Business and Banking Conditions in the United States

Industrial output, which had shown a rapid growth in December, increased further in January. Activity in the building industry continued at a low level. Wholesale commodity prices advanced considerably during January and the first half of February, reflecting chiefly marked increases in the prices of livestock and livestock products.

Production and employment. Volume of industrial production, as measured by the Board's seasonally adjusted index, increased from 86 per cent of the 1923-25 average in December to 90 per cent in January. Activity in the steel and automobile industries continued to increase rapidly during January and the early part of February; in the middle of the month, however, steel production declined. Output of lumber increased in January but was still at a low level. At cotton and woolen textile mills, activity showed a considerable growth while in the meat-packing industry output declined. Output of crude petroleum increased further in January and the first half of February.

Factory employment and payrolls increased somewhat between the middle of December and the middle of January, although a decline is usual at this season. At automobile factories the volume of employment increased further by a large amount and there were substantial increases at steel mills, foundries, and woolen mills. Employment in the meat-packing industry continued to decline and in January was at about the same level as a year ago. Among the non-manufacturing industries, the number employed at retail trade establishments and on construction projects showed declines of a seasonal nature.

Value of construction contracts awarded in January, as reported by the F. W. Dodge Corporation, was slightly larger than in December but considerably smaller than a year ago, when the volume of public projects was exceptionally large. The value of contracts awarded for residential building in the three months from November to January was about the same as in the corresponding periods of the two preceding years.

Distribution. Freight car loadings showed a seasonal growth in January. At department stores the volume of business declined somewhat more than is usual after the Christmas holidays.

Commodity prices. The general level of wholesale commodity prices, as measured by the index of the Bureau of Labor Statistics, advanced from 77.9 per cent of the 1926 average in the week ending January 5 to 79.4 per cent in the week ending February 16. During January prices of cattle and beef showed substantial increases and in February the price of hogs advanced considerably. Prices of cotton, grains, and silk showed a decline in January and the first few days of February, followed by an advance in the middle of the month.

Bank credit. During the five weeks ended February 20, member bank bal-
ances with the reserve banks increased by $260,000,000 and their excess reserves rose to about $2,300,000,000. The principal factors in the increase were an inflow of gold from abroad and disbursements by the Treasury of funds previously held as cash or on deposit with the Federal reserve banks.

Net demand deposits of weekly reporting member banks in leading cities increased by more than $200,000,000 in the four weeks ended February 13. Total loans and investments of these banks showed no significant changes during the period. Slight declines occurred in loans on securities and in holdings of direct obligations of the United States Government, while other loans and other securities increased somewhat.

Yields on United States Government securities declined slightly further and other open market money rates continued at a low level.

Business and Banking Conditions in the Philadelphia Federal Reserve District

Business conditions in this district have been rather mixed since the first of the year. After showing improvement for three months, output of factory products in January failed to maintain the usual seasonal level, while production of coal and crude oil increased further by a larger volume than usual. But in comparison with a year ago, output of these industries was still 10 per cent larger, production of anthracite fuel alone registering a decline. Activity in building trades, as indicated by building contract awards and by figures on employment and payrolls, showed a further large decrease during January and as compared with last year.

The value of retail trade sales in January declined by a larger amount than usual, following an exceptional increase in December, and was but slightly greater than a year ago. Dollar sales at wholesale establishments, on the other hand, fell off less than customary and continued above the volume of the previous year. Registrations of new passenger automobiles dropped sharply in the month but were about twice as large as in January last year. Some further improvement was apparent during January in shipments of commodities by rail.

The volume of employment and wage disbursements by twelve branches of industry and trade declined seasonally between the middle of December and the middle of January, according to this bank's indexes prepared from reports of 10,560 establishments in Pennsylvania which about the middle of January employed upward of 775,000 workers drawing a weekly compensation of nearly $16,300,000. Compared with a year ago, these establishments employed 2 per cent more workers and their wage payments were 11 per cent larger. Incomplete reports indicate seasonal gains in factory employment and payrolls in February.

