

THE BUSINESS REVIEW

THIRD FEDERAL
PHILADELPHIA



RESERVE DISTRICT
AUGUST 1, 1930

By RICHARD L. AUSTIN, Chairman and Federal Reserve Agent
FEDERAL RESERVE BANK of PHILADELPHIA

Business and Financial Conditions in the United States

Industrial production decreased in June by more than the usual seasonal amount and factory employment and payrolls declined to new low levels. The volume of building contracts awarded was large. Prices declined sharply and money rates continued downward.

Industrial production and employment. In June industrial production showed a further substantial decrease and the Board's index, which is adjusted for ordinary seasonal variations, declined to the lowest level since last December. Output of steel ingots declined in June and early July more than is usual at this season, while automobile production was sharply curtailed to a level considerably below that of the same period of the past two years. Cotton consumption, already at a low level, declined further in June. Output of bituminous coal and copper continued in small volume. Wool consumption and shoe production increased slightly and cement output, as in the preceding month, was at a high level.

Factory employment and payrolls decreased further in June. The number

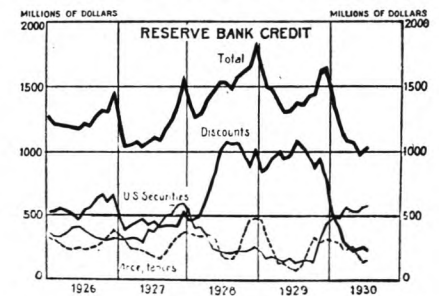
employed at steel plants and in the automobile, agricultural implement, and cotton goods industries, declined more than is usual at this season, and employment in the woolen goods and lumber industries continued at unusually low level.

The value of building contracts awarded in June, \$600,000,000, according to the F. W. Dodge Corporation, was about 30 per cent more than in May and the largest since last July. The increase reflected chiefly unusually large awards for natural gas pipe lines and power plants; the volume of contracts for residential building was somewhat smaller than in May. In early July the total volume of contracts was small.

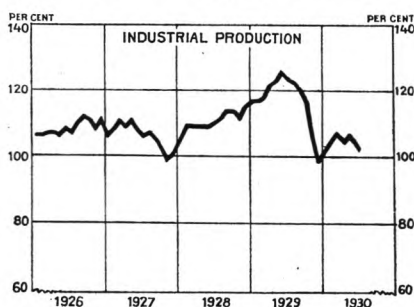
Department of Agriculture estimates based on July 1 conditions indicate a decrease from last year of about 20,000,000 bushels in the winter wheat crop and a corresponding increase in spring wheat. The corn crop is expected to be about 2,800,000,000 bushels, 7 per cent larger than last year and 4 per cent above the five year average. Area planted to cotton is estimated at 45,815,000 acres, 2.7 per cent less than last year.

Distribution. The volume of freight car loadings in June and early July continued to be substantially below the corresponding periods of 1928 and 1929. Preliminary reports indicate that the decline in department store sales from a year ago was of larger proportions in June than in any previous month this year.

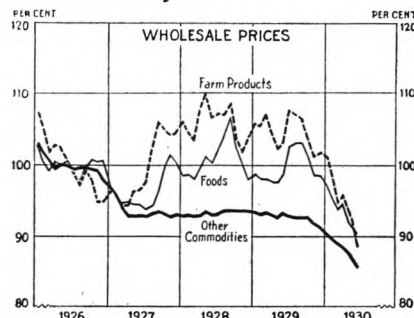
Wholesale prices. Commodity prices declined more rapidly in June than in any other recent month, and the index of the Bureau of Labor Statistics at 86.8 per cent of the 1926 average was about 10 per cent below the level of a year ago. Prices of many important agricultural commodities and their manufactures declined further and



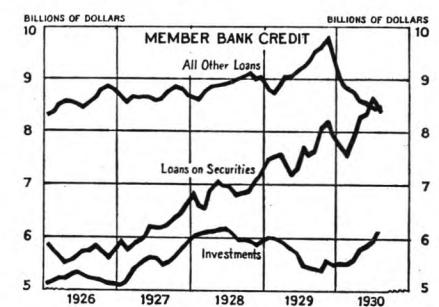
Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 19 days in July.



Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-1925 average = 100). Latest figure June 102.



Indexes of the United States Bureau of Labor Statistics (1926 = 100, base adopted by Bureau). Latest figures June, farm products 88.9, foods 90.5, other commodities 85.7.



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

those of certain leading imported raw products—silk, rubber, and coffee—reached new low levels. There were also further declines in iron, steel, and copper. Prices of raw wool, hides, and raw sugar increased slightly during June. Early in July, prices of meats were stronger but there were further declines in many other commodities.

Bank credit. Loans of reporting member banks in leading cities declined somewhat between the middle of June and the middle of July, and, on July 16, were \$60,000,000 smaller than five

weeks earlier. Loans on securities decreased by \$140,000,000 while "All Other" loans increased by \$80,000,000. The banks' investments increased further by about \$280,000,000 during this period and were in larger volume than at any other time in the past two years.

Member bank balances at the reserve banks increased, and in the week ending July 19, averaged \$60,000,000 more than five weeks earlier and at the same time their borrowings from the reserve banks declined by nearly \$20,000,000, reflecting an increase in the reserve banks' holdings of accep-

ances and government securities, a further slight growth in gold stock, and a continued decline in the volume of money in circulation.

Money rates in the open market continued to ease and in the middle of July rates on 90 day banker's acceptances at 1 $\frac{7}{8}$ per cent were at a new low level, while rates on commercial paper at 3-3 $\frac{3}{4}$ per cent were at the low point of 1924. During July the reserve bank discount rate was reduced at Boston from 3 $\frac{1}{2}$ to 3 per cent and at Philadelphia, Atlanta, and Richmond from 4 to 3 $\frac{1}{2}$ per cent.

Business and Financial Conditions in the Philadelphia Federal Reserve District

The mid-summer quiet in trade and industry has been somewhat more pronounced this year than in other recent years. Rates on commercial loans have declined and the demand for funds by business has been in smaller volume than a year ago. Prices of commodities generally have continued downward, and the decline in the wholesale level during June was sharper than in many previous months. Stocks of finished merchandise at retail and manufacturing establishments have been reduced, except for seasonal increases in some lines.

Manufacturing. The market for manufactured goods has slackened materially, sales of the majority of products having declined recently to a relatively low level, a feature which is partly characteristic of this season. Continued price recessions have been more widespread than for many months.

Factory activity has been reduced further, save in those industries which ordinarily enjoy seasonal expansion at this time. Both employment and wage payments in this section showed more than the expected declines between May and June, owing mainly to a rather sharp curtailment in some of the leading industries. In comparison with June, 1929, the number of wage earners in Pennsylvania factories was about 6 per cent smaller and the amount of wages paid was nearly 15 per cent less. The sharpest drop in both occurred in metal, textile, and stone, clay and glass products.

