MONTHLY REVIEW

of Credit and Business Conditions

Second Federal Reserve District

Federal Reserve Agent *Federal Reserve Bank, New York* *November 1, 1924*

Business Conditions in the United States

PRODUCTION of basic commodities, factory employment, and distribution of merchandise increased in September. During September and early in October there was a considerable increase in the volume of borrowing for commercial purposes.

Production

The Federal Reserve Board's index of production in basic industries, adjusted to allow for seasonal variations, rose 9 per cent. in September, the first advance since last January. Increased activity was reported in many lines of industry including textiles, iron and steel, and coal. Factory employment increased 2 per cent. during September, reflecting larger working forces in nearly all reporting industries. Average weekly earnings of industrial workers increased slightly, owing to a decrease in the extent of part-time employment. Building contracts awarded showed a small seasonal decline in September, but were considerably larger than a year ago.

Crop conditions, as reported by the Department of Agriculture, showed a further slight improvement during September, and the estimates of production for spring wheat, oats, barley, and white potatoes on October 1 were larger than the month before. Estimates of the yields of corn, tobacco, and cotton, however, were reduced. Marketing of wheat was exceptionally heavy in September and exports of wheat and cotton were larger than for the same month of any recent year.

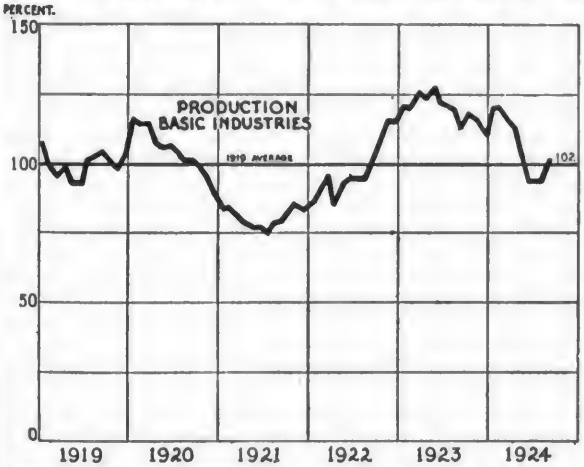
Trade

Distribution of commodities, as reflected in railroad shipments, increased during September and was greater than last year, owing to larger loadings of miscellaneous merchandise, grain, and coal.

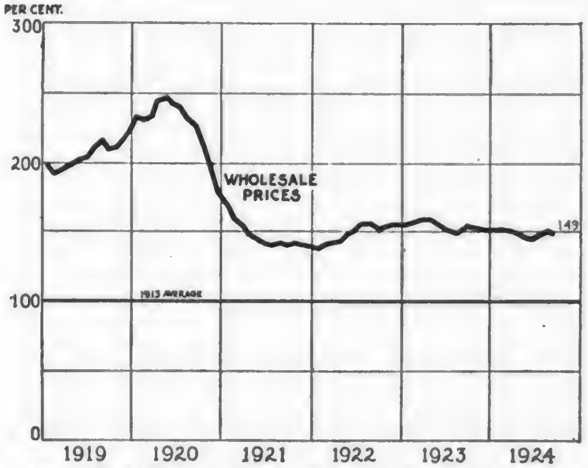
Wholesale trade was 11 per cent. larger than in August, as a result of increased business in almost all reporting lines. Sales of groceries and drugs were larger than a year ago, while sales of meat and shoes were smaller. Retail trade showed more than the usual seasonal increase in September, and sales of department stores and mail order houses were considerably larger than last year. Merchandise stocks at department stores increased more than usual during September, but continued to be slightly smaller than a year ago.

Prices

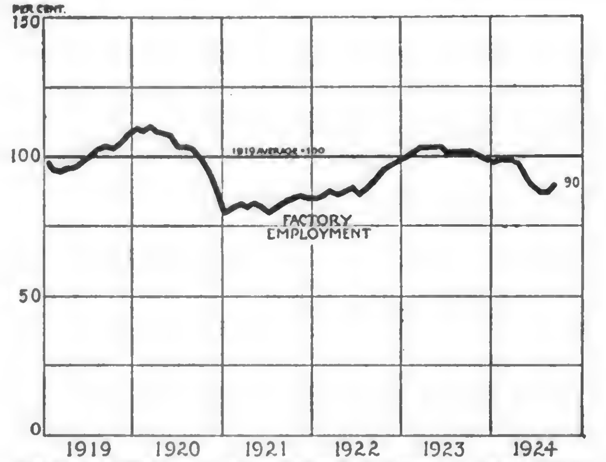
Wholesale prices of farm products, clothing, fuel, and metals declined somewhat in September, while prices of food products, building materials, and chemicals advanced. The general level of prices, as measured by the Bureau of Labor Statistics index, was slightly lower in September than in August. During the first half of October quotations on wheat, flour, cattle, hogs, wool, and rubber increased, while prices of cotton, lumber, and gasoline declined.



