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Covering business and industrial conditions in the Fourth Federal Reserve District

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HOW to secure a return of the public to the market and stimulate buying is the foremost problem confronting business today. The physical difficulties that have tended to interfere with production have largely disappeared, and in their stead has come a psychological difficulty that has rapidly lessened buying in nearly all lines. It is one of the stages of readjustment through which it is necessary to pass, and one which would appear, on reflection, to offer considerable hope for a distinct revival in the future.

Business is again suffering from a strike, but this time from a new and unexpected quarter. It is an unorganized, unled strike, but has already proved more effective in dislocating the machinery of business than any strike conducted by organized labor since the inception of the labor union. It is not a strike for shorter hours, nor for higher wages, but takes on the nature of a strike for recognition—recognition that the public holds the purchasing power of the nation and that it will not be drawn into the market except for absolute necessities until it is convinced that prices are as low as may reasonably be expected and bear some evidence of stability.

How best to secure a resumption of buying is a problem that each business man must solve for himself. Different conditions apply in different industries, and the same remedies would not necessarily suffice for all. But regardless of how the desired result is brought about, it seems to be increasingly evident that the entire burden of readjustment shall not be passed to the ultimate consumer. He has notified business in an emphatic way that he declines any longer to be the "goat."

Substantial progress has been made in some directions toward a restoration of pre-war conditions. How soon all the necessary adjustments will have been made is a matter of conjecture, and one man's guess is as good as another's. Manufacturers have vigorously tackled the proposition of disposing of large and expensive inventories with a considerable degree of success. Wholesalers and jobbers have, in many instances, made substantial cuts in prices in an effort to stimulate buying, even though such reductions carried with them losses in greater or less degree.

Justly or not, there are many who insist that the retailer has nullified any good accomplished by the wholesalers and manufacturers by refusing to reduce his prices to a cost replacement basis. During the past few years, with prices advancing, the retailer has taught his trade that replacement cost was the

proper basis for determining retail values. Now that prices are apparently on the decline, his trade is insisting that the same method of basing prices should apply. Retailers, on the other hand, are vehemently asserting that to reduce prices further than they have already done would involve severe financial losses. In the meantime, the public seems to "stand pat." This results in the creation of a new "vicious circle." The retailer, with a limited demand for goods, places no orders with the wholesalers; they, in turn, are not doing business with manufacturers. In consequence, mills and factories are closed, employees are laid off, their earning power and their purchasing power decreased or entirely destroyed. This strikes directly at the retailer, and completes the circle.

Another almost equally important factor in this period is the readjustment of labor. There are several signs that would seem to indicate that labor must eventually bear its share of the burden of readjustment. High wages came, together with many other things, as a result of unusual conditions, and it is folly to expect them to long outlive the causes that brought them into being.

Labor is beginning to awaken to the fact that while the scale of pay may remain the same, fewer hours of work bring smaller returns in the pay envelope. Some may delude themselves for a time with the idea that they are still drawing, say, \$1.00 an hour, but the truth will eventually dawn on them that four days work brings but about thirty dollars on Saturday, while six days brought about fifty.

Figures recently published on commercial failures would seem to point to lack of foresight on the part of many to prepare for what it was inevitable should at some time happen. During the month of October, failures in the United States number 923, involving liabilities of nearly 39 millions of dollars. September, 1920, showed defaults numbering 677, with liabilities of over 29 millions, while in October of 1919 the record is 463 insolvencies and liabilities of less than seven millions.

At the risk of being deemed over-optimistic we again assert our belief that the period we are now passing through is a good thing for business. In times like these people are apt to make mountains out of mole-hills, but when we regain our lost sense of proportion and some necessary adjustments have been made, we should enter upon a period of genuine prosperity, based on a sound foundation, and lasting in character.

Not Much Change in Banking Situation; Bankers' Acceptances in Demand as Investments

Banking conditions in the Fourth District have undergone no important change during the past month. At some points a slight easing off in the demand for credit is noted, but not sufficient to justify a decrease in money rates.

Liquidation of bank loans continues, and at some points banks report an active demand for high-grade securities. Throughout the farming sections, except in the tobacco territory, where the markets have not yet opened, bank loans have been reduced. A considerable amount of farm land purchasing is being done in some sections, resulting in heavy demands upon city correspondents.

The good market for bankers' acceptances has continued throughout the month, with the country banks still as the main support, and the demand from the state banks and trust companies slightly less than last month. The demand seems to remain sectional, as it has most of the year, changing from locality to locality, as the industries of such sections accumulate funds.

As last month, the main demand came from the banks in mining communities, with fewer calls from the banks in strictly agricultural and industrial communities. The commercial banks in the larger financial centers have practically purchased no bills for their own account. The demand from them has come from orders received by the banks for their clientele. The settling down of general business, or cancellation of orders and the general inactivity of business has greatly curtailed the supply of bills, and given the market little choice.

Few new drawers came into the market for this form of credit. The amount of credit obtained by those whose names appeared frequently has also been curtailed. High money rates and the slump in market prices of stocks and the uncertainty of the outcome of present conditions during the new year, has induced buyers to seek only those investments with the greatest amount of security and stability, which has resulted in the demand for bankers' acceptances, high-class municipal bonds, and a few of the higher class preferred stocks.

