

THE BUSINESS REVIEW

THIRD FEDERAL
PHILADELPHIA



RESERVE DISTRICT
JULY 1, 1925

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BUSINESS CONDITIONS IN THE UNITED STATES

Production in basic industries and factory employment continued to decline in May and there was a further recession in wholesale prices. Distribution of commodities was in greater volume than at this time last year, but slightly less than in April.

Production. The Federal Reserve Board's index of production in basic industries declined 6 per cent in May to a level 12 per cent below the high point in January. There were further considerable decreases in the output of the iron and steel and woolen industries, and declines also occurred in the mill consumption of cotton and in copper, sole leather and newsprint production. The number of automobiles manufactured during May fell slightly below the record figure of April. Employment at industrial establishments was slightly less in May than in the month before, with decreases, partly seasonal, in the clothing, boot and shoe, and iron and steel industries and increases in the industries producing automobiles, tobacco products and certain building materials. Building contracts awarded dur-

ing May were smaller in value and in square feet than those for April, but were larger than for any other month on record.

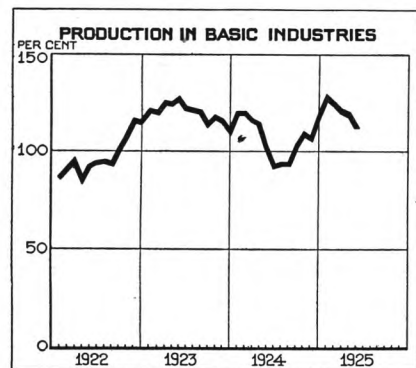
Trade. Department store sales in May were smaller than in April but somewhat larger than a year ago, and mail order sales were 5 per cent larger than in May, 1924. Department store stocks declined in May and were at the same level as a year ago. Wholesale trade was in about the same volume as the month before and about 3 per cent larger than a year ago, increases over last year in sales of meats and drygoods offsetting decreases in sales of groceries, shoes, hardware and drugs. Wholesale stocks of groceries in dollar values were larger than a year ago, while stocks of drygoods and shoes were substantially smaller. Car loadings of miscellaneous products and merchandise decreased slightly during May, but were greater than a year ago.

Prices. Wholesale prices continued to decline in May, but the decrease was considerably smaller than for the preceding month. All groups of prices represented

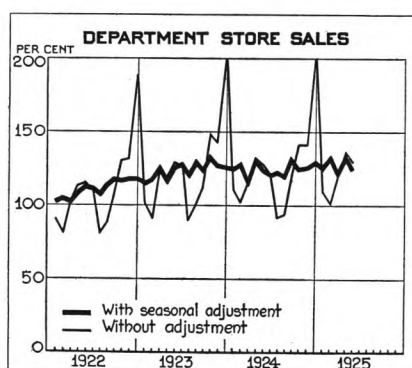
in the Bureau of Labor Statistics index declined except the house furnishings and miscellaneous groups. In the first three weeks of June prices of wheat, corn, flour, cotton goods, and pig iron declined, while quotations on sheep, hogs, gasoline, hides and rubber advanced.

Bank credit. Borrowing for commercial purposes at member banks in leading cities declined further between the middle of May and the middle of June to a level lower than at any time this year, while loans on securities increased and reached a new high level in June. Investment holdings of these banks also increased, and total loans and investments at the middle of June were near the high point for the year.

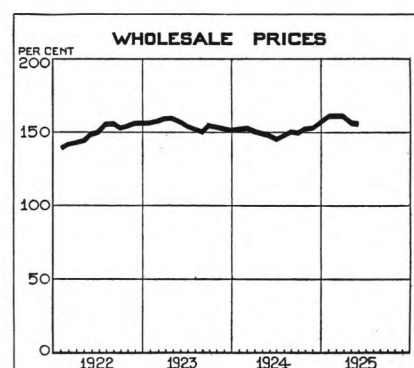
At the Reserve Banks there was an increase in member bank borrowing between May 20 and June 24 and on that date discounts for member banks were in larger volume than at any time since the opening of the year. Further decreases in the holdings of acceptances and of United States securities brought the volume of open market holdings in June to the lowest level since last summer.



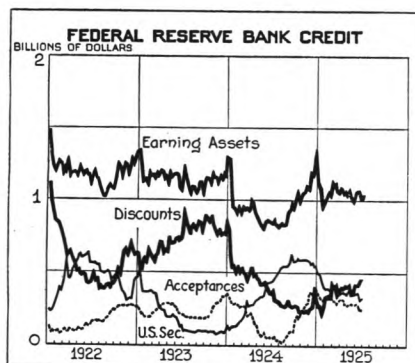
Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figures—May, 112.



Index of sales of 333 stores in 117 cities (1919=100). Latest figures, May—Adjusted, 124; Unadjusted, 129.



Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau). Latest figure—May, 155.2.



Weekly figures for 12 Federal Reserve Banks. Latest figure—June 24.

Conditions in the money market remained relatively steady during the latter part of May and first three weeks of June, notwithstanding the heavy treasury operations in the middle of June.

BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

Business activity in the Philadelphia Federal Reserve District, during May and June, has shown little more than the usual seasonal changes. Factory employment declined fractionally from April to May and increased a like amount in June so that the level has really changed but little in the past three months. Industrial production, on the whole, is barely holding its own, while in the output of iron and steel and other basic products there has been a sharp curtailment. Distributive activity in most lines compares unfavorably with that of last year. Retail sales, in May, and during the first five months of 1925, were smaller than in the corresponding periods of 1924. Some improvement occurred in June, however, hot weather having stimulated sales of many products. Conditions in the wholesale trade are somewhat mixed; drugs, electrical supplies and jewelry sold in greater amounts than in 1924, but in the other lines business was smaller. Railroad freight shipments in the Allegheny district continued to increase in May and were 8 per cent larger than in May, 1924. Check payments in May also reached a large total.

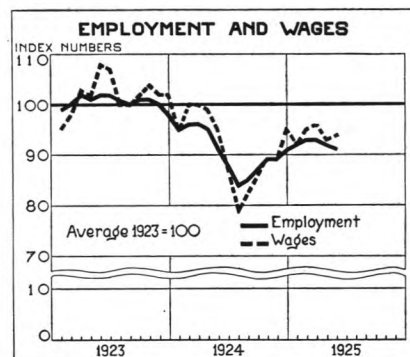
The volume of building in this district has fallen off after reaching record levels in March and April, but new construction undertaken in May was still substantially above 1924 and 1923 levels. The market for most building materials, however, continues unsatisfactory. A fair demand exists for bricks, but lumber and paint manufacturers report a poor market and weakening prices.

The iron and steel industry experienced

a sharp curtailment of output in May, and June has seen no recovery, although demand for many products is reported as improved. Slackening in the steel industry has been followed by lower prices for coke and curtailment of output. The coal markets are also unsatisfactory. Demand for anthracite is very dull, and, while there has been some recent strength in soft coal markets, large orders have been accompanied by price concessions. Seasonal improvement has occurred in the market for refined petroleum products and, in most cases, demand is better than it was last year.

Most of the textile markets are dull, although demand for some products, such as summer weight underwear, has been stimulated by hot weather. The silk trade continues active, with a large volume of sales and considerable forward buying. In the cotton and wool industries, however, conditions are unsatisfactory. There is little spot, and practically no forward business; prices are either stationary or unchanged. Demand for hosiery, though still good, has slackened, and carpets and rugs are selling only in small volume.

The hot wave early in June hastened the growth of crops in the district, but some damage is now threatened by drought. Grain crops, generally, are now in good condition, but the outlook for fruits is unfavorable as compared with the 1924 condition. An adequate supply of farm labor is reported.



In spite of recent increases in employment and wages at more than 1,000 factories in Pennsylvania, New Jersey and Delaware, productive activity is still below the level maintained in 1923.

Source—Federal Reserve Bank of Philadelphia

EMPLOYMENT AND WAGES

Industrial operations expanded somewhat during May in Pennsylvania, New Jersey and Delaware, as shown by larger wage payments, although employment turned slightly downward. Undoubtedly part of the improvement in wage payments was due to the resumption of operations in May at many plants which were operating on reduced schedules during the Easter holidays in April.

The food and tobacco group experienced the greatest advances in both employment and wages paid, all the indus-

SYNOPSIS OF BUSINESS CONDITIONS

Compiled as of June 23, 1925

Philadelphia Federal Reserve District

Business	Demand	Prices	Stocks	Collections
Bricks	Fair	Weak	Moderate	Fair
Cigars	Fair	Unchanged	Moderate	Fair
Chemicals	Fair	Unchanged	Moderate	Fair
Coal, anthracite	Fair	Higher	Heavy	Fair
Coal, bituminous	Poor	Unchanged	Heavy	Fair
Coke	Fair	Lower	Moderate	Fair
Confectionery	Poor	Unchanged	Light	Fair
Cotton goods	Fair	Higher	Moderate	Fair
Drugs, wholesale	Fair	Lower	Moderate	Fair
Drygoods, wholesale	Fair	Unchanged	Light	Fair
Electrical supplies, wholesale	Fair	Unchanged	Moderate	Fair
Floor coverings	Fair	Unchanged	Moderate	Fair
Groceries, wholesale	Good	Unchanged	Moderate	Fair
Hardware, wholesale	Fair	Firm	Moderate	Fair
Hosiery, full-fashioned	Good	Unchanged	Moderate	Fair
Hosiery, seamless	Fair	Unchanged	Moderate	Fair
Iron and steel	Fair	Weak	Moderate	Fair
Jewelry, wholesale	Fair	Unchanged	Moderate	Fair
Leather, heavy	Poor	Unchanged	Moderate	Good
Leather, belting	Fair	Unchanged	Moderate	Fair
Leather, upper	Fair	Unchanged	Moderate	Good
Lumber	Fair	Weak	Heavy	Fair
Oils	Good	Higher	Moderate	Fair
Paint	Fair	Weak	Moderate	Fair
Paper	Fair	Weak	Moderate	Fair
Paper, wholesale	Fair	Unchanged	Lower	Fair
Printing and publishing	Good	Unchanged	Moderate	Fair
Pottery	Fair	Weak	Moderate	Fair
Shoes, manufacture	Poor	Unchanged	Moderate	Fair
Shoes, retail	Fair	Unchanged	Moderate	Fair
Shoes, wholesale	Fair	Unchanged	Moderate	Fair
Silk goods	Good	Unchanged	Light	Good
Silk, thrown	Good	Higher	Light	Good
Tobacco leaf	Fair	Unchanged	Moderate	Fair
Underwear, heavy weight	Poor	Unchanged	Moderate	Fair
Underwear, light weight	Good	Unchanged	Light	Fair
Woolen and worsted goods	Poor	Weak	Moderate	Fair
Woolen and worsted yarns	Poor	Unchanged	Moderate	Fair

