

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

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BUSINESS has discarded most of its hesitating attitude—the familiar 1922 trade-mark. In its place is a spirit of confidence.

There are good things in store for us in 1923 if we know how to work and look for them. Aside from the foreign situation there is little in the conditions outside of business that will prevent the continuance of good business; should a check develop, it will be due to conditions developed within itself.

In many ways this will be a critical year, a year where effective management, sales efforts, better salesmen, more intensive training, harder and more conscientious work will be necessary.

During the inflation years when business fairly elbowed its way into our factories, offices, stores, and farming sections there was a tendency to slacken on those qualities now needed. Under such conditions it was quite natural that a change should take place. It was natural that people should try to "get by" with as little effort as possible; to form extravagant habits, for prices to jump, for wages to advance and efficiency to recede. It was natural for people after turning many of our good old-fashioned, sound principles topsy-turvy, to experiment with them and try them out.

Many are anxiously asking the question, "Is business going to continue upward during 1923?" No one is fully capable of answering this question. A lot of just criticism could rightfully be heaped upon the shoulders of anyone who would have the courage to give a definite answer. There are still too many unsolved problems. The first few months, however, seem to be quite firmly established. There are nevertheless suffi-

cient forces at work to make business adopt a cautious attitude.

During the year, business will be good or bad as we choose to make it. As has been ably said, "The people will make the year; the year will not make the people."

Those conditions which might be cited as favorable to continued prosperity can be listed as: employment almost universal throughout the country; industries running at capacity, or nearly so; money and credit plentiful; commodity prices firming; order books filling; purchasing power of the farmer increasing; the railroads believed to be large buyers of materials as year advances; large building program; and retail sales increasing.

Those conditions which might be listed as less favorable are: export situation doubtful; transportation improving slightly; fuel situation unsettled; labor becoming scarce. A business man in this District was asked what was the trouble with present business and how it could be cured. It is his belief that the ailment is of an individual or class character rather than a general one. He believes that it can be cured only by the same old-fashioned prescription that has been used since the beginning; two parts common sense, one part patience, ten parts hard work, a little ice, shake well and take a tumblerful every half hour from 6 a. m. to 10 p. m. every day.

It seems a simple prescription on its face, but it is big enough to mean the difference between poor business and good business for 1923.

Accommodations to Member Banks Show Marked Decline

A month ago there was a decided upward trend in member bank borrowings, the month showing a gain of approximately \$9,000,000. Since that time, however, there has been a marked change and during the month ending January 20 the volume of accommodations extended to member banks showed a practically continuous decline, the total decrease amounting to nearly \$29,500,000.

The high point for the month in city bank borrowings was reached on December 26. The decrease for

city banks amounted to approximately \$22,500,000.

Country bank borrowings showed a steady drop since December 20, the total decrease for the month amounting to approximately \$6,800,000.

Following the holiday season a drop in rediscounts usually occurs, largely because of the fact that money drawn from the banks for holiday requirements gradually returns, and also because of the usual seasonal interest and dividend settlements. This year, however, the decline is greater than usual. This can be ac-

counted for to some extent by the redemption of War Savings Stamps and Victory Notes. Some of these funds are not (temporarily at least) being reinvested, but are finding their way to the banks, which naturally reduces the demands on us for accommodation. Then, too, these funds placed in the hands of the people are bringing about some liquidation of borrowings.

In our judgment, these facts clearly indicate the strength of the present banking situation and show the ability of the member banks to handle their demands at this time with only moderate recourse to us.

The reserve ratio of this bank and also of the System clearly reflects the improved condition. On December 20 the reserve of this bank was 68.9 per cent, while on January 20 it stood at 80.2 per cent, or a

gain for the month of 11.3 per cent. On January 20 the reserve ratio of the System was 76.9 per cent as compared with 72.8 per cent for the same date a month ago, or a gain of 4.1 per cent.

Savings accounts continue to show a steady gain as indicated by the combined reports of 18 representative banks in this District. December deposits as compared with those for the same month last year showed a gain of 7.7 per cent. Last month the increase amounted to 4.3 per cent. The gain for December over the previous month was 3.7 per cent.

The acceptance market has remained practically unchanged during the past month. There has been a slight increase in the demand for bills but not many of them are coming out.

Iron and Steel Industry Continues to Gather Strength; Total Pig Iron Production in 1922 Gains Approximately Ten and One-Half Million Tons Over Previous Year

Conditions in the steel industry in the first weeks of the new year have continued to gain strength, and the outlook has improved correspondingly. Heavy demands have continued to arise in various directions and these, with strong prospects of further increases added to the heavy obligations already on the books of most of the companies, have raised a question as to the adequacy of the steel supply for all requirements during the first half. Some major lines of industry, in fact, already have sensed the probability that the carrying out of the large production programs now in view would depend upon the obtaining of steel. This is the prospect recognized by seven leading makers of automobiles who have laid out an aggregate production program in 1923 of 1,750,000 cars. The question of available steel supplies and deliveries at least for the first half of the year is becoming increasingly important because expanding demands are countered by more stationary production. The general rate of operations in the industry remains around 85 per cent and producers declare there is little prospect of a material increase from this point under present conditions. The common labor shortage is especially the restricting factor. In some lines of finished steel, producers already are being forced to allocate their expected production for the next three months at least, and to pro-rate this on the basis of individual customer requirements last year.

Some plants are sold up on certain leading forms of output for at least three months and some for even longer periods. As a result of the filled-up position of western plants, eastern mills which were lagging in the general movement are now profiting from diverted tonnage. They are accumulating business rapidly and are more selective in taking orders. Prices of steel in practically all lines are stronger and individual producers are advancing prices as the pressure of demand grows. Others simply have withdrawn from the market. Advances in this way have been made in plates, shapes and bars, tubes, and wire products.

The major sources of steel demand continue to be the railroads, building work, automotive industry, and the oil industry. The railroads having placed in

1922 total freight car awards of approximately 180,000 as compiled by *Iron Trade Review*, the best record in 10 years, are still buying equipment freely. Motive power awards especially have been heavy in recent weeks and new inquiries and orders for large numbers of cars are appearing regularly. Western mills report that never in their history have the roads in that section anticipated so heavily their orders for rails and track accessories put on producers' books in recent months. Larger requirements for the oil industry have come to the front particularly as to field tank capacity. Inquiries now pending or those recently closed easily call for 100,000 tons of steel. Due to the improved position of the farmer, the implement industry offers a more favorable outlook. A leading implement producer now is operating at 80 per cent and other similar plants at 50 to 60 per cent. Promise of a continuance of broad building activity in the spring is given by the upward swing of structural steel sales in December. These represent an increase of 20 per cent over November and in accordance with the census bureau, were 125,479 tons or 58.3 per cent of capacity. Some large new projects have reached the market in recent weeks and miscellaneous activity is keeping up unusually well for the season.

Total pig iron production in 1922, according to the compilation of *Iron Trade Review*, was substantially 27,100,000 tons which compares with 16,688,126 tons in 1921, 36,925,987 tons in 1920 and 31,015,364 tons in 1919. The output for December went above the 3,000,000-ton mark for the first time since October, 1920, reaching 3,086,968 tons. Furnaces in blast at the end of the year were 240, an increase of 10 over the corresponding date in November. Steel ingot production in 1922 was approximately 33,300,000 tons which compares with 19,224,084 tons in 1921, 40,881,392 tons in 1920 and 33,694,795 tons in 1919. Ingot production in December was practically stationary with that in November and was at the annual rate of 39,520,000 tons compared with 39,495,000 tons in November.

