

THE BUSINESS REVIEW

THIRD FEDERAL
PHILADELPHIA



RESERVE DISTRICT
NOVEMBER 1, 1924

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SUMMARY OF BUSINESS CONDITIONS IN THE UNITED STATES

Production of basic commodities, factory employment, and distribution of merchandise increased in September. During September and early in October there was a considerable increase in the volume of borrowing for commercial purposes.

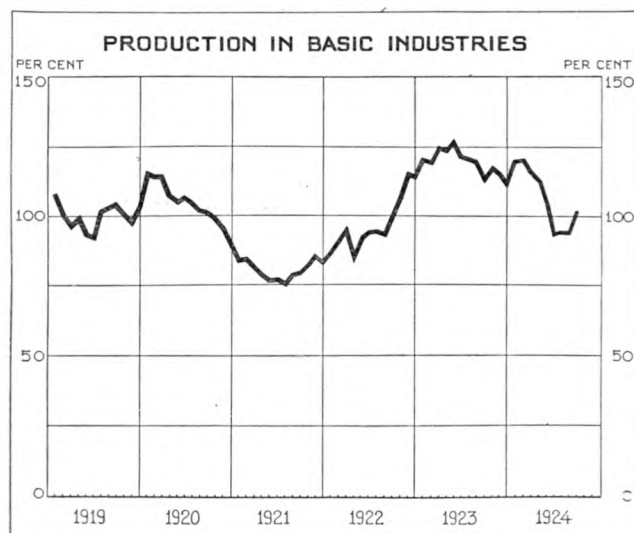
The Federal Reserve Board's index of production in basic industries, adjusted to allow for seasonal variations, rose 9 per cent in September, the first advance since last January. Increased activity was reported in many lines of industry including textiles, iron and steel, and coal. Factory employment increased 2 per cent during September, reflecting larger working forces in nearly all reporting industries. Average weekly earnings of industrial workers increased slightly, owing to a decrease in the extent of part-time employment. Building contracts awarded showed a small seasonal decline in September, but were considerably larger than a year ago.

Crop conditions, as reported by the Department of

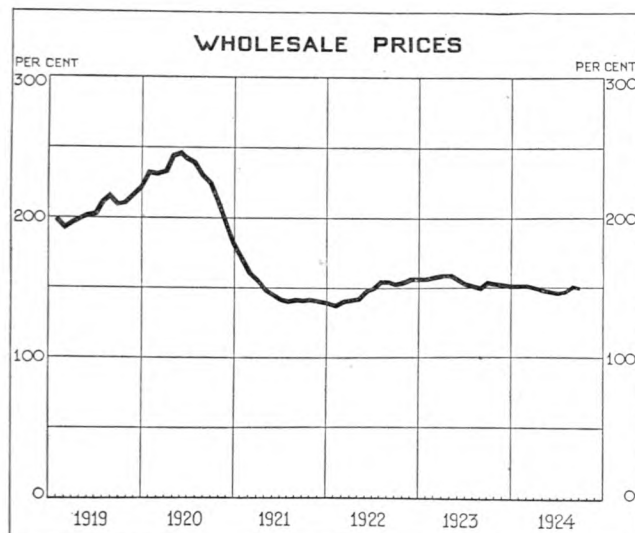
Agriculture, showed a further slight improvement during September, and the estimates of production for spring wheat, oats, barley, and white potatoes on October 1 were larger than the month before. Estimates of the yields of corn, tobacco, and cotton, however, were reduced. Marketing of wheat was exceptionally heavy in September and exports of wheat and cotton were larger than for the same month of any recent year.

Distribution of commodities, as reflected in railroad shipments, increased during September and was greater than last year, owing to larger loadings of miscellaneous merchandise, grain, and coal.

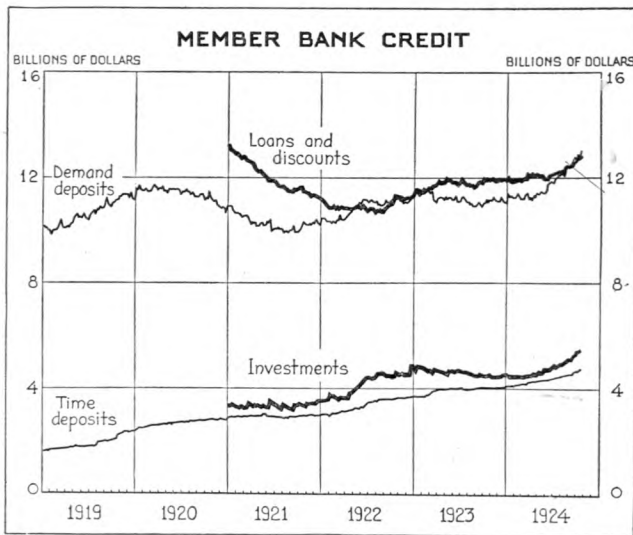
Wholesale trade was 11 per cent larger than in August, as a result of increased business in almost all reporting lines. Sales of groceries and drugs were larger than a year ago, while sales of meat and shoes were smaller. Retail trade showed more than the usual seasonal increase in September, and sales of



Index of 22 basic commodities corrected for seasonal variation (1919 = 100). Latest figure—September, 102.



Index of U. S. Bureau of Labor Statistics (1913 = 100, base adopted by Bureau). Latest figure—September, 149.



Weekly figures for member banks in 101 leading cities. Latest figure—October 15.



Index for 33 manufacturing industries (1919=100). Latest figure—September, 90.

department stores and mail order houses were considerably larger than last year. Merchandise stocks at department stores increased more than usual during September, but continued to be slightly smaller than a year ago.

Wholesale prices of farm products, clothing, fuel, and metals declined somewhat in September, while prices of food products, building materials, and chemicals advanced. The general level of prices, as measured by the Bureau of Labor Statistics index, was slightly lower in September than in August. During the first half of October quotations on wheat, flour, cattle, hogs, wool, and rubber increased, while prices of cotton, lumber, and gasoline declined.

During the five weeks ending October 15 loans and investments of reporting member banks in leading cities increased by more than

Bank credit

\$600,000,000. Credit demand for financing the marketing of crops and the fall activity of trade were reflected in increased

commercial loans throughout the country and the total volume of these loans rose to a level considerably above the peak of October, 1923. Member bank investments in securities continued to increase and loans on stocks and bonds also advanced. A further growth of demand deposits carried their total to the highest figure on record.

At the Federal reserve banks, discounts changed but little in September and declined in the first three weeks of October, while holdings of acceptances increased considerably and there was also some increase in United States securities. As a consequence, total earning assets were larger than at any time since early in the year. Larger currency requirements partly seasonal in character were reflected between August 1 and October 1 in an increase of \$140,000,000 in the total volume of money in circulation.

Money rates in the New York market remained relatively constant in the latter part of September and the early part of October. On October 15 the discount rate of the Federal Reserve Bank of Minneapolis was reduced from 4½ to 4 per cent.

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SUMMARY OF BUSINESS CONDITIONS IN THE THIRD FEDERAL RESERVE DISTRICT

Business activity has continued to increase during the past month, but at a somewhat slower rate than in early September. This hesitation was evidenced by a slight decline in the general price level, and by a reduction in orders for delivery in the future. Production of basic commodities, however, expanded considerably in September, and a further increase in factory employment during the first part of October indicates that output has continued to grow. Money rates, though slightly firmer, have shown little change since last month.

Though most textile products are still in good request, during the middle of October there was a slight slackening in demand, which affected nearly all branches of the industry. The iron and steel market has not improved as much as was hoped, although conditions vary in different branches; sales of some products have increased, but those of others have declined. In spite of the lateness of the season, building materials are in fair request, and in most cases show an improvement since last month. This is not surprising in view of the large total of contemplated construction, which was evidenced by the estimated value of building permits issued during September. Activity in the leather trades also continues at a high rate, and shoe manufacturers are again increasing their production schedules. Encouraging reports are also received from other industries, such as paper, paper boxes, cigars and coal.

The harvest season has been favored with excellent weather and this, together with an ample supply of labor, has enabled farmers to make good progress in gathering their crops. Though yields are generally lower than they were a year ago, this is largely offset by higher prices for most farm products.

In September, employment at industrial establishments in Pennsylvania, New Jersey, and Delaware increased for the second consecutive month. At the same time there was an advance in total wages paid and in average weekly earnings. Preliminary reports for October from 497 firms showed an increase of 1.1 per cent in the number of employees, a somewhat smaller gain than took place in September.

The distribution of goods, as measured by revenue freight car loadings and by wholesale and retail trade,

showed the usual seasonal increase in September. Freight car loadings in the Allegheny district were only slightly below those of a year ago, and sales at wholesale were larger than during the previous month in all but one of the eight lines reporting to this Bank, and in only three trades were they below those of a year ago. A similar expansion took place in retail trade, which was 1.2 per cent ahead of that in September, 1923.

The index of wholesale prices, prepared by the Bureau of Labor Statistics, was 148.8 in September as compared with 149.7 in August, and 153.7 in September, 1923. A rearrangement by the Federal Reserve Board of the items included in the index shows that raw materials and producers' goods declined quite sharply as compared with prices of a year ago, but that consumers' goods were unchanged at a level considerably higher in proportion to the pre-war base than either of the foregoing groups.

Interest rates have remained practically unchanged since last month, and prime commercial paper continues to sell at 3 to 3 $\frac{1}{4}$ cent.

EMPLOYMENT AND WAGES

Evidence of further expansion in industrial operations is seen in the fact that employment and wages at manufacturing establishments of Pennsylvania, New Jersey and Delaware continued to advance in September. Employment increased 2.1 per cent in September following an increase of 1 per cent in August and average weekly earnings have made a total advance of more than 5 per cent since July. This means that during the months of August and September, the operations of manufacturing establishments in these three states have expanded more than 8 per cent.

Although the majority of the 48 industries included in the survey shared in this improvement, the most important increases occurred in the textile products and foods and tobacco groups. Employment at textile mills was 5 per cent greater than in August, and the increase at carpet mills, woolen and worsted mills and at dyeing and finishing establishments was even greater than this. Canneries and confectionery and ice cream plants were principally responsible for the

**EMPLOYMENT AND WAGES
IN PENNSYLVANIA, NEW JERSEY AND DELAWARE**

Group and industry	Number of plants reporting	Number of wage earners— week ended			Total weekly wages— week ended			Average weekly earnings— week ended		
		Sept. 15, 1924	Aug. 15, 1924	Per cent change	Sept. 15, 1924	Aug. 15, 1924	Per cent change	Sept. 15, 1924	Aug. 15, 1924	Per cent change
All industries: (48)	1,024	354,711	347,358	+ 2.1	\$8,960,879	\$8,683,948	+ 3.2	\$25.26	\$25.00	+ 1.0
Metal manufactures:	343	164,692	164,452	+ 0.1	4,296,060	4,269,664	+ 0.6	26.09	25.96	+ 0.5
Automobiles, bodies, and parts . . .	23	6,629	6,310	+ 5.1	181,554	167,517	+ 8.4	27.39	26.55	+ 3.2
Car construction and repair	14	13,891	14,650	- 5.2	361,241	383,249	- 5.7	26.01	26.16	- 0.6
Electrical machinery and appa- ratus	39	15,880	15,408	+ 3.1	382,788	370,801	+ 3.2	24.11	24.07	+ 0.2
Engines, machines, and machine tools	36	11,496	11,255	+ 2.1	289,441	295,506	- 2.1	25.18	26.26	- 4.1
Foundries and machine shops . . .	70	10,795	11,012	- 2.0	276,976	281,101	- 1.5	25.66	25.53	+ 0.5
Heating appliances and appa- ratus	19	4,902	5,014	- 2.2	145,954	138,951	+ 5.0	29.77	27.71	+ 7.4
Iron and steel blast furnaces	10	12,120	12,058	+ 0.5	312,562	317,955	- 1.7	25.79	26.37	- 2.2
Iron and steel forgings	13	4,430	4,432	- 0	102,925	105,499	- 2.4	23.23	23.80	- 2.4
Steel works and rolling mills	47	43,469	42,186	+ 3.0	1,149,705	1,100,155	+ 4.5	26.45	26.08	+ 1.4
Structural iron works	11	2,964	2,848	+ 4.1	83,575	77,130	+ 8.4	28.20	27.08	+ 4.1
Miscellaneous iron and steel products	46	24,896	24,874	+ 0.1	642,534	621,816	+ 3.3	25.81	25.00	+ 3.2
Shipbuilding	9	9,929	11,044	-10.1	268,593	310,329	-13.4	27.05	28.10	- 3.7
Non-ferrous metals	6	3,291	3,361	- 2.1	98,212	99,655	- 1.4	29.84	29.65	+ 0.6
Textile products:	247	66,081	62,913	+ 5.0	1,390,294	1,320,070	+ 5.3	21.04	20.98	+ 0.3
Carpets and rugs	14	3,872	3,195	+21.2	95,466	76,856	+24.2	24.66	24.06	+ 2.5
Clothing	34	5,219	4,960	+ 5.2	89,515	85,681	+ 4.5	17.15	17.27	- 0.7
Hats, felt and other	7	5,173	5,131	+ 0.8	118,717	129,306	- 8.2	22.95	25.20	- 8.9
Cotton goods	23	6,304	6,133	+ 2.8	142,313	136,271	+ 4.4	22.58	22.22	+ 1.6
Silk goods	67	17,844	17,092	+ 4.4	336,786	335,923	+ 0.3	18.87	19.65	- 4.0
Woolens and worsteds	31	10,559	9,904	+ 6.6	241,562	213,250	+13.3	22.88	21.53	+ 6.3
Knit goods and hosiery	46	8,999	8,779	+ 2.5	172,317	154,484	+11.5	19.15	17.60	+ 8.8
Dyeing and finishing textiles	17	6,035	5,710	+ 5.7	151,005	146,632	+ 3.0	25.02	25.68	- 2.6
Miscellaneous textile products . . .	8	2,076	2,009	+ 3.3	42,613	41,667	+ 2.3	20.53	20.74	- 1.0
Foods and tobacco:	89	28,385	25,653	+10.6	655,810	572,704	+14.5	23.10	22.33	+ 3.4
Bakeries	20	3,812	3,773	+ 1.0	104,876	102,198	+ 2.6	27.51	27.09	+ 1.6
Canneries	9	4,663	2,985	+56.2	107,435	58,632	+83.2	23.04	19.64	+17.3
Confectionery and ice cream	21	6,319	5,913	+ 6.9	129,751	121,755	+ 6.6	20.53	20.59	- 0.3
Slaughtering and meat packing . .	12	2,608	2,521	+ 3.5	71,293	66,037	+ 8.0	27.34	26.19	+ 4.4
Sugar refining	4	4,223	4,071	+ 3.7	137,187	127,656	+ 7.5	32.49	31.36	+ 3.6
Cigars and tobacco	23	6,760	6,390	+ 5.8	105,268	96,426	+ 9.2	15.57	15.09	+ 3.2
Building materials:	78	20,694	20,380	+ 1.5	579,228	564,180	+ 2.7	27.99	27.68	+ 1.1
Brick, tile, and terra cotta prod- ucts	23	3,379	3,314	+ 2.0	85,021	86,991	- 2.3	25.16	26.25	- 4.2
Cement	15	7,999	8,064	- 0.8	232,443	236,864	- 1.9	29.06	29.37	- 1.1
Glass	24	4,934	4,782	+ 3.2	118,979	112,800	+ 5.5	24.11	23.59	+ 2.2
Pottery	16	4,382	4,220	+ 3.8	142,785	127,525	+12.0	32.58	30.22	+ 7.8
Chemicals and allied products:	73	28,582	28,434	+ 0.5	873,148	836,889	+ 4.3	30.55	29.43	+ 3.8
Chemicals and drugs	40	7,561	7,271	+ 4.0	204,077	194,284	+ 5.0	26.99	26.72	+ 1.0
Explosives	10	2,624	2,479	+ 5.8	69,986	68,330	+ 2.4	26.67	27.56	- 3.3
Paints and varnishes	13	1,306	1,332	- 2.0	33,558	34,820	- 3.6	25.70	26.14	- 1.7
Petroleum refining	7	16,237	16,498	- 1.6	540,973	514,332	+ 5.2	33.32	31.18	+ 6.9
Coke	3	854	854	0	24,554	25,123	- 2.3	28.75	29.42	- 2.3
Miscellaneous industries:	194	46,277	45,526	+ 1.6	1,166,339	1,120,441	+ 4.1	25.20	24.61	+ 2.4
Lumber and planing mill prod- ucts	8	2,627	2,818	- 6.8	50,839	58,029	-12.4	19.35	20.59	- 6.0
Furniture	22	3,005	2,780	+ 8.1	75,457	67,192	+12.3	25.11	24.17	+ 3.9
Musical instruments	5	8,032	7,859	+ 2.2	217,712	213,090	+ 2.2	27.11	27.11	0
Leather tanning	33	7,247	7,057	+ 2.7	183,084	175,710	+ 4.2	25.26	24.90	+ 1.4
Leather products	8	576	561	+ 2.7	12,959	11,225	+15.4	22.50	20.01	+12.4
Boots and shoes	29	5,372	5,308	+ 1.2	104,687	101,885	+ 2.8	19.49	19.19	+ 1.6
Paper and pulp products	23	5,564	5,096	+ 9.2	134,932	121,294	+11.2	24.25	23.80	+ 1.9
Printing and publishing	24	3,570	3,600	- 0.8	114,004	108,652	+ 4.9	31.93	30.18	+ 5.8
Rubber tires and goods	19	5,466	5,432	+ 0.6	150,265	132,534	+13.4	27.49	24.40	+12.7
Novelties and jewelry	11	2,320	2,425	- 4.3	53,115	56,554	- 6.1	22.89	23.32	- 1.8
All other industries	13	2,498	2,590	- 3.6	69,285	74,276	- 6.7	27.74	28.68	- 3.3

increase of 10.6 per cent in the foods and tobacco group.

