

MONTHLY REVIEW

OF AGRICULTURAL AND BUSINESS CONDITIONS IN THE NINTH FEDERAL RESERVE DISTRICT

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DISTRICT SUMMARY OF BUSINESS

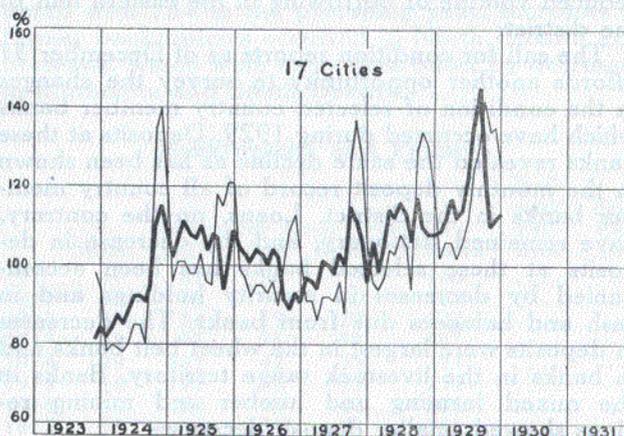
Trends of business in the district were mixed during December. Debits to individual accounts increased, as compared with December 1928, but most of the other indexes of business exhibited decreases. The increase in debits to individual accounts was largely confined to Minnesota, South Dakota and northern Michigan, and for all reporting cities combined the increase was 4 per cent, as compared with December last year. Postal receipts at the larger cities, securities sales and building contracts awarded also increased. The country check clearings index, freight carloadings, shipments of flour and linseed products, city department store sales, country lumber sales, wholesale trade and building permits decreased in December, as compared with the corresponding month last year. Business failures were more numerous in December than in December last year.

Debits to Individual Accounts

(Daily Averages Shown as Percentages of the Corresponding Periods in 1928)

	First Quar.	Sec. Quar.	Third Quar.	Fourth Quar.	Nov. 1929	Dec. 1929
Duluth	105	90	127	83	86	104
Minneapolis . . .	114	100	128	110	110	112
St. Paul	104	103	110	103	105	99
So. St. Paul . . .	97	110	102	103	103	102
Rural Minn. . . .	104	105	111	105	104	102
Montana	115	116	124	94	95	93
No. Michigan . . .	115	109	107	101	99	101
No. Dakota	115	111	105	88	84	86
So. Dakota	110	108	108	104	103	105
N. W. Wisc.	107	113	109	90	92	84
Ninth Dist.	110	103	120	102	103	104

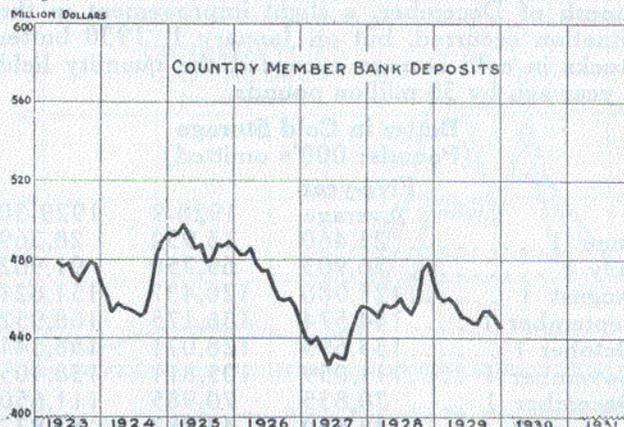
During the first half of January, there was apparently no significant change in the volume of business from the level of December other than seasonal variations. Debits to individual accounts at seventeen cities were 2 per cent larger during the first two weeks of January than in the corresponding weeks last year, country check clearings were 12 per cent smaller and the daily average of building contracts awarded was \$132,700, as compared to a daily average of \$255,900 in January last year.



Debits to Individual Accounts in Seventeen Cities in the Ninth Federal Reserve District. The heavy curve is adjusted to eliminate seasonal changes; the light curve is unadjusted.

DISTRICT SUMMARY OF BANKING

City member banks reduced their borrowings from this Federal Reserve Bank to \$2,200,000 on January 15. This was the lowest borrowing figure on any weekly report date since the early spring of 1928. A decrease of 22 million dollars in deposits of these banks was reported as compared with a year ago. All classes of deposits have shared in the decline except deposits of public funds. Correspondent bank balances, in particular,



Country Member Bank Deposits in the Ninth Federal Reserve District.

were at the lowest January level in the four-year record. This small amount of country bank balances resulted when country banks failed to increase their balances with city correspondent banks in the usual manner last fall. This, in turn, was caused by the unsatisfactory crop in the Northwest.

Country member bank deposits in December were 5 per cent smaller than in December last year, with the greatest shrinkage occurring in Montana and North Dakota. Country bank borrowing from this Federal Reserve Bank was slightly smaller on January 15, 1930 than a year ago, owing to a reduced volume of borrowing in the eastern half of the district.

The call for condition reports as of December 31 affords another opportunity to survey the changes in the condition of selected country member banks which have occurred during 1929. Deposits at these banks revealed the same decline as has been shown in the monthly deposit record of all country member banks in the district. Loans, on the contrary, have remained stationary, and the decrease in deposits at these selected banks has been accompanied by decreases in security holdings and in cash and balances due from banks. The decreases in deposits were largest in the wheat belt banks and in banks in the livestock range territory. Banks in the mixed farming and lumber and mining regions showed smaller deposit decreases.

DISTRICT SUMMARY OF AGRICULTURE

Dairy farmers in the Northwest have received a smaller income from their operations in the last half of 1929 than a year ago, owing to national over-production of butter. This over-production is evidenced by progressive increases in cold storage holdings of creamery butter in the United States, both as compared with the figures for a year ago and as compared with the five-year average. On June 1, 1929, there were in store 12 million more pounds of butter than a year ago and 7 million pounds more than the five-year average. This condition grew worse until December 1, 1929 when there were 41 million pounds more butter in store than a year earlier and 33 million pounds more than the five-year average for the same date. During the month of December, a slight improvement in the situation occurred, but on January 1, 1930 butter stocks in cold storage exceeded the quantity held a year ago by 38 million pounds.

Butter in Cold Storage (Pounds; 000's omitted)

	Five-year Average	1928-9	1929-30
June 1	21,460	15,952	28,369
July 1	76,903	69,750	91,962
August 1	127,986	120,437	151,621
September 1	144,574	136,175	168,952
October 1	133,695	128,071	158,541
November 1	111,059	105,811	138,405
December 1	78,835	70,985	111,650
January 1	48,580	43,783	81,837

Butter prices have suffered as a result of the heavy cold storage holdings. Prices from mid-

summer to September were higher than the average prices for those months in the years 1924-8, although not as high as prices during the same months in 1928 alone. The unsatisfactory storage situation began to be met in October by price reductions which have continued through the month of December. The average price of butter in December was the lowest for that month since 1916, and was eight cents lower than the average December price.

Butter Prices

	Five-year Average 1924-28	1928	1929
June	38.7	40.5	40.5
July	38.4	41.5	40.0
August	39.2	44.0	40.5
September	41.6	46.5	44.0
October	43.4	45.5	42.5
November	46.0	48.0	40.0
December	45.7	47.0	37.5

Hog prices did not show as great a decline during the fall and winter of 1929 as in the preceding year. In August, hog prices at South St. Paul were one dollar per hundredweight lower than a year ago, but in December the price of hogs was ninety cents higher than a year ago. The greater stability of hog prices in 1929 was chiefly caused by a reduction in the spring pig crop, both in the Northwest and in the United States, and also by somewhat lighter market weights of hogs marketed this fall than weights in the preceding season. As a result of smaller marketings, cold storage holdings of cured and frozen pork and lard have decreased more between August 1 and January 1 this year than a year ago. On August 1, cold storage holdings of pork and lard were 7 million pounds smaller than a year ago, whereas on January 1 the reduction was 48 million pounds.

The turkey crop in the Northwest was larger in 1929 than in 1928, by 10 per cent in Minnesota, 6 per cent in North Dakota and 4 per cent in South Dakota. The turkey crop in Montana was 10 per cent smaller in 1929 than in 1928. The average farm price of turkeys in these four states on October 15 was twenty-three and one-half cents per pound, which was one-half cent higher than the price a year ago. However, turkey prices did not increase materially in the month ending November 15 and on that date were 4 cents under last year's prices. The United States turkey crop was 9 per cent larger in 1929 than in 1928, according to estimates of the United States Department of Agriculture, but consumption was fully equal to production so that a slightly smaller quantity of turkeys was in cold storage on January 1, 1930 than a year ago.

Wheat receipts at Minneapolis and Duluth-Superior amounted to 8,476,000 bushels in December, as compared with 15,342,000 bushels received in December 1928. The table below shows the marketing progress of the 1929 crop compared to marketings in other recent years. These figures are adjusted to exclude duplications and wheat receipts from the Southwest. It will be noted

that the marketings include only receipts at Minneapolis and Duluth-Superior and make no allowance for wheat shipped to the west coast or sold to country mills in the Northwest.

Northwestern Wheat Supplies and Marketings

(In bushels, 000's omitted)

	1925	1926	1927	1928	1929
Four-state Crop.....	209,503	158,247	276,710	291,248	183,685
July 1 Stocks on Farms...	10,413	6,076	6,096	8,878	18,195
July 1 Stocks in Country Mills and Elevators.....	10,000*	8,000*	8,183	7,890	15,935
Total Wheat Supplies	229,916	172,323	290,989	308,016	217,815
Used for Seed	25,604	28,344	29,195	27,546	28,000*
Available for Marketing and Feed	204,312	143,979	261,794	280,470	189,815
Marketed at Minneapolis and Head-of-Lakes July-December	118,725	75,139	163,816	156,408	103,985
Per cent Marketed July-December	58%	52%	63%	56%	55%

*Estimated

Farm income during December from the sale of cash crops, dairy products and hogs was 19 per cent smaller than in December 1928. The income from all commodities, except flax and potatoes, participated in the decrease. December prices of wheat, corn, flax, eggs, potatoes and hogs were higher than a year ago. Prices of oats, rye, butter, milk, veal calves, lambs and ewes were lower than a year ago.