The continued rising tendency of iron and steel prices is shown by *Iron Trade Review's* composite of

14 leading iron and steel products. As of January 17 this was \$41.13. This compares with \$40.54 on the corresponding date in December. The composite at the close of 1922 stood at \$40.65 compared with

\$33.73 on the corresponding date one year previously. The low point of the year was reached the week of March 22, the index being \$32.80 and the high point the final week in September at \$44.26.

Totals for Lake Shipping Season are Heavy; Coal Shipments Make Record; Big Increase in Ore Movement Over 1921

During the 1922 lake shipping season the fleet loaded 42,613,184 tons of ore and 18,522,142 tons of coal. It is believed that a good clean-up will be made in the latter trade, as coal is going forward from the upper lake ports pretty fast, and according to reports received by shippers, the docks at most of the ports will be practically bare by the opening of next shipping season. That means that early cargoes will be wanted, but no arrangements have been made so far for floating coal. Owing to the big demand in local trades it is not likely the boats will be loaded until March. There is only one cargo afloat at Ohio ports.

Shipments of coal for December were 508,052 tons, and a record was made for shipments from September 1 to the close of the season. During that period the docks dumped 13,350,794 tons. Out of the total movement of 18,522,142 tons, the fleet delivered 14,826,254 tons or 80.05 per cent to American ports, and 3,695,888 tons or 19.95 per cent to Canadian ports. The American ports on Lake Superior received 6,700,410 tons, and receipts at Lake Michigan ports were 5,485,791 tons. The movement to ports at this end of the route was the largest on record, due to the mine and rail

strikes, as the steel plants and railroads had to get coal by boat in order to keep in operation. The American ports on Lake Erie received 1,153,526 tons, and the bulk of the coal was delivered at Buffalo.

The docks at Lake Erie ports handled 31,709,923 tons of ore last season, a big increase over 1921, when receipts were only 15,554,341 tons. Ashtabula leads all the ports in receipts with 7,740,105 tons. Cleveland was second in the list of receiving ports, the local docks handling 7,185,827 tons. In 1922 the Lake Erie docks, shipped 21,781,251 tons of ore to the furnaces and in 1921 the movement was only 12,793,077 tons. There was more ore in store at the lake front and at the furnace yards on January 1 than a year ago, but at the rate at which the furnaces and steel plants are operating, a big cut will be made in stocks by the opening. On January 1 the docks were holding 9,233,613 tons and on the same date in 1922 stocks were 8,434,324 tons. Some tonnage has been tied up for ore for next season at the going rate but it will probably be some time before sales are made and carrying charges are fixed.

Fourth District Plants Resume Operations on Large Scale After the Taking of Inventories

Manufacturers say the new year is starting out well. While a year ago they had just passed through a period of readjustment and were looking forward with much uncertainty, reports this month radiate a spirit of hope and confidence. Plants have again resumed operations following the interruption caused by the taking of inventories.

Automobiles—The automobile business last year came back to normal and nearly all dealers of standard-make cars claim that 1922 was one of the best years in the history of the industry. The output of passenger cars and trucks broke the previous high record which was established in 1920. The estimated average retail price of passenger cars was \$770.00, a reduction of 14 per cent from 1921.

Passenger car makers are planning heavy production schedules for the first part of 1923. The demand is good and is being accelerated by the auto shows which are reported to be attracting greater crowds this year than ever before. The demand for closed cars is steadily growing stronger and prospective buyers are showing particular interest in the latest improvements.

The Cleveland Automobile Show is now under way and is attracting country-wide interest.

Automobile parts are following the general trend of the automobile trade and business in the various lines is reported to be quite satisfactory.

The general revival of business is requiring additional transportation equipment and this is creating a liberal demand for motor trucks. There is some correlation between the amount of new building and truck sales. This is evidenced by increased sales throughout the urban centers where building is heaviest. So far the farming localities have not had the money to spend for replacements but some good results have been experienced on account of the record crops of last year.

As a whole, the demand has been for light trucks. Manufacturers, however, feel gratified because of the way the demand for the heavier and more expensive models has been holding up.

The excess stocks and Government owned war trucks have practically all been placed in the hands of users. This means that future buying will necessarily be from the manufacturer.

The following figures compiled by the Department of Commerce give the total passenger car and motor truck production for the year 1922, by all companies whose reports have been received. With a few exceptions, the reports each month are from identical firms and include approximately 90 passenger car and 80 truck manufacturers. The December figures are subject to slight revision when all reports have been received.

this year more than 20 per cent above the value of last year's farm output.

Corn leads in value at \$100,000,000, with hay a somewhat distant second at \$52,000,000. The wheat crop of the State amounts to \$40,000,000 and the oats crop to \$17,000,000. The potato crop is estimated at \$10,000,000, and the tobacco crop at \$7,000,000. Fruit crops and a number of crops of minor importance are not included in the estimated total of \$230,000,000. The values in this estimate are based on the State average prices prevailing on November 15.

Ohio has stood in sixth place for the last three years in the production of corn and is in fifth place this year in respect to wheat. In hay, Ohio is exceeded by only two states and it is fifth in tobacco.

The marked extent to which farm prices have increased during the last year is shown by the November price report. Corn is 60 per cent higher with an average price of 65 cents for the State, while a year ago the average was 40 cents a bushel. Hogs average almost \$8.00 per hundred pounds as compared with \$7.00 at this time last year. Beef cattle are selling, taking the State as a whole, at \$6.50, which is exactly \$1.00 a hundred above the price paid farmers a year ago. Wool is twice as high and now sells at an average of 42 cents a pound. Sheep have shown a remarkable recovery from \$3.30 a year ago to \$5.50 today and lambs have jumped from \$6.85 to \$10.65. In fact all farm products show an increase with the exception of hay and potatoes (*per hundred pounds*.) Potatoes are selling on the average in small lots from the farm at 94 cents a bushel and in large lots prices as low as 50 cents are reported. These increases reflect the increased demand for farm products.

The marketing season in the burley tobacco district for the 1922 crop has opened. The independent loose leaf floors at Lexington started their sales of non-pooled tobacco on November 27. The Burley Tobacco Growers' Co-operative Association opened its warehouses for the receipt of this year's crop on December 11. The sales on the loose leaf floors have been bringing very favorable prices and the average of the Lexington houses probably is somewhere in the neighborhood of 30 cents a pound. This is considerably higher than the average for last season.

The Association is making advances to the members upon delivery and coming at this time, this will put some Christmas money in the hands of the members. The Association has recently completed the sale of its holdings of 1921 tobacco, and as soon as all of this tobacco is delivered and settlement made, the Association can compute the amounts due each member and final payment will then be made to the growers for the 1921 crop. This probably will be some time after the first of the year. Due to weather conditions during the growing season, the 1922 crop is small and in view of the fact that the 1921 crop also was a short crop, it is generally believed that the Burley Association will dispose of the 1922 crop in a comparatively short time. The crop is of splendid quality and is sure to bring satisfactory prices.

The Dark Tobacco Growers' Co-operative Associa-

tion, which has recently been organized in western Kentucky, is actively engaged in completing its plans for the receiving and handling of the 1922 crop.

Special Article on Poultry and Eggs, Prepared by the Ohio Division of Markets

Ohio is one of the large chicken raising and egg producing states. This is an industry to which many farmers look for a source of revenue.

