Minnesota	1,203	1,176	1,096	944	887	1,061
Montana	1,016	1,031	996	929	902	975
North Dakota	750	711	644	570	507	636
South Dakota	1,162	1,219	1,159	1,004	940	1,097
4 States	4,131	4,137	3,895	3,447	3,236	3,769
United States	33,363	32,580	32,120	30,135	29,656	31,571

IV. SWINE

	1932	1931	1930	1929	1928	5 Yr. Average 1928-1932
Minnesota	3,738	3,665	3,494	3,376	3,710	3,597
Montana	283	280	280	328	288	292
North Dakota	650	766	730	717	652	703
South Dakota	2,490	3,000	2,800	2,536	2,882	2,741
4 States	7,161	7,711	7,304	6,957	7,532	7,333
United States	59,511	54,374	55,301	56,880	60,420	57,297

V. SHEEP

	1932	1931	1930	1929	1928	5 Yr. Average 1928-1932
Minnesota	1,084	1,027	910	745	666	886
Montana	3,820	4,244	4,120	3,727	3,358	3,854
North Dakota	1,040	940	802	614	529	785
South Dakota	1,465	1,332	1,189	970	809	1,153
4 States	7,409	7,543	7,021	6,056	5,362	6,678
United States	53,912	52,745	51,383	47,509	44,554	50,021

DISTRICT SUMMARY OF BANKING

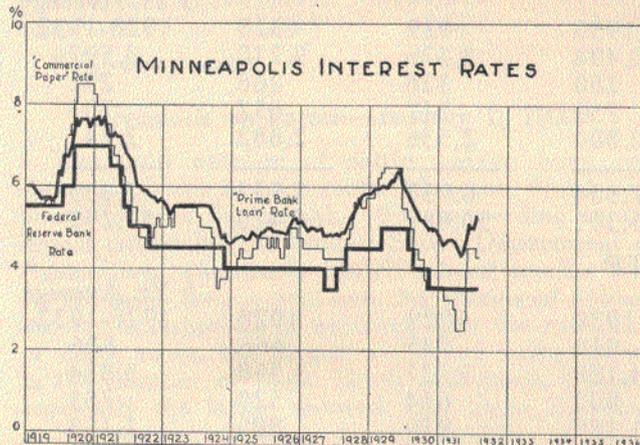
City member banks experienced a moderate reduction in deposits during the four weeks ending February 17, resulting from declines in all classes of deposits. The loans and investments of these banks also declined by a small amount during the four week period.

As compared with the records of last year, it is found that deposits of city member banks were 61 million dollars (14 per cent) smaller on February 17 than a year ago. Part of the decrease in deposits was offset by borrowings of about 5 million dollars at the Federal Reserve Bank. A year ago these member banks were entirely out of debt to the Federal Reserve Bank. Loans to customers were slightly higher on February 17 than a year earlier, and invested funds were slightly lower than a year ago. The major part of the adjustment necessary to meet the heavy deposit shrinkage was made in correspondent bank balances and other cash funds, which decreased from 125 million dollars on February 18, 1931, to 71 million dollars on February 17, 1932.

Country member banks were borrowing nearly twice as much on February 17 as a year earlier. The greatest increase in borrowings occurred at banks in the eastern half of the district. Country member bank deposits were 15 per cent smaller in January than in the same month last year. The greatest percentage decrease occurred in North Dakota, and the smallest percentage decrease was in the northern peninsula of Michigan.

Interest rates charged on prime loans by Minneapolis banks increased to $5\frac{1}{4}$ - $5\frac{1}{2}$ per cent on February 15, as compared with $4\frac{3}{4}$ -5 per cent on January 15, and $4\frac{1}{2}$ - $4\frac{3}{4}$ per cent on February 15 last year. On the other hand, the rate on prime commercial paper purchased through brokers declined one-fourth of 1 per cent during January, although the rate was higher on January 31 than a year ago.

The discount rate of this Federal Reserve Bank remained unchanged at $3\frac{1}{2}$ per cent.



Interest Rates at Minneapolis on Prime Bank Loans and Commercial Paper and the Discount Rate at the Federal Reserve Bank, 1919-1932.

