

Mr. Schertzer

THE BUSINESS REVIEW

THIRD FEDERAL
PHILADELPHIA



RESERVE DISTRICT
OCTOBER 1, 1932

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

Business and Financial Conditions in the United States

Volume of industrial production increased from July to August by considerably more than the usual seasonal amount, reflecting chiefly expansion in activity at textile mills. Wholesale prices advanced during August and the general level prevailing in the first three weeks of September was somewhat higher than in other recent months. There was a further growth in the country's stock of monetary gold and a non-seasonal return flow of currency to the reserve banks.

Production and employment. Industrial output increased substantially in August and the Board's seasonally adjusted index showed an advance from 58 to 60 per cent of the 1923-1925 average. Activity at cotton, woolen, silk and rayon mills increased from the low level of other recent months by considerably more than the usual seasonal amount, and there was also a substantial increase in activity at shoe factories. Output of automobiles, however, declined further and production in the steel and lumber industries showed none of the usual seasonal in-

crease in August. During the first three weeks of September there was a slight advance in steel output.

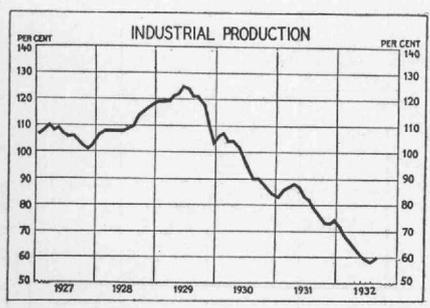
Employment at factories increased slightly more than is usual at this season. There were large additions to working forces in the textile, clothing, and leather industries, while in the automobile, tire and machinery industries and at car building shops the number employed decreased further. Aggregate wage payments increased less than seasonally.

Building contracts awarded up to September 15, as reported by the F. W. Dodge Corporation, indicate that for the third quarter the total value of contracts will be about the same as for the second quarter, whereas usually awards for the third quarter are smaller. Currently, contracts for public works are a considerably larger part of the total than they were at the beginning of the year and residential contracts are a smaller part.

Department of Agriculture crop estimates based on September 1 conditions indicate little change in pros-

pects during August. Indicated crops of wheat and tobacco are considerably smaller than in other recent years, while the corn crop is the largest since 1925. The cotton crop is estimated at 11,300,000, a decrease of about 6,000,000 bales from the large crop of a year ago.

Distribution. Volume of merchandise and other freight handled by the railroads increased seasonally during August, while during the corresponding period a year ago no increase was reported. Department store sales of



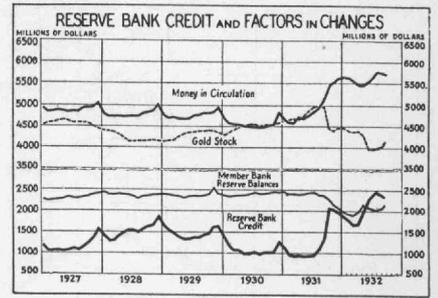
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average = 100.)



Indexes based on three month moving averages of F. W. Dodge data for 37 Eastern States, adjusted for seasonal variation. (1923-1925 average = 100.)



Indexes of factory employment and payrolls, without adjustment for seasonal variation. (1923-1925 average = 100.)



Monthly averages of daily figures. Latest figures are averages of first 21 days in September.

merchandise increased from July to August by somewhat less than the usual seasonal amount.

Wholesale prices. Wholesale commodity prices advanced from 64.5 per cent of the 1926 average in July to 65.2 per cent in August, according to the monthly index of the Bureau of Labor Statistics. During August prices of many leading commodities including textile raw materials and finished products, wheat, hides, non-ferrous metals, sugar, rubber and coffee increased substantially. In the first half of September there were declines in the prices of many of these commodities, while prices of wool and woolen goods, cattle and hides advanced.

Bank credit. During recent weeks

further growth in monetary gold stock, a return flow of currency from hoards, and new issues of national bank notes have resulted in additions to the reserve funds of member banks. These banks have employed a part of the funds in further reducing their borrowings at the reserve banks and have accumulated a part as reserve balances which at the present time are more than \$300,000,000 in excess of required reserves. Reserve bank holdings of United States Government securities and of acceptances remained practically unchanged during the four weeks ending September 14, while the total of reserve bank credit declined by \$43,000,000 through the reduction of discounts for member banks.

Loans and investments of reporting member banks in leading cities showed little change between the middle of August and the middle of September. A further decline of more than \$150,000,000 in loans by banks outside New York City during the past four weeks was offset in large part by continued increase in investment holdings, chiefly at member banks in New York City. There was a considerable growth in deposits of reporting member banks, reflecting in part large balances held by city banks for the account of other banks.

Money rates in the open market remained unchanged at low levels during August and the first half of September.

Business and Financial Conditions in the Philadelphia Federal Reserve District

Business conditions generally reflect improvement. Factory output showed more than the usual seasonal increase in August, and the rate of production was well maintained in early September. Coal mining, on the other hand, registered smaller than the expected increase in August but a seasonal upturn in September. Contract awards for construction showed exceptional gains in August as did building permits, though both declined in the following two weeks. Retail and wholesale trade lately has been more active seasonally than in the previous month. Freight car loadings during August were not quite up to the usual volume but since then they have increased. Commercial failures have declined appreciably in number and liabilities. In

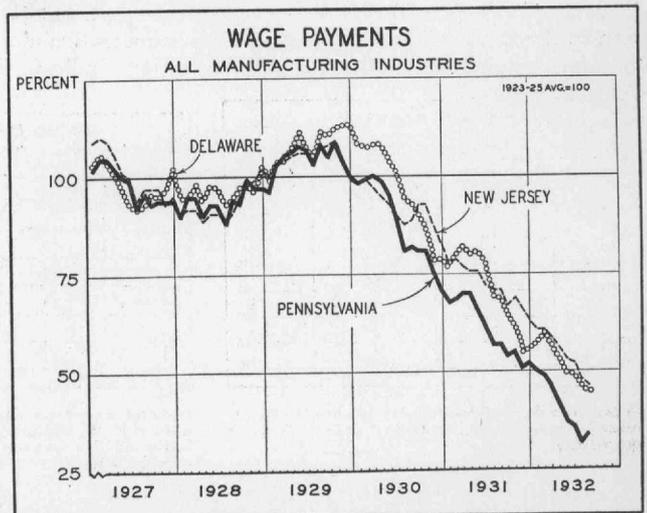
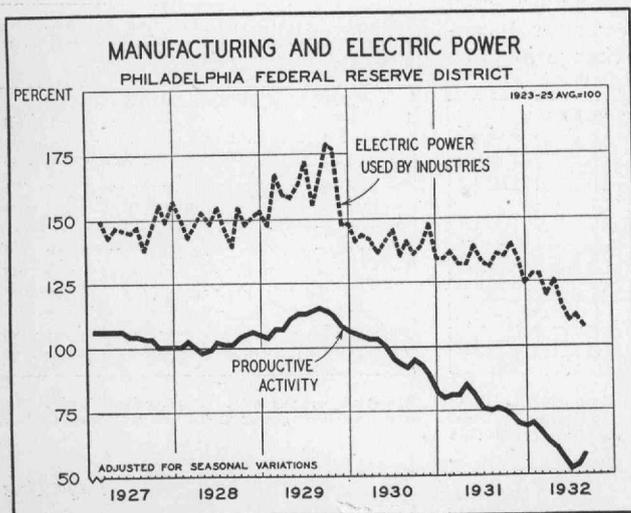
comparison with recent years, virtually all indicators have continued at lower levels.

