

The Monthly BUSINESS REVIEW

Covering business and industrial conditions in the Fourth Federal Reserve District

FEDERAL RESERVE BANK of CLEVELAND

D. C. Wills, Chairman of the Board

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If any doubt remains as to whether or not the business outlook is growing brighter, all that is necessary to dispel that doubt is to read a few of the many encouraging reports received this month from men who are in close touch with the situation. The best part of it is that the reports are conservative. A few months ago when business prospects were clouded the reports certainly were not colored to reflect conditions any better than they were, as pessimism was then prevalent. Now, however, a big majority of our correspondents feel that they can report in a more optimistic vein and have their reports substantiated by facts.

Of all the intricate mechanism in business, the human machine is the most sensitive. It quickly reacts to rumors good or bad. But the state of mind of the country as a whole is more stable. It has a tendency to run in a pretty well defined channel, even though such a channel in the past may have led too far. People now believe that better times are ahead, and it will require something more grave than is in the business horizon now to change that idea.

A feature of outstanding importance in the reports last month was that stocks quite generally are low. This is even more in evidence at the present time. Indeed it is difficult to pick out any particular industry where the buying is not reported to be on a hand-to-mouth basis. This is the strength and hopefulness of the revival going on in many lines of business. The movement is continuing despite decreases in inventories and without any stocking up program in evidence.

That a time is approaching when hand-to-mouth buying will change to that of purchasing for business in prospect instead of only for present orders, there is no doubt. No general statement can be

made in prediction when that time will arrive. Part of the sea, at least, is safe, and boats can now travel there confidently. The rowers of the boats will know when the waves have subsided on that part of the sea not yet entirely calm.

One of the interesting developments of the past few weeks is the decided improvement in the motor truck industry. Tire manufacturers advise us that many motor trucks which have been idle for the last year and a half are now going into commission. Aside from the direct benefit of truck tire sales, this is a very decided indication of the increase in the general volume of business.

Notwithstanding that the almost unanimous opinion of those business and financial leaders in this district that write to us every month now is one of optimism, we are keeping in mind the coal strike scheduled for April 1 and a few other factors of an interesting character which are capable of interrupting the progress of a return to normal business. Bankers, merchants, and manufacturers will therefore keep their houses in order, first: to take advantage of all desirable business that presents itself to them, and second: to maintain such economy and efficiency of operation as will insure continuance in business even though there may be temporary interruption in the upward swing now under way.

The kind of optimism we recommend is described by one of our correspondents as the kind of optimism he possesses, being most enduring, but of the perennial rather than the night-blooming specie.

Progress never has and never will result from spasmodic jumps in business, but it would appear that a conservative and yet broader outlook can be taken of business today.

City Bank Loans Show Further Drop; Decline in Country Bank Borrowings Less Noticeable

The demand for accommodations from both city and country banks for the past month ending March 20 showed a slight fluctuation, but as was the case

last month the general tendency has been downward.

The city banks led in the decline, the drop in

ON PAGE 12 APPEARS A STORY OF THE COLLECTION DEPARTMENT OF OUR BANK.

rediscounts from February 20 to March 20 being approximately \$14,000,000. The high point in city bank borrowings for the month was reached on February 25 and the low point on March 16. Loans to city banks on March 20 showed a slight increase, but so far no particularly heavy demand has been in evidence as a result of income tax payments.

The decline in country bank borrowings has not been so marked as that of the city banks, and for the month ending March 20 amounted to about \$500,000. The high point in borrowings for the month was also reached on February 25, as was the case with the city banks, but the low point came on March 2. There are indications that preparation for spring crops and the buying of stock for grazing, will necessitate some additional borrowing on the part of banks in agricultural sections.

The reserve ratio of the Federal Reserve System showed a very slight increase during the past month. On February 20 it was 78.7 per cent and on the 20th of this month it stood at 79 per cent. The reserve ratio of this bank for the month has also shown very little change. On February 20 it was 78.5 per cent, and on March 20, 78.7 per cent.

Based on reports from 17 large savings banks and trust companies in the Fourth Federal Reserve District savings deposits at the end of February, 1922, were 5.4 per cent less than on the same date in 1921, and 0.3 per cent less than on January 31 of this year.

Iron and Steel Buying Spreading Out; Pig Iron Production Gains; Steel Prices a Little Firmer

Business in iron and steel has continued to develop and there is substantial ground for the statement that the situation is the most hopeful in more than a year. During the past month buying has spread out in a number of directions where it was only done lightly or not at all in the recent past. This is furnishing indications both of a gradual expansion of business activity in various lines and also of better confidence. Symptoms of the stronger faith in the outlook are shown by the resumption in some degree of future contracting in steel supplies, principally by the manufacturing consumers for at least three months ahead and by more liberal purchases by jobbers to replenish depleted stocks.

A firmer belief that prices are substantially at the end of the liquidating movement is influencing the return of buying of this character.

Generally the broadened activity of the demand for steel can be attributed to the miscellaneous requirements of a wear-and-tear order, plus certain definite classes of buying for renewals and expansions such as is to be noted from the railroads, in general building construction, etc.

The railroads continue to be the market's principal buying factor in the way of tonnage. This

Dealers' comments on the acceptance market for the past month were that during the earlier part of the month bills were offered quite freely and indications showed general improvement. As the month progressed the demand fell off until there was very little activity. Near the middle of the month brokers' portfolios were well filled and there was ample variety to meet the demand. There was a preference shown for the short time bills. During the last ten days rates dropped from 4-4½ per cent to 3½-4 per cent.

From our own observations the supply of bills was somewhat improved over the previous month. Generally speaking the supply was in excess of the demand in this District throughout the month. The market was very dull during the entire month. Rates from 4-4½ did not appear to attract buyers of this District, and when these rates dropped during the last week to 3½-4 per cent, very few bills moved.

Bills offered in the market were based on storage of pig iron, crude oil, grain, steel; domestic shipments of coal and wool; importations of wool and woollen rags and coffee and paint exports.

Although borrowings in this District have continued to decline and deposits show no material change, the market has not improved, indicating that funds are being diverted to other uses at more attractive rates. The dealers have been carrying somewhat larger portfolios during the last month than usual.

is illustrated by the fact that total orders for freight cars placed by the railroads during the first two months of this year totaled approximately 26,000 which is as many as were ordered throughout the 12 months of 1921. From 10,000 to 15,000 cars in addition now are in the negotiation stage. Other forms of railroad buying are keeping up well and a number of new construction undertakings are appearing from this source. The farming implement situation looks better than seemed possible only a few weeks back and indications are that the manufacturers will be called upon to map out considerably larger production programs for the next year than was anticipated. The automobile industry through its increased activity is providing the mills with a growing amount of tonnage in certain lines.

Mill bookings have been better in the Chicago and middle western districts than in the east, because of the fact that the main buying that has been done has been centralized in the former territory. Eastern tonnage, however, is also showing a substantial growth. Some of the western mills have been entering orders several times larger than the average rate of 1921 and it is necessary to go back to the fall of 1920 for an equal com-

parison. Operations have been steadily raised on all sides until the average for the country at the middle of March was substantially 60 to 65 per cent of ingot capacity. The output of the steel-works in February was at the rate of 26,810,000 tons annually, compared with 22,640,000 tons in January. This represents a rate of 61.5 per cent of the maximum yearly production on record, that of 1917. Pig iron production as compiled by *The Iron Trade Review* in February showed a further gain in the daily output from 53,090 in January to 58,220 tons, representing the seventh consecutive monthly increase. The daily rate of production of pig iron in February was the largest since February, 1921. Due to the smaller number of days, however, the total figure in February was less than for January. February production totaled 1,630,180 tons compared with 1,645,804 tons in January. The number of furnaces in blast at the end of February was 139, a gain of 12 in the month.

