

# THE BUSINESS REVIEW

THIRD FEDERAL  
PHILADELPHIA



RESERVE DISTRICT  
JULY 1, 1929

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## BUSINESS CONDITIONS IN THE UNITED STATES

Production and distribution of commodities continued at a high rate in May. Wholesale commodity prices declined further during the month, but more recently showed some advance. Total loans and investments of member banks in leading cities have increased since the latter part of May.

**Production.** Industrial production continued large in May and was accompanied by a further increase in the volume of factory employment and payrolls. Output of the iron and steel industry increased further, and shipments of iron ore during May were the largest for that month of any recent year; production of pig-iron, steel ingots, and coke was at record levels; and semi-finished and finished steel was produced in large volume. During the first half of June, steel operations remained close to capacity, although some decline from the high rate of May was reported. Output of automobiles, which has been in unusually large volume since the beginning of the year, showed a slight reduction in May. Copper production at mines, smelters and refineries decreased during May but continued large.

Combined stocks of refined and blister copper at the end of May were the largest since 1927. Zinc, lead, petroleum and bituminous coal were produced in larger

volume than in April, while the output of anthracite coal declined. Output in the textile industries continued large in May although there was a decline in activity in silk mills. Meat production, while larger than in April, increased less than is usual at this season.

Value of building contracts awarded declined in May, and was below last year's level, the decrease in comparison with 1928 being chiefly in residential building. During the first two weeks in June contracts averaged 15 per cent less than in the same period in 1928.

The June first crop summary of the Department of Agriculture indicated an increase of 43,000,000 bushels, or more than 7 per cent in the crop of winter wheat. The condition of spring wheat, barley and hay was reported to be better than a year ago.

**Distribution.** The volume of freight shipments increased seasonally in May and continued substantially above the total of a year ago. Department stores sales increased in May and were 2 per cent larger than in the same month in the preceding year.

**Prices.** Wholesale prices continued in May the downward movement of the previous month, according to the index of the United States Bureau of Labor

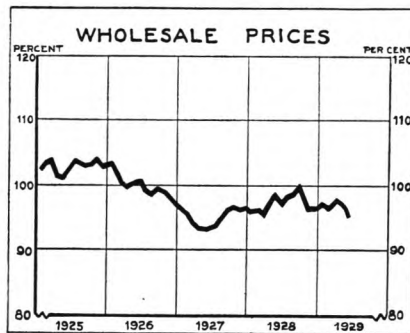
Statistics. The decline of the general level was chiefly the result of price declines in agricultural products and their manufactures, although prices of other products also declined slightly. Prices of cotton and grains continued sharply downward in May and there were marked declines in the prices of hogs, wool and lambs. Prices of mineral and forest products and their manufactures averaged lower in May than in April, particularly those of copper, lead and tin; petroleum and gasoline, and iron and steel advanced in price, while in lumber there was a slight decline.

Since the latter part of May prices of cattle and hides have advanced sharply, and there have been increases in the prices of grains, hogs, and cotton.

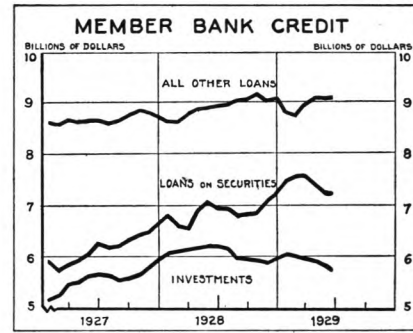
**Bank credit.** Total loans and investments of member banks in leading cities, which were at a low point for the year in the latter part of May, increased considerably during the subsequent three weeks and on June 19 were about \$250,000,000 larger than a year ago. The recent increase reflected a large growth in the volume of loans on securities, which had declined during the preceding two months, and a further growth in loans chiefly for commercial and agricultural purposes. Investments declined during most of the period and on June 19



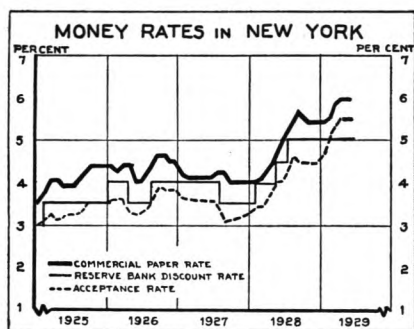
Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-25 average = 100). Latest figure May, 123.



Index of United States Bureau of Labor Statistics (1926 = 100, base adopted by Bureau). Latest figure May, 95.8.



Monthly averages of weekly figures for reporting member banks in leading cities. Latest figures are averages of first three weeks in May.



Monthly rates in the open market in New York: commercial paper rate on 4 to 6-month paper and acceptance rate on 90-day bankers' acceptances. Latest figures are averages of first 22 days in June.

were at a level about \$450,000,000 below that of the middle of last year.

Volume of reserve bank credit outstanding, after increasing in the latter part of May, declined in June and, following the Treasury financial operations around the middle of the month, showed a small increase for the four weeks ending June 19. Discounts for member banks increased, while holdings of acceptances and United States securities showed a decline. There were some further additions to the country's stock of monetary gold.

Open-market rates on collateral loans declined in June, while rates on prime commercial paper and 90 day bankers' acceptances remained unchanged.

## BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

Commercial and industrial activity in the Philadelphia Federal Reserve District continues well sustained, and the volume of transactions compares favorably with that of a year ago. There is further evidence, however, of the usual seasonal slackening in many lines of manufacture, but the extent of these recessions does not appear to be as widespread as was the case at the same time last year.

The market for manufactured products on the whole is moderately active, although sales have declined since the middle of last month. Unfilled orders, on the contrary, seem to be larger than a month ago and exceed appreciably the volume reported a year ago.

Productive activity has declined in recent weeks, as usual, following a relatively high level of operations in the spring months. This is especially true of the shoe industry, most of the branches of textiles, and chemicals. Fabricators of metal products continue unusually active although the demand for their products has slowed down somewhat lately.

Conditions in lines making building materials have improved further, though not in comparison with a year ago. The unfavorable contrast with a year ago no doubt reflects lessened activity in the building trades.

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| BUSINESS INDICATORS<br>Philadelphia Federal Reserve District              | May, 1929           | Latest figure compared with |          |
|---|---------------------|-----------------------------|----------|
|   |                     | Previous month              | Year ago |
| <b>Retail trade</b> —estimated net sales (140 stores).....                | \$23,144,000        | + 1.8%                      | - 2.6%   |
| Department stores (62).....   | \$19,020,200        | + 1.7 "                     | - 4.0 "  |
| Apparel stores (41).....  | \$2,785,600         | - 4.1 "                     | + 4.9 "  |
| Shoe stores (17).....   | \$403,400           | +18.0 "                     | - 3.0 "  |
| Credit stores (20).....   | \$934,800           | +15.5 "                     | + 3.5 "  |
| <b>Wholesale trade</b> —net sales (111 firms).....                        | \$7,924,264         | + 1.7 "                     | - 0.9 "  |
| Boots and shoes (6).....  | \$140,505           | + 2.4 "                     | -14.0 "  |
| Drugs (11).....   | \$1,484,388         | - 4.5 "                     | - 4.6 "  |
| Dry goods (14).....   | \$531,015           | - 3.5 "                     | -14.7 "  |
| Groceries (42).....   | \$3,222,013         | + 7.0 "                     | + 1.0 "  |
| Hardware (22).....  | \$1,709,476         | - 2.6 "                     | - 2.3 "  |
| Jewelry (9).....  | \$329,460           | +19.4 "                     | +31.6 "  |
| Paper (7).....  | \$507,407           | + 0.4 "                     | + 9.5 "  |
| <b>Productive activity</b> —  |                     |                             |          |
| Employment—778 plants in Penna.....                                       | 273,676             | + 0.8 "                     | + 8.5 "  |
| Wage payments in above plants.....  | \$7,534,304         | + 1.4 "                     | +15.1 "  |
| Shoe production* (88 factories).....                                      | prs. 1,417,229      | - 3.4 "                     | .....    |
| Hosiery production* (120 mills).....                                      | doz. prs. 1,681,474 | + 3.3 "                     | .....    |
| Wool consumption* (81 mills).....   | lbs. 7,746,544      | - 3.9 "                     | .....    |
| Active cotton spindle hours (Penna. and N. J.).....                       | 75,465,872          | - 0.9 "                     | + 2.4 "  |
| Pig iron production.....  | tons 376,467        | + 8.4 "                     | +30.2 "  |
| Iron casting production (38 foundries).....                               | tons 6,847          | - 1.3 "                     | + 9.6 "  |
| Steel casting production (12 foundries).....                              | tons 7,472          | - 1.9 "                     | +46.1 "  |
| Anthracite.....   | tons 6,329,000      | - 1.7 "                     | -22.1 "  |
| Bituminous coal—Penna.....  | tons 11,151,000     | + 5.5 "                     | +13.9 "  |
| Cement.....   | bbls. 3,541,000     | +17.8 "                     | - 7.4 "  |
| Electric power output (12 systems).....                                   | KWH. 553,140,400    | - 0.3 "                     | +26.5 "  |
| <b>Financial and credit</b> —   |                     |                             |          |
| Debits (18 cities).....   | \$2,973,179,000     | - 6.2 "                     | + 2.0 "  |
| Loans and investments—middle of June—110 member banks.....                | \$1,624,200,000     | - 0.2 "                     | - 2.5 "  |
| Bills discounted held by F. R. B. of Phila. (daily average).....          | \$86,700,000        | -21.2 "                     | +43.5 "  |
| Bankers' acceptances outstanding—end of month (district).....             | \$14,641,000        | +32.5 "                     | - 2.1 "  |
| Commercial paper sales (dealers).....                                     | \$1,227,500         | -17.6 "                     | -80.0 "  |
| Commercial failures—number.....   | 87                  | - 3.3 "                     | + 2.4 "  |
| Commercial failures—liabilities.....                                      | \$1,902,538         | - 5.6 "                     | -29.4 "  |
| <b>Building and real estate</b> —   |                     |                             |          |
| Building permits (17 cities).....   | \$16,485,774        | +19.5 "                     | -15.8 "  |
| Building contracts awarded (Philadelphia district).....                   | \$37,809,200        | -43.6 "                     | -24.0 "  |
| Number of real estate deeds recorded (Philadelphia county).....           | 5,303               | + 0.4 "                     | - 6.3 "  |
| Value of mortgages recorded (Philadelphia county).....                    | \$17,809,750        | -26.9 "                     | -42.7 "  |
| Sheriff's sale (Philadelphia county)—number of writs issued for June..... | 887                 | -23.0 "                     | +10.7 "  |
| <b>Miscellaneous</b> —  |                     |                             |          |
| Freight car loadings (Allegheny district—weekly average).....             | 221,108             | + 6.8 "                     | + 8.1 "  |
| Tonnage of vessels (Port of Philadelphia).....                            | tons 4,401,852      | + 9.5 "                     | +16.0 "  |
| Sales of life insurance (Penna., N. J., and Del.).....                    | \$110,263,000       | - 0.8 "                     | - 2.9 "  |
| Automobile sales (registrations of new passenger cars).....               | 25,144              | -10.0 "                     | .....    |

