



MONTHLY BUSINESS REVIEW

Covering financial, industrial, and agricultural conditions

in the

Fourth Federal Reserve District

Federal Reserve Bank of Cleveland

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No. 12

General business activity in the Fourth District continued high in November, though not quite up to the October level. Reports from various parts of the District indicate that this high activity is well distributed. In the Cleveland area, employment at the beginning of the month was slightly lower than a month earlier but was 10 per cent greater than a year ago. The automobile accessory, metal products, and paint industries in this area are still doing a very heavy volume of business. Pittsburgh and Youngstown report a seasonal slackening in iron and steel operations. General activity has increased somewhat in the Wheeling and Steubenville districts, and demand for commercial loans is heavier. Conditions are reported "good" around Cincinnati and in Central Ohio. Building is heavy in Springfield. Toledo manufacturers are optimistic with regard to business in that locality. In the Akron territory, exceptionally large tire production has meant high employment and increased earnings for the past two months. Reports from the steelmaking section around Elyria and Lorain state that factories are very busy and advance orders are good.

Employment in Ohio, according to the Ohio State University Bureau of Business Research, was one per cent greater in October than in September and was 9 per cent greater than a year ago.

From all sections comes the complaint of poor retail business, the merchants expressing considerable disappointment with October and November results. This is very largely a matter of unseasonably warm weather, however, and the outlook for the holiday trade is reported to be promising. This is confirmed by heavy orders received by manufacturers supplying holiday goods.

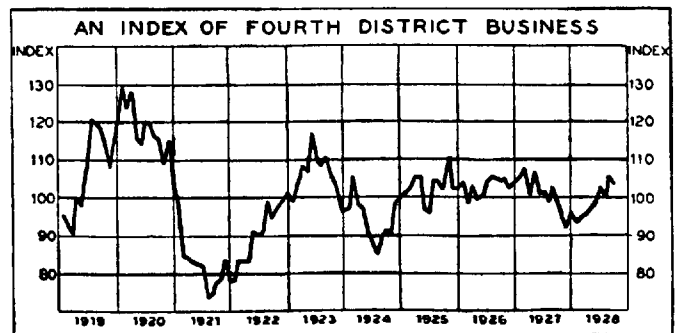
The supply of credit in the District continues to be ample, although occasional reports of a tightening-up here and there are received. Interest rates have not changed much from a month ago and are not unduly high for commercial purposes.

Third quarter earnings in both this District and the United States made a remarkably good showing as compared with last year. In the Fourth District, 19 out of 31 leading industrial corporations report increases, 6 report no change, and 6 show decreases. Some of the gains were very great, one concern reporting 95 per cent,

another 70 per cent, and another 67 per cent. In the United States, third quarter earnings of 170 industrials set up a new high record for any quarter.

FOURTH DISTRICT BUSINESS INDEX

There is presented below in both tabular and chart form an index of general business in the Fourth Federal Reserve District. This is a composite index and includes nine individual series which reflect fluctuations in the major activities of the District. The series are as follows: pig iron production, steel ingot production, bituminous coal production, building operations, bank debits, department store sales, commercial failures, an index showing the turnover of bank deposits and an index recording changes in the supply of labor. The series have all been corrected for seasonal fluctuation and allowance has been made for average annual growth. This is the first time that this index has been published in its present form and it appears to reflect accurately the trend of business in this District.



INDEX OF FOURTH DISTRICT BUSINESS

	1919	1920	1921	1922	1923
January	94.8	128.8	94.5	78.4	99.3
February	93.0	123.9	84.9	83.2	103.8
March	91.1	127.9	84.1	83.1	107.6
April	100.3	116.1	83.1	83.0	106.5
May	97.6	114.1	82.5	90.9	116.5
June	107.4	120.0	81.5	90.3	109.2
July	121.2	119.1	78.4	90.7	108.1
August	119.6	116.3	74.3	98.7	109.9
September	117.8	115.7	77.4	94.8	105.4
October	114.3	109.0	78.8	96.4	102.6
November	108.0	115.4	82.9	98.5	97.8
December	117.9	103.2	78.6	100.9	96.6

	1924	1925	1926	1927	1928
January	97.0	101.0	103.3	105.7	93.4
February	104.4	101.7	98.5	107.4	94.5
March	97.7	105.0	102.6	100.8	95.5
April	97.2	105.1	99.6	106.2	97.0
May	90.9	96.3	100.0	101.5	98.9
June	88.0	96.2	103.7	101.3	102.5
July	85.2	104.1	105.5	99.3	99.8
August	89.0	103.3	105.1	101.8	100.8
September	91.0	101.9	104.7	99.0	106.3
October	90.5	109.4	104.5	94.5	*108.1
November	98.1	101.9	102.4	92.0
December	99.8	102.0	104.0	95.8

