

MONTHLY BUSINESS REVIEW

Covering financial, industrial, and agricultural conditions
in the

Fourth Federal Reserve District

Federal Reserve Bank of Cleveland

Vol. 7

Cleveland, Ohio, November 1, 1925

No. 11

Business during September showed an expanding tendency. The level of activity was particularly high in the automobile and building industries, automobile production being greater than any other September in the past seven years with the exception of 1923, and the value of building permits issued being at a record level for the month. Car loadings and department store sales were also in greater volume than for any previous September. Bituminous coal production increased for the fifth successive month and ran ahead of any of the preceding four years, although not up to 1919 and 1920. Two important causes for this gain in output were the anthracite strike and the seasonal factor, an increase in the fall being natural. Pig iron production rose slightly, and the steel industry in general experienced an increase in activity.

Turning to financial indicators, the number of commercial failures in the country was high compared with September in previous years, but was fewer than for any other month in 1925. Loans and discounts of about 800 member banks were at their highest point since 1921, having shown a gradually increasing tendency during the past three years. Time deposits, made up largely of savings deposits, were also at their high point at the end of September, being 75 per cent greater than the monthly average from 1919 to 1923, inclusive. The volume of check payments for August, the latest month available, was higher than for any corresponding month in the six preceding years.

The corn crop in the Fourth District was one of the best on record, the yield being far ahead of that of last year. Wheat, however, did not compare favorably with a year ago, and unfavorable weather conditions caused a light crop of tobacco in Kentucky. Some of the lesser crops, such as oats, and potatoes, were larger than last year, and on the whole agricultural conditions in the District appear to be improved over 1924.

Financial Conditions

Savings deposits of sixty-nine selected banks in the larger centers of the Fourth Federal Reserve District amounted to \$856,059,550 on September 30,

a decrease of 0.04 per cent from August 31, but an increase of 7.1 per cent over September 30, 1924.

Commercial failures in this district, according to R. G. Dun and Company, numbered 131 in September, as

compared with 153 in August and 102 in September, 1924. For the United States there were 1,465 failures in September, 1,513 in August, and 1,306 in September, 1924.

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)		
	Oct. 7, 1925	Oct. 8, 1924	Sept. 9, 1925	Oct. 7, 1925	Oct. 8, 1924	Sept. 9, 1925
Gold reserves	291	\$ 803	\$ 806	\$ 2,761	\$ 8,046	\$ 2,771
Discounts	74	20	67	644	266	639
Acceptances	20	12	17	284	175	214
U. S. Securities	31	65	31	324	581	327
Total bills and securities	128	97	116	1,265	1,025	1,190
Federal Reserve notes in circulation	225	212	225	1,701	1,757	1,680
Total deposits	179	174	187	2,263	2,256	2,245

	Reporting Member Banks— Fourth District (In Millions)			Reporting Member Banks— System (In Millions)		
	Sept. 30, 1925	Oct. 1, 1924	Sept. 2, 1925	Sept. 30, 1925	Oct. 1, 1924	Sept. 2, 1925
Loans secured by stocks and bonds..\$	505	\$ 417	\$ 496	\$ 5,271	\$ 4,470	\$ 5,112
All other	789	736	782	8,561	8,312	8,364
Total loans	1,294	1,153	1,278	13,832	12,782	13,476
Investments	637	660	639	5,440	5,411	5,448
Demand deposits.....	1,015	994	1,019	18,046	12,870	12,848
Time deposits	760	695	760	5,234	4,875	5,199

Iron and Steel Signs of gradually accumulating strength have been characteristic of the iron and steel situation during the past month. With railroad buying still lagging behind other chief elements of trade, the industry has been able to bring production up close to 80 per cent of practical working capacity. At the same time the producers have been able to lay down a fair backlog of unfilled orders. The substantial gain in the bookings reported by the Steel Corporation as of the end of September, the first in seven months, is clearly expressive of this fact. Certain mills now find themselves in a more comfortable and independent position with respect to current buying. This is especially true in steel bars, which in assortment cannot be obtained under a number of weeks and which because of their character reflect the wide activity in manufacturing pursuits. Some of the Mahoning Valley sheetmakers have five weeks of full rolling ahead.

The effect of this situation is some falling back of mill deliveries and a consequent greater necessity for buyers to modify their policy of supplying their needs by hand-to-mouth methods and to discount their future requirements a little more freely. However, the market is still void of any extensive covering of forward needs. Other evidence of greater strength in the situation is to be seen in the stiffening of prices where they have been irregular, and some disposition on the part of makers to seek advances here and there. Sheets, hoops, bands, strip steel, and alloy steel have been especially affected, advances usually running \$2 to \$3 per ton. In some of these lines producers have been claiming that prices have been entirely unremunerative.

The general support of the market continues to come from a wide variety of consumption outlets but particularly those relative to building, automotive and agricultural industries. The railroads have begun energetically to buy rails for 1926 delivery with probably 500,000 tons already placed for that position. More cars and locomotives also are being placed than in several months. However, the situation both as to equipment, rails and other track material is considerably behind that of a year ago.

Steel ingot production in September reached a basis of 83.2 per cent of the peak output of the country, which was in March, 1924, and represented an annual rate of 41,780,000 tons. This is a gain of 2 per cent over August and 13 per cent over July. For the first three quarters of the year ingot production is 20.5 per cent ahead of the corresponding period in 1924 but 4.4 per cent behind that of 1923, when the greatest total since the war was shown. Pig iron production in September as compiled by IRON TRADE REVIEW gained 4 per cent over August, making a total increase of 5.6 per cent over July. The country was making iron in September at the annual rate of 33,200,000 tons. Furnaces in blast at the close of the month had increased by eight to a total of 200, which represented 51.7 per cent of the full number of furnaces in the country.

Shipments of pig iron have been running in high figure and present another reliable index to large scale consumption. Some Cleveland sellers shipped more iron in September than any month in history, while at Chicago the tonnage moved last month was the heaviest since August, 1920. Under the maintenance of a heavy demand, prices have stiffened and further advances of 50 cents or more have been counted.

IRON TRADE REVIEW composite of fourteen leading iron and steel products has measured the establishment of the market on a slightly higher basis during the past month. At mid-October the average was \$37.43, which compares with \$37.35 one month previously and \$37.21, recent low mark the last week in August.

Iron and Steel Production

	PIG IRON (Iron Trade Review)		STEEL INGOTS (American Iron and 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.....	2,934	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.....	2,704	1,883	3,424	2,553
September....	2,726	2,054	3,493	2,828
October.....	.....	2,462	.....	3,125
November.....	.....	2,515	.....	3,121
December.....	.....	2,956	.....	3,569
Total.....	31,076		36,811	

Coal

The coal situation in this District at present is spotty; operations have improved somewhat, but retailers express dissatisfaction with the buying of domestic coal. Production in Ohio, Pennsylvania, and Eastern Kentucky increased during September as compared with August, the rate of increase for the week ending September 26, as compared with that ending August 29, being greater in each of these states than for the United States as a whole. Average daily production in Ohio and Pennsylvania has shown an upward trend since early in July. Various grades of soft coal continue to be substituted for anthracite, and operators in general are reported to be doing an increased volume of business. The latest report of the National Association of Purchasing Agents shows that on September 1 industrial stocks on hand, although having increased, were still only moderate, being sufficient to last forty-six days on the basis of August consumption.

On the other side of the picture is the disappointment of some retailers at the falling-off in their business during the latter part of September, instead of an anticipated increase. Buying was quite active late in August, due in large part to the approach of the anthracite strike on September 1; as a result, soft coal prices advanced, and a number of mines in Ohio and Pennsylvania were reopened. The public, however, is reported to have materially curtailed its purchases after the price advance took effect, and prices have recently sagged, the COAL AGE average (14 grades combined, f.o.b. mine) standing at \$2.11 per ton on October 16, as compared with \$2.16 on September 16, \$2.21 on September 9, and \$2.10 a year ago.

Anthracite production has practically ceased as a result of the strike, the output for the four weeks ending October 3 being 41,000 tons, as compared with 7,038,000 tons during the same period last year.

Great Lakes Shipments

	IRON ORE* (tons)		BITUMINOUS COAL** (tons)	
	1925	1924	1925	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.....	8,531,250	7,280,014	3,945,521	3,621,665
August.....	8,532,718	6,689,799	4,203,093	3,746,686
September.....	7,354,873	6,164,931	3,429,722	3,375,450

Season to date 42,812,026 34,961,872 19,800,100 17,235,648

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

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

Automobiles

Combined passenger car and truck production, according to figures furnished by the Federal Reserve Bank of Chicago, amounted to 332,000 in September, 1924, or an increase of 12.5 per cent. As compared with August, there was an increase of 28.7 per cent.

Some factories are reported to be very busy, the recent price reductions having stimulated buying. Closed cars are in heavier demand due to the approach of winter and the fact that the difference in the cost of closed and open cars is less than formerly. New models have very generally made their appearance.

Truck manufacturers in the Fourth District report that business is very satisfactory, with orders well ahead of last year. Truck production in the United States in September reached the record figure of 59,236, as compared with 36,696 in August and 31,224 in September, 1924.

Automobile Production 1924-1925

Figures represent practically complete production of automobiles for American manufacturers in their plants in the United States and Canada, 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.....	209,241	26,984	293,296	29,783
February.....	252,520	33,492	342,606	31,803
March.....	332,944	44,377	356,150	34,722
April.....	392,264	46,765	343,967	36,505
May.....	382,972	42,322	286,680	33,576
June.....	364,731	36,846	222,966	27,663
July.....	358,452	40,493	241,309	25,630
August.....	221,739	36,696	253,854	27,389
September.....	272,360	59,236	263,464	31,224
October.....			260,703	31,485
November.....			204,402	27,047
December.....			182,007	26,603

Shoes

Reports indicate that the retail shoe business in the Fourth District has been stimulated by the recent cold weather, and demand for rubbers has been good. September was a good month for reporting wholesale shoe firms in this district, sales being 3.8 per cent greater than the same month last year, while the first nine months of this year com-

bined showed a loss of 1.4 per cent over the corresponding period last year. Furthermore, September sales were approximately 23 per cent greater than the average monthly sales for the first eight months of this year, which is a better comparative showing than that made by any other September in the last five years, except 1922. In 1921, September ran 0.1 per cent ahead of the eight months' average; in 1922, 31 per cent; 1923, 6 per cent; 1924, 9 per cent; 1925, 23 per cent.

Preliminary reports from the Census Bureau indicate that shoe production in the Fourth District during September showed a slight decrease of 1.3 per cent from August. Final August figures put United States production at 28,374,244 pairs, as compared with 24,758,348 in July and 25,261,762 in August, 1924. Production in this district for August was 5.8 per cent ahead of July and 27.1 per cent ahead of August, 1924.

General Manufacturing

Manufacturers in this district uniformly report a larger volume of business than a year ago, and in most cases September was ahead of August. Here and there a tendency is noted on the part of buyers to stock up a little more freely, thus breaking away from the day-to-day buying policy to some extent. Although the matter of narrow profit margins is still of concern, the general feeling is one of satisfaction with the outlook, based principally on the improvement shown in the last month or two and the undoubted gain in business over this time last year.

**Agriculture
Agricultural
Implements
Canning**

With the growing season practically ended, it is assured that the corn crop of Ohio is one of the best ever produced, both as to yield and as to quality. Growing weather was favorable throughout the season. The Department of Agriculture's October forecast for production of corn in the Fourth District shows a notable gain of 68.9 per cent over last year, while in the United States the increase over last year was only 19.8 per cent.

With the total United States oats production showing a decrease of 4.6 per cent, the Fourth District crop is estimated at 22.7 per cent greater than last year. The potato crop in this district shows a gain of 8.5 per cent as against a decrease of 24.3 per cent in the country at large.

The hay, wheat, and tobacco crops in the district show declines of 29.5, 22.1 and 4.8 per cent respectively, while United States figures on the same crops show declines of 17.2, 20.1 and 0.9 per cent.

Late information concerning the wheat crop in twenty-eight foreign countries of the northern hemisphere shows an increase of 22.5 per cent over last year's total production. Including the United States with these countries, the figures show an increase of 220 million bushels, or 8.4 per cent. These countries represent about 85 per cent of the total world crop, outside of Russia and China.

Reports from the canning industry indicate that the pack of corn and tomatoes was considerably more than

that of last year, and the quality good. The market on all canned goods remains steady, with orders showing a strong demand.

Manufacturers and dealers in agricultural implements report no important change in the situation, with orders and shipments somewhat livelier than a year ago.

Tobacco

The harvesting of the Kentucky tobacco crop has been practically completed. Owing to favorable weather, the crop cured well, and the quality in general is good. The United States Department of Agriculture's crop report for October 1 estimates Kentucky's production of all types for 1925 at 354,715,000 pounds. This estimate is 2 per cent less than that of September 1, 1925; 15½ per cent less than last year's crop, and 18 per cent less than the average crop from 1920 to 1924, inclusive. The long drouth of late summer, which injured the late planting, is responsible for the comparatively light crop this year.

The United States crop is estimated at 1,228,972,000 pounds, as compared with 1,240,513,000 last year and a five-year average of 1,330,876,000. The Kentucky crop this year is nearly 30 per cent of that of the United States.

The Burley Tobacco Growers' Association has 165,000,000 pounds of the 1923 and 1924 burley crop on hand. In four years, the Association has received 733,000,000 pounds of tobacco, paying for it \$121,788,117, or an average of \$16.60 per hundred pounds.

Building and Building Materials

According to Bradstreet's, the valuation of building permits in 160 cities in the United States during September amounted to \$305,971,661, a decrease of \$28,000,000 from August, but an increase of \$73,000,000 or 31.4 per cent over September, 1924. September was the sixth successive month to break all records for corresponding months in previous years in the value of building permits.

Building operations in thirteen centers in the Fourth District in September continued at a high level, the value of permits being 15.6 per cent over the same month last year. This, however, did not come up to the increase of 24.2 per cent during the first nine months of the year over the same period in 1924. Every reporting center except Wheeling showed a gain for the nine months, the greatest increases occurring in Akron, with 102.6 per cent; Columbus, with 74.2 per cent, and Erie, with 67 per cent.

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The Aberthaw index of industrial building costs stood at 194 on October 1, having shown no change since June 1. During this time the index has been at a slightly lower level than in the corresponding period in 1924.

Cement production for Ohio, Western Pennsylvania and West Virginia amounted to 1,620,000 barrels in September, 1925, as compared with 1,628,000 in 1924. For the same periods, shipments were 1,905,000 barrels as compared with 1,752,000, and stocks were 1,232,000 barrels as against 895,000.

Lumber manufacturers in this district report but little change in the industry from last month.

Building Operations

Name of City	September, 1925			Jan.-Sept., 1925		
	No. Permits	Per cent change from 1924	Valuation	No. Permits	Per cent change from 1924	Valuation
Akron.....	533	26.9	\$ 884,431	24.6	24.6	\$11,644,279
Canton.....	259	18.8	426,368	25.5	25.5	6,723,828
Cincinnati.....	587	2.4	1,549,530	38.3	38.3	23,882,315
Cleveland.....	1,958	6.2	6,585,320	1.9	1.9	69,486,184
Columbus.....	644	1.4	2,088,000	40.2	40.2	23,342,550
Dayton.....	261	36.0	753,948	13.0	13.0	10,833,816
Erie.....	155	27.9	1,261,755	166.4	166.4	7,377,857
Lexington.....	87	4.8	182,645	11.1	11.1	1,739,439
Pittsburgh.....	749	0.7	4,523,937	127.9	127.9	34,378,419
Springfield.....	127	9.9	143,300	55.8	55.8	1,280,223
Toledo.....	666	7.2	1,070,151	3.2	3.2	13,827,556
Wheeling.....	95	22.1	305,137	65.1	65.1	3,022,577
Youngstown.....	342	24.4	1,088,970	46.6	46.6	7,526,565
Total.....	6,463	-0.8	\$20,863,492	15.6	15.6	\$215,065,608

Retail and Wholesale Trade

Sales of seventy department stores in this district in September were 1.9 per cent less than last year, but for the first nine months of 1925 ran slightly ahead of the corresponding period last year. Akron made the best showing in the monthly comparison with a gain of 8 per cent, and the second best in the nine months' comparison with a gain of 6.6 per cent. The only other reporting cities to register an increase over September, 1924, were Cincinnati and Cleveland, with 3.3 and 4.2 per cent respectively. Columbus, with 7.7 per cent, showed the greatest gain for the nine months' period.

Sales of other retail groups as compared with September, 1924, were as follows: wearing apparel, 4.2 per cent increase; furniture, 4.5 per cent decrease; chain grocery, 8.5 per cent decrease; chain drug, 9.4 per cent increase. The last two are for individual units operated.

In the wholesale trades, a substantial increase of 14.2 per cent over September of last year was shown by reporting drug firms, and a smaller gain of 3.8 per cent by shoe houses. Groceries, dry goods, and hardware sales decreased 2.6, 9.5, and 5.4 per cent respectively. For all wholesale trades combined there was a decrease of 2.4 per cent.

Rubber and Tires

In view of the rise in both rubber and tire prices during the last few months, it is of interest to compare the present price of crude rubber with that of previous years. There is given below a graph showing the average yearly price of plantation crude rubber from 1910 through 1924, and also the high and low quotations by weeks in 1925.

The explanation of the fluctuations in rubber prices, which have not followed those of commodities in general, begins with the years before 1910, when practically the entire supply was obtained from the wild trees, mostly in Brazil. As these trees were generally scattered and in remote localities, the cost of production was high, with resultant high prices. The average price of para (Brazilian) rubber from 1900 to 1909, inclusive, was about \$1.00 a pound. Previous to and during these years the cultivation of rubber in the British and Dutch East Indies was encouraged, and plantations were set out; but as it requires several years for rubber trees to bear, it was not until about 1910 or 1911 that any great quantity of plantation rubber was marketed. Meanwhile the

price of para rubber mounted rapidly from an average of 87 cents a pound in 1908 to \$1.91 in 1910, due to the inability of the wild rubber production to take care of the ever-increasing demand from tire companies and other sources.

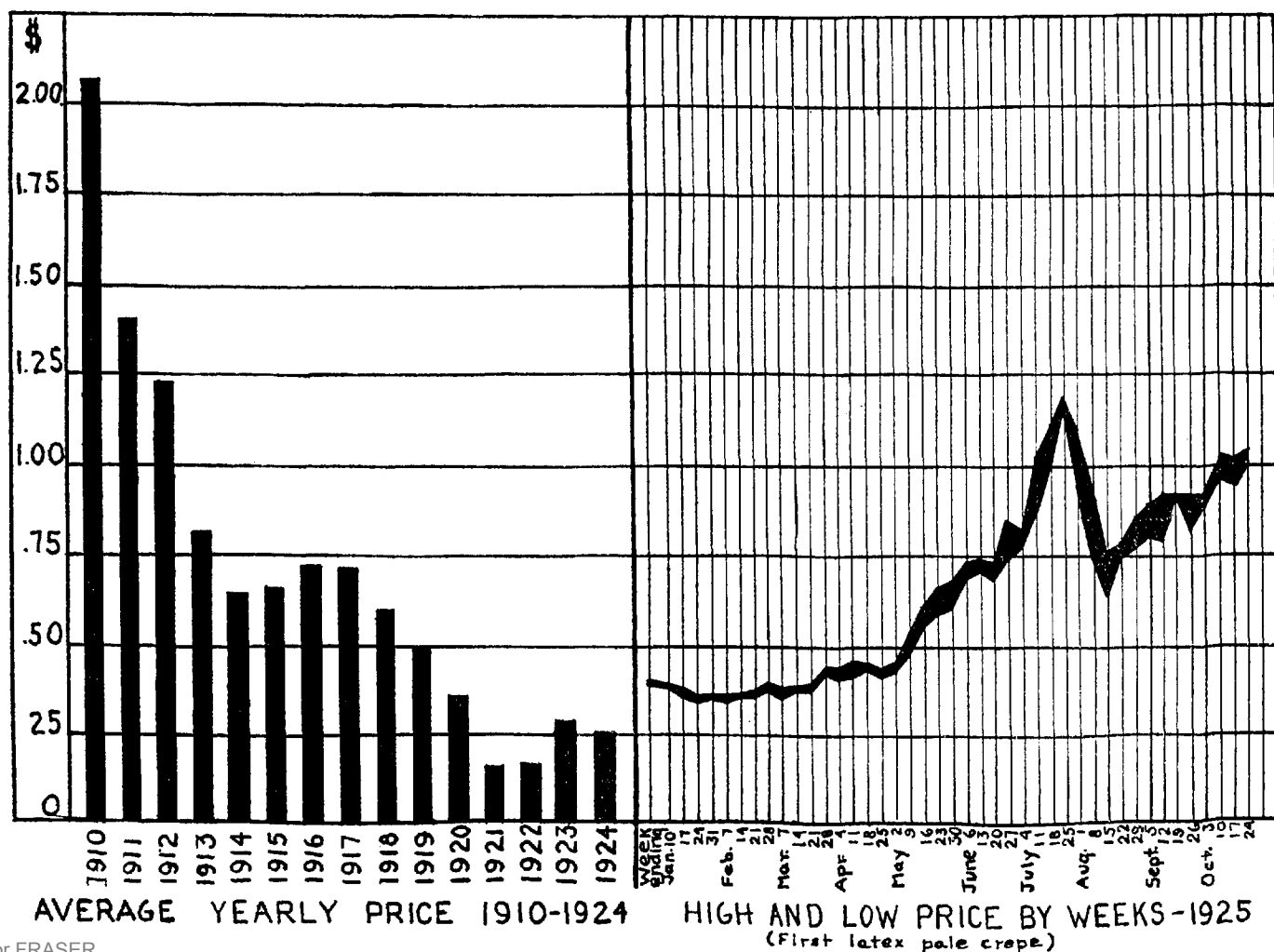
The year 1910 marked the high point. The introduction of large-scale production of plantation rubber increased the supply; and for this reason the price trend after 1910 was downward, even through the war years. This was contrary to the movement of prices as a whole, which mounted during and after the war, until many commodities were double their 1913 level. Between 1914 and 1920 the range of crude rubber was from 36 to 72 cents a pound, while from 1921 through 1924 the range was from 16 to 30 cents a pound. It is well to recall the 1914-1920 period, rather than the years of post-war depression in the rubber industry, in comparing present rubber prices with those of the past.

The 1920-1921 depression affected the rubber industry very severely. Manufacturers, being left with excessive stocks, cut purchases to a minimum, and the price declined to 18 cents a pound in 1921 and 1922. As the cost of production is estimated to run between 22 and 30 cents a pound, it will be seen that such a price was disastrous to the grower. The British government took recognition of this by passing the Stevenson Act, restricting the

export of rubber from British-owned plantations by placing exports on a sliding-scale according to the price. The effect of this Act commenced to appear late in 1924, when excess stocks of manufacturers in the United States had been pretty well worked off. Demand began to run ahead of supply, and continued to do so even after the rise in price brought the release of additional exports under the sliding-scale provisions of the Stevenson Act. As a result, prices mounted rapidly in the spring and summer of 1925, reaching \$1.20 a pound in July. There was a recession after midsummer, but another advance has recently occurred, and on October 20 crude rubber was quoted at \$1.00 per pound.

American manufacturers have been forced to meet the increased production cost by marking up tire prices. There have been several such advances during 1925, the latest, amounting from 10 to 20 per cent, having been made in October. Efforts are being made, however, to increase the supply of crude rubber and thus reduce the price; among these may be mentioned the recent taking over of 1,000,000 acres of Liberian land by a large American tire manufacturing concern for the setting-out of rubber plantations, and the increasing production of the Dutch East Indies, which of course do not operate under the Stevenson Act.

Price of crude rubber (plantation) per pound, 1910-1925.



Retail Trade Sales

	No. of Reports	Percentage Increase or Decrease SALES Sept., 1925, compared with Sept., 1924	SALES Jan.-Sept., 1925, compared with Jan.-Sept., 1924
DEPARTMENT STORES			
Akron.....	5	8.0	6.6
Canton.....	5	-7.8	-5.7
Cincinnati.....	7	3.3	5.5
Cleveland.....	6	4.2	0.9
Columbus.....	6	-0.5	7.7
Dayton.....	5	-4.8	-1.7
New Castle.....	3	-3.1	-3.6
Pittsburgh.....	7	-8.4	-2.7
Toledo.....	5	-4.0	-1.7
Wheeling.....	5	-13.2	-6.6
Youngstown.....	3	-2.7	0.6
Other Cities.....	13	4.2	4.3
District.....	70	-1.9	0.2
WEARING APPAREL			
Cincinnati.....	6	-1.2	
Cleveland.....	3	11.1	
Other Cities.....	11	1.8	
District.....	20	4.2	
FURNITURE			
Cleveland.....	6	-4.5	
Other Cities.....	13	0.6	
District.....	19	-1.7	

Wholesale Trade and Chain Store Sales

	No. of Reports	Percentage Increase or Decrease SALES Sept., 1925, compared with Sept., 1924	SALES Jan.-Sept., 1925, compared with Jan.-Sept., 1924
GROCERIES			
Akron.....	3	-4.9	2.8
Cleveland.....	4	-6.1	-6.8
Erie.....	4	4.4	-2.6
Lexington.....	3	-13.3	-15.5
Pittsburgh.....	8	-7.1	-1.1
Toledo.....	3	4.4	-0.1
Youngstown.....	3	-16.1	-19.6
Other Cities.....	25	2.6	-1.6
District.....	53	-2.6	-4.6
Dry Goods.....	19	-9.5	-6.9
Drugs.....	16	14.2	2.7
Hardware.....	16	-5.4	0.9
Shoes.....	7	3.8	-1.4
CHAIN STORES*			
Drugs-District....	3	9.4	1.8
Groceries-District..	5	-8.5	1.0

*Sales per individual unit operated.

Index Numbers of Trade in the Fourth Federal Reserve District

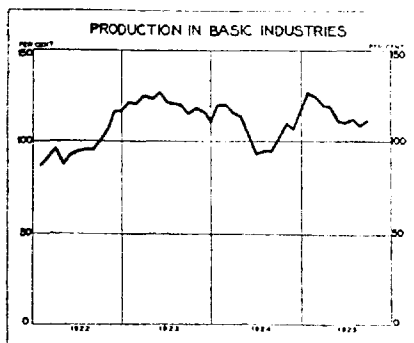
	(Average Monthly Sales for the	Five-Year Period 1919-1923, inclusive—100)					
Department	Wholesale	Wholesale	Wholesale	Wholesale	Wholesale	Wholesale	Chain
Stores	Drugs	Dry Goods	Groceries	Hardware	Shoes	(All)	Drugs
(55 firms)	(15 firms)	(18 firms)	(51 firms)	(15 firms)	(6 firms)	(105 firms)	(3 firms)
September, 1921.....	77	97	109	89	84	95	92
September, 1922.....	92	99	107	92	102	98	98
September, 1923.....	102	107	116	101	111	85	106
September, 1924.....	101	103	105	98	112	75	101
September, 1925.....	99	117	96	95	108	80	99

Debits to Individual Accounts

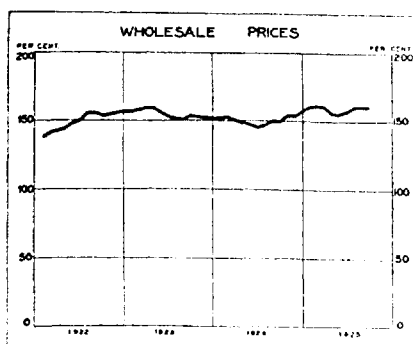
	1	2	3	4	5	6	7	8
	4 weeks ending Oct. 14, 1925	4 weeks ending Sept. 16, 1925	4 weeks ending Oct. 15, 1924	% incr. or decr. 1 over 2.	% incr. or decr. 1 over 3.	1925 to date (Jan. 1-Oct. 14)	1924 to date (Jan. 3-Oct. 15)	% incr. or decr. 6 over 7
Akron.....	96,552	89,765	69,769	7.6	38.4	835,404	681,974	22.5
Butler, Pa.....	11,391	9,125	12,239	24.8	-6.9	104,158	102,171	1.9
Canton.....	41,699	41,693	39,067	6.7	6.7	451,511	418,118	8.0
Cincinnati.....	328,209	287,453	284,893	14.2	15.2	3,268,300	2,903,177	12.6
Cleveland.....	658,547	606,327	593,323	8.6	11.0	6,498,425	5,875,859	10.6
Columbus.....	145,747	131,000	126,879	11.3	14.9	1,366,055	1,248,725	9.4
Connellsville, Pa.....	4,356	4,078	4,263	6.8	2.2	43,715	44,841	-2.5
Dayton.....	69,858	77,389	60,344	-9.7	15.8	736,617	642,249	14.7
Erie, Pa.....	33,218	30,510	31,311	8.9	6.1	322,053	295,607	8.9
Greensburg, Pa.....	20,150	20,183	20,475	-0.2	-1.6	191,899	209,581	-8.4
Homestead, Pa.....	5,054	3,863	4,175	30.8	21.1	44,257	40,383	9.6
Lexington, Ky.....	17,358	16,342	15,815	6.2	9.8	219,735	208,145	5.6
Lima.....	15,424	15,781	16,913	-2.3	-8.8	173,884	173,564	0.2
Lorain.....	6,041	6,665	6,481	-9.4	-6.8	64,550	58,672	10.0
Oil City, Pa.....	13,043	13,402	12,199	-2.7	6.9	141,615	125,475	12.9
Pittsburgh, Pa.....	913,234	761,563	757,070	19.9	20.6	8,716,703	7,830,000	11.3
Springfield.....	19,762	19,953	17,372	-1.0	13.8	205,074	184,620	11.1
Steubenville.....	10,317	12,518	9,528	-17.6	8.3	112,122	108,526	3.3
Toledo.....	197,609	175,064	186,204	12.9	6.1	1,943,149	1,697,255	14.5
Warren, Ohio.....	13,939	13,514	12,497	3.1	11.5	129,486	118,521	9.3
Wheeling, W. Va.....	40,792	37,050	41,079	10.1	-0.7	418,355	425,974	-1.8
Youngstown.....	73,078	61,494	61,492	18.8	18.8	648,858	575,476	12.8
Zanesville.....	11,938	10,691	12,066	11.7	-1.1	116,566	123,461	-5.6
Total.....	2,747,316	2,445,423	2,395,454	12.3	14.7	26,752,491	24,092,374	11.0

National Summary of Business Conditions

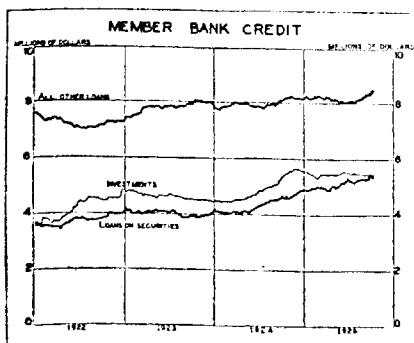
(By the Federal Reserve Board)



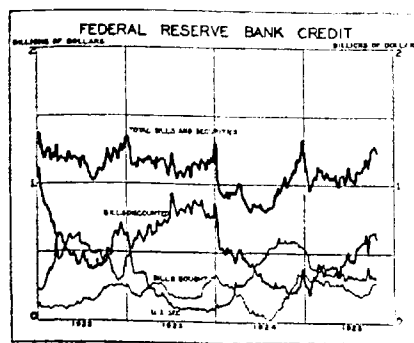
Index of 22 basic commodities corrected for seasonal variations (1919=100). Latest figure—September, 111.



Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau). Latest figure—September, 160.



Weekly figures for member banks in leading cities. Latest figures—October 14.



Weekly figures for twelve Federal Reserve banks. Latest figures—October 21.

Production in basic industries and factory employment increased in September. Distribution of commodities, both at wholesale and at retail, continued in large volume, and the level of prices remained practically unchanged.

PRODUCTION

The Federal Reserve Board's index of production advanced 2 per cent in September, notwithstanding the suspension of anthracite mining. The volume of output increased considerably in the iron and steel, bituminous coal, and textile industries, while the decreases which occurred in some other industries were relatively small. Automobile production was larger than in August, but continued to reflect the effects of curtailment incidental to changes in models. Number of employees on factory payrolls in September was larger than in August in nearly all reporting industries. Building contracts awarded during September did not equal the record level of August, but continued large as compared with earlier months. Total contracts awarded during the first nine months of this year were nearly as large as for the entire year 1924.

Crop conditions, as reported by the Department of Agriculture, showed considerable improvement in September, and the indicated yields of cotton, corn, oats, barley, and hay were larger than a month earlier, while forecasts of wheat and tobacco production were slightly smaller. Marketing of crops increased further in September, but was smaller than last year.

TRADE

Wholesale trade was 9 per cent larger in September than in August, and sales in all lines except dry goods were larger than a year ago. Sales of department store and mail order houses showed considerably more than the usual increase in September and were larger than a year ago. Stocks of merchandise at department stores also increased in September more than usual and at the end of the month were 4 per cent greater than a year ago. Wholesale firms in all leading lines except groceries reported smaller stocks on September 30 than a month earlier.

Total and merchandise freight car loadings in September were larger than during the same month of any previous year. Coal shipments were smaller than in August, owing to the anthracite strike, and shipments of coal and of grain products were smaller than in September of last year.

PRICES

The level of wholesale prices, as measured by the index of the Bureau of Labor Statistics, declined slightly in September. Among groups of commodities grains, woolen goods, and furniture showed price declines, while prices of coal and building materials advanced. In the first half of October prices of grains, wool, and rubber increased, while prices of sheep, hogs, sugar and cotton declined.

BANK CREDIT

At member banks in leading cities the volume of loans, both for commercial purposes and on securities, increased further between September 16 and October 14, and at the middle of October total loans of these banks were nearly \$650,000,000 larger than at the end of July. During the same period demand deposits of these banks increased by about \$360,000,000, but were below the level of the beginning of the year, while the volume of their borrowings at the reserve banks increased by about \$200,000,000 to the highest point of the year.

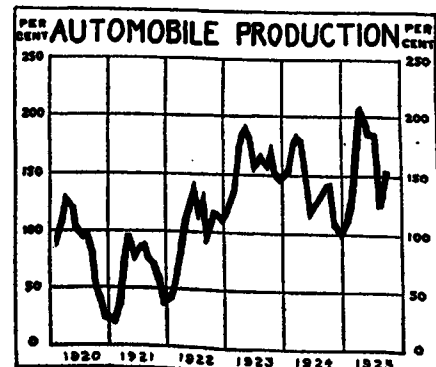
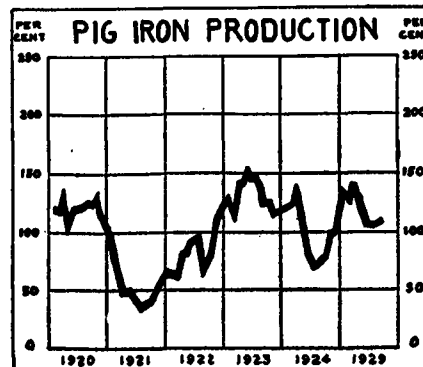
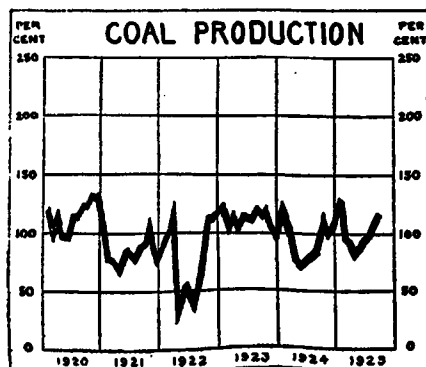
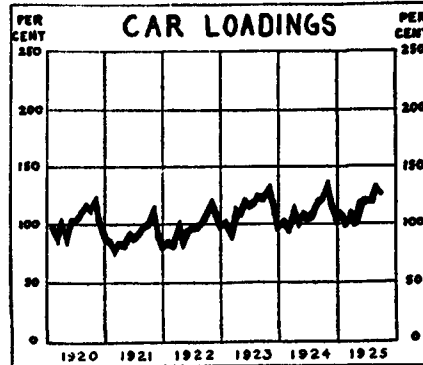
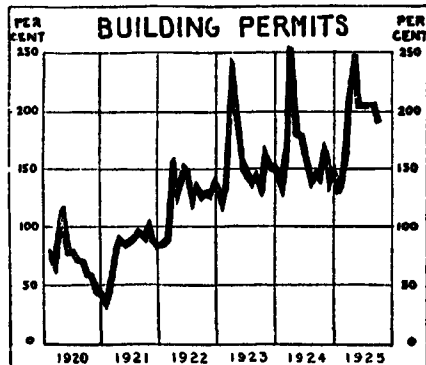
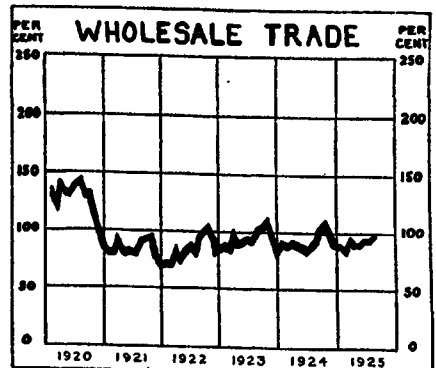
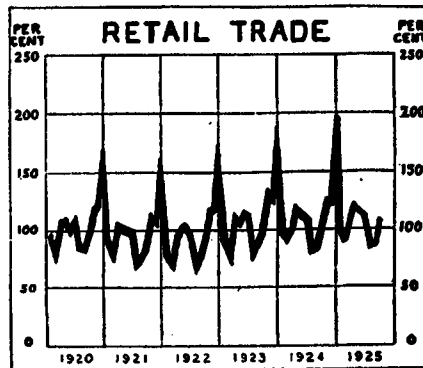
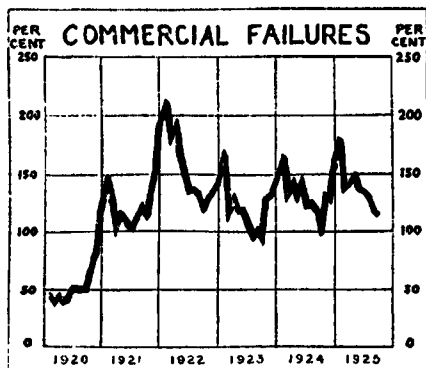
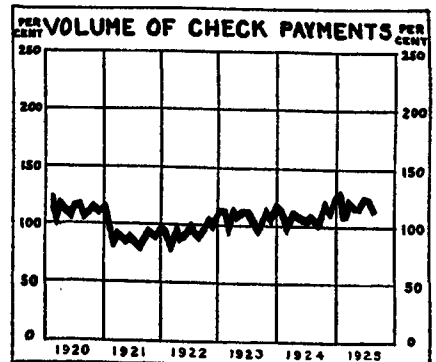
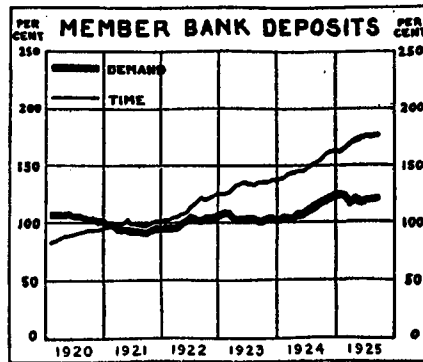
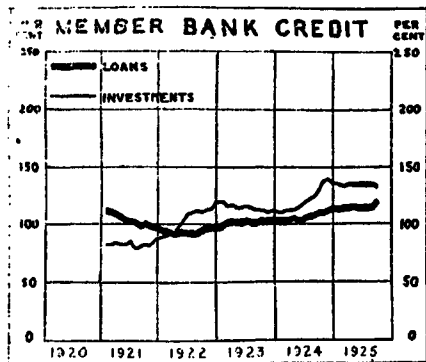
Total volume of reserve bank credit outstanding was larger in October than at any other time during 1925, reflecting increases during the two preceding months both in discounts for member banks and in acceptances bought in open market. This growth has been due primarily to the seasonal increase during the period of about \$100,000,000 in currency in circulation and there has also been a considerable increase in member bank reserve balances, accompanying a growth in their deposits.

In October the rates on prime commercial paper were firmer and the renewal rate on call loans averaged higher than in September.

Index 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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| <p>1. Member Bank Credit: Loans, September—120. Investments, September—124.</p> <p>2. Member Bank Deposits; Demand, September—121. Time—September—176.</p> <p>3. Check Payments, except New York, August—112.</p> <p>4. Commercial Failures, September—114.</p> <p>5. Retail Trade, September—108.</p> | <p>6. Wholesale Trade, August—82.</p> <p>7. Building Permits, September—191.</p> <p>8. Car Loadings, September—124.</p> <p>9. Exports of Merchandise, September—89.</p> <p>10. Bituminous Coal Production, September—117.</p> <p>11. Pig Iron Production, September—109.</p> <p>12. Automobile Production, September—154.</p> |
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