

# THE BUSINESS REVIEW

THIRD FEDERAL  
PHILADELPHIA



RESERVE DISTRICT  
MAY 1, 1926

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## BUSINESS CONDITIONS IN THE UNITED STATES

Industrial output increased in March and the distribution of commodities continued in large volume owing to seasonal influences. The level of wholesale prices declined for the fourth consecutive month.

**Production.** The Federal Reserve Board's index of production in basic industries increased in March to the highest level for more than a year. Larger output was shown for steel ingots, pig iron, anthracite, copper, lumber, and newsprint, and there were also increases in the activity of textile mills. The output of automobiles increased further and was larger than in any previous month, with the exception of last October. Building contracts awarded also increased in March, as is usual at this season, and the total was near the high figure of last summer. Particularly large increases in building activity as compared with a year ago occurred in the New York, Atlanta, and Dallas Federal reserve districts. Contracts awarded continued larger during the first half of April than in the same period of last year. Condition of the winter wheat crop has improved since the turn of the year and on April 1 was estimated by the Department of Agriculture to be 84 per cent of normal, compared with 68.7 per

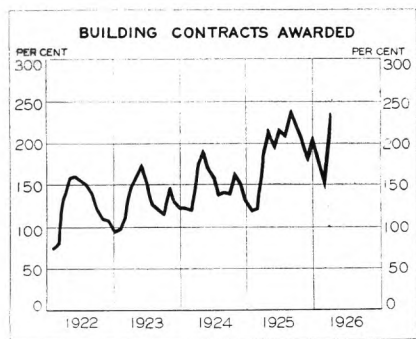
cent last year and an average of 79.2 per cent for the same date in the past ten years.

**Trade.** Wholesale trade showed a seasonal increase in March and the volume of sales was larger than a year ago in all leading lines except drygoods and hardware. Sales of department stores and mail-order houses increased less than is usual in March. Compared with March a year ago sales of department stores were 7 per cent and sales of mail-order houses 9 per cent larger. Stocks of principal lines of merchandise carried by wholesale dealers, except groceries and shoes, were larger at the end of March than a month earlier but for most lines they were smaller than a year ago. Stocks at department stores showed slightly more than the usual increase in March and were about 3 per cent larger than last year. Freight car loadings during March continued at higher levels than in the corresponding period of previous years. Shipments of miscellaneous commodities and merchandise in less-than-carload lots were especially large. Loadings of coal, owing to the large production of anthracite, were also large, while shipments of coke decreased considerably from the high levels of preceding months.

**Prices.** Wholesale prices, according to the bureau of Labor Statistics index, declined by more than 2 per cent in March to the lowest level since September, 1924. The decline was general for nearly all groups of commodities and the largest decreases were noted in grains, cotton, wool, silk, coke and rubber. In the first two weeks of April prices of basic commodities were steadier than in March. Prices of grains, flour, and potatoes increased, while prices of cotton goods, wool, silk, bituminous coal, pig iron and rubber declined.

**Bank credit.** Commercial loans of member banks in leading cities were relatively constant between the middle of March and the middle of April at a level about \$200,000,000 higher than at the end of January and approximately equal to the high point reached last autumn. Continued liquidation of loans to brokers and dealers was reflected in a further decline in the total of loans on securities, which on April 14 were more than \$500,000,000 below the high point reached at the end of last year.

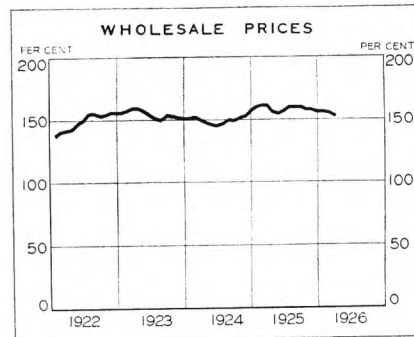
At the reserve banks an increase in the volume of member bank borrowing during the last two weeks of March was followed by a marked decline in the first three weeks of April, which brought



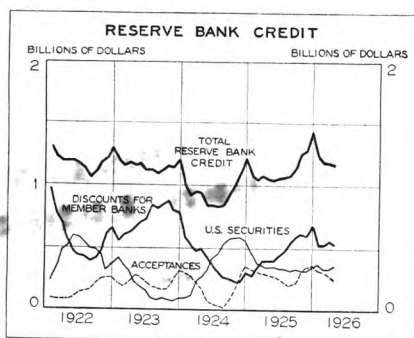
Index of value of building contracts awarded, as reported by the F. W. Dodge Corporation (1919 = 100). Latest figure—March, 231.



Federal Reserve Board's indexes of factory employment and payrolls (1919 = 100). Latest figures—March; employment, 97.2; payrolls, 113.0.



Index of United States Bureau of Labor Statistics (1913 = 100, base adopted by Bureau). Latest figure—March, 152.



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 22 days in April.

the total near the lowest levels of the year. Holdings of U. S. securities increased continuously during the month, while acceptances declined seasonally. Total bills and securities were in smaller volume at the end of the period than at any other time during the year and only slightly larger than a year ago.

Open market rates on commercial paper declined in April from 4 $\frac{1}{4}$ -4 $\frac{1}{2}$  per cent to 4-4 $\frac{1}{4}$  per cent and rates on acceptances and on security loans were also lower in April than in March. On April 23 the discount rate at the Federal Reserve Bank of New York was reduced from 4 to 3 $\frac{1}{2}$  per cent.

### BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

Most lines of trade in the Philadelphia Federal Reserve District experienced large seasonal increases usual in March, and productive activity in that month continued to be well maintained. Although factory employment in the states of the district declined slightly in March,—and our preliminary reports indicate a somewhat larger decline in April,—wage payments, which furnish a good measure of industrial operations, were larger in March than at any time in more than two years. Despite the high rate of business activity prevailing currently, there have been some recent reports of curtailed buying, while widespread declines in commodity prices have continued and, in March, the general average reached the lowest point since October, 1924.

The current rate of business activity, however, in addition to showing recent improvement of a seasonal nature, continues to be well above last spring's level. The volume of check payments in leading cities of the district gained 22 per cent in March and was 10 per cent above the total for the same month of 1925, despite the fact that wholesale prices have been substantially lower this year. Retail trade, of course, has been seasonally larger, and the sales of all reporting stores were 9 per cent above those of last year. Apparel and shoe stores showed

