

# THE BUSINESS REVIEW

THIRD FEDERAL  
PHILADELPHIA



RESERVE DISTRICT  
MARCH 1, 1927

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## BUSINESS CONDITIONS IN THE UNITED STATES

Industrial activity has been slightly larger since the turn of the year than at the close of 1926. Seasonal liquidation of reserve bank credit has been in unusually large volume, owing chiefly to the inflow of gold from abroad, and conditions in the money market have been easy. Wholesale prices have continued to decline.

**Production.** Output of factories was larger in January than in December, but smaller than in January, 1926 or 1925. Mineral production, though somewhat below the December level, continued in unusually large volume, reflecting the maintenance of production of bituminous coal, crude petroleum and copper. Manufacture of pig iron and steel, which was sharply curtailed in December, increased in January and February. Automobile output was increased considerably from the unusually low level of production reached last December, but the number of passenger cars produced since the beginning of the year has been smaller than for the corresponding period of the past four years. The textile industries have continued active since December without, however, showing the usual seasonal increase.

Building contracts awarded in 37

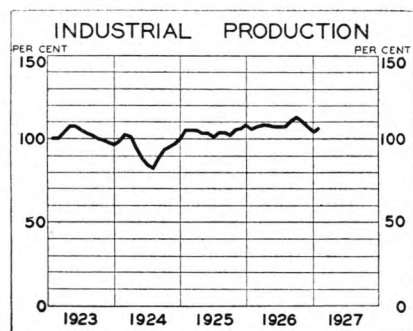
states during the first seven weeks of the year were smaller in value than those for the same period of 1926. Decreases have been largest in New York and in the New England, Southeastern and Northwestern states, while increases occurred in the middle Atlantic and Central Western states. By types of building, contracts awarded for residential and industrial building in January showed large reductions as compared with December and with January, 1926, while contracts for commercial buildings were larger than a month or a year ago.

**Trade.** Retail trade showed more than the usual seasonal decline between December and January. Sales of department stores were in about the same volume as a year ago, while those of mail order houses were 7 per cent smaller. Wholesale trade declined in nearly all leading lines in January and was considerably smaller than a year ago. Inventories of department stores were reduced less than is customary and at the end of the month were in about the same volume as in January, 1926. Stocks of merchandise carried by wholesale firms increased slightly, but continued in smaller volume than in the corresponding month of the previous year. Freight car loading is declined by somewhat

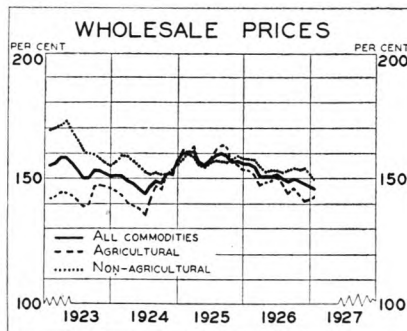
more than the usual seasonal amount between December and January but, owing chiefly to heavier shipments of coal this year, weekly loadings since the beginning of the year were larger than for the same period of 1926. Shipments of merchandise in less than car load lots were also slightly larger than last year, but those of most basic commodities were smaller.

**Prices.** The general level of wholesale prices declined fractionally in January, according to the index of the Bureau of Labor Statistics, considerable advances in prices of livestock being somewhat more than offset in the total by decreases in nearly all other commodity groups included in the index. Prices of non-agricultural products, as a group, declined to the lowest level since early in 1922. In February there were decreases in the price of iron and steel, non-ferrous metals, bituminous coal, grains and hides, while prices of cattle, sheep, cotton and gasoline increased.

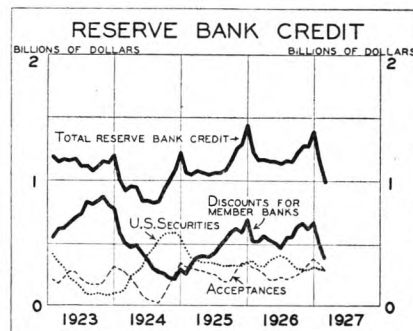
**Bank credit.** Commercial loans of member banks in leading cities continued to decline during the four weeks ending February 16, although at a less rapid rate than in earlier weeks, and in the middle of February the volume of these loans was about \$270,000,000 below



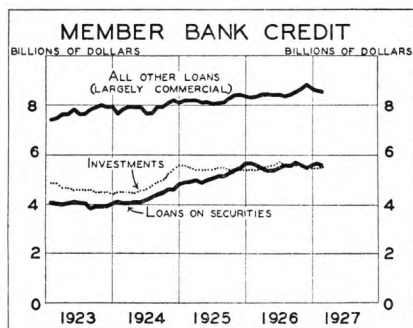
Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-25 average = 100). Latest figure—January, 1927, 106.



Indexes of United States Bureau of Labor Statistics (1913 = 100). Latest figures—January, all commodities, 146.9, non-agricultural commodities, 149.6, agricultural commodities, 143.4.



Monthly averages of daily figures for 12 Federal Reserve Banks. Latest figures are averages of first 23 days in February.



Monthly averages of weekly figures for banks in 101 leading cities. Latest figures are averages for first three weekly report dates in February.

the seasonal peak reached in the middle of November, though about \$200,000,000 above last year's level.

Loans on securities also declined during the period, while the banks' investment holdings increased somewhat.

The volume of reserve bank credit remained during the four weeks ending February 23 near the low level reached at the end of January. Liquidation of reserve bank credit since the high point of last December has been in excess of \$500,000,000, the unusual extent of this reduction being due chiefly to the large inflow of gold from abroad. Total bills and securities of the reserve banks on February 23 were about \$200,000,000 smaller than on the corresponding date of last year.

Easier money conditions in February were reflected in a decline in the rate on prime commercial paper from  $4\frac{1}{4}$  to 4 per cent after the first week of the month.

## BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

The moderate recession in business which first became evident in November has continued since the first of the year, and the current rate of commercial and industrial activity in the Philadelphia Federal Reserve District is now somewhat below the high level prevailing in the early part of 1926. Factory employment in Pennsylvania, New Jersey and Delaware, in January, was 4.4 per cent below the high point reached in October and, although January witnessed a slight increase in the number employed, the level in that month was one per cent under that of a year earlier. Wage payments, which furnish a better measure of industrial activity, have fallen off 9.9 per cent from the October figure, and are 2.7 per cent below the same period of last year.

