

MONTHLY REVIEW

OF
 AGRICULTURAL AND BUSINESS CONDITIONS
 IN THE
 NINTH FEDERAL RESERVE DISTRICT

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DISTRICT SUMMARY OF BUSINESS

The volume of business in the district in November continued to be smaller than last year's volume, but the bank debits of the district increased abnormally. The adjusted bank debits index rose from 47 in October to 51 in November, and in the latter month was only 15 per cent below November last year, whereas the October index was 23 per cent lower than last year's figure. The November decrease in bank debits from last year's figure was the smallest percentage decline reported since May 1931 and with that exception, the smallest since June 1930. Bank debits at St. Paul and Faribault, Minnesota, and at Lead and Mobridge, South Dakota, were larger in November than a year ago. During the first two weeks of December, bank debits at seventeen cities maintained approximately the November level, although they showed a 26 per cent shrinkage from the volume in the first half of December last year. This was largely due to the mild weather in December last year which produced an unusual volume of business.

The autumn upturn in bank debits from August to November 1932 was the largest percentage increase in this series since 1928. The increase in bank debits this fall was most pronounced at the Great Lakes ports and in the farming areas, partly on account of seasonal factors. However, all parts of the district shared in the strong seasonal increase as shown by the following table:

November Bank Debits Relative to August
 1928-1932

	Ninth District	Minne- apolis	St. Paul	Great Lakes Ports	Farming Areas	Mining & Lumber Areas
1928...	135	130	131	177	130	129
1929...	106	100	116	98	113	105
1930...	112	101	124	115	123	102
1931...	108	97	101	113	111	104
1932...	122	111	125	128	126	117

Decreases from the November volume last year were reported for electric power consumption, freight carloadings, building permits and contracts, flour and linseed products shipments, copper and iron ore output, marketings of rye, flax and all kinds of livestock, department store sales, country lumber sales, securities sales and wholesale trade. Wheat marketings were larger in November than in the corresponding month last year.

Employment in Minnesota cities increased slightly in October over the level of September, contrary to the seasonal tendency. This was the fourth consecutive month of increase in the number of people employed in these cities. These facts were taken from the latest Minneapolis Employment Review, published by the Employment Stabilization Research Institute of the University of Minnesota and the Tri-City Employment Stabilization Committee. Significant paragraphs from that report are quoted below:

"Slight advances continue to characterize the Institute's employment index, October being the fourth consecutive month to register a gain in the numbers working in 528 reporting establishments in St. Paul, Minneapolis, and Duluth. The rise for the three cities combined was 0.1 per cent over September in respect to the number of employees, while the payroll totals increased 0.8 per cent. For the manufacturing groups the gain was 0.3 per cent in employment and 1.3 per cent in payrolls.

"When October and September employment figures are compared for the five-year period 1927 to 1931, the index shows an average decline of 0.1 per cent for all industries combined and an increase of 0.7 per cent for manufacturing. Thus, it is seen that the October gain in all industries this year is contrary to the usual movement, but the seasonal additions in manufacturing are a trifle below the five-year average. However, this year's gain in the latter classification compares with a reduction of 0.1 per cent from September to October, 1931.

"The October index of employment stands at 71.1, based on the 1928 average as 100, a rise from the low point of 69.2 in July. This total is 9.0 per cent below the figure for the corresponding month of last year, but the rate of decline is lower than for preceding months. September employment was 9.9 per cent under September, 1931, while August had a decline of 11.3 per cent, and the average drop for the first ten months of the year was 11.3 per cent. For the manufacturing total the decline was 9.5 per cent from last year, as against shrinkings of 10.1 per cent in September, 13.7 per cent in August, and an average of 12.8 per cent for the first ten months.

"The national factory employment curve also has had a sustained upswing since July, the United States Bureau of Labor Statistics index climbing from a low of 55.2 in July to 59.9 in October, the 1926 average representing 100.

"Three manufacturing groups—food products, clothing and textiles, and paper and printing—had larger forces in October than in September. Payroll totals were also larger in food products, paper and printing, metal products, woodworking and furniture, and stone, clay and glass, reflecting a lengthening of working hours in many instances. The largest employment advance was again made by the clothing and textile group, namely 6.5 per cent. A similar seasonal gain was made in the retail division, but wholesale employment was down slightly. Transportation and public utilities registered a drop of 1.6 per cent, banking and finance remained practically unchanged, while the numbers employed in construction and in hotels and laundries declined about six per cent, according to the sample."