BUSINESS INDICATORS Philadelphia Federal Reserve District	March, 1926	Latest figure compared with	
		Previous month	Year ago
<b>Retail trade—Estimated net sales (146 stores)</b>			
Department stores (65)	\$24,583,000	+32.5%	+9.3%
Apparel stores (36)	\$19,680,000	+32.1	+7.6
Shoe stores (26)	\$3,252,000	+25.3	+12.2
Credit stores (19)	\$764,000	+106.3	+42.0
	\$887,000	-1.0	+16.6
<b>Wholesale trade—Net sales (152 firms)</b>			
Boots and shoes (11 firms)	\$11,286,728	+24.0	+2.5
Drugs (14 firms)	\$479,698	+94.8	+3.4
Dry goods (17 firms)	\$1,914,481	+22.0	+15.3
Electrical supplies (7 firms)	\$1,116,867	+35.5	-0.9
Groceries (50 firms)	\$672,394	+17.7	+14.3
Hardware (29 firms)	\$3,523,861	+12.5	-1.6
Jewelry (11 firms)	\$2,026,349	+36.1	-2.8
Paper (13 firms)	\$380,675	+20.4	+26.0
	\$1,172,403	+23.1	-2.8
<b>Production:</b>			
Shoes* (92 factories)	prs. 1,446,943	+15.3	.....
Pig iron.....	tons 381,959	+26.9	+4.5
Hosiery* (115 mills)	doz. prs. 1,181,106	+15.2	.....
Iron castings (39 foundries)	tons 6,666	+19.0	+14.4
Steel castings (11 foundries)	tons 9,199	+28.4	.....
Cement.....	bbls. 3,033,000	+23.9	-0.7
Anthracite.....	tons 8,790,000	+322.0	+24.9
Bituminous coal—Penna.....	tons 11,984,000	-10.6	.....
Wool consumption* (83 mills)	lbs. 7,602,203	+17.2	.....
Active cotton spindle hours (Penna. and N. J.)	KWH 110,561,290	+27.6	-15.4
Electric power (14 systems)	KWH 388,556	+11.6	+22.0
<b>Distribution:</b>			
Freight carloadings (Allegheny district—weekly average)	197,787	+6.0	+3.5
Tonnage of vessels (Port of Philadelphia)	tons 3,361,521	+266.	+5.3
Exports of wheat (from Port of Philadelphia)	bus. 1,702,766	+55.3	-54.2
Exports of flour (from Port of Philadelphia)	lbs. 7,880,689	+138.1	-8.3
Imports of crude oil (into Port of Philadelphia)	gals. 20,648,964	+86.0	+103.8
<b>Financial:</b>			
Loans, discounts and investments of member banks (weekly average)	\$1,134,100,000	+1.0	+6.3
Bills discounted held by F. R. B. of Phila. (daily average)	\$59,901,000	+6.5	+61.4
Acceptances executed (9 banks for month ended April 10)	\$3,960,000	+21.0	-7.5
Bankers' acceptances sales (4 dealers—weekly average for period ended middle following month)	\$2,262,000	+42.9	+54.8
Commercial paper sales (6 dealers)	\$5,132,590	-15.1	-31.4
Savings deposits (98 banks)	\$591,791,000	-0.1	+4.9
<b>General:</b>			
Debits (18 cities)	\$2,568,030,000	+22.3	+10.5
Commercial failures—number	65	-30.1	+12.1
Commercial failures—liabilities	\$1,776,957	-15.6	+8.4
Building permits (16 cities)	\$21,022,232	+57.1	-33.6
Building contracts awarded (Philadelphia district)	\$45,718,566	+79.0	-6.5
Employment—1,269 plants in Penna., N. J. and Del.:			
Number of wage earners	440,066	-0.7	+2.2
Total wages	\$11,801,909	+0.5	+5.3
Average weekly earnings	\$26.82	+1.1	+2.8
Sales of life insurance (Penna., N. J. and Del.)	\$96,334,000	+19.6	+11.5

\* Bureau of Census preliminary figures.

gains of 12 and 42 per cent, respectively. Wholesale trade in all lines was also seasonally larger than in February and in most cases, as well, compared favorably with last year. Transportation of goods, as measured by freight car loadings in the Allegheny District, was 3.5 per cent larger in March, 1926, than in March, 1925.

Productive activity in the iron and steel industry has reached high levels both in this district and in the country as a whole, but recent reports indicate some slackening in demand and widespread price declines. It is significant that, while production of steel ingots reached record levels in March, the unfilled orders of the Steel Corporation were reduced sharply during that month. The coal markets are quiet and in the case of bituminous, buying has been curtailed and prices have fallen, of late.

Although construction this spring in the country as a whole is in larger volume than in 1925, some slackening has

occurred in the Philadelphia district. March contract awards were 7 per cent less than last year while the value of permits issued in sixteen cities of the district for the first quarter of 1926 was only 45 million dollars as compared with 55 million in 1925. Most building materials are in less active demand than they were last year.

Conditions in the majority of the textile industries are reported as being far from satisfactory. Employment in the textile mills of the district fell off more than 4 per cent from February to March and our preliminary reports indicate a further large decline in April. Business in raw cotton, wool and silk and in the finished goods has been curtailed considerably of late, and prices are reported to be notably weak. Prices of carpets and rugs have also declined recently. Rayon continues in good demand at steady prices, however. Conditions in the hosiery and underwear trade are somewhat mixed; clothing manufacturers re-

port fairly active trade at steady prices. Business in hides and in leather and shoes is also somewhat unsatisfactory. Demand for shoes is only fair and manufacturers are not well supplied with orders.

The late spring has retarded agricultural activity in the district, and spring plowing has been only about half completed. The outlook otherwise is fairly satisfactory, although the condition of pasturage and of winter wheat is poorer than last year. About the same acreage will be planted to crops as in 1925 and larger amounts of fertilizer have been purchased by farmers.

**City conditions.** In most of the cities of the district conditions have improved seasonally as compared with February and in most cases, also, activity in March was ahead of that of a year ago. More active business in Philadelphia is indicated by large increases over 1925 in factory wage payments, debits and retail sales, although building in March was smaller than it was a year previous. The Allentown, Williamsport and Wilmington areas also report increases in all three of these items. In Reading, as well, although there was a slight decline in wage payments, trade was considerably more active. Most of the other cities of the district experienced decreases in either factory operations, debits or retail trade.

### RETAIL TRADE

Following the completion of Easter business, retail trade continues moderately active. Except for slight declines in prices of such items as cotton goods, quotations remain unchanged from the level of four weeks ago.

Sales in March by all reporting department, apparel and shoes stores and credit houses throughout this district exceeded those of March, 1925, by 9.3 per cent, owing mainly to pre-Easter activities. The only decreases in sales occurred in Harrisburg, Johnstown, Read-

CITY CONDITIONS Philadelphia Federal Reserve District	March, 1926 compared with March, 1925						
	Employment	Wage payments	Value of building permits	Debits	Savings deposits	Retail trade sales	Electric power sales
Allentown area	+ 5.6%	+12.3%	+60.2%	+12.0%	+12.2%	+ 3.8%	+22.1%*
Altoona	"	"	-34.0	+15.9	+13.9	+ 9.7	+15.1
Harrisburg	+ 7.1	+17.2	+ 6.2	- 3.4	+ 3.3	+ 4.8	+17.9
Johnstown	-28.1	-22.7	"	+ 5.8	+ 0	- 4.2	+21.5 †
Lancaster	- 4.6	- 5.3	-25.7	- 0.6	+10.0	+ 6.8	+10.4
Philadelphia	+ 0.9	+11.4	-31.6	+ 9.8	+ 6.4	+10.5	+16.8
Reading	+ 1.8	- 0.9	-62.1	+41.5	+10.3	+ 3.8	+26.7
Scranton	-11.1	-25.2	-51.1	+ 3.2	- 0.6	+ 0.2	+35.2 †
Trenton	- 0.2	- 3.2	-46.0	+21.5	+ 6.0	+ 4.5	+20.1 †
Wilkes-Barre	+22.0	+11.3	-14.6	- 1.4	- 4.1	- 4.7	"
Williamsport	+10.7	+23.4	- 8.9	+17.0	+ 3.2	+ 8.4	"
Wilmington	+15.8	+11.6	-37.0	+45.3	+ 6.0	+14.5	+40.9 †
York	- 2.5	- 5.8	-55.9	+ 6.5	+ 3.6	+16.4	+11.6

