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A spurt in industrial operations and general business developed in this district and most parts of the country in the first three weeks of April at a greater than seasonal rate. At the end of that time the advance had been extensive enough so that the drop in operations in March at the time of the bank holiday was more than overcome. Factors contributing to the rise were numerous and varied.

The recent advance in the combined commodity price index has been very moderate compared with the drop in the past four years, judging by the Bureau of Labor's compilation which is shown on the chart at the bottom of the page. But the upward movement in some of the various groups has been quite sharp. Grain prices have risen sensationaly, thus causing the index of farm prices to advance sharply from the low level touched earlier this year. Food prices also have improved and prices of other raw materials including nonferrous metals and textiles have been advanced.

The failure of some banking institutions to reopen as yet was a retarding factor to several communities, particularly Cleveland and northern industrial towns, but in the main the situation has been met with considerable fortitude.

While no information regarding employment in April is yet available, reports indicate a decided improvement in most lines in that month from the low levels of March, only part of which was seasonal.

The most important industry in this district was the one which showed greatest improvement following the bank holiday. Steel operations about doubled in the six latest weeks and production at some local steel centers was at a rate considerably above the average for the entire country. Increased automobile parts' and materials' orders, some demand for pipe and an expansion in miscellaneous steel requirements were responsible for the rise in output. Prices of raw materials have increased slightly, but finished goods' prices remain firm.

Tire demand improved in April and operations at local factories were speeded up. Sale of glassware was much improved, though demand for plate glass was limited except from the automobile industry. Paint sales were larger in April than in March and demand for boxboard and containers increased.

Shoe production in March was 22 per cent ahead of last year and was greater than in any corresponding

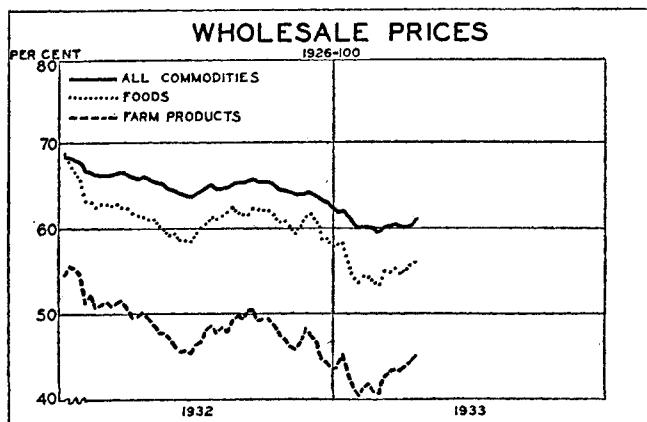
month since 1927. In the first quarter output was up 13 per cent from 1932.

The number of automobiles manufactured in March exceeded output in the same month last year, the first time since December, 1930, and a further increase was indicated in April by the weekly production estimates.

The agricultural situation, so far as this district is concerned, was somewhat brighter in late April in view of the rise in grain prices. The April 1 condition of winter wheat in this district was about equal to the average of past years, whereas in the entire country it was the lowest on record. Because of an increase in acreage sown, the fourth district wheat crop is expected to be about as large as was harvested in 1932.

FINANCIAL

In the month ended April 26 there were few changes in the financial situation in this district. In comparison with developments of March they were quite unimportant. As conditions warranted, additional banks were granted licenses to resume operations, and on the latest date all but 153 of the 633 member banks in this district had been licensed and only 164 state nonmember banks were closed or operating on a restricted basis. Total deposits of these 317 unlicensed institutions on December 31, 1932, the latest available from the condition reports, were approximately \$659,000,000, but this figure was materially re-



Bureau of Labor Statistics weekly index of Wholesale prices. 1926 = 100.

duced by the large withdrawals which occurred in January and February. Deposits of reopened banks were reported at \$2,676,000,000 on December 31, 1932.

Conservators for the majority of these unlicensed banks have been appointed and plans for the reopening or liquidation of institutions under their jurisdiction are taking definite form. Already several banks have arranged their affairs so that licenses could be granted them to resume 100 per cent operations.

Despite the fact that a large volume of deposits remain frozen in these unopened banks, debits to individual accounts at banks in 24 cities of this district in the four weeks ended April 19 amounted to \$1,173,000,000, a drop of only 26 per cent from the same period of 1932. For the year to April 19, the reduction was 24 per cent, a large part of which represented the decline in prices from a year ago. The number of commercial failures in March was 32.8 per cent smaller than in the same month last year and in the first quarter was down 25 per cent. Liabilities of the defaulting concerns were up slightly in March, but were off 27 per cent in the first three months from the corresponding period of 1932.

With banks closed part of the month savings deposits at 44 selected institutions throughout the district declined only 1.2 per cent in March, but at the close of the period savings deposits were approximately ten per cent below a year ago.

At the Federal Reserve Bank of Cleveland gold reserves were rather sharply reduced, in the five weeks ended April 26, as a result of transfers of funds to other reserve districts, largely through check clearings, and chiefly to New York, where bankers' balances were expanded rapidly. The drop in gold reserves in this district was approximately \$59,000,000, but gold holdings of the entire Federal Reserve System gained sharply in the period, the increase being about \$200,000,000.

Holdings of total bills and securities of this bank were about the same in late April as in the third week of March; a drop in bills discounted for member banks between March 22 and April 5 and the maturing in early April of about half the bankers' acceptances owned reduced earning assets, but an increase in discounts for member banks in the latest week caused total bills and securities to expand to \$244,322,000, about the same as in late March. The volume of Government securities held was unchanged at \$176,540,000, in the five latest weeks.