Manufacturing. The market for many finished goods manufactured in this district was more than seasonally active during January but slackened somewhat shortly after the turn of the month, according to preliminary reports. The volume of unfilled orders has declined since the middle of last month, except for certain lines in the textile, leather and chemical products industries as well as in the case of such building materials as lumber and pottery, which registered seasonal gains. While current sales have continued to show a favorable comparison with a year ago, the total of advance business about the middle of February was smaller, owing mainly to restricted commitments for building materials.

Reports on commodity stocks at local plants do not show any marked change since the previous month, except for the decline in the holdings of raw materials by several industries. In comparison with a year ago, the supply of both finished products and raw materials has continued smaller.

Collections generally have decreased in the month and as compared with a year ago. Factory prices of manufactures show little change, despite further advances of wholesale quotations for foodstuffs and farm products used for manufacturing and processing purposes. The index number, which comprises chiefly prices of manufactures as compiled by the Bureau of Labor Statistics, in the week ended February 16 was 77.7 per cent of the 1926 average as compared with 77.9
a month ago and 78.7 last year but was nearly 17 per cent higher than in early February 1933.

The volume of factory employment and wage payments in this section shows that the general level of plant activity was well maintained in January. Incoming reports indicate some upward change in employment and payrolls from the middle of January to the middle of February.

The number of wage earners employed and the amount of wages paid by Pennsylvania manufacturing industries in the payroll period nearest to the middle of January showed a decline of less than one per cent as compared with the same period in December. Operating time also showed little change in this period.

The rate of change in January this year appears to have been more favorable than that in the previous seven years, except for 1929 in the case of employment. It is quite usual for factory activity to slacken in the first part of January, owing largely to the prevailing year-end custom of listing inventories and general overhauling of equipment. The interruption apparently has been less pronounced than in other years, as indicated by productive activity in the latter part of January and by the changes from the middle of December to the middle of January from 1928 to 1935.

The January index of employment in Pennsylvania factories was about 74, relative to the 1923-25 average as 100, or 9 per cent higher than a year ago. The payroll index of 58 was 22 per cent higher than in January 1934.

The rate at which manufactures were produced in this district during January was about the same as that in December, contrary to the usual upward tendency in this period. Our preliminary index of productive activity, which is adjusted for the normal seasonal change, was 69, relative to the 1923-25 average as 100, compared with 71 in December, but it continued about 11 per cent higher than a year ago.

The failure of production to maintain the customary level during January was due chiefly to exceptional decreases in output of such consumers' goods as food products, knit goods, and cigars. Large declines in the seasonally adjusted index of production of motor vehicles, automobile parts and bodies, and cement were more than offset by substantial increases in output of iron and steel products and to some extent of chemical and allied products, so that the durable group as a whole

---

### Business Indicators

**Philadelphia Federal Reserve District**

| Index numbers: percentages of the 1923-1925 average taken as 100 (All figures are rounded from original data) |
|---|---|---|
| Adjusted for seasonal variation | | | | |
| Percentage comparison with | | | | |
| Year ago | | | | |
| Unadjusted | | | | |
| Month ago | | | | |

**Industrial production**

| Manufacturing—total | 63 | 66 | 71 | 69p |
| Durable goods | 44 | 48 | 50 | 51p |
| Consumers' goods | 73 | 79 | 86 | 82p |
| Textile products | 48 | 53 | 58 | 61 |
| Transportation equipment | 41 | 49 | 53 | 47 |
| Food products | 69 | 73 | 77 | 62p |
| Tobacco and products | 36 | 36 | 77 | 59 |
| Building materials | 22 | 23 | 23 | 20 |
| Chemicals and products | 101 | 100 | 102 | 106p |
| Leather and products | 117 | 105 | 111 | 112p |
| Paper and printing | 80 | 77 | 79 | 79 |
| Electric power output | 20 | 180 | 184 | 181 |
| Industrial use of electricity | 123 | 128 | 131 | 140 |

