

BUSINESS CONDITIONS



SEVENTH FEDERAL RESERVE DISTRICT

NOVEMBER 30, 1921

PARTICULAR INTEREST IN THE SEVENTH FEDERAL RESERVE DISTRICT, from a credit standpoint, centers in the agricultural sections of the district. Industrial liquidation has been largely completed, and losses taken, with the industries gradually recovering. In the agricultural parts, recovery has been very slow, owing to the drop in prices of farm products and the inability to liquidate debts under present conditions. Reports indicate that there is a need for more funds for financing agricultural and live stock production.

Funds from the War Finance and from the Stockgrowers Finance Corporations are being used to meet the demand for the longer time credit, thus relieving the banks to some extent. The first of these corporations, early in November, showed more than \$22,600,000 extended in credit to farmers and stockmen during the two and one-half months since Congress authorized the expenditure. The advances approved ranged from a few thousand dollars up to one of \$15,000,000 to a cooperative association in Minnesota, North and South Dakota. Indiana and Iowa were at that time the only states of the Seventh Federal Reserve District which had made use of these funds, and these states not to a very large extent. Later reports indicate, however, that a more extended use is being made of these funds in this district, particularly in Iowa, where approximately \$2,000,000 was loaned from the time of that report to the middle of November. These advances have tended to help the country bank by assisting it to carry slow assets running for two or three years. This especially affords relief to banks in the large cities which are carrying many small country banks.

The Stockgrowers Finance Corporation, which is based on the \$50,000,000 pool formed by the banks throughout the country, was carrying loans on October 22, 1921, aggregating \$15,004,470, of which \$10,025,358 was for stock cattle, \$1,229,297 for steers, and \$3,749,815 for sheep. Loans by this corporation on November 25, aggregated \$16,447,570. Liquidations at present more nearly approximate the new loans, which accounts for the comparatively small increase in total borrowings. Iowa and Illinois are the only states of the Seventh Federal Reserve District borrowing from this corporation; loans outstanding in these states, on October 22, amounted to \$55,800; while in the period from that date to November 25, the volume of loans, including renewals, was \$39,000.

In reply to inquiries in October, the Federal Reserve Bank of Chicago adopted a liberal policy in making funds available for live stock feeders in localities where loans were not already over-extended. However, many farmers in the cattle-feeding sections of the district, and some of the banks, were not inclined to increase their loans, in view of their present indebtedness and unfavorable experiences in the last three years.

With large crops of corn in 1920 and 1921, the farmer necessarily will have to dispose of last year's crop because of lack of facilities for storing, unless he builds new storage facilities. The burning of corn for fuel is being considered in the extreme western part of the district. It is estimated that a farm price of twenty cents a bushel for corn is equivalent for fuel purposes to ten dollars a ton for bituminous coal at the local coal yard, and in territory where the ratio of existing prices for corn and coal is unfavorable to the farmer, there is agitation for use of the former as fuel.

In the dairying territory, which was not so hard hit as the strictly agricultural sections, the recovery has been more rapid. Some loans are being made for the purpose of increasing dairy herds.

Borrowings growing out of the farm transactions, particularly in land, that were on a speculative basis, must be cleared up either now or in the near future. Many of these are in the shape of personal notes carried by the banks. Indications are that some of these borrowers are beginning to realize the impossibility of carrying through these contracts with the liabilities assumed, and adjustments are being made by cancellation of contracts, even though, in some instances, this means a large loss. It is felt that the credit situation, so far as agriculture is concerned, cannot recover until prices to the farmer go up, and until that time liquidation will come slowly. In most sections, great consideration is being given to the tenant by local landlords. In many cases, where production is far short of paying expenses, the landlord is cancelling a large part of the rent for 1921, and making special inducements for the tenants to remain.

The customary seasonal borrowings for agricultural purposes end about December 15, and, unless increased borrowings appear before then, some relief from the credit tension may be expected at that time. About that time there begins a movement of early short-fed stock to market and some liquidation may be expected. This, however, will not be very apparent before the first of the year.

FEDERAL RESERVE BANK STATISTICS

Comparisons of various asset and liability items at the Federal Reserve Bank of Chicago are shown in the accompanying table.

An increase in total reserves of 164 millions and a decrease in total bills on hand of 321 millions, in the period from November 26, 1920, to November 23, 1921, shows the extent to which reserves have been built up and loans have been liquidated at the Reserve Bank. Deposits decreased somewhat, while Federal Reserve notes in circulation decreased 139 millions in the same period. The change in position is indicated by the

ratio of total reserves to deposit and Federal Reserve note liabilities combined, which, using the same method of computation for the two dates, increased from 39.1 per cent to 73.7 per cent from November 26, 1920, to November 23, 1921.

	IN THOUSANDS OF DOLLARS		
	Nov. 23, 1921	Oct. 26, 1921	Nov. 26, 1920
Total Reserves.....	473,797	464,915	309,492
Bills Discounted: Secured by			
Government Obligations.....	52,353	55,268	149,481
All other.....	131,263	138,274	328,976
Bills Bought in Open Market....	1,891	3,130	28,091
Total Bills on Hand	185,507	196,672	506,548
Total Deposits.....	236,974	234,611	246,899
Federal Reserve Notes in Actual			
Circulation.....	405,720	411,710	544,759
Ratio of Total Reserves to			
Deposit and Federal Reserve			
Note Liabilities Combined....	73.7%	71.9%	39.1%*

*For comparative purposes, based on total deposits as computed since March 18, 1921.

PRINCIPAL ASSETS AND LIABILITIES OF REPORTING MEMBER BANKS

The accompanying table gives an indication of the changes that have taken place in principal asset and liability items of banks in the Seventh Federal Reserve District, based on reports from member banks in leading cities of the district.

Liquidation of loans since January 7 was greatest in Detroit, while that in Chicago member banks and those of other selected cities was about equal. Increase in investments during this period was greatest in Chicago. Cash and reserve balances show depletion for all three groups of banks, the greatest reduction being in banks outside of Chicago and Detroit. Bills rediscounted with the Federal Reserve Bank were reduced about the same percentage in Chicago and Detroit, and by a much smaller percentage in other selected cities. During the period from October 19 to November 16, loans and discounts were reduced somewhat in all three groups of banks. Items of investment increased materially in Chicago. Bills rediscounted and bills payable with the Federal Reserve Bank show reductions for all the groups.

	PER CENT CHANGE			PER CENT CHANGE		
	Nov. 16 CHI- CAGO	From Oct. 19 DE- TROIT	Other Selected Cities	Nov. 16 CHI- CAGO	From Jan. 7 DE- TROIT	Other Selected Cities
*Loans and discounts.....	-1.5	-0.8	-2.5	-14.5	-20.2	-15.2
Investments....	+8.1	-1.6	-0.9	+18.6	+0.8	-7.3
Cash and Reserve Balance.	-1.5	+16.7	+2.7	-7.1	-5.9	-15.6
Deposits.....	0.0	+4.1	-1.0	-1.0	+2.0	-5.3
Bills rediscounted with Federal Reserve Bank.....	-3.6	-35.1	-11.9	-77.8	-83.6	-40.1
Bills Payable with Federal Reserve Bank.	-40.7	-35.7	-2.3	-65.7	-76.3	-76.2

*Including bills rediscounted with Federal Reserve Bank.

Note: Based on reports from 115 member banks, made up of 52 Chicago banks, 13 Detroit banks, and 50 banks in other selected cities on January 7; and 112 member banks, made up of 51 Chicago banks, 13 Detroit banks, and 48 banks in other selected cities on October 19 and November 16.

BANKERS ACCEPTANCES

Returns to the Acceptance questionnaire from reporting banks in the Seventh Federal Reserve District show increases in bills accepted and bills sold for October, as compared with September. The greater increase was in bills accepted, 43.1 per cent. Decreases are shown in bills bought and bills held at the close of the month. During the two preceding months there were decreases in bills bought, sold, and accepted, and increases in bills held at the close of the month.

Purchase rates for October were reported ranging from $4\frac{1}{2}$ to 6 per cent, although most of the rates reported were less than 5 per cent. The maturities of bills purchased were divided as follows: 30-day, 1.9 per cent; 60-day, 9.6 per cent; 90-day, 86.1 per cent; and 180-day, 2.4 per cent. The greater part of the bills were reported drawn against meats, wheat, and cotton. A detailed summary of returns follows:

TWENTY-NINE BANKS	IN THOUSANDS OF DOLLARS	
	OCTOBER	SEPTEMBER
*Bills bought.....	6,905	7,858
**Bills sold.....	17,699	16,525
Bills held at close of month.....	6,551	6,728
Amount accepted.....	16,885	11,800

*Exclusive of bills purchased by the accepting bank, and of purchases for the account of specific customers.

**Exclusive of bills purchased for the account of, and sold to specific customers.

One broker reports the buying demand sluggish, due to low rates of return as opposed to prime commercial paper. One large reporting bank states that the discount market is working easier, with no surplus funds yet available from banks, corporations, and individuals for investment in acceptances.

Comparison of statistics on Bankers Acceptances at the Federal Reserve Bank of Chicago for September and October follows:

DURING MONTH	OCTOBER	SEPTEMBER
Bankers Acceptances rediscounted.....\$	175,000	None
*Bankers Acceptances bought.....	10,626,197	\$6,665,118
Bankers Acceptances sold from holdings.	25,000	270,000
HELD AT CLOSE OF MONTH—		
Bankers Acceptances rediscounted.....	None	None
*Bankers Acceptances bought.....	3,427,354	2,849,396

*Included in Acceptances Bought, but not in Acceptances Sold, are those bought with agreement by the sellers to repurchase within fifteen days.

COMMERCIAL PAPER

Reports of six commercial paper dealers of this district show a decrease of 1.8 per cent in aggregate sales during October compared with September. One correspondent states that the large users of money are borrowing less, due to the continual liquidation of inventories and lower prices, while two others report the demand for money good. One dealer finds that the supply of paper is sufficient to meet the demand of buying banks, while another states that the supply is very limited.

Rates were reported ranging from $5\frac{1}{4}$ to $7\frac{1}{2}$ per cent, the customary rate reported being $5\frac{3}{4}$ @ 7 per cent.

