BUSINESS CONDITIONS IN THE UNITED STATES

Production of basic commodities in November continued in about the same volume as the month before, and the general level of prices remained unchanged. Activity of wholesale and retail trade was below the record level of October, but larger than in November of last year.

Production. Output of basic industries included in the Federal Reserve Board's index of production was at about the same rate in November as in October, but owing to a smaller number of working days, the index declined by about 1 per cent. Increases occurred in average daily production of pig iron, steel ingots, copper, and bituminous coal, and in the consumption of cotton, while the production of flour, sugar, and meat products declined. Automobile production in November was seasonally less than in October, but continued large for this time of the year. Employment and pay-rolls in manufacturing industries showed small increases in November as compared with October. Employment and workmen’s earnings increased in the machinery industries, while in food products and tobacco and in the clothing industry there were seasonal declines. Building contracts awarded were smaller in November than in October, but were large when compared with the volume for November of previous years.

Final estimates by the Department of Agriculture in 1925 indicate that the acreage of all crops harvested was slightly larger than in 1924, but that the aggregate production of crops was in about the same volume. Yields of cotton, corn, and tobacco were considerably larger than last year, while the production of wheat, oats, potatoes, and hay was smaller.

Trade. Sales in leading lines of wholesale trade showed the usual decline in November from the seasonally high levels in October, but continued larger than in the corresponding month of any of the past five years. Total volume of trade at department stores and mail order houses was smaller than in October, owing largely to the smaller number of business days in November. Compared with earlier years, however, department store sales were the largest on record for November and sales at mail order houses were the largest for that month in the past six years. Merchandise stocks at department stores showed considerably more than the usual increase in November and were 4 per cent larger than in November of last year. Distribution of commodities by railroads during November reached new high levels for the month. Movements of merchandise and miscellaneous commodities, coal, and coke were larger, while those of livestock, grain and forest products were somewhat smaller than in November of the two preceding years.

Prices. Wholesale prices according to the index of the Bureau of Labor Statistics remained the same in November as in October. Prices of livestock, meats and cotton goods declined, but these decreases were offset in the general averages by advances in the price of grains, fuel, lumber and rubber.

In the first three weeks of December prices of wheat, flour, and hardwood lumber were slightly higher than in November, while quotations on cattle, cotton, coke, copper and hides were lower.

Bank credit. At member banks in leading cities, the volume of credit outstanding on December 9 was near the high level reached early in November. Loans for commercial and agricultural purposes declined somewhat during the period, and there was also a decrease in the banks' security holdings; continued growth of loans on securities, however, was sufficient to offset these reductions and the total of loans and investments remained practically unchanged.
At the Reserve Banks the seasonal demand for currency and credit resulted in a wider increase of total bills and securities in December to the highest level in nearly four years. This increase in Reserve Bank credit in use has been in the form of discounts for member banks, and the volume of purchased bills held changed but little between the middle of November and the middle of December, and holdings of United States securities also remained constant, except for a temporary increase connected with Treasury financing on December 15. Money in circulation increased by $71,000,000 between November 1 and December 1 and the continued demand for currency in December was reflected at the Reserve Banks both in increased reserve note circulation and in a decline in cash reserves.

During the latter part of November and the early part of December open market rates on commercial paper and acceptances remained substantially unchanged. Later in December increased demand for credit and currency, largely seasonal in character, was reflected in firmer money conditions.

BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

Developments during the last two months of 1925 have given further evidence of the continued prosperity of business in the Philadelphia Federal Reserve District. The turn for the better which occurred in mid-summer has since been followed by a steady improvement which, though partly seasonal in its nature, has been manifested each month in a consistently larger volume of production and distribution than in the corresponding months of 1924. Factory employment in the states of the district remained virtually unchanged in December, but sales of the two preceding months but continued, as it has each month since June, to be substantially larger than in the corresponding month of last year. Wage payments to workers, which is a still better measure of factory activity, also have been materially larger during the last half of 1925 than in the year before. Distribution and consumption of goods, as well as production, also continued in large volume. Freight car loadings in the Allegheny district declined seasonally in November but continued well above last year's figures. Wholesale dealers also reported seasonal slackening earlier the October peaks though in all lines, except groceries and drygoods, November business was in much larger volume than it was last year. Retail buying also continues very active with every evidence of record Christmas buying. November business in reporting stores was 1.6 per cent ahead of October, and total sales for eleven months of 1925 was 2 per cent above that of the same period in 1924, in spite of the fact that the first six months of 1925 showed a decline.

In the construction industry 1925 has proved to be a record year in the Philadelphia district as it has elsewhere. In nearly every month the cost of building for which permits were issued has been much greater than in the corresponding month of 1924, and the value of contract awards for eleven months was 15.0 per cent greater than in the same period last year. November permits in 16 cities of the district were 51.2 per cent greater in November than in 1924. Building material manufacturers have naturally experienced good business although seasonal recessions occurred in November. Among the manufacturing industries the iron and steel group has been especially active, with foundries, railroad machinery and tool manufacturers and other fabricators placing larger orders, and to an increasing extent for future delivery. The continuance of the anthracite strike has stimulated domestic demand for petroleum fuels and for soft coal, and production of the latter is especially active. Among the textile industries silk manufacture has been very active but business in cotton and wool goods has slowed down somewhat. Makers of floor coverings, underwear and hosiery also report some silk and wool lines are quite active.