FARM MORTGAGE DEBTS OF THE NORTHWEST

The farm mortgage debt of the four northwestern states on January 1, 1930 was \$1,159,500,000, according to the United States Department of Agriculture. During the two years ending January 1, 1930, the farm mortgage debt of Minnesota, North Dakota and South Dakota declined, while that of Montana increased. In 1930, the farm mortgage debt of Montana and North Dakota was smaller than in 1920, but the farm mortgage debt of Minnesota and South Dakota was larger than in 1920. A part of the shrinkages in farm mortgage debt in sections of the Northwest was due to foreclosures, part was due to the scaling down of debts at the time of renewal, and another part was due to actual repayment of debt. These statements are based on estimates of farm mortgage debt recently published by the Bureau of Agricultural Economics of the United States Department of Agriculture, whose figures were based partly on the census of 1930 and partly on reports from individual farm owners.

Farm Mortgage Debt, 1920, 1928 and 1930

	(In millions of dollars)		
	January 1, 1920	January 1, 1928	January 1, 1930
Minnesota	\$455.5	\$558.5	\$530.0
Montana	154.9	104.9	129.2
North Dakota.....	267.8	230.3	204.6
South Dakota.....	278.9	370.9	295.7
Four States.....	1,157.1	1,264.6	1,159.5
United States.....	7,857.7	9,468.5	9,241.4

The distribution of 1930 farm mortgage debts between farms operated by owners and farms operated by tenants or managers is shown in the table below. In Minnesota, Montana and North Dakota, the farm mortgage debt of farms operated by owners exceeded the farm mortgage debt of farms operated by tenants or managers. In South Dakota, the mortgage debt against tenant farms was greater than the mortgage debt against farms operated by their owners.

