

THE BUSINESS REVIEW

THIRD FEDERAL
PHILADELPHIA



RESERVE DISTRICT
NOVEMBER 1, 1927

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FEDERAL RESERVE BANK of PHILADELPHIA

BUSINESS CONDITIONS IN THE UNITED STATES

Industrial and trade activity increased less in September than is usual at this season of the year and continued to be in smaller volume than a year ago. The general level of wholesale commodity prices showed a further rise, reflecting chiefly price advances for agricultural commodities.

Production. The Federal Reserve Board's indexes of both manufacturing and mineral production, in which allowance is made for usual seasonal variations, decreased between August and September. Production of iron and steel was in smaller volume in September than in any month since 1925. There were also decreases from August to September in the output of non-ferrous metals, automobiles, and rubber tires, while the textile and shoe and leather industries continued active. The production of bituminous coal showed about the usual seasonal increase in September and October, but continued in smaller volume than during the same period of other recent years. The output of anthracite was considerably reduced during September and the first half of October, following an increase in August, and the weekly output of crude petroleum has decreased slightly since the early part of August.

The value of building contracts awarded continued somewhat smaller during September and the first three weeks of Oc-

tober than during the corresponding period of 1925 or 1926; declines occurred in contracts for residential, commercial, industrial and educational buildings, while contracts for public works and public utilities were larger in September than in the corresponding month of any previous year.

Crop conditions improved in September and the Department of Agriculture's estimates for October 1 indicated larger yields of most grain crops than were expected a month earlier. The estimate for the corn crop was increased by 146,000 - 000 bushels and was only 43,000,000 bushels smaller than the yield in 1926. Wheat production is expected to be 34, - 000,000 bushels larger than last year, while the estimated cotton crop of 12, - 678,000 bales is more than 5,000,000 bales below last year's yield.

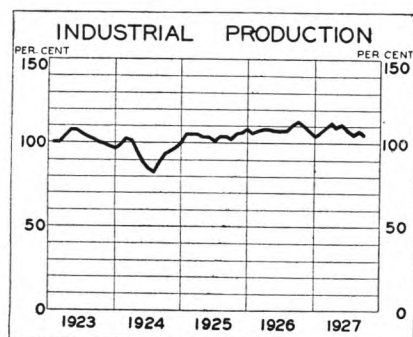
Distribution. Trade of wholesale and retail firms increased in September by somewhat less than the usual seasonal amount. Compared with a year ago, sales of wholesale firms in nearly all lines, except shoes and drugs, were smaller. Sales of department stores were in about the same volume, and those of mail order houses and chain stores were somewhat larger. Inventories of merchandise carried by reporting wholesale firms in leading lines were reduced in September and continued, smaller than last year. Stocks of department stores, on the other hand,

increased slightly more than is usual in September and at the end of the month was somewhat larger than a year ago.

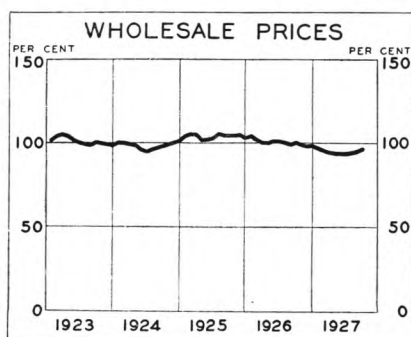
Freight car loadings were in smaller volume during September and the first week of October than in the corresponding period of last year for all groups of commodities, except grain and grain products, of which loadings were larger than in the same period of any previous year since 1924.

Prices. Wholesale commodity prices advanced in September for the fourth consecutive month, and the Bureau of Labor Statistics all-commodities index rose to the highest level since last January. There were large increases between August and September in the prices of livestock, meats, and cotton, and small advances in the prices of leather, coal and chemicals, while prices of grains, building materials, and rubber declined. During the first three weeks in October the prices of spring wheat, corn, cotton, coal and iron and steel declined, while prices of livestock, raw wool and rubber advanced.

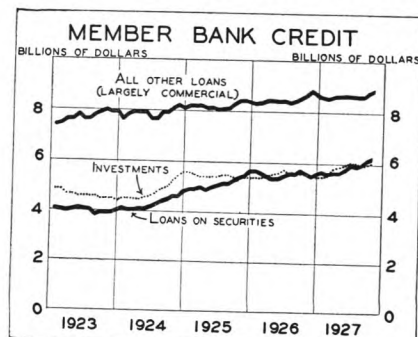
Bank credit. Total loans and investments of member banks in leading cities showed a further increase for the four weeks ending October 19 and on that date were about \$660,000,000 larger than in midsummer. Of this growth in member bank credit about \$325,000,000 represented



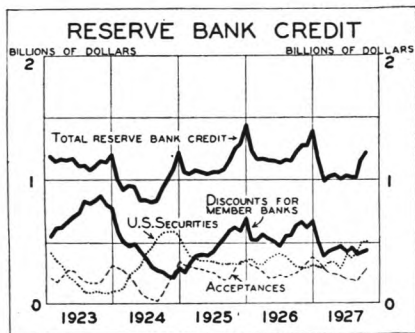
Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-25 average = 100). Latest figure, September, 105.



Index of United States Bureau of Labor Statistics (1926 = 100, base adopted by Bureau). Latest figure, September, 96.5.



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



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

an increase in commercial loans, a considerably smaller increase than for the same period last year, and about \$335,000,000 an increase in investments and loans on securities.

At the reserve banks total bills and securities increased during the four weeks ending October 19, as is usual at this season, but were on the average about \$60,000,000 below the level of the corresponding period last year. The increase, which was largely in the form of additions to the banks' holdings of acceptances, reflected chiefly an increase in member bank reserve requirements and an export demand for gold.

Some seasonal firmness in the money market in October was reflected in an increase from $3\frac{1}{8}$ to $3\frac{1}{4}$ per cent in rates on 90 day bankers' acceptances. The rate on commercial paper remained unchanged at 4 per cent.

BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

Activity in trade and industry in the Philadelphia Federal Reserve District is moving forward at a moderate pace. Seasonal gains are evident in most lines of business, although the rate of expansion has not been as pronounced as that at the same time last year. Improvement in agricultural conditions, well sustained operations in most basic industries, larger distribution of goods, a further rise in the level of wholesale prices and an ample volume of funds available for the accommodation of business have been the principal features of the month.

Business transactions involving payments by check in the leading cities of the district in the first three weeks of October continued to show a greater volume than in the corresponding weeks a month and a year before. Railroad shipments of merchandise and miscellaneous commodities in the Allegheny district have increased in the month, but have been somewhat under the volume of a year ago. Total railroad shipments also were greater than a month earlier, but were almost 8 per cent smaller than at the same time last year.

