

FEDERAL RESERVE BANK OF RICHMOND

General Business and Agricultural Conditions in the Fifth Federal Reserve District

By CALDWELL HARDY, Chairman and Federal Reserve Agent

RICHMOND, VIRGINIA, JANUARY 31, 1922.

NATIONAL SUMMARY.*

Production and trade show no striking departures from the conditions prevailing at the time of the last report. At this season there usually occurs a period of slackening in various lines of manufacture and this has been true during the past month. Such recession as there has been does not, however, go beyond the proportions to be expected at this time of the year. The Federal Reserve Board's price index for December shows a reduction of only two points, as compared with a month earlier, while the United States Bureau of Labor Statistics shows no change in its index. On the productive side interest has been largely centered about the iron and steel trade. The activity in that branch of business has, on the whole, been slightly on the increase, the end of the year showing a slowing down due to the usual inventory period, while during the first part of January better inquiry, particularly from railroads, has tended to increase the volume of orders on hand as well as the activity of the plants. Demand for nonferrous metals continues quiet. In cotton and woolen textiles no material change has taken place but in other manufacturing lines there has been, if anything, a moderate tendency toward improvement. Little change in crop conditions can be expected during the winter season. Prices of staple farm products have, on the whole, about held their own with fair export demand. Minor agricultural crops, especially citrus fruits and sugar cane, have shown satisfactory yields. A slight increase in unemployment is attributable largely to seasonal recession and indicates no important change in the general demand for labor. Building operations have been unusually well maintained, especially for this season of the year, being about double those reported for the corresponding months a year ago. Wholesale trade lines have shown great variation. Sharp declines have occurred in dry goods and boots and shoes, while hardware sales, although not declining in so marked a degree, have fallen off substantially. Groceries also show a lessened volume of demand. In the Southern states the decline in wholesale lines has been especially pronounced in dry goods and shoes. The figures, however, make a distinctly favorable showing as compared with a year ago. In retail trade, buying demand in the manufacturing districts of the East and North still shows improvement, while demand in the agricultural regions of the West and South indicates sharp decreases as compared with the corresponding period a year ago.

*The National Summary supplied by the Division of Analysis & Research of the Federal Reserve Board.

DISTRICT SUMMARY.

The month of December, 1921, was one of contradictions in developments in the Fifth District, but on the whole favorable signs predominated.

Condition reports from eighty-two member banks show that liquidation of frozen loans is steadily, though slowly, continuing, and some of the banks are working into stronger positions. This seasonal liquidation, and slight increases in both demand and time deposits, has enabled member banks to reduce the amount of their borrowings from correspondents and at the Federal Reserve Bank. Debits to individual account at clearing house centers compare favorably with 1920, and are nearer normal in the Fifth District than the national average shown by the Federal Reserve Board's weekly statements. Good grades of tobacco are bringing profitable prices. Cotton was considerably higher than during December, 1920, though sales were in limited quantities. The consumption of cotton by spinners was ahead of 1920, and more spindles were in operation. Textile manufacturers have sufficient orders to keep them running full time, with prospects fairly good for a continuation of the demand. Building operations, while showing the seasonal slump, are ~~at~~ ahead of operations at this time a year ago. Retail trade in seasonal goods was better than had been expected for December, and twenty-two leading department stores report sales 50% greater in dollar value during December, 1921, than during November, 1921.

On the other hand, December reported the greatest number of business failures and the largest total of liabilities for any month during the past three years, Dun's Review reporting 212 failures, with liabilities of \$5,679,487, in the Fifth District. On the whole, the unemployment situation has shown no improvement. Retail trade in clothing and shoes has been unsatisfactory, chiefly due to unseasonably mild weather. Coal production continues extremely low, with resulting stagnation of business in the coal regions.

The feeling in practically all lines of trade, as reflected in reports from leaders in the chief industries and business activities of the Fifth District, is optimistic for 1922. No great increase in trade is expected, but a gradual, steady improvement is confidently looked for, and manufacturers, wholesalers and retailers are making plans accordingly.

CONDITION OF EIGHTY-TWO REPORTING MEMBER BANKS IN SELECTED CITIES.

ITEMS	January 4, 1922	December 7, 1921	January 7, 1921
1. Total Loans and Discounts (exclusive of rediscounts) -----	\$ 419,678,000	\$ 413,703,000	\$ 440,698,000
2. Total Investments in Bonds and Securities -----	119,334,000	119,356,000	119,857,000
3. Total Loans and Investments -----	539,012,000	533,059,000	560,555,000
4. Reserve Balance with Federal Reserve Bank -----	30,890,000	32,064,000	34,191,000
5. Cash in Vaults -----	15,844,000	14,559,000	21,057,000
6. Demand Deposits -----	308,082,000	300,329,000	340,129,000
7. Time Deposits -----	128,136,000	125,523,000	108,531,000
8. Discounts with Federal Reserve Bank -----	49,188,000	53,103,000	70,547,000

The preceding table shows the principal items of condition for eighty-two identical reporting member banks, located in thirteen of the leading cities of the Fifth District, at the close of business January 4, 1922, December 7, 1921; and January 7, 1921, thus affording comparisons of the current month with the preceding month and with the corresponding date a year ago. All items are strictly comparable for the three dates.

