

MONTHLY REVIEW

OF
AGRICULTURAL AND BUSINESS CONDITIONS
 IN THE
NINTH FEDERAL RESERVE DISTRICT

JOHN R. MITCHELL, Chairman of the Board
and Federal Reserve Agent

CURTIS L. MOSHER F. M. BAILEY
Assistant Federal Reserve Agents

OLIVER S. POWELL
Statistician

Vol. V (Serial
No. 209)

Minneapolis, Minnesota

May 28, 1932

DISTRICT SUMMARY OF BUSINESS

The volume of business in the district during April and the first part of May was smaller than the volume in the corresponding periods last year. The index of bank debits, adjusted to remove seasonal variations, decreased two points between March and April, reaching a new low level of 58 in the latter month. The index of country check clearings, also adjusted to remove seasonal variations, decreased one point between March and April, and in the latter month stood at a new low level of 57.

Bank debits were 26 per cent smaller in April than in the same month last year. Country check clearings were 33 per cent smaller than in April last year, and freight carloadings in the northwestern district, excluding l. c. l. shipments, were 37 per cent smaller than a year ago. Declines in April as compared with last year's totals also occurred in electric power consumption, postal receipts, building permits and contracts, flour production and shipments, linseed products shipments, copper and iron ore output, grain marketings, receipts of cattle and calves, department store sales, country lumber sales, life insurance sales, securities sales and wholesale trade. Increases occurred in receipts of hogs and sheep. Business failures in April were less numerous than in the same month last year.

During the first fifteen business days of May, country check clearings were 30 per cent smaller than in the corresponding period last year. In the two weeks ending May 18, bank debits were 24 per cent smaller than in the same two weeks last year.

DISTRICT SUMMARY OF AGRICULTURE

Crops

It is too early in the season for acreage estimates on the spring sown crops, but private reports indicate that the total acreage sown to the eight principal crops this year will probably be the largest acreage ever recorded for our four states. Much of the early sown grain is up and shows both good stand and color. Moisture and soil conditions were excellent for planting and germination throughout almost the entire territory.

The United States Department of Agriculture's forecasts of winter wheat production in Minnesota, Montana and South Dakota were increased mate-

rially by favorable weather during April. The May 1 forecast for the three of our four states which report on winter wheat was about 17 per cent higher than that of April 1. For the entire United States, the May 1 forecast was about 3 per cent smaller than the April 1 forecast. The per cent of fall sown acreage abandoned was heavy in Montana, but in Minnesota and South Dakota, was less than the United States average.

Winter Wheat and Rye Forecasts, May 1

(U. S. Dept. of Agriculture—000's omitted)

Winter Wheat

	Acres		Production	
	1932	1931*	1932	1931*
Minnesota	149	152	2,756	3,192
Montana	527	412	7,642	4,120
South Dakota . . .	276	185	3,588	1,166
Three States . . .	952	749	13,986	8,478
United States . . .	32,277	41,009	440,781	787,465

Rye

	Acres		Production	
	1932	1931*	1932	1931*
Minnesota	310	365	4,650	5,475
Montana	59	20	620	100
North Dakota . . .	888	819	8,880	4,914
South Dakota . . .	543	373	7,059	2,723
Four States	1,800	1,577	21,209	13,212
United States . . .	3,282	3,143	39,464	32,746

*Harvested.

Cattle

Following the trend established during the first quarter of 1932, marketings of beef cattle and calves at South St. Paul during April were substantially less than in April last year. For the first four months of 1932, cattle and calves marketed totaled 373,889 compared with 432,452 in the same four months last year.

The median prices for April computed in our office for prime butcher steers and all butcher steers as well as stockers and feeders, were a little higher than at the beginning of the year. Prices have been firm or rising during the four month period exhibiting the first strength since the middle of last summer. The median prices of butcher cows and calves

were the same in April as in January. During the same four months last year, contrary to the customary seasonal rise during this period, the median prices were falling rapidly. The quality of the April receipts continued below average, being lowest during the last week of the month when a heavy proportion of each day's receipts was trucked in. April receipts by truck established an all time record, nearly 50 per cent of the total arriving by truck.

Demand for stockers and feeders continued strong during April but diminished somewhat at the end of the month. During the first two weeks of May, demand slackened farther, largely as a result of favorable weather for field work on the farm, but partly because of slow development of pastures and in some cases on account of inability to arrange satisfactory financial arrangements. Country demand for good feeders has continued strong for several months and receipts have not contained enough high grade animals to satisfy it. Consequently a wide spread developed between common feeders and the better animals. This spread was narrowed somewhat about the middle of May when interest in heavy feeders was transferred to stock calves. Nearly 50 per cent of the feeder shipments from South St. Paul during the week ending May 18 weighed 500 pounds or less.

Hogs

Hog marketings at South St. Paul during April were larger than in April last year. Median hog prices showed further declines during the month and reached new low record levels. During each of the first three weeks of May new low record prices were established.