Early reports indicate that October

BUSINESS INDICATORS Philadelphia Federal Reserve District

	September, 1927	Latest figure compared with	
		Previous month	Year ago
Retail trade—estimated net sales (134 stores)	\$19,326,000	+14.8%	- 4.7%
Department stores (62)	\$16,353,000	+17.6 "	- 4.3 "
Apparel stores (31)	\$1,747,000	0.0 "	- 5.4 "
Shoe stores (25)	\$602,000	+18.6 "	+ 2.9 "
Credit stores (16)	\$624,000	-21.0 "	-18.2 "
Wholesale trade—net sales (137 firms)	\$9,778,797	+ 6.8 "	- 6.9 "
Boots and shoes (9)	\$360,953	+ 4.1 "	-17.1 "
Drugs (14)	\$1,618,562	+ 2.0 "	- 1.9 "
Dry goods (17)	\$1,002,539	+23.9 "	- 8.4 "
Electrical supplies (5)	\$588,435	+45.4 "	+25.4 "
Groceries (46)	\$3,286,209	+ 2.4 "	-11.8 "
Hardware (25)	\$1,882,826	+ 6.9 "	- 4.5 "
Jewelry (11)	\$467,525	+ 5.7 "	-10.4 "
Paper (10)	\$571,748	- 4.7 "	-10.8 "
Productive activity:			
Employment—832 plants in Penna.	280,127	- 0.1 "	- 9.8 "
Wage payments in above plants	\$7,011,198	- 2.2 "	-10.5 "
Shoe production * (95 factories)	prs. 1,620,834	- 6.8 "	.....
Hosiery production * (124 mills)	doz. prs. 1,279,143	+ 3.4 "	.....
Wool consumption * (80 mills)	lbs. 7,831,866	+ 0.7 "	.....
Active cotton spindle hours (Penna. and N. J.)	\$2,842,061	+28.0 "	- 1.2 "
Pig iron production	tons 260,777	+ 2.7 "	-15.4 "
Iron casting production (31 foundries)	tons 4,014	- 5.7 "	-16.2 "
Steel casting production (12 foundries)	tons 5,137	-22.1 "	-39.5 "
Anthracite	tons 6,642,000	-14.3 "	-20.8 "
Bituminous coal—Penna.	tons 10,414,000	+ 2.0 "	-26.9 "
Cement	bbls. 4,058,000	+ 4.4 "	+ 3.1 "
Electric power output (13 systems)	KWH 396,200,000	- 1.3 "	+ 1.9 "
Distribution:			
Freight car loadings (Allegheny district—weekly average)	217,583	+ 1.7 "	- 5.6 "
Tonnage of vessels (Port of Philadelphia)	tons 3,443,172	- 4.7 "	- 4.0 "
Financial and credit:			
Debits (17 cities)	\$2,460,079,000	+ 6.4 "	+ 5.6 "
Savings deposits (95 banks)	\$642,048,000	+ 0.4 "	+ 8.2 "
Loans, discounts and investments of member banks (weekly average)	\$1,210,800,000	+ 1.7 "	+ 4.3 "
Bills discounted held by F. R. B. of Phila. (daily average)	\$38,865,000	- 2.6 "	-15.9 "
Acceptances executed (9 banks for month ended Sept. 10)	\$4,581,000	- 5.1 "	+32.5 "
Bankers' acceptances sales (4 dealers—weekly average for period ended October 12)	\$2,177,000	+133.1 "	-13.1 "
Commercial paper sales (5 dealers)	\$10,582,658	+28.0 "	+89.7 "
Commercial failures—number	73	+35.2 "	+ 4.3 "
Commercial failures—liabilities	\$1,295,236	+17.1 "	+ 1.4 "
Building and real estate:			
Building permits (15 cities)	\$16,246,441	-10.7 "	+16.7 "
Building contracts awarded (Philadelphia district)	\$43,237,356	- 4.8 "	+10.3 "
Number of real estate deeds recorded (Philadelphia county)	4,707	- 5.9 "	- 1.3 "
Value of mortgages recorded (Philadelphia county)	\$22,998,000	-21.2 "	-11.3 "
Miscellaneous:			
Sales of life insurance (Penna., N. J., and Del.)	\$73,593,000	- 7.1 "	+11.7 "
Retail sales of automobiles (12 distributors)	\$2,350,000	-37.8 "	- 3.4 "
Wholesale sales of automobiles (13 distributors)	\$4,246,000	-23.6 "	-11.9 "

* Bureau of Census preliminary figures.

business in retail and wholesale trade continues fair. Although retail trade during September increased seasonally, it failed by nearly 5 per cent to equal the volume in the same month of last year. Similarly, wholesale trade, though increasing in the month nearly 7 per cent, was smaller by about the same percentage than a year earlier. Sales of passenger cars by 13 distributors declined noticeably as compared with the previous month and a year before. Last year at the same time a marked increase occurred, particularly in the distribution of cars to dealers.

Industrial operations show a further seasonal broadening. Preliminary reports indicate that both factory employment and wage payments in October have increased, as is usual at this season. There occurred little change in employment between August and September, while employe-hours worked and payrolls

declined somewhat, chiefly because of the Labor Day shutdown.

Conditions in the iron and steel industries continue to be less satisfactory than a year ago, although recently some improvement in demand has been noted. Operations of metal working plants reporting to this bank are running at about 70 per cent of capacity. The daily output of pig iron in this district increased 6 per cent between August and September but was nearly 18 per cent under a year before. Production of iron and steel castings decreased in the month, as did shipments. Unfilled orders for iron castings increased, while those for steel castings declined. The daily output of pig iron and steel ingots in the country was less in September than in the preceding month or in the same month last year.

The textile situation is characterized by a more active demand, a larger volume of unfilled orders, a higher rate of pro-

duction and firm prices. Sales of wool, cotton and silk products have increased somewhat. Conditions in the clothing industry also compare rather well with the activity in the previous month and a year ago. The demand for full-fashioned hosiery is increasingly active, and that for seamless remains fair. Production increased 3 per cent and unfilled orders 33 per cent from August to September. A fair amount of business also is reported in carpets and rugs, orders for spring delivery having improved since the recent auction sales.

The leather market is strong. Demand for goatskins, black and colored kid, and sole leather has increased in the month, and price advances have been numerous. Shoe manufacturers are experiencing a fair volume of business, although their sales are slightly below the total of last month. The shoe output in the district was nearly 7 per cent smaller in September than in August.

Building activity continues well ahead of the rate prevailing at the same time last year. The value of contracts for residential buildings increased 20 per cent, while the total dollar volume declined nearly 5 per cent between August and September. Compared with a year before, contracts awarded were over 10 per cent greater. The value of building permits also was about 17 per cent larger than in September, 1926. The demand for building materials continues fairly moderate, and plant operations range from 70 to 80 per cent of capacity. Production of cement especially remains near the record high level established in recent months.

Quickened largely by the stormy weather of late, the market for anthracite has been slightly more active. Production, though turning upward slightly after the decline in September, is still considerably behind that of a year ago. Reflecting industrial betterment, bituminous coal also is beginning to move in a somewhat larger volume, and weekly production in the first fortnight of October was the greatest since March.

The unusually fine weather prevailing in September stimulated the growth and maturing of late crops, pronounced improvement occurring in corn, potatoes and tobacco. The acreage planted to winter wheat appears to be somewhat larger than last fall. The condition of dairy herds and marketable hogs also compares favorably with that of last year. Prices of farm products advanced further—3.6 per cent—from August to September, while the general price level increased only 1.7 per cent. In the latter month agricultural prices were 6.6 per cent above the level of a year earlier, while prices of all commodities were over 3 per cent lower.