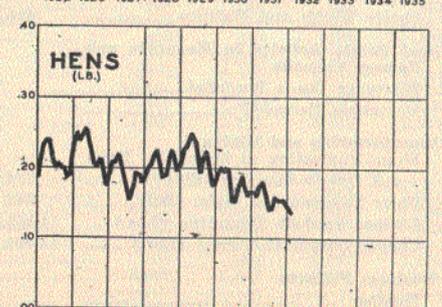
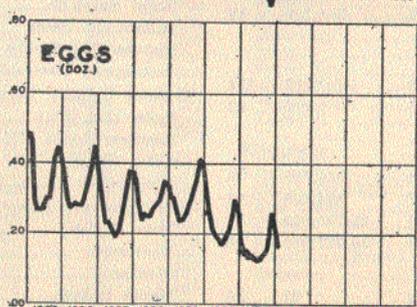
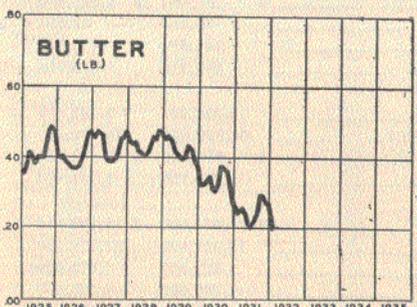
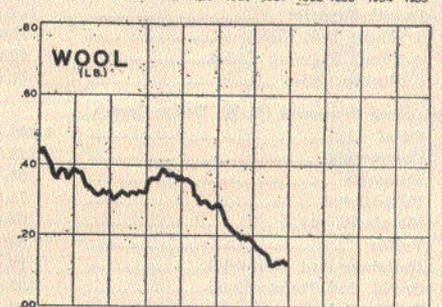
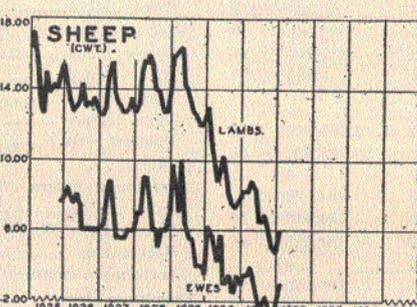
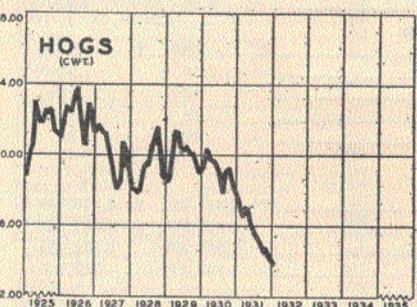
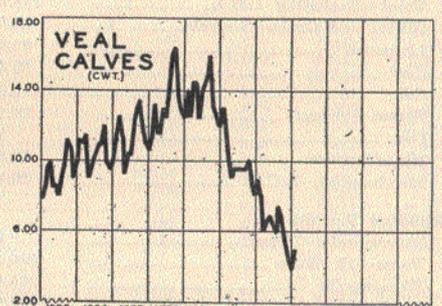
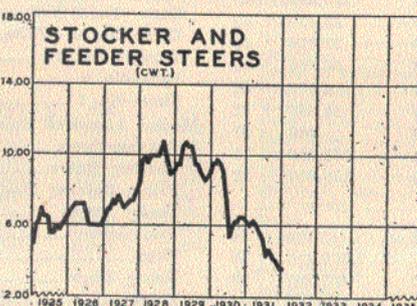
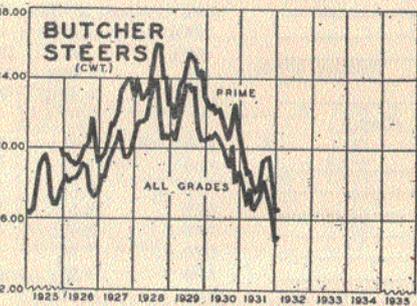
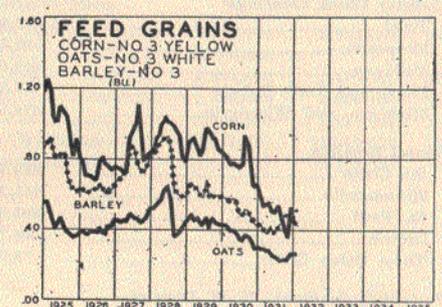
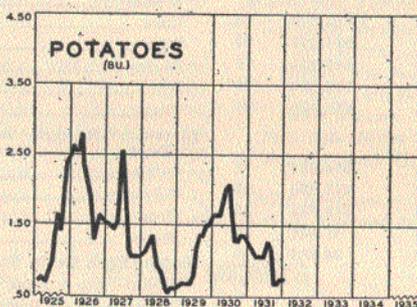
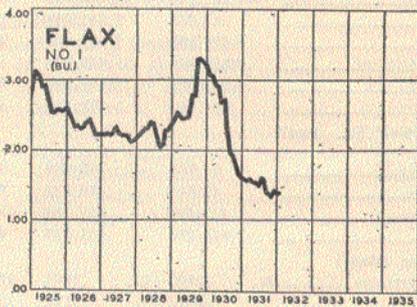
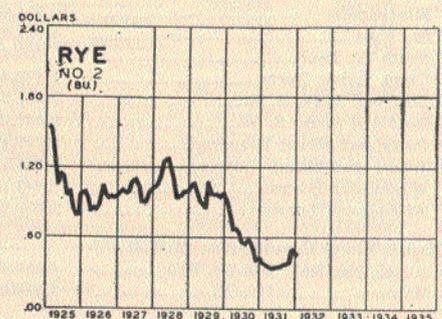
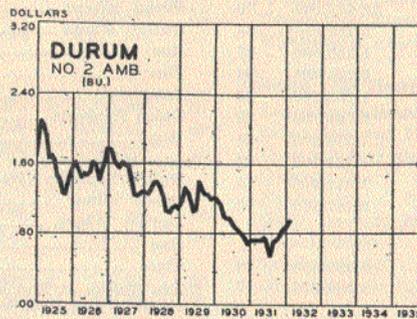
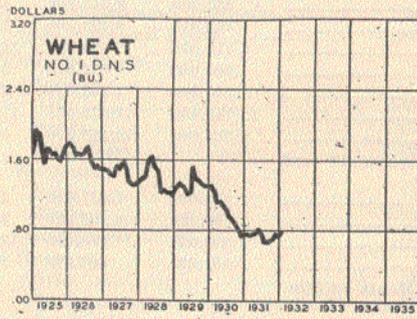
Mortgage Debt in 1930 by Tenure of Farms