Prices of steel show a firmer undertone, particularly after the lower figures which the market has recently witnessed as a result of a selling drive carried on by certain of the independent mills. In this campaign prices on plates, shapes and bars, were cut from \$2 to \$3 under the previously established minimums. These mills having accumulated a round tonnage of business recently withdrew their lower prices and established their schedules at \$2 higher than the general market basis prior to their period of intensive selling. A number of the other independent mills have followed this

example. The Steel Corporation and certain other mills, however, continue to quote the levels which they have been pursuing for some months, so that until these producers definitely raise their schedules the market cannot be considered as having undergone an actual advance. It is clear, however, that the situation in various products is firmer than it has been for some time and that concessions are less freely granted by the producers or expected by buyers. The market composite of 14 iron and steel products compiled by *The Iron Trade Review* reflects this situation by its more stationary character. The average for the week of March 15 was \$32.87, compared with an average of \$32.86 in February, \$33.45 in January, \$33.99 in December and \$27.93 in March, 1913. The high point of the market was October, 1917, with an average of \$89.69.

The pig iron market has been considerably more active starting from about the middle of February. Total sales for February by some leading merchant producers were the largest since April, 1920, and shipments have been keeping up in like proportion. A similar situation is reported by most of the furnaces. The volume of business in March has been well sustained. Prices are a little firmer in spots especially where the competition from steel-works furnaces, which has been a disturbing factor in recent months, is now disappearing because of the fact that these latter producers are requiring more metal for their own purposes.

Lake Trade Looking Up; Ore Stocks at Lake Front Decrease; Coal Carriers Take on Cargoes

The lake trade continues to look up and while little business has been lined up for the coming season there is a better feeling all around. With a steady increase in the number of furnaces in blast, more ore is being used, and in some cases pig iron is being shipped faster than it is being produced. The movement of ore from the Lake Erie docks to the furnaces is still light and no improvement along that line is expected until April 17, when a cut of 20 per cent will be made in the rail rate and handling charges at this end of the route. Most of the plants have a good supply on hand and will only take forward ore that is needed for mixtures. Although shipments from dock have been small since January 1 there is less ore in store at the lake front than there was a year ago. On March 1 the stocks were 8,057,958 tons and on the same date in 1921 the docks were holding 8,699,284 tons.

The indications are that the buying movement will be slow in starting but the general opinion is that shipments will show a good increase over 1921 when the fleet only moved 22,300,726 tons of

ore. According to estimates of shippers the mines in the Lake Superior district will send forward between 35,000,000 and 40,000,000 tons and some men in the trade are quite confident that the top figure will be reached. The increase over last season will furnish employment for considerable tonnage and more railroad equipment will be required in the trade. The start will be slow and little if any ore will be shipped in April.

Grain for opening shipment is being offered, but little chartering has been done lately as some of the vessel men will not take business that will force them to send their boats out at the opening. Stocks at Lake Michigan ports, Duluth, and Fort William, are heavier than they were a year ago and the trade will take care of considerable tonnage. There is a large amount of grain stored in boats at Lake Michigan ports. The holding time on some boats that have storage cargoes at Lake Erie ports has been extended from April 1 to May 1, and one boat that is at Cleveland will hold her cargo until May 15.

Improvement in Manufacturing Lines Continues; Probably Less Marked Than That Noted Last Month

A month ago reports from our correspondents on manufacturing conditions throughout the Fourth Federal Reserve District quite generally indicated a decided improvement. That this improvement has continued in a conservative way is shown by many of the reports this month, but it is doubtful if the betterment measures up to that of a month ago.

Present automobile production is looking better than it did a year ago, and there is a pretty good feeling in the trade. As is customary at this time of year plants are increasing their output. Production in Fourth District plants is increasing and this is also true of the output in the United States. The buying by the dealers is made pretty generally against sales rather than for stock.

The following interesting figures compiled by the Automobile Chamber of Commerce show the total registration of cars in the United States for the last year of each of the five-year periods covering the last 30 years, and for the year 1921:

1895	300
1900	13,824
1905	77,988
1910	468,497
1915	2,445,664
1920	9,211,295
1921	9,245,195

The motor truck industry is steadily improving. Orders are showing some increase and the feeling among branches and dealers is very optimistic. Buyers are still conservative and up to this time are ordering practically nothing for stock. Rather there is a strong tendency to carry an absolute minimum and trust to manufacturers to make prompt shipments. The improvement of conditions in the grain belt is reflected directly in collections and in the general tone of the market in those sections.

A definite change for the better has taken place in the automobile body business. A large local plant is now running at capacity. While most of the business is for the purpose of balancing inventory or for temporary stocks, the volume of these orders is gradually increasing, and it is encouraging to note that some of the inquiries received indicate a preparation for heavier buying.

The automobile axle business has changed little during the past month. Buying is largely for immediate requirements and the schedules for months ahead such as manufacturers formerly worked on, are lacking. It seems to be the consensus of opinion at the present time that business is running near the level of last year in volume.

During the months of January and February a special effort was made in the storage battery business to increase sales, which are usually quiet at that time. This effort was for the purpose of

avoiding the peak which occurs in March and April. It is an indication of the condition of stocks as well as the frame of mind at the service stations, that this plan was carried out successfully. Sales at the service stations appear to be greater than they were a year ago. New business is coming in from the rapid growth of the radio.

The encouraging developments of the past months in the paint industry, are continuing. Manufacturers are enjoying a big increase in sales over the corresponding period for last year. Orders are more diversified and the goods are being ordered in larger volume than for many months. Business in the dealers trade throughout the United States is showing a marked improvement, and this is true not only in the manufacturing centers, but also in the agricultural sections. The increase in the volume of orders from the manufacturing trade is particularly noticeable in automobile lines, structural iron, metal lath, and the furniture trade.

In the hardware manufacturing business there does not seem to be much change in the situation. Quite a large number of orders are still coming in, but they are still showing the same kind of conservatism that has been in evidence for some months back.

No particular change has been noticed in the cork industry during the past thirty days. Buyers, as a rule, seem to be placing orders a little more freely. Prices are low and do not show any tendency to stiffen.

In the printing and lithographic ink business a manufacturer sees an improvement over conditions existing twelve months ago, but nothing very marked in the improvement. As compared with the same period a year ago there is a better outlook in the line of printers' supplies, but on varnishes, carbon papers, typewriter ribbons, etc., the demand has fallen off.

In the tool manufacturing line customers are buying tools as they need them, and are balancing up their stocks but not enlarging them.

The trade situation in the farm machinery line has not changed to any great extent. The reports from the agricultural sections, however, are growing more favorable, and a little spring demand is now in evidence.

A large hydraulic pressed steel concern reports very definite and positive business improvement in all of their plants. However, customers are still ordering closely to their needs.

