

THE BUSINESS REVIEW

THIRD FEDERAL
PHILADELPHIA



RESERVE DISTRICT
AUGUST 1, 1925

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BUSINESS CONDITIONS IN THE UNITED STATES

Production of basic commodities and factory employment declined further in June, while railway freight shipments and the volume of wholesale trade increased. Wholesale prices, after declining for two months, advanced in June.

Production. Production in basic industries, as indicated by the Federal Reserve Board's index, declined about one per cent in June to the lowest level since the autumn of 1924, but was 17 per cent above the low point of last summer. Output of pig iron, steel ingots, lumber, newsprint and petroleum, and mill consumption of cotton declined in June, while production of bituminous coal, sole leather, and wheat flour increased. The number of automobiles manufactured during June was slightly less than in May. Factory employment declined one per cent and factory payrolls over two per cent between May 15 and June 15, reflecting substantial decline in the automobile, boot and shoe, textile, and iron and steel industries. Building contracts awarded during June were larger in value than during May and almost equaled the peak figure for April. In square feet of floor space the June awards were a little smaller than those for May. Residential contracts in June were the

smallest for any month since February, but greatly exceed those of a year ago.

The Department of Agriculture estimate of the condition of all crops combined on July 1 showed some improvement from the month before. The corn crop forecast places it at approximately 550,000,000 bushels above last year. The July 15 cotton crop estimate was 13,588,000 bales, compared with a forecast of 14,339,000 bales on June 25.

Trade. Freight car loadings were larger during June than during May, as is usual at that season, and also considerably exceeded the figures for June, 1924, the low point of last year. Sales at department stores during June were seasonally smaller than in May, but totaled 5 per cent more than last year. It should be borne in mind, however, that in June of this year there were four Sundays as compared with five in the preceding month as well as in June, 1924. Mail order sales were six per cent larger than in May and exceeded the amount for June, 1924. Sales of wholesale firms were 5 per cent greater than in May and larger than in any June in the last five years. Department store stocks were reduced further in June, but were slightly larger than a year ago. Wholesale stocks

of groceries, shoes, and hardware were smaller at the end of June than a month earlier, but those of drygoods and drugs were larger. Compared with a year ago stocks of groceries and drugs were larger in value while stocks of drygoods, shoes, and hardware were smaller.

Prices. Wholesale commodity prices advanced 1.4 per cent in June, according to the index of the Bureau of Labor Statistics, following declines in April and May. The largest increase for any commodity group was for the miscellaneous group which includes crude rubber; prices of farm products, foods and fuel and lighting also advanced, while prices of building materials declined considerably. In the first half of July quotations on flour, beef, hogs, wool, copper, petroleum, hides and rubber increased, while prices of sugar, bituminous coal, and hardwood lumber declined.

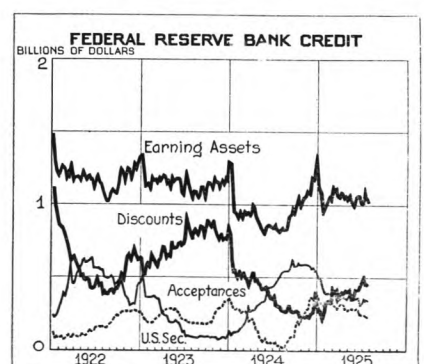
Bank credit. At member banks in leading cities, the volume of loans on securities continued to increase after the middle of June and during the first half of July was at a higher level than at any previous time. Demand for bank credit for commercial purposes was relatively inactive and the volume of commercial loans at reporting member banks remained



Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figure—June, 110.



Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau). Latest figure—June, 157.4.



Weekly figures for 12 Federal Reserve Banks. Latest figure, July 22.



Index for 33 manufacturing industries (1919=100). Latest figure—June, Employment 94.2, payroll 105.2

near the low level for this year, although considerably above the amount for the corresponding period in 1924.

At the reserve banks the seasonal demand for credit and currency was reflected in increased borrowing by member banks which carried discounts at the beginning of July to the highest level in more than a year, and notwithstanding the subsequent decline the total on July 22 was still at a relatively high level. Total earning assets on that date showed little change as compared with the figures for four weeks earlier.

Firmness in the money market at the close of the fiscal year was followed by an easing of money after the first week of July. In the latter part of the month there was again evidence of firmer money conditions. These changes were reflected chiefly in the movement of rates for call money, quoted rates on prime commercial paper and on bankers' acceptances remaining throughout the period at $3\frac{3}{4}$ —4 per cent and $3\frac{1}{4}$ per cent.

BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

In spite of numerous seasonal declines in June and July the business situation in the Philadelphia Federal Reserve District is now distinctly better than it was a year ago. Not only is business sentiment more cheerful, but purchasing of goods as well as distributive and productive activity are much greater than in the same months of 1924. Industrial employment in the district and wage payments to factory workers continued a gradual recession which commenced in April, but they are both now well above the levels of a year ago. More evidence of stronger buying power is furnished by reports from wholesale and retail merchants. June sales of retail stores in nearly all parts of the district were in excess of those of 1924, and in men's apparel and shoes the gains were as high as 10 to 20 per cent. In wholesale trade as well sales in most lines were larger

than last year, while stocks of goods, generally, were lighter. Railroad freight shipments have increased each month this year and in June were 8 per cent larger than those of the previous year. A fair indication of the dollar amount of business transactions is given by the volume of debits to individual accounts; the amount of these transactions in June was 18 per cent above that of the same period of last year, and was larger than in any month of the past four years.

Productive activity in the district also compares favorably with that of last summer. Building trades generally are active, as the volume of new construction undertaken, for the fifth consecutive month this year, is greatly in excess of that of 1924. The iron and steel industry, it is true, has been slackening for the past few months, but, even so, the production of pig iron and of iron and steel castings in the district is considerably larger than it was last year at this time. Prices of steel products continue weak, however. Output of coal, both bituminous and anthracite, has been well maintained during recent weeks, demand for the latter having been stimulated by the possibility of a strike.

Among the textiles, silk goods continue in excellent demand, while the wool and cotton industries are seasonally dull. The market for hosiery is good and mill activity continues at a high rate. The underwear trade is quiet, however, as is the market for floor coverings. Clothing sales are ahead of those of 1924, although factories are still operating at much less

than capacity. Most of the other industries, including shoes, leather and cigars, report fairly satisfactory conditions with output at or above last year's levels. Of considerable significance at the present time is the favorable outlook for agriculture in the district. Recent rains have improved the situation and the prospect for nearly all crops except fruits is now fairly satisfactory.

EMPLOYMENT AND WAGES

Factory employment and operations declined during the month of June throughout Pennsylvania, New Jersey and Delaware. The decline in operations was more general than that in employment, all the groups sharing in the decline with the exception of the food and tobacco group, which had a net increase of 1.6 per cent caused by a large expansion in the confectionery and ice cream industry.

Among the individual industries lumber and planing mills experienced the most marked advance in both employment and operations. This expansion was caused chiefly by the beginning of the bark peeling season, which caused a large increase at one establishment. The automobile and sugar industries also reported substantial gains. The increase in the manufacture of hats was not general, but was due chiefly to the resumption of activity in June at one factory which had curtailed operations during the month of May. Iron and steel blast furnaces, iron and steel forging plants, shipyards, most of the textile mills, potteries and estab-

SYNOPSIS OF BUSINESS CONDITIONS

Compiled as of July 23, 1925

Philadelphia Federal Reserve District

Business	Demand	Prices	Stocks	Collections
Automobiles	Good	Firm	.....	Good
Cement	Good	Firm	Moderate	Fair
Cigars	Fair	Unchanged	Moderate	Good
Clothing	Fair	Unchanged	Moderate	Fair
Coal, anthracite	Fair	Higher	Moderate	Fair
Coal, bituminous	Poor	Weak	Moderate	Fair
Cotton goods	Fair	Firm	Moderate	Fair
Cotton yarns	Fair	Firm	Moderate	Fair
Drugs, wholesale	Fair	Firm	Moderate	Fair
Drygoods, wholesale	Fair	Unchanged	Moderate	Fair
Electrical supplies, wholesale	Fair	Firm	Moderate	Poor
Floor coverings	Fair	Unchanged	Moderate	Good
Flour	Fair	Firm	Moderate	Fair
Groceries, wholesale	Good	Higher	Moderate	Good
Hardware, wholesale	Good	Lower	Moderate	Fair
Hosiery, full-fashioned	Good	Unchanged	Light	Fair
Hosiery, seamless	Fair	Unchanged	Moderate	Fair
Iron and steel	Fair	Weak	Moderate	Fair
Jewelry, wholesale	Fair	Unchanged	Moderate	Fair
Leather belting	Fair	Unchanged	Moderate	Fair
Leather, heavy	Fair	Unchanged	Moderate	Good
Leather, upper	Fair	Unchanged	Moderate	Good
Lumber	Good	Higher	Moderate	Good
Paint	Fair	Weak	Moderate	Fair
Paper	Fair	Unchanged	Moderate	Fair
Paper, wholesale	Fair	Unchanged	Moderate	Fair
Paper boxes	Fair	Weak	Moderate	Fair
Shoes, manufacture	Good	Unchanged	Moderate	Fair
Shoes, retail	Fair	Unchanged	Moderate	Fair
Shoes, wholesale	Fair	Unchanged	Moderate	Fair
Silk goods	Good	Unchanged	Moderate	Good
Sugar	Good	Lower	Heavy	Good
Underwear, heavy weight	Fair	Unchanged	Moderate	Fair
Underwear, light weight	Fair	Unchanged	Moderate	Fair
Woolen and worsted goods	Poor	Unchanged	Moderate	Fair
Woolen and worsted yarns	Poor	Unchanged	Moderate	Fair

