

# *The Monthly Business Review*

**Covering financial, industrial, and agricultural conditions  
in the Fourth Federal Reserve District**

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**“THE NEW YEAR IS STARTING OUT WITH MUCH IN ITS FAVOR. IT IS TRUE THAT THE RATE AT WHICH INDUSTRY IS MOVING IS LESS IMPRESSIVE THAN IT WAS A YEAR AGO, BUT AT THE SAME TIME OPERATING FRICTION HAS BEEN FURTHER REDUCED. AS A RESULT THE 1924 BUSINESS MACHINE IS BETTER FITTED TO STAND UP UNDER THE WEAR AND TEAR OF A LONG DRIVE THAN WAS LAST YEAR'S MODEL.”—EDITORIAL.**

**FEDERAL RESERVE BANK of CLEVELAND**

**D. C. Wills, Chairman of the Board**

(COMPILED DECEMBER 22, 1923)

## An Editorial

**T**HE new year is starting out with much in its favor. It is true that the rate at which industry is moving is less impressive than it was a year ago, but at the same time operating friction has been further reduced. As a result the 1924 business machine is better fitted to stand up under the wear and tear of a long drive than was last year's model.

Furthermore the fundamental working parts which proved so successful last year are still in good order. In other words those controlling factors which made 1923 a record year have been carried over into 1924. Let us see what some of them are.

Undoubtedly one of the biggest single factors has been the universal conservatism among those charged with the responsibility of carrying on business, this conservatism being of a quality which was influenced neither by unfounded expectations of a great increase in business nor by the pessimistic opinions occasioned by various happenings throughout the world. Such conservatism inevitably tends to steady industry and trade as a whole and to inspire a widespread confidence in the future.

Other decidedly important factors are:

The legitimate demands of a prosperous and well employed people.

Efficient transportation together with the rehabilitation program mapped out by the railroads.

The continuance of sound credit conditions.

The improvement in the agricultural situation.

Marked activity in building.

Efforts to economize both in production and selling.

The individual tendency to save.

The faith of the people in the business stability of the country.

It is not unreasonable to suppose that the above factors will govern 1924 business activities.

In selecting only the favorable features it is not proposed to draw a curtain of optimism over the unfavorable ones. Their handicaps are fully appreciated but they are overshadowed by those elements which keep business in this country moving in the right direction. For this reason it would appear that the new year can be approached with confidence.

A year ago the *Monthly Business Review* stated that there were good things in store for us in 1923 if we knew how to look for them. As we face 1924 no more fitting statement can be made.

## ***Borrowings by Member Banks Show Upward Trend; More Than One Billion Dollars Added to Savings Accounts in Year Ending June 30***

Loans to city banks in the Fourth Federal Reserve District on December 20 were somewhat higher than they were a month earlier due largely to the customary demand for seasonal accommodations. On November 20 they were \$42,787,000 as compared with \$49,687,000 on December 20, an increase of \$6,900,000 for the month.

Country bank borrowings also showed a gradual upward trend. On November 20 accommodations extended to country banks totaled \$17,386,000 and on December 20 they were \$18,635,000, an increase for the month of \$1,249,000.

On November 20 the reserve ratio of this bank was 79.9 per cent as compared with 75.3 per cent on December 20. The reserve ratio of the System on

November 20 was 76.9 per cent as against 75.0 per cent on December 20.

Reports from 18 representative banks in the Fourth District for the month of November, 1923, show an increase of 15.9 per cent over the same month last year. As compared with the previous month a gain of .6 per cent is shown.

According to the annual report of the American Bankers' Association recently made public, over a billion dollars were added by the people of the United States to their total savings in the year ending June 30. Savings deposits in savings banks, national and state banks and trust companies amounted on the date named to \$18,373,062,000, showing an increase of \$1,041,583,000 or 6 per cent, as compared with the corresponding date last year.

## ***Unfilled Steel Orders Continue to Decline but Prospects are Brighter; Buying Movement in Pig Iron Extensive; Prices Turn Upward***

Prospects for a revived demand for steel have continued to improve and sentiment has become more expectant. From various reliable indications consumption is moving forward on a large scale. Virtually all signs point to a very strong underlying condition and one which has been modified slightly, if at all, from that which existed several months back. General buying has been under check, especially in recent weeks when inventory-taking and year-end considerations have had a marked influence. In the opinion of some observers, not for years have inventories of steel on the whole been worked down or held to such a low point as is the case at the ending of 1923. This situation has been forcing a fair amount of immediate buying but this has not been sufficient to match the outgoing shipments of the mills so that unfilled tonnage has continued to decline. Added to the year-end hesitancy has been the expectation or hope of buyers to bring about lower prices for steel which has held back buying for future delivery. Up to late December very little tonnage had been bought against 1924 requirements except in steel rails, tin plate, and a few other favored lines.