Production of fabricated metal products showed a further decline of more than the usual seasonal

| Business indicators Philadelphia Federal Reserve District | June, 1930 | | |
|--|-----------------|-------------------------|-----------|
| | Amount | Percentage change since | |
| | | June, 1929 | May, 1930 |
| Retail trade—estimated net sales (154 stores)* | | | |
| Department stores (63) | \$20,835,000 | - 4.4 | - 12.0 |
| Men's apparel stores (20) | \$17,588,600 | - 4.2 | - 12.2 |
| Women's apparel stores (17) | \$592,900 | + 10.2 | - 10.3 |
| Shoe stores (38) | \$1,913,500 | - 7.8 | - 8.6 |
| Credit stores (16) | \$394,700 | - 1.3 | - 14.9 |
| | \$345,300 | - 17.4 | - 22.0 |
| Wholesale trade—net sales (100 firms)* | \$267,800 | - 4.5 | - 10.5 |
| Boots and shoes (5) | \$3,342 | - 16.8 | - 21.9 |
| Drugs (10) | \$43,380 | - 3.9 | + 2.0 |
| Dry goods (12) | \$11,551 | - 12.7 | - 17.8 |
| Electrical supplies (4) | \$13,916 | + 0.1 | - 35.0 |
| Groceries (31) | \$108,410 | + 0.9 | - 2.5 |
| Hardware (21) | \$61,145 | - 11.9 | - 15.6 |
| Jewelry (10) | \$10,810 | + 9.9 | - 24.6 |
| Paper (7) | \$15,246 | - 12.0 | - 19.2 |
| Productive activity—* | | | |
| Employment—839 plants in Penna. | 318,854 | - 2.3 | - 6.1 |
| Wage payments in above plants | \$8,127,334 | - 6.0 | - 14.9 |
| Shoe production†—77 factories | 42,534 | - 8.2 | ..... |
| Hosiery production†—130 mills | 54,307 | + 3.8 | ..... |
| Wool consumption†—71 mills | 219,632 | + 2.7 | ..... |
| Active cotton spindle hours (Penna.) | 615,736 | + 3.8 | + 1.1 |
| Pig iron production | 6,852 | - 22.3 | - 43.0 |
| Iron casting production—34 foundries | 181 | - 10.0 | - 16.2 |
| Steel casting production—11 foundries | 284 | - 0.8 | - 1.9 |
| Anthracite | 208,100 | - 9.0 | + 2.6 |
| Bituminous coal (Penna.) | 389,800 | - 2.8 | - 14.9 |
| Petroleum receipts at Port of Philadelphia—domestic and foreign | 65,800 | + 34.8 | + 23.5 |
| Cement | 113,233 | - 5.3 | - 8.1 |
| Electric power output—12 systems | 16,863,000 | - 4.0 | + 3.7 |
| Financial and credit— | | | |
| Debits (check payments)—18 cities | \$2,633,256,000 | + 4.6 | - 16.5 |
| Loans and investments—middle of July—102 member banks | \$1,721,600,000 | + 0.8 | + 1.2 |
| Bills discounted held by F. R. B. of Phila. (daily average) | \$28,100,000 | - 5.7 | - 66.8 |
| Bankers' acceptances outstanding—end of month | \$20,292,000 | - 4.3 | + 33.4 |
| Commercial paper sales—4 dealers | \$8,437,500 | - 27.7 | + 133.9 |
| Commercial failures—number | 101 | - 10.6 | + 62.9 |
| Commercial failures—liabilities | \$2,962,348 | + 97.7 | + 137.4 |
| Building and real estate— | | | |
| Building permits—17 cities | \$11,763,417 | + 54.1 | - 27.6 |
| Building contracts awarded | \$61,658,900 | + 165.1 | + 60.9 |
| Number of real estate deeds recorded (Philadelphia county) | 4,425 | - 14.5 | - 17.8 |
| Value of mortgages recorded (Philadelphia county) | \$11,644,163 | - 9.6 | - 35.3 |
| Sheriff sale—number of writs issued for July—(Philadelphia county) | 1,452 | + 27.4 | + 54.8 |
| Miscellaneous— | | | |
| Freight car loadings (Allegheny district) | 791,842 | - 6.4 | - 15.3 |
| Tonnage of vessels (Port of Philadelphia) | 4,475,236 | - 7.1 | + 9.7 |
| Sales of life insurance (Penna., N. J., and Del.) | \$114,517,000 | + 2.0 | + 4.3 |
| Automobile sales registrations of new passenger cars | 18,894 | - 6.3 | - 21.2 |

* Daily average of monthly figures. Employment and wages weekly averages.

† Bureau of Census preliminary figures.

amount. Reduction in the daily output of pig iron, moreover, was nearly twice as large as is usual for June. The total pig iron production was about 19 per cent smaller in the first half of this year than last, but over 6 per cent larger than in the same period of 1928, whereas in the country it was about one per cent less than two years ago. All lines included in the transportation equipment group likewise reported a let-down with the exception of the ship and boat building industry, which continued its high rate of activity. Prices of metal products generally have declined during the month.

Rather exceptional slackness prevails in the majority of textile branches. Nevertheless, the output of woollens and worsteds, knit goods, including hosiery, and hats was larger in June than May. Mill takings of wool fibers, computed on a daily basis, also increased nearly 3 per cent in the month; takings of carpet wool, too, showed a rise of almost 5 per cent. While the number of active cotton spindle hours in this section showed a noticeable gain, the output of cotton piece goods declined, after a slight upturn in the earlier months. Operations of carpet and rug plants continued sharply downward, a trend which began at the end of last year, and the present level is substantially lower than in any month of the past seven years. Prices of textile products generally have continued to show weakness, although lately some strength has been shown in quotations for wool fibers.

Productive activity of the food group generally has declined in some lines to the lowest level this year. The output of creamery products, which customarily reaches a high peak in mid-summer, seems to have dropped in June, as indicated by the takings of milk and cream for manufacturing purposes. In the first three weeks of July, there was a decline in the output of ice cream and condensed milk. Activity of local sugar refineries followed the usual declining trend in June; the national per capita consumption of sugar is estimated to have been nearly 5 per cent smaller in the first half of this year than last.

Production of cigars and other tobacco products was in excess of the May volume by a slightly smaller amount than was to be expected, and the present rate of operation is at a higher rate than in the past few years.

| Electric power Philadelphia Federal Reserve District 12 Systems | June, 1930 (Daily average) | |
|--|---|--|
| | Change from June, 1929 Per cent | Change from May, 1930 Per cent |
| Rated generator capacity . . . | + 7.3 | 0 |
| Generated output | + 3.7 | - 4.0 |
| Hydro-electric | + 6.6 | - 8.9 |
| Steam | + 4.7 | - 1.6 |
| Purchased | - 2.2 | - 4.5 |
| Sales of electricity | + 2.7 | - 0.4 |
| Lighting | +10.6 | - 2.7 |
| Municipal | + 5.1 | - 1.8 |
| Residential and commercial | +11.3 | - 2.8 |
| Power | + 3.3 | + 1.8 |
| Municipal | +55.7 | + 1.3 |
| Street cars and railroads | + 7.3 | + 1.0 |
| Industries | + 1.8* | + 2.1* |
| All other sales | -12.3 | -12.4 |

* Working days average.