FINANCIAL CONDITIONS

EMPLOYMENT AND WAGES

Throughout 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	
		May 15, 1925	Per cent change from month ago	May 15, 1925	Per cent change from month ago	May 15, 1925	Per cent change from month ago
All industries (48)	1,001	374,550	- 0.8	\$9,981,408	+ 1.6	\$26.65	+ 2.5
Metal manufactures:	346	179,901	- 1.1	5,004,621	+ 0.1	27.82	+ 1.2
Automobiles, bodies, and parts.	23	8,524	+ 2.6	259,650	+ 7.5	30.46	+ 4.8
Car construction and repair.	15	15,975	+ 0.2	474,917	- 2.4	29.73	- 2.6
Elec. machinery and apparatus.	37	18,463	- 2.0	464,315	+ 4.0	25.15	+ 6.1
Engines, machines, & mach. tools	37	9,704	- 0.3	280,743	+ 1.4	28.93	+ 1.7
Foundries and machine shops.	70	12,772	+ 0.2	354,532	- 1.8	27.76	- 2.0
Heating appl. and apparatus.	18	5,649	- 4.5	167,720	+ 0.9	29.69	+ 5.7
Iron and steel blast furnaces.	13	14,691	- 3.7	416,101	- 2.5	28.32	+ 1.1
Iron and steel forgings.	13	4,582	- 3.7	110,318	+ 5.2	24.08	+ 9.3
Steel works and rolling mills.	49	46,144	- 3.9	1,246,622	- 6.6	27.02	- 2.7
Structural iron works.	12	3,493	+ 1.2	95,351	- 0.3	27.30	- 1.4
Misc. iron and steel products.	45	27,029	+ 0.2	758,775	+ 5.2	28.07	+ 5.0
Shipbuilding.	8	9,354	+11.5	271,288	+12.4	29.00	+ 0.8
Non-ferrous metals.	6	3,521	- 1.8	104,289	+ 8.9	29.62	+10.9
Textile products:	228	70,564	- 1.0	1,615,116	+ 1.7	22.89	+ 2.7
Carpets and rugs.	15	4,564	- 1.1	123,891	+ 3.0	27.15	+ 4.1
Clothing.	25	4,021	- 1.8	74,038	+ 6.1	18.41	+ 8.0
Hats, felt and other.	10	4,857	- 5.8	112,305	- 5.1	23.12	+ 0.8
Cotton goods.	28	8,413	0	185,714	- 3.2	22.07	- 3.2
Silk goods.	57	18,953	+ 3.4	412,104	+ 5.8	21.74	+ 2.3
Woolens and worsteds.	25	9,483	- 3.4	206,251	+ 4.0	21.75	+ 7.7
Knit goods and hosiery.	40	10,908	+ 2.1	258,105	+ 5.6	23.66	+ 3.5
Dyeing and finishing textiles.	21	7,844	- 8.3	213,360	- 5.9	27.20	+ 2.6
Misc. textile products.	7	1,521	- 4.3	29,348	+ 2.5	19.30	+ 7.1
Foods and tobacco:	83	24,302	+ 1.9	549,027	+ 5.5	22.59	+ 3.5
Bakeries.	19	3,546	+ 3.8	108,338	+ 3.2	30.55	- 0.6
Canneries.	8	3,307	- 0.3	69,876	+ 0.7	21.13	+ 1.0
Confectionery and ice cream.	20	5,156	+ 1.4	107,993	+ 3.6	20.95	+ 2.1
Slaughtering and meat packing.	11	2,469	- 0.8	67,660	+ 5.8	27.40	+ 6.6
Sugar refining.	4	3,356	+ 1.3	101,781	+ 3.6	30.33	+ 2.3
Cigars and tobacco.	21	6,468	+ 4.0	93,379	+17.4	14.44	+13.0
Building materials:	79	26,226	- 0.7	761,869	+ 2.2	29.05	+ 2.9
Brick, tile, terra cotta products.	22	3,622	- 3.3	94,187	+ 1.1	26.00	+ 4.5
Cement.	15	7,881	+ 1.3	233,763	+ 3.7	29.66	+ 2.3
Glass.	27	9,617	- 1.7	269,513	- 2.3	28.02	- 0.6
Pottery.	15	5,106	+ 0.0	164,406	+ 9.0	32.20	+ 9.0
Chemicals and allied products:	75	29,484	- 0.1	925,573	+ 6.0	31.39	+ 6.1
Chemicals and drugs.	39	7,018	- 4.4	190,631	- 5.4	27.16	- 1.0
Explosives.	10	2,633	0	72,547	- 3.1	27.55	- 3.1
Paints and varnishes.	15	1,466	+ 1.3	38,271	+ 4.2	26.11	+ 2.9
Petroleum refining.	8	17,336	+ 1.9	595,188	+12.1	34.33	+10.0
Coke.	3	1,031	- 4.4	28,936	- 0.7	28.07	+ 3.8
Miscellaneous industries:	190	44,073	- 1.4	1,125,202	+ 2.7	25.53	+ 4.1
Lumber and planing mill prod.	8	2,524	+ 3.9	48,420	- 3.9	19.18	- 7.5
Furniture.	21	3,002	- 2.4	73,313	+ 3.4	24.42	+ 5.9
Musical instruments.	6	3,885	- 3.4	100,402	+ 2.2	25.84	+ 5.9
Leather tanning.	34	8,134	- 3.3	207,887	+ 2.2	25.56	+ 8.7
Leather products.	16	584	- 2.8	10,824	-13.7	18.53	-11.2
Boots and shoes.	27	4,869	- 5.4	91,570	- 3.7	18.81	+ 1.8
Paper and pulp products.	21	5,094	+ 0.4	134,736	- 1.5	26.45	- 1.8
Printing and publishing.	26	3,935	+ 2.8	133,689	+11.2	33.97	+ 8.2
Rubber tires and goods.	19	5,477	+ 1.7	152,990	+ 4.1	27.93	+ 2.3
Novelties and jewelry.	9	2,269	- 3.6	56,686	- 3.2	24.98	+ 0.4
All other industries.	13	4,300	- 1.8	114,685	+ 5.4	26.67	+ 7.4

In the four weeks from May 13 to June 10 the total loans and investments of reporting banks in leading cities of the Philadelphia Federal Reserve District increased 8 millions and total deposits, 5 millions. Loans largely of a commercial nature declined 7 millions to a point little above the low point reached this year, but loans on securities advanced to a new high level. Investments in United States securities declined slightly in the course of four weeks, but holdings of other securities on June 10 were as high as they have been at any time this year.

Borrowings from the Federal Reserve Bank of Philadelphia increased from 34.7 millions on May 20 to 41.6 millions on the 27th. A reaction to 35.8 millions on June 3 followed, but on the 17th loans to member banks stood at 39.1 millions,—an advance of 4.4 millions in the four weeks. Declines in acceptances and United States securities were reported, however, and total earning assets fell from 82.8 to 79.1 millions. Note circulation and cash reserves increased, but deposits declined.

Rates for commercial paper and bankers' acceptances at New York remained practically stationary during the past month.

An increase of .1 of one per cent in savings deposits during May was reported by 99 banks in the Philadelphia Federal Reserve District. Percentage changes by cities follow:

Cities	Changes June 1, 1925, compared with	
	Previous month	Previous year
Allentown.	- .6 %	+ 5.1 %
Altoona.	+1.0 "	+ 9.4 "
Bethlehem.	+ .02 "	+11.9 "
Chester.	-1.1 "	+ 1.3 "
Easton.	- .8 "	+12.1 "
Harrisburg.	- .5 "	+16.8 "
Johnstown.	- .2 "	+ 4.2 "
Lancaster.	+1.0 "	+17.5 "
Philadelphia.	+ .1 "	+ 6.8 "
Reading.	+ .3 "	+12.7 "
Scranton.	+ .1 "	+12.0 "
Trenton.	+ .1 "	+ .3 "
Wilkes-Barre.	+ .02 "	+ 9.8 "
Williamsport.	- .2 "	+ 9.0 "
Wilmington.	+ .6 "	+ 5.4 "
York.	+ .4 "	+12.6 "
Others.	+ .5 "	+ 4.5 "
Totals.	+ .1 %	+ 7.1 %

Commercial paper. Buying of commercial paper by banks in Philadelphia has increased during June but has not been widespread nor as large as in June, 1924. Outside of the city, however, sales by dealers have been small. Most transactions continue at 4 per cent but a fair volume has been transacted at both 3¾ and 4¼ per cent. Dealers' portfolios are small, comparatively little new paper having been received.

tries sharing in the increase with the exceptions of the canning and slaughtering industries, which fell off slightly in employment. Shipbuilding showed the most marked and widespread advance of all the individual industries,—a result of favorable weather conditions and increased orders. Automobile manufacturers, silk mills, knit goods and hosiery mills, and printing and publishing establishments also indicated greater activity in May than in April.