BOND AND INVESTMENT SECURITIES

The demand for bonds and other investment securities continued in the Middle West through October and

early November with a general price advancement in which all classes of investment securities participated. The greatest appreciation, however, has been in municipal bonds, which have been in exceedingly strong demand, with the highest grade issues selling to yield as low as 4.60 per cent, or about 1 per cent lower than in August.

There has been quite an active demand for Foreign Government securities, which have advanced in price. So far, the unfortunate default, after November maturity, of a loan to China, financed in this market, has not had a serious unsettling influence on buyers of foreign securities.

Corporate financing is diminishing, and the shortage of securities in the hands of dealers, to a certain extent, may account for the advance in prices. Dealers are searching the market for securities that may be selling out of line with other issues.

GOLD HOLDINGS IN UNITED STATES

Imports of gold in October fell off slightly from those of September and were far below those of October, 1920. In the comparison with 1920, however, consideration should be given to the fact that imports in October that year were more than twice as large as in any other month. The net increase in gold in the United States in the first ten months of 1921 is \$588,221,805. The detailed figures as given by the Department of Commerce follow:

	IN THOUSANDS OF DOLLARS				
	OCTOBER 1921	SEPTEMBER 1921	OCTOBER 1920	TEN MONTHS 1921	TEN MONTHS 1920
Imports.....	47,135	66,342	116,762	609,344	315,519
Exports.....	7,577	2,449	25,931	21,122	285,163
Excess of Imports.....	39,558	63,893	90,831	588,222	30,356

This brought the total stock of gold available for money, up to \$3,504,677,154, on November 1, compared with \$2,739,043,566 a year previous.

SAVINGS ACCOUNTS AND DEPOSITS

Reports from 163 banks in the Seventh Federal Reserve District, having aggregate savings deposits of over 668 millions, show an increase of 0.1 per cent in savings deposits on November 1, compared with October 1, and a decrease of 3.3 per cent from November 1, a year ago. The twenty-six reporting Chicago banks increased their savings deposits 0.3 per cent during the month and 1.5 per cent during the year, while six Detroit banks show increase of 0.6 per cent for the month and decrease of 10.8 for the year.

The changes in amount of savings deposits by states for reporting banks are as follows:

STATES	NUMBER OF BANKS	SAVINGS DEPOSITS	PER CENT CHANGE FROM
		NOVEMBER 1, 1921	OCTOBER 1, 1921 NOVEMBER 1, 1920
Illinois.....	54	\$ 323,508,939	+0.2
Indiana.....	33	45,020,024	-1.5
Iowa.....	26	53,512,992	+0.3
Michigan.....	28	194,057,998	+0.5
Wisconsin.....	22	52,311,815	-0.6
District.....	163	\$668,411,768	+0.1

Statistics giving also the number of accounts are available from 118 of these banks having aggregate savings deposits of \$610,168,836 in 1,884,784 accounts on November 1. All states show decrease in average savings accounts from last year, ranging from 4.4 per cent in Wisconsin to 9.1 in Indiana, while the decrease for the district is 6.4 per cent; Michigan is the only state to show increase during October, and Indiana shows the largest decrease, 2.2 per cent. The average account for the 118 banks on November 1, 1921, was \$323.73 compared with \$324.29 on October 1, 1921, and \$345.77 on November 1, 1920. Comparisons with average accounts of the 118 reporting banks by states follow:

STATES	NUMBER OF BANKS	PER CENT CHANGE	
		NOVEMBER 1, 1921 FROM	
		OCTOBER 1, 1921	NOVEMBER 1, 1920
Illinois.....	45	-0.1	-5.8
Indiana.....	21	-2.2	-9.1
Iowa.....	16	-0.8	-6.2
Michigan.....	24	+0.3	-7.4
Wisconsin.....	12	-0.5	-4.4
District.....	118	-0.2	-6.4

DEBITS BY BANKS TO INDIVIDUAL ACCOUNTS

The aggregate debits by banks to individual accounts in the twenty-three clearing house centers of the Seventh Federal Reserve District for the week ending November 16 show a decrease of 16.9 per cent, compared with the corresponding week of October, and a decrease of 23.6 per cent, compared with the corresponding week a year ago. These debits represent the checks drawn on individual accounts and paid by the 203 reporting banks in these twenty-three centers.

The volume of debits to individual accounts in the four weeks ending November 16, 1921, decreased 16.4 per cent and that of the previous four weeks 23.1 per cent, compared with the corresponding periods of last year. The comparisons for the Seventh Federal

Reserve District by weeks, expressed in thousands of dollars, follow:

1921 WEEK ENDING	NUM- BER BANKS	TOTAL	1920 WEEK ENDING	NUM- BER BANKS	TOTAL
November 16	203	899,569	November 17	196	1,178,344
November 9	203	884,670	November 10	194	1,118,984
November 2	204	976,000	November 3	195	1,009,301
October 26	204	941,567	October 27	195	1,124,024
Total....		3,701,806	Total....		4,430,653
Decrease.		16.4%			
October 19	204	1,082,872	October 20	195	1,414,458
October 12	204	782,658	October 13	195	1,059,214
October 5	204	985,093	October 6	196	1,237,599
September 28	204	871,344	September 29	196	1,127,985
Total....		3,721,967	Total.....		4,839,256
Decrease.		23.1%			

Debits to individual accounts reported by the leading clearing house centers in the United States for the four-week periods ending November 16 and October 19 show decreases of 17.8 per cent and 17.4 per cent, respectively, compared with the corresponding periods of the previous year. The total debits for the leading clearing houses in the twelve Federal Reserve Districts, compared by weeks, in thousands of dollars, are as follows:

1921 WEEK ENDING	NUM- BER CENTERS	TOTAL	1920 WEEK ENDING	NUM- BER CENTERS	TOTAL
November 16	156	7,510,832	November 17	153	9,952,676
November 9	155	7,319,823	November 10	155	9,583,785
November 2	155	8,567,863	November 3	156	8,690,098
October 26	156	7,432,771	October 27	156	9,305,301
Total....		30,831,289	Total....		37,531,860
Decrease.		17.8%			
October 19	156	8,918,726	October 20	155	10,749,281
October 12	155	6,652,495	October 13	156	8,226,066
October 5	156	8,396,245	October 6	152	9,999,561
September 28	152	7,267,155	September 29	156	8,840,007
Total....		31,234,621	Total ...		37,814,915
Decrease.		17.4%			

AGRICULTURAL PRODUCTION AND CONDITIONS

The November Government preliminary corn crop figures show a production, in the Seventh Federal Reserve District, of 937,596,000 bushels, compared with the October 1 estimate of 928,661,000 bushels, or an increase of 0.96 per cent, and with the 1920 final of 987,897,000 bushels, a decrease of 5.09 per cent. The production of the entire United States is estimated at 3,151,698,000 bushels, compared with the October 1 estimate of 3,163,063,000 bushels, a slight decrease, and with 1920 final of 3,232,367,000 bushels, a decrease of 2.49 per cent.

The stock of old corn in the United States on November 1, is estimated at 281,472,000 bushels, 8.7 per cent of the 1920 crop. This is twice the amount of old corn on farms a year ago and nearly three and one-half times the five-year average.

Considerable corn in Michigan is yet to be husked; about 50 per cent in Iowa; while the crop in Indiana is being harvested rapidly. The ear worm, dry rot,

and mold have done damage in all states in the district, especially in Indiana and Illinois.

Farm prices of corn per bushel average for Illinois, 35 cents; Michigan, 53 cents; Wisconsin, 43 cents; Iowa, 27 cents; Indiana, 36 cents.

Returns to a questionnaire sent to representative farmers throughout the district, indicate that there is less grain available for market still on the farms in Southern Wisconsin and the lower peninsula of Michigan than there was at this time last year, but that other parts of the district are about the same as last year. There is some threshing yet to be done in the lower peninsula of Michigan.

Winter wheat and rye throughout the district are well advanced and in good condition. A large crop of wheat has been sown in Northern Illinois, and a larger crop of wheat and rye has been sown in Southern Wisconsin than in 1920.

The Michigan bean crop on November 1 was estimated at 2,667,000 bushels, compared with 2,295,000 bushels on October 1, an increase of 16.2 per cent, and 3,575,000 bushels, the 1920 final, a decrease of 26 per cent.

The Michigan sugar beet harvest is nearly completed and the beets are fair in size and yielding well in proportion to the stand; but are lower in sugar content. Prices are low. The estimated yield for the United States on November 1 was 7,480,000 tons compared with the 1920 final of 8,546,000 tons and 6,218,000 tons for the five-year average.

Good progress has been made in the harvesting of potatoes in the district, and it is reported that a large part of the Wisconsin crop is being held in storage, for higher prices. Estimated production compares as follows:

	POTATOES (BUSHELS)		TOBACCO (POUNDS)	
	NOV. 1, 1921	FINAL FOR 1920	NOV. 1, 1921	FINAL FOR 1920
Illinois.....	6,566,000	8,775,000		
Michigan....	26,520,000	35,700,000		
Wisconsin...	21,459,000	33,264,000	62,225,000	62,400,000
Iowa.....	3,910,000	9,350,000		
Indiana.....	4,080,000	7,680,000	11,375,000	18,000,000
Total.....	62,535,000	94,769,000	73,600,000	80,400,000
United States.	356,076,000	428,368,000	1,020,874,000	1,508,064,000

	OCTOBER, 1921	SEPTEMBER, 1921	OCTOBER, 1920	TEN MONTHS ENDING OCTOBER 1921	OCTOBER 1920
Barley (Bu.).....	2,082,255	5,357,012	2,514,784	22,493,131	13,711,302
Corn ".....	9,216,691	18,600,342	1,417,232	114,189,497	12,890,935
Oats ".....	519,799	224,070	442,355	2,994,090	11,934,195
Rye ".....	1,970,234	3,712,635	2,696,192	27,162,121	46,641,720
Wheat ".....	18,361,807	30,841,986	35,802,977	255,806,737	166,348,814
Flour (Bbls).....	1,556,578	1,801,805	1,606,770	14,540,578	17,801,468

The total grain shipments from Chicago, including forwarding, compare as follows:

	OCTOBER 1921	SEPTEMBER 1921	OCTOBER 1920
SHIPPED BY BOAT			
Wheat (Bu.).....	841,000	3,307,000	210,000
Corn ".....	12,135,000	16,381,000	4,078,000
Oats ".....	1,840,000	3,619,000	217,000
Rye ".....	161,000	289,000	675,000
Barley ".....			
SHIPPED BY RAIL			
Wheat (Bu.).....	995,000	1,129,000	1,194,000
Corn ".....	808,000	857,000	2,771,000
Oats ".....	2,019,000	1,990,000	3,018,000
Rye ".....	9,000	9,000	110,000
Barley ".....	311,000	304,000	471,000

The shipments of flour from Chicago, in October,

May	Wheat (Bu.)	.....
December	"	.....
May	Corn	.....
December	"	.....
May	Oats	.....
December	"	.....
December	Rye	.....