In response to a well sustained demand, the market for kid leather is active and prices are fairly steady. The hide market, on the other hand, is quiet and prices show weakness. Business in goatskins appears to be fair for this season. Local tanners continue to operate at a level which was increased slightly between May and June. But the daily output of boots and shoes was smaller in June than in May by a noticeably larger amount than is usual at that time, and the rate of mid-summer production reached the lowest point since 1926.

Further decline is reported in the activity of paper and wood pulp mills in contrast to former trends at this season, and the present rate is estimated to be the lowest since July, 1924. Curtailment of activity in printing and publishing likewise has continued without interruption since March.

Some improvement in operation has taken place in the lumber industry and planing mills, but the extent of the gain in June was not quite up to expectations and the level of activity remains considerably lower than in any month of the last seven years. The daily output of cement turned downward instead of continuing upward in accordance with past experience which shows that June is usually the highest month in point of production. The volume of output thus was the lowest for that month since 1923. Shipments also declined, but stocks showed a slight accumulation at the end of the month. The demand for brick and slate is only fair, though it compares well with the previous month. Brick yards report some let-down, while slate plants show

practically no change in operations. Stocks of both are somewhat heavy and larger than on the same date last year.

Building and real estate. Activity in the construction industry in June was at a higher rate than in the previous month. This is shown by the indexes of employment and wage payments as well as by the number of hours worked in building trades of Pennsylvania. The gain in the month was especially pronounced in the Philadelphia area.

The value of contracts awarded for new operations increased very sharply, contrary to the usual seasonal tendency. This rise was due mainly to new awards for industrial buildings, and public works and utilities, which were considerably in excess of the June figure in the previous two years. Residential buildings also showed a slight increase in the month but were the smallest for June since 1921, and in the first half of this year residential contracts were only about one-third of those in the same period in the past three years. Comparisons of all awards in the first six months of this year with the same period of other recent years follow:

| Building contracts awarded (000s omitted in dollar figures) | First six months, 1930 | Per cent change from | |
|---|------------------------------|-------------------------|--------------------|
| | | 1929 | 1925-28 average |
| Philadelphia | \$88,877 | - 3.6 | -18.7 |
| Reading | 1,710 | - 71.9 | -41.6 |
| Seranton | 2,952 | +113.1 | +10.6 |
| Camden | 2,372 | - 78.9 | -46.1 |
| Trenton | 2,508 | - 70.7 | -40.5 |
| Wilmington | 3,692 | - 41.1 | +27.7 |
| Total for Philadelphia Federal Reserve District, including all cities | 221,115 | - 6.8 | - 5.0 |

Source: F. W. Dodge Corporation

Latest information on contract awards shows that in the first 18 days of July the amount of these awards declined materially from the daily average in June and was somewhat smaller than the average for July, 1929. The proposed expenditure under permits issued in seventeen leading cities was about 54 per cent larger in June than in May but nearly 28 per cent smaller than in June, 1929.

The real estate market generally continues quiet. The demand for houses costing less than \$6,000 has been somewhat more active since the middle of last month, but the sale of houses over that amount has declined.

Renting of houses and apartments shows little change, the present demand being most active for houses leasing at from \$20 to \$50 a month. Rents for houses and apartment space have declined recently and are lower than they were at the same time in the past few years.

The number of deeds and the value of mortgages recorded in Philadelphia declined between May and June and were substantially below the level of June, 1929. The number of writs issued for sheriff's sale of properties in July reached the highest point in many years. The chart on page 7 shows that since 1924 the trend in foreclosures has moved upward from year to year with striking persistency. In interpreting these court orders for sheriff's sale, it is necessary to remember, first, the fact that one writ may cover more than one property and second, the fact that, after listing, some properties are withheld from such sales, although the number of these is usually small in comparison with properties sold by the sheriff.

Coal. The market for Pennsylvania anthracite remained quiet in June with very little interest being manifested by householders. The usual seasonal increase in prices occurred. The daily output of collieries declined and the total production for the month amounted to 745,000 tons less than in May. Production in the middle two weeks of July increased by a larger amount than in 1929, after the usual sharp decline in the first week, which included Independence Day. The total output in the first six months of 1930 showed a decline of 8.3 per cent from the corresponding period of a year ago and was 7.2 per cent smaller than in 1928.

Continuing to reflect a reduced rate of industrial activity during the month, the daily output of bituminous coal declined again in June to the lowest point this year and the total production in Pennsylvania amounted to only 9,744,000 tons, as compared with 11,357,000 tons in June, 1929. Colliery output in the first six months of 1930 was nearly 11 per cent smaller than in the same period of last year but showed an increase of about one per cent over the first half of 1928.

Agriculture. Except for a short period of intense heat, which was accompanied by severe drought in the latter part of July, weather conditions highly

favorable to crop growth have prevailed throughout the greater part of this district during the past month.

The early crop of potatoes has been dug and corn is earing in many sections. Although truck crops made but little progress during the dry weather, they are nevertheless reported as in good condition and maturing normally. Estimates of the fruit crop continue adverse, but vineyards look promising and berries are fairly plentiful. The harvesting of winter wheat is nearly completed and threshing is progressing rapidly, production estimates for this district, as of July 1, indicating a slightly larger crop than in 1929.

The present condition of dairy cattle compares favorably with the July averages of the past ten years, while hogs are reported as showing little or no improvement. Pastures and meadows have suffered to some extent from lack of moisture but are still in a fairly satisfactory state; however, their condition, on July 1, was nearly 10 per cent below the ten-year average for that date.

Distribution. Shipments of commodities by railroad freight in this section declined about 6 per cent between May and June and early reports for the first part of July also show a further decrease. This falling off in total loadings since May has been due largely to a smaller volume of coal, merchandise, and miscellaneous commodities. Comparisons with last year, when freight car loadings were at an unusually high level, are adverse, since in the first half of this year shipments dropped about 10 per cent in the total and more than 9 per cent in the movement of merchandise and miscellaneous goods, which are made up largely of manufactured commodities. In comparison with the first six months of 1928, railroad shipments in the aggregate were about 5 per cent smaller, reflecting less favorable business conditions this year than in either of the past two years, and an increasing tendency to transport goods by truck, particularly for the shorter hauls.

