

THE BUSINESS REVIEW

THIRD FEDERAL
PHILADELPHIA



RESERVE DISTRICT
JULY 1, 1932

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Business and Financial Conditions in the United States

Volume of production in basic industries and employment at factories decreased further in May and wholesale prices declined. Foreign withdrawals of gold which had been in large volume in May and the first half of June practically stopped after the middle of the month.

Production and employment. Production at mines and factories declined further in May and the Board's seasonally adjusted index of industrial production showed a reduction from 64 per cent of the 1923-1925 average in April to 61 per cent in May. Output of coal was substantially reduced, particularly in the anthracite fields; shipments of iron ore showed less than the usual seasonal increase, production of iron and steel declined, and activity at textile mills and shoe factories was further curtailed. In the automobile industry output increased considerably.

In the first part of June activity in the steel and cotton industries was reported to have declined further while output of automobiles continued

at about the same rate as in the latter part of May.

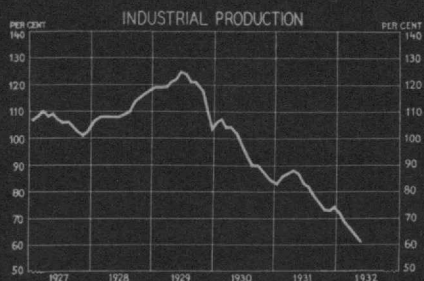
Further reductions in employment and earnings of factory workers accompanied the smaller volume of manufacturing output in May, particularly in the steel and machinery industries and in the textile and clothing trades. Employment at automobile plants and in the seasonally active food industries showed an increase.

Value of building contracts awarded according to the F. W. Dodge Corporation, after increasing somewhat in April and May, declined slightly in the first half of June, reflecting chiefly smaller awards for public works and other non-residential building.

Distribution. Railroad freight traffic decreased further in May, the largest reduction being in shipments of coal and miscellaneous freight. Sales of department stores in leading cities which had increased substantially during April, were smaller in May.

Wholesale prices. Prices of commodities at wholesale were 1.7 per cent lower in May than April according to the Bureau of Labor Statistics. There were large decreases in prices of many domestic agricultural products and of hides and textiles. Prices of petroleum products advanced.

During the first three weeks of June market quotations for a number of non-agricultural commodities were relatively steady, and prices of sugar, meats and livestock increased. Prices of wheat, after considerable fluctuations were at an unusually low level



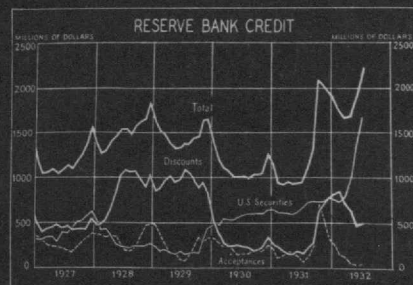
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average = 100.)



Index of United States Bureau of Labor Statistics (1926 = 100).



Federal Reserve Board's index of factory employment with adjustment for seasonal variation. (1923-1925 average = 100.)



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 20 days in June.

at the beginning of the third week in June.

Bank credit. Withdrawals of gold from the United States continued through May and the first half of June and the country's stock of monetary gold declined by \$435,000,000 between May 4 and June 15. After that date there was no further decline in the total stock of monetary gold, continued gold exports representing gold previously earmarked by foreign central banks. During the

first part of May continued purchases of United States government securities by the reserve banks enabled member banks further to reduce their discounts; in later weeks, however, funds released through these purchases were absorbed by the demand for gold for export, and there was also a decrease in member bank reserve balances.

Loans and investments of reporting member banks in leading cities, which had declined sharply earlier in the

year, showed wide fluctuations after the middle of May. In the middle of June total loans and investments were larger than a month earlier, the increase in holdings of United States securities being more than sufficient to offset declines in other investments and in loans.

Money rates in the open market remained at low levels. Rates on prime commercial paper were reduced to a range of $2\frac{1}{2}$ - $2\frac{3}{4}$ per cent in the second week of June.

Business and Financial Conditions in the Philadelphia Federal Reserve District

Industrial activity continued to decline in May and some further seasonal recessions occurred in early June. Retail business slackened more than usual during May, while wholesale and jobbing trade, sales of new passenger automobiles and life insurance sales showed unusual increases over April. Output of manufactures and of coal declined sharply, reflecting the trend of the season and the continuance of depressed conditions generally. Building contracts also decreased, although awards for residential construction rose more than was to be expected. All indicators bearing on production and distribution of commodities continued at much lower levels than in recent years. A noticeable change for the better occurred during May in the trend of commercial failures, even though in the first five months this year liquidations exceeded the volume in the same period of other years.

Factory employment and wage earnings decreased materially, while building trades employed more workers and paid out more wages in May than in April. Most of the other occupations, industrial and service in character, reported further reductions.

Manufacturing. The demand for manufactured products continues slack, and sales have declined further since the middle of last month. Gains in unfilled orders for manufactures are reported by an exceedingly small number of factories as compared with those showing further declines. The trend of prices for factory products has continued downward.

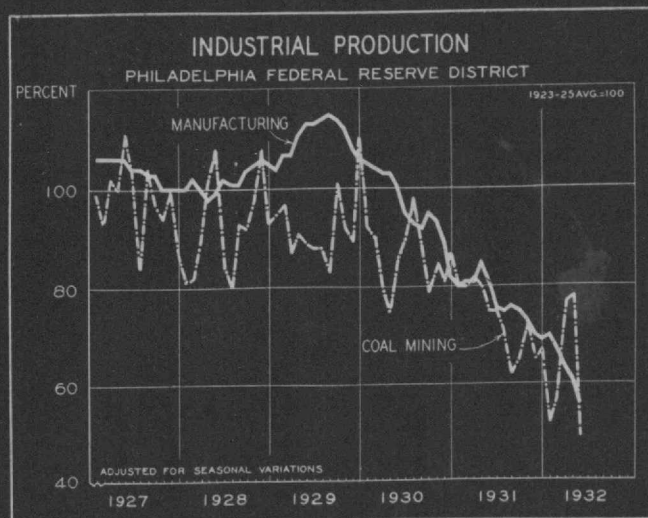
Supplies of finished goods and raw materials held by factories again have declined in the month and are smaller than a year ago. Increases in a few instances reflect a seasonal tendency. Figures for the country indicate that stocks of manufactured goods this year have been smaller than at the same time in the past four years, while inventories of raw materials have continued substantially larger.

Settlements of accounts recently have shown tardiness, probably not an unusual characteristic at this time. As in the case of mercantile trade, collections have continued smaller than in the previous year in most manufacturing lines.

