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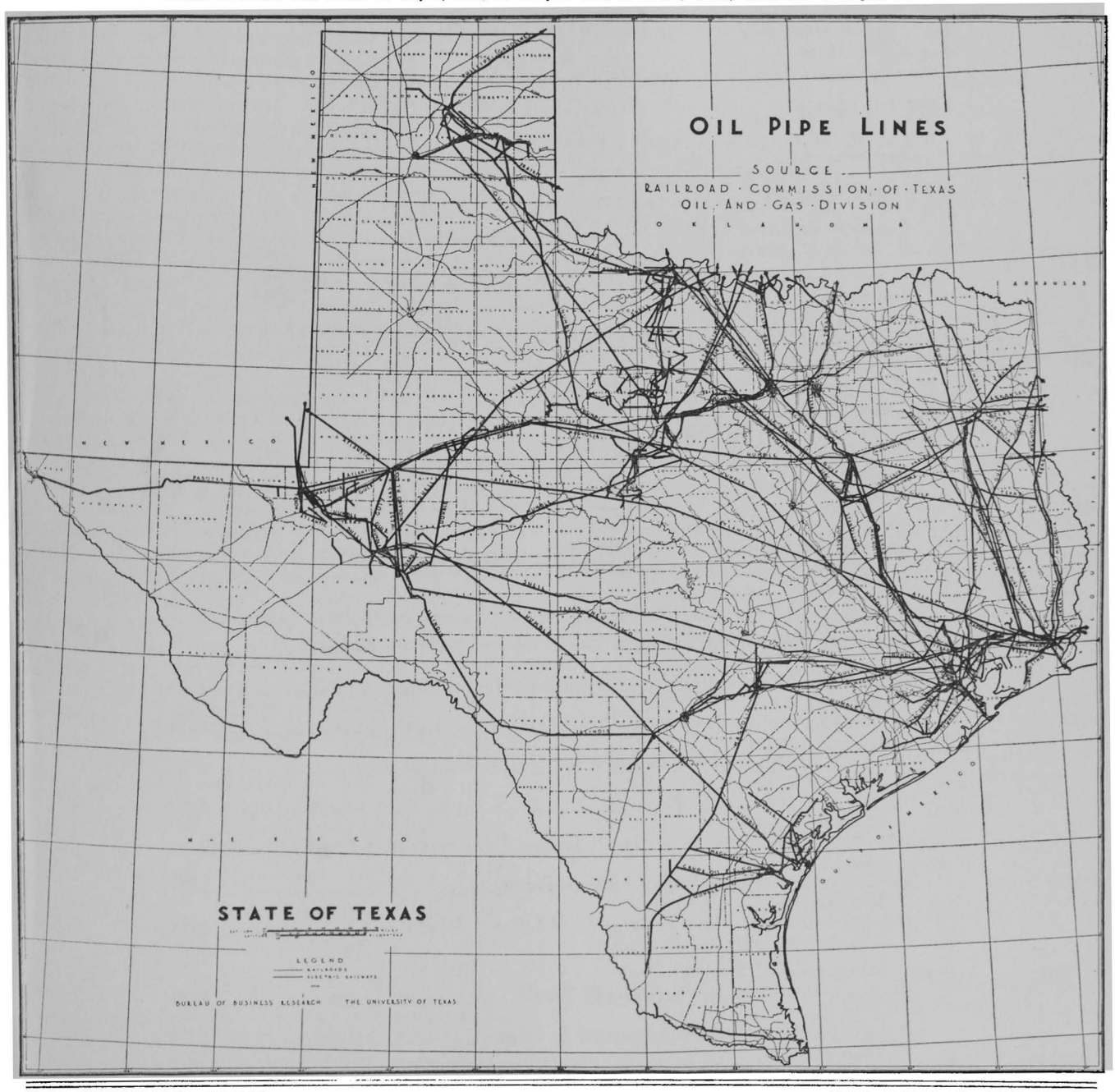

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Business Review and Prospect

Political factors, both foreign and domestic, rather than economic factors have been most influential in determining the course of industry and trade in this country during recent months, and this situation promises to continue for an indefinite period. Although the international political situation shows definite signs of apparent clarification and at least temporary improvement, the domestic political situation is becoming increasingly more complex and confusing.

The American public is vitally interested in the practical adjustment of differences in points of view, which apparently exist between government and industrial leaders, on a basis which not only will ameliorate extremely depressed current business conditions but which will have in view the development of policies designed to promote cumulative improvement in industry and trade and to avoid future violent business fluctuations. At present there seems not only to be a conflict between leaders in government and industry as to what constitutes the vital economic issues of the country, but even within the government itself there appears to be such sharp division between the executive and legislative branches in attacking these problems that a stalemate has ensued which may take weeks to break down.

The question in the minds of great numbers of citizens now doubtless is, "How successful in bringing about permanent economic improvement will a huge government spending program be if it is not accompanied by a corresponding program for the expansion of private enterprise?" And a corollary to this question is, precisely, "What policy is needed to stimulate such expansion in private industry?"

If the new government spending program and further expansion of credit reservoirs are not accompanied by restoration of confidence in the longer term outlook for private enterprise it is difficult to see how there could be at best more than temporary improvement. Specifically among the questions now in the minds of millions of thoughtful citizens is this, "What will be the national policy with respect to railroads, utilities (both private and government), taxation, and employer-employee relationships?"

The uncertainty which still prevails is again reflected in Barron's business index. For the week ended April 9 the index stood at 56.9 which was only a fraction of a point over the preceding week in comparison with 83.6 during the corresponding period last year.

Texas Business

The low ebb of industry and trade in the country at large is having the expected effect on Texas business. Although industry and trade in this State have thus far yielded grudgingly to depression influences, there are growing indications that the downward phase of the business cycle has not yet run its course in Texas. Should the national index turn definitely upward within the next few weeks there would be good grounds for belief that Texas would not lag far behind, and that the really acute depression witnessed in other parts of the country might be avoided here. The Texas business indexes for March and the two comparable months are as follows:

	Mar. 1938	Mar. 1937	Feb. 1938
Composite (All factors combined)	93.43	96.38	95.03
Employment	87.99	90.17	88.63
Pay Rolls	92.04	89.17	91.44
Miscellaneous Carloadings	65.32	84.83	65.05
Runs of Crude Oil to Stills	163.11	171.81	182.00
Department Store Sales	97.25	99.31	100.55
Electric Power Consumption	116.51	107.06	120.22

The decline in the composite index from February to March was nearly two per cent, which was a slightly more rapid rate of decline than from January to February. For the first time since the recession began the current composite index is lower than on the corresponding month the year before.

Only two factors in the composite index are above those of March 1937—the index of pay rolls and electric power consumption. It is extremely doubtful whether the favorable year to year comparisons of the index of pay rolls will continue much longer for it was about a year ago at this time that many increases in wages were made. Therefore, future year to year comparisons of pay rolls will be on a considerably higher base, making the current index look less favorable even though there may be no actual decline in pay rolls.

Farm Cash Income

Farm cash income in Texas as a whole increased slightly more than usual from February to March, and, as a consequence, there was an increase in the March index number as compared with that of the preceding month. The March index was, however, substantially below that of the corresponding month last year as the following figures show.