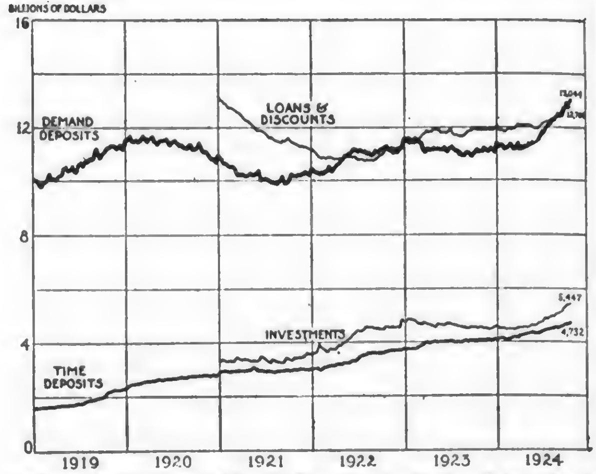
Index of 22 Basic Commodities corrected for seasonal variation (1919 = 100 Per cent. Latest figure September)



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



Index of Employment in Manufacturing Industries (1919 Average = 100 Per cent. Latest figure September)



Member Bank Credit—Weekly Figures for Member Banks in 101 Leading Cities (Latest figures October 15)

Bank Credit

During the five weeks ended October 15 loans and investments of reporting member banks in leading cities increased by more than $600,000,000. Credit demand for financing the marketing of crops and the fall activity of trade was reflected in increased commercial loans throughout the country and the total volume of these loans rose to a level considerably above the peak of October 1923. Member bank investments in securities continued to increase and loans on stocks and bonds also advanced. A further growth of demand deposits carried their total to the highest figure on record.

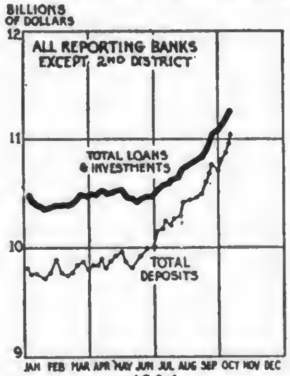
At the Federal Reserve Banks, discounts changed but little in September and declined in the first three weeks of October, while holdings of acceptances increased considerably and there was also some increase in United States securities. As a consequence, total earning assets were larger than at any time since early in the year. Larger currency requirements partly seasonal in character were reflected between August 1 and October 1 in an increase of $140,000,000 in the total volume of money in circulation.

Money rates in the New York market remained relatively constant in the latter part of September and the early part of October. On October 15 the discount rate of the Federal Reserve Bank of Minneapolis was reduced from 4½ to 4 per cent.

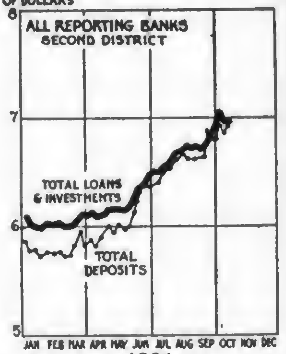
Banking Conditions in the Second District

A further sharp rise in the loans and investments, and the total deposits of reporting member banks in the principal cities of this district in the latter part of September was in keeping with the banking tendencies elsewhere throughout the country, and brought bank credit in this district to a new high level, approximately $850,000,000 above the level on June 4. During the first two weeks of October, however, loans and investments and total deposits in this district declined slightly, while for the rest of the country they continued to increase.

The pause in the expansion of credit in this district was due chiefly to a moderate decline in loans on stocks and bonds by New York City banks and accompanied some loss of funds to the interior, and adjustments in the money market incident to Government operations on October 15. Commercial loans showed a further increase to a point equal to the high level of last fall, and security investments reached points higher than ever before. The following diagrams compare by weeks the recent course of loans and deposits of reporting banks in the Second District and in all districts except the Second.



Total Loans and Investments and Total Deposits of 636 Reporting Member Banks in Principal Cities Outside the Second District. (Latest figures, October 15)



Total Loans and Investments and Total Deposits of 108 Reporting Member Banks in the Second District. (Latest figures, October 15)

At the Federal Reserve Bank of New York member banks increased their borrowings moderately during the first two weeks of October and there was a temporary increase in the holdings of bills and Government securities, with the result that on October 15 the total earning assets stood at the highest level since the early part of 1923. Following the 15th, however, there was a considerable return flow of funds from the interior, and total earning assets of the Reserve Bank declined by approximately $100,000,000 to levels not far from those prevailing in September.

Money Markets

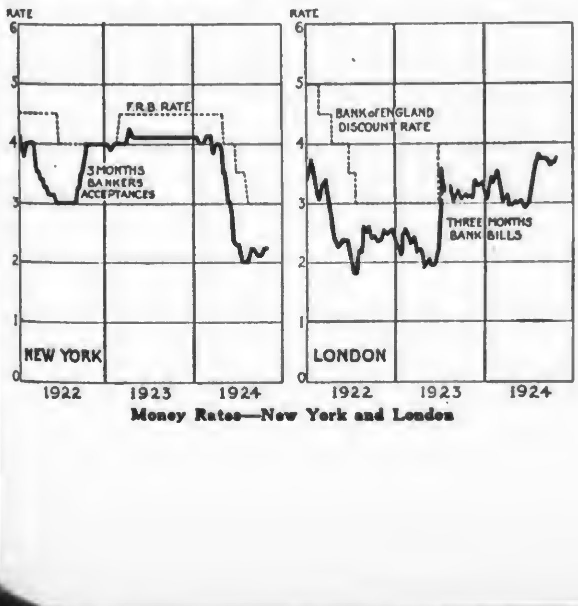
Further expansion in business activity and in borrowing for commercial and agricultural purposes, accompanied by the movement of funds to the interior, led to slightly firmer money conditions during the first part of October. After October 15 a return flow of funds to this district caused a recurrence of easy conditions, but rates were little affected except in the Stock Exchange money market.

