

The Monthly BUSINESS REVIEW

Covering business and industrial conditions in the Fourth Federal Reserve District

FEDERAL RESERVE BANK of CLEVELAND

D. C. Wills, Chairman of the Board

(COMPILED JULY 20, 1920)

VOL. 2

CLEVELAND, OHIO, AUGUST 1, 1920

No. 7

WE HAVE repeatedly expressed the opinion that there is nothing fundamentally wrong with business conditions. The propaganda of extreme pessimism which has been spreading during the past few months is ill-timed and mischievous. With the passing of unusual conditions nothing is more natural than that we should expect a return to a normal business plane, and to achieve such a movement without great disturbance is the object of all who are really interested in a successful and prosperous America.

To be a highly prosperous nation it is not necessary that the large profits and excessive earnings of the last five years be maintained. We did not secure our envied industrial position under war conditions. On the contrary, our greatest period of genuine prosperity occurred during the years when the world was at peace—when the energy of the world was centered upon production of all necessary goods. It should be apparent to anyone that the volume of business transacted during the past few years cannot be maintained, but a considerable less can be had and we should still have a satisfactory rate of growth as measured by the prewar standard.

Conditions continue to improve. There is less talk of depression and more confidence in the general situation. While there has perhaps been no appreciable lessening of the credit strain there certainly have been indications at other points of distinct improvement. Chief among these is the attitude of the people generally against a continuation of high prices, which has been reflected in the liquidation of commodities and a consequent lowering of the price level. The public holds the key to lower prices, and the remedy lies in using it. In the last analysis the purchasing power of the people measures the extent of our prosperity. Goods produced but not sold add nothing to the national wealth. Only when such goods are actually turned into money is it profitable for the producer. Hence, the willingness of the people to buy determines the degree of prosperity, and when the public retires from the market trouble lies ahead. Lower prices tend to stimulate demand, and a reduced price level will bring the public back into the market.

To attempt to place the blame for present high prices would be fruitless, and, perhaps, unjust. We

have been engaged in just such unprofitable efforts ever since the upward climb began. We have seen the greatest period of "buck-passing" ever witnessed in the history of the country. The merchant blames the manufacturer and the manufacturer in turn blames the merchant; labor blames capital, and capital "passes the buck" to labor; the farmer blames the city man, who in his turn places the responsibility onto the man in the "tall grass." So we have created another "vicious circle."

The truth is that we are all to blame. And it is equally true that we must all assume our share of responsibility in bringing about a return to a normal condition. There must be a complete economic readjustment, in which we must all play leading parts. Labor must become still more productive, and the manufacturer who adopts measures tending to hold up the present price level by artificial means deserves nothing but the most severe condemnation.

The terms of the long-awaited decision of the railway wage board have been announced, and their acceptance is now up to the men themselves. The amount of the grant does not meet their demands, but the judgment of the board was made after a careful study of conditions, and is generally accepted as just.

It may fairly be said that the immediate future of business depends in great measure upon the action of the railroad employees. The situation is pregnant with possibilities both for good and for evil. The power to cripple industry is unquestionably theirs, and a tremendous responsibility accompanies their decision. Should the award be accepted, and the men return to a prewar degree of efficiency the freight congestion can be cleared and industry be free to pursue its onward march; on the other hand, should the decision not be regarded as satisfactory, the situation is fraught with possibilities the consequences of which no man can foretell.

Business has become unnecessarily apprehensive. The situation is still somewhat confused; we are not yet out of the woods. Some dangers lie ahead, but as we are aware of their presence there is no reason why they should not be avoided. A keen vision, a firm hand and a level head are essential at this time, perhaps as never before, and careful seamanship is all that is required to successfully weather the storm.

Credit Situation Unchanged; Commercial Failures Increase; Acceptance Market Active

There has been no marked change in the credit situation in this District within the past thirty days, but conditions certainly do not justify any relaxation on the part of banker or business man in keeping their houses in order. The demand for credit is as keen as ever, and new requirements present themselves daily. Any surplus of credit at one point is immediately absorbed by the demand at some other point. Banks are endeavoring to get their resources in liquid condition to finance the farmer.

