

THE BUSINESS REVIEW

THIRD FEDERAL
PHILADELPHIA



RESERVE DISTRICT
OCTOBER 1, 1925

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BUSINESS CONDITIONS IN THE UNITED STATES

Production of basic commodities declined in August to the lowest level of the year but was considerably higher than during the summer of 1924. Distribution of goods at wholesale and retail continued in greater volume than a year ago. Seasonal growth in the demand for credit, arising partly from financing of the crop movement, was reflected in an increase in the volume of commercial borrowing.

Production. The Federal Reserve Board's index of production in basic industries, which is adjusted for seasonal variations, declined 4 per cent in August, but was 15 per cent higher than a year ago. Output of steel and of bituminous and anthracite coal and activity in the woolen industry increased in August, while mill consumption of cotton and the production of flour and lumber decreased. Employment and earnings of factory workers were larger in August than in July, but continued smaller than in June. Building contracts awarded during August, owing chiefly to large awards in New York, exceeded all previous records. Crop reports of the Department of Agriculture at the beginning of September, as compared with forecasts a month earlier, indicated somewhat larger yields of spring wheat, oats, barley,

hay, and tobacco, and smaller yields of corn and potatoes. The mid-September cotton crop estimate was 13,931,000 bales compared with a forecast of 13,740,000 bales on September 1.

Trade. Wholesale trade was 5 per cent larger in August than in July owing to seasonal increases in the sales of dry-goods and shoes, and sales of all lines except groceries were greater than those in August, 1924. Sales at department stores and at mail-order houses showed less than the usual increases in August but continued in greater volume than last year. Stocks of merchandise at department stores increased in August and for the first time this year were considerably larger than in the corresponding month a year ago. Wholesale firms in all leading lines except drugs and hardware reported smaller stocks on August 31 than a month earlier.

Total freight car loadings were larger during August than in any month since last October. Coal shipments, preceding the anthracite strike, were especially heavy, less-than-carload-lot shipments continued to increase, and the movements of livestock and grains were seasonally greater than in July, although smaller than in August, 1924.

Prices. Wholesale prices showed a further slight advance in August and were near the high level reached in the spring of this year. Prices of agricultural commodities, which in recent months have been above the average for all commodities, increased further, while prices of other commodities declined slightly. Between the end of August and the latter part of September prices of bituminous coal, pig iron, rubber and cotton advanced, and prices of spring wheat, corn, raw sugar and wool declined.

Bank Credit. At member banks in leading cities loans chiefly for commercial and agricultural purposes showed further seasonal increases during the first half of September and at the middle of the month were about \$275,000,000 higher than at the end of July. Investment holdings remained in about the same volume as during previous months, but loans on securities increased and on September 16 were near the highest level of the year.

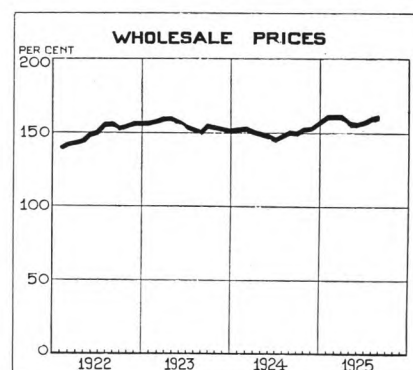
A further growth in the total of reserve bank credit in use occurred during the five week period ending September 23. Member bank borrowings increased in the early part of September, and after a temporary decline during the period of Treasury financing, increased to a larger total than at any time since the beginning



Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figure—August, 108.



Index for 33 manufacturing industries (1919=100). Latest figure—August, Employment 93.9, payroll 104.8.



Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau). Latest figure—August, 160.4.



Weekly figures for member banks in 101 leading cities. Latest figure—September 16.

of 1924. The seasonal growth in the demand for currency during August was reflected in an increase of \$65,000,000 in total money in circulation.

Money rates showed a firmer tendency during the last week of August and the first three weeks of September. The prevailing rate on prime commercial paper remained at $4\frac{1}{4}$ per cent but there was an increased proportion of sales at $4\frac{1}{2}$ per cent.

BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

Definite evidences of distinct betterment of business in the Philadelphia Federal Reserve District have appeared in the past six weeks. Factory employment, which had been declining steadily since last February, turned upward slightly in August, while factory payrolls in that month were nearly 3 per cent larger than in July. Moreover our preliminary reports show a further gain in September of more than 2 per cent in employment. Textiles, food and building material industries showed the largest gains. Of course, much of this improvement was of a seasonal nature as was the marked upturn in car loadings in the Allegheny district in August. However, both the production and shipment of goods in this district have been well above the levels of the same period of 1924. August retail buying also was in larger volume than in the same month last year; especially heavy sales were reported by apparel and shoe stores. Wholesale business in shoes was nearly 20 per cent larger than in August, 1924, and in wholesale drugs and jewelry sales were also much larger than in last year. But in other wholesale lines August business was smaller than that of 1924. Check payments in the district were smaller than in July but were 10 per cent above last year's levels. Commercial failures were very small in August, liabilities being much less than in any month during the past three years.

Building continues very active in the district; the value of contract awards in August was 7.3 per cent larger than in July and 38.2 per cent greater than in

