

Federal Reserve Board Summary

December showed a loss in volume of output—Retail sales higher

Summary of general business and financial conditions throughout the several Federal Reserve Districts, based upon statistics for the months of December and January, as contained in the forthcoming issue of the Federal Reserve Bulletin:

Volume of output of industry decreased further in December to the lowest level in more than a year, and wholesale prices continued to decline. Easier conditions in the money market in January reflected the usual seasonal liquidation after the turn of the year.

In December, for the third consecutive month, there was a decrease in industrial production, and the Board's new index, with adjustment for seasonal variations, was 105 on the basis of the average for 1923, 1924, and 1925 as 100. This compares with 113 in September, the high point of the year, and with 108 a year ago. The decline since the recent high point has been entirely in the manufacturing industries. By far the greatest recession of recent months has been in the automobile industry, output of passenger cars and trucks in the United States decreasing from 425,000 in August to 165,000 in December. Reduction in the manufacture of automobiles is usual at the end of the year, when plants close for inventory taking and repairs, but in December, 1926, the decline was considerably larger than usual. Production of iron and steel has also been sharply reduced since the middle of autumn, and activity in the woolen and worsted and silk industries has been somewhat curtailed. Production of lumber, cement, and other building materials has reflected the usual winter decrease in demand. Cotton consumption, on the other hand, was larger than in any previous December. Factory employment and payrolls declined further in December, reflecting decreases in nearly all industries except cotton goods, clothing, foundries and machine shops, and printing and publishing.

The value of building contracts awarded in December, as in November, was larger than in the corresponding period a year earlier, but for the first three weeks of January contracts were in smaller volume than during the same weeks of 1926.

Retail sales during the holiday trade in December exceeded all previous records. Sales at wholesale, on the other hand, declined in December and were smaller than a year ago in practically all leading lines, except shoes. Merchandise stocks carried by department stores were reduced slightly more than is usual in December and were somewhat smaller at the end of the month than in 1925, and wholesale stocks were also slightly smaller than a year ago.

Chain Store Sales in 1926

Leading chain store sales in 1926:

Company	1926	Increase Over 1925	P. C.
F. W. Woolworth	\$253,639,084	\$14,611,105	6.1
J. C. Penney Co.	115,682,737	24,620,121	27.0
S. S. Kresge	119,218,007	13,252,397	12.5
S. H. Kress & Co.	51,869,460	5,906,264	12.8
W. T. Grant	35,934,289	5,771,765	19.0
McCrary Stores	33,592,730	3,999,521	13.5
Metropolitan Stores	11,008,349	2,332,947	26.9
J. J. Newberry Co.	9,984,694	3,108,588	45.2
McLellan Stores	9,454,329	2,724,879	40.4
F. & W. Grand	10,501,938	1,982,746	23.2
Neisner Bros., Inc.	4,421,229	1,726,532	64.0
I. Silver & Bros.	4,785,304	846,272	21.4
Total	\$660,092,150	\$80,883,137	13.9

Chain store executives point out that while new stores have been partly responsible for the large gain in sales in 1926, stores which have been in operation for a year or more also made substantial contribution to the year's activity.

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\$ 115,000,000 M O R E than in 1925

That's Texas' 1926 farm products market record—\$910,000,000 was Texas' 1926 crop as against \$7,801,313,000 for the entire country. ONE EIGHTH produced in ONE STATE.

Texas' corn crop is four times the 1925 crop—its wheat crop five times the 1925 crop. Add to this a \$50,000,000 increase in sales of cattle, sheep and hogs and you will quickly see why we say

THERE'S NOTHING THE MATTER WITH TEXAS

Oil added another \$625,000,000 to the incomes of Texas land owners and employes—then there are the vast vegetable gardens—the prolific orchards and vineyards—and countless other rich resources which increase the vast buying power of Texas as it swings into the new year.

Merchants of Forth Worth report the busiest Christmas business ever known while the Holiday trade in all West Texas set new records. Automobile and furniture sales reached new high levels.

And West Texas is the richest section of this fabulously rich State—which means that advertisers including the Fort Worth Star-Telegram and Record-Telegram on their schedules are SURE of at least ONE highly profitable market.

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