Steel and Iron Production on Decline; Price Reductions Made in Some Lines; New Business Continues To Fall Off

Iron and steel conditions during the past month have been marked by a gradual tapering off of both operations and prices. This situation has accompanied a shrinkage of new business and a more sluggish ordering out of tonnage by consumers against commitments previously on mill and furnace books. Buyers show a lack of confidence in the stability of present prices and are disposed to obligate themselves at this time only on a hand-to-mouth basis. This attitude obtains in the face of the fact that fundamental conditions in iron and steel are essentially sound and as far as future prospects may be gauged at this time, a favorable impression exists as to the amount of business in suspense to be released when conditions become more settled. When that will be, or when prices will reach equilibrium, there is nothing to show at the present time. The trend of the market is toward a steady closing of the gap between the level of prices on steel products which has been quoted by the independent mills and the minimum schedule consistently pursued by the Steel corporation. There is still a considerable spread between these two sets of prices in a number of lines, but this is much less at the present time than it was only a few weeks ago. In not a few cases independent producers are willing to meet the corporation price on attractive tonnage.

The extent to which the market has departed from the recent condition, where premiums were commanded by prompt shipments, is illustrated by a price comparison of the present time with a month ago. In that period average quotations on various finished and semi-finished materials with some exceptions show a decline of approximately \$5.00 per ton in the heavier lines, with a greater descent in

some other products, such as sheets. The exceptions to this rule have been in such lines as tubular goods, where an excessive demand still prevails, and in wire products—which though less active—are holding firm. In pig iron the drop during the month has ranged from \$5.00 to \$10.00 a ton; basic or steel-making iron in the Pittsburgh, Mahoning and valley districts has displayed the sharpest fall. This is a reflection of the change in steel works operations. Closely related to the decline in pig iron has been that in coke, which has been rather spectacular. Spot Connellsville furnace coke which a month ago was selling at \$17.00 now is listed at \$8.50. There had been a corresponding change in foundry coke.

Mill and furnace operations have been going down gradually, and now range with many representative companies at from 50 to 75 per cent. Some plants of special character, such as those concerned wholly or largely with the production of materials required by the automobile industry, are on an even lower basis where they are running at all. Some of these plants in fact are shut down entirely, though this is regarded as only temporary.

Production statistics in October failed to reflect clearly the degree of the recent curtailment, since most of the cessation came late in the month. However, steel production in October was on a lower daily basis than in September, and was at the rate of approximately 42,000,000 tons of steel ingots as compared with 43,400,000 tons indicated by the figures of the preceding month. Pig iron output in October as compiled by The Iron Trade Review totaled 3,293,543 tons compared with 3,124,308 tons in September, and on a daily basis of 106,243 tons against

104,143 tons respectively. However, the significant development of the month was the large number of furnaces that had been blown out toward the close of that period. At the end of October, 289 furnaces were active compared with 317 on the corresponding date in September, or a net loss of 28. This idle list has been considerably enlarged by the addition of a number of stacks since November 1.

Iron ore shipments from the Lake Superior regions this year up to November 1 amounted to 53,122,342 tons compared with 43,978,414 tons in 1919, and

56,870,871 tons in 1918. Where there was some talk of a shortage of iron ore some weeks ago, this has now entirely disappeared with the droop of trade conditions.

There has been a big let-up in coal shipments the past few weeks, but the movement for the season will be as heavy as it was in 1919. Boats have been more plentiful than cargoes the past few weeks. Up to November 15 the fleet loaded 20,525,578 tons of cargo coal, compared with 21,222,535 tons for the same time last season and 27,034,776 tons in 1918.

Demand for Ore Slackening; Cold Weather Delays Handling; Lake Movement of Coal Will Equal That of 1919 Season

The lake shipping season did not close with the rush expected, as there was quite a let-up in the demand for ore during the past thirty days and some ore that was sold for 1920 delivery will be carried over until next season. The movement will be the fourth largest on record, but it will be smaller than figured on at the opening, when the sales indicated a movement of about 61,000,000 tons. Shipments for October were 8,848,986 tons, making 53,122,342 tons the fleet loaded up to November first. That is an increase of 9,143,928 over the same time last season.

The shippers figure that 57,000,000 tons will take care of the requirements of the trade, and that mark will be reached, although conditions for handling ore were very unfavorable the past few weeks. Much of

the ore that was shipped from ports at the head of the lakes had to be steamed on account of the cold weather, and that is a slow operation. Shipments to the interior furnaces were heavy during the past month, but there will be more ore on dock at Lake Erie ports when the last cargoes are unloaded than there was a year ago. On November 1 the docks at this end of the route were holding 10,212,975 tons and on the same date in 1919 stocks were 10,004,757 tons. The grain trade has taken considerable tonnage the past month, but the ore shippers got about all the capacity they could handle by reason of the cut in shipping orders and the fact the ore was frozen and handled very slowly. Some boats were held a week at the loading ports.

Manufacturing Generally Dull; Unemployment Increasing; Foreign Trade Holds Up Well in Some Lines

Business in practically all lines throughout the Fourth Federal Reserve District continues to recede in volume. Buying has been greatly restricted, and the result has been felt all around the circle from consumer to manufacturer. Cancellations are still being received, although the tendency to cancel orders is not as marked as during the past few months.

Labor continues to increase in effectiveness, and unemployment is increasing. Collections continue good in most lines. Inventories are large in many instances, but the volume of loans required to carry them has been substantially reduced.

Passenger automobile makers are inclined to optimism for the future. A prominent manufacturer has stated to us that the apparent slowing-up of the industry is seasonal, and that the volume of fall business compares favorably with that of former years except for 1919, when, apparently, the demand for cars was in excess of the ability of makers to produce them.

