BUSINESS CONDITIONS

IN THE

THIRD FEDERAL RESERVE DISTRICT

Report of the Federal Reserve Agent at Philadelphia to the Federal Reserve Board

PHILADELPHIA, JANUARY 1, 1921

GENERAL SUMMARY

Only in a few scattered instances has there been any revival of activity among the textile manufacturers, and iron and steel producers have received very little new business. A slight increase in the number of inquiries for textile and leather products has been noted, but these have not yet developed into a buying movement. Coal is practically the only primary industry of the district which shows operations at capacity.

The business of the manufacturers reflects conditions in the wholesale markets, which are quiet. Prices of many articles and commodities have declined during the past month, but others have ceased to show much movement either up or down. That the consumers are reaping some of the benefits of lower prices is evidenced by the large number of reduction sales. Advertisements of cut-price sales are much in evidence, which is distinctly unusual at a time when Christmas trade is supposed to be at its height.

An investigation of retail trade at this season reveals that sales are reported to be ahead of last year, though prices are said to be lower. This condition is ascribed to the sale of a larger volume of medium priced gifts and merchandise, whereas high-priced articles receive comparatively scant attention—a reversal of the situation in December, 1919.

In response to a questionnaire asking for the amount of deposits and the number of depositors in Christmas Savings funds this year and in 1919, we find that reports were received from 979 banks, or 86 per cent of the total number in the district. These banks received deposits of this kind during 1920 to the amount of $16,867,353, which compares with $10,662,022 in 1919, showing an increase of 58 per cent. The number of depositors only increased 15 per cent, showing that the average deposit was larger this year. We are informed that not all of this money is being spent, however, as many people are redepositing a portion in regular savings accounts.

The following table, prepared from reports on six large cities of this district issued by the Employment Division of the Pennsylvania Department of Labor, indicates a steady decrease in the demand for labor. The figures below, covering a ten weeks' period, show an increase in the number of persons applying for work and a decrease in the number of persons asked for by employers:

		Persons applying for work	Persons asked for by employers
October:	1st week	3,095	9,230
	2nd week	3,416	9,242
	3rd week	3,082	9,874
	4th week	4,288	7,811
	5th week	2,676	6,751
November:	1st week	3,587	6,914
	2nd week	2,517	5,482
	3rd week	3,476	5,522
	4th week	3,491	3,256
December:	1st week	4,655	5,134
	2nd week	5,880	4,519

There is little new to note about the general credit situation. Member banks' loans show some decrease; collections throughout the district are for the most part slow, though a few industries report that they are fairly satisfactory.

RETAIL TRADE

Retail trade during the pre-Christmas season exhibited sharply conflicting trends. The demand for the high priced luxury goods was almost negligible as compared to last year, while on the other hand the medium priced serviceable gift goods, which found few purchasers during the wave of extravagance in 1919, were in so great demand that the volume of retail trade as a whole is reported as slightly in excess of the same period last year. This is true despite the fact that retail prices generally are below those of a year ago. In other words, the number of sales exceeded those of 1919 in greater proportion than did the total volume of sales expressed in dollars.

In several instances, of course, the increased number of sales was not sufficiently great to counterbalance the decrease in prices, and as a result, slightly smaller receipts than last year were reported by these houses. Such reports from stores selling the medium-priced articles were the rare exception, however. During October and November they saw an encouraging increase in sales largely made possible by price cutting. Lower prices during these months stimulated business greatly; but not even additional reductions, bringing prices below replacement values, attracted consumers in any larger numbers during December.

Stores confined exclusively to high-priced luxuries and expensive jewelry experienced a most disappointing season. The purchasing was extremely conservative, and even the wealthiest of buyers showed much discrimination in their demands.

Although the Christmas season is one of weakness in clothing and shoe sales, the past December has shown an even greater lack of activity than is usually displayed in that month. Practically no business was done in men's clothing despite the fact that prices were from 30 to 50 per cent below the high levels previously recorded. Shoes reflected a somewhat analogous situation. Sales of shoes also decreased considerably, but the total volume of business done by the shoe stores was slightly in excess of that of last year, the decrease from shoes being equalized by the increase from the sale of Christmas gift articles, such as slippers, carriage boots, buckles and hosiery. Even in the sale of these articles there was noted a tendency toward more careful buying than was shown last year.

In spite of the fact that clothing and shoe sales showed a greater decrease than is usual for this season of the year, and that the volume of trade in the high-priced luxury goods was considerably under that of 1919, the volume of business done in such lines as cheaper jewelry, leather goods, electric appliances, men's furnishings, small articles of women's wear, sporting goods, musical instruments, confectionery and other purely gift goods accounted for the increased total volume of retail business this Christmas season over that of last year. That the trade in these goods was much in excess of that of last year is attested to by the report of the Philadelphia Postoffice that all records for the volume of Christmas mail matter have been broken during the past month.

The increased unemployment throughout textile plants, the more limited operation of some iron works, and the decrease in the cement business has had a direct effect upon the nature of retail trade in the smaller cities and towns of this district, especially so throughout the Lehigh Valley section. Many people, doubting the sincerity of price reductions, refrained from buying articles of wearing apparel for personal use, being content to wait for even more radical declines before making such purchases. Little effect was noted upon the purely Christmas purchasing, however, and good business was the general report from these sections.

While sales have been large, retailers have given but little attention to the replacement of depleted

RETAIL TRADE OF DEPARTMENT STORES

	Per cent increase or decrease November, 1920		
	In Philadelphia	Outside Philadelphia	All
Number of reporting stores	9	32	41
1. Net sales:			
For month named compared to same month, 1919	+ 8.5	+ 8.4	+ 8.4
For period July 1 to end of month named, compared to last year	+12.0	+18.5	+14.6
2. Stocks at end of month named:			
Compared to same month, 1919	+ 5.6	+17.3	+10.0
Compared to previous month	— 5.0	— 4.1	— 4.6
3. Ratio of average stocks at end of each month for period from July 1 to date, to average monthly sales for same period	360.3	520.3	417.9
4. Ratio of outstanding orders at end of month named, to total purchases during year 1919	4.7	2.9	4.0

stocks. They are concentrating their efforts upon converting inventories into cash, with a view to restocking at lower figures during the early months of 1921. Radical declines have already been registered in the wholesale markets, the most apparent being in cotton goods, silks, hosiery, underwear, woolen dress goods, rugs and shoes. The lines which have not recorded any notable declines are china, glassware and certain staple goods, the manufacturers of which are in a position to demand their own prices.