In the bill market, the firmer money led to increased offerings to dealers, with the result that dealers' portfolios increased sharply to approximately the highest levels of the year, and there was a substantial increase also in their borrowings at the Reserve Bank. In consequence, open market rates on 90-day bills were advanced slightly to 2⅜ per cent. on purchases and 2¼ per cent. on sales. Following these rate advances portfolios showed a decline.

In the commercial paper market, on the other hand, a more active demand for paper from banks in New York City and other centers contributed to a slight decline in rates to 3-3¼ per cent., the level which had prevailed in August and with that exception the lowest since 1916. Supplies of paper were somewhat smaller than in September, when the outstanding paper of reporting dealers showed a further increase of $3,000,000 to $914,000,000, the highest since December 1920.

Stock Exchange time money, after declining in the latter part of September, was also slightly firmer in the early part of October. Call money ruled at 2½ per cent., compared with 2 per cent. in September, until October 17, when the rate again declined to the 2 per cent. level. Later in the month there was again an advance in call money rates.

While money rates in this market have remained relatively low, those in London have advanced in the past month, with the result that the spread in rates between the two markets has become wider, as indicated in the accompanying diagram.

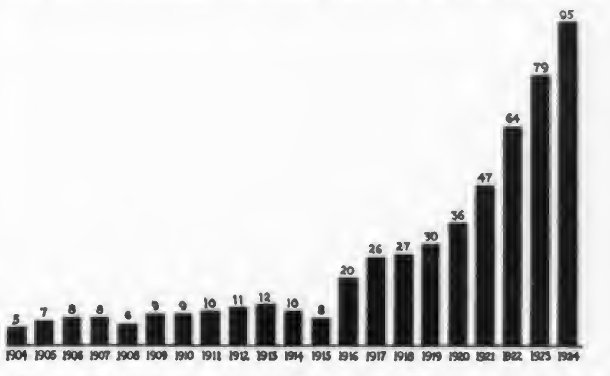


Money Rates—New York and London

Security Markets

The offering of $110,000,000 7 per cent. 25 year bonds as the American portion of the German external loan provided for in the plan of the First Committee of Experts to the Reparation Commission was the outstanding event in the security markets in October. The bonds, which were sold at a price to yield nearly 7¾ per cent., are part of a loan aggregating approximately $190,400,000, offered simultaneously in the United States, Great Britain, France, Italy, Switzerland, Holland, Belgium, Sweden, and Germany. They were largely oversubscribed almost immediately, and both here and in London were immediately quoted on the exchanges at a premium of several points.

Besides the German loan, offerings of foreign securities late in September and in October totaled approximately $265,000,000, including two large loans to the Swedish and Mexican governments, and two French railway issues. The total of foreign issues sold here since the first of the year is now over a billion dollars. An indication of the growth of the market in this country for foreign securities appears in the following diagram, which shows the number of foreign government, state, and municipal issues traded in on the New York Stock Exchange during each year since 1904. These figures are exclusive of Canadian provincial and municipal securities, and also of foreign corporation issues which alone would increase the total for 1924 about one-third.



Number of Foreign Government, State, and Municipal Issues Traded in on the New York Stock Exchange Each Year, Canadian Provincial and Municipal Issues Excluded. (Latest figures, through October 20, 1924)

The prices of outstanding corporation bonds generally held steady in October and bond averages were little changed at levels slightly below the August high point for the year. United States Government securities became firmer in the latter part of the month, and the long-term Treasury 4¼s reached a new high price at 107.

In the stock market a sharp decline in prices early in the month carried railroad and industrial averages down about 4 to 5 points to the lowest level since July. Prices subsequently recovered part of these losses, and on October 24 both railway and industrial averages were approximately 3 points below the August high levels.

Foreign Exchange

Improved sentiment resulting from flotation of the German loan and other foreign issues in this market, together with some tendency for funds to flow to London due to higher rates there, were among the influences offsetting seasonal pressure from cotton and grain bills, and sterling in October advanced about 6 cents to \$4.50⅝, the highest since August. Dutch guilders reached their highest point since August 1923, and Swiss francs were higher than at any time since May 1922.

Other changes included a decline in Danish exchange, and a temporary reaction in the Norwegian rate, following the suspension of a large Norwegian bank. German, Austrian, Belgian, and Italian quotations were comparatively steady, but French exchange declined slightly. Canadian dollars continued to fluctuate about par, and Brazilian and Argentine rates were firmer.

