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 AUGUST 20, 1920)

VOL. 2 | CLEVELAND, OHIO, SEPTEMBER 1, 1920 | No. 8

IT is an unfortunate truth that some of our business men have permitted themselves to become anaesthetized by unnecessary apprehension. This has caused them to abandon their usual keen business judgment; they are unable or unwilling to read the signs of the times, and persist in wallowing in a slough of gloom.

In the changes that have occurred during the past few months they cannot see the good that has been accomplished; they can see the clouds, but fail to observe the "silver lining." They fail to realize that a slowing-up of business is sometimes a healthful sign, and that the uncovering of weak spots and the elimination of undesirable and dangerous factors makes for soundness and stability rather than for weakness and insecurity.

A most common fault today is that instead of applying our thought and energies to a vigorous attack on the problems confronting us, we have allowed ourselves to follow a "will-o'-the-wisp" in the financial doctors who proclaim to have remedies which are "sure cure-alls" for our fancied industrial and financial ills. Never have they been in greater supply. It would seem that almost every conceivable scheme has been proposed by our doctors of economics, bankers, politicians and others, running the gamut from the twentieth century "international currency" to the "barter and trade" of the cave-man.

If we were suffering from a new ailment we might naturally be willing to risk one of these panaceas. But if we suffer at all, it is from nothing new—nothing but that from which we have successfully recovered before. The cycle of periods of business activity followed by a slowing-up has been the rule since history began and will be until time ends. This natural business law is as immutable as the laws of physics. Every action has an opposite reaction; what goes up must eventually come down.

The development of American industry in recent years has been as swift and spectacular as the ascent of a rocket. Our immediate problem is to see that it does not fall like the stick. The average business man anticipates some falling off in the volume of business and in a conservative way is preparing for it. He is not alarmed about the future; he has an abiding faith in America's industrial supremacy, and a knowledge that, despite the "croakers," a basically sound nation will "come through clean."

In addition to the difficulties which we have to face today we are compelled to combat the activities of a certain type of business pest who invariably makes his appearance in times of disturbance and instead of putting his shoulder to the wheel endeavors by misrepresentation and untruths to add to the confusion. We refer to those who through ignorance or malice disseminate false information concerning a company's business or their financial standing, which breeds distrust and unjust suspicion. Incalculable damage has been done many reputable firms by careless gossip, founded on guess-work or hearsay. These peddlers of misinformation are in exactly the same category as those who influence "runs" on banks, for whom adequate criminal laws are provided, and they should be suppressed or weeded out.

An interpretation of the two outstanding features of the past thirty days should contribute elements of optimism to the general situation. The improvement in the last crop report is most encouraging. The yield of American farms this year will be one of the most valuable in our history and goes a long way toward assuring a continuation of prosperity.

The direct and indirect benefits that will result from the increased freight rates will assist materially in permitting a more free movement of goods, thus releasing a vast amount of credit now "frozen" in warehouses and on the rails. A reflection of this will soon be seen in better collections, affecting all in the circle from the individual consumer to the manufacturer, which would seem to forecast a liquidation of loans from banks and an easier marshaling of funds for the important purpose of moving the crops.

Any interference with the arteries of commerce has always been a "sore thumb" to business. Industrial growth during recent years has far outstripped that of our transportation facilities, but the rate award, it is believed, will yield the roads the necessary funds to not only meet the increased cost of operation, but to purchase new and rehabilitate old equipment to the point where their one-time efficiency will be restored.

The future appears brighter now than for some time. We are convinced that a large part of our worst going lies behind us, but we do not believe that conditions are yet such as to warrant setting top sail.

No Slackening in Demand for Funds; Heavy Inventories Tie Up Large Volume of Credits; Acceptance Market Growing

There is no slackening in the demand for funds. This may be said to be especially true of the rural banks, where efforts are being made to finance the farmer.

The manufacturing districts report no change in credit conditions. The principal reasons given for making new loans and renewing old ones are "large inventories occasioned by the necessity of making larger purchases than usual to insure adequate supplies of goods and raw materials"—"large quantities of finished goods because of inadequate transportation facilities"—"cancellations of orders" and "slow collections."