### March, 1926 compared with February, 1926

Allentown area	- 1.4%	+ 1.0%	+ 254.3%	+19.3%	+ 0.1%	+41.8%	+30.6%*
Altoona	- 1.4	- 6.6	+ 52.4	+25.7	+ 2.0	+56.1	+ 0.6
Harrisburg	- 0.4	- 1.9	+ 23.2	+18.1	- 0.3	+41.9	+ 5.1
Johnstown	- 3.4	- 3.1	"	+14.3	+ 0.6	-24.7	+ 9.2 †
Lancaster	- 1.7	- 1.2	+ 30.8	+42.0	- 5.5	+56.9	+ 3.6
Philadelphia	+ 0.2	+ 0.7	+ 71.2	+21.6	+ 0.4	+40.0	+ 2.8
Reading	+ 0.6	+ 2.2	- 67.9	+19.1	- 0.4	+29.2	+ 5.0
Scranton	- 0.8	+ 0.6	+183.0	+47.5	- 3.5	+76.8	+13.9 †
Trenton	+ 0.4	+ 2.4	+ 378.5	- 0.6	- 0.5	+23.7	+ 4.0 †
Wilkes-Barre	- 2.4	- 2.7	+ 376.4	+37.4	- 0.8	+65.5	"
Williamsport	- 1.0	+ 1.7	+4011.2	+30.9	+ 1.0	+32.9	"
Wilmington	+ 0.5	+ 1.9	+ 76.7	+49.8	+ 0.4	+16.1	+13.3 †
York	+ 0.6	+ 1.4	+ 29.2	+22.3	- 2.2	+23.9	+ 5.7

\*Includes Wilkes-Barre and Williamsport areas. †Production (not sales). ‡Includes Camden area. §Included in Allentown area.

ing, Scranton and Wilkes-Barre. While stocks on March 31 were 11 per cent above those on February 28, they were 1.4 per cent smaller than on the corresponding date last year. Stock turnover was 2.6 per cent greater in the first quarter of 1926 than in the same period last year.

### FINANCIAL CONDITIONS

The loans of reporting member banks in Philadelphia, Camden, Scranton and Wilmington increased from 785 millions on March 17 to 800 millions on April 14. This resulted from an increase of one million in loans on securities and a gain of 14 millions in commercial loans, which, on April 14, exceeded the figure of a year before by 15 millions. Invest-

ments declined almost 16 millions in the latest four weeks. The total of loans and investments fell off less than one million. Material increases, however, took place in both demand and time deposits.

A decline of almost 18 millions in loans to member banks in the four weeks ended April 21 is reported by the Federal Reserve Bank of Philadelphia. The total on March 24 was the largest reported this year and the decline since that date was largely the result of a reduction in borrowings by reporting banks in Philadelphia. The total of other bills and securities held by the reserve bank increased five millions in the past four weeks. Changes in the reserve ratio and in the items from which it is derived, are given in the table:

RETAIL TRADE Philadelphia Federal Reserve District	Comparison of net sales		Comparison of stocks		Rate of turnover Jan. 1 to Mar. 31	
	Mar., 1926, with Mar., 1925	Jan. 1 to Mar. 31, 1926, with Jan. 1 to Mar. 31, 1925	Mar. 31, 1926, with Mar. 31, 1925	Mar. 31, 1926, with Feb. 28, 1926	1925	1926
All reporting firms	+ 9.3%	+ 4.3%	- 1.4%	+11.0%	.77	.79
All department stores	+ 7.6 "	+ 3.1 "	- 2.3 "	+11.3 "	.76	.79
in Philadelphia	+ 9.2 "	+ 4.9 "	- 0.5 "	+12.0 "	.83	.84
outside Philadelphia	+ 3.9 "	- 1.4 "	- 5.8 "	+ 9.8 "	.63	.65
All apparel stores	+12.2 "	+11.2 "	+ 5.0 "	+10.9 "	.95	.97
Men's apparel stores	+ 6.5 "	+ 3.5 "	- 5.0 "	+ 9.5 "	.60	.65
in Philadelphia	+ 8.0 "	+ 3.8 "	- 1.6 "	+ 8.6 "	.66	.70
outside Philadelphia	+ 4.5 "	+ 3.1 "	-10.3 "	+10.6 "	.52	.59
Women's apparel stores	+ 5.8 "	+ 3.2 "	- 5.9 "	+ 9.7 "	1.34	1.37
in Philadelphia	+ 6.5 "	+ 3.5 "	- 3.3 "	+ 9.1 "	1.41	1.41
outside Philadelphia	+ 2.2 "	+ 1.4 "	-16.0 "	+12.6 "	.98	1.13
Credit houses	+16.6 "	+ 6.0 "	- 6.6 "	+ 7.0 "	.56	.65
Shoe stores	+42.0 "	+11.6 "	+10.0 "	+ 9.1 "	.63	.64

(Dollar figures in millions)	Fed. res. note circulation	Total deposits	Cash reserve	Reserve ratio
1925 April 22..	\$148	\$130	\$212	76.1%
1926 March 3..	145	136	207	73.7 "
10..	146	133	207	74.3 "
17..	143	139	213	74.7 "
24..	146	132	201	72.3 "
31..	150	136	215	75.2 "
April 7..	143	140	217	76.7 "
14..	144	140	219	77.5 "
21..	139	138	209	75.6 "

An improvement in the demand for commercial paper is noted in Philadelphia, but the supply of paper is said to be unusually small for this time of the year. Rates continued at 4¼ to 4½ per cent up to the 20th of April.



Sales in this section by six dealers totaled \$5,132,500 in March, as compared with \$6,042,500 in February and \$7,477,500 in March, 1925. Of the March, 1926, total, only \$920,000 was sold to banks in Philadelphia, as against \$2,532,500 in February. Sales outside of this city, however, increased from \$3,510,000 in February to \$4,212,500 in March. Judging from such reports as give the amounts sold at the various rates, it appears that the bulk of the sales in March were made at 4¼ per cent.

### WHOLESALE TRADE

Trading at wholesale in this district continues moderate, and prices generally remain unchanged from those of four weeks ago. Stimulated by the pre-Easter demand, sales in March increased greatly over February's volume, gains ranging from 12.5 per cent in groceries to 94.8 per cent in boots and shoes. Compared with those in March, 1925, sales of jewelry, electrical supplies, drugs and shoes were greater, but those of paper, hardware, groceries and drygoods were smaller.