	(In millions of dollars)		
	Owner Farms	Tenant Farms	Manager Farms
Minnesota	\$300.0	\$224.1	\$5.9
Montana	67.6	58.0	3.6
North Dakota.....	116.2	86.2	2.2
South Dakota.....	130.5	162.3	2.9

In spite of the large aggregate of farm mortgage debt in 1930, many of the farms in the Northwest which were operated by their owners were entirely free from mortgage debt. In Minnesota and Montana, 46 per cent of the owner operated farms were mortgage free in 1930, in South Dakota, 40 per cent of the owner operated farms were mortgage free, and in North Dakota, 33 per cent of the owner operated farms were mortgage free.

NORTHWESTERN FARM PRODUCT PRICES

(Price per bushel, hundredweight, pound or dozen)



COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS				AGRICULTURE			
	Jan. '32	Jan. '31	Per cent	Jan. '32	Jan. '31	Per cent	
			of			of	
Debits to Individual Accounts ¹			Jan. '31			Jan. '31	
All Reporting Cities.....	\$ 25,390,600	\$ 33,250,400	76	Total of 7 Items.....	\$ 21,241,000	\$ 34,360,000	62
Minneapolis	10,574,000	13,631,000	78	Bread Wheat	882,000	5,949,000	15
St. Paul	4,944,000	5,859,000	84	Durum Wheat	432,000	3,029,000	14
South St. Paul.....	779,800	1,168,000	67	Rye	112,000	69,000	162
Great Lakes Ports.....	1,878,400	3,134,800	60	Flax	247,000	783,000	34
Beef and Pork, S. E.....	1,011,500	1,208,200	84	Potatoes	1,021,000	1,348,000	76
Beef and Pork, S. W.....	1,047,300	1,769,700	59	Dairy Products	12,153,000	11,075,000	110
Dairy and Mixed Farming.....	1,269,400	1,573,200	81	Hogs	6,394,000	12,157,000	53
Wheat and Mixed Farming.....	1,508,200	1,836,700	82	Grain Marketings at Minneapolis and Duluth-Superior (Bus.)			
Wheat and Range.....	747,200	1,002,300	75	Bread Wheat	972,000	6,677,000	15
Mining and Lumber.....	1,630,800	2,067,500	79	Durum Wheat	490,000	4,192,000	12
Electric Power Consumption (K.W.H.)^{1,2}				Rye	243,000	180,000	135
Minn., No. Dak. and So. Dak.....	4,955,000	5,297,000	94	Flax	182,000	463,000	39
Montana	2,516,000	2,906,000	87	Grain Stocks at End of Month at Minneapolis and Duluth-Superior (Bus.)			
Country Check Clearings³				Wheat	48,192,140	60,663,960	80
Total	\$ 1,994,600	\$ 2,683,200	74	Corn	137,859	2,841,094	5
Minnesota	749,700	936,000	80	Oats	5,670,267	7,956,622	71
Montana	334,600	445,600	75	Barley	2,652,343	5,673,524	47
North and South Dakota	435,800	716,600	61	Rye	5,410,024	8,598,464	63
Michigan and Wisconsin.....	474,500	585,000	81	Flax	648,892	1,372,504	47
Postal Receipts				Livestock Receipts at So. St. Paul (Head)			
Six Cities	885,726	974,622	91	Cattle	44,193	46,858	94
Minneapolis	455,343	477,280	95	Calves	48,341	58,703	82
St. Paul	305,443	345,850	88	Hogs	405,682	307,162	132
Duluth	46,724	57,666	81	Sheep	129,264	141,405	91
Three Other Cities.....	78,216	93,826	83	Median Cash Grain Prices (Bus.)			
Freight Carloadings—N. W. District				Wheat—No. 1 Dark Northern.....	\$.78½	\$.76½	103