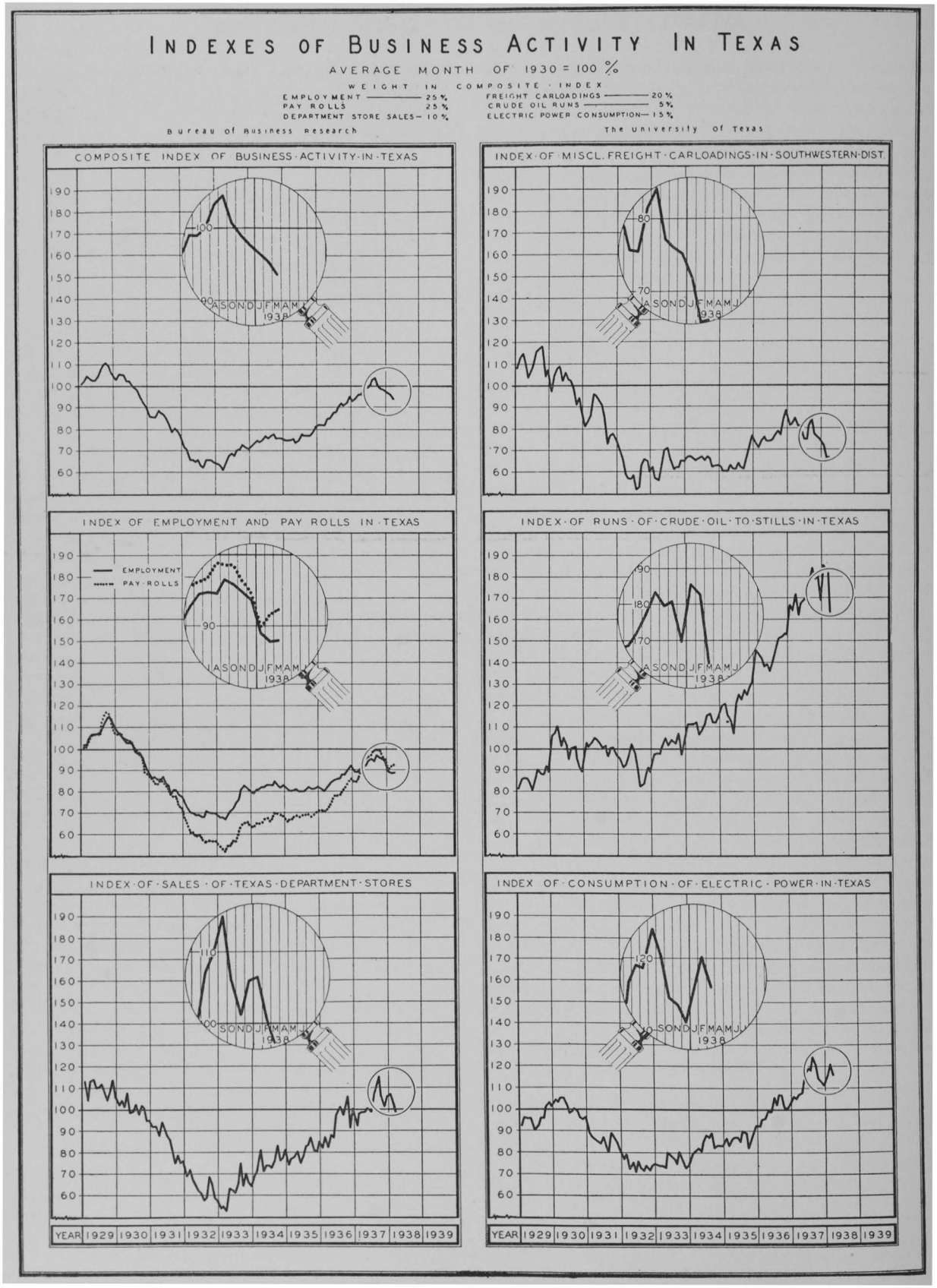
INDEX OF AGRICULTURAL CASH INCOME

District	Mar. 1938	Mar. 1937	Feb. 1938
1–N	107.7	115.5	105.9
1–S	112.3	133.7	148.1
2	100.5	119.4	61.0
3	165.9	194.0	137.5
4	118.7	130.9	107.4
5	131.8	110.8	118.0
6	194.4	96.6	186.7
7	116.7	142.4	97.0
8	112.8	122.9	111.5
9	184.6	120.1	178.2
10	74.0	116.6	117.3
10–A	155.7	250.7	184.5
STATE	120.7	140.1	117.6

Note: For Texas crop reporting districts see March Review, page 13.

Computed farm cash income, estimated to be about 90 per cent of actual farm cash income, was $16,434,000 in March, compared with $14,225,000 in February and $19,066,000 in March last year. After adjustment for

For Other Texas Data, See Statistical Tables at the End of This Publication


INDEXES OF BUSINESS ACTIVITY IN TEXAS
AVERAGE MONTH OF 1930 = 100 %
WEIGHT IN COMPOSITE INDEX
EMPLOYMENT 25%
PAY ROLLS 25%
DEPARTMENT STORE SALES 10%
FREIGHT CARLOADINGS 20%
CRUDE OIL RUNS 5%
ELECTRIC POWER CONSUMPTION 15%
Bureau of Business Research
The University of Texas
COMPOSITE INDEX OF BUSINESS ACTIVITY IN TEXAS
INDEX OF MISCL. FREIGHT CARLOADINGS IN SOUTHWESTERN DIST.
INDEX OF EMPLOYMENT AND PAY ROLLS IN TEXAS
EMPLOYMENT
PAY ROLLS
INDEX OF RUNS OF CRUDE OIL TO STILLS IN TEXAS
INDEX OF SALES OF TEXAS DEPARTMENT STORES
INDEX OF CONSUMPTION OF ELECTRIC POWER IN TEXAS
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1938
YEAR 1929 1930 1931 1932 1933 1934 1935 1936 1937 1938 1939

seasonal variation, the March index is 120.7 compared with 117.6 for February and 140.1 in March 1937. Decline in prices rather than in marketings is responsible for the drop in comparison with last year.

The reader is requested to compare the February farm cash index numbers for the various districts and for the entire State in this article with the corresponding figures in the March REVIEW. Discrepancies will be noted in the February indexes of nearly all of the districts, because of the fact that adjustments had to be made in the cotton income figures in conformity with the final ginnings report. For example, to use the most extreme case, in District 6 where relatively little cotton is produced, the final ginnings report showed 4,079 bales for Pecos County and 5,969 for Reeves County; whereas last year no cotton was reported for these counties and relatively little had been reported during preceding months of the present season. The relatively large income from cotton in conjunction with the normally low income at this season of year caused the sharp rise in the index for District 6. The discrepancy in the February indexes for the other districts and for the State is also the result of adjustment for the cotton income arising from the final cotton ginnings report.

F. A. BUECHEL.

Financial

On April 14, President Roosevelt recommended to Congress a resumption of government "pump priming" expenditures on a large scale. At the same time, he announced his decision to take certain steps looking toward a yet easier money market. From a financial viewpoint, this proposed program is distinctly the most significant development of the month.

In brief the President has recommended that Congress appropriate $1,550,000,000 for W.P.A. and other Federal relief agency expenditures for the first seven months of the fiscal year beginning July 1. Of this sum $1,000,000,000 for the W.P.A. was included formerly in the 1938–39 budget. In addition, he has requested Congress to authorize and appropriate for a new $1,462,000,000 public works program. To pay in part the cost of this new program the Treasury has sold $1,400,000,000 of its inactive gold to the Federal Reserve System. To assure continued low interest rates and a good market for government obligations, the Board of Governors has already complied with a request to lower member bank legal reserve requirements by 12½ per cent.

The proposed new government spending program involves nothing new except in the method of partial financing. It is the same program initiated by the Administration in 1933 and carried on continuously since then under the varying guise of Civil Works Administration, Public Works Administration, and Works Progress Administration. Since mid-summer last year the rate of expenditure for public works has been markedly lower than in preceding years; however, other types of Federal spending have increased more than enough to offset this shrinkage. As reported by *The Annalist*, total expenditures for public works during the current fiscal year to March 31 were $1,298,336,000 as compared with $2,071,078,000 for the corresponding period of the preceding year. Total expenditures, however, for all purposes less debt retirement for the current fiscal year to March 31 were $5,619,413,000 as compared with $5,441,809,000 during the same period of the previous year.

In effect, therefore, the President is merely proposing to step up the present extremely high rate of Treasury spending by at least $2,000,000,000 next year. Assuming approval of the policy by Congress to be inevitable, the following observations on the "pump priming" theory of business recovery might be offered.

Such a program is always slow in getting under way. Considerable delay is necessarily involved in approving projects, drawing up plans, and letting contracts. To be most effective, public works expenditures should be timed to take up slack as business activity falls off, rather than to attempt to pull out of a year-long depression. Past experience, as witness the business decline since last August, indicates that the effect of "pump priming" is quite likely to be temporary; there is no necessary assurance that business will follow the government's lead.

Some improvement in retail trade can be expected to follow public works expenditures but only to the extent that the aggregate income of the beneficiaries of the program is increased above their previous aggregate income. The capital goods industries can expect to derive some direct benefit from government contracts, an advantage probably more than offset by subsequent taxation to pay the cost of the program. The long-run effect of "pump priming" is inflationary in character; but this effect will be felt only when business begins to make use of the new bank credit created by government borrowing to finance the program. At the start only a temporary psychological reaction can be expected. The major criticism of extensive public works expenditures is the effect on the Treasury budget. Already almost hopelessly out of balance, the prospect of an additional $2,000,000,000 or more of expense renders the desideratum of a balanced budget mere wishful thinking.

To provide funds to meet in part the extra cost of the public works program and also to broaden the already huge credit base, the President instructed the Treasury to release $1,400,000,000 of its inactive gold to the Federal Reserve Banks. Of this sum, approximately $1,200,000,000 was in the so-called "inactive" gold account, and the balance represented free gold held by the Treasury. Incidentally, the Treasury yet holds almost $2,000,000,000 in free gold of which $1,800,000,000 is in the Exchange Stabilization Fund. With congressional approval all of this sum could be similarly sold.

The procedure of this sale is simplicity itself. The Treasury turned over to the Reserve Banks $1,400,000,000 in gold certificates (not currency) and took payment in the form of a credit of equal amount to its checking account with these banks. Against this credit, the Treasury can draw checks to meet any expenses or to retire debt. The gold certificates add to the reserves of the

Federal Reserve Banks upon which secondary credit expansion can be based should the member banks ever desire to borrow from the central banks. Based on present legal reserve requirements, this additional stock of gold certificates would support a potential secondary credit expansion of some $13,000,000,000. Existing excess reserve balances of the member banks will not be affected until such time as the Treasury spends a part or all of its new $1,400,000,000 credit. When all of this credit has been spent, approximately $1,100,000,000 will have been added to such excess reserves which increase in turn will support a primary credit expansion of some $5,500,000,000.

Although the sale of $1,400,000,000 in gold obviates the need for the Treasury to borrow an equal amount through bond issues, it would be a mistake to assume that the operation has not increased the burden of the Federal debt. In effect the Treasury has cashed in a large part of the one asset, gold, on which it could expect a 100 per cent cash recovery. To that extent, its balance sheet position has been impaired.