Although Japanese foreign trade during the first twenty days in September continued to show an excess of exports, the yen at 38.13 cents on October 10 reached a point lower than ever before. Chinese exchanges, on the other hand, advanced, and Indian rupees were the highest since 1920, accompanying further rise in silver to 72 cents an ounce, the highest since July 1922.

Gold Movement

Imports of gold in September amounting to \$6,600,000 were the smallest since February 1920. Of these imports, approximately \$2,500,000 was from Canada, and \$1,500,000 from Argentina, while imports from Great Britain, which were as high as \$23,000,000 in January, fell to only \$16,567. As exports increased to \$4,600,000, chiefly to British India and Hong Kong, the net import movement was only \$2,000,000.

In the first 25 days of October an increase in the incoming movement was indicated by imports of \$12,750,000 at the Port of New York alone. Exports in the same period at the Port of New York totaled \$2,494,000.

The following table compares net imports by quarters during 1924, and indicates the changes in the gold movement, by countries, since the first of the year. The decline in imports in the third quarter reflects chiefly smaller shipments from England and from the Netherlands, but was due also to decreases in the amounts shipped from all other principal countries except Argentina.

(000 Omitted)

Country	1924		
	First Quarter	Second Quarter	Third Quarter
England	\$61,971	\$48,521	\$20,401
Germany	2,882	1,937	2
France	8,517	1,232	890
Sweden	42	6,150	......
Netherlands	5,917	28,582	2
British India	....	....	3,691*
China and Hong Kong	667	4,476	139
Canada	16,898	8,779	6,418
Mexico	799	363	288
Argentina	4,486	3,972	7,714
All Other	10,787	5,409	4,073
Net Imports	\$112,966	\$109,421	\$36,236

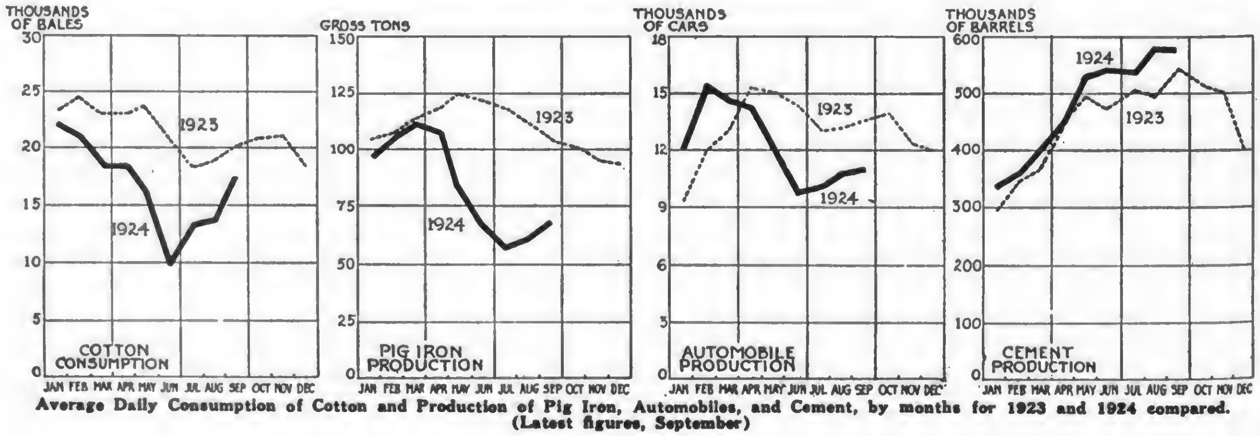
*Net Exports

Foreign Trade

A further increase of nearly \$100,000,000 in the value of exports in September carried the total to \$427,000,000, the largest since February 1921. While imports increased about \$30,000,000 to \$285,000,000, the excess of exports was also the largest since 1921.

In September as in August a large part of the increase in exports was due to heavy shipments of cotton and wheat, which rose \$57,000,000 and \$22,000,000 respectively. Of the total increase of about \$150,000,000 in exports since July, over \$100,000,000 has been due to shipments of these commodities alone. Compared with September last year, wheat exports have more than doubled, both in quantity and value, but cotton exports, though somewhat larger in quantity, have decreased in value, due to lower prices.

A factor in the larger import total was an increase of nearly \$8,000,000 in value of silk imports, which, measured in bales, were the largest ever reported. Imports of rubber also increased in September, but those of coffee declined.



Average Daily Consumption of Cotton and Production of Pig Iron, Automobiles, and Cement, by months for 1923 and 1924 compared. (Latest figures, September)

Production

The sharp rise in the Federal Reserve Board's composite index of the production of basic commodities in September was accompanied by advances in nearly all of this bank's indexes of production in individual lines.

The blowing in of 23 blast furnaces in September was reflected by a further increase of 9 per cent. in pig iron output and steel ingot output rose an additional 11 per cent. to 82 per cent. of the computed trend. Unfilled orders of the Steel Corporation at the end of September showed a further increase of 184,000 tons. During the first three weeks of October orders taken by the Steel Corporation were reported larger than in the same period of September, but production for the industry as a whole was reported as continuing at about the September rate.

(Computed trend of past years=100 Per cent.)

