

# *The Monthly Business Review*

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in the Fourth Federal Reserve District

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## SAVINGS DEPOSITS SHOW STEADY GROWTH

SAVINGS DEPOSITS OF 64 REPORTING BANKS IN THE FOURTH DISTRICT ON MARCH 31, 1924, TOTALED \$756,057,507 AS AGAINST \$751,441,103 ON FEBRUARY 29, 1924, AN INCREASE FOR THE MONTH OF \$4,616,404 OR .6 PER CENT. AT THE END OF MARCH A YEAR AGO DEPOSITS OF THE SAME NUMBER OF REPORTING BANKS WERE \$666,672,574. THERE IS HERE SHOWN AN INCREASE FOR THE YEAR OF \$89,384,933 OR 13.4 PER CENT.

**FEDERAL RESERVE BANK of CLEVELAND**

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

(COMPILED APRIL 22, 1924)

## An Editorial

As a natural result of the modern tendency to specialize on business trends, business opinion has formed the habit of marching up the hill and then marching down again.

By this we do not mean to convey the idea that it is not a good plan to watch developments closely. There can be no question but that it is. What we do mean is that it is possible to pay too much attention to fluctuations which are really temporary or local in their character and which do not greatly affect the total results of a year's business. If, in making comparisons for the purpose of determining present and future policies, those modifying circumstances which affect trading conditions in one period as against another are not recognized, the results obtained are likely to be somewhat misleading.

An excellent example of this may be found in Department store sales in this District during March. Comparing that month with the corresponding month of last year, a decrease of 9.7 per cent is shown. When total sales for the first quarter of this year are compared with the first three months of 1923, however, an increase of 3.5 per cent is shown in spite of the March decline. The drop in March was due to the fact that Easter trade last year came in March while this year the bulk of it came in April. Unseasonable weather, too, was to a certain extent responsible.

Building operations in the Fourth Federal Reserve District furnish another illustration, although the results of the comparison are just the opposite. The total valuation of permits issued in thirteen of the largest cities for March of this year shows an increase of 1.4 per cent over March, 1923, while the valuation of permits issued in the same cities during the first quarter of this year is 9.2 per cent under that of the 1923 period.

We offer these illustrations to show that mistakes in comparison may be made unless proper consideration is given to the time element and to other contributing factors.

In regard to the present business situation, recent information indicates that there has been some curtailment. The first manifestation of this came with the appearance of an uncertain mental attitude throughout the country. It is more definite now. The commitments of buyers which are in reality the backbone of all business are showing this hesitancy. Furthermore, production, now closely linked with the buyers on account of the general policy of hand-to-mouth purchasing, has immediately felt the reaction, the Federal Reserve Board's index of production in basic industries showing a decline in March of 3 per cent as against an increase during February of 1 per cent. Production, however, is still at a high level compared with any year except 1923.

### ***Loans to Member Banks Slightly Higher but Show No Marked Change; Present Position Enables Them to Handle Customers' Needs with Moderate Recourse to This Bank***

Largely due to the shifting of public funds the loans of this bank to its members in industrial centers showed a noticeable increase during the month ending April 21. Accommodations extended to city banks on March 20 total \$20,827,000 as compared with \$38,618,000 on April 21, or an increase for the month of \$17,791,000. Apparently this heavier borrowing was of a temporary nature for recently the trend has been downward.

Loans to country banks are also somewhat larger, a customary occurrence for this season of the year. On March 20 they were \$15,560,000 while on April 21 they stood at \$16,961,000, an increase for that period of \$1,401,000.

The relatively small fluctuations which loans to member banks have been showing from month to month, in view of the increasing volume of loans and discounts extended by them to their customers, testify to the improved condition which they hold as a result of satisfactory liquidations and increasing deposits, a condition which enables them to meet the heavier borrowing demands with moderate dependence upon this bank.

At the close of business on April 9 of this year total

loans and discounts of 79 reporting member banks in this District were \$1,153,464,000. On March 12 the figure for the same number of reporting banks was \$1,127,085,000. There is here shown an increase of 2.3 per cent. Loans and discounts of 84 reporting banks at the close of business April 4, 1923, totaled \$1,088,687,000. Without taking into consideration the smaller number of reporting banks, loans by these banks to their members are now approximately 5.9 per cent higher than they were a year ago.

The reserve ratio of this bank on March 20 was 80.7 per cent as compared with 78.4 per cent on April 21. The reserve ratio of the System on March 20 was 81.8 per cent while on April 21 it stood at 81.3 per cent.

Savings deposits of 64 reporting banks in the Fourth District on March 31, 1924, totaled \$756,057,507 as against \$751,441,103 on February 29, 1924, an increase for the month of \$4,616,404 or .6 per cent. At the end of March a year ago deposits of the same number of reporting banks were \$666,672,574. There is here shown an increase for the year of \$89,384,933 or 13.4 per cent.

### ***Contraction in Iron and Steel Buying; Production Declines; Competition for New Business Keen; Shipments Hold Up Well***

Current buying of iron and steel has shown some further contraction and mill and blast furnace operations still are being adjusted to the narrowed market. General production has fallen probably 10 per cent from the recent peak. Competition for business among producers, particularly in the independent group, has become increasingly aggressive. Prices, particularly on various lines of finished steel, have become unsettled and have been going through a period of irregularity before becoming stabilized at a lower level. Present indications are that the market will level off at a point not less than \$3 to \$5 per ton under its previous line.

Despite these symptoms of some unfavorable developments, underlying conditions in iron and steel apparently remain sound and have undergone no marked change. Shipments as gauged by all standards of the past are large and consumption is proceeding at a heavy rate. New buying in certain fields continues very active, notably in such directions as in construction and by the railroads which for some months have been among the chief supports of the market. It is estimated that probably one-third of the unfilled tonnage now on the books of the Steel Corporation is accounted for by the railroads.

The slowing down of automobile production has caused an appreciable falling off of buying of steel by the builders, parts manufacturers, and other related industries. Some automobile companies have reduced

their output by a considerable percentage while others have kept their operations virtually unchanged. A recent survey of the Detroit situation made by some steel companies has shown that only 50 per cent of the plants in that area had been subjected to curtailment. It is pointed out that automobile production was put into high gear this year more quickly than usual and that as a result the accumulation of stocks for the spring market was brought about at an earlier date. Backward weather has delayed the opening of the spring market and the extent of the latter still is an unknown quantity, which, until it is defined, leaves future operations of the industry in uncertainty.

Miscellaneous buying of iron and steel has been tapering off with the cause for this not yet clearly shown. Sentimental causes undoubtedly have played their part because it is obvious that former conservatism in many cases has become intensified and has been attended by a lapse of confidence. At the moment it is difficult to determine how much of the present step-down of activity is due to sentimental factors and how much of it may be ascribed to a fundamental change.

To get a true perspective of the recent drawing-in of iron and steel operations and market volume it is necessary to consider the extraordinarily high plane upon which the industry has been producing. In March, steel ingot output was at the highest point of the history of the country or at the annual rate of

more than 49,500,000 tons. This outranks the previous high record rate of May, 1923. In March the whole steel industry was running at 87 to 88 per cent of capacity. Back in January it was around 70 per cent.

