

MONTHLY REVIEW

OF

AGRICULTURAL AND BUSINESS CONDITIONS

IN THE

NINTH FEDERAL RESERVE DISTRICT

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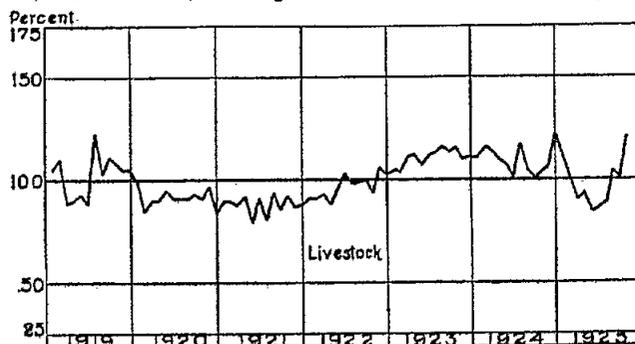
November 28, 1925

DISTRICT SUMMARY FOR THE MONTH

In this district, October is the month in which a turn is made from one crop year to another. The business effects of the 1924 crop are tapering off, and the new 1925 crop now dominates the situation. The 1924 crops of wheat and rye were large in this district, and owing to European shortages, the prices realized were high. The 1925 crops of wheat and rye are estimated to be three-fourths as large as in 1924, and owing to contemporary increases in European production, the prices realized thus far have not averaged as high as last year. Bread wheat and flax are slightly higher in price than a year ago, but rye and durum are much lower. These four are known as the "cash grain" crops and constitute a primary source of potential purchasing power.

Comparisons of business activity in this district in October and the ensuing months with the same months a year earlier must be considered in the light of these facts regarding the crops. Such gains as were shown in 1925 over similar months in 1924 cannot be maintained in 1926 when comparisons are made with similar months in 1925, unless the favorable livestock situation, coupled with other forms of business stimulus, such as building activity and the iron ore movement, offset the indicated decline in potential purchasing power created by the smaller production and lower prices of the cash grain crops.

The grain movement in October was less than one-half of that in September, or in October a year



Carloadings of Livestock in the Northwestern District, by months, 1919-1925. Curve adjusted to eliminate seasonal changes.

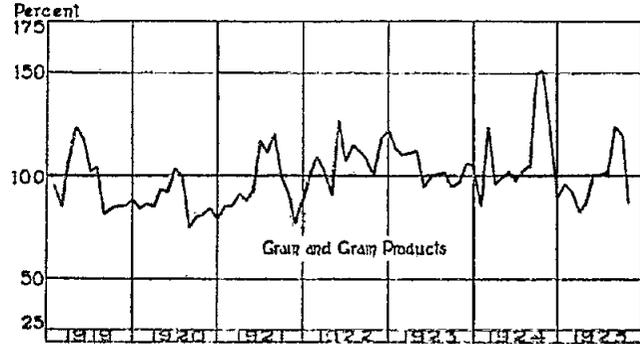
ago. This was due partly to the smaller crop this year, but also to the extraordinary movement in October a year ago, to the abnormally early movement in September this year and to the adverse weather conditions of October this year.

Livestock has moved to our terminals during October in record-breaking volume, and at prices above a year ago. The estimates of production for the feed grains—corn, oats and barley—in this district are all above last year, and assure livestock producers ample stocks of feed for the year to come.

Prospective activity, as shown by contracts awarded and by permits issued for building operations in eighteen representative cities, declined more than the seasonal amount during the month and was below that of last year in October. The most recent data with reference to the relative supply of and demand for dwellings indicates that our building shortage has been fully made up in the larger cities.

Carloadings exhibited a slight gain over a year ago, although there was a large decrease in the movement of grains. Eastern demand for iron and steel held iron ore shipments up to a level one-fourth larger than a year ago. Flour production and shipments, linseed products shipments, coal receipts and sales of lumber by retail yards were above those of last year and those of September, but the total volume of check payments at banks declined.

The severe temperatures that occurred in October brought forward a considerable volume of win-



Carloadings of Grain and Grain Products in the Northwestern District, 1919-1925. Curve adjusted to eliminate seasonal changes.

ter retail buying, retailers enjoying their first substantial gains shown for any one month as compared with their records for the same months of last year. Wholesale trade in October was better than a year ago in shoes, hardware and farm implements, but the gains were not large. It should be noted that the purchasing power created by the heavy August and September shipments of the grains did not become immediately effective, as farmers have taken storage tickets and deferred sales to a much greater extent this year than has prevailed for several years past.

Sales of securities to the general public by dealers in this district were one-tenth larger in October than a year ago. The significant changes were increases in sales of stock, farm mortgages and public utility and industrial bonds. The insurance companies also purchased a larger volume of loans.

Banking conditions on November 10 were practically the same as on October 1, except for increases in demand deposits and in loans secured by stocks and bonds held by banks in the larger cities, and a slight reduction in borrowings by all member banks from this Federal Reserve Bank. Interest rates were slightly higher on customers' loans in the larger cities.