City conditions. That recent improvement in the district has not been evenly distributed among the cities of the district is evident from the accompanying table. The effects of the coal strike are seen in the decreases in debits in Wilkes-Barre and Scranton as compared with last year and in the large falling off in retail sales in the cities. As compared with most of the smaller cities of the district.

### BUSINESS INDICATORS

**Philadelphia Federal Reserve District**

<table>
<thead>
<tr>
<th>Category</th>
<th>November 1925</th>
<th>Previous year</th>
<th>Latest figure compared with</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Retail trade</strong>—net sales (151 stores)</td>
<td>$26,156,000</td>
<td>-2.5%</td>
<td>+2.8%</td>
</tr>
<tr>
<td>Department stores (66)</td>
<td>$30,380,000</td>
<td>-0.9%</td>
<td>+4.0%</td>
</tr>
<tr>
<td>Apparel stores (41)</td>
<td>$3,906,000</td>
<td>-7.8%</td>
<td>+14.4%</td>
</tr>
<tr>
<td>Shoe stores (27)</td>
<td>$602,000</td>
<td>-11.6%</td>
<td>+9.1%</td>
</tr>
<tr>
<td>Credit stores (16)</td>
<td>$602,000</td>
<td>-6.4%</td>
<td>-4.0%</td>
</tr>
<tr>
<td><strong>Wholesale trade</strong>—net sales (151 firms)</td>
<td>$11,080,634</td>
<td>-10.9%</td>
<td>+0.8%</td>
</tr>
<tr>
<td>Boots and shoes (12 firms)</td>
<td>$360,121</td>
<td>-18.1%</td>
<td>+13.3%</td>
</tr>
<tr>
<td>Drugs (14 firms)</td>
<td>$1,159,797</td>
<td>-21.1%</td>
<td>+6.6%</td>
</tr>
<tr>
<td>Dry goods (17 firms)</td>
<td>$728,475</td>
<td>-7.9%</td>
<td>+16.2%</td>
</tr>
<tr>
<td>Electrical supplies (6 firms)</td>
<td>$3,818,506</td>
<td>-7.3%</td>
<td>+0.8%</td>
</tr>
<tr>
<td>Groceries (56 firms)</td>
<td>$1,830,483</td>
<td>-14.6%</td>
<td>+1.8%</td>
</tr>
<tr>
<td>Hardware (27 firms)</td>
<td>$508,058</td>
<td>-8.1%</td>
<td>-15.0%</td>
</tr>
<tr>
<td>Jewelry (12 firms)</td>
<td>$1,026,356</td>
<td>-9.5%</td>
<td>+3.7%</td>
</tr>
<tr>
<td>Paper (13 firms)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Production:**

- Shoes* (89 factories): 1,182,835 tons, +15.8%  
  (151,000,000)  
- Pig iron: 5,875 tons, +6.5%  
  (151,000,000)  
- Cement: 3,427,000 bbls., +10.2%  
  (151,000,000)  
- Anthracite: 101,000 tons, +122.1%  
  (151,000,000)  
- Bituminous coal—Pennsylvania: 12,263,000 tons; 6 bs., 6,863,620 lbs., +13.9%  
  (151,000,000)  
- Active cotton spinning hours (Penna. and N. J.): 113,569,201, +11.9%  
  (151,000,000)  
- Electric power—12 systems: 308,253,000, +3.4%  
  (151,000,000)  

**Distribution:**

- Freight car loadings (Allegheny district—weekly average): 201,638 tons, +5.9%  
  (151,000,000)  
- Tonnage of vessels (Port of Philadelphia): 2,412,704 tons, +11.4%  
  (151,000,000)  
- Exports of wheat (from Port of Philadelphia): 1,992,015 buses, +11.4%  
  (151,000,000)  
- Exports of flour (from Port of Philadelphia): 1,092,249 buses, +11.4%  
  (151,000,000)  
- Imports of crude oil (into Port of Philadelphia): 12,767,375 gals., +5.3%  
  (151,000,000)  

**Financial:**

- Loans, discounts and investments of member banks (weekly average): $1,102,900,000, -0.4%  
  (151,000,000)  
- Bills discounted held by Federal Reserve Bank of Philadelphia (average): $53,397,000, +0.0%  
  (151,000,000)  
- Acceptances executed (11 banks for month ended December 10): $4,292,000, +13.9%  
  (151,000,000)  
- Bankers' acceptance (5 dealers—average for period ended middle following month): $1,625,000, +116.2%  
  (151,000,000)  
- Commercial paper (8 dealers): $560,832,000, +0.1%  
  (151,000,000)  

**General:**

- Debts (18 cities): $2,245,574,000, -12.4%  
  (151,000,000)  
- Commercial failures—number: 49, -32.9%  
  (151,000,000)  
- Commercial failures—liabilities: $1,011,229, -43.3%  
  (151,000,000)  
- Building permits (16 cities): $37,248,100, +3.2%  
  (151,000,000)  
- Building contracts awarded (Philadelphia district): $37,248,100, -27.6%  
  (151,000,000)  
- Employment (25,271) workers: $37,248,100, -30.9%  
  (151,000,000)  
- Number of wage earners: 436,092, +0.2%  
  (151,000,000)  
- Total wages: $11,386,000, +0.2%  
  (151,000,000)  
- Average weekly earnings: $36.12, +16.1%  
  (151,000,000)  
- Sales of life insurance (Penna., N. J. and Del.): $76,667,000, +3.2%  
  (151,000,000)  

* Bureau of Census preliminary figures. †Estimated.