In recent weeks the attitude of buyers against obligating themselves on the future has been changing. Starting conspicuously with the automobile and automotive interests which are planning large production schedules for the first part of 1924, suitable tonnage for the first three months of next year has been put on mill books. This has been in such lines as sheets, steel bars, strip steel, and related lines. The list of buyers representing diversified lines of use, now coming into the market for first quarter needs is expanding, and the outlook for a liberal buying movement of steel in the near future is considered promising. In many cases the placing of these contracts has not

made price a first consideration. The railroads have maintained their position as heavy buyers of steel, particularly in connection with track material. Further heavy orders for rails and track fastenings for 1924 delivery have been placed. Car orders, while not large, have been of a heavier total than in five or six months, while inquiries now in active negotiation total at least 20,000. Prospects for car building on a steady scale for some months to come are pronounced to be good and some steelmakers estimate as many as 100,000 may be placed. New building work is coming out well considering the season and the tonnage of steel placed for this purpose week after week is favorable. Many projects in a formative stage are before the market. Tin plate buying for the first half of 1924 has been the heaviest in years. Buying of miscellaneous consumers in sheets, bars, plates, line pipe, and some other lines has been lagging.

The buying movement in pig iron which began abruptly the last half of November and extended into early December has proved to be one of the most extensive in years. Well over 1,000,000 tons of iron were booked within a few weeks by furnaces, largely for first quarter of 1924 delivery. This buying movement followed a backward market situation of six or seven months during which time prices had declined from \$8 to \$10 per ton. As a result of the heavy buying recently, prices of pig iron have stiffened \$2 to \$3 per ton and a fair volume of sales is being made at these higher levels. The market is not without some soft spots, however, for the buying of steelmaking grades has not kept pace with that of foundry iron, and low prices still prevail on the former.

Despite the sluggish conditions of new steel business, mill and steelworks operations have been reasonably well maintained. At the present time the general

activity of the steel industry is put at 70 per cent of capacity. The Steel Corporation plants have been running around 82 to 84 per cent while those of the Independents on the average have been considerably lower. Pig iron production in November as compiled by *Iron Trade Review* for the first time in a year fell below 100,000 tons daily or to an average of 96,373 tons which compares with 101,375 tons in October. From the high point in May pig iron production has now declined 22.8 per cent. Total production in November was 2,891,191 tons against 3,142,642 tons in October. The eleven month total indicates that 1923 production will be approximately 40,300,000 tons, a new high record for the country. Active furnaces at the end of November numbered 231, a reduction of 14

from the previous month. Steel ingot production in November fell to the annual rate of 37,126,000 tons. In October the indicated annual rate was 40,735,000 tons. The rate in November was 24.1 per cent under the high mark of April. Production of steel ingots for the country for eleven months totaled approximately 40,383,000 tons which indicates that the full year will not quite reach the high record period of 1917.

Due mainly to the reversal of the pig iron market *Iron Trade Review* composite of fourteen leading iron and steel products has turned upward for the first time in 13 weeks, barring a slight change in September. For the week of December 20 the average was \$43 compared with \$42.81 for all November, \$43.84 for October, and \$44.64 for September.

### Automobile Production

The Department of Commerce announces November production of automobiles, based on figures received from 186 manufacturers, 96 making passenger cars and 119 making trucks (29 making both passenger

cars and trucks). Data for earlier months include 12 additional manufacturers now out of business. Figures on truck production also include fire apparatus and street sweepers.

#### NUMBER OF MACHINES

	Passenger Cars			Trucks		
	1921	1922	1923	1921	1922	1923
January .....	43,086	81,696	223,819	4,831	9,576	19,720
February .....	68,088	109,171	254,773	7,830	13,350	22,161
March .....	130,263	152,962	319,770	13,328	20,022	35,260
April .....	176,439	197,224	344,639	18,070	22,640	38,056
May .....	177,438	232,462	350,410	18,070	24,097	43,678
June .....	150,263	263,053	337,362	14,328	26,298	41,145
July .....	165,616	225,086	297,330	11,136	22,046	30,663
August .....	167,756	249,492	314,373	13,400	24,692	30,829
September .....	144,670	187,694	298,911	13,978	19,462	*28,638
October .....	134,774	217,566	*335,023	13,149	21,795	*30,166
November .....	106,081	215,352	284,680	10,487	21,949	27,914
December .....	70,727	208,010	.....	8,656	20,354	.....

\*Revised.

### Freight Loadings Show Moderate Decline; Car Supply Grows; Equipment in Excellent Condition

Revenue freight loadings have fallen below the million-car-per-week mark, but they continue to be notably higher than during the fall of last year. In the week ending November 24, there were loaded a total of 990,217 cars as against 946,642 cars for the same week last year. The volume of business this year is strikingly shown by the total movements during the first 38 weeks of the year in comparison with the same periods in 1922 and 1921. This year, up to the time of the last available report, there were loaded 45,673,690 cars as against 39,048,387 and 35,918,733 in 1922 and 1921 respectively. Not only is the total movement in 1923 heavier than in the two preceding years, but it is also heavier for each separate period of the year, as shown by detailed reports.