The figures at the bottom of page 2 reflect the trend of retail trade in November.

COAL

Anthracite

Production of anthracite, like that of bituminous coal, reached a new maximum for the year during the week ending December 4. Cars loaded numbered 39,214, indicating a total output, including mine fuel and sales to local trade, amounting to 2,051,000 net tons. For the first time since late October the current output exceeded that of the corresponding week of 1919. In the second week of December, ending December 11, the production dropped to 1,915,000 net tons. Figures for the past few weeks follow:

	1920	1919
November 20	1,975,000 tons	2,055,000 tons
November 27	1,692,000 "	1,759,000 "
December 4	2,051,000 "	2,014,000 "
December 11	1,915,000 "	2,120,000 "

The efforts put forth by the fair price committee, a voluntary organization of producers working in co-operation with the Department of Justice, are already bearing fruit in the way of holding down mine prices to a fair margin of profit above the cost of production, and have also limited the rehandling of coal by wholesalers through establishing the policy of allowing but one fair charge for handling tonnage after it leaves the mine and before it reaches the dealer. The producers, of course, sell the large bulk direct and, therefore, no intermediate charge for handling is exacted.

The transportation situation without exception is reported to be about 100 per cent, and there has been virtually no loss of output from that source. The market is becoming more steady, and the favorable weather of November and December is having a very beneficial effect on the coal bins of householders.

The outlook for this winter is regarded as highly satisfactory, which conclusion is based upon the fact that complaints of shortages from the eastern cities are becoming less numerous and upon the excellent work being carried on by the co-operative committees of operators and dealers who are seeking to distribute the coal where the requirements are greatest.

Bituminous

It is interesting to note that the production of soft coal during the week of December 11 for the United States rose to a new maximum for the year. The total output, including lignite and coal coked, is estimated at 12,865,000 net tons. Not only was this the highest mark attained during the present season, but it has been surpassed only three times during the period over which reports of weekly production extend. The three exceptions were the weeks ended July 13 and September 28, 1918, and October 25, 1919. This achievement is the more creditable because on Monday, November 29, the priority in the use of open-top cars was withdrawn completely. The table below shows the production of bituminous coal during the first 293 working days of the last four years (in net tons):

1917..........	525,365,000	1919..........	431,091,000
1918..........	556,343,000	1920..........	525,403,000

There are certain specific factors which are influencing the trend of soft coal prices and they may be briefly summed up as follows: First, increased production, which has been caused by an influx of men into the mining region who were formerly engaged in industries which have been affected by the present economic situation; second, the demand for soft coal is not so keen as it was during the boom period, since which time many industries have curtailed operations; third, the export trade has also fallen off to a very marked extent, especially during the past two months. It is reported that not nearly as much coal is moving for export through Hampton Roads as formerly, and a great many ocean vessels are idle.

High grades have been freely offered, with the exception that Pool 1 has not been put on the market as extensively as others. This grade has been quoted quite firmly at \$6, while Pool 9 is moving at \$5.25. The average price range on Pool 10 has been \$4.50 to \$4.75. Pool 11 is selling for \$4 to \$4.25; Pool 18, \$3.50 to \$3.75, and pool 34 has been \$3.50 for mine run, \$3.75 for screened and \$3.25 for slack.

The consensus of opinion among representative reporting firms is to the effect that collections are good in this section, but they are occasionally asked for extensions of time, especially from the South.

IRON AND STEEL

A further curtailment of production, a continued decline in the prices of raw materials, followed more or less closely by the finished products, a tendency towards increasing cancellations, wage reductions in some instances, a further slackening in collections and a noticeable falling off in new business have marked the iron and steel industry during the past month.

Demand in most lines of the industry, more prominent, however, in the steel plates and other finished products, is almost entirely absent. While inquiries as to prices have been more or less prevalent, not enough new business has been contracted for to determine price levels. The railroads have not yet entered the field for any large amount of materials, and the view is held in some quarters that if the railroads were to contract for a normal supply of materials at this time, it would aid considerably not only the iron and steel industry, but all of the allied industries as well.

The decline in prices of raw materials has been quite marked, No. 2X Pennsylvania pig being quoted at $34.79, as compared with $48.79 last month and as against $53.51, which maintained in September, the peak of the year's prices. Coke likewise has experienced a further decline, being quoted at $6, which in comparison to the quotations a month ago shows a decline of $3 per ton. This is one-third of the peak of prices which obtained in August.

Cancellations, which were common a month ago, have become more prevalent. Many foreign contracts have been repudiated recently, even after the goods were in transit. However, unless there is a valid cause for cancellations, the manufacturers of both raw and finished products are inclined to enforce these contracts.

Production has declined rapidly during the current month. The curtailment of operations which started two or three months ago has progressed more rapidly than at any time previous. Most of the firms have been able to catch up on their back orders. Almost without exception our reports indicate that the operations at present are only 40 per cent of their capacity and plans have been laid for a further decrease.

Notwithstanding the fact that there has been a serious curtailment of production of pig iron during the past several months, the total year's production to date is in excess of total production for 1919 by 3,200,000 tons. The largest disturbing factor contributing to a curtailment of the production of pig iron has been the resale of pig iron at prices well under the present cost of production and which the producers have been unable to meet. Unfilled orders on the books of the United States Steel Corporation November 30 were 9,021,481 tons, as compared with 9,836,852 tons on October 31. This is a decrease of 815,371 tons, against a decrease of 537,952 tons in October, 430,234 tons in September and 313,430 tons in August, which was the first month to show a decrease. These facts alone, however, do not indicate that such a decline is unusual, for, with the exception of 1919, each year since 1916 has shown a corresponding decrease in the unfilled orders at this time of the year. Raw materials are plentiful and no difficulty is being experienced in obtaining prompt deliveries at lower prices than maintained a month ago.

New business still continues at a standstill and in the aggregate amounts to a very small percentage of the total production of most mills. Price trends, which have been sharply downward, have failed to do more than increase the number of inquiries as to quotations. Hesitancy due to unsettled price trends prevents the placing of large orders, and those which are being received by producers of both finished and raw products are limited to immediate needs.

The figures for members of the Bridge Builders and Structural Society, representing about 40 per cent of the fabricating capacity of the United States, which are fairly typical of the industry, indicate that shipments during November were 57½ per cent of capacity, and that the orders received during the month represented only 16 per cent of capacity, the difference being accounted for by the completion of back orders. On the whole, only two months' business is in sight. However, this fact is not alarming, as this branch of the industry is not characterized by an enormous amount of future dealings.