Although all the other groups of manufactures also registered increases in employment from August to September, there were a few conspicuous declines in individual industries. The most noticeable of these were in shipbuilding, planing mills and establishments manufacturing novelties and jewelry.

Average per capita earnings also increased in most of the industries, indicating longer working hours and fuller employment. Notable increases in earnings occurred at steel works and rolling mills, at factories making heating appliances and apparatus, woolen and worsted mills, knit goods and hosiery mills, canneries, potteries, petroleum refineries, leather products factories, printing and publishing plants and at establishments producing rubber tires and goods. Advance reports received from a large fraction of our reporting establishments indicate that both employment and wages continued to increase in October as compared with September.

FINANCIAL CONDITIONS

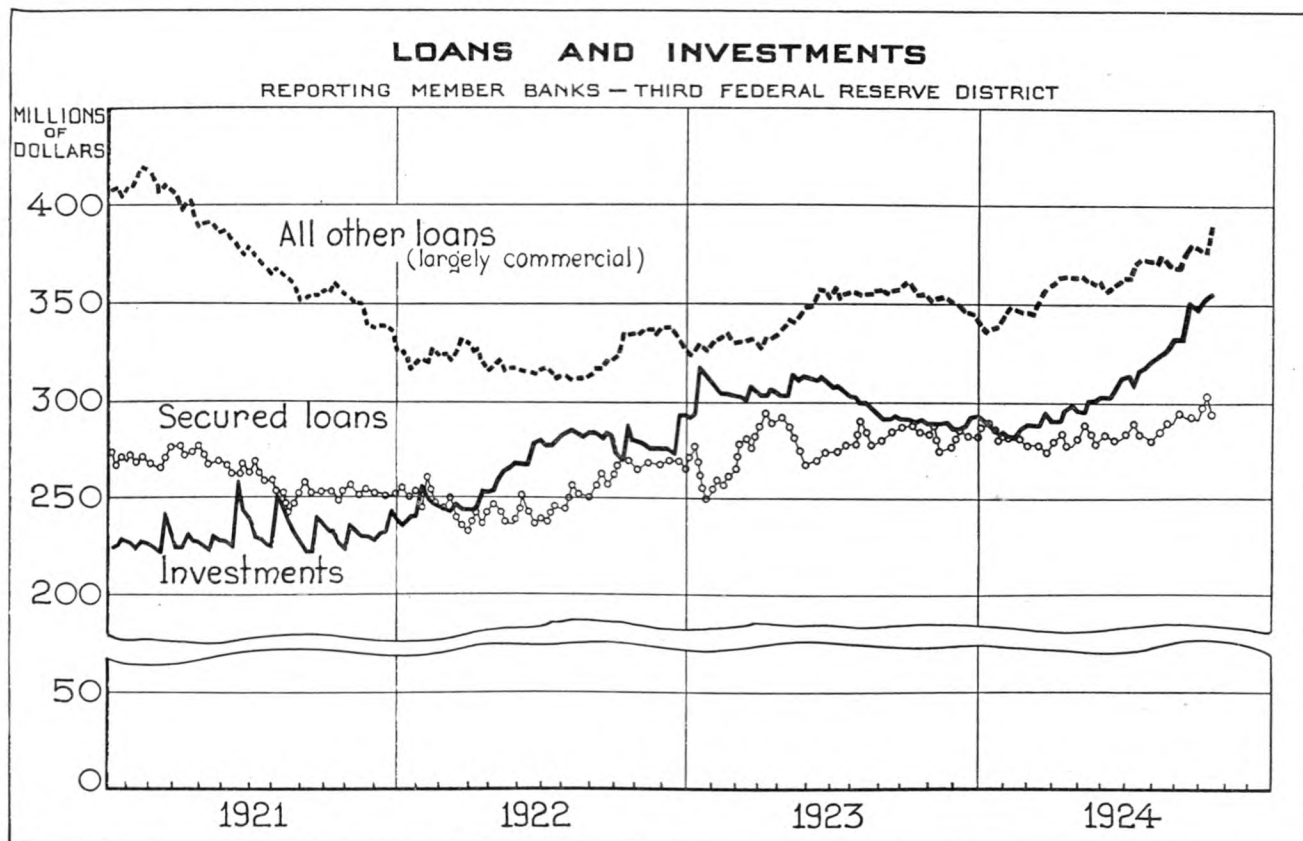
Debits to individual account at eighteen clearing houses in the Third District amounted to \$1,466,000,000 in the three weeks ended October 15. This is an increase of 8.3 per cent over the corresponding weeks

in September. A gain at this season is usual, but the increase this year is smaller than was the case in 1923 and in 1922. The total is very slightly in excess of the same period last year.

Secured loans at reporting member banks in this district were 294 millions on October 15, as compared with 292 millions on September 17. In the same four weeks all other (largely commercial) loans registered a much more striking increase, advancing from 380 to 389 millions. It is possible, however, that much of this advance was to be accounted for by purchases of bankers' acceptances or commercial paper, rather than by larger loans to customers. Holdings of United States securities remained practically unchanged at about 107 millions, but investments in other securities moved up from 244 to 249 millions.

These changes have raised the total of loans and investments from 1,024 to 1,039 millions in the period from September 17 to October 15. In 1923 the highest point reached by this combined total was 947 millions, after which a decline to 903 millions on January 23, 1924 ensued. The increase since that date has been almost continuous, amounting to 136 millions, or 15 per cent. Total deposits increased 143 millions or 18 per cent in the same time, and borrowings from the Federal Reserve Bank were reduced from 11 millions to only 5 millions.

In connection with the question of borrowings from



the Federal Reserve Bank, it is particularly interesting to note that the reporting banks in the four cities—Philadelphia, Camden, Scranton, and Wilmington,—were taking only 5.3 millions out of a total of 17.9 millions under discount for all member banks on October 15. This is only 30 per cent of the total, and contrasts strongly with corresponding percentages a year ago—60 per cent, and four years ago—78 per cent.

In the course of four weeks, from September 24 to October 22, the earning assets of the Federal Reserve Bank of Philadelphia increased from 52.5 to 58.7 millions, owing almost entirely to purchases of bills in the open market. Federal reserve note circulation and deposits advanced slightly, but total reserves declined from 250.3 to 245.2 millions, with the result that the reserve percentage fell from 89.3 to 87.1 per cent.

Money rates at New York are given in the table:

MONEY RATES AT NEW YORK

	Oct. 22, 1924	Sept. 22, 1924	Aug. 22, 1924
Call money renewals.....	2%	2%	2%
Time money, 60-90 days...	2¾-3%	2½-2¾%	2¾-3%
Commercial paper, prime...	3-3¼%	3¼%	3-3¼%
Bankers' acceptances, 90-day offer.....	2¼%	2-2½%	2¼%
Discount rate—F. R. Bank.	3%	3%	3%

The weighted average of the rate charged by eight of the larger banks in Philadelphia on four to six months customers' paper declined very slightly from 4.11 per cent on September 15 to 4.10 per cent on October 15. The rediscount rate of the Federal Reserve Bank here remains unchanged at 3½ per cent.

Prices of stocks declined during the past month, but the average of 40 bonds is somewhat higher than it was a month ago. The average of industrial stocks on October 22 was only \$3.59 below the peak for the year on August 20, and the average of 40 bonds was at its highest point.

AVERAGES OF SECURITY PRICES

	Oct. 22, 1924	Month ago	Year ago
Average of—			
20 industrial stocks*....	\$101.96	\$103.25	\$87.13
20 railroad stocks*.....	88.72	89.50	78.41
40 bonds*.....	90.77	90.62	86.50
4 Liberty bonds.....	102.31	102.31	97.85

* Dow-Jones averages.

Savings deposits, as reported by 99 banks in the Third Federal Reserve District, increased 0.1 per cent during September, and on October 1 were 6.9 per cent larger than they were a year before.

The records of 79 of these banks, which go back further, show that their deposits on October 1 were 16.9 per cent in excess of the figure on the same date two years ago. Data by cities follow:

SAVINGS DEPOSITS Third Federal Reserve District

Cities	Number of reporting banks	Change October 1, 1924, compared with	
		Previous month	Previous year
Allentown.....	9	-.7%	+8.7%
Altoona.....	5	+.3%	+14.7%
Bethlehem.....	5	-2.8%	+7.8%
Chester.....	5	+.1%	+3%
Easton.....	6	+1.7%	+17.2%
Harrisburg.....	4	-1.4%	+.4%
Johnstown.....	4	-.07%	+2.8%
Lancaster.....	3	-.8%	+16.0%
Philadelphia.....	9	+.2%	+6.0%
Reading.....	3	+.9%	+14.2%
Scranton.....	6	-1.4%	+11.0%
Trenton.....	6	+1.1%	+8.3%
Wilkes-Barre.....	5	+1.1%	+5.7%
Williamsport.....	4	-.3%	-.3%
Wilmington.....	6	-.03%	+6.1%
York.....	5	+.6%	+18.7%
Others.....	14	-.1%	+7.1%
Totals.....	99	+.1%	+6.9%

A very material improvement in the demand for bankers' acceptances in the Third District was noted by dealers in the period from September 11 to October 15.

Bankers' acceptances

Weekly sales to the Federal Reserve Bank by the five reporting dealers increased from \$104,000 in the preceding period to \$474,000, and sales to others (chiefly local banks) advanced from \$75,000 to \$506,000. This latter figure has been surpassed only three times since these reports were started in March, 1922. Purchases of acceptances in this district by dealers also reached a high figure, being exceeded only once in the past two years. Apparently the local supply of these bills has substantially increased. This is borne out by the fact that twelve member banks accepted bills to a total amount of \$6,038,000 in the month ended October 10, as compared with \$3,284,000 a month ago, and \$3,082,000 a year ago. The records must be searched as far back as November, 1921, to find a figure even slightly in excess of this.

Dealers' transactions in the Third District follow:

SYNOPSIS OF BUSINESS CONDITIONS

Compiled as of October 23, 1924

Third Federal Reserve District

Business	Demand	Prices	Finished stocks	Labor		Collections
				Supply	Wages	
Automobiles	Fair to good	Some advances— some declines	Light to heavy			Poor to good
Cement	Good	Unchanged	Light	Sufficient	Unchanged	Fair to good
Cigars	Fair to good	Firm	Moderate to light	Sufficient	Unchanged	Fair
Clothing	Fair	Unchanged	Moderate	Sufficient	Unchanged	Fair to poor
Coal, anthracite	Fair to good	Unchanged to higher		Some scarcity	Unchanged	Fair
Coal, bituminous	Fair	Unchanged to higher		Sufficient	Unchanged	Fair
Coke	Fair	Unchanged		Sufficient	Unchanged	Fair
Cotton goods	Fair to good	Firm	Moderate	Sufficient	Unchanged	Fair to good
Cotton yarns	Fair	Firm	Moderate	Sufficient	Unchanged	Fair to good
Drugs, wholesale	Fair to good	Unchanged to lower	Moderate			Fair
Drygoods, wholesale	Fair to good	Firm	Moderate			Fair to good
Electrical supplies, wholesale	Fair	Firm	Moderate			Fair
Floor coverings	Fair to good	Firm	Moderate	Sufficient	Unchanged	Fair to good
Flour	Fair	Higher	Moderate	Sufficient	Unchanged	Fair
Groceries, wholesale	Good	Higher	Moderate to heavy			Fair to good
Hardware, wholesale	Fair	Some advances— some declines	Moderate			Fair
Hosiery, full-fashioned	Fair to good	Unchanged	Moderate	Sufficient	Unchanged	Fair to good
Hosiery, seamless	Fair to good	Unchanged	Moderate	Sufficient	Unchanged	Fair to good
Iron and steel	Fair	Unchanged to lower	Moderate	Sufficient	Unchanged	Fair
Jewelry, wholesale	Fair to good	Unchanged	Moderate			Fair
Leather belting	Fair	Unchanged	Moderate	Sufficient	Unchanged	Good
Leather, heavy	Fair to good	Higher	Moderate	Sufficient	Unchanged	Good
Leather, upper	Fair to good	Unchanged to higher	Moderate	Sufficient	Unchanged	Good
Lumber	Fair	Unchanged to lower	Moderate	Sufficient	Unchanged to lower	Fair to good
Paint	Fair	Firm	Moderate to light	Sufficient	Unchanged	Fair
Paper	Fair to good	Firm	Moderate	Sufficient	Unchanged	Fair to good
Paper, wholesale	Fair to good	Firm	Moderate			Fair
Paper boxes	Fair to good	Unchanged	Moderate	Slight scarcity skilled	Unchanged	Fair to good
Shoes, manufacture	Fair to good	Unchanged	Moderate	Sufficient	Unchanged	Good
Shoes, retail	Fair to good	Unchanged	Light to moderate			Fair
Shoes, wholesale	Fair to good	Unchanged	Light to moderate			Fair to good
Silk goods	Fair	Unchanged	Moderate	Sufficient	Unchanged	Fair to good
Underwear, heavy-weight	Fair to good	Unchanged	Moderate	Sufficient	Unchanged	Fair
Underwear, light-weight	Fair	Unchanged	Moderate	Sufficient	Unchanged	Fair
Woolen and worsted goods	Fair to good	Firm	Moderate	Sufficient	Unchanged	Good
Woolen and worsted yarns	Fair to good	Firm	Moderate	Sufficient	Unchanged	Good

TRANSACTIONS IN BANKERS' ACCEPTANCES

Weekly averages for periods ending—	Sales in Third District		Purchases in Third District
	To Federal Reserve Ba	To others	
1924—			
October 15.....	\$474,000	\$506,000	\$1,095,000
September 10.....	104,000	75,000	139,000
August 13.....	0	13,000	38,000
1923—			
October 10.....	2,520,000	281,000	424,000

Banks continue to purchase commercial paper in fair amounts but only on a few days during October has the market been active. All

Commercial paper though as a rule dealers' lists are small, some have a good number of names. Rates have been steady, the best names selling at 3 and 3¼ per cent. Sales at the lower figure are mostly for shorter maturities but some six months' paper has been marketed at that rate. A considerable volume has also been sold at 3½ per cent, but above that rate transactions have been few. Dealers report that the Chicago market has shown great activity and that large amounts of paper have been sold there at both 3 and 3¼ per cent.

During September the sales of five dealers in this district amounted to \$9,685,000, as compared with \$7,432,500 in August and \$6,272,000 in September, 1923. The total sold to Philadelphia institutions was \$6,042,500 and to outside banks \$3,642,500. The rates at which transactions were made varied from 3 to 4¾ per cent. But over 98 per cent of the total was at 3½ per cent or less with the largest amount at 3¼ per cent, and of the paper sold at 4 per cent and over a considerable part was non-rediscountable.

Activity in the local foreign exchange market during the past month has been confined chiefly to the usual trading in some of the more

Foreign exchange important European currencies and no outstanding developments have occurred in this locality. In the foreign markets, however, considerable interest has been manifested in the movement of sterling, following the call for a general election in England. Since that time buying has increased and sterling has risen in value until quotations on October 23 stood at \$4.5008 representing a gain of .0417 over the figure listed on the corresponding date of the previous month. On the other hand French francs declined and on October 23 were quoted at \$.0523, a loss of .0004 points from the price listed on September 23. No great changes have occurred in the values of other European currencies; Swiss francs, Dutch guilders and Spanish pesetas are higher than

they were a month ago but Belgian francs and Italian lire have depreciated.

South American currencies are appreciably stronger than they were in September; in fact on October 7 Argentine gold pesos were listed at \$.8530, a record high level, representing a gain of nearly 7 cents in four weeks. Quotations for Japanese yen, however, declined at one time during the month to within a few points of a record low. On October 23 they were marked at \$.3870, as compared with \$.4003 on September 23. Canadian dollars are stronger than they were a month ago and on October 23 were quoted at \$.999789.

FOREIGN EXCHANGE RATES

Noon cables	Par	Oct. 23, 1924	Sept. 23, 1924	Oct. 23, 1923
London.....	\$4.8665	\$4.5008	\$4.4591	\$4.4820
Paris.....	.1930	.0523	.0527	.0576
Antwerp.....	.1930	.0480	.0486	.0491
Milan.....	.1930	.0435	.0438	.0442
Vienna.....	.2026	.000014	.000014	.000014
Amsterdam.....	.4020	.3935	.3856	.3876
Copenhagen.....	.2680	.1726	.1713	.1733
Stockholm.....	.2680	.2661	.2661	.2625
Madrid.....	.1930	.1343	.1322	.1325
Berne.....	.1930	.1923	.1893	.1778
Buenos Aires.....	.9648	.8339	.8068	.7201
Shanghai.....	.8051	.7662	.7580	.6975
Yokohama.....	.4985	.3870	.4003	.4880

RETAIL TRADE

Exceptionally mild and clear weather during the first three weeks of this month caused a slowing up in purchases of fall and winter merchandise at retail. Consequently most retailers report that October sales are smaller than they were in the same month of last year and not as large as they were last month. Employment is increasing slightly, but the gain is not large enough to show much effect on retail trade. Consumers continue to buy very carefully, even of necessities, and big price-reduction sales are still the chief means of obtaining business.