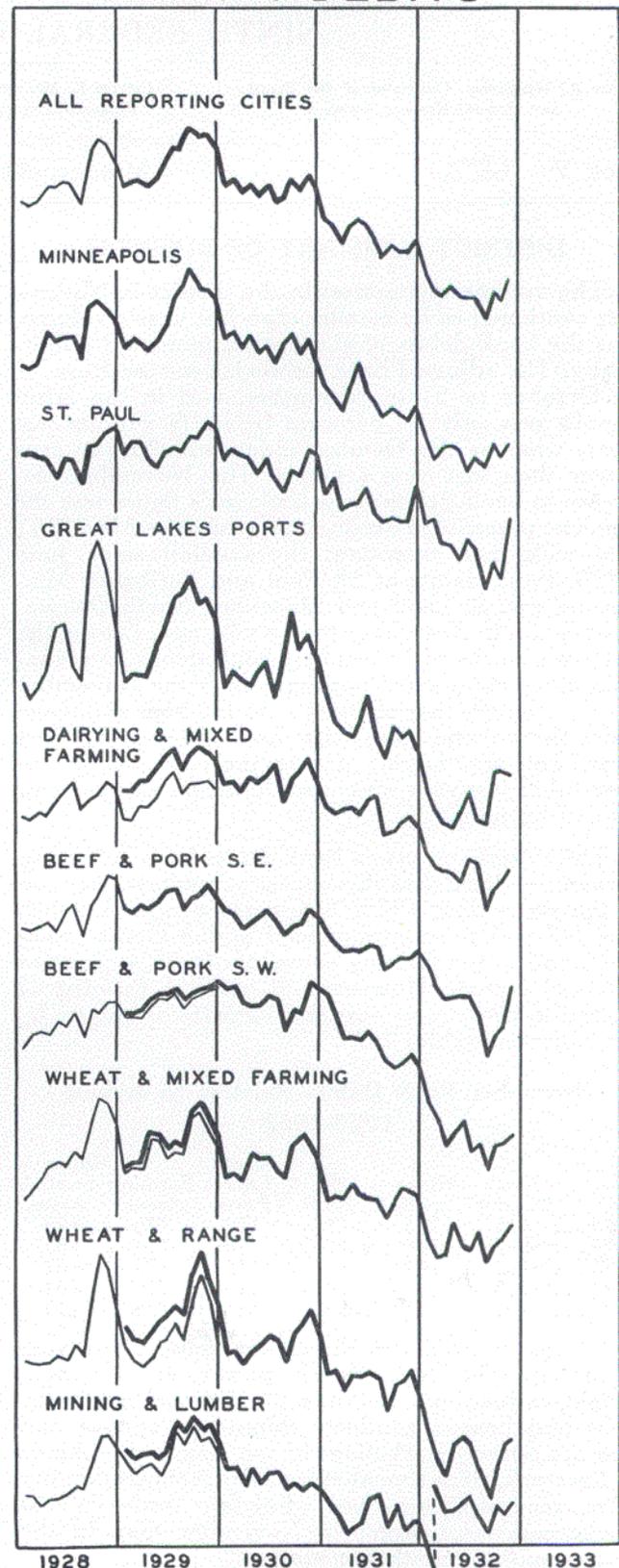
"A considerable number of employees are added in November and December by the retail groups that require extras for the holiday trade, the Institute's index revealing an average rise of 13.0 per cent in the retail employment groups from October to December in the last five years. According to the United States census bureau a total of 56,000 persons were reported as employed in retail distribution in the three cities in 1929. Ordinarily, therefore, this would mean an addition to the October forces of about 7,000. In the Twin cities the extras in the department stores are given employment on the basis of half time—three days a week—thus doubling the number otherwise added in that group.

"Another source of extra holiday employment is provided by the postal service. For example, during the Christmas rush the Minneapolis post office usually adds approximately 1,000 workers, for a period of four to ten days. The regular force numbers 1,500."

DISTRICT SUMMARY OF BANKING

The most significant banking development of the past four weeks has been the continued growth in city bank holdings of cash and balances due from banks, which increased 8 million dollars and on December 14 were 19 million dollars larger than on the corresponding date a year ago. Cash and balances due from banks have thus returned to the average level of the six preceding years, after remaining below that level for about twelve months. This further increase in cash and balances due from banks was

NINTH FED. RES. DISTRICT BANK DEBITS



made possible by stable deposits and declining loans and investments at the city banks.

The deposits of city member banks of the district have shown an unusually small decline from the peak reached in November and arising from tax payment deposits. Usually commercial and individual demand deposits decline sharply for two or three weeks after the middle of November, but this year they remained practically unchanged. Similarly, balances due to correspondent banks usually decline sharply after the middle of November, but this year they decreased only 2 million dollars. The net effect of changes in the various kinds of deposits of city banks was a decrease in total deposits of only 3 million dollars during the four weeks ending December 14.

Loans to customers reported by city member banks declined steadily during the four weeks ending December 14 to the lowest point in the four year record. On that date, they were 6 million dollars smaller than four weeks earlier and 42 million dollars below the figure reported a year ago. Investment holdings of city member banks, consisting of bonds, commercial paper, acceptances and brokers' loans, also declined 4 million dollars during the four week period, reaching the lowest level in the four year period for which these figures are available. Borrowings by city member banks from the Federal Reserve Bank continued to be negligible.

Country bank conditions continued to be characterized by shrinking deposits. Member banks in cities with less than 15,000 population experienced a small reduction of 3 million dollars, or 1 per cent, in deposits between the daily average for October and the daily average for November. In November, their deposits were 65 million dollars (18 per cent) smaller than a year ago. Borrowings by country member banks from this Federal Reserve Bank showed little change during the four weeks ending December 14 and were about twice as large as borrowings a year ago.

