

THE BUSINESS REVIEW

THIRD FEDERAL
PHILADELPHIA



RESERVE DISTRICT
JANUARY 2, 1928

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BUSINESS CONDITIONS IN THE UNITED STATES

Industrial activity and freight car loadings declined further in November, while retail trade showed more than the usual seasonal increase. The general level of wholesale commodity prices after advancing for four months remained practically unchanged in October and November.

Production. Output of manufactures and minerals was reduced in November, and the combined index of production, after adjustments for customary seasonal variations, fell below the 1923-25 average for the first time since 1924. The largest decline was in the output of automobiles owing largely to preparation for production of new models. Iron and steel production has also declined further and in November was the lowest since 1924. In December, however, inquiries for iron and steel increased.

Textile mill activity was slightly curtailed in November but continued at a higher level than in previous years. There were decreases in the production of coal, building materials, and leather and shoes. Building contract awards showed seasonal declines in November and the first two weeks of December and were slightly smaller than in the corresponding period of last year.

The total value of about fifty crops in 1927 is estimated by the Department of

Agriculture at \$8,430,000,000, an increase of \$635,000,000 over 1926. The greatest increases in value were shown for cotton, corn, barley, and oats, while the largest decrease for any individual crop was shown for potatoes. The physical quantity of production of the seventeen principal crops was about 2 per cent less than last year but 3 per cent above the average of the last ten years.

Trade. Retail trade increased slightly more than is usual in November. Compared with a year ago, retail trade of department stores, mail order houses, and chain stores was larger, while wholesale trade continued in slightly smaller volume in nearly all reporting lines. Freight car loadings declined during November and in the early part of December were smaller than in the corresponding period for the past four years. There were large decreases in loadings of all classes of commodities.

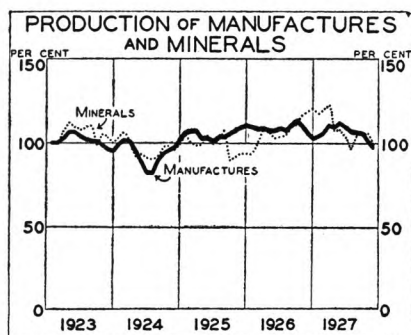
Prices. The general level of wholesale commodity prices as measured by the index of the Bureau of Labor Statistics, after a continuous advance since early in the summer, remained at practically the same level in November as in October. Changes were relatively small in all groups, increases occurring in foods, and hides and leather, and decreases in farm

products, textiles, fuels, and building materials. In the first two weeks of December, prices of wheat, cattle, hogs, cotton, pig-iron, and soft wood lumber declined while those of silk, woolen goods, hides, and sole leather advanced.

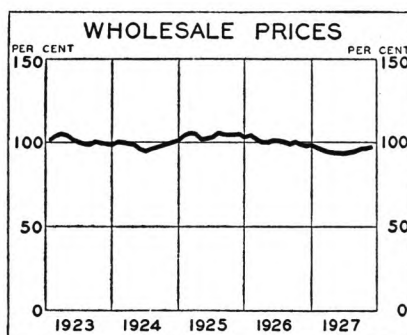
Bank credit. Between the middle of November and the middle of December total loans and investments of member banks in leading cities showed a considerable increase, reflecting continued growth in the volume of loans on securities and in the banks' investment holdings. In the same period loans chiefly for commercial purposes, which reached a seasonal peak in October, showed a further slight decline.

At Federal reserve banks the seasonal increase in currency requirements and the continued demand for gold for export during the four weeks ending December 21 were reflected in a growth in member bank borrowing. At the end of this period the total volume of reserve bank credit in use was larger than on any other date in the past six years.

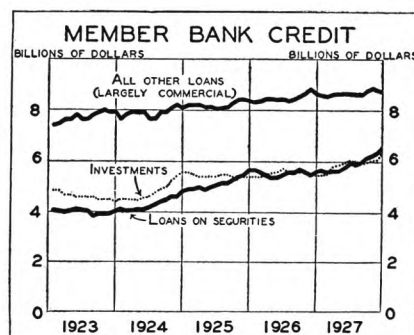
Somewhat firmer conditions in the money market in December were reflected in increased rates on call money. Rates on prime commercial paper and bankers' acceptances remained unchanged during the month.



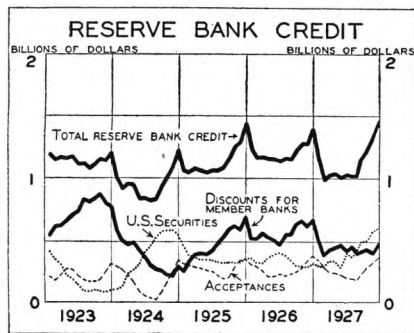
Index number of production of manufactures and minerals, adjusted for seasonal variations (1923-25 average=100). Latest figures, November; manufactures, 98; minerals, 101.



Index of United States Bureau of Labor Statistics (1926=100, base adopted by bureau). Latest figure, November; 96.7.



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 21 days in December.



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

BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

Further slackening of trade and industry in the Philadelphia Federal Reserve District is evidenced as the end of the year approaches. Christmas trade has been less than the anticipated volume and the movement of goods through wholesale and retail channels has continued smaller than in the corresponding period of last year. November department and apparel store sales were smaller than in either 1925 or 1926 but the shoe trade reported a larger volume of sales. Wholesale electrical supply dealers reported heavier sales in November, but all other lines showed declines as compared with last year. Sales of automobiles to customers by distributors reporting to this bank were smaller than in either the preceding month or the same period of last year. Life insurance sales, which usually show considerable gains from year to year, were 8 per cent less in November 1927 than in the previous year. Freight car loadings in the Allegheny District in recent weeks have been running 16 per cent behind the same period of last year. Bank debits have been in larger volume than in 1926, a reflection in part of larger security and real estate transactions.

This year's recession has been perhaps more pronounced in industry than in trade of the district. Factory employment and payrolls in Pennsylvania have declined almost uninterruptedly for more than a year; in November they were more than 10 per cent under the level of 1926. Declines have been especially severe in the metal manufacturing industries. Output of pig iron and steel products both in this district and in the country as a whole has fallen further to a point substantially below last year. Some improvement in demand was reported early in December, however. Operations of the automobile industry have also slackened considerably, the national output of cars and trucks in November being smaller than in any month during the past five years.