One of the large motor truck makers says that "the motor truck business with us, and from all accounts we have from other manufacturers, is only about 20 per cent of normal, and that the slacking off of business has so increased the overhead that it will consume some slight reductions made in materials."

The demand for automobile bodies has slumped in proportion to the lessened demand for cars, and prices are being slightly revised.

Conditions in the hardware manufacturing line are quite dull. Buying has been greatly reduced, and, apparently, this is not "spotty," but seems to be almost universal. Prices are firm, and seem quite likely to be maintained unless the cost of labor is reduced.

Implement makers are engaged at this season principally upon export shipments to South America, which, in the experience of one large concern, are practically double those of the corresponding period last year. Contracts for domestic shipments are about the same as last year.

Further recession is noted in the manufacture of tools, and orders are at a low level. Some reductions of forces have occurred, and the bulk of production has gone into stock. Manufacturers are inclined to the view that price changes will be slowly made, and not much improvement is looked for before the first of next year.

Orders for tin cans are being received in fair volume, which, according to manufacturers, is indicative that stocks are low and that users are ordering only in sufficient quantities to insure the carrying of reasonable stocks. Practically no price cutting has taken place in this line, as the price of tin plate is fixed for a given term.

Moulding machine business has fallen off greatly during the past six months, in sympathy with the let-up in the automobile business.

Reports indicate that a revival of business is looked for in the laundry machinery line after the first of

the year. New business at this time is reported as "quite light."

Manufacturers of baking powder and grocers sundries incline to a belief that conditions with them are on the mend. Collections are reported as somewhat slower. Practically no price cutting has as yet been accomplished, although lower prices are anticipated in the trade.

Final Returns Assure Bumper Crops; Survey Shows Total Farm Income Will Be Up to Normal

Final returns on agricultural crops throughout the Fourth District are very encouraging. The production of nearly all farm produce is much above the 10-year average, and even at the lower price range assures a large cash return to farmers.

A late fall has resulted in the production of an immense corn crop, a much larger percentage than usual being of marketable quality. The potato crop is large, although late blight has done considerable toward keeping down the yield.

In the Burley tobacco field, a fairly favorable growing season has resulted in the growth of an extremely bulky crop, but the loss from evaporation has been greater than expected and the poundage will show some loss from previous estimates. The opening of the tobacco market, which usually occurs early in December, will probably be postponed until after the first of next year. The tobacco crop in the Ohio cigar-leaf section is slightly less than that of last year.

Rough calculations made by the Ohio Bureau of Agricultural Statistics indicate that the total value of Ohio farm crops, based on November 1 prices, is from \$100,000,000 to \$110,000,000 less than last year. This loss to the farmer is said to be more seeming

than real, however, because of the fact that over one-half of the farm income in that State is derived from live-stock and live-stock products, the prices of which are about on a par with the prices at the same time last year. The direct income from wheat, feedable crops, tobacco and wool will be very much less than last year, but the income from dairy products should be considerably more than last year in view of the fact that the cost of concentrated foods used largely by dairymen is very much less. The same is true of live stock. The income from fruits and vegetables this year will be considerably larger than a year ago, due to the large crop.

This analysis shows the source of Ohio farm income to be about as follows:

Sales of live stock	38%
Sales of dairy products	13%
Sales of poultry and poultry products	9%
Sales from wheat	15%
Feedable crops (Corn, oats, and hay)	16%
Tobacco	4%
Wool	2%
Fruit and vegetables	2%
Maple sirup	1%

Conditions Unimproved in Textile and Garment Trade

There is probably no other industry that is harder hit than the textile and garment trade—particularly in relation to the woolen products. The industry is confronted by an anomalous situation, when manufacturers of clothing are offering stocks at prices lower than those at which it will be possible to replace them with newly-produced merchandise. The opening of the Spring line, which normally occurs in early October, is long past due, with many large manufacturers in the industry postponing the date

indefinitely—some even considering the advisability of offering no goods for Spring. In some markets employers advise that labor costs have risen to a point of prohibition, and that with the expectancy of lower prices the failure of labor to meet the employer part way will make it impossible for this market to recover within the period necessary to "rescue any part of the Spring season from the flood."

Transportation Conditions Continue To Improve; Shortage of Open-Top Cars Noted; Labor Forces Normal

During the past month general conditions surrounding transportation have materially improved. Car supply is more nearly adequate to demands than has been the case for some months, although some complaints are heard from Pittsburgh of a shortage

of equipment at that point. There is also said to be a shortage of open-top cars.

An improvement is noted in switching service and the number of men employed is practically normal.

Coal Situation Improving; Operators Claim Railroad Facilities Still Inadequate

The coal situation seems to be moving in the direction of normality, and from present indications will not be so acute during this winter. The feeling is somewhat general, however, that the railroads will be unable, by reason of insufficient facilities, to satisfactorily serve the public for some time to come.

It is now estimated that production of bituminous coal for the year 1920 will reach a total of 560,000,000 tons, of which 300,000,000 tons will be produced during the six months' period ending December 31.

Coke prices have broken violently during the past 30 days, and production has fallen off somewhat.

Stagnation in Building Line; Work is Delayed in Hope of Lower Prices

By comparison with a few months ago the building industry may be described as stagnant. There is a great deal of work waiting to be done, and architects' offices are said to be full of projects. The need for structures of many kinds, particularly dwellings, is pressing. Yet building permits continue to decline in volume, and demand for materials and labor for building purposes is far below the supply.