This has become particularly true during the past few years when other commodities, and particularly the products of the soil, have shown a tendency to become a means of less encouraging returns for the labor involved. As a result more people have turned to the raising of livestock and chickens. Small farms can be found in the vicinity of every urban center where poultry constitutes one of the chief, if not the chief industry.

There has been a belief in the minds of some extensively engaged in the business, that the rapid turn toward the production of poultry and eggs might lead to an over-supply of the commodities and bring about such an increase in the stock that they would flood the market and become a liability rather than an asset, even though there were no increase in demand.

Statistics secured by the Ohio Division of Markets of the State Department of Agriculture disapprove any apprehension which may be felt along such lines. They definitely demonstrate two things. First, there has been an increase in the supply of both poultry and eggs during the year; there has likewise been an enhanced demand and greater consumption, so that the amount in stock on December 1, 1922, was less as to the total of dressed poultry than on the same date, 1921, and but a little greater as to eggs. But one solution fits such a situation and this is a heartier appreciation on the part of the public as to the value of chickens and eggs as sustaining articles of food which brings with it a constantly increasing consumption.

The four big poultry and egg markets of the country are: New York, Chicago, Boston, and Philadelphia. New York is the largest, and a good part of the production from this state finds a ready sale in these cities. This is particularly true as to white eggs, for which New York people seem to have an unusual fondness. No small number of producers in Ohio send their entire supply of eggs with a whitish shell to dealers in that city, receiving a substantial price and finding a market always ready to purchase.

During the months from January 1, of this year, to December 1, the receipts of eggs at these four centers have been 14,844,740 cases. These were divided among the cities in the way given below: New York 6,645,760 cases; Chicago 4,650,350; Boston 1,918,662; and Philadelphia 1,651,963. The receipts for the same months in 1921 for these places were 13,866,110 cases, distributed as follows: New York 6,416,038; Chicago 4,068,833; Boston 1,781,859; Philadelphia 1,599,380. The increase, therefore, for the present year was 978,630 cases.

This might cause poultry raisers some little apprehension, were it not for the fact that the increase in

as is customary at this time of year. Collections continue good.

Boots and Shoes—Business conditions in this industry are showing a marked improvement when compared with the same period for 1922. The settlement of the strike has permitted the soliciting of new business by assuring better service. The raw material situation is reported to be in a satisfactory condition.

Cork—This industry is reported to be starting off

the new year a little faster than it did in January, 1922. Orders fall off in December because customers are desirous of having small inventories at the beginning of the year. Since January 1, some nice orders have been coming in.

Stoves and Ranges—No particular change has occurred in this industry since last month. The unsettled gas situation has caused a demand for combination ranges which burn either coal or gas. This type of range has been popular for several seasons.

Advance in Crude Oil Prices Attributed to Drop in Production of Light Gasoline Content Crude; Jobbers in the Market for Gasoline

To understand why the recent advances in crude oil prices took place in the Mid-Continent field, the relative production of light gasoline content crude and the so-called heavy crude with little or no gasoline content, should be studied over a period of several months.

National Petroleum News made such an analysis, the results showing that, while production as a whole has been increasing, the production of the more valuable lighter portion of that total production has been dropping off. In six months this decline amounted to approximately 45,000 barrels a day.

This explains, says *National Petroleum News*, why the principal purchasers of Mid-Continent crude found it necessary two months ago to put into effect a gravity schedule which virtually raised the price for the lighter crude, and when this did not materially increase the amount of such oil they could buy, the price was advanced 10 cents a barrel and a higher grade was increased by 30 cents a barrel.

Advances in other fields may be taken as a general desire to maintain the same relative differences as have been existing between Mid-Continent crude and crudes in other districts.

Indications point to a continuation of the present heavy gasoline consumption. In anticipation of their needs, jobbers over the country are now in the market for gasoline and some are figuring on putting in

more tankage to stock up with this commodity for spring business. The refinery market on gasoline, which was demoralized the early part of the winter, has shown more firmness during the past month and prices have advanced about one cent a gallon. The export market for kerosene has apparently weakened slightly, but demand from abroad for lubricating oils is a little better. Gas oil and fuel oil business remains fairly active.

At the present time there are few recent developments in the Teapot Dome district so far as new production is concerned. Salt Creek in Wyoming is reported to be capable of producing far greater quantities of crude than are now being taken from the ground. Some exploratory work by way of developing new territory is being carried on in various parts of South America.

According to a late report of the United States Geological Survey, the daily average production of petroleum during November (amounting to 1,596,300 barrels) increased 51,623 barrels; the daily average imports of crude and topped oil (amounting to 245,467 barrels) increase 6,499 barrels; the daily average exports of crude oil (amounting to 28,533 barrels) increased 4,630 barrels, and the daily average consumption of crude petroleum (amounting to 1,781,433 barrels) increased 74,078 barrels. The net results were that stocks increased 954,000 barrels. This is the smallest addition to storage that has been recorded for any month since September, 1920.

Pennsylvania Agricultural Summary; Ohio Wheat Acreage Less; Tobacco Sales Being Made Steadily

Pennsylvania Agricultural Summary for the Year 1922.—The total estimated area of the nine principal field crops, namely, wheat, corn, rye, oats, buckwheat, barley, potatoes, tobacco, and hay, for the year 1922, was 7,585,689 acres. The total estimated value of these crops, and including sweet potatoes and yams, edible beans, clover seed, apples, peaches, pears, grapes, and maple sugar and syrup, was \$211,195,123.87. According to the census, these seventeen crops represent 87½ per cent or seven-eighths of the total value of all agricultural crops in Pennsylvania. Applying this hypothesis to this year's estimates, the total value of all agricultural crops in Pennsylvania is approximately \$241,365,855.84, compared with \$202,489,776.88 last year. It appears that the income from agricultural crops this year was \$38,876,078.96 more than last

year but \$168,603,021.16 less than 1919. It is apparent that the average income from agricultural crops in this state for each of the 202,250 farms was approximately \$1,193.40.

Farm crops this year generally are better than the ten-year average. While a severe drought prevailed during the late summer and autumn, the crops were either matured or well advanced before the drought set in. Apples, peaches, and pears are all better than the three-year average production.

The market for wool has materially improved during the past year. The average price per pound has increased from 24 cents to 41 cents, and the total value of the clip from \$738,974.44 to \$1,259,179.70. Fifty-five per cent of the Pennsylvania wool is produced in Washington and Green counties.

The value of dairy products, eggs, wool, and honey is estimated at \$122,343,207, compared with \$110,603,784 last year and \$138,773,517 in 1919, as shown by the census.

There has been very little change in the value of farm land and farm wages during the past year. The estimated average price of farm lands, including buildings, is \$73.00 per acre compared with \$73.50 one year ago. Farm wages by the year, with board, are estimated at \$370.00 compared with \$375.00 one year ago; wages by the day, with board, \$2.10 compared with \$2.15 last year. There has been no apparent change in the wages paid female household help.

Owing to the severe drought that prevailed at sowing time and since, the grain in the ground has not made the usual growth. The condition is estimated at about 90 per cent compared with a 100 per cent condition one year ago.

Ohio—The acreage of wheat sown in Ohio last fall is two per cent below the previous year. For the whole United States the decrease is three per cent.

In the western and northwestern oats counties of Ohio, farmers have sown more wheat than they did in 1921, with the apparent intention of decreasing the oats acreage next spring. This increase is over-balanced by the decrease in other counties of the state, where there was a deficiency in the supply of labor for corn cutting, and in other sections where the weather was considered unfavorable for seeding, with a net total decrease of two per cent.