As deposits at member banks increased between March 22 and April 19 and money was retired from circulation, borrowings of member banks were reduced. An increase of \$11,000,000 in bills discounted for member banks in the week ended April 26 offset the decline of the earlier weeks of the month, and at \$64,166,000 they compared with \$70,119,000 a year ago, and \$119,151,000, the high point so far this year touched on March 8.

Money in circulation in this district declined at a slow but continuous rate from March 22 to April 19; currency receipts of this bank and its branches exceeded shipments in the first 25 days of April by \$20,000,000, and Federal reserve notes to the amount of \$50,000,000 were retired from circulation in the period. In the latest week there was an increase of \$7,000,000 in Federal reserve notes and of \$2,500,000 in Federal reserve bank notes outstand-

ing and on April 26 note circulation was up \$59,000,000 from a year ago.

Total deposits, including reserve deposits, special deposits, etc., of this bank on the latest date were only slightly lower than at the beginning of the year, though a moderate reduction occurred in the five weeks ended April 26. The decline in deposits and note circulation in recent weeks was proportionately less than the reduction in gold reserves, so that the reserve ratio, at 56 per cent, was about four points lower than in late March, but about the same as it was prior to the bank holiday.

Reports from the member banks in leading cities in the latest five weeks reveal a further contraction in loans and an increase in investments, through the purchase of Government securities. Time deposits were very little changed in the period, but demand deposits increased.

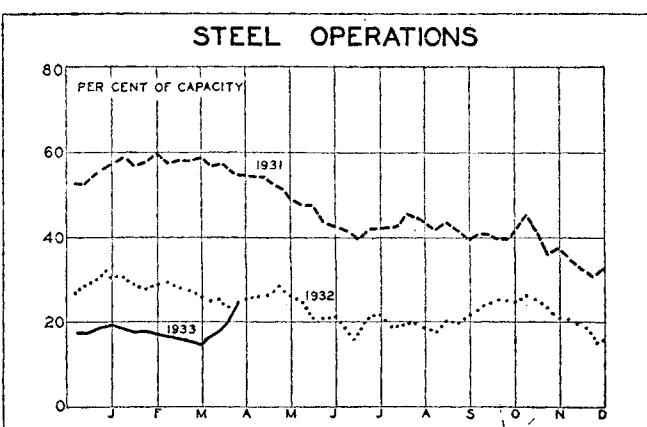
MANUFACTURING, MINING

Iron and Steel

The period March 15 to April 25 was one of noteworthy recovery for the iron and steel industry. From a low of 13½ per cent of capacity in the week ended March 11, steel-making operations in the entire country advanced, with minor fluctuations, to 25 per cent in the third week of April with a further increase being reported for the last week of the month. This doubling of steel production in six weeks' time was the sharpest rise of the depression and, according to *Steel*, all the ground lost since February, 1932, had been regained.

While much of the improvement occurred in April coincident with the advance in commodity prices, there were indications that the bulge in operations was traceable to definite consumer requirements, orders for which were placed in the first half of the month.

Broadening miscellaneous demands, plus a moderate increase in automotive specifications constituted the main support of the finished steel market. Because some mills are using semi-finished steel from stockpiles, finishing mill activity has increased to a greater extent than the 25 per cent operating rate would imply. Fourth district mills, which benefited materially from the bulge in automobile and miscellaneous orders, were operating at materially higher rates than a month ago. Cleveland mills in the latest week were working at 41 per cent of capacity. Operations at Pittsburgh were at about 21 per



Analyst's weekly index of steel ingot production, seasonally adjusted.

cent of capacity and Youngstown mills were producing at 24 per cent.

There were indications in the third week of April that the month's steel ingot output would exceed the 1,066,339 tons of January and approximate the 1,233,603 tons produced in April, 1932. The trend was similar in pig iron production, though the widespread use of scrap steel makes pig iron a less sensitive barometer.

As is usual, raw materials displayed the first signs of recovery, both in price and demand. Cleveland blast furnaces withdrew all quotations on pig iron below \$14; Pittsburgh furnaces also stabilized at \$15 for malleable and No. 2 foundry iron; Valley furnaces made \$14.50 their minimum on these grades. Steel scrap prices gained 50 cents to \$1 per ton in the fourth district, with one West Virginia mill purchasing 89,000 tons.

In finished steel the expansion of demand led to a more general adherence to quoted prices, with marked firmness in most sheet grades and an advance of \$2 per ton in galvanized sheets. A belated adjustment in steel pipe, however, prevented indexes from recording a rise. The iron and steel composite of the magazine *Steel* was lowered by this decline in pipe from \$28.35 in mid-March to \$28.12, but it recovered to \$28.18 by April 24.

Historically, March production was at a daily rate of 32,812 gross tons for steel ingots or at 15.08 per cent of capacity. Pig iron was produced at a rate of 17,484 tons a day or 12.3 per cent. Both represented severe recessions from the 44,431 tons of ingots and the 19,752 tons daily of pig iron in February. In three months of 1933 total pig iron production was 1,663,865 tons, contrasted with 2,899,002 tons in the corresponding months of 1932. The three-month total for steel ingots was 2,961,735 tons, against 4,308,680 tons a year ago.

Coal

Little change in the weekly rate of coal production occurred in March or the first half of April, though, compared with a year ago, when a decided bulge in production occurred in March, output was off 21 per cent in this district and 23 per cent in the entire country. The sharp decline from the comparatively high level of February was enough to counteract the gain from a year ago reported for the first two months, and the amount of coal mined in the first quarter of 1933 was 4.4 per cent smaller than in the same period of the preceding year. In the first half of April, however, the amount of coal mined was about the same as a year ago.

This is normally the dull season for local mines because demand for household coal is about over and the lake-shipping season is just beginning. This coupled with the extremely limited industrial demand, which however, was slightly improved in April, very adversely affected the entire soft coal industry.

With most coal contracts expiring April 1, there seems to be a marked tendency for buyers to defer action on contracts until conditions become more clearly defined. It is possible for users to obtain coal shipments on short notice, at unusually low spot prices at the present time, without contracting for future delivery. Formation of the selling agencies in the various coal sections of the district is gaining headway, though it will be some time before they are actually operating.

Prices of steam size coal were advanced slightly in the third week of April as industrial demand expanded, but domestic coal prices remained low.

Automobiles

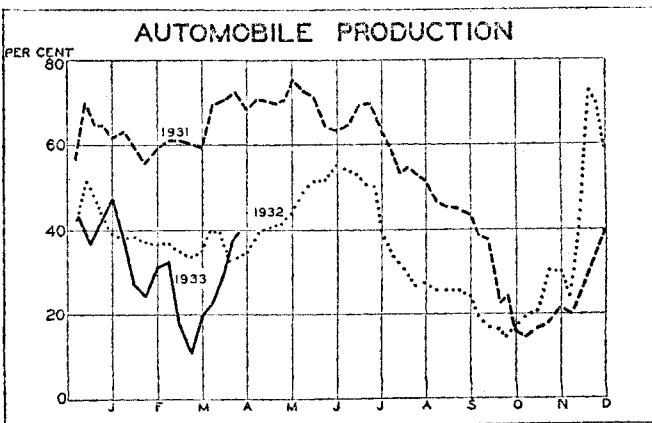
Prior to March, 1933, automobile production in no single month surpassed output in the corresponding period of the preceding year since December, 1930. In the latest month for which complete information is available, output was 118,592 cars and trucks, according to the Department of Commerce, an increase of 1.2 per cent from March, 1932, and of 11 per cent from February. The expansion from February to March was somewhat less than seasonal, but in view of the unusual conditions prevailing during that period, the upturn was noteworthy. The adjusted index of the Federal Reserve Board was 27 per cent of the 1923-25 monthly average (preliminary) in March compared with 33 in February.

The sharpness of the decline in March and the extent of the recovery late in that month and in April is shown on the accompanying chart of the *Annalist's* weekly index of automobile production, seasonally adjusted. This index is based on Cram's weekly estimates of production. Dropping to a low of 10.8 on March 18, marked recovery developed in the following weeks and by the third week of April, the index had advanced to 39.2 per cent, output in the latest week being estimated at 43,653 units compared with 37,273 units in the corresponding period of 1932.

Expanding production schedules were a result of greater retail demand, largely seasonal though later than usual, following the reopening of banks, particularly in the small-car field; in late April, according to reports, activity at three small-car factories was responsible for about three-fourths of the total output.

Stocks of new cars, both in hands of dealers and manufacturers, have been kept low, partly because of the uncertainty of the general business situation and for financial reasons. Used car stocks also are small, according to reports.

Recently, output of passenger cars has compared more favorably with preceding periods than has truck production. In March factory sales of passenger cars totaled 100,545 units, compared with 91,492 units in February and 99,399 units a year ago. Truck production in March was 7.7 per cent below a year ago and in the first quar-



Annalist's weekly index of automobile production, based on Cram's figures, seasonally adjusted.

ter was down 13 per cent, whereas passenger car production was 2.8 per cent greater in the first three months of 1933 than in the same period of 1932.

Releases on orders for automobile steel, parts and materials have been in larger volume recently, presaging a further advance in assembly schedules. This has been of particular benefit to local manufacturers.

Tires According to reports, tire production in Rubber March was about 28 per cent below output in the same month of 1932, but most of the reduction occurred in the first three weeks of the month, for, following March 20, when tire prices were again reduced, the volume of sales increased sharply and schedules were expanded. In the first half of April sales were reported to be somewhat larger than a year ago.

Accompanying the price reduction, most producers stopped making their lowest grade tires so that tire inventories of both dealer and manufacturer can now be reduced further. It is no longer necessary for dealers to carry tires of four or more grades to meet adequately retail demand.

As a result of the larger number of sales in April, production schedules were increased and the industry as a whole in the third week of the month was operating five days a week. Employment in March was 58 per cent of the 1926 average, a drop of two per cent from February, and was 12 per cent below a year ago. In the preceding five years there was little change in employment in the rubber industry from February to March.

Final February figures of the *Rubber Manufacturers' Association* reveal that shipments in that month were down ten per cent from the same period of 1932 and were slightly under production. Output, however, was 39.6 per cent below a year ago, but was up 3.6 per cent compared with January. Manufacturers' stocks on March 1 were about 20 per cent smaller than a year ago, but were up two per cent in the month.

Crude rubber consumption in the entire country in March was only 18,047 tons, the lowest since 1922. This was a drop of 16 per cent from February and of 35 per cent from March last year. In the first quarter consumption was down 27 per cent from 1932. Imports of crude rubber in March were 34 per cent below a year ago, but at 27,879 tons, were up 48 per cent from February. As a result of these changes rubber stocks increased two per cent in the period and were 17 per cent larger than on March 31, 1932.

