

# THE BUSINESS REVIEW

THIRD FEDERAL  
PHILADELPHIA



RESERVE DISTRICT  
JANUARY 1, 1925

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FEDERAL RESERVE BANK of PHILADELPHIA

## SUMMARY OF BUSINESS CONDITIONS IN THE UNITED STATES

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

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

Final estimates by the Department of Agriculture of crop yields in 1924 showed a greater aggregate production than in 1923 and an increase of about 9 per cent in the total value of all crops. Yields of wheat, oats, cotton, potatoes, and hay were larger than in 1923, but the production of corn and tobacco was smaller.

Marketing continued in large volume in November and exports of agricultural products were the largest for that month in any recent year.

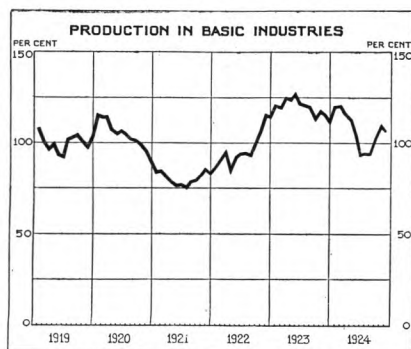
**Prices.** The level of wholesale prices, as measured by the index of the Bureau of Labor statistics, advanced slightly in November, price increases in most of the commodity groups being nearly offset by a considerable decline in the prices of animal products. During the first half of December there were further advances in the prices of grains, flour, sheep, metals, and lumber, while the prices of beef, hides, silk, and brick declined.

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

**Bank credit.** Total loans and investments of member banks in leading cities continued to increase during the four weeks ending December 10 and on that date were in larger volume than at any previous time. The increase during the period was chiefly in loans secured by stocks and bonds and accompanied continued activity in the security markets. Commercial loans showed a seasonal decline from the high point of the year reached in the middle of November, but continued above the level of a year ago. Security holdings, after increasing rapidly since the spring of the year, reached a peak on November 19 and after that time showed a slight decline.

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

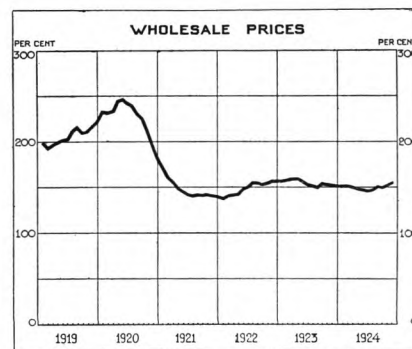
Firmer conditions in the money market during the last half of November and the first half of December were indicated



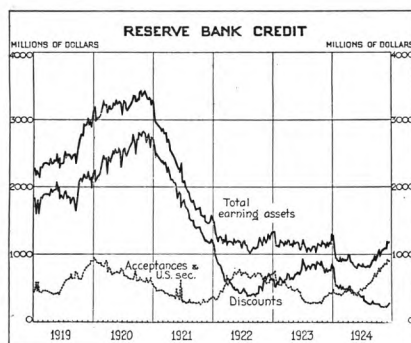
Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figure—November, 107.



Index for 33 manufacturing industries (1919=100). Latest figure—November, 91.



Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau). Latest figure—November, 152.7.



Weekly figures for 12 Federal Reserve Banks.  
Latest figure—December 17.

by higher rates on bankers' acceptances and a rise of one half per cent in the rate on commercial paper.

### SUMMARY OF BUSINESS CONDITIONS IN THE THIRD FEDERAL RESERVE DISTRICT

Aside from the usual seasonal fluctuations, commercial and industrial activity in this district showed little change in November from the level maintained in the previous month. Indeed many lines of industry and trade failed to experience even the normal seasonal improvement and the volume of business was considerably less than in November, 1923. Part of this decline no doubt is due to the fact that there were a smaller number of working days in this November than in the same month of 1923. In general, however, October's volume of business was equalled or slightly exceeded in November. Business sentiment, moreover, continues optimistic and the first few weeks of December witnessed a noticeable advance over November. Preliminary reports received by this bank on employment at factories in Pennsylvania, New Jersey and Delaware indicate that working forces were from 1 to 2 per cent larger in December than in November as contrasted with practically no change in the preceding month.

Although the general average of factory operations in this district was virtually unchanged from October to November, there were marked fluctuations in some of the individual industries. Textile mills generally increased their operations somewhat, and although there has been a seasonal lull in buying in many lines, the present volume of orders is sufficient to maintain the current rate of operations for two or three months. Underwear and hosiery mills are also more active, although there has been some seasonal slackening in new orders. Prices of textiles and textile products generally are firm and unchanged, the

principal exception being quotations for raw wool and woolen goods, which have continued to advance rapidly.

Most iron and steel products are in fair demand and mill activity in this district increased during the past few weeks. Demand for iron and steel castings declined, however, and production also was smaller than in October. Sales of machinery and machine tools and of railroad and track equipment are in larger volume and there has been active ordering of these products for 1925 delivery. Prices, especially quotations for pig iron, also advanced considerably during the month.

The volume of building in this district continued well in excess of that of the same period of last year, although there was a large seasonal decrease in the value of permits from October to November. Building materials are also in fair request and manufacturers of brick and tile and glass increased their operations in November. The coal markets have been quiet of late, although recent cold weather has stimulated demand. Anthracite production was considerably less in November than in October or in the same month of the previous year.

In spite of the prevailing business confidence, distribution of goods has been in smaller volume than in the same period of 1923. Retail sales in the district have increased seasonally in November and December, but in the former month were nearly 7 per cent less than in November, 1923. This decline no doubt is largely attributable to the fact that employment during the greater part of this year has been considerably less than in 1923; in

consequence, purchasing power has been smaller. It is significant, however, that employment and wage payments have been increasing steadily since mid-summer. All lines of wholesale trade experienced a seasonal decline in November, and in nearly all instances were also considerably under last year's totals. Railroad freight shipments in the Allegheny district declined somewhat in November but were in almost as large volume as in the corresponding period of the previous year. That general business activity in November was somewhat above that of last year is evident from the fact that the volume of debits to individual accounts in this district was 7 per cent larger than in the same month of last year.

### EMPLOYMENT AND WAGES

Factory employment in Pennsylvania, New Jersey and Delaware showed only a slight net increase from October to November and average per capita earnings were practically unchanged. Many of the individual industries, however, showed marked variations. Among the metal manufactures blast furnaces and forging plants reported noticeable increases, while employment at structural iron works and shipyards declined 4 or 5 per cent. Textile product mills, with the exception of clothing and hat factories, continued to enlarge their working forces. In the food and tobacco group employment declined generally, reductions being particularly large in canneries and sugar refineries. Building material manufacturers continued to expand their opera-

### SYNOPSIS OF BUSINESS CONDITIONS

Compiled as of December 22, 1924

Third Federal Reserve District

Business	Demand	Prices	Stocks	Collections
Bricks.....	Poor	Lower	Moderate	Fair
Cigars.....	Fair	Firm	Light	Good
Coal, anthracite.....	Good	Higher	Moderate	Fair
Coal, bituminous.....	Fair	Same	Moderate	Fair
Coke.....	Good	Higher	Light	Fair
Cotton, goods.....	Fair	Firm	Moderate	Fair
Drugs, wholesale.....	Good	Firm	Moderate	Fair
Drygoods, wholesale.....	Fair	Same	Moderate	Fair
Electric supplies, wholesale.....	Fair	Higher	Moderate	Fair
Floor coverings.....	Good	Higher	Moderate	Good
Groceries, wholesale.....	Fair	Higher	Moderate	Fair
Hardware, wholesale.....	Fair	Higher	Moderate	Fair
Hosiery, full-fashioned.....	Fair	Same	Moderate	Fair
Hosiery, seamless.....	Fair	Same	Moderate	Fair
Iron and steel.....	Fair	Higher	Moderate	Fair
Jewelry, wholesale.....	Good	Same	Moderate	Fair
Leather, heavy.....	Fair	Firm	Moderate	Good
Leather, belting.....	Fair	Same	Moderate	Fair
Leather, upper.....	Fair	Same	Moderate	Good
Lumber.....	Good	Higher	Moderate	Fair
Oil, refined.....	Good	Higher	Moderate	Fair
Paint.....	Good	Same	Moderate	Fair
Paper.....	Fair	Firm	Moderate	Fair
Paper, wholesale.....	Fair	Firm	Moderate	Fair
Printing and publishing.....	Good	Firm	Moderate	Fair
Pottery.....	Fair	Same	Moderate	Fair
Shoes, manufacture.....	Fair	Higher	Moderate	Fair
Shoes, retail.....	Good	Firm	Moderate	Fair
Shoes, wholesale.....	Fair	Higher	Light	Fair
Silk, goods.....	Fair	Firm	Moderate	Fair
Silk, thrown.....	Fair	Firm	Moderate	Fair
Underwear, heavyweight.....	Fair	Lower	Moderate	Fair
Underwear, lightweight.....	Poor	Same	Moderate	Fair
Woolen and worsted goods.....	Fair	Up	Moderate	Fair
Woolen and worsted yarns.....	Fair	Up	Moderate	Fair

# EMPLOYMENT AND WAGES

In Pennsylvania, New Jersey and Delaware

Group and industry	No. of plants reporting	Number of wage earners—week ended		Total weekly wages—week ended		Average weekly earnings—week ended	
		Nov. 15, 1924	Per cent change from month ago	Nov. 15, 1924	Per cent change from month ago	Nov. 15, 1924	Per cent change from month ago
<b>All industries (48)</b>	<b>1,029</b>	<b>362,357</b>	<b>+ 0.1</b>	<b>\$9,334,822</b>	<b>+ 0.2</b>	<b>\$25.76</b>	<b>+ 0</b>
<b>Metal manufactures:</b>	<b>348</b>	<b>163,522</b>	<b>- 0.5</b>	<b>4,355,664</b>	<b>- 0.8</b>	<b>26.64</b>	<b>- 0.3</b>
Automobiles, bodies, and parts...	23	7,005	- 1.7	183,356	- 5.4	26.18	- 3.7
Car construction and repair...	15	13,737	- 0.9	399,389	+ 1.2	29.07	+ 2.1
Elec. machinery and apparatus...	41	19,354	+ 1.7	488,261	+ 5.0	25.23	+ 3.3
Engines, machines, mach. tools...	36	10,853	- 1.9	274,709	- 6.5	25.31	- 4.6
Foundries and machine shops...	72	11,496	+ 1.1	303,518	- 2.2	26.40	- 3.3
Heating apparatus...	18	5,584	- 1.6	163,455	- 5.5	29.27	- 4.0
Iron and steel blast furnaces...	10	12,952	+ 3.7	355,795	+ 2.5	27.47	- 1.2
Iron and steel forgings...	13	4,700	+ 4.2	117,433	+ 8.6	24.99	+ 4.3
Steel works and rolling mills...	47	38,247	+ 0.7	994,412	- 1.6	26.00	- 2.2
Structural iron works...	11	2,539	- 4.3	70,708	+ 2.9	27.85	+ 7.6
Miscellaneous iron and steel...	47	24,446	- 4.8	645,193	- 4.3	26.39	+ 0.5
Shipbuilding...	9	9,154	- 5.2	259,254	+ 1.0	28.32	+ 6.6
Non-ferrous metals...	6	3,455	+ 6.6	100,181	+ 4.3	29.00	- 2.2
<b>Textile products:</b>	<b>247</b>	<b>71,321</b>	<b>+ 1.7</b>	<b>1,589,891</b>	<b>+ 0.9</b>	<b>22.29</b>	<b>- 0.8</b>
Carpets and rugs...	14	4,318	+ 4.6	121,121	+ 5.8	28.05	+ 1.2
Clothing...	32	5,619	- 5.8	101,128	- 5.8	18.00	+ 0.1
Hats, felt and other...	7	5,052	- 1.0	109,613	- 4.6	21.70	- 3.6
Cotton goods...	23	6,806	+ 2.3	150,474	+ 0.4	22.11	- 1.8
Silk goods...	68	19,049	+ 2.5	388,987	+ 0.3	20.42	- 2.2
Woolens and worsteds...	31	12,126	+ 2.7	283,432	+ 1.2	23.37	- 1.4
Knit goods and hosiery...	47	9,978	+ 2.8	227,354	+ 8.7	22.79	+ 5.8
Dyeing and finishing textiles...	17	6,208	+ 0.8	160,918	- 5.1	25.92	- 5.9
Miscellaneous textile products...	8	2,165	+ 7.2	46,864	+ 10.2	21.65	+ 2.8
<b>Foods and tobacco:</b>	<b>87</b>	<b>24,722</b>	<b>- 7.0</b>	<b>528,604</b>	<b>- 9.5</b>	<b>21.38</b>	<b>- 2.7</b>
Bakeries...	20	3,809	- 1.3	105,354	- 0.4	27.66	+ 0.9
Canneries...	9	3,221	- 25.4	67,606	- 22.6	20.99	+ 3.7
Confectionery and ice cream...	21	6,124	- 6.5	117,436	- 14.5	19.18	- 8.6
Slaughtering and meat packing...	12	2,615	- 1.0	72,913	- 0.3	27.88	+ 0.7
Sugar refining...	3	2,215	- 15.2	61,164	- 22.2	27.61	- 8.2
Cigars and tobacco...	22	6,738	+ 1.9	104,131	+ 2.2	15.45	+ 0.3
<b>Building materials:</b>	<b>80</b>	<b>25,071</b>	<b>+ 4.2</b>	<b>720,239</b>	<b>+ 2.5</b>	<b>28.73</b>	<b>- 1.5</b>
Brick, tile, terra cotta products...	23	3,490	+ 4.0	93,693	+ 4.4	26.85	+ 0.4
Cement...	15	8,049	+ 0.4	231,241	- 3.1	27.73	- 3.5
Glass...	26	9,135	+ 10.3	262,489	+ 11.9	28.73	+ 1.4
Pottery...	16	4,397	- 0.4	132,816	- 4.6	30.21	- 4.2
<b>Chemicals and allied products:</b>	<b>75</b>	<b>29,196</b>	<b>+ 0.8</b>	<b>901,981</b>	<b>+ 5.7</b>	<b>30.89</b>	<b>+ 4.8</b>
Chemicals and drugs...	41	7,778	+ 2.3	211,776	+ 2.5	27.23	+ 0.2
Explosives...	10	2,770	+ 2.9	75,875	+ 2.4	27.39	- 0.5
Paints and varnishes...	13	1,353	+ 0.1	34,172	- 3.8	25.26	- 3.8
Petroleum refining...	8	16,424	- 0	554,472	+ 8.7	33.76	+ 8.7
Coke...	3	871	- 1.4	25,686	- 4.0	29.49	- 2.6
<b>Miscellaneous industries:</b>	<b>192</b>	<b>48,525</b>	<b>+ 1.5</b>	<b>1,238,443</b>	<b>+ 2.3</b>	<b>25.52</b>	<b>+ 0.8</b>
Lumber and planing mill prod...	8	2,390	- 2.4	52,717	+ 10.2	22.06	+ 12.9
Furniture...	21	3,276	+ 5.8	82,734	+ 5.5	25.25	- 0.3
Musical instruments...	6	8,440	- 0.9	233,029	+ 1.8	27.61	+ 2.8
Leather tanning...	32	7,927	+ 5.8	200,859	+ 3.1	25.34	- 2.5
Leather products...	7	610	+ 1.0	14,074	+ 7.1	23.07	+ 6.1
Boots and shoes...	29	5,381	+ 1.1	99,052	- 4.6	18.41	- 5.7
Paper and pulp products...	22	5,439	+ 0.6	138,785	+ 0.8	25.52	+ 0.2
Printing and publishing...	24	3,864	+ 6.1	130,972	+ 13.7	33.90	+ 7.1
Rubber tires and goods...	19	5,422	- 1.4	144,565	- 4.1	26.66	- 2.8
Novelties and jewelry...	11	2,331	- 1.5	57,393	- 2.0	24.62	- 0.5
All other industries...	13	3,445	+ 1.2	84,263	+ 3.5	24.46	+ 2.3

tions, as did most of the producers of chemical products. Employment in most of the miscellaneous industries also increased, the largest gains occurring at furniture factories, leather tanneries and printing and publishing establishments. The table on this page shows the detailed change in employment and wages in the principal industries of the three states. The significance of the figures reported for total weekly wages and average weekly earnings is affected by the fact that the period covered by the reports included Armistice Day, when many plants were closed.

## FINANCIAL CONDITIONS

In the course of four weeks, from November 19 to December 17, holdings of bills discounted by the Federal Reserve Bank of Philadelphia increased 12.3 millions, but other earning assets gained only .3 million. Heavier borrowing from the reserve bank apparently arises in part from the need for funds to pay off depositors in Christmas savings funds and to care for the holiday currency demands. Federal reserve note circulation advanced, as is usual at this season, total deposits declined, and cash

reserves are a little lower than they were a month ago. The reserve ratio fell from 81.3 to 77.6 per cent.

Changes in the loans and investments of reporting member banks in Philadelphia, Camden, Scranton and Wilmington from November 12 to December 10 were particularly interesting, inasmuch as high points for the year were attained by both secured and commercial loans. Secured loans increased from 312.4 millions on November 12 to 334.5 millions on December 3, but in the following week they receded to 323.7 millions. Similarly, all other loans, largely commercial in their nature, reached a high point of 381.3 millions on November 19, and declined thereafter. Investments increased 3.4 millions in the four week period and total loans advanced .6 million. Deposits declined 17.9 millions.

Dealers in bankers' acceptances report a good supply of these bills, but total sales in this district during the four weeks ended December 10 were materially smaller than in the preceding period and compared still more unfavorably with the figures of a year ago. The offering rate for 90-day bills on December 20 was 1/2 of one per cent above that of a month ago.

The stock market continues exceedingly active and in the month just past two million share days were frequent. The Dow-Jones average of 20 industrial shares on December 20 was \$27.64 above the low point for the year, and the average of railroad stocks was \$19.01 higher.