\* Bureau of Census preliminary figures.

The value of building contracts awarded declined in May and in comparison with a year earlier. The decline in contracts for residential buildings was principally responsible for the sharp drop.

Stocks of finished goods carried by manufacturers for the most part vary from moderate to light and continue smaller than those of a month ago in most instances. Compared with those on the same date last year, inventories generally are smaller.

The distribution of goods is well maintained. Shipments by railroad in this section have continued in excess of last year, the movement of merchandise and miscellaneous commodities contributing to this favorable showing.

Retail business is said to be moving forward at a fairly active pace. Sales in May were almost 2 per cent larger than in April but nearly 3 per cent smaller than in May, 1928, department and shoe stores being chiefly responsible for this decline. Similarly, wholesale and jobbing trade showed a gain over the

preceding month but a slight decline in comparison with a year ago. Sales of new passenger cars in May decreased appreciably for the first time this year. Sales of life insurance were smaller than in April or in May, 1928.

Check payments in this district during the four weeks ended June 19 were larger than in the preceding four weeks and continued ahead of those of a year ago.

Active business in this district during recent months has been paralleled by a rising volume of commercial loans. In the four weeks ended June 12, there was a continuation of this tendency and a decline in loans on securities, according to the reports of member banks in many of the larger cities. In the following week, however, banks in Philadelphia reported a substantial rise in loans on securities; a large increase in government deposits testified to heavy subscriptions to the new issue of government certificates, but their holdings of such securities declined slightly. Borrowings from the Federal Reserve Bank decreased between May 22 and June 19, and the

reserve ratio rose from 72.9 to 75.8 per cent.

## FINANCIAL CONDITIONS

In the past month brokers' loans have declined in volume, and rates on loans secured by stock exchange collateral have been easier.

There has been little change in the circulation of money recently, but the gold stock of the country shows a further increase and now is about 200 millions larger than it was a year ago. Reports on the gold movement at New York show that in the four months ended June 19 about 72 millions of gold were released from earmark, and imports of the metal exceeded exports by 71 millions. Imports were mainly from Germany and Argentina.

**Money rates.** Rates for call money in June have been definitely easier than in the early part of May, the range being from 6 to 8 per cent in the first twenty days of June, as against 7 to 14 per cent in the earlier month. Time money, too, is easier, ninety-day money being quoted at 8 per cent on June 20 as compared with 9 per cent on May 20. Prime commercial paper and bankers' bills, however, are unchanged at rates more than one per cent higher than a year ago.

| Call money renewals<br>(Daily average rates—%) | 1929 |      |      |      | 1928<br>June |
|--|------|------|------|------|--------------|
|  | Mar. | Apr. | May  | June |              |
| For period from—                               |      |      |      |      |              |
| 1st to 5th.....                                | 8.0  | 10.0 | 10.3 | 6.7  | 6.2          |
| 6th to 10th.....                               | 9.3  | 7.3  | 12.4 | 7.0  | 6.0          |
| 11th to 15th.....                              | 7.4  | 8.7  | 8.0  | 7.7  | 5.8          |
| 16th to 20th.....                              | 8.0  | 7.9  | 9.7  | 7.0  | 5.7          |
| 21st to 25th.....                              | 9.0  | 7.7  | 6.6  |      | 6.5          |
| 26th to 31st.....                              | 14.0 | 11.7 | 6.0  |      | 7.1          |

**Brokers' loans.** Brokers' loans, as reported by New York City member banks, declined 100 millions in the four weeks ended June 19 to 5,420 millions. This represents a decrease of 373 millions from the high point on March 20; in comparison with that date loans for their own account and for out-of-town banks have declined, but those for others are slightly larger.

**New capital issues.** New capital issues, refunding excluded, reached the large sum of \$1,127,000,000 in May, which compares with \$676,000,000 in April, and \$853,000,000 a year ago. The increase in the month was chiefly in corporate securities, although there also was a substantial expansion in municipal offerings.

The total for the first five months of the year was \$4,604,000,000, an increase of about 38 per cent over the corresponding period of 1928, although foreign government issues declined from \$358,000,000 to \$36,000,000.

**Banking conditions in the Philadelphia district.** Active business in the

| CITY CONDITIONS<br>Philadelphia Federal Reserve<br>District |           | May, 1929, compared with May, 1928 |               |                           |        |                    |                      |
|---|-----------|------------------------------------|---------------|---------------------------|--------|--------------------|----------------------|
|   |           | Employment                         | Wage payments | Value of building permits | Debits | Retail trade sales | Electric power sales |
| Allentown   | area..... | - 3.6%                             | - 1.0%        | - 27.6%                   | +10.8% | - 0.1%             | .....%*              |
| Altoona   | ".....    | + 9.5                              | +12.6         | - 33.3                    | - 7.6  | - 0.2              | +15.1                |
| Harrisburg  | ".....    | +12.4                              | +27.1         | - 26.0                    | - 3.0  | - 0.2              | .....                |
| Johnstown   | ".....    | + 0.4                              | + 5.9         | - 71.3                    | + 9.0  | - 4.4              | +10.1                |
| Lancaster   | ".....    | + 0.6                              | - 0.3         | - 6.2                     | +12.6  | + 6.3              | +21.0                |
| Philadelphia  | ".....    | +14.6                              | +17.3         | - 36.0                    | + 1.9  | - 3.4              | +18.6                |
| Reading   | ".....    | +10.5                              | +20.9         | +141.9                    | + 5.7  | + 3.1              | +36.9                |
| Scranton  | ".....    | - 2.7                              | + 0.9         | - 57.6                    | - 8.8  | - 3.0              | - 2.7                |
| Trenton   | ".....    | - 0                                | + 3.2         | - 45.6                    | - 1.1  | + 3.1              | +25.0                |
| Wilkes-Barre  | ".....    | - 9.4                              | - 2.6         | - 37.9                    | -14.9  | - 5.7              | .....                |
| Williamsport  | ".....    | +17.6                              | +28.4         | + 45.2                    | +10.7  | .....              | .....                |
| Wilmington  | ".....    | + 8.0                              | +13.6         | - 43.6                    | +27.0  | + 1.0              | +21.2                |
| York  | ".....    | - 1.8                              | - 1.3         | - 33.0                    | + 2.4  | .....              | +12.2                |