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BUSINESS INDICATORS Philadelphia Federal Reserve District	August, 1925	Latest figure compared	
		Previous month	Year ago
Retail trade—net sales† (155 stores).....	\$16,416,000	+ 1.9%	+ 3.3%
Department stores (68).....	\$13,137,000	- 0.5 "	+ 0.6 "
Apparel stores (41).....	\$1,839,000	+ 4.0 "	+19.3 "
Shoe stores (25).....	\$386,000	- 9.4 "	+11.7 "
Credit stores (21).....	\$1,054,000	+47.6 "	+11.1 "
Wholesale trade—net sales (155 firms).....	\$10,348,385	+ 2.5 "	- 0.4 "
Boots and shoes (12 firms).....	\$380,459	+23.5 "	+19.8 "
Drugs (14 firms).....	\$1,551,117	+ 4.3 "	+ 9.4 "
Dry goods (17 firms).....	\$930,031	+15.3 "	- 8.5 "
Electrical supplies (6 firms).....	\$446,638	+ 1.0 "	-12.6 "
Groceries (52 firms).....	\$3,833,880	- 2.9 "	- 1.2 "
Hardware (29 firms).....	\$1,799,541	- 0.9 "	- 3.4 "
Jewelry (12 firms).....	\$467,894	+53.5 "	+34.3 "
Paper (13 firms).....	\$938,825	- 4.8 "	- 9.0 "
Production:			
Shoes* (98 factories).....	prs. 1,399,280	+16.6 "	.....
Pig iron.....	tons 249,409	+ 2.8 "	+31.2 "
Hosiery* (127 mills).....	doz. prs. 1,054,208	- 5.8 "	.....
Iron castings (28 foundries).....	tons 4,409	- 8.7 "	+ 4.7 "
Steel castings (12 foundries).....	tons 5,191	-13.2 "	.....
Cement.....	bbls. 3,726,000	+ 0.6 "	+ 2.9 "
Anthracite.....	tons 8,882,000	+ 4.0 "	+25.3 "
Bituminous coal (Pennsylvania).....	tons 10,203,000	+11.9 "	.....
Wool consumption* (79 mills).....	lbs. 7,018,981	- 4.4 "	.....
Active cottonspindle hours (Pennsylvania and New Jersey).....	89,267,967	-26.8 "	+51.1 "
Distribution:			
Freight car loadings (Allegheny district—weekly average).....	tons 215,722	+ 8.3 "	+11.1 "
Tonnage of vessels (Port of Philadelphia).....	2,984,035	- 5.7 "	+11.3 "
Exports of wheat (from Port of Philadelphia).....	bus. 1,205,674	+ 7.3 "	+17.8 "
Exports of flour (from Port of Philadelphia).....	lbs. 2,068,250	-21.3 "	-68.9 "
Imports of crude oil (into Port of Philadelphia).....	gals. 19,614,000	- 0.6 "	+ 9.5 "
Financial:			
Loans, discounts and investments of member banks (weekly average).....	\$1,076,500,000	+ 0.7 "	+ 9.2 "
Bills discounted held by Federal Reserve Bank of Philadelphia (daily average).....	\$49,432,000	+ 7.8 "	+131.9 "
Acceptances executed (11 banks for month ended 10th of following month).....	\$4,671,000	+16.7 "	+42.2 "
Bankers' acceptances sales (5 dealers—weekly average for period ended middle following month).....	\$1,375,000	+153.2 "	+668.2 "
Commercial paper sales (6 dealers).....	\$7,060,000	-18.1 "	- 8.5 "
Savings deposits (99 banks).....	\$571,270,000	+ 0.1 "	+ 7.1 "
General:			
Debits (18 cities).....	\$2,151,632,000	- 9.0 "	+10.7 "
Commercial failures.....	45	-35.7 "	-28.6 "
Commercial failures—liabilities.....	\$748,439	-58.5 "	-45.2 "
Building permits (16 cities).....	\$16,189,514	-56.4 "	-41.0 "
Building contracts awarded (Philadelphia district).....	\$51,819,700	+ 7.3 "	+38.2 "
Employment—1,251 plants in Pennsylvania, New Jersey and Delaware:			
Number of wage earners.....	411,714	+ 0.4 "	.....
Average weekly earnings.....	\$25.80	+ 2.5 "	.....
Sales of life insurance (Pennsylvania, New Jersey and Delaware).....	\$75,408,000	-12.4 "	+25.1 "

* Bureau of Census preliminary figures. † Estimated.

August of last year. In consequence, manufacturers of paint, bricks and lumber are enjoying a good volume of business at firm or strengthening prices.

The iron and steel industries also report greater activity and more substantial buying, especially on the part of the railroads. Hardware, bars and structural shapes are selling well. Production of bituminous coal has increased in response to better demand following the suspension of anthracite mining and there has been some domestic buying of smokeless grades.

Increased sales of most textile products have been reported and these industries are decidedly more active. Silk goods are selling excellently at stronger prices and mill operations continue close to capacity. Sales of cotton goods have also increased and are much larger than a year ago and mill buying of raw cotton is active. Woolen manufacturers report a better demand and heavier production schedules. Hosiery mills are very

active, especially in full-fashioned silk, many of which are running at capacity. The market for floor coverings is fair and improved since the auction.

There is a fair demand for hides from tanners at steady prices and the latter report free buying by shoe manufacturers. Production of shoes is above last year's levels with good sales to wholesalers and retailers. Among other industries the printing trades are active and cigar manufacturers report a fairly good demand for all grades. Sugar refineries are running close to capacity, while prices of raw sugar have reached the lowest point for the year.

With continued favorable weather agricultural conditions have improved substantially since August 1. The outlook for most crops is better but potatoes suffered during the month. Good yield and quality for the district tobacco crop is in prospect. Prices of farm products continue to be well above last fall's levels.

EMPLOYMENT AND WAGES In Pennsylvania, New Jersey and Delaware	No. of plants report- ing	Number of wage earners— week ended		Total weekly wages— week ended		Average weekly earnings— week ended	
		August 15, 1925	Per cent change	August 15, 1925	Per cent change	August 15, 1925	Per cent change
All industries (49)	1,251	411,714	+ 0.4	\$10,620,862	+ 2.9	\$25.80	+ 2.5
Metal manufactures:	408	185,793	- 1.7	4,993,893	+ 1.1	26.88	+ 2.8
Automobiles, bodies, and parts...	29	12,850	- 5.8	364,599	- 8.0	28.37	- 2.3
Car construction and repair....	22	20,976	- 1.3	554,682	- 8.8	26.44	- 7.6
Elec. machinery and apparatus...	38	18,519	- 7.1	447,055	+ 0.3	24.14	+ 8.0
Engines, machines, mach. tools...	58	13,244	- 0.1	375,020	- 1.7	28.32	- 1.6
Foundries and machine shops....	78	12,897	- 2.7	351,573	+ 1.5	27.26	+ 4.3
Heating appliances and apparatus	19	5,693	+22.7	161,029	+32.4	28.29	+ 7.9
Iron and steel blast furnaces....	12	11,665	- 4.2	319,722	+10.8	27.41	+15.6
Iron and steel forgings.....	14	3,965	- 0.8	84,034	+ 0.8	21.19	+ 1.6
Steel works and rolling mills....	47	40,900	- 1.8	1,094,025	+ 1.7	26.75	+ 3.6
Structural iron works.....	19	5,600	- 0.1	154,249	+10.4	27.54	+10.4
Misc. iron and steel products....	42	24,029	- 1.6	658,189	+ 3.7	27.39	+ 5.4
Shipbuilding.....	8	9,123	+ 1.9	260,900	+ 2.7	28.60	+ 0.8
Hardware.....	8	1,930	+ 0.2	47,139	+ 1.4	24.42	+ 1.2
Non-ferrous metals.....	14	4,402	+ 0.3	121,677	+ 1.7	27.64	+ 1.4
Textile products:	261	80,791	+ 1.4	1,803,561	+ 4.5	22.32	+ 3.0
Carpets and rugs.....	16	3,972	+ 2.7	107,622	+ 4.1	27.10	+ 1.4
Clothing.....	39	6,452	- 1.0	119,437	+ 4.3	18.51	+ 5.4
Hats, felt and other.....	10	5,246	+ 1.8	143,282	+ 2.4	27.31	+ 0.6
Cotton goods.....	31	9,464	+ 5.6	201,062	+10.7	21.24	+ 4.8
Silk goods.....	66	22,857	+ 2.0	464,378	+ 4.1	20.32	+ 2.0
Woolens and worsteds.....	26	9,707	+ 0.8	208,667	+ 1.0	21.50	+ 0.2
Knit goods and hosiery.....	44	13,680	- 0.4	320,180	+ 7.7	23.40	+ 8.1
Dyeing and finishing textiles....	21	7,948	+ 0.7	209,462	+ 2.2	26.35	+ 1.5
Miscellaneous textile products...	8	1,465	- 2.8	29,471	- 4.8	20.12	- 2.1
Foods and tobacco:	132	31,249	+ 7.1	667,424	+ 9.2	21.36	+ 2.0
Bakeries.....	37	4,363	- 2.2	126,428	- 4.7	28.98	- 2.5
Canneries.....	10	4,593	+61.3	89,738	+194.5	19.54	+82.6
Confectionery and ice cream....	27	5,818	- 0.2	121,316	- 4.5	20.85	- 4.4
Slaughtering and meat packing..	16	2,807	+ 0.2	75,249	- 0.6	26.81	- 0.8
Sugar refining.....	4	3,249	- 9.6	100,767	- 6.2	31.01	+ 3.7
Cigars and tobacco.....	38	10,419	+ 8.1	153,926	+ 11.7	14.77	+ 3.3
Building materials:	100	27,629	- 1.1	814,062	+ 1.2	29.46	+ 2.3
Brick, tile and terra cotta products	42	5,462	- 1.5	139,550	+ 0.1	25.55	+ 1.6
Cement.....	15	8,162	- 0.9	261,473	+ 2.4	32.04	+ 3.4
Glass.....	28	8,863	- 3.1	247,768	+ 2.1	27.96	+ 5.4
Pottery.....	15	5,142	+ 2.9	165,271	+ 5.2	32.14	+ 2.3
Chemicals and allied products:	88	31,791	+ 1.1	979,090	+ 2.9	30.80	+ 1.8
Chemicals and drugs.....	48	7,635	+ 2.9	211,565	+ 4.0	27.71	+ 1.1
Explosives.....	12	3,219	+ 1.6	91,340	+ 9.6	28.38	+ 7.9
Paints and varnishes.....	17	1,634	- 0.8	43,241	+ 4.7	26.46	+ 5.5
Petroleum refining.....	8	18,266	+ 0.3	602,942	- 0.4	33.01	- 0.7
Coke.....	3	1,037	+ 4.2	30,002	+ 5.8	28.93	+ 1.5
Miscellaneous industries:	262	54,461	+ 3.2	1,362,832	+ 5.9	25.02	+ 2.7
Lumber and planing mill products	31	4,954	- 2.5	103,042	- 7.6	20.80	- 5.2
Furniture.....	27	3,671	+ 4.5	90,706	+ 7.8	24.71	+ 3.1
Musical instruments.....	7	5,799	+34.7	163,330	+42.0	28.17	+ 5.4
Leather tanning.....	34	8,142	- 0.1	205,885	+ 5.1	25.29	+ 5.3
Leather products.....	12	1,801	+ 1.9	38,090	+ 4.5	21.15	+ 2.5
Boots and shoes.....	31	5,348	+ 3.7	104,282	+15.2	19.50	+11.0
Paper and pulp products.....	27	6,439	+ 2.8	158,507	+ 5.1	24.62	+ 2.2
Printing and publishing.....	49	4,910	- 5.6	149,957	-10.9	30.54	- 5.6
Rubber tires and goods.....	19	5,587	+ 1.1	157,387	+11.3	28.17	+10.1
Novelties and jewelry.....	12	3,634	- 0.2	85,136	- 0.5	23.43	- 0.3
All other industries.....	13	4,176	- 0.1	106,510	- 0.4	25.51	- 0.2