A marked reduction in forced sales of farms in the Northwest occurred during the year ending March 15, 1929, but there has been no great improvement in voluntary sales or trades of northwestern farms, excepting in Montana. Improvement, both by reduction in the number of forced sales and by the increase in voluntary transfers of land, has been very striking in Montana. In the year ending March 15, 1926, 70.9 farms per thousand changed hands by forced sale. This number has been reduced to 39.2 farms per thousand in the latest year's figures. In the 1926 record, voluntary sales or trades in Montana were made of 30.1 farms per thousand, and in the latest year's figures this number has been increased to 49.8 farms per thousand. In North Dakota and South Dakota, forced sales continued at a high figure until the latest year when forced sales in North Dakota were reduced from 55.9 to 37.7 farms per thousand, and in South Dakota from 57.9 to 35.0 farms per thousand. In Minnesota, the number of forced sales per thousand has shown no significant change during the last four years, but has been lower in every year than in the other northwestern states.

The following table gives changes in farm ownership per thousand farms in the four northwestern states, as reported by the United States Department of Agriculture.

Changes in Farm Ownership
(Per 1,000 farms; years ending March 15)

	By Voluntary Sale or Trade				By Forced Sale			
	1926	1927	1928	1929	1926	1927	1928	1929
Minnesota...	18.0	18.5	18.4	16.8	30.6	29.2	31.9	30.1
No. Dakota...	23.9	23.9	28.6	26.6	59.0	61.1	55.9	37.7
So. Dakota...	16.7	20.8	26.9	21.1	66.1	66.1	57.9	35.0
Montana...	30.1	35.2	45.5	49.8	70.9	69.0	56.4	39.2

BANKRUPTCIES AND FAILURES IN THE NINTH FEDERAL RESERVE DISTRICT

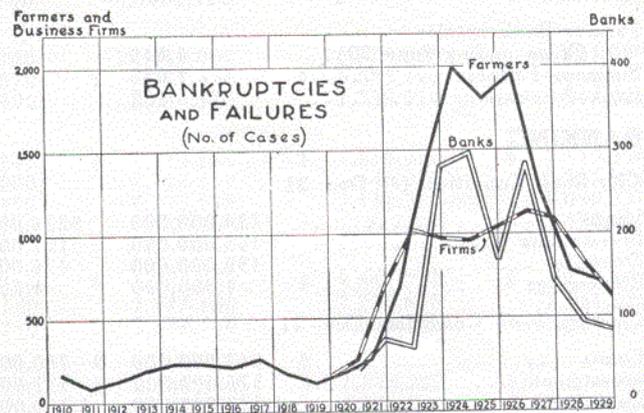
Evidence of further improvement in the business structure of the Northwest is furnished by the annual totals of bankruptcies and failures for 1929. These totals have declined for the last three years, but the decrease in 1929 was more moderate than the decreases in the two preceding years. In 1929 there were 84 bank failures as compared with 94 bank failures in the preceding year. Business failures were 621 in number during 1929 as compared with 834 in 1928. Farmer bankruptcies during the year ending June 30, 1929 numbered 717 as compared with 784 in the preceding year. Increases in farmer bankruptcies occurred in North Dakota and Montana, which were more than offset by decreases in Minnesota and South Dakota.

Bankruptcies and Failures

	Bankruptcy Among Farmers					Business Failures	Bank Failures
	Minn.	N.D.	S.D.	Mont.	4 States		
1910	60	67	30	9	166	....	...
1911	28	41	11	9	89	....	...
1912	29	54	19	20	122	....	...
1913	32	92	25	38	187	....	...
1914	29	105	42	55	231	....	...
1915	16	111	33	71	231	....	...
1916	19	90	16	81	206	....	...
1917	59	60	50	90	259	....	...
1918	49	61	17	38	165	....	...
1919	16	37	6	52	111	149	...
1920	42	50	18	63	173	248	35
1921	57	93	24	82	256	703	73
1922	189	237	38	215	679	1,024	64
1923	291	615	148	366	1,420	975	279
1924	430	782	236	551	1,999	961	295
1925	369	629	352	460	1,810	1,038	168
1926	419	536	368	624	1,947	1,127	283
1927	294	376	352	245	1,267	1,081	142
1928	266	153	239	126	784	834	94
1929	193	287	106	131	717	621	84

Sources:

Farm Bankruptcies; U. S. Department of Agriculture.
Business Failures; R. G. Dun and Company.
Bank Failures 1921-1929; Federal Reserve Board.
Bank Failures 1920; Office Records.



Business Failures and Bank Failures in the Ninth Federal Reserve District During Recent Calendar Years. Farmer Bankruptcies in Minnesota, North Dakota, South Dakota and Montana in the Years Ending June 30, 1910-1929.