May, 1929, compared with April, 1929

|              |           |        |        |         |        |        |         |
|--------------|-----------|--------|--------|---------|--------|--------|---------|
| Allentown    | area..... | + 1.9% | + 2.9% | - 21.7% | - 1.6% | - 7.4% | + 2.6%* |
| Altoona      | ".....    | - 0.4  | + 0.3  | - 38.7  | - 6.0  | +19.4  | - 1.5   |
| Harrisburg   | ".....    | - 1.7  | + 2.3  | - 33.7  | - 2.6  | +36.0  | .....   |
| Johnstown    | ".....    | + 8.2  | +11.4  | - 18.2  | + 9.8  | +17.7  | + 1.2   |
| Lancaster    | ".....    | + 4.7  | + 3.1  | - 37.1  | -17.0  | - 7.9  | - 0.3   |
| Philadelphia | ".....    | + 1.6  | + 0.9  | + 19.1  | - 7.1  | - 4.4  | - 0.0   |
| Reading      | ".....    | + 0.7  | + 1.0  | - 25.7  | + 1.2  | -19.4  | + 3.3   |
| Scranton     | ".....    | - 1.2  | + 1.5  | - 51.3  | + 0.2  | +25.8  | - 2.0   |
| Trenton      | ".....    | + 1.0  | + 6.8  | + 24.8  | - 4.3  | +13.1  | + 2.1   |
| Wilkes-Barre | ".....    | - 9.3  | - 0.1  | - 91.4  | - 0.1  | + 8.2  | .....   |
| Williamsport | ".....    | + 0.1  | - 0.4  | +117.3  | - 6.8  | .....  | .....   |
| Wilmington   | ".....    | + 0.1  | + 3.9  | + 4.1   | + 0.6  | +22.0  | - 4.4   |
| York         | ".....    | - 1.9  | - 1.7  | + 55.3  | - 9.6  | .....  | + 3.4   |

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

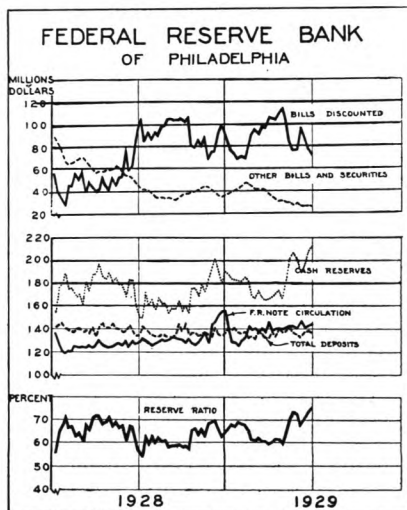
Philadelphia Federal Reserve District has been accompanied by a rising volume of commercial loans. The expansion in such loans has continued since early in February and they are in larger volume than a year ago. Loans on securities, on the other hand, have declined lately, and on June 12 were little higher than in June, 1928.

Despite a recent increase in net demand deposits, comparison with a year ago shows that deposits, both demand and time, have declined materially. A part of this loss of funds may be due to purchases of securities or to loans in the call money market by customers. In the effort to meet the withdrawal of funds, banks have parted with a substantial portion of their investments.

Obvious differences are to be found in

the figures of Philadelphia banks and of those outside of the city. Philadelphia institutions report a decline in loans on securities in the past year, which was about equaled by an increase in commercial loans; investments were much reduced. Outside of the city reporting banks also reduced investments, but there was little change in the volume of their commercial loans, and their loans on securities show an increase.

| Reporting member banks<br>in 21 leading cities<br>(000,000's omitted) | June 12,<br>1929 | Changes in |          |
|---|------------------|------------|----------|
|   |                  | Four weeks | One year |
| Reported by 95 banks:   |                  |            |          |
| Loans on securities.....  | \$ 533           | -\$ 6      | +\$ 4    |
| Other (largely commercial) loans.....                                 | 568              | + 5        | + 17     |
| Reported by 110 banks:  |                  |            |          |
| Total loans and discounts.....  | 1,173            | - 2        | + 20     |
| Investments.....  | 451              | + 2        | - 62     |
| Net demand deposits.....  | 876              | + 13       | - 36     |
| Time deposits.....  | 475              | - 8        | - 66     |



In the four weeks ended June 19 borrowings from the Federal Reserve Bank of Philadelphia were reduced 5 millions to a point 13 millions lower than a year ago. Changes in deposits and in note circulation were not large, cash reserves increased, and the reserve ratio of the bank advanced from 72.9 per cent on May 22 to 75.8 per cent on June 19. In this period there was a gain in the settlements, sufficient to offset losses of funds incident to government fiscal operations.

The new issue of 5½ per cent government certificates of indebtedness, dated June 15, was well received; allotments in this district totaled \$37,300,000, of which \$33,373,000 was paid for by deposit credit.



Government disbursements here in the first twenty days of June included the redemption of \$28,143,000 of maturing issues and the payment of \$3,429,000 of coupons. Income tax checks credited to the Treasurer of the United States in this period totaled \$40,339,000 as compared with \$34,851,000 in the same period last year.

| Federal Reserve Bank of Philadelphia<br>(Dollar figures in millions) | June 19, 1929 | Changes in |          |
|--|---------------|------------|----------|
|  |               | Four weeks | One year |
| Bills discounted for member banks in Philadelphia.....               | \$ 25.9       | -\$ 5.3    | -\$19.6  |
| 20 other large cities.....   | 22.9          | — .5       | — .1     |
| Other communities.....   | 22.7          | + .5       | + 6.6    |
| Total bills discounted.....  | \$71.5        | -\$ 5.3    | -\$13.1  |
| Bills bought.....  | 9.6           | - 2.0      | - 16.7   |
| United States securities.....  | 16.5          | - .2       | - 5.1    |
| Other securities.....  | .4            | 0          | + .3     |
| Total bills and securities.....                                      | \$ 98.0       | -\$ 7.5    | -\$34.6  |
| Fed. res. note circulation.....                                      | 143.7         | + 3.1      | + 17.2   |
| Member banks' reserve deposits.....                                  | 135.8         | + 2.3      | + 2.4    |
| Cash reserves.....   | 213.0         | + 11.8     | + 53.1   |
| Reserve ratio.....   | 75.8%         | + 2.9%     | +14.7%   |

**Commercial paper.** Four dealers report an entire absence of sales of commercial paper to banks in Philadelphia during May. Outside of the city, too, purchases were in small amount, smaller in fact than in any May since these reports first were collected in 1922.

| Reports of four dealers | Sales to    |               | Total sales |
|-------------------------|-------------|---------------|-------------|
|                         | City banks  | Country banks |             |
| 1929—Jan. ....          | \$3,612,500 | \$2,827,500   | \$6,440,000 |
| Feb. ....               | 777,500     | 2,495,000     | 3,272,500   |
| Mar. ....               | 705,000     | 1,252,500     | 1,957,500   |
| Apr. ....               | 135,000     | 1,355,000     | 1,490,000   |
| May....                 | 0           | 1,227,500     | 1,227,500   |
| 1928—May....            | 1,240,000   | 3,872,500     | 5,112,500   |

**Bankers' bills.** Banks in this district report an increase from \$11,049,000 to \$14,641,000 during May in the amount of bankers' bills outstanding. The national totals show a slight decline, although the figure for May 31 was higher than a year earlier, chiefly as the result of an increase in bills based on goods stored in or shipped between foreign countries.

| Acceptances outstanding<br>(000,000's omitted)                     | May 31, 1928 | Apr. 30, 1929 | May 31, 1929 |
|--|--------------|---------------|--------------|
| Imports.....   | \$ 318       | \$ 324        | \$ 326       |
| Exports.....   | 383          | 377           | 381          |
| Domestic shipments.....  | 19           | 16            | 15           |
| Domestic warehouse credits.....                                    | 133          | 100           | 95           |
| Dollar exchange.....   | 26           | 45            | 47           |
| Based on goods stored in or shipped between foreign countries..... | 162          | 249           | 243          |
| Totals.....  | \$1,041      | \$1,111       | \$1,107      |

## COMMODITY PRICES

Wholesale prices continued to decline during May but strengthened appreciably in June. Irving Fisher's weekly index for May was 96.0 per cent of the 1926 average but rose to 96.6 for the week ending June 14 and 97.6 for the week of June 21.

The index of the Bureau of Labor Statistics declined from 96.8 per cent in April to 95.8 in May, which was 2.7 per cent below the figure for May a year ago. The farm products group declined over 2.5 per cent in the month; decreases also occurred in textile, hide and leather, and chemical prices.