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	
		June 15, 1925	Per cent change from month ago	June 15, 1925	Per cent change from month ago	June 15, 1925	Per cent change from month ago
All industries (48)	995	368,201	- 0.6	\$9,565,795	- 3.0	\$25.98	- 2.4
Metal manufactures:	342	176,593	- 1.4	4,813,909	- 3.4	27.26	- 2.0
Automobiles, bodies, and parts...	23	9,050	+ 8.1	266,599	+ 4.1	29.46	- 3.7
Car construction and repair...	14	15,808	- 0.7	473,969	+ 0.3	29.98	+ 1.0
Elec. machinery and apparatus...	37	18,931	+ 2.5	460,788	- 0.8	24.34	- 3.2
Engines, machines, mach. tools...	37	9,838	+ 1.4	287,125	+ 2.3	29.19	+ 0.9
Foundries and machine shops...	70	12,491	- 2.2	345,183	- 2.6	27.63	- 0.5
Heating appl. and apparatus...	17	5,465	- 0.0	155,414	- 4.3	28.44	- 4.3
Iron and steel blast furnaces...	12	13,664	- 7.0	363,270	-12.7	26.59	- 6.1
Iron and steel forgings...	13	4,346	- 5.2	99,081	-10.2	22.80	- 5.3
Steel works and rolling mills...	48	44,013	- 3.7	1,183,065	- 4.3	26.88	- 0.7
Structural iron works...	12	3,592	+ 2.8	94,946	- 0.4	26.43	- 3.2
Misc. iron and steel products...	45	26,874	- 1.3	724,396	- 4.8	27.05	- 3.5
Shipbuilding...	8	8,972	- 4.1	256,941	- 5.3	28.64	- 1.3
Non-ferrous metals...	6	3,639	+ 3.4	103,132	- 1.1	27.34	- 4.3
Textile products:	224	66,933	- 0.0	1,438,272	- 5.0	21.49	- 5.0
Carpets and rugs...	14	4,430	- 2.3	116,659	- 5.4	26.33	- 3.2
Clothing...	25	3,870	- 3.8	69,551	- 6.1	17.97	- 2.4
Hats, felt and other...	9	5,067	+ 6.9	133,290	+13.6	26.31	+ 6.3
Cotton goods...	27	8,154	- 2.8	169,851	- 7.8	20.83	- 5.1
Silk goods...	57	19,187	+ 2.5	394,530	- 3.2	20.56	- 5.5
Woolens and worsteds...	25	9,690	+ 2.0	190,962	- 7.5	19.69	- 9.3
Knit goods and hosiery...	40	10,724	- 2.0	233,144	- 9.7	21.74	- 7.9
Dyeing and finishing textiles...	20	4,398	- 4.0	102,921	- 9.7	23.40	- 5.9
Miscellaneous textile products...	7	1,413	- 7.1	27,564	- 6.1	19.51	+ 1.1
Foods and tobacco:	86	24,943	+ 1.9	561,381	+ 1.6	22.51	- 0.2
Bakeries...	20	3,847	+ 3.9	111,304	+ 0.3	28.93	- 3.5
Canneries...	9	3,159	- 4.5	64,992	- 7.0	20.57	- 2.7
Confectionery and ice cream...	20	5,598	+ 8.6	119,125	+10.3	21.28	+ 1.6
Slaughtering and meat packing...	12	2,502	+ 0.2	68,423	- 0.0	27.35	- 0.2
Sugar refining...	4	3,529	+ 5.2	109,445	+ 7.5	21.01	+ 2.2
Cigars and tobacco...	21	6,308	- 2.5	88,092	- 5.7	13.97	- 3.3
Building materials:	78	25,972	- 0.7	735,082	- 3.3	28.30	- 2.6
Brick, tile, terra cotta products...	21	3,539	- 0.9	88,804	- 4.1	25.09	- 3.2
Cement...	15	8,033	+ 2.0	237,246	+ 1.5	29.53	- 0.5
Glass...	27	9,663	+ 0.5	264,961	- 1.7	27.42	- 2.1
Pottery...	15	4,737	- 7.2	144,071	-12.4	30.41	- 5.6
Chemicals and allied products:	75	29,637	+ 0.5	925,253	- 0.0	31.22	- 0.5
Chemicals and drugs...	39	6,643	- 5.3	183,425	- 3.8	27.61	+ 1.7
Explosives...	10	2,629	- 0.2	74,754	+ 3.0	28.43	+ 3.2
Paints and varnishes...	15	1,484	+ 1.2	38,009	+ 0.7	25.61	- 1.9
Petroleum refining...	8	17,878	+ 3.1	600,500	- 0.9	22.59	- 2.1
Coke...	3	1,003	- 2.7	28,466	- 1.6	28.38	+ 1.1
Miscellaneous industries:	190	44,123	+ 0.2	1,091,898	- 2.9	24.75	- 3.1
Lumber and planing mill prod...	8	3,110	+23.2	57,774	+19.3	18.58	- 3.1
Furniture...	21	2,943	- 2.0	68,010	- 7.2	23.11	- 5.4
Musical instruments...	7	4,043	+ 2.8	104,676	+ 2.6	25.89	- 0.1
Leather tanning...	34	8,142	+ 0.5	204,017	- 1.9	25.06	- 2.3
Leather products...	6	605	+ 3.4	11,022	+ 1.8	18.22	- 1.5
Boots and shoes...	27	4,509	- 7.6	80,513	-11.9	17.86	- 4.6
Paper and pulp products...	21	5,029	- 1.3	129,186	- 4.1	25.69	- 2.9
Printing and publishing...	26	3,961	+ 0.7	132,422	- 0.9	33.43	- 1.6
Rubber tires and goods...	19	5,330	- 2.7	142,625	- 6.8	26.76	- 4.2
Novelties and jewelry...	9	2,271	+ 0.1	54,487	- 3.9	23.99	- 4.0
All other industries...	12	4,180	- 1.6	107,166	- 5.2	25.64	- 3.6

ishments manufacturing chemicals and drugs, boots and shoes, and rubber tires and goods all reported notable losses in both employment and wage payments.

ELECTRIC POWER

In our first month's survey of the electric power industry in the Philadelphia Federal Reserve District, returns were received from 7 systems with a rated generator capacity of 246,500 kilowatts and total output during June of 107,862,800 kilowatt hours. Although many of the important industrial sec-

tions are covered by this report there are a number of important systems, including those supplying Philadelphia, Wilmington, Reading, Scranton, Harrisburg, Altoona and Johnstown, which, it is hoped, will be represented in next month's report. A summary of the reports received for June and a comparison with last year's figures are given in the accompanying table. It is notable that both output and sales show substantial increases in nearly all districts. Total sales increased more than 23 per cent, but sales to industries less than 18 per cent.

Electric power	June, 1925 000's omitted	Change from June, 1924
Rated generator capacity.....	247 KW	- 2.0% ^a
Output.....	107,863 KWH	+20.5 ^a
Total sales.....	92,948 KWH	+23.1 ^a
Lighting.....	11,760 KWH	+10.5 ^a
Total power.....	72,084 KWH	+20.3 ^a
Industrial power...	63,539 KWH	+17.7 ^a

FINANCIAL CONDITIONS

The loans of reporting member banks in leading cities of the Philadelphia Federal Reserve District on July 8 were practically the same as they were on June 10. Loans on securities declined 8.6 millions and other loans, largely of a commercial character, advanced about the same amount. Loans of the latter class reached the highest point since early in December. In the course of the last four weeks investments declined 5.5 millions and deposits, 12.1 millions.

From 39.1 millions on June 17, bills discounted held by the Federal Reserve Bank of Philadelphia increased to 45.3 millions on July 1. A reaction to 39.4 millions on July 8 was followed by a further advance to 46.5 millions on the 15th. Holdings of acceptances declined 6.1 millions in the four weeks, but other earning assets were practically unchanged. Federal reserve note circulation, total deposits and cash reserves all declined, but in no case was the change large. The reserve ratio on July 15 was 79.1 per cent, the same as on June 17.

In New York City the rates for commercial paper and bankers' acceptances remained unchanged during the month.