EMPLOYMENT AND WAGES

Industrial operations throughout Pennsylvania, New Jersey, and Delaware expanded from July to August, as evidenced by increases of 2.9 per cent in wage payments and 0.4 per cent in employment. All groups showed increases with the exception of the metal and building material groups, both of which fell off in the number of employees. Many plants that were closed or partly shut down in July because of vacation or inventory periods, resumed operations in August, thus effecting a great part of the advance.

The most substantial gains in employment and wages occurred at cotton mills, canneries and plants manufacturing heating appliances, cigars, explosives, musical instruments, boots and shoes, and rubber tires and goods. The automobile,

car construction and repair, sugar refining, printing and publishing, and lumber industries experienced declines of from

one to nine per cent in employment and from six to ten per cent in wage payments. The electrical machinery industry declined considerably in employment, whereas it advanced slightly in operations. But iron and steel blast furnaces, structural iron works, knit goods and hosiery mills showed greater activity in operations, whereas the number of employees fell off slightly.

ELECTRIC POWER

The table below shows the production and sale of electric power by representative utilities in the Philadelphia Federal Reserve District in August as compared with the previous month and with 1924. Total sales increased 1.2 per cent as compared with July and 26 per cent as compared with August, 1924. Sales to industries were nearly 30 per cent larger than a year ago, however. As compared with the previous month industrial sales in August increased 3 per cent—about the same amount as wage payments to factory workers in the states of the district.

FINANCIAL CONDITIONS

Loans on securities, as reported by member banks in Philadelphia, Camden, Scranton and Wilmington, advanced 19.1 millions in the four weeks ended September 16 and commercial loans gained 5.2 millions; investments declined 10.6 millions. Total loans on September 16 were 74.7 millions higher than they were a year ago, but total deposits increased only 33.0 millions in the same interval.

On September 16 the Federal Reserve Bank of Philadelphia held 48.6 millions of bills discounted, a decrease of 2.8 millions from the figure of August 19. Owing to larger holdings of purchased paper, however, total earning assets increased 2.4 millions. Deposits declined 2.3 millions, Federal reserve note circulation advanced 2.4 millions, and cash reserves fell 5.6 millions. The reserve ratio, at 75.8 per cent on September 16, was 2.0 per cent below that of August 19.

Savings deposits, as reported by 99 banks in the Philadelphia Federal Reserve District, increased .1 of one per

ELECTRIC POWER Philadelphia Federal Reserve District	August (000 omitted)	Change from July,*	Change from August 1924†
Rated generator capacity.....	792 KW	0.0%	+ 7.2%
Generated output.....	255,844 KWH	+ 1.3%	+24.3"
Hydro-electric.....	↓		
Steam.....	220,953 "	+ 1.1"	+23.6"
Purchased.....	34,362 "	+ 3.2"	+32.8"
Sales of electricity.....	222,701 "	+ 1.2"	+26.0"
Lighting.....	37,178 "	+ 2.9"	+18.9"
Municipal.....	5,800 "	+13.1"	+ 9.4"
Residential and commercial.....	31,478 "	+ 1.5"	+21.4"
Power.....	169,238 "	+ 0.7"	+23.9"
Municipal.....	1,565 "	- 8.9"	+10.3"
Street cars and railroads.....	37,870 "	- 6.1"	+ 7.8"
Industries.....	129,803 "	+ 3.0"	+29.8"
All other sales.....	16,185 "	+ 2.6"	+85.7"

*10 systems.

† 9 systems

‡ Only 2 plants reported this item.

cent during August. On September 1 such deposits were 7.1 per cent above those of a year before. Altoona, Harrisburg, Lancaster, Reading and York reported increases of more than ten per cent in the course of a year.

Commercial paper at New York remains unchanged at 4¼ per cent, but the offering rate for 90-day bankers' bills advanced from 3¼ to 3½ per cent late in August.

Commercial paper. During September commercial paper has continued inactive, neither the sales nor supply having increased materially as compared with August. Rates vary from 4 to 4½ per cent, the same as a month ago, but the largest sales are now at 4¼ per cent as against 4 per cent at that time.