PRODUCE—BUTTER AND CHEESE

The Wisconsin commercial output of cheese for four weeks in October was 20,689,339 pounds, compared with 20,499,887 pounds for the corresponding period in September, an increase of nearly 1 per cent. Production has fallen off in November, attributed in a measure to large quantities of cheese being returned

Potato farm prices per bushel were as follows on November 1: Illinois, \$1.51; Michigan, \$1.04; Wisconsin, \$1.07; Iowa, \$1.43. These were in excess of 1920 prices for November 1. The prices for the entire United States averaged \$1.235 compared with \$1.183 for the same period in 1920.

MOVEMENT OF GRAIN TO MARKETS

The movement of corn to the markets has been light in the last few weeks, due to fall plowing and seedling. The grain movement generally has been slow, because of the over-buying by foreign markets in August and September, although foreign purchasers are again in the market for wheat, corn, and rye. Canada and the Argentine are strong competitors for the export corn business. Canada's offering of wheat is in strong competition with that of the United States due to the lower Dominion prices. Grain prices at Chicago, not only spot but for future delivery, which declined sharply in October, continued downward in November. This is especially true of wheat. May corn hardened a little in price around the middle of November

Grain exports in October compare as follows:

	OCTOBER, 1921	SEPTEMBER, 1921	OCTOBER, 1920	TEN MONTHS ENDING OCTOBER 1921	OCTOBER 1920
Barley (Bu.).....	2,082,255	5,357,012	2,514,784	22,493,131	13,711,302
Corn ".....	9,216,691	18,600,342	1,417,232	114,189,497	12,890,935
Oats ".....	519,799	224,070	442,355	2,994,090	11,934,195
Rye ".....	1,970,234	3,712,635	2,696,192	27,162,121	46,641,720
Wheat ".....	18,361,807	30,841,986	35,802,977	255,806,737	166,348,814
Flour (Bbls).....	1,556,578	1,801,805	1,606,770	14,540,578	17,801,468

totalled 707,000 barrels compared with 417,000 barrels in October, 1920.

FLOUR PRODUCTION IN THE DISTRICT

Reports to this bank from forty-four representative millers in the Seventh Federal Reserve District, show an increase in production of flour of 8.5 per cent during October compared with September, and of 43.8 per cent compared with October, last year. The total production of these mills in October was 564,539 barrels.

CONTRACT GRAIN PRICES AT CHICAGO

The range of contract grain prices at Chicago for October compare as follows:

	OCTOBER, 1921	SEPTEMBER, 1921	OCTOBER, 1920
Wheat	\$1.07 3/4 @ \$1.25 3/4	\$1.23 3/4 @ \$1.42 3/4	.....
December	1.02 3/4 @ 1.20 3/4	1.19 3/4 @ 1.37 3/4	\$1.86 3/4 @ \$2.21 3/4
May	.50 3/4 @ .56	.54 @ .60 3/4	.85 3/4 @ .96 3/4
December	.45 3/4 @ .50 3/4	.49 @ .56 3/4	.79 3/4 @ .93 3/4
May	.36 3/4 @ .41	.40 @ .46 3/4	.57 3/4 @ .62 3/4
December	.32 @ .36 3/4	.35 3/4 @ .41 3/4	.52 3/4 @ .57 3/4
December	.81 @ 1.00	.99 3/4 @ 1.14 3/4	1.53 3/4 @ 1.74 3/4

from England owing to unsatisfactory prices abroad.

Receipts of cheese at principal Wisconsin markets, for four weeks in October, were 16,620,824 pounds, compared with 17,893,323 pounds for the corresponding period in September, a decrease of 7 per cent, and 15,443,393 pounds in the corresponding four weeks of October, 1920, an increase of 7.7 per cent.

Receipts of produce at Chicago in October (calendar month) compare as follows:

POINT OF ORIGIN	BUTTER		CHEESE		POULTRY		EGGS	
	OCTOBER 1921	SEPTEMBER 1921	OCTOBER 1921	SEPTEMBER 1921	OCTOBER 1921	SEPTEMBER 1921	OCTOBER 1921	SEPTEMBER 1921
Iowa.....	3,074,853	2,586,770	8,583	16,380	979,383	787,705	17,974	29,330
Wisconsin.....	5,884,396	5,954,820	7,520,397	6,032,997	281,311	231,529	19,971	30,349
Illinois.....	465,320	532,400	329,676	239,714	1,522,071	1,172,213	4,323	9,097
Indiana.....	91,520	78,493	395	1,164	95,652	135,390	1,324	650
Michigan.....	80,506	115,270	166,412	184,046	24,553	12,618	550	1,003
Total.....	9,596,595	9,267,753	8,025,463	6,474,301	2,902,970	2,339,455	44,142	70,429
Total from all points.....	14,647,806	14,884,367	8,090,568	6,707,054	4,160,373	3,610,392	137,477	201,472

Wholesale cheese prices at the Plymouth, Wis., market, as a rule were higher in October than in September, although twin cheese held steady. Wholesale prices of 92 score butter, at Chicago, in October averaged 44.9 cents a pound, an increase of 7.4 per cent over prices in September. Price of butter on November 15 was about 44½ cents a pound.

The Bureau of Markets reports the cold storage holdings of poultry and dairy products in the United States as follows:

	IN THOUSANDS OF POUNDS			
	NOVEMBER 1, 1921		OCTOBER 1, 1920	
Broilers.....	10,490	9,756	8,197	7,152
Roasters.....	8,854	5,231	3,239	1,935
Fowls.....	3,632	4,264	3,170	3,769
Turkeys.....	2,162	870	2,439	872

	IN THOUSANDS OF POUNDS			
	NOVEMBER 1, 1921		OCTOBER 1, 1920	
Miscellaneous Poultry....	9,703	10,951	8,558	9,225
Creamery Butter.....	78,014	101,778	90,116	113,385
Packing Stock Butter.....	1,800	3,528	2,149	3,786
American Cheese.....	43,015	48,566	45,163	55,007
Swiss Cheese.....	4,641	5,248	4,404	4,743
Brick and Munster.....	1,709	1,742	1,726	1,869
Limburger.....	1,127	1,276	1,170	1,333
Cottage, Pot, and Bakers.	3,176	5,493	3,319	5,780
Cream and Neufchatel...	312	187	378	275
All other cheese.....	5,577	6,580	6,207	5,975
Case Eggs.....	4,387	3,838	6,269	5,295
Frozen Eggs.....	26,101	20,461	26,656	23,584

*In thousands of cases of 30 dozen each.

Note: These holdings include stocks in both cold storage warehouses and packing house plants.

MOVEMENT OF LIVE STOCK

Improvement in the feeder movement of cattle and lambs back to the farms took place in October. Colorado and Wyoming, which up to that time had been out of the market, bought cattle and sheep for feeding. Increases were noted in shipments of cattle to all feeder states. Sheep and lamb shipments to Kansas, Ohio, Pennsylvania, Texas, and Wisconsin were greater; shipments to Illinois, Indiana, Iowa, and Missouri decreased compared with September.

Returns to a questionnaire of this bank to representative farmers throughout the Seventh Federal Reserve District indicate that at present there are less feeder cattle on the farms in Northern Illinois, southern peninsula of Michigan, Northern Indiana, and Southern Wisconsin, than a year ago. Hogs on the farm are less in Southern Wisconsin and the lower peninsula of Michigan than last year. Hog cholera is prevalent throughout the district although it is decreasing, as a rule.

The per cent changes in feeder shipments in October, compared with the previous month and a year ago follow:

	ELEVEN PRINCIPAL FEEDER MARKETS OCTOBER, 1921 COMPARED WITH		67 MARKETS IN UNITED STATES OCTOBER, 1921 COMPARED WITH	
	SEPTEMBER 1921	OCTOBER 1920	SEPTEMBER 1921	OCTOBER 1920
Cattle and Calves	+67.4*	+24.4*	+57.8	+7.2
Sheep and Lambs.	+37.3*	+7.6*	+30.0	-31.0

*Based on four-week comparisons.

Light stocker and feeder steers were in better demand in October and early November than the heavier weight.

Receipts and slaughter of live stock, at Chicago and other principal markets increased in October compared with September, as indicated in the following table.

	CHICAGO OCTOBER, 1921 COMPARED WITH		FIFTEEN WESTERN MARKETS OCTOBER, 1921 COMPARED WITH		67 MARKETS IN UNITED STATES OCTOBER, 1921 COMPARED WITH		TEN MONTHS 1921 COMPARED WITH TEN MONTHS 1920 CHICAGO—67 MARKETS	
	SEPTEMBER 1921	OCTOBER 1920	SEPTEMBER 1921	OCTOBER 1920	SEPTEMBER 1921	OCTOBER 1920	SEPTEMBER 1921	OCTOBER 1920
SLAUGHTER								
Cattle.....	+20.6	+14.9	+16.7	-0.3	+14.4	-1.3	-9.2	-10.5
Hogs.....	+13.3	+22.8	+13.6	+10.3	+11.3	+15.2	+8.5	+0.9
Sheep.....	+14.1	+54.7	+4.9	+37.6	+9.3	+34.0	+26.0	+21.5
Calves.....	-10.5	+0.7	+0.8	+15.6	-0.9	+11.3	+0.6	-2.7
RECEIPTS								
Cattle.....	+17.3	+1.8	+23.4	+2.1	+28.9	+0.6	-6.8	-14.3
Hogs.....	+18.2	+35.0	+16.2	+13.6	+20.9	+15.1	+8.7	-1.7
Sheep.....	+13.3	+26.8	+0.3	+15.5	+15.1	-0.5	+23.7	+4.6
Calves.....	-12.5	-2.7	+2.1	+21.8	+1.3	+17.7	+0.9	+0.7

The slaughter of live stock, at the eight stock yards in the district, for October, 1921 was: cattle, 232,803; calves, 80,188; hogs, 708,452; sheep, 422,216; compared with September, 1921, cattle, 196,273; calves, 75,203; hogs, 616,455; sheep, 361,553; and October, 1920, cattle, 222,542; calves, 76,832; hogs, 609,827; sheep, 297,927.