As a natural consequence of having passed the peak in car loadings there is an increasing surplus of cars. During the week of November 22 there was a total surplus of 111,797 cars and a shortage of 1,866 cars.

It should be noted as being remarkable that during this year we have had no period when there was a net shortage of freight carrying equipment. Predictions made earlier in the year to the effect that there would probably be a car shortage have not been fulfilled.

The condition of freight cars is better than it has been for years. On November 15 the carriers reported a total of 149,192 cars unfit for service, or about 6½ per cent of their total supply.

At a meeting of the Great Lakes Shippers Regional Advisory Board held on December 11, reports were received from various committees as to the probable needs for equipment and the prospects for business in the early part of 1924. While the reports were not uniform, some of them indicating a probable reduction and others a probable increase, apparently the final result of all reports tended to indicate a continuation of production in about the same volume as has been experienced during the latter part of this year.

## ***Present Outlook for Building Favorable; Experts Believe Early Spring Months Will Show Healthy Activity***

The outlook for building operations has improved considerably during the last few months. Last August there was a manifest letting down in the volume of construction but since that time each succeeding month has been giving a good account of itself with the result that the rebound has been one of the outstanding fall developments. Construction is now running contrary to the usual seasonal trend.

Experts who have analyzed the situation take the view that present activity may be accepted as a fairly reliable indication of what may be expected in the early spring months; in other words they expect a healthy demand for labor and a good market for building materials. The one possibility of interference they point out, is the cost factor.

Evidence of the heavy volume of November construction is to be found in statistics compiled by the Builders' Exchange covering the issuing of permits in Cleveland and the adjoining suburbs. The figures for

November, in the city proper show a total of 1,334 permits issued, involving an expenditure of \$6,906,000 in comparison with 989 permits calling for an expenditure of \$3,805,000 for the corresponding period in 1922.

The total valuation of permits issued up to December 1 this year is \$58,372,000 as against \$51,000,000 for the same period last year. Making the comparison on the basis of permits issued, the first eleven months of this year exceed the same period in 1922 by approximately 4,000.

As for the suburbs the ratio of increase follows somewhat along the same lines as Cleveland proper, the four communities of Cleveland Heights, Lakewood, Shaker Heights, and East Cleveland having issued building permits up to December 1 this year with a total valuation of \$30,000,000 in round figures as against \$28,000,000 for the same period last year. The month of November showed a valuation of \$3,202,000 this year compared with \$2,908,000 for November, 1922.

## ***Production of Portland Cement in November Exceeds Demand; Stocks on November 30 About 7,000,000 Barrels***

Production of portland cement in November was 12,600,000 barrels, an increase of 11 per cent over November, 1922, according to the latest bulletin issued by the United States Geological Survey. For the eleven months ending November 30, production was nearly 127,000,000 barrels, or 12 per cent more than was ever produced before in a similar period.

A seasonal falling off is shown in shipments, the movement from the mills being 10,251,000 barrels or a decline for the month of more than 4,000,000 barrels.

Shipments for the eleven month period exceeded 129,000,000 barrels, an increase of more than 17,000,000 barrels over the corresponding period of 1922, the best previous record.

Notwithstanding the remarkable demand experienced this year, production has been relatively greater. Stocks of finished cement in manufacturers' hands on November 30 were nearly 7,000,000 barrels, an increase of 30 per cent over last year.

## ***Lumber Industry Shows Tendency to Mark Time; Dealers in Market For New Supply of Materials***

While the continued volume of construction during the fall and early winter months has resulted in a fair volume of business in the lumber industry, late reports indicate a tendency to mark time. When seasonal factors are taken into consideration, however, the trade in general appears to be more than living up to expectations.

Prices show some signs of strength although no notable changes are predicted. Manufacturers in four southern states have advanced the price from \$2.00 to \$3.00 per thousand on high grade stock and from \$1.00 to \$2.00 on low grade material.

Stocks in the hands of retailers are comparatively low. Retail yards have completed deliveries to most of their jobs and are in the market to secure a new supply. Inquiries are now being sent out by the large concerns in this territory. Present orders are largely for January and February shipments.

The Southern Pine Association's barometer for the week of November 30 shows that orders booked during that week were 88 per cent of normal and within 2 per cent of production.

## ***Paving Brick Shipments Remain High; Common Brick Plants Well Occupied***

Considering seasonal influences, shipments of vitrified paving brick for November were running above normal, 64 per cent of the industry's tonnage reporting total shipments of 21,689,000 brick, according to a report just made to the United States Department of

Commerce by the National Paving Brick Manufacturers' Association. In October 66 per cent of the industry's tonnage reported shipments of 34,287,000 brick.

Unfilled orders on hand declined from 64,531,000 brick for October to 54,535,000 for November. For

the first time since last spring the total number of brick manufactured for the month ran greatly in excess of shipments, indicating that companies are manufacturing for stock in anticipation of late winter and early spring shipments.