The United States Senate Committee on Reconstruction and Production, headed by Senator Calder, is touring the Country investigating building condi-

tions, particularly as they affect homes. One of the chief obstacles developed by the Committee is the scarcity of money in the form of credits available for building purposes. Investors hesitate to put money into buildings at present prices when they may earn greater returns elsewhere.

Aside from the credit complication, those interested in building are delaying in the hope that prices will decline. Meanwhile rents are high and many people through the District have difficulty in finding a place to live regardless of high rental.

Special Survey of the Cement Industry

A very prominent characteristic of the American of today is to feel that every discovery or invention really worth while is a product of the twentieth century. He looks at our modern fireproof skyscrapers, constructed largely of cement and steel, pats himself on the back and says they are just another example of present day ingenuity. True, we are making wonderful advancement, but we should remember that our "wonders of the twentieth century" passed through the infant stage, and are the results for the most part of hundreds of years of labor and experiment.

The use of material similar to cement, for the purpose of binding fragments of stone together, dates back beyond ancient written history. It is known that the Romans prepared a mortar which would harden under water and used it in construction work. Little advancement was made until 1756 when John Smeaton of England, while looking for material with which to build the Eddystone Lighthouse, discovered that a certain limestone, containing clay, possessed, when burned and ground, the property of hardening under water. The first real progress was made in 1859 when it was decided to use Portland cement in the construction of the London Drainage Canal.

Joseph Aspdin, a bricklayer of Leeds, England, patented the first artificial cement, and he gave it the name of "Portland" because of its resemblance in color to a building stone obtained from the Isle of Portland, off the coast of England, and it has been known by that name ever since.

Portland cement is manufactured from limestone and shale, or limestone and blast furnace slag, and also contains a certain percent of gypsum, which acts as a retarder and prevents the mixture from setting. Limestone rock is found in layers of varying thickness, and the usual method of mining this is to remove all the earth and rock above it. In some of the quarries located in the Fourth Federal Reserve

District where a very good grade of limestone, suitable for the manufacture of Portland cement, is found, it is necessary to remove as much as 70 feet of earth and rock. This process of uncovering the limestone is called stripping and is found to be more satisfactory than mining the rock. It is quite expensive, as all the earth and rocks which have to be removed is waste material, with the exception of a thin layer of shale which lies just above the limestone. This shale contains silica and alumina which are essential in the manufacture of Portland cement. Stripping for the most part is done by machinery. Holes are drilled to the level of the limestone and heavy charges of explosives are placed in them. This work is in charge of an expert who knows, from the texture of the rock, just how much explosive is required to produce the best results. When the charge is placed in the hole, all work in that vicinity is stopped and as the men scatter in every direction, great masses of earth and rock shoot in the air and come tumbling down to the bottom of the quarry. It is then loaded in cars by steam shovels and hauled to great dump heaps.

The limestone is drilled and blasted, but less explosives are required, for there are cracks running through it which cause it to break more readily. After it has been broken into pieces convenient for handling it is loaded on small cars by hand and then hauled to the factory. There each carload is weighed and after it has been hauled up a steep incline the rock is dumped into chutes which carry it to the first crushing machines. These machines, usually of the gyratory type, are very powerful and slowly crush the rock to small pieces. When it is fine enough to pass through a 1½ inch screen it is mixed with shale which has also passed through a crushing process. This material is then dried in rotary kilns which are heated by coal, and as the limestone and shale pass slowly through these driers they are thoroughly mixed. This drying process is for the

purpose of facilitating the final pulverizing, which would be impossible were there any moisture in the rock and shale.

When this material is thoroughly dried, it is run through another grinding process, various types of mills being used, the most popular being Griffin, Fuller, and Raymond. When the limestone and shale have been pulverized so fine that 96 per cent of this mixture will pass through a mesh sieve having 10,000 openings to the square inch it is ready to be burned. It is then conveyed to the burning kilns, which are steel cylinders eight feet in diameter, 125 feet long and lined with fire brick. There the mixture is burned with powdered coal which is blown into the cylinder by means of compressed air. This dry powdered coal aided by the draft of air burns at an almost white heat, 2600 degrees Fahrenheit, and this causes the limestone to combine chemically with the shale, forming what is known as clinker.

After the proper amount of burning the clinker is dropped into a pit and then carried by elevators to a cooling process. The clinker is air cooled, the air being driven against it by revolving fans. In some factories it is spread over the surface of a large pile of old clinker and allowed to cool gradually. After cooling, the clinker is mixed with gypsum or plaster paris, which regulate the setting time of the cement. Usually 3 or 4 per cent is added. Without the aid of this, the cement would set in a very few minutes and it would be impossible to even remove it from the mixer.

The clinker, to which gypsum has been added, is first run through pot crushers which resemble huge coffee mills. After passing through another mill, where it is further reduced, the mixture is conveyed to large revolving cylinders which are filled with small steel balls. As the cylinder revolves, the steel balls roll about and gradually grind the little particles to a very fine powder. When the cement has reached a stage where 75 per cent will pass through a mesh sieve with 40,000 openings to the square inch, the process is complete, that being the standard specification for fineness in Portland cement. Some cement factories in this final process use flint pebbles in place of the steel balls. These pebbles have to be imported from Norway and this is quite an added expense. The newer process of using the steel balls has proven very satisfactory.

The cement is now ready to be put into sacks. A novel method of filling is used. Instead of pouring the cement into the top of the sack which is a very dusty and disagreeable job, the sacks are first tied by machines and the cement is forced into them through a small valve in the bottom of the sack which automatically closes when filled. This method prevents the loss of cement in the form of dust, and saves the time required to tie the sacks by hand.