United States Cold Storage Holdings

(In thousands of pounds)

	May 1 5-year Average	May 1, 1931	May 1, 1932
Beef	62,721	53,150	41,192
Pork	846,734	867,524	796,862
Lard	131,609	95,693	110,724
Lamb & Mutton	2,788	2,529	1,039
Butter	10,916	17,195	10,350
Poultry	62,071	45,920	56,586
Eggs*	6,828	7,777	5,322

*Thousand cases.

Farm Income

The estimated cash income of farmers in the district from seven important items was 47 per cent smaller in April than in the same month last year. Decreases occurred in income from wheat, flax, dairy products and hogs. The income from rye was larger in April than in the same month last year and the income from potatoes was equal to that of April last year. Prices of all important farm products in the Northwest, except barley and rye, were lower in April than a year ago.

DISTRICT SUMMARY OF BANKING

Banking developments in the district were not important during the five weeks ending May 18. Deposits of city banks increased moderately during the three weeks ending May 11, but decreased seasonally during the next week. City bank deposits in the middle of May were at the lowest point of the year, which is the customary condition, and is usually followed by a sharp increase in deposits as real estate tax payments are made. As compared with last year, deposits of city member banks on May 18 were 17 per cent lower.

Loans to customers by city member banks decreased slightly during the five weeks ending May 18, and other invested funds of these banks increased slightly. Loans to customers were 11 per cent lower than a year ago, whereas other invested funds were practically equal to the total a year ago. These banks were borrowing a small amount from the Federal Reserve Bank on May 18, whereas a year ago they were entirely out of debt to this bank.

Country member banks continued to increase their borrowings from the Federal Reserve Bank during the five weeks ending May 18, and on that date, their borrowings from this bank were \$10,756,000, as compared with \$3,841,000 on May 20 last year. Borrowings by country banks from the Federal Reserve Bank were the largest total since the fall of 1924. The increase in borrowings by country banks during recent weeks was chiefly in the eastern half of the district.

Country member bank deposits decreased slightly between the daily average for March and the daily average for April. This is a seasonal occurrence. Deposits at country member banks were 17 per cent smaller in April than in the same month last year.

Interest rates at Minneapolis declined in recent weeks. The Minneapolis commercial banks decreased their lending rate on prime loans from 5-5¼ per cent on April 15 to 4¾-5 per cent on May 15. The rate quoted by brokers on commercial paper was 3½ per cent net to borrower on April 30, as compared with 4¼ per cent a month earlier. The discount rate of the Federal Reserve Bank remained unchanged at 3½ per cent. All of these rates were practically the same as the rates quoted a year ago.

RETAIL TRADE IN THE NINTH FEDERAL RESERVE DISTRICT

The first census of distribution taken in 1930 and tabulating retail sales in 1929, furnishes important information as to the volume of retail purchases in the district. The question is commonly asked as to the volume of retail trade in the district and the volume of various lines of trade. The answer to the first question, based on the census of distribution, is that net retail sales in 1929 were \$2,099,840,000. This was \$393.16 of retail pur-

chases for each one of the 5,340,897 people in the district. These sales were divided among 65,989 stores, and the average sales per store were \$31,-821.

The volume of sales per capita in 1929 and the volume of sales per store were not greatly different in this district from the volume in the whole United States. The 1929 sales per capita in the United States were \$407.53, and the sales per store in the United States were \$32,297.

The \$2,099,840,000 of sales in the district in 1929 were sub-divided by the census bureau into their more important grand divisions. The largest single class of retail trade was the automobile group, including original purchases of automobiles and purchases of accessories, gasoline, oil, repairs, storage and service. This group of sales totaled \$465,700,-000. The next group in importance was the food group, totaling \$375,240,000. Third in importance was the miscellaneous group, including radio, hardware, drug, jewelry, book and second-hand stores. The total sales in this group of stores were \$363,-550,000. The fourth group was the general merchandise stores, whose sales totaled \$321,150,000.

The importance of the various groups of stores varied between the larger cities and the smaller towns and rural districts. The census gives separate figures for the cities over 10,000 population, and it is, therefore, possible to sub-divide the retail trade between the cities and the rural sections. The population of cities over 10,000 in the district was 1,477,921 people, or 28 per cent of the total population of the district. The smaller towns and rural areas had 3,862,976 people, or 72 per cent of the total population. In spite of the fact that the cities had less than one-third of the population, the city stores in several merchandise groups had more than one-half of the sales in the district for those groups. This was the case in food, general merchandise, apparel, shoes, furniture and restaurants. A part of the explanation of the preponderance of city sales in some of these items can be found in the fact that the cities are natural trading centers for the rural areas surrounding the cities. However, it is also undoubtedly true that in such items as food, the people of the cities are more dependent on their retail stores than are the people of the rural areas. The following table shows the population, number of stores and retail sales in the various classes of trade in the Ninth District and also the same information sub-divided by cities over 10,000 population and other parts of the district.

