# THE BUSINESS REVIEW 

 THIRD FEDERALPHILADELPHIA


RESERVE DISTRICT
APRIL I, 1927
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## BUSINESS CONDITIONS IN THE UNITED STATES

Industrial output increased further in February and was slightly larger than a year ago, and distribution of commodities by the railroads was larger than for the corresponding period of any previous year. The general level of wholesale prices continued to decline and was in February at the lowest level since the summer of 1924.

Production. Production of manufactures increased in February for the second consecutive month, and the output of minerals, after declining in January, advanced once more in February to the record level reached last December. Factory production and employment, however, continued smaller than during the corresponding month of last year. Production of iron and steel has increased steadily since December and reports indicate that operations of steel mills in March were at almost the same high rate as in March, 1926.
Automobile productions increased from 234,000 cars in January to 298,000 cars in February, and weekly figures of employment in Detroit factories indicate some further additions to production in March, but output has continued much smaller than a year ago. Daily average consumption of cotton by mills in February was larger than in any previous month on record, but activity of woolen and silk mills decreased as compared with January.


Index numbers of production of manufactures and minerals adjusted for seasonal variations (1923-25 average $=100$ ). Latest figures, February, manufactures 106, minerals 120 .

Production of bituminous coal has been maintained in large volume, while that of anthracite has been considerably reduced. The output of building materials was smaller during the first two months of this year than in the corresponding period of 1926. The value of building contracts awarded in February was 3 per cent smaller than in the same month of last year, but awards for the first three weeks in March were in approximately the same volume as in 1926. Contracts in southeastern and northwestern states have been considerably smaller than a year ago, while those in the central west have been much larger.
Trade. Retail trade showed less than the usual seasonal decline between January and February. Sales of department stores and chain stores were larger than in February of last year, while those of mail order houses were smaller. Wholesale firms reported a smaller volume of business in February than a year ago, and this decline occurred in nearly all leading lines. Inventories of department stores increased in February in anticipation of the usual expansion in spring trade, but the growth was less than is customary at this season and at the end of the month stocks were slightly smaller than a year ago. Stocks of merchandise carried by wholesale firms also increased in February, but they were gen-


Federal Reserve Board's indexes of factory employment and payrolls $(1919=100)$. Latest figures, February, employment 93.7 , payrolls
108.5. 108.5.
erally smaller than in the corresponding month of last year.
Railroad shipments of commodities have increased steadily since January by more than the usual seasonal amount and have exceeded those for the same period last year, owing to larger shipments of coal, of miscellaneous commodities, and of merchandise in less than car-load lots.
Prices. Wholesale prices, according to the index of the Bureau of Labor Statistics, continued to decline in February. Among non-agricultural products decreases occurred in the prices of coal, petroleum, iron and steel, non-ferrous metals, and lumber, and the index for non-agricultural prices as a group was at the lowest post-war level. Prices of livestock and livestock products and of clothing materials advanced in February. During the first three weeks of March there were decreases in prices of grains, livestock, sugar, silk, wool, coal, petroleum, and gasoline, while prices of potatoes, pig iron, hides, and rubber advanced.
Bank credit. Demand for commercial credit at member banks in leading cities increased seasonally between the middle of February and the middle of March. There was also growth in the volume of funds used in the security market as indicated by increases in loans to brokers and dealers in securities. Consequently total loans of the reporting


Indexes of United States Bureau of Labor Statistics $(1913=100)$. Latest figures, February, all commodities 146.4 , non-agricultural commodities 148.3, agricultural commodities 143.8 .


Weeklyrates in New York money market: commercial paper rate on 4- to 6 -months paper
banks at the end of the period were close to the level of last autumn.
Financial operations of the United States Treasury around the middle of March, with disbursements temporarily in excess of receipts, resulted in a temporary abundance of funds which was reflected at member banks in leading cities in a growth of deposits, in reduced indebtedness at the reserve banks, and in increased holdings of securities.
At the reserve banks, following changes in holdings of bills and securities accompanying the financial operations of the Treasury, the total volume of credit outstanding on March 23 was somewhat larger than four weeks earlier.

Conditions in the money market in March were slightly firmer than in February. Rates on prime commercial paper advanced from 4 per cent to $4-41 / 4$ per cent and call money was also higher, while rates on acceptances declined somewhat.

## BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

Recent developments seem to indicate a reversal of the slight downward trend in business activity which first manifested itself late in 1926. Demand for many products has shown good seasonal strength during recent weeks and this has been accompanied by a general expansion of productive activity in the Philadelphia Federal Reserve District and throughout the country. Employment in Pennsylvania establishments, after a noticeable decline from the high level of October, has remained practically stationary during the past two months at a level somewhat below that of the same period of last year, but wage payments and total employe-hours advanced more than 4 per cent in February. In the construction industry of the district, also, there have been ample evidences of improvement. Contract awards in February were the largest since the preceding September and for the first two months of this year there was a gain of nearly 43 per cent over the corresponding period of 1926 . Resi-

| BUSINESS INDICATORS <br> Philadelphia Federal Reserve District | February, 1927 | Latest figure compared with |  |
| :---: | :---: | :---: | :---: |
|  |  | Previous month | Year ago |
| Retail trade-estimated net sales (135 stores) | \$17,474,000 | - $6.4 \%$ | $-0.8 \%$ |
| Department stores (61).................. | \$14,536,000 | - 5.6 | $-1.7{ }^{\prime \prime}$ |
| Apparel stores (33) | \$1,654,000 | $-13.5{ }^{\prime \prime}$ | - $0.8{ }^{\prime \prime}$ |
| Shoe stores (25) | \$482,000 | -14.5" | + $16.4^{\prime \prime}$ |
| Credit stores (16) | \$802,000 | + 39.0 " | + 7.9 " |
| Wholesale trade-net sales (139 firms) | \$7,930,774 | - 4.5 " | - $3.1{ }^{\prime \prime}$ |
| Boots and shoes (9 firms) . . . . . . . . . . . . . . . . . . . . . . . . . | \$235,491 | + 10.5 " | +6.6" |
| Drugs (14 firms) . . . . . . | \$1,514,028 | - 10.1" | - 3.5 " |
| Dry goods (17 firms) | \$610,251 | + 7.6 " | - 15.2 " |
| Electrical supplies ( 5 firms) | \$422,229 | - $5.0{ }^{\prime \prime}$ | $-17.2^{\prime \prime}$ |
| Groceries (46 firms). | \$2,683,484 | - $7.5^{\prime \prime}$ | - 0.9 " |
| Hardware (26 firms) | \$1,415,035 | - $4.1{ }^{\prime \prime}$ | - 3.3" |
| Jewelry (11 firms) | \$304,439 | + $28.7{ }^{\prime \prime}$ | - $3.7{ }^{\prime \prime}$ |
| Paper (11 firms) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | \$745,820 | - 5.0 " | + $5.7{ }^{\prime \prime}$ |
| Production: |  |  |  |
| Shoes* (93 factories) | prs. 1,318,967 | + $2.8{ }^{\prime \prime}$ |  |
| Pig iron. | tons 304,440 | - 3.2 " | + $1.2{ }^{\prime \prime}$ |
| Hosiery* (108 mills) | doz. prs. 1,077,027 | + 0.3 " |  |
| Iron castings (34 foundries) | tons 5,078 | +14.6" | - $5.6{ }^{\prime \prime}$ |
| Steel castings (11 foundries) | tons 8, 8,109 | - 2.0 " | + $13.2{ }^{\prime \prime}$ |
| Cement: . . . . . . . . . . . | bbls. 2,353,000 | - 6.3" | - $3.8{ }^{\prime \prime}$ |
| Anthracite. | tons 5,852,000 | $-10.8{ }^{\prime \prime}$ | Strike |
| Bituminous coal-Penna | tons 13,158,000 | - 7.7 " | 1.6 " |
| Wool consumption* ( 79 mills). | lbs. 7,751,134 | + $8.0{ }^{\prime \prime}$ |  |
| Active cotton spindle hours (Penna. and N. | 80,930,755 | - $9.1{ }^{\prime \prime}$ | -6.6" |
| Electric power-11 systems... | KWH 381, 147,000 | - 8.3" | $+11.2^{\prime \prime}$ |
| Distribution: |  |  |  |
| Freight car loadings (Allegheny district-weekly average) | 193,548 | +6.6" |  |
| Tonnage of vessels (Port of Philadelphia) | tons 3,062,485 | - 8.9 " | + $15.3^{\prime \prime}$ |
| Exports of wheat (from Port of Philadelphia) | bus. 1,495,479 | -65.3" | + $36.4{ }^{\prime \prime}$ |
| Exports of flour (from Port of Philadelphia) | lbs. 18, 873, 115 | $+280.3$ | +470.2 ${ }^{\prime \prime}$ |
| Imports of crude oil (into Port of Philadelphia) . . . . . . | gals. 6,245,316 | $+17.3^{\prime \prime}$ | $-43.8^{\prime \prime}$ |
| Financial: |  |  |  |
| Loans, discounts and investments of member banks (weekly average) | \$1,164,500,000 | - $1.2{ }^{\prime \prime}$ | + $3.7{ }^{\prime \prime}$ |
| Bills discounted held by F. R. B. of Phila. (daily average) | , \$36,158,000 | - $18.2{ }^{\prime \prime}$ | -35.7" |
| Acceptances executed ( 9 banks for month ended Mar. 10) | \$3,843,000 | + 5.5 " | + 17.4 " |
| Bankers' acceptances sales (4 dealers-weekly average for period ended middle following month) | \$2,438,000 | - 10.7" |  |
| Commercial paper sales ( 6 dealers) . . . . . . . . . . . . . . . . . . | \$9,822,500 | - 8.9 " | +62.6" |
| Savings deposits ( 98 banks)....... | \$640,482,000 | + 0.2 " | + $6.6{ }^{\prime \prime}$ |
| General: |  |  |  |
| Debits (18 cities). | \$2,239,602,000 | $-13.8{ }^{\prime \prime}$ | +6.7" |
| Commercial failures-number | 52,230,602,68 | -29.2" | - 26.9 " |
| Commercial failures-liabilitie | \$8,272,430 | +233.3" | +293.0" |
| Building permits (16 cities) | \$11,481,925 | +78.6" | - 14.2 " |
| Building contracts awarded (Philadelphia district)... . | \$33,087,845 | + 2.4 " | + 29.6 " |
| Employment-867 plants in Penna.: <br> Number of wage earners. . . . . . . . . | \$291,989 | + 0.2 " | - 3.2 " |
| Total wages.... | \$7,837,195 | + 4.4" | - $1.1^{\prime \prime}$ |
| Average weekly earnings | - \$26.84 |  | + 2.9 " |
| Sales of life insurance (Penna., N. J. and Del.) | \$88,982,000 | + $15.8{ }^{\prime \prime}$ | + 10.4 " |