Rubber prices in April advanced to the highest levels since last autumn. At 4 3/4 cents a pound, ribbed smoked sheets were materially above a year ago when they were quoted at less than three cents a pound. The rise continued in the latest month despite the unfavorable crude rubber statistics.

Clothing, Textiles Reports from the clothing industry regarding operations in the last part of March and the first half of April are more optimistic than for some time. A pronounced recovery in both sales and operations developed in late March and early April from the low levels of mid-March, some of which was seasonal prior to Easter, but also

was due in part to the low level of retail stocks and the recent advance in raw material prices. The upward movement in raw materials in the past few weeks as yet has not been reflected in price advances on finished goods, though prices of cotton print cloths were advanced slightly in the third week of April.

Employment in the clothing industry in this district dropped eight per cent in mid-March to 84 per cent of the 1926 monthly average. Employment was unchanged in the men's clothing division, but in the women's and miscellaneous divisions the number employed dropped 15 per cent, whereas there usually is little change at this season of the year. Recovery occurred in late March and early April and most factories were operating at capacity levels at the middle of the latest month, but barring an unusual retail demand, the peak of the spring season has passed.

The orders recently placed have been chiefly from the larger retailers and represent reorders on goods purchased in small quantities earlier in the year. Orders from agricultural and small industrial centers have been limited.

Other Manufacturing After declining to new low levels in March as a result of order cancellations which developed coincident with the banking holiday, operations in the smaller manufacturing industries of the fourth district were resumed at a moderate speed as financial conditions improved in late March. By mid-April most plants had recovered all the ground lost in the previous month and the upward swing in commodity prices (which resulted from, among other things, the embargo on gold shipments and natural economic causes such as the failure of the winter wheat crop in some sections which caused wheat to rise about 50 per cent in value) caused buyers to place orders for immediate as well as future delivery. Employment in many lines improved and operations were increased generally, in most cases, to the highest levels so far this year.

Auto Parts, Accessories. Whereas nearly all parts and accessory orders were either cancelled or held up during and following the banking holiday, the sharp increase in car assembling in April, particularly in the lower price classes, resulted in a volume of parts and material orders which indicated that production in April would be at a rate at least equal to the seasonal increase from February just as though the bank holiday had not occurred. The number employed, which was 19 per cent smaller in mid-March than in mid-February in contrast with a five-year average increase of two per cent for that time of year, increased considerably in April from the low level of the preceding month.

Brick and Tile. Employment in March at brick and tile plants in Ohio was 20 per cent of the 1926 monthly average, a drop of 21 per cent from February, contrasting with a five-year average increase of two per cent. Increased shipments and expanding production schedules were reported for April, with Federal projects accounting for much of the activity.

China, Pottery. A falling-off in the number of orders for china and pottery was reported in the first half of April, though the volume of orders and operations held up rather well in March, despite the drop in most lines

of business. Employment in March was 54 per cent of the 1926 monthly average, one per cent below a year ago.

Electrical Equipment. Employment in the electrical machinery, equipment and supply industry in March was 85 per cent of the 1926 monthly average, unchanged from February, but down 20 per cent from last year. Irregularities were reported in early April, companies making household appliances and refrigerators increasing operations sharply, partly seasonal, while makers of industrial equipment reported a falling-off in orders.

Glass. Plate glass production in the entire country in March was 4,881,322 square feet, an increase of 10.6 per cent from the same month last year, but a drop of 1.5 per cent from February. In the first quarter output was slightly below the same period of 1932. Improved demand from the automobile industry aided local plate glass factories in April. Makers of moulded glass and bottles experienced a sharp increase in demand in late March and the first part of April. Some factories are several weeks behind on orders. Demand for glass food containers is limited. Prices are still low and have exhibited no indication of advancing.

Hardware, Machinery. Operations recovered somewhat in early April from the low levels of March, but irregularities regarding the trend of sales and production were apparent. A slight advance in demand for small tools was reported and orders for hardware and metal products used by the automobile industry were more numerous and larger in April than in March. Prices remain firm.

Paint. Demand for all types of paint increased considerably in April, partly seasonal, but more through recovery from the low level of March. Industrial paint sales increased, particularly to the automobile industry. One major company reported consumer orders coming through dealers 50 per cent ahead of last year in number and also higher in volume while others reported a gain in sales of this type of paint. Collections have improved and are reported as "quite satisfactory" in view of conditions. Raw material prices have advanced.

Paper. Inquiries for boxboard containers have increased materially and orders also have improved. Production at Ohio plants in March was down only slightly on the basis of the employment report of the Ohio State University Bureau of Business Research. The index in that month was 86 per cent of the 1926 average. Prices on some of the lower grades of paper have been advanced.

Shoes. Production of footwear at 32 establishments in the fourth district in March was greater than for any corresponding month since 1927 and was ahead of last year by 22.3 per cent. Operations in March, despite the bank holiday, were 12.3 per cent ahead of February, the expansion being surpassed in only two other years, 1931 and 1923. In four of the preceding ten years shoe production declined from February to March. In the entire country shoe production in March was nine per cent higher than in February.

Hide prices advanced one-half cent a pound in the third week of April along with other prices as a result of greater demand and the favorable statistical position of the industry. At six cents a pound hide prices were 33 per cent higher than a year ago.