RETAIL TRADE IN THE NINTH FEDERAL RESERVE DISTRICT IN 1929

(Sales in thousands of dollars)

	Ninth District	Cities over 10,000 Population	Towns under 10,000 Population and Rural
Population	5,340,897	1,477,921	3,862,976
Total—Stores	65,989	20,567	45,422
Sales	2,099,840	926,218	1,173,622

Food Group—			
Stores	15,020	6,558	8,462
Sales	375,240	198,284	176,956
Grocery, Meat and Combination Stores*—			
Stores	11,094	5,310	5,784
Sales	317,150	172,807	144,343
Country General Stores—			
Stores	5,160	0	5,160
Sales	155,390	0	155,390
General Merchandise Group—			
Stores	2,819	662	2,157
Sales	321,150	197,250	123,900
Automotive Group—			
Stores	12,937	3,433	9,504
Sales	465,700	192,650	273,050
Motor Vehicle Sales Establishments**			
Stores	3,410	637	2,773
Sales	301,930	128,610	173,320
Filling Stations**—			
Stores	5,197	1,400	3,797
Sales	107,080	37,620	69,460
Garages—Repairs, Gas, Oil and Storage**—			
Stores	3,075	738	2,337
Sales	31,250	10,300	20,950
Accessories and Other Automotive**—			
Stores	1,254	577	677
Sales	25,040	16,070	8,970
Apparel Group—Stores.	4,513	2,107	2,406
Sales	129,830	93,480	36,350
Shoe Stores—Men's, Women's and Children's***—			
Stores	1,142	435	707
Sales	21,960	15,380	6,580
Furniture and Household Group (except radio stores)—			
Stores	1,885	620	1,265
Sales	64,900	37,990	26,910
Restaurants and Eating Places—			
Stores	5,166	1,725	3,441
Sales	71,000	40,790	30,210
Lumber and Building Group (except hardware stores)—			
Stores	4,033	948	3,085
Sales	142,720	47,860	94,860
All Other Stores (includes also radio, hardware, drugs, jewelry, book and second-hand stores)—			
Stores	14,444	4,514	9,930
Sales	363,550	163,510	200,040
Drug Stores****—			
Stores	2,286	763	1,523
Sales	55,620	26,370	29,250

*Included in Food Group Total.

**Included in Automotive Group Total.

***Included in Apparel Group Total.

****Included in All Other Stores Total.

The stores varied greatly in size according to the kind of merchandise sold. The average of sales per store for all groups was \$31,821. The largest stores were the general merchandise stores, whose average sales were \$113,923. The smallest stores were the garages and automobile repair shops, whose average sales were \$10,163. The following table shows the average sales per store in the various classes of trade.

AVERAGE SIZE OF RETAIL STORES IN THE NINTH FEDERAL RESERVE DISTRICT

(Average Sales Per Store in 1929)

Total All Groups.....	\$ 31,821
Food Group	24,983
Grocery, Meat and Combination Stores	28,588
Country General Stores.....	30,114
General Merchandise Group.....	113,923
Automotive Group	35,998
Motor Vehicle Sales Establishments...	88,542
Filling Stations	20,604
Garages—Repairs, Gas, Oil and Stge..	10,163
Accessories and Other Automotive...	19,968
Apparel Group	28,768
Shoe Stores—Men's, Women's and	
Children's	19,229
Furniture and Household Group.....	34,430
(except radio stores)	
Restaurants and Eating Places.....	13,744
Lumber and Building Group.....	35,388
(except hardware stores)	
All Other Stores.....	25,170
(includes also radio, hardware, drugs,	
jewelry, book, and second-hand stores)	
Drug Stores	24,331

Comments on Composition of Data

The retail trade statistics quoted above should not be construed to represent the total expenditures of the people of the Ninth Federal Reserve District. The figures do not include such important items as taxes, interest, insurance, professional and personal service payments, such as doctors' bills, or such minor items as transportation expenses, or newspaper subscriptions, etc. The figures also do not include mail order purchases from outside the district. The following paragraphs are quoted from the introductory statement of the census of distribution for 1930 to indicate the method of collection of the data and its tabulation and interpretation.

"Retail distribution is the process of purveying goods to ultimate consumers for consumption or utilization, together with services incidental to the sale of goods. The function of the retailer is primarily to anticipate the wants of the consumer and to make available, at the right time and at a convenient place, a reasonable selection of goods capable of satisfying those wants. The distinguishing characteristic of a retailer is that the business is done in a retail manner, the place of business in most cases being a retail store.

"Restaurants are included in the retail field, for their sales are to the general public for consumption. Stores selling feed and other supplies to farmers, and hardware stores selling to the general public as well as to builders, since their business is conducted in a retail manner,

have been classified as retailers in this census. Concerns doing both a retail and a wholesale business have been classified as retailers if the major portion of their business consists of sales to consumers rather than to other dealers or industries. Dealers specializing in goods for industrial utilization, such as industrial supplies and equipment, hotel supplies, and the like, are included in the Wholesale Census."