Total—Excluding L.C.L.	179,850	265,850	68	Durum—No. 2 Amber.....	.88½	.84¾	104
Grains and Grain Products.....	25,020	43,150	58	Corn—No. 3 Yellow.....	.43	.60¾	71
Livestock	31,060	37,753	82	Oats—No. 3 White.....	.267½	.29¼	92
Coal	30,648	36,093	85	Barley—No. 3 .....	.50%	.42	120
Coke	3,388	5,086	67	Rye—No. 2 .....	.46	.38½	121
Forest Products	16,950	39,985	42	Flax—No. 1	1.40½	1.58¼	89
Ore	250	930	27	Median Livestock Prices (Cwt.)			
Miscellaneous	72,534	102,853	71	Butcher Cows	\$ 3.50	\$ 5.25	67
Merchandise—L.C.L.	90,740	110,814	82	Butcher Steers	5.00	7.75	65
Building Permits				Prime Butcher Steers.....	6.50	9.50	68
Number—18 Cities	326	506	64	Feeder Steers	3.50	6.25	56
Value—18 Cities	\$ 804,400	\$ 1,396,200	58	Veal Calves	5.00	9.00	56
Minneapolis	295,900	407,300	73	Hogs	3.70	7.35	50
St. Paul	290,900	626,100	46	Heavy Hogs	3.00	6.90	43
Duluth-Superior	123,100	69,300	178	Lams	6.00	8.25	73
4 Wheat Belt Cities.....	14,900	80,200	19	Ewes	3.00	3.50	86
6 Mixed Farming Cities.....	68,000	207,700	33	Wholesale Produce Prices			
4 Mining Cities	11,600	5,600	207	Butter (Lb.)	\$.19½	\$.24½	80
Building Contracts (F. W. Dodge Corp.)				Milk (Cwt.)	1.30	1.58	82
Total	\$ 1,269,800	\$ 2,155,300	59	Hens (Lb.) .....	.13½	.16½	82
Commercial	142,000	233,000	50	Eggs (Doz.) .....	.16	.18	89
Factories	26,000	0	---	Potatoes (Bu.) .....	.75	1.20	63
Educational	71,900	0	---	TRADE			
Hospitals, etc.	20,800	154,600	13	Department Stores			
Public	24,800	53,500	46	Sales	\$ 2,251,080	\$ 2,875,140	78
Religious and Memorial.....	23,000	0	---	Merchandise Stocks	5,427,300	6,081,500	89
Social and Recreational.....	127,000	180,800	70	Receivables	3,205,360	3,677,170	87
Residential	360,000	738,700	49	Instalment Receivables	641,830	761,230	84
Public Works and Utilities.....	474,300	744,700	63	Furniture Stores			
Real Estate Activity in Hennepin and Ramsey Counties				Total Sales	\$ 121,380	\$ 107,800	113
Warranty Deeds Recorded.....	998	877	114	Instalment Sales	68,340	63,870	107
Mortgages Recorded	986	1,203	82	Merchandise Stocks	741,680	776,860	95
Manufacturing and Mining				Instalment Receivables	892,910	888,230	107
Flour Production at Mpls., St. Paul, and Duluth-Superior (Bbls.).....	724,734	960,799	75	Country Lumber Yards			
Flour Shipments at Mpls. (Bbls.).....	643,697	884,335	73	Sales (Bd. Ft.).....	2,808,000	3,563,000	79
Linseed Product Shipments (Lbs.).....	14,555,276	25,780,069	56	Lumber Stocks (Bd. Ft.).....	64,928,000	76,552,000	85
Copper Output (5 Firms) (Lbs.).....	14,885,300	25,027,000	59	Total Sales	\$ 779,300	\$ 1,056,300	74
Business Failures				Receivables	2,574,700	3,284,400	78
Number	74	92	80	Life Insurance Sales			
Liabilities	\$ 670,578	\$ 775,939	86	Four States	\$ 17,270,000	\$ 18,139,000	95
				Minnesota	13,212,000	13,616,000	97
				Montana	1,577,000	1,673,000	94
				North Dakota	1,066,000	1,227,000	87
				South Dakota	1,415,000	1,623,000	87