TOPICAL REVIEWS

Carloadings of freight in the northwestern district revealed very important changes in commodity movements during October, although the total carloadings were only slightly larger than in October last year and showed the usual seasonal increase of 2 per cent over September carloadings. In the first place, less-than-carload-lot shipments, which constitute about one-fifth of the total carloadings, but which are quite variable in tonnage, showed an increase of 10 per cent over the volume in October last year. On the other hand, miscellaneous carloadings, which represent about one-fourth of the total carloadings and are ordinarily assumed to be composed of very much the same kind of commodities as less-than-carload shipments, decreased 2 per cent. If the shipments in less-than-carload-lots be deducted from the total carloadings, the remaining items in the carloading totals show a net decrease from last year of 2 per cent. There were substantial increases over last year in October carloadings of livestock, coal, coke, ore and forest products. Livestock and less-than-carload-lot shipments were the largest reported for any single month since the record began seven years ago. On the other hand, carloadings of grain and grain products were 42 per cent smaller than in October, 1924.

As compared with the month of September, livestock carloadings increased 41 per cent, although the expected increase at this time of year is only 18 per cent. The adjusted curve rose from 101 to 121. This very unusual departure from the normal expectancy has only been exceeded twice in the his-

tory of northwestern carloadings, namely, in July, 1919, and in December, 1924, at both of which times there were emergency shipments of livestock on account of expected shortages of feed. Coal shipments increased 32 per cent in October over September, although an increase of only 14 per cent is anticipated at this time of year. Forest product shipments increased 13 per cent as compared with an expected increase of 4 per cent. There seems to be under way a repetition of the unusually large volume of shipments of forest products during the winter months which has taken place in the last two years. This is probably explained by the small inventories maintained by retail lumber dealers who depend more largely now than heretofore on the present excellent railway service to provide them with speedy replacements as their stocks become exhausted. The result of this practice is to increase shipments of forest products during the months when formerly retailers depended on their existing stocks. Ore and less-than-carload merchandise exhibited about the usual trends between September and October—in the case of ore a decrease of 14 per cent and in the case of less-than-carload merchandise an increase of 6 per cent. Miscellaneous merchandise shipments increased 8 per cent, as compared with the usual increase of 17 per cent. Grain and grain products carloadings decreased 30 per cent, although usually October carloadings of these commodities are about equal to September carloadings.

In the livestock marketing movement, October was a month of new records at South St. Paul. The number of veal calves and hogs and the total number of cars of livestock received made new records for the month of October; receipts of mature cattle were the largest in any October since 1919; and the receipts of sheep were the heaviest of any October since 1921. The primary cause of the new records was a much larger movement from the western part of the district. In more detail, the record shows increases over October receipts a year ago of 65 per cent for cattle, 19 per cent for calves, 17 per cent for hogs and 12 per cent for sheep. The livestock movement also showed much larger increases over the September volume than the usual seasonal increase. Receipts of hogs more than doubled, receipts of cattle increased 89 per cent, receipts of sheep increased 73 per cent and receipts of calves increased 44 per cent.

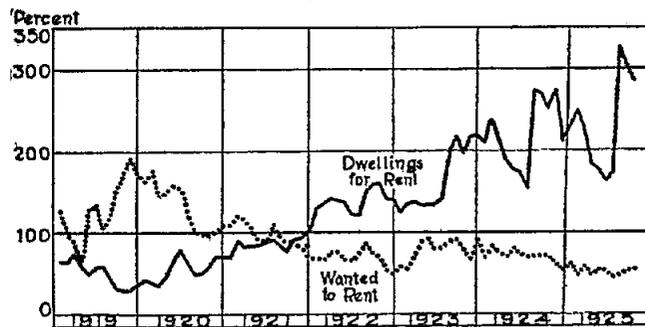
Shipments of feeder cattle and calves during October were 37 per cent and 56 per cent greater, respectively, than during the corresponding month last year, evidencing improved confidence on the part of corn belt farmers in profits from fattening cattle during the coming winter. Feeder cattle shipments in October were the largest for any month, with one exception, since the war. Shipments of feeder hogs and sheep, on the other hand, were about one-fourth smaller than last year. All classes showed pronounced increases in October as compared with September shipments.

Median livestock prices were lower in October than in September for all classes except feeder steers and butcher steers. The strength in the price of feeder steers, for which the price advanced 25 cents per hundredweight, is further evidence of the confidence in profits to be derived from feeding cattle this winter. Butcher steers remained unchanged in median price between September and October, and butcher cows and veal calves lost 50 cents. The price of lambs was reduced 25 cents, and the price of hogs was lowered \$1.40. All classes of livestock continue to be higher in price than a year ago.

Wholesale produce prices were again featured by a remarkable increase in the price of potatoes. At the close of October, potatoes sold in the Minneapolis wholesale market at \$4.00 per hundredweight, as compared with \$2.25 a hundredweight a month earlier, and 90 cents a hundredweight a year ago. Creamery butter declined 2 cents, from 50 cents at the close of September to 48 cents at the close of October. The price of butter, however, remained much higher than a year ago, when the same grade was sold for 37 cents a pound. Eggs increased from 39 cents a dozen to 43 cents a dozen during October, but sold 2 cents lower than at the end of October last year. Four pound hens decreased 3 cents a pound to 17 cents at the close of October, and were sold at the same price as that quoted a year earlier.