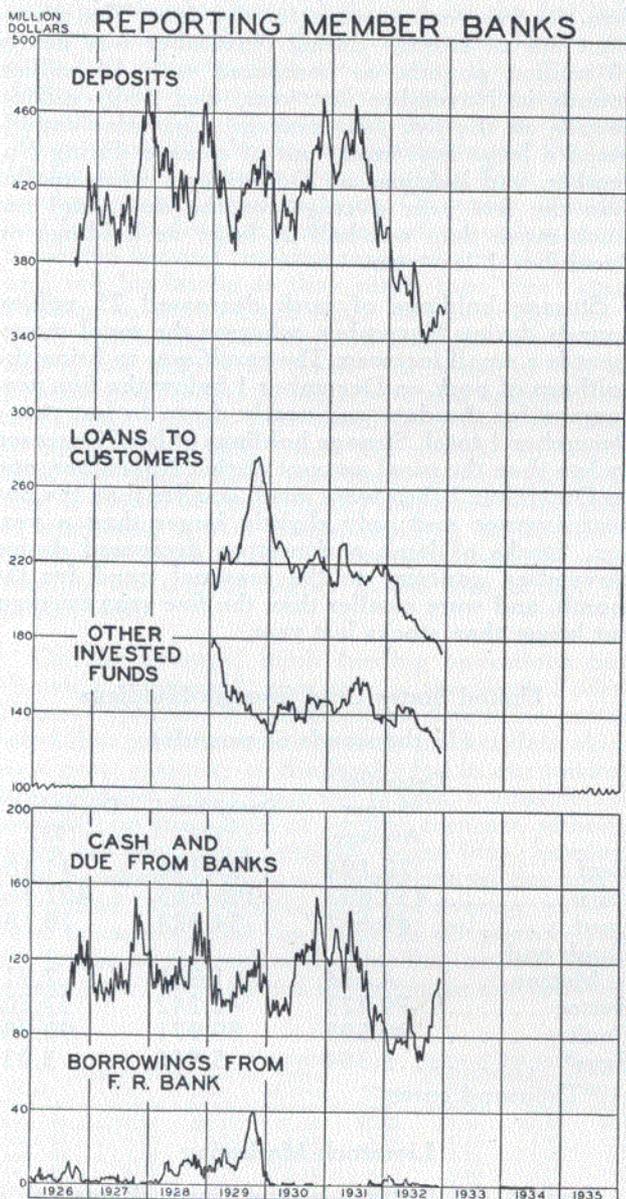
DISTRICT SUMMARY OF AGRICULTURE
Wheat Marketing Progress

Receipts of northwestern wheat at terminal markets were 70 million bushels during the portion of the 1932 crop year from July 1 to December 17. This was nearly twice the amount of wheat that reached the terminal markets during the corresponding period of the preceding crop year. However, since the 1932 crop was much larger than the 1931 crop, the marketings this fall have amounted to only 31 per cent of the marketable portion of the crop and carry-over, whereas last year, and in other recent years, nearly 50 per cent of the marketable wheat supply reached market during the corresponding portion of the crop year.

Wheat Marketing Progress

(Estimates for Minnesota, North Dakota, South Dakota and Montana combined)

	July 1 through December 17, 1931 and 1932	
	1931	1932
	Bushels	Bushels
Crop and Carry-over		
July 1 Farm Stocks	12,333,000	4,478,000
July 1 Stocks in Country Mills and Elevators	6,200,000	5,473,000
New Crop	89,423,000	236,567,000
Total Wheat Supply	107,956,000	246,518,000
Less: Seed Requirements	25,561,000	23,000,000
Remainder available for marketing at terminals, feed, country millings, etc.	82,395,000	223,518,000
Receipts since July 1 at Minneapolis, Duluth, and Superior, excluding S. W. wheat and duplications	38,124,000	70,340,000
Per cent marketed through December 17	46.27	31.47
During the twelve-month period 7-1-31 to 6-30-32, 61 per cent of the 82,395,000 bushels available was marketed at terminals, amounting to	50,217,000	



Principal Assets and Liabilities of City Member Banks in the Ninth Federal Reserve District which make Weekly Reports to the Federal Reserve Bank.

The explanation of the slower rate of wheat marketing lies chiefly in the low price of wheat and the large number of seed liens against the 1932 crop, both of which factors have either prevented entirely or have hindered many farmers from marketing their wheat. Also, on account of the low prices, much of the wheat which is included in the Government crop estimate has not been threshed, and a very large percentage of the crop will probably be used on the farm for feed. Both country elevator and farm storage facilities were unusually well prepared to handle an increase in the storage of the wheat in the interior. Farm stocks of wheat had been reduced to 4,478,000 bushels on July 1, and country mill and elevator stocks of wheat were only 5,473,000 bushels on the same date. Figures received from representative elevators in the four northwestern states indicate that all country elevators in the district were holding more wheat on December 1 than a year ago. The remainder of the wheat which has not been marketed could very easily be stored on the farms. In Montana alone, the farm storage capacity has been estimated to have been 49 million bushels in 1929.

Flour Production by Northwestern Country Mills Excluding Minneapolis, St. Paul and Duluth-Superior

	1932	1931
July	654,833 bbls.	918,955 bbls.
August	781,873 bbls.	881,203 bbls.
September	773,493 bbls.	837,500 bbls.
October	792,844 bbls.	867,871 bbls.
November	714,984 bbls. (Prelim.)	837,371 bbls.
Five Months	3,718,027 bbls.	4,342,900 bbls.
Converted to wheat at 4½ Bu. to 1 Bbl.	16,731,121 bus.	19,543,050 bus.

A further reason for the small wheat marketings at terminals is the fact that country mills have been purchasing a larger part of their wheat supplies locally this year. The freight cost of moving wheat to and from the terminals becomes a larger factor in the cost of flour milling in a year of low prices than in years of high prices, and there is, therefore, a greater inducement to buy local wheat, even though it requires more cleaning and processing than is required when wheat is purchased out of terminal elevators. The uniformly high quality of this year's crop is also a factor favoring buying of local wheat, since less high grade wheat is needed for mixing. Furthermore, the low wheat prices have made it possible for the country miller to compete advantageously with the city mills, and the effect of this has been that the interior mills in the Northwest increased their production moderately from July to October 1932, whereas in 1931 their production was declining. However, their 1932 production has not yet equalled the 1931 level of output. Flour output at interior mills in the five months July-November was 6 per cent larger than the flour out-

put at Minneapolis, St. Paul and Duluth-Superior combined, whereas a year ago, their output was 10 per cent smaller than that of city mills. The monthly flour output by the larger interior mills of the Northwest is quoted above for the last five months and for the corresponding months in 1931, as reported by the Northwestern Miller.

