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FINANCE • INDUSTRY • AGRICULTURE • TRADE

FOURTH FEDERAL RESERVE DISTRICT

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Federal Reserve Bank of Cleveland

Cleveland 1, Ohio

## New Census Guides to Local Trade Trends

THE results of the most recent Census of retail trade are being released to the public this year. Such data are not released all at once, but are issued by the Census Bureau of the U. S. Department of Commerce in various forms as rapidly as they are completed. Since this type of information is of considerable value to business enterprises of various kinds, as well as to students of business trends in general, it appears desirable to summarize some of the results which are now available. The material which is supplied in the accompanying tables and charts applies to the Fourth Federal Reserve District, comprising the state of Ohio and parts of Pennsylvania, Kentucky and West Virginia.

The most recent Census of retail trade was conducted in 1949, calling for trade data of the year 1948. The results in the form of the preliminary figures for the various counties of the Fourth District are summarized here. Since retail trade trends can best be considered in connection with population data, the 1950 figures on county population are also included in part of the accompanying material.<sup>(1)</sup>

**Density of Retail Trade** The first of the accompanying area charts depicts the relative density of retail trade in the counties of the Fourth District, according to the recent Census. The individual counties are classified

into four broad groups and shaded accordingly. In the areas of highest density, annual retail trade exceeds \$1,000,000,000 for the county, while in the areas of lowest density total retail trade is less than \$20,000,000 annually in each county. It will be noticed that only two counties in the Fourth District reported total retail sales in excess of one billion dollars. These are Cuyahoga in Ohio, which contains Cleveland, and Allegheny in Pennsylvania, which contains Pittsburgh.

Within the class of counties which show large total retail sales for the year, reaching a figure between 100 million dollars and one billion dollars, are eleven counties in Ohio, five counties in western Pennsylvania (the part of the state which falls within the Fourth District), one county in the Fourth District part of Kentucky, and no counties in this District's corner of West Virginia. The Ohio counties which fall within this large-trade classification include several in the northeastern part of the state, near Cleveland or in the Mahoning Valley steel district; namely, Lorain, Summit (including Akron), Stark, Trumbull and Mahoning. Included also in the 100 million to one billion dollar category in Ohio are Lucas county (including Toledo) and five counties in the central or southwestern portion of the state; namely, Hamilton (including Cincinnati), Franklin (including Columbus), and Montgomery, Butler, and Clark counties. The counties in the same large-trade classification in western Pennsylvania include Erie, as well as four counties near Pittsburgh; namely, Beaver, Washington, Westmoreland, and Fayette. In the Fourth District part of Kentucky

(1) In obtaining *per capita* trade figures, trade totals of 1948 are divided by population counts of 1950. For broad purposes, such as comparison with the results of earlier Censuses, this procedure is considered satisfactory.

the only county which reported annual sales as high as 100 million dollars is Fayette, which includes the city of Lexington.

Dropping from the second largest classification just discussed to the group with smallest annual sales, i.e., under twenty million dollars per year, there appear a few counties in the southern tier of Ohio, a preponderance of the Kentucky and West Virginia counties located in the Fourth District, and only one county in western Pennsylvania.

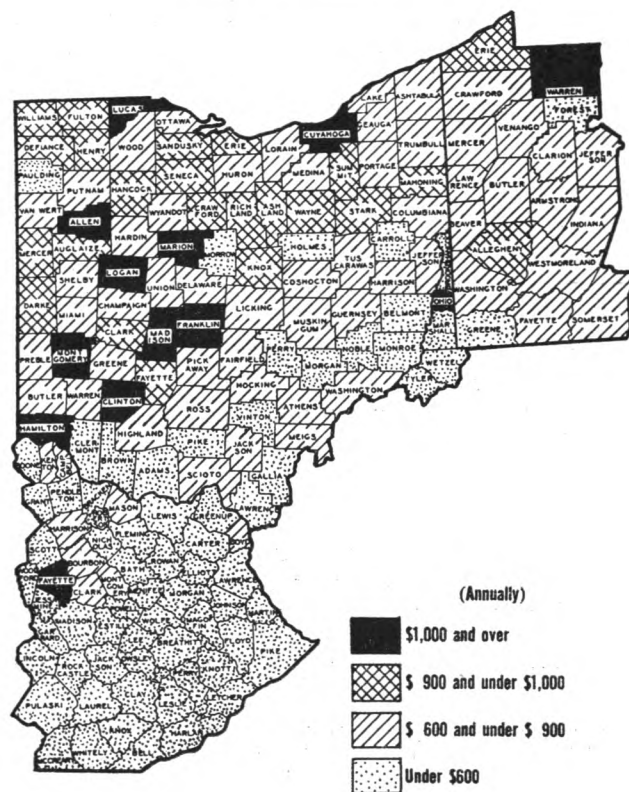
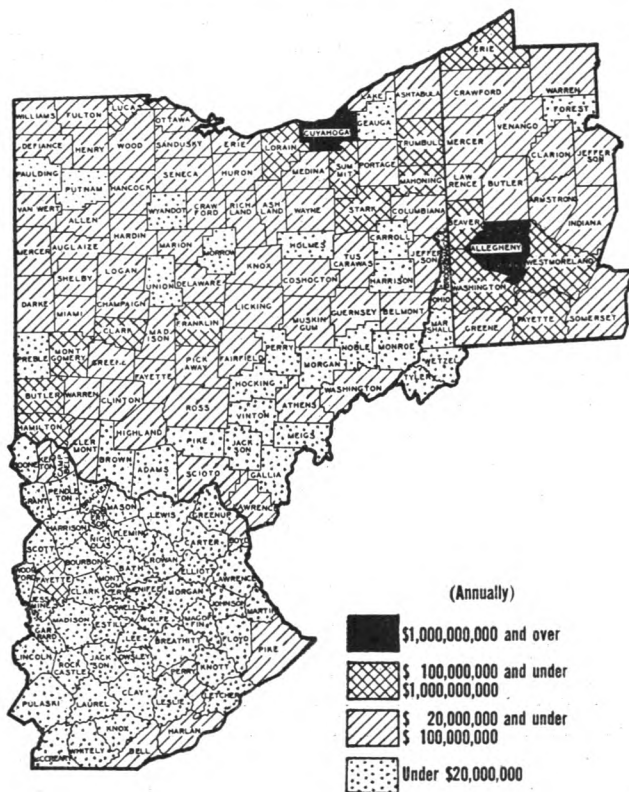
**Per Capita Trade** Frequently a county has a very large total of retail trade simply because of its large population, but this is not always the case. By means of expressing trade totals in per capita terms, it becomes possible to make allowance for the population factor. The results may be seen in the second of the accompanying area charts. It is apparent that of the two counties which are highest in total retail trade, only one, Cuyahoga (Cleveland) falls within the top classification of per capita trade, i.e., annual per capita retail sales of one thousand dollars or over; Allegheny county (Pittsburgh) has a per capita trade of slightly under one thousand dollars per year.