	1923	1924		
	Sept.	July	Aug.	Sept.
Producers' Goods				
Pig iron	102	57	58	65
Steel ingots	100	55	72	82
Bituminous coal	99	75	74	88
Copper, U. S. mines	102	104	112	104*p*
Tin deliveries	80	60	84	85
Zinc*	68	70	68	66
Petroleum	144	123	126	....
Gas and fuel oil	95	97	97	....
Cotton consumption	88	61	63	78
Woolen mill activity*	100	70	74	84*p*
Cement	136	147	149	148
Lumber	125	107	104	....
Leather, sole	90	73	72	78
Consumers' Goods				
Cattle slaughtered	98	109	103	104*p*
Calves slaughtered	118	133	130	142*p*
Sheep slaughtered	76	93	87	87*p*
Hogs slaughtered	146	136	126	127*p*
Sugar meltings, U. S. ports	102	126	105	131
Wheat flour	109	121*r*	114*r*	125
Cigars	88	89	84	91
Cigarettes	85	80	78	82
Tobacco, manufactured	96	103	97	107
Gasoline	107	118	116	....
Tires*	107	130	168	....
Newsprint	104	104	104	110
Paper, total	85	85	87	92
Boots and shoes	90	74*r*	74	88*p*
Anthracite coal	35	93	83	91
Automobile, all	140	113	110*r*	116*p*
Automobile, passenger	149	122	118*r*	121
Automobile, truck	104	80	78	96*p*

*=Seasonal variation not allowed for. *p*=Preliminary. *r*=Revised.

An increase of 78,000 bales, or 22 per cent., in the mill consumption of cotton occurred in September, and further expansion of operations by some of the mills was reported in October. Woolen mill activity was also considerably increased.

In the automobile industry, the output of passenger cars increased 3 per cent., and was 18 per cent. above the June low level, but 14 per cent. lower than in September last year. The production of trucks also increased and was larger than a year ago.

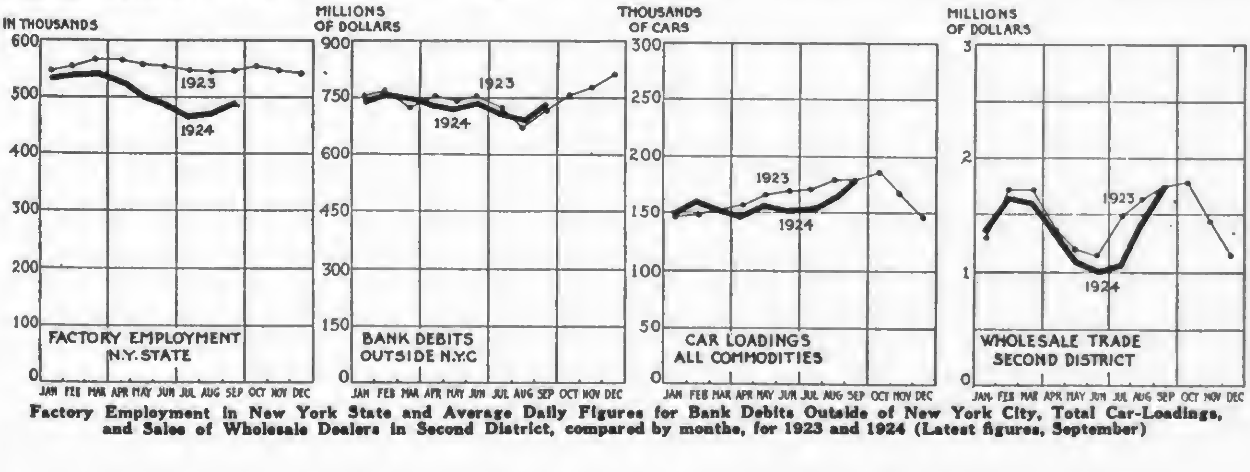
Mining of bituminous and anthracite coal increased at more than the seasonal rate in September, but in October the rise in bituminous production was checked about the middle of the month, and anthracite output was limited by heavy rains. Cement production in September declined slightly, and copper mining was also smaller. The diagram at the bottom of page 4 compares daily average production in four industries by months this year and last year, and the table on this page gives this bank's index numbers of production for a larger number of industries in percentages of the computed trend, with allowance for seasonal variation.

Indexes of Business Activity

This bank's indexes of business activity generally showed further advances in September and in many cases reached levels close to or above normal, as measured by the trend of past years.

Total railway carloadings continued to increase, and in the early part of October were within 1 per cent. of the largest ever reached, while loadings of grain and merchandise and less than carload lot freight were larger than ever before. In part, the large carloading figures may reflect lighter loading per car, as net ton mileage figures have been considerably below those of carloadings.

Bank debits outside of New York City showed somewhat less than the usual seasonal increase, but continued larger than last year. Factory employment, on the other hand, while larger than in August, was considerably smaller than a year ago. The following table gives this bank's indexes in percentages of the computed trend,



Factory Employment in New York State and Average Daily Figures for Bank Debits Outside of New York City, Total Car-Loadings, and Sales of Wholesale Dealers in Second District, compared by months, for 1923 and 1924 (Latest figures, September)

with allowance for seasonal variation and, where necessary, for price changes.

