

MONTHLY REVIEW

OF AGRICULTURAL AND BUSINESS CONDITIONS

IN THE NINTH FEDERAL RESERVE DISTRICT

J. N. PEYTON, Chairman of the Board
and Federal Reserve Agent

F. M. BAILEY E. W. SWANSON
Assistant Federal Reserve Agents

OLIVER S. POWELL, Statistician
H. C. TIMBERLAKE, Asst. Statistician

Vol. VI (Serial
No. 240)

Minneapolis, Minnesota

December 29, 1934

DISTRICT SUMMARY OF BUSINESS

Retail Trade

Twin City department stores reported sales in the first half of December 20 per cent above the volume in the first half of December last year. If this increase is maintained for the remainder of the month, the December volume at these stores will be higher than the December volume of 1932 and slightly above the level of December, 1931. On the same assumption, the adjusted index of city department store sales for December will be half way back to the 1929 level. This index is based on sales reported in dollars. Since prices are lower now than in 1929, the physical volume of trade is nearer the 1929 level than the dollar values would indicate.

Retail trade in the district in November was also notably larger than in the same month last year. Twenty-two city department stores reported an increase of 20 per cent in dollar volume, and 307 country general stores reported an increase of 30 per cent over November last year. All sections of the district shared in the increase. The largest increases were reported by stores in the area extending from central Minnesota into eastern South Dakota, North Dakota, and the plains of Montana. Stores in North Dakota, outside of the Red River Valley, and in eastern Montana reported 54 per cent increases in sales over November last year. Stores in the Red River Valley sections of North Dakota and Minne-

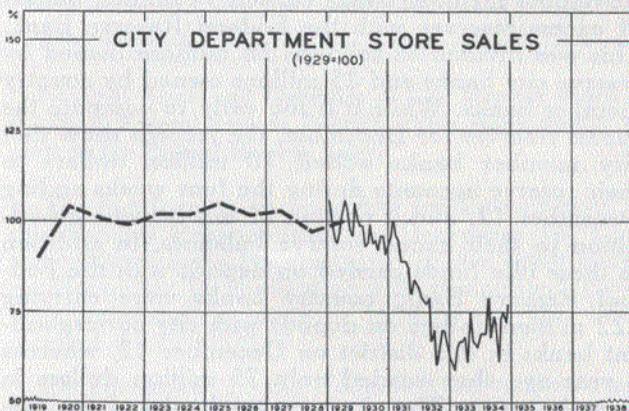
sota reported an increase of 38 per cent, and stores in eastern South Dakota and central Minnesota reported increases of 35 per cent and 34 per cent respectively.

Retail Trade

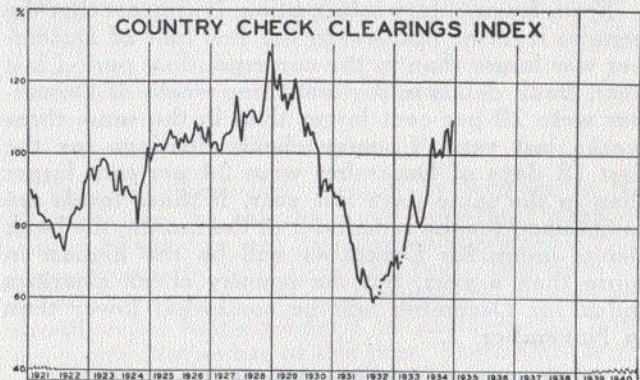
	% Nov. 1934 of Nov. 1933
Mpls., St. Paul, Duluth-Superior . . . (22 stores)	120
Country Stores (307 stores)	130
Minnesota—Southwestern (33 stores)	121
Minnesota—Southeastern (24 stores)	117
Minnesota—South central (23 stores)	121
Minnesota—Central (8 stores)	134
Minnesota—Northeastern (8 stores)	115
Minn.-No. Dak., Red River Val. (10 stores)	138
Montana—Mountain (15 stores)	128
Montana—Plains (31 stores)	154
North Dakota (20 stores)	154
South Dakota—Southeastern . . . (15 stores)	115
South Dakota—Other eastern . . . (43 stores)	135
Northern Wisconsin & Michigan (39 stores)	125
Wisconsin—West Central (43 stores)	124
Ninth District (329 stores)	124

General Business

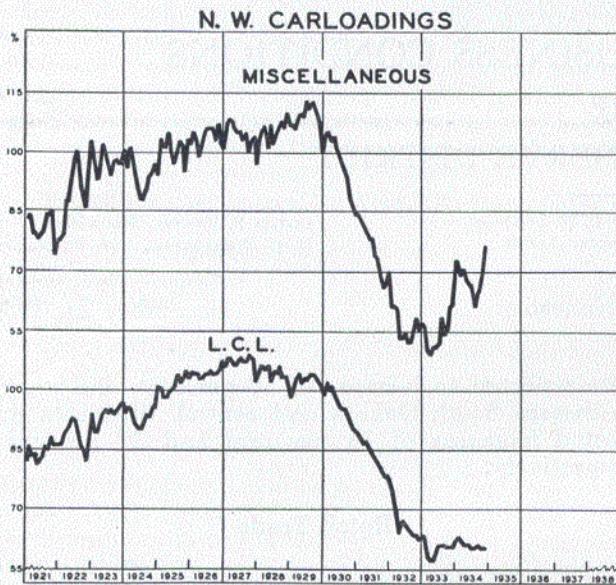
The volume of business in the district advanced during November after allowance for purely seasonal factors. The city department store sales index rose from 72 in October to 77 in November. The index of bank debits rose from 57 in October to 59 in November. The country check clearings index rose from 100 to 109, and miscellaneous freight carloadings from 70 to 76. The index of l.c.l. freight



Index of Department Store Sales at Minneapolis, St. Paul, and Duluth-Superior, adjusted for seasonal variations.