BUSINESS INDICATORS Philadelphia Federal Reserve District	November, 1927	Latest figure compared with	
		Previous month	Year ago
Retail trade—estimated net sales (135 stores)			
Department stores (60)	\$27,596,000	+ 9.6%	- 3.7%
Apparel stores (34)	\$22,735,000	+ 9.9 "	- 3.0 "
Shoe stores (25)	\$3,270,000	- 3.2 "	- 5.9 "
Credit stores (16)	\$677,000	+ 0.5 "	+ 3.8 "
	\$914,000	+11.2 "	-16.0 "
Wholesale trade—net sales (125 firms)	\$10,078,169	- 1.2 "	- 3.5 "
Boots and shoes (7)	\$247,424	-11.8 "	-19.0 "
Drugs (13)	\$1,562,881	- 2.0 "	- 3.6 "
Dry goods (16)	\$958,829	- 4.1 "	-16.4 "
Electrical supplies (5)	\$750,164	+18.3 "	+18.4 "
Groceries (37)	\$3,196,436	- 2.3 "	- 4.7 "
Hardware (25)	\$1,958,623	- 2.8 "	- 0.9 "
Jewelry (11)	\$605,655	+ 7.0 "	- 0.3 "
Paper (11)	\$798,157	- 4.3 "	- 0.1 "
Productive activity—			
Employment—\$33 plants in Pennsylvania	272,432	- 0.7 "	-10.7 "
Wage payments in above plants	\$6,915,765	- 1.3 "	-11.5 "
Shoe production* (88 factories)	prs. 1,197,526	-16.8 "	.....
Hosiery production* (128 mills)	doz. prs. 1,473,746	+ 4.8 "	.....
Wool consumption* (80 mills)	lbs. 7,256,579	- 8.9 "	.....
Active cotton spindle hours (Penna. and N. J.)	84,612,772	- 2.1 "	- 8.4 "
Pig iron production	tons 251,167	- 7.3 "	-23.4 "
Iron casting production (30 foundries)	tons 3,839	- 9.0 "	-24.9 "
Steel casting production (10 foundries)	tons 4,584	+33.8 "	-18.1 "
Anthracite	tons 6,902,000	- 6.8 "	- 6.7 "
Bituminous coal—Pennsylvania	tons 9,611,000	- 9.9 "	-37.6 "
Cement	bbls. 3,845,000	-12.0 "	- 7.5 "
Electric power output (13 systems)	KWH 439,865,000	+ 0.2 "	+ 0.5 "
Distribution—			
Freight car loadings (Allegheny district—weekly average)	189,401	-12.1 "	-14.6 "
Tonnage of vessels (Port of Philadelphia)	tons 3,308,803	- 8.2 "	-19.9 "
Financial and credit:			
Debits (17 cities)	\$2,497,098,000	- 4.0 "	+ 6.3 "
Savings deposits (95 banks)	\$650,458,000	+ 0.5 "	+ 8.1 "
Bills discounted held by F. R. B. of Phila. (daily average)	\$8,948,000	- 0.2 "	-11.1 "
Acceptances executed (9 banks for month ended Dec. 10)	\$4,767,000	- 6.7 "	-12.9 "
Bankers' acceptances sales (4 dealers—weekly average for period ended Dec. 14)	\$2,652,000	-53.1 "	- 3.3 "
Commercial paper sales (5 dealers)	\$9,381,000	- 8.2 "	+ 2.5 "
Commercial failures—number	72	+41.2 "	0 "
Commercial failures—liabilities	\$1,486,840	+56.1 "	-43.3 "
Building and real estate—			
Building permits (16 cities)	\$11,530,435	- 5.5 "	- 9.5 "
Building contracts awarded (Philadelphia district)	\$28,701,592	-12.8 "	+ 0.3 "
Number of real estate deeds recorded (Philadelphia county)	4,913	-13.4 "	- 0.1 "
Value of mortgages recorded (Philadelphia county)	\$29,976,860	+ 3.1 "	+15.7 "
Miscellaneous—			
Sales of life insurance (Penna., N. J., and Del.)	\$76,768,000	- 3.9 "	- 8.3 "
Retail sales of automobiles (10 distributors)	\$1,427,000	-65.8 "	-48.5 "
Wholesale sales of automobiles (11 distributors)	\$1,573,000	-54.3 "	-23.5 "

* Bureau of Census preliminary figures.

Conditions in the textile and leather industries are somewhat more satisfactory. The cotton goods market has quieted seasonally in the last few weeks but mill operations generally have been well maintained as compared with last year. Trading in raw wool and yarns has been fairly active and operations of mills have expanded considerably since summer. Though silk prices have weakened further, mill operations and sales have been in larger volume. Full-fashioned hosiery is in good demand and a fair market exists for carpets and rugs.

The leather and shoe industries are fairly active and prices have advanced for a few products. Employment in leather tanneries and shoe factories of Pennsylvania, contrary to the general trend, has advanced in the past few months and is above last year's level.

Although seasonal declines have occurred in building, the volume of construction continues to compare favorably with 1926. For the first 11 months of

the year contracts in this district have exceeded last year by 13 per cent, while in the United States a gain of 5 per cent occurred. As usual at this season the market for most building materials has slackened considerably and plant operations are smaller in some cases than in the same period of 1926.

The coal industries of Pennsylvania have shared in the general business recession. Industrial inactivity has reduced the demand for bituminous coal and mine operations have been contracted considerably, while production and shipments of anthracite have been considerably under last year's level owing to the warm weather in recent months.

Commodity prices. The upward movement in the general level of wholesale commodity prices which began in July has been checked by a slight decline in recent weeks. Fisher's weekly price index decreased about one-tenth of one per cent in the four weeks ended December 16. From October to November a

decline of nearly one-third of one per cent occurred, according to the Bureau of Labor Statistics price index. Among the groups of commodities responsible for this reaction were farm products, particularly livestock and poultry, textile products, fuel and lighting, metal and metal products, and building materials. On the other hand, prices of foods, hides and leather products, chemicals and fertilizers, and house furnishing goods increased somewhat.

In comparison with a year before, quotations for farm products, and hides and leather products were materially higher, and foods and textile products were slightly higher. All other groups of commodities were lower, declines ranging from less than one-fourth of one per cent in house furnishing goods to nearly 10 per cent in building materials, and to more than 19 per cent in the case of fuel and lighting.

FINANCIAL CONDITIONS

During the last two weeks of November, the greater part of the Government deposits held by depository banks was withdrawn. The one-day certificates of indebtedness amounting to 15 millions on November 16, which had been placed with the Federal Reserve Bank to meet the Government's temporary need for funds, were paid off later in the month. In the first two weeks of December Government operations were on a smaller scale.

In the four weeks ended December 14, the movement of currency was outward, as is usual at this season, but balances in the transit clearings with other districts were favorable. Reserve deposits of member banks were reduced by 11 millions and their borrowings from the reserve bank increased from 34.6 to 41.4 millions. In the corresponding period last year bills discounted increased from 42 to 53.1 millions.

This bank's portfolio of purchased bills increased from 30.7 to 32.7 millions, but holdings of Government securities declined nearly 13 millions as the result of the paying off of the one-day certificates of indebtedness previously mentioned. Compared with a year before, holdings of purchased paper on December 14 were 7.4 millions higher and Government securities 16.2 millions larger.

The reserve ratio advanced from 64.9 per cent on November 16 to 70.1 per cent on December 7. In the three weeks there was an increase in reserves of 11.8 millions, owing to a favorable balance of 17.6 millions in transit clearings which was accompanied by the loss of smaller amounts through other channels. An increase in note issues, and, to a lesser extent, in deposits, was mainly responsible for a falling off in the ratio to 67.8 per cent on December 14.