Factory employment in this section in May was reduced by 5 per cent as compared with April, which was a considerably sharper drop than usually occurs in this period. The amount of wages paid declined 9 per cent; in the past two years at the same time the decrease in payrolls was less pronounced. The employment index number for Pennsylvania in May was 61, showing a reduction of 21 per cent in the number of factory workers as compared with May 1931. The payroll index number was 37, indicat-

ing a decline of 43 per cent from a year ago in the amount of wages paid. This reduction in wage earnings reflected chiefly the curtailment in operating time, which declined 10 per cent in May as compared with April. In the country as a whole, factory employment decreased 4 per cent and wage earnings 5 per cent in the month; these reductions also were larger than customary. Compared with a year ago, national factory employment was 20 per cent smaller and payrolls 36 per cent less.

Output of manufactures showed a rather severe reduction from April to May. Our index number, which allows for the number of working days and for seasonal changes, declined to 56 per cent of the 1923-25 average from 60 in the previous month, a decrease of almost 8 per cent. The na-



tional index number also fell off to 60, indicating a drop of 2 per cent from April. In comparison with a year ago, both national and local indexes were roughly 30 per cent lower, establishing new low records for the past ten years.

Most of the manufacturing groups sustained considerably more than the usual seasonal losses in productive activity, resulting from a continuous dearth of orders. Striking exceptions to this tendency are found in the case of output of transportation equipment and tobacco products, which showed larger gains than are common for May. All groups showed greatly reduced operating schedules as compared with May 1931, but the sharpest declines continued in the output of metal, textile and leather products, paper and printing and building materials.

While the majority of the manufacturing lines reported sharp recessions in the month, the number of individual enterprises that had rather unusual gains was more conspicuous than in several preceding months. An examination of the table on the last page discloses that extra-seasonal gains in May were more numerous than those in the two preceding months; among the outstanding examples were iron castings, automobile parts and bodies, shipbuilding, certain railroad equipment and textile products, cigars, and such building materials as lumber products, and paints and varnishes. Outside of shipbuilding and meat packing, all the important manufacturing industries in May operated at a materially lower rate than a year ago.

Business Indicators Philadelphia Federal Reserve District

"Adjusted" index numbers make allowance for the usual seasonal changes which result from an uneven distribution of business between the months of the year. They are the most significant indexes because they show improvement or decline beyond the level usually to be expected.

"Unadjusted" indexes reflect merely the actual changes which may or may not be up to the usual seasonal expectations.

Index numbers—expressed in percentages of 1923-1925 average, which is taken as 100

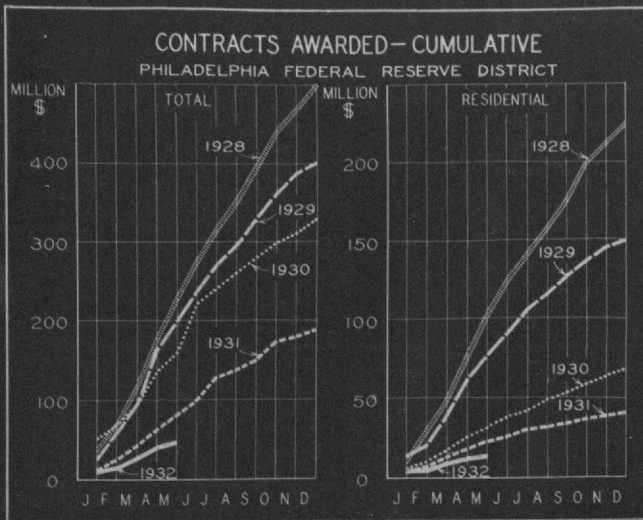
	Adjusted for seasonal variations						Not adjusted		
	May 1931	Apr. 1932	May 1932	Percentage comparison			May 1931	Apr. 1932	May 1932
				May 1932 with		5 months 1932 with 5 months 1931			
				Month ago	Year ago				
Productive activity									
Manufacturing—total	80.8	60.2 _r	55.5 _p	- 7.8	-31.3	-22.4	79.8	58.9 _r	54.5 _p
Metal products.....	68.5	36.6	32.3	-11.7	-52.8	-44.9	68.2	35.5 _r	32.0
Textile products.....	83.7	66.1	56.7 _p	-14.2	-32.3	-17.0	81.9	63.1	54.5 _p
Transportation equipment.....	60.7	48.6 _r	50.0	+ 2.9	-17.6	-13.3	61.6	51.0 _r	51.9
Food products.....	80.3	72.0	70.1 _p	- 2.6	-12.7	-10.5	80.0	71.4	70.3 _p
Tobacco and products.....	101.5	78.3	79.3	+ 1.3	-21.9	-19.6	198.6	71.4	77.1
Building materials.....	46.9	28.3	24.6	-13.1	-47.5	-33.9	49.8	28.1	25.5
Allied chemical products.....	109.4	87.4	86.9 _p	- 0.6	-20.6	-12.5	111.7	88.5	88.4 _p
Leather and products.....	132.0	103.2	97.5 _p	- 5.5	-26.1	-14.9	120.1	101.7	88.7 _p
Paper and printing.....	102.4	83.8	77.8	- 7.2	-24.0	-16.5	103.2	85.4	78.5
Electric power output.....	201.6	188.6	178.2	- 5.5	-11.6	- 3.8	187.5	184.8	165.7
Elec. pwr. used by industries.....	138.9	126.2	116.0	- 8.1	-16.5	- 8.4	141.7	127.5	118.3
Factory employment—Penna.				- 5.1*	-20.5*	-15.9*	77.2	64.7	61.4
Factory wage payments—Penna.				-10.1*	-43.3*	-34.2*	65.8	41.5	37.3
Coal mining	74.8	78.0	49.2	-36.9	-34.2	-21.1	73.7	80.7	48.5
Anthracite.....	75.0	81.0	49.0	-39.5	-34.7	-20.0	75.0	85.0	49.0
Bituminous.....	73.3	60.1	50.4	-16.1	-31.2	-28.4	66.0	54.7	45.4
Building and real estate									
Contracts awarded†—total.....	59.9	33.6	32.6	- 3.0	-45.6	-44.9	73.1	39.3	39.8
Contracts awarded†—residential.....	33.0	16.3	16.7	+ 2.5	-49.4	-42.3	42.3	19.7	21.4
Permits for building.....	24.0	19.4	6.7	-65.5	-7* ₁	-44.5	26.6	27.4	7.4
Mortgages recorded in Phila.....	32.4	33.3	22.8	-31.5	-29.6	-27.6	30.1	35.0	21.2
Real estate deeds recorded in Philadelphia.....	66.8	64.9	60.3	- 7.1	- 9.7	- 2.3	72.1	64.3	65.1
Exclusive of Sheriff deeds (1930=100).....				+ 1.2*	- 8.7*	- 7.9*	86.0	77.6	78.5
Sheriff deeds (1930=100).....				-28.6*	0.0*	+12.4*	130.4	182.6	130.4
Writs for Sheriff sales in Phila.....	1011.8	1039.9	1003.5	- 3.5	- 0.8	+ 8.2	1062.4	1091.9	1053.7
Distribution									
Retail trade—sales.....	86.1	66.4	63.5	- 4.4	-26.2	-21.0	87.3	65.9	64.1
Retail trade—stocks.....	74.9	60.5 _r	60.9	+ 0.7	-18.7	.....	74.9	63.1 _r	61.0
Wholesale trade—sales.....	79.8	60.8	63.1	+ 3.8	-20.9	-17.6	74.8	56.7	60.2
Wholesale trade—stocks.....	80.8	68.3	67.6	- 1.0	-16.3	.....	79.4	68.4	66.5
Freight car loadings (Allegheny district).....	72.2	57.8	48.9	-15.4	-32.3	-24.6	75.1	56.1	50.9
Life insurance sales.....	130.6	93.5	98.1	+ 4.9	-24.9	-14.8	139.7	104.7	105.0
New passenger auto registrations.....	87.4	41.9	50.5	+20.5	-42.2	-31.4	125.9	63.3	72.7
Business liquidations									
Number.....				-40.4*	- 4.6*	+16.8*	150.0	240.3	143.1
Amount of liabilities.....				-49.8*	+322.6*	+139.4*	57.5	484.5	243.0
Payment of accounts									
Check payments.....	95.1	67.5	62.0	- 8.1	-34.8	-30.4	94.1	68.2	61.4
Rate of collections (actual, not indexes) Retail trade.....				- 2.9	-14.6	.....	31.4	27.6	26.8
Wholesale trade.....				- 0.4	- 6.1	.....	55.9	52.7	52.5
(000,000's omitted in dollar figures)									
	May 1931	Feb. 1932	Mar. 1932	Apr. 1932	May 1932	Per cent change from			
						Month ago	Year ago		
Banking and credit									
Reporting member banks									
Loans to customers.....	\$777	\$702	\$603	\$671	\$652	- 2.8	- 16.1		
Open market loans and invest- ments.....	580	473	458	433	455	+ 5.1	- 21.6		
All member banks—net demand and time deposits	2,426	2,002	1,983	1,964	1,962	- 0.1	- 19.1		
Bankers' acceptances outstand- ing	23.4	16.0	15.2	15.1	14.1	- 6.6	- 39.7		
Federal Reserve Bank									
Bills discounted.....	18	122	97	74	63	-14.9	+250.0		
Other bills and securities.....	49	67	71	82	112	+36.6	+128.6		
Reserve ratio.....	88.4%	59.7%	64.9%	67.5%	62.5%	- 7.4	- 29.3		

