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Most lines of trade have held up well during the first part of the summer season. Production is ahead of last year, and the June level was equal to that of May. In some industries, notably iron and steel, operations have been at an unusually high rate for this time of year. Distribution, as represented by department store sales, was also greater during June than last year. The gradual but prolonged decline in prices appears to have been halted, at least for the present. The Bureau of Labor's index in June rose slightly over May, the rise now having continued for two months.

Earnings statements of a sufficient number of large industrial corporations have already been published to give an idea of business in the second quarter and also the first half year. In the second quarter, net earnings (after all deductions, but before dividends) of 45 industrial concerns in the United States amounted to \$70,087,000 as compared with \$61,975,000 in 1925, a gain of 13.1 per cent. Only 10 companies earned less than last year. For the first half of 1926, net earnings of 57 industrials were \$159,884,000 as compared with \$141,814,000 a year ago, a gain of 12.7 per cent. Increases were shown by 42 corporations, and decreases by 15.

Additional earnings statements from some of the largest corporations may affect the above figures to some extent, but from what is already available, the conclusion may be drawn that second quarter profits were about as much ahead of last year as were those of the first quarter.

In the Fourth District, 11 out of 22 representative industrial firms reported earnings above the second quarter of a year ago. There were 8 declines, and 3 practically the same. For the half-year, 24 firms reported:— 13 increases, 8 decreases, and 3 no change.

Financial Conditions

Savings deposits of seventy-one selected banks in the larger cities of the Fourth Federal Reserve District amounted to \$914,116,670 on June 30, 1926, an increase of 5.6 per cent over a year ago and 0.7 per cent over the preceding month.

Commercial failures in this District, according to R. G. Dun and Company, numbered 144 in June, as compared with 155 in May and 149 in June, 1925. Liabilities aggregated \$3,078,135 as compared with \$5,512,039 a year

ago. In the United States, there were 1708 failures in June, 1730 in May, and 1745 in June, 1925.

Changes in the main items in the balance sheets of Federal Reserve and member banks are as follows:

	Federal Reserve Bank of Cleveland (In Millions)			Federal Reserve System (In Millions)		
	July 14, 1926	July 15, 1926	June 16, 1926	July 14, 1926	July 15, 1926	June 16, 1926
	1926	1925	1926	1926	1925	1926
Gold reserves	\$298	\$301	\$267	\$2,845	\$2,791	\$2,837
Discounts	40	47	44	515	455	398
Acceptances	21	21	22	234	231	233
U. S. Securities	37	31	49	391	344	432
Total bills and securities	99	100	116	1,147	1,043	1,119
Federal Reserve notes in Circulation	195	206	189	1,707	1,627	1,688
Total Deposits	193	195	186	2,287	2,232	2,291
	Reporting Member Banks— Fourth District (In Millions)			United States (In Millions)		
	July 14, 1926	July 15, 1926	June 16, 1926	July 14, 1926	July 15, 1926	June 16, 1926
Loans secured by stocks and bonds	\$551	\$484	\$539	\$5,469	\$5,064	\$5,366
All other	808	760	812	8,540	8,222	8,690
Total loans	1,359	1,244	1,351	14,009	13,286	14,056
Investments	640	638	636	5,655	5,484	5,683
Demand deposits	1,055	1,024	1,037	13,053	12,987	13,130
Time deposits	827	746	809	5,685	5,164	5,604

Iron and steel

With a surprising display of vitality which is practically unprecedented for this period of the year, iron and steel demand continues in high volume. Not only has the run of incoming business kept up to the exceptional level of the past 30 or 45 days, but it is showing some tendency to expand. As a result, the industry is witnessing the unusual spectacle of steel production being increased in July when the normal dull period of midsummer should be appearing in earnest. Specifications coming to the mills during the first three weeks of July generally have been in excess of those for the corresponding period in June which was an especially good period for a summer month. A number of the producers are pronouncing July in point of sustained tonnage and relative activity to be the best they have ever experienced.

After having averaged 80 per cent of capacity in June, steel ingot production in the third week of July had reached 82 per cent and some further increases were scheduled before the end of the month. The Steel corporation has raised its production to about 87 per cent while the independent companies were running at 78 to 79

per cent. The Youngstown district well reflects the current improvement, having recovered to a basis of 79 per cent of ingot output and 88 per cent of sheet capacity after having been down recently to 60 and 70 per cent, respectively.

If production can be sustained even on its present basis for the next few months, 1926, it is indicated, will establish a new high record for steel output, exceeding the previous high mark established in 1925. Under normal expectations production should be higher in the fall than now. The complete figures for the first half of the year show that the industry operated at the highest rate for an initial half year ever known or at an average of 87.2 per cent of theoretical capacity. This meant a grand total of 24,260,537 gross tons of ingots. During the first half of 1925 the average capacity active was 81.4 per cent and production 22,383,071 tons. It has been computed that to attain a new high record of steel output for this year, it is necessary to operate only at 71 per cent for the last half. In the July-December period in 1925, production ran at 78.7 per cent of capacity.

Pig iron output has been holding up well but it does not show the same strength as steel. As compiled by IRON TRADE REVIEW, June production was 3,232,478 gross tons or a daily rate of 107,749 tons compared with a daily average of 112,187 tons in May. This represents a decline of 3.95 per cent. However, pig iron production for the first half was the best since 1923 and exceeded the six months ending June 30, 1925 by 837,000 tons or 4.4 per cent. At the end of June, 220 blast furnaces were blowing, a loss of 9 from the preceding month and representing 59.1 per cent of the country's total list.

Orders for steel are marked by their wide diversity and even balance among all the main consuming channels with the possible exception of the railroads. The latter continue to buy equipment sluggishly.

What appears to be the largest buying movement in pig iron since the war is subsiding after having run for six or seven weeks. In that period upwards of 1,500,000 tons of iron were placed under contract for third quarter and last half. Most of this was done at some expense of prices as production has been large and competition exceedingly keen. Steel prices on the other hand have been firmer and in the major products of plates, structural shapes and steel bars, the recent advance of \$2 per ton now seems to have been thoroughly established. IRON TRADE REVIEW composite of fourteen leading iron and steel products registers this fact, standing on July 21 at \$37.67. On the corresponding date one month earlier it was \$37.58.

Coal

Production of soft coal continues to run well ahead of other post-war years, except 1923. The domestic market has been fairly steady, allowing for the usual summer dullness. During the past month one effect of the British strike has been an increase in foreign demand, particularly for West Virginia high-volatile coal. This has helped to keep production above last year's level.

One report from the Fourth District indicates a firm demand and a large volume of business with a narrow profit-margin. Others report the domestic demand as being quiet with householders showing but little disposition to stock up. Prices in general have shown no great changes recently.

Rubber and Tires

A general cut in tire prices took place early in July, ranging from 5 to 20 per cent on the various types and sizes. This reduction may be attributed mainly to the piling up of stocks in manufacturers' hands, which in turn may be traced to the unseasonable spring weather and the practice of the public in recent months of confining their purchases to a minimum in the expectation of price reductions.

Earnings of tire companies for the first half of 1926 have been distinctly disappointing, as a result of the heavy stocks carried by manufacturers, the light public buying, and the rapid decline in the price of crude rubber since the first of the year.

Since the recent price cut, however, some improvement in demand has been noted, and there exists a better feeling among manufacturers. Stocks in the hands of manufacturers continued to climb during May, the latest month available; but production in the latter part of June and the first week in July was considerably curtailed on account of inventory taking, and this, together with the stimulating effect of tire price cuts, has had a beneficial effect upon the situation with regard to stocks.

The price of crude rubber averaged around 43 cents in June, and on July 19 stood at 41½ cents a pound (first latex, spot). A year ago it was advancing very rapidly, standing at 81 cents on July 3 and 96 cents on July 10.

World exports of rubber for the first four months of 1926 amounted to 193,784 tons, as against 150,863 in 1925, or an increase of 28.5 per cent. The distribution of this year's exports, according to the Bankers' Trust Co., was as follows:

	Tons	% of total
Malay States (British)	75,723	39.1
Dutch East Indies, exported through		
Malay States	43,908	22.7
Ceylon (British)	18,845	9.7
Java (Dutch)	18,543	9.6
Wild and Brazilian	13,669	7.0
All other, mostly Sumatra (Dutch)	23,096	11.9

From the above table it will be noted that exports from the Dutch colonies ran around 80,000 tons, or 41 per cent of the total.

Automobiles

Production of automobiles in the United States in June amounted to 383,575 cars and trucks, according to the United States Department of Commerce. This figure shows some loss from May and is 5,000 under that of June, 1925. June was the first month of 1926 in which output fell below that of the corresponding month last year. The decline is due entirely

to the production of fewer passenger cars, since truck and bus output in June continued to run ahead of last year.

Production for the first six months of 1926 aggregated 2,070,390 passenger cars,—as compared with 1,866,131 a year ago,—and 254,387 trucks,—as compared with 229,114 a year ago. Output for the first half-year of 1926 established a new high record for that period.

Clothing

There has been but little change in the various lines of clothing manufacture. Earnings in the second quarter of 1926 made a better comparative showing against 1925 than those of the first quarter. The majority of reporting manufacturers experienced larger earnings in the first half of 1926 than a year ago, and in one or two cases exceptionally high earnings were reported. As a rule, the increases were moderate.

Sales of 18 wholesale dry goods firms in the Fourth District, after showing an improvement in May caused largely by late spring buying, again fell behind in June, the decrease from last year being 2.4 per cent. June sales were the smallest for that month in the past six years with the exception of 1924. This condition is a little better than that which has existed throughout 1925 except in May, inasmuch as each of the first four months brought the lowest sales of any corresponding month from 1921 to 1926 inclusive.

Sales of some lines of clothing in department stores in the Fourth District increased substantially in June over a year ago, including the women's and misses' ready-to-wear lines, hosiery, and furs. On the other hand, sales of men's clothing and boys' wear were 11.5 and 5.4 per cent lower, respectively. Large declines were also shown by waists and blouses, sweaters, muslin underwear, and yard goods.

Shoes

Shoe manufacturers have been receiving fair orders in recent weeks. Production in this District for the first five months of 1926 was slightly ahead of last year, but was 10 per cent behind 1924. Preliminary figures for June indicate a gain over May, whereas in 1925 and 1924 June production declined from that of May. Final figures for the United States give May output at 23,087,202 pairs, as compared with 26,637,138 in April.

Wholesale shoe sales of reporting firms made a substantial gain of 9.4 per cent in June over a year ago. For the first half year, sales were 5.4 per cent greater than in 1925, but were behind the four preceding years. The low point in sales in the last two years is evidence of the depression through which the shoe industry has passed; but the gain this year over last is an encouraging factor.

Shoe sales of department stores in the Fourth District in June were 0.5 per cent greater than in June a year ago. Both men's and women's shoes showed very slight increases.

General Manufacturing

Present conditions in various lines of manufacture in this District are rather mixed, both as between different industries and within particular lines. In general, profits for the first half of the year have exceeded those of a year ago, although this is by no means a universal condition.