The anthracite industry has also experienced a slackening in operations and sales of late, especially in domestic sizes. Mild weather and fairly heavy supplies

BUSINESS INDICATORS Philadelphia Federal Reserve District		Latest figure compared with	
		Previous month	Year ago
January, 1927			
<b>Retail trade</b> —estimated net sales (134 stores).....			
Department stores (59).....	\$18,599,000	-51.5%	-4.7%
Apparel stores (34).....	\$15,106,000	-53.1	-7.1
Shoe stores (25).....	\$2,375,000	-42.8	+8.1
Credit stores (16).....	\$507,000	-33.8	-1.0
	\$611,000	-52.8	+11.9
<b>Wholesale trade</b> —net sales (139 firms).....			
Boots and shoes (9 firms).....	\$8,308,799	-24.4	-0.9
Drugs (14 firms).....	\$213,105	-39.9	-19.8
Dry goods (16 firms).....	\$1,682,242	+1.4	+5.2
Electrical supplies (6 firms).....	\$549,413	-31.5	-14.2
Groceries (46 firms).....	\$452,976	-51.2	-9.5
Hardware (27 firms).....	\$2,915,262	-13.3	+6.4
Jewelry (11 firms).....	\$1,479,051	-31.7	-6.6
Paper (10 firms).....	\$236,652	-74.5	-11.5
	\$780,098	-0.3	-1.1
<b>Production:</b>			
Shoes* (92 factories).....	prs. 1,296,586	+6.8	.....
Pig iron.....	tons 313,923	+1.9	-2.7
Hosiery* (102 mills).....	doz. prs. 1,041,573	-3.5	.....
Iron castings (32 foundries).....	tons 4,014	-25.5	-8.3
Steel castings (10 foundries).....	tons 8,118	-5.9	+29.0
Cement.....	bbls. 2,510,000	-12.7	-9.2
Anthracite.....	tons 6,561,000	-12.8	Strike
Bituminous coal—Penna.....	tons 14,257,000	-4.8	+2.0
Wool consumption* (78 mills).....	lbs. 7,430,029	-6.1	.....
Active cotton spindle hours (Penna. and N. J.).....	88,998,075	-5.1	-24.3
Electric power—12 systems.....	KWH 422,788,000	-3.2	+18.3
<b>Distribution:</b>			
Freight car loadings (Allegheny district—weekly average).....	181,627	-7.4	+2.6
Tonnage of vessels (Port of Philadelphia).....	tons 3,360,202	-16.9	+9.5
Exports of wheat (from Port of Philadelphia).....	bus. 4,311,707	-32.3	+47.0
Exports of flour (from Port of Philadelphia).....	lbs. 4,962,800	-24.0	+15.2
Imports of crude oil (into Port of Philadelphia).....	gals. 5,322,030	-45.1	-67.6
<b>Financial:</b>			
Loans, discounts and investments of member banks (weekly average).....	\$1,179,000,000	+0.6	+4.9
Bills discounted held by F. R. B. of Phila. (daily average).....	\$44,183,000	-27.3	-8.3
Acceptances executed (9 banks for month ended Jan. 10).....	\$3,643,000	-13.8	-11.4
Bankers' acceptances sales (4 dealers—weekly average for period ended middle following month).....	\$2,731,000	-16.2	.....
Commercial paper sales (6 dealers).....	\$10,784,000	+53.9	+2.3
Savings deposits (98 banks).....	\$631,814,000	+1.6	+6.5
<b>General:</b>			
Debits (18 cities).....	\$2,598,196,000	-6.7	+3.2
Commercial failures—number.....	96	+26.3	+71.4
Commercial failures—liabilities.....	\$2,482,158	-68.9	+84.0
Building permits (16 cities).....	\$6,428,854	-74.2	-39.6
Building contracts awarded (Philadelphia district).....	\$32,298,807	+4.1	+58.9
Employment—872 plants in Penna.:.....			
Number of wage earners.....	294,998	-2.2	-1.1
Total wages.....	\$7,607,146	-5.5	-1.1
Average weekly earnings.....	\$25.79	-3.4	+2.0
Sales of life insurance (Penna., N. J. and Del.).....	\$76,850,000	-28.3	+12.2

\* Bureau of the Census preliminary figures.

of household coal have resulted in curtailed buying and some price weakening, but in steam sizes a fairly active market continues. Bituminous operations have continued at a high rate to supply heavy demands for storage in anticipation of a possible strike, but spot prices have weakened further. Building operations in the district have increased with the approach of spring although permits issued in January were in much smaller volume than a year earlier. Building material dealers are receiving a fair volume of orders, although current business in paint and lumber is under last years volume and prices have had further recessions. The real estate market is quiet and there has been a slack demand for rented houses and apartments.

Distribution of goods, as evidenced by freight shipments, wholesale and retail trade, has been in reduced volume since the first of the year. Freight car loadings in the Allegheny district have declined

seasonally from the December volume and during the current year to-date have exceeded last year's total for the same period by only 3.3 per cent, and this was due largely to heavy shipments of coal. Retail sales of our reporting stores were seasonally much smaller than in December and declined 4.7 per cent below the total for the same period of 1926. In wholesale trade total business was about one per cent smaller than in January of last year, and decreases were reported in all lines except groceries and drugs. Business payments as reflected by the volume of debits in the principal cities were 3.2 per cent larger in January, 1927, than in 1926—a smaller increase than in previous months.

The textile industries in the district have been only moderately active and in most cases current sales and quotations have been lower than those of last year. Trading in cotton goods has quickened somewhat of late and prices of raw cot-

ton, yarns and gray goods are a little higher. Operations are at 70 to 80 per cent of capacity. In the wool industries mill operations have also been at about this rate and, although demand is not very active, sales are ahead of last year. Prices of wool and wool goods are also lower than in the same period of 1926. Spring demand for silk products has become evident, but in this industry as well the volume of sales and level of quotations is lower than last year. Full-fashioned hosiery for women continues to sell actively but business in other grades of hosiery is quiet. Carpets and rugs have met with only fair demand.

In the leather products industries there has been a good demand for goatskins, colored kid and sole leather but inactive buying of other grades of hides and leather. Orders for shoes have been received in larger volume but current demand is somewhat less than last year.

Makers of mechanical rubber goods are meeting with only fair demand and price weakness has developed. Tire producers are more active with the approach of spring. Cigar producers report continued good business at steady prices.

**City conditions.** Declines from last year's business volume occurred in most of the cities in the district, although there were several exceptions. In the Reading area large increases were reported in factory employment and wage payments and in value of building permits, but debits, retail sales and savings were smaller than in January, 1926. Philadelphia, Johnstown and York were the only other cities to show gains in productive activity, and in York retail sales also were larger. In eight of the thirteen areas retail business was smaller than last year, but debits showed gains in all areas but Allentown, Johnstown, Lancaster, Reading and York. As compared with December, usual seasonal changes occurred; there were large declines in retail sales and debits in practically all cities and in most cases a slackening of factory activity evidenced

CITY CONDITIONS Philadelphia Federal Reserve District	January, 1927, compared with January, 1926						
	Employment	Wage payments	Value of building permits	Debits	Savings deposits	Retail trade sales	Electric power sales
Allentown area...	- 6.2%	- 6.2%	+159.0%	- 7.6%	+ 2.8%	- 3.7%	+28.3%*
Altoona "...	- 7.0 "	- 2.6 "	- 57.4 "	+ 0.8 "	+12.4 "	+ 9.0 "	.....
Harrisburg "...	- 7.0 "	- 2.6 "	- 47.5 "	+ 0.3 "	+10.6 "	-12.5 "	.....
Johnstown "...	+ 5.0 "	+ 4.8 "	- 46.9 "	- 2.7 "	+ 5.6 "	- 2.6 "	+ 5.9 "†
Lancaster "...	- 6.1 "	- 9.8 "	+465.3 "	- 7.8 "	+ 5.8 "	- 7.0 "	+18.1 "†
Philadelphia "...	+ 0.7 "	+ 3.9 "	- 58.2 "	+ 2.0 "	+ 7.1 "	- 5.7 "	.....
Reading "...	+17.5 "	+29.1 "	+ 50.2 "	- 2.9 "	- 6.2 "	- 7.3 "	+63.1 "†
Seranton "...	-13.8 "	-12.9 "	+389.7 "	+10.6 "	+14.3 "	+ 9.7 "	+26.6 "†
Trenton "...	- 9.6 "	-10.2 "	+ 52.1 "	+ 1.6 "	+ 1.9 "	- 1.9 "	+15.4 "†
Wilkes-Barre "...	- 5.1 "	- 4.5 "	+ 8.7 "	+22.2 "	+ 5.1 "	+ 5.6 "	.....
Williamsport "...	- 5.6 "	- 1.1 "	+737.7 "	+23.4 "	+ 4.4 "	- 5.3 "	.....
Wilmington "...	- 7.0 "	- 7.0 "	+255.4 "	+ 9.6 "	+ 5.6 "	+ 1.6 "	.....
York "...	+ 2.2 "	+ 2.5 "	+269.0 "	- 7.7 "	+ 1.0 "	+ 7.4 "	+13.8 "†