Reports from 99 banks in this district indicate an increase of 0.4 of one per cent in savings deposits during November. Percentage changes by cities follow:

Cities	Changes December 1, 1924, compared with	
	Previous month	Previous year
Allentown.....	+ .8%	+ 8.9%
Altoona.....	+ 2.0 "	+ 12.9 "
Bethlehem.....	- .8 "	+ 15.4 "
Chester.....	+ .7 "	- .3 "
Easton.....	+ .4 "	+ 15.8 "
Harrisburg.....	+ .1 "	+ 3.8 "
Johnstown.....	+ .1 "	+ 2.2 "
Lancaster.....	+ 1.4 "	+ 17.7 "
Philadelphia.....	+ .2 "	+ 6.3 "
Reading.....	+ 3.2 "	+ 11.7 "
Scranton.....	+ .1 "	+ 14.1 "
Trenton.....	+ .3 "	+ 11.7 "
Wilkes-Barre.....	+ 2.8 "	+ 8.4 "
Williamsport.....	+ .5 "	+ .3 "
Wilmington.....	+ .5 "	+ 6.0 "
York.....	+ .6 "	+ 15.6 "
Others.....	+ .3 "	+ 7.6 "
<b>Totals.....</b>	<b>+ .4%</b>	<b>+ 7.7%</b>

The reports of 994 banks in the Third Federal Reserve District show that 727, or 73 per cent, maintained Christmas savings clubs during 1924. They report a total of \$33,861,000 available for distribution this year, as compared with \$28,587,000

**FINANCIAL STATISTICS**  
**Third Federal Reserve District**

All figures except percentages in thousands of dollars	Latest	Changes in course of	
		One month	One year
<b>Reporting member banks:</b>			
Secured loans.....	323,700	+11,300	+ 42,400
All other loans.....	369,200	-10,700	+ 22,400
<b>Total loans.....</b>	<b>692,900</b>	<b>+ 600</b>	<b>+ 64,800</b>
Investments.....	369,300	+ 3,400	+ 82,100
<b>Total loans and investments.....</b>	<b>1,062,200</b>	<b>+ 4,000</b>	<b>+146,900</b>
<b>Total deposits.....</b>	<b>949,000</b>	<b>-17,900</b>	<b>+145,100</b>
<b>Federal Reserve Bank:</b>			
Bills discounted.....	35,000	+12,300	- 26,100
Other earning assets.....	51,100	+ 300	+ 11,500
<b>Total earning assets.....</b>	<b>86,100</b>	<b>+12,600</b>	<b>- 14,600</b>
Federal reserve note circulation.....	173,800	+18,600	- 56,000
Total deposits.....	126,700	- 5,400	+ 12,400
Cash reserves.....	233,200	- 400	+ 31,800
Reserve ratio.....	77.6%	- 3.7%	+ .6%
Debits (banks in 18 cities)*.....	555,089	- 6,845	+ 37,010
Savings deposits (99 banks).....	540,194	+ 2,311	+ 38,521
<b>Bankers' acceptances: †</b>			
Purchases by 5 dealers.....	956	+ 145	+ 268
Sales by 5 dealers:			
To Fed. Res. Bank.....	465	- 984	- 1,750
To others.....	236	+ 12	- 809
Executed by 12 banks ‡.....	5,410	- 1,328	+ 2,311
Commercial paper sales, 5 dealers.....	6,285	- 2,225	+ 663

**New York City**

Actual figures in all columns	Dec. 20, 1924	Month ago	Year ago
<b>Money rates:</b>			
Commercial paper.....	3½-3¾%	3¼-3½%	5-5½%
Bankers' acceptances.....	3%	2½%	4-4½%
Call money renewals.....	2½%	2½%	4¾%
<b>Security price averages:</b>			
20 industrial stocks.....	\$116.41	\$110.50	\$93.63
20 railroad stocks.....	99.24	96.19	79.67
40 bonds.....	90.61	90.84	86.65
4 Liberty bonds.....	101.30	101.53	98.48

\* Weekly totals      † Weekly averages      ‡ Total for month ending 10th

in 1923, a gain of 19 per cent. Complete reports on both deposits and the number of depositors were received from 893 banks, with the results as summarized below:

	December, 1923	December, 1924	Change
<b>Number of depositors:</b>			
Penna.*...	474,228	579,367	+22%
New Jer.*...	97,776	105,030	+ 7%
Delaware..	6,114	7,574	+24%
<b>Totals—Third District.....</b>	<b>578,118</b>	<b>691,971</b>	<b>+20%</b>
<b>Amount of deposits:</b>			
Penna.*...	\$21,145,103	\$25,172,491	+19%
New Jer.*...	4,632,082	4,970,204	+ 7%
Delaware..	222,625	262,112	+18%
<b>Totals—Third District.....</b>	<b>\$25,999,810</b>	<b>\$30,404,807</b>	<b>+17%</b>

\* That part of state located within Third Federal Reserve District.

per cent during the month and transactions were smaller than they were in November. This has been a disappointment to dealers who figured that because the holdings by local banks of paper maturing in December were unusually large, these institutions would purchase heavily to replace the paper that was paid off. The city banks, however, have been inactive, while sales outside of Philadelphia are somewhat better. Most of the transactions have been made at 3½ or 3¾ per cent. Although new paper has been coming in slowly, most dealers report that they have a fair list of names.

During November the sales of five dealers in this district totalled \$6,285,000 as compared with \$8,510,000 in October and \$5,621,500 in November, 1923. The amount sold to Philadelphia banks was \$3,587,500 and to outside institutions \$2,697,500. Although the range of rates at which these sales were made varied from 3¼ to 4½ per cent, only slightly more than 1 per cent of the total was sold at over 3¾ per cent. In fact the transactions at 3¼ and 3½ per cent comprised a very large percentage of the aggregate.

**RETAIL TRADE**

Holiday trade, although of large volume, has not been quite equal to that of a year ago. December sales, however, show a seasonal increase over those of November. Industrial activity and employment, although increasing during the past three months, have not been as large during the last quarter of this year as in the corresponding period of 1923 and it is only natural that holiday buying should be smaller in volume than the tremendous total of 1923. Consumers are shopping carefully and prices are still an important factor in the making of sales.

Overcoats, shirts, underwear, and neckwear are the best sellers in men's apparel. Hosiery, coats, underwear, gloves and handkerchiefs are the most active items in women's apparel. Both women's furs and men's suits are moving slowly. Department stores report that toilet goods, fancy linens, bathrobes, sweaters, silk hosiery, underwear, toys, infant's wear, boys' clothing and girls' dresses are in good request. Toys, cedar chests, bed and dining room furniture, and Christmas novelties are selling actively at credit stores. Women's shoes are in greater demand than are men's but shoe store sales compare favorably with those of December, 1923. Women's tan calf and patent leather shoes and men's high shoes and heavy oxfords are at present in good demand.

Prices in general are practically the same as they were a month ago. Carpets, rugs, and some linens have advanced. Close-out and odd lots of women's dresses, coats and waists, and children's dresses are lower than they were in November.

**Commercial paper.** The rate on commercial paper has advanced ¼ of 1

# RETAIL TRADE

## Third Federal Reserve District

	Comparison of net sales		Comparison of stocks		Rate of turnover *	
	Nov., 1924, with Nov., 1923	July 1 to Nov. 30, 1924, with July 1 to Nov. 30, 1923	Nov. 30, 1924, with Nov. 30, 1923	Nov. 30, 1924, with Oct. 31, 1924	July 1 to Nov. 30, 1924	July 1 to Nov. 30, 1923
All reporting firms .....	- 6.9%	- 4.1%	- 1.1%	+ 6.3%	3.0	3.2
Firms in Philadelphia .....	- 8.6	- 4.3	- 1.2	+10.7	3.5	3.7
Allentown, Easton and Bethlehem .....	+ 2.1 "	- 1.2 "	+ 1.4 "	- 3.6 "	2.2	2.2
Altoona .....	- 6.4 "	-12.8 "	- 7.1 "	- 2.4 "	2.3	2.8
Chester .....	-21.4 "	-10.9 "	-15.7 "	- 0.7 "	2.1	2.2
Harrisburg .....	+ 1.6 "	- 1.7 "	+ 1.2 "	- 0.2 "	2.0	2.2
Johnstown .....	+ 7.6 "	-16.5 "	+11.2 "	- 2.0 "	2.3	2.2
Lancaster .....	+ 1.7 "	- 3.0 "	- 5.9 "	- 2.1 "	1.9	2.0
Reading .....	- 1.4 "	- 5.8 "	- 2.6 "	- 3.7 "	2.9	2.8
Scranton .....	- 5.7 "	- 2.5 "	- 7.5 "	+ 2.6 "	2.7	2.6
Trenton .....	- 3.4 "	- 5.9 "	+ 5.1 "	+ 0.6 "	1.9	1.9
Wilkes-Barre .....	- 2.2 "	+ 2.7 "	- 8.7 "	- 3.6 "	1.8	1.8
Williamsport .....	- 6.0 "	- 0.2 "	+ 5.9 "	+ 0.6 "	2.4	2.3
Wilmington .....	- 3.7 "	- 2.0 "	- 5.9 "	- 1.5 "	2.3	2.2
York .....	+ 5.4 "	+ 7.8 "	+ 0.3 "	+ 2.7 "	3.0	3.2
All other cities .....	- 7.3 "	+ 1.4 "	- 1.3 "	+ 7.8 "	3.4	3.6
All department stores .....	- 8.0 "	- 4.6 "	- 1.3 "	+12.8 "	2.3	2.4
in Philadelphia .....	-10.0 "	- 5.0 "	- 1.3 "	- 0.8 "	3.5	3.6
outside Philadelphia .....	- 2.4 "	- 3.5 "	- 0.8 "	- 2.1 "	2.0	2.1
All apparel stores .....	- 3.3 "	- 2.4 "	+ 5.1 "	+ 1.0 "	2.3	2.4
Men's apparel stores .....	- 1.5 "	- 5.2 "	- 4.0 "	+ 9.7 "	1.6	1.9
in Philadelphia .....	- 0.3 "	- 3.9 "	+ 7.3 "	- 3.9 "	5.1	4.9
outside Philadelphia .....	- 3.3 "	- 6.7 "	- 0.3 "	- 3.8 "	5.7	5.6
Women's apparel stores .....	+ 2.4 "	+ 5.1 "	+ 4.4 "	- 4.4 "	3.1	2.9
in Philadelphia .....	+ 3.4 "	+ 7.8 "	-14.1 "			
outside Philadelphia .....	- 2.7 "	- 7.3 "				
Credit houses .....	+ 0.2 "	- 4.5 "	+ 0.6 "	+ 2.7 "	2.6	2.7
Shoe stores .....	+ 2.2 "	+ 3.2 "	+ 1.2 "	- 0.3 "	2.4	2.3

\* Times per year based on cumulative period.

# WHOLESALE TRADE

Wholesale trade in November in all of the eight reporting lines was smaller than anticipated. It decreased considerably both as compared with the previous month and with November, 1923, the only exception being a gain in the sale of drugs as compared with last year. Collections, too, were poorer in all lines than they were in October or in November, 1923. Stocks were larger in five lines and lower in three than they were the year before. These statistics fail to bear out the earlier estimates of an increase in these trades.