Most of the paint manufacturers state that business is now unusually good and that it compares favorably with that of a year ago. A high level of activity in both building and automobile production in the second quarter has favored this industry. A large volume of business in the lacquer portion of the trade is reported. The plate glass industry experienced a satisfactory first half-year, but some seasonal falling-off in demand has recently taken place. Sales are stated to be heavier than a year ago, but at lower prices. Agricultural implement makers have enjoyed somewhat greater earnings than last year. Some lines of machinery manufacture are doing better than a year ago, others not so well. Business in the paper trade compares somewhat unfavorably with 1925. Reports from various other miscellaneous lines show more increases than decreases in half-year profits as compared with last year.

Ohio

Agriculture

Wheat—The lateness of harvesting and threshing has prevented the issuing of any positive figures as to yield throughout the entire state, but with threshing well under way in the southern counties, and based on reports of condition of the crop in other sections, a conservative estimate places the increase in the total state crop as almost 50 per cent over last year. The Department of Agriculture, in their mid-July estimate places the total yield at 32,900,000 bushels, or 17.8 bushels per acre.

Corn—With a 5 per cent decrease in acreage, the present outlook indicates something like a three-fourths crop. The recent change from the cool, dry weather of early spring has greatly improved conditions, but the fields present a somewhat ragged appearance showing the earlier ravages of the cut-worm.

Oats—Present indications point to about an average crop, a decided improvement having been shown in the last month. This in contrast with the condition of the crop in the United States which is reported as being below the average.

Hay—The outlook for hay is poor, most meadows showing not only a short growth but a thin stand. With a decreased acreage of about 5 per cent the yield per acre is estimated as very little above that of last year's very poor crop.

Other Crops—Potatoes are estimated at about the same as last year in both acreage and yield. Rye is showing rather poorly with a decreased acreage. Both barley and buckwheat acreages are greater than a year ago, with no marked change in condition. Practically all fruit crops are reported as ranging from good to excellent, being especially promising in the northern portions of the state.

Pennsylvania

During the month of June the weather was too dry, and the temperature too low, in the western part of the state for crops to make much progress, but the more seasonable weather of the past month has brought about great improvement in conditions.

Wheat is still some 5 points below last year's condition, but the Department of Agriculture reports a gain of 7 points over the estimate of last month. Corn is far below last year,—latest estimates showing an average condition of 72 per cent as compared with 90 per cent last year, and a ten-year average of 85.6 per cent. The indicated productions of both oats and potatoes are below last year's crops, showing decreases of 6.3 per cent and 8.2 per cent respectively.

Corn forecast shows a drop of 28.7 per cent from last season, while the decrease in hay is estimated at 25.2 per cent.

All fruit crops are reported as far above the ten-year average.

Kentucky and West Virginia

The wheat crop in the southern part of the District is estimated as ranging from 12 to 15 per cent better than a year ago, on an acreage which is about 7 per cent greater.

Corn conditions in this section vary greatly in different counties, ranging from poor to excellent according to whether weather conditions were favorable. Taken as a whole, however, estimates point to a decrease of about 8.5 per cent from last year.

Oats, barley, rye, and hay, show decreases from last year, while potatoes, both Irish and sweet, show indications of a much better yield than a year ago.

Tobacco

The Government crop report for July estimates this year's acreage of burley tobacco in Kentucky at 255,000, the same as last year. Acreage of all types in Kentucky approximates 426,-

000 acres, a decline of 53,000 from a year ago. These estimates, of course, are subject to revision with the progress of the season.

Although planting was late in the burley sections, the crop was reported to be in very good shape about the middle of July, with present conditions favorable. Timely rains aided the growing plants. There were some local losses due to soil washing after heavy rainfall, but these had practically no effect on the crop as a whole.

A sale of about half a million pounds of burley for export to Europe was recently reported by the Burley Tobacco Growers' Cooperative Association.

Building

Permits for 187 cities reporting to Bradstreet's amounted to \$338,168,837 in June, a decline of 2.4 per cent from June, 1925. The second quarter of this year decreased 6.4 per cent, and the

first six months 2.9 per cent from last year. For the

first half of 1926, all sections of the country showed declines except the Middle Atlantic and Southern.

In analyzing the record-breaking activity of building during the past year or more, it is of interest to note the effect of the large gains occurring in New York City. Beginning with July of 1925, building in New York City in every one of the succeeding twelve months showed greater gains (or smaller losses, as the case might be) than the country at large over the same month in the preceding year. In only one month—April, 1926—did New York City permits decline from the preceding year, while in six out of the twelve months the 180-odd cities outside of New York showed decreases in the value of permits. For the first half of 1926, permits in New York gained 10.8 per cent over 1925, but outside of New York there was a decrease of 7.2 per cent. The following table shows the gain or loss in valuation of permits over the same month in the preceding year:

	United States (% gain or loss over same month in preceding year)	New York City (% gain or loss over same month in preceding year)	U. S. outside of New York (% gain or loss over same month in preceding year)
1925—July	+48.4	+128.2	+81.3
August	+38.1	+182.7	+13.9
September	+32.4	+87.7	+25.3
October	+26.2	+82.6	+9.4
November	+28.9	+80.2	+14.8
December	+8.7	+44.4	+2.6
1926—January	+8.8	+15.8	+5.3
February	+8.5	+5.1	+12.6
March	+5.9	+23.6	+0.3
April	+10.4	+1.7	+13.3
May	+5.6	+10.2	+10.0
June	+0.1	+12.8	+4.2

The value of permits in the Fourth District continue to show a decline from last year. In June the loss amounted to 10.5 per cent, and it was 16.2 per cent for the first six months. Fourteen cities, however, made gains in June, while in May only five gained. The only cities showing an increase for the six months were Akron, Ashtabula, Parma, Lima, and Youngstown.

Building Operations

	June 1926		(Valuation of Permits)	
	June 1926	% change from 1925	Jan.-June 1926	% change from 1925
Akron.....	1,526,940	-5.0	8,482,725	8,203,968
Ashtabula.....	437,105	774.7	741,477	544,511
Barberton.....	62,794	-33.4	397,380	459,833
Canton.....	495,620	0.6	3,039,309	3,709,707
Cincinnati.....	3,292,440	-5.5	14,453,570	17,368,570
Cleveland proper.....	7,056,875	-15.5	35,000,400	36,838,125
suburbs:				
Cleveland Heights.....	720,640	-13.9	3,578,162	5,690,500
East Cleveland.....	146,902	-67.9	681,568	2,464,196
Euclid.....	162,010	-8.1	842,385	1,039,425
Garfield Heights.....	278,000	12.6	1,351,200	1,950,250
Lakewood.....	855,550	75.9	2,530,235	3,819,140
Parma.....	235,000	68.9	763,550*	739,385*
Rocky River.....	44,400	-56.1	248,920	538,620
Shaker Heights.....	851,050	6.8	3,038,405	5,556,405
Columbus.....	2,276,100	3.3	11,668,700	13,081,600
Covington, Ky.....	191,700	78.3	845,700	1,679,850
Dayton.....	583,985	-47.2	4,087,558	6,137,043
Erie.....	521,774	-74.1	2,620,802	4,479,888
Lexington, Ky.....	127,447	-25.7	1,195,933	1,350,295
Lima.....	159,211	161.3	916,321	894,841
Mansfield.....	475,550	26.9	1,802,596	2,286,160
Newark.....	48,400	10.2	212,950	364,085
Pittsburgh, Pa.....	3,731,897	-5.7	20,070,013	23,553,254
Springfield.....	156,450	9.3	769,000	902,165
Toledo.....	1,826,408	13.3	7,022,556	8,232,652
Wheeling, W. Va.....	140,596	-63.0	931,563	2,410,405
Youngstown.....	720,505	-12.7	5,937,467	4,636,370
Total.....	27,125,349	-10.5	133,230,445	158,931,243
*January omitted.				-16.2

Building Materials Lumber manufacturers in this District report that business is running on a normal basis. Profits for the first half year appear to be somewhat less than for the same period last year.

The Common Brick Manufacturers' Association reports that European brick makers have begun to ship large quantities of brick into this country, but in spite of such imports the volume of business has held up well, owing to the continuation of high building activity and the increasing use of brick in residential construction.

Cement output for Ohio, Pennsylvania, and West Virginia, totaled 1,616,000 barrels in June, an increase of 1.8 per cent over a year ago. Shipments exceeded production by nearly 400,000 barrels,—an excess being usual at this season—with a consequent reduction of stocks; but the latter were still 28 per cent higher on July 1 than a year ago. A similar situation exists in the country at large.

The Aberthaw index of industrial building costs remained unchanged on July 1, at 199.

Retail Trade Sales of 68 department stores in this District in June fell 1.6 per cent below June 1925. The only cities showing gains were Pittsburgh, Youngstown, and Dayton—the latter 15.6 per cent. After the good showing of May, which gained 4.4 per cent, the decline in June was not strange. At the same time, June sales were not entirely satisfactory, this bank's index number of sales standing at 107, as compared with 109 in June of 1925, 108 in 1924, and 119 in 1923.

Twenty-seven out of 52 separate departments showed decreases in June sales as compared with last year. Departments showing gains of over 10 per cent were leather goods, women's coats, misses' ready-to-wear, furs, gloves, millinery, lamps and shades, floor coverings, books and stationery, and musical instruments. Departments showing decreases of over 10 per cent were silks and velvets, cotton dress goods, laces, trimmings and embroideries, neckwear and veilings, umbrellas, men's clothing, women's suits, women's skirts, waists and blouses, sweaters, muslin underwear, petticoats, aprons and house dresses, and house furnishings.

Percentage changes in departments doing the largest business in June were:

% change—June 1926 compared with June 1925

Silks and Velvets	—11.5
Cotton Dress Goods	—29.2
Domestics	+ 0.4
Toilet Articles, Drugs	— 1.5
Men's Clothing	—11.5
Men's Furnishings	— 7.3
Boys' Wear	— 5.4
Women's Coats	+90.0
Women's Dresses	+ 1.2
Misses' Ready-to-Wear	+18.7
Millinery	+10.5
Hosiery	+ 7.9
Muslin and Silk Underwear	—11.1
Shoes	+ 0.5
Furniture	+ 8.8
Draperies	+ 9.6
Floor Coverings	+12.3
House Furnishings	—13.3

Sales of 19 wearing apparel firms in this District in June gained 6.9 per cent over June, 1925, and for the half year were 2.5 per cent ahead. Sales of 61 retail furniture firms decreased 6.0 per cent from a year ago. Chain grocery firms in June gained 3.6 per cent over last year (per individual unit operated), and chain drugs gained 3.9 per cent.

Wholesale Trade

This bank's index number of sales of five wholesale lines (1919-1923=100), stood at 88 in June, as compared with 87 a year ago, and 83 in June, 1924.

The past month ran behind the same month in 1921, 1922, and 1923. There was a slight gain over May, as well as over June of last year.

Of the individual lines, sales of drugs, shoes, and groceries, reported increases over a year ago, while those of dry goods and hardware were less. For the first half of 1926, grocery sales were 2 per cent less than in 1925; dry goods, 4.8 per cent less; hardware, 3.7 per cent less; drugs, 7.8 per cent greater; and shoes, 5.4 per cent greater.

The past twelve months have been prosperous for most lines of industry, but there has been a wide disparity between the various distributive lines, at least as regards sales. Taking the average yearly sales from 1919 to 1923 as a base, sales of reporting wholesale drug firms in this District have increased 14.5 per cent over this base during the past twelve months, (July, 1925—June, 1926) and hardware sales have increased 2.2 per cent. The other three reporting lines show large decreases; groceries, 16 per cent below the 5-year average; dry goods, 21.5 per cent below; and shoes, 28 per cent below. The figures for the last two are evidences of the difficulties which have beset the textile and shoe trades.

Fourth District Business Statistics

(All figures are for Fourth District unless otherwise specified)

		June 1926	June 1925	% change	Jan.-June 1926	Jan.-June 1925	% change
Bank Debits (23 cities)	Millions of dollars	2,996	2,892	+ 3.6	17,785	16,836	+ 5.6
Savings Deposits (end of month)							
Ohio (43 banks)	Thous. of dollars	670,830	625,852	+ 7.2	650,768 ¹	605,869 ¹	+ 7.4
Western Pennsylvania (27 banks)	" " "	237,336	233,564	+ 1.6	237,818 ¹	229,707 ¹	+ 3.5
Total (70 banks)	" " "	908,166	859,416	+ 5.7	888,586 ¹	835,576 ¹	+ 6.3
Commercial Failures—Number	Actual Number	144	149	- 3.4	1,145	959	+19.4
—Liabilities	Thous. of dollars	3,078	5,512	-44.2	24,144	22,738	+ 6.2
Postal Receipts—9 cities		2,810	2,630	+ 6.8	18,034	16,523	+ 9.1
Sales—Life Insurance—Ohio and Pa.	" " "	101,232	94,434	+ 7.2	578,314	566,851	+ 2.0
—Dept. Stores—(54 firms)	" " "	23,511	23,969	- 1.9	136,890	138,412	- 1.1
—Wholesale Grocery (49 firms)	" " "	7,362	7,400	- 0.5	40,242	41,180	- 2.3
— " Dry Goods (18 ")	" " "	3,132	3,211	+ 2.4	18,786	19,728	- 4.8
— " Hardware (16 ")	" " "	2,176	2,284	- 4.7	12,333	12,794	- 3.6
— " Drugs (16 ")	" " "	1,824	1,697	+ 7.5	11,112	10,305	+ 7.8
Building Permits, Valuation—13 cities	" " "	27,125	30,294	-10.5	133,174	158,913	-16.2
Production—Pig Iron, U. S.	Thous. of Tons	3,235	2,679	+20.8	19,847	18,981	+ 4.6
—Steel Ingots, U. S.	" " "	3,751	3,207	+16.9	24,260	22,286	+ 8.4
—Automobiles, U. S.	Actual Number	360,000	364,731	- 1.3	2,171,771	1,934,672	+12.3
—Passenger Cars	" " "	47,500	56,846	+28.9	270,481	230,786	+17.2
—Trucks	" " "	16,367 ¹	14,439 ²	+13.4 ²	95,075 ³	83,317 ²	+14.1 ²
—Bituminous Coal, 4th Dist.	Thous. of Tons	1,616	1,587	+ 1.8	6,443	6,619	- 2.7
—Cement: Ohio, W. Va., Wn. Pa.	" " barrels	1,875 ²	1,821 ²	+ 3.0 ²	9,037 ³	8,958 ²	+ 0.9 ²
—Petroleum: Ohio, Pa., Ky.	" " pairs	3,812 ²	4,175 ²	- 8.7 ²	19,225 ³	19,599 ³	- 1.9 ³
—Shoes, 4th Dist.	" " casings	4,814	3,437	+40.1	9,974	8,222	+21.3
—Tires, U. S.	" " tons	6,472	5,975	+ 8.3	9,810	12,250	-19.9
Bituminous Coal Shipments (from Lake Erie ports)	" " "						
Iron Ore Receipts (at Lake Erie ports)	" " "						
¹ 6 months' average							
² May							
³ Jan.-May							
Figures Confidential							

Retail and Wholesale Trade

	No. of Reports	Percentage Increase or Decrease	
		SALES June 1926, compared with June 1925.	SALES Jan.-June 1926, compared with Jan.-June 1925.
DEPARTMENT STORES			
Akron.....	5	- 4.0	- 0.8
Canton.....	3	- 7.6	- 6.1
Cincinnati.....	7	- 3.2	- 5.5
Cleveland.....	6	- 5.4	- 1.6
Columbus.....	7	- 5.0	- 0.4
Dayton.....	3	15.6	10.7
New Castle.....	3	-17.4	-13.0
Pittsburgh.....	7	0.4	- 1.9
Toledo.....	5	- 1.6	- 3.0
Wheeling.....	5	- 5.2	- 4.8
Youngstown.....	3	4.7	- 0.0 [†]
Other Cities.....	14	- 0.6	3.8
District.....	68	- 1.6	- 0.5
WEARING APPAREL			
Cincinnati.....	6	8.8	3.2
Cleveland.....	4	7.3	4.4
Other Cities.....	9	4.1	- 0.5
District.....	19	6.9	2.5
FURNITURE			
Canton.....	3	-28.1	...
Cincinnati.....	11	9.9	...
Cleveland.....	9	- 7.2	...
Columbus.....	16	- 5.6	...
Dayton.....	5	7.2	...
Toledo.....	6	-19.0	...
Other Cities.....	11	- 9.0	...
District.....	61	- 6.0	...
CHAIN STORES*			
Drugs—District.....	3	3.9	4.5
Groceries—District.....	5	3.6	- 0.4
WHOLESALE GROCERIES			
Akron.....	3	- 3.3	- 9.5
Cleveland.....	4	- 8.2	- 5.5
Eric.....	4	- 0.4	- 0.1
Pittsburgh.....	10	- 6.4	-11.0
Toledo.....	3	0.6	1.4
Youngstown.....	3	- 9.5	- 7.0
Other Cities.....	27	10.1	4.7
District.....	54	0.2	- 2.0
WHOLESALE DRY GOODS			
WHOLESALE DRUGS.....	16	- 7.5	- 7.8
WHOLESALE HARDWARE.....	16	- 4.7	- 3.6
WHOLESALE SHOES.....	6	9.4	5.4

*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)

	June 1922	June 1923	June 1924	June 1925	June 1926
Department Stores (54)*.....	96	119	108	109	107
Wholesale Drugs (15)*.....	97	105	99	106	114
Wholesale Dry Goods (17)*.....	77	91	69	73	71
Wholesale Groceries (49)*.....	89	97	83	86	85
Wholesale Hardware (15)*.....	100	119	98	112	108
Wholesale Shoes (6)*.....	81	90	81	72	77
Wholesale—All (102)*.....	89	99	83	87	88
Chain Drugs (3)*.....	98	105	99	101	105

*Number of firms.

Debts to Individual Accounts

	4 weeks ending		% change	1926 to date		1925 to date	% change
	July 14, 1926	July 15, 1925		(Dec. 31- July 14)	(Jan. 1- July 15)		
		(In Thousands of Dollars)					
Akron.....	87,128	+ 1.6	612,555	540,925	+13.2		
Butler, Pa.....	10,725	+ 6.3	72,474	71,019	+ 2.0		
Canton.....	45,367	+ 2.7	320,317	315,482	+ 1.5		
Cincinnati.....	332,145	+ 2.7	2,442,535	2,271,943	+ 7.5		
Cleveland.....	710,309	+ 5.8	4,811,373	4,436,550	+ 8.4		
Columbus.....	155,236	+ 9.5	1,035,365	914,764	+13.2		
Connellsville, Pa.....	5,100	+23.5	33,836	30,131	+12.3		
Dayton.....	88,476	+ 4.4	566,826	499,779	+13.4		
Eric, Pa.....	31,906	- 2.1	225,886	217,217	+ 4.0		
Greensburg, Pa.....	18,144	- 1.0	134,876	130,277	+ 3.5		
Homestead, Pa.....	4,679	- 0.6	29,673	29,882	- 0.7		
Lexington, Ky.....	22,276	- 6.4	163,551	163,572	- 0.01		
Lima.....	15,966	- 3.9	105,513	120,789	-12.6		
Lorain.....	6,230	- 4.9	39,343	44,627	-11.8		
Oil City, Pa.....	12,767	- 8.5	87,152	93,716	- 7.0		
Pittsburgh, Pa.....	903,898	+ 1.0	6,158,139	5,992,734	+ 2.8		
Springfield.....	22,096	+ 8.0	157,331	139,770	+12.6		
Steubenville.....	10,366	- 8.7	72,191	75,542	- 4.4		
Toledo.....	207,924	+ 3.7	1,413,971	1,322,697	+ 6.9		
Warren.....	12,724	+ 5.3	85,456	86,784	- 1.5		
Wheeling, W. Va.....	42,182	+ 0.1	311,471	292,961	+ 6.2		
Youngstown.....	65,646	- 0.5	444,918	438,100	+ 1.6		
Zanesville.....	11,918	+ 2.2	83,635	79,836	+ 4.8		
Totals.....	2,823,208	+ 3.0	19,408,387	18,309,101	+ 6.0		

Summary of National Business Conditions

(By the Federal Reserve Board)

Industrial activity was at the same level in June as in May, and was slightly above the level of a year ago. The average of commodity prices advanced further between May and June.

Production

The Federal Reserve Board's index of production in basic industries remained unchanged in June. Production of iron and steel and activity of woolen machinery continued to decline, and there were also reductions in the output of copper, zinc, and petroleum, while cotton consumption, the manufacture of food products, and the output of coal and cement increased. Production of automobiles was smaller in June than in May and for the first time this year was less than in the corresponding month of 1925. Declines took place in June in employment and pay rolls of all textile industries, except woolen and worsted goods and men's clothing, and some of these industries were less active than at any time since 1924. Building contracts awarded during June were slightly less than in May and for the first time since early in 1925 were smaller than in the corresponding month of the preceding year.

Crop reports issued by the Department of Agriculture indicated a slight improvement during June. The composite condition of all crops on July 1 was reported at 6.4 per cent below the average July condition during the last ten years. The production of winter wheat was estimated at 568,000,000 or 172,000,000 more than in 1925 and that of spring wheat at 200,000,000 or 71,000,000 less than last year. A production of 2,661,000,000 bushels of corn or 8.3 per cent less than last year, is indicated in the same report. Cotton production, on the basis of July 16 condition, was estimated at \$15,368,000 bales or 718,000 bales less than the production of last year.

