

# Monthly Business Review

Finance, Industry,  
Agriculture, and Trade

Fourth Federal Reserve District  
Federal Reserve Bank of Cleveland

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No. 9

## POSTWAR BANKING DEVELOPMENTS

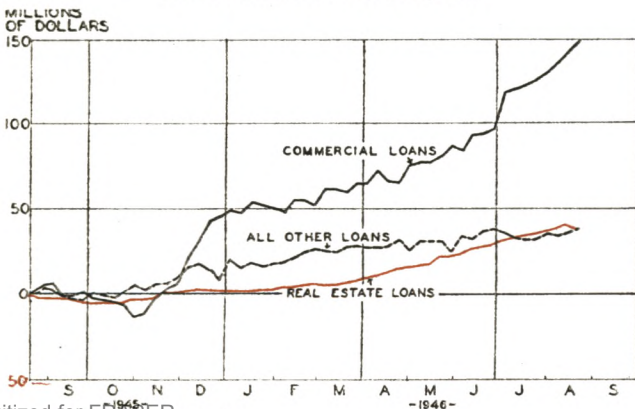
The major features of postwar banking represent a distinct contrast to the one-sided credit expansion which characterized the five or more years of war and national defense preparations. Certain important changes have taken place, some of which may be highly significant over the longer term.

The commercial loan departments of banks have returned to a peacetime basis. The credit worthiness of prospective borrowers can no longer be appraised in terms of war orders on the books or in process. Ability to repay is once again affected by the vagaries of economic competition for public patronage.

Real estate lending has also moved out of the wartime doldrums, and consumer loan departments are making preparations to share in the anticipated large postwar expansion of instalment credit.

On the other hand, loans on securities have gradually receded from the record high levels established during successive war loan drives. Portfolios of U. S. Government securities likewise have been slowly shrinking since early this year. Only with respect to holdings of Treasury bonds is the wartime trend still in effect.

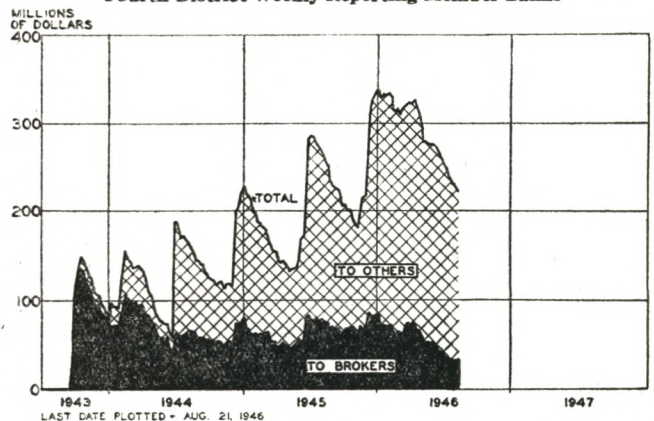
**Postwar Fluctuations in Loans**  
Fourth District Weekly Reporting Member Banks  
(Cumulative from August 15, 1945)



**Marked Expansion in Commercial Loans** The revival of the commercial lending function is one of the most noteworthy developments of the postwar period. The rise in commercial loans at the 40 weekly reporting banks in the Fourth District within the past year has been perhaps the sharpest on record for so short an interval. Since the end of October, the volume outstanding has increased around \$160 million or about 43 percent. Thus far there has been no interruption of consequence, and from all indications the upward movement will continue for some time to come. Although conventional working capital loans were an important element in this persistent expansion, a considerable portion was contributed by loans to firms in the consumer credit field, and by term loans to industrial and commercial enterprises.

**Real Estate and Consumer Loans** While the expansion in real estate and "all other" loans appears to suffer by comparison with the unprecedented upswing in commercial loans, it may prove to be of longer duration. In view of the vast unfulfilled demand for housing and consumer durable goods, real estate loans and instalment loans to individuals may be destined to expand for many months to come.

**Loans for Purchasing or Carrying U. S. Gov't Securities**  
Fourth District Weekly Reporting Member Banks



It is worth noting that, of the two, real estate loans which were off to a much slower start after V-J Day have recently been rising much more rapidly than consumer loans in this District. In both kinds of lending, commercial banks meet keen competition from other types of lending agencies.

**Security Loans Declining** In contrast to the reconversion boom in the loans discussed above is the measured contraction in borrowing directly traceable to war finance. Loans to brokers and others for purchasing or carrying U. S. Government securities have been in a declining trend from the all-time high established at the time of the Eighth (Victory) Loan at the turn of the year.

However, unless the rate is accelerated, the liquidating period may extend over another year or two. In the aggregate these loans, many of which in a sense are speculative in character, are still larger than at any time prior to the final war year, as indicated on an accompanying chart. This is one of the vestiges of wartime banking that appears to linger on.

**Shrinkage in Portfolios** Another outstanding development of the postwar period is the contraction in the investment portfolio of commercial banks, chiefly through the use of Treasury cash balances in the reduction of the Federal debt.

As of mid-August some \$13 billion of certificates of indebtedness and Treasury notes and bonds had been retired at maturity out of the proceeds of the final war loan drive. The effects of that record redemption program (confined largely to one year issues) upon Fourth District weekly reporting banks is depicted elsewhere on these pages. The relative proportion of Treasury bonds in the aggregate portfolio has been steadily increasing, not only because of the reduction in notes and certificates, but also because of an actual expansion in bond holdings. Although the amount of Treasury bonds outstanding at present is a shade smaller than at the beginning of the year, the reporting banks have increased their holdings by approximately \$120 million during 1946 to date. Doubtless this expansion is related indirectly to the aforementioned contraction in loans secured by U. S.

Government obligations. Many such loans have been, and probably will continue to be, liquidated by means of sale of the collateral rather than out of current income thereby adding to the supply of Treasury bonds in the open market.

The downward trend in investment holdings is probably of a more temporary nature than the contemporary expansion in loans. Its duration is almost entirely dependent upon the rate at which the Treasury continues to draw down cash balances in the next several months. At the conclusion of that phase further debt reduction can come only out of cash accumulated out of current revenues in excess of outgo. By that time the aggregate investment portfolio of Fourth District reporting banks will consist of around 75 percent of Treasury bonds.

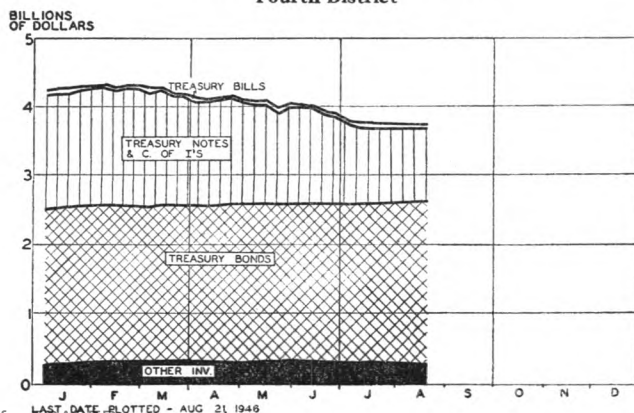
**Contraction in Total Deposits** Up to the present the shrinkage in investments and the decline in collateral loans have exceeded the concurrent growth in other loan categories with the result that total earning assets are somewhat lower than at the all-time peak established last February. Total deposits have also declined. The contraction has been most noticeable in war loan deposits, but adjusted demand deposits have also dropped somewhat below the all-time high reached in May 1945.

Only in the case of time deposits is there any semblance of wartime trends, yet even in this instance the growth has been decelerated to about one-half the record rate in effect in recent years. Since January 1, time deposits of individuals, partnerships, and corporations at Fourth District weekly reporting banks have risen only about \$75 million, as against about \$140 million in the comparable period a year ago.

