

THE BUSINESS REVIEW

THIRD FEDERAL
PHILADELPHIA



RESERVE DISTRICT
JANUARY 2, 1924

By RICHARD L. AUSTIN, Chairman and Federal Reserve Agent
FEDERAL RESERVE BANK of PHILADELPHIA

SUMMARY OF BUSINESS CONDITIONS IN THE UNITED STATES

Production of basic commodities and factory employment decreased in November. Distribution of merchandise by wholesalers and retailers was somewhat less active, and wholesale prices showed a slight further recession.

Production in basic industries decreased about two per cent in November. The decline was due chiefly to reduced production of iron and steel and smaller sugar meltings.

Production

The Federal Reserve Board's new index of factory employment which is shown by the accompanying chart also declined, due to lessened activity at iron and steel plants and large seasonal reductions at clothing establishments. The volume of employment is now two per cent smaller than in the spring but three per cent larger than a year ago. Contract awards for new buildings were smaller in November than in October in all reporting districts except New York but were 20 per cent larger than a year ago.

Final estimates by the Department of Agriculture show larger yields of corn, oats, tobacco and cotton than in 1922 and smaller yields of wheat, hay and potatoes. The total value of agricultural production at December

1 prices was 12 per cent larger than in 1922. Each of the ten principal crops except wheat showed an increase in value.

Railroad freight shipments in November showed about the usual seasonal decline from October but were in heavier volume as compared with previous years. Wholesale trade was 13 per cent less in

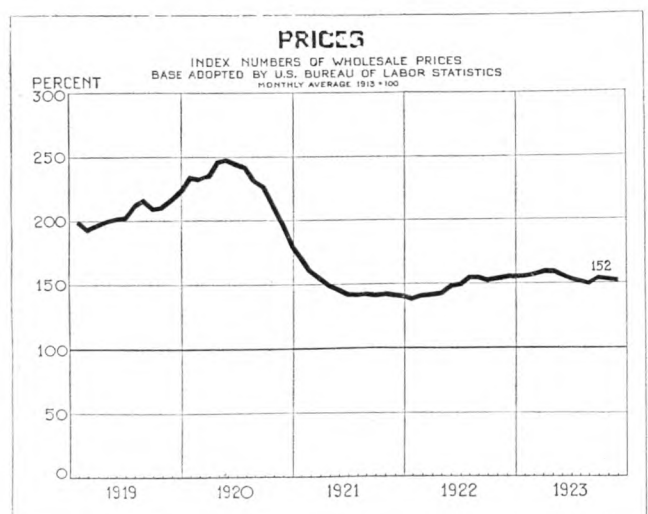
Trade

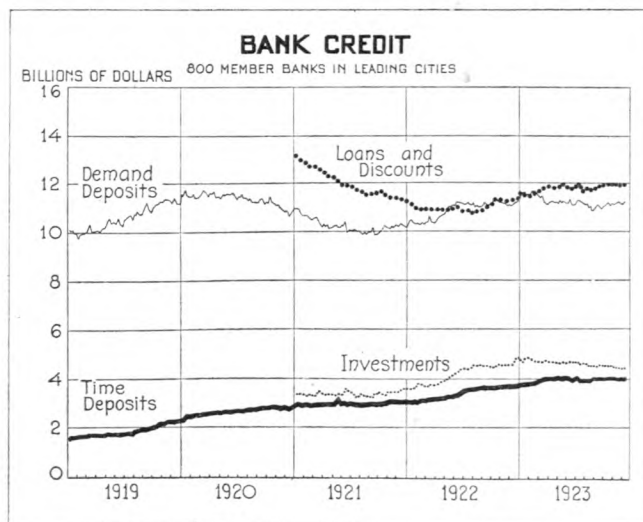
November than in October, which is more than the usual decrease at this season, but sales continued to be slightly larger than a year ago. Sales of hardware, drugs, and meat were larger than in November, 1922, while sales of shoes were smaller. Retail business was smaller than in October in most lines. Sales of mail order houses declined more than sales of department stores, but were 11 per cent larger than a year ago.

The Bureau of Labor Statistics index of wholesale prices declined in November to a point 4 per cent lower than last spring and about 3 per cent lower than a year ago. The

Prices

chief reductions occurred in prices of animal products, fuel, and house-furnishings. Prices of clothing and crops, on the other hand, in-





creased and the latter group averaged higher than in any month since 1920. During the first half of December prices of sheep, beef, sugar, cotton, silk and rubber declined, while quotations on crude oil, wheat and wool were slightly higher.

The total volume of credit extended by member banks in leading cities showed but little change between the middle of November and the middle of December. A seasonal reduction in commercial and agricultural loans in most districts was accompanied by increased loans on securities, with the result that total loans remained practically constant.

During the same period borrowings at the Federal Reserve Banks were also practically unchanged. Holdings of acceptances increased somewhat, partly in connection with the financing of cotton exports. The increased demand for currency for holiday trade was reflected in both a moderate expansion in Federal Reserve Note circulation and a reduction in gold certificates held by the Reserve Banks.

Rates of commercial paper sold in the open market continued to show an easier tendency, as indicated by increased sales at $4\frac{3}{4}$ per cent, particularly in interior

districts. The December issue of one year $4\frac{1}{4}$ per cent and six months 4 per cent Treasury Certificates, compared with $4\frac{1}{4}$ per cent on a six months' issue sold in September, were largely oversubscribed.

This month we present for the first time a chart showing a new index of employment in manufacturing industries, compiled by the Federal Reserve Board's Division of Research and Statistics. Wide industrial and geographical representation in the composition of the index is obtained by using data collected by a number of Federal and state agencies, covering 33 separate industries which are grouped into ten general classes, as follows: metals; textiles; lumber; vehicles; paper and printing; food; leather; stone, clay and glass; tobacco; and chemicals. The final index in each of the ten group indexes was obtained by combining the 33 individual industry series, weighting them in accordance with their relative importance as determined by the number employed according to the Census of Manufactures of 1919 and 1921. The index is expressed in terms of percentages with the monthly average for 1919 as the base, i.e., 100 per cent. It is so constructed that its movements, although they do not measure the total volume of employment, reflect increases or decreases in this volume. No correction was made for normal seasonal variations because, although these fluctuations are noticeable in individual industries, they vary as to time and degree and in the final index largely offset each other. A full description of the data and methods used in compiling this index and of the results obtained was published in the December issue of the *Federal Reserve Bulletin*.

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SUMMARY OF BUSINESS CONDITIONS IN THE THIRD FEDERAL RESERVE DISTRICT

In several lines, sales by manufacturers have as usual decreased as the period for taking inventories has approached. The same factor has been the cause of a similar decline in wholesale trade, which, however, is larger in most cases than it was a year ago. Retail trade, as was to be expected, is heavy, and preliminary reports indicate that Christmas sales will exceed those of 1922. Distribution of goods, as measured by freight car loadings, has decreased, as is customary at this period of the year.

In certain industries conditions are still unsettled, but optimism has been growing during recent weeks, and considerable confidence exists as regards prospects for 1924. The pig iron industry recovered somewhat during late November, and although activity has lessened since then, a goodly volume of orders was received for delivery both immediately and during the first six months of 1924. This buying movement tended to lighten stocks, and a further cutting down of production has brought the supply more into line with the demand than it has been in several months. Building operations continue on a large scale for this season of the year, but the demand for building materials has as usual declined. The value of building permits issued in this district during November was over \$5,000,000 less than the total either in October of this year or in November, 1922. A shrinkage, however, is customary in November, and is observable throughout the country. Textile products on the whole continue to move rather slowly, partly because of seasonal influences. Quotations on raw wool and on cotton strengthened during the month, but silk weakened, and prices are now about the same as they were before the disaster in Japan. Manufacturers of certain textile goods, including heavy underwear and full-fashioned hosiery, report substantial orders for 1924.

Hides and calf skins have been in good request, and heavy leather has been moving better. Conditions in the shoe industry, however, vary; factories making children's shoes have sold a considerable part of their output for February and March delivery, but in women's shoes uncertainty caused by style changes has tended to curtail orders. Paper is selling only moderately well, it is said, to the instability of prices. Cigar manufacturers state that business is not quite up to

the November level, but it is noteworthy that the higher grades of cigars are in exceptionally good demand, and Christmas orders have been large.

In spite of the varying and somewhat conflicting tendencies mentioned, the general situation continues distinctly favorable. Both manufacturers and merchants are, for the most part, entering the new year with only moderate stocks of goods. The disposition toward caution in buying continues, although in some industries it is apparent that purchases for future delivery are growing. The labor situation, too, is satisfactory. Manufacturing establishments in this district reported a slight decline in employment during the month, accompanied by a decrease in total wage payments, but wage rates were practically unchanged. Mercantile establishments increased their number of employes in preparation for the holiday trade.

Commodity prices declined during November for the third consecutive month, the index of the Bureau of Labor Statistics standing at 152 on November 30, as compared with 153 in October, and 156 in November, 1922. Of the various commodities, corn and silk were lower, but pig iron, raw wool, and cotton advanced.

The banking situation continues to be satisfactory. Money rates are easier, and rates on commercial paper are about $\frac{1}{4}$ per cent below those of a month ago.

EMPLOYMENT AND WAGES

Employment and wages at reporting manufacturing establishments in Pennsylvania, New Jersey, and Delaware declined from October to November. The 1,057 industrial plants included in our survey reported a total of 413,260 wage earners on the payroll, as compared with 419,042 in the previous month—a decline of 1.4 per cent. Average weekly earnings were about 1 per cent smaller in November, and total wages paid decreased 2.3 per cent. The latter figure closely represents the actual decline in plant operations, as the reported changes in wage rates were negligible both in number and amount. Hence, the reduction in total wages paid reflects less employment and shorter working hours. Wage increases of from 1 to 25 per cent

SYNOPSIS OF BUSINESS CONDITIONS

Compiled as of December 22, 1923

Third Federal Reserve District

Business	Demand	Prices	Finished stock	Labor situation		Collections
				Supply	Wages	
Brick	Fair	Unchanged	Moderate to heavy	Some scarcity		Fair to good
Chemicals	Poor to fair	Weak	Moderate	Sufficient	Unchanged	Poor to fair
Cigars	Good	Firm	Moderate to light	Sufficient	Unchanged	Fair to good
Coal, anthracite	Fair to good	Unchanged to lower	Moderate	Sufficient	Unchanged	Fair
Coal, bituminous	Poor	Unchanged to lower	Heavy	Sufficient	Unchanged	Fair
Coke	Fair	Unchanged	Moderate to heavy	Sufficient	Unchanged	Fair to good
Confectionery	Good	Firm	Moderate	Sufficient	Unchanged	Fair to good
Cotton goods	Poor to fair	Unchanged to higher	Moderate to light	Sufficient	Unchanged	Fair to good
Drugs, wholesale	Fair	Decreasing	Moderate to heavy			Fair
Drygoods, wholesale	Fair	Increasing	Moderate to heavy			Poor to fair
Floor coverings	Fair to good	Unchanged	Moderate	Sufficient	Unchanged	Good
Gas and electric fixtures	Fair	Unchanged	Moderate to light	Some scarcity		Fair
Glass	Fair to good	Unchanged to higher	Moderate to light	Sufficient		Fair to good
Groceries, wholesale	Good	Firm	Moderate to heavy			Fair to good
Hardware, wholesale	Fair	Firm	Moderate			Fair
Hosiery, full-fashioned	Fair	Unchanged to lower	Moderate	Sufficient	Unchanged	Fair to good
Hosiery, seamless	Fair	Unchanged to higher	Moderate	Sufficient	Unchanged	Fair to good
Iron and steel	Fair	Unchanged	Moderate to heavy	Sufficient	Unchanged	Fair to good
Leather belting	Fair	Lower	Moderate	Sufficient	Unchanged	Good
Leather, heavy	Poor to fair	Lower	Heavy	Sufficient	Unchanged	Fair to good
Leather, upper	Poor to fair	Unchanged to lower	Heavy	Sufficient	Unchanged	Good
Lumber	Fair to good	Weak	Moderate	Sufficient		Fair
Oils	Fair to good	Firm	Moderate	Sufficient		Good
Paint	Fair to good	Unchanged	Moderate	Sufficient		Fair
Paper	Fair	Weak	Moderate	Sufficient	Unchanged	Fair to good
Pottery	Fair	Unchanged to lower	Moderate to light	Sufficient		Fair to good
Printing and publishing	Fair to good	Firm to lower		Sufficient	Unchanged	Fair to good
Shoes, manufacture	Poor to fair	Unchanged	Moderate	Sufficient	Slightly higher	Fair to good
Shoes, retail	Fair	Unchanged	Moderate			Fair to good
Shoes, wholesale	Poor to fair	Unchanged	Moderate			Poor to fair
Silk goods	Poor to fair	Unchanged to lower	Moderate to heavy	Sufficient	Unchanged	Fair to good
Silk, thrown	Poor to fair	Unchanged to lower	Light	Sufficient	Unchanged	Fair to good
Tobacco leaf	Fair	Firm to higher	Moderate			Fair
Underwear, heavy weight	Fair	Firm to higher	Moderate	Sufficient	Unchanged	Fair to good
Underwear, light weight	Poor to fair	Firm to higher	Light	Sufficient	Unchanged	Fair to good
Woolen and worsted goods	Poor to fair	Generally unchanged	Moderate to light	Sufficient	Unchanged	Fair
Woolen and worsted yarns	Poor to fair	Firm to higher	Moderate to light	Sufficient	Unchanged	Fair