". . . The census does not include wholly service businesses, such as laundries, dry cleaners, barber shops, and the like, nor does it include the professions, such as medicine and law, nor does it include public utilities, such as water, gas, and electricity. Some semi-service businesses, such as garages, sell a substantial amount of merchandise in addition to service, and are included. The service income is included with the sale of merchandise in such cases but is shown separately in the later analyses.

"Bakeries, planing mills, power laundries, and cleaning and dyeing establishments for many years have been included in the census of manufactures, and therefore they were not reported by the enumerators as part of the census of distribution. Bakery goods stores shown in the retail reports are those which do not manufacture on the retail premises. Lumber yards which manufacture their own lumber and millwork are likewise excluded, as are hotel dining rooms.

"How Stores are Classified"

"Some stores report that they sell a certain proportion, but less than half of their goods to other retailers. Such 'wholesale' sales are not excluded but are shown separately in a later tabulation. The volume of sales at retail made by wholesale establishments is shown in the wholesale census. This is an important consideration in some kinds of business such as hardware stores, where a store that is popularly known as a retail store actually may be doing more than one-half of its business at wholesale and therefore does not appear at all in the retail census.

"The sales of some stores, particularly in the rural districts, include some operations as assemblers of farm products. These figures will also be shown separately in the final analyses.

"Sales of milk by milk dealers are known to be incomplete due to the obvious difficulty in the field canvass of locating many producers who deliver di-

rectly to consumers. This situation is being remedied by further direct investigations which will be reflected in the final reports. Milk dealers are included in the food group column in this report."

The figures are preliminary and contain some minor machine errors in tabulation, so that in some cases the figures for the various groups do not entirely balance with state totals. There were also a

few cases where the number of stores of a certain class in a city was too few to permit of the figures for those stores in that city being published by the census bureau without revealing the activities of particular stores. In such cases, the totals in the tables above would show too large a volume of sales in the small towns and rural areas and too small a volume of sales in the larger cities. These cases were few and not of sufficient importance to distort the data materially.

RETAIL TRADE IN THE NINTH FEDERAL RESERVE DISTRICT

State Subtotals

(Sales in thousands of dollars)

	Michigan (15 Counties)	Minnesota	Montana	North Dakota	South Dakota (26 Counties)	Wisconsin
Population	318,676	2,563,953	537,606	680,845	692,849	546,968
Total—Stores	3,597	31,027	6,996	8,131	8,990	7,248
Sales	107,460	1,071,790	240,080	232,810	262,150	185,550
Food Group—Stores	1,157	7,880	1,528	1,336	1,444	1,675
Sales	25,970	202,380	45,300	31,170	34,700	35,720
Grocery, Meat and Combination Stores*						
Stores	740	5,956	1,205	1,004	1,076	1,113
Sales	22,370	167,120	40,810	27,030	29,850	29,970
Country General Stores—Stores.....	252	1,981	612	941	785	589
Sales.....	9,800	57,230	20,150	27,310	22,660	18,240
General Merchandise Group—Stores...	222	1,261	287	341	443	265
Sales....	18,150	191,910	30,660	26,930	32,480	21,020
Automotive Group—Stores.....	630	5,943	1,331	1,588	2,012	1,433
Sales.....	24,270	216,470	56,210	57,160	68,940	42,650
Motor Vehicle Sales Establishments**—						
Stores	166	1,463	360	502	568	351
Sales	17,920	136,380	38,470	39,980	40,980	28,200
Filling Stations**—Stores.....	282	2,511	454	528	779	643
Sales.....	4,490	53,050	10,230	11,010	18,890	9,410
Garages—Repairs, Gas, Oil and Storage**						
Stores	126	1,278	410	450	503	308
Sales	1,280	12,930	5,020	3,970	5,210	2,840
Accessories and Other Automotive**						
Stores	57	689	107	108	162	131
Sales	560	14,100	2,480	2,200	3,860	1,840
Apparel Group—Stores.....	261	2,319	450	427	553	503
Sales.....	5,250	78,440	13,580	9,350	12,110	11,100
Shoe Stores—Men's, Women's, and Children's***—Stores	45	634	68	117	143	135
Sales	660	13,560	2,260	1,330	2,060	2,090
Furniture and Household Group (except radio stores)—Stores.....	82	900	199	210	294	200
Sales.....	2,760	37,150	6,800	6,240	6,720	5,230
Restaurants and Eating Places—Stores...	236	2,278	585	619	649	799
Sales....	2,330	36,300	9,940	7,860	8,640	5,930
Lumber and Building Group (except hard- ware stores)—Stores.....	144	1,769	390	652	656	422
Sales.....	5,580	63,930	15,780	20,390	22,460	14,580
All Other Stores (Includes also radio, hard- ware, drugs, jewelry, book, and second- hand stores)—Stores.....	595	6,696	1,614	2,017	2,154	1,368
Sales.....	12,700	179,750	41,660	46,400	53,440	29,600
Drug Stores****—Stores.....	93	1,078	271	282	359	203
Sales.....	2,200	27,790	7,050	6,130	8,050	4,400

*Included in Food Group Total.