In some sections it is reported that customers' balances in banks are smaller than ever before, indicating a probability that more and more money is being converted into inventory and manufactured goods, now known as "frozen capital." The liquidation of these goods depends upon how soon traffic conditions may be restored to the point where they may find their way to market.

During the past month the demand for Bankers' Acceptances has been constant and the supply has barely kept pace. The rates have remained constant at 5⅞ to 6½.

While there is an established market for pieces of larger denomination, an increasing desire is expressed for denominations from $2,000 to $10,000. The smaller banking institutions, also companies and individuals, are learning of the profitable experience of those who have taken advantage of this form of short-time investment, and the many new purchasers who are now experimenting with the smaller bills are adding materially to the total purchases, which augurs well for a continually growing market, when they realize the benefits through actual experience.

While support of Bankers' Acceptances through purchase by some of the banks and corporations which are presumed to appreciate the advantages to be derived therefrom has not been universal, it is encouraging to know that some of those which have formerly held aloof are now entering the market.

Steel Trade Situation Somewhat Confused; Traffic Conditions Show Improvement; Pig Iron Prices Advance; July Output Shows Decline in Both Iron and Steel

Freight rate increases have interjected a new factor into the iron and steel situation and the effect of this is being watched by consumers with close interest. This factor is appearing at a time when the situation is somewhat mixed, in that there has been reflected in the iron and steel business effects of some slowing down of industry in certain directions, notably in the automobile field, and also by the fact that traffic conditions are beginning to register a definite though still spotty improvement. These latter developments are being weighed by consumers against the increased freight rates with respect to the possible price effects. So far there have been no changes in the general level of steel prices, but there has been a firming up in certain lines, especially those where some softness recently has appeared. This has been due to a somewhat better buying of steel by consumers, probably in anticipation of possible price influence and also in a considerable measure because of a more cheerful sentiment which has been imparted generally in the industry by the freight increase. The feeling has been that the placing of railroads upon a better financial basis through larger freight returns is likely to speed up buying of equipment and roadbed requirements which have been sorely needed. Any enlargement of such purchases will confer important benefits upon the iron and steel industry. In the present conflict of conditions bearing upon the future price outlook what position the Steel Corporation will take is commanding much attention. So far there has been no official indication as to whether the largest producer will depart from the minimum price schedule which it has been following for 16 months. It has been estimated that the increased freight rates effective Aug. 26 will increase steel-making costs by about $3.00 a ton.

The pig iron market has scored a sharp advance during the past several weeks, which generally is believed to have been stimulated by the higher production costs which will result from the new freight rates. In a number of districts, such as the Mahoning and Shenange valleys, Buffalo and the east, the base grade of foundry iron for this year's delivery has been established at $50.00 furnace. Considerable buying has been done on this basis. This represents an advance of about $4.00 a ton during the past three or four weeks. Bessemer iron also has risen to $50.00 valley. Basic iron has reached $48.50 valley, but is nominal at this figure because there have been no recent sales, and this grade is scarce. An increasing amount of buying for first quarter and first half of 1921 is being done among certain consumers at from $46.00 to $47.00 furnace for the base grade. There is considerable caution among the consumers, however, as to committing themselves so far ahead and not all the furnaces are willing to book business for next year at this time.

The movement of iron and steel from the mills and furnaces is on the increase and there has been a considerable reduction in the large amount of tonnage which has been accumulated over several months past because of the restricted transportation facilities. The leading producer in the Pittsburgh district has reduced its accumulations by about 65,000 tons and some other plants have effected a corresponding improvement. While the trend manifestly is toward a gradual easing up of the congestion at the works, this is not equally applicable in all cases. In some districts the improvement has been much more pronounced than in others. In fact some plants still are struggling to keep their current output moving and have been unable to pick up any of their stocks.