The Common Brick Manufacturers' Association tells us that prospects are good. An encouraging feature of the situation is that those sections in various parts of the country which have been showing little activity in construction work are now coming into the market with greater strength.

### ***Selling Season in Burley Tobacco District Now Under Way; Returns Act As Stimulant to Christmas Trade***

The Burley Tobacco Growers' Cooperative Association opened its receiving houses throughout the district on December 10 and its members are now engaged in delivering their crops. An advance is made by the Association at the time of delivery. The advance values established for the 1923 crop are the same on most of the higher grades of tobacco, but on the lower grades they have been increased somewhat, so that the average advance received by the growers will be larger than last season.

The independent loose leaf warehouses started the sales season for the tobacco growers who are not members of the Association early in December, and their

In most localities the present month's brick business has been as good as that of last month and considerably better than that of the same month a year ago. According to the Association, 1923 business has been at least 25 per cent better than it was during 1922.

There is usually a lull during the latter half of the year in the brick business. The past year was no exception, these lulls appearing at various times and in different parts of the country. Practically all the plants, however, have now recovered and in most instances are well occupied.

opening was watched with much interest because of the information these sales give on the trend of the market. So far the sales have been averaging in the neighborhood of \$20 a hundred. The sales of 1922 tobacco averaged about \$28, so the price this year is considerably under that of last season. It is, however, near the level of the price paid for the 1921 crop.

The advance of the Association to its members and the receipts of nonmembers from their sales on loose leaf floors are supplying the growers throughout the district with cash which naturally is serving as a stimulant to the Christmas trade.

### ***Market for Canned Goods Strong; Holiday Buying Above Wholesale Grocers' Expectations; Quality Products Preferred***

The fact that labor has been well employed has had an important bearing on the canning industry throughout the past year. Improved sentiment toward canned products in general also reacted very favorably. The result is that most canners enjoyed a very good business in 1923.

At present the markets are strong, and while not so active as in other seasons of the year, a good volume of business is being done daily. The expectations are that after the first of the year they will show increased activity on account of the depleted condition of stocks. Future prices have already been named on several commodities (which is at least two months earlier than

usual). This demand for future prices came from the buyers.

The holiday season as usual has brought with it an increased demand for items such as nuts, dried fruits of all kinds, canned goods, etc. In fact wholesale grocers say that holiday business is above their expectations. Quality products are very much in demand.

Retail grocers report a heavy business at this time. They are buying conservatively and as a result stocks are not large. The housewife appears to be critical in her Christmas purchases this year and her present policy is to shop around. A marked preference is being shown for goods with an established reputation.

### ***Present Conditions in Farm Implement Trade Show Little Change but Outlook is Brighter; Plans Are Made for Progressive Merchandising***

The farm implement industry is facing the future with more confidence than it has shown for several years.

For many companies the calendar year is also the fiscal year. For three years the financial statements of leading companies have recorded losses. A profit on yearly operations has been an isolated exception. While it is not expected that the situation will show great improvements in the 1923 statements, every company is looking forward to making some reduction of losses.

The feeling is general that the "red ink" period has passed and that the industry is now in a fair position to start the recouping of its losses of from fifteen to twenty million dollars during the last three years.

This new confidence is founded upon general prosperity and the improved agricultural situation rather than upon any immediate betterment. While future orders have shown little perceptible increase, the farming community has realized approximately one and one-half billion dollars more for its 1923 operations

than it did last year and in addition to this there is an urgent need for new machinery in order to restore agricultural mechanical equipment to its pre-war basis.

The industry is beginning to appreciate more fully its sales opportunities, the stable basis upon which it rests, and also that its big shortcoming in previous years was in merchandising lines. With this conception of existing conditions it has completed plans for selling its product to the public in a constructive way. In other words it will attempt to show the farmer that farm machinery is the basis for creating the wealth with which to buy other necessities. In this campaign and also in its efforts to lower the costs of distribution the manufacturers are receiving the whole-hearted support of the dealers.

Fall and winter business, though not a large factor in the industry, has been quite satisfactory. The comparatively favorable prices for corn and low prices for hogs have made efficient feeding necessary and this has proved to be quite a strong factor. Tractor trade has shown an increase of about 20 per cent during 1923.

The retail branch of the industry is in a fairly satis-

factory condition financially. While failures have been numerous during the last three years, resulting in a considerable reduction in the number of dealers, it is now estimated that all but about 20 per cent of those remaining have been operating at a profit, small though it may have been, and that even a slight improvement in conditions will reduce the number of probable failures among this small group. The retailers have taken their losses, have comparatively clean stocks, and by following a conservative policy have placed themselves in a position to take full advantage of increasing business.

A decidedly optimistic view of the future is taken by the *Chilton Tractor and Implement Journal*. It says that with the farmer realizing, as he is beginning to, that present price levels are practically certain to continue for some time, with the manufacturers more hopeful as their financial position is strengthening, and with dealers in the best condition in three years, the entire industry is starting the new year with hope and confidence that a gradual restoration of business to a normal volume is on the way.

### **Paper Mills Active; Conditions in Book Paper Division Reflect Cautious Buying**

Paper manufacturers report that their mills are doing a good volume of business, in some instances better than last month and also better than last year.

Conditions in the book paper division of the industry are less favorable, being comparatively slow at the present time. Buyers do not appear to be anxious to place orders beyond immediate requirements. In addition, just at this season the demand for magazine papers is less than at almost any other time, owing to the fact that the January issues are usually the smallest of the year. However, for the most part this is a normal seasonal condition and a turn for the better is expected shortly.

The following table compiled by the American Paper and Pulp Association shows percentage changes in

production and shipments by identical mills in November, 1923, as compared with October, 1923:

	Production Per Cent	Shipments Per Cent
Newsprint .....	- 1.5	- 6
Book .....	- 7	- 7
Paperboard .....	-13	-13
Wrapping .....	- 7	-15
Bag .....	-18	-26
Fine .....	-10	- 3
Tissue .....	- 8	- 9
Hanging .....	-28	-18
Felts and Building .....	-15	-18
Other Grades .....	- 8	-12
Total—All Grades .....	- 8	-10

### **Soft Coal Production Shows Declining Tendency; 1923 Stands Out as Impressive Year; Holidays Cut Into Anthracite Output**

While bituminous coal production has recently shown a declining tendency, the output is still sufficiently large to make 1923 stand out as one of the most impressive years in the soft coal industry. Production during the first 289 working days of 1923 was 516,660,000 net tons as compared with 376,932,000 net tons for the corresponding period last year.

The total output in the first week of December is now estimated at 9,828,000 net tons. This includes mine fuel, coal coked at the mines, and local sales. Compared with Thanksgiving week this was an increase of 885,000 tons, but it was

332,000 tons less than in the week ending November 24.

According to a recent report of the United States Geological Survey mining of anthracite coal in the week ending December 8 was hindered by an outbreak of labor troubles at the mines of a large company and also by the occurrence of a church holiday. The total output for the week is estimated at 1,899,000 net tons, an increase of 151,000 over the holiday week, but 201,000 less than in the week ending November 24.

Final returns on anthracite shipments show that the total output in November may be estimated

at approximately 7,746,000 net tons. In comparison with production in October this is a decrease of 978,000 tons, which may be attributed to the fewer working days in November and to the occurrence of holidays.

Cumulative anthracite production to the end of November stood at 87,744,000 tons, a figure that has been exceeded but twice during the eleven years for which records of monthly production are available.

On page 11 of this month's REVIEW we present for the first time a chart showing the new index of employment in manufacturing industries, compiled by the Federal Reserve Board's Division of Research and Statistics. Wide industrial and geographical representation in the composition of the index is obtained by using data collected by a number of Federal and state agencies covering 33 separate industries, which are grouped into 10 general classes, as follows: metals; textiles; lumber; vehicles; paper and printing; food; leather; stone, clay, and glass; tobacco; and chemicals. The final index and each of the 10 group indexes were obtained by combining the 33 individual industry series, weighting them in accordance with

their relative importance as determined by the number employed according to the census of manufactures of 1919 and 1921. The index is expressed in terms of percentages with the monthly average for 1919 as the base, i. e., 100 per cent. It is so constructed that its movements, although they do not measure the total volume of employment, reflect increases or decreases in this volume. No correction was made for normal seasonal variations, because, although these fluctuations are noticeable in individual industries, they vary as to time and degree and in the final index largely offset each other. A full description of the data and methods used in compiling this index and of the results obtained was published in the December issue of the FEDERAL RESERVE BULLETIN.