Cold Storage Holdings

The December 1 report of cold storage holdings of agricultural products in the United States is much more encouraging to the farmer than the report issued a month previously. Stocks of butter in the United States on December 1 were 37,208,000 pounds, which was 5 million pounds less than storage holdings a year ago, and 42 million pounds less than the five year average for the date. The movement out of storage during November was nearly 30 million pounds, as compared with 14 million pounds in November last year, and 26½ million pounds on the five year average. Eggs also experienced a large movement out of storage during November, and holdings on December 1 were smaller than the five year average for the date, and not much more than one-half as large as holdings on December 1 last year.

Storage holdings of pork decreased 25 million pounds during November, whereas the usual movement is a small increase. The result was to bring the holdings of pork on December 1 below the five year average for the date and nearly down to last year's December 1 total. Storage holdings of beef increased by less than the usual amount during November, and on December 1 they were much smaller than the five year average and only slightly larger than a year ago. Stocks of lamb and mutton decreased during November, contrary to the seasonal trend for the month, and were smaller than the five year average, but larger than stocks last year.

United States Cold Storage Holdings

(In thousands of pounds)

	December 1 5-year Average	December 1, 1931	December 1, 1932
Beef	70,194	39,158	41,180
Pork	435,897	396,563	407,169
Lard	49,667	34,824	29,186
Lamb and Mutton	4,214	1,985	2,911
Butter	79,223	42,242	37,208
Poultry	90,595	89,971	90,988
Eggs*	5,384	5,916	3,034

*Thousand cases

Livestock Marketing

One of the features of the livestock market at South St. Paul during November was the beginning of the marketing season for fed and fattened west-

ern lambs. Lambs delivered to feedlots in early August had completed an 80-90 day feeding period and feeders were sorting out those that were "ripe" and shipping some well-selected choice slaughter lambs to market. The improvement in the quality of the offerings, coupled with a sharp decrease in total receipts during election week, resulted in a strong sellers' market, accompanied by rising prices. A price peak of \$6.25 was established on Armistice Day, which was followed by a brief drop in top prices, but the \$6.25 top was again reached during the last week of the month. During the first two weeks of December, prices have softened a little, the weekly "tops" being \$6.00 to \$5.75.

During the week ending December 15, overweight lambs, weighing 100 pounds or more, were quite generously scattered throughout the fed lamb receipts. Inasmuch as these overweight lambs produce cuts of meat that are heavier than the trade desires, packer buyers were compelled to sort them out and would only purchase them at a discount. These overweight lambs are avoidable and the lamb feeder who is closely watching his flock and his profits does not produce them. Of course, it is difficult for a feeder with a single carload of lambs who is located beyond trucking range of a market to sort and sell his lambs as they reach the "ripe" stage. Feeders so situated are more or less compelled to delay marketing their carload until the lambs average a fair degree of finish, but some of the less experienced feeders in Minnesota and eastern North and South Dakota who could send their fat lambs to market by truck, made the mistake of waiting until the whole flock was ready before marketing any. It should be remembered that there is less profit in marketing a 100 pound lamb at \$5.00 than a 90 pound lamb at \$5.50, even though the gross receipts are slightly higher in the case of the 100 pound lamb.

On the average, lamb feeding operations have shown a good profit this year in the Ninth Federal Reserve District. It is difficult to determine exactly what that profit amounts to from market data alone, as a great majority of the lambs fed in our territory are obtained direct from the ranges, a considerable quantity on some type of feeding contract, although some are purchased outright. Some idea, however, may be obtained from a comparison of the cost of 60 pound "top" feeders, plus the average value of feed consumed, and the value of 85 pound "top" fat lambs at the end of the feeding period, twelve weeks later. Such figures are given in the following table:

Week Ending	Cost of Feeder Lamb		Estimated	Total Cost	Value of Fat Lamb, Twelve weeks later		Gross Profit
	Per 100 lbs.	Per Lamb	Value of Feed Consumed*		Per 100 lbs.	Per Lamb	
Aug. 10	\$4.25	\$2.55	\$1.13	\$3.68	\$5.25	\$4.46	\$0.78
Aug. 17	4.50	2.70	1.13	3.83	5.75	4.89	1.06
Aug. 24	4.40	2.64	1.13	3.77	6.25	5.31	1.54
Aug. 31	4.50	2.70	1.13	3.83	6.00	5.10	1.27
Sept. 7	4.75	2.85	1.13	3.98	6.25	5.31	1.33
Sept. 14	4.65	2.79	1.13	3.92	6.00	5.10	1.18
Sept. 21	4.85	2.91	1.13	4.04	5.75	4.89	.85

*Estimated 9 pounds of feed for 1 pound gain. Feed valued at an average of one-half cent per pound.

