THE BUSINESS REVIEW

THIRD FEDERAL RESERVE DISTRICT
PHILADELPHIA NOVEMBER 2, 1925

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BUSINESS CONDITIONS IN THE UNITED STATES

Production in basic industries and factory employment increased in September. Distribution of commodities, both at wholesale and at retail, continued in large volume, and the level of prices remained practically unchanged.

Production. The Federal Reserve Board's index of production advanced 2 per cent in September, notwithstanding the suspension of anthracite mining. The volume of output increased considerably in the iron and steel, bituminous coal, and textile industries, while the decreases which occurred in some other industries were relatively small. Automobile production was larger than in August, but continued to reflect the effects of curtailment incidental to changes in models. Number of employees on factory payrolls in September was larger than in August in nearly all reporting industries. Building contracts awarded during September did not equal the record level of August, but continued large as compared with earlier months. Total contracts awarded during the first nine months of this year were nearly as large as for the entire year 1924.

Crop conditions, as reported by the Department of Agriculture, showed considerable improvement in September, and the indicated yields of cotton, corn, oats, barley, and hay were larger than a month earlier, while forecasts of wheat and tobacco production were slightly smaller. Marketing of crops increased further in September, but was smaller than last year.

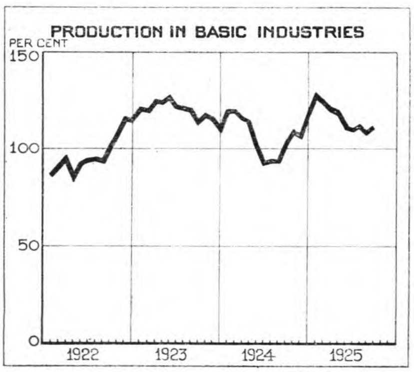
Trade. Wholesale trade was 9 per cent larger in September than in August, and sales in all lines except dry goods were larger than a year ago. Sales of department store and mail-order houses showed considerably more than the usual increase in September and were larger than a year ago. Stocks of merchandise at department stores also increased in September more than usual and at the end of the month were 4 per cent greater than a year ago. Wholesale firms in all leading lines except groceries reported smaller stocks on September 30 than a month earlier.

Total and merchandise freight car loadings in September were larger than during the same month of any previous year. Coal shipments were smaller than in August, owing to the anthracite strike, and shipments of coal and of grain products were smaller than in September of last year.

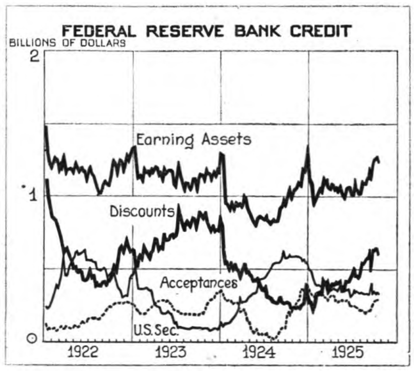
Prices. The level of wholesale prices, as measured by the index of the Bureau of Labor Statistics, declined slightly in September. Among groups of commodities, grains, woolen goods, and furniture showed price declines, while prices of coal and building materials advanced. In the first half of October prices of grains, wool, and rubber increased, while prices of sheep, hogs, sugar, and cotton declined.

Bank credit. At member banks in leading cities the volume of loans, both for commercial purposes and on securities, increased further between September 16 and October 14, and at the middle of October total loans of these banks were nearly $650,000,000 larger than at the end of July. During the same period demand deposits of these banks increased by about $360,000,000, but were below the level of the beginning of the year, while the volume of their borrowings at the reserve banks increased by about $200,000,000 to the highest point of the year.

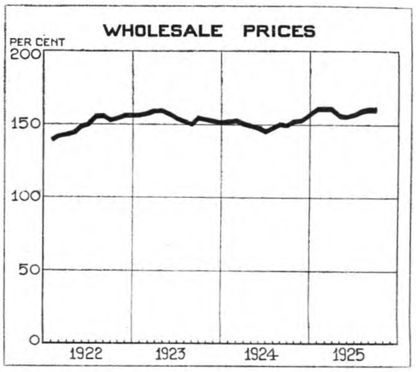
Total volume of reserve bank credit outstanding was larger in October than at any other time during 1925, reflecting increases during the two preceding months both in discounts for member banks and in acceptances bought in open market. This growth has been due primarily to



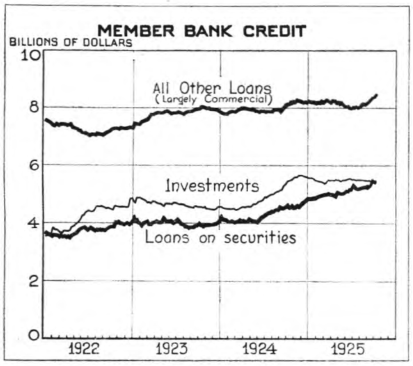
Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figure—September, 111.



Weekly figures for 12 Federal Reserve Banks. Latest figure—October 14.



Index of U. S. Bureau of Labor statistics (1913 =100, base adopted by Bureau). Latest figure—September, 160.



Weekly figures for member banks in 101 leading cities. Latest figure—October 14.

the seasonal increase during the period of about $100,000,000 in currency in circulation and there has also been a considerable increase in member banks' reserve balances, accompanying a growth in their deposits.

In October the rates on prime commercial paper were firmer and the renewal rate on call loans averaged higher than in September.