**Debits to Individual Accounts**

	Week Ending Dec. 19, 1923 (322 Banks)	Week Ending Nov. 21, 1923 (324 Banks)	Increase or Decrease Amount Per Cent		Week Ending Dec. 20, 1922 (323 Banks)	Increase or Decrease Amount Per Cent	
Akron.....	\$ 16,218,000	\$ 14,446,000	\$1,772,000	12.3	\$ 15,340,000	\$ 878,000	5.7
Butler, Pa.....	3,504,000	2,694,000	810,000	30.1	2,572,000	932,000	36.2
Canton.....	9,605,000	9,328,000	277,000	3.0	11,070,000	— 1,465,000	—13.2
Cincinnati.....	80,794,000	75,337,000	5,457,000	7.2	82,533,000	— 1,739,000	— 2.1
Cleveland.....	154,881,000	146,904,000	7,977,000	5.4	148,818,000	6,063,000	4.1
Columbus.....	37,200,000	31,616,000	5,584,000	17.7	34,820,000	2,380,000	6.8
Connellsville.....	1,334,000	1,187,000	147,000	12.4	1,426,000	— 92,000	— 6.5
Dayton.....	17,445,000	15,407,000	2,038,000	13.2	15,523,000	1,922,000	12.4
Erie.....	7,813,000	8,491,000	— 678,000	— 8.0	7,499,000	314,000	4.2
Greensburg.....	4,835,000	4,970,000	— 135,000	— 2.7	4,765,000	70,000	1.5
Homestead.....	961,000	1,135,000	— 174,000	—15.3	794,000	167,000	21.0
Lexington, Ky.....	6,745,000	3,968,000	2,777,000	70.0	6,548,000	197,000	3.0
Lima.....	5,133,000	4,353,000	780,000	17.9	4,203,000	930,000	22.1
Lorain.....	1,702,000	1,600,000	102,000	6.4	1,359,000	343,000	25.2
Middletown*.....	2,577,000	2,426,000	151,000	6.2	.....	.....	.....
New Brighton.....	2,532,000	2,678,000	— 146,000	— 5.5	2,576,000	— 44,000	— 1.7
Oil City.....	2,694,000	2,959,000	— 265,000	— 9.0	3,398,000	— 704,000	—20.7
Pittsburgh.....	199,702,000	199,215,000	487,000	0.2	216,153,000	— 16,451,000	— 7.6
Springfield.....	5,406,000	4,579,000	827,000	18.1	4,123,000	1,283,000	31.1
Toledo.....	43,258,000	43,613,000	— 355,000	— 0.8	45,514,000	— 2,256,000	— 5.0
Warren, Ohio.....	2,941,000	2,618,000	323,000	12.3	2,862,000	79,000	2.8
Wheeling.....	13,011,000	10,348,000	2,663,000	25.7	10,936,000	2,075,000	19.0
Youngstown.....	12,087,000	12,041,000	46,000	0.4	12,246,000	— 159,000	— 1.3
Zanesville.....	3,228,000	3,266,000	— 38,000	— 1.2	2,871,000	357,000	12.4
<b>Total.....</b>	<b>\$635,606,000</b>	<b>\$605,179,000</b>	<b>\$30,427,000</b>	<b>5.0</b>	<b>\$637,949,000</b>	<b>— \$4,920,000</b>	<b>— 0.8</b>

\* Corresponding figures for 1922 not available.

**Movement of Livestock at Principal Centers in the Fourth Federal Reserve District for the Month of November, 1923-1922**

	Cattle		Hogs		Sheep		Calves		Cars Unloaded		
	1923	1922	1923	1922	1923	1922	1923	1922	1923	1922	
Cincinnati.....	28,066	27,641	149,050	136,716	9,169	9,330	9,186	9,589	2,110	1,991	
Cleveland.....	13,383	11,986	145,895	106,431	46,003	45,918	11,925	9,930	2,113	1,943	
Columbus.....	65	73	9,418	6,951	1	178	247	223	27	17	
Dayton.....	2,140	2,107	16,071	13,526	467	327	668	656	.....	.....	
Fostoria.....	1,000	1,335	13,210	12,703	1,378	2,235	467	433	45	40	
Marion.....	72	88	10,071	11,230	1,198	532	117	152	.....	.....	
Pittsburgh.....	38,636	59,340	324,086	288,402	56,572	60,785	37,164	24,512	4,705	5,890	
Springfield.....	75	131	8,626	7,694	1,211	1,380	238	208	.....	.....	
Toledo.....	759	853	12,125	17,591	1,719	1,623	401	676	131	225	
Wheeling.....	764	427	3,016	3,104	354	355	1,530	1,089	40	28	
	Purchases for Local Slaughter										
Cincinnati.....	12,924	12,780	73,252	64,302	3,966	4,726	5,261	4,483	.....	.....	
Cleveland.....	12,493	11,162	123,055	82,794	8,161	19,221	10,997	9,604	.....	.....	
Columbus.....	29	24	116	36	1	66	208	44	.....	.....	
Fostoria.....	61	55	1,018	160	5	18	43	25	.....	.....	
Marion.....	18	88	1,947	3,030	24	13	59	116	.....	.....	
Pittsburgh.....	7,044	6,214	62,159	60,739	9,966	9,062	7,533	6,738	.....	.....	
Springfield.....	54	51	239	454	5	133	12	35	.....	.....	
Toledo.....	436	.....	1,540	.....	199	.....	154	.....	.....	.....	
Wheeling.....	764	427	3,016	3,104	354	355	1,530	1,089	.....	.....	