TRADE

Retail

Several factors combined in March to reduce retail trade, as reflected in department store sales throughout the fourth district, to the lowest levels on record. The banking holiday caused a virtual cessation in buying for a short time generally and the fact that banks in some communities have not yet been permitted to reopen was a retarding factor in a few sections. The lateness of Easter was another factor of importance which distorts the comparison of dollar sales this year with the same month of 1932. Last year Easter was the 27th of March so that all seasonal buying which usually develops prior to that holiday occurred in that month. This year with Easter coming in mid-April, much of the seasonal purchasing occurred in April, particularly in view of the unsettled conditions prevailing in March.

The decline in prices also was a factor responsible for part of the drop in the dollar volume. According to *Fairchild's* index, department store retail prices on April 1 were 12 per cent below a year ago, and only 70 per cent of what they were in January, 1931. The drop in March, however, was one of the smallest recorded in the past three years, and several items showed slight increases.

As a result of the foregoing the dollar value of sales in March was 32.5 per cent below the same month of 1932, and was only 41.6 per cent of the 1923-25 monthly average. Allowing for seasonal variations and changes in the Easter date, the adjusted index was 46.7 per cent, a reduction of about 24 per cent from last year. According to preliminary reports retail trade improved considerably in April. Installment buying increased in March, and, as a percentage of total sales, was greater than a year ago. Regular charge sales in relation to total sales were smaller than in March, 1932.

The dollar value of stocks at department stores increased less than seasonally in March and the adjusted index as of March 31 was 50.5 per cent of the 1923-25 monthly average, a drop of about four per cent from February and of 26 per cent from a year ago.

Collections declined in March and amounted to only 25.7 per cent of the value of accounts receivable at the beginning of the month. The decline occurred largely in collections on regular 30-day accounts.

Wholesale

Sales of three reporting wholesale lines were larger in March than in February, but excluding grocery sales, the increase was less than seasonal. Conditions in all wholesale lines were very much depressed generally and there was little indication of any stocking-up in March. Sales of all reporting firms in March were only 45 per cent of the 1923-25 monthly average and were about 22 per cent below the same month of 1932.

BUILDING

The value of contracts awarded in the fourth district in March was up considerably, on a percentage basis, from February, but with the increase, the volume of awards was still quite small and the industry, as a whole, continues in a very depressed state. In view of the widespread slowing down in business in March occasioned by

the banking holiday, the fact that building activity showed more than a seasonal increase was considered somewhat encouraging in the trade.

Contracts awarded in March in the fourth district were valued at \$6,192,000, compared with \$3,634,000 in February, but they were 43 per cent smaller than a year ago and only 7.2 per cent of the average value of contracts awarded in March in the preceding ten years. Awards in the first three months of this year were \$13,900,000, a reduction of 43 per cent from the same period of 1932 and represented only 12.2 per cent of the average value of awards in same period of 1923-1932. The construction industry, both in this district and the entire country has been operating at an extremely low rate for some time, and though contemplated new construction reported in March was under February and much below last year, the recent improvement in financial and industrial conditions has been felt in the demand for construction materials, etc., a large part of which is being used in renovizing projects, figures for which are not available.

All major classes of building showed gains in March from the preceding month, and public utility contracts awarded were larger than a year ago. Residential building was 47 per cent greater in March than in February, but was 43 per cent below last year. Non-residential building was increased in March by the awarding of four post office contracts in Ohio.

Building costs are down quite sharply, the index of material and labor costs in March being only 80 per cent of the 1926 average. Lumber prices were advanced slightly in March, but they are still low. Efforts to control lumber production have been successful only to a limited degree and potential supply is far in excess of demand, though lumber dealers' stocks are generally low.

AGRICULTURE

The spring planting season has been delayed from ten days to two weeks by the copious rains which have prevented field work, but pastures and fall sown crops in this district have been benefited and need only some warm weather to stimulate growth. The condition of winter wheat in this district on April 1 was slightly above the average April 1 condition of the past ten years and was considerably above the average for the entire country. The poorest condition was reported in the northern part of the district where some abandonment of acreage is expected, according to reports.

The recent rise in wholesale commodity prices and in particular in farm prices, was a favorable development. Wheat prices advanced considerably more than 50 per cent as a result of the unfavorable crop condition reported for the country as a whole, and the upswing in stocks and commodities which followed the embargo on foreign gold shipments. The composite index of farm prices on April 22 was 10.8 per cent above the low point touched in February. The price advance and the delay in spring planting as a result of weather conditions no doubt will have some effect on the acreage of oats and corn planted. On March 1 farmers' planting intentions were reported below the acreages harvested in 1932.

The April 1 crop report of the Department of Agriculture showed that the condition of winter wheat for the entire country was only 59.4 per cent of estimated normal, the lowest condition figure on record and 20 points below the ten-year average April 1 condition. Assuming a normal season from now on this would indicate a total crop of about 334,000,000 bushels, compared with a five-year average (1924-1928) harvest of 589,000,000 bushels. For the country as a whole it is estimated that 30 per cent of the acreage planted last fall has been or will be abandoned because of the poor condition and winterkilling.

Most of the fourth district wheat fields are found in that single section of the country where the April 1 condition was about equal to the average of past years. The following table shows the April 1 condition of winter wheat in the four states included wholly or partly in this district, and in the entire country.