Collections, which have been unsatisfactory for the past several months, have slowed up still further, and in many instances requests for settlement by note are being received. In the case of reliable customers, the inclination is to grant as lenient terms as are compatible with existing conditions.

BUILDING MATERIALS

Brick

The brick industry is at a standstill, which is not at all unusual, as operations are generally curtailed at this time of the year. Another factor influencing the cessation of manufacture is the general belief that by the time the demand is resumed brick can be manufactured at a lower cost. Buyers are therefore assuming a waiting attitude.

Brick prices are holding relatively firm, which is explained by the fact that the highest priced coal known to the industry was consumed in the manufacture of the present stock on hand. The price of common red brick has shown quite an advance since 1914, when this type of brick was quoted at $7 per thousand, whereas the present price of the same is quoted at $23 per thousand. Other varieties of brick are now quoted as follows: Face brick, $24 per thousand; red shale brick, $34 per thousand; and buff tapestry brick, $40 per thousand, f. o. b. Philadelphia.

Collections are somewhat slow.

Gas and Electric Fixtures

Reports received indicate that there has been a noticeable slowing up in the buying demand of gas and electric fixtures during the present month. Only a portion of this, however, can be attributed to general conditions, as comparatively little buying is usually done during the last two or three weeks of December, because that is the time when most concerns take inventory. While the retail distribution at this time has been somewhat stimulated by holiday demands, yet buyers display a well-defined policy of conservatism in their purchasing.

Prices on this class of goods, unlike many others, are reported to be holding up exceptionally well, excepting on a few specific lines, such as non-metallic and metallic conduit.

With but few exceptions, cancellations in this industry have been negligible. Collections have been somewhat slower during the month of December than for the months of November and June and are certainly much retarded as compared with a year ago. On the average it might be said that collections are 20 to 40 days slower than usual.

Hardware

The demand in the wholesale hardware trade continues to reflect the conservative attitude of retailers in placing orders and apparently only the needs of the moment are being filled. There have been practically no increases in price, but many products, especially those of iron, steel and lead, have declined. It is relatively easy to secure stocks of the various materials sold by the trade.

Collections during the month of November became markedly slower, as may be seen in the following table made up from the reports of 27 reporting concerns. The ratio of accounts outstanding at the end of the month to sales during the month was 189 per cent, as compared to 154 per cent for October and 152 per cent for September.

WHOLESALE HARDWARE TRADE

	1920 October	1920 November
1. Net sales (selling price) during month:		
a. As compared to previous month.....	— 2.2	—10.1
b. As compared to same month last year	+ 6.7	+10.2
2. Accounts outstanding at end of month (selling price):		
a. As compared to previous month.....	— 2.0	— 3.3
b. As compared to same month last year	+16.6	+21.1
3. Ratio of accounts outstanding at end of month to net sales during month......	153.7	188.6

Lumber

A careful analysis of the reports of representative lumber concerns in this district discloses that at the present time there is very little lumber buying, particularly for house construction. This lack of demand may be attributed to the fact that the general public anticipates further reductions and also to the inability on the part of contractors and builders to secure available funds with which to commence operations. One concern writes that 75 per cent of the mills are closed down because of the inability to make sales. Some of these mills expect to start up shortly after January 1, and others will not resume operations unless it be on a more profitable basis than at present.

The reductions in lumber prices have not been drastic, but have shown a steady decline over a period of months. The question which is uppermost in the minds of lumbermen at this time is, how far these declines will go before they will attract buyers into the market. It might be said that prices on the average have reacted from 35 to 40 per cent. The table given below, which was prepared by a prominent lumber dealer, shows the trend of prices:

Kind of Lumber	Pre-war	Year ago	Peak	Present
Chestnut	$45.00	$55.00	$185.00	$110.00
Maple	35.00	60.00	160.00	110.00
Ash	47.50	75.00	225.00	150.00
Oak	57.00	70.00	245.00	115.00
Poplar	60.00	75.00	240.00	140.00
Quartered oak	75.00	115.00	350.00	175.00

Collections since October have had a tendency to slowness, but under existing economic conditions are regarded as fairly satisfactory.

Cancellations with most lumber concerns have been extremely few, inasmuch as very little new work has been started within the last two months and the old work in which cancellations would be likely to occur will be completed within the next month or two and the possibility of cancelling at this stage is remote.

Paint

The paint industry has not been exempt from the wave of declining prices which has been so general during the past six months. There have been spectacular declines in the prices of many of the raw materials entering into the manufacture of paint and varnish and some reductions in the finished product. To be able to visualize to what extent prices have receded we give below a list showing the trend of prices for the raw materials and the finished products:

Raw materials	Peak prices	Month ago	Present
Linseed oil	$2.15	$1.01–$1.53	$0.87
China wood oil	.24	.18	.12
Rosin	21.10	12.00	9.00–$10.00
Zinc	.10¾–.13¾	.09½–.13¾	.09½–.13¾
White lead	.11½	.09½	.09
Turpentine	2.00	.95–$1.00	.82
Turpentine substitute	.43	.30	.30
Finished product			
Spar varnish	6.75	6.75	6.00
Interior varnish	5.00	5.00	4.25
House paints	5.25	5.25	4.75
Floor paints	4.00	4.00	3.50
Varnish stains	5.00	5.00	4.50
Mill white	5.75	5.75	5.50
Washable flat paints	5.50	5.50	5.25

The incentive to place new orders has not been stimulated to any appreciable degree in view of the disparity of prices. We are informed that purchasers have assumed a waiting attitude. The inactivity in the building lines and the status of the present financial situation also have contributed to the present dullness in the paint industry.

Cancellations on raw material contracts, while they have been quite extensive, are being minimized substantially, because manufacturers are gradually adjusting their price lists to meet the demands of their customers. Collections in this district are reported to be fairly satisfactory, although southern collections have become quite slow.

COTTON

Demoralization in the cotton world has been general for the last five or six months, with retailers refusing to place orders with the jobbers, and the jobbers in turn refraining from the purchase of materials from the manufacturer, and so on back to the spinners and dealers, who found themselves unable to take advantage of the largest and best crop of cotton that has been raised in years.

Demand has been at a standstill and is yet a negligible quantity with the majority of mills. A vein of optimism can be discerned, however, in the fact that although no orders for future delivery have been placed, the hand-to-mouth buying is assuming larger proportions. This would indicate that jobbers' stocks are dwindling. This is true particularly with respect to ginghams, which have showed considerable increased activity during the past two weeks.