BUSINESS INDICATORS Philadelphia Federal Reserve District		September, 1925	Latest figure compared with	
			Previous month	Year ago
Retail trade—net sales† (156 stores)		$20,127,000	+21.3%	+ 2.0%
Department stores (67)		$16,168,000	+23.8 “	− 0.3 “
Apparel stores (41)		$2,497,000	+22.2 “	+ 9.0 “
Shoe stores (27)		$524,000	+20.2 “	+ 20.0 “
Credit stores (21)		$938,000	−10.9 “	+ 19.0 “
Wholesale trade—net sales (153 firms)		$11,283,737	+ 9.4 “	− 4.0 “
Boots and shoes (12 firms)		$418,572	+10.0 “	− 15.4 “
Drugs (14 firms)		$1,615,733	+ 4.2 “	+ 7.9 “
Dry goods (17 firms)		$1,225,636	+31.8 “	− 10.1 “
Electrical supplies (6 firms)		$574,970	+28.7 “	− 6.2 “
Groceries (51 firms)		$4,001,266	+ 5.1 “	− 8.0 “
Hardware (29 firms)		$1,889,444	+ 5.0 “	− 1.8 “
Jewelry (11 firms)		$528,231	+14.5 “	+ 13.7 “
Paper (13 firms)		$1,029,885	+ 9.7 “	− 1.9 “
Production:				
Shoes* (95 factories)	prs.	1,345,019	− 0.8 “	....
Pig iron	tons	263,275	+ 5.6 “	+ 16.9 “
Hosiery* (129 mills)	doz. prs.	1,123,533	+ 5.4 “	....
Iron castings (32 foundries)	tons	4,876	− 0.5 “	+ 0.1 “
Steel castings (12 foundries)	tons	5,427	+ 4.5 “	+ 33.2 “
Cement	bbls.	3,685,000	− 1.1 “	+ 4.5 “
Bituminous coal—Penna.	tons	13,269,000	+30.0 “	....
Wool consumption* (83 mills)	lbs.	7,847,664	+11.9 “	....
Active cotton spindle hours (Penna. and N. J.)		119,972,386	+34.4 “	+ 36.9 “
Electric power—11 systems	KWH	271,395,000	− 2.1 “	+ 17.4 “
Distribution:				
Freight car loadings (Allegheny district—weekly average)		207,865.	− 3.6 “	+ 1.1 “
Tonnage of vessels (Port of Philadelphia)	tons	3,058,201	+ 2.5 “	+ 9.0 “
Exports of wheat (from Port of Philadelphia)	bus.	1,136,362	− 5.7 “	− 49.5 “
Exports of flour (from Port of Philadelphia)	lbs.	2,749,860	+33.0 “	− 76.5 “
Imports of crude oil (into Port of Philadelphia)	gals.	11,173,344	−43.0 “	− 19.4 “
Financial:				
Loans, discounts and investments of member banks (weekly average)		$1,087,000,000	+ 1.0 “	+ 7.6 “
Bills discounted held by F. R. B. of Phila. (daily average)		$49,068,000	− 0.7 “	+155.6 “
Acceptances executed (11 banks for month ended Oct. 10)		$4,435,000	− 5.1 “	− 26.5 “
Commercial paper sales (6 dealers)		$5,517,000	−21.9 “	− 48.6 “
Savings deposits (99 banks)		$570,276,000	− 0.2 “	+ 6.8 “
General:				
Debits (18 cities)		$2,256,505,000	+ 4.9 “	+ 13.0 “
Commercial failures—number		64	+42.2 “	− 12.3 “
Commercial failures—liabilities		$928,390	+24.0 “	− 29.4 “
Building permits (16 cities)		$15,047,984	− 7.1 “	− 14.2 “
Building contracts awarded (Philadelphia district)		$48,482,600	− 6.4 “	+ 0.4 “
Employment—1,254 plants in Penna., N. J. and Del.:				
Number of wage earners		423,755	+ 2.5 “	+ 4.6 “
Total wages		$10,588,310	− 0.4 “	+ 5.8 “
Sales of life insurance (Penna., N. J. and Del.)		$67,753,000	−10.2 “	+ 20.4 “

* Bureau of Census preliminary figures. † Estimated.

BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

General business conditions in the Philadelphia Federal Reserve District, with the exception of the anthracite mining region, continued to show improvement during September and October. Much of this recent betterment, it is true, is of a seasonal nature, but as compared with the fall of 1924, industrial and commercial activity is on a distinctly higher level. Factory employment in the states of the district has been advancing since July, and in September the number employed was 5 per cent larger than in the same month last year. Total wage payments, which are a better measure of manufacturing output, were 6 per cent greater than in September, 1924. The volume of check payments in the district increased from August to September and in the latter month was 13 per cent above the level of a year ago. That distribution of goods is also at a high rate is indicated by larger shipments of merchandise and increased buying at retail, especially of apparel and shoes. Wholesale conditions are somewhat mixed, for although September showed gains in all lines, only in drugs and jewelry were sales larger than in 1924.

Building continues to be very active in the district, although the value of new building for which contracts were made and permits issued in September was slightly less than in the preceding month. Building materials are in good demand and many plants are working at nearly capacity to fill existing orders. In most cases prices are firm but quotations on several grades of lumber have been lowered.

Demand for iron and steel products has been increasing noticeably; new orders for pig iron, rails, sheets, hardware and many other products are larger than they were a month ago. Operations throughout the industry have expanded and the district output of pig iron in September was 8.5 per cent larger than the low point in July and 16.9 per cent above the level of September, 1924. Although the effects of the anthracite strike on the bituminous market are not strikingly evident, demand has increased seasonally, and output continues above the 1924 levels.

The market for most textile products has experienced further betterment. Silk goods continue in excellent request and most mills in the district are operating close to capacity. Cotton mills are also more active, and demand continues undiminished although prices of both yarns and goods have recently declined somewhat. Fair business is reported by woolen manufacturers and some improvement in worsted lines. Hosiery continues in excellent demand at firm or advancing prices. Carpet manufacturers report inactive trade awaiting the opening of the new season early in November.

The shoe and leather industries are fairly active and the market for hides and skins has been generally firm, though with lower prices for cow-hides.

Crop conditions in the Philadelphia district continue satisfactory and relatively better than in the country as a whole. The average crop yield is close to the ten-year average and the livestock outlook is also favorable.

EMPLOYMENT AND WAGES

Employment showed a general upward trend throughout Pennsylvania, New Jersey, and Delaware during the month of September as compared with August. The total wages paid fell off slightly owing to the fact that the majority of plants suspended operations one or two days over Labor Day. Factory activity, however, was undoubtedly greater in Sep-