Farm wages in Ohio remained practically the same as a year ago, with a state average monthly rate, with board, of \$32.70 and a daily harvest rate of \$2.70.

The outstanding feature of a survey of the agricultural situation made by the United States Department of Agriculture is an increase of nearly \$2,000,-

000,000 in the buying power of the farmers of the country.

Kentucky—The 1922 deliveries of the Burley tobacco crop are being made steadily. Announcements of sales made to date total approximately 65 million pounds, at satisfactory prices. Deliveries of this tobacco are being made to the purchasers at the present time. These sales support the belief that the 1922 crop probably will be sold, for the most part, without having to be held for any considerable length of time by the marketing organization.

Readers of the *Review* may recall that the plan of operation of the Association provides for the making of an advance to the grower at the time he delivers his tobacco to the organization. Definite tobacco grades were formulated by the Association a year ago and a definite advance value has been placed upon each grade. The advance values for the 1922 crop are higher in most cases than for the corresponding grades in 1921.

All of the tobacco of the 1921 crop which was controlled by the Association had been disposed of in the latter part of 1922, and it is probable that final payment for this crop will be made to the growers some time during January. The sales of non-pooled tobacco have continued on the independent loose leaf floors at prices which have averaged close to 30 cents a pound.

The Dark Tobacco Growers' Association in western Kentucky has made the arrangement and has recently opened its warehouses for the delivery of tobacco by growers, so that the tobacco controlled by that Association is now being received. Several sales already have been announced by that organization, indicating that it is meeting with satisfactory progress in disposing of the crops of its members.

In the following table are given the farm values of important crops, not including cotton, as compiled from the official returns (1921 figures revised):

Crops	1922	1921	1920
Corn.....	\$1,900,287,000	\$1,297,213,000	\$2,150,332,000
Total wheat.....	864,139,000	754,834,000	1,197,263,000
Oats.....	478,548,000	325,954,000	688,311,000
Barley.....	97,751,000	64,934,000	135,083,000
Rye.....	66,085,000	43,014,000	76,693,000
Hay.....	1,331,679,000	1,099,518,000	1,758,350,000
Buckwheat.....	13,312,000	11,540,000	16,863,000
Flaxseed.....	52,869,000	11,648,000	19,039,000
Potatoes.....	262,608,000	398,362,000	461,778,000
Tobacco.....	306,162,000	212,728,000	335,675,000

Following are statistics of acreage and production (000 omitted) as given in the December report of the Department of Agriculture (1921 figures revised):

Crops	1922		1921		1920	
	Acreage	Bushels	Acreage	Bushels	Acreage	Bushels
Corn.....	102,428	2,890,712	103,740	3,068,569	101,699	3,230,532
Wheat, Winter.....	42,127	586,204	43,414	600,316	40,016	610,597
Wheat, Spring.....	19,103	270,007	20,282	214,589	21,127	222,430
Total wheat.....	61,230	856,211	63,696	814,905	61,143	833,027
Oats.....	40,693	1,215,496	45,495	1,078,341	42,491	1,496,281
Barley.....	7,390	186,110	7,414	154,946	7,600	189,332
Rye.....	6,210	95,497	4,528	61,657	4,409	60,490
Tobacco.....	1,725	*1,324,840	1,427	*1,069,693	1,960	*1,582,225

* Pounds.

Coal Production Sufficiently Large to Place Some Reserve in Stock; Buyers Order in Small Lots

There is a strong demand for coal at present, but the actual shortage which was experienced some time ago has largely disappeared.

There appears to be little difficulty in furnishing sufficient fuel for household use. The demand for home consumption is largely dependent upon weather conditions, for the people are not ordering in large quantities as they have done in previous years, but seem inclined to order in small lots.

Lack of transportation facilities is a serious problem, but coal men can see a slight improvement in this direction.

The test of the sufficiency of production to meet requirements is the state of the consumers' stocks. According to a late report of the Geological Survey, approximately 28,000,000 net tons of soft coal were in commercial storage on October 1, 1922. The available information indicates that the rate of consumption has increased since September, but has not yet equalled the rate of production. Consequently coal has been moving into storage and stocks on January 1, 1923, exceeded those in October of last year. So far the definite extent of the increase has not been determined.

Preliminary estimates place the output of soft coal for the month of December of last year at 46,450,000 net tons. This total includes lignite and coal coked at the mines. This was the largest monthly record since March, 1922, and, in fact, has been exceeded but once since December, 1920.

The anthracite fields showed the customary cessation of mining activities during the holiday season, but since that time production is again moving upward. Preliminary estimates of anthracite production in the week ending January 6 show a total of 1,725,000 net tons as compared with 1,560,000 net tons for the previous week. The nine principal anthracite carriers reported 32,976 cars loaded. In comparison with the week preceding, this was an increase of 10 per cent.

There was a sharp increase in the production of beehive coke during the first week of 1923. Estimates by the Geological Survey placed the total output at 308,000 net tons, which was nearly three times the output in the corresponding week of 1922. In comparison with the week ending December 19, 1922, the most recent week of full-time operation, this was an increase of 27,000 tons or 9.6 per cent.

Transportation Improves as Revenue Freight Loadings Decrease and Equipment is Repaired

The transportation situation appears to be showing a little improvement from day to day. Complaints as to delays in transit are becoming less numerous and the difficulties which shippers have been experiencing on account of embargoes are not so great today as they were a month ago. It is still difficult, however, to make shipments to certain parts of the country, notably New England.

For some months past there has been a serious shortage of freight equipment but this is gradually disappearing. On December 31 there was a total shortage of 82,927 and a surplus of 14,981 freight cars in the country. On December 8 the shortage was 111,961 and the surplus 6,657. These figures are in

sharp contrast to those of a year ago. On December 31, 1921, there was a total surplus of 470,516 cars and a shortage of 110.

Weekly loadings of revenue freight are falling off and this fact accounts largely for the decrease in the car shortage. During the week of December 23, 834,591 cars were loaded and during the week of December 9 the total reached 919,628. Figures for this year are much higher than those for 1920 and 1921.

The number of cars and locomotives unfit for service is lower now than for many months past, indicating an increased ability on the part of the railroads to handle the business offered.

Reports From Textile and Clothing Manufacturers Reflect Healthy Business; Buyers Show More Confidence

The month of December was reported to be a very satisfactory one in the textile industry. January usually is less satisfactory, for the employees are slow in settling back to work after the holidays. Operations, however, began more promptly than for several years past. A general labor shortage is reported.

The men's ready-to-wear business continues fairly satisfactory. Current impressions are that wholesale clothiers have booked approximately 15 to 20 per cent greater volume than a year ago, and plants are working on a better production program than they were operating on at that time. Primarily, the weak spot in this industry is in the agricultural territories, par-

ticularly where the principal crops are those whose prices have not risen substantially above the cost of producing. Territories where corn and dairy products are produced seem to be better off than those where wheat and other cereals are raised. The large industrial centers appear to be in much better shape from the retail point of view than the smaller towns.

An inconsistency seems to have developed in the men's clothing industry, in that retail business appears to have prospered more than the manufacturing, these two branches of the industry usually being more similarly affected.

There is no doubt, however, that the entire tone

of the industry is more confident than it has been for the past two years. The most serious problem is the rise in the price of woollens with the consequent results all the way down the line. It is not possible at this time to determine how much this will affect wholesalers' and retailers' business.

Spring business in the women's garment industry opened especially well, and the industry is starting on its 1923 campaign with very good prospects. The advance in raw material prices has served to convince buyers that prices have hit the bottom and retailers are buying with more confidence. The fall and winter business has cleared shelves so that dealers can plan for spring free from the burden which unsold or carried over goods represent.