Country Check Clearings Index, adjusted to remove Seasonal Variations.



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

(revised) remained at 60. The index of country lumber sales declined from 70 to 68. The country check clearings index was the highest since December, 1929, and the miscellaneous freight carloadings index was the highest since June, 1931.

The volume of business in this district was larger in November than in the same month last year. Bank debits were up 14 per cent, and country check clearings were up 35 per cent. Other increases over last year's volume occurred in freight carloadings of coal, miscellaneous and l.c.l. merchandise, building permits, building contracts, real estate activity in Hennepin and Ramsey counties, linseed product shipments, marketings of cattle and sheep, copper output, country lumber sales, and wholesale trade. Decreases occurred in electric power consumption, freight carloadings of grains, coke, forest products and ore, flour shipments, marketings of calves and hogs, butter production, life insurance sales, and securities sales.

From fragmentary information, it appears that the general level of business in the first half of December was larger than in the corresponding period last year. Bank debits in the first three weeks of December were 20 per cent larger than in the same three weeks last year. Country check clearings for the first 18 days of December were 24 per cent larger than in the same days last year. If those levels are maintained for the remainder of the month, the bank debits index for December will be the highest in more than a year, but the country check clearings index for December will be somewhat lower than in November.

DISTRICT SUMMARY OF BANKING

Significant banking changes during recent weeks consist chiefly of continuations of the moderate in-

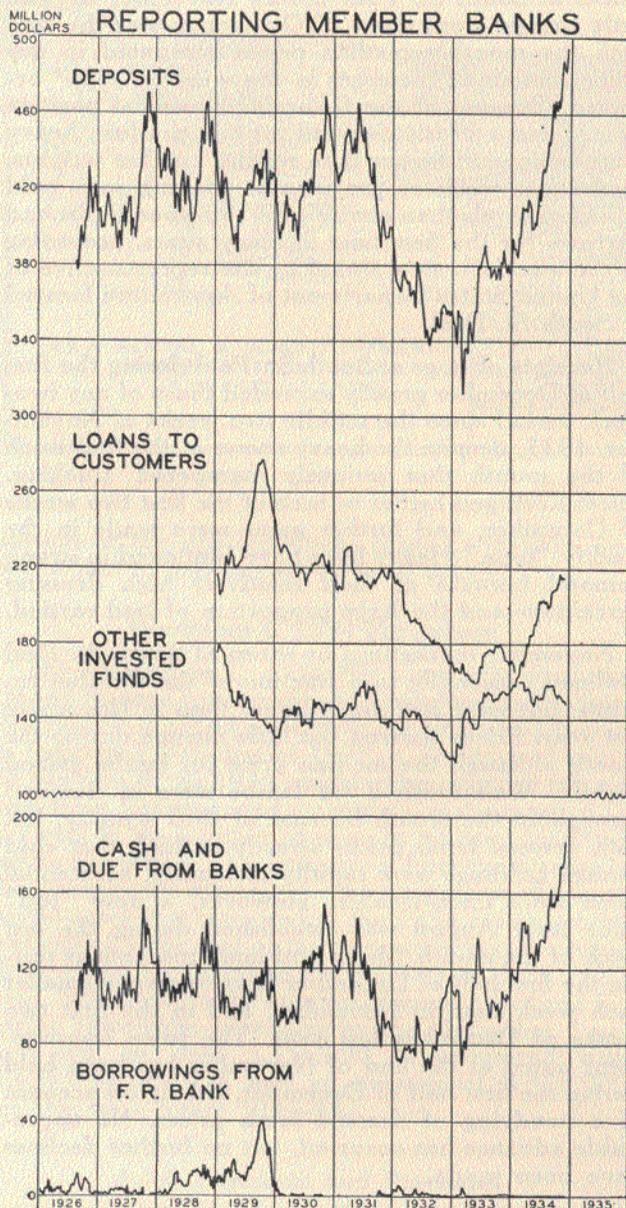
crease in deposits at country banks and the rapid increase in deposits at city banks. Country member banks in cities having less than 15,000 population reported an increase of three million dollars in deposits between the daily average for October and the daily average for November. Thus, the steady rise in country bank deposits, which has been almost unbroken since the bank holiday, was continued. In November, country member banks had 38 million dollars more in deposits than the country member banks in operation just before the bank holiday. A portion but not all of the increase was due to the addition of a number of new member banks during the past two years. In November, 1934, the deposits of country member banks were the highest since June, 1932.

City member banks experienced an increase of 7 million dollars in deposits during the four weeks ending December 12. This increase brought their deposits to a new high level, representing an increase of 113 million dollars, or 30 per cent, over deposits a year ago. A small portion of this increase was due to the absorption of a non-member bank by one of the reporting city member banks early in 1934. The increase in these deposits during the last four weeks was evenly divided between commercial and individual demand deposits and municipal deposits. Deposits due to banks decreased moderately and then recovered the entire decrease. Time deposits declined slightly as a result of the payment of Christmas savings.

On the asset side of the combined balance sheet of city member banks, loans to customers declined seasonally during the four weeks ending December 12, and on that date the total was down nearly to the low level of last spring. Investment holdings also declined slightly. As a result of the increase in deposits and the decline in loans and investments, cash and balances due from banks rose 13 million dollars to a new high level.