COMMODITY PRICES

Following an almost steady decline in the year and a half just preceding last

CITY CONDITIONS Philadelphia Federal Reserve District	September, 1927, compared with September, 1926						
	Employment	Wage payments	Value of building permits	Debits	Savings deposits	Retail trade sales	Electric power sales
Allentown area...	- 5.0%	- 1.8%	- 37.7%	+ 4.8%	+ 4.4%	+2.9%	- 3.9%*
Altoona "...	- 0.4 "	- 1.7 "	- 33.9 "	+18.4 "	+ 7.7 "	-2.0 "	-17.7 "
Harrisburg "...	- 0.6 "	+ 5.6 "	- 4.2 "	-13.7 "	+21.0 "	-9.1 "	+11.3 "
Johnstown "...	+ 3.5 "	-11.6 "	- 35.8 "	+39.1 "	+ 4.9 "	-9.8 "	- 2.0 "
Lancaster "...	- 6.0 "	- 8.4 "	+277.3 "	+ 9.3 "	+13.4 "	-3.5 "	+12.3 "
Philadelphia "...	- 7.9 "	- 4.8 "	+ 25.7 "	+ 5.8 "	+ 9.6 "	-4.9 "	+ 7.5 "
Reading "...	- 8.9 "	-13.4 "	+ 66.1 "	- 1.9 "	+ 6.0 "	-4.9 "	.....
Scranton "...	-13.5 "	- 7.0 "	+ 6.2 "	+ 6.2 "	+ 8.8 "	+1.8 "	+ 8.1 "
Trenton "...	-23.0 "	-26.3 "	- 37.6 "	+ 5.3 "	- 5.2 "	-4.7 "	+13.5 "
Wilkes-Barre "...	- 7.4 "	- 7.9 "	- 60.7 "	+ 9.3 "	+ 6.0 "	-6.0 "	.....
Williamsport "...	- 0.9 "	+13.4 "	- 0.3 "	+ 8.2 "	+16.6 "	+2.8 "	.....
Wilmington "...	-16.7 "	-11.3 "	+ 9.6 "	+23.6 "	+ 5.0 "	+3.2 "	- 7.7 "
York "...	- 1.0 "	- 2.2 "	+ 2.4 "	- 0.7 "	+ 9.0 "	-9.3 "	+23.4 "

CITY CONDITIONS Philadelphia Federal Reserve District	September, 1927, compared with August, 1927						
	Employment	Wage payments	Value of building permits	Debits	Savings deposits	Retail trade sales	Electric power sales
Allentown area...	- 2.1%	- 4.9%	- 38.1%	- 1.3%	- 0.4%	- 7.9%	- 1.0%*
Altoona "...	.....	.....	- 80.8 "	+16.1 "	+ 0.1 "	-19.7 "	+ 1.8 "
Harrisburg "...	+ 1.3 "	+ 4.6 "	- 23.9 "	- 4.3 "	- 0.9 "	+ 8.1 "	+ 4.6 "
Johnstown "...	+ 5.1 "	- 6.0 "	- 22.1 "	+57.9 "	+ 2.1 "	- 7.0 "	- 0.3 "
Lancaster "...	- 2.2 "	- 3.8 "	+314.3 "	+ 9.9 "	- 1.4 "	- 3.8 "	+ 4.3 "
Philadelphia "...	+ 1.7 "	+ 3.7 "	+ 3.7 "	+ 5.8 "	+ 0.4 "	+21.6 "	+ 6.2 "
Reading "...	+ 0.4 "	- 9.5 "	+100.7 "	+ 3.2 "	+ 0.8 "	-17.7 "	- 3.4 "
Scranton "...	- 0.9 "	+ 1.7 "	- 68.2 "	+22.3 "	+ 2.4 "	+ 9.6 "	+ 4.6 "
Trenton "...	- 9.1 "	-10.0 "	- 2.9 "	+ 6.2 "	- 0.2 "	+ 5.0 "	+16.9 "
Wilkes-Barre "...	+ 7.5 "	+10.9 "	- 80.1 "	+16.3 "	+ 1.8 "	+ 8.1 "	.....
Williamsport "...	+ 5.7 "	+11.7 "	+ 78.6 "	+ 8.6 "	+ 0.3 "	+13.9 "	.....
Wilmington "...	- 0.3 "	- 0.4 "	- 62.4 "	+ 4.4 "	- 0.1 "	+ 3.3 "	- 3.2 "
York "...	+ 3.8 "	+ 2.6 "	+ 77.4 "	- 4.3 "	+ 1.5 "	- 5.0 "	-11.4 "

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

PRICES OF COMMODITIES	Latest	Month ago	Year ago	Source of quotation
Wholesale				
All commodities, index number, 1926 = 100..	96.5	95.2	99.7	B. of L. Statistics
Finished steel, average.....lb.	2.31¢	2.35¢	2.45¢	Iron Age
Pig iron, average.....ton	\$17.84	\$18.00	\$19.71	Iron Age
Pig iron, #2 X Phila. "	\$19.76	\$20.26	\$21.76	Iron Age
Copper, electrolytic.....lb.	13.25¢	13.20¢	14.75¢	Dun's Review
Lead..... "	6.25¢	6.25¢	8.30¢	Dun's Review
Cotton, N. Y. middling spot..... "	20.00¢	20.70¢	12.60¢	Journal of Commerce
Yarns.....index number	38.41	39.53	29.90	Fairchild's
Goods..... "	14.067	14.268	12.342	Fairchild's
Wool, domestic, raw.....lb.	67.13¢	66.38¢	67.71¢	Dun's Review
Foreign, Australian, 64's..... "	99¢	99¢	98.5¢	Textile World
Tops, av. 3/8 blood at Boston..... "	\$1.095	\$1.075	\$1.11	Textile World
Worsted yarns.....index number	167.900	167.650	171.067	Fairchild's
Silk, raw (av. of 6 grades)..... "	49.23	50.37	58.46	Fairchild's
Goods..... "	120.28	123.01	135.11	Fairchild's
Rayon..... "	15.00	15.00	16.50	Fairchild's
Construction costs (1913 = 100)..... "	204.40	203.60	209.80	Eng. News Record
Lumber, yellow pine.....1,000 ft.	\$63.00	\$63.00	\$60.00	Dun's Review
Oak, plain white..... "	\$115.00	\$115.00	\$119.00	Dun's Review
Cement, Phila., carloads.....bbl.	\$2.21	\$2.21	.....	Dun's Review
Bricks, common.....1,000	\$14.50	\$14.50	\$15.50	Dun's Review
Fuels: bituminous coal, Pool 10 Phila. . .ton	\$1.80	\$1.80	\$2.35	Coal Age
Anthracite, Chestnut, Phila..... "	\$8.80	\$8.80	\$9.07	Coal Age
Coke, furnace.....short "	\$2.85	\$3.00	\$3.50	Dun's Review
Petroleum, Pa. crude.....bbl.	\$2.65	\$2.65	\$3.40	Oil, Paint & Drug Rep.
Gasoline, tankwagon, Phila.....gal.	15¢	15¢	19¢	Oil, Paint & Drug Rep.
Hides, packer, #1, native.....lb.	23.5¢	22¢	16¢	Dun's Review
Rubber, 1st latex crêpe..... "	34.75¢	33.62¢	42.50¢	Dun's Review
Paper, news roll.....100 lbs.	\$3.25	\$3.25	\$3.25	Dun's Review
Tobacco, medium.....lb.	12¢	12¢	15¢	Dun's Review
Corn, #2 yellow.....bu.	\$1.024	\$1.14	94¢	Dun's Review
Wheat, #2 red..... "	\$1.421	\$1.38	\$1.535	Dun's Review
Flour, Minn. patent.....bbl.	\$7.80	\$7.70	\$7.75	Journal of Commerce
Food products.....	\$3.39	\$3.31	\$3.45	Bradstreet's Food Index
Retail				
Food, index number, 1913 = 100.....	154.0	152.4	158.5	B. of L. Statistics
Cost of living (1913 = 100)	.....	.....	.....	.....
Philadelphia.....	178.0*	182.3†	180.6	B. of L. Statistics
United States.....	173.4*	175.6†	174.8	B. of L. Statistics

* June figures. † December, 1926, figures.

summer, the general level of wholesale commodity prices has turned upward, the rise in the first three weeks of October being about one-half of one per cent. In the period from May to September the price level, as shown by the index of 550 commodities or price series recently revised by the Bureau of Labor Statistics, advanced nearly 3 per cent. The greatest increase occurred in quotations for farm products, 10 per cent; hides and leather products, 8.5 per cent; textile products, 4.9 per cent; and foods, 2.2 per cent. Prices of building materials and miscellaneous commodities, on the other hand, declined somewhat. Compared with the level reached in the latter part of 1925, when the decline began, of all commodities were still 7.7 per cent lower, hides and leather alone showing a rise of 9.1 per cent.