The volume of orders for spring goods reflects an attitude of confidence. The salesmen of the cloak and suit houses left on their spring selling trips the latter part of December and early in January. The reports so far received from them are very generally favorable from all sections of the country. The dress factories are now at the peak of their season, and production in garment factories has practically reached full swing. A delay in the delivery of raw materials, however, is causing a consequent delay in production.

Materials in the more popular fabrics are difficult to secure, especially those novelties which are in great demand for the season. The most wanted fabrics are mainly of varieties that cannot be turned out either with great speed or in great volume. This also applies to garments fashioned from these fabrics. Their elaborateness absorbs both skill and time and so restricts quantity output. These little conceits and the deft touches that express refinement of detail and eventually lead to elegance in the finished garment, are

an important part of the present day demand, and affect the production problem from its mechanical side. At the same time this represents a development of taste in dress on the part of consumers that stimulates demand and distribution.

This, however, does not imply that great numbers of styles or types have to be evolved to meet this promising demand, but that, on the contrary, a limited number of types expressive of prevailing modes in their best sense will reach the fancies and satisfy the greatest number of buyers.

The twenty-five manufacturers of women's garments, comprising the Cleveland Garment Manufacturers' Association have just renewed the agreement between themselves and their workers. This agreement provides for the continuance of scientific management in the Cleveland industry, which the manufacturers are depending upon to greatly improve the efficiency in their industry. The Board of Referees which functions under this agreement has decided against any increase in wages at the present time. The next general wage hearing will be held in April.

Reports from knit underwear manufacturers reflect a generally healthy condition of business. Buyers have placed their orders for the fall of 1923 in a very generous way. Factory operations are heavy. Stocks of jobbers and retailers are reported to be abnormally low, for buyers have been backward for several seasons in filling their requirements. Advance business has been coming in from practically all sections of the country. Among the best customers are those jobbers who have adopted the most constructive sales policy during the past few years.

Conditions in the fancy knit goods business are quite satisfactory at present. Booking of fall business is pretty well completed and manufacturers are now getting the production campaign under way.

Rubber Industry Begins New Year With Heavy Production Schedules; Dealers are Active

Production in the rubber industry is showing an increase over last winter's output, largely because of the fact that more of the principal products are being used and also because the industry is making advances in new directions. The motor car business has held up remarkably well during the fall and winter months and this has naturally been reflected in an increased business for the rubber manufacturer. Demand on the part of dealers was also considerably better in the last three months of 1922 than in the same period of last year. In addition to the above, the spring dating plan whereby dealers are furnished with tires during December, January, and February, with payments coming due in the spring months, is proving beneficial.

Statistics for the major part of the entire industry for October of last year showed that 38 per cent more pneumatic automobile tires were produced in that month than in October, 1921. November and December failed to show the usual seasonal decline with the result that manufacturers enjoyed an unusually large volume of business at a time when plants are ordinarily placed on a reduced operating schedule.

The week between Christmas and New Year was an exception and proved to be a weak link in the continuous chain of business. Business at that time appeared to be dull, which fact may possibly be attributed to the holiday trade receiving more attention from the sales side than from the buying side. Immediately after January 1, activity again became apparent.

The following excerpt from the report of an executive of a representative concern throws an interesting light on the rubber situation. He says:

"The year has started in a way which would indicate a continuation of wholesome business, but those conservatists who are giving consideration to the last six months of this year—of which I am one—are fearful that the first six months of 1923 may be so buoyant as to create an over-production, or price inflation, which could not be maintained another fall and winter season. And in the event that such is the case, deflation would have to take place during October, November, and December of this year. We are hopeful that

the entire tire industry may avoid any such condition, and we are doing our utmost in this company—even though it be in a small way—to maintain stabilization. We do not believe further increases in raw materials or tire prices will work for good in the tire industry,

although the situation, as it now exists, might be maintained indefinitely with a resulting wholesome business, in which supply and demand would be more nearly balanced and profits sufficient to all classes of investors."

No Particular Change in Wholesale Grocery Business Since Last Month; Buyers Want Quality Products

Sales of wholesale grocers are showing a healthy gain over the corresponding period last year. There has been no marked change, however, since our last report. There is a good demand for fancy canned goods. Prices are showing an advancing tendency. Retailers are buying in small quantities, but they are ordering more frequently. There is also an increased demand for such items as dried beans, peas, and other lines of a similar character. Transportation service is reported to be improving. Collections at this time are fairly satisfactory. Stocks in the hands of retailers are quite low.

The holiday season evidenced an increased buying ability on the part of the consumer. Buyers also showed a desire for quality products. The housewife seemed to be more critical in her purchases. It seems that the present policy is to shop around, but not to purchase unknown merchandise or products without a good reputation.

The following report summarizes general departments in the wholesale grocery business as they stand out in reference to dealers' and consumers' buying.

Cereals—Quiet with prices firm.

Sauerkraut—Sales very good.

Fish in Bulk—Little demand.

Bakers' Supplies—Improved buying, with prices firm.

Coffee and Tea—Demand normal and satisfactory. Stocks are low. Market is firm and prices are advancing.

Soap—Sales are lively. Prices are advancing due to increase in raw material and manufacturing costs.

Beverages—Sales are good. This particular line shows a tendency to become a twelve-month seller.

Candy—Sales practically double those for the same period in 1922. Prices are firm.

Canned Goods—Demand very good. Available spot stocks nearly cleaned up. Prices advancing.

Preserves—Little demand.

Condiments—Sales very satisfactory.

Olives—Prices high. The market is firm and the demand is good.

Peanuts—No particular change since last month, when sales were reported to be quite satisfactory.

Cheese—Buying improving. Market is firm and prices are advancing.

Cigarettes—Sales very satisfactory. Market in unsettled condition.

Cigars—Market very firm with good sales.

Sugar—Market dull. Demand normal for season.

Farmers in Need of New Machinery; Factory Operations Under Way to Meet Spring Demand

The present quiet of the winter season fails to show much improvement in the farm implement and tractor manufacturing business.

As the spring selling season draws nearer, however, it is becoming more evident that the farmer is coming back into the implement market. During the early part of 1920, the farmers began buying to make up for their light buying of the four or five previous years. Present indications point to a recurrence of the movement, as the position of the farmer is gradually improving and he is in need of new and up-to-date equipment.

Dealers are planning for a large volume of business and are expressing their belief in the future with car-load orders. While active buying was light in 1921 and 1922, both dealers and manufacturers were able to clean up their old stocks of high-priced goods, even though it involved a loss. The industry is now going ahead with its losses in the background and starting with a clean balance sheet.

Orders for 1923 thus far are ahead of factory schedules and up to this time the direct influence of the crop growing season has not been experienced.

It is interesting to contemplate the shortage of ma-

chinery on American farms. It has been estimated by the *Chilton Tractor Journal* that, considering the buying of 1912 and 1913 as normal, the farmers are now one billion dollars behind in their purchase of farm machinery. The greatest volume of business ever done by the implement and tractor industries in one year amounted to about a half-billion dollars. Thus if the farmers should restore their farm equipment to the normal prewar condition, it would require the entire production facilities of the industry for two years. This, of course, would be in addition to the normal amount of business which develops from year to year.

Prospects for tractor and power implement business are good. With old equipment worn out, the farmers can change from animal to mechanical power much more readily than when they have a large amount of horse-drawn equipment on hand.