Preliminary estimates of December sales vary greatly for the different lines but considered as a whole it is doubtful if they will equal those of December, 1923. Prices as a rule are firm, and in the case of groceries, shoes and hardware, are somewhat higher.

**Hardware.** During November the net sales of 31 wholesale hardware firms in this district were 16.7 per cent smaller than in the preceding month and 1.3 per cent below the total during November, 1923. Present demand is generally classified as fair and fully as strong as it was a month ago. Holiday goods, of course, are moving in good volume, and orders received from factories, contractors and coal operators indicate that supplies of machinery, building materials and tools

are also in good request. Stocks held by reporting firms on November 30 were 2.7 per cent lighter than they were on the last day of October but 9.7 per cent heavier than at the end of November, 1923.

Prices in several instances are higher than they were at this time last month, though the advances have not been great. As compared with those quoted at this time last year, they are lower in some cases and unchanged in others. The ratio of accounts outstanding to sales at the end of November stood at 191.8 as against 166.1 on October 31 and 179.2 at the close of November of last year.

**Drygoods.** Some wholesale drygoods firms report that early in December business was more active than in November, when it proved to be disappointing, but others state that it has been duller. Nearly all orders are for shipment in December; indeed only a few houses have taken more than a nominal spring business.

Prices are unchanged with the exceptions of leather gloves and woollens which have advanced and of knit underwear which is lower. The articles most in demand are blankets, sweaters, underwear, hosiery, of both silk and wool, handkerchiefs, gloves, bureau scarfs, table covers and Christmas novelties.

Sales in November were less by 11.9 per cent than in November, 1923, but stocks decreased even more—24.4 per cent.

**Electrical supplies.** The net sales of seven wholesale electrical firms in this district were 12.2 per cent less in November than they were in the preceding month and 12.6 per cent smaller than those in November, 1923. The present demand, however, is slightly better than fair and in most instances is better than it was at this time last month. Holiday goods are in best request, though wiring supplies and power equipment have been moving forward in substantial volume.

Prices in some instances are higher than they were a month ago but the advances have invariably occurred in quotations for novelty goods in the holiday trade. In all other lines prices are steady at the levels quoted last month. Stocks on hand at the end of November were 6.1 per cent larger than on the last day of the preceding month, but were 14 per cent smaller than those on November 30, 1923.

During November the ratio of accounts outstanding to sales stood at 147.6 as compared with 125.8 in October and 140.1 during November of last year. This indicates that collections were not as satisfactory last month as they were in either of the previous periods.

# WHOLESALE TRADE

## Third Federal Reserve District

	Net sales Nov., 1924, com- pared with		Stocks Nov., 1924, com- pared with		Accounts out- standing Nov., 1924, com- pared with		Ratio of accounts outstanding to sales		
	Oct., 1924	Nov., 1923	Oct., 1924	Nov., 1923	Oct., 1924	Nov., 1923	Nov., 1924	Oct., 1924	Nov., 1923
Boots and shoes .....	-29.6%	-16.2%	- 3.1%	-19.0%	- 6.9%	- 7.4%	331.0%	246.1%	291.5%
Drugs .....	- 6.2 "	+ 5.4 "	+ 5.0 "	+ 6.2 "	- 0.9 "	+ 6.5 "	163.3 "	149.5 "	156.6 "
Dry goods .....	-14.4 "	-11.9 "	-25.4 "	-24.4 "	+ 1.2 "	+10.4 "	247.8 "	209.7 "	243.8 "
Electrical supplies ..	-12.2 "	-12.6 "	+ 6.1 "	-14.0 "	+ 3.0 "	- 8.0 "	147.6 "	125.8 "	140.1 "
Groceries .....	-11.1 "	- 4.4 "	+ 2.4 "	+ 3.0 "	- 0.2 "	+ 1.9 "	123.4 "	104.6 "	110.2 "
Hardware .....	-16.7 "	- 1.3 "	- 2.7 "	+ 9.7 "	- 3.8 "	+ 5.7 "	191.8 "	166.1 "	179.2 "
Jewelry .....	-13.9 "	-14.8 "	- 4.9 "	+ 3.1 "	+14.6 "	+ 7.2 "	365.4 "	274.5 "	295.9 "
Paper .....	-19.7 "	-16.4 "	+ 2.8 "	+24.8 "	- 6.1 "	- 4.8 "	167.6 "	143.4 "	147.3 "

**Jewelry.** Business in jewelry in December, though good, will probably be smaller than in December, 1923, which for many firms was an unusually good month. Sales are all for immediate delivery and the articles called for cover the entire list. Platinum and white gold rings set with diamonds, bar pins, and watches are among the articles in especially good demand.

In November, sales decreased 14.8 per cent as compared with November, 1923, and collections also were poorer; the ratio of accounts outstanding to sales was 365.4 on November 30, 1924, and 295.9 on November 30, 1923.

**Shoes.** Wholesale dealers in shoes report that sales in the early part of December were larger than those of the same time in November; this is said to be a seasonal increase because of the near approach of the holiday season. It is doubtful, however, if the sales during the month will exceed those of November, on account of the dullness always experienced during the latter part of December. Although many of the orders received were for immediate shipment, a fair business has been closed for delivery, in some cases, as far ahead as March 15. For immediate delivery the best sellers have been slippers for the holiday trade, women's pumps and oxfords, and misses' and children's boots. For spring delivery the sales have been confined mainly to men's, misses' and children's oxfords.

Although some prices remain unchanged, many lines have advanced, these increases ranging from 2½ to 15 cents per pair.

Sales in November were disappointing; they fell off 29.6 per cent as compared with October and were 16.2 per cent lower than those of November, 1923. Collections too were poorer; the ratio of accounts outstanding to sales was 331.0 on November 30, 1924, and 291.5 on November 30, 1923. Stocks, however, were lower by 3.1 per cent on November 30 than on October 31 and by 19.0 per cent than on November 30, 1923.

**Paper.** Advance reports from wholesalers indicate that sales for December are about the same as those of November. Fine, book, wrapping and kraft papers are in good demand and newsprint is selling in large volume. Other papers and boards that are sold by jobbers are, however, in only fair request. Prices of all papers are firm and they show no change from those prevailing a month ago.

Total sales in November were disappointing to the trade, and, despite the good demand of the first half of the month, they showed a decrease of 19.7 per cent from the total for October and also a 16.4 per cent decline from those on November, 1923. Stocks on hand at the close of November were 24.8 per cent

larger than at the end of November, 1923.

**Drugs.** Distributors report that the call for drugs is good and is much the same as it was in November. Toilet articles, perfumes, winter patent medicines, oils and denatured alcohol are at present the best sellers. Botanical drugs are considerably higher than they were a month ago, but fine drugs and chemicals are slightly lower. The index number compiled by the "Oil, Paint and Drug Reporter" for 40 botanical drugs on December 15 was 139, as compared with 132.5 on November 17; that for 35 drugs and fine chemicals on December 15 was 202.2, against 204.1 on November 17. Sales in November were 6.2 per cent smaller than those of October, but 5.4 per cent greater than those of November, 1923.

**Groceries.** The demand for groceries is fair, but advance reports from jobbers indicate that sales are not quite as large as they were last month. Fancy holiday specialties, nuts, mince meat, dried fruits, candy, flour, and canned goods are selling actively. Prices show a further slight rise. Dried fruits, butter, eggs, nuts, canned corn, canned peaches, tea, and coffee are higher than they were a month ago; only sugar, lard, brooms and dried beans are lower. November sales, as is shown in the accompanying table, were 11.1 per cent smaller than those of October and 4.4 per cent less than those of November, 1923.

## BUILDING

During November, 2,262 permits were issued in fifteen cities in the Third Federal Reserve District at a total estimated cost of \$11,990,337. These totals represent a decline of 1,049 permits and a loss of

\$6,508,069 from the figures reported in the preceding month. During November of last year, 2,465 permits were granted, representing a proposed expenditure of \$10,199,173.

**Paint.** Manufacturers report that the call for paint is fairly good and fully as strong as it was during the preceding month, though not as satisfactory as in December, 1923. The demand for lithopone has continued active and substantial forward buying has featured the market. The call for dry colors and colors in oil, however, is no better than fair, though consumers are making numerous inquiries regarding first quarter requirements. Prices of finished goods are in some instances weak, although established quotations have not changed during the month. Prices of raw materials are firm and slightly higher. On December 22 linseed oil in tank car lots, cooperage basis, was quoted at \$1.13 per gallon.

Stocks of paint are light and stationary. Supplies of raw materials are moderate and they too are stationary. Manufacturers reporting to us are operating their plants at approximately 70 per cent of capacity, which is about the same rate as they were running at this time last month. Orders are practically all for delivery within 60 days and the total of those now on the books will insure the continuance of present operating schedules for an average period of about 10 days.

**Bricks.** The majority of manufacturers reporting to us state that the demand for bricks is poor, and that it is materially lighter than it was at this time last month and a year ago. As is customary at this season, most of the orders on the books are for delivery within 60 days and the total of those yet to be filled

## BUILDING PERMITS

### Third Federal Reserve District

	November, 1924		November, 1923		January to November (inclusive)			
	No.	Estimated cost in thousands	No.	Estimated cost in thousands	1924		1923	
					No.	Estimated cost in thousands	No.	Estimated cost in thousands
Allentown.....	60	\$387	70	\$230	1,016	\$5,012	989	\$4,745
Altoona.....	103	203	145	201	2,027	3,355	1,901	2,966
Atlantic City....	104	1,146	243	942	1,788	9,904	2,542	9,030
Bethlehem.....	21	24	27	97	503	2,352	442	1,461
Camden.....	133	322	110	1,192	1,451	5,154	1,198	7,709
Harrisburg.....	56	182	37	164	890	5,097	855	7,319
Lancaster.....	67	210	53	156	904	4,717	868	3,534
Philadelphia.....	975	6,080	1,053	5,406	14,698	133,591	13,699	118,213
Reading.....	169	785	167	214	2,747	6,143	2,924	4,260
Scranton.....	92	781	117	410	1,715	5,377	1,410	3,335
Trenton.....	135	294	135	319	1,958	5,384	1,703	6,314
Wilkes-Barre.....	111	317	88	284	1,562	4,014	1,103	3,042
Williamsport.....	58	554	67	92	1,004	1,667	994	1,202
Wilmington.....	53	483	85	379	1,132	3,744	1,093	3,514
York.....	125	222	78	114	1,720	2,842	1,390	2,085
Total.....	2,262	\$11,990	2,465	\$10,199	35,115	\$198,352	33,111	\$178,728

is considerably smaller than it was a month ago. Prices of finished bricks, in several instances, are weak and in two cases are reported to be lower than they were four weeks ago. More than the usual amount of resistance to prevailing prices is being encountered in this market and concessions are not uncommon. On the other hand quotations for raw materials are generally firm and unchanged.

Stocks of brick for the most part are moderate and increasing, but supplies of raw materials, though also moderate, are stationary. Manufacturers answering our queries are operating their plants at an average rate of about 60 per cent of capacity. At this rate of production unfilled orders will insure operations for an average period of approximately three weeks.

**Lumber.** Both dealers and manufacturers say that the call for lumber is somewhat better than fair and that it is more active than it was at this time last month and during December, 1923. As is usual at this season, nearly all of the orders now on the books are for delivery within 60 days and the total of those being prepared for shipment is larger than it was a month ago. Prices of both raw timber and finished lumber are firm and some advances in quotations have been reported during the month. Though the increases in no instances have been great, considerable resistance to present prices is being encountered.

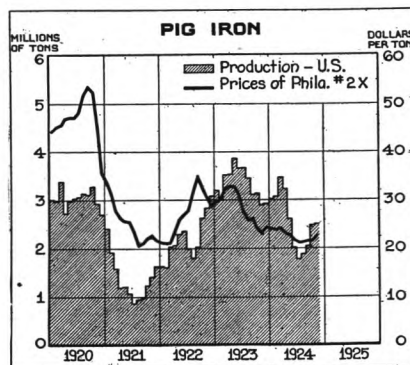
Stocks of finished goods are moderate and decreasing, but supplies of raw materials held at the mills are from moderate to heavy and are increasing. Manufacturers reporting to us are operating at an average rate of close to 85 per cent of capacity, which is higher than the average rate reported in November. Unfilled orders will insure the continuance of present working schedules for an average period of approximately 30 days.

## IRON AND STEEL

Though there has been a noticeable improvement in the market for iron and steel during the past six weeks, demand has lately become quieter, as is usual at the close of the year. The call for pig iron is fair and manufacturers reporting to us say that it is better than it was a month ago. Demand for iron and steel castings is scarcely fair though these products, too, are moving in better volume than they were at this time in November. Machinery and tools, iron bars and hardware are in fair request and sales of these are greater than they were a month ago. Railroad and track equipment is moving forward in substantial quantities and numerous inquiries for 1925 requirements have been received.

Prices are considerably firmer than they were in November and many products of both iron and steel are quoted at higher figures. Quotations for pig

iron in this market have steadily advanced and, as compared with those prevailing four weeks ago, have in some instances increased as much as \$1.75 per ton. On December 22 Philadelphia 2X pig iron was quoted at \$25.01 per ton, as against \$23.76 on the first of December and \$23.26 on November 20.



Following a generally downward trend since the spring of 1923 production and prices of pig iron have again turned upward in recent months.

Source—Iron Age

Production of steel ingots declined somewhat during November but output of pig iron and unfilled orders of the United States Steel Corporation increased, as is shown in the table below.

	November	October
	In gross tons	
Production—		
Pig iron.....	2,509,673	2,477,127
Steel ingots.....	3,107,226	3,111,452
Unfilled orders—		
U. S. Steel Corp.....	4,031,969	3,525,270

Of the 61 blast furnaces located in this district, 26 were in operation at the end of November, a gain of two over the number in blast on the last day of the preceding month. During November, none were shut down.

**Iron foundries.** In the table below are presented the principal operating statistics of 31 iron foundries in this district whose combined iron making capacity totals 13,050 tons per month. It will be noted that during November,

Iron foundry operations	November	Change from October
Capacity.....	13,050 tons	0
Production.....	5,143 "	-14.6%
Malleable iron.....	571 "	+10.4 "
Gray iron.....	4,272 "	-18.3 "
Jobbing.....	2,916 "	-16.1 "
For further mfr.....	1,356 "	-22.7 "
Shipments.....	4,066 "	-20.3 "
Value.....	\$707,654	-17.0 "
Unfilled orders.....	2,911 tons	-11.8 "
Value.....	\$512,885	- 8.5 "
Raw stock:		
Pig iron.....	9,093 tons	+ 9.0 "
Scrap.....	3,213 "	+ 7.0 "
Coke.....	1,967 "	-10.9 "

shipments and unfilled orders, both in value and tonnage, were noticeably less than in the preceding month. Practically the only increases noted occurred in production of malleable iron and in stocks of pig iron and scrap.

**Steel foundries.** Reports received by this Bank from six steel furnaces located in the Third Federal Reserve District indicate that during November total production and tonnages of both shipments and unfilled orders were slightly less than they were in the preceding month. On the other hand supplies of raw materials all were heavier than they were in October, the greatest increase occurring in stocks of pig iron. In the table below are shown the various operating items of these foundries whose combined capacity output of steel totals 6,850 tons per month.

Steel foundry operations	November	Change from October
Capacity.....	6,850 tons	0
Production.....	4,070 "	- 1.5%
Shipments.....	3,122 "	- 2.1 "
Value.....	\$514,125	- 4.5 "
Unfilled orders.....	4,836 tons	-12.1 "
Value.....	\$1,071,570	+13.3 "
Raw stock:		
Pig iron.....	3,499 tons	+83.1 "
Scrap.....	11,970 "	+ 7.6 "
Coke.....	815 "	+29.8 "

## COAL

**Anthracite.** So far this month demand for the domestic sizes of anthracite has been fairly good although most operators reporting to us say that continued cold weather is needed to stimulate sales. There has been some improvement in the call for steam sizes, especially for the best grades, but the demand is not as strong as it was in December of last year.

On December 1, some of the companies advanced prices of stove and chestnut coal but quotations on steam sizes were in some instances reduced. In Philadelphia, however, quotations as yet have not changed. On December 22 the spot price of company stove grades was listed at from \$9.15 to \$9.50. In the table below is shown production in tons in each of the past four weeks and during the corresponding weeks of 1923.

Week ended	1924	1923	Per cent of change
	In thousands of net tons		
Nov. 22....	1,827	2,031	-10.0
Nov. 29....	1,611	1,691	- 4.7
Dec. 6....	1,814	1,837	- 1.3
Dec. 13....	1,772	1,947	- 9.0

**Bituminous.** Orders placed by industrial interests and railroads were re-

sponsible for some improvement in the demand for bituminous during the past month but the call from domestic sources until recently was quiet, largely on account of the mild weather which prevailed both in this locality and in the middle west. Spot prices are substantially below contract quotations and are as low, if not lower, than they have been at any time this year. On December 22 in Philadelphia, Pool 10 coal was quoted at from \$1.65 to \$1.90 per ton.

Output in tons during each of the past four weeks is shown below together with that in each of the corresponding weeks of the previous year.

Week ended	1924	1923	Per cent of change
	In thousands of net tons		
Nov. 22....	10,559	10,160	+3.9
Nov. 29....	9,640	8,943	+7.8
Dec. 6....	10,612	9,829	+8.0
Dec. 13....	10,723	9,936	+7.9

**Coke.** The market for coke is considerably more active than it was a month ago and in this district the orders recently booked for first quarter delivery have been greater than for several months past. As a result prices have increased and are now notably firm. On December 22 the spot price of foundry coke was listed at \$4.50 per ton, an increase of 50 cents over quotations prevailing on November 18. During the same period spot prices of furnace grades rose from \$3.00 to \$3.75 per ton, a gain of 75 cents.

Since November 22, production of bee-hive coke has been increasing, as will be noted in the table below.

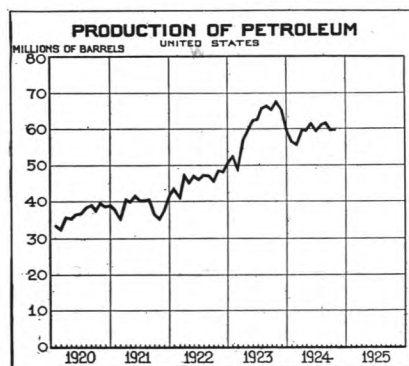
Week ended	1924	1923	Per cent of change
	In thousands of net tons		
Nov. 23....	158	257	-38.5
Nov. 29....	158	245	-35.5
Dec. 6....	173	265	-34.7
Dec. 13....	192	240	-20.0

Output of by-product coke during November totalled 2,929,000 tons as compared with 2,899,000 tons in the preceding month and 2,942,000 tons in November, 1923.

## OILS

Refiners state that the demand for refined oils is good and that orders so far this month have been more substantial than in the preceding month and during December, 1923. This is especially true of the call for lubricating oils and one refiner states that shipments now exceed production. The approach of winter has greatly strengthened the demand for

fuel oils and it is interesting to note that sales of this product are considerably in excess of those at this time last year.