Merchants and manufacturers generally are heavily stocked, and the result of the tight money market has been to force many realizing sales. Commercial failures in this District for June numbered 65 with liabilities of \$976,000, as compared to 44 with liabilities of \$597,000 in the corresponding month last year.

Collections are reported as good for the most part, although some sections report hard sledding.

During the past month there was a surprisingly good market in bankers' acceptances. The buying, somewhat contrary to past months, was not confined to any one class in particular, but was very general. The country banks continued to be a substantial support, and many new purchasers, embracing state banks and trust companies, corporations and individuals, kept the market practically bare of prime paper. In spite of the erratic and high trend of call

money, which one day was as high as 14%, with the average for the month somewhat over 7%, the rates on acceptances remained substantially unchanged at 5¾ to 6½%. Commercial paper continued at 8%, but even at this rate did not cut into the usual acceptance demand.

The state banks in this district have not as yet given the anticipated support to the acceptance market. A few of these institutions have purchased bills and have remained in the market, but the others seem to have disregarded this form of investment entirely. It is, without doubt, a case of disinterest in the profitableness and simplicity of the investment, which seems due almost entirely to the oversight of the bankers themselves, for acceptance literature has been circulated very widely, and personal solicitation by dealers and others has not been lacking.

The supply of bills during the month was not excessive. There was, however, somewhat of a scarcity of shorter time paper. With transportation facilities still upset, bills drawn against domestic shipments were nearly all drawn for the longer period. In this district there were few bills drawn against foreign transactions, while bills against warehouse receipts and domestic shipments made up the greater volume of available acceptances.

Steel Mill Congestion Worst in History of Trade; Operations Continue Despite Transportation Handicap

Traffic conditions in the iron and steel industry during the past month have reached a more acute stage and it has become a matter of constant struggle for the manufacturers to keep plants in operation and finished material moving. The shortage of cars and deficient transportation arising in connection with the switchmen's strike which had put a severe rein upon works operations, have become intensified through the orders of the Interstate Commerce Commission restricting open-top cars to the coal trade. While this order has been modified since to permit low side cars to be used by the iron and steel industry, the beneficial effects have not yet appeared and the outlook for improvement is not hopeful. Piling up of unshipped product on mill and furnace yards has continued all along the line and the congestion in this respect now is the worst ever encountered by the industry. A recent estimate made to the Interstate Commerce Commission at Washington by steel officials placed at approximately 1,400,000 tons, the accumulation of finished material in four leading producing districts. Of this amount 345,000 tons was shown to be in the Buffalo, Cleveland and Lorain districts, and 171,000 tons in the Youngstown and valley territory. The Pittsburgh and Johnstown district had 641,000 tons and the Wheeling and middle Ohio districts, 256,000 tons. This total estimate did not include the large tonnage of semi-finished material which has been stacked up in work yards,

awaiting a chance to go through the mills, nor the finished stocks in Chicago, eastern Pennsylvania and other producing districts. Accordingly an estimate of 2,000,000 tons of iron and steel tied up in the hands of the producers throughout the country is regarded as conservative. The effect of these large stocks which have been increasing despite heroic efforts of both producers and consumers to move them, has been to seriously interfere with operations and to gradually shut off production.

While there has been some slowing down in consumption in certain directions, such as apparently has been due to the transportation conditions and some to a falling off in business such as the automobile industry, the basic needs of iron and steel are well maintained. Buyers accordingly are pressing the producers for material to meet their requirements and are going to great lengths to provide transportation regardless of cost. Thousands of motor trucks have been put in service, hauling material from the mills to points where cars are available or through to consumers' plants. Barge shipments from those works which are located along navigable streams, have been heavy. Cancellations of unshipped product are comparatively few. Many of the mills are regulating their operations today entirely in accordance with the ability of the buyer to furnish means of transportation or with his consent to having the steel to be piled on mill yards for in-

definite deliveries. Where such understanding has been settled upon, the material is regarded as non-cancellable.