THE YEARS 1925 TO 1929 IN THE NINTH FEDERAL RESERVE DISTRICT

GENERAL BUSINESS

Debits to Individual Accounts	1925	1926	1927	1928	1929
17 Cities	\$10,022,148,000	\$9,381,035,000	\$9,721,164,000	\$10,382,961,000	\$11,294,622,000
Minneapolis	5,069,367,000	4,683,975,000	4,837,607,000	5,295,476,000	6,009,650,000
St. Paul	2,037,327,000	1,986,866,000	2,073,638,000	2,148,393,000	2,260,995,000
Duluth-Superior	1,369,841,000	1,051,855,000	1,211,119,000	1,197,348,000	1,198,602,000
8 Wheat Belt Cities.....	685,198,000	704,834,000	709,028,000	810,335,000	827,360,000
4 Mixed Farming Cities.....	420,972,000	464,848,000	475,947,000	512,129,000	564,630,000
South St. Paul	439,443,000	488,657,000	413,825,000	419,280,000	433,386,000
Country Check Clearings					
Total	\$ 1,160,778,000	\$1,132,806,000	\$1,112,008,000	\$1,201,920,000	\$1,212,684,000
Minnesota	370,317,000	408,943,000	404,184,000	426,482,000	445,392,000
Montana	173,777,000	186,614,000	202,527,000	219,279,000	225,631,000
North and South Dakota.....	338,380,000	297,260,000	282,746,000	322,752,000	302,932,000
Michigan and Wisconsin.....	278,304,000	239,989,000	222,551,000	233,407,000	238,729,000
Freight Carloadings—N. W. Dist.					
Total—Excluding L. C. L.	5,633,450	5,717,822	5,500,811	5,578,688	5,764,501
Grain and Grain Products....	646,001	549,952	651,099	722,393	621,375
Livestock	462,710	480,120	428,070	425,203	403,566
Coal	381,616	386,508	378,129	337,581	367,546
Coke	73,897	84,104	72,565	72,891	91,458
Forest Products	979,333	954,515	886,289	870,724	840,929
Ore	1,126,485	1,239,446	1,056,233	1,091,878	1,311,442
Miscellaneous	1,963,408	2,023,177	2,028,426	2,058,018	2,128,185
Merchandise—L. C. L.	1,637,649	1,692,270	1,728,613	1,689,247	1,655,813
Building Permits					
Number (18 Cities)	23,492	20,044	18,166	18,077	16,941
Valuation (18 cities)	\$73,250,800	\$57,859,800	\$49,722,200	\$49,479,300	\$47,741,900
Minneapolis	29,446,300	20,609,300	22,421,700	23,257,800	20,960,000
St. Paul	24,045,800	15,710,400	10,128,800	8,729,900	9,255,200
Duluth-Superior	10,372,900	8,234,100	5,806,400	5,154,100	4,911,000
4 Wheat Belt Cities.....	2,254,300	4,152,600	4,359,500	5,024,400	5,964,900
6 Mixed Farming Cities.....	5,860,600	8,067,900	5,976,300	6,202,300	5,346,800
4 Mining Cities	1,270,900	1,085,500	1,029,500	1,110,800	1,304,000
Building Contracts Awarded					
Total	\$95,228,800	\$102,118,000	\$83,816,700	\$80,190,700	\$94,504,500
Residential	40,285,700	38,076,100	30,115,100	24,942,500	16,089,800
Commercial and Industrial...	16,864,600	22,160,500	18,822,300	16,337,600	30,533,500
Public Works and Utilities....	14,873,300	21,191,400	17,861,200	23,805,600	32,482,100
Educational	8,118,200	9,106,700	7,274,600	6,159,500	6,039,200
All Other	15,087,000	11,583,300	9,743,500	8,945,500	9,359,900
Manufacturing and Mining					
Flour Prod. at Mpls. (bbl.)...	12,059,557	11,793,258	11,540,051	12,241,452	10,429,146
Copper (5 firms) (lbs.).....	420,435,500	432,726,500	416,602,300	446,494,500	483,289,300
Failures					
Farmer Bankruptcies (Year ending June 30) ..	1,810	1,947	1,267	784	717
Business Failures	1,038	1,127	1,081	834	621
Bank Suspensions	168	283	142	94	84
BANKING					
City Bank Condition (1) Dec. 31					
Loans	\$224,000,000	\$226,000,000	\$227,000,000	\$222,000,000	\$265,000,000 2
Investments	165,000,000	167,000,000	201,000,000	198,000,000	186,000,000 2
Deposits	438,000,000	436,000,000	473,000,000	475,000,000	458,000,000 2
Borrowings	1,500,000	1,700,000	100,000	2,100,000	34,400,000 2
Country Bank Condition, Dec. 31					
Loans	\$ 842,000,000	\$ 760,000,000	\$720,000,000	\$727,000,000	\$721,000,000 2
Investments	326,000,000	337,000,000	380,000,000	404,000,000	405,000,000 2
Deposits	1,322,000,000	1,216,000,000	1,228,000,000	1,248,000,000	1,220,000,000 2
Borrowings	14,200,000	13,200,000	7,800,000	7,400,000	10,200,000 2

(1) National Banks in Minneapolis and St. Paul and Savings Banks and Trust Companies in Minnesota.

(2) October 4, 1929 for National Banks; Autumn call dates for State Banks.

THE YEARS 1925 TO 1929 IN THE NINTH FEDERAL RESERVE DISTRICT
(CONTINUED)

FARMING

	1925	1926	1927	1928	1929
Farmers' Cash Income					
Total of Items Below	\$ 815,872,000	\$ 725,890,000	\$795,956,000	\$772,558,000	\$694,331,000
Bread Wheat	214,557,000	145,594,000	218,554,000	201,362,000	158,231,000
Durum Wheat	69,685,000	53,713,000	77,886,000	91,518,000	61,095,000
Rye	18,063,000	12,003,000	25,762,000	18,870,000	12,783,000
Flax	52,847,000	30,808,000	40,667,000	35,785,000	29,167,000
Potatoes	36,052,000	48,276,000	39,175,000	28,461,000	30,083,000
Dairy Products	197,438,000	209,405,000	228,869,000	240,751,000	244,823,000
Hogs	215,731,000	214,622,000	153,345,000	140,886,000	144,140,000
Wool	11,499,000	11,469,000	11,698,000	14,925,000	14,009,000

Prices	Dec. 1925	Dec. 1926	Dec. 1927	Dec. 1928	Dec. 1929
Median Cash Grain Prices at Mpls., Dec.					
Wheat—No. 1 D. N. S. (bu.)	\$1.74 ³ / ₈	\$1.48 ⁵ / ₈	\$1.34 ¹ / ₂	\$1.21 ³ / ₄	\$1.30 ³ / ₄
Durum—No. 2 Amber (Duluth) (bu.)	1.53	1.78	1.27	1.06 ¹ / ₂	1.21
Corn—No. 3 Yellow (bu.)	.80	.76	.83 ⁷ / ₈	.78	.83 ¹ / ₄
Oats—No. 3 White (bu.)	.38 ¹ / ₂	.45 ¹ / ₂	.52	.43 ¹ / ₄	.42 ³ / ₄
Barley—No. 3 (bu.)	.63 ¹ / ₂	.66	.82 ¹ / ₂	.58	.58
Rye—No. 2 (bu.)	.98	.94 ¹ / ₄	1.02	.99	.97 ¹ / ₂
Flax—No. 1 (bu.)	2.60	2.23	2.14 ³ / ₈	2.38 ¹ / ₂	3.20 ¹ / ₂

Median Livestock Prices at So. St. Paul	1925	1926	1927	1928	1929
Butcher Cows (Cwt.)	\$5.75	\$6.00	\$8.00	\$8.25	\$7.50
Butcher Steers (Cwt.)	8.00	7.50	10.50	10.50	10.50
Prime Butcher Steers (Cwt.)	9.50	9.10	13.00	12.50	12.85
Stocker and Feeder Steers (Cwt.)	6.75	6.25	8.50	9.00	9.00
Veal Calves (Cwt.)	9.75	10.00	10.50	12.50	12.00
Hogs (Cwt.)	10.85	11.35	8.00	8.25	9.15
Heavy Hogs (Cwt.)	9.00	10.50	7.50	7.85	8.25
Lambs (Cwt.)	15.50	12.50	12.50	13.50	12.50
Ewes (Cwt.)	8.00	6.00	6.00	7.00	3.75
Wool (lb.) (farm price)	.39 ¹ / ₂	.33	.32 ¹ / ₂	.37 ¹ / ₂	.28 ^s

Wholesale Produce Prices at Mpls.	1925	1926	1927	1928	1929
Butter (lb.)	\$.46 ¹ / ₂	\$.48	\$.48	\$.47	\$.37 ¹ / ₂
Milk (cwt.)	2.65	2.52	2.63	2.61	2.30
Hens (4 ¹ / ₂ lbs.) (lb.)	.23 ¹ / ₂	.19	.18 ¹ / ₂	.20 ¹ / ₂	.17 ¹ / ₂
Eggs (doz.)	.41 ¹ / ₂	.44	.37 ¹ / ₂	.33 ¹ / ₂	.39 ¹ / ₂
Potatoes (bu.)	2.48	1.53	1.05	.60	1.57 ¹ / ₂

TRADE

Retail Sales	1925	1926	1927	1928	1929
Lumber (498 yards) (bd. ft.)	134,633,000	134,951,000	135,723,000	147,483,000	141,225,000
Dept. Store Sales (20 firms)	\$ 31,069,040	\$ 29,758,950	\$ 27,802,940	\$ 26,319,230	\$ 25,422,130
Furniture Store Sales (8 firms)		5,996,940	5,967,310	6,473,330	6,255,510
Securities Sold (12 firms)	211,686,100	200,758,500	227,669,200	219,186,400	206,346,700
Life Insurance Sales	293,645,000	291,915,000	268,741,000	285,514,000	305,407,000

Wholesale Sales	1925	1926	1927	1928	1929
Shoes (5 firms)	\$8,079,510	\$6,720,980	\$ 5,694,160	\$ 6,119,160	\$ 5,732,490
Hardware (12 firms)	24,720,930	23,480,470	23,393,160	24,441,180	25,552,670
Groceries (38 firms)	53,681,460	49,544,310	53,793,040	52,282,220	53,296,250
Agricultural Impts. (4 firms)	3,059,260	2,944,750	3,002,720	2,991,010	2,894,960

Retail Stocks—Dec. 31	1925	1926	1927	1928	1929
Lumber (483 yds.) (bd. ft.)	73,437,000	76,242,000	76,410,000	72,771,000	73,891,000
Department Stores (16 firms)	\$6,438,950	\$5,676,080	\$ 5,467,430	\$ 5,085,400	\$ 4,618,600
Furniture Stores (8 firms)		2,703,390	2,684,510	2,539,950	2,542,850