(Computed trend of past years=100 Per cent.)

	1923	1924		
	Sept.	July	Aug.	Sept.
Primary Distribution				
Car loadings, merchandise and misc.	103	96	100	103
Car loadings, other	106	93	97	100
Wholesale trade, Second District	98	89	94	102
Exports	95	89	98	106p
Imports	94	108	92	106
Grain exports	86	42	84	....
Panama Canal traffic	155	123	116	125
Distribution to Consumer				
Department store sales, Second District	97	93	87	101
Chain store sales	96	93	95	92
Mail order sales	91	82	81	103
Life insurance paid for	112	109	100	110
Amusement receipts	84	114	....	....
Magazine advertising	101	99	92	99
Newspaper advertising	97	86	89	93
General Business Activity				
Bank debits, outside of New York City	95	99	101	99
Bank debits, New York City	93	112	116	111
Velocity of bank deposits, outside of New York City	102	95	98	92
Velocity of bank deposits, New York City	104	103	109	103
Postal receipts	97	99	96	100
Electric power	108	104	106	....
Employment, N. Y. State factories	101	88	89	90
Business failures	83	103	103	87

p=Preliminary.

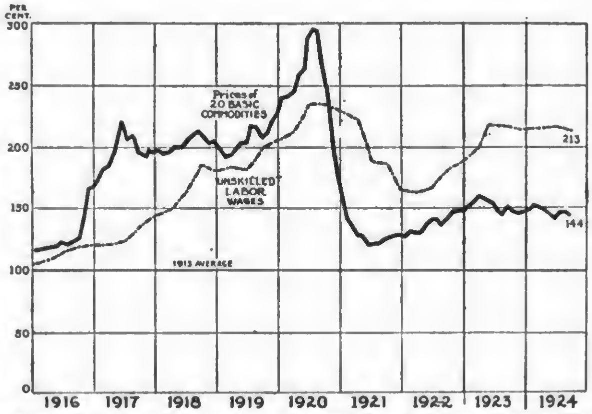
Employment and Wages

The slight increase in the number of persons employed in representative factories in this State in August was followed by a more rapid recovery in September, when the number of workers on the payrolls was increased about 4 per cent. Increases occurred in practically all the major industrial groups except building materials. The following table shows the changes since the July low point in a number of basic industries of the State, and compares them with the decline of the spring and early summer.

Industry	Per cent. of Change in number of Employes	
	Mar. to July	July to Sept.
Iron and steel	— 46	+ 17
Machinery	— 12	+ 3
Automobiles	— 36	+ 16
Cement	+ 2	.....
Brick	+202	— 28
Furniture	— 10	+ 4
Carpets and rugs	— 16	+ 5
Cotton goods	— 32	+ 62
Woolen and worsted	— 34	— 6
Cotton and woolen knit goods	— 35	+ 9
Men's clothing	— 6	+ 3
Women's clothing	— 43	+ 56
Shoes	— 11	+ 4

Notwithstanding the September increase in employment, the total number of workers in representative factories of the State was approximately 11 per cent. smaller than a year ago, and State employment offices report that while they have experienced some increase in the demand for workers, the requests are still considerably fewer than the applications for work. Labor turnover in factories is unusually low, and most employers report a surplus of labor in their localities. A further reflection of the changed conditions as compared with last year appears in the reports of the Public Welfare Department of New York City, which show an average of about 1,900 applicants for free lodging in each of the first three weeks in October this year, compared with about 1,200 in the corresponding weeks of last year.

The general level of wages remains little changed. Reports to this bank from representative employers in this district show that hiring rates for unskilled labor are, for the most part, very nearly the same as on July 1, and on October 1 a year ago. Rates for skilled labor in this district likewise have been little changed in recent months, though in the building trades fewer bonuses are being paid. Average weekly earnings of factory workers have increased since July, due to the reduction in part time employment. The following diagram shows the recent movements in this bank's indexes of unskilled labor wages and prices of basic commodities, both of which form important elements in the cost of manufacture.



Wages of Unskilled Labor compared with Prices of Basic Commodities (1913 average = 100 Per Cent.)

Building

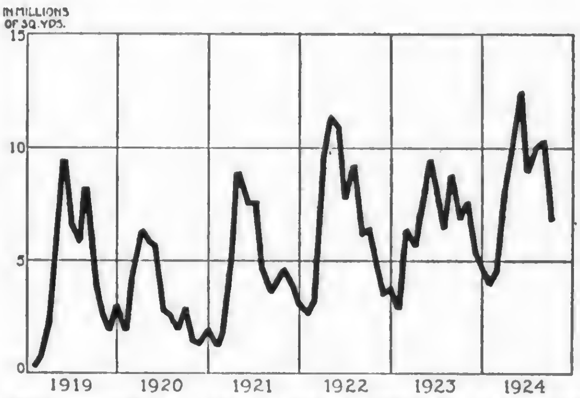
The value of building contracts awarded in September throughout the country was slightly smaller than in August, but 19 per cent. larger than in September last year, according to the F. W. Dodge Corporation. Since January 1 the total of new construction contracted for has been nearly 12 per cent. larger than in the same period of last year.