EMPLOYMENT AND WAGES In Pennsylvania, New Jersey and Delaware	No. of plants reporting	Number of wage earners—week ended		Total weekly wages—week ended		Average weekly earnings—week ended	
		Sept. 15, 1925	Per cent change	Sept. 15, 1925	Per cent change	Sept. 15, 1925	Per cent change
All industries (49)	1,254	423,755	+ 2.5	$10,588,310	− 0.4	$24.99	− 2.9
Metal manufactures:	411	190,073	+ 2.6	4,997,881	− 0.4	26.29	− 2.2
Automobiles, bodies, and parts	27	12,041	+ 4.0	355,595	+ 8.3	29.53	+ 4.1
Car construction and repair	20	18,657	− 6.5	520,221	− 2.1	27.88	+ 4.7
Elec. machinery and apparatus	38	22,162	+19.7	503,667	+12.7	22.73	− 5.8
Engines, machines, mach. tools	58	13,148	− 0.7	346,908	− 7.5	26.38	− 6.9
Foundries and machine shops	78	13,195	+ 2.3	342,172	− 2.7	25.93	− 4.9
Heating appl. and apparatus	20	6,115	+ 3.8	165,390	− 1.8	27.05	− 5.4
Iron and steel blast furnaces	14	12,347	+ 7.0	326,690	+ 3.3	26.46	− 3.4
Iron and steel forgings	14	4,093	+ 3.2	87,366	+ 4.0	21.35	+ 0.8
Steel works and rolling mills	47	41,535	+ 1.9	1,103,450	+ 1.7	26.57	− 0.2
Structural iron works	19	5,663	+ 0.9	154,660	+ 0.1	27.31	− 0.8
Misc. iron and steel products	44	25,119	− 0.7	673,296	− 3.0	26.80	− 2.3
Shipbuilding	9	9,523	+ 0.0	254,292	− 5.1	26.70	− 5.1
Hardware	8	1,887	− 2.2	44,049	− 6.6	23.34	− 4.4
Non-ferrous metals	15	4,588	− 0.8	120,125	− 6.3	26.18	− 5.6
Textile products:	262	81,507	+ 0.6	1,689,271	− 5.8	20.73	− 6.4
Carpets and rugs	15	3,843	− 3.2	93,789	−12.9	24.41	− 9.9
Clothing	42	6,528	− 0.9	117,431	− 3.9	17.99	− 3.1
Hats, felt and other	9	4,947	− 0.4	132,879	− 0.4	26.86	0
Cotton goods	31	9,569	− 0.9	180,495	−11.9	18.86	−11.1
Silk goods	67	23,299	+ 0.7	447,290	− 3.1	19.20	− 3.8
Woolens and worsteds	26	9,997	+ 3.0	191,742	− 7.2	19.18	− 9.9
Knit goods and hosiery	43	13,686	+ 0.8	290,872	− 8.7	21.25	− 9.4
Dyeing and finishing textiles	21	8,149	+ 2.5	205,774	− 1.8	25.25	− 4.2
Miscellaneous textile products	8	1,489	+ 1.6	28,999	− 1.6	19.48	− 3.2
Foods and tobacco:	135	35,381	+ 7.1	734,737	+ 5.1	20.77	− 1.8
Bakeries	36	4,285	− 1.0	124,967	− 0.5	29.16	+ 0.5
Canneries	11	6,259	+36.3	128,024	+42.7	20.45	+ 4.7
Confectionery and ice cream	27	6,170	+ 6.1	125,593	+ 3.3	20.36	− 2.5
Slaughtering and meat packing	15	2,689	− 2.0	71,763	− 2.3	26.69	− 0.2
Sugar refining	4	3,448	+ 6.1	101,042	+ 0.3	29.30	− 5.5
Cigars and tobacco	42	12,530	+ 1.8	183,348	− 2.5	14.63	− 4.2
Building materials:	97	28,080	+ 2.2	798,790	− 1.4	28.45	− 3.5
Brick, tile, terra cotta products	39	5,324	+ 0.5	132,299	− 2.2	24.85	− 2.6
Cement	15	8,167	+ 0.1	257,726	− 1.4	31.56	− 1.5
Glass	28	9,339	+ 5.4	252,371	+ 1.9	27.02	− 3.4
Pottery	15	5,250	+ 2.1	156,394	− 5.4	29.79	− 7.3
Chemicals and allied products:	90	33,036	+ 2.9	1,029,069	+ 3.5	31.15	+ 0.6
Chemicals and drugs	49	8,218	+ 3.4	227,741	+ 3.0	27.71	− 0.4
Explosives	12	3,332	+ 3.5	91,889	+ 0.6	27.58	− 2.8
Paints and varnishes	18	1,632	− 0.5	41,239	− 5.1	25.27	− 4.6
Petroleum refining	8	18,720	+ 2.5	635,193	+ 4.4	33.93	+ 1.8
Coke	3	1,134	+ 9.4	33,007	+10.0	29.11	+ 0.6
Miscellaneous industries:	259	55,678	+ 2.5	1,338,562	− 1.3	24.04	− 3.7
Lumber and planing mill prod.	32	4,893	− 1.7	102,011	− 1.7	20.85	0
Furniture	27	3,794	+ 3.4	93,021	+ 2.6	24.52	− 0.8
Musical instruments	6	6,746	+23.0	168,617	+ 9.1	25.00	−11.3
Leather tanning	33	8,659	+ 7.1	207,317	+ 2.3	23.94	− 4.5
Leather products	12	1,860	+ 3.3	39,229	+ 3.0	21.09	− 0.3
Boots and shoes	30	5,007	− 4.7	92,095	−10.3	18.39	− 5.8
Paper and pulp products	28	6,647	− 1.3	161,271	− 2.1	24.26	− 0.8
Printing and publishing	48	4,767	− 2.7	148,745	− 0.5	31.20	+ 2.2
Rubber tires and goods	18	5,567	− 0.3	145,649	− 7.4	26.16	− 7.1
Novelties and jewelry	12	3,582	− 1.4	82,846	− 2.7	23.13	− 1.3
All other industries	13	4,156	− 0.5	97,761	− 8.2	23.52	− 7.8

tember than in August. The food and tobacco group reported the most decided expansion in both employment and operations. This gain was caused chiefly by seasonal expansion in the canning industry. Textile industries showed the smallest advance in employment and the largest decrease in wage payments.

Among the individual industries, electrical apparatus factories, blast furnaces, canneries, coke plants, musical instrument factories and leather tanneries experienced the most marked improvement. One car repair shop closed down and this caused a fairly large decrease in the car construction and repair industry. The only other notable decreases in employment were in the hardware, carpet and rug, slaughtering and meat packing, boot and shoe, and printing and publishing industries. These decreases were slight, being from two to five per cent.

FINANCIAL CONDITIONS

Apparently reflecting activity in the stock markets, loans on securities, as reported by member banks in Philadelphia, Camden, Scranton and Wilmington, increased from 361.5 millions on September 16 to 385.6 millions on October 14. Commercial loans changed little and investments declined from 342.3 to 338.2 millions. Total loans and investments and total deposits both increased about 20 millions in the four weeks.

Compared with a year ago the loans and investments of these reporting member banks in four cities are 64.0 millions higher, owing entirely to an increase in loans on securities; total deposits have advanced 38.4 millions. Their borrowings from the reserve bank have increased 24.2 millions.

An increase of 10.3 millions in earning assets during the four weeks ended October 21 was reported by the Federal Reserve Bank of Philadelphia. Almost all of this was due to heavier discounts for member banks. Note circulation declined 2.2 millions, deposits gained 5.8 millions and cash reserves fell 4.6 millions, with the result that the reserve ratio decreased from 75.0 per cent on September 23 to 72.3 per cent on October 21.

Commercial paper. The demand for commercial paper in the Philadelphia Federal Reserve District during October continues to be light, but sales in New England, New York and the Middle West have increased. At the opening of the month the largest transactions were at 4½ per cent but, later, more sales were made at 4¼ per cent. The supply of paper is only fair.

During September, the amount of paper sold to Philadelphia banks was $1,384,500 and to outside institutions $4,122,500. Rates on these sales varied from 4 to 5 per cent, but more than 80 per cent of the total was at 4¼ to 4¾ per cent.

ELECTRIC POWER

Production of electric power by 11 systems in the Philadelphia Federal Reserve District and sales to industries and transportation companies were smaller in September than in August. This loss is largely attributable to the industrial slackening in the anthracite region, for productive activity elsewhere in the district advanced in September. As compared with last year, however, reporting systems showed substantial gains in output and sales.

ELECTRIC POWER Philadelphia Federal Reserve District	Change from Aug., 1925*	Change from Sept., 1924†
Rated generator capacity	0.0%	+ 6.8%
Generated output	− 2.1 "	+17.4 "
Hydro-electric	−16.6 "	+11.6 "
Steam	− 1.8 "	+16.5 "
Purchased	− 4.0 "	+23.7 "
Sales of electricity	− 3.9 "	+19.6 "
Lighting	+ 6.5 "	+12.7 "
Municipal	+17.6 "	+ 9.4 "
Residential and commercial	+ 4.2 "	+13.3 "
Power	− 7.6 "	+15.5 "
Municipal	+14.6 "	+17.2 "
Street cars and railroads	− 0.8 "	+ 8.6 "
Industries	− 8.5 "	+18.0 "
All other sales	+ 8.3 "	+77.1 "

* 11 systems. † 10 systems.