Industrial employment and payrolls on the whole were larger in August than in July. The increases were due to manufacturing, mining, quarrying and construction, while trades and services showed declines. Incomplete reports from Pennsylvania factories indicate a further increase in September.

Manufacturing. There has been a marked improvement in the manufacturing industry of this district in August and early September, the most striking leader in this upturn being the textile group. The demand for manufactured products generally has resulted in a pronounced increase in

unfilled orders, particularly for textile, leather, paper and tobacco products. Some of the industries making metal products also report a slightly larger volume of business. While in many instances this change for the better is of seasonal character, there are nevertheless a number of concerns that report improvement beyond the usual increase.

Most of the reporting concerns show not only firmness in prices but also a continued tendency toward higher levels. Wholesale commodity prices of manufactured goods in August advanced further in all groups except those comprising building materials and house furnishings. The sharpest rise occurred in prices of semi-manufactured products. In Sep-



tember the general price level did not change materially.

Inventories of finished merchandise at reporting factories have been reduced further and are smaller than they were a year ago. Stocks of raw materials increased slightly in the case of textiles, while other groups showed either declines or no change; compared with a year ago, the supply of raw materials remains smaller. A number of reports indicate that collections have been somewhat larger than a month ago, but the majority of firms state that current settlements are not as satisfactory as they were a year ago.

Factory employment, payrolls, and operating time in this district showed more than seasonal increases from July to August, owing solely to Pennsylvania industries, since Delaware and New Jersey factories registered declines. In Pennsylvania factory employment rose 2 per cent and payrolls almost 5 per cent. The textile industry showed the most striking gains. Leather products such as shoes and miscellaneous goods also reported marked increases. In other groups considerable gains in payrolls occurred in such individual industries as steel works and rolling mills, structural iron work, confectionery, glass, and wooden boxes. Our employment index number, based on figures covering factories in the three states, was less than 20 per cent and the payroll index 40 per cent below those in August 1931; this compares with the decline of 21 per cent in employment and 38 per cent in payrolls throughout the country.

Output of manufactures in August showed exceptional gains over July. Our preliminary index number, which is based on figures from about forty important industries covering two-thirds of the total manufacturing output in this district, rose from less than 54 in July to over 56 per cent of the 1923-25 average in August, when allowance is made for the usual seasonal changes. This is a gain of 5 per cent over the customary increase, thereby indicating a decided improvement. Compared with last year, output in the first eight months of this year was 24 per cent smaller; the national index number, which in August also advanced 5 per cent over July, was 23 per cent lower than in August 1931.

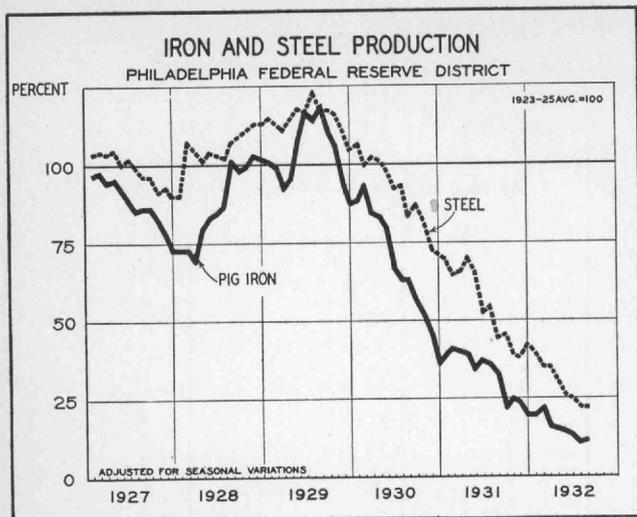
Production of textiles, which makes up 26 per cent of the data used in the district index number, showed an extraordinary gain of 22 per cent over July and was 85 per cent of the