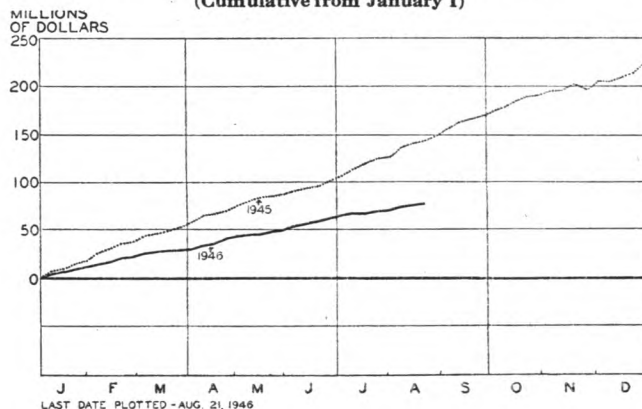
The extension of the upward trend in savings deposits even on a modified scale, into the postwar period is a noteworthy development, particularly in view of the many highly competitive channels of savings and investment which exist, and the substantial backlog of demand for, and growing supply of, goods which consumers generally do not purchase wholly out of current income. (See Current Events.)

(Please turn to page 7)

**Composition of Investment Holdings—1946 to Date**  
Weekly Reporting Member Banks  
Fourth District



**Time Deposits of Individuals and Corporations**  
Fourth District Weekly Reporting Member Banks  
(Cumulative from January 1)



## PRICE INDEXES

During the past few years, there has been a growing tendency to link discussions of proposed wage rates to the "cost of living." Reference is usually made to one of several price indexes in order to prove the point at hand. The indexes most commonly used are: the Wholesale Price Index of 889 commodities; the Consumers' Price Index; and the Daily Spot Market Index of 28 Basic Commodities. All are compiled by the Bureau of Labor Statistics.

Each of these indexes, however, utilizes a different base period as its point of reference; each measures the collective price movements of a specific group of commodities (or services); and each measures prices at a different level in the marketing process.

On the accompanying chart the three indexes are plotted on a monthly basis from August 1939 to date. In order to show clearly the trend of each on a comparable basis, they have been converted to a common base period of 100 as of August 1939.

The significance of each index and its usefulness and accuracy for a specific purpose may be determined from a brief description of them.

The Index of Wholesale Prices measures price changes in wholesale markets for 889 commodities. The base period is 1926 and the major product classifications are farm products, foods, building materials, hides and leather, house-furnishings, fuel and lighting materials, chemicals, metals, and textile products. The items are weighted according to their aggregate values at wholesale in a representative year. To insure comparability over long periods of time, only the most staple or standard items are included in the index and style or fashion goods that change rapidly in character are avoided. At the present time, price quotations either are unavailable or are estimated for about 20 percent of the commodities in the index.

The Consumers' Price Index for Moderate-Income Families in Large Cities, which is commonly called the "cost of living" index, measures retail price changes in a large number of cities for goods and services that enter into the budget of a moderate-income family. It is a quantitative measure and does not allow for changes in quality. The categories included in the index are foods, clothing, house furnishings, fuel and lighting, rent, and several miscellaneous goods and services. The base period of the index is 1935-1939. The items are weighted in proportion to

their importance in the expenditures of low-income families in a representative period. The items priced for the index represent about 70 percent of the expenditures of city families whose income averaged \$1,524 in 1934-36.

The Daily Spot Market Index of 28 Basic Commodities measures price changes of basic raw materials, many of which are quoted on organized exchanges or future markets. The base period is August 1939. It is very sensitive to changes in market conditions. Of the 28 products, 18 of them are important in world trade and 11 of these are imported in large quantity and so are greatly influenced by foreign supply and demand. About two-thirds of the commodities are products of agriculture.

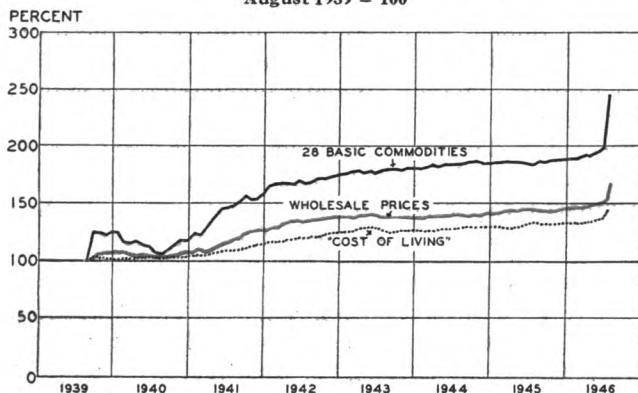
The Wholesale Price Index advanced 28 percent from August 1939 to January 1942 but the rate of increase flattened out under price control and subsidies. In the four year period, from 1942 to the beginning of 1946, wholesale prices rose only 11.5 percent, or about three percent a year. In the first six months of 1946 prices rose six percent or nearly one percent a month, and in July, with price control and subsidies suspended, the index jumped another ten percent to reach a level of 165.6 or about two-thirds higher than August 1939. Although price control has now been reestablished and many of the items in the index have been rolled back to the June 30, 1946 level, the increased rate of approval of price advances to manufacturers and processors, and elimination of cost absorption at the wholesale and retail levels, indicates that wholesale prices will continue upward.

Since wholesale prices are a major factor in the ultimate determination of retail selling prices, the Consumers' Price Index tends to move in the same general direction as wholesale prices with varying degrees of time lag. Thus far the Consumers' Price Index has not risen as much as wholesale prices, nor is it likely to in the near future, since it includes service items such as electric power and other utilities which have actually declined in price, and rents which have been rigidly frozen in most communities. Since the latter item is weighted to account for about 20 percent of the index, it is apparent that the cost of living index will continue to lag behind wholesale prices as long as the present type of rent control continues.

The sensitive nature of the Index of 28 Basic Commodities is also apparent from the chart. By January 1942, it had risen 64 percent or more than twice the amount of the wholesale price index. Thereafter, during the next four years the advance was only eight percent, or two percent a year which was less than the rate of increase for wholesale prices. During July of this year, however, the index jumped about 25 percent to reach 248 at the end of the month, or two and one-half times the August 1939 level.

The sharpness of the increase during July is accounted for in part by the loss of subsidies which may now be partially restored. World-wide shortages of many of the items in the index, together with the disruption of the normal channels of trade and production facilities abroad are also important factors in explaining the rise.

Comparative Changes in Various Price Indexes  
August 1939 = 100



# INDUSTRIAL SUMMARY

**Employment** United States civilian employment according to estimates of the Bureau of Census reached about 58 million in July. With approximately three million men in the armed forces, total employment is well above the 60 million mark, a level which a year ago was not believed by many to be attainable until around 1950.

Manufacturing employment in Ohio gained approximately one percent from May to June and is estimated to have increased as much again in July. Indicative of the rising employment trend, is the August 1 estimate by the United States Employment Service for the Cleveland metropolitan area. Total employment was estimated to be within twelve percent of the wartime peak of June 1943 and eight percent above the September 1945 level. About 25 percent of the unemployed are veterans. Labor strife is at the lowest point since the end of the war.

Employee shortages in the District in many lines of work are being felt. There is an active and unfilled demand for auto mechanics and body repair men, for nearly all classes of skilled machine tool operators, bricklayers, carpenters, molders, armature winders, architectural draftsmen, licensed firemen, dairy technicians, bookkeepers, railroad track men, assemblers, tool diemakers and setters, pharmacists, and for common labor. Female labor is particularly scarce in the following lines: nurses' aides and registered nurses; typists and stenographers; comptometer, dictaphone, mimeograph, multilith, billing, and book-keeping machine operators; sewing machine operators; upholstery trimmers; and waitresses.