**Included in Automotive Group Total.

***Included in Apparel Group Total.

****Included in All Other Stores Total.

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS		Per Cent April '32 of Apr. '31		AGRICULTURE		Per Cent April '32 of Apr. '31	
Debits to Individual Accounts¹				Farmers' Cash Income			
All Reporting Cities.....	\$ 23,266,500	\$ 31,592,500	74	Total of 7 Items.....	\$ 15,111,000	\$ 28,386,000	53
Minneapolis.....	10,141,000	13,750,000	74	Bread Wheat.....	837,000	4,204,000	20
St. Paul.....	4,474,000	5,485,000	82	Durum Wheat.....	284,000	1,525,000	19
South St. Paul.....	528,000	928,000	57	Rye.....	108,000	63,000	171
Great Lakes Ports.....	1,582,000	2,518,200	63	Flax.....	238,000	588,000	40
Beef and Pork, S. E.....	861,100	1,108,600	78	Potatoes.....	1,154,000	1,154,000	100
Beef and Pork, S. W.....	888,000	1,420,900	62	Dairy Products.....	8,706,000	13,917,000	63
Dairy and Mixed Farming.....	1,647,200	2,005,400	82	Hogs.....	3,784,000	6,935,000	55
Wheat and Mixed Farming.....	1,139,000	1,570,400	73	Grain Marketings at Minneapolis and Duluth-Superior (Bus.)			
Wheat and Range.....	691,200	991,100	70	Bread Wheat.....	1,005,000	4,602,000	22
Mining and Lumber.....	1,315,000	1,814,900	72	Durum Wheat.....	397,000	2,085,000	19
Electric Power Consumption (K.W.H.)^{1,2}				Grain Stocks at End of Month at Minneapolis and Duluth-Superior (Bus.)			
Minn., No. Dak. and So. Dak.....	4,424,000	4,743,000	93	Wheat.....	44,042,865	71,900,537	61
Montana.....	2,220,000	2,795,000	79	Corn.....	138,415	1,449,945	10
Country Check Clearings¹				Livestock Receipts at So. St. Paul (Head)			
Total.....	\$ 1,885,300	\$ 2,818,400	67	Cattle.....	44,859	61,269	73
Minnesota.....	725,300	1,014,300	72	Calves.....	48,049	57,275	84
Montana.....	292,700	475,900	62	Hogs.....	207,404	199,400	104
North and South Dakota.....	448,500	717,200	63	Sheep.....	26,753	24,314	110
Michigan and Wisconsin.....	418,800	611,000	69	Median Cash Grain Prices (Bus.)			
Postal Receipts				Median Livestock Prices (Cwt.)			
Six Cities.....	865,040	1,035,840	84	Butcher Cows.....	\$3.50	\$5.00	70
Minneapolis.....	460,250	550,180	84	Butcher Steers.....	5.75	6.75	85
St. Paul.....	282,570	342,170	83	Prime Butcher Steers.....	6.75	8.00	84
Duluth.....	48,620	57,020	85	Feeder Steers.....	4.00	6.00	67
Three Other Cities.....	73,600	86,470	85	Veal Calves.....	5.00	6.50	77
Freight Carloadings—N. W. District				Wholesale Produce Prices			
Total—Excluding L.C.L.....	163,061	258,191	63	Butter (Lb.).....	\$0.16½	\$0.26	63
Grains and Grain Products.....	26,563	37,150	72	Milk (Cwt.).....	1.05	1.50	70
Livestock.....	16,503	24,295	68	Hens (Lb.).....	.12½	.18	69
Coal.....	11,652	18,435	63	Eggs (Doz.).....	.09½	.13½	69
Coke.....	1,836	4,369	42	Potatoes (Bu.).....	.75	1.05	71
Forest Products.....	18,571	36,873	50	TRADE			
Ore.....	2,974	8,681	34	Department Stores			
Miscellaneous.....	84,962	128,388	66	Sales.....	\$ 2,669,490	\$ 3,462,230	77
Merchandise—L.C.L.....	89,147	120,571	74	Merchandise Stocks.....	5,919,030	6,926,450	85
Building Permits				Receivables			
Number—18 Cities.....	1,573	2,115	74	Instalment Receivables.....	616,040	737,380	..
Value—18 Cities.....	\$ 1,645,300	\$ 3,711,800	44	Furniture Stores			
Minneapolis.....	380,600	1,707,900	22	Total Sales.....	\$ 131,970	\$ 141,850	93
St. Paul.....	684,200	1,229,700	56	Instalment Sales.....	95,120	100,600	95
Duluth-Superior.....	80,400	111,500	72	Merchandise Stocks.....	744,700	817,030	91
4 Wheat Belt Cities.....	65,300	261,400	25	Instalment Receivables.....	848,750	805,750	105
6 Mixed Farming Cities.....	393,300	340,100	116	Country Lumber Yards			
4 Mining Cities.....	41,500	61,200	68	Sales (Bd. Ft.).....	4,124,000	7,767,000	53
Building Contracts (F. W. Dodge Corp.)				Life Insurance Sales			
Total.....	\$ 7,294,300	\$ 14,048,800	52	Four States.....	\$ 16,015,000	\$ 21,724,000	74
Commercial.....	250,800	698,700	36	Minnesota.....	12,368,000	15,995,000	69
Factories.....	31,500	317,500	10	Montana.....	1,466,000	2,001,000	76
Educational.....	174,400	1,369,600	13	North Dakota.....	1,060,000	1,666,000	81
Hospitals, etc.....	30,000	12,300	244	South Dakota.....	1,121,000	2,062,000	83
Public.....	189,500	402,200	47	Real Estate Activity in Hennepin and Ramsey Counties			
Religious and Memorial.....	116,700	144,900	81	Warranty Deeds Recorded.....	704	1,125	63
Social and Recreational.....	29,000	163,500	18	Mortgages Recorded.....	878	1,418	62
Residential.....	787,500	2,061,500	38	Manufacturing and Mining			
Public Works and Utilities.....	5,684,900	8,878,600	64	Flour Production at Mpls., St. Paul, and Duluth-Superior (Bbls.).....	681,098	774,828	88
Real Estate Activity in Hennepin and Ramsey Counties				Flour Shipments at Mpls. (Bbls.).....			
Warranty Deeds Recorded.....	704	1,125	63	Linseed Product Shipments (Lbs.).....	12,607,615	24,936,596	51
Mortgages Recorded.....	878	1,418	62	Copper Output (5 Firms) (Lbs.).....	11,978,800	25,285,400	47
Manufacturing and Mining				Iron Ore Shipments (Tons).....			
Flour Production at Mpls., St. Paul, and Duluth-Superior (Bbls.).....	681,098	774,828	88		44,073	175,921	25
Flour Shipments at Mpls. (Bbls.).....	646,240	748,356	86	Business Failures			
Linseed Product Shipments (Lbs.).....	12,607,615	24,936,596	51	Number.....	65	99	66
Copper Output (5 Firms) (Lbs.).....	11,978,800	25,285,400	47	Liabilities.....	\$ 1,045,612	\$ 1,966,076	53
Iron Ore Shipments (Tons).....	44,073	175,921	25				