Between January 7, 1921, and January 4, 1922, all items decreased except number seven, Time Deposits, which item increased from \$108,531,000 to \$128,136,000, a gain of 18.1% within the year. Total Loans and Discounts (exclusive of rediscounts) decreased from \$440,698,000 on January 7, 1921, to \$419,678,000 on January 4, 1922, a decline within the year of 4.7%. Total Investments in Bonds and Securities decreased from \$119,857,000 to \$119,334,000 between the two dates, a decline of .4%. Total Loans and Investments decreased from \$560,555,000 to \$539,012,000, a decline of 3.8%. Reserve Balance with the Federal Reserve Bank decreased from \$34,191,000 to \$30,890,000, a decline of 9.7%. Cash in Vault decreased from \$21,057,000 to \$15,844,000, a decline of 24.8%. Demand Deposits decreased from \$340,129,000 to \$308,082,000, a decline of 9.4%. Discounts with the Federal Reserve Bank decreased from \$70,547,000 to \$49,188,000, a decline of 30.3%.

Comparing the figures as of January 4, 1922, with those reported for December 7, 1921, increases are noted in Total Loans and Discounts, Cash in Vaults, Demand Deposits and Time Deposits, but decreases are shown in Total Investments in Bonds and Securities, Reserve Balances with the Federal Reserve Bank, and in Discounts with the Federal Reserve Bank. The figures indicate a continuation of the improvement in the credit conditions of the Fifth District, which was noted in our Review last month, and is further reflected in the Federal Reserve Bank's weekly published statements.

FEDERAL RESERVE BANK OPERATIONS.

Between December 7, 1921, and January 11, 1922, Cash Reserves in the Federal Reserve Bank of Richmond decreased from \$72,390,438.67 to \$70,506,890.55. Between the same two dates, Total Bills on Hand decreased from \$99,245,288.17 to \$88,681,755.37; Federal Reserve Notes in Actual Circulation decreased from \$110,892,215 to \$103,557,880; and Total Member Bank Reserves decreased from \$53,665,057.01 to \$53,370,467.04. The Federal Reserve Bank of Richmond is no longer rediscounting with other Reserve Banks.

DEBITS TO INDIVIDUAL ACCOUNT IN CLEARING HOUSE CITIES.

CITIES	For the Weeks Ending		
	January 4, 1922	December 7, 1921	January 5, 1921
Baltimore, Md. -----	\$ 121,929,000	\$ 112,746,000	\$ 134,443,000
Charleston, S. C. -----	7,600,000	5,455,000	6,900,000
Charlotte, N. C. -----	8,504,000	6,365,000	8,173,000
Columbia, S. C. -----	7,071,000	5,526,000	5,650,000
Greenville, S. C. -----	5,198,000*	4,181,000*	-----
Huntington, W. Va. -----	4,462,000	5,103,000	5,557,000
Norfolk, Va. -----	14,884,000	18,978,000	18,580,000
Raleigh, N. C. -----	9,000,000	3,400,000	4,900,000
Richmond, Va. -----	27,555,000	37,319,000	31,967,000
Washington, D. C. -----	36,351,000	42,151,000	39,955,000
Wilmington, N. C. -----	5,807,000*	4,939,000*	-----
Totals for 9 cities -----	\$ 237,356,000	\$ 237,043,000	\$ 256,125,000
Totals for 11 cities -----	248,361,000	246,163,000	-----

* Not included in Totals for 9 cities.

Debits to Individual Account in nine clearing house centers for the week ending January 4, 1922, totaled \$237,356,000, compared with a total of \$256,125,000, reported from the same cities for the week ending January 5, 1921, a decrease for the 1922 week of 7.3%. The average decrease reported by the Federal Reserve Board for 159 cities between the same two dates amounted to 18.1%, indicating a very satisfactory volume of trade for the Fifth District in comparison with the nation as a whole. Both the 1922 and 1921 weeks contained only five business days, the New Year's holiday being included in them.

In comparison with the week ending December 7, 1921, the week ending January 4, 1922, shows an increase of nine-tenths of 1 per cent, reports from eleven cities being available. While the week ending January 4, 1922, contained only five business days, the end-of-year payments helped to swell the debits, and more than offset the holiday. Four cities report lower debits for the week ending January 4, 1922, than for the corresponding week a month previous, these four being Huntington, Norfolk, Richmond and Washington. Raleigh reported a large increase between the two dates, but the clearing house informs us that this abnormal increase was due to the shifting of State funds at the end of the year.