During August, the amount of paper sold to Philadelphia banks was \$1,235,000 and to outside institutions \$5,825,000. Rates on these sales varied from 3¾ to 5 per cent, but more than 90 per cent was at from 4 to 4½ per cent.

RETAIL TRADE

Preliminary estimates make it doubtful whether retail sales in this district in September will be as large as they were in September, 1924. During the early part of the month trade was good, but later the warm weather retarded sales in a number of departments, and, in the anthracite region, business has been reduced because of the strike of the miners. Prices are steady.

During August sales in the district were 3.3 per cent larger than in August, 1924, and were smaller only in the cities of Altoona, Chester, Scranton and Wilkes-Barre. As was the case a month ago, sales in credit and shoe stores showed large increases, the gain being 11.1 and 11.7 per cent respectively. Business in apparel stores was also much better than a year ago.

Departments in which large gains were shown in August as compared with August, 1924, include musical instruments and radio, furs, women's coats, juniors' and girls' ready-to-wear, silks and velvets, silverware and jewelry, women's and children's hosiery, silk and muslin underwear including petticoats, infants' wear, millinery, draperies and lamps and shades, and floor coverings. Important decreases were made in the following departments: women's suits, women's skirts, waists and blouses, books and stationery, neckwear and veilings, sweaters, china and glassware, and cotton dress goods.

WHOLESALE TRADE

During September wholesale trade for the most part has been good. Prices have held firmly and in some cases are higher but the changes have been slight. During August notable gains as compared with August, 1924, were made in the sales of jewelry and boots and shoes; a

RETAIL TRADE Philadelphia Federal Reserve District	Comparison of net sales		Comparison of stocks		Percentage of sales to average stocks from January 31 to August 31	
	Aug., 1925, with Aug., 1924	Jan. 1 to Aug. 31, 1925, with Jan. 1 to Aug. 31, 1924	Aug. 31, 1925, with Aug. 31, 1924	Aug. 31, 1925, with July 31, 1925	1925	1924
	All reporting firms.....	+ 3.3%	- 0.5%	+ 3.0%	+ 6.0%	2.04	2.07
All department stores.....	+ 0.6 "	- 1.9 "	+ 1.3 "	+ 5.2 "	2.04	2.08
in Philadelphia.....	- 1.5 "	- 2.4 "	+ 2.6 "	+ 6.7 "	2.22	2.29
outside Philadelphia.....	+ 4.8 "	- 1.0 "	- 0.9 "	+ 2.5 "	1.68	1.69
All apparel stores.....	+19.3 "	+ 7.6 "	+13.4 "	+22.1 "	2.37	2.38
Men's apparel stores.....	+ 5.3 "	+ 1.4 "	- 7.3 "	+16.3 "	1.45	1.43
in Philadelphia.....	+11.4 "	+ 5.0 "	- 8.4 "	+27.2 "	1.66	1.59
outside Philadelphia.....	- 2.3 "	- 2.9 "	- 6.3 "	+ 7.6 "	1.25	1.26
Women's apparel stores.....	+10.4 "	+ 5.1 "	+14.7 "	+19.2 "	3.35	3.31
in Philadelphia.....	+ 6.7 "	+ 5.4 "	+15.5 "	+19.1 "	3.55	3.58
outside Philadelphia.....	+24.5 "	+ 3.6 "	+11.7 "	+19.8 "	2.54	2.33
Credit houses.....	+11.1 "	+ 0.6 "	+ 6.6 "	- 8.4 "	1.52	1.59
Shoe stores.....	+11.7 "	+ 9.9 "	+11.2 "	+ 2.4 "	1.68	1.61

considerable gain was also recorded in the drug business but in the other lines sales fell below those of August, 1924. As compared with July only paper, hardware and groceries showed a loss in sales. Collections during August were better than in July in all trades except groceries and hardware.

Drugs. The demand for drugs at wholesale has increased during September. Articles in best request include patent medicines, insecticides, canning and pickling goods, and school supplies. Prices generally are unchanged, but advances are noted in essential oils, spices, cod-liver oil, denatured alcohol and proprietary medicines, and the index of botanical drugs in the "Oil, Paint and Drug Reporter" rose during the month from 120.9 to 123.2.

Paper. Current demand for paper is fairly active. The present wholesale trade in fine, book, newsprint, kraft, tissue, toilet and various board papers compares favorably with last year's volume, although August business was smaller than that of July or August, 1924. With the exception of slight easing in quotation for kraft paper, prices generally have remained firm during the past four weeks. Manufacturers report a marked gain both in the call for various grades of paper and in plant operations, which now average about 80 per cent of capacity. Stocks,

though heavier than those of a year ago, are not excessive.

Drygoods. Sales of drygoods during September have increased and the demand for seasonable lines is good. A great majority of the sales call for delivery within 30 days and the balance are for shipment within 60 days. Prices of most articles are unchanged; woolen underwear, rubber goods and sheetings, however, are slightly higher and table oil cloth and notions are lower.

Articles in demand include shirts, underwear, hosiery, novelty dress goods, curtain materials, blankets, outing flannel, gloves and handkerchiefs.

Electrical supplies. Demand for electrical supplies continues moderately active, although August sales were considerably below last year's volume. Stocks are somewhat smaller than they were at the end of the previous month or of August, 1924. Prices generally remain unchanged. Payment of accounts, though fair, is not as prompt as it was last month or a year ago.

Shoes. Sales of shoes at wholesale, except to the anthracite district, continue good. The large gains in sales during July and August of this year as compared with those in the same months of 1924 necessitated good buying to replenish stocks. Prices are unchanged.

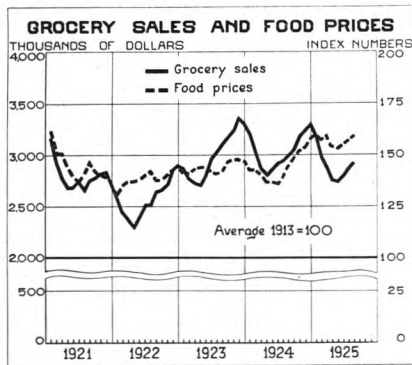
WHOLESALE TRADE Philadelphia F. R. Dist.	Net sales Aug., 1925, compared with		Stocks Aug., 1925, compared with		Accounts outstanding Aug., 1925, compared with		Ratio of accounts outstanding to sales		
	July, 1925	Aug., 1924	July, 1925	Aug., 1924	July, 1925	Aug., 1924	Aug., 1925	July, 1925	Aug., 1924
	Boots and shoes.....	+23.5%	+19.8%	-0.3%	+0.5%	+11.8%	+ 9.5%	256.2%	276.8%	275.8%
Drugs.....	+ 4.3 "	+ 9.4 "	.....	.....	+ 1.6 "	+ 7.0 "	149.4 "	156.0 "	151.7 "
Dry goods.....	+15.3 "	- 8.5 "	+4.6 "	.....	+ 3.5 "	- 5.4 "	234.6 "	261.5 "	226.8 "
Elec. supplies.....	+ 1.0 "	-12.6 "	- 0.8 "	.....	- 2.9 "	-17.2 "	147.4 "	153.3 "	155.6 "
Groceries.....	- 2.9 "	- 1.2 "	+5.1 "	-0.0 "	+ 0.7 "	- 0.6 "	108.1 "	100.1 "	105.6 "
Hardware.....	- 0.9 "	- 3.4 "	-3.2 "	-3.7 "	- 0.9 "	- 2.6 "	189.6 "	188.8 "	186.2 "
Jewelry.....	+53.5 "	+34.3 "	-2.4 "	+1.1 "	+ 7.0 "	+17.0 "	304.0 "	436.3 "	349.1 "
Paper.....	- 4.8 "	- 9.0 "	+1.5 "	+8.5 "	- 0.0 "	-11.2 "	156.0 "	148.5 "	159.8 "

For women, sales of black shoes predominate, including velvets in the cheaper grades, and patent leather and satin in the higher priced lines.