Coke shortage and considerable high prices have been an important factor seriously affecting the activities of many iron and steel plants, particularly blast furnaces. Spot coke has been selling up to \$18 to \$20 at the ovens. This has caused considerable talk as to the probability of restoration of government control of coal and coke prices, but nothing tangible along this line has yet developed, it being understood that the government believes it can keep the situation in hand through priority control over cars.

Crude material production in iron and steel has kept up quite well considering the conditions, the

restriction of output applying most severely to the finishing operations. Pig iron production in June, as compiled by the Iron Trade Review totaled 3,044,351 tons, compared with 2,991,825 tons in May, 2,752,670 tons in April and 3,375,768 tons in March, when operations reached their highest point since the war period of 1918. Furnaces in blast the last day of June numbered 301 compared with 297 on the corresponding date in May. Steel works production in June was on the basis of approximately 42,000,000 tons, which was slightly less than in May. The lake iron ore movement in June rose to 9,233,566 tons. The ore brought down to July 1, was 16,440,505 tons against 18,949,730 tons for the like period of 1918 against which the 1920 movement is being compared.

Lake Ore Shipments Exceed Ability of Railroads to Handle; Coal Shortage in Northwest Now Certain

The car supply in the ore trade at this end of the route is still far short of the requirements, and 50 boats or more have been on the waiting list at the docks all the time during the past month. Some of the ore carriers have been held in port a week or more and there will not be any improvement in dispatch until ore for direct shipment can be handled in better shape, as the lake front furnace plants are going at top speed and considerable ore is being placed on dock in order to get boats out.

The ore movement for June was heavier than figured on and the fleet loaded 9,233,566 tons, which is an increase of 1,252,727 tons over June, 1919. Shipments up to July 1 were 16,440,505 tons, which is a gain of 432,086 tons over the same time last season. The movement up to July 1 shows a loss of 2,509,456 tons compared with the same time in 1918.

Shipments for the latter season were a little more than 61,000,000 tons and when sales for 1920 were made it was figured that the requirements would be

about the same as the previous season. That mark will not be reached with the present operation but much time has been lost by the furnaces during the past three months due to strikes and the shortage of coal and the requirements will be cut, but some of the plants that are depending on rail shipments may not get enough ore to carry them through the winter.

That there will be a shortage of coal in the Northwest is pretty certain as the movement up to July 1 was 5,219,000 tons less than it was last year for the same period, and the loss will be greater on August 1 as there was not much increase in shipments in July. That means that the movement from now on will have to be more than doubled in order to reach last season's total and even then the supply would be short as the requirements will be greater than they were in 1919. It is up to the mine operators and the railroads to get the coal forward as there is plenty of dock and vessel capacity to handle the business.

Manufacturing Dominated by Railroad Strike; Unemployment Increases, With Resulting Increase in Efficiency of Labor

Transportation conditions continue to dominate the manufacturing field. No section is free from its influence. Raw materials and finished goods are available at sources of origin, but cannot be moved. Relief is expected as a result of the decision of the railway wage board, and a free movement of goods would be the greatest possible factor in restoring confidence.

Unemployment is becoming more common, and a marked increase in the efficiency of labor is observed. One of the largest producing companies in this District reports that "We have had the greatest four months in our history of pounds produced per man." In the city of Akron alone from 12,000 to 15,000 men have been laid off. Akron warehouses are full of automobile tubes and casings which cannot reach the markets.

Evidence is accumulating that production in some lines is fully equal to the demand, if, indeed, it does not exceed it.

Automobile makers report the industry in a very healthy condition. Business in that line has slowed up some, but manufacturers see no reason to be other than optimistic. A good foreign demand for cars is noted.

Hardware manufacturers state that some unsettlement exists, owing to the belief of hardware buyers that lower prices will be an event of the near future. Manufacturers predict, on the contrary, that the price trend will be in the other direction.

Auto body makers express the belief that conditions are more hopeful, the feeling of hesitancy and fear which characterized the trade subsiding to some extent. Orders are said to be placed more judiciously as to quantity.

Makers of shoes report that dealers are extremely cautious on future commitments, and freely predict lower prices for their product.