* Computed from unadjusted indexes.
† 3-month moving average.

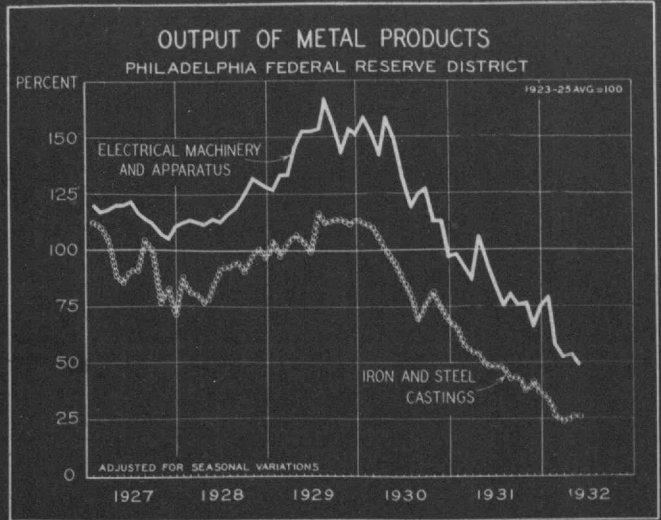
p-Preliminary.
r-Revised.

Electric power Philadelphia Federal Reserve District Percentages are computed from daily averages	May 1932, per cent change compared with	
	May 1931	Apr. 1932
Rated generator capacity	+ 1.4	0.0
Generated output (10 systems)	-11.6	-10.3
Hydro-electric.....	-16.9	-15.8
Steam.....	+ 0.8	- 6.1
Purchased.....	-26.9	- 9.6
Sales of electricity (11 systems)	-10.5	-11.7
Lighting.....	- 1.2	-15.6
Municipal.....	+ 0.5	-11.4
Residential and commercial.....	- 1.4	-16.0
Power.....	-14.9	-11.2
Municipal.....	+ 7.8	+ 1.6
Street cars and railroads.....	-11.3	- 9.3
Industries.....	-16.5	-12.1
Industries (working days).....	-16.5	- 7.2
All other sales.....	- 2.8	- 7.0

Production and sales of electric power declined more than was to be expected, after showing an appreciable gain in the previous month. Industrial consumption of electrical energy



Source: F. W. Dodge Corporation



in May declined 8 per cent more than it usually does in that month and was 17 per cent smaller than in May 1931. In the first five months of this year, output of electric power was 4 per cent smaller and purchases by industries 8 per cent less than in the same period last year. The accompanying table gives further comparisons.

Building. Awards of building contracts in May were 67 per cent of the April volume. This decline was due to smaller awards for other types of construction than dwellings, since residential contracts showed a gain of 21 per cent over April. May awards for residences were 55 per cent, while contracts for other buildings were 39 per cent of those let in May 1931. In the first half of June awards declined seasonally and were less than one-half of those a year ago. This unfavorable comparison with last year reflects the influence partly of depressed industrial condi-

tions and partly of lower construction costs, which have been almost steadily on the decline in the past two years.

Building permits for new operations declined more sharply than usual, following an exceptionally large rise in the previous month. In the first five months of this year, the value of building permits was 45 per cent smaller than in the same period last year. Employment and payrolls in building trades in fourteen city areas of Pennsylvania were 7 per cent larger in May than April; this does not include the construction of streets and highways, and general contracting, two classes which report much higher gains in both employment and payrolls during the month. The accompanying table gives comparisons by city areas.

Agriculture. Despite variable weather, the agricultural situation has been generally satisfactory except for continuous price weakness. Droughty conditions in May and the early part of June were relieved by widespread rains which stimulated the growth of crops and improved the condition of pastures and meadows.

As a result of the cool nights and dry weather which prevailed during the early part of the growing season, truck and garden crops, particularly in the northern counties, are not as far advanced as they were a year ago at this time. Orchard fruit prospects vary widely; for the district as a whole, however, indications now are that the crop will be slightly smaller this year than last.

Because of adverse marketing conditions, the outlook for dairying is somewhat less favorable than in the past two years. Output of creamery

butter in Pennsylvania in May was the largest shown for any month this year and was close to the volume of a year ago.

Butter and eggs held in storage in this section increased between May and June, while holdings of poultry showed a marked decline; as compared with a year ago, cold storage stocks of poultry alone were larger. Prices of farm products declined during May and in early June showed some further recession.