January, 1927, compared with December, 1926

Allentown area...	- 2.9%	- 5.1%	+102.5%	-10.4%	+ 1.2%	-48.1%	- 5.2%*
Altoona "...	.....	.....	- 82.2 "	-11.0 "	+ 2.1 "	-54.7 "	.....
Harrisburg "...	+ 0.7 "	+ 0.7 "	- 58.2 "	-10.5 "	+ 0.7 "	-56.3 "	.....
Johnstown "...	- 4.5 "	- 4.4 "	+548.8 "	-13.6 "	+ 0.5 "	-51.4 "	- 1.4 "†
Lancaster "...	+ 1.0 "	- 3.5 "	+ 18.7 "	- 6.8 "	+ 1.3 "	-53.0 "	+ 3.0 "†
Philadelphia "...	- 3.1 "	- 6.8 "	- 84.2 "	- 7.2 "	+ 0.6 "	-52.4 "	.....
Reading "...	- 0.8 "	- 2.5 "	- 2.1 "	-11.3 "	- 0.4 "	-47.8 "	+39.7 "†
Seranton "...	- 3.7 "	-15.9 "	+108.3 "	- 7.7 "	+ 9.2 "	-62.2 "	- 6.3 "†
Trenton "...	- 0.8 "	- 3.7 "	+ 21.5 "	-18.7 "	+ 1.6 "	-61.2 "	+ 3.0 "†
Wilkes-Barre "...	+ 0.0 "	- 1.7 "	- 57.0 "	- 5.6 "	+ 1.4 "	-62.0 "	.....
Williamsport "...	+ 1.4 "	+ 0.0 "	+255.4 "	+ 4.8 "	+ 0.7 "	-58.1 "	.....
Wilmington "...	- 0.8 "	- 5.4 "	- 61.2 "	+10.9 "	+ 3.2 "	-58.0 "	.....
York "...	- 2.3 "	- 5.0 "	+592.2 "	-12.2 "	+ 2.3 "	-49.9 "	- 1.8 "†

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

by reduced employment and smaller payrolls.

## RETAIL TRADE

Preliminary reports showing an increased volume of sales in the first fortnight of February over the total for the same period of last year virtually offset those showing decreased business. Several firms report recessions in prices, although the general level of retail quotations continues unchanged.

Owing partly to stormy weather during the last two weeks of January, retail sales in this district for that month dropped 4.7 per cent from the volume of a year before. Smaller sales by department stores are greatly responsible for this decrease, men's and women's apparel and credit stores showing substantial in-

creases over sales in January, 1926. Pronounced gains occurred in the sale of silverware and jewelry, leather goods, women's coats, furs, juniors' and girls' ready-to-wear, silk and muslin underwear, negligees, aprons and house dresses, toys and sporting goods, whereas marked declines are noted in woolen and cotton dress goods, women's suits, sweaters, millinery, knit underwear, furniture, beds, mattresses and springs, musical instruments and radio. Collections in January were nearly 11 per cent heavier than a year before, but outstanding orders at the end of that month were about 12 per cent below the total on the same date of 1926. Stocks also were somewhat lighter.

## FINANCIAL CONDITIONS

Borrowings from the Federal Reserve Bank of Philadelphia declined from 37.8 millions on January 19 to 34.3 millions on February 16, and on the latter date were 21 millions lower than a year before. Of a list of twenty important cities in this district, twelve show smaller borrowings by member banks than four weeks ago, five show increases, and three no change. Currency and coin receipts from banks in the district exceeded shipments to them by 2.4 millions, and in the transit clearings with other districts this district had a small favorable balance.

Reserve cash and Federal reserve note circulation each increased about 2 millions, but there was a decline of 7 millions in the deposit liability. The reserve ratio advanced from 76.6 per cent to 78.7 per cent.

RETAIL TRADE Philadelphia Federal Reserve District	January, 1927, compared with January, 1926				
	Net sales	Stocks at end of month	Accounts receivable at end of month	Collections during month	Outstanding orders at end of month
All reporting stores.....	- 4.7%	- 1.1%	- 1.7%	+10.7%	-11.7%
Department stores.....	- 7.1 "	- 2.4 "	+ 6.1 "	+18.8 "	-21.3 "
in Philadelphia.....	- 8.9 "	- 2.0 "	.....	+16.7 "	.....
outside Philadelphia.....	- 2.0 "	- 3.1 "	+ 6.1 "	+19.0 "	-22.1 "
Apparel stores.....*	+ 5.4 "	+ 5.4 "	-19.7 "	+12.2 "	+ 8.0 "
Men's apparel stores.....	+ 3.4 "	+ 4.3 "	.....	+ 6.7 "	+ 4.0 "
in Philadelphia.....	+ 4.6 "	+ 3.1 "	.....	.....	.....
outside Philadelphia.....	+ 1.9 "	+ 6.4 "	.....	+ 6.7 "	+ 4.0 "
Women's apparel stores.....	+10.4 "	+ 6.4 "	-22.7 "	+12.8 "	+ 8.4 "
in Philadelphia.....	+11.4 "	+ 3.9 "	.....	+12.7 "	+ 7.3 "
outside Philadelphia.....	+ 2.4 "	+20.9 "	.....	+13.1 "	+15.2 "
Credit stores.....	+11.9 "	+ 3.9 "	.....	- 1.2 "	+10.1 "
Shoe stores.....	- 1.0 "	+ 4.1 "	.....	- 1.8 "	+15.2 "



Member banks in Philadelphia, Camden, Scranton and Wilmington report a decline in loans and discounts from 817 millions on January 19 to 792 millions on February 16. Loans on securities have decreased steadily from the high point reached on January 5 and on February 16 were 18 millions lower than they were on January 19. In this four week period commercial loans declined 7 millions, but investment holdings expanded by the same amount. Loans on securities and commercial loans on February 16 were only 6 millions each above the figures of a year before, but investments were 24 millions higher. This increase of 36 millions in loans and investments was accompanied by a gain of 38 millions in total deposits.

**Commercial paper.** Sales of commercial paper by six dealers in January amounted to \$10,784,000, the largest total since June, 1925. Banks outside of the city were the principal purchasers. Comparative figures follow:

	Sales to		Total sales
	City banks	Outside banks	
1927— Jan.	\$3,971,500	\$6,812,500	\$10,784,000
1926— Dec.	3,441,500	3,564,900	7,006,400
Nov.	7,316,300	2,305,000	9,621,300
Jan.	4,275,000	6,270,000	10,545,000

The figures of four dealers, whose reports show the amount of sales at each rate, indicate that 95 per cent of the sales in January were made at 4 to 4½ per cent.