In addition to Cuyahoga county, however, there are nine counties in Ohio where per capita trade exceeds one thousand dollars. Some of these are counties in which total dollar trade is also very high; namely, Hamilton, Franklin, Lucas and Montgomery, each of which includes large cities; others in the highest per capita trade classifications are counties such as Allen, Logan, Marion, Madison and Clinton, where the principal city or town is of the size of Lima, Ohio, or smaller. In the Fourth District sections of Pennsylvania, Kentucky and West Virginia, only one county in each reports per capita trade in excess of one thousand dollars; namely, Warren, Pennsylvania; Fayette, Kentucky (Lexington); and Ohio county, West Virginia (Wheeling).

So far this discussion has run in terms of retail trade according to the *current* Census. The relative *growth* of trade is also of great significance. To measure this, it is convenient to compare the results of the most recent Census with that of the previous Census of retail trade which was taken in 1940, as applied to the year 1939. The growth of retail trade over the nine-year interval may be considered in connection with population changes as measured by the population Censuses of 1950 and 1940.

**TOTAL RETAIL TRADE**  
Fourth District Counties  
(based on most recent Census data)

**PER CAPITA RETAIL TRADE**  
Fourth District Counties  
(based on most recent Census data)



### Ranking of Ohio Counties as to Population

The results of the population count for Ohio counties are shown in the accompanying Table 1. In this comprehensive

table the Ohio counties are arranged in order of relative population according to the latest Census, ranging from Cuyahoga with a population of 1,382,116 to Vinton with a population of 10,735. Column 3 of the table shows the rank in population which the particular county held according to the population Census of 1940, while column 4 shows the rank in population held according to the data provided by the recent Census. For example, it may be seen that the three largest counties of the state maintained the same ranking between the two Censuses, while Summit county (including Akron) rose from fifth place to fourth place and Montgomery county (including Dayton) rose from sixth place to fifth place in population. Actual population in 1950 is shown in column 5. These data on population provide a background for considering the trade information shown in the remaining columns of the table.

### Ranking as to Total Retail Trade

Column 6 of Table 1 shows the ranking of the counties in total annual retail trade according to the previous Census, which may be compared with column 7 showing the ranking in total retail trade as of the latest trade Census. Column 8 shows total retail trade of the counties in millions of dollars, according to the recent Census.

The three largest counties once again maintained the same rank between the two Censuses, this time with respect to total retail trade. The counties which include Akron and Dayton changed places, with Summit county (including Akron) dropping one place in rank, while Montgomery county (including Dayton) rose one place. Other counties which made significant gains in rank in total retail trade between the two Census periods include: Richland (Mansfield) which went from 16th place to 14th place, Lake (Painesville) which rose from 23rd place to 20th place, Darke (Greenville) which rose from 41st place to 34th place, and numerous others.

### Ranking as to Per Capita Trade

The ranks of the counties in per capita retail trade according to the previous and the recent Censuses, are shown in columns 9 and 10,

respectively. The very largest counties are no longer ranked at the top, although in some cases they rank high in per capita trade as well as total retail trade. For example, Cuyahoga (Cleveland) was fourth among Ohio counties in per capita trade according to the previous Census, but rose in position to second place in the most recent Census. In respect to per

capita trade Franklin county (Columbus) dropped from first place to 9th place. Conversely, Lucas (Toledo) rose from third place to first place in per capita trade. Other counties which showed significant gains in ranking in per capita trade between the two Censuses include: Marion county which rose from 29th place to 7th place, Logan (Bellevue) which rose from 42nd place to 10th place, Wood county (Bowling Green) which rose from 63rd place to 57th place, and numerous others as may be seen from a comparison of columns 9 and 10. It should be noted that in the trade columns of Table 1 as well as in the population data, the counties are listed in order of population, from high to low.

### Trade Gains by Types of Stores

When a particular county, such as Lucas, for example, has made a significant gain in rank in per capita trade between the two Census periods, the question naturally arises as to what type of retail sales, if any, has been particularly responsible for the improved position. Census data are useful at this point, too, since they provide for each county a breakdown of sales according to certain rather broad categories of retail stores.

The accompanying Table 2 shows a summary of trade gains by types of stores as applied to ten selected counties in Ohio. All ten counties listed in Table 2 have shown particularly significant gains in rank with respect to per capita retail trade between the two Census periods. Some are large counties, some are small, but all made important gains in per capita retail trade. They are listed in Table 2 in order of relative population, not in order of relative gain in per capita trade. Thus, Cuyahoga, which rose from fourth place to second place in per capita trade is at the top of the list merely because it is the largest of the ten selected counties, while the last county on the list of ten is Madison, which rose in rank from 44th place to 5th place in respect to per capita trade.

For each of the ten counties listed in Table 2, the total dollar increase in over-all retail trade between the two Census periods is shown in the first column; thus, Cuyahoga gained about \$954 million in total retail sales while Logan, for example, gained about \$23 million. The total dollar gain is then distributed according to types of stores in the succeeding columns of the table; namely, food stores, the department store-furniture-apparel group of stores, the automotive group of retailers, the lumber-building-hardware group of stores and finally all other retail trade. (These groupings of retail stores represent a moderate degree of condensation of the Census classes.) The gain between the two Census periods in sales by a given type of store, such as food store, is expressed both as a dollar gain and as a percentage of the total dollar