Pig iron production in March did not rise as sharply as steel and showed a daily average of 111,787 tons compared with 105,937 tons in February, a gain of 5.5 per cent. The March average represented approximately 90 per cent of the record figure of pig iron output for all time of last May. Total production in March was 3,465,389 tons which was at the annual rate of 40,800,000 tons. Furnaces in blast at the end of March numbered 269 against 263 one month and 248 two months previously.

Railroad car orders for the first three months to date according to *Iron Trade Review's* tabulations to-

taled 62,500 compared with 66,700 for the corresponding period in 1923. A liberal amount of new buying in cars and also in locomotives continues to go forward and some large programs are still being matured. Structural steel bookings in March were calculated at 184,600 tons or 71 per cent of capacity, which compares with 73 per cent in February and also 71 per cent in January. Steel casting orders in March were the largest in a year, reflecting the active buying of railroad equipment and were on the basis of 101.1 per cent of steel foundry capacity.

The falling movement in prices recently is depicted by *Iron Trade Review's* composite of fourteen leading iron and steel products. At mid-April this index was \$42.47. One month previously it was \$43.25, for all February, \$43.49, and for January, \$43.26.

### ***Uncertainty Manifested Over Increasing Crude Oil Production; New Methods Used to Enlarge Output; Movement of Gasoline Stimulated Somewhat***

From certain quarters within the oil industry some uncertainty is manifested over the effect increasing domestic production may have on the course of the oil business the rest of the year. Early estimates were based on a declining rate of production from oil fields in this country this year with a consequent drawing on crude stocks.

*National Petroleum News*, however, has recently called attention to the fact that crude output has been increasing the past few weeks and that it now stands near the total figure for the first of the year. An even more important fact, it is pointed out, is that this increase has been brought about without any real stimulated drilling campaign. Nearly a quarter fewer wells were being drilled in February than a year ago.

Increased production has been brought about by the bringing in of new good producing territory in some cases, but in good part by deepening existing wells to new sands, by more efficient methods of operating properties to get the utmost in production from them, by putting outside agencies, such as gas and compressed air, on old properties to increase their output, and so on.

In this connection it is also considered important to call attention to the fact that the industry was carrying as of the first of the year about 488 million barrels of crude oil, refined products, and unfinished products in storage, an increase of about 30 per cent over the same period the year previous and more than is necessary as a satisfactory working margin for the business.

Much of this volume of stocks has been carried for at least two years and according to present plans will be liquidated if it is possible to show a satisfactory margin of profit on the transactions. Crude prices in some fields are at a point where such liquidating operations can take place, it is believed. To the extent that this is done the need for current production to fill consumptive demands will be offset.

In short *National Petroleum News* is calling the at-

tention of its readers to the fact that the figures on current production particularly should be watched closely the next few weeks and plans for future operations based pretty much on what these figures indicate.

During February, according to the U. S. Geological Survey, daily average production of petroleum in the United States (1,897,483 barrels) increased 76,354 barrels, daily average imports (224,517 barrels) increased 21,195 barrels, daily average exports (58,172 barrels) increased 8882 barrels, and indicated deliveries to domestic consumers (2,034,759 barrels) increased 26,308 barrels. Although there was a slight decrease (163,000 barrels) in California stocks, the total stocks reported by the Survey increased 843,000 barrels, of which 691,000 barrels represented the increase in net pipe-line and tank-farm stocks east of California.

Improved weather conditions have stimulated the movement of gasoline in April from refining centers, but prices have not reacted to any great degree over the March level. As with crude in storage, the industry is carrying a large volume of finished gasoline in stock, the total amount, 1374 million gallons as of March 1, being a little greater than the amount in storage May 1 a year ago.

Refinery statistics for February, 1924, compiled by the Bureau of Mines are as follows. Production of gasoline in the United States during February amounted to 677,740,318 gallons, a daily average production of 23,370,355 gallons which when compared with the corresponding period of a year ago, shows a daily increase in production of 3,061,352 gallons or 15.1 per cent. Compared with the output of the preceding month, the daily increase amounts to 940,597 gallons or 4.2 per cent. Gasoline stocks on hand at the refineries on February 29 were 1,374,221,898 gallons, an increase over the January figure of 171,674,508 gallons (14.3 per cent), and over the February amount of a year ago of 243,881,131 gallons (21.6 per cent). Domestic demand for gasoline during February was 407,709,693 gallons, a daily average of

14,058,955 gallons, showing a decrease in the daily demand of 2,010,753 gallons or 12.5 per cent compared with the demand for the previous month, but an increase of 484,202 gallons or 3.6 per cent over the average daily demand for February, 1923. Exports increased 14,723,038 gallons over the previous month.

There was a decrease in the output of kerosene of 237,667 gallons daily as compared with the output for January, 1924, but an increase of 345,152 gallons daily over February, 1923. The production for the month amounted to 196,826,050 gallons as compared to the production of 217,767,931 gallons for January, and 180,374,676 gallons for February a year ago. Stocks increased 1,568,785 gallons during the month,

bringing the total stocks on hand at the end of February to 316,750,250 gallons.

Gas and fuel output for February amounted to 1,025,421,651 gallons, an increase of 122,859,120 gallons over the production in February of the previous year. Stocks increased 23,156,203 gallons during the month.

The production of lubricants during February was 93,824,414 gallons, an increase of 16,326,889 gallons over the 1923 figure for February. Stocks were 255,688,473 gallons as compared with 238,858,694 gallons at the end of February, 1923, an increase of 16,829,779 gallons. Stocks of lubricants at the end of February, 1924, also exceeded those of the previous month by 10,932,476 gallons.

### ***Freight Loadings During March Show Steady Decline; Building Material Shipments Heavy; Financial Condition of Roads Improves***

During March there was a falling off in the volume of freight moving, the last week in that month being the fourth in succession to show a decline in loadings. This is not generally accepted, however, as an indication of anything like a marked depression, for cumulative figures for the first thirteen weeks of the year were more than 270,000 cars above the hitherto record loadings of 1923. This is a gain of 2.3 per cent over last year and 17 per cent over 1922.

In the week ending March 29, 907,548 cars of revenue freight were loaded as against 936,274 cars for the corresponding week last year and 821,808 cars in 1922. Forest products and particularly building material were the outstanding features of the week's loading record, a natural consequence of present extensive building operations.

There was a considerable increase in the number of surplus cars during the month, the average daily surplus for the week ending March 31 being 248,301 cars as against 213,093 cars on March 22 and 134,273 cars on February 29. This, of course, testifies to the present satisfactory condition of the carriers in regard to equipment, and to their ability to handle heavy traffic with a minimum of congestion. An average daily shortage of 364 cars was reported for the period ending March 31, 1924.

The latest report of the Interstate Commerce Com-

mission indicates an improvement in the financial condition of the railroads throughout the country so far as operating revenues are concerned. In February, 1923, the class 1 roads were required to spend \$84.13 of each \$100 received for operating expenses, while in February, 1924, operating expenses required only \$78.24 of each \$100 of gross receipts. Favorable weather conditions have to be taken into consideration as being partially responsible for this, but undoubtedly the facilities afforded by recently acquired equipment are back of a large part of it.

Recently the directors of the Chesapeake & Ohio Railway authorized the purchase of more than 8000 railway cars and 100 Mikado locomotives—the total order to cost about \$28,000,000. Orders are expected to go largely to Middle West plants.

