

THE BUSINESS REVIEW

THIRD FEDERAL
PHILADELPHIA



RESERVE DISTRICT
DECEMBER 1, 1928

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BUSINESS CONDITIONS IN THE UNITED STATES

Industry continued active in October and the distribution of commodities was in large volume. Wholesale commodity prices declined sharply owing chiefly to decreases in the prices of farm products. Member bank credit in use increased in October and November, while reserve bank credit outstanding showed little change. Conditions in the money market were somewhat easier.

Production. Industrial production continued in October at the high level of September and considerably above the level of a year ago. Output of minerals increased over September, while the production of manufactures declined slightly. Factory employment and payrolls increased to the highest level since early in 1927. The production of pig iron was particularly large in October and the first half of November, and the output of steel continued in record volume. Automobile production declined considerably in October after exceptional activity in September, and showed further reduction in November, as is usual at this season. Activity increased in October in meat packing and in the textile industries, with the exception of silk. Copper mining and smelting continued at a high level, and the output of coal and petroleum increased by more than the usual seasonal

amount, while the production of zinc declined.

There was also a decline in the output of lumber and building materials. Building contracts awarded continued to increase in October and were larger than in that month of any previous year, but declined sharply during the first two weeks of November. The increase in October was due principally to large contracts for engineering and industrial projects.

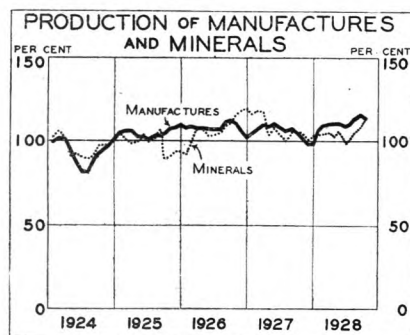
The November cotton crop estimate of the Department of Agriculture was slightly larger than the October estimate and indicated a yield of 14,133,000 bales, 1,178,000 more than the production of 1927. Ginnings of the current crop prior to November 14 totaled 11,320,302 bales, compared with 10,894,912 in the similar period of a year ago. Indicated yields of wheat, corn, oats, potatoes, and tobacco were larger than the 1927 crops, while estimates of hay, rye, and flaxseed were smaller.

Trade. Department store sales in October were in about the same volume as in the same period in the preceding year, but showed somewhat less than the seasonal increase from the high level of September. Inventories of these stores increased during the month, but continued

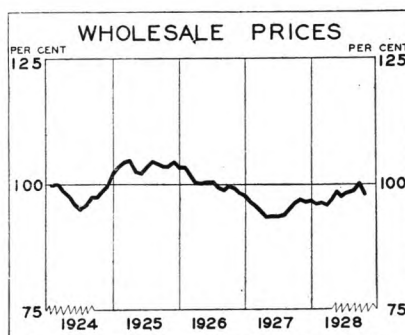
smaller than a year ago. The volume of distribution at wholesale was larger than in September and showed a substantial gain over October, 1927. Freight car loadings continued larger in October and November than a year ago, reflecting chiefly large loadings of miscellaneous freight.

Prices. Wholesale commodity prices declined in October after a continuous increase for three months, and the Bureau of Labor Statistics Index for October, at 97.8 per cent of the 1926 average, was over 2 per cent below that for September. This decline reflected chiefly large decreases in prices of farm and food products and hides and leather. Prices of industrial commodities increased slightly with small gains recorded in metals, building materials, and chemicals and drugs. The principal increases occurred in prices of iron and steel, copper, and raw silk. During the first three weeks of November prices of cotton, pig iron, copper, and petroleum increased, and prices of most farm and food products, except corn, pork, and sugar, recovered somewhat after the October decline.

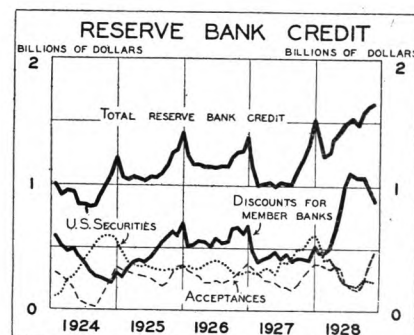
Bank credit. Between October 24 and November 21 there was a considerable increase in loans and investments of member banks in leading cities, but



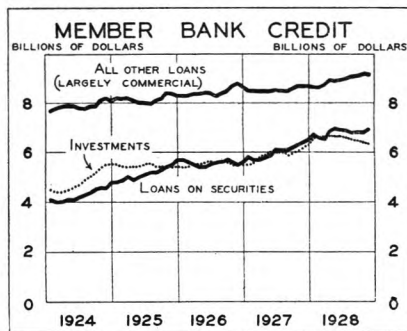
Index numbers of production of manufactures and minerals, adjusted for seasonal variations (1923-25 average=100). Latest figures, October, manufactures 114, minerals 114.



Index of United States Bureau of Labor Statistics (1926=100, base adopted by bureau). Latest figure, October 97.8.



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



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

at the end of this period the total was still below the large volume outstanding at the middle of the year. Loans chiefly for commercial purposes remained at a high level during the period and loans on securities showed further growth, reflecting a marked increase in the volume of loans to brokers and dealers in securities. Investments showed further decline. During the four weeks ending November 21, there was little change in the volume of reserve bank credit in use. Reserve banks' holdings of acceptances increased further and discounts for member banks declined.

During the last week of October and the first three weeks of November conditions in the money market were somewhat easier; the rate on four to six months commercial paper declined from a level of $5\frac{1}{2}$ per cent to a range of from $5\frac{1}{4}$ to $5\frac{1}{2}$ per cent, and rates on call and time loans in the open market also declined slightly.

BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

Industry in the Philadelphia Federal Reserve District continues somewhat more than seasonally active. Business transactions generally have increased further since the middle of last month and exceed those of a year ago. The trend has been almost steadily upward since mid-summer, while at the same time last year business activity failed to advance at the usual seasonal rate.

Retail trade shows considerable improvement, owing largely to cooler weather, larger earnings of factory workers, and the approach of the holiday season. Current sales are increasing and appear to be ahead of those of a year ago, according to early estimates. Sales in October were noticeably larger than in the preceding month and a year earlier, but inventories, while increasing seasonally, were smaller than a year ago. Improvement also is noted in most of the wholesale lines, sales advancing appreciably since early fall and in October exceeding in total those of a year before for the first time since May.

BUSINESS INDICATORS Philadelphia Federal Reserve District

	October, 1928	Latest figure compared with	
		Previous month	Year ago
Retail trade—estimated net sales (127 stores)	\$26,071,100	+ 29.5%	+ 4.4%
Department stores (58).....	\$21,154,900	+ 30.2 "	+ 3.1 "
Apparel stores (34).....	\$3,213,600	+ 32.5 "	+ 6.4 "
Shoe stores (19).....	\$557,900	+ 6.9 "	+ 0.3 "
Credit stores (16).....	\$1,144,700	+ 19.7 "	+ 30.2 "
Wholesale trade—net sales (123 firms)	\$10,073,292	+ 14.6 "	+ 3.6 "
Boots and shoes (6).....	\$190,833	+ 5.0 "	+ 7.5 "
Drugs (11).....	\$1,613,251	+ 10.2 "	+ 3.5 "
Dry goods (16).....	\$907,788	+ 12.3 "	+ 6.9 "
Electrical supplies (4).....	\$594,688	+ 22.1 "	+ 14.9 "
Groceries (41).....	\$3,623,365	+ 13.2 "	+ 9.7 "
Hardware (24).....	\$1,912,233	+ 19.5 "	+ 2.3 "
Jewelry (11).....	\$560,525	+ 28.5 "	+ 1.0 "
Paper (10).....	\$670,109	+ 12.4 "	+ 4.0 "
Productive activity:			
Employment—803 plants in Penna.....	265,561	+ 0.2 "	+ 0.3 "
Wage payments in above plants.....	\$7,098,795	+ 5.0 "	+ 5.0 "
Shoe production* (89 factories).....	pr. 1,476,211	+ 11.8 "	.....
Hosiery production* (129 mills).....	doz. pr. 1,683,450	+ 25.4 "	.....
Wool consumption* (83 mills).....	lbs. 8,360,962	+ 17.9 "	.....
Active cotton spindle hours (Penna. and N. J.).....	77,789,472	+ 29.7 "	+ 10.0 "
Pig iron production.....	tons 328,348	+ 10.2 "	+ 21.2 "
Iron casting production (39 foundries).....	tons 7,894	+ 19.0 "	+ 30.3 "
Steel casting production (12 foundries).....	tons 5,489	+ 36.8 "	+ 68.9 "
Anthracite.....	tons 8,621,000	+ 42.8 "	+ 17.2 "
Bituminous coal—Penna.....	tons 12,330,000	+ 21.6 "	+ 15.6 "
Cement.....	bbls. 3,743,000	+ 3.9 "	+ 1.5 "
Electric power output (12 systems).....	KWH. 533,011,000	+ 12.8 "	+ 21.6 "
Distribution:			
Freight car loadings (Allegheny district—weekly average).....	157,362	+ 3.0 "	+ 6.5 "
Tonnage of vessels (Port of Philadelphia).....	tons 3,704,858	+ 3.2 "	+ 2.7 "
Financial and credit:			
Debts (18 cities).....	\$3,034,600,000	+ 15.5 "	+ 16.0 "
Savings deposits (95 banks).....	\$688,949,900	+ 0.0 "	+ 4.9 "
Bills discounted held by F. R. B. of Phila. (daily average).....	\$93,700,000	+ 12.0 "	+ 144.0 "
Bankers' acceptances executed (8 banks for month ended November 10).....	\$5,017,000	+ 2.5 "	+ 1.8 "
Commercial paper sales (5 dealers).....	\$4,422,500	+ 60.4 "	+ 49.0 "
Commercial failures—number.....	113	+ 71.2 "	+ 121.6 "
Commercial failures—liabilities.....	\$2,713,365	+ 16.1 "	+ 184.9 "
Building and real estate:			
Building permits (16 cities).....	\$11,621,781	+ 0.9 "	+ 4.8 "
Building contracts awarded (Philadelphia district).....	\$46,098,400	+ 1.0 "	+ 34.7 "
Number of real estate deeds recorded (Philadelphia county).....	5,264	+ 18.5 "	+ 7.2 "
Value of mortgages recorded (Philadelphia county).....	\$32,031,140	+ 112.1 "	+ 10.2 "
Miscellaneous:			
Sales of life insurance (Penna., N. J., and Del.).....	\$94,390,000	+ 36.6 "	+ 18.2 "
Retail sales of automobiles (11 distributors).....	\$2,606,249	+ 0.7 "	+ 38.1 "
Wholesale sales of automobiles (12 distributors).....	\$3,167,900	+ 34.8 "	+ 11.7 "

* Bureau of Census preliminary figures.

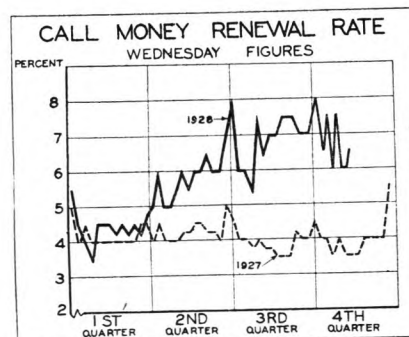
Railroad shipments of merchandise and miscellaneous commodities in this section have increased sharply since the middle of last summer and in October reached the largest volume shown for any month in the past four years. Total freight car loadings also have risen greatly, being only about two per cent below the record volume in October, 1926. Recently, however, the movement of goods by railroad has been slightly downward, reflecting the usual seasonal trend.

Check payments continue materially larger than is usual at this time, and in the first three weeks of November surpassed the volume for the corresponding period last year by about 16 per cent. In October they were the highest on record with the exception of May and June of this year.

Industrial production in most lines increased substantially during October and was larger than a year earlier. The rate of operation also continued high in the early part of November, but lately a slight seasonal recession has been noted. The

demand for workers by employers declined further from the August peak, although it remained materially in excess of last year.

Factory wage payments in Pennsylvania showed a gain of 5 per cent as compared with the preceding month and with October, 1927. A similar gain in the month also occurred in employe-hours worked. The number of workers, too, rose slightly, surpassing that of a year



earlier for the first time this year. The recovery in plant operations from the low seasonal level in July was quite pronounced and in striking contrast to the situation prevailing at the same time last year when employment declined almost steadily and payrolls showed little variation from the midsummer low point.

Consumption of electrical energy was noticeably larger in October than in September and exceeded that of a year ago. Shipments of bituminous coal increased sharply in the month, and production reached the largest volume since the early part of last year. The output of anthracite recently has been the largest since 1926.

Orders on the books of manufacturing firms have increased since the middle of last month and compare rather favorably with the volume of a year ago. Inventories of finished products are said to be generally smaller than last year.

Building operations, as measured by contracts, showed a slight gain during October, and were considerably larger than a year ago. The proposed expenditure under building permits, on the other hand, continued to decline. The real estate market for the most part is less active than last year.

The commercial loans of reporting member banks in the middle of November reached a point little short of the September high, reflecting sustained activity in business. Loans on securities, however, changed little in the month and investments declined. Borrowing from the Federal Reserve Bank decreased and the reserve ratio on November 21 was higher than at any time since May.

FINANCIAL SITUATION

In the past month (from October 17 to November 21) some classes of money rates have eased slightly and federal reserve credit in use has declined.

Prevailing money rates. Slightly easier money rates are manifest in a decline in prime commercial paper from 5½ per cent a month ago to 5¼-5½ per cent and in a decrease in the average renewal rate for call money from 7.04 per cent in the first twenty-one days of October to 6.5 per cent in the same period in November. There has not been any change in the offering rate for bankers'