The cement sacks are manufactured from cotton which is very closely woven on special machines. After the cement has been shipped the sacks are returned to the factory and the purchaser receives credit for them. These sacks usually last from six to eight trips, depending on the distance of the shipment and the care they receive in shipping and handling. Some of our large factories are shipping

cement in bulk and this has proven very satisfactory. When cement is shipped in sacks, the cars must be in first class condition, for a leaky roof will cause many sacks to set, but when in bulk the water will do very little damage. This method eliminates the cost of sacks, the time and expense of packing, and also facilitates the handling at the receiving point, for the unloading can be done by machinery, while sacks must be moved by hand. This method is used mostly in shipping to large contractors.

Cement is manufactured on a very conservative basis. Competent engineers are employed to study and work out plans to eliminate all unnecessary losses. In one of the large plants in this district changes are being made and machinery installed in order to save the waste gasses and heat which escape through the stacks and are a total loss. These will be utilized to furnish the motive power for the factory. It has been estimated that this will almost cut the fuel costs in two. The plan has already been tried out in a few plants and proven satisfactory. Dust collectors are being improved and installed wherever it is practical. This saves loss of cement, makes the work more pleasant for the employees, and cuts the cost of machinery repair, as the dust is continually working in the gears and bearings and causing friction.

The cement industry has made almost unbelievable advancement during the last few years. It is one of the most important factors in all modern construction work. More cement is used for the building of roads than for any other purpose, and cement roads give long and satisfactory service. Each mile requires the use of about 4,000 barrels of cement, and on a long motor trip when thousands of miles can be covered without once using a dirt road, one can get some idea of the vast amount of cement used for this purpose. Road building through many of the states has been handicapped by the war, but indications point to a return to this needed improvement, and elaborate programs have been made for the coming year.

Cement is coming into general use for the building of oil tanks. A concrete tank holding 1,000,000 gallons of fuel oil has been constructed at Wooster, Mass., and has proven satisfactory. Not so many years ago it was believed that concrete tanks could not be built to hold oil. This is only one illustration as to how the use of cement is branching out along different lines.

Cement is one of the greatest factors in construction work not only in our own country, but in many of the European nations. The supply is plentiful and this industry will continue to grow in the future.

Appended hereto is a list of the cement manufacturers in the Fourth Federal Reserve District.

Universal Portland Cement Co.,	.....	Pittsburgh, Pa.
Cresecent Portland Cement Co.,	.....	Wampum, Pa.
Lehigh Portland Cement Co.,	.....	New Castle, Pa.
Alpha Portland Cement Co.,	.....	Ironton, Ohio.
Wellston Furnace Co.,	.....	Wellston, Ohio.
Diamond Portland Cement Co.,		Middle Branch, Ohio.
Sandusky Portland Cement Co.,	....	Sandusky, Ohio.
Bessemer Limestone & Cement Co.		Youngstown, Ohio.
Castalia Portland Cement Co.,	.....	Castalia, Ohio.

Department Store Sales

	Pgh.	Cleve.	Tol.	Other Cities	District
Percentage increase of net sales during October, 1920, over net sales during same month last year.....	28.6	9.7	1.9	27.9	20.8
Percentage increase of net sales from July 1, 1920, to October 31, 1920, over net sales during same period last year.....	25.8	23.5	13.9	23.6	23.9
Percentage increase of stocks at close of October, 1920, over stocks at close of same month last year.....	32.9	42.7	23.6	34.1	34.9
Percentage increase of stocks at close of October, 1920, over stocks at close of September, 1920.....	4.3	8.3	-3.1	3.7	4.7
Percentage of average stocks at close of each month this season (commencing with July 1, 1920) to average monthly net sales during the same period.....	413.3	481.8	572.5	590.8	466.7
Percentage of outstanding orders (cost) at close of October, 1920, to total purchase (cost) during the calendar year 1919.....	8.8	7.5	4.5	11.9	8.3

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	Increase (or decrease) in Sales during Aug., 1920, over same month last year. Percent	Increase (or decrease) in Sales during Sept., 1920, over same month last year. Percent	Increase (or decrease) in Sales during Oct., 1920, over same month last year. Percent
Dry Goods.....	-24.0	11.5	16.0	10.0	....	-27.5
Groceries.....	32.2	47.8	20.6	1.0	23.8	-10.8
Hardware.....	31.2	37.2	24.7	21.5	12.4	2.0
Drugs.....	30.2	53.4	29.6	11.1	31.1	....

Building Operations for Month of October

	Permits Issued				Valuations				Inc. or Dec. of Total Valuation	Percent of Inc. or Dec.
	New Construction 1920	1919	Alterations 1920	1919	New Construction 1920	1919	Alterations 1920	1919		
Akron	221	565	50	118	405,597	3,184,277	42,575	49,640	2,785,745	-86.1
Cincinnati	76	218	482	502	884,810	657,610	325,740	289,060	263,880	27.8
Cleveland	169	324	864	834	1,435,900	5,223,400	574,650	457,785	3,670,635	-64.6
Columbus	196	263	98	102	527,275	619,090	85,635	127,155	133,335	-17.8
Dayton	128	223	39	44	226,977	934,637	58,194	97,110	746,576	-72.3
Erie	57	111	35	38	168,085	237,325	23,590	47,675	93,325	-32.7
Lexington	10	19	69	30	46,775	85,000	10,000	18,000	46,225	-44.8
Pittsburgh	309	363	82	89	1,417,444	1,399,089	365,875	176,597	207,633	13.1
Springfield	17	42	10	15	9,090	138,675	7,155	59,400	181,130	-91.8
Toledo	143	267	153	123	359,835	856,062	167,149	92,956	422,034	-44.4
Wheeling	36	32	18	23	45,492	59,511	3,745	4,199	14,473	-22.7
Youngstown	117	169	19	31	501,050	475,175	22,050	36,950	10,975	2.1
Total	479	2,596	1,919	1,949	6,028,330	13,869,851	1,686,358	1,456,527	7,611,690	-49.6

Lake Coal

Statement of Bituminous Coal Loaded into Vessels (as dumped by docks). In net tons for the Month of October, 1920, as compared with the same period for the Seasons of 1919-1918.

