

# FEDERAL RESERVE BANK OF RICHMOND

CALDWELL HARDY FEDERAL RESERVE AGENT

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## General Business and Agricultural Conditions in the Fifth Federal Reserve District for the Month of December, 1920

December witnessed further developments in the wide-spread efforts to liquidate funds tied up in stocks carried by jobbers and retailers, a movement begun early in the summer of 1920 and continued steadily since that time. Material reductions in stocks have been made by practically all retailers, and jobbers' stocks are reported as low. Manufacturers were inactive during December because of the hesitancy of retailers in placing advance orders in the face of uncertain prices, and considerable unemployment developed. Some wage reductions have been made, notably in the textile field. Construction work continues unimportant, particularly in residence building. The department stores report larger sales during the holidays, but jewelers and dealers in some other specialty lines report sales as fair only. There were fewer purchases for high priced goods reported, though the number of sales made during the month compares favorably with the number made in December, 1919.

But in spite of the hesitating attitude of business during December, the situation at the opening of 1921 is considered as improving by the great majority of correspondents from whom we secure data. Stocks on hand have contracted in value but reports indicate that by conservative purchasing and intelligent charging off of depreciation or losses, most merchants have passed the crisis and are safely preparing for future contingencies. Employers and employees have in many cases consulted and reached a basis upon which it is thought both can prosper. Transportation facilities have gradually improved and service is now better than it has previously been since 1916. The farmers, who are harder hit than any other industrial group in the Fifth District, are reported as co-operating in plans to aid in exporting their surplus products, and are preparing to make the next crop more economically than the 1920 crop. Of course complaint is heard from scattered sources, but on the whole the District is cheerful and confident of emerging into a better period.

**COLLECTIONS.**—Dun's Review reports 97 failures with liabilities of \$1,872,700 in the Fifth District during December 1920, compared with 45 failures with liabilities of \$581,176 in December 1919. The number of failures in December 1920 was nearly double the number reported during any other month of the year, the second highest being October with 58 reported, but the liabilities amounted to less than the figures reported for July 1920, when 39 firms failed for a total of \$1,995,634. We give elsewhere in this publication a table showing failures reported for the Fifth District from January through December, both 1919 and 1920, and an examination of this table shows that the first six months of 1919 witnessed approximately twice the combined liability of those which occurred during the last half of the year, but during 1920 the second half of the year was more than twice as disastrous to weak firms. From January to June, inclusive, 1919, 184 firms failed with liabilities of \$3,610,405, and from July to December, inclusive, 1919, 171 firms failed with liabilities of \$1,995,427. From January to June, inclusive, 1920, 203 firms failed with liabilities of \$4,064,980, and from July to December, inclusive, 1920, 335 firms failed with liabilities of \$9,035,343. The combined failures for 1919 totaled 355, with liabilities of \$5,605,832, compared with 538 failures in 1920, with liabilities of \$13,100,323. Evidently some larger firms failed in 1920 than in 1919, since the total liabilities for 1920 were 2.32 times the total liabilities for 1919, while the number of failures during the year were only 1.52 times the number of fatalities reported in 1919.

Reports received from thirty-six wholesale firms show collections to be fair on the whole. Of the thirty-six firms, ten report collections as good, thirteen as fair, ten as slow, and three as definitely poor. This is about the same proportion as the reports for November showed. We give herewith a table showing the answers returned by the reporting firms, together with the lines represented, to which we have added the figures received for September, October and November for purposes of comparison:

Lines Sold	Good	Fair	Slow	Poor	Total
Groceries.....	5	1	2	.....	8
Dry Goods.....	2	4	2	.....	8
Boots and Shoes.....	1	4	2	1	8
Hardware.....	2	1	3	2	8
Furniture.....	.....	3	1	.....	4
December Total.....	10	13	10	3	36
November Total.....	10	13	10	6	39
October Total.....	14	10	9	5	38
September Total.....	11	15	12	3	41

Confidential reports received from twenty-two large retail stores, chiefly large city department stores, show that their collections continue satisfactory. Sixteen of the reporting firms commented specifically upon collections and of these 10 wrote that they are excellent, good, or satisfactory, while 6 stated that they are fair. None reported any well defined slowness, though one store manager wrote that his collections were fair to slow.

In the country districts, the situation is apparently unchanged from the conditions set forth last month in our review of November's activities. The crop holding movement has retarded liquidation. During the year the manufacturers sold to their jobbers on time, who in turn passed the credit on to the local merchants. The merchants "carried" or "furnished" the farmers expecting to collect their bills between September and January, but the farmers upset the usual procedure by holding their crops, thus freezing the long chain of credit that runs back to the manufacturers and their banks. Preparations for another crop will soon be making demands upon credit, however, and the orderly marketing of the present crop should proceed, as liquidation of present credits cannot be postponed indefinitely.