Pig iron production in July was on a slightly lower basis than in June, averaging 98,729 tons daily, compared with 101,553 tons in June, 96,510 tons in May and 91,754 tons in April, according to the Iron Trade Review. The total July tonnage was 3,060,626 tons as against 3,046,623 in the shorter month of June. Steel ingot output in July also was below that of June. The statistics of the American Iron and Steel Institute, covering 30 companies which in 1919 produced about 85 per cent of the output of the country, show that July production was 2,135,633 tons compared with 2,287,273 tons in June, 2,251,544 tons in May, and 2,056,336 tons in April. This indicates that the July output was at the rate of less than 40,000,000 tons annually compared with the rate of 42,020,000 tons in June. Lake ore shipments from the Superior region in July were 9,638,606 tons, bringing the total to Aug. 1 to 26,079,111 tons which compares with 25,181,848 tons on the corresponding date in 1919, and 26,608,933 tons in 1918. The 1918 tonnage is that which the producers have set out to duplicate during the present season, and it is shown that they are only slightly below their goal.

Improvement Shown in Lake Trade; Ore Movement Increases; Gain in Coal Shipments

The outlook in the lake trade is a little brighter than it was a month ago, but there is still plenty of room for improvement as boats in the ore trade are taking considerable delay owing to the lack of railroad equipment. The car supply is better in spots but there is still quite a shortage and ore for direct shipment to the interior furnaces is slow in going forward. Most of the improvement in the car supply is due to the increase in the movement of coal which has been coming forward at a better clip during the past two weeks. Most of the freighters are in the ore trade but grain will start to move during the next few weeks, and there will be a tie-up in the supply of tonnage in the former trade.

The ore movement for July was good, considering the delay at this end of the route, as the fleet loaded 9,638,606 tons. That is an increase of 465,177 tons over July, 1919, when shipments were 9,173,429 tons. Shipments for the season up to August 1 were 26,079,111 tons which is a gain of 897,263 tons over the same time last season when the mines sent forward 25,181,848 tons. The movement up to August 1 shows a loss of 3,530,853 tons compared with the same time in 1918. The total movement for the latter season was 61,156,732 tons. Requirements of the furnaces will not be as big as figured on at the start, as much time has been lost by the plants on account of the railroad strike and the shortage of coal and coke.

The coal movement has shown a steady gain since Order No. 10 was put in force by the Interstate Commerce Commission, but shipments from now on will have to show a good increase in order to reach the 1919 total, as the movement up to August 1 was 6,000,000 tons less than last season. Up to August 1 the fleet loaded 6,327,448 tons of cargo coal and the movement for the same time in 1919 was 12,617,285 tons. Shipments for the last half of August will be heavier than last season.

General Slowing Up in Manufacturing Field; Optimism for the Future Felt by Majority of Interests; Price Changes Relatively Unimportant

Industry has slowed up generally, though in spots capacity operations are still being maintained. Labor is more plentiful than at any time during the past five years, and individual productivity is on the increase.

Some interior plants report difficulty in stocking coal for next winter's operations, but it is now believed that, as our output of bituminous coal for the first seven months of the year is about 50 million tons greater than for the corresponding period last year, after the requirements of the Northwest have been met there will be an ample supply of coal.

Manufacturers of passenger automobiles report a slight slackening in the demand during August, but are highly optimistic concerning the future. The summer months are generally periods of comparative quiet in the automobile industry, and the feeling is general that the slowing up recorded during the past month is seasonal.

Makers of auto trucks report a great shrinkage in sales during the past two months, and numerous cancellations. They claim that the demand for trucks is still normal, the loss in sales being caused by the refusal of the bankers to loan money on floor trucks, or to discount paper on sales to consumers. The discount companies have also refused to handle the paper, which prevents the dealer from carrying in stock the number of trucks he ordinarily would have. There has been no price cutting in trucks, except such as might be done by some dealers who are heavily stocked and must move them to secure the money to meet their obligations.

Farm implement manufacturers report very little improvement in conditions. Farmers are not buying as readily as in 1919, conservative purchasing being the rule. Dealers in implements report considerable trouble in securing accommodations at local banks. No price cutting has been noted in this line.