Steel works and rolling mills, hat and shoe manufacturers, plants finishing and dyeing textiles and those making chemi-

cals and drugs were the only industries which showed notable declines in both employment and operations. Lumber and planing mills advanced in employment, but declined in wage payments. But many other industries, though declining in employment, showed increases in wage payments or operating schedules. The most pronounced among the latter group were establishments manufacturing heating appliances, iron and steel forgings, non-ferrous metals, clothing, knit goods and worsteds, miscellaneous textile products, and the leather tanning industry.

FINANCIAL STATISTICS
Philadelphia Federal Reserve District

000's omitted in all figures except percentages	Latest	Changes in course of	
		Four weeks	One year
Reporting member banks:			
Loans on securities.....	\$353,100	+\$11,400	+\$ 72,300
All other (largely commercial) loans.....	360,600	- 6,600	+ 700
Total loans.....	\$713,700	+\$ 4,800	+\$ 73,000
Investments.....	363,900	+ 3,200	+ 60,400
Total loans and investments.....	\$1,077,600	+\$ 8,000	+\$133,400
Total deposits.....	966,700	+ 5,300	+ 123,200
Federal Reserve Bank:			
Bills discounted.....	\$ 39,100	+\$ 4,400	+\$ 12,900
Other earning assets.....	40,000	- 8,100	+ 6,200
Total earning assets.....	\$ 79,100	-\$ 3,700	+\$ 19,100
Federal reserve note circulation.....	\$ 155,300	+ \$5,300	-\$ 30,300
Total deposits.....	132,600	+ 1,500	+ 13,400
Cash reserves.....	227,900	+ 4,300	- 34,700
Reserve ratio.....	79.1%	+ .4%	- 7.0%
Debits (banks in 18 cities)*.....	\$623,628	+\$56,033	+\$ 75,092
Savings deposits (99 banks).....	565,865	+ 521	+ 37,593
Bankers' acceptances:†			
Purchases by 5 dealers.....	372	- 290	+ 207
Sales by 5 dealers:			
To Federal Reserve Bank.....	135	- 1,809	- 170
To others.....	7	- 115	- 12
Executed by 11 banks ‡.....	5,060	+ 2,751	+ 3,233
Commercial paper sales, 6 dealers.....	6,160	- 1,264	- 5,362

NEW YORK CITY

Actual figures in all columns	June 22, 1925	Month ago	Year ago
Money rates:			
Commercial paper.....	3¼-4%	3¼-4%	3¼-4¼%
Bankers' acceptances.....	3¼%	3¼%	2¼-2¾%
Call money renewals.....	3¾%	3¾%	2%
Security price averages:			
20 industrial stocks.....	\$128.25	\$128.95	\$ 93.53
20 railroad stocks.....	97.77	99.05	85.23
40 bonds.....	93.19	93.11	90.16
4 Liberty bonds.....	102.32	102.00	101.76

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

In May the sales of six dealers in this district were \$6,160,000; this compares with \$7,423,500 in April and \$11,522,000 in May, 1924. The amount sold to Philadelphia banks was \$4,520,000 and, to outside institutions, \$1,640,000. Rates on these sales varied from 3¼ to 4½ per cent with about 75 per cent of the total at 4 per cent.

RETAIL TRADE

Preliminary reports indicate that the volume of sales in June will exceed that of June, 1924. The sudden hot weather at the opening of the month particularly stimulated a number of departments of retail trade though it probably retarded others. Some of the lines in which sales were accelerated are silks, wash voiles and broadcloths, bathing suits and accessories, underwear, children's and infants' dresses and street and house dresses.

Store managers report that merchandise in manufacturers' hands is sufficient for all needs and, in women's dresses, is larger than usual at this season. Price

concessions can be obtained to clear surplus summer goods in a number of lines and when obtained are passed on by advertised sales to the consumers. Otherwise quotations are unchanged.

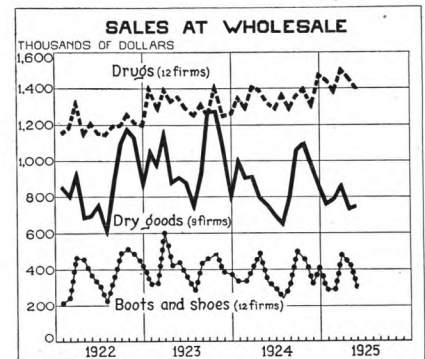
During May, sales decreased 3.9 per cent as compared with May, 1924, but it must be remembered that this year there was one less selling day. Departments making gains include silk, toilet articles and drugs, silverware and jewelry, women's dresses, underwear, including petticoats, and men's furnishings. Men's clothing, however, decreased sharply. Sales in shoe stores were satisfactory, showing a gain of 9.3 per cent. The only cities which showed an increase were Chester and Lancaster.

WHOLESALE TRADE

Sales during June in a number of lines have been favorably affected by the sudden coming of hot weather and, though seasonal dullness is reported by some, preliminary statements indicate that wholesale trade will show an increase as compared with June, 1924. Price changes

in most lines have been slight, advances being offset by declines.

In May sales were smaller than in April in shoes, electrical supplies, paper, drugs, and hardware, but were larger in the other three lines, the notable figures being a loss of 27.4 per cent in shoes and a gain of 17.0 per cent in jewelry. As compared with May, 1924, sales in five lines decreased and in three gained; the changes, however, were not large. Stocks were lower in all lines except jewelry, both as compared with the previous month and with May, 1924; in drygoods, stocks fell 16.8 per cent from those of a year before. Although collections improved in a few instances, generally they were poorer than in April, 1925, or May, 1924.



The seasonal variations in sales of drugs is much less than in either drygoods or boots and shoes. In the latter two the peak sales are about double those of the low months. Sales of drugs have shown a gradual increase during recent years.

Source—Federal Reserve Bank of Philadelphia

Paper. The demand for such papers as printing, book, fine, kraft, wrapping, tissue and crêpe continues fairly active, although May sales of all grades of paper dropped 4.6 per cent and 5.2 per cent, respectively, below the level of last April and May, 1924. Most reports also show a noticeable decrease in stocks. With the exception of slight price recessions on chipboard and fibre papers, quotations generally remain unchanged.

Shoes. During June wholesale trade in shoes has shown no special feature and it is not likely that sales will exceed those of June, 1924. In efforts to clear some lines of summer goods, price shading is reported. Orders are mainly for immediate shipment, but some call for August and September delivery. For women, white kid, patent and black satin pumps are in request; and sport shoes with crêpe soles for men, women and children are called for. A few dealers report that men's shoes are selling best, but in a majority of cases the heaviest request is for women's and children's. In May, sales were smaller by 27.4 per cent than in April and by 6.7 per cent than in May, 1924.

Prices are unchanged except for an advance by manufacturers for shoes with

RETAIL TRADE
Philadelphia Federal Reserve District

	Comparison of net sales		Comparison of stocks		Stock turnover	
	May, 1925, with May, 1924	Jan. 1 to May 31, 1925, with Jan. 1 to May 31, 1924	May 31, 1925, with May 31, 1924	May 31, 1925, with Apr. 30, 1925	Jan. 1 to May 31, 1925	Jan. 1 to May 31, 1924
All reporting firms.....	- 3.9%	-2.5%	+ 0.3%	- 4.0%	1.338	1.377
Firms in Philadelphia.....	- 3.2 "	-2.4 "	+ 1.1 "	- 5.2 "	1.500	1.553
Allentown, Bethlehem and Easton.....	- 2.8 "	-1.0 "	- 2.2 "	- 0.2 "	1.057	1.064
Altoona.....	- 7.6 "	-3.0 "	- 1.6 "	- 3.8 "	1.139	1.098
Chester.....	+ 4.3 "	+1.0 "	+12.8 "	- 1.3 "	.....	.....
Harrisburg.....	- 0.6 "	-0.3 "	+ 2.1 "	- 3.3 "	.912	.932
Johnstown.....	- 7.3 "	-5.2 "	-16.7 "	- 1.1 "	1.106	1.101
Lancaster.....	+ 2.0 "	-1.2 "	+ 4.7 "	+ 0.1 "	1.108	1.130
Reading.....	- 8.3 "	-3.2 "	- 8.6 "	- 1.8 "	.981	.912
Scranton.....	- 5.0 "	-4.3 "	+ 3.6 "	+ 2.5 "	1.220	1.276
Trenton.....	- 9.6 "	-5.8 "	+ 7.6 "	- 0.5 "	1.189	1.256
Wilkes-Barre.....	- 5.5 "	-3.2 "	- 2.7 "	- 3.2 "	1.261	1.335
Williamsport.....	-11.1 "	-5.7 "	- 6.5 "	- 2.8 "	.865	.868
Wilmington.....	- 7.1 "	+0.8 "	+10.3 "	- 3.0 "	.767	.816
York.....	- 7.2 "	-5.1 "	+ 0.5 "	- 3.9 "	1.071	1.096
All other cities.....	- 8.3 "	-2.3 "	+ 5.2 "	- 3.9 "	.872	.943
All department stores....	- 4.4 "	-3.3 "	- 0.2 "	- 3.8 "	1.321	1.362
in Philadelphia.....	- 4.2 "	-3.8 "	+ 0.3 "	- 4.8 "	1.438	1.500
outside Philadelphia....	- 4.7 "	-2.1 "	- 1.1 "	- 2.0 "	1.086	1.091
All apparel stores.....	- 3.6 "	+1.5 "	- 0.0 "	- 7.9 "	1.802	1.805
Men's apparel stores....	- 5.8 "	-1.2 "	+ 1.6 "	- 4.4 "	.925	.951
in Philadelphia.....	- 2.2 "	+1.9 "	+ 1.5 "	- 6.7 "	1.050	1.059
outside Philadelphia....	-10.3 "	-5.1 "	+ 1.8 "	- 1.8 "	.795	.837
Women's apparel stores...	- 2.7 "	+2.8 "	- 1.8 "	-11.5 "	2.714	2.697
in Philadelphia.....	- 3.6 "	+2.9 "	+ 0.0 "	-12.4 "	2.997	3.030
outside Philadelphia....	+ 3.1 "	+1.8 "	- 8.4 "	- 7.9 "	1.616	1.517
Credit houses.....	- 2.4 "	-2.8 "	+ 7.9 "	- 4.2 "	.948	1.035
Shoe stores.....	+ 9.3 "	+8.1 "	+ 6.0 "	+ 3.7 "	1.055	1.017

crêpe rubber soles. This increase amounts on the average to about 20 cents per pair. But little business has been placed at the advanced quotations.