**TABLE 1**  
**RANKING OF OHIO COUNTIES AS TO POPULATION AND RETAIL TRADE**  
 Recent Census Compared with 10 Years Ago

(1) COUNTY	(2) Largest City or Town	(3) (4) Rank in Population		(5) Population 1950	(6) (7) Rank in Retail Trade		(8) Total Retail Trade 1948 (millions of \$)	(9) (10) Rank in Per Capita Retail Trade		(11) Per Capita Retail Trade 1948 (\$)
		1940	1950		1939	1948		1939	1948	
CUYAHOGA	Cleveland	1	1	1,382,116	1	1	\$1,460	4	2	\$1,057
HAMILTON	Cincinnati	2	2	718,019	2	2	752	2	3	1,048
FRANKLIN	Columbus	3	3	500,935	3	3	505	1	9	1,008
SUMMIT	Akron	5	4	407,981	5	6	395	6	11	969
MONTGOMERY	Dayton	6	5	396,552	6	5	407	5	4	1,026
LUCAS	Toledo	4	6	392,640	4	4	445	3	1	1,134
STARK	Canton	8	7	282,060	8	7	267	9	19	946
MAHONING	Youngstown	7	8	256,906	7	8	249	7	12	969
TRUMBULL	Warren	9	9	157,249	10	11	116	41	53	740
BUTLER	Hamilton	10	10	146,792	9	9	131	20	34	894
LORAIN	Lorain	11	11	146,501	11	10	129	21	38	882
CLARK	Springfield	13	12	110,999	12	12	106	14	17	951
COLUMBIANA	E. Liverpool	15	13	98,420	14	15	85	16	39	862
JEFFERSON	Steubenville	12	14	95,963	13	16	79	18	41	820
RICHLAND	Mansfield	17	15	90,140	16	14	87	10	13	966
BELMONT	Martins Ferry	14	16	87,430	20	25	52	69	73	599
ALLEN	Lima	18	17	87,231	15	13	89	8	8	1,023
SCIOTO	Portsmouth	16	18	82,596	19	19	60	52	54	730
ASHTABULA	Ashtabula	21	19	77,733	17	17	69	12	35	893
LAKE	Painesville	27	20	75,359	23	20	60	13	45	797
MUSKINGUM	Zanesville	19	21	74,184	18	18	62	17	40	842
LICKING	Newark	22	22	70,427	22	21	58	32	42	817
TUSCARAWAS	New Philadelphia	20	23	70,083	21	22	55	38	47	786
PORTAGE	Kent	31	24	63,667	33	29	45	48	61	700
MIAMI	Piqua	23	25	61,128	24	23	54	25	37	882
WOOD	Bowling Green	25	26	59,403	32	30	42	63	57	713
WAYNE	Wooster	26	27	58,544	25	24	54	27	27	917
GREENE	Xenia	40	28	56,620	44	35	38	59	66	672
ROSS	Chillicothe	24	29	54,256	29	33	38	57	59	708
SENECA	Tiffin	28	30	52,915	27	28	48	28	28	911
ERIE	Sandusky	35	31	52,159	26	27	50	11	15	958
FAIRFIELD	Lancaster	29	32	52,012	31	36	37	53	58	711
MARION	Marion	33	33	49,830	28	26	51	29	7	1,024
LAWRENCE	Ironton	30	34	48,965	47	45	28	77	78	577
SANDUSKY	Fremont	36	35	46,010	30	31	42	30	30	904
ATHENS	Athens	32	36	45,677	36	44	30	60	67	658
HANCOCK	Findley	37	37	44,158	34	32	41	34	21	938
WASHINGTON	Marietta	34	38	43,645	40	43	30	65	63	692
CLERMONT	Milford	43	39	42,064	58	53	24	71	77	580
DARKE	Greenville	38	40	41,645	41	34	38	49	26	918
MEDINA	Wadsworth	44	41	40,274	38	38	36	19	33	894
HURON	Norwalk	42	42	39,226	37	39	35	26	36	889
CRAWFORD	Bucyrus	41	43	38,630	35	37	37	24	16	952
WARREN	Franklin	48	44	38,367	50	49	26	61	64	686

TABLE 1—Continued

(1) COUNTY	(2) Largest City or Town	(3) (4) Rank in Population		(5) Population 1950	(6) (7) Rank in Retail Trade		(8) Total Retail Trade 1948 (millions of \$)	(9) (10) Rank in Per Capita Retail Trade		(11) Per Capita Retail Trade 1948 (\$)
		1940	1950		1939	1948		1939	1948	
GUERNSEY	Cambridge	39	45	38,180	43	48	27	66	62	696
KNOX	Mount Vernon	46	46	35,013	42	40	32	36	31	902
ASHLAND	Ashland	49	47	32,938	39	42	31	15	22	931
LOGAN	Bellefontaine	50	48	31,148	45	41	31	42	10	1,004
COSHOCTON	Coshocton	47	49	31,029	46	56	24	46	51	766
AUGLAIZE	St. Marys	51	50	30,563	55	46	28	58	25	923
DELAWARE	Delaware	56	51	30,182	59	58	23	51	49	768
OTTAWA	Port Clinton	65	52	29,311	51	57	23	35	46	794
PICKAWAY	Circleville	52	53	29,292	72	65	21	73	60	706
PERRY	New Lexington	45	54	28,912	68	70	17	76	76	583
HARDIN	Kenton	54	55	28,598	63	64	21	62	56	728
SHELBY	Sidney	59	56	28,378	60	59	23	50	44	806
MERCER	Celina	58	57	28,200	61	47	27	56	18	948
HIGHLAND	Hillsboro	53	58	28,085	52	61	22	43	48	783
JACKSON	Jackson	55	59	27,666	64	68	19	64	65	679
PREBLE	Eaton	68	60	26,987	65	69	18	55	69	650
VAN WERT	Van Wert	57	61	26,906	53	55	24	45	32	898
CHAMPAIGN	Urbana	61	62	26,699	62	62	22	47	43	816
GEAUGA	Chardon	78	63	26,528	74	71	16	67	71	610
WILLIAMS	Bryan	60	64	26,125	48	54	24	31	24	930
DEFIANCE	Defiance	64	65	25,863	56	52	24	40	20	944
FULTON	Wauseon	67	66	25,501	54	51	24	33	14	958
CLINTON	Wilmington	70	67	25,407	49	50	26	23	6	1,025
PUTNAM	Ottawa	62	68	25,159	71	67	19	68	52	747
GALLIA	Gallipolis	63	69	24,851	75	75	13	79	82	526
MEIGS	Pomeroy	66	70	23,173	73	74	14	72	70	613
FAYETTE	Washington C. H.	75	71	22,441	57	63	21	22	23	930
HENRY	Napoleon	69	72	22,370	66	66	20	54	29	905
MADISON	London	71	73	22,216	67	60	23	44	5	1,025
BROWN	Georgetown	73	74	22,160	77	77	12	78	81	529
UNION	Marysville	77	75	20,781	69	72	15	39	55	730
ADAMS	Manchester	72	76	20,426	82	79	10	84	84	499
WYANDOT	Upper Sandusky	79	77	19,763	70	73	15	37	50	766
HOCKING	Logan	74	78	19,488	76	76	13	75	68	651
CARROLL	Carrollton	82	79	19,004	81	80	10	80	80	536
HARRISON	Cadiz	76	80	18,972	79	78	11	81	72	600
HOLMES	Millersburg	81	81	18,732	78	81	9	74	83	500
MORROW	Mount Gilead	84	82	17,129	83	82	9	82	79	538
MONROE	Woodfield	80	83	15,296	85	85	6	87	86	402
PAULDING	Paulding	85	84	15,008	80	83	9	70	74	589
PIKE	Waverly	83	85	14,576	86	86	6	86	87	400
MORGAN	McConnelsville	87	86	12,772	84	84	7	83	75	583
NOBLE	Caldwell	86	87	11,717	87	87	5	85	85	437
VINTON	McArthur	88	88	10,735	88	88	4	88	88	327

NOTE: The 1950 population figures shown above are from an early release by the Department of Commerce. Minor revisions have subsequently been made.