**Drygoods.** Business in drygoods continues active, the demand for underwear, hosiery, cotton piece goods and novelties being greater than that of four weeks ago. Most of the present orders call for delivery within the next thirty days, although many of them are for shipment in sixty days or beyond that period. Except for slight recessions in wool and cotton piece goods, prices remain unchanged.

**Jewelry.** Business in various grades of jewelry has been more active since March 20 than that in the same period last month. Prices remain unchanged. Stimulated by Easter demand, sales in March exceeded February's volume by 20.4 per cent and were 26 per cent greater than those in March, 1925.

**Groceries.** Since March 20 business in groceries has improved considerably but, compared with the same period of last year, the demand appears to be slightly less active. Items showing price declines outnumbered those for which quotations have been advanced recently. March sales were about 13 per cent above those in February, but were nearly 2 per cent below the volume for March, 1925.

**Paper.** Sales of paper, which, in March, were 23.1 per cent above February's volume, continue to show slight improvement, the demand for fine, book, bond, wrapping, kraft tissue and crêpe papers being most active. Except for small reductions in prices of toilet and kraft papers, quotations remain at the same steady level as they were four weeks ago.

Paper manufacturers report a gain in demand over that of last month and a

WHOLESALE TRADE Philadelphia Federal Reserve District	Net sales, Mar., 1926, compared with		Stocks, Mar., 1926, compared with		Accounts outstanding Mar., 1926, compared with		Ratio of accounts outstanding to sales		
	Mar., 1925	Feb., 1926	Mar., 1925	Feb., 1926	Mar., 1925	Feb., 1926	Mar., 1925	Feb., 1926	Mar., 1926
	Boots and shoes.....	+ 3.4%	+94.8%	-24.9%	- 4.7%	+ 7.2%	+21.2%	213.1%	359.9%
Drugs.....	+15.3 "	+22.0 "	+ 8.0 "	- 1.0 "	+ 9.0 "	+ 3.8 "	142.4 "	160.9 "	136.6 "
Dry goods.....	- 0.9 "	+35.5 "	+ 2.4 "	- 0.8 "	+ 1.9 "	+ 4.6 "	222.2 "	296.2 "	228.6 "
Elect. supplies.....	+14.3 "	+17.7 "	-11.4 "	+ 1.8 "	+ 1.9 "	- 5.0 "	132.7 "	146.5 "	118.3 "
Groceries.....	- 1.6 "	+12.5 "	+ 2.2 "	- 1.2 "	+ 3.2 "	+ 1.0 "	107.4 "	127.6 "	113.3 "
Hardware.....	- 2.8 "	+36.1 "	- 8.4 "	+ 2.6 "	+ 3.8 "	+ 6.6 "	177.6 "	226.5 "	162.3 "
Jewelry.....	+26.0 "	+20.4 "	- 6.6 "	+ 1.3 "	+ 8.3 "	+ 2.4 "	433.6 "	438.5 "	372.8 "
Paper.....	- 2.8 "	+23.1 "	+ 0.2 "	+ 0.6 "	- 0.7 "	+ 9.8 "	134.5 "	154.2 "	137.5 "

year ago. Unfilled orders are sufficient to insure mill operations at the present rate of about 80 per cent of capacity for over forty days. Stocks continue moderately light, and collections are prompt.

**Electrical supplies.** Since March 20 trading in electrical supplies has been only moderate, general supplies such as fixtures and wiring merchandise being in seasonal demand. Prices are fairly steady, except for slight recessions in such items as storage batteries, sockets, lead cables, iron boxes and wiring materials. Manufacturers of electrical supplies continue active.

**Hardware.** The demand for factory supplies, building materials and such seasonal goods as paints, garden tools and seeds has improved considerably since March 20. No material changes are noted in prices. Sales in March were 36.1 per cent greater than those in the previous month but were nearly 3 per cent under the volume for March, 1925.

**Drugs.** Sales of seasonable drugs are somewhat more active than they were four weeks ago, and prices generally remain unchanged. Trading in March exceeded that of February by 22 per cent and was 15.3 per cent above the volume of March, 1925. Collections are prompt.

**Shoes.** The demand for summer footwear is fairly active, and prices remain firm at levels unchanged from those of four weeks ago. The volume of this year's trade in March was the greatest since 1923, the index numbers of sales for that month being 150 in 1923, 102 in 1924, 121 in 1925 and 127 in 1926. In considering these figures, it should be noted that in 1923 and 1926 Easter took place very early in April, whereas in 1924 and 1925 it occurred later.

### AUTOMOBILES

March proved to be a very active month in the automobile trade of Philadelphia. Retail sales reported by 14 distributors in Philadelphia were more than twice as large in March as in the previous month and the total of wholesale business was 60 per cent greater in value. The greatest improvement in sales, both wholesale and retail, was in the cars selling at less than \$1,000, although all

three classes experienced large gains. In consequence of the large turnover, stocks of new cars at the end of March were smaller than they were a month earlier. Sales of used cars gained 91 per cent in value and 97 per cent in number over February but stocks remained about stationary, indicating that a large number of new car sales were made by trading in old cars.

AUTOMOBILE TRADE Philadelphia Federal Reserve District 14 distributors	March, 1926, change from Feb., 1926	
	Number	Value
Sales, new cars, wholesale.....	+ 65.4%	+ 59.7%
Cars under \$1,000.....	+ 79.5 "	+ 82.3 "
Cars \$1,000 to \$2,000.....	+ 56.6 "	+ 57.0 "
Cars over \$2,000.....	+ 14.1 "	+ 27.5 "
Sales, new cars at retail.....	+118.1 "	+103.4 "
Cars under \$1,000.....	+124.2 "	+124.0 "
Cars \$1,000 to \$2,000.....	+ 71.6 "	+ 70.5 "
Cars over \$2,000.....	+ 96.6 "	+ 72.9 "
Stocks of new cars.....	- 21.7 "	- 11.6 "
Cars under \$1,000.....	- 42.2 "	- 38.3 "
Cars \$1,000 to \$2,000.....	+ 42.6 "	+ 42.2 "
Cars over \$2,000.....	- 10.1 "	- 12.6 "
Sales of used cars.....	+ 96.8 "	+ 90.6 "
Stocks of used cars.....	+ 0.4 "	- 0.0 "
Retail sales, def. payment.....	+121.0 "	+ 94.3 "

### ELECTRIC POWER

Output and sales of electricity by reporting central stations of the Philadelphia Federal Reserve District increased seasonally in March as compared with February and also were substantially larger than in the previous year. Total sales of electricity in March were 8 per

ELECTRIC POWER Philadelphia Federal Reserve District	March, 1926, change from	
	Feb., 1926 *	March, 1925 †
Rated generator capacity.....	- 0.2%	+10.7%
Generated output.....	+11.6 "	+22.0 "
Hydro-electric.....	+12.6 "	+ 4.9 "
Steam.....	+13.7 "	+19.5 "
Purchased.....	- 1.1 "	+47.5 "
Sales of electricity.....	+ 8.0 "	+24.2 "
Lighting.....	- 2.3 "	+11.9 "
Municipal.....	- 3.0 "	+ 9.5 "
Residential and commercial	- 2.2 "	+12.2 "
Power.....	+13.5 "	+23.2 "
Municipal.....	+ 1.0 "	+ 8.2 "
Street cars and railroads.....	+ 7.6 "	+11.6 "
Industries.....	+15.8 "	+27.6 "
All other sales.....	+ 2.4 "	+72.9 "

\* 14 systems. † 13 systems.

cent ahead of the February figure and 24 per cent larger than in March, 1925. Sales for lighting purposes, however, naturally declined from February to March. For power purposes sales were larger than in February and considerably ahead of 1925. In the case of industrial power an increase over last year's figures of nearly 28 per cent occurred.