MONTHLY CLEARINGS.

No.	CITIES	For Month of December		Increase or Decrease	Per Cent of Increase or Decrease	No.
		1921	1920			
1.	Charleston, S. C. -----	\$ 10,572,148	\$ 13,391,886	\$ 2,819,738—	21.1—	1.
2.	Charleston, W. Va. -----	16,354,383*	-----	-----	-----	2.
3.	Charlotte, N. C. -----	9,206,073	11,102,064	1,895,991—	17.1—	3.
4.	Columbia, S. C. -----	8,904,946	11,132,103	2,227,157—	20.0—	4.
5.	Frederick, Md. -----	1,643,016	2,601,921	958,905—	36.9—	5.
6.	Greensboro, N. C. -----	5,844,624	5,753,683	90,941	1.6	6.
7.	Greenville, S. C. -----	6,875,686	7,800,798	925,112—	11.9—	7.
8.	Hagerstown, Md. -----	2,303,139	2,811,546	508,407—	18.1—	8.
9.	Huntington, W. Va. -----	7,471,500	9,184,742	1,713,242—	18.7—	9.
10.	Newport News, Va. -----	1,991,656	3,400,464	1,408,808—	41.4—	10.
11.	Norfolk, Va. -----	34,194,775	39,597,404	5,402,629—	13.6—	11.
12.	Raleigh, N. C. -----	6,861,633	5,620,870	1,240,763	22.1	12.
13.	Richmond, Va. -----	208,985,060	232,491,030	23,505,970—	10.1—	13.
14.	Spartanburg, S. C. -----	3,089,859	3,245,375	155,516—	4.8—	14.
15.	Washington, D. C. -----	86,309,102	78,661,473	7,647,629	9.7	15.
Totals-----		\$ 394,253,217	\$ 426,795,359	\$ 32,542,142—	7.6—	

* Not Included in Totals

— Denotes decrease this year.

The table shows bank clearings reported by fifteen clearing house centers in the Fifth District for the month of December, 1921, together with comparative figures from fourteen of the cities for the corresponding month of 1920. The table shows in dollars the actual increase or decrease in clearings in each city, and the percentage gain or loss in December, 1921, compared with December, 1920. An examination of the figures for the two months shows a decrease from \$426,795,359 reported for December, 1920, to \$394,253,217 reported for December, 1921, a decline of \$32,542,142, or 7.6%. This is the smallest decline reported in comparison with the corresponding month of the previous year since September, 1920.

The publication of statistics on "Bank Clearings" in our Monthly Review will be discontinued as of January 1st, 1922. It is generally conceded that "Debits to Individual Account" reflect more accurately the volume of trade than do "Bank Clearings." Therefore, only "Debits to Individual Account," reported from an enlarged list of centers, will be continued in our forthcoming issues. However, the cities that have been reporting clearings have been requested to report individual debits so no city need be dropped from representation in our Review.

BUSINESS FAILURES IN THE TWELVE FEDERAL RESERVE DISTRICTS

City and District	Number		Per Cent Increase	Liabilities		Per Cent of Increase or Decrease
	1921	1920		1921	1920	
Boston, First -----	190	155	22.6	\$ 6,671,119	\$ 6,682,883	0.2—
New York, Second -----	551	338	63.0	36,979,329	21,538,235	71.7
Philadelphia, Third -----	124	76	63.2	4,176,377	4,317,296	3.3—
Cleveland, Fourth -----	180	75	140.0	4,050,490	2,210,441	83.2
Richmond, Fifth -----	212	97	118.6	5,679,487	1,872,700	203.3
Atlanta, Sixth -----	190	130	46.2	6,066,401	3,125,655	94.1
Chicago, Seventh -----	302	163	85.3	7,820,313	5,868,677	33.3
St. Louis, Eighth -----	142	104	36.5	3,873,516	3,030,670	27.8
Minneapolis, Ninth -----	100	44	127.3	2,158,515	1,150,260	87.7
Kansas City, Tenth -----	100	86	16.3	2,152,128	4,748,658	54.7—
Dallas, Eleventh -----	197	124	58.9	4,307,254	2,141,462	101.1
San Francisco, Twelfth -----	156	133	17.3	3,567,453	2,184,602	63.3
Totals-----	2,444	1,525	60.3	\$ 87,502,382	\$ 58,871,539	48.6%

Figures showing business failures are furnished us monthly by Dun's Review, and the report covering December is given herewith in tabular form. For the Fifth District, the month witnessed 212 bankruptcies, with liabilities of \$5,679,487, compared with 97 bankruptcies with liabilities of \$1,872,700 in December, 1920, an increase this year of 118.6% in number and 203.3% in liabilities. In both number of failures and liabilities involved, the December, 1921, figures were greater than any other month during 1919, 1920 or 1921. The average failure in December, 1921, in the Fifth District involved \$26,790, and for the nation as a whole, \$35,803.

