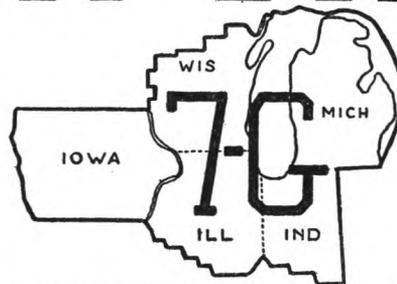


BUSINESS CONDITIONS

SEVENTH
FEDERAL



RESERVE
DISTRICT

Volume 8, No.1

MONTHLY REVIEW PUBLISHED BY THE
FEDERAL RESERVE BANK OF CHICAGO

January 1, 1925

BUSINESS CONDITIONS IN THE UNITED STATES

PRODUCTION in basic industries and factory employment continued at about the same level in November as in October. There was a further slight rise in the general level of prices reflecting advances in nearly all groups of commodities.

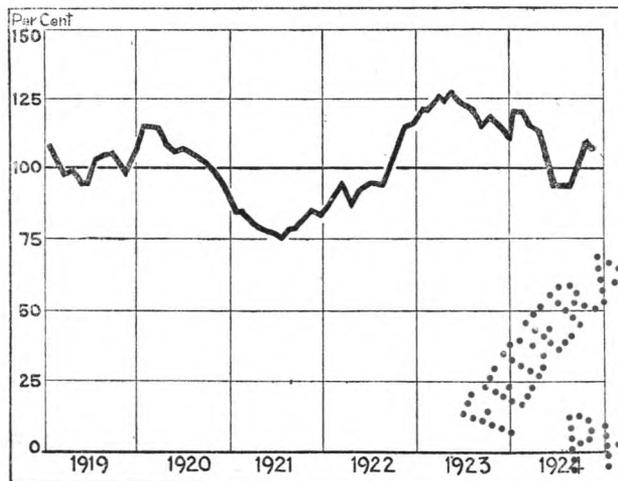
PRODUCTION—Production of basic commodities was at about the same rate in November as in October, but owing to the smaller number of working days not allowed for in the adjustment for usual seasonal variations the Federal Reserve Board's index of production declined by about 2 per cent. Increased activity was shown in the iron and steel industry and in cotton and woolen textiles, while production of food, coal, lumber, paper, and automobiles declined. There was little change in the volume of factory employment in November. Building contracts awarded declined somewhat in

November, but the total was considerably larger than for the corresponding month of any recent year.

Final estimates by the Department of Agriculture of crop yields in 1924 showed a greater aggregate production than in 1923 and an increase of about 9 per cent in total value of crops. Yields of wheat, oats, cotton, potatoes, and hay were larger than in 1923, but the production of corn and tobacco was smaller. Marketing continued in large volume in November and exports of agricultural products were the largest for that month in any recent year.

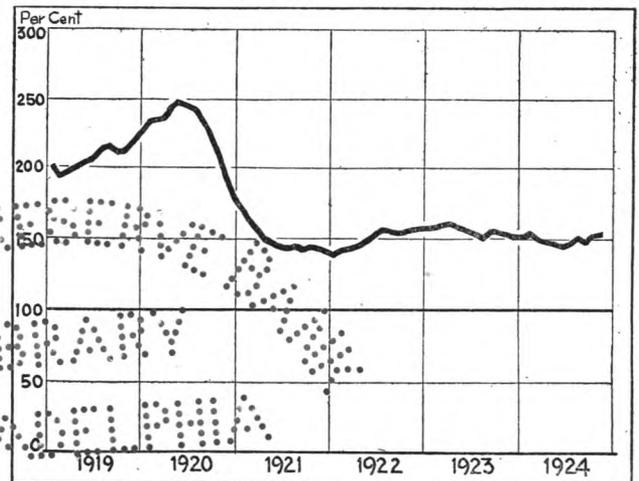
PRICES—The level of wholesale prices, as measured by the index of the Bureau of Labor Statistics, advanced slightly in November, price increases in most of the commodity groups being

PRODUCTION IN BASIC INDUSTRIES



Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figures, November, 1924:107.

WHOLESALE PRICES



Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by the Bureau). Latest figures, November, 1924:152.7.

Compiled December 27, 1924

nearly offset by a considerable decline in the prices of animal products. During the first part of December there were further advances in the prices of grains, flour, sheep, metals, and lumber, while the prices of beef, hides, silk, and brick declined.

TRADE—Railroad freight shipments, though smaller in November than in October owing to seasonal influences, were in about the same volume as in 1923. Wholesale trade showed the usual decline in November and was about as active as a year ago; sales of furniture and meat were larger than last year, while the volume of business in nearly all other lines was smaller. Retail trade was somewhat more active in November and sales of mail order houses and chain stores were larger than last year. Merchandise stocks at department stores were slightly reduced and were 2 per cent less than a year ago.

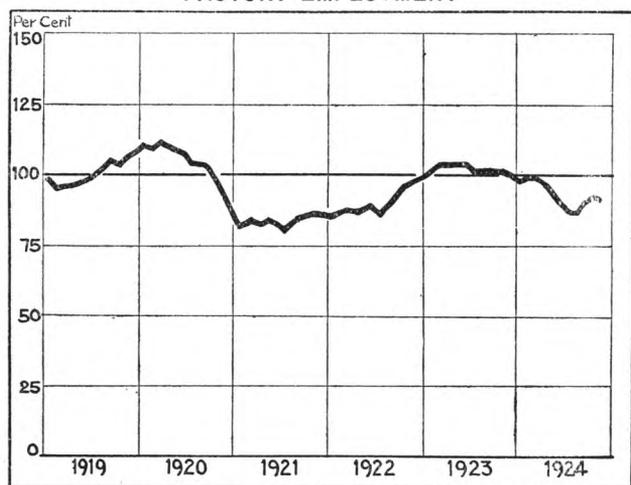
BANK CREDIT—Total loans and investments of member banks in leading cities continued to increase during the four weeks ending December 10 and on that date were in larger volume than at any previous time. The

increase during the period was chiefly in loans secured by stocks and bonds and accompanied by continued activity in the security markets. Commercial loans showed a seasonal decline from the high point of the year reached in the middle of November, but continued above the level of a year ago. Security holdings, after increasing rapidly since the spring of the year, reached a peak on November 19 and after that time showed a slight decline.

At the Reserve bank total earning assets increased considerably during the four weeks ending December 17, reflecting the seasonal demand for currency and the export of gold. The volume of discounts of the Reserve banks increased between the middle of November and the middle of December; their holdings of acceptances also showed a net increase, while United States security holdings declined somewhat.

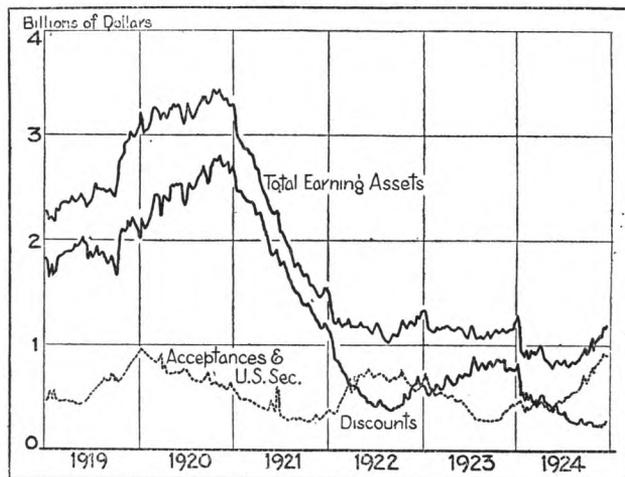
Firmer conditions in the money market during the last half of November and the first half of December were indicated by higher rates on bankers' acceptances and a rise of one-half per cent in the rate on commercial paper.

FACTORY EMPLOYMENT



Index for 33 manufacturing industries (1919=100). Latest figure, November, 1924:91.0.

RESERVE BANK CREDIT



Weekly figures for 12 Federal Reserve banks. Latest figures, December 17, 1924: Total Earning Assets, 1,193 million; Discounts, 284 million; Acceptances and United States Securities, 901 million.