Idle funds of banks in the Northwest have reached such proportions as to deserve special comment. In November member banks carried 51 million dollars of excess reserves with the Federal Reserve Bank. This was divided as follows: 26 millions owned by reserve city banks and 25 millions owned by country member banks. While it is too early to compute the excess reserves for December, the records show that city member banks added 10 million dollars to their reserve accounts during the four weeks ending December 12, and a portion of this became an addition to their excess reserve balances. In addition to these idle funds carried on deposit with the Federal Reserve Bank, country banks were carrying 122 million dollars on deposit with city correspondent banks in this district on December 12, whereas a year ago they carried only 75 million dollars in these balances. The city member banks of the district have also increased their balances carried with their correspondent banks. A year ago these balances amounted to 62 million dollars, whereas on

December 12 this year they totalled 96 million dollars.



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

The last loan to an operating bank was repaid to this Federal Reserve Bank on December 14. Consequently, the weekly statement of this bank issued on December 19 showed no bills discounted. However, outstanding loans to industry by this bank totalled \$1,220,000.

On December 15 the Federal Reserve Board announced that it had reduced the maximum rate of interest which member banks may pay on time deposits and savings deposits from 3 per cent compounded semi-annually to 2½ per cent, compound-

ed quarterly, the change to become effective February 1, 1935. Exceptions to this rule were provided for contracts made prior to December 18, 1934. The Federal Deposit Insurance Corporation made a similar announcement simultaneously affecting insured non-member banks.

DISTRICT SUMMARY OF AGRICULTURE

Cold Storage Holdings

Stocks of dairy products, eggs, and lard declined during November, and stocks of poultry, meat and other meat products increased. On December 1, stocks of all reported products, except butter and eggs, were larger than the five-year average for that date. Stocks of butter, which were larger than the five-year average on November 1 for the first time since last April, declined during November by more than the average amount. Stocks of eggs, which have been smaller than the five-year average since August, have declined by at least the full seasonal amount in each of the last four months, and on December 1, were only 92 per cent of the five-year average, which was the smallest percentage since last April. Cold storage holdings of poultry increased a little more than the usual amount during November, as was the case a year ago. Holdings of beef, pork, lamb and mutton, and miscellaneous meats all increased more during the month than in the same month last year, and more than the usual November increase. The largest increase was shown by pork, 65 million pounds, compared with an increase of 36 million pounds last year, and a five-year average of 15 million pounds.

United States Cold Storage Holdings

(In thousands of pounds)

	Dec. 1, 1934	Dec. 1, 1933	Dec. 1 5-yr. Ave.
Beef	127,648	70,010	63,406
Pork	569,664	529,454	446,251
Lamb and Mutton..	4,686	2,888	3,520
Miscellaneous Meats	113,450	54,243	57,676
Total Meats	815,448	656,595	570,853
Lard	103,968	116,077	56,153
Cream*	92	201	.....
Butter	81,689	138,166	83,455
Cheese	110,365	99,009	88,258
Eggs**	4,554	4,708	4,953
Poultry	105,649	91,211	93,276

*Thousand cans

**Thousand cases

Farm Income and Prices

The estimated cash income to farmers in this district from the sale of seven important products during November was the same as the income from these sources in November last year. This does not include acreage rental and benefit payments nor drouth relief funds received by northwestern farmers during November of this year. There were larger cash receipts than in November last year from the sale of potatoes, dairy products, and hogs.

Prices of all important northwestern farm prod-

ucts were higher during November than a year ago with the exception of light feeder steers, lambs, ewes, and potatoes. The composite farm price index computed by the University of Minnesota stood at 68.0 on November 15, as compared with 50.3 one year earlier. From October to November in 1934, the seasonally adjusted farm price index declined three points.

Live Stock Marketings

Receipts of cattle at South St. Paul declined seasonally during November, but were still at a much higher level than a year ago. Calf receipts also declined, but by a larger amount than in the two preceding years, and were slightly smaller than in the same month last year, which was the first time that the current month's receipts have been smaller than in the same month in the preceding year since September, 1933. Except for Junior Live Stock entries which were marketed at the conclusion of the show, cattle and calf receipts lacked finish and quality. Few grain fed cattle appeared at the market during the month with the result that prices for heavy steers increased from \$4.00 per hundredweight to \$5.00, which was the largest gain scored during the month, according to median prices computed in our office. Light butcher steers (under 1100 lbs.) and heavy stock and feeder steers showed smaller increases, but other classes of cattle and calves registered no change or declines.

Feeder cattle shipments from South St. Paul continued to decrease seasonally during November and for the second consecutive month and the second time this year were smaller than in the corresponding month a year earlier. The December 1 report on the cattle feeding situation issued by the United States Department of Agriculture at Washington stated that the total feeder movement into the corn belt states in November this year was 45 per cent below the 1929-33 average and the smallest in 15 years, the entire movement from July to November being slightly less than that for the same period last year and the smallest on record. According to the same report, July-November shipments totalled about 1,100,000 head compared with 1,120,000 last year, and a five year average of 1,306,000.

During the first half of December, butcher cattle receipts have continued at about the same volume as in November, and were larger than in the first half of December last year. Prices have held fairly steady at the level reached at the end of November, with the exception of butcher heifers, which have been somewhat higher. Feeder cattle shipments during the first half of December have continued to decline and to be smaller than in the same weeks last year. Average prices during the first two weeks of December have shown little change from those of November except for calves, which have declined sharply.