### EMPLOYMENT AND WAGES

Factory operations in Pennsylvania, New Jersey and Delaware were more active in March than in February, as is evidenced by a small increase in the payroll total, although employment was slightly less. Most of the groups reported slight advances in both employment and wages. The textile group is the only one to show a decided decline. Practically all the textile industries reported decreases in employment and many also reported declines in wage payments.

Shipyards, canneries, and the building industry showed the most marked gains, which are chiefly due to spring expansion. Further evidence that spring construction is under way was furnished by the fact that building material producers reported seasonal expansion in operations and also a slight advance in employment. The increase in the novelty and jewelry industry was due to the reopening of one large plant after a shutdown in February.

### FLOUR

The market for flour is fair, but it does not compare favorably with that of the preceding month and of a year ago. Sales of middlings, bran and other by-products also are rather slow, the demand being somewhat less active than a year before. Flour dealers and millers in this district state that prices of finished products and grains are relatively weak, whereas quotations for various grades of flour and grains at New York are higher than they were a month ago; they are also above those of a year before, except for corn, barley and rye. On April 23 spring patent flour sold at from \$8.40 to \$8.90 a barrel and hard winter straights at from \$8.40 to \$8.90 as compared with the range of from \$8.15 to \$8.50 and from \$8.00 to \$8.50, respectively, on April 23, 1925. Mill operations average more than 70 per cent of capacity. Stocks of flour at public warehouses in Philadelphia on April 1 were nearly 4 per cent below those of a month ago and about 34 per cent below those on April 1, 1925. Supplies of the principal grains on the same date were 40 and 50 per cent, respectively, smaller.

### BUILDING

Construction activity in the Philadelphia reserve district has improved considerably during the past four weeks, although it is still somewhat behind the

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	
		Mar. 15, 1926	Per cent change	Mar. 15, 1926	Per cent change	Mar. 15, 1926	Per cent change
<b>All industries (52)</b>	1,269	440,066	- 0.7	\$11,801,909	+ 0.5	\$26.82	+ 1.1
<b>Metal manufactures:</b>	406	202,713	+ 0.2	5,865,148	+ 1.7	28.93	+ 1.6
Automobiles, bodies, and parts...	25	11,169	+ 0.5	351,974	+ 5.8	31.51	+ 5.3
Car construction and repair...	22	23,106	+ 0.4	680,013	+ 2.3	29.43	+ 1.9
Elec. machinery and apparatus...	39	20,581	- 1.7	507,158	- 3.0	24.64	- 1.3
Engines, machines, mach. tools...	56	14,786	+ 2.2	431,964	+ 2.5	29.21	+ 0.3
Foundries and machine shops...	76	13,205	- 1.5	392,285	- 0.2	29.71	+ 1.4
Heating appl. and apparatus...	20	6,526	+ 0.5	202,272	+ 5.1	30.99	+ 4.6
Iron and steel blast furnaces...	13	14,180	- 1.5	408,804	- 0.0	28.83	+ 1.4
Iron and steel forgings...	12	3,540	- 2.9	95,153	- 5.2	26.88	- 2.3
Steel works and rolling mills...	48	44,777	- 0.4	1,339,628	+ 1.5	29.92	+ 1.9
Structural iron works...	20	5,928	+ 1.6	167,268	+ 3.6	28.23	+ 2.0
Misc. iron and steel products...	43	26,515	+ 0.3	769,475	+ 1.1	29.02	+ 0.8
Shipbuilding...	9	11,797	+ 6.0	331,472	+ 9.8	28.10	+ 3.6
Hardware...	8	2,066	+ 1.0	53,456	+ 1.1	25.87	+ 0.1
Non-ferrous metals...	15	4,540	+ 0.1	134,226	+ 20	29.57	+ 1.9
<b>Textile products:</b>	254	80,133	- 4.4	1,789,758	- 6.9	22.83	- 2.6
Carpets and rugs...	14	4,221	- 1.2	113,325	- 1.6	26.85	- 0.4
Clothing...	44	7,091	- 0.1	124,595	- 4.8	17.57	- 4.7
Hats, felt and other...	9	4,977	- 2.2	130,062	- 3.0	26.13	- 0.9
Cotton goods...	30	9,894	- 0.3	222,463	+ 0.3	22.48	+ 0.6
Silk goods...	60	22,212	- 6.0	438,069	- 9.7	19.72	- 4.0
Woolens and worsteds...	25	7,805	+ 0.2	168,985	+ 5.1	21.65	+ 4.9
Knit goods and hosiery...	43	14,595	- 0.5	361,395	- 0.8	24.76	- 0.3
Dyeing and finishing textiles...	22	7,813	-20.4	199,862	-28.8	25.58	-10.5
Miscellaneous textile products...	7	1,525	+ 1.7	31,002	+ 8.6	20.33	+ 6.7
<b>Foods and tobacco:</b>	133	31,809	+ 0.6	686,224	+ 2.1	21.57	+ 1.5
Bakeries...	39	4,549	+ 0.2	135,848	+ 0.4	29.86	+ 0.3
Canneries...	7	3,369	+ 6.5	70,881	+ 6.1	21.04	- 0.3
Confectionery and ice cream...	27	5,894	- 0.4	128,795	+ 3.2	21.85	+ 3.6
Slaughtering and meat packing...	15	2,796	+ 0.1	77,129	- 2.9	27.59	- 3.0
Sugar refining...	3	2,991	+ 3.0	92,587	+ 2.8	30.96	- 0.2
Cigars and tobacco...	42	12,210	- 0.8	180,984	+ 2.9	14.82	+ 3.7
<b>Building materials:</b>	99	28,542	+ 0.5	833,826	+ 2.8	29.21	+ 2.3
Brick, tile, terra cotta products...	41	5,700	+ 0.7	146,310	+ 0.4	25.67	- 0.3
Cement...	15	8,212	+ 0.5	254,849	+ 5.1	31.03	+ 4.6
Glass...	28	9,652	+ 0.4	277,681	+ 2.5	28.77	+ 2.1
Pottery...	15	4,978	+ 0.5	154,986	+ 2.1	31.13	+ 1.6
<b>Construction and contracting:*</b>	34	3,359	+ 1.0	93,196	+ 8.3	27.75	+ 7.3
Buildings...	19	1,765	+ 9.8	56,109	+13.3	31.79	+ 3.2
Street and highway...	5	848	- 0.5	17,913	+ 2.1	21.12	+ 2.5
General...	10	746	-14.0	19,174	+ 1.2	25.70	+17.6
<b>Chemicals and allied products:</b>	86	34,633	+ 0.7	1,004,610	+ 1.2	29.01	+ 0.5
Chemicals and drugs...	47	8,657	+ 3.5	237,886	+ 4.4	27.48	+ 0.9
Explosives...	12	3,584	+ 4.0	91,159	- 4.6	25.43	- 8.4
Paints and varnishes...	16	1,698	- 1.3	45,124	- 1.5	26.87	- 0.2
Petroleum refining...	8	19,592	- 0.6	598,053	+ 1.4	30.53	+ 1.9
Coke...	3	1,102	- 3.2	32,388	- 1.9	29.39	+ 1.3
<b>Miscellaneous industries:</b>	257	58,877	- 0.3	1,529,147	+ 2.0	25.97	+ 2.3
Lumber and planing mill prod...	30	4,569	+ 0.8	97,257	- 2.2	21.29	- 1.4
Furniture...	27	3,570	+ 0.6	89,294	+ 2.5	25.01	+ 1.8
Musical instruments...	6	8,684	- 0.8	247,482	+ 2.6	28.50	+ 3.4
Leather tanning...	34	9,180	- 1.8	240,253	+ 0.4	26.17	+ 2.3
Leather products...	12	2,390	- 3.3	49,104	- 9.0	20.55	- 5.9
Boots and shoes...	28	5,188	- 0.5	102,747	- 3.0	19.80	- 2.6
Paper and pulp products...	27	6,364	- 0.5	164,227	+ 2.9	25.81	+ 3.4
Printing and publishing...	47	4,986	- 3.4	164,745	+ 2.7	33.04	+ 6.3
Rubber tires and goods...	17	5,729	+ 3.1	158,043	+ 1.4	27.59	- 1.6
Novelties and jewelry...	12	3,677	+ 6.2	92,566	+ 7.9	25.17	+ 1.6
All other industries...	13	4,540	- 0.5	123,429	+11.4	27.19	+11.9