## WHOLESALE TRADE

Preliminary returns indicate that business in wholesale trade during the early part of February was only moderate, and prices continued practically unchanged. Since the fall of 1925, however, the general level of wholesale prices has been declining almost steadily and now stands at the lowest point since June, 1924, when prices were the lowest in the past four years.

January sales of drugs and groceries exceeded the volume of a year previous, while business in shoes, drygoods, electrical supplies, hardware, jewelry and paper was smaller. With the exception of those in shoes and drygoods, collections were heavier than in the same month last year. In most lines, stocks at the end of January were heavier than those on the same date last year.

**Drugs.** The demand for drugs continues fairly steady, and prices remain virtually unchanged from last month's level. January sales were more than 5 per cent greater than in the same month last year, and collections also increased

WHOLESALE TRADE Philadelphia Federal Reserve District	Net sales, Jan., 1927, com- pared with		Stocks, Jan. 31, 1927, compared with		Accounts out- standing, Jan. 31, 1927, compared with		Ratio of ac- counts out- stand- ing to sales Jan., 1927	Collections January, 1927, compared with	
	Jan., 1926	Dec., 1926	Jan. 31, 1926	Dec. 31, 1926	Jan. 31, 1926	Dec. 31, 1926		Jan., 1926	Dec., 1926
Boots and shoes ..	-19.8%	-39.9%	+11.7%	+12.3%	+5.2%	-15.5%	399.9%	- 0.0%	- 20.1%
Drugs .....	+ 5.2 "	+ 1.4 "	+12.2 "	- 2.2 "	-2.9 "	- 0.1 "	150.4 "	+ 0.1 "	+ 5.9 "
Dry goods .....	-14.2 "	-31.5 "	-37.7 "	+ 6.2 "	-9.7 "	-14.2 "	335.7 "	- 5.6 "	- 24.6 "
Electrical supplies ..	- 9.5 "	-51.2 "	+ 5.5 "	+ 0.7 "	-5.5 "	-24.6 "	160.9 "	+30.4 "	+ 17.5 "
Groceries .....	+ 6.4 "	-13.3 "	- 9.4 "	- 0.2 "	+0.8 "	- 5.0 "	123.0 "	+ 3.6 "	- 19.3 "
Hardware .....	- 6.6 "	-31.7 "	+ 4.3 "	+ 2.2 "	-4.1 "	-11.4 "	213.7 "	+ 6.2 "	- 10.9 "
Jewelry .....	-11.5 "	-74.5 "	+ 3.0 "	+10.9 "	+4.3 "	-41.0 "	611.0 "	+ 9.1 "	+104.1 "
Paper .....	- 1.1 "	- 0.3 "	+ 8.4 "	+ 0.9 "	+1.3 "	+ 2.0 "	145.8 "	+ 3.7 "	- 7.8 "

slightly. Stocks at the end of the month were heavier than those of a year before, but receivables were nearly 3 per cent lighter.

**Drygoods.** Business in drygoods continues slow, and prices generally are unchanged. Orders are divided between those calling for delivery within the next thirty days and those for shipment beyond that period. January sales and collections declined from the total of a year ago. Stocks and receivables at the end of January were noticeably lighter than those on the same date last year.

**Electrical supplies.** Trading in electrical supplies is rather slow, and some price declines are noted. January sales were nearly 10 per cent below the volume of a year ago, but payments of accounts increased by over 30 per cent. Stocks at the end of January were somewhat heavier than on the same date last year, but receivables were smaller.

lections, which fell below the December amount, were nearly 4 per cent greater than in January, 1926. Stocks at the end of January were lighter than a year before, while receivables were a bit heavier.

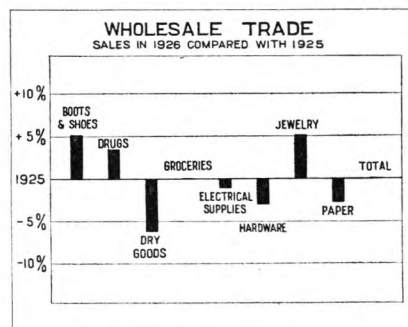
**Hardware.** The hardware market is only moderate. Several firms report price recessions, although in most cases quotations remain unchanged. January sales were noticeably smaller than those in the corresponding month of the past four years. But collections were 6 per cent over the total in January, 1926. Stocks at the end of January were above those of a year earlier.

**Jewelry.** Trading in jewelry is fair and sales during the first half of February compared favorably with those of a year ago. Prices continue firm and unchanged. January sales were smaller than those in the same month last year, but collections were in greater volume. Receivables and stocks at the end of January were above the total of a year before.

**Paper.** The demand for paper is fair and somewhat more active than it was at the same time last year. Prices in the main are steady, although the general level is slightly under December quotations. Sales in January declined a little below the volume in the previous month and were somewhat under the January total in the past four years. Collections are fairly prompt. Stocks and receivables at the end of January were heavier than on the same date last year.

Reporting manufacturers are working at about 80 per cent of capacity, and unfilled orders are sufficient to assure operations at this rate for approximately two weeks.

**Shoes.** Business in shoes is scarcely fair, most purchasing being for spot delivery or for shipment within thirty days. Prices continue unchanged. Following a strong demand during the last five months of 1926, sales in January declined considerably as compared with those in December, and were smaller than in any January since 1922. Receivables and stocks at the end of January were heavier than a year before. Collections were fair.



Wholesale business in this district during 1926 was only a trifle better than in 1925. Sales of shoes, drugs, groceries and jewelry increased, while those of drygoods, hardware, paper and electrical supplies decreased.

Source: Federal Reserve Bank of Philadelphia

**Groceries.** The grocery market during the first ten days in February was fair and sales compared favorably with the volume in the same period last year. Nearly twice as many items show price declines as advances. January sales exceeded those of a year before and equalled the total for the same month of 1923, but were under those of 1924 and 1925. Col-

## EMPLOYMENT AND WAGES

The volume of employment and wage payments in Pennsylvania decreased considerably in January, as evidenced by reports received from 872 industrial establishments. Much of the decrease, however, is probably attributable to the inclusion in this payroll period of New Year's Day in many cases and also to the regular season for taking inventory, overhauling machinery and making repairs.

Every group of industries shared in the decline, and for the first time since last July the textile group showed a falling off in employment and wage payments. The largest decrease in this group was reported by the silk goods industry, a strike in one of the mills, however, being partly responsible for the large decline. In the metal manufacturers group the greatest decreases were reported by the electrical machinery, heating appliances and shipbuilding industries. Building material and construction industries all showed marked declines from December, as did the furniture industry.

Delaware industries showed slight increases in the number of men employed, but a considerable decrease in wage payments. However, in spite of this change for all industries, the food, chemicals, drugs and paints and leather products industries all advanced considerably in both employment and wage payments.

## AUTOMOBILE TRADE

Following the seasonal quiet for some months past, trading in automobiles shows material improvement, according to reports received from 13 distributors in this district. January wholesale sales of less expensive cars increased greatly both in number and value over the volume for December and for January, 1926. Retail dealers' purchases of medium and high priced automobiles, however, fell considerably under that of a year before. At retail, cars selling under \$1,000 registered substantial gains in number and value over the December total and that of January last year, but the call for medium priced cars shows noticeable declines. The number of cars retailing at over \$2,000 was only a little greater than a year ago, while the value dropped slightly. Sales of used cars during January were under the December volume, but exceeded the number sold a year earlier. Deferred payment sales showed marked increases in January over the total for the same month last year.

