



# MONTHLY BUSINESS REVIEW

Covering financial, industrial, and agricultural conditions

in the

Fourth Federal Reserve District  
Federal Reserve Bank of Cleveland

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The middle of the second quarter of the year finds business in the Fourth District on a level comparable with the first quarter of this year and in advance of the same time of 1928. There are a few spots which are weak, such as coal, clothing, and paper, but the general activity is greater than a year ago.

This bank's index of car loadings as shown on the chart below is about 8 points above the general level of last year. Slight declines are noticed for the last three weeks, caused by a falling-off of grain, livestock, miscellaneous, and less than carload lot freight.

Heavy automotive demand has kept steel mills and parts manufacturers operating at capacity. Rubber and tire manufacturers are also producing at record levels, and employment in the industry is 14 per cent ahead of last year. Building in this District, while showing a decline in April, was 20 per cent ahead of last year for the first half of May. Agriculture, though somewhat retarded by the excessive rains, is well ahead of last year, particularly the fall-sown crops. Sales of all wholesale lines, except shoes, experienced gains in April. Department store sales increased 3.7 per cent over last year and were 2.7 greater in the first four months than in the corresponding period of 1928.

## FINANCIAL

The month ending May 23 was marked by a slight easing in money rates, a decline in the stock market averages, continued imports of gold and a further strengthening of reserve bank credit.

**Gold Movements.** The inflow of gold from abroad, prompted by the relatively higher level of interest rates prevailing in the United States, remained high during April and early May. Total gold imports in April were \$24,687,000, of which about \$14,600,000 came from Germany, \$2,500,000 from Canada, and \$6,400,000 from Argentina. Exports during the month were \$1,594,000, all but \$294,000 of which was consigned to China. This excess of imports brought the total gold in the United States on April 30 to \$4,260,325,000.

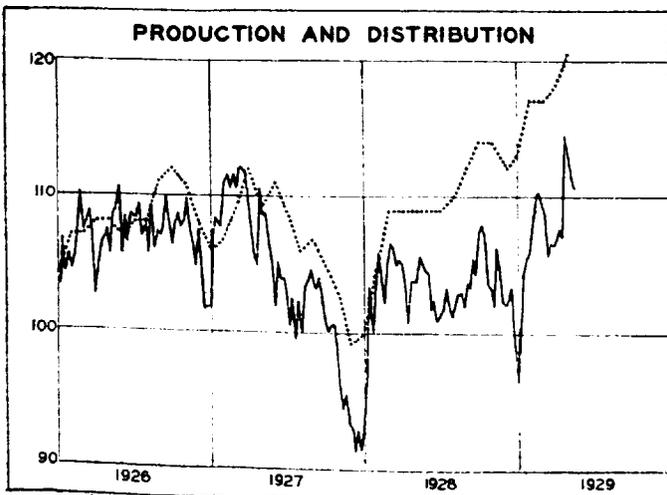
Imports at New York for the first three weeks in May were also large, amounting to about \$20,059,000, most of which came from Germany and Argentina. Releases from ear-marked gold brought this total to \$30,982,000, and total gold stocks are now slightly higher than they were a year ago, before the heavy withdrawals of early 1928 took place.

**Money Rates.** The past month saw some rather wide fluctuations in the call money market. Starting the month at 11 per cent, the renewal rate rose to 14 on the 7th, remained there for four days, and then declined to 7 per cent on the 13th. The mid-month settlements were accompanied by a rate of 14 per cent on the 16th, but the rate immediately fell, being only 6 per cent on May 23.

Time money (90-day) remained rather steady during the early part of the month, with a firming of rates about the 20th. The rate on May 23 was quoted at 9 per cent which was about 3 per cent higher than in 1928.

Bankers' acceptance (90-day), asked, rate averaged 5½ per cent for the first 23 days in April, and commercial paper rates remain unchanged at 5¼-6 per cent. Demand is dull for both types of paper.

**Reserve Bank Credit.** The combined statement of the twelve Federal Reserve banks shows them in a stronger position than they were a month ago. Total credit extended on May 22 was \$1,203,516,000, which was \$77,000,000 less than on April 24, and \$206,000,000 below the figure for the corresponding date in 1928. Discounts de-



Solid line—weekly index of car loadings, F. R. B. of Cleveland (1923-1925 = 100). Latest figure: Week ending May 11—110.6. Broken line—monthly index of industrial production, Federal Reserve Board, (1923-1925 = 100). Latest figure: April—121. Both curves adjusted for seasonal variation.

clined 71 millions, and acceptances held were \$137,986,000, a decline of about \$3,000,000 from a month ago. This decline in acceptances was offset by an increase in government securities of a like amount. Gold reserves amounted to \$2,841,902,000 on May 22, an increase of \$43,000,000 for the month. Note circulation fell \$13,000,000 and member bank deposits were off \$15,000,000 which brought the reserve ratio to 75.9, compared with 74.3 on April 24, and 70.0 a year ago.

At this bank credit extended increased \$10,000,000, gold reserves declined \$8,000,000, and note circulation was about \$5,000,000 less than on the corresponding day last month. Bills discounted rose from 75 to 90 millions, the increase being partly offset by the sale of acceptances amounting to \$4,000,000. The Cleveland reserve ratio was 74.1 on May 22 and 71.4 on the same date in 1928.

**Member Bank Credit.** The Federal Reserve Board's summary of condition of all member banks as of March 27 showed an increase of \$1,705,000,000 in total loans and investments for the year, but a decline of \$291,000,000 since December 31. Demand deposits decreased 402 millions, offset by an increase in time deposits of 406 millions since February 28, 1928.

During the past month total loans and investments of reporting member banks in leading cities declined over 200 million while deposits have remained practically unchanged. Member banks in the Fourth District were loaning about 4 million less than last month and had 13 million less in investments. Total deposits have decreased 4 million dollars.

Brokers loans as reported by New York City member banks were \$5,520,000,000 on May 22, an increase of 28 million for the month but a decline of 45 million for the week. Member banks have been consistently decreasing their loans, but loans for the account of others have continued to grow without any serious setback and on May 22 crossed the \$3,000,000,000 mark.