Plate glass business is very good. The demand is scattering and glass is being purchased for immediate use. This is looked upon as buying of a very good character as no glass is being bought for speculative purposes.

Production of Crude Oil Increased During February; Gasoline Stocks Held By Jobbers Light

An encouraging sign that the revival of industry is proceeding, is seen in the oil industry. There was a slight increase in demand during February for steam cylinder oil and other products used almost exclusively in mills and manufacturing plants. The viscous neutral oils used chiefly in the manufacture of motor oil also strengthened considerably. Stocks of gasoline were low at all the independent refineries, making it possible for the refiners to hold their current output, and they showed a tendency to do this because of the evidence of a strong demand for gasoline during the spring and summer. Authentic figures on stocks at the end of February are not yet available, but it is likely that lubricating oils showed an increase during February, and it is certain that stocks of gas and fuel oil increased, largely due to very slow demand. Kerosene also moved slowly during the last month, the usual seasonal demand failing to develop during the past winter.

Prices of refined products during February were on an ascending scale as compared with January but the increase was very slight. Uncertainty on the part of the jobber who retails to the public, as to whether or not there would be further reductions in prices of crude oil, has led him to hold off on purchases for spring and summer business. The export demand showed little, if any, improvement over January.

None of the refineries that were reported shut down in January, resumed operation in February and more of them suspended activity in that month. This fact has kept down the out-turn of refined products which, rather more than increased demand, was responsible for strengthening prices in February.

Uncertainty as to the stability of crude prices at their present level is still a dominating factor in keeping buyers of petroleum products out of the market. The unwillingness of the big purchasing companies who set the price of crude at the wells, to reduce the present posted prices, seems to be indicated by the fact that these companies are erecting large steel storage tanks for crude, to accommodate the surplus which they purchase. One of these big companies bought during February, more than 3,000,000 barrels capacity of steel tankage which it is erecting in the Mid-Continent field. It is believed in the industry that reduction in the posted price of crude at this time would tend to discourage the producers, and cause them to slow up their operations this summer, with a tendency to curtail the available supply when it will be most needed.

However, the development of production in the flush pools in the Mid-Continent field is increasing the daily average week by week, so that the excess of daily production over consumption by refineries, is now something like 200,000 barrels a day, and this amount is being run to storage.

The jobbers over the country all winter have been buying gasoline only for current needs instead of filling their tanks during the winter season as has been the custom for years before. The reason for this was that further reductions in the price of crude were expected. For this reason jobbers find themselves in a position now of having empty tanks with the summer's business before them. Many of them each week are approaching refiners, seeking to contract for their year's supply at a margin three and a half cents to four cents below the tankwagon price prevailing in their territory during the life of the contract.

One of the most significant recent events was the advance of 25 cents a barrel on Mexia crude posted March 17 by a refining concern. This brings it to \$1.50 a barrel. This advance is attributed to the fact that the company found it necessary to meet the price which is being paid by others.

An important development in the producing end of the industry is a well completed in the Currie region estimated at 1 to 3 thousand barrels initial production. This calls renewed attention to this area which was regarded as highly important some months ago when the first well completed there made better than 300 barrels. A check-up by the *National Petroleum News* of drilling wells there, has revealed evidence of a possible fault line such as governs the big accumulation at Mexia, and if this theory is borne out, another highly flushed pool may be reckoned with, with the result of a large increase of daily production.

While the daily production of crude oil over the country increased largely during February, the imports of crude from Mexico fell off about 2,000,000 barrels, the total imports during January being about 18,000,000 barrels as against approximately 15,000,000 barrels for February.

Leading oil geologists of the country in convention in New York late in February, estimated that production from Mexico is likely to reach an almost negligible amount by June 1 and the industry believes this will have its effect toward stabilizing domestic crude. In fact, the increase in the posted price of Mexia crude is attributed in a large measure to the need of eastern standard refineries to find a new source of raw material as a substitute for the Mexican crude on which they have been operating, and which is now beginning to decline.

Canning Industry Shows Marked Improvement Over Last Year; Food Product Salesmen Feel More Confident

The canning industry is realizing a fair share of the improved conditions in evidence throughout the country. While the sale of canned foods continues in a conservative way and quite generally in small quantities, the aggregate amount of such sales shows a very marked improvement over a few months ago.

The sales of the new pack, or that for 1922, are reported by a large canner to be very gratifying. A year ago the wholesale distributors were very reluctant about making future purchases. This year they are buying in satisfactory quantities.

Stocks of canned goods in jobbers' warehouses are low and buying for replacement is more noticeable than it has been for some weeks. Men in the industry believe there is not enough goods in the canners warehouses to last until the packing season for this year begins.

"Canned Food Week" which lasted from March

1 to 8, covering the entire United States, was an eminent success. Large quantities of canned fruits and vegetables went into the hands of the consumer.

Prices of the three staples, corn, peas and tomatoes, have advanced some within the last week but to no large extent.

The satisfactory conditions in the food products industry which have been in evidence for some months, are continuing. Business in February is reported as being exceptionally good. Salesmen are growing more confidence and feel that the "bad spots" in their territories are gradually improving. Collections in this direction are not quite so good as they were last month, as some merchants are having difficulty in meeting their obligations.

Tin can manufacturing business is good, but there is no particularly strong buying demand on the part of the trade at present.

Building Wage Agreements Still Clouded; February Permits Show Gain

On account of the unsettled condition in the building situation, due to local strikes, it is difficult to give a definite summary at this time. Aside from this uncertain factor, reports for the most part indicate very satisfactory building prospects when the spring operations get under way.

Reports from thirteen of the larger cities in this District on building operations for the month of February, show an increase in total valuation of \$1,533,372 this year as compared with 1921, or 24 per cent. Reports from the same cities for January

showed a decrease of \$29,799, or 0.5 per cent.

The total value of construction permits issued in 141 cities of the United States as reported by *Bradstreet's* for February was \$122,684,719, which compares with a total of \$129,555,404 for the same cities in January, and with \$73,882,628 in the month of February, 1921. This is a gain of 66 per cent over February last year.

In another part of the *Review* may be found a table showing building operations in the Fourth Federal Reserve District for the month of February.

Situation in Paper Industry Shows Little Change; Stocks Low; Pulp Mills Run Slow

January was a very poor month for the paper industry. February brought quite a noticeable improvement, but reports this month do not indicate that the trade has continued the favorable movement shown a month ago.

Orders to the mills making fine paper are not quite so heavy this month as they were in February, but wholesale paper dealers seem to be doing a little larger business which means more orders for the mills.

Many of the orders coming in are for very small tonnage and for the most part are for the replenishment of depleted stocks. It is the belief in the trade that all stocks in the hands of distributors and consumers are low. Manufacturers are not in favor of an unjustified spurt in buying to fill up depleted stocks or to meet printing orders, but they prefer rather to see a gradual increase in the size of orders being placed.

Business in the different grades of fine paper,

writing tablets, envelopes, and box stationery, has continued in fair volume. There is also a good demand for paper used in making magazine covers and for direct mail advertising.

According to a report of the American Paper and Pulp Association, an increased use of wrapping paper is made possible by a change in the rulings relative to the express shipments of packages wrapped in paper. The new rule specifies that the maximum weight of paper-wrapped packages, which to date has been 25 pounds, shall hereafter be 35 pounds.