The dollar volume of sales by wholesale dealers and jobbers of this district declined between May and June by a slightly smaller amount than is usual. Reduced sales of shoes, drugs, dry goods, hardware, and paper offset seasonal gains in electrical supplies, groceries, and jewelry. In the early part of July, there were further decreases

as is to be expected for that month.

In comparison with a year ago, sales in the aggregate were nearly 11 per cent smaller. All lines except drugs had a smaller volume of business, declines ranging from 2.5 per cent in groceries to 35.0 per cent in electrical supplies. In the first half of this year, the dollar volume of sales likewise was uniformly smaller, declines varying from one per cent in drugs to nearly 25 per cent in jewelry. This reduction in dollar sales was due partly to lower prices. The official index of wholesale prices shows a steady decline since last year and in June reached 86.8 per cent of the 1926 average, showing a drop of about 10 per cent since June, 1929.

Inventories held by dealers in dry goods, electrical supplies, groceries, jewelry, and paper were larger at the end of June than on the corresponding day of the previous month, but in the majority of instances they were smaller than on the same date last year.

Daily retail sales in the four lines, including department, apparel, shoe, and credit stores, dropped between May and June by a somewhat larger amount than was to be seasonally expected. This decline is attributable principally to smaller sales by department, credit, and women's apparel stores. Early reports covering the first fortnight of July indicate that retail business varies from fair to poor, and further declines in sales were rather widespread. Price reductions appear to be more numerous than for many months past.

In comparison with June, 1929, retail dollar sales were about 12 per cent smaller. The largest percentage declines occurred in department, shoe, and credit stores. Sales in the first six months of this year were about 5 per cent smaller than in the same period last year, the relative decline being fairly uniformly distributed among the four reporting lines. All city areas except Johnstown had smaller business thus far this year than last.

Stocks of merchandise at retail establishments fell off nearly 5 per cent in the month and were almost 6 per cent smaller than at the end of June, 1929. This reduction in inventories from a year ago was due to the smaller supply of goods on hand in department and credit stores. The rate of turnover declined slightly

since June, 1929, but in the first half of the year it remained practically the same as in the corresponding period last year.

Sales of new passenger automobiles as measured by registrations in this district declined seasonally and were about 21 per cent smaller than in the same month last year. The number of units sold in the first half of this year was nearly 18 per cent smaller than in the same period last year but almost 5 per cent larger than in 1928.

Commercial failures declined nearly 11 per cent in number but about doubled in liabilities between May and June. The number of liquidations thus far this year exceeded that of the previous year by almost 34 per cent and the amount involved was 48 per cent greater.

Financial conditions. Current reports continue to bear testimony to easy credit conditions in this district, as in the country. In recognition of the prevailing ease in money rates, the strong reserve position, and general business conditions, this bank reduced its discount rate on July 2 from 4 to 3½ per cent.

The renewal rate for call money in Philadelphia has remained at 4 per cent over the past two months, but the rates of large member banks in this city for commercial loans to prime customers have declined. The average of these commercial rates in the middle of July was 4.53 per cent, as compared with 4.78 per cent a month ago; this is the lowest rate since early in 1928.

The condition of ease already referred to is apparent in the reports of the member banks. During the four weeks ended July 16 the net demand and time deposits of these banks increased by 39 millions, but loans and investments expanded only 13 millions, loans on securities and investments increasing and other loans declining. The amounts held on deposit with

other banks showed a material gain, and reserves increased. Figures for member banks in four of the largest cities for the following week reveal that a part of the deposit gain was lost and that there was a decrease in reserves.

A preliminary tabulation, giving the distribution of the loans and investments of all member banks in this district on June 30, shows that loans in total had changed little since March. In the second quarter of the year holdings of bought commercial paper and loans on securities increased, but there was little variation in mortgages and other real estate loans. Investments increased materially in this period.

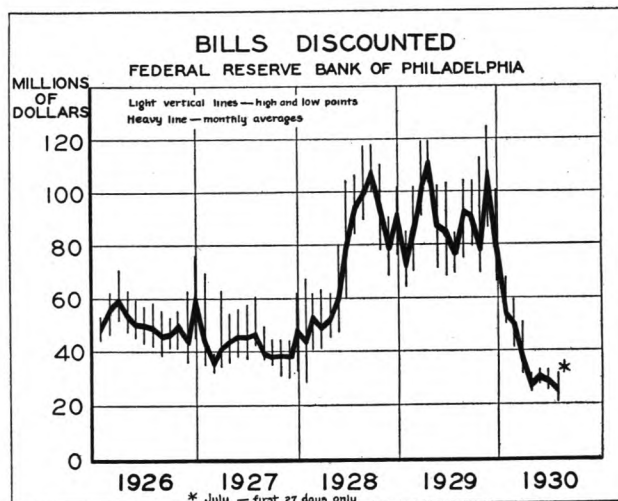
The money market in this district gained funds during the five weeks ended July 23 through favorable balances in the settlements and a return of money from circulation, reflecting partly a seasonal decline in demand. The funds so gained, however, were available only in small part for the reduction of reserve bank credit, being largely absorbed by the operations of the Treasury, which withdrew about 13 millions from depository banks and transferred a substantial sum to other districts. These transfers involved a loss of gold which was in excess of the amount gained through the commercial and financial settlements. A summary of the funds gained by the money market and their disposition is given in the accompanying table.

The borrowings of member banks have been in smaller volume than at any time since 1924, and are, in fact,

Gains and Losses of Funds by the Money Market in the Philadelphia Federal Reserve District
June 19 to July 23, 1930
(In millions of dollars)

| Funds gained: | |
|---|------|
| Gold (largely through favorable balances in interdistrict settlements)..... | 6.8 |
| Currency—return from circulation..... | 4.8 |
| Decline in deposits of banks at reserve bank | 1.9 |
| Dividend paid by reserve bank..... | .5 |
| | 14.0 |
| Disposition of funds: | |
| Treasury operations—excess of collections over disbursements..... | 12.5 |
| Federal reserve credit in use*, decline in... | 1.5 |
| | 14.0 |

* Includes bills discounted, bills bought, and float.



little above the exceedingly low level reached in that year. Holdings of purchased bills by this bank have fallen below one million dollars, reflecting maturities and a lack of purchases during recent weeks owing to the relatively high buying rate of the bank. The reserve ratio of this bank on July 23 was 83.9 per cent.

Although commercial paper sales, reported by four dealers operating in this district, declined in June, their sales in that month compared very favorably with those of a year and two years earlier, as may be seen in the following table:

| Commercial paper sales (four dealers) | Sales to | | Total sales |
|---------------------------------------|-------------|---------------|--------------|
| | City banks | Country banks | |
| 1930—Apr... | \$4,265,000 | \$4,072,500 | \$ 8,337,500 |
| May... | 7,762,500 | 3,915,000 | 11,677,500 |
| June... | 5,000,000 | 3,437,500 | 8,437,500 |
| 1929—June.. | 2,780,000 | 827,500 | 3,607,500 |
| 1928—June.. | 1,175,000 | 1,155,000 | 2,330,000 |

| Federal Reserve Bank of Philadelphia (000,000s omitted in dollar figures) | July 23, 1930 | Changes in— | |
|---|---------------|-------------|----------|
| | | Five weeks | One year |
| Bills discounted for banks in Philadelphia..... | \$ 1.4 | -\$1.2 | -\$35.0 |
| Other communities..... | 19.6 | - 3.3 | - 22.1 |
| Total bills discounted..... | \$ 21.0 | -\$4.5 | -\$57.1 |
| Bills bought..... | .9 | - 1.8 | - 2.8 |
| United States securities..... | 50.2 | 0 | + 33.7 |
| Other securities..... | 1.0 | 0 | + .7 |
| Total bills and securities..... | \$ 73.1 | -\$6.3 | -\$25.5 |
| Federal reserve note circulation..... | 123.9 | - 4.2 | - 26.2 |
| Total deposits..... | 139.3 | - 2.0 | + 1.4 |
| Cash reserves..... | 220.7 | - 4.9 | - 1.4 |
| Reserve ratio..... | 83.9% | + 0.2% | + 6.8% |

| Reporting member banks in 21 leading cities (000,000s omitted) | July 16, 1930 | Changes in— | |
|--|---------------|-------------|----------|
| | | Four weeks | One year |
| Reported by 89 banks: | | | |
| Loans on securities..... | \$ 605 | +\$19 | +\$31 |
| Other (largely commercial) loans..... | 589 | - 10 | - 25 |
| Reported by 102 banks: | | | |
| Total loans and discounts..... | 1,253 | + 8 | + 5 |
| Investments..... | 468 | + 5 | + 16 |
| Net demand and time deposits..... | 1,487 | + 39 | +100 |

| Employment and wages in Pennsylvania | Employment June, 1930 | | | Payrolls June, 1930 | | |
|--|-----------------------|-----------------------|-----------|---------------------|-----------------------|-----------|
| | June index* | Per cent change since | | June index* | Per cent change since | |
| | | June, 1929 | May, 1930 | | June, 1929 | May, 1930 |
| All manufacturing industries (51) | 93.5 | - 6.1 | - 2.3 | 90.7 | -14.9 | - 6.0 |
| Metal products | 90.6 | -10.3 | - 2.2 | 89.0 | -19.7 | - 7.0 |
| Blast furnaces..... | 54.5 | -15.0 | - 5.7 | 54.5 | -16.2 | - 7.9 |
| Steel wks. & rolling mills..... | 82.4 | - 9.8 | - 2.8 | 80.6 | -22.1 | - 8.8 |
| Iron and steel forgings..... | 90.6 | -12.1 | - 4.1 | 78.0 | -26.4 | -13.1 |
| Structural iron work..... | 127.4 | + 6.9 | - 0.4 | 124.6 | + 5.4 | - 2.4 |
| St. & hot wtr. htg. ap..... | 102.0 | - 1.8 | - 1.8 | 97.7 | -13.4 | - 3.7 |
| Stoves and furnaces..... | 84.2 | + 2.8 | +22.2 | 74.3 | + 8.0 | +24.2 |
| Foundries..... | 95.7 | - 9.4 | - 3.2 | 83.8 | -25.4 | -11.6 |
| Machinery and parts..... | 99.1 | -10.2 | - 1.4 | 88.4 | -25.5 | - 6.3 |
| Electrical apparatus..... | 114.0 | -12.4 | - 0.7 | 126.8 | -13.2 | - 2.8 |
| Engines and pumps..... | 90.8 | - 9.1 | - 5.0 | 90.5 | -17.5 | -10.1 |
| Hardware and tools..... | 89.3 | -17.6 | - 4.3 | 81.6 | -26.3 | - 3.5 |
| Brass and bronze products..... | 101.6 | -18.6 | - 3.5 | 98.6 | -24.3 | - 3.9 |
| Transportation equipment | 78.3† | - 1.5 | - 7.8 | 74.1† | - 8.0 | -11.5 |
| Automobiles..... | 80.6 | +11.6 | - 5.7 | 67.9 | +10.8 | - 3.8 |
| Auto. bodies and parts..... | 76.0 | -26.4 | -16.0 | 66.0 | -30.8 | -17.8 |
| Locomotives and cars..... | 47.9 | -10.6 | - 9.8 | 47.8 | -12.5 | -14.0 |
| Railroad repair shops..... | 79.4 | - 0.5 | + 1.7 | 78.0 | - 6.0 | - 8.0 |
| Shipbuilding..... | 92.3 | +61.6 | + 2.9 | 147.7 | +58.5 | - 5.5 |
| Textile products | 97.2 | - 6.9 | - 2.2 | 88.0 | -24.7 | - 1.3 |
| Cotton goods..... | 66.7 | -26.8 | -10.9 | 54.7 | -39.5 | -13.4 |
| Woolens & worsteds..... | 56.4 | -14.2 | + 6.0 | 52.2 | -20.2 | +10.4 |
| Silk goods..... | 109.6 | + 0.9 | - 2.2 | 106.6 | -12.5 | - 3.5 |
| Tex. dyeing & finishing..... | 93.2 | -12.7 | - 2.2 | 96.4 | -16.2 | + 7.6 |
| Carpets and rugs..... | 65.6 | -11.1 | -10.4 | 46.5 | -32.1 | -26.8 |
| Hats..... | 88.8 | -10.3 | - 0.3 | 71.6 | -33.5 | +12.1 |
| Hosiery..... | 117.8 | - 9.9 | - 1.8 | 112.5 | -34.9 | + 2.1 |
| Knit goods, Other..... | 92.3 | - 4.9 | + 1.0 | 94.8 | -17.9 | + 5.2 |
| Men's clothing..... | 83.7 | - 3.0 | - 1.8 | 78.5 | -15.9 | -10.7 |
| Women's clothing..... | 110.5 | - 6.1 | - 1.5 | 108.7 | - 7.7 | - 4.2 |
| Shirts & furnishings..... | 125.0 | - 4.0 | - 6.7 | 112.4 | -17.8 | - 5.0 |
| Foods and tobacco | 112.3 | + 7.2 | + 0.2 | 108.9 | + 3.4 | - 0.5 |
| Bread & bakery prods..... | 109.8 | - 1.0 | - 3.1 | 112.2 | - 0.8 | - 1.0 |
| Confectionery..... | 95.8 | - 2.4 | - 0.7 | 98.1 | - 7.0 | - 4.2 |
| Ice cream..... | 129.6 | - 3.6 | + 3.0 | 124.9 | + 0.3 | - 2.6 |
| Meat packing..... | 95.6 | - 2.0 | - 0.8 | 92.3 | - 2.9 | - 2.7 |
| Cigars & tobacco..... | 114.9 | +17.8 | + 1.2 | 103.1 | +15.7 | + 3.0 |
| Stone, clay & glass prods. | 70.6 | -16.6 | - 7.0 | 63.9 | -23.8 | -12.3 |
| Brick, tile & pottery..... | 83.8 | - 9.1 | - 5.2 | 74.1 | -19.4 | - 9.6 |
| Cement..... | 62.7 | - 9.9 | - 2.5 | 60.0 | -17.2 | - 9.0 |
| Glass..... | 69.2 | -28.6 | -12.7 | 63.8 | -35.0 | -18.9 |
| Lumber products | 79.0 | -20.6 | + 7.0 | 70.4 | -30.6 | + 0.6 |
| Lumber & planing mills..... | 80.3 | -22.5 | +21.3 | 70.0 | -26.7 | + 7.0 |
| Furniture..... | 73.9 | -25.5 | - 0.9 | 66.9 | -38.0 | - 3.9 |
| Wooden boxes..... | 71.5 | + 1.4 | + 4.7 | 66.0 | - 7.4 | + 1.2 |
| Chemical products | 101.3 | + 3.4 | + 0.3 | 108.0 | + 5.1 | - 1.1 |
| Chemicals and drugs..... | 76.8 | -10.7 | - 4.5 | 78.1 | -13.0 | - 3.6 |
| Coke..... | 112.2 | +19.6 | + 2.1 | 96.3 | +14.9 | - 0.9 |
| Explosives..... | 78.6 | -12.9 | - 7.0 | 87.3 | -16.3 | - 3.1 |
| Paints & varnishes..... | 98.9 | - 3.2 | - 1.2 | 104.3 | - 9.1 | - 4.9 |
| Petroleum refining..... | 128.5 | + 4.7 | + 1.4 | 144.1 | +10.8 | 0.0 |
| Leather & rubber prods. | 97.1 | - 1.2 | - 0.3 | 99.7 | - 1.8 | - 1.1 |
| Leather tanning..... | 105.9 | + 0.7 | + 1.5 | 104.9 | + 0.9 | + 0.1 |
| Shoes..... | 93.5 | - 2.5 | - 0.1 | 96.4 | - 5.7 | - 2.3 |
| Leather products, Other..... | 85.1 | - 9.5 | -14.5 | 89.1 | - 4.3 | - 2.6 |
| Rubber tires & goods..... | 90.9 | - 1.1 | + 2.7 | 103.5 | - 6.2 | - 4.8 |
| Paper and printing | 98.7 | - 2.1 | + 0.5 | 105.5 | - 5.2 | - 2.4 |
| Paper and wood pulp..... | 85.1 | - 1.7 | + 0.6 | 84.9 | -10.1 | - 5.4 |
| Paper boxes and bags..... | 89.8 | - 2.9 | - 0.2 | 96.6 | - 6.0 | + 7.9 |
| Printing & publishing..... | 103.9 | - 2.0 | + 0.5 | 112.2 | - 3.8 | - 2.0 |
| Anthracite | 91.5 | - 4.1 | - 3.2 | 74.1 | + 4.4 | -12.0 |
| Bituminous coal | | | - 4.1 | | | - 4.7 |
| Construction & contracting | 110.2 | - 1.8 | + 6.2 | 100.0 | -10.2 | + 3.3 |
| Street railways | 84.5 | - 8.0 | - 0.9 | 91.7 | - 5.3 | - 1.3 |
| Retail trade | 94.5 | - 3.5 | - 0.8 | | | |
| Wholesale trade | 91.7 | - 3.8 | + 0.4 | | | |