Coal. Demand for anthracite has slackened since the middle of last month, reflecting partly seasonal influences. Output of collieries in May, which averaged less than 132,000 tons daily, showed an unusually sharp decline from the rate of the preceding month and was 34 per cent below the level of a year ago. In early June the weekly output of mines increased slightly. Shipments fell off during May and were exceedingly light as compared with those of a year earlier. Wholesale prices of anthracite were slightly lower than in April.

Production of Pennsylvania bituminous coal declined in May by a larger amount than was to be expected, owing to slackened demand by industries; as compared with a year ago, the output of mines was 31 per cent smaller. In the first fortnight of June production decreased further. Shipments during May were smaller than in the preceding month and were only about 64 per cent of those of a year ago. Average quotations for soft coal throughout the country showed a reduction of nearly 1 per cent between April and May.

Distribution. Retail sales of department, apparel, shoe and credit

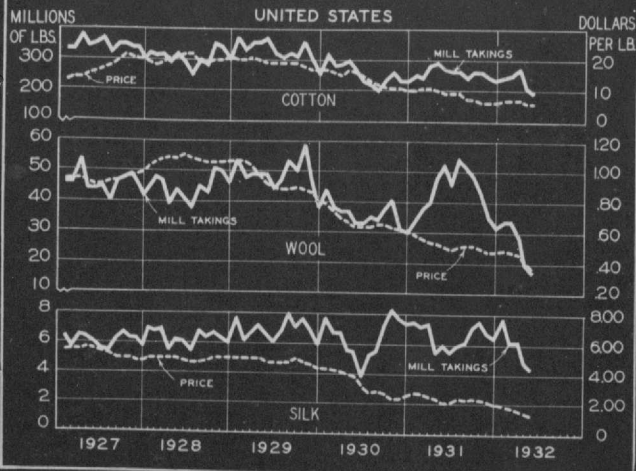
Building construction activity	May 1932, compared with Apr. 1932, per cent change		
	Employment	Payrolls	Operating time*
Pennsylvania.....	+ 6.6	+ 7.2	+10.5
Allentown.....	- 6.7	+ 6.5	+ 5.5
Altoona.....	+ 9.1	+ 4.2	-18.2
Bethlehem.....	-40.3	-16.2	-19.8
Chester.....	-13.8	+ 2.9	+ 9.6
Erie.....	+25.2	+52.6	+54.6
Harrisburg.....	+10.0	+ 0.5	+12.3
Johnstown.....	+23.5	+20.1	+30.1
Lancaster.....	- 4.2	+25.5	+21.1
Philadelphia.....	+12.3	+10.9	+12.2
Pittsburgh.....	- 4.1	- 4.9	+ 1.0
Reading.....	- 1.7	- 2.4	- 5.1
Seranton.....	+11.5	+23.0	+14.2
Wilkes-Barre.....	+14.5	+25.0	+35.2
York.....	+ 4.5	+ 0.6	- 2.3

* Figures on employe-hours are from 1,011 contractors while those on employment and payrolls are from 1,077 contractors.

Source: Pennsylvania Department of Labor and Industry

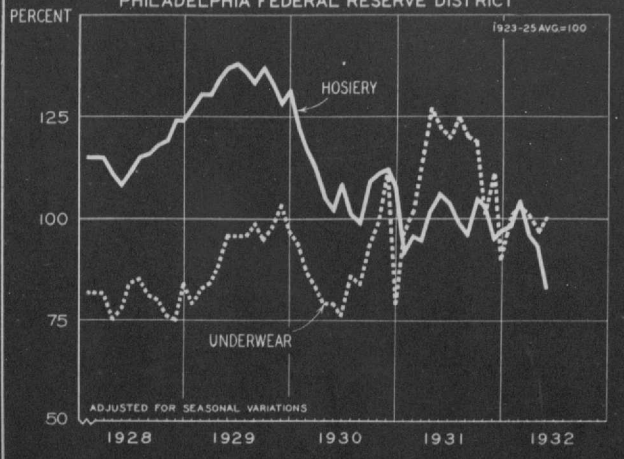
TEXTILE FIBERS

UNITED STATES



OUTPUT OF KNIT GOODS

PHILADELPHIA FEDERAL RESERVE DISTRICT



Sources: Department of Commerce, Fairchild's Publications, Dun's Review

Source: United States Bureau of the Census

stores during May were 3 per cent smaller than in April; usually there is a small increase in this period. Exceptional declines occurred in the sales of department and women's apparel stores, while business in men's apparel and in shoes was considerably larger than is customary. The gain in the sales of credit stores was not as large as it usually is in May.

The trend in retail business of the four lines covered by our index numbers has been downward since the third quarter of 1929, as is shown by the charts on the last page. In May this year the seasonally adjusted index number of dollar sales was 64 per cent of the 1923-25 average, showing a decline of 26 per cent from a year ago and of 33 per cent from four years ago. This decline has coincided with a steady recession in retail prices, a fact which undoubtedly has affected the size of dollar sales.

Wholesale and jobbing trade in May showed a gain of 6 per cent over April, indicating more than the usual improvement during the month. This was the first upturn in wholesale business in the past five months, when seasonal changes are taken into consideration. More than customary gains in the sales of shoes, electrical supplies, groceries, and hardware caused the unusual rise in the aggregate figure; the remaining four lines reported either actual declines or increases that were less than is normally expected.

The adjusted index number for all lines in May was 63 per cent of the 1923-25 average or about 21 per cent lower than a year ago and 32 per cent below May 1929. As in the case of other commodities, the drop in dollar sales at wholesale reflected the sharp

decline in commodity prices in recent years.

Stocks of merchandise at both retail and wholesale establishments declined seasonally and were 19 and 16 per cent smaller than at the end of May 1931. The rate of stock turnover during the first five months of this year was 7 per cent lower for retail and 5 per cent lower for wholesale trades than in the same period last year. Payment of accounts, as indicated by the percentage of collections during May to the total receivables at the beginning of that month, was less rapid than a year ago by 15 per cent in retail trade and by 6 per cent in wholesale trade.

Freight car loadings in this section declined sharply instead of increasing as they usually do in May, owing largely to reduced shipments of coal. The drop in the movement of merchandise and miscellaneous commodities, comprising largely finished and semi-manufactured products, was less rapid than that in other classifications. Compared with a year ago the decrease amounted to 32 per cent and in the first five months shipments were 25 per cent less than in the same period last year.

Sales of new passenger automobiles have increased substantially. Registrations in May showed a gain of 15 per cent instead of the normal seasonal decline from April, but they were 31 per cent smaller in the first five months this year than last.