CITY CONDITIONS Philadelphia Federal Reserve District	November, 1927, compared with November, 1926						
	Employment	Wage payments	Value of building permits	Debits	Savings deposits	Retail trade sales	Electric power sales
Allentown area..	- 4.3%	- 2.9%	- 21.1%	+ 2.9%	+ 3.7%	+ 3.5%	+ 1.8%*
Altoona " ..	- 1.5 "	- 5.0 "	+ 11.5 "	+ 11.0 "	+ 9.3 "	- 3.0 "	- 16.2 "
Harrisburg " ..	- 0.4 "	+ 0.6 "	- 43.7 "	- 14.2 "	+ 17.9 "	- 0.3 "	+ 3.9 "
Johnstown " ..	- 10.7 "	- 25.8 "	- 73.2 "	- 7.8 "	+ 4.3 "	- 9.2 "	- 4.4 "
Lancaster " ..	- 2.4 "	- 1.8 "	- 83.4 "	+ 9.2 "	.....	+ 2.7 "	+ 9.6 "
Philadelphia " ..	- 11.6 "	- 11.2 "	- 26.7 "	+ 8.2 "	+ 9.9 "	- 4.2 "	+ 2.4 "
Reading " ..	- 6.9 "	- 9.0 "	+ 18.0 "	- 1.5 "	+ 8.3 "	+ 4.2 "	.....
Scranton " ..	- 16.3 "	- 10.9 "	- 61.5 "	- 0.7 "	+ 0.5 "	+ 3.5 "	+ 7.6 "
Trenton " ..	- 18.3 "	- 23.2 "	+ 5.3 "	+ 5.2 "	+ 7.6 "	- 1.0 "	+ 4.2 "
Wilkes-Barre " ..	- 7.3 "	- 7.8 "	- 47.5 "	+ 7.0 "	+ 8.8 "	- 4.9 "	.....
Williamsport " ..	- 4.5 "	+ 5.8 "	+ 1,949.9 "	+ 0.7 "	.....	- 2.2 "	.....
Wilmington " ..	- 11.3 "	- 9.4 "	+ 61.0 "	+ 9.4 "	+ 6.1 "	- 3.6 "	- 1.3 "
York " ..	- 2.5 "	- 4.7 "	+ 77.1 "	+ 5.8 "	+ 8.1 "	- 7.6 "	+ 14.8 "

November, 1927, compared with October, 1927

Allentown area..	- 0.8%	- 3.5%	- 4.8%	- 12.5%	- 0.9%	+ 41.9%	+ 3.0%*
Altoona " ..	- 1.5 "	- 5.0 "	- 46.7 "	- 3.0 "	+ 1.4 "	+ 1.7 "	+ 10.1 "
Harrisburg " ..	- 2.4 "	- 8.2 "	+ 46.8 "	- 3.6 "	- 1.1 "	+ 22.9 "	+ 0.7 "
Johnstown " ..	- 8.2 "	- 9.8 "	- 53.9 "	- 3.8 "	- 0.5 "	- 0.9 "	+ 2.7 "
Lancaster " ..	+ 2.5 "	+ 1.8 "	- 90.3 "	- 10.1 "	.....	+ 12.4 "	+ 1.2 "
Philadelphia " ..	- 1.6 "	- 1.9 "	- 21.3 "	- 1.7 "	+ 0.7 "	+ 6.3 "	+ 3.1 "
Reading " ..	+ 1.2 "	+ 0.7 "	- 44.9 "	- 4.2 "	+ 4.0 "	+ 21.5 "	+ 3.0 "
Scranton " ..	+ 0.7 "	- 1.4 "	- 9.0 "	- 7.7 "	- 7.2 "	+ 36.5 "	+ 18.5 "
Trenton " ..	- 1.3 "	- 7.1 "	- 14.3 "	- 5.7 "	+ 4.4 "	+ 1.8 "	- 2.7 "
Wilkes-Barre " ..	+ 2.1 "	+ 0.1 "	- 54.9 "	- 7.5 "	+ 1.2 "	+ 12.7 "	.....
Williamsport " ..	- 0.8 "	+ 1.7 "	+ 1,230.1 "	- 21.9 "	.....	+ 20.7 "	.....
Wilmington " ..	+ 1.1 "	+ 1.4 "	- 57.6 "	- 38.2 "	+ 0.9 "	+ 19.6 "	+ 8.0 "
York " ..	- 1.1 "	+ 6.2 "	+ 769.2 "	- 3.9 "	+ 1.0 "	- 2.1 "	+ 13.9 "

* 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 quotations
Wholesale				
Fisher's weekly index (1913=100)	144.3	145.9	147.2	Prof. Irving Fisher
Purchasing power of the 1913 dollar .. cents	69.3	68.5	67.9	Prof. Irving Fisher
All commodities, index (1926=100)	96.7	97.0	98.4	B. of L. Statistics
Purchasing power of the 1926 dollar .. cents	103.4	103.1	101.6	B. of L. Statistics
Finished steel, average .. lb.	2.314¢	2.307¢	2.453¢	Iron Age
Pig iron, average .. ton	\$17.54	\$17.63	\$19.88	Iron Age
Pig iron, #2 X Phila.	\$19.76	\$19.76	\$22.76	Iron Age
Copper, electrolytic .. lb.	14.00¢	13.63¢	13.58¢	Dun's Review
Lead .. " ..	6.50¢	6.25¢	7.80¢	Dun's Review
Cotton, N. Y. middling spot .. " ..	19.25¢	19.75¢	12.60¢	Journal of Commerce
Yarns .. Index number	35.44	36.93	28.44	Fairchild's
Goods .. " ..	13.461	13.785	11.518	Fairchild's
Wool, domestic, raw .. lb.	68.27¢	67.78¢	65.26¢	Dun's Review
Foreign, Australian, 64's .. " ..	99.00¢	99.00¢	98.50¢	Textile World
Tops, av. 3/8 blood at Boston .. " ..	\$1.10	\$1.10	\$1.11	Textile World
Worsted yarns .. Index number	167.57	167.90	172.73	Fairchild's
Silk, raw (av. of 6 grades) .. Index number	47.76	47.98	56.89	Fairchild's
Goods .. " ..	118.97	119.92	130.08	Fairchild's
Rayon .. " ..	15.00	15.00	14.50	Fairchild's
Construction costs (1913=100) " ..	203.90	201.98	210.80	Eng. News Record
Lumber, yellow pine .. 1000 ft.	\$63.00	\$63.00	\$62.00	Dun's Review
Oak, plain .. " ..	\$115.00	\$115.00	\$119.00	Dun's Review
Cement, Phila., carloads .. bbl.	\$2.21	\$2.21	.....	Dun's Review
Bricks, common .. 1,000	\$13.50	\$13.50	\$15.00	Dun's Review
Coke, furnace .. short "	\$2.75	\$2.75	\$3.50	Dun's Review
Petroleum, Pa. crude .. bbl.	\$2.75	\$2.65	\$3.40	Oil, Paint and Drug Rep.
Gasoline, tankwagon, Phila. gal.	15.00¢	14.00¢	18.00¢	Oil, Paint and Drug Rep.
Hides, packer, #1, native .. lb.	25.00¢	24.00¢	15.00¢	Dun's Review
Rubber, 1st latex crepe .. " ..	40.00¢	39.13¢	38.00¢	Dun's Review
Paper, news roll .. 100 lbs.	\$3.25	\$3.25	\$3.25	Dun's Review
Tobacco, medium .. lb.	12.00¢	12.00¢	15.00¢	Dun's Review
Corn, #2 yellow .. bu.	\$1.07	\$1.033	92.88¢	Dun's Review
Wheat, #2 red .. " ..	\$1.511	\$1.514	\$1.533	Dun's Review
Flour, Minn. patent .. bbl.	\$7.00	\$7.80	\$7.45	Journal of Commerce
Food products .. Weekly index	\$3.35	\$3.38	\$3.54	Bradstreet's Food Index
Retail				
Food, index number, 1913=100	156.5	156.1	161.6	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
Cost of living in U. S. (July 1914=100) ..	164.0	163.0	168.0	Nat'l Ind'l Conf. Bo'd.