The following table prepared by the Department of Commerce gives the shipments of locomotives in March and unfilled orders as of March 31, with comparisons for earlier months.

	LOCOMOTIVES					
	Shipments			Unfilled Orders		
	Total	Domes- tic	For- eign	Total	Domes- tic	For- eign
1924						
January	151	147	4	376	344	32
February	99	92	7	499	466	33
March	132	128	4	534	494	40

### Automobile Production, 1923-1924

*Figures Represent Practically Complete Production and Are Based Upon Reports Received by the Federal Reserve Bank of Chicago in Cooperation with the National Chamber of Commerce from Identical Firms Each Month*

Month	1923			1924		
	Passenger Cars	Trucks	Total	Passenger Cars	Trucks	Total
January .....	223,653	18,913	242,566	287,211	28,247	315,458
February .....	259,383	21,411	280,794	336,284	30,399	366,683
March .....	319,527	34,063	353,590	348,287	33,061	381,348
April .....	343,793	36,786	380,579	.....	.....	.....
May .....	350,073	42,373	392,446	.....	.....	.....
June .....	337,048	39,945	376,993	.....	.....	.....
July .....	297,173	29,712	326,885	.....	.....	.....
August .....	313,972	29,882	343,854	.....	.....	.....
September .....	298,600	27,841	326,441	.....	.....	.....
October .....	334,244	29,638	363,882	.....	.....	.....
November .....	284,758	27,374	312,132	.....	.....	.....
December .....	275,287	27,068	302,355	.....	.....	.....
Total .....	3,637,511	365,006	4,002,517	.....	.....	.....

### Building Operations Move Forward on Large Scale; Less Comment Heard Regarding Shortage of Residential Homes

Building operations, while less pronounced than they were a year ago, are moving ahead on a large scale and work under prospect is considered fairly satisfactory. More favorable weather is enabling contractors to make good progress.

While building operations within the city limits of Cleveland have continued on a basis approximating the volume of last year, there is evidence of some slowing down in the outlying districts where home building has been in lively progress the last year or two. Figures compiled for the Builders Exchange Bulletin of Building Information indicate a decrease of approximately \$1,600,000 in value of permits issued in the suburbs from January 1 to April 1 this year in comparison with the same period in 1923. Whether this showing will be improved as the season advances is somewhat difficult to tell, as it depends upon the spring demand for dwellings.

Less comment is heard regarding the residential shortage. There are some students of the situation who are inclined to feel that the housing shortage caused by the war is disappearing with the large

records of construction which have characterized the last eighteen months.

The demand for both dwellings and apartment houses within the city, however, shows an increase, the number of permits issued for apartments during January, February, and March being 81 at a valuation of \$4,331,000 as compared with 56 in 1923 at a valuation of \$3,105,000. In the matter of dwellings, permits were issued during the same period this year to the number of 933 at a valuation of \$6,414,000 as compared with 777 at a valuation of \$4,499,000 for a like period in 1923. Just why the showing inside the city limits varies to so large an extent with that of the suburbs is a matter of conjecture.

A chart prepared by the National Industrial Council of New York now being exhibited at the Builders Exchange indicates that for the first time since before the war the prices of building materials and the rate of building labor approximate each other at the average figure of 200 as compared with 100, or in other words the increase in the cost of building now stands at 100 points above that in 1914.

### Lumber Production Holds Up Well; Dealers Buy Cautiously; Prices Show Weakening Tendency

The volume of lumber production is holding up well. Reports to the National Lumber Manufacturers Association on April 17 from 382 of the larger commercial sawmills of the country making comparable weekly reports, indicated slight increases in production and new business over the preceding week while

shipments showed a noticeable decrease. As compared with the corresponding week of 1923 there was a trifling increase in production and substantial decreases in both shipments and new business. Taking the first fifteen weeks of 1924 as a whole production was about 7 per cent larger than in 1923, shipments

about 5 per cent less, and orders (new business) about 9 per cent less.

Prices, while not actually developing any definite course, are quite generally reported to be showing a softening tendency.

The retail trade has hardly lived up to expectations, but is continuing in a sufficient volume to cause some

replacements. Dealers are reported to be buying from hand to mouth, are carrying as light stocks as possible, and are depending upon ample stocks at the mills and quick transportation to keep them supplied.

Manufacturers tell us that there is a good export demand for their product and that railroad buying is particularly heavy.

### ***Paving Brick Orders and Shipments Increase for March; Common Brick and Face Brick Associations Report Active Business***

That the summer season for street and highway paving is beginning to open up is evidenced by the sharp increase in shipments and orders for vitrified paving brick as shown in the regular monthly statistical report of the National Paving Brick Manufacturers Association to the United States Department of Commerce. The tonnage of the companies reporting represents 67 per cent of the total tonnage of the industry.

Unfilled orders which stood at 55,482,000 the last day of February had increased to 78,347,000 for the last day of March. Due to heavy manufacture during the winter months when shipments were light, stock on hand is still well in excess of unfilled orders, the total standing at 117,451,000 the last day of March.

Shipments, which are an accurate gage of the paving activity of both urban and rural sections, show an increase of more than four million, the figures being 6,442,000 for February and 10,989,000 for March.

In the Southwest, Texas led in consumption with a total of 1,942,000 for the month, closely followed by Oklahoma with a total of 1,310,000. Kansas was third with 930,000. Of the northern states Ohio was in the lead with shipments of 3,744,000, with Minnesota running second.

Efforts to standardize paving brick appear to be working out in a satisfactory manner. This is evidenced by a further reduction in the number of recognized types now in popular use. At its regular annual meeting held in Washington, D. C., March 28, the permanent committee on simplification of varieties and standards of vitrified paving brick of the United States Department of Commerce reduced the list of types and sizes from six to five.

Figures prepared by the Common Brick Manufacturers' Association of America on common brick production and shipments during February reveal a normal seasonal condition. While the unburned brick on hand remained about the same as during the previous thirty-day period and there was a slight reduction of burned brick on hand, the quantity of brick moved from the yards greatly increased. The report of February first showed that 45,762,000 brick were moved from the yards during the previous thirty days, while the current report shows that 104,663,000 brick were moved during March. This is unquestionably the result of better weather and resumption of work in the larger cities.

The Illinois, Indiana, and Wisconsin district contributed largely to this increase in shipments, while

increases are shown also from the southeastern states of Virginia, North Carolina, South Carolina, and Georgia, and a slight increase from Kentucky, Tennessee, Mississippi, Alabama, Arkansas, and Louisiana. California also shows a gain in shipments.

The orders on the books did not increase during March and stand within about 10,000,000 brick of the point reported thirty days previous.

Chicago continues to break all records in brick consumption. In 1923 this district consumed 1,200,000,000 brick, and the deliveries for the months of January, February, and March thus far have even exceeded the high mark set up in the corresponding months a year ago. Chicago, since the Great Fire in '71, has been a leading brick market, but is today consuming a greater amount of brick than any other metropolitan area in the world. While Manhattan probably would hold the record in the consumption of common brick in comparison with any similar area, it is a fact that the residential portions of greater New York do not consume as much brick as the residential sections of Chicago. This is due to the fact that practically the entire city of Chicago has been declared a fire zone, in which no building may be erected with inflammable exterior, while in the residential sections of New York outside of Manhattan frame is the prevailing material.