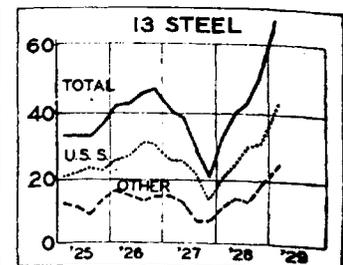
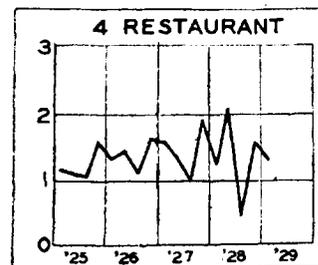
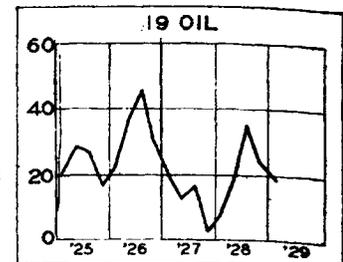
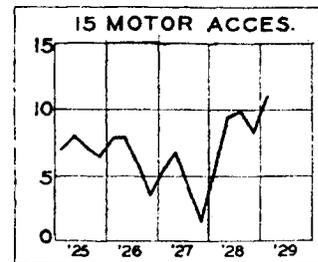
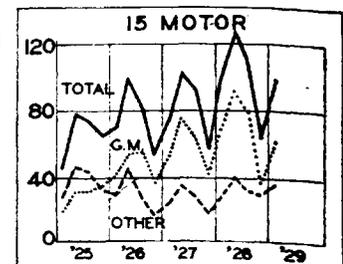
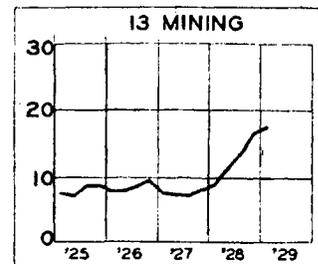
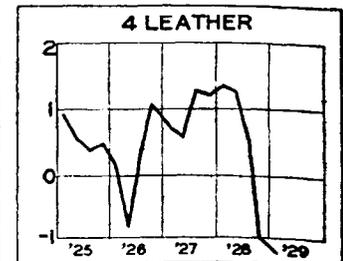
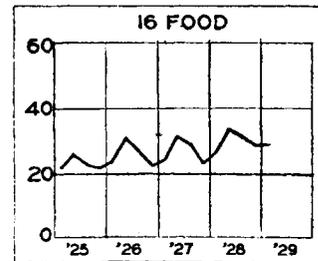
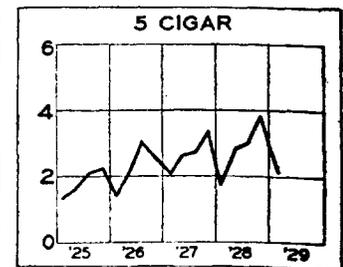
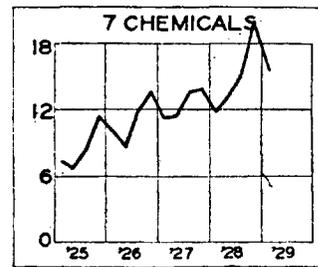
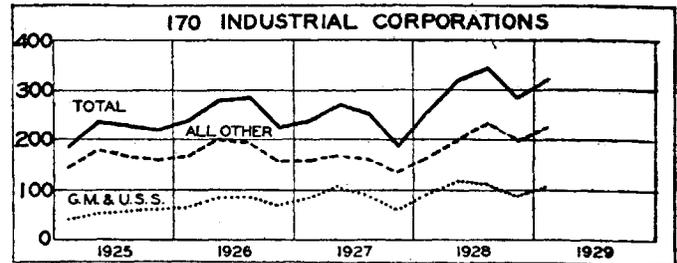
**Stock Prices.** The month of May saw some rather wide fluctuations in stock prices. The Dow-Jones average of 30 industrials continued its steady upward climb in late April and reached a new high point of 327.08 on May 4. From early May till the 18th, the price gyrated between that point and 320. On the 20th it declined to 312.70 and on May 22 the average was 300.83, the lowest since January 3, 1929. A marked recovery occurred on the next day when the average rose to 308.09.

**Debits, Savings, Failures.** Debits to individual accounts in the Fourth District were \$3,767,000,000 in April as compared with \$3,365,000,000 a year ago, an increase of 11.9 per cent. The usual growth in debits from year to year is about 4 per cent.

Savings deposits of 66 banks in Ohio and Pennsylvania on May 1 totaled \$1,052,040,305, a decrease of 0.3 per cent for the month and an increase of 3.1 per cent for the year.

Commercial failures in the District, according to R. G. Dun and Company, numbered 158 in April, 194 in March, and 125 in April a year ago. In spite of the increase in the number of failures, liabilities were only \$2,539,000 in

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



April as compared with \$7,055,000 last year, a decrease of 64 per cent.

**Debits to Individual Accounts**

(In thousands of dollars)

	4 weeks ending May 15, 1929	% change from 1929	1929 to date (Dec. 26—May 15)	1928 to date (Dec. 28—May 16)	% change from 1928
Akron	113,075	+ 7.9	591,923	519,658	+13.9
Butler, Pa.	11,846	+ 5.0	58,978	52,001	+13.4
Canton	47,432	+ 3.1	276,533	244,362	+13.2
Cincinnati	395,004	+ 1.5	2,323,512	2,248,362	+ 3.3
Cleveland	827,430	+15.5	4,628,588	4,046,032	+14.4
Columbus	167,763	+ 4.9	945,432	838,981	+12.7
Connellsville	3,479	-12.7	18,119	19,747	- 8.2
Dayton	93,792	+12.8	539,624	470,891	+14.6
Erie, Pa.	37,143	+11.8	187,893	166,407	+12.9
Franklin, Pa.	5,584	+ 3.2	27,318	25,871	+ 5.6
Greensburg, Pa.	18,820	+ 3.4	99,264	99,094	+ 0.2
Homestead, Pa.	4,437	+ 4.8	22,587	20,500	+10.2
Lexington, Ky.	24,788	+13.7	168,541	134,301	+25.5
Lima	12,625	-11.6	81,476	76,150	+ 7.0
Lorain	5,362	+ 2.2	29,627	27,991	+ 5.8
Middletown	11,222	+ 2.0	62,220	62,749	- 0.8
Oil City, Pa.	19,146	+ 2.3	89,445	78,539	+13.9
Pittsburgh, Pa.	1,032,021	+13.2	5,441,485	4,729,807	+15.0
Springfield	21,402	+ 7.4	127,083	108,402	+17.2
Steuenville	11,728	+ 8.8	60,466	54,181	+11.6
Toledo	208,284	-21.7	1,203,769	1,329,863	- 9.5
Warren	13,474	+11.1	72,822	65,901	+10.5
Wheeling, W. Va.	46,490	- 2.0	259,670	236,338	+ 9.9
Youngstown	69,883	+ 1.9	394,284	341,934	+15.3
Zanesville	12,110	+ 0.4	65,415	61,706	+ 6.0
Total	3,214,340	+ 6.9	17,776,076	16,059,768	+10.7