**Railroad Carloadings** Railroad carloadings in the District have moved beyond the levels reached during the war and are the highest since 1930. Car shortages are becoming steadily more serious with the peak estimated to occur about the middle of October. Principal contributing factors are the high level of industrial activity and bumper agricultural crops. Coupled with these, are such conditions as the physical loss of cars resulting from obsolescence and long deferred maintenance during the war; the lack of priorities for new car construction; the general return to the five day week which has slowed car turn-around; and lighter loadings due to an increase in L. C. L. shipments.

**Shoes** District shoe production is about equal to the 1935-1939 monthly average. Factory inventories of leather began to dwindle rapidly with the return of price control as tanners generally refused to ship at the old "ceiling" prices since hide and leather

wholesale prices had advanced about 16 percent from June 28 to July 27. Threat of a Federal investigation of inventories together with price increases up to 30 percent for some types of leather apparently quickened the movement of leather to the shoe factories.

**Building Activity** Total building contracts awarded in the Fourth District in June amounted to \$106 million, up about \$24 million from the previous month according to preliminary estimates of F. W. Dodge Corporation. June contracts awarded were five times that of the same month in 1945 and only eight percent less than the all time peak recorded in June 1942. Residential contracts awarded in June approximated \$40 million, or more than six times the June 1945 rate. The best previous June on record was in 1926 when residential contracts totaled about \$28 million. A substantial proportion of this increase is the result of higher costs.

**Ceramics** Conditions in the dinnerware branch of the ceramic industry have changed little in the last month. While most plants are now operating near capacity, vacations have slightly reduced operations. Orders continue to be much heavier than shipments and there seems to be little likelihood that this will change in the near future. Employment conditions in most plants have improved and sufficient labor is available for most departments.

**Plate Glass** District plate glass producers report current operations at full capacity with demand at the highest level in the history of the industry. Polished plate glass production in the United States for July totaled 18.5 million square feet according to the Hughes Statistical Service. This represents an increase of two million square feet over June when production was curtailed by the shortage of soda ash which resulted from strikes in alkali plants. July production was about three times the rate for the same month in 1945.

**Coal** Bituminous coal production during July continued at a high level and further reduced the deficit accruing from the Spring strike. Fourth District production for the month amounted to 21 million tons as compared to 18 million tons in the same month last year. District production for the first seven months of 1946 totaled about 109 million tons as compared to 129 million tons in the corresponding period of 1945, or a decrease of 15½ percent.

Total United States production of bituminous coal for the seven months ending August 3, 1946 amounted to 292 million net tons, a decrease of 17 percent from the period ended by August 4 last year.

The demand is strong for all high grades of coal, including by-product, metallurgical, gas coals, and domestic fuel as well as railroad grades. The market is reported to be softening somewhat for nut, pea, slack, and inferior strip coals. Some mines in the District have reported a very short car supply and it is becoming difficult to schedule shipments.

Coal shipments from Lake Erie docks to the Upper Lakes and Canada moved in good volume in July. During the last week of the month slightly more than two million tons were loaded from 13 docks to establish a new seven-day record according to the Ore and Coal Exchange. If hardship is to be avoided this winter in areas dependent upon lake coal for fuel and power, it will be necessary to maintain shipments very close to this level during the 14 weeks of the season remaining after August 1.

In 1945 the lake carriers handled about 51 million tons of coal in the 32-week navigation season. This year approximately the same tonnage must be transported in the short space of 24 weeks, since little coal was shipped during the eight week coal strike. Up to August 1, 1946 only 18.7 million tons had been loaded which is a decrease of 25 percent from last year.

According to the Lake Carriers Association, the strike called by the National Maritime Union against the lake carriers on August 15 had reduced total shipments about 15 percent by the end of the first week of the strike.

### Iron and Steel

The lake carrier strike also constitutes a major threat to long term steel operations if the movement of iron ore should be greatly restricted. According to the Lake Superior Iron Ore Association, August 1 stocks of iron ore at furnaces and Lake Erie docks amounted to 30.5 million gross tons or about one million tons more than a year ago. Assuming that the July rate of iron ore consumption of 6.3 million gross tons continues, there is less than five months supply at hand. Presumably, mills located at tidewater and which rely principally upon foreign ores would not be appreciably affected by such curtailment. The far-western and southern blast furnaces also use little Lake Superior iron ore. Once the lakes are frozen, however, there is little that Fourth District mills can do to supplement their stocks of iron ore until the following Spring.

The cumulative effect of the steel and coal strikes reduced 1946 Lake Superior iron ore consumption to about 30.6 million gross tons to August 1, as compared to 46.8 million gross tons for the same 1945 period. If it were not for these factors, present inventories would be much lower.

For the country as a whole, steel ingot production attained a rate of 90 percent of theoretical capacity by the middle of August, the highest rate since July 1945. This rate was achieved despite the fact that a number of open hearth furnaces were idle because of the acute shortage of scrap and pig iron. According to *Steel*, District rates near the close of August were: Pittsburgh 97 percent, Youngstown 88 percent, Wheeling 85 percent, Cincinnati 84 percent, and Cleveland 90 percent.

Steel ingot production in July, as estimated by the American Iron and Steel Institute, totaled 6.5 million

net tons as compared to 5.6 million net tons the previous month. June pig iron production was 3.7 million net tons as compared to 2.3 million net tons in May. Pig iron production for the first six months of 1946 was 39 percent below the comparable months of 1945.

Pig iron production should improve in the near future as ten Government-owned blast furnaces with an annual capacity of 3.7 million tons of pig iron have recently been put back in operation. Four of the ten furnaces are located in the Fourth District, two in Braddock, Pennsylvania, and one each in Cleveland and Youngstown. Operators are being sought for an additional ten Government-owned furnaces which are idle at the present time.

The shortage of scrap is intense and many mills are working on day-to-day supplies. Scrap inventories are being depleted at a time when they normally increase as a safeguard against the difficulties of collecting and preparing scrap in the winter months. Despite two OPA assurances that price ceilings will not be raised, scrap apparently is being held back by producers and collectors. It is claimed that labor costs have reduced margins to a degree that material cannot profitably be prepared and sold. Normal channels are also being circumvented by some producers who trade scrap for finished steel.

Although pig iron production has increased, the average foundry is unable to obtain enough to keep up production. Integrated producers are diverting a larger proportion of iron to their own open hearths to replace short scrap supplies, and preferences are being given producers of soil pipe, agricultural castings, brake shoes, and many housing items which require large tonnages. Foundries not engaged in such production have little chance of obtaining all the iron needed.

The Civilian Production Administration will restore the CC preference rating system for delivery of iron and steel products after September 30. The system was suspended at the time of the steel strike. It is unlikely that any new business for delivery this year can be accepted without a preference order. Alloy steel products are the exception and early delivery can be obtained for some such products.

Some evidence of order duplication appeared in August when a few cancellations were made due to receipt of steel from other vendors. The extent of such duplications is not determinable at present but is believed to be considerable.

A very large District steel producer purchased Government-owned steel producing facilities at Homestead, Duquesne, and Braddock, Pennsylvania for about \$65 million. This transaction is the largest single cash sale of surplus property yet achieved by the War Assets Administration. Original cost of the properties is estimated at \$120 million upon which the Government received rental payments of approximately \$23 million during the war.

### Commercial Failures

Only three commercial failures were recorded by Dun and Bradstreet, Inc., in the District in July, with liabilities of \$27,000. While the number of failures is the same as the previous month, liabilities were only a tenth of the June figure and the lowest since November 1944.

# DEPARTMENT STORE TRADE

Department store sales are following the customary seasonal pattern. After a few weeks of relative dullness during midsummer, volume is increasing again with the approach of the busiest shopping months.

Weekly margins over one and two years ago are of the same order of magnitude as in May and June. It was during the July-August interval that sales volume appeared to be slightly less vigorous on occasion. Possibly the confused price outlook at the time tended to induce some consumer hesitance, but its effects were not equally distributed among the many lines of merchandise, nor of long duration.