BUSINESS CONDITIONS IN THE SEVENTH RESERVE DISTRICT

BUSINESS conditions in the Middle West, as the year draws to a close, present a generally favorable outlook. Realization of this has definitely improved the sentiment prevailing in industry and trade, uncertainty giving way to confidence with more interest apparent in the placing of new business.

The current statistical reports to this bank, covering for the most part November business, indicate a counterbalancing of this improvement, however, by the curtailment in production and primary distribution that is customary at this time. Thus, industrial employment figures for November were about the same as in October, both

in the number of men employed and in the amount of payrolls.

Among the activities which slackened during the month were the output of coal, automobile production and sales, wholesale trade, and railroad freight loadings. Data on contracts awarded and permits issued likewise showed the seasonal falling off.

Here and there, on the other hand, expansion was evident; such as the increase in steel and iron output, with strengthening demand and advancing prices. At meat packing plants the seasonal contraction was similarly offset so that net production during November exceeded the

October volume. The output of dairy products, however, declined during the month, although in general above a year ago. Other agricultural developments of interest were the smaller amount of livestock on farms than last year, the tendency toward early marketing, and the changes resulting from the high corn price.

Seasonal features of the financial situation were the decrease in the volume of payment by check and the increase in savings accounts. Business failures for the district were smaller than a year ago both in number and size of liability.

BANKING CONDITIONS AND MONEY RATES

There are indications of slight strengthening in demand for industrial and commercial credit during recent weeks under the impetus of improved sentiment on all sides, though insufficient to cause a general rise in rates, which in Chicago, with the exception of a small gain in commercial paper, show no change from a month ago. Present quotations are: Commercial paper $3\frac{1}{2}$ to $3\frac{3}{4}$ per cent, over-the-counter loans $4\frac{1}{2}$ to 5, and the same for collateral loans. Further liquidation on the part of country banks has been accomplished, though reports seem to indicate a slight slowing down as compared with the earlier months of the autumn. A fair demand for cattle money is being felt in some parts of the district.

Loans to member banks by the Federal Reserve bank during the period under review were on a slightly higher level than in the preceding four-week period, on December 17 aggregating \$42,487,000, the highest point since July 9. Earning assets on December 17 totaled \$149,614,000, a little below the figure on November 12, which was the highest point since August 20. The volume of Federal Reserve notes in circulation continued the downward trend of recent months, the \$198,526,000 shown on December 17 being more than $4\frac{1}{2}$ million below November 12.

Loans and discounts of reporting member banks in the Seventh district have shown an upward trend during recent weeks, the aggregate on December 10 representing a gain of about $1\frac{1}{2}$ million from November 12, increasing over 16 million, however, on December 18, when the \$1,923,553,000 shown was 26 million above the corresponding week in November. Investments of reporting members increased nearly 25 million on December 17, as compared with November 19, some 18 million of which gain took place in the aggregate of Chicago and Detroit reporting member banks. Net demand deposits moved upward about 20 million on December 10 as compared with the preceding week, but dropped over 13 million the subsequent week, December 17, so that the figure on that date approximated November 19. Time deposits, on the other hand, totaling \$919,171,000 on December 10 exhibited a gain of more than 23 million from November 12, the greater portion of which took place in Chicago and Detroit, but declined about 2 million on December 17.

The turnover of commercial paper in November, as shown in reports from nine district dealers, aggregated 15.7 per cent less than in the prior month and 7.0 per cent below November, 1923. The volume of paper out-

standing at the close of the month failed to reflect this contraction and totaled 5.8 per cent more than on October 31 and 20.6 per cent over a year ago. Slightly firmer rates prevailed during November, the change being most noticeable in the low rate which moved up from 3 to $3\frac{1}{4}$ per cent with most dealers. While most paper sold at $3\frac{1}{4}$ @ $3\frac{1}{2}$ per cent as in the prior month, there was a marked tendency toward the upper limit of this range and during the fore part of December practically all paper moved up one-quarter per cent, best names going at $3\frac{1}{2}$ per cent. Demand as well as the amount of available paper to meet it remain moderately good. Commercial paper outstanding in the United States by twenty-four dealers on November 30 totaled \$810,877,000, compared with \$833,463,000 at the close of the preceding month.

As a result of curtailed purchases from others than accepting banks and indorsers, the volume of bills bought by five dealers in this city during the four weeks ended December 10 declined 5.2 per cent from the preceding four-week period. Total sales receded 28.8 per cent from the preceding period, reflecting curtailed sales to the Federal Reserve bank; other banks considerably increased their purchases. The volume of bills held on December 10 was but one-half that of November 12, the close of the prior period. Firmness in rates became pronounced during the four weeks under review, short maturities being offered at $2\frac{3}{4}$ @3 per cent as compared with 2 @ $2\frac{3}{8}$ per cent previously, while bills for longer than 90 days moved up from $2\frac{3}{4}$ @ $2\frac{3}{4}$ per cent to $2\frac{3}{4}$ @ $3\frac{1}{4}$ per cent. The supply of bills was considerably better than in the preceding period, demand remaining fair; the movement of bills improved with the rate advances. Grain was the only important commodity involved.

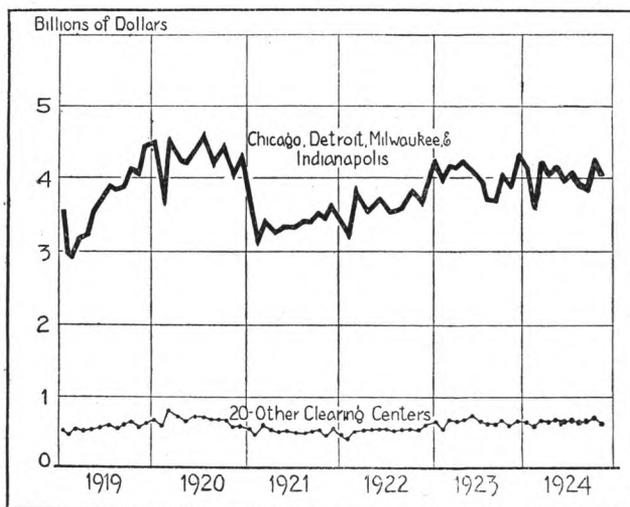
Again increasing over the preceding month and year, the volume of bills accepted in November by seventeen banks in this district was exceeded but once—in July this year—since the autumn of 1921. Purchases of bills declined slightly, while sales, advancing 44.0 per cent over October, increased slightly more than bills accepted. These operations resulted in a shrinkage of 8.7 per cent in the total month-end holdings, those of the banks' own acceptances declining 14.3 per cent. The liability of the banks on their acceptances outstanding at the close of November aggregated 8.8 per cent more than on October 31. All items covered in the banks' reports advanced greatly over a year ago, the smallest increase being 11.3 per cent in liability for outstanding bills accepted. The operations of the Federal Reserve bank in the bill market resulted in purchases of \$7,373,150, a decline of over 13 million from those of the preceding month. Holdings on November 30 totaled \$28,275,279 compared with \$23,743,312 on October 31.

Volume of Payment by Check—In comparison with October, the volume of payment by check in November declined 5.2 per cent in the aggregate of the four larger cities, Chicago, Detroit, Milwaukee, and Indianapolis, and 12.7 per cent in the total of thirty-one smaller clearing house centers. For the entire group of thirty-five cities the drop from the preceding month was 6.4 per cent, the result, however, of the shorter month with

a generally celebrated holiday, rather than because of any lessening in business activity, the daily average in November being considerably in excess of October. A gain of 3.6 per cent over November, 1923, was shown by the total debits of the four larger cities, and 1.0 per cent for thirty-one smaller centers, the thirty-five cities increasing 3.2 in their aggregate of check payment.

	AGGREGATE NOVEMBER, 1924 (000'S OMITTED)	PERCENTAGE CHANGES FROM OCTOBER, 1924	PERCENTAGE CHANGES FROM NOVEMBER, 1923
Chicago	\$2,964,580	- 4.5	+5.4
Detroit	661,174	- 4.3	+1.1
Milwaukee	250,990	-11.9	-5.2
Indianapolis	142,377	- 8.7	-4.5
Total 4 cities.....	\$4,019,121	- 5.2	+3.6
Total 31 cities.....	753,553	-12.7	+1.0
Total 35 cities.....	\$4,772,674	- 6.4	+3.2

VOLUME OF PAYMENT BY CHECK.
Checks drawn on Clearing House Banks, 7th District.