Pulp mills are running far short of capacity and unbleached pulp is selling at a low price. Bleached pulp is firmer in price than unbleached.

Conditions in the paper box board industry have not changed materially from what they were a month ago. The demand from confectioners is picking up as that trade is now getting ready for the Easter demand.

Rubber Industry in Good Position; Business in Mechanical Rubber Goods Picks Up; Sales of Truck Tires Increase

The forward movement in the rubber industry that started several months ago is continuing in a satisfactory manner, especially when the season of the year is taken into consideration. While there has been no marked increase in output this month in comparison with the past few months, an estimate of the advance can be gained by comparing the present output with that of a year ago.

Official figures show that during March, 1921, a total of 1,163,000 tires were made in this country, while unofficial but reliable estimates show that during the present month production in the Akron district alone will exceed 1,500,000 tires.

Reports that many pleasure cars and trucks which were idle last year are going to be put into operation again, are numerous.

There has been more activity in the automobile truck tire field during the past month. One company which introduced a new combination pneumatic and solid truck tire a month ago, reports that sales have been very gratifying.

Sales of mechanical rubber goods have increased and the late winter season has brought out a larger number of drug sundry orders. The improved condition of the lumber industry has resulted in more buying of boots and shoes by the lumbermen working in the forests. This is also true of the agricultural sections of the country and is becoming

more evident as the farmers prepare for the spring work.

In the periods of good weather within the past few weeks, car owners have started to "tune up" their machines and purchase new equipment. As spring advances the merchandise on the dealers' shelves is moving more rapidly which in turn means the placing of replenishment orders. Some replenishment buying is now in evidence but not sufficient to create much change in the sales volume.

An encouraging feature during the past thirty days is the noticeable improvement in western agricultural districts. Dealers in these sections are placing stock orders, indicating that their inventories have been liquidated.

At present the fabric market is very dull. Most of the mills report only hand-to-mouth buying in the middle west, but some better buying has been reported in the east.

The *India Rubber Review* states that with the bottom reached not only in market prices but amount of material carried, it is doubted if further reductions will be registered in the current assets of the rubber companies. The remarkable feature of the entire industry is the losses which have been taken by a comparatively new industry with as little resulting disaster as occurred in the industry during the past year and a half.

Little Change in Textile Industry; Spring Activity in Fancy Knit Goods; Re-orders Slow in Underwear Business

Conditions in the wool textile business do not appear to be very well in line with the upward trend in industry throughout the country. Quite a lot of textile machinery is idle and the trade is not expecting any immediate improvement. The textile business is largely seasonal, and the orders for the heavy-weight season, which is next fall, up to this time have been very light.

The men's clothing industry appears to be between seasons at this time, although the last week or two seems to show indications of the opening up of retail business with a noticeable demand for certain kinds of goods. It is still too early to decide the true character of the season, except in the south and southwest.

Manufacturers are looking not only to the final development of the spring season but in two or three weeks will have their salesmen out with fall lines. It is expected in the trade that fall bookings will depend to a certain extent upon the amount of spring business retailers will have done by that time, as a reasonable volume of spring business will naturally encourage fall buying.

One of the principal activities in the fancy knit goods end of the clothing industry, is in spring goods for immediate delivery, as jobbers stocks are

light. Jobbing buyers have not as yet bought much for next fall, and in cases where they did, the quantities were very small. Jobbers at present do not appear to be very anxious in regard to re-ordering goods. Re-order goods are those ordered when it is found that the supply of goods obtained earlier in the year are not sufficient to meet the demand from the consumer.

In the knit underwear business when the selling is direct to jobbers, the sales are made about a year in advance of the time the underwear is required. Since the selling season for next fall has practically closed, and as it is yet too early to sell for spring, 1923, the chief interest at present is in orders for immediate delivery. Advance bookings for fall have been very satisfactory, but spring re-orders for immediate delivery have been a trifle slow.

In the union suit trade, agricultural conditions have checked the buying ability of the people in the farming sections. Iron working localities have not bought with any enthusiasm. Coal mining districts have been fairly active in buying, and a very satisfactory demand has been coming from the east. The Pacific coast trade has been reasonably good and above the average. As a whole, there appears to be a much better feeling in this trade than there was a few months ago.

Further Improvement Shown in Transportation Situation; Railroads Order More Cars

Since the turn of the year there has been a consistent decrease in the number of idle serviceable freight cars throughout the country. The month of March is unquestionably showing a considerable improvement over January and February of this year in the amount of traffic moving. A part of this improvement, however, is seasonable and cannot be taken entirely as an indication of the permanent recovery of business. A part of the increased car loadings is due to preparation in case of a coal strike, and to the fact that some cars are being used for the storage of coal.

The following figures show the decrease there has been in the total number of idle serviceable freight cars since the first of the year: December 31, 470,-

516; January 31, 330,681; February 28, 245,100.

As compared with January 1 figures, the number of cars awaiting repair on the railroads of the country has also shown a decrease. On January 1 there were 313,190 bad order cars. On the 28th of February the number had decreased to 272,867.

During the week of February 25, 1922, all the railroads in the United States handled 735,286 cars of revenue freight as against 659,642 in the corresponding week in 1921, and 783,295 in 1920.

According to *The Iron Trade Review*, railroad cars ordered in February of this year amounted to 14,520 bringing the total for the first two months to approximately 26,000. This represents as many cars as were ordered in the whole year of 1921.

Seasonal Inactivity in Common Brick Plants; Interest Shown in Home Building; Hollow Tile Shipments Increase

While conditions in the common brick industry have shown little change since last month the tendencies throughout the industry are steadily growing better.

The office of the Common Brick Manufacturers Association of America is receiving an average of approximately 1,000 inquiries a week in response to its national advertising. This is the highest volume in any period in their campaign and indicates a greatly increased interest in home building. In the architectural department, the demand for the working drawings and specifications for small brick residences are greater than at any time since the serv-

ice was established.

This is the season of the year when many of the brick plants are closed down on account of weather conditions, but when the spring building season opens, the trade is anticipating a better demand than at any time during 1921. Stocks, as a rule, are heavy.

The hollow building tile industry was very quiet during January and February, due largely to seasonal inactivity. At present, prospects are looking brighter, and one large concern reports shipments for March largely in excess of the same period for February.

Reserve Stocks of Soft Coal Growing; Output Gains; Beehive Coke Production Increases

A greatly improved demand for soft coal has been in evidence for some time, due to the expectation of a coal strike on April 1. At the present time there are slightly more than half of the mines throughout the country under union control. The non-union mines are capable of producing about half enough coal to supply the needs of the country at the present rate of consumption. Taking this into consideration together with the fact that consumers have added materially to their reserve stocks, it is apparent that a strike would not result in an immediate tie-up of industry.

On January 1 of this year there were approximately 47,500,000 tons of bituminous coal in the hands of consumers and around 7,200,000 tons on the upper lake docks. Since that time production has exceeded consumption and exports, and much of the surplus has been going into storage.

According to a late report of the United States Geological Survey, the production of soft coal continues to increase. The output during the week ended February 11, is placed at 11,058,000 net tons,

an increase of 505,000 tons over the week preceding. A further increase of 2,000,000 tons a week would be necessary to raise the current output to the level attained just before the mine strike of 1919. The present production is running very similar to that of last September and October, when consumers were purchasing in anticipation of a possible railroad strike. The output of soft coal for the week ended February 11 was around 10,326,000 tons.