EMPLOYMENT AND WAGES
IN PENNSYLVANIA, NEW JERSEY AND DELAWARE

Group and Industry	Number of plants reporting	Number of wage earners reported—week ended			Total weekly payroll week ended			Average weekly wages week ended		
		November 15, 1923	October 15, 1923	Per cent change	November 15, 1923	October 15, 1923	Per cent change	November 15, 1923	October 15, 1923	Per cent change
All industries: (47)	1,057	413,260	419,042	- 1.4	\$10,933,578	\$11,185,322	- 2.3	\$26.46	\$26.69	- .9
Metal manufactures:	346	201,797	206,600	- 2.3	5,735,515	5,950,657	- 3.6	28.42	28.80	- 1.3
Automobiles, bodies and parts.	24	7,234	6,766	+ 6.9	204,048	183,446	+11.2	28.21	27.11	+ 4.1
Car construction and repair...	14	28,394	30,845	- 7.9	911,713	974,299	- 6.4	32.11	31.59	+ 1.6
Electrical machinery and apparatus.....	36	17,113	17,015	+ .6	407,725	402,169	+ 1.4	23.83	23.64	+ .8
Engines, machines and machine tools.....	36	13,094	13,088	+ .0	345,586	363,976	- 5.1	26.39	27.81	- 5.1
Foundries and machine shops.	72	14,522	15,047	- 3.5	404,554	439,889	- 8.0	27.86	29.23	- 4.7
Heating appliances and apparatus.....	16	4,604	4,713	- 2.3	135,922	142,764	- 4.8	29.52	30.29	- 2.5
Iron and steel blast furnaces..	11	12,985	13,123	- 1.1	375,420	368,941	+ 1.8	28.91	28.11	+ 2.8
Iron and steel forgings.....	12	4,984	5,162	- 3.4	136,660	140,395	- 2.7	27.42	27.20	+ .8
Steel works and rolling mills..	52	51,790	51,397	+ .8	1,463,327	1,497,563	- 2.3	28.26	29.14	- 3.0
Structural iron works.....	10	2,811	2,989	- 6.0	75,679	78,866	- 4.0	26.92	26.39	+ 2.0
Miscellaneous iron and steel...	47	28,262	30,609	- 7.7	807,022	899,891	-10.3	28.56	29.40	- 2.9
Shipbuilding.....	9	11,888	11,997	- .9	347,764	341,384	+ 1.9	29.25	28.46	+ 2.8
Non-ferrous metals.....	7	4,116	3,849	+ 6.9	120,095	117,074	+ 2.6	29.18	30.42	- 4.1
Textile products:	264	79,582	80,411	- 1.0	1,728,881	1,771,688	- 2.4	21.72	22.03	- 1.4
Carpets and rugs.....	15	4,456	4,455	+ .0	123,066	130,571	- 5.7	27.62	29.31	- 5.8
Clothing.....	39	7,531	7,731	- 2.6	148,134	149,927	- 1.2	19.67	19.39	+ 1.4
Hats, felt and other.....	8	5,909	5,954	- .8	140,250	132,275	+ 6.0	23.73	22.22	+ 6.8
Cotton goods.....	24	7,427	7,841	- 5.3	172,061	182,761	- 5.9	23.17	23.31	- .6
Silk goods.....	71	20,855	21,547	- 3.2	399,269	430,632	- 7.3	19.15	19.99	- 4.2
Woolens and worsteds.....	34	14,735	14,706	+ .2	323,445	331,469	- 2.4	21.95	22.54	- 2.6
Knit goods and hosiery.....	47	10,595	10,396	+ 1.9	197,353	204,225	- 3.4	18.63	19.64	- 5.1
Dyeing and finishing textiles..	17	5,782	5,535	+ 4.5	171,901	155,841	+10.3	29.73	28.16	+ 5.6
Miscellaneous textile products.	9	2,292	2,246	+ 2.0	53,402	53,987	- 1.1	23.30	24.04	- 3.1
Foods and tobacco:	94	28,333	28,891	- 1.9	626,560	656,663	- 4.6	22.11	22.73	- 2.7
Bakeries.....	22	4,829	4,810	+ .4	123,312	127,258	- 3.1	24.54	26.46	- 7.3
Canneries.....	10	3,052	3,374	- 9.5	65,839	66,107	- .4	21.57	19.59	+10.1
Confectionery and ice cream..	20	5,887	5,915	- .5	113,920	113,288	+ .6	19.35	19.15	+ 1.0
Slaughtering and meat packing	15	3,089	3,007	+ 2.7	85,015	85,161	- .2	27.52	28.32	- 2.8
Sugar refining.....	4	3,954	4,444	-11.0	117,593	141,610	-17.0	29.74	31.87	- 6.7
Cigars and tobacco.....	23	7,522	7,341	+ 2.5	120,881	123,239	- 1.9	16.07	16.79	- 4.3
Building materials:	81	23,238	22,861	+ 1.6	659,210	658,027	+ .2	28.37	28.78	- 1.4
Brick, tile and terra cotta products.....	22	3,154	3,380	- 6.7	84,222	90,712	- 7.2	26.70	26.84	- .5
Cement.....	14	7,648	7,267	+ 5.2	222,305	218,747	+ 1.6	29.07	30.10	- 3.4
Glass.....	28	8,077	7,852	+ 2.9	213,922	207,039	+ 3.3	26.49	26.37	+ .5
Pottery.....	17	4,359	4,362	- .1	138,761	141,529	- 2.0	31.83	32.45	- 1.9
Chemicals and allied products:	71	28,850	29,530	- 2.3	860,627	850,069	+ 1.2	29.83	28.79	+ 3.6
Chemicals and drugs.....	41	8,054	8,588	- 6.2	205,339	220,406	- 6.9	25.50	25.69	- .7
Explosives.....	10	2,700	2,819	- 4.2	74,888	77,060	- 2.8	27.74	27.34	+ 1.5
Paints and varnishes.....	13	1,380	1,422	- 3.0	35,950	36,170	- .6	26.05	25.44	+ 2.4
Petroleum refining.....	7	16,716	16,701	+ .1	544,450	516,235	+ 5.5	32.57	30.91	+ 5.4
Miscellaneous industries:	201	51,460	50,749	+ 1.4	1,322,785	1,298,218	+ 1.9	25.71	25.58	+ .5
Lumber and planing mill products.....	8	2,366	2,313	+ 2.3	51,810	51,303	+ 1.0	21.90	22.18	- 1.3
Furniture.....	23	3,477	3,519	- 1.2	85,061	85,891	- 1.0	24.46	24.41	+ .2
Musical instruments.....	6	9,992	9,592	+ 4.2	313,990	280,012	+12.1	31.42	29.19	+ 7.6
Leather tanning.....	37	8,652	8,812	- 1.8	224,558	238,546	- 5.9	25.95	27.07	- 4.1
Leather products.....	8	759	740	+ 2.6	15,434	14,780	+ 4.4	20.33	19.97	+ 1.8
Boots and shoes.....	30	5,651	5,828	- 3.0	98,433	112,438	-12.5	17.42	19.29	- 9.7
Paper and pulp products.....	24	5,941	5,560	+ 6.9	141,716	139,142	+ 1.8	23.85	25.03	- 4.7
Printing and publishing.....	25	3,960	3,780	+ 4.8	133,269	120,399	+10.7	33.65	31.85	+ 5.7
Rubber tires and goods.....	18	5,246	5,079	+ 3.3	135,953	128,077	+ 6.1	25.92	25.22	+ 2.8
Novelties and jewelry.....	10	2,882	2,897	- .5	67,505	71,283	- 5.3	23.42	24.61	- 4.8
All other industries.....	12	2,534	2,629	- 3.6	55,056	56,347	- 2.3	21.73	21.43	+ 1.4

were reported by 47 establishments, affecting 1,692 employes; whereas decreases affecting 1,417 workers were reported by 10 employers. Thus, less than 1 per cent of the total number of employes received increases or decreases in wages.

Employment decreased in most of the industries included in the survey, and only two groups—building materials and miscellaneous industries—showed increases. In the former group noticeable gains occurred in cement mills and glass plants, while in the latter group the largest increases were in paper and pulp mills, printing establishments, and musical instrument factories. The biggest decreases in employment occurred at sugar refineries, canneries, car repair shops, and miscellaneous iron and steel plants. A smaller total weekly payroll was reported in 30 of the 47 industries, and average weekly earnings were less in 25 industries.

Reports received by this bank from mercantile firms in the Third Federal Reserve District record seasonal changes in employment at these establishments. Retail stores report an increase of 9.4 per cent and wholesale houses a decrease of .8 per cent.

FINANCIAL CONDITIONS

A falling off in commercial loans from 354 millions on November 14 to 347 millions on December 12 is reported by member banks in four cities of the Third Federal Reserve District. This brings this item down to the lowest point since May 23. An increase in secured loans from 274 to 281 millions offsets this decline, however, so that total loans and discounts remained practically unchanged. Investments declined and deposits increased, both in slight amount.

Discounted bills at the Federal Reserve Bank of Philadelphia, after decreasing to 51 millions on November 21, again turned upward, and on December 19 stood at 61 millions. The total of bills bought and United States securities remained unchanged during the four-weeks period, deposits declined from 118 to 114 millions, and total reserves increased from 260 to 265 millions. The usual upward trend at this season increased the circulation of Federal reserve notes from 213 to 230 millions, but the reserve ratio decreased from 78.5 to 77.0 per cent.

It is interesting to compare the latest figures with those of a year ago. This is done in the tabulation below for the Federal Reserve Bank of Philadelphia and the Federal reserve system.

It will be observed that in the earning asset items the trends were similar—discounts and bills bought increased and United States securities decreased. But note circulation in the Third Federal Reserve District is higher than it was a year ago, whereas in the country as a whole it is lower. Total reserves increased in both sets of figures, but it is evident that the Federal Reserve Bank of Philadelphia holds a greater percentage of the total.

All figures in millions of dollars	Federal Reserve Bank of Philadelphia		Federal reserve system	
	Dec. 20, 1922	Dec. 19, 1923	Dec. 20, 1922	Dec. 19, 1923
Bills discounted.....	54	61	616	750
Bills bought.....	22	27	252	322
United States securities.....	35	13	431	81
Total earning assets.....	111	101	1,299	1,153
Federal reserve note circulation...	225	230	2,457	2,296
Total deposits.....	110	114	1,882	1,883
Total reserves.....	240	265	3,157	3,163
Reserve ratio.....	71.7%	77.0%	72.8%	75.7%

Transactions on the New York Stock Exchange hovered around one million shares a day during the past month, which is in marked contrast with conditions two and three months ago. This activity has been accompanied by higher prices for industrial shares. The average price of 20 of these was \$93.63 on December 19, as against \$91.35 a month ago. The average for 20 railroad shares, however, declined from \$80.56 to \$79.34. Second-grade rail bonds and public utility bonds advanced fractionally, and the average of four Liberty bonds advanced from \$97.54 to \$98.51.

Sales of bankers' acceptances to the Federal Reserve Bank declined in the period from November 15 to December 12, but this falling off was largely counterbalanced by larger sales to out-of-town banks and to purchasers other than banking institutions, so that only a small decline in the weekly average of all sales resulted. Purchases of acceptances by dealers dropped from an average of \$1,210,000 a month ago to \$688,000 in the latest period. Comparative figures of the transactions of five dealers in the Third Federal Reserve District follow:

Weekly average for period	Sales in Third District		Purchases in Third District
	To Federal Reserve Bank	To others	
1923—			
Nov. 15 to Dec. 12.....	\$2,215,000	\$1,045,000	\$688,000
Oct. 11 to Nov. 14.....	3,071,000	286,000	1,210,000
Sept. 12 to Oct. 10.....	2,520,000	281,000	324,000
Aug. 16 to Sept. 11.....	1,549,000	311,000	424,000
1922—			
Nov. 13 to Dec. 16.....	1,670,000	605,000	224,000

The offering rate for 30 day bills is 4 per cent and for 60 and 90 day bills—4½ per cent. Bids average ½ of one per cent higher.

Data on the acceptances created by twelve reporting banks in this district follow:

For the month ending	1923	1922
Jan. 10.....	\$4,095,000	\$4,445,000
Feb. 10.....	3,764,000	5,007,000
March 10.....	3,513,000	2,365,000
April 10.....	4,240,000	3,097,000
May 10.....	3,767,000	3,274,000
June 10.....	3,743,000	4,612,000
July 10.....	3,757,000	2,895,000
Aug. 10.....	2,715,000	3,966,000
Sept. 10.....	3,271,000	3,020,000
Oct. 10.....	3,082,000	3,218,000
Nov. 10.....	5,919,000	5,661,000
Dec. 10.....	3,099,000	3,465,000
Totals.....	\$44,965,000	\$45,025,000

Reports on Christmas savings clubs and other savings deposits, in answer to questionnaires forwarded to all banks in the Third Federal Reserve District early in December, elicited complete replies on Christmas savings from three-fourths of the banks, and on other savings deposits from two-thirds.

Of 914 reporting banks 599 established Christmas savings clubs in 1923, and reported an increase in such deposits from \$19,325,000, in 1922 to \$25,727,000 this year, a gain of 33 per cent. The number of depositors increased from 490,000 to 605,000, or 24 per cent. Reports were received from 96 banks in Philadelphia, and their combined figures show an increase from \$3,785,000 to \$5,646,000, or 49 per cent, in the course of the year.

Data on other savings deposits, though not as complete as the foregoing, are representative of the district. Such deposits at the reporting banks increased from \$734,599,000 in 1922 to \$839,382,000 in 1923, or 14 per cent, and the number of depositors increased from 1,882,000 to 2,069,000, or 10 per cent.

In the table below percentages of increase or decrease,

SAVINGS DEPOSITS
Third Federal Reserve District

	Number of banks	Per cent increase or decrease December 1 compared with	
		Month ago	Year ago
Altoona.....	5	+2.4	+15.0
Chester.....	5	+1.7	+13.9
Harrisburg.....	4	-.4	+23.3
Johnstown.....	5	+.4	+13.3
Lancaster.....	3	+1.3	+29.4
Philadelphia.....	9	+.1	+8.2
Reading.....	3	+2.9	+16.0
Scranton.....	6	+.7	+17.0
Trenton.....	6	+.6	+4.3
Wilkes-Barre.....	5	+1.0	+24.5
Williamsport.....	4	-.01	+8.5
Wilmington.....	5	+.4	+9.9
York.....	5	+1.2	+14.4
Other cities.....	14	+.8	+16.8
Totals.....	79	+.4	+10.5

as compared with the figures for 1922, are given for those counties from which ten or more complete reports were received, together with comparisons of the state and district totals.

Regular monthly reports from 79 banks in the Third Federal Reserve District show an increase of 0.4 per cent in savings deposits during November. Increases are reported in 11 out of the 13 cities. Percentages of increase or decrease by cities are shown in the preceding table.

CHRISTMAS SAVINGS
Third Federal Reserve District

	Christmas savings clubs		Other savings deposits					
	Number of depositors	Deposits	Number of depositors	Deposits				
Pennsylvania:								
Adams.....			+ 4%	+11%				
Berks.....	+12%	+21%	+ 8 "	+11 "				
Blair.....			+10 "	+13 "				
Bucks.....			+10 "	+14 "				
Cambria.....	+37 "	+59 "	+11 "	+17 "				
Carbon.....	+ 7 "	+30 "	+14 "	+11 "				
Chester.....	+21 "	+32 "	+ 5 "	+11 "				
Clearfield.....			+18 "	+17 "				
Columbia.....	+16 "	+30 "	+ 4 "	+16 "				
Cumberland.....	+ 8 "	+16 "	+ 6 "	+ 4 "				
Dauphin.....	+25 "	+34 "	+34 "	+20 "				
Delaware.....	+57 "	+64 "	+20 "	+15 "				
Franklin.....	+11 "	+22 "	+10 "	+11 "				
Lackawanna.....	+24 "	+34 "	+ 8 "	+14 "				
Lancaster.....	+32 "	+34 "	+23 "	+32 "				
Lebanon.....	+15 "	+27 "	+11 "	+18 "				
Lehigh.....	+15 "	+26 "	+10 "	+10 "				
Luzerne.....	+15 "	+42 "	+17 "	+16 "				
Lycoming.....	+16 "	+14 "	+ 4 "	+ 6 "				
Montgomery.....	+19 "	+25 "	+15 "	+23 "				
Northampton.....	+19 "	+30 "	+13 "	+13 "				
Northumberland.....	+23 "	+49 "	+19 "	+22 "				
Philadelphia.....	+41 "	+49 "	+ 7 "	+14 "				
Schuylkill.....	+14 "	+43 "	+16 "	+23 "				
York.....	+18 "	+26 "	+14 "	+12 "				
New Jersey:								
Atlantic.....	+ 3 "	+11 "	+10 "	+18 "				
Burlington.....	+17 "	+25 "						
Camden.....	+ 5 "	+16 "	+ 6 "	+ 2 "				
Mercer.....	+14 "	+22 "	+ 9 "	+ 6 "				
Delaware:								
Kent.....			+13 "	+16 "				
New Castle.....			+44 "	+22 "				
Sussex.....			+ 9 "	+36 "				
Pennsylvania.....					+26 "	+36 "	+10 "	+15 "
New Jersey.....					+12 "	+21 "	+ 9 "	+ 8 "
Delaware.....					+42 "	+43 "	+24 "	+27 "
Third District.....					+24%	+33%	+10%	+14%

Sales of commercial paper during December have increased over those of November and will likely also exceed those made in December, 1922. Some Philadelphia banks have purchased heavily, and country banks have continued to buy in fair volume.

Commercial paper

Rates have declined somewhat, although it can scarcely be said that the decrease amounts to a full quarter of one per cent. Last month, sales at $4\frac{3}{4}$ per cent in this district were few, but recently large sales have been consummated at that figure, and comparatively few transactions are at more than 5 per cent. On the Pacific Coast a few notes are said to have sold at as low as $4\frac{1}{2}$ per cent, but no dealings at that rate have been reported in this district.