Page Two
of the district, conditions in Philadelphia were especially favorable in November.

**FINANCIAL**

Loans on securities, as reported by member banks in four of the larger cities of the Philadelphia Federal Reserve District, advanced from 397.7 millions on November 10 to 401.3 millions on December 9, so attaining a new high point for the year. Commercial loans, however, declined 9.7 millions in the four weeks and, at 362.8 millions on December 9, were 23.0 millions below the peak for the year reached three months before. Investments changed little in the last four weeks, but total loans and investments declined 6.8 millions and total deposits, 18.2 millions.

Rediscounts at the Federal Reserve Bank of Philadelphia increased 5.2 millions from November 18 to December 2, but in the two following weeks fell 2.9 millions. In the four weeks ended December 16 other bills and securities were reduced by 2.4 millions. The usual seasonal need for currency was evidenced by an increase of 15.8 millions in Federal reserve note circulation. Deposits declined slightly, but cash reserves gained 16.5 millions, and the reserve ratio rose from 75.2 per cent on November 18 to 76.9 per cent on December 16.

Debits to individual account at banks in 18 cities of this district totaled $1,762,899,000 in the three weeks ended December 16. This was an increase of over 4 per cent over a year ago, notwithstanding the fact that debits for three cities in the anthracite belt—Scranton, Wilkes-Barre and Hazelton—declined 17.6 per cent.

Christmas savings deposits as reported by 1,033 banks (including national banks, trust companies, state banks and savings banks), out of a total of 1,207 banks in the Philadelphia Federal Reserve District, amounted to $35,557,118 in December, 1925. Reports of 1,020 banks, for which both the 1924 and 1925 figures are available, show an increase from $31,480,000 in 1924 to $35,223,000 in 1925, or almost 12 per cent. Figures submitted by 103 banks in Philadelphia indicate that 69 banks maintained clubs this year and that deposits increased from $7,100,000 in 1924 to $8,736,000 in 1925, or 23 per cent.

Seven hundred and seventy banks in the district gave complete figures on number of depositors and amounts on deposit for both years. Totals for these banks, by states, are shown in the accompanying table.

**Commercial paper.** During the first two weeks of December the demand for commercial paper in Philadelphia continued poor, but in the third week of the month it improved considerably. In the Third Federal Reserve District outside of the city a better call for paper is also reported. The best demand, however, comes from outside the district, both the south and central west having bought in fair volume. Dealers' lists are somewhat fuller than they were a month ago and remain unchanged. The city no sales below 4 1/2 per cent have been reported.

During November, the amount of paper sold to Philadelphia banks was $116,150, and to outside institutions $3,570,000. Rates on these sales varied from 4 to 5 3/4 per cent but more than 95 per cent of the business was transacted at from 4 1/2 to 4 3/4 per cent.

**RETAIL TRADE**

Preliminary reports show that Christmas trade in the retail stores in this district is large; indeed, a number of retailers state that it is the heaviest on record. Price changes are unimportant.

During November, sales in the district were 2.8 per cent larger than in November, 1924. This increase, however, was not well distributed but was almost wholly in Philadelphia and all other cities, although Wilkes-Barre and Easton showed slight gains. In the other cities,
trade was poorer than in November, 1924, and, as was to be expected, showed heavy decreases in the anthracite region. Scranton decreasing 14.3 and Wilkes-Barre, 16.3 per cent. Sales in women's apparel stores increased, but in men's, decreased. Shoe stores again showed a gain, 9.1 per cent—and for the eleven months of 1924 are 11.1 per cent ahead of their sales for the corresponding period of 1924.

The five departments showing the largest percentage of increase were sweaters, furs, neckwear and veilings, ribbons, and books and stationery; and those in which the percentage of decrease was heaviest were women's suits, waists and blouses, woolen dress goods, knit underwear and men's clothing.

WHOLESALE TRADE

Preliminary estimates of wholesale trade during December indicate that sales have been in fair volume but naturally smaller than they were a month ago. Although the bulk of orders are for delivery before Christmas, some business has been closed for shipment during the first quarter of 1926. Prices are unchanged except that some cotton lines, including hosiery and underwear, are lower. Articles in demand included holiday goods, novelties, underwear, hosiery and handkerchiefs.

Jewelry. A good demand is reported for the general jewelry lines. The call for men's wrist watches has been of such size that some have found difficulty in meeting the demand. Rings, brooches and circle pins have also been good sellers. Prices are practically unchanged. In November, for the fourth month in succession, sales have been considerably ahead of the corresponding month in 1924.

Groceries. The best demand for groceries at this season is for holiday goods, which include nuts, raisins, mincemeat, confectionery, figs, dates, citrus, dried orange and lemon peel and spices. A good volume of staples has been sold, among which are canned vegetables and fruits, evaporated fruits and sugar.

More price advances of decline are reported, the following being higher than they were a month ago: evaporated and canned fruits, raisins, sugar, flour, spices and rice. Lower quotations have been made for lard, syrups, dried lima beans and canned tomatoes. Grocers in the anthracite regions report that business has decreased sharply and that collections are poor.