While it does not necessarily follow that choice feeder lambs will bring choice fat lamb prices, during all of the weeks included in this study "good" fat lamb top prices or even lower could have been substituted for "choice" fat lamb top prices and there would have still remained a margin of profit in addition to providing a market for large quantities of farm feeds at an average price of one-half cent a pound, which is rather high for the current season. The above table, of course, fails to take any consideration of losses, which reports from the feeding territory indicate have been somewhat less than usual this year because of stronger lambs and favorable weather conditions. One local financial institution which provided a large number of experienced lamb feeders with funds this year for the outright purchase of western lambs, reports that a great many of its customers are marketing the same number of lambs as they purchased, i. e., they have experienced no losses whatsoever. It also reports that its customers are highly satisfied with the results of their feeding operations, although they are selling their fat lambs at the same price per hundredweight as they paid for their feeder lambs at their own feeding stations. Their satisfaction is derived from the fact that the lambs provided a means of marketing this year's large crop of feed—both grain and forage—that the farmers could not otherwise dispose of at a price which would even approximate the cost of production.

The decline in cattle and calf prices which began in September continued during November. The two classes, prime butcher steers and calves, which made some gains in September, despite the drop in all other classes, have been lower, as have all other classes in each of the months of October and November. Median prices of prime butcher steers and calves, which were somewhat out of line with other cattle classes, showed a much greater decline between October and November than ordinary butcher cows, heifers and steers, and stocker and feeder steers. Hog price medians continued the decline from their midsummer peak of \$4.45 during November, reaching \$3.10 for ordinary weights and \$2.85 for heavy weights. Even at these low levels, however, the prices were a little above the all time low record levels established last spring.

Farm Income

The estimated cash income to farmers from marketings of seven important items was 42 per cent smaller in November than in the same month last year, in spite of a small increase in the income from bread wheat. Prices of all of the major farm products of the Northwest, with the exception of ewes, were lower in November than a year ago, although the declines in lambs and eggs were not important.

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS		Per Cent Nov. '32 of Nov. '31		AGRICULTURE		Per Cent Nov. '32 of Nov. '31	
Debits to Individual Accounts¹		Nov. '32	Nov. '31	Farmers' Cash Income		Nov. '32	Nov. '31
All Reporting Cities.....	\$ 24,600,600	\$ 28,943,800	85	Total of 7 Items.....	\$ 19,232,000	\$ 32,893,000	58
Minneapolis	10,268,000	11,580,000	89	Bread Wheat.....	4,325,000	4,177,000	104
St. Paul	5,146,000	5,029,000	102	Durum Wheat.....	749,000	1,182,000	63
South St. Paul.....	476,000	1,031,000	46	Rye	108,000	298,000	36
Great Lakes Ports.....	2,063,900	2,588,900	80	Flax	562,000	1,452,000	39
Beef and Pork, S.E.....	902,800	1,054,900	86	Potatoes	517,000	687,000	75
Beef and Pork, S.W.....	868,600	1,313,600	66	Dairy Products	6,852,000	11,712,000	59
Dairy and Mixed Farming.....	1,153,000	1,517,900	76	Hogs	6,119,000	13,385,000	46
Wheat and Mixed Farming.....	1,601,400	1,907,800	84	Grain Marketings at Minneapolis and Duluth-Superior (Bus.)			
Wheat and Range.....	736,100	1,033,000	71	Bread Wheat.....	7,787,000	4,864,000	160
Mining and Lumber.....	1,384,800	1,887,700	73	Durum Wheat	1,497,000	1,366,000	109
Electric Power Consumption (K.W.H.)^{1,2}				Rye	357,000	582,000	61
Minn., No. Dak. and So. Dak.....	4,557,000	4,984,000	91	Flax	529,000	1,035,000	51
Montana	1,524,000	2,516,000	61	Grain Stocks at End of Month at Minneapolis and Duluth-Superior (Bus.)			
Country Check Clearings¹				Wheat	38,463,673	52,595,972	73
Total	\$ 2,699,200	\$ 2,652,100	102	Corn	1,062,549	6,412	16571
Minnesota	1,089,200	1,000,600	109	Oats	12,248,084	5,975,854	205
Montana	365,100	478,300	76	Barley	4,925,453	3,041,076	162
North and South Dakota.....	785,700	613,600	128	Rye	5,102,161	5,370,875	95
Michigan and Wisconsin.....	459,200	559,600	82	Flax	1,173,967	1,285,268	91
Freight Carloadings—N. W. District				Livestock Receipts at South St. Paul (Head)			
Total—Excluding L.C.L.....	189,506	218,464	87	Cattle	63,820	80,450	79
Grains and Grain Products.....	29,922	32,362	92	Calves	50,897	54,681	93
Livestock	24,781	36,138	69	Hogs	268,329	492,540	54
Coal	31,611	28,542	111	Sheep	228,995	275,799	83
Coke	2,705	2,773	98	Median Cash Grain Prices (Bus.)			
Forest Products	14,876	18,961	78	Wheat—No. 1 Dark Northern.....	\$0.49½	\$0.76½	65
Ore	2,981	3,016	99	Durum—No. 2 Amber.....	.50	.87½	57
Miscellaneous	82,630	96,672	85	Corn—No. 3 Yellow.....	.24	.51½	47
Merchandise—L.C.L.....	83,430	100,450	83	Oats—No. 3 White.....	.14½	.27	54
Building Permits				Barley—No. 3 .....	.28	.49½	56
Number—18 Cities	485	988	49	Rye—No. 2 .....	.30½	.51¼	59
Value—18 Cities	\$ 547,400	\$ 1,290,000	42	Flax No. 1	1.06¼	1.46¼	73
Minneapolis	198,500	589,900	34	Median Livestock Prices (Cwt.)			
St. Paul	230,000	303,200	76	Butcher Cows	\$2.75	\$3.50	79
Duluth-Superior	22,400	70,300	32	Butcher Steers	4.60	5.75	80
4 Wheat Belt Cities.....	19,200	58,700	33	Prime Butcher Steers.....	7.00	8.35	84
6 Mixed Farming Cities.....	55,500	240,600	23	Feeder Steers	3.25	4.00	81
4 Mining Cities	21,800	27,300	80	Veal Calves	3.50	4.50	78
Building Contracts Awarded				Hogs	3.10	4.20	74
Total	\$ 4,226,200	\$ 6,900,600	61	Heavy Hogs	2.85	4.00	71
Commercial	196,700	307,500	64	Lambs	5.00	5.25	95
Factories	25,900	189,000	14	Ewes	1.25	1.00	125
Educational	6,000	74,000	8	Wholesale Produce Prices			
Hospitals, etc.	3,400	56,000	6	Butter (Lb.)	\$0.19½	\$0.27	72
Public	4,000	1,527,400	0	Milk (Cwt.)	1.09	1.55	70
Religious and Memorial.....	155,000	25,000	620	Hens (Lb.) .....	.08½	.15½	55
Social and Recreational.....	98,000	5,000	1960	Eggs (Doz.) .....	.24	.25¼	93
Residential	497,800	1,400,100	36	Potatoes (Bu.) .....	.49½	.75	66
Public Works and Utilities.....	3,239,400	3,316,600	98	TRADE			
Real Estate Activity in Hennepin and Ramsey Counties				Department Stores			
Warranty Deeds Recorded.....	1,063	1,400	76	Sales	\$ 2,253,310	\$ 2,734,220	82
Mortgages Recorded	855	1,228	70	Merchandise Stocks	5,544,450	6,775,160	82
Manufacturing and Mining				Receivables	2,871,950	3,268,350	88
Flour Production at Mpls., St. Paul, and Duluth-Superior (Bbls.).....	750,891	963,839	78	Instalment Receivables	618,740	682,460	91
Flour Shipments at Mpls. (Bbls.).....	677,734	846,093	80	Furniture Stores			
Linseed Product Shipments (Lbs.).....	12,417,798	22,144,207	56	Total Sales	\$ 67,740	\$ 134,560	50
Copper Output (3 Firms) (Lbs.).....	11,694,000	21,816,200	54	Instalment Sales	52,340	108,070	48
Iron Ore Shipments (Tons).....	250,310	420,594	60	Merchandise Stocks	515,190	521,460	99
Business Failures				Instalment Receivables	726,890	858,350	85
Number	70	66	106	Country Lumber Yards			
Liabilities	\$ 1,181,354	\$ 681,317	173	Sales (Bd. Ft.).....	4,349,000	6,379,000	68
				Lumber Stocks (Bd. Ft.).....	55,963,000	65,480,000	85
				Total Sales	\$ 764,600	\$ 1,126,600	68
				Receivables	2,363,000	3,320,800	71
				Life Insurance Sales			
				Four States	\$ 13,233,000	\$ 17,113,000	77
				Minnesota	9,801,000	13,063,000	75
				Montana	1,334,000	1,534,000	87
				North Dakota	924,000	1,140,000	81
				South Dakota	1,174,000	1,376,000	85