Stocks of new cars at the end of January were nearly 10 per cent lighter in number but greater in value by almost an equal percentage than those on the same date last year. Compared with those of a month before, supplies of all models were heavier. Stocks of cars selling from \$1,000 to \$2,000 and over also were larger than those at the end of January, 1926, but those of less expensive automobiles were much less.

EMPLOYMENT AND WAGES In Pennsylvania	No. of plants report- ing	Number of wage earners— week ended		Total weekly wages— week ended		Average weekly earnings— week ended	
		Jan. 15, 1927	Per cent change from month ago	Jan. 15, 1927	Per cent change from month ago	Jan. 15, 1927	Per cent change from month ago
<b>All industries (46)</b>	<b>872</b>	<b>294,998</b>	<b>- 2.2</b>	<b>\$7,607,146</b>	<b>- 5.5</b>	<b>\$25.79</b>	<b>- 3.4</b>
<b>Metal manufacturers:</b>	<b>290</b>	<b>154,671</b>	<b>- 1.5</b>	<b>4,330,476</b>	<b>- 5.0</b>	<b>28.00</b>	<b>- 3.5</b>
Automobiles, bodies, and parts.....	19	11,755	- 8.5	328,608	- 8.7	27.95	- 0.1
Car construction and repair.....	20	21,410	+ 2.9	638,226	+ 2.2	29.81	- 0.7
Elec. machinery and apparatus.....	19	8,113	-10.8	190,253	-18.9	23.45	- 9.0
Engines, machines, mach. tools.....	38	11,368	- 1.1	339,665	- 3.5	29.88	- 2.4
Foundries and machine shops.....	57	8,808	- 1.8	256,989	- 5.8	29.18	- 4.0
Heating appl. and apparatus.....	15	3,790	- 7.4	105,479	-13.7	27.83	- 6.9
Iron and steel blast furnaces.....	12	13,759	+ 2.0	390,196	- 1.1	28.36	- 3.1
Iron and steel forgings.....	12	3,592	+ 2.7	92,048	+ 4.2	25.63	+ 1.4
Steel works and rolling mills.....	36	40,324	+ 1.1	1,133,283	- 3.3	28.10	- 4.3
Structural iron works.....	17	4,615	- 3.1	120,601	- 8.4	26.13	- 5.5
Misc. iron and steel products.....	25	18,559	- 1.2	509,981	- 7.2	27.48	- 6.0
Shipbuilding.....	3	5,992	- 8.9	161,550	-14.1	26.96	- 5.7
Hardware.....	8	1,740	- 2.3	42,999	- 5.3	24.71	- 3.1
Non-ferrous metals.....	9	846	- 7.6	20,598	- 6.8	24.35	+ 1.0
<b>Textile products:</b>	<b>166</b>	<b>56,291</b>	<b>- 2.4</b>	<b>1,208,502</b>	<b>- 5.4</b>	<b>21.47</b>	<b>- 3.1</b>
Carpets and rugs.....	8	2,283	- 0.5	59,010	- 4.2	25.85	- 3.7
Clothing.....	32	5,252	+ 2.6	100,359	+ 1.5	19.11	- 1.1
Hats, felt and other.....	4	4,042	+ 3.6	101,829	- 4.1	25.19	- 7.5
Cotton goods.....	15	4,626	+ 0.7	107,189	- 6.5	23.17	- 7.1
Silk goods.....	43	19,320	- 5.6	334,771	-11.7	17.33	- 6.4
Woolens and worsteds.....	14	5,067	- 1.2	120,747	- 2.2	23.83	- 1.0
Knit goods and hosiery.....	40	13,716	- 3.3	331,645	- 2.9	24.18	+ 0.4
Dyeing and finishing textiles.....	10	1,985	- 0.4	52,952	+ 1.5	26.68	+ 1.9
<b>Foods and tobacco:</b>	<b>114</b>	<b>23,780</b>	<b>- 3.0</b>	<b>493,230</b>	<b>- 5.8</b>	<b>20.74</b>	<b>- 2.9</b>
Bakeries.....	37	4,779	- 3.2	137,867	- 3.7	28.85	- 0.5
Confectionery and ice cream.....	24	5,738	- 2.1	124,271	- 3.2	21.66	- 1.1
Slaughtering and meat packing.....	14	2,141	- 1.2	62,533	- 4.4	29.21	- 3.2
Cigars and tobacco.....	39	11,122	- 3.6	168,559	- 9.6	15.16	- 6.2
<b>Building materials:</b>	<b>67</b>	<b>18,946</b>	<b>- 5.3</b>	<b>521,097</b>	<b>- 8.3</b>	<b>27.50</b>	<b>- 3.2</b>
Brick, tile, terra cotta products.....	27	4,058	- 7.7	98,515	-11.6	24.28	- 4.2
Cement.....	13	7,151	- 1.5	216,495	- 1.6	30.27	- 0.1
Glass.....	23	6,932	- 8.0	183,812	-13.8	26.52	- 6.3
Pottery.....	4	805	- 1.8	22,275	- 6.9	27.67	- 5.2
<b>Construction and contracting:</b>	<b>39</b>	<b>4,602</b>	<b>-12.8</b>	<b>125,222</b>	<b>-15.5</b>	<b>27.21</b>	<b>- 3.0</b>
Buildings.....	23	1,676	-18.1	52,305	-18.6	31.21	- 0.5
Street and highway.....	3	69	-67.1	1,848	-55.5	26.79	+35.4
General.....	13	2,857	- 5.5	71,069	-10.9	24.88	- 5.7
<b>Chemicals and allied products:</b>	<b>38</b>	<b>9,835</b>	<b>+ 1.9</b>	<b>264,102</b>	<b>- 5.4</b>	<b>26.85</b>	<b>- 7.2</b>
Chemicals and drugs.....	21	1,297	- 0.3	35,387	- 1.6	27.28	- 1.3
Explosives.....	3	608	+ 4.6	14,643	- 5.2	24.08	- 9.4
Paints and varnishes.....	9	1,010	- 1.9	27,221	- 6.5	26.95	- 4.7
Petroleum refining.....	5	6,920	+ 2.7	186,851	- 5.9	27.00	- 8.4
<b>Miscellaneous industries:</b>	<b>158</b>	<b>26,873</b>	<b>- 2.5</b>	<b>664,517</b>	<b>- 4.7</b>	<b>24.73</b>	<b>- 2.3</b>
Lumber and planing mill products.....	28	3,920	- 3.4	83,727	- 4.1	21.36	- 0.8
Furniture.....	21	2,112	-13.3	48,384	-18.2	22.91	- 5.6
Leather tanning.....	17	5,793	+ 2.1	149,190	+ 0.5	25.75	- 1.6
Leather products.....	8	546	- 6.8	11,461	- 8.4	20.99	- 1.7
Boots and shoes.....	22	3,842	- 0.4	69,916	- 3.2	18.20	- 2.8
Paper and pulp products.....	19	4,661	- 5.1	117,825	- 6.0	25.28	- 1.0
Printing and publishing.....	37	3,764	- 1.9	129,417	- 4.6	34.88	- 2.8
Rubber tires and goods.....	3	784	- 0.1	22,648	- 2.2	28.89	- 2.0
Novelties and jewelry.....	3	1,451	+ 1.5	31,949	- 5.3	22.02	- 6.7

