

MONTHLY BUSINESS REVIEW

Covering financial, industrial, and agricultural conditions

in the

Fourth Federal Reserve District

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Federal Reserve Bank of Cleveland

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General

During the past several weeks, the business recession which developed during March has been halted, at least for the time being. There have been contradictory movements, however, rather than any general trend, and conditions are spotty. Aside from the usual seasonal increase in activity, an improvement has occurred in some lines, particularly the automobile industry. Building has been running well ahead of last year; car loadings continue high; and the oil industry has been making headway. On the other hand, operations in the iron and steel industry have declined from the high point of two months ago, although the decline during the latter part of May has been inconsiderable. The acute coal situation still continues. Wholesale prices of all commodities weakened noticeably during April.

Comparing the situation with a year ago, production and consumption in general appear to be in closer relation now than they were at that time. In the past few years, there have been instances of increased production in anticipation of a demand which failed to materialize, with a consequent reduction in operations and a temporary depression. Manufacturers are now realizing that at the present time the old rule of forward buying has given way to the policy of purchasing for immediate needs only; and they are showing a disposition to restrict production to the point where the output is just about keeping even with current demand.

Financial Conditions

On May 13, earning assets of the Federal Reserve Bank of Cleveland totaled 99 millions, a decline of 22 millions from April 15, but an increase of 8 millions over a year ago. Holdings of bills discounted, government securities, and acceptances all show declines for the four-week period under review—bills discounted from 51 to 40 millions, government securities from 40 to 36 millions and acceptances from 29 to 22 millions. Compared with last year, bills discounted and government securities show slight declines, while acceptances increased 12 millions.

For the Federal Reserve System bills discounted rose from 395 millions on April 15 to 411 millions on May 6, but declined sharply to 339 millions on May 13. The latter figure is 72 millions under that of a year ago. Both acceptances and government securities show in-

creases during the four weeks ending May 13; acceptances from 274 to 283 millions and government securities from 358 to 380 millions. Gold reserves show an increase from 2,844 millions on April 15 to 2,854 on May 13, but were nearly 300 millions below the same date last year.

Loans and discounts of reporting member banks in the Fourth Federal Reserve District totaled 1,216 millions on May 6, a gain of 7 millions over April 8. During this period both demand and time deposits showed slight gains, the latter standing at 725 millions on May 6, a new high point for the district. For all reporting member banks in the country, total loans and discounts amounted to 13,185 millions on May 6 compared to 13,137 on April 8 and 12,075 a year ago. Loans secured by stocks and bonds, after declining during the last half of March and the first half of April, began to move upward again, with the result that on May 6 they stood at 4,876 millions, the highest point of the year and nearly a million dollars greater than a year ago.

Savings deposits of sixty-eight banks in the Fourth Federal Reserve District amounted to \$828,958,741 on April 30, a decrease of 0.1 per cent from the preceding month, but an increase of 7.5 per cent over a year ago.

Commercial failures in the Fourth Federal Reserve District numbered 165 during April, 1925, and 148 in April, 1924, as reported by R. G. Dun & Company. Liabilities amounted to \$2,604,395, as compared with \$13,040,996 in April, 1924. For the United States, failures numbered 1,939 in April, 1925, as against 1,704 a year ago, and liabilities for April, 1925, amounted to \$37,188,622, as compared with \$48,904,452 a year ago.

Iron and Steel

Sentiment and buying in the iron and steel market, after having swung from high to low points, are assuming more rational proportions. Within a period of six months the market has passed through an interval of heavy buying with high expectations followed by one of contracted purchasing and depressed sentiment. Neither attitude apparently has correctly reflected the underlying conditions of consumption which have been and remain favorable and sound. The real fundamentals of the situation seemingly have begun to assert themselves with the result that confidence is showing signs of being restored and preparations for business are proceeding along prudent and more normal lines.

From an operating position of around 90 per cent of full capacity in March, a forced readjustment has brought works activities to a 70 to 75 per cent basis. This latter level apparently about represents the scope of present consumption, for the point of equilibrium of supply and demand seems near at hand. There is every reason to believe that consumption since January 1 has not been far from this same volume; while it has probably increased in spots, there has been no sharp change observed. Therefore, it would appear that a reasonably good volume of underlying demand has existed for several months and is being sustained. The steel industry has been making its adjustments accordingly.

Demands from the building industry especially and from the railroads have continued most conspicuous. The needs of the automotive industry have grown steadily since January. The farming communities, as evidenced by the implement situation, which is pronounced to be the best in five years, are supplying a greater purchasing power. Miscellaneous manufacturing demands for steel are spotty.

The heavy production of iron and steel for the first quarter, the largest for any similar period on record, to all indications has taken care of the margin of overbuying of steel done generally for the first quarter. During the first three months of this year steel was made at the annual rate of 48,800,000 tons of ingots and pig iron at 41,200,000 tons. At this rate the country was producing steel 11.9 per cent in excess of the largest full year in history and in pig iron, 2.7 per cent greater. In March steel ingot production reached its crest with an annual rate of above 50,000,000 tons. In April this had fallen back to an annual rate of approximately 43,000,000 tons. In pig iron, as compiled by IRON TRADE REVIEW, April production showed the first decline in nine months with a loss of 7.1 per cent over the peak of March. In April the country was making pig iron at the rate of 38,200,000 tons per year as compared with a rate of 42,200,000 tons in March. Furnaces in blast at the end of April had dropped to 221 as against a high point of 256 at the end of February.

Further curtailment in both iron and steel capacity is taking place this month, but the fluctuations in total production are nearing a balance. Revival of buying and of interest in the market by consumers is now growing. Heavy shipments taken during the first three or four months have been well worked off or definitely assigned for use. Faith has been recovering and prices have been becoming more attractive. During the past month the decline in iron and steel prices has gone further, amounting on the whole to approximately \$1 to \$2 per ton.

IRON TRADE REVIEW composite of fourteen leading iron and steel products which stood at \$39.43 as of April 15 was \$38.21 the third week of May. The latter is the lowest point on record in almost three years or since August 2, 1922.

Raw materials especially have been reflecting a greater willingness of buyers to fortify themselves against their

forward requirements at present prices. A pig iron buying movement, originating several weeks ago, has been gradually expanding with total sales in that period estimated of upward of 300,000 tons. Larger lots of scrap are being closed by some steel consumers, and dealers again are taking on tonnages in the expectation of a rise. Some furnace coke contracts have been closed for last half delivery.

Iron and Steel Production

	PIG IRON (Iron Trade Review)		STEEL INGOTS* (American Iron & Steel Institute)	
	(In thous. of tons)		(In thous. of tons)	
	1925	1924	1925	1924
January.....	3,372	3,015	4,199	3,650
February.....	3,214	3,074	3,756	3,826
March.....	3,571	3,465	4,199	4,207
April.....	3,211	3,226	3,588	3,348
May.....	.....	2,620	.....	2,640
June.....	.....	2,023	.....	2,066
July.....	.....	1,783	.....	1,878
August.....	.....	1,883	.....	2,553
September.....	.....	2,054	.....	2,828
October.....	.....	2,462	.....	3,125
November.....	.....	2,515	.....	3,121
December.....	.....	2,956	.....	3,569
Total.....		31,076		36,811

*Revised.

Coal and Coke

The situation in the union coal fields in this District continues to be depressed. Reports indicate that a considerable number of mines in these fields have closed down, and two banks in the coal regions also closed their doors during the month.

In previous numbers of the REVIEW, it has been pointed out that the main trouble with the bituminous coal industry has been the excess of productive capacity over demand, coupled with unequal wage scales. This is again brought out by the fact that daily average production showed an upward tendency during the three weeks ending May 9, even in the face of the strike in union fields. While production in Pennsylvania and Ohio declined during the month, that in West Virginia increased. Furthermore, production in Pennsylvania and Ohio during April was no greater than last year and was far below the 1923 level, while production in the West Virginia mines, which are largely non-union, was noticeably greater than a year ago, and was almost up to the 1923 level.

Although the condition of the industry is undoubtedly depressed, there are one or two signs which point to a possible improvement. For one thing, the benefits of a readjustment in the form of consolidations are being considered. Then again, industrial stocks of coal on hand have been declining almost steadily for over a year, according to the National Association of Purchasing Agents, and on April 1 were at their lowest point for two years. Even with the present hand-to-mouth buying policy, it would appear that the reduction in stocks is bringing production and consumption in closer relation to each other. Some wholesalers report business

well in excess of last year, and on the whole the feeling in the Pittsburgh district appears to be a little better than it was a month ago.

Anthracite prices rose from \$8.70 per gross ton on April 8 to \$8.98 on May 8. Production for the four weeks ending May 9 amounted to 7,524,000 net tons, as compared with 6,368,000 during the same period last year. Coke prices also showed a gain during the month, standing at \$3.15 per short ton on May 8 as compared with \$3.00 a month previous. The production of by-product coke in April amounted to 3,316,000 tons, and that of beehive coke to 806,000 tons. The total production, 4,122,000 tons, was 440,000 tons less than during March, but was 483,000 tons greater than the 1924 monthly average.

Oil At this time conditions in the oil industry appear to be reaching a period of greater stabilization than earlier this year. While production of crude for the first four months is ahead of last year, a good part of this increased output came from the new deep sand at Smackover, Arkansas, and is by nature unfitted to produce any great percentage of gasoline. Reports to the NATIONAL PETROLEUM NEWS indicate that production in this field has about reached its peak. Over the country generally, new fields of importance are not in sight.

The gasoline market has been helped through the early months of the year by fine weather, which has stimulated motoring. Consumption is running 25 to 30 per cent ahead of a year ago. The refinery market on this product is stronger, and stocks are not being added to materially at present, particularly in the Oklahoma-Kansas market.

Automobiles The automobile industry during April and early May has been operating at top speed. Production in April, according to the National Automobile Chamber of Commerce, amounted to 430,000 cars, the largest single month in history. April showed a gain of 62,000 cars over March, nearly all of which took place in passenger cars. As compared with April, 1924, production showed an increase of 58,000 cars.

The recent increase in activity appears to be greater than the usual seasonal gain which occurs in the spring. An important factor in the situation is that production this year is reported to be only keeping about even with sales, which have been in heavy volume; whereas last year there was an overproduction, due to the fact that sales did not materialize to the extent anticipated.

Closed cars continue to increase in popularity. In 1919, closed cars constituted only 10.3 per cent of total production; in 1924, the figure had risen to 43.0 per cent. A recent announcement by the General Motors Corporation states that its sales of closed cars in March, 1925, amounted to 61 per cent of the total, as compared

with 54 per cent in February and 47 per cent in January.

The foreign market offers a great field for American-made cars, since the United States now uses over 80 per cent of the world's cars. Shipments of cars to foreign countries in 1924 totaled 386,580, an increase of 17½ per cent over 1923 and the largest year on record for exports of cars.

Automobile Production 1924-1925

Figures Represent Practically Complete Production and Are Based upon Reports Received by the Federal Reserve Bank of Chicago in Co-operation with the National Automobile Chamber of Commerce from Identical Firms Each Month.

	1925		1924	
	Passenger Cars	Trucks	Passenger Cars	Trucks
January.....	203,757	25,650	287,211	28,247
February.....	246,669	32,014	336,284	30,399
March.....	326,140	42,274	348,287	33,061
April.....	384,902	45,534	336,968	34,977
May.....	.....	.....	279,385	32,326
June.....	.....	.....	217,845	27,040
July.....	.....	.....	237,431	24,895
August.....	.....	.....	251,553	26,781
September.....	.....	.....	260,091	30,154
October.....	.....	.....	257,839	30,597
November.....	.....	.....	201,652	26,246
December.....	.....	.....	178,570	25,333
Total.....	.....	.....	3,193,116	350,056

Tires The most important development during the month with regard to tires was the increase in prices which occurred about the first of May, and which amounted to 5 per cent on cord tires and 10 per cent on certain other classes. This increase had been anticipated for some time, and was due to the continued rise in the price of crude rubber, which has recently advanced to nearly 70 cents a pound, as compared with 45 cents on April 15 and 22 cents a year ago. Even with this very marked gain, the rise in tire prices has as yet been small, due to greater efficiency in operation and to increased tire sales.

Akron manufacturers report that sales have continued to run ahead of last year, in the face of the price advance. The activity in the automobile industry has naturally been reflected in operations at tire plants.

Stocks of tires, both in dealers' and in manufacturers' hands, are higher than a year ago. Dealers reporting to the National Tire Dealers' Association on April 1 had 14 per cent more pneumatic tires on hand than on the same date in 1924, and stocks of high pressure inner tubes in manufacturers' hands, according to a report of the Rubber Association in America, amounted to 9,540,993 on April 1, as compared with 8,054,331 on April 1, 1924. The rise in manufacturers' stocks has now been continuous since last August, and the April 1 figure is higher than at any time during the past four years. Preliminary figures as of May 1 indicate a still further increase in inventory.

Production of balloon inner tubes nearly doubled during March, and shipments also showed a sharp increase.

Shipments of high pressure inner tubes in March were only 2.7 times greater than those of balloon tubes, while in February they were 4.0 times greater and in March, 1924, they were 38.9 times greater.

Textiles Some lines of textile manufacturing in this District have experienced a slight increase in activity during the past month. In one case this is reported to be due to increased demand from the rural districts, while other manufacturers attribute the renewed interest to the necessity of replenishing depleted stocks. Business in the early part of May appears to show no great change from that of April.

Sales of nineteen wholesale dry goods firms in the District during April continued to run behind last year. The decrease was only 3.6 per cent, however, as compared with a decrease of 11.8 per cent for the first four months of 1925. April sales declined 9.5 per cent from those of March.

General Manufacturing Business in various lines of manufacture in the Fourth District during April was in most cases better than a year ago. The slackening tendency which was noticeable during March as compared to February was not so general during April, and appears to have been arrested in some lines.

The agricultural implement industry in the District reports a marked improvement over last year, and also an improvement over the first quarter of this year. Business in plate glass continues at an exceedingly high rate, but there has been a decline in demand for window glass. The pottery trade has been quiet; one manufacturer states that the importation of cheap pottery from abroad is having a depressing effect. The paper industry has experienced a seasonal falling-off. Boxboard manufacturers are handicapped by an excess of productive capacity. Manufacturers of machinery report that business declined from March, but is holding its own with last year. March and April in the paint trade were considerably above the same months in 1924.

Agricultural Conditions *Ohio.* The State Department of Agriculture reports that the prospects for wheat are the lowest in thirteen years. Fully 30 per cent of the acreage in the state is reported as having been destroyed through winter killing, and the remaining acreage is said to be thin and uneven. The southern part of the state has apparently suffered most, some of the counties reporting that as high as 60 per cent of the acreage has been abandoned.

On the other hand, reports indicate that oats fields are in fine condition, the present outlook promising one of the best crops the state has ever had. Rye is also reported as being in a fair condition.

Fruit prospects until recently were good in the northern portion of the state, apples, peaches, pears and cherries

all giving promise of a full crop. A sudden cold spell in the latter part of May, however, has caused some uncertainty. In the southern sections, there has been considerable damage to the buds from freezing. Southern Ohio reports the outlook for peaches as poor, apples from 75 to 90 per cent of normal, and pears and cherries making about a 40 per cent showing.

Pennsylvania. The Department of Agriculture reports the wheat prospects as better than for the past two years, although somewhat below the ten-year average. On April 1, the crop was estimated to be 85 per cent of normal, as compared with 83 per cent last year.

Farm wages are stated to be slightly lower than a year ago, with the available supply greater than at any time for the past two years.

Kentucky. The May report for the state indicates an increase of about 35 per cent in the wheat crop over that of 1924. The acreage is now estimated at 566,000 acres as against 434,000 acres harvested last year, while the condition of the crop on May 1 was 79 per cent of normal as against 69 per cent on the same date a year ago. Kentucky farmers report the supply of labor as 97 per cent of the demand.

The spring condition of livestock in general is considerably above the average due to the mild winter and generally fair condition of spring pasturage.

Tobacco Reports from the tobacco-growing sections of the Fourth District indicate a slight increase in acreage over that of last year. Thus far the weather has been favorable for preparing the ground, and plants of all grades are reported as being in good condition with the supply quite ample for probable demand.

The Burley Tobacco Growers' Association announces the distribution to growers of 1923 crop of \$12,419,440 to be made early in June, and also announces that a recent sale has been made to the Japanese government monopoly. This is of more than ordinary interest in view of the fact that it is the first on record to that country.

Building In recent years, April has usually shown a falling off from March in the valuation of building permits, but this year has proved an exception. Bradstreet's preliminary figures covering 147 cities indicate an increase of 20 per cent over March and of 30 per cent over April, 1924.

In the Fourth District also there was an increase over March, amounting to almost 10 per cent, and an increase over April of last year, amounting to 11.8 per cent. For the first four months of 1925, a gain of 20.1 per cent was shown over the corresponding period last year. For the four months period, the greatest gains were shown by Akron with 112.3 per cent, and Columbus with 37.9 per cent, while Toledo and Wheel-

ing showed the greatest declines with 27.1 and 25.0 per cent respectively.

Building Operations

	April, 1925		First four months 1925		1924	
	No. permits	% change from 1924	Valuation	% change from 1924	Valuation	% change from 1924
Akron.....	615	4.6	\$2,001,357	122.5	\$5,415,546	112.3
Canton.....	378	-13.5	788,115	-19.1	2,706,783	-6.7
Cincinnati.....	803	-2.3	3,816,155	-5.7	9,547,010	15.0
Cleveland.....	2,282	-6.9	9,035,696	30.5	32,113,298	25.5
Columbus.....	851	5.5	2,662,900	6.0	8,944,850	37.9
Dayton.....	462	-4.0	1,477,659	15.1	3,722,686	24.2
Eric.....	326	-0.6	651,666	-6.3	1,810,518	4.8
Lexington.....	85	-6.6	85,105	-72.1	564,410	-12.2
Pittsburgh.....	1,019	11.9	4,885,039	36.3	15,019,598	32.0
Springfield.....	177	-8.3	256,295	8.9	548,680	7.7
Toledo.....	880	-10.4	1,298,151	-46.2	4,335,014	-27.1
Wheeling.....	71	-61.4	412,441	7.6	1,429,309	-25.0
Youngstown.....	295	-17.1	1,114,175	-8.2	2,947,895	-8.9
Total.....	8,244	-4.5	\$28,484,754	11.8	\$89,105,597	20.1

Building Materials

The lumber market has been characterized by a softening of prices during the past month. The Aberthaw index of industrial building costs showed a slight drop during April after having been stationary for some months. Among the causes of this slackening may be mentioned the recent tendency of stocks of lumber to accumulate at the mills and the slight excess of production over orders during the present season. The feeling is also held in some quarters that the manufacturers prefer a steady demand at present prices to a possibly unsettled demand at higher prices.

In this District, some manufacturers report a seasonal increase in activity, but business is described as being only fair. In most cases business during the first four months of this year was about the same as in 1924, but the past few weeks have compared somewhat unfavorably with last year.

For the first eighteen weeks in 1925, ending May 2, production amounted to 4,428 million feet, according to a report of the National Lumber Manufacturers' Association. This was 60 million feet less than shipments, but 63 million feet in excess of orders. During the four weeks ending May 2, shipments and orders were 98 and 99 per cent of production, respectively.

A comparison of the cost of various building ma-

terials on April 1 as compared with January 1 shows that in Pittsburgh six items advanced in price, two declined, and fifteen remained stationary. In Cleveland, there were four advances and two declines, while seven remained stationary.

Cement production in April for Ohio, western Pennsylvania, and West Virginia totaled 1,275,000 barrels, according to the GEOLOGICAL SURVEY. This was an increase of 296,000 barrels over April, 1924. For the United States, April production was 13,807,000 barrels, about 2,000,000 over last year and 2,800,000 over March. Stocks declined slightly in April, after mounting to the highest point on record at the end of March.

Retail Trade

Sales of seventy department stores in this District during April showed a decrease of 1.1 per cent from April, 1924. The decrease for the first four months of 1925 from the corresponding period last year was also 1.1 per cent. For April, four cities gained over a year ago, the greatest increase, 16.4 per cent, having occurred in Columbus. Canton, with 15.7 per cent, showed the greatest decrease.

Even with the slight loss from last year, sales during April were higher than for any other April in the past seven years with the exception of 1924. This bank's index numbers of sales of fifty-five department stores (1919-1923=100) for April from 1919 through 1925 are as follows: 86, 104, 103, 101, 111, 124, 121.

Wholesale Trade

All reporting wholesale lines showed a loss in sales during April as compared with the same month last year. In the case of wholesale groceries, every city reported a loss, the decrease for the District as a whole amounting to 7.6 per cent.

For the first four months of 1925, as compared with last year, grocery sales declined 7.1 per cent; dry goods, 11.8 per cent; hardware, 1.5 per cent; and shoes, 1.4 per cent. Wholesale drugs on the other hand, showed an increase of 0.7 per cent.

Comparative Statistics, by Selected Cities, of First Four Months of 1925 and 1924.

(Percentage increase or decrease during first four months of 1925 over same period in 1924.)

	Debits to Individual Accounts	Building Permits (Valuation)	Department Store Sales	Wholesale Grocery Sales	Other Wholesale Sales*	Postal Receipts	Deposits of Member Banks***
Akron.....	12.6	112.3	4.6	1.8	....	1.8	7.3
Canton.....	2.8	-6.7	-14.1	....	....	....	....
Cincinnati.....	12.0	15.0	2.5	-8.2	-7.0	13.4	17.9
Cleveland.....	5.2	25.5**	-1.5	-8.4	7.6	7.3	11.8
Columbus.....	4.2	37.9	11.1	-10.1	-6.3	2.9	3.3
Dayton.....	-5.9	24.2	-2.9	....	-7.6	21.6	-0.4
Eric.....	5.6	4.8	....	-4.3	....	....	10.4
Lexington.....	0.7	-12.2	....	-17.6	-12.0	8.2	11.9
Pittsburgh.....	10.7	32.0	-2.9	-0.6	-9.5	0.9	18.2
Springfield.....	5.3	7.7	....	....	....	47.0	11.1
Toledo.....	9.5	-27.1	-5.4	-7.0	-6.8	-0.9	6.4
Wheeling.....	-4.1	-25.0	-7.1	....	-15.7	....	-0.9
Youngstown.....	6.9	-8.9	0.1	-23.1	....	....	6.0
DISTRICT.....	7.7	20.1	-1.1	-7.1	-5.9	9.0	13.0

*Includes Drugs, Dry Goods, Hardware, and Shoes.

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

***April 22, 1925, as compared with April 23, 1924.

Retail Trade Sales

Percentage Increase or Decrease

	No. of Reports	SALES	
		April, 1925, compared with April, 1924	Jan.-Apr., 1925, compared with Jan.-Apr., 1924
DEPARTMENT STORES			
Akron.....	5	7.0	4.6
Canton.....	4	-15.7	-14.1
Cincinnati.....	7	4.2	2.5
Cleveland.....	6	-2.3	-1.5
Columbus.....	6	16.4	11.1
Dayton.....	5	-5.2	-2.9
New Castle.....	3	-7.5	-3.5
Pittsburgh.....	8	-3.9	-2.9
Toledo.....	5	-0.8	-5.4
Wheeling.....	5	-6.9	-7.1
Youngstown.....	3	0.4	0.1
Other Cities*....	13	3.4	3.1
District.....	70	-1.1	-1.1

*Includes Erie, Lima, Mansfield, Marion, Norwalk, Oil City, Portsmouth, Sharon, Springfield, and Washington C. H.

WEARING APPAREL

	No. of Reports	April, 1925, compared with April, 1924	Jan.-Apr., 1925, compared with Jan.-Apr., 1924
Cincinnati.....	5	6.7	.....
Cleveland.....	3	22.9	.....
Other Cities**..	10	-3.5	.....
District.....	18	6.5	.....

**Includes Canton, Columbus, Fostoria, Mt. Vernon, Pittsburgh, Sandusky, and Toledo.

Wholesale Trade and Chain Store Sales

Percentage Increase or Decrease

	No. of Reports	SALES	
		April, 1925, compared with April, 1924	Jan.-Apr., 1925, compared with Jan.-Apr., 1924
GROCERIES			
Akron.....	3	-1.0	1.8
Cincinnati.....	3	-7.5	-8.2
Cleveland.....	4	-9.1	-8.4
Columbus.....	3	-12.1	-10.1
Erie.....	4	-4.4	-4.3
Lexington.....	3	-21.2	-17.6
Pittsburgh.....	7	-6.5	-0.6
Toledo.....	3	-3.8	-7.0
Youngstown.....	3	-25.6	-23.1
Other Cities*....	22	-4.0	-5.9
District.....	55	-7.6	-7.1
Dry Goods Dis..	19	-3.6	-11.8
Drugs District...	16	-0.1	0.7
Hardware District.	18	-3.9	-1.5
Shoes District....	6	-5.5	-1.4

*Includes Butler, Canton, Connellsville, Dayton, Dover, Greensburg, Ironton, Lima, Mansfield, Massillon, Portsmouth, Springfield, Steubenville, Uniontown, Warren, Pa., Wheeling, and Xenia.