**Employment and wages—Pa.**

| Factory wage earners | — | * | 0* | 9* |
| Factory payrolls | — | + | 0* | 11* |
| Employed (1927-28 = 100) | — | — | 10* | 104 |
| General—12 occupations: Employment (1932 = 100) | — | — | 5* | 102 |
| Payrolls (1932 = 100) | — | — | 5* | 102 |

**Building and real estate**

| Contracts awarded—residential | 44 | 38 | 41 | 33 |
| Contracts awarded—business | 13 | 13 | 13 | 11 |
| Permits for building—17 cities | 3 | 10 | 6 | 6 |
| Mortgages recorded—Philadelphia | 10 | 9 | 14 | 8 |
| Real estate deeds—Philadelphia | 41 | 43 | 42 | 45 |
| Sheriff deeds (1930 = 100) | — | — | 34* | 34 |
| Other deeds (1930 = 100) | — | — | 39* | 39 |
| Writs for Sheriff sales—Philadelphia | 746 | 803 | 795 | 802 |

**Distribution**

| Retail trade—sales | 55 | 60 | 67 | 69 |
| Retail trade—stocks | 62 | 61 | 69 | 62 |
| Wholesale trade—sales | 73 | 71 | 72 | 79 |
| Wholesale trade—stocks | 64 | 67 | 70 | 70 |
| Life insurance policies issued | 10 | 10 | 11 | 11 |
| New passenger auto registrations | 38 | 64 | 93 | 83 |
| Freight (for ship and per mile) | 53 | 56 | 57 | 56 |
| Coal (23.5% of total) | 68 | 58 | 63 | 70 |

**Business failures**

| Number of failures | +82* | +14* | 68 | 61 |
| Number of accounts | +4* | +40* | 60 | 59 |
| Check payments | 62 | 63 | 75 | 74 |
| Rate of collections | 26 | 28 | 29 | 27 |
| Wholesale trade | 65 | 69 | 67 | 72 |

**Prices—United States**

| Wholesale (1926 = 100) | +2* | +9* | 72 | 76 |
| Farm products | +3* | +12* | 50 | 71 |
| Foods | +3* | +8* | 58 | 69 |
| Other commodities | +3* | +12* | 78 | 78 |
| Retail food (1913 = 100) | 105 | 115 | 114 | 118 |
| Philadelphia | +5* | +10* | 119 | 119 |
| Scratch | +5* | +7* | 112 | 117 |

**Banking and credit**

| Federal Reserve Bank | Bills discounted | $25 | $3 | $1 | $1 |
| Other bills and securities | 175 | 164 | 158 | 168 |
| Member bank reserves | 108 | 118 | 188 | 186 |
| Ratio | 60.6% | 64.6% | 66.2% | 67.2% |

**Reporting member banks**

| Loans to customers | $746 | $445 | $434 | $432 |
| Other loans and investments | 548 | 612 | 613 | 618 |
| Net deposits | 148 | 168 | 169 | 168 |
| Banks' acceptances outstanding | 14.7 | 13.3 | 13.7 | 13.2 |

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*Computed from data unadjusted for seasonal variation.
† Three-month moving daily average.
registered an additional gain of 2 per cent over December.

Compared with a year ago, the output of metal and textile products, the two most important manufacturing industries in this district, showed the largest increases—26 and 33 per cent respectively. The most pronounced declines from January last year occurred in the output of food products, cigars and building materials.

Total output of electric power fell off by an amount that was larger than usual, so that our seasonally adjusted index number dropped about 2 per cent from December to January. Sales to industries, the largest consumers of electric power, failed by 7 per cent to equal the customary volume estimated for January but continued about 14 per cent larger than a year ago. Total sales of electricity for all purposes decreased 3 per cent in the month but were 2 per cent larger than in January 1934.