**Corporation Earnings**

Net earnings for 170 industrial concerns in the United States for which comparable figures are available back to 1925 established a new first quarter record in 1929.

The table below gives detailed figures for several important lines, while the chart on page 2 shows this bank's index of 170 identical industrials.

All the industrial groups showed gains from the first quarter of 1928 except leather which experienced rather large losses both in the first quarter of this year and the fourth quarter of 1928. Compared with last year, the largest gains shared by the various groups were as follows: oil +148.3 per cent; miscellaneous, +128.4; iron and steel, +108.2; mining, +101.9; motor accessory, +92.5; and chemicals, +31.4 per cent. The entire group surpassed the first quarter of 1928 by 28.0 per cent. In spite of the heavy production, automobile manufacturers showed a gain of only 0.1 per cent. General motors net earnings were 8.2 per cent behind the corresponding quarter of 1928, but other manufacturers gained 27.4 per cent.

**NET EARNINGS BY QUARTERS**  
(In thousands of dollars)

	1929 1st Quar.	1928 4th Quar.	1928 1st Quar.	1927 1st Quar.	1926 1st Quar.	1925 1st Quar.
7 Chemical	15,638	20,087	11,902	11,112	10,011	7,078
5 Cigars	2,110	3,805	1,709	2,100	1,461	1,326
16 Food	29,451	28,959	26,593	24,945	23,522	22,335
4 Leather	1,312*	1,057*	1,448	733	190	916
13 Mining	17,616	16,665	8,725	7,881	7,867	7,625
15 Motor	97,643	64,680	97,508	75,832	69,577	46,110
15 Motor Accessor-ies	10,908	8,233	5,704	5,662	7,842	6,896
19 Oil	18,172	24,043	7,319	19,027	22,276	20,845
4 Restaurant	1,306	1,592	1,224	1,598	1,344	1,179
13 Steel	67,250	50,308	32,312	40,999	42,273	33,559
59 All Others	65,234	68,187	53,781	48,229	52,476	87,740
170 Total	324,024	285,422	253,175	237,618	238,889	185,609

\*Deficit.

**Iron and Steel**

Through the first half of May, as during March and April, steel plants of the country were operating at practical capacity. Some important concerns came up to the middle

of May with ten consecutive weeks of operations in excess of their full rating behind them.

This rate of production, however, beginning late in April was somewhat at the expense of backlogs. Pressure for immediate steel was no less insistent, but specifications already in the hands of the mills engaged capacity over the remainder of the second quarter, and on account of this delivery situation and seasonal conditions, incoming business fell slightly short of shipments.

Continuing the trend since the turn of the year, steel products entering into the manufacture of automobiles and railroad equipment, plus tin plate for seasonal reasons, have been most in demand. By the middle of May deliveries on the more-wanted sizes and grades of sheets, bars, and strip in the Cleveland, Pittsburgh, and Youngstown district were four or more weeks deferred.

Despite occasional large placing of line pipe, activity at pipe mills was not commensurate with other lines. Structural steel also lagged. A change in the method of quoting blue annealed sheets, to prevent the entire price structure being weakened by the competition of strip steel with the heavier sizes, has been adopted by most makers. For some gauges this entails an advance of \$1 per ton. Semi-finished steel, still scarce, has been advanced \$1 to \$2 by most makers. Otherwise steel prices are firm but unchanged.

Steelmaking iron in the Mahoning valley has been advanced 50 cents a ton, to \$18.50, valley, on the strength of large sales. Bessemer and malleable iron also have risen 50 cents. Shipments for second quarter delivery continue seasonally high, but with only moderate interest thus far in third quarter requirements. Iron ore shipments to June 1 were well ahead of the corresponding period of 1928.

Iron and steel production still can only be described by superlatives. At a daily rate of 122,106 gross tons, April pig iron output was a record for the month. It compared with 119,662 tons in March and 106,066 tons last April. April's total was 3,663,167 tons, against 3,709,518 tons in March and 3,181,975 tons last April. Active blast furnace stacks scored a net gain of three in the month, 216 being in blast as of April 30.

April's steel ingot rate of 189,924 tons was a new peak for April and was second, for all time, to the 194,548-ton rate of March. In April, 1928, the daily rate was only 172,215 tons, though that established a new high mark. In four months the record-breaking total of 18,812,637 tons of ingots has been produced, compared with 16,846,958 tons in the comparable period of 1928. The average rate of operations thus far in 1929 has been 93.13 per cent.

Firmer prices are reflected by the Iron Trade Review composite of fourteen leading iron prices. In the third week of May this index went to \$37.13, its highest in 28 months. For April this average was \$36.81, for March \$36.42, and for last May \$35.54.

**Coal**

Shipments of coal from Lake Erie ports started to move in considerable volume much earlier this year than usual. April shipments were 2,806,000 tons as compared with 829,000 tons in April, 1928. This has acted as an

added stimulus to Ohio mines which have been showing an increase in production for the past few months.