Figures used are estimates for calendar months based on weekly reports to this bank. Latest figures shown, November, 1924, in thousands of dollars: Chicago, Milwaukee, Detroit, and Indianapolis, 4,019,121; Other Clearing House Centers, 605,792. Data from 1919 available for only twenty-four cities.

Agricultural Financing—The aggregate loans outstanding of twenty-two Joint Stock Land banks in the five states including the Seventh district on November 30 showed a gain of \$113,000 from the total on October 31, and four Federal Land banks showed an increase of slightly over \$700,000 on the same date. Outstanding loans and discounts in the same territory of four Intermediate Credit banks aggregated \$1,252,444 on November 30, representing a drop of about \$27,000 from the figure shown at the end of October. Distribution by states of the outstanding loans of these banks as of November 30 is shown below.

	JOINT STOCK LAND BANKS 22	FEDERAL LAND BANKS 4	*INTERMEDIATE CREDIT BANKS 4
Number of Banks.....	22	4	4
Illinois	\$49,390,289	\$20,954,023	\$499,266
Indiana	30,324,590	32,688,600	6,067
Iowa	76,426,019	47,496,084	37,871
Michigan	1,686,977	18,695,600	1,615
Wisconsin	4,603,200	27,315,900	707,625
	\$162,431,075	\$147,150,207	\$1,252,444

*Includes direct loans and rediscounts.

Savings—On December 1 the total savings deposits in 201 reporting banks in this district amounted to 0.7 per cent more than at the beginning of November. All states in the district registered advances, Iowa showing the largest, 1.4 per cent. The other state increases were: Wisconsin 1.1 per cent, Illinois and Indiana 0.9 per cent, and Michigan 0.2 per cent. The gains were accounted for largely by seasonal influences such as increased business activity and the crediting of semi-annual interest. In all states of the district the average savings account was greater than on November 1. Iowa increased 1.6 per cent; Indiana, 0.9 per cent; Wisconsin, 1.2 per cent, Illinois, 0.3 per cent; and Michigan, 0.1 per cent. The average account of the district was 0.5 per cent larger.

Deposits on December 1 exceeded those of a year ago in each state, Iowa gaining 7.6 per cent, Michigan 4.7 per cent, Wisconsin 3.0 per cent, Illinois 2.8 per cent, and Indiana 0.6 per cent. The average increase for the five was 3.8 per cent. In Indiana alone the average savings account fell below a year ago, while increases elsewhere varied from 0.7 per cent in Wisconsin to 1.8 per cent in Iowa, the district advancing 1.0 per cent.

Bonds—Because of the extreme buoyancy of the stock market since election, the interest of the investing public has been chiefly centered upon it rather than the bond market. Partially in sympathy with the stock market and in response to improved earnings, second-grade rails and industrials have been more in demand with a consequent rise in prices. Foreign bonds have also been very active, continued emissions of new securities being absorbed without any apparent weakening in prices. There has been a softening in price of the short-term securities and an increase in offerings, indicating liquidation on the part of large institutions. Tax-exempt bonds have also shown a price recession accounted for by the general expectation of a further reduction in taxes next year and the activity of large investors in the stock market. High-grade long-term issues have been in fairly good demand with little change in price. Sound first-mortgage real estate bonds are being readily bought even in the face of a general lowering of rates from a 6½ to 6 per cent basis.

The new issue of 4 per cent, long-term Treasury bonds, maturing in 1954 and callable after twenty years, was heavily oversubscribed both for the country and the Seventh district, the cash subscription for the latter exceeding the allotment threefold.

AGRICULTURAL PRODUCTION AND CONDITIONS

The area sown in winter wheat last fall in the United States is estimated at 42,317,000 acres which is 6.5 per cent greater than the revised estimate of acreage sown in the autumn of 1923.

Statistics based on prices at farms and the production estimates as of December 1, and compiled by the Bureau of Agricultural Economics show the estimated value of the principal crops produced in the United States at \$9,479,902,000 for 1924, compared with \$8,726,889,000 a year ago.

PRODUCTION AND GROSS VALUATION OF PRINCIPAL CROPS

Compiled by the Bureau of Agricultural Economics
In thousands and based on prices of December 1

1924	SEVENTH DISTRICT*		UNITED STATES	
	PRODUCTION	VALUE	PRODUCTION	VALUE
Corn (bu.).....	721,019	\$688,573	2,436,513	\$2,405,468
Oats (bu.).....	608,284	281,027	1,541,900	739,495
Wheat (bu.).....	67,980	93,337	872,673	1,136,596
White potatoes (bu.).....	81,801	37,219	454,784	294,861
Hay (tons).....	22,352	277,925	112,450	1,467,648
Tobacco (lbs.).....	39,248	5,573	1,242,623	256,346
1923				
Corn (bu.).....	982,428	\$639,560	3,053,557	\$2,217,229
Oats (bu.).....	496,122	194,976	1,305,883	541,137
Wheat (bu.).....	82,237	78,043	797,381	735,993
White potatoes (bu.).....	70,751	39,762	416,105	324,889
Hay (tons).....	17,594	251,823	106,611	1,398,220
Tobacco (lbs.).....	46,886	5,579	1,515,110	301,096

*District value compiled by Federal Reserve Bank of Chicago.

GRAIN MARKETING

November receipts and shipments of wheat, oats, and corn at interior primary markets of the United States declined from October, but comparison with November a year ago shows a greater volume of wheat this year, and oats in about an equal amount. Receipts of corn were the smallest since June, 1923, while shipments of the latter grain aggregated less than in any month since 1920. Trading in grain futures on the Chicago Board of Trade lessened in volume as compared with October; exports fell below those of the preceding month. Grain prices in Chicago advanced steadily from early November, so that by the middle of December they were on a much higher level than a month previous.

Visible supplies of wheat in the United States, Canada, and the United Kingdom totaled 250,602,000 bushels on December 13, 1924, compared with 257,141,000 bushels on November 15, 1924, and 250,843,000 bushels on December 15, 1923.

VISIBLE SUPPLY OF GRAIN IN THE UNITED STATES

Figures supplied by the Chicago Board of Trade
(In thousands of bushels)

	WHEAT	CORN	OATS	RYE	BARLEY
December 13, 1924					
Warehouses and Afloat.....	98,079	11,273	68,430	19,180	5,540
Bonded	21,840		2,372	1,457	3,140
November 15, 1924					
Warehouses and Afloat.....	98,100	7,285	67,603	19,701	5,568
Bonded	5,420	1,049		714	3,075
December 15, 1923					
Warehouses and Afloat.....	73,808	4,722	18,157	18,365	3,319
Bonded	32,375		2,598	1,983	311

Flour—A seasonal decline in flour production took place in this district during November, but output was in excess of the corresponding month last year. The total amount of flour produced by thirty-seven mills reporting to this bank was 22.8 per cent below October and 5.8 per cent above November, 1923. Wheat flour declined 22.9 per cent from the preceding month and increased 15.2 per cent over last year, while output of other flour decreased 21.8 and 52.9 per cent, respectively, in these comparisons. The No-

vember operating ratio for these mills was consequently smaller, being 63.9 in comparison with 73.6 in October. The ratio for November a year ago was 58.0 per cent. Stocks of flour increased slightly in the month-to-month comparison, but were 16.0 per cent below those held last year. The amount of wheat on hand showed a decrease of 6.6 per cent from October and a gain of 16.8 per cent over November, 1923.

Although buyers of flour apparently are not heavily covered in their requirements, they are buying to fill immediate needs only, awaiting a lowering of wheat prices and a consequent reduction in the price of flour. This condition was reflected in the November sales, which were 17.7 per cent less in value and 25.0 per cent smaller in volume than in October. Increases were recorded, however, of 51.1 and 17.4 per cent, respectively, in the comparisons with November, 1923.