The combined live weight of all animals slaughtered, at Chicago, in October was 13.9 per cent greater than in September and 20.9 per cent greater than in October, 1920. Receipts of live stock at the eight stock yards, in this district, compare as follows:

		CATTLE	CALVES	HOGS	SHEEP
October,	1921....	405,996	97,426	1,055,348	678,282
September,	1921....	334,171	99,796	913,700	627,863
October,	1920....	410,392	113,721	901,384	551,610

Receipts, except hogs, have decreased some in November, the heaviest decline being in receipts of sheep and lambs, especially the feeder class. The arrivals of cattle at Chicago have been sufficient for trade requirements, consisting largely of plain stock, there being a scarcity of corn-feds. A larger portion of new crop

hogs are arriving at markets, and the demand has been good for light weight hogs and pigs.

The average prices of live stock in November, with the exception of lambs and sheep, declined. The comparative Chicago average prices follow:

CLASS	AVERAGE WEEK END NOV. 12	AVERAGE MONTH OF OCT. 1921	AVERAGE MONTH OF SEPT. 1921	AVERAGE MONTH OF OCT. 1920
Native Beef Steers				
700 to 1050 lbs....	\$ 5.50	\$ 6.75	\$ 6.90	\$11.10
1050—1200	6.50	7.35	7.30	12.30
1200—1350	7.25	8.10	8.10	14.60
1350—1500	7.70	8.50	8.10	16.00
1500—1800	8.40	8.85	8.45	17.45
Fat Cows & Heifers	4.25	4.80	4.60	6.95
Canners & Cutters	2.50	2.95	2.75	4.25
Calves.....	9.00	10.90	12.75	15.05
Stockers & Feeders	5.40	5.65	5.50	8.85
Hogs.....	7.08*	7.70	7.60	14.05
Pigs.....	....	7.95	7.40	13.75
Sheep.....	3.40@4.35	4.70	4.10	5.75
Yearling Sheep....	6.85	6.75	5.50	....
Lambs.....	8.70@8.90	8.55	8.80	12.35

*Average from November 1 to 22

Chicago live stock prices, with the exception of calves, were a little higher than other markets.

MEATS AND PROVISIONS COVERING THE UNITED STATES

Returns from thirty-four packing houses in the country show a gain of 8.04 per cent in October dollar sales compared with September, and thirty-three a decline of 23.9 per cent compared with October, 1920.

Returns from twenty-nine representative retail meat markets in the Seventh Federal Reserve District show an increase of 15.2 per cent in dollar sales compared with September, and a decrease of 26.4 per cent compared with October, 1920. The decrease in meat values compared with a year ago was a big factor in the decreased retail, as well as packing house sales

Fresh meats and lard for domestic trade have been moving well, and there has been an improvement in the demand for cheaper cuts of beef and pork in many localities.

Wholesale collections were reported good as a rule. The eastern demand for western meats has been rather slow.

The demand for fresh pork has been dragging at Chicago. The net shipments of meats and lard from Chicago were 13.6 per cent less in October than in September and 0.1 per cent less than in October, 1920. Chicago shipments of meats, including forwarding and disregarding receipts, were 5.1 per cent greater than in September, 1921, but nearly 1 per cent less than in October, 1920. Lard shipments, computed in the same manner, were 39.4 per cent less than in September but were 0.7 per cent more than in October, 1920.

While the wholesale prices of meats at Chicago, as a rule, showed a considerable decline in October from those of September, those for the week ending November 12, for beef, lamb, and mutton, increased, and for veal and pork (excepting hams) decreased from those of the corresponding week in October. Chicago retail prices of pork for October were lower than for September and of beef were about the same, while veal advanced.

Chicago retail prices of pork for the week ending November 12 showed declines, compared with the corresponding period in October, while those for beef and veal continued with little change. The average wholesale price of lard at Chicago for October declined, compared with September, and the prices for the week ending November 12 were less than those for the corresponding week in October.

Stocks of cured meats and lard declined, the percentage of change following:

	LARD NOVEMBER 1, 1921 COMPARED WITH OCT. 1, NOV. 1, 1921 1920		CURED MEATS NOVEMBER 1, 1921 COMPARED WITH OCT. 1, NOV. 1, 1921 1920	
Chicago.....	-54.9	-15.4	-23.9	-12.7
Principal Western Markets.....	-53.0	-19.7	-22.5	-16.6
Kansas City.....	-54.6	-27.4	-18.6	-11.5
St. Louis.....	-44.8	-36.2	-29.2	-24.8
St. Joseph.....	-6.3	-32.1	-20.5	-15.7
South Omaha.....	-66.0	-21.3	-32.7	-0.5

The cold storage holdings of frozen and cured meats in the United States on November 1 and on October 1, 1921, compared with the previous year, as reported by the Bureau of Markets, follow:

KIND	IN THOUSANDS OF POUNDS NOVEMBER 1, 1921 1920		OCTOBER 1, 1921 1920	
Frozen Beef.....	49,706	68,663	44,296	58,461
Frozen Pork.....	38,430	67,148	64,682	87,592
Frozen Lamb and Mutton.	6,865	48,997	5,993	25,325
Cured Beef.....	6,985	9,979	7,783	10,199
In process.....	7,465	10,374	7,743	9,395
Dry Salt Pork.....	58,919	111,933	84,643	188,399
In process.....	49,482	38,879	65,332	44,990
Pickled Pork.....	74,132	113,189	103,625	141,060
In process.....	138,256	141,649	153,620	154,400
Lard.....	49,093	47,329	85,115	109,258
Miscellaneous Meats....	60,616	59,486	69,739	63,957

Note: These holdings include stocks in both cold storage warehouses and packing plants.

Improvement was noted in November in the demand from Great Britain and the Continent for packing house products. England bought hams and lard because of low supplies of those products in that country. The bulk of provisions now being exported is in the nature of sales instead of consignments, although the difference and uncertainty of exchange is still a hindrance to straight sales. Consignment stocks in Germany and other parts of Europe are gradually being reduced. Provision prices abroad were better in October than in September but are still unsatisfactory,

as a rule. There is little fresh meat being exported and the demand for cured and salted meats, excepting hams, has been limited, because of heavy stocks and the unsettled conditions abroad. Lard sales have been seasonably heavy. Provisions are being purchased only as needed, and large supplies of bacon from other countries and at home are restricting the sale of American bacon in England. Foreign collections are good.

Exports of meats and provisions from the United States in October follow:

		OCTOBER	SEPTEMBER	OCTOBER	TEN MONTHS ENDING	
		1921	1921	1920	OCTOBER	OCTOBER
					1921	1920
Beef, canned	(pounds)	562,372	286,805	207,387	5,733,890	23,377,034
Beef, fresh	(pounds)	310,179	239,039	485,979	9,870,295	84,973,819
Beef, pickled, etc.	(pounds)	1,971,222	2,857,076	1,995,039	20,939,798	21,039,092
Bacon	(pounds)	23,575,611	44,718,463	49,838,768	378,322,271	509,959,859
Hams and Shoulders	(pounds)	12,110,375	17,137,613	8,787,853	200,059,284	159,557,112
Lard	(pounds)	58,070,143	107,529,930	55,846,232	774,243,991	485,791,116
Pork, pickled	(pounds)	2,857,113	2,990,328	3,459,256	28,504,633	33,427,358
Lard	(pounds)	4,026,338	3,322,368	2,253,640	41,627,982	24,068,593

STOCKS OF HIDES AND MARKET DEMAND

The net shipments of hides at Chicago (shipments less receipts) for October, 1921, were 30.3 per cent less than in September, 1921, and 187.3 per cent more than in October last year. Receipts were heavier than the previous month.

The sales of packer hides in October were less in volume at Chicago than in the previous month, although the market was active. Stocks in November continued well sold up. Packer hides became very active at Chicago during the third week in November and prices advanced slightly. Country hides were quiet in the Chicago market; there was some activity at Kansas City during October, but, as a whole, tanners seemed to be amply covered for present needs and are holding off, in the East as well as in the West; however, a larger volume was handled in the East than at Chicago. The demand for calf skins slowed up in October and also early November, tanners holding off for a brisker demand for spring shoes. Sheep skins were quiet but steady in price during October and early November. The sales of green hides in the entire United States were 19.8 per cent and calf skins 4.7 per cent less in October than in September.

Stocks of green hides in the United States on October 1, 1921, were as follows:

	HOLDINGS, OCTOBER 1, 1921	PER CENT CHANGE COMPARED WITH	
		SEPTEMBER 1, 1921	OCTOBER 1, 1920
Cattle Hides (pieces)....	6,086,225	-6.3	+ 2.7
Calf & Kip " (in- cludes India tanned) .	4,614,934	+3.2	- 0.2
Goat & Cabrettas (pieces)	11,537,013	-3.7	-26.1
Sheep Skins (pieces).....	12,606,056	-9.3	+12.2

These holdings were largely in the hands of tanners at that time.

Average prices of green hides at Chicago increased slightly over those of September, as will be seen from the following table:

	WEEK ENDING NOVEMBER 12, 1921	FOUR WEEKS IN OCTOBER, 1921	FOUR WEEKS IN SEPTEMBER, 1921
PACKER HIDES			
Heavy Native Steers	\$.15½	\$.15½	\$.14½
Butt Brand..	.15	.14¾	.13½
Heavy Cows.	.14½	.13¾	.12 9/10
Native Bulls.	.08½	.07¾	.07¾
COUNTRY HIDES			
Heavy Steer.	.09	.08½	.09
Branded....	.05	.04¾	.05
Calf Skins...	.12 @ .19	.13¾ @ .19¾	.19¾
Lamb Skins.	1.05 @ 1.20	.92½ @ 1.02½	.80 @ .88½

Note: All prices except lamb skins per pound.

LEATHER AND TANNING

Conditions in the leather industry in the Seventh Federal Reserve District based on returns from seven concerns for October, showed improvement compared with September. Only one concern showed less sales, in volume, for October compared with September this year, and October a year ago. The other six concerns reported increased sales in volume over both periods, although the money value was less than last year. The increase in volume from October, 1920, reached 40 per cent in one case. The sales of tanned side leather in the entire country were 3.46 per cent more than in September. There is noted a seasonal falling off in

business in leather products with the approach of the annual inventories. There is complaint that the present market value of some kinds of leather, which could not follow the prices of green hides due to accumulation, is too close to the cost of production.

[October prices of "plump weight outsoles" for men's shoes, and "plump weight sole leather backs and sides" were about 10 per cent higher in October than in September. Cheaper grades of leather have been in demand and show a 10 per cent advance from the low price. The demand for leathers for work shoes and low priced

footwear was the feature in October. The demand for belting was better in October than in September. Tanned calf skins slackened, while offal and middle-weight leather moved very slowly.

Leather merchandising is spotty, with some concerns taking nearly normal supplies, while others are buying only in limited quantities, due to variations in the volume of their operations on account of differences in the retailing of shoes. Some of the tanneries report that the bulk of their business, which was done with eastern concerns a few weeks ago, has gradually shifted to the Middle West. Inventories are being liquidated and the old and off stocks of low priced leather are gradually being cleaned up.

The following table shows the stocks of principal kinds of leather on hand October 1, 1921:

	HOLDINGS OCTOBER 1, 1921	PER CENT CHANGE FROM SEPTEMBER 1, OCTOBER 1, 1921 1920	
Sole Leather (pieces) . . .	11,003,019	- 0.5	+ 18.6
Cattle Upper Leather (pieces)	8,026,494	- 6.6	+ 3.9
Cattle Upper Splits Leather (pieces)	5,887,808	+ 13.9	+ 23.1
Belting Butts Leather (pieces)	933,259	+ 0.6	+ 122.6
Harness and Case Bag Leather (pieces)	798,833	+ 6.4	+ 27.9
Calf and Kip Leather (pieces)	7,659,616	+ 6.7	+ 38.1
Goat and Cabrettas Leather (pieces)	23,826,222	- 2.5	+ 1.1
Sheep, Lamb, and Shear- lings Leather (pieces) .	10,016,765	+ 0.9	+ 2.9
Offal, Belting and Sole Leather (pounds)	86,112,538	+ 3.3	+ 46.6
Cut Sole Tops (dozen pairs)	8,341,214	+ 5.5	+ 10.7

BITUMINOUS COAL PRODUCTION

Coal production from all the mines in Illinois is estimated at 7,569,348 tons for October, 1921, compared with 5,881,000 tons for September, 1921, and 9,000,000 tons for October, 1920. This brings the total Illinois production since January, 1921, to 56,578,348 tons, compared with 73,082,702 tons for the first ten months of 1920.

Reports from the Central Illinois coal mining district, sixty-three companies reporting, show production for October of 1,596,248 tons, compared with 1,230,550 tons in September. Of the total full-time hours, 2.5 per cent were lost in October owing to transportation difficulties, compared with 0.9 per cent in September; 1.5 per cent to labor shortage, compared with 1.0 per cent; 0.7 per cent to strikes, compared with 0.4; 2.4 per cent to mine disability, compared with 2.6 per cent; and 34.4 per cent to lack of market, compared with 48.4 per cent. In the week ending November 12, these companies show an increase in production from 338,075 tons to 343,683 tons; this increase was caused largely by less time lost through transportation difficulties and strikes.

Reports from 178 Indiana coal mines indicate larger bituminous production in that state in October than in September with an increase in the operating time. The production in October was 1,970,075 tons, compared with 1,484,280 tons in September. The percentage of full-time hours lost for the months of October and September was distributed in the following groups: Transportation, 4.6 per cent in October, against 0.8 per cent in September; labor trouble, 3.7 per cent, against 4.1 per cent; mine disability, 7.7 against 9.0 per cent; lack of orders, 39.1 per cent as against 47.7 per cent. In the week ending November 5, however, was shown the effect of theminers' strike, which curtailed production 44.1 per cent. In the week following, production was reduced only 5.0 per cent by labor trouble. The production in the week ending November 12, was 437,721 tons, compared with 175,042 tons in the week ending November 5. Full-time production was curtailed 8.4 per cent by mine disability compared with 6.0 per cent in the preceding week, and 32.7 per cent by lack of orders, compared with 29.3 in

the preceding week.

Twenty-seven of the Iowa mines, operating on a 72.55 per cent basis, produced approximately 209,000 tons, in October.

The total soft coal production in the United States for October as given by the Geological Survey is 43,741,000 net tons or 8,403,000 net tons less than for October, 1920, and 3,959,000 net tons less than the eight-year average for October.

The cumulative production to October 31 was 340,000,000 net tons or 113,000,000 net tons less than for the corresponding period of 1920, and 75,000,000 net tons less than the eight-year average for ten months. While this sub-normal production is attributed largely to the low rate of consumption, attendant on the industrial depression, it is so far impossible to determine, because of a lack of knowledge of consumers' stocks of coal, whether the drop in production has been greater or less than the decline in consumption.

The buying of domestic sizes, particularly in industrial districts, is in small amounts, and the tendency on the part of the consumer is to buy in small quantities and the grades which can be sold at the lowest prices. Since November 4, when the United States Court of Appeals set aside until November 16, the injunction issued by Judge Anderson against the check-off system of collection of dues, the demand for coal of all sizes has been exceedingly light. This was expected, however, as shipments of the previous three weeks were in excess of the requirements for immediate consumption, especially of domestic sizes. The reduction in the production of domestic sizes has caused a decrease in the amount of screenings in the hands of operators, and the open market price on that size of \$1.85 to \$2.00 at the mines, held well through the month. While this price for this size is much better than that prevailing last month, it is not yet sufficient to give a fair return on the entire production of most of the mines in Illinois and Indiana. There was a sudden pronounced car shortage in October, which hindered the loading of coal. The small consumer is buying only for his immediate needs. Collections are reported about the same as during September.

MANUFACTURING ACTIVITIES AND OUTPUT

IRON AND STEEL

Iron and steel, in the Seventh Federal Reserve District, showed improvement in October over September, as far as actual production was concerned. Additional operations were started in the district by the blowing in of two new furnaces at South Chicago, and one furnace in Indiana. One additional stack was lighted at Detroit, and one in Illinois, while only one stack in the district was blown out during October.

Pig iron production, in the district, increased about 23.3 per cent from that of the previous month, while the pig iron production of Illinois and Indiana increased from 171,380 gross tons in September to 220,828 gross tons in October. Production figures of iron and steel, in gross tons, for the entire United States follow:

	OCTOBER 1921	SEPTEMBER 1921	OCTOBER 1920
Pig Iron.....	1,240,162	985,529	3,288,341
Steel Ingots—(Thirty companies)	1,616,810*	1,174,740	3,015,982

*Largest production since January.

Although the pig iron production, in the United States, for October showed an increase over September, yet it was the smallest production for October in longer than eighteen years and was 21.6 per cent below the next low which was reached in October, 1908. The ten months' production of steel ingots for the thirty companies, in the United States, was 13,739,852 gross tons against 29,453,217 gross tons, for the first ten months in 1920.

Jobbers are a little more inclined to buy than they have been, because of a slight increase in their own business. Business slowed up somewhat after the settlement of the threatened railroad strike, but there has been inquiry in early November for rails for 1922 delivery.

The unfilled orders on the books of the United States Steel Corporation on October 31 were 4,286,829 gross tons against 9,836,852 gross tons in October, 1920, and 4,560,670 in September, 1921. Some tonnage has been added in November, due to railroad orders which continue to expand.

Prices in November show slight decreases from the average of October; the comparisons follow:

	WEEK ENDING NOV. 17 1921	MONTH OCTOBER 1921	MONTH SEPTEMBER 1921	MONTH OCTOBER 1920
Average 14 iron and steel products in the United States.....	\$34.63	\$35.46	\$35.34	\$68.61
PRICES PER GROSS TON AT CHICAGO—				
Lake Superior Charcoal Pig Iron.....	32.50	32.50	33.25	58.50
No. 2 Foundry Pig Iron.....	21.00	21.50	21.75	46.00
Malleable.....	21.00	21.50	21.75	46.50
Finished Steel Bars*..	1.60	1.75	1.82	3.88
Finished Iron Bars*..	1.65	1.75	1.75	3.75
Finished Beams*.....	1.60	1.78	1.92	3.31
Tank Plates*.....	1.60	1.78	1.82	3.63
SCRAP AT CHICAGO				
Old No. 1 Wrought Iron.....	13.75	14.65	13.05	22.50

	WEEK ENDING NOV. 17 1921	MONTH OCTOBER 1921	MONTH SEPTEMBER 1921	MONTH OCTOBER 1920
Old Re-rolling Rails..	14.00	14.65	13.05	34.00
Heavy Melting Steel..	12.50	14.00	11.30	21.40

*Prices per hundred-weight.

The composite average in October, 1914, was \$22.84.

Lake ore shipments in October were 3,233,081 gross tons against 3,913,122 gross tons in September.

AUTOMOBILES AND AUTOMOBILE ACCESSORIES

Automobile manufacturers in the Seventh Federal Reserve District are reducing production schedules to conform to approaching winter conditions, when sales naturally decline. The normal winter demand for motor cars is estimated as at least 40 per cent below other seasons. Actual production statistics for automobiles covering the entire industry have not as yet been available in detail. In September, according to statistics just prepared by the Department of Commerce, there were produced 143,797 cars, compared with 166,393 in August and 163,998 in July. The production figures for a year ago are not available.

The truck end of the automobile business has not shown the relative production during the last few months exhibited by the pleasure car business. The statistics show some improvement, however, in the number of trucks manufactured, but the percentage of output compared with a year ago is much lower, although definite statistics are not available as to the number of trucks produced. The production in September was 13,645 compared with 13,076 in August and 10,761 in July.

Automobile manufacturers are slow to take on commitments of raw materials or partly finished goods for longer than thirty to sixty days ahead. Some of the larger manufacturers are confining their purchases to a thirty-day basis.