**Wholesale Trade**

**Percentage Increase (or Decrease) in Net Sales During November, 1923, as Compared with October, 1923, and November, 1922**

	Dry Goods	Hardware	Drugs	Groceries
Net Sales (selling price) during November, 1923, compared with October, 1923.....	—15.7	—16.4	— 9.3	—10.1
Net Sales (selling price) during November, 1923, compared with November, 1922.....	— 4.0	1.9	3.6	4.0

### Comparative Statement of Selected Member Banks in Fourth District

	Dec. 12, 1923 (81 Banks)	Nov. 14, 1923 (81 Banks)	Increase	Decrease
Loans and Discounts secured by U. S. Government obligations.....	\$ 27,863,000	\$ 27,661,000	\$ 202,000	\$
Loans and Discounts secured by other stocks and bonds.....	409,223,000	402,558,000	6,665,000	
Loans and Discounts, all other.....	693,806,000	696,101,000		2,295,000
U. S. Pre-War Bonds.....	47,237,000	47,982,000		745,000
U. S. Liberty Bonds.....	112,235,000	116,416,000		4,181,000
U. S. Treasury Bonds.....	4,462,000	4,499,000		37,000
U. S. Treasury Notes.....	55,907,000	56,559,000		652,000
U. S. Certificates of Indebtedness.....	4,752,000	5,491,000		739,000
Other Bonds, Stocks, and Securities.....	299,511,000	294,241,000	5,270,000	
Total Loans, Discounts and Investments.....	1,654,996,000	1,651,508,000	3,488,000	
Reserve with Federal Reserve Bank.....	109,167,000	110,445,000		1,278,000
Cash in Vault.....	36,405,000	32,747,000	3,658,000	
Net Demand Deposits.....	901,985,000	893,506,000	8,479,000	
Time Deposits.....	601,256,000	602,322,000		1,066,000
Government Deposits.....	4,040,000	8,757,000		4,717,000
Total Resources on date of this report.....	2,106,412,000	2,097,169,000	9,243,000	

### Building Operations for Month of November, 1923-1922

	Permits Issued				Valuation				Increase or Decrease	
	New Construction		Alterations		New Construction		Alterations		Amount	Per Cent
	1923	1922	1923	1922	1923	1922	1923	1922		
Akron.....	267	170	40	42	\$ 399,600	\$ 180,634	\$ 76,395	\$ 66,915	\$ 228,446	92.3
Canton.....	216	162	76	49	491,640	580,964	36,605	19,639	72,358	12.0
Cincinnati...	335	371	197	265	1,167,675	2,380,515	284,845	335,925	1,263,920	46.5
Cleveland*..	801	716	1,009	752	9,063,287	5,354,103	942,810	1,298,700	3,353,294	50.4
Columbus...	392	315	104	67	734,180	822,865	189,420	143,535	42,800	4.4
Dayton.....	165	175	91	63	384,408	350,105	115,477	121,846	27,934	5.9
Erie.....	129	86	26	17	299,900	151,040	19,475	45,525	122,810	62.5
Lexington...	17	38	18	22	122,980	65,405	9,925	3,860	63,640	91.9
Pittsburgh..	448	353	97	84	2,130,888	2,173,582	135,735	104,376	11,335	0.5
Springfield..	64	54	13	13	50,200	79,900	6,900	3,875	26,676	31.8
Toledo.....	327	234	132	103	1,164,048	466,630	104,125	78,977	722,565	132.4
Wheeling....	57	37	26	25	154,223	101,435	22,914	14,975	60,727	52.2
Youngstown..	168	128	22	20	388,180	353,050	48,620	14,825	68,925	18.7
Total...	3,386	2,839	1,851	1,522	\$16,551,209	\$13,060,228	\$1,993,246	\$2,252,973	\$3,231,254	21.1

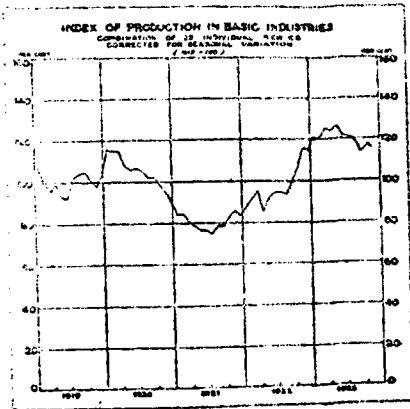
\* Includes figures for East Cleveland, Lakewood, Cleveland Heights, and Shaker Heights.

### Department Store Sales

	No. of Reports	(1) Percentage of Increase or Decrease		(2) Stocks at end of month compared with		(3) Percentage of average stocks at end of each month from July 1 to November 30 to average monthly sales over same period	(4) Percentage of outstanding orders at end of November, 1923, to total purchases during calendar year 1922
		A November	B July 1 to Nov. 30	A November 1922	B October 1923		
Akron.....	4	1.7	4.5	9.6	1.6	412.9	10.0
Canton.....	3	15.1	16.3	7.0	2.3	727.3	
Cincinnati....	9	14.5	18.8	13.7	-0.5	473.6	5.5
Cleveland.....	5	10.7	12.2	16.5	2.2	388.0	6.3
Columbus.....	6	2.1	10.6	10.0	1.8	436.8	6.1
Dayton.....	3	10.3	11.2	8.2	-0.1	437.8	9.4
Pittsburgh....	6	9.9	15.4	20.2	3.1	400.9	7.6
Toledo.....	4	13.0	14.0	31.7	1.3	385.1	5.7
Youngstown...	3	21.4	24.4	27.4	7.4	283.0	8.5
District.....	46*	10.3	14.1	17.9	2.1	410.7	6.9
U.S. Average..		6.8	9.4	13.3	21.0	403.0	6.5

\*Includes three reports from other cities.