Demand for coal by industrial consumers remains high and the unseasonably cool weather has made retail demand greater than ordinary. Stocks of bituminous coal have declined to the lowest level since May 1, 1926. On April 1, 1929, they amounted to only 36,000,000 tons, a decrease of 29 per cent for the year. This inventory is less than half of the 75,000,000 tons on hand to provide against the shortage expected to accompany the strike in April, 1927—a shortage which never developed. In spite of this improvement in inventories, little hope is seen for improvement in actual business. Prices remain at the lowest level since 1916.

Production of soft coal in the United States for April was 36,888,000 tons compared with 32,188,000 tons in April, 1928.

**Rubber and Tires** Production in the rubber and tire industry has progressed to even higher levels than were noted last month. The April employment index of tire and tube manufacturers as compiled by the Ohio State University Bureau of Business Research advanced from 139 to 144 per cent and is 14 per cent higher than in April, 1928. This increase was experienced by 13 of the 18 reporting rubber concerns in the Akron territory.

With automobile production continuing at record levels, and replacement demand seasonally high, factories have been taxed to the limit. Tire production for the first three months of 1929 was 10 per cent above the level of a year ago and the preliminary figure for April (including solids) for the United States was 5,921,000 units as compared with 4,676,000 units in April a year ago, an increase of 26.6 per cent.

Production has been exceeding shipments recently and stocks in hands of dealers and manufacturers are larger than last year.

Imports of rubber into the United States during April were 54,171 tons compared with 37,240 in April, 1928. For the first four months they amounted to 224,838 tons against 153,822 tons for the corresponding period of 1928. Consumption was 47,521 tons in April, 44,730 tons in March and 32,772 tons in April last year. Stocks afloat, showing rubber consigned but not docked, were considerably larger than a year ago, being 55,408 tons in April and only 33,986 tons last year.

The Rubber Institute formed less than two years ago "for the purpose of placing the industry on a sounder footing" is dissolving and transferring its activities to the Rubber Association of America, Inc., an older and larger organization. The reason given for the dissolution of the Institute, an organization representing an annual business of over \$1,000,000,000 or 80 per cent of the industry was the over-lapping of functions of the two organizations.

Prices of crude rubber declined markedly in April, averaging only 20.76 cents per pound as compared with 24.22 cents in March. A year ago the April price averaged 17.96 cents, the lowest monthly price for several years. May prices stiffened somewhat, quotations at

Akron for first latex (spot) being 21¼ cents on May 8, 24¼ cents on May 18 and 23¼ cents on May 23.

Raw cotton prices have remained rather steady at about 20 cents a pound even though the demand has been heavy since the first of the year.

**Automobiles** Automobile production records were broken again in April for the third time this year when total production of passenger cars and trucks in the United States amounted to 620,656 units. This was an increase of 51.3 per cent from last year. For the first four months production amounted to 2,072,941 with an increase of 50.0 for the year-to-date.

The present high level of production is partly in consequence of the resumption of capacity production by Ford factories, which are producing more cars per day now than they were in an entire month early last year.

Exports of cars continue to show gains, the total number for the first quarter being 202,431 units, an increase of 48 per cent from last year.

It is interesting to note in connection with the high rate of production, that quarterly earnings of 15 automobile concerns show a gain of only 0.1 per cent for the first quarter of this year. If we eliminate figures for General Motors Corporation, the other 14 firms show a gain of 27.4 per cent and this does not include Ford, the other large small car producer. It is thus seen that the increased production has not been accompanied by any large increase in earnings. Fifteen motor parts and accessory concerns, a great number of which operate in this District, showed a gain in earnings of 92.5 per cent for the first quarter. The demand for parts is insistent but most of the orders are for immediate delivery.

The table below compiled from data gathered by the Ohio State University Department of Business Research, shows that in Ohio at least, the demand for cars remains at a rate comparable with that of production. Registration figures representing 51 Ohio counties or 80 per cent of the entire state population increased 52 per cent over last year.

#### NEW PASSENGER CAR REGISTRATION

	April, 1929	% change from 1928	Jan.-Apr. 1929	Jan.-Apr. 1928	% change from 1928
Akron .....	2,591	+62.5	5,894	3,408	+72.9
Canton .....	1,532	+61.8	3,623	2,097	+72.8
Cincinnati .....	2,904	+50.0	7,358	5,290	+39.1
Cleveland .....	7,206	+53.3	18,985	11,659	+62.8
Columbus .....	2,335	+64.1	5,792	3,510	+60.4
Dayton .....	1,434	+39.2	4,288	2,851	+50.4
Toledo .....	2,105	+48.4	6,656	3,621	+56.2
Youngstown .....	1,364	+53.4	3,161	2,030	+56.7
Total .....	21,471	+54.6	54,757	34,566	+58.4

**Clothing** Clothing manufacturers in this District are complaining of the unseasonal cool weather of the past few weeks. Warm weather in March stimulated spring buying at what is usually the close of the winter season, only to be followed by cool, wet weather in April and May which adversely affected sales of all spring clothing.

**Reserve production is larger than current demands, and a buyer's market continues.**

Total sales of women's wearing apparel as reported by 16 stores in the District declined 6.2 per cent in April compared with a year ago. In the department stores, sales were irregular. Gains over last year were shown by women's dresses, 7.0 per cent; misses' dresses, 13.2; knit underwear, 4.0; hosiery, 2.1; and men's furnishings, 2.7 per cent. Decreases occurred in women's coats, 5.7; suits, 20.9; juniors' and girls' wear, 13.6; men's clothing, 7.9; and infants' wear, 7.1 per cent.

A better showing was made by 13 wholesale dry goods houses, whose April sales were 13.7 per cent larger than a year ago.

**Shoes** Preliminary figures show that shoe production in the Fourth District experienced a gain of about 29 per cent over last April, and a slight increase from March. Shoe manufacturers report little change during the past few weeks. Conditions are said to be "fairly satisfactory" but production continues well ahead of demand. Wholesalers are only buying enough for present orders, due probably to the rapid changes in styles experienced in recent years.

Wholesale shoe sales in the District declined 6.9 per cent in April as compared with April, 1928. The unseasonal cool, wet weather has retarded buying of spring stocks to an appreciable extent.