October shipments, partly estimated, according to the National Automobile Chamber of Commerce, were 11 per cent under September, but these shipments amounted to 96 per cent of the total of October last year. The detailed comparisons of shipments by months for 1921 and 1920 follow:

	CARLOADS		DRIVEAWAYS		BOAT	
	1921	1920	1921	1920	1921	1920
October.....	*17,323	17,209	*11,257	14,127	*2,300	2,519
September...	19,002	20,804	13,840	24,431	2,959	5,469
August.....	20,758	23,386	15,218	34,060	3,595	7,095
July.....	19,514	23,082	15,533	52,342	3,726	8,702
June.....	20,269	22,516	18,834	60,746	3,947	8,350
May.....	18,608	21,977	15,193	74,286	2,381	....
April.....	20,187	17,147	14,197	64,634	1,619	....
March.....	16,287	29,326	9,939	57,273	75	..
February....	9,986	25,505	7,507	43,719	99	....
January....	6,485	25,057	3,185	29,283	93	....

*Partly estimated.

Some of the large manufacturers further curtailed production the latter part of October, when they discovered cars piling up in the hands of distributors and dealers, pending the presentation of new models.

Manufacturing operations, however, are not being resumed. Collections improved as the liquidation of cars proceeded. The farmers in the north are buying few automobiles, but those in the South and in New England are more liberal in this regard, while buyers generally in the Middle West and Pacific States are holding aloof.

Inventories of automobile accessories and parts are low and metal buying is increasing sufficiently to take care of requirements for the first part of next year. Collections in this branch of the industry are good, and outstanding notes being taken care of. Orders for the month of November are estimated at 50 per cent greater than for the same month last year. Some departments have made as much, or more, money this year than during any normal year for the past ten, and, on the whole, business is pronounced as very satisfactory. Sales of parts and accessories during October were reported better in every department than in the same month a year ago.

AGRICULTURAL MACHINERY

Production of farm machinery in the Seventh Federal Reserve District continues at a low point, and those concerns that are operating at all are doing so only to meet current needs and repairs, and are on only a 5 to 10 per cent of capacity basis. Six concerns reporting to this bank show a seasonal falling off of sales in October; sales running from 7 to 15 per cent less than September, 1921, and 38 to 75 per cent less than October a year ago. One concern shows a slight increase in October over September sales. Farmers in all sections, excepting dairy and potato farming districts, are holding off on purchasing new machinery, and dealers are doing likewise. Some machinery, in a few instances, is being taken back by factories because of the inability of dealers to pay for the goods. Sale of threshing and heavy machinery in the Northwest is restricted, farmers claiming that they are unable to pay for it under present conditions. Collections are slow and obtained only through effort. Farmers are not liquidating their indebtedness to any extent, except in dairy and potato farming districts; dealers in many cases have been compelled to take a large number of farmer notes with maturities of six months to a year or more. Most farm implement concerns have large inventories, which are slowly being reduced.

There is a general complaint against present high freight rates, which, because of low prices on farm products, are curtailing purchases of farm machinery and preventing liquidation of indebtedness. The proposed reduction in freight rates on farm products will tend to relieve this situation.

FURNITURE

Conditions in the furniture manufacturing industry in the United States during October showed improvement over September, based on 155 returns to "Associated Furniture" questionnaires. Orders and shipments increased and unfilled orders on November 1 were nearly six weeks run, based on October shipments.

Production in October was 81.2 per cent normal. Returns from fifty-nine concerns in the Seventh Federal Reserve District show improvement in October orders, shipments, and unfilled orders. Conditions in the other Federal Reserve districts, from one to ten inclusive, showed improvement over the previous month.

The comparative statistics follow:

	SEVENTH RESERVE DISTRICT	UNITED STATES
Number Reporting.....	59	155
Production percentage of normal.....	80.3	81.2
October Orders.....	\$2,314,300	\$5,623,248
September Orders.....	2,160,685	5,134,340
October Shipments.....	2,266,582	5,166,652
September Shipments.....	1,970,735	4,615,943
October Cancellations.....	103,287	228,539
September Cancellations.....	64,185	137,192
November 1, Unfilled Orders.....	3,139,404	7,089,835

Reports direct to this bank also show improvement over September, but because of a change in the questionnaire, it is impossible to get complete comparisons this month, as far as shipments and orders are concerned. Three out of five firms, making business furniture, report an increase in per cent of capacity operating, and of the thirty-one firms making household furniture, six reported an increase and eight a decrease in operations. The returns to this bank show an average of 78.2 per cent of capacity operating compared with 77.7 per cent in September. Upholsterers and cabinet makers are said to be scarce.

Comparisons in October with those of last year, based on returns of fourteen manufacturers of household furniture reporting in dollar amounts, show increases of 153.7 per cent in orders and 6.6 per cent in shipments. Unfilled orders on November 1 increased 34.0 per cent and manufacturing stocks on hand 8.1 per cent, compared with a year previous.

BOX AND CONTAINER MANUFACTURING

Considerable improvement in box and container manufacturing during October is shown by reports from ten firms, although the volume of business is far below that of last year.

The per cent increase in dollar sales over the previous month was almost twice the corresponding percentage for September, while the increase in material consumed was about half that for September. Detailed analysis of the returns follows:

	OCTOBER 1921 COM- PARED WITH SEPTEMBER	OCTOBER 1921 COM- PARED WITH OCTOBER
NUMBER OF REPORTING FIRMS: 10	1921	1920
Sales in dollars.....	+22.8%	-61.5%
Material used in October.....	+10.7%	-45.0%
Cumulative sales for ten months.....	.....	-65.3%
Material used in ten months.....	.....	-50.8%

CONFECTIONERY

October's candy business showed a decrease in volume of 10 to 15 per cent from that of September, and about 50 per cent decrease from that of October a year ago, due mostly to declines in price, although some

falling off in tonnage is noted. There were no marked changes in price in the last thirty days, except on the cheaper varieties, which declined from two to three cents a pound, or from 10 to 15 per cent. Continued lower prices of sugar and corn syrup have reduced manufacturing costs to some extent, but the sharp competitive conditions, particularly from the wholesale grocers, have forced prices on this class of goods lower than the decline in production and distribution costs would justify. Candy and cracker departments are operating as heretofore at about 60 per cent capacity. Collections in October were slower than in September, but November is showing signs of improvement in this respect.

SOAP AND SOAP PRODUCTS

The volume of sales in the soap industry during October was 30 per cent above a year ago, and collections good. Fats and oils advanced 10 per cent, export inquiries were more frequent, and more sales were consummated. Factories were operating full time in October and early in November, but are developing the usual tendency to slow up toward the end of the year.

SHOE MANUFACTURING

Returns from thirty-five shoe manufacturers in the Seventh Federal Reserve District for October show an improvement over the previous month. Production increased during the month, eight manufacturers reporting an increase in per cent of capacity operating, while five reported decreases; one factory was closed on account of labor trouble. Detailed analysis of the returns as compared with the preceding month and year follows:

NUMBER OF FIRMS REPORTING 35	OCTOBER, 1921 COMPARED WITH SEPTEMBER, 1921		OCTOBER, 1921 COMPARED WITH OCTOBER, 1920	
Production.....	+ 8.4%		+48.7%	
Stock.....	- 0.3%		-48.9%	
Shipments.....	- 2.7%		+85.3%	
Unfilled Orders.....	+19.7%		+66.2%	

CLOTHING AND TAILORING INDUSTRY

Apparently a great deal of optimism as to the outlook for next spring prevails among the clothing trades. Orders placed so far with the nine wholesale clothing manufacturers for the coming spring surpass those of the corresponding period last year by 180 per cent. Shipments have slackened up considerably since September, but, on account of the lateness of the fall season this year, both production and shipments are still greatly ahead of last year's figures.

In the Tailors-to-the-Trade industry, a definite renewal of activity is noticeable. Orders, production, and shipments reported by seventeen concerns increased about 25 per cent during the month of October. This brings these operations almost up to the volume of those of a year ago. The favorable showing is almost wholly due to actual improvement this year, as the decline that set in last fall amounted to less than 5 per cent for the reporting firms.

The figures for six Cut-Trim-Make concerns show the same trend, but the improvement here is less

marked than it is in the other branches of the clothing industry.

October conditions as represented by the firms responding to the clothing questionnaire follow:

		WHOLESALE CLOTHING	
Number of firms reporting.....		9	
Orders for spring from opening of season to date of report compared with corresponding period of 1920.....		+180.0%	
Number of suits made as compared with—			
(a) September, 1921.....		+ 1.6%	
(b) October, 1920.....		+25.2%	
Number of suits shipped as compared with—			
(a) September, 1921.....		-30.9%	
(b) October, 1920.....		+20.9%	

		TAILORS-TO CUT-TRIM THE TRADE MAKE-	
Number of firms reporting.....		17	6
Orders for suits as compared with—			
(a) September, 1921.....	+25.3%		+17.9%
(b) October, 1920.....	- 4.0%		-11.5%
Number of suits made as compared with—			
(a) September, 1921.....	+26.6%		+21.0%
(b) October, 1920.....	- 4.6%		- 9.5%
Number of suits shipped as compared with—			
(a) September, 1921.....	+24.7%		+20.2%
(b) October, 1920.....	-10.4%		- 9.9%

WOOL INDUSTRY AND MARKET

There was an active movement of all grades of raw wool during October, according to advices from four of the large midwest dealers and manufacturers, as well as from the trade reports. Stocks were steadily being decreased at strong to slightly higher prices. Midwest as well as general stocks are still ample for all requirements of the mills. October sales by wool dealers are reported better than September and larger than October of last year, although comparisons with last year may be misleading, because at that time the wool industry was at a standstill. The market in November while not exactly brisk is steady with a well distributed demand in evidence. Total shipments from Chicago of raw wool since January 1 to November 12 were 99,960,000 compared with 49,802,000 for the corresponding period of 1920.

LUMBER

According to reports compiled by the National Lumber Manufacturers' Association, the production of lumber during September was 10 per cent less than in August and 6 per cent less than in September, 1920. This is 99 per cent of the average production for September for ten years (1912-1921) and is between 70 and 75 per cent of what is considered normal by the reporting mills.

Shipments during September fell 7 per cent below August figures and were 15.9 per cent greater than September a year ago. The ratio to the ten-year average for September was 107 per cent. Orders fell below those of August by 4.2 per cent and exceeded September, 1920, by 49.9 per cent. The ratio to the ten-year average for orders was 117 per cent. According to these figures, shipments and orders decreased less than production during the month of September and show a much greater degree of activity than existed at this time last year.