Retail food prices, after remaining steady for several months past, also advanced about 1 per cent from August to September, but were 3.9 per cent under the average level of last year.

FINANCIAL CONDITIONS

Borrowings of member banks from the Federal Reserve Bank of Philadelphia increased from 35 to 38.6 millions in the four weeks ended October 19, but on that date the total was 9.2 millions smaller than a year earlier. Banks in Philadelphia reduced their indebtedness by 3.9 millions in the year.

Reserves of member banks declined in the past four weeks and payments of currency and coin to banks of the district exceeded receipts from them by 2.4 millions. In the transit clearings with other districts a loss of 7.7 millions was sustained, though this is partly to be explained by purchases of bills and securities on the part of this bank. Nearly 15 millions of dollars were withdrawn by the Government from funds at depository banks, but only 3.2 millions were lost to the district through Government transfers.

Losses to other districts through the gold settlement fund account mainly for a reduction in the reserves of this bank from 219.8 to 207.2 millions in the four weeks. The reserve ratio fell from 80.5

(Figures in thousands of dollars)	Loans and discounts			Investments	Deposits	
	Secured by stocks and bonds	All other	Total		Net demand	Time
Changes in four weeks ended Oct. 12:						
Philadelphia (35 banks).....	- 9,828	- 1,557	-11,385	+25,456	-10,753	+ 5,423
Outside Philadelphia (90 banks).....	- 1,424*	+ 857*	- 1,477	+ 6,986	- 3,157	+ 2,799
All reporting banks (125).....	-11,252†	- 700†	-12,862	+32,442	-13,910	+ 8,222
Changes in year ended Oct. 12:						
Philadelphia (35 banks).....	-13,316	-10,001	-23,317	+51,865	+ 327	+12,047
Outside Philadelphia (90 banks).....	+ 9,244‡	+ 2,393‡	+14,929	+11,819	- 3,466	+22,850
All reporting banks (125).....	- 4,072§	- 7,608§	- 8,388	+63,684	- 3,139	+34,897

*72 banks. †107 banks. ‡60 banks. §95 banks.

to 76.6 per cent, but compares favorably with a ratio of 71.8 per cent on October 20, 1926, when reserves were 29.1 millions lower.

Member banks. The reports of 125 member banks in 21 of the largest cities of the district show that on October 12 their total loans and discounts were 12.9 millions smaller than they were on September 14, chiefly as the result of a decline of nearly 10 millions in the loans of 35 Philadelphia banks secured by stocks and bonds. Investments, reflecting principally new issues of Government securities which appeared on September 15, increased 32.4 millions, this increase being accompanied by an expansion in Government deposits. Net demand deposits declined 10.8 millions at 35 Philadelphia banks and 3.2 millions at 90 banks in other cities, whereas in time deposits increases of 5.4 and 2.8 millions, respectively, took place.

In comparison with a year ago, the loan figures continue to show the divergence in trend between Philadelphia banks and those outside. The Philadelphia banks report a decline from 708.6 to 685.3 millions, or 23.3 millions, in this item, loans on securities and other loans both sharing in the decrease. Outside of Philadelphia the figures for most cities show increases, the total loans of 90 banks expanding 14.9 millions, but 9 banks in Atlantic City report a decline of 4.2 millions, or 12 per cent. Investments of all reporting banks, 125 in number, increased 63.7 millions in the year, net demand deposits declined slightly, and time deposits are 34.9 millions larger.

Figures submitted by 48 member banks in Philadelphia, Camden, Scranton and Wilmington show that in the latest week, that of October 19, loans on securities declined 2.5 millions, other loans increased slightly, investments decreased nearly 5 millions, and the total of net demand and time deposits fell 5.3 millions.

Bankers' acceptances. Four dealers in bankers' acceptances report average weekly sales of \$2,177,000 in the period ended October 12. This compares with \$934,000 in the preceding period, and \$2,504,000 a year ago. An increase in the

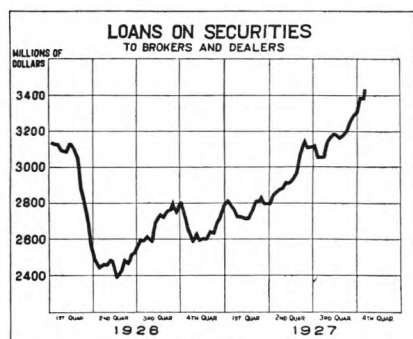
offering rate on prime 90-day bills from 3½ to 3¼ per cent took place in the past month. A summary of the figures reported by dealers follow:

	Purchases	Sales
Weekly average period ending 1927—		
Oct. 12.....	\$418,000	\$2,177,000
Sept. 14.....	496,000	934,000
Aug. 17.....	227,000	618,000
1926—		
Oct. 20.....	211,000	2,504,000

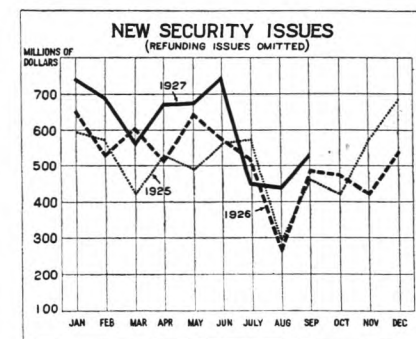
Nine Philadelphia banks report that they executed \$4,581,000 of acceptances in the month ended October 10, as against \$4,825,000 in the previous month, and \$3,458,000 a year ago. The total for the first ten months was \$42,628,000 in 1927 and \$34,045,000 in 1926.

Commercial paper. From \$8,268,500 in August, sales of five commercial paper dealers operating in this district rose to \$10,582,700 in September, owing to an increase of more than 4 millions in sales to city institutions, purchases by outside banks having declined. During the past three months sales have been nearly double those in the same months of 1926. Comparative figures are given on the next page.

Of the sales of three dealers in September, 20 per cent were made at 3¼ per cent, 47 per cent at 4 per cent, and 33 per cent at higher rates, chiefly 4¼ per cent. In August these percentages were 6, 58 and 36, respectively.



Loans as reported by New York City member banks.



Source: Commercial and Financial Chronicle.