Business Indicators Philadelphia Federal Reserve District

	Index numbers—expressed in percentages of 1923-1925 average, which is taken as 100								
	Adjusted for seasonal variations						Not adjusted		
	Aug. 1931	July 1932	Aug. 1932	Percentage comparison			Aug. 1931	July 1932	Aug. 1932
				Month ago	Year ago	8 months 1932 with 8 months 1931			
<p>"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.</p> <p>"Unadjusted" indexes reflect merely the actual changes which may or may not be up to the usual seasonal expectations.</p>									
Productive activity									
Manufacturing—total.....	75.8	53.7	56.3	+ 4.8	-25.7	-24.4	75.8	52.0	55.6
Metal products.....	54.6	26.2	25.3	- 3.4	-53.7	-47.5	57.5	25.4	26.5
Textile products.....	87.4	60.9	74.3	+22.0	-15.0	-20.5	83.1	56.7	70.5
Transportation equipment....	51.9	49.6r	41.3	-16.7	-20.4	-10.9	50.1	48.4	40.1
Food products.....	83.6	65.9	69.0p	+ 4.7	-17.5	-12.5	83.8	65.1	66.9p
Tobacco and products.....	94.1	78.5	82.1	+ 4.6	-12.8	-13.3	97.8	86.0	85.4
Building materials.....	41.3	19.4	20.6	+ 6.2	-50.1	-39.1	47.5	21.1	23.8
Allied chemical products.....	99.7	89.6	84.2p	- 6.0	-15.5	-12.7	100.3	88.5	84.6p
Leather and products.....	125.1	90.0	95.0p	+ 5.6	-24.1	-19.5	126.4	81.5	97.1p
Paper and printing.....	95.6	75.8r	72.2	- 4.7	-24.5	-19.0	93.1	73.5r	70.2
Electric power output.....	192.4	167.5	171.8	+ 2.6	-10.7	- 7.1	182.8	155.8	163.2
Elec. pwr. used by industries..	136.0	111.9	107.3	- 4.1	-21.1	-11.9	140.1	114.1	110.5
Factory employment—Penna.....				+ 2.3*	-19.8*	-17.3*	72.9	57.2	58.5p
Factory wage payments—Penna..				+ 4.7*	-41.1*	-36.6*	57.0	32.1	33.6p
Coal mining.....	62.4	54.0	48.0	-11.1	-23.1	-24.3	61.9	44.6	47.6
Anthracite.....	62	55	48	-12.7	-22.6	-23.4	62	45	48
Bituminous.....	65.0	47.8	47.8	0.0	-26.5	-30.0	61.1	42.1	44.9
Building and real estate									
Contracts awarded†—total.....	70.3	30.3	37.1	+22.4	-47.2	-47.8	68.9	32.7	36.4
Contracts awarded†—residential	25.9	18.0	15.0	-16.7	-42.1	-43.2	24.3	18.0	14.1
Permits for building.....	22.7	4.4	14.7	+234.1	-35.2	-54.9	20.4	5.4	13.2
Mortgages recorded in Phila....	37.7	21.1	20.9	- 0.9	-44.6	-28.8	29.8	23.0	16.5
Real estate deeds recorded in Philadelphia.....	68.7	69.8	49.9	-28.5	-27.4	- 4.4	61.8	69.1	44.9
Exclusive of Sheriff deeds (1930=100).....				-21.8*	-17.6*	- 8.3*	69.2	72.9	57.0
Sheriff deeds (1930=100).....				- 6.2*	+29.7*	+14.3*	102.2	141.3	132.6
Writs for Sheriff sales in Phila..	1022.8	1092.9	1134.0	+ 3.8	+10.9	+ 8.1	981.9	1038.3	1088.6
Distribution									
Retail trade—sales.....	76.6	54.4	52.3p	- 3.9	-31.7	-23.0	60.3	40.2	41.2p
Retail trade—stocks.....	71.6	58.9	55.5p	- 5.8	-22.5	-19.3	68.0	53.0	52.9p
Wholesale trade—sales.....	72.0	56.6	55.5	- 1.9	-22.9	-19.3	67.3	52.9	52.5
Wholesale trade—stocks.....	77.1	66.0	64.9	- 1.7	-15.8	-11.9	77.9	65.0	65.4
Freight car loadings (Allegheny district).....	70.2	45.9	45.6	- 0.7	-35.0	-27.9	73.7	47.3	47.9
Life insurance sales.....	127.0	100.3	103.3	+ 3.0	-18.7	-16.1	106.7	96.3	86.8
New passenger auto registrations	75.3	44.6	43.2	- 3.1	-42.6	-31.9	82.8	50.4	47.5
Business liquidations									
Number.....				-15.3*	+27.8*	+19.4*	150.0	226.4	191.7
Amount of liabilities.....				-10.4*	- 9.5*	+63.5*	252.5	255.0	228.4
Payment of accounts									
Check payments.....	92.5	65.3	59.9	- 8.3	-35.2	-31.5	78.6	63.3	50.9
Rate of collections (actual, not indexes)									
Retail trade.....				-10.4*	-16.0*	-11.9*	26.8	25.1	22.5
Wholesale trade.....				+ 2.2*	- 2.9*	- 1.1*	52.6	50.0	51.1

	(000,000's omitted in dollar figures)					Per cent change from	
	Aug. 1931	May 1932	June 1932	July 1932	Aug. 1932	Month ago	Year ago
Banking and credit							
Reporting member banks							
Loans to customers.....	\$765	\$652	\$637	\$625	\$618	- 1.1	- 19.2
Open market loans and investments.....	597	456	462	462	477	+ 3.2	- 20.1
All member banks—net demand and time deposits.....	2,398	1,962	1,962	1,963	1,957	- 0.3	- 18.4
Bankers' acceptances outstanding.....	14.4	14.1	13.6	12.6	11.2	-11.1	- 22.2
Federal Reserve Bank							
Bills discounted.....	19	63	66	72	65	- 9.7	+242.1
Other bills and securities.....	64	112	134	142	144	+ 1.4	+125.0
Reserve ratio.....	84.3%	62.5%	55.6%	52.6%	53.8%	+ 2.3	- 36.2

* Computed from unadjusted indexes. † 3-month moving average. p—Preliminary. r—Revised



Source: Iron Age

volume manufactured in August 1931. Noticeably more than seasonal increases also occurred in such groups as those comprising food products, tobacco and its products, leather and its products, and certain building materials. While the rate of production of all the groups continued considerably under former years, the change between July and August was much more favorable than was the case in the past three years.

Analyses of important individual lines show that fifteen industries had more than ordinary increases and that sixteen other industries had smaller decreases than between July and August last year. Unusually large gains in production were noted in silk, woolen and worsteds, cotton and knit goods, carpets and rugs, shoes, cement, pig iron, iron castings, sugar and cigars.

Output of electric power in August increased more than seasonally. Sales also expanded as they usually do in August, owing to a larger demand by municipalities. Consumption of electrical energy by industries, when computed on the basis of the actual number of working days, showed more than the anticipated drop.

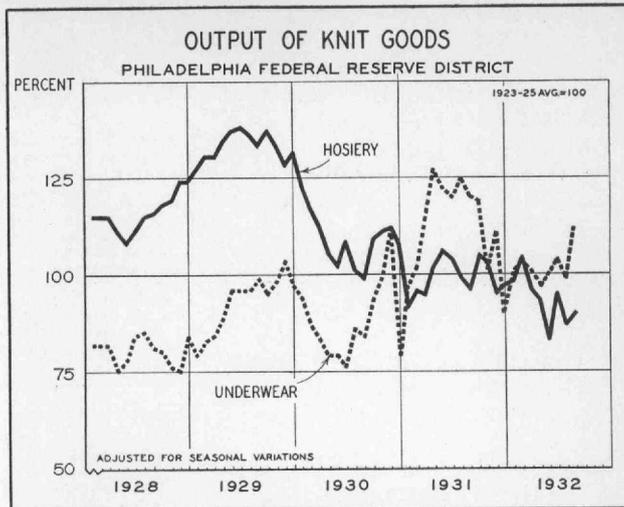
Building and contracting. Awards of building contracts in August increased more than usual and exceeded those of a year ago by 36 per cent. This gain was due principally to larger awards for public works and other buildings of commercial and industrial character; contracts let for dwellings, on the other hand, declined sharply from July and were only about 40 per cent of the total in August 1931. In early September awards generally declined, largely for seasonal reasons, and were running only about one-half of those

of a year ago. In the first eight months of this year, the value of awards was 45 per cent smaller than in the same period of last year, reflecting both lower prices and industrial conditions.

Estimated dollar cost of proposed building under permits issued in seventeen cities of this district, computed on the daily basis, rose from \$44,000 to almost \$109,000; this indicated a rather favorable tendency since usually there is a decline between July and August. But even this sharp increase brought the total only to about 64 per cent of the volume in August 1931. For the year to date, the value of building permits was nearly 55 per cent smaller than last year and was also much lower than in many other years.

Employment in the construction industry in twenty city areas of Pennsylvania, fifteen of which are located in this district, in August showed a gain of 7 per cent, payrolls 2 per cent, and working time 6 per cent over July. These increases were due entirely to greater activity in public works and general contracting, inasmuch as building of a more specialized character registered declines. The largest gains in payrolls over July occurred in the Allentown-Lehigh, Lewistown, Sharon-New Castle, Harrisburg, and York-Adams areas, while the largest decreases took place in the Altoona, Clearfield, Kane-Oil City, Sunbury, Wilkes-Barre, and Williamsport centers.