Judging from reports for October and the early part of November, the demand is continuing. While the figures are not yet sufficiently complete to give a basis for comparison with the actual volume of these operations during previous periods, they show that shipments and orders greatly exceed the cut. For shipments, this excess amounted to 3 per cent in September and to 13 per cent in October. The new orders booked were 18 per cent and 21 per cent, respectively, ahead of the production during these two months.

Operations of the Northern Hemlock and Hardwood

Southern Pine Association.....	105	124	118
West Coast Lumbermen's Association.....	105	99	91
Western Pine Manufacturers' Association.....	94	131	157
California White and Sugar Pine Mfrs. Association.....	73	112	120
California Redwood Association.....	70	78	96
North Carolina Pine Association.....	96	106	96
Northern Hemlock and Hardwood Mfrs. Association.....	95	214	214
All Associations.....	101	113	110

*Cut=100

BUILDING AND CONSTRUCTION

BUILDING AND CONSTRUCTION

While contemplated new work for the month of October within the states of the Middle West was 59 per cent greater than that reported during September, the value of the contracts actually awarded fell off by 12 per cent. In comparing this value with that of October last year, it shows an increase of 3 per cent. Considering the general decline that has taken place in the cost of construction since a year ago this would indicate a considerable increase in actual building activity. Thirty-two per cent of this value went for residential building, 15 per cent for business, and only 9 per cent for industrial purposes. Industrial building has fallen off greatly during this year.

Building statistics for the month of September, 1921, covering the Chicago district and comprising all of Illinois, Indiana, Iowa, Wisconsin, Michigan, Missouri, and portions of Eastern Kansas and Nebraska compare as follows:

CONTRACTS AWARDED

	NO. OF PROJECTS	NEW FLOOR SPACE IN SQUARE FEET	VALUATION
Business Buildings.....	247	1,741,700	\$ 7,533,400
Educational Buildings.....	63	1,133,400	6,654,500
Hospitals and Institutions....	11	94,500	652,000
Industrial Buildings.....	93	1,155,200	4,538,400
Military and Naval Buildings..	2	31,900	230,000
Public Buildings.....	13	116,400	624,300
Public Works and Utilities....	269	.....	10,059,900
Religious and Memorial Build- ings.....	34	318,800	1,890,500
Residential Buildings..... (a) 1,141		3,991,500	16,503,400
Social and Recreational Build- ings.....	29	491,100	2,398,900
Total	1,902	.....	\$51,085,300
(a) 1,356 Buildings			

The building situation in Chicago, which, during the whole year, has been awaiting stabilized conditions in order that it might resume an activity that would

Manufacturers' Association, most of whose members are located within the Seventh Federal Reserve District, are included in this report, and show shipments and orders amounting to over 200 per cent of the value of production during both September and October. However, the aggregates for both of these items during the first ten months of this year, were below production.

Shipments and orders in relation to cut of lumber, as reported by seven associations, to the National Lumber Manufacturers' Association follow:

*SHIPMENTS			*ORDERS		
TEN MONTHS	MONTH OF OCTOBER	WEEK ENDING NOV. 5	TEN MONTHS	MONTH OF OCTOBER	WEEK ENDING NOV. 5
105	124	118	107	127	101
105	99	91	107	112	91
94	131	157	95	150	176
73	112	120	132	85	70
70	78	96	68	105	136
96	106	96	95	105	152
95	214	214	87	219	174
101	113	110	105	121	107

satisfy the existing demand, is still in a state of confusion and of relative inactivity. While quite a large volume of building has been going on for this time of the year, it has not been proportionate to the demand that actually exists and the new work undertaken is mostly for smaller projects. The main development in the situation has been a bringing out of the attitude of the conflicting forces and of the issues at stake. A citizens' committee has been formed to uphold the principles formulated in the decision of Judge Landis, whether these are opposed by contractors or labor unions. The open-shop is used to combat those unions who refuse to comply with the decision.

BUILDING PERMITS

Building in prospect, in cities of the Seventh Federal Reserve District, as reflected by the building permit statistics for October, continued the gain over the corresponding period last year, which was shown in September. All states of the district and most of the cities participated in the increase in number of permits, and all of the states except Michigan showed increase in estimated cost. Detroit showed an increase in the number of permits, but the estimated cost for October was only slightly over half that in October last year.

The detailed statistics follow:

	OCTOBER, 1921		OCTOBER, 1920		PER CENT
	NO. OF PERMITS	ESTIMATED COST	NO. OF PERMITS	ESTIMATED COST	CHANGE FROM 1920
ILLINOIS					
Aurora.....	53	\$ 164,470	22	\$ 33,410	+ 392
Chicago.....	876	10,457,250	246	3,538,150	+ 195
Decatur.....	85	179,700	55	162,800	+ 10
Evanston....	121	531,990	50	101,303	+ 425
Peoria.....	73	202,620	56	77,555	+ 161
Rockford....	168	244,420	100	176,130	+ 38
Springfield...	192	191,985	119	173,880	+ 10
Total.....	1,568	11,972,435	648	4,263,228	+ 181

	OCTOBER, 1921		OCTOBER, 1920		PER CENT
	NO. OF ESTIMATED		NO. OF ESTIMATED	CHANGE	
	PERMITS	COST	PERMITS	COST FROM 1920	
INDIANA					
Fort Wayne..	137	410,765	80	242,005	+ 69
Gary.....	49	304,750	61	165,646	+ 83
Hammond...	45	119,650	40	164,850	- 28
Indianapolis..	1,069	1,743,532	792	2,042,236	- 15
Richmond ...	31	28,250	28	27,450	+ 2
South Bend...	235	360,552	312	131,807	+ 173
Terre Haute..	95	113,010	59	41,845	+ 170
Total.....	1,661	3,080,509	1,372	2,815,839	+ 9
IOWA					
Cedar Rapids.	136	170,607	81	103,160	+ 65
Davenport...	102	183,170	60	47,280	+ 287
Des Moines...	141	486,618	72	205,660	+ 136
Dubuque....	40	105,275	23	14,763	+ 613
Mason City..	35	28,475	18	30,750	- 8
Sioux City...	127	290,975	83	151,275	+ 92
Total.....	581	1,265,120	337	552,888	+ 129
MICHIGAN					
Battle Creek.	100	114,431	64	37,587	+ 204
Bay City....	187	64,652	46	66,370	- 2
Detroit.....	1,620	3,716,270	1,574	6,837,890	- 46
Flint.....	260	558,444	385	894,608	- 38
Grand Rapids	322	395,660	190	185,901	+ 112
Jackson.....	72	223,265	80	49,225	+ 353
Kalamazoo...	91	123,680	40	191,648	- 36
Lansing.....	201	225,751	124	381,440	- 41
Saginaw.....	178	87,049	128	136,804	- 37
Total.....	3,031	5,509,202	2,631	8,781,473	- 37
WISCONSIN					
Kenosha....	104	109,140	155	147,908	- 27
Madison.....	130	226,097	47	70,350	+ 221
Milwaukee...	671	3,660,431	406	1,577,659	+ 132
Oshkosh.....	100	86,365	42	36,518	+ 136
Racine.....	87	124,249	86	151,845	- 19
Sheboygan...	92	60,741	76	44,141	+ 37
Total.....	1,184	4,267,023	812	2,028,421	+ 110
Grand Total..	8,025	26,094,289	5,800	18,441,849	+ 41

INDUSTRIAL EMPLOYMENT SITUATION

Manufacturing activity is demanding more workers. The increase in employment as shown for October, while not large, is helping to offset the effect of other industries where the work naturally slackens up at this time of the year. Conditions as represented by the manufacturing concerns reporting for this district show the following changes for the month of October, 1921:

	DISTRICT	CHICAGO
Number of firms reporting.....	299	85
Total number employed October 31, 1921	167,513	58,973
Number employed as compared with—		
(a) the preceding month.....	+ 2.2%	+ 1.2%
(b) the same month a year ago.....	-22.9%	-17.0%
Amount of payroll as compared with—		
(a) the preceding month.....	- 0.3%	+ 3.0%
(b) the same month a year ago.....	-39.4%	-27.0%
Pay per man as compared with—		
(a) the preceding month.....	-2.4%	+ 1.8%
(b) the same month a year ago.....	-21.4%	-12.1%
Percentage of production to maximum monthly output in 1920:		
(a) October, 1921.....	66	64
(b) September, 1921.....	65	61
(c) October, 1920.....	68	72

The changes reflected in the employment situation by industries follow:

INDUSTRY	NUM- BER OF FIRMS REPORT- ING	NUM- BER OF EMPLOYEES OCT. 31, 1921	PER CENT CHANGE IN NUMBER OF MEN SINCE	
			SEPT. 30, 1921	OCT. 31 1920
Steel and Iron—(Primary Pro- duction).....	9	9,693	+13.3	-45.9
Agricultural Machinery.....	15	3,536	-0.9	-68.1
Heavy Machinery.....	7	6,037	- 3.9	-44.0
Railway Equipment.....	5	2,490	+17.3	-33.1
Machine Tools.....	5	1,103	+ 1.1	-50.2
Other Steel and Iron Products...	18	11,434	+ 4.9	-30.1
Total Steel and Iron Products.	59	34,293	+5.5	-44.7
Railway Repair Shops.....	3	7,775	+ 6.1	- 4.5
Automobile and Accessories....	10	5,963	- 9.8	-33.0
Electrical Goods.....	7	4,861	+ 1.4	-31.9
Metals other than Steel and Iron.	10	3,021	+ 4.9	-45.9
Coal.....	7	6,839	+ 3.0	- 5.4
Public Utility.....	5	15,695	- 0.9	-11.5
Lumber.....	10	3,500	+ 1.7	-14.0
Stone, Cement and Clay Products	15	2,660	- 3.0	- 6.1
Contracting and Building.....	10	3,278	-12.1	-39.5
Furniture.....	27	8,506	+ 1.6	-17.9
Musical Instruments.....	11	2,024	+ 4.4	-35.8
Food Products				
Packing.....	4	16,727	+ 3.4	-20.4
Bread and Bakery Products.	5	958	+ 1.9	- 5.1
Other Products.....	9	4,378	+ 2.7	+ 4.2
Total Food Products.....	18	22,063	+ 3.2	-15.9
Tailoring.....	20	10,014	- 2.4	+27.3
Knit Goods and Wearing Apparel	16	8,603	+ 5.1	+30.4
Leather.....	4	916	+ 1.8	- 7.3
Shoes.....	22	6,210	+ 4.1	+33.1
Chemicals, Paints, Dyes and Soap.	9	4,431	+ 3.0	-34.0
Paper and Printing.....	15	5,132	+ 2.9	-13.1
Containers.....	12	2,698	+17.2	-27.2
Unclassified.....	9	9,031	+ 2.3	-24.3
Entire District.....	299	167,513	+ 2.2	-22.9

The outstanding increases in employment for the month were in iron and steel, in railway repair shops, and in the manufacture of boxes and containers. The chief decrease took place in construction work and in automobile and accessory plants.