With favorable weather the 1923 retail selling season is expected to open early. The early trade naturally is the southern trade where farm operations start during the middle or latter part of February. Southern farmers and planters are in a better position than those in other sections and are ready to replenish their worn-out farm equipment.

During the last month production costs have again moved upward. Other problems also have to be met. Manufacturers, however, are continuing the price lim-

its established last fall, and hesitate to make any advances, believing that such a move might have an adverse effect upon the buying of the farmers.

Cold Weather Has Little Effect on Building Operations; Survey Shows Construction Work Continues Through Winter Months

The past year registered a remarkable volume of building operations. After a somewhat slow start due to uncertain transportation, wage, and labor conditions, building showed a rapid gain. The high rate of operations was in evidence throughout the summer months and continued in spite of winter weather. While recent cold spells have held back construction work to some extent, up to the present time there have been few delays of this nature. So far the weather has been unusually favorable for work in the open. Basing their anticipations upon the record of the closing months of 1922, builders and architects are making preparations for another good year.

A survey of the building situation relative to cities in various sections of the Fourth District shows a large amount of building in progress, especially when the season of the year is taken into consideration. Figures now available for the Cleveland district, indicate that suburban home building for the last year was even greater than had been anticipated. For the suburbs adjacent to Cleveland and located within Cuyahoga County, a total value of about \$35,000,000 was registered for building permits issued during the year. This was practically double the figures for the same suburbs in 1921. That this was due primarily to home construction is indicated by the fact that the total value of permits within the city proper aggregated \$55,000,000 as compared with \$46,500,000 the previous year, covering all classes and kinds of building operations.

An unusually large amount of building has been in progress in Columbus, Ohio, during this winter. This includes a million dollar Y. M. C. A. building, four one million dollar high schools, and elementary school buildings aggregate another two million dollars. A one million dollar children's hospital is progressing rapidly through the winter. There are evidences that the home building campaign which reached a high peak last year, will start earlier than it did in 1922. This is partially due to the fact that so far it has been a very open winter and there has not been a sufficient accumulation of frost in the ground to delay early excavations for new building projects.

Building is progressing very well in Pittsburgh, Pa. Ordinarily there are not many new buildings started during the winter months, but owing to the open winter and the shortage of dwellings, new work is being undertaken right along. Last spring and summer, plans for residence construction of medium class were made under the impression that building costs would not advance materially. At the present time there is a large volume of this type of construction. The consensus of opinion of Pittsburgh business men appears to be that up to this time the advance in construction costs have had little effect on the volume of building in their city. A general shortage of labor is reported.

In Braddock, Pa., no special activity is reported as the city proper is pretty well built up. The outskirts, however, give evidence of a heavy building program.

Building in Youngstown, Ohio, is reported to be at low ebb.

The building program in Dayton, Ohio, for the past year has been exceedingly good. It was estimated that the normal building program was practically tripled. The advance in construction costs did not appear to hinder operations to any great extent. Labor shortage proved to be somewhat of a handicap.

Building of homes in Toledo, Ohio, has been checked somewhat by winter. Commercial building is active and it is reported that at present there are more commercial building plans in the offices of architects than would have covered all commercial building for the past year. While there is no abundance of common labor, so far there seems to be an ample supply.

There was considerable building in Marion, Ohio, the past year but it was retarded somewhat by the high cost of labor and materials.

Akron, Ohio, reports a great deal of building being done at this time.

In Elyria, Ohio, there has been a considerable let-up in building operations, and many prospective builders appear to be hesitating because of the advance in construction costs.

Building is progressing rapidly in Steubenville, Ohio. Plans for a large amount of new work are in the hands of contractors and builders. Costs are reported as having little effect on the program.

The building operations in Cincinnati, Ohio, continue on a very large scale. Quite a number of large department store, office and industrial buildings, are now under way with more in contemplation. Some shortage of common labor is reported. In the building trades there has been a continuation of the jurisdictional disputes between unions.

Building is progressing very rapidly in Lexington, Ky. Several new business structures are being erected and new dwelling houses are numerous.

In Wheeling, West Virginia, little effect is noticeable so far by reason of the advance in construction costs. Building prospects are reported to be bright.

NOTE—We are particularly anxious to obtain January, 1920, issues of the Monthly Business Review; also any copies of the Review for the years 1919 and 1920 which any of our readers could send us. We will very much appreciate your cooperation in this matter.

Debits to Individual Accounts

	Week End- ing Jan. 17, 1923 (325 Banks)	Week End- ing Dec. 20, 1922 (326 Banks)	Increase or Decrease Amount Per Cent		Week End- ing Jan. 18, 1922 (270 Banks)	Increase or Decrease Amount Per Cent	
Akron.....	\$ 15,324,000	\$ 15,340,000	—\$	16,000 — 0.1	\$ 12,463,000	\$ 2,861,000	23.0
Butler, Pa.*.....	2,440,000	2,572,000	—	132,000 — 5.1	.....	.....	.....
Canton*.....	9,989,000	11,070,000	—	1,081,000 — 9.8	.....	.....	.....
Cincinnati.....	84,226,000	82,533,000		1,693,000 2.1	65,464,000	18,762,000	28.7
Cleveland.....	145,347,000	148,818,000	—	3,471,000 — 2.3	119,693,000	25,654,000	21.4
Columbus.....	35,919,000	34,820,000		1,099,000 3.2	27,921,000	7,998,000	28.6
Connellsville*.....	1,540,000	1,426,000		114,000 8.0	.....	.....	.....
Dayton.....	15,099,000	15,523,000	—	424,000 — 2.7	11,905,000	3,194,000	26.8
Erie.....	7,621,000	7,499,000		122,000 1.6	5,479,000	2,142,000	39.1
Greensburg.....	5,171,000	4,765,000		406,000 8.5	4,086,000	1,085,000	26.6
Homestead*.....	886,000	794,000		92,000 11.6	.....	.....	.....
Lexington.....	7,974,000	6,548,000		1,426,000 21.8	4,734,000	3,240,000	68.4
Lima*.....	3,817,000	4,203,000	—	386,000 — 9.2	.....	.....	.....
Lorain*.....	1,204,000	1,359,000	—	155,000 —11.4	.....	.....	.....
Middletown*.....	2,145,000	2,506,000	—	361,000 —14.4	.....	.....	.....
New Brighton*.....	2,553,000	2,576,000	—	23,000 — 0.9	.....	.....	.....
Oil City.....	3,147,000	3,398,000	—	251,000 — 7.4	2,627,000	520,000	19.8
Pittsburgh.....	186,362,000	216,153,000	—	29,791,000 —13.8	146,317,000	40,045,000	27.4
Springfield.....	5,588,000	4,123,000		1,465,000 35.5	3,760,000	1,828,000	48.6
Toledo.....	44,316,000	45,514,000	—	1,198,000 — 2.6	33,368,000	10,948,000	32.8
Warren, O.*.....	2,923,000	2,862,000		61,000 2.1	.....	.....	.....
Wheeling.....	15,618,000	10,936,000		4,682,000 42.8	6,680,000	8,938,000	133.8
Youngstown.....	14,555,000	12,246,000		2,309,000 18.9	8,347,000	6,208,000	74.4
Zanesville*.....	2,913,000	2,871,000		42,000 1.5	.....	.....	.....
Total.....	\$616,677,000	\$640,455,000	—\$23,778,000	— 3.7	\$452,844,000	\$133,423,000	29.5

* Debits for corresponding period 1922 not available.