AUTOMOBILE TRADE Philadelphia Federal Reserve District 13 distributors	January, 1927, change from			
	January, 1926		December, 1926	
	Number	Value	Number	Value
Sales, new cars, wholesale.....	+ 37.6%	+ 15.6%	+126.4%	+ 93.6%
Cars under \$1,000.....	+129.0 "	+127.9 "	+162.8 "	+155.2 "
Cars, \$1,000 to \$2,000.....	- 33.4 "	- 29.9 "	+ 95.3 "	+ 94.2 "
Cars over \$2,000.....	- 17.3 "	- 20.2 "	- 11.1 "	- 7.5 "
Sales, new cars, at retail.....	+ 27.0 "	+ 18.5 "	+ 71.6 "	+ 40.3 "
Cars under \$1,000.....	+ 31.8 "	+ 31.5 "	+ 94.1 "	+ 93.6 "
Cars \$1,000 to \$2,000.....	- 26.2 "	- 23.9 "	- 30.8 "	- 29.0 "
Cars over \$2,000.....	+ 2.4 "	- 2.0 "	- 11.0 "	- 18.2 "
Stocks of new cars.....	- 9.8 "	+ 9.5 "	+ 42.2 "	+ 35.1 "
Cars under \$1,000.....	- 46.0 "	- 45.8 "	+ 63.2 "	+ 61.9 "
Cars \$1,000 to \$2,000.....	+120.1 "	+104.2 "	+ 36.2 "	+ 39.0 "
Cars over \$2,000.....	+ 17.2 "	+ 14.6 "	+ 20.4 "	+ 20.7 "
Sales of used cars.....	+ 18.2 "	- 4.7 "	- 12.0 "	- 10.2 "
Stocks of used cars.....	+ 22.2 "	+ 26.3 "	+ 7.3 "	+ 6.0 "
Retail sales, deferred payment.....	+ 50.0 "	+ 76.4 "	- 1.6 "	+ 4.2 "

## ELECTRIC POWER

The electric power industry is moderately active. January sales of electricity both for lighting and for power purposes were 3 per cent above the December total and nearly 21 per cent over those of a year before. Consumption of electric power by industries increased about 24 per cent and by municipalities 24 per cent over that of January, 1926. Residential and commercial demand for lighting exceeded last year's total by 16 per cent. Production of electricity by 12 systems in this district, though somewhat smaller in January than in December, surpassed the output in January, 1926 by more than 18 per cent. Rated generator capacity also increased nearly 11 per cent above that of a year before.

ELECTRIC POWER Philadelphia Federal Reserve District 12 systems	January, 1927, change from	
	Dec., 1926	Jan., 1926
Rated generator capacity.....	- 0.2%	+10.9%
Generated output.....	- 3.2	+18.3
Hydro-electric.....	-22.4	+84.8
Steam.....	- 1.7	+14.4
Purchased.....	- 3.9	+29.8
Sales of electricity.....	+ 3.0	+20.9
Lighting.....	+ 8.3	+14.2
Municipal.....	- 2.5	+ 1.7
Residential and commercial	+ 9.9	+16.0
Power.....	+ 0.3	+20.5
Municipal.....	+13.9	+24.2
Street cars and railroads..	- 1.8	+11.2
Industries.....	+ 0.9	+23.8
All other sales.....	+ 8.6	+43.3

## IRON AND STEEL

The iron and steel industry in this district continues fairly active. Sales measure up to the volume of four weeks ago, despite some weakness in prices of finished steel. Close buying for immediate requirements is the feature of the current market. The average daily output of pig iron in this district during January was about 2 per cent greater than in December but was nearly 3 per cent under the volume of a year ago. Similarly, daily production of pig iron in the United States, while slightly above the December output, was 6.5 per cent below that in January, 1926. Making of steel ingots also was 9.6 per cent greater in January than in December but about 8 per cent less than the total of a year before. Plant operations in this district range from 70 to 80 per cent of capacity, and the United States Steel Corporation is now working at 85 per cent of capacity. On February 1, there were in the country 208, out of the total of 365, furnaces in blast against 203 active stacks on January 1. The estimated daily capacity on February 1 was 100,635 tons in contrast with 98,360 tons a day the month before. Productive activity is indicated by the accompanying table.

The average price of pig iron has declined recently to a level which equals the low figure of 1925 and is lower than at any other time since the spring of

In gross tons (000's omitted)	Jan., 1926	Dec., 1926	Jan., 1927
Production in the U. S.—			
Pig iron.....	3,316	3,091	3,100
Steel ingots.....	4,150	3,472	3,807
Unfilled orders—			
U. S. Steel Corp. ....	4,883	3,961	3,800

1922 according to the Iron Age price index, which stood on February 21 at \$18.96 a ton, as compared with \$19.45 in January and with the 1926 average of \$20.42 a ton. Quotations for finished steel also have reached during February the lowest point since the first half of 1922, the average price on February 21 being 2.367 cents a pound, compared with the January average of 2.432 cents a pound and with the average of 2.439 cents for last year.

**Steel foundries.** Production and shipments of steel castings in this district during January declined from the December volume, but exceeded that of January, 1926. Advance business, however, was considerably under the total for December and January, 1926. Stocks of scrap at the end of the month were lighter, while supplies of pig iron and coke were heavier than those on the same date last year.

Steel foundry operations	Jan., 1927	Change from Jan., 1926	Change from Dec., 1926
Capacity.....	11,940 tons	0	0
Production.....	8,118 "	+29.0%	- 5.9%
Shipments.....	5,323 "	+ 3.2	- 7.8
Value.....	\$819,887	+ 2.8	- 4.2
Unfilled orders*..	2,890 tons	-56.2	-32.0
Value*.....	\$486,347	-52.5	-28.6
Raw stock:			
Pig iron.....	2,012 tons	+ 7.9	- 2.6
Scrap.....	8,268 "	-17.3	+ 8.1
Coke.....	1,641 "	+52.2	+21.2

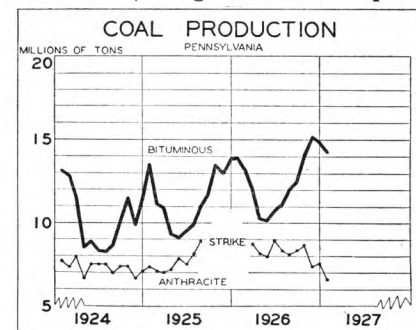
\* Figures of one plant omitted.

**Iron foundries.** Activity of foundries making iron castings during January decreased materially from the level prevailing in December and January of 1926, as indicated by smaller production, shipments and unfilled orders. Only stocks of coke were heavier at the end of January than a year before, supplies of pig iron and scrap being somewhat lighter.

Iron foundry operations	Jan., 1927	Change from Jan., 1926	Change from Dec., 1926
Capacity.....	11,530 tons	0	0
Production.....	4,014 "	- 8.3%	-25.5%
Malleable iron.....	325 "	-37.6	-37.0
Gray iron.....	3,689 "	- 4.3	-24.3
Jobbing.....	2,525 "	- 5.4	-19.9
For further			
mfr.....	1,164 "	- 1.8	-32.3
Shipments.....	3,857 "	- 5.0	-17.1
Value.....	\$552,615	- 5.5	-15.6
Unfilled orders...	3,327 tons	-20.9	-21.7
Value.....	\$536,913	-20.3	-27.2
Raw stock:			
Pig iron.....	6,086 tons	- 0.0	- 2.6
Scrap.....	3,016 "	- 1.3	- 5.4
Coke.....	2,021 "	+29.6	+ 4.3

## COAL

**Anthracite.** Principally because of mild weather and large accumulation of stocks by consumers last summer, the demand for anthracite, especially domestic sizes, continues poor. Steam sizes, however, are moving at a fair rate. Since December 1, the general trend of prices



The output of bituminous coal in Pennsylvania during 1926 exceeded that of the previous year by about 10 per cent and was nearly 22 per cent greater than in 1924. The anthracite strike lasted from September, 1925, to February, 1926; nevertheless the production of anthracite increased greatly over the 1924 volume. Recently, recessions in the output of both soft and hard coals have occurred.