	Sales to city banks	Sales to country banks	Total sales
1927			
Sept.....	\$ 5,970,200	\$ 4,612,500	\$10,582,700
Aug.....	1,900,000	6,368,500	8,268,500
July.....	3,099,500	7,317,500	10,417,000
Total, 3 mos.	\$10,969,700	\$18,298,500	\$29,268,200
1926			
Sept.....	\$ 3,472,500	\$ 2,104,900	\$ 5,577,400
Aug.....	1,125,000	2,960,000	4,085,000
July.....	2,232,500	3,560,900	5,793,400
Total, 3 mos.	\$ 6,830,000	\$ 8,625,800	\$15,455,800

Debits to individual account. Debits to individual account, as reported by banks in 17 cities of the third Federal reserve district, in the first three weeks of October showed an increase over the corresponding weeks of September, as is usual, and surpassed the figures of a year before by 1.3 per cent. Philadelphia banks report only a .7 per cent gain in the year. The three anthracite cities—Hazelton, Scranton and Wilkes-Barre—report a smaller volume than a year ago, but the total for 13 other cities increased from 355 to 373 millions, or 5.1 per cent.

DISTRIBUTION

Railroad shipments of merchandise and miscellaneous commodities in the Allegheny district have increased in the latest four weeks about 4 per cent but were 1.5 per cent under the volume of a year before. Total shipments also were larger than a month earlier but nearly 7.6 per cent smaller than at the same time last year.

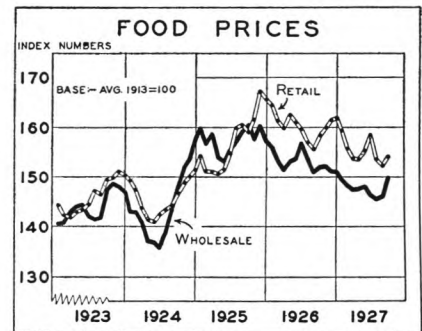
Retail trade. Preliminary reports for the early part of October indicate that the seasonal improvement in retail sales continues at a somewhat slower pace than that prevailing at the same time last year. The recent rainy weather lasting several days is given by some retailers as a retarding factor in the retail trade. Prices remain steady, although some advances are noted.

While September sales showed a marked gain over August, the total was 4.7 per cent under the volume of a year

before. Sales in all retail lines, except shoes and women's apparel stores outside of Philadelphia, failed to measure up to those of September, 1926.

Inventories, which increased seasonally between August and September, were 2.3 per cent less than on the same date last year. Accounts receivable were 4.7 per cent greater and collections 3.2 per cent larger than a year earlier.

Wholesale trade. This trade continues seasonally active. Early reports indicate that sales increased appreciably in all lines during the first part of October. Prices remain steady, although dry goods and groceries show advances.



Source: Bureau of Labor Statistics.

AUTOMOBILE TRADE Philadelphia Federal Reserve District 13 distributors	September, 1927, change from			
	September, 1926		August, 1927	
	Number	Value	Number	Value
Sales, new cars, wholesale.....	- 9.2%	- 11.9%	-25.8%	-23.6%
Cars under \$1,000.....	- 7.1 "	- 5.3 "	-26.1 "	-25.9 "
Cars \$1,000 to \$2,000.....	-14.7 "	-22.3 "	-27.9 "	-29.4 "
Cars over \$2,000.....	+ 2.8 "	- 2.5 "	- 4.2 "	- 8.8 "
Sales, new cars, at retail.....	- 2.7 "	- 3.4 "	-32.4 "	-37.8 "
Cars under \$1,000.....	- 1.6 "	- 1.7 "	-34.6 "	-47.1 "
Cars \$1,000 to \$2,000.....	-29.0 "	-22.7 "	-31.2 "	-24.2 "
Cars over \$2,000.....	- 1.4 "	- 2.5 "	+14.7 "	+24.2 "
Stocks of new cars.....	+ 83.4 "	+ 35.2 "	+ 4.1 "	+ 6.7 "
Cars under \$1,000.....	+109.8 "	+109.0 "	- 5.1 "	- 9.3 "
Cars \$1,000 to \$2,000.....	+ 85.8 "	+ 42.9 "	+31.0 "	+14.2 "
Cars over \$2,000.....	- 5.2 "	- 20.3 "	+33.2 "	+33.3 "
Sales of used cars.....	+ 65.7 "	+ 47.9 "	-28.5 "	-22.6 "
Stocks of used cars.....	+ 49.8 "	+ 35.6 "	+ 6.4 "	+ 6.6 "
Retail sales, deferred payment.....	- 11.5 "	- 19.8 "	-19.4 "	- 9.3 "

WHOLESALE TRADE Philadelphia Federal Reserve District	Net sales Sept., 1927, compared with		Stocks Sept. 30, 1927, compared with		Accounts outstanding Sept. 30, 1927, compared with		Collections Sept. 30, 1927, compared with	
	Sept., 1926	Aug., 1927	Sept. 30, 1926	Aug. 31, 1927	Sept. 30, 1926	Aug. 31, 1927	Sept., 1926	Aug., 1927
	Boots and shoes.....	-17.1%	+ 4.1%	-20.4%	- 8.5%	- 2.3%	+10.2%	+ 6.5%	+12.4%
Drugs.....	- 1.9 "	+ 2.0 "	+25.8 "	+ 3.5 "	- 2.8 "	+ 4.4 "	- 6.4 "	- 2.0 "
Dry goods.....	- 8.4 "	+23.9 "	-19.7 "	+ 2.6 "	- 3.0 "	+13.5 "	- 4.9 "	+ 4.3 "
Electrical supplies.....	+25.4 "	+45.4 "	-20.7 "	+ 3.3 "	+ 4.6 "	+27.0 "	- 7.1 "	- 3.9 "
Groceries.....	-11.8 "	+ 2.4 "	- 4.1 "	+ 2.9 "	- 0.7 "	+ 5.0 "	-12.5 "	- 4.6 "
Hardware.....	- 4.5 "	+ 6.9 "	+ 0.7 "	- 0.5 "	- 3.4 "	+ 5.5 "	- 6.7 "	- 1.4 "
Jewelry.....	-10.4 "	+ 5.7 "	- 5.3 "	- 2.5 "	- 7.5 "	+10.6 "	- 2.8 "	+13.5 "
Paper.....	-10.8 "	- 4.7 "	+ 5.9 "	+ 0.2 "	- 8.0 "	+ 2.3 "	- 1.9 "	+ 7.6 "