CHAIN STORES**

	No. of Reports	April, 1925, compared with April, 1924	Jan.-Apr., 1925, compared with Jan.-Apr., 1924
Drugs-District...	3	-1.6	0.0***
Groceries-District..	5	0.1	5.7

**Sales per individual unit operated.

***Sales identical for both years.

Index Numbers of Trade in the Fourth Federal Reserve District

(Average Monthly Sales for the Five-Year Period 1919-1923, Inclusive—100)

	Department Stores (55 firms)	Wholesale Drugs (15 firms)	Wholesale Dry Goods (18 firms)	Wholesale Groceries (53 firms)	Wholesale Hardware (17 firms)	Chain Drugs (3 firms)
April, 1921.....	103	96	91	83	105	99
April, 1922.....	101	90	73	70	90	96
April, 1923.....	111	106	86	86	125	98
April, 1924.....	124	112	79	84	109	100
April, 1925.....	121	112	76	78	104	99

Debits to Individual Accounts

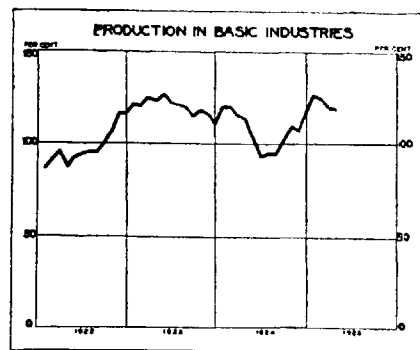
(In thousands of dollars)

	1 5 weeks ending May 13, 1925	2 5 weeks ending April 8, 1925	3 5 weeks ending May 14, 1924	4 % inc. or dec. over col. 2	5 % inc. or dec. over col. 3	6 1925 to date (Jan. 1 to May 13)	7 1924 to date (Jan. 3 to May 14)	8 % inc. or dec. over col. 6
Akron.....	\$105,077	\$91,396	\$84,513	15.0	24.3	\$356,080	\$316,205	12.6
Butler, Pa.....	13,563	13,371	14,219	1.4	-4.6	48,382	47,088	2.7
Canton.....	59,317	55,284	55,172	7.3	7.5	211,980	206,246	2.8
Cincinnati.....	409,214	417,242	368,397	-1.9	11.1	1,552,175	1,385,630	12.0
Cleveland.....	872,849	720,169	814,660	21.2	7.1	2,962,104	2,815,745	5.2
Columbus.....	167,461	157,817	158,345	6.1	5.8	609,622	585,115	4.2
Connellsville, Pa....	5,481	5,415	5,517	1.2	-0.7	20,418	20,999	-2.8
Dayton.....	86,817	86,544	81,475	0.3	6.6	326,644	307,242	-5.9
Erie, Pa.....	40,185	37,798	36,998	6.3	8.6	144,402	136,789	5.6
Greensburg, Pa.....	23,503	21,660	24,488	8.5	-4.0	89,069	99,006	-10.0
Homestead, Pa.....	5,905	5,258	5,261	12.3	12.2	19,543	18,123	7.8
Lexington, Ky.....	22,249	26,356	22,976	-15.6	-3.2	118,495	117,713	0.7
Lima.....	23,593	23,036	22,010	2.4	7.2	84,850	81,683	3.9
Lorain.....	8,122	8,436	7,307	-3.7	11.2	30,062	26,181	14.8
Oil City, Pa.....	16,009	16,349	16,389	-2.1	-2.3	61,838	63,294	-2.4
Pittsburgh, Pa.....	1,052,039	1,095,809	988,087	-4.0	6.5	4,123,833	3,724,841	10.7
Springfield.....	25,384	23,785	23,085	6.7	10.0	94,094	89,331	5.3
Steubenville.....	14,464	12,762	14,998	13.3	-3.6	50,323	53,018	-5.1
Toledo.....	242,627	227,880	211,762	6.4	14.6	871,365	796,036	9.5
Warren.....	16,409	15,883	16,066	3.3	2.1	58,806	64,245	-8.5
Wheeling, W. Va....	53,329	51,385	52,468	3.8	1.6	201,318	209,877	-4.1
Youngstown.....	77,340	76,652	78,429	0.9	-1.4	300,297	280,890	6.9
Zanesville.....	15,203	14,680	16,833	3.6	-9.7	53,847	59,249	-9.1
Total.....	\$3,356,139	\$3,204,967	\$3,119,455	4.7	7.6	\$12,389,547	\$11,504,546	7.7

National Summary of Business Conditions

(By Federal Reserve Board)

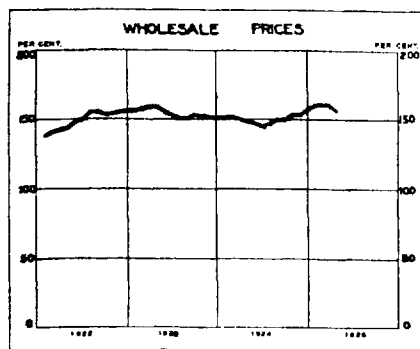
Production in basic industries and factory employment continued at approximately the same level during April as in March. Factory payrolls were smaller, and wholesale prices declined sharply. Distribution of commodities was maintained at higher levels than a year ago.



Index of 22 basic commodities corrected for seasonal variation (1919=100) Latest figure—April, 119

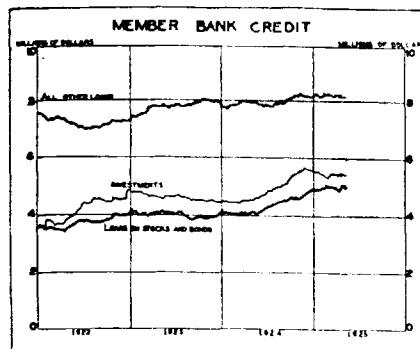
Production
The output in basic industries declined less than 1 per cent in April. Decreased production of iron and steel, flour, and copper was largely offset in the Federal Reserve Board's production index by increases in mill consumption of cotton and in the production of newsprint and petroleum. The output of automobiles, which are not included in the index, has increased rapidly since December, and in April was the largest ever recorded. Automobile tire production was maintained at the high level reached in March. The number of men employed at industrial establishments remained practically the same in April as in March, but owing to less full time operation, particularly in the textile, leather, and food industries, total factory payrolls decreased about 2 per cent. Building contracts awarded during April were the largest on record both in value and in square feet.