\* Pennsylvania only

rate of a year ago. Building contracts awarded during last March totaled \$45,718,566 as against \$48,902,099 in March, 1925, a drop of 6.5 per cent. In the United States, on the other hand, the volume of contracts awarded during the same period increased 21.8 per cent. Permits issued in March in 16 cities of this district numbered 2,876, calling for an expenditure of \$21,022,232, compared with 6,972 permits and cost of \$31,655,763 in March, 1925.

**Cement.** A considerable improvement has occurred during the past four weeks in the distribution of cement. Prices are unchanged from those of thirty days ago. Compared with the volume for the same

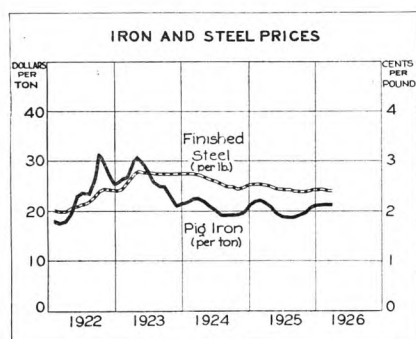
season last year, however, business has been materially smaller as a result of the unfavorable weather which has interfered with construction activity. Most of the present orders call for early delivery. Plants are now operating at over 90 per cent of capacity. In spite of the fact that contracts on hand are now as large as they were a year before, shipments in this district during March were nearly 13 per cent smaller. Stocks in this section on April 1 were about 12 per cent greater than those on the same date last month and a year ago. March output was nearly 24 per cent above that in February, but was 1 per cent below the level of a year ago.

**Lumber.** Business in lumber is more active than it was four weeks ago but, compared with the same month last year, sales are a trifle smaller. Buying, at prices practically unchanged from last months' levels, is mainly for prompt shipment. Unfilled orders, however, have increased during the past four weeks sufficiently to insure mill operations at the present rate of over 90 per cent of capacity for about sixty-five days. Stocks, though somewhat heavy, are not excessive. Collections are fairly prompt.

**Paint.** Since March 23 the demand for paint in this district has increased somewhat over that in the previous month, and present sales equal the moderate volume for the same period last year. Price advances have been made in several items, both in finished products and in raw materials, but quotations generally continue unchanged from those of thirty days ago. Unfilled orders are sufficient to insure plant operations at the present rate of 70 per cent of capacity for about a month. Stocks are not large. Collections are only fair.

## IRON AND STEEL

Activity in iron and steel products in the Philadelphia reserve district continues moderate, although demand for castings, crude steel, scrap, hardware, machinery and tools has slackened somewhat during the past four weeks. At present, among the most active buyers are building contractors, railroads, public utilities, coal mines, and automobile manufacturers. Contract awards for structural steel for the Delaware River Bridge, Sesqui-Centennial and other buildings have been considerable since March 23.



Source—Iron Age

Except for slight declines in prices of pig iron, castings, crude steel and scrap and small advances in sheets, plates and shapes, quotations in this district have remained steady during the past thirty days. Average prices in the country as a whole rose from 2.431 cents a pound for finished steel one month ago to 2.439 cents on April 20, whereas prices of pig

iron dropped further to \$20.46 a ton on April 20 from \$21.38 one month ago. Connellsville furnace coke remains at \$3 a ton at the oven, which is the same as it was a month ago, but foundry coke declined 25 cents a ton since March 23.

Plant operations in this district, at 70 per cent of capacity, continue unchanged from last month's rate. The output of pig iron during last March rose from 300,974 tons in February and 365,383 tons in March, 1925, to 381,959 tons, the largest of any month since March, 1924.

Production of steel ingots in the United States during March exceeded that of any month in the past ten years, but unfilled orders of the United States Steel Corporation registered a further decline. The volume of production and unfilled orders is as follows:

In gross tons (000's omitted)	Mar., 1925	Feb., 1926	Mar., 1926
Production in the U. S.—			
Pig iron.....	3,564	2,923	3,442
Steel ingots.....	4,199	3,805	4,492
Unfilled orders—			
U. S. Steel Corp.....	4,864	4,617	4,380

**Iron foundries.** Iron foundries in this district continue active. Gains during March in nearly all operating items were reported by 39 foundries whose combined monthly capacity of 12,764 tons remained unchanged from that of a year ago. As will be seen from the table below, large increases over the February totals occurred in the output of castings, malleable and gray iron.