With the absence of buying, prices have apparently no basis. The quotations made are mainly tentative and are accepted by buyers only on condition that the price asked can be obtained by them from their customers. It is frequently necessary to make further concessions in order to consummate the bargain. Price declines are placed at from one-third to one-half, and in some cases two-thirds below the peak.

Raw materials are most plentiful at very attractive prices. In fact, the low prices of yarns are tempting manufacturers, who are in a position to do so, to take up large quantities.

Cancellations in this industry have been widespread and have caused severe losses to manufacturers. Collections are very poor and seem to grow continually slower.

WOOL

Cloth

Varied reports concerning the demand for wool cloths sound a hopeful note in the wool market. While there is but little material change from the passive condition of the past few months, two or three large mills report an increase in demand. This improvement apparently exists more for fabrics used in women's wear than for those used in men's wear. In contrast with this more optimistic note is the account from other mills of operations continued only to afford employment for their men; some even contemplate suspending operations entirely.

Prices have been trending lower and lower, and although they are not yet on a pre-war basis, they are far below present production costs. In the quarters where an improvement has been felt it is thought that the augmented orders have resulted in a slight steadying of prices.

The cancellation evil is still rampant. It seems to reach its limit only when no more orders remain to be cancelled. Manufacturers do not count upon goods as sold until the cash is collected, as each day brings forth abrogations from the most unexpected quarters. No effort is made to find adequate excuses for this nullification of contracts, reasons such as "Don't want," "Cannot use now" and "Owing to market conditions" being deemed sufficient for returning the goods.

Collections are poor, but evidence a growing improvement. Manufacturers who have suffered from cancellations have much capital tied up in the returned merchandise and have on hand also large inventories of yarns. With the present downward trend in yarn prices, it is impossible to convert these stocks into money. Those who have maintained a conservative buying policy are not feeling the financial situation as keenly as those with large stocks on hand.

Yarns

Demand for wool yarns is virtually at the zero point. There have been no recent inquiries, and the inclination towards doing business is even less than it was a month ago. Manufacturers of hosiery, underwear, sweaters, etc., have sufficient yarns to enable those who are operating at all to maintain their curtailed schedule. Therefore, they need not enter the market and have refrained from doing so in the anticipation of further reductions.

In order to arouse any interest, mills have been forced to bill yarns at market prices on the date of shipment, which on a declining market means constant loss. One mill reports that it is operating at 40 per cent of its capacity, but marketing not over 25 per cent of this output.

This lack of demand has caused a wide slashing of prices in a futile effort to effect sales. Prices are generally from 50 to 60 per cent lower than those which prevailed at the peak. As an example of the rapidly receding prices, one large manufacturer writes of a certain grade of worsted "which is one of the standard counts we manufacture, sold at the peak for $4.20 to $4.30. Last month we would have been glad to take orders on this same yarn for $2, and now we are down to $1.85."

This industry also is experiencing many cancellations and very much slower collections. There has been no material change since last month, but collections are much slower than they were around June 1, and, of course, compare most unfavorably with this time last year, when discounting was the rule.

SILK

During the past month actual buying and the placing of orders in the silk industry continued practically in the same lull which has existed since the collapse of the Japanese markets. A note of optimism was injected into the situation, however, by the increased number of inquiries which have been made by buyers, especially those for dress and waist manufacturing houses. Interest was displayed primarily in taffetas and heavy crepes de chine.

As a result of these inquiries, many mills which were shut down have resumed operations, and those which maintained reduced schedules have increased their output so that they may be prepared to supply a normal demand when it develops. From all reports, there is no large surplus of finished materials at this time. Mills have produced but little since the beginning of the sharp reaction, and the supply that then existed has been practically all consumed in the "hand-to-mouth," "immediate delivery" demand that has prevailed throughuot the slump.

This resumption of manufacturing activity is not general in all parts of the district, however, and conflicting reports have been made. In one city, where operations were at a standstill, two of the largest mills resumed at full time, and one smaller concern instituted a night shift in addition to full day-time operations. In contrast with this are the reports from other silk manufacturing towns that production is at its lowest possible ebb. In still other towns 50 to 75 per cent capacity is being maintained.

The instability of prices during the past month was in large measure responsible for the fact that the increased interest in the way of inquiries failed to develop into a real buying demand. Rather wide differences were noted in the prices quoted by various manufacturers for the same types of product. These discrepancies were not so marked as during the month of November, however, which seems to indicate that a more fixed price basis is being approached.

The problem of cancellations no longer exists, since the small volume of business which is being transacted is almost strictly of a hand-to-mouth nature. Collections, too, seem to be improving and are rather generally reported as satisfactory.

HOSIERY

The instability of hosiery prices and the resultant uncertainty in the markets has deterred trading to so great an extent that almost no business is being transacted. The constant dropping of yarn costs has been in large measure responsible for the repeated revisions, but a factor even more disturbing, alike to jobbers and manufacturers, is the presence in the markets of numerous distress stocks, which are being offered at prices considerably below replacement values based on these new yarn quotations.

The following example, submitted by one reporting firm, gives an interesting illustration of the disparity existing in hosiery prices: Peak prices paid by jobbers for ladies' mock full-fashioned mercerized 220-needle hose, $9 per dozen; December 15, replacement cost for this type, $3.75 per dozen; quotation of reporting firm, $3.50—a loss of 25 cents on each dozen sold. Other manufacturers, however, offered the same goods at even greater sacrifices, the low mark reported being $2.50.

Even at these exceptionally low prices, the sales were rare and the orders booked few, for jobbers are without interest in a market which registers such absolute lack of faith in values. There was, of course, some hand-to-mouth business during the past month, but it was not in excess of that which existed during the entire depressed period. Under the circumstances, production throughout the industry has been reduced to a point where less than 20 per cent of the industry's capacity is being maintained.

Unemployment is prevalent and numerous applications are being received by all concerns which are still producing. In these, reductions of 25 per cent from the peak wage level are not uncommon.

The trend of conditions in the industry for the last five months is shown in the tables below:

UNDERWEAR

Uncertainty as to values still rules in the underwear markets, and as a consequence no activity is being displayed. The element essential to stability —the fixing of a firm mill price and adhering strictly to that price—is wholly lacking at the present time.