Agriculture. Agricultural sections of this district have been affected severely by a prolonged drought which has threatened the supply of water and parched meadows and pastures to the



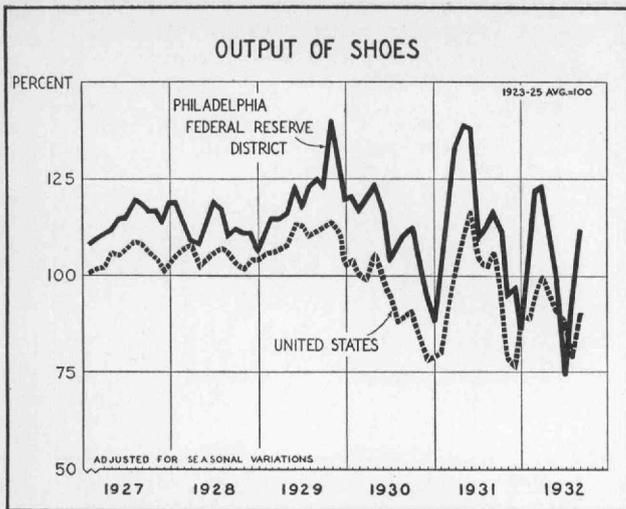
Source: United States Bureau of the Census

extent that livestock must be given additional feed. Fall plowing and seeding also have been delayed on the same account. Estimated yields of tobacco, hay and oats have been revised upward since August 1, while the harvest of white potatoes and corn is expected to be somewhat smaller than earlier figures indicated. Fruit prospects vary widely but the crop as a whole is expected to be somewhat below the average of the past ten years.

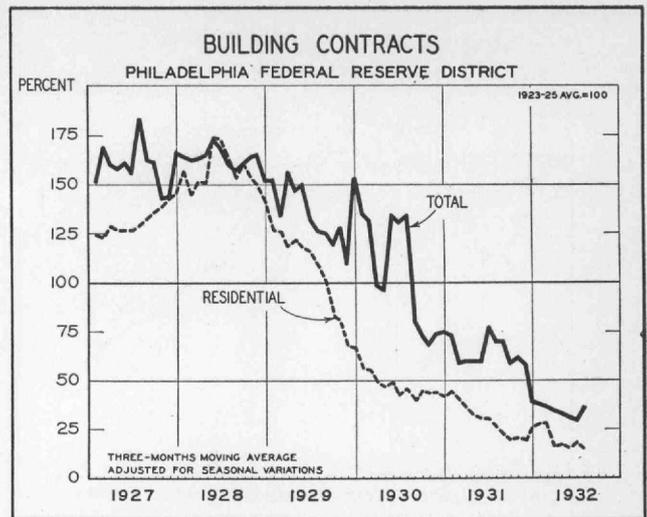
The condition of livestock remains generally satisfactory and compares favorably with the average of other years; the number of hogs on farms, however, shows some decline as compared with September of last year. Cold storage holdings of poultry and cheese increased in this section between August and September, while those of butter and eggs declined. As compared with a year ago, stocks of butter alone were larger.

Market conditions have improved slightly during the past month, owing to the continued rise in the price of certain farm products. Wholesale prices of agricultural commodities in the country showed an increase of 2.5 per cent from July to August but were less than 23 per cent below the level of a year ago.

Coal. Demand for anthracite has slackened since the middle of last month. Sales by retail yards in Philadelphia increased seasonally in August but fell off sharply during the first fortnight of September. Colliery output increased in August by a smaller amount than was to be expected, and remained at an unusually low level as compared with other years. In early September the weekly output of mines



Source: United States Bureau of the Census



Source: F. W. Dodge Corporation

increased seasonally. Shipments last month showed a small gain over the daily average of July, but were about 23 per cent less than in August of last year. Wholesale prices of anthracite increased somewhat from July to August but were over 6 per cent below the level of a year ago.

The market for Pennsylvania bituminous coal has been somewhat more active of late. Output of collieries, which averaged about 200,000 tons daily during August, showed a small gain over the rate of the preceding month. In the first fortnight of September the weekly production of mines increased slightly. Shipments during August were substantially larger than in July, but were about 30 per cent smaller than in the same month of last year. Wholesale prices of soft coal in the country declined fractionally last month and were about 3 per cent lower than in August of last year.

Distribution. Sales of department, apparel, shoe and credit stores were nearly 3 per cent larger in August than in July, but this gain failed to measure up to the usual seasonal increase by almost 4 per cent. Sales of men's apparel alone showed a rise of 9 per cent above the customary gain expected for August. Preliminary inquiries indicate a seasonal improvement in retail business during early September.

Compared with a year ago, retail dollar sales were 32 per cent smaller, the sharpest declines occurring in women's apparel, shoe and credit stores. Sales of department stores also were 27 per cent smaller as against a decline of 25 per cent for the country as a whole. This drop may be attributed partly to the fact that prices

of merchandise generally sold by department stores were 17 per cent lower in August this year than last, according to Fairchild's retail price index. Retail food prices in Philadelphia and Scranton declined one per cent between July and August, while compared with a year ago, the level in Philadelphia was 18 per cent lower and in Scranton 16 per cent lower; the latter being also true of the country as a whole.

Inventories of retailers changed little during August, although a 6 per cent increase is usual, and at the end of the month they were 22 per cent less than a year ago. The rate of stock turnover was 9 per cent less rapid in the first eight months of this year than last. Settlements of accounts were slower than in the previous month, the decline in the rate of payment being about 10 per cent; it was also 16 per cent lower than a year ago.

Wholesale trade sales of eight lines combined declined about one per cent from July to August, instead of showing a seasonal increase of like amount. Improvement was reported in groceries, hardware, jewelry, and paper, while the remaining four lines failed to measure up to the usual seasonal volume, even though sales of shoes and dry goods showed actual gains over July. In September signs of seasonal upturn were evidenced by several preliminary reports.

Wholesale prices have shown definite firmness. Twice as many returns indicate advances as those that show declines since the middle of last month.