**SHARES OF TOTAL SALES  
IN 10 SELECTED  
(Total Retail Sales Gain from**

COUNTY	Total Dollar Increase (000)	FOOD		DEPT. STORE, FURNITURE, AND APPAREL GROUP	
		Dollar Increase (000)	% of Total Increase	Dollar Increase (000)	% of Total Increase
CUYAHOGA	\$ 953,730	\$ 255,268	27%	\$ 266,041	28%
LUCAS	301,265	70,792	24	78,592	26
WOOD	29,905	7,615	26	4,913	16
MARION	36,734	8,131	22	7,146	19
DARKE	27,978	5,007	18	3,565	13
LOGAN	22,762	4,669	21	3,169	14
AUGLAIZE	21,064	4,425	21	3,194	15
MERCER	19,976	3,038	15	2,385	12
HENRY	14,387	2,822	20	1,757	12
MADISON	16,923	2,365	14	1,806	11
<b>Total 10 Counties</b>	<b>\$1,444,724</b>	<b>\$ 364,132</b>	<b>25%</b>	<b>\$ 372,568</b>	<b>26%</b>
<b>Total Ohio</b>	<b>\$4,902,023</b>	<b>\$1,197,487</b>	<b>24%</b>	<b>\$1,192,098</b>	<b>24%</b>

increase in sales between the two periods. For example, of the \$954 million gain in retail trade in Cuyahoga, the gain by food stores was \$225 million or 27% of the total gain while the gain by department store-furniture-apparel group of stores was \$266 million, or 28% of the total retail trade gain.

When the percentage columns of Chart 2 are examined for comparisons among the counties, it is at once evident that the various counties owe their trade gains to quite different types of stores in spite of the fact that all ten counties made significant over-all increases in retail trade. To what extent, for example, do these ten counties owe their trade gains to an increase in sales by the department store-furniture-apparel group of stores? The answer is that in the case of Cuyahoga (Cleveland) and Lucas (Toledo)

a considerable part of the sales gain was in this form, i.e., 28% and 26% respectively. In the case of Mercer, Henry and Madison counties, however, only 11% or 12% of the total sales gain came in the department-store type of retailing. In these latter counties the more significant sales gains were made in other types of stores; for example, in Mercer and Henry counties, the lumber-building-hardware group accounted for 22% and 26% of the total sales gain, respectively, in sharp contrast to Cuyahoga and Lucas counties where the lumber-building-hardware group accounted in each case for only 6% of the total sales gain.

The differences among counties in respect to the source of the trade gains emphasizes further the important principle that a comparison of over-all figures

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## SALES BY TYPES OF STORES IN TEN COUNTIES

(1948 in Each County=100%)

AUTOMOTIVE GROUP		LUMBER, BUILDING, AND HARDWARE GROUP		OTHER RETAIL TRADE	
Dollar Increase (000)	% of Total Increase	Dollar Increase (000)	% of Total Increase	Dollar Increase (000)	% of Total Increase
\$149,377	16%	\$ 60,398	6%	\$ 222,646	23%
57,956	19	18,768	6	75,157	25
6,089	20	4,559	15	6,729	23
6,499	18	6,110	17	8,848	24
5,781	20	5,544	20	8,081	29
3,970	17	3,141	14	7,813	34
3,780	18	2,614	12	7,051	34
3,726	19	4,496	22	6,331	32
2,159	15	3,774	26	3,875	27
2,867	17	2,662	16	7,223	42
<b>\$242,204</b>	<b>17%</b>	<b>\$112,066</b>	<b>8%</b>	<b>\$ 353,754</b>	<b>24%</b>
<b>\$814,511</b>	<b>17%</b>	<b>\$472,796</b>	<b>10%</b>	<b>\$1,225,131</b>	<b>25%</b>

frequently conceals important differences within the component parts.<sup>(2)</sup> Indeed, when the totals of the ten selected counties are examined, it appears that the distribution of the trade increase among the various types of stores is very little different from the corresponding data for the entire state of Ohio, as is shown by a comparison of the last two rows of