Fall suits, topcoats and winter clothing are the best sellers in men's apparel. Suits, hats, furs and coats are the most active items in women's apparel. Department stores report that blankets, comforts, children's coats and dresses, flannelettes, fall hosiery, medium and heavy-weight underwear, woolens and some silks are in good request. Carpets and rugs, stoves, heaters and household furniture are also selling well.

Prices are firm and show little change from those of last month. A tendency to advance prices on fall goods is apparent, but the actual increases are very small.

Retail sales in this district during September were

RETAIL TRADE
Third Federal Reserve District

	Index number (per cent of 1923 monthly average)	Comparison of net sales		Comparison of stocks		Rate of turnover*	
		Sept., 1924, with Sept., 1923	July 1 to Sept. 30, 1924, with July 1 to Sept. 30, 1923	Sept. 30, 1924, with Sept. 30, 1923	Sept. 30, 1924, with Aug. 31, 1923	July 1 to Sept. 30, 1924	July 1 to Sept. 30, 1923
All reporting firms.....	84	+ 1.2%	- 1.2%	+ 0.5%	+12.1%	2.6	2.6
Firms in—Philadelphia.....	87	+ 5.7 "	- 0.3 "	+ 1.2 "	+12.9 "	3.0	3.0
—Allentown, Bethlehem & Easton..	80	- 5.1 "	- 1.7 "	- 2.6 "	+11.7 "	2.0	2.0
—Altoona.....	74	-16.2 "	-11.8 "	- 4.9 "	+10.9 "	2.2	2.4
—Chester.....	77	-10.0 "	+ 1.8 "	.....	.....	.....	.....
—Harrisburg.....	91	+ 1.5 "	- 2.1 "	+ 5.7 "	+ 9.7 "	1.9	2.1
—Johnstown.....	61	-26.3 "	-16.6 "	+ 9.3 "	+11.2 "	2.0	2.6
—Lancaster.....	75	- 8.0 "	- 3.6 "	- 7.1 "	+13.2 "	2.1	2.1
—Reading.....	69	-11.5 "	- 6.1 "	- 4.5 "	+ 7.5 "	1.7	1.8
—Scranton.....	81	- 2.3 "	.0 "	- 1.8 "	+10.9 "	2.3	2.2
—Trenton.....	80	- 1.8 "	- 6.0 "	-10.0 "	+ 8.5 "	2.4	2.3
—Wilkes-Barre.....	87	+ 1.2 "	+ 6.8 "	+ 7.8 "	+15.3 "	2.5	2.5
—Williamsport.....	79	- 4.3 "	- 7.4 "	- 6.9 "	+ 7.4 "	1.7	1.8
—Wilmington.....	79	- 0.4 "	+ 3.3 "	+ 5.3 "	+11.3 "	1.7	1.6
—York.....	80	- 8.5 "	- 5.6 "	- 2.2 "	+15.7 "	2.0	2.1
—All other cities.....	89	+ 0.9 "	+ 4.3 "	- 1.1 "	+ 7.7 "	2.2	2.1
All department stores.....	85	+ 2.1 "	- 1.5 "	+ 0.2 "	+11.8 "	2.6	2.7
—in Philadelphia.....	.....	+ 5.5 "	- 0.8 "	+ 0.7 "	+12.6 "	2.9	2.9
—outside Philadelphia.....	.....	- 5.4 "	- 2.9 "	- 0.8 "	+10.4 "	2.2	2.2
All apparel stores.....	84	+ 6.5 "	+ 1.8 "	+ 2.6 "	+14.2 "	2.9	2.9
Men's apparel stores.....	78	- 3.0 "	- 0.9 "	+ 3.9 "	+ 4.6 "	1.7	1.8
—in Philadelphia.....	.....	+ 5.6 "	+ 2.1 "	+ 3.2 "	- 6.9 "	1.9	2.0
—outside Philadelphia.....	.....	-10.5 "	- 3.3 "	+ 4.4 "	+15.6 "	1.5	1.6
Women's apparel stores.....	77	+13.6 "	+ 8.4 "	+ 2.9 "	+27.9 "	4.4	4.1
—in Philadelphia.....	.....	+20.3 "	+12.0 "	+ 7.3 "	+28.2 "	4.9	4.7
—outside Philadelphia.....	.....	-13.6 "	- 7.1 "	- 9.7 "	+26.9 "	2.7	2.6
Credit houses.....	86	- 9.6 "	- 6.7 "	+ 3.4 "	+10.4 "	2.2	2.3
Shoe stores.....	85	+ 0.2 "	+ 5.5 "	- 3.1 "	+15.3 "	2.3	2.1

* Times per year based on cumulative period.

2.1 per cent larger than those of September, 1923, and also 23.4 per cent greater than those of August. The only group of stores whose sales were smaller than those of August were credit stores, but this was to be expected after the big August furniture sales. Department store sales were 25.0 per cent greater, those of men's apparel stores 21.0 per cent larger, and sales of women's apparel 35.6 per cent greater than in August. As compared with September, 1923, sales of department stores showed a gain of 2.1 per cent and of women's apparel stores an increase of 13.6 per cent, but men's apparel and credit stores showed a loss of 3.0 per cent and 9.6 per cent, respectively.

WHOLESALE TRADE

Estimates of wholesale trade in October indicate that it will be fully as large as it was in September. All lines report fair activity and a general stability of prices. Most groceries have advanced slightly but

drugs as a whole are somewhat lower. In the other six trades changes in quotations are negligible.

During September, sales in all reporting lines except paper were larger than in August and in paper the decrease is explained below. The gains too were large in boots and shoes, jewelry, drygoods, electrical supplies and groceries. As compared with sales in September, 1923, five trades showed an increase and three were smaller. Stocks show no particular trend; four lines are larger and four have decreased as compared both with the previous month and with the previous year. Collections improved during September in all lines, except paper, and are also better than in September, 1923, except in hardware, jewelry and paper.

The call for drugs is good and reports from wholesalers indicate that sales are slightly larger than they were last month and greater than in October, 1923. Medicines for coughs and colds, toilet preparations and staples are at present the best sellers. The botanical drug market is fairly active and prices, though

WHOLESALE TRADE

Third Federal Reserve District

	Net sales Sept., 1924, compared with		Stocks Sept., 1924, compared with		Accounts outstanding Sept., 1924, compared with		Ratio of accounts outstanding to sales		
	Aug., 1924	Sept., 1923	Aug., 1924	Sept., 1923	Aug., 1924	Sept., 1923	Sept., 1924	Aug., 1924	Sept., 1923
Boots and shoes.....	+65.8%	+ 5.1%	-6.2%	-20.8%	+25.5%	-19.0%	177.4%	243.8%	232.7%
Drugs.....	+ 5.7"	+ 9.2"	-0.1"	- 8.3"	+ 3.3"	+ 3.6"	148.4"	151.6"	152.1"
Drygoods.....	+34.9"	-15.4"	+7.4"	- 1.6"	+17.0"	-15.9"	196.9"	226.9"	198.1"
Electrical supplies.....	+19.7"	+ 5.8"	+6.3"	- 9.7"	+ 7.8"	- 5.7"	141.3"	156.9"	158.5"
Groceries.....	+12.9"	+ 3.2"	+6.2"	+ 4.1"	+10.4"	- 0.1"	107.3"	108.4"	109.3"
Hardware.....	+ 4.9"	+ 0.7"	-0.5"	+ 4.8"	+ 4.2"	+ 7.4"	180.6"	182.6"	169.1"
Jewelry.....	+38.6"	- 4.0"	-4.3"	+ 1.3"	+15.3"	+ 4.9"	279.7"	335.9"	258.7"
Paper.....	- 2.7"	- 6.3"	+3.3"	+10.9"	- 1.0"	+ 0.8"	162.4"	159.5"	151.0"

lower than they were early this month, are about the same as they were at the close of last month. The fine chemical and drug market is not quite as active as it was a month ago and prices are somewhat lower. As is shown in the following table, the indexes compiled by the "Oil, Paint and Drug Reporter" are lower than they were earlier in the month.

	Price index of 40 botanical drugs		Price index of 35 drugs and fine chemicals	
	1924	1923	1924	1923
September 22.....	127.2	123.3	203.9	214.3
September 29.....	127.0	123.5	203.2	212.4
October 6.....	128.2	123.6	202.1	208.1
October 13.....	127.0	123.6	202.1	206.1
October 20.....	126.9	123.8	201.7	204.9

Sales during September were 5.7 per cent larger than those of August and 9.2 per cent greater than those of September, 1923. Stocks at the close of September were practically the same as at the close of August, but were 8.3 per cent smaller than they were a year ago. The ratio of accounts outstanding to sales was 148.4 in September, as compared with 151.6 in August and 152.1 in September, 1923.

During September the net sales of 6 wholesale electrical firms in this district were 19.7 per cent greater than they were in the preceding month and 5.8 per cent in excess of those in September, 1923.

Electrical supplies According to reports received from these firms the call for electrical supplies so far this month, though not regarded as better than fair, exceeds that during the preceding month. Contractors now engaged in finishing up work on new buildings are taking sizeable orders of wiring and fixtures and retail dealers of radio supplies, in filling their usual seasonal require-

ments, are ordering substantial quantities of these, in both parts and completed units.

Prices are firm; indeed in only one instance are established quotations said to be lower than they were a month ago, though practically all reports indicate that they are not as high as they were in September of last year. Stocks on hand at the close of last month were 6.3 per cent heavier than they were on the last day of August but 9.7 per cent lighter than those reported on September 30, 1923. Collections may be classified as scarcely fair. The ratio of accounts outstanding to sales during September was 141.3, as compared with 156.9 in the preceding month and 158.5 in September of last year.

The net sales of 31 wholesale hardware firms in the Third Federal Reserve District during September were 4.9 per cent greater than they were in the preceding month and 0.7 per cent larger than during

September of last year. During the present month, demand has been generally fair and stronger than it was in the preceding thirty days. Building materials continue to move in good volume and the settled weather so far this month has assisted materially in maintaining the call for farm hardware. Some dealers report that plumbing and heating equipment are in good request while still others say that mine and mill supplies comprise the major part of their deliveries.

Prices for the most part are the same as they were a month ago, though quotations for some seasonal articles have advanced while others have declined. As compared with those listed at this time last year, however, they are in nearly all instances lower. Stocks on hand at the end of September were 0.5 per cent lighter than they were on the last day of the preceding month, but 4.8 per cent heavier than on September 30, 1923. Collections during the past month may be designated as fair. In September the ratio of accounts outstanding to sales was 180.6 as against

182.6 in the month before and 169.1 during September of last year.

Sales by wholesale jewelers are about keeping pace with those of last year, which were among the largest on record. Though some dealers state that nearly all of the orders are for prompt shipment, others

have booked more business for delivery during the balance of the year than they had on the same date of 1923. The demand includes practically all lines handled by the trade, and watches, diamonds, wedding rings, and fancy platinum mountings are in especially good request. Prices continue steady and unchanged.

During September sales were 38.6 per cent larger than in August but were 4.0 per cent smaller than in September, 1923, though half of the firms reporting showed a gain as compared with a year ago. Stocks on September 30 were 4.3 per cent lower than on August 31, but were 1.3 per cent heavier than on September 30, 1923. This latter figure was principally the result of a large increase by one firm. The ratio of accounts outstanding to sales stood at 279.7 on September 30, 335.9 on August 31 and 258.7 on September 30, 1923.

Wholesale shoe dealers report that the demand during the first half of October was at least fully equal to that of the previous month.

All orders call for shipment either in October or early in November and prices are firmly maintained; indeed in a few cases advances are asked. All lines, men's, women's and children's, are sharing in the demand and, as is usual at this season, slippers for the Christmas trade are in good request. For men, oxfords and boots in calf both in tan and black are in request and for women, although pumps of patent leather, satin, velvet, and black suede continue to be called for, the demand for tan calf in pumps and oxfords is increasing.

During September sales were larger by 65.8 per cent than in August and by 5.1 than in September, 1923. A majority of the reports, however, show a decrease as compared with a year ago, but this was more than offset by the gains made by a few dealers. Stocks, which are usually heavy at the end of September, were smaller by 6.2 per cent than on August 31, and by 20.8 per cent than on September 30, 1923. The ratio of accounts outstanding to sales was 177.4 on September 30, 243.8 on August 31 and 232.7 on September 30, 1923.

Preliminary reports indicate that sales of drygoods at wholesale will be slightly larger in October than they were in September. In 1923, October sales were 1 per cent smaller than those of the previous month. Buying continues to be almost entirely for prompt delivery and only one wholesaler reports that any orders are for shipment beyond 60 days, and in this case only 10 per cent of the orders booked are

for this late delivery. Wholesalers, too, are buying cautiously and their outstanding purchases are smaller than they were a year ago.

Prices are steady and have shown little change during the month, although some dealers report slight reductions for notions and cotton hosiery. Among the articles for which the demand has been good are underwear, hosiery, sweaters, shirts, gloves, outing flannels, blankets, handkerchiefs, bureau scarfs and table covers.

Sales during September were 34.9 per cent larger than in August, but 15.4 per cent smaller than in September, 1923. Stocks are somewhat heavier than they were a month ago but show little change as compared with September, 1923. The ratio of accounts outstanding to sales was 196.9 on September 30, 226.9 on August 31 and 198.1 on September 30, 1923.

Most grades of paper are in slightly better demand than they were a month ago and sales at wholesale are somewhat greater than they were last month. Newsprint, book and fine papers are in good

request. The call for wrapping and kraft papers is larger than it has been since early last spring. Box cover papers are selling well and the demand for boxboards is increasing. Building papers, building board, crepe towels, toilet tissues and fine tissues are in only fair request. Prices of practically all papers are firm and unchanged. The cheaper grades of fibre papers are the only ones to display weakness and they are $\frac{1}{4}$ -cent per pound lower than they were a month ago. Stocks at the close of September were slightly larger than at the end of August and greater than at the close of September, 1923. Jobbers are buying approximately the same quantity of merchandise as they took in October of last year. Collections are fair.

September sales of the majority of houses reporting to us were larger than those of August, but, chiefly because of the exceptionally large sales in August of one big firm, the total of sales in September was 2.7 per cent smaller than in August. However, they were 6.3 per cent less than the sales in September, 1923. The ratio of accounts outstanding to sales was 162.4 in September as compared with 159.5 in August and 151.0 in September, 1923.

Groceries are in good demand and October sales are slightly larger than those of last month and those of a year ago. Canned goods of all kinds, dried beans, buckwheat and pancake flour, mince meat,

dried fruits, sugar, syrups, coffee, raisins and cider are the best sellers. Delivery on futures of canned goods is now taking place and rising prices are bringing additional buyers into the market, so that the demand is heavy. Prices show a continued trend upward. Canned vegetables, salt, sugar, coffee, tea, syrup, fruits, nuts, corn flakes, flour, dried beans, lard, spices and some kinds of soap are higher than they were a month ago;

only vinegar, canned tuna fish and cottonseed oil are lower.

Sales during September were 12.9 per cent larger than in August and 3.2 per cent greater than in September, 1923. Stocks on hand at the close of September were considerably larger than at the end of August and greater than at the same time last year. The ratio of accounts outstanding decreased from 108.4 in August to 107.3 in September.

FLOUR

The further advance in flour and wheat prices this month has not influenced buyers of flour to make larger commitments for future needs. Hand-to-mouth buying is still the practice of consumers and the domestic demand continues to be fair, showing a slight increase over that of last month, but being at least 10 per cent lighter than in October, 1923. The export market is more active than it was in the two previous months, but foreign purchases of flour are not as large as they were a year ago. Millers in this district report that the domestic demand has increased somewhat and that most of their output is going into local consumption. Early in the month the prices of wheat advanced sharply, but a recession soon followed which lasted over a week. However, the decline was checked; prices are again rising and are now higher than they were at the beginning of the month. Number 2 red winter wheat on October 22 was selling at \$1.66 $\frac{1}{4}$ per bushel in New York, as compared with \$1.46 on September 22, and at \$1.41 $\frac{1}{2}$ on July 22. Spring patent flour for prompt shipment on October 22 was quoted at \$7.75 to \$8.25 per barrel in car lots, as compared with \$7.15 to \$7.65 on July 22. The strong position of wheat is

directly reflected in the price of flour and the lower prices which were expected after the new crop flour appeared in the market have failed to materialize. By-product feeds, such as bran, gluten, and middlings are selling well and the demand for these is greater than it was last month and heavier than it was in October, 1923. As is shown in the preceding chart, wheat and flour prices are now higher than they have been at any time in the last three years.

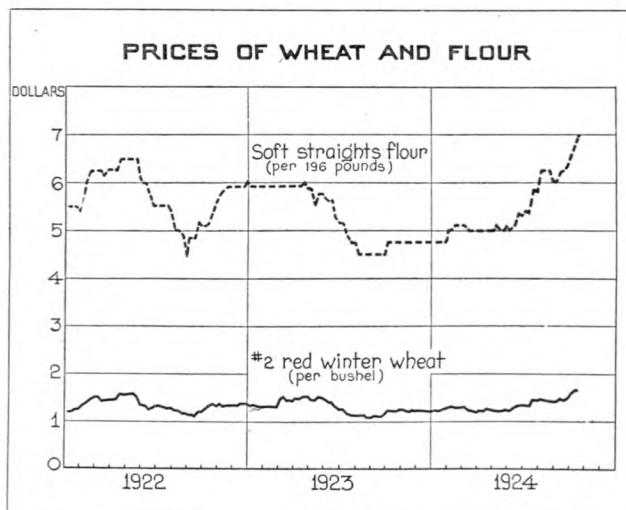
Grinding at the mills has increased and now averages about 75 per cent of capacity. Finished stocks at the mills are slightly larger than they were a month ago, but are not as heavy as they were a year ago. Stocks of flour at public warehouses in Philadelphia on October 1 were 11 per cent larger than on September 1, but 19 per cent less than on October 1, 1923. The stocks of wheat, corn, oats and rye were considerably greater than those of a year ago.