Final statistics of shipments of anthracite coal during the month of February indicate a total production of 6,762,000 net tons, an increase of 8 per cent over January.

Production of beehive coke continues to increase. It is estimated that the total output in the week ended March 11 was 154,000 net tons, an increase of 11,000 tons over the week preceding. Current production is rapidly approaching the level of the corresponding period a year ago. To equal the weekly output in 1920, however, the present rate would have to be trebled.

Grain Reserves Below 1921 Peak; Much Burley Tobacco Has Been Sold

There is evidence of more satisfaction in the farming business and the better feeling in the agricultural sections is steadily gaining ground.

Some winter wheat has been killed due to the lack of snow covering, but the damage up to this time has not been very heavy. Near the first of March the damage was estimated at 10 per cent and on the 14th it had increased to 14 per cent.

According to the report of the Ohio Department of Agriculture the amount of grains still remaining on Ohio farms is much below normal. There are about 63,700,000 bushels of corn as compared with 80,000,000 bushels last year and 64,000,000 bushels two years ago. Farmers still hold a little less than 7,000,000 bushels of wheat as compared with more than 9,000,000 bushels last year and 11,000,000 bushels two years ago. Oats stocks on farms are barely half as large as a year ago and now stand at 14,000,000 bushels as compared with 31,000,000 bushels a year ago and 16,000,000 bushels in 1920.

The Government report for March 1 this year shows that in the United States the corn on farms amounts to somewhat more than 1,300,000,000 bushels as compared with almost 1,600,000,000 bushels a year ago—the largest corn reserve on record.

The United States farm wheat reserves are estimated at slightly more than 131,000,000 bushels this year as compared with 217,000,000 bushels a year ago. Oats supplies are 404,000,000 bushels as compared with 684,000,000 bushels a year ago.

The Ohio average corn price now stands at 55 cents per bushel. Last year it was 60 cents and \$1.45 two years ago. The state average of wheat is \$1.29 as compared with \$1.70 last year and \$2.31 in 1920.

The Burley Tobacco Growers' Co-operative Association has continued to operate in a very satisfactory manner. It is now evident that the crop is not heavy and a large share of it has already been delivered to the Association. A large proportion of the deliveries has been sold by the Association, although some tobacco has been put into hogsheads and is in storage. The loans of bankers and business men amounting to over \$5,000,000 which were made at the time the Association started its operations, are being repaid from the returns received for tobacco which has been sold.

The War Finance Corporation indicated their willingness to lend up to \$10,000,000 to the Association, but it appears that the Association will not need to avail itself of more than a part of this sum at the present time.

The independent sales have been practically completed for the season.

The campaign for the organization of an association among the growers of dark tobacco in western Kentucky has been actively started this month, and is meeting with a very favorable response. It is the intent to have this organization completed in time to handle the 1922 crop.

A Special Survey On The Making Of Clothes

Just about three-quarters of a century ago Elias Howe reversed a time-honored custom by threading a needle through the point instead of the blunt end. He invented a machine that would drive the needle through the cloth, to take the place of the old-fashioned method of pulling it through by hand and revolutionized the making of clothing. To the sewing machine can be attributed the remarkable development of the manufacture of ready-to-wear clothing into a giant industry, capable of supplying the average family with practically every article of wearing apparel it requires.

Until the early part of the 19th century, all clothing was made to order. The process was very slow. The sailors who made port at some of the towns along the New England coast did not have time to wait for made-to-order clothes, so a merchant who had dealings with them hit upon the plan of making up a stock of suits. It is said he made them all of one size which, no doubt, caused considerable inconvenience to some of the wearers, but the plan worked out so successfully that soon other merchants were following it. In a short time small factories were opened up in different parts of the

country. The wholesale manufacture of medium grade ready-to-wear suits was begun in New York about 1835 and by 1840 it was quite generally recognized that the industry was here to stay.

Several important factors aided very materially in the rapid growth of this new business. About the year 1850 the emigration to the gold fields of California caused a heavy demand for ready-to-wear clothes and the industry was given a great stimulus. The use of the sewing machine which increased the rate of sewing to 800 or 900 stitches a minute was also introduced about this time.

During the Civil War many factories were started to supply the demand for uniforms. After the war this equipment was used for the making of civilian clothing and sizes were standardized on the basis of thousands of measurements that had been taken in the course of supplying the soldiers with clothes during the war. The manufacture of women's ready-made cloaks also began about this time.

Great progress has been made in the use of power machinery during the past 30 years. In 1890 only 8 per cent of all establishments making men's clothing, and 11 per cent of those making

women's clothing were equipped with power machinery. Through the use of electric motors the speed of machines has been increased to between 2,000 and 4,000 stitches per minute. Electric power has also been applied to cutting and pressing machinery. Now a ready-to-wear garment can be produced in less than one-sixteenth of the time required by the old hand method.

About 40 years ago the making of women's clothing was started in Cleveland. The industry was so small that it attracted scarcely any notice, and was an outgrowth from New York, the home of the ready-to-wear garment. At that time there was a strong demand coming from the west. The textile industry moved to meet it, partly to reduce transportation charges and partly to be in a better position to meet the needs of the Westerners. Those pioneers could see a great field opening up through the development of the fertile farms, and they wanted to be in a position to take advantage of it. No particularly important reason has been found just why Cleveland was selected for the stopping place, although labor conditions at that time looked very favorable and the transportation facilities were not forgotten. Needless to say the choice proved to be a good one and the move brought results. The infant industry grew and today Cleveland ranks very near the top in the production of women's coats, suits, and skirts. When the size of the individual units, which make a complete circle of the manufacturing operations, is taken into consideration, Cleveland is said to hold first place.

Like the other makers of clothing, Cleveland's earliest manufacturers had only a warehouse where they cut garments from the materials stored there and gave out the bundles of pieces to contractors who, with the help of their family or neighbors, made them up at home or in small shops. When the work was finished it was returned, the contractor receiving so much for each garment, and his workers were paid a certain amount from the proceeds.

With the passing of the years, however, has come a marked change for the better. Leaders in this important industry, who have made a close study of the situation for many years, have found a lot of defects in this system. They say that in order for an employee to do his or her most efficient work, it is necessary that it be done under proper working conditions and that the worker must be happy and contented. This, they contend, is impossible when the work very often is done at night, under poor lighting, and in an uncomfortable shop. While this method of making clothes can still be found in various parts of the country, the firms visited in connection with the preparation of this report, look upon this system with disfavor.

These men are working hard to improve conditions and their efforts have brought results. After a trip through some of our big up-to-date Cleveland factories, it is difficult to realize that such things as sweat-shops and sweating systems are still in existence.

The age of an industry is usually a matter of pride, and yet it may have its drawbacks. In describing their efforts to bring about various improvements in the industry, an executive in one of our leading plants said: "Do you know the making of clothes is probably the oldest industry known to man, and yet for that very reason some of the habits it has formed have become so deeply rooted that it is almost impossible to change or break them? It is usually easier and more successful for an architect to build a new house than to remodel an old one."

But regardless of this there can be no doubt of the progress that has been made. In the modern plants we find none of the antiquated methods but rather a standardization of work that means greater efficiency, and of equal importance, greater contentment.