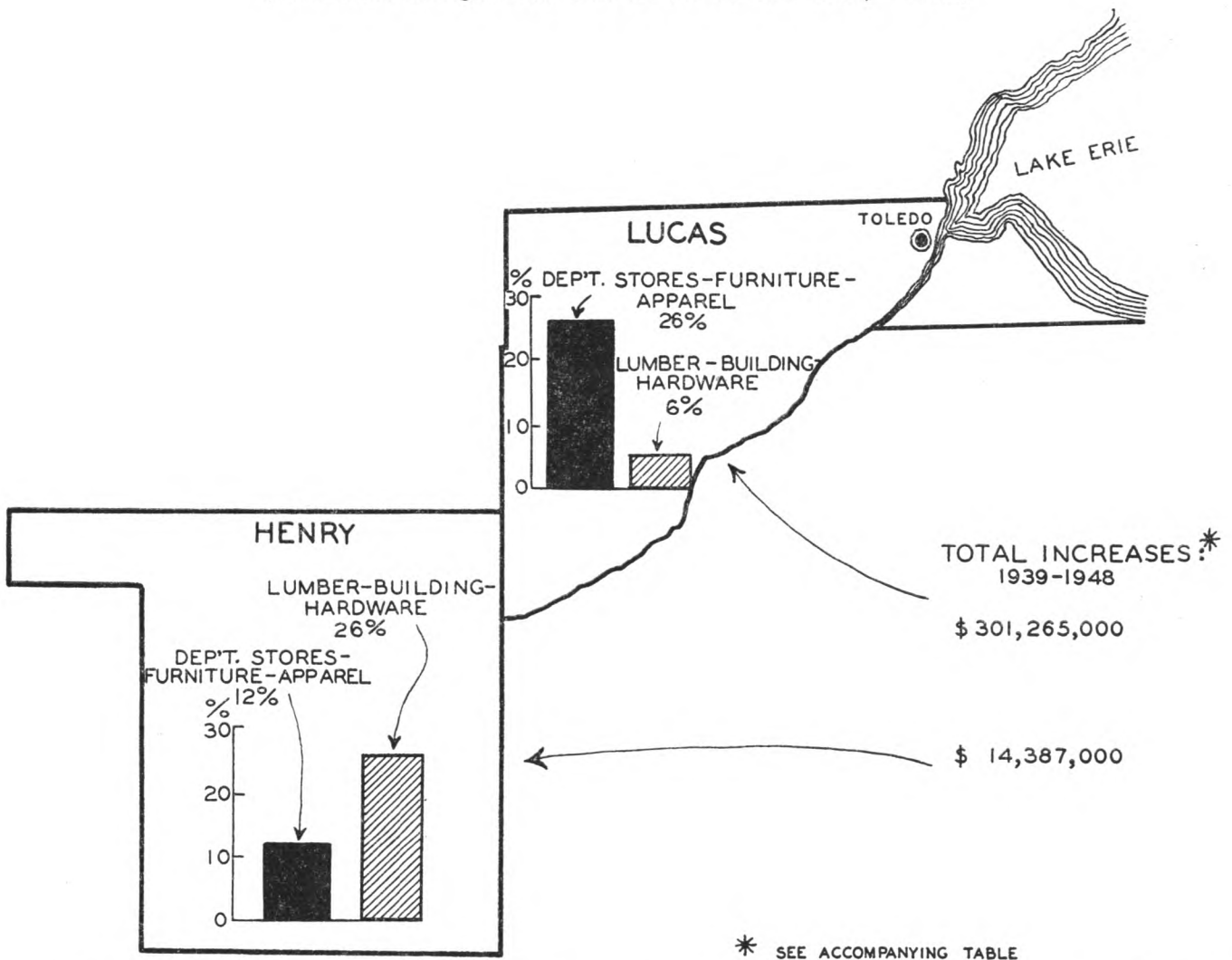
figures of Table 2. In other words, the different sources of sales increases among the ten counties (all of which are strong in over-all sales increase), tend to compensate themselves in the total so that the individual differences are concealed.

(2) This principle should be especially borne in mind in interpreting Census data where large aggregates are involved. It is extremely easy to quote large figures of gain, either in dollars or percentages, particularly when a substantial increase in the general price level has occurred between the two periods of comparison. In this particular study no special allowance has been made for the price rise between the two Census periods, partly because all counties have felt the effect of rising prices (although probably not with complete equality) and partly because the use of the ranking device avoids the worst type of exaggeration flowing from broad changes in the price level.

**Two Counties as an Illustration** In order to illustrate the point that counties which have had large increases in trade have drawn their gains from different sources, a special comparison of two adjoining counties is shown on an accompanying chart. The two counties are Lucas and Henry, each of which made a significant over-all gain in per capita retail trade between the two Census periods. Lucas, which contains Toledo, is of

SHARES OF TOTAL SALES GAINS BY TWO TYPES OF STORES  
Lucas and Henry Counties, Ohio

(Total retail sales gain from 1939 to 1948 in each county = 100%)



... of the \$301,265,000 increase in retail trade in Lucas county (1939-1948), the lumber-building-hardware group of stores contributed only 6% (or \$18,768,000) whereas in adjoining Henry county the same type of stores accounted for 26% of the county's total gain.

course much the larger county as to population or any other economic measures which are associated with population. The fact that Lucas is larger does not necessarily explain why the trade gain in Lucas was especially marked in the department store-furniture-apparel group of stores (26% of the total gain) as contrasted with a relatively small gain in sales by the lumber-building-hardware group (6%) while in the case of Henry county the largest share of the gain came in the form of sales by the lumber-building-hardware group of stores.<sup>(3)</sup>

Similar examination of other groups of neighboring counties would undoubtedly reveal equally interesting local comparisons. The aim of this general

summary, however, is merely to point the way to certain advantageous uses of recent Census data on retail trade. More refined analysis would depend on the purposes of the investigator.

(3) The following explanation has been suggested to account for the Census results for these two counties: Henry county, which is primarily agricultural, has undergone a marked change in farming techniques over the inter-Census interval. For example, in 1935, only 47% of Henry county farmers used electricity, while the present percentage is said to be 99%. The changes in agricultural techniques were associated with heavy local purchases of farm equipment, which in turn were reflected in sales by the lumber-building-hardware group of stores. At the same time the neighboring urban county of Lucas (Toledo) probably drew customers from wide surrounding areas for certain types of trade, perhaps particularly department store trade.



# The Price of Eggs

**T**HIS is the time of year when the price of eggs should be reaching its seasonal climax. During the past three decades or longer, farmers and poultry men could almost inevitably count on getting peak prices either in November or December. The first exception occurred last year, when the summer advance culminated in September, and Department of Agriculture analysts believe that another early price drop may have occurred again this year. The October 15 farm price (released just before this printing and, therefore, not shown on the accompanying chart) was 43.2 cents, and may have been the peak for the year.

Changes in egg prices from month to month are closely related to the volume of production. Until last year the lowest production of the year generally occurred in November, and that accounted for the prevalence of price peaks in that month. In 1949, however, the lowest production month was September. For several years farmers have increasingly selected strains of pullets which start producing at an early age and have conducted feeding and general care with the object of maintaining high production in the fall. In addition to providing more eggs in the fall when prices are relatively high, this shift has served to enlarge the annual production. Last year fall laying was aided by mild weather, and the autumn production was the highest on record with the result that prices failed to advance after September but declined instead. In the Northeastern section of the country September has been the low production month for several years and the trends in other regions indicate that the new pattern is probably becoming firmly established for the nation as a whole.

This year again the Department of Agriculture estimates that the early fall production "is likely to be at or near the low point for the calendar year" (October production figures have not yet been released). The volume of egg production in the months after October is expected to exceed even the record of a year ago. Moreover, the large production is being supplemented by seasonal withdrawals from storage. Although cold storage supplies of shell eggs on October 1 were less than half as large as the average for that date, they were 94 percent larger than a year earlier; and these eggs are now competing with fresh eggs of the lower qualities. Storage stocks indicated on the chart include not only shell eggs, but the shell equivalent of frozen and dried eggs as well.

