

# MONTHLY REVIEW

## BUSINESS AND AGRICULTURAL CONDITIONS



WILLIAM W. HOXTON, CHAIRMAN AND FEDERAL RESERVE AGENT

RICHMOND, VIRGINIA

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Business in the Fifth Federal Reserve District during October was not up to seasonal average for that month, but prospects for future trade improved, chiefly as a result of exceptionally favorable weather for harvesting this year's crops. The somewhat unfavorable showing made by October in comparison with the same month in previous years appeared to be partly due to a postponement of trade as a result of weather conditions. The temperature was high, and therefore consumers delayed fall purchasing, while the splendid harvesting conditions kept the farmers in the fields. The prospective yields of most of the leading crops increased during October, November 1st estimates exceeding those made a month earlier, and naturally there is a corresponding improvement in the prospects for future business. Bank deposits are materially higher than a year ago. Member banks as a class and the Reserve Bank are in strong positions and are well prepared to take care of the District's probable needs. Debits to individual accounts show some seasonal increase during the past month, but current figures are slightly lower than a year ago. Business failures in October in the Fifth District were more numerous than in 1923, but were fewer than in most earlier months this year, while the total of liabilities involved was comparatively low. Labor is well employed for this season of the year, and there appears to be sufficient work in prospect to provide for nearly all workers. Cotton yields are higher in the Carolinas than was expected a month ago, and cotton prices have risen approximately \$10 a bale since the middle of October, although both yield and price are materially lower than in 1923. Cotton growers occupy relatively the poorest position in the District in comparison with last year,

because of a smaller crop in the District and a much larger total crop with lower prices in consequence. In 1923 the crop in the Carolinas was considerably above the national average, but this year unfavorable weather at planting and growing time cut the Carolina production while a larger acreage and more favorable weather were increasing the yields in the cotton states south of this District. The consumption of cotton in American mills increased markedly during October over September, and export cotton figures rose above those for September this year and October last year. The North Carolina and Virginia tobacco crops are being marketed, and the quality is turning out better than was expected earlier in the season. The crop is smaller than last year, but prices are above those secured in 1923. The advance in price has not been sufficient to compensate the growers for the reduced yield, however. Fall plowing and seeding has been done under almost ideal conditions, and winter crops are in good shape on the average. The volume of construction work provided for in October permits was exceptionally large for this season, taking the District as a whole, and will probably furnish employment to the bulk of those connected with the building business through most of the winter. Both wholesale and retail trade were cut by the weather during October, but on the whole the volume of business done was not unsatisfactory and in retail trade was slightly above the seasonal average as based upon sales during October of 1920, 1921 and 1922. Collections showed some improvement in comparison with September, but were still considerably slower than last year. A note of warning has come from certain sections of the District to the effect that the public is developing a tendency to go beyond its cash resources for the purchase of non-essentials.

*The National Summary will be found on page 8.*

## CONDITION OF SEVENTY-FIVE REPORTING MEMBER BANKS IN SELECTED CITIES

ITEMS	Nov. 12, 1924	Oct. 8, 1924	Nov. 14, 1923
1. Total Loans and Discounts (including all rediscounts).....	\$ 472,145,000	\$ 472,499,000	\$ 467,912,000
2. Total Investments in Bonds and Securities.....	135,930,000	130,266,000	126,923,000
3. Total Loans and Investments.....	608,075,000	602,765,000	594,835,000
4. Reserve Balance with Federal Reserve Bank.....	36,536,000	37,970,000	36,700,000
5. Cash in Vaults.....	15,131,000	13,808,000	15,159,000
6. Demand Deposits.....	358,393,000	349,501,000	347,187,000
7. Time Deposits.....	179,388,000	180,236,000	151,871,000
8. Borrowed from Federal Reserve Bank.....	9,868,000	9,006,000	36,624,000

The accompanying table shows the principal items of condition reported by seventy-five identical banks as of three dates, November 12, 1924, October 8, 1924, and November 14, 1923, thus affording an opportunity for comparing the totals reported for the latest date with those reported for the preceding month this year and on the corresponding date a year ago.

The changes shown in the table between October 8th and November 12th are relatively slight except in investments and deposits. Investments in bonds and securities rose from \$130,266,000 on October 8th to \$135,930,000 on November 12th, while demand deposits increased from \$349,501,000 to \$358,393,000. Time deposits declined slightly during the month, dropping from \$180,236,000 to \$179,388,000, this decrease being accounted for by the transfer of Christmas Savings Club funds from time to demand deposits. Cash in vaults increased from \$13,808,000 on October 8th to \$15,131,000 on November 12th, and rediscounts at the Reserve Bank rose from \$9,006,000 to \$9,868,000, but during the same period outstanding loans to customers declined from \$472,499,000 to \$472,145,000 and reserve balances at the Reserve Bank decreased from \$37,970,000 to \$36,536,000.

In comparison with the figures reported on November 14, 1923, those reported for November 12, 1924 show material increases in investments in bonds and securities, in demand deposits, and in time deposits, while a large decrease is shown in borrowing at the Reserve Bank. Total outstanding loans to customers, reserve balances at the Reserve Bank, and cash in vaults show no more than daily fluctuations. It should be understood, however, that the comments made herein apply only to the figures for the dates given, and have no reference to intervening dates on which figures may have been higher or lower than those quoted.