The supply of paper is fair, and new offerings are in light volume, as makers of paper are in some cases refusing to increase their outstanding bills payable until after January 1.

During November the sales by six dealers in this district, as reported to the Federal Reserve Bank, were \$5,971,500, as against \$8,653,000 in October and \$5,717,448 in November, 1922. Purchases by Philadelphia institutions totaled \$2,777,500, and outside purchases \$3,194,000. The rates at which these sales were made varied from $4\frac{3}{4}$ to $5\frac{1}{2}$ per cent. At the latter rate, however, the sales were only slightly more than 1 per cent of the total. Of the balance, the transactions at 5 per cent were in a large majority, although sales at $5\frac{1}{4}$ per cent were in fair volume.

Since the marked decrease in the value of nearly all European currencies in the latter part of November, political developments and other factors have combined to improve the general situation considerably. Movements in the sterling exchange market have been largely determined by the recent elections, and quotations have advanced greatly since the low point was reached at \$4.2816 on November 17. On December 5, sterling was quoted at \$4.3889, but later declined and on December 24 was listed at \$4.3441. Continental exchanges are always sensitive to sterling movements, and consequently most of them are higher than they were at this time last month. Belgian francs strengthened during the month but declined somewhat on December 18. French francs on December 24 declined to \$.0508, the lowest level on record. Italian lire have been fairly steady at the average level of \$.0435, and quotations for Swiss francs have held at close to \$.1744. Other former neutral currencies are stronger than they were four weeks ago. On December 18, guilders were quoted at \$.3815 and Spanish pesetas at \$.1307, and though these are not high values for the month, they represent a distinct improvement over quotations at this time last month. Scandinavian exchanges are all stronger than they were a month ago.

Far Eastern currencies, with the exception of Japanese yen, are also stronger. Quotations in Hongkong for Chinese tael are higher at \$.5123 than they have been at any time this month, and Shanghai currency in touching \$.7370 on December 18 reached the highest point in several months. Japanese yen, however, have

steadily declined during December and are now quoted at \$.4654, the lowest at any time this year. This condition is partly ascribed to heavy purchases made abroad.

With the exception of Chilean pesos, South American money has appreciated since the end of November. Chilean paper pesos, on December 13, were quoted at \$.1056, which was very near to the low point for the year. Canadian dollars have also declined and are now quoted at \$.974719.

FOREIGN EXCHANGE RATES

Noon cables	Par value	Dec. 20, 1923	Nov. 20, 1923	Dec. 20, 1922
London.....	\$4.8665	\$4.3649	\$4.3353	\$4.6078
Paris.....	.1930	.0518	.0538	.0742
Antwerp.....	.1930	.0454	.0461	.0681
Milan.....	.1930	.0432	.0434	.0506
Vienna.....	.2026	.000014	.000014	.000014
Amsterdam.....	.4020	.3804	.3766	.3968
Copenhagen....	.2680	.1786	.1719	.2053
Stockholm.....	.2680	.2634	.2642	.2691
Madrid.....	.1930	.1307	.1308	.1566
Berne.....	.1930	.1743	.1739	.1888
Buenos Aires...	.9648	.7310	.7042	.8587
Shanghai.....	.7411	.7236	.7145	.7059

RETAIL TRADE

The holiday trade this year will probably exceed that of last year, which was the largest on record. And this is the more remarkable because many stores last year were taxed to about the limit of their facilities. In some of the smaller cities and towns the open weather is said to have retarded sales of seasonable articles and to have reduced business somewhat. In the department stores nearly all departments are showing gains as compared with last year. Pianos, furniture, house furnishings, and jewelry are selling particularly well. Sales of carpets and rugs, on the other hand, are scarcely as large this year as they were last, at least in some of the stores. In nearly all departments articles of medium price are selling more freely than those of high price.

The accompanying table indicates that sales in the Third Federal Reserve District during November were 10.0 per cent greater than in November, 1922. This gain is not as large as that made in October, but the present comparison is with a month of unusually good business. Sales in cities in the eastern part of the district, Chester excepted, show a satisfactory gain, but in certain sections they have suffered because of part-time work in the steel mills and bituminous coal mines and the laying off of some railroad shopmen. Credit houses report that one reason why they are not gaining as much as other stores is that the demand for furniture has fallen off.

RETAIL TRADE
Third Federal Reserve District

	Comparison of net sales		Comparison of stocks		Rate of turnover*		Percentage of orders outstanding Nov. 30, 1923 to total purchases in 1922
	Nov., 1923 with Nov., 1922	July 1 to Nov. 30, 1923 with July 1 to Nov. 30, 1922	Nov. 30, 1923 with Nov. 30, 1922	Nov. 30, 1923 with Oct. 31, 1923	July 1 to Nov. 30, 1923	July 1 to Nov. 30, 1922	
All reporting firms.....	+10.0%	+11.3%	+13.6%	+ 8.2%	3.2	3.2	6.3%
Firms in—Philadelphia.....	+11.2 "	+11.8 "	+ 9.8 "	+13.3 "	3.7	3.6	6.9 "
—Allentown, Bethlehem and Easton	+ 7.3 "	+ 7.8 "	+ 7.9 "	- 1.2 "	2.3	2.3	.....
—Altoona.....	+ 3.4 "	+13.2 "	+15.2 "	+ 2.3 "	2.5	2.5	3.6 "
—Chester.....	- 6.1 "	+13.1 "	.....	.....	.....	.....	.....
—Harrisburg.....	+10.3 "	+10.7 "	+17.2 "	+ 1.3 "	2.2	2.4	.....
—Johnstown.....	- 9.2 "	+ 6.8 "	+16.2 "	- 1.8 "	2.7	2.9	.....
—Lancaster.....	+ 7.4 "	+ 8.8 "	+10.2 "	- 1.2 "	2.2	2.3	.....
—Reading.....	+12.7 "	+11.7 "	+13.0 "	- 2.5 "	2.0	2.0	4.3 "
—Scranton.....	+12.3 "	+20.3 "	+24.0 "	- 2.4 "	2.6	2.8	.....
—Trenton.....	+ 8.0 "	+ 7.4 "	+15.0 "	+ 1.4 "	2.6	2.7	.....
—Wilkes-Barre.....	+ 8.6 "	+13.2 "	+28.3 "	+ 3.3 "	2.8	3.1	.....
—Williamsport.....	+ 4.3 "	+ 2.3 "	+16.7 "	- 2.7 "	1.9	2.4	.....
—Wilmington.....	+ 6.4 "	+ 6.2 "	+11.6 "	+ .9 "	1.8	1.9	3.2 "
—York.....	+ .2 "	+ 4.0 "	+ 5.2 "	- .8 "	2.3	2.3	.....
—All other cities.....	+ 6.8 "	+10.7 "	+ 6.9 "	- 2.0 "	2.4	2.5	2.9 "
All department stores.....	+ 9.5 "	+10.6 "	+10.9 "	+ 9.7 "	3.2	3.2	6.9 "
Department stores in Philadelphia.....	+10.4 "	+10.7 "	+ 9.7 "	+15.2 "	3.6	3.5	8.1 "
Department stores outside Philadelphia.....	+ 7.0 "	+10.3 "	+13.5 "	- .4 "	2.4	2.5	4.6 "
All apparel stores.....	+17.8 "	+16.6 "	+12.4 "	- 1.3 "	3.5	3.5	3.3 "
Men's apparel stores.....	+ 6.0 "	+ 6.7 "	+10.1 "	+ 1.1 "	2.1	2.3	19.3 "
—in Philadelphia.....	+ 4.1 "	+ 3.6 "	+ 8.5 "	+ 4.9 "	2.5	2.6	.....
—outside Philadelphia.....	+ 8.6 "	+10.2 "	+11.6 "	- 1.8 "	1.8	1.9	19.3 "
Women's apparel stores.....	+17.5 "	+19.9 "	+ 4.3 "	- 5.1 "	5.0	4.3	2.6 "
—in Philadelphia.....	+19.5 "	+23.4 "	- .1 "	- 5.6 "	5.7	4.7	2.7 "
—outside Philadelphia.....	+ 9.0 "	+ 6.7 "	+18.7 "	- 3.8 "	2.9	3.3	1.8 "
Credit houses.....	+ 4.6 "	+12.2 "	+27.8 "	+ 3.3 "	2.6	2.9	3.0 "

*Times per year based on cumulative period.

WHOLESALE TRADE

Sales at wholesale during December have, as usual, been smaller than were those of November, but the volume is good and in most lines will probably exceed that of last year. Prices as a whole have changed but little, except those on cotton goods, which during the month have advanced sharply. Buyers, however, have in many cases declined to purchase at the higher quotations, and sales of many articles made of cotton have decreased.

During November, sales in all reporting lines were smaller than in October. As compared with November, 1922, sales of shoes and drygoods decreased, but those of groceries, drugs, and hardware gained. Collections during November were considerably slower in all lines than they were in October, and except in groceries were not as good as in November, 1922.

December sales by wholesale shoe dealers are reported to be poor or fair, and the total will probably be smaller than it was in December, 1922. As is usual at this season, rubber shoes, and slippers of various kinds for the holiday trade, are the most active lines.

Shoes

In women's stylish shoes, suede and velvet strap pumps are in fair request, and some buying of oxfords in both tan and black is noted. Men's high shoes in both brown and black, and misses' and children's high shoes, mostly in tans, have moved in steady volume. Purchases of shoes by wholesalers for the spring trade are stated to be smaller than usual for this season; and only a few dealers report that they have gained any concessions in price, and these have been small and only on certain lines. Stocks are in most cases classed as moderate and as somewhat larger than they were last year. Collections are from poor to fair. During November, sales in this district, as reported to the Federal Reserve Bank, fell off 24.9 per cent from those of October and were 15.1 per cent less than in November, 1922. The ratio of accounts outstanding to sales stood at 310.8 on November 30, 244.3 on October 31, and 250.5 on November 30, 1922.

Jobbers state that for this season of the year the demand for groceries is good, but that it is not as heavy as it was in November or October. Deliveries on "futures" of the new-pack canned goods and of dried fruits and vegetables are always heavy during

Groceries

October and the first half of November, so a decline in sales is always looked for in December. Holiday specialties,—nuts, raisins, canned fruits, mince meat, dried fruits, candy, and canned vegetables—have been the most active sellers during the month, although staple groceries, too, have been in demand. Prices have held fairly steady. Some commodities, particularly raisins, nuts, corn meal, hominy, dates, figs, peanuts, and brooms, have fallen slightly in price; but jellies, preserves, sardines, rice, canned corn, and molasses have advanced. The majority of grocers have heavy stocks on hand, and although some report that stocks are lighter than they were a month ago, in most cases they are as large as in November.

A decided decline in buying in the last week of November caused sales for that month to be smaller than those of October, but they exceeded those of November, 1922. Our reports from wholesale grocers show that November sales were 5.8 per cent smaller than those of October, but 8.8 per cent greater than those of November of last year. The ratio of accounts outstanding to sales increased from 104.0 in October to 112.1 in November.

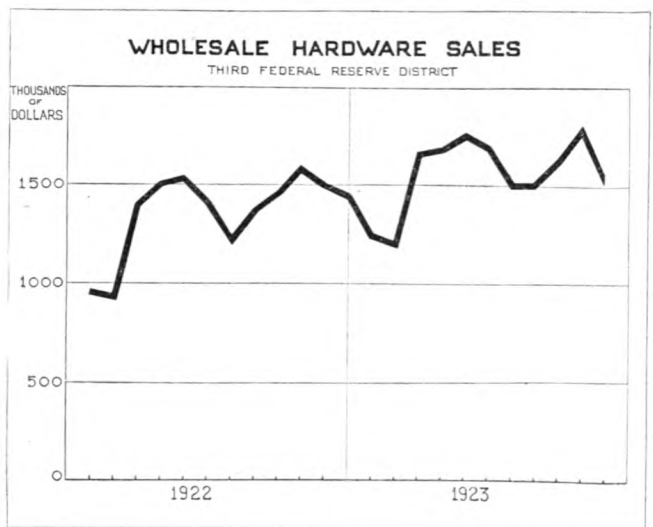
Sales of drygoods have been smaller during December than they were in November, but that is a normal condition. As compared with the sales of December, 1922, estimates vary, but it seems probable that the total will be smaller this year. One of the reasons given for this is that the mild weather has retarded sales of heavy goods at retail and made replacement orders smaller than was expected.

The great majority of the orders in the hands of wholesalers call for prompt shipment and are for goods wanted before Christmas. Some orders are for delivery during the first quarter of 1924, but the volume of these has been considerably lessened by the advance in quotations on nearly all lines of cotton goods. Many retail buyers when asked to pay these advances have refused. Sellers claim that this refusal to buy is causing a drastic curtailment in production, especially by New England mills.

Wholesalers' purchases of merchandise for the spring season are stated in nearly every report to be either the same as, or less than, they were a year ago. Present stocks, however, are in all cases classed as either moderate or heavy.

Sales of drygoods at wholesale were 13.7 per cent smaller during November than in October, and 2.8 per cent smaller than in November, 1922. The ratio of accounts outstanding to sales was 226.7 on November 30, 198.9 on October 31, and 201.5 on November 30, 1922.

The demand for hardware is only fair; it is poorer than it was in November, but slightly better than at this time last year. This is shown by the net sales of 30 hardware firms in the Third Federal Reserve District during November, which decreased 17.5 per cent from those of the month before, but advanced 2.1 per cent over the net sales in November, 1922. Our November sales index, compiled from the reports of 20 representative firms, was 112, a decrease of 20 points from that of the preceding month, but 1 point above the index number for November of last year. Total sales of hardware by months since January, 1922, are shown in the chart below. The call for sporting accessories and holiday wares, which figured prominently in the market during November, has noticeably declined, as has the demand for builders' and plumbers' hardware. Seasonal goods are, of course, selling in good volume, and in a few cases substantial sales to mining interests have been reported.



Wholesale hardware sales show a marked seasonal upswing in the spring and fall, and in October of this year were at the highest point during the last two years. These sales cover those of reporting firms only, and not the total for the district.

Source—Federal Reserve Bank of Philadelphia

Prices in general are firm, and quotations for holiday merchandise and for some grades of building hardware are higher than they were at this time last year. In many other lines, however, prices are unchanged, and in a few instances they are lower than they were a year ago.

Stocks are from moderate to heavy, and though several wholesale firms describe them as larger than they were last month, an equal number say that they are smaller. In the majority of cases, however, they are unchanged. Collections are only fair and in several instances are said to be poor. The ratio of accounts outstanding to sales was 178.6 in November, as against 152.1 for October, and 164.9 in November, 1922.

WHOLESALE TRADE
Third Federal Reserve District

	Number of reporting firms	Percentage of increase or decrease in						
		Net sales Nov. 1923, compared with		Accounts outstanding Nov. 1923, compared with		Ratio of accounts outstanding to sales		
		Oct. 1923	Nov. 1922	Oct. 1923	Nov. 1922	Nov. 1923	Oct. 1923	Nov. 1922
Boots and shoes.....	11	-24.9%	-15.1%	-3.7%	+ 6.4%	310.8%	244.3%	250.5%
Drugs.....	15	-11.1 "	+ 3.5 "	-1.6 "	+ 7.5 "	156.6 "	138.2 "	147.6 "
Dry goods.....	19	-13.7 "	- 2.8 "	-1.6 "	+ 9.4 "	226.7 "	198.9 "	201.5 "
Groceries.....	60	- 5.8 "	+ 8.8 "	+ .5 "	+ 7.3 "	112.1 "	104.0 "	114.1 "
Hardware.....	30	-17.5 "	+ 2.1 "	-3.3 "	+10.4 "	178.6 "	152.1 "	164.9 "

The wholesale drug market is rather quiet, and sales are not as good as they were last month. Jobbers report that seasonable patent medicines used for colds, etc., and pharmaceutical chemicals are in

Drugs

good request, but that the call for toilet articles is not as strong as it normally is at this season of the year. The demand for botanical drugs is rather light, and prices have declined slightly. The fine chemical market is seasonally quiet, and prices are considerably lower than they were a month ago. The trend of quotations is shown in the table below, which gives the price indexes of 40 botanical drugs and 35 drugs and fine chemicals, as compiled by the "Oil, Paint and Drug Reporter."