Hog receipts at South St. Paul continued to increase during November and were only slightly

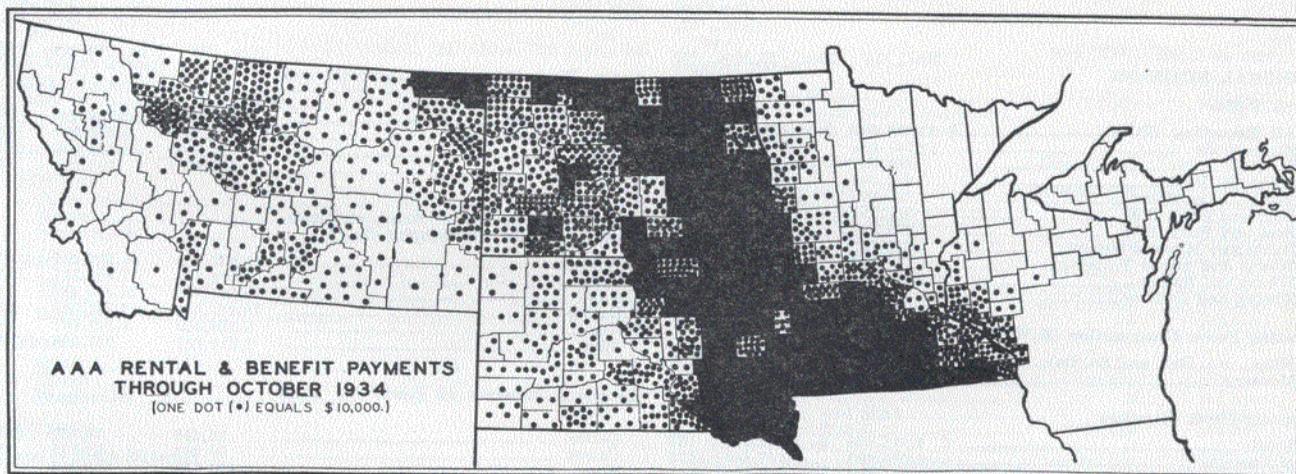
smaller than in November last year, despite the much smaller spring pig crop in 1934. Average weekly prices at South St. Paul during November showed little change from those of October as was the case with the monthly median prices computed in this office, but small increases in the weekly "tops" occurred. Because of the favorable statistical position of lard and a steady demand for that product, heavy hogs again sold higher than regular butcher weights. In the last week of the month, packing sows sold at higher levels than choice 170-190 pound gilts and barrows for the first time in many years, according to the weekly review issued by the representative of the United States Department of Agriculture located at South St. Paul.

Receipts of hogs at South St. Paul during the first half of December greatly exceeded those of any two-week period since the middle two weeks of November, 1933, despite the heavy snows in the first week of the month that seriously hampered trucking. Prices averaged higher in each of the first two weeks of December, and further gains were made in the weekly "tops." Heavy hogs have continued in strong demand because of their relatively high dressing percentage and the large proportion of lard carried.

November marketings of sheep at South St. Paul declined seasonally to a fraction of the October receipts, but were still much larger than in November last year. Prices showed but little change during the month although the median price for lambs gained slightly. Well finished fat lambs were in demand throughout the month because of their scarcity, but with dressed lamb prices already so high that cold storage holdings were rapidly increasing, substantial gains were unobtainable. However, a new "top" since early August was established during the last week of the month. Sheep and lamb marketings during the first half of December have averaged smaller each week than in November, and in the first two weeks of December last year. The price improvement noted at the end of November has been held during the first half of December, chiefly on account of a steadying of dressed lamb prices. No appreciable advance has occurred, but no further declines have been made.

Similar to feeder cattle shipments, the movement of feeder lambs through inspected stockyards into Corn Belt feed lots during November was much smaller than the 1929-1933 average. The total movement thus far this season is somewhat larger than in the July-November period a year ago, but somewhat smaller than the five-year average. The movement into feed lots was somewhat earlier than usual this season but a great many lambs have made poor gains up to December 1 and will not be ready for marketing for several weeks.

Manufacturers' purchases of wool increased from week to week during November, resulting in a more active market than has existed since last January. Wool prices did not change appreciably during the month, but the absorption by manufacturers of a



portion of the existing stocks caused a definite improvement in the firmness of wool prices.

December 1, 1934 Pig Survey

The December 1, 1934 Pig Crop report of the United States Department of Agriculture indicates a decrease of about 48 per cent in the 1934 fall pig crop as compared with that of 1933; a decrease of about 35 per cent in the 1934 combined spring and fall pig crop from last year; and a prospective decrease of 17 per cent in the number of sows to be bred for 1935 spring farrowing. This indicates a further decrease in the prospective spring pig crop next year; the number of sows that farrowed in the 1934 spring season was only 73 per cent of the average in the preceding three years, according to the estimate on June 1 this year. Numerically, the number of sows to be bred for spring farrowing, according to the December 1 report will be only 5,356,000 as compared with 6,425,000 in 1934 and an average of 8,828,000 for the three years 1931-33.

AAA Payments and Purchases

From the beginning of operations through October, 1934, total payments (exclusive of payments for seed) by the Agricultural Adjustment Administration to farmers in the northwest amounted to \$92,248,000. The northwest area included in these figures consists of Minnesota, Montana, North Dakota, South Dakota, Michigan and Wisconsin. The latter two states are only partially within the Ninth Federal Reserve District. Total payments in those two states amount to a little more than \$8,000,000. While the complete detail of disbursements for all commodities by months is not available, payments in the six states during October apparently were the largest for any month up to that time, and amounted to more than \$18,000,000.