**Summary of Business and Credit Conditions in the United States  
By the Federal Reserve Board**

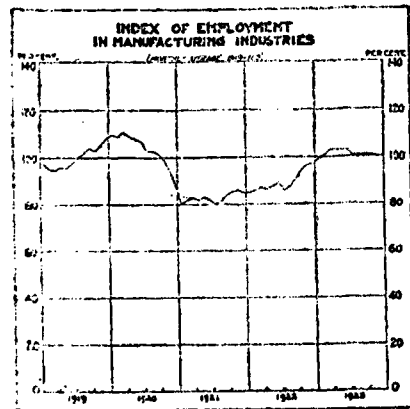


Production of basic commodities and factory employment decreased in November. Distribution of merchandise by wholesalers and retailers was somewhat less active, and wholesale prices showed a slight further recession.

**PRODUCTION**

Production in basic industries decreased about 2 per cent in November. The decline was due chiefly to reduced production of iron and steel, and smaller sugar meltings. The Federal Reserve Board's new index of factory employment which is shown by the accompanying chart also declined, due to lessened activity at iron and steel plants and large seasonal reductions at clothing establishments. The volume of employment is now 2 per cent smaller than in the spring but 3 per cent larger than a year ago. Contract awards for new buildings were smaller in November than in October in all reporting districts except New York but were 20 per cent larger than a year ago.

Final estimates by the Department of Agriculture show larger yields of corn, oats, tobacco, and cotton than in 1922, and smaller yields of wheat, hay, and potatoes. The total value of agricultural production at December first prices was 12 per cent larger than in 1922. Each of the ten principal crops except wheat showed an increase in value.

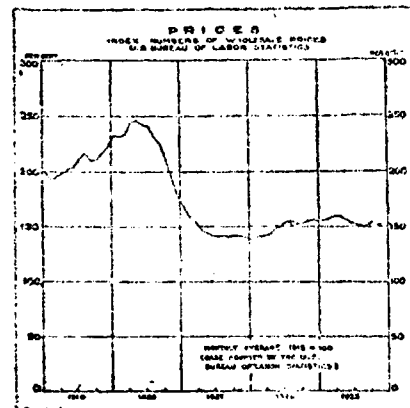


**TRADE**

Railroad freight shipments in November showed about the usual seasonal decline from October but were in heavier volume as compared with previous years. Wholesale trade was 13 per cent less in November than in October, which is more than the usual decrease at this season, but sales continued to be slightly larger than a year ago. Sales of hardware, drugs, and meat were larger than in November, 1922, while sales of shoes were smaller. Retail business was smaller than in October in most lines. Sales of mail order houses declined more than sales of department stores, but were 11 per cent larger than a year ago.

**PRICES**

The Bureau of Labor statistics index of wholesale prices declined in November to a point 4 per cent lower than last spring and about 3 per cent lower than a year ago. The chief reductions occurred in prices of animal products, fuel and house furnishings. Prices of clothing and crops, on the other hand, increased and the latter group averaged higher than in any month since 1920. During the first half of December prices of sheep, beef, sugar, cotton, silk, and rubber declined, while quotations on crude oil, wheat, and wool were slightly higher.

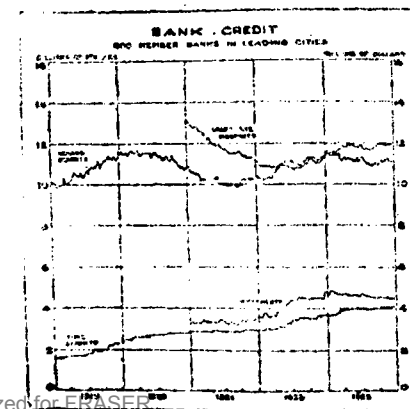


**BANK CREDIT**

The total volume of credit extended by member banks in leading cities showed but little change between the middle of November and the middle of December. A seasonal reduction in commercial and agricultural loans in most districts was accompanied by increased loans on securities, with the result that total loans remained practically constant.

During the same period borrowings at the Federal Reserve banks were also practically unchanged. Holdings of acceptances increased somewhat, partly in connection with the financing of cotton exports. The increased demand for currency for holiday trade was reflected in both a moderate expansion in Federal Reserve note circulation and a reduction in gold certificates held by the Reserve banks.

Rates on commercial paper sold in the open market continue to show an easier tendency, as indicated by increased sales at 4¾ per cent, particularly in interior districts. The December issues of one year 4¾ per cent and six months' 4 per cent treasury certificates, compared with 4¼ per cent on a six months' issue sold in September, were largely oversubscribed.



# FOURTH FEDERAL RESERVE DISTRICT