Savings deposits, as reported by 99 banks in this district, decreased 0.4 of one per cent during June, and on July 1 were 5.5 per cent higher than a year before. Percentage changes by cities follow:

Cities	Changes June 1, 1925, compared with	
	Previous month	Previous year
Allentown.....	+2.1%	+ 6.0%
Altoona.....	+ .6 ^a	+10.7 ^a
Bethlehem.....	- .3 ^a	-15.6 ^a
Chester.....	- .3 ^a	+ 1.3 ^a
Easton.....	+ .5 ^a	+ 5.3 ^a
Harrisburg.....	+ .02 ^a	+18.3 ^a
Johnstown.....	-1.3 ^a	+ 3.2 ^a
Lancaster.....	+1.3 ^a	+18.4 ^a
Philadelphia.....	-1.6 ^a	+ 5.1 ^a
Reading.....	+7.3 ^a	+17.8 ^a
Scranton.....	+1.6 ^a	+11.6 ^a
Trenton.....	+1.2 ^a	+ 1.3 ^a
Wilkes-Barre.....	+ .8 ^a	+10.2 ^a
Williamsport.....	+ .3 ^a	+ 8.9 ^a
Wilmington.....	+ .1 ^a	+ 5.6 ^a
York.....	- .6 ^a	+ 9.8 ^a
Others.....	+1.2 ^a	+ 4.2 ^a
Totals.....	- .4%	+ 5.5%

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.....	\$344,500	-\$ 8,600	+\$ 55,400
All other (largely commercial) loans.....	369,300	+ 8,600	- 1,200
Total loans.....	\$713,800	†	+\$ 54,200
Investments.....	358,300	-\$ 5,500	+ 48,200
Total loans and investments.....	\$1,072,100	-\$ 5,500	+\$102,400
Total deposits.....	954,600	- 12,100	+ 81,900
Federal Reserve Bank:			
Bills discounted.....	\$ 46,500	+\$ 7,400	+\$ 20,400
Other earning assets.....	33,900	- 6,100	+ 1,200
Total earning assets.....	\$ 80,400	+\$ 1,300	+\$ 21,600
Federal reserve note circulation.....	\$152,300	-\$ 3,000	-\$ 27,600
Total deposits.....	131,500	- 1,100	+ 4,700
Cash reserves.....	224,500	- 3,400	- 43,500
Reserve ratio.....	79.1%	0%	- 8.3%
Debits (banks in 18 cities)*.....	\$556,025	-\$67,603	+\$ 44,607
Savings deposits (99 banks).....	563,358	- 2,507	+ 29,552
Bankers' acceptances:			
Executed by 11 banks§.....	2,841	- 2,219	- 926
Commercial paper sales—6 dealers.....	10,842	+ 4,682	- 3,418

New York City

Actual figures in all columns	July 22, 1925	Month ago	Year ago
Money rates:			
Commercial paper.....	3¾-4%	3¾-4%	3¼-3½%
Bankers' acceptances.....	3¾%	3¾%	2%
Call money renewals.....	4%	3¾%	2%
Security price averages:			
20 industrial stocks.....	\$133.87	\$128.25	\$ 99.36
20 railroad stocks.....	98.61	97.77	89.37
40 bonds.....	92.27	93.19	90.94
4 Liberty bonds.....	101.59	102.32	102.20

* Weekly totals. † Less than \$100,000. § Total for month ending the 10th.

COMMERCIAL PAPER

Sales of commercial paper during July, though of fair volume, are considerably smaller than those in July, 1924. Rates are slightly firmer with the bulk of the business at 4 per cent. Moderate sales of bills maturing not later than November have been made at 3¾ per cent. Some dealers report a fair list of offerings but others state that their portfolios contain few notes.

Dealers' sales as shown in the accompanying table were larger in June than in May but smaller than in June, 1924. The amount sold to Philadelphia banks was \$7,256,500 and to outside institutions \$3,585,000. Rates on these sales varied from 3¾ to 4¾ per cent, with nearly 90 per cent of the total at either 3¾ or 4 per cent, less than 10 per cent at 4¾ per cent, and 1½ per cent above that rate.

RETAIL TRADE

During July sales at retail in this district have experienced the usual seasonal

show no marked change, but at the furniture sales which began late in July average prices are reported to be lower than they were last year.

WHOLESALE TRADE

Sales at wholesale during July were seasonally smaller in some lines than in June but were about on a parity with those in July, 1924. Price changes were unimportant; hardware and some papers are slightly lower, but in groceries the advances outnumber the declines, and drugs also as a whole are slightly higher.

In June, sales were larger than in May in all lines except shoes, drugs and paper, and as compared with June, 1924, only groceries and paper were smaller and the decreases in those two lines were slight. Important gains were made in drygoods, electrical supplies and jewelry. Stocks were lower at the end of June than they were a month earlier, except in drygoods, jewelry and paper, and as compared with June 30, 1924, they were lower except in jewelry and paper. In drygoods, as last month, the decrease in stocks was a large one, 14.2 per cent. Collections, as judged by the ratio of accounts outstanding to sales, were better during June than in June 1924, except for a slight decrease in jewelry.

Drygoods. A fair demand is reported for drygoods for both prompt and early autumn delivery, and sales during July will probably approximate those of July, 1924. In June, sales were larger by 4.9 per cent than in May and by 12.8 per cent than in June, 1924. Articles which are in demand include hosiery, underwear, novelty dress goods, shirts, laces, muslins, sheeting and blankets. Prices are fairly steady, but muslins, sheets, pillow cases and linens are slightly lower.

Jewelry. Sales of jewelry during July were seasonally smaller than in June and trade has been quiet with prices unchanged. In June sales were larger by 2.5 per cent than in May and by 11 per cent than in June, 1924. Articles in demand include platinum, fancy and wedding rings, bar pins and watches.

Drugs. Sales of summer goods such as toilet lotions and insecticides, as well as patent medicines, have been substantial during the past month and the wholesale drug market is somewhat more active than it was a month ago. Prices, in general, are unchanged, though quotations for rubber goods and some grades of crude drugs and chemicals are higher than they were at this time in June. According to figures compiled by the "Oil, Paint and Drug Reporter," the price index of 35 fine chemicals stood on July 23, at 176.6 as against 176.1 on June 22, and 164.1 a year ago.

Net sales of 13 firms in this district were about the same in June as in the

RETAIL TRADE
Philadelphia Federal Reserve District

	Comparison of net sales		Comparison of stocks		Percentage of sales to average stocks from January 1 to June 3)	
	June, 1925, with June, 1924	Jan. 1 to June 30, 1925, with Jan. 1 to June 30, 1924	June 30, 1924, with June 30, 1925	June 30, 1925, with May 31, 1925	1925	1924
All reporting firms.....	+ 2.5%	- 1.6%	+ 2.7%	- 4.3%	1.63	1.67
Firms in Philadelphia.....	+ 2.6 "	- 1.6 "	+ 4.6 "	- 4.3 "	1.84	1.90
Allentown, Bethlehem and Easton.....	+ 0.4 "	- 0.7 "	- 3.7 "	- 4.2 "	1.28	1.27
Altoona.....	- 6.1 "	- 3.5 "	+ 2.8 "	- 5.3 "	1.36	1.34
Chester.....	+ 4.5 "	+ 1.7 "	+ 14.4 "	- 2.7 "	.....	.....
Harrisburg.....	+ 2.8 "	+ 0.2 "	+ 7.0 "	- 4.6 "	1.13	1.17
Johnstown.....	- 1.4 "	- 4.7 "	- 14.4 "	- 3.1 "	1.32	1.29
Lancaster.....	+ 5.6 "	- 0.1 "	+ 6.4 "	- 3.3 "	1.32	1.35
Reading.....	+ 2.2 "	- 2.5 "	- 10.7 "	- 6.1 "	1.16	1.07
Scranton.....	+ 3.7 "	- 3.0 "	+ 6.1 "	- 4.8 "	1.49	1.55
Trenton.....	+ 5.8 "	- 3.9 "	+ 6.5 "	- 3.5 "	1.45	1.52
Wilkes-Barre.....	- 0.1 "	- 2.6 "	+ 2.2 "	- 5.7 "	1.53	1.62
Williamsport.....	- 3.6 "	0	- 6.0 "	- 3.0 "	1.18	1.06
Wilmington.....	+ 8.9 "	+ 1.1 "	- 0.9 "	- 3.6 "	.95	.89
York.....	+ 3.9 "	- 4.0 "	- 2.7 "	- 5.5 "	1.26	1.27
All other cities.....	+ 6.3 "	- 0.7 "	+ 0.7 "	- 2.8 "	1.09	1.15
All department stores.....	+ 1.9 "	- 2.4 "	+ 2.4 "	- 4.1 "	1.61	1.65
in Philadelphia.....	+ 1.7 "	- 2.9 "	+ 4.1 "	- 4.0 "	1.76	1.83
outside Philadelphia.....	+ 2.4 "	- 1.2 "	- 0.5 "	- 4.4 "	1.32	1.32
All apparel stores.....	+ 4.8 "	+ 2.0 "	+ 0.5 "	- 7.3 "	2.15	2.17
Men's apparel stores.....	+ 15.8 "	+ 1.5 "	+ 0.1 "	- 7.4 "	1.15	1.18
in Philadelphia.....	+ 19.9 "	+ 5.1 "	+ 1.3 "	- 7.3 "	1.32	1.37
outside Philadelphia.....	+ 10.1 "	- 3.0 "	- 1.0 "	- 7.5 "	.98	.99
Women's apparel stores.....	- 0.7 "	+ 2.2 "	+ 0.9 "	- 7.1 "	3.24	3.23
in Philadelphia.....	- 0.2 "	+ 2.4 "	+ 1.0 "	- 9.2 "	3.59	3.63
outside Philadelphia.....	- 3.8 "	+ 0.9 "	+ 0.5 "	+ 0.9 "	1.89	1.81
Credit houses.....	+ 0.8 "	- 2.1 "	+ 9.8 "	- 1.5 "	1.12	1.22
Shoe stores.....	+ 14.3 "	+ 6.6 "	+ 5.9 "	- 4.8 "	1.45	1.41

in June but a fair volume of business has been booked for shipment during August and September. Women's strap and gore pumps in patent leather, black satin and kid and men's and children's oxfords in tan and black calf and cattle side leather are the best sellers. Transactions of some importance in holiday slippers are also reported. In June sales were smaller by 3.1 per cent than in May but were 2.7 per cent larger than in June, 1924.

Prices generally are unchanged, but a few advances have been asked for shoes with uppers of cattle side leather, and a further increase in quotations for shoes with crepe rubber soles has been announced by manufacturers; this latter advance has curtailed business to a large extent.