It is interesting to compare the year 1921 with the two preceding years, for which complete figures are available. In the Fifth District the year 1919 witnessed 355 bankruptcies with combined liabilities amounting to \$5,605,832, an average of \$15,791 per failure, when prices were rising steadily, and consumers were spending lavishly. The year 1920 witnessed 538 bankruptcies, with liabilities of \$13,100,323, an average of \$24,350 per failure. Finally, 1921 witnessed 1,515 bankruptcies with liabilities amounting to \$34,380,335, an average of \$22,695 per failure. While failures have not been unknown among well established firms, the larger part of the insolvencies occurred among the firms that were organized between 1916 and 1920. Many of these new concerns were undercapitalized, and were managed by men with limited experience, who expanded their business, drew too freely upon their credit, and over-stocked with high priced merchandise. In view of the universal expansion of credit existing in 1919 and 1920, the number of failures during the past 18 months has not been surprisingly large, especially when compared with other periods of post-war readjustments.

LABOR.—The month's reports on employment are difficult to compare in a manner that will allow a definite conclusion as to whether the number of unemployed is increasing or decreasing. The absence of noticeable changes probably indicates that the situation has not varied materially during the past month. There is a steady but slow growth in the number of employees taken on by factories, but an offset to this during winter is lessened employment on outdoor work, and reduced demand for farm labor.

The outstanding development during the period under discussion has been the strike announcement by street car operatives of the Virginia Railway and Power Company, in protest against the Company's proposed wage reduction, applying to platform employees in Richmond, Petersburg, Norfolk and Portsmouth. Apparently no progress toward a settlement of the differences has been made at the time of writing.

CLOTHING AND SHOES.—December sales in wearing apparel do not share materially in Christmas trade and therefore the volume of business shows only a small increase in sales of clothing or shoes. Also the mild weather of the fall season was unfavorable for selling winter clothing. Immediately after the holidays the usual clearance sales were put on in practically all stores, and the price reductions stimulated buying to some extent. A large wholesale dry goods firm writes that since January 1, 1922, it has been securing orders in very satisfactory volume for immediate or early shipment. Consumers continue to select serviceable and standard clothing rather than novelties, and more attention is given to quality than eighteen months ago. The fact is, buyers insist that value be given.

COAL.—In speaking of the December production of bituminous coal, the United States Geological Survey, in its report of January 14, 1922, says that the output of soft coal during the month was 30,975,000 net tons, an average per working day of 1,191,000 tons. This was the lowest production in any December during the nine years over which records of monthly output extend. The same report further states that, at present, production is less than consumption, with a resulting flow of coal out of storage. There was an increase, however, in production during the first week in 1922, the daily output being 1,437,000 net tons as against the average of 1,191,000 tons produced daily during December. In the retail coal trade, some softening in prices has been noted, leading dealers in several cities having lowered their quotations from fifty cents to a dollar a ton, but consumers are still showing a strong tendency to buy coal as they need it rather than fill their bins for the remainder of winter's requirements.

TOBACCO.—The tobacco markets in North Carolina and Virginia were closed from December 20 until after New Year's Day. Since the reopening, sales have been comparatively light, due to unseasonable weather for the preparation of the leaf for market, but larger sales are expected as soon as the weather moderates. The warehousemen estimate that about 80% of the year's production has already been sold. Prices since the holidays have been a shade higher for the common to good grades, but fancy leaf and wrappers have declined slightly. The average price for bright tobacco in Virginia during December, 1921, was \$20.38 per hundred pounds, compared with \$21.34 during December, 1920, and dark tobacco averaged \$17.95, compared with \$8.93 the previous year.

Consumers are beginning to share in lower tobacco prices, the manufacturers and retailers having reduced their prices on most cigarettes and some cigars during the second week in January. The retail price of ten cent cigarettes has been reduced to nine cents, and the twenty cent grades to eighteen cents.

COTTON.—The decline in cotton prices, that had been evident since the first of November, changed to an upward trend with the week beginning December 19th, and subsequently registered a gain of one cent per pound. The prices paid for middling spot cotton on the Carolina markets averaged 16.13 cents per pound during the week ending December 17; 16.96 cents for the week ending December 24; 17.27 cents for the week ending December 31, and 17.46 cents for the first week of the new year. There was a drop during the week ending January 14, amounting to a quarter of a cent per pound, the week closing at 17.22 cents. The holiday need for ready money stimulated sales to some extent just before Christmas, but otherwise little cotton was sold except so-called "distress cotton," that could not be readily financed.

The Census Bureau has announced that cotton ginned in the United States to January 1 amounted to 7,884,272 bales, compared with 11,554,648 bales ginned to the same date last year, a decrease this season of 3,670,376 bales, or 31.8%. It is generally agreed that a considerably higher percentage of the total crop was ginned prior to January, 1922, than was the case prior to January, 1921. In the Fifth District specifically, North Carolina shows ginnings this season to January 1, amounting to 783,598 bales, compared with 754,080 bales ginned previous to January 1, 1921, and Virginia shows 16,078 bales this season compared with 13,752 to the same date last year. The decrease of cotton ginned in the Fifth District is confined to South Carolina, where this season's ginnings to January 1 were only 770,558 bales, compared to 1,454,644 bales on the corresponding date a year ago. The three cotton states of the District combined show 1,570,234 bales ginned this season compared with 2,222,476 bales last year, a decrease of 29.3%. This decrease is practically all due to boll weevil ravages in the southern and central portions of South Carolina.

On January 14th, the Census Bureau announced that cotton consumed by spinners in December, 1921, amounted to 511,800 bales of lint, compared with 295,292 bales consumed in December, 1920. The December, 1921 figures were slightly lower than those for November, 1921, but were higher than for any other month since July, 1920. The report further shows stocks in the hands of manufacturers totaled 1,737,771 bales on December 31, 1921, compared with 1,251,122 bales on December 31, 1920, but stocks in warehouses totaled 5,177,266 bales on December 31, 1921, compared with 5,623,646 on December 31, 1920. Spindles active during December, 1921, numbered 34,488,640, compared with 29,914,154 in December a year ago.

TEXTILES.—The situation in the textile industry of the Fifth District during the past two months has shown very little change and our correspondents express the view that the next few months will furnish a sufficient volume of business to enable mills to continue on full time. Our reports indicate that stocks of manufactured textiles at mills, or in secondary hands, are not large, and that under this condition the approach of spring is expected to increase the demand at the mills. No boom in the business is expected, but manufacturers generally feel that a gradual demand will result in a fair volume of business at reasonably satisfactory prices. A few mills are sold up well into 1922, and a manufacturer of knit underwear writes that his plant has orders to run it until May. The same plant reports that a year ago it had neither orders nor prospects of any.

REPORT ON WHOLESALE TRADE.

LINES SOLD	Net Sales in December, 1921, Compared With	
	Sales in November, 1921	Sales in December, 1920
Groceries (39)* -----	—10.5	— 17.9
Dry Goods (16)* -----	—38.2	— 1.1
Shoes (19)* -----	—37.1	38.2
Hardware (18)* -----	—20.5	— 17.5
Furniture (9)* -----	— 6.8	447.3
Total (101)* -----	—24.2	— 3.2

*Number of reporting firms.

Wholesale trade in the five reporting lines showed the usual seasonal dullness during December in comparison with the three or four months immediately preceding. The table given above shows in percentage form the increase or decrease in the dollar amount of sales made in December, 1921, in comparison with (1) sales in November, 1921, and (2) sales in December, 1920. Complete reports for the three months were received from thirty-nine wholesale grocery firms, sixteen wholesale dry goods firms, nineteen wholesale shoe dealers, eighteen hardware jobbers and nine furniture factories, a total of one hundred and one reports. The grocers show sales in December, 1921, 10.5% less than November, 1921, and 17.9% less than December, 1920. In dry goods December, 1921, shows a decrease of 38.2% under November, 1921, and 1.1% under December, 1920. Shoe sales were 37.1% less in December than in November, 1921, but were 38.2% greater than in December, 1920. Hard-

ware sales fell 20.5% in December under November, and 17.5% under December, 1920. Furniture sales were 6.8% less in December than in November, but were 447.3% greater than in December, 1920. The average for all firms shows December, 1921, sales 24.2% less than November sales, and 3.2% less than December, 1920, sales. The Southern Furniture Exposition opens its mid-winter show at High Point, N. C., on January 16th. More than one hundred and fifty factories are expected to place exhibits, and the manufacturers are hoping for a considerable volume of new business as a result of the opening.

The reporting firms classified their collections as follows:

Lines Sold	Good	Fair	Slow	Poor	Total
Groceries	7	19	11	2	39
Dry Goods	1	13	3	1	18
Shoes	0	16	3	0	19
Hardware	1	10	5	1	17
Furniture	0	9	4	1	14
Totals	9	67	26	5	107

FIGURES ON RETAIL TRADE.
As Indicated By Reports from Twenty-Two Representative Department Stores
for the Last Six Months of 1921.

Percentage of increase (or decrease) in net sales during the month named, 1921, over same month last year:							
	July	August	September	October	November	December	
Baltimore	-16.9	-17.4	-18.9	- 5.9	-14.7	- 7.4	
Richmond	-15.9	- 4.9	-12.9	- 2.4	- 9.1	- 0.7	
Washington	- 4.2	- 1.4	-11.8	- 1.4	- 8.0	0.7	
Other Cities	-10.1	- 8.4	-19.8	-15.2	-21.8	-12.4	
District Average	-11.7	- 9.7	-16.2	- 5.6	-13.2	- 4.5	
Percentage of increase (or decrease) in net sales from July 1st, through month named, 1921, over net sales during same period last year							
	July	August	September	October	November	December	
Baltimore	-16.9	-17.2	-17.8	-14.0	-14.2	-12.5	
Richmond	-15.9	-11.0	-11.7	- 8.8	- 8.8	- 6.7	
Washington	- 4.2	- 2.9	- 6.1	- 4.5	- 5.4	- 3.8	
Other Cities	-10.1	- 9.3	-13.0	-13.7	-15.6	-15.0	
District Average	-11.7	-10.7	-12.7	-10.5	-11.1	- 9.5	
Percentage of increase (or decrease) in net sales during the month named, 1921, over net sales during the immediately preceding month this year:							
	July	August	September	October	November	December	
Baltimore	-37.1	1.6	18.4	43.3	0.5	38.1	
Richmond	-29.2	- 7.2	21.4	37.2	- 3.2	61.7	
Washington	-28.1	- 1.8	2.3	51.3	- 3.7	57.2	
Other Cities	-19.5	- 3.9	- 3.3	38.7	- 5.2	64.8	
District Average	-30.1	- 1.5	9.5	44.4	- 2.1	50.0	
Percentage of increase (or decrease) in stocks at close of month named, 1921, over stocks at same date last year:							
	July	August	September	October	November	December	
Baltimore	-27.8	-26.1	-21.1	-18.7	- 8.6	- 4.3	
Richmond	-16.9	-15.0	-13.5	-11.8	- 3.5	1.6	
Washington	-23.9	-20.8	-17.5	-16.3	- 9.9	- 7.0	
Other Cities	-17.0	-16.8	-13.8	- 9.9	- 7.1	-11.8	
District Average	-23.8	-21.9	-17.9	-15.8	- 8.4	- 5.9	
Percentage of increase (or decrease) in stocks at close of month named, 1921, over stocks at close of preceding month this year:							
	July	August	September	October	November	December	
Baltimore	- 4.2	6.7	17.4	2.4	- 1.7	-21.9	
Richmond	- 1.9	5.4	15.4	4.8	2.9	-20.4	
Washington	- 2.3	8.9	11.8	0.8	0.3	-20.7	
Other Cities	2.2	5.2	17.0	6.2	- 1.0	-25.2	
District Average	- 2.2	7.1	15.3	2.8	- 0.5	-21.8	
Percentage of average stocks at the close of each month since July 1st, to average monthly net sales during the same period.							
	July	August	September	October	November	December	
Baltimore	463.2	475.1	477.9	431.6	407.1	350.1	
Richmond	429.5	459.0	460.2	427.5	418.3	346.5	
Washington	434.8	458.3	481.4	437.5	420.0	354.5	
Other Cities	510.8	511.5	553.9	534.8	529.7	475.6	
District Average	453.3	474.3	490.4	449.8	431.5	369.3	
Percentage of outstanding orders at the end of month named, 1921, to total purchases of merchandise during 1920:							
	July	August	September	October	November	December	
Baltimore	9.5	9.8	7.9	5.6	4.4	5.1	
Richmond	12.5	12.0	12.7	8.9	7.4	5.7	
Washington	7.6	6.9	6.4	5.3	3.2	2.8	
Other Cities	9.6	9.0	6.3	4.6	4.5	5.3	
District Average	9.2	9.0	7.7	5.7	4.3	4.4	

- Denotes Decrease.

Confidential reports from twenty-two department stores in leading cities of the Fifth District show a good volume of business during December, 1921. Net sales in dollar value during the month were only 4.5% less than sales during December, 1920, and were 50% greater than sales of the same stores in November, 1921. Cumulative sales from July 1 through December 31, 1921, were 9.5% less than sales during the corresponding six months of 1920.

The selling value of stocks on hand at the end of the year was the lowest reported since July 1, 1921, indicating a fair disposal of fall merchandise. The value of stocks on hand at the end of December, 1921, was 5.9% less than at the end of December, 1920, and 21.8% less than at the end of November, 1921. From July 1, through December 31, the average stock on hand at the end of each month was 369.3% of average net sales during the same period. Outstanding orders on December 31, 1921, amounted to 4.4% of total purchases of merchandise during the calendar year 1920.

In the table above, we show revised figures for the reporting stores for the last six months of 1921. The figures have previously appeared in our monthly Reviews, but are presented here for easy reference and comparison.

BUILDING OPERATIONS FOR THE MONTH OF DECEMBER, 1921 AND 1920.

No.	CITIES	Permits Issued				New Construction		Alterations		Increase or Decrease, Total Valuation	Per Cent. of Increase or Decrease	No.
		New		Repairs		1921	1920	1921	1920			
		1921	1920	1921	1920							
MARYLAND												
1	Baltimore.....	298	213	622	632	\$820,900	\$ 989,450	\$ 332,160	\$ 302,000	\$ 138,390	10.7	1
2	Cumberland.....	6	8	7	10	16,700	16,350	1,152	2,675	1,173	6.2	2
3	Frederick.....	1	5	0	2	600,000	23,000	0	2,550	574,450	2,248.3	3
VIRGINIA												
4	Lynchburg.....	8	4	5	3	7,700	126,750	950	3,300	121,400	93.3	4
5	Norfolk.....	20	14	40	28	90,000	73,095	38,848	21,734	34,019	35.9	5
6	Richmond.....	94	37	69	57	872,492	261,045	96,734	92,993	615,188	173.8	6
7	Roanoke.....	58	*43	19	.....	79,365	*71,040	8,075	.....	16,400	23.1	7
8	Staunton.....	4	.....	1	.....	8,715	.....	500	.....	9,215	.....	8
WEST VIRGINIA												
9	Charleston.....	42	38	9	8	48,545	63,110	2,730	24,350	36,185	41.4	9
10	Clarksburg**	12	.....	8	.....	29,065	.....	2,785	.....	.....	.....	10
11	Huntington.....	*77	*52	.....	.....	*137,335	*59,770	.....	.....	77,565	129.8	11
12	Parkersburg.....	.....	.....	.....	.....	86,000	10,000	20,000	5,000	91,000	606.7	12
NORTH CAROLINA												
13	Asheville.....	38	18	24	12	117,448	32,170	4,087	7,050	82,315	209.9	13
14	Charlotte.....	32	6	8	5	272,500	70,400	32,450	2,680	231,870	317.3	14
15	Durham.....	28	2	11	4	520,892	4,750	13,695	1,287	528,550	8,755.2	15
16	Greensboro.....	17	36	11	10	29,500	174,730	5,540	13,776	153,486	81.4	16
17	High Point.....	27	*14	1	.....	76,043	*18,000	300	.....	58,343	324.1	17
18	Wilmington.....	12	10	3	5	41,000	21,350	6,050	11,500	14,200	43.2	18
19	Winston-Salem.....	38	11	60	46	689,900	42,100	13,535	9,138	652,197	1,272.9	19
SOUTH CAROLINA												
20	Charleston.....	16	10	17	12	46,570	16,650	7,505	9,990	27,435	103.0	20
21	Columbia.....	26	2	63	47	59,700	14,900	9,794	10,940	43,654	168.9	21
22	Greenville.....	18	5	16	7	19,995	1,900	4,235	3,590	18,740	341.3	22
23	Spartanburg.....	31	11	27	13	75,510	10,700	6,120	4,400	66,530	440.6	23
DIST. OF COLUMBIA												
24	Washington.....	244	53	308	287	2,012,807	104,780	369,810	194,368	2,083,469	696.5	24
Totals.....		1135	592	1,321	1,188	\$6,729,617	\$2,206,060	\$ 974,270	\$ 723,321	\$4,774,506	163.0%	

*Includes both new work and repairs.