The rubber tire industry is feeling the effects of a curtailment in the production of automobiles. Tire production has decreased over that of a month ago, and thousands of workers have been laid off. One large company has reduced its payroll by about 60 per cent in the past sixty days.

Belting, hose, and packing makers see nothing of a discouraging nature in the future. The demand for their products is uniformly active, and no tendency toward price cutting exists at this time.

There is an active demand for tin cans, but owing to lack of shipments of plate from the mills the supply is inadequate. Notwithstanding that this is the packing season, many packers may not be able to secure sufficient cans for their needs. There are no evidences of price cutting in this line.

Hardware manufacturers are optimistic, in spite of the fact that orders are being held up and in most plants operations are slowing down. No important changes have occurred, though an upward tendency is noted.

Producers of paint and paint products report a satisfactory volume of business, with a tendency toward a softening of prices. A decline is noted in linseed oil, particularly.

Makers of electric motors report business quiet and much less active than two or three months ago, but they express relief from excessive pressure, representing that they are way behind on orders. An increased demand is anticipated for the fall months. No price changes have occurred.

Makers of glass bottles anticipate a slump in the near future. No important price changes are noted.

Box-board manufacturers report that while the volume of orders is not as brisk as a couple of months ago, business is still exceptionally good. The railroad situation has hurt, as some makers have been allotted but 20 to 25 per cent of required cars. The industry is reported as generally in healthier condition than ever before.

Tool makers state that while business was fully equal to May and June the volume of orders received does not approach that of last winter. Back orders are being caught up with and some restriction of operations may be an event of the near future.

Textile Trade Shows No Improvement; Garment Industry Unsettled; Lower Prices Probable

No improvement has been noticeable in the textile trade during the past 30 days—in fact whatever change has occurred may be said to be for the worse. By reason of enormous cancellations and refusals to accept delivery of light-weight merchandise which has been on the railroads anywhere from 30 to 60 days, there is an enormous stock of this grade, all of which should have been used in the 1920 season and will now have to go over to 1921. All of this is material which the mills should be making from August to January.

There seems to be no stock of heavy-weight merchandise which will have to be made up for the season of 1921 and which will start being made in January or February. All present indications would seem to point to a draggy business in the textile line until that time.

Some nervousness characterizes the garment trade, due to the timidity of retailers, who anticipate lower price, and the anti-profiteering activities of the Government. Requests are being made by retailers for general reductions on orders placed for future delivery, on the grounds that such reductions had been received from other manufacturers.

It is too early to anticipate prices for the Spring of 1921. There are signs which point to weakness in both cotton and woolen goods, though to what degree it is difficult to say. The garment trade has suffered considerably as a result of excessive cancellations, though this may be compensated for if retail trade opens up satisfactory.

Improvement Shown in General Crop Conditions; Tobacco Crop Late; Bumper Fruit Crop Forecasted

There has been a marked improvement in growing crops since July 1, especially oats, corn, potatoes and hay. Corn, barley, spring wheat, and buckwheat are well above the ten-year average, while oats, rye, and potatoes are only slightly below.

Threshing of wheat is much later than usual, but is now well advanced. Many farmers are rushing their grain to market, but the advice of Farm Bureau heads is to store the grain rather than accept the low price offered.

The corn crop shows an improved condition from one month ago and the estimated production is now 7,000,000 bushels above the ten-year average. Notwithstanding below normal temperatures, favorable weather has kept corn growing and unless caught by an early frost it will prove a bumper crop.

While the oat crop was planted unusually late, weather conditions have been especially favorable and the crop will run approximately 10,000,000 bushels in excess of that of last year. The quality of the grain is reported as excellent.

The tobacco crop generally throughout the District was planted late and has not made the progress hoped for. It is said that there will probably be a large amount of the so-called dark tobacco, while the lighter Burley leaf will probably be short.