The brick manufacturers of the Atlantic seaboard still have at least one eye open for the foreign brick situation. Authentic reports covering the receipts of brick in 1923 proved that there was much exaggeration in earlier estimates of quantities received. Not more than 50,000,000 bricks were received altogether from foreign ports, and much of this, in fact, was not brick at all but a substitute made out of sand and lime. This material moved slowly and in fact some of it is still in the hands of the dealers.

The following figures showing production, stocks, unfilled orders, and shipments of face brick for 32 identical plants during March, 1924, as compared with February, 1924, and March, 1923, have been compiled by the American Face Brick Association. The figures do not include commons or culls.

	March 1924	February 1924	March 1923
Production .....	21,066,000	19,284,000	23,004,000
Stocks .....	62,240,000	67,997,000	73,756,000
Unfilled Orders..	44,872,000	40,524,000	62,139,000
Shipments .....	24,367,000	15,363,000	22,384,000

## ***Production of Portland Cement Totals 10,370,000 Barrels for March; Stocks Show Another Advance***

A recent report prepared under the direction of the Geological Survey shows that production of portland cement during March totaled 10,370,000 barrels as compared with 8,588,000 barrels for February and 9,800,000 barrels for March a year ago. The output for the first three months of this year amounted to 27,746,000 barrels as against 26,080,000 for the corresponding period of 1923.

March shipments for this year reached the total

of 8,995,000 barrels as compared with 5,933,000 barrels for February and 10,326,000 barrels for March, 1923. Total shipments for the first quarter of 1924 were 20,138,000 barrels while for the similar period last year they were 22,044,000 barrels.

Stocks of finished cement on hand at the end of March totaled 18,190,000 barrels; at the end of February they were 16,815,000 barrels, and at the end of March a year ago, 13,045,000 barrels.

## ***Late Spring Postpones Demand for Paint; Sales and Distribution Costs Higher; Collections Satisfactory***

Orders in the paint and varnish lines are not being placed as liberally this year as they were in 1923, and as a rule requisitions are smaller. They are, however, more numerous.

Manufacturers are inclined to feel that the late spring has caused a postponement of consumption on the part of the home owners and contracting trade, but a few warm days are expected to improve this condition enough to make the volume of business for the first half of 1924 compare favorably with that of the corresponding period of last year.

Business in the Southwest and along the Pacific coast is reported to be particularly good, while sales in the East are also gratifying. In the territory contiguous to St. Louis and Kansas City, and in the

Northwestern states buying is being retarded by unsatisfactory agricultural conditions.

The prices of some of the raw materials entering into the manufacture of paint and varnish have shown an increase over those of last year, and the producers have been unable to pass it along to the consumers. This is affecting particularly goods in cans sold to the dealer. There has also been an increase in sales and distribution costs, the result being a slight narrowing in the spread between the gross profits and the cost of doing business.

While there has been more than the usual number of failures among the trade for this season of the year, collections on the whole are satisfactory and fully in keeping with last year's results.

## ***Burley Tobacco Growers Busy Planting 1924 Crop; Warning Against Overproduction; Closer Contact with Foreign Outlets Planned***

Burley tobacco growers at the present time are busily engaged in preparing for the 1924 crop. While it is still too early to estimate with any degree of accuracy what this year's acreage will be, efforts are already being made to hold it down. Persons who have studied the situation are pointing out to the growers the dangers of overproduction. The Section of Markets of the University of Kentucky has issued a statement calling the attention of the growers to the large crop of last year and the stocks on hand, suggesting the advisability of growing a smaller acreage this year. In this connection the following facts are pointed out:

1. According to Government estimates the burley tobacco crop in 1923 was 326,116,000 pounds.
2. In 1922 it was 275,600,000 pounds.
3. The acreage last year was 13,000 acres larger than even the record crop of 1920.
4. Dealers and manufacturers had on hand on January 1 a total of 334,126,306 pounds of burley, or about 50,000,000 pounds more than a year ago.

The deliveries of the 1923 crop of burley by the growers have been practically completed. The price in the independent markets for the 1923 crop has averaged about 21 cents a pound. No recent sales have been announced by the Burley Tobacco Growers' Cooperative Association and the price it will pay its members of course will not be known until its holdings have been sold. Sales of the 1923 crop on the independent market have averaged several cents less per pound than those of the 1922 crop, the size of last year's crop and stocks of tobacco on hand, no doubt being important factors in producing this result.

The Association is joining with cooperative tobacco associations in other districts in the sending of a commission of representatives abroad with a view to building up a closer contact with foreign outlets for tobacco. This commission will leave on May 3 and will visit England, France, Italy, Czecho-Slovakia, and the Scandinavian countries on a mission of friendship and good will, establishing trade relations and explaining the cooperative marketing system, policies, and fair dealing.



## ***Tire Production Climbs; Inventories Largely in Hands of Manufacturers; Progress Made in Lowering Distribution Costs***

In the rubber industry production is being carried on at a high rate; manufacturers, however, do not consider it to be out of line with this year's requirements. Tire makers are alert to the situation and are making an effort to avoid the carrying of high inventories. Sales to dealers have shown some improvement with the opening of the driving season but in spite of this they are still somewhat sluggish and are only to meet actual demands. Labor conditions are reported to be very satisfactory.

One of the bright spots in the tire industry at this time is the fact that dealers throughout the country have comparatively few tires on their shelves and such inventory as exists is in the hands of manufacturers, which, of course, is conducive to a more rapid turnover than was the case a year ago. One reason for this is that there was less stocking through the spring dating plan. Another is that the stimulus of contemplated price advances was lacking. Still another is that with the advent of the balloon tire, dealers have been at a loss to know just what the trend of future buying will be and are probably going slow on both these and high pressure casings. Balloon tires appear to be in good demand and are acting as a stimulant to renewal business.

The margin of profit on tires has been reduced to a point where it is almost impossible to make carrying charges after taking care of high distribution costs which appear to be necessary if each manufacturer is to get a proportional share of business. Within the last month this margin has improved considerably, owing to the new lows in the crude rubber market, but this has not been sufficient to place the tire manufacturing business on a basis which is considered satisfactory. Of more importance than reduced raw material prices is the fact that progress is being made in reducing distribution costs from their excessively high point. Manufacturing costs have come in for a full share of revision during the past six months and

while some further improvement is expected in this direction no further important downward revision is considered consistent.

The slowing down among automobile manufacturers will naturally have its effect on the tire business. Tire manufacturers, however, tell us that they are not greatly concerned over the situation and that they expect consumption this year to move along at a high rate.

Business in mechanical rubber goods continues healthy. Hard rubber materials which are used in the construction of batteries and radio sets show a particularly heavy demand. Recently the call for belting has been less pronounced.

Production of tire casings in February exceeded shipments by 412,048, according to reports from members of the Rubber Association representing about 80 per cent of the industry. Output in February totaled 3,278,674 compared with 3,220,292 in January and 3,217,987 in February last year.

Shipments in February this year were 2,866,626 against 2,838,570 in January and 2,675,629 in February, 1923. Inventory on February 29 was 5,265,133 compared with 4,808,084 at the end of January and 5,224,387 in February, 1923.