CITY CONDITIONS Philadelphia Federal Reserve District	Oct., 1928, compared with Oct., 1927						
	Employment	Wage payments	Value of building permits	Debits	Savings deposits	Retail trade sales	Electric power sales
Allentown area....	- 6.0%	- 5.6%	+ 26.1%	+ 2.8%	+ 3.7%	- 0.6%%*
Altoona ".....	.....	.....	- 56.1	+ 0.9	+ 4.3	+ 1.4	+ 0.6
Harrisburg ".....	+ 3.7	+ 9.9	- 4.8	- 0.4	+ 2.3	- 1.4	.....
Johnstown ".....	-12.4	0.0	+ 30.3	+12.4	- 0.5	-10.4	+ 7.2
Lancaster ".....	- 7.2	- 8.0	- 57.3	+15.8	+19.5	+ 2.6	+10.2
Philadelphia ".....	+ 4.6	+ 4.7	- 12.2	+19.5	+ 7.0	+ 5.1	+ 8.5
Reading ".....	+ 0.9	+ 8.3	+ 26.8	+ 2.1	+ 1.9	+12.6	+45.7
Seranton ".....	+ 2.4	+ 6.8	+ 31.5	- 6.1	- 3.7	- 1.2	+12.8
Trenton ".....	- 6.7	- 1.7	- 11.9	+10.2	+ 5.1	+ 1.9	+ 3.8
Wilkes-Barre ".....	-10.1	-10.3	+218.7	+11.5	- 2.9	+ 0.8	.....
Williamsport ".....	- 4.5	+ 4.6	+ 81.4	- 9.7	- 4.0	.....	.....
Wilmington ".....	+ 2.4	+ 6.4	- 37.0	+ 4.4	+ 6.0	+13.4	+24.8
York ".....	- 0.7	+10.4	.....	+10.5	+ 4.2	.....	+15.5

Oct., 1928, compared with Sept., 1928

Allentown area....	+ 0.2%	+ 6.1%	- 34.8%	+13.9%	+ 0.2%	+26.1%	+10.2%*
Altoona ".....	+ 0.7	+ 4.2	- 6.3	+18.3	+ 0.5	- 5.1	+ 4.4
Harrisburg ".....	+ 0.9	+ 7.3	- 0.9	+10.9	+ 0.6	- 1.1	.....
Johnstown ".....	+ 2.9	- 1.9	+160.3	+ 6.5	+ 2.0	+14.2	+10.5
Lancaster ".....	+ 2.1	+ 7.7	- 20.9	+20.7	+ 1.5	+30.8	+ 6.9
Philadelphia ".....	+ 1.0	+ 0.8	+ 16.2	+15.9	+ 0.1	+32.0	+ 2.3
Reading ".....	+ 1.3	+13.5	+ 33.4	+16.5	- 0.4	+43.8	+ 3.8
Seranton ".....	+ 2.6	+15.7	+ 3.2	+ 8.4	- 1.7	+25.0	+ 7.2
Trenton ".....	- 0.7	+ 7.6	+ 6.4	+14.1	- 0.7	+27.5	- 5.0
Wilkes-Barre ".....	+ 0.3	+ 1.9	- 15.7	+25.2	- 1.0	+36.0	.....
Williamsport ".....	- 2.1	+ 1.0	+ 79.9	+ 2.7	+ 0.1	.....	.....
Wilmington ".....	0.0	+ 1.8	-65.5	+11.1	+ 0.9	+27.7	+ 6.3
York ".....	+ 2.9	+ 3.6	+120.1	+11.9	+ 1.2	.....	+14.8

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

bills of the same maturity, which remains at 4½ per cent.

Condition of federal reserve banks.

The federal reserve system's holdings of purchased bills continued to increase in the past month, but member banks reduced their borrowings to such an ex-

Bank of Philadelphia also shows improvement. The need for currency in this district increased slightly, but the member banks gained in the settlements and reduced their borrowings without appreciably affecting the level of reserve deposits. The cash reserves of this bank rose from 174.5 to 182 millions and the reserve ratio from 65.8 to 68.6 per cent, establishing in both instances the highest points since May.

Condition of member banks in this district. The commercial loans of reporting member banks increased and on

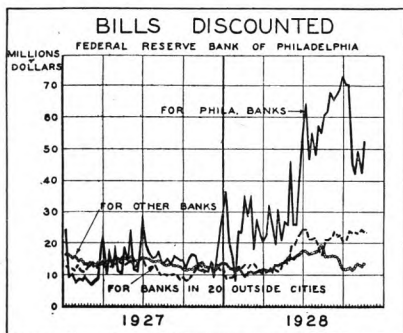
Federal Reserve Bank of Philadelphia (Dollar figures in millions)	Nov. 21, 1928	Changes in	
		Five weeks	One year
Bills discounted for member banks in Philadelphia....	\$ 33.3	-\$12.1	+\$22.2
20 other large cities.....	23.4	- .1	+ 12.5
Other communities.....	13.4	+ 2.1	+ 1.0
Total bills discounted	\$ 70.1	-\$10.1	+\$35.7
Bills bought.....	22.1	+ 3.6	-10.2
United States securities.....	21.7	+ 1.0	- 25.8
Other securities.....	.1	+ .1	+ .1
Total bills and securities.....	\$114.0	-\$ 5.4	-\$.2
Member banks' reserve deposits.....	135.1	- .7	- 1.9
Fed. res. note circulation.....	129.2	+ .9	- 8.0
Cash reserves.....	182.0	+ 7.4	- 7.4
Reserve ratio.....	68.6%	+ 2.8%	0

tent as to cause a decline of 37 millions in total bills and securities. Money in circulation is in about the same volume as a month ago, but in the past five weeks imports of gold through New York have exceeded exports by 23 millions, and member banks are carrying a somewhat smaller volume of reserve deposits. The reserve ratio of the system rose from 67.3 to 68.4 per cent.

The condition of the Federal Reserve

Reporting member banks in twenty-one leading cities (In millions of dollars)	Nov. 14, 1928	Changes in	
		Four weeks	One year
Total loans and discounts:			
Philadelphia*.....	672.2	+ 2.1	+38.4
Outside of Philadelphia†.....	396.2	+ 5.2	+31.1
Totals.....	1,068.4	+ 7.3	+69.5
Investments:			
Philadelphia*.....	285.7	- 9.2	-39.9
Outside of Philadelphia†.....	217.8	- 4.1	- 7.7
Totals.....	503.5	-13.3	-47.6
Net demand deposits:			
Philadelphia*.....	589.1	+ 1.9	-58.3
Outside of Philadelphia†.....	249.6	+ 6.1	- 2.0
Totals.....	838.7	+ 8.0	-60.3
Time deposits:			
Philadelphia*.....	216.8	+ .2	+ 4.0
Outside of Philadelphia†.....	280.0	- 2.0	- .1
Totals.....	496.8	- 1.8	+ 3.9

* 32 banks. † 84 banks.



November 14 were almost as high as in September. This renewed expansion of commercial loans doubtless reflects the upswing in business in this district which has been in such contrast with the comparative quiet in the last half of 1927, when commercial loans reached their high for the year in August. Loans on securities changed little. The total loans and discounts of 116 banks in twenty-one of the leading cities of the district totaled 1,068 millions in the middle of November, an increase of 7 millions in a month, which was paralleled by an increase of about 6 millions in net demand and time deposits. However, the banks' holdings of investments declined 13 millions.

In the following week (ending on November 21) member banks in Philadelphia and three other large cities report declines in loans and investments, chiefly because of a decrease in commercial loans, but an increase in deposits.

Commercial paper sales. Commercial paper sales in this district in October were somewhat larger than in September, but failed by a considerable sum to equal the volume of business a year ago.

Commercial paper sales (5 dealers)	Sales to		Total sales
	City banks	Country banks	
1928—July...	\$1,585,000	\$1,462,500	\$3,047,500
Aug....	1,717,500	1,530,000	3,247,500
Sept....	225,000	2,532,500	2,757,500
Oct....	1,147,500	3,275,000	4,422,500
1927—Oct....	4,330,000	4,337,500	8,667,500

Bill market activity. Acceptances executed by eight banks in Philadelphia declined from \$5,144,000 in the month ended October 10 to \$5,017,000 in the month of November 10, and also were in slightly smaller volume than a year ago. The amount outstanding shows increases in both the month and the year, totaling \$14,642,000 on November 10, as compared with \$13,737,000 a month before, and \$13,896,000 a year ago.