* Bureau of Census preliminary figures.
dential building has been in smaller volume, however, and the local demand for houses and apartments has been quiet. The market for building materials has strengthened with the expansion of building operations.
Colliery operations in the anthracite industry have been reduced recently to about 70 per cent of capacity, reflecting plentiful stocks and curtailed buying of domestic sizes. Operators and dealers have announced a lower price scale a few weeks earlier than the usual spring reduction date. The possibility of a suspension of operations in the union bituminous fields upon the expiration of the Jacksonville Agreement has resulted in a heavy accumulation of stocks by industrial consumers. In fact the market for soft coal has weakened somewhat during recent weeks and prices have been further reduced.

Operations in the steel industry have expanded substantially during the past three months and current output in the United States is more than 90 per cent of
capacity. In the Philadelphia district the industry has not equalled this high rate although operations in nearly all branches of the industry increased considerably in February. Daily production of pig iron in that month was much larger than in January and a little above that in the year previous. After some reductions in January and February pig iron prices have strengthened in the last few weeks.
Operations in most of the textile industries of the district expanded in February and preliminary reports indicate a slightly larger employment in March. There has been a more active market for cotton goods since February 1 with a volume of sales equal to that of last year. The industry in the district is operating at about 70 per cent of capacity and in the country as a whole the average daily mill consumption in February was the largest on record. Demand for wool goods is rather quiet although prices are steady and mill actjvity in the district is above last year's
level. Thrown silk has been meeting with active demand but the market for broad and narrow silks is quiet and there has been some stock accumulation of the latter. Most branches of the hosiery industry report no improvement in the market although women's full-fashioned has experienced some betterment. Business in carpets and rugs is dull, awaiting the spring auctions on April 1, but linoleum is selling actively.
There has been a fair demand at steady prices for packer hides, but the market for goatskins has fallen off and lower prices prevail. Sales of sole leather also have decreased but colored kid is in good demand. A fair volume of business is reported by luggage manufacturers and there has been some improvement in the shoe market.

Shipments of goods, as measured by freight car loadings in the Allegheny District, showed substantial gains in February over the January average and were also in larger total than in February, 1926. Coal, however, has constituted a large share of recent shipments. Wholesale and retail sales in the district were smaller in February than in January, owing to fewer business days, but the February volume was also smaller than in the same month of 1926. In the case of wholesale goods this is undoubtedly partially attributable to lower prices. The volume of check payments naturally was smaller in February, but as compared with last year, showed a gain of nearly 7 per cent.

City conditions. Mercantile and industrial conditions in the leading cities of this district compare well with the volume of business of a year ago. Check payments in February increased in all leading cities, except Lancaster and York, over the volume of a year before. Savings deposits also showed gains in most cities. The majority of reporting cities, too, report an appreciable gain in retail sales, although the total for all cities was somewhat smaller in February than in the same month of last year. Reports on wage payments in February were divided between those showing increases and those registering declines from the total of a year before. Except for Philadelphia, Reading and York, employment decreased, but sales of electric power increased greatly above last year's total. The value of building permits issued in February was much greater than those in February, 1926, in 7 cities, while it was smaller in 6 cities.

## FINANCIAL CONDITIONS

Borrowing from the Federal Reserve Bank of Philadelphia changed little in the four weeks ended March 16, but increased from 33.6 to 45.3 millions in the week following, owing chiefly to larger accommodation extended to Philadelphia banks. In the earlier period reserves had increased from 203.3 to 218

| CITY <br> CONDITIONS <br> Philadelphia Federal <br> Reserve District | February, 1927, compared with February, 1926 |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\underset{\text { ment }}{\text { Employ- }}$ | Wage payments | Value of building permits | Debits | Savings deposits | Retail trade sales | Electric power sales |
| Allentown are | $-11.1 \%$ | $-6.5 \%$ | $+326.3 \%$ | $+1.6 \%$ | $+3.0 \%$ | +16.5\% | $+26.4 \%$ * |
| Altoona |  |  | - 24.0" | + 4.9" | +12.0" | + 8.9 " | +15.5 |
| Harrisburg | - 4.3 " | +1.2" | - 70.3" | + 3.4" | +11.2" | - 2.0" |  |
| Johnstown | -0.6 " | + 2.5 " | -65.2" | + 0.6 " | +4.2" | - 9.3" | +8.8" $\dagger$ |
| Lancaster | -10.8" | -12.2" | -62.0" | - 2.7 " | + 5.7" | - 1.3" | +15.2" |
| Philadelphia | + $0.2{ }^{\prime \prime}$ | + 4.2" | - 20.9" | +6.7" | + 7.8" | -2.6" | +12.3 |
| Reading | + 2.9" | + 4.9 " | - 83.4" | +4.0" | -2.4 " | +0.4" |  |
| Scranton | -12.1" | - 7.9 " | + 64.6 " | +23.8" | +9.7" | +12.9" | +20.6" |
| Trenton | -10.7" | - 5.1 ${ }^{\prime \prime}$ | +235.2" | +9.3" | + 0.5 " | +1.2" | +15.9" $\ddagger$ |
| Wilkes-Barre | -9.5" | -16.7 " | +130.5 ${ }^{\text {c }}$ | +17.9" | + 5.3" | +27.8" |  |
| Williamsport | -1.7" | +5.3" |  | +15.6" | + 6.1" | +8.0" |  |
| Wilmington | $-10.7{ }^{\prime \prime}$ | -6.8" |  | +8.2" | + 5.6" | + 5.7" |  |
| York | + 3.6 " | + 3.0" | +51.5" | $-1.5{ }^{\prime \prime}$ | + $0.6{ }^{\prime \prime}$ | - 8.9 ${ }^{\prime}$ | $+26.5$ |