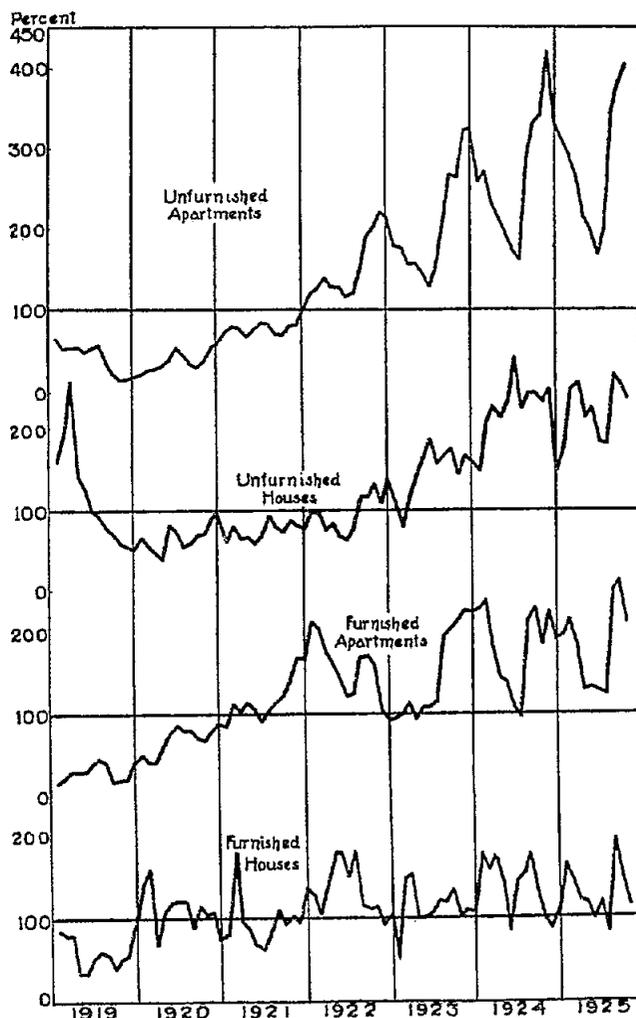
Retail lumber sales, reported by yards scattered throughout this district, were 14 per cent larger during October than in the corresponding month last year, as measured in board feet. Sales by lumber retailers, measured in dollars, were 21 per cent larger than last year. Neither of these comparisons was as favorable as comparisons with a year ago have been in earlier months of this year, as is apparent from the fact that cumulative lumber sales for the first ten months of 1925, measured in board feet, were 38 per cent larger than in the first ten months of 1924, and cumulative dollar sales were 25 per cent greater than during the corresponding period a year ago. Stocks of lumber in retailers' hands were 3 per cent larger than last year at the end of October. Lumber sales, measured in board feet, were 1 per cent larger in October than in September, and dollar sales were 13 per cent larger, probably reflecting increased sales of coal. Stocks of lumber were allowed to decline 6 per cent during the month of October.

The number of vacant dwellings for rent in the larger cities of the Northwest is reaching unwieldy proportions, according to the volume of rental advertising in local newspapers. The situation in Minneapolis is typical of conditions prevailing in St. Paul and Duluth and will be used for illustrative purposes because complete data is available for the post-war years from 1919 to the present time, whereas statistics of rental advertising in the other cities have been compiled for a period of less than two years.



"Dwellings for Rent" and "Wanted to Rent" advertisements in a Minneapolis Newspaper. Curves adjusted to eliminate seasonal changes.

Shortly after the close of the war, there was a temporary over-supply of unfurnished houses, and to a lesser extent of furnished houses and unfurnished apartments. As the troops were demobilized and returned to their homes in 1919 this situation was speedily reversed. Advertisements of



"Dwellings for Rent" Advertisements in a Minneapolis Newspaper, separated into classes of dwellings offered. Curves adjusted to eliminate seasonal changes.

all classes of dwellings for rent practically ceased, indicating that housing facilities were almost fully in use. Advertisements by people searching for dwellings climbed in a period of seven months from an index number of 65 to an index number of 191, using the average months, 1919-1923, as a base. In spite of this rapidly mounting volume of advertising, dwellings were almost impossible to secure, and rents rapidly increased. The combination of the two circumstances spurred on a building boom which has been in progress almost constantly until the present time. Advertising of furnished dwellings increased more than advertisements of unfurnished dwellings until the middle of 1922. Beginning with August, 1922, a large number of unfurnished dwellings for rent has been placed on the market each year, with each year's installment larger than that of the year before.

The increased housing facilities offered have included a growing proportion of unfurnished apartments, advertisements for which reached an index number of 404 in October, 1925, which was the high point for the year, after seasonal changes were eliminated. The highest points reached in 1925 for other classes were as follows: Unfurnished houses, 269; furnished houses, 198; furnished apartments, 265. A part, but not all, of the increase in the volume of dwellings offered for rent is due to the increase in the population of the city and surrounding suburbs. This is apparent upon inspection of the first six months of the year 1923 in the curves of dwellings offered for rent and dwellings wanted to rent. During this six months' period, the curve of dwellings for rent, adjusted for seasonal changes, followed a horizontal course. Evidently this volume of dwellings for rent was not adequate to supply the growing needs of the city, for advertisements by persons seeking dwellings to

rent increased from an index number of 48 in December, 1922, to an index number of 92 in May, 1923. Perhaps some of this increase in the number of advertisements by persons seeking dwellings may be attributed to the better business conditions resulting from the profitable 1922 crop, which led people to search for a higher class of dwellings than they had occupied theretofore.