* June figures. † December, 1926 figures.

Weekly figures of the Federal Reserve Bank of Philadelphia follow:

Dollar figures in millions	Bills discounted	Other bills and securities	Reserve cash	Reserve ratio
1927				
Nov. 16.....	\$34.6	\$89.3	\$183.5	64.9%
23.....	34.4	79.9	189.4	68.6 "
30.....	40.7	76.9	190.7	67.9 "
Dec. 7.....	33.3	78.1	193.2	70.1 "
14.....	41.4	78.7	194.5	67.8 "
1926				
Dec. 15.....	53.1	56.9	188.5	68.2 "

Member banks: An increase from 1,002 to 1,017 millions in the loans and discounts of 121 member banks in this district in the four weeks ended December 14 reflected almost entirely an increase in loans on securities, there being little change in other loans, which are largely commercial in character. Investments declined slightly and time deposits fell off nearly 9 millions, but net demand deposits increased 14.7 millions.

In the year ended December 14, the loans and discounts of 33 member banks in Philadelphia declined from 694 to 660 millions, as the result of a falling off of 29 millions in loans on securities and of nearly 5 millions in commercial loans. Eighty-eight banks in twenty other large cities of the district report an increase of 10 millions in loans, which reflects larger loans on securities. Investments increased both in Philadelphia and outside and the same held true of time deposits. Net demand deposits expanded 11 millions in Philadelphia but declined 2.6 millions at outside banks.

Commercial paper. Sales of commercial paper in November, as reported by five dealers operating in this district, totaled \$9,380,800, as compared with \$8,667,500 in October. Comparative figures follow:

	Sales to city banks	Sales to outside banks	Total sales
1927			
Nov.....	\$3,503,300	\$5,877,500	\$9,380,800
Oct.....	4,330,000	4,337,500	8,667,500
Sep.....	5,970,200	4,612,500	10,582,700
Aug.....	1,900,000	6,368,500	8,268,500
1926			
Nov.....	7,316,300	2,305,000	9,621,300

Three reports, giving amounts sold at various rates, show that 36 per cent of the November sales were made at 3¼ per cent and 43 per cent at 4 per cent.

Bankers' acceptances. Four dealers report average weekly sales of \$2,652,000 in this district in the four weeks ended December 14. This compares with \$5,656,000 in the preceding period and

(Figures in thousands of dollars)	Loans on securities	Other loans and discounts	Total loans and discounts	Investments	Net demand deposits	Time deposits
Changes in four weeks ended Dec. 14:						
Philadelphia (33 banks).....	+ 7,639	+ 159	+ 7,798	- 809	+ 7,114	- 6,913
Outside (88 banks).....	+ 5,944*	+ 368*	+ 6,862	- 501	+ 7,574	- 1,854
Total (121 banks).....	+13,583†	+ 527†	+14,660	- 1,310	+14,688	- 8,767
Changes in year ended Dec. 14:						
Philadelphia (33 banks).....	-29,209	-4,740	-33,949	+51,772	+10,954	+20,164
Outside (88 banks).....	+ 9,894‡	- 690‡	+10,202	+15,855	- 2,615	+26,774
Total (121 banks).....	-19,315§	-5,430§	-23,747	+67,627	+ 8,339	+46,938

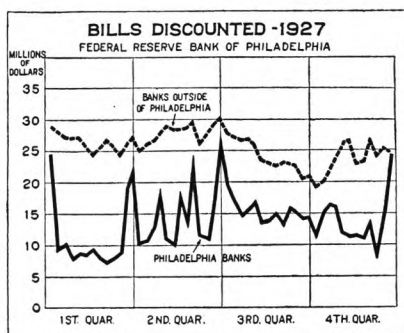
* 70 banks. † 103 banks. ‡ 59 banks. § 92 banks.

\$2,742,000 a year ago. Comparative figures follow:

Weekly averages for periods ending	Purchases in Third District	Sales in Third District	
		To Fed. Res. Bank	To others
1927			
Dec. 14.....	\$227,000	\$2,546,000	\$106,000
Nov. 16.....	577,000	5,372,000	284,000
Oct. 12.....	418,000	1,967,000	210,000
Sep. 14.....	496,000	771,000	163,000
1926			
Dec. 15.....	310,000	2,552,000	190,000

Nine banks in Philadelphia report \$13,543,000 of acceptances outstanding on December 10. The amount accepted in the month ending on that date was \$4,767,000, as compared with \$5,111,000 in the month preceding and \$4,221,000 a year ago. In the six months ended December 10, a total of \$25,949,000 of bills was executed, and in the same period of 1926, \$20,758,000.

Debits to individual account. Check payments, as reported by banks in seven-teen cities of the Philadelphia Federal reserve district, amounted to \$2,412,000,000, in the 4 weeks ended December 14, as compared with \$2,243,000,000 in the same period last year, a gain of 7.5 per cent. Philadelphia banks show a gain of 173 millions, or 10.2 per cent; three cities in the anthracite fields show an increase of .6 of one per cent; and 13 other industrial cities report a decline of 1.1 per cent.



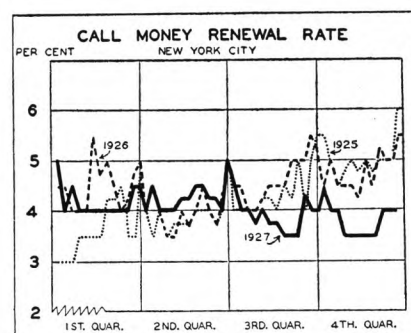
DISTRIBUTION

Railroad shipments in the Allegheny district were 16 per cent smaller in the four weeks ended December 3 than in the same period last year. Smaller loadings of coal have been chiefly responsible for this decline. In the country, freight car loadings also declined about 11 per cent from the total for the same period in 1926.

Retail trade. The holiday trade is moving seasonally in large volume, although early estimates indicate that total dollar sales do not measure up to the record volume attained at the same time last year. Retail prices remain practically unchanged.

November sales declined 3.7 per cent from the total for the same month last year, and in the period from January to November were 3.9 per cent smaller than a year before, except shoe stores and women's apparel stores outside of Philadelphia, which showed gains. Inventories at the end of November, though increased seasonally, were almost 3 per cent below those on the same date last year. The rate of turnover was slightly smaller this year than last. Receivables at the end of the month were nearly 2 per cent larger than a year earlier. Collections in November did not measure up to the total in the same month last year.

Wholesale. Trading at wholesale is moderately active, and prices show little change. Preliminary reports indicate that sales of jewelry, drugs, electrical supplies, and hardware have increased since



Wednesday figures

the middle of last month but the demand for groceries, dry goods, and paper has decreased.