February, 1927, compared with January, 1927

| Allentown | re | $-2.5 \%$ | $+5.1 \%$ | $+47.4 \%$ | -12.0\% | $+1.0 \%$ | + $5.1 \%$ | $-2.4 \%$ * |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Altoona |  | -1.5 " | - $0.1{ }^{\prime \prime}$ | +132.2 | -11.0 ${ }^{\text {c }}$ | +1.7 ${ }^{\text {c }}$ | - 7.7 " | - $1.8{ }^{\text {c }}$ |
| Harrisburg | " | + 3.1 " | +9.6" | + 33.0 " | -15.9 " | +1.6" | -8.8" |  |
| Johnstown | " | -4.7 " | - 1.1** | - 57.1" | -9.7" | $+0.3{ }^{\prime \prime}$ | +22.1 ${ }^{\prime \prime}$ | $-2.7^{\prime \prime} \dagger$ |
| Lancaster | " | -1.6 " | +0.1 ${ }^{\prime \prime}$ | $-55.1$ | -12.5" | +1.6" | -18.3 ${ }^{\text {u }}$ | $-1.7{ }^{\text {a }}$ |
| Philadelphia | " | + 0.9" | + 3.5" | +119.6 | -12.5 | + 0.4 | - 7.6 | - 6.8 |
| Reading | " | + 0.6" | + 3.1" | - 20.1" | $-7.7$ | + 4.1" | -23.2" | - 7.6 |
| Scranton | " | - 2.7" | +12.3" | - 69.2" | -12.0" | -4.0 " | -6.8" | $-0.7$ |
| Trenton | " | -0.3" | + 2.4 " | + 28.0" | + 7.3" | + 0.4 " | + 0.9 " | - 4.9" ${ }^{\text {¢ }}$ |
| Wilkes-Barre | " | -0.7" | -2.4" | +198.7" | -21.2" | + 0.1" | + 1.9" |  |
| Williamsport |  | + 3.0" | +12.3" | + 93.2" | -19.5" | + 2.1" | -7.7" |  |
| Wilmington |  | + 0.6" | + 3.3" | +153.4" | -32.0" | + 0.5 " | +9.7" | - 3.8 |
| York | " | + 0.3 " | -1.3 " | - 8.9" | -11.4" | + 0.9 " | -16.2" | -1.3 " |

* Includes Wilkes-Barre and Williamsport areas. $\dagger$ Production (not sales). $\ddagger$ Includes Camden area. § Included in Allentown area.
millions and the reserve ratio from 78.7 to 84.7 per cent, but the week of March 23 witnessed a decline in reserves to 197.9 millions, largely because of transfers of Government funds to other districts, and the reserve ratio fell to 79.9 per cent. In this last week the Government withdrew a substantial amount of funds from depositary banks and large amounts of income tax checks were credited to the Treasure's account.

In the four weeks ended March 16 the loans of reporting member banks in Philadelphia increased 8 millions and the total of their demand and time deposits increased 12.9 millions. Reports from 84 banks in other leading cities of
the district, however, show decreases of 5.5 millions in loans and of 10.5 millions in demand and time deposits. Including the Philadelphia banks, 96 banks reported classified loan figures. In this four week period, loans on securities held by these banks decreased 6.5 millions from 479.8 to 473.3 millions; all other loans, largely commercial, advanced 11.4 millions from 474.9 to 486.3 millions, for which the Philadelphia banks were largely responsible as their commercial loans increased 10.5 millions. The effect of Government financing on March 15 was shown by an increase in holdings of Government securities and a sharp advance in Government deposits.

| Banking changes in cities of the Philadelphia Federal Reserve District (000's omitted in dollar figures) | Number of reporting banks | Changes in four weeks ended March 16, 1927 |  | Changes in year ended March 16, 1927 |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Loans and discounts | Deposits * | Loans and discounts | Deposits * |
| Allentown | 4 | +\$ 239 | -\$ 28 | +\$ 1,273 | +\$ 731 |
| Atlantic City | 7 | - 98 | - 59 | - 917 | - 976 |
| Bethlehem. | 3 | - 87 | + 277 | + 740 | + 458 |
| Camden. | 3 | - 1,469 | - 1,050 | + 3,106 | + 6,579 |
| Chester. | 4 | + 331 | + 71 | + 1,329 | + 1,305 |
| Easton. | 4 | + 88 | + 553 | $+\quad 1667$ | - 127 |
| Harrisburg | 3 | + 110 | + 198 | + 54 | - 6 |
| Hazleton. | 5 | - 29 | + 432 | + 773 | + 1,291 |
| Johnstown | 4 | - 140 | - 362 | - 579 | + 131 |
| Lancaster. | 3 | + 174 | + 258 | + 867 | + 766 |
| Norristown. | 3 | + 430 | + 344 | + 530 | - 25 |
| Philadelphia | 36 | + 7,980 | + 12,920 | + 3,576 | + 33,884 |
| Reading. . . | 5 | - 280 | + 251 | + 852 | $+\quad 33,856$ |
| Scranton. | 6 | - 1,733 | - 1,024 | + 1,228 | + 10,883 |
| Trenton. | 3 | - 2,826 | - 12,693 | + 6,354 | + 119 |
| Wilkes-Barre | 5 | + 421 | + 377 | + 675 | + 1,810 |
| Williamsport | 3 | + 175 | + 307 | + 804 | + 806 |
| Wilmington. | 6 | - 860 | + 1,322 | + 2,522 | + 4,775 |
| York. . | 10 | - 44 | + 1, 10 | + 2,850 | $+\quad 1,417$ |
| Other centers | 3 | + 89 | + 311 | + 185 | + 1,409 |
| Totals. | 120 | +\$2,471 | +\$2,415 | +\$24,889 | +\$67,886 |

* Net demand and time deposits.

| RETAIL TRADE <br> Philadelphia Federal Reserve District | Comparison of net sales |  | Comparison of stocks |  | Rate of turnover |  | Outstanding orders at end of month compared with year ago | Accounts receivable at end of month compared with year ago | Collections during month compared with year ago |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & \text { Feb., 1927, } \\ & \text { with } \\ & \text { Feb., } 1926 \end{aligned}$ | Jan. 1 toFeb. 28, 1927,withJan. 1 toFeb. 28,1926 | Feb. 28, 1927 |  | Jan. 1 to Feb. 28 |  |  |  |  |
|  |  |  | with | with | 1926 | 1927 |  |  |  |
| All reporting stores........... | $-0.8 \%$ | $-2.7 \%$ | $-0.6 \%$ | + $4.6 \%$ | . 50 | . 48 | $-20.0 \%$ | +13.7\% | $-12.8 \%$ |
| Department stores | - $1.7{ }^{\text {a }}$ | -4.4* | - 1.2 " | + $4.5{ }^{\prime \prime}$ | . 49 | . 48 | -18.6 ${ }^{\text {a }}$ | +19.0" | $-17.3^{\prime \prime}$ |
| in Philadelphia outside Philadelph | - $4.1{ }^{\prime \prime}$ | -6.5 ${ }^{\text {c }}$ " ${ }^{\prime \prime}$ | -1.5" | +2.3" | .53 .40 | . 50 | -6.1" ${ }^{\text {a }}$ | -9.9.9" | -18.7 ${ }^{\prime \prime}$ |
| Apparel stores...... | + 0.9 " | +4.7 ${ }^{\prime \prime}$ | +1.3" | +10.1" | . 74 | .74 | -17.9 | +13.4" | +14.4" |
| Men's apparel stores . . . . . . | -11.3" | -2.9" | +3.8" | +11.2" | . 47 | . 44 |  | +6.5" | +7.1 ${ }^{\prime \prime}$ |
| in Philadelphia. | -8.8" | -1.8" | -4.3" | +7.7" | . 47 | . 46 |  |  |  |
| W outside Philadelphia..... | -14.4" | -4.2" | $+18.5{ }^{\text {a }}$ | $+16.8^{\prime \prime}$ | . 47 | . 42 |  | +6.5" | +7.1 ${ }^{\prime \prime}$ |
| Women's apparel stores....... . in Philadelphia | +5.1" | +8.2" | -1.0" | + $3.8{ }^{\prime \prime}$ | .98 1.03 | .98 1.05 |  | +14.1" | +15.2" |
| in Philadelphia. <br> outside Philadelphia | +3.8" ${ }^{\prime \prime}$ | +8.2" ${ }^{\prime \prime}$ | -3.3" | +2.3" ${ }^{\prime \prime}$ | 1.03 .68 | 1.05 .63 |  | +15.1" | +13.4" |
| Credit stores................. | +15.5" | +8.0 ${ }^{+8}$ | +12.3" | +10.6" | . .39 | . 40 |  | +10.8" | +1.9" |
| Shoe stores.... . . . . . . . . . . . . | +16.4* | +6.1" | + 5.0 " | + 3.7" | . 38 | . 38 |  | +11.2" | + $3.1{ }^{\prime \prime}$ |

Compared with a year ago loans of 120 member banks in this district increased 25 millions from 1,023 to 1,048 millions, but deposits increased in larger amount from 1,316 to 1,384 millions. In the course of the year investments and borrowing from the Federal Reserve Bank declined.