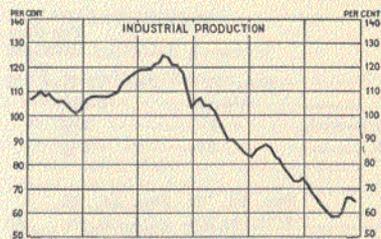
COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT
(Continued)

	Per Cent		Nov. '31	Nov. '32	Per Cent	Per Cent	
	Nov. '32	Nov. '31				Nov. '31	Nov. '32
Investment Dealers							
Sales to Banks.....	680,900	1,355,000	50				
Sales to Insurance Companies.....	88,500	310,400	29				
Sales to General Public.....	1,195,800	3,647,900	33				
Wholesale Trade							
Groceries—							
Sales	\$ 2,614,850	\$ 3,127,950	84				
Stocks	5,085,330	5,572,000	91				
Receivables	4,072,180	4,412,450	92				
Hardware—							
Sales	\$ 828,570	\$ 928,260	89				
Stocks	2,005,670	2,167,170	93				
Receivables	1,347,850	1,480,310	91				
Shoes—							
Sales	\$ 220,960	\$ 182,580	121				
Stocks	608,020	625,370	97				
Receivables	613,590	634,460	97				
BANKING							
Member Bank Deposits							
In Cities Over 15,000 pop.....	\$381,760,000	\$439,143,000	87				
In Cities Under 15,000 pop.....	235,586,000	350,337,000	82				
Michigan—15 Cos.	50,815,000	61,749,000	82				
Minnesota	116,490,000	138,744,000	84				
Montana	38,124,000	49,317,000	77				
North Dakota	27,957,000	34,297,000	82				
South Dakota	32,358,000	42,273,000	77				
Wisconsin—26 Cos.	19,842,000	23,957,000	83				
Interest Rates^a							
Minneapolis Banks	4½-4¾						
Commercial Paper (net to borrower)..	2						
Minneapolis Fed. Res. Bank.....	3½						
Selected City Member Banks							
Loans to Customers.....	Dec. 14, '32	Dec. 16, '31					
Other Invested Funds.....	\$172,193,000	\$214,198,000	80				
Cash and Due from Banks.....	120,059,000	135,870,000	88				
Deposits Due to Banks.....	112,332,000	93,619,000	120				
Public Demand Deposits.....	56,434,000	68,691,000	82				
Other Demand Deposits.....	22,438,000	29,678,000	76				
Time Deposits	137,172,000	149,883,000	92				
Total Deposits	139,576,000	144,575,000	97				
Borrowings at Fed. Res. Bank.....	356,769,000	394,594,000	90				
	225,000	209,000	108				
Minneapolis Federal Reserve Bank							
Loans to Member Banks.....	11,641,000	5,998,000	194				
Twin Cities	101,000	86,000	117				
Minn., Wis. and Mich.....	4,785,000	2,909,000	164				
N. Dak. and Mont.....	2,899,000	1,284,000	226				
South Dakota	3,856,000	1,719,000	224				
Fed. Res. Notes in Circulation.....	79,995,000	67,792,000	118				
Member Bank Reserve Deposits	38,505,000	44,571,000	86				