Jewelry. Jewelry at wholesale is selling in good volume. Price changes are small and few; platinum wedding rings are somewhat higher but specialties in platinum and white gold have in some cases been lowered. Diamonds, diamond jewelry, platinum rings and mountings and watches are some of the articles in best request.

Hardware. Although a number of wholesale hardware dealers report that sales have decreased, almost as many report improvement. Contractors' and builders' supplies are in good request. Goods usually sold for mining have been adversely affected by the strike in the anthracite mines. Prices are unchanged.

Groceries. Business in groceries during September was good. Articles in best demand include canned vegetables and fruits, sugar, vinegar, pickling spices and cereals. Prices were fairly stable, canned vegetables and table syrups being slightly lower, while sugar, coffee and canned salmon advanced slightly.



A four months' moving average of sales of 52 wholesale grocery firms in this district is shown in comparison with wholesale food prices. In general, sales, though fluctuating more widely, correspond with prices. But in 1925 dollar sales declined considerably with food prices remaining above the level of the last three years, indicating a considerable decrease in the physical volume of merchandise sold.

Sources—U. S. Bureau of Labor Statistics, Federal Reserve Bank of Philadelphia

CONDITIONS IN CITIES OF THE DISTRICT

The accompanying table shows, for thirteen important areas in the Philadelphia Federal Reserve District, the position of certain business indicators in August as compared with the previous month and with August, 1924. In each case the "area" includes not only the designated city but the surrounding suburbs and territory which may be considered part of that city's industrial and commercial territory.

The general betterment in business conditions since last year is evident from

the fact that in nearly all of the cities the various indicators show gains in August, 1925, as compared with August, 1924. As compared with July of this year, however, many declines occurred. Moreover, wide divergences exist in conditions in the different areas. Wage payments, indicative of manufacturing activity, varied from an increase of 16 per cent in Reading to a decline of 10 per cent in Wilkes-Barre. Fluctuations in debits, retail trade and other indicators also show wide variations between the different cities. Debts were larger in August, 1925, than in August, 1924, in all instances and retail sales in most cases, although the latter showed declines in Wilkes-Barre, Scranton and Altoona.

BUILDING

Sixteen cities in the Philadelphia Federal Reserve District reported that, during August, 2,833 building permits were issued at a total proposed cost of \$16,189,514, as compared with 3,126 permits and a total cost of \$27,451,710 in the corresponding month of 1924. The unusually large cost in that year was due entirely to a single permit of 12 million dollars issued to a large Philadelphia company. Of the present August totals Philadelphia furnished 1,195 permits at a proposed expenditure of \$9,956,680.

Pottery. The demand for pottery is fair and much the same as it was a month and a year ago. Prices are firm in most instances, though some weakness is noted in quotations for staple goods. Resistance to present prices is chiefly encountered in those of household stoneware and kitchen fixtures. Stocks of finished goods are moderate and increasing.

Manufacturers reporting to this bank are operating their equipment at an average rate of something over 75 per cent of capacity, a slight increase having occurred during the past month. Unfilled orders will insure present operations for about 4 weeks.

Bricks. The call for brick is fair and has improved during the past month. Prices in the main are firm and no changes in established quotations have been reported during the past four weeks. During August stretcher brick was quoted at from \$20 to \$24 per thousand delivered, salmon brick at from \$15 to \$19, and common at from \$14 to \$17 per thousand. Stocks of finished brick are moderate and, according to one reliable source, are remaining so, owing to the brisk building program still in operation. Manufacturers reporting to us are operating their plants at an average rate of about 75 per cent of capacity, which is slightly higher than that of a month ago.

Paint. The call for paint is fairly good and has increased noticeably during the month. The finishing of new buildings, together with the usual early autumn painting has been responsible for the greater activity in this market. Prices are generally firm and slight advances occurred recently in prices of turpentine and white lead. On September 21, linseed oil was quoted at \$1.04 per gallon, carload lots, cooerage basis. Quotations for finished paints, however, are much the same as they were a month ago. Reporting manufacturers are running their factories at an average rate of 65 per cent of capacity, which is higher than the average rate reported a month ago.

Lumber. Lumber continues to move

INDUSTRIAL AREAS	August, 1925, compared with July, 1925						
	Employment	Wage payments	Value of building permits	Debits	Savings deposits	Retail trade sales	Electric power sales
Philadelphia area ...	+3.0%	+ 6.7%	-67.6%	-10.2%	+0.0%	+ 0.7%	+ 0.9%*
Trenton " ...	-2.3 "	+ 2.1 "	-24.8 "	-14.7 "	-0.3 "	+ 2.0 "	+ 5.8 " *
Wilmington " ...	-1.2 "	+ 2.0 "	-56.6 "	-12.4 "	-0.2 "	+ 8.0 "	+12.6 "
Reading " ...	+3.2 "	+16.2 "	-18.9 "	+ 5.0 "	+4.0 "	+ 9.4 "	.....
Lancaster " ...	+2.6 "	+ 3.5 "	+72.1 "	- 8.5 "	+0.2 "	-13.1 "	+ 1.5 "
York " ...	+2.4 "	+ 7.3 "	+39.6 "	+ 3.1 "	+1.3 "	+ 1.7 "	+ 9.8 "
Harrisburg " ...	+1.2 "	- 1.4 "	-41.9 "	- 3.0 "	+2.0 "	+ 3.9 "	.....
Allentown " ...	-0.1 "	+ 3.8 "	+38.5 "	- 5.0 "	+1.0 "	+ 6.1 "	- 0.5 " †
Wilkes-Barre " ...	+0.2 "	-10.3 "	- 1.6 "	+15.7 "	-0.0 "	+ 0.4 "	.....
Scranton " ...	+2.8 "	+ 6.6 "	+40.5 "	- 5.1 "	-0.8 "	+ 2.5 "	.....
Altoona " ...	+0.4 "	+ 7.3 "	+12.6 "	-17.1 "	+0.5 "	+ 4.7 "	+ 1.0 "
Johnstown " ...	+3.7 "	+10.8 "	.....	- 3.7 "	-0.4 "	- 0.3 "	.....
Williamsport " ...	-2.0 "	- 6.9 "	-39.3 "	- 5.9 "	+0.2 "	+14.9 "	.....