RETAIL TRADE Philadelphia Federal Reserve District	Comparison of net sales		Comparison of stocks		Rate of turnover Jan. 1 to Sept. 30		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
	Sept., 1927 with Sept., 1926	Jan. 1 to Sept. 30, 1927 with Jan. 1 to Sept. 30, 1926	Sept. 30, 1927		1926	1927			
			with Sept. 30, 1926	with Aug. 31, 1927					
All reporting stores.....	- 4.7%	-2.9%	- 2.3%	+10.3%	2.38	2.32	-18.5%	+ 4.7%	+ 3.2%
Department stores.....	- 4.3 "	-3.4 "	- 3.5 "	+ 9.5 "	2.36	2.31	-17.5 "	+ 2.3 "	+ 1.6 "
in Philadelphia.....	- 4.5 "	-4.5 "	- 4.0 "	+ 9.6 "	2.50	2.44	-15.7 "	+15.7 "	+22.0 "
outside Philadelphia.....	- 3.7 "	-0.7 "	- 2.4 "	+ 9.2 "	2.03	2.02	-21.0 "	- 1.0 "	- 2.5 "
Apparel stores.....	- 5.4 "	+2.0 "	+ 6.3 "	+19.6 "	2.98	2.95	-18.2 "	+18.2 "	+13.7 "
Men's apparel stores.....	- 9.3 "	-4.5 "	+ 9.5 "	+16.2 "	1.92	1.86	-18.2 "	+ 7.4 "	+12.5 "
in Philadelphia.....	-12.7 "	-4.9 "	-11.3 "	+ 8.4 "	1.99	2.02	-18.2 "	+ 7.4 "	+12.5 "
outside Philadelphia.....	- 4.9 "	-4.1 "	+37.3 "	+23.8 "	1.81	1.63	-18.2 "	+ 7.4 "	+12.5 "
Women's apparel stores.....	- 3.8 "	+5.9 "	+ 3.2 "	+23.4 "	4.36	4.23	-21.6 "	+19.4 "	+13.9 "
in Philadelphia.....	- 6.3 "	+5.5 "	+ 0.3 "	+20.1 "	4.66	4.51	-21.6 "	+21.6 "	+14.0 "
outside Philadelphia.....	+13.6 "	+8.2 "	+14.0 "	+36.0 "	3.35	3.27	-21.6 "	+12.6 "	+13.3 "
Shoe stores.....	+ 2.9 "	+2.3 "	+ 7.5 "	+17.3 "	2.08	2.01	-21.6 "	+ 8.6 "	+ 4.5 "
Credit stores.....	-18.2 "	-6.8 "	+ 0.6 "	+ 6.1 "	2.08	1.78	-21.6 "	+ 3.8 "	+ 1.0 "

The total dollar sales increased nearly 7 per cent between August and September, but were lower than a year before by almost the same percentage. Electrical supplies alone exceeded the sales of a year earlier. Stocks showed seasonal increases in most lines, but compared with a year ago, five out of eight lines had smaller inventories at the end of September. Accounts outstanding increased in the month but were smaller than at the same time last year. Collections, too, were less than in September, 1926.

Automobiles. Sales of passenger cars by wholesale dealers and retailers in September decreased noticeably as compared with the volume of a month and a year before. Deferred payment sales also declined. The volume of used cars, though less than in August, surpassed total sales in September, 1926. Stocks of new and used cars generally were greater than those on the same date of the previous month and of last year.

INDUSTRIAL CONDITIONS

Industrial operations continue to show some signs of seasonal betterment, although the rate of expansion is slower than at the same time last year. Factory employment changed little between August and September, while employe-hours worked in Pennsylvania and total payrolls each declined more than 2 per cent, owing partly to the suspension of activity on account of a holiday.

Consumption of electric power by industries increased slightly in September,

but was only 0.6 per cent greater than a year earlier. Total sales of electricity for lighting and power purposes also increased in the month. The generated output was slightly below the August total but exceeded that of a year before by almost 2 per cent.

Iron and steel. Some improvement has occurred in the market for iron and steel products since last month, although sales are still unsatisfactory. Construction companies, manufacturers of metal containers, general machinery and agricultural equipment, and other diversified lines are purchasing rather actively, but the oil and automobile industries and the railroads have bought less thus far this year than last. Prices of finished materials show some weakness, reflecting partly a slight decline in steel prices. The average quotations for pig iron, however, have turned a trifle upward, after reaching in September the lowest level since the early part of 1922.

Operations in this district at present approximate 70 per cent of capacity on the average, increases in production being offset by decreases. Stocks of finished goods and raw materials are moderate. The daily output of pig iron in this district increased about 6 per cent between August and September, but was nearly 18 per cent under that of a year before. In the country, daily production of both pig iron and steel ingots was appreciably lower than a month and a year earlier. Unfilled orders of the United States Steel Corporation at the end of September were 1.5 per cent smaller than a month before and 21 per cent smaller than at the same time last year.

Production of iron and steel castings declined 5.7 and 22.1 per cent, respectively, from August to September and was noticeably lower than a year before. Shipments also were smaller than in September, 1926. Unfilled orders for iron castings increased materially but those for steel castings decreased.

Textiles. More active demand, a larger volume of unfilled orders and a higher rate of production have, generally speaking, characterized the textile situation in this district since the latter part of last month. Prices of wool and its products have risen steadily, while those

of cotton yarns and piece goods have declined somewhat in the last fortnight in sympathy with the trend in the raw cotton market. Quotations for raw silk and silk fabrics also have fallen further from the level prevailing four weeks ago, whereas rayon prices remain unchanged.

The output of wool and cotton manufactures has increased since the middle of last month, plant operations ranging from 75 to 85 per cent of capacity. Unfilled orders are sufficient to assure production at this rate for about two months. Consumption of raw wool in this district was 0.7 per cent greater in September than in August, and in the country, was 3.1 per cent larger. Mill takings of raw cotton in the country during September were slightly smaller than a month before but were over 9 per cent greater than a year earlier.

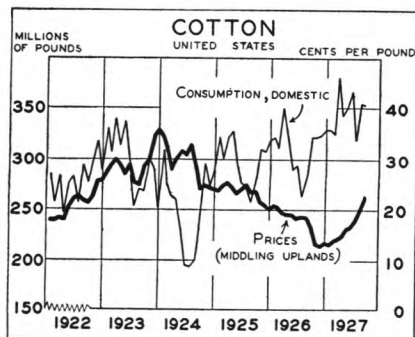
Local silk mills are running close to 80 per cent of capacity, owing partly to preparation for spring business and partly to the current demand which is fair. Unfilled orders are smaller than a year ago. Deliveries of raw silk to American mills, however, reached in September the greatest monthly volume for all time.

Conditions in the clothing industry compare rather favorably with those of a year ago, demand and prices being fairly steady. Advance business is large enough to warrant production at the present rate of about 75 per cent of capacity for nearly forty-five days.

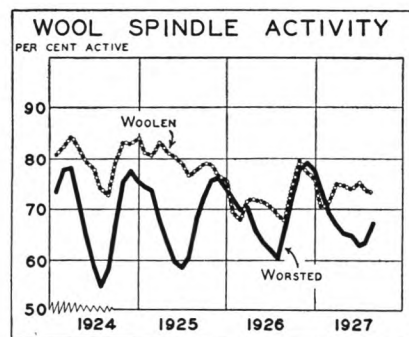
Carpet and rug manufacturers report a fair amount of business. The Smith auction has been followed by activity in orders for the spring of 1928, though business in Wiltons is slow, awaiting the December first opening. No important price changes are reported. A fairly good volume of business is enjoyed by manufacturers of linoleums and felt base goods.

There is a good and increasing demand for women's full-fashioned hosiery, and a fair demand, with slight increases, for men's and women's seamless. Some price decreases are reported in women's full-fashioned silk lines. Moderate stocks of finished goods are about the same as those of a month ago. Production in this district increased 3 per cent from August to September. Orders booked in the month increased 33 per cent over those

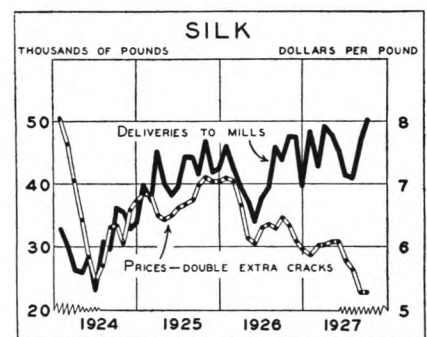
ELECTRIC POWER Philadelphia Federal Reserve District 13 systems	September, 1927, change from	
	Sept., 1926	Aug., 1927
Rated generator capacity	+ 2.2%	+ 2.5%
Generated output	+ 1.9 "	- 1.3 "
Hydro-electric	- 30.0 "	- 11.3 "
Steam	- 6.9 "	- 3.8 "
Purchased	+ 61.4 "	+ 11.6 "
Sales of electricity	+ 4.2 "	+ 2.6 "
Lighting	+ 15.2 "	+ 18.4 "
Municipal	+ 5.5 "	+ 12.3 "
Residential and commercial Power	+ 0.9 "	- 0.1 "
Municipal	+ 3.3 "	+ 3.9 "
Street cars and railroads	+ 2.1 "	- 1.2 "
Industries	+ 0.6 "	+ 0.1 "
All other sales	+ 8.3 "	- 3.2 "