Payments for seed purchased from farmers in this northwest district were not included in the figures above as the report issued by the Comptroller of the AAA at Washington did not segregate them by states. Total payments for seed purchased through the one disbursing office for this type of payment located at Minneapolis, however, amounted to nearly \$12,000,000. A sufficiently large portion of this amount probably was received by farmers in the six states mentioned above, especially Minnesota, Montana and Wisconsin, to increase the \$92,000,000 total to approximately \$100,000,000.

In the following table, the figures by states include ALL government payments to farmers and purchases of all kinds (except seed), but the accompanying map is based on rental and benefit payments under wheat and corn-hog contracts only, with an amount of less than \$30,000 added for tobacco reduction contracts in Minnesota. These three types of payments are the only ones for which county totals are available at the present time.

Total AAA Payments and Purchases* in Michigan, Minnesota, Montana, North Dakota, South Dakota and Wisconsin

	To Sept. 30, 1934	Month of October	To Oct. 31, 1934
Michigan	1,515,339	1,012,874	2,528,213
Minnesota	14,690,743	1,840,696	16,531,439
Montana	8,553,563	2,837,528	11,391,091
North Dakota	20,583,231	9,131,988	29,715,219
South Dakota	23,183,040	3,205,804	26,388,844
Wisconsin	5,344,749	348,402	5,693,151
Six States	73,870,665	18,377,292	92,247,957

*Includes Hogs, Wheat, Corn-Hogs, Tobacco, Surplus Cattle, Surplus Sheep and Goats, Eradication of Cattle Tuberculosis and Bangs disease, and Purebred cattle for Indian service.

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

	Per Cent			Per Cent		
	Nov., '34	Nov., '33	Nov., '33	Nov., '34	Nov., '33	Nov., '33
GENERAL BUSINESS						
Bank Debits¹						
All Reporting Cities.....	\$ 28,316,000	\$ 24,851,400	114			
Minneapolis	12,201,000	12,090,000	101			
St. Paul	5,361,000	4,189,000	128			
South St. Paul.....	625,000	516,000	121			
Great Lakes Ports.....	2,041,300	1,770,600	115			
Beef and Pork, S.E.....	982,100	810,000	121			
Beef and Pork, S.W.....	1,053,200	857,200	123			
Dairy and Mixed Farming.....	1,366,700	1,125,600	121			
Wheat and Mixed Farming.....	1,719,500	1,371,500	125			
Wheat and Range.....	1,062,000	718,500	148			
Mining and Lumber.....	1,904,200	1,403,000	136			
Electric Power Consumption (K.W.H.)^{1,2}						
Minn., No. Dak. and So. Dak.....	4,450,400	4,449,800	100			
Montana	2,802,100	3,303,300	85			
Country Check Clearings¹						
Total	\$ 4,215,800	\$ 3,129,900	135			
Minnesota	1,565,400	1,247,400	125			
Montana	661,300	438,400	151			
North and South Dakota.....	1,308,800	931,100	141			
Michigan and Wisconsin.....	680,300	513,000	133			
Freight Carloadings—N.W. District						
Total—Excluding L.C.L.....	223,275	212,778	105			
Grains and Grain Products.....	28,275	33,302	85			
Livestock	22,050	23,057	96			
Coal	29,083	28,855	101			
Coke	2,557	3,590	71			
Forest Products	22,949	24,522	94			
Ore	4,259	6,787	63			
Miscellaneous	114,102	92,665	123			
Merchandise—L.C.L.....	79,614	79,552	100			
Building Permits						
Number—18 Cities	704	434	162			
Value—18 Cities	\$ 716,600	\$ 387,500	185			
Minneapolis	369,700	138,900	266			
St. Paul	158,200	143,000	111			
Duluth-Superior.....	53,800	22,100	243			
4 Wheat Belt Cities.....	38,200	20,400	187			
6 Mixed Farming Cities.....	79,200	55,000	144			
4 Mining Cities.....	17,500	8,100	216			
Building Contracts Awarded						
Total	\$ 4,111,000	\$ 3,896,700	105			
Commercial	196,000	173,000	113			
Factories	99,000	223,300	44			
Educational	191,000	119,500	160			
Hospitals, etc.	0	12,500	0			
Public Buildings	599,000	263,700	227			
Religious and Memorial.....	41,000	18,000	228			
Social and Recreational.....	154,000	226,700	68			
Residential	484,000	241,800	200			
Public Works	2,196,000	2,256,600	97			
Public Utilities	151,000	361,600	42			
Real Estate Activity in Hennepin and Ramsey Counties						
Warranty Deeds Recorded.....	1,243	902	138			
Mortgages Recorded	1,649	824	200			
Manufacturing and Mining						
Flour Production at Minneapolis, St. Paul, and Duluth-Superior (Bbls.).....	744,876	664,051	112			
Flour Shipments at Mpls. (Bbls.).....	563,787	627,643	90			
Lined Product Shipments (Lbs.).....	10,849,625	8,804,532	123			
Copper Output (3 Firms) (Lbs.).....	14,323,000	12,007,000	119			
Business Failures						
Number	28	46	61			
Liabilities	\$ 197,224	\$ 660,519	30			
AGRICULTURE						
Farmers' Cash Income						
Total of 7 Items.....	\$ 22,399,000	\$ 22,464,000	100			
Bread Wheat	3,200,000	3,241,000	99			
Durum Wheat	579,000	1,333,000	43			
Rye	55,000	204,000	27			
Flax	524,000	524,000	100			
Potatoes	907,000	647,000	140			
Dairy Products	9,213,000	8,734,000	105			
Hogs	7,921,000	7,781,000	102			
Butter Production (Lbs.).....	32,362,000	34,578,000	94			
Grain Marketings at Minneapolis and Duluth-Superior (Bus.)						
Bread Wheat	2,515,000	3,294,000	76			
Durum Wheat	409,000	1,233,000	33			
Rye	72,000	325,000	22			
Flax	283,000	295,000	96			
Grain Stocks at End of Month at Minneapolis and Duluth-Superior (Bus.)						
Wheat	19,682,045	40,199,495	49			
Corn	8,576,674	7,832,512	110			
Oats	9,826,941	28,942,494	34			
Barley	10,221,006	10,942,388	93			
Rye	3,868,460	6,121,867	63			
Flax	1,210,231	982,868	123			
Livestock Receipts at South St. Paul (Head)						
Cattle	95,448	79,157	121			
Calves	50,274	52,719	95			
Hogs	222,762	230,360	97			
Sheep	192,919	143,509	134			
Median Cash Grain Prices (Bus.)						
Wheat—No. 1 Dark Northern.....	\$ 1.14	\$.86½	132			
Durum—No. 2 Amber.....	1.41½	1.02½	138			
Corn—No. 3 Yellow.....	.85½	.40½	210			
Oats—No. 3 White.....	.56¼	.32½	175			
Barley—No. 3.....	1.03	.....	.....	
Malting Barley—No. 3.....	1.16	.....	.....	
Rye—No. 2 .....	.76	.62½	121			
Flax—No. 1	1.85	1.77½	104			
Median Live Stock Prices (Cwt.)						
Butcher Cows and Heifers.....	\$ 3.00	\$ 2.75	109			
Heavy Butcher Steers (1,100 lbs. and over).....	5.00	3.75	133			
Light Butcher Steers (Under 1,100 lbs.).....	5.00	4.35	115			
Prime Heavy Butcher Steers (1,100 lbs. and over).....	8.65	5.25	165			
Prime Light Butcher Steers (Under 1,100 lbs.).....	8.00	5.75	139			
Heavy Stocker and Feeder Steers (800 lbs. and over).....	3.50	2.75	127			
Light Stocker and Feeder Steers (Under 800 lbs.).....	2.75	3.00	92			
Veal Calves	4.50	4.00	113			
Hogs	5.15	3.85	134			
Heavy Hogs	5.50	3.45	159			
Lambs	6.25	6.25	100			
Ewes	2.00	2.65	75			
Wholesale Produce Prices						
Butter (Lb.)	\$.26	\$.20¼	127			
Milk (Cwt.)	1.53	1.22	125			
Hens (Lb.) .....	.10	.07	143			
Eggs (Doz.) .....	.19½	.17*	115			
Potatoes (Bu.) .....	.54	.62	87			
TRADE						
City Department Stores³						
Sales	\$ 4,669,230	\$ 3,907,160	120			
Merchandise Stocks	9,514,720	9,886,880	96			
Receivables	3,828,970	3,695,960	104			
Instalment Receivables	1,513,460	1,359,630	111			
Country Department and General Stores³						
Total Sales	\$ 4,042,650	\$ 3,113,810	130			
Stocks	5,960,730	5,666,750	105			
Country Lumber Yards³						
Sales (Bd. Ft.).....	6,908,000	4,452,000	155			
Lumber Stocks (Bd. Ft.).....	55,890,000	60,599,000	92			
Total Sales	\$ 1,097,500	\$ 742,400	148			
Receivables	2,200,100	1,953,400	113			
Life Insurance Sales						
Four States	\$ 12,301,000	\$ 13,011,000	94			
Minnesota	9,044,000	9,734,000	93			
Montana	1,350,000	1,100,000	123			
North Dakota	997,000	1,059,000	94			
South Dakota	910,000	1,118,000	81			