It is estimated that the apple crop in Ohio will run 10½ million bushels compared to less than 3,000,000 last year. Peaches show a 90 per cent condition on August 1 as compared with 16 per cent a year ago. It is estimated that the Ottawa-Sandusky District will ship 400,000 bushels, of which 50 per cent will be Elbertas, and will commence to move from September 1 to 15. About 20 per cent Lemon-Free shall begin to move by September 15. Grapes show a condition of 90 per cent, which will be slightly in excess of last year's crop and considerably above the ten-year average.

Elsewhere in the *Review* will be found our usual tabulated statement of crop conditions.

Little Change in Building Situation; Decline in Permits Issued as Compared with One Year Ago

There has been little change in conditions affecting the building industry since last month, except for some improvement in supply of box cars, allowing shipments of cement to jobs under way. Movement of building materials requiring open top cars is hindered by restriction of such cars largely to coal shipments.

There is still hesitancy to undertake new projects because of obstacles like high money rates, high prices for materials and labor, inability to secure materials, insufficient transportation, etc., in the way of construction work. Another impediment is the second extension of Interstate Commerce Commission Order No. 7 which gives preference to the movement of coal rather than of building materials. The order was originally issued June 21 for a period of thirty days and later extended for thirty days to August 20. A further extension has now been made to September 20.

It is quite clear that the prolonged interruption of construction work, particularly homes, caused by war restrictions and later disturbing features, must be offset by extraordinary building activity. The question difficult to answer is as to when this period of activity may be permitted to begin and carry on.

A detailed statement of building operations appears elsewhere in this *Review.* It is observed that permits for new construction have declined approximately one-half from the number issued during July of last year, while total valuations (new construction and alterations) decreased only 10%. Large individual building programs in some of the cities of the District hold up the volume of valuations, even where the number of permits shows a decided decline.

Transportation Conditions Apparently on the Mend; Congestion Being Reduced

The transportation situation itself is at the present time exceedingly hard to gauge, though it would seem that the general rate increases would probably result in a gradual improvement in efficiency and an increase in railroad facilities so that they may more nearly equal demands.

It is believed that congestion is gradually being reduced, but movement is still slow and irregular and there is said to be severe car shortage, particularly as to open top equipment.

Special Review of Collection Situation in Fourth District

In a very general way, it may be said that collections in the Fourth Federal Reserve District have followed the general course of business, prompt payments being the rule in those lines which have been more free from the restraining influence of scarce money, with slower payments. loss of cash discount and requests for extensions being quite marked in lines where the shoe has pinched. In some lines of a seasonable nature, due to unfavorable weather and a changd public attitude, collections have slowed down considerably, and many realizing sales have been forced to avoid embarrassment.

While the general situation as regards collections may be said to be satisfactory, when all circumstances are considered, it is noticeable that many who have had a long record of discounted bills are now taking regular terms. This is doubtless due to some extent to higher bank rates and restricted credit, and the larger amount of money involved in carrying inventories and goods in transit. This tendency may fairly be said to be growing, but it is difficult to predict the extent to which it will go. The definite check administered to the unrestricted purchase policy has resulted in a large reduction in outstanding accounts and this factor alone should result in a material improvement in the collection situation.

It is quite probable that the slow movement of freight has contributed more to the slowing-up of collections than has the difficulty in securing bank accommodations. The long hoped for increase in carrying charges has already resulted in a somewhat improved transportation situation, much more marked in some localities than in others, but the improvement which is bound to come will no doubt be reflected in better collections.

The month of June appears to have been the turning point in nearly all lines of business. Collections from the first of the year through the month of May were reported as normal, for the most part, but in some lines the slowing up developed as early as February. Since June collection resistance has increased, although a few firms note an improvement in the present month (August).

A careful study of available collection information shows that the decline in collections was first noted in a tendency to take advantage of full sales terms instead of discounting. As the credit pinch became more apparent, the falling off showed noticeably in the percentage of accounts running past due. Requests for time extension naturally followed, but it is noted that improvement shows in this respect at the present time.

In the wholesale dry goods line the majority of reporting stores state that the percentage of collections for the first six months of this year was in excess of that for the corresponding period last year. There is less inclination to anticipate the usual dating extended in that line, probably due to inability to secure customary bank accommodations.

Wholesale grocers report that some of their heaviest buyers are slow in making remittances, and are showing a tendency to become slightly delinquent. Wholesale grocery dealers, at this time of year, are receiving many goods for fall and winter trade. This requires much more money than is received from collections, and is aggravated by unlooked for receipts of high-priced sugar, which is sold for cash and contracted for months in advance. These conditions are making some wholesalers slow in the matter of paying current bills.

In the rubber tire industry, a slow decline is noted beginning in January. Large deliveries during the winter months are sold for the most part on May 10 datings (June 10 in the northern part of the country) and not until that time was a material drop in collections observed. During the last week of April and first week of May, as dealers and jobbers were making arrangements to meet their May 10 obligations, many reports were received that while stocks were normal under ordinary conditions, slow deliveries and a rainy Spring had retarded sales, and when they sought accommodations at the bank found that a somewhat drastic curtailment of credit had come about.

The restriction of bank credit appeared to be more drastic during June, and materially affected payment of June 10 bills.

The falling off in collections in this line was first observed in the number of accounts formerly discounted, and next in number of accounts permitted to become past due. The percentage of accounts running past due has increased steadily since May 1.

In the clothing and garment trade collections are said to be satisfactory, although buyers are taking full time instead of anticipating. The percentage of delinquents is so small as compared with former years as to merit no consideration in its relation to the total volume of sales, though it is considerably greater than it was in the early part of the year.

In this industry, also, the slowing up was first observed in the percentage of accounts running past due, followed by requests for time extension. The giving of notes was practically a negligible quantity, and few, if any, note renewals have been asked for. Collections for the current month are said to show improvement, with the exception of habitual slow accounts.

Collections in the textile line have declined in the same ratio as the volume of business, which has shown a large falling off since the month of May. Collections from the first of the year to the end of May were extremely good, many concerns anticipating payments and prepaying accounts at the rate of 6 per cent per annum. May accounts maturing June 30 were paid promptly, with a few exceptions, this being the first intimation of a slowing up in payments.

Since June 30 there has been a noticeable slowing up, and a practical elimination of anticipation. Requests for extensions have been comparatively few.

Hardware manufacturers report that a decline in collections began in July, the falling off being most noticeable in the month of August, and showing most conspicuously in the percentage of accounts running past due. Requests for extensions, or note settlements for open accounts as they became due are numerous.

In the steel industry collections are reported as generally satisfactory, except in the automobile trade. Practically all bills are discounted, with the exception of those for material sold on the ½% cash, 30 day net, plan. A slight increase is noted in accounts running past due, which condition is due largely to transportation difficulties.

Department stores report slight change in collections so far this year, except in one or two localities where the credit pinch has been more keenly felt. Many customers left for their summer vacations without paying their bills, and are now seeking to re-establish themselves in the good graces of their merchants. Some of our retail stores report a noticeable decrease in that salaried accounts are now paying "on account" rather than in full.

Tanners generally report collections as "very satisfactory," although a slowing up is noted, particularly on the part of those who are always inclined to be dilatory. But few notes and trade acceptances have been offered, and these have generally been met when due.

Shoe manufacturers report a noticeable decrease in the percentage of those taking cash discount, and an increase in the number of accounts permitted to run past due. Requests for extensions in open accounts are numerous.

Department Store Sales

	Cleve.	Pgh.	Other Cities	District
Percentage increase in net sales during July over net sales during same period last year	39.2	24.6	27.5	29.9
Percentage increase of stocks at close of July, 1920, over stocks at close of same month last year	56.3	42.2	53.6	48.3
Percentage increase of stocks at close of July, 1920, over stocks at close of June, 1920	— 6.5	1.3	0.0	— 1.4
Percentage of average stocks at close of each month from July to average monthly net sales during same period	434.7	357.3	438.3	403.6
Percentage of outstanding orders at close of July to total purchases during calendar year 1919	23.3	13.3	22.0	18.9