Comparative Statement of Selected Member Banks in Fourth District

	Jan. 10, 1923 (84 Banks)	Dec. 13, 1922 (84 Banks)	Inc.	Dec.
*Loans and Discounts secured by U. S. Government obligations.....	\$ 31,223,000	\$ 31,192,000	\$ 31,000	\$
*Loans and Discounts secured by other stocks and bonds.....	376,137,000	374,743,000	1,394,000	.....
*Loans and Discounts, all other.....	642,828,000	651,223,000	.....	8,395,000
U. S. Bonds.....	175,992,000	177,218,000	.....	1,226,000
U. S. Victory and Treasury Notes.....	48,534,000	36,650,000	11,884,000	.....
U. S. Certificates of Indebtedness.....	17,692,000	3,496,000	14,196,000	.....
Other Bonds, Stocks, and Securities.....	294,152,000	292,288,000	1,864,000	.....
Total Loans, Discounts, and Investments.....	1,586,558,000	1,566,810,000	19,748,000	.....
Reserve with Federal Reserve Bank.....	101,341,000	93,987,000	7,354,000	.....
Cash in Vault.....	34,367,000	36,207,000	.....	1,840,000
Net Demand Deposits.....	914,310,000	855,138,000	59,172,000	.....
Time Deposits.....	541,842,000	555,823,000	.....	13,981,000
Government Deposits.....	14,566,000	10,693,000	3,873,000	.....
Total Resources at date of this report.....	2,015,427,000	1,988,037,000	27,390,000	.....

*Includes rediscounts

Wholesale Trade**Percentage Increase (or Decrease) in Net Sales During December, 1922, as Compared with November, 1922, and December, 1921**

	Dry Goods	Hardware	Drugs	Groceries
Net Sales (selling price) during December, 1922, compared with November, 1922.....	—11.7	—10.0	—0.3	—12.7
Net Sales (selling price) during December, 1922, compared with December, 1921.....	19.9	37.4	6.5	11.3

Department Store Sales

	Cleveland	Pittsburgh	Cincinnati	Toledo	Akron	Canton	Other Cities	District
Percentage of net sales (selling price) during December, 1922, over net sales (selling price) during the same month last year..	14.5	15.5	5.4	13.2	12.0	20.3	31.0	14.1
Percentage of net sales (selling price) from July 1, 1922, to December 31, 1922, over net sales (selling price) during the same period last year.....	16.7	12.4	1.7	9.9	14.4	12.7	27.8	12.6
Percentage of stocks at close of December, 1922, over stocks at close of same month last year.....	9.3	-9.3	-11.3	1.1	12.1	4.9	20.5	-1.0
Percentage of stocks at close of December, 1922, over stocks at close of Nov., 1922	-14.7	-14.9	-19.1	-18.4	-16.1	-9.2	-19.4	-15.8
Percentage of average stocks at close of each month this season (commencing with July 1, 1922) to average monthly net sales during the same period.....	300.5	324.3	382.7	319.2	370.7	669.1	327.0	331.0
Percentage of all outstanding orders (cost) at close of December, 1922, to total purchases (cost) during the calendar year, 1921.....	7.9	9.2	11.3	6.9	7.6	...	8.2	8.7

Building Operations for Month of December, 1922-1921

	Permits Issued				Valuation				Increase or Decrease	
	New Construction		Alterations		New Construction		Alterations			
	1922	1921	1922	1921	1922	1921	1922	1921	Amount	Per Cent
Akron.....	116	87	27	25	\$ 200,546	\$ 230,120	\$ 39,530	\$ 8,535	\$ 1,421	0.6
Canton....	67	55	28	23	207,397	118,669	22,375	9,538	101,565	79.2
Cincinnati..	234	194	139	158	1,240,720	2,569,445	158,130	342,685	—1,513,280	—52.0
Cleveland*..	498	314	450	423	5,016,915	2,756,345	1,056,295	443,515	2,873,350	89.8
Columbus..	219	147	52	61	533,990	328,290	85,310	66,375	224,635	56.9
Dayton....	80	73	36	23	225,546	395,885	42,180	15,641	—143,800	—34.9
Erie.....	72	57	16	23	241,700	152,090	27,475	68,940	48,145	21.8
Lexington..	19	17	27	42	22,475	163,695	10,870	75,000	—205,350	—86.0
Pittsburgh..	256	272	57	66	2,054,199	2,458,392	268,441	132,463	—268,215	—10.4
Springfield..	28	28	11	7	40,150	15,940	4,150	4,925	23,435	112.3
Toledo.....	132	96	49	65	762,735	962,020	54,575	88,361	—233,071	—22.2
Wheeling...	32	27	25	2	178,600	122,865	30,120	150	85,705	69.7
Youngstown	78	55	13	18	734,115	148,505	21,385	11,050	595,945	373.5
Total....	1,831	1,422	930	936	\$11,459,088	\$10,422,261	\$1,820,836	\$1,267,178	\$1,590,485	13.6

* Includes figures for East Cleveland, Lakewood, Cleveland Heights, and Shaker Heights.

* Includes figures for East Cleveland, Lakewood, Cleveland Heights, and Shaker Heights.

Movement of Livestock at Principal Centers in Fourth Federal Reserve District for Month of December, 1922-1921

	Cattle		Hogs		Sheep		Calves		Cars Unloaded	
	1922	1921	1922	1921	1922	1921	1922	1921	1922	1921
Cincinnati..	22,732	24,289	122,932	141,412	4,782	11,518	8,901	10,329	1,702	2,226
Cleveland....	12,883	9,679	114,140	85,601	32,915	45,247	11,361	9,384	2,070	1,700
Columbus.....	81	26	7,055	3,655	164	28	163	258	13	13
Dayton.....	1,676	1,444	13,467	12,359	484	210	709	674	...	...
Fostoria.....	774	411	12,141	8,485	1,320	1,970	504	518	33	28
Marion.....	249	27	8,140	4,423	880	560	146	105	...	...
Pittsburgh..	42,741	47,460	310,421	282,668	48,576	112,855	28,039	26,600	5,292	5,154
Springfield..	140	161	5,203	5,609	129	820	212	198	...	...
Toledo.....	604	703	14,567	7,685	926	2,442	519	542	179	124
Wheeling.....	312	213	3,462	1,755	127	233	830	524	43	27
Purchases for Local Slaughter										
Cincinnati..	12,067	15,589	56,642	95,423	3,420	9,417	3,984	6,062	...	...
Cleveland....	12,055	9,200	91,624	62,793	16,672	24,370	9,915	8,885	...	...
Columbus.....	25	2	390	881	3	18	51	95	...	...
Fostoria.....	35	32	125	1,679	8	8	33	40	...	...
Marion.....	166	27	2,391	2,201	2	53	110	57	...	...
Pittsburgh..	5,576	5,769	59,696	56,462	8,015	11,890	6,576	6,513	...	...
Springfield..	65	...	596	600	229	...	42	...	...	...
Wheeling.....	312	213	3,462	1,755	127	233	830	524	...	...

What the Automotive Industry is Doing

A report by the National Automobile Chamber of Commerce relative to the automotive industry, including statistics on production, registration, the automobile's relation to other business, motor bus and motor truck facts, exports, and motor vehicle retail business in the United States.