Machine and foundry supply men now state that bookings have dropped off considerably, but for the

most part they are booked so far in advance that they welcome such a curtailment of orders.

One of our largest brush and broom producers reports business in June the greatest in their history.

Manufacturers of box board report business as unusually active, and their financial condition never better. Mills generally are from three to six months behind on orders.

Tin can makers report the usual volume of orders for this time of year, with tin plate mills far behind on deliveries.

Textile Operations at Standstill Except for Foreign Business

There has been no improvement in the general situation in the textile business during the past thirty days. Some of the large mills have closed indefinitely and cancellations are still coming in, so that practically all domestic business on the books of the mills has been wiped out. It is stated that were it not for foreign orders many other mills would be compelled

Conditions are described as "fair" in the wood-working machinery line.

Tool makers are more inclined to a pessimistic attitude. A marked decline in new business is noted, but the demand continues active in some lines.

Pottery makers are experiencing difficulty in securing the proper grade of coal for use at their kilns. Buyers are said to be holding off on purchases, asking for definite prices, which the manufacturers are unwilling to grant. Pottery men state that owing to the uncertainty of raw material prices a definite delivery price cannot be made prior to shipment.

to close. No requests for cancellations of foreign orders have been received, and one of the large mills in the District states that foreign business in June was the largest in the history of the company.

Textile manufacturers generally discourage the idea of lower prices, claiming that at the present price of labor no material reduction can be had.

Wholesale Trade Shows Substantial Gains

Wholesale trade continues to show substantial gains over the volume of trade during the early months last year, as indicated by reports from dealers.

Dry goods dealers predict lower prices except in such merchandise as has been over-sold and in which production is backward.

Wholesale hardware dealers report that purchases are confined largely to goods needed for immediate wants, and that while prices are not now advancing generally there is no particular point of weakness. The weight of opinion is that prices will decline rather than advance.

Grocery dealers report nearly 50 per cent increase in net sales, a considerable part of which is said by some to have been represented by large sales of sugar. The tendency is toward cautious purchasing on the part of both wholesalers and retailers. Buy-

ing of canned goods, notwithstanding high prices, is said to average up to that of former years. Dealers are practically a unit in declaring that price concessions cannot be made in their line. Collections are reported as especially good.

Sales of drugs show a substantial increase, and the tendency seems to be to lower prices.

Below is printed a tabulation of reports received from dealers throughout the District, compiled from unweighted averages:

	Increase (or decrease) in Sales during May, 1920, over same month last year Percent	Increase (or decrease) in Sales during June, 1920, over some month last year Percent
Dry Goods	—24.0	11.5
Groceries	32.2	47.8
Hardware	31.2	37.2
Drugs	30.2	53.4

Retail Trade Active; Stocks of Goods Somewhat Reduced; No Sudden Price Drop Anticipated

During the past six months business in the retail dry goods line has been unusually active. Sales for every month (measured by money values) are in excess of last year, notwithstanding that business during the early months of 1919 showed a marked increase over that of the year before. There has been some break in prices, more particularly in silks, shoes and hosiery, and realizing sales have probably had something to do with the amount of sales.

Conservative buying for the future appears to be universal. No great slump in prices is expected, barring unforeseen developments. However, the mills are working only on legitimate orders, and the outlook at present is that there will be little surplus of made-up merchandise.

Stocks in the hands of the retailers have been somewhat reduced, more particularly in the smaller cities and towns.

Our tabulation of retail sales and stocks (based on weighted averages) appears elsewhere in the *Review*.

Retail grocers are inclined to the belief that the peak of high prices has been reached, and some venture to predict "decided reductions" in certain foods that have been "out of proportion in price." Shortage of transportation facilities has necessitated carrying larger stocks than would be necessary in normal times. Some dealers report transportation conditions the worst in their history, representing that goods is sometimes received from California in less time than shipments from Philadelphia and New York.