The lowering of member bank required reserve ratios by 12½ per cent represents in all probability an effort to bulwark an already strong market for government bonds. The reduction adds approximately $750,000,000 to existing excess reserve balances, which were estimated on April 13 to total $1,730,000,000. These extra loanable funds might well be expected to lead to a stronger demand for high grade bonds for bank investment at the same time that the sale of gold has obviated the immediate need for further issues of government obligations. It is unlikely, however, that other than a psychological effect will be experienced in the bond market. If the banks were unable to utilize satisfactorily $1,730,000,000 of loanable funds it is difficult to see how they could employ $2,480,000,000 to better advantage.

JAMES C. DOLLEY.

Some Economic Aspects of Texas Resources

The Material Environment as the Base. Past attainments of an economic nature, the present diverse structure of economic life, and the future promise of still greater economic development in Texas are all dependent upon the utilization of the State's natural resources. Problems of employment, income, standards of living, growth and areal distribution of population, urbanization, the development of industries and the like, all have a common base—the geography of the State and its natural resources. The varied and interrelated combinations of geography and resources give in no unmistakable manner an individuality to Texas and to its various natural subdivisions or regions. The material wealth of Texas like the wealth of the nation is based upon the resources and the degree to which their utilization is carried.

Economics of Resource Utilization. Given the natural resources, the degree to which their utilization advances is determined by a complex of circumstances in which the state of technology is one outstanding item, and of which the available markets is another. The degree to which resources can be utilized, in the light of the existing attainments of technology, is dependent upon the extent of the market. It is not to be assumed that other items are considered unimportant—but any sound study of world economics or regional economics, land or agricultural economics, the economics of oil, or of the chemical industry and so on, has to be based primarily upon a comprehensive consideration of the natural resources, the state of the industrial arts, and the availability of markets, actual or potential. Witness, for instance, the world-wide scramble for oil resources and all the political implications thereof during the past two decades; or the degree to which a progressively advancing technology is transforming the world we live in or the extent to which the "have-not" nations are supporting industrial scientific laboratories; or the keen, even deadly, competition for markets whether in the Orient or South America, Central Europe, or elsewhere.

Furthermore, economic thinkers of the intellectual caliber of Leith or Zimmermann have no hesitancy in associating the underlying bases of modern industry or of the activating economic (and political) centers of the world of today with the combinations of certain essential natural resources and the patterns of economic life built out of the effective utilization of those natural resources. Even the dynamics of markets no less than the activating factors of production are coming to be interpreted in the light of these basic conditions.

Regional Economy. Reactions to the diverse conditions of the regional environments of the world and to the unequal distribution of natural resources inherently associated with regional conditions are etched in unmistakable manner in the life of peoples and of their occupations throughout the entire perspective of the past and of the present. The impact of the Industrial Revolution and its machine economy has served to bring into clearer view the inherent nature of regions as regards the bases of economic life; and no less has this impact served to bring regions together into a closely knit, interdependent web, the strands of which constitute the threads of economic life. The advances of technology, the fuller availability of resources, the driving power of self-reliance, have brought into being with the turn of the century the potentials for the conquest of scarcity.

Strong obstacles have thus far prevented the actual conquest of scarcity, but that progress has been made toward this goal is not to be denied. The challenge of the day is how to break up the log-jams, economic and otherwise, in order that productive forces will function for the welfare of all—to expand and widen purchasing power, for the poorest individual is potentially a large factor in consumption, that is, in the extent of the market upon which the economics of production depends. This is a national challenge no less than a state or an individual challenge.

We have the resources, considered in the aggregate; we have the technology; and we have the people who

would like to enlarge in no small degree their consumption of goods and services. A somewhat similar impasse was broken at the time of the closing era of mercantilism in Western Europe by the opening up of producing regions and markets in the newly discovered overseas countries. Time after time impasses of smaller territorial proportions were broken in the United States by successive waves of settlements that pushed the farming and ranching frontiers westward when there were new lands in large quantity to be taken up almost for the asking; and the sequence in the Westward Movement as regards the internal economy of the Uinted States was the growth of territorial specialization as adaptations to the major natural regions of this country. Nor was this process of enlargement of the nation, the growth of various regional economies, without its zones of tension. And all the while the United States had an almost unlimited and continuously expanding market in the rapidly evolving industrial regions of Europe for all the goods this country could produce.

From the middle of last century until the World War the economic history of the Western World was centered in the evolution of a new sort of regional economy that through the technology and the machines of the Industrial Revolution spread far and wide. This phase of a more inclusive impulse of historical evolution began to change early in the present century. Then came the War like a gigantic earthquake to disturb the very foundations of the Western World. And like an earthquake, the War had its aftermaths hardly less destructive than the War itself. But, on the other hand, in the swift tempo characteristic of today, there is now taking place before our eyes an economic and social revolution the like of which the world has never before witnessed, and, as in the earlier phase of the nineteenth century development, the first and varied attempts at adjustment to these sharply changed conditions often seem to yield results dominantly pessimistic in nature.

Significant in the trends of the past half century that are dominating the structure of economic life are the enlargement and geographic extension of industrialization. The central fact of industrialization during the whole of the nineteenth century was the steam engine and the consequent reactions of economic life thereto which expressed themselves in the geographic concentration of industrial operations and the formation of vast aggregations of populations in the comparatively few industrial centers.

Significant of the present century are the enlargement and extension of electric power, which more than anything else serves to bring about a geographic dispersion of industrial centralization—the formation of a comparatively large number of industrial centers. This trend so characteristic of the twentieth century has been greatly influenced by the large utilization of other energy sources —oil, natural gas, water power—of sources of power other than coal.

Since the turn of the century, even since the close of the World War, the industrial map of the country, and of the world as well, has been remade to a very considerable extent—and that in spite of the inertia characteristic of older industrial centers by virtue of their earlier start.

During three-quarters of the nineteenth century the economic development of the United States was dominated by the Westward Movement; but the agricultural frontier by 1900 was approaching the vanishing point. During the twentieth century another type of economic expasion has been dominant—an advancing of the frontier of industrialization, an advance associated with the enlargement of the geographic availability of electric power, the extension of automatic machinery, and the expansion particularly of the petroleum and natural gas industries. This dispersal of centers of industry marked by the creation of new centers, not only serves to decentralize at least relatively, if not absolutely, the older concentrations, but it also brings to communities peripheral to the industrial centers a degree of economic mobility impossible under the former highly concentrated patterns which characterized all manufacturing industry until the turn of the century. Obviously, it is the spread, and the continued spread, of this new pattern of industrialization that has become the dominant economic force of the present. It is the remaking of the industrial map upon a progressively larger base, in the stages of geographic extension of the new industrial frontier, that is so important to Texas and the Southwest. Older centers and older industries of the country are disturbed by these newer developments: the rise of new industrial centers, the growth, often remarkably rapid, of the new industries, and the enlarged utilization of "new" natural resources. It should be pointed out that the substantial economic growth of the United States has always come from the coördinated and interrelated growth of the various sections of the country—and not through destructive competition between these sections.

The economic growth of the major natural regions of the United States is dependent upon the interdependence of these regions. Whatever manufacturing industry in the United States may be taken for consideration the greatest factor in its fortunes or misfortunes is the extent of the American market; except for a few items, the major market for industries is the market made possible by the economic interdependence of all sections of the nation.

Markets represent buying power; and buying power in the last analysis is based upon production. Obviously the enlargement of the American market is dependent upon enlarged buying power; but, it cannot be too much emphasized, the enlargement of American buying power is dependent upon an enlarged buying power of all sections.

Readjustments may be painful—but change is the law of life. Readjustments there will be, even if we tried to stop them, by whatever means. The spread of buying power in this country can come in a substantial manner only through the expansion and geographic dispersal of industry—the progressive spread of the industrial frontier exemplified by the creation of new processes, the ever wider use of raw materials, the developments of new industries, and the growth of new industrial centers.

In this trend of expansion and enlargement Texas occupies a most advantageous position. Its vast supplies of diversified agricultural raw materials can still further

be enlarged as economic circumstances warrant; its magnificent reserves of petroleum and natural gas are more than the spear-points—they are the bases of its industrial advance; its vast non-metallic resources are available to supply thousands of market outlets as the economic integration of the nation proceeds; its favorable location on and with reference to the Gulf of Mexico gives, or will give, to Texas industries commercial access to the markets of the Eastern Seaboard and to overseas markets as well. For although the oceans are the greatest of barriers they are also the greatest of highways—a fact of momentous importance to the future of Texas.

The economy of this country is dynamic; it will continue to be. The regional economy of the nation makes necessary a high degree of economic interdependence within the country. The economic growth of any one region, if based upon substantial foundations, makes for the growth of industries, if economically justified, elsewhere in the country. These industries should awake to this fact, that their future is also the future of enlarged buying power and that this enlarged buying power must permeate every community in the nation. In sum, since the economic life of the nation is necessarily interdependent, the facts and factors of progressive integration of regions and occupations which comprise our economic life must be given careful consideration.

A new outlook on the economics of agriculture as well as on the economics of manufacturing industry is on its way, and, as usual, those theorists with their eyes only on the distant past are having a difficult time to keep up with the procession. Of course, these newer phases of developments mentioned above are, in one way or another, having their impacts upon other countries—and although those reactions are highly significant, they are beyond the space available for this paper.

In Conclusion

Texas and the Southwest are growing up. The outlook in anything but a troubled world would be very bright indeed. The obstacles to be overcome—and overcome they will be, even though they delay the procession—serve to curb over-confidence, and to test and to sharpen the agencies of progress. And, basically, the great agencies for the maintenance of progress have been the great experimenters in the laboratories of science; these have supplied the bases of those qualities of leadership for tackling the problems, the solution of which has brought about the potential conquest of scarcity—for they have been the spear-heads in creating new processes, in establishing new industries, in making possible the fuller utilization of natural resources, and in raising the levels of intellectual attainment.