Comparative data on the loans and deposits of member banks in various cities are given in the accompanying table.

Commercial paper. Sales of commercial paper declined from $\$ 10,784,000$ in January to $\$ 9,822,500$ in February, but much exceeded those of February, 1926. Compared with a year ago both city and country banks purchased in larger amount. The sales of six dealers are given below:

|  |  |  |  |
| :--- | ---: | ---: | ---: |
|  | Sales |  |  |

All sales in February were made at 4 to $41 / 2$ per cent, according to the reports of four dealers, with almost two-thirds at 4 per cent. In January some sales were made at more than $41 / 2$ per cent and only 38 per cent of the total was sold at 4 per cent.

## RETAIL TRADE

Preliminary reports indicate that retail sales during the first two weeks of March were somewhat greater than those in the same period of the preceding month. Prices in the main continue unchanged.

February sales by reporting firms declined less than one per cent from the volume of a year before, but total sales for the first two months of this year were 2.7 per cent below those in the same period of 1926. Women's apparel, credit and shoe stores showed substantial gains, while department and men's apparel stores registered losses. Large
increases are reported in the sale of laces, trimmings and embroideries, toilet articles and drugs, handkerchiefs, leather goods, women's coats, misses' ready-to-wear, juniors' and girls' ready-to-wear, women's and children's hosiery, silk and muslin underwear, men's and boys' shoes, toys and sporting goods, and luggage; whereas considerable declines are noted in the sale of woolen and cotton dresses, and sweaters. Stocks at the end of the month were 4.6 per cent heavier than on the same date in January but nearly 1 per cent lighter than those at the end of February last year. Collections during February decreased nearly 13 per cent from the total for February, 1926.

## WHOLESALE TRADE

Wholesale dealers in this district generally are experiencing a moderately good volume of business and sales during the first fortnight of March compared favorably with those of a month before. Gains in dollar volume of business in shoes, drugs, drygoods and hardware are offset by losses in groceries, jewelry and paper. Buying for prompt delivery predominates, although orders for shipment within thirty days are numerous. Prices continue unchanged, except for some declines in groceries and hardware and for slight advances in cotton piece goods.

February sales of paper and shoes were 5.7 and 6.6 per cent, respectively, greater than in the same month last year, whereas business in other lines was smaller, declines averaging about 7 per
cent, as shown by the accompanying table. With the exception of groceries, jewelry and shoes, stocks held by reporting jobbers at the end of February were somewhat heavier than those on the same date last month. Compared with a year ago, however, supplies were noticeably lighter, except for drugs and electrical supplies which were larger. Accounts outstanding at the end of February were smaller in all wholesale lines but shoes than those of a month earlier; they were also below those on the same date of 1926 in all lines except shoes and paper. February collections in shoes and groceries were greater, while in other lines they were smaller than those in the same month last year.


Following a decline from the peak reached in 1920, the cost of living in Philadelphia and the United States increased somewhat, although United States increased somewhat, although in the past year it remained fairly steady. ceeded that in the United States.
Source: Bureau of Labor Statistics.

| WHOLESALE TRADE <br> Philadelphia Federal Reserve District | Net sales, Feb., 1927, compared with |  | Stocks, <br> Feb. 28 1927, compared with |  | Accounts outstanding, Feb. 28, 1927, compared with |  | Ratio of accounts standing to salesFeb., 1927 | Collections Feb., 1927, compared with |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & \text { Feb., } \\ & 1926 \end{aligned}$ | $\begin{aligned} & \text { Jan., } \\ & 1927 \end{aligned}$ | $\begin{gathered} \text { Feb. } 28, \\ 1926 \end{gathered}$ | $\begin{array}{\|c} \text { Jan. 31, } \\ 1927 \\ \hline \end{array}$ | $\begin{gathered} \text { Feb. } 28, \\ 1926 \end{gathered}$ | $\begin{aligned} & \text { Jan. 31, } \\ & 1927 \end{aligned}$ |  | $\begin{aligned} & \text { Feb., } \\ & 1926 \end{aligned}$ | $\begin{aligned} & \text { Jan., } \\ & 1927 \end{aligned}$ |
| Boots and shoes. . | + $6.6 \%$ | +10.5\% | $-8.2 \%$ | -0.4\% | + 7.5\% | + $1.4 \%$ | $367.0 \%$ | +11.0\% | -29.9\% |
| Drugs. | -3.5 ${ }^{\prime \prime}$ | -10.1" | +18.6 | +0.6 ${ }^{\prime \prime}$ | - 3.3 " | - 2.3 " | $160.1{ }^{\text {c }}$ | -1.5 | -5.5 |
| Dry goods | -15.2" | + 7.6 " | -32.9 | +8.1 ${ }^{\prime \prime}$ | -14.3 " | -5.3" | 294.1 " | - 2.6 " | $-13.1{ }^{\text {" }}$ |
| Electrical supplies | -17.2" | - $5.0{ }^{\prime \prime}$ | +3.8" | +0.3" | -14.0" | $-13.3{ }^{\prime \prime}$ | 145.7 " | - $5.1{ }^{\text {" }}$ | $-31.2{ }^{\prime \prime}$ |
| Groceries. | -0.9" | - $7.5^{\prime \prime}$ | -10.5 | -4.9 " | -4.8" | -1.5" | 126.9 " | + 1.3 " ${ }^{\prime \prime}$ | -8.0" |
| Hardware | - 3.3" ${ }^{\prime \prime}$ | -4.1" | -2.8 ${ }^{\text {c }}$ " | ${ }_{-7}+3.3$ " | -4.0" | - $1.8{ }^{\prime \prime}{ }^{\prime \prime}$ | 218.0 ${ }^{\text {a }}$ " | - 3.8" | -22.5" ${ }^{\text {a }}$ |
| Jewelry. Paper. | -3.7 ${ }^{\prime \prime}$ | +28.7" | -10.2 ${ }^{\text {- }}$ " | -7.7" | - 0.7 " | - 4.6 ¢ ${ }^{\text {c }}$ | 152.2" ${ }^{452.2}$ | - 2.3 " ${ }^{\prime \prime}$ | -71.7 ${ }^{\text {a }}$ |

## EMPLOYMENT AND WAGES

Although employment in Pennsylvania factories in February showed little change from January, considerable increase in industrial activity is shown by a gain of more than 4 per cent in total wage payments. Much of this increase is undoubtedly due to a resumption of business after the January inventory taking and the usual first of the year repairs to plants and machinery.

Wage payments increased in every group, with the exception of construction and contracting, which still continued to show large declines, but there was a slight falling off in the number of employees in the textile, chemical, and miscellaneous groups. Among the industries reporting the largest gains in wage payments were automobiles, heating appliances, textile, dyeing and finishing, glass, pottery, leather products, boots and shoes, and rubber tires and goods.

Man-hour figures are available for the first time this month; out of a total of 867 reporting establishments, 457 plants also reported the total number of manhours worked during the payroll period. These firms showed an increase in manhours of 4.2 per cent, which compares with the gain of 4.4 per cent in total wage payments reported by the entire 867 plants.