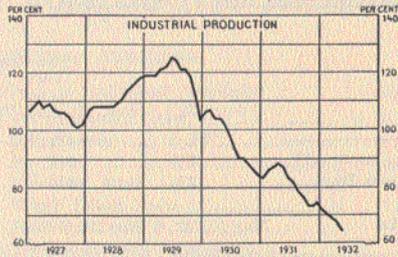
COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT
(Continued)

	Apr. '32	Apr. '31	Per Cent of Apr. '32		Apr. '32	Apr. '31	Per Cent of Apr. '32
Investment Dealers				Interest Rates*			
Sales to Banks.....	4,484,000	5,262,000	85	Minneapolis Banks.....	4¾-5	4¾	..
Sales to Insurance Companies.....	180,200	409,600	44	Commercial Paper (net to borrower).....	3½	3¾	..
Sales to General Public.....	3,463,800	4,379,700	79	Minneapolis Federal Reserve Bank.....	3½	3½	..
Wholesale Trade				Selected City Member Banks	May 18, '32	May 20, '31	
Groceries—				Loans to Customers.....	\$192,067,000	\$216,738,000	89
Sales.....	\$ 2,852,870	\$ 3,563,970	80	Other Invested Funds.....	144,349,000	146,544,000	99
Stocks.....	4,813,730	5,475,680	88	Cash and Due from Banks.....	74,479,000	124,036,000	60
Receivables.....	3,929,260	4,341,440	91	Deposits Due to Banks.....	58,712,000	87,080,000	67
Hardware—				Public Demand Deposits.....	22,044,000	29,420,000	75
Sales.....	\$ 1,049,990	\$ 1,439,170	73	Other Demand Deposits.....	131,624,000	168,865,000	78
Stocks.....	2,235,090	2,484,840	90	Time Deposits.....	146,981,000	152,693,000	96
Receivables.....	1,469,170	1,640,510	90	Total Deposits.....	362,042,000	438,743,000	83
Shoes—				Borrowings at Fed. Res. Bank.....	2,765,000	0	..
Sales.....	\$ 193,590	\$ 298,790	65	Minneapolis Federal Reserve Bank			
Stocks.....	625,380	773,510	81	Loans to Member Banks.....	12,271,000	3,841,000	319
Receivables.....	549,540	805,490	68	Twin Cities.....	1,515,000	0	..
BANKING				Minn., Wis. and Mich.....	4,526,000	1,030,000	439
Member Bank Deposits				N. Dak. and Mont.....	3,379,000	1,460,000	231
In Cities Over 15,000 pop.....	\$404,841,000	\$475,204,000	85	South Dakota.....	2,851,000	1,351,000	211
In Cities Under 15,000 pop.....	322,262,000	387,078,000	83	Fed. Res. Notes in Circulation.....	72,664,140	47,458,640	153
Michigan—15 Cos.....	58,923,000	66,960,000	88	Member Bank Reserve Deposits.....	39,854,780	47,580,960	84
Minnesota.....	128,260,000	148,365,000	86				
Montana.....	42,009,000	52,988,000	79				
North Dakota.....	32,438,000	42,063,000	77				
South Dakota.....	37,621,000	48,737,000	77				
Wisconsin—26 Cos.....	23,011,000	27,965,000	82				