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

	Cattle		Hogs		Sheep		Calves		Cars Unloaded	
	1920	1919	1920	1919	1920	1919	1920	1919	1920	1919
Cincinnati	22,925	27,764	86,230	90,328	101,137	90,040	17,454	16,465	2,071	2,601
Pittsburgh	42,830	47,826	174,154	105,548	111,466	90,666	27,738	25,436	4,861	3,751
Cleveland	10,169	10,769	50,027	37,721	14,967	12,863	12,169	10,973	1,177	1,035
Toledo	960	.....	6,474	......	555	......	864	.....	114	....
Fostoria	367	67	4,476	3,235	364	212	482	298	7	16
Dayton	1,745	1,642	8,667	9,796	2,104	2,673	768	811	....	....

Purchases for Local Slaughter
July, 1920

	Cattle 1920	Cattle 1919	Hogs 1920	Hogs 1919	Sheep 1920	Sheep 1919	Calves 1920	Calves 1919
Cincinnati	14,931	10,374	45,835	57,641	4,550	9,326	6,821	8,331
Pittsburgh	6,138	6,512	26,118	15,157	11,646	9,698	8,692	8,321
Cleveland	8,645	9,981	32,220	28,494	12,495	12,173	11,843	10,631
Toledo	.....	.....	......	......	......	......	......	.....
Fostoria	20	50	700	566	334	236	10	0
Dayton	1,500	.....	5,306	.....	1,659	......	732	.....

Wholesale Trade

	Increase (or decrease) in Sales during May, 1920, over same month last year. Percent	Increase (or decrease) in Sales during June, 1920 over same month last year Percent	Increase (or decrease) in Sales during July, 1920 over same month last year. Percent
Dry Goods..................................	—24.0	11.5	16.0
Groceries..................................	32.2	47.8	20.6
Hardware	31.2	37.2	24.7
Drugs......................................	30.2	53.4	29.6

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

	Corn	Oats	Potatoes	Tobacco	Hay
Condition August 1, 1920..................	88%	96%	90%	80%	86%
Condition July 1, 1920....................	86%	81%	88%	85%	75%
Condition August 1, 1919..................	89%	78%	62%	77%	89%
Ten year average production (a)..........	140,790	64,022	13,008	(b) 84,315	
(a) Est. yield Aug. 1, bu.	147,737	61,456	12,944	(b) 69,156	(c) 3,941
Yield 1919, bu.	162,800	51,858	9,300	(b) 77,400	3,073

(a) in thousands of bushels.
(b) thousands of pounds.
(c) thousands of tons.

Building Operations for Month of July

	Permits Issued				Valuations				Inc. or Dec. of	
	New Construction		Alterations		New Construction		Alterations		Total Valuation	Percent of
	1920	1919	1920	1919	1920	1919	1920	1919	1920 over 1919	Inc. or Dec.
Akron	66	652	224	103	1,670,530	3,641,692	73,510	601,715	2,499,367—	58.9—
Cincinnati	179	143	617	582	880,375	940,320	405,382	621,670	276,233—	17.7—
Cleveland	214	446	864	902	7,189,500	4,694,500	553,375	470,575	2,577,800	49.9
Columbus	128	264	101	95	333,300	533,000	287,115	125,710	38,295—	5.8—
Dayton	145	250	72	95	622,674	1,032,324	58,640	52,021	403,031—	37.2—
Erie	73	102	36	53	125,230	182,620	92,402	117,303	82,291—	27.4—
Lexington	10	50	56	52	200,000	90,000	55,278	22,000	143,278	127.7
Pittsburgh	240	282	181	128	824,207	1,151,662	274,798	210,387	263,044—	19.3—
Springfield	19	55	17	22	13,945	736,145	45,125	64,000	741,075—	92.6—
Toledo	159	227	119	165	481,491	496,162	111,790	124,067	26,948—	4.3—
Wheeling	60	39	18	29	309,800	28,110	6,915	4,463	284,142	872.3
Youngstown	93	225	28	38	278,800	697,750	18,600	19,990	420,340—	58.6—
Total	1,386	2,735	2,333	2,264	12,929,852	14,224,285	1,982,930	2,433,901	1,745,404—	10.5—