A total of \$1,123,000,000 of bankers' acceptances was outstanding in this country on October 31, as compared with \$975,000,000 last year. Bills covering imports and exports, dollar exchange, and goods stored in or shipped between foreign countries are in larger volume than a year ago, but those covering domestic shipments and domestic warehouse credits are in smaller amount.

Securities market. Trading in stocks recently has reached record totals. Brokers' loans expanded further in the past month, topping 5 billions on November 21. The increase since the middle of October has amounted to almost 500 millions, nearly half of which was supplied by reporting New York city banks. Their contribution to the total still is smaller by 385 millions than at the beginning of the year, but loans for out-of-town

banks are larger by approximately the same amount.

New capital issues (refunding excluded) increased from 499 millions in September to 739 millions in October. This compares with an increase from 535 to 856 millions in the same months of 1927. Corporate issues in October, 1928 were somewhat larger than a year earlier, but foreign government and farm loan issues were much smaller.

INDUSTRIAL CONDITIONS

Manufacturing. Demand for manufactured products has continued active during the past four weeks. Sales generally have increased further since the middle of last month and compare favorably with the volume of business at the same time last year. Despite some variations, prices of finished goods in the main have been fairly stable.

Manufacturers of fabricated metal products have experienced a continued rise in demand and sales, which have exceeded not only last month's volume but also that of a year ago. Among those consumers of iron and steel products that purchased most actively during the month were railroads, construction companies, foundries, manufacturers and jobbers. Quotations for finished products and raw materials have advanced somewhat since last month.

The market for textile products also has improved further and sales generally have been close to the volume of a year ago. Buying of wool fibers and yarns is more active than was the case last month and a year ago. Cotton, silk, and woolen and worsted goods also continue in good demand, showing moderate gains lately. Business in hosiery, particularly full-fashioned, is excellent. Floor coverings, too, show material betterment.

Prices of cotton fibers have shown strength lately, a fact which is being reflected in piece goods. In sympathy with raw wool, quotations for woolen and worsted yarns and fabrics are fairly strong, showing an upward tendency, while those for silk fibers and products have eased off slightly. Hosiery and floor coverings show virtually no change.

Business in shoes, though fair, has slackened a little seasonally, and prices have receded slightly from the level of a month ago. This is also true of the leather market. The demand for paper, while more active than last year, shows little change in the month. Sales of cigars are naturally active at this time, the volume having increased as compared with a month and a year ago.

The market for building materials is fair, although less active than last month. Prices of lumber and plumbing supplies have advanced while those of paint declined. Quotations for brick and cement show little change.

Advance business on the books of reporting manufacturers has increased, and

comparisons with a year ago also are rather favorable. Manufacturers of iron and steel and most of the textile products especially report gains. Unfilled orders of the United States Steel Corporation at the end of October totaled 3,751,030 tons, a gain of 1.4 per cent over the preceding month and 12.3 per cent over a year earlier. Orders on the books of foundries at the end of the month showed a decrease for iron castings but an increase for steel castings from the previous month. Compared with a year ago, however, forward business in both was noticeably larger.

The volume of output has continued large, and plant operations in many lines have expanded further since the middle of last month, comparing more than favorably with the rate prevailing at the same time last year. While the demand for workers by employers declined recently, it remained greatly in excess of that existing in the late fall last year.

Factory payrolls in Pennsylvania during October increased 5 per cent as compared with the preceding month and a year before. Employment also rose slightly and surpassed that of last year for the first time in the past ten months. Employee-hours worked likewise showed a gain of nearly 5 per cent over the September level. From the usual low level in July employment rose more than 4 per cent by October and wage payments increased 14 per cent, indicating a pronounced recovery in productive activity.

Consumption of electrical energy in October by industries in the district increased further and was more than 11 per cent larger than a year earlier. Total sales of electricity also showed a gain of over 6 per cent in the month and nearly 24 per cent in the year. The output of electric power by 12 central stations was almost 13 and 22 per cent, respectively, larger than a month and a year before. Detailed comparisons follow:

ELECTRIC POWER Philadelphia Federal Reserve District 12 systems	October, 1928 change from	
	Oct. 1927	Sept., 1928
Rated generator capacity....	+ 25.1%	0 %
Generated output.....	+ 21.6"	+12.8"
Hydro-electric.....	+203.6"	-23.4"
Steam.....	+ 14.4"	+21.4"
Purchased.....	+ 11.5"	+ 7.5"
Sales of electricity.....	+ 23.6"	+ 6.3"
Lighting.....	+ 12.3"	+ 9.0"
Municipal.....	+ 8.5"	+17.6"
Residential and commercial.....	+ 12.9"	+ 7.8"
Power.....	+ 13.8"	+ 2.7"
Municipal.....	+326.0"	- 4.3"
Street cars and railroads.....	+ 13.5"	+ 9.9"
Industries.....	+ 11.2"	+ 1.2"
All other sales.....	+ 90.0"	+17.9"

Operations of metal fabricating plants have experienced a further expansion in the volume of output, in striking contrast to a contraction occurring at the same time last year. From the low seasonal point in July operations of these plants