The retail food index for May 15 shows an increase of about one per cent over the preceding month but a decrease of about one-third of one per cent as compared with a year ago. The index number was 153.3 in May. Retail prices in Philadelphia and Scranton increased two per cent over April but were still two per cent behind the figures for the same period last year. Compared with the 1913 May figure, prices of food throughout the country were 59 per cent higher; for Philadelphia, 56 and for Scranton 59 per cent higher.

## INDUSTRIAL CONDITIONS MANUFACTURING

While activity in manufacturing in this district is being maintained at a fairly high rate, seasonal recessions are evidenced by many reports from individual lines of industry. The market for finished products is moderately active. Sales have declined slightly since last month but compare rather favorably with the volume of a year ago. Unfilled orders, on the other hand, show some gain in the month and in the year.

Plant operations generally show less than the usual seasonal let-down. Factory employment and payrolls in May continued the upward trend and were substantially larger than in the same month last year. The demand for workers by employers rose further in May, instead of declining.

Industrial consumption of electrical energy increased further by almost five per cent and was about 27 per cent larger than in May, 1928. Total sales of electricity also showed a slight gain in the month and nearly 33 per cent in comparison with a year earlier. Production of electric power by twelve systems of this district was slightly below that of April, but nearly 27 per cent in excess of the quantity generated in May, 1928. Comparisons are given in the accompanying Table.

**Iron and steel.** Business in iron and steel products continues active, although seasonal recessions have occurred since the middle of last month; these recessions, however, are much less pronounced than was the case at the same time in recent years. Construction companies appear to be the most active buyers, although railroads and public utilities also show some gains over last month. Purchases by foundries, automobile makers, and jobbers have slackened somewhat, as is usual at this time. Prices remain firm and in several instances further increases have been noted.

| ELECTRIC POWER<br>Philadelphia Federal Reserve<br>District<br>12 systems | May, 1929<br>Change from |             |
|--|--------------------------|-------------|
|  | May, 1928                | April, 1929 |
| Rated generator capacity...  | + 7.3%                   | -0.0%       |
| Generated output.....  | +26.5 "                  | -0.3 "      |
| Hydro-electric.....  | +59.8 "                  | +8.4 "      |
| Steam.....   | - 6.4 "                  | -7.0 "      |
| Purchased.....   | +46.1 "                  | -2.1 "      |
| Sales of electricity.....  | +32.6 "                  | +0.3 "      |
| Lighting.....  | + 9.7 "                  | -7.3 "      |
| Municipal.....   | + 8.3 "                  | -7.1 "      |
| Residential and commercial.....  | + 9.8 "                  | -7.4 "      |
| Power.....   | +23.1 "                  | +3.3 "      |
| Municipal.....   | - 4.4 "                  | -2.6 "      |
| Street cars and railroads.....   | +13.2 "                  | -1.5 "      |
| Industries.....  | +27.1 "                  | +4.6 "      |
| All other sales.....   | +98.7 "                  | -1.8 "      |

Orders on the books of reporting firms are substantially larger than a year ago. Unfilled orders of the United States Steel Corporation, while declining less than seasonally from April to May, were the largest for that month since 1923.

Productive activity continues at a high level, several reports indicating further increases in plant operations during the month. Fabricators of metal products reported a gain in employment and payrolls between April and May and a considerable increase in comparison with a year earlier.

The daily output of pig iron in this district has risen steadily since the early part of this year and in May reached a higher tonnage than in any previous month since April, 1926. Similarly, daily production of pig iron in the United States continued to increase steadily, establishing in May the peak for all time. Production of steel ingots in May also was the largest ever recorded in that industry.

| Iron and steel<br>Daily output | May, 1929<br>(gross tons) | Change from May, 1928 | 5 mos. of 1929 compared with 5 mos. of 1928 |
|--------------------------------|---------------------------|-----------------------|---|
| Pig iron                       |                           |                       |   |
| United States....              | 125,745                   | +18.7%                | +16.8%                                      |
| Phila. Reserve District.....   | 12,144                    | +30.2 "               | +31.1 "                                     |
| Steel ingots                   |                           |                       |   |
| United States....              | 195,302                   | +25.3 "               | +14.3 "                                     |

Source: Iron Age.

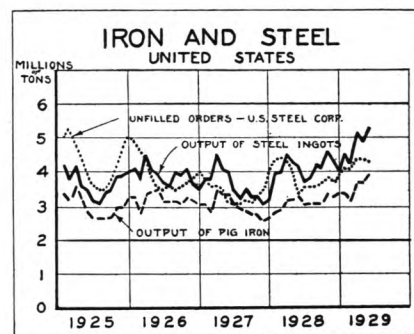
Activity of iron and steel foundries, though declining seasonally, was substantially above the level prevailing at