## AUTOMOBILE TRADE

Business in automobiles continues increasingly active. Total sales of new cars by 14 distributors in this district during February increased seasonally over the January volume and were much greater than those in February, 1926. Strong demand for cars selling under $\$ 1,000$ was chiefly responsible for gains in sales over the volume of a year ago. Similarly, retail sales of new cars also surpassed the January total, despite the fewer trading days. Compared with a year previous, only the less expensive cars showed large gains, while medium and high priced automobiles registered losses both in number and value. Trading in used cars also increased, but deferred payment sales, which dropped from the January total, exceeded those of a year earlier only in number.

Stocks of new cars at the end of the month were considerably heavier than on the same date in January; supplies of higher priced cars also were greater than those of a year before. Stocks of used cars, too, exceeded those on the corresponding date of a month previous and of last year.

## ELECTRIC POWER

With the expansion of spring activity, February consumption of electric power by industries in this district was .2 per cent larger than in January, despite the smaller number of working days, and was 20 per cent greater than in the same month of last year. Total sales of electricity, though less than in January, also exceeded the volume of a year before

| EMPLOYMENT AND WAGES <br> In Pennsylvania | No. of plants ing | Number of wage earners week ended |  | Total <br> weekly wagesweek ended |  | Average weekly earningsweek ended |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | $\begin{aligned} & \text { Feb. } \\ & 15, \\ & 1927 \end{aligned}$ | Per cent change from month ago | $\begin{aligned} & \text { Feb. } \\ & 15, \\ & 1927 \end{aligned}$ | Per cent change from month ago | $\begin{aligned} & \text { Feb. } \\ & 15, \\ & 1927 \end{aligned}$ | Per cent change from month ago |
| All industries (46) | 867 | 291,989 | $+0.2$ | \$7,837,195 | + 4.4 | \$26.84 | $+4.2$ |
| Metal manufactures: | 292 | 156,712 | + 1.2 | 4,584,471 | + 5.8 | 29.25 | + 4.5 |
| Automobiles, bodies, and pa | 20 | 12,265 | + 3.4 | 361,705 | + 8.8 | 29.49 | + 5.4 |
| Car construction and repair | 20 | 22,616 | + 5.6 | 679,323 | + 6.4 | 30.04 | + 0.8 |
| Elec. machinery and apparatus | 18 | 7,414 | -7.6 | 182,847 | - 2.9 | 24.66 | +5.1 |
| Engines, machines, mach. tools | 39 | 11,739 | + 0.8 | 355,967 | + 2.8 | 30.32 | + 2.0 |
| Foundries and machine shops... | 58 | 8,873 | -1.5 | 271,280 | +2.9 | 30.57 | + 4.4 |
| Heating appl. and apparatus | 16 | 4,049 | + 4.8 | 122,083 | +13.4 | 30.15 | +8.2 |
| Iron and steel blast furnac | 12 | 13,756 | - 0.0 | 394,945 | + 1.2 | 28.71 | +1.2 |
| Iron and steel forgings | 11 | 3,045 | - 3.6 | 81, 860 | + 5.3 | 26.88 | +9.2 |
| Steel works and rolling | 36 | 40,802 | + 1.2 | 1,218,539 | + 7.5 | 29.86 | +6.3 |
| Structural iron works | 17 | 4,584 | - 0.7 | 129,854 | + 7.7 | 28.33 | +8.4 |
| Misc. iron and steel | 25 | 19,079 | + 2.7 | 553,157 | +8.5 | 28.99 | + 5.6 |
| Shipbuilding | 3 | 5,899 | - 1.6 | 164,470 | + 1.8 | 27.88 | + 3.4 |
| Hardware. | 8 | 1,753 | + 0.7 | 47,050 | + 9.4 | 26.84 | +8.6 |
| Non-ferrous meta | 9 | -838 | -0.9 | 21,391 | + 3.8 | 25.53 | + 4.8 |
| Textile products: | 164 | 53,127 | $-2.1$ | 1,198,523 | + 3.7 | 22.56 | + 5.8 |
| Carpets and | 8 | 2,287 | $-0.2$ | 1, 60,799 | + 3.0 | 26.58 | +3.2 |
| Clothing | 32 | 5,254 | + 1.2 | 99,909 | - 1.3 | 19.02 | - 2.5 |
| Hats, felt and | 5 | 4,482 | + 0.7 | 120,975 | + 5.8 | 26.99 | + 5.1 |
| Cotton goo | 16 | 4,612 | $-1.1$ | 116,774 | + 8.3 | 25.32 | +9.4 |
| Silk goods | 42 | 17,888 | - 6.5 | 343,165 | + 3.5 | 19.18 | +10.6 |
| Woolens and worste | 14 | 5,044 | $-0.5$ | 117,346 | - 2.8 | 23.26 | - 2.4 |
| Knit good and hosier | 38 | 11,828 | + 0.4 | 290,620 | + 5.3 | 24.57 | + 4.9 |
| Dyeing and finishing | 9 | 1,732 | + 3.5 | 48,935 | +8.1 | 28.25 | + 4.4 |
| Foods and tobacco: | 111 | 23,958 | + 1.6 | 490,375 | + 0.6 | 20.47 | $-1.0$ |
| Bakeries | 36 | 4,750 | + 1.5 | 135,237 | + 0.6 | 28.47 | -1.0 |
| Confectionery and ice c | 23 | 5,563 | - 2.5 | 127,185 | + 2.8 | 22.86 | + 5.4 |
| Slaughtering and meat pack | 13 | 2,042 | $-1.5$ | 57,787 | - 4.3 | 28.30 | - 2.8 |
| Cigars and tobacco. | 39 | 11,603 | + 4.3 | 170,166 | + 0.9 | 14.67 | - 3.2 |
| Building materials: | 68 | 19,540 | + 1.0 | 551,497 | + 5.1 | 28.22 | + 4.0 |
| Brick, tile and terra cotta products | 27 | 4,044 |  | 106,074 | + 6.4 | 26.23 | + 7.9 |
| Cement. | 14 | 7,127 | - 5.2 | 220,828 | + 0.7 | 30.98 | + 6.2 |
| Glass | 23 | 7,492 | +8.1 | 200,411 | +9.0 | 26.75 | + 0.9 |
| Pottery |  | 877 | +8.9 | 24,184 | +8.6 | 27.58 | $-0.3$ |
| Construction and contracting: | 37 | 3,224 | -13.2 | 90,977 | -14.8 | 22.02 | -23.4 |
| Buildings | 20 | 1,082 | -2.3 | 34,081 | - 5.0 | 31.50 | -2.7 |
| Street and high | 3 |  | - 2.6 | 1,624 | $-12.1$ | 31.84 | +18.9 |
| General....... | 14 | 2,091 | $-17.6$ | 55,272 | -19.9 | 26.43 | - 2.5 |
| Chemicals and allied products: | 39 | 9,752 | $-1.1$ | 279,058 | + 5.4 | 28.62 | + 6.6 |
| Chemicals and drugs | 22 | 1,378 | + 3.8 | 36,946 | + 2.2 | 26.81 | -1.6 |
| Explosives......... | 3 | 1,566 | - 6.8 | 15,197 | + 3.8 | 26.85 | +11.5 |
| Paints and varnishe | 9 | 1,002 | -0.8 | 27,807 | +2.2 | 27.75 | +3.0 +8.3 |
| Petroleum refining | 5 | 6,806 | - 1.6 | 199,108 | + 6.6 | 29.25 | + 8.3 |
| Miscellaneous industries: | 156 | 25,676 | - 0.7 | 642,294 | + 1.3 | 25.02 | + 2.0 |
| Lumber and planing mill products. | 28 | 3,934 | + 0.4 | 86,196 | + 2.9 | 21.91 | + 2.6 |
| Furniture. | 20 | 1,901 | -8.0 | 44,366 | - 6.8 | 23.34 | +1.3 |
| Leather tanning | 17 | 5,736 | - 1.0 | 149,415 | +0.2 | 26.05 | + 1.2 |
| Leather products. | 8 | 621 | +13.7 | 12,718 | +11.0 | 20.48 | - 2.4 |
| Boots and shoes | 23 | 4,085 | + 4.5 | 79,719 | +12.2 | 19.52 | + 7.4 |
| Paper and pulp produ | 18 | 3,532 | - 2.7 | 85,480 | $-2.1$ | 24.20 | + 0.6 |
| Printing and publishin | 36 | 3,696 | -1.5 | 127,971 24,688 | + 0.9 | 34.62 30 | + |
| Rubber tires and go | 3 3 | 1,350 | P 4.7 -7.0 | 24,688 31,741 | + 9.0 +0.7 | 33.07 23.51 | +6.1 +6.8 |