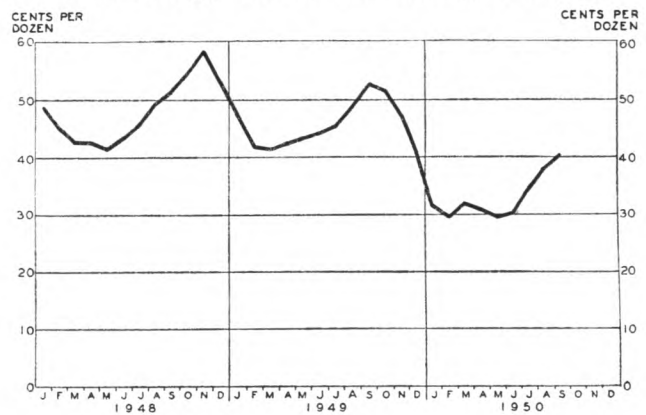
Note: This discussion is based on reports of the U. S. Department of Agriculture, which is also the source of data (except preliminary estimates for 1950) for the charts.

**Price Support** Of the 485 million dozen (shell equivalent) eggs in cold storage on the first of October, 292 million dozen were Government stocks of dried eggs purchased for the purpose of supporting farmers' prices. Largely because the production of eggs has increased faster than consumption in the past year or so, the price has only partially recovered from the sharp drop of last Fall—even the Korean disturbance had but little effect on egg prices and the summer increase was hardly more than seasonal. Under these circumstances price-

## EGG PRICES, PRODUCTION, AND COLD STORAGE HOLDINGS

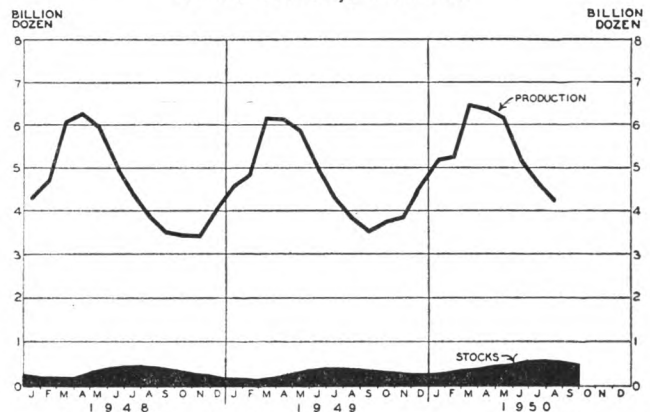
### PRICES RECEIVED BY FARMERS

U. S. Average, 15th of Each Month, 1948-1950



### PRODUCTION AND COLD STORAGE STOCKS\*

U. S., Monthly, 1948-1950

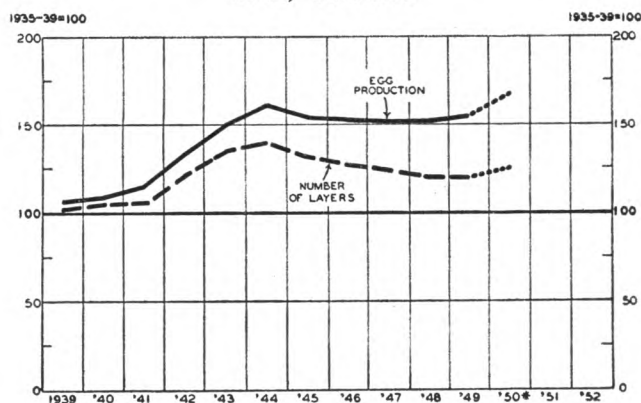


. . . in contrast with sharp increases in the general price level, the rise in egg prices which began last June has been scarcely more than seasonal. Cold storage stocks are the second highest on record, and annual production is making new records for the season.

\* Shell egg equivalent. Stocks on October 1 included 17 million dozen shell eggs and frozen and dried eggs equivalent respectively to 106 million and 332 million dozen.

### EGG PRODUCTION AND AVERAGE NUMBER OF LAYERS ON FARMS

U. S., 1939-1950



... a steadily increasing rate of eggs per hen has carried total egg production to a probable record this year in spite of an extended decline in the number of layers.

\* Preliminary.

support activity has been extensive and 1950 purchases through September required an outlay of about \$80 million for the equivalent of 243 million dozen eggs, compared with 204 million dozen in the entire year, 1949.

In the disposition of Government stocks of dried eggs the school lunch program has been the largest recipient. In addition, non-commercial exports have been financed with ECA funds and the funds of the Department of the Army for the administration of Western Germany. The exports have gone principally to Great Britain, Belgium, Luxembourg, Austria and Western Germany. Disposition of dried eggs is a difficult matter, however, and the continued accumulation of price-support stocks points up the fact that eggs are still in surplus supply at the Department of Agriculture's goal price. (The goal for 1950 is a farm price of 37 cents per dozen to be maintained indirectly by Government purchases of dried eggs from processors. The surplus has been so large, however, that through September the seasonally adjusted average price for the year was 2½ cents below the goal.)

**Trend in Production** The production of eggs this year is estimated to be larger than in the previous peak year, 1944, even though the number of laying hens and pullets on farms is about eleven percent smaller than in that year. The average number of eggs laid in a year by a layer has been increasing for a quarter of a century, with new record rates established in each of the past seven years (including 1950); and the rate of lay is now nearly one-third larger than in the prewar years, 1935-39. The huge total production and a curtail-

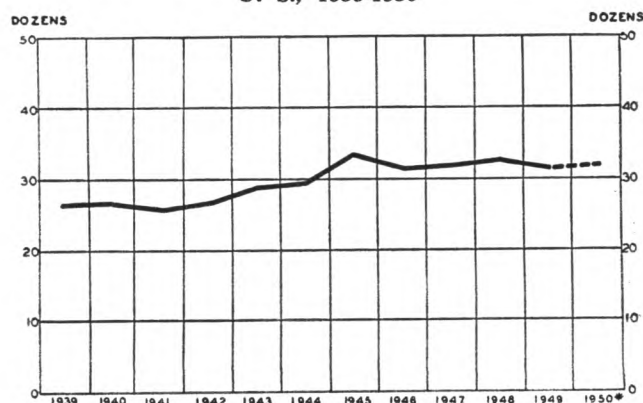
ment of lend-lease takings in 1944 resulted in a surplus, which depressed prices and led farmers to begin cutting down the size of their flocks. Although the liquidation of flocks continued until about two years ago, large total production was maintained by the increasing rate of eggs per layer.