**BANKING OPERATIONS.**—Clearings reported for the month of December 1920 in thirteen cities in the Fifth District for which December 1919 figures are available for comparison show a decrease during the more recent month of 16.8%, the greatest decrease shown by any month of 1920 in comparison with the corresponding month of 1919. Total clearings in the thirteen cities during December 1920 amounted to \$815,055,034 compared with \$980,461,977 cleared during December 1919, a decrease during December 1920 of \$165,406,943. Nineteen-twenty opened with January clearings 23.4% more than clearings during January 1919, and the high water mark was reached during March 1920 when clearings were 35.3% greater than during the corresponding month of 1919. From this point forward, however, the per cent. of increase steadily declined until September 1920 saw the first decrease, 1.1% less having been cleared that month than during September 1919. The increase or decrease reported each month during 1920, in comparison with the corresponding month of 1919, was as follows, all being increases except the last four, which are marked minus; January, 23.4%; February, 25.2%; March, 35.3%; April, 26.1%; May, 20.8%; June, 19.0%; July, 6.7%; August, 5.7%; September, - 1.1%; October, - 12.7%; November, - 11.2%; December, - 16.8%.

Debits to individual account reported by the banks in seven of the chief clearing house centers of the Fifth District totaled \$173,391,000 for the week ending January 12, 1921, compared with totals of \$196,095,000 reported from the same cities for the week ending January 14, 1920, the corresponding week last year, and \$189,027,000 reported for the week ending December 8, 1920, one month previously. The week's total this year shows a decrease of 11.6% from the corresponding week last year, and is 9.0% under the totals reported for the week ending December 8, 1920.

We print elsewhere in this report a table showing the average weekly debits reported by seven cities for each month of 1919 and 1920, and careful examination of the table will show that during the first six months of the latter year business activity was something like 28% greater than during the first six months of 1919, the average debits reported each week being \$188,354,000 from January through June, 1920, compared with \$146,912,000 reported during the same months of 1919, but from July through December the same cities reported an average of \$178,998,000 for each week of 1920, compared with \$184,266,000 average for the corresponding weeks of 1919, a decrease during 1920 of 2.9%. The entire year 1920 averaged \$183,676,000, compared with an average for 1919 of \$165,589,000, an increase during 1920 of 10.9%.

Condition reports received weekly from eighty member banks in selected cities of the District show the following:

	January 2, 1920	December 3, 1920	December 31, 1920
Loans Outstanding.....	\$ 489,311,000	\$ 484,328,000	\$ 468,971,000
Demand Deposits.....	369,225,000	332,729,000	231,750,000
Time Deposits.....	97,045,000	108,317,000	108,192,000

These figures show little change during December 1920, deposits having decreased approximately a million and a quarter while loans outstanding increased slightly more than four and a half million dollars. Outstanding loans at the close of 1920 were \$340,000 less than at the beginning of the year, but deposits—combined demand and time—had decreased during the year \$26,328,000. These figures show the liberality with which the bankers have treated their customers, a decrease in deposits of 5.6% having been followed by a decrease in outstanding loans of only .07%. A decrease in outstanding loans to correspond to the percentage decrease in deposits would have required the calling of approximately \$27,000,000 of the total outstanding loans.

In the statistical section of this report will be found certain tables showing clearings in reporting cities, debits to individual account, and chief items of condition reported by eighty member banks in selected cities.

**LABOR.**—So far as our various reports indicate, there was nowhere in the District a shortage of labor at the close of the year 1920, but on the other hand there was considerable unemployment in many lines. Early in 1921 a large percentage of the textile mills that had shut down before the holidays resumed operations, which relieved the unemployment problem in that particular field, but there has been no relief in the building trades, and for unskilled labor. Many people are out of work in the larger cities, and many wage reductions have been made during the past two or three months. Several of the railroads have laid off more workmen, thus adding to the number that were dropped in the spring when the roads were returned to private ownership. Most of the men released have been shop workers and repair men.

No reductions in wages have been made by the railroads or the public service corporations, but textile plants are running on a lower scale, and scattered reductions have been made in the lumber industry, in the building trades, in unskilled labor on public works, and in wages paid for farm work.

As an indication of the seriousness of the unemployment problem, it is interesting to know that recently the Public Employment Bureau in Richmond requested the citizens to hunt up odd jobs around their homes and to telephone requests for men to be sent to do them, even if the jobs would give employment for only a few hours to some needy worker.