Iron foundry operations	March	Change from Feb., 1926	Change from Mar., 1925
Capacity.....	12,764 tons	0	0
Production.....	6,666 "	+19.0%	+14.4%
Malleable iron.....	736 "	+28.4 "	+20.3 "
Gray iron.....	5,930 "	+17.9 "	+13.7 "
Jobbing.....	4,210 "	+20.4 "	+15.5 "
For further mfr.....	1,720 "	+12.2 "	+ 9.5 "
Shipments.....	5,519 "	+26.7 "	+16.3 "
Value.....	\$735,639	+16.6 "	+11.4 "
Unfilled orders.....	4,533 tons	+ 8.3 "	+ 9.5 "
Value.....	\$715,768	+11.3 "	+11.4 "
Raw stock			
Pig iron.....	7,789 tons	+ 2.3 "	+ 5.0 "
Scrap.....	3,313 "	+13.5 "	+ 1.3 "
Coke.....	2,032 "	+16.2 "	- 6.1 "

**Steel foundries.** The output of steel castings in this district, which in March was 28.4 per cent above February's volume and 32.2 per cent greater than that in March, 1925, continues at a high rate. Shipments during March exceeded those of the previous month by nearly 9 per cent, but were 6.6 per cent below the volume of a year ago. Gains in the volume of unfilled orders were very large, as is shown in the following table:

Steel foundry operations	March	Change from Feb., 1926 *	Change from Mar., 1925 †
Capacity.....	12,190 tons	0	0
Production.....	9,199 "	+28.4%	+32.2%
Shipments.....	5,820 "	+ 8.8 "	- 6.6 "
Value.....	\$944,230	+12.2 "	-10.7 "
Unfilled orders.....	6,626 tons	+41.1 "	+82.7 "
Value.....	\$1,063,857	+18.2 "	+55.3 "
Raw stock:			
Pig iron.....	3,427 tons	+38.8 "	+ 9.9 "
Scrap.....	9,212 "	+ 6.3 "	- 4.6 "
Coke.....	1,543 "	+43.0 "	+16.0 "

\* 11 plants. † 5 plants. ‡ Figures of one plant omitted.

## COAL

**Anthracite.** The demand for domestic sizes, particularly chestnut, stove and pea coals, continues fairly steady, but selling of steam sizes, except barley, is comparatively slow. In Philadelphia, company prices have remained stable during the past four weeks, but independent quotations in the main have declined. Compared with a year before, both company and independent prices at present are higher.

Most Pennsylvania collieries are now working at capacity. With a few exceptions, stocks of mined coal are not large. Weekly production has been as follows:

Week ended	In thousands of net tons		Per cent of change
	1925	1926	
Mar. 20....	1,513	1,963	+29.7
Mar. 27....	1,640	1,991	+21.4
Apr. 3....	1,438	1,548	+ 7.6
Apr. 10....	1,672	1,793	+ 7.2
Apr. 17....	1,522	2,086	+37.0

Source: U. S. Geological Survey.

**Bituminous.** Poor demand, a downward trend in prices, and curtailed production have characterized the soft coal industry in this district during the past four weeks. The opening of the coal year on April 1 stimulated neither spot buying nor contracting; in fact, several large cancellations have occurred since March 20. Spot prices continue to decline, the "Coal Age" index dropping from 167 on March 22, 1926, and 161 on April 20, 1925, to 158 on April 19, 1926,—the lowest level since 1916.

The weekly output in the United States is given below.

Week ended	In thousands of net tons		Per cent of change
	1925	1926	
Mar. 20....	8,283	10,263	+23.9
Mar. 27....	8,353	9,626	+15.2
Apr. 3....	7,547	9,034	+19.7
Apr. 10....	7,843	9,429	+20.2
Apr. 17....	7,515	9,295	+23.7

Source: U. S. Geological Survey.



## TEXTILES

**Cotton.** Activity in the cotton industry, though moderate, does not compare favorably with the rate that prevailed in the previous month and at the same time a year before. Buying is comparatively slow and orders for delivery beyond sixty days are scarce. Unfilled orders are much smaller than they were thirty days ago, and are sufficient to insure plant operations at the present rate of 80 per cent of capacity for a little over a month. No excessive accumulation of stocks is reported in either yarns or fabrics.

Since March 19, quotations for finished merchandise, as reported by the Fairchild Analytical Bureau, have declined about 4 per cent in yarns and nearly 2 per cent in fabrics, gray goods showing the greatest drop. Compared with those of a year ago, prices of yarns are more than 18 per cent lower and those of various cloths 15 per cent lower. Raw cotton also is more than 20 per cent below the prices of a year before. During the past four weeks spot cotton fluctuated between 19.05 and 19.55 cents a pound, selling on April 24 at 18.90 cents a pound.

Domestic consumption rose from 621,222 bales in last February and 642,228 bales in March, 1925 to 695,125 in March, 1926. Exports for the four weeks ended April 23 were 10.6 per cent below last month's volume and 11.6 per cent below that of a year ago. The present position of American cotton is:

American cotton* (thousands of bales)	Season '23-'24	Season '24-'25	Season '25-'26
Visible supply at end of previous season (July 31).....	870	952	1,125
Crop in sight on Apr. 23	10,454	14,116	15,230
Total.....	11,334	15,068	16,355
Visible supply on Apr. 23	1,964	3,184	3,972
World's takings to Apr. 23.....	9,360	11,885	12,382

\*Compiled by the New York Cotton Exchange

According to private and official reports, the outlook for this year's cotton crop appears to be favorable, though the planting season is somewhat belated, owing chiefly to cold weather and excessive rains in some large sections of the cotton belt. Acreage is estimated to be close to that of 1925, but the amount of fertilizer used is said to be larger. Labor supply in the main is ample and wages are about the same as those of last season.

**Wool.** During the month ended April 24 business in wool manufactures and raw wools was not as active as it was in the previous month or a year ago. The demand for both yarns and fabrics has fallen off considerably, buying being chiefly for prompt delivery. Unfilled orders on books of manufacturers and dealers are now somewhat smaller than



**Silk mill activity expanded almost steadily since the summer of 1924 until very recently, while the woolen industry, after a temporary rise, slackened operations during the past year.**

Source—Federal Reserve Bank of Philadelphia

they were four weeks ago. Plant operations in this district, though slightly behind the schedule maintained in the same period last year, continue practically unchanged from last month's rate of about 65 per cent of capacity. Stocks, which are moderate, are said to be decreasing.

Prices of woolen and worsted fabrics show a marked weakness, reflecting the downward trend in quotations for raw materials. According to Fairchild's index prices, since March 19, have declined nearly 3 per cent in domestic, and 1 per cent in foreign wools, and are now more than 19 and 16 per cent, respectively, below those of a year before. Composite worsted yarn quotations are nearly 12 per cent lower than they were at the same time last year.

March consumption of wool in this district was 17.2 per cent greater than in February, and in the country was 8 per cent larger.

**Silk.** In the past four weeks the distribution of broad and narrow silks has lagged considerably behind the volume sold in the same period a month ago and last year. Demand has continued only fair, about 90 per cent of orders on hand being for delivery within the next sixty days. Compared with the previous month, unfilled orders are smaller; they are sufficient to insure plant operations at the present rate of about 80 per cent of capacity for nearly fifty days. Supplies of finished goods are ample and show a slight tendency toward accumulation.

Prices of silk goods show a further decline. Fairchild's index number, which stood at 132.05 on March 1, 1926 and 122.61 on April 1, 1925, was reported at 127.41 on April 1, 1926. Quotations for raw silk also have registered a decrease since March 24, Kansai double-extra cracks selling at \$6.05 a pound on April 24 as against \$6.55 a month before and \$6.50 on April 24, 1925. Activity in raw silk is indicated below.

Raw silk* (in bales)	Mar., 1925	Feb., 1926	Mar., 1926
Imports.....	31,571	38,568	31,930
Stocks.....	46,663	43,418	35,948
Mill takings.....	45,157	42,476	39,400

\*Silk Association of America.