Coal Situation Improves; Coke Production Stimulated By Record Prices; Oil Output Increases

The Interstate Commerce Commission's priority order governing the use of coal cars for other than coal purposes has resulted in a distinct improvement in the coal situation, although complete mine operation is not yet possible. Manufacturers are making every effort to accumulate coal for next winters' operations, as spring of 1920 found reserve stocks of coal almost depleted by reason of transportation difficulties and the miners' strike during the past winter. While the original order was effective

for 30 days, it has been extended for a similar period, which should be reflected in a still further improvement.

Coke production is being stimulated by the record high prices obtaining—quotations being as high as \$20.00 for Connellsville foundry coke.

Petroleum production has been showing a slight increase, with no further advances in the market price, though it has been stated that a premium is being paid for Pennsylvania crude.

Favorable Weather Improves Crop Prospects; Census Shows Decrease in Stock Breeding

Favorable weather during the past few weeks has greatly improved crop prospects in this District. Sunshine and a seasonable amount of moisture will result in a better condition report on August 1 than that of July 1. Elsewhere in the *Review* will be found a tabulated statement of the principal crops in Ohio, showing condition on July 1, one month ago, one year ago, and the ten year average, together with estimated yields.

The condition of winter wheat shows a decline of 3 per cent from the June 1 estimate, damage from wet weather and Hessian fly being responsible for the change. Harvesting has begun generally throughout the district, and indications point to a crop barely sufficient to meet the needs of the state.

Corn prospects are far better than an average crop, notwithstanding the late start. Hot weather is needed to bring the crop to maturity before frost.

The oat crop shows great improvement on July 15 over the July 1 estimate. Ideal weather for oat development during the first two weeks of the month is the cause of the improved condition.

Hay condition is not so good, through the July 15 report shows improvement over the July 1 estimate in both meadows and pastures.

It is estimated that there has been a decrease of 9,000 acres in the Ohio potato acreage for the present year. The July 1 condition is 1 per cent above the 10 year average.

Fruit prospects generally are excellent. The forecast is for an apple crop of about 2½ times that of 1919, and the prospective peach crop is reported to be the best in years.

A census of live stock on 1,000 farms shows a decrease in young pigs of 16 per cent compared to July 1 of last year, and a decrease of 18 per cent in swine over six months old. The survey also shows a decrease of 3 per cent in the number of cows, 6 per cent decrease in calves, 4 per cent decrease in heifers, and 2.3 per cent in the number of steers. On the other hand sheep show an increase of 4 per cent. Elsewhere in the *Review* appears a table showing the movement of live stock at principal centers in this District.

Building Operations Slowing Up on Account of Transportation Conditions; Fall Outlook Uncertain

The building industry in this District is marking time until conditions improve in the matter of transportation for materials. Coupled with this drawback is also a well established feeling that labor costs and conditions will be more favorable if those contemplating building operations postpone their undertakings. The record of permits shows a very low ebb for mid-summer, when as a general thing the peak of operations is reached.

There has been some improvement in the securing of material, especially cement, the last fortnight, on

account of the use of lake vessels for transportation. Little relief has been found in the railroad situation, preference being given to the movement of coal rather than of building materials. The extension of this order for an additional thirty days offers no immediate relief.

The outlook for full operations at this time is uncertain, and depends largely upon what progress is made in removing the obstacles now in the pathway of the industry.

Transportation Improves Despite Handicaps; Car Supply Short; Labor Forces More Nearly Normal

Despite the obstinacy of the switchmen's strike, transportation conditions have shown improvement. The railroads are handling more traffic than they did during the early part of 1919, and more than they have handled during most of the present year.

The car supply is short, resulting in an accumulation of products awaiting shipment. The Interstate Commerce Commission's Service Order No. 7, which provides that coal mines must be furnished with cars in preference to any other demand and that coal-

carrying equipment must not be loaded with products other than coal, except in the direction of mines, is working for an increase in the movement of coal and correspondingly decreasing the supply of equipment available for other products.

Labor conditions are somewhat improved, current

reports showing road forces practically normal, switching forces 70 to 75 per cent normal, and shop forces about 94 per cent.

Stringent embargo regulations have reduced terminal congestion, but the permanency of the relief is open to question.