RETAIL TRADE

Retail trade was stimulated considerably during late September by the colder weather, and in October it appears, from preliminary reports, to be holding about even with the trade of October, 1924. Retailers report that merchandise is easily obtainable at unchanged prices.

During September sales in this district were 2.0 per cent larger than in September, 1924. In Harrisburg, Williamsport, Wilkes-Barre and Scranton, however, decreases were shown. In the latter two cities this was ascribed to the anthracite strike. Credit and shoe stores continue to show large increases. In the apparel trade sales by men's wear dealers fell behind those of a year ago, but women's apparel showed a gain.

Departments in which large gains were made in September, 1925, as compared with September, 1924, include musical instruments and radios, silverware and jewelry, toilet articles and drugs, floor coverings, furs, women's dresses, silk and velvets, silk and muslin underwear including petticoats, handkerchiefs, women's and children's hosiery, and negligees, aprons and housedresses. Heavy decreases occurred in the following departments: women's suits, women's skirts, waists and blouses, sweaters, woolen dress goods, women's coats and gloves.

RETAIL TRADE Philadelphia Federal Reserve District	Comparison of net sales		Comparison of stocks		Percentage of sales to average stocks from Jan. 1 to Sept. 30	
	Sept., 1925, with Sept., 1924	Jan. 1 to Sept. 30, 1925, with Jan. 1 to Sept. 30, 1924	Sept. 30, 1925, with Sept. 30, 1924	Sept. 30, 1925, with Aug. 31, 1925	1925	1924
All reporting firms	+ 2.0%	− 0.4%	+ 1.5%	+10.4%	2.30	2.33
All department stores	− 0.3 "	− 1.8 "	− 0.2 "	+10.2 "	2.27	2.31
in Philadelphia	− 0.4 "	− 2.1 "	+ 0.9 "	+10.7 "	2.48	2.55
outside Philadelphia	+ 0.1 "	− 1.0 "	− 2.2 "	+ 9.1 "	1.87	1.86
All apparel stores	+ 9.0 "	+ 6.1 "	+12.1 "	+12.3 "	2.89	2.94
Men's apparel stores	− 5.8 "	+ 1.4 "	− 2.0 "	+ 9.1 "	1.61	1.58
in Philadelphia	− 5.0 "	+ 4.7 "	+ 2.1 "	+ 3.7 "	1.85	1.77
outside Philadelphia	− 7.0 "	− 3.1 "	− 5.8 "	+15.0 "	1.37	1.39
Women's apparel stores	+ 4.7 "	+ 2.3 "	+ 4.6 "	+19.0 "	4.39	4.41
in Philadelphia	+ 4.3 "	+ 2.0 "	+ 5.8 "	+20.5 "	4.75	4.86
outside Philadelphia	+ 7.6 "	+ 4.1 "	− 0.6 "	+12.9 "	2.77	2.55
Credit houses	+19.0 "	+ 2.4 "	+ 1.4 "	+ 5.0 "	1.72	1.76
Shoe stores	+20.0 "	+10.6 "	+13.8 "	+16.5 "	1.85	1.77

WHOLESALE TRADE

Estimates of wholesale trade during October point to a good volume of sales. Prices have been steady, the comparatively few and slight advances having been offset by similar declines.

During September, sales in all branches of wholesale trade showed good gains as compared with August; the increases in drygoods and electrical supplies were especially large. As compared with September, 1924, however, only jewelry and drug sales increased. Notwithstanding that, in six lines, sales were smaller than in the corresponding month of 1924, stocks in only two of these six were larger at the end of September than they were a year previous to that date.

Drugs. The wholesale drug market is slightly more active than it was a month ago with seasonal goods and patent medicines in best request. Prices, in several instances, are lower than they were four weeks ago. According to the "Oil, Paint and Drug Reporter," the index number for botanical drugs fell during the month from 123.2 to 120.8.

Paper. Business in the various grades of paper is now more active than it was last month or a year ago. Except for slight advances on lower grades, prices remain unchanged from those of the preceding month. Manufacturers, as well as dealers, are enjoying a fairly good demand for their products, and mills are now working at about 80 per cent of capacity. Unfilled orders, however, are sufficient to insure operations at this rate for about a month only. Stocks in the hands of manufacturers and dealers are moderate. Collections are fairly prompt.

Drygoods. The demand for drygoods has increased during the month. Most of the orders call for delivery during October and the balance are for November shipment. Prices generally are unchanged, although a slight increase is noted in woolen goods.

Articles in demand include blankets, napped goods, sweaters, hosiery, winter underwear, bureau scarfs, table covers, curtain materials, handkerchiefs, gloves, flannel shirts and novelties for the holiday trade.

Electrical supplies. Wholesalers find that the call for electrical supplies is fairly good and better than it was at this time last month. Sales of radio supplies have improved noticeably, and electric irons and other specialties, including small heating units, also are selling in good volume. Prices are firm and unchanged from those quoted a month ago.

Shoes. The almost total cessation of buying by retailers in the anthracite district, coupled with the downward seasonal tendency, has reduced sales of shoes at wholesale. However, a fair volume of orders for early shipment has been booked. Prices are unchanged. As is usual at this season the demand for boots for men, misses and children has increased; these are, for the most part, of tan or black calf. For women, pumps of black leather or fabric continue to be the best sellers.

Jewelry. Sales of jewelry at wholesale continue in good volume at unchanged prices. The demand covers practically the entire line.

Production of diamonds in South Africa, which is the principal world's source, was larger in 1924 than in any year since 1920, as is shown in the following table. Sales, however, were smaller than in 1923.

South African diamonds*	Production (in carats)	Sales (in carats)
1920	2,612,511	1,812,827
1921	823,035	544,165
1922	669,559	1,231,373
1923	2,053,094	2,584,269
1924	2,440,397	2,040,655

* The Jewelers Circular.

Hardware. Conditions in the wholesale hardware market are rather spotty. Demand in the anthracite district has suffered as a result of the coal strike, whereas, on the other hand, the continuance of building construction has quickened the call in other sections. Construction supplies, tools and mill materials are moving in largest volume, though substantial sales of seasonal goods are being made. Prices are practically the same as they were four weeks ago.