PRODUCTION

Cars and trucks	2,527,000
Cars	2,287,000*
Trucks	240,000*
Previous record motor vehicle production (1920)	2,205,000
Number of new cars needed for replacements in 1923	1,800,000
Production of closed cars	35%
Total wholesale value of cars and trucks	1,558,567,000
Total wholesale value of cars	1,374,487,000
Total wholesale value of trucks	184,080,000
Estimated average retail price of car 1921	900
Estimated average retail price of car 1922	770
Reduction in average retail price of car	14%
Estimated average retail price of truck 1921	1326
Estimated average retail price of truck 1922	1,050
Reduction in average retail price of truck	21%
Tire production	36,340,000
Number of persons employed in motor vehicle and allied lines	2,431,400

REGISTRATION

Motor vehicles registered in U. S. (approx.)	11,500,000
Motor cars	10,250,000
Motor trucks	1,250,000
Increase in U. S. registration over last year	7%
World registration of motor vehicles	12,750,000
Per cent of world registration owned by U. S. A.	81%
Motor vehicle registration on farms	3,500,000
Motor cars	3,300,000
Motor trucks	200,000
Motor cars serving suburban communities	780,000
Passengers carried annually by motor car	7,500,000,000

AUTOMOBILE'S RELATION TO OTHER BUSINESS

Number of carloads of automobile freight shipped by railroad	400,000
Per cent of rubber supply used by automobile industry	83%
Per cent of plate glass supply used by automobile industry	30%
Per cent of aluminum supply used by automobile industry	20%
Per cent of iron and steel supply used by automobile industry	4%
Number of doctors using motor cars	110,000
Number of motor cars owned by corporations	600,000
Gasoline consumption (U. S.) 1922 (gals.)	5,300,000,000
Gasoline consumption (U. S.) 1921 (gals.)	4,506,760,000
Average monthly surplus of gasoline (gals.)	784,261,000
Per cent of cars used more or less for business	90%
Per cent of total car mileage used entirely for business	60%

MOTOR BUS AND MOTOR TRUCK FACTS

Number of cities using bus lines	108
Number of motor buses in use	40,000
Number of schools using motor buses	12,000
Number of street railways using motor buses	56
Number of railroads using motor vehicles on short lines	40
Number of motor express lines in U. S.	1,500
Farm products hauled by motor transport annually (tons)	134,400,000
Freight hauled annually by motor trucks (tons)	1,430,000,000

EXPORTS

Value of motor vehicles and parts exports (including engines and tires)	123,742,000
Number of motor cars exported	66,000
Number of motor trucks exported	10,000
Value of motor cars exported	52,125,000
Value of motor trucks exported	8,381,000

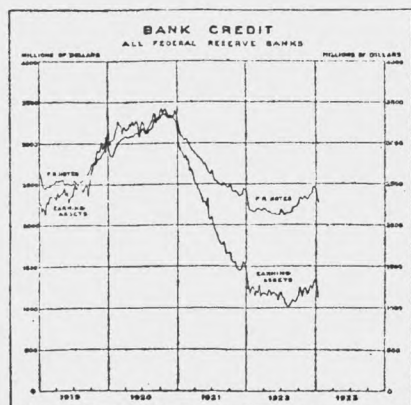
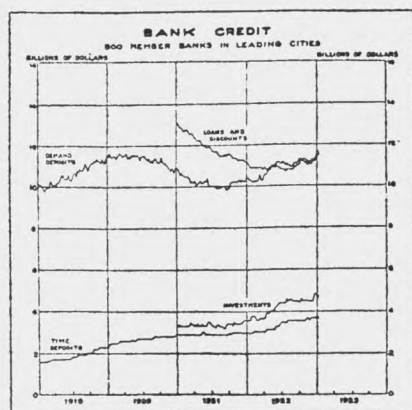
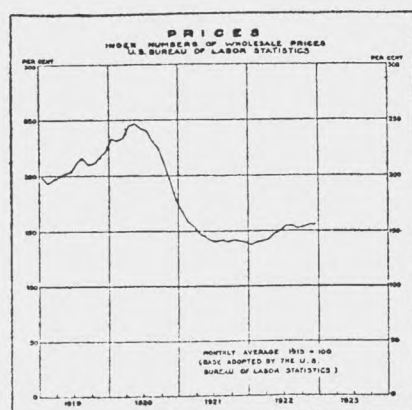
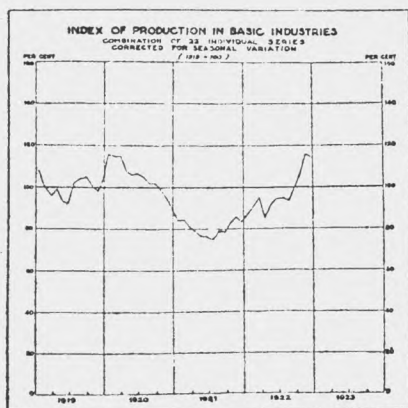
MOTOR VEHICLE RETAIL BUSINESS IN U. S.

Passenger car dealers	38,000
Motor truck dealers	25,000
Public garages	48,000
Service stations and repair shops	63,000
Supply stores	63,700

*The Department of Commerce production figures for the past year are: passenger car, 2,335,232, and motor trucks 242,948.

Summary of Business and Credit Conditions in the United States

By the Federal Reserve Board



Production and prices remained relatively constant in December, while trade and credit showed the usual increases in the holiday season followed by declines in January.

PRODUCTION

The index of production in basic industries, after rising rapidly since last August, showed a slight recession in December, though production was maintained at a level near the peak of 1920. The output of pig iron and coal continued to increase, but the production of certain other commodities, particularly of cotton, textiles and flour, showed declines. In southern districts the building industry continued active and in all parts of the country much new construction was projected.

Railroad traffic continued heavier than a year ago, though the seasonal decline in car loadings and the reduction in bad order cars partially relieved freight congestion.

Employment at industrial establishments made a further advance in December, accompanied by wage increases in certain industries. Some shortage of labor in the eastern districts was still reported, but in the Pacific states a substantial surplus of unskilled labor was indicated.

WHOLESALE PRICES

The general level of wholesale prices remained unchanged in December. Among varied groups of commodities the price tendencies of recent months were continued. Prices of farm products, cloth, chemicals and house furnishings, registered further increases, while fuel and metals prices continued to decline.

During January a number of basic commodities advanced in price and cotton, rubber and lead rose to the highest points since 1920.

BANK CREDIT

Dividend and interest payments and the disbursement of government funds in connection with the redemption of victory notes and war savings certificates, together with the usual decline in the demand for currency after the holiday season, were attended by a large increase in the volume of new security issues, and by somewhat easier money conditions. Open market commercial paper rates in financial centers which were $4\frac{1}{4}$ to $4\frac{3}{4}$ per cent in December declined to $4\frac{1}{2}$ to $4\frac{1}{4}$ per cent in January.

Member banks in leading cities reported an increase in demand deposits, an important factor in which was the usual seasonal flow of funds from country districts to financial centers. While the volume of lines of stocks and bonds decreased in the first two weeks of January, there was a somewhat larger increase in the investments owned by the banks.

At the Federal Reserve banks the principal change between December 20 and January 24 was a reduction of \$230,000,000 in Federal Reserve note circulation, caused by the seasonal decline in currency requirements. Reserves increased \$65,000,000 while earning assets declined \$171,000,000.

These changes are similar to developments during the same period a year ago, although the decline in earning assets was less than last year.

VOLUME OF TRADE

Wholesale trade in most reporting lines showed a seasonal decline during December but was considerably larger than a year ago. Farm implement dealers, however, reported larger sales than in November, and more than doubled their December, 1921, business. Retail sales of reporting stores during December reached the largest volume in the last four years.

FOURTH FEDERAL RESERVE DISTRICT