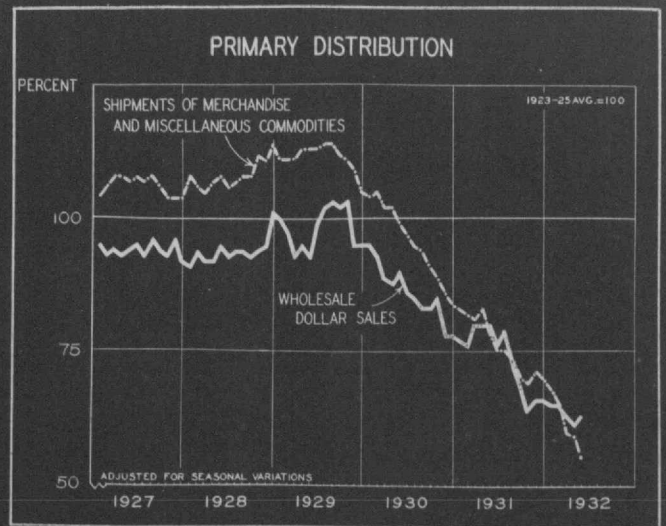
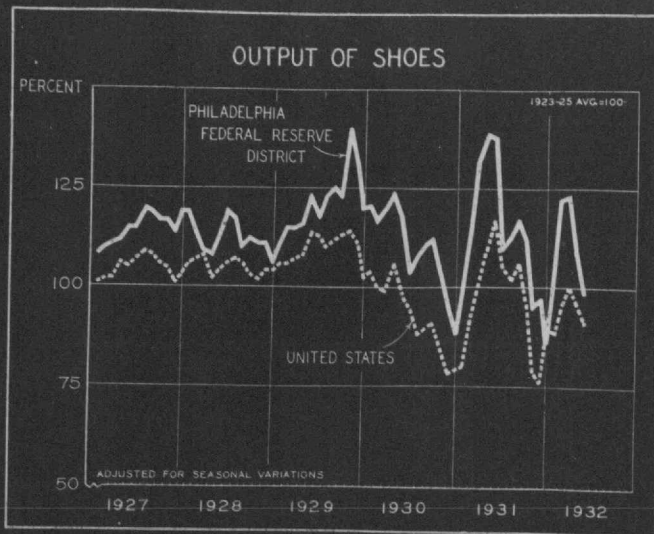
Sales of ordinary life insurance in this section showed a slight gain instead of a decline as is ordinarily to be expected. Nevertheless, sales were 25 per cent smaller than a year ago and for the year to date, they were 15 per

cent less than in the first five months of 1932.

Financial conditions. Persistent quiet in general business was reflected over the past month in a further decline in member bank loans to customers. Currency demand at the reserve bank was without special feature, but borrowings from this bank increased somewhat, owing apparently to the influence of Treasury operations. Rates in Philadelphia on prime commercial loans have changed little, falling for the most part within a range of 4½ to 5 per cent.

During the five weeks ended June 22, bills discounted by this bank rose from 60 to 67 millions; this was due principally to heavier borrowings by banks in some of the larger cities throughout the district, exclusive of Philadelphia. A decrease in the reserve ratio from 61.8 to 54.5 per cent is to be accounted for mainly by a decline of 27 millions in cash reserves. Transfers for the government and payments by this bank as a result of its participation in the open market operations of the federal reserve system were only partly balanced by amounts gained by the member banks in the settlement of miscellaneous commercial and financial transactions with other districts. The bank's holdings of United States securities increased from 111 to 131 millions and compared with only 49 millions a year ago.

Nearly 45 millions was withdrawn from depositary banks by the Treasury during the five week period, the greater part being taken from deposits set up in payment for United States Government securities issued some time ago; in addition the Treasury received about 27 millions from taxes and mis-



Source: American Railway Association

cellaneous sources. Out of total receipts of 72 millions, the Treasury disbursed about 39 millions locally, so that the net loss to the local market was reduced to 33 millions. The banks obtained the greater part of the funds required to meet this loss from a favorable balance of 22 millions in the settlements with other districts, no doubt the result in part of investment sales; the remainder was supplied by drawing upon reserve deposits to the extent of 4 millions, and by borrowing 7 millions from the reserve bank.

The figures of the weekly reporting member banks reveal a further decline of 16 millions in loans to customers during the last five weeks, continuing a trend which has been followed with few material interruptions for many months. Despite these repayments and income tax collections late in the period, net demand and time

deposits increased from 883 to 890 millions. About 37 millions of new securities was allotted to the reporting banks on June 15, but their holdings of government obligations increased

Reporting member banks (000,000's omitted)	June 22 1932	May 18 1932	June 24 1931
Loans to customers:			
On securities	\$ 319	\$ 329	\$ 414
All other	316	322	355
Loans to open market	7	6	45
United States securities	196	176	226
Other securities	270	270	321
Total loans and investments	\$1,108	\$1,103	\$1,361
Net demand and time deposits	890	883	1,176
Government deposits	35	36	29

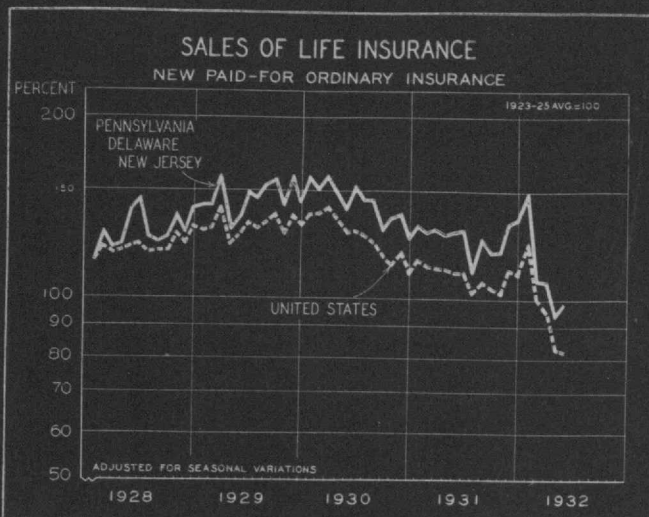
only 20 millions between May 18 and June 22, evidencing the sale of part of them; holdings of other securities show practically no change.

Daily averages of net demand and time deposits of Philadelphia member banks show that there was an increase from April to May after months of rather steady decline. Deposits in banks outside of the city declined further in May, but the decrease in each of the two latest months was smaller than in any of the six months preceding them.