*Preliminary

FINANCIAL

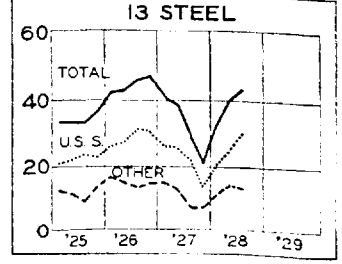
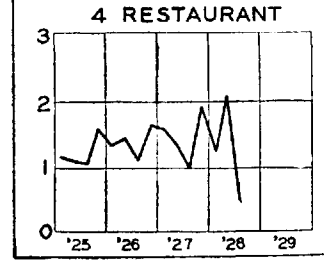
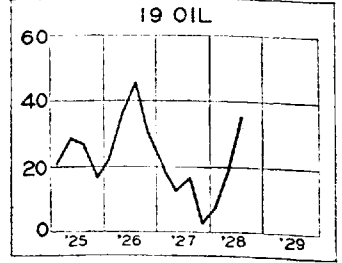
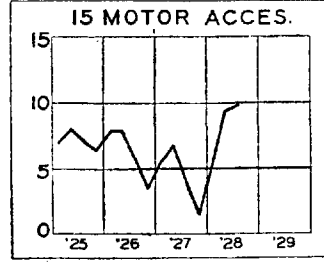
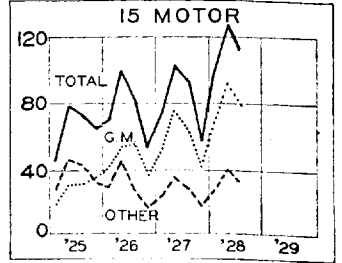
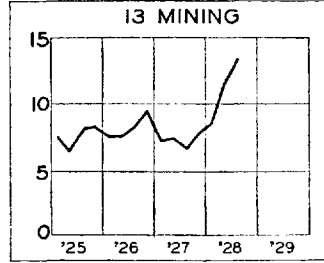
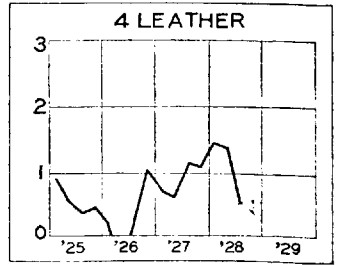
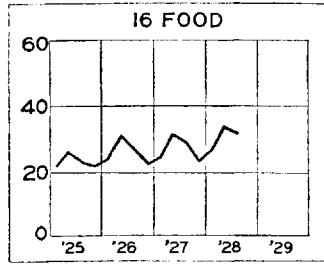
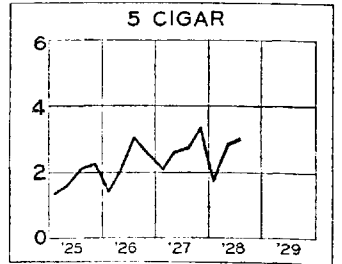
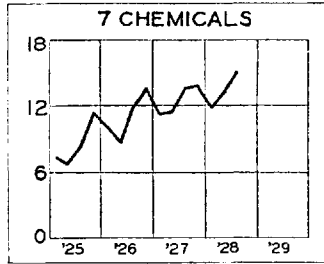
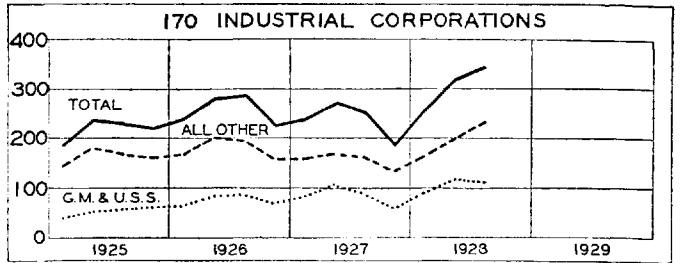
The month ending November 21 was marked by a slight easing in money rates, rapidly mounting stock prices and loans to brokers, and a decline in reserve bank credit. Gold imports were received in fairly large volume, mostly from England and Argentina, but toward the end of November these were partly offset by exports to Canada and earmarkings.

Money Rates. Despite heavy demands through the crop moving season, money rates failed to advance; on the contrary, certain classes of rates eased off. Large acceptance purchases by the Reserve System were an important factor in preventing an advance in "business" rates during the crop-financing period. Prime commercial paper has held steady at 5½-5¾ per cent, with the bulk of names at the latter quotation, and bankers' acceptances have remained at 4½ per cent asked. Time money on the stock exchange declined from 6⅞-7 per cent at the end of October to 6¼-7 during most of November. Call money has ranged from 6 to 6½ per cent since November 7, as compared with a prevailing range in October of 6½-7½ per cent. In the Fourth District little change is apparent from a month ago. Prime commercial paper is 5½-6 per cent in Cleveland, Pittsburgh and Cincinnati; and collateral loans are 5½-6 in Cleveland, 5-6 in Pittsburgh, and 5½-7 in Cincinnati.

Member Bank Credit. For the System as a whole, "all other" loans have ceased their seasonal expansion, while collateral loans are higher than a month ago, due to increased stock exchange activity. As in the previous four months, banks have continued to sell their investments; but the total of member bank credit in mid-November was somewhat higher than on October 10. In the Fourth District, collateral loans have been declining since July, commercial loans are up slightly from last month, investments are down, and the total is virtually unchanged.

Reserve Bank Credit. Unusually large purchases of acceptances by the reserve banks, coupled with a moderate return flow of gold, have enabled member banks to reduce their rediscounts with the System by over \$100,000,000 since the middle of last month. Government security holdings have fluctuated but little, and total reserve bank credit is somewhat lower, having risen to a new peak for 1928 on November 7 only to drop sharply in the two following weeks. The Cleveland Federal Reserve bank has been losing gold heavily through the Gold Settlement Fund, as is usual toward the end of the year, and consequently reserve balances of member banks have been replenished by rediscounting. Acceptance purchases have also been heavy while Government security holdings are about the same as a month ago. The total credit extended by this bank is therefore considerably higher than a month earlier.