**FOODS.**—Prices of food changed little during December, there having been only slight variations. Flour advanced a fraction over the November quotations, but on the other hand sugar and loaf bread became cheaper, though neither has as yet gotten back to anything like the pre-war price. Meats have been more or less stationary for the past month, but eggs and butter have continued the decline mentioned last month. The consumers are gradually sharing in more and more of the reductions previously made by wholesalers and manufacturers, as retailers get rid of stocks bought at high prices and restock at the more recent figures. Restaurant prices have been reduced to some extent, though a number of restaurant owners state that they are tied up under contract for supplies and cannot reduce their prices until these contracts expire. The Department of Labor estimates that at the close of December, food prices had decreased about 30% during the past six months, but were still 76.3% higher than in December, 1914.

**COTTON AND TOBACCO.**—Prices for both cotton and tobacco continue unsatisfactory to the growers and they are therefore holding every bale and pound that they can. Little of either commodity was sold during December, and many of the tobacco markets were closed a good part of the month, or until after the holidays. Much talk of reduced acreage for 1921 continues, and numerous plans to enforce a reduction have been advanced, but it is yet too early to say whether or not these plans will show material results. Crop reduction is a difficult thing to bring about, and no one will be able to say definitely whether there has been much change in acreage until the crops have been planted.

Some low grade cotton has been left ungathered, the growers claiming that the expense of gathering exceeds the amount that can be realized for this cotton, but it is unlikely that this will materially reduce the dollar value of the year's crop. To abandon a matured crop seems an unwise policy, for even if the expense of gathering is excessive at present, it could be gathered for less than the cost of producing a new crop. Also if gathered the certainty of waste in abandoning it would be avoided.

Around the opening of the New Year both cotton and tobacco prices have shown an upward tendency, but fundamental conditions responsible for the present low quotations have changed little; and no sharp recovery in prices has occurred.

**COAL.**—It appears from reports issued by the U. S. Geological Survey and various mining associations that there is now little danger of a winter shortage of fuel. Production has been good during the past two or three months, and transportation facilities have been sufficient to move the product to the points of consumption. There may be scattered shortages, but on the whole there is abundant coal in sight to care for the needs of consumers. Prices at the mines are reported as lower than those quoted some months ago, but retail prices continue firm at the old figures. There are no serious labor troubles at the mines located in the Fifth District, although there are still a few areas in West Virginia with local disturbances.

**TEXTILES.**—The manufacture of cotton yarns and cloth is one of the largest industries in the Fifth District, and the mills of North and South Carolina are showing signs of recovery from the decided slump in business experienced during the fall of 1920. During November and December many of the mills operated on part time, and a number of them closed entirely two or three weeks before Christmas, but since the first of January 1921 most of them have resumed operations and are running on approximately full time. The cost of production has been considerably reduced by wage adjustments that average something like 25%, these reductions having been made in a majority of the Southern mills. Mill managers report that the prospect for new business is brighter than before Christmas, and most of them expect to secure orders in a short time to fill in the reductions retailers have made in their stocks.

**CLOTHING AND SHOES.**—Clothing and shoes have been reduced sharply in the retail establishments since Christmas, though there were few reductions during December until after the holidays. Clothing for men has been cut enough to make the purchase of a good suit possible at reasonable figures, and stores are featuring medium priced goods rather than the higher grades formerly in demand. The average suit sold in the spring of 1919 was in the neighborhood of \$65, but the average suit quoted by the leading houses today is in the neighborhood of \$45, a drop of about 31%. Prices of shirts have decreased even more, one of the largest manufacturers having announced a 50% cut on all grades. Retail stores generally have had special sales at reductions ranging from 25 to 50% during the last week in December and first weeks of January. Underwear prices have followed the outer clothing in the downward trend, and hosiery has been sharply reduced by both manufacturers and retailers. One of the largest hosiery manufacturers in the United States, which is located in the Fifth District, announced early in January a new scale of prices, and also stated that the new year had brought more orders in two weeks than they had secured during the previous three months. Shoes have declined further, in keeping with lowered costs of leather, though some of the reduction is due to the seasonal effort to move winter goods before spring stocks arrive. The reductions announced this year are more evident than those made during the past two winters, and it is now possible to buy a high grade shoe for \$8 to \$10, or perhaps less, in comparison with similar grades that sold from \$12.50 to \$18 in the spring of 1919.

Clothing for women shares in the reductions made, but in women's clothing the element of style is more of a factor than in men's lines. There are always sharp reductions in women's clothing after the seasons are well advanced, and therefore, it is exceedingly difficult to say how much the recent cuts have been due to the usual late season reductions and how much they are due to an actual reduction in price that will be permanent. The Department of Labor estimates that clothing prices were 24% lower at the end of December 1920 than at the end of June, six months earlier.