The decreased activity from the preceding month was also evidenced in the movement of flour through Chicago. November receipts were 1,038,000 barrels, as compared with 1,227,000 barrels in October, while shipments aggregated 637,000 barrels as compared with 863,000 barrels in the preceding month. These figures were obtained from the Chicago Board of Trade report.

MOVEMENT OF LIVE STOCK

Receipts and slaughter of cattle, calves, and sheep were seasonally lower in volume during November than in October, but with the approach of winter, hog marketing showed a customary increase over the prior month. Sharp contraction in live stock receipts, because of the holiday in the last week in November, was followed by the heaviest liquidation of hogs since last spring, while sheep and cattle arrivals increased to a point only 20 per cent under the high level in the preceding month.

LIVE STOCK SLAUGHTER

	CATTLE	HOGS	SHEEP AND LAMBS	CALVES
Yards in Seventh District,				
November, 1924.....	282,460	1,169,839	290,017	94,297
Public Stock Yards in U. S.				
November, 1924.....	884,626	3,131,969	774,898	382,070
October, 1924.....	975,091	2,524,608	1,019,669	457,282
November, 1923.....	754,084	3,657,036	777,091	352,101

Fewer cattle and sheep were reshipped to feed lots during November than in October. Compared with a year ago, the purchases of cattle feeders declined but those of sheep increased.

AVERAGE PRICES OF LIVE STOCK

Per hundred pounds at Chicago

	WEEK ENDED		MONTH OF	
	DEC. 13 1924	NOV. 1924	OCT. 1923	NOV. 1923
Native Beef Steers (average).....	\$ 9.00	\$ 9.75	\$10.30	\$ 9.70
Fat Cows and Heifers.....	4.40	4.75	5.00	5.30
Canners and Cutters.....	2.75	3.00	2.95	2.75
Stockers and Feeders.....	5.50	5.75	6.20	5.95
Hogs (bulk of sales).....	9.10	8.95	9.95	6.90
Sheep.....	7.50	6.75	6.35	7.00
Yearling Sheep.....	12.00	10.75	9.65	10.35
Lambs.....	15.50	13.85	13.40	12.75
Calves.....	9.00	8.80	10.40	8.80

Meat Packing—Heavier production in the pork and lard section more than offset the recession in the beef and mutton departments, so that aggregate output of slaughtering establishments in the United States was slightly greater in November than in the prior month. Employment

increased 7.2 per cent in number, but hours worked decreased 2.1 per cent, and total payrolls were 0.6 per cent lower for the period covered by the last pay-date in November than in the corresponding period in October. Statistics compiled from reports sent direct to this bank by fifty-eight companies in the United States show that on account of the heavy consumption of poultry during the holiday season total sales of packing house products lowered 12.0 per cent from October, the aggregate being 7.4 per cent above November, 1923. Although inventories showed a small gain on December 1 compared with those of the first day in November they were less than holdings a year ago. Chicago prices during November of a majority of cuts of beef and mutton rose slightly but those of pork, lard, and veal averaged lower than in the preceding month. Prices strengthened in early December.

Export demand has been maintained fairly well although the total volume of shipments forwarded in November for export totaled somewhat less than in October, according to reports received from representative packing establishments engaged in foreign trade.

Prices in European countries continue about on a parity with those in domestic markets. Consigned and spot stocks of goods abroad were reported lower on December 1 than at the beginning of November.

DAIRY PRODUCTS AND POULTRY

The aggregate of butter production reported by representative creameries in the Seventh district showed a sea-

sonal contraction of 23.9 per cent from October but increased 3.7 per cent over November last year. Output in the United States continued to trend downward from the high point last June. In the district, November sales of creamery butter lowered 15.4 per cent from the preceding month but were 9.6 per cent greater than in November, 1923. Wisconsin factories manufactured approximately 18 per cent less cheese during the four weeks ended November 29 than in the prior period, although the output was nearly 23 per cent greater than between corresponding dates last year.

Receipts of dairy products at Chicago showed the usual decline from October, while those of poultry expanded seasonally to care for holiday requirements. Compared with November last year, receipts of butter, cheese, and eggs lessened in volume, but those of poultry increased slightly.

Cold storage warehouses in the United States contained a greater amount of poultry, but a smaller volume of dairy products on December 1 than at the beginning of November. Holdings of cheese and poultry increased over those for December 1, 1923, but stocks of eggs declined. Inventories of creamery butter have nearly doubled since a year ago.

At Chicago, prices of butter showed a recession in early December from the point reached the last week in November, those of eggs continued to strengthen, while prices of other products remained at moderately firm levels.

FUEL AND POWER PRODUCTION

COAL

Demand for bituminous coal in the United States was irregular during November, dependent as it is at this season upon weather conditions. Through most of the month the domestic market remained quiet, an occasional stimulus being furnished here and there by touches of cold weather. The steam trade displayed only moderate activity. Production for November declined, the aggregate of 40,734,000 tons being 13.0 per cent below October output. Partial observance of several holidays during the month accounted for this decline to a considerable extent, as the average daily rate of output was higher than in October. For the week ended November 29 the amount mined on a daily basis was 1,865,000 tons, which is above any week subsequent to February 9. In the week following Thanksgiving total production attained 10,612,000 tons, the largest weekly output since March 1. Prices of bituminous coal showed little change during November. For three weeks beginning November 10 the average spot price as reported by *Coal Age* remained at \$2.06, and on December 1 rose to \$2.07, at which level it stood on December 8. A drop to \$2.04 was recorded on December 15.

Conditions in the Illinois and Indiana districts were spotty during November. Several days of cold weather were insufficient to stimulate domestic demand to any great extent, so that "no bills" began to accumulate for the first time since September. Partly because of an increase in industrial activity and partly on account of

lessened production, the market for steam coals improved somewhat in November and prices exhibited more strength. The amount of coal mined in Illinois during the month was 6,398,820 tons, a decrease of 1,538,000 tons from the October output, or 19.4 per cent. The percentage of operating time actually worked showed a small gain in both Illinois and Indiana, while the percentage of time lost due to no market declined in Illinois but increased in Indiana.

On account of the approaching close of the lake shipping season, a reduction took place in the volume of coal loaded at Lake Erie ports during November. The following table compiled from figures furnished by the Ore and Coal Exchange records the actual number of tons loaded in November, compared with the preceding month and a year ago:

	NOVEMBER, 1924	OCTOBER, 1924	NOVEMBER, 1923
Cargo	2,961,110	3,382,112	3,559,585
Fuel	126,976	195,409	176,289
Total	3,088,086	3,577,521	3,735,874

Stove coal led in the November demand for domestic sizes of anthracite, buying of chestnut was moderate, but egg and pea coal moved slowly. Steam sizes were in only fair request. The November output of anthracite coal totaled 6,776,000 tons, a decline from October of 11.7 per cent. As in the case of bituminous coal, holidays interfered considerably with production.

ELECTRIC ENERGY

Because of the shorter working month, November operations of seven central station companies in this district, as shown by reported data on aggregate output and sales, were on a somewhat smaller scale than in October, but on a daily average basis both items were above the preceding month. The comparisons with a year ago reveal increases greater than those in October in all items. Capacity of plants was increased 4.0 per cent above October and 15.7 per cent over a year ago.

CHANGES IN NOVEMBER, 1924, FROM PRECEDING MONTHS

Compiled from direct reports to this bank from seven companies.