Since May, 1923, the outstanding movement of this curve of dwellings "wanted to rent" has been downward, although in a growing city the normal trend should be upward. This coupled with the continuous increase since 1919 and the rapid increase since 1923, in the volume of advertisements of dwellings for rent, shows conclusively that dwellings available for rent have increased more rapidly than the demand for them.

Building contracts awarded during October as reported by the F. W. Dodge Corporation were 27 per cent smaller than contracts awarded in September, and 18 per cent smaller than October contracts a year ago. Every important class of building shared in the decline as compared with September and a year ago, except residential contracts, which increased 35 per cent as compared with September and 65 per cent as compared with last year. This increase gave residential building first rank in October this year among the various classes of building in this district. Residential contracts amounted to 57 per cent of the total volume of building in October this year, as compared with 29 per cent of the total a year ago. Last year public utilities and public works ranked first.

Department store sales in the cities of this district were 23 per cent larger during October than in October a year ago and 29 per cent larger than

COMPARATIVE STATISTICS OF BUSINESS IN 1925

	Unit	October, 1925	September, 1925	October, 1924	% Oct. 1925, of Sept. 1925	% Oct. 1925, of Oct. 1924		Unit
DEBITS TO INDIVIDUAL ACCOUNTS—17 cities		\$878,166,000	\$924,981,000	\$1,139,998,000	108	86	LIVESTOCK RECEIPTS AT SOUTH ST. PAUL—	
CARLOADINGS—N. W. District ...	Cars	744,651	731,452	742,076	102	100	Cattle	Head
GRAIN RECEIPTS AT MPLS. AND DUL.-SUP.—							Calves	Head
Wheat	Bu.	22,354,704	43,549,044	51,518,703	51	43	Hogs	Head
Corn	Bu.	387,845	308,588	556,003	126	70	Sheep	Head
Oats	Bu.	5,891,046	14,913,179	14,431,753	39	41	MEDIAN LIVESTOCK PRICES AT SOUTH ST. PAUL—	
Barley	Bu.	3,868,000	12,426,567	7,927,700	31	49	Butcher Cows	Cwt.
Rye	Bu.	2,415,663	5,897,998	14,794,000	41	18	Butcher Steers	Cwt.
Flax	Bu.	5,467,793	5,739,659	9,652,091	95	57	Stock & Feed Steers	Cwt.
GRAIN STOCKS AT END OF MONTH AT MPLS. & D.-S.—							Veal Calves	Cwt.
Wheat	Bu.	18,558,460	19,849,015	20,373,667	94	91	Hogs	Cwt.
Corn	Bu.	86,165	94,838	592,018	38	6	Lambs	Cwt.
Oats	Bu.	30,448,528	31,109,870	29,282,115	98	104	FLOUR—	
Barley	Bu.	3,452,581	4,020,063	2,501,827	86	138	Production—T. C. & D.-S....	Bbls.
Rye	Bu.	5,990,747	4,727,986	4,719,232	127	127	Shipments from Mpls.	Bbls.
Flax	Bu.	3,301,704	2,039,302	2,431,342	162	136	LINSEED PRODUCTS SHIPMENTS FROM MPLS.	Lbs.
MEDIAN CASH GRAIN PRICES—							IRON ORE SHIPMENTS	Tons
Wheat—No. 1 Dk. Nor.	Bu.	\$1.56½	\$1.59¼	\$1.50	99	104	COAL RECEIPTS—DUL.-SUP.—	
Durum—No. 2 Amber	Bu.	1.23½	1.26½	1.56¼	98	76	Soft	Tons
Corn—No. 3 Yellow	Bu.	.81	.90½	1.05½	90	77	Hard	Tons
Oats—No. 3 White	Bu.	.35¼	.36¾	.46¾	98	75	RETAIL SALES—	
Barley—No. 3	Bu.	.62½	.64	.81	98	77	23 Department Stores	\$
Rye—No. 2	Bd.	.78	.84½	1.21½	92	64	57½ Lumber Yards	Bd. Ft.
Flax—No. 1	Bu.	2.58¼	2.58	2.41½	100	107		

in September this year. The exceptionally cold weather in October was responsible for a large part of the increase. The unusual volume of sales reduced stocks of merchandise at the end of October to a level 3 per cent lower than a year ago, although stocks have been about 2 per cent larger than last year for several months past. Stocks increased only 1 per cent between the end of September and the end of October, whereas a year ago the increase was more than 5 per cent.

Soft coal receipts at Duluth-Superior were 8 per cent larger in October than a year ago in the corresponding month and 28 per cent larger than in September. There were no hard coal receipts at the Head-of-the-Lakes during October this year, as compared with receipts of nearly 46,000 tons in October last year. From the opening of navigation to October 31, the 1925 receipts of soft coal were 23 per cent larger than in the corresponding portion of the 1924 season, and hard coal receipts were 33 per cent smaller.