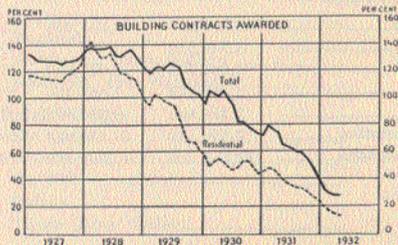
*Daily Averages.
*Latest Reported Data.

BANK DEBITS

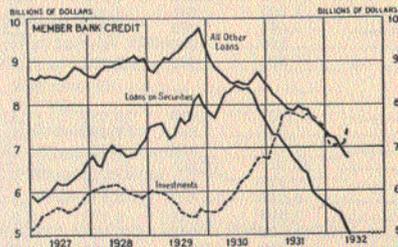
	April 1932	March 1932	April 1931	March 1931				
Number of Business Days:					Montana			
Minnesota.....	26	26	25	26	Anaconda.....	1,048	1,060	1,565
All other States in District.....	26	27	26	26	Billings.....	5,206	4,720	7,204
					Bozeman.....	1,500	1,500	1,903
					Butte (2 Banks).....	7,305	6,932	9,696
					Deer Lodge.....	853	1,004	1,306
Michigan					Glenview.....	658	658	1,050
(000's omitted)					Great Falls.....	7,537	7,536	11,099
Escanaba (1 Bank).....	\$ 616	\$ 533	\$ 855	\$ 693	Harlowton.....	188	186	301
Hancock.....	860	819	1,317	1,214	Havre.....	819	798	1,413
Houghton (1 Bank).....	272	245	441	429	Helena.....	5,251	5,939	7,008
Iron Mountain.....	2,363	2,516	3,124	3,347	Kalispell.....	1,189	1,201	1,694
Iron River, Caspian, Stambaugh.....	7,717	739	1,392	1,442	Lewistown.....	1,066	969	1,753
Marquette.....	3,235	3,023	4,157	3,976	Malta.....	380	285	566
Menominee.....	2,063	2,098	2,508	2,335	Miles City (1 Bank).....	855	768	1,787
Sault Ste. Marie.....	1,975	1,823	2,461	2,172	North Dakota			
Minnesota					Bismarck.....	12,121	9,036	13,597
Albert Lea.....	1,936	1,997	2,570	2,794	Devils Lake.....	1,011	866	1,463
Austin (1 Bank).....	2,629	2,400	2,897	3,073	Dickinson.....	1,192	988	1,526
Bemidji (2 Banks).....	775	773	999	927	Fargo.....	13,359	12,561	15,902
Chaska.....	515	526	471	488	Grafton.....	475	486	464
Chisholm.....	670	639	857	750	Grand Forks.....	5,247	4,633	6,147
Cloquet.....	1,042	1,427	1,946	2,784	Jamestown.....	1,606	1,374	2,189
Crookston.....	962	959	1,255	1,139	Mandan.....	1,026	903	1,525
Detroit Lakes.....	694	731	864	834	Minot.....	4,393	3,649	5,382
Duluth.....	29,237	30,630	47,947	50,287	Valley City.....	882	803	1,170
Ely.....	600	385	706	581	Wahpeton.....	842	895	905
Faribault (1 Bank).....	986	924	1,138	1,018	Williston.....	893	800	1,134
Farmington.....	206	162	228	220	South Dakota			
Fergus Falls.....	2,167	2,175	2,937	2,491	Aberdeen.....	3,310	3,369	5,332
Glenwood.....	309	314	377	405	Brookings (1 Bank).....	726	715	1,011
Hutchinson.....	759	849	1,101	1,203	Deadwood.....	649	670	665
Lakefield (2 Banks).....	163	245	245	367	Huron.....	3,332	3,136	5,414
Lanesboro.....	245	220	335	365	Lead.....	1,483	1,177	1,169
Little Falls (3 Banks).....	720	932	871	886	Madison.....	737	607	943
Luverne.....	505	510	477	740	Milbank.....	378	353	504
Mankato.....	4,110	4,410	5,673	5,811	Mitchell (2 Banks).....	2,259	2,057	3,401
Minneapolis.....	263,673	254,810	343,750	317,830	Mobridge.....	421	363	495
Moorhead.....	1,370	1,527	1,657	1,796	Pierre.....	863	694	978
Morris.....	360	350	467	511	Rapid City.....	2,474	2,095	3,324
Owatonna.....	2,167	2,157	2,339	2,963	Sioux Falls.....	10,820	10,372	19,217
Park Rapids.....	259	251	310	333	Watertown.....	2,024	2,059	3,346
Red Wing.....	1,833	1,550	2,154	1,946	Yankton.....	1,670	1,380	2,372
Rochester.....	4,198	3,882	5,116	5,224	Wisconsin			
St. Cloud.....	3,105	2,847	3,562	Ashland.....	1,301	1,488	1,843
St. Paul.....	116,317	117,101	137,136	140,881	Chippewa Falls.....	1,456	1,382	1,829
South St. Paul.....	13,747	15,365	23,204	23,176	Eau Claire.....	4,672	4,834	7,012
Stillwater.....	1,471	1,475	2,077	1,977	Hudson (2 Banks).....	449	474	544
Thief River Falls.....	673	568	678	715	La Crosse.....	7,446	8,782	10,421
Two Harbors.....	334	329	397	404	Merrill (1 Bank).....	745	860	1,223
Virginia.....	1,601	1,426	1,985	1,795	Superior.....	4,436	4,735	5,849
Wabasha.....	573	602	638	782	Total for All Cities Reporting			
Wadena (1 Bank).....	257	252	334	322	Both Years.....	\$612,731	\$594,367	\$798,641
Wheaton.....	280	390	385	482				\$775,079
Willmar (1 Bank).....	862	959	1,380	1,408				
Winona.....	5,465	5,235	6,554	5,865				
Worthington (1 Bank).....	477	482	790	714				