	NOVEMBER 1924	PER CENT CHANGE FROM	
		OCTOBER 1924	NOVEMBER 1923
Plant output (K.W.H.).....	529,796,772	-0.7	+7.3
Plant output (daily average—K.W.H.).....	17,659,892	+2.6	+7.3
Peakload demand (K.W.).....	1,406,532	+9.5	+9.6
Industrial sales (K.W.H.).....	196,727,111	-5.5	+3.6
Industrial sales (working day average—K.W.H.)	8,196,963	+6.4	+7.9
	NOVEMBER 1924	OCTOBER 1924	NOVEMBER 1923
Ratio peakload demand to plant capacity	77.9	74.1	82.3
Load factor	52.3	55.8	53.4

INDUSTRIAL EMPLOYMENT CONDITIONS

The volume of employment at manufacturing plants of the district remained practically unchanged during November, the slight increase of 0.1 per cent bringing it back to the level of July, when the definite curtailment in progress since early in the year came to an end. Although there has been little change in either direction in volume of employment during the past four months, payrolls have increased approximately 8 per cent. This gain has resulted from the increase in the number of working hours, in response to an expanding industrial demand. In November, however, there was no further increase in this respect, several plants reporting a seasonal curtailment in time schedules and total payrolls showing a decline of 0.6 per cent. For all reporting firms, including public utility, construction work, coal mining, and distributive industries, as well as manufacturing, the changes were more marked, employment decreasing 0.2 per cent and payrolls 1.3 per cent. This less favorable showing was due, for the most part, to the decline in building and construction enterprise, consequent upon the stoppage of road work and much street and sewer development, with the close of November. Public utilities laid off some of their men, but the curtailment was less than one per cent. Distributive industries added about 5 per cent more workers, especially retail stores and mail order houses. Reports of

state employment offices respecting the number of applicants for positions available indicate little change in recent employment conditions. For Illinois this ratio changed from 139 to 140 per cent during the month of November, while in Indiana it remained at 128 per cent.

Of the industrial groups noted in the accompanying table, metals and metal products made the most definite gains of the month, increasing the number of men by 1.4 per cent and the payrolls by 2.8 per cent. About 2 per cent more men were added in the manufacture of lumber and its products, but the payrolls increased only 0.5 per cent. Food products showed gains in both men and payrolls but the advances were less than one per cent. Paper and printing made increases of 0.2 per cent each in men and payrolls. For the first time since July chemicals showed a decline in payrolls indicating a let-up in activity, but the volume of employment remained at the level of the previous month. Stone, clay, and glass products limited their activities considerably, the decrease in men being 2.2 per cent and the decline in payrolls 5.9 per cent. The most notable decrease occurred in the textiles and textile products, this group averaging a decline of 5.6 per cent in employment and 13.1 per cent in payrolls. These losses were caused chiefly by the decline in operations by manufacturers of men's and women's clothing.

EMPLOYMENT AND EARNINGS—SEVENTH FEDERAL RESERVE DISTRICT

INDUSTRIAL GROUP	NUMBER OF WAGE EARNERS WEEK ENDED			TOTAL EARNINGS WEEK ENDED		
	NOVEMBER 15	OCTOBER 15	PER CENT CHANGE	NOVEMBER 15	OCTOBER 15	PER CENT CHANGE
All groups (10).....	359,032	358,715	+0.1	\$8,970,617	\$9,025,981	-0.6
Metals and metal products (other than vehicles).....	137,279	135,448	+1.4	3,145,129	3,058,769	+2.8
Vehicles	42,268	42,917	-1.5	1,283,938	1,330,335	-3.5
Textiles and textile products.....	26,931	28,517	-5.6	556,263	640,265	-13.1
Food and related products.....	51,664	51,184	+0.9	1,351,666	1,342,838	+0.6
Stone, clay, and glass products.....	11,839	12,100	-2.2	346,656	368,287	-5.9
Lumber and its products.....	33,741	33,001	+2.2	817,266	813,309	+0.5
Chemical products.....	9,580	9,574	+0.1	235,042	245,998	-4.5
Leather products.....	16,520	16,827	-1.8	350,532	340,865	+2.8
Rubber products.....	3,033	3,019	+0.5	78,330	80,978	-3.3
Paper and printing.....	26,177	26,128	+0.2	805,795	804,337	+0.2

MANUFACTURING ACTIVITIES AND OUTPUT

AUTOMOBILE PRODUCTION AND DISTRIBUTION

The November production of automobiles reported to this bank was considerably under that of October, as the result of seasonal cuts in the manufacturing schedules of producers. The decrease from October was greater than in either of the preceding two years, and approximately the same in extent as in 1920 and 1921. Compared with November of last year the decrease was the largest shown in the year-to-year comparison since the downward trend began in

April. Passenger cars produced by identical manufacturers representing practically complete production, aggregated 201,652 in November, a drop of 21.8 per cent from October and 29.2 per cent from a year ago. This figure is the smallest shown since September, 1922, when 187,456 passenger cars were built. Trucks produced during the month by manufacturers whose October output totaled 30,597, numbered 26,246, a drop of 14.2 per cent from the previous month and 4.1 per cent from November, 1923. Price reductions were announced by a number of producers during the month.

Sales of automobiles to dealers by manufacturers producing 70 per cent of the November output decreased 21.2 per cent from October, and 35.7 per cent from November a year ago. November sales by these dealers aggregated 18.0 per cent less than in October, and 17.9 per cent under the previous year. These sales represented 100.9 per cent of the cars received from manufacturers during November, compared with ratios of 96.9 per cent and 79.0 per cent, respectively, in the preceding month and year.

Wholesale distribution of automobiles during November shows a seasonal falling off from October, while the comparison with November, 1923, which indicates considerable activity on the part of distributors, also reflects the decided improvement over a year ago in the inventories of dealers at this time. Retail sales were below the preceding month and year. New cars in dealers' hands as of November 30, were slightly less than on October 31, and compared with November 30, 1923, a marked decline is shown. Used cars sold during the month were in smaller volume than October, but remained above that of a year ago. Stocks of salable used cars with dealers increased over the preceding month and year and represented approximately six weeks' business at the rate shown in the used car sales of November.

DISTRIBUTION OF AUTOMOBILES

	Changes in November, 1924, from previous months.			
	PER CENT CHANGE FROM		COMPANIES INCLUDED	
	OCTOBER 1924	NOVEMBER 1923	OCTOBER 1924	NOVEMBER 1923
Number of new cars sold				
Wholesale	-11.0	+75.8	46	43
Retail	-24.9	-19.6	80	81
Value of new cars sold				
Wholesale	-17.8	+60.4	46	43
Retail	-27.5	-19.6	80	81
New cars on hand at end of month				
Number	- 3.6	-29.1	83	84
Value	- 2.0	-19.5	83	84
Used cars sold during the month	-16.6	+ 6.5	80	80
Salable used cars on hand at end of month				
Number	+ 7.5	+ 0.2	80	81
Value	+ 5.0	- 7.4	80	81

The October exports of passenger cars from the United States aggregated 14,373 in number and \$10,844,242 in value, compared with 11,655 and \$8,866,205, respectively, in September, 1924, and 10,456 and \$8,088,832, respectively, in October of last year. The number of cars exported during October was exceeded only twice in the history of the industry; namely, in April, 1924, and May, 1920. Trucks exported during the month numbered 2,724, with a value of \$1,555,425, compared with 2,306 in number, valued at \$1,859,027 during September. In October, 1923, 2,319 trucks were exported with a valuation of \$1,415,419.

AGRICULTURAL MACHINERY AND EQUIPMENT

Seasonal recession in the aggregate sales of agricultural machinery and farm equipment from October, although quite extensive, was less marked in November, 1924, than the decline shown for that month in either 1922 or 1923. At plants in the United States, a slightly greater number of employes were engaged in production than in October, the average being 57.1 per cent of the estimated November normal. Some companies continue to experience a little difficulty with collections. Prices have tended to move somewhat lower.

PRODUCTION AND SALES OF FARM EQUIPMENT IN THE UNITED STATES

	Changes in November, 1924, compared with previous months.			
	PER CENT CHANGE FROM		COMPANIES INCLUDED	
	OCTOBER 1924	NOVEMBER 1923	OCTOBER 1924	NOVEMBER 1923
Domestic sales	-15.4	+27.9	120	119
Sales billed for export..	-12.3	+10.7	120	119
Total sales	-14.8	+24.1	120	119
Production	+ 8.4	- 6.6	120	119

Sales based on dollar amounts. Production computed from employment.