Paper. The wholesale demand for various grades of paper, though a trifle below that of thirty days ago, remains fair and slightly stronger than it was at this time last year. Book, fine, new-print, wrapping, kraft, towel and tissue, wall and board papers are in fairly good supply, meeting the demand. Rings, brooches and in other lines trade has been fair.

AUTOMOBILES

Reports from 15 automobile distributors in Philadelphia show that both wholesale and retail sales of new cars and retail business in used cars were considerably smaller in November than in October. This seasonal decline was experienced in all price groups except the sales at wholesale of medium priced cars, which showed a substantial increase in both number and value. Stocks of new cars held by distributors increased by about a third between October 31 and November 30, and it is also significant that stocks of used cars again showed an increase in November.

WHOLESALE TRADE

Philadelphia Federal Reserve District

<table>
<thead>
<tr>
<th></th>
<th>Nov., 1925 compared with</th>
<th>Nov., 1924 compared with</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, boots and shoes</td>
<td>-13.3%</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Stock no. 2025, compared with</td>
<td>-16.2%</td>
<td>-8.3%</td>
</tr>
<tr>
<td>Accounts outstanding, Nov., 1925, compared with</td>
<td>-15.2%</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Ratio of accounts outstanding to sales</td>
<td>13.3%</td>
<td>12.2%</td>
</tr>
</tbody>
</table>

**Footnotes:**

- During November sales in all reporting lines were seasonally smaller than in October, but, except in drygoods and groceries, were larger than in November, 1924. The largest gains were in jewelry, shoes and electrical supplies. Stocks of electrical supplies and groceries increased during the month but in other lines were smaller. As compared with a year ago, a large reduction in stocks of electrical supplies, hardware and shoes is noted. Collections, as usual, became slower during November, but in five lines were better than in the same month of 1924.

**Drygoods.** Sales of drygoods have been in fair volume but naturally smaller than they were a month ago. Although the bulk of orders are for delivery before Christmas, some business has been closed for shipment during the first quarter of 1926. Prices are unchanged except that some cotton lines, including hosiery and underwear, are lower. Articles in demand included holiday goods, novelties, underwear, hosiery and handkerchiefs.

**Jewelry.** A good demand is reported for the general jewelry lines. The call for men's wrist watches has been of such size that some have found difficulty in meeting the demand. Rings, brooches and circle pins have also been good sellers. Prices are practically unchanged. In November, for the fourth month in succession, sales have been considerably ahead of the corresponding month in 1924.

**Groceries.** The best demand for groceries at this season is for holiday goods, which include nuts, raisins, mincemeat, confectionery, figs, dates, citrus, dried orange and lemon peel and spices. A good volume of staples has been sold, among which are canned vegetables and fruits, evaporated fruits and sugar. More price advances of decline are reported, the following being higher than they were a month ago: evaporated and canned fruits, raisins, sugar, flour, spices and rice. Lower quotations have been made for lard, syrups, dried lima beans and canned tomatoes. Grocers in the anthracite regions report that business has decreased sharply and that collections are poor.

**Paper.** The wholesale demand for various grades of paper, though a trifle below that of thirty days ago, remains fair and slightly stronger than it was at this time last year. Book, fine, new-print, wrapping, kraft, towel and tissue, wall and board papers are in fairly good supply, meeting the demand. Rings, brooches and in other lines trade has been fair.

**Hardware.** Seasonal recession in nearly all grades of hardware is indicated by reports received from wholesalers in this district. Items selling most actively at present are iron and steel products, building, plumbing and heating materials, electrical goods, factory supplies and holiday articles generally. With a few exceptions, prices remain unchanged from those of four weeks ago. November collections declined but slightly.

**Drugs.** Activity in drugs continues at about the same rate as for the month ended November 20. Among the articles now selling most actively are pharmaceuticals, proprietary and patent medicines and holiday items. Prices are steady, and advances are noted in such products as essential oils, chemicals, denatured alcohol, bismuth salts, mercurials and oil of peppermint. Quotations for castor oil, however, have declined slightly. Collections are good.

**Shoes.** The holiday demand for leather and felt slippers has been good and in other lines trade has been fair. Rubbers, men's calf oxfords, women's pumps of patent leather, satin and velvet have been in best request. With a few exceptions orders call for immediate shipment. Some business in tennis lines for spring delivery has been booked but up to the present this has not been large. Prices are unchanged.
ELECTRIC POWER

November sales of electric current for lighting purposes in the Philadelphia Reserve District increased considerably over those for October and for November, 1924. But consumption of electricity for power by industries, municipalities, street cars and railroads dropped somewhat below October totals, though it exceeded those for November, 1924. Production of electricity by central stations also declined, but there was a very large increase in the output of hydro-electric power over that of last October and November, 1924.