**Importance of House Furnishings and Men's Clothing** One of the significant features in the current situation is the fact that the bulk of the improvement over a year ago is contributed by two major departments, house furnishings and men's and boys' wear as indicated by the following tabulation:

## Sales by Departments—July, 1946 (Fourth District Reporting Stores)

	Percent
Major Household Appliances . . . . .	+872
Sport Goods (including Cameras) . . . . .	+136
Housewares . . . . .	+ 86
Domestic Floor Coverings . . . . .	+ 74
Men's Furnishings . . . . .	+ 54
Domestics, Blankets, Towels, etc. . . . .	+ 52
Men's Clothing . . . . .	+ 45
Men's and Boys' Shoes . . . . .	+ 44
Toys and Games . . . . .	+ 43
Luggage . . . . .	+ 42
Draperies, Curtains, Upholstery . . . . .	+ 40
Furniture, Beds, Mattresses, Springs . . . . .	+ 38
Hosiery (Women's and Children's) . . . . .	+ 37
Lamps and Shades . . . . .	+ 31
<b>MAIN STORE TOTAL, ALL DEPARTMENTS . . . . .</b>	<b>+ 30</b>
Silverware and Jewellery . . . . .	+ 28
China, Glassware . . . . .	+ 25
Boys' Clothing and Furnishings . . . . .	+ 20
Furs . . . . .	+ 19
Women's and Misses' Coats and Suits . . . . .	+ 18
Corsets and Brassieres . . . . .	+ 18
Aprons, House Dresses and Uniforms . . . . .	+ 17
Women's and Children's Shoes . . . . .	+ 16
Cotton Wash Goods . . . . .	+ 16
Notions . . . . .	+ 15
Dresses (Women's and Misses') . . . . .	+ 15
Women's Underwear . . . . .	+ 14
Millinery . . . . .	+ 12
Restaurants . . . . .	+ 9
Infants' Wear . . . . .	+ 9
Juniors' and Girls' Wear . . . . .	+ 7
Blouses, Skirts, Knitgoods, Sportwear . . . . .	+ 6
Beauty Salon . . . . .	+ 5
Art Needlework, Art Goods . . . . .	+ 2
Handkerchiefs . . . . .	+ 1
Leather Goods (Small) . . . . .	-0
Toilet Articles, Drug Sundries . . . . .	-0
Neckwear and Scarfs . . . . .	-0
Books, Stationery . . . . .	- 1
Gloves . . . . .	- 1
Silks, Velvets, Woolen Dress Goods . . . . .	- 2
Laces, Trimmings, etc. . . . .	- 5
Photographic Studio . . . . .	- 41

Although July sales on a store-wide basis were 30 percent higher than a year ago, a number of lines showed a year-to-year drop in dollar volume. In terms of physical units, the decline was even broader in scope.

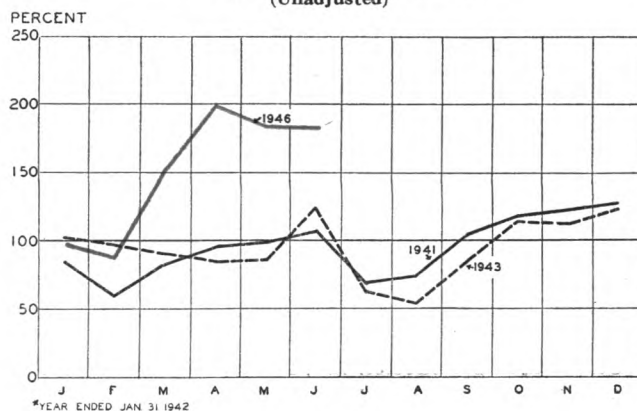
The reappearance of durable goods in volume, and the long-deferred needs of servicemen, as well as civilians, are having a pronounced effect upon the sale of all kinds of house furnishings. Major household appliances, housewares such as toasters, enamelware, etc., domestic floor coverings, blankets, towels, draperies, and upholstery are all moving into consumption at record or near record dollar volume. Most of these purchases represent mere replacements of depleted and worn out articles. Once the housing industry attains a more rapid stride the demand for house furnishings will be supplemented by what might be designated "original-equipment" buyers.

**Rapid Turnover In Men's Wear** Men's wear departments are the other important factor in maintaining the wide gains over last year. The trend of men's clothing sales during 1946 to date as compared to peacetime 1941 and to 1943 which was one of the lowest war years in terms of dollar volume, is shown on an adjoining chart. During the war and for some time thereafter, exceedingly low stocks of staple items were indicative of limited or suspended production. But in the present instance of men's clothing, the sales curve reflects a high volume of output, a rate which would probably be adequate under normal conditions but not for the abnormal needs which have resulted from rapid demobilization.

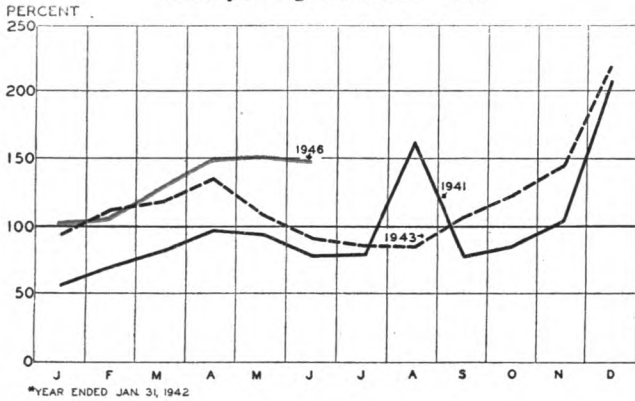
The marked gains over last year in such categories as sportgoods, toys and games, and luggage are attributable to the disappearance of most wartime limitations on travel.

In contrast to the noteworthy increase in the foregoing three classes of merchandise, the remainder of the departmental lines show only nominal gains in physical volume or actual declines from a year ago. During July, sales of books, stationery, gloves, silks, velvets, woolen dress goods and laces were below those of the last full month of the war.

**Men's Clothing Department Sales**  
Fourth District Department Stores  
Monthly Average Fiscal 1941\* = 100  
(Unadjusted)



**Women's and Children's Hosiery Department Sales**  
 Fourth District Department Stores  
 Monthly Average Fiscal 1941\* = 100



A striking exception to the general volume of trade in women's and misses' ready-to-wear and accessories is the brisk activity in hosiery departments, as indicated graphically in the foregoing chart. Circumstances in this case are almost identical to those in men's clothing in that the high level of production is still short of current demand and vendors are unable to accumulate normal inventories.

The sharp peak in hosiery sales during August 1941, shown on the chart, represents the buying wave which ensued when raw silk supplies were requisitioned by the Government.

**REVISION OF SALES INDEXES**

The seasonal adjustment factors used heretofore in computing the adjusted index of department store sales in the Fourth District have been revised in the light of certain changes which appear to have occurred in the seasonal pattern.

The revised monthly indexes of sales from 1938 to date are as follows:

**Revised Indexes of Department Store Sales**  
 Fourth Federal Reserve District  
 Adjusted for Seasonal Variation  
 1935-39 = 100

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1938	102	98	99	95	89	92	97	89	96	96	98	101
1939	102	101	104	104	104	103	104	101	106	111	112	116
1490	109	106	106	108	113	121	113	119	118	113	123	123
1941	119	124	130	130	137	138	147	172	143	127	144	141
1942	173	148	146	158	145	138	141	156	155	156	157	160
1943	175	191	152	157	164	165	161	164	166	170	171	169
1944	174	162	167	172	189	167	179	182	189	190	196	196
1945	191	199	204	180	187	199	206	189	197	209	212	218
1946	220	236	246	244	256	273						

**Postwar Banking Developments**

(Continued from Page 2)

**Investment Policies** Concurrently with the decline in investments, the increase in loans, and both actual and anticipated geographical shifts in deposits, the warborne policy of comparatively full investment is still in force among reporting banks in the Fourth District. If anything the tendency toward more complete utilization of cash assets has been accentuated.