Retail shoe sales as reported by 48 department stores in this territory declined in April, the decrease being 1.7 per cent in women's and children's shoes and 10.7 in men's and boys' shoes.

The price of hides reacted slightly in April when it averaged 14.95 cents per pound as compared with 14.50 last month and 25.60 in April a year ago.

**Other Manufacturing** Judging from reports received from various manufacturers in this District, conditions are about on a par with last month.

**Cork.** General conditions remain unchanged. Demand is good for cork and linoleum products.

**Electrical Supplies.** Business is practically unchanged from last month, but is ahead of 1928. Rising copper prices early in the year prompted advance orders, so that production is now showing a slight falling-off. Competition is keen.

**Glass.** Activity in the glass industry continues on a higher level than in 1928. Usually at this season of the year glass manufacturers begin to curtail production but so far this year the seasonal decline has not been noticed.

**Hardware, Machinery.** Agricultural machinery production and sales are well ahead of 1928. Manufacture of automotive parts continue at record levels but most orders

are for immediate delivery. Conditions in most branches of the hardware supply trade are good. Collections are satisfactory.

**Paint.** The situation has changed but little since last month, the unseasonal cool weather somewhat retarding activity which at this season of the year is usually high. Demand for automobile paints and varnishes is showing no let-up as yet. Building, which is slow, has not affected paint production to the extent that it might be expected, much building paint being used for refinishing purposes.

**Paper.** Competition in the paper industry is very keen and though prices have remained steady since the first of the year, they are less than in 1928. Production of newsprint paper in the United States for the first four months of 1929 was 460,731 tons, a slight decline from a year ago.

**Stoves.** A recovery from the slight recession noted last month was experienced in early May, but this is somewhat seasonal. Demand is hand-to-mouth, with competition keenly felt. Collections are a trifle better.

## AGRICULTURE

The unseasonable cool weather, together with the heavy rains during early May, slowed up the spring program of farmers considerably. Heavy frosts in various localities of the District have materially damaged the fruit crop, the exact extent of which has not yet been determined. The wet weather has had rather an opposite effect on fall-sown crops, benefiting winter wheat, rye, and pastures. The abundant moisture, while retarding spring planting, is a hopeful sign, if warm weather sets in.

Winter wheat, one of the most important crops of the District is considerably above the average. In Ohio winter injury was very slight, only one per cent of the planted acreage being abandoned, whereas the average abandonment is about 9 per cent. The estimated 1,853,000 acres remaining for harvest compares with 864,000 acres harvested last year and 1,843,000 acres the five-year average. The condition of 90 per cent of normal on May 1 compared with 48 a year ago and 81, the ten-year average. Fields are poorest in the north-west portion of the State where ice laid on some fields for quite a period and where the rains have been excessive this spring. In the central, west-central, and southwestern counties wheat is generally considered very good.

Kentucky's wheat outlook is very promising according to the Division of Crops and Livestock Estimates. The May 1 condition indicates a probable production of about 3,440,000 bushels, compared with 920,000 bushels harvested last year. Rye and pastures are well above normal.

The fruit crop of West Virginia was not damaged by frosts to any great degree and a normal condition indicates average crops of apples, peaches, pears, and grapes. Winter wheat, rye, hay and pasture are all above average and are about two weeks ahead of ordinary years.

**Tobacco** The indications are that this year's crop of burley tobacco will be rather a large one. Encouraged by the keen competition in the market last year, and high prices, farmers intend to plant 22 per cent more tobacco this year than in 1928, according to the United States Department of Agriculture.

The supply of plants this year, judging from the number, size and condition of plant beds, is somewhat above normal. Some reports of destruction by cut-worms have been received but this is not general. The early season was considerably ahead of ordinary years but because of heavy rains in early May, field work was re-tarted and the setting of the crop has just been started.

**Canning** Cannerymen feel rather optimistic for the coming season, due to the fact that total stocks on hand are appreciably less than they were a year ago, and the demand for canned goods is on the increase. Future sales are larger than they were at this time last year. Prices on tomatoes and peas have advanced, but corn, in spite of the fact that stocks are low, is selling at low levels.

### BUILDING

Total building contracts awarded in the Fourth District in April were \$51,468,617, a decrease of 26.7 per cent from April last year. Residential contracts in April amounted to \$18,963,977 or 22.2 per cent less than in 1928. In spite of this large decline, April residential contracts were the highest of any month since last June.

In early May total building contracts in the Pittsburgh area, which includes Ohio, Western Pa., and Eastern Ky., showed a decided turn for the better. Daily contracts for the first 17 days of the month averaged \$3,075,200, according to the F. W. Dodge Corporation, compared with \$2,556,500, the daily average for the entire month of May last year. This was an increase of 20.3 per cent. The daily increase from April was 31.0 per cent, while the country as a whole showed a decline of 17.0 per cent.

Residential building shows the greatest falling-off, and might be partly explained by two or three reasons. In the first place, the supply of houses seems to have exceeded the demand in the larger cities which has brought about a gradual decline in house rents. Then, too, building materials have been increasing in price since early 1928. Southern pine averaged \$25.16 per thousand feet in April as compared with \$21.62 last year. Prices of glass, metals, and crushed stone have advanced somewhat, but were partly offset by declines in cement and brick. Thirdly, it is rather costly to finance a building program with money rates at their present levels.

The valuation of April building permits was \$18,557,494, a decrease of 33.7 per cent from last year. Decreases were shown in 21 of the 27 cities, the largest

being in Ashtabula, Cleveland Heights, East Cleveland, Lakewood, Dayton, Lima, and Pittsburgh, Pa. For the first four months of 1929, building permits evidenced a loss of 19.9 per cent.