## DEBITS TO INDIVIDUAL ACCOUNTS IN LEADING TRADE CENTERS

CITIES	TOTAL DEBITS FOR THE FIVE WEEKS ENDING		
	Nov. 12, 1924	Oct. 8, 1924	Nov. 14, 1923
Asheville, N. C.....	\$ 26,416,000	\$ 29,141,000	\$ 25,106,000
Baltimore, Md.....	428,019,000	444,094,000	424,600,000
Charleston, S. C.....	31,964,000	27,369,000	28,194,000
Charleston, W. Va.....	38,076,000	40,621,000	43,437,000
Charlotte, N. C.....	54,954,000	51,115,000	49,883,000
Columbia, S. C.....	27,594,000	21,360,000	30,648,000
Cumberland, Md.....	10,566,000	10,313,000	10,669,000
Danville, Va.....	14,345,000	11,116,000	14,023,000
Durham, N. C.....	25,780,000	23,523,000	25,735,000
Greensboro, N. C.....	28,672,000	24,423,000	29,982,000
Greenville, S. C.....	27,025,000	25,782,000	33,627,000
Hagerstown, Md.....	11,495,000	11,885,000	11,478,000
Huntington, W. Va.....	30,242,000	30,169,000	28,440,000
Lynchburg, Va.....	21,254,000	22,226,000	23,228,000
Newport News, Va.....	7,989,000	8,358,000	7,740,000
Norfolk, Va.....	78,141,000	67,643,000	97,776,000
Raleigh, N. C.....	30,607,000	27,690,000	34,930,000
Richmond, Va.....	149,291,000	147,434,000	160,309,000
Roanoke, Va.....	29,169,000	30,416,000	27,841,000
Spartanburg, S. C.....	21,770,000	16,483,000	19,205,000
Washington, D. C.....	229,012,000	219,565,000	223,490,000
Wilmington, N. C.....	25,160,000	20,544,000	29,882,000
Winston-Salem, N. C.....	39,686,000	40,611,000	38,056,000
<b>Totals for 23 cities.....</b>	<b>\$ 1,387,227,000</b>	<b>\$ 1,351,881,000</b>	<b>\$ 1,418,279,000</b>

Debits to individual account in twenty-three leading cities in the Fifth District showed a seasonal increase during the five weeks ending November 12, 1924 in comparison with debits reported for the five weeks ending October 8, 1924, the total rising from \$1,351,881,000 to \$1,387,227,000. The increase in gen-

eral business during the more recent period was probably somewhat greater than is reflected in the larger volume of debits, the period ending October 8th containing a considerable volume of quarterly payments and the period ending November 12th containing the election day and Armistice Day holidays. Most of the cities of the Fifth District showing substantial increases in debits during the past five weeks over the preceding like period are tobacco markets or are prominent in the cotton industry either as cotton markets or textile manufacturing towns.

In comparison with the five weeks ending November 14, 1923, total debits for the corresponding period this year show a decrease from \$1,418,279,000 to \$1,387,227,000, lower prices for raw cotton, depressed conditions in the textile industry and the smaller and later tobacco crop accounting for most of the material decreases reported by the individual cities.

### FEDERAL RESERVE BANK OPERATIONS

Between October 15th and November 15th, both this year, rediscounts for member banks at the Federal Reserve Bank of Richmond declined from \$35,050,000 to \$31,404,000, but there was a seasonal increase in the volume of Federal Reserve notes in circulation, the total rising from \$75,851,000 to \$85,097,000. Member bank reserve deposits rose during the month from \$62,510,000 to \$63,446,000, in keeping with increased deposits in member banks, and the cash reserves of the Federal Reserve Bank of Richmond rose from \$111,402,000 to \$126,945,000. As a result of the changes in the items mentioned, the reserve ratio of cash to combined note and deposit liabilities rose from 77.60% on October 15th to 82.67% on November 15th.

On November 15, 1923, the volume of rediscounts for member banks held by the Federal Reserve Bank of Richmond totaled \$62,655,000; Federal Reserve notes in actual circulation totaled \$101,946,000; member bank reserve deposits aggregated \$63,228,000; cash reserves of the bank amounted to \$109,486,000; and the ratio of cash reserves to combined note and deposit liabilities was 64.95%.

### SAVINGS BANK DEPOSITS

Fourteen mutual savings banks in Baltimore reported total deposits at the end of October amounting to \$145,131,411, the highest figure on record. A year ago aggregate deposits in these banks amounted to \$138,814,399; on October 31, 1922 the total was \$130,293,419; on October 31, 1921 it was \$122,881,047; and on October 31, 1920 it was \$121,411,012.

### BUSINESS FAILURES IN THE TWELVE FEDERAL RESERVE DISTRICTS OCTOBER, 1924 AND 1923.

City and District	Number		Per Cent Increase or Decrease	Liabilities		Per Cent of Increase or Decrease
	1924	1923		1924	1923	
Boston, First.....	143	130	10.0	\$ 2,728,188	\$ 15,610,419	— 82.5%
New York, Second.....	356	351	1.4	11,206,118	34,602,500	— 67.6
Philadelphia, Third.....	59	62	— 4.8	1,388,662	1,557,615	— 10.8
Cleveland, Fourth.....	176	137	28.5	4,737,431	7,706,539	— 38.5
Richmond, Fifth.....	111	91	22.0	1,765,371	2,266,828	— 22.1
Atlanta, Sixth.....	90	107	— 15.9	1,767,982	2,085,051	— 15.2
Chicago, Seventh.....	268	208	28.8	4,337,448	4,790,027	— 9.4
St. Louