

MONTHLY BUSINESS REVIEW

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

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No. 9

General Business has been moving along at a satisfactory pace, some lines having experienced greater activity than is usual at this time of year. The iron and steel trade appears to have turned the corner, operations having gradually increased during recent weeks. Activity in the great majority of industries continues to be well ahead of a year ago at this time.

A valuable indicator of the business trend consists of earnings comparisons in various lines of industry. Along this line, an analysis has been made by this bank of the income accounts of forty-two large and representative industrial corporations in the United States, having total resources of \$7,262,108,000. The result of this analysis shows that net profits (after all deductions but before dividends) of the forty-two corporations combined for the first half of 1925 amounted to \$237,672,332, as compared with \$195,315,110 for the first half of 1924, or a gain of 21.7 per cent. Thirty-two companies showed a gain in earnings over 1924, while only ten showed a decline. The above statistics bring out forcefully the improvement which has taken place in 1925 as compared with 1924.

Manufacturers in this District report that the practice of hand-to-mouth buying is still prevalent. There is considerable complaint as to the narrow margin of profits, even when accompanied by a large volume of business, but efforts are being made by the majority of manufacturers to adjust themselves to the situation.

Financial Conditions

Savings deposits of sixty-eight reporting banks in the larger centers of the Fourth Federal Reserve District amounted to \$846,960,987 on July 31, a decrease of 1.0 per cent from June 30, but an increase of 5.4 per cent over July 31, 1924.

Commercial failures in this district, according to R. G. Dun and Company, numbered 191 in July, as compared with 155 in July, 1924. For the United States, there were 1685 failures in July of this year as against 1615 in the same month last year.

The following table gives the changes in the main items of the balance sheets of Federal reserve and reporting member banks.

	Federal Reserve Bank of Cleveland (in millions)			Federal Reserve System (in millions)		
	Aug. 12, 1925	Aug. 13, 1924	July 15, 1925	Aug. 12, 1925	Aug. 13, 1924	July 15, 1925
Gold Reserves.....	\$298	\$320	\$301	\$2,778	\$3,144	\$2,791
Discounts.....	73	23	47	538	266	455
Acceptances.....	17	1	21	212	18	231
U. S. Securities.....	31	56	31	329	540	344
Total Earning Assets.....	121	80	100	1,091	826	1,043
Federal Reserve Notes in Circulation.....	211	207	206	1,618	1,752	1,627
Total Deposits.....	194	178	185	2,236	2,166	2,232

	Reporting Member Banks—Fourth District (in millions)			Reporting Member Banks—System (in millions)		
	Aug. 5, 1925	Aug. 6, 1924	July 8, 1925	Aug. 5, 1925	Aug. 6, 1924	July 8, 1925
Loans Secured by Stocks and Bonds...	\$495	\$415	\$480	\$5,062	\$4,219	\$5,092
All Other.....	772	723	766	8,246	8,129	8,188
Total Loans.....	1,267	1,138	1,246	13,308	12,348	13,280
Investments.....	642	621	637	5,483	4,982	5,498
Demand Deposits.....	1,014	965	1,016	12,834	12,291	12,890
Time Deposits.....	757	693	739	5,178	4,523	5,164

Iron and Steel

Iron and steel conditions apparently have definitely made their turn toward betterment. Enlargement of buying volume in July over preceding months has been communicated to works operations and the latter now are increasing in a slow but steady fashion. Steel production in July averaged about 64 per cent of full-rated capacity. During the third week in August it had been raised to slightly above 70 per cent.

Though July marked the low point of the retrenchment in production, its output was 65 per cent ahead of that for July, 1924, which also marked the low point of the declining movement of that year. Pig iron production in July as compiled by IRON TRADE REVIEW was only 3.7 per cent below June. The loss of active furnaces for the month had fallen to three. On July 31, 188, or 47.5 per cent of the country's total number of furnaces, were active. Steel ingot production in July also declined 3.7 per cent from June, but represented 73.4 per cent of the largest single month on record, or March, 1924.

An expanding rate of consumption is clearly reflected by the larger volume of buying, since users have not modified their policies, steadily persisted in for some months, of obligating themselves only for their immediate needs. The market remains a hand-to-mouth affair, and with buyers' stocks held unusually low, new

demands upon producers have been quickly reflected in increased mill operations. In some lines recent bookings have been running ahead of shipments, causing backlogs to accumulate. In a few directions prompt deliveries are not so readily complied with, although there is nothing in the situation, as a whole, in this respect to induce buyers to anticipate their needs.

The expansion of production now perceptible has been attained in the face of one conspicuously absent factor in general buying, that of the railroads, which normally are the best customers of the mills and furnaces. Purchases by transportation systems, particularly of equipment, have been extremely scant, notwithstanding the heavy freight movement. Prospects in this respect are considered improving and should they develop they promise to have a material influence in further lifting the level of activity in the industry. Active building conditions, the maintenance of the automobile industry on an unprecedented basis for this season, heavy buying of farming implements and other agricultural requirements and a well diversified demand from miscellaneous channels are supporting the present situation. Building steel awards in June and July averaged 85 per cent of shop capacity, which is the best showing in several years. Bookings and shipments for the first seven months of the year were more than 300,000 tons ahead of the corresponding period in 1924.

Buying of pig iron has been carried forward in steady volume and the tendency of producers is to ask some addition in prices for the more distant deliveries although the market broadly has not advanced. Due to the fact that producers are quoting higher for 1926 delivery, considerable buying is being done for December. Possibilities of strike suspensions in the coal industry are being watched more closely as the situation develops. Coke prices are advancing due to this cause and sales for early shipment have been made at 25 to 50 cents per ton higher.

Finished steel prices are failing to respond to any improvement in buying volume. IRON TRADE REVIEW composite of fourteen leading iron and steel products clearly reflects this situation with an unchanged average of \$37.45 for the past eight weeks.

Iron and Steel Production

	PIG IRON (Iron Trade Review)		STEEL INGOTS (American Iron and Steel Institute)	
	(In thous. of tons)	1925	(In thous. of tons)	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.....	2,934	2,620	3,458	2,640
June.....	2,679	2,023	3,207	2,066
July.....	2,665	1,783	3,088	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

Coal

Production of bituminous coal has been on the upgrade since the middle of June, amounting to 1,600,000 tons per day for the week ending August 1 as compared with 1,400,000 for the week ending June 20 and about 1,300,000 a year ago. The increase appears to be more than seasonal, doubtless due to the fear that the threatened anthracite strike might later involve the bituminous fields and to the fact that dealers' stocks, after declining for a considerable time, had reached the point where replenishment was necessary.

In the Fourth District, the situation continues to be aggravated. Dealers report some improvement recently both in volume and prices, but the margin of profits is stated to be still unsatisfactory. Production in Pennsylvania and Ohio, where the union fields are found, continues to run between 60 and 70 per cent of the 1923 average, while West Virginia and Kentucky fields are running about 120 per cent of the 1923 average. It is reported that over half of the mines served by railroads in eastern Ohio are now shut down entirely.

Great Lakes Shipments

	IRON ORE*		BITUMINOUS COAL**	
	1925 (tons)	1924	1925 (tons)	1924
January.....	.....	.....	324	18,396
February.....	.....	.....	.....	.....
March.....	45	.....	132,950	369
April.....	2,120,670	659,387	1,657,524	930,696
May.....	8,313,984	6,583,815	2,994,043	2,609,593
June.....	7,958,486	7,583,926	3,436,923	2,932,793
July.....	8,525,063	7,280,014	3,945,521	3,621,665
Season to date	26,918,248	22,107,142	12,167,285	10,113,512

*Lake Superior Iron Ore Association. Shipped from upper lake ports.

**Ore and Coal Exchange. Loaded into vessels at Lake Erie ports.

Automobiles

Price cuts have furnished the most noteworthy development in the automobile industry during recent weeks. An analysis of the prices of twenty standard makes of passenger cars shows that since July 1, 1925, fourteen have reduced prices on sedan models, and eleven on coupes. Taken in the aggregate, the price decrease in coupes amounted to 4.8 per cent, and in sedans to 6.7 per cent. As compared with August 1, 1924, the same twenty makes combined show a 7.7 per cent price decline in coupes, and 11.9 per cent in sedans, the difference being even greater here than in the comparison with July 1 of this year. In all but two cases sedan prices are now lower than a year ago, while for coupes the same holds true in fourteen cases out of twenty.

Production of automobiles continued to decline in July, as might naturally be expected after the exceedingly high rate during the second quarter. The loss from June was slight, July output amounting to 385,000 passenger cars and trucks, as compared with 395,000 in June. For the first quarter of the year, the industry did not reach the production figures attained in the same period in 1924, but beginning with April, the output has been running far ahead of last year, with the result that

the seven months' total for 1925 amounted to 2,503,000 cars and trucks, an increase of 249,000, or 11 per cent, over 1924.

Automobile Production—1924-1925

Figures Represent Practically Complete Production for the United States 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.....	374,629	40,950	279,385	32,326
June.....	359,459	35,586	217,845	27,040
July.....	346,675	38,720	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

Rubber

Tire manufacturers in this district are well satisfied with the results of the first half of the year, it being stated that profits were better than at any time during the post-war period. Buy-

ing was unusually heavy during May, June, and July, due in large part to the rapid advance in the price of crude rubber and the four successive increases in tire prices. It is felt in some quarters that there was a certain amount of overbuying during these months, and this is borne out by the statement of manufacturers that the volume of tire purchases has not been increasing during August, although August is usually a very active month in this regard. The recent fall in the price of crude rubber has reassured buyers; from its high point of about \$1.20 a pound in the middle of July there was a decline to 74 cents on August 11, although followed by a rise to 87 cents on August 28. That manufacturers are watching their production schedules is indicated by the fact that stocks of high pressure inner tubes on July 1 were somewhat lower than usual on that date, and it is stated that this condition still prevails.

One evidence of the efforts of American rubber firms to free themselves from dependence on foreign-owned plantations for their supply of crude rubber has been the negotiations between a large tire manufacturing concern and the Liberian government, whereby the latter proposes to lease to the former 1,000,000 acres of rubber plantation land. Reports indicate that these negotiations are now practically complete.

Textiles

Midsummer dullness prevails in some lines of textile manufacturing in the Fourth District. In knit goods, however, an improved demand has taken place in August, after a poor July. In cases where the selling season for the spring of 1928 has been opened, there appears to be some increase in orders. In fact, although hand-to-mouth buying on the part of consumers is reported to be still the rule, there is a tendency to get away from it to some extent.

Sales of nineteen reporting wholesale dry goods firms during July showed an increase of 2.8 per cent over July, 1924. This is encouraging in view of the fact that since October, 1923, sales of these firms in only one other month have shown an increase over the corresponding month of the previous year. For the first seven months of 1925, sales were 6.8 per cent under the same period in 1924.

General Manufacturing

This is the dull season for many lines of manufacture. After allowing for the seasonal factor, however, business of manufacturers in general in the Fourth District is holding up well. In most instances there has been considerable improvement over last summer, when conditions were depressed.

Shoe manufacturers report a good volume of business. The glass industry is operating close to capacity. A noticeable improvement has occurred in some lines of machinery manufacture. Makers of electrical supplies report something of a slump except in the case of certain specialties.

Agricultural Conditions

The August forecasts of the United States Department of Agriculture indicate that the crops in this district compare very favorably with those of the country at large, particularly in the case of corn production, which is estimated to be 67.7 per cent greater than 1924 in this district as against a country-wide increase of 21.1 per cent.

Corn: The Ohio State Department of Agriculture reports the outlook for corn as exceptionally good in all parts of the state, present estimates indicating a total yield of 176,800,000 bushels. This exceeds by more than two million bushels the record crop of 1912, when 174 million bushels were produced. There are a few small areas throughout the state where the crop has suffered from the drought, and in the more northern counties the late plantings are not yet free from the danger of damage by early frosts, but in the southern and central counties a record crop is assured.

The corn crop in Pennsylvania is reported by the Co-operative Crop Reporting Service to be the best in fifteen years, with the exception of 1919. Total production is estimated at 77 million bushels.

Wheat: The wheat yield in Ohio is now estimated as averaging 14½ bushels to the acre, or a total yield of some 26,000,000 bushels. This is an increase of 18 per cent over earlier estimates, and is about two-thirds of last year's crop.

The Pennsylvania wheat crop is reported by the State Department of Agriculture to be the best in the history of the state, both as regards quality and yield per acre. The estimated total yield is 24,600,000 bushels, an increase of about 5,000,000 over last year.

Oats: While the Ohio oats crop is estimated at 71,000,000, an increase of about 9 per cent over that of last year, this is due to an increased acreage, as the yield per acre is estimated at five bushels under last year.

Potatoes: The outlook for the potato crop in Ohio is

considerably below the average, present indications pointing to a total yield about that of last year. The Pennsylvania crop is estimated to be 12 per cent under that of 1924, due to decreased acreage and unfavorable weather conditions.

Fruit: Reports on fruit conditions indicate that both the apple and peach crops in Ohio are about 65 per cent of a full crop, with grapes showing about half of the full production. The condition of all fruits in the lake district appears to be good, the average being reduced by the southern counties.

Tobacco Tobacco of all types in the Fourth District is reported to be in very satisfactory condition. Generally speaking, growing conditions have been favorable. Although some small areas have suffered from a lack of rainfall, there have been practically no reports of wild fire or other defects.

Kentucky reports a decrease in acreage of 4 per cent in all types, fairly well distributed through the various types grown in the state. The stocks in the hands of dealers, however, are sufficient to offset any probability of a shortage.

Sales have been fairly active, and at satisfactory prices.

Building and Building Material Building throughout the country during July continued at a seasonally high rate. The value of permits in 168 cities, according to Bradstreet's, amounted to \$340,065,726, as compared with \$229,142,718 in July, 1924. In the Fourth District, eight out of thirteen reporting centers showed a gain over July of last year.

Lumber manufacturers in this district report more than usual volume of business at this season, which is ordinarily dull. An improvement has taken place over the spring months, and business compares favorably with the summer of 1924.

Cement production in July for Ohio, Pennsylvania, and West Virginia amounted to 1,618,000 barrels, as compared with 1,503,000 in July, 1924. The percentage of the production of these three states to that of the United States was 10.3 in July, 1925, as compared with 10.7 in the same month last year.

Building Operations

Name of City	July, 1925		Jan.-July, 1925	
	No. Permits	% change from 1924	Valuation	% change from 1924
Akron.....	446	24.9	\$949,942	65.6
Canton.....	287	9.5	2,208,030	80.7
Cincinnati.....	611	0.2	2,327,850	-3.1
Cleveland.....	1,915	14.5	7,708,875	5.3
Columbus.....	666	29.6	2,687,800	147.8
Dayton.....	340	-11.7	1,626,008	75.7
Erie.....	181	8.4	601,129	30.9
Lexington.....	103	17.0	129,921	-18.4
Pittsburgh.....	823	4.4	2,964,300	13.0
Springfield.....	119	0.0	116,530	-27.7
Toledo.....	679	4.8	3,221,975	190.9
Wheeling.....	97	-23.0	196,599	-23.4
Youngstown.....	246	-21.2	699,215	-16.5
Total.....	6,513	7.7	\$25,438,174	33.0

Retail Trade

Of eleven cities having three or more reporting firms, seven showed increases in department store sales in July as compared with the same month in 1924. Akron, with 9.2 per cent, and Youngstown, with 8.6 per cent, showed the greatest gains, the increase for the entire Fourth District being 4.4 per cent. This bank's index number of sales of 55 department stores stood at 84 in July, being the highest figure for that month during the last seven years with the exception of 1920.

For the first seven months of 1925, sales were 0.06 per cent greater than during the corresponding period in 1924. This increase was due entirely to the good showing made in July, inasmuch as 1925 sales had previously run consistently behind those of 1924. Department store stocks at retail on hand at the end of July were 0.2 per cent less than a year ago, and 6.3 per cent less than at the end of June, 1925.

Sales of twenty-one wearing apparel firms in the District in July increased 13.3 per cent over July, 1924, but decreased 29.7 per cent from June, 1925. Sales of 18 retail furniture stores gained 8.2 per cent in July as compared with the same month last year.

Wholesale Trade

Sales of reporting wholesale grocery firms in this District in July declined 3.3 per cent from a year ago, and those of shoe firms declined 9.6 per cent. Dry goods, hardware, and drugs firms showed gains of 2.8, 5.4, and 2.3 per cent respectively. For the first seven months of 1925, hardware and drugs sales increased slightly, while those of groceries, shoes, and dry goods decreased.

An idea of the depression which has existed in the textile and shoe trades is obtained by a study of this bank's index numbers of sales for reporting wholesale firms in the Fourth District, the base (100) being the average monthly sales, 1919-1923. In the case of dry goods, the monthly index number has been over 100 but once during 1924 and 1925, and during that time has averaged only 79, or 21 per cent below the 1919-1923 average. The index number for reporting shoe firms has not been higher than 99 during 1924 and 1925, the average for the period being 69. In comparing these with other wholesale lines, it is found that during the same period the index number for hardware has averaged 102; for drugs, 107; and for groceries, 85.

**Statistics of
Most
Important
Industries**

The following table shows the ten most important industries from the standpoint of the number of wage-earners in Ohio, Pennsylvania, West Virginia, and Kentucky in 1923 as compared with 1921. The data was compiled from figures

published by the United States Department of Commerce, and is the most recent available. It should be noted that these figures cover a wider territory than that covered by the Fourth Federal Reserve District, since they include the entire states of Pennsylvania, Kentucky and West Virginia, whereas only parts of these states are in the Fourth District.

	No. of Establishments		No. of Wage Earners (Average Number)		Value of Products (In thousands)	
	1923	1921	1923	1921	1923	1921
OHIO						
Steel works and rolling mills.....	81	85	87,032	49,364	\$709,183	\$333,562
Foundry and machine-shop products not elsewhere classified.....	877	891	65,259	40,301	338,168	198,645
Rubber tire and inner tubes.....	53	58	42,476	28,822	391,317	291,760
Steam-railroad repair shops.....	132	125	35,543	24,651	108,329	79,731
Electrical machinery, supplies, etc.....	195	161	26,300	14,873	174,329	102,814
Motor vehicles (except motorcycles).....	46	50	24,787	15,838	354,873	177,028
Motor-vehicle bodies and parts.....	208	178	21,963	7,832	144,178	46,341
Clay products (other than pottery) and nonclay refractories.....	276	261	16,501	11,005	57,035	34,095
Pottery (including porcelain).....	101	93	14,401	11,454	42,716	33,421
Boots and shoes other than rubber.....	60	63	13,886	13,346	60,731	61,904
All Other.....	9,167	9,514	350,883	276,802	2,665,645	1,941,392
Total.....	11,196	11,479	699,031	494,288	\$5,046,504	\$3,300,693
PENNSYLVANIA						
Steel works and rolling mills.....	186	190	167,662	108,960	\$1,292,222	\$645,760
Steam-railroad and repair shops.....	170	156	69,704	55,282	245,098	193,711
Foundry and machine-shop products not elsewhere classified.....	1,017	1,092	64,907	50,127	344,064	238,198
Silk manufactures.....	455	470	52,269	51,690	286,073	224,196
Knit goods.....	610	614	48,913	42,435	221,184	177,150
Electrical machinery supplies, etc.....	159	116	35,348	20,345	201,118	116,577
Cigars and cigarettes.....	672	775	33,170	32,299	119,665	119,264
Glass.....	85	89	21,955	16,706	99,198	65,675
Bread, bakery products.....	2,023	2,314	20,107	18,413	131,745	131,412
Clay products (other than pottery) and nonclay refractories.....	300	277	19,084	12,072	65,501	31,404
All Other.....	13,378	14,197	561,947	455,588	4,432,741	3,115,662
Total.....	19,055	20,290	1,095,066	863,917	\$7,438,609	\$5,059,009
KENTUCKY						
Steam-railroad repair shops.....	29	29	14,805	11,765	\$37,066	\$34,875
Lumber and timber products.....	155	201	4,545	4,445	15,374	13,070
Clothing—men's (outer garments only).....	50	45	3,972	2,846	12,242	7,960
Steel works and rolling mills.....	6	5	3,577	1,033	26,797	7,258
Clay products (other than pottery) and nonclay refractories.....	38	40	2,770	1,872	7,481	4,169
Boots and shoes, other than rubber.....	9	8	2,164	1,354	6,431	3,918
Foundry and machine shop products not elsewhere classified.....	66	55	2,116	1,398	10,721	6,806
Planing-mill products, not made in planing-mills connected with sawmills.....	69	81	2,105	1,232	11,227	6,481
Tobacco—chewing and smoking snuff.....	19	23	2,026	2,798	23,221	24,879
Furniture.....	34	30	1,889	1,552	6,878	5,780
All Other.....	1,500	1,521	36,867	28,545	269,652	187,546
Total.....	1,975	2,038	76,836	58,840	\$427,090	\$302,742
WEST VIRGINIA						
Steel works and rolling mills.....	17	17	13,217	6,890	\$99,151	\$39,016
Steam-railroad repair shops.....	44	41	12,117	9,416	34,577	25,816
Glass.....	76	72	11,833	8,589	50,211	35,509
Lumber and timber products.....	176	209	10,505	7,734	38,727	20,705
Pottery, including porcelainware.....	20	19	4,029	3,464	13,119	10,908
Stamped and enameled sheet-metal goods.....	6	5	1,819	820	8,628	2,847
Foundry and machine-shop products, not elsewhere classified.....	65	75	1,674	1,507	11,696	9,617
Clay products (other than pottery) and nonclay refractories.....	32	30	1,547	1,047	4,458	2,840
Coke, not including gas-house coke.....	34	21	1,392	451	14,346	3,070
Planing-mill products not made in planing-mills connected with saw-mills.....	62	70	1,344	825	10,980	8,390
All Other.....	955	991	26,184	19,793	203,615	151,705
Total.....	1,487	1,550	85,661	60,536	\$489,508	\$310,423

THE MONTHLY BUSINESS REVIEW

Retail Trade Sales

Percentage Increase or Decrease
SALES
July, 1925 compared with July, 1924

	No. of reports	SALES July, 1925 compared with July, 1924	SALES Jan.-July, 1925 compared with Jan.-July, 1924
Department Stores			
Akron	5	9.2	6.0
Canton	4	-1.6	-12.5
Cincinnati	7	8.3	5.0
Cleveland	6	6.5	-0.01
Columbus	6	5.9	9.4
Dayton	5	2.7	-1.6
New Castle	3	-2.6	-3.1
Pittsburgh	7	2.7	-1.9
Toledo	5	-1.4	-3.1
Wheeling	5	-6.3	-6.9
Youngstown	3	8.6	0.4
Other Cities*	13	5.4	4.1
District	69	4.4	0.06

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

Wearing Apparel

Cincinnati	6	27.2	
Cleveland	3	11.8	
Other Cities**	12	6.3	
District	21	13.3	

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

Wholesale Trade and Chain Store Sales

Percentage Increase or Decrease

SALES
July, 1925 compared with July, 1924

	No. of reports	SALES July, 1925 compared with July, 1924	SALES Jan.-July, 1925 compared with Jan.-July, 1924
Groceries			
Akron	3	2.9	4.5
Cleveland	4	-8.6	-7.3
Columbus	3	-6.2	-7.4
Erie	4	0.7	-4.4
Lexington	3	-15.6	-15.9
Pittsburgh	7	-0.02	3.0
Toledo	3	5.1	-2.1
Youngstown	3	-18.0	-21.1
Other Cities*	23	0.2	-3.2
District	53	-3.3	-4.6
Dry Goods	19	2.8	-6.8
Drugs	16	5.4	0.6
Hardware	16	2.3	2.7
Shoes	7	-9.6	-4.7

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

Chain Stores**

Drugs-Dist.	3	1.9	0.6
Groceries-Dist.	5	-1.5	3.7

**Sales per individual unit operated.

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 (52 firms)	Wholesale Hardware (15 firms)	Wholesale Shoes (6 firms)	Wholesale (All) (106 firms)	Chain Drugs (3 firms)
July, 1921	70	90	69	84	72	57	79	93
July, 1922	73	90	61	81	82	44	77	99
July, 1923	82	103	81	89	104	59	90	104
July, 1924	80	104	61	88	99	53	84	100
July, 1925	84	109	63	83	102	46	83	102

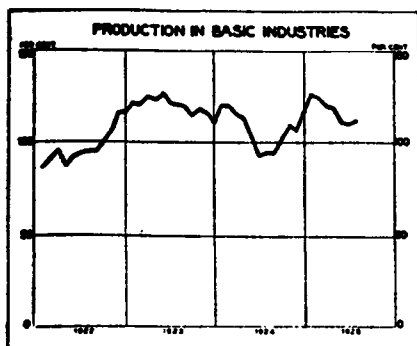
Debits to Individual Accounts

(In thousands of dollars)

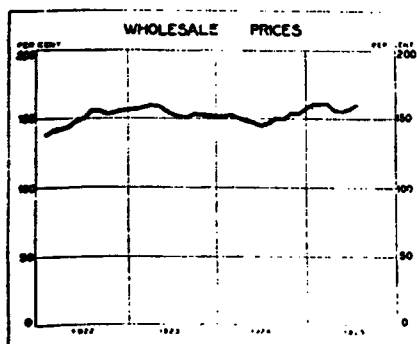
	1 4 weeks ending Aug. 12, 1925	2 4 weeks ending July 15, 1925	3 4 weeks ending Aug. 13, 1924	4 % incr. or decr. 1 over 2.	5 % incr. or decr. 1 over 3.	6 1925 to date (Jan. 1 to Aug. 12)	7 1924 to date (Jan. 3 to Aug. 13)	8 % incr. or decr. over 7.
Akron	\$85,513	\$85,793	\$63,419	-0.3	34.8	\$626,438	\$532,969	17.5
Butler, Pa.	10,186	10,089	9,483	1.0	7.4	81,205	78,063	4.1
Canton	43,038	44,176	37,358	-2.6	15.2	358,520	331,006	8.3
Cincinnati	304,472	323,325	264,624	-5.8	15.1	2,576,415	2,289,719	12.5
Cleveland	643,282	671,382	544,744	-4.2	18.1	5,079,832	4,632,867	9.6
Columbus	139,968	141,822	115,115	-1.3	21.6	1,054,732	974,308	8.3
Connellsville, Pa.	4,192	4,130	4,243	1.5	-1.2	34,323	35,445	-3.2
Dayton	73,373	84,760	57,187	-13.4	28.3	573,152	509,634	12.5
Erie, Pa.	32,609	32,598	28,210	0.03	15.6	249,826	230,063	8.6
Greensburg, Pa.	17,993	18,328	20,226	-1.8	-11.0	148,270	165,424	-10.4
Homestead, Pa.	4,327	4,706	3,882	-8.1	11.5	34,209	31,511	8.6
Lexington, Ky.	18,272	23,795	16,535	-23.2	10.5	181,844	173,832	4.6
Lima	17,268	16,611	15,820	4.0	9.2	138,057	136,002	1.5
Lorain	5,832	6,551	6,033	-11.0	-3.3	50,459	44,001	14.7
Oil City, Pa.	17,892	13,957	12,090	28.2	48.0	111,608	100,350	11.2
Pittsburgh, Pa.	861,792	894,619	757,640	-3.7	13.7	6,854,526	6,209,549	10.4
Springfield	20,560	20,466	16,960	0.5	21.2	160,330	145,762	10.0
Steubenville	11,141	11,357	9,117	-1.9	22.2	86,687	86,271	0.5
Toledo	196,107	200,592	152,598	-2.2	28.5	1,518,804	1,324,184	14.7
Warren	12,150	12,089	12,151	0.5	-0.002	98,934	90,893	8.8
Wheeling, W. Va.	37,981	42,126	39,705	-9.8	-4.3	330,912	338,788	-2.3
Youngstown	62,165	65,952	51,507	-5.7	20.7	500,265	453,017	10.4
Zanesville	11,450	11,660	11,629	-1.8	-1.5	91,286	97,187	-6.1
Total	\$2,631,563	\$2,740,884	\$2,250,276	-4.0	16.9	\$20,440,634	\$19,010,845	7.5

National Summary of Business Conditions

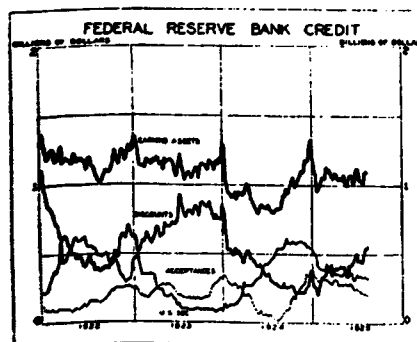
(By the Federal Reserve Board)



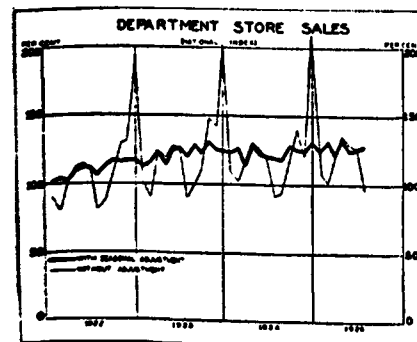
Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figure—July, 112.



Index of U. S. Bureau of Labor Statistics (1919=100, base adopted by Bureau). Latest figure—July, 160.



Weekly figures for 12 Federal Reserve Banks. Latest figures—August 19th.



Index of sales of about 300 stores in 117 cities (1919=100). Latest figure—July, unadjusted 96; with seasonal correction 128.

Production in basic industries turned upward in July after a continuous decline since January. Wholesale prices advanced further and the distribution of commodities continued in large volume.

PRODUCTION

The Federal Reserve Board's index of production in basic industries, which makes allowance for usual seasonal variations, advanced by about 2 per cent in July to a point nearly 20 per cent above the low level of a year ago. Increased output was shown for lumber, coal, and cement. Cotton consumption declined less than usual at this season, while the output of the iron and steel industry and the activity in the wool industry continued to decrease. In nearly all the industries activity was greater than in July of last year. Among industries not represented in the index the production of automobiles, rubber tires and silk continued to be large. Volume of factory employment and earnings of industrial workers declined further in July, seasonal increases in the clothing, shoe, and meat packing industries being more than offset by decreases in the other industries. Building contracts awarded in July were in only slightly smaller volume than the exceptionally large total reached in June and the total for the first seven months of this year excelled that for any previous corresponding period.

Estimates by the department of agriculture indicated a less favorable condition of all crops combined on August 1, than a month earlier. Expected yields of corn, wheat, rye, tobacco, and hay were somewhat smaller than in July, while the indicated production of oats, barley, and white potatoes was larger. According to present indications the yields of all principal crops, except corn and barley, will be smaller than last year. The mid August cotton crop estimate was 13,990,000 bales as compared with a forecast of 13,566,000 bales on August 1.

TRADE

Freight car loadings during July were larger than in June and exceeded those of any previous July, and weekly figures for August indicated a continued large volume of loadings. Sales of department stores showed less than the usual seasonal decline in July and were 3 per cent larger than a year ago. Mail order sales were considerably above those of July, 1924. Wholesale trade continued at the June level and was 6 per cent above the corresponding period a year ago.

PRICES

Wholesale prices advanced further by nearly 2 per cent in July, according to the Index of the Bureau of Labor Statistics. Prices of farm products and of miscellaneous commodities rose over 4 per cent, reflecting chiefly increases in live stock and rubber, while in the other commodity groups price changes were relatively small. The general level of prices in July was 9 per cent higher than a year ago, the rise being chiefly in agricultural commodities. In August, raw sugar, potatoes, silk, metals, and fuels advanced, while grain, leather, hogs, and rubber declined.

BANK CREDIT

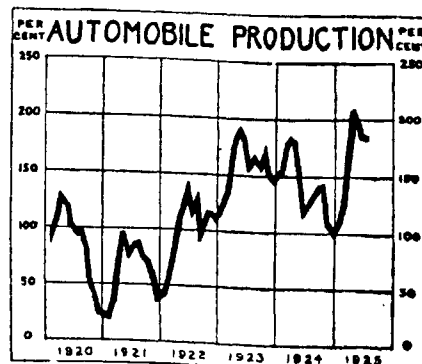
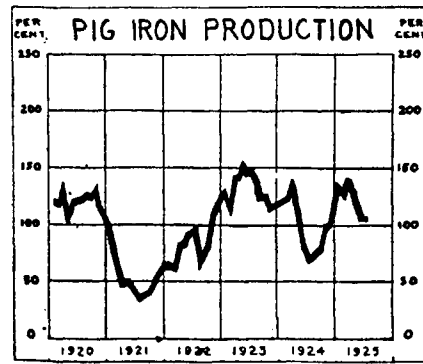
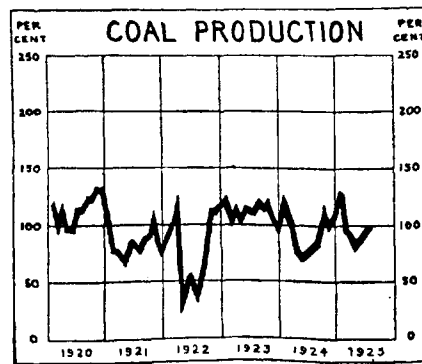
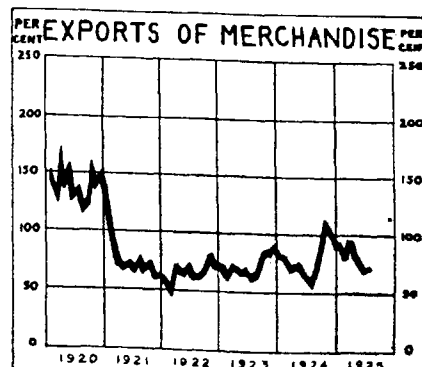
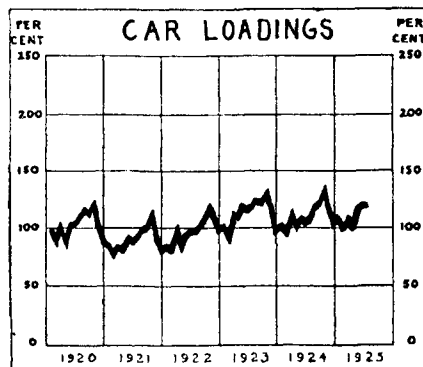
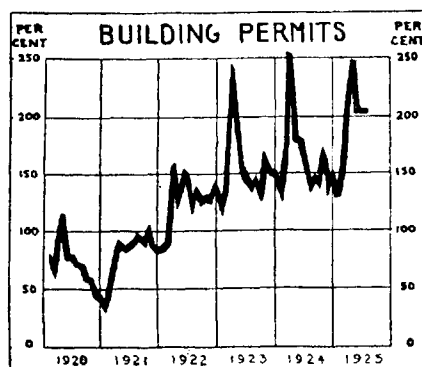
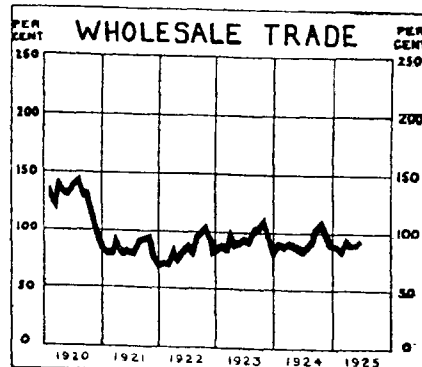
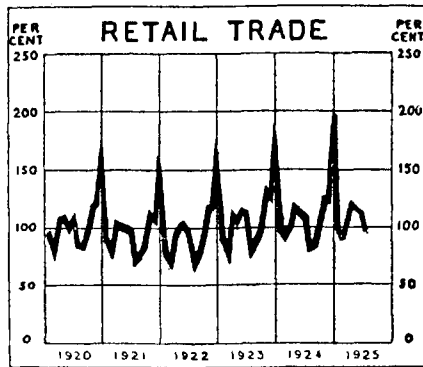
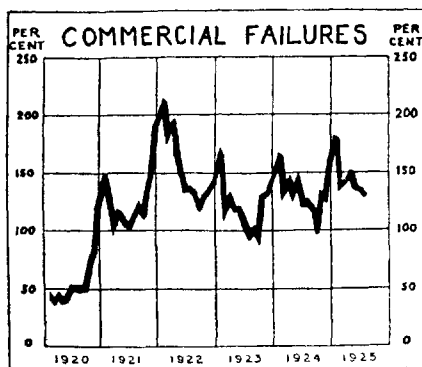
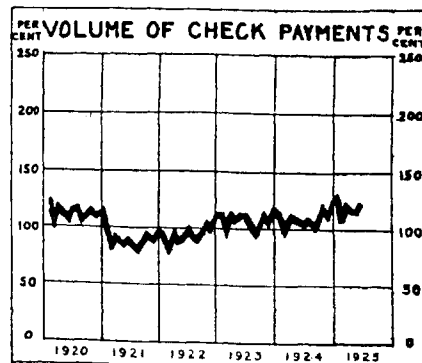
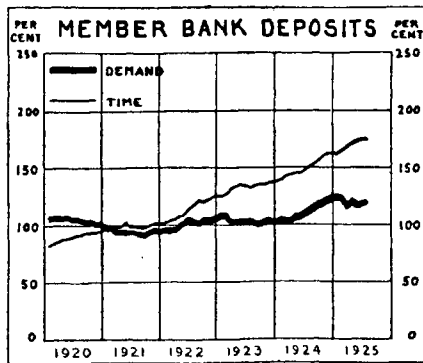
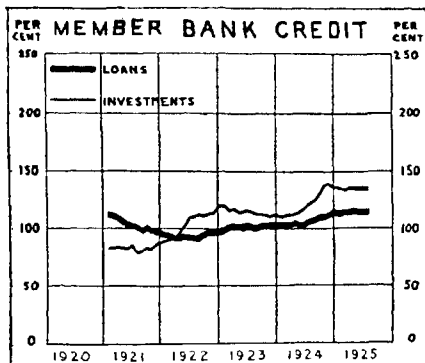
Demand for commercial credit at member banks in leading cities increased in August, and the volume of commercial loans on August 12 was larger than at any time since the middle of May, but still considerably below the level at the beginning of the year. Loans on securities increased between mid-July and the middle of August, while the banks' investments showed little change for the period.

Discounts for member banks increased at all the reserve banks in recent weeks, and the total on August 19 was the largest in more than a year and a half. The reserve banks' holdings of securities and bills bought in the open market continued to decline, but total earning assets in the middle of August were near the high point for the year.

During the latter part of July and the first half of August conditions in the money market were somewhat firmer. The prevailing rate on prime commercial paper, which had remained at 3¼ to 4 per cent since early in May, advanced in August to 4½ per cent.

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

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| <ol style="list-style-type: none"> 1. Member Bank Credit Loans, July—114. Investments, July—135. 2. Member Bank Deposits, Demand—July—119. Time—July—174. 3. Check Payments, except New York, June—124. 4. Commercial Failures, July—131. 5. Retail Trade, July—98. | <ol style="list-style-type: none"> 6. Wholesale Trade, June—93. 7. Building Permits, July—205. 8. Car Loadings, July—120. 9. Exports of Merchandise, July—71. 10. Bituminous Coal Production, July—99. 11. Pig Iron Production, July—104. 12. Automobile Production, July—188. |
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