Drygoods. The sudden advent of hot weather at the beginning of June furnished the long awaited stimulus to the wholesale drygoods trade and, from preliminary reports, it is expected that sales in June will exceed those of June, 1924. During each of the first five months of this year, however, sales have been lower than in the corresponding months of 1924. During May the decrease was only 1.7 per cent and transactions were larger by 0.2 per cent than in April. The decreases this year are ascribed by different firms to the following reasons: reduction in sales of piece goods, caused partly by the fact that dresses at present require less yardage, poor weather conditions, especially in the good retail selling seasons of March and April, poor business conditions in the bituminous coal regions, lack of confidence and an increase in hand to mouth buying.

Prices generally are unchanged and the articles in best demand are light-weight underwear, bathing suits, hosiery, novelty dress goods, muslins, laces and neckwear.

Drugs. The call for drugs is holding up well, the most active demand being for insecticides, toilet preparations, patent medicines and, of course, summer spe-

cialties. Several price changes occurred during the month, but the readjustments resulted in no great departures from the May levels. However, the tendency of prices for some drugs and fine chemicals appears to be slightly upward, but quotations for botanical drugs are lower, as is indicated by figures compiled by the "Oil, Paint and Drug Reporter." On June 22 the index number based on quotations for 40 botanical drugs stood at 115.1, as against 115.4 on May 22 and 131.8 a year ago. The index number for 35 fine chemicals registered 203.7, as compared with 202 on May 22 and 199.5 on the corresponding date in June, 1924.

During May, the net sales of 14 whole-

sale drug firms in this district were 4.1 per cent smaller than in the preceding month, but 5.7 per cent larger than in June of last year.

Hardware. Sales of summer merchandise, including screening, nettings, garden hose and lawn mowers, have been moderately heavy during the past month and wholesalers report that the demand for these goods, together with that for builders' supplies, have made a fairly active market. Prices are generally firm though a few advances and declines are reported. During May, the net sales of 28 firms in this district were 1.6 per cent smaller than they were in April and 2.3 per cent less than in May of last year. Stocks on the shelves of these firms at the close of May were 0.1 per cent heavier than on the last day of the preceding month and 4.3 per cent greater than those on May 31, 1924. Collections are only fair.

Jewelry. Sales of jewelry at wholesale are fair and prices show little change, though an advance is noted in quotations for platinum wedding rings. Sales in May were larger by 17.0 per cent than in April, and by 7.3 per cent than in May, 1924. This is the first time since December that transactions exceeded those of the corresponding month in the previous year.

Electrical supplies. The net sales of 6 wholesale electrical firms in this district were 6.5 per cent smaller in May than they were during April, but 3.5 per cent larger than in May of last year. So far this month the call has been no better than fair though, during the recent hot spell, the demand for seasonal goods, particularly fans, was strong. Wiring devices, lamps and lighting fixtures continue to go forward in sizeable volume and shipments of supplies to mills and factories continue to feature the market for heavy equipment. With the exception of those of specialties, prices are much the same as they were a month and a year ago. Stocks in the hands of reporting firms on the last

WHOLESALE TRADE

Philadelphia Federal Reserve District

	Net sales May, 1925, compared with		Stocks May, 1925, compared with		Accounts outstanding May, 1925, compared with		Ratio of accounts outstanding to sales		
	April, 1925	May, 1924	April, 1925	May, 1924	April, 1925	May, 1924	May, 1925	April, 1925	May, 1924
Boots and shoes....	-27.4%	- 6.7%	- 7.5%	- 4.4%	- 5.6%	-2.6%	324.5%	242.9%	300.3%
Drugs.....	- 4.1 "	+ 5.7 "	.....	.....	- 0.4 "	+12.2 "	151.6 "	146.2 "	142.4 "
Dry goods.....	+ 0.2 "	- 1.7 "	- 4.3 "	.....	- 1.3 "	- 7.4 "	246.5 "	250.2 "	261.6 "
Electrical supplies....	- 6.5 "	+ 3.5 "	- 5.5 "	- 9.5 "	- 4.5 "	-16.6 "	129.1 "	126.5 "	160.2 "
Groceries.....	+ 2.3 "	- 6.5 "	- 4.7 "	- 1.0 "	+ 2.2 "	- 0.2 "	108.5 "	105.9 "	100.5 "
Hardware.....	- 1.6 "	- 2.3 "	- 3.7 "	- 3.7 "	+ 0.1 "	+ 4.3 "	180.8 "	178.5 "	170.5 "
Jewelry.....	+17.0 "	+ 7.3 "	+12.6 "	+ 1.8 "	+ 5.3 "	+ 9.5 "	401.9 "	446.5 "	393.9 "
Paper.....	- 4.6 "	- 5.2 "	- 2.8 "	- 1.8 "	- 1.3 "	- 3.0 "	148.5 "	143.5 "	145.2 "

day of May were 5.5 per cent smaller than they were at the close of the preceding month and 9.5 per cent lighter than on May 31, 1924. Collections are scarcely fair.

Groceries. Groceries are in good demand and preliminary estimates indicate that sales will exceed those of May, when business was greater than that of April by 2.3 per cent, but was 6.5 per cent less than in May, 1924.

The average price has changed but little. Articles which have advanced include evaporated milk, rice, butter, cheese, fruit jars and coffee, and those on which quotations are lower include California canned fruit, prunes, sardines (domestic), cooking oil, paper and paper bags, matches, dried beans, canned tomatoes and some soaps. Products which are selling actively are soft drinks, glass jars and tumblers, canned vegetables and fruits, sugar, cereals and picnic specialties such as salad dressings, canned fish, cheese and olives.

CONFECTIONERY

The excessive heat at the beginning of this month caused a marked decline in the buying of candies, and confectioners report that the present demand ranges from poor to barely fair. Orders booked are much smaller than those of May and somewhat less than in June, 1924. The manufacture of hard candies, chocolates and chocolate-coated confections is now principally devoted to seasonable products which will withstand the heat. Few factories are operating at more than 60 per cent of capacity and many are operating at less than 50 per cent. Buying of bar chocolate, baking chocolate, chocolate coating and cocoa, too, is much lighter than it was a month ago. Though most manufacturers report that the prices of their products are unchanged as compared with those of May, a few state that their quotations are lower. Raw materials are unchanged in price. Finished stocks at most factories are light, but supplies of raw materials are moderate in size.

BUILDING

Reports from 16 cities in this district show that the estimated cost of new construction during May was somewhat in excess of \$21,800,000. Though the decline from the totals for April was considerable, it is not surprising in view of the extraordinarily high figure reached in that month. Indeed, the total for May was over four million dollars greater than that during May of last year. The number of permits granted in May totalled 3,536 as will be seen in the accompanying table.

Paint. Demand for paint is scarcely fair and not as strong as it was a month ago or in June of last year. Unfilled orders are smaller than they were at this

time last month and do not extend as far into the future. In fact, practically all of those now on the books of reporting firms are for shipment either at once or within 60 days. Prices of finished paints are much the same as those listed four weeks ago, although resistance to quotations for ready to use products of the cheaper grades has caused considerable weakness. Prices of raw materials in nearly all instances are firm. On June 22, linseed oil in tank car lots, cooerage basis, was quoted at \$1.04 per gallon, a reduction of 2 cents from the price listed on the corresponding date of the preceding month.

Manufacturers reporting to us are operating their equipment at an average rate of 67 per cent of capacity. Unfilled orders will support this rate for an average period of not more than a few days at most. Stocks of both finished paint and raw materials are, in the main, moderate, though they are tending somewhat to increase. The supply of operatives is ample. Collections are fair.

Pottery. The market for pottery is spotty. Manufacturers reporting to us find that the call for their products ranges all the way from poor to good and most of them say the demand is not as strong as it was a month or a year ago. Prices of staple articles, including nearly all types of standard fixtures, are weak and, in several instances, lower than they were at this time last month. Quotations for raw materials are generally firm.

Reporting manufacturers are operating their plants at an average rate of 70 per cent of capacity and, since unfilled orders now on hand are smaller than they were last month and extend no further into the future, they will not insure this rate for longer than approximately twenty days. Stocks of both finished goods and

raw materials are from moderate to heavy, and, for the most part, stationary. The supply of labor is sufficient. Collections are fairly good, though not as prompt as they were a month ago.

Bricks. Manufacturers of building and paving bricks say that the outlook is now more encouraging and that demand is fairly good and better than it was last month or a year ago. The call for fire bricks, however, decreased during the past four weeks and is generally regarded as poor. Though listed prices of nearly all classes of bricks are the same as those in May, considerable resistance is being encountered and this has caused a widespread weakness in established quotations. On the other hand prices of raw materials are, in most instances, firm. Unfilled orders do not extend as far into the future as they did a month ago, and very few are for delivery beyond 90 days.

Manufacturers of all classes of bricks reporting to this bank are operating at an average rate of close to 76 per cent of capacity and, though unfilled orders will insure operations for as long as six months in some instances, the average period is from four to six weeks. The supply of finished bricks is either moderate or light and is decreasing. Stocks of raw materials are moderate, and they too are decreasing. The supply of labor is plentiful. Collections are fair.