Wholesale Stocks—Dec. 31	1925	1926	1927	1928	1929
Shoes (5 firms)	\$1,847,490	\$1,160,140	\$ 1,435,600	\$ 1,618,800	\$ 1,379,390
Hardware (9 firms)	2,592,240	2,663,000	2,350,650	2,446,900	2,321,970
Groceries (34 firms)	7,037,580	7,370,450	6,792,530	7,132,220	7,090,330
Agricultural Impts. (2 firms)	250,390	331,740	277,250	327,460	435,000

Retail Accounts and Notes Receivable—Dec. 31	1925	1926	1927	1928	1929
Lumber (498 yds.)	\$3,132,600	\$3,452,200	\$ 3,362,900	\$ 3,681,700	\$ 4,377,400
Department Stores (15 firms)	2,580,640	2,485,300	2,377,500	2,226,860	2,361,870
Furniture Stores (8 firms)		3,252,730	3,312,700	3,230,640	3,407,420

Wholesale Accounts and Notes Receivable—Dec. 31	1925	1926	1927	1928	1929
Shoes (5 firms)	\$2,723,800	\$1,900,700	\$ 1,823,880	\$ 1,216,280	\$ 1,217,250
Hardware (11 firms)	2,060,840	2,061,700	2,171,750	2,231,240	2,203,060
Groceries (38 firms)	5,313,160	5,021,680	5,324,920	5,161,740	5,378,370
Agricultural Impts. (2 firms)	305,200	403,800	521,510	438,500	371,500

(s) November 15, 1929.

COMPARATIVE STATISTICS OF BUSINESS IN THE NINTH FEDERAL RESERVE DISTRICT

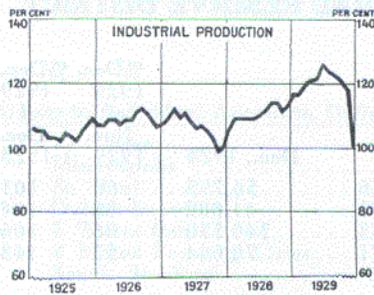
Debits to Individual Accounts, Daily Averages—Unit	Dec., 1929	Nov., 1929	Dec., 1928	%Dec.	%Dec.
				1929 of Nov. 1929	1929 Dec. 1928
17 Cities	\$ 39,512,000	\$ 42,358,000	\$ 37,606,000	93	105
Minneapolis	21,255,000	22,367,000	19,019,000	95	112
St. Paul	8,083,000	8,400,000	8,137,000	96	99
Duluth-Superior	4,129,000	4,705,000	4,025,000	88	103
8 Wheat Belt Cities	2,624,000	3,041,000	2,977,000	86	88
4 Mixed Farming Cities	1,914,000	1,932,000	1,964,000	99	97
South St. Paul	1,507,000	1,913,000	1,484,000	79	102
Carloadings-Northwestern District—					
Total—Excluding L. C. L. Cars	302,421	399,175	317,276	76	95
Grains and Grain Products	49,217	44,320	54,849	111	90
Livestock	35,666	39,066	38,888	91	92
Coal	44,165	40,715	36,847	108	120
Coke	7,169	6,665	5,926	108	121
Forest Products	50,338	57,510	55,831	88	90
Ore	1,854	50,774	2,125	4	87
Miscellaneous	114,012	160,125	122,810	71	93
Merchandise—L. C. L. Cars	123,684	135,850	125,748	91	98
Building Permits—					
Number—18 Cities	410	1,029	813	40	50
Value—18 Cities	\$ 1,533,800	\$ 2,988,700	\$ 2,440,200	51	63
Minneapolis	349,600	1,298,200	905,500	27	39
St. Paul	377,600	798,200	705,600	47	54
Duluth-Superior	73,200	384,100	169,400	19	43
4 Wheat Belt Cities	175,700	173,800	115,500	101	152
6 Mixed Farming Cities	536,300	266,200	449,100	201	119
4 Mining Cities	21,400	68,200	95,100	31	23
Building Contracts Awarded—					
Total	6,866,900	9,967,300	3,828,000	69	179
Residential	653,100	1,056,200	1,170,800	62	56
Commercial & Industrial	1,675,100	4,986,100	801,400	34	209
Public Works & Utilities	4,429,900	3,245,600	856,500	136	517
Educational	41,000	491,300	881,300	8	5
All Other	67,800	188,100	118,000	36	57
Cash Value of Farm Products Sold—					
Bread Wheat	9,051,000	10,206,000	12,947,000	89	70
Durum Wheat	2,906,000	3,510,000	6,648,000	83	44
Rye	750,000	855,000	1,026,000	88	73
Flax	1,897,000	3,639,000	1,345,000	52	141
Potatoes	1,161,000	3,002,000	611,000	39	190
Dairy Products	13,286,000	15,388,000	16,405,000	86	81
Hogs	17,019,000	16,554,000	17,861,000	103	95
Grain Stocks at End of Month at Minneapolis and Duluth-Superior—					
Wheat	Bu. 57,240,492	56,679,933	54,664,633	101	103
Corn	Bu. 1,003,762	22,602	1,109,408	4441	90
Oats	Bu. 9,411,631	8,117,714	2,557,896	116	368
Barley	Bu. 6,109,365	5,536,832	3,709,960	110	165
Rye	Bu. 3,342,451	5,596,758	2,569,989	60	130
Flax	Bu. 906,005	594,518	1,313,818	152	69
Median Cash Grain Prices—					
Wheat—No. 1 Dark Northern	Bu. \$1.30 ³ / ₄	\$1.30 ¹ / ₂	\$1.21 ³ / ₄	100	107
Durum—No. 2 Amber	Bu. 1.21	1.18 ¹ / ₂	1.06 ¹ / ₂	102	114
Corn—No. 3 Yellow	Bu. .83 ¹ / ₄	.85 ¹ / ₂	.78	97	107
Oats—No. 3 White	Bu. .42 ³ / ₄	.43	.43 ¹ / ₄	99	99
Barley—No. 3	Bu. .58	.59	.58	98	100
Rye—No. 2	Bu. .97 ¹ / ₂	.95	.99	103	98
Flax—No. 1	Bu. 3.20 ¹ / ₂	3.25 ¹ / ₂	2.38 ¹ / ₂	98	134
Wholesale Produce Prices—					
Butter	Lb. .37 ¹ / ₂	.40	.47	94	80
Milk	Cwt. 2.30	2.42	2.61	95	88
Hens—4 ¹ / ₂ Pounds	Lb. .17 ¹ / ₂	.17 ¹ / ₂	.20 ¹ / ₂	100	85
Eggs	Doz. .39 ¹ / ₂	.41 ¹ / ₂	.33 ¹ / ₂	95	118
Potatoes	Bu. 1.57 ¹ / ₂	1.50	.60	105	263