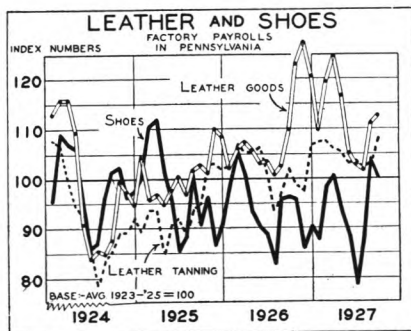
Source: Department of Commerce and Journal of Commerce.



Source: Bureau of the Census.



Source: Silk Association of America and Journal of Commerce.



placed in August, although there was a falling off in orders placed for men's hosiery.

Leather. The packer hide market is firm and high, heavy native steers gaining 1½ cents in the month. Goatskins are active with prices firm and some advances reported. Both black and colored kid are in good and increased demand. Price increases in both varieties are reported. Stocks of finished goods have decreased in the month. Good demand for sole leather continues and prices have advanced. A fair demand for leather belting is reported, with sales somewhat smaller than a month ago. Increase in prices is noted.

Demand for shoes is fair, with sales slightly smaller than a month ago. Stocks of finished goods are smaller than those of a month and a year ago. Unfilled orders assure operation, on the average, for nearly a month. Most firms report advance in prices.

Building. Construction activity in this district compares more than favorably with the rate prevailing at the same time last year. The value of contract awards for residential buildings increased 20 per cent between August and September but the total volume declined over 4 per cent in the month. Total construction during the first nine months of this year was about 14 per cent ahead of the volume for the same period last year, the gain in residential contracts being almost 6 per cent. The proposed expenditure under permits issued in 15 cities of the district was 10.6 per cent less than in August but 16.7 per cent greater than a year earlier. In the period from January to September, however, the value of permits decreased 15 per cent from that for the same period of 1926.

The market for building materials continues active in response to a steady demand from construction companies. Prices show a further slight decline. Unfilled orders generally are sufficient to assure plant operations at the present rate of 70 to 80 per cent of capacity for nearly two months. Production of cement, though it declined about 4 per cent in September, continued near the record high level established in recent months. Stocks of building materials in the main are moderate.

EMPLOYMENT AND WAGES in Pennsylvania	No. of plants reporting	Number of wage earners— week ended		Total weekly wages— week ended		Average weekly earnings— week ended	
		Sept. 15, 1927	Per cent change from month ago	Sept. 15, 1927	Per cent change from month ago	Sept. 15, 1927	Per cent change from month ago
All industries (47)	832	280,127	- 0.1	\$7,011,196	- 2.2	\$25.03	- 2.2
Metal manufactures:	277	137,766	- 0.5	3,617,812	+ 5.1	26.26	- 4.6
Automobiles, bodies, and parts...	19	10,082	+ 6.2	286,486	+ 2.2	28.42	- 3.8
Car construction and repair.....	18	18,298	- 3.2	481,091	- 5.1	26.29	- 2.0
Elec. machinery and apparatus....	18	9,056	+ 3.9	220,205	+ 0.1	24.32	- 3.6
Engines, machines, mach. tools....	38	9,787	- 3.1	259,852	-10.4	26.55	- 7.5
Foundries and machine shops.....	52	8,203	+ 1.2	217,481	- 7.3	26.51	- 6.2
Heating appl. and apparatus.....	15	3,866	+ 3.0	110,196	+ 0.3	28.50	- 2.6
Iron and steel blast furnaces.....	11	10,950	- 1.8	282,248	- 6.5	25.87	- 4.8
Iron and steel forgings.....	10	2,783	- 1.0	57,259	-16.8	20.57	-16.0
Steel works and rolling mills.....	34	35,524	+ 0.8	938,134	- 3.1	26.41	- 3.9
Structural iron works.....	17	4,699	- 0.1	117,225	-14.6	24.95	-14.4
Misc. iron and steel products.....	25	18,673	- 0.4	491,927	- 6.7	26.34	- 6.3
Shipbuilding.....	3	3,367	-16.8	95,040	-10.8	28.23	+ 7.3
Hardware.....	8	1,666	- 1.1	39,327	- 1.1	23.61	+ 0.1
Non-ferrous metals.....	9	812	+ 2.7	20,341	+ 0.5	25.05	- 2.1
Textile products:	165	54,916	+ 0.6	1,196,818	+ 0.7	21.79	+ 0.1
Carpets and rugs.....	8	2,550	+ 0.6	59,010	- 6.2	23.14	- 6.8
Clothing.....	32	4,755	- 1.6	89,732	- 1.7	18.87	- 0.2
Hats, felt and other.....	6	4,344	- 1.5	114,511	- 1.0	26.36	+ 0.5
Cotton goods.....	16	4,515	+ 1.0	104,625	+ 7.5	23.17	+ 6.4
Silk goods.....	41	16,550	+ 0.4	304,216	- 3.0	18.38	- 3.4
Woolens and worsteds.....	14	6,441	+ 4.2	143,342	+ 4.8	22.25	+ 0.5
Knit goods and hosiery.....	37	13,386	+ 0.9	327,841	+ 5.2	24.49	+ 4.2
Dyeing and finishing textiles.....	11	2,375	- 2.5	53,541	- 9.3	22.54	- 6.9
Foods and tobacco:	105	23,995	+ 1.6	487,568	+ 0.1	20.32	- 1.5
Bakeries.....	31	4,472	- 2.4	128,937	- 2.1	28.83	+ 0.3
Confectionery and ice cream.....	23	5,823	+ 5.2	129,860	+ 6.7	22.30	+ 1.4
Slaughtering and meat packing....	14	2,105	+ 1.8	60,560	+ 1.2	28.77	- 0.5
Cigars and tobacco.....	37	11,595	+ 1.4	168,211	- 3.3	14.51	- 4.5
Building materials:	66	20,043	+ 1.8	557,658	+ 1.5	27.82	- 0.3
Brick, tile, and terra cotta products	26	4,171	- 0.8	99,614	- 3.4	23.88	- 2.6
Cement.....	14	7,419	- 2.0	234,173	- 1.9	31.56	+ 0.1
Glass.....	23	7,520	+ 7.9	201,773	+ 8.5	26.83	+ 0.5
Pottery.....	3	933	+ 0.2	22,098	+ 2.9	23.68	+ 2.6
Construction and contracting:	35	6,815	+ 4.7	200,390	+ 8.4	29.40	+ 3.5
Buildings.....	19	1,542	- 0.5	52,140	+ 2.0	33.81	+ 2.5
Street and highway.....	4	2,437	+18.2	75,039	+26.4	30.79	+ 6.9
General.....	12	2,836	- 2.2	73,211	- 1.6	25.81	+ 0.5
Chemicals and allied products:	33	10,384	- 9.8	298,550	- 1.6	28.75	+ 9.1
Chemicals and drugs.....	13	1,158	+ 3.0	30,658	+ 1.6	26.47	- 1.5
Explosives.....	3	534	- 1.8	13,333	+ 5.3	24.97	+ 7.3
Paints and varnishes.....	9	1,109	- 0.3	26,964	- 7.9	24.31	- 7.7
Petroleum refining.....	5	5,220	-18.2	157,937	- 2.7	30.26	+19.0
Coke.....	3	2,363	+ 0.3	69,658	+ 1.1	29.48	+ 0.8
Miscellaneous industries:	151	26,208	+ 1.2	652,400	+ 1.3	24.89	+ 0.1
Lumber and planing mill products	25	3,260	+ 1.2	67,650	+ 0.6	20.75	- 0.6
Furniture.....	18	2,109	+ 3.8	53,187	+ 5.5	25.22	+ 1.6
Leather tanning.....	17	5,870	+ 2.8	150,288	+ 4.9	25.60	+ 2.0
Leather products.....	8	595	+ 2.6	11,881	+ 3.8	19.97	+ 1.2
Boots and shoes.....	22	4,187	- 0.6	78,670	- 4.7	18.79	- 4.1
Paper and pulp products.....	19	4,164	- 0.2	107,944	+ 0.5	25.92	+ 0.7
Printing and publishing.....	36	3,748	+ 2.3	127,432	+ 2.2	34.00	- 0.1
Rubber tires and goods.....	3	819	- 2.3	23,668	- 5.8	28.90	- 3.7
Novelties and jewelry.....	3	1,456	- 1.6	31,680	- 1.1	21.76	+ 0.5