	Price index of 40 botanical drugs		Price index of 35 drugs and fine chemicals	
	1923	1922	1923	1922
Nov. 26.....	123.5	119.7	201.7	175.4
Dec. 3.....	123.3	122.0	198.2	176.0
Dec. 10.....	123.3	122.0	196.0	178.1
Dec. 17.....	123.3	122.3	192.3	178.6

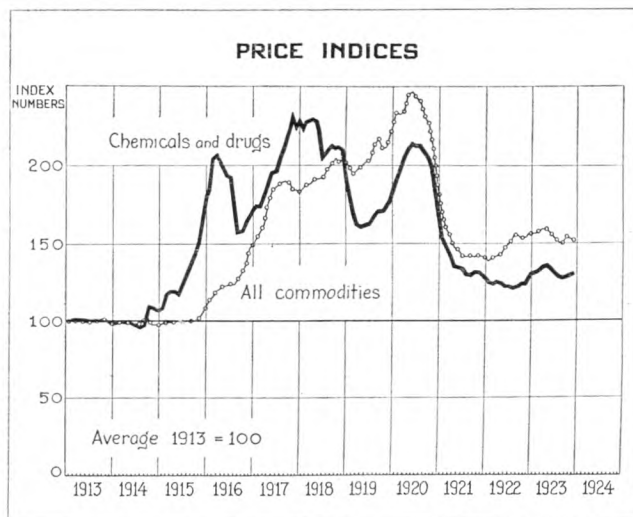
During the latter part of November sales at wholesale fell off considerably from those of the early part of the month, and consequently November sales were smaller than those of October, but they exceeded those of November, 1922. Our reports from jobbers show that November sales were 11.1 per cent smaller than those of October, but 3.5 per cent larger than those of last November. Wholesalers' stocks vary from moderate to heavy and are about the same as in November. Collections range from fair to good. The ratio of accounts outstanding to sales in November was 156.6, as compared with 138.2 in October and 147.6 in November, 1922.

CHEMICALS

Largely because of seasonal factors, the spot demand for chemicals is for the most part rather quiet. But

contract withdrawals, especially of caustic soda and soda ash, have in many cases been satisfactory, and the call from retailers for seasonable articles such as medicinal and pharmaceutical preparations is good. The excellent condition of the paint and linoleum industries has maintained a strong demand for many pigments such as lithopone. However, as the time for taking inventories has approached, most consumers have shown little disposition to buy goods other than for immediate needs, and as the bulk of the contracts for 1924 have already been placed, activity in chemicals has subsided.

Manufacturers state that as a rule consumers have been quite willing to contract for their requirements during 1924, and the amount of business taken compares favorably with that of last year. But it is reported that some buyers have offered considerable resistance to



The index number of chemical and drug prices is now only 30 per cent higher than it was in 1913, but that of all commodities is 52 per cent higher.

Source—Bureau of Labor Statistics

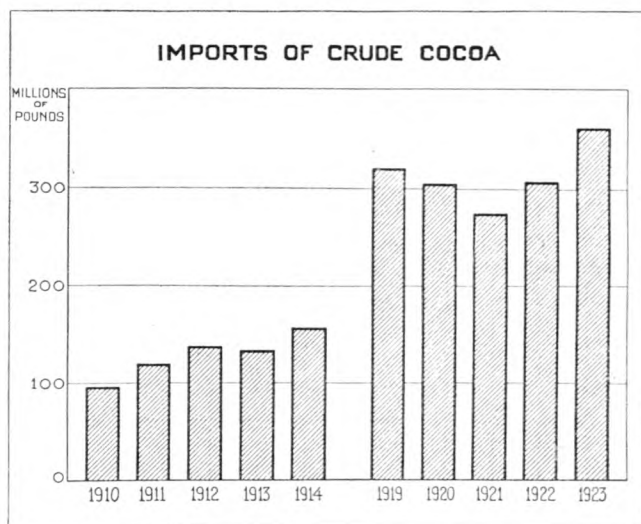
present prices and the competition among sellers, especially in heavy chemicals, has been marked. As a result, contract prices for several important products

are lower than they were last year, and spot prices have been rather weak. The chart on page 11 shows that the index of chemical and drug quotations reached a peak for 1923 in April and a low point in August. This index is still considerably lower than that for all commodities, although the two were about equal during 1913 and 1914.

Production of chemicals in this district varies, some plants operating at or near capacity while the majority are running only about three or four fifths of their equipment. Stocks of finished goods and of raw materials in the hands of producers are moderate. The supply of both skilled and unskilled labor is sufficient, manufacturers stating that in this respect the situation is more satisfactory than it was several months ago. Several producers have complained that collections are slow.

CONFECTIONERY

The demand for candies is not as good as it was a month ago, as the holiday season is now closed. However, manufacturing confectioners report that they have a fair amount of orders on hand, and until the week before Christmas most of them were working at close to capacity on local or rush holiday orders. The majority of large manufacturers state that the demand is better than it was in December, 1922, but the smaller producers and a few of the larger find that it is not



This chart shows imports of crude cocoa for the first ten months of each year and not total imports. During this period of 1923 they were the heaviest on record. Imports since the close of the war have been more than twice as great as those of the years immediately preceding the war.

Source—Department of Commerce

so good. In general, the holiday trade has been satisfactory, and sales this fall exceeded those of last year. Hard candies, chocolates, and chocolate-coated candies have been in strong demand, and the call for bar chocolate, baking chocolate, chocolate coating, and cocoa is

excellent. The average of factory operations in this district is now about 80 per cent. Hand to mouth buying is the rule, and few manufacturers have more than 30 days' business on hand.

Imports of crude cocoa for the first ten months of this year have been the heaviest on record and were nearly three times as large as those for the same period of 1913. As the preceding chart shows, they were almost four times greater than those for the same period of 1910. Since most of the crude cocoa is used in the confectionery industry, it is evident that the first ten months of the year were months of excellent business.

Prices of candies are holding firm and have not changed during the past two months, but manufacturers report that they are meeting with some resistance to present prices from buyers. Sugar is cheaper than it was a month ago, but quotations on other raw materials show little change.

Stocks of both finished products and raw materials at the factories are moderate. The supply of labor is sufficient and wages are unchanged. Collections are fair and the same as they were last month.

BUILDING

A sharp seasonal decrease in the number of building permits issued, and in the value of the contracts they represent, was evident during November. The value of permits issued by fourteen cities in the Third Federal Reserve District during that month totaled \$10,102,598, or \$5,341,030 less than that for the preceding month. The total number issued was 2,438, a decrease of 861 from the figure for October. In Philadelphia the number fell from 1,429 in October to 1,053 in November, representing a decline in value of \$5,543,270. All of the other reporting cities, with the exception of Atlantic City, Wilmington, and Scranton, showed losses in both the number of permits issued and total values. These three cities recorded increases in the value of permits, although the number was in each case smaller than that for the preceding month. The value of permits issued by all reporting cities during November was \$5,254,723 less than that for the corresponding month of 1922, when a total of \$15,357,321 was reached.

Notwithstanding the seasonal decline in building operations the demand for bricks continues to be fair although it is not as good as it was during November, or in December of 1922. Unfilled orders are

smaller than they were last month, and no difficulty is encountered in making prompt shipments. Of orders now on the books the majority are for delivery within the usual 60 day period, with a fair proportion for up to and beyond 90 days. The rate at which reporting firms are operating varies from 35 to 100 per cent of capacity, and unfilled orders will insure operations at the same rate for from two weeks to several months. A

BUILDING PERMITS
Third Federal Reserve District

	November, 1923			November, 1922			January to November, inclusive			
	Permits	Operations	Estimated cost	Permits	Operations	Estimated cost	1923		1922	
							Permits	Estimated cost	Permits	Estimated cost
Allentown.....	70	87	\$229,950	47	64	\$149,200	989	\$4,745,070	869	\$3,224,363
Altoona.....	145	149	200,597	106	113	733,383	1,797	2,966,284	1,706	3,041,427
Atlantic City*...	243	243	941,947	306	306	826,224	2,542	8,957,133	3,565	8,223,376
Camden.....	110	129	1,192,045	105	142	248,525	1,198	7,708,894	1,142	4,058,897
Harrisburg.....	37	46	163,508	44	65	196,370	855	7,319,220	871	3,728,140
Lancaster.....	53	64	156,330	37	37	70,250	868	3,534,315	775	2,581,765
Philadelphia.....	1,053	1,335	5,406,040	1,088	1,558	11,416,730	13,699	118,212,940	13,720	106,913,180
Reading.....	167	176	213,775	192	208	374,675	2,924	4,259,530	3,040	4,710,051
Scranton*.....	117	117	409,650	63	63	294,970	1,410	3,334,659	1,320	4,593,029
Trenton.....	125	176	319,093	107	138	256,167	1,703	6,313,739	1,398	4,174,378
Wilkes-Barre*...	88	88	284,307	163	163	431,956	1,103	3,042,133	1,274	3,876,506
Williamsport*...	67	67	91,885	48	48	40,218	994	1,191,749	1,012	1,516,827
Wilmington.....	85	85	379,368	95	95	162,753	1,093	3,513,549	988	2,694,494
York.....	78	78	114,103	103	103	155,900	1,390	2,084,829	1,341	1,262,729
Total.....	2,438	2,840	\$10,102,598	2,504	3,103	\$15,357,321	32,565	\$177,184,044	33,021	\$154,598,862

*Operations not reported.

NEW BUILDINGS AND ALTERATIONS

	1923						1922					
	New buildings			Alterations			New buildings			Alterations		
	Permits	Operations	Estimated cost	Permits	Operations	Estimated cost	Permits	Operations	Estimated cost	Permits	Operations	Estimated cost
Allentown.....	43	60	\$179,900	27	27	\$50,050	31	38	\$133,050	16	26	\$16,150
Altoona.....	52	56	130,655	93	93	69,942	42	49	720,225	64	64	13,158
Camden.....	47	66	1,156,560	63	63	35,485	49	86	158,345	56	56	90,180
Harrisburg.....	30	37	156,923	7	9	6,585	39	60	194,495	5	5	1,875
Lancaster.....	23	34	130,280	30	30	26,050	20	20	32,475	17	17	37,775
Philadelphia.....	543	798	4,627,915	510	537	778,125	534	985	10,887,375	554	573	529,355
Reading.....	45	54	157,650	122	122	56,125	55	71	318,900	137	137	55,775
Trenton.....	109	160	306,468	16	16	12,625	90	121	241,617	17	17	14,550
Williamsport*...	34	34	82,575	33	33	9,310	32	32	36,950	16	16	3,268
Wilmington.....	73	73	371,824	12	12	7,544	75	75	157,306	20	20	5,447
York.....	47	47	110,545	31	31	3,558	55	55	124,050	48	48	31,850

*Operations not reported

few manufacturers state that weather and other conditions may interfere somewhat with production, but that the output during November was practically the same as that for October.

No change in prices of either building or fire bricks has been noted since this time last month, although as is usual at this season some resistance to present quotations is being met and in a few cases concessions are requested.

Stocks of finished goods are moderate but are increasing. Supplies of raw materials, though for the most part moderate, are in a few instances heavy, and are either stationary or decreasing. Some scarcity of skilled workers is reported in this district, but the supply of unskilled labor is plentiful.

Collections are from fair to good and show little

change from those at this time last month or during the corresponding period of last year.

The call for pottery during the month, though fair, has not been as strong as it was in November but has

Pottery

been better than it was during December of last year. Unfilled orders are in about the same volume as they were at this time last month, and as is customary at this season, the bulk of orders are for immediate shipment or at least for shipment within 60 days. In only a few cases are there orders now on the books for delivery beyond two months.

Some manufacturers reporting to us state that prices are weak, but an equal number of others describe them as strong. Although quotations for the most part are unchanged from those of November, some price cutting

has been resorted to in order to stimulate sales during the stock taking season, at which time the dealers are usually out of the market. In one case a reduction of from 10 to 15 per cent in prices is reported. Stocks of finished goods are from moderate to light and are increasing, but supplies of raw materials, which are moderate and in some instances heavy, are, in general, stationary.

The end of the strike last June found manufacturers with large quantities of unfilled orders on hand, and therefore operations have since then been at a high rate. At present, many of these orders have been completed, but production is still at an average rate of about 80 per cent of capacity. The supply of both skilled and unskilled labor is sufficient and in some cases plentiful. In 17 factories located in Pennsylvania, New Jersey, and Delaware there were 4,359 workers employed on November 15, earning average wages of \$31.83 per week. In the week ending October 15, there were 4,362 men on the payrolls, who earned an average weekly wage of \$32.45.

Collections are from fair to good, and though unchanged from those at this time last month, are more prompt than they were in December, 1922.

Demand for lumber is from fair to good, and one dealer reports that the market would be even better were it not for the fact that builders are encountering difficulty in financing new operations. As is to be expected, however, the market is not as strong as it was during November, on account of the seasonal decline of all construction work. Some dealers say that the present demand is better than that of December, 1922, but others have found it not so good. Unfilled orders are somewhat smaller than they were at this time in November, and of those now on the books, over half are for delivery within two months, and the remainder in from three to four months.

Prices as a whole are somewhat unstable, and the granting of concessions on substantial orders is not uncommon. Quotations for white pine, however, are steady, and prices of Pacific Coast fir and cedar, by reason of large sales to Japan, have advanced. Quotations for yellow pine from the South have declined slightly during the last two weeks. Some firms state that present prices are being met with resistance.

Manufacturers' stocks are moderate and in one instance even light, but supplies of raw materials are in some cases light and in others heavy. The majority of both mills and dealers state that stocks are stationary. Manufacturers reporting in this district are operating at an average of 85 per cent of capacity, and orders on hand are sufficient to maintain this rate for from 30 to 90 days. The supply of both skilled and unskilled labor is sufficient and in some cases plentiful.

Collections are fair, and though unchanged since last

month, are slower than they were during December, 1922.

The call for most products of the glass industry is from fair to good, but the majority of firms reporting in this district state that the volume of orders, though noticeably smaller than it was in the preceding month, is as great as it was in December of last year, if not greater. Most of the orders already taken are for delivery within 60 days, but some are for shipment up to and beyond 90 days. The individual orders are smaller than they were in November. A few advances in prices of some grades of fancy and table glassware have been made, but quotations for plate and building glass are unchanged and in general are regarded as firm.

Stocks of both finished goods and raw materials are from moderate to light and are for the most part stationary. Manufacturers reporting to us are operating at from 60 to 100 per cent of capacity, the average rate being approximately 81 per cent, which is about the same as that for last month. Orders to be filled will insure operations for from two weeks to six months.

Labor for all requirements in the industry is sufficient, and in some cases is even plentiful, which is commented upon as being rather unusual. Collections are from fair to good and show little change from those of either last month or this time last year.

Both manufacturers and dealers report that the demand for paint is from fair to good, and although less insistent than it was during November, is better than in the corresponding month of last year.

Most purchasers are requesting shipments either immediately or within 60 days. Very few orders are for delivery after that period and none for beyond 90 days.