**Coal and other fuels.** Production and shipments of anthracite in January increased 7 per cent more than is customary and continued upward in early February, reflecting unusually active demand chiefly from householders. As a result, stocks at producers' and retailers' yards and at electric utilities have been reduced further. Output of bituminous coal in Pennsylvania during January also was larger than usual as compared with December and continued upward in the first part of February, having followed an upward trend since August. The demand for this fuel chiefly by steel works and rolling mills and other manufacturing plants in general has increased during the past three months, and on the whole has been well sustained in early February. For the six-month period, August to January, anthracite output and deliveries showed a decline of 9 per cent compared with the same period a year ago, while local production of bituminous coal showed an increase of 4 per cent in the same period.

Activity of by-product coke plants has shown marked improvement, following a comparatively quiet period since June. No significant change appears in the case of gas and fuel oil, although signs of seasonal expansion are apparent.

Wholesale prices of fuel and lighting materials have fluctuated within a very narrow range. The index of the Bureau of Labor Statistics was 74.0 on February 16 as compared with 74.2 a month ago, 73.9 a year earlier and 75.2 about the middle of August.

**Building and real estate.** Awards of building contracts in January totaled $5,208,000, a decline of 13 per cent as compared with December and a drop of 36 per cent from the level of a year ago. This decrease was contrary to seasonal tendency and reflected a sharp decline in the value of residential and non-residential awards, which more than offset a small gain in contracts let for public works and utilities. Contracts awarded for apartments and hotels showed a large percentage increase in January, while those for family houses, which constitute by far the largest part of the residential class of buildings, declined 27 per cent and were nearly one-third smaller than a year earlier. In early February the total of contract awards declined further, according to preliminary reports. As compared with January 1934, awards for all classes of construction showed declines; decreases were especially pronounced in the case of educational buildings, apartments and hotels and certain unclassified structures whose dollar volume was unusually large a year ago.
has been in evidence since the middle of last year. The index of the Bureau of Labor Statistics on February 16 was 84.6 per cent of the 1926 average as compared with 84.8 a month ago and 86.3 about the same time last year.

The cost of contemplated construction under building permits issued in 17 cities of this district declined less than usual from December to January, but was 34 per cent below that of a year ago. As in the case of actual contract awards, the dollar volume of permits issued for new construction, repairs and alterations continued at an exceptionally low level as compared with more normal years.

Ordinary conveyances declined in January in most sections, including Philadelphia. The value of recorded mortgages also was generally smaller than in December. Foreclosures, on the other hand, showed increases in January in the city areas of Wilkes-Barre, Harrisburg and Philadelphia.

**Distribution, trade and service.** Shipments of commodities by railroad freight in this section increased more sharply than usual in January, reflecting chiefly larger loadings of merchandise and miscellaneous commodities, coal, coke and forest products. The volume of revenue freight originating in the Philadelphia industrial area, on the other hand, showed a decline in January instead of the customary seasonal increase and was approximately 13 per cent smaller than a year ago. In the first half of February total freight car loadings in the Allegheny district as a whole increased further, continuing an upward trend that has been in evidence since November of last year.

Business at wholesale has shown additional improvement since the turn of the year. The January sales of eight important lines combined registered a decline which was much smaller than usual, so that the extent of this betterment over December amounted to about 9 per cent. As compared with a year ago, total sales in January were 8 per cent larger, all lines with the exception of drugs and shoes reporting an increased dollar volume of business over last year. In early February demand for hardware increased, while activity in most other lines continued at approximately the same rate as the month before, according to preliminary reports.

Retail trade sales of department, apparel, shoe and credit stores combined decreased more sharply than was to be expected from December to January, failing to maintain their customary seasonal level for that month by about 18 per cent. Our seasonally adjusted index number of total dollar sales was 55 in January, relative to the 1923-25 average as 100, in comparison with 67 for December and 55 a year ago. Figures for all lines showed unusually large declines in January. Preliminary reports indicate that, while current sales continue above those a year ago, there seems to be little evidence of improvement in early February over January. As compared with a year ago, the dollar volume of January sales for all lines combined was about one per cent larger.