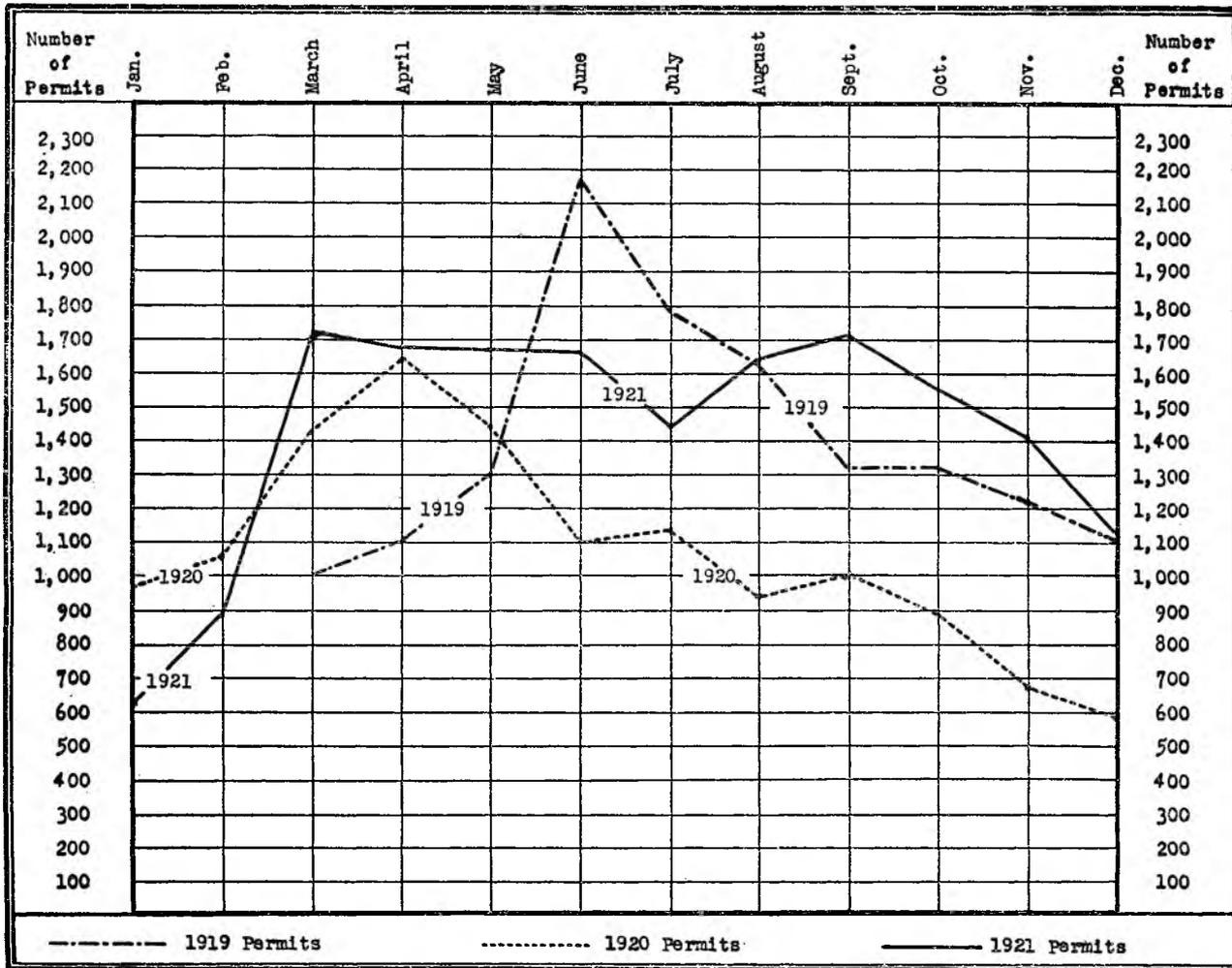
**Clarksburg, W. Va. not included in totals.

—Denotes decrease.

Building permits for new construction issued in twenty-three cities of the Fifth District during December, 1921, show a continuation of the seasonal decline which began in November. The twenty-three cities reported 1,135 permits for new work in December, 1921, in comparison with 592 permits in December, 1920, with total estimated valuation of \$6,729,617 for December, 1921, and of \$2,206,060 for December, 1920. These figures show for the 1921 month an increase of 91.7% in number of new permits issued and of 205.1% in total valuation. In alterations or repair work, the gain during December, 1921, over December, 1920, was not so pronounced, the number of alteration or repair permits having increased 11.2% and the valuation of the work 34.7%. Combined valuation for both new construction and repairs or alterations during December, 1921, totaled \$7,703,887, compared with \$2,929,381 during December, 1920, an increase of 163%.

On the last page of this Review is presented a chart showing in graphic form the total number of permits for new construction issued in the same twenty-three cities in the Fifth District, by months, for 1919, 1920 and 1921.

NEW CONSTRUCTION WORK IN TWENTY-THREE CITIES DURING 1919, 1920 AND 1921.



The chart shown herewith pictures the total number of building permits issued in twenty-three of the leading cities in the Fifth District, by months, during the past three years. Because of wide fluctuations in building costs during 1919, 1920 and 1921, the actual number of permits issued more accurately represents the new construction than total valuation figures would do.

The chart shows the crest of the building movement during the three years under discussion in June, 1919, but from that time to the end of the year each month except October witnessed a sharp decline in the number of permits issued. The first five months of 1920 exceeded the corresponding months of 1919, but beginning with May, there was hesitation in contracting for new work, and from June through December fewer permits were issued each month than during the corresponding months of the previous year. In the fall of 1920, however, it became increasingly evident that there was an acute shortage of dwellings, and various organizations began agitating the building of homes. Shortly after the beginning of 1921 the number of permits issued began increasing, and during March exceeded the number issued either during March 1919 or 1920. Every month thereafter witnessed a larger number of permits for new work than the corresponding months of 1920, and all months except June and July witnessed a larger number than the corresponding month of 1919. The average number of permits for new construction issued in 1919 was 1,394 per month. The average number in 1920 was 1,074 per month. The average number in 1921 was 1,430 per month, an increase over the 1919 average of 2.5% and over the 1920 average of 33.1%. If the figures from Baltimore, in which there was a building boom during 1919, were excluded, the 1921 figures would show an even greater gain over the two preceding years.

(Compiled as of January 14, 1922.)