Contrasted with the simple patterns of economic life which obtained at the close of last century, the present situation is infinitely complex; a whole new series of problems and questions call for immediate attention. It is painfully obvious that these problems are not being solved on the old patterns of another century; nor is there any indication that the old patterns will be adequate. The solution must be attacked on the lines of research and investigation that will yield results—results that will make for a richer life of individuals and communities the country over.

ELMER H. JOHNSON.

Current Manufacturing Developments in Texas

Despite the increasingly widespread use of mechanical refrigeration, new ice plants continue to be added to the list of those already in operation, and there are at present a total of 580 plants manufacturing ice in the State. New ice factories built since the beginning of the year include plants of the Dixie Ice Company and the Independent Ice Company recently established in Corpus Christi.

The revised edition of "Dairy Manufacturing in Texas" soon to be released by the Bureau of Business Research will contain a complete list of the dairy manufacturing industries in Texas, including plants producing butter, cheese, and ice cream. Among the new plants established this year is the plant of the Marygold Ice Cream Company in Houston.

Manufacturers and distributors of heavy machinery, particularly of oil field equipment, have continued to increase in the oil producing areas of the State. Several of these establishments recently opened are located in or near Wichita Falls where the K.M.A. and other fields are now being developed. At Amarillo the Superior Manufacturing Company is constructing a plant for the manufacture of heavy machinery used by the petroleum industry which will be able to meet the demands for a large part of the machinery used in that territory.

In Houston the Butler Manufacturing Company has begun the manufacture of steel tanks, drums, etc. Also the Rig-A-Lite Company and Shamrock Welding Service Corporation have recently been put into operation serving the oil industry in the Houston area.

The Southern Alkali Corporation of Corpus Christi, manufacturer of heavy chemicals, has expanded its activities to include two new plants, a chlorine plant and a salt plant both of which have been recently completed.

Charters granted to manufacturers in Texas during the month of March, 1938, include:

Texas Labor Journal Publishing Company, Austin, printing and publishing; Brownsville Herald Publishing Company, printing and publishing; 7-Up Panhandle Company, Amarillo, beverages; Barq's Beverages of Corpus Christi; Dallas Engineering Company and Superior Decalcomania Company of Dallas; Technical Chemical Company, Dallas, manufacturing chemicals; Great National Air Conditioning Company, Dallas; Val Verde Wool and Mohair Company, Del Rio, mill; Fredericksburg Coca-Cola Bottling Company; Coastal Bag and Bagging Corporation, Marygold Ice Cream Company, Pennington Tool Company, and Uptown Optical Company, all of Houston; Independent Ice and Service Company, Iowa Park; Independent Ice Company, Double Cola Bottling Company, and Atlas Glass Company of Lubbock; the Mission Canning Corporation, Mission; Valley Evening Monitor, McAllen, printing and publishing; F. E. Prince Company, Pittsburg; the Patent Envelope Company, San Antonio, printing and publishing; the Frank Park Gin Company, Whitesboro; and Wichita Falls Publishing Company of Wichita Falls.

CLARA H. LEWIS.

Cotton

Gross income from cotton production is measured by the volume times price per pound. Cotton is a world commodity in the sense that world supplies and world demand determine price levels for all those countries on an export basis. The United States is on an export basis for all but a small per cent of its best staples. The income from cotton production in this country then depends primarily on its percentage of total world production and the quality of the crop.

The income from cotton production in the United States has declined drastically since 1929 because of an actual loss in production and a still greater loss in percentage of world production, a drastic decline in prices, and a decline in the quality of production, particularly in relation to competing foreign crops.

During the five years ending July, 1929, the United States produced an average of 15,028,000 bales of 478 pounds net, and this averaged 58.8 per cent of world production. During the five years ending July, 1938, the United States produced an average of about 12,780,000 bales, which was only 44.3 per cent of world production. The average dollar price of New Orleans spot cotton during the five years ending July, 1938, will have averaged about 34 per cent less than the price for the five years ending July, 1939, and the gold price shows an average price decline of over 60 per cent from the former to the latter period. Is it any wonder the cotton production industry in the United States is sick?

A. B. Cox.

COTTON BALANCE SHEET

Total supplies of cotton in the United States, April 1, were 14,139,000 bales, as compared with 8,009,000 bales last year, 8,758,000 two years ago, and a previous all-time high of 12,639,000 bales on April 1, 1933. The total increase in the supply of American cotton in the United States and of American cotton in European ports and afloat to Europe from April 1, 1937, to this April was 6,628,000 bales. No similar previous period has had half that much increase. This enormous increase in stocks from last year is due first of all to the greatest United States crop on record and to a decrease in world consumption of American cotton through February, compared with the same period of last year, of 757,000 bales according to Garside of the New York Cotton Exchange.

Calculated changes in the index price of cotton based on these changes in supply indicate a decline in price of about seven cents from April last year. When changes in the index number and spinners margins are taken into consideration the calculated price for middling 7/8-inch spot cotton in New Orleans is about 8.40 cents. It seems evident that Government loans are a substantial prop under the market.

SPINNERS MARGIN

Spinners ratio margins on 32's twist yarn in Manchester to middling 7/8-inch American cotton in Liverpool averaged 213 during March compared with 214 for February and 182 for March last year.

The pence margin in Manchester averaged 5.66d during March compared with 5,80d during February and 6.45d for March, 1937. These margins indicate a continued slowing down of cotton consumption in England.

COTTON BALANCE SHEET IN THE UNITED STATES AS OF APRIL 1

(In Thousands of Running Bales Except as Noted)

	Carryover Aug. 1	Imports to April 1¶	Final Ginnings	Total	Consumption to April 1	Exports to April 1	Total	Balance Mar. 1
1928–1929	2,536	283	14,297	17,116	4,674	6,746	11,420	5,696
1929–1930	2,313	244	14,548	17,105	4,316	5,771	10,087	7,018
1930–1931	4,530	52	13,756	18,338	3,384	5,518	8,902	9,436
1931–1932	6,369	66	16,629	23,064	3,566	6,852	10,418	12,646
1932–1933	9,682	88	12,710	22,480	3,749	6,085	9,834	12,646
1933–1934	8,176	100	12,664	20,940	3,945	6,098	10,043	10,897
1934–1935	7,746	74	9,472	17,292	3,034	3,573	6,607	10,685
1935–1936	7,138	90	10,420	17,648	4,081	4,814	8,895	8,753
1936–1937	5,397	139	12,130	17,666	5,298	4,389	9,687	7,979
1937–1938	4,498	80	18,242	22,820	4,024	4,657	8,681	14,139

¶In 500-pound bales.
NOTE: The figures have been revised in accordance with the revisions made by the United States Bureau of the Census.

CONSUMPTION OF ELECTRIC POWER IN TEXAS

Power Consumed
(In Thousands of K.W.H.)

	Mar. 1938	Mar. 1937	Feb. 1938	First Quarter 1938	First Quarter 1937	Percentage Change Mar. 1938 from Mar. 1937	Percentage Change Mar. 1938 from Feb. 1938	Percentage Change Quarter 1938 from Quarter 1937
Commercial	40,075	36,028	40,333	124,972	111,062	+11.2	− 0.6	+12.5
Industrial	97,903	90,791	89,621	283,455	260,316	+ 7.8	+ 9.2	+ 8.9
Residential	30,344	26,758	30,717	96,761	85,205	+13.4	− 1.2	+13.6
All Other	23,515	22,633	26,341	74,500	70,247	+ 3.9	−10.7	+ 6.1
TOTAL	191,837	176,210	187,012	579,682	526,830	+ 8.9	+ 2.6	+10.0

NOTE: Prepared from reports from 17 electric power companies to the Bureau of Business Research.