Inner tube inventories as of February 29 were 7,339,307, an increase of 9.2 per cent over January and 8.4 per cent higher than February, 1923. Production of tubes totaled 4,067,631 compared with 3,887,959 in the previous month and 4,039,202 in February last year, while shipments were 3,397,668 against 3,542,500 in January and 3,063,883 in February a year ago.

Solid tire inventory at the end of February was 188,519 against 182,782 and 270,191, respectively, in January this year and February, 1923. Output was 60,646, an increase of 13.1 per cent over January and a decrease of 19.7 per cent from February, 1923, figures. Shipments totaled 52,965 against 47,295 in January and 67,084 in February a year ago.

## ***Footwear Industry Makes Favorable Showing; Orders Come in Small-Sized Lots; Inclement Weather Holds Back Spring Trade***

According to statistics compiled by the United States Bureau of the Census, 59 boot and shoe factories located in this District turned out 14.7 per cent more goods during February than during January, but their output was 8.8 per cent under the figure reported for February of last year.

The February output of 1212 boot and shoe factories in the United States was less than 1 per cent higher than the January production, indicating that the plants in this District have been operating at a considerably higher rate than those located in other parts of the country. It is reported that many of the New England factories are either closed or operating on reduced

schedules. During the past month there was a surplus of shoe workers in the Cincinnati district, as shoe plants in that city were not working at full capacity.

Because of the present dullness in the boot and shoe market, tanners have curtailed operations and the general trend of hide prices is downward. The *Bankers' Economic Service* reports that there is nothing in the present situation to indicate an early expansion of demand.

At present the shoe trade is in a period of between-season dullness, with cutting for the spring season finished and that for summer not yet under way. Wholesalers report that orders are confined almost entirely

to small lots. The lateness of Easter and the inclement weather have held back spring trade, and retailers are still waiting to see how stocks move before placing orders. It is to be hoped that the trade will not be embarrassed this year by as great a variety of styles in women's footwear as were offered last year. Early sales of these novelties brought fair profits, but when the year's business was footed up it was found that the left-over stock after each style wave had passed has wiped out most of the earlier gain.

Reports of 4598 manufacturers and dealers to the Department of Commerce show that the total number of cattle hides held in stock on February 29, 1924, by packers and butchers, tanners, dealers, and importers (or in transit to them) amounted to 4,832,428, as compared with 4,938,926 on January 31, 1924, and with 6,649,639 on February 28, 1923. The stocks of calf

and kip skins amounted to 2,436,488 on February 29, 1924, as compared with 2,568,605 on January 31, 1924, and 3,716,656 on February 28 of last year. Goat and kid skins numbered 8,428,738 on February 29, 1924; 8,903,835 on January 31, 1924; and 7,950,484 on February 28, 1923. The stocks of sheep and lamb skins on February 29, 1924, amounted to 5,866,313, on January 31, 1924, to 6,348,865, and on February 28 of last year to 9,058,455.

The total stocks of sole leather (cattle) reported by tanners, dealers, and manufacturers using the leather as a material, amounted to 9,364,194 backs, bends, and sides on February 29, 1924, the corresponding figures for January 31, 1924, being 9,642,850, and for February 28, 1923, 9,305,881. The production of sole leather during February, 1924, amounted to 1,212,750 pieces (backs, bends, and sides), and the stocks in process at the end of the month to 5,025,073 pieces.

### ***Precipitous Drop in Bituminous Coal Output; Surplus of Miners in This District; Large Stocks in Storage***

The past month has witnessed a precipitous drop in the output of bituminous coal. According to the weekly report of the United States Geological Survey, the estimated total production of soft coal during

the week ending April 12 was 6,742,000 net tons. This figure represents a decrease of 2,884,000 tons, or 30 per cent, as compared with the output during the week ending March 15. In the corresponding week of last

### ***Coal Production in Ohio for the Year Ending December 31, 1923, Classified According to Methods of Production, by Counties.\****

COUNTY	Number of Mines Reporting	Number of Tons			Total
		Pick Mined	Machine Mined	Stripped	
Athens.....	97	36,535	4,403,932	.....	4,440,467
Belmont.....	123	147,309	13,272,618	1,368	13,421,295
Carroll.....	27	93,155	372,699	.....	465,854
Columbiana.....	42	100,882	693,134	179,531	973,547
Coshocton.....	60	94,114	193,250	.....	287,364
Gallia.....	23	11,902	.....	.....	11,902
Guernsey.....	61	58,330	3,286,517	.....	3,344,847
Harrison.....	49	25,750	1,735,098	1,094,805	2,855,653
Hocking.....	73	63,631	808,281	.....	872,912
Holmes.....	12	13,870	3,700	.....	17,570
Jackson.....	76	155,856	115,799	.....	271,655
Jefferson.....	94	99,913	5,239,582	985,653	6,325,148
Lawrence.....	27	77,701	57,458	.....	135,159
Mahoning.....	17	29,997	30,544	.....	60,541
Medina.....	3	10,871	.....	.....	10,871
Meigs.....	48	46,086	1,194,678	.....	1,240,764
Monroe.....	1	411	.....	.....	411
Morgan.....	2	.....	214,975	.....	214,975
Muskingum.....	74	101,280	291,618	74,645	467,543
Noble.....	17	4,403	702,844	.....	707,247
Perry.....	110	173,115	1,909,234	431,803	2,514,152
Portage.....	4	17,346	77,669	.....	95,015
Scioto.....	4	3,265	.....	.....	3,265
Stark.....	75	255,805	279,397	.....	535,202
Summit.....	2	1,880	.....	.....	1,880
Trumbull.....	1	1,039	.....	.....	1,039
Tuscarawas.....	134	411,348	846,603	70,571	1,328,522
Vinton.....	17	14,311	96,870	.....	111,181
Washington.....	2	482	3,421	.....	3,903
Wayne.....	5	6,331	.....	.....	6,331
STATE.....	1,280	2,056,918	35,830,921	2,838,376	40,726,215

\*Released by the Division of Labor Statistics as of April 21, 1924.

NOTE—As delinquent reports are received the totals will be slightly altered before final tabulations are made.

year 10,401,000 net tons were mined, or 35 per cent more than the current weekly production.

From an average daily output of 1,800,000 tons late in February, production has dropped to 1,124,000 tons per day, which is almost exactly the same as in the corresponding week of 1921 when mine operations were practically at the bottom of the depression of that year. The United States Employment Service reports that there are now surpluses of coal miners in all of the bituminous fields of this District as a result of the part-time operation or closing of mines.

The present depression in the coal mining industry is due to overproduction on the one hand and lack of consumer demand on the other. The monthly report of the fuel committee of the National Association of Purchasing Agents states that the daily average coal consumption for industrial purposes in March was 3.5 per cent lower than the daily average consumption during February. Upon the decrease in industrial coal

consumption the fuel committee base their opinions that industrial activity declined somewhat during March. Of the total number of reports received from industrial coal consumers, 27 per cent indicated increased business, 32 per cent showed no change, and 41 per cent reported decreased consumption.

A large distributor in this District says that the coal situation is working out as he had anticipated. He sees no reason for pessimism in so far as the wholesale and retail trades are concerned. A Pittsburgh operator declares that in many cases coal is being sold at less than cost of production. He predicts that production will continue to decline until the market has absorbed the large stocks now in storage.