PUBLIC WAREHOUSE STOCKS AT PHILADELPHIA*

Date	Flour, barrels	Wheat, bushels	Corn, bushels	Oats, bushels	Rye, bushels
October 1, 1924 . . .	110,466	1,399,140	29,312	284,863	184,719
September 1, 1924 . .	99,571	1,071,014	30,815	105,907	130,944
October 1, 1923 . . .	135,474	869,457	20,757	269,072	55,057

* Compiled by the Commercial Exchange of Philadelphia.

Exports of flour from the port of Philadelphia, during the first nine months of 1924, were 28 per cent smaller than those for the same period of last year. September exports were twice as large as those of August, but were 29 per cent smaller than those of September, 1923. Exports of wheat and corn for the first nine months of this year were smaller, but those of oats, rye and barley were larger than for the corresponding period of 1923. Wheat exports declined 13 per cent and corn 61 per cent, but exports of oats increased 60 per cent, of rye 77 per cent and of barley 933 per cent.



Since early in June the prices of wheat and of flour have steadily advanced and they are now higher than at any time in the last three years.

Source—Dun's Review

EXPORTS OF FLOUR AND GRAIN FROM PHILADELPHIA*

Commodity	First nine months of 1924	First nine months of 1923	September, 1924	September, 1923
Flour (barrels) . .	276,770	384,807	49,920	69,298
Wheat (bushels) . .	19,795,160	22,828,011	2,068,535	1,184,504
Corn (bushels) . .	1,689,903	4,330,541		
Oats (bushels) . .	693,564	436,789	371,838	
Rye (bushels) . .	1,088,450	615,687	319,445	
Barley (bushels) . .	248,497	24,935	132,252	

* Compiled by the Commercial Exchange of Philadelphia.

Sales of flour for export during this month have been larger than they were last month, but are not equal to those of a year ago. The high prices now prevailing have caused foreign buyers to hold back as much as possible, but they display active interest and are watching quotations closely. Germany, the British Isles, Belgium, Spain and Holland have been the principal buyers in the Philadelphia market.

Receipts of flour, wheat, corn, and oats at Philadelphia during the first nine months of 1924 were much smaller than for the corresponding period of 1923, but receipts of barley and rye were larger. However, in the month of September the receipts of flour and of all grains were larger than in September of last year and considerably greater than in August of this year. This increase in receipts of grains has been caused by a much heavier export demand than existed in September, 1923.

RECEIPTS OF FLOUR AND GRAIN AT PHILADELPHIA*

Commodity	First nine months of 1924	First nine months of 1923	September, 1924	September, 1923
Flour (barrels) ..	1,795,348	2,263,438	249,118	248,960
Wheat (bushels) ..	19,828,752	24,390,801	2,560,715	875,298
Corn (bushels) ..	2,395,031	6,021,678	35,270	33,351
Oats (bushels) ..	1,965,255	2,912,197	689,697	185,513
Rye (bushels) ..	1,247,493	680,225	377,112	17,606
Barley (bushels) ..	255,566	39,347	132,252	3,452

* Compiled by the Commercial Exchange of Philadelphia.

BUILDING

During September 3,038 building permits were issued in fifteen cities in the Third Federal Reserve District, representing a proposed expenditure of \$17,450,446. In the preceding month 3,084 permits were granted at an estimated expense of \$27,257,295, but it must be remembered that this unusually high total cost was wholly on account of the large building program begun by the Philadelphia Electric Company. As compared with the figures compiled during September of last year, however, the number of permits issued this September was greater by 248 and the cost increased from \$11,665,973 to the total given above, a gain of \$5,784,473. Naturally, in Philadelphia the estimated cost in September also declined from that during the preceding month but, as will be seen in the table below, it was more than \$1,000,000 in excess of the estimated cost in the corresponding month of last year.

Proposed construction of amusement enterprises in Atlantic City was partly responsible for a considerable increase in estimated cost for that city, the figure advancing from \$643,908 in August to \$3,698,760 in September, a gain of \$3,054,852. In Allentown, Bethlehem, Camden, Harrisburg, Wilmington, York, Trenton and Reading both the number of permits issued and the proposed expenditure were greater in September than they were in August. In Williamsport and Lancaster, though the proposed cost was greater, the number of permits recorded was smaller.

On October 1 the Aberthaw Building Index number, compiled from material and labor costs, stood at 195, a loss of one point from that published on September 1.

BUILDING PERMITS Third Federal Reserve District

	September, 1924			September, 1923			January to September (inclusive)			
	Permits	Operations	Estimated cost	Permits	Operations	Estimated cost	1924		1923	
							Number	Estimated cost	Number	Estimated cost
Allentown	97	144	\$591,900	96	96	\$473,820	858	\$4,088,690	828	\$4,014,090
Altoona	202	204	169,218	188	188	167,837	1,737	2,894,254	1,569	2,549,314
Atlantic City	131	131*	3,698,760	153	153	641,529	1,452	7,783,988	2,012	7,497,092
Bethlehem	60	60*	680,785	38	38	61,295	418	2,164,427	376	1,257,487
Camden	146	202	381,795	156	269	468,060	1,166	4,336,651	934	6,277,194
Harrisburg	96	147	326,640	69	74	768,535	746	4,445,315	725	6,669,242
Lancaster	32	37	693,400	56	70	286,675	766	3,975,350	719	2,804,430
Philadelphia	1,221	1,969	8,665,805	1,097	1,390	7,086,060	12,354	115,444,115	11,217	101,857,590
Reading	249	261	353,850	211	211	183,325	2,336	4,606,172	2,492	3,804,705
Scranton	144	144*	365,630	121	121	187,000	1,452	4,053,928	1,180	2,712,411
Trenton	185	220	445,789	162	211	505,270	1,662	4,698,706	1,391	5,482,111
Wilkes-Barre	140	140*	358,849	107	107	251,109	1,267	3,314,130	910	2,385,797
Williamsport	89	89	97,306	106	106	113,642	864	1,027,373	830	994,301
Wilmington	101	101	324,147	130	130	347,778	979	3,071,173	908	2,957,232
York	144	144	296,572	100	100	124,038	1,485	1,958,418	1,217	1,715,209
Total	3,038	3,993	\$17,450,446	2,790	3,264	\$11,665,973	29,542	\$167,862,690	27,288	\$152,978,205

* Operations not reported.

The arrival of autumn has been accompanied by a good demand for cement and most manufacturers say that the present call is better than it was in October, 1923. Though most of the orders now on the books are for delivery within 60 days, a considerable number are for shipment up to and even beyond 90 days. The custom of laying cement during the winter months is becoming more prevalent each year; indeed in agricultural sections the cold weather period has proven an ideal time for the farmers to make needed improvements.

Cement

ate, but they, too, are lighter than they were a month ago.

Nearly all manufacturers reporting to us are running their equipment at capacity, which means that their operations are continuous. The average rate is computed to be about 96 per cent of maximum output. Unfilled orders are somewhat smaller than they were at this time last month and the filling of these will not require the maintenance of present operating schedules for longer than an average period of two months. Production, stocks and shipments of Portland cement have been unusually heavy since last spring as will be seen in the accompanying chart.

In the table below figures are given showing output and stocks of Portland cement in each of the last three months for which data are available. For comparative purposes figures for the corresponding three months of 1923 are also presented.

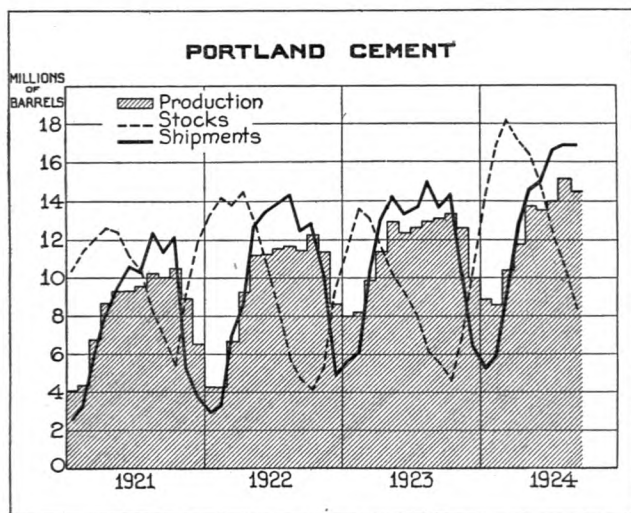
The supply of both skilled and unskilled labor is sufficient and no wage changes were reported during the month. Collections are fairly good, and are much the same as they were during last month and in October, 1923.

The call for paint is little better than fair, and though it has improved somewhat since the first of the month,

Paint

opinion is varied as to whether it is any better than it was during October of last year. In the second week of this month interest in the market was centered on lithopone, the demand for which strengthened appreciably. On the other hand the call for paints in the lead pigments group, though fair, is much the same as that during September. Some improvement, however, is noticeable in the market for dry colors; inquiries have increased since the first of the month and, though orders continue to be for current needs, the total volume has been substantial.

Prices are firm and but very few changes have occurred during the past month. Quotations for raw materials, too, are much the same as those listed four weeks ago, notwithstanding the fact that some recent sales of distressed lots of lithopone at reduced prices created a temporary weakness in quotations for this product. On October 23, linseed oil was listed at \$1.00 per gallon in carload lots, cooperage basis. Stocks



The general trend of production, stocks, and shipments of Portland cement has been upward during the past four years. In spite of this trend, there is a marked seasonal fluctuation each year.

Source—U. S. Geological Survey

Prices of finished cement are in every instance firm and no changes in quotations have occurred during the month. Prices of raw materials, too, are in the main firm, though in one instance quotations for lime products are said to be weak. A certain amount of resistance to prevailing prices is always encountered, but generally speaking present quotations are accepted. Stocks of finished goods are comparatively light and are decreasing. Supplies of raw materials are moder-

PRODUCTION OF PORTLAND CEMENT*

	Production, 1924	Production, 1923	Stocks, 1924	Stocks, 1923
July.....	14,029,000 bbls.	12,620,000 bbls.	12,319,000 bbls.	8,081,000 bbls.
August.....	15,128,000 "	12,967,000 "	10,666,000 "	6,080,000 "
September.....	14,519,000 "	13,109,000 "	8,358,000 "	5,533,000 "

* Compiled by the Geological Survey.

of finished goods are moderate in some instances and light in others, but they are nearly all stationary. Supplies of raw materials are moderate and are becoming noticeably lighter.

Manufacturers reporting to this Bank are operating at from 30 to 90 per cent of capacity, the average being close to 70 per cent of maximum output. Nearly all of the orders now on the books are for delivery within 60 days; in fact, the number of those for shipment up to and beyond 90 days is unusually small. The total of unfilled orders is smaller than it was a month ago and the filling of all those now taken will not require the maintenance of present operating schedules for a longer period than one week at most.

The supply of both skilled and unskilled labor is ample, indeed in some cases the supply of workers in the latter class is reported as plentiful. No wage changes were reported during the month. Collections are fair and, though they are about as prompt as they were at this time last month, they are not as satisfactory as during October, 1923.

Manufacturers and dealers in this district report that the call for lumber is stronger than it was a month ago and that it may now be characterized as fair. As compared with the demand at this time last year, however, it is scarcely as good. One dealer states that, though total sales are substantial, orders are mostly for small lots and are comprised largely of mixed grades. The call for Pacific coast lumber is unmistakably better than it was four weeks ago and sizeable quantities of fir and hemlock have recently been shipped into this market. Hardwoods are in good request, especially white oak and poplar flooring grades. Cypress is moving fairly well and sales of yellow pine are increasing. Owing in part to the finishing of dwelling houses, the call for laths and shingles is strong. Reflecting the efforts of builders to complete operations before winter begins, most of the orders now on the books are for delivery within 60 days, though some are for shipment up to and beyond 90 days.

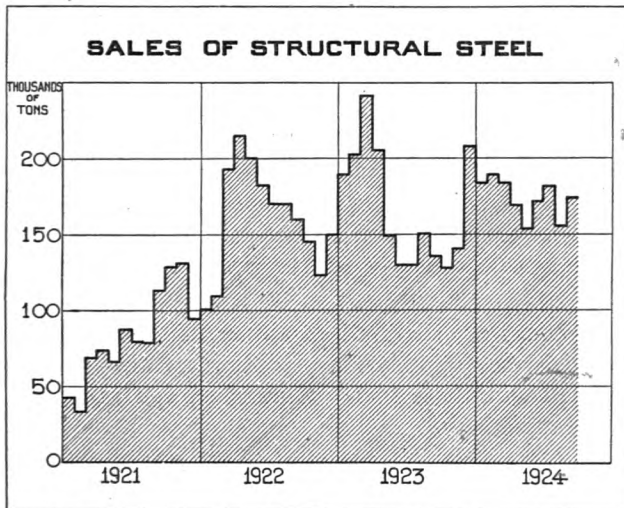
Prices are weak in several instances and competition has encouraged the granting of concessions so that quotations for some grades are lower than they were a month ago. This is by no means a general condition however; indeed many grades of lumber both of the hardwood and medium variety are listed at prices that are firm and unchanged from those prevailing at this time in September. Stocks of finished lumber in the hands of both manufacturers and dealers are moderate and for the most part stationary. Supplies of raw materials are also moderate and are held in about the same proportion as they were at this time last month.

Mill owners reporting to this Bank are operating their plants at an average rate of approximately 70 per cent of capacity, and unfilled orders on the books will require the continuance of present working schedules for an average period of about seven weeks. The supply of both skilled and unskilled labor is sufficient and wages are in all but one case the same as they were a month ago. One manufacturer reported that the wages paid to day workers were reduced 50 cents per day.

Collections are slightly better than fair and fully as prompt as they were in the preceding month. But as compared with those during September, 1923, they are not as satisfactory.

IRON AND STEEL

New developments in the iron and steel markets in this district have been notably lacking during the past month; indeed from the reports coming to this Bank it is difficult to form a definite conclusion as to whether or not the general situation is as satisfactory as it was at this time in September. Sales of a few products increased somewhat, but those of others were lighter. The pig iron market in particular has proved uninteresting, partly on account of the subsiding of what a month ago appeared to be a buying movement, but principally because of a reluctance to enter into definite contracts for future commitments until after the election. Reports coming to us classify the demand for pig iron as poor and not as strong as it was a month ago. On the other hand the call for steel scrap, though at best only fair, has improved over that at this time last month. Then, too, an encouraging and significant indication to general business may be found in the fact that during the past month the demand for light and heavy hardware and for machinery and tools has improved. Railroads, general manufacturers, cement plants and agricultural interests are in some instances responsible for an improved call for iron and steel castings, though on the whole the demand can scarcely be classed as fair. Plates and structural shapes are in fair request and, though little or no improvement has occurred in the past four weeks, inquiries for substantial tonnages have stimulated interest in these commodities. A chart depicting sales of structural steel by months for the past four years is presented on page 16. It will be seen that in no month so far in the present year have total sales reached as high a figure as in the two previous years. Iron bars and crude steel are moving slowly, though railroads have been taking fair sized quantities of the former. The call for steel sheets and for wire and wire rods is barely fair and sales of these continue to be in about the same proportion as



Sales of structural steel during the past four years reached the peak in March, 1923, in which month they totalled over 240,000 tons. Sales so far this year have ranged from 190,000 to 150,000 tons per month.

Source—Department of Commerce

obtained a month ago. Substantial orders for steel rails and track equipment have been taken, but the demand for these railroad supplies, though better than it was at this time in September, has not fulfilled expectations. Practically none of the more important products, such as steel forgings, wire rope, chains and pipe, are in more than moderate request. Shipments are being made to a wide variety of consumers.

Prices continue to reflect the limited buying and in several instances are weak. Concessions in established quotations are not uncommon, especially in instances where large tonnages are involved. Immediately after the abolition of the "Pittsburgh plus" basis, prices were extremely uncertain and conjectures were rife as to the probable effect of the decree upon current quotations. However, so far, prices in this market have been practically unaffected. According to the "Iron Age's" composite price of finished steel, the figure on October 21 stood at 2.460 cents per pound, a decline of .014 cents from the computed price listed on September 23. On the other hand quotations for pig iron are in the main steady and the "Iron Age's" composite price has remained constant for the tenth consecutive week at \$19.46 per ton.

During September production of both steel ingots and pig iron was greater than in the preceding month and similarly the unfilled orders of the United States Steel Corporation increased. Output of steel ingots totalled 2,814,996 tons, as compared with 2,541,501 tons in August, a gain of 273,495 tons. During the same period production of pig iron rose from 1,887,145

tons to 2,053,264 tons, an increase of nearly 9 per cent. On September 30 the unfilled orders of the United States Steel Corporation totalled 3,473,780 tons, representing the highest figure since May and a gain of 184,203 tons over the total at the end of August. Production schedules continue to be maintained close to the levels of September, though estimates as to the average rate vary. It is interesting to note that of the 61 blast furnaces located in this district, 22 were in blast on October 1, a gain of 4 over the number in operation on September 1. During the four weeks none were shut down.