<table>
<thead>
<tr>
<th>ELECTRIC POWER</th>
<th>Change from Oct. ’24</th>
<th>Change from Nov. ’23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rated generator capacity</td>
<td>+ 5.1%</td>
<td>+ 8.4%</td>
</tr>
<tr>
<td>Generated output</td>
<td>- 3.4%</td>
<td>+ 16.5%</td>
</tr>
<tr>
<td>Hydro-electric</td>
<td>+ 96.4%</td>
<td>+ 111.5%</td>
</tr>
<tr>
<td>Steam</td>
<td>- 20%</td>
<td>+ 10%</td>
</tr>
<tr>
<td>Purchased</td>
<td>+ 27.1%</td>
<td>+ 85.5%</td>
</tr>
<tr>
<td>Sales of electricity</td>
<td>- 10%</td>
<td>- 17.0%</td>
</tr>
<tr>
<td>Lighting</td>
<td>- 14.3%</td>
<td>+ 6.8%</td>
</tr>
<tr>
<td>Residential and commercial</td>
<td>- 15.7%</td>
<td>- 16.9%</td>
</tr>
<tr>
<td>Power</td>
<td>- 2.7%</td>
<td>+ 14.4%</td>
</tr>
<tr>
<td>Municipal</td>
<td>- 4.1%</td>
<td>+ 6.8%</td>
</tr>
<tr>
<td>Street cars and railroads</td>
<td>- 2.3%</td>
<td>+ 6.2%</td>
</tr>
<tr>
<td>Industrial</td>
<td>- 2.9%</td>
<td>+ 4.5%</td>
</tr>
<tr>
<td>All other sales</td>
<td>- 16.9%</td>
<td>+ 45.4%</td>
</tr>
</tbody>
</table>

* 12 systems. † 11 systems.

EMPLOYMENT AND WAGES

Employment and wages throughout Pennsylvania, New Jersey and Delaware scarcely changed during November as compared with October. Employment advanced 2 per cent, whereas the amount of wages paid declined 9 per cent. The suspension of operations in many plants over Armistice Day accounted for the declines in wage payments. The metal, food and tobacco, and building material groups fell off in both employment and output, but the chemical and allied product group declined only in operations. The textile and miscellaneous group showed increases in both employment and wages.

CHEMICALS

Trading in and manufacture of chemicals has continued active during the past thirty days, sales of crude methanol, acetate of lime, wood oils, charcoal, zinc oxide, lithopone, and coal tar products reaching fair proportions. The bulk of current buying is for prompt delivery. Future commitments for fertilizers, however, are increasing. Contract withdrawals have improved considerably in the last thirty days and are now satisfactory. Plant operations in this district average about 80 per cent. Stocks of both finished products and raw commodities are moderate, although, in a few instances, supplies appear to be heavy. Prices are firm, advances being noted in heavy acids, pigments, fertilizers and coal tar products. On the other hand, quotations for textile chemicals and some dyestuffs have dropped slightly below last month’s level. Soda ash and bleaching powder are selling at about the same prices as those of four weeks ago.

BUILDING

In November, as is usual at that time of year, the number and estimated cost of building permits in 16 cities of the Philadelphia Federal Reserve District were smaller than in October. As compared with November, 1924, however, though the number of permits fell from 2,296 to 2,073, the estimated cost increased from $12,092,667 to $18,278,258. The gain was entirely in the Philadelphia area which includes Camden, the Allentown area which includes Bethlehem and Easton, and in Trenton; in all other cities a decrease was shown. Details will be found in tables on pages 2 and 5. According to the statistics issued by the F. W. Dodge Corporation, contracts awarded in November in the United States broke all previous records for that month. The cost of industrial building during November, according to the Abberthaw index, remained at 194 per cent of the 1914 level, though the Abberthaw Company states that indications point to an upward trend.

Lumber. The demand for lumber, though seasonally smaller than a month ago, is fairly good. Prices are strong, and white pine, yellow pine and shingles...
have advanced. Quotations for millwork also have risen and business in this line is active. Hard woods have easily held the gains in prices previously reported. The rate of operations is slightly lower than it was in November but is not far from 80 per cent of capacity.

Paint. As the outdoor painting season in this district is over, orders received naturally reflect this condition and are smaller, but are about equal to those of the same period in 1924. All buying is for immediate delivery and plant operations have been reduced sufficiently to keep stocks stationary. Prices generally are unchanged but it is reported that in an effort to secure business some firms have offered to shade quotations slightly.

Bricks. A seasonal slackening in orders for building bricks is reported, although a fair volume of business has been booked. Prices are firm and unchanged. Stocks are moderate but have increased in some plants in which operations have been maintained at last month's level. As a whole production has decreased.

Pottery. Sales of pottery have been in good volume but scarcely sufficient to absorb the output, which is being maintained at the same high level as it was a month ago. This, in some cases, has resulted in overproduction, and consequent keen competition, with lower prices on staple goods.

OILS

Sales of kerosene and fuel oils have been large during the past four weeks, the demand from householders, industries and railroads having increased greatly since the beginning of the anthracite coal strike. Waxes and lubricating oils also are in good request, whereas the call for gasoline has slackened somewhat, owing to the seasonal drop in the automobile traffic. The output of refineries in the Philadelphia district is somewhat greater than it was thirty days ago and at this time last year. Stocks of refined petroleum are moderate. Prices are steady; tank wagon gasoline sold at 17 cents a gallon on December 21. Quotations for kerosene and fuel oils show an advance of about one cent a gallon since November 1.

As a result of the increased trade in refined oils, refinery demand for Pennsylvania crude is considerably heavier than is usual at this time of the year, and present stocks are somewhat lighter than they were last month or a year ago. The total output for the country declined from 2,051,850 barrels for the week ended November 21 to 2,016,150 barrels for the week ended December 19. Quotations are firm and most Pennsylvania grades have increased from 10 to 25 cents a barrel.