Petroleum production in the United States has tended upward during the past five years and reached a peak in October, 1923

Source—Department of Interior

Reports received by us indicate that production of refined oils is greater than it was at this time last month and last year. Stocks are from moderate to light and are, for the most part, stationary. Output of petroleum in the entire country during the months shown below was less than in the corresponding three months of last year.

Output	1924	1923	Per cent of change
	In thousands of barrels		
August .....	61,704	65,936	-6.4
September .....	59,611	64,352	-7.4
October .....	59,826	65,677	-8.9

Production of crude oil in the Pennsylvania field totalled 699,000 barrels in October, 569,000 barrels in the preceding month and 632,000 barrels during October, 1923. Quotations for Pennsylvania crude oil are listed at from \$2.75 to \$2.85 per barrel delivered to the pipe lines, which are the same as those quoted at the end of the third quarter, but recently prices of nearly all refined products were advanced. On December 22 gasoline was quoted at 15 cents per gallon (tank wagon) and kerosene at 14 cents per gallon.

## COTTON

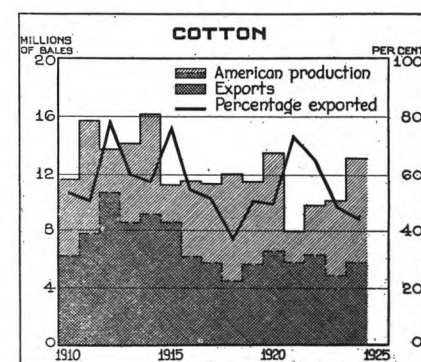
**Raw cotton.** Trading in cotton has been moderately active during the past month. Domestic consumption, however, declined during November to 543,193 bales of lint cotton and linters, as compared with 587,724 bales in October and 581,545 bales in November of last year. But exports from the United States during the same period rose to 1,306,590 bales, as against 946,506 bales in October and 770,002 bales in November, 1923; and from August 1 to December 19, foreign shipments amounted to 4,007,686 bales, as

compared with 3,087,778 bales last year for the same season. The following table indicates the takings of American cotton for the season to December 19:

American cotton (thousands of bales)	Season '24-25	Season '23-24	Season '22-23
Visible supply, at end of previous season (July 31).....	952	870	1,968
Crop in sight, on December 19.....	9,816	7,900	7,924
Total.....	10,768	8,770	9,892
Visible supply on December 19.....	4,875	3,405	3,839
World's takings to December 19.....	5,894	5,365	6,054

According to the final government crop report for the season of 1924-25, the total production of cotton is estimated at 13,153,000 bales, as compared with 10,139,671 bales last year and 9,762,069 bales two years ago. The latest available data also show a marked increase in the world cotton crop for the current season.

Prices have, as a rule, maintained a fairly steady level during the month. On December 22 spot cotton in New York was quoted at 24.10 cents per pound, which was the same figure as on November 22.



While exports of American cotton are up to the average of recent years, the percentage of the total crop exported is now smaller than at any time in the past 15 years, except in 1918

Sources—Department of Commerce; Department of Agriculture

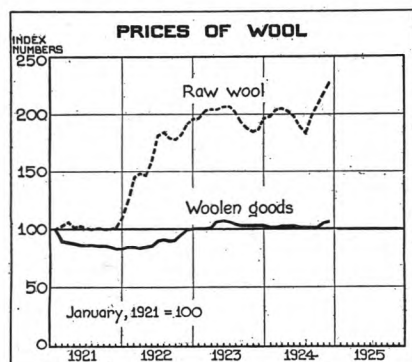
**Cotton goods.** Seasonal quietness characterizes the current market for cotton goods in this district. Sales have slowed down recently, although trading in gray goods, print cloths, sheetings and finished goods has exceeded that of last year during the same period. The majority of orders call for quick delivery, although a number are for shipment within the next three months. Mills have a sufficient amount of business on hand to insure their operation for about two months running at the present rate of production, which is about 85 per cent of capacity. Supplies of both finished prod-

ucts and raw materials are not burdensome.

Quotations continued firm during most of the month, though lately they have eased off somewhat. Fairchild's index of the average cotton goods price, which stood at 15.699 for the week ending November 22, dropped to 15.610 for the week ending December 20. This decline is attributable principally to the slackening in demand. Collections are fairly prompt.

## WOOL

**Raw wool.** Contracting for wool unusually far in advance of its shearing has continued during the past month. Indeed it is reported that about half of the western clip has already been contracted for at advancing prices. Several local dealers have been active in these transactions and have already entered into agreements with manufacturers for the future delivery of much wool. This somewhat premature movement, accompanied by constantly rising prices, is attributable to the apparent shortage of domestic wools. According to Dun's average of ninety-eight quotations, the increase in wool prices during the past month amounted to 11.8 per cent, and in the past year to 28.4 per cent. Rising prices meet with much opposition as heretofore.



Principally because of limited supplies, prices of raw wool have risen greatly during the past three years. Although quotations for woolen goods have also advanced the increase has been much less, owing in part to the fact that the cost of raw material is only one of many items entering into the selling price of the goods.

Sources—Bureau of Labor Statistics; Dun's Review

Similar strength characterizes the foreign markets, but quotations abroad are even higher than they are here and until recently buyers for firms in this country purchased little. Imports in November amounted to 16,500,691 pounds, as compared with 16,638,002 pounds in October and 9,814,637 pounds in November of last year, and re-exports have practically ceased. Local stocks are said to be exceedingly light.

**Woolen and worsted yarns.** Activity in this market has recently subsided somewhat, but no curtailment in produc-

tion has been noted in this district. Spinners have booked enough forward business to keep them working at the present rate of operation for a period of sixty to ninety days. In fact, the bulk of current orders call for shipment during a period of from two to three months, which was not the case last month. Virtually no yarns are now produced for stock; consequently, local supplies of raw materials and finished goods continue to be moderate. The consumption of wool in this district, based on returns from 83 establishments, was 12.7 per cent smaller in November than in October.

Quotations have advanced in nearly all cases, though not in the same proportion as those for raw wools. Resistance to yarn prices is not as strong as it was last month. Collections are fairly good.

**Woolen and worsted goods.** Owing partly to the seasonal lull and partly to high prices, business in woolen and worsted cloth has slackened somewhat during the past month. New and repeat orders have been limited generally to small lots for quick deliveries. Production, however, continues to be unchanged and mills are now running at about 85 per cent of capacity. At this rate of output, unfilled orders will insure operations for about two months. As manufacturers are working primarily against orders, stocks are moderate.

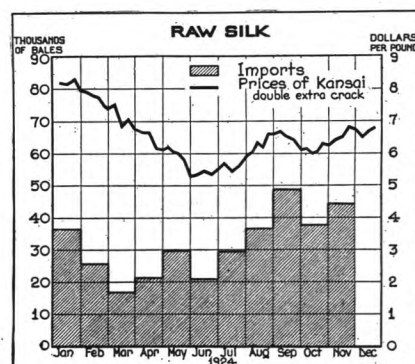
The trend of quotations has been upward. The Fairchild index number reached 259.6 during the week ending December 13, as against 258.8 for the week ending November 15, 1924. This rise is only slight when compared with the present quotations for raw wool. Nevertheless manufacturers are continually encountering strong opposition to their prices.

## SILK

**Raw silk.** No new developments have occurred during the past month in the market for raw silk. While moderately active trading has prevailed at Yokohama and New York, transactions have been limited to small lots, quick delivery featuring practically every sale. Buying for the account of United States dealers in Milan, Canton and Shanghai, for the most part has been insignificant. Business in artificial silk, on the other hand, continues to be brisk, sales reaching fair proportions. Despite slight fluctuations, prices remain steady. Kansai double-extra cracks were quoted at \$6.80 per pound on December 22, as against \$6.75 per pound on November 22. The rate of exchange for Japanese yen held at about 38 cents.

Figures compiled by the Silk Association of America show that shipments of silk to mills dropped from 35,508 bales in October to 32,939 bales in November, while imports increased from 37,646 to 44,057 bales. Stocks also rose from 44,398 bales on November 1 to 55,516

bales on December 1, 1924. This is the largest amount of silk in storage since March 1, 1920. As a considerable part of these stocks is held against contracts, an increase is generally regarded as normal at this time of the year.



Following a decline during the first five months of the year prices since June have recovered about half the loss. Imports recently have averaged much higher than in the earlier months of the year.

Sources—Silk Association of America; Journal of Commerce

**Thrown silk.** As compared with the preceding month, this market has generally improved, although recently it has again quieted down somewhat. This is not unusual as business in thrown silk ordinarily slackens at this time, chiefly owing to the change of seasons and the taking of inventories. The bulk of current orders call for spot delivery, future commitments being scarce. Moreover, weavers are sufficiently provided with silk yarns to cover their needs for more than a month at the present rate of operation, which is about 75 per cent of capacity. Stocks of both raw material and finished products are not burdensome, mainly because mills are working only against orders in hand.

Quotations for silk yarns have followed the trend of those for raw silk, and at present they are generally firm. Organzine double-extra cracks were quoted at \$7.80 per pound on December 22, which was also the quotation on November 21, 1924. Prices of spun silk are tending upward, largely because of brisk demand. Collections continue to be fairly prompt.

**Silk goods.** Despite a slight lull that now prevails in the market for piece goods, activity in broad silks has been brisker during the past month than it had been for some weeks. This is evidenced by a moderate gain in employment and production, mills in this district now running at about 85 per cent of capacity, as against 75 per cent a month ago. While most of the current orders continue to call for quick shipments, several manufacturers have booked enough forward

business to keep their mills working at the present rate of operation for more than two months. Factors responsible for this improvement are the quickened demand and increasing inquiries for the new spring lines of silk goods, especially in novelties. Supplies of raw materials and finished products are not excessive. In the main, most local producers regard the present situation in this market as satisfactory, at least as far as the near future is concerned.