In place of the old method where one worker sewed on a single garment until it was completed, each person has a special work to perform. The workers are chosen as to their ability, and with practice soon develop speed and skill. Capable supervision, proper remuneration for the work, and the near-human machines, all play an important part and enable the many operations to be carried on with a speed and exactness that is truly amazing to the visitor. Under the new system the individual responsibility of each company tends to improve the quality of the product.

Garment making may be divided into five principal kinds of work: designing, cutting, sewing, pressing, and examining.

The designer is the autocrat of the garment industry and the success of his employers depends largely upon his ability to gauge and satisfy the whims and fancies of the purchasing public. His duties are threefold,—to develop the style for his company, make the patterns by which the garments are cut, and plan these so as to avoid any unnecessary waste of cloth.

Far in advance of the season it is necessary to determine the lines that are to prevail, the fullness of the coat, the length of the skirt, etc. A sample suit is made, and if it meets with the approval of the management, a master pattern is made for the use of the cutters.

There is a wide difference in the designing of men's and women's garments. Men's clothing changes very little from year to year and has gradually become standardized along certain lines. The result is that more attention is given to comfort and correctness of line, than to novelty.

Novelty is one of the main requirements in women's garments, and the designer has a difficult job on his hands, to produce styles that will please the buyers, and at the same time be economical in the use of materials and labor. Styles change so rapidly that a designer must be very wide awake to keep his firm in step with them.

The following figures give some idea of what it means to please the public: The year is divided into two seasons—spring and fall. In one season

the designers may work out 200 different clothes models. These models made up into five different cloth colors would mean 1,000 models. Seven standard sizes would increase the number to 7,000. Then taking the two seasons of the year into consideration, another 7,000 would be added which means 14,000 models in a single year.

Since the styles change so rapidly a garment held over means rapid depreciation in value. Although it is necessary to have enough goods on hand to supply the needs of the customers, a part of the danger of overstocking can be avoided in the following manner: Before the season starts, salesmen are sent out with samples of what the styles are going to be. The buyers may not order a complete line of goods and by watching the fancies of the public closely, they soon find what particular styles are going to be the "big sellers" for the season, and then send in re-orders. It is very interesting to note in this connection that Cleveland concerns were among the first to start the policy of sending salesmen on the road rather than wait for buyers to come to the factories. The latter system meant two rush seasons with factories unable to meet the seasonal demand, while with the former method, clothing houses can plan their work ahead and extend it over a greater part of the year.

The cutting process is an important one. The cloth is first laid flat on the table, one layer when the suits are being cut for individuals, from four to six layers for garments of thick materials, and from 20 to 50 of light woolen materials or heavy cotton. Much skill is required in placing the pattern on the cloth so that the maximum number of garments can be cut from a piece of goods.

From the cutting table the cloth continues its journey through the various sewing operations, where, under the magic of skilled hands, modern machinery, and standardized methods it quickly grows into a finished garment. The sewing operations naturally form the major part of the work in the making of clothes. In one of our factories there is a well lighted, well ventilated room, with about three and one-half acres of floor space. In this room, which is probably the largest of its kind in the world devoted entirely to sewing operations, nearly 800 girls are employed. But regardless of this, the work apparently moves along without a hitch; one does not get the impression of undue haste, and yet the results are there. The bulk of this work is done by machines but some of the smaller and more particular operations must still be done by hand. The requisites of hand work are speed and uniformity, rather than the mastery of a large number of different kinds of stitches.

In the pressing operations, improved machinery is rapidly taking the place of hand work, thus reducing the difficulty and expense of this work.

A final and thorough inspection of the finished garments completes the journey, but the final inspection is not the only one. In the process of manufacture, the garments are carefully examined

at many different stages of their construction, from the raw material to the finished product.

We feel that our report would be incomplete without telling something about the "big family" spirit that is in evidence in the organizations we visited. Employers and employees are working together rather than pulling in opposite directions, and this is something to be proud of.

According to official estimates the three leading cities in the Fourth Federal Reserve District, in the production of men's and women's outer clothing are: Cleveland, Toledo, and Cincinnati. It is estimated that the value of the Cleveland output amounts to around 35 or 40 million dollars each year, that of Cincinnati, 15 million dollars and Toledo, 5 million dollars.

Styles have always been changing in the past and quite probably they always will, but as to what is in store for us in the future there can only be supposition. Here is the opinion of an executive in one of our leading clothing houses, and he has arrived at this opinion after years of study: Not so many years ago our great-grandfathers wore lace on their coats. It was the style at that time and as there was quite a large leisure class, the frills did not seriously interfere with work. But gradually the demands of business became more pressing, and very soon the styles became more conservative. The change was necessary in order that men might keep abreast of the times.

At present the styles of men's clothing have become standardized and about the only relic of the past is the buttons on the sleeves of the coat. Now it cannot be said that a man in a neat-fitting business suit that is cut on fashionable lines, is not well dressed. And yet all the unnecessary frills have been eliminated.

On the other hand, however, novelty is one of the main requirements in women's clothing. But at the same time women are making a rapid advance in the commercial world. Will the invasion of the business world by women eventually bring about a certain amount of standardization in women's clothing, as has proven to be the case in men's wear?

Here the argument, that to deprive women of style also means to deprive them of individuality, comes into play. But after all is it the freakishly dressed woman who is considered well gowned or the woman who is conservatively dressed?

He went on to say that a woman should be the picture, and that she is the picture when correctly dressed. The dress should be only the frame for the picture. A freakish dress is a poor frame and fails to harmonize, and we see the frame rather than the picture. So he feels that a certain standardization in women's dress will add individuality to the modern business woman as she steps forward in the commercial world.

Without attempting to make a prediction as to what will occur in the future, judging by the trend of events at the present time, there appears to be a considerable amount of logic in his statements.

The Story Of Our Collection Department

It is estimated that about 5 per cent of today's business is done with cash. While a large amount of the remaining 95 per cent is made up of checks, and therefore a transit operation, nevertheless the collection items amount yearly to thousands of millions of dollars. To handle this vast volume is the purpose of the far-reaching collection system which is being built up by the banks of the country. Any delay in the collection of these living symbols of big business is a costly penalty against the business of this country, and indirectly against each one of us. One of the accomplishments of the Federal Reserve collection system is to facilitate a more direct and therefore a more rapid payment of collection items.

It is doubtful if the framers of the Federal Reserve Act could have visualized, in the few words of the Act which authorized a collection service, the opportunity that was given to the banks and to the commercial world for an efficient means to collect their paper. Nor is it likely that they could have foreseen the far-reaching scope of this service, the volume of items handled, and the great amount of labor necessary to do this work.

It was not until the early part of the year 1917 that the Member Banks began in any considerable volume to use the rediscounting privileges. Some of the paper rediscounted by the Federal Reserve banks was payable in districts other than their own. It therefore became necessary to establish a department devoted exclusively to the collection of maturing paper. This fact, together with the desire to be of further service to our Member Banks, resulted in the establishment of a collection department.

For some time one of the employes of the Discount Department was able to handle without any trouble all the collection items, in addition to his other duties. As the volume of collections handled gradually increased, it was found necessary, in June of 1917, to delegate to one of the employes the various duties of a Collection Department.

At this time the items received for collection consisted almost entirely of maturing notes and bills. With the increase of business came a variety of collections, and during the past year the collections were rather evenly divided between trade acceptances, notes, drafts, and coupons.

The more promptly the proceeds of collection are made available for the banks and their customers, the greater the aid to business in general. The Federal Reserve Bank of Cleveland has a direct connection with each one of its members and with each Federal Reserve bank and its Branches, through which we are in touch with all the Member Banks of the other eleven Federal Reserve Districts, thereby permitting the rendering of prompt and efficient service.

During the past year there were over 274,000 collection items handled, aggregating \$287,000,000. This volume of business included items ranging from two cents to \$543,000. Almost every kind of negotiable instrument imaginable was collected, as well as many curious and novel objects; as for instance, internal revenue stamps "such as were used on cordials, wines, etc.," a draft with a tube of radium attached, keys to a safety deposit box, forged checks, and a draft to which many voluminous pages written in German were

attached, the value of which was supposed to lay in the secrets pertaining to the dye industry.

Quite often some unsuspecting bank sends tobacco coupons to us for collection, while at other times our Collection Department has rendered service in connection with the probating of wills, the proper warehousing of prunes and automobile engines, and the recording and satisfaction of mortgages.

The Collection Department is divided into three main divisions: the City Division which handles only items payable locally; the Country Division which handles only items payable outside of the city, and the Coupon Division which handles bonds, coupons, and some of the miscellaneous items previously enumerated.

The City Division receives for collection on an average of 200 items a day, and their presentation and collection are vastly simpler than the collection of those items which must be forwarded to another bank for presentation and payment.

When we receive these local items, they must either be presented through the clearing house, if payable at one of our local banks, or they must be presented to the payer by messenger.

Since the city is so large, it is manifestly impossible to present collections to business houses other than those which lie in the downtown district. Consequently it is necessary to use the telephone and the mail for the presentation of items in the outlying districts.

At times like these, when there is a tendency for collections to be a little slow, the life of a messenger is not always the most pleasant. Occasionally an irate maker of a note or drawee of a draft will become so incensed over the presentation of his obligation for payment that in a fit of fury he tears the paper from our messenger's hands and consigns it to the waste basket.

There are many times when our collectors approach a prospective payer of one of our collections whose credit rating is not "AA" or "AAA." At these times our collectors wish that the place of business was far removed from the downtown district, as they are often forced to listen to the trials and troubles of present day business.

Let us follow the route of a collection item from the time it reaches our office until it is paid and the proceeds credited to the account of the Member Bank from whom the item was received. For example, we receive from Akron a trade acceptance payable by a business house in Seattle, Washington. The acceptance, upon receipt in this bank, will no doubt be accom-

panied by a letter of instructions, which will be immediately stamped with a time stamp. It will then be passed along to the Collection Department, where it will again have the date and hour of receipt registered upon it.

As the question sometimes arises as to the actual time that a maturing note was received, the time stamp occasionally plays an important part in the Collection Department, for negotiable paper must be presented at its place of payment on the day on which it falls due.

The item is then carefully checked, taking into consideration whether it is to be protested at maturity, whether it is interest bearing before or after maturity, whether documents are attached, and what special instructions have been received regarding its collection.

The item is then routed to its place of payment. Items which are payable in the Fourth Federal Reserve District are sent direct to the town in which they are payable. Other items are sent to the Federal Reserve bank of the respective district for payment.

The acceptance now having been routed will be recorded on the books of the bank. The permanent record will be prepared on a fan-fold typewriter, seven different forms being made at one operation.

The records contain all the information obtainable, such as our number, the bank from whom received, the payer, place of payment, the bank to which sent, the protest instructions, the Member Bank's date and number, the maturity date, the date it was received in our office, the amount, and any special instructions contained in the accompanying letter.

After the records are prepared, they are carefully checked against the item itself. The item with its accompanying letter of transmittal will be mailed for collection to the Seattle Branch of the Federal Reserve Bank of San Francisco.

If the firm at Seattle pays their acceptance promptly at maturity, we will receive a report advising us that the acceptance has been paid. Upon receipt of this in-

formation our records are all stamped "paid" and the necessary entries made in passing the proceeds to our Member Bank's account.

The average volume of outstanding collections is about 5,100 items, representing a total of over \$6,000,000. The larger proportion of these collections will be finally paid however many of them will be returned unpaid.

It takes the time of four clerks to handle the collections unpaid. It is necessary to inspect every returned item with as much care and attention as when it was originally received at this office. It is essential that all documents attached are returned, that the items have been properly protested for non-payment, and that the records of dishonored paper for our Credit Department are carefully prepared.

The bookkeeping necessary to handle the volume of business involved in the payment of collections aggregating \$287,000,000 is, of course, voluminous. Over 500,000 separate bookkeeping entries originated last year as a result of the collection business handled.

The number of employes has steadily increased since 1917. At the beginning of the year 1919 there were ten employes, while on January 1, 1922 there were 69.

One of the most essential requirements of a Collection Department is that the records of each item handled be filed so that they are readily available when necessary. At the present time we have approximately 150,000 records of collections filed in such a way that any one can be secured at a minute's notice.

Although the year 1921 witnessed the failure of a good many commercial enterprises, nearly 85 per cent of the items received for collection were paid, and the proceeds credited to our Member Banks. The Federal Reserve banks made no charge for their services, however, in some instances our collection agencies made a nominal charge, but the total volume of nearly \$287,000,000 was collected with a collection charge of approximately \$8,000.

Debits to Individual Accounts

(In Thousands of Dollars)

	Week End- ing Mar. 15, 1922 (326 Banks)	Week End- ing Feb. 15, 1922 (326 Banks)	Increase or Amount	Decrease Per Cent	Week End- ing Mar. 16, 1921 (276 Banks)	Increase or Amount	Decrease Per Cent
Akron.....	\$ 10,858	\$ 11,446	—\$ 588	— 5.1	\$ 13,485	—\$ 2,627	—19.5
Butler, Pa. *	1,833	2,051	— 218	—10.6	.....	.....	.....
Canton *	5,819	5,787	32	0.6	.....	.....	.....
Cincinnati.....	65,404	53,962	11,442	21.2	73,783	— 8,379	—11.4
Cleveland.....	107,572	114,280	— 6,708	— 5.9	131,769	— 24,197	—18.4
Columbus.....	28,849	45,690	— 16,841	—36.9	25,053	3,796	15.2
Connellsville*.....	995	956	39	4.1	.....	.....	.....
Dayton.....	11,610	11,445	165	1.4	12,875	— 1,265	— 9.8
Erie.....	6,737	5,133	1,604	31.2	6,364	373	5.9
Greensburg.....	4,047	3,464	583	16.8	4,685	— 638	—13.6
Homestead *.....	597	479	118	24.6	.....	.....	.....
Lexington.....	8,246	5,989	2,257	37.7	6,322	1,924	30.4
Lima *.....	3,280	3,301	— 21	— 0.6	.....	.....	.....
Lorain *.....	1,032	989	43	4.3	.....	.....	.....
New Brighton*.....	1,885	1,585	300	18.9	.....	.....	.....
Oil City.....	2,591	2,001	590	29.5	2,625	— 34	— 1.3
Pittsburgh.....	135,431	118,335	17,096	14.4	188,488	— 53,057	—28.1
Springfield.....	4,012	3,285	727	22.1	4,619	— 607	—13.1
Toledo.....	27,492	29,933	— 2,441	— 8.2	25,341	2,151	8.5
Warren, O. *.....	3,295	2,664	631	23.7	.....	.....	.....
Wheeling.....	7,300	5,959	1,341	22.5	7,484	— 184	— 2.5
Youngstown.....	10,642	8,892	1,750	19.7	12,195	— 1,553	—12.7
Zanesville*.....	2,638	2,010	628	31.2	.....	.....	.....
Total.....	\$452,165	\$439,636	\$12,529	2.8	\$515,088	—\$84,297	— 16.4