IRON AND STEEL

Although recently the market for pig iron has slackened somewhat, business in iron and steel products generally has been fairly active during the past four weeks. The call for railway equipment has increased over last month's volume. Sales of plates have been sizeable and prospects for the nearby future appear to be favorable. Shipments of structural shapes are considerable, although new orders are neither large nor numerous. Fabricating shops, however, are well provided with work for the next few months. A number of producers state that lately there has been a marked tendency toward ordering for future delivery, although conservative buying for prompt shipment still predominates. At present, builders, foundries, railroads, and manufacturers of machinery, tools, automobiles and trucks are among the most active buyers. Compared with last month, stocks of finished goods are slightly lower and are now moderate, as also are supplies of raw materials. The majority of iron and steel plants in the Philadelphia Federal Reserve District are now working at about 85 per cent of capacity, but operations as a whole average about 65 per cent. The number of active furnaces increased from 26 in October to 27 in November. Production of pig iron in the United States during November declined slightly, whereas unfilled orders and the output of steel ingots exceeded last month’s volume.

Quotations have strengthened somewhat during the past thirty days, several advances being reported in pig iron, castings, sheets, plates and shapes. Philadelphia 2X pig iron rose from $23.76 a ton on November 24 to $24.26 a ton on December 22. “The Iron Age” composite prices stood on December 22 at $21.54 a ton for pig iron and 2.453 cents a pound for finished steel, compared with $21.29 and 2.439 cents, respectively, one month ago. Quotations for Connellsville furnace coke, after dropping from $4 a ton on November 24 to $3.75 on December 15, rose to $5 a ton on December 22. Collections in the iron and steel trade are fairly prompt.

Iron foundries. November iron casting production, shipments and unfilled orders generally decreased below the October level but were considerably above the volume for November, 1924. Raw stocks of pig iron are somewhat larger than they were last month.

Steel foundries. Unfilled orders booked in November by identical steel foundries in the Philadelphia District increased greatly. But production and shipments decreased below the levels both of last October and November, 1924. Stocks are considerably heavier than they were a month ago and last year.
Production ........... 5,775 ' -  2.0% -  6.7%

Raw stock:
Capacity ............... 12,240 tons 0 0
Dec. 12 .......... 12,899 10,873 + 18.6

omitted.
Nov. 28 .......... 11,600 9,885 + 17.3

Tribe smaller than those of a month ago,
capacity; and unfilled orders, although a

output continues at about 80 per cent of
increases, but the volume of goods dis-

influenced somewhat by seasonal changes.

Continues strong, although recently the

at 14.7 for the week ended November
finished fabrics, though fairly steady,

Business in cotton goods is
In thousands of net tons*

<table>
<thead>
<tr>
<th>Steel foundry operations</th>
<th>November</th>
<th>Change from Oct. 1924*</th>
<th>Change from Nov. 1924</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity ...............</td>
<td>12,240 tons</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Production ...........</td>
<td>5,775</td>
<td>- 2.0%</td>
<td>- 6.7%</td>
</tr>
<tr>
<td>Shipments ............</td>
<td>12,899</td>
<td>- 3.9%</td>
<td>- 10.6%</td>
</tr>
<tr>
<td>Value ...............</td>
<td>$694,662</td>
<td>-15.4%</td>
<td>-25.5%</td>
</tr>
<tr>
<td>Unfilled orders* ....</td>
<td>12,240 tons</td>
<td>+10.5%</td>
<td>+25.5%</td>
</tr>
<tr>
<td>Value* ................</td>
<td>$759,968</td>
<td>+12.5%</td>
<td>+12.8%</td>
</tr>
</tbody>
</table>

*11 plants. †9 plants. ‡Figures of one plant omitted.

**COAL**

The demand for bituminous coal con-
tinues strong, although recently the
volume of sales has dropped slightly be-
low that of thirty days ago, owing prob-
ably to early stockpicking by dealers and to
rumors of an early strike settlement in
the anthracite region. Industries and
railroads are among the most active
buyers; household consumers also have
purchased a considerable amount during
the past four weeks. Most of the pres-
ent orders are being shipped on contracts,
although spot sales are now somewhat
larger than they have been for some
months past. Prices generally remain
unchanged, Pool 10 selling in Philadel-
phia from $2 to $2.15 a ton. The major-
ity of soft coal mines in this district are
now operating close to capacity. The
total weekly production for the United
States is given below:

<table>
<thead>
<tr>
<th>Week ended</th>
<th>In thousands of net tons*</th>
<th>Per cent of change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nov. 21. ...</td>
<td>12,506</td>
<td>10,910</td>
</tr>
<tr>
<td>Nov. 28 ...</td>
<td>11,600</td>
<td>9,885</td>
</tr>
<tr>
<td>Dec. 5 ...</td>
<td>12,708</td>
<td>10,825</td>
</tr>
<tr>
<td>Dec. 12 ...</td>
<td>12,808</td>
<td>10,973</td>
</tr>
</tbody>
</table>

*Compiled by the Geological Survey.

**TEXTILES**

Cotton. Business in cotton goods is
but moderately active, the demand being
affected somewhat by seasonal changes.
Compared with last month, firms re-
porting decreases in sales during the past
four weeks outnumber those reporting
increases, but the volume of goods dis-
tributed has been considerably ahead of
that of last year. The average rate of
output continues at about 80 per cent of
capacity; and unfilled orders, although a
trifle smaller than those of a month ago,
are sufficient to insure plant operation at
this rate for about fifty days. Stocks are
moderate. Prices of both gray and
finished fabrics, though fairly steady,
show a slight decline. Fairchild's index
number of average prices, which stood
at 14.7 for the week ended November
20, dropped to 14.3 on December 18.
Last year's index for the corresponding
week was 15.6. Spot cotton was quoted
on December 23 at 19.40 cents a pound,
compared with 21.45 cents a pound on
November 23.