| EMPLOYMENT AND<br>WAGES<br>in Pennsylvania | No.<br>of<br>plants<br>re-<br>port-<br>ing | EMPLOYMENT<br>May, 1929 |                          |               | PAYROLLS<br>May, 1929 |                          |               | AVERAGE<br>WEEKLY<br>EARNINGS<br>week ended |                     |
|--|--|-------------------------|--------------------------|---------------|-----------------------|--------------------------|---------------|---|---------------------|
|  |  | May<br>index*           | Per cent<br>change since |               | May<br>index*         | Per cent<br>change since |               | May<br>15,<br>1929                          | Apr.<br>15,<br>1929 |
|  |  |                         | May,<br>1928             | Apr.,<br>1929 |                       | May,<br>1928             | Apr.,<br>1929 |   |                     |
|  |  |                         |                          |               |                       |                          |               |   |                     |
| All manufacturing industries<br>(51).....  | 778  | 93.5                    | + 8.5                    | + 0.8         | 102.3                 | +15.1                    | + 1.4         | \$27.53                                     | \$27.36             |
| Metal products.....                        | 228  | 92.2                    | +12.0                    | + 2.8         | 104.7                 | +20.2                    | + 4.2         | 30.33                                       | 29.96               |
| Blast furnaces.....                        | 9  | 48.0                    | + 3.7                    | + 2.6         | 51.7                  | + 4.2                    | + 4.4         | 29.76                                       | 29.26               |
| Steel wks. & rolling mills.....            | 43   | 82.0                    | + 4.2                    | + 0.9         | 95.2                  | +14.1                    | + 1.2         | 31.57                                       | 31.46               |
| Iron and steel forgings.....               | 10   | 101.5                   | +24.2                    | + 4.4         | 125.8                 | +43.9                    | +11.9         | 30.05                                       | 28.03               |
| Structural iron work.....                  | 10   | 112.8                   | +17.4                    | + 0.1         | 121.0                 | +20.9                    | + 7.2         | 29.59                                       | 27.66               |
| Steam & hot water htg. ap.....             | 17   | 96.6                    | + 2.9                    | + 0.8         | 111.0                 | + 6.1                    | + 3.6         | 31.22                                       | 30.42               |
| Stoves and furnaces.....                   | 8  | 76.2                    | - 4.6                    | + 7.2         | 68.3                  | - 5.8                    | +11.2         | 25.53                                       | 24.69               |
| Foundries.....                             | 38   | 94.3                    | +12.5                    | + 0.4         | 106.0                 | +20.9                    | + 0.4         | 30.31                                       | 30.35               |
| Machinery and parts.....                   | 39   | 117.6                   | +16.7                    | + 3.9         | 136.2                 | +25.6                    | + 6.4         | 32.83                                       | 32.04               |
| Electrical apparatus.....                  | 16   | 158.0                   | +71.7                    | +21.2         | 179.9                 | +75.0                    | +27.9         | 25.88                                       | 24.62               |
| Engines and pumps.....                     | 10   | 99.8                    | +11.0                    | - 3.4         | 112.3                 | +23.1                    | + 0.7         | 30.34                                       | 29.12               |
| Hardware and tools.....                    | 18   | 93.9                    | +14.7                    | + 0.4         | 100.4                 | +26.6                    | + 1.1         | 24.82                                       | 24.68               |
| Brass and bronze prods.....                | 10   | 98.6                    | +11.9                    | - 1.3         | 101.0                 | +21.4                    | - 1.8         | 27.07                                       | 27.21               |
| Transportation equipment..                 | 40   | 87.1†                   | +14.5                    | - 2.1         | 89.9†                 | +17.1                    | - 7.5         | 30.00                                       | 31.77               |
| Automobiles.....                           | 6  | 125.4                   | +36.0                    | + 4.6         | 145.8                 | +33.0                    | + 1.1         | 33.58                                       | 34.69               |
| Auto. bodies and parts.....                | 11   | 114.3                   | +40.9                    | -17.4         | 99.3                  | +25.2                    | -27.9         | 28.13                                       | 32.21               |
| Locomotives and cars.....                  | 13   | 68.1                    | +13.3                    | + 4.3         | 69.1                  | +29.6                    | + 2.7         | 29.35                                       | 29.79               |
| Railroad repair shops.....                 | 6  | 91.5                    | +14.1                    | - 0.1         | 107.2                 | +31.5                    | - 2.2         | 30.99                                       | 31.68               |
| Shipbuilding.....                          | 4  | 45.0                    | +48.5                    | +22.3         | 46.8                  | +53.9                    | + 9.9         | 30.20                                       | 33.68               |
| Textile products.....                      | 156  | 99.5                    | + 4.3                    | - 2.5         | 109.9                 | +10.3                    | - 1.4         | 22.77                                       | 22.52               |
| Cotton goods.....                          | 14   | 79.7                    | + 1.4                    | - 2.3         | 81.5                  | + 7.5                    | - 2.4         | 23.75                                       | 23.76               |
| Woolens & worsteds.....                    | 15   | 81.9                    | - 2.6                    | - 7.1         | 84.7                  | + 1.7                    | - 3.8         | 21.98                                       | 21.25               |
| Silk goods.....                            | 38   | 101.0                   | + 4.9                    | - 4.4         | 109.6                 | +13.3                    | - 1.9         | 19.86                                       | 19.37               |
| Textile dyeing & finishing.....            | 9  | 114.7                   | - 2.5                    | - 6.3         | 123.5                 | + 3.4                    | - 5.7         | 25.71                                       | 25.49               |
| Carpets and rugs.....                      | 9  | 91.5                    | + 4.6                    | + 0.3         | 89.1                  | +11.7                    | - 1.1         | 24.49                                       | 25.00               |
| Hats.....                                  | 4  | 97.3                    | - 3.5                    | + 0.7         | 94.0                  | + 0.6                    | + 9.4         | 24.64                                       | 22.66               |
| Hosiery.....                               | 25   | 125.5                   | +10.6                    | + 0.1         | 158.0                 | +12.6                    | - 1.6         | 28.35                                       | 28.80               |
| Knit goods, Other.....                     | 15   | 88.4                    | + 0.9                    | + 0.9         | 101.0                 | +11.6                    | + 0.6         | 20.21                                       | 20.30               |
| Men's clothing.....                        | 9  | 93.8                    | +20.3                    | - 3.6         | 97.9                  | +33.7                    | - 5.2         | 18.58                                       | 18.88               |
| Women's clothing.....                      | 9  | 121.4                   | + 1.2                    | - 6.6         | 129.4                 | + 1.6                    | - 7.5         | 15.25                                       | 15.39               |
| Shirts and furnishings.....                | 9  | 92.8                    | + 2.3                    | + 1.6         | 89.4                  | + 4.9                    | - 4.3         | 15.06                                       | 15.99               |
| Foods and tobacco.....                     | 94   | 92.9                    | - 4.0                    | - 1.4         | 98.1                  | - 0.2                    | + 4.1         | 21.32                                       | 20.18               |
| Bread & bakery products.....               | 26   | 108.7                   | + 2.8                    | + 2.3         | 104.9                 | + 2.2                    | + 4.3         | 28.64                                       | 28.01               |
| Confectionery.....                         | 13   | 88.1                    | - 0.8                    | - 2.0         | 102.7                 | + 1.5                    | + 1.5         | 20.65                                       | 19.95               |
| Ice cream.....                             | 11   | 92.5                    | - 1.3                    | + 2.4         | 99.6                  | - 5.3                    | + 1.2         | 31.82                                       | 32.26               |
| Meat packing.....                          | 14   | 100.5                   | +12.0                    | - 0.5         | 98.0                  | +14.0                    | + 0.9         | 28.63                                       | 28.22               |
| Cigars and tobacco.....                    | 30   | 89.0                    | -10.7                    | - 3.3         | 92.2                  | - 5.9                    | + 8.3         | 15.22                                       | 13.69               |
| Stone, clay & glass products               | 66   | 83.8                    | + 4.3                    | + 2.7         | 86.6                  | - 2.9                    | + 4.8         | 28.20                                       | 27.63               |
| Brick, tile and pottery.....               | 30   | 91.4                    | + 1.6                    | + 0.3         | 94.9                  | + 6.6                    | + 1.5         | 25.76                                       | 25.50               |
| Cement.....                                | 14   | 75.3                    | -17.0                    | + 6.2         | 83.3                  | -17.2                    | + 8.0         | 32.16                                       | 31.60               |
| Glass.....                                 | 22   | 93.6                    | + 7.7                    | + 1.7         | 92.5                  | +12.0                    | + 4.4         | 26.51                                       | 25.84               |
| Lumber products.....                       | 42   | 71.8                    | + 3.5                    | + 4.8         | 72.7                  | + 6.8                    | + 5.4         | 21.69                                       | 21.56               |
| Lumber and planing mills.....              | 17   | 65.3                    | + 7.8                    | + 2.2         | 69.6                  | + 7.6                    | + 0.1         | 21.89                                       | 22.34               |
| Furniture.....                             | 19   | 71.5                    | + 2.1                    | + 7.2         | 69.8                  | +10.4                    | +10.6         | 23.41                                       | 22.71               |
| Wooden boxes.....                          | 6  | 106.0                   | - 6.4                    | + 6.1         | 111.8                 | - 7.0                    | + 9.5         | 17.01                                       | 16.48               |
| Chemical products.....                     | 47   | 101.5                   | + 4.5                    | + 1.7         | 110.6                 | + 3.8                    | + 3.3         | 29.16                                       | 28.73               |
| Chemicals and drugs.....                   | 27   | 91.1                    | - 1.9                    | - 6.8         | 95.4                  | - 0.3                    | - 8.6         | 27.97                                       | 28.29               |
| Coke.....                                  | 3  | 118.9                   | - 7.7                    | + 0.3         | 118.7                 | - 9.7                    | + 2.2         | 28.20                                       | 27.71               |
| Explosives.....                            | 3  | 140.7                   | +22.8                    | + 0.9         | 131.9                 | +25.0                    | + 2.4         | 25.89                                       | 25.50               |
| Paints and varnishes.....                  | 9  | 135.3                   | + 6.3                    | + 3.8         | 145.7                 | + 7.4                    | + 2.7         | 27.83                                       | 28.11               |
| Petroleum refining.....                    | 5  | 93.2                    | +11.6                    | + 4.7         | 104.2                 | +10.0                    | + 6.9         | 30.50                                       | 29.84               |
| Leather and rubber products                | 48   | 97.0                    | - 1.2                    | + 2.1         | 101.4                 | + 0.6                    | + 2.7         | 23.11                                       | 22.96               |
| Leather tanning.....                       | 17   | 101.7                   | - 4.6                    | + 3.6         | 106.1                 | - 4.0                    | + 3.9         | 25.69                                       | 25.57               |
| Shoes.....                                 | 21   | 91.5                    | + 3.0                    | + 1.3         | 91.5                  | + 9.2                    | + 2.8         | 18.09                                       | 17.94               |
| Leather products, Other.....               | 6  | 114.9                   | + 6.4                    | - 3.4         | 102.0                 | + 1.6                    | - 8.4         | 20.42                                       | 21.51               |
| Rubber tires and goods.....                | 4  | 77.6                    | - 2.5                    | + 0.8         | 95.1                  | + 3.4                    | + 1.3         | 29.99                                       | 29.82               |
| Paper and printing.....                    | 57   | 92.0                    | + 0.4                    | + 4.0         | 108.4                 | + 1.2                    | + 3.8         | 30.98                                       | 31.00               |
| Paper and wood pulp.....                   | 13   | 81.1                    | - 1.9                    | + 7.8         | 94.3                  | - 3.6                    | + 8.9         | 29.88                                       | 29.58               |
| Paper boxes and bags.....                  | 6  | 93.0                    | + 4.4                    | + 3.3         | 118.0                 | +12.7                    | + 8.9         | 16.51                                       | 15.69               |
| Printing and publishing.....               | 38   | 105.7                   | + 2.1                    | + 0.7         | 122.7                 | + 4.6                    | - 0.2         | 34.58                                       | 34.90               |
| Anthracite.....                            | .....                                      | 107.2                   | - 6.0                    | + 3.0         | 85.4                  | -12.5                    | +10.3         | 28.68                                       | 26.74               |
| Bituminous coal.....                       | 360  | .....                   | .....                    | - 3.2         | .....                 | .....                    | + 0.6         | 25.12                                       | 24.18               |
| Construc. and contracting..                | 26   | 102.4                   | +14.7                    | +37.4         | 86.1                  | + 7.2                    | +40.0         | 25.59                                       | 25.34               |
| Street railways.....                       | 5  | 91.5                    | - 3.1                    | - 1.6         | 98.1                  | - 5.4                    | - 0.9         | 34.63                                       | 34.41               |
| Retail trade.....                          | 53   | 96.4                    | - 1.6                    | 0             | .....                 | .....                    | .....         | .....                                       | .....               |
| Wholesale trade.....                       | 90   | 95.8                    | + 1.9                    | + 0.8         | .....                 | .....                    | .....         | .....                                       | .....               |

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

the same time last year. Production of iron and steel castings declined somewhat from April to May but was about 10 and 46 per cent, respectively, larger than in May, 1928. Likewise, shipments were smaller in the month but much larger

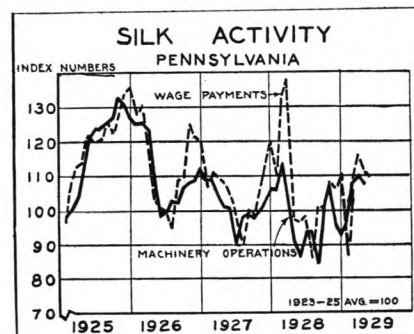
than a year before. This was also true of unfilled orders for steel castings, but orders on the books of iron foundries, while showing a considerable rise between April and May, were appreciably smaller than in May, 1928.