Groceries. Preliminary estimates indicate that sales of groceries at wholesale during October have increased as compared with the previous month. The general average of prices has not changed greatly. Dried and canned fruits, cheese, chocolate, cocoa, raisins, canned salmon

WHOLESALE TRADE Philadelphia Federal Reserve District	Net sales, Sept., 1925, compared with		Stocks, Sept., 1925, compared with		Accounts outstanding Sept., 1925, compared with		Ratio of accounts outstanding to sales		
	Aug., 1925	Sept., 1924	Aug., 1925	Sept., 1924	Aug., 1925	Sept., 1924	Sept., 1925	Aug., 1925	Sept., 1924
Boots and shoes	+10.0%	−15.4%	− 5.2%	− 0.8%	+12.9%	+ 1.5%	256.4%	256.2%	209.4%
Drugs	+ 4.2 "	+ 7.9 "	....	....	+ 3.9 "	+ 7.7 "	136.2 "	134.8 "	132.7 "
Dry goods	+31.8 "	−10.1 "	− 1.9 "	− 1.6 "	+15.7 "	− 5.7 "	206.9 "	235.6 "	197.2 "
Electrical supplies	+28.7 "	− 6.2 "	+ 0.7 "	−12.0 "	+16.3 "	−10.4 "	133.2 "	147.4 "	139.3 "
Groceries	+ 5.1 "	− 8.0 "	+ 6.7 "	+ 1.2 "	+ 3.8 "	− 6.7 "	104.1 "	107.5 "	104.2 "
Hardware	+ 5.0 "	− 1.8 "	− 2.7 "	− 6.5 "	+ 2.7 "	− 3.1 "	184.1 "	189.6 "	182.1 "
Jewelry	+14.5 "	+13.7 "	− 4.3 "	+ 0.8 "	+12.9 "	+13.8 "	299.1 "	303.5 "	298.6 "
Paper	+ 9.7 "	− 1.9 "	+ 0.5 "	+ 7.1 "	+ 4.7 "	− 7.2 "	149.0 "	156.0 "	157.5 "

and soap are among the articles which have advanced, but these are fairly well balanced by declines in sugar, canned vegetables, flour and syrups.

The best selling articles were canned vegetables and fruits, dried fruits, pancake and buckwheat flours, and holiday items, which include raisins, nuts and mince meat.

CONDITIONS IN THE CITIES OF THE DISTRICT

Conditions in most of the cities of the Philadelphia District were better in September, 1925, than in September, 1924, as shown in the accompanying table. Improvement seems to be especially pronounced in Philadelphia, Wilmington, Reading, York, Allentown and Altoona. The effects of the anthracite strike are seen in the declines in retail sales, as compared with last year, reported by Wilkes-Barre and Scranton, and also in the latter city in the large recent decline of employment and wages. In most cases the falling off in wage payments from August to September was due to the observance of Labor Day. Debits were smaller than in August in a number of cities, but were larger than in September, 1924 in all cities except Scranton and Harrisburg.

BUILDING

During September a decline occurred in both the number of permits issued and the total estimated cost in sixteen cities of the Philadelphia Federal Reserve District. The proposed cost also was about two and one-half million dollars less than during September of last year comparisons will be seen in the table on pages 2 and 5.

Cement. Demand for cement is good, and though it is about the same as it was a month ago, it is more active than at this time last year. In recent weeks, business has been more quiet for seasonal reasons, consequently unfilled orders are smaller than they were four weeks ago. Prices are steady, no changes having occurred since our last report was issued. There is practically no resistance to present prices. Stocks are generally light and decreasing.

Cement production*	In thousands of barrels		Per cent of change
	1925	1924	
June	15,387	13,538	+13.7
July	15,641	14,029	+11.5
Aug.	16,419	15,128	+ 8.5
Sept.	15,939	14,519	+ 9.8

* Compiled by the Geological Survey.

Manufacturers reporting to this bank are all operating at close to capacity, as, at this season, those who are not filling current orders are manufacturing for

INDUSTRIAL AREAS	Employment	Wage payments	Value of building permits	Debits	Savings deposits	Retail trade sales	Electric power sales
	September, 1925, compared with August, 1925						
Philadelphia	+ 3.4%	− 0.0%	− 4.6%	+ 6.3%	+0.0%	+31.8%	+ 1.0%
Trenton	+ 2.2 "	− 5.3 "	−27.4 "	+ 6.2 "	−0.0 "	+10.2 "	+ 3.0 " *
Wilmington	+ 3.0 "	− 1.3 "	+63.3 "	− 0.4 "	+0.0 "	− 1.2 "	+ 1.7 "
Reading	+ 5.3 "	− 4.4 "	−24.0 "	− 0.9 "	−3.7 "	−16.1 "	+12.5 "
Lancaster	+ 2.1 "	− 0.7 "	+35.1 "	+ 1.5 "	−0.9 "	+ 9.0 "	−10.0 "
York	+ 2.1 "	− 3.2 "	−16.4 "	−10.3 "	−0.4 "	+ 6.6 "	+ 3.5 "
Harrisburg	+ 0.6 "	− 5.0 "	+102.8 "	−11.2 "	+0.7 "	+17.1 "	....
Allentown	− 0.2 "	− 1.9 "	− 7.7 "	− 2.1 "	+0.5 "	+ 2.9 "	−16.4 " †
Wilkes-Barre	+ 0.5 "	− 1.4 "	+24.3 "	− 7.0 "	−1.7 "	+ 0.3 "	‡
Scranton	−10.7 "	−22.0 "	−60.5 "	− 2.8 "	−0.1 "	+ 6.0 "	−13.4 "
Altoona	− 1.6 "	− 0.9 "	−39.4 "	+11.3 "	+0.2 "	− 2.2 "	+ 6.3 "
Johnstown	− 7.0 "	− 9.6 "	....	+ 1.8 "	−0.2 "	− 9.4 "	....
Williamsport	− 2.9 "	+ 0.2 "	−52.5 "	+ 8.5 "	−1.5 "	− 4.3 "	‡
	September, 1925, compared with September, 1924						
Philadelphia			+ 8.9%	+14.3%	+ 7.4%	+ 2.3%	+20.5%
Trenton			− 3.2 "	+ 6.3 "	− 0.4 "	+ 4.0 "	+36.2 " *
Wilmington			+ 1.1 "	+21.4 "	+ 5.4 "	+ 2.1 "	+22.5 "
Reading			+68.2 "	+24.7 "	+12.8 "	+ 0.8 "	+53.2 "
Lancaster			−26.5 "	+ 3.9 "	+16.8 "	0	+18.9 "
York			−35.5 "	+15.3 "	+11.0 "	+ 5.7 "	+17.5 "
Harrisburg			+24.8 "	− 3.2 "	+22.4 "	− 3.2 "	....
Allentown			+ 1.1 "	+11.3 "	+ 6.6 "	+ 4.1 "	+ 2.9 " †
Wilkes-Barre			+ 6.6 "	+ 0.3 "	+ 6.8 "	− 5.9 "	‡
Scranton			−31.1 "	− 4.6 "	+ 9.5 "	− 5.6 "	+12.6 "
Altoona			− 6.7 "	+16.9 "	+12.5 "	+ 0.6 "	+34.4 "
Johnstown			....	+ 9.3 "	+ 2.0 "	+ 7.9 "	....
Williamsport			−10.9 "	+17.4 "	+ 8.1 "	−14.2 "	‡

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

future stocks. In recent months production of Portland cement has been at record levels.