Widespread adoption of improved strains of chickens has been a prominent factor in the increasing productivity. In this, farmers have been aided by commercial hatcheries, from which they now buy a much larger proportion of their chicks than formerly. Management of flocks has also been directed toward greater laying efficiency. For instance, flocks now include larger proportions of pullets in order better to utilize youthful laying vigor; and mature hens are frequently culled soon after their productivity wanes. Feeding is conducted more efficiently, and improved sanitation and other practices are increasingly followed.

**Trend in Demand** The demand for eggs has been strengthened in recent years by a propensity of the American public to consume more eggs. This trend is due partially to more enlightened dietary habits and partially to high consumer incomes, since it is also true of the more nutritious and expensive foods in general — consumption of fruits, vegetables, dairy products, fats and oils, and meats has also been increasing; while consumption of grain products and potatoes has been decreasing. The 381 eggs eaten per person this year is 28 percent more than in 1935-39. Since the population has increased about 15 percent in the same period the total consumption of eggs is now the largest on record — even higher than in 1945, when with a relative

### PER CAPITA CONSUMPTION OF EGGS

U. S., 1939-1950



... partly because of a relative shortage of meat, the per capita consumption of eggs reached a long-time peak in 1945. Consumption in postwar years seems to have stabilized at a level somewhat above the prewar average.

\* Preliminary.

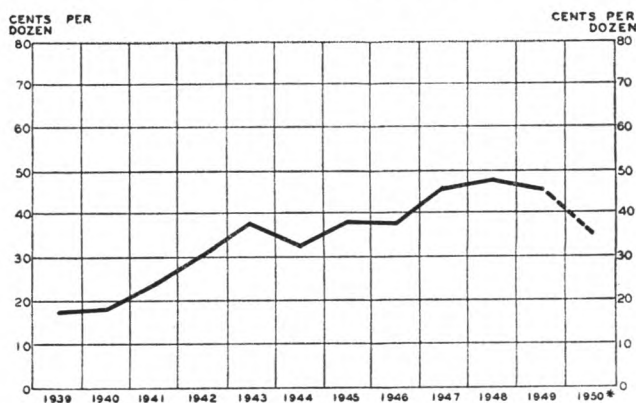
scarcity of meat, an average of 397 eggs were consumed by each person in the United States.

The general increase in retail egg prices during the last decade corresponded closely to the increase in consumer income. The farm price, in turn, is closely related to the retail price, since farmers receive around 70 cents of the consumer's dollar spent for eggs—the highest percentage for any agricultural product and an exceptionally stable one.

**Outlook** In 1949 when the steadily increasing production of eggs began to result in a surplus, the price dropped and has stayed down in spite of record consumer income this year. Even though incomes are still being raised by increasing employment, rising wages and overtime pay, there is little likelihood that in the remaining months of 1950 the inflationary effect of these developments will be sufficient to offset the price effects of seasonally increasing production and the removal of eggs from storage. There is no prospect of scarcity which would serve as a spur to the maintenance of inventories, and existing supplies must be disposed of before the flush production season next Spring. Furthermore, egg prices may be affected in the immediate future by uncertainty as to whether price supports will be announced for 1951, and if announced, what the support level will be.

"Inflationary pressures on egg prices, if they develop at all," says the Department of Agriculture,

PRICES RECEIVED BY FARMERS FOR EGGS  
U. S., Annual Averages, 1939-1950



... with the exception of a slump in 1944 when production was at a peak, the general movement of farm egg prices was upward from 1939 to 1948. Another reversal occurred in 1949 and 1950 when surplus conditions again prevailed.

\* Preliminary.

"will probably not be apparent until the first few months of 1951, when seasonally low prices usually occur. In the spring months, the usual opportunity to store eggs commercially will again be open to operators holding an optimistic view of the market. The extent of their optimism will be a factor affecting the spring-time level of egg prices."

## FINANCIAL AND OTHER BUSINESS STATISTICS

Time Deposits  
at 57 Banks in 12 Fourth District Cities

(Compiled October 5, and released for publication October 6)

City and Number of Banks	Time Deposits Sept. 27, 1950	Average Weekly Change During:		
		Sept. 1950	Aug. 1950	Sept. 1949
Cleveland (4)	\$ 866,186,000	-\$356,000	-\$1,483,000	-\$ 72,000
Pittsburgh (10)	478,441,000	— 33,000	424,000	+ 167,000
Cincinnati (8)	176,467,000	— 143,000	230,000	— 95,000
Akron (3)	99,800,000	— 77,000	183,000	— 97,000
Toledo (4)	105,490,000	+ 42,000	— 158,000	— 241,000
Columbus (3)	83,983,000	+ 38,000	— 91,000	+ 14,000
Youngstown (3)	61,470,000	— 27,000	168,000	— 83,000
Dayton (3)	45,307,000	— 71,000	— 32,000	— 76,000
Canton (5)	41,045,000	— 50,000	— 65,000	— 86,000
Erie (4)	40,915,000 <sup>H</sup>	+ 23,000	— 1,000	+ 9,000
Wheeling (5)	26,801,000	+ 14,000	— 28,000 <sup>r</sup>	— 8,000
Lexington (5)	10,243,000	+ 4,000	— 54,000	+ 8,000
TOTAL—12 Cities	\$2,036,148,000	-\$636,000	-\$2,917,000 <sup>r</sup>	-\$560,000

r—Revised.

H—Denotes new all-time high.

Time deposits at reporting banks in 12 Fourth District cities declined at an average weekly rate of \$636,000 during September. This was the fifth consecutive month of contraction, but the September shrinkage represents a much slower rate than that of the preceding two months, when relatively heavy net withdrawals reflected in part the wave of scare buying which followed the outbreak of the Korean war.

Movements in time deposits since September last year have induced virtually no net change in the volume of these deposits, which totalled \$2,036,148,000 at the end of the month, only 0.3% less than a year ago.

In every city except Dayton, changes in time deposits were favorable in comparison with the relatively sharp August declines.

Toledo, Columbus, Erie, Wheeling and Lexington all reported small increases in time deposits during September.

Only at the largest cities, Cleveland, Pittsburgh and Cincinnati, and at Lexington, were the changes in time deposits during the month unfavorable as compared with the movement in September last year.

In spite of mid-summer declines, the volume of time deposits in Pittsburgh, Toledo, Columbus and Erie at the end of September was higher than a year ago, with Erie posting an all-time high.