### Building Operations

(Value of Permits)

	April, 1929	% change from 1928	Jan.-April, 1929	Jan.-April, 1928	% change from 1928
Akron.....	1,569,825	-14.3	6,444,455	5,629,878	+14.5
Ashtabula.....	14,915	-73.2	34,724	121,173	-71.3
Barberton.....	105,262	-12.7	275,012	274,425	+0.2
Canton.....	387,290	-18.3	928,295	1,568,299	-40.8
Cincinnati.....	3,368,415	-7.0	10,055,790	9,603,750	+4.7
Cleveland.....	3,789,925	-21.5	11,910,100	14,896,750	-20.0
Cleve. suburbs:					
Cleve. Heights	175,975	-54.8	817,970	1,773,280	-53.9
East Cleveland	76,110	-51.0	1,234,009	459,373	+168.6
Euclid.....	150,322	-57.9	862,227	905,041	-4.7
Garfield Hgts	134,000	-34.6	389,000	751,550	-48.2
Lakewood.....	244,965	-47.2	530,506	1,403,167	-62.2
Parma.....	226,494	+6.1	689,104	854,210	-19.3
Rocky River..	140,150	+15.3	620,980	402,328	+54.3
Shaker Heights	604,950	-36.9	1,941,120	2,775,085	-30.1
Columbus.....	1,291,251	-26.4	3,924,300	5,801,200	-32.4
Covington, Ky.	96,425	-53.9	509,575	533,450	-4.5
Dayton.....	457,271	-71.4	2,717,480	3,455,433	-21.4
Eric, Pa.....	686,494	+24.5	3,778,134	1,106,965	+241.3
Hamilton.....	264,063	+74.4	632,843	479,210	+32.1
Lexington, Ky.	415,151	+80.1	887,665	541,925	+63.8
Lima.....	18,315	-54.9	196,000	164,674	+19.0
Newark.....	44,645	-43.8	109,670	172,665	-36.5
Pittsburgh, Pa.	1,820,860	-70.7	7,652,737	15,070,692	-49.2
Springfield....	103,285	-33.1	420,155	429,212	-2.1
Toledo.....	1,300,014	-34.1	4,040,397	7,252,971	-44.3
Wheeling, W. Va.	259,334	+26.5	519,170	603,099	-13.9
Youngstown....	811,789	-22.1	1,633,767	2,605,465	-37.3
Total.....	18,557,494	-33.7	63,755,185	79,635,270	-19.9

### Retail Trade

Retail trade, as reflected in sales of 63 leading department stores in the District, exceeded the volume of last April by 3.7 per cent. Gains were reported in all cities but Columbus and Wheeling. Sales for the first four months were in advance of 1928 by 2.7 per cent.

The principal changes in departmental sales from a year ago were: millinery, -9.1; hosiery, +2.1; Women's coats, -5.7; women's dresses, +7.0; sports wear, +37.3; men's clothing, -7.9; furniture, +25.9; floor coverings, +15.5; house furnishings, +19.6; and silverware and jewelry, +6.6 per cent.

The wearing apparel trade showed a loss of about 6 per cent in April. This was partly caused by the cool weather of the past few weeks which, of course, retards spring buying.

Retail furniture sales as reported by 47 retail furniture stores in this District were 13 per cent ahead of April, 1928.

### Wholesale Trade

Sales of all reporting wholesale lines in the Fourth District, except shoes, evidenced more than seasonal gains during April. Hardware sales increased 15.3 per cent over April a year ago and 3.9 per cent for the year-to-date. Dollar volume of dry goods sales was 13.7 per cent ahead of April, 1928. Drug sales were 2.5 per cent larger than last year. Collections were larger in all lines, but shoes, and the percentage of outstanding accounts on April 1 collected during the month was higher for all branches of the wholesale trade.

Fourth District Business Statistics

(All figures are for Fourth District unless otherwise specified)

	Millions of dollars	Apr. 1929	Apr. 1928	% change	Jan.-Apr. 1929	Jan.-Apr. 1928	% change
Bank Debits (24 cities)							
Savings Deposits (end of month)							
Ohio (40 banks)	Thousands of dollars	775,547	745,567	+ 4.0	778,983 <sup>1</sup>	741,975 <sup>1</sup>	+ 5.0
Western Pennsylvania (26 banks)	" "	276,493	274,828	+ 0.6	275,697 <sup>1</sup>	274,413 <sup>1</sup>	+ 0.5
Total (66 banks)	" "	1,052,040	1,020,395	+ 3.1	1,054,680 <sup>1</sup>	1,016,388 <sup>1</sup>	+ 3.8
Commercial Failures—Number	Actual Number	158	125	+26.4	714	763	- 6.4
"—Liabilities	Thousands of dollars	2,539	7,055	-64.0	14,207	26,212	-45.8
Postal Receipts—9 cities	" "	3,187	3,091	+ 3.1	12,620	12,636	- 0.1
Sales—Life Insurance—Ohio and Pa.	" "	121,383	106,585	+13.9	473,009	415,629	+13.8
"—Dept. Stores—(63 firms)	" "	26,661	25,716	+ 3.7	96,481	93,924	+ 2.7
"—Wearing Apparel (18 firms)	" "	1,766	1,883	- 6.2	6,468	6,474	- 0.1
"—Furniture (47 firms)	" "	1,252	1,106	+13.1	4,045	3,958	+ 2.2
"—Wholesale Grocery (42 firms)	" "	5,953	5,706	+ 4.3	23,415	23,197	+ 0.9
"—Dry Goods (12 firms)	" "	2,119	1,864	+13.7	7,943	7,736	+ 2.7
"—Hardware (17 firms)	" "	2,339	2,028	+15.3	8,249	7,941	+ 3.9
"—Drugs (13 firms)	" "	1,738	1,714	- 2.6	7,315	6,789	+ 7.7
Building Permits, Valuation—27 cities	" "	18,557	27,990	-33.7	63,758	79,635	-19.9
Building Contracts—Total, 4th District	" "	51,469	70,184	-26.7	185,587	201,249	- 7.8
"—Residential, 4th District	" "	18,964	24,381	-22.2	57,118	73,780	-22.6
Production—Pig Iron, U. S.	" tons	3,663	3,182	+15.1	14,021	12,136	+15.5
"—Steel Ingots, U. S.	" "	4,938	4,303	+14.8	18,797	16,847	+11.6
"—Automobiles, U. S.	Actual Number	537,225	364,877	+47.2	1,803,581	1,233,495	+46.2
"—Passenger Cars	" "	81,977	45,227	+81.3	261,826	145,447	+80.0
"—Trucks	" "	15,516	13,398	+15.8	67,157	57,504	+16.8
"—Bituminous Coal, 4th District	Thousands of tons	1,401	1,321	+ 6.1	3,956	3,905	+ 1.3
"—Cement: Ohio, W. Va., Wn. Pa.	" barrels	1,202 <sup>2</sup>	1,136 <sup>2</sup>	+ 5.8	3,718 <sup>2</sup>	3,459 <sup>2</sup>	+ 7.5
"—Electric Power: Ohio, Pa., Ky.	Millions of k.w. hrs.	2,022 <sup>2</sup>	2,072 <sup>2</sup>	- 2.4	5,789 <sup>2</sup>	5,827 <sup>2</sup>	- 0.7
"—Petroleum: Ohio, Pa., Ky.	Thousands of barrels	5,921	4,676	+26.6	21,797	18,800	+15.9
"—Shoes, 4th District	" pairs	2,806	829	+238.5	7,832	914	+209.8
"—Tires, U. S.	" casings	1,191	0	.....	1,191	0	.....
Bituminous Coal Shipments (from Lake Erie Ports)	Thous. of tons						
Iron Ore Receipts (at Lake Erie Ports)	" "						

<sup>1</sup>Monthly Average.  
<sup>2</sup>March.  
<sup>3</sup>January-March  
<sup>4</sup>Figures Confidential.

Retail and Wholesale Trade

(1929 compared with 1928)

	Percentage Increase or Decrease		
	SALES Apr.-Apr.	SALES First 4 mos.	STOCKS Apr.-Apr.
DEPARTMENT STORES (63)			
Akron	+12.5	+ 4.1	+18.0
Cincinnati	+ 6.6	+ 5.0	+ 5.2
Cleveland	+ 2.1	+ 3.3	- 4.2
Columbus	- 0.02	+ 0.6	+ 0.2
Dayton	+ 6.6	+ 0.4	+ 0.3
Pittsburgh	+ 1.3	+ 0.5	- 4.6
Toledo	+17.8	+13.3	- 5.8
Wheeling	- 2.3	- 0.4	- 8.4
Youngstown	+ 5.1	+ 2.2	-12.4
Other Cities	+ 1.7	+ 4.3	- 3.8
District	+ 3.7	+ 2.7	- 2.0
WEARING APPAREL (18)			
Cincinnati	-13.3	- 6.0	- 0.3
Cleveland	- 4.4	+ 7.3	- 8.8
Other Cities	- 0.8	- 0.7	- 8.2
District	- 6.2	- 0.1	- 7.1
FURNITURE (47)			
Cincinnati	+11.3	+ 5.0	.....
Cleveland	+ 7.1	- 2.6	.....
Columbus	+ 9.8	+ 2.8	.....
Dayton	+10.8	+ 3.0	.....
Toledo	+29.0	+12.7	.....
Other Cities	+13.9	+ 6.2	.....
District	+13.1	+ 2.2	.....
CHAIN STORE*			
Drugs—District (3)	- 7.7	- 5.0	.....
Groceries—District (4)	+ 3.2	+ 4.5	.....
WHOLESALE GROCERIES (42)			
Akron	+ 4.5	+ 1.6	.....
Cincinnati	+ 7.8	+ 2.3	.....
Cleveland	- 0.4	- 3.2	.....
Eric	- 3.0	- 5.4	.....
Pittsburgh	+ 8.7	+ 3.5	.....
Toledo	+ 8.5	+ 4.1	.....
Other Cities	+ 6.1	+ 3.2	.....
District	+ 4.3	+ 0.9	- 4.6
WHOLESALE DRY GOODS (12)	+13.7	+ 2.7	- 1.8
WHOLESALE DRUGS (13)	+ 2.5	+ 7.7	.....
WHOLESALE HARDWARE (17)	+15.3	+ 3.9	+ 0.9
WHOLESALE SHOES (5)	- 6.9	-13.6	+ 4.9

\*Sales per individual unit operated.

Fourth District Business Indexes

(1923-1925 = 100)

	Apr. 1929	Apr. 1928	Apr. 1927	Apr. 1926	Apr. 1925
Bank Debits (24 cities)	139	124	129	114	108
Commercial Failures (Number)	108	86	103	137	113
" (Liabilities)	58	160	137	75	59
Postal Receipts (9 cities)	123	119	125	122	114
Sales—Life Insurance (Ohio and Pa.)	147	127	129	122	121
"—Department Stores (59 firms)	105	101	116	102	110
"—Wholesale Drugs (13 firms)	112	109	109	117	104
"—Dry Goods (12 firms)	87	77	78	81	90
"—Groceries (42 firms)	89	85	87	91	90
"—Hardware (15 firms)	100	86	99	96	100
"—All (87 firms)†	93	87	91	93	94
"—Chain Drugs (3 firms)**	82	88	96	100	96
Building Contracts (Total)	108	147	162	117	176
" (Residential)	110	142	179	135	168
Production—Coal (O., Wn. Pa., E. Ky.)	86	74	80	88	78
"—Cement (O., Wn. Pa., W. Va.)	117	110	117	104	106
"—Elec. Power (O., Pa., Ky.)*	143	135	141	131	110
"—Petroleum (O., Pa., Ky.)	109	112	113	102	102
"—Shoes	94	73	108	62	110

\*March.  
\*\*Per individual unit operated.  
†Includes 4 shoe firms.