Prices in general are strong and have changed but little from those prevailing at this time last month. The recent advance in the price of pig lead had a strengthening effect on quotations for lead pigments, but prices of all dry and mixed colors not dependent on lead as a base are unchanged. Quotations for linseed oil are maintained at the spot tank-car price of 92 cents per gallon, for delivery from December to February.

Stocks of finished goods in the hands of both manufacturers and dealers are moderate and as compared with last month are for the most part stationary, although in one instance they are increasing. Supplies of raw materials are not heavy, and though these too are about the same as they were in November, they show a tendency to decrease. Manufacturers reporting in this district are operating at an average of about 77 per cent of capacity, and in a short time output will largely go into stock, as is customary during the winter months. In an attempt to change this seasonal nature of their business some of the larger firms are trying to educate the public to the advantages of painting in winter whenever possible.

The supply of both skilled and unskilled labor is sufficient. Collections are fair, and although reports vary, are about the same as they were during last month and in December of last year.

The demand for gas and electric fixtures may be described as fair, and while some difference of opinion exists as to whether or not it has improved since last month, it is in general held to be better than it was in December, 1922. Most of the orders already taken specify delivery within 60 days. Prices of both gas and electric fixtures are firm and are unchanged from those quoted at this time last month.

Stocks of finished goods are from moderate to light and except for one instance, in which a decrease is reported, are stationary. Raw materials, too, show little change, and supplies of these are in moderate quantities. Manufacturers reporting to us are operating at an average of about 80 per cent of capacity, which is approximately the same as the average rate for last month. Skilled labor is in some instances scarce, but there is no shortage of unskilled workers.

Collections are fair and show little change from either those at this time last month or during December, 1922.

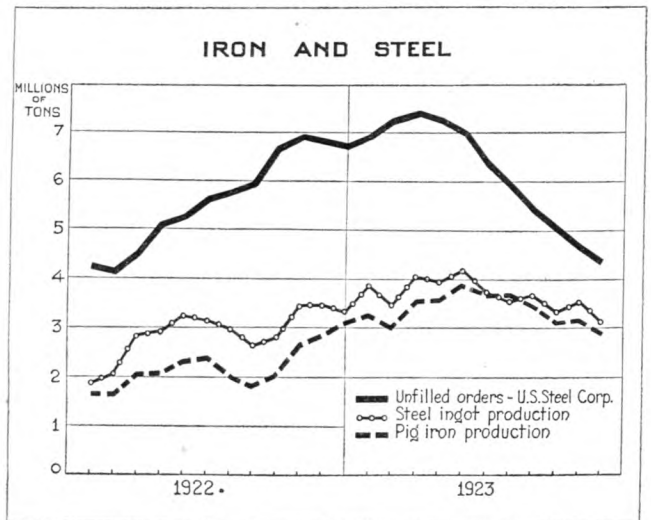
IRON AND STEEL

At the time of the buying movement in pig iron a month ago it was expected that the turning point in the market had been reached and that the revival of the demand for tonnages had marked the beginning of a more active period in the iron and steel industry. It now appears that the stimulation in purchasing was due to the fact that manufacturers were willing to sell at a loss in order to lighten their stocks and consumers feared that further postponing of orders was likely to result in a drastic curtailment of production. Such a result, it was thought, would lead to a rush of buying in order to cover requirements, which for many reasons buyers wished to avoid. But when it became evident that the market was capable of meeting the demand, the number of inquiries naturally declined, and at present the call for pig iron is only fair. The steel market, too, is quiet, and no general increase in demand is expected until after the first of the year. Requests for iron and steel castings are fewer than they were at this time last month, and sales have been made mostly to railroads, crane builders, and building contractors. The call for plates and structural shapes is about the same as it was during November, and oil refineries and mines are taking most of the deliveries. Supplies of machinery and tools are being sold to public utility companies in fair quantities, but sales of iron bars to locomotive and textile manufacturers are slow. The demand for both light and heavy hardware ranges from poor to good, though for instances in which it is described as poor, seasonal reasons are

given. There are few requests for crude steel, but sizable orders for miscellaneous steel products have been received from various industrial enterprises. The scrap market, though quiet, is characterized as fair.

Prices of a few products have advanced since this time last month, but these gains are offset by declines in others, so that in general, quotations are unchanged. For twenty-one successive weeks the composite price of steel, as computed by *The Iron Age*, has stood at 2.775 cents per pound. Quotations for pig iron, which advanced during the last part of November, have not only been maintained, but in some cases have gone still higher. On November 20, Philadelphia 2X pig iron was quoted at \$22.64 per ton. One week later the price increased to \$24.14 per ton, followed by another advance of 12 cents on December 4. Since that time, quotations have been steady at \$24.26 per ton.

The production of pig iron declined considerably during November. The total output in the entire country was estimated at 2,894,295 gross tons, as compared with 3,125,512 gross tons for the 31 days of October. The average daily output in November was 96,476 gross tons, which was the lowest for the year. The total number of furnaces in blast on December 1 was 231, a loss of 14 from the number running on November 1. In this district, on the first of this month, there were 30 furnaces in blast and 36 blown out, a loss



Unfilled orders of the United States Steel Corporation have declined steadily since April and are now nearly down to the low point of 1922. The output of pig iron and of steel ingots turned downward in June and is now very near the level prevailing during November of last year.

Source—*Iron Age*

of four from the first of November. The production of steel ingots during November averaged 119,762 tons per day, representing a reduction of about 9 per cent from the output for the preceding month.

Corporation companies according to *The Iron Age*, are operating at close to 84 per cent of capacity, a

slightly lower rate than that of last month; but independent companies are maintaining an average rate of 70 per cent, as they did during November. Unfilled orders of the United States Steel Corporation have declined for the eighth consecutive month. The total for November was 4,368,584 tons, as against 4,672,825 tons for October, a reduction of 304,241 tons. The decline is illustrated in the chart on page 15, which also depicts the trend of production of both pig iron and steel ingots in the last two years.

The supply of both skilled and unskilled labor in most cases is sufficient. On November 15, the total number of employees in 54 foundries and machine shops declined 3.9 per cent from that on October 15 but the number of workers in 46 steel works and rolling mills increased .9 per cent. The average wage declined 7.3 per cent in the former case and 2.1 per cent in the latter. Collections are from fair to good and are for the most part unchanged since this time last month.

COAL

The demand for the domestic sizes of anthracite has decreased since November, partly because of the mild weather prevailing during December. The call for nut and stove coal has remained more nearly constant than has that for egg coal, which has fallen off noticeably during the past two weeks. Comparatively speaking, the call for steam sizes, particularly number 2 buckwheat, is poor and is even weaker than it was at this time last month.

Spot quotations for Company coal in the domestic sizes are unchanged, but reports received by us state that prices of some steam grades have been considerably reduced in an effort to move surplus stocks. However, the weekly table of prices, as compiled by *The Coal Age*, quotes the spot Company prices of barley and rice sizes on December 17 as being respectively \$1.50 and \$2.50 per ton, f. o. b. mines, which are the same as those quoted on November 26.

Production declined to some extent during the last week in November on account of the celebration of Thanksgiving Day, but output again increased during the first three weeks of December. The table below gives the output in tons for the last five weeks and for the corresponding five weeks of last year.

ANTHRACITE PRODUCTION*

Week ending	1923	1922
November 17.....	1,725,000 net tons	2,230,000 net tons
November 24.....	2,100,000 " "	2,213,000 " "
December 1.....	1,748,000 " "	1,852,000 " "
December 8.....	1,899,000 " "	2,075,000 " "
December 15.....	2,013,000 " "	2,237,000 " "

*Compiled by the Geological Survey.

A scarcity of labor is reported in some sections of the anthracite fields, but one operator states that although at this season miners move from one mine to another, thus causing temporary shortages, they do not as a rule leave a given locality.

During the week ending December 3 the number of inquiries for bituminous increased, and it was thought that there would be a distinct improvement in the demand, which has been poor for some time past.

Bituminous

This hope, however, proved groundless, and there is little call for bituminous in this district at the present time. Some operators report that coal is being shipped to the New England states, where it is assumed that some at least is being used for heating purposes. In general, however, railroads and public utilities continue to be the chief consumers.

There is considerable spread between spot prices and contract prices, the former being reported in some cases as lower than the actual cost of production. Although the spot price of Pool 10 coal in Philadelphia has ranged from \$1.75 to \$2.00 during the past month, quotations for a few other grades are slightly lower than they were at this time in November.

On account of the poor demand, production has declined, as will be seen in the table below, giving the estimated output in tons for the last four weeks. For comparative purposes the output in the corresponding four weeks of last year is also given. The sharp decline in production during the week ending December 1, was caused by the general observance of Thanksgiving Day.

PRODUCTION OF BITUMINOUS*

Week ending	1923	1922
November 24.....	10,160,000 net tons	11,100,000 net tons
December 1.....	8,923,000 " "	10,387,000 " "
December 8.....	9,829,000 " "	11,495,000 " "
December 15.....	9,828,000 " "	10,667,000 " "

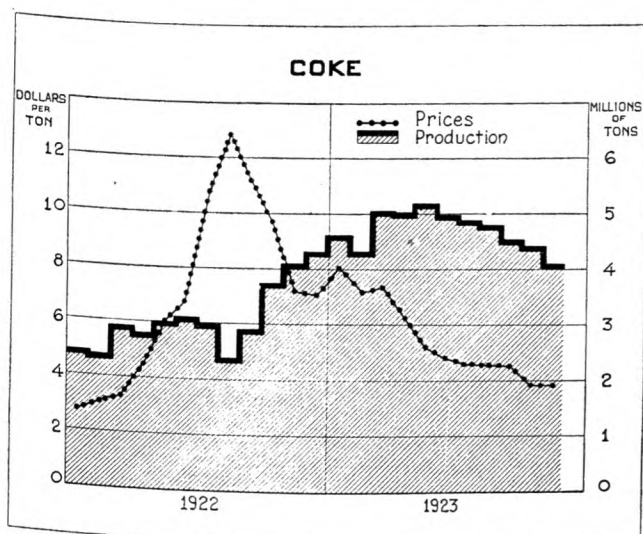
*Compiled by the Geological Survey.

There are heavy stocks on hand throughout the country and they are no doubt increasing, though accurate data on this subject are difficult to obtain.

Operators reporting to us state that their mines are being worked at an average of less than 50 per cent of capacity, and in one case the rate is as low as 10 per cent. In other instances the mines are working but two or three days per week. On this account there is no shortage of labor in the industry at present.

The demand for coke, which follows closely that for pig iron, has decreased since the falling off of inquiries for the latter, which succeeded the buying movement of a month ago. The call is now little more than fair, and producers are not expecting any material improvement until after the first of the year.

Coke



Production of all grades of coke reached the peak for the past two years in May, 1923. Spot prices, though fluctuating at times, have tended downward since they touched the high point in August of last year.

Source—Department of Interior and Iron Age

Prices have fluctuated somewhat during the month and are now not particularly firm. On December 18 furnace coke was quoted at \$4.00 per net ton, which was the same as it was in the four preceding weeks, and the price for foundry grades, after advancing 25 cents to \$5.00 per net ton on December 4, declined on December 11 to its former figure.

Since May, the production of all coke has been decreasing as is shown by the preceding chart which gives the total output by months during the last two years, together with the trend in average prices since the beginning of 1922. Except in the week ending November 24, production of beehive coke has been steadily decreasing since the middle of September until the week ending December 8. The estimated output during the four weeks ending November 24 was 1,031,000 net tons, a decline of 127,000 tons from the total for the four weeks of the preceding month. Production figures for the last five weeks are given in the table below. It will be noticed that the figures for the corresponding five weeks in 1922, which are also given, are considerably greater than those for this year.

ESTIMATED PRODUCTION OF BEEHIVE COKE*

Week ending	1923	1922
November 17.....	246,000 net tons	264,000 net tons
November 24.....	260,000 " "	288,000 " "
December 1.....	244,000 " "	298,000 " "
December 8.....	257,000 " "	291,000 " "
December 15.....	242,000 " "	299,000 " "

*Compiled by the Geological Survey.

OIL

Since October, the refinery demand for Pennsylvania crude oil has been from fair to good and in some

cases is steadily increasing. This is attributed partly to the fact that the granting of premiums is being advocated and in some instances actually practiced. It is claimed also that the oil produced in this state is superior for lubricating purposes to that found in other fields. Production in the Mid-Century, California, and Powell pools has declined to some extent in recent months, but the output in the Western New York and Pennsylvania fields has been increased by the new methods used for the reclaiming of crude oil from old territories. Stocks are somewhat greater than they were at this time last year, and although in no instances are they reported in this district as heavy, they are said to be increasing. In contrast to this, stocks in the South and Southwest are said to be unusually large as a result of overproduction. Since July of this year, production of Pennsylvania crude oil has been less than it was in the corresponding period of 1922, as is shown in the accompanying table.

Only two price changes have been made since October 1. On November 13 a reduction of 15 cents per

PENNSYLVANIA CRUDE OIL**

	1923	1922
July.....	616,000 bbls.*	622,000 bbls.
August.....	613,000 " "	669,000 " "
September.....	569,000 " "	630,000 " "
October.....	632,000 " "	664,000 " "
Total.....	2,430,000 bbls.	2,585,000 bbls.

*Barrels of 42 United States gallons.
**As estimated by the Geological Survey.

barrel went into effect on several grades, and quite recently quotations for Bradford oil were advanced 25 cents. Present quotations per barrel are as follows: Bradford-Allegheny, \$2.85; Tide Water and the Emery Pipe Line, \$2.60 and \$2.61; and Bradford Oil and Refinery, \$2.75.

The demand for some refined products, such as kerosene and gasoline, is from fair to good, and the call for wax is exceptionally strong. The tank wagon price of gasoline is 14 cents per gallon in this district, as compared with 15 cents a month ago.

The supply of labor is sufficient in both the fields and the refineries, and in some cases is in excess of the demand. Collections are characterized as good.

COTTON

During November a steady increase in prices was the outstanding feature of raw cotton markets, but during December an element of weakness developed and fluctuations were marked. On December 1 spot middling reached 37.65 cents per pound, largely because of lower estimates of the crop and of good buying by mills, speculators, and foreign agencies. But by December 10 it had dropped to 33.70 cents a

Raw cotton

pound, after which it again rose, and on December 22 was quoted at 36.30 cents per pound.

Factors affecting the supply have continued to be mainly responsible for these changes in price. During the latter part of November a number of private agencies estimated the crop to be considerably less than ten million bales; in fact, some estimates were below nine and a half million bales. Then other figures were given which placed the crop at close to ten million bales. As a result, prices declined sharply, first at Liverpool and soon after at New York and New Orleans. Shortly afterward, government reports on ginnings and production confirmed the larger estimates. The amount of cotton ginned prior to December 1 was reported by the Census Bureau to be only slightly smaller than that of the same period last year, and ginnings up to December 13 were 9,548,805 bales, as compared with 9,488,852 bales on the same date in 1922. Further, the Department of Agriculture placed the production in 1923 at 10,081,000 bales of 500 pound weight, not including linters, which from 1917 to 1921 inclusive have averaged 6.2 per cent of lint production. Notwithstanding the assurance of a somewhat larger crop than was expected in some quarters, however, it must be remembered that the crop is still a comparatively small one and that it does not equal the total of domestic consumption and exports in either of the past two seasons.

Since the supply of cotton has now been more or less accurately determined, attention is being directed to the question of demand and consumption. Reports of curtailment of operations in plants making cotton products because of their inability to get business are increasing. Nevertheless, according to the Department of Commerce, domestic consumption during the four months ending November 30 aggregated 2,048,912 bales this year, as against 2,133,327 bales in 1922. During the same period exports totaled 2,478,370 bales in 1923, in contrast with only 2,298,199 bales last year. But world's takings of American cotton to December 21, as shown by the following figures of the New York Cotton Exchange, were 653,786 bales smaller this year than last. And stocks of cotton in consuming establishments and in public storage in this country on November 30, 1923, were 12 per cent less than on the same date in 1922.