During the latter part of November there was a lull in the price cutting, but with the approach of the inventory-taking period finished stocks were offered at almost any price obtainable, with the result that there were surprisingly wide variations in the quotations for garments of like nature. These prices were all below replacement values, and the manufacturers quoting them reported that they would book no orders for future delivery at a like level.

If a profit item is to be included, prices will have to be considerably above any quoted in recent weeks, they say, or there must be a further reduction in manufacturing costs. A start in this direction has been made in the labor item, and wage reductions of from 15 to 20 per cent are reported by several concerns.

Operations are virtually at a standstill, with many mills completely shut down and others running at capacity schedules of from 20 to 40 per cent. There are cases where a higher percentage is being maintained, but these are the exceptions.

Weather conditions have adversely affected the industry, for the mild temperature has deterred the

OPERATIONS IN THE HOSIERY INDUSTRY

For firms selling to the wholesale trade:	Per cent increase or decrease for 1920				
	July	August	Sept.	Oct.	Nov.
Product manufactured during month (selling price):					
As compared to previous month	— 36.2	— 22.2	— 43.0	— 9.8	— 18.8
As compared to same month, 1919	— 17.5	— 33.3	— 58.9	— 69.0	— 74.0
Finished products on hand at end of month (selling price):					
As compared to previous month	+ 6.2	+ 4.5	— 3.6	— 27.9	— 5.9
As compared to same month, 1919	+137.7	+174.1	+150.9	+ 98.2	+ 95.2
Raw materials on hand at end of month (cost price):					
As compared to previous month	— 5.0	+ 1.2	— 5.6	— 18.7	— 5.0
As compared to same month, 1919	+ 84.5	+ 91.4	+ 49.0	+ 13.0	+ 1.3
Unfilled orders on hand at end of month (selling price):					
As compared to previous month	— 17.6	— 13.4	— 22.4	— 47.2	— 21.1
As compared to same month, 1919	— 35.2	— 61.9	— 71.6	— 85.1	— 87.5

For firms selling to the retail trade:	Per cent increase or decrease for 1920				
	July	August	Sept.	Oct.	Nov.
Product manufactured during month (selling price):					
As compared to previous month	— 49.8	+ 15.3	+ 5.1	— 44.0	— 24.8
As compared to same month, 1919	+ 6.4	+ 23.6	+ 19.8	— 50.4	— 64.3
Finished product on hand at end of month (selling price):					
As compared to previous month	— 14.1	+ 13.2	— 3.5	— 13.1	+ 11.7
As compared to same month, 1919	+ 43.5	+ 63.9	+ 62.3	+ 46.1	+ 44.7
Raw materials on hand at end of month (cost price):					
As compared to previous month	+ 7.3	+ 4.6	— 29.4	— 10.2	— 19.2
As compared to same month, 1919	+130.2	+160.2	+ 76.6	+144.2	+ 60.7
Unfilled orders on hand at end of month (selling price):					
As compared to previous month	— 10.9	— 13.6	— 38.4	— 71.8	— 6.2
As compared to same month, 1919	— 82.2	— 87.7	......	......	......

placing of reorders for heavy-weight garments, and the concerns which had manufactured for stock to meet such requirements have put these goods on the markets at great sacrifices.

Production conditions and the situation in the industry generally are reflected in the following statistics covering the period since July, 1920:

The attitude of this group of manufacturers is well expressed by one house which writes: "We feel prices are too low and are no more anxious to book orders than are buyers to place them." The readjustment in the prices of this concern may be seen from the following prices of its standard women's and misses' oxfords: Peak, $10; November 15, $8.50; December 15, $8. These were cut from leather which at the peak cost $1.40; November 15, $0.70; December 15, $0.60. Wages in the shoe industry have shown no decline, and the other items entering into the production of shoes have not kept pace with the decline in the quotations on the finished product.

OPERATIONS IN THE UNDERWEAR INDUSTRY

	Per cent increase or decrease for 1920				
	July	August	Sept.	Oct.	Nov.
1. Product manufactured during month named:					
a. As compared to previous month	— 16.9	+ 4.9	— 27.5	— 12.8	— 39.1
b. As compared to same month last year	— 13.0	— 11.1	— 33.2	— 42.1	— 63.9
2. Finished product on hand at end of month named:					
a. As compared to previous month	+ 46.6	+ 27.0	+ 24.2	......	— 1.6
b. As compared to same month last year	......	+279.1	+ 70.8	......	+328.1
3. Raw materials on hand at end of month named:					
a. As compared to previous month	— 15.6	— 3.0	— 8.8	— 15.6	— 5.4
b. As compared to same month last year	......	+ 38.7	+ 58.9	+ 19.9	— 26.5
4. Orders booked during month named:					
a. As compared to previous month	— 60.0	— 63.9	......	......	— 16.5
b. As compared to same month last year	......	— 99.8	......	......	— 25.7
5. Unfilled orders on hand at end of month named:					
a. As compared to previous month	— 23.4	— 53.9	— 47.6	— 71.2	+ 3.9
b. As compared to same month last year	......	......	......	......	— 95.8

LEATHER AND SHOES

Shoes

In their reports on conditions in their industry, shoe manufacturers are decidedly more optimistic than has been the case for many months past. December developed a general increase in interest, and, while no orders of any volume for spring delivery were placed, the nature of the inquiries was such as to lead manufacturers to believe that stocks in the hands of retailers and dealers are exceptionally small, and that therefore a buying movement will shortly develop.

Whether or not this opinion is justified, only coming events can determine, for, while it may be true that stocks are small in volume, it is also a fact that retailers experienced a decidedly dull December. No further reductions were made and the many display ads which contained no announcement of lower prices failed to move consumers from their adamant stand against high prices. In this they were favored by the exceedingly mild weather, which has made possible the wearing of last summer's oxfords. Indeed, the weather was in no small part responsible for the fact that retail sales were almost equally divided between high and low shoes.

While many manufacturers are eager to obtain business and are giving guarantees against further declines in order to stimulate buying, others are making no efforts to book orders for future delivery.

Cancellations continue, but are not so great a factor as they were several months ago. Collections are still slow, but no more so than during October and November.

Leather

Stagnation is still the order in the leather industry, and while inquiries are more general and the hand-to-mouth business is of a somewhat larger nature, its volume is not such as to make any perceptible change in the situation which has ruled since last spring. With this almost total absence of demand, there is no market price for leathers, and wide discrepancies exist among the various quotations of many tanners and manufacturers. All of these, however, show a decline as compared to last month, and even now do not represent a stable basis, for by shopping about, buyers are able to satisfy their needs at their own prices. Especially is this true if immediate cash is paid. Tanners contend that present prices are lower than production costs warrant, and that many quotations are such as allow for no profit.

With the drastic curtailment in operations during the past six months and the consumption of the available stocks in the hand-to-mouth demand during that time, a shortage exists in several lines of leather. As a whole, however, stocks now on hand are adequate to meet any normal buying demand that may make its appearance. Most leather manufacturers have on hand, or can easily obtain, sufficient supplies of hides and skins to meet normal production requirements. The markets for these raw materials are glutted and prices are on a parity with those prevailing before the war and in some instances are lower.

PAPER

The conditions in the paper market do not show any considerable change from those which prevailed a month ago. There is, however, an increased tendency toward weakness in demand, for the general decrease in buying, which began in September, in anticipation of lower prices, is for the first time being felt in the paper industry. Jobbers are apparently reducing their stocks to a minimum, placing orders only for present needs. If it were not for the unfilled orders on the books of many manufacturers, the plants in some cases would be forced to reduce their production, or accept a loss on what sales they are making. The usual practice has always been to operate at a loss rather than to shut down, but there are reports of some mills in the Philadelphia district having closed down temporarily, and this comes at a time when there is practically no finished paper on hand. Since August, 1919, the country has been in the grip of a paper famine, and only recently has the pendulum begun to swing back to a point where the industry is experiencing a buyer's market.

Heavy wrapping papers and papers used for advertising purposes have suffered the greatest decrease in demand. Even though there is every reason for extensive advertising campaigns, in consideration of the present market conditions in all lines, many important campaigns have been held up, waiting the outcome of changing conditions.

Prices have eased off slightly in most lines of paper, with a decrease of from 10 to 15 per cent below prices prevailing last month. For the most part, there is a direct relation between costs and selling prices of paper, and comparatively little inflation has been experienced, as compared with other commodities, evidence of which is shown in the present stability of the paper market in general, in the face of prevailing conditions. The paper board market shows the greatest weakness, boards and box papers selling at a decline of nearly 50 per cent off of last month's quotations, which were in turn 40 per cent off of the quotations of September, the peak. The situation in the newsprint branch of the industry is decidedly unsettled, but with prices on contract still firm. Spot prices are somewhat over contract prices, although the protests of the small publishers, who obtain their supplies principally in the spot market, have had some influence towards reaching a lower basis. The competition anticipated from German and Scandinavian mills, when their products begin to arrive in this country to fill contracts already made, has also undoubtedly had some influence on the newsprint market. It is reported that the German Government, with the purpose of re-establishing foreign trade, is curtailing the use of newsprint at home by rationing, in order that a supply may be available for export.

The supply of raw material is ample. Prices have declined slightly for chemicals and paper scrap, but practically all manufacturers report that wood pulp is selling for the same prices, and in some cases has advanced. In the face of almost daily articles in newspapers and trade journals to the effect that pulp and lumber prices have declined considerably, this apparent discrepancy can only be explained by assuming that the lower prices have not yet been felt by the majority of manufacturers. Many of these are probably still producing from pulp purchased some time ago, when prices were still at a high level.

The seriousness of cancellations has had some alleviation from conditions prevailing a month ago. Some are still reported, however, and these are due largely to the falling prices and to the cancellation cycle which originates with the ultimate consumer. Some are also the result of the duplication of orders made by dealers during the period when a rationing of product was necessary. Dealers and jobbers placed orders with several manufacturers, knowing that they would not be able to secure their total order, but hoping that by this duplication of orders they would be able to secure sufficient stock to meet their requirements. Now that the mills are catching up on their production schedules, there is a great elimination of these orders.

Collections, while they are still slower than a year ago and on June 1st of this year, are holding up remarkably well. Only in a few instances have extensions been requested, and these are the result of the financial condition and the cancellation of orders by certain customers desiring to cut down their stock. According to figures issued by the Federal Trade Commission, publishers' stocks of all types of papers decreased 4646 tons during October, and on October 31 publishers' stocks and transit tonnage represented slightly less than 44 days' supply at the then existing rate of consumption.

GROCERIES

There have been no pronounced new developments in the grocery trade during the past month. Demand for practically all commodities has increased slightly, but the policy of buying only for immediate consumption still dominates the wholesale market. Distributors' stocks have reached a low point, due largely to the fear of lower prices and a desire to liquidate to the basis of buying for weekly requirements. The net sales for November increased in amount over those of October, but were considerably lower than last year. In volume and the number of sales made, business was nearly on a par with last year, however, and the decrease in money return is a direct result of lower prices prevailing. The usual holiday increase in sales has not been as marked this month as in previous years. Prices are still the limiting factor, except in the case of a few high-grade articles and household specialties. Flour sales have increased considerably in volume, while sugar consumption, although steady, is at a low figure. The usual holiday demand for confectionery has been less this year than usual, and this is reflected to some extent in the sales of sugar.

The downward trend of prices still continues, but the rapidity of the fall seems to have been checked to a great extent. Sugar, flour, coffee, rice, beans, cornmeal and soaps have continued to drop in price, while staple canned goods, such as tomatoes, peas and corn, show a decrease of from 10 to 30 per cent. The principal exceptions to the decline are raisins, salt, relishes, matches and a number of grocery specialties. Sugar has been quoted at a price considerably less than the government price during the war and is very nearly on a pre-war basis.

WHOLESALE GROCERY TRADE

	1920 October	1920 November
1. Net sales (selling price) during month:		
a. As compared to previous month	—11.1	+ .8
b. As compared to same month, 1919	—11.2	—15.8
2. Accounts outstanding at end of month (selling price):		
a. As compared to previous month	— 7.1	+ 1.2
b. As compared to same month, 1919	— 5.4	— 7.3
3. Ratio of accounts outstanding at end of month to net sales during month	99.3	102.7

November reports show a further slowing up of collections, which may be traceable to the diversion of funds of consumers for the purchase of luxuries and holiday goods. Part of this is also due to the increase in unemployment and decreased working hours of labor. The extension of credits to the ultimate consumers by the retailers has necessitated a further extension on the part of the wholesaler. However, the ratio of outstanding accounts to sales shows but a slight increase, in comparison with the increase shown last month.

CONFECTIONERY

The Christmas season has always been characterized by the heaviest buying of the entire year, but this is not the case this year, as the buying demand on the part of dealers and jobbers for the past six weeks has been negligible. Dealers, as a rule, are pretty well stocked up with merchandise and in a great many instances prefer to run out of a certain item rather than reorder, as it is evidently their intention to dispose of their stocks in order to clear their shelves before taking the January inventories. This conservative attitude holds true in the face of price concessions.