Banking developments during October were inconsequential, but there was a small revival of activity at city banks during the first two weeks of November based on an increase in deposits placed with them by country banks. During the four weeks ending October 28, demand deposits of our reporting group of twenty-five city member banks decreased 3 million dollars and time deposits increased 3 million dollars. There was a decrease of 1 million dollars in loans secured by stocks and bonds, and an increase of three-fourths of a million dollars in security holdings of these banks. In the week ending November 4, demand deposits at these banks increased 12 million dollars, largely as a result of deposits by country banks; but in the following week ending November 10, demand de-

posits decreased more than 4 million dollars, leaving a net increase for the two week period of about 7 million dollars. Time deposits were reduced 1½ millions in this two week period. With the increased deposits, loans secured by stocks and bonds were increased nearly 3 million dollars, and other loans, thought to be largely commercial in character, were increased 1 million dollars. Security holdings remained unchanged.

This Federal Reserve Bank experienced practically no change in the total volume of its loans to member banks during the four weeks ending October 28. There were decreases in loans to Twin City member banks and member banks in Montana and North Dakota, but there were offsetting increases in other parts of the district. Member bank reserve accounts were reduced nearly 2 million dollars during this four week period. Purchased bill holdings declined nearly 11 millions, and cash reserves increased about 8 millions. During the two weeks ending November 10, there was a reduction of 1¾ million dollars in loans to member banks. All groups of banks reduced their borrowings, except banks in Wisconsin and Michigan. Purchased bill holdings were reduced an additional 5 million dollars, and cash reserves increased nearly 10 millions. There was an increase of more than 2 millions in member bank reserve accounts.

Interest rates quoted by four Minneapolis commercial banks during the week ending November 15 were very slightly higher than rates quoted a month earlier, or a year earlier. Quotations on practically every kind of loan were higher than a month ago. Our weighted discount rate for the four banks combined was 4.90 per cent on November 15, as compared with 4.79 per cent on October 15, and 4.69 per cent on November 15 last year.

THE NINTH FEDERAL RESERVE DISTRICT

October, 1925	September, 1925	October, 1924	% Oct., 1925, of Sept., 1925	% Oct., 1925, of Oct., 1924	October, 1925	September, 1925	October, 1924	% Oct., 1925, of Sept., 1925	% Oct., 1925, of Oct., 1924
178,972	94,731	108,591	189	163	WHOLESALE TRADE—				
87,800	39,865	48,093	144	119	Farm Imps. 7 firms	\$1,495,000	\$2,530,470	\$1,437,900	93
332,813	188,727	285,056	209	177	Hardware 13 firms	2,293,650	2,312,930	2,062,960	99
140,888	81,404	126,152	173	112	Shoes 5 firms	927,530	938,790	786,940	99
					Groceries 54 firms	6,818,170	6,177,570	6,448,580	102
					BUILDING—				
					No. of Permits 18 cities	2,140	2,313	2,248	93
					Value of Permits 18 cities	\$4,864,200	\$6,126,100	\$5,621,900	79
					Contracts Awarded	6,932,900	9,473,000	8,426,100	73
\$4.50	\$5.00	\$4.00	89	113	BUSINESS FAILURES—				
6.75	6.75	6.00	100	113	Number	87	66	65	132
8.00	5.75	5.25	104	114	Liabilities	\$1,267,785	\$408,371	\$1,100,571	313
10.75	11.25	8.00	98	134	SECURITIES SOLD—				
11.25	12.05	9.75	89	115	To Banks	\$3,493,900	\$3,966,300	\$8,293,000	86
14.00	14.25	13.00	98	108	To General Public	6,522,400	5,751,000	5,909,900	113
					9TH F. R. D. MEMBER BANKS—				
1,718,030	1,535,957	1,245,787	112	138	Demand Deposits	\$455,964,000	\$458,587,000	\$475,974,000	99
1,574,802	1,312,195	1,200,199	117	131	Time Deposits	435,493,000	433,357,000	416,047,000	100
					25 CITY MEMBER BANKS—				
51,720,587	38,755,777	47,845,318	133	108	Loans	\$250,574,000	\$247,309,000	\$273,687,000	101
7,004,443	7,354,873	5,590,648	95	125	Securities	108,744,000	168,845,000	100,828,000	100
					Demand Deposits	232,152,000	230,327,000	271,530,000	101
1,242,816	968,058	1,151,058	128	108	Time Deposits	108,327,000	109,152,000	96,238,000	99
0	58,003	45,748	0	0	Borrowings at F. R. Bank	603,000	1,232,000	0	49
					MINNEAPOLIS F. R. BANK—				
\$3,322,230	\$2,612,100	\$2,757,750	129	123	Loans to Member Banks	\$4,098,167	\$4,585,360	\$5,630,218	89
21,178,000	20,099,000	18,648,000	101	114	F. R. Notes in Circulation	67,353,625	67,934,920	72,450,010	89

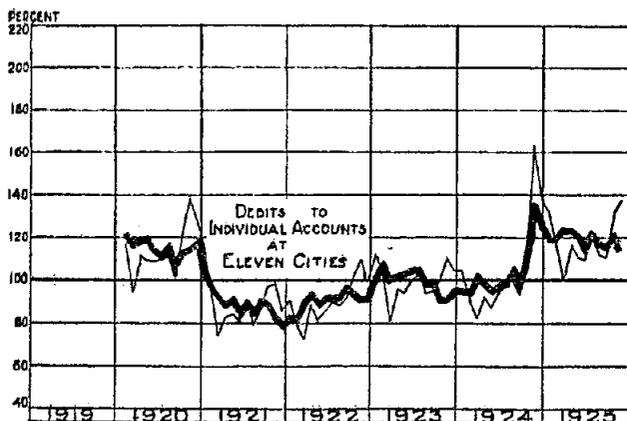
Commercial paper outstanding in this district was 15 per cent smaller in volume at the end of October than a year ago, but 2 per cent larger than the amount outstanding at the end of September. This latter increase was not quite as large as the seasonal increase expected at this time of year.