**HOUSING.**—Little has been done during December to overcome the general shortage of homes, and not much construction of any kind was started. Building permits issued in twenty-three of the chief cities in the Fifth District totaled 592 for new construction in December 1920 compared with 1,113 in December 1919, and permits for repairs during the same months were 1,188 and 1,065, respectively, showing the tendency mentioned in our November report to convert old buildings into more modern structures instead of building new houses and stores. Total valuation for both new work and alterations in December 1920 amounted to \$2,929,381 compared with total valuation of \$7,342,260 authorized in December 1919, a decrease for the more recent month of 60.1%. Four of the reporting twenty-three cities showed increased valuation over the corresponding month of 1919, these being Cumberland and Frederick, Md., Roanoke, Va., and Greensboro, N. C. The highest per cent. of increase was reported by Roanoke with 142.2%, and the biggest decrease was in Greenville, S. C., which dropped 97.1% below the December 1919 figures.

There is much talk of contemplated construction in the spring, but much depends upon the stability of the materials and labor market, and upon financial conditions. Some attempts have been made to reduce wages in the building trades, but the workers show a disposition to resist these reductions, and their attitude may hold up the expected spring activity to some extent. The materials market is much lower than formerly, but it

remains to be seen whether these reductions will hold if a decided demand for building material develops. Finally, as we have said before, money for construction work is hard to secure in the face of splendid investment offerings of high class listed securities. On the whole, however, contractors express the belief that the spring will witness a considerable volume of building, and the houses and business buildings are undoubtedly seriously needed.

**BUILDING MATERIALS.**—The building materials market is little changed from conditions that existed when our review of November was written. Lumber mills have closed down indefinitely, awaiting a revival of buying, and retail lumber yards are well stocked. Manufacturers claim that present prices for lumber at the mills will not pay for the cost of production, and they contend that there is no incentive for them to cut their timber for sawing into lumber which they are obliged to sell at an actual loss, if they can sell it at all. The consumers are skeptical as to the actual market conditions, and continue to demand further reductions before buying material for construction work. It appears that manufacturers have reduced their prices to the retailers of lumber more substantially than the reduction made by the latter to the ultimate consumers. Transportation conditions, so important in the building material field, have improved steadily during the fall, and little trouble is found now in securing shipments from mills. Structural steel holds firm at the standard prices quoted by the large companies, but high spot prices demanded by jobbers have been largely reduced since September. Other building materials are inactive, and few of them have declined in keeping with lumber. Hardware prices held firm a long time, but material reductions have been made in the past two or three months.

**WHOLESALE TRADE.**—There was no revival of wholesale trade during December, retailers continuing their policy of withholding spring orders. Confidential reports on actual sales made during December 1920, November 1920, and December 1919 by representative wholesale firms dealing in groceries, dry goods, boots and shoes, hardware and furniture, show percentage decreases in sales during December 1920 in comparison with both November 1920 and December 1919. We give below a table showing the per cent. of decrease in net sales during December 1920 for each of the five lines from which reports were received:

Lines Sold	Percentage Decrease in December, 1920, Compared with	
	November, 1920	December, 1919
Groceries.....	9.0-	16.0-
Dry Goods.....	32.9-	54.2-
Boots and Shoes.....	60.4-	78.8-
Hardware.....	25.4-	23.5-
Furniture.....	51.9-	60.2-

**RETAIL TRADE.**—Detailed reports received for December, 1920, from twenty-two large retail establishments in the Fifth District indicate that business during the month was better than during the previous December, 4.9% more goods by actual dollar value having been sold. Stocks on hand, reported at selling price, were 4.2% less than at the close of December 1919, and 25.5% less than at the close of November 1920. Part of this decrease is due to actual reduction in volume of stock on hand, but a portion of it is absorbed by re-marking goods to a lower selling basis, indicating a disposition to take losses, if any, and begin the new year on a basis approximating present markets. The ratio of stocks carried from July 1 through December, 1920, to net sales each month during the same period, was 386.6% at the end of the year, a reduction of nearly 200% from the high figure of the year, 560.7%, which was reached in August. Outstanding orders at the end of the year amounted to only 2.7% of the total purchases of merchandise during the calendar year 1919.

Attention is called particularly to the table published in the statistical section of this report, in which is shown the monthly averages for the District as a whole for each month from July through December. An examination of the table will show how the reporting stores have gradually reduced both the stocks carried and their outstanding orders, and will also show that while business has not been as animated as is usual during the second half of the year, these typical stores sold more goods during the six months in question than during the corresponding six months of 1919, the increase averaging 10.4% each month.