CORPORATION EARNINGS
(Quarterly net earnings of 170 identical industrials in the United States)
All scales in millions of dollars



Debits, Savings, Failures. Debits to individual account at 13 large cities in this District amounted to \$3,063,-085,000 in October, \$2,650,764,000 in September, and \$2,647,308,000 a year ago.

Savings deposits of 66 banks in Ohio and Western Pennsylvania totaled \$1,050,060,865 on November 1, a gain of 0.8 per cent for the month and 7.2 per cent for the year.

Commercial failures in the Fourth District numbered 162 in October, according to R. G. Dun and Company, as against 159 in September, and 175 a year ago. Liabilities were \$2,359,380 in October, \$3,715,998 in September, and \$7,010,000 a year ago. In the United States there were 2023 failures in October, 1635 in September, and 1787 in October, 1927.

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

	Federal Reserve Bank of Cleveland (In Millions)			Federal Reserve System (In Millions)		
	Nov. 21, 1928	Nov. 23, 1927	Oct. 24, 1928	Nov. 21, 1928	Nov. 23, 1927	Oct. 24, 1928
Gold Reserves	239	289	260	2,667	2,860	2,646
Discounts	80	38	77	800	418	912
Acceptances	52	16	38	484	327	401
U. S. Securities	34	76	34	226	621	231
Total bills and securities	166	130	149	1,515	1,367	1,548
Federal Reserve notes in circulation	205	215	205	1,717	1,729	1,710
Total deposits	186	188	190	2,378	2,436	2,374

REPORTING MEMBER BANKS

	Fourth District (In Millions)			United States (In Millions)		
	Nov. 14, 1928	Nov. 16, 1927	Oct. 17, 1928	Nov. 14, 1928	Nov. 16, 1927	Oct. 17, 1928
Loans secured by stocks and bonds	655	600	650	6,835	6,352	6,750
All other	823	772	818	9,181	8,778	9,196
Total loans	1,478	1,372	1,468	16,016	15,130	15,946
Investments	719	720	736	6,362	6,293	6,464
Demand deposits	1,041	1,053	1,059	13,409	13,763	13,291
Time deposits	956	894	956	6,927	6,424	6,921

Corporation Earnings Net earnings of 170 industrial corporations in the United States set a new high record in the third quarter of 1928.

The table below gives detailed figures for several important lines, while the chart on page 2 presents this bank's quarterly index of identical industrials.

The great majority of industries shared in third quarter prosperity. This was also true of individual firms, despite the frequent statement that a few large concerns are responsible for the favorable earnings record of 1928. Of the industries represented in the identical index, a good showing in the third quarter was made by nearly all groups, particularly oil and mining among the larger lines, and amusements, building supply, and equipment in the miscellaneous classification.

NET EARNINGS BY QUARTERS
(In thousands of dollars)

	1928		1927		1926	
	3rd	2nd	3rd	2nd	3rd	2nd
7 Chemicals	\$ 15,209	\$ 13,071	\$ 17,505	\$ 11,756	\$ 8,359	\$ 8,359
16 Food	31,225	32,571	29,297	26,976	22,787	22,787
13 Mining	13,576	11,682	6,767	8,295	8,140	8,140
15 Motor	112,812	131,637	121,138	92,842	73,752	73,752
15 Motor Accessory	9,956	9,138	3,192	6,132	7,271	7,271
19 Oil	35,600	19,556	16,299	45,473	27,161	27,161
13 Steel	42,438	49,012	23,764	45,177	39,929	39,929
72 Miscellaneous	71,798	57,143	59,743	58,965	48,016	48,016
170 Total	\$336,755	\$314,980	\$259,536	\$285,736	\$228,455	\$228,455

MANUFACTURING, MINING

Iron and Steel Finished steel in mid-November entered the third phase of its present movement. Contracting for the fourth quarter, which developed late in September and continued well

into October, resulted in production being expanded so rapidly that in October an all-time steel ingot output record was made. As the sequel, producers in mid-November inaugurated a series of price advances—\$2 per ton in sheets, tin plate and cold rolled strip and \$1 in semifinished steel—which promised to become general.

Indications are that steel output in November is sliding off moderately from the October peak, mostly for seasonal reasons, although maintaining a large gain over a year ago. Bookings in November suffered from mid-quarter inertia, most users being well covered for the last quarter and not ready to consider first quarter needs. Except in hot strip, the chief effect was to ease the delivery situation; in strip incoming orders matched shipments.

Automotive steel specifications in the month ended November 15 were somewhat lighter, but then began to turn up again as Detroit manufacturers commenced production of new models. Tin plate mills have been producing for stock. Pipe mills in the Mahoning valley, already well booked for the quarter, have taken some large southwestern orders. Seasonal buying of track material has benefited Pittsburgh district mills. Freight car orders also have improved. On many important products four to five weeks' delivery is the best the mills can offer and delivery has transcended price frequently.

Not in many months has pig iron been so active. With their own finishing demands at capacity, steel makers have withdrawn from the merchant iron market. The trend in the past few years has been toward the abandonment of some strictly merchant capacity. With consumption undiminished, furnace and consumers' stocks low, and steelworks out of the market, pig iron demand and prices have been brisk. Most grades at Pittsburgh, Youngstown, Cleveland and the lake cities are \$1 to \$1.50 higher than sixty days ago. Sales, some into the second quarter of 1929, have been extensive. Scrap iron and steel, meanwhile, has reacted from its recent swift advance.

The October steel ingot record is the more noteworthy because made in the Fall; normally March and April, with their large proportion of rail tonnage and large-section structurals for Spring building work, set the records. October's daily average was 172,144 tons, compared with 165,903 tons in September and 127,550 tons in October, 1927. The ten-month total for 1928, including the 4,647,-891 tons made in October, stands at 41,578,411 tons or about 12 per cent over the 37,095,244 tons of the similar period of 1927. The year now seems certain to run up a new ingot peak.

Pig iron, while regaining some of the ground lost last Spring, will fall short of a record. The net gain in active blast furnaces in October was two. The month's daily average output was 108,824 tons, against 102,120 tons in September and 90,710 tons last October. The month's total was 3,373,539 tons. The ten-month total for pig iron is 31,157,301 tons, contrasted with 30,929,041 tons a year ago.

When the Iron Trade Review composite of fourteen leading iron and steel products in mid-November went to \$35.93, it reached the highest point since September, 1927. Including the week of November 15, this index has risen for thirteen consecutive weeks.

Coal The seasonal increase in domestic demand for soft coal in this District was not quite as great as usual in October, but cold weather in mid-November has stimulated buying from this source. Industrial consumption continues heavy, as stock piles have finally declined to the point where replenishment has become necessary. The price situation remains unsatisfactory, but October showed an improvement over September in this respect, the Coal Age average price of bituminous (spot, mine) being \$1.87 per ton in October as against \$1.81 in September. Over-productive capacity still hampers the industry.

Production of soft coal in the country continued to expand seasonally during October and early November. In the Fourth District, Pennsylvania and Ohio production has been running well ahead of last year as mines in the union fields, closed in 1927 on account of the strike, have reopened. The output in Kentucky and West Virginia is also larger than a year ago.

Stocks of soft coal held by commercial consumers were 41,100,000 tons on October 1, according to the latest report of the Bureau of Mines. This figure compares with 41,700,000 on July 1, 55,500,000 on January 1, and 61,900,000 on October 1, 1927. When the strike was called in April of last year, stocks had risen to 75,000,000 tons, nearly twice as high as at present.

Rubber and Tires On October 31 tire prices were cut by the leading manufacturers, the reduction ranging from 2½ to 5 per cent on first grade tires and from 17½ to 20 per cent on second grade tires. Following these cuts the spring-dating season got under way, and although by mid-November it was still too soon for the development of advance orders in heavy volume, reports indicate that up to that time such orders were coming in somewhat better than a year ago.

Production declined seasonally in October and November, although still unusually heavy for those months. Preliminary production figures for October indicate very substantial gains over each of the preceding four Octobers, ranging from 62 per cent as compared with that month in 1925 to 41 per cent as compared with October of 1924.

On November 1 the Stevenson Restriction Act expired. This Act, passed by the British Government in 1922, provided for the restriction of crude rubber exports from British-owned plantations (in Malaya and Ceylon), the allowable export quotas being varied from time to time. It was put into operation with the idea of improving the extremely depressed price situation which resulted from the 1920-1921 depression.

The results of restriction, however, were on the whole unsatisfactory to both British producers and American manufacturers. Crude rubber prices, after advancing moderately in 1923 and 1924, behaved in an extremely erratic manner in 1925 and 1926, rising from about 35 cents to over a dollar a pound in 1925 and falling just as rapidly the following year. During most of 1927, prices declined in spite of successive reductions in export quotas under the Stevenson Act, and in 1928 a sharp drop occurred from 40 cents a pound to the present level of about 18 cents a pound. These price fluctuations seriously hampered the inventory policies of American tire manufacturers, and meanwhile British plantation owners

were feeling the effect of a heavy increase in Dutch-owned production, which was not restricted. The latter development and the failure of the Stevenson Act to prevent price declines in 1927 were important factors in the decision of the British to abandon the Act.

Automobiles Automobile production in the United States in October continued high for this season, amounting to 398,818 cars and trucks as compared with 219,682 last year, 334,000 in 1926, and 450,000 in 1925. The October figure was 17,000 lower than that of September and 63,000 less than the August high record for all time.

The rate of production has declined in November as a number of large manufacturers have made preparations for new models. Owing to the activity of Ford and some others, however, operations are still heavy after allowing for the seasonal falling-off.

Truck manufacturers in this District report a good third quarter and state that present conditions are satisfactory.

Clothing Clothing manufacturers in this District are still complaining of unseasonably warm weather. During the first part of November the temperature continued to register well above normal, as was the case in October. This of course further retarded winter buying at retail, and advance orders to manufacturers were adversely affected when retailers found themselves heavily stocked up. Consequently, fourth quarter business up to November 15 was fair to poor. In the week ending November 24, however, the weather was much colder, and delayed buying by the public made its appearance.

Retail sales of clothing during October were irregular. Gains over last year were shown by women's dresses, 1 per cent; misses' dresses, 10.1; girls' wear, 4.4; sports wear, 8.3; and aprons and house dresses, 6.4 per cent. Decreases occurred in men's clothing, 16.7 per cent; men's furnishings, 3.0; hats and caps, 6.1; boys' wear, 6.1; furs, 9.8; misses' coats and suits, 6.3; and women's coats, 3.1 per cent.

A better showing was made by 13 reporting wholesale houses, whose October sales were 8.3 per cent larger than a year ago.

Shoes After a good October, the shoe manufacturing trade is now in the dull season, with production showing a normal decline. Advance orders are rather slow.

Fourth District production in October was higher for that month than in several years and showed a large gain over September which was not seasonal.

Retail shoe sales in October were fairly good. In 72 department and apparel stores in the Fourth District, there was a gain over last year of 3.2 per cent in women's and children's shoes, but a decrease of 7 per cent in men's and boys' shoes. Wholesale shoe sales in October were about equal to those of a year earlier.

Other Manufacturing Business in general manufacturing lines was at a high point in November. Seasonal let-downs from October were reported by some lines, while others were expanding their operations in anticipation of the holiday season.

BUILDING

Building contracts awarded for 37 Eastern states made a new high record for October, according to the F. W. Dodge Corporation. Fourth District total contracts awarded for October amounted to \$57,118,308, the highest October on record with the exception of 1925. Contracts awarded during October of 1927 amounted to \$49,315,195. Although October experienced a falling-off as compared with the September figure of \$67,747,810, a high record for all time, this decline was not nearly as great as has been customary in previous years.

Residential contracts awarded in October in the Fourth District were \$17,464,390, practically the same as a year ago, but somewhat more than the low September figure of \$16,166,854. The increase in non-residential contracts was caused partly by the awarding of large railroad contracts in Ohio.

The Federal Reserve Board's index of contracts awarded, after being adjusted for seasonal variations, fell from 156 in September to 145.4 in October, but is still well above any October on record. The September figure was the highest on record so that it would seem that building during the last part of the year is holding up better than heretofore.

The valuation of October building permits in 27 cities in this District was \$18,173,104, a loss of 7.1 per cent as compared with last year, but a gain of 5.4 per cent when compared with September when building permits amounted to \$17,247,960. Building permits for the first ten months of this year are 1.8 per cent ahead of last year in the District.

Building Operations

(Valuation of Permits)

	October, 1928	% change from 1927	Jan.-Oct. 1928	Jan.-Oct. 1927	% change from 1927
Akron.....	2,432,123	+80.5	17,337,002	17,752,122	- 2.3
Ashtabula.....	12,796	-65.5	384,222	494,125	-22.2
Barberton.....	85,635	+ 7.7	800,873	975,921	-17.9
Canton.....	324,740	+14.3	3,315,596	3,522,321	- 5.9
Cincinnati.....	3,420,360	- 3.4	30,889,355	27,537,719	+12.2
Cleveland.....	3,717,325	- 1.5	44,715,325	36,447,650	+22.7
Cleve. suburbs:					
Cleve. Hghts..	215,390	-37.1	3,699,860	4,618,882	-19.9
East Cleve..	31,540	-86.0	687,270	1,268,124	-45.8
Euclid.....	136,460	+10.7	1,958,241	1,595,665	+22.7
Garfield Hghts.	118,500	-36.8	1,454,150	2,452,000	-40.7
Lakewood.....	136,361	-41.6	4,622,603	3,301,977	+40.0
Parma.....	139,755	+ 0.3	2,221,584	2,937,961	-24.4
Rocky River..	86,200	+10.8	1,015,168	1,160,698	-12.5
Shaker Hghts.	585,405	-20.1	6,692,245	7,992,510	-16.3
Columbus.....	941,700	-45.1	14,743,350	20,102,800	-26.7
Covington, Ky.	90,250	+15.4	1,398,300	1,456,300	- 4.0
Dayton.....	394,385	-28.7	9,847,443	9,545,516	+ 3.2
Erie, Pa.....	1,372,375	+232.9	4,411,759	4,387,616	+ 0.6
Hamilton.....	171,257	+107.9	1,871,963	1,751,651	+ 6.9
Lexington, Ky..	155,642	+30.0	1,397,453	2,118,964	-34.1
Lima.....	76,290	+353.4	485,644	678,911	-28.5
Newark.....	113,851	+235.6	1,317,284	600,917	+119.2
Pittsburgh, Pa.	1,678,561	-52.4	34,918,324	32,104,339	+ 8.8
Springfield.....	174,975	+16.1	1,333,502	1,659,108	-19.6
Springfield.....	939,785	+ 4.5	14,977,010	14,745,585	+ 1.6
Toledo.....	238,923	+54.4	1,742,658	2,743,993	-36.5
Wheeling, W. Va.	329,783	-45.1	7,050,555	7,528,245	- 6.3
Youngstown.....	382,520				
Total.....	18,173,104	- 7.1	215,288,739	211,481,620	+ 1.8

TRADE

Retail
Trade

Sales of 62 department stores in the Fourth District in October were 1 per cent less than a year ago. The largest gains were shown by Akron and Toledo, with 18.9 and 17.2 per cent respectively. Increases also took place in Cleveland, Columbus, Wheeling, and Youngstown, while Cincinnati, Dayton, Pittsburgh, and "other cities" showed losses.

For the first ten months, District sales were 0.5 per cent less than in the corresponding period of 1927. Akron showed the largest gain—10.4 per cent, and Pittsburgh the greatest decline—5.3 per cent.

Sales of 16 wearing apparel firms were 6 per cent less in October than a year ago, and for the first ten months registered a decrease of 1.3 per cent. Stocks at the end of October were 7.9 per cent lower than a year earlier.

Sales of 47 furniture firms in October were 12.9 per cent larger than a year ago, the only cities to experience decreases being Cincinnati and Columbus. For the first ten months of 1928, the District showed a gain of 2.4 per cent over last year.

Retail hardware sales for October in Ohio exceeded those of a year ago by 1 per cent, according to the National Retail Hardware Association. There was a loss of 9 per cent for the first ten months of 1928, however, and October sales were likewise 9 per cent smaller than the 1925-1927 average for that month.

Chain grocery sales in the District in October increased 9.5 per cent over last year per individual unit operated, and for the first ten months gained 5.5 per cent. For chain drugs, October sales decreased 7 per cent and the first ten months 5.8 per cent.

Wholesale
Trade

An unusually good showing was made by five wholesale lines in this District in October. All lines except hardware registered gains over last year, and sales in all lines except shoes were larger than in September. As compared with October of 1927, grocery sales increased 6 per cent; dry goods, 8.3; drugs, 4.3; and shoes, 0.6; while hardware sales declined 4.6 per cent.

For the first ten months of 1928, grocery sales increased 2.4 per cent over last year, dry goods 1.9 per cent, and drugs 0.7 per cent. Hardware and shoe sales decreased 6.0 and 8.6 per cent respectively.

Stocks were generally lower than a year ago. Collections were better in three of the five reporting trades. The percentage of collections during October to accounts receivable on September 30 was 83.3 for groceries, 39.9 for dry goods, 39.2 for hardware, 36.0 for shoes, and 72.2 for drugs.

Fourth District Business Statistics

(All figures are for Fourth District unless otherwise specified)

		Oct. 1928	Oct. 1927	% change	Jan.-Oct. 1928	Jan.-Oct. 1927	% change
Bank Debits (24 cities)	Millions of dollars	3,684	3,213	+14.7	33,082	32,297	+2.4
Savings Deposits (end of month)							
Ohio (40 banks)	Thousands of dollars	773,381	717,119	+7.8	749,780 ¹	694,457 ¹	+8.0
Western Pennsylvania (26 banks)	" "	276,680	262,357	+5.5	278,948 ¹	256,616 ¹	+8.7
Total (66 banks)	" "	1,050,061	979,476	+7.2	1,028,728 ¹	951,073 ¹	+8.2
Commercial Failures—Number	Actual Number	162	175	-7.4	1,665	1,675	-0.6
Liabilities	Thousands of dollars	2,360	7,010	-66.3	44,992	45,861	-1.9
Postal Receipts — 9 cities	" "	3,352	3,211	+4.4	30,396	30,382	+0.05
Sales — Life Insurance — Ohio and Pa.	" "	108,530	90,201	+20.3	1,036,226	984,848	+5.2
Dept. Stores — (62 firms)	" "	27,878	28,160	-1.0	237,482	238,790	-0.5
Wearing Apparel (16 firms)	" "	2,000	2,127	-6.0	16,565	16,790	-1.3
Furniture (47 firms)	" "	1,242	1,100	+12.9	10,656	10,405	+2.4
Wholesale Grocery (44 firms)	" "	7,606	7,174	+6.0	65,849	64,310	+2.4
Dry Goods (13 firms)	" "	2,863	2,644	+8.3	22,751	22,320	+1.9
Hardware (16 firms)	" "	2,208	2,313	-4.5	19,491	20,733	-6.0
Drugs (14 firms)	" "	1,895	1,893	+0.1	18,374	18,248	+0.7
Building Permits, Valuation—27 cities	" "	18,173	19,567	-7.1	215,289	211,482	+1.8
Building Contracts — Total, 4th District	" "	57,118	49,315	+15.8	566,044	598,944	-5.5
Residential, 4th District	" "	17,464	17,456	+0.05	189,818	202,991	-6.5
Production — Pig Iron, U. S.	" tons	3,374	2,784	+21.2	31,165	30,877	+0.9
Steel Ingots, U. S.	" "	4,648	3,316	+40.2	41,579	36,789	+13.0
Automobiles, U. S.							
Passenger Cars	Actual Number	341,705	183,042	+86.7	3,405,942	2,730,760	+24.7
Trucks	" "	57,113	36,640	+55.9	463,067	402,625	+15.0
Bituminous Coal, 4th Dist.	Thousands of tons	19,156	15,689	+22.1	153,581	167,224	-8.2
Cement: Ohio, W. Va., Wn. Pa.	" barrels	2,120	1,746	+21.4	15,678	14,806	+5.9
Electric Power: Ohio, Pa., Ky.	Millions of k.w. hrs.	1,134 ²	1,017 ²	+11.5	9,890 ²	9,678 ²	+2.2
Petroleum: Ohio, Pa., Ky.	Thousands of barrels	1,931 ²	2,030 ²	-4.9	18,153 ²	17,943 ²	+1.2
Shoes, 4th District	" pairs	4	4	+0.0	4	4	+0.0
Tires, U. S.	" casings	5,469 ³	3,617	+51.2	50,175 ³	42,175	+19.0
Registration—New Passenger Cars: 8 Ohio counties	Actual Number	8,781	5,638	+55.7	103,940	86,012	+20.8
Bituminous Coal Shipments (from Lake Erie ports)	Thousands of tons	4,649	3,751	+23.9	30,152	30,802	-2.1
Iron Ore Receipts (at Lake Erie ports)	" "	6,002	4,929	+21.8	33,344	34,721	-4.0

¹ 10 months' average.
² September
³ January-September
 * Figures Confidential
 * Preliminary

Retail and Wholesale Trade

(1928 compared with 1927)

	SALES	Percentage Increase or Decrease	STOCKS
	Oct.-Oct.	SALES first 10 mos.	Oct.-Oct.
DEPARTMENT STORES (62)			
Akron	+13.9	+10.4	+20.0
Cincinnati	+3.9	+0.1	+0.3
Cleveland	+0.4	+1.4	-0.1
Columbus	+1.0	+1.5	+2.8
Dayton	+5.1	+0.2	+2.5
Pittsburgh	+5.9	+5.3	+7.7
Toledo	+17.2	+8.0	-6.8
Wheeling	+0.5	-1.0	-13.4
Youngstown	+3.7	-0.5	-11.1
Other Cities	+9.3	+4.5	+7.3
District	+1.0	-0.5	-2.8
WEARING APPAREL (16)			
Cincinnati	-5.6	-1.1	+8.4
Cleveland	-8.0	+0.2	-11.3
Other Cities	-4.6	-3.0	-11.6
District	-6.0	-1.3	-7.9
FURNITURE (47)			
Cincinnati	-17.9	-4.0	
Cleveland	+31.3	+4.2	
Columbus	-7.6	+3.8	
Dayton	+12.6	+7.3	
Toledo	+37.7	+9.8	
Other Cities	+9.7	+5.1	
District	+12.9	+2.4	
CHAIN STORES*			
Drugs—District (3)	-7.0	-5.8	
Groceries—District (4)	+9.5	+5.5	
WHOLESALE GROCERIES (44)			
Akron	+0.8	+5.2	
Cincinnati	-4.2	+2.1	
Cleveland	+11.0	+3.7	
Erie	+5.6	-4.9	
Pittsburgh	-7.4	+4.5	
Toledo	+2.9	+0.4	
Other Cities	+10.3	+1.8	
District	+6.0	+2.4	-3.7
WHOLESALE DRY GOODS (13)	+8.3	+1.2	-17.4
WHOLESALE DRUGS (14)	+4.3	+1.5	
WHOLESALE HARDWARE (16)	-4.6	+10.1	
WHOLESALE SHOES (6)	+0.6	-8.6	-14.8

*Sales per individual unit operated.

Index Numbers of Trade in the Fourth Federal Reserve District

	Oct. 1924	Oct. 1925	Oct. 1926	Oct. 1927	Oct. 1928
Department Stores (52)**	105	125	118	112	111
Wholesale Drugs (14)**	101	112	111	112	117
Wholesale Dry Goods (18)**	110	127	111	98	106
Wholesale Groceries (44)**	120	118	108	102	108
Wholesale Hardware (16)**	109	118	112	108	103
Wholesale All (92)**†	114	119	111	104	107
Chain Drugs (8)*†	100	109	107	99	92

**Base = Average monthly sales, 1919-1923

**Base = Average monthly sales, 1923-1925

†Includes 4 shoe firms.

†Per individual unit operated.

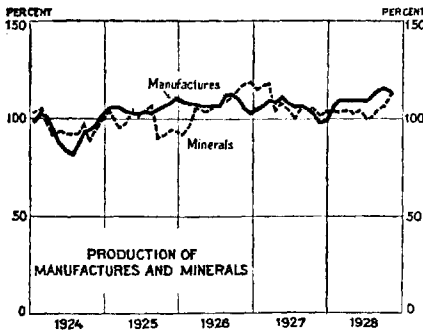
Debits to Individual Accounts

(In thousands of dollars)

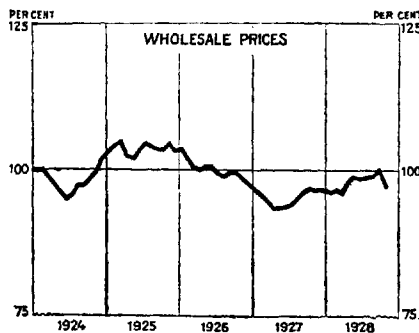
	4 weeks ending Nov. 14, 1928	% change from 1927	1928 to date (Dec. 28-Nov. 14)	1927 to date (Dec. 29-Nov. 16)	% change from 1927
Akron	104,001	+17.4	1,199,620	1,091,868	+9.9
Butler, Pa.	11,695	+0.03	124,243	129,360	-4.0
Canton	42,308	+1.7	534,720	517,931	+3.2
Cincinnati	384,765	+7.2	4,793,732	4,410,399	+8.7
Cleveland	753,386	+0.6	9,078,283	8,799,323	+3.2
Columbus	151,459	+6.4	1,820,035	1,808,005	+0.7
Connellsville	3,977	+0.1	46,413	55,285	-16.0
Dayton	83,916	+7.2	1,046,730	1,023,884	+2.2
Erie, Pa.	36,173	+13.3	403,393	394,591	+2.2
Greensburg, Pa.	18,427	-6.6	224,922	241,981	-7.0
Homestead, Pa.	4,112	+4.7	47,696	49,031	-2.7
Lexington, Ky.	19,225	-16.5	260,408	268,365	-3.0
Lima	13,500	-8.2	170,815	163,904	+4.2
Lorain	5,647	+1.9	69,228	67,898	+2.0
Middletown	12,841	+19.8	140,246	122,606	+14.4
Oil City, Pa.	17,364	+24.2	187,001	167,350	+11.7
Pittsburgh, Pa.	943,724	+10.6	10,752,036	11,137,422	-3.5
Springfield	21,163	+4.0	247,537	260,868	-5.1
Steubenville	10,533	+4.9	127,613	122,697	+4.0
Toledo	293,520	+36.6	3,001,108	2,523,923	+18.9
Warren	12,877	+3.7	151,703	154,065	-1.5
Wheeling, W. Va.	50,033	+24.2	544,874	499,100	+9.2
Youngstown	69,877	+19.4	795,655	776,398	+2.5
Zanesville	13,099	+3.5	145,169	140,621	+3.2
Total	3,077,622	+9.1	35,913,180	34,926,875	+2.8