Lumber. According to the reports of manufacturers and dealers in this district, demand for lumber, in spite of the usual building season, is not satisfactory and, in most cases, is lighter than it was at this time in the preceding month or in June, 1924. Price reductions still continue to be made, though not as extensively as those of a month or so ago. Chief

BUILDING PERMITS Philadelphia Federal Reserve District

	May, 1925		May, 1924		January 1 to May 31, inclusive			
	No.	Estimated cost in thousands	No.	Estimated cost in thousands	1925		1924	
					No.	Estimated cost in thousands	No.	Estimated cost in thousands
Allentown.....	126	\$ 943	114	\$ 502	460	\$ 3,103	488	\$ 2,503
Altoona.....	223	359	275	390	867	1,368	898	1,638
Atlantic City....	172	395	178	374	759	3,325	821	2,469
Bethlehem.....	56	182	71	279	208	856	223	682
Camden.....	166	1,109	169	249	648	3,809	595	2,062
Easton.....	49	110	68	662	154	1,384	194	1,116
Harrisburg.....	92	383	80	297	379	1,668	446	3,665
Lancaster.....	102	557	123	176	384	1,887	487	2,580
Philadelphia.....	1,369	14,434	1,735	10,940	6,119	74,858	6,767	61,459
Reading.....	288	497	355	384	1,128	2,849	1,279	2,950
Seranton.....	192	637	231	762	797	3,655	775	2,190
Trenton.....	211	739	267	598	831	2,995	976	2,496
Wilkes-Barre.....	156	278	202	500	645	2,069	694	1,767
Williamsport.....	68	156	140	206	417	886	484	551
Wilmington.....	105	246	160	432	413	1,894	532	2,041
York.....	161	794	254	275	594	1,631	862	1,019
Total.....	3,536	\$21,819	4,422	\$17,026	14,803*	\$108,237*	16,521*	\$91,188*

*Williamsport figures for January are not included.

among the woods for which prices have been lowered are white and yellow pine and spruce. Considerable resistance to quotations is being encountered and competition for business at the expense of prices is keen.

Manufacturers reporting to this bank are operating at an average rate of 80 per cent of capacity. This rate is fully as high as that of a month ago, and apparently production is greater than shipments since stocks of finished lumber are fairly heavy and increasing. Supplies of raw materials, on the other hand, are moderate and decreasing. Unfilled orders on hand will insure operations for from two to three weeks. Most of the orders now on the books of both manufacturers and dealers are for shipment within the next two months. The supply of mill workers is plentiful. Collections are fair.

IRON AND STEEL

Since the first of June there has been an improvement in the market for iron and steel and, though the increase in new business has been only moderate, the general situation compares favorably with that of a year ago. Pig iron is selling more actively than it was a month ago and a few orders for substantial tonnages recently were placed in this market. Demand for structural steel, too, is well maintained and heavy scrap steel for melting still is going forward in good volume. On the other hand, iron and steel castings, as well as machinery and tools, are moving more slowly than they were at this time last month, though the call for these products is by no means inconsiderable. The call for steel plates and bars is fair and fully as strong as it was at this time in May. Automobile interests, as usual, are placing sizeable orders for sheets and strip steel and much interest, too, is being manifested in the improving market for steel pipe.

Considerable weakness in prices con-

tinues, aggravated no doubt in part by the policy among consumers of buying in small lots. Quotations for several steel products and for basic pig iron are extremely low. In fact, the composite prices of both pig iron and finished steel as compiled by the "Iron Age" are now lower than at any time in almost three years. On June 23, the former was listed at \$19.13 per ton and the latter at 2.424 cents per pound. Quotations for Philadelphia 2X pig iron, however, are steady at \$21.26 per ton, no change having occurred during the month.

Preliminary estimates indicate that the rate of output so far in June is much the same as it was in the preceding month. According to the "Iron Age," the Steel Corporation is running at close to 70 per cent of capacity. However, production of both pig iron and steel ingots as well as unfilled orders of the United States Steel Corporation were smaller in May than in April as is shown in the table below:

In gross tons	May	April
Production—		
Pig iron.....	2,930,807	3,258,958
Steel ingots.....	3,458,253	3,587,524
Unfilled orders—		
U. S. Steel Corp.....	4,049,800	4,446,568

In the Philadelphia Federal Reserve District on May 31, the number of blast furnaces in operation totaled 24, a loss of two from those in operation at the close of the previous month. During May, four were shut down and two were put in blast.

Iron foundries. The main operating items of 35 iron foundries in this district, during the month of May, are presented in the table below, as compared with their operations in the preceding month and during May of last year.

Iron foundry operations	May	Change from April	Change from May, 1924
Capacity.....	12,931 tons	0	0
Production.....	6,150 "	+ 3.5%	+ 1.7%
Malleable iron.....	1,182 "	+10.3 "	+20.4 "
Gray iron.....	4,968 "	+ 2.0 "	- 2.0 "
Jobbing.....	3,491 "	+ 1.2 "	+ 2.0 "
For further mfr.....	1,477 "	+ 4.1 "	-10.2 "
Shipments.....	4,918 "	- 0.7 "	+10.4 "
Value.....	\$687,468	-13.6 "	- 5.3 "
Unfilled orders.....	5,271 tons	- 2.7 "	-10.7 "
Value.....	\$783,510	+ 4.6 "	-26.5 "
Raw stock:			
Pig iron.....	8,451 tons	- 5.8 "	+ 2.9 "
Scrap.....	2,748 "	- 8.3 "	-17.9 "
Coke.....	1,956 "	+ 1.1 "	- .8 "

Steel foundries. Several additions to the list of reporting steel foundries having been made, the following table presents the principal operating features of 12 steel plants in this district during May and the percentages of change from

the previous month. Comparisons with the corresponding month of last year, however, are compiled from the reports of the usual six identical foundries.

Steel foundry operations	May	Change from April	Change from May, 1924
Capacity.....	12,490 tons	0	0
Production.....	10,321 "	+36.6%	+32.9%
Shipments.....	5,183 "	- 0.3 "	+12.5 "
Value.....	\$1,056,539	+11.1 "	+50.0 "
Unfilled orders.....	8,312 tons	+ 8.3 "	+12.3 "
Value.....	\$1,939,381	- 2.1 "	+63.6 "
Raw stock:			
Pig iron.....	2,970 tons	- 3.9 "	+37.7 "
Scrap.....	9,992 "	- 1.7 "	- 1.5 "
Coke.....	1,254 "	-16.9 "	+11.1 "

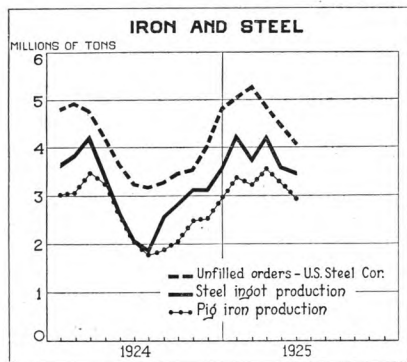
COAL

Anthracite. A considerable falling off in the demand for anthracite, coupled with an advance in prices for the domestic sizes, were the chief points of interest in the market during the past month. Stove and egg coal are in better request than are any of the other sizes used for domestic consumption. Steam grades are moving slowly, and, in several cases, at substantial price concessions. Both independent and company quotations for domestic sizes are from 10 to 15 cents higher than they were a month ago though circular prices of most of the steam grades are unchanged. On June 23, in this market, company stove coal was listed at from \$8.95 to \$9.10 per ton. Production during each of the past four weeks and the corresponding weeks of last year is given below.

Week ended	In thousands of net tons*		Per cent of change
	1925	1924	
May 23...	1,750	1,850	- 5.4
May 30...	1,723	1,294	+33.2
June 6...	1,674	1,846	- 9.3
June 13...	1,870	1,823	+ 2.6

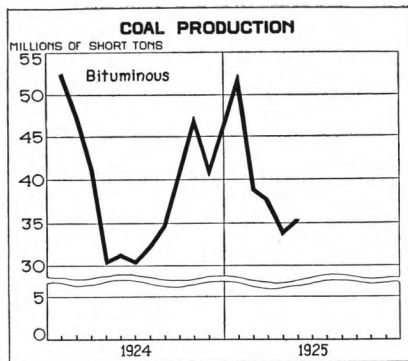
*Compiled by the Geological Survey.

Bituminous. Though the call for bituminous still is poor, as has been the case for the last several weeks, there seem to be indications that the market is strengthening. Railroads are evincing more interest in their fuel requirements, and the demand from industrial sources is somewhat stronger than it was a month ago. It is still true, however, that nearly all tonnages sold have been on a spot rather than a contract basis. Prices show little change as compared with those quoted at this time last month, though concessions granted on large tonnages are not infrequent. On June 23, in Philadelphia, Pool 10 coal was again quoted at from \$1.60 to \$1.85 per ton.



Unfilled orders usually follow closely the general trend of output of pig iron and steel ingots. However, during February of this year, when production declined, unfilled orders continued to increase.

Source—Iron Age



The seasonal spring decline this year in the output of bituminous coal was not as sharp as in 1924, and the downward trend was halted at a substantially higher level.

Source—U. S. Geological Survey

Output of bituminous continues at relatively high levels in spite of the reported inactivity of many mines both in this and other districts. Production during each of the past four weeks and in the corresponding periods of 1924 is given in the table below.

Week ended	In thousands of net tons*		Per cent of change
	1925	1924	
May 23...	8,451	7,397	+14.2
May 30...	8,141	6,912	+17.8
June 6...	8,385	7,615	+10.1
June 13...	8,616	7,385	+16.7

*Compiled by the Geological Survey.

Coke. The recent curtailment of blast furnace activities reacted unfavorably on the demand for coke, and, for the past several weeks, tonnages have been increasingly difficult to move. Since many furnaces are operating on contracts previously made, spot coke is in poor request. On June 23, foundry coke was quoted at \$3.75 per ton as compared with \$4.00 on May 23, and furnace coke was reduced from \$3.00 to \$2.75 during the same period.