Paper. Several reports indicate a slight improvement in demand for such papers as fine, kraft, toilet, book and bond. Trading in coarse and wrapping papers, on the other hand, continues rather slow. June sales of all grades of paper show a decline of 4.8 per cent and 0.9 per cent, respectively, from those of last May and of June, 1924. Stocks increased but slightly. Collections are somewhat slower than they were at this time last year. Prices of newsprint and kraft papers have dropped a little, but those of other grades generally have remained fairly steady during the past four weeks.

Groceries. The grocery business continues good and little change is noted in the volume of sales during July. In June sales were 7.0 per cent larger than in May but were 1.7 per cent smaller than in June, 1924. Products which are selling actively include canned fruits, and vegetables, summer beverages, sugar and summer cereal. Price changes have been slight, and more articles have advanced than declined. Among those which are higher are coffee, rice, lard, chocolate and canned goods, including fruits, vegetables, milk and salmon. Prices are slightly lower for sugar, flour, matches, corn syrup and starch.

preceding month, but were 9.7 larger than in June, 1924.

Hardware. During June the net sales of 28 wholesale hardware firms in this district were 4.7 per cent larger than in May and 8.5 per cent above those of June, 1924. Stocks in the hands of these firms on the last day of June were 5.6 per cent smaller than at the end of the preceding month and also were 4 per cent lighter than on June 30, 1924. So far this month the call for hardware has been fairly good. The sustained high rate of building operations has greatly benefited dealers in contractors' supplies and building materials and sales of these have been substantial. Prices are slightly lower than they were both a month and a year ago though reductions are in no instances great. Collections are only fair.

Electrical supplies. The call for electrical supplies so far in July has been fair and dealers reporting to us find sales in larger volume than during June. New building operations still are responsible for substantial orders of wiring fixtures and rough materials, and seasonal appliances, too, are moving in good volume. Prices, in general, are the same as those quoted a month ago though quo-

tations for fixtures composed largely of rubber are slightly higher.

During June the net sales of 7 wholesale electrical firms in this district were 5.5 per cent larger than in the preceding month and 15.8 per cent greater than in June of last year. Stocks held by these firms on the last day of June were .6 per cent heavier than on May 31, but 4.1 per cent lighter than at the end of June, 1924. Collections are scarcely fair.

Shoes. Sales of shoes at wholesale during July were seasonally smaller than

WHOLESALE TRADE
Philadelphia Federal Reserve District

	Net Sales June, 1925, compared with		Stocks June, 1925, compared with		Accounts outstanding June, 1925, compared with		Ratio of accounts outstanding to sales		
	May, 1925	June, 1924	May, 1925	June, 1924	May, 1925	June, 1924	June, 1925	May, 1925	June, 1924
Boots and shoes..	-3.1%	+ 2.7%	-2.0%	- 4.0%	-9.9%	- 4.2%	306.8%	335.5%	320.7%
Drugs.....	-0.2 "	+ 9.7 "	.....	.....	- 0.6 "	+ 11.8 "	163.3 "	157.9 "	153.6 "
Dry goods.....	+4.9 "	+ 12.8 "	-3.1 "	- 14.2 "	-2.9 "	- 5.1 "	225.3 "	243.5 "	267.7 "
Elec. supplies....	+5.5 "	+ 15.8 "	+0.6 "	- 4.1 "	+9.0 "	- 7.0 "	133.3 "	129.0 "	165.9 "
Groceries.....	+7.0 "	- 1.7 "	-4.2 "	- 2.6 "	+2.6 "	- 2.8 "	105.0 "	110.2 "	104.0 "
Hardware.....	+4.7 "	+ 8.5 "	-5.6 "	- 4.0 "	- 1.5 "	+ 1.8 "	170.1 "	180.8 "	177.5 "
Jewelry.....	+2.5 "	+ 11.0 "	+ 1.0 "	+ 2.3 "	+3.6 "	+ 10.2 "	394.7 "	390.7 "	397.6 "
Paper.....	-4.8 "	- 0.9 "	+3.9 "	+ 2.1 "	-4.0 "	- 13.1 "	144.3 "	143.1 "	164.6 "

BUILDING

New construction continued in large volume during June. In that month 4,478 permits were issued in 16 cities in this district at a total proposed expenditure of over 21 million dollars. Though the total cost is somewhat below that of the preceding month, it is over 4 million dollars in excess of the figure for June, 1924. A comparative table of building operations in each of the 16 cities is given below.

Lumber. Manufacturers and wholesale dealers of lumber both report that market conditions are improved. Demand is fairly good and manufacturers in particular find that it is stronger than it was a month and a year ago. Though it still is true that the call for some grades of hardwood and West coast lumber is not satisfactory and prices are weak, yet during the past few weeks, there has been a tendency toward higher quotations in the Atlantic coast territory. Competition among dealers and overproduction in some lines still are factors in the market responsible for price concessions. However, a better feeling prevails among dealers and mill owners, especially in view of the fact that unfilled orders on the books of the latter are larger than they were a month ago, notwithstanding the high rate at which they are operating their plants. Stocks of finished lumber and raw materials at the mills are moderate and decreasing but supplies in dealers' yards, though also moderate, are stationary.

Manufacturers agree that the supply of labor is adequate. Collections are fairly good.

Cement. Reflecting the large volume of construction undertaken during the past three months, demand for cement has been well sustained and manufacturers reporting to us say that so far this month the call has been stronger than it was in the preceding period and during July, 1924. With the beginning of the seasonal decline in new building, however, the volume of unfilled orders is not as great as it was a month ago, though orders yet to be shipped are sufficient to maintain the present high rate of operations for from three months to the balance of the year.

Prices are firm and neither those of finished cement nor of raw materials have changed during the past three months. Practically no resistance to present quotations is being encountered in this market, though competition for business in some instances is reported to be very keen. As a result of heavy shipments, stocks of both finished and raw goods have been diminishing and at present are moderate.

Production of Portland cement

throughout the United States during the second quarter reached record levels. The output during each of the three months of that quarter, together with that in the corresponding period of 1924, is shown in the table below.

U. S. output of cement*	In thousands of barrels		Per cent of change
	1925	1924	
April.	13,807	11,726	+17.7
May.	15,503	13,777	+12.5
June.	15,387	13,538	+13.7

* Compiled by the Geological Survey.

Paint. Very little change has occurred in the market for paint during the past month and demand continues fair. Similarly, no great changes in prices of finished paints have been reported, although early in the month quotations for several raw materials declined somewhat. Recently, however, prices for pig lead have strengthened but those for zinc and linseed oil still are lower than they were a month ago. On July 23 the latter was quoted at 98 cents per gallon, in carload lots, cooperative basis, as compared with \$1.04 on June 23. Stocks of both finished paints and raw materials are from moderate to light and are decreasing.

Manufacturers reporting to us say that nearly all of the orders received are for delivery either immediately or within 60 days and that those on hand will not keep their plants running on present schedules for longer than 30 days. Unfilled orders do not extend any further into the future than they did a month ago but the volume is fully as large; consequently the present average rate of operations is about the

same as it was four weeks ago. The supply of labor is adequate and collections are fair.

IRON AND STEEL

Notwithstanding the fact that the iron and steel industry is encountering the usual midsummer dullness, sales so far this month have been fairly substantial and the market as a whole has been far from lifeless. Demand for many steel products, it is true, has decreased and the call for pig iron is not as good as it was a month ago, but inquiries received at the mills indicate that interest in forthcoming requirements is not lacking. The call for scrap material is stronger than is usually the case at this time of the year and several substantial orders recently were placed. On the other hand, the demand for iron and steel castings is poor. Machinery and tools, as well as light and heavy hardware, are in fair request, most of the deliveries being made to railroads, mines and the hardware trade. Sales of steel sheets are holding up well, but plates and structural shapes are moving slowly. The call for iron bars, wire and wire rods is only fair but activity in the railroad equipment market is increasing.

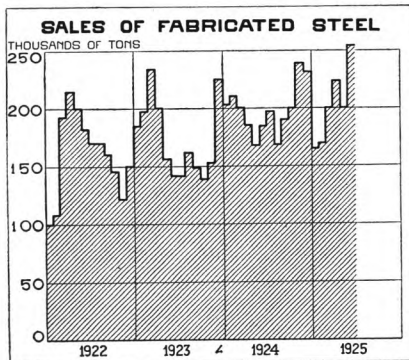
Owing in part to competition for new business, prices have been shaded to a considerable extent. Recently, however, a determined effort was made to hold quotations to firmer levels, with the result that, though concessions still are much in evidence, prices as a whole are better maintained than they were a month ago. Quotations for some grades of pig iron, however, are extremely low. In fact the "Iron Age" composite price early in the month fell to \$18.96 per

BUILDING PERMITS Philadelphia Federal Reserve District

	June, 1925		June, 1924		January 1 to June 30, inclusive			
	No.	Estimated cost in thousands	No.	Estimated cost in thousands	1925		1924	
					No.	Estimated cost in thousands	No.	Estimated cost in thousands
Allentown.	117	\$ 762	95	\$ 300	577	\$ 3,865	583	\$ 2,803
Altoona.	176	535	233	335	1,043	1,903	1,131	1,973
Atlantic City.	240	2,066	175	757	999	5,391	996	3,220
Bethlehem.	61	636	48	243	269	1,492	271	925
Camden.	127	732	145	289	775	4,541	740	2,351
Easton.	44	180	46	177	198	1,564	240	1,293
Harrisburg.	72	1,248	59	107	451	2,916	505	3,772
Lancaster.	86	357	103	219	470	2,244	590	2,799
Philadelphia.	1,310	11,156	1,561	11,109	7,429	86,014	8,328	72,568
Reading.	214	361	309	599	1,342	3,210	1,588	3,549
Seranton.	157	661	195	462	954	4,316	970	2,652
Trenton.	181	699	171	650	1,012	3,694	1,147	3,146
Wilkes-Barre.	156	442	141	426	801	2,511	835	2,193
Williamsport.	94	353	94	194	511	1,239	578	745
Wilmington.	94	461	152	305	507	2,355	684	2,346
York.	116	420	171	312	710	2,051	1,033	1,331
Totals.	3,245	\$21,069	3,698	\$16,478	18,048*	\$129,306*	20,219*	\$107,666*

* Williamsport figures for January are not included.

ton, the lowest point touched since April, 1922. In spite of this fact, Philadelphia 2X pig iron has been quoted for the past several weeks at \$21.26 per ton.