Security sales by Twin City investment firms in October were 32 per cent smaller than in October last year. The decrease from last year's volume was about equally due to smaller sales to banks and to other dealers. The general investing public purchased 10 per cent more securities in October this year than in October a year ago, and insurance companies purchased a 4 per cent larger volume this year. Analyzing security sales by classes, the outstanding features were an increase of 88 per cent in sales of stock and a decrease of 80 per cent in sales of United States Government bonds. Sales of industrial bonds increased 36 per cent, sales of public utility bonds increased 21 per cent and farm mortgage sales increased 8 per cent.

As compared with sales during September, October increased 9 per cent. There were increases during the month in the sales to the general public and to other dealers, and decreases in sales to banks and insurance companies. Of the various classes of securities sold, increases occurred in sales of stock, United States Government bonds, public utility bonds and farm mortgages.

DEBITS TO INDIVIDUAL ACCOUNTS IN THE NINTH FEDERAL RESERVE DISTRICT 1919 TO 1925

To furnish a background for the interpretation of current changes in the volume of debits to individual accounts in this district, a monthly index has been constructed of these debits beginning with January, 1920. The index includes debits at eleven cities, which represent nearly all parts of the district.



Debits to Individual Accounts at Banks in 11 Cities in the Ninth Federal Reserve District by months, 1920-1925. Heavy curve represents figures adjusted to eliminate seasonal changes; light curve represents actual or unadjusted figures.

The three largest trade centers, Minneapolis, St. Paul, and Duluth-Superior constitute the major por-

tion of the index. Five cities in the spring wheat belt are included, namely, Aberdeen, Billings, Fargo, Grand Forks, and Helena. The Mississippi Valley cities of southern Minnesota and Wisconsin are represented by Winona. The corn belt region of southeastern South Dakota is represented by the city of Sioux Falls.

Indexes of debits to individual accounts have also been constructed for the separate cities of Minneapolis and St. Paul, beginning with January, 1919, and for Sioux Falls, beginning with January, 1920. The index for the Duluth-Superior group begins with January, 1919. An index has been constructed for the three Mississippi Valley cities, Winona, Red Wing, and LaCrosse, beginning with January, 1923, and an index for the eight spring wheat belt cities, Aberdeen, Billings, Dickinson, Fargo, Grand Forks, Helena, Jamestown, and Minot, has been constructed, beginning with January, 1920.