In all but two instances the supply of skilled labor is sufficient and no shortage whatever is reported in the ranks of unskilled operatives. One manufacturer states that the wages of both classes of workers were reduced 8 per cent, but all other reports received from more than 50 manufacturing concerns in the Third Federal Reserve District indicate that present wages are the same as they were a month ago.

Collections are fair, though they are slightly poorer than they were during September.

Questionnaires returned to us from 32 iron foundries in this district indicate that production during September was 5.9 per cent greater than in the preceding month. Though output of malleable iron declined somewhat, the reduction was more than offset by the increase in that of gray iron, as will be noted in the table below which gives figures for the principal operating items of these foundries whose combined monthly capacity totals 15,117 tons. Shipments both in value and tonnage were substantially greater than they were in August, the former having increased 28.2 per cent and the latter 14.6 per cent. On the other hand the value and tonnage of unfilled orders in

IRON FOUNDRY OPERATIONS Third Federal Reserve District

	September	August	Change
Capacity of furnaces.....	15,117 tons	15,117 tons	0 %
Production of castings.....	5,922 "	5,591 "	+ 5.9 "
Malleable iron.....	719 "	757 "	- 5.0 "
Gray iron.....	5,203 "	4,834 "	+ 7.6 "
Jobbing.....	3,541 "	3,269 "	+ 8.3 "
For further manufacture	1,662 "	1,565 "	+ 6.2 "
Shipments of castings.....	5,702 "	4,977 "	+14.6 "
Value of shipments.....	\$1,080,707	\$842,757	+28.2 "
Unfilled orders.....	5,596 tons	5,870 tons	- 4.7 "
Value of unfilled orders..	\$1,296,224	\$1,423,340	- 8.9 "
Raw stock:			
Pig iron.....	8,430 tons	7,860 tons	+ 7.3 "
Scrap.....	3,135 "	3,160 "	- .8 "
Coke.....	1,929 "	1,595 "	+20.9 "

September were less than during the preceding month. Stocks of coke were 20.9 per cent heavier at the end of last month and pig iron tonnages were 7.3 per cent greater but supplies of scrap were slightly less. Shipments of gray iron castings by 26 firms manufacturing this product exclusively totalled 4,949 tons valued at \$902,165 in September, as compared with 4,234 tons valued at \$669,290 during August.

In our sixth month's survey of the steel foundry industry in the Third Federal Reserve District, comparative figures are shown in the following table representing the principal operating features of 6 identical companies having a total monthly steel making capacity of 6,850 tons. During September production increased 20.3 per cent over that in the previous month, but shipments in both value and tonnage declined 14.7 per cent. At the same time a substantial increase in unfilled orders was reported. Total value was 18 per cent greater in September than it was in August and tonnage rose from 2,388 tons to 2,899 tons in the same period, a gain of 21.4 per cent. Stocks of pig iron and coke were lighter than in August but supplies of scrap steel were 28.7 per cent heavier in September than they were during the previous month.

STEEL FOUNDRY OPERATIONS Third Federal Reserve District

	September	August	Change
Capacity of furnaces.....	6,850 tons	6,850 tons	0 %
Production of steel castings	2,885 "	2,398 "	+20.3 "
Shipments.....	1,961 "	2,299 "	-14.7 "
Value of shipments.....	\$341,155	\$399,899	-14.7 "
Unfilled orders.....	2,899 tons	2,388 tons	+21.4 "
Value of unfilled orders..	\$638,381	\$541,219	+18.0 "
Raw stock:			
Pig iron.....	2,133 tons	2,151 tons	-.8 "
Scrap.....	8,259 "	6,418 "	+28.7 "
Coke.....	579 "	621 "	-6.8 "

AUTOMOBILES

Sales of automobiles during the third quarter have not been as great as those in the preceding three months, according to most dealers reporting to us, and they further state that total purchases are also substantially less than they were during the third quarter of 1923. On the other hand, one dealer of a well-known moderate-priced car finds that total sales during July, August and September were greatly in excess of those in the corresponding months of last year. In the past four weeks, however, demand has increased and several prominent dealers estimate that October sales will surpass those in September; indeed, in some instances this has already occurred.

Opinions respecting the used car market vary somewhat. In some cases difficulty has been experienced in disposing of second-hand models; in others, they are moving out of the salesrooms almost as promptly as they are received. One dealer in summing up the situation says that, notwithstanding the fact that the call for used cars has recently slackened, there are fewer on his floor than for some time past. Shipments of new cars from the factories are fairly prompt and, with the exception of consignments of a few types of closed automobiles, no difficulty in securing deliveries is being encountered.

A few price changes went into effect during the past quarterly period; some quotations were advanced slightly while others were reduced, but in the main prices have not changed since July. The desire for special models is becoming more widespread and the volume of orders received for this class of vehicles has enabled one manufacturer by increased production to lower the cost to the consumer by as much as \$65. Stocks of new cars in the salesrooms vary from heavy to light; the number of used cars available, however, is somewhat greater than is customary at the beginning of the fourth quarter.

Production of passenger cars and trucks increased in September, as will be noted in the table below, which gives the output of both types of vehicles throughout the United States during each of the past three months for which figures are available. For purposes of comparison, figures for each of the corresponding three months in 1923 are also shown.

PRODUCTION OF AUTOMOBILES*

Month	Passenger cars		Trucks	
	1924	1923	1924	1923
July.....	237,431	297,173	24,895	29,712
August.....	251,553	313,972	26,781	29,882
September.....	257,868	298,600	29,410	27,841

* Compiled by Federal Reserve Bank of Chicago.

Collections are, for the most part, either fair or good though in one case they are classified as poor.

COAL

The call for anthracite has steadily improved during the past month and supplies of stove sizes particularly are moving in even heavier volume than they did a month ago. Of all grades steam coal is probably in least request though this circumstance is by no means unusual in this market; indeed for months past one of the problems of the coal interests has been

how best to stimulate activity among consumers of these sizes. Lately, however, either as a reward for their efforts or for seasonal reasons the demand has increased somewhat though it still leaves much to be desired.

Company prices are the same as they were a month ago but quotations posted by independent companies are in some instances as much as 75 cents higher per ton than they were at this time in September. In Philadelphia on October 23, independent prices of stove coal were listed at from \$9.85 to \$10.25, as compared with from \$9.35 to \$10.00 on September 22. No changes, however, in quotations for steam sizes were reported during the period.

Production since September 29 has been seriously hampered by floods in the coal regions and, though operations in most instances have been resumed, several mines in this district were reduced to less than 50 per cent of full time operation. The effect of the heavy rainfall on the output of anthracite will be readily seen in the table below, which gives production figures in tons for each of the last four weeks. For purposes of comparison output during the corresponding four weeks in 1923 is also shown.

PRODUCTION OF ANTHRACITE*

Week ending	1924	1923
September 20.....	1,851,000 tons	877,000 tons
September 27.....	1,942,000 "	2,025,000 "
October 4.....	1,425,000 "	2,015,000 "
October 11.....	1,737,000 "	1,943,000 "

* Compiled by the Geological Survey.

Reflecting the gradual improvement of conditions in the various manufacturing industries, the demand for bituminous is slowly but unmistakably strengthening. Stocks already in the hands of consumers are far from light. According to a late Government report, 47,000,000 tons of bituminous coal were held as reserves on September 1, in the entire United States. Though this total was 24 per cent less than that reported on January 1, it must be remembered that consumption is also less than it was nine months ago, especially as far as manufacturing interests are concerned. Thus it appears probable that, comparatively speaking, reserves now available would last practically as long as they would have in January, were it to become necessary to draw on them exclusively.

Bituminous

Prices are slightly higher than they were a month ago, though in this market quotations are generally unchanged. Spot prices continue to be lower than contract quotations but neither are especially firm. In Philadelphia on October 23, Pool 10 coal was quoted at from \$1.65 to \$1.90 which was the same as the price listed on September 22. During that period, however, the "Coal Age's" index of spot prices advanced from 169 to 176, a gain of 7 points.

Since the week ending September 20, production has been increasing; in fact since the first of the month weekly output has been greater than it was during the corresponding weeks in the previous month. Figures showing production in tons for each of the past four weeks are given in the table below, together with those of the corresponding four weeks in 1923.

PRODUCTION OF BITUMINOUS*

Week ending	1924	1923
September 20.....	9,803,000 tons	11,454,000 tons
September 27.....	10,140,000 "	11,347,000 "
October 4.....	10,268,000 "	10,699,000 "
October 11.....	10,548,000 "	10,953,000 "

* Compiled by the Geological Survey.

Several mines in this district are still idle but others are being operated at capacity. According to the Geological Survey the average rate of operations in this district is not more than 50 per cent of maximum output. There still exists a considerable surplus of miners in some sections of the coal fields.

The coke market is somewhat more active than it was a month ago but as stocks are evidently ample and as consumers seem to be in no hurry to place future orders, the present demand cannot be characterized as better than fair. No difficulty is being encountered in obtaining furnace coke at \$3 per ton at the ovens, and foundry grades may be readily secured at \$4 per ton at the source. These established prices are the same as they were a month ago.

Production of beehive coke increased steadily in each week from September 20 to October 4, but during the week ending October 11 output declined. As will be seen in the following table, production during each of the past four weeks was less than half as great as that during each of the corresponding periods in the previous year.

During September, production of by-product coke again increased. In that month 2,543,000 tons were

Coke

produced as compared with 2,425,000 net tons in the preceding month. Output, however, was not as great as in September of last year during which month the figure stood at 3,112,000 net tons.

PRODUCTION OF BEEHIVE COKE*

Week ending	1924	1923
September 20.....	122,000 tons	335,000 tons
September 27.....	132,000 "	321,000 "
October 4.....	139,000 "	312,000 "
October 11.....	129,000 "	284,000 "

* Compiled by the Geological Survey.

COTTON

Although the weather continues to be a factor in the cotton market, it is no longer of the first importance, for the amount of the crop is now approximately known. Consumption is the item which is at present and will be during the coming months the factor controlling price.

From September 23, the date of our last report, to October 7 the quotation for spot cotton in New York rose from 24.15 cents to 26.35 cents and during that interval had touched 26.90 cents; but when the Government report was issued on October 8, placing the condition on October 1 at 53.5 per cent and indicating a probable crop of 12,499,000 bales, prices fell. These figures compared with a condition of 55.4 on September 15 and an estimated crop of 12,596,000, and showed only a slight decrease. Moreover the Government figures were about in line with trade expectations. Prices, however, began to decline from the moment the report became known and have fallen almost steadily since then; by October 15 the price of spot cotton in New York had reached 23.40 but then rallied somewhat and on October 23 was 23.95. The factors which probably influenced the market most were the lessened domestic consumption as compared with last year, and the continuance since October 1 of the favorable growing weather, which in some sections of the cotton belt will probably produce an increase in the crop.

On October 14 the Bureau of the Census issued its monthly report on domestic consumption; it showed that, although the September figure was appreciably larger than that for August, it was considerably smaller than the figure for September, 1923. Consumption was as follows: September, 1924, 435,216 bales of lint and 49,976 of linters; August, 1924, 357,455 of lint and 44,296 of linters; and September, 1923, 485,665 bales of lint and 50,652 of linters.

For the season to October 18, the world's takings of American cotton, as shown in the following table, are

140,000 bales smaller than last year to the same date, notwithstanding that exports during the period are 100,000 bales larger than they were in 1923.

SUPPLY AND TAKINGS OF AMERICAN COTTON*

In bales	Season of 1924-1925	Season of 1923-1924	Season of 1922-1923
Visible supply, American, at end of previous season (July 31).....	951,816	869,968	1,968,159
Crop in sight, American, on October 18.....	3,873,491	3,750,071	3,929,009
Total.....	4,825,307	4,620,039	5,897,168
Visible supply, American, on October 18.....	2,737,314	2,392,458	3,134,521
World's takings of American to October 18.....	2,087,993	2,227,581	2,762,647

* Figures compiled by the New York Cotton Exchange.

Trading in cotton yarns improved slightly during the early part of the month, but lately it has become less active, and prices have weakened somewhat. Although several dealers and spinners report that

Cotton yarns they have received a fair amount of advance business, the bulk of sales call for immediate delivery. While the demand for fine grades in carded knitting yarns is confined to small orders, mainly for filling-in purposes, activity in coarse types has been of such a volume as to enable a number of spinners to increase their current operations. Weaving yarns also have been in good request, better grades of warps having been the principal feature of the market. But as a rule buyers are slow to make future commitments, chiefly because of the erratic fluctuations in raw cotton. This factor is also largely responsible for the prevailing quietness in the market for combed yarns, though in this connection several large contracts calling for forward delivery are noted. Mercerized yarns continue in dull request, despite the fact that some mercerizers are operating on an increased scale of production.

Owing to a slight improvement in demand, production is reported to have increased since last month. The majority of spinners are utilizing their plant equipment to the extent of about 75 per cent of capacity, although their advance business in the aggregate is about the same as it was last month. According to the preliminary figures, announced by the Bureau of the Census, the average time of operation in the United States during September was 25½ days, as against 26 days in August. Based on activity of 8.74 hours per day, the average number of spindles operated during September was 28,783,156 or at 76.1 per cent of

single-shift capacity, as compared with 23,761,440 active spindles or at 62.8 per cent of capacity during August, and at 93.2 per cent last year. At the present rate of production unfilled orders will insure operations for periods ranging from one to three months. Largely because mills are working against orders in hand, stocks of both yarns and raw materials are not burdensome in most cases. The supply of labor is adequate and wages continue at the same levels as they were a month ago.

Although lately quotations for yarns and raw cotton have eased off a little, the majority of returns point out that, considering the past month as a whole, they have held firm; in fact, they have advanced slightly, as compared with the previous month. Fairchild's average price and index number shows an increase in quotations from 41.56 cents on September 20 to 43.73 cents on October 18, while the average price on January 19, 1924, was 53.29 cents per pound. The average price of raw cotton advanced from 22.53 cents to 23.53 cents during the corresponding period, the quotation on January 19 being 33.64 cents. Dealers and spinners continue to encounter a steady opposition to prices, particularly in the market for hosiery and combed yarns.

Collections are as satisfactory as they were last month or a year ago, and in some instances they appear to be even more prompt.

The improvement in cotton goods noted last month has continued; this gain was especially marked during the last week of September and the first week of October. Since then the declining quotations for raw cotton have caused some buyers to hesitate but even so the day to day turnover has been considerable. In staple lines such as print cloths, sheetings, sateens, and drills, manufacturers have sold heavily for nearby deliveries but, because of the uncertainty of crop and business conditions, buyers have contracted far ahead in only a comparatively few instances. Prices for these staples have followed closely the raw cotton market, advancing when it went up and declining with it.

Makers of fancy cotton dress goods are busy and some report that they can sell all that they can produce for at least six weeks to come. The naming of unchanged prices on gingham for spring by the largest factor has been well received by the trade and is looked upon as a stabilizing influence. Orders for plush for furniture coverings and dress materials, curtains, draperies, awning stripes, towels and many other lines have increased but these too are in most cases for prompt delivery, indeed a considerable percentage of these call for immediate shipment for stock. The only manufacturers that report to this Bank that business is dull are makers of tapes and other narrow fabrics and tapestry for furniture covering. Prices of prac-

tically all these finished cotton fabrics are unchanged and are firmly maintained.

Operations have increased but stocks, though still moderate, have declined. Twenty-three manufacturers of cotton goods in Pennsylvania, New Jersey and Delaware report to this Bank that for the week ending September 15, the number of employees was 2.8 per cent larger than for the week of August 15, and that total weekly wages and average weekly earnings increased 4.4 and 1.6 per cent, respectively, in that period. The supply of labor is sufficient and wage scales are unchanged. Collections continue to be either fair or good.

WOOL

Owing to a slight recession in buying, activity in raw wool during the latter part of the past month has slackened somewhat, but the market in general has lost none of its strength, and prices have moved steadily upward. The majority of local dealers state that, considering the month as a whole, the demand for wools in all grades, fleeces and territories, has exceeded that of the previous month and of a year ago, and the actual sales, particularly of quarter-blood and three-eighths together with finer qualities in both combing and clothing wools, have reached fair proportions. Though moderately active conditions have continued also to mark the situation in pulled wools, trading in mohair and carpet wool has subsided somewhat but prices remain rather firm, principally because of limited supplies. Business in noils continues as brisk as it was last month. Generally speaking, dealers are looking for a good fall and winter season, basing their belief on the fact that business in dress goods, men's wear fabrics and knit goods is gradually improving.

The situation in the west has been somewhat complicated by reports in regard to an outbreak of the hoof and mouth disease in Texas, but the affected area has been held under control, and shearing has proceeded in a satisfactory manner. In fact, some of the fall clip already has been shipped to the eastern markets. Though much of this wool had been bought in advance of shearing, it is said that there still remains in the hands of growers a moderate quantity of the new clip to be sold at various points of concentration. Efforts have been made to buy some of this wool but with little success. In consequence, with the new domestic clip about six months away and with the present stocks decreasing, dealers and manufacturers are keenly interested in the possibility of obtaining wools from abroad, if business in yarns and goods continues to gain in activity.