**FIGURES ON RETAIL TRADE FOR SIX MONTHS,  
As Indicated by Reports from Twenty-four Department Stores in Fifth District.**

(COMPILED BY THE FEDERAL RESERVE BANK OF RICHMOND)

Percentage of increase in net sales during the month named, 1920, over corresponding month of 1919:

	July	August	September	October	November	December
Baltimore.....	26.1	29.4	12.4	13.1	13.8	6.7
Richmond.....	23.5	10.6	7.2	9.3	7.0	2.6
Washington.....	5.8	11.6	.4	6.7	11.1	2.5
Other cities.....	13.4	12.5	7.3	24.4	19.4	2.9
District average....	15.7	20.9	7.5	12.4	13.1	4.9

Percentage of increase in net sales from July 1 through month named, 1920, over net sales during the corresponding months of 1919:

	July	August	September	October	November	December
Baltimore.....	26.1	27.4	21.2	18.5	17.2	14.7
Richmond.....	23.5	17.3	13.3	12.0	10.8	8.5
Washington.....	5.8	11.5	5.7	5.4	6.8	5.6
Other cities.....	13.4	15.0	12.4	17.1	18.0	8.3
District average....	15.7	21.1	14.1	13.6	13.5	10.4

Percentage increase in stocks on hand, selling price, at the end of month named, to stocks on hand at the same date in 1919:

	July	August	September	October	November	December
Baltimore.....	60.4	26.7	17.6	12.3	8-	10.8-
Richmond.....	32.4	24.1	25.0	21.6	22.6	21.5
Washington.....	33.9	30.7	23.8	6.3	1.9	3.5-
Other cities.....	46.8	39.0	25.4	37.3	19.8	5.3
District average.....	44.6	29.6	21.1	15.1	5.3	4.2-

Percentage increase in stocks on hand, selling price, at the end of month named, to stocks on hand at the close of the immediately preceding month, the same year:

	July	August	September	October	November	December
Baltimore.....	10.4	1.8	11.2	.3-	12.4-	25.0-
Richmond.....	.9-	8.5	13.4	3.0	3.7-	26.1-
Washington.....	2.1-	.1-	8.3	.1	5.5-	24.6-
Other cities.....	.6-	4.9	8.9	.4-	1.3-	28.1-
District average....	2.5	2.3	10.2	.1	7.7-	25.5-

Percentage of average stocks on hand from July 1 through the month named, to average net sales during the same period:

	July	August	September	October	November	December
Baltimore.....	534.3	532.4	520.7	482.3	439.2	376.1
Richmond.....	407.6	465.5	458.8	441.0	425.3	359.4
Washington.....	491.5	513.0	478.0	475.8	445.6	374.8
Other cities.....	553.6	718.1	593.9	554.1	527.7	479.6
District average....	505.9	560.7	512.9	489.0	454.5	386.6

Percentage of outstanding orders for merchandise at the end of the month named, to total purchases during the calendar year 1919:

	July	August	September	October	November	December
District average.....	16.1	14.8	8.4	7.1	3.0	2.7

- Denotes decrease.