Candy prices on the better grades have been reduced from 10 to 15 per cent, while on the cheaper grades, where the margin of profit is greater, the reduction is larger. The raw materials entering into the manufacture of candy have sustained a considerable setback, as is manifested by the following examples:

	Former price	Present price
Sugar	$0.25 per lb.	$0.08½ per lb.
Glucose	6.30 per 100 lbs.	3.96 per 100 lbs.
Cocoa butter	.43 per lb.	.25 per lb.
Chocolate coating	.30 per lb.	.22 per lb.
Chip boards (for making boxes)	$122.00 per ton	$50.00 per ton

Collections are reported to be slow, many firms asking for extensions; especially is this true concerning dealers in the South. Cancellations have also been very annoying in the past few weeks, but the major portion of them have now been eliminated.

TOBACCO

In the tobacco trade there has been a very noticeable change from conditions of last month. At that time the demand for high-grade cigars was feeling a slight reduction, due to the desire to eliminate from stocks such cheap and little known brands as could be disposed of quickly. Practically the reverse of this situation is now prevalent, for business is being confined largely to high-grade, standard brands, showing that retailers' stocks of this type are low. The demand for cigars as a whole has fallen off considerably during the past month, the retailer curtailing his orders to meet the decreased demands of the consumer. The pre-Christmas sales in a normal year have shown, as a rule, a slight increase, but the retailer's stock on hand has been sufficient this year to cover the slight increase, and his orders from the manufacturer and jobber have been curtailed accordingly.

The sale of cigars is handled on the basis of standing weekly orders from the retailers. If they find they are getting a little too much stock on hand, they request the jobber or manufacturer to eliminate their weekly shipment for one or two weeks, or until they can reduce the supply on hand, and the majority of manufacturers report that this has been done in many cases. For this reason the cancellations which have been felt in many other lines have not been of any noticeable intensity in the tobacco trade. The tobacco manufacturers feel that, although the decreased demand may be due to cautious buying with the expectation of a reduction in prices, a part of it is also the result of reduction of stocks for inventory purposes at the end of the year. Cigar consumption has shown a decrease, according to the figures issued by the Internal Revenue Department, during each period of depression which this country has experienced, and the present slump in cigar sales is therefore not unexpected.

Prices on high-grade products remain practically stable, with such reductions as have been noticed only made with a desire to stimulate buying. This condition is the natural result of fundamental factors in the industry, inasmuch as last year's crop is going into the present product, and the prices of this crop were the highest that have ever been known. The supply of tobacco which has been harvested this year is greatly in excess of last year's supply, but growers in practically all sections were demanding at the opening of the markets higher prices than they did for the 1919 crops. Manufacturers, however, are refusing to buy up at the present prices, and such sales as have been made have been consummated at prices which are the lowest in the past five years. The refusal of manufacturers to buy is no doubt the primary cause for low prices, but, according to the report of the Federal Trade Commission on tobacco prices, other influencing factors are the decrease in exportation, due to unfavorable exchange rates, the contraction of domestic credits, and the increase in quantity of low grades for domestic absorption. The cost of boxes and other materials has shown no change as yet, and labor, though more plentiful than formerly, has had no cut in wages.

Collections have become slightly slower than last month and are decidedly poorer than a year ago. Some jobbers have asked extensions of terms from manufacturers, but the retail situation shows little change.

FINANCIAL

Federal Reserve Banks

The discounted paper held by this Federal Reserve Bank has fluctuated within narrow limits during the past few months, though the actual discounts for member banks show a decline. Federal reserve note circulation has increased, but this is entirely natural at this season of the year, due to the holiday trade. The reserve ratio has been generally higher. The table below gives a comparison of certain items on December 17, November 19 and January 2 of this year:

	Dec. 17	Nov. 19	Jan. 2
Discounted paper	$167,074,000	$168,038,000	$208,495,000
Bought paper	13,620,000	21,043,000	5,177,000
Total paper	$180,694,000	$189,081,000	$213,672,000
Net deposits	87,816,000	103,276,000	109,740,000
Note circulation	278,820,000	271,330,000	232,160,000
Total reserves	200,140,000	185,075,000	140,215,000
Reserve ratio	54.6%	49.4%	41.0%

The statement of the Federal Reserve System as a whole shows a decline in bills discounted and bought from $2,948,601,000 on November 19 to $2,831,358,000 on December 17. The reserve ratio increased from 44.1 per cent to 45.6 per cent.

Member Banks

The weekly reports of 59 member banks in Philadelphia, Camden, Scranton and Wilmington show a gradual decline in total loans and investments from the high point for the fall months of $890,794,000, reached on October 15, to $845,636,000, on December 10. Comparative figures on the items which make up this total are given below:

	Dec. 10	Oct. 15
United States securities owned	$65,606,000	$76,135,000
Loans secured by U. S. securities	37,313,000	36,811,000
Loans secured by other stocks and bonds	201,499,000	214,430,000
All other loans and investments	541,218,000	563,418,000
Total loans and investments	$845,636,000	$890,794,000
Total deposits	713,259,000	732,554,000
Borrowings from Federal Reserve Bank	110,992,000	122,585,000

Savings Deposits

In view of the increase of 58 per cent in Christmas Savings Funds, it is interesting to note that the regular savings deposits of the 24 savings banks which report to us increased only 7 per cent from December 1, 1919, to December 1, 1920. During the month of November deposits gained appreciably even though employment is not as general as was the case earlier in the year. This would indicate a tendency toward the conservation of funds on the part of depositors. Comparative figures follow:

	Philadelphia	Outside Philadelphia	Total
Dec. 1, 1920........	$243,506,317	$51,237,019	$294,743,336
Nov. 1, 1920........	242,990,138	49,155,891	292,146,029
Oct. 1, 1920........	242,304,419	49,847,933	292,152,352
Dec. 1, 1919........	227,744,135	47,294,675	275,038,810

Christmas Savings Funds

Detailed figures on Christmas Savings Funds as reported to us by the banks in this district are given below:

	Banks reporting No savings clubs	Banks reporting Savings clubs	Number of depositors	Amount of deposits
1919				
National banks ...	363	234	149,247	$3,951,709
State institutions..	220	162	253,649	6,710,313
Total	583	396	402,896	$10,662,022
1920				
National banks ...	323	274	172,890	$6,392,413
State institutions..	186	196	290,131	10,474,940
Total	509	470	463,021	$16,867,353

A discussion of these figures is given in the general summary of this report.