Conditions in the foreign markets, however, are beset with perplexities. The last auction sales in London displayed an unusual firmness, and quotations

were exceedingly high both for merinos and cross-breeds, even though they eased off slightly toward the end of these sales. The bulk of the demand came from the continent. Increased buying by dealers from Germany, Japan, Belgium and France has been chiefly responsible for the strength in this market, though only limited quantities were purchased for the account of American consumers. Stocks of foreign wool appear to be limited, and shipments of wools held in bond in the United States have increased during the past month. This is largely due to the prevailing disparity in prices. Domestic fine wools can be bought considerably below quotations for wools taken out of bond, while prices for the latter are still lower than those for wools offered in Australia and London. Imports of wool in September amounted to 12,129,358 pounds, as compared with 8,631,020 pounds during August and 7,882,870 pounds in September of last year.

Local supplies of wool are moderate, and, as compared with last month, they are decreasing, in spite of the fact that spinners recently have not been buying as freely as during the early part of the month. In this connection it is interesting to note that stocks of raw wool held by manufacturers and dealers in the United States have been almost steadily decreasing since 1921.

greater risk and the necessity of employing both capital and credit to a greater extent; in short, the higher the general average of prices, the greater care needed to avoid losses. Dealers continue to encounter resistance to quotations, but, in the main, they find no difficulty in disposing of their wool at the prevailing levels. According to Dun's average of ninety-eight quotations, prices for raw wool were 88.18 cents per pound on October 18, as compared with 84.39 on September 20, and 74.28 cents per pound a year ago. The accompanying chart illustrates the steady rise of prices since 1921.

Collections are as prompt as they were during the previous month and at this time last year.

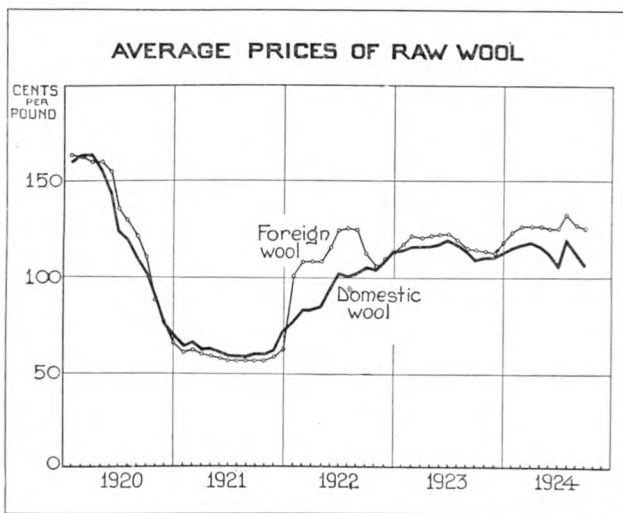
Business in woolen and worsted yarns increased slightly during the early part of the month, but recently

Woolen and worsted yarns

trading has slowed down somewhat. Sales of weaving yarns are confined chiefly to small lots and for deliveries within the next sixty or ninety days. This is not unusual, however, in view of the fact that mills have already bought large quantities of yarns, and such a temporary lull in activity as may be noticed at present is a natural condition. Producers of men's wear fabrics have been more active in buying yarns than manufacturers of dress goods, though both showed a considerable interest in such yarns as 2-36s, three-eighths, and 2-50s. Spinners have booked a fair amount of business for these yarns, along with other varieties. While business in yarns for outerwear is rather slow, merino yarns for underwear are in fair request. The market for Jersey cloth and hosiery yarns is less active than it was last month, but demand for carpet and blanket yarns is fairly brisk.

That production has further increased is shown by the fact that mills in this district are running at the present time at about 85 per cent of single shift capacity, as compared with 65 per cent last month. This is also indicated by the gain in the percentage of active woolen and worsted spindles for the month. Moreover, advance orders on hand are larger than they were previously, and are sufficient to warrant operations at the present rate for a period of from two to three months. The consumption of wool in this district, as shown by returns from 76 establishments, was 28.1 per cent greater in September than in August. Stocks of both finished goods and raw material continue to be moderately light and are tending downward; in fact, spinners of carpet yarns show some concern over the scarcity of wool, owing to the military hostilities in China, and a consequent interruption in export of carpet wool from that country. The supply of labor is adequate, and wages remain unchanged.

Although prices of yarns have weakened somewhat during the last fortnight, they are still higher than those of a month ago. The rapid rise in raw wool is



Since the low point in 1921, prices of both foreign and domestic wools have about doubled, and the relative position of the two have changed, foreign wools now being higher than domestic. The lines shown in each case represent average prices for several grades.

Source—Fairchild News Service

Quotations for wools during the past month have advanced in this district as much as from 5 to 25 per cent, particularly for carpet wool. As a general rule, many dealers regard this upward tendency in an unfavorable light, because higher prices, they state, mean

said to be responsible for the advance in quotations for yarns. Buyers, as a rule, continue to oppose higher prices, but they realize that under the circumstances no lower levels can be expected, particularly when there is a steady demand for raw material and finished goods. Settlements of accounts are as satisfactory as they were last month; indeed, in a few instances payments are even more prompt.

During the past month activity in woolen and worsted goods has increased over that of the previous month or of a year ago. Initial business in men's wear fabrics for next spring is said to have been booked in fairly large quantities, and mills, particularly those making cassimeres, have numerous orders on hand calling for delivery during and beyond the period of ninety days. The situation in dress goods, on the other hand, is not as satisfactory as was expected at the openings, although there is a marked demand for all kinds of fancy fabrics with a wide range of color. Producers, as a rule, prefer to see a more active business in staple lines than in fancies, as it usually assures greater certainty of production. Generally speaking, however, such twills as flannels and cassimeres, together with worsted and woolen filling goods, continue in good request. Velours are also enjoying a marked popularity at the present time. The recent gain in activity leads local manufacturers to feel optimistic in regard to further improvement in the market.

At present the majority of the mills are utilizing their equipment to the extent of about 80 per cent of plant capacity. This is a considerable gain over the operations last month; indeed, factories appear to be much busier now than they have been for several

months. As a result of the increased business on hand, it is reported that operations are insured for periods ranging from three weeks to six months. Stocks of finished goods and raw materials continue in most cases to be moderately light. The supply of labor is sufficient for the most part, and wages remain unchanged. The accompanying chart shows the status of employment and wages, as reported by 31 concerns making woolen and worsted goods in the Third Federal Reserve District.

In consequence of higher prices for raw materials and the increased demand generally, quotations for finished goods have advanced materially, and are now holding firm, except in a very few instances. Several manufacturers state that they have sold some of their men's and women's wear fabrics at the same levels as prevailed last month, but it was due to the fact that these goods were made from the old stock of yarns, which were bought at concessions. Resistance to prices continues to be as determined as it was last month, particularly in staple lines and cloth for boys' wear.

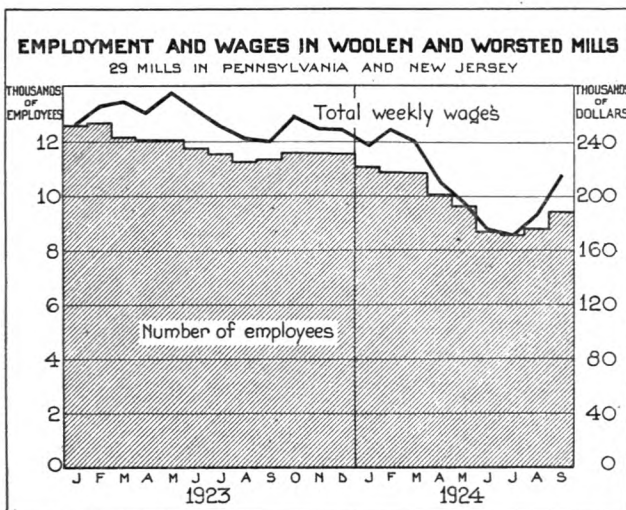
Collections are good, and in a few cases are even more prompt than they were last month or a year ago.

CLOTHING

As compared with the previous month, the situation in men's clothing has improved slightly in this district, and prices have been steady in most cases. A brief period of cool weather in the early part of

October stimulated activity in heavy-weight fabrics to a considerable extent, although most of the orders received by manufacturers are not large and call for immediate delivery. Lately, however, duplicate business slackened somewhat, principally owing to the warmer weather. As a result of the recent openings of spring lines, offering a wide selection of weaves, several producers have enjoyed a moderate amount of business, but generally speaking sales continue to be smaller in volume and in individual size than they were last year at this time. Buyers, as a rule, are reluctant to purchase ahead and are covering only their immediate needs. In consequence, the bulk of business is for delivery during the next sixty days. This lack of orders for future requirements is largely explained by the fact that retail and jobbing trades have been slow in entering the market because of doubt as to the future. Evidence of this is found in recent reports showing that salesmen on the road encounter greater difficulties in securing advance orders than was the case immediately following the opening of the season.

There has been an appreciable improvement in production over that during the previous month. The majority of returns indicate that at the present time

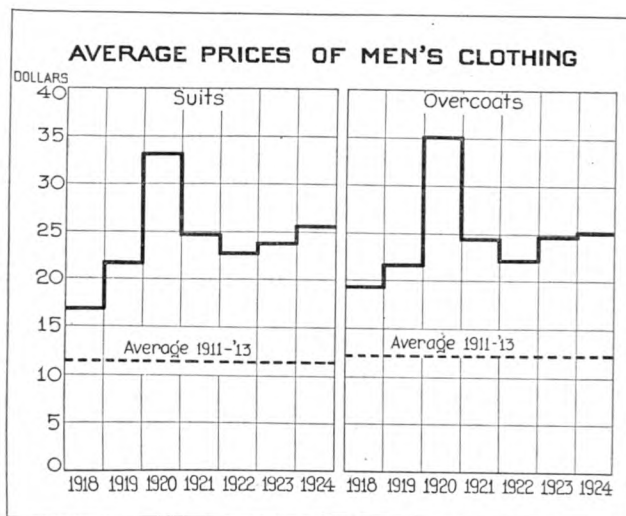


After having declined for more than a year, and reaching a low point in July, 1924, employment and wages have turned sharply upward during the last two months.

Source—Federal Reserve Bank of Philadelphia

plants are running at about 75 per cent of single-shift capacity. At this rate of production unfilled orders on hand will insure operation for periods ranging from two weeks to three months. In this connection it is interesting to note that production of men's and boys' wear for the United States during the four months ending August 31 was lower than that during the corresponding months of last year, according to a comparative summary for 309 clothing establishments. In view of this decline, any noticeable degree of gain in production creates an atmosphere of optimism among manufacturers. Stocks of finished goods and raw material in this district are moderately light and are generally decreasing. The supply of labor is on the whole adequate and wages remain unchanged.

Because of higher prices of piece goods, quotations for men's clothing continue firm; indeed, in several instances they have advanced in sympathy with those for raw materials, despite persistent efforts on the part of retailers and jobbers to prevent prices from rising. The accompanying chart shows an almost uninterrupted advance in the average prices of eight varieties of men's suits, and of four grades of men's overcoats. As compared with the pre-war market, prices in 1924 were 123.8 and 105.6 per cent higher, respectively.



Wholesale prices of men's ready-to-wear suits and overcoats have more than doubled during the last decade, but nevertheless are now considerably below the peak quotations of 1920.

Source—Daily News Record

Collections are not as satisfactory as they were last year at this time, some retailers paying only small amounts on account, with others asking for extension. But considering the lethargic conditions that prevail in business generally, payments on account are regarded as fair, with a slight tendency toward improvement.

Activity in the market for shirts in this district has

been unsatisfactory for the most part. While in some instances the turnover of goods has been slightly larger than it was during the previous month, the volume of business has declined in most cases, as compared with that of last year. At the present time, manufacturers are completing their fall deliveries of shirts which had been purchased early in the season, and repeat orders are, on the whole, disappointing in that they are relatively small and infrequent. Openings of lines for next spring foreshadow a fair trade, as is indicated by the volume of business secured by salesmen on the road and by the initial orders received by mills directly. However, still lacking confidence in the future, buyers are exceedingly slow to make future commitments and are inclined to purchase only for their immediate requirements. As a result, the bulk of business received by manufacturers is for quick delivery, very little of it extending beyond the period of sixty days.

In consequence, production continues to be restricted, mills running at about 60 per cent of single-shift capacity. Although several producers report that at present they have more advance business than they had last month, it is very difficult to determine how far ahead unfilled orders will insure operations because of the prevailing uncertainty among manufacturers in regard to the current market for shirts for the spring of 1925. Despite the efforts of producers to avoid stock accumulation, several mills report that supplies of finished products are somewhat heavy and are increasing, but inventory of piece goods remains about the same as it was last month.

Generally speaking, there has occurred virtually no change in prices either for shirts or raw materials, quotations continuing firm, even though in a very few instances they are reported to be somewhat weak. While sellers are encountering considerable resistance to prices, particularly for medium and lower grades of goods, the opposition is largely due, it is stated, to the current lack of demand rather than to the inability of retailers and jobbers to market their merchandise at the prevailing quotations. Chiefly because of unemployment and general sluggishness in business during the recent months, collections are not as satisfactory as they were last month or a year ago; in fact, they are slower in most cases, retailers often requesting extensions for periods ranging from one to three months.

SILK

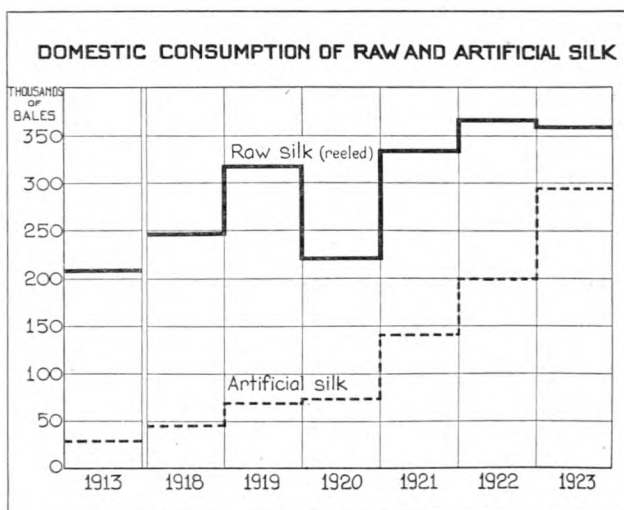
Following the recent quickening in activity of raw silk, the market has again relapsed into a state of quietness, and the trend of prices has been almost steadily downward. While several orders of fair size were placed during the past month by dealers

Raw silk

and makers of hosiery and broad silks, the demand for raw silk here and abroad has slackened considerably. To induce business, importers and dealers, who had anticipated this relaxation in demand and prices, have gone even so far as to reduce their quotations below those in the primary market, but buyers appeared to be extremely cautious and slow in their response, apparently hoping to see a further easing in prices. Factors chiefly responsible for this reaction are the lessened activity in the market for broad silks and the sudden drop in the rate of exchange for yen. After holding firm at about 41 cents, quotations for yen declined almost steadily to about 38 cents. This is attributed to an excess of trade bills in Japan on account of heavy importations of cotton into that country from the United States.

As a result, quotations for raw silk are lower than they were at the beginning of last month. Kansai double-extra cracks dropped from \$6.30 per pound on September 22 to \$6.10 per pound on October 22. Prices for artificial silk, on the other hand, are fairly steady.

In contrast with the situation in pure silk, business in artificial silk continues brisk. Demand has broadened to such proportions, it is reported, that it includes all grades of this material, and comes from such consumers as mills making hosiery, knit wear, and cotton weavers. The growing popularity of artificial silk in the United States is shown by the fact that its domestic production between 1919 and 1923 increased about 342 per cent, and the quantity consumed at present almost equals the volume of imported natural silk. The accompanying chart illustrates the relationship between the two commodities.



Although the consumption of natural raw silk has shown a remarkable increase during the last decade, the use of artificial silk has grown much more rapidly; in fact, the consumption in 1923 was ten times as great as it was in 1913.

Sources—Department of Commerce, Silk Association of America

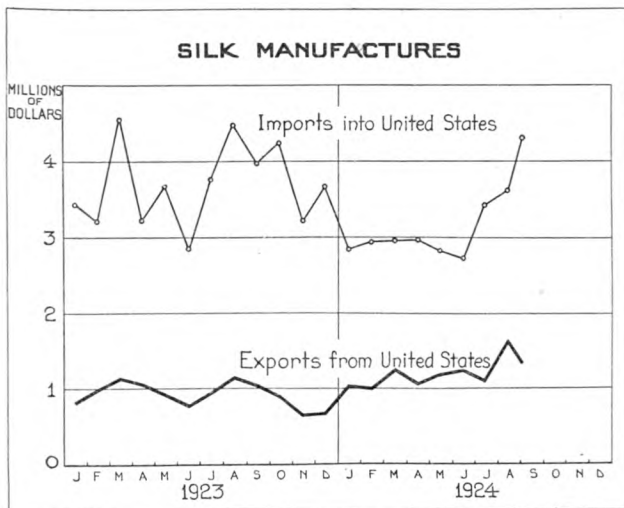
Imports of raw silk for the past month amounted to 48,551 bales, nearly 2,000 bales greater than the previous high mark established in October, 1922, according to the statement issued by the Silk Association of America as of October 1. These heavy imports would have resulted in an even sharper increase in stocks on hand than actually occurred if it were not for the fact that the estimated consumption of raw material was correspondingly heavy. Deliveries to mills during the same period totalled 36,366 bales, a volume which has been exceeded only twice since 1921. In this connection it is interesting to note that the total consumption of raw silk for the first three months of the season, which amounted to 96,836 bales, was greater than that during the similar periods of 1923 and 1922 by 7,787 and 2,856 bales, respectively. Raw silk in storage as of October 1 amounted to 42,260 bales, an increase of 12,185 bales since September 1. It is said, however, that this stock is not burdensome and that the accumulation of supplies in the New York warehouses at this time is generally regarded as normal for the season.