Source: Iron Age

Stocks of iron and steel products generally are moderate and somewhat smaller than a month ago. Stocks of raw material at steel foundries were larger than a month or a year before.

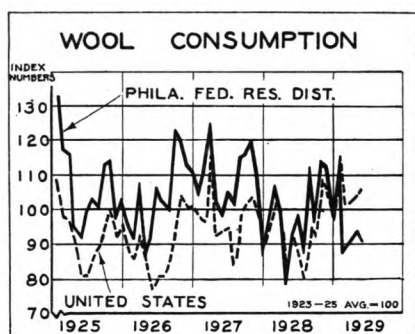
**Textiles.** Business in textile products, while fair, shows seasonal recessions. Sales, however, compare rather favorably with the volume of a year ago. The demand for textile fibers is quiet, but the market for some of the finished products shows a fair rate of activity. Sales of silk and wool manufactures exceed those of a year ago. This is also true of cotton yarns, although the present demand for them is slow. Some improvement is noted in the market for full-fashioned hosiery, while seamless shows little change. A rather quiet demand is reported in the carpet and rug industry.



Source: The Silk Association of America

Prices of cotton fibers have decreased since the middle of last month and in comparison with a year ago. Cotton manufactures also show price declines, except for slight advances on yarns in the month and on finished goods in the year. Prices of rayon have been reduced recently. Quotations for raw wool and its products have continued to decline. Raw silk shows a slight advance in the month but silk goods have declined a little further from last month's level. No change in the price of seamless hosiery is noted, but full-fashioned shows declines. Quotations for floor coverings remain unchanged.

Orders on the books of textile manufacturers show less than the usual seasonal decline and compare, on the whole, favorably with the volume of a year ago. Advance business on the books of



Source: Department of Commerce

woolen and worsted manufacturers is larger than in the previous month or a year ago. The largest declines in orders during the month occurred in cotton manufactures and floor coverings.

Productive activity has decreased further, the average rate being slightly less than 70 per cent of capacity. Consumption of wool fibers in this district declined almost 4 per cent from April to May, and wool takings by carpet mills dropped nearly 5 per cent. The total wool consumption in the United States, on the other hand, rose about 2 per cent in the same period. Delivery of raw silk to American mills declined in the month, but was larger than in May of the previous two years. Consumption of cotton fibers increased sharply from April to May and was larger than that shown for any previous month since March, 1927.

The output of hosiery in this district was about three per cent larger in May than in April. Shipments also increased slightly. Unfilled orders at the end of the month likewise were greater than on the same date last month.

The seasonal decline in the physical output of textile products in May was accompanied by a like decrease in the number of factory workers and the volume of wage disbursements. Compared with a year ago, however, both employment and payrolls were noticeably larger.

Textile inventories are moderately light, although some accumulation is noted in cotton goods and full-fashioned hosiery. In comparison with a year ago, stocks of full-fashioned hosiery alone show an increase. Stocks of raw silk and wool are larger than a month ago, but slightly smaller than at the same time last year.

**Leather and shoes.** The market for leather and shoes in the main is fairly active. Business in shoes has improved in the month and sales surpass the volume reported for the corresponding period last year. Unfilled orders indicate little change in the month but a slight gain over last year. Plant operations show the usual summer drop, the present rate being about 75 per cent of capacity. The output of shoes in this district during May was about three per cent smaller than in April, production of women's

and infants' shoes alone showing increases. Shoe production in the country also declined slightly during the month. Stocks of shoes are moderately light and are smaller than a month or a year ago.

The demand for sole leather is brisk, and sales have increased since last month. Unfilled orders are larger and operations show expansion. Colored kid leather is in strong demand, while the call for black kid has been rather quiet; prices of both show little change.

A marked seasonal improvement is noted in the market for leather goods, sales having increased at the end of the month and as compared with a year ago. Forward business on the books of reporting firms shows a substantial gain over the preceding month and a year ago. Plants are working at a somewhat higher rate than that prevailing four weeks ago.

Conditions in the hide market have improved materially and prices have advanced. Business in goatskins is fair though not quite as active as was the case a month ago. Prices continue firm.

**Building materials.** The market for building materials has improved seasonally, though not in comparison with a year ago. Sales of brick, cement, lumber, and paint have increased noticeably since the middle of last month, while those of pottery have shown a decline. Compared with a year ago, however, only lumber and paint report a larger volume of business. Prices are fairly steady, although several reports indicate some weakness. Forward business on the books of reporting firms has increased further in the month, though it has decreased in comparison with a year ago. The largest seasonal gains in unfilled orders were reported by plants making brick, cement, and lumber. The most numerous declines from a year ago, on the other hand, are noted in cement, brick, and pottery.

Plant operations have expanded a little further during the month, the present rate averaging about 65 per cent of capacity. Stocks show little change in the month, although some accumulation is noted in cement and pottery. In comparison with a year ago, stocks are smaller in all lines except brick and pottery, which report somewhat heavier inventories.

**Miscellaneous.** Buying of paper products has been good and has been reflected in firm prices and in a high rate of plant operations. Unfilled orders are slightly smaller than a month ago, while stocks are larger but about the same as in May of last year.

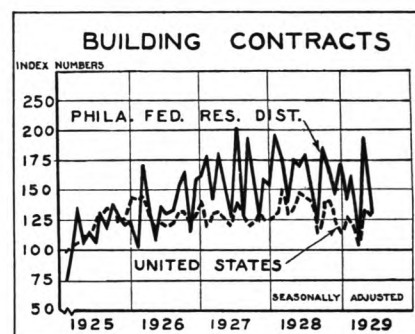
The production of cigars, which has increased throughout the country as compared with a year ago, has also gone up in this district. The demand has been fairly good and prices remain unchanged. Orders on the books are as

heavy as last month, while stocks are light.

Chemicals have been in good demand, though somewhat less active than a month ago. Unfilled orders compare favorably with last month. Stocks are light, but plant activity shows the usual seasonal decline.

## BUILDING

The increase in building operations during the month has been less pronounced than is usual at this season, and the present level is lower than that which existed at the same time last year. The value of building contracts declined sharply from April to May and in contrast with a year earlier. The decline in contracts for residential buildings was particularly heavy. Eastern Pennsylvania was principally responsible for the sharp drop in the total value of contract awards. Wilmington and Trenton had a larger volume of contracts in May than in April, while Philadelphia, Camden, Reading, and Scranton reported smaller totals. Compared with a year ago, only Reading and Trenton showed gains.



Source: F. W. Dodge Corporation

The proposed expenditure under permits in 16 cities of this district increased appreciably from April to May but was smaller than a year ago. Similarly, in the United States the value of permits issued in 591 cities was much smaller than in May, 1928.

|   | May, 1929<br>(000's omitted) | Change from May, 1928 | 5 mos. of 1929 compared with 5 mos. of 1928 |
|---|------------------------------|-----------------------|---|
| <b>Building operations</b>                  |                              |                       |   |
| Contract Awards:                            |                              |                       |   |
| Phila. Federal Reserve District             |                              |                       |   |
| Total                                       | \$ 37,809                    | -24.0%                | -12.7%                                      |
| Residential                                 | 15,086                       | -39.0 "               | -22.2 "                                     |
| United States                               |                              |                       |   |
| Total                                       | 587,766                      | -12.0 "               | -11.1 "                                     |
| Residential                                 | 192,015                      | -33.5 "               | -28.2 "                                     |
| Permits issued:                             |                              |                       |   |
| Phila. Federal Reserve District (16 cities) | 16,406                       | -15.0 "               | + 2.5 "                                     |
| United States (591 cities)                  | 307,909                      | -19.4 "               | .....                                       |

Source: F. W. Dodge Corp. & S. W. Strauss & Co.