| AUTOMOBILE TRADE <br> Philadelphia Federal Reserve District 14 distributors | February, 1927, change from |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | Feb., 1926 |  | Jan., 1927 |  |
|  | Number | Value | Number | Value |
| Sales, new cars, wholesale. <br> Cars under $\$ 1,000$ <br> Cars $\$ 1,000$ to $\$ 2,000$ <br> Cars over \$2,000. | $+41.2 \%$ $+127.1{ }^{\prime \prime}$ $+27.1{ }^{\prime \prime}$ | $+17.2 \%$ +128.7 -30.8 $-\quad 2.3$ | $+21.3 \%$ +14.3 +43.4 +26.6 | $+23.9 \%$ +14.8 +41.0 +24.6 |
|  | + $62.5{ }^{\prime \prime}{ }^{\prime \prime}$ | +39.9 $+77.8^{\prime \prime}$ +20.2 | +45.7 $+47.3^{\prime \prime}$ +49.2 +18.3 | +42.0 +47.9 $+44.6^{\prime \prime}$ +18.0 |
| Stocks of new cars <br> Cars under $\$ 1,000$ <br> Cars $\$ 1,000$ to $\$ 2,000$. <br> Cars over \$2,000. | - $19.9{ }^{\prime \prime}{ }^{\prime \prime}{ }^{\text {a }}$ + $20.5{ }^{\prime \prime}$ | -0.7 - 45.1 $+50.5^{\prime \prime}$ +5.8 | $+14.8{ }^{\prime \prime}$ +19.2 +8.5 +19.2 | $\begin{aligned} & +13.8^{\prime \prime} \\ & +19.8^{\prime \prime} \\ & +9.9^{\prime \prime} \\ & +15.0^{\prime} \end{aligned}$ |
| Sales of used cars. | +83.1* | +62.9 ${ }^{\text {a }}$ | +72.2" | +72.3" |
| Stocks of used cars. | + 27.0 " | + $21.8^{\prime \prime}$ | + 7.9" | + $0.1^{\prime \prime}$ |
| Retail sales, deferred payment. | + 19.5 " | - 28.3 ${ }^{\text {a }}$ | $-16.1{ }^{\text {a }}$ | $-46.4^{\text {a }}$ |

by more than 17 per cent. February production of electricity by 11 systems of this district was about 11 per cent greater than in February, 1926, but over 8 per cent below the January total.

| ELECTRIC POWER <br> Philadelphia Federal Reserve District II systems | February, 1927, change from |  |
| :---: | :---: | :---: |
|  | $\begin{aligned} & \text { Feb., } \\ & 1926 \end{aligned}$ | $\begin{aligned} & \text { Jan., } \\ & 1927 \end{aligned}$ |
| Rated generator capacity | +8.2\% |  |
| Generated output |  | -8.3" |
| Hydro-electric | +41.8" | +35.1" |
| Steam. | +9.2" | -12.2" |
| Sales of electricity | +17.3" | - 5.7 " |
| Lighting. | +18.3" | -10.2" |
| Municipal | +5.7" | -13.2" |
| Residential and commercial Power................. | +20.1" | - $9.8{ }^{\prime \prime}$ |
| Municipal | +3.9" | -10.3" |
| Street cars and railroads. | + 5.9" | -12.0" |
| All Industries | +20.0" | +0.2" |
| All other sal | +32.5" | -12.4" |

## IRON AND STEEL

Business in iron and steel in this district during the past four weeks has been only fair, demand being a trifle less active than in the same period last month and a year before. Increased buying, however, is reported by railroads, public utilities, construction companies and jobbers, while purchasing by foundries and other manufacturers appears to be rather slow. In an effort to stimulate buying, producers reduced their prices during January and February below the average for the two months previous and for the same period of last year. Recently, however, quotations for pig iron have advanced a little, the "Iron Age" composite prices being $\$ 19.04$ a ton on March 22 as against $\$ 18.96$ a month ago and $\$ 21.38$ a ton on March 23, 1926. Finished steel prices, which continue unchanged from last month's level, stood on March 22 at 2.367 cents a pound, on the average, compared with 2.431 cents a pound a year earlier.


The daily output of pig iron and steel ingots has recovered appreciably from the low point reached at the close of the year. Production last year surpassed that of each of the preceding two years.
Source: Iron Age.
Nearly one half of the reporting firms in this district are working at 75 per cent of capacity or more, but the average is below this figure. Steel mills producing ingots throughout the country are working at over 90 per cent of capacity as
against 86 per cent in February, 81 per cent in January and 74 per cent of capacity in December, according to the "Iron Age." In this district, wage payments and manhours worked during February increased materially over the January totals, and the daily output of pig iron was 7 per cent above the January volume and 2 per cent over that of a year before. Similarly, daily production of pig iron in the United States was 5 per cent greater than in January and 1 per cent larger than in February, 1926; but the output of steel ingots, while 6 per cent above the January daily average, was nearly 2 per cent under that of a year ago. February unfilled orders on the books of the United States Steel Corporation were the smallest shown for any previous February since 1911. Comparisons follow :

| In gross tons ( 000 's omitted) | $\begin{aligned} & \text { Feb., } \\ & 1926 \end{aligned}$ | $\begin{aligned} & \text { Jan., } \\ & 1927 \end{aligned}$ | $\begin{aligned} & \text { Feb., } \\ & 1927 \end{aligned}$ |
| :---: | :---: | :---: | :---: |
| Production in the U. S.Pig iron. | 2,9233,802 | 3,104 | 2,9413,726 |
|  |  |  |  |
| Steel ingots.. |  | 3,807 |  |
| Unfilled ordersU. S. Steel Corp | 4,617 | 3,800 | 3,597 |

Steel foundries. Production and shipments of steel castings in this district during February were considerably greater while unfilled orders were much smaller than in the same month of last year. Stocks of pig iron and scrap at the end of the month were lighter but supplies of coke were materially heavier than those on the same date of 1926. Comparisons follow:

| Steel foundry operat ons | $\begin{aligned} & \text { Feb., } \\ & 1927 \end{aligned}$ | Change from Feb., 1926 | Change from Jan., 1927 |
| :---: | :---: | :---: | :---: |
| Capacity. | 12,190 tons | ${ }^{0}$ | ${ }^{0}$ |
| Production | 8,109 " | +13.2\% | - $2.0 \%$ |
| Shipments | 6,322,080 | +19.3 +9.6 | +17.7 ${ }^{\prime}$ |
| Unfilled orders* | 3,806 tons | -19.0" | +27.7" |
| Value* | \$638,265 | -29.1" | +24.2" |
| Raw stock: |  |  |  |
| Pig iron. <br> Scrap.. | 1,969 tons | -20.3" | - 3.4 " |
| Coke. | 1,638 " | +51.8" | - 2.4 " |

* Figures of one plant omitted.

Iron foundries. While February activity in iron castings in this district increased substantially over that in

| Iron foundry operations | Feb. 1927 | $\begin{gathered} \text { Change } \\ \text { from } \\ \text { Feb., } \\ 1926 \end{gathered}$ | Change from Jan., 1927 |
| :---: | :---: | :---: | :---: |
| Capacity. | 12,111 tons | 0 | 0 |
| Production | 5,078 " | - $5.6 \%$ | +14.6\% |
| Malleable iron. | 489 | -14.7" | +2.9" |
| Gray iron. | 4,589 | - 4.5 " ${ }^{\text {a }}$ | +16.0" |
| Jobbing. | 3,117 | - 2.2 " | + 9.3 " |
| $\begin{gathered} \text { For further } \\ \text { mfr......... } \end{gathered}$ | 1,472 | - 9.1" | +33.2" |
| Shipments. | 4,161 " | -0.1" | +0.6" |
| Value. | \$580,364 | -6.7" | -1.8" |
| Unfilled orders | 4,391 tons $\$ 733,594$ | + ${ }^{4.6}{ }^{\prime \prime}{ }^{\prime \prime}$ | +21.1" |
| Raw stock: | \$133,594 | +10.5 | +27 |
| Pig iron. | 6,636 tons | -10.4" | -0.4" |
| Scrap | 3,708 ${ }^{\text {2,147 }}$ " | +30.4" | +20.2" ${ }^{\prime \prime}$ |
|  | 2,147 | +23.7" |  |

January, output and shipments did not measure up to the volume of a year previous. Unfilled orders, however, were nearly 5 per cent greater. Stocks of pig iron at the end of the month were lighter but supplies of scrap and coke were much heavier than those on the same date of last year.

## COAL

Anthracite. In an effort to stimulate activity in the declining market for anthracite, occasioned chiefly by continued mild weather and large stocks in the hands of consumers, several leading producers have reduced their prices two weeks in advance of the usual spring date which in former years, except for 1926, was April 1. These reductions average: 75 cents a ton on broken and egg, 57 cents on stove, 73 cents on chestnut, and from 35 to 50 cents on pea, the average for these sizes being a little over 60 cents a ton. Some companies announce that this new price schedule will be advanced on May 1 by 25 cents, while others state that a similar rise will take place on June 1, and all will further advance the new scale by 25 cents a ton on September 1. The general level of current anthracite prices is below that of a year ago.

Colliery operations at present average a little less than 70 per cent of capacity and weekly production has declined sharply since February 19. The output during the month ended March 19 totaled $5,494,000$ tons as against $6,142,000$ tons in the preceding month, a decline of about 11 per cent.

Bituminous. The demand for soft coal has slackened considerably during the past four weeks, and buying by railroads, industries and public utilities is chiefly for storage against a possible suspension of mining after April 1, when the present wage agreement between union miners and operators expires. Up to this writing no definite settlement has been announced. Spot prices are lower than they were four weeks ago and are below contract quotations. The general level of bituminous prices continues downward, the "Coal Age" price index declining on March 21 by over 2 per cent from that on February 21. Compared with last year's level, however, current quotations are a trifle higher.

Operations of bituminous mines in this section now range from 75 to 85 per cent of capacity, and the weekly output in Pennsylvania continues to exceed that of each of the past two years. The total production in the United States during the coal year ended March 19,-approximately 298 working days-amounted to

| Week ended | 1926 | 1927 | Per cent <br> of change |
| :--- | :---: | :---: | :---: |
|  |  |  |  |
| Feb. 19..... | 11,509 | 13,193 | +14.6 |
| Feb. 26..... | 10,890 | 12,763 | +17.2 |
| Mar. $5 \ldots \ldots$ | 10,460 | 13,269 | +26.9 |
| Mar. 12...... | 10,690 | 13,800 | +29.1 |
| Mar. 19..... | 10,263 | 12,958 | +26.3 |

$579,410,000$ net tons, the largest volume shown for the like period in the past six years. Stocks held by consumers are heavy. Weekly production in the country is given in the accompanying table.

## BUILDING

Building actrvity has improved somewhat since the middle of February, and construction costs again have declined a little, owing largely to lower prices of building materials. Permits issued in 16 cities of this district during February number 1,599 , providing for 2,442 operations, with a total expenditure of $\$ 11$,481,925 as against $\$ 6,428,854$ in January and $\$ 13,635,388$ in February, 1926. Contract awards in this district during February were the largest since last September and exceeded the total for any February since 1921. In the first two months of this year contracts let in this district surpassed the volume for the same months of last year by 42.6 per cent. Construction of residences, however, declined in the same period by more than 16 per cent. Percentage changes in contract awards during February from the volume of a year ago follow:

| Contract awards <br> Feb., 1927, compared with Feb., 1926 | $\begin{gathered} \text { Number } \\ \text { of } \\ \text { projects } \end{gathered}$ | New floor space in sq. ft. | Valua- |
| :---: | :---: | :---: | :---: |
| Eastern Penna | $+64.5$ | +54.5 | $+69.1$ |
| Southern New Jersey | +66.7 | +64.3 | +87.4 |
| $\xrightarrow{\text { Delaware* }}$ Philadelphia Federal |  |  |  |
| Reserve District. | +69.6 | +57.4 | +74.8 |

* In Delaware, projects in February numbered 17 as against 1 in the same month of 1926, and the floor space amounted to 51,100 square feet compared with 8,100 square feet in February of last year.
Building materials. With the approach of spring, the market for building materials has become more active than was the case last month. Increased sales are shown by manufacturers of bricks, lumber, cement, paint and, to some extent, pottery. The demand for structural and electrical slates also continues fairly steady, as does the call for blackboard slabs, but roofing slate shows a slight decline. Sales of building materials generally, however, do not measure up to the volume of a year before. Reports on prices are divided between those showing firmness and those registering marked weakness. Compared with a year ago, the general level of quotations for building materials is noticeably lower; in fact, the price trend in these materials has been steadily downward since November, when quotations were only 2 per cent below the 1926 peak. Collections are fairly prompt, although in roofing slate, paint and lumber some difficulties in settling accounts are noted.
Operations of brick yards in this district average 85 per cent of capacity, while lumber and pottery industries are working at about 65 per cent of capacity, and production at paint plants is at from 55 to 60 per cent of capacity. In Feb-
ruary, seasonal gains in employment occurred in pottery and lumber, but manufacturers of cement, bricks and paints showed declines. Wage payments, on the other hand, increased appreciably in all industries making building materials over those in the same period a month earlier. Production and shipments of Portland cement in this section were greater in February than in the like month last year, and stocks at the end of the month were the heaviest since March, 1926 Stocks of other building materials generally are moderate and are somewhat lighter than those on the same date last year.


## OILS

Although the refinery demand for Pennsylvania crude oil continues as heavy as is usual at this time of the year, the market for petroleum and most of its products has been weakening gradually since October. The trend of prices has been almost steadily downward. Pennsylvania crude oil recently has been reduced 25 to 50 cents a barrel, and average prices of crude petroleum in the country have declined about 20 per cent since February 18 and are 23 per cent below the level of a year before, according to the "Oil, Paint and Drug Reporter." Gasoline prices at refining centers have decreased about 17 per cent from last month's average and are 24 per cent under the level prevailing a year ago. In nine leading cities of this district tankwagon gasoline is selling at 2 cents a gallon less than a year earlier, and kerosene is from 1 to 2 cents a gallon lower. Quotations for fuel oils generally remain unchanged from those of last month.
Heavy production and large stocks are chiefly responsible for recent price recessions. Daily output of crude oil in this section continues above the rate of a year before, and wage payments in the refining industry in February were nearly 7 per cent over the January total. Daily production in the country during the four weeks ended March 19 was about 27 per cent heavier than that in the same period last year. Consumption of gasoline in Pennsylvania and Delaware was about 12 per cent greater in 1926 than in 1925. Latest official figures,

| In barrels of 42 <br> United States gallons (000's omitted | $\begin{aligned} & \text { Jan., } \\ & 1926 \end{aligned}$ | $\begin{aligned} & \text { Dec., } \\ & 1926 \end{aligned}$ | $\begin{aligned} & \text { Jan., } \\ & 1927 \end{aligned}$ |
| :---: | :---: | :---: | :---: |
| Production of crude oil United States. Pennsylvania. | 59,672 654 | 72,061 755 | 71,688 722 |
| Imports. | 4,688 | 4,988 | 4,514 |
| Exports. | 1,183 | 1,283 | 1,204 |
| Stocks- |  |  |  |
| Crude | 422,211 | 396,208 | 397,673 |
| Refined. ${ }_{\text {Total }}$ | 120,784 | 123,245 | 128,848 |
| Total liquid stocks.. | 542,995 | 519,453 | 526,521 |
| Excess of daily average domestic output of all oils over domestic demand $\qquad$ | 111 | 279 | 405 |

compiled by the United States Bureau of Mines, are given in the accompanying table

## TEXTILES

Cotton. Since February 1, business in cotton goods has continued active. Most of the buying is either for spot delivery or for shipment within two months. Except for a few slight advances, prices of cotton goods remain unchanged from last month's level, but they are over 14 per cent below those of a year ago. Spot cotton recently has fluctuated within a narrow range. The average price in the first three weeks of March was 14.42 cents a pound as against 13.95 cents a month before. The January average stood at 13.25 cents and that of a year ago was 19.93 cents a pound.