Banking Operations

FEDERAL RESERVE BANKS

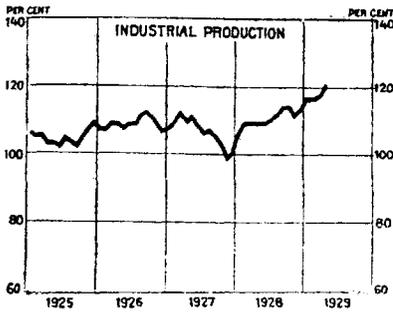
	Federal Reserve Bank of Cleveland (In Millions)				Federal Reserve System (In Millions)			
	May 22 1929	May 28 1929	April 24 1929	May 22 1928	May 22 1928	April 24 1928	May 22 1927	April 24 1927
Gold reserves	279	258	286	2,842	2,654	2,799		
Discounts	90	70	75	904	847	975		
Acceptances	12	30	16	138	331	141		
U. S. Securities	28	35	28	188	230	150		
Total bills and securities	130	135	120	1,204	1,410	1,281		
Federal Reserve notes in circulation	204	198	209	1,640	1,579	1,658		
Total deposits	189	188	181	2,325	2,417	2,350		

REPORTING MEMBER BANKS

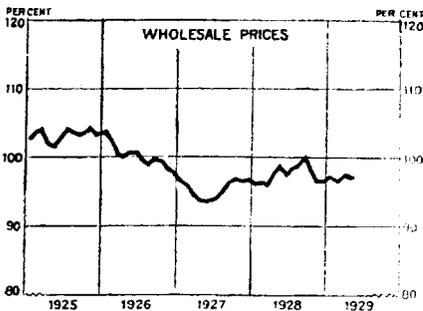
	Fourth District (In Millions)				United States (In Millions)			
	May 15 1929	May 16 1929	April 17 1929	May 15 1928	May 16 1928	April 17 1928	May 15 1927	April 17 1927
Loans on securities	700	676	699	7,228	7,106	7,363		
All others	818	784	823	9,078	8,885	9,078		
Total loans	1,518	1,460	1,522	16,301	15,990	16,481		
Investments	663	736	676	5,855	6,181	5,909		
Demand deposits	1,027	1,080	1,019	13,139	13,840	13,118		
Time deposits	955	965	962	6,795	6,898	6,779		

## Summary of National Business Conditions

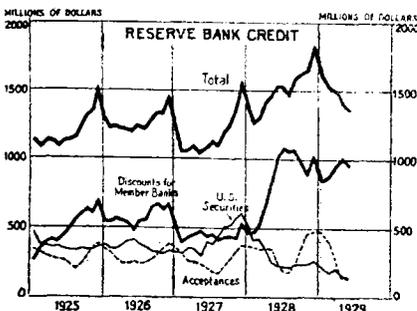
By the Federal Reserve Board



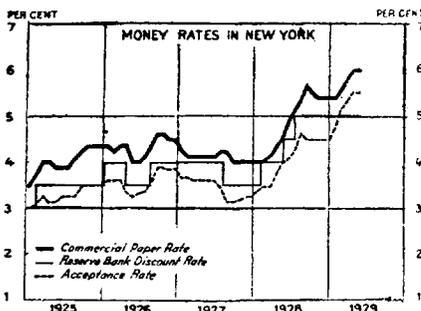
Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-1925 average = 100). Latest figure, April, 121.



Index of United States Bureau of Labor Statistics (1926 = 100, base adopted by Bureau). Latest figure, April, 95.8



Monthly averages of daily figures for 12 Federal reserve banks. Latest figures are averages of first 24 days in May.



Monthly rates in the open market in New York, commercial paper rate on 4-to-6 month paper and acceptance rate on 90-day bankers' acceptances. Latest figures are averages of first 24 days in May.

Industrial activity continued at a high level in April and the volume of factory employment and payrolls increased further. Loans and investments of member banks in leading cities continued to decline between the middle of April and the middle of May and were at that time approximately the same level as a year ago.

### Production

Industrial activity increased in April to the highest level on record. The iron and steel and automobile industries continued exceptionally active during April. Activity in copper refining, lumber, cement, silk and wool textiles, and the meatpacking industry increased and production of cotton textiles showed a less than seasonal reduction. Factory employment and payrolls increased, contrary to the seasonal trend.

Output of mines was also larger in April. Copper and anthracite coal production increased and the seasonal decline in output of bituminous coal was smaller than usual. Petroleum production declined slightly.

Preliminary reports for the first half of May indicate a continued high rate of operations in the iron and steel industry. Output of lumber and bituminous coal was somewhat larger during the first part of May than at the end of April.

Building contracts awarded during the month of April increased sharply and for the first time in five months approximated the total for the corresponding month in the preceding year. The increase was not continued, however, in the first part of May when awards averaged 20 per cent below the same period in May, 1928. During April most classes of building showed seasonal increases over March, the largest being in contracts for residential building and public works and utilities.

### Distribution

Shipments of commodities by rail increased during April and were the largest for this month in any recent year. The increase from March reflected larger loadings of miscellaneous freight, lumber, livestock, and ore. During the first half of May shipments of freight continued to increase.

Sales at wholesale declined seasonally in April, except in the case of grocery and hardware firms. In comparison with April, 1928, all lines of trade reporting to the Federal Reserve System showed increases. Department store sales were also smaller in April than in March but continued above the level of a year ago.

### Prices

Wholesale commodity prices averaged slightly lower in April than in March, according to the index of the United States Bureau of Labor Statistics, reflecting primarily declines in prices of farm products and their manufactures. Prices of mineral and forest products and their manufactures, on the average, showed little change. There were increases in the prices of iron and steel, and sharp declines in copper, lead, and tin. Seasonal declines occurred in prices of coal and coke, while gasoline prices advanced.

Prices of farm products and their manufactures averaged lower in April than in March. Prices of grain, especially wheat, moved downward more sharply and wool and cotton continued to decline. Livestock and meat prices continued the upward movement of the previous month, but at a slower rate; hides averaged slightly higher in price, and leather somewhat lower. Among imported raw materials, rubber, sugar, and coffee showed marked price recession. Early in May cattle, hides, and wheat prices declined sharply and the price of rubber increased.

### Bank Credit

During the four weeks ending May 15, loans and investments of member banks in leading cities showed a decrease of nearly \$200,000,000 largely in loans of securities, together with some further decline in investments. All other loans, chiefly for commercial and agricultural purposes, remained unchanged at a relatively high level.

There was a further reduction in the average volume of reserve bank credit outstanding between the weeks ending April 24 and May 22, owing largely to additions to the country's monetary stock of gold. The decline was in discounts for member banks; holding of acceptances and of United States securities showed practically no change.

Open market rates for commercial paper remained unchanged as did rates on prime bankers' acceptances, except for a temporary decline at the end of April and the first week in May. In the first three weeks of May, rates on collateral loans averaged considerably higher than in April.