## AGRICULTURE

Agricultural conditions in this district are good, despite the unusual dryness prevailing in the early part of June. Lately, however, considerable relief from drought has been brought about by rains throughout the district. As a result, the growth of crops has been stimulated greatly.

The condition of the rye and wheat crops is about 7 per cent better than at this time last year, while the corn, hay and oat crops are from 5 to 10 per cent smaller.

Truck crops, while generally good, are not up to the indicated yield of last year. The strawberry yield is estimated to be 15 per cent lower, but peas and asparagus closely approach last year's crops.

Pasturage has been affected by the dry weather, although recent rains have revived its growth materially. The dairy herds are in good condition, the number of cows is increasing, and the quality of the herds is improving.

The condition of various crops on June 1 follows:

| Crops and regions  | Condition on June 1<br>Per cent of normal |      |
|--------------------|---|------|
|                    | 10 year<br>average                        | 1929 |
| Winter wheat       |   |      |
| Pennsylvania.....  | 87  | 91   |
| New Jersey.....    | 87  | 92   |
| Delaware.....      | 87  | 87   |
| United States..... | 78.2                                      | 79.6 |
| Rye                |   |      |
| Pennsylvania.....  | 90  | 91   |
| New Jersey.....    | 92  | 93   |
| Delaware.....      | 91  | 91   |
| United States..... | 85.2                                      | 83.6 |
| Oats               |   |      |
| Pennsylvania.....  | 88  | 80   |
| New Jersey.....    | 90  | 80   |
| Delaware.....      | 89  | 82   |
| United States..... | 85.2                                      | 82.0 |
| Hay (tame)         |   |      |
| Pennsylvania.....  | 85  | 89   |
| New Jersey.....    | 82  | 92   |
| Delaware.....      | 83  | 90   |
| United States..... | 85.7                                      | 86.6 |
| Pasture.....       |   |      |
| Pennsylvania.....  | 87  | 90   |
| New Jersey.....    | 86  | 90   |
| Delaware.....      | 84  | 91   |
| United States..... | 87.1                                      | 87.2 |
| Peaches            |   |      |
| Pennsylvania.....  | 58  | 55   |
| New Jersey.....    | 70  | 91   |
| Delaware.....      | 62  | 91   |
| United States..... | 64.0                                      | 54.7 |
| Pears              |   |      |
| Pennsylvania.....  | 63  | 50   |
| New Jersey.....    | 65  | 63   |
| Delaware.....      | 50  | 62   |
| United States..... | 65.5                                      | 58.5 |
| Apples             |   |      |
| Pennsylvania.....  | 70  | 57   |
| New Jersey.....    | 73  | 67   |
| Delaware.....      | 63  | 64   |
| United States..... | 68.0                                      | 66.6 |

Source: United States Department of Agriculture

## OIL

The refinery demand for crude oil is somewhat heavier than is usual at this time. Average prices of crude petroleum at the well for ten fields throughout the

country have increased about ten cents a barrel since the middle of last month and were about twenty-eight cents higher than at the same time last year. Production in Pennsylvania is larger than was the case a year ago. Producers' stocks are somewhat lighter than is customary at this season and are said to be decreasing.

The market for refined oils, especially gasoline and lubricants, is increasingly strong with respect to both demand and prices. Quotations for gasoline at refineries and service stations are higher than last month or a year ago. The output of refined oils is being well maintained. Stocks appear to be light and on the decline. In the country, stocks of gasoline also have turned downward lately, after a rise to the highest level since the early part of 1927.

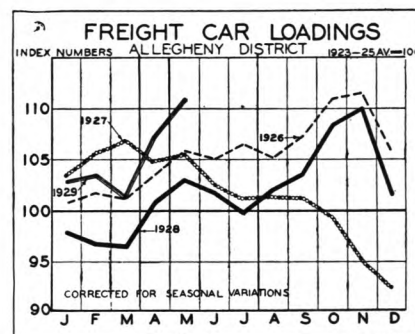
Increased activity in the petroleum refining industry is further evidenced by an increase in employment and payrolls from April to May and as compared with a year ago. Several reports indicate difficulty in obtaining either skilled or unskilled workers.

## COAL

**Anthracite.** With several collieries shut down and many others reporting light operations, the coal industry was rather quiet during the month. Anthracite production in Pennsylvania totaled 5,088,000 tons for the four weeks ended

June 15, which was a decrease of 18.1 per cent from the previous four weeks and was 16.9 per cent less than in the same period last year. The present demand for domestic sizes is poor, while prices have increased slightly. Demand for steam sizes, on the other hand, is more active and prices are lower as compared with the previous month.

**Bituminous.** Bituminous coal prices declined somewhat during the month of May and operations in this district fell off, although the total output of 36,059,000 tons for the country during the four weeks ended June 15 was two-tenths of one per cent higher than the previous four weeks and was 19.9 per cent higher than a year ago. Public utilities and industrial concerns seem to be the principal buyers at this time.



Source: American Railway Association

| RETAIL TRADE<br>Philadelphia Federal Reserve<br>District | Comparison of<br>net sales            |   | Comparison of<br>stocks |                          | Rate of<br>turnover,<br>Jan. 1 to<br>May 31 |      | Accounts<br>receivable<br>at end of<br>month<br>compared<br>with<br>year ago | Collections<br>during<br>month<br>compared<br>with<br>year ago |
|--|---------------------------------------|---|-------------------------|--------------------------|---|------|--|--|
|  | May,<br>1929,<br>with<br>May,<br>1928 | Jan. 1 to<br>May 31,<br>1929,<br>with<br>Jan. 1 to<br>May 31,<br>1928 | May 31, 1929            |                          |   |      |  |  |
|  |                                       |   | with<br>May 31,<br>1928 | with<br>Apr. 30,<br>1929 |   |      |  |  |
|  |                                       |   |                         |                          | 1928  | 1929 |  |  |
| All reporting stores . . . . .                           | -2.6%                                 | -0.3%   | -8.4%                   | -3.7%                    | 1.35  | 1.51 |  |  |
| Department stores . . . . .                              | -4.0 "                                | -1.0 "  | -9.6 "                  | -3.0 "                   | 1.30  | 1.47 |  |  |
| in Philadelphia . . . . .                                | -5.4 "                                | -1.7 "  | -12.6 "                 | -3.6 "                   | 1.40  | 1.64 |  |  |
| outside Philadelphia . . . . .                           | -0.7 "                                | +0.7 "  | -3.2 "                  | -1.9 "                   | 1.14  | 1.20 | + 7.4%   | + 5.3%   |
| Apparel stores . . . . .                                 | +4.9 "                                |   |                         |                          |   |      |  |  |
| Men's apparel stores . . . . .                           | +2.9 "                                | +0.5 "  | + 3.6 "                 | - 5.4 "                  | 1.14  | 1.15 |  |  |
| in Philadelphia . . . . .                                | +5.2 "                                | +6.8 "  | +11.7 "                 | - 7.4 "                  | 1.35  | 1.33 |  |  |
| outside Philadelphia . . . . .                           | +1.0 "                                | -4.7 "  | - 1.7 "                 | - 3.8 "                  | 0.99  | 1.00 | + 5.6 "  | - 1.2 "  |
| Women's apparel stores . . . . .                         | +5.5 "                                | +7.1 "  | + 6.4 "                 | -13.2 "                  | 2.51  | 2.55 | +11.4 "  | +10.0 "  |
| in Philadelphia . . . . .                                | +6.7 "                                | +8.5 "  | + 7.3 "                 | -14.7 "                  | 2.68  | 2.74 | +12.1 "  | +10.8 "  |
| outside Philadelphia . . . . .                           | -2.3 "                                | -2.4 "  | + 3.1 "                 | - 6.6 "                  | 1.74  | 1.64 | + 8.3 "  | + 5.1 "  |
| Shoe stores . . . . .                                    | -3.0 "                                | +1.1 "  | - 9.3 "                 | - 3.3 "                  | 1.05  | 1.11 | + 7.9 "  | - 5.5 "  |
| Credit stores . . . . .                                  | +3.5 "                                | -3.7 "  | -12.0 "                 | - 2.3 "                  | 1.13  | 1.26 | + 7.2 "  | + 1.9 "  |