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

	Unit	Dec. 1929	Nov., 1929	Dec., 1928	%Dec. 1929 of Nov. 1929	%Dec. 1929 of Dec. 1928
Livestock Receipts at South St. Paul—						
Cattle	Head	58,664	97,476	56,795	60	103
Calves	Head	43,359	44,373	41,802	98	104
Hogs	Head	365,500	381,343	345,550	96	106
Sheep	Head	103,858	197,371	70,064	53	148
Median Livestock Prices at South St. Paul—						
Butcher Cows	Cwt.	\$7.50	\$7.00	\$8.25	107	91
Butcher Steers	Cwt.	10.50	10.50	10.50	100	100
Prime Butcher Steers	Cwt.	12.85	14.50	12.50	89	103
Stocker and Feeder Steers	Cwt.	9.00	8.50	9.00	106	100
Veal Calves	Cwt.	12.00	12.50	12.50	96	100
Hogs	Cwt.	9.15	8.90	8.25	103	111
Heavy Hogs	Cwt.	8.25	8.00	7.85	103	105
Lambs	Cwt.	12.50	12.00	13.50	104	93
Ewes	Cwt.	3.75	4.00	7.00	94	54
Flour—						
Production—Twin Cities and Duluth-Superior	Bbbs.	840,081	843,568	1,112,115	100	76
Shipments from Minneapolis	Bbbs.	844,018	912,252	890,588	93	95
Linseed Products Shipments from Minneapolis	Lbs.	24,020,445	25,909,117	34,516,591	93	70
Retail Sales—						
Department Stores		\$3,733,660	\$2,609,500	\$3,804,120	143	98
Furniture Stores		638,500	472,720	590,510	135	108
Country Lumber Yards	Bd. Ft.	6,293,000	11,270,000	7,807,000	56	81
Retail Merchandise Stocks—						
Department Stores		\$5,289,450	\$6,255,080	\$5,854,490	85	90
Furniture Stores		2,542,850	2,702,680	2,539,950	94	100
Country Lumber Yards	Bd. Ft.	73,891,000	74,265,000	72,771,000	99	102
Life Insurance Sales—(4 States)		\$30,556,000	\$25,531,000	\$29,614,000	120	103
Wholesale Trade—						
Farm Implements		67,650	156,790	120,640	43	56
Hardware		1,928,150	2,376,630	2,083,380	81	93
Shoes		298,300	441,290	334,320	68	89
Groceries		4,165,980	4,566,850	3,672,040	91	113
Business Failures—						
Number		63	53	56	119	113
Liabilities		\$1,182,050	\$ 743,042	\$ 447,700	159	264
Securities Sold—						
To Banks		2,393,600	1,709,600	1,344,400	140	178
To Insurance Companies		1,030,600	790,000	810,000	130	127
To General Public		4,275,700	5,262,400	6,567,000	81	65
Real Estate Activity in						
Hennepin and Ramsey Counties—						
Warranty Deeds Recorded		3,081	1,795	3,215	172	96
Mortgages Recorded		1,459	1,435	1,572	102	93
Member Bank Deposits—						
In Cities under 15,000 Population		\$445,482,000	\$450,533,000	\$470,301,000	101	95
In Cities over 15,000 Population		450,082,000	464,055,000	478,948,000	97	94
City Member Banks—						
Loans Secured by Stocks and Bonds		\$85,104,000	\$84,897,000	\$84,614,000	100	101
All Other Loans		170,320,000	186,367,000	176,262,000	91	97
Securities		115,802,000	121,349,000	130,906,000	95	88
Net Demand Deposits Subject to Reserve		220,502,000	235,219,000	221,347,000	94	100
Time Deposits		132,161,000	128,921,000	141,348,000	103	94
Borrowings at Federal Reserve Bank		2,200,000	12,516,000	10,409,000	18	21
Minneapolis Federal Reserve Bank—						
Bills Discounted		4,237,717	15,813,851	13,341,558	27	32
Federal Reserve Notes in Circulation		64,884,600	65,869,090	61,978,890	98	105