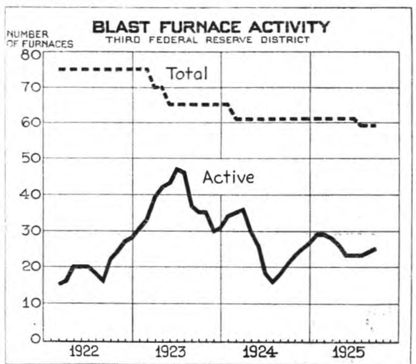
Paint. A fair demand for paint is reported by manufacturers in this district, and most of them agree that it is better than it was a month ago. Buying for immediate needs continues to be much in evidence and, though total unfilled orders are of about the same size as they were at this time last month, they do not extend as far into the future. House paints, interior varnishes and stains are in best request. Prices are firm, and, in some instances, slightly higher than they were four weeks ago. On October 23 linseed oil was quoted at 97.5 cents per gallon in carload lots, cooperage basis.

Stocks of finished paint are from moderate to light, and are decreasing. Manufacturers reporting to us are operating their plants at an average rate of about 80 per cent of capacity and, at this rate, unfilled orders will insure operations for not longer than two weeks.

Lumber. The call for lumber is fairly good and much the same as it was a month and a year ago. The price situation, however, is not all that could be desired. Resistance to quotations continues to be keen and competition in several instances has brought about concessions in established quotations. Prices of white pine are advancing, but those of West Coast fir, hemlock, oak and chestnut are lower than they were a month ago. Stocks of finished goods are moderate and decreasing. Unfilled orders are about as large as those of a month ago, though they do not extend as far into the future. Manufacturers reporting to us are operating their mills at an average rate of close to 85 per cent of capacity, which is about the same as at this time in September.

IRON AND STEEL

Developments in the iron and steel industry during recent weeks have been distinctly favorable. The volume of new business has been steadily increasing; prices are firmer, and the rate of operations is higher than it was a month ago. The demand for pig iron has strengthened noticeably, and bookings of steel rails and sheets have been especially noteworthy. The call for light and heavy hardware is better than it was at this time last month,



Source—Iron Trade Review

The trend of blast furnace activity in the Philadelphia Federal Reserve District from June 1923 to July 1924 was generally downward. It turned sharply upward, however, during the latter part of 1924, and a similar movement is apparent this fall.

and more interest is being manifested in supplies of scrap steel, sheets, wire nails and hot rolled strips. Demand for steel castings is fair and much the same as it was in September, but the call for iron bars has improved. With the arrival of the recent cool weather, demand for domestic coke strengthened sharply, causing users of furnace and foundry grades to enter the market for future needs. The result was a notable advance in prices ranging from $3.25 to $3.75 per ton. Both furnace and foundry coke are now quoted at $7.50 per ton.

Prices of pig iron are much firmer than they were four weeks ago and quotations for many finished steel products have been advanced with varying success. According to the "Iron Age," the composite price of pig iron on October 20 stood at $19.88 per ton, a gain of 34 cents over that computed a month ago. The composite price of finished steel rose from 2.396 to 2.403 cents per pound during the same period. Philadelphia 2X pig iron advanced 50 cents and is now quoted at $22.76 per ton.

During September output of pig iron and steel ingots again increased, as will be seen in the table below. For the first time since February, unfilled orders of the United States Steel Corporation showed a gain.

In gross tons	Sept.	Aug.
Production—		
Pig iron	2,726,198	2,704,476
Steel ingots	3,492,904	3,424,034
Unfilled orders—		
U. S. Steel Corp	3,717,297	3,512,803

The "Iron Age" estimates that the industry as a whole is operating at a higher rate than it was during September and that it is now close to 80 per cent of capacity.

Iron foundries. In the table below are presented the principal operating features of 32 iron foundries reporting to us for September. Percentage of change comparisons are made with the preceding month and the corresponding month of last year.

Iron foundry operations	Sept.	Change from Aug., 1925	Change from Sept., 1924
Capacity	11,074 tons	0	0
Production	4,876 "	− 0.5%	+ 0.1%
Malleable iron	549 "	+ 5.6 "	+72.1 "
Gray iron	4,327 "	− 1.2 "	− 5.0 "
Jobbing	3,380 "	+ 0.1 "	− 0.2 "
For further mfr	947 "	− 5.7 "	−18.9 "
Shipments	5,234 "	+ 5.5 "	− 1.1 "
Value	$759,657	+11.1 "	−14.5 "
Unfilled orders	4,948 tons	− 3.8 "	+ 3.3 "
Value	$785,093	+ 2.5 "	+ 2.3 "
Raw stock:			
Pig iron	5,232 tons	+ 8.1 "	− 6.3 "
Scrap	2,829 "	+ 1.8 "	− 1.9 "
Coke	1,975 "	+ 7.1 "	+ 8.0 "

Steel foundries. Returns from identical steel foundries located in the Philadelphia Federal Reserve District show that the main operating items for September were for the most part ahead of those during the preceding month and in September, 1924.

Steel foundry operations	Sept.	Change from Aug. 1925*	Change from Sept. 1924†
Capacity	12,490 tons	0	0
Production	5,427 "	+ 4.5%	+33.2%
Shipments	4,282 "	+ 3.0 "	+39.7 "
Value	$877,662	+22.9 "	+70.0 "
Unfilled orders	4,486 tons	+10.5 "	+28.5 "
Value	$1,267,906	−17.7 "	+72.5 "
Raw stock:			
Pig iron	1,948 tons	−13.3 "	−32.7 "
Scrap	9,720 "	− 7.9 "	+ 1.7 "
Coke	1,306 "	0	+56.1 "

* 12 plants. † 6 plants.

AUTOMOBILES

Following the recent announcements of price reductions on many models, sales of automobiles by 14 reporting distributors in the Philadelphia Federal Reserve District increased substantially in September as compared with the previous month. Wholesale business was 7.6 per cent greater in value and retail sales gained 27.4 per cent. In the wholesale trade the less expensive cars accounted for most of the increase, as sales of the more expensive makes were less; while at retail the latter showed large gains. Stocks of automobiles also increased heavily, but holdings of the expensive makes were less than in August. Stocks of used cars also increased but sales were smaller.

AUTOMOBILE TRADE Philadelphia Federal Reserve District—14 distributors	Sept., 1925 Change from Aug., 1925	
	Number	Value
Sales, new cars, whl'sale	+23.9%	+ 7.6%
Cars under $1,000	+38.8 "	+32.5 "
Cars $1,000 to $2,000	−32.8 "	−31.0 "
Cars over $2,000	−10.4 "	−14.3 "
Sales, new cars at retail	+16.9 "	+27.4 "
Cars under $1,000	−14.3 "	−28.7 "
Cars $1,000 to $2,000	+22.0 "	+39.7 "
Cars over $2,000	+19.6 "	+27.1 "
Stocks of new cars	+47.0 "	+18.2 "
Cars under $1,000	+82.8 "	+71.8 "
Cars $1,000 to $2,000	−21.1 "	−13.0 "
Cars over $2,000	−12.7 "	− 9.8 "
Sales of used cars	− 4.6 "	− 7.3 "
Stocks of used cars	+19.1 "	+23.6 "
Retail sales, def. payment	− 2.9 "	− 6.4 "

COAL

The market for bituminous coal is somewhat stronger than it was a month ago, but, as one operator points out, this is due in large part to the natural seasonal increase rather than to the impetus furnished by the anthracite strike. The increased consumption of bituminous as a substitute for anthracite is of course a factor in the present market, but it must be noted that, for some time past, output has been considerably in excess of the ordinary requirements of bituminous consumers. Since production is maintained at more than 11 million tons a week, the general impression is that a good deal of this tonnage has been and still can be deflected into former anthracite consuming channels without any noticeable effect on the market as a whole.