IRON AND STEEL PRODUCTS

Acceleration in demand, expanded production, and stiffening of prices evidenced the improved position of the iron and steel industry during November. A reflection of the better demand was the unfilled orders of the United States Steel Corporation, which on November 30 aggregated 4,031,969 tons, an increase of 14.4 per cent over October 31. The stimulation in buying extended to almost all lines, with some purchasing for 1925 requirements recorded. As in October, the railroads and structural projects furnished the major portion of new business, railroad bridge work being an important item in the sales of structural steel. Shipbuilding also displayed somewhat greater activity, as did the agricultural implement and the automobile industries. By early December buying had subsided, but there developed a decided increase in the demand for deliveries on tonnages already contracted for.

November output of steel ingots revealed further expansion in operations. Although the aggregate for the United States of 3,107,226 tons was slightly less than that for October, because of the fewer working days, average daily production gained 7.9 per cent and was 74.4 per cent above the low point of the year in July. The rate of output expanded from 66.0 per cent of capacity in October to 71.6 per cent in November.

In the Chicago district, especially, mills are well booked. New orders received during November by leading producers were about the same as those for October, but orders passed to mills were heavier. It is reported that bar capacity is sold out to the first of the year. Plate and sheet mills are quite active, while wire products are improving.

Buying of pig iron during November was in unusually large volume, expansion being even greater than that in the finished forms of steel. Orders were placed for first quarter delivery and when these needs had been filled at the end of the month demand quieted, although buying still continues at a fair rate. At Chicago a few orders for the first half of the year were received. Producers in this district report that they are having some difficulty in making prompt shipments for current needs. Production of pig iron did not increase at the same rate as did that of steel ingots, but the monthly total for the United States of 2,509,673 tons represented an increase of 1.3 per cent over October, while the average daily rate gained 4.7 per cent. There was a net gain of twenty-three furnaces blown in during the month. A slight decline of 0.5 per cent in monthly production was registered for the Illinois and Indiana district, but the daily rate increased 2.8 per cent.

A definite firming of prices occurred during November. The increases remain for the most part untested, as orders for current requirements were made at the old prices; in fact, the new quotations acted as a stimulant to buy before they should take effect. Advances have been recorded in

plates, shapes, bars, sheets, and wire products. Prices of cast iron pipe have declined, due to slackening in demand. Pig iron prices had been increased several times until by the middle of December Chicago malleable was selling at \$22.50, in comparison with \$20.50 the first of November. The *Iron Trade Review* composite average of iron and steel prices rose from \$38.56 on November 5 to \$40.14 on December 17, the highest level reached since January. Scrap metal prices have also been advanced.

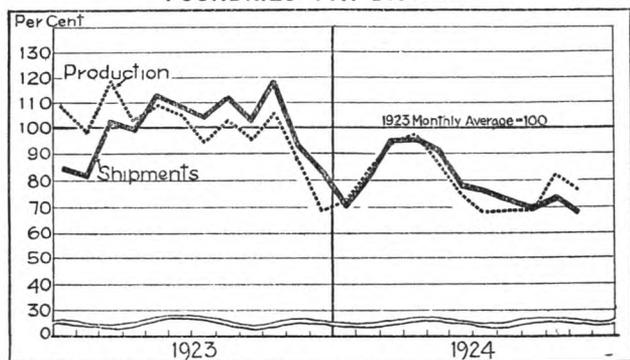
Zinc—The constantly improving condition of zinc is reflected in the November statistics for the United States. For the fifth consecutive month shipments increased, the November figure of 54,173 tons representing a gain of 8.9 per cent over October. Foreign demand is unusually heavy. November shipments from plants for export aggregated 15,730 tons, an increase of 89.5 per cent over the preceding month. As production increased only slightly during November, stocks continued their downward trend, declining 30.0 per cent from October, and registering the low point of the year. Weekly average shipments of ore from the Joplin district were somewhat smaller in November. Prices, however, advanced further. The average price of ore for November was \$45.54, in comparison with \$42.34, the October figure, and \$40.00 for November, 1923.

Casting Foundries—Data from reporting casting foundries covering the month of November show a decline of 7.5 per cent in melt from October and drops of 6.5 and 4.5 per cent, respectively, in the value and tonnage of shipments. These recessions were a sharp reversal of the trend shown by the October figures, but compared with November, 1923, the items showed smaller declines than the year-to-year comparison for the preceding month. The November operating ratio of 64.5 per cent compares with 69.3 per cent in October. November shipments averaged \$128.95 per ton, compared with \$131.93 for October, and \$155.77 a year ago.

CHANGES IN NOVEMBER, 1924, FROM PREVIOUS MONTHS

	PER CENT CHANGE FROM		COMPANIES INCLUDED	
	OCTOBER 1924	NOVEMBER 1923	OCTOBER 1924	NOVEMBER 1923
Pig iron consumed.....	- 6.6	+26.6	28	28
Iron scrap consumed.....	- 6.6	- 5.8	28	28
Steel scrap consumed.....	- 8.1	-26.1	28	28
Total tonnage consumed.....	- 7.5	-13.7	28	28
Castings shipped (tonnage)	- 4.5	-12.9	27	27
Castings shipped (dollars)	- 6.5	-27.8	28	28

INDICES OF PRODUCTION AND SHIPMENTS BY CASTING FOUNDRIES—7TH DISTRICT



Production measured by total metal consumption. Shipments based on dollar value. Latest figures shown, November, 1924: Production, 76.0; Shipments, 67.9.

Stoves and Furnaces—A recession of 34.1 per cent in shipments of stoves and furnaces in November compared with October was reported by sixteen firms in this district. While seasonal in nature this drop exceeds that of each of the two preceding years. Orders accepted during the month were 35.8 per cent smaller than in October, a decline exceeded in 1923, but greater than that in 1922. The curtailment in production, as measured by moulding room operations, nearly offsets the gain reported for October. The year-to-year comparisons reveal smaller shipments and orders, and heavier stocks and production.

CHANGES IN NOVEMBER, 1924, FROM PRECEDING MONTHS

	PER CENT CHANGE FROM		COMPANIES INCLUDED	
	OCTOBER 1924	NOVEMBER 1923	OCTOBER 1924	NOVEMBER 1923
Shipments	-34.1	- 4.3	16	15
Orders accepted	-35.8	-12.1	13	12
Inventories	- 5.3	+ 1.3	12	11
Operations (molding room)	- 7.6	+ 6.3	14	14

FURNITURE

Conditions in the furniture industry of the Seventh district continue satisfactory, with activity well maintained. Orders booked during November by twenty firms reporting to this bank increased 1.3 per cent over October and were 20.5 per cent in excess of those in November, 1923. Shipments were 12.3 per cent less than in the preceding month, effecting an increase in the amount of unfilled orders on hand on November 30 of 14.8 per cent. For the first time this year unfilled orders were greater than those on hand at the end of the corresponding month a year ago, the gain over November, 1923, being 26.1 per cent. The operating ratio of fifteen firms rose from 77.8 per cent for October to 82.1 per cent for November. As compared with November, 1923, the rate of production was higher also, the operating ratio of eleven firms being 83.0 per cent for this November, while that for the same month last year was 79.7 per cent. Collections tended slightly downward during the month, but the situation remains about the same with the majority of firms.

SHOE MANUFACTURING, TANNING, AND HIDES

Production and shipments of shoes showed a seasonal decline in November but increased slightly over totals for the corresponding month last year. Forwardings rose 3.6 per cent above current production. Inventories were greater than those at the beginning of November. On December 1 unfilled orders on the books of twenty-four factories totaled 214.8 per cent of their aggregate shipments in November. Stocks reported for December 1 by twenty-eight firms were sufficient for three weeks' forwardings based on the rate maintained during November. Many of the companies report a continuance of the lagging tendency in collections.

CHANGES IN THE SHOE MANUFACTURING INDUSTRY IN NOVEMBER, 1924, COMPARED WITH PREVIOUS MONTHS

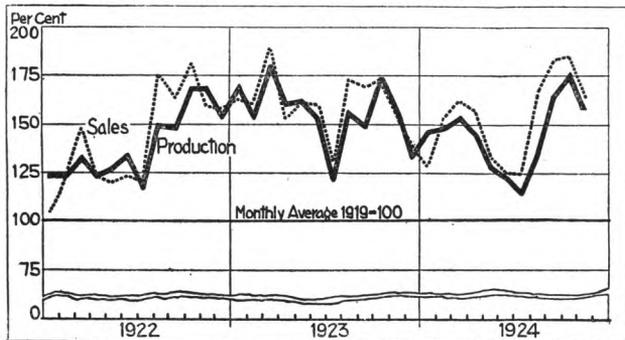
	PER CENT CHANGE FROM		COMPANIES INCLUDED	
	OCTOBER 1924	NOVEMBER 1923	OCTOBER 1924	NOVEMBER 1923
Production	-10.2	+ 2.1	34	33
Shipments	-11.2	+ 7.9	34	33
Inventories	+ 1.3	-11.6	28	27
Unfilled Orders	+16.1	+23.2	24	23

Statistics compiled from reports sent direct to this bank by representative tanneries show aggregate sales of leather less than in October, 1924, but above November, 1923.

Demand for harness continues to improve. Tanneries operated at a slightly lower rate in November than in the prior month. Leather prices strengthened.

November marketings of packer green hides and calf skins in Chicago totaled less than in the preceding month. The Chicago Board of Trade reports shipments of hides and skins from Chicago as slightly greater than in October, but receipts in lesser volume. Prices of the packer take-off firmed as the month advanced so that by early December they averaged considerably higher than at the beginning of November. Country hides are somewhat lower in December than at the close of the preceding month.

SHOE MANUFACTURING—7TH DISTRICT



Latest figures shown, November, 1924: Production, 158.6; Sales, 164.1.

BUILDING MATERIALS AND CONSTRUCTION ACTIVITIES

An upward tendency prevailed in the lumber industry during November, with softwoods occupying a relatively stronger position than hardwoods. New business received in the former continues to expand, while shipments are no larger and curtailment in production has been maintained. In the southern pine industry, in which the improved position is most marked, shipments remain larger than cut, and are exceeded by new orders, so that the amount of unfilled orders is constantly increasing and stocks are declining. In the hardwood industry conditions were about the same in November as during October. Orders for hemlock were heavier than in October. Lumber manufacturers and dealers in the Seventh district report a decrease, mostly seasonal, of 16.2 per cent in sales from the preceding month. The leading buyers of hardwood in this section were the furniture factories, also flooring, sash and door, and interior trim concerns. In softwoods, the retail yards and the building industry furnished the major portion of new business. There were scattered reports of large sales of both classes of wood to the railroads, industrial concerns, and the automobile industry. Stocks of the lower grades of hardwood are less than a year ago, those of the finer grades larger, while softwood stocks are about the same as in November, 1923. There is a definite tendency toward advancing prices, quotations on southern pine having strengthened considerably during November. Collections in this district are reported as normal with few difficulties encountered.

Conditions were satisfactory in the brick and cement

RAW WOOL AND FINISHED WOOLENS

The volume of business transacted in the wool market during November was slightly less than in the preceding month, due to the limited amount of offerings and to high asking prices; also to the fact that many manufacturers have now fairly well covered their needs for next spring. The market still maintains, however, its strong position. Further contracting for the 1925 clip in the West was reported, although buying slackened somewhat during the latter part of November. Prices continue their upward trend, with the medium and lower grades now advancing at a more rapid rate than the finer qualities. There seems to be little prospect of lower prices with the existing shortage in the supply of raw wool. Prices of pulled wools are also higher; demand is good. The noil market continues strong, while that for tops is improving. Foreign markets are active and prices increasing. Reports vary as to the amounts being purchased by American buyers, but they have been larger than heretofore, especially at the New Zealand sales. Domestic prices are still below a parity with foreign.

There were few new developments in the finished goods market in November. Mill operations are fairly active, and because of the high cost of raw material, further price advances have been reported. There have been reopenings in certain popular lines of women's wear goods for spring. Flannels and kashas are the popular fabrics. Progress of men's overcoatings has been irregular.

industries during November. Sales, shipments, and production of brick in this district compared favorably with a year ago. Production was somewhat heavier than shipments, so that stocks are being accumulated for the winter months when output will have to be curtailed. The use of cement was less extensive in November than in the preceding month, but was larger than a year ago. For the United States, production and shipments both declined from October, while stocks increased. In comparison with November, 1922, all items showed gains.

BUILDING CONSTRUCTION

Contrary to the usual seasonal trend, the value of contracts awarded in the Seventh district during November increased 11.0 per cent over the preceding month, with residential contracts gaining 73.4 per cent. These increases are accounted for entirely by the awarding in Chicago of a \$20,000,000 hotel contract. If this amount were subtracted from the totals, November building would show a decline from October. In comparison with November last year residential work gained 106.5 per cent; while the aggregate of all classes of construction increased 62.0 per cent. The cumulative total for eleven months of 1924 is now 7.0 per cent above that for the corresponding period in 1923. With the exception of Illinois, all of the five states including this district registered declines from October in the value of contracts awarded. Iowa showed the greatest loss of 54.7 per cent, while the smallest decline reported was 11.9 per cent for Michigan. Totals for Indi-

ana, Iowa, and Wisconsin were below November, 1923, Michigan and Illinois having gains of 15.2 and 119.7 per cent, respectively.

The amount of contemplated construction was smaller in November. Reports from fifty cities of the district indicate that permits issued during the month were 27.1 per cent below October in number and 3.1 per cent less in estimated cost. The number of permits was about the same as in November, 1923, while there was a gain of 8.2 per cent over that month in the value. Detroit, Des Moines, Indianapolis, and Milwaukee all showed declines

from the preceding month in both the number and estimated cost of new buildings to be erected, while Chicago reported the only gain among the larger cities, the increase over October being 4.3 per cent in number and 22.8 per cent in value. In comparison with November, 1923, Indianapolis and Detroit registered increases in the number of permits, and Chicago, Detroit, and Milwaukee gained in the estimated cost. Totals for the forty-five smaller cities declined from October in number and value, and increased over November, 1923, in number but decreased in value.

MERCHANDISING CONDITIONS

Wholesale Trade—As is customary toward the end of the year, a reduction was apparent during November in the volume of goods sold at wholesale. With eleven exceptions, all dealers reporting sales to this bank showed declines from October, averaging in groceries sharper curtailment than in any of the three years (1921-1923) for which statistics have been collected. In drugs and hardware, however, the rate of decrease was practically the same as last year, while in dry goods and shoes, the declines were less pronounced than in the preceding years, the trend this year influenced by the unusually heavy drop in October.

In comparison with sales for November, 1923, most of the dealers showed declines, and for none of the groups did total sales for the first ten months of 1924 reach the corresponding 1923 volumes.

Groceries continued the one commodity in which stocks were not being generally reduced, those for twenty-five firms on November 30 averaging 3 per cent above October 31, and 33 per cent above June 30, the low point for the year. Declines in other groups ranged from around 3 per cent in drugs and hardware to 12 per cent in dry goods. The large majority of grocery firms and about half the drug and hardware houses were inventoried above a year ago.

In collections most of the grocery, hardware, and drug firms reported smaller total receipts than for October; dry goods dealers showed increases for seven out of ten firms; and shoe dealers were evenly divided between increases and declines. All groups except drugs continued below a year ago. Of the eighty returns showing accounts outstanding at the end of November, only twenty-two indicated an increase over October 30.

Department Store Trade—November sales for department stores reporting to this bank exceeded the preceding month's total by 14 per cent—a rate of increase more pronounced than previous October-November changes, for which comparable data are available (1919-1923), and particularly significant this year in view of the three fewer trading days in November than October. In fact, on a daily average basis, all but three stores showed gains. Influences contributing to this expansion were the early holiday purchasing and the effects of the comparatively slow trade during October.

The gain of 3 per cent over November, 1923, sales reflects individual increases for less than half the stores, while cumulative sales for the five months ending November 30 for forty-one firms out of fifty-eight were below the corresponding period in 1923.

In general, additions to stocks during the month were not sufficient to offset the increase in sales, so that inventories at the end of November for over 60 per cent of the stores showed declines from October 31. With the large majority of firms also inventoried lower than a year ago, aggregate stocks for the district averaged 4 per cent below November 30, making the third decrease for the year. In proportion to sales, however, stocks since July for nearly half the stores have been higher than last year.