Stocks of commodities did not increase as much as they usually do by the end of August, and inventory

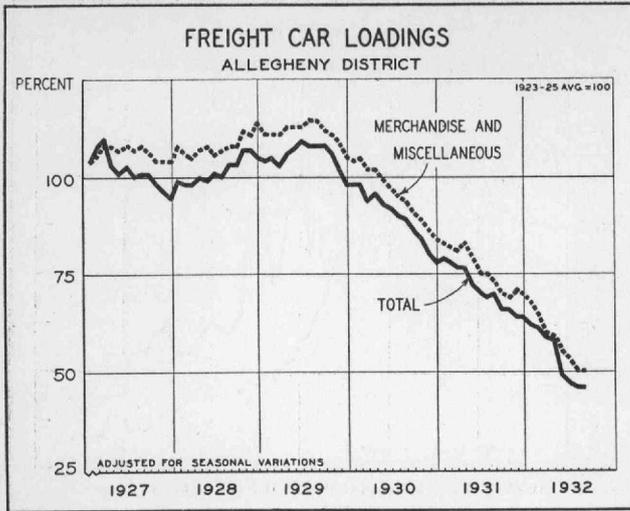
holdings of most dealers were smaller than at the same time in other years. The rate of stock turnover was 5 per cent smaller in the first eight months of this year than last. The rate at which accounts were settled, on the other hand, was 2 per cent higher in August than in July but almost 3 per cent lower than a year ago.

Freight car loadings in this section increased slightly from July to August, but the gain was not as large as it should have been for that month. In early September, there was a further seasonal increase in loadings, owing principally to larger shipments of coal, merchandise, and miscellaneous commodities, the latter two classes being made up largely of manufactured and semi-finished goods.

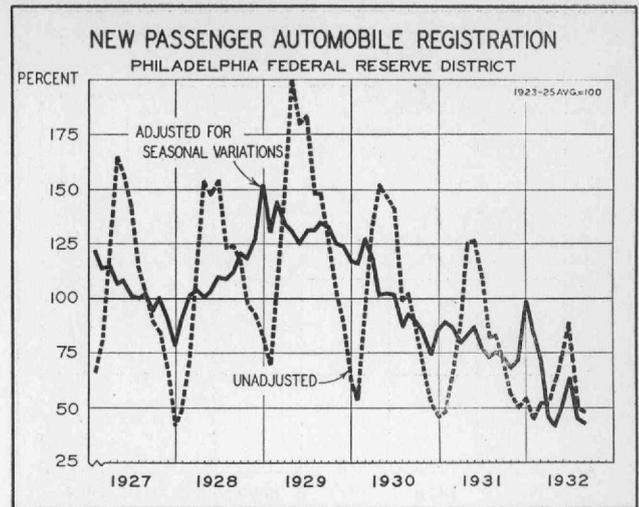
Sales of new passenger automobiles have continued downward and the decline between July and August was somewhat sharper than usual.

Financial conditions. Recent quickening of activity in some lines of business has not yet been reflected in an upward trend in bank loans to customers. Bills discounted by the reserve bank declined further, owing in part to the return of currency from circulation.

The excess of currency receipts from the banks over payments to them was more than 8 millions in the five weeks ended September 21, which was the largest return movement for any comparable period of the last five years. Additional funds were obtained by the banks through a small gain in transactions with other districts and by drawing upon reserve deposits to the extent of 3½ millions. These funds were required in part



Source: American Railway Association



Sources: R. L. Polk Company, Pennsylvania Motor List Company

to meet Treasury withdrawals and tax collections, which exceeded government disbursements in this district by 5 millions, but were used chiefly in effecting a reduction of nearly 9 millions in borrowings from this bank.

Bills discounted for member banks totaled 54 millions on September 21, the lowest figure since September of last year. The bulk of the recent decline represented repayments by banks outside of the city; borrowings of these outside banks were 18 millions lower than at the end of July.

The reserve ratio of the bank increased from 54.7 to 55.1 per cent. Cash reserves declined, owing partly to an excess of transfers for the government over sums gained in the interdistrict settlements of other transactions, but the federal reserve note and deposit liabilities together showed a still larger reduction, thereby raising the ratio slightly. The decrease in federal reserve note circulation probably was due in some measure to replacement by new national bank notes issued under the law enacted a few months ago.

In the past five weeks loans to customers at the reporting member banks have shown a further decrease from 618 to 611 millions, but the rate of decline evidenced by these figures was substantially lower than that in the spring and early summer. Investments and loans to the open market increased 32 millions. This was due mainly to a rise of 24 millions in holdings of United States securities. As these banks received 38 millions of new government securities on September 15, for which payment was made

by deposit credit, a substantial amount must have been sold shortly after the allotment was made. Demand deposits at the reporting banks rose 10 millions from August 17 to September 14, but this gain was lost in the following week, no doubt owing in part to income tax payments, and the net change over the five weeks was a decrease of 3 millions. Time deposits rose slightly.

Reporting member banks (000,000's omitted)	Sept. 21, 1932	Aug. 17, 1932	Sept. 23, 1931
Loans to customers:			
On securities.....	\$ 306	\$ 310	\$ 403
All other.....	305	308	360
Loans to open market.....	10	8	32
United States securities.....	225	201	232
Other securities.....	275	269	321
Total loans and investments.....	\$1,121	\$1,096	\$1,348
Net demand and time deposits.....	898	900	1,105
Government deposits.....	50	21	43
Due to banks.....	187	178	190
Due from banks.....	110	100	72

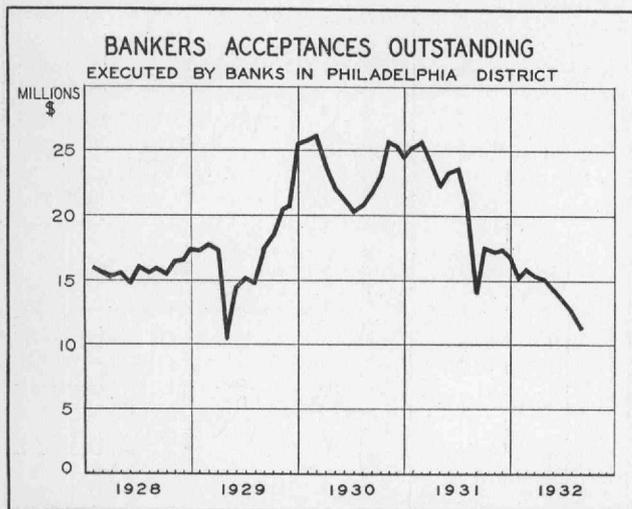
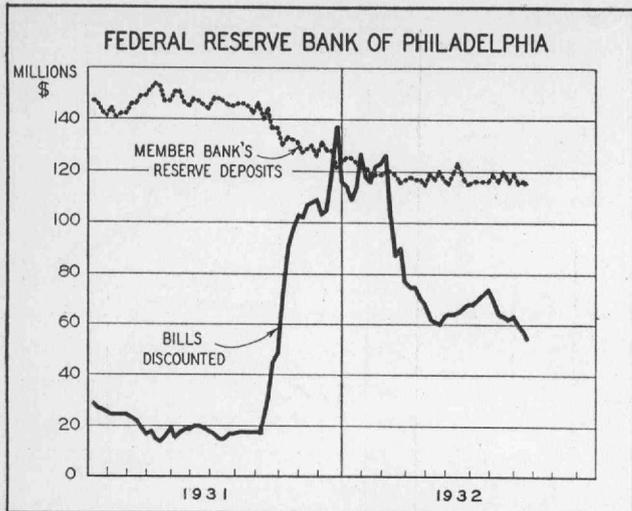
The daily average of net demand and time deposits at all member banks in the district declined from 1,963 millions in July to 1,957 millions in August. Deposits at banks in Philadelphia and the larger cities were comparatively stable, but there was a decline of 5 millions at banks in the smaller towns.