Total Debits by Banks to Individual Accounts

	Week Ending Aug. 18, 1920	Week Ending Aug. 20, 1919	Increase or Decrease	Percent of Inc. or Dec.
Akron - - -	27,988,000	23,847,000	4,141,000	17.5
Cincinnati - - -	61,543,000	55,788,000	5,755,000	10.3
Cleveland - - -	180,501,000	154,314,000	26,187,000	17.
Columbus - - -	29,486,000	27,519,000	1,967,000	7.1
Dayton - - -	11,734,000	12,125,000	391,000—	3.2—
Erie - - -	8,517,000	6,422,000	2,095,000	32.6
Greensburg - - -	6,538,000	4,008,000	2,530,000	63.1
Lexington - - -	5,803,000	4,402,000	1,401,000	31.8
Oil City - - -	3,589,000	2,665,000	924,000	34.7
Pittsburgh - - -	170,715,000	142,074,000	28,641,000	20.2
Springfield - - -	3,446,000	3,585,000	139,000—	3.9—
Toledo - - -	31,249,000	29,053,000	2,196,000	7.6
Wheeling - - -	9,440,000	6,618,000	2,822,000	42.6
Youngstown - - -	13,805,000	13,962,000	157,000—	1.1—
Total - - -	564,354,000	486,382,000	77,972,000	16.0

Clearings

	July 16 to August 15 1920	1919	Increase or Decrease	Percent of Inc. or Dec.
Akron - - -	41,733,000	45,998,000	4,265,000—	9.3—
Cincinnati - - -	303,964,473	267,624,021	36,340,452	13.5
Cleveland - - -	589,388,503	484,506,728	104,881,775	21.6
Columbus - - -	65,349,200	68,607,700	3,258,500—	4.7—
Dayton - - -	20,392,937	21,621,127	1,228,190—	5.7—
Erie - - -	12,063,233	9,747,133	2,316,100	23.8
Greensburg, - - -	6,604,380	4,683,779	1,920,601	40.9
Lexington - - -	6,578,192	6,875,825	297,633—	4.3—
Pittsburgh - - -	763,880,806	620,427,920	143,452,886	23.1
Springfield - - -	7,335,659	7,145,807	189,852	2.6
Toledo - - -	64,823,000	64,550,000	273,000	.4
Wheeling - - -	23,996,694	23,342,882	653,812	2.8
Youngstown - - -	19,210,404	23,540,831	4,330,427—	18.4—
Total - - -	1,925,320,481	1,648,671,753	276,648,728	16.8

Comparative Statement of 92 Selected Member Banks in Fourth District

In Thousands of Dollars

	8/13/20	7/16/20	Inc.	Dec.
U. S. Bonds to secure circulation	42,134	42,413	......	279
Other U. S. Bonds, including Liberty Bonds	59,174	60,210	......	1,036
U. S. Victory Notes	19,526	19,326	200	....
U. S. Certificates of Indebtedness	20,931	25,270	......	4,339
Total U. S. securities owned	141,765	147,219	......	5,454
Loans secured by U. S. Government war obligations	63,675	62,697	978	....
Loans secured by stocks and bonds, other than U. S. securities	324,302	330,156	......	5,854
All other loans and investments	906,073	887,532	18,541	....
Reserve balance with Federal Reserve bank	101,396	98,466	2,930	....
Cash in vault	30,924	34,103	......	3,179
Net demand deposits on which reserve is computed	914,849	909,495	5,354	....
Time deposits on which reserve is computed	367,892	365,339	2,553	....
Government deposits	3,624	7,197	......	3,573
Member banks collateral notes secured by				
U. S. war obligations	35,210	38,574	......	3,364
All other	36	36	......	....
Bills discounted for member banks secured by				
U. S. war obligations	12,306	14,862	......	2,556
All other	45,476	42,332	3,144	....
Total resources at date of this report	1,907,877	1,914,533	......	6,656