Ports	Railroads	1920			1919		
		Cargo	Fuel	Total	Cargo	Fuel	Total
Toledo	Hocking Valley	811,166	22,312	833,478	462,978	13,320	476,298
	Toledo & Ohio						
	Central	352,989	11,537	364,526	128,052	2,386	130,438
Sandusky	Baltimore & Ohio . . .	404,787	10,525	415,312	214,528	5,724	220,252
	Pennsylvania	352,567	6,760	359,327	151,121	3,189	154,310
	Huron						
Lorain	Wheeling & Lake						
	Erie	265,130	11,475	276,605	217,212	9,022	226,234
	Baltimore & Ohio . . .	572,268	18,872	591,140	392,853	21,926	414,779
Cleveland	Pennsylvania	302,300	36,011	338,311	417,358	37,077	454,435
	Erie	120,051	3,370	123,421	116,742	4,306	121,048
	Fairport						
Ashtabula	Baltimore & Ohio . . .						
	New York Central . .	363,482	49,911	413,393	240,137	24,582	264,719
	Pennsylvania	452,506	13,509	466,015	408,824	21,084	429,908
Conneaut	Bessemer & Lake						
	Erie	307,753	4,892	312,645	238,283	2,575	240,858
	Erie						
Erie	Pennsylvania—W . . .	79,594	8,804	88,398	76,902	7,580	84,482
	Pennsylvania—E . . .	101,841	9,427	111,268	10,623	1,410	12,033
	Total	4,486,434	207,405	4,693,839	3,075,613	154,181	3,229,794
For Season to end of October							
Toledo	Hocking Valley	3,344,832	73,820	3,418,652	3,939,454	111,006	4,050,460
	Toledo & Ohio						
	Central	1,508,792	56,183	1,564,975	1,158,862	33,925	1,192,787
Sandusky	Baltimore & Ohio . . .	1,337,880	38,948	1,376,828	2,101,187	50,642	2,151,829
	Pennsylvania	1,418,843	21,775	1,440,618	1,253,718	33,382	1,287,100
	Huron						
Lorain	Wheeling & Lake						
	Erie	1,641,441	84,893	1,726,334	1,400,981	50,170	1,451,151
	Baltimore & Ohio . . .	2,735,688	171,290	2,906,928	2,632,866	143,647	2,776,513
Cleveland	Pennsylvania	1,054,953	151,469	1,206,422	2,190,614	235,336	2,425,950
	Erie	364,048	17,486	381,534	305,977	9,904	315,881
	Fairport						
Ashtabula	Baltimore & Ohio . . .						
	New York Central . .	1,351,849	246,548	1,598,397	1,625,130	143,138	1,768,268
	Pennsylvania	1,662,618	88,858	1,746,476	1,934,022	98,285	2,032,307
Erie	Pennsylvania—W . . .	228,731	21,730	250,461	690,144	41,835	731,979
	Pennsylvania—E . . .	335,957	68,672	404,629	163,301	13,181	176,482
	Conneaut						
Erie	Bessemer & Lake						
	Erie	2,105,250	35,516	2,140,766	1,343,888	9,683	1,353,571
	Total	19,090,827	1,072,188	20,163,015	20,756,836	987,088	21,743,924

Clearings

	October 16 to November 15		Increase or Decrease	Percent of Inc. or Dec.
	1920	1919		
Akron	36,252,000	48,854,000	-12,602,000	-25.8
Cincinnati	302,251,956	289,284,983	12,966,973	4.5
Cleveland	611,444,183	539,982,139	71,462,044	13.2
Columbus	63,715,500	65,747,800	-2,032,300	-3.1
Dayton	18,136,923	19,237,630	-1,100,707	-5.7
Erie	11,676,131	10,689,836	986,295	9.2
Greensburg	7,468,098	6,572,988	895,110	13.6
Lexington	6,591,371	6,504,685	86,686	1.3
Pittsburgh	879,496,696	713,621,463	165,875,233	23.2
Springfield	5,914,190	7,743,654	-1,829,464	-23.6
Toledo	64,654,093	65,888,000	-1,228,907	-1.9
Wheeling	24,816,839	25,546,287	-729,448	-2.8
Youngstown	20,811,190	20,641,980	169,210	0.8
Total	2,053,229,170	1,820,310,445	232,918,725	12.8