Movement of Livestock at Principal Centers in Fourth District For Month of June, 1920

	Cattle		Hogs		Sheep		Calves		Cars Unloaded	
	1920	1919	1920	1919	1920	1919	1920	1919	1920	1919
Cincinnati	21,241	17,790	118,891	128,082	79,146	45,380	20,570	12,807	2,363	2,022
Pittsburgh	29,218	28,055	236,229	123,633	90,128	64,370	27,317	21,043	2,918	4,355
Cleveland	9,684	6,500	83,555	85,395	16,622	12,691	11,271	12,455	1,499	1,542
Toledo	1,155	.....	12,675	.....	1,077	.....	1,529	.....	.....	.....
Fostoria	426	260	10,282	7,512	614	273	638	415	23	46

Purchases for Local Slaughter June, 1920

Cincinnati	15,494	14,711	66,801	79,630	12,520	2,824	10,458	6,965
Pittsburgh	6,259	5,977	30,195	19,973	10,605	8,513	10,872	8,780
Cleveland	8,117	5,696	58,616	73,809	12,326	9,008	10,800	12,186
Toledo	645	.....	6,580	.....	410	.....	979	.....
Fostoria	50	.....	1,140	.....	33	.....	520	.....

Condition of Principal Crops in the State of Ohio on July 1, 1920, as Compared with June 1, 1920 and July 1, 1919

	Winter Wheat	Corn	Oats	Potatoes	Tobacco	Hay
Condition July 1, 1920	63%	86%	81%	88%	85%	75%
Condition June 1, 1920	66%	86%	82%	.....	.....	81%
Condition July 1, 1919	102%	89%	85%	.....	.....	88%
July 1, 10 year average . . . . .	.....	.....	86%	87%	.....	.....
(a) Est. yield July 1, bu.	27,125	140,950	51,731	.....	(b) 68,926	3,512
Yield 1919, bu.	53,480	162,800	.....	11,291	.....	.....

(a) in thousands of bushels.

(b) thousands of pounds.

Department Store Sales

	Cleve.	Pgh.	Other Cities	District
Percentage increase in net sales during June over net sales during same period last year	41.7	24.9	31.7	31.5
Percentage increase in net sales from Jan. 1 to June 30 over net sales during same period last year	48.6	28.9	27.1	34.6
Percentage increase of stocks at close of June, 1920, over stocks at close of same month last year	66.3	50.4	41.0	53.2
Percentage increase of stocks at close of June, 1920, over stocks at close of May, 1920	— 6.4	2.8	— 2.0	— 1.0
Percentage of average stocks at close of each month from January 1 to average monthly net sales during same period	419.5	270.0	413.2	366.8
Percentage of outstanding orders at close of June to total purchases during calendar year 1919	18.6	9.6	16.8	14.8

Building Operations for Month of June

	Permits Issued				Valuations				Inc. or Dec. of Total Valuation 1920 over 1919	Percent of Inc. or Dec.
	New Construction		Alterations		New Construction		Alterations			
	1920	1919	1920	1919	1920	1919	1920	1919		
Akron	412	612	117	144	2,103,854	2,266,772	95,960	81,510	148,468—	6.3—
Cincinnati	208	195	695	508	1,938,865	623,755	436,510	278,345	1,473,275	163.3
Cleveland	202	468	923	931	5,284,700	4,101,300	485,800	554,325	1,114,875	23.9
Columbus	141	243	147	95	737,070	531,655	202,425	117,005	390,835	60.1
Dayton	128	252	99	100	428,501	811,903	82,561	52,950	353,791—	40.8—
Erie	67	85	61	80	382,434	153,735	337,733	69,846	496,586	222.4
Lexington	24	29	70	69	110,000	64,500	5,490	26,750	24,240	26.3
Pittsburgh	283	392	109	148	815,494	825,263	106,365	335,533	238,937—	20.5—
Springfield	10	66	13	14	8,600	150,670	6,875	15,125	150,320—	90.9—
Toledo	190	219	161	160	488,752	517,477	142,493	137,355	23,587—	3.5—
Wheeling	49	46	13	18	129,507	26,060	3,290	1,970	104,767	371.4
Youngstown	81	228	32	43	246,210	742,520	20,195	27,300	503,415—	65.4—
Total	1,795	2,835	2,440	2,310	12,673,987	10,815,610	2,025,697	1,698,014	2,186,060	17.4