Domestic consumption of cotton has continued at a stable high rate since 1924 and exports of American cotton in the past three years have risen steadily, reaching at the end of 1926 the largest volume on record.
Source: Department of Commerce.
Advance business compares well with last month's volume and will enable manufacturers to utilize their machinery at the present rate of nearly 70 per cent of capacity for approximately fifty days. Both wage payments and man-hours worked during February in this district increased materially over the January totals, but employment receded a trifle.

| American cotton* (thousands of bales) | $\begin{aligned} & \text { Season } \\ & { }^{\prime} 24-' 25 \end{aligned}$ | $\begin{aligned} & \text { Season } \\ & \text { '25-'26 } \end{aligned}$ | $\begin{aligned} & \text { Season } \\ & { }^{\prime} 26-' 27 \end{aligned}$ |
| :---: | :---: | :---: | :---: |
| Visible supply at end of previous season (July 31). <br> Crop in sight on Mar. 26.. | 952 | 1,125 | 2,279 |
|  | 13,744 | 14,648 | 16,647 |
| Total <br> Visible supply onMar 26. <br> World's takings to Mar. 26 | 14,696 | 15,773 | 18,926 |
|  | 3,811 | 4,430 | 6,408 |
|  | 10,884 | 11,343 | 12,518 |

* Source: The New York Cotton Exchange.

Stocks of finished goods generally are moderate and are about the same as those on the same date last year. Daily consumption of cotton by American mills was 9 per cent greater in February than in January and was highest shown for any February on record. Exports continue heavy and during the seven months ended February 28 they were nearly 30 per cent above the volume for the same
period of last year. Stocks of raw cotton at the end of February were about 12 per cent heavier than those of a year before, a fact which was due to the larger production of cotton last season. Up to March 21, ginning of the 1926 cotton crop-17,910,258 bales, exclusive of linters,-was the largest total on record. The number of ginneries operated in 1926 was 15,749 as against 15,482 for 1925. The position of American cotton is shown by the accompanying table.

Wool. Wool manufactures in this district are moving rather slowly and sales during the past four weeks have not equaled the volume of a year ago. Lack of active buying by heavyweight fabric manufacturers also has lessened the demand for raw wool; domestic fibers continue in greater request than do foreign wools. Current orders for finished goods generally call either for spot delivery or for shipments within sixty days. Prices of domestic wool recently have declined a little but those of foreign grades have remained practically unchanged. Compared with a year ago, average quotations for the former are about 7 per cent lower while those for foreign wool fibers are nearly 4 per cent lower. Yarn prices, which are close to last month's level, are approximately 8 per cent below those of a year before. Since the middle of last year quotations for woolen and worsted goods have remained fairly steady, following a sharp drop which began early in 1925. In recent weeks prices of piece goods have eased off a trifle.

Machinery activity, though declining somewhat since the close of the year, continues above the rate prevailing during the first half of 1926. Unfilled orders for raw wool and piece goods are smaller, but for yarns are a bit larger than they were last month. Fabric manufacturers have enough advance business to assure operations at 70 per cent of capacity for about fifty days, and spinners' unfilled orders will enable the use of machinery at 65 per cent of capacity for over forty days. Stocks of wool fibers, yarns and piece goods are moderate and are somewhat lighter than those held on the same date last year. Consumption of raw wool in this district was 8 per cent greater but in the country 1.3 per cent smaller in February than in January.

Silk. While the demand for thrown silk continues fairly active, the market for broad and narrow silks is rather quiet, sales being noticeably under the volume of a year before. Following an almost steady price decline which began in February last year, quotations for silk goods recently have advanced a little though they are still nearly 11 per cent below the level of a year ago. Average raw silk prices, too, have stiffened somewhat, but are about 13 per cent lower than a year earlier. Collections are fairly prompt.

Unfilled orders for thrown silk remain unchanged while those for silk
fabrics are a little smaller than they were thirty days age; they are sufficient, however, in both cases to assure production at the present rate for over three weeks. Some accumulation of stocks is noted in broad silks but supplies of silk yarns remain moderate and practically unchanged from those of a month ago and those on the same date last year. Comparisons of the raw silk movement follow:

| Raw silk* (in bales) | $\begin{aligned} & \text { Feb., } \\ & 1926 \end{aligned}$ | $\begin{aligned} & \text { Jan., } \\ & 1927 \end{aligned}$ | Feb., $1927$ |
| :---: | :---: | :---: | :---: |
| Imports. | 38,568 | 48,456 | 33,991 |
| Storage | 43,418 | 52,627 | 43,758 |
| Mill takings | 42,476 | 48,307 | 42,860 |

* Source: The Silk Association of America.

Hosiery. The demand for seamless hosiery is reported to be about evenly divided between fair and poor, but with a considerable number reporting increased sales over those of a month ago. Prices remain unchanged. Reporting plants are operating at 67 per cent of capacity, on the average, and orders on hand will permit operations at this rate for nearly two months. Stocks of finished goods are smaller than those of a month and a year ago.

There is a slightly better demand for women's full-fashioned hosiery than a month ago, while that for men's fullfashioned is still reported as poor. Prices are unchanged. Operations of reporting plants average 86 per cent of capacity, and unfilled orders will assure operations for an average period of two and a half months.

Floor coverings. Business in carpets and rugs is dull and manufacturers see little hope for improvement until after the spring auction sale of one of the largest factors, set for April first. As usual, it is expected that figures obtained at this sale will have an important influence on spring prices. Virtually no price changes are reported.

Stocks of goods of our reporting firms are moderate and about the same as they were a month ago. Mills are operating at about 60 per cent of capacity, on the average, unfilled orders insuring plant activity for about one month.

Manufacturers of linoleums and feltbase goods report a good volume of business with operations close to capacity and prices unchanged since December.

## CHEMICALS

The market for chemicals and drugs in this district, which is active, has improved appreciably over that prevailing in the first six weeks of this year, although contract withdrawals continue only fair. Most of the current orders are for prompt delivery. Prices of chemicals, fertilizer materials, drugs and pharmaceuticals remain fairly steady at levels lower than thirty days ago. Since September quotations for chemicals and drugs generally have declined almost steadily, and the average for the first two months of this year is considerably
below that of the previous four years. Collections at present are fairly satisfactory.

Operations of the chemical industries average 80 per cent of capacity. Employment and wage payments in February increased 3.8 and 2.2 per cent, respectively, over the January totals. Unfilled orders, however, were somewhat smaller on March 15 than the volume a month earlier. Stocks of finished products and raw materials are moderately light.

## LEATHER

There is a fair demand for packer hides. Packers are closely sold up, and prices are steady with but very small fluctuation. The demand for goatskins is seasonally less than a month ago, with prices showing a 5 to 10 per cent decline for some varieties. Black kid is in only fair demand, some decrease from last month being reported. For colored kid the demand is good. Unfilled orders are smaller and plant operations of reporting firms average 62 per cent of capacity. The demand for sole leather has decreased in the month and unfilled orders are reported as smaller. Operations average 71 per cent of capacity. Current demand for belting is fairly good, showing a slight increase over that of a month ago. Manufacturers of luggage report fair business with prices unchanged from last month.


Following a heavy accumulation in the postwar years, stocks of sole leather have declined sharply since the early part of 1924. Production turned upward almost steadily from the low point in February, 1926, but the monthly average during the past year has not equaled that of 1925.

Source: Department of Commerce.
Shoes. Shoe manufacturers report that demand is about evenly divided between good and fair, though a few declare it poor. Comparison with a month ago shows more increases than decreases, while the opposite is true of a comparison with the demand of a year ago. Production for the month of February, in this district, was $1,318,967$ pairs, as compared with $1,282,670$ pairs in January. Reporting firms state that stocks of finished goods are moderate, and are somewhat lighter than those carried a month and a year ago. Unfilled orders are slightly smaller than those of the previous month, assuring operations, on the average, at 70 per cent of capacity for about five weeks. Prices remain firm and unchanged.