MARCH RETAIL SALES OF INDEPENDENT STORES IN TEXAS

	March 1938				Year-to-date 1938		
	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from Mar. 1937	Percentage Change in Dollar Sales from Feb. 1938	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from Year-to-date 1937
TOTAL TEXAS	1,292	16,644,279	− 7.9	+20.1	1,057	39,555,876	− 2.7
TEXAS STORES GROUPED BY PRODUCING AREAS:							
DISTRICT 1-N	77	590,548	−11.5	+34.0	60	1,325,567	− 3.6
Amarillo	16	216,153	−13.0	+37.7	13	461,915	− 4.9
Pampa	14	171,268	−16.2	+41.9	10	393,107	−10.8
Plainview	13	95,788	− 3.4	+23.8	10	234,860	+ 8.2
All Others	35	107,339	− 6.8	+25.2	27	235,685	+ 2.1
DISTRICT 1-S	29	472,504	− 0.4	+18.3	20	1,112,043	+ 7.7
Big Spring	9	51,033	− 4.1	+12.8	7	78,311	+10.1
Lubbock	13	362,251	+ 2.3	+18.6	9	937,374	+14.7
All Others	7	59,220	−11.8	+21.6	4	96,358	−33.1
DISTRICT 2	107	764,272	− 4.4	+28.1	92	1,808,117	+ 3.3
Abilene	15	207,780	+ 0.9	+40.3	14	512,283	− 3.4
Snyder	5	25,022	−15.6	+ 8.3	4	59,850	− 1.8
Vernon	7	30,018	− 9.8	+24.9	7	83,966	− 5.7
Wichita Falls	14	199,683	− 4.7	+21.7	8	400,724	+15.7
All Others	66	301,769	− 6.0	+27.0	59	751,294	+ 3.9
DISTRICT 3	37	295,054	−19.2	+20.6	25	392,099	− 9.4
Brownwood	7	51,591	−28.9	+18.7	5	115,101	−26.3
Eastland	7	15,709	+15.4	+19.8	4	28,201	0.0
Stephenville	6	31,627	− 5.0	+27.9	3	65,229	− 1.9
All Others	17	196,127	−20.2	+20.0	13	183,568	+ 0.8
DISTRICT 4	322	4,968,779	− 6.6	+20.8	263	12,485,143	− 2.7
Cleburne	11	46,183	+ 1.1	+22.3	10	109,693	+ 0.9
Commerce	7	19,372	− 0.8	+15.1	4	35,538	+ 1.5
Corsicana	11	88,686	− 9.5	+24.1	10	186,295	− 2.3
Dallas	54	2,350,092	− 3.4	+15.6	47	6,233,708	− 0.3
Denison	8	36,799	− 0.7	+27.6	8	94,033	−10.3
Ennis	6	24,625	−18.4	+ 8.8	6	66,755	+ 1.7
Fort Worth	66	1,414,028	− 5.9	+12.6	45	3,499,743	− 1.4
Gainesville	5	24,024	−10.8	+31.7	3	47,437	− 1.3
Sherman	8	51,415	− 4.1	+30.6	7	122,667	+ 0.6
Taylor	5	42,172	−25.5	+32.1	5	110,647	− 6.5
Temple	10	56,548	−12.2	+14.5	10	160,233	− 5.8
Waco	33	313,175	−14.5	+24.2	27	710,771	− 9.7
All Others	98	501,660	−14.4	+26.8	81	1,107,623	−13.6
DISTRICT 5	126	1,192,905	−10.2	+23.2	105	2,712,963	− 3.6
Bryan	11	88,141	+ 0.5	+16.6	11	255,067	+14.1
Longview	7	51,845	− 8.6	+ 9.1	6	144,925	+10.7
Marshall	12	54,624	−20.7	+13.0	10	147,406	− 7.7
Tyler	23	398,696	− 8.4	+31.9	18	863,425	− 4.0
All Others	73	599,599	+ 1.9	+21.2	60	1,302,140	− 7.1
DISTRICT 6	44	1,021,549	−11.0	+19.6	43	2,708,485	− 6.9
El Paso	30	903,811	− 9.5	+20.3	29	2,390,745	− 5.0
Pecos	3	53,871	−10.1	+18.9	3	149,992	− 4.1
All Others	11	63,867	+29.1	+11.1	11	167,748	−29.6
DISTRICT 7	63	390,474	− 9.4	+25.2	53	930,801	− 9.1
Brady	7	41,962	− 4.5	+54.9	6	96,592	−14.6
Del Rio	3	36,220	− 6.3	− 0.2	3	99,695	+ 3.2
San Angelo	16	179,567	+ 0.3	+32.2	14	441,723	− 2.9
All Others	37	132,725	−21.8	+17.9	30	292,791	−18.5
DISTRICT 8	227	2,921,832	− 4.2	+24.4	187	6,688,021	− 2.4
Austin	26	538,047	− 3.9	+22.3	25	1,165,407	+ 0.6
Corpus Christi	13	79,540	− 1.5	− 0.1	10	205,804	+ 5.3
Cuero	8	29,122	+ 4.7	+16.4	8	76,243	+ 8.4
Lockhart	10	70,693	− 7.4	+44.9	6	132,933	+ 0.5
San Antonio	79	1,640,373	− 5.6	+28.4	64	3,825,223	− 4.6
San Marcos	5	31,877	+ 0.6	+62.5	5	76,567	+ 3.5
Yoakum	5	38,363	+ 5.2	+49.9	4	69,811	+ 7.8
All Others	81	493,817	− 1.3	+14.3	65	1,136,033	− 1.2
DISTRICT 9	185	3,489,932	−10.7	+12.5	147	8,151,619	− 3.0
Bay City	5	44,080	−25.4	+15.6	3	82,898	− 2.0
Beaumont	23	280,212	−13.1	+19.8	21	754,906	− 2.3
Galveston	17	335,980	+ 8.3	+22.1	13	494,668	− 5.4
Houston	68	2,160,306	−15.0	+ 7.8	59	5,731,268	− 4.5
Port Arthur	22	328,578	− 8.4	+23.2	16	411,923	− 4.9
Victoria	9	57,870	+16.5	+ 6.3	6	103,431	+16.1
Wharton	3	18,815	+ 2.9	+33.4	3	47,750	+17.5
All Others	38	264,091	+ 6.6	+22.7	26	524,775	+14.8
DISTRICT 10	75	536,430	− 6.4	+11.4	63	1,241,018	+ 0.5
Brownsville	14	86,097	+ 4.1	+19.8	14	240,400	+ 3.9
Harlingen	14	120,836	− 9.2	+24.4	13	304,858	− 4.6
Laredo	8	116,120	−17.7	− 3.6	5	278,729	+ 0.1
Weslaco	5	55,760	+ 6.4	+25.8	3	12,091	+38.2
All Others	34	157,617	− 3.7	+ 6.8	24	404,940	+ 2.2

See map on page 13 of the March 28, 1938, issue showing crop reporting districts.

NOTE: Prepared from reports from independent retail stores to the Bureau of Business Research, coöperating with the United States Department of Commerce.

MARCH CREDIT RATIOS IN TEXAS RETAIL STORES

(Expressed in Per Cent)

	Number of Stores Reporting	Ratio of Credit Sales to Net Sales		Ratio of Collections to Outstandings		Ratio of Credit Salaries to Credit Sales	
		1938	1937	1938	1937	1938	1937
All Stores	75	66.4	63.6	38.7	40.8	1.5	1.4
Stores Grouped by Cities:							
Abilene	4	61.0	62.1	33.4	36.3	1.8	1.6
Amarillo	3	60.5	58.0	46.4	45.7	2.1	1.9
Austin	7	60.5	59.2	39.8	39.5	1.3	1.2
Beaumont	3	64.4	61.8	40.2	44.8	1.5	1.4
Dallas	11	72.3	70.2	39.1	43.1	1.6	1.5
Fort Worth	8	64.5	61.1	35.5	33.4	1.3	1.3
Houston	9	64.8	63.0	41.2	43.7	1.8	1.3
San Antonio	5	64.4	57.0	43.4	43.9	0.8	0.9
Waco	4	65.7	66.1	29.6	32.2	1.4	1.2
All Others	21	59.6	56.6	37.3	39.4	1.5	1.3
Stores Grouped According to Type of Store:							
Department Stores (Annual Volume Over $500,000)	21	65.6	63.5	40.4	40.9	1.5	1.4
Department Stores (Annual Volume Under $500,000)	13	64.1	60.7	35.3	37.8	1.8	1.7
Dry Goods-Apparel Stores	5	58.3	60.4	35.2	30.7	2.0	2.1
Women's Specialty Shops	14	70.9	63.1	35.6	42.5	0.9	0.9
Men's Clothing Stores	22	66.3	66.0	36.6	39.8	2.3	1.8
Stores Grouped According to Volume of Net Sales During 1937:							
Over $2,500,000	11	66.9	61.6	41.9	43.6	0.9	0.9
$2,500,000 down to $1,000,000	10	64.5	61.8	38.4	40.9	1.3	1.2
$1,000,000 down to $500,000	10	61.9	60.9	41.4	44.8	1.5	1.2
$500,000 down to $100,000	32	59.9	58.8	34.0	39.7	1.9	1.5
Less than $100,000	12	62.5	57.9	36.4	42.1	3.8	2.9

NOTE: The ratios shown for each year, in the order in which they appear from left to right, are obtained by the following computations: (1) Credit sales divided by net sales. (2) Collections during the month divided by the total accounts unpaid on the first of the month. (3) Salaries of the credit department divided by credit sales.

The data are reported to the Bureau of Business Research by Texas retail stores.