The price of coarse coal has declined, while screenings have advanced because of the scarcity of tonnage of that size. In general, the bituminous market is very dull and is likely to remain so for some time to come.

### ***Late Easter and Backward Weather Retard Department Store Sales During March; Stocks Larger***

Every reporting city in the Fourth Federal Reserve District showed a noticeable decrease in department store sales during March as compared with the same month last year, sales for the District as a whole being 9.7 per cent less than in March, 1923. This decrease is largely due to the fact that the Easter trade last year came in March while this year the bulk of it came in April, although cold weather may also be charged as being responsible for holding the spring trade back.

Evidence, however, that retail trade has held up well so far in 1924 may be found in the fact that during the first three months of 1924 the District showed an increase of 3.5 per cent over the corresponding period in 1923 in spite of the March decline.

Stock on hand at the end of March showed an increase of 10 per cent over February and of 11 per cent over March, 1923.

### ***Department Store Sales***

		(1) Percentage of Increase or Decrease Comparison of net sales with those of corresponding period last year		(2) Stocks at end of month compared with		(3) Percentage of average stocks at end of each month from January 1 to March 31 to average month- ly sales over same period	(4) Percentage of outstanding orders at end of M a r c h , 1924, to total purchases dur- ing calendar year 1923
No. of Firms Reporting		A March	B Jan. 1 to March 31	A March 1923	B February 1924		
Akron.....	4	—11.5	—2.1	20.3	11.9	435.9	8.2
Canton.....	3	— 9.9	1.7	5.6	6.8	743.9	...
Cincinnati....	9	— 8.0	6.5	6.1	9.8	446.4	8.7
Cleveland.....	5	—11.8	0.8	6.1	8.0	382.9	7.5
Columbus.....	5	—10.8	0.6	3.6	7.7	401.4	8.0
Pittsburgh....	6	—11.1	4.4	15.3	9.8	406.3	8.3
Toledo.....	4	— 7.1	3.2	18.5	7.9	464.8	6.2
Youngstown...	3	5.7	14.9	13.6	14.7	284.8	6.0
District.....	43*	— 9.7	3.5	11.3	9.5	411.1	7.9
U. S. Average..		— 8.1	2.8	7.5	9.0	421.4	6.6

\*Includes four reports from other cities

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

	April 16, 1924 (79 Banks)	March 19, 1924 (79 Banks)	Increase	Decrease
Loans and Discounts secured by U. S. Government obligations.....	\$ 23,439,000	\$ 24,426,000	\$ .....	\$ 987,000
Loans and Discounts secured by other stocks and bonds.....	410,099,000	409,323,000	776,000	.....
Loans and Discounts, all other.....	720,210,000	703,740,000	16,470,000	.....
U. S. Pre-War Bonds.....	48,178,000	48,258,000	.....	80,000
U. S. Liberty Bonds.....	108,246,000	108,791,000	.....	545,000
U. S. Treasury Bonds.....	3,707,000	4,800,000	.....	1,093,000
U. S. Treasury Notes.....	51,537,000	54,010,000	.....	2,473,000
U. S. Certificates of Indebtedness.....	8,133,000	11,358,000	.....	3,225,000
Other Bonds, Stocks, and Securities.....	305,961,000	306,693,000	.....	732,000
Total Loans, Discounts, and Investments.....	1,679,510,000	1,671,399,000	8,111,000	.....
Reserve with Federal Reserve Bank.....	109,092,000	105,323,000	3,769,000	.....
Cash in Vault.....	28,567,000	29,755,000	.....	1,188,000
Net Demand Deposits.....	886,297,000	892,570,000	.....	6,273,000
Time Deposits.....	623,230,000	622,640,000	590,000	.....
Government Deposits.....	29,951,000	33,046,000	.....	3,095,000
Total Resources on date of this report.....	2,133,416,000	2,117,416,000	16,000,000	.....

**Building Operations for Month of March, 1924-1923**

	Permits Issued				Valuation				Increase or Decrease	
	New Construction		Alterations		New Construction		Alterations		Amount	Per Cent
	1924	1923	1924	1923	1924	1923	1924	1923		
Akron.....	348	245	58	70	\$ 792,105	\$ 403,135	\$ 193,860	\$ 393,985	\$ 188,845	23.7
Canton.....	210	198	77	77	860,725	605,098	40,710	205,265	91,072	11.2
Cincinnati..	406	494	269	323	1,737,180	2,625,610	401,055	450,240	-937,615	-30.5
Cleveland*..	984	896	1,231	1,149	8,003,493	7,687,977	638,985	1,140,890	-186,389	-2.1
Columbus...	469	607	151	146	2,181,190	2,115,530	149,110	161,470	53,300	2.3
Dayton.....	242	405	135	126	687,389	1,669,427	96,093	60,903	-946,848	-54.7
Erie.....	133	131	67	52	572,202	414,244	102,936	57,065	203,829	43.2
Lexington...	37	63	30	40	166,700	124,717	23,291	62,320	2,954	1.6
Pittsburgh..	478	581	173	107	3,436,333	2,817,039	217,622	133,349	703,567	23.8
Springfield..	75	102	17	22	181,060	182,200	6,280	7,230	-2,090	-1.1
Toledo.....	410	338	154	173	1,770,266	1,562,815	347,419	215,850	339,020	19.1
Wheeling...	91	78	58	54	567,222	412,465	61,965	41,059	175,663	38.7
Youngstown..	199	173	26	36	1,162,740	469,730	14,700	54,275	653,435	124.7
Total.....	4,082	4,311	2,446	2,375	\$22,118,605	\$21,089,987	\$2,294,026	\$2,983,901	\$338,743	1.4

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

**Building Operations for Three Months Ended March 31, 1924-1923**

	Permits Issued				Valuation				Increase or Decrease	
	New Construction		Alterations		New Construction		Alterations		Amount	Per Cent
	1924	1923	1924	1923	1924	1923	1924	1923		
Akron.....	607	451	113	103	\$ 1,422,711	\$ 1,222,665	\$ 229,170	\$ 419,070	\$ 10,146	0.6
Canton.....	401	362	151	133	1,835,340	1,830,543	93,105	257,520	-159,618	-7.6
Cincinnati..	781	901	547	679	3,546,460	5,337,115	711,665	1,279,005	-2,357,995	-35.6
Cleveland*..	1,944	2,194	2,115	2,067	18,841,160	20,452,539	1,918,870	2,495,065	-2,187,574	-9.5
Columbus...	909	1,133	330	272	3,657,570	4,166,350	314,530	512,950	-707,200	-15.1
Dayton.....	392	669	258	213	1,448,968	3,158,773	264,325	201,168	-1,646,648	-49.0
Erie.....	206	205	104	99	762,952	591,219	269,731	205,620	235,844	29.6
Lexington...	92	117	49	66	283,160	382,687	54,701	82,310	-127,136	-27.3
Pittsburgh..	1,072	1,065	355	251	7,137,482	6,787,815	654,663	421,374	582,956	8.1
Springfield..	127	147	35	44	256,925	279,195	17,195	34,980	-40,055	-12.7
Toledo.....	698	594	307	355	2,959,113	3,303,620	574,429	583,285	-353,363	-9.1
Wheeling....	184	159	120	105	1,333,097	661,850	190,434	92,629	769,052	101.9
Youngstown..	419	288	59	61	1,959,520	1,130,505	60,700	85,225	804,490	66.2
Total.....	7,832	8,285	4,543	4,448	\$45,444,458	\$49,304,876	\$5,353,518	\$6,670,201	\$-5,177,101	-9.2