November sales declined 1.2 per cent from the October total and 3.5 per cent from the volume of a year before. Business in all lines, except electrical supplies, was smaller than in November, 1926. Stocks held by dealers in drugs and paper at the end of the month were larger than a year earlier, but inventories of shoes, dry goods, electrical supplies, groceries, jewelry, and hardware were smaller. Accounts outstanding at the end of November also were smaller than on the same date last year in all lines except in hardware and electrical supplies. Reports on collections are evenly divided between those showing increases and those registering decreases.

Automobile trade. Business in automobiles during November declined somewhat more than seasonally, sales at wholesale and retail by 11 distributors of this district being substantially smaller both in number and value than in October. Sales of used cars and deferred payment sales also decreased in the month. Compared with a year before, sales of new cars by dealers and retailers were smaller but those of used cars were larger.

Stocks of new cars increased at the end of November, but were smaller than on the same date last year. Supplies of used cars, on the contrary, were lighter at the end of November than in the previous month but were considerably heavier than at the same time last year.

INDUSTRIAL CONDITIONS

The industrial situation generally has continued less satisfactory than is usual at this season, and evidence of further recession in activity is shown by most leading industries of the district. Factory employment in Pennsylvania declined seven-tenths of one per cent and wage payments were 1.3 per cent lower in November than in October, as indicated in the newly classified table on page 7. Em-ploye-hours worked also declined six-

tenths of one per cent, as did the average weekly earnings.

Industrial consumption of electric power decreased 1.2 per cent between October and November and was six-tenths of one per cent smaller than a year before. Total sales of electricity increased somewhat less than seasonally and were slightly below the total in the same month last year. Production of electric power by 13 central stations was only a trifle greater than in October and a year earlier, as shown by the accompanying table.

Iron and steel. Business in iron and steel products is reported as either fair or poor. Purchases by most consumers have decreased since last month and did not measure up to the volume of a year ago, although in the first fortnight of December there occurred some improvement in the demand for railroad cars,

fabricated structural steel, agricultural machinery, and in shipments of steel to automobile plants. The majority of reports indicate that prices remain prac-

ELECTRIC POWER Philadelphia Federal Reserve District 13 systems	November, 1927, change from	
	Nov., 1926	Oct., 1927
	Rated generator capacity.....	+ 5.5%	+ 2.6%
Generated output.....	+ 0.5 "	+ 0.2 "
Hydro-electric.....	+63.5 "	+80.1 "
Steam.....	- 8.3 "	- 3.1 "
Purchased.....	+28.5 "	- 6.5 "
Sales of electricity.....	- 0.4 "	+ 2.8 "
Lighting.....	+ 9.4 "	+15.6 "
Municipal.....	+ 8.2 "	+ 9.5 "
Residential and commercial	+ 9.6 "	+16.5 "
Power.....	- 0.7 "	+ 0.2 "
Municipal.....	+ 1.6 "	+ 3.7 "
Street cars and railroads..	- 1.0 "	+ 5.3 "
Industries.....	- 0.6 "	- 1.2 "
All other sales.....	-21.3 "	- 4.0 "

AUTOMOBILE TRADE Philadelphia Federal Reserve District 11 distributors	November, 1927, change from			
	November, 1926		October, 1927	
	Number	Value	Number	Value
Sales, new cars, wholesale.....	-41.7%	-23.5%	-65.1%	-54.3%
Cars under \$1,000.....	-78.1 "	-78.6 "	-86.7 "	-86.9 "
Cars \$1,000 to \$2,000.....	+44.5 "	+46.5 "	-14.6 "	-13.8 "
Cars over \$2,000.....	+41.9 "	+25.7 "	-33.9 "	-32.0 "
Sales, new cars, at retail.....	-58.9 "	-48.5 "	-74.0 "	-65.8 "
Stocks of new cars.....	-14.6 "	-10.6 "	+ 8.1 "	+43.7 "
Sales of used cars.....	+32.0 "	+17.5 "	-19.9 "	-14.8 "
Stocks of used cars.....	+47.9 "	+33.9 "	- 8.2 "	- 1.5 "
Retail sales, deferred payment.....	-39.6 "	-16.5 "	-25.3 "	-12.7 "

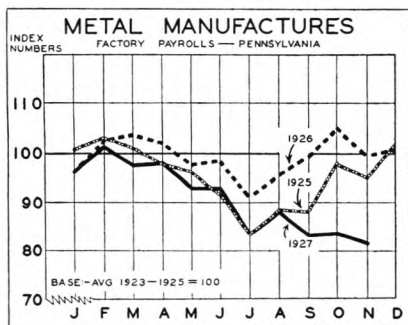
WHOLESALE TRADE Philadelphia Federal Reserve District	Net sales, Nov., 1927, compared with		Stocks, Nov. 30, 1927, compared with		Accounts out- standing, Nov. 30, 1927, compared with		Ratio of ac- counts out- standing to sales, Nov., 1927	Collections, Nov., 1927, compared with	
	Nov., 1926	Oct., 1927	Nov. 30, 1926	Oct. 31, 1927	Nov. 30, 1926	Oct. 31, 1927		Nov., 1926	Oct., 1927
	Boots and shoes.....	-19.0%	-11.8%	-19.3%	-15.9%	- 5.6%		- 3.2%	364.5%	-12.6%	- 0.1%
Drugs.....	- 3.6 "	- 2.0 "	+11.6 "	- 3.9 "	-10.0 "	- 2.6 "	156.4 "	+ 4.3 "	- 2.5 "
Dry goods.....	-16.4 "	- 4.1 "	- 8.3 "	- 4.1 "	- 6.4 "	+ 3.3 "	251.2 "	-10.3 "	+ 4.5 "
Electrical supplies.....	+18.4 "	+18.3 "	-16.9 "	+ 7.0 "	+19.8 "	+14.2 "	118.4 "	+10.9 "	+22.7 "
Groceries.....	- 4.7 "	- 2.3 "	- 8.8 "	+ 1.0 "	- 2.7 "	- 0.3 "	113.7 "	- 3.7 "	- 0.2 "
Hardware.....	- 0.9 "	- 2.8 "	- 0.4 "	- 3.1 "	+ 0.6 "	+ 2.8 "	187.9 "	- 6.5 "	- 1.4 "
Jewelry.....	- 0.3 "	+ 7.0 "	- 5.8 "	- 5.8 "	- 7.4 "	+ 9.7 "	344.4 "	+ 5.5 "	+25.2 "
Paper.....	- 0.1 "	- 4.3 "	+ 3.1 "	+ 0.2 "	- 4.3 "	- 2.4 "	140.2 "	+ 0.5 "	+10.8 "