INDUSTRIAL AREAS	August, 1925, compared with August, 1924						
	Employment	Wage payments	Value of building permits	Debits	Savings deposits	Retail trade sales	Electric power sales
Philadelphia area ...	+ 56.8%	+ 9.7%	+ 7.6%	+ 2.5%	+21.9%*		
Trenton " ...	+ 69.7 "	+14.9 "	+ 0.7 "	+ 2.3 "	+38.3 " *		
Wilmington " ...	+ 18.9 "	+ 9.1 "	+ 5.3 "	+ 4.2 "	+35.9 " *		
Reading " ...	+142.4 "	+24.2 "	+18.2 "	+ 9.0 "	.....	
Lancaster " ...	+ 95.3 "	+15.5 "	+16.9 "	+ 3.6 "	+14.1 " *		
York " ...	+104.5 "	+32.5 "	+12.1 "	+ 9.0 "	+15.6 " *		
Harrisburg " ...	+ 67.5 "	+18.0 "	+19.9 "	+ 3.0 "	.....	
Allentown " ...	+ 86.3 "	+20.0 "	+ 5.6 "	+10.1 "	+30.2 " †		
Wilkes-Barre " ...	- 21.8 "	+12.0 "	+ 9.9 "	- 1.3 "	.....	
Scranton " ...	+ 11.9 "	+ 8.2 "	+ 8.0 "	- 4.7 "	.....	
Altoona " ...	- 8.5 "	-13.0 "	+12.6 "	- 0.6 "	+31.7 " *		
Johnstown " ...	.....	+ 5.7 "	+ 2.1 "	+11.1 "	.....	
Williamsport " ...	+130.4 "	+13.4 "	+ 9.4 "	+ 5.3 "	.....	

* Includes Camden area. † Includes Wilkes-Barre and Williamsport areas.
‡ Included in Allentown area.

in fair volume, demand being about the same as it was both at this time last month and a year ago. Prices have become distinctly firmer during the past four weeks and quotations for yellow and white pine as well as several other soft woods have advanced.

Total unfilled orders are not as large as they were a month ago and do not extend as far into the future. Stocks of finished goods are moderate and stationary.

Mill owners reporting to this bank are running their plants at an average rate of close to 85 per cent of capacity, which is about the same as that of a month ago. At this rate, unfilled orders will insure operations for an average period of at least 5 weeks.

IRON AND STEEL

Since the latter part of August increased activity throughout the iron and steel industry has manifested itself in more substantial buying of rails, and by heavier sales of structural steel and pig iron. The call for castings is very little better than it was a month ago but sales of light and heavy hardware and iron bars are increasing. The demand for steel scrap recently declined to some extent but fair tonnages still are being shipped and stocks at the furnaces are substantial. Inquiries for nearly all major products are increasing as fourth quarter needs become imperative.

Prices of finished steel have remained at practically the same levels as quoted a month ago, in fact the composite price of finished steel compiled by the "Iron Age" has remained constant for the past six weeks, the figure on September 22 standing at 2,396 cents per pound. Quotations for pig iron are firm and from 50 cents to \$1.00 per ton higher than at this time last month. In the Philadelphia market, 2X pig iron quotations recently advanced from \$21.76 to \$22.26 per ton.

During August production of pig iron and steel ingots increased over that in the preceding month, but unfilled orders of the United States Steel Corporation declined slightly, as will be seen in the following table:

In gross tons	August	July
Production—		
Pig iron	2,704,476	2,664,024
Steel ingots	3,424,034	3,087,590
Unfilled orders—		
Corp.	3,512,803	3,539,467

The opening of several new ovens in the Connelsville district about the first of the month produced a surplus of furnace coke over current needs, and prices were weak. Recently, however, prices advanced from \$3.40 to \$3.75 per ton. Foundry coke appears to be plentiful and recently quotations fell from \$4.50 to \$4.25 per ton, though they now are firm at the lower figure.

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Steel foundries. In the table below the main operating features of 12 steel foundries in this district are given for August with percentage changes from the preceding month. Like comparisons are made with the corresponding month of 1924.

Steel foundry operations	August	Change from July, 1925*	Change from August, 1924†
Capacity	12,490 tons	0	0
Production	5,191 "	-13.2%	+43.3%
Shipments	4,157 "	-22.2 "	+10.2 "
Value	\$714,171	-26.0 "	+2.1 "
Unfilled orders.	4,061 tons	+2.1 "	+17.8 "
Value	\$1,541,364	+9.9 "	+119.7 "
Raw stock:			
Pig iron	2,248 tons	-8.4 "	-12.5 "
Scrap	10,550 "	+8.0 "	+41.8 "
Coke	1,306 "	+18.0 "	+50.7 "

* 12 plants. † 6 plants.

Iron foundries. An analysis of the reports of 28 iron foundries in this district for the month of August is presented in the table below showing the percentages of change in operating items as compared with the preceding month and August, 1924.

Iron foundry operations	August	Change from July, 1925	Change from August, 1924
Capacity	9,501 tons	0	0
Production	4,409 "	-8.7%	+4.7%
Mal'ble iron	520 "	-1.4 "	+30.0 "
Gray iron	3,889 "	-9.9 "	+2.0 "
Jobbing	3,497 "	+1.0 "	+28.5 "
For further mfr.	392 "	-54.2 "	-64.0 "
Shipments	4,424 "	-6.6 "	+2.5 "
Value	\$642,486	-3.9 "	-5.5 "
Unfilled orders.	4,943 tons	-9.7 "	-6.2 "
Value	\$750,814	-8.4 "	-18.4 "
Raw stock:			
Pig iron	4,513 tons	-12.6 "	-5.2 "
Scrap	2,667 "	+14.5 "	+6.4 "
Coke	1,751 "	+3.6 "	+62.4 "

AUTOMOBILES

Sales of automobiles both at wholesale and retail by reporting distributors declined seasonally in August. Business was doubtless retarded by the expected an-

nouncement of many new models and new prices in September. However, in the higher-priced class—cars selling at more than \$2,000—both retail and wholesale business was larger. The number and value of cars held in storage was somewhat larger owing to a considerable increase in stocks of higher-priced cars. Used car business was also less than in July. Detailed figures are shown in the accompanying table.

COAL

Bituminous. Since the beginning of the anthracite strike, demand for bituminous has been steadily increasing. To the call from utilities and industries there has now been added the demand from domestic sources and the increase in sales of high grade and smokeless grades has been especially noteworthy. Prices are firm and higher than they were a month ago. As is to be expected, spot quotations are higher than contract prices. In Philadelphia on September 21, Pool 10 coal was quoted at from \$1.75 to \$2.00 per ton (spot price) as compared with from \$1.65 to \$1.85 per ton on August 25. Production has increased materially in recent weeks, as is shown in the table below.

Week ended	In thousands of net tons*		Per cent of change
	1925	1924	
Aug. 22....	10,522	8,582	+22.6
Aug. 29....	11,133	9,006	+23.6
Sept. 5....	10,826	8,208	+31.9
Sept. 12....	9,993	9,835	+1.6
Sept. 19....			

* Compiled by the Geological Survey.

TEXTILES

Cotton. Sales of both gray and finished goods have increased materially during the past four weeks, the volume of business exceeding that of the previous month and of a year ago. Unfilled orders also are somewhat larger than they were at this time last month. Many mills in this district report gains

AUTOMOBILE TRADE Philadelphia Federal Reserve District— 15 distributors	Number		Value	
	Aug., 1925	Change from July, 1925	Aug., 1925	Change from July, 1925
Sales of new cars at wholesale.....	2,638	-14.2%	\$2,525,401	-4.0%
Cars selling under \$1,000.....	1,955	-19.5 "	1,286,874	-16.6 "
Cars selling from \$1,000 to \$2,000.....	423	-4.7 "	577,827	-2.9 "
Cars selling over \$2,000.....	260	+28.7 "	660,700	+34.3 "
Sales of new cars at retail.....	308	-7.2 "	782,189	-4.1 "
Cars selling under \$1,000.....	35	-45.3 "	29,407	-47.8 "
Cars selling from \$1,000 to \$2,000.....	105	-5.4 "	191,925	-6.5 "
Cars selling over \$2,000.....	168	+7.0 "	560,857	+1.2 "
Stocks of new cars.....	1,029	+2.5 "	1,318,940	+6.6 "
Cars selling under \$1,000.....	604	-0.3 "	369,471	-2.9 "
Cars selling from \$1,000 to \$2,000.....	185	-6.6 "	276,167	-3.1 "
Cars selling over \$2,000.....	240	+20.0 "	673,302	+17.8 "
Sales of used cars.....	1,223	-15.7 "	446,354	-11.1 "
Stocks of used cars.....	1,351	-3.5 "	497,683	-5.8 "
Retail sales on deferred payment.....	117	-11.4 "	236,471	+12.0 "

in production, although the average rate of output continues at about 70 per cent of capacity. Stocks, though somewhat heavy in several instances, are not cumbersome. Prices show an upward tendency. Fairchild's index number stood at 15.1 on September 19, as compared with 14.9 on August 22, 1925 and 15.3 on the corresponding date in 1924. Collections are fairly prompt.

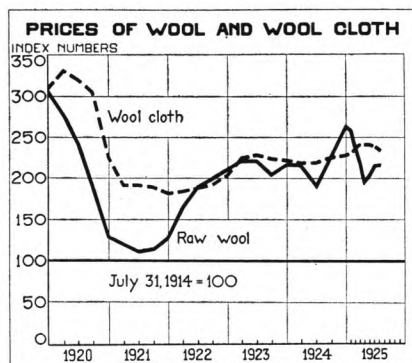
In recent weeks the outlook for this season's cotton crop has improved materially, the official estimate as of September 16 indicating a production of 13,931,000 bales as compared with 13,627,936 bales last year. Prices continue to fluctuate. Spot cotton, which sold at 23.65 cents a pound on August 22, 1925, and 24.15 on September 23, 1924, was quoted on September 23, 1925, at 23.65 cents a pound. Buying is now very active. The August consumption dropped 7 per cent below the July level, but it was about 26 per cent above last year's volume. The position of American cotton is shown below:

American cotton* (thousands of bales)	Season '25-'26	Season '24-'25	Season '23-'24
Visible supply at end of previous season (July 31)....	1,125	952	870
Crop in sight, on Sept. 18.....	2,086	1,492	1,535
Total.....	3,211	2,444	2,405
Visible supply on Sept. 18.....	1,961	1,423	1,429
World's takings to Sept. 18.....	1,250	1,021	976

* Compiled by the New York Cotton Exchange.

Wool. Further improvement in the distribution and manufacture of woolen and worsted goods and yarns is reported by most producers in this district. Current buying generally exceeds that of the previous month and compares favorably with last year's volume. Spinners and cloth manufacturers are now working at a rate of from 75 to 80 per cent of capacity, and unfilled orders are ample to insure plant operation at this rate for a period of about seventy days. No excessive accumulation of stocks is apparent. Yarn prices in Philadelphia show a slight weakness, but quotations for wool fabrics are fairly steady and unchanged from those of a month ago. Cloth and clothing quotations, which in August were 90 per cent above the pre-war level, are higher relatively than the prices of any other major group of commodities, and are 30 per cent above the general price level.

The Philadelphia raw wool market has been comparatively quiet during the past four weeks, and domestic wool prices have eased off slightly. Fairchild's index number as of September 19, stood at 107.8 for domestic and 114.2 for foreign wools, as compared with 109.2 and 113.8, respectively, on August 22. In spite of the featureless market, Western growers remain adamant against granting con-



Raw wool prices dropped in 1921 almost to the pre-war level, whereas the decline in woolen and worsted fabrics was much less pronounced. In 1921 and 1922 quotations for both commodities turned upward, reaching, late in 1924 and early in 1925, the highest points since 1920.

Source—Textile World

cessions. The London auction sale, at which American buyers purchased sparingly, was comparatively steady in both prices and demand, the latter emanating chiefly from the Continent. August wool consumption in this district dropped 4.4 per cent below the July level. United States imports during August totalled 34,448,589 pounds as against 20,802,303 pounds for July and 8,631,020 for August, 1924.

Silk. The demand for both thrown silk and silk goods shows further improvement, sales continuing exceedingly active. Mills generally are working at about 90 per cent of capacity, and unfilled orders are sufficient to insure plant operation at this rate up to or beyond December. Stocks of silk fabrics exceed slightly those of the previous month, but supplies of thrown silk remain unchanged. Payment of accounts is prompt.

Prices of finished products have stiffened somewhat, owing largely to the rise of quotations for raw silk. After advancing to \$7.15 a pound, on September 8, Kansai double-extra cracks receded to \$7.00 a pound on September 23, as compared with \$6.85 on August 23 and \$6.40 on September 23, 1924. Raw silk activity is shown below:

Raw silk* (in bales)	August, 1925	July, 1925	August, 1924
Imports.....	40,466	35,595	36,750
Stocks.....	32,017	35,598	30,075
Mill takings.....	44,047	44,013	29,888

* Silk Association of America.

Hosiery. The demand continues good, especially for women's silk full-fashioned hosiery and for men's fancy half-hose of silk and rayon mixtures. No changes have been made in hosiery quotations, but prices for the spring of 1926 are to be named soon and, because of the strong silk market, many in the trade anticipate

an advance. Full-fashioned mills are running full and seamless mills at about 80 per cent of capacity.

In August the output of 127 mills in this district was 5.8 per cent lower than in July. The operations of 311 establishments in the United States during July as compared with June show that the total production decreased 4.0 per cent, the only class to gain being women's full-fashioned, which was 1.4 per cent larger.

Floor coverings. At the Smith auction sale of carpets and rugs, prices, after the first day, averaged not far from list figures. Since the sale, business has improved somewhat, but is only fair. Wiltons appear to be called for more freely than other weaves. Sales to Florida show a considerable increase as compared with former years. Prices are unchanged and manufacturers have increased their output slightly. Stocks are from moderate to heavy but are smaller than they were last month. Linoleum and felt base goods are in only fair request.

LEATHER

Hides and skins. Slight advances in some selections and small decreases in others leave the average price of hides at the same level as during the past two months. Sales have been sufficient to absorb offerings. Calf skins declined about 1 cent per pound and quotations for goat skins were unchanged, the demand, though good, being less urgent than it was in August.

The following table shows that stocks of hides and skins increased during July. With the exception of cattle hides they were larger on July 31 than at any time since 1923.