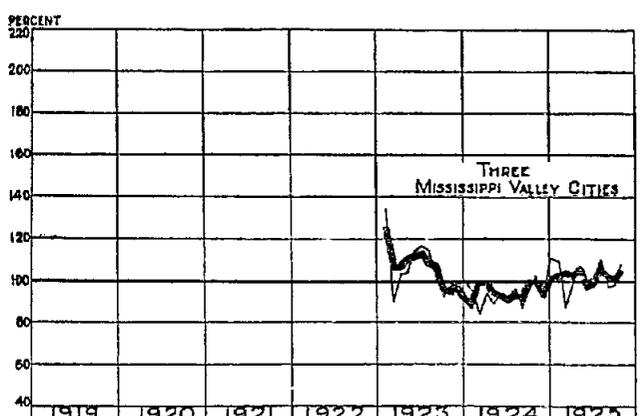
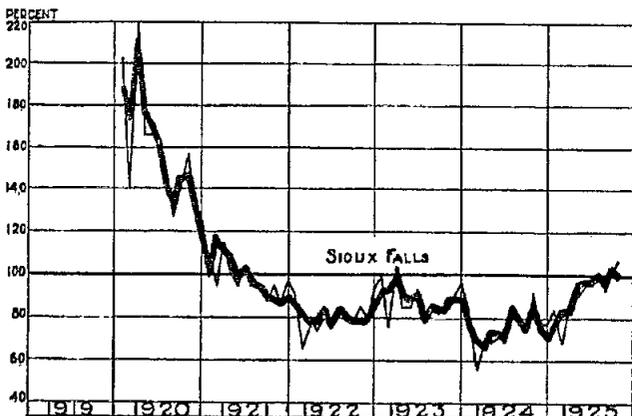
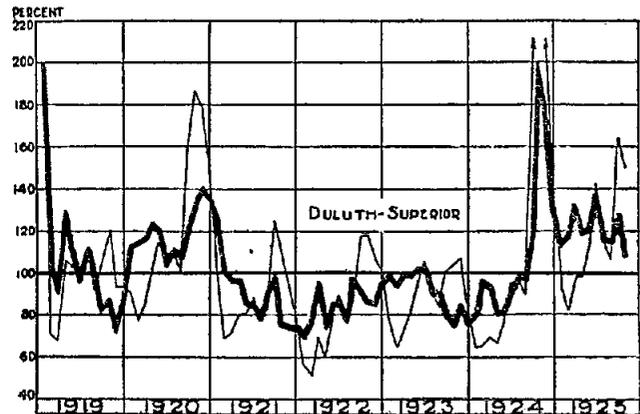
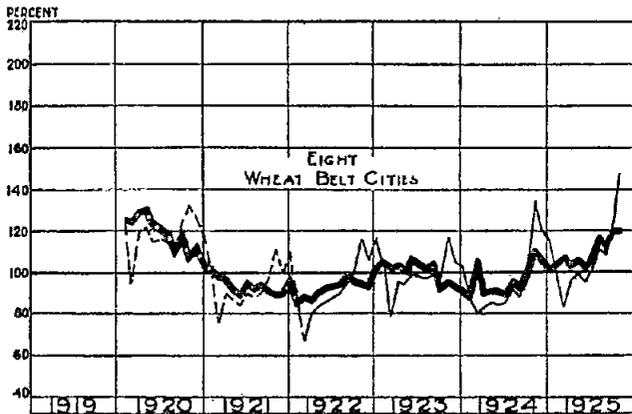
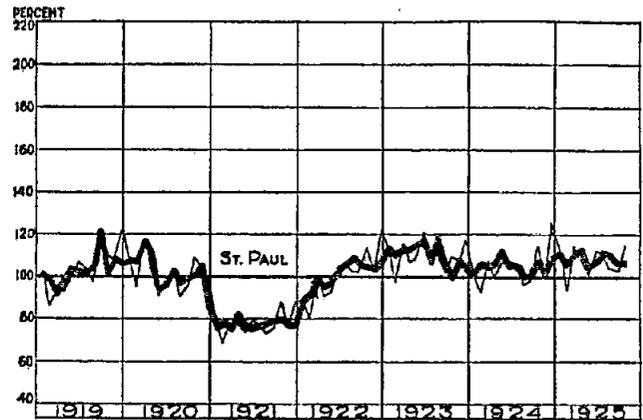
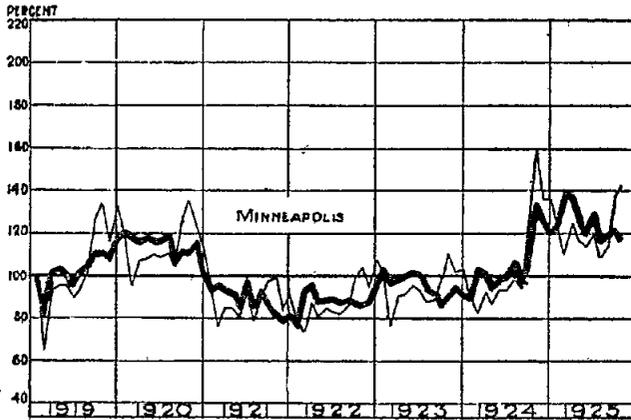
In the index for the eight wheat belt cities, reports were not received from Dickinson, Jamestown, and Minot until February, 1922. Estimates were added to the figures of the five reporting cities in the months before February, 1922, to weight the debits of the original reporting cities according to the weight of the complete group of eight cities in later months. The estimates added equaled only 18 per cent of the combined total for the original five cities. In the curves below the partly estimated period is designated by broken lines.

The charts appearing in this review show graphically the changes in the volume of debits at these 11 cities and at the various individual cities and groups of cities from which we receive reports. Each curve is plotted around a base line which represents the average monthly volume for each series during the greatest number of calendar years for which we have figures. The heavy lines show changes in volume eliminating seasonal changes. The light lines show changes in the actual or unadjusted figures.

The table below presents seasonal relatives for these cities and groups of cities in terms of an average month for each of the series which we have analyzed. To obtain these seasonal relatives the link-relative method was employed.

Seasonal Relatives of Debits to Individual Accounts in the Ninth Federal Reserve District

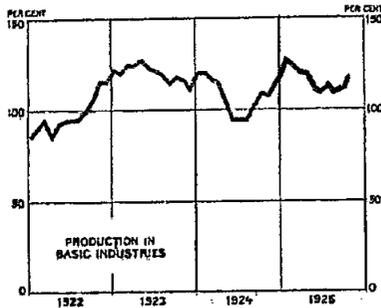
Month	Eleven Cities	Minneapolis	St. Paul	Duluth-Superior	Eight Wheat Belt Cities	Three Mississippi Valley Cities	Sioux Falls
January	95.5	100.4	100.7	80.0	98.7	106.9	107.5
February	80.8	79.7	88.4	67.4	76.4	84.3	80.7
March	94.1	91.8	102.3	78.6	93.1	96.4	103.5
April	91.7	92.3	94.3	82.4	93.9	94.9	93.6
May	95.4	95.0	95.9	94.3	98.5	102.8	98.7
June	98.7	98.4	103.3	104.4	95.2	103.1	101.4
July	95.7	98.4	100.4	99.1	95.6	105.2	102.1
August	95.5	96.7	94.4	98.1	96.4	96.4	97.6
September	110.7	118.9	96.8	129.1	105.7	96.4	97.5
October	121.1	122.2	109.1	139.9	123.8	102.9	107.9
November	110.1	108.1	100.0	127.6	113.1	100.4	102.2
December	110.7	118.1	114.4	109.1	114.6	110.3	109.3



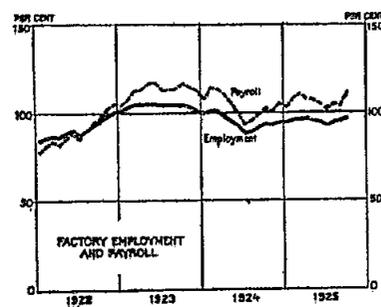
Debits to Individual Accounts at Banks in 17 cities in the Ninth Federal Reserve District, grouping the cities according to geographical location and industries. Heavy curve represents figures adjusted to eliminate seasonal changes; light curve represents actual or unadjusted figures.