**Rayon.** The demand for rayon from makers of hosiery, underwear, cotton and silk goods continues steady. Domestic prices in the main remain unchanged from those of four weeks ago, despite recent rumors of recession. Plants are working almost on full schedule. At the present rate of output it is estimated that the output of rayon in the United States in 1926 will be 35 per cent above that of 1925. The table below shows consumption of rayon in comparison with that of other major textile fibers.

	United States Consumption in thousands of pounds			
	Rayon*	Cotton	Wool	Silk
1920.....	12,100	3,381,104	500,744	29,729
1921.....	18,670	2,704,490	452,912	44,676
1922.....	27,150	3,274,427	560,218	49,077
1923.....	39,400	3,656,101	550,878	47,849
1924.....	40,450	3,108,646	460,401	48,853
1925.....	57,700	3,582,397	450,019	66,929

\*Imports included.

**Hosiery.** Manufacturers of seamless hosiery report little change in the situation. Reports are rather evenly divided as to whether business is fair or poor. Fancies for men still constitute one of the bright spots. Prices have not changed except in a few instances. Stocks of goods are much the same as last month, and in most cases are said to be either medium or heavy. A number of firms report a decline in operations, and more declines than increases in unfilled orders are reported.

Demand for full-fashioned ladies' silk hosiery continues good. The majority of firms are operating at 100 per cent of capacity. Stocks are not heavy and are about the same as they were a month ago. A few firms report sufficient orders to maintain capacity operations for the balance of the year.

**Underwear.** April is usually a month in which new business is light as the first rush of orders for the spring trade has passed. The majority of firms reporting to this bank find demand either fair or poor, and state that it does not equal that of last month or of April last year. Weakness in prices also is reported but only one report indicates any decline in the last month. Stocks of goods are light and are either stationary or decreasing.

Operations at reporting firms hold up well. A few are operating at 50 per cent or less, but the majority are carrying on at 80 to 100 per cent of capacity. Unfilled orders have declined, but a suffi-

cient amount remains on the books to permit the maintenance of present output for from two to three months in most instances.

**Clothing.** During the past four weeks, the demand for clothing and furnishings has continued active and sales have exceeded materially those in the same period of last year. Except for some concessions, prices have been fairly stable. The majority of plants are working close to the full schedule but the average rate of operations in the Philadelphia reserve district is 80 per cent of capacity. Unfilled orders are considerably smaller than they were thirty days ago, the decline being mainly seasonal. Stocks of finished goods and raw materials are comparatively light. Collections are fairly prompt.

**Floor coverings** At the auction sales of carpets and rugs held by the Alexander Smith and Sons' Carpet Company during the week beginning April 5, prices were about 10 per cent lower than those realized at the December sales. Unusually cold weather, the season being much behind, has retarded demand in this district, but little can be determined definitely about fall business until salesmen have returned from the road.

Stocks are moderate, averaging about the same as they were a month ago. Reporting plants have unfilled orders sufficient to insure about one month's operation. There is quite general resistance to present prices. Factories producing linoleums and felt base goods report business as fairly good.

### LEATHER AND SHOES

During the closing weeks of March and in the beginning of April further weakness developed in the market for packer hides and quotations at Chicago declined about one cent a pound on the average. More recently greater interest has been manifested and prices for some descriptions have recovered somewhat. Compared with last month the market for goatskins suitable for colors is slightly stronger in some instances, but skins adapted to the production of blacks continue without feature.

Business in glazed kid is a little quieter than it was a month ago, but manufacturers of colored kid find a fairly good demand for their products. The demand for black kid is quiet. Prices of kid leather show little change, although resistance is offered to quotations for lower grades according to a few reports. Operations at plants reporting to this bank average 84 per cent of capacity. Orders now on the books are largely for delivery within sixty days. Business in sole leather is mixed but according to reports, the findings trade is buying more actively than the factory trade. Prices of sole leather show an easing tendency.

The demand for shoes continues fair but does not equal that in March or in April of last year. Stocks are moderate or light and, compared with a month ago, either have remained stationary or have declined. The majority of firms have a smaller volume of business on their books than last month, and in few instances will they permit operations for longer than one month.

Production of shoes in the Philadelphia Federal Reserve District in March was 15.3 per cent greater than in February, according to preliminary figures of the Bureau of the Census. In the United States the increase was 15.2 per cent.

Figures submitted by 86 establishments in this district are given below:

PRODUCTION OF SHOES* Philadelphia Federal Reserve District (in thousands of pairs)	Mar., 1926	Per cent change from Feb., 1926
Boots and shoes, total.....	1,447	+15.3
High and low cut (leather) total	1,384	+15.3
Men's.....	117	- 5.0
Boys' and youths'.....	146	+17.1
Women's.....	232	+27.8
Misses' and children's.....	510	+11.4
Infants'.....	379	+20.8
All other leather or part leather footwear.....	63	+16.6

\*Preliminary report—Bureau of the Census.

### CIGARS

Compared with that of last month and a year ago, the market for cigars has improved somewhat during the last four weeks. Sales have been a little larger and more frequent, although most orders called for immediate shipment. Cigar quotations continue firm in the face of marked resistance to prices, particularly in lower grades. Unfilled orders will insure plant operations at the present rate of 65 per cent, on the average, for about a month. Stocks are not heavy.

### AGRICULTURE

Adverse weather conditions have retarded spring farm activities by more than two weeks, according to reports received from county agents in the Philadelphia reserve district. From present indications less than 60 per cent of spring



In this chart the purchasing power of farm products is expressed in terms of non-agricultural commodities. The rise in the purchasing power of farm products in recent years leaves them still much below the pre-war parity with other commodities.

Sources—Standard Daily Trade Service and Bureau of Labor Statistics

plowing will be completed by the end of April, although in some counties the percentage is somewhat higher. The acreage ready for planting or seeding ranges from 35 to 60 per cent of the total acreage plowed. The area to be planted to principal money crops appears to compare favorably with that of last spring. Tobacco growers, however, are reducing their acreage chiefly because of unsatisfactory prices realized on last year's crop. Farmers have bought commercial fertilizer in amounts from 10 to 15 per cent above last season's tonnage, except in one large county which shows a decrease of about 30 per cent.

No marked damage from frost has been noted in the fruit growing sections. Although the number of weeks during which winter grains were partially or wholly protected by snow was about the same as in the previous year, the condition of winter wheat in this district on April 1 was poorer than that of last season, whereas in the United States as a whole the condition was substantially better, as is indicated in the accompanying table.

Dairy herds and other cattle are in fair condition, and pasturage on April 1 was estimated at 81 per cent of normal as against 86 per cent a year before and a ten-year average of 84 per cent. The supply of farm labor is a trifle smaller than it was in April, 1925, and wage rates are about 2 per cent higher.

Estimated crop conditions on April 1, 1926	Winter wheat, per cent normal			Rye, per cent normal		
	1926	1925	10-yr. aver.	1926	1925	10-yr. aver.
United States.....	84	69	79	80	84	87
Pennsylvania.....	77	85	88	81	87	90
New Jersey.....	79	88	88	82	90	90
Delaware.....	85	90	86	88	90	88