Cotton consumption declined from
619,429 bales, linters included, in Octo-
ber, to 699,064 bales in November, but
it was about 11 per cent above that for
the same month last year. Exports con-
tinue large. Mill and warehouse stocks
on November 30 were 12 per cent greater
than those of a year ago. According to
official reports, 14,826,452 running bales
cotton were ginned to December 13, as
against 12,792,294 bales last year. This
season's production is indicated to be
15,603,000 bales, an increase of 2 per
cent over the estimate made on Novem-
ber 14. This compares with 13,627,936
bales produced last year, or an increase
of 14.5 per cent. The abandonment of
acreage reductions in the present crop
year will enable manufacturers of silk
threads to operate their mills at this rate up
to March 1, 1926, whereas throwers have
enough business on hand to assure oper-
ation of their plants for about fifty days.
Stocks of broad silks are somewhat
larger than they were thirty days ago,
but supplies of thrown silk are tight,
although recently throwers have been
buying raw silk freely and throwing it
for stock in anticipation of increased ac-
tivity after January 1st. Prices of both
silk goods and thrown silk are firm and
unchanged from last month's level. Col-
lections are prompt.

Quotations for raw silk have held firm
during the past four weeks, Kansai
double-extra cuts selling at $7.05 on
December 23, compared with $6.78 on
November 23 and $6.85 on December 23,
1924. The rate of exchange for yen also
has been fairly steady at about 43 cents.
Trading in raw silk has continued active
in both the Yokohama and New York
markets, as is indicated below.

<table>
<thead>
<tr>
<th>American cotton*</th>
<th>Season '25-'26</th>
<th>Season '24-'25</th>
<th>Season '23-'24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visible supply at end of previous season</td>
<td>1,125</td>
<td>952</td>
<td>870</td>
</tr>
<tr>
<td>Crop in sight on Dec. 18</td>
<td>11,250</td>
<td>9,745</td>
<td>7,900</td>
</tr>
<tr>
<td>Total</td>
<td>12,384</td>
<td>10,697</td>
<td>8,770</td>
</tr>
<tr>
<td>Visible supply on Dec. 18</td>
<td>5,209</td>
<td>4,577</td>
<td>3,465</td>
</tr>
<tr>
<td>World's takings to Dec. 16</td>
<td>6,965,580</td>
<td>5,620</td>
<td>5,365</td>
</tr>
</tbody>
</table>

* Compiled by the New York Cotton Exchange.

**WOOL**

Sales of wool manufactures have fallen off considerably during the past fortnight, current demand lagging behind that of thirty days ago and of last year. Buying for future delivery also has declined somewhat. Unfilled orders are sufficient to insure plant operations at the present rate for about two months in woolen and worsted yarns and about forty days in wool fabrics. At present, spinners are working at about 70 per cent of capacity, whereas most pro-
ducers of woolen and worsted cloth are operating at from 65 to 70 per cent.

This is a drop in production from
5 to 10 per cent below last month's rate.
November wool consumption in this dis-
trict decreased about 14 per cent be-
low the October volume. Stocks of fin-
ished goods are moderately light.

Quotations for wool yarns are fairly
steady and unchanged from those of last
month, but prices of woolen and worsted
goods recently have eased off somewhat.

Domestic wool prices have dropped
slightly. Dun's average of ninety-eight
quotations stood at 81.22 cents a pound
on December 18 as compared with 81.26
cents on November 20 and 102.04 cents on
December 19, 1924. Quotations for for-
eyarns, including tops, are from 5 to
10 per cent lower than they were a
month ago, and from 25 to 30 per cent
below last year's prices. American buy-
ing abroad continues restricted. Uni-
ited States imports rose from 23,920,262
pounds in October to 25,169,525 pounds
in November.

**SILK.** The distribution of silk goods
continues in large volume and sales of
thrown silk are considerably ahead of
those of last month and a year ago. The
rate of production remains unchanged
at 95 per cent of capacity. Unfilled orders
will enable manufacturers of silk to op-
erate their mills at this rate up to
March 1, 1926, whereas throwers have
enough business on hand to assure oper-
ation of their plants for about fifty days.
Stocks of broad silks are somewhat
larger than they were thirty days ago,
but supplies of thrown silk are tight,
although recently throwers have been
buying raw silk freely and throwing it
for stock in anticipation of increased ac-
tivity after January 1st. Prices of both
silk goods and thrown silk are firm and
unchanged from last month's level. Col-
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during the past four weeks, Kansai
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1924. The rate of exchange for yen also
has been fairly steady at about 43 cents.
Trading in raw silk has continued active
in both the Yokohama and New York
markets, as is indicated below.

**HOISERY.** The holiday rush for hoisery
being over, the market has quieted down
considerably, though the call for full-
fashioned silk for women and fancy
half-hose for men continues active.

Manufacturers who have been able to
make quick shipments of wool mixtures
have also been fairly busy. A number of
mills making circular knit hoisery for
women are in need of orders if the recent
rate of production is to be maintained.
Prices generally are unchanged, although
some unsettlement has been caused by
lower quotations for children's lines by
large southern producers.