Adjusted Weekly Index  
of Department Store Sales\*

Fourth District

(Weeks ending on dates shown. 1935-39 average=100)

1949		1950		1949		1950	
Jan. 8	326	Jan. 7	273	July 2	285	July 1	316
15	317	14	307	9	283	8	308
22	324	21	305	16	283	15	345
29	298	28	302	23	276	22	351
				30	272	29	409
Feb. 5	301	Feb. 4	301	Aug. 6	265	Aug. 5	365
12	303	11	290	13	248	12	337
19	290	18	273	20	267	19	320
26	274	25	250	27	262	26	315
Mar. 5	270	Mar. 4	255	Sept. 3	276	Sept. 2	289
12	282	11	276	10	282	9	315
19	268	18	262	17	279	16	335
26	275	25	261	24	268	23	311
				30	288	30	331
Apr. 2	304	Apr. 1	281	Oct. 1	288	Oct. 7	289
9	306	8	275	8	249	14	300
16	270	15	260	15	251	21	279
23	278	22	279	22	244	28	
30	299	29	327	29	263		
May 7	320	May 6	296	Nov. 5	259	Nov. 4	
14	277	13	290	12	241	11	
21	301	20	293	19	256	18	
28	280	27	290	26	276	25	
June 4	277	June 3	290	Dec. 3	286	Dec. 2	
11	283	10	306	10	293	9	
18	293	17	303	17	304	16	
25	299	24	300	24	257	23	
		31	289	31	289	30	

\* Adjusted for seasonal variation and number of trading days. Based on sample of weekly reporting stores which differs slightly from sample reporting monthly.

Bank Debits\*—September 1950  
in 31 Fourth District Cities

(In thousands of dollars)

(Compiled October 11, and released for publication October 12)

No. of Reporting Banks	Sept. 1950	% Change from Year Ago	3 Months Ended Sept. 1950	% Change from Year Ago
188 ALL 31 CENTERS	\$8,409,233	+26.3%	\$24,644,203H	+23.6%
10 LARGEST CENTERS:				
5 Akron	280,527	+28.5	840,610H	+26.9
5 Canton	136,832H	+31.1	387,630H	+29.7
15 Cincinnati	1,063,617H	+23.8	3,076,620H	+24.7
10 Cleveland	2,119,777	+25.3	6,167,943H	+19.4
7 Columbus	573,273	+4.7	1,822,590	+9.2
4 Dayton	288,867H	+32.6	815,850H	+27.3
6 Toledo	414,013	+30.3	1,211,929H	+21.8
4 Youngstown	173,976	+10.3	530,939	+21.7
6 Erie	104,485H	+24.7	309,399H	+24.4
49 Pittsburgh	2,505,526	+34.9	7,285,316H	+30.6
110 TOTAL	\$7,660,893	+26.5%	\$22,448,826H	+23.6%
21 OTHER CENTERS:				
9 Covington-Newport	\$ 46,311	+25.2%	\$ 138,730H	+27.2%
6 Lexington	62,424	+20.1	188,648	+23.6
3 Elyria	24,806H	+49.4	70,513H	+43.0
3 Hamilton	44,788	+17.1	132,320H	+19.3
2 Lima	53,620	+30.4	160,760H	+24.3
5 Lorain	19,305	+10.1	56,734	+10.5
4 Mansfield	53,191H	+37.0	152,159H	+37.8
2 Middletown	42,859H	+37.1	124,597H	+37.5
3 Portsmouth	25,374H	+34.1	70,257H	+27.1
3 Springfield	48,191	+9.5	146,653H	+10.3
4 Steubenville	26,604	+29.9	77,478H	+23.5
2 Warren	47,979H	+30.4	134,739H	+28.1
3 Zanesville	28,570	+11.0	88,862	+18.4
3 Butler	34,738	+17.5	102,108	+21.3
1 Franklin	8,195	+25.1	23,634	+21.5
2 Greensburg	23,694	+24.9	72,045	+22.3
3 Kittanning	11,408	+14.4	32,974	+17.7
3 Meadville	14,720	+33.7	44,025	+29.6
4 Oil City	20,821	+13.0	61,816	+15.4
5 Sharon	32,449	+34.4	94,086H	+25.3
6 Wheeling	78,293H	+21.4	222,239H	+21.1
78 TOTAL	\$ 748,340	+24.4%	\$ 2,195,377H	+23.9%

\*Debits to all deposit accounts except interbank balances. H—denotes all-time high.

Debits to deposit accounts (except interbank) in 31 Fourth District cities totalled \$8,409,233 during September, 26.3% greater than in the same month last year. For the past three months combined, the aggregate of debits established a new all-time high for any three-month period.

Debits were unchanged from the peak level registered in August, and accordingly, turnover of deposits was at virtually the same high rate as in that month.

## TEN LARGEST CITIES

Debits in the ten largest centers during September were the second highest on record, only slightly less than in the previous month which contained two more business days, and 26.5% above the comparable year-ago figure. The majority of the cities reported year-to-year gains of more than 20%. Pittsburgh again registered the largest year-to-year increase of 34.9%, reflecting in part the relatively low volume of debits there in the corresponding month of 1949. New all-time highs were established in Canton, Cincinnati, Dayton and Erie. The smallest increment over September 1949 again occurred in Columbus, which together with Youngstown were the only large centers which failed to register an all-time high volume of debits for the third quarter of the year.

## TWENTY-ONE SMALLER CENTERS

Debit volume at the smaller centers in September was the highest ever recorded for any month with the exception of the seasonal peak of December 1948. For the third quarter as a whole debits at these centers established an all-time high for a three-month period, 23.9% higher than in the same months of last year. Elyria, Middletown and Mansfield registered the largest year-to-year gains of 37%—49% and were among the six centers to establish new all-time highs.

## Indexes of Department Store Sales and Stocks

Daily Average for 1935-1939=100

	Adjusted for Seasonal Variation			Without Seasonal Adjustment		
	Sept. 1950	Aug. 1950	Sept. 1949	Sept. 1950	Aug. 1950	Sept. 1949
	SALES:					
Akron (6)	340	348	282	343	296	285
Canton (5)	410	385	343	418	339	350
Cincinnati (8)	340	370	296	343	307	299
Cleveland (10)	310	300	260	310	264	260
Columbus (5)	370	382	331	370	321	331
Erie (3)	390	373	311	386	310	308
Pittsburgh (8)	311	322	264	307	274	262
Springfield (3)	318	351	292	312	275	286
Toledo (6)	336	317	302	333	267	299
Wheeling (6)	274	286	250	279	229	255
Youngstown (3)	373	350	320	369	305	317
District (96)	333	334	279	337	290	282
STOCKS:						
District	296	265	242	324	280	264

Back figures for year 1949 are shown in the February issue. For years 1946-48 see August 1949 issue, page 7.