Summary of National Business Conditions

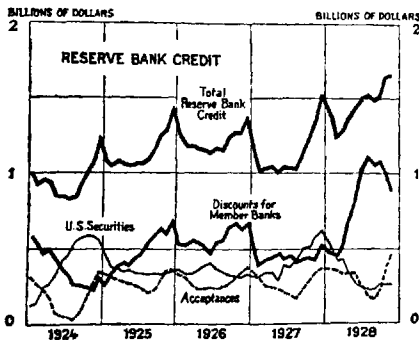
By the Federal Reserve Board



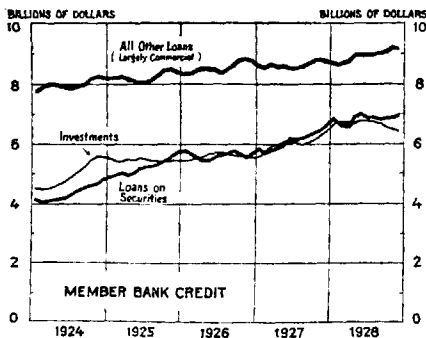
Index numbers of production of manufactures and minerals, adjusted for seasonal variations (1923-1925 = 100). Latest figures: October, manufactures—114; minerals—114.



Index of U. S. Bureau of Labor Statistics (1926 = 100). Latest figure: October—97.8.



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages for first 23 days in November



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

Industry continued active in October, and the distribution of commodities was in large volume. Wholesale commodity prices declined sharply, owing chiefly to decreases in the prices of farm products. Member bank credit in use increased in October and November, while reserve bank credit outstanding showed little change. Conditions in the money market were somewhat easier.

Production

Industrial production continued in October at the high level of September and considerably above the level of a year ago. Output of minerals increased over September, while the production of manufactures declined slightly. Factory employment and payrolls increased to the highest level since early in 1927. The production of pig iron was particularly large in October and the first half of November, and the output of steel continued in record volume. Automobile production declined considerably in October after exceptional activity in September, and showed further reduction in November, as is usual at this season. Activity increased in October in meat packing and in the textile industries, with the exception of silk. Copper mining and smelting continued at a high level, and the output of coal and petroleum increased by more than the usual seasonal amount, while the production of zinc declined. There was also a decline in the output of lumber and building materials.

Building contracts awarded continued to increase in October, and were larger than in that month of any previous year, but declined sharply during the first two weeks of November. The increase in October was due principally to large contracts for engineering and industrial projects.

The November cotton crop estimate of the Department of Agriculture was slightly larger than the October estimate and indicated a yield of 14,133,000 bales, 1,178,000 more than the production of 1927. Ginnings of the current crop prior to November 14 totaled 11,320,302 bales, compared with 10,894,912 in the similar period of a year ago. Indicated yields of wheat, corn, oats, potatoes, and tobacco were larger than the 1927 crops, while estimates of hay, rye, and flaxseed were smaller.

Trade

Department store sales in October were in about the same volume as in the same period in the preceding year, but showed somewhat less than the seasonal increase from the high level of September. Inventories of these stores increased during the month, but continued smaller than a year ago. The volume of distribution at wholesale was larger than in September and showed a substantial gain over October, 1927. Freight car loadings continued larger in October and November than a year ago, reflecting chiefly large loadings of miscellaneous freight.

Prices

Wholesale commodity prices declined in October after a continuous increase for three months, and the Bureau of Labor Statistics index for October, at 97.8 per cent of the 1926 average, was over two per cent below that for September. This decline reflected chiefly large decreases in prices of farm and food products and hides and leather. Prices of industrial commodities increased slightly, with small gains recorded in metals, building materials and chemicals and drugs. The principal increases occurred in prices of iron and steel, copper and raw silk. During the first three weeks of November, prices of cotton, pig iron, copper and petroleum increased, and prices of most farm and food products, except corn, pork and sugar, recovered somewhat after the October decline.

Bank Credit

Between October 24 and November 21, there was a considerable increase in loans and investments of member banks in leading cities, but at the end of this period the total was still below the large volume outstanding at the middle of the year. Loans chiefly for commercial purposes remained at a high level during the period and loans on securities showed further growth, reflecting a marked increase in the volume of loans to brokers and dealers in securities. Investments showed a further decline.

During the four weeks ending November 21, there was little change in the volume of reserve bank credit in use. Reserve bank holdings of acceptances increased further and discounts for member banks declined.

During the last week of October and the first three weeks of November, conditions in the money market were somewhat easier; the rate on four to six months commercial paper declined from a level of 5½ per cent to a range of from 5¼ to 5½ per cent, and rates on call and time loans in the open market also declined slightly.