Although early in the month a reasonable amount of business was done in broad silks, recently the market has slowed down somewhat.

Silk goods

This is not unusual, however, in view of the fact that the present period is between seasons and for this reason sellers are not disturbed by the recession in activity. Current buying by jobbers and retailers is restricted principally to small lots, but the volume of business in the aggregate is still reaching fair proportions, though it is not large enough to stimulate an increase in production to any great extent. The majority of orders are mainly for immediate delivery, although several large mills have made a sizeable number of sales for delivery during the next ninety days and even beyond that period. In addition to the various types of satins and crêpes, the new weaves of failles, bengalines, poplins and velvet novelties, together with artificial satins and combination novelties, are moving in fair quantities. Prints, ribbed silks, brocades of all descriptions and umbrella materials are likewise in good request. In ribbons the demand continues chiefly for a narrow variety, but a good inquiry is also in evidence for the wider types. Virtually no cancellations have been reported.

About half of the returns from manufacturers of silk goods in this district report that they are operating at approximately the same level as last month, while the other half note an appreciable degree of improvement. At present most mills are utilizing their equipment to the extent of about 85 per cent of plant capacity, and are delivering goods against orders which had been obtained previously. Owing to a larger amount of advance business on hand than during the previous month, producers are assured of running their



Imports of silk goods into the United States have increased sharply during recent months and are now at the highest point during the current year.
Source—Department of Commerce

mills at the present rate of operation for a period of from one to five months. While the supply of unskilled labor is adequate in most cases, several manufacturers note a slight scarcity of skilled labor. Wages have neither risen nor declined.

Apart from a number of instances where stocks of manufactured goods are heavy, inventories of both finished product and raw materials appear to be mod-

erately light. The movement of manufactured silk goods between the United States and foreign countries, indicated by the accompanying chart showing imports and exports of finished merchandise, is of interest.

Quotations for silk goods in this district remain about the same as they were last month, though a considerable number of sellers state that prices have weakened slightly along with quotations for raw silk and yarns. In combing the market for bargains, buyers continue to resist prices, but their opposition does not seem to be as determined at present as it was formerly. Payments on accounts are as satisfactory as they were last month or a year ago.

HOSIERY

In common with many other textile products, hosiery is in better request and mills are producing more than was the case a month ago. In spite of this improvement, however, conditions in the different mills continue to show little uniformity. One manufacturer reports that the demand for women's hosiery is much better than for men's half hose and another making similar merchandise reports reversed conditions. The same applies to women's silk hosiery; some mills have booked an increased business in medium weights, whereas others say that chiffons are the best sellers. Novelties continue to be wanted but staples are also in fair demand. It is therefore only as we consider the industry as a whole that we can definitely point to a betterment. Prices are more stable and the changes

HOSIERY INDUSTRY*
Third Federal Reserve District

In dozen pairs	Men's				Women's			
	Full-fashioned		Seamless		Full-fashioned		Seamless	
	August	September	August	September	August	September	August	September
Production	23,619	25,461	171,055	197,537	195,333	218,988	154,177	194,519
Shipments during month	28,373	32,980	226,308	220,438	179,774	253,619	174,633	193,581
Finished product on hand at end of month	9,766	8,983	415,370	396,690	510,277	480,093	244,795	252,297
Orders booked during month	23,851	42,130	207,166	269,255	234,343	263,308	206,506	245,051
Cancellations received during month	422	1,334	9,034	4,302	9,051	60,823	15,779	2,635
Unfilled orders on hand at end of month	38,974	48,364	274,413	312,298	878,736	849,803	159,173	211,978
	Boys' and misses'		Children's and infants'		Athletic and sport		Total	
	August	September	August	September	August	September	August	September
Production	17,591	21,734	60,321	82,914	2,405	2,479	624,501	743,632
Shipments during month	16,503	17,572	35,397	33,742	1,354	1,336	662,342	753,268
Finished product on hand at end of month	70,122	75,287	237,229	287,718	15,794	17,737	1,503,353	1,518,805
Orders booked during month	39,487	23,825	151,373	73,656	2,667	2,410	865,393	919,635
Cancellations received during month	71	210	5,813	2,916	.....	.....	40,170	72,220
Unfilled orders on hand at end of month	44,299	49,789	268,476	304,676	3,871	4,945	1,667,942	1,781,853

* Preliminary report compiled by the Bureau of the Census.

have been comparatively few and slight; a few reductions are still to be noted but the percentage of these is small as compared with the number who state that their quotations are the same as they were a month ago.

In the accompanying table the operations in July and August of 332 identical establishments representing 424 mills are summarized. Although the total production increased, the output of women's full-fashioned and seamless and of boys' and misses' hosiery was smaller, and by far the largest gain was in men's seamless. The other items all show an improved condition; orders booked and unfilled orders are both larger, whereas there was a decrease in finished product on hand and in cancellations.

HOSIERY INDUSTRY*
United States

In dozen pairs	July	August
Production:		
Full-fashioned, men.....	38,381	42,314
Seamless, men.....	1,219,130	1,551,848
Full-fashioned, women.....	458,066	454,021
Seamless, women.....	883,876	860,438
Boys' and misses', all styles.....	372,270	350,012
Children's and infants', all styles....	275,904	304,151
Athletic and sport, all styles.....	14,508	13,637
Total production.....	3,262,135	3,576,421
Total shipments during month.....	3,494,040	3,827,358
Total finished product on hand, end of month.....	8,425,855	8,258,487
Total orders booked during month....	3,393,597	4,168,533
Total cancellations received during month.....	170,162	120,921
Total unfilled orders on hand, end of month.....	5,587,755	5,840,826

* Compiled by the Bureau of the Census.

In this district the reports of the same 108 establishments, which are shown in the table on page 25, indicate that in September quite an improvement took place, and that trade broadened in most lines.

Silk yarns are lower than they were a month ago, the decline at one time being fully 10 per cent, but more recently the market has strengthened and is now about 5 per cent lower than it was in late September. Cotton yarn has fluctuated considerably but after an early advance has reacted and prices are nearly on a parity with those of a month ago. Worsted yarns have been strong and have risen from 10 to 15 per cent, and because of this advance manufacturers of worsted mixtures in men's half hose are endeavoring to obtain a higher price for their product.

Stocks of finished hosiery, although they continue of moderate size, are smaller than they were last month. Labor is in sufficient supply and wages are unchanged. Collections in a majority of cases are classified as either fair or good, but about 20 per cent of the reports call them poor.

UNDERWEAR

Conditions in the market for underwear vary so widely that it is difficult to reach definite conclusions regarding production and the volume of business transacted during the past month. Generally speaking, however, the demand for various types of underwear has been more brisk than it was last month. This is particularly true in respect to the heavy-weight lines, in which duplicate orders for men's ribbed goods showed a marked improvement in activity, especially during the latter part of September. On the other hand, the situation in light-weight underwear continues to be unsatisfactory, although a slight gain over the previous months has been reported by a number of manufacturers. Confidence in the future seems to be still lacking among jobbers, who are buying sparingly, and only in sufficient quantities to cover their immediate requirements. In consequence, most of the current sales call for quick delivery, although in several instances orders call for delivery within and beyond the period of ninety days. Uncertainty in the market for raw cotton, fluctuation in prices, and unsold stocks from last season are among the principal factors responsible for the prevailing quietness in this trade.

Except for a number of instances where operations decreased slightly or remained unchanged, as compared with last month, production has improved somewhat. At present mills are running at about 55 per cent of single-shift capacity. As a rule, they have enough of advance business on hand to insure present operations for a period of two months or more. The supply of labor is sufficient, and wages remain the same as they were last month. While in several instances stocks of both finished goods and raw material are said to be growing heavier, they are, for the most part, moderately light and stationary.

Quotations for finished merchandise are generally weak, but prices of raw materials are reported to be, in the main, firm, and in a few cases even higher than they were last month. As a matter of fact, prices of manufactured goods have remained about the same as they were at the opening of the season, though recently one producer of women's underwear for spring has advanced quotations slightly. Collections, in the main, are fairly satisfactory.

FLOOR COVERINGS

A month ago many in the floor covering trade were anticipating that the opening of spring lines of carpets and rugs would be held during October and were delaying their buying until that event, but as weeks passed without any sign of this, it became evident that no lines would be opened until after Election Day. This meant that many buyers, both wholesalers and retailers, would have to replenish their stocks from goods of the present season, and buying increased.

The movement was strengthened also by the advancing quotations for carpet wools and yarns which made the chance of lower prices for carpets and rugs of the new season seem exceedingly slight. Nearly all the orders booked called for immediate shipment, but as manufacturers were well supplied with finished stock these orders were readily filled.

In this district production in the mills which make carpet and rugs has again increased during the month, and as the demand has kept pace with this gain, stocks, though still moderate, have either remained stationary or decreased. The increased call has affected all grades except the very low ones, such as wool-fibres, in which strong competition with linoleum and felt base goods has been most marked, with the result that mills which make only these low grades are doing little or no business. Prices are firm and for the most part unchanged although in a few cases advances have been made.

For the week ending September 15, reports received from 14 manufacturers of carpets and rugs in Pennsylvania and New Jersey show that, as compared with the week ending August 15, the number of employees was 21.2 per cent larger, total weekly wages rose 24.2 per cent and average weekly wages 2.5 per cent. Labor continues in sufficient supply and wages of both skilled and unskilled are unchanged.

Raw material prices are either firm or higher; wool and wool yarns have advanced and the rise in worsted yarns, which are used in the manufacture of high-grade floor coverings, such as worsted Wiltons, has been especially marked. The explanation given for the flurry in carpet wools and yarns is the restricted supply available in both domestic and foreign markets. The continuance of the disturbed conditions in China has already delayed wool from that market in reaching shipping points and threatens to make a large part of that crop unavailable for the coming season. Manufacturers being anxious to secure at least a fair part of their requirements have, therefore, bought a considerable quantity during the past few weeks.

In the linoleum market another combination of a large manufacturer of linoleum and a felt base goods producer has further narrowed the sellers to a few large firms. Some of the lines for the new season are now on exhibition and in at least one case prices have been named and these quotations show no change. Business throughout the country in these grades of floor coverings continues unabated, the only dull spot being inlaid, and for these the call is somewhat better. The materials from which linoleum is produced are for the most part higher, linseed oil, burlaps and rosin having all advanced recently.

Collections in all branches of the floor covering industry are either fair or good and are the same as they were last month.

LEATHER

The market for hides has been strong and fairly active during the month; packers are sold up closely to their kill and prices are about $\frac{1}{2}$ cent higher than they were a month ago. The country markets have moved in unison with the large markets and stocks are light.

Hides and skins Calf skins have advanced in response to the keen demand for calf leather for women's shoes and packers have sold at 24c per pound, the highest quotation for many months. In some markets premiums are being offered for lots especially suitable for making leather of light weight.

Sheep and goat skins, too, have risen in price, but in both of these the higher quotations now named have tended to restrict business, as tanners hesitate to follow the market further. In goat skins, lots suitable for making lining stock have been eagerly sought, but there are few such skins now available and they are held at prices which tanners consider too high.

Stocks of cattle hides, calf and kip and goat and kid decreased during August, but those of sheep increased. All of these changes, however, were small except in the case of calf and kip, which declined 7.7 per cent. The supply of cattle hides reached a new low figure of 3,760,239.

The demand for leather continues and while the total business may not reach that of a month ago the markets have been strong and numerous price advances are recorded.

Leather

Although in many cases shoe manufacturers have finished cutting the early orders taken for autumn, they continue to buy in order to take care of the new orders coming in.

Sole leather sales, both to shoe manufacturers and the finding trade, are in fair volume and advances of 1 to 2 cents per pound have been obtained quite generally. Indeed greater increases are said to have been paid in some cases. Moreover, large sales of old leather, which has been hanging over the market for several years, have greatly improved the position of the trade; prices were no doubt made attractive to the buyers of such merchandise. Belting butts, however, continue to be in only moderate request.

Upper leathers have been stronger, if anything, than heavy leathers, and an active demand is noted for grain calf leather, especially in women's weights, in light and medium tan color. Tanners making this are oversold and are receiving daily many requests from shoe manufacturers to hurry shipments. For men's and children's shoes tan grain calf is also wanted, but not so urgently as for women's wear. Prices have advanced 2 cents per foot recently, making a total rise of 4 cents since midsummer. Cattle side leather in tan is being freely used as a substitute for calf in cheaper

PRODUCTION OF LEATHER*

	July, 1924	August, 1924	Percentage of increase or decrease
Backs, bends and sides	1,151,212	1,168,729	+ 1.5
Belting butts	112,114 butts	110,938 butts	- 1.0
Offal, sole and belting	8,035,245 lbs.	8,646,253 lbs.	+ 7.6
Cattle side upper	1,029,998 sides	1,006,612 sides	- 2.3
Calf	1,262,953 skins	1,455,414 skins	+15.2
Sheep and lamb, upper	1,163,792 "	1,453,311 "	+19.9
Goat and kid	2,246,808 "	2,150,005 "	- 4.3
Cabretta	142,224 "	138,530 "	- 2.6

* Compiled from figures furnished by the Bureau of the Census.

† The lowest figure since March, 1921.

shoes and has also risen in price. Sales of patent leather, though fair, have been somewhat curtailed by the gain in popularity of calf grain leather. Black kid leather has sold freely and tanners' stocks have been brought down to a point where some of them at least have little to offer. Others, however, continue to carry a fair supply, but it must be remembered that a large percentage of the stock on hand is of dark brown leather, for which at present the call is light. Grey kid leather for linings continues to be wanted because of the continued vogue of light colored hosiery and the supply is reported to be greatly decreased and prices have advanced considerably. Sheep leathers are also in request for linings and for infants' cheap shoes, as well as in the bag and other leather trades.

Production in most lines of leather is increasing slowly and tanners are wetting more hides and skins than they were a month ago. The latest figures on production, as shown in the accompanying table, indicate that in August the output of some lines was already showing an increase, but that at that time the others continued to decline.

Stocks of all leathers except belting butts, however, were then falling, as is shown in the accompanying table, which is also made up from figures furnished by the Bureau of the Census. Since August, sales are reported to have been larger than production and stocks, therefore, are said to have shown further decreases.

Belting leather is not as active as it was a month ago and sales have fallen off slightly. Belting scrap, of which there has been a glut, is slightly improved, and this is of considerable moment to the belt maker, as it is calculated that about 20 per cent of the total quantity of belt leather is in the form of scrap.

The supply of labor remains sufficient and wage scales are unchanged. Thirty-three leather tanners in Pennsylvania, New Jersey and Delaware report that during the week ending September 15 as compared with that of August 15 the number of employees was 2.7 per cent larger and that total weekly wages and average weekly earnings increased 4.2 and 1.4 per cent, respectively. Collections are in nearly all cases reported as good.

Although many of the shoe factories in this district have finished making their early orders for autumn, new business has been received in such a volume that their production has been increased to meet this demand. It is true that this year the early purchases by both wholesalers and retailers were smaller than usual, but it is equally true, as is shown below, that sales in this district both at wholesale and retail were larger in September than they were in 1923. It is probable that in other districts similar conditions existed; therefore, both wholesalers and retailers were compelled to enter the market again to replenish stocks and encouraged by their early fall business they have

Shoes

STOCK OF LEATHERS

	July, 1924	August, 1924	Percentage of increase or decrease
Backs, bends and sides	8,130,357	7,707,135	- 5.2
Belting butts	915,828 butts	947,797 butts	+3.5
Offal, sole and belting	56,969,295 lbs.	55,635,956 lbs.	-2.3
Cattle side upper	6,669,126 sides	6,299,920 sides	-5.5
Calf	7,131,214 skins	7,026,587 skins	-1.5
Sheep and lamb, upper	5,559,389 "	5,161,930 "	-7.1
Goat and kid	23,769,909 "	22,015,612 "	-7.4
Cabretta	2,085,909 "	1,999,641 "	-4.1

purchased with considerable freedom. Most of the sales by manufacturers have been for prompt shipment, but some report that they have more orders for future delivery than they had a month ago. Prices are firmly maintained and a few manufacturers are asking an advance for some shoes, but they report that buyers are resisting higher quotations and that it is very difficult to obtain a better price, even though their costs have increased, because of the advance in leathers and cotton goods.

The magnitude of the shoe industry in the United States can best be understood from a report prepared by the United States Census of Manufactures which shows that in 1923 1,542 establishments were engaged in the manufacture of shoes, other than rubber. The total number made was 351,114,273 pairs, having a value of \$950,479,368, and wage payments amounted to \$239,395,811.

In 1924 production has been lower than it was in 1923 and, although in August this year only 25,261,762 pairs of shoes were made, as compared with 30,028,391 in August, 1923, the output was increasing, as in July only 21,398,498 pairs were made. The survey of employment and wages made by this Bank indicates that production in the district, which usually is a fair guide to country-wide production, was larger in September than it was in August. For the week ending September 15, 29 shoe manufacturers reported that the number of employees had increased 1.2 per cent as compared with August 15 and that total weekly wages had gained 2.8 per cent and average weekly earnings 1.6 per cent in the same period.

This indication is confirmed by a preliminary estimate of production in this district shown in the following table, while in the United States, advance figures point to a gain of 8.5 per cent in country-wide production.