Estimates by the Department of Agriculture on May 1 indicated a reduction of 6 per cent from the April forecast in the yields of winter wheat and rye. The winter wheat crop is expected to be 25 per cent smaller than last year and the indicated yield of rye is 9 per cent less.



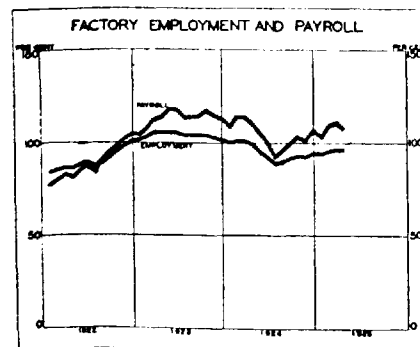
Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau) Latest figure—April, 156

Trade
Wholesale trade was smaller in all lines except hardware during April than in March. Compared with a year ago sales of groceries and shoes were less, but sales of meats, dry goods, and drugs were larger. Sales at department stores and by mail order houses showed more than the usual seasonal increases in April and were larger than during April, 1924. Wholesale stocks of groceries, shoes, and hardware were smaller at the end of April than a month earlier, while dry goods were larger. Merchandise stocks at department stores showed less than the usual seasonal increase in April, but were in about the same volume as a year ago. Freight car loadings of merchandise were greater than in March and larger than in any previous April.



Weekly figures for member banks in 101 leading cities—Latest figures—May 13th

Prices
Wholesale prices, according to the index of the Bureau of Labor Statistics, declined 3 per cent in April, following an almost uninterrupted rise since the middle of 1924. All groups of commodities shared in the decline of prices, except house furnishings and the miscellaneous group. The largest declines were in farm products and foods, which had shown the most rapid increases. During the first three weeks in May, prices of grains, beef, hogs, flour, and rubber advanced, while declines occurred in cotton, wool, lumber, and iron prices.



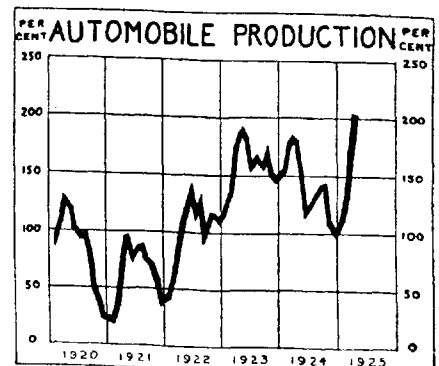
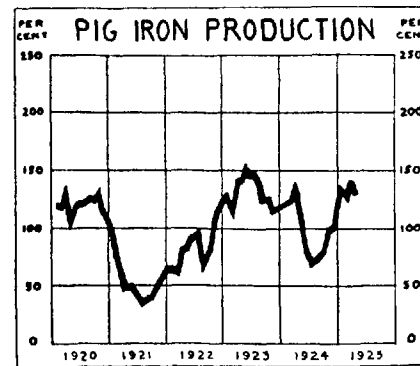
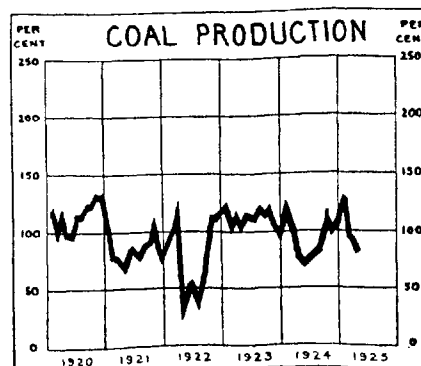
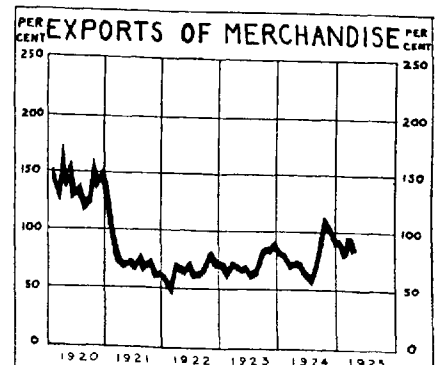
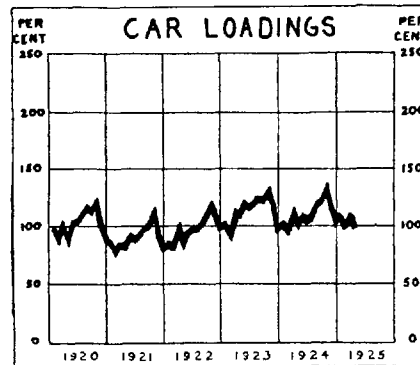
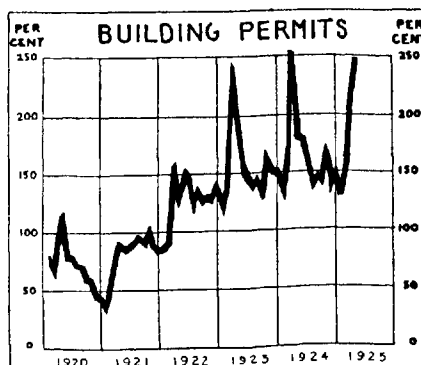
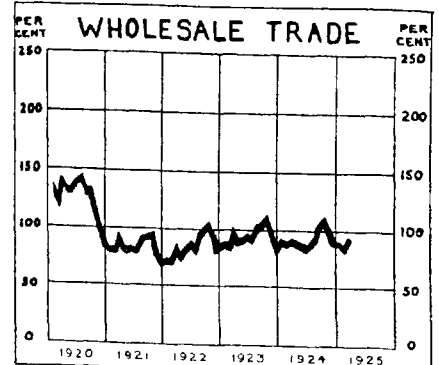
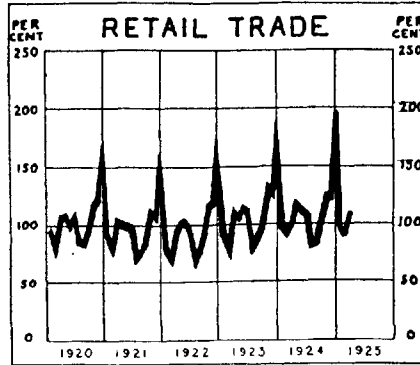
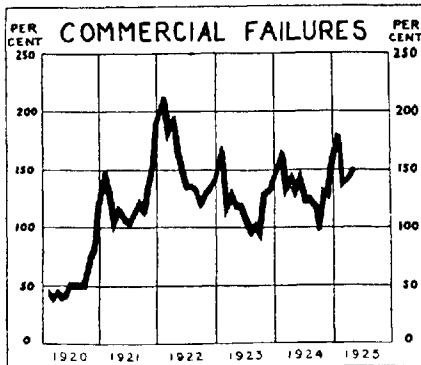
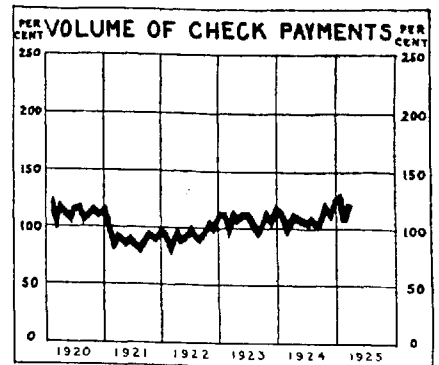
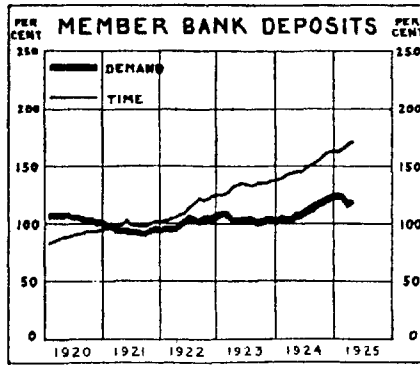
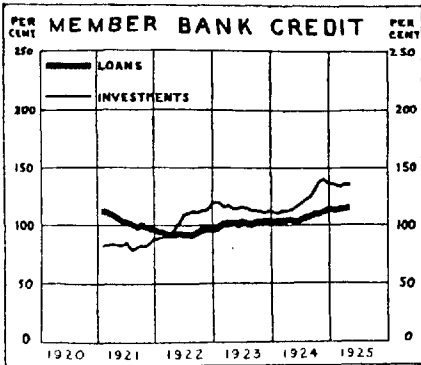
Index of 33 manufacturing industries (1919=100). Based on number of men employed and amount of payrolls. April figures: Employment 96; Payrolls, 108.

Bank Credit
At the middle of May total loans and investments of member banks in leading cities were near the level which has prevailed, with only minor fluctuations, since the first of the year. Loans chiefly for commercial purposes declined slightly between the middle of April and the middle of May, while loans on securities rose to a high point at the end of April and decreased somewhat during the first two weeks of May. Total investment holdings which increased considerably during the first half of March have declined somewhat since that time. Net demand deposits increased considerably from the low point at the end of March, but were still \$500,000,000 less than at the middle of January.

At the reserve banks there was a marked decline in the volume of member bank borrowings after the first week in May, and total earning assets of the reserve banks on May 20 were less than \$1,000,000,000 for the first time since January. Acceptances and holdings of United States securities on that date were in about the same volume as a month earlier.

Indexes of National Business Conditions

The base (100) for all the charts except the first is the monthly average for the 5 years 1919-1923 inclusive.
For the first chart, the base is the monthly average for the three years 1921-1923.



LATEST FIGURES

1. Member Bank Credit. April Loans 115, Investments 135.
2. Member Bank Deposits. April, Demand 119, Time 170.
3. Check Payments (except N. Y.) March, 121.
4. Commercial Failures. April, 150.
5. Retail Trade. March, 108.
6. Wholesale Trade. March, 94.

7. Building Permits. April, 247.
8. Car Loadings. April, 99.
9. Exports of Merchandise. April, 84.
10. Bituminous Coal Production. April, 84.
11. Pig Iron Production. April, 130.
12. Automobile Production. April, 203.