Production of beehive coke increased somewhat in the week ending June 13, as is shown below.

Week ended	In thousands of net tons*		Per cent of change
	1925	1924	
May 23...	145	157	- 7.6
May 30...	132	135	- 2.2
June 6...	128	150	-14.7
June 13...	136	131	+ 3.8

*Compiled by the Geological Survey.

During May output of by-product coke totalled \$3,290,000 tons as compared with

3,316,000 in the preceding month and 2,786,000 tons during May, 1924.

OILS

There has been a substantial seasonal increase in the demand for gasoline, kerosene, lubricating oils and other light oil products as compared with that of a month ago, and it is interesting to note that all refiners reporting to us find the call much heavier than it was at this time last year. Indeed, consumption of these products is at record levels. Stocks in the hands of refiners are either moderate or light and, though efforts are being made to hold them at stationary levels, they are in some instances decreasing. Prices are firm and some advances have occurred during the month. On June 22, the tank wagon price of gasoline was listed at 21 cents per gallon and quotations for kerosene stood at 14 cents.

Reflecting the increase in sales of finished oils, refinery demand for Pennsylvania crude also is much heavier than it was both a month and a year ago. Even though better reclaiming methods have increased output in the Pennsylvania field the call has been such that producers' stocks are lighter than is customary at this time and are decreasing. Though production of petroleum in the entire country decreased during February, the general trend since the first of the year has been upward, as will be noted in the following table.

Month	In thousands of barrels*		Per cent of change
	1925	1924	
January...	59,284	56,455	+5.0
February...	54,045	55,454	-2.5
March...	60,433	59,729	+1.2
April....	61,107	59,433	+2.8

*Compiled by the Geological Survey.

Prices of all Pennsylvania grades are firm and, though quotations were lowered twice in March and April, subsequent advances brought the prices to 5 cents per barrel above those quoted near the close of the first quarter. On June 22, Pennsylvania crude was priced at \$3.80 per barrel and Bradford-Allegheny oil at \$3.90. However, refineries are said to be paying premiums of from 20 to 25 cents over the above quotations.

COTTON

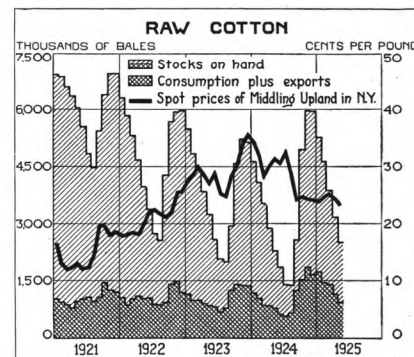
Raw cotton. Principally because of the seasonal quietness that prevails in the manufacturing industry, business in raw cotton has slowed down somewhat during the past thirty days, but it compares favorably with that of the previous month and is still ahead of last year's volume. Mill consumption, which totalled

656,140 bales in April, dropped in May to 592,658 bales, but was higher in that month than a year previous. Exports also declined to 287,439 bales for the four weeks ended June 19, from 307,800 bales for the similar period of last month. Mill and warehouse stocks were reported 20.9 per cent lower on May 31, than they were on April 30 last, but were 8.2 per cent higher than those on May 31, 1924. According to the government report, the crop condition as of May 25 was estimated at 76.6 as against 65.5 per cent on the same date last year. This encouraging prospect for increased yield of cotton is somewhat minimized by the drought still prevailing in certain sections and the infestation by pests. The following table gives the present position of American cotton:

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 June 19.....	14,390	10,965	10,827
Total.....	15,342	11,835	12,795
Visible supply on June 19.....	1,879	1,354	1,221
World's takings to June 19.....	13,463	10,481	11,574

*Compiled by the New York Cotton Exchange.

Price fluctuation continues within narrow range. Spot cotton was quoted at 24.10 cents a pound on June 22 as compared with 23.95 cents a month ago and 29.15 cents last year.



During the latter months of 1923 prices of raw cotton reached a peak, while stocks were smaller than in the same period of preceding years. Since that time, prices have fallen materially, and stocks and consumption have increased.

Sources—Journal of Commerce, Department of Commerce

Cotton goods. Business in cotton fabrics is only moderately active and the volume is about equal to that of last month or last year. Requests for quick delivery feature nearly every sale. Production continues unchanged at about 60 per cent of capacity, and unfilled orders are sufficient to insure operation at this rate for only about one month. Stocks

of finished goods are somewhat large and are stationary, whereas supplies of raw materials remain moderate and are decreasing.

Prices of such varieties as print cloths, sheetings, drills and finished goods, though firm in many cases, have declined slightly. Fairchild's index number of average quotations dropped from 15.1 for the week ended May 23 and 16.1 a year ago to 14.7 for the week ended June 20. Resistance to quotations is still prevalent. Collections are fairly prompt.

WOOL

Raw wool. Dealers report that, during the last fortnight, activity in the wool market has gained considerably as compared with the previous month. Inquiries are more numerous and sizeable sales of grease and scoured wools, notably in quarter, three-eighths and half blood grades, are noted. Tops and noils, together with mohair, carpet and pulled wools, are also in fair request. This, however, must not be construed to mean that trading in wool is wholly satisfactory, for the market is by no means free of uncertainties. Spinners, lacking forward orders, refrain from buying more than they need for immediate use. Nor are dealers disposed to purchase western wool, largely because of the high prices at which growers are holding the new clip. Consequently, the current receipts of western wool here are not large. Little can be said at this time about conditions abroad inasmuch as the Colonial auction sales are not due until July 1. Imports for May totalled 22,386,799 pounds as against 28,911,280 pounds for April and 18,916,140 pounds for May, 1924. Domestic supplies continue somewhat light, but foreign stocks are said to be fairly large.

Quotations have recently moved upward from two to five per cent. Fairchild's index number stood on June 20 at 111.9 for domestic and 119.9 for foreign wool as compared with 102.1 and 119.2, respectively, on May 23. Resistance to this advance is noticeable.

Woolen and worsted yarns. Save for some active inquiries for knitting and weaving yarns, this market continues unsatisfactory. Sales of both woolen and worsted yarns are lagging behind those of the previous month or even of a year ago. There is little buying for future delivery. Spinners, rather than accumulate stocks, have recently curtailed their production materially, the activity of worsted spindles having decreased at a greater rate than that of woolen. Employment in the industry has also declined slightly. The consumption of wool in this district, as shown by returns from 81 establishments, was 3.4 per cent smaller in May than in April. Supplies of both yarns and raw materials are said to be fairly light.

Despite fluctuating prices of various yarns and tops, the general level of quotations remains practically unchanged. Buyers, however, persist in searching the market for bargains. Collections are fair but not as prompt as they were a year ago.

Woolen and worsted goods. No improvement has been reported during the past four weeks in the manufacture and distribution of woolen and worsted fabrics, sales of both having fallen somewhat below the volume of the preceding month or of last year. Dearth of spot and forward orders, opposition to prices and the prevailing lack of confidence in the raw wool market are the principal factors responsible for the present dullness. In consequence, producers have drastically reduced their output to the average rate of about 40 per cent of capacity as against 65 per cent last month and 30 per cent a year ago. Unfilled orders are also smaller than they were thirty days ago, being sufficient to insure the present rate of operations for an average period of only thirty-five days. Although, in several instances, supplies of finished goods and raw materials are heavy, stocks generally are not burdensome.

Compared with last month, prices of finished fabrics, though weak, remain substantially unchanged. A few reductions, however, ranging from five to eight per cent have occurred during the month, despite the upward trend of quotations for raw wool. Collections in the main are satisfactory.

SILK

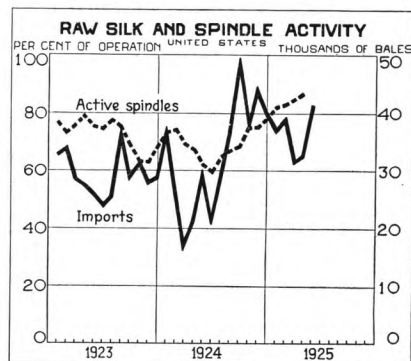
Raw silk. During the past four weeks demand for raw silk at Yokohama has continued very active but buying in the New York market has been somewhat limited. Pending developments in the cocoon situation, the Milan market, though generally firm, is rather quiet, and trading at Canton and Shanghai is seriously upset by political disturbances and strikes. Although the amount of silk delivered to American mills during the first five months was about 40 per cent greater than that for the corresponding period of last year, mill takings have dropped about 4 per cent as compared with the previous month. In view of the fact that the new crop of raw silk will soon be available, stocks are regarded as somewhat large.

The following table gives the recent movement of raw silk.

Raw silk* (in bales)	May, 1925	April, 1925	May, 1924
Imports.....	41,512	32,648	29,684
Stocks.....	42,517	39,271	27,074
Mill takings.....	38,266	40,040	28,272

*Silk Association of America.

Prices have fluctuated within a range of from five to ten cents, showing a slight shading off during the last fortnight. Kansai double-extra cracks sold at \$6.60 a pound on June 22, as compared with \$6.65 on May 23, and \$5.35 on May 22, 1924. A slight recession is also noted in the rate of exchange for Japanese yen.



Spindle activity in the silk industry has increased more than 40 per cent in less than a year, and, at nearly 87 per cent of capacity, is higher than at any time in the past two years.

Sources—Silkworm, Silk Association of America

Thrown silk. Both commission and independent throwsters in this district report increased activity in the market for silk yarns during the past thirty days. Though spot sales still dominate the market, orders are fairly numerous for July, August and September shipment. Buying by the hosiery trade is especially active. The average rate of production continues at 90 per cent of capacity, and forward business is sufficient to insure continued operations at this high rate for about 50 days. Supplies of both raw materials and finished goods remain moderately light. Indeed, a slight scarcity is noted in such yarns as organzine and crêpe, the call for which has been exceptionally strong.