Prices of silk goods generally are firm and unchanged as compared with those of last month. Buyers continue to search for bargains but their opposition to prevailing quotations is no greater than usual. Collections are fair.

## HOSIERY

An increase in the production of hosiery is reported by manufacturers in this district, although new orders have been decreasing as is usual after the rush of holiday business has been placed. This business was large, especially for full-fashioned goods, and a considerable volume of these goods has been ordered for spring delivery. A seasonal improvement is noted in the demand for wool mixtures for both men and women for prompt shipment.

Prices of hosiery generally are unchanged, and the advances made a month ago have been maintained, although a few reports have been received of price reductions in mercerized and cotton lines. The smaller table shows operations of 321 mills in October and the gains over September, which were especially large in full-fashioned hosiery.

Reports from 106 mills in this district summarized in the accompanying table indicate that, in November, production decreased and orders booked were considerably larger.

Hosiery Industry* United States, in dozen pairs	Oct.	% Change from Sept.
Total production.....	4,666,001	+16.6
Full-fashioned, men.....	56,791	+33.3
Seamless, men.....	1,802,238	+9.4
Full-fashioned, women.....	656,536	+31.1
Seamless, women.....	1,083,922	+18.9
Boys' and misses'.....	454,635	+21.3
Children's and infants'.....	398,150	+17.1
Athletic and sport.....	14,551	+7.1
Shipments.....	4,661,464	+6.9
Finished stock, end of month.....	7,647,080	-1.3
Orders booked.....	5,440,268	+11.8
Cancellations received.....	155,480	+17.4
Unfilled orders, end of month.....	6,835,395	+11.3

\*Compiled by the Bureau of the Census.

Quotations for raw materials are generally unchanged, but woolen and worsted yarns have continued their advance. Stocks of hosiery are reported by some mills to have increased since December 1.

## UNDERWEAR

Heavy weight underwear for prompt delivery has been in fair request but the amount of business booked by those manufacturers who have opened their lines for the fall of 1925 is uncertain, although some southern makers report that these lines are sold up for delivery during the first quarter of the year. Few of the northern mills have up to the present met the lower prices named by the large southern mills. Buyers of light weight underwear, who placed orders earlier in the season on which mills are now working, are showing but little interest and are holding off on further business until after the first of the year.

Mills in this district report a further increase in operations during the month and that unfilled orders have increased. Their production is now about 75 per cent of single-shift capacity, and they have orders booked which will insure

operations at that rate on an average for from two to three months. Prices have not changed since our last report. Stocks of finished merchandise are either moderate or light and are smaller than they were a month ago.

## FLOOR COVERINGS

Prices of nearly all grades of carpets and rugs have been advanced by the manufacturers during December. Quotations on most lines of Wiltons were raised on December 1 and of Axminsters, velvets and tapestries on December 15. As these advances were announced some time before those dates, buyers took advantage of the opportunity prior thereto to buy largely. Wiltons had to be taken before the date of the advance but in the case of the others, shipments could be made during the first quarter of 1925. As a result of the above described situation orders taken since the higher quotations became effective have been comparatively small, although business in Wiltons received from day to day has totaled a fair quantity, most of it for January shipment, as buyers do not wish to increase their inventories at the end of the year. Some manufacturers of Axminsters are preparing to make another advance in prices on January 1. The only report of a lowering of price is for rag rugs and this is caused by the severe competition from Japan.

Carpet wools continue to rise and supplies in the hands of importers and dealers are small. Manufacturers of carpets and rugs, however, have as a rule covered their needs until March. The jute market is strong and notification has been made of an intended advance in price in January.

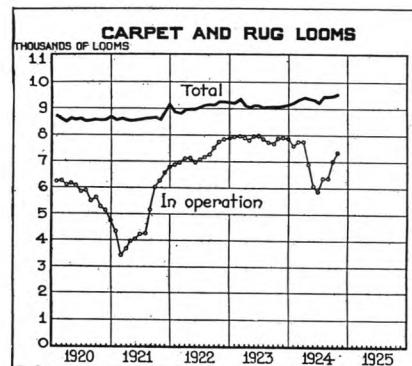
As is shown in the chart, looms in operation have been increasing for some months and reports from the mills in this district indicate that during the past month production has again increased, although the change is not large. Stocks of finished carpets and rugs are smaller than they were a month ago.

Hosiery Industry† Third Federal Reserve District— in dozen pairs	Men's				Women's			
	Full-fashioned		Seamless		Full-fashioned		Seamless	
	Nov.	% Change from Oct.	Nov.	% Change from Oct.	Nov.	% Change from Oct.	Nov.	% Change from Oct.
Production.....	33,295	-3.9	210,278	-5.9	273,721	-9.6	207,569	-14.8
Shipments.....	25,855	-21.9	190,372	-22.2	299,235	-12.2	203,808	-10.0
Finished stock end of month.....	9,257	+9.3	367,061	+0.8	379,713	-8.8	273,594	-0.8
Orders booked.....	40,854	-35.7	287,603	-8.4	594,544	+80.2	298,696	+10.1
Cancellations received.....	339	-68.0	8,719	-27.5	18,225	+150.9	6,990	+56.1
Unfilled orders end of month.....	61,330	+32.0	422,143	+22.2	1,131,000	+28.6	333,728	+35.6

	Boys' and misses'		Children's and infants'		Athletic and sport		Total	
	Nov.	% Change from Oct.	Nov.	% Change from Oct.	Nov.	% Change from Oct.	Nov.	% Change from Oct.
Production.....	23,535	+2.6	87,031	-11.2	4,651	+39.5	840,080	-9.5
Shipments.....	19,091	+0.1	53,900	+1.4	2,125	-17.6	794,386	-13.7
Finished stock end of month.....	76,741	+0.8	319,794	+1.2	20,514	+14.0	1,446,674	-1.9
Orders booked.....	35,225	-44.1	90,201	-17.5	3,899	-58.2	1,351,022	+19.9
Cancellations received.....	728	+246.7	1,257	+22.0	560	+180.0	36,818	+40.1
Unfilled orders end of month.....	113,616	+17.4	388,497	+9.3	12,964	+12.8	2,463,278	+24.3

† Preliminary report compiled by the Bureau of the Census.



In spite of the fact that capacity of carpet and rug mills has continued to increase during 1924, operations this year averaged lower than in 1923

Source—Department of Commerce

Manufacturers of linoleums and felt base goods report that, despite the usual pre-holiday lull, orders for shipment after January 1 are being received daily and that the total of these is satisfactory. No change has been made in quotations and plants are working on an average of about 90 per cent of their capacity.

## LEATHER

**Hides and skins.** For the first time since January, with the exception of a short period in March, prices of hides have ceased to advance; in fact, packer hides in Chicago have declined  $\frac{1}{2}$  to  $1\frac{1}{2}$  cents per pound. Two reasons are ascribed for this change, first, the recent policy of the tanners to buy only for their immediate needs, and second, the poorer quality of the hides now offered. A further advance, however, is recorded in the quotations for calf, sheep and goat skins and the trading in them has been active. The table shows that stocks of raw hides and skins, except those of cattle, decreased in October.

Number of hides or skins	October 31	Change during October
Cattle.....	4,055,372	+ 7.4%
Calf and kid.....	3,014,900	- 9.7 "
Sheep and lamb.....	6,358,938	-12.7 "
Goat and kid.....	7,675,210	- 4.3 "

**Leather.** Sales of leather in December have shown a seasonal decline and in a large number of the transactions it has been specified that merchandise is not to be delivered until after the inventory date, January 1. Prices have been strongly maintained; indeed sales of offal have been made at higher quotations. Production is reported to have increased further, but this gain is less than in recent months. The table shows that, in spite of a considerable increase in production during October, stocks at the end of that month were lower than they were a month before.

October, 1924, as compared with September, 1924	Change in	
	Production	Stocks—end of month
Backs, bends and sides...	+10.2%	-3.2%
Belting butts.....	+ 7.7 "	-2.5 "
Offal, sole and belting...	+ 6.0 "	-5.1 "
Cattle side, upper.....	+32.6 "	-1.7 "
Calf.....	+ 4.1 "	-3.0 "
Goat and kid.....	+20.3 "	-1.7 "
Cabretta.....	+41.2 "	-3.0 "

In heavy leathers probably the most pronounced feature has been the increase in the demand for offal; prices of heads have now reached a point at which it will pay to tan the leather rather than

to sell them as glue stock, which had been done by some tanners during recent years. In upper leathers, calf grain leather in tans continues to be in good request and tan side leather is also wanted. Kid leather has not been especially active, but the lighter shades of brown have been in increased call. Luggage and fancy leather articles have been purchased heavily for the Christmas trade, but most of the manufacturers now report that the bulk of their orders have been filled. Harness and saddlery have been in only fair request and sales of leather belting, though showing a slight increase recently, have not kept pace with the recent improvement in general business.

**Shoes.** Some manufacturers, particularly those specializing in children's shoes, have booked a good business for spring delivery, and a few of them report that they are sold up for several months to come. Among the cheaper grades, the popularity of stitchdowns has resulted in their manufacture for the first time in a number of factories. Makers of fine shoes for women have sold a moderate quantity for January shipment and a few for early February delivery. As this season of the year is usually one of only fair activity, the present market is considered to be satisfactory.

Prices in many instances have been advanced, these increases ranging from 3 to 15 cents per pair on medium and low grades and from 10 to 25 cents per pair on high grades. Some manufacturers, who have not made any change in price, indicate that they will do so after January 1. In Philadelphia wages for the coming year are settled in December, and no change of importance was made. Production in the United States in October was 30,504,039 pairs as compared with 30,704,883 pairs in October, 1923, and preliminary figures made by the Bureau of the Census indicate a decrease of 17.7 per cent in November as compared with October. In this district the estimated production in November is shown in the table.