Sales of fabricated steel usually reach a peak in the spring months. In 1924, however, the high point for the year was touched in November and during July of this year sales were greater than for any month in the past four years.

Source—Department of Commerce

During June, production of steel ingots and pig iron in the entire country declined again and unfilled orders of the United States Steel Corporation also were smaller than in the preceding month, as is shown in the following table.

In gross tons*	June	May
Production—		
Pig iron.....	2,673,457	2,930,807
Steel ingots.....	3,207,056	3,458,253
Unfilled orders—		
U. S. Steel Corp.....	3,710,458	4,049,800

* Compiled by the Geological Survey.

Present output is somewhat less than it was at this time in June and preliminary estimates place the average rate during July at 60 per cent of capacity. During June, no net changes occurred in the number of furnaces in blast in this district. On the last day of the month, therefore, 23 furnaces were in operation.

Iron Foundries. The principal operating items of 36 iron foundries in this district during June are given in the table below with the percentages of change from the previous month and June of last year. The data relating to gray iron shipments are based on the returns of 28 foundries.

Iron foundry operations	June	Change from May	Change from June 1924
Capacity.....	13,221 tons	0	0
Production.....	5,877 "	-4.7%	+9.7%
Malleable iron.....	985 "	-16.7 "	+19.7 "
Gray iron.....	4,892 "	-1.8 "	+7.9 "
Jobbing.....	3,765 "	+7.7 "	+15.1 "
For further mfr.....	1,127 "	-24.2 "	-10.9 "
Shipments.....	4,969 "	+1.1 "	+6.4 "
Value.....	\$736,902	-0.3 "	-0.2 "
Unfilled orders.....	6,369 tons	+19.4 "	+9.0 "
Value.....	\$838,486	+5.8 "	-18.1 "
Raw stock:			
Pig iron.....	7,813 tons	-8.0 "	-6.2 "
Scrap.....	2,802 "	+0.6 "	-6.5 "
Coke.....	2,132 "	+8.9 "	-2.6 "

Steel Foundries. Reports of twelve steel foundries in this district show that production and unfilled orders as well as stocks of pig iron were substantially lower in June than in the preceding month. As compared with June, 1924, five identical foundries showed gains in every item except stocks of pig iron and scrap. The increases in value of unfilled orders and stocks of coke were especially large.

Steel foundry operations	June	Change from May, 1925*	Change from June, 1924†
Capacity.....	12,490 tons	.....	.....
Production.....	7,241 "	-29.8%	+23.2%
Shipments.....	5,611 "	+8.3 "	+4.6 "
Value.....	\$990,205	-6.3 "	+13.5 "
Unfilled orders.....	5,649 tons	-32.0 "	+24.1 "
Value.....	\$1,743,214	-10.1 "	+110.9 "
Raw stock:			
Pig iron.....	2,277 tons	-23.3 "	-15.0 "
Scrap.....	8,272 "	-8.0 "	-26.7 "
Coke.....	1,656 "	+32.1 "	+114.0 "

*12 plants. †5 plants.

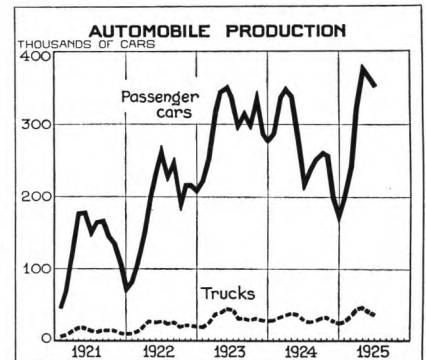
AUTOMOBILES

The accompanying table shows the results of our first month's survey of the automobile trade in this district.

Automobile trade	No.	Value
Sales of new cars at wholesale.....	1,317	\$1,821,310
Cars selling under \$1,000.....	428	372,580
Cars selling from \$1,000 to \$2,000.....	626	797,885
Cars selling over \$2,000.....	263	650,845
Sales of new cars at retail.....	489	1,180,147
Cars selling under \$2,000.....	254	413,651
Cars selling over \$2,000.....	235	766,496
Stocks of new cars.....	636	1,237,514
Cars selling under \$2,000.....	344	448,184
Cars selling over \$2,000.....	292	789,330
Sales of used cars.....	606	446,028
Stocks of used cars.....	559	426,995

Reports were received from 19 distributors selling most of the leading makes of automobiles. As indicated in the table the figures for sales and stocks of new cars are shown separately by price groups. In the high-priced group

—makes in which the touring car sells for more than \$2,000, f. o. b. factory—reports from 7 distributors are included; in the medium-priced group, 9 companies are represented and in the low-priced group only 3 firms are included. It is hoped that these figures will be amplified next month by the addition of data from several new firms, especially in the low-priced cars. Figures for next month will show the percentage change in each item from June to July.



Except for seasonal fluctuations, output of both passenger cars and trucks has been almost steadily increasing during the past four years. Although production has recently turned downward seasonally, the totals during April were at record levels.

Source—Department of Commerce

COAL

Anthracite. The possibility of a strike among the anthracite miners this fall is of considerable interest to consumers and has been widely commented upon during the past few weeks. In consequence, the demand for domestic and steam sizes has recently increased. Stove coal is in best request, but though barley sizes are moving somewhat more actively than a month ago, the call for steam sizes in general is no better than fair. Prices of the domestic grades were advanced ten cents per ton on July 1st. In Philadelphia on July 23 company stove coal was quoted at from \$9.05 to \$9.20 per ton.

Week ended	In thousands of net tons*		Per cent of change
	1925	1924	
June 20....	1,788	1,823	- 1.9
June 27....	1,844	1,918	- 3.9
July 4....	1,514	1,296	+16.8
July 11....	1,854	1,871	- 0.9

* Compiled by the Geological Survey.

As will be seen in the table below, production of anthracite increased during the last week in June but declined sharply in the first week of July on account of the observance of Independence Day.

Bituminous. The bituminous market continues to be sluggish and though inquiries for future needs are received from time to time, neither railroads, public utilities nor industries are taking shipments in greater volume than they were a month ago. Contract prices, notably those agreed upon several months ago, are higher than spot quotations. The latter are, if anything, lower than they were at this time last month. In Philadelphia on July 23, Pool 10 coal was quoted at from \$1.60 to \$1.85, no changes having occurred for several weeks.

According to a report recently issued by the Geological Survey, stocks of bituminous coal held in storage by consumers on June 1, throughout the entire country were estimated to total 38 million tons. This figure is smaller than at any time since March 1, 1923. Production, however, has been fairly well maintained and is considerably greater than it was at this time last year, as will be seen in the table below.

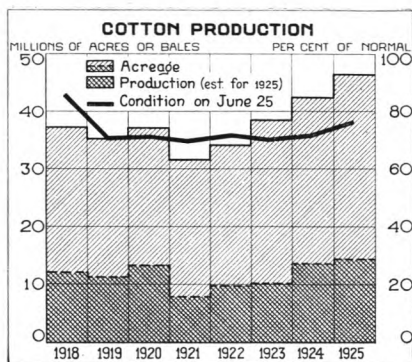
Week ended	In thousands of net tons*		Per cent of change
	1925	1924	
June 20 . . .	8,402	7,434	+13.0
June 27 . . .	8,671	7,608	+14.8
July 4 . . .	7,381	5,913	+24.5
July 11 . . .	8,631	7,742	+11.0

* Compiled by the Geological Survey.

COTTON

Raw cotton. The prospect for a good cotton yield continues fair, although the government report shows a drop in condition from 75.9 on June 25 to 70.4 per cent of normal on July 16, which compares with 68.5 per cent on July 16, 1924. This estimate indicates a total production of about 13,588,000 bales on a total area of 46,448,000 acres. During the past four weeks prices have fluctuated within a narrow range in a fairly active market. However, on July 23, following the publication of the crop report, spot cotton rose to 25.35 cents a pound, as compared with 24.20 cents on the same date last month and 35.30 cents a year ago.

Domestic consumption of cotton, including linters, dropped from 592,658 bales for May to 554,342 bales for June, but it greatly exceeded that of June, 1924, which totaled 390,037 bales. Exports for the four weeks ended July 17 declined to 154,304 bales from a total of 287,439 and 214,765 bales, respectively, for the corresponding weeks a month



Although this season's cotton acreage is the largest on record, the official crop report as of July 16 indicates a reduction in yield from the figure forecasted on June 25.

Source—Department of Commerce; Cotton Facts

ago and last year. Mill and warehouse stocks on June 30 were more than 20 per cent below those on May 31, and they exceeded last year's supplies by only 2.6 per cent. Supply and takings of American cotton are given below:

American cotton* (thousands of bales)	Season '24-25	Season '23-24	Season '22-23
Visible supply at end of previous season (July 31)	952	869	1,968
Crop in sight, on July 17	14,552	11,140	11,010
Total	15,504	12,009	12,978
Visible supply on July 17	1,387	1,064	962
World's takings to July 17	14,117	10,946	12,017

* Compiled by the New York Cotton Exchange.