In sympathy with quotations for raw silk, prices of silk yarns have maintained firm levels during the month, and in some instances, notably in crêpe and organzine, advances of from 3 to 4 per cent are reported. Organzine double-extra cracks sold at \$7.70 a pound on June 19, as against \$7.50 on May 23 and \$5.35 on June 20, 1924. Collections are good.

Silk goods. Activity in this market continues at a fairly high rate, the current demand for broad silks being greatly in excess of last year's volume. Stimulated by warm weather, sales of light weight varieties in sheer silks, taffetas, satins, crêpes and miscellaneous novelty goods are large and numerous. Though most orders are still calling for deliveries within the next sixty days, there are many requests for fall shipments. In

consequence, production is being maintained in this district at about 85 per cent of capacity, as compared with 60 per cent for the corresponding period of last year. Unfilled orders are sufficient to insure about 70 days' operation at this rate as against 60 days reported during the preceding month. Stocks of raw materials and finished goods are fairly light, and such fabrics as georgettes, rapiers and prints are not easily obtainable for spot delivery.

Except for a slight recession in narrow ribbons, prices of broad-silks remain unchanged from the level of last month and are much firmer than they were at this time a year ago. Sellers, however, are still encountering some resistance to quotations for such goods as staples, linings, and mixtures. Collections are fairly prompt.

HOSIERY

The demand for hosiery, though still good, has slackened. This is especially true of seamless silk and rayon hosiery for women, the inquiry for which had been greatly stimulated by an unusual demand from Great Britain. Manufacturers of full-fashioned hosiery for women continue well supplied with orders and plants are running at capacity. This is indicated by the statistics for 318 establishments in this country which, during April, booked orders for 1,269,935 dozen pairs, as compared with 706,737 dozen pairs in March and had on April 30 unfilled orders for 1,877,370 dozen pairs, or 2½ months' production. Since that date, additional orders have been satisfactory. Fancy half hose for men are in fair request and novelties for misses and children also are called for.

Prices of hosiery are unchanged and raw materials, on the whole, have varied but little. Stocks of finished hosiery are from light to moderate and either stationary or decreasing. Operations during April in 318 establishments in the United States are compared with those in March in the following table. Although total production was practically unchanged, the output of athletic and sport and women's full-fashioned hosiery was larger.

Hosiery operations,* United States, in dozen pairs	April	% change from March
Total production.....	4,904,238	- .4
Full-fashioned, men.....	54,031	- 4.5
Seamless, men.....	1,736,686	+ 7.7
Full-fashioned, women.....	768,074	+ 4.7
Seamless, women.....	1,288,373	- 5.3
Boys' and misses'.....	519,903	+ 1.9
Children's and infants'.....	471,303	+ .9
Athletic and sport.....	65,868	+21.6
Shipments.....	4,772,203	- 1.0
Finished stock, end of month.....	7,792,726	+ 1.4
Orders booked.....	5,289,453	+ 4.6
Cancellations received.....	228,356	+33.4
Unfilled orders, end of month.....	9,366,450	+ 2.8

* Compiled by the Bureau of the Census.

In this district 122 mills report that in May production decreased .5 per cent as compared with April.

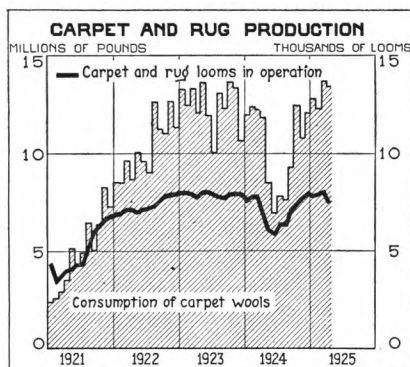
UNDERWEAR

Considerable activity in summer-weight knit underwear has resulted from the intense hot spell of the first week in June. Consumer demand quickly depleted the light stocks of retailers, who then turned for supplies to the wholesaler, and he, in numerous cases, was compelled to go to the manufacturer. As manufacturers had, as a rule, been making goods in close accord with their orders, any surplus stock was quickly sold. In winter-weights, however, the market has been practically lifeless and reports state that little can be expected in this department for another month. Prices of finished underwear are unchanged, but cotton yarns are from 3 to 10 per cent lower.

Production of knit underwear, compiled from the figures of the Bureau of the Census, was 540,655 dozen winter-weight garments in April, as compared with 540,917 in March, and 756,567 dozen summer-weight garments in April, as compared with 751,134 in March.

FLOOR COVERINGS

Trade in carpets and rugs has been quiet and, though the volume is small, it is larger than at this time last year. Since June 1 many mills have reduced their output in order to avoid building up large stocks. Retail stores are buying in small lots and, as many of the orders are for August and September shipment, there is no hurry to make the goods. Prices are generally unchanged, though some further reduction in rag rugs is reported. Raw materials are firm; cotton yarns, after declining early in June, began to strengthen, and during the month woolen, worsted and jute yarns were either firm or stronger.



Carpet and rug manufacture so far this year has been greater than in the corresponding period of 1924 following the sharp curtailment in the middle of that year.

Source—Bureau of the Census

Some manufacturers of linoleums and felt base goods state that business is good and that their plants are working at capacity, but others report only fair business with output about 75 per cent. Prices are unchanged. Collections in all branches of the floor covering business are good.

LEATHER

Hides and skins. The market for hides and skins has been fairly active and prices are either firm or higher. The quality of domestic hides is improving and packers have been able to secure fractional advances for some selections. Calf, sheep and goat skins as a whole are also somewhat higher. Stocks of these skins in the United States again increased during April, but the supply of cattle hides again decreased.

Number of hides or skins*	April 30	Change during April
Cattle.....	4,242,156	- 5.8%
Calf and kip.....	3,283,239	+14.3 "
Sheep and lamb.....	6,470,853	+15.4 "
Goat and kid.....	8,083,849	+ 3.6 "

* Compiled from figures of the Bureau of the Census.

Leather. The market for heavy leather has been quiet; prices as a rule have been maintained, though shading of quotations by some tanners is reported. In upper leathers, calf and kid in men's weights continue to be called for and an increased demand for tan calf in women's weights is noted. Tanners anticipate increased sales after this month because of the demand for leather for fall shoes. The table shows changes in production and stocks of leather during April. Although stocks of backs, bends and sides are smaller than they were a year ago, cut soles are in larger supply and the total supply of sole leather is fully adequate for present needs.

Leather, April, 1925, as compared with March, 1925*	Change in	
	Pro- duction	Stocks— end of month
Backs, bends and sides....	+ .6%	+2.8%
Belting butts.....	+ 5.7 "	-4.7 "
Offal, sole and belting....	- 5.0 "	-1.2 "
Cattle side, upper.....	- 8.9 "	+2.8 "
Calf.....	-16.0 "	+ .5 "
Goat and kid.....	-12.7 "	+2.2 "
Cabretta.....	-14.6 "	-3.1 "

* Compiled from figures of the Bureau of the Census.

The demand for harness leather has decreased and is scarcely fair. Leather belting, too, is quiet but luggage makers report that business has increased and

that the advent of warm weather has improved conditions in that trade. In all former lines prices are stationary.

Shoes. Seasonal dulness prevails in most of the shoe factories in this district and production has decreased materially. Some orders for midsummer and early autumn have been booked, but many of the latter are not being cut as yet. Prices for the most part are unchanged, although shoes with rubber soles have advanced in sympathy with the rubber market. As this increase comes at a time when the peak of business in the manufacture of rubber soled shoes has passed, it will not have a great effect at this time.

Production in the United States during April was 29,836,908 pairs, an unusually small decrease from March, only 135,688. In April, 1924, production was 28,003,791 pairs and during the period from January to April in 1925 the output was larger by 3,088,308 pairs than in the same period of 1924. In May the factories in this district, according to preliminary figures, produced 9.8 per cent less shoes than in April. Details of operations are given in the following table.

Production of shoes,* Philadelphia Federal Reserve District (in thousands of pairs)	May	% change from April
Boots and shoes, total.....	1,532	- 9.8
High and low cut (leather) total	1,398	- 8.9
Men's.....	109	- 7.7
Boys' and youths'.....	172	- 4.0
Women's.....	197	- 6.8
Misses' and children's.....	504	-10.7
Infants'.....	416	- 9.7
All other leather or part leather footwear.....	134	-18.7

* Preliminary report compiled by the Bureau of the Census.

Stocks of shoes are reported as moderate and decreasing and stocks of materials in shoe factories are from light to moderate and smaller than in the previous month.

PAPER

The paper market in this district is only fair, though the current demand compares favorably with that of June last year. There is a moderate rate of activity in book, fine, wrapping, newsprint, wall and kraft papers, although business is somewhat unevenly distributed. Toilet tissues and crêpe towels, however, are in poor request. Except for straw board, sales of building boards, though somewhat smaller than they were in the previous month, continue to exceed last year's volume. Orders for spot deliveries still predominate. Rather than accumulate stock, most paper mills are now working at about 65 per cent of capacity, and forward business is not sufficient to in-

sure operation at this rate beyond a period of two weeks. Stocks of finished products are fairly light and are decreasing, but supplies of pulps remain moderate and unchanged.

Quotations, though generally weak, have maintained a fairly steady level during the past month, in spite of the fact that recessions of from 5 to 6 per cent are reported in toilet paper and towels, printing and writing papers, straw board and board specialties. Several reports also indicate a slight softening in prices for raw materials. Sellers are still encountering opposition to prices. Collections are fair.

AGRICULTURE

Extremely hot weather early in June hastened the growth of crops, and was especially beneficial to corn, which had been retarded by cold weather in May. All sections of the district are in urgent need of rain and particularly is this true of parts of southern New Jersey. The strawberry harvest is over and a fair crop of berries was produced. Peas, too, have been harvested and the yields were fairly satisfactory, although the sudden heat wave caused many fields to burn up. The outlook for early white potatoes is good and the condition of the crop on June 1 was estimated at 87 per cent of normal.