Stocks at wholesale showed a gain of 6 per cent over December, a somewhat larger increase than is to be expected, while inventories of merchandise at retail establishments declined 4 per cent, which was a smaller drop than usual from December to January. Retail stocks at the end of January, however, were 2 per cent smaller than a year earlier and at wholesale they were 11 per cent larger. The rate of stock turnover at retail was 8 per cent and at wholesale 2 per cent more rapid this year than last.

The ratio of collections during January to outstanding balances at the beginning of that month at retail did not rise in the usual proportion, thus failing to maintain the seasonal level by about 6 per cent; but it was 2 per cent higher than a year ago. In the case of wholesale trade, this ratio showed a decided improvement in the month and was 10 per cent higher than in January 1934.

Sales of new passenger automobiles in January, as measured by registrations in this district, declined by a much larger amount than usual, after reaching in December the highest level since 1931. Our seasonally adjusted index for January stood at 83 per cent of the 1923-25 average, as compared with 93 for December and 38 a year earlier. The accompanying chart shows that the relative trend of automobiles sales in this district has been much the same as that for the country as a whole, barring minor variations as in the case of December when sales increased here while they declined in the country.

Activity of commercial hotels in this district expanded between December and the beginning of February, as
shown by increases of 16 per cent in room occupancy and 9 per cent in total revenue. Further comparisons follow:

<table>
<thead>
<tr>
<th>Hotel business</th>
<th>Per cent change Jan. 1935 from</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dec. 1934</td>
</tr>
<tr>
<td>Capacity</td>
<td>- 0</td>
</tr>
<tr>
<td>Room occupancy</td>
<td>+10</td>
</tr>
<tr>
<td>Per cent of capacity used:</td>
<td></td>
</tr>
<tr>
<td>Jan. 1935</td>
<td>52.1</td>
</tr>
<tr>
<td>Dec. 1934</td>
<td>44.1</td>
</tr>
<tr>
<td>Jan. 1935</td>
<td>45.8</td>
</tr>
<tr>
<td>Revenue from:</td>
<td></td>
</tr>
<tr>
<td>Guest rooms</td>
<td>+20</td>
</tr>
<tr>
<td>Food</td>
<td>+ 4</td>
</tr>
<tr>
<td>Other sources</td>
<td>- 1</td>
</tr>
<tr>
<td>Total revenue</td>
<td>+ 9</td>
</tr>
</tbody>
</table>

**Banking conditions.** Increased deposits, decline in loans to customers and expansion in security holdings are shown in the figures of the reporting member banks for the past month. Treasury expenditures in the district continued to exceed receipts, while currency demand increased in about the same volume as a year ago.

Treasury receipts and disbursements in this district during the four weeks ended February 20, manifested chiefly by transactions through the Government's deposit account at this bank, were heavier than in the preceding four weeks. The net excess of disbursements was about 24½ millions. These funds, together with 2½ millions supplied by a drop in nonmember deposits at this bank, were absorbed chiefly by an adverse balance of payments in commercial and financial transfers with other districts, which probably was caused in substantial measure by bank purchases of securities, and by a 10 million excess of currency payments to banks over amounts received from them. There was little change in the reserve deposits of member banks or in the volume of reserve bank credit extended locally.

The Treasury again transferred or deposited substantial sums to the credit of this bank in order to sustain its deposit here, but these funds were largely absorbed by payments on commercial account to other districts and to a lesser extent in meeting the demand for currency, so that the cash reserves of the bank increased only 3 millions. The effect of this gain and a decrease in the deposit liability on the reserve ratio of the bank was partly counteracted by a rise in federal reserve note circulation, so that the ratio increased only from 67.0 to 67.3 per cent.

The volume of loans and commitments approved by this bank to provide working capital for established industrial and commercial businesses increased from $6,475,000 on January 23 to $6,828,000 on February 20, while the amounts actually advanced thereunder, less repayments, rose from $3,594,000 to $3,783,000.