In November the output of 128 mills
in this district was 9.1 per cent smaller
than in October. The operations of 325
establishments in the United States dur-
ing October as compared with September
increased 7.7 per cent; the largest gain
was 13.0 per cent in full-fashioned hoisery
Page Seven
for women. Orders booked during the month increased 7.7 per cent and unfilled orders at the end of October were 3.9 per cent larger.

Underwear. Considered as a whole the knit underwear business has been good; all mills, however, have not shared in this to be desired condition. The winter weight season just drawing to a close has found many mills sold to capacity and, though purchases of summer weights during the last month or two have been comparatively light, some mills booked a good initial business and are fairly well sold ahead. At the present time buyers are holding back, awaiting lower prices based on the present cotton market. Manufacturers, however, contend that though yarns are slightly easier, they have by no means kept pace with raw cotton, and few price reductions have been announced for summer weights. A number of large producers have quoted their line of winter weights for the autumn of 1926 at prices about 5 per cent lower than those of a year ago; one large maker of fleeced underwear, however, has advanced his quotations. It is too early to state the result of these openings.

The following table shows production by 150 identical mills in the United States during August, September and October.

<table>
<thead>
<tr>
<th></th>
<th>Knit underwear *</th>
<th>Winter weights</th>
<th>Summer weights</th>
</tr>
</thead>
<tbody>
<tr>
<td>August</td>
<td>641,906</td>
<td>326,611</td>
<td>382,523</td>
</tr>
<tr>
<td>September</td>
<td>685,111</td>
<td>382,523</td>
<td>399,297</td>
</tr>
<tr>
<td>October</td>
<td>729,623</td>
<td>399,297</td>
<td>399,297</td>
</tr>
</tbody>
</table>

* Department of Commerce.

Floor coverings. Carpet and rug mills in this district are slightly more active than they were a month ago. Orders for Axminsters and velvets have increased, but for Wiltons have been somewhat disappointing. Prices are unchanged except for the advances announced by the largest factor in November to take effect on December 15. This led to the placing of a considerable business with this company before the latter date and the statement by them that there are now sold up for at least three months. Stocks are moderate and about stationary.

Business in linoleums and felt base lines has been only fair and prices of the latter are barely steady, one manufacturer having announced a further lowering of quotations.

LEATHER

Hides and skins. Hides continued the decline started two months ago, the fall in prices during the month varying from 1/4 to 1 cent per pound on different descriptions. Calf skins were lower by 1 1/2 to 2 cents, but goat skins were firm and in some cases higher. Stocks of cattle hides increased during October, but holdings of sheep and lamb, calf and kid and goat and kid were smaller.

Leather. Leather sales, although smaller in the aggregate than in the previous month, are in fair volume. Shoe manufacturers are buying only for their actual needs and are endeavoring to keep down year-end inventories by having as many shipments as possible held back until after January 1. In the heavy leather market offal continues to be the strongest feature and in upper leathers colored glazed kid is the leader, but a fair demand is also reported for calf leather in both blues and colors. Prices are firm in the exception of calf leathers which, especially in the light weights, are easier in sympathy with the raw stock situation.

Shoes. Manufacturers of shoes report that, in view of the season, business is good and that they have booked orders in fair volume for shipment during January and February. For women's shoes of high grade, the material most called for is kid in the light shades of tan and gray, and patent leather is still popular. Prices are unchanged. Production in this district in November is shown in the following table. In the United States the output in October was 30,903,129 pairs and was the largest since May, 1923; it compared with 30,825,998 pairs made in October, 1924.

<table>
<thead>
<tr>
<th></th>
<th>Philadelphia Federal Reserve District</th>
<th>Nov.</th>
<th>Per cent change from Oct.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(in thousands of pairs)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Boys' and youths</td>
<td>1,183</td>
<td>-15.8</td>
<td></td>
</tr>
<tr>
<td>Women's</td>
<td>1,099</td>
<td>-15.8</td>
<td></td>
</tr>
<tr>
<td>Girls'</td>
<td>62</td>
<td>-22.6</td>
<td></td>
</tr>
<tr>
<td>Infants</td>
<td>209</td>
<td>-7.0</td>
<td></td>
</tr>
<tr>
<td>All other leather or part leather footwear</td>
<td>84</td>
<td>-22.6</td>
<td></td>
</tr>
</tbody>
</table>

* Preliminary report—Bureau of the Census.

CONFECTIONERY

Considered as a whole, the Christmas trade in confectionery has been good and larger than it was last year. In some cases, however, it was late in starting and culminated with a rush of business. Prices of finished candies are unchanged but chocolate for coating, icing and other purposes was lower than last year because of lower sugar and cocoa markets and also on account of new and keen competition in the early season. The largest gains in sales are in bars of various descriptions which retail at from 5 to 10 cents and in candies retailing at from 80 cents to $1 per pound. Part of this increase is due to the spread of chain stores which sell goods of their own manufacture.

Now that the rush is over, plants are curtailing operations but they expect to begin shortly the manufacture of goods for the Easter trade.

CIGARS

The holiday trade in cigars has been good and is reported to be larger than it was a year ago. Both 5 and 10 cent cigars have shared in this increase. Production has been maintained at about the same rate as last month—85 per cent—but manufacturers state it probably will decrease until buying in the new year gets into full swing. Orders on hand are small, as is usual at this season. Prices are firm and unchanged.