Total Debits by Banks to Individual Accounts

	Week Ending Nov. 17, 1920	Week Ending Nov. 12, 1919	Increase or Decrease	Percent of Inc. or Dec.
Akron	18,528,000	27,049,000	— 8,521,000	—31.5
Cincinnati	67,668,000	60,637,000	7,031,000	11.6
Cleveland	187,032,000	167,761,000	19,271,000	11.5
Columbus	29,865,000	28,059,000	1,806,000	6.4
Dayton	11,724,000	12,038,000	—314,000	— 2.6
Erie	8,579,000	7,126,000	1,453,000	20.4
Greensburg	5,636,000	4,042,000	1,594,000	39.4
Lexington	4,893,000	4,705,000	188,000	4.0
Oil City	3,800,000	2,246,000	1,554,000	69.2
Pittsburgh	225,358,000	185,644,000	39,714,000	21.3
Springfield	3,264,000	3,721,000	—457,000	—12.3
Toledo	35,371,000	34,969,000	402,000	1.1
Wheeling	10,118,000	8,011,000	2,107,000	26.3
Youngstown	16,495,000	14,495,000	2,000,000	13.8
Total	628,331,000	560,503,000	67,828,000	12.1

Comparative Statement of 92 Selected Member Banks in Fourth District

In Thousands of Dollars

	Nov. 12, 1920	Oct. 15, 1920	Inc.	Dec.
U. S. Bonds to secure circulation	42,428	42,273	155	.....
Other U. S. Bonds including Liberty Bonds	60,967	60,682	285	.....
U. S. Victory Notes	19,217	18,548	669	.....
U. S. Certificates of Indebtedness	12,111	25,552	.....	13,441
Total U. S. Securities owned	134,723	147,055	.....	12,332
Loans secured by U. S. Government war obligations	60,216	59,577	639	.....
Loans secured by stocks and bonds other than U. S. securities	329,013	328,219	794	.....
All other loans and investments	937,825	941,388	.....	3,563
Reserve balance with Federal Reserve bank	101,398	101,177	221	.....
Cash in Vault	35,859	37,218	.....	1,359
Net demand deposits on which reserve is computed	947,750	955,757	.....	8,007
Time deposits on which reserve is computed	385,045	378,786	7,259	.....
Government deposits	9,474	19,035	.....	9,561
Total resources at date of this report	1,919,584	1,991,981	.....	72,397

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

	Cattle		Hogs		Sheep		Calves		Cars Unloaded	
	1920	1919	1920	1919	1920	1919	1920	1919	1920	1919
Cincinnati	27,329	40,510	109,065	153,236	19,160	18,039	9,638	11,043	2,006	2,876
Pittsburgh	56,453	52,182	206,957	165,087	71,661	67,275	29,306	22,894	5,004	4,383
Cleveland	11,343	12,055	67,120	96,498	27,273	42,008	9,312	10,166	1,402	2,023
Toledo	1,783	1,273	12,207	15,134	2,657	2,030	916	762	.....	.....
Fostoria	1,068	1,346	9,702	10,949	2,481	2,025	428	387	30	50
Dayton	1,953	2,228	9,883	10,356	1,171	1,587	421	630	.....	.....
Wheeling	445	460	859	967	648	445	957	687	.....	.....
Springfield	600	.....	5,000	.....	800	.....	150	.....	15	.....
	Purchases for Local Slaughter									
Cincinnati	17,055	23,825	49,389	75,608	9,010	11,273	5,456	7,592	.....	.....
Pittsburgh	7,099	6,400	35,383	25,860	13,541	11,343	7,578	5,102	.....	.....
Cleveland	10,470	10,492	47,336	79,208	19,434	20,435	8,987	9,482	.....	.....
Toledo	543	.....	4,626	.....	25	.....	730	.....	.....	.....
Fostoria	15	17	400	1,060	10	10	142	105	.....	.....
Dayton . . . . .	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Wheeling . . . . .	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Springfield . . . . .	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

STATEMENT OF CONDITION
FEDERAL RESERVE BANK OF CLEVELAND
NOVEMBER 26, 1920

RESOURCES	
Gold and gold certificates.....	\$ 10,365,000
Gold settlement fund with F. R. Board.....	83,222,000
Gold with foreign agencies.....	5,774,000
Gold with Federal Reserve Agent.....	161,358,000
Gold redemption fund	13,081,000
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Total gold reserve	273,800,000
Legal tender notes, silver, etc.....	2,051,000
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TOTAL CASH RESERVE.....	\$275,851,000
Bills discounted—Secured by Government war obligations	95,342,000
Bills discounted—All other	112,530,000
Bills bought in open market	31,201,000
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Total bills on hand	239,073,000
U. S. Government bonds	833,000
U. S. Government Victory notes.....	10,000
U. S. Government certificates of indebtedness	23,299,000
All other earning assets.....
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TOTAL EARNING ASSETS	263,215,000
Bank premises	1,565,000
Uncollected items and other deductions from gross deposits	72,954,000
5% Redemption fund against F. R. bank notes.....	1,139,000
All other resources	364,000
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TOTAL RESOURCES	615,088,000
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LIABILITIES	
Capital paid in	10,352,000
Surplus Fund	13,712,000
Government deposits	647,000
Due to member banks—Reserve accounts.....	147,838,000
Deferred availability items	59,762,000
Other deposits including foreign government credits.....	409,000
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TOTAL GROSS DEPOSITS.....	208,656,000
Federal Reserve notes in actual circulation.....	352,873,000
F. R. bank notes in circulation—net liability.....	22,515,000
All other liabilities	6,980,000
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TOTAL LIABILITIES	615,088,000

PICKUPS ON BUSINESS TOPICS

CARPENTERS' and shoemakers' tools are being imported into Spain from the United States in large quantities. It is recommended that American manufacturers secure reliable representatives who can inform Spanish wholesalers as to market conditions and prices in the various localities.

There is also a market in Spain for electric curling irons. Such irons cost 12 pesetas in Spanish stores in July.

There is a lack of photograph and post card albums in Spain. The prices show a rising tendency owing to the scarcity of paper.