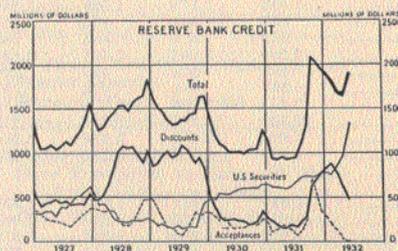
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average = 100.)



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



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 23 days in May.



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

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

Industrial activity and factory employment declined substantially from March to April, although usually little change occurs at this season. Purchases of government securities by the Federal reserve banks have continued during April and the first three weeks of May and there has been a considerable growth in the reserves of member banks.

Production and Employment: The volume of industrial production, as measured by the Board's seasonally adjusted index, decreased from 67 per cent of the 1923-1925 average in March to 64 per cent in April. Reductions in activity were reported for many leading industries, with sharp declines at cotton and woolen mills and at bituminous coal mines. In the automobile industry output increased from the low level of March by more than the usual seasonal percentage, and in the steel industry, where activity had declined from early February to the middle of April, production increased somewhat between the middle of April and the third week of May. The number of wage earners employed at manufacturing establishments declined further between the middle of March and the middle of April and there was a substantial reduction in factory payrolls. Large decreases in employment were reported for the iron and steel, machinery and textile industries, while the volume of employment in the food and leather industries showed the usual seasonal changes. The daily average value of building contracts awarded during April and the first half of May, as reported by the F. W. Dodge Corporation, showed a seasonal increase over the first quarter. A substantial increase was reported for public works and public utilities, while residential building continued at the low level of the first quarter, showing none of the usual seasonal expansion.

Distribution: Freight carloadings of merchandise showed little change in volume from March to April, continuing at the level prevailing since January, although increases are usual during this period. Sales by department stores increased considerably in April.

Wholesale Prices: Wholesale prices of commodities declined from 66 per cent of the 1926 average in March to 65.5 per cent in April, according to the Bureau of Labor Statistics, and in the first three weeks of May, further decreases in the prices of many leading commodities were reported. The downward movement in prices of textiles, nonferrous metals and imported raw materials, as well as in most domestic agricultural products except wheat, were offset in part by increases in the prices of coffee, petroleum and petroleum products.

Bank Credit: Further purchases of United State Government securities by the Federal reserve banks were made during April and the first three weeks in May, and on May 18, total holdings were \$1,466,000,000. The funds placed in the market through these purchases between April 6 and May 18 were used to the extent of \$170,000,000 in a further reduction of member bank indebtedness to the Reserve banks; and to the extent of \$122,000,000 in meeting a demand for gold from abroad; at the same time, member banks accumulated reserve balances considerably in excess of legal requirements. During May, the demand for currency, which had declined in April, increased somewhat, contrary to the usual seasonal movement.

Loans and investments of reporting member banks in leading cities which had declined continuously until the middle of April, showed little net change between April 13 and May 18. The banks' investments increased by nearly \$300,000,000, chiefly in New York City; while loans declined by about an equal amount. There was also a growth in net demand deposits, which reflected in part an increase in bankers' balances, deposited in New York City banks. Money rates in the open market continued easy. Rates on commercial paper were reduced about one-half per cent to a range of $2\frac{3}{4}$ -3 per cent for prime names, and the offering rate on 90-day bankers acceptances, which had advanced to $1\frac{1}{8}$ per cent in the first week of May, declined on May 11 to the previously prevailing rate of $\frac{7}{8}$ of one per cent.