The condition of grain crops in the Third Federal Reserve District is good

and larger yields of these crops are indicated than in 1924. Winter wheat is almost equal to the average June condition, while rye is slightly below average and the condition of oats is slightly above average. The condition of hay is above the average, but not quite as good as it was a year ago. The outlook for all of the above crops, however, is much better in this district than it is throughout the United States.

The prospect for the fruit growers of this district is unfavorable. Small crops of apples, peaches and pears are indicated. The yield of apples will be much smaller than in 1924, although the June condition of the crop compared favorably with that of the whole United States. But the condition of the peach and pear crops is much below the average for the district and is poorer than the June 1 outlook for the entire country. The peach crop of Pennsylvania will be very small because of the heavy winter killing of buds, and the New Jersey crop will also be light.

Although pastures in some sections have suffered from lack of rain, they are generally adequate for present requirements. The quality of dairy herds in most counties of the district is good and improving, and in several counties, the number of cows is greater than it was a year ago. Furthermore, herds are in better physical condition than they were a year ago, roughage is plentiful, pastures are adequate, and prices of milk are firm.

CROP ESTIMATES

June 1, 1925

Region	Crop	June 1 condition, % normal		Production in bushels (000's omitted)		
		1925	Average	Forecast, 1925	Harvested, 1924	Average
United States.....	Winter wheat...	66.5	79.7	407,156	590,037	591,957
Pennsylvania.....	" ".....	86	87	21,333	19,850	22,926
New Jersey.....	" ".....	92	.....	1,582	1,369	1,517
United States.....	Rye.....	78.6	87.6	53,317	63,446	74,010
Pennsylvania.....	".....	90	92	3,397	3,264	3,367
New Jersey.....	".....	93	.....	1,154	1,138	1,187
United States.....	Oats.....	79.6	88.2	1,295,456	1,541,900	1,327,642
Pennsylvania.....	".....	91	90	39,380	37,080	38,653
New Jersey.....	".....	91	.....	2,228	2,144	2,223
United States.....	All hay*.....	78.1	88.1	95,837	112,450	107,207
Pennsylvania.....	" ".....	90	86	4,151	4,780	4,068
New Jersey.....	" ".....	79	.....	372	584	482
United States.....	Apples†.....	63.4	70.1	.....	179,443	181,533
Pennsylvania.....	".....	64	73	.....	7,267	10,063
New Jersey.....	".....	79	.....	372	584	482
United States.....	Peaches.....	62.3	64.4	47,055	53,137	46,519
Pennsylvania.....	".....	30	63	660	1,504	1,464
New Jersey.....	".....	58	72	1,612	2,480	1,921
United States.....	Pears.....	63.8	67.2	17,477	18,628	17,056
Pennsylvania.....	".....	54	67	445	629	576
New Jersey.....	".....	65	66	497	624	513
Delaware.....	".....	43	52	199	328	201

* Production in tons. † Production in barrels.

PRINTING AND PUBLISHING

Conditions in the printing and publishing market have improved substantially during the past four weeks. The demand for direct-by-mail circulars, catalogues and general job work is active. The building, metal, textile, paint and automotive trades, together with other lines of business, are buying commercial advertising matter and space in increasing volume. Book publishers also are moderately busy. With the exception of lithographers and engravers, who are working at about 60 per cent of capacity, operations at most printing plants now average about 75 per cent of capacity. No material change is reported in printing and publishing costs. Collections are fairly satisfactory.

CHEMICALS

The chemical situation is somewhat mixed, but on the whole the market is moderately active. Lithopone continues in good demand, as do dyestuffs and intermediates. Alkalies, acids and fertilizers are also selling fairly well, and contract withdrawals appear to be satisfactory. However, acetate of lime, methanol, charcoal, wood alcohol and coal tar products remain in dull request, chiefly on account of severe foreign competition, notably from Germany. Most current orders call for prompt delivery. Chemical plants in this district are now working at about 70 per cent of capacity, as compared with 80 per cent two months ago and 60 per cent for the corresponding period last year. Stocks in the main are not excessive, though a few reports indicate a slight accumulation.

Compared with last month, prices of chemicals remain practically unchanged, but they are a trifle lower than those of last year. Resistance to quotations is still prevalent. Payment of accounts is satisfactory.

TOBACCO LEAF

Pennsylvania tobacco is moving slowly, and dealers report that the Lancaster market is dull, although the demand is about equal to that of May. Small cigar manufacturers are buying very closely and the large factories are also purchasing sparingly. Prices for packed 1923 Pennsylvania wrappers range from 15 to 28 cents, per pound, actual weight, but the B grades of wrappers are quoted at from 23 to 28 cents per pound. The

The following data refer to the Philadelphia Federal Reserve District except where otherwise noted		May, 1925	Latest figure compared with	
			Previous month	Year ago
Retail trade—net sales† (154 stores)				
		\$22,468,000	-10.1%	-3.9%
Department stores (68)		\$18,309,000	-9.1 "	-4.4 "
Apparel stores (41)		\$2,567,000	-19.5 "	-3.6 "
Shoe stores (24)		\$530,000	-7.8 "	+9.3 "
Credit stores (21)		\$1,062,000	-1.0 "	-2.4 "
Wholesale trade—net sales (154 firms)				
		\$10,329,503	-1.6 "	-2.5 "
Boots and shoes (12 firms)		\$304,924	-27.4 "	-6.7 "
Drugs (14 firms)		\$1,537,492	-4.1 "	+5.7 "
Dry goods (18 firms)		\$970,328	+0.2 "	-1.7 "
Electrical supplies (6 firms)		\$539,340	-6.5 "	+3.5 "
Groceries (50 firms)		\$3,539,077	+2.3 "	-6.5 "
Hardware (28 firms)		\$2,010,097	-1.6 "	-2.3 "
Jewelry (13 firms)		\$375,485	+17.0 "	+7.3 "
Paper (13 firms)		\$1,052,760	-4.6 "	-5.2 "
Production:				
Shoes* (107 factories)	prs.	1,532,256	-9.8 "	.....
Pig iron	tons	282,179	-13.0 "	-1.4 "
Hosiery* (122 mills)	doz. prs.	1,063,270	-0.5 "	.....
Iron castings (35 foundries)	tons	6,150	+3.5 "	+1.7 "
Steel castings (12 foundries)	tons	10,321	+36.6 "	.....
Cement	bbls.	3,660,000	+9.7 "	+5.7 "
Anthracite	tons	8,134,000	+8.9 "	+5.0 "
Bituminous coal (Pennsylvania)	tons	9,847,000	+22.3 "	.....
Wool consumption* (81 mills)	lbs.	6,363,852	-3.4 "	.....
Active cottonspindle hours (Pennsylvania and New Jersey)		131,240,711	-1.9 "	+44.9 "
Distribution:				
Freight car loadings (Allegheny district—weekly average)		198,207	+3.1 "	+7.7 "
Tonnage of vessels (Port of Philadelphia)	tons	3,197,657	+1.6 "	+8.7 "
Exports of wheat (from Port of Philadelphia)	bus.	2,078,554	-35.2 "	-23.6 "
Exports of flour (from Port of Philadelphia)	lbs.	3,263,780	-25.6 "	-11.0 "
Imports of crude oil (into Port of Philadelphia)	gals.	20,575,548	+66.1 "	+85.9 "
Financial:				
Loans, discounts and investments of member banks (weekly average)		\$1,071,700,000	-0.5 "	+13.1 "
Bills discounted held by Federal Reserve Bank of Philadelphia (daily average)		\$37,625,000	-1.4 "	+14.2 "
Acceptances executed (11 banks for month ended 10th of following month)		\$5,060,000	+52.9 "	+80.2 "
Bankers' acceptances sales (5 dealers—weekly average for period ended middle following month)		\$6,160,000	-17.0 "	-46.5 "
Commercial paper sales (6 dealers)		\$565,865,000	+0.1 "	+7.1 "
General:				
Debits (18 cities)		\$2,297,266,000	+1.9 "	+9.3 "
Commercial failures		67	-30.2 "	+21.8 "
Commercial failures—liabilities		\$1,108,264	-31.0 "	-13.7 "
Building permits (16 cities)		\$21,818,675	-30.4 "	+28.2 "
Building contracts awarded (Philadelphia district)		\$52,092,200	-12.9 "	+16.6 "
Employment—1,001 plants in Pennsylvania, New Jersey and Delaware:				
Number of wage earners		374,550	-0.8 "	.....
Average weekly earnings		\$26.65	+2.5 "	.....
Sales of life insurance (Pennsylvania, New Jersey and Delaware)		\$84,776,000	-5.7 "	+14.1 "

* Bureau of Census preliminary figures.
† Estimated.

call for 1923 fillers is poor and prices range from 7 to 10 cents per pound.

About 90 per cent of the 1924 crop of Pennsylvania tobacco has been packed. Approximately two-thirds of the crop has been sold to packers and large cigar manufacturers, while from 25 to 30 per cent of the output has been packed by farmers or by cooperative associations. That portion of the unpacked crop which is still for sale is bringing from 5 to 15 cents per pound, according to quality. The demand for Ohio and Wisconsin tobaccos is barely fair, but prices are much the same as they were a year ago.

COMPILED AS OF JUNE 23, 1925

CIGARS

Owing in great part to the warmer weather, sales of cigars have increased and demand is greater than it was a month ago. Prices are the same as those quoted at this time in May and quotations for all classes of cigars are firm. Unfilled orders are smaller than they were at this time last month and nearly all of those on the books of reporting manufacturers are for shipment within 60 days. Stocks of both finished goods and raw materials are moderate or light, and decreasing. The supply of labor is sufficient. Collections are fair.

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