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

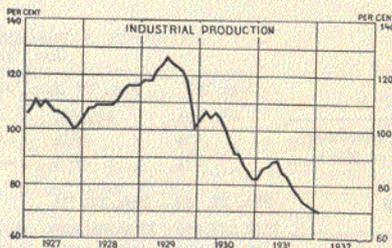
	Jan. '32	Jan. '31	Per cent of Jan. '31		Jan. '32	Jan. '31	Per cent of Jan. '31
Investment Dealers				Interest Rates*			
Sales to Banks.....	1,460,000	4,714,700	31	Minneapolis Banks	5¼-5½	4½-4¾	....
Sales to Insurance Companies.....	231,600	1,066,400	22	Commercial Paper (net to borrower) ..	4¼	3½	....
Sales to General Public.....	3,664,500	4,877,000	75	Minneapolis Federal Reserve Bank.....	3½	3½	....
Wholesale Trade				Selected City Member Banks	Feb. 17, '32	Feb. 18, '31	
Groceries—				Loans to Customers.....	\$211,367,000	\$209,823,000	101
Sales	\$ 2,823,910	\$ 3,394,860	83	Other Invested Funds.....	135,317,000	140,462,000	96
Stocks	5,419,600	6,283,210	86	Cash and Due from Banks.....	70,978,000	125,079,000	57
Receivables	3,999,480	4,374,050	91	Deposits Due to Banks.....	55,677,000	83,385,000	67
Hardware—				Public Demand Deposits.....	17,197,000	23,071,000	75
Sales	\$ 795,460	\$ 1,040,200	76	Other Demand Deposits.....	138,999,000	171,153,000	81
Stocks	2,230,190	2,405,430	93	Time Deposits	153,130,000	149,539,000	102
Receivables	1,352,160	1,433,540	94	Total Deposits	366,931,000	427,493,000	86
Shoes—				Borrowings at Fed. Res. Bank.....	4,895,000	0	....
Sales	\$ 88,620	\$ 152,320	58	Minneapolis Federal Reserve Bank			
Stocks	601,830	848,430	71	Loans to Member Banks.....	11,759,000	3,954,000	297
Receivables	459,960	744,920	62	Twin Cities	4,256,000	0	....
BANKING				Minn., Wis. and Mich.....	2,891,000	1,007,000	287
Member Bank Deposits				N. Dak. and Mont.....	2,168,000	1,430,000	152
In Cities Over 15,000 pop.....	\$423,907,000	\$456,981,000	93	South Dakota	2,444,000	1,517,000	161
In Cities Under 15,000 pop.....	335,176,000	392,290,000	85	Fed. Res. Notes in Circulation	68,770,000	48,319,000	142
Michigan—15 Cos.	61,197,000	67,262,000	91	Member Bank Reserve Deposits.....	40,955,000	46,203,000	89
Minnesota	131,884,000	151,613,000	87				
Montana	46,367,000	55,393,000	84				
North Dakota	32,502,000	41,860,000	78				
South Dakota	39,632,000	48,900,000	81				
Wisconsin—26 Cos.	28,594,000	27,262,000	87				

*Daily Averages.

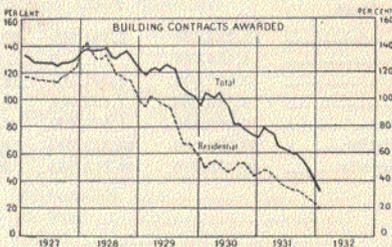
*Latest Reported Data.