The decline in deposits of mem-

Net demand and time deposits of all member banks (000,000's omitted)	In Philadelphia	Outside Philadelphia	Totals
1931—Dec.	\$ 853	\$1,226	\$2,079
1932—Jan.	832	1,214	2,046
Feb.	803	1,199	2,002
Mar.	798	1,185	1,983
Apr.	786	1,178	1,964
May	791	1,171	1,962
1931—May	1,080	1,337	2,426

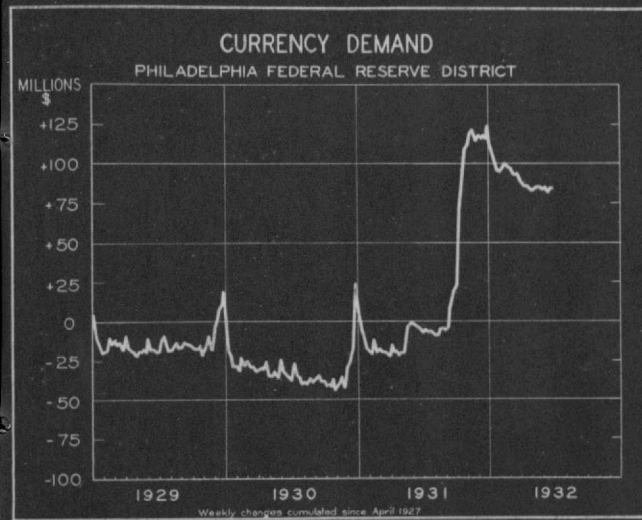
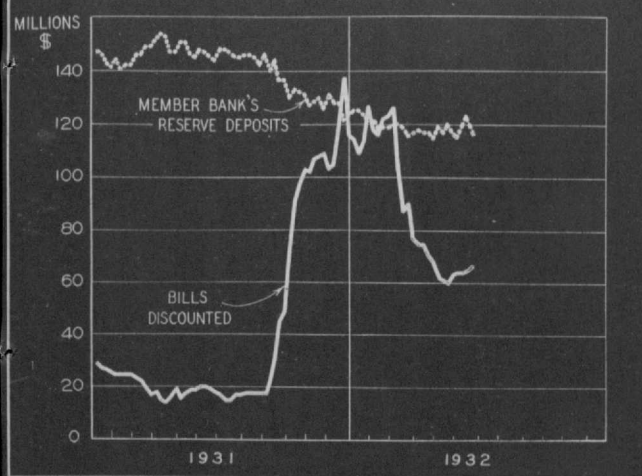
ber banks in Philadelphia from May 1931 to May 1932, was 27 per cent, while check payments in this city, as shown by figures of debits to individual accounts, decreased 38 per cent. Although these two sets of figures were not reported entirely by identical banks, they are sufficiently comparable to indicate a lower rate of deposit activity than a year ago, suggesting further the reduction in productive and distributive activity.



Source: Life Insurance Sales Research Bureau

Federal Reserve Bank of Philadelphia (Dollar figures in millions)	June 22 1932	Changes in—	
		Five weeks	One year
Bills discounted for banks in—			
Philadelphia	\$ 12.2	+\$ 1.5	+\$ 10.1
20 other large cities	25.3	+ 4.2	+ 21.2
Other communities	29.9	+ 1.9	+ 18.5
Total bills discounted	\$ 67.4	+\$ 7.6	+\$ 49.8
Bills bought	5.4	+ 2.0	+ 5.2
United States securities	131.4	+ 19.8	+ 82.3
Other securities	1.6	- .1	- .6
Total bills and securities	\$205.8	+\$29.3	+\$136.7
Fed. res. note circulation	247.6	- .5	+ 103.5
Member bank reserve deposits	115.7	- 3.9	- 28.4
Foreign bank deposits	8.2	+ 7.3	+ 1.0
Cash reserves	203.6	- 27.2	- 59.1
Reserve ratio	54.5%	- 7.3%	- 31.0%

FEDERAL RESERVE BANK OF PHILADELPHIA



City areas*	Percentage change—May 1932 from May 1931				
	Employment	Wage payments	Building permits (value)	Debits	Retail trade sales
Allentown	-23.0	-42.9	-85.1	-28.2	-23.3
Altoona	-34.7	-51.8	-51.0	-10.4	-39.1
Harrisburg	-22.7	-42.3	-56.6	-22.2	-17.1
Johnstown	-20.7	-60.0	-74.3	-36.0	-30.8
Lancaster	-21.0	-47.6	-79.9	-36.5	-28.6
Philadelphia	-16.5	-33.8	-55.4	-37.9	-20.9
Reading	-15.9	-45.6	-98.6	-23.5	-24.7
Scranton	-37.6	-4.7	-69.4	-17.0	-17.9
Trenton	-18.9	-36.1	-76.7	-29.2	-22.3
Wilkes-Barre	-19.3	-29.9	-51.1	-14.8	-18.6
Williamsport	-32.3	-55.9	+189.6	-33.0	.....
Wilmington	-7.5	-24.3	-75.4	-22.3	-36.9
York	-11.6	-24.3	+8.1	-25.0	.....

City areas*	May 1932 from April 1932				
	Employment	Wage payments	Building permits (value)	Debits	Retail trade sales
Allentown	-10.7	-12.4	-79.2	-14.3	-14.0
Altoona	-10.2	-10.2	+41.4	-7.4	-3.4
Harrisburg	-4.3	-15.6	-54.2	-6.8	+15.0
Johnstown	-8.0	-20.7	-55.6	-8.6	0.0
Lancaster	-6.5	-5.9	-18.2	-19.3	-12.3
Philadelphia	-9.3	-3.7	-79.1	-13.2	-6.1
Reading	-7.4	-20.9	-74.5	-6.7	-22.7
Scranton	-0.6	-10.2	-77.4	-6.3	+16.3
Trenton	-6.5	-6.6	-80.7	-9.1	+2.5
Wilkes-Barre	-8.2	+0.4	-12.4	-2.2	-11.0
Williamsport	-18.3	-22.5	+144.2	-11.7	.....
Wilmington	-1.8	-4.5	+42.2	-10.4	+2.3
York	-1.1	-1.5	-49.5	-16.4	.....