RETAIL TRADE Philadelphia Federal Reserve District	Comparison of net sales		Comparison of stocks		Rate of turnover Jan. 1 to Nov. 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
	Nov., 1927, with Nov., 1926	Jan. 1 to Nov. 30, 1927, with Jan. 1 to Nov. 30, 1926	Nov. 30, 1927		1926	1927			
			with Nov. 30, 1926	with Oct. 31, 1927					
All reporting stores.....	- 3.7%	-3.9%	- 2.7%	+2.5%	3.01	2.90	- 9.8%	+1.9%	- 1.3%
Department stores.....	- 3.0 "	-4.1 "	- 3.3 "	+3.0 "	2.99	2.90	- 8.7 "	+1.7 "	- 2.7 "
in Philadelphia.....	- 3.5 "	-5.1 "	- 4.1 "	+4.4 "	3.18	3.07	.....	-5.7 "	0.0 "
outside Philadelphia.....	- 1.9 "	-1.6 "	- 1.5 "	-0.2 "	2.54	2.51	.....	+1.7 "	- 2.7 "
Apparel stores.....	- 5.9 "	-0.5 "	- 2.2 "	+0.4 "	3.71	3.59	-16.1 "	+8.9 "	+ 7.1 "
Men's apparel stores.....	-11.2 "	-7.1 "	- 1.9 "	+2.1 "	2.40	2.27	.....	+2.1 "	-22.7 "
in Philadelphia.....	-12.7 "	-8.1 "	-10.7 "	+7.8 "	2.52	2.51	.....	.....	.....
outside Philadelphia.....	- 8.3 "	-5.9 "	+13.9 "	- 5.0 "	2.22	1.96	.....	+2.1 "	-22.7 "
Women's apparel stores.....	- 3.7 "	+3.4 "	- 2.4 "	-0.9 "	5.35	5.08	-21.4 "	+9.6 "	+10.0 "
in Philadelphia.....	- 5.3 "	+2.5 "	- 4.6 "	-0.7 "	5.75	5.42	.....	+2.0 "	+ 9.4 "
outside Philadelphia.....	+12.3 "	+7.5 "	- 9.8 "	-1.9 "	4.01	3.93	.....	+4.3 "	+13.2 "
Shoe stores.....	+ 3.8 "	+1.4 "	+ 5.7 "	-0.6 "	2.56	2.45	.....	+4.3 "	+ 0.7 "
Credit stores.....	-16.0 "	-9.3 "	+ 3.3 "	+0.9 "	2.70	2.27	.....	-0.1 "	- 8.3 "

tically unchanged from last month's level. Average quotations for finished steel increased slightly, while those for pig iron declined a little in the first two weeks of December, according to "Iron Age."

Plant operations have declined appreciably. The daily output of pig iron in this district was 4.2 per cent lower in November than in October, and was 23.4 per cent under the volume of a year ago. In the country, the daily production of pig iron fell to the lowest level since November, 1924. Contrary to the usual slight gain in November, the daily output of steel ingots decreased 5.7 per cent from October and was about 16 per cent below the daily total of a year earlier. Production of steel ingots during the first eleven months of this year was 8.2 per cent smaller than in the same period last year. Unfilled orders of the United States Steel Corporation increased 3.3 per cent from the October total but were 9.5 per cent smaller than at the end of November, 1926.

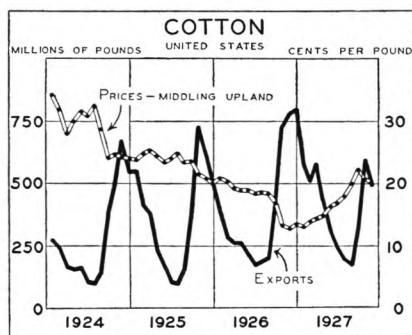
Production of steel castings increased noticeably in November, but that of iron castings declined from the October total. Unfilled orders for and shipments of both decreased in the month. Compared with a year before, activity of iron and steel foundries was at a lower level.



Textiles. Conditions in textile industries are mixed. During the past month the demand for raw wool and yarns and floor coverings has been moderately active, and the market for full-fashioned hosiery continues strong. The silk industry, though still unsatisfactory, has shown signs of improvement, but the demand for cotton goods has declined. Factory employment and payrolls increased in most textile branches from October to November. The largest decline was reported by the men's clothing industry and the largest increase by makers of women's clothing.

The market for cotton goods generally is sluggish. Sales have decreased noticeably since the middle of last month and have been below the volume of a year ago. Quotations for cotton yarns and piece goods have declined somewhat from last month's level, but are considerably higher than at the same time last year. Plants have curtailed their operations

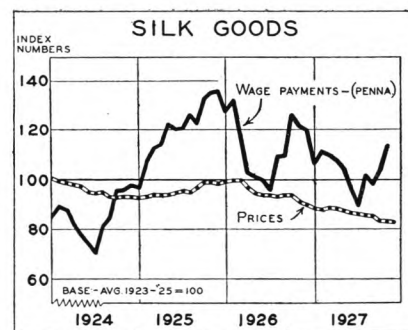
noticeably, largely a result of seasonal influences. Employment declined about 5 per cent from October to November, but factory payrolls and average weekly earnings increased 2.9 and 8.5 per cent, respectively. Forward orders, which are below the total of a year ago, are sufficient to assure production at the present rate for approximately one month. Stocks are moderate and larger than a month ago. Mill takings of raw cotton in the country increased slightly in November and were about 6 per cent ahead of a year earlier.



Sources: Department of Commerce and Journal of Commerce

Dealers in raw wool report a fairly active demand and greater sales than last month. The market for yarns, while probably a little less active than four weeks ago, exceeds that at the same time last year. Business in piece goods, on the other hand, is hardly fair, as usual at this season, and sales are somewhat below the volume of a year ago. Prices of yarns and fabrics have shown some weakness since last month but quotations for raw wool and tops have advanced slightly. Spinners are operating at about 85 per cent, while fabric makers average a little over 80 per cent of capacity. At these rates, unfilled orders are sufficient to assure production for one to two months. Stocks of yarns and wools held by reporting firms are smaller than a year ago, but those of piece goods show little change. Consumption of wool in this district was 8.9 per cent smaller in November than in October, and in the country, 3.7 per cent smaller.

Business in silk manufactures, though still only fair, has improved appreciably in the month. Sales by manufacturers of fabrics are reported larger than four weeks and a year ago, and throwsters also show a slight betterment. In sympathy with the trend in raw silk, prices of silk goods have declined a little further. Reporting plants recently have enlarged their operations. Factory employment and wage payments in Pennsylvania increased 6.4 and 8.9 per cent, respectively, from October to November. Stocks are said to be moderate and somewhat smaller than at the same time last year.



Sources: Fitch's Analytical Bureau and Philadelphia Federal Reserve Bank

The movement of raw silk in the country is shown below:

Raw silk * (Figures in bales)	Nov., 1926	Nov., 1927	Monthly aver. com- pared with last year
Imports.....	59,670	36,650	+10.6%
Stocks.....	47,130	52,069	+30.4 "
Mill takings.....	47,634	46,947	+10.0 "

* The Silk Association of America.

Some of our carpet and rug manufacturers report improvement in business while an equal number say that sales are smaller than a month ago. The new patterns put out at the December openings were well received, but floor covering firms have since been feeling the usual quiet of the Christmas holidays and the coming of the new year. Stocks of finished goods are reported as larger than a month ago. The number of wage earners in the industry increased 6.7 per cent, from October to November, while weekly wages showed a 3.3 per cent advance.

Prices in general are unchanged, though there have been a few decreases following the Smith auction early in the month. Manufacturers of linoleum and felt base goods report a fairly good volume of business, with prices unchanged.

Manufacturers report a good and slightly increased demand for women's full-fashioned silk hosiery, while the demand for men's and women's seamless is only fair at best. There was little change in prices in the month. Stocks of finished goods are moderate and smaller than those of a month and a year ago. Plant operations show little change from those of a month ago, and orders now on the books will permit operation for nearly two months. From October to November employment at hosiery plants in Pennsylvania increased 2.9 per cent, but payrolls declined 1.1 per cent.