POSTAL RECEIPTS

	Mar. 1938	Mar. 1937	Feb. 1938	First Quarter 1938	First Quarter 1937
Abilene	$ 18,287	$ 16,857	$ 15,904	$ 52,911	$ 48,233
Amarillo	30,826	29,953	31,477	90,620	83,128
Austin	58,867	66,801	53,111	179,556	176,607
Beaumont	26,686	24,874	23,788	76,062	68,241
Big Spring	6,017	5,892	5,393	17,687	15,309
Brownsville	6,453	8,211	6,233	18,572	19,776
Brownwood	5,621	5,151	5,894	17,527	16,225
Cleburne	3,329	3,070	2,602	9,100	9,494
Corpus Christi	24,501	21,241	22,633	70,523	59,202
Corsicana	5,024	5,778	4,967	15,250	15,668
Dallas	370,366	385,263	312,817	1,014,257	1,049,944
Del Rio	3,107	4,283	4,783	13,611	14,266
Denison	4,933	4,777	4,570	14,442	13,435
El Paso	43,753	47,224	35,694	116,586	131,367
Fort Worth	139,834	157,228	136,576	405,260	420,271
Galveston	28,636	28,542	26,990	80,522	77,858
Graham	2,264	2,124	2,136	6,568	6,226
Harlingen	5,845	5,883	5,510	17,223	15,607
Houston	241,053	235,555	212,677	671,015	646,481
Jacksonville	2,975	3,182	2,941	9,329	8,982
Longview	9,804	9,729	8,963	30,079	28,036
Lubbock	17,140	13,857	15,529	49,387	39,477
McAllen	4,573	4,857	4,131	14,550	12,387
Marshall	5,721	5,248	5,182	16,780	15,742
Palestine	4,336	4,873	4,388	17,198	17,547
Pampa	6,169	5,912	5,912	19,074	18,644
Paris	7,279	6,312	5,333	18,187	17,576
Plainview	4,265	4,056	3,631	12,199	11,043
Port Arthur	13,020	11,519	11,436	37,824	33,458
San Angelo	11,824	10,938	9,842	33,243	31,599
San Antonio	125,210	125,953	112,802	356,976	339,209
San Benito	2,605	3,251	2,492	¶	8,459‡
Sherman	7,250	7,303	6,457	20,809	20,770
Snyder	1,449	1,377	1,215	4,224	4,037
Sweetwater	5,509	4,807	4,607	14,692	14,521
Waco	32,489	34,468	29,314	97,228	91,692
Wichita Falls	27,051	21,565	20,797	72,913	61,932
TOTAL	$ 1,314,071	$ 1,337,914	$ 1,168,727	$ 3,711,984	$ 3,653,990

¶Not available.

‡Not included in total.

NOTE: Compiled from reports from Texas chambers of commerce to the Bureau of Business Research.

EMPLOYMENT AND PAY ROLLS IN TEXAS, CLASSIFIED BY INDUSTRIES AND SELECTED CITIES, MARCH, 1938

Pay Rolls for One Week Ending Nearest Fifteenth of Month

Industry	Number of Establishments Reporting	Number of Employees March 1938	Percentage Change from Feb. 1938	Percentage Change from March 1937	Amount of Pay Roll March 1938	Percentage Change from Feb. 1938	Percentage Change from March 1937	Average Weekly Wage per Employee* March 1938	Feb. 1938	March 1937
All Manufacturing Industries	711	48,828	+ 0.1	− 0.9	$1,166,231	+ 1.3	+ 5.9	$23.88	$23.60	$23.60
Food Products										
Bakery Goods	31	1,037	+ 0.4	− 1.5	21,368	− 1.0	+ 5.8	20.61	20.89	19.67
Beverages, Carbonated	48	559	+ 6.3	+35.9	11,922	+ 6.8	+26.6	21.33	21.22	21.58
Confectionery	6	230	§	+ 4.3	3,166	+ 3.4	− 1.4	13.77	13.31	13.08
Flour Milling	9	523	− 1.7	+ 5.7	11,873	− 0.3	+21.9	22.70	22.39	20.28
Ice, Manufactured	71	614	+ 4.4	− 8.4	11,152	+ 4.3	− 1.0	18.16	18.19	16.84
Ice Cream	6	222	−14.0	−25.1	4,596	−10.5	−21.4	20.70	19.90	19.37
Meat Packing	12	3,096	+ 2.0	−19.8	77,392	+ 4.9	−21.2	25.00	24.32	26.16
Textiles										
Cotton Textile Mills	10	2,892	+ 3.5	+21.4	37,159	+ 0.8	− 6.2	12.85	13.20	13.99
Men's Work Clothing	12	1,270	− 3.9	−36.1	14,284	+11.8	−44.0	11.25	9.67	11.44
Forest Products										
Furniture	9	231	+ 3.1	− 9.4	4,336	+ 1.2	−19.9	18.77	19.13	19.25
Lumber: Planing Mills	20	613	+ 7.5	− 7.3	13,180	+ 1.8	− 0.4	21.50	22.71	19.36
Lumber: Saw Mills	20	3,525	+ 2.0	− 7.9	49,739	‖	−11.2	14.11	14.40	16.14
Paper Products	12	507	+ 0.8	¶	10,047	− 5.2	+ 3.0	19.82	21.08	18.88
Printing and Publishing										
Commercial Printing	42	775	+ 1.4	+ 5.5	22,507	+ 0.2	+ 5.0	29.04	29.41	26.04
Newspaper Publishing	18	1,111	− 0.5	+ 1.1	37,814	+ 1.1	+ 3.3	34.04	33.50	35.08
Chemical and Allied Products										
Cottonseed Oil Products	31	1,013	−23.0	+24.4	14,218	−21.1	+43.8	14.04	13.69	13.87
Petroleum Refining	32	14,508	+ 1.3	+ 0.3	468,772	+ 2.2	+16.6	32.31	32.03	29.14
Stone and Clay Products										
Brick and Tile	16	758	+18.6	−11.7	9,811	+21.7	+ 2.5	12.94	12.62	11.95
Cement	8	1,356	+11.1	− 8.3	30,914	+15.6	+27.1	22.80	21.91	17.51
Iron and Steel Products										
Foundries, Machine Shops	35	2,802	+ 1.6	+ 2.9	73,333	+ 1.6	+ 4.8	26.17	26.16	26.10
Steam Railroad Repair Shops	17	2,122	− 5.5	−21.9	61,554	− 4.5	−17.9	29.01	28.71	27.30
Structural and Ornamental Iron	15	1,123	+ 1.7	− 0.7	24,897	+ 7.9	+ 2.0	22.17	20.90	21.07
Unclassified										
Miscellaneous Manufacturing	231	7,941	− 3.4	+12.2	152,197	− 2.2	+12.4	19.17	18.93	21.26
Nonmanufacturing Industries										
Crude Petroleum Production†	47	5,272	− 2.7	+ 9.5	180,043	− 1.5	+10.3	34.15	33.73	35.49
Quarrying and Nonmetallic Mining	34	1,651	+ 1.0	+ 2.1	38,431	− 0.4	− 2.2	23.28	23.61	25.25
Public Utilities	814	18,159	− 0.5	− 2.0	483,256	+ 0.5	+12.6	26.61	26.35	27.62
Retail Trade	670	15,789	+ 1.5	− 6.3	302,948	+ 1.3	− 4.2	19.19	19.23	18.37
Wholesale Trade	273	5,592	− 1.1	+ 5.7	136,597	− 0.7	+ 6.6	24.43	24.31	25.81
Cotton Compresses	17	1,056	−13.4	+ 0.5	15,463	−20.9	− 3.8	14.64	16.04	18.00
Dyeing and Cleaning	13	283	+ 4.0	+ 9.2	5,616	+ 4.5	+13.6	19.84	19.76	16.81
Hotels‡	26	2,757	+ 2.3	+ 6.4	34,986	+ 0.5	+15.8	12.69	12.93	12.62
Laundries	25	1,532	+ 1.6	+ 2.1	19,107	+ 0.3	+ 1.7	12.47	12.63	12.56
Miscellaneous Nonmanufacturing	56	954	+19.5	− 3.6	22,074	+10.2	− 2.5	23.14	25.10	23.82
STATE	2,666	101,873	+ 0.1	− 0.3	2,404,752	+ 0.7	+ 6.6	23.61	23.47	23.12
Cities										
Abilene	26	410	+ 5.1	+ 1.4	7,858	+ 4.2	+ 4.7			
Amarillo	30	978	− 0.8	+ 5.6	26,849	‖	+13.2			
Austin	26	635	− 0.8	+11.2	11,494	− 1.5	+ 6.1			
Beaumont	39	3,139	+ 2.7	− 3.8	86,903	+ 2.9	+ 9.3			
Dallas	259	17,124	+ 0.4	− 2.6	413,296	+ 0.8	+ 2.9			
El Paso	93	2,991	− 0.9	+ 2.3	59,803	− 0.2	+ 5.9			
Fort Worth	110	7,710	+ 2.1	− 6.8	175,139	+ 3.6	− 6.9			
Galveston	27	800	+ 0.6	+11.3	19,144	− 3.2	+ 9.9			
Houston	244	15,288	− 0.5	+ 5.9	377,137	+ 0.5	+ 9.9			
Port Arthur	16	7,321	+ 0.4	−11.1	235,199	+ 0.7	+ 3.0			
San Antonio	172	6,009	+ 2.5	+ 0.2	124,747	+ 3.4	+ 7.4			
Sherman	21	875	+ 2.3	− 3.8	15,137	+ 2.1	+ 1.8			
Waco	62	1,787	+ 5.5	+ 0.2	32,767	+ 3.6	+ 3.7			
Wichita Falls	34	966	§	+26.7	22,082	− 1.2	+48.7			

*Not strictly comparable from month to month because of changes in the size and composition of the reporting sample.
†Crude petroleum and natural gas production, including natural gasoline.
‡Cash payments only; the additional value of board, room and tips cannot be computed.
§No change.
‖Decrease of less than one-tenth of one per cent.
¶Increase of less than one-tenth of one per cent.
Prepared from reports from Texas industrial establishments to the Bureau of Business Research, coöperating with the United States Bureau of Labor Statistics.