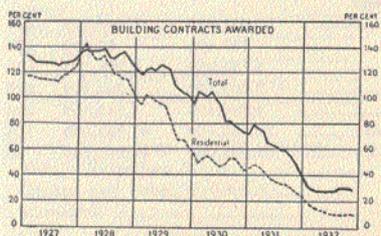
¹Daily Averages.
²Latest Reported Data.

BANK DEBITS

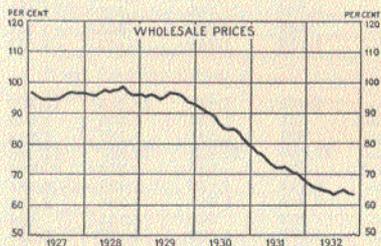
Number of Business Days:	November		October	
	1932	1931	1932	1931
Michigan and Wisconsin.....	24	26	24	27
Minnesota and South Dakota.....	23	26	23	27
Montana and North Dakota.....	23	25	23	26
	(000's omitted)			
Michigan				
Escanaba (1 Bank).....	\$ 344	\$ 447	\$ 512	\$ 604
Hancock	970	916	1,135	1,289
Houghton	973	1,303	99	99
Iron Mountain	1,222	1,613	2,598	2,900
Iron River, Caspian.....	429	488	885	1,108
Manistique (1 Bank).....	63	66		
Marquette	2,345	2,822	3,483	4,490
Menominee	1,703	1,928	2,146	2,393
Sault Ste. Marie.....	1,801	2,169	2,297	2,590
Minnesota				
Albert Lea	1,852	1,978	2,389	2,837
Austin (1 Bank).....	2,426	2,497	3,703	3,400
Bemidji (2 Banks).....	763	778	896	992
Chaska	632	444	797	632
Chisholm	949	547	1,158	623
Cloquet	912	849	1,287	1,208
Crookston	1,048	929	1,363	1,325
Detroit Lakes	862	903	970	952
Duluth	37,757	43,793	47,247	51,694
Ely	407	290	627	594
Faribault (1 Bank).....	1,200	1,089	899	1,337
Farmington	142	194	190	259
Fergus Falls	1,700	1,862	2,673	3,273
Glenwood	234	288	343	485
Hutchinson	603	661	961	1,142
Lakefield (2 Banks).....	216	211	252	217
Lanesboro	228	277	295	375
Little Falls	802	707	1,074	957
Luverne	390	481	660	658
Mankato	4,164	4,114	5,275	5,361
Minneapolis	236,175	249,638	266,349	321,993
Moorhead	960	1,193	1,894	1,833
Morris	329	369	501	509
Owatonna	1,568	1,921	2,412	2,738
Park Rapids	235	299	329	406
Red Wing	1,562	1,608	1,766	2,317
Rochester	3,655	3,587	4,704	5,266
St. Cloud	2,536	2,597	3,498	3,927
St. Paul	118,353	97,252	115,656	135,499
South St. Paul.....	10,957	13,994	23,708	27,499
Stillwater	1,317	1,649	1,766	2,490
Thief River Falls.....	1,005	774	1,022	883
Two Harbors	274	305	404	436
Virginia	1,423	1,444	2,044	1,920
Wabasha	499	573	682	806
Wadena (1 Bank).....	382	304	390	326
Wheaton	289	345	537	609
Willmar (1 Bank).....	744	763	1,157	1,151
Winona	5,195	4,541	5,215	6,306
Worthington (1 Bank).....	383	400	606	654
Montana				
Anaconda	\$ 838	\$ 915	\$ 1,348	\$ 1,701
Billings	5,291	5,370	6,670	6,948
Bozeman	1,479	2,035	2,083	2,329
Butte (2 Banks).....	5,532	5,767	9,200	9,834
Deer Lodge	447	431	931	961
Glendive	569	644	840	830
Great Falls	7,144	8,577	10,012	11,506
Harlowton	198	225	317	384
Havre	949	911	1,119	1,250
Helena	6,396	5,668	7,254	7,971
Kalispell	1,265	1,344	1,647	1,639
Lewistown	1,169	1,097	1,676	1,659
Malta	530	391	608	551
Miles City (1 Bank).....	1,113	1,200	1,458	1,662
North Dakota				
Bismarck	8,461	7,927	11,215	10,165
Devils Lake	861	1,030	1,319	1,546
Dickinson	892	1,004	1,187	1,918
Fargo	11,869	12,852	13,857	16,668
Grafton	330	525	512	708
Grand Forks	4,794	4,126	5,437	6,982
Jamestown	1,408	1,512	1,786	2,576
Mandan	750	868	1,113	984
Minot	3,979	4,413	4,158	5,364
Valley City	752	975	1,064	1,625
Wahpeton	682	812	860	1,183
Williston	757	952	942	1,117
South Dakota				
Aberdeen	3,852	3,160	4,016	4,773
Brookings (1 Bank).....	559	644	803	1,028
Deadwood	789	675	943	782
Huron	2,829	2,862	4,566	4,560
Lead	1,564	1,377	1,521	1,401
Madison	521	549	888	856
Milbank	351	348	510	500
Mitchell (2 Banks).....	1,814	1,946	2,876	3,374
Mobridge	529	389	513	484
Pierre	1,015	934	1,135	1,123
Rapid City	1,775	1,751	3,677	3,328
Sioux Falls	9,888	10,734	14,668	16,511
Watertown	1,807	2,061	2,920	3,351
Yankton	1,214	1,213	1,726	2,005
Wisconsin				
Ashland	1,065	1,218	1,456	1,743
Chippewa Falls	1,203	1,178	1,510	1,710
Eau Claire	3,610	4,002	4,493	4,965
Hudson (2 Banks).....	336	361	426	515
La Crosse	7,513	6,298	8,241	10,287
Merrill (1 Bank).....	759	827	866	1,154
Superior	4,295	4,144	4,664	6,064
Total for All Cities Reporting				
Both Years	\$569,685	\$575,073	\$671,276	\$780,595



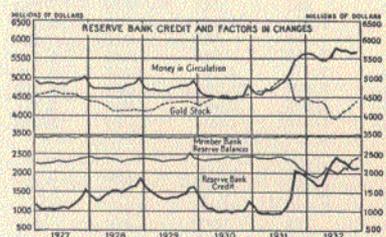
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average=100.)



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



Index of United States Bureau of Labor Statistics (1926=100.)



Monthly averages of daily figures. Latest figures are averages of first 20 days in December.

Summary of National Business Conditions (Compiled December 22 by Federal Reserve Board)

Industrial activity declined in November by somewhat more than the usual seasonal amount. Changes in factory employment and payrolls, reported for the middle of the month, were largely seasonal in character. Prices in wholesale commodity markets were somewhat lower, on the average, in November than in October, and declined further during the first three weeks of December.

PRODUCTION AND EMPLOYMENT: The volume of industrial production, as measured by the Board's seasonally adjusted index, declined from 66 per cent of the 1923-1925 average in October to 65 per cent in November, compared with a low level of 58 per cent in July. Output at woolen mills, silk mills and shoe factories declined in November from the relatively high levels of the autumn, while cotton mills continued active. Lumber production declined by considerably more than the usual seasonal amount. Steel production decreased during November and the first three weeks of December, while automobile output increased considerably in connection with the introduction of new models.

The number employed at factories declined somewhat from October to November, reflecting in large part developments of a seasonal character. Working forces in the woolen, silk, shoe and canning industries were reduced, while at car building shops and at factories producing automobiles and agricultural implements there were increases in employment.

Construction contracts awarded up to December 15, as reported by the F. W. Dodge Corporation, indicate for the last three months of the year a decline from the third quarter of somewhat more than the usual seasonal amount, following a non-seasonal increase from the second to the third quarter.

Estimates of the Department of Agriculture, based on December 1 reports, indicate a cotton crop of 12,727,000 bales, about 800,000 bales larger than the estimate a month earlier, but 4,400,000 bales smaller than last year's unusually large crop. Wheat, tobacco, flaxseed and other leading cash crops are also considerably smaller than a year ago, while feed crops are substantially larger. Acreage of winter wheat planted this fall was slightly smaller than a year ago and the condition of the crop on December 1 was unusually poor, according to the Department of Agriculture.

DISTRIBUTION: Distribution of commodities by rail decreased seasonally from October to November, while the dollar volume of department store sales which ordinarily expands at this season showed a decline.

WHOLESALE PRICES: During early November the general level of wholesale commodity prices advanced somewhat, reflecting chiefly increases in prices of domestic agricultural products; in the latter part of the month, however, prices of livestock, cotton, and grains declined considerably; and during the first three weeks of December, further declines in livestock prices were reported. By the third week of December, prices of textiles, copper, and silver as well as of livestock, were substantially lower than in the middle of November and the general average of wholesale prices was at a level slightly below that prevailing before the advance that occurred last summer.

BANK CREDIT: During the four weeks ended December 14, there was an addition of \$85,000,000 to the country's stock of monetary gold. The funds derived from this source were utilized in meeting an increase in the demand for currency which was smaller than usual at this season, in further reducing by \$23,000,000 the indebtedness of member banks to the Reserve banks, and in increasing by \$25,000,000 the volume of member bank reserve balances. On December 15 there was a further increase of \$95,500,000 in the stock of monetary gold in connection with the current payment by Great Britain of the war debt. This amount of gold was earmarked in London for account of the Federal Reserve Bank of New York, and an equivalent credit was given by that bank to the United States Treasury. This transaction, together with other fiscal operations on December 15, resulted in a temporary addition of \$100,000,000 to the reserves of member banks, which were subsequently reduced by Christmas currency demands and an increase in Treasury deposits with the Reserve banks. Loans and investments of reporting member banks declined by more than \$100,000,000 between November 16 and December 14, reflecting reductions in the banks' holdings of United States Government securities, and in loans other than security loans. Loans on securities increased, both at New York City and at other reporting member banks.

Money rates in the open market declined further, rates on 90-day bankers' acceptances declining from one-half of 1 per cent to three-eighths of 1 per cent and rates on prime commercial paper from a range of $1\frac{1}{2}$ - $1\frac{3}{4}$ per cent to a range of $1\frac{1}{4}$ - $1\frac{1}{2}$ per cent.