Trade

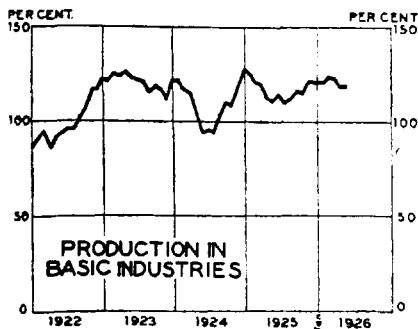
Total volume of wholesale and retail trade in June was larger than for the same month in 1925. Department store sales declined seasonally in June, and wholesale trade in all leading lines, except groceries, also decreased during the month. Sales of mail order houses increased more than usual in June, and were 5 per cent larger than in June, 1925. Stocks of merchandise carried by wholesale firms at the end of June were smaller than a year earlier. Department stores continued to reduce their stocks, and their inventories, which had been considerably above last year's level earlier in the year were at the end of June only about 1 per cent larger than a year ago. Freight car loadings showed seasonal increases during June and continued through the first half of July at higher levels than in previous years. Loadings of grains in the southwestern states have been particularly large.

Prices

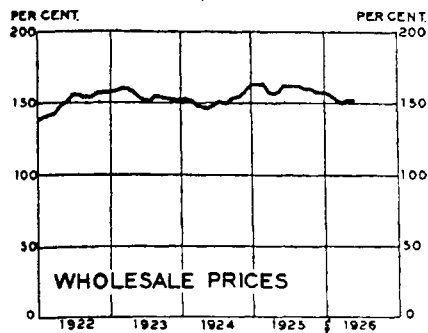
The general level of wholesale prices, according to the index of the Bureau of Labor statistics, increased from May to June by less than half of one per cent. Prices of live stock and meats advanced, and there were small increases for silk, petroleum products, non-ferrous metals, and chemicals and drugs. Price decreases occurred in grains, cotton, textile, building materials, and house furnishings. In the first two weeks of July prices of grains, flour, cotton, wool, and hides, increased, while those of cattle, hogs, silk, and rubber declined.

Bank Credit

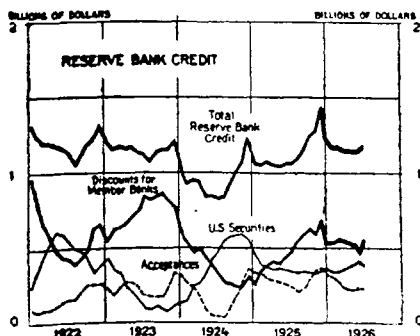
Loans and investments of member banks in leading cities at the end of June were in larger volume than any previous time, and after declining during the first half of July were still \$900,000,000 above the level of a year ago. Of this increase about \$385,000,000 was in loans on securities, \$340,000,000 in commercial loans and \$175,000,000 in investments. Since the beginning of 1926 an increase in commercial loans together with the growth of investments has more than offset the reduction in loans on securities. The demand for credit at the end of the fiscal year and the increased currency requirements over the holiday were reflected in a growth of member bank borrowings at the reserve banks and on July 7 total discounts were near the highest point of the year. With the return flow of currency from circulation after the holiday, discounts declined, and on July 21 were in about the same volume as in the last half of June. The reserve banks' holdings of acceptances and of United States securities changed little during the period, and the total volume of reserve bank credit outstanding in the third week of July was close to the June level. Money market conditions were firmer in July as indicated chiefly by increases in rates on call and time security loans. Rates on acceptances and on commercial paper were also slightly higher.



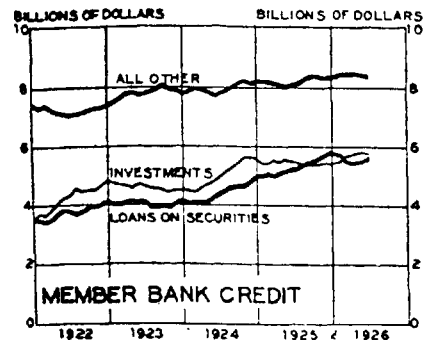
Index of 22 basic commodities, adjusted for seasonal variations (1919=100). Latest figure, June, 117.



Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau). Latest figure—June, 152.3.