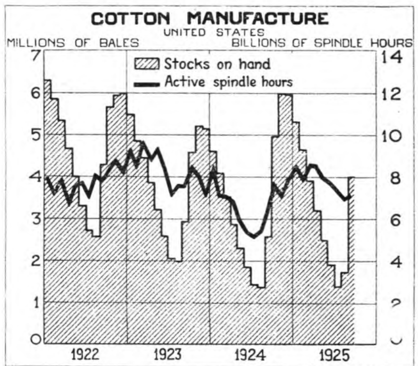
Prices are firm and slightly higher than they were a month ago. In Philadelphia on October 22 Pool 10 coal was quoted at from $1.90 to $2.15 per ton, an advance of 15 cents in the past four weeks. A table giving weekly production in tons for each of the past five weeks is presented below.

Bituminous production week ended	In thousands of net tons*		Per cent of change
	1925	1924	
Sept. 19	10,880	10,156	+ 7.1
Sept. 26	11,232	10,458	+ 7.4
Oct. 3	11,008	10,614	+ 3.7
Oct. 10	11,681	10,904	+ 7.1
Oct. 17	11,767	10,599	+11.0

* Compiled by the Geological Survey.

TEXTILES

Cotton. The demand for both gray and finished cotton goods generally shows undiminished strength. Although prices recently have eased off somewhat, they are still above last year's levels, ranging from 2 per cent higher for sheetings to 15 per cent higher for print cloths. On the other hand, quotations for cotton yarns, which also have weakened slightly in the last fortnight, are from 4 to 7 per cent lower than they were at this time last year. This recent decline is due in part to the drop in raw cotton prices. Manufacturers of cotton fabrics



Source—Department of Commerce

Total stocks of raw cotton increase late in each year as the new crop is marketed. Spinning decreased almost steadily from early in 1923 until the late summer of 1924. In 1925, however, the seasonal decline in spinning was much smaller than in the preceding year.

are now working at about 70 per cent of capacity, and unfilled orders are sufficient to insure plant operations at this rate up to the end of this year, and in some instances beyond that date. Stocks of cotton manufactures generally are moderate.

Since October 1 the prospect for increased yield of this season's cotton has brightened greatly. The government report as of October 18 indicates a production of 15,226,000 bales as compared with 13,627,936 bales last year. Ginnings up to October 18 totaled 9,519,784 running bales, as against 7,615,981 bales a year ago. Spot cotton, which sold at 23.65 cents a pound on September 23 and 23.35 cents on October 23, 1924, was quoted at 21.80 cents a pound on October 23, 1925. The September cotton consumption rose about 8 per cent above the August level and was 12 per cent greater than the consumption for September, 1924. Buying for domestic and foreign requirements continues active. The following table shows the position of American cotton:

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 Oct. 23	5,768	4,668	4,347
Total	6,893	5,620	5,217
Visible supply on Oct. 23	3,853	3,062	2,601
World's takings to Oct. 23	3,040	2,558	2,616

* Compiled by the New York Cotton Exchange.

Wool. Although business in woolen and worsted goods and yarns is only fair, several reports indicate a substantial gain in sales over those of last month and a year ago. Improvement in worsted lines is particularly noticeable. Producers of wool manufactures generally are now working at from 65 to 70 per cent of capacity, and unfilled orders will insure operation at this rate well up to the end of the year. Stocks remain moderate. Quotations continue unchanged at firm levels, although several large companies opened lines of spring dress goods at prices ranging from 5 to 10 per cent below last year's level. Collections are fairly good.

Philadelphia wool dealers report a slight improvement in the demand for domestic and foreign wools, notably those of medium grade. September wool consumption in this district rose 11.9 per cent above the August level. Imports into the United States during September totaled 18,948,156 pounds as compared with 34,448,589 pounds for August and 12,129,358 pounds for September, 1924. Raw wool stocks are moderate. Wool prices have stiffened somewhat during the past month. Fairchild's index number as of October 24 stood at 110.6 for domestic and 112.4 for foreign wools, as against 107.6 and 114.2, respectively, on September 19.

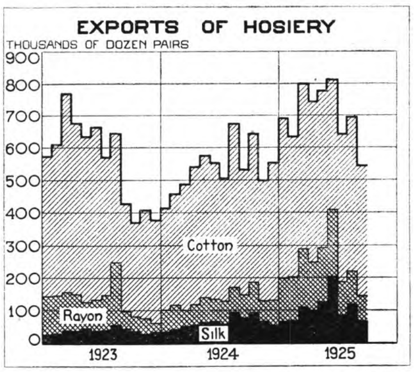
Silk. The distribution of silk goods continues in large volume at prices somewhat higher than those of a year ago. Although most manufacturers report plant operations as unchanged, the present rate of output in this district averages 95 per cent of capacity, as compared with 90 per cent for the preceding month. An exception to this is found among producers of ribbons who are now working at about 75 per cent of capacity. Unfilled orders for broad silks will insure mill activities at the present rate for about eighty days. Stocks of silk fabrics are fairly light.

Raw silk prices remain firm and are from 10 to 15 per cent above last year's level. Kansai double-extra cracks sold on October 23 at $7.10 a pound, as against $7.05 on September 23 and $6.25 on October 23, 1924. Activities in the raw silk market are shown below:

Raw silk* (in bales)	Sept., 1925	Aug., 1925	Sept., 1924
Imports	52,375	40,466	48,843
Stocks	42,708	32,017	42,260
Mill takings	41,684	44,047	36,658

* Silk Association of America.

Hosiery. Business in hosiery continues good. The best call is for chiffon and light-weight silk full-fashioned hosiery for women, but mills making seamless silk and fibre goods for both men and women are also busy. Prices for silk hosiery, especially for full-fashioned, are very firm, in fact, some manufacturers have made an advance of 50 cents per dozen. Other prices are unchanged except for a slight reduction in some cotton and mercerized numbers. Production schedules for October show another gain. In September the output of 129 identical mills in this district was 5.4 per cent larger than in August. The operations of 398 mills in the United States during August as compared with July show that production increased 1.9 per cent and that orders booked were 9.5 per cent larger.



Source—Department of Commerce

Exports of hosiery during eight months of 1925 were larger than in the corresponding months of the two previous years. The large gain in exports of silk hosiery during the second quarter of 1925 was largely the result of the increased duty in Great Britain which became effective at the end of June.

Underwear. Conditions in knit underwear mills vary greatly. A number of them which produce winter weights are sold up for the balance of this year, but others have only sufficient orders to keep them busy for a month at a comparatively low rate of production Summer weights for the spring of 1926 have sold poorly, but the demand for rayon underwear for prompt delivery is fairly good. Production in the majority of reporting mills varies from 65 to 100 per cent of capacity. Prices are unchanged, finished stocks are light and collections are fair.