Decreased demand, largely due to seasonal influences and to weakness in raw cotton, and upward revisions in the prices of various finished fabrics are features of the cotton goods market during the past month. The same conservatism as has marked the attitude of buyers for some time is still the rule, and business continues generally unsatisfactory. Few producers have been able or willing to book orders for delivery further than 60 days ahead. The call for tapestry and upholstery goods is reported to be light,

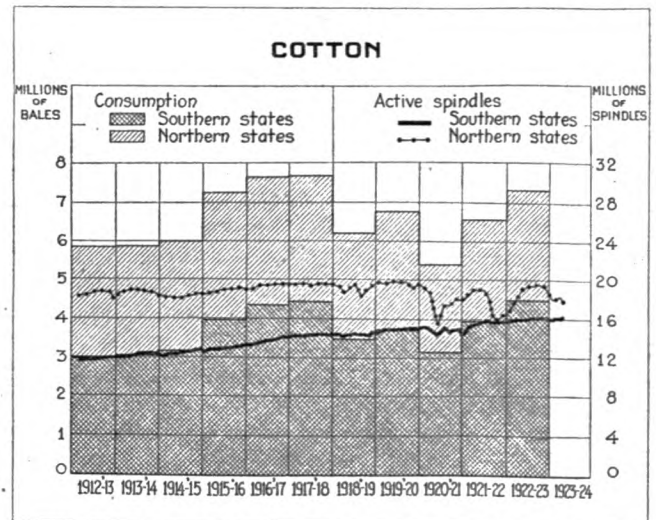
SUPPLY AND TAKINGS OF AMERICAN COTTON*

In Bales	Season of 1923-1924	Season of 1922-1923	Season of 1921-1922
Visible supply, American, at end of previous season (July 31)	869,968	1,968,159	4,112,651
Crop in sight, American, on Dec. 21	7,921,607	7,924,325	6,464,330
Total	8,791,575	9,892,484	10,576,981
Visible supply, American, on Dec. 21	3,391,843	3,838,966	4,620,102
World's takings of American to Dec. 21	5,399,732	6,053,528	5,956,879

*Figures compiled by New York Cotton Exchange.

and though there has been a fair demand for draperies, this has slackened considerably. Some manufacturers state that they have encountered keen competition from foreign tapestries, especially from Italy. Plush, however, is still in good request.

In view of the higher cost of cotton, many advances have been made in quotations on cotton goods, notwithstanding poor demand and resistance to prices on the part of buyers. But as compared with those of a year ago, quotations are on the average only about 11 per cent higher, whereas prices of raw cotton show an increase of about 38 per cent. Thus the manufacturer's margin of profit has been considerably reduced, and this, coupled with his inability to book sufficient business, has led to the curtailment of oper-



There are more active spindles in northern than in southern states but the South consumes much more cotton than the North. This is largely attributable to the longer working day in the southern states. The steady growth of active spindles in the South during the past 10 years is notable.

Source—Department of Commerce

ations. Although some manufacturers in this district are operating at or near capacity, the majority are running less than three-fourths of their equipment. In

plants making tapestry and upholstery fabrics, from one to two-thirds of the equipment is reported to be idle. However, curtailment has in most instances prevented the accumulation of finished goods in the hands of producers. Stocks of raw materials are moderate and are either stationary or decreasing. Reports now indicate that the supply of labor exceeds the demand.

In many fabrics competition for business is keen, and because of higher operating costs, most of the curtailment has occurred in northern rather than in southern mills. The chart on page 18 shows the increasing importance of the South in cotton manufacturing. Since 1912 the number of active spindles in southern states has advanced steadily, while in the northern states the number increased but little from 1912 to 1919, and since then has fluctuated sharply and shown a tendency to decrease. Although there are still more active spindles in the North than in the South, the actual consumption of cotton is considerably larger in southern than in northern states. This is mainly due to the fact that the working hours per week are fewer in the North than in the South. Evidence of this is seen in the number of active spindle hours, which during the first ten months of 1923 was 27 per cent greater in southern than in northern states.

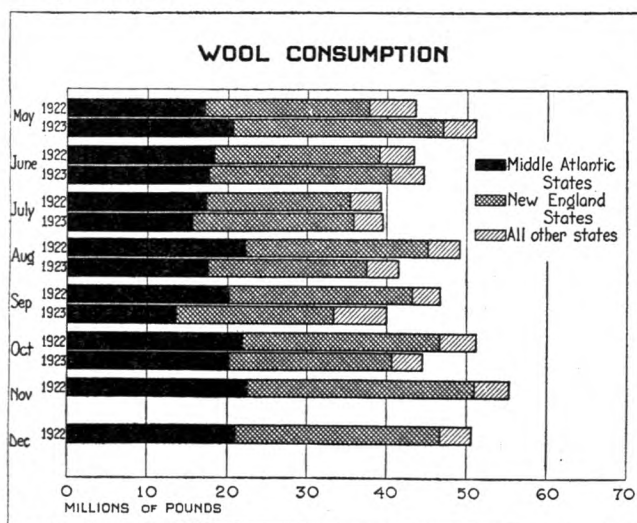
WOOL

Perhaps the outstanding feature of the local raw wool market has been the rise of prices in spite of but fair demand and of strong resistance to quotations on the part of consumers, who as a rule are finding it rather difficult to sell their products at a profit. Buying of wool for consumption is believed to have played only a minor part in the recovery of raw wool prices in the United States, the principal factor being the persistent increase of quotations abroad. Reports of recent auctions in foreign countries show that prices were considerably higher than at previous sales. And the disparity in price between domestic and foreign wool markets still exists. Consequently, imports of raw wool into this country are comparatively small, and although re-exportings have decreased somewhat, they still continue.

During the past month, the desire of consumers to avoid the increase of stocks prior to taking inventories has caused some slackening in the demand for raw wool, and in a few instances forward datings have been granted. Otherwise, however, the improvement which began during November has been maintained. Medium and low grade wools continue in better request than the finer grades, and dealers are of the opinion that this is mainly due to a change in production from fine to lower quality merchandise in order to reduce prices. Quotations on fine grade wools have advanced proportionately less than those on the coarser grades. Dealers state that supplies of raw wool in their hands

have steadily diminished and are in general comparatively light. However, notwithstanding the appreciation in quotations, the bulk of the wool held on consignment in this market has not yet been released.

The accompanying chart represents the consumption of wool in this country by sections, the figures covering about 80 per cent of the industry. It is significant that the great majority of the wool consumed in the United States is used in the New England and Middle Atlantic states. Total consumption during August, September, and October was 15.4, 14.5 and 12.8 per cent respectively, smaller this year than last, although during the first half of 1923 consumption was 13.1 per cent greater than during the similar period of 1922. During September, consumption in the Middle Atlantic States reached the lowest point since figures were first collected in May, 1922, but during October the amount consumed increased decidedly. Reports from 88 manufacturers in this district indicate that during November wool consumption was 12.5 per cent larger than during the previous month.



Of the reported amount of wool consumed in this country the Middle Atlantic States use about 42 per cent and the New England States about 49 per cent. Since July, total consumption has been considerably less than it was last year, although the reverse was true during the first half of 1923.

Source—Department of Commerce

Spinners of woolen and worsted yarns are almost unanimous in reporting a slackening of demand during the past month. In addition to the normal seasonal decrease due to the holidays and the taking of inventories, the continued slow movement of many worsted fabrics has been unfavorable to a better call for yarns. Consequently sales, especially of weaving yarns, are still unsatisfactory, and duplicate orders have been few. Since woolen goods have sold more actively than worsted fabrics, however, yarns for the former are in better request than those for the latter. Some sampling of yarns for heavy weight goods has been

done by producers of men's wear, and in a few instances manufacturers have contracted for their future requirements. But this has not been general, and spinners state that most consumers refuse to purchase much in advance of their immediate needs. Requests to postpone deliveries until after January 1 are reported.

Problems of the spinner have been further complicated by the recent increase in the price of raw wool. Owing to the keen competition for business, many spinners are unable to secure advances in quotations on yarns commensurate with those on wool. But in spite of decided resistance to higher prices, quotations are firmer, some spinners having increased them from 5 to 7½ per cent.

Although a few producers are operating at capacity, the majority are running only about three-fourths of their equipment, and some curtailment has occurred during the month. Stocks of yarn and of raw materials in the hands of spinners range from light to moderate, but the former are either stationary or increasing, while the latter are either stationary or decreasing. Reports indicate that the supply of unskilled help exceeds the demand and that that of experienced help is adequate.

Some complaints of unsatisfactory collections have been made and in general they are but fair.

Dulness in the demand for woolen and worsted goods has been accentuated by a seasonal decrease in sales during the past month. Buyers have not wished to increase their stocks prior to taking inventory and in some cases have asked for future datings and the postponements of shipments. Practically all of the business in piece goods for fall has been done, and the demand for light weight fabrics continues to be of the hand-to-mouth variety, prompt deliveries being requested. Manufacturers report that low-priced goods are selling more actively than the most expensive varieties, and that woolen fabrics, particularly novelties for women's wear, have the call over the staple worsteds. Producers of staple dress goods have sought to meet the demand for fancy fabrics by making goods with distinctive designs and colorings.

Samples for the 1924 heavy weight season are now in the process of manufacture, and there is considerable speculation as to prices and the date of the openings. As regards quotations, it is noteworthy that woolen blanket lines, opened recently, are higher than they were a year ago. However, considerable resistance to present prices is reported, and owing to poor business in light weight goods, quotations in some instances have been reduced.

A number of producers are operating on greatly curtailed schedules, and the average for the district ranges only from 60 to 80 per cent of capacity. But some manufacturers of woolen novelties for dress goods are running practically all of their equipment. Reports in-

dicating that the supply of both skilled and unskilled help exceeds the demand. Although a few producers are carrying sizable stocks of finished goods, supplies are for the most part moderately light. Stocks of raw material range from light to moderate and are decreasing.

Collections are in some instances complained of as being slow, but in general they are fair.

SILK

No important changes have occurred in the raw silk market during the past month, and quotations have fluctuated within a comparatively small range. Kansai double extra cracks, after advancing from \$8.25 to \$8.35 per pound on November 24 to from \$8.50 to \$8.55 per pound on December 5, again weakened, and on December 22 was quoted at from \$8.05 to \$8.15 per pound. Since the call for finished silks is still dull and producers do not wish to increase their inventories at the present time, demand for raw silk has continued rather quiet. Transactions at Yokohama, too, have been relatively small.

The following figures, compiled by the Silk Association of America, show that during November deliveries of raw silk to American mills were smaller than during any month since July, 1922, with the single exception of last May. In fact, from August 1 to December 1 imports exceeded deliveries to mills by 11.2 per cent, with the result that stocks in American warehouses increased from 25,459 bales to 35,398 bales. Stocks at Yokohama have also increased, and according to the December 12 report of H. L. Gwalter & Company, were 36,500 bales, as compared with 42,000 bales a year ago.

SILK IMPORTS, STOCKS AND DELIVERIES
AMERICAN MILLS*

In bales	Imports during month		Storage at end of month		Deliveries to American mills	
	1923	1922	1923	1922	1923	1922
January.....	32,593	40,177	47,087	31,139	34,680	33,842
February.....	33,759	19,950	44,615	28,982	36,231	22,107
March.....	28,336	19,746	39,436	22,077	33,515	26,651
April.....	27,414	21,438	28,657	19,268	38,193	24,247
May.....	25,814	34,842	29,962	20,826	24,509	33,284
June.....	23,727	35,598	25,865	26,895	27,824	29,529
July.....	25,622	25,575	22,914	27,474	28,573	24,996
August.....	36,092	39,813	25,459	32,515	33,547	34,772
September.....	28,837	38,492	27,367	36,795	26,929	34,212
October.....	31,229	46,569	32,679	45,893	25,917	37,471
November.....	27,944	36,733	35,398	47,159	25,225	35,467
December.....	.....	33,057	.....	49,174	.....	31,042
Total.....	321,367	391,990	.....	.....	335,143	367,620
Monthly average.....	29,215	32,666	32,676	32,350	30,468	30,635

*Silk Association of America.

Reports of improvement in the demand for silk fabrics are not lacking, but as a rule the dulness which has characterized the business for some time has continued during the past month. Consumers still show little inclination to buy beyond their immediate needs, with the result that the great majority of orders on the books of producers are for delivery in the near future. Still, the demand is not lifeless, and crepes, particularly georgette and crepe-de-chine, are selling in fair quantities for prompt shipment. Printed crepes for spring, too, give promise of being active.

Most manufacturers in this district are operating on curtailed schedules, and some are running only about half of their equipment, although the average is somewhat greater. But this curtailment has evidently not been sufficient to prevent the accumulation of finished goods, which are reported to be moderately heavy and increasing. On the other hand, supplies of raw material are moderately light and are either stationary or decreasing. Because of the lower quotations on raw and thrown silk, together with the quiet demand and the resistance to prices on the part of buyers, quotations on silk goods are rather weak, and some reductions have been made. Collections are either fair or good.

Little change has occurred in the demand for thrown silk. Business continues quiet, and practically all orders are for delivery in the near future. In the face of an uncertain and generally dull demand for their products, neither broad silk nor hosiery mills have purchased thrown silk in other than small amounts as needed. Throwsters who cater to the hosiery trade, however, have at times encountered flurries of buying of silk and wool mixtures.

Operations in most instances are still restricted, and some throwsters are running as little as one-fourth of their equipment. At the present rate of production unfilled orders will insure operations for no more than 30 days in the majority of mills. Like those on silk goods, quotations on thrown silk are rather weak, and some concessions have been granted. A few complaints of slow payments have been made, but as a rule collections are satisfactory.

HOSIERY

Conditions in the hosiery industry continue to vary a great deal. During late November and early December the usual demand for the holiday trade was in evidence, but since then the market, as a whole, has been dull. For the Christmas trade full-fashioned silk hosiery for women was bought in fair quantity, but some manufacturers state that competition was very severe and that sales were made at prices below the cost of manufacture by makers who were desirous of turning large inventories into cash. Women's fancy

woolen hosiery has sold slightly better than during recent months, but the demand for it is far smaller than it was a year ago.

Full-fashioned mills that sell to the wholesale trade have secured a considerable volume of business for deliveries over the first half of 1924. In some cases a reduction in price has been made, but as a rule quotations are about the same as they were during the past season. As retailers have confined their purchases to merchandise for delivery in the near future, mills selling to the retail trade have very little business on their books for shipment later than February.

Cotton hosiery has been advanced in price because of the higher quotations for yarns, but buyers are showing strong resistance to these increases, and business is decidedly spotty. Artificial silk hosiery for infants has sold fairly well, and mixtures of artificial and pure silk are among the leading lines for both men's and women's wear.

Production by 379 mills situated throughout the United States, as reported by the Department of Commerce, was 14 per cent greater in October than in September. In the Third Federal Reserve District a majority of the reporting mills show a lower production in November than in October, but some mills made substantial gains. In the accompanying table the reports of the district mills are summarized. As will be noted, unfilled orders on hand at the end of November were smaller than they were at the same period of 1922.