EMPLOYMENT AND WAGES in Pennsylvania	No. of plants re- port- ing	EMPLOYMENT Oct., 1928			PAYROLLS Oct., 1928			AVERAGE WEEKLY EARNINGS week ended	
		Oct., index *	Per cent change since		Oct., index *	Per cent change since		Oct. 15, 1928	Sept. 15, 1928
			Oct., 1927	Sept., 1928		Oct., 1927	Sept., 1928		
All manufacturing industries (51)	803	89.5	+ 0.3	+ 0.2	95.2	+ 5.0	+ 5.0	\$26.73	\$25.51
Metal products	235	88.9	+ 6.7	0.0	97.4	+18.6	+ 7.2	29.23	27.28
Blast furnaces	9	40.7	-28.1	- 0.5	43.3	-24.8	+ 0.2	29.45	29.17
Steel wks. & rolling mills	44	77.0	- 4.1	- 0.4	85.5	+ 9.9	+ 8.6	30.17	27.67
Iron and steel forgings	10	89.0	+19.8	+ 4.5	101.9	+31.8	+ 9.7	27.74	26.42
Structural iron work	10	109.1	+13.9	+ 1.5	116.3	+16.5	+11.4	29.42	26.80
Steam & hot water htg. ap.	17	93.2	+ 6.5	- 1.4	104.1	+19.8	+ 3.8	30.34	28.35
Stoves and furnaces	9	84.9	- 7.4	+11.3	96.8	- 1.9	+25.2	32.57	28.96
Foundries	38	84.8	+ 1.3	- 3.7	91.1	+11.4	+ 3.6	28.98	26.81
Machinery and parts	40	103.6	+10.6	+ 0.5	114.3	+14.6	+ 2.6	31.37	30.74
Electrical apparatus	17	209.3	+112.1	+ 1.0	240.5	+107.1	+ 7.2	26.09	24.58
Engines and pumps	10	97.7	+ 9.0	+ 1.5	108.9	+19.8	+ 9.1	30.07	27.96
Hardware and tools	20	81.5	- 3.8	- 0.4	87.2	+ 3.9	+ 2.8	24.72	23.99
Brass and bronze prods.	11	110.1	+28.3	+ 5.3	100.6	+19.5	- 0.2	24.21	25.57
Transportation equipment	40	66.1†	+17.3	- 2.5	64.9†	-19.5	- 2.0	28.55	28.40
Automobiles	6	89.9	+32.0	0.0	92.2	+39.3	+ 2.3	29.61	28.90
Auto. bodies and parts	11	84.0	+22.3	- 5.5	84.1	+47.5	- 0.4	32.41	30.73
Locomotives and cars	13	54.4	-26.8	- 4.1	48.6	-30.7	- 8.8	25.81	27.17
Railroad repair shops	6	80.9	- 1.8	+ 4.4	86.6	- 0.3	+15.3	28.36	25.67
Shipbuilding	4	24.1	-48.2	+ 4.8	23.1	-47.4	- 5.7	27.86	31.02
Textile products	163	96.7	- 2.7	+ 2.3	107.0	- 3.4	+ 7.2	22.84	21.79
Cotton goods	14	79.6	-15.5	+ 4.5	82.8	-12.2	+12.0	24.14	22.53
Woolens and worsteds	15	88.6	-10.9	+ 4.1	91.7	-14.9	+ 8.4	22.03	21.14
Silk goods	39	100.6	+ 2.4	+ 2.3	107.6	+ 3.6	+ 6.6	19.59	18.79
Textile dyeing & finishing	9	117.0	0.0	+ 3.4	133.2	+ 6.9	+ 6.3	27.14	26.43
Carpets and rugs	10	83.7	- 6.1	+ 5.7	86.3	- 9.3	+18.5	26.03	23.21
Hats	4	96.2	+ 0.1	- 0.4	90.7	-10.6	- 6.7	24.02	25.64
Hosiery	27	109.3	- 4.3	+ 0.6	143.3	- 2.4	+ 7.4	29.34	27.49
Knit goods, other	15	92.3	+13.0	+ 7.7	104.7	+19.8	+23.9	20.07	17.42
Men's clothing	10	85.4	-20.6	- 9.7	83.3	-24.1	-11.9	19.30	19.78
Women's clothing	9	106.3	+ 6.3	- 3.8	112.0	+ 7.7	- 3.2	15.08	14.96
Shirts and furnishings	11	95.4	+ 3.2	+ 3.4	96.5	- 6.4	+ 8.2	16.31	15.55
Foods and tobacco	102	102.1	+ 1.6	+ 2.9	104.1	+ 2.5	+ 4.1	20.77	20.52
Bread & bakery products	30	105.3	- 3.7	+ 1.0	100.8	- 4.5	+ 1.5	28.82	28.66
Confectionery	14	105.3	+ 0.7	+ 8.3	120.0	+ 3.8	+18.7	20.21	18.43
Ice cream	11	84.5	- 1.7	-11.7	93.9	+ 3.2	- 8.3	32.88	31.67
Meat packing	14	99.1	+ 2.0	+ 4.1	100.4	+ 3.4	+ 3.6	29.71	29.84
Cigars and tobacco	33	103.6	+ 0.6	+ 3.1	104.4	- 0.9	+ 2.4	14.88	14.99
Stone, clay & glass products	66	82.3	-12.2	- 1.7	86.4	- 8.9	+ 5.6	28.63	26.66
Brick, tile and pottery	30	88.3	- 7.5	- 2.1	90.4	- 1.5	+ 3.6	25.43	24.01
Cement	14	76.3	-23.5	- 2.8	87.4	-19.2	+ 2.8	33.29	31.52
Glass	22	90.4	- 0.9	- 0.1	89.9	+ 1.8	+11.1	26.68	23.98
Lumber products	43	84.6	- 5.1	0.0	91.6	- 2.4	+ 3.5	23.11	22.36
Lumber and planing mills	17	73.4	- 4.4	- 7.3	79.1	- 3.4	- 2.1	22.14	20.96
Furniture	20	92.4	- 2.8	+ 8.7	101.4	+ 2.1	+10.2	26.01	25.64
Wooden boxes	6	111.9	-13.9	+ 1.3	119.7	-16.5	- 1.6	17.24	17.73
Chemical products	48	98.0	+ 4.1	+ 0.1	106.3	+ 2.3	+ 2.4	29.02	28.39
Chemicals and drugs	28	93.9	+ 7.3	- 0.2	95.7	+ 5.0	+ 2.4	27.19	26.50
Coke	3	118.9	+ 7.9	+ 0.8	123.2	+ 7.3	+ 2.8	29.23	28.72
Explosives	3	133.3	+ 8.8	+10.8	121.8	+ 0.6	+ 7.9	25.25	25.93
Paints and varnishes	9	127.8	- 6.9	+ 3.9	137.0	- 5.6	+12.9	27.70	25.47
Petroleum refining	5	87.4	+ 3.3	- 1.9	96.5	+ 1.3	0.0	30.07	29.49
Leather and rubber products	49	97.4	- 2.2	- 1.4	103.7	- 2.9	- 1.0	23.54	23.22
Leather tanning	17	103.6	- 2.6	- 1.0	108.5	- 3.8	- 1.3	25.76	25.85
Shoes	22	88.5	- 6.6	- 3.9	92.5	- 8.1	- 1.3	19.03	18.05
Leather products, other	6	124.6	+38.8	+ 8.3	121.0	+42.5	+11.0	22.33	21.79
Rubber tires and goods	4	78.5	- 7.4	+ 0.4	92.7	-10.6	- 5.0	29.22	30.85
Paper and printing	57	94.4	- 1.9	+ 1.0	108.7	+ 3.9	+ 4.9	30.25	29.11
Paper and wood pulp	13	83.8	- 4.1	- 0.6	98.5	+ 2.6	+ 6.9	30.19	28.05
Paper boxes and bags	6	101.0	- 6.0	+ 3.1	124.0	- 2.7	+12.6	15.98	14.63
Printing and publishing	38	106.7	+ 1.7	+ 2.3	118.4	+ 6.1	+ 2.7	33.06	32.91
Anthracite	11	112.8	- 5.8	+ 1.8	119.8	+ 9.5	+29.5	36.88	28.95
Construction and contracting	30	105.1	- 3.0	+ 1.2	98.3	- 3.1	+ 9.6	27.53	25.32
Street railways	5	97.5	+ 3.4	- 1.7	102.6	+ 1.6	+ 0.3	34.01	33.29
Retail trade	58	100.0	- 0.4	+ 4.6	.....	.....	.....	.....	.....
Wholesale trade	94	97.7	- 1.1	+ 3.1	.....	.....	.....	.....	.....

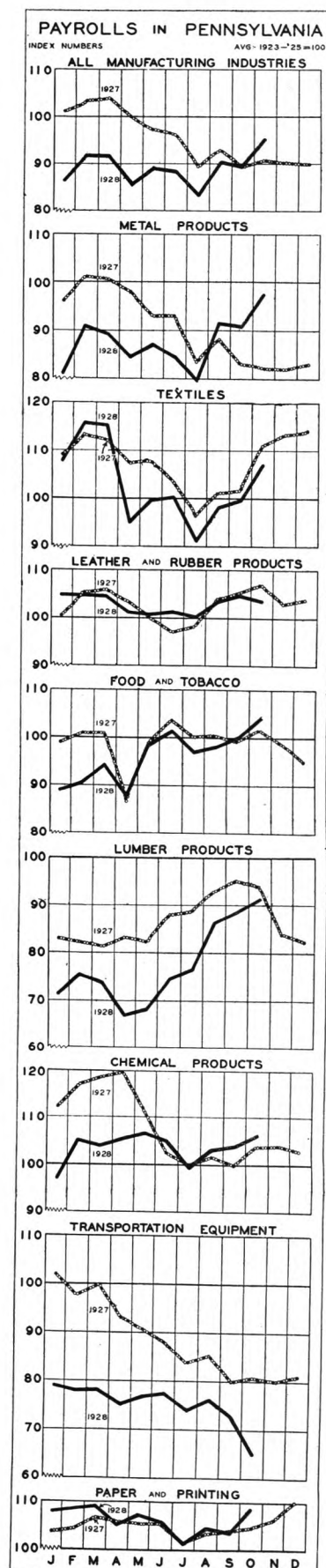
* 1923-1925 average = 100. † Preliminary figures.

rose about 21 per cent, and in October were almost 19 per cent above the rate of a year ago, according to indices afforded by the volume of wage payments.

Daily production of pig iron in this district was nearly 7 per cent larger in October than in September and over 21 per cent ahead of last year. An identical

rate of increase also was reported for the country. Daily output of steel ingots, too, showed a gain of almost 4 per cent in the month and 35 per cent in the year. Comparisons are shown on the next page.

Production of iron and steel castings increased substantially in the month and as compared with October, 1927.



Iron and steel (Daily output)	Oct., 1928 (gross tons)	Change from Sept., 1928	10 mos., 1928, compared 10 mos., 1927
Pig iron:			
United States	108,832	+21.2%	+ 0.5%
Phila. dist. . .	10,592	+21.2 "	- 7.1 "
Steel ingots:			
United States	172,144	+35.0 "	+11.6 "

Source: Iron Age.

The majority of textile lines have enjoyed an advancing rate of activity since the middle of last month, plant operations at nearly 80 per cent of capacity showing a rise of about 5 per cent. The sharpest gains occurred in the production of cotton fabrics, wool yarns, hosiery, and floor coverings. The output of hosiery increased more than 25 per cent from September to October. Consumption of wool fibers also rose nearly 18 per cent in the month, and the mill takings of carpet wool increased almost 19 per cent. National deliveries of silk fibers, too, were larger than last month and a year ago.

Activity in the shoe and leather industries shows a slight seasonal let down, although plants preparing kid leather report a high rate of operation. No marked change has occurred in the activity of cigar and paper plants, both lines working at a fairly high rate.

Production of building materials naturally has slackened a little, plant operations at 70 per cent of capacity showing a drop of about 8 per cent from the level of last month. The output of cement, however, was almost 4 per cent larger in October than September, but was nearly 2 per cent less than a year before.

Stocks of finished goods carried by manufacturers generally remain moderate, and in most lines they show declines from those of the month before. Compared with a year ago, supplies of manufactured goods in the main are smaller.

Supplies of textile fibers as a whole, while ample for current needs, have been reduced lately. Raw silk held in the principal warehouses in New York City dropped about 2 per cent from September to October and was nearly 21 per cent

smaller than on the same date last year. Stocks of raw cotton in consuming establishments, public storage, and at compresses in the country also were smaller at the end of October than those of a year earlier. Wool stocks held by Philadelphia dealers on September 29, while slightly larger than three months before, were about 19 per cent below those on the corresponding date last year. Supplies of wool carried by manufacturers in this section were about 8 per cent less than at the end of the second quarter and 14 per cent smaller than a year earlier. Details are given in the accompanying table.

Building and real estate. Construction activity has continued in large volume. The value of contracts again increased slightly in October and was considerably larger than in the same month last year. The upward trend in residential contracts has been especially pronounced in recent months. Increases in all contract awards during the month were principally due to enlarged operations in eastern Pennsylvania and southern New Jersey, Delaware showing a decline. The value of building permits in 16 cities of this district continued to decline for the fourth successive month, after a steady advance in the previous six months. Comparisons follow:

Building operations	Oct., 1928 (000 omitted)	Change from Oct., 1927	10 mos., 1928, compared with 10 mos., 1927
Contract awards:			
Phila. District:			
Total	\$46,098	+34.7%	+ 3.5%
Residential . .	24,110	+49.5 "	+25.9 "
United States:			
Total	597,104	+ 6.1 "	+ 6.9 "
Residential . .	239,692	- 1.6 "	+12.6 "
Permits issued:			
Phila. District			
(16 cities) . . .	11,622	- 4.8 "	- 3.7 "
United States			
(585 cities) . .	293,007	- 1.1 "	.....

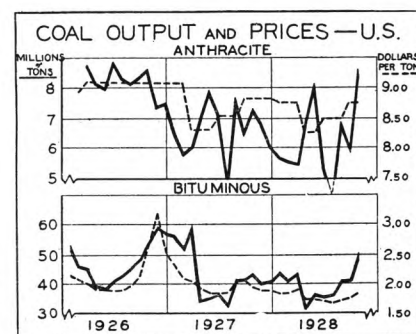
Sources: F. W. Dodge Corp. and S. W. Straus & Co.

The real estate market remains rather quiet. Demand for practically all grades of houses, while fair, is less active than at the same time last year. Nor has there been much improvement lately in the renting demand for houses and apartments, although those dwellings letting at from \$30 to \$60 a month have shown some activity. Rents generally have decreased during the past three months and are lower on both houses and apartments than a year ago. From 10 to 30 per cent of the present construction of residential building is in apartments, while the remaining volume consists largely of houses for sale.

Prospective home buyers are having no difficulty in obtaining funds for their purchases. The volume of financing for new commercial construction shows little

change as compared with a year ago. The bulk of the loans now being made are on houses built for owners. Interest rates on mortgages have remained unchanged in the past three months. The number of deeds recorded in Philadelphia county in the first ten months of this year exceeded somewhat the volume in the same period last year, but foreclosures have continued at a very high rate ever since 1925.

Coal. Demand from householders for anthracite remains strong, owing largely to the continuance of cooler weather. Sales have increased further since the middle of last month, and prices have stiffened. Many collieries are operating close to capacity, and the output in October was the largest since 1926. During the four weeks ended November 17 production totaled 6,845,000 tons, a decrease of nearly 12 per cent from the previous four weeks but a gain of 1 per cent over a year earlier.



Source: Bureau of Mines

Improved conditions in industries generally have stimulated the market for bituminous coal, sales again having increased during the month. Mine operations in October reached the highest level since the spring of last year. The output in the country in the four weeks ended November 17 totaled 43,852,000 tons, a loss of nearly one per cent from the preceding four weeks but a gain of almost 14 per cent as compared with the same period last year.

Agriculture. Farm operations in this district have been greatly favored by good weather, and harvesting of late crops has been practically completed. Fall plowing is fully up to normal. The acreage planted to winter wheat appears to be a trifle smaller than last year, but the stand is good, excelling that of last season. The condition of cover crops is satisfactory and is better than that in November, 1927. Livestock measures up to the normal November condition. The slaughter of hogs has increased somewhat in the month, and the number of hogs marketed also was larger than last season.

Preliminary figures on production of the leading crops in the district and the country follow:

Raw wool stocks (Figures in thousands of pounds)	Sept. 30, 1927	June 30, 1928	Sept. 29, 1928
Held by dealers in Philadelphia . . .	21,133	16,904	17,202
United States . .	166,067	194,262	193,806
Held by manufacturers in:			
Middle Atlantic section	63,576	59,790	54,648
United States . .	141,718	141,248	128,352
Total grease equivalent in the United States . .	357,107	385,407	369,816*

Source: Department of Agriculture.