Production of shoes* Third Federal Reserve District (in thousands of pairs)	Nov.	Per cent change from Oct.
Boots and shoes, total.....	1,369	-18.4
High and low cut (leather) total	1,295	-18.5
Men's.....	108	-22.0
Boys' and youths'.....	134	-28.9
Women's.....	255	-24.7
Misses' and children's.....	489	-16.7
Infants'.....	308	- 8.2
All other leather or part leather footwear.....	75	-16.8

\* Preliminary report compiled by the Bureau of the Census.

## PAPER

The majority of paper manufacturers report that the demand is slightly greater than it was last month and much the same

as it was a year ago. Book, fine, wrapping, kraft, and wall papers are in good request, but the demand for tags, toilet tissues, crêpe towels, bristol boards, cardboards, boxboards, and building boards is only fair. The call for newsprint, however, is excellent. An average of the reports received by us shows that mills in this district are operating at 78 per cent of capacity. The total of unfilled orders on manufacturers' books is much the same as that of a month ago and most mills have at least two weeks' business on hand.

Paper prices are firm and show no change from those prevailing last month. Mechanical pulp is also unchanged in price, but some chemical pulps are slightly higher. Mill stocks of both finished goods and raw materials are moderate. Collections are fair and somewhat slower than they were in December, 1923.

## PRINTING AND PUBLISHING

Commercial printers report that business is good and that the demand is about the same as it was last month and in December, 1923. General job work and direct-by-mail circulars are in good request and during the month the number of orders booked for catalogues was considerably larger than it was a month ago. Nearly all lines of business and industry are buying advertising material in slightly larger volume than they did a year ago. Operations at printing plants reporting to us average 81 per cent of capacity.

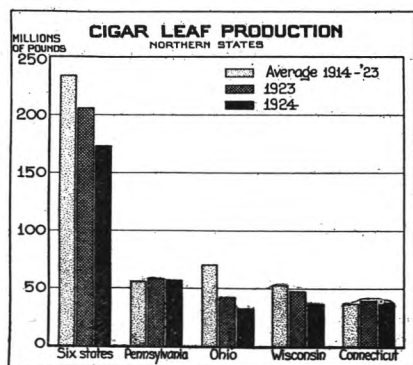
Sales of advertising space by magazine publishers for their numbers of the last quarter of 1924 were not quite as large as those for the same period of 1923, but sales for January numbers are slightly greater than those for January, 1924. Subscription sales recently show a slight increase, as compared with those of a year ago. Book publishers report that the holiday business has been very good and about the same as that of last year. The demand for lithographic products, particularly window display advertising, is increasing, but it is not as heavy as it was a year ago. Manufacturers of tires, soaps, food-stuffs, and perfumes are the largest buyers.

## TOBACCO

**Tobacco leaf.** The demand for Pennsylvania tobacco has been fair during the past month, but buying has been confined chiefly to large cigar manufacturers. Small manufacturers have taken only limited quantities for their immediate needs. Normally this market is very quiet in December, but the postponement of purchases by manufacturers from the usual buying months of September and October until November and early this month has created a more active market than existed in December, 1923.

Prices of Pennsylvania tobaccos are holding firm. The 1923 packed wrappers

of good grade are quoted at from 25 to 30 cents per pound, actual weight, according to quality. Prices for 1923 fillers range from 7 to 13 cents per pound, but for good quality the average price is 11 or 12 cents. A few fancy 1922 wrappers that still remain on the market are quoted at 28 to 30 cents per pound, and fair quality 1922 wrappers are held at 25 to 28 cents. Prices to growers of 1924 Pennsylvania tobacco have not yet been established, as very few growers have thus far sold their crop.



Tobacco production in all the northern growing states is smaller than that of 1923 and with the exception of the crop in Pennsylvania and Connecticut, is smaller than the average

Source—Department of Agriculture

The quality of the early grown 1924 Pennsylvania tobacco is good and compares favorably with that of the 1923 crop, but the late 1924 crop is short in size, considerably discolored and undesirable for cigar making. Leaf dealers report that the 1924 Wisconsin and Ohio crops are the poorest in many years, from the standpoint of both quality and production. The 1924 Connecticut crop is also poor; much of the leaf is small and was damaged by hailcut or frost. Production in all of the northern tobacco growing states in 1924 is smaller than it was in 1923 and, as is shown in the accompanying chart, only the Pennsylvania and Connecticut crops are as great as the average.

**Cigars.** The request for cigars is from fair to good, but manufacturers report a decrease in the orders booked as compared with November and also a lighter demand than in December, 1923. All classes of cigars that sell at retail for more than 5 cents apiece, except Class D, are selling in smaller volume than they were a year ago, but the call

## BUSINESS INDICATORS

### Third Federal Reserve District

The following data refer to the Third Federal Reserve District except where otherwise noted	November, 1924	Latest figure compared with	
		Previous month	Year ago
Retail trade—net sales† (152 stores).....	\$28,210,000	+ 7.7%	- 6.9%
Department stores (62).....	\$22,581,000	+ 7.7 "	- 8.0 "
Apparel stores (44).....	\$3,925,000	+ 9.9 "	- 3.3 "
Shoe stores (26).....	\$558,000	+ 3.3 "	+ 2.2 "
Credit stores (20).....	\$1,146,000	+ 3.5 "	+ 0.2 "
Wholesale trade—net sales (162 firms).....	\$11,332,848	-13.5 "	- 6.2 "
Boots and shoes (12 firms).....	\$317,935	-29.6 "	-16.2 "
Drugs (15 firms).....	\$1,449,791	- 6.2 "	+ 5.4 "
Drygoods (18 firms).....	\$1,226,848	-14.4 "	-11.9 "
Electrical supplies (7 firms).....	\$652,063	-12.2 "	-12.6 "
Groceries (54 firms).....	\$4,152,675	-10.9 "	- 4.4 "
Hardware (31 firms).....	\$2,023,362	-16.7 "	- 1.3 "
Jewelry (12 firms).....	\$518,207	-14.7 "	-14.8 "
Paper (13 firms).....	\$991,967	-19.7 "	-16.4 "
Production:			
Shoes* (103 factories).....	prs. 1,369,368	-18.4 "	.....
Pig iron.....	tons 168,741	+ 0.1 "	-23.1 "
Hosiery* (106 mills).....	doz. prs. 840,080	- 9.5 "	.....
Iron castings (37 foundries).....	tons 5,143	-14.6 "	.....
Steel castings (6 foundries).....	tons 4,070	- 1.5 "	.....
Cement.....	bbls. 3,376,000	- 6.2 "	+ 7.6 "
Anthracite.....	tons 6,776,000	-11.7 "	-12.5 "
Bituminous coal (Central district—percentage of full-time output).....	per cent 56.0	+10.0 "	+14.1 "
Wool consumption* (83 mills).....	lbs. 8,455,701	-12.7 "	.....
Active cottonspindle hours (Pennsylvania and New Jersey).....	68,517,141	-23.1 "	-36.0 "
Distribution:			
Freight car loadings (Allegheny district—weekly average).....	194,375	- 7.5 "	- 0.3 "
Tonnage of vessels (Port of Philadelphia).....	tons 2,958,126	- 3.0 "	+10.6 "
Exports of wheat (from Port of Philadelphia).....	bus. 3,388,975	+36.9 "	+19.7 "
Exports of flour (from Port of Philadelphia).....	lbs. 7,501,946	-53.0 "	-55.7 "
Imports of crude oil (into Port of Philadelphia).....	gals. 27,147,834	+81.1 "	+23.1 "
Financial:			
Loans, discounts and investments of member banks (weekly average).....	\$1,058,000,000	+ 1.8 "	+15.0 "
Bills discounted held by Federal Reserve Bank of Philadelphia (daily average).....	\$22,896,000	+22.9 "	-59.1 "
Acceptances executed (12 banks for month ended 10th of following month).....	\$5,410,000	-19.7 "	+74.6 "
Bankers' acceptances sales (5 dealers—weekly average for period ended middle following month).....	\$701,000	-58.1 "	-78.5 "
Commercial paper sales (5 dealers).....	\$6,285,000	-35.1 "	+11.8 "
Savings deposits (99 banks).....	\$540,194,000	+ 0.4 "	+ 7.7 "
General:			
Debits (18 cities).....	\$2,074,404,000	- 5.5 "	+ 7.0 "
Commercial failures.....	62	+ 5.1 "	-20.5 "
Commercial failures—liabilities.....	\$1,129,368	-18.7 "	-70.8 "
Building permits (15 cities).....	\$11,990,337	-35.2 "	+17.6 "
Building contracts awarded (Philadelphia district).....	\$37,974,300	-35.4 "	+59.9 "
Employment—1,029 plants in Pennsylvania, New Jersey and Delaware:			
Number of wage earners.....	362,357	+ 0.1 "	.....
Average weekly earnings.....	\$25.76	+ .0 "	.....
Sales of life insurance (Pennsylvania, New Jersey and Delaware).....	\$68,600,000	- 1.5 "	+ 5.5 "

\* Bureau of Census preliminary figures.

† Estimated.

for the 5 cent cigar is well maintained. Large producers are operating their factories at about 80 per cent of capacity, but many small manufacturers are producing only 50 per cent of capacity output. The average rate of operations for this district is about 70 per cent. Practically all of the orders now on the books are for prompt shipment. Prices of both

cigars and raw materials are firm and the same as they were a month ago.

Production of all classes of cigars, according to figures compiled by Bureau of Internal Revenue, during November totalled 601,412,539 cigars—a decrease of 5.3 per cent as compared with October and of 7.7 per cent as compared with November, 1923.

COMPILED AS OF DECEMBER 23, 1924

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