Cotton yarns. Demand for both carded and combed yarns, though slightly more active than it was at this time last year, is hardly fair. Mainly because of the uncertainty concerning the new cotton crop and the consequent price fluctuation, buying continues to be restricted to small lots for immediate requirements. Dealers state, however, that recently there has been a slight improvement in sentiment and some sales have been made calling for shipment during the next two months. Local stocks generally are moderately light.

Yarn quotations, though somewhat weak, show a little gain over those of a month ago. Fairchild's index number of yarn prices, which stood at 39.75 for the week ended June 20 and 46.07 for the week ended July 18, 1924, rose to 40.28 during the week ended July 18. Buyers persist in their search for concessions in spite of the firm market for raw materials. Collections are fair.

Cotton goods. Sales of gray and finished cotton goods, though a trifle be-

low last year's volume, show a slight improvement over those of the preceding month. Buyers, however, continue to purchase only for their immediate requirements. Compared with the rate of output during the previous month, a gain of about 5 per cent is reported, mills now working at about 65 per cent of capacity. Unfilled orders are not sufficient to insure plant operation at this rate beyond a period of thirty days. A slight increase in stocks of finished goods is noted, although supplies in the main are not excessive.

Up to July 1, prices were reported as rather weak, but since that time they have stiffened somewhat. Fairchild's index number, which stood at 15.1 on May 23 and 14.5 on June 27, advanced to 14.6 for the week ended July 18. Last year's index for the corresponding date stood at 16.1. Sellers are still encountering opposition to prices. Collections are fairly satisfactory.

WOOL

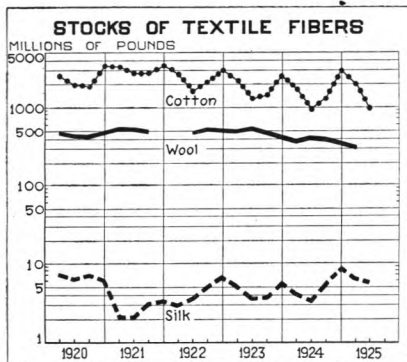
Raw wool. Evidence of further improvement in the local wool market is shown by a slight gain in sales and prices. Since June 1, fine and medium domestic wools have appreciated from 5 to 6 cents a pound, although they are still about 10 per cent lower than similar duty-paid Australian grades. Quotations for fine foreign wools, a fair selection of which was offered for sale at the July auctions at London and Melbourne, advanced but slightly above May prices, which had dropped from 30 to 40 per cent below the January levels. Inferior grades were practically unchanged. Fairchild's index number rose from 111.9 for domestic and 119.9 for foreign wools on June 20 to 114.5 and 120.8, respectively, on July 18. Despite this upward trend in prices and the reported activity of American buyers abroad, spinners remain hesitant in purchasing for future needs.

Although western growers persist in withholding their new clip for higher prices, a substantial amount of this wool has been consigned to, or bought and shipped to Philadelphia during the past four weeks. The receipts of foreign wool in the United States during June totaled 20,468,146 pounds as against 22,386,799 pounds for the previous month and 30,129,497 pounds for June, 1924. Domestic stocks are fairly light, whereas supplies abroad appear to be sizeable, Australian stocks alone exceeding half a million bales, according to current estimates.

Woolen and worsted yarns. Comparative quietness has prevailed in this market during the past four weeks, demand for both woolen and worsted yarns being scarcely fair. Absence of forward orders continues to impede pro-

duction, although the present rate of operation remains practically unchanged at about 55 per cent of capacity, except for carpet yarn spinners who are now working close to the full-time schedule. Unfilled orders are sufficient to insure operation at this rate for a period of from one to three months. The consumption of wool in this district, as shown by returns from 74 establishments, was about 8 per cent greater in June than in May. Stocks of yarns and raw materials are not excessive.

Save for a few slight advances in tops and weaving yarns, quotations remain unchanged from those of last month, but they are a trifle below those of last year. Collections are fairly good.



In recent months, stocks of textile raw materials have decreased considerably, although supplies of raw silk still remain greatly above the low level reached in 1921. With one exception, stocks of cotton and wool are now lowest in the last five years, the reduction in the latter having been almost continuous since the high point in 1923.

Sources—Department of Commerce; Silk Association of America

Woolen and worsted goods. Principally because of seasonal dulness, the market for woolen and worsted goods continues unchanged. New orders for heavy-weight fabrics are lacking and supplementary fall business is neither large nor numerous. The call for such men's wear as cassimeres is still fair, but the sale of dress goods remains listless. Manufacturers are making preparations for spring openings, which are scheduled to begin on July 27. Meantime, the rate of output ranges from 50 to 95 per cent of capacity, and unfilled orders are sufficient to insure this operation for a period of about fifty days. Stocks are moderate. Supply of labor is sufficient. A reduction of 10 per cent in wages to be effective July 27 was announced by several large plants, including the American Woolen Company. What influence this action will have on local industries remains yet unknown.

Prices in the main are firm and unchanged from last month's level. Resistance to quotations is negligible. Collections are fairly prompt.

SILK

Raw silk. Although activity in this market recently has slackened somewhat, buying of raw silk is progressing at a fair rate, owing principally to a steady demand from manufacturers. Lately, silk prices have turned upward. Kansai double-extra cracks, which sold at \$6.60 a pound last month and at \$5.95 a year ago, advanced to \$6.70 a pound on July 23. Fluctuations in the lira and franc during the past four weeks have affected adversely the silk market in France and Italy. The rate of exchange for Japanese yen has been fairly steady; hence, quotations at Yokohama have maintained a firm level. The Canton market remains suspended and trading at Shanghai is negligible, principally because of high silk prices prevailing there.

The table below gives an index of business in raw silk since June 1.

Raw silk* (in bales)	June, 1925	May, 1925	June, 1924
Imports.....	41,074	41,512	20,933
Stocks.....	44,016	42,517	24,843
Mill takings.....	30,575	38,266	23,164

* Silk Association of America.

Silk goods. Active demand, firm prices, prompt settlement of accounts, moderate stocks, increasing mill output, ample labor supply and gain in employment summarize the current situation in the silk goods industry in this district. Though sales for spot deliveries are still in the majority, orders for shipments during the next three months show a substantial gain over those of last June. Mills are now working at from 80 to 100 per cent of capacity, the average being close to 90 per cent as against 85 per cent last month. Based on the volume of unfilled orders, the continuance of this rate of operations is assured for a period of about seventy-five days.

Quotations continue unchanged, though slight weakness is reported in millinery silks and certain grades of crêpes and taffetas. Wholesalers and retailers, however, are still resisting prices in spite of the fact that quotations for silk yarns, like those for raw silk, show an upward tendency.

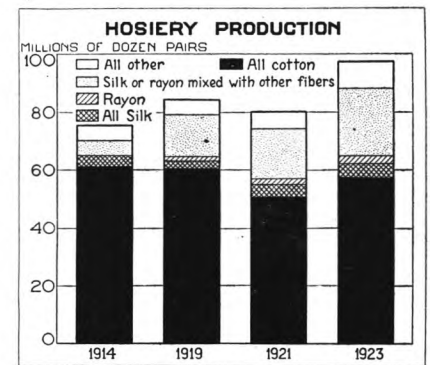
HOSIERY

Considered as a whole the demand for hosiery is good. Mills making full-fashioned and spring-needle stockings for women and misses, and fancy hosiery for men continue to receive satisfactory orders and are booked ahead for several months, a few up to the end of the year. Latch-needle hosiery manufacturers, however, are complaining that business is slackening and the comparatively few

mills in which cotton hosiery for men and women is the sole product are doing but little. Prices for finished hosiery are unchanged except for cotton which has declined.

The opening of infants' hosiery for 1926 has met with considerable success, although full information is as yet unobtainable. An even larger variety is shown than a year ago, and rayons appear to be in especially good request. Prices are in most cases unchanged.

Stocks of finished hosiery in the mills are moderate and have decreased.



Total hosiery production has increased in each year except 1921. The production of cotton hosiery, however, though still by far the largest item, was smaller in 1923 than in either 1914 or 1919.

Source—Bureau of the Census

Production continues at a high level; in June the output of 126 mills in this district was only 1.3 per cent lower than in May. In the following table the operations of 315 establishments in the United States during May are compared with those in April.

Hosiery operations* United States in dozen pairs	May	% change from April
Total production.....	4,845,407	- 0.7
Full-fashioned, men.....	52,720	- 2.8
Seamless, men.....	1,662,020	- 3.4
Full-fashioned, women.....	761,828	- 1.6
Seamless, women.....	1,348,746	+ 4.6
Boys' and misses'.....	503,119	- 3.9
Children's and infants'.....	450,984	- 0.6
Athletic and sport.....	65,990	- 0.1
Shipments.....	4,491,671	- 5.3
Finished stock, end of month.....	8,067,451	+ 3.5
Orders booked.....	4,878,314	- 7.5
Cancellations received.....	193,060	-14.7
Unfilled orders, end of month.....	9,619,741	+ 3.2

* Compiled by the Bureau of the Census.

UNDERWEAR

The underwear market has been quiet during the past month, despite the opening of lines for the spring of 1926 by a number of manufacturers. Prices named at these showings are approximately the same as they were a year ago. Buyers,

however, are showing little interest in either fall or spring goods and the output of mills has been reduced. Underwear manufacturers are buying yarns for immediate needs only.