Among reserve city banks, legal reserves have recently moved in a range of only three to four percent in excess of requirements, the smallest margin in more than a decade. Country banks, which a year ago were holding reserves of some 30 to 32 percent in excess of requirements, have since permitted the proportion to decline to around 20 percent. This further reduction in excess reserves of country banks is attributable both to a small increase in investments and to a persisting rise in requirements. This continuing growth of country bank deposits, as against some decline in deposits in reserve cities, is one of the few wartime trends which was not appreciably affected by the termination of hostilities.

**Summary** As a result of these various developments in loans, investments, reserves, and deposits, during the first year of transition to peace, the outlook for banking in the Fourth District may be summarized as follows:

Loans to industrial and mercantile firms, both for working capital and fixed capital purposes, loans to consumers or consumer financing companies, and loans on residential property will probably continue to expand for quite a period into the future, not only because of the large backlog of demand for most kinds of economic goods but also as a consequence of the rise in prices. Financial requirements have increased accordingly all along the line.

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The importance of loans on securities will continue to diminish as credits which originated during war loan drives are liquidated. The present 100 percent margin requirements are also a factor.

Total investments are destined to continue to contract until such time as the Treasury's cash balance has been reduced to normal working requirements. The Treasury's balance in late August stood at approximately \$11 billion, as against \$26 billion when the debt reduction program was inaugurated, suggesting that future reductions in bank portfolios, arising out of cash redemptions, will be smaller than those of the past six months.

Total deposits may not decline as rapidly as in the recent past, because further loan expansion may come closer to offsetting the shrinkage in investments. This will be particularly true some time after the turn of the year when an excess of current Treasury receipts over expenditures might be the only means of reducing the public debt.

**CURRENT EVENTS**

The Research Department has inaugurated a new monthly report on trends in savings deposits in the largest cities of the District.

The report is prepared as of the last Wednesday of each month and is available to bankers and others who may be interested in fluctuations in savings deposits within a given locality as well as in comparison with other areas. Requests to be placed on the mailing list should be addressed to the Research Department.

The July 31 report is published on the statistical page of this issue of the *Review*.

**NEW MEMBER BANKS**

The Huntsville State Bank, Huntsville, Ohio.  
 The Girard Battles National Bank, Girard, Pennsylvania.

## Sources of Increased Agricultural Income

During 1945, the sale of crops and livestock in the Fourth District states exceeded the 1935-39 average by almost exactly one billion dollars. Receipts last year were nearly \$1,800 million as against about \$800 million per annum during the base period.

Certain generalizations may be made regarding the sources of this greatly enlarged agricultural cash income. One outstanding fact is that nearly 75 percent of the billion-dollar increment came from gains in sales of livestock and livestock products. The increase in cash income from crops represented only about 25 percent of the aggregate for the four states combined.

**Importance of Livestock** Another characteristic of note is the variation within the livestock group among the several states. In one state, cattle and calves were a major component of the increase, in another it was dairy products, while in the other two, poultry products accounted for the largest single increment in cash receipts.

West Virginia is one of the two states in which the major increase in livestock receipts was derived from poultry products. The \$23 million gross from this source in 1945 was 226 percent more than in prewar years. Egg and commercial broiler sales yielded \$18 million of the \$23 million total. Sales of dairy products and cattle and calves represented the next two most important sources of increased income from livestock products. Fruit represented the fourth most important source of additional income. The \$8½ million gross from fruit in 1945 was slightly more than double the average yearly income from this source in the late thirties.

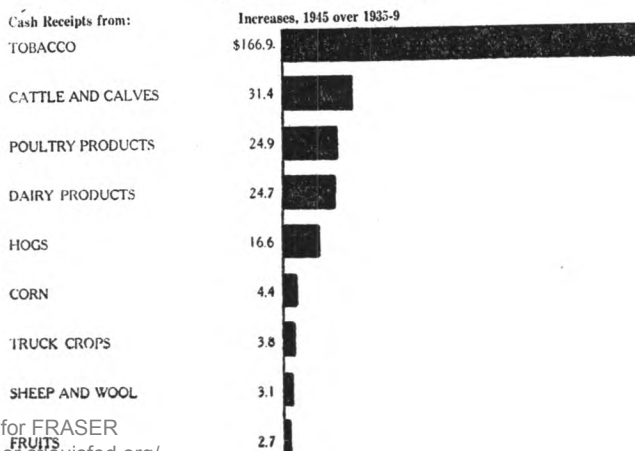
Poultry products were also the leading source of additional cash farm income in Pennsylvania. Of the \$146 million income from this source in 1945, \$84 million, or 57 percent, was from the sale of eggs. Dairy products sales made the second most important contribution to the growth of income. Fluid milk sales returned \$141 million of the \$178 million total from dairy products. The dollar volume of sales from poultry products increased by 177 percent over pre-

war, whereas the increase in sales of dairy products was only 88 percent. Receipts from cattle and calves and truck crops (fresh market and for processing) ranked third and fourth in importance in the contribution which they made to the increase in total cash income.

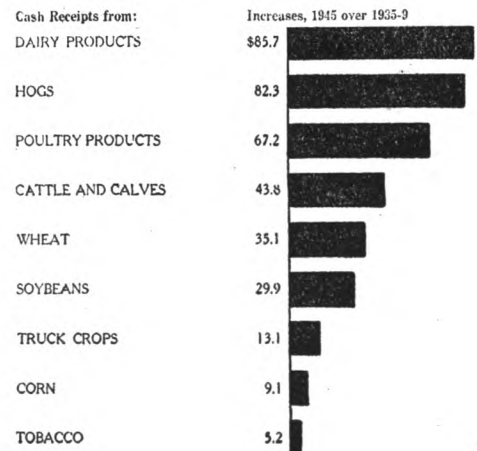
**Dairy Products In Ohio** Ohio is the one state where dairy products represented the largest component in the aggregate increase. Dairy and hog enterprises in Ohio accounted for most of the increased livestock returns. Sales from these two enterprises comprised 58 percent of the increase in sales of livestock products. Returns from poultry products and cattle and calves ranked third and fourth in importance and together made up 38 percent of the increase in receipts from livestock. Compared to the 1935-39 yearly average, dollar volume of sales of poultry products increased by 140 percent; hogs by 132 percent; dairy products by 124 percent; and cattle and calves by 117 percent.

**Increment in Tobacco Receipts** The one exception to the widespread dominance of livestock products as a source of greater cash income, is the state of Kentucky. In that area receipts from the sale of crops, particularly tobacco, accounted for nearly two-thirds of the increased return from farm marketings. In fact income from the sale of tobacco alone represented 84 percent of total crop sales and nearly 50 percent of total receipts from the sale of all farm products in Kentucky. Cash farm income in that state is predominately dependent upon the yield and price of tobacco, particularly Burley tobacco. Those engaged in Kentucky agriculture are keenly aware of the situation and efforts are being directed toward increasing the profit margin in tobacco production through improved production and marketing methods, and extending the development of other farm enterprises so as to broaden the source of agricultural income.

**Increment in Kentucky Cash Farm Income—By Source**  
(In millions of dollars)



**Increment in Ohio Cash Farm Income—By Source**  
(In millions of dollars)





The accompanying charts for each respective state indicate the importance of livestock products sales as a source of increased return in 1945 compared to the earlier period. Increased returns from livestock sales were nearly four times the increase in return from crop sales in West Virginia, more than three times as large in Pennsylvania, and more than twice the amount from crops in Ohio. It is evident from these charts and data presented in subsequent tabulations that the receipts from the sale of livestock products represented a major portion of the increased cash farm income in West Virginia, Pennsylvania and Ohio in 1945 compared to the prewar years 1935-1939.