Employment and wages in Pennsylvania	Employment May 1932			Payrolls May 1932		
	May index*	Per cent change since		May index*	Per cent change since	
		May 1931	Apr. 1932		May 1931	Apr. 1932
All manufacturing industries (51)	61.4	-20.5	-5.1	37.3	-43.3	-10.1
Metal products	53.2	-26.5	-5.3	27.9	-52.2	-11.1
Blast furnaces	36.4	-23.4	-2.9	17.5	-52.8	-15.9
Steel wks. and rolling mills	47.7	-29.3	-8.4	23.6	-56.9	-15.1
Iron and steel forgings	48.9	-34.9	-1.8	28.1	-55.4	-12.5
Structural iron work	75.0	-14.8	+3.3	36.9	-49.7	0.0
Steam and hot wtr. htg. app.	72.8	-19.6	-4.2	45.7	-35.3	-10.4
Stoves and furnaces	60.5	-8.7	-2.1	37.7	-6.9	+4.7
Foundries	52.0	-26.2	-3.5	21.4	-55.8	-10.5
Machinery and parts	59.5	-28.0	-6.9	33.3	-45.7	-17.8
Electrical apparatus	72.9	-21.4	+1.3	42.7	-48.1	-4.0
Engines and pumps	35.5	-29.7	-1.4	18.4	-49.3	-10.7
Hardware and tools	60.1	-16.3	-2.4	33.0	-44.4	-10.1
Brass and bronze products	54.9	-17.8	0.0	30.6	-43.2	-2.5
Transportation equipment	44.6p	-24.5	-2.0	27.6p	-46.9	-3.5
Automobiles	29.7	-55.2	-28.6	11.4	-75.7	-29.6
Auto. bodies and parts	53.1	-9.1	+0.2	31.2	-29.4	+0.6
Locomotives and cars	21.7	-7.3	+3.8	13.7	-18.0	+2.2
Railroad repair shops	75.1	+7.7	-2.0	47.9	-25.6	-7.4
Shipbuilding	50.5	-14.0	+5.2	75.6	-19.1	+1.2
Textile products	73.7	-17.7	-7.8	45.2	-43.7	-18.3
Cotton goods	45.4	-30.5	-15.6	29.0	-51.5	-23.1
Woolens and worsteds	48.7	-15.5	-7.6	28.6	-48.2	-15.1
Silk goods	68.5	-29.2	-11.8	48.8	-45.2	-16.9
Textile dyeing and finishing	82.2	-5.4	-1.2	62.0	-25.7	-10.1
Carpets and rugs	54.8	-15.0	+4.6	35.4	-33.3	+8.6
Hats	58.0	-27.2	0.0	30.4	-42.4	+1.0
Hosiery	100.7	-3.2	-8.4	57.4	-45.2	-29.2
Knit goods, other	81.3	-0.2	+2.7	52.8	-23.9	+12.1
Men's clothing	73.4	-16.1	-7.7	48.8	-41.9	-11.6
Women's clothing	122.6	-4.5	+2.2	98.0	-22.8	+5.6
Shirts and furnishings	100.2	-32.5	-9.6	55.0	-60.6	-24.5
Food and tobacco	91.5	-12.3	-3.5	75.5	-20.0	-3.2
Bread and bakery products	98.8	-8.8	-0.1	84.9	-16.8	-0.2
Confectionery	83.4	-14.5	-6.3	68.4	-27.5	-14.4
Ice cream	92.3	-14.9	+10.9	80.7	-21.3	+3.7
Meat packing	92.8	-1.8	-0.6	76.5	-5.2	-0.8
Cigars and tobacco	87.6	-14.1	-5.4	63.7	-23.4	-1.4
Stone, clay and glass products	44.0	-25.0	-10.6	22.2	-51.9	-14.9
Brick, tile and pottery	51.7	-28.0	-6.0	21.4	-56.3	-20.7
Cement	36.1	-36.1	-17.6	18.4	-62.1	-16.4
Glass	50.0	+1.0	-5.8	34.7	-15.8	-7.2
Lumber products	41.7	-24.6	-3.2	26.4	-44.9	-3.3
Lumber and planing mills	31.4	-6.5	+7.5	23.6	-21.9	+8.3
Furniture	39.2	-37.5	-11.5	22.7	-57.6	-13.0
Wooden boxes	57.5	-9.2	+3.0	36.6	-33.9	+0.8
Chemical products	77.8	-15.2	-1.9	64.5	-27.6	-2.7
Chemicals and drugs	59.0	-15.8	-2.5	47.6	-28.3	-6.7
Coke	61.1	-15.8	-1.9	26.0	-55.9	-15.3
Explosives	67.4	-8.4	-1.3	52.8	-25.2	-4.5
Paints and varnishes	86.0	-9.7	+2.6	73.3	-25.9	+10.9
Petroleum refining	110.2	-14.4	-2.4	104.8	-17.7	-0.7
Leather and rubber products	89.1	-3.7	-2.4	63.9	-28.0	-9.1
Leather tanning	89.2	-10.7	-1.9	64.2	-32.4	-5.3
Shoes	101.3	+13.6	-3.2	66.7	-9.3	-19.6
Leather products, other	66.0	-18.8	-8.6	48.3	-46.1	-22.0
Rubber tires and goods	79.2	-10.1	+2.3	76.5	-26.7	+8.1
Paper and printing	84.8	-9.1	-0.9	71.5	-24.7	-7.6
Paper and wood pulp	74.8	-7.8	+0.5	55.6	-24.6	-3.6
Paper boxes and bags	63.9	-18.9	-7.9	52.9	-35.3	-12.4
Printing and publishing	91.2	-8.6	-0.5	79.1	-23.9	-8.7
Anthracite mining	65.1	-16.9	-4.5	48.6	-23.9	-19.5
Bituminous coal mining	.....	.....	-2.6	.....	.....	-14.6
Canning and preserving	.....	.....	-1.6	.....	.....	+4.4
Construction and contracting	.....	.....	+9.6	.....	.....	+10.1
Hotels	.....	.....	-0.5	.....	.....	-0.3
Laundries	.....	.....	-0.6	.....	.....	-0.1
Dyeing and cleaning	.....	.....	+7.1	.....	.....	+7.3
Public utilities	.....	.....	-0.7	.....	.....	-0.7
Quarrying and non-metallic mining	.....	.....	+5.4	.....	.....	+13.2
Retail trade	84.2	-6.5	-0.5	.....	.....	.....
Wholesale trade	81.9	-8.7	-1.1	.....	.....	.....

* Area not restricted to the corporate limits of cities given here. * 1923-1925 average = 100. p-Preliminary figures.

Index numbers of individual lines of trade and manufacture

Philadelphia Federal Reserve District

Index numbers—expressed in percentages of the 1923-1925 average which is taken as 100

"Adjusted" index numbers make allowance for the usual seasonal changes which result from an uneven distribution of business between the months of the year. They are the most significant indexes because they show improvement or decline beyond the level usually to be expected.

"Unadjusted" indexes reflect merely the actual changes which may or may not be up to the usual seasonal expectations.

Retail trade

	Adjusted for seasonal variations						Not adjusted		
	May 1931	Apr. 1932	May 1932	Percentage comparison		5 months 1932 with 5 months 1931	May 1931	Apr. 1932	May 1932
				Month ago	Year ago				
Sales									
All stores.....	86.1	66.4	63.5	- 4.4	-26.2	-21.0	87.3	65.9	64.1
Department.....	81.8	69.4	64.4	- 7.2	-21.3	-19.7	80.2	65.9	63.1
Men's apparel.....	74.5	51.3	56.7	+10.5	-23.9	-29.1	69.3	49.0	52.8
Women's apparel.....	102.2	81.5	75.0	- 8.0	-26.6	-27.4	105.6	95.0	77.4
Shoe.....	100.6	68.5	75.0	+ 9.5	-25.4	-24.3	111.7	75.4	83.3
Credit.....	89.1	57.0	54.2	- 4.9	-39.2	-33.7	96.2	55.3	58.5
Stocks of goods									
All stores.....	74.9	60.5r	60.9	+ 0.7	-18.7	.....	74.9	63.1r	61.0
Department.....	70.3	59.0r	59.2	+ 0.3	-15.8	.....	69.9	61.4r	59.0
Men's apparel.....	73.3	60.5r	60.2	- 0.5	-17.9	.....	73.5	64.0r	60.5
Women's apparel.....	109.7	80.8r	82.3	+ 1.9	-25.0	.....	110.7	86.2r	83.1
Shoe.....	89.8	71.0	69.1	- 2.7	-23.1	.....	91.6	72.4	70.5
Credit.....	67.0	52.5	54.5	+ 3.8	-18.7	.....	66.3	54.6	54.0
Rate of stock turnover 5 months (actual, not indexes)						- 6.8	1.62		1.51