Most of the increases in building contracts in recent months have been outside of the New York district. Figures for this district in September, however, still showed an increase of 9 per cent. over a year ago, and for New York City alone an increase of 21 per cent. Notwithstanding the large amount of residential building contracted for during the past year, the percentage of this type of contracts has not materially changed as compared with September 1923.

Building materials prices, according to the Department of Labor's index, have maintained a steady average recently, after a decline of about 7 per cent. during the spring and early summer. While building wages throughout the country have been generally unchanged, there were more decreases than increases in September for the first time in over two years.

Road Building

Exceptional activity in residential construction during the past year has been supplemented by unusually heavy road building. The number of square yards of concrete pavements for roads, streets, and alleys contracted for in the first nine months of this year has been greater than in any corresponding period. The steady growth in this type of road construction is indicated by the accompanying diagram, which shows the contracts let by months since 1919. The increased activity in this field has been an important factor in the continued high level of cement production, about 25 per cent. of which, it is estimated, is used in construction of pavements. Road construction has absorbed a considerable number of unskilled laborers released by the curtailment in manufacturing industries.

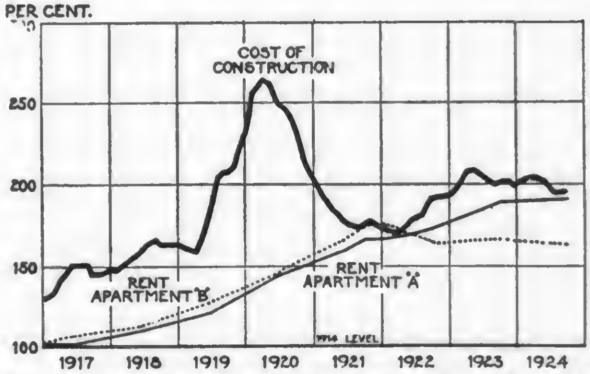


Contracts Awarded for Concrete Highway Construction in the United States by Months. (In millions of square yards. Latest figure, September)

Apartment Rents

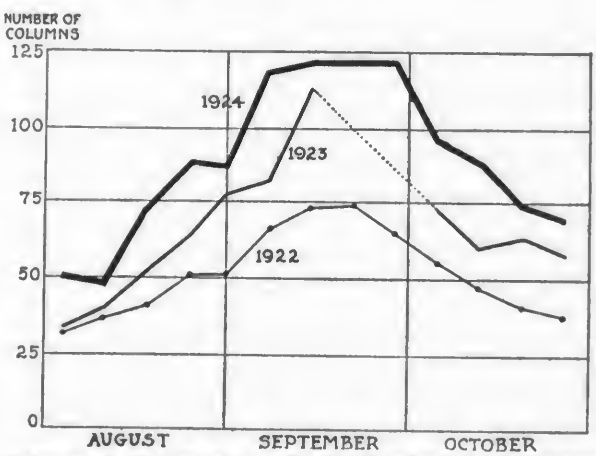
Reports from representative apartment house owners and managers in New York City indicate a slight decline since last year in rents of apartments which rented in 1920 for $15 to $30 monthly per room, and a reduction of about 4 per cent. in higher priced apartments, but show a further slight advance in rents of cheaper apartments. In some cases, however, where rental rates show little or no change, it has been possible for tenants to obtain other concessions.

Compared with 1914 levels, present renting rates for the lower priced apartments show an advance of about 91 per cent., and for medium priced apartments about 63 per cent. The accompanying diagram compares the movement of rents for these two classes of apartments with this bank's index of the cost of construction, including both building materials and building wages.



Rents of Apartments in New York City compared with Changes in the Cost of Building Construction. Apartment A is the Typical Apartment renting for less than $15 per room in 1920. Apartment B is the Typical Apartment renting for between $15 and $30 per room in 1920

Further indication of some surplus of medium and high priced apartments appears in the large volume of advertising of vacant apartments offered in many cases at lower rents than a year ago. Out of a list of 38 apartment houses advertised in the daily papers in both 1923 and 1924, 20 offered reduced rents this year, 11 showed no change, and only 7 showed advances. The accompanying diagram compares the number of columns of apartment house advertising in the Sunday edition of a leading New York newspaper during the past three renting seasons.



Columns of "Apartments for Rent" Advertising in the Sunday Edition of a New York Newspaper during the Renting Seasons of 1922, 1923, and 1924

The supply of funds for high grade mortgage loans is reported to be large, and this, together with some decrease in acceptable applications, has led to a decline of approximately ½ of 1 per cent. since the first of the year in the prevailing interest rate on mortgage loans. In Manhattan the prevailing rate for highest grade mortgages is close to 5 per cent., and in the outlying boroughs 5½ per cent. Lenders report that they are adopting a cautious policy in granting new loans.

Wholesale Trade

Wholesale trade in this district continued to increase in September, and sales of representative dealers were 4 per cent. larger than a year previous, chiefly because there was one more selling day in the month this year than in 1923.

The chief increases in sales over a year ago occurred in diamonds, wearing apparel, and stationery, but sales of drugs and silk goods continued larger than last year, and those of groceries and shoes rose above 1923 for the first time since the early part of the year. Sales of hardware, jewelry, and cotton goods, on the other hand, remained smaller than last year, though larger than in August, while machine tool sales were at the lowest point in two years.