* Debits for corresponding period in 1921 not available

Comparative Statement of Selected Member Banks in Fourth District

(In Thousands of Dollars)

	Mar. 15 1922 (85 Banks)	Feb. 15 1922 (85 Banks)	Inc.	Dec.
Loans and Discounts secured by U. S. Government obligations.....	42,146	42,076	70	.....
Loans and Discounts secured by other stocks and bonds..	324,830	328,118	.....	3,288
Loans and Discounts, all other.....	602,070	596,537	5,533	.....
U. S. Bonds.....	123,074	120,980	2,094	.....
U. S. Victory Notes.....	5,473	17,077	.....	11,604
U. S. Treasury Notes.....	26,011	18,595	7,416	.....
U. S. Certificates of Indebtedness.....	9,326	9,835	.....	509
Other Bonds, Stocks and Securities.....	271,754	275,948	.....	4,194
Total Loans, Discounts and Investments.....	1,404,684	1,409,166	.....	4,482
Reserve with Federal Reserve Bank.....	102,901	99,881	3,020	.....
Cash in Vault.....	26,766	25,874	892	.....
Net Demand Deposits.....	806,491	776,381	30,110	.....
Time Deposits.....	471,921	465,269	6,652	.....
Government Deposits.....	19,642	46,257	.....	26,615
Total Resources at date of this report.....	1,822,718	1,821,510	1,208	.....

Wholesale Trade**Percentage Increase (or Decrease) in Net Sales During February, 1922 as Compared With January, 1922 and February, 1921**

	Dry Goods	Groceries	Hardware	Drugs
Net Sales (selling price) during February, 1922, compared with January, 1922.....	7.1	— 4.4	9.5	1.3
Net Sales (selling price) during February, 1922, compared with February, 1921.....	1.3	—20.7	—18.1	0.9

Department Store Sales

	Cleveland	Pittsburgh	Cincinnati	Toledo	Other Cities	District
Percentage of net sales (selling price) during February, 1922, over net sales (selling price) during same month last year.....	-13.6	-24.2	- 7.5	- 9.1	-11.6	-16.7
Percentage of net sales (selling price) from January 1, 1922, to February 28, 1922, over net sales (selling price) during same period last year.....	-17.0	-23.2	- 8.8	-12.1	-19.6	-18.1
Percentage of stocks at close of February, 1922, over stocks at close of same month last year.....	9.3	- 2.1	4.7	- 1.7	0.4	2.3
Percentage of stocks at close of February, 1922, over stocks at close of January, 1922.....	19.1	13.8	10.4	18.7	8.1	14.9
Percentage of average stocks at close of each month this season (commencing with January 1, 1922) to average monthly net sales during the same period.....	382.7	417.5	512.3	379.6	457.3	420.0
Percentage of all outstanding orders (cost) at close of February, 1922, to total purchases (cost) during the calendar year, 1921.....	7.9	6.7	10.4	7.4	16.1	7.9

Building Operations For Month of February

	Permits Issued				Valuations				Inc. or Dec. of Total Valuation	Per Cent Inc. or Dec.
	New Construction 1922	1921	Alterations 1922	1921	New Construction 1922	1921	Alterations 1922	1921		
Akron.....	71	95	30	33	100,205	145,610	43,900	22,595	— 24,100	—14.3
Canton.....	55	70	27	45	120,558	112,640	13,375	185,990	— 164,697	—55.2
Cincinnati.....	200	185	179	554	886,525	316,915	153,770	307,175	416,205	66.7
Cleveland*.....	308	279	483	640	2,251,735	2,541,280	438,440	447,950	— 299,055	—10.0
Columbus.....	228	174	103	80	668,615	366,930	75,285	50,620	326,350	78.2
Dayton.....	65	89	85	51	164,049	188,177	46,267	44,172	— 22,033	—9.5
Erie.....	37	41	35	40	74,475	75,150	40,910	38,097	2,138	1.9
Lexington.....	29	3	31	27	367,550	12,090	46,831	7,000	395,291	2,070.7
Pittsburgh.....	276	172	83	79	1,625,836	522,959	180,088	236,916	1,046,049	137.7
Springfield.....	43	39	15	19	60,280	50,245	6,845	10,150	6,730	11.1
Toledo.....	73	82	118	119	200,980	124,590	102,415	160,085	18,720	6.6
Wheeling.....	34	37	31	30	135,740	62,595	20,884	8,580	85,449	120.1
Youngstown... ..	35	69	27	25	43,425	324,735	62,535	34,900	— 253,675	—70.5
Total.....	1,454	1,335	1,247	1,742	6,699,973	4,843,916	1,231,545	1,554,230	1,533,372	24.0

* Figures include Lakewood and East Cleveland

Movement of Livestock at Principal Centers in Fourth Federal Reserve District For Month of February, 1922-1921

	Cattle		Hogs		Sheep		Calves		Cars Unloaded		
	1922	1921	1922	1921	1922	1921	1922	1921	1922	1921	
Cincinnati.....	17,342	14,961	100,827	111,130	5,076	4,136	11,747	8,114	1,552	1,712	
Cleveland.....	9,184	7,140	68,020	70,627	19,596	17,313	9,954	9,117	1,334	1,336	
Columbus.....	147	.....	3,540	.....	224	.....	166	.....	14	.....
Dayton.....	1,118	1,531	11,663	12,119	191	264	541	649	.....	.....
Fostoria.....	126	124	5,587	7,120	445	813	447	563	8	8	
Pittsburgh.....	30,918	25,903	190,269	175,237	67,111	60,518	20,296	15,475	3,517	3,221	
Springfield.....	169	169	3,304	4,413	489	90	128	132	.....	.....
Toledo.....	845	619	6,047	10,887	486	2,835	451	774	97	152	
Wheeling.....	234	359	2,248	1,830	99	99	656	763	20	34	
	Purchases for Local Slaughter										
Cincinnati.....	14,111	12,007	62,255	73,512	4,578	3,612	7,169	6,142	.....	.....
Cleveland.....	8,905	6,691	49,624	54,595	12,356	14,674	9,022	8,947	.....	.....
Columbus.....	68	.....	590	.....	49	.....	73	.....	.....	.....
Fostoria.....	30	35	510	1,090	5	20	72	20	.....	.....
Pittsburgh.....	5,567	5,350	35,789	40,163	8,260	10,303	5,596	6,256	.....	.....
Springfield.....	32	11	433	823	12	21	9	23	.....	.....
Wheeling.....	234	341	2,248	1,738	99	94	656	724	.....	.....

FOURTH FEDERAL RESERVE DISTRICT