%Jan. 1930 of Dec. 1929

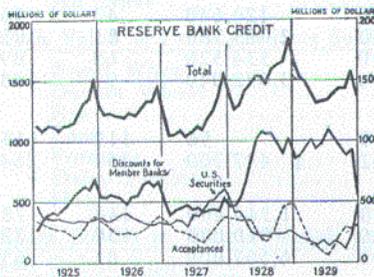
%Jan. 1929 of Jan. 1929



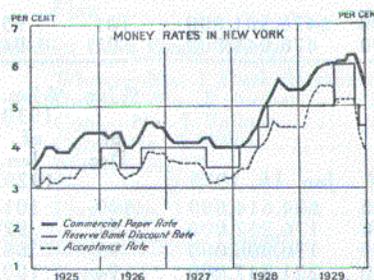
Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-25 average=100). Latest figure, December, 100.



Index numbers of factory employment and payrolls, without adjustment for seasonal variations (1923-1925 average=100). Latest figures, December, employment 94.8, payrolls 98.7.



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 19 days in January.



Monthly rates in the open market in New York; commercial paper rate on 4- to 6-month paper and acceptance rate on 90-day bankers' acceptances. Latest figures are averages of first 20 days in January.

Summary of National Business Conditions (Compiled January 23 by Federal Reserve Board)

Industrial activity declined further in December. There was little change in commodity prices and conditions in the money market continued easy.

PRODUCTION AND EMPLOYMENT: Industrial production, as measured by the Federal Reserve Board's index which is adjusted for seasonal variations, declined by 6 per cent in December, following upon a decline of 9 per cent for the preceding month. Nearly all industries reported larger than seasonal reductions in December, except for food industries, which showed little change and coal in which output increased. The largest declines in December, as in earlier months, were in automobiles and iron and steel. Production in the textile, shoe, lumber and the non-ferrous metals industries also decreased considerably. Stocks of cotton textiles, copper, zinc and lumber increased in December. In the first three weeks in January, steel plants increased their operations somewhat from the low rate prevailing at the holiday season, but were considerably less active than in January 1928 or 1929. There were further decreases in the output of copper and lumber, while production of crude petroleum increased.

Employment in factories in December declined more than the usual amount in the automobile, steel, textile, clothing and lumber industries. Little change was reported for the food industries and car repair shops, while at meat packing plants and in the paper and printing industries there was some increase in employment. Building contract awards also declined further in December. Residential contracts continued to be in small volume and there were large decreases in awards for commercial buildings and public works and utilities. During the first half of January, awards were larger on a daily average basis than in December.

DISTRIBUTION: Freight carloadings in December, as in the preceding month, showed more than the usual seasonal decline. The decline occurred principally in shipments of merchandise and lumber products, while loadings of coal and grain were larger than in November. Sales at department stores in leading cities were about 3 per cent smaller than in December 1928, according to reports to the Federal Reserve System. Decreases in sales were reported for ten Federal Reserve Districts, an increase of 2 per cent for the Richmond District and little change for the San Francisco District.

WHOLESALE PRICES: During December, wholesale prices of commodities fluctuated rather narrowly. Grain, livestock, meat and bituminous coal prices increased somewhat, while prices of hides and leather products, textiles, petroleum and pig iron declined. In the first half of January, there was little further change in prices.

BANK CREDIT: Member bank credit increased less than usual over the year-end, and in January continued to reflect the liquidation which began early in November. On January 15, total loans and investments of member banks in leading cities were \$478,000,000 below the level of December 11, 1929. This decline occurred both at banks in New York City and outside, and was in "all other loans," apparently reflecting a seasonal decrease in interbank loans, together with a decreased demand for credit by commercial borrowers. Investments and loans on securities increased slightly during the period. Reserve bank credit outstanding increased during the latter half of December in response to seasonal demands for currency and gold exports, but declined in January as currency returned from circulation. Between the week ending December 14 and the week ending January 18, there was a net decline of \$277,000,000 in currency in circulation, and also a decline of \$37,000,000 in member bank reserve balances. Of the funds thus released, \$64,000,000 served to offset a loss in the monetary gold stock of the country and \$244,000,000 was used to retire Reserve bank credit. Reserve bank holdings of government securities showed an increase of \$90,000,000 for the period, acceptances showed little change, while discounts for member banks declined by \$347,000,000. Money rates in the short-term open markets firmed somewhat over the year-end, but eased early in January, and throughout the first half of the month remained generally at the lowest levels since the spring of 1928. The discount rate at the Federal Reserve Bank of Philadelphia was lowered on January 16 from 5 to 4½ per cent the rate prevailing at six other Federal reserve banks.