Deposits of all member banks, Phila. Fed. Res. District (000,000's omitted)	Net demand	Time	Totals
1932—Apr.....	\$ 956	\$1,008	\$1,964
May.....	955	1,007	1,962
June.....	962	1,000	1,962
July.....	962	1,001	1,963
Aug.....	955	1,002	1,957
1931—Aug.....	1,169	1,229	2,398
1930—Aug.....	1,177	1,161	2,338
1929—Aug.....	1,157	1,079	2,236

New issues of United States securities on September 15 included one-year certificates of indebtedness bearing 1¼ per cent interest and five-year notes with a 3¼ per cent coupon rate. Subscriptions received from this district amounted to nearly 500 millions and were about 15 per cent of all those tendered outside of the New York district. Allotments to the district totaled more than 67 millions, of which 17 millions was an exchange for maturing securities; 4 millions was paid for in cash, and 46 millions by deposit credit at subscribing banks.

Banks in this district report a decline during August in outstanding acceptances from \$12,602,000 to \$11,191,000. This figure was the lowest since early 1927 with the sole exception of one month in 1929.

Federal Reserve Bank of Philadelphia (Dollar figures in millions)	Sept. 21, 1932	Changes in—	
		Five weeks	One year
Bills discounted for banks in—			
Philadelphia.....	\$ 10.4	-\$ 1.2	-\$ 8.5
20 other large cities.....	17.4	- 4.2	+ 4.5
Other communities.....	26.5	- 3.3	+ 13.1
Total bills discounted.....	\$ 54.3	-\$ 8.7	+\$ 9.1
Bills bought.....	3.3	+ 0.1	- 5.8
United States securities.....	139.4	0	+ 83.0
Other securities.....	1.3	- 0.2	+ 0.1
Total bills and securities.....	\$198.3	-\$ 8.8	+\$86.4
Fed. res. note circulation.....	245.0	- 11.0	+ 78.1
Member banks' reserve deposits.....	116.0	- 3.7	- 20.6
Foreign bank deposits.....	1.0	- 0.1	- 13.0
Government deposits.....	3.5	+ 2.0	+ 2.6
Cash reserves.....	201.4	- 5.6	- 42.6
Reserve ratio.....	55.1%	+ 0.4%	- 21.5%



Employment and wages in Pennsylvania	Employment August 1932		Payrolls August 1932			
	Aug.* index	Per cent change since		Aug.* index	Per cent change since	
		Aug. 1931	July 1932		Aug. 1931	July 1932
All manufacturing industries (51)	58.5	-19.8	+ 2.3	33.6	- 41.1	+ 4.7
Metal products	48.6	-27.0	- 0.4	23.4	- 50.9	+ 4.9
Blast furnaces.....	36.7	- 4.9	0.0	13.9	- 51.1	- 0.7
Steel wks. and rolling mills.....	43.7	-23.7	+ 0.7	19.6	- 49.6	+10.7
Iron and steel forgings.....	45.4	-30.8	+ 1.3	22.2	- 53.9	+ 3.3
Structural iron work.....	73.2	-25.3	+ 1.7	37.0	- 51.4	+10.4
Steam & hot wtr. htg. app.....	73.0	-14.9	- 1.6	46.3	- 22.6	+ 8.4
Stoves and furnaces.....	60.4	- 3.5	+ 2.4	38.1	- 1.6	+ 4.4
Foundries.....	48.1	-23.7	- 3.8	19.4	- 48.5	- 2.5
Machinery and parts.....	51.6	-32.1	- 0.4	25.2	- 50.3	+ 5.0
Electrical apparatus.....	65.7	-33.7	- 1.5	35.4	- 58.6	- 3.0
Engines and pumps.....	28.4	-38.4	- 8.7	13.1	- 60.2	- 7.1
Hardware and tools.....	55.0	-22.4	0.0	26.7	- 48.9	- 5.3
Brass and bronze products.....	52.5	-15.6	- 0.4	29.5	- 40.3	+ 0.7
Transportation equipment	39.3p	-29.3	- 9.4	20.7p	- 52.3	- 5.5
Automobiles.....	39.8	-22.4	-24.6	15.2	- 24.4	-22.4
Auto. bodies and parts.....	34.8	-37.6	-25.3	21.6	- 53.8	-10.0
Locomotives and cars.....	20.0	-13.0	- 4.3	11.2	- 29.1	- 1.8
Railroad repair shops.....	58.6	-13.1	0.0	18.6	- 66.8	+10.1
Shipbuilding.....	52.3	+38.7	+ 2.1	72.1	+112.7	- 1.0
Textile products	75.0	-10.0	+18.1	47.2	- 34.5	+22.9
Cotton goods.....	50.0	-18.6	+ 2.2	33.0	- 45.2	-12.2
Woolens and worsteds.....	52.3	-13.7	+20.5	33.1	- 44.6	-39.7
Silk goods.....	85.3	+ 3.8	+37.8	63.4	- 20.9	+58.5
Textile dyeing & finishing.....	70.7	-16.3	+ 6.6	58.9	- 27.7	+20.9
Carpets and rugs.....	45.1	-29.9	+29.6	25.2	- 52.5	+36.2
Hats.....	56.7	-25.4	+ 1.1	43.5	- 19.9	+ 9.6
Hosiery.....	95.4	- 5.2	+13.8	51.8	- 35.9	+ 0.4
Knit goods, other.....	65.9	-23.8	-11.8	43.0	- 41.8	+ 3.6
Men's clothing.....	63.9	-22.5	- 4.8	41.4	- 42.4	+29.4
Women's clothing.....	67.2	-37.5	+ 0.7	39.5	- 54.5	+22.7
Suits and furnishings.....	90.4	-35.4	+11.9	61.1	- 52.9	+22.2
Food and tobacco	94.1	- 9.3	+ 1.1	76.3	- 17.2	+ 0.7
Bread and bakery products.....	94.6	- 9.5	- 2.8	77.5	- 18.8	- 3.7
Confectionery.....	79.1	-16.3	+ 5.3	65.3	- 17.9	+15.4
Ice cream.....	98.6	-16.4	+ 0.3	82.6	- 26.1	+ 0.4
Meat packing.....	92.4	- 0.5	- 0.4	69.2	- 12.3	- 3.1
Cigars and tobacco.....	95.9	- 6.7	+ 1.5	75.2	- 14.4	- 1.3
Stone, clay & glass products	42.5	-25.8	- 5.8	21.0	- 47.1	+ 1.0
Brick, tile and pottery.....	45.6	-35.8	- 3.6	18.8	- 56.7	- 2.6
Cement.....	33.8	-37.4	-20.3	16.4	- 59.1	-10.9
Glass.....	56.7	+20.9	+17.6	38.3	+ 5.8	+23.5
Lumber products	42.7	-29.5	- 1.2	28.2	- 51.1	+ 6.8
Lumber and planing mills.....	26.5	-21.6	+ 2.3	17.0	- 46.7	0.0
Furniture.....	45.4	-37.9	- 4.8	30.1	- 57.7	+ 5.2
Wooden boxes.....	57.3	- 8.5	+ 3.1	39.2	- 27.1	+18.1
Chemical products	80.7	- 7.9	- 3.1	64.6	- 20.9	- 2.3
Chemicals and drugs.....	50.9	-18.8	- 0.4	39.0	- 33.2	+ 2.6
Coke.....	58.6	-10.0	+ 0.7	18.4	- 50.0	+ 1.7
Explosives.....	63.3	-19.5	- 2.0	42.7	- 52.0	+ 8.7
Paints and varnishes.....	79.7	- 7.8	- 6.2	51.3	- 32.9	-15.5
Petroleum refining.....	126.6	- 0.7	- 3.6	119.4	- 8.4	- 2.8
Leather and rubber products	83.3	-14.0	+ 5.8	59.8	- 36.3	+ 4.2
Leather tanning.....	82.3	-19.9	+ 1.2	55.3	- 43.1	+ 1.1
Shoes.....	94.8	- 2.8	+14.6	68.7	- 23.6	+24.9
Leather products, other.....	66.6	-21.6	+ 5.5	56.4	- 32.3	+ 7.8
Rubber tires and goods.....	76.4	-14.9	- 0.7	76.1	- 28.5	-16.4
Paper and printing	79.6	-11.7	- 2.7	63.2	- 26.4	- 4.2
Paper and wood pulp.....	69.1	-14.2	- 4.6	46.0	- 32.3	- 6.9
Paper boxes and bags.....	61.4	-19.5	+ 1.8	45.5	- 40.0	+ 4.6
Printing and publishing.....	85.8	- 9.9	- 2.6	71.5	- 23.5	- 4.0
Anthracite mining	47.8	-27.0	+10.5	34.6	- 26.7	+19.8
Bituminous coal mining.....	.....	.....	- 0.5	.....	.....	+ 2.1
Canning and preserving.....	.....	.....	+ 4.8	.....	.....	+ 2.2
Construction and contracting.....	.....	.....	+ 6.9	.....	.....	+ 2.1
Hotels.....	.....	.....	- 4.2	.....	.....	- 6.8
Laundries.....	.....	.....	- 3.3	.....	.....	- 6.8
Dyeing and cleaning.....	.....	.....	- 2.5	.....	.....	- 6.7
Public utilities.....	.....	.....	- 1.1	.....	.....	- 2.8
Quarrying and non-metallic mining.....	.....	.....	+ 2.7	.....	.....	+10.2
Retail trade.....	75.3	-10.5	- 2.8	.....	.....	.....
Wholesale trade.....	80.3	-10.8	- 0.2	.....	.....	.....

Percentage change—Aug. 1932 from Aug. 1931

City areas*	Employment	Wage payments	Building permits (value)	Debits	Retail trade sales
Allentown.....	-17.3	-41.0	+ 91.9	-28.8	-24.4
Altoona.....	-25.8	-47.5	- 78.1	-29.8	-36.9
Harrisburg.....	-13.7	-22.9	+ 13.3	-22.5	-26.9
Johnstown.....	-22.0	-61.1	- 96.5	-39.2	-39.9
Lancaster.....	-21.3	-60.0	-10.5	-45.2	-32.4
Philadelphia.....	-22.3	-38.9	- 56.9	-32.8	-27.4
Reading.....	-17.0	-44.8	- 67.5	-24.9	-32.7
Seranton.....	-20.2	-33.6	- 69.5	- 6.8	-21.1
Trenton.....	-23.5	-39.5	+595.2	-25.8	-27.3
Wilkes-Barre.....	+ 5.3	- 0.4	- 45.1	-27.6	-19.0
Williamsport.....	-15.6	-28.0	- 64.7	-30.4	.....
Wilmington.....	+ 3.7	+ 0.8	+329.4	-30.0	-30.6
York.....	-13.5	-30.7	- 70.2	-24.6	.....

Aug. 1932 from July 1932

Allentown.....	+ 0.2	+ 6.3	+541.6	-14.7	- 7.5
Altoona.....	+ 3.4	+ 2.3	- 13.3	- 5.5	-10.8
Harrisburg.....	- 0.7	+ 6.3	- 40.4	-10.8	0.0
Johnstown.....	- 2.3	+ 5.1	- 42.0	-10.4	+ 3.7
Lancaster.....	+20.5	+29.7	+ 30.9	- 8.7	-19.5
Philadelphia.....	+ 1.1	+ 1.6	+116.9	-11.1	+ 4.5
Reading.....	+11.2	+16.2	+ 64.3	-11.6	-14.0
Seranton.....	+ 9.8	+19.8	+ 5.8	- 2.7	- 6.9
Trenton.....	- 2.4	- 1.0	+834.7	- 5.4	- 4.9
Wilkes-Barre.....	+14.2	+14.0	+103.1	-12.6	- 3.8
Williamsport.....	- 1.2	+ 3.0	+481.6	- 7.2	.....
Wilmington.....	- 6.1	- 5.1	+358.6	-11.8	+26.5
York.....	- 7.4	- 5.2	- 65.1	-11.7	.....

* 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					
	Aug. 1931	July 1932	Aug. 1932	Percentage comparison		Aug. 1931	July 1932	Aug. 1932	
				Month ago	Year ago				
Sales									
All stores.....	76.6	54.4	52.3p	- 3.9	-31.7	-23.0	60.3	40.2	41.2p
Department.....	73.4	55.3	53.6	- 3.1	-27.0	-21.8	56.2	40.8	41.0
Men's apparel.....	67.9	55.0	60.0p	+ 9.1	-11.6	-28.4	56.7	42.1	50.4p
Women's apparel.....	101.9	63.4	60.0p	- 5.4	-41.1	-30.3	68.2	42.0	40.3p
Shoe.....	80.0	66.6	55.0p	-17.4	-31.3	-24.8	65.6	61.3	45.1p
Credit.....	74.0	41.9	40.2p	- 4.1	-45.7	-34.5	66.6	28.5	36.2p
Stocks of goods									
All stores.....	71.6	58.9	55.5p	- 5.8	-22.5	.....	68.0	53.0	52.9p
Department.....	66.9	57.3r	54.1	- 5.6	-19.1	.....	62.2	52.4	50.3
Men's apparel.....	68.8	64.2	56.9p	-11.4	-17.3	.....	70.9	53.2	58.9p
Women's apparel.....	98.2	77.7	71.2	- 8.4	-27.5	.....	86.5	59.7	63.0
Shoe.....	87.0	64.3	64.4	+ 0.2	-26.0	.....	84.4	59.8	62.5
Credit.....	66.5	50.9r	48.6	- 4.5	-26.9	.....	63.8	48.9r	46.7
Rate of stock turnover									
8 months (actual, not indexes).....						- 8.8	2.51	.....	2.29