The following table shows production by 150 identical mills in the United States during the summer months:

Knit underwear* (in dozen garments)	Winter weights	Summer weights
June	605,202	534,105
July	590,304	419,522
Aug.	630,950	332,895

* Department of Commerce.

Clothing. Preliminary reports indicate fairly good business in both men's and women's wear for next spring. Moreover, supplementary fall orders, stimulated by weather conditions, also compare favorably with last year's volume. Activity in furnishings is only moderate. Production of clothing and furnishings in this district now averages 80 per cent of capacity, and unfilled orders will insure operation at this rate for about 40 days. Stocks, though somewhat heavy, are not excessive. Prices generally are firm at about 89 per cent above the prewar level. Collections are only fair.

Floor coverings. With the exception of Wiltons, in which business is fair, manufacturers of carpets and rugs report that trade is poor and is marking time until the opening of the new season. This will be on November 2, as the largest factory has announced that date for the opening of its lines. Discontinued patterns and off quality goods, however, are in good request for special sales by retailers. Production schedules have been reduced and a number of mills are using only a small part of their machinery. Linoleum and felt base goods are in fair demand, but new business is seasonally smaller than it was a month ago.

LEATHER

Hides and skins. The market for hides has been generally firm and unchanged, but fractionally lower prices have been accepted by packers for ex-light Texas steers and for all selections of cow hides. Calf skins are unchanged and goat skins, in some cases, have risen slightly in a very active market.

The following table shows stocks of hides on August 31. The most notable change during August was in goat skins, the stocks of which again increased. That tanners of goat leather have confidence in the market is shown by the fact that since January 31 stocks in their hands had increased 53.5 per cent whereas the gain in dealers' stocks is only 4.1 per cent.

Stocks of Hides or skins*	Aug. 31	Change during Aug.
Cattle	3,640,356	−2.4%
Calf and kip	4,130,677	+2.7 "
Sheep and lamb	7,950,213	−2.2 "
Goat and kid	10,164,616	+3.7 "

* Bureau of the Census.

Leather. The demand for both heavy and upper leathers continues fair. In heavy leather the call for offal has been notably good and the stock is lower than for some time past. The price of offal has advanced but other leathers are unchanged. Wages in kid factories were raised slightly late in September. The following table shows changes in production and stocks of leather in August. Notwithstanding a notable gain in the production of kid leather, the stock was lower. Since August a further increase in wetting of skins is reported by kid tanners.

Leather, Aug., 1925 as compared with July, 1925	Changes in	
	Production	Stocks—end of month
Backs, bends and sides	÷ 2.3%	−0.2%
Belting butts	+ 0.5 "	−3.5 "
Offal, sole and belting	− 8.5 "	−8.4 "
Cattle side, upper	+ 7.2 "	−3.5 "
Calf	− 1.5 "	−2.2 "
Goat and kid	+17.5 "	−2.1 "
Cabretta	− 0.3 "	+3.8 "

Shoes. Shoe factories report that, although new orders are seasonally slightly less, they continue in fair volume. Factories that supply chain stores are especially well supplied with business. Prices are unchanged and stocks have decreased. Production in this district in September is shown in the following table, and preliminary reports indicate that the output in October will not show a great change. Production in the United States in August amounted to 28 374,244 pairs as compared with 25,473,054 in August, 1924. In the first eight months of the year a gain of 8,820,000 pairs was made as compared with the same period in 1924.

Production of shoes * Philadelphia Federal Reserve District (in thousands of pairs)	Sept.	% Change from Aug.
Boots and shoes, total	1,345	− 0.8
High and low cut (leather) total	1,327	+ 1.5
Men's	137	+ 2.2
Boys' and youths'	161	−11.8
Women's	282	+20.2
Misses' and children's	393	+ 5.9
Infants'	353	− 8.0
All other leather or part leather footwear	18	−62.1

* Preliminary report—Bureau of the Census.

AGRICULTURE

Crop conditions in the Philadelphia district continue to be satisfactory and are somewhat better than the condition for the country as a whole. According to official estimates as of October 1, the indicated yield of all crops will be up to the ten-year average. Harvesting, favored by fair weather, has been fairly prompt and successful, although in many counties farmers reported a slight deficiency in labor supply. Most of the corn crop, which is excellent this year, has been cut; the peach and tobacco crops have been completely harvested; most of the late potatoes have been dug; and apple and pear picking is about finished. Truck crops are good in yield and quality, whereas fruits, though excelling the quality of former years in color, size, texture and soundness, are below the average production. Fall plowing has begun and winter wheat plantings are about 95 per cent completed. The acreage planted is about the same as that of last year.

Pastures are in fairly good condition. Although estimates of hay production, on October 1, were revised downward, this year's yield still exceeds that of the average. Livestock generally is up to its normal October condition. According to reports, the slaughter and sale of hogs are about as large as they were at this time last year. Spring pigs are in good condition and, owing to increased yield of corn, farmers are much encouraged by the market prospects for new crop hogs. September prices of farm products dropped slightly below the August level but they were about 12 per cent higher than they were in September, 1924.

TOBACCO

Cigars. The call for cigars is fair and slightly more active than it was both a month and a year ago. Unfilled orders on the books of reporting firms are of about the same size as they were last month, and delivery dates extend no further into the future.

Prices are firm and, though competition for business in all classes of cigars is keen and resistance to prevailing prices is strong, no change in current quotations has occurred in the past four weeks. Stocks of finished goods are moderate and decreasing. Reporting manufacturers are running their equipment at an average rate of close to 70 per cent of capacity. Unfilled orders on hand will insure this rate of output for about three weeks.

Tobacco leaf. Trading in Pennsylvania tobacco has been very light during the past month; in fact nearly all factors reporting to us say that the demand is distinctly poor. The 1924 crop has not been placed on the market in any appreciable quantity and prices, consequently, have not been quoted. The market for Ohio and Wisconsin tobacco is only fair, although it is said to be improving. Reports indicate that the Wisconsin 1925 crop is a good one; much better than the ten-year average.

Crop estimates October 1, 1925 (000's omitted)	Pennsylvania			New Jersey		
	Estimated yield	1924 production	10-year average	Estimated yield	1924 production	10-year average
Corn (bushels)	77,900	55,692	66,567	11,314	8,024	10,429
Wheat (bushels)	24,769	20,020	23,126	....	....	....
Oats (bushels)	40,390	37,080	38,853	2,016	2,144	2,223
Buckwheat (bushels)	5,569	5,150	4,821	236	220	216
Potatoes (bushels)	26,863	28,792	26,449	5,643	11,544	10,890
Sweet potatoes (bushels)	....	....	....	2,108	2,431	2,440
Tobacco (pounds)	57,564	59,800	60,352	....	....	....
Hay (tame) (tons)	4,005	4,748	3,996	471	584	482
Apples (bushels)	6,630	7,267	10,063	2,068	2,300	....
Peaches (bushels)	588	1,504	1,464	1,740	2,480	....
Pears* (bushels)	460	629	576	488	624	....
Grapes (tons)	11	19	20	2	2	....
Cranberries (barrels)	....	....	....	134	215	....

* Estimated production of pears for Delaware totals 168,000 bushels as compared with the average yield of 201,000 bushels.