April 1 Condition	Ohio	Pennsylvania	Kentucky	West Virginia	United States
1933	76	78	82	85	59.4
1932	88	89	84	87	75.8
1919-28 average	73	85	79	81	78.4

The Ohio wheat crop, on the basis of the April 1 condition, is expected to be 31,650,000 bushels compared with a harvest of 32,308,000 bushels last year and a 1926-30 average harvest of 27,073,000 bushels. Acreage sown to winter wheat in Ohio last fall was about 16 per cent greater than that harvested in 1932. The 1933 wheat crop in the other three states of the district was indicated on April 1 to be greater than the 1932 crop because of the larger acreage remaining for harvest. With such a large indicated crop for this district compared with last year, and the above-average stock of last year's wheat on hand on April 1, the rise in wheat prices from about 50 cents a bushel to over 75 cents a bushel in the past few weeks has been a favorable development in the local farm situation.

Farm stocks of oats and corn as of April 1 in this district were considerably below the average of past years, whereas in the entire country farm stocks of these grains were larger than the average of preceding years.

Pastures, though having been benefited by the spring rains, were considerably below average in condition on April 1, both in the fourth district and in other parts of the country. The water-soaked fields were being used only slightly in April because of their condition.

The number of cattle on feed on Ohio farms on April 1 was about the same as a year ago while in the entire corn belt there were about ten per cent more cattle on feed lots than a year ago.

Wage rates for farm help continue to decline and in April averaged \$22.98 a month without board. This compared with a five-year pre-war average of \$29.09 a month. Wages paid on local farms were somewhat higher than the average for the entire country, but they were very low compared with preceding years. The supply of farm labor is much above normal and the demand for labor very subnormal because of the shortage of funds to pay for help. The ratio of supply to demand in Ohio was 244 per cent in the latest month, 194 in Pennsylvania, 230 in Kentucky and 263 in West Virginia, compared with an average of 213.5 per cent in the entire country.

Tobacco Preliminary reports concerning the acreage of tobacco to be planted indicated that farmers intended to plant a larger tobacco acreage than was harvested in 1932, especially in the burley section, but it is too early to estimate accurately the percentage of increase. The expansion in acreage apparently is a result of the relatively favorable price burley tobacco growers received for their 1932 crop. Average prices of all burley tobacco sold in the season just closed were nearly 50 per cent higher than in the selling season immediately preceding and were high compared with the general level of farm prices.

Seed beds have been planted and much of the ground has been prepared, though work was retarded in mid-April by the rainy weather.

Debits to Individual Accounts

(Thousands of Dollars)

	4 weeks ending April 19, 1933	% change from 1932	Year to date Dec. 29, 1932	Year to date Dec. 31, 1931	% change from 1932
Akron.....	19,477	—63.5	124,140	217,146	—42.8
Butler.....	4,941	—5.4	21,410	24,685	—13.3
Canton.....	14,937	—17.0	61,791	77,110	—19.9
Cincinnati.....	192,918	—20.6	841,335	1,063,935	—20.9
Cleveland.....	267,480	—34.0	1,306,050	1,850,694	—29.4
Columbus.....	78,448	—14.7	324,232	412,867	—21.5
Dayton.....	33,818	—27.7	139,839	190,843	—26.7
Erie.....	13,861	—33.6	58,247	92,548	—37.1
Franklin.....	1,703	—32.6	7,487	12,475	—40.0
Greensburg.....	2,968	—37.8	15,128	23,702	—36.2
Hamilton.....	5,999	—24.6	22,710	32,357	—29.8
Homestead.....	1,227	—40.3	5,641	9,708	—41.9
Lexington.....	10,511	—15.4	64,130	78,472	—18.3
Lima.....	4,759	—42.4	22,707	31,441	—27.8
Lorain.....	1,860	—43.3	8,666	13,827	—37.3
Middletown.....	4,641	—26.5	18,732	24,469	—23.4
Oil City.....	4,003	—56.3	23,572	36,391	—35.2
Pittsburgh.....	392,983	—19.2	1,820,492	2,261,963	—19.5
Springfield.....	8,565	—24.4	36,983	52,430	—29.5
Steubenville.....	3,641	—28.5	15,810	24,100	—34.4
Toledo.....	51,101	—30.8	249,778	318,661	—21.6
Warren.....	4,369	—23.6	15,417	19,997	—22.9
Wheeling.....	24,564	—11.0	90,655	114,638	—20.9
Youngstown.....	19,660	—22.2	78,191	115,831	—32.5
Zanesville.....	4,594	—13.1	17,994	24,330	—26.0
Total.....	1,173,028	—25.9	5,391,137	7,124,620	—24.3

Fourth District Business Indexes

(1923-1925 = 100)

	Mar. 1933	Mar. 1932	Mar. 1931	Mar. 1930	Mar. 1929
Bank Debts (24 cities).....		60	95	117	131
Commercial Failures (Number).....	110	163	160	116	133
" " (Liabilities).....	148	137	147	119	94
Postal Receipts (9 cities).....	85	102	116	126	129
Sales—Life Insurance (Ohio & Pa.).....	82	114	134	169	158
" —Department Stores (53 firms).....	42	58	84	86	102
" —Wholesale Drugs (12 firms).....	65	93	104	110	117
" —Dry Goods (10 firms).....	29	40	59	81	98
" —Groceries (33 firms).....	51	61	75	88	89
" —Hardware (14 firms).....	33	45	56	81	100
" —All (69).....	45	59	72	89	96
" —Chain Drugs (3 firms)**.....	61	79	89	88	89
Building Contracts (Total).....	13	23	55	126	99
" " (Residential).....	8	13	45	54	97
Production—Coal (O., W. Pa., E. Ky.).....	51	65	74	81	88
" —Cement (O., W. Pa., W. Va.).....	8	20	37	100	76
" —Elec. Power (O., Pa., Ky.)*.....	106	122	136	146	144
" —Petroleum (O., Pa., Ky.)*.....	84	98	98	123	97
" —Shoes.....	105	85	86	79	92

**Per individual unit operated.

*February.