# BUILDING OPERATIONS FOR THE MONTHS OF DECEMBER, 1919 AND 1920

No.	CITIES	PERMITS ISSUED				NEW CONSTRUCTION		ALTERATIONS		Increase or Decrease Total Valuation	Per Cent. of Increase or Decrease	No.
		New		Repairs		1919	1920	1919	1920			
		1919	1920	1919	1920							
<b>MARYLAND</b>												
1	Baltimore.....	472	213	628	632	\$1,790,040	\$ 989,450	\$ 578,220	\$ 302,000	\$ 1,076,810-	45.5-	1
2	Cumberland.....	8	8	9	10	11,400	16,350	5,755	2,675	1,870+	10.9+	2
3	Frederick.....		5	3	2		23,000	14,000	2,550	11,550+	82.5+	3
<b>VIRGINIA</b>												
4	Lynchburg.....	6	4	8	3	119,600	126,750	13,200	3,300	2,750-	2.1-	4
5	Norfolk.....	79	14	18	28	618,192	73,095	127,885	21,734	651,248-	87.3-	5
6	Richmond.....	62	37	43	57	633,625	261,045	245,746	92,993	525,333-	59.7-	6
7	Roanoke.....	31*	43*			29,205*	71,040*			41,835+	143.2+	7
8	Staunton.....	1				250				250-		8
<b>WEST VIRGINIA</b>												
9	Charleston.....	42	38	7	8	181,179	63,110	7,250	24,350	100,969-	53.6-	9
10	Huntington.....	51*	52*			106,190*	59,770*			46,420-	43.7-	10
11	Parkersburg.....					25,000	10,000	10,000	5,000	20,000-	57.1-	11
<b>NORTH CAROLINA</b>												
12	Asheville.....	13	18	25	12	75,704	32,170	15,760	7,050	52,244-	57.1-	12
13	Charlotte.....	18	6	8	5	103,400	70,400	60,650	2,680	90,970-	55.5-	13
14	Durham.....	5	2	4	4	59,700	4,750	230	1,287	53,893-	89.9-	14
15	Greensboro.....	7	36	1	10	7,200	174,750	125,000	13,776	56,326+	42.6	15
16	High Point.....	12*	14*			18,390*	18,000*			390-	2.1-	16
17	Wilmington.....	17	10		5	468,300	21,350		11,500	435,450-	93.0-	17
18	Winston-Salem.....	40	11	38	46	118,663	42,100	14,079	9,138	81,504-	61.4-	18
<b>SOUTH CAROLINA</b>												
19	Charleston.....	29	10	8	12	114,550	16,650	30,050	9,990	117,960-	81.6-	19
20	Columbia.....	15	2	64	47	337,500	14,900	10,567	10,940	322,227-	92.6-	20
21	Greenville.....	22	5	13	7	135,000	1,900	56,000	3,590	185,510-	97.1-	21
22	Spartanburg.....	32	11	4	13	42,565	10,700	225	4,400	27,690-	64.7-	22
<b>DISTRICT OF COLUMBIA</b>												
23	Washington.....	151	53	184	287	834,835	104,780	197,155	194,368	732,842-	71.0-	23
<b>TOTALS.....</b>		1,113	592	1,065	1,188	\$5,830,488	\$2,206,060	\$1,511,772	\$ 723,321	\$ 4,412,879-	60.1-	

## MONTHLY CLEARINGS

No.	CITIES	FOR MONTH OF DECEMBER		Increase or Decrease	Per Cent. of Increase or Decrease	No.
		1920	1919			
1	Asheville, N. C.....	\$ 5,114,194	\$ 6,272,922	\$ 1,158,728-	18.5-	1
2	Baltimore, Md.....	410,884,806	416,623,713	5,738,907-	1.4-	2
3	Charlotte, N. C.....	11,102,064*				3
4	Columbia, S. C.....	11,132,103	19,255,049	8,122,946-	42.2-	4
5	Frederick, Md.....	2,601,921	2,724,039	122,118-	4.5-	5
6	Greensboro, N. C.....	5,753,683	5,905,387	151,704-	2.6-	6
7	Greenville, S. C.....	7,800,798	14,538,398	6,737,600-	46.3-	7
8	Hagerstown, Md.....	2,811,546	3,099,231	287,685-	9.3-	8
9	Huntington, W. Va.....	9,184,742	8,794,338	390,404+	4.4+	9
10	Newport News, Va.....	3,400,464	6,076,600	2,676,136-	44.0-	10
11	Norfolk, Va.....	39,597,404	59,153,086	19,555,682-	33.1-	11
12	Raleigh, N. C.....	5,620,870	9,704,008	4,083,138-	42.1-	12
13	Richmond, Va.....	232,491,030	350,279,153	117,788,123-	33.6-	13
14	Spartanburg, S. C.....	3,245,375*				14
15	Washington, D. C.....	78,661,473	78,036,053	625,420+	.8+	15
<b>TOTALS.....</b>		\$ 815,055,034	\$ 980,461,977	\$ 165,406,943-	16.8-	