Wholesale trade

	Adjusted for seasonal variations			Not adjusted					
	Aug. 1931	July 1932	Aug. 1932	Percentage comparison		Aug. 1931	July 1932	Aug. 1932	
				Month ago	Year ago				
Sales									
Total of all lines.....	72.0	56.6	55.5	- 1.9	-22.9	-19.3	67.3	52.9	52.5
Boots and shoes.....	52.9	35.9	35.0	- 2.5	-33.8	-16.4	59.8	29.4	39.6
Drugs.....	100.4	81.9	80.4	- 1.8	-19.9	-14.4	93.4	77.0	74.8
Dry goods.....	41.5	32.2	31.1	- 3.4	-25.1	-27.7	38.6	24.8	28.9
Electrical supplies.....	75.6	49.9	38.5	-22.8	-49.1	-40.1	62.0	40.9	31.6
Groceries.....	85.3	78.7	80.0	+ 1.7	- 6.2	- 9.9	83.6	79.5	78.4
Hardware.....	62.0	36.7	37.0	+ 0.8	-40.3	-33.6	55.2	35.6	32.9
Jewelry.....	50.9	13.8	19.8	+43.5	-61.1	-32.5	44.8	9.4	17.4
Paper.....	73.4	51.5r	55.8	+ 8.3	-24.0	-23.3	69.7	48.4r	53.0
Stocks of goods									
Total of all lines.....	77.1	66.0	64.9	- 1.7	-15.8	.....	77.9	65.0	65.4
Drugs.....	111.7	98.6	103.0	+ 4.5	- 7.8	.....	115.1	97.6	106.1
Dry goods.....	47.5	38.8	36.4	- 6.2	-23.4	.....	50.8	39.6	38.9
Electrical supplies.....	90.7	80.8	74.7	- 7.5	-17.6	.....	97.0	80.8	79.9
Groceries.....	92.5	82.2	82.4	+ 0.2	-10.9	.....	86.0	75.6	76.6
Hardware.....	77.7	64.9	61.9	- 4.6	-20.3	.....	76.9	64.9	61.3
Jewelry.....	59.9	47.8	48.4	+ 1.3	-19.2	.....	66.5	54.5	53.7
Paper.....	80.5	69.7	67.7	- 2.9	-15.9	.....	82.1	69.7	69.1
Rate of stock turnover									
8 months (actual, not indexes).....						- 5.4	2.99	.....	2.83

Output of manufactures

	Adjusted for seasonal variations			Not adjusted					
	Aug. 1931	July 1932	Aug. 1932	Percentage comparison		Aug. 1931	July 1932	Aug. 1932	
				Month ago	Year ago				
Pig iron.....	31.9	10.7	11.9	+11.2	-62.7	-59.4	28.1	9.8	10.5
Steel.....	44.4	22.4	22.2	- 0.9	-50.0	-51.0	45.3	20.4	22.6
Iron castings.....	41.2	25.5	29.3	+14.9	-28.9	-43.0	40.0	24.5	28.4
Steel castings.....	46.6	19.9	15.2	-23.6	-67.4	-59.0	44.7	17.7	14.6
Electrical apparatus.....	80.8	36.5	33.5	- 8.2	-58.5	-43.1	89.7	38.3	37.2
Motor vehicles.....	29.6	23.8r	22.4	- 5.9	-24.3	-35.7	24.9	24.3r	18.8
Automobile parts and bodies.....	52.3	26.3	24.0	- 8.7	-54.1	- 0.3	49.2	25.2	22.6
Locomotives and cars.....	18.1	13.3	12.9	- 3.0	-28.7	-30.0	18.3	13.3	13.0
Shipbuilding.....	138.6	174.0	136.5	-21.6	- 1.5	- 3.0	137.2	168.8	135.1
Silk manufactures.....	104.4	74.8	97.1	+29.8	- 7.0	-20.0	101.3	73.3	94.2
Woolen and worsteds.....	62.9	38.0	47.9	+26.1	-23.8	-30.6	64.6	35.9	49.0
Cotton products.....	55.1	31.5	33.7	+ 7.0	-38.8	-30.9	49.8	27.2	30.5
Carpets and rugs.....	55.2	39.8	54.8p	+37.7	- 0.7	-19.3	53.0	38.6	52.6p
Hosiery.....	96.2	86.5	89.7	+ 3.7	- 6.8	- 5.7	83.7	70.9	78.0
Underwear.....	119.7	98.6	112.0	+13.6	- 6.4	-12.0	111.3	81.8	104.2
Cement.....	69.1	29.7	35.9	+20.9	-48.0	-40.1	86.4	34.7	44.9
Brick.....	43.4	20.8	18.8	- 9.6	-56.7	-49.5	45.1	20.0	19.5
Lumber and products.....	23.5	12.4	12.5	+ 0.8	-46.8	-25.7	25.6	13.6	13.6
Bread and bakery products.....				- 3.7*	-18.8*	-16.6*	95.4	80.5	77.5
Slaughtering, meat packing.....	89.7	88.2	97.1	+10.1	+ 8.2	+16.5	76.3	77.6	81.8
Sugar refining.....	159.2	67.1	136.2	+103.0	-14.4	+ 5.1	136.9	68.4	117.1
Canning and preserving.....	36.5	25.3	21.5p	-15.0	-41.1	-30.7	42.1	20.9	20.3p
Cigars.....	93.6	77.5	81.4	+ 5.0	-13.0	-18.8	97.3	85.2	84.7
Paper and wood pulp.....	67.8	51.7	46.2	-10.6	-31.9	-22.4	67.8	49.6	46.2
Printing and publishing.....	101.2	80.7r	77.4	- 4.1	-23.5	-18.5	98.2	78.3r	75.1
Shoes.....	117.2	94.6	111.5	+17.9	- 4.9	-13.4	125.4	88.0	119.3
Leather, goat and kid.....	132.6	85.6p	79.3p	- 7.4	-40.2	-25.3	127.3	75.3p	76.1p
Explosives.....	59.9	42.6	45.3p	+ 6.3	-24.3	-32.4	59.9	41.7	45.3p
Paints and varnishes.....	70.9	61.7r	47.5	-23.0	-33.0	-16.7	72.3	57.4r	48.4
Petroleum products.....	138.4	135.4	131.6p	- 2.8	- 4.9	- 3.1	139.3	136.1	132.3p
Coke, by-product.....	74.3	46.3	44.8	- 3.2	-39.7	-38.6	72.8	45.4	43.9

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