MARCH RETAIL SALES OF INDEPENDENT STORES IN TEXAS

	March, 1938				Year 1938		
	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from Mar. 1937	Percentage Change in Dollar Sales from Feb. 1938	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from Year 1937
TEXAS	1,292	$16,644,279	− 7.9	+20.1	1,057	$39,555,876	− 2.7
STORES GROUPED BY LINE OF GOODS CARRIED:							
APPAREL	139	2,100,473	− 6.4	+16.9	129	5,823,188	+ 2.8
Family Clothing Stores	31	192,696	−15.7	+21.2	29	501,781	− 2.0
Men's and Boys' Clothing Stores	54	736,984	− 7.8	+14.7	49	2,169,476	+ 4.4
Shoe Stores	19	144,391	−11.4	+42.2	19	335,287	− 2.0
Women's Specialty Shops	35	1,026,402	− 2.6	+14.9	32	2,816,644	+ 3.0
AUTOMOTIVE	150	4,263,087	−16.2	+25.8	125	9,855,991	− 9.9
Filling Stations	43	126,465	+ 1.6	+16.3	36	316,996	+ 1.2
Motor Vehicle Dealers	107	4,136,622	−16.6	+26.2	89	9,538,995	−10.2
COUNTRY GENERAL AND FARMERS' SUPPLIES	110	708,225	−11.2	+17.7	99	1,532,670	− 5.7
DEPARTMENT STORES	64	4,780,352	− 1.8	+24.3	62	12,480,368	+ 2.8
DRUG STORES	167	531,155	+ 0.2	+ 4.2	142	1,350,316	+ 1.6
FLORISTS	39	61,746	−23.1	+ 1.0	27	127,138	− 7.0
FOOD	187	1,065,144	− 6.5	+ 7.8	155	2,594,636	− 2.1
Grocery Stores	52	209,512	− 7.6	+ 8.4	45	569,319	− 5.6
Grocery and Meat Stores	135	855,632	− 6.2	+ 7.6	110	2,025,317	− 1.1
FURNITURE AND HOUSEHOLD	62	853,595	− 3.0	+18.1	47	1,775,000	− 5.2
Furniture Stores	50	729,283	− 3.8	+15.5	37	1,568,977	− 5.0
Household Appliance Stores	6	62,873	+ 6.7	+57.4	5	103,289	−10.9
Other Home Furnishings Stores	6	61,439	− 3.0	+19.8	5	102,734	− 2.6
JEWELRY	52	149,283	−18.2	− 2.4	40	310,514	− 5.7
LUMBER, BUILDING, AND HARDWARE	284	1,990,727	− 5.0	+19.6	201	3,365,401	− 7.5
Farm Implement Dealers	10	58,837	− 6.2	+ 3.7	9	160,739	−10.7
Hardware Stores	73	376,195	− 3.6	+22.1	61	810,112	−10.2
Lumber and Building Material Dealers	197	1,511,816	− 6.0	+19.7	128	2,282,863	− 6.7
Heating and Plumbing Shops	4	43,879	+30.2	+18.0	3	111,687	+ 1.4
RESTAURANTS	25	100,099	− 5.1	+ 7.6	19	253,698	+ 0.5
ALL OTHER STORES	13	40,393	−23.1	+ 5.8	11	86,956	− 3.0
TEXAS STORES GROUPED ACCORDING TO POPULATION OF CITY:							
All Stores in Cities of—							
OVER 100,000 POPULATION	297	8,468,610	− 8.1	+17.9	244	21,680,687	− 2.9
50,000–100,000 POPULATION	121	1,795,992	− 6.4	+22.4	102	3,537,675	− 3.7
2,500–50,000 POPULATION	537	4,686,442	− 8.1	+23.6	441	10,887,675	− 1.1
LESS THAN 2,500 POPULATION	337	1,693,235	− 7.8	+19.4	270	3,449,839	− 5.5

NOTE: Prepared from reports from independent retail stores to the Bureau of Business Research, coöperating with the United States Department of Commerce.

CEMENT

(In Thousands of Barrels)

	Mar. 1938	Mar. 1937	Feb. 1938	First Quarter 1938	First Quarter 1937
Texas Plants					
Production	664	592	444	1,442	1,613
Shipments	646	576	532	1,708	1,439
Stocks	681	905	664	.....	.....
United States					
Production	5,879	8,443	3,916	14,329	20,896
Shipments	7,259	7,879	4,575	16,224	17,731
Stocks	22,981	25,623	24,361	.....	.....
Capacity Operated	26.9%	38.6%	19.8%	.....	.....

NOTE: From U. S. Department of Interior, Bureau of Mines.

COMMODITY PRICES

	Mar. 1938	Mar. 1937	Feb. 1938
WHOLESALE PRICES:			
U. S. Bureau of Labor Statistics (1926 = 100)	79.7	87.8	79.8
The Annalist (1926 = 100)	82.5	94.5	82.8
FARM PRICES:			
U. S. Department of Agriculture (1910–14 = 100)	96.0*	128.0	97.0*
U. S. Bureau of Labor Statistics (1926 = 100)	70.3	94.1	69.8
RETAIL PRICES:			
Food (U. S. Bureau of Labor Statistics, 1923–25 = 100)	78.6*	85.4	78.4
Department Stores (Fairchild's Publications, Jan. 1931 = 100)	90.6	94.5	91.2

*Preliminary.

BUILDING PERMITS

	Mar. 1938	Mar. 1937	Feb. 1938	First Quarter 1938	First Quarter 1937
Abilene	$ 56,920	$ 29,380	$ 17,724	$ 101,794	$ 86,083
Amarillo	119,071¶	59,957	74,155	244,744	199,597
Austin	630,158	290,292	725,807	1,633,688	776,638
Beaumont	253,277	181,039	68,730	403,086	341,099
Big Spring	43,413	22,360	21,022	76,765	45,283
Brownwood	7,425	2,465	1,000	8,600	5,965
Cleburne	13,603	1,275	7,050	29,888	9,745
Corpus Christi	264,931	208,560	384,453	853,469	734,924
Corsicana	17,275	14,010	26,280	49,336	26,075
Dallas	996,388	1,501,058	812,558	2,774,589	3,270,858
Del Rio	15,600	5,065	2,900	31,835	19,058
Denison	7,810	3,183	27,150	42,214	17,183
El Paso	105,501	78,774	118,711	274,251	316,121
Fort Worth	276,605	1,642,244	320,272	1,317,166	2,198,280
Galveston	602,891	77,652¶	243,471	967,910	328,506
Graham	15,950	25,275	23,510	46,260	62,655
Harlingen	12,495	55,245	10,018	31,215	101,530
Houston	3,211,880	1,628,865	1,606,270	5,985,945	5,882,680
Jacksonville	6,900	7,325	1,165	13,065	68,475
Kilgore	106,000	17,425¶	92,250	325,679*	‡
Laredo	4,425	29,450	6,855	18,375	41,475
Lubbock	242,979	91,602	184,045	544,690	225,724
McAllen	8,590	32,650	31,310	68,445	94,600
New Braunfels	7,550	11,730	15,650	31,415	67,070
Palestine	56,867	22,133	27,656	88,313	42,983
Pampa	25,075	19,850	12,950	59,025	79,940
Paris	9,490	10,440	19,665	38,888	15,260
Plainview	2,670	15,720	5,100	10,020	19,475
Port Arthur	80,775	107,093	450,093	613,196	241,682
San Angelo	29,922	30,890	15,225	74,522	70,978
San Antonio	309,473	507,497	172,371¶	726,066	1,405,845
Sherman	24,210	10,777	26,800	70,101	39,027
Snyder	2,150	.....	2,500	5,350	5,350
Sweetwater	13,720	23,025	9,515	44,500	38,931
Waco	79,133	113,420	97,575	216,818	204,161
Wichita Falls	62,005	18,734	36,351	136,167	52,554
TOTAL	$7,723,127	$6,896,460	$ 5,698,157	$17,631,711	$17,135,810

‡Not available.

*Not included in total.

¶Does not include public works.

NOTE: Compiled from reports from Texas chambers of commerce to the Bureau of Business Research.

STOCK PRICES

	Mar. 1938	Mar. 1937	Feb. 1938
Standard Indexes of the Securities Markets:			
419 Stocks Combined	77.9	129.9	80.7
347 Industrials	92.7	152.6	95.7
32 Rails	25.5	62.8	28.3
40 Utilities	68.5	105.7	71.2

NOTE: From Standards Statistics Co., Inc.

LUMBER

(In Board Feet)

	Mar. 1938	Mar. 1937	Feb. 1938
Southern Pine Mills:			
Average Weekly Production per unit	278,053	324,536	266,161
Average Weekly Shipments per unit	281,770	308,977	274,420
Average Unfilled Orders per Unit, End of Month	576,563	834,970	653,372

NOTE: From Southern Pine Association.

TEXAS CHARTERS

	Mar. 1938	Mar. 1937	Feb. 1938	First Quarter 1938	First Quarter 1937
Domestic Corporations—					
Capitalization‖	$2003	$2,048	$1,804	$6,078	$6,193
Number	137	143	120	396	406
Classification of new corporations:					
Banking-Finance	5	9	2	12	20
Manufacturing	24	12	20	63	60
Merchandising	34	33	38	114	102
Oil	29	36	22	92	97
Public Service	1	5	...	1	6
Real Estate-Building	8	15	9	27	34
Transportation	5	2	2	9	10
All Others	31	31	27	79	77
Number capitalized at less than $5,000	47	51	49	143	135
Number capitalized at $100,00 or more	4	4	4	14	11
Foreign Corporations (Number)	36	27	20	94	99

‖In thousands.

NOTE: Compiled from records of the Secretary of State.