BANK DEBITS

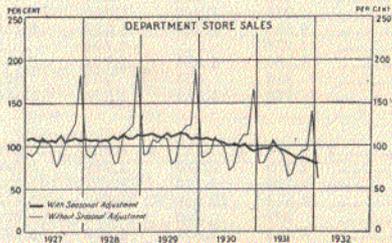
	Jan. 1932	Dec. 1931	Jan. 1931	Dec. 1930					
Number of Business Days:					Montana				
All States in District.....	25	26	26	26	Anaconda	\$ 1,344	\$ 1,715	\$ 1,875	\$ 2,150
(000's omitted)					Billings	5,344	7,070	7,549	9,180
Michigan					Bozeman	1,832	1,973	2,335	2,344
Escanaba (1 Bank)	\$ 596	\$ 692	\$ 946	\$ 906	Butte (2 Banks).....	7,981	11,244	10,569	11,922
Hancock	1,214	1,340	1,724	1,758	Deer Lodge	1,064	961	1,160	1,252
Houghton (1 Bank).....	461	325	649	498	Glendive	624	950	900	1,517
Iron Mountain	3,346	2,800	4,212	3,426	Great Falls	8,625	10,831	12,285	13,813
Iron River, Caspian, Stambaugh	1,604	852	2,012	1,349	Harlowton	192	238	285	406
Manistique (1 Bank).....	391	403	870	487	Havre	993	1,360	1,524	1,812
Marquette	4,108	4,609	4,587	4,735	Helena	6,556	8,284	7,127	9,116
Menominee	2,562	2,443	3,315	2,668	Kalispell	1,278	.....	1,594	.....
Sault Ste. Marie.....	2,646	2,446	3,073	2,950	Lewistown	1,150	1,827	1,766	2,544
					Malta	359	675	553	832
					Miles City (1 Bank).....	739	1,214	1,389	1,986
Minnesota					North Dakota				
Albert Lea	\$ 2,016	\$ 2,899	\$ 2,762	\$ 3,431	Bismarek	\$ 8,122	\$ 11,112	\$ 8,925	\$ 11,895
Austin (1 Bank).....	2,675	3,324	3,719	4,796	Devils Lake	1,209	1,328	1,485	1,749
Bemidji (2 Banks).....	789	1,021	974	1,336	Dickinson	1,186	1,323	1,291	1,885
Chaska	486	695	695	717	Fargo	12,574	15,569	15,081	17,473
Chisholm	727	1,302	1,121	1,268	Grafton	370	603	528	628
Cloquet	1,044	1,462	1,961	2,083	Grand Forks	4,653	5,831	6,370	6,673
Crookston	1,072	1,226	1,173	1,465	Jamestown	1,682	1,864	2,146	2,597
Detroit Lakes	700	1,069	762	1,109	Mandan	960	1,027	1,627	1,787
Duluth	32,642	44,463	63,621	79,019	Minot	3,930	5,482	5,453	6,480
Ely	425	723	604	928	Valley City	1,165	1,027	1,212	1,491
Faribault (1 Bank).....	875	1,342	1,443	1,320	Wahpeton	924	956	934	923
Farmington	193	209	211	244	Williston	913	932	1,142	1,391
Fergus Falls	2,249	3,272	2,676	3,916	South Dakota				
Glenwood	299	493	393	620	Aberdeen	\$ 3,659	\$ 4,936	\$ 6,174	\$ 6,668
Hutchinson	856	862	1,221	1,075	Brookings (1 Bank).....	626	795	963	1,106
Lakefield (2 Banks).....	221	219	325	308	Deadwood	859	874	991	846
Lanesboro	247	299	366	385	Huron	3,807	5,036	7,413	7,544
Little Falls	685	932	1,199	1,094	Lead	1,297	1,402	1,436	1,854
Luverne	566	718	726	949	Madison	653	859	.....	.....
Mankato	6,049	4,628	6,340	6,232	Milbank	358	482	547	623
Minneapolis	264,345	323,759	354,416	411,256	Mitchell (2 Banks).....	2,145	2,971	4,072	4,269
Moorhead	1,119	1,270	1,100	1,550	Mobridge	337	494	333	490
Morris	375	524	525	590	Pierre	901	1,090	1,128	1,296
Owatonna	2,041	2,458	2,718	3,052	Rapid City	2,419	3,129	3,513	4,146
Park Rapids	274	314	406	503	Sioux Falls	13,655	15,562	24,180	23,835
Red Wing	1,723	2,024	2,096	2,259	Watertown	2,302	2,890	4,705	4,662
Rochester	4,446	4,737	5,929	6,215	Yankton	1,362	1,729	2,424	2,912
St. Cloud	2,822	3,437	3,299	4,074	Wisconsin				
St. Paul	123,595	161,687	152,338	186,714	Ashland	\$ 1,566	\$ 1,641	\$ 2,081	\$
South St. Paul	19,495	21,408	30,359	29,673	Chippewa Falls	1,476	1,617	1,913	2,013
Stillwater	1,482	1,963	1,992	2,346	Eau Claire	4,665	5,105	7,125	7,066
Thief River Falls.....	651	1,246	776	1,388	Hudson	522	453	499	525
Two Harbors	373	560	426	660	La Crosse	9,665	10,516	11,347	11,390
Virginia	1,543	2,182	2,031	2,425	Merrill (1 Bank).....	867	902	1,267	1,335
Wabasha	684	884	789	1,150	Superior	5,033	5,837	6,771	6,785
Wadena (1 Bank).....	289	409	352	450					
Wheaton	314	550	456	681					
Willmar	1,002	1,271	1,070	1,681					
Winona	5,848	6,649	7,171	8,054					
Worthington (1 Bank).....	490	615	773	912					
					Total for All Cities Reporting				
					Both Years	\$635,101	\$789,348	\$862,560	\$999,416