HOSIERY INDUSTRY Third Federal Reserve District		
In terms of dozens of pairs	Nov., 1923 compared with Oct., 1923	Nov., 1923 compared with Nov., 1922
Firms selling to the wholesale trade:		
Number of reporting firms—30		
Product manufactured during month	+ 2.1%	+ 8.2%
Finished product on hand at end of month	+ 8.9 "	+23.1 "
Orders booked during month	+38.8 "	+19.5 "
Cancellations received during month	-40.6 "	-62.6 "
Shipments during month	- 3.8 "	- .5 "
Unfilled orders on hand at end of month	+18.6 "	- 9.5 "
Firms selling to the retail trade:		
Number of reporting firms—9		
Product manufactured during month	- 3.4%	- 3.7%
Finished product on hand at end of month	+ 7.8 "	+16.7 "
Orders booked during month	- 1.6 "	+ .2 "
Cancellations received during month	+99.1 "	+204.8 "
Shipments during month	-23.2 "	- 7.2 "
Unfilled orders on hand at end of month	- 2.5 "	-20.6 "

Stocks of hosiery at some of the mills are fairly heavy but in others are practically nil. The total of stocks is probably moderate, but not burdensome. As

styles change with considerable frequency, it cannot be definitely stated whether this stock is readily marketable or whether it consists in large part of merchandise no longer in style.

Collections show but little change during the month, the majority of the reports classing them as either good or fair. Some manufacturers, however state that collections are difficult.

UNDERWEAR

Heavy-weight underwear lines for the autumn of 1924 have been opened by a few large mills in the South and Middle West. Sales of considerable magnitude are said to have been made by them at prices which, though considerably higher than those of a year ago, are lower than they would be if based on the present cotton market. Last year the prices obtained at the opening were from 5 to 10 per cent above those for the fall season of 1922, and this year's prices are at least 15 per cent higher than last year's. Other large manufacturers decided that they would not open their lines until after January 1, because they believed that the high prices which it would be necessary to name, combined with the present determination of buyers of most lines of merchandise to purchase only for early delivery, would militate against a successful opening. Much surprise has been expressed, therefore, at the success attained by those manufacturers who have held openings. It is now reported that certain others, whose lines are not officially open, are quietly booking some orders.

Business in spring underwear continues to be extremely spotty. Those manufacturers of men's underwear who are willing to sell at or near the prices of two or three months ago have been able to obtain a fair volume of business and are in many cases sold up for the season. But those who have raised their prices to any considerable extent meet with serious resistance to these quotations and in most instances report that new business is small. Women's underwear for spring is selling poorly, and manufacturers of this line are confronted not only with the problem of price but with the strong competition of silk underwear. The volume of knit underwear to be used during the coming season is a question of much debate and concern throughout the trade.

According to statistics collected by the Department of Commerce, the value of knit underwear produced in the United States in 1914 was \$93,119,085, in 1919 was \$203,530,283 and in 1921 was \$134,864,534. Price variations were largely, though not entirely, responsible for the large difference in these totals.

The following table shows the average prices of cotton underwear from January 1, 1922, to March 31, 1923.

Production during the past month has on the whole changed but little, although more mills report that they are running at full capacity than was the case a month

UNDERWEAR PRICES* Average wholesale price, New York, per dozen garments

Cotton Underwear	January-March, 1922	April-June, 1922	July-September, 1922	October-December, 1922	January-March, 1923
Men's shirts and drawers	\$7.50	\$7.50	\$7.50	\$7.50	\$7.11
Women's union suits, combed yarn	\$11.50	\$11.50	\$11.50	\$12.00	\$12.17

*Figures compiled by the Department of Commerce.

ago. Stocks of finished underwear in the mills are reported as light, and many mills are working on orders only. The supply of labor is sufficient, except in two establishments which report a local scarcity; but in no instance has there been a change in wages. Collections are as a whole satisfactory; only one mill reports that they are poor, the balance stating that they are either fair or good.

In the accompanying table the reports of firms in the Third Federal Reserve District are summarized.

UNDERWEAR INDUSTRY Third Federal Reserve District

In terms of dozens	Nov., 1923 compared with Oct., 1923	Nov., 1923 compared with Nov., 1922
Summer underwear:		
Number of reporting firms—11		
Product manufactured during month	- 5.9%	+46.9%
Finished product on hand at end of month	+ 9.9 "	+ 2.2 "
Orders booked during month	+ 5.2 "	-31.4 "
Cancellations received during month	-52.1 "	+66.3 "
Shipments during month	-27.2 "	- 7.1 "
Unfilled orders on hand at end of month	+ 9.4 "	+31.5 "
Winter underwear:		
Number of reporting firms—8		
Product manufactured during month	-19.1%	+28.9%
Finished product on hand at end of month	+25.4 "	+74.1 "
Orders booked during month	-18.5 "	-84.8 "
Cancellations received during month	+160.6 "	+215.1 "
Shipments during month	-20.3 "	+18.9 "
Unfilled orders on hand at end of month	-41.1 "	-61.1 "

FLOOR COVERINGS

Sales of carpets and rugs have decreased considerably, as is not unusual at this season of the year. Many retailers use a considerable part of their floor covering departments for the display of toys and other Christmas goods and therefore do not wish to take in new lots of carpets and rugs. Hence, numerous requests have been coming to the mills to hold shipments back until after January 1. Manufacturers have in

some instances curtailed production because they either lack the facilities, or are not willing, to accumulate stocks in anticipation of the wants of the buyer.

On the other hand, sales of carpets and rugs by retail establishments during the autumn were large, and it is the general opinion that stocks in retail stores are now at a low point. This is especially true of the cheaper grades of Axminsters and of velvets and tapestries, which grades have been the best sellers during recent months. Sales of wool fibre and of grass rugs for spring delivery have been in fair volume, and wool fibre looms are reported as being more active than they were a year ago.

The demand for linoleums and felt-base goods continues to be heavy, and the year 1923 has witnessed the largest distribution ever recorded in these lines. The export demand for felt-base goods, however, which was large during the early autumn, has decreased in the past month.

Prices of all floor coverings are unchanged, but the quotations for raw materials entering into the manufacture of carpets and rugs are higher, cotton greatly so, and wool slightly. Labor is in plentiful supply, and no changes in wages are reported. Collections are in general good, but some reports state that a number of firms have ceased to discount their bills and are allowing them to run to maturity.

LEATHER

Packers have continued to sell hides actively and are now closely sold up. The market is stronger than it was a month ago, the decline has been arrested, and in some cases prices are fractionally higher. It must also be noted that the hides now being offered are of poorer season than were those sold during November. Not only have domestic tanners bought fair quantities, but purchases of considerable size have been made for shipment to continental Europe. If hide prices in this country had not been at least as low as those in Argentine and India, these sales could not have been made. The small packer and country hide markets have acted in sympathy with the large packer market and are steady at the present range of prices.

Calf skins, too, have been in fair demand, light-weight skins especially finding a ready sale at unchanged prices. Goat skins have continued to fall in price, and dealers have accepted offers which a month ago they would not have considered. The accompanying table shows that stocks of raw hides and skins declined during October and were lower than they have been for several months. As compared with those on hand on October 31, 1922, stocks of goat and kid skins are heavier, but those of the others are lower, especially of calf and kip.

Since October 31 a curtailment in the wetting of hides has occurred, but it is estimated that even at the

STOCKS OF RAW HIDES AND SKINS*

Date	Cattle	Calf and kip	Goat and kid	Sheep and Lamb
Oct. 31, 1922	5,838,412	4,552,009	8,680,967	9,561,364
June 30, 1923	6,086,120	4,360,239	10,186,623	9,915,680
July 31, 1923	5,931,288	4,260,403	11,571,482	9,573,489
August 31, 1923	5,634,864	3,972,086	11,796,882	9,076,515
Sept. 30, 1923	5,486,802	3,429,172	10,999,361	9,202,831
Oct. 31, 1923	5,277,865	3,118,845	10,889,491	8,898,601

*Figures compiled by the Department of Commerce.

present rate of production the output is more than sufficient to take care of the hides of the domestic slaughter of cattle, together with a reduced number of foreign hides.

December is usually a dull month in the leather markets, for practically all buyers take the annual inventory

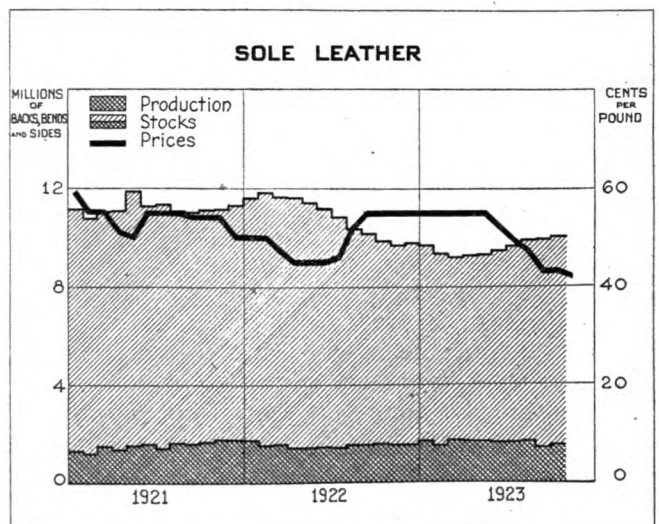
at the end of the year, and only the conviction that purchases can be made more advantageously

now than after the first of the year will tempt them to add to the stock account. This year has been no exception to the rule, and December has added another poor month to those which immediately preceded it.

In the heavy leather markets, however, signs of renewed confidence are appearing, and some buyers are reported to have taken advantage of the low prices at which they could purchase, and to have bought some fair-sized lots. Belting butts have been dull. The decreased demand for belting has resulted in only small purchases of butts, and considerably lower prices are said to have been made to actual buyers. Belt makers in their turn have reduced prices at least 10 per cent. Some manufacturers report a fair demand for belting for delivery in the first half of 1924 at the lower prices

Hides and skins

SOLE LEATHER



The average price of sole leather, No. 1 scoured oak backs, in November, 1923, was 42 cents per pound. This figure is the lowest for the three years depicted in the chart, and is more than 5 per cent below the average price for the year 1913.

Source—Dun's Review and Bureau of the Census

now ruling, but others state that orders are small and are for prompt shipment. Harness leathers are dull, and on them also the trend of prices is lower. The selling of surplus stocks by the United States Government at less than manufacturing cost continues to affect this branch of the trade adversely.

The chart on page 23 shows that stocks of sole leather have been steadily increasing since early in 1923 notwithstanding the attempted curtailment in production. Prices have been declining for some months.

The following table indicates that, owing to the reduced output, production of belting butts during October about kept pace with consumption. In backs, bends and sides, and offal, which, to the surprise of the trade, showed an increase in production, consumption increased also, but not sufficiently to prevent a gain in the stocks of backs, bends and sides.

HEAVY LEATHER*

October, 1923, as compared with September, 1923	Production during month	Stock at end of month
	%	%
Backs, bends and sides.....	+ 7.1	+1.4
Belting butts.....	-10.6	- .2
Offal, sole and belting.....	+ 9.0	- .2

*Figures compiled by Department of Commerce.

In leather goods the demand for fitted cases and for fancy articles for the holiday trade has been good, and in some cases manufacturers have had difficulty in filling their orders, even though their plants have been working at capacity. Bags, however, have been in only fair request, and the call for trunks has decreased. The number of orders for trunks is large, but the individual order is generally small in size. Prices for leather goods and trunks show but little change during the past season. The trend of quotations for raw materials varies; cotton goods are higher, but leather, lumber, and hardware have declined.

Trading in upper leathers has been limited in quantity. Manufacturers of kid leather are further curtailing production, as sales, which are usually at their highest point during the autumn, have proved disappointing. Stocks have not decreased despite the fact that the quantity of kid leather tanned during the second half of the year was considerably smaller than that made during the first six months of 1923. Sales of kid in the low grades continue to equal the production, but in the medium grades and in the larger skins in the higher grades stocks are fairly heavy. In calf leather, a demand for suede is noted, but it is far smaller than it was in the autumn. Grain calf in both black and brown is in fair request. The demand is all for prompt delivery, as shoe manufacturers are buying upper leathers only for their immediate needs, since, owing to the many and rapid changes in style, they do not know what color or kind of leather to buy.

During October, as is shown in the accompanying table, production of upper leathers varied considerably. The output of cattle side leather fell sharply, but stocks increased somewhat none the less. Production of calf, kid, and cabretta leathers increased, but the changes in stocks were slight.

UPPER LEATHERS*

October, 1923, as compared with September, 1923	Production during month	Stock at end of month
	%	%
Cattle side.....	-19.8	+1.5
Calf and kip.....	+ 2.0	- .1
Goat and kid.....	+13.6**	+1.0
Cabretta.....		- .9

*Figures compiled by the Department of Commerce.
**Production figures not separated.

At the present time retailers are buying but little. The fall season was late in starting, and although conditions are improving, stocks are fairly large, and dealers may not require many new shoes before the spring season begins. Therefore they are holding back as long as possible, in order to secure the latest styles. This makes it impossible for the factories producing women's shoes to operate except on a reduced schedule. Wholesalers are buying cautiously for their early spring needs, but most of these purchases have been confined to fairly staple lines. Manufacturers of children's shoes have contracted for a considerable part of their output for February and March delivery, and some orders for April shipment have been taken; but even in children's shoes the element of style is entering largely, and manufacturers hesitate to cut orders for distant delivery because of the fear of cancellation of the contract on account of a change in style.

Shoes

An increased number of complaints that collections are poor and have become slower have been received, but a majority of the manufacturers state that collections are either fair or good. Production of shoes in the United States during October was 30,555,284 pairs, according to figures issued by the Department of Commerce. This total is almost the same as that for October, 1922, which was 30,365,148 pairs.

The table on page 25 summarizes the activities of the reporting firms in the Third Federal Reserve District during November.

Sales of shoes at wholesale were poor during November and have shown but little improvement this month. Retailers' stocks appear to be sufficient for their present needs, and fill-in orders are not as large as usual. From the table on page 11 it will be seen that sales in November were smaller by 24.9 per cent than those in October, and by 15.1 per cent than those of November, 1922.

The cooler weather of this month has increased the

The cooler weather of this month has increased the

The cooler weather of this month has increased the

BOOT AND SHOE INDUSTRY
Third Federal Reserve District

Number of reporting firms—31 In terms of pairs	Nov., 1923 compared with Oct., 1923	Nov., 1923 compared with Nov., 1922
Product manufactured during month..	-12.4%	-11.5%
Shipments during month.....	+4.2 "	+84.1 "
Orders booked during month.....	-5.8 "	-51.8 "
Orders on hand at end of month.....	+19.2 "	-19.0 "
Cancellations received during month..	-39.6 "	-27.4 "
Stocks (unsold) on hand at end of month.....	+11.1 "	+48.5 "

sales of shoes at retail, but stocks are fairly large, and the season is now so late that it will be difficult to make up any ground that has been lost. The accompanying table shows that sales by reporting firms were almost exactly the same in November as in October, but were 8 per cent larger than in November, 1922. Stocks are lower than they were a month ago but larger than they were a year ago; and the rate of turnover is considerably lower than it was during 1922.