BOOT AND SHOE PRODUCTION*
Third Federal Reserve District

	Number of pairs	
	September, 1924	August, 1924
Boots and shoes, total	1,643,251	1,580,314
High and low cut (leather) total	1,583,250	1,528,975
Men's	127,467	124,820
Boys' and youths'	160,578	175,359
Women's	330,831	275,870
Misses' and children's	518,765	524,791
Infants'	445,609	428,135
All other leather or part leather footwear†	60,001	51,339

* Preliminary report compiled by the Bureau of the Census.
† Includes athletic and sporting shoes (leather), shoes with canvas, satin, and other fabric uppers, slippers for house wear, and all other leather or part-leather footwear.

Collections are fair and are somewhat better than they were a month ago.

Sales of shoes at wholesale, as is shown on page 10, were larger in September by 65.8 per cent than in August and by 5.1 per cent than in September, 1923.

At retail, also, sales in September were larger than in the previous month or a year ago, as is shown in the following table. Women's shoes are in especially good request and, though patent leather, velvet, and satin continue to sell well, tan grain calf has gained quickly in popularity and is much called for. Prices are unchanged and collections are fair.

RETAIL SHOE TRADE
Third Federal Reserve District

1. NET SALES (in terms of dollars):			
September, 1924, as compared with August, 1924	+	14.0%	
September, 1924, as compared with September, 1923	+	0.2%	
2. STOCKS (selling price):			
September, 1924, as compared with August, 1924	+	15.3%	
September, 1924, as compared with September, 1923	-	3.1%	
3. RATE OF TURNOVER (times per year based on cumulative period):			
July 1 to September 30, 1924		2.3	
July 1 to September 30, 1923		2.1	
Number of stores reporting above items:			
1	26	2	24
3			24

PAPER

The majority of paper manufacturers report that the demand for their products is greater than it was a month ago, but at only a few mills is it as heavy as it was in October, 1923. Makers of book, fine, and glazed papers are the only group who find that their products are in greater request than they were a year ago. The output of these papers has recently been increased, and the mills are operating at approximately 85 per cent of capacity. Wrapping and kraft papers, although they are in better demand than they were a month ago, are not selling as well as in October, 1923. Production is now at about 80 per cent of capacity. The call for fine tissues is not as good as it was a month ago and mill output has decreased. Toilet tissues and crêpe towels are in only fair demand. Wall papers are selling actively and most factories are operating at capacity. The demand for box boards is fairly good, but is not as heavy as it was a year ago. Building papers and board are selling in fair volume, but here, too, business is not as active as it was at this time last year. Envelopes are in greater request than they were last month and factory operations have increased to 75 per cent. Hand-to-mouth buying is still the practice of consumers and as a result most mills have only from 10 days' to two weeks' business on hand.

Paper prices are generally firm and show little

change from those of a month ago. Some weakness has been apparent at times in the prices of boxboards and some wrapping papers, but it has been only slight. Some grades of fine paper show a slight upward trend in price. Mechanical pulps are firm and a few grades of chemical pulps are slightly higher than they were a month ago.

The majority of mills report that both finished stocks and supplies of raw materials are moderate in size and about the same as last month.

PAPER BOXES

The demand for paper boxes varies from fair to good and is considerably greater, at most factories, than it was a month ago. Candy manufacturers have come into the market heavily and have placed the majority of their orders for Christmas needs. Hosiery manufacturers are also taking larger quantities of boxes than they have for many months, but other knitted goods lines are buying sparingly. Shirt makers find business dull and are purchasing few boxes, but the demand from shoe manufacturers is increasing. Manufacturers of hardware and electrical supplies, packers of food-stuffs, and makers of perfumes are buying actively. Folding boxes and mailing tubes are in fairly good request and are selling better than they were a month ago. Operations at news and chipboard box factories, as indicated by reports to us, average about 80 per cent of capacity. The demand for corrugated boxes has increased and is fairly good. Most factories are now operating at approximately 80 per cent. The call for fibre shipping containers is well maintained and operations in this branch of the industry are at about 85 per cent. Orders for future delivery have increased and although some manufacturers have only two weeks' business on hand, many others have 60 days' business booked.

Price cutting is still noticeable, but it is not quite as severe as it was during the previous three months. Most boxmakers, however, report that prices, although the same as they were a month ago, are weak and that the margin of profit is small. Board prices are firm and practically the same as they were a month ago.

A scarcity of skilled labor is reported at some factories, but in most cases the supply is sufficient. Unskilled labor is plentiful.

CIGARS

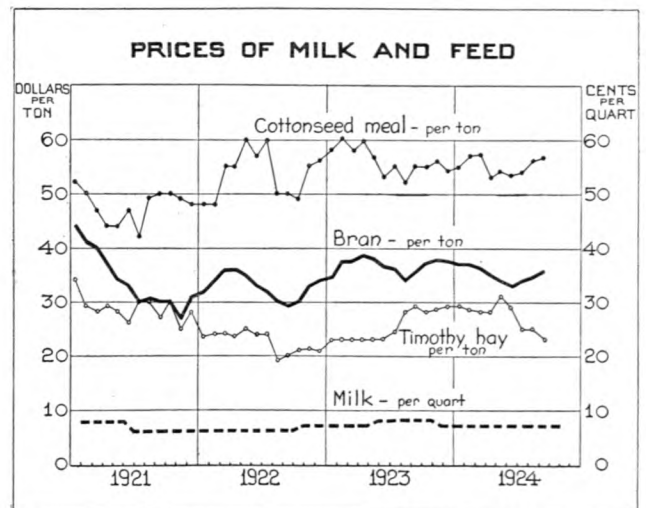
An improved demand for cigars is reported by manufacturers in this district who, in classifying it as fairly good, say that it is unmistakably stronger than it was a month ago, though not yet as satisfactory as in October, 1923. Unfilled orders are larger than they were a month ago and shipments extend somewhat further into the future but deliveries are practically all specified as immediate or within 60 days.

Quotations for cigars are firm and have not changed from those prevailing in September; prices of raw materials, generally speaking, too, are the same as those listed a month ago. Stocks of finished products are in no instances more than moderate; in a few cases they are even light, though all are comparatively stationary. Supplies of raw materials are held in only reasonable quantities and these, too, are being maintained at stationary levels.

Manufacturers reporting to us are operating all the way from 60 per cent to total capacity, the average rate being around 70 per cent of maximum output. The filling of orders already taken will necessitate the continuance of this rate for an average period of close to 4 weeks. According to the Bureau of Internal Revenue, production of all classes of cigars in the entire United States during September totalled 605,608,215, as compared with 573,626,971 in the preceding month and 598,817,342 cigars during September of last year.

AGRICULTURE

Exceptionally fine weather, free from killing frosts, has helped some of the late crops and has offered ideal conditions for the harvests. Favored also with ample labor, in contrast to the acute shortage of last fall, farmers have been able to gather their crops promptly. The peach and tobacco crops have been completely harvested; apple and pear picking is about three-fourths finished; a considerable portion of the late potato crop has been dug; and most of the corn crop has been cut. Fall plowing has begun and winter wheat plantings are nearly completed. Reports from county agents state that farmers are planting slightly larger acreages of wheat than they sowed last fall, and ac-



Although by-product mill feeds are either higher or the same as they were a year ago, the price of hay is much lower. So far this year milk prices have been steady.

Sources—Department of Agriculture, Interstate Milk Association

ESTIMATES OF CROP YIELDS
(In thousands of units)

	Pennsylvania			New Jersey			Delaware	
	1924		1923	1924		1923	1924	1923
	From condition on Oct. 1 or preliminary	From condition on Sept. 1		From condition on Oct. 1 or preliminary	From condition on Sept. 1		From condition on Oct. 1 or preliminary	
Corn.....	48,556 bus.	51,454 bus.	61,640 bus.	7,804 bus.	7,614 bus.	9,440 bus.	4,440 bus.	6,057 bus.
Oats.....	36,648 "	37,396 "	33,930 "	2,016 "	2,073 "	1,632 "	210 "	182 "
Buckwheat.....	4,994 "	4,994 "	4,880 "	200 "	200 "	210 "	117 "	144 "
Potatoes.....	26,328 "	24,903 "	26,145 "	9,750 "	9,946 "	7,600 "	920 "	800 "
Sweet potatoes.....	239 "	249 "	260 "	2,295 "	2,210 "	2,196 "	1,125 "	1,008 "
Hay (tame).....	4,600 tons	4,512 tons	3,066 tons	531 tons	494 tons	328 tons	138 tons	93 tons
Tobacco.....	55,264 lbs.	57,024 lbs.	58,950 lbs.	.....	.....	.....	.....	.....
Apples (total).....	7,267 bus.	7,267 bus.	10,855 bus.	2,146 bus.	2,390 bus.	2,203 bus.	1,183 bus.	1,200 bus.
Apples (commercial crop).....	811 bbls.	811 bbls.	1,266 bbls.	472 bbls.	526 bbls.	470 bbls.	307 bbls.	340 bbls.
Pears.....	619 bus.	623 bus.	612 bus.	642 bus.	634 bus.	662 bus.	320 bus.	370 bus.
Cranberries.....	.....	.....	.....	190 bbls.	200 bbls.	204 bbls.	.....	.....

cording to their estimates the sowings this year will be 5 per cent greater than in 1923. The rising price of wheat has evidently influenced the growers to increase their acreage.

Estimates of yields made by the State Departments of Agriculture from conditions on October 1 indicate that the production of potatoes, sweet potatoes and hay will be greater than was in prospect on September 1. Tobacco and corn yields in Pennsylvania, however, will be smaller than September 1 estimates indicated; but the corn crop in New Jersey will be larger. The following table shows how estimates of production by the Department of Agriculture on October 1 and September 1 compare with those of last year.

Late fruit production in the Third Federal Reserve District will not be as large as it was in 1923. The apple crop is considerably smaller than it was last year and the quality is poorer, due to the heavy infection of the apple scab. The outlook for the pear crop on October 1 was not as promising as on September 1 and a smaller crop than was harvested in 1923 is now indicated. A reduction in the estimate of production of cranberries in New Jersey has also occurred and the crop is expected to be 7 per cent smaller than it was last year.

Pastures are in good condition and estimates of hay production on October 1 were revised upward, so that one of the largest hay crops on record is looked for in this district. Both in Pennsylvania and New Jersey the yield per acre is much greater than the average. As a result of this abundance of roughage

and pastures, dairy herds are in good condition and on October 1 were somewhat above normal. The prices of dairy rations are now about the same as they were a year ago. As shown in the preceding chart, most by-product mill feeds are higher than they were a year ago because grain prices have advanced. Hay, the principal roughage, is much cheaper than it was last fall, so it may be assumed that dairymen will feed more roughage to their herds and less by-product feeds than last fall. Milk prices in this district have remained at the same level during the first ten months of this year.

Reports from many county agents state that sales of hogs for slaughter have not been as heavy this fall as they were in 1923. There are fewer hogs fit for market on the farms than there were last fall and the condition of those being marketed is poorer than it was a year ago. High corn prices have forced farmers to feed lighter rations and consequently the hogs are not as well fattened as they normally are at the time of marketing. The new crop hogs, however, are in fair condition and about equal to the October normal, but their number is smaller than it was a year ago.

Farm labor is much more plentiful than it was a year ago and in most parts of the district the supply has been sufficient to meet the demand. A few counties report some scarcity, but it has not been serious. Most of the crops have been harvested promptly as they matured. The average wage of laborers hired by the month, in New Jersey, is about one per cent lower than that of a year ago.

COMPILED AS OF OCTOBER 23, 1924.

This business review will be sent regularly without charge to any address upon request

BUSINESS INDICATORS
Third Federal Reserve District

The following data refer to the Third Federal Reserve District except where otherwise noted	Sept., 1924	Aug., 1924	Sept., 1923	Latest figure compared with	
				Previous month	Year ago
Retail trade—net sales† (156 stores).....	\$20,176,000	\$16,356,000	\$19,755,000	+ 23.4%	+ 2.1%
Department stores (63).....	\$16,238,000	\$12,995,000	\$15,900,000	+ 25.0"	+ 2.1"
Apparel stores (46).....	\$2,714,000	\$2,027,000	\$2,549,000	+ 33.9"	+ 6.5"
Shoe stores (26).....	\$439,000	\$385,000	\$438,000	+ 14.0"	+ 0.2"
Credit stores (21).....	\$785,000	\$949,000	\$868,000	- 17.3"	- 9.6"
Wholesale trade—net sales (164 firms).....	\$12,094,829	\$10,634,197	\$12,088,988	+ 13.7"	+ 0.0"
Boots and shoes (12 firms).....	\$436,363	\$263,160	\$415,242	+ 65.8"	+ 5.1"
Drugs (15 firms).....	\$1,502,759	\$1,421,881	\$1,375,756	+ 5.7"	+ 9.2"
Drygoods (18 firms).....	\$1,385,911	\$1,027,452	\$1,637,931	+ 34.9"	-15.4"
Electrical supplies (6 firms).....	\$580,997	\$485,310	\$548,971	+ 19.7"	+ 5.8"
Groceries (57 firms).....	\$4,636,971	\$4,107,132	\$4,492,881	+ 12.9"	+ 3.2"
Hardware (31 firms).....	\$2,128,696	\$2,030,203	\$2,113,572	+ 4.9"	+ 0.7"
Jewelry (13 firms).....	\$534,808	\$385,699	\$556,918	- 38.7"	- 4.0"
Paper (12 firms).....	\$888,324	\$913,360	\$947,717	- 2.7"	- 6.3"
Production:					
Shoes* (114 factories).....	prs. 1,643,251	prs. 1,580,314	prs.	+ 4.0"	.....
Pig iron.....	tons 142,708	tons 130,594	tons 219,175	+ 9.3"	-34.9"
Hosiery* (108 mills).....	doz. prs. 743,632	doz. prs. 624,501	doz. prs.	+ 19.1"	.....
Iron castings (32 foundries).....	tons 5,922	tons 5,591	tons	+ 5.9"	.....
Steel castings (6 foundries).....	tons 2,885	tons 2,398	tons	+ 20.3"	.....
Cement.....	bbls. 3,528,000	bbls. 3,621,000	bbls. 3,293,000	- 2.6"	+ 7.1"
Anthracite.....	tons 7,601,000	tons 7,086,000	tons 2,917,000	+ 7.3"	+160.6"
Bituminous coal (Central district—percentage of full-time output).....	per cent 48.6	per cent 42.2	per cent 64.3	+ 15.2"	-24.4"
Wool consumption* (76 mills).....	lbs. 8,177,592	lbs. 6,384,777	lbs.	+ 28.1"	.....
Active cotton spindle hours (Pennsylvania and New Jersey).....	87,633,233	59,076,585	96,839,999	+ 48.3"	- 9.5"
Distribution:					
Freight car loadings (Allegheny district—weekly average).....	206,982	194,501	214,026	+ 6.4"	- 3.3"
Tonnage of vessels (Port of Philadelphia).....	tons 2,806,073	tons 2,681,218	tons 2,609,082	+ 4.7"	+ 7.6"
Exports of wheat (from Port of Philadelphia).....	bus. 2,249,753	bus. 1,023,339	bus. 1,266,228	+119.8"	+77.7"
Exports of flour (from Port of Philadelphia).....	lbs. 11,720,070	lbs. 6,642,608	lbs. 18,463,246	+ 76.4"	-36.5"
Imports of crude oil (into Port of Philadelphia).....	gals. 13,860,000	gals. 17,907,666	gals. 20,593,146	- 22.6"	-32.7"
Financial:					
Loans, discounts and investments of member banks (weekly average).....	\$1,009,700,000	\$985,500,000	\$932,800,000	+ 2.5"	+ 8.2"
Bills discounted held by Federal Reserve Bank of Philadelphia (daily average).....	\$19,194,000	\$21,315,000	\$60,692,000	- 10.0"	-68.4"
Acceptances executed (12 banks for month ended 10th of following month).....	\$6,038,000	\$3,284,000	\$3,082,000	+ 83.9"	+95.9"
Bankers' acceptances sales (5 dealers—weekly average for period ended middle following month).....	\$980,000	\$179,000	\$2,801,000	+447.5"	-65.0"
Commercial paper sales (5 dealers).....	\$9,685,000	\$7,432,500	\$6,272,000	+ 30.3"	+54.4"
Savings deposits (99 banks).....	\$533,691,000	\$533,253,000	\$499,284,000	+ 0.1"	+ 6.9"
General:					
Debits (18 cities).....	\$1,996,709,000	\$1,941,441,000	\$1,864,358,000	+ 2.8"	+ 7.1"
Commercial failures.....	73	63	44	+ 15.9"	+65.9"
Commercial failures—liabilities.....	\$1,315,533	\$1,366,943	\$2,695,645	- 3.8"	-51.2"
Building permits (15 cities).....	\$17,450,446	\$27,257,295	\$11,665,973	- 36.0"	+49.6"
Building contracts awarded (Philadelphia district).....	\$48,271,700	\$37,489,400	\$19,641,200	.....	.....
Employment—number of wage earners (1,024 plants in Pennsylvania, New Jersey and Delaware).....	354,711	347,358	.....	+ 2.1"	.....
Average weekly earnings (354,711 wage earners in Pennsylvania, New Jersey and Delaware).....	\$25.26	\$25.00	.....	+ 1.0"	.....
Sales of life insurance (Pennsylvania, New Jersey and Delaware).....	\$56,294,000	\$60,295,000	\$52,847,000	- 6.6"	+ 6.5"

* Bureau of Census preliminary figures.

† Estimated.