Leather. The packer hide market is firm and high, heavy native steers gaining one cent in the past month. Steady demand keeps the packers sold up to production. There is a fair market for goat-skins, advancing prices meeting with considerable resistance.

Black kid is in good and increased demand while that for colored kid is somewhat less active. Price increases are noted for the former. There is a slight decrease in stocks of finished goods. The number employed in leather tanning increased 1.6 per cent from October to November.

Demand for sole leather is good and price increases are reported. Leather goods are in active demand with sales larger than a year ago. Prices are unchanged.

Reporting firms say that demand for shoes is fair with sales slightly larger than a month ago. Light stocks of finished goods are smaller than those of a month and a year ago, and unfilled orders are somewhat larger than last year's. A few firms report higher prices. Unfilled orders assure operation on the average for a period of one month.

Building. Construction activity in the past month has declined a little further. The proposed expenditure under permits issued in sixteen cities of this district decreased nearly 6 per cent from October to November and was over 9 per cent smaller than a year before. The value of contract awards during November in southern New Jersey increased 57 per cent but in eastern Pennsylvania and Delaware decreased 5 and 61 per cent, respectively, as compared with the totals in November, 1926. Operations, as indicated by contracts awarded in this district, are given in the following table:

Value of contracts awarded	Philadelphia Federal Reserve District	United States
November, 1926	\$28,609,274	\$487,012,500
October, 1927	32,910,732	562,815,800
November, 1927	28,701,592	466,393,400
First 11 months compared with the same period of 1926	+13.4	+5.2

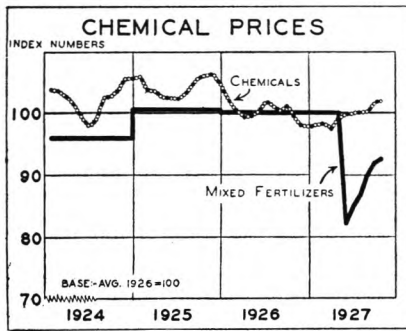
The market for building materials has reflected the marked recession in construction activity. The demand has slackened noticeably since October which was one of the most active months in the industry this year. Prices of paint and varnishes remain practically unchanged, but quotations for brick, lumber, and pottery show some decline. Unfilled orders as a rule are smaller than at the same time last year. Seasonal curtailment in plant operations has been noted in most lines making building materials. Factory wage payments in Pennsylvania brick and pottery plants declined 5.2 per cent, in cement 4.3 per cent, but in lumber and planing mills and those making paints and varnishes the drop was only about four-tenths of one per cent between October and November. Inventories generally are moderate and on the whole smaller than at the same time last year.

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	
		Nov. 15, 1927	Per cent change from month ago	Nov. 15, 1927	Per cent change from month ago	Nov. 15, 1927	Per cent change from month ago
All industries (55)	833	272,432	- 0.7	\$6,915,765	- 1.3	\$25.39	- 0.6
Metal products	238	101,058	- 2.0	2,665,102	- 2.8	26.37	- 0.8
Blast furnaces	10	2,270	-11.6	64,298	-11.6	28.33	+ 0.0
Steel works and rolling mills	44	55,012	- 0.8	1,468,248	+ 0.5	26.69	+ 1.3
Iron and steel forgings	10	1,751	+ 0.3	46,051	+ 1.6	26.30	+ 1.3
Structural iron work	9	3,522	- 1.1	92,831	- 6.7	26.36	- 5.7
Steam and hot water heat. app.	19	4,719	- 6.0	130,360	- 3.7	27.62	+ 2.3
Stoves and furnaces	8	1,008	- 0.7	28,602	- 6.3	28.38	- 5.7
Foundries	39	7,304	- 2.4	197,185	- 0.6	27.00	+ 1.8
Machinery and parts	39	8,422	- 1.1	246,443	- 4.2	29.26	- 3.1
Electrical machinery and app.	16	5,095	- 9.0	117,249	-19.3	23.01	-11.3
Engines and pumps	10	3,252	- 1.7	75,982	-16.1	23.36	-14.6
Hardware and tools	20	6,494	- 1.2	144,500	- 4.1	22.25	- 3.0
Brass and bronze products	10	704	- 4.1	19,002	- 5.9	26.99	- 1.9
Jewelry and novelties	4	1,505	- 3.2	34,351	- 0.8	22.82	+ 2.4
Vehicles	42	30,296	- 1.4	852,580	+ 2.2	28.14	+ 3.6
Automobiles	7	3,506	- 2.2	105,180	+ 4.5	30.00	+ 6.8
Automobile bodies and parts	12	5,936	+ 1.5	186,518	+19.0	31.42	+17.2
Locomotives and cars	13	14,902	- 2.1	400,119	- 3.6	26.85	- 1.5
Railroad repair shops	7	3,738	+ 0.4	99,113	+ 0.7	26.51	+ 0.3
Ship building	3	2,214	- 5.1	61,650	- 2.6	27.85	+ 2.7
Textile products	166	57,580	+ 2.9	1,317,546	+ 2.0	22.88	- 0.8
Cotton goods	14	3,909	- 5.1	98,529	+ 2.9	25.21	+ 8.5
Woolens and worsteds	16	7,194	+ 1.6	158,532	- 2.3	22.04	- 3.8
Silk goods	41	18,051	+ 6.4	358,517	+ 8.9	19.86	+ 2.4
Textile dyeing and finishing	10	1,959	+ 4.7	48,173	+ 1.3	24.59	- 3.2
Carpets and rugs	9	2,782	+ 6.7	72,228	+ 3.3	25.96	- 3.2
Hats and caps	5	3,843	- 0.1	106,607	+ 2.9	27.74	+ 3.0
Hosiery	27	11,925	+ 2.9	329,976	- 1.1	27.67	- 3.9
Knit goods, other	14	2,942	+ 3.9	55,739	+ 3.2	18.95	- 0.7
Men's clothing	11	1,864	-10.5	37,393	-10.8	20.06	- 7.0
Women's clothing	9	1,150	+ 8.6	17,520	+11.4	15.23	+ 2.5
Shirts and furnishings	10	1,961	+ 2.6	34,332	- 1.1	17.51	- 3.6
Foods and tobacco	104	23,550	- 2.2	490,258	- 1.7	20.82	+ 0.5
Bread and bakery products	29	4,484	- 0.8	130,452	- 0.7	29.09	+ 0.1
Confectionery	14	4,650	- 3.6	88,553	- 6.3	19.04	- 2.8
Ice cream	11	1,191	- 6.8	37,929	- 5.2	31.85	+ 1.8
Meat packing	14	2,136	+ 1.3	63,974	+ 3.4	29.95	+ 2.1
Cigars and tobacco	36	11,089	- 2.3	169,350	- 1.1	15.27	+ 1.2
Stone, clay and glass products	67	19,369	- 2.7	531,468	- 5.1	27.44	- 2.4
Brick, tile and pottery	30	4,865	- 2.9	113,329	- 5.2	23.29	- 2.4
Cement	14	7,012	- 1.9	216,039	- 4.3	30.81	- 2.4
Glass	23	7,492	- 3.3	202,100	- 5.9	26.98	- 2.6
Lumber products	43	5,048	- 6.1	107,497	-10.4	21.29	- 4.6
Lumber and planing mills	18	2,414	+ 1.1	52,120	- 0.4	21.59	- 1.5
Furniture	19	1,805	-16.5	42,349	-20.0	23.46	- 4.2
Wooden boxes	6	829	+ 0.1	13,028	-11.7	15.72	-11.8
Construction and contracting	33	5,007	- 0.4	133,395	- 3.5	26.64	- 3.1
Buildings	19	1,623	- 1.9	47,935	-10.1	29.53	- 8.4
Street and highway	3	628	+19.6	11,577	+19.5	18.43	- 0.2
General	11	2,756	- 3.3	73,883	- 1.8	26.81	+ 1.6
Chemical products	34	10,660	+ 1.0	312,284	+ 0.2	29.29	- 0.8
Chemicals and drugs	14	1,194	+ 2.1	32,836	+ 1.6	27.50	- 0.4
Coke	3	2,598	+ 2.0	76,431	+ 1.8	29.42	- 0.1
Explosives	3	541	+ 2.1	14,943	+ 3.1	27.62	+ 1.1
Paints and varnishes	9	1,106	- 0.5	30,215	- 0.4	27.32	+ 0.1
Petroleum refining	5	5,221	+ 0.5	157,859	- 1.0	30.24	- 1.5
Leather and rubber products	51	11,812	+ 2.3	261,126	- 3.5	22.11	- 5.7
Leather tanning	17	5,983	+ 1.6	151,655	- 1.1	25.35	- 2.7
Shoes	23	4,189	- 1.4	72,003	- 9.8	17.19	- 8.6
Leather products, other	7	722	+48.9	14,432	+36.8	19.99	- 8.1
Rubber tires and goods	4	918	- 0.9	23,036	-14.4	25.09	-13.7
Paper and printing	55	8,052	- 0.4	244,509	+ 1.6	30.37	+ 2.0
Paper and wood pulp	11	3,156	- 1.1	91,062	- 0.7	28.85	+ 0.4
Paper boxes and bags	6	822	+ 3.0	12,830	+ 3.9	15.61	+ 0.9
Printing and publishing	38	4,074	- 0.5	140,617	+ 2.9	34.52	+ 3.5