| WHOLESALE<br>TRADE<br>Philadelphia Federal Reserve<br>District | Net sales,<br>May, 1929,<br>compared with |               | Stocks,<br>May 31, 1929,<br>compared with |                  | Accounts out-<br>standing,<br>May 31, 1929,<br>compared with |                  | Ratio of<br>accounts<br>out-<br>standing to<br>sales,<br>May,<br>1929 | Collections,<br>May, 1929,<br>compared<br>with |               |
|--|---|---------------|---|------------------|--|------------------|---|--|---------------|
|  | May,<br>1928                              | Apr.,<br>1929 | May 31,<br>1928                           | Apr. 30,<br>1929 | May 31,<br>1928  | Apr. 30,<br>1929 |   | May,<br>1928                                   | Apr.,<br>1929 |
| Boots and shoes ..   | -14.0%                                    | +2.4%         | .....%                                    | .....%           | -9.6%  | -3.2%            | 403.9%  | -9.0%  | +2.3%         |
| Drugs.....   | -4.6 "                                    | -4.5 "        | .....                                     | .....            | -12.4 "  | -2.9 "           | 132.9 "   | -5.3 "   | -6.8 "        |
| Dry goods.....   | -14.7 "                                   | -3.5 "        | -20.6 "                                   | +0.1 "           | -8.4 "   | -1.5 "           | 305.4 "   | -10.5 "  | -7.7 "        |
| Groceries.....   | +1.0 "                                    | +7.0 "        | +2.3 "                                    | -6.4 "           | -1.7 "   | +3.1 "           | 117.6 "   | +1.3 "   | +6.4 "        |
| Hardware.....  | -2.3 "                                    | -2.6 "        | -4.6 "                                    | -1.1 "           | +1.5 "   | +0.4 "           | 193.6 "   | +0.7 "   | +6.2 "        |
| Jewelry.....   | +31.6 "                                   | +19.4 "       | -8.7 "                                    | -2.2 "           | +5.9 "   | +5.9 "           | 425.7 "   | +52.1 "  | -5.6 "        |
| Paper.....   | +9.5 "                                    | +0.4 "        | -2.9 "                                    | -0.6 "           | +8.8 "   | +5.7 "           | 138.1 "   | -0.4 "   | -12.1 "       |

## DISTRIBUTION

Distribution of goods is progressing at a fair rate. Railroad shipments continue appreciably in excess of the volume reported for the same time last year. In the four weeks ended June 8, total freight car loadings in the Allegheny district were slightly larger than in the previous four weeks and about 7 per cent larger than in the corresponding period last year. Larger shipments of merchandise and miscellaneous commodities were chiefly responsible for the favorable comparison with a year ago.

Sales of new passenger cars in this district, as measured by registrations, were 10 per cent smaller in May than in April.

**Wholesale trade.** Activity in wholesale and jobbing trade continues at a fair rate. Sales of groceries, hardware, paper, and drugs have been somewhat larger since the middle of last month, according to preliminary reports. Business in dry goods, however, shows a decline, while sales of shoes and jewelry

indicate virtually no change. Prices in the main are unchanged from the level of a month ago.

The dollar volume of sales in May showed a further gain of almost two per cent over the volume in the preceding month but a loss of nearly one per cent in comparison with a year earlier. Increases in sales in contrast with May, 1928 occurred in jewelry, paper, and groceries, while decreases took place in shoes, drygoods, drugs, and hardware. Lower prices generally were probably responsible in part for the unfavorable comparison with a year ago. Accounts outstanding on the whole were somewhat smaller in May this year than last. Reports on collections are about evenly divided between those showing increases and those showing declines from the amounts of a month or a year earlier.

**Retail trade.** Advance reports indicate that retail business is moving forward at a fairly good rate. Sales have increased somewhat since the middle of last month, more than twice as many re-

ports showing gains as those indicating declines. Prices remain unchanged, except for a few instances of recessions.

Sales in May, while increasing almost two per cent from the volume in the previous month, were nearly three per cent smaller than in May, 1928. Smaller sales by department stores in Philadelphia were chiefly responsible for this unfavorable comparison. Business in apparel stores in Philadelphia, on the other hand, was larger, while in women's apparel stores outside of Philadelphia it was smaller than a year before. Credit stores reported increased sales but shoe stores showed decreases in contrast with a year earlier. The dollar volume of retail sales during the first five months of this year was slightly less than in the corresponding period last year.

Inventories carried by reporting retailers declined from April to May and as compared with the same date last year. The sharpest drop in stocks in the year occurred in department, credit, and shoe stores.

## BUSINESS CONDITIONS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

|                               | Prices                                      | Demand                      | Unfilled orders          | Operations                  | Stocks                  |
|-------------------------------|---|-----------------------------|--------------------------|-----------------------------|-------------------------|
| Retail trade .....            | Unchanged, except for a few declines        | Fairly active, some gain    |                          |                             | Smaller                 |
| Wholesale and jobbing trade:  |   |                             |                          |                             |                         |
| Drugs .....                   | Unchanged                                   | Fair, some gain             |                          |                             |                         |
| Dry goods .....               | Unchanged                                   | Fair, declined              |                          |                             | Smaller than a year ago |
| Groceries .....               | Little change                               | Fairly active, increased    |                          |                             | Smaller                 |
| Hardware .....                | Unchanged                                   | Fairly active, increased    |                          |                             | Smaller                 |
| Jewelry .....                 | Little change                               | Fair, little change         |                          |                             | Smaller                 |
| Paper .....                   | Unchanged                                   | Fairly active, increased    |                          |                             | Smaller                 |
| Shoes .....                   | Unchanged                                   | Fair, unchanged             |                          |                             |                         |
| Lumber .....                  | Unchanged, except for a few declines        | Fair, unchanged             | Larger                   |                             | Little change           |
| Wool .....                    | Lower                                       | Fair to poor, little change | Declined from a year ago |                             | Larger                  |
| Cotton yarns .....            | Lower                                       | Fair to poor, declined      | Smaller                  |                             | Little change           |
| Manufacturing:                |   |                             |                          |                             |                         |
| Iron and steel products ..... | Firm, more advances than declines           | Active, declined slightly   | Larger than a year ago   | Little change               | Smaller                 |
| Cotton goods .....            | A few declines                              | Fair to poor, declined      | Smaller                  | Declined                    | Larger                  |
| Silk goods .....              | Lower                                       | Fair to poor, declined      | Smaller                  | Declined                    | Larger                  |
| Silk throwsters .....         | Lower                                       | Fair, declined              | Slightly smaller         | Declined slightly           | Little change           |
| Wool goods .....              | Only a few declines                         | Fair, increased             | Larger                   | Increased                   | Smaller                 |
| Wool yarns .....              | Lower                                       | Fair, increased             | Little change            | Declined                    | Smaller                 |
| Hosiery—full-fashioned .....  | Lower                                       | Active, increased           | Little change            | Little change               | Larger                  |
| Hosiery—seamless ..           | Unchanged                                   | Fair, little change         | Little change            | Little change               | Little change           |
| Carpets and rugs ..           | Unchanged                                   | Fair, declined              | Smaller                  | Declined                    | Smaller                 |
| Shoes .....                   | Little change                               | Fair, increased             | Little change            | Declined                    | Smaller                 |
| Leather goods .....           | Unchanged                                   | Good, increased             | Larger                   | Increased                   | Smaller                 |
| Leather—                      |   |                             |                          |                             |                         |
| Sole .....                    | Little change                               | Active, increased           | Larger                   | Some gain                   | Little change           |
| Black kid .....               | Little change                               | Fair, little change         | Little change            | Little change               | Little change           |
| Colored kid .....             | Little change                               | Good, little change         | Little change            |                             |                         |
| Paper .....                   | Firm, little change                         | Active, little change       | Smaller                  | Some gain                   | Larger                  |
| Chemicals .....               | Little change                               | Active, declined            | Little change            | Declined                    |                         |
| Cigars .....                  | Unchanged                                   | Fair, little change         | Little change            | Some gain                   | Little change           |
| Refined oils .....            | Higher on gasoline & lubricating oils       | Active seasonally           |                          | Little change               | Smaller                 |
| Brick .....                   | Little change                               | Active, increased           | Larger                   | Increased                   | Smaller                 |
| Lumber—mills .....            | Little change                               | Fair, increased             | Larger                   | Slight gain                 | Little change           |
| Paint .....                   | Little change                               | Active, increased           | Larger                   | Unchanged                   | Smaller                 |
| Pottery .....                 | Little change                               | Fair, decreased             | Smaller                  | Little change               | Larger                  |
| Cement .....                  | Little change                               | Active, increased           | Larger                   | Little change               | Larger                  |
| Building .....                | Construction costs increased slightly       | Fair                        | Permits increased        | Building contracts declined |                         |
| Anthracite .....              | Higher on domestic but lower on steam sizes | Quieter for domestic sizes  |                          | Declined                    |                         |
| Bituminous coal .....         | Lower                                       | Quiet, declined             |                          | Declined                    |                         |