RESOURCE AND LIABILITY ITEMS

of member banks

in Philadelphia, Scranton, Camden and Wilmington

	At the close of business Dec. 10, 1920	Nov. 12, 1920	Jan. 2, 1920
	(In thousands of dollars)		
U. S. bonds to secure circulation.	$11,347	$11,347	$11,097
Other U. S. bonds and notes.....	40,007	39,094	41,512
Certificates of indebtedness......	14,252	13,280	60,581
Total U. S. securities owned.	$65,606	$63,721	$113,190
Loans secured by U. S. securities.	37,313	38,450	68,428
All other loans and investments..	742,717	767,088	678,237
Total loans and investments.	$845,636	$869,259	$859,855
Reserve with Fed. Res. Bank....	67,900	72,093	59,492
Cash in vault..................	21,390	19,478	21,027
Net demand deposits............	674,531	694,716	668,657
Time deposits	38,728	39,711	22,651
Government deposits	1,151	2,899	43,376
Number of banks reporting......	59	59	56

CHARGES TO DEPOSITORS' ACCOUNTS

other than banks' or bankers', as reported by Clearing Houses

	Weeks ending Dec. 15, 1920	Nov. 17, 1920	Dec. 17, 1919
Altoona	$3,939,000	$3,104,000	$3,319,000
Chester	5,355,000	5,581,000	5,213,000
Harrisburg	7,451,000*	3,060,000	4,871,000
Johnstown	5,966,000	6,040,000	2,999,000
Lancaster	5,573,000	5,855,000	5,479,000
Philadelphia	367,788,000	367,877,000	420,652,000
Reading	7,736,000*	4,702,000	5,697,000
Scranton	15,586,000	13,976,000	12,130,000
Trenton	11,843,000	13,817,000	13,446,000
Wilkes-Barre	9,631,000	9,290,000	8,993,000
Williamsport	6,190,000	4,330,000	4,068,000
Wilmington	10,556,000	7,441,000	14,728,000
York	4,502,000	4,631,000	5,003,000
Totals	$462,116,000	$449,704,000	$506,598,000

*Larger number of banks reporting.

SYNOPSIS OF BUSINESS SITUATION

Compiled as of Dec. 22, 1920 **Philadelphia Federal Reserve District**

BUSINESS	Demand	Prices	Raw material or merchandise situation	Collections
Brick	Inactive	Firm	Fair	Slow
Coal, Anthracite	Strong	Firm		Good
Coal, Bituminous	Weak	Lower		Fair
Confectionery	Inactive	Lower	Good	Slow
Cotton	Negligible	Low & unsteady	Good	Poor
Gas and Electric Fixtures	Decreasing	Firm	Fair	Slower
Groceries	Limited	Lower		Slower
Hardware	Fair	Unsteady	Fair	Slow
Hosiery	Negligible	Low & unsteady	Good	Fair
Iron and Steel	Negligible	Lower	Ample	Very slow
Leather	Inactive	Lower	Good	Slow
Lumber	Inactive	Lower	Good	Slow to satisfactory
Paint	Inactive	Lower	Good	Slow to satisfactory
Paper	Weak	Slightly lower	Good	Satisfactory
Retail Trade	Active	Lower	Good	Good
Shoes	Inactive	Lower	Good	Slow
Silk	Inactive	Unsteady	Good	Satisfactory
Tobacco	Limited	Steady	Ample	Slower
Underwear	Inactive	Low & unsteady	Good	Fair
Wool Cloth	Slightly improved	Very low	Good	Poor
Wool Yarns	Negligible	Very low	Good	Slow

STATEMENT
Federal Reserve Bank of Philadelphia
(000's omitted)

RESOURCES	Dec. 20, 1920	Month ago	Year ago
Gold reserve	$208,017	$180,564	$136,594
Other cash	688	478	330
Total reserve	$208,705	$181,042	$136,924
Discounted—sec'd by U. S. securities	$124,779	$119,121	$180,387
Discounts—all other	39,316	46,949	27,716
Purchased bills	12,742	21,143	4,704
U. S. securities	32,887	45,926	32,519
Total earning assets	$209,724	$233,139	$245,326
Uncollected items	$63,135	$62,182	$81,759
All other resources	3,830	3,389	55,974
Total resources	$485,394	$479,752	$519,983

LIABILITIES	Dec. 20, 1920	Month ago	Year ago
Capital paid in	$8,485	$8,469	$7,874
Surplus	13,069	13,069	5,311
Profit and loss	573	573	259
Government deposits	790	742	5,093
Members' reserve account	99,059	109,038	92,762
Collection items, etc.	52,823	50,994	75,925
Gross deposits	$152,672	$160,774	$173,780
Federal reserve notes	$281,690	$269,824	$234,626
Federal reserve bank notes	22,672	21,632	28,913
All other liabilities	6,233	5,411	69,220
Total liabilities	$485,394	$479,752	$519,983

BUSINESS AND FINANCIAL INDICATORS

	Dec. 20, 1920	Percentage increase or decrease compared with	
		Previous mo.	Year ago
Philadelphia banks:			
Loans	$722,619,000	— 2%	—2 %
Deposits	670,775,000	— 3%	+0.2 %
Ratio loans to deposits	108%	107%*	111 %*
Federal Reserve Bank:			
Discounted paper	$164,095,000	+ 2%	—19 %
Reserve ratio	56%	50%*	40 %*
90-day discount rate	6%	6%*	4¾%*
Commercial paper	8%	8%*	6 %*

	Nov., 1920	Percentage increase or decrease compared with	
		Previous mo.	Year ago
Bank clearings:			
In Philadelphia	$1,966,075,000	— 8 %	+ 2 %
Elsewhere in district	122,963,000	—11 %	+ 2 %
Total	$2,089,038,000	— 8 %	+ 2 %
Building permits, Phila.	$2,303,445	—11 %	—76 %
Post office receipts, Phila.	$1,341,226	— 2 %	+17 %
Commercial failures in district (per Bradstreet's)	51	38 *	23 *
Commodity indices (latest):			
Annalist (food prices only)	209.152	—10.4%	—27.7%
Dun's	$211.628	— 6.9%	—13.5%
Bradstreet's	$13.6263	—13.1%	—32.5%

*Actual figures.

COMPILED AS OF DECEMBER 22, 1920

This business report will be sent regularly to any address upon request.