Total Debits by Banks to Individual Accounts

	Week Ending July 14, 1920			Week Ending July 16, 1919		Increase or Decrease	Percent of Inc. or Dec.
	-	-	-	-	-		
Akron	-	-	-	20,690,000	22,933,000	2,243,000—	9.7—
Cincinnati	-	-	-	65,712,000	60,657,000	5,055,000	8.3
Cleveland	-	-	-	201,537,000	200,880,000	657,000	.3
Columbus	-	-	-	31,474,000	32,476,000	1,002,000—	3.—
Dayton	-	-	-	13,124,000	12,122,000	1,002,000	8.2
Erie	-	-	-	8,372,000	6,876,000	1,496,000	21.7
Greensburg	-	-	-	5,923,000	4,042,000	1,881,000	46.5
Lexington	-	-	-	5,224,000	3,858,000	1,366,000	35.4
Oil City	-	-	-	3,901,000	3,038,000	863,000	28.4
Pittsburgh	-	-	-	202,371,000	180,861,000	21,510,000	11.8
Springfield	-	-	-	4,361,000	3,487,000	874,000	25.
Toledo	-	-	-	34,719,000	30,277,000	4,442,000	14.6
Wheeling	-	-	-	9,509,000	9,589,000	80,000—	.8—
Youngstown	-	-	-	19,070,000	19,431,000	361,000—	1.8—
Total	-	-	-	625,987,000	590,527,000	35,460,000	6.

Clearings

	June 16 to July 15		Increase or Decrease	Percent of Inc. or Dec.
	1920	1919		
Akron	54,576,000	32,526,000	22,050,000	67.7
Cincinnati	312,398,616	248,637,660	63,760,956	25.6
Cleveland	628,554,498	496,419,254	132,135,244	26.6
Columbus	63,741,800	58,463,700	5,278,100	9.
Dayton	22,743,848	21,617,004	1,126,844	5.2
Erie	11,777,239	9,683,837	2,093,402	21.6
Greensburg	7,385,486	4,701,585	2,683,901	57.
Lexington	6,389,382	5,410,499	978,883	18.
Pittsburgh	761,445,954	629,135,731	132,310,223	21.
Springfield	8,318,026	6,978,822	1,339,204	19.1
Toledo	66,827,000	55,387,024	11,439,976	20.6
Wheeling	23,332,845	21,724,489	1,608,356	7.4
Youngstown	21,979,422	26,316,478	4,337,056—	16.4—
Total	1,989,470,116	1,617,002,083	372,468,033	23.

PICKUPS ON BUSINESS TOPICS

THE national debts of the world now approximate \$265,000,000,000 against \$44,000,000,000 at the beginning of the great European War. The interest charges on the grand total now exceed \$9,000,000,000 per annum, as against about \$1,750,000,000 in the year before the war. The per capita of national indebtedness averages for the aggregate population of all the countries for which debt figures are available about \$150 per capita, against approximately \$27 per capita in 1913, and annual interest charges about \$6.00 per capita at the present time, as against about \$1.00 per capita in 1913.

According to a recent report it is estimated that the sum of \$8,000,000,000 is spent by Americans each year for luxuries. This means that every family in the country pays out \$7.00 each week that it might save, which in a year amounts to \$364.00. Among the various items are \$2,110,000,000 for tobacco, \$800,000,000 for cigarettes, \$1,000,000,000 for candy, \$50,000,000 for chewing gum, \$350,000,000 for soft drinks and soda water. The country's annual bill for perfumery and face powder is \$750,000,000.

Oil refineries plan to make a nation-wide appeal for conservation of gasoline in pleasure cars, which, if not heeded, will be followed by system of rationing through out U. S., to be put into effect by refining and marketing companies. A Standard Oil Co. official is quoted as saying American automobile manufacturers are partly at fault for not designing cars to cover greater distances on same amount of gasoline. English cars go 22 to 25 miles on one gallon, while American cars only make half the distance.