NINTH FEDERAL RESERVE DISTRICT

191

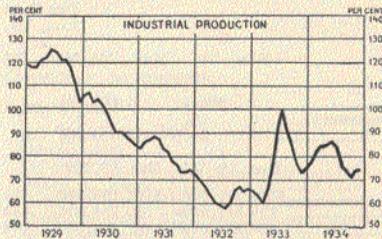
COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT (Continued)

			Per Cent				Per Cent
	Nov., '34	Nov., '33	Nov., '34, of '33		Nov., '34	Nov., '33	Nov., '34, of '33
Investment Dealers							
Sales to Banks.....	\$ 2,984,200	\$ 3,560,900	84				
Sales to Insurance Companies.....	902,100	736,000	123				
Sales to General Public.....	3,254,500	4,102,600	79				
Wholesale Trade							
Groceries³							
Sales	\$ 3,492,160	\$ 2,925,390	119				
Stocks	6,546,290	5,660,700	116				
Receivables	3,849,700	4,007,350	96				
Hardware³							
Sales	\$ 1,315,640	\$ 1,137,930	116				
Stocks	2,150,940	2,190,250	98				
Receivables	1,211,170	1,222,830	99				
Shoes							
Sales	\$ 317,970	\$ 246,930	129				
Stocks	616,050	616,290	100				
Receivables	759,210	726,340	105				
BANKING							
Member Bank Deposits							
In Cities over 15,000 pop.....	\$465,940,000	\$395,628,000	118				
In Cities under 15,000 pop.....	305,209,000	254,521,000	120				
Michigan—15 Cos.	46,039,000	39,805,000	116				
Minnesota	126,671,000	105,212,000	120				
Montana	47,785,000	38,886,000	123				
North Dakota	28,176,000	24,916,000	113				
South Dakota	39,823,000	32,542,000	122				
Wisconsin—26 Cos.	16,715,000	13,160,000	127				
Interest Rates²							
Minneapolis Banks	3½-4	4¼-4½					
Commercial Paper (net to borrower)....	1¾	2					
Minneapolis Fed. Res. Bank.....	3	3½					
Selected City Member Banks							
Loans to Customers.....	\$148,399,000	\$171,199,000	87	Dec. 12, '34	Dec. 13, '33		
Other Invested Funds.....	215,612,000	153,619,000	140				
Cash and Due from Banks.....	187,512,000	107,814,000	174				
Deposits Due to Banks.....	121,971,000	75,019,000	163				
Public Demand Deposits.....	48,956,000	28,535,000	172				
Other Demand Deposits.....	192,348,000	157,315,000	122				
Time Deposits	124,163,000	117,813,000	105				
Total Deposits	494,214,000	381,026,000	130				
Borrowings at Fed. Res. Bank.....	0	102,000	0				
Minneapolis Federal Reserve Bank							
Loans to Member Banks.....	\$ 23,000	\$ 2,270,000	1				
Twin Cities	0	113,000	0				
Minn., Wis. and Mich.....	0	872,000	0				
N. Dak. and Mont.....	23,000	316,000	7				
South Dakota	0	969,000	0				
Fed. Res. Notes in Circulation.....	106,926,000	90,930,000	118				
Fed. Res. Bank Note Circulation—Net	0	6,516,000	0				
Member Bank Reserve Deposits.....	108,907,000	54,775,000	199				