Fourth District Business Statistics

(000 omitted)

Fourth District Unless Otherwise Specified	March, 1933	% change from 1932	Jan.-March 1933	% change from 1932
Savings Deposits—end of month:				
27 selected banks, O. & Pa....\$	590,624	—9.9	606,531 ¹	—8.1
Postal Receipts—9 cities....\$	2,198	—16.9	6,689	—11.9
Life Insurance Sales:				
Ohio and Pa.....\$	68,809	—28.1	214,352	—23.8
Retail Sales:				
Department Stores—53 firms....\$	9,821	—32.5	28,674	—27.2
Wearing Apparel—11 firms....\$	483	—47.1	1,414	—36.2
Furniture—44 firms....\$	353	—27.1	1,005	—30.7
Wholesale Sales:				
Drugs—13 firms....\$	968	—31.7	3,073	—22.9
Dry Goods—10 firms....\$	718	—26.6	1,945	—24.5
Groceries—33 firms....\$	2,930	—16.4	8,162	—18.4
Hardware—14 firms....\$	647	—26.3	1,800	—23.2
Building Contracts—				
Residential.....\$	1,309	—42.6	3,178	—48.5
Building Contracts—Total....\$	6,192	—43.2	13,900	—43.4
Commercial Failures—				
Liabilities.....\$	6,529	+ 7.8	17,772	—27.4
Commercial Failures—Number.	160 ²	—32.8	611 ²	—25.1
Production:				
Pig Iron, U. S....tons	542	—44.0	1,663	—42.7
Steel Ingot, U. S....tons	886	—36.9	2,962	—31.3
Automobiles—Pass. Cars, U. S....	100,545 ²	+ 1.2	300,363 ²	+ 2.8
" Trucks...U. S....	18,047 ²	—7.7	55,098 ²	—13.1
Bituminous Coal....tons	9,285	—21.1	29,215	—4.4
Cement—O. W. Pa., W. Va....Bbls.	93	—61.4	473	—32.6
Elec. Power—O. Pa., Ky. k.w.h.	891 ³	—13.1	1,946 ⁴	—7.9
Petroleum—O. Pa., Ky. Bbls.	1,556 ⁵	—13.7	3,327 ⁴	—11.0
Shoes.....Pairs	5	+22.3	5	+12.9
Tires, U. S....Casings	1,871 ³	—39.8	3,677 ⁴	—37.5

¹monthly average
²actual number
³February
⁴first two months
⁵confidential

Wholesale and Retail Trade

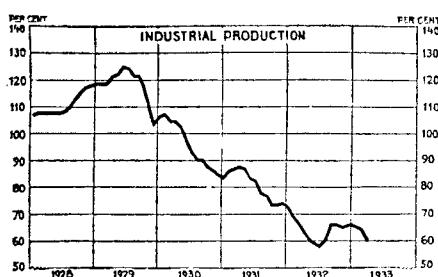
(1933 compared with 1932)

	SALES Mar., 1933	Percentage Increase or Decrease	SALES First 3 months	STOCKS Mar., 1933
DEPARTMENT STORES (53)				
Akron.....		—43.7	—28.9	—23.8
Cincinnati.....		—29.8	—26.4	—28.5
Cleveland.....		—29.8	—24.1	—34.0
Columbus.....		—35.6	—27.5	—22.7
Pittsburgh.....		—31.2	—28.3	—21.2
Toledo.....		—33.8	—25.7	—28.2
Wheeling.....		—44.0	—33.2	—22.1
Other Cities.....		—31.8	—29.1	—29.9
District.....		—32.5	—27.2	—25.9
WEARING APPAREL (11)				
Cincinnati.....		—33.6	—27.2	—22.5
Other Cities.....		—53.1	—40.5	—34.2
District.....		—47.1	—36.2	—30.6
FURNITURE (44)				
Cincinnati.....		—33.8	—31.7	—
Cleveland.....		—16.1	—26.0	—
Columbus.....		—24.3	—36.5	—
Dayton.....		—34.8	—30.8	—
Toledo.....		—28.7	—36.5	—
Other Cities.....		—46.2	—34.5	—
District.....		—27.1	—30.7	—
CHAIN STORES*				
Drugs—District (4).....		—22.9	—19.8	—
Groceries—District (5).....		—6.9	—7.4	—
WHOLESALE GROCERIES (33)				
Akron.....		—12.0	—22.0	—
Cleveland.....		—16.5	—20.4	—
Eric.....		—21.0	—20.5	—
Pittsburgh.....		—4.4	—10.8	—
Toledo.....		—33.4	—28.9	—
Other Cities.....		—11.3	—13.2	—
District.....		—16.4	—18.4	—30.3
WHOLESALE DRY GOODS (10)....		—26.6	—24.5	—21.7
WHOLESALE DRUGS (13)....		—31.7	—22.9	—
WHOLESALE HARDWARE (14)....		—26.3	—23.2	—

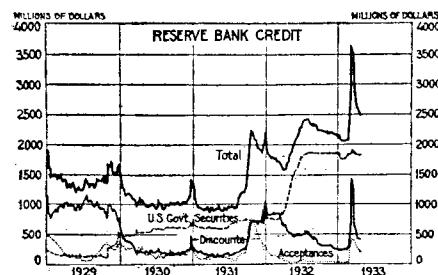
*Per individual unit operated.

Summary of National Business Conditions

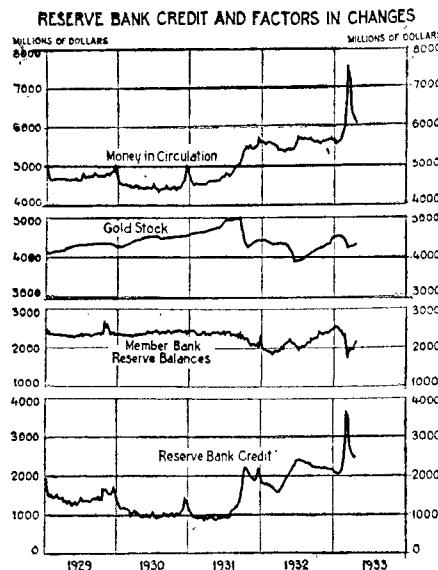
By the Federal Reserve Board



Index of industrial production, adjusted for seasonal variation, (1923-1925 average = 100) Latest figure, March 60.



Weekly figures (Wednesday) for 12 Federal Reserve banks. Latest figures are as of April 19, 1933.



Weekly figures, Wednesday series. Latest figures are as of April 19, 1933.

Production and distribution of commodities, which declined during the latter part of February and the early part of March, increased after the middle of the month. The return flow of currency to the reserve banks, which began with the reopening of banks on March 13, continued in April. Following the announcement by the President on April 19 that the issuance of licenses for the export of gold would be suspended, the value of foreign currencies in terms of the dollar advanced considerably, and there was increased activity in the commodity and security markets.

Production and Employment

Production at factories and mines decreased from February to March, contrary to seasonal tendency, and the Board's seasonally adjusted index declined from 64 per cent of the 1923-25 average to 60 per cent, compared with a low level of 58 per cent in July, 1932. At steel mills there was a decline in activity from an average of 20 per cent of capacity in February to 15 per cent in March, followed by an increase to more than 20 per cent for the month of April, according to trade reports. In the automobile industry where there was also a sharp contraction in output when the banks were closed, there was a rapid increase after the reopening of banks. From February to March, production in the food and cotton textile industries showed little change in volume; activity in the woolen industry declined sharply, and there was a reduction in daily average output at shoe factories. At lumber mills activity increased from the low rate of February, while output of bituminous coal declined by a substantial amount.

The volume of factory employment and payrolls showed a considerable decline from the middle of February to the middle of March. Comprehensive figures on developments since the reopening of banks are not yet available.

Value of construction contracts awarded in the first quarter, as reported by the F. W. Dodge Corporation, was smaller than in the last quarter of 1932 by about one-third.

Distribution

Volume of freight car loadings, on a daily average basis, declined from February to March by about seven per cent, reflecting in large part a substantial reduction in shipments of coal. Shipments of miscellaneous freight and merchandise, which usually increase at this season, declined in the early part of March and increased after the middle of the month. Department store sales, which had declined sharply in the latter part of February and in the first half of March, increased rapidly after the reopening of banks.

Wholesale Prices

Wholesale prices of leading commodities fluctuated widely during March and the first three weeks of April. In this period grain prices increased sharply and prices of cotton, hides, nonferrous metals, pig iron, scrap steel, and several imported raw materials advanced considerably. During the same period there were reductions in the prices of rayon, petroleum and certain finished steel products.

Bank Credit

Currency returned rapidly to the reserve banks and the Treasury following the reopening of the banks, and on April 19, the volume of money in circulation was \$1,500,000,000 less than on March 13, when the peak of demand was reached. Funds arising from the return flow of currency were used to reduce the reserve banks' holdings of discounted bills by \$1,035,000,000 and their holdings of acceptances by \$200,000,000; at the same time member bank reserve balances increased by \$390,000,000. As a result of the decline in Federal reserve note circulation and an increase in Federal reserve bank reserves, chiefly through the redeposit of gold and gold certificates, the reserve ratio of the twelve Federal reserve banks combined advanced from 46.5 per cent on March 13 to 61.5 per cent on April 19.

Deposits of reporting member banks in New York increased rapidly after the reopening of the banks, and on April 19 net demand deposits were \$620,000,000 larger than on March 15, reflecting in part an increase of \$380,000,000 in bankers' balances, as funds were redeposited by interior banks.

Money rates in the open market, after a temporary advance in the early part of March, declined rapidly, but were still somewhat higher than early in February. By April 21 rates on prime commercial paper had declined from 4 1/4 per cent to a range of 2-2 1/2 per cent; rates on 90-day bankers' acceptances from 3 1/2 per cent to 5/8 of one per cent, and rates on renewals of call loans on the stock exchange from 5 per cent to one per cent.

On April 7 the discount rate of the Federal Reserve Bank of New York was reduced from 3 1/2 to 3 per cent. The bank's buying rate on 90-day bankers' acceptances was reduced from 3 1/2 per cent on March 13 to 2 per cent on March 22.