Wholesale trade

	Adjusted for seasonal variations						Not adjusted		
	May 1931	Apr. 1932	May 1932	Percentage comparison		5 months 1932 with 5 months 1931	May 1931	Apr. 1932	May 1932
				Month ago	Year ago				
Sales									
Total of all lines.....	79.8	60.8	63.1	+ 3.8	-20.9	-17.6	74.8	56.7	60.2
Boots and shoes.....	53.9	43.0	52.9	+23.0	- 1.9	- 9.4	53.4	45.6	52.4
Drugs.....	100.5	89.1	86.7	- 2.7	-13.7	-11.9	100.5	90.0	86.7
Dry goods.....	53.2	39.8r	35.6	-10.6	-33.1	-25.8	50.0	34.6r	33.5
Electrical supplies.....	108.9	46.4	58.9	+26.9	-45.9	-38.8	82.8	42.7	44.8
Groceries.....	84.0	80.4	83.8	+ 4.2	- 0.2	- 9.0	83.2	74.0	83.0
Hardware.....	67.5	48.7	49.2	+ 1.0	-27.1	-31.3	74.2	50.2	54.1
Jewelry.....	52.3	36.2	33.0	- 8.8	-36.9	-27.1	43.9	23.5	27.7
Paper.....	78.1	54.1	51.8	- 4.3	-33.7	-22.0	77.3	54.1	51.3
Stocks of goods									
Total of all lines.....	80.8	68.3	67.6	- 1.0	-16.3	.....	79.4	68.4	66.5
Drugs.....	108.9	106.3	100.1	- 5.8	- 8.1	.....	110.0	107.4	101.1
Dry goods.....	51.8	43.4	41.9	- 3.5	-19.1	.....	51.3	43.4	41.5
Electrical supplies.....	104.3	77.0	77.7	+ 0.9	-25.5	.....	99.1	75.5	73.8
Groceries.....	95.7	78.5	81.8	+ 4.2	-14.5	.....	90.9	78.5	77.7
Hardware.....	77.6	69.7	65.9	- 5.5	-15.1	.....	79.9	73.9	67.9
Jewelry.....	61.1	58.8	53.2	- 9.5	-12.9	.....	65.4	56.4	56.9
Paper.....	85.5	70.9	71.7	+ 1.1	-16.1	.....	84.6	70.9	71.0
Rate of stock turnover 5 months (actual, not indexes)						- 5.4	1.84		1.74

Output of manufactures

	Adjusted for seasonal variations						Not adjusted		
	May 1931	Apr. 1932	May 1932	Percentage comparison		5 months 1932 with 5 months 1931	May 1931	Apr. 1932	May 1932
				Month ago	Year ago				
Pig iron.....	33.0	14.5	13.8	- 4.8	-59.3	-55.5	35.3	16.4	14.3
Steel.....	60.7	30.9	26.2	-15.2	-56.8	-49.5	63.7	32.4	27.5
Iron castings.....	47.7	24.6r	26.3	+ 6.9	-44.9	-46.9	49.6	25.6r	27.4
Steel castings.....	49.3	27.8r	24.5	-11.9	-50.3	-58.3	51.3	28.4r	25.5
Electrical apparatus.....	93.7	53.6	48.6	- 9.3	-48.1	-38.8	86.2	46.6	44.7
Motor vehicles.....	46.1	16.1r	11.3	-29.8	-75.5	-41.8	43.7	20.1r	14.2
Automobile parts and bodies.....	44.2	29.8	31.1	+ 4.4	-29.6	+17.0	46.4	32.5	32.7
Locomotives and cars.....	19.7	14.5	16.2	+11.7	-17.8	-31.7	19.4	15.5	15.9
Shipbuilding.....	174.3	169.9	177.1	+ 4.2	+ 1.6	- 9.7	179.5	173.3	182.4
Silk manufactures.....	96.0	75.8	58.8	-22.4	-38.8	-20.2	92.2	74.3	56.4
Woolen and worsteds.....	64.4	37.1	39.1p	+ 5.4	-39.3	-22.8	60.3	34.0	37.1p
Cotton products.....	51.7	32.2r	23.6	-26.7	-54.4	-23.9	61.2	33.3r	23.2
Carpets and rugs.....	57.4	43.5	47.7p	+ 9.7	-16.9	-13.4	56.8	43.5	47.2p
Hosiery.....	106.3	92.5	83.4	- 9.8	-21.5	- 3.4	106.3	92.5	83.4
Underwear.....	122.0	96.6	99.6	+ 3.1	-18.4	-11.0	123.2	94.7	100.6
Cement.....	80.7	46.7	35.2	-24.6	-56.4	-33.7	91.2	46.2	39.8
Brick.....	48.0	26.7	20.9	-21.7	-56.5	-47.9	50.9	28.0	22.2
Lumber and products.....	26.2	18.3	20.2	+10.4	-22.9	-18.2	24.4	17.4	18.8
Bread and bakery products.....				- 0.2*	-16.8*	-15.8*	102.1	85.1r	84.9
Slaughtering, meat packing.....	78.7	99.8	95.1	- 4.7	+20.8	+17.4	77.9	97.2	93.7
Sugar refining.....	72.8	77.4	67.6	-12.7	- 7.1	+15.5	89.5	100.6	83.1
Canning and preserving.....	38.9	27.3	28.0p	+ 2.6	-28.0	-28.1	29.9	23.0	22.8p
Cigars.....	100.6	76.7	78.4	+ 2.2	-22.1	-20.3	97.6	69.8	76.0
Paper and wood pulp.....	73.6	57.3	55.8	- 2.6	-24.2	-18.7	73.6	57.9	55.8
Printing and publishing.....	108.2	89.2	82.3	- 7.7	-23.9	-16.2	109.2	91.0	83.1
Shoes.....	138.0	110.3	97.8	-11.3	-29.1	-11.1	125.6	110.3	89.0
Leather, goat and kid.....	126.3	96.4	97.3p	+ 0.9	-23.0	-18.8	114.9	93.5	88.5p
Explosives.....	73.8	60.7	57.9p	- 4.6	-21.5	-27.3	74.5	61.3	58.5p
Paints and varnishes.....	88.1	59.5	65.4	+ 9.9	-25.8	-13.0	93.4	62.5	69.3
Petroleum products.....	140.5	123.0	121.7p	- 1.1	-13.4	- 4.5	141.0	122.8	121.9p
Coke, by-product.....	89.5	55.8	49.9	-10.6	-44.2	-37.1	93.1	58.0	51.9

* Computed from unadjusted indexes. p-Preliminary. r-Revised.