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

**Debits to Individual Accounts**

	Week Ending Apr. 16, 1924 (325 Banks)	Week Ending Mar. 19, 1924 (325 Banks)	Increase or Decrease Amount Per Cent		Week Ending Apr. 18, 1923 (325 Banks)	Increase or Decrease Amount Per Cent	
Akron.....	\$ 19,948,000	\$ 16,502,000	\$ 3,446,000	20.9	\$ 17,970,000	\$ 1,978,000	11.0
Butler, Pa.....	3,490,000	2,879,000	611,000	21.2	2,682,000	808,000	30.1
Canton.....	14,091,000	12,353,000	1,738,000	14.1	11,034,000	3,057,000	27.7
Cincinnati.....	92,145,000	80,159,000	11,986,000	15.0	90,154,000	1,991,000	2.2
Cleveland.....	205,353,000	157,450,000	47,903,000	30.4	151,873,000	53,480,000	35.2
Columbus.....	36,091,000	32,881,000	3,210,000	9.8	39,605,000	-3,514,000	-8.9
Connellsville.....	1,130,000	1,081,000	49,000	4.5	1,409,000	-279,000	-19.8
Dayton.....	17,883,000	16,314,000	1,569,000	9.6	17,342,000	541,000	3.1
Erie.....	7,686,000	7,547,000	139,000	1.8	7,632,000	54,000	0.7
Greensburg.....	5,055,000	4,949,000	106,000	2.1	5,145,000	-90,000	-1.7
Homestead.....	1,043,000	911,000	132,000	14.5	808,000	235,000	29.1
Lexington, Ky.....	4,832,000	6,372,000	-1,540,000	-24.2	6,648,000	-1,816,000	-27.3
Lima.....	4,813,000	4,111,000	702,000	17.1	4,021,000	792,000	19.7
Lorain.....	1,558,000	1,485,000	73,000	4.9	1,405,000	153,000	10.9
Middletown.....	2,769,000	2,367,000	402,000	17.0	2,300,000	469,000	20.4
New Brighton.....	2,702,000	2,437,000	265,000	10.9	2,920,000	-218,000	-7.5
Oil City.....	3,463,000	2,941,000	522,000	17.7	3,532,000	-69,000	-2.0
Pittsburgh.....	189,652,000	209,792,000	-20,140,000	-9.6	198,645,000	-8,993,000	-4.5
Springfield.....	5,281,000	5,010,000	271,000	5.4	5,545,000	-264,000	-4.8
Steubenville*.....	3,414,000	3,285,000	129,000	3.9	.....	.....	.....
Toledo.....	49,816,000	43,182,000	6,634,000	15.4	49,382,000	434,000	0.9
Warren, O.....	4,016,000	4,077,000	-61,000	-1.5	3,924,000	92,000	2.3
Wheeling.....	11,027,000	11,107,000	-80,000	-0.7	12,255,000	-1,228,000	-10.0
Youngstown.....	19,550,000	12,137,000	7,413,000	61.1	14,556,000	4,994,000	34.3
Zanesville.....	4,213,000	3,479,000	734,000	21.1	3,342,000	871,000	26.1
Total.....	\$711,021,000	\$644,808,000	\$66,213,000	10.3	\$654,129,000	\$53,478,000	8.2

\*Corresponding figures for 1923 not available

**Movement of Livestock at Principal Centers in Fourth Federal Reserve District for the Month of March, 1924-1923**

	Cattle		Hogs		Sheep		Calves		Cars Unloaded	
	1924	1923	1924	1923	1924	1923	1924	1923	1924	1923
Cincinnati.....	15,334	15,765	105,603	114,378	3,723	2,509	13,848	15,804	1,513	1,546
Cleveland.....	9,954	9,992	125,007	106,085	23,443	14,627	12,486	12,049	1,831	1,660
Columbus.....	73	245	2,945	5,649	12	294	99	172	2	7
Dayton.....	2,103	1,602	12,993	13,716	95	202	989	1,130	.....	.....
Fostoria.....	180	375	8,425	9,491	393	185	580	538	.....	8
Marion.....	30	61	4,203	3,813	258	259	149	104	.....	.....
Pittsburgh.....	31,200	26,142	254,505	241,360	80,609	62,154	28,644	27,862	4,015	3,770
Springfield.....	557	498	5,157	3,904	2,708	39	363	238	.....	.....
Toledo.....	885	568	12,820	12,149	175	454	887	544	.....	122
Wheeling.....	349	235	1,826	1,456	9	69	1,596	1,724	33	17

**Purchases for Local Slaughter**

Cincinnati.....	12,231	11,956	69,408	68,832	3,204	2,322	6,092	4,951	.....	.....
Cleveland.....	9,385	9,343	103,337	83,244	14,980	12,803	12,159	12,020	.....	.....
Columbus.....	1	57	87	528	6	23	49	118	.....	.....
Fostoria.....	15	21	1,155	200	8	5	45	35	.....	.....
Marion.....	27	61	1,910	2,379	16	12	68	103	.....	.....
Pittsburgh.....	6,583	5,159	48,357	41,711	8,794	6,264	7,775	7,818	.....	.....
Springfield.....	153	80	699	719	5	.....	73	73	.....	.....
Toledo.....	517	.....	1,950	.....	59	.....	511	.....	.....	.....
Wheeling.....	349	235	1,826	1,456	9	69	1,596	1,724	.....	.....

## March Wholesale Trade Less Than Corresponding Month Last Year

All wholesale lines showed a decrease in sales during March as compared with March of last year. The dry goods trade reported the greatest slackening, with a decrease of 21 per cent as compared with March, 1923, and of 8 per cent as compared with February, 1924. As in the case of retail sales, the cold weather and the fact that Easter came practically a month later

this year than last probably explains the decrease in large measure. Wholesale groceries, drugs and hardware lines all showed an increase in sales over February, but the two latter trades show a decrease in sales for the first three months of this year as compared with the same period last year.