* Of the total amount of raw wool, 71.4 per cent was domestic and 28.6 per cent was foreign, compared with 70.3 per cent domestic and 29.7 per cent foreign on September 30, 1927.

Crop estimates (Figures in thousands of units)	1927 yield	Preliminary Nov. 1, 1928	Per cent change
Phila. Fed. Res. Dist.			
Corn.....(bus.)	45,929	47,638	+ 3.7
Oats....."	24,844	21,427	-13.8
Potatoes—			
white....."	25,998	30,857	+18.7
Tobacco.....(lbs.)	44,880	47,250	+ 5.3
Hay—tame..(tons)	3,636	3,398	- 6.5
United States:			
Corn.....(bus.)	2,773,708	2,895,449	+ 4.4
Oats....."	1,184,146	1,452,966	+22.7
Potatoes—			
white....."	406,964	465,651	+14.4
Tobacco.....(lbs.)	1,195,880	1,346,566	+12.6
Hay—tame..(tons)	106,468	92,688	-12.9

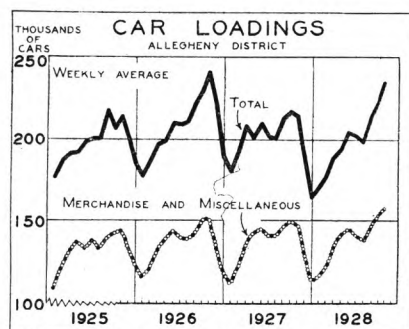
Source: Department of Agriculture.

DISTRIBUTION

The volume of railroad traffic in the Allegheny district continues well ahead of last year, although lately it has begun to show the usual seasonal recession. Shipments of all commodities in October reached the customary peak for the year and exceeded those shown for any previous month since October, 1926. Freight car loadings of merchandise and miscellaneous commodities also have risen sharply since midsummer, and in October attained the largest volume reported for any month in the past four years.

The tonnage of vessels entering and departing the Port of Philadelphia in October was about 3 per cent larger than in the preceding month and a year before, the gain in foreign trade since October, 1927 being somewhat more pronounced than that in the coastwise and intercoastal trade.

Sales of ordinary life insurance in this section have turned more than seasonally upward in recent months, and in October the total volume was nearly 37 per cent larger than in September and over 18 per cent greater than in October, 1927.



Source: American Railway Association

Retail trade. Preliminary reports indicate a seasonally growing demand in most lines of retail trade, sales showing considerable gains since the middle of last month. Prices generally continue unchanged.

Sales during October showed a gain of nearly 30 per cent over the preceding month and were more than 4 per cent above the volume in October, 1927. All

lines shared in this increase as compared with a year earlier, except apparel stores outside of Philadelphia. The largest gains were reported by credit stores, and department and women's apparel stores in Philadelphia. All city areas, except Altoona and Harrisburg, experienced larger sales in the month. Compared with a year before, Wilmington, Reading, and Philadelphia reported the largest gains.

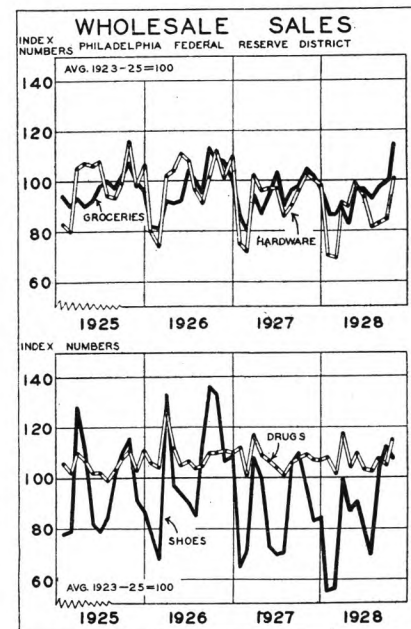
Inventories held by retailers at the end of the month increased seasonally but were almost 8 per cent smaller than on the same date last year. The rate of turnover increased somewhat in the month and in the year.

Wholesale trade. Business at wholesale continues fairly active in most lines. Sales of drugs, drygoods, groceries, electrical supplies, and hardware have increased further since the middle of last month, while those of shoes, jewelry, and paper have shown little variation. Prices remain unchanged, except for groceries which have advanced further since last month.

The volume of wholesale business increased in October for the third successive month, the gain over September being 14.6 per cent; it also exceeded that of a year earlier by nearly 4 per cent, after an unfavorable comparison shown by the previous four months. All lines save shoes experienced a larger amount of sales in comparison with the preceding month, and drugs, electrical supplies, gro-

ceries, and paper also had larger business than a year before, while the remaining four lines reported declines.

Inventories carried by dealers generally declined in the month and were smaller than on the same date last year in four out of six lines. Accounts outstanding increased in all lines except paper, but compared with a year ago, groceries and



RETAIL TRADE Philadelphia Federal Reserve District	Comparison of net sales		Comparison of stocks		Rate of turnover, Jan. 1 to Oct. 31		Accounts receivable at end of month com- pared with year ago	Collec- tions during month com- pared with year ago
	Oct., 1928, with Oct., 1927	Jan. 1 to Oct. 31, 1928, with Jan. 1 to Oct. 31, 1927	Oct. 31, 1928		1927	1928		
			with Oct. 31, 1927	with Sept. 30, 1928				
All reporting stores	+ 4.4%	- 2.2%	- 7.7%	+ 9.8%	2.66	2.73		
Department stores	+ 3.1 "	- 3.0 "	- 8.8 "	+10.0 "	2.58	2.65		
in Philadelphia	+ 3.6 "	- 3.6 "	-11.3 "	+10.0 "	2.73	2.84		
outside Philadelphia	+ 1.6 "	- 1.5 "	- 3.1 "	+ 9.9 "	2.23	2.24	+ 9.3%	+11.3%
Apparel stores	- 2.1 "	- 3.1 "	-11.7 "	- 0.0 "	2.16	2.23		
Men's apparel stores	0	- 2.8 "	- 5.5 "	- 3.3 "	2.48	2.61		
in Philadelphia	- 5.6 "	- 3.6 "	-18.0 "	+ 4.7 "	1.66	1.65	+ 1.7 "	+14.7 "
outside Philadelphia	+ 9.3 "	- 0.1 "	+ 3.0 "	+19.5 "	5.39	5.27		
Women's apparel stores	+10.5 "	- 0.1 "	+ 2.5 "	+20.9 "	5.75	5.72		
in Philadelphia	- 0.9 "	+ 0.2 "	+ 5.7 "	+13.6 "	3.55	3.20	+19.9 "	+ 2.9 "
outside Philadelphia	+ 0.3 "	+ 3.7 "	+ 7.3 "	+ 7.5 "	1.94	1.80	+ 5.9 "	+10.7 "
Shoe stores	+30.2 "	+ 6.7 "	- 8.7 "	+ 1.9 "	1.71	1.84	+ 5.5 "	+ 1.5 "
Credit stores								

WHOLESALE TRADE Philadelphia Federal Reserve District	Net sales, Oct., 1928, compared with		Stocks, Oct. 31, 1928, compared with		Accounts out- standing, Oct. 31, 1928, compared with		Ratio of ac- counts out- standing to sales, Oct., 1928	Collections, Oct., 1928, compared with	
	Oct., 1927	Sept., 1928	Oct. 31, 1927	Sept. 30, 1928	Oct. 31, 1927	Sept. 30, 1928		Oct., 1927	Sept., 1928
Boots and shoes...	- 7.5%	- 5.0%	.....	.....	- 9.9%	+ 1.2%	375.8%	+ 2.6%	+44.3%
Drugs.....	+ 3.5 "	+10.2 "	.....	.....	- 4.4 "	+ 0.7 "	144.6 "	+ 2.3 "	+15.0 "
Dry goods.....	- 6.9 "	+12.3 "	-10.4%	- 5.2%	- 3.1 "	+ 9.0 "	242.2 "	- 8.0 "	+26.2 "
Electrical supplies.....	+14.9 "	+22.1 "	-13.9 "	-10.0 "	.....	+27.1 "	133.2 "	.....	+ 5.7 "
Groceries.....	+ 9.7 "	+13.2 "	+ 3.4 "	+ 8.7 "	+ 1.3 "	+ 2.7 "	116.8 "	+ 5.1 "	+14.2 "
Hardware.....	- 2.3 "	+19.5 "	- 5.6 "	- 2.4 "	- 5.2 "	+ 5.8 "	184.4 "	- 8.6 "	+ 7.2 "
Jewelry.....	- 1.0 "	+28.5 "	+ 8.7 "	- 0.7 "	- 2.0 "	+11.5 "	335.0 "	- 4.0 "	+ 7.2 "
Paper.....	+ 4.0 "	+12.4 "	- 0.4 "	+ 2.3 "	+ 4.1 "	- 3.8 "	137.6 "	+12.3 "	+20.6 "

AUTOMOBILE TRADE Philadelphia Federal Reserve District 12 distributors	October, 1928, change from			
	October, 1927		September, 1928	
	Number	Value	Number	Value
Sales, new cars, wholesale.....	-27.3%	-11.7%	-44.3%	-34.8%
Sales, new cars, at retail.....	-44.8 "	-38.1 "	+2.1 "	-0.7 "
Stocks of new cars.....	+78.6 "	+107.8 "	-19.8 "	-2.2 "
Sales of used cars.....	+12.1 "	+17.8 "	-13.3 "	-20.0 "
Stocks of used cars.....	+20.5 "	+23.2 "	-0.9 "	-13.0 "
Retail sales, deferred payment.....	+13.2 "	+14.9 "	+5.2 "	+0.2 "

paper alone reported a larger volume. Collections showed a considerable gain during the month; in contrast with last year, shoes, drugs, groceries, and paper also showed a gain in the settlement of accounts, while the remaining three lines indicated decreases.

Automobile trade. Retail sales of new passenger cars by 12 distributors showed a slight increase in number, though not in value, from September to October but were considerably smaller than in the same month last year. Distribution at wholesale fell off materially in number and value as compared with the previous month and a year earlier. Sales of used cars, while declining in the month, were well ahead of last year. Purchases at retail on deferred payment showed gains in the month and year.

Inventories of new cars at the end of

the month declined but were substantially larger than those held on the same date last year. This is also true of stocks of used cars.

COMMODITY PRICES

Wholesale prices have declined during the month, although they still remain above the level of a year ago. Fisher's index, on November 23 was 97.3 per cent of the 1926 average as against 99.0 in October and 96.4 in November, 1927.

The general level of wholesale commodity prices in October declined more than 2 per cent from September but was about three-fourths of one per cent higher than in October, 1927, according to indexes compiled by the Bureau of Labor Statistics. Farm products, foods, hides and leather products, fuel and lighting, and house furnishing goods declined, while textile products, metals and metal prod-

Index numbers of wholesale commodity prices (1926=100)	Oct., 1927	Sept., 1928	Oct., 1928
All commodities.....	97.0	100.1	97.8
Farm products.....	105.0	108.8	103.5
Foods.....	100.0	106.9	102.3
Hides & leather products.....	113.0	120.7	117.5
Textile products.....	98.4	95.6	96.1
Fuel and lighting.....	83.8	85.1	84.9
Metals and metal prod- ucts.....	97.1	100.5	101.0
Building materials.....	91.6	94.7	95.0
Chemicals and drugs.....	97.1	95.1	95.6
House-furnishing goods.....	98.5	97.2	96.5
Miscellaneous.....	88.3	79.7	80.3
Raw materials.....	99.5	100.5	97.4
Semimanufactured arti- cles.....	97.6	96.9	96.9
Finished products.....	95.5	100.5	98.5
Nonagricultural com- modities.....	94.8	97.8	96.4

ucts, building materials, chemicals and drugs, and miscellaneous commodities advanced during the month.

Retail food prices in the country showed a drop of about one-half of one per cent from September to October but a rise of over three-tenths of one per cent as compared with a year before. In Philadelphia, food prices declined in the month and the year, while in Scranton they were 2 per cent higher than a year ago. Compared with the pre-war level, retail food prices were 57 per cent higher in the country, 60 per cent higher in Philadelphia, and 65 per cent higher in Scranton.

BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

	Prices	Demand	Unfilled orders com- pared with a year ago	Operations	Stocks
Retail trade	Little change	Active; increased			Increased seasonally but smaller than a year ago
Wholesale trade					
Drugs	Little change	Active; increased			
Dry Goods	Unchanged	Fair; increased			Smaller
Electrical supplies ..	Unchanged	Active; increased			Smaller
Groceries	Higher	Active; increased			Larger
Hardware	Unchanged	Fair; increased			Smaller
Jewelry	Unchanged	Fair; little change			Smaller though above last year
Paper	Unchanged	Active; little change			Larger
Shoes	Little change	Fair; declined			
Wool, raw	Some advance	Active; increased	Larger		Smaller
Cotton yarns	Higher	Fair; declined	Larger		Smaller
Iron and steel products	Higher	Active; increased	Larger	Increased	Larger though less than last year
Cotton	Little change	Active; increased	Larger than last month	Increased	Smaller
Silk	Some declines	Fair; increased for broadsilks	Slightly smaller	Increased in fabrics	Slightly larger
Wool	Some advances	Fairly active; increased	Larger	Increased in spinning but not in weaving	Smaller
Hosiery	Unchanged	Good; increased	Larger than last month	Increased	Smaller
Carpets and rugs	Little change	Active; increased	Larger	Increased	Smaller
Shoes	Lower	Fair; some decline	Little change	Seasonal declines	Smaller
Leather—kid	Little change	Fair	Smaller	Little change	Some increase
Leather—sole	Some decline	Fair	Smaller	Little change	Some increase
Paper	Little change	Fair; larger than a year ago	Smaller	Little change	Smaller
Cigars	Little change	Active; increased	Smaller	Little change	Smaller
Brick	Unchanged	Fair	Little change	Little change	Smaller
Lumber—mills	Some advances	Fair; some declines	Smaller	Little change	Smaller
Paint	Some declines	Fairly good; ahead of last year	Larger	Some decline	Smaller
Plumbing supplies ...	Higher	Fair	Increased in month but decreased in the year	Some decline	Smaller than a year ago
Real estate	Rents declined recently	Rather quiet			
Building	Construction costs changed little	Fair	Value of permits decreased	Value of contracts in- creased	
Anthracite	Higher	Good, increased		Increased	
Bituminous coal	Spot prices higher	Fair; increased		Increased	