Source: United States Geological Survey

has been downward, and at present quotations generally are lower than they were four weeks ago and at the same time last year. As indicated by chestnut coal, average anthracite prices last year were somewhat above the 1924 level but under those prevailing in 1923. While a number of reporting operators estimate their production at about 80 per cent of capacity, many collieries are operating on part time, which is rather unusual for this time of the year. The output during the four weeks ended February 12 totaled 6,090,000 tons as against 5,833,000 tons in the previous four weeks. Stocks in retail yards on January 1 were rather heavy for this season.

**Bituminous.** Buying of soft coal by railroads, industries and public utilities continues increasingly active. This is probably due, in part, to the prevailing uncertainty in the bituminous region, caused by the fact that the Jacksonville union wage agreement between operators and miners expires on March 31. Prices of spot coal are somewhat higher than contract quotations. Since the close of the year the trend of spot prices in the country has been almost steadily downward, according to the Coal Age price index.

Production in the month ended February 12 was about 10 per cent above that of a month previous. Stocks of bituminous coal in the hands of railroads, industrial consumers, public utilities and retail dealers on January 1 totaled 55,000,000 net tons, according to figures compiled by the Bureau of the Census. Only once since the war—on January 1, 1924—have stocks at the beginning of the year exceeded the present accumulation.



## BUILDING

During January, 1,228 permits for 1,413 operations were issued in 16 cities of this district, calling for a total expenditure of \$6,428,854, as against \$10,635,388 in January, 1926, a decline of nearly 40 per cent. The contemplated expenditure in January also was substantially lower than in any other month of the past four years. Owing mainly to reductions in prices of Portland cement, steel and lumber, construction costs have declined recently to the lowest level since last October.

Contracts awarded in this district during January exceeded the volume for any previous January and were the largest since September, 1926. Comparisons follow:

Contracts awarded (000's omitted)	Jan., 1926	Dec., 1926	Jan., 1927
Philadelphia Fed. Res. Distr.			
Total.....	\$ 20,322	\$ 31,018	\$ 32,299
Residential..	10,491	11,400	7,201
United States—			
Total.....	457,159	537,396	384,455
Residential..	190,847	203,346	163,664

Source: F. W. Dodge Corporation

**Building materials.** The market for building materials is fair, and the demand for bricks is more active than it was four weeks ago. Sales of lumber and paint, however, show slight declines from both last month's volume and that of a year before. The bulk of the present buying is for delivery within the next two months. Gains in unfilled orders for bricks are noted, but advance business in lumber and paint is under the total for the month ended January 15. Employment and wage payments in industries making building materials in this district again declined in January from the December total. January production and shipments of Portland cement in this section did not equal the volume for the corresponding month last year. Stocks of bricks and cement are somewhat heavier than those on the same date of 1926, but supplies of lumber and paint are a trifle lighter.

Most reporting firms state that present prices are rather weak. Except for a slight advance in brick quotations, prices of building materials are a little more than 4 per cent below the level prevailing a year ago. Collections in the main are only fair.

## REAL ESTATE

The renting demand for houses and apartments in this district has been less active during the past four weeks than in the same period last year. Small dwellings leasing at \$35 to \$50 a month, however, are in fair demand. In Philadelphia, a moderate call also exists for houses renting at \$60 to \$150 a month

and for apartments at \$40 to \$100 a month. Generally speaking, rents for all types of houses in this district have decreased during the past three months. This is probably accounted for by the fact that there is at present an ample supply of house and apartment space for renting.

The sale of houses costing less than \$6,000 exceeds the volume of a year ago, but dwellings selling from \$6,000 to \$10,000 and over show marked declines. Most of the houses built at present are for sale, and about 35 per cent of new residences consists of apartments. Purchasers of houses have no difficulty in obtaining loans.

The volume of financing for commercial and residential buildings is considerably smaller than it was a year ago. Owners are the most active borrowers at present, although a few reports indicate loans to operative builders. Interest rates continue at 6 per cent. Commissions charged by brokers on first mortgages average about 3 per cent, and the average charges on second mortgages exceed 6 per cent.

## TEXTILES

**Cotton.** The market for cotton manufactures is moderately active. The demand for cotton yarns during the month ended February 15 was stronger than that of thirty days previous, while sales of cotton fabrics were a trifle smaller. Many of the reporting firms state, however, that buying for spring delivery is increasing. Advance business for cotton yarns exceeds noticeably last month's volume, but unfilled orders for piece goods show a slight decline from the total of four weeks ago. Operations of the cotton fabric industry in this district vary from 70 to 80 per cent of capacity. Stocks of finished products in the main are moderate and a trifle lighter than those on the same date last year. Domestic consumption of raw cotton, linters included, has increased almost steadily since last fall and in January reached the highest total since March. Exports also continue in large volume; between August 1 and February 18 foreign shipments totaled 7,318,789 bales as against 5,821,238 bales in the corresponding period last year, a gain of over 25 per cent. The following shows the position of American cotton:

American cotton * (thousands of bales)	Season '24-'25	Season '25-'26	Season '26-'27
Visible supply at end of previous season (July 31).....	952	1,125	2,279
Crop in sight on Feb. 18.....	12,656	13,795	15,320
Total.....	13,608	14,920	17,599
Visible supply on Feb. 18.....	4,478	5,003	6,926
World's takings to Feb. 18.....	9,130	9,916	10,672

\* Source: The New York Cotton Exchange.

Spot prices of raw cotton, which fluctuated during January within a range of less than one cent a pound, have advanced during the three weeks of February to the highest level since October 1. Reflecting this upward trend, quotations for standard yarns have moved up about 2 per cent over those prevailing in January. The average price of gray goods also has risen a little, but that of finished fabrics remains virtually unchanged. Collections generally are prompt.

**Silk.** The spring demand for broad silk has increased noticeably above last month's volume, although sales do not equal the total of a year before. Gains in the sale of thrown silk are offset by nearly an equal number of losses. Unfilled orders, which are virtually unchanged from those of last month, are sufficient to insure production of thrown silk and silk fabrics at the present rate of 80 to 90 per cent of capacity for about fifty days on the average. Stocks of silk yarns generally are light, while supplies of broad silk show a slight accumulation.

Reflecting lower quotations for raw silk, average prices of silk goods again have declined owing chiefly to reductions in crepe de chine, charmeuse, crepe satin and Japanese items. The Fairchild price index dropped from 116.6 on January 1 and 132.4 a year before to 115.7 on February 1. The index of average prices for 1919 stood at 116.1. Raw silk quotations are about 20 per cent below the level of a year ago. Deliveries of raw silk to American mills during January exceeded those for any previous month on record. The movement of raw silk follows:

Raw silk * (in bales)	Jan., 1926	Dec., 1926	Jan., 1927
Imports.....	43,650	45,119	48,456
Storage.....	47,326	52,478	52,627
Mill takings.....	46,148	39,771	48,307

\* The Silk Association of America.