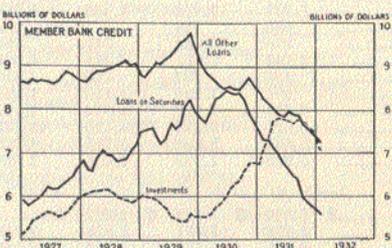
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average = 100.)



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



Indexes of daily average value of sales with adjustment for seasonal variation and without adjustment for seasonal variation.



Monthly averages of weekly figures for reporting member banks in leading cities. Latest figures are averages of first 3 weeks in February.

Summary of National Business Conditions (Compiled February 27 by Federal Reserve Board)

In January, production of manufacturers increased by about the usual seasonal amount, while output of minerals and value of building contracts awarded continued to decline. Wholesale prices declined further during January and early February, but more recently prices of certain leading commodities showed an advance.

PRODUCTION AND EMPLOYMENT: Volume of industrial production, which includes both manufactures and minerals increased from December to January by an amount somewhat smaller than is usual at this time of year, and the board's seasonally adjusted index declined from 71 per cent of the 1923-1925 average to 70 per cent. In the steel industry there was a seasonal increase in activity during January, followed by a slight decline during the first three weeks of February. Production of automobiles, which usually increases considerably at this season, showed little change in January, following an increase in December. Activity at textile mills increased by more than the usual seasonal amount and at shoe factories there was a seasonal increase in production. Output of coal and petroleum was substantially reduced.

Volume of factory employment declined by more than the usual seasonal amount between the middle of December and the middle of January. Number employed at foundries, car-building shops, clothing factories, and establishments producing building materials declined substantially, while employment in the tobacco industry decreased less than is usual at this season. Employment in the woolen goods industry increased, contrary to seasonal tendency. Total value of building contracts awarded in 37 eastern states, as reported by the F. W. Dodge Corporation, declined sharply in January, and for the three months period ending in that month was about one-half of the amount awarded in the corresponding period a year ago. Approximately one-fourth of the decrease was in residential building, and three-fourths in other types of construction.

DISTRIBUTION: Total freight car loadings decreased in January, contrary to seasonal tendency, reflecting chiefly smaller shipments of merchandise, miscellaneous freight, and coal. Department store sales declined by about the usual seasonal amounts.

WHOLESALE PRICES: The general level of wholesale commodity prices, as measured by the index of the Bureau of Labor statistics, declined 2 per cent further from December to January, although prices of some important commodities, such as wheat, showed little change, and the price of cotton advanced. During early February prices of certain leading commodities including grains and cotton declined, but later in the month there was some advance in the prices of the commodities.

BANK CREDIT: Volume of reserve bank credit outstanding declined in January and the first half of February. This decrease has reflected a return flow of currency from circulation, which has been smaller than usual this year together with a continued reduction in member bank reserve balances, offset in part by a demand for reserve bank credit caused by an outward movement of gold amounting to \$100,000,000 since the turn of the year. A decline in money in circulation after the first few days in February reflected some return of hoarded currency accompanying a decrease in bank failures.

At member banks in leading cities, volume of credit continued to decline during January and the first half of February. Between January 13 and February 17, total loans and investments decreased \$550,000,000 representing declines in loans on securities, in other loans and in investments. Deposits of these banks also declined substantially during this period.

Money rates in the open market showed little changes. On February 26 the discount rate of the Federal Reserve Bank of New York was reduced from $3\frac{1}{2}$ to 3 per cent, and buying rates on bankers acceptances of short maturities were reduced from $2\frac{3}{4}$ to $2\frac{5}{8}$ per cent.