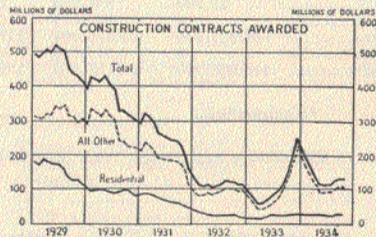
*Daily Averages. *Unclassified.
 †Latest Reported Data.
 ‡Figures for the various items in this section not always from identical firms.

BANK DEBITS

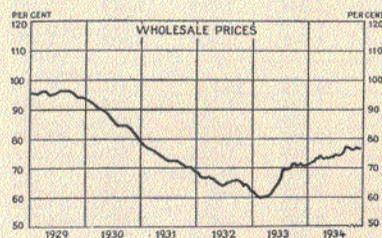
	November		October	
	1934	1933	1934	1933
Number of Business days:				
Michigan and Wisconsin.....	24	27	25	26
Minnesota and South Dakota	23	27	24	26
Montana and North Dakota.....	23	26	24	25
Michigan (000's omitted)				
Calumet (1 bank).....	\$ 714	\$ 562	\$	\$
Crystal Falls	329	.....	.....	.....
Escanaba (1 bank).....	438	502	385	439
Hancock	1,018	900	1,020	1,185
Houghton	1,312	1,342	1,422	1,455
Iron Mountain	1,500	1,492	1,163	1,274
Iron River, Stambaugh.....	808	728	586	463
Ironwood (1 bank).....	582	601	.....	.....
Laurium (1 bank).....	204	260	.....	.....
Manistique	238	160*	121*	149*
Marquette	2,590	2,961	2,310	2,690
Menominee	2,280	2,260	1,991	2,170
Sault Ste. Marie.....	2,053	2,060	1,791	1,897
Minnesota				
Albert Lea	2,036	2,384	1,926	2,286
Austin	3,877	4,083	3,038	3,664
Bemidji (2 banks).....	996	1,083	707*	844*
Chaska	708	438	675	424
Chisholm	586	719	625	826
Cloquet	1,177	1,189	1,688	1,454
Crookston	1,503	1,785	1,034	1,172
Detroit Lakes	966	1,035	946	876
Duluth	37,766	37,173	34,862	44,547
Ely	454	339	424	279
Faribault (1 bank).....	1,555	1,395	1,474	1,122
Farmington	159	176	151	205
Fergus Falls	1,580	1,706	1,583	1,774
Glenwood	270	271	236	232
Hutchinson	530	636	454	499
Lakefield	317	327	344	251
Lanesboro	216	254	485	253
Little Falls	758	915	1,049	789
Luverne	735	824	622	495
Mankato	4,401	4,839	4,215	4,283
Minneapolis	280,620	322,601	290,157	321,513
Moorhead	1,637	2,270	1,358	1,985
Morris	406	406	279	318
Owatonna	1,948	2,164	1,675	1,728
Park Rapids	245	288	191	254
Red Wing	1,646	1,790	1,500	1,521
Rochester	3,700	3,939	3,475	3,397
St. Cloud	2,458	2,947	2,374	2,398
St. Paul	123,313	142,513	100,583	105,352
Sauk Rapids	216	258	.....	.....
South St. Paul.....	14,386	17,125	12,987	15,917
Stillwater	1,432	1,843	1,318	1,736
Thief River Falls.....	1,280	1,485	997	916
Two Harbors	831	335	295	329
Virginia	1,701	1,450	1,491	1,287
Wabasha	703	850	712	710
Wells	403	406	.....	.....
Wheaton	293	266	308	292
Willmar	974	1,025	601*	528*
Winona	6,695	6,169	5,120	4,875
Worthington (1 bank).....	761	799	481	469
Montana				
Anaconda	991	1,037	1,038	1,087
Billings	7,320	7,512	5,998	6,647
Bozeman	2,003	2,331	1,340	1,515
Butte (2 banks).....	8,180	8,073	6,430	6,472
Deer Lodge	525*	480*	367	402
Glendive	702	713	588	659
Great Falls	10,367	11,381	7,289	8,358
Harlowton	316	246	243	200
Havre	1,370	1,386	1,041	964
Helena	9,403	9,735	5,582	5,556
Kalispell	1,584	1,630	1,090	1,361
Lewistown	1,854	1,596	1,063	1,160
Malta	653	703	420	387
Miles City (1 bank).....	1,228	1,250	1,000	1,200
North Dakota				
Bismarck	10,134	13,992	7,457	9,474
Devils Lake	1,194	1,241	954	1,074
Dickinson	960	1,073	900	997
Fargo	13,467	15,155	11,321	13,008
Grafton	809	1,152	675	905
Grand Forks	3,938	4,513	3,761	5,284
Jamestown	1,443	1,617	1,516	1,599
Mandan	772	810	725	732
Minot	3,529	3,696	3,341	4,361
Valley City	868	1,099	919	.....
Wahpeton	815	855	781	844
Williston	1,099	1,073	694	832
South Dakota				
Aberdeen	3,509	3,564	2,750	2,922
Brookings (1 bank).....	671	812	605	570
Deadwood	1,109	1,096	816	816
Huron	2,265	2,371	2,387	2,523
Lead	1,975	2,127	1,533	1,584
Madison	842	856	542	636
Milbank	372	395	325	340
Mitchell	2,436	2,629	1,814	2,374
Mobridge	661	557	463	408
Pierre	3,785	3,368	978	998