**Wool.** Business in piece goods and wool fibers is barely fair and the demand for woolen and worsted yarns continues quiet, though sales by reporting firms are a little ahead of last year's volume. Prices of worsted yarns have increased slightly during the past fortnight for the first time since the week ended November 19, according to the Fairchild Analytical Bureau, but they are noticeably lower than last year's quotations. Piece goods are from 5 to 10 per cent below the level of a year ago. Quotations for raw wool, domestic and foreign, though practically unchanged from those of the month previous, also are from 5 to 13 per cent below prices of a year ago. Collections generally are fairly prompt.

Unfilled orders, which are somewhat smaller than those of a month earlier,

will insure operations for thirty to forty days at the present rate of 75 per cent of capacity for the spinning and 85 per cent for the piece goods industry. Stocks of finished goods are moderately light.

Raw wool stocks (000's omitted)	Dec. 31, 1925	Sept. 30, 1926	Dec. 31, 1926
<b>Held by dealers in—</b>			
Philadelphia.....	20,397	15,186	17,404
United States.....	147,770	213,770	142,559
<b>Held by manufacturers in—</b>			
Middle Atlantic Section.....	68,951	57,387	60,254
United States.....	139,147	161,943	127,434
<b>Total for the United States *</b> .....	<b>346,678</b>	<b>375,714</b>	<b>324,578</b>

\* Stocks of wools in and afloat to the United States on December 31, 1926 consisted of 54.8 per cent domestic and 45.2 per cent foreign wools, including tops and noils, grease equivalent.

**Hosiery.** A number of firms report a fair demand for seamless hosiery, but the greater part declare it poor and unchanged from that of a month ago. In a few cases increased demand is noted. Prices generally are unchanged from those of the previous month, though a few decreases are reported, especially in women's mercerized and silk and rayon hosiery.

The demand for women's full-fashioned hosiery is generally fair with some decreases reported for the month. Plant operations average 92 per cent of capacity, and unfilled orders will permit operations of reporting firms at this rate for an average period of about three months. Stocks of finished goods are moderate and generally larger than those of a year ago. Prices are unchanged except for a few decreases in women's silk hosiery.

**Floor coverings.** Carpet and rug manufacturers report demand as only fair, the majority stating that it has decreased from that of a month ago. It is also said to be poorer than it was last year. Spring business is not yet generally active, though some report a fair volume of spring orders. Buying for immediate needs is increasingly the practice in the trade, and manufacturers are adjusting their business to it. Mills continue to operate at about 55 per cent of capacity, unfilled orders insuring plant activity for an average of nearly four weeks. Prices are unchanged from the level of a month ago.

Makers of linoleums and felt base goods report good business, with operations for the most part at capacity, and prices unchanged.

## FURNITURE

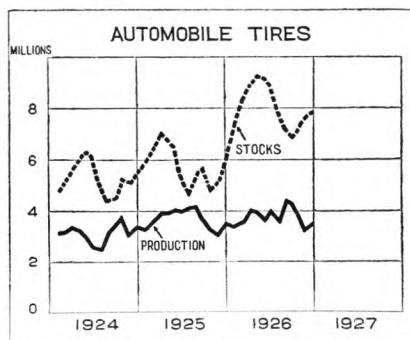
The current demand for furniture in this district is moderately active, and sales exceed last month's volume and those of a year ago. Most of the present buying is for delivery within the next two months. Prices generally continue unchanged, and collections are fair. Unfilled orders are noticeably larger than

those of four weeks ago; they are sufficient to assure production at the prevailing rate of nearly 75 per cent of capacity for about one month. Stocks are moderate and somewhat lighter than those on the same date last year.

## RUBBER

Business in mechanical rubber goods is only fair, sales being somewhat below last month's volume. Current buying is principally for quick delivery. Most reports indicate that prices continue firm, although some producers note reductions varying from 5 to 13 per cent under the December level. Following the usual winter quiet, manufacturers of automobile tires and inner tubes state that demand is improving, and unfilled orders are slightly larger than they were a month ago. Operations of the rubber industry in this district range from 60 to 70 per cent of capacity. Collections, though fair, are not as prompt as they were in the same period last year.

Activity in reclaimed rubber is brisk, and prices continue unchanged. Quotations for crude rubber have fluctuated since December within a comparatively narrow range, first latex crepe selling on February 23 at 39½ cents a pound as against 39⅞ cents on January 1 and 69 cents on February 1, 1926. Average prices of crude rubber in 1926 were about 27 per cent under the 1925 level but were nearly twice as high as those in 1923 or 1924. Consumption of rubber by American tire industries last year was 6 per cent below the volume of a year before but it exceeded the 1924 total by about 14 per cent. January consumption was the largest since last August. Imports of crude rubber into the United States during January totaled approximately 45,736 long tons, which was the greatest monthly volume on record. This large increase was probably in early anticipation of a further cut from 80 to 70 per cent in the exportable allowance of rubber from the Federated Malay States for the quarter beginning February 1. Estimates show that this restriction, which is now in force, will reduce ex-



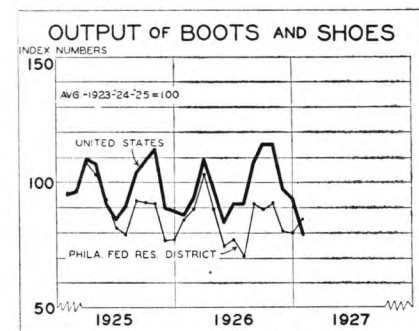
Production of pneumatic casings during 1926 exceeded the volume of each of the previous two years, and stocks at the close of last year were heavier than at the end of any previous year.

Source: Rubber Association of America

ports of rubber from the British colonies by about 10,000 tons.

## LEATHER AND SHOES

The market for packer hides is seasonally weaker, the usual lack of demand for winter hides being in evidence. A



While the 1926 monthly average for the country compares favorably with that of the previous year, monthly output of boots and shoes in this district in 1926 fell below that of 1925. During January production in this district turned upward, but in the country a pronounced decline is noted.

Source: Department of Commerce

decline of one and a half cents in the past month is noted. Goatskin prices are rising, but tanners are reported to be resisting any further advances. Skins suitable for colored kid are said to be scarce. The demand for black kid is quiet and shows little change from that of a month ago. That for colored kid, which is also unchanged in the month, is active. Stocks of finished goods have increased in the majority of cases. Reporting firms are operating at 81 per cent of capacity, with unfilled orders slightly larger than they were a month ago.

Sole leather continues in good demand and reporting firms state that stocks of finished goods have decreased. Unfilled orders are larger than they were a month ago and plant operations average 83 per cent of capacity.

Shoe manufacturers, in their reports on demand, are about evenly divided between good and fair. Comparison with the demand of a month ago shows a few more reporting increases than decreases, while the opposite is shown by a comparison with last year's demand. Firms reporting this month state that stocks of finished goods are moderate, while unfilled orders are somewhat larger than those of the previous month. They will insure operations at 72 per cent of capacity for about five and one half weeks.

Prices are firm and unchanged from those of last month.

## CIGARS

The cigar market in this district is fairly strong, and sales equal last month's volume and that of a year ago. Prices continue steady, and collections prompt. Unfilled orders are practically unchanged from those of four weeks ago. Stocks vary from moderate to light and are about the same as those on the same date last year.