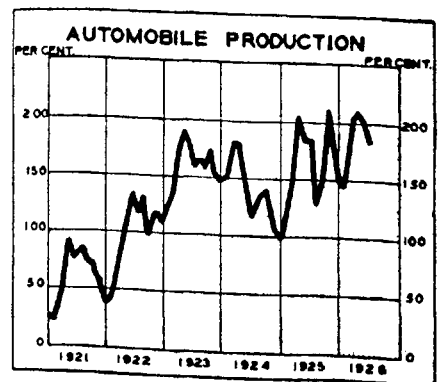
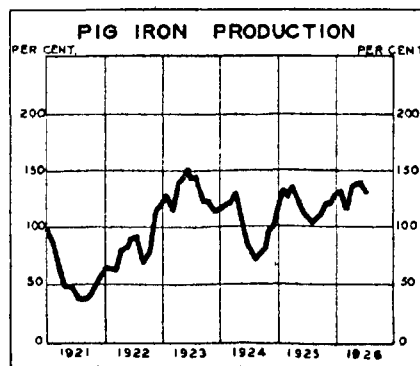
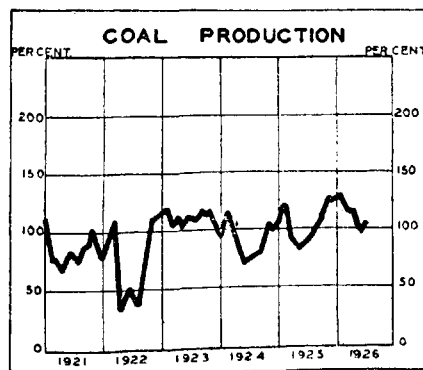
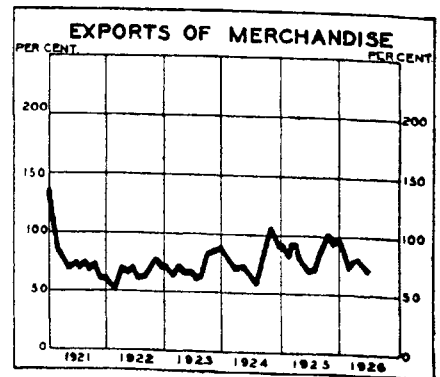
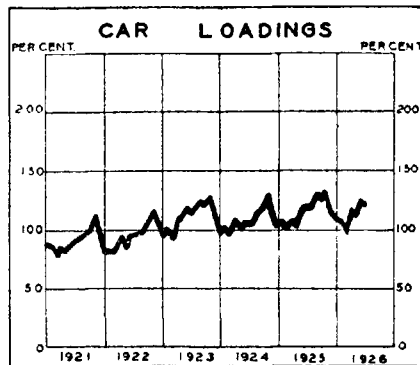
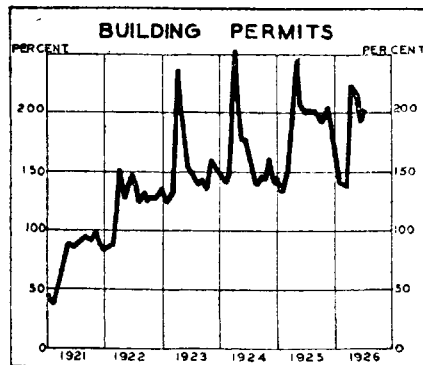
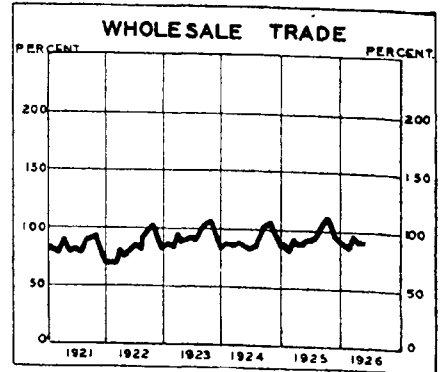
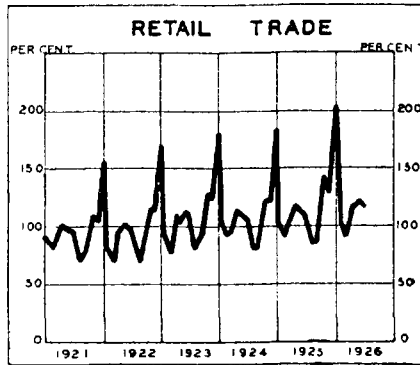
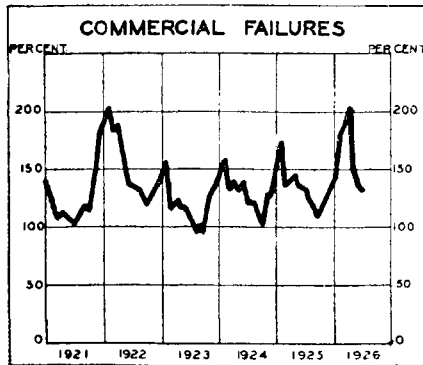
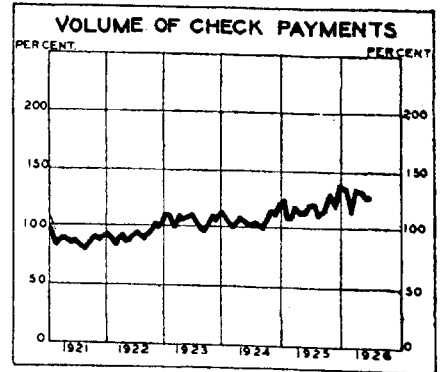
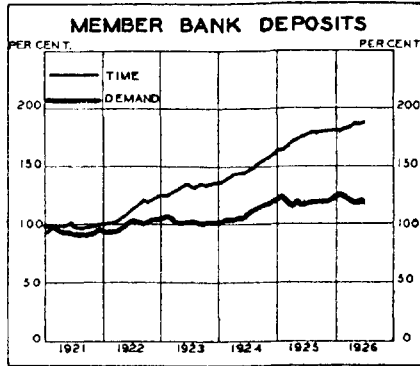
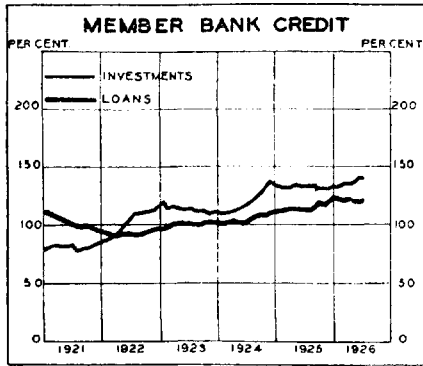
Monthly averages of daily figures for 12 Federal Reserve Banks. Latest figures are averages of first 22 days in July.



Monthly averages of weekly figures for banks in 101 leading cities. Latest figures are averages for first weekly report dates in July.

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

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. Member Bank Credit: Loans, June—122. Investments, June—140. 2. Member Bank Deposits: Demand, June—123. Time, June—190. 3. Check Payments, except New York, June—128. 4. Commercial Failures, June—132. 5. Retail Trade, June—116. 6. Wholesale Trade, May—92. | <ol style="list-style-type: none"> 7. Building Permits, June—203. 8. Car Loadings, June—122. 9. Exports of Merchandise, June—71. 10. Bituminous Coal Production, June—105. 11. Pig Iron Production, June—129. 12. Automobile Production, June—185. |
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