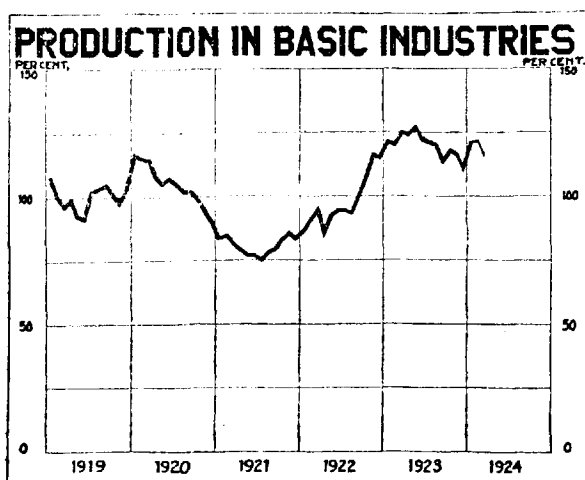
### Wholesale Trade Sales

	Number of firms reporting	Percentage change in net sales during March, 1924, compared with Feb., 1924	Percentage change in net sales during March, 1924, compared with Mar., 1923	Percentage change in net sales from Jan. 1 to March 31, 1924, compared with same period last year
Groceries—				
Cincinnati.....	3	5.4	10.1	6.6
Cleveland.....	3	8.4	1.2	6.4
Columbus.....	3	-6.4	-9.5	-0.4
Erie.....	4	2.0	7.9	14.0**
Lexington.....	3	5.3	-4.3	-2.9
Pittsburgh.....	7	-10.0	-3.4	7.1
Portsmouth.....	3	-1.7	-6.0	2.9
Toledo.....	3	-0.5	-2.1	5.7
Wheeling.....	3	-2.5	-3.4	5.7
Youngstown.....	4	5.5	1.6	6.2
Other Cities*.....	6	0.3	-2.2	3.9
DISTRICT.....	42	1.4	-0.8	5.2
Dry Goods—District.....	14	-8.0	-20.6	-11.1
Drugs—District.....	13	6.3	-5.0	-5.1
Hardware—District.....	12	8.8	-11.6	-3.7

\*Includes Canton, Dayton, Akron, and Springfield

\*\*3 firms

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



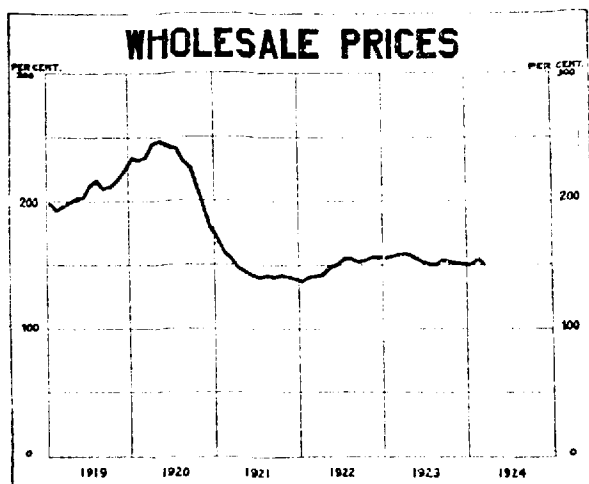
Index of 22 Basic Commodities Corrected for Seasonal Variations (1919=100). Latest Figure—March, 116. (Revised for February, 120)

Production of basic commodities decreased during March, and there was a recession in wholesale prices. Distribution both at wholesale and retail showed less than the usual seasonal increase and was smaller than a year ago.

### PRODUCTION

The Federal Reserve Board's index of production in basic industries adjusted to allow for length of month and other season variations, declined 3 per cent in March. Output was reduced by most industries and the decreases were particularly large in mill consumption of cotton and production of bituminous coal and copper. Daily average production of steel ingots, however, was larger than in any previous month. The level of factory employment was unchanged but some curtailment in working hours was evidenced by a decline of one per cent in average weekly earnings. Contract awards for new buildings in March reached the highest total value on record, owing chiefly to a large increase in the New York district.

Estimates by the Department of Agriculture on the basis



Index of U. S. Bureau of Labor Statistics (1913=100, Base Adopted by Bureau). Latest Figure—March, 150.

of condition on April 1 indicate a reduction of 4 per cent in the yield of winter wheat and of 6 per cent in the production of rye as compared with the final harvest in 1923.

### TRADE

Shipments of commodities by railroads declined each week in March and car loadings were 4 per cent less than a year ago.

Wholesale trade increased slightly during March but was 8 per cent less than a year ago owing to decreases in sales of dry goods, shoes, and hardware. March sales of department stores were 8 per cent less than in March, 1923, and merchandise stocks at the end of the month were 8 per cent larger than a year ago. Sales of mail order houses also showed less than the usual seasonal increase in March. Decrease in the volume of purchases at retail compared with last year is partly accounted for by the late Easter and the generally unfavorable weather conditions.

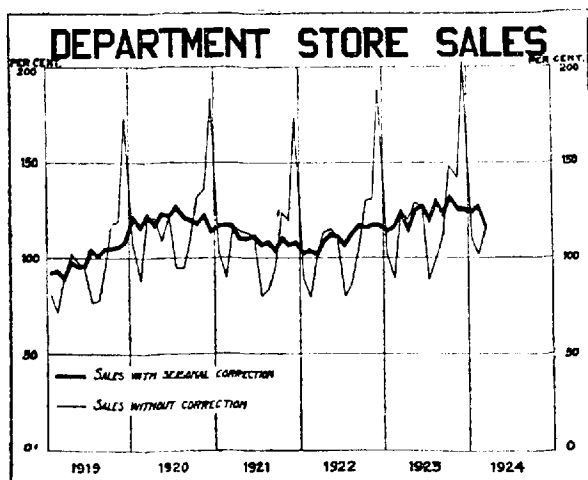
### PRICES

Wholesale prices, as measured by the Bureau of Labor Statistics index, decreased slightly more than one per cent in March and were 6 per cent lower than a year ago. Prices of farm products, foods, clothing, chemicals, and house furnishings declined, building materials remained unchanged, while fuel and metals were slightly higher than in February. During the first three weeks of April quotations on pig iron, lead, coal, silk, and sugar declined, while prices of wheat, corn, and cotton advanced.

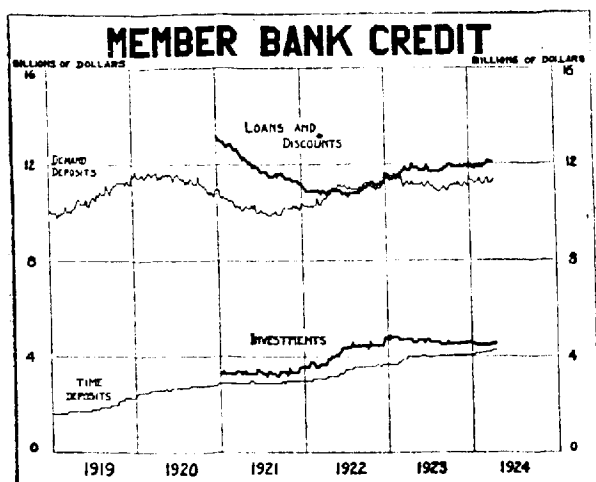
### BANK CREDIT

Volume of borrowing for commercial purposes at member banks in leading cities, after increasing during the early part of the year, remained constant at a high level between the middle of March and the middle of April. During the four-week period total loans of these banks were in larger volume than at any time in more than two years.

Discounts and investments of the Federal Reserve banks, which on April 2 were slightly above \$1,000,000,000 declined by about \$125,000,000 during the first three weeks in April to the lowest point for the year. This decline represents a reduction in discounts and in the holdings of acceptances, while the volume of government securities increased somewhat. Money rates in the New York market during the first three weeks in April were at about the same level as in the latter part of March. Prime commercial paper was quoted at  $4\frac{1}{2}$  per cent and ninety-day bankers' acceptances at 4 per cent throughout the period.



Index of Sales of 333 Stores in 117 Cities (1919=100). Latest Figure—March, 115.



Weekly Figures for Member Banks in 101 Leading Cities. Latest Figures, April 16.

# FOURTH FEDERAL RESERVE DISTRICT