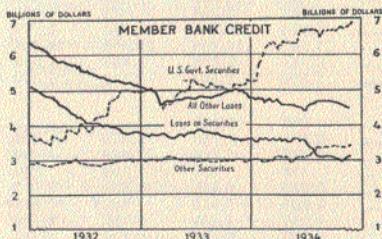
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average=100.)



Three month moving averages of F. W. Dodge data for 37 Eastern states, adjusted for seasonal variation. Latest figure based on data for October and November and estimate for December



Index of United States Bureau of Labor Statistics. (1926=100.) By months 1929 to 1931; by weeks 1932 to date. Latest figure is for week ending December 15.



Wednesday figures for reporting member banks in 90 leading cities. Latest figures are for December 12.

Summary of National Business Conditions (Compiled December 24 by Federal Reserve Board)

In November the rate of industrial activity showed little change, and the general level of commodity prices remained unchanged. Distribution of commodities to consumers was well maintained.

PRODUCTION AND EMPLOYMENT: The volume of industrial production declined in November by an amount somewhat smaller than is usual at this season, and consequently the Board's seasonally adjusted index advanced from 73 per cent of the 1923-1925 average in October to 74 per cent in November. In the steel industry, output continued to increase during November and the first three weeks of December, contrary to the usual seasonal tendency. Automobile production also showed an increase in the early part of December, following a decline in connection with preparations for new models. In November, lumber output decreased by more than the estimated seasonal amount. At woolen mills there was a considerable increase in output, while consumption of cotton by domestic mills showed a slight decline. Activity at meat packing establishments showed less than the usual seasonal increase. Production of the leading minerals was at about the same level as in October.

Factory employment declined between the middle of October and the middle of November by the usual seasonal amount and was at the same level as a year ago. Declines reported for the automobile, shoe, and canning industries were smaller than seasonal while decreases at railroad repair shops and sawmills were larger than are usual at this season. At meat packing establishments, where employment has been at a high level in recent months, there was a considerable decline but the number on the payrolls in November was larger than in the corresponding month of other recent years. Employment at woolen mills showed a substantial increase. The number employed on construction projects of the Public Works Administration declined further in November, according to the Bureau of Labor Statistics.

The value of construction contracts awarded, as reported by the F. W. Dodge Corporation, showed a considerable decline in November and the first half of December, following an increase in October. The indicated decline in awards from the third to the fourth quarter was somewhat smaller than usual.

AGRICULTURE: Department of Agriculture estimates for December 1 indicate that production of principal crops this season was about 22 per cent smaller than in 1933 and 32 per cent below the average for the previous 10 years, reflecting reductions in acreage and in yield per acre. There has been a shortage in feed crops accompanied by a sharp increase for the year in the slaughter of live stock. Although output of agricultural commodities has been smaller than in any other recent year, farm income has been larger than in either 1932 or 1933, reflecting chiefly higher prices, and, to a smaller degree, benefit payments.

DISTRIBUTION: Total freight carloadings declined in November by less than the estimated seasonal amount, reflecting chiefly a smaller decline than is usual in shipments of miscellaneous freight. Retail sales generally have been well maintained. Department store sales increased by slightly less than the estimated seasonal amount in November. Preliminary reports for the first half of December, however, indicate a more than seasonal increase in Christmas trade.

COMMODITY PRICES: Wholesale commodity prices generally showed little change during November and the first half of December. Prices of scrap steel continued to increase during this period, while corn prices, which advanced rapidly in November, declined somewhat after the first week of December. Retail food prices declined in November, reflecting lower prices for meat.

BANK CREDIT: Developments at Federal Reserve banks in December reflected largely the seasonal increase in the demand for currency and the continued inflow of gold from abroad.

Loans and investments of reporting member banks in leading cities showed an increase of \$150,000,000 in the four weeks ending December 12, after declining somewhat in the preceding four weeks. The growth reflected increases in holdings of United States Government obligations and in brokers' loans. Deposits at banks showed a further considerable growth.

Yields on short-term government securities declined slightly in December, while other short-term open-market money rates showed little change. On December 15 the discount rate of the Federal Reserve Bank of Atlanta was reduced from 3 per cent to 2½ per cent, and on December 21 a similar reduction was made at the Kansas City Federal Reserve Bank.