Comparative figures of September sales with those of previous years appear in the following table.

Commodity	Dollar Value of September Sales (September 1923=100 Per cent.)				
	1920	1921	1922	1923	1924
Diamonds	112	59	123	100	127
Stationery	150	96	93	100	117
Clothing	117	80	98	100	109
(a) Men's	127	73	89	100	113
(b) Women's dresses	125	100	114	100	108
(c) Women's coats and suits	98	70	96	100	106
Drugs	82	82	88	100	104
Groceries	124	93	98	100	103
Shoes	109	108	109	100	102
Dry goods	83	80	87	100	98
(a) Cotton	97	95	91	100	93
(b) Silk	70	65	82	100	102
Hardware	122	76	93	100	95
Jewelry	162	73	89	100	95
Machine tools	248	26	104	100	88
Weighted Average	112	84	95	100	104

Chain Store Sales

September sales of reporting chain stores were substantially larger than a year ago in the cases of dry goods, grocery, ten cent, and candy chain systems, but smaller than last year in the cases of tobacco, shoe, and drug chains. In all lines, however, except ten cent stores, the volume of sales per store was either unchanged or showed a decline, and this bank's index of chain store sales declined 3 points to 92 per cent. of normal as measured by the trend of past years. The following table gives detailed comparisons of the sales of the different chain systems during the past five years.

Type of Store	Number of Stores		Dollar Value of Sept. Sales (Sept. 1923=100 Per cent.)					Per cent. Change in sales per store Sept. 1923 to Sept. 1924
	Sept. 1923	Sept. 1924	1920	1921	1922	1923	1924	
Dry goods	544	638	72	68	79	100	113	— 3.2
Grocery	16,206	19,024	79	68	83	100	113	— 3.9
Ten Cent	1,828	1,986	75	75	90	100	112	+ 3.5
Candy	191	206	80	79	87	100	108	— 0.3
Shoe	316	378	86	77	91	100	98	—17.7
Tobacco	2,747	2,814	98	92	97	100	98	— 4.2
Drug	312	318	92	91	95	100	95	— 6.9
Total	22,144	25,364	80	73	86	100	110	— 3.5

Department Store Business

September sales of 63 reporting department stores in this district were 12 per cent. larger than a year ago, partly because of more selling days than in September 1923, and partly because of an unusual number of special sales in the month. Average daily sales for the district were 4 per cent. larger than a year ago, and for Newark and New York City stores were 5 to 7 per cent. larger than in 1923. Stores in Buffalo, Syracuse, and various other selected cities reported small increases in aggregate sales over last year, while stores in Bridgeport and Rochester reported decreases.

All major departments of the stores showed substantial increases in business over last year, except silk goods, in which there was a decrease of about 11 per cent. The increases were particularly large in woolen goods, furniture, and home furnishings. The average value of the individual sales transaction for the stores was $3.05, compared with $3.00 last year.

	Per cent. Change in Sales over Sept. 1923	Per cent. Sales of each Dept. to Sales of all Departments
Woolen goods	+29.0	2.9
Furniture	+25.3	8.9
Home furnishings	+19.5	18.7
Women's ready-to-wear accessories	+17.1	14.4
Women's and Misses' ready-to-wear	+15.6	9.2
Hosiery	+14.4	2.7
Shoes	+14.2	3.6
Cotton goods	+11.6	3.2
Men's and Boys' wear	+ 9.9	7.3
Silk goods	—10.7	3.7
Miscellaneous	+16.7	25.4

Stocks of merchandise on hand October 1 for the second successive month were approximately equal to those of a year previous. The percentage of outstanding orders of the stores to total purchases during the previous year was 8.2 per cent. on October 1, compared with 7.9 per cent. on September 1, and 9.3 per cent. on October 1, 1923.

Sales by leading mail order houses in the United States increased 44 per cent. over August to the largest total since April, and were 17 per cent. larger than in September 1923. This bank's index of mail order sales, after allowance for seasonal variation and price changes, was 4 per cent. above the computed trend of past years. The following table shows the comparative figures for department stores and mail order houses in September for the last five years.

	Net Sales during Sept. (Sept. 1923=100 Per cent.)					Stock on hand Oct. 1 (Oct. 1, 1923=100 Per cent.)				
	1920	1921	1922	1923	1924	1920	1921	1922	1923	1924
New York	93	82	97	100	115	110	93	92	100	99
Buffalo	93	87	96	100	106	120	99	92	100	103
Newark	80	82	92	100	114	120	91	92	100	106
Rochester	91	80	89	100	95	133	100	91	100	96
Syracuse	93	80	90	100	102	142	92	91	100	98
Bridgeport	102	85	98	100	96	128	104	103	100	104
Elsewhere, 2d Dist.	102	93	99	100	105	113	107	96	100	97
Apparel	85	81	95	100	109	90	83	87	100	97
All dept. stores	91	83	96	100	112	112	93	92	100	100
Mail order houses	96	79	82	100	117	...	...	...	...	...