Summary of National Business Conditions

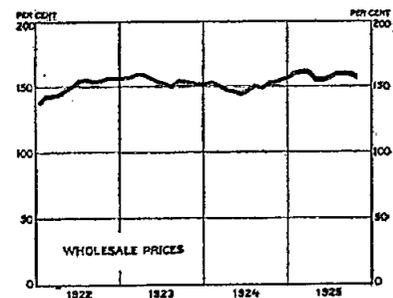
(Compiled November 25 by Federal Reserve Board)



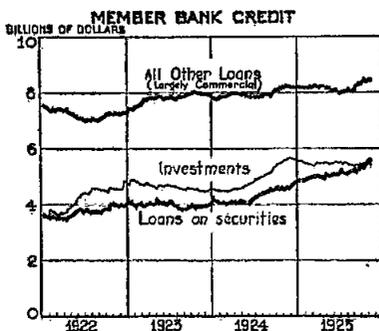
Index of 22 basic commodities corrected for seasonal variations. (1919 = 100.) Latest figure: October, 116.



Index of 38 manufacturing industries. (1919 = 100.) Latest figures: October, Employment 97.0; Payroll 111.3.



Index of United States Bureau of Labor Statistics. (1913 = 100, base adopted by Bureau.) Latest figure: October, 158.



Weekly figures for member banks in 101 leading cities. Latest figures in millions: November 11, All Other Loans, 8,469; Investments, 5,450; Loans on Securities, 5,564.

Industrial activity and the volume of wholesale and retail trade increased in October. Wholesale prices declined somewhat to the level prevailing at midyear.

PRODUCTION: The Federal Reserve Board's index of production in basic industries, which makes allowance for seasonal changes, rose by about 4 per cent. in October, reflecting increases in the output of most of the twenty-two commodities included in the index. Particularly large increases in activity were shown for the iron and steel and textile industries, and the output of bituminous coal and of lumber was in large volume. Production of automobiles in October was the largest on record. Payrolls at factories, including industries not covered by the production index, increased in October to the highest level since early 1924. The value of building contracts awarded declined further in October, contrary to the usual seasonal tendency in building activity between September and October, but the total was considerably larger than in the corresponding month of any other year.

Estimates by the Department of Agriculture in November indicate a corn crop of 3,013,000,000 bushels and a cotton crop of 15,298,000 bales, compared with 2,437,000,000 bushels and 13,628,000 bales in 1924. Marketing of crops was seasonally larger in October than in September, but averaged nearly 10 per cent less than a year ago.

TRADE: Wholesale trade, according to the Federal Reserve Board's combined index of sales in six leading lines, reached a seasonal peak in October, and was in larger volume than for any month of the past five years. Sales by department stores and mail order houses, owing partly to favorable weather conditions, showed considerably more than the usual increase of October and were the largest on record for that month. Stocks of dry goods, shoes and hardware at wholesale firms were smaller at the end of October than on September 30, but stocks of groceries were larger. Merchandise stocks at department stores showed slightly more than the usual increase in October and were somewhat larger than at the end of October a year ago.

Freight carloadings reached a seasonal peak in October and totaled more than in any previous month, notwithstanding reduced shipments of anthracite and of grains and grain products.

PRICES: The Bureau of Labor Statistics index of wholesale prices, after remaining relatively constant for three months, declined from 160 in September to 158 in October, reflecting declines in the prices of agricultural products, particularly grains, livestock, meats, cotton and sugar. Since November 1 prices of grains, wool, sugar, pig iron and rubber have increased.

BANK CREDIT: Between the middle of October and the middle of November, loans for commercial and industrial purposes at member banks in leading cities continued at a volume of about \$450,000,000 larger than at midsummer. Loans on securities increased further and total loans on November 11 were about \$1,000,000,000 larger than at the opening of the year. Demand deposits increased further during October and early November to a level near the high point of last January. At the Reserve banks, total bills and securities in November were in the largest volume for the year and about \$200,000,000 larger than a year ago. Member bank borrowings declined somewhat from the high point reached early in October, while acceptance holdings continued to increase and on November 18 were larger than at any previous time for the year. The growth in Reserve bank credit since midsummer was chiefly in response to the seasonal increase of money in circulation, which on November 1 was about \$180,000,000 larger than on August 1.

During the latter part of October and the early part of November, open market rates for commercial paper and bankers' acceptances remained substantially unchanged at the levels reached during the early autumn. Discount rates at the Federal Reserve Banks of Boston, Cleveland, Philadelphia and San Francisco were advanced from 3½ to 4 per cent during November.