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

| City conditions by city areas* | Percentage change June, 1930 compared with June, 1929 | | | | |
|--------------------------------|---|---------------|--------------------------|--------|--------------------|
| | Employment | Wage payments | Building permits (value) | Debits | Retail trade sales |
| Allentown..... | - 4.2 | -14.0 | - 59.0 | -11.5 | -14.0 |
| Altoona..... | - 1.8 | - 6.8 | - 58.3 | - 4.0 | -12.3 |
| Harrisburg..... | - 7.0 | -18.1 | - 75.5 | -14.8 | -10.8 |
| Johnstown..... | -12.4 | -24.7 | ..... | -16.3 | -10.1 |
| Lancaster..... | - 5.4 | - 6.2 | + 1.8 | -10.0 | -13.8 |
| Philadelphia..... | -11.3 | -16.8 | - 18.7 | -18.4 | -11.4 |
| Reading..... | - 5.2 | -25.6 | - 28.0 | -13.6 | -14.1 |
| Scranton..... | + 2.3 | - 8.4 | - 90.0 | -10.9 | -16.4 |
| Trenton..... | -10.8 | -19.0 | + 42.6 | -12.4 | - 8.3 |
| Wilkes-Barre..... | +16.1 | + 2.9 | + 22.5 | - 9.6 | -16.9 |
| Williamsport..... | - 9.4 | -17.1 | + 76.6 | -22.5 | ..... |
| Wilmington..... | - 0.3 | + 1.1 | - 12.5 | - 4.3 | -12.5 |
| York..... | - 5.1 | - 8.4 | - 7.0 | - 6.1 | ..... |