MARCH SHIPMENTS OF LIVE STOCK CONVERTED TO A RAIL-CAR BASIS§

	Cattle		Calves		Hogs		Sheep		Total	
	1938	1937	1938	1937	1938	1937	1938	1937	1938	1937
Total Interstate Plus Fort Worth¶	3,033	3,333	659	506	782	898	560	538	5,034	5,275
Total Intrastate Omitting Fort Worth	620	494	90	113	80	42	27	44	817	693
TOTAL SHIPMENTS	3,653	3,827	749	619	862	940	587	582	5,851	5,968

TEXAS CAR-LOT§ SHIPMENTS OF LIVE STOCK, JANUARY 1 TO APRIL 1

	Cattle		Calves		Hogs		Sheep		Total	
	1938	1937	1938	1937	1938	1937	1938	1937	1938	1937
Total Interstate Plus Fort Worth¶	8,575	9,253	1,839	1,743	1,871	2,437	1,304	1,146	13,589	14,579
Total Intrastate Omitting Fort Worth	1,507	1,410	331	414	156	169	162	147	2,156	2,140
TOTAL SHIPMENTS	10,082	10,663	2,170	2,157	2,027	2,606	1,466	1,293	15,745	16,719

§Rail-car Basis: Cattle, 30 head per car; calves, 60; hogs, 80; and sheep, 250.
¶Fort Worth shipments are combined with interstate forwardings in order that the bulk of market disappearance for the month may be shown.
NOTE: These data are furnished the United States Bureau of Agricultural Economics by railway officials through more than 1,500 station agents, representing every livestock shipping point in the State. The data are compiled by the Bureau of Business Research.

PETROLEUM

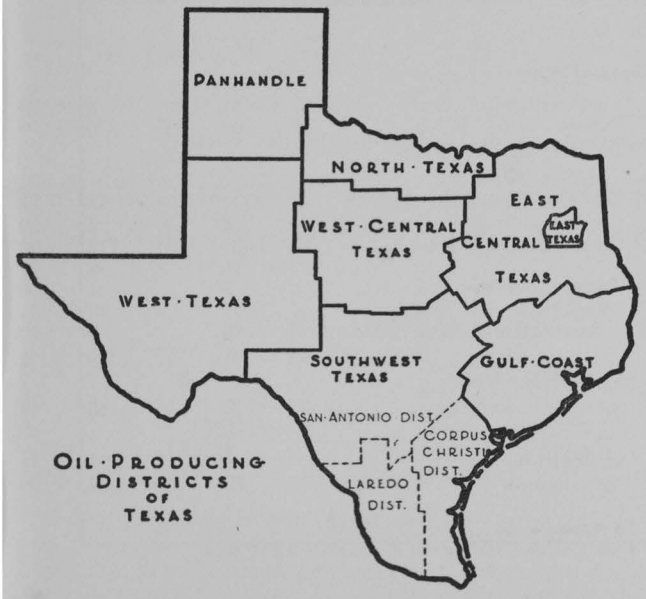
Daily Average Production

(In Barrels)

	Mar. 1938	Mar. 1937	Feb. 1938
Coastal Texas¶	199,080	206,940	182,850
East Central Texas	97,050	119,710	89,950
East Texas	428,310	454,310	424,900
North Texas	69,500	67,840	63,850
Panhandle	67,420	76,380	62,700
Southwest Texas	226,280	228,070	210,450
West Central Texas	27,510	32,550	26,600
West Texas	187,130	206,120	178,200
STATE	1,302,280	1,391,920	1,239,500
UNITED STATES	3,385,640	3,394,690	3,333,250
Imports	147,657	168,972	135,286

¶Includes Conroe.
NOTE: From American Petroleum Institute.
See accompanying map showing oil producing districts of Texas.

Gasoline sales as indicated by taxes collected by the State Comptroller were: February, 1938, 90,638,000 gallons; February, 1937, 84,611,000 gallons; January, 1938, 93,764,000 gallons.



MARCH CARLOAD MOVEMENT OF POULTRY AND EGGS

	Cars of Poultry								Cars of Eggs	
	Live				Dressed					
	Chickens		Turkeys		Chickens		Turkeys			
	1938	1937	1938	1937	1938	1937	1938	1937	1938	1937
Shipments from Texas Stations										
TOTAL	12	9	---	---	42	64	6	11	97	143
Intrastate	1	4	---	---	---	1	---	---	50	49
Interstate	11	5	---	---	42	63	6	11	47	94
Interstate Shipments Classified										
New York	7	---	---	---	13	19	2	1	11	7
Illinois	---	---	---	---	---	2	---	1	10	20
Massachusetts	1	2	---	---	5	7	3	5	---	1
New Jersey	---	---	---	---	11	11	1	2	4	1
Pennsylvania	1	2	---	---	8	12	---	2	---	2
Louisiana	---	---	---	---	---	1	---	---	4	25
Connecticut	---	---	---	---	3	1	---	---	1	---
Missouri	---	---	---	---	---	---	---	---	---	8
Georgia	---	---	---	---	---	---	---	---	3	2
California	2	1	---	---	---	---	---	---	5	6
Alabama	---	---	---	---	---	---	---	---	1	3
Florida	---	---	---	---	---	3	---	---	2	4
Rhode Island	---	---	---	---	1	1	---	---	---	---
Tennessee	---	---	---	---	---	---	---	---	3	---
Maryland	---	---	---	---	---	1	---	---	2	---
Oklahoma	---	---	---	---	---	---	---	---	---	10
Nebraska	---	---	---	---	1	---	---	---	---	2
S. Carolina	---	---	---	---	---	---	---	---	1	---
Dist. of Col.	---	---	---	---	---	5	---	---	---	---
N. Carolina	---	---	---	---	---	---	---	---	---	3
Receipts at Texas Stations										
TOTAL	---	---	---	---	---	---	---	---	42	30
Intrastate	---	---	---	---	---	---	---	---	29	30
Interstate	---	---	---	---	---	---	---	---	13	---
Interstate Receipts Classified										
Kansas	---	---	---	---	---	---	---	---	12	---
Missouri	---	---	---	---	---	---	---	---	1	---

NOTE: These data are furnished the U. S. Department of Agriculture, Division of Crop and Livestock Estimates, by railway officials through agents at all stations which originate and receive carload shipments of poultry and eggs. The data are compiled by the Bureau of Business Research.

TEXAS COMMERCIAL FAILURES

	Mar. 1938	Mar. 1937	Feb. 1938	First Quarter 1938	First Quarter 1937
Number	17	7	15†	54	34
Liabilities‖	$248	$101	$153†	$546	$317
Assets‖	$169	$ 32	$ 74†	$326	$145
Average Liabilities per Failure‖	$ 15	$ 14	$ 10†	$ 10	$ 9

†Revised.
‖In thousands.
NOTE: From Dun and Bradstreet, Inc.

BANKING STATISTICS

(In Millions of Dollars)

	March 1938		March 1937		February 1938	
	Dallas District	United States	Dallas District	United States	Dallas District	United States
DEBITS to individual accounts	774	30,531	808	39,754	723	27,933
Condition of reporting member banks on—	March 30, 1938		March 31, 1937		March 2, 1938	
ASSETS:						
Loans and investments—total	489	20,810	490	22,273	486	21,231
Loans—total	231	8,771	217	9,366	232	8,933
Commercial, industrial, and agricultural loans:						
On securities	10	568	*	*	10	559
Otherwise secured and unsecured	137	3,731	*	*	139	3,798
Open market paper	2	418	*	*	2	431
Loans to brokers and dealers in securities	2	680	3	1,305	2	769
Other loans for purchasing or carrying securities	14	605	*	*	14	616
Real estate loans	21	1,150	23	1,157	20	1,158
Loans to banks	*	96	*	81	*	82
Other loans:						
On securities	11	714	*	*	10	713
Otherwise secured and unsecured	34	809	*	*	35	807
U.S. Government obligations	175	7,778	185	8,396	174	8,137
Obligations fully guaranteed by U.S. Government	33	1,156	30	1,199	29	1,159
Other securities	50	3,105	58	3,312	51	3,002
Reserve with Federal Reserve Bank	106	5,755	103	5,173	113	5,627
Cash in vault	11	330	9	346	9	279
Balances with domestic banks	173	1,898	154	1,886	184	2,039
Other assets—net	26	1,285	29	1,350	27	1,330
LIABILITIES:						
Demand deposits—adjusted	393	14,268	392	15,126	400	14,381
Time deposits	130	5,218	120	5,144	130	5,260
U.S. Government deposits	26	696	12	353	21	673
Inter-bank deposits:						
Domestic banks	170	5,083	176	5,462	182	5,384
Foreign banks	*	355	*	453	*	368
Borrowings	*	11	*	6	*	5
Other liabilities	5	827	6	903	5	805
Capital account	81	3,620	79	3,581	81	3,630

*Not available.

NOTE: From Federal Reserve Board.

Debits for the Dallas Federal Reserve district during the first quarter were $2,507,167,000 compared with $2,609,791,000 for the same period in 1937. Debits for all Federal Reserve districts during the first quarter of 1938 were $100,001,608,000 as compared with $126,896,228,000 for the same period of 1937.

ANNOUNCEMENTS

The following organizations will hold conventions in Dallas during the month of May:

Retail Merchants Association of Texas, May 22–25.

Texas Cotton Growers Association, May 29–June 1.

Southwest Compress and Warehouse Association, May 29–June 1.

Associated Retail Credit Men of Texas, May 22–25.

Texas Retail Credit Bureaus, May 22–25.

United States Wholesale Grocers Association, May 8.