RETAIL SHOE TRADE
In terms of dollars

1. NET SALES :

- (a) November, 1923, as compared with October, 1923 + .04%
 (b) November, 1923, as compared with November, 1922..... +8.0 "
 (c) July 1 to November 30, 1923, as compared with July 1 to November 30, 1922..... +5.8 "

2. STOCKS (selling price):

- (a) November, 1923, as compared with October, 1923 -2.7 "
 (b) November, 1923, as compared with November, 1922..... +4.6 "

3. RATE OF TURNOVER (times per year based on cumulative period):

- (a) July 1 to November 30, 1923..... 2.7
 (b) July 1 to November 30, 1922..... 3.2
 Number of stores reporting above items:
 1.....19 2.....17 3.....16

PAPER

The demand for most grades of paper is not as good as it was last month nor as heavy as in December, 1922, and the majority of manufacturers declare it to be unsatisfactory. The approach of the annual inventory period always causes a falling off in orders, but this year, owing to the uncertainty of prices, buyers lack confidence and are buying for immediate needs only. Manufacturers of wrapping and kraft papers report that heavy imports and large increases in domestic capacity this fall have made serious cuts in their business, and few are operating at more than 70 per cent. Makers of tags and tag stocks find that their products are in only fair request, and are operating at about 60

per cent. Producers of book paper also report only a fair demand, and their mills are running at about 70 per cent. The call for bond and writing papers is not as good as it was last month, and consequently production at fine paper mills has declined to about 75 per cent of capacity. Manufacturers of fine tissues report a good demand; but the call for toilet tissues and crepe towels is poor. Wall papers are in request, and most factories have at least 60 days' business on hand and are working at capacity. The demand for envelopes continues to be fairly good, and the average of operations is about 85 per cent. Box boards, particularly news and chip, are in slightly better request than they were a month ago, but sales in tons are smaller than they were in December, 1922. Except for wall papers, practically all orders are for immediate shipment. Jobbers report that their sales show a decline from those of October and November, but the majority state that sales compare favorably with those of December, 1922. Their coarse paper departments, however, are not as active as they were a year ago.

Paper prices are still weak, and though on the whole they have changed but little since last month, concessions are readily obtained by large buyers. At the close of last month several manufacturers reduced their prices on sulphite bonds by about 10 per cent, but rag-content bonds are holding firm. Boxboard prices have remained stationary at the lower levels established at the close of November. Chemical and mechanical pulp prices show only slight changes from those of a month ago and are firm.

Finished stocks at the mills vary from moderate to light, and in general are decreasing. Stocks of raw materials are moderate and are also decreasing. The supply of skilled labor is adequate, and unskilled labor is plentiful. Wages are unchanged. Collections range from fair to good and are much the same as they were in November, but slower than in December, 1922.

PRINTING AND PUBLISHING

The majority of commercial printers report that the demand for printing is only fair and not quite as good as it was in October or November. In December, 1922, it was greater than it has been this month, and nearly all printers were busier than they are now. The amount of new catalogue and general advertising orders placed this month is less than that of either of the two preceding months, and the volume of general job work has not been large. A few job printers find business very good and are working overtime, but the average of plant operations in this district is only about 70 per cent. Magazine publishers report that their sales of advertising space during the month, for their January issues, show a decided increase over those of a year ago. The automobile and allied industries are the heaviest purchasers, but other industries, too, are taking good amounts. Subscription sales also show an increase

over those of a year ago, and publishers of agricultural journals state that farmers are subscribing readily except in the northern sections of the great wheat belt. Book publishers have enjoyed an excellent holiday business and have still sufficient orders on hand to assure a large output. Lithographers state that manufacturers of foodstuffs, toilet preparations, and rubber products are purchasing window display advertising in big quantities. The 1924 calendar demand has been large, and lithographers are operating at capacity.

Printing and publishing costs have changed but little during the past three months. Some grades of paper have declined slightly, but inks and other materials have held firm. Competition is still very keen, and commercial printers are forced to quote their lowest prices to obtain orders.

The supply of labor, both skilled and unskilled, is adequate, and wages remain unchanged. Collections vary from fair to good.

TOBACCO

Leaf dealers report that the demand for the various grades of cigar tobaccos is only fair and that manufacturers are buying cautiously because of the approach of the inventory period. However, sales compare favorably with those of December, 1922, and are satisfactory for this time of year.

The Lancaster tobacco market has been fairly active, and sales of moderate size have been made. Prices are very firm. The 1922 Pennsylvania wrappers are selling at from 28 to 32 cents per pound, actual weight, and fillers at from 10 to 14 cents. Packers have been buying the new 1923 Pennsylvania tobacco in considerable quantities during the month, and they estimate that the growers have sold 25 to 30 per cent of the new crop. Wrappers in the bundle are selling at from 18 to 23 cents per pound and fillers at from 5 to 6 cents. The quality of the 1923 crop is much superior to that of the crops of 1922 and 1921 and better than the average. The leaf is large, is of good burning quality, and has cured very well. Leaf spots and discolorations are more prevalent than they were last year, but the quality has not been greatly affected by these.

In Wisconsin the Co-operative Tobacco Pool has announced its prices for the 1923 crop, and several million pounds have been sold to Eastern buyers. The prices of Wisconsin tobacco are slightly higher than last year's, because of heavy injury to the crop by early frosts. The Connecticut shadegrown and broadleaf market is fairly active, many buyers having inspected the new crop at Hartford and purchased moderate quantities. The quality of this crop is very good, and the prices announced by the pool are the same as or slightly above those of 1922.

The new crops of Ohio, Georgia, and Florida cigar tobaccos are in good demand, and the quality of these

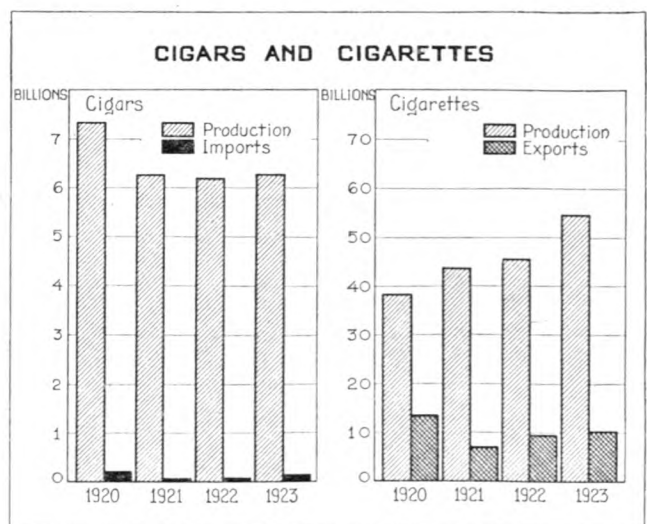
is said to be the finest ever grown. Withdrawals of Sumatra, Java, and Havana tobacco from the warehouses have been fairly heavy during the month.

Despite the fact that manufacturers have received numerous rush orders for Christmas delivery, the demand for cigars is not as heavy, in general, as it was in November.

Cigars

But the majority state that business is better than it was in December, 1922. A few large manufacturers of Class C and Class D cigars are oversold, and because of their inability to supply goods in time for Christmas have been obliged to reject many orders. However, most of the producers have been able to meet the demand and could actually supply greater needs were they operating at capacity. The majority of those manufacturers who were heavily oversold last December, have greatly increased their manufacturing capacity during this year and can now fill orders more readily than they could a year ago. The average of operations in this district is lower than it was in November, the large manufacturers operating at about 80 per cent and the smaller at about 65 per cent. Cigar jobbers report that the demand is greater than it was last month and slightly better than in December, 1922.

The following chart shows that domestic production of cigars for the first ten months of this year exceeded that for the same period of 1921 and 1922, but was less than for the first ten months of 1920. Cigarette production for the first ten months of 1923 was the heaviest on record; in fact, cigarette production has steadily increased annually. Our imports of cigars for the first ten months of this year were large, and exceeded those of the same period of 1922 and 1921,



This chart shows data for the first ten months of each year only. Imports of cigars and exports of cigarettes in 1923 exceeded those of 1922 and 1921, but were less than 1920. Especially noticeable is the steady increase in the production of cigarettes during the past four years.

Source—Department of Commerce and Commissioner of Internal Revenue

CROP PRODUCTION IN THE UNITED STATES*

Crop	1923	1922	1921
Corn.....	3,054,395,000 bus.	2,906,020,000 bus.	3,068,569,000 bus.
All wheat.....	785,741,000 "	867,598,000 "	814,905,000 "
Oats.....	1,299,823,000 "	1,215,803,000 "	1,078,341,000 "
Barley.....	198,185,000 "	182,068,000 "	154,946,000 "
Rye.....	63,023,000 "	103,362,000 "	61,675,000 "
Buckwheat.....	13,920,000 "	14,564,000 "	14,207,000 "
Rice.....	33,256,000 "	41,405,000 "	37,612,000 "
Flaxseed.....	17,429,000 "	10,375,000 "	8,029,000 "
Potatoes, white.....	412,392,000 "	453,396,000 "	361,659,000 "
Sweet potatoes.....	97,177,000 "	109,394,000 "	98,654,000 "
All hay.....	106,626,000 tons	112,013,000 tons	97,770,000 tons
Cotton.....	10,081,000 bales	9,761,817 bales	7,953,641 bales
Cottonseed.....	4,476,000 tons	4,336,000 tons	3,531,000 tons
Tobacco.....	1,474,786,000 lbs.	1,246,837,000 lbs.	1,069,693,000 lbs.
Cloverseed.....	1,233,000 bus.	1,887,000 bus.	1,538,000 bus.
Sugar beets.....	6,893,000 tons	5,183,000 tons	.....
Maple sugar and syrup.....	33,533,000 lbs.	34,263,000 lbs.	.....
Sorghum syrup.....	32,001,000 gals.	36,440,000 gals.	45,566,000 gals.
Peanuts.....	636,462,000 lbs.	633,114,000 lbs.	829,307,000 lbs.
Beans.....	15,740,000 bus.	12,734,000 bus.	9,150,000 bus.
Grain sorghum.....	105,619,000 "	90,524,000 "	113,990,000 "
Broomcorn.....	69,300 tons	37,300 tons	38,200 tons
Onions.....	16,318,000 bus.	18,763,000 bus.	.....
Hops.....	17,770,000 lbs.	27,744,000 lbs.	29,340,000 lbs.
Apples, total.....	196,770,000 bus.	202,702,000 bus.	99,002,000 bus.
Apples, commercial.....	34,403,000 bbls.	31,945,000 bbls.	21,557,000 bbls.
Peaches.....	45,702,000 bus.	55,852,000 bus.	32,602,000 bus.
Pears.....	17,390,000 "	20,705,000 "	11,297,000 "
Oranges.....	34,800,000 boxes	30,200,000 boxes	20,300,000 boxes

*Department of Agriculture

but were smaller than those of 1920. Cigarette exports have been enormous and exceed those of the first ten months of 1921 and 1922; but they are considerably less than they were in the same period of 1920.

Cigar prices are firm and unchanged. Some grades of tobacco leaf, particularly Havana and Porto Rican, are slightly higher than they were a month ago; but prices of other grades show little change. All grades of cigar tobaccos, however, are higher than they were a year ago. Finished stocks at most factories are light and the supplies of raw materials moderate. The supply of all kinds of labor is adequate, and wages remain unchanged. Collections range from fair to good and show little variation since November.

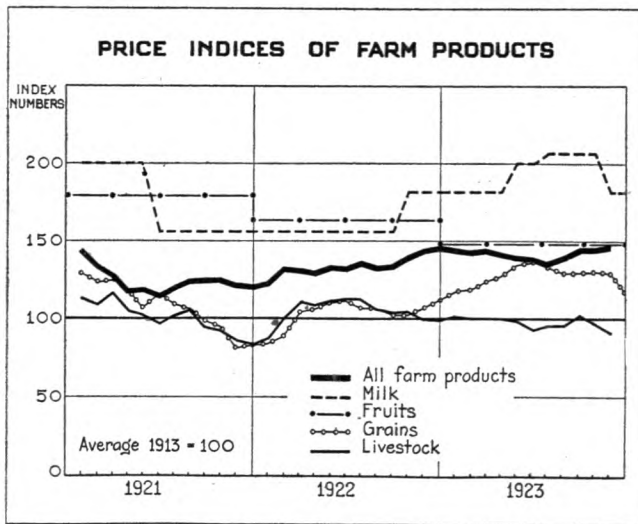
AGRICULTURE

Mild weather and ample rainfall during the month have helped the winter wheat and cover crops. Much wheat was planted very late, and had the weather been less moderate, a considerable portion of the crop would have been destroyed or injured. The stand of wheat is now very good, not only in this district but over the entire country, and the crop is well enough developed to withstand a very severe winter. Cover crops, too, are in excellent condition, and many farmers are allowing their dairy herds to graze lightly over the fields. Corn husking was completed before the middle

of the month, and as excellent weather dried the crop well, it has been stored in good condition.

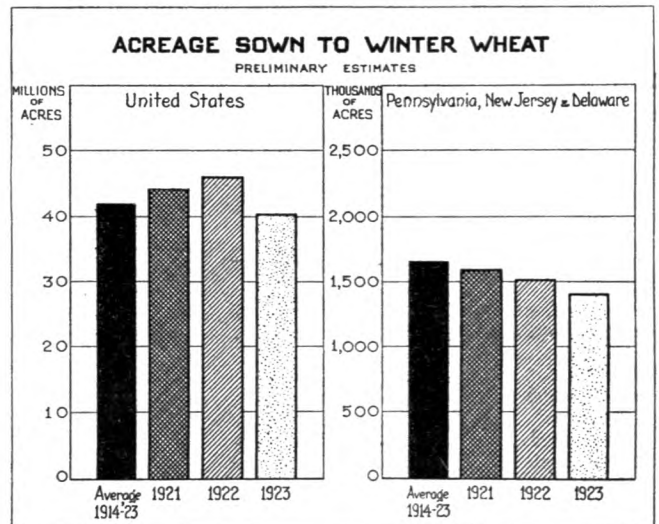
The United States Department of Agriculture on December 17 published its estimate of crop yields and crop values for the year of 1923. The production of corn, barley, flaxseed, tobacco, cotton, cottonseed, sugar beets, beans, peanuts, oranges, and apples (for commercial use) was greater than in 1922; but the output of wheat, rye, buckwheat, rice, white potatoes, sweet potatoes, hay, cloverseed, onions, hops, apples (total), peaches, and pears fell off. The total farm value of all crops on December 1 was estimated at \$8,322,695,000, an increase of nearly nine hundred million dollars over that of the 1922 crops, which was \$7,449,804,000. The value of the 1921 crops was estimated at \$5,629,548,000, or \$2,700,000,000 less than that of the 1923 crops. The table above gives the production of crops in the United States for the last three years, as estimated by the Department of Agriculture.

The following chart illustrates the fact that the prices of all farm products, taken as a whole, are higher than they were a year ago and considerably above those of December, 1921. Of the important groups of agricultural products, livestock prices show no increase over those of last December and are actually lower than they were in 1913, and fruit prices are lower than in 1922. The livestock index is weighted according to a five-year average of consumption of beef and veal.



On the basis of 1913 prices, dairy products, of all the important groups of farm products, appear to be most profitable. The price of milk is 80 per cent higher than it was in 1913.
 Source—Interstate Milk Producers' Association, Bureau of Labor Statistics, and Department of Agriculture

mutton and lamb, and pork, and is based on the farm price of beef cattle, sheep and hogs. The present low price of hogs is the chief cause of the low index for livestock. The grain index, which is weighted according to the ten-year average production of corn, oats, and wheat, shows that grain prices as a whole are much higher than they were a year ago. In fact, the spread between grain prices and livestock prices is unduly large, and during the next year we may expect these to be more nearly commensurate. The index of fruits is based on the mean annual price of apples, peaches, and pears, and is weighted according to the



The area sown to winter wheat this fall in both the United States and in this district was smaller than that of 1922 and 1921 and less than the ten-year average.
 Source—Department of Agriculture

five-year average of production. Of all the groups, the dairy industry is most prosperous, the price of milk being about 180 per cent of the 1913 price.

The preliminary estimate by the Department of Agriculture of the acreage sown to winter wheat in the United States this fall shows a decrease of 13 per cent from last fall's plantings, as compared with a 7 per cent decrease in Pennsylvania, New Jersey, and Delaware. As illustrated in the preceding chart, the acreage sown in the entire country is 5 per cent less than the average for the last ten years, and that sown in Pennsylvania, Delaware, and New Jersey is 15 per cent less.

COMPILED AS OF DECEMBER 22, 1923

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