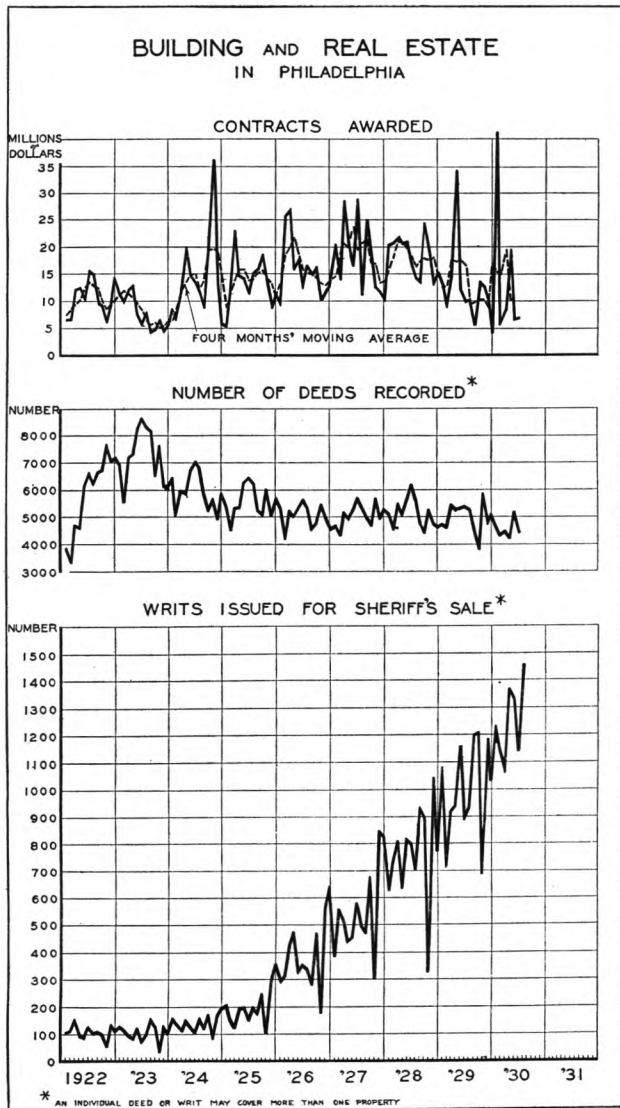
June, 1930 compared with May, 1930

| | | | | | |
|-------------------|-------|-------|--------|-------|-------|
| Allentown..... | - 2.2 | - 6.0 | + 23.5 | - 3.3 | - 8.2 |
| Altoona..... | - 3.1 | - 4.1 | - 24.5 | - 3.4 | -28.3 |
| Harrisburg..... | - 3.7 | -10.7 | - 13.2 | - 2.5 | -19.7 |
| Johnstown..... | - 7.1 | -18.0 | ..... | - 1.9 | -19.4 |
| Lancaster..... | - 0.2 | + 0.1 | +178.5 | + 1.8 | -14.5 |
| Philadelphia..... | - 2.1 | - 3.6 | + 83.4 | + 5.4 | - 6.1 |
| Reading..... | - 2.2 | - 8.8 | + 31.6 | - 2.4 | -11.9 |
| Scranton..... | + 1.8 | - 1.9 | - 89.1 | + 3.2 | -20.2 |
| Trenton..... | - 1.6 | - 2.9 | +775.2 | - 3.8 | + 5.7 |
| Wilkes-Barre..... | + 0.7 | + 0.6 | + 86.6 | + 3.5 | -14.3 |
| Williamsport..... | + 5.2 | + 2.1 | +239.7 | - 6.3 | ..... |
| Wilmington..... | - 1.2 | - 0.4 | - 38.2 | +24.5 | - 5.4 |
| York..... | - 0.1 | - 1.9 | - 49.6 | - 2.7 | ..... |

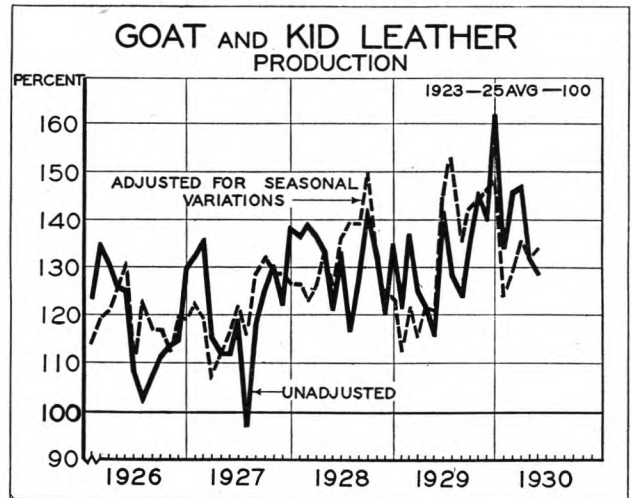
* Area not restricted to the corporate limits of cities given here.

| Wholesale trade Philadelphia Federal Reserve District | June, 1930—percentage change | | | | Collections during June: 1930 compared with 1929 |
|---|------------------------------------|-----------------|--------------------------------------|--------------|--|
| | Net sales: 1930 compared with 1929 | | Stocks: June 30, 1930, compared with | | |
| | June | Year to June 30 | June 30, 1929 | May 31, 1930 | |
| Boots and shoes..... | -21.9 | - 9.1 | ..... | ..... | + 3.4 |
| Drugs..... | + 2.0 | - 1.0 | ..... | ..... | - 5.2 |
| Dry goods..... | -17.8 | - 9.2 | - 7.3 | + 1.4 | -10.9 |
| Electrical supplies..... | -35.0 | -23.7 | -10.3 | + 9.4 | -14.6 |
| Groceries..... | - 2.5 | - 1.6 | - 3.5 | + 0.5 | - 8.8 |
| Hardware..... | -15.6 | - 7.6 | - 1.7 | - 2.8 | - 5.6 |
| Jewelry..... | -24.6 | -24.6 | -11.3 | + 7.1 | -23.6 |
| Paper..... | -19.2 | - 8.9 | + 1.6 | + 4.6 | -17.6 |

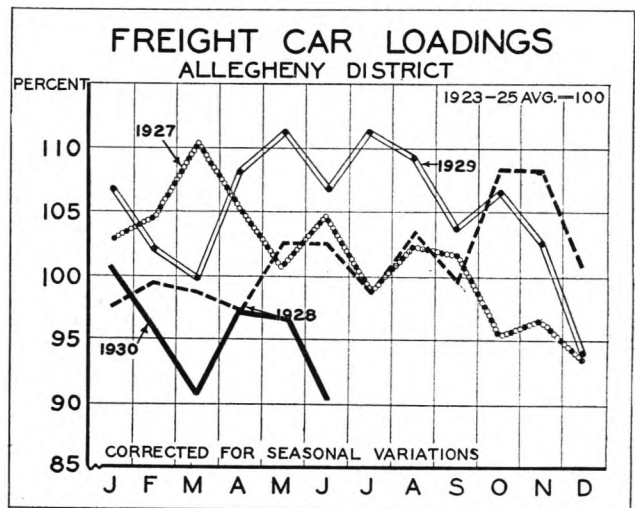
| Retail trade Philadelphia Federal Reserve District | June, 1930—percentage change | | | | Rate of turnover: year to June 30 | |
|--|------------------------------------|-----------------|--------------------------------------|--------------|-----------------------------------|-------|
| | Net sales: 1930 compared with 1929 | | Stocks: June 30, 1930, compared with | | 1929 | 1930 |
| | June | Year to June 30 | June 30, 1929 | May 31, 1930 | | |
| All reporting stores..... | -12.0 | -5.1 | - 5.8 | - 4.5 | 1.87 | 1.87 |
| Department stores..... | -12.2 | -5.5 | - 6.9 | - 3.7 | 1.85 | 1.83 |
| in Philadelphia..... | -11.7 | -5.0 | - 6.6 | - 2.9 | 2.05 | 2.02 |
| outside Philadelphia..... | -13.2 | - 6.7 | - 7.5 | - 5.2 | 1.46 | 1.47 |
| Men's..... | -10.3 | -5.1 | ..... | ..... | ..... | ..... |
| in Philadelphia..... | -13.1 | - 6.0 | ..... | ..... | ..... | ..... |
| outside Philadelphia..... | - 7.8 | - 4.3 | + 1.4 | - 5.6 | 1.12 | 1.17 |
| Women's..... | - 8.6 | -1.2 | + 5.3 | -15.7 | 2.99 | 3.13 |
| in Philadelphia..... | - 8.2 | - 0.8 | + 4.7 | -16.9 | 3.22 | 3.38 |
| outside Philadelphia..... | -11.6 | - 3.9 | + 7.8 | -10.3 | 1.96 | 2.04 |
| Shoe stores..... | -14.9 | -5.3 | + 0.8 | - 6.1 | 1.39 | 1.40 |
| Credit stores..... | -22.0 | - 8.4 | - 9.7 | - 5.1 | 1.16 | 1.19 |



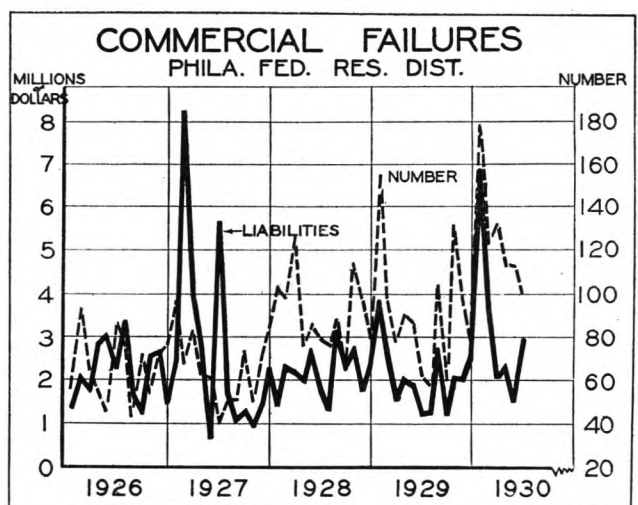
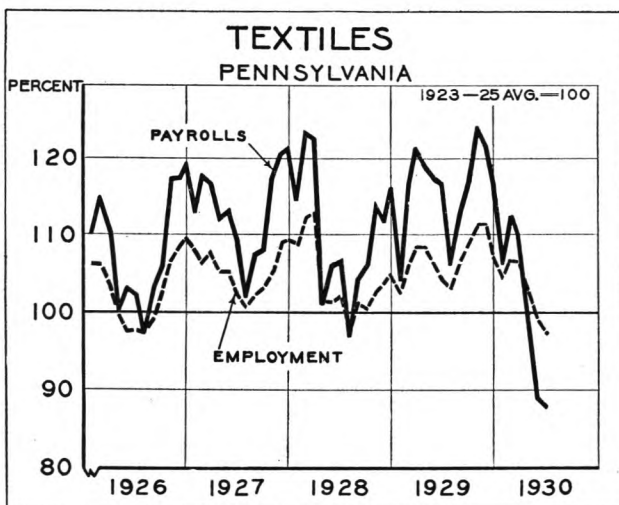
Source: Provident Title Company of Philadelphia
Real Estate Board
F. W. Dodge Corporation



Source: Department of Commerce



Source: American Railway Association



Source: R. G. Dun & Company

Synopsis of Industrial and Trade Conditions in the Philadelphia Federal Reserve District

| | Demand | Operations | Stocks |
|-------------------------------------|--|--|--|
| Manufacturing | | | |
| Iron and Steel | | | |
| Blast furnaces | Fair to poor | Declined more than seasonally | |
| Steel works and rolling mills | Quiet | Decline continued in June | |
| Foundries and machine shops | Unfilled orders for iron castings increased in June while a decrease occurred for steel castings | Output of iron and steel castings declined in June | Smaller than a month ago |
| Electrical apparatus | Quiet | Declined seasonally | |
| Locomotives and cars..... | Some decline in the month | Declined | |
| Shipbuilding | Fairly active, increased | Increased | |
| Textiles | | | |
| Silk manufactures | Fair to poor, declined, prices lower | Declined further | Smaller than a month and year ago |
| Wool dealers | Poor, some decline | | Moderate |
| Wool manufactures | Fair to poor, prices unchanged to lower. Some increase in mill takings of wool fibers | Slight increase in the month, yarns above a year ago, goods slight decline | Moderate, some increase in the month |
| Cotton manufactures | Poor, declined, prices lower | Declined, while active cotton spindle hours increased in June | Moderate, smaller than a year ago |
| Hosiery | Poor, declined, prices lower | Slight increase in June | Full-fashioned rather heavy; seamless moderate to light |
| Floor coverings | Poor, declined in the month and year, prices unchanged to lower | Continued to decline sharply, decidedly lower than a year ago | Rather heavy but smaller than a month and year ago |
| Leather products | | | |
| Shoes | Slow, declined, prices unchanged to lower | Declined sharply in the month and well below a year ago | Moderate to light, smaller than a year ago |
| Leather—sole | Quiet, declined, prices lower. Hide market dull | Slight increase in June but below a year ago | Slightly larger than last month |
| kid..... | Good, increased seasonally, prices firm | Increased in June | Small |
| Building materials | | | |
| Cement | Fair, some increase in the month, prices steady | Some decline in the month, contrary to usual seasonal increase | Heavy to moderate, some accumulation in the month |
| Brick | Fair, prices unchanged to lower | Declined, lower than a year ago | Fairly heavy, larger than a year ago |
| Lumber | Poor, little change in the month but much smaller than a year ago, prices somewhat lower | Increase in June but lower than in past years | Heavy to moderate, some increase in the month but smaller than last year |
| Paints and varnishes..... | Fair to poor, declined, prices unchanged to lower | Declined seasonally in the month, lower than last year but compares favorably with other recent years | Moderate to light, smaller than a year ago |
| Pottery | Fair to poor, declined, some price declines | Slightly lower | Moderate |
| Slate | Fair, prices lower | Little change in the month, but below a year ago | Heavy to moderate, larger than a year ago |
| Miscellaneous | | | |
| Paper | Fair to poor, some decline, prices unchanged | Continued to decline in the month, activity lowest since July, 1924 | Heavy to moderate, some increase during the month |
| Tobacco—cigars | Fair to good, prices firm | Some seasonal increase in the month | Moderate to light |
| leaf..... | Fair to poor, some decline in the month and year, prices steady | Increased seasonally | Moderate but larger than a year ago |
| Clothing | Quiet, declined, prices lower | Declined, unfilled orders slightly smaller | Smaller |
| Building | Building permits increased sharply in June, but were smaller than a year ago | Sharp increase in value of contracts awarded, largely due to awards for industrial buildings, public works and utilities in June | |
| Coal Mining | | | |
| Anthracite | Fair to poor for domestic, fair to good for steam; prices higher seasonally | Little change in the month, but much higher than a year ago | |
| Bituminous | Poor, declined, prices lower | Declined, slightly higher than a year ago | |
| Trade | | | |
| Retail | Fair to poor, declined, prices lower | | Declined in June and smaller than a year ago |
| Wholesale and jobbing.... | Fair to poor, declined somewhat more than seasonally | | Some increase in June but smaller than a year ago |