Stocks of hides or skins*	July 31	Change during July
Cattle.....	3,731,668	+0.6%
Calf and kip.....	4,022,806	+2.3 "
Sheep and lamb.....	8,125,911	+7.6 "
Goat and kid.....	9,805,505	+1.0 "

* Bureau of the Census.

Leather. Both heavy and upper leathers have been in fair demand; the call, however, is somewhat less than it was a month ago. Prices are firm and in some cases shoe manufacturers have bought freely in the belief that quotations in the near future will be maintained. Several of the large tanners of heavy leather have curtailed considerably the wetting of hides because of the increase in the stock of sole leather each month since March. Demands for an advance in wages have been made by workers in some of the large kid tanneries; these demands are in the process of adjustment. Sales of leather belting are fair but harness leather is in

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poor demand. The following table shows changes in production and stocks:

Leather July, 1925, as compared with June, 1925*	Change in	
	Production	Stocks— end of month
Back, bends and sides	- 1.6%	+2.8%
Belting butts	- 1.6 "	+1.7 "
Offal, sole and belting	+ 1.4 "	-5.4 "
Cattle side, upper	+ 6.7 "	-1.7 "
Calf	+21.9 "	-9.4 "
Goat and kid	-14.6 "	-5.9 "
Cabretta	- 9.0 "	-1.7 "

* Bureau of the Census.

Shoes. Shoe factories in this district continue to be fairly busy. Good sales by both wholesale and retail shoe merchants have caused them to purchase freely, but only for early delivery. For women's wear orders for black shoes predominate. Prices are unchanged.

Production of shoes in the United States in July amounted to 24,581,966 pairs as compared with 21,389,498 pairs in July, 1924. And for seven months the output was nearly five and three quarter million pairs larger than in the same period last year. August production in this district is shown in the following table:

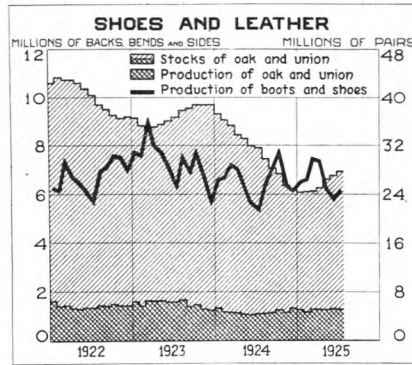
Production of shoes,* Philadelphia Federal Reserve District (in thousands of pairs)	August	% change from July
Boots and shoes, total	1,339	+16.6
High and low cut (leather) total	1,345	+15.5
Men's	137	+41.7
Boys' and youths'	183	+12.0
Women's	205	+26.9
Misses' and children's	417	+ 3.6
Infants'	402	+18.3
All other leather or part leather footwear	54	+56.2

* Preliminary report—Bureau of the Census.

AGRICULTURE

Substantial improvement is reported in the condition of nearly all crops in the Philadelphia district since August 1. The estimated yield of corn, oats and buckwheat is above the ten-year average. Threshing of grain has been satisfactory, owing mainly to favorable weather conditions. The Pennsylvania tobacco crop is being cut and good yield and quality are in prospect. Production of all hay, though fair, is somewhat below last year's volume. Chiefly because of dry weather and late blight the output of potatoes appears to be considerably below normal. Larger yields are indicated in such other truck crops as tomatoes, sweet corn, peppers, beans, cantaloupes, watermelons, eggplants, cucumbers, beets, fall spinach, celery and lettuce, but cabbage, carrots and onions are not up to last year's conditions. Such fruits as apples, pears, peaches, and grapes continue poor. Pastures are green and about average in car-

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Stocks of sole leather have been greatly reduced during the past three years, but recently have again increased.

Source—Department of Commerce

rying capacity at this time of the year. Livestock generally remain in a healthy condition.

Largely because of seasonal demand, the supply of labor is inadequate in many counties. Wages as a rule remain unchanged from those for the corresponding period of last year. Principally on account of the rise of quotations for rye, wheat, cattle, hay, hides and tobacco, August prices of farm products were 12¼ per cent higher than they were in August, 1924.

CIGARS

During the past month sales of cigars have been fairly good and the call for all grades is fully as satisfactory as it was four weeks ago. Prices are firm and very few changes have occurred in this market since our last report was issued. Resistance to prices, however, still is encountered. Stocks of finished goods

are from moderate to light and are decreasing. Manufacturers reporting to this bank are operating at an average of 70 per cent of maximum output.

SUGAR

Raw sugars are lower in price and during the third week in September, a new low for the year was established. Cuban sold at 2 11/32 cents per pound, cost and freight, and Porto Rican and Philippine sugar at 4.12 cents per pound, delivered. Sales of Cuban to this country have been fairly large and for shipment to England the tonnage booked has been much heavier than usual. Stocks in Cuba, however, are large and the prospects for the new crop are good, early estimates placing the yield in excess of the present record crop.

The demand for refined sugar, though seasonally smaller, is still good and local refiners have been able to run their plants at capacity without accumulating stocks. The price of granulated sugar is from 5.60 to 5.70 cents per pound, except that two refiners offer at 5.35 cents, and as the spread between refined and raw sugar is larger than it was two months ago, the situation from the refiners' standpoint is more satisfactory.

PRINTING AND PUBLISHING

Printers, publishers, lithographers and engravers are fairly active at present, and the volume of current business compares favorably with that of last month and of September, 1924. Operations at printing plants in this district average about 75 per cent of capacity. No change has occurred in publishing costs during the past thirty days. Collections are prompt.

CROP ESTIMATES September 1, 1925	Crop	Sept. 1 condition, % normal		Production in bushels * (000's omitted)		
		1925	Average	Forecast, 1925	Harvested, 1924	Average
United States	Corn	75.5	77.4	2,885,108	2,436,513	2,934,649
Pennsylvania	"	95	85	77,900	55,692	66,567
New Jersey	"	96	.....	11,197	8,024	10,429
United States	Oats	82.1	81.1	1,461,945	1,541,900	1,327,642
Pennsylvania	"	88	87	40,621	37,080	38,653
New Jersey	"	79	.....	2,076	2,144	2,223
Pennsylvania	Buckwheat	90	86.6	5,733	5,150	4,821
New Jersey	"	90	.....	243	220	216
United States	White potatoes	73.1	76.6	344,391	454,784	417,848
Pennsylvania	"	79	77	25,511	28,792	26,449
New Jersey	"	57	75	5,643	11,544	11,767
United States	Tobacco	75.2	79.4	1,247,011	1,240,513	1,330,876
Pennsylvania	"	90	85.5	59,778	59,800	60,352
United States	Apples	52.5	57.5	162,198	179,101	181,465
Pennsylvania	"	38	56	6,460	7,267	10,063
New Jersey	"	62	.....	2,172	2,300	.....
United States	Pears	63.9	64.8	18,012	18,628	17,056
Pennsylvania	"	48	62	427	629	576
New Jersey	"	55	61	454	624	513
Delaware	"	45	56	193	328	201
United States	Peaches	60.1	.....	47,674	53,137	49,519
Pennsylvania	"	24	.....	574	1,504	1,464
New Jersey	"	61	.....	1,822	2,480	1,921

* Tobacco in pounds.