The aggregate of net demand, time and Government deposits at reporting member banks shows a further expansion to 1,112 millions on February 21, a point more than 100 millions above a year ago. In the last four weeks the total deposit liability, before deductions for reserve computations, has increased 9 millions; a substantial rise in demand deposits and in balances held for other banks more than offset declines of 5 millions and 9 millions in time and Government deposits, respectively. On the asset side of the statement a reduction of 10 millions in loans is to be found, reflecting some decline in loans to the open market as well as repayments by customers. Last year customers' loans, other than those having stock and bond collateral, recorded a spring rise of about 10 millions after the end of February; such loans now outstanding total 241 millions as against 250 millions a year ago.

The funds obtained from deposits and payments on loans did not accumulate as idle balances; in fact the total of reserves at the reserve bank, amounts due from other banks, and of checks and other items received for collection actually declined. Investments, on the other hand, increased 20 millions; 11 millions of this was in United States securities and 8 millions in obligations guaranteed principal and interest by the Government.

Average reserve deposits of member banks in this district increased from 204 millions in December to 217 millions in January, close to the high point last July. Most of the increase was reflected in a rise from 80 to 92 millions in the excess of reserves above legal requirements.

Contrary to the trend shown in the nation-wide figures, outstanding acceptances of banks in this district increased from $12,287,000 to $13,046,000 during January, according to figures of the American Acceptance Council. A decrease from 543 to 516 millions in the national figures was due chiefly to declines in export bills and in bills covering domestic warehouse credits.

**Reserve Bank Credit and the Factors That Affect It**

<table>
<thead>
<tr>
<th>Federal Reserve Bank of Philadelphia (Dollar figures in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans on securities:</td>
</tr>
<tr>
<td>To brokers and dealers in N. Y. City</td>
</tr>
<tr>
<td>To brokers and dealers elsewhere</td>
</tr>
<tr>
<td>To others</td>
</tr>
<tr>
<td>Total loans on securities</td>
</tr>
<tr>
<td>Acceptances and commercial paper</td>
</tr>
<tr>
<td>Loans on real estate</td>
</tr>
<tr>
<td>Other loans</td>
</tr>
<tr>
<td>Total loans</td>
</tr>
<tr>
<td>U. S. Gov. securities</td>
</tr>
<tr>
<td>Obligations fully guaranteed by U. S. Government</td>
</tr>
<tr>
<td>Other securities</td>
</tr>
<tr>
<td>Total loans and investments</td>
</tr>
<tr>
<td>Net demand deposits</td>
</tr>
<tr>
<td>Time deposits</td>
</tr>
<tr>
<td>Government deposits</td>
</tr>
<tr>
<td>Due from banks</td>
</tr>
<tr>
<td>Due to banks</td>
</tr>
<tr>
<td>Reserves with Federal Reserve Bank</td>
</tr>
<tr>
<td>Reserve ratio</td>
</tr>
<tr>
<td><strong>Reserve Bank Credit</strong></td>
</tr>
<tr>
<td>Sources of funds</td>
</tr>
<tr>
<td>Reserve bank credit extended in district</td>
</tr>
<tr>
<td>Commercial and financial transactions (chiefly interdistrict)</td>
</tr>
<tr>
<td>Treasury operations</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Uses of funds</td>
</tr>
<tr>
<td>Currency demand</td>
</tr>
<tr>
<td>Member bank reserve deposits</td>
</tr>
<tr>
<td>Nonmember deposits at reserve bank</td>
</tr>
<tr>
<td>Unexpended capital funds of reserve bank</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Note: This table gives, in balance sheet form, a summary of the banking changes which have had an influence on the amount of reserve bank credit in use in this district.
Employment and Payrolls in Pennsylvania

(All figures are rounded from original data)

**Manufacturing Indexes**

(Indexes are percentages of the 1923-25 average taken as 100. Total and group indexes are weighted proportionately.)

<table>
<thead>
<tr>
<th>Employment</th>
<th>Payrolls</th>
<th>Employe-hours</th>
</tr>
</thead>
</table>

| All manufacturing | 74 | +9 | -1 | 58 | +22 | -9 | +15 | +9 |
| Iron, steel, and products | 60 | +8 | +0 | 48 | +25 | +4 | +15 | +0 |
| Non-fer. metal products | 90 | +1 | -1 | 80 | -11 | -1 | +10 | +2 |
| Transportation equipment | 57 | +7 | -1 | 37 | +7 | -3 | +12 | +5 |
| Textiles and clothing | 98 | +14 | +1 | 84 | +42 | +0 | +65 | +4 |
| Textile | 98 | +17 | +2 | 85 | +45 | -6 | +43 | +0 |
| Clothing | 67 | +5 | +2 | 58 | +35 | -6 | +29 | +4 |
| Food products | 74 | +2 | -10 | 64 | -4 | -9 | +10 | +2 |
| Stone, clay and glass | 67 | +13 | -3 | 47 | -27 | 3 | +18 | -4 |
| Lumber products | 58 | -2 | -10 | 27 | -32 | 13 | -9 | -11 |
| Chemicals and prod. | 89 | -4 | -1 | 74 | +13 | +3 | -5 | +8 |
| Leather and products | 90 | +6 | -6 | 82 | -16 | 3 | -7 | +1 |
| Paper and printing | 88 | +1 | -2 | 78 | +7 | -2 | +3 | -3 |
| Printing | 85 | +1 | -1 | 77 | +5 | +1 | +3 | +2 |
| Others: | | | | | | | | |
| Cigars and tobacco | +65 | +5 | +1 | 44 | +25 | +22 | -23 | -23 |
| Rubber tires, goods | -3 | -2 | -2 | 38 | -24 | 4 | -6 | -2 |
| Musical instruments | +52 | +4 | +5 | 45 | -11 | -7 | +9 | -4 |

* Figures from 2148 plants.
† Figures from 2136 plants.

**General Index Numbers**

Covering twelve branches of trade and industry

(Indexes are percentages of the 1923 average taken as 100. Individual indexes are combined proportionately into general index number.)

<table>
<thead>
<tr>
<th>Employment*</th>
<th>Payrolls*</th>
</tr>
</thead>
<tbody>
<tr>
<td>index</td>
<td>index</td>
</tr>
<tr>
<td>Dec. 1934</td>
<td>Dec. 1934</td>
</tr>
</tbody>
</table>

| General Index (weighted) | 117 | +9 | -1 | 141 | +22 | -10 | +10 |
| Anthracite mining | 101 | +2 | +0 | 107 | -19 | +10 | +10 |
| Bituminous coal mining | 124 | +8 | +0 | 167 | -13 | -6 | +10 |
| Building and construction | 60 | +5 | -18 | 47 | -12 | -15 | -15 |
| Quarrying and non-met. mining | 54 | -9 | -15 | 86 | -12 | -8 | -8 |
| Crude petroleum producing | 174 | -18 | +6 | 151 | -16 | +8 | -8 |
| Public utilities | 89 | +3 | -0 | 80 | +6 | -10 | -10 |
| Retail trade | 102 | -4 | -20 | 101 | -17 | -10 | -10 |
| Wholesale trade | 103 | +2 | +6 | 106 | +2 | -10 | -10 |
| Hotels | 106 | +7 | -1 | 103 | -13 | -2 | -2 |
| Laundries | 93 | +1 | +1 | 92 | +3 | -10 | -10 |
| Dyeing and cleaning | 86 | 1 | -3 | 87 | -3 | +10 | -10 |

* Figures from 2048 plants.
† Figures from 2136 plants.

Note: Indexes of factory employment and payrolls for previous years, as revised, are given in our supplements dated August 1933 and February 1935 as well as in the Business Review of the latter date.
## Index numbers of individual lines of trade and manufacture

**Philadelphia Federal Reserve District**

### Adjusted indexes allow for the usual seasonal change which results from an uneven distribution of business between the months of the year.