**Government Payments** Gross cash income in these states was further augmented by increased Government payments. Government payments in this instance represent payments made directly to the farmer such as conservation, price adjustment, parity, and dairy production payments. They do not include those made to processors to enable them to maintain or increase prices paid to producers. Aside from the Agricultural Adjustment benefit payments, other direct payments were authorized during the war period to encourage production of needed agricultural commodities and as partial compensation to producers of those commodities on which retail price ceilings had been imposed.

Although there was an increase in Government payments as indicated in the appended tables, in no state of the District did the aggregate payment exceed 5½ per cent of the total gross cash income.

**CROP SUMMARY**

Total U. S. crop production this year promises to exceed that of any previous year. The aggregate production of allcrops is estimated at six percent above 1945 and three percent above the previous high output of 1942. With wheat harvest nearly completed the record crop in prospect has become a reality. Oats harvest, too, is nearly completed and the indicated crop of 1,500 million bushels is second only to the record of 1,548 million bushels harvested in 1942. Although lack of rainfall in late July and early August resulted in a downward revision of earlier corn estimates, the indicated production of 3,442 million bushels as of August 15 is 14 percent greater than last year and 31 percent

above the 1935-44 average. Other crops making record contributions to the largest volume of agricultural products ever produced include: tobacco, peaches, plums and truck crops; and those of near-record proportions are: rice, peanuts, potatoes, pears, grapes, cherries, and sugar cane. Crops of which the indicated production will be average or better include: hay, soybeans, dry peas, prunes, apricots and sugar beets. Grain sorghum, flaxseed, buckwheat, dry beans, sweet potatoes, and pecan production will be below average and extremely short crops of both cotton and rye are in prospect. Latest estimates place cotton output 25 percent below average, and rye production 50 percent below normal.

Above-average yields for practically all field crops have prevailed. Aggregate production of both the food grains and the feed grain crops is expected to be the largest in history. Total production of crops from which vegetable oils and protein-rich supplement feeds are derived, such as soybeans, cottonseed, peanuts, etc., will be below a year ago, principally because of a relatively small flaxseed crop.

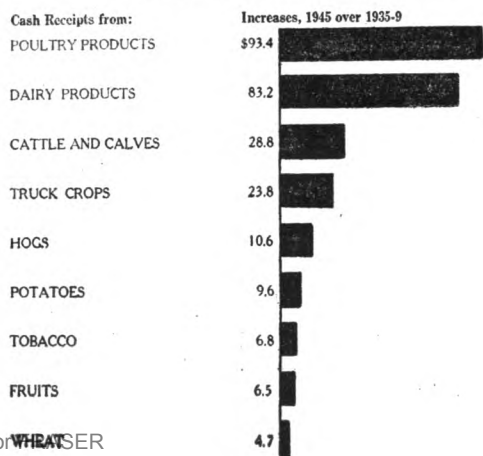
The aggregate output of fruit will be greater than last year and well above average. Total production of the principal deciduous fruits is expected to be 15 percent greater than last year, and 10 percent above average. Large citrus crops are in prospect in all producing states.

Commercial truck crops for fresh market are expected to establish new high records both in acreage grown and tonnage produced. A year ago nearly two million acres yielded approximately 8½ million tons. This year over nine million tons are expected from slightly more than two million acres.

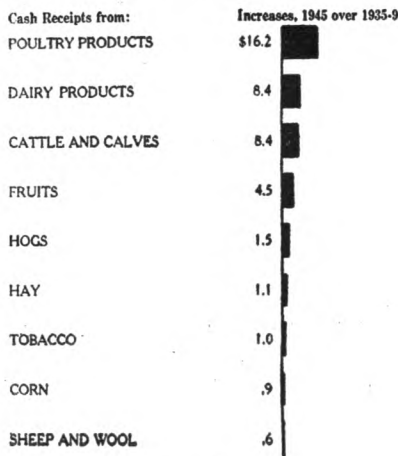
The tonnage of vegetables for processing is expected to exceed all records. Tonnage estimates for the four major vegetables, green peas, snap beans, sweet corn, and tomatoes, exceed the aggregate tonnage of these crops a year ago by 15 percent and the 1942 record output by two percent. These four vegetable crops comprise from 85 to 90 percent of the total production of the eleven processing vegetables for which production estimates are made.

(For tables see back cover)

**Increment in Penna. Cash Farm Income—By Source**  
(In millions of dollars)



**Increment in West Va. Cash Farm Income—By Source**  
(In millions of dollars)



# SUMMARY OF NATIONAL BUSINESS CONDITIONS

*By the Board of Governors of the Federal Reserve System*  
(Released for Publication August 28, 1946)

Industrial production increased somewhat further in July, after a sharp advance in June. Prices of commodities rose rapidly in July and continued to advance, although at a more moderate rate, in the first three weeks of August.

## Industrial Production

Industrial production advanced from 171 percent of the 1935-39 average in June to 174 in July, according to the Board's seasonally adjusted index. Output of durable goods and of minerals generally increased while output of nondurable manufactures as a group showed little change, with increases in some lines offset by declines in others.

Production at steel mills in July rose about one-sixth and in August has increased somewhat further, with output of ingots increasing to about 90 percent of capacity. Activity in the machinery and transportation equipment industries continued to advance in July. Production in the nonferrous metal industries rose again but was still about 7 percent below the January level. Output of stone, clay, and glass products continued to increase and the July index, at 197, was well above the previous high in March, with an increase in production of glass containers accounting for most of the July advance. Lumber production showed a decline, owing in large part to vacations for lumber workers on the Pacific Coast in the early part of July. Activity in the furniture industry remained at about the June rate.

In the nondurable industries, production at textile mills declined, owing to worker vacations during the first week in July, while output of manufactured food products increased considerably. Meat packing rose sharply to the highest level since February and there were increases also in the output of flour, bakery goods, and dairy products. Sugar meltings declined. Output of paperboard and paper boxes declined from recent high levels while newsprint consumption showed a further advance. Activity in the chemical and rubber industries showed little change.

Mineral production rose to a new high, 46 percent above the 1935-39 average. Increases in the output of anthracite, copper ore, and iron ore accounted for most of the July rise in production of minerals.

## Construction

Value of construction contracts awarded, as reported by the F. W. Dodge Corporation, declined further in July, but was still more than twice the prewar average. The drop reflected a continued decline in residential awards to a level about two-fifths below the May peak. Nonresidential building awards increased slightly in July, after a small decline in June.

## Employment

Nonagricultural employment continued to rise in July, with major gains in the construction and manufacturing industries and some decrease in government employment. Total unemployment decreased to about 2.3 million in July, the lowest of the year.

## Distribution

Value of department store sales declined less than seasonally from June to July and the Board's adjusted index rose to 278 percent of the 1935-39 average as compared with an average of 254 for the first six months of the year. In the first three weeks of August sales continued at a high level. As a result of large receipts of merchandise, value of department store stocks continued to increase in July but relative to sales was still lower than before the war. Unfilled orders were at an exceptionally high level.

Loadings of railroad freight increased further in July as shipments of livestock and grains and of ore and coke rose sharply and shipments of other classes of freight showed little change.

## Commodity Prices

Commodity prices, which had advanced sharply in July, rose somewhat further in the first three weeks of August. There were increases in prices of textiles, housefurnishings, and fuels, as well as in some farm products and foods. Grains, however, declined and corn future contracts were still substantially below cash quotations, reflecting the continued prospect of a large harvest. With the renewal of price control at the end of July, ceiling prices were re-established but in many cases at higher levels than prevailed on June 30. Announcement was made that ceilings would not be re-established at this time on most grains or on dairy products but would be on livestock and meats and on cottonseed and soybeans and their products.

## Bank Credit

The Treasury retired for cash 3.3 billion dollars of Government securities during July and early August; war loan balances at commercial banks were reduced by approximately the same amount. As most of the securities were held by banks, retirement operations had little effect on deposits of businesses and individuals. Drains on bank reserves resulting from redemption of securities held by the Reserve Banks were met by System purchases of Government securities and by reductions in Treasury deposits. Need for reserve funds resulted also from an increase in nonmember balances at the Reserve Banks, reflecting the deposit of the first instalment of the British loan, and from some outflow of currency into circulation. Changes in required and excess reserves, on the average, were negligible.

As a result of the Treasury debt retirement operations, as well as security sales to the Reserve Banks in connection with reserve adjustment, Government security holdings at banks in 101 leading cities were reduced by an additional two billion dollars during the seven weeks ended August 14. Total loans for purchasing or carrying Government securities declined further to a level comparable to that which prevailed prior to the Victory Loan Drive. Commercial loans, both in New York City and outside, increased substantially over the period.

Indexes of Department Store Sales and Stocks

(Daily Average for 1935-1939 = 100)

	Adjusted for Seasonal Variation			Without Seasonal Adjustment		
	July 1946	June 1946	July 1945	July 1946	June 1946	July 1945
<b>SALES:</b>						
Akron (6)	272	312	236	226	287	196
Canton (5)	326	314	261	264	301	211
Cincinnati (9)	298	301	232	218	271	170
Cleveland (10)	252	251	206	189	231	155
Columbus (5)	321	333	257	250	309	200
Erie (3)	278	285	219	211	253	167
Pittsburgh (8)	281	253	212	183	253	138
Springfield (3)	289	266	256	217	264	192
Toledo (6)	272	260	226	193	242	160
Wheeling (6)	249	265	200	184	236	148
Youngstown (3)	294	298	240	221	280	180
District (98)	260*	273*	206*	203	257	161
<b>STOCKS:</b>						
District	213	206	166	213	198	166

\*Revised July 1946. See Page 7 of this Review.

Fourth District Business Statistics

(000 omitted)

	July 1946	% change from 1945	June 1946
<b>Fourth District Unless Otherwise Specified</b>			
<b>Retail Sales:</b>			
Department Stores—98 firms	\$ 49,737	+31	60,506
Wearing Apparel—15 firms	\$ 1,713	+11	2,334
Furniture—69 firms	\$ 3,724	+53	3,987
Building Contracts—Total	\$ 61,695	+131	110,579
—Residential	\$ 21,388	+329	40,343
Commercial Failures—Liabilities	\$ 27	-90	262
—Actual Number	3	-0-	3
<b>Production:</b>			
Pig Iron—U. S. Net tons	4,705	- 2	3,682
Steel Ingot—U. S. Net tons	6,599	- 6	5,625
Bituminous Coal—			
O., W. Pa., E. Ky. Net tons	21,010	+15	20,231
Cement—O., W. Pa., W. Va. Bbls.	a	a	1,295
Electric Power—			
O., Pa., Ky. Thousand K.W.H.	a	a	a

a Not available.

Bank Debits During June (29 Fourth District Cities)

The accompanying table shows the volume of bank debits to all deposit accounts (except interbank accounts) in 29 cities of this District. Most of these debits represent transfers of funds by check although debits to savings deposits and decreases in U. S. Treasury deposits at reporting banks are also included.

The volume of debits to deposit accounts established a new all-time high in the Fourth District during July. Among the ten largest cities the increase over a year ago was about 15% as against a 25% increase in the smaller cities.

LARGEST CITIES

Among the largest cities, Columbus topped the list with a 46% gain in debits over a year ago, with a total of nearly \$473 million for the eight reporting banks.

In Toledo, debits went over \$335 million for the first time, representing a 33% gain over July 1945.

The July debit total in Dayton was nearly \$189 million for a year-to-year increase of 26½%.

SMALLER CITIES

Among the smaller cities, debits reached a record volume in Covington-Newport, Lima, Mansfield, Springfield, Steubenville, Zanesville, Butler, Greensburg, and Homestead.

The largest year-to-year gain was reported in Lorain where debits during July ran 47% ahead of a year earlier. Debits in Lexington and Covington-Newport were also up around 43% over the year before.

(In thousands of dollars)

	July 1946	% change from year ago	3 months ended July 1946	% change from year ago
<b>ALL 29 CENTERS</b>	\$5,618,120	+16.1	\$15,927,431	- 0.8
<b>10 LARGEST CENTERS:</b>				
Akron	\$ 224,493	+13.6	\$ 656,895	+ 0.3
Canton	85,187	+ 4.8	253,480	+ 5.9
Cincinnati	768,505	+18.0	2,123,412H	+ 2.3
Cleveland	1,482,188	+11.1	4,247,601	- 5.8
Columbus	472,841H	+46.3	1,255,356H	+ 8.6
Dayton	188,739H	+26.5	536,882H	+11.4
Toledo	335,072H	+33.2	923,135H	+14.4
Youngstown	113,221H	+25.9	307,627H	+ 8.2
Erie	69,688	+ 1.3	207,609H	- 0.3
Pittsburgh	1,394,833	+ 7.1	4,015,775	- 7.7
<b>Total</b>	\$5,134,767	+15.4	\$14,527,772	- 1.8
<b>19 OTHER CENTERS:</b>				
Covington-Newport, Ky.	\$ 39,763H	+42.6	\$ 107,897H	+22.7
Lexington, Ky.	48,340	+43.1	139,180	+20.7
Hamilton, Ohio	26,266	+13.0	78,806	- 1.0
Lima, Ohio	33,519H	+24.2	97,088H	+12.2
Lorain, Ohio	13,199	+47.4	37,964H	+30.9
Mansfield, Ohio	29,414H	+28.1	85,063H	+11.8
Middletown, Ohio	25,627	+40.8	75,097H	+16.5
Portsmouth, Ohio	15,897	+33.1	47,406	+17.3
Springfield, Ohio	38,535H	+20.9	110,825H	+ 7.5
Steubenville, Ohio	20,503H	+26.0	57,805H	+13.3
Warren, Ohio	28,638	+26.4	83,897H	+11.2
Zanesville, Ohio	20,530H	+36.9	59,269	+29.2
Butler, Penna.	24,398H	+15.6	70,460	+ 4.8
Franklin, Penna.	6,535	+ 7.6	20,967	+ 9.1
Greensburg, Penna.	17,441H	+23.3	47,660H	+10.1
Homestead, Penna.	7,524H	+38.4	20,938H	+22.8
Oil City, Penna.	16,338	+ 6.5	52,254	+ 4.1
Sharon, Penna.	19,751	+15.4	57,270H	+ 2.4
Wheeling, W. Va.	15,135	+ 7.3	149,813	- 1.6
<b>Total</b>	\$ 483,353	+25.0	\$ 1,399,659	+11.1

Time Deposits—31 Fourth District Banks

City and Number of Banks	June 30, 1945	July 31, 1946	Percentage Increase
Toledo (3)	\$72,136,000	\$86,187,000	19.5
Youngstown (3)	43,853,000	52,233,000	19.1
Akron (3)	81,051,000	95,766,000	18.2
Cleveland (4)	687,079,000	807,995,000	17.6
Columbus (3)	58,427,000	68,677,000	17.5
Cincinnati (8)	151,553,000	176,318,000	16.3
Dayton (3)	42,793,000	49,280,000	15.2
Canton (4)	34,284,000	39,340,000	14.7

Wholesale and Retail Trade

	Percentage Changes From Preceding Year		
	July 1946	first 7 months	July 1946
<b>SALES SALES STOCKS</b>			
<b>DEPARTMENT STORES (98)</b>			
Akron	+21	+18	+27
Canton	+30	+20	a
Cincinnati	+33	+31	+26
Cleveland	+28	+25	+27
Columbus	+30	+28	+20
Erie	+32	+19	+19
Pittsburgh	+38	+34	+30
Springfield	+17	+14	a
Toledo	+25	+19	+29
Wheeling	+29	+28	+40
Youngstown	+27	+23	a
Other Cities	+41	+32	+11
District	+31	+27	+27
<b>WEARING APPAREL (15)</b>			
Cincinnati	- 2	+ 8	- 6
Cleveland	+25	+29	+11
Pittsburgh	+21	+23	+24
Other Cities	+ 2	+ 5	+15
District	+11	+16	+13
<b>FURNITURE (69)</b>			
Canton	+73	+40	+20
Cincinnati	+39	+51	+36
Cleveland	+41	+40	+38
Columbus	+47	+50	+55
Dayton	+67	+68	a
Pittsburgh	+38	+40	a
Allegheny County	+49	+52	a
Toledo	+49	+56	a
Other Cities	+77	+63	+45
District	+53	+50	+43
<b>WHOLESALE TRADE**</b>			
Automotive Supplies (8)	+57	+57	+ 5
Beer (4)	- 4	- 2	-29
Clothing and Furnishings (3)	+28	a	a
Drugs and Drug Sundries (4)	+26	+20	a
Dry Goods (3)	+58	a	+103
Electrical Goods (3)	+55	a	a
Fresh Fruits and Vegetables (13)	- 2	+ 1	+ 7
Grocery Group (40)	+28	+23	+24
Total Hardware Group (23)	+60	+36	+37
General Hardware (8)	+83	+57	+41
Industrial Supplies (6)	+11	+ 3	a
Plumbing and Heating Supplies (9)	+44	+28	- 9
Jewelry (6)	+ 6	+35	a
Lumber and Building Materials (6)	+25	a	-34
Machinery, Equip. & Sup. (exc. Elect.) (4)	+27	a	a
Meats and Meat Products (4)	+158	a	+142
Metals (3)	+47	a	a
Paints and Varnishes (5)	+51	+40	a
Paper and Its Products (6)	+30	+13	a
Tobacco and its Products (14)	+32	+36	+17
Miscellaneous (12)	+27	+19	+20
District—All Wholesale Trade (168)	+32	+24	+28

\*\* Wholesale data compiled by U. S. Department of Commerce, Bureau of the Census.

a Not available.

Figures in parentheses indicate number of firms reporting sales.

# CASH FARM INCOME—By Sources

(000 omitted)

## KENTUCKY

	Annual Average 1935-39	1945	Increase or Decrease
Total Income from Sales...	\$146,349	\$433,652	\$+287,137
Government Payments...	10,756	15,436	+ 4,680
Total Receipts.....	157,105	449,088	+291,817
Livestock Products:.....	74,325	175,665	+101,340
Cattle and Calves.....	21,148	52,589	+ 31,441
Poultry Products.....	13,246	38,105	+ 24,859
Dairy Products.....	17,142	41,820	+ 24,678
Hogs.....	14,403	31,005	+ 16,602
Sheep and Wool.....	7,028	10,133	+ 3,105
Other Livestock.....	1,358	2,013	+ 655
Crops:.....	72,020	257,987	+185,967
Tobacco.....	52,312	219,253	+166,941
Corn.....	3,126	7,513	+ 4,387
Truck Crops.....	2,344	6,161	+ 3,817
Other Crops*.....	5,124	8,229	+ 3,105
Fruits.....	2,002	4,739	+ 2,737
Hay.....	973	3,523	+ 2,550
Soybeans.....	66	1,396	+ 1,330
Wheat.....	3,967	4,909	+ 942
Potatoes.....	983	1,251	+ 268
Sweet Potatoes.....	489	538	+ 49
Cotton Lint.....	634	475	- 159

## PENNSYLVANIA

	Annual Average 1935-39	1945	Increase or Decrease
Total Income from Sales...	\$264,325	\$544,740	\$+280,415
Government Payments...	3,002	31,124	+ 28,122
Total Receipts.....	267,327	575,864	+308,537
Livestock Products:.....	187,401	404,293	+216,892
Poultry Products.....	52,873	146,267	+ 93,394
Dairy Products.....	94,522	177,690	+ 83,168
Cattle and Calves.....	26,718	55,539	+ 28,821
Hogs.....	10,129	20,699	+ 10,570
Other Livestock.....	1,163	1,917	+ 754
Sheep and Wool.....	1,996	2,181	+ 185
Crops:.....	76,924	140,447	+ 63,523
Truck Crops.....	13,179	37,008	+ 23,829
Potatoes.....	12,468	22,081	+ 9,613
Tobacco.....	3,644	10,468	+ 6,824
Fruits.....	12,305	18,761	+ 6,456
Other Crops*.....	17,049	23,272	+ 6,223
Wheat.....	9,750	14,434	+ 4,684
Hay.....	2,531	6,006	+ 3,475
Oats.....	763	1,880	+ 1,117
Corn.....	5,206	6,097	+ 891
Soybeans.....	29	440	+ 411

## OHIO

	Annual Average 1935-39	1945	Increase or Decrease
Total Income from Sales...	\$325,673	\$723,415	\$+397,742
Government Payments...	11,956	29,593	+ 17,637
Total Receipts.....	337,629	753,008	+415,379
Livestock Products:.....	228,686	513,886	+285,200
Dairy Products.....	69,141	154,821	+ 85,680
Hogs.....	62,488	144,788	+ 82,300
Poultry Products.....	47,889	115,100	+ 67,211
Cattle and Calves.....	37,433	81,280	+ 43,847
Other Livestock.....	257	3,572	+ 3,315
Sheep and Wool.....	11,477	14,325	+ 2,848
Crops:.....	96,987	209,529	+112,542
Wheat.....	23,836	58,894	+ 35,058
Soybeans.....	2,470	32,404	+ 29,934
Truck Crops.....	15,796	28,943	+ 13,147
Other Crops*.....	17,556	28,074	+ 10,518
Corn.....	13,032	22,111	+ 9,079
Tobacco.....	3,325	8,568	+ 5,243
Hay.....	2,647	5,806	+ 3,159
Oats.....	2,735	5,744	+ 3,009
Fruits.....	7,965	9,757	+ 1,792
Potatoes.....	5,855	6,932	+ 1,077
Sugarbeets.....	1,770	2,296	+ 526

## WEST VIRGINIA

	Annual Average 1935-39	1945	Increase or Decrease
Total Income from Sales...	\$ 40,753	\$ 86,167	\$ +45,414
Government Payments...	937	4,148	+ 3,211
Total Receipts.....	41,690	90,315	+ 48,625
Livestock Products:.....	29,651	65,405	+ 35,754
Poultry Products.....	7,155	23,356	+ 16,201
Dairy Products.....	9,304	17,722	+ 8,418
Cattle and Calves.....	7,974	16,387	+ 8,413
Hogs.....	2,319	3,806	+ 1,487
Sheep and Wool.....	2,813	3,457	+ 644
Other Livestock.....	86	677	+ 591
Crops:.....	11,102	20,762	+ 9,660
Fruits.....	4,181	8,643	+ 4,462
Other Crops*.....	2,381	4,249	+ 1,868
Hay.....	265	1,316	+ 1,051
Tobacco.....	444	1,420	+ 976
Corn.....	505	1,372	+ 867
Potatoes.....	725	972	+ 247
Truck Crops.....	1,691	1,889	+ 198
Wheat.....	910	901	- 9

\*Not otherwise classified.

\*Not otherwise classified.