## CLEARINGS IN REPORTING CITIES FOR THE LAST SIX MONTHS OF 1920

No.	CITIES	July	August	September	October	November	December	Totals
1	Asheville, N. C.....	\$ 6,784,480	\$ 5,967,339	\$ 6,489,329	\$ 5,870,649	\$ 5,320,479	\$ 5,114,194	\$ 35,546,470
2	Baltimore, Md.....	431,588,887	428,563,223	419,609,008	440,313,214	397,840,545	410,884,806	2,528,799,683
3	Charlotte, N. C.....	13,802,856	11,437,945	11,575,957	12,796,248	11,259,757	11,102,064	71,974,827
4	Columbia, S. C.....	12,367,764	10,592,103	11,486,343	12,727,097	11,475,320	11,132,103	69,780,730
5	Frederick, Md.....	2,625,490	2,570,636	2,924,749	2,867,841	2,778,181	2,601,921	16,368,818
6	Greensboro, N. C.....	6,744,129	5,677,386	6,028,148	6,900,594	5,460,534	5,753,683	36,564,474
7	Greenville, S. C.....	9,656,285	9,656,285	7,317,376	8,780,965	8,085,220	7,800,798	51,296,929
8	Hagerstown, Md.....	3,573,843	3,088,355	3,322,327	3,193,171	2,877,669	2,811,546	18,866,911
9	Huntington, W. Va.....	8,227,079	8,457,889	7,980,570	8,796,927	9,416,585	9,184,742	52,063,792
10	Newport News, Va.....	5,040,028	3,958,729	3,462,855	3,231,593	3,569,283	3,400,464	22,662,952
11	Norfolk, Va.....	47,392,336	42,168,978	38,977,264	39,221,215	40,602,070	39,597,404	247,959,267
12	Raleigh, N. C.....	5,877,807	5,462,828	5,487,905	6,057,361	5,893,037	5,620,870	34,399,808
13	Richmond, Va.....	239,321,358	234,098,391	229,576,858	244,107,162	247,428,654	232,491,030	1,427,023,453
14	Spartanburg, S. C.....	4,845,239	3,464,975	3,682,520	4,757,431	4,281,723	3,245,375	24,277,263
15	Washington, D. C.....	75,616,642	68,133,770	65,663,286	75,775,063	75,253,428	78,661,473	439,103,662
<b>TOTALS.....</b>		\$873,464,223	\$843,298,832	\$823,584,495	\$875,396,531	\$831,542,485	\$829,402,473	\$5,076,689,039

\* Includes both new and repairs in Building Permits; not included in Totals in Monthly Clearings.

+ Increase.

- Decrease.

## FAILURES IN THE FIFTH DISTRICT DURING 1919 AND 1920

MONTHS	NUMBER OF FAILURES		LIABILITIES	
	1919	1920	1919	1920
January.....	34	35	\$ 617,155	\$ 284,943
February.....	27	40	381,910	1,335,730
March.....	36	36	457,495	464,017
April.....	27	14	660,750	88,450
May.....	30	41	491,740	1,577,684
June.....	30	37	1,001,355	314,156
July.....	17	39	316,282	1,995,634
August.....	20	40	141,410	691,785
September.....	42	54	704,352	1,646,417
October.....	21	58	119,567	1,644,702
November.....	26	47	132,640	1,184,105
December.....	45	97	581,176	1,872,700
<b>Totals.....</b>	<b>355</b>	<b>538</b>	<b>\$ 5,605,832</b>	<b>\$ 13,100,323</b>

### CONDITION OF EIGHTY MEMBER BANKS IN SELECTED CITIES

(In Thousands of Dollars)

	December 31, 1920	December 3, 1920	January 2, 1920
Total United States securities owned.....	\$ 78,728	\$ 76,874	\$ 102,870
Loans secured by United States war obligations.....	24,886	24,909	37,947
Loans secured by stocks and bonds other than United States securities.....	112,619	111,460	113,085
All other loans and investments.....	351,466	347,959	341,789
Reserve balance with Federal Reserve Bank.....	34,544	35,099	41,005
Cash in vault.....	17,373	17,970	22,868
Net demand deposits on which reserve is computed.....	331,750	332,729	371,236
Time deposits.....	108,192	108,317	98,480

### DEBITS TO INDIVIDUAL ACCOUNTS AT CLEARING HOUSE BANKS

(In Thousands of Dollars)

CITIES	January 12, 1921	December 8, 1920	January 14, 1920
Baltimore, Md.....	\$ 103,349	\$ 110,435	\$ 105,421
Charleston, S. C.....	6,655	5,203	12,796
Charlotte, N. C.....	6,744	6,886	11,485
Columbia, S. C.....	5,517	5,696	8,062
Huntington, W. Va.....	5,786*	6,282*	.....
Norfolk, Va.....	17,497	23,017	20,429
Raleigh, N. C.....	4,100	4,900	6,700
Richmond, Va.....	29,529	32,890	31,202
Washington, D. C.....	38,948*	37,615*	.....
<b>Totals.....</b>	<b>\$ 173,391</b>	<b>\$ 189,027</b>	<b>\$ 196,095</b>

\* Not included in totals.

### AVERAGE WEEKLY DEBITS TO INDIVIDUAL ACCOUNT DURING THE TWELVE MONTHS OF 1920 AT REPORTING BANKS IN SEVEN IMPORTANT CLEARING HOUSE CENTERS, FIFTH FEDERAL RESERVE DISTRICT

WEEKLY AVERAGE DURING	1919	1920	Percentage Increase or Decrease
January.....	\$ 153,088,000	\$ 202,996,000	32.6*
February.....	138,355,000	180,981,000	30.8*
March.....	131,822,000	186,874,000	41.8*
April.....	137,779,000	186,663,000	35.5*
May.....	145,289,000	190,280,000	30.9*
June.....	166,681,000	183,827,000	10.3*
July.....	174,709,000	181,862,000	4.1*
August.....	172,342,000	175,822,000	2.0*
September.....	168,576,000	168,949,000	.2*
October.....	189,405,000	186,635,000	1.5-
November.....	204,225,000	185,518,000	9.2-
December.....	195,939,000	177,972,000	9.2-
<b>Yearly average.....</b>	<b>\$ 165,589,000</b>	<b>\$ 183,676,000</b>	<b>10.9%</b>

+ Denotes increase.