The efficiency of labor is increasing, according to reports from 49 manufacturers operating in 40 different lines of industry in New York City. This testimony is submitted by the same manufacturers who reported in September, 1919, that in general labor was not more than 70 per cent efficient, judged by normal standards. The increase is not as yet remarkable, but the testimony is unmistakable that a change for the better is now well under way.

American firms drawing drafts on customers in the British West Indies should take precautions to insure collection of such drafts in terms of American dollar currency and not of the local West Indian dollar currency. Until the recent abnormal development in exchange American dollars and local West Indian dollars were practically at par. At present, however, the difference is approximately 20%, and has been as much as 40%.

Less tobacco has been planted in the South this year, owing mainly to the shortage of labor. According to E. C. Westbrook, tobacco expert of the Georgia State Agricultural College, Georgia has only about two-thirds as many acres planted as in 1919. South Carolina has only about 60 per cent of last year's acreage, while there has been only a slight increase in North Carolina.

Total exports of rubber from Ceylon during 1919 constituted the record figure of 44,818 tons, an increase of 50 per cent over the preceding year. Exports to the United Kingdom and to the United States increased 25 per cent over 1918.

"Central America as an Automobile Market" is the title of a recent circular issued by the Latin American Division, Bureau of Foreign and Domestic Commerce, Washington.

The United States is the leading source of supply of the leather industry, exporting on an average \$200,000,000 worth of unmanufactured leather annually.

MEXICO will export during 1920 between 130,000,000 and 135,000,000 barrels of oil, more than the rest of the world including the United States, according to the Tampico oil statistician. His figures are based on the record-breaking production of oil in this country during the first five months of 1920. He declares he has collected data from unofficial, but authoritative sources, figures which show that Mexican petroleum exports for the first five months of this year were 48,617,167 barrels compared with 28,235,039 barrels during the same period of 1919. Exports for May only are given as 12,520,568 barrels, which is nearly double the shipment for May, 1919, and sets the world's record for one month's production.

Production for 1920, it is estimated, will be 150,000,000, which is approximately 72 per cent greater than that of last year. Regarding his estimates relative to shipments in 1920, which he asserts will be 80 per cent greater than in 1919, he says about 100,000,000 barrels will go to the United States.

Chemists in the color laboratory of the Department of Agriculture have discovered a method of producing phthalic anhydride, an important dye intermediate at so low a cost that it is now being made in this country at a price that has made it possible to sell it in Switzerland in direct competition with Germany. Before the war this product was made only in Germany and Austria. Phthalic anhydride is used in the manufacture of more than 300 chemicals. It is an intermediate in the manufacture of several brilliant dyes, one of which is indigo.

The mercantile agency of R. G. Dun & Co. has recently opened a branch office in Vigo which will handle all business of that company in the Provinces of northwestern Spain known as Galicia. American firms will thus be enabled to secure first-hand information concerning the commercial standing of Spanish firms in this district and the latter will be able to secure similar information about firms in the United States with whom they may have business dealings.

Under the Webb-Pomerene Act, forty-two American businesses have taken advantage of the privilege of combination for export trade. The export associations have a total of 734 members and represent about a thousand plants and factories. It is worthy of note that the United States is the only nation which has empowered a governmental department to prevent unfair practices among its exporters.

It is announced from Berlin that German manufacturers of adding machines are appealing to the Government for assistance in their fight to prevent importation of American-made machines, which they claim now are superfluous, as German industry is capable of supplying home demands.

The Department of Commerce has been notified by cablegram from Rome, that the embargo on the exportation of leather which has been in effect practically since the beginning of the war has been lifted. All kinds of leather may now be freely exported from Italy.

American mining men who left Mexico during revolutionary period are returning in great numbers, according to G. H. Bredford of Mexico City, who declared supply of cheap labor was ample, with hydro-electric plants furnishing power, principal problem being transportation.

French firms have ordered several million marks' worth of mining machinery and commodities from Germany for northern France to be paid for by Germany as part of reparation account.