Flour. The market for flour, middlings, bran and other by-products, is only moderately active and sales do not equal those of a year ago. Export demand is not as brisk as that at the same time last year. Prices continue firm. Flour mills are running at about 65 per cent of capacity, showing little change since last month. Mill stocks of flour are somewhat heavier than a year ago, while supplies of grains remain practically unchanged. Stocks of flour and wheat held by Philadelphia warehouses have declined recently.

Paper. Sales of paper have increased appreciably during the month, although the total is still slightly under that of a year ago. Prices continue fairly steady. Unfilled orders, though smaller than a

year ago, are sufficient to assure production at the prevailing rate of about 85 per cent of capacity for over one month.

Cigars. The cigar market is seasonally strong with firm prices. Plant operations have increased, the present rate being over 80 per cent of capacity. Unfilled orders are larger than at the same time last year. Stocks, which are moderate, are a trifle heavier than a year ago.

Coal. The anthracite market has been somewhat retarded by the mild weather that has prevailed during September and the first part of October, although stormy weather recently has stimulated domestic demand somewhat. Current demand for domestic sizes is only fair, while that for

steam sizes is slightly more active than four weeks ago. Prices generally continue unchanged and are somewhat lower than at the same time last year. Colliery operations average about 90 per cent of capacity. The output in the four weeks ended October 15 was almost 25 per cent below a year ago.

Conditions in the bituminous field, though still unsatisfactory, have improved slightly in recent weeks. Demand, however, remains only fair, industries and public utilities being the most active buyers. Prices have declined slightly since the latter part of September and are somewhat under the average at the same time last year. Production in the four weeks ended October 15 increased

6.9 per cent as compared with that of the previous four weeks.

Agriculture. Favored by exceptionally good weather during September, late crops, particularly potatoes, corn and tobacco, have improved considerably. Field plowing is up to normal. Planting of winter wheat and rye is practically completed, and the acreage appears to be slightly greater than that of last fall. The supply of farm labor is sufficient. The condition of dairy herds measures up to the normal for October. The new hogs for market also are in good condition, but the slaughter of hogs and the sales for slaughter do not compare favorably with those of the month before or of October, 1926.

Prices of farm products in the country at large have increased 3.6 per cent from August to September. The rise in prices of farm commodities has been steady since last April, total gains amounting to 12.3 per cent, while prices of all commodities advanced at the same time only 1.7 per cent.

Philadelphia Federal Reserve District (Figures in thousands of units)	Yield 1926	Estimate Oct. 1, 1927
Corn.....bus.	51,468	42,478
Wheat....." "	21,450	17,646
Oats....." "	22,319	24,397
Potatoes....." "	21,507	23,661
Tobacco.....lb.	43,560	42,343

BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

	Prices	Demand	Unfilled orders compared with year ago	Operations	Stocks
TRADE					
Retail trade.....	Some advances	Only fair			Smaller
Wholesale trade.....					
Drugs.....	Unchanged	Active; increased	Spot delivery		Increased
Dry goods.....	Higher	Fair; increased	Spot delivery		Increased slightly but lower than year ago
Electrical supplies..	Little change	Active; increased	Spot delivery		Increased slightly but lower than year ago
Groceries.....	More advances than declines	Fairly active; increased	Spot delivery		Increased slightly but lower than year ago
Hardware.....	Unchanged	Fair; little change	Spot delivery		Little change
Jewelry.....	Unchanged	Fairly active; increased	Spot delivery		Smaller
Paper.....	Unchanged	Fair; increased	Spot delivery		Slightly larger
Shoes.....	Mostly unchanged	Only fair	Spot delivery		Decreased
Lumber dealers.....	Slightly lower	Fair	Smaller		Smaller
Automobiles.....	Little change	Slow			Increased
INDUSTRIES					
Iron and steel products.....	Some weakness in steel and its products; pig iron, firm	Only fair	Increased for iron castings but declined for steel castings	Generally unchanged; decreases offset increases	Moderate
Cotton.....	Easier along with raw cotton	Fairly good	Greater	Increased	Moderate to light
Silk.....	Lower	Only fair	Smaller	Little change	Increased
Wool.....	Higher	Active	Greater	Little change in fabrics; spinning, increased	Medium
Hosiery.....	A few decreases	Good in full-fashioned; fair in seamless	Larger than a month ago	Full-fashioned, unchanged; seamless, increased	Moderate and slightly smaller
Carpets and rugs.....	Unchanged	Fair	Smaller	Unchanged	Moderate
Shoes.....	Higher	Fair; decreased	Slightly larger	Little change	Smaller
Leather belting.....	Higher	Fair	Slightly smaller	Decreased	Little change
Leather—					
Kid.....	Higher	Good	Little change from a month ago	Little change	Smaller
Sole.....	Higher	Good	Little change from a month ago	Unchanged	Little change
Paper.....	Little change	Fair; increased	Slightly smaller	Increased slightly	Decreased, but heavier than year ago
Cigars and tobacco...	Little change	Good	Increased slightly	Increased	Moderate
Lumber—mill.....	Slightly lower	Fair	Smaller	Unchanged	Medium to light
Electrical supplies....	Slightly lower	Fair	Little change	Unchanged	Moderate
Paint.....	Slightly lower	Fairly good	Little change	Unchanged	Moderate
Cement.....	Little change	Active; practically unchanged	Gains equal losses	Little change	Moderate; decreased
Clothing.....	Little change	Fair	Decreases offset increases	Slightly lower	Medium
Flour.....	Steady	Only fair		Little change	Moderate; heavier than year ago
Building.....	Construction costs rose slightly	Fairly active	Permits increased in September	September total contracts declined, but residential increased materially	
Anthracite.....	Unchanged for domestic sizes; some weakness in steam sizes	Fair		Little change	Moderate; a bit heavier than year ago
Bituminous coal.....	Declined slightly	Fair		Increased slightly	Little change