Production of knit underwear by 154 identical establishments in the United States totalled 578,985 dozen winter-weight garments in May, as compared with 540,665 dozen in April, and 613,542 dozen summer-weight garments in May, as compared with 718,894 dozen in April. These changes are largely seasonal; the mills had finished their largest spring orders and were getting ready for autumn deliveries. In winter-weights, the production of union suits for men, women and misses was 40,636 dozen larger in May than in April. This is more than the total gain during the period.

CLOTHING

Sales of clothing and furnishings, though less active than during the previous month, are still ahead of those for the corresponding month of last year. Although buying to cover immediate needs continues widespread, orders for future delivery are not wanting. This is indicated by the fact that unfilled orders are sufficient to insure mill operations at the present rate of production, which averages 75 per cent of capacity, for a period of from three to six months. Notwithstanding several increases in the rate of operations in this district, output remains generally unchanged. Stocks of finished products and piece goods are fairly large and in most cases are increasing.

Prices of manufactured goods, as a rule, continue firm and unchanged. Practically no advances are reported in raw materials save for overcoatings and buttons, but declines in some piece goods and trimmings are numerous. Resistance to prices is not widely prevalent. Collections on the whole are fair.

FLOOR COVERINGS

The production of carpets and rugs in this district has been further curtailed. Some manufacturers report an increase in orders for July and August shipment, but this is not general and, despite the smaller output, stocks as a whole are somewhat heavier than they were a month ago. Prices generally are unchanged but they have been shaded in some lines to obtain business. Mill owners are buying raw materials only as they are needed.

Sales of linoleums and felt base goods, which are usually at their peak during the second quarter of the year, failed to show the usual gain and, as stocks were mounting, production has in some cases been sharply reduced. Prices of finished goods are unchanged, but among raw materials, linseed oil has declined considerably.

LEATHER

Hides and skins. Active trading and higher prices have marked the hide and skin markets during the month. Packer hides at Chicago are about 2 cents higher and country hides, too, have advanced, but the increase is not so great. Calf skins, also, have gained about 1½ cents and tanners have shown greater interest in goat skins than for several months, in some cases paying higher prices not only for spot lots but for skins in foreign markets which will not arrive here for two or three months. Stocks of hides and skins show the same tendencies as during the past three months, i.e., hides declined and skins increased.

Number of hides or skins*	May 31	Change during May
Cattle.....	3,935,435	- 7.2%
Calf and kip.....	3,487,254	+ 6.2 "
Sheep and lamb.....	7,224,995	+11.7 "
Goat and kid.....	8,203,543	+ 2.2 "

* Compiled from figures of the Bureau of the Census.

Leather. The leather markets have shown some increase in activity and tanners express optimism regarding the coming months. Calf leather in the lighter shades is now in good request in both men's and women's weights and there is also a good call for patent leather. Prices for heavy leathers are firm and unchanged but quotations for some upper leathers have been advanced. Production of the various leathers during May was uneven; in heavy leathers the output of backs, bends and sides decreased and that of butts and offal increased, and in upper leathers two gained and two fell off. Stocks, with the exception of backs, bends and sides, were unchanged or smaller.

Leather May, 1925, as compared with April, 1925*	Change in	
	Pro- duction	Stocks— end of month
Backs, bends and sides...	- 2.6%	+5.1%
Belting butts.....	+ 3.2 "	-4.6 "
Offal, sole and belting...	+13.5 "	-1.8 "
Cattle side, upper.....	-10.7 "	0.0 "
Calf.....	-24.2 "	-1.3 "
Goat and kid.....	+ 4.9 "	0.0 "
Cabretta.....	+24.6 "	-0.2 "

* Compiled from figures of the Bureau of the Census.

Shoes. During July shoe factories in this district received a considerable amount of business, the major part of which calls for shipment in either August or September. Factory operations, which were at a low ebb at the end of June, have increased. Manufacturers state that stocks of shoes in the hands of wholesalers and retailers are

low, a statement which is confirmed by our reports from these trades. Prices are unchanged, except for rubber-soled shoes, which are higher.

Production in the United States during May fell to 25,001,397 pairs, the low point for this year, and slightly less than the production in May, 1924. And in June estimates indicate a decrease of 5.0 per cent as compared with May. For five months of 1925, however, the output was nearly 1,500,000 pairs greater than in the same period of 1924. In June the factories in this district, according to preliminary figures, made 11.8 per cent less shoes than in May. Details of operations follow:

Production of shoes* Philadelphia Federal Reserve District (in thousands of pairs)	June	% change from May
Boots and shoes, total.....	1,234	-11.8
High and low cut (leather) total	1,208	-10.8
Men's.....	114	- 8.8
Boys' and youths'.....	178	+ 3.3
Women's.....	182	- 4.6
Misses' and children's.....	382	-16.0
Infants'.....	352	-14.5
All other leather or part leather footwear.....	26	-40.6

* Preliminary report compiled by the Bureau of the Census.

PAPER

Trading in paper continues in moderate volume which does not exceed that of the previous month or last year. Glazed, book and fine papers remain in fair request, as do kraft and wrapping papers and, to some extent, building paper and boards. But the demand for envelopes, box boards, fiber, tissue and newsprint papers is comparatively slow, owing mainly to seasonal quietness in this market. Although a sizeable contract business is reported by several manufacturers, most of the current specifications call for delivery during the next few weeks. Conditions in both mechanical and chemical pulps appear to be fairly satisfactory. Production of paper is maintained at an unchanged rate ranging from 50 to 100 per cent of capacity without an excessive accumulation of stocks which, as a rule, are moderate.

Quotations for finished products and pulps remain practically the same as last month, although a slight weakness is apparent in such grades of paper as wrapping, fiber, chip boards and stationery, in which buyers persist in their search for concessions. Settlement of accounts in the main is fairly prompt.

PAPER BOXES

Business in paper boxes is slightly ahead of last year's volume but it is not up to that of the preceding month. News, chipboard and strawboard boxes are moving in fairly large quantity, but

fiber containers are in poor demand. Buying for immediate requirements still dominates the market. The present paucity of forward sales is shown by the amount of unfilled orders which will insure plant operations at the present rate of about 70 per cent of capacity for a period of only 40 days. Stocks remain fairly light and unchanged from those of last month.

Box prices generally are weak, and reductions are still noticeable. Resistance to prices continues widespread. Collections are fairly satisfactory.

CIGARS

The call for cigars, though as strong as it was a year ago, has fallen off to some extent during the past month. Leading manufacturers say that the demand for nearly all classes of cigars is only fair and that orders on hand are practically all for delivery within 60 days. The average rate at which manufacturers reporting to us are operating their factories does not exceed 65 per cent of capacity and is somewhat lower than that of a month ago. Unfilled orders do not extend as far into the future as they did at this time in June; in fact, some factories are running only on the orders they receive from day to day. Others, however, have future business booked which will sustain present operating schedules for the next four weeks.

Prices of both finished cigars and raw materials are firm and, in general, unchanged from those quoted at this time last month. Stocks are from moderate to heavy, and are stationary. The supply of labor is adequate and collections are fairly good.

FLOUR

As is usual before the wheat harvest figures become known, prices of wheat and flour have fluctuated rather sharply and buyers have been cautious, restricting purchases to their immediate needs. The fact that flour is about \$2 per barrel higher than it was a year ago also has had a restraining influence on the domestic trade. Export demand too, is light. Mills in this district have had a satisfactory business during the first half of this year but are now running at a reduced output pending the arrival of new wheat. This crop in Pennsylvania promises unusually well. The price of flour is now slightly lower than it was a month ago, quotations on July 22 at New York being \$8.10 to \$8.50 per barrel for hard winter straights and \$8.25 to \$8.75 per barrel for spring patents as compared with \$8.25 to \$8.75 and \$8.50 to \$8.90, respectively, on June 22.

Stocks of flour at public warehouses on July 1 were lower than on June 1 or on July 1, 1924.

Exports of flour from Philadelphia, although slightly larger during the first

Public warehouse stocks at Philadelphia*	Flour, barrels	Wheat, bushels	Rye, bushels
July 1, 1925...	101,339	1,098,067	21,840
June 1, 1925...	120,702	1,971,649	43,529
July 1, 1924...	111,332	759,888	125,192

* Compiled by the Commercial Exchange of Philadelphia.

half of 1925 than in the same period of 1924, decreased sharply in June. British and Dutch ports have been the principal destinations.

Exports from Philadelphia (000 omitted)	First half of 1925	First half of 1924	June, 1925	June, 1924
Flour (bbls.)...	182	180	12	30
Wheat (bus.)...	20,956	16,132	1,680	648
Corn (bus.)...	43	1,690	.....	.....
Oats (bus.)...	2,510	262	493	72
Rye (bus.)...	1,273	769	36	.....
Barley (bus.)...	531	116	35	.....

Receipts of flour and grain, except corn, at Philadelphia were larger during the first six months of this year than in the same period of 1924, but only wheat, oats and barley gained in June, 1925, over June, 1924.

AGRICULTURE

Owing principally to improved weather conditions in most sections of

Receipts at Philadelphia* (000 omitted)	First half of 1925	First half of 1924	June, 1925	June, 1924
Flour (bbls.)...	1,170	1,154	153	174
Wheat (bus.)...	20,188	15,047	1,062	651
Corn (bus.)...	425	2,292	42	47
Oats (bus.)...	2,933	915	395	168
Rye (bus.)...	1,174	859	25	50
Barley (bus.)...	525	121	45	.....