The Third Annual London Fair and Market will be held at the Royal Agricultural Hall, London, England, from July 4 to 15, 1921.

The exhibition will consist of five sections:

Fancy goods (including leather goods).

Toys, games and sports.

Stationery.

Jewelry, silverware, etc.

Domestic hardware, metalware, electric goods.

While limited in the scope of articles exhibited, the London Fair will be open to exhibitors of foreign nations.

Efforts have been made to invite visiting trade buyers from all foreign countries through the co-operation of British consuls. Inquiries should be addressed to the International Trade Exhibitions, Ltd., Broad Street House, New Broad St., London, E. C.

Bankers' acceptances are becoming more and more valuable as an aid in the financing of export and import trade, according to the American Bankers Association. "The number of trade acceptance users is increasing rapidly and includes every line of business involving sales on the time basis," says the association. "There are more than 20,000 known users, and where the trade acceptance has been legitimately used the results have been most satisfactory."

"Foreign Exchange" is the title of an interesting and valuable booklet just issued by the National Shawmut Bank of Boston. The book is to be commended for the reason that it is not of a technical character, but discusses the question of exchange in a manner that can be grasped by everybody. Therefore, it is of permanent value. The bank will, no doubt, be pleased to send a copy of the booklet on request.

Cincinnati manufacturers, through the Foreign Trade Department of the Chamber of Commerce, are planning to make exhibits in the proposed Permanent Industrial Exposition to be established in Havana, Cuba, for the exploitation of foreign and domestic products. Those interested in the project plan the erection of a building to cost \$2,000,000.

In the first eight months of this year the United States exported 1,150 locomotives, nearly 200 more than in all of last year and more than twice as many as normally exported annually before the war, the National Bank of Commerce in New York reports. The largest purchases this year have been made by Belgium, Italy, France and Poland.

The Railroad Corporation of America is building a large central radio station at Port Jefferson, Long Island, which will be able to encircle the earth with radio messages. Another central station is being equipped at Hawaii to serve as a relay for all points on the other side of the Pacific Ocean.

The Youngstown Chamber of Commerce is behind a plan for incorporation of a \$100,000 company, which will rebuild the Youngstown and Austintown branch of the Erie Railroad and provide 80 five-acre sites for industrial plants. Work will be started in 60 days, it is announced.

Newark Chamber of Commerce has inaugurated the plan of conducting groups of boys through the industrial plants of the city each Saturday with a view to interesting their coming citizens in the industries of their own city.

Sales of British automobiles in Chile, entirely suspended during the war, are about to be renewed. Two well known makers have reappointed agents and are advertising in the daily newspapers.

AMERICAN automobiles and trucks are so predominant in Norway that they give a distinct American touch to the street traffic, according to a recent report of the Bureau of Foreign and Domestic Commerce.

American Agricultural machinery is prominent in Norway. In general, the high quality of American tools and mechanisms is conceded, and the expression is frequently heard that American goods rank first in quality, but are somewhat higher in price than the same type of goods from the United Kingdom, Sweden, or Germany.

In the leather-goods and in textiles and clothing trade the United States holds foremost place.

The University of Pittsburgh, recognizing the rapid expansion of the work of the Secretaries of Chambers of Commerce, offers a course in its Extension Department for persons holding these positions or having similar interests. The plan for handling this course is by correspondence during the school year of the University, from October 1 to June 1, supplemented by lectures during a two weeks' period the following summer.

This course has been designed to furnish information to the student which will assist him in understanding the problems of the business community, the civic betterment bodies, and the municipal government.

The British Board of Trade Journal gives a compilation of freight rate increases in fourteen nations, the increases being computed on present rates as compared to 1914. The percentage of increase in Austria is 390; France, 140; Holland, 70 to 140; Norway, 150; Sweden, 200; United Kingdom, 101 to 114½. As compared to these figures, the Bureau of Railway Economics states that the increase in freight rates in the United States between 1914 and 1920 has been only 67 per cent.

American tire manufacturers exported \$3,121,530 worth of casings during August. Exports of inner tubes were valued at \$327,009 and shipments of solid automobile tires were placed at \$265,549. British South Africa was the largest importer of American casings during the month, taking tires valued at \$287,631. England was second with imports of \$279,906, and Cuba third with imports of \$270,073.

It is stated that if all the railroads in the country were electrified an annual fuel saving of approximately 121,500,000 tons of coal would be effected. This power would have to be furnished from a large steam generating electric station. In 1918 the railroads consumed 175,000,000 tons of coal. By the method of operation proposed, only 53,000,000 tons of coal would be required.

The public utility corporations of Ohio have established the Ohio Committee on Public Utility Information, which will keep the public informed as to what is going on in the utility industries and to dispel much prejudiced public opinion, due to lack of authoritative information. There are about 2,000 utility companies in Ohio.

Bankers, manufacturers, exporters and importers will meet in Chicago on December 10 and 11, for the purpose of effecting the organization of the proposed \$100,000,000 Foreign Trade Financing Corporation. The plan was inaugurated by the Committee on Commerce and Marine of the American Bankers Association.

The Fifth International Rubber Exhibition will be held in London in June, 1921. Many governments, important associations and leading rubber growers and manufacturers of rubber goods will join in making the exhibition the largest of its kind in history.

The American Chamber of Commerce in London is authoritative for the statement that geologists have estimated the supply of coal in China to be sufficient for world consumption over a period of one thousand years.

During the last fiscal year 129,875 American automobiles were exported to eighty-one foreign countries.