November collections were heavier than during October, all but seventeen stores reporting increases, and as in the two preceding years totaling the largest volume since January. Their ratio of 44.1 per cent to accounts outstanding at the beginning of the month is about the same as for October, but compares with 46.1, the corresponding 1923 figure.

Mail Order Trade—Combined sales during November at Chicago's two leading mail order houses were 14.5 per cent larger than a year ago. Both firms, however, reported decreases from October, the 3.7 per cent average decline comparing with 8.5 per cent, the corresponding 1923 change.

Chain Store Trade—In groceries, drugs, and shoes, net sales during November of chain store systems reporting to this bank exceeded the corresponding volume of previous years. Musical instrument sales, however, were comparatively small, registering declines both from a year ago and from October. Drug sales likewise fell off from the preceding month. On an average-sales-per-store basis, none of the firms compared favorably with October, and only three out of eight showed gains over last year.

TRANSPORTATION

The November volume of railroad shipments, as a result of seasonal influences, was 6.7 per cent smaller than October, decreases being reported in each commodity group, with grain, manufactured products, and ore showing the most pronounced recessions. A slight increase was registered, however, over November, 1923.

The net operating income of Class I railroads for the first ten months of this year was 2.6 per cent, or 20 million dollars, below that of the corresponding period of 1923, although the volume carried was 3.5 per cent less than for the same period of time last year. The net income of October, \$127,105,100, has not been exceeded during the past five years. Seven eastern and four western roads, however, operated at a loss during that month.

MONTHLY BUSINESS INDICES COMPUTED BY FEDERAL RESERVE BANK OF CHICAGO

(Index numbers express a comparison of unit or dollar volume for the month indicated, using the monthly average for 1919 as a base, unless otherwise indicated. Where figures for latest month shown are partly estimated on basis of returns received to date, revisions will be given the following month. Data refer to the Seventh Federal Reserve district unless otherwise noted.)

	No. of Firms	Nov., 1924	Oct., 1924	Nov., 1923	Oct., 1923		No. of Firms	Nov., 1924	Oct., 1924	Nov., 1923	Oct., 1923					
Meat Packing—(U. S.)—						Wholesale Trade—										
Sales (in dollars) ¹	64	95.6	108.6	90.3	105.9	Net Sales (in dollars):										
Casting Foundries—						Groceries	43	77.5	88.1	79.7	84.9					
Shipments (in dollars).....	29	69.7	74.5	96.1	121.2	Hardware	21	92.2	107.9	101.1	119.2					
Stoves and Furnaces—						Dry Goods	14	85.5	93.1	89.6	106.1					
Shipments (in dollars).....	19	96.2	140.6	118.4	166.6	Drugs	14	96.5	108.3	100.4	111.2					
Agricultural Machinery & Equipment—(U. S.)²—						Shoes	7	48.3	51.4	53.1	78.4					
Domestic Sales (in dollars)	130	72.0	85.1	57.5	82.1	Retail Trade (Department Stores)—										
Exports (in dollars).....	130	98.0	111.7	87.6	95.7	Net Sales (in dollars):										
Total Sales (in dollars).....	130	75.9	89.1	62.0	84.1	Chicago	9	143.5	131.1	134.5	141.9					
Production	124	85.9	79.3	94.2	93.2	Detroit	4	173.6	142.4	151.8	164.3					
Furniture³—						Des Moines	3	136.3	119.1	127.5	128.1					
Orders (in dollars).....	23	142.0	140.0	121.4	120.4	Indianapolis	5	166.9	143.9	167.1	163.0					
Shipments (in dollars).....	23	129.2	146.3	133.0	165.2	Milwaukee	5	162.5	150.1	168.1	169.1					
Shoes⁴—						Outside	39	116.6	111.2	125.0	127.9					
Production (in pairs).....	36	158.6	176.6	155.2	173.7	Seventh District	65	152.6	134.3	147.7	152.7					
Shipments (in pairs).....	36	164.1	184.8	152.8	173.3	Retail Trade—(U. S.)—										
Electric Energy—						Department Stores	359	141	141	142	148					
Output of Plants (KWH)...	10	164.8	166.0	154.7	160.6	Mail Order Houses	4	131	141	122	134					
Industrial Sales (KWH)....	10	166.3	175.9	164.2	167.5	Chain Stores:										
Freight Carloadings—(U. S.)—						Grocery	28	226	236	201	200					
Grain and Grain Products..		146.4	172.6	129.3	125.7	Drug	9	145	159	141	152					
Live Stock		125.2	124.9	122.4	129.2	Shoe	6	146	138	131	139					
Coal		116.4	117.3	112.2	117.5	Five and Ten Cent.....	5	199	203	176	180					
Coke		114.1	106.1	126.9	129.2	Music	4	111	124	149	136					
Forest Products		126.1	124.0	131.3	130.0	Candy	4	184	202	174	185					
Ore		52.1	113.8	95.6	154.7	Cigar	3	138	144	134	138					
Merchandise and Miscellaneous		135.0	143.7	131.0	138.0	Flour Production—(In barrels)										
Total		126.7	135.7	125.1	133.0		42	110.0	139.3	102.4	117.4					
Iron and Steel—						U. S. Primary Markets⁵—										
Pig Iron Production:⁶						Grain Receipts:										
Illinois and Indiana.....		97.5	94.9	134.3	144.6	Oats		95.2	197.8	91.2	144.5					
United States		99.8	95.4	115.1	121.2	Corn		102.8	126.5	157.0	110.4					
Steel Ingot Production—(U. S.)⁶							110.2	102.2	106.2	116.5	Wheat		189.4	278.3	118.7	122.0
Unfilled Orders U. S. Steel Corp.		67.3	58.8	72.9	78.0	Grain Shipments:										
Automobiles—(U. S.)—						Oats		76.2	102.4	80.1	106.4					
Production:						Corn		45.7	79.1	69.7	60.6					
Passenger Cars		146.0	186.7	206.1	242.0	Wheat		159.0	224.5	58.9	60.6					
Trucks		101.5	118.3	105.9	114.6	Building Construction—										
Shipments:⁷						Contracts Awarded (in dollars):										
Carloads		139.6	165.4	179.4	202.2	Residential		263.4	152.0	127.6	157.4					
Driveaways		58.6	76.4	79.8	96.8	Total		128.8	116.0	79.5	105.9					
Boat ⁸		147.4	184.5	192.7	226.2	Permits:										
Automobile Excise Tax Collections (7th F.R. District)—						Chicago		260.5	249.7	288.9	294.7					
New Automobiles		69.7	137.9	170.2	145.1	Cost.....		337.0	274.4	312.4	320.6					
New Automobile Trucks..		15.8	127.3	49.8	68.6	Indianapolis		189.9	294.8	181.5	282.0					
Parts and Accessories....		28.9	51.4	69.5	73.8	Cost.....		151.9	195.0	172.4	258.7					
Stamp Tax Collections⁹—						Des Moines		160.8	202.0	218.6	230.4					
Sales or Transfers of						Cost.....		77.6	474.2	162.7	135.0					
Capital Stock		131.1	122.6	136.9	103.8	Detroit		158.8	223.8	136.8	191.5					
Sales of Produce on Exchange—Futures						Cost.....		165.2	216.2	121.3	180.5					
		60.2	59.8	45.3	37.5	Milwaukee		157.6	234.0	176.5	269.0					
						Cost.....		164.2	195.4	156.5	310.8					
						Others (45)		175.9	241.4	172.9	238.8					
						Cost.....		152.2	164.2	156.5	179.6					
						Fifty Cities		175.0	240.1	174.9	241.7					
						Cost.....		214.4	221.3	198.2	236.8					

1. Monthly average 1920-1921=100; 2. Monthly average 1923=100; 3. Monthly average 1919-1920-1921=100; 4. Monthly average of mean of production and shipments in 1919=100; 5. Average daily production; 6. Monthly average 1920=100; 7. Base figures (1920) partly estimated; 8. First Illinois internal revenue district; 9. Monthly average receipts 1919=100.