* Compiled by the Commercial Exchange of Philadelphia.

this district, grain crops, save oats, show a considerable gain. This is especially true of corn, the estimated yield of which greatly exceeds that of the ten-year average. Harvesting of wheat, rye and oats began somewhat early this season, and thus far has been satisfactory, harvest hands and farm laborers being in ample supply at wages practically unchanged from those of last year. The yield of hay generally is up to normal, although the prolonged drought affected adversely the New Jersey crop. Several county agents in this district estimate the output of potatoes at about 95 per cent of last year's volume, but, considering Pennsylvania and New Jersey as a whole, July conditions point to a much lower yield. The prospect for the tobacco crop is fairly bright. An increased production also is indicated in such garden truck as tomatoes, sweet corn, peppers, cantaloupes, and lima beans, but cabbage and string beans appear to be unsatisfactory. Bush fruits, notably blackber-

CROP ESTIMATES—JULY 1, 1925

Region	Crop	July 1 condition, % normal		Production in bushels (000's omitted)		
		1925	Average	Forecast, 1925	Harvested, 1924	Average
United States.....	Winter wheat.	65.9	79.3	403,851	590,037	591,957
Pennsylvania.....	" "	86	88	21,438	19,850	22,926
New Jersey.....	" "	91	.....	10,614	8,024	10,429
United States.....	Rye.....	76.8	84.7	54,104	63,446	70,410
Pennsylvania.....	".....	89	92	3,378	3,264	3,367
New Jersey.....	".....	92	93	1,148	1,138	1,083
United States.....	Oats.....	76.3	84.9	1,292,101	1,541,900	1,327,642
Pennsylvania.....	".....	78	90	34,205	37,080	38,653
New Jersey.....	".....	75	.....	1,917	2,144	2,223
United States.....	Corn.....	86.4	83.4	3,095,176	2,436,513	2,934,649
Pennsylvania.....	".....	90	85	73,800	55,692	66,567
New Jersey.....	".....	91	.....	10,614	8,024	10,429
United States.....	Potatoes.....	84.1	87.7	349,566	454,784	417,848
Pennsylvania.....	".....	87	88	24,837	28,792	26,449
New Jersey.....	".....	64	83	5,760	11,544	11,767
United States.....	Apples.....	53.3	61.8	156,942	179,101	181,465
Pennsylvania.....	".....	41	61	6,399	7,267	10,063
United States.....	Pears.....	58.7	61.6	17,298	18,628	17,056
Pennsylvania.....	".....	42	59	393	629	576
New Jersey.....	".....	52	57	460	624	513
Delaware.....	".....	35	53	159	328	201
United States.....	Peaches.....	59.0	60.8	46,835	53,137	46,519
Pennsylvania.....	".....	25	57	608	1,504	1,464
New Jersey.....	".....	56	68	1,648	2,480	1,921

ries and raspberries, are poor, the yield in many counties being only one-half of last year's harvest. Fruit growers report a further sharp decline in the condition of apples, pears and peaches. Indeed, the outlook for these crops in the district is by far less favorable than that for the country.

Until July 1, pasturage was inadequate because of drought, but since that time frequent rains have improved it substantially. Livestock are in good condition. Because of a larger number of pigs saved per litter, hog production is close to normal, although a marked decrease is noted in the number of sows farrowed last spring.

In the main, the agricultural outlook in this district is fair, despite the varying weather conditions. Throughout the country, prices of farm products during June averaged 16 per cent higher and food prices 14½ per cent higher than in the corresponding month of last year. Marked advances in cattle, hogs, lambs, hay, onions, potatoes and wool more than offset decreases in corn, wheat, rye and milk.

SUGAR

The large supply of raw sugar, coming not only from Cuba but from the Philippines and Java, has resulted in the fall of prices to a very low figure, quotations for Cuban raw sugar during the second week in July breaking through 2½ cents for the first time this year. Willet and Gray state that total meltings and deliveries at United States ports between January 1 and June 27 were larger by 286,000 long tons than in the same period last year.

Estimates place the world's sugar crop at more than 25,000,000 tons, the largest on record. The Cuban crop is now generally agreed to be about 5,100,000 tons, and Willet and Gray state that exports from Cuba to July 4 were 3,141,621 tons and the balance of supply on July 3, partly estimated, was 1,837,591 tons, as compared with 2,602,280 and 1,379,109 tons, respectively, on the same dates in 1924. On July 3, 14 centrales were still grinding, as compared with 4 on that date in 1924.

The United States Crop Reporting Bureau estimates the domestic sugar beet area to be 776,000 acres and forecasts a yield of 6,195,000 short tons of beets. If the sugar yield is the same as last year's, these will produce 802,584 long tons of refined sugar as compared with 973,214 tons a year ago.

Although sales of refined sugar both for domestic use and for export to Great Britain have been in excess of

		Latest figure compared with	
		Previous month	Year ago
The following data refer to the Philadelphia Federal Reserve District except where otherwise noted		June, 1925	
Retail trade—net sales† (157 stores)			
	\$23,212,000	+ 3.2%	+ 2.5%
Department stores (66)	\$19,118,000	+ 4.7 "	+ 1.9 "
Apparel stores (42)	\$2,578,000	- 0.3 "	+ 4.8 "
Shoe stores (28)	\$665,000	+ 11.7 "	+ 14.3 "
Credit stores (21)	\$851,000	+ 19.9 "	+ 0.8 "
Wholesale trade—net sales (151 firms)			
	\$10,327,648	+ 3.9 "	+ 5.0 "
Boots and shoes (11 firms)	\$274,244	- 3.1 "	+ 2.7 "
Drugs (13 firms)	\$1,478,638	- 0.2 "	+ 9.7 "
Dry goods (17 firms)	\$1,012,284	+ 4.9 "	+ 12.8 "
Electrical supplies (7 firms)	\$577,381	+ 5.2 "	+ 15.8 "
Groceries (52 firms)	\$3,885,249	+ 7.0 "	+ 1.7 "
Hardware (28 firms)	\$1,103,067	+ 4.7 "	+ 8.5 "
Jewelry (12 firms)	\$378,537	+ 2.5 "	+ 11.0 "
Paper (11 firms)	\$618,248	- 4.8 "	- 0.9 "
Production:			
Shoes* (101 factories)	prs. 1,234,423	- 11.8 "	.....
Pig iron	tons 257,338	- 8.8 "	+ 24.9 "
Hosiery* (126 mills)	doz. prs. 1,082,307	- 1.3 "	.....
Iron castings (36 foundries)	tons 5,877	- 4.7 "	+ 9.7 "
Steel castings (12 foundries)	tons 7,241	- 29.8 "	.....
Cement	bbls. 3,554,000	- 2.9 "	+ 7.7 "
Anthracite	tons 7,804,000	- 4.1 "	+ 1.3 "
Bituminous coal (Pennsylvania)	tons 8,716,000	+ 2.4 "	.....
Wool consumption* (74 mills)	lbs. 6,554,425	+ 7.6 "	.....
Active cotton spindle hours (Pennsylvania and New Jersey)	131,544,510	+ 0.2 "	+ 57.2 "
Distribution:			
Freight car loadings (Allegheny district—weekly average)	201,714	+ 1.8 "	+ 7.9 "
Tonnage of vessels (Port of Philadelphia)	tons 3,266,249	+ 2.1 "	+ 20.2 "
Exports of wheat (from Port of Philadelphia)	bus. 2,730,666	+ 31.4 "	+ 153.3 "
Exports of flour (from Port of Philadelphia)	lbs. 2,180,570	- 33.2 "	- 64.3 "
Imports of crude oil (into Port of Philadelphia)	gals. 18,071,000	- 12.2 "	+ 47.4 "
Financial:			
Loans, discounts and investments of member banks (weekly average)	\$1,072,500,000	+ 0.1 "	+ 13.0 "
Bills discounted held by Federal Reserve Bank of Philadelphia (daily average)	\$40,646,000	+ 8.0 "	+ 35.0 "
Acceptances executed (11 banks for month ended 10th of following month)	\$2,841,000	- 43.9 "	- 24.6 "
Commercial paper sales (6 dealers)	\$10,841,500	+ 76.0 "	- 24.0 "
Savings deposits (99 banks)	\$563,358,000	- 0.4 "	+ 5.5 "
General:			
Debits (18 cities)	\$2,539,082,000	+ 10.5 "	+ 18.5 "
Commercial failures	70	+ 4.5 "	- 13.6 "
Commercial failures—liabilities	\$2,373,659	+ 114.2 "	+ 79.3 "
Building permits (16 cities)	\$21,068,927	- 3.4 "	+ 27.9 "
Building contracts awarded (Philadelphia district)	\$44,805,000	- 14.0 "	+ 11.3 "
Employment—995 plants in Pennsylvania, New Jersey and Delaware:			
Number of wage earners	368,201	- 0.6 "	.....
Average weekly earnings	\$25.98	- 2.4 "	.....
Sales of life insurance (Pennsylvania, New Jersey and Delaware)	\$81,931,000	- 3.4 "	+ 11.5 "

* Bureau of Census preliminary figures.

† Estimated.

those of a year ago, production has been still larger, with the result that the stock of refined sugar is heavy and prices are lower. Indeed, the present quotation of 5.35 cents per pound for granulated sugar is the lowest named for several years. Refiners state that the margin between the price of raw and refined sugar, which was small on the average last year, is now ½ cent less and that, even with plants running at capacity as in recent weeks, the margin of profit is negligible.

According to Willet and Gray the indicated consumption in the United States during the first half of 1925 was 3,144,256 tons of refined sugar, an increase of 328,306 tons or 12¼ per cent as compared with the same period of 1924. Even so, consumption has suffered somewhat because of the poor crop of strawberries, and the inclination to buy is now tempered by the expectation of a short crop of peaches and pears, purchases being all for prompt delivery.

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