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

### Adjusted for seasonal variation

<table>
<thead>
<tr>
<th>Index numbers: percentages of the 1923-1925 average taken as 100 (All figures are rounded from original data)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1934</td>
</tr>
<tr>
<td><strong>Retail trade</strong></td>
</tr>
<tr>
<td>Sales</td>
</tr>
<tr>
<td>Department</td>
</tr>
<tr>
<td>Men's apparel</td>
</tr>
<tr>
<td>Women's apparel</td>
</tr>
<tr>
<td>Shoe</td>
</tr>
<tr>
<td>Credit</td>
</tr>
<tr>
<td>Stocks of goods</td>
</tr>
<tr>
<td>Total of all stores</td>
</tr>
<tr>
<td>Wholesale trade</td>
</tr>
<tr>
<td>Sales</td>
</tr>
<tr>
<td>Total of all lines</td>
</tr>
<tr>
<td>Boots and shoes</td>
</tr>
<tr>
<td>Credit</td>
</tr>
<tr>
<td>Rate of stock turnover</td>
</tr>
</tbody>
</table>

### Wholesale trade

| Sales | 73 | 71 | 72p | 79p | + 9 | + 8 | 64 | 80 | 81p | 69p |
| Boots and shoes | 15 | 14 | 14p | 14p | + 10 | - 1 | 16 | 19 | 18p | 17p |
| Drugs | 88 | 86 | 93p | 85p | - 8 | - 3 | 91 | 89 | 94p | 88p |
| Dry goods | 39 | 36 | 37 | 34p | + 3 | 32 | 32 | 22 | 22p | 22p |
| Groceries | 108 | 110 | 111p | 110p | + 4 | + 3 | 108 | 112 | 112p | 112p |
| Hardware | 38 | 47 | 48p | 49p | - 2 | - 11 | 40 | 28 | 28p | 28p |
| Rate of stock turnover | 0.26 | | | | | | |

### Output of manufacturers

| Pig iron | 31 | 20 | 13 | 20 | +52 | -33 | 30 | 20 | 13 | 20 |
| Steel | 44 | 45 | 48 | 51 | + 5 | + 16 | 43 | 45 | 45 | 48 |
| Iron castings | 54 | 43 | 48 | 53 | +10 | - 1 | 49 | 44 | 45 | 48 |
| Steel castings | 33 | 39 | 45 | 47 | +11 | + 43 | 33 | 36 | 36 | 36 |
| Electrical apparatus | 61 | 79 | 87 | 80 | + 2 | + 16 | 87 | 83 | 83 | 84 |
| Motor vehicles | 27 | 20 | 16 | 15 | - 22 | - 2 | 14 | 18 | 15 | 13 |
| Automobile parts and bodies | 60 | 59 | 79 | 68 | - 27 | - 3 | 59 | 54 | 77 | 57 |
| Locomotives and cars | 13 | 11 | 18 | 19 | + 0 | + 32 | 14 | 17 | 19 | 19 |
| Shipbuilding | 15 | 23 | 29 | 32 | + 22 | + 22 | 24 | 25 | 25 | 25 |
| Silk manufactures | 83 | 94 | 95 | 100 | + 8 | + 21 | 85 | 85 | 95 | 102 |
| Woolen and worsteds | 37 | 47 | 51 | 51 | + 12 | + 65 | 37 | 51 | 56 | 61 |
| Cotton products | 35 | 35 | 38 | 39 | + 15 | + 6 | 36 | 36 | 41 | 41 |
| Carpets and rugs | 48 | 57 | 64 | 76 | + 18 | + 76 | 41 | 64 | 61 | 61 |
| Hardware | 10 | 11 | 10 | 11 | + 7 | + 7 | 9 | 11 | 11 | 11 |
| Rate of stock turnover | 0.42 | | | | | | |

### Registration of manufacturers

| Credit | 74 | 69 | 69 | 68 | + 4 | 66 | 76 | 68 | 68 |
| Petroleum products | 140 | 139 | 147 | 147p | + 0 | + 5 | 139 | 140 | 147 | 146p |

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*Computed from data unadjusted for seasonal variation.

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*p—Preliminary.