Printing and publishing. Reflecting chiefly less satisfactory general business conditions, general activity in printing and publishing is measurably below the level prevailing at the same time last year. The demand for catalogues, direct-by-mail and general job work is seasonally active. There has been practically no increase in the volume of com-

mercial advertising as compared with a year ago. Plant operations average from 65 to 70 per cent of capacity, a rate which is lower than that at this time last year. Printing and publishing costs have remained generally unchanged during the past two months.

Chemicals. The market for chemicals is moderately active. The volume of



Source: Bureau of Labor Statistics

business during the past four weeks, while it equaled that in the same period of 1925, has not come up to the total of a

year ago. Contract withdrawals, though decreasing in some instances, are fairly satisfactory. Prices show some weakness. Plant operations have changed little since the middle of last month, increases being offset by decreases. Stocks of finished goods generally are moderate, as are those of raw materials, although the latter show some accumulation.

Coal. The market for domestic and steam sizes of anthracite may be described as from fair to poor. Sales by producers have fallen somewhat since the middle of last month, owing partly to the mild weather that prevailed most of the time. Prices of domestic sizes are slightly lower but those of steam sizes continue unchanged from last month's

level. Colliery operations average about 75 per cent of capacity, and the supply of labor is adequate. Little change is reported in inventories. The output during the four weeks ended December 10 was 9.2 per cent smaller than in the preceding four weeks and 16.5 per cent less than in the same period last year.

Partly because of lessened industrial activity, the demand for soft coal generally continues poor, sales having decreased further since last month. Current buying comes chiefly from railroads and public utilities. Prices in the main are lower than four weeks and a year ago. Production in the four weeks ended December 10 totaled 37,559,000 tons as compared with 38,785,000 tons of four weeks ago, a decline of 3.2 per cent.

BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

	Prices	Demand	Unfilled orders compared with a year ago	Operations	Stocks
Retail trade	Fairly steady	Increased seasonally but less active than a year ago.			Smaller than a year ago
Wholesale trade.....					
Drugs	Unchanged	Fair; increased	Spot delivery		Smaller, but heavier than a year ago
Dry goods	Little change	Fair; decreased	Spot delivery		Smaller
Electrical supplies ..	Unchanged	Good; increased	Spot delivery		Larger, but smaller than a year ago.
Groceries	Little change	Fair; decreased	Spot delivery		Larger, but smaller than a year ago
Hardware	Little change	Fair; increased slightly	Spot delivery		Smaller
Jewelry.....	Unchanged	Fairly good; increased	Spot delivery		Smaller
Paper	Some decline	Fair; decreased	Spot delivery		Larger
Shoes	Higher	Fair to poor	Spot delivery		Smaller
Lumber	Lower	Poor; declined	Smaller		Little change
Wool	Higher	Fairly active; increased	Greater		Smaller
Automobiles		Slow			New cars smaller but used cars larger than a year ago.
Iron and steel products	Steady in most cases	Fair to poor; decreased	Smaller	Decreased	Larger
Cotton	Lower	Fair to poor; declined	Smaller	Decreased	Heavier than last month but about same as year ago
Silk	Lower	Only fair; improved	Slightly smaller	Increased slightly	Larger than last month but smaller than a year ago
Wool	Some weakness in yarns and fabrics	Fair	Smaller	Unchanged	Moderate; little change
Hosiery	Unchanged	Good in full-fashioned; fair in seam's	Smaller than a month ago	Unchanged	Moderate and smaller
Carpets and rugs	Little change	Fair	Slightly smaller	Slight increase	Larger
Shoes	Some advances	Fair	Slightly larger	Slightly larger	Smaller
Leather goods	Unchanged	Good	Smaller	Unchanged	Smaller
Leather—kid	Some advances	Fairly good	Little change from a month ago	Little change	Slightly smaller
Leather—sole	Higher	Good	Slightly larger than a month ago	Slight increase	Smaller
Paper	Little change	Active; increased	Unchanged	Unchanged	Little change
Chemicals	Some decline	Fair; more decreases than increases	Smaller than last month	Losses offset gains	Little change
Cigars	Unchanged	Only fair; decreased	Little change	Declined slightly	Little change
Brick	Some decline	Less than fair; declined	Slightly smaller	Declined slightly	Somewhat heavier than year ago
Lumber—mills	Lower	Poor; declined	Smaller	Declined	Little change
Paint	Unchanged	Only fair; declined	Slightly smaller	Declined	Smaller than a year ago
Pottery	Some decline	Only fair; declined	Slightly smaller	Declined	Smaller than a year ago
Confectionery	Some decline	Only fair	Little change	Practically unchanged	Little change
Printing and publishing	Printing and publishing costs unchanged	Less active than a year ago		Lower than a year ago	
Building	Construction costs rose in November, but below a year before.	Only fair; declined	November building permits dropped 9%	November contracts smaller than in October but larger than a year ago	
Anthracite	Lower for domestic but unchanged for steam sizes	Fair to poor		Declined	Little change
Bituminous coal	Lower	Poor		Declined	Little change