- Denotes decrease.

**FEDERAL RESERVE BANK OF RICHMOND**  
**Statement of Condition as of December 17, 1920.**

RESOURCES	
RESERVES	
Gold Coin and Certificates.....	\$ 2,493,442.50
Gold Settlement Fund—Federal Reserve Board.....	28,501,405.38
Gold with Foreign Agencies.....	3,319,707.93
<b>TOTAL GOLD HELD BY BANK.....</b>	<b>\$ 34,314,555.81</b>
Gold with Federal Reserve Agent.....	49,273,298.00
Gold Redemption Fund—Federal Reserve Notes.....	7,664,802.20
<b>TOTAL GOLD RESERVES.....</b>	<b>\$ 91,252,656.01</b>
Legal Tender Notes, Silver, etc.....	904,647.75
<b>TOTAL RESERVES.....</b>	<b>\$ 92,157,303.76</b>
UNCOLLECTED ITEMS	
Currency of other banks and unassorted Currency.....	\$ 1,890,148.00
Transit Items.....	70,346,953.63
Checks and other Cash Items.....	588,689.32
Exchanges for Clearing House.....	3,696,273.07
<b>TOTAL UNCOLLECTED ITEMS.....</b>	<b>\$ 76,522,064.02</b>
EARNING ASSETS	
Bills Discounted—Secured by Government War Obligations.....	\$ 46,152,096.39
Bills Discounted—All others.....	65,662,574.14
Bills Purchased in Open Market.....	5,736,642.73
<b>TOTAL BILLS ON HAND.....</b>	<b>\$ 117,551,313.26</b>
U. S. Government Bonds.....	1,233,300.00
U. S. Certificates of Indebtedness.....	12,261,500.00
<b>TOTAL EARNING ASSETS.....</b>	<b>\$ 131,046,113.26</b>
MISCELLANEOUS ASSETS	
Interest Accrued on U. S. Securities.....	\$ 117,821.77
Advances to U. S. Government for War Loan Expenses.....	26,629.91
Bank Premises.....	1,421,709.90
5% Fund against Federal Reserve Bank Notes—Our own.....	451,300.00
Overdrafts—Members.....	571,494.09
All other Resources.....	43,319.27
<b>TOTAL MISCELLANEOUS ASSETS.....</b>	<b>\$ 2,632,274.94</b>
<b>TOTAL RESOURCES.....</b>	<b>\$ 302,357,755.98</b>
LIABILITIES	
CAPITAL AND PROFITS	
Capital Paid in.....	\$ 5,285,300.00
Surplus.....	8,067,365.25
Unapportioned Profits.....	2,923,098.98
<b>TOTAL CAPITAL AND PROFITS.....</b>	<b>\$ 16,275,764.23</b>
NOTE CIRCULATION	
Federal Reserve Notes in actual circulation—Our own.....	\$ 150,399,035.00
Federal Reserve Bank Notes in actual circulation—Our own.....	11,562,413.00
<b>TOTAL NOTES IN ACTUAL CIRCULATION.....</b>	<b>\$ 161,961,448.00</b>
DEPOSITS	
U. S. Treasurer.....	\$ 18,233,580.05
Member Banks Reserve Accounts.....	58,828,560.11
Foreign Banks.....	196,000.00
Cashiers' Checks.....	126,421.53
Deferred Availability—Uncollected Funds.....	46,266,887.82
<b>TOTAL GROSS DEPOSITS.....</b>	<b>\$ 123,651,449.51</b>
MISCELLANEOUS LIABILITIES	
Reserve for Taxes other than Franchise Tax.....	\$ 22,813.94
Reserve for Depreciation on U. S. Securities.....	4,580.00
Unearned Discount.....	438,780.28
All other Liabilities.....	2,920.07
<b>TOTAL MISCELLANEOUS LIABILITIES.....</b>	<b>\$ 469,094.24</b>
<b>TOTAL LIABILITIES.....</b>	<b>\$ 302,357,755.98</b>
<b>MEMO:</b>	
Due United States Treasurer by Depository Banks.....	\$ 12,429,200.00
Contingent Liability on Bills Discounted or Sold.....	9,873,000.00
Contingent Liability on Bills Purchased for Foreign Correspondents.....	784,000.00