The reports sent in by the Employers' Association of Detroit, 79 per cent of which represents the automotive industry, show a decrease of about 4 per cent in employment during October. The November reports so far, however, show a recovery from this loss.

In three industries tailoring, knit goods, and shoes, employment is greater this year than last. In all the rest, decreases have taken place amounting in many cases to over 40 per cent. The largest decreases are found in the iron and steel industries and in other metal work.

Records of the Illinois Free Employment offices for the month of October show a slight increase in the number of persons looking for work. This is offset by a somewhat greater increase in the number of places that are available. The number of registrations for each one hundred positions now open is 168 as against 195 in September. Agriculture, domestic and personal service, common labor, and casual work contribute 76 per cent to the demand and 68 per cent to the total supply of labor at these offices. The greatest surplus of labor still exists in the metal and machinery trades.

The unemployment conference at Washington held during the early weeks of October started an organized and concerted movement for dealing with the un-

employment problem. Only reports which received the undivided support of the committees which submitted them and to which no other committee objected were approved and recommended by this conference. Permanent committees were appointed on the construction industry, on the investigation of remedies, and on the control of business cycles. These committees are to keep in touch with the work of local organizations.

The success of the movement will depend mainly on the amount of public work that will be provided this

winter, and public work of all kinds is being advocated by the local organizations that have been formed. The Federal Highway Bill recently passed by Congress, provides for the expenditure of \$75,000,000 for state road building, each state to receive federal aid equal in amount to its own appropriation. Construction of highways to the total value of \$76,400,000 covering 6,261 miles and employing more than 150,000 workers, will be undertaken within 90 days according to the reports received from 30 states by the President's Conference on Unemployment.

WHOLESALE MERCHANDISING

For the first time this year, two groups of reporting wholesalers, dry goods and shoes, show a gain in dollar sales over the corresponding month of 1920. Furthermore, dealers in the other wholesale commodities average less decrease from a year ago than they did in September. Comparison of dollar sales, however, is indicative of volume of sales only when reduction in prices is taken into consideration. In all groups, the percentage decrease in price value (computed from item five) as estimated by the reporting firms, exceeds percentage decrease in dollar sales (item one).

The detailed summary of the Wholesale questionnaire returns follows:

	GRO- CER- IES	HARD- WARE	DRUGS	SHOES	DRY GOODS	AUTO- MO- BILE ACCES- SORIES
Number of firms reporting.....	32	19	14	13	14	8
Net Sales—Change October, 1921 from October, 1920.	-26.6	-27.4	-16.2	+6.9	+15.8	-13.4
Net Sales—Change October, 1921 from Sept. 1921....	-2.0	+3.0	+3.6	+1.4	-10.5	-4.3
Stocks—Change October, 1921, from October, 1920.....	-30.1	-20.0	-19.1	-47.0	-33.8	-34.7
Stocks—Change October, 1921 from Sept. 1921.....	+12.4	-1.1	+1.8	-15.8	-3.9	-1.7
Estimated value per unit of sale compared with a year ago...	61.0	71.0	82.9	74.6	62.4	83.6

As compared with September, shoe firms report an increase in net sales of 1.4 per cent; hardware, 3.0 per cent; and drug firms 3.6 per cent; while the others show

decreases ranging from 2.0 per cent for groceries to 10.5 per cent for dry goods.

All groups show less stocks on hand in value than in 1920, with larger differences than in September for hardware, drugs, shoes, dry goods, and automobile accessories; in these comparisons changes in price are factors. Stocks are lower than at the end of September, 1921, in all lines except groceries and drugs.

Returns for October from eight wholesale dealers in automobile tires show an increase in net sales over October, 1920, of 6.8 per cent, and a decrease from September, 1921, of 27.7 per cent; a decrease in stocks on hand October 31, from a year ago of 47.7 per cent, and from the preceding month of 0.6 per cent; and value per unit of sale compared with last year estimated at 67.3 per cent. In October, last year, net sales were affected materially by goods returned.

Wholesale grocers report that retailers are buying conservatively and only for actual requirements. Stabilization of prices is gradually being accomplished, and the decrease in flour and sugar during October brought the feeling that prices in these commodities could not go lower. Advances were noted in a few lines, including dried fruits, coffee, and tea. The demand is for moderate-priced staples and there is practically none for the fancy goods.

One large wholesale dry goods merchant reports an active interest in colored cotton goods for future delivery, and that white goods are selling exceptionally well for spring. The demand is mostly for staple, useful articles at medium prices. Road sales are reported far ahead of last year, and collections improving.

Wholesale hardware dealers report a slight increase in the demand for builders' hardware. Retailers are carrying very light stocks and depend on nearby jobbers for their supplies.

RETAIL TRADE

Retail trade, as reflected by fifty-nine reporting stores, made encouraging improvements during October. The month's per cent gain in net sales for the entire district, is greater than that of September over August, and the per cent decrease from 1920 much less than last month.

Dealers report a fair demand for good merchandise at attractive prices, and many firms seem to be offering price inducements in order to maintain 1920

standards. Stocks on hand at the end of October, 1921, are larger than at the beginning of the month and when compared with October, 1920, show less decrease than last month.

All stores average about the same turnover rate as in September. The difference between percentages showing relation of expenses to sales in 1920 and 1921 was less for October than for September. Summary of the returns from retail stores gives the following results:

	CHICAGO*	DETROIT	OUTSIDE CHICAGO AND DETROIT	ENTIRE DIS- TRICT
Number of Firms reporting	16	5	38	59
Net Sales—Change October, 1921 from October, 1920.....	- 7.7	-10.7	-10.0	- 9.9
Net Sales—Change October, 1921, from September, 1921.....	+16.0	+ 5.6	+24.3	+15.3
Net Sales—Change July 1 to October 31, 1921, from same period, 1920.....	-10.9	-17.4	-15.2	-15.5
Stocks—Change October, 1921, from October, 1920	-13.0	-29.4	-16.1	-20.9
Stocks—Change October, 1921, from September, 1921.....	+ 2.4	+ 3.9	+ 3.6	+ 3.6
Turnover rate (times per year).....	3.5	3.1	2.2	2.7

*Not entirely comparable with previous reports, especially in rate of turnover, owing to changes in one reporting store.

MAIL ORDER TRADE

Sales of the two largest mail order houses in Chicago show an increase during October of 18.1 per cent compared with September, and a decrease of 13.3 per cent compared with October, a year ago. For the ten-month's period, sales this year are 31.7 per cent cent under those of the corresponding period last year.

One of these houses reports that during the first part of October, business was very good and sales equalled those of last year. The threatened railroad strike curtailed orders especially for the heavier lines of merchandise during the latter part of October. This house reports that the demand for merchandise seems to be confined to the moderate priced and cheaper goods. Collections are about the same as for the last three months.

TRANSPORTATION AND RATES

An immediate reduction of 10 per cent in carload freight rates on farm products has been agreed upon by executives of the railroads of the United States, which the Interstate Commerce Commission has been asked to authorize on a day's notice. There is some claim that the cut in rates is not drastic enough, but the railroads feel that further reduction would effect too great a hardship on them at this time. In any event, the present reduction is of material benefit to the farmer, who has not only been hit by decreased values of farm products, but also by high freight rates both ways, as he receives prices for his product based on the market at point of final delivery, less the cost of freight to that market, but must pay the market value of goods at point of original shipment plus freight charges to him on all products that he buys.

FREIGHT CARLOADINGS

The number of cars loaded with revenue freight throughout the United States and for the Central Western District both showed a slight decrease for the week ending October 29, 1921, when compared with the previous week, but the carloadings for the United States in that week were nearer those of the corresponding week of 1920 than in any previous week this year.

The coal movement in the Central Western District showed slight improvement, while throughout the country it was below both the previous week and the corresponding week of last year. The number of cars loaded with merchandise was considerably more for the United States, when compared with the same week of last year, while only a slight increase in the figure for the Central Western District was shown. The seasonal falling off of grain, grain products, and live stock is shown both in the table for the Central Western District and for the United States.

The surplus of serviceable freight cars throughout the United States on November 1 was 80,203 cars, a decrease of 41,741 cars since October 15, 1921. The shortage reported on all types of freight cars was 11,219.

Comparative statistics for freight carloadings in the Central Western Districts follow:

	CARLOADINGS FOR WEEK ENDING OCT. 29, 1921	PER CENT CHANGE FROM WEEK ENDING OCT. 22, 1921	PER CENT CHANGE FROM WEEK ENDING OCT. 29, 1920
Grain and Grain Products.	12,215	- 6.7	+23.3
Live Stock.....	13,779	- 1.3	+14.2
Coal.....	25,548	+1.3	+ 0.2
Merchandise.....	32,525	- 0.10	+ 2.4
Miscellaneous.....	64,046	- 5.3	+ 4.0
Total.....	148,113	- 4.0	+ 5.2

The carload shipments of other products for the season, to October 29, for the district and for the country, compare as follows:

SEA- SON TO	APPLES	WHITE POTATOES	ONIONS	CABBAGE
OCT. 29 1921	1920	1921 1920	1921 1920	1921 1920
Total				
District 5,091	7,289	6,253 6,749	1,567 2,900	2,165 2,843
Total United States 47,716	594,150	119,811 94,994	19,181 18,001	22,307 22,773

FOREIGN TRADE

Imports and exports of the United States for October, as given by preliminary figures of the Department of Commerce, show a slight increase over those for September, although both items are still far below those of October, 1920.

In October of this year, imports of merchandise were \$183,000,000, as compared with \$179,292,165 in September and \$333,195,758 in October, 1920; while exports for October this year were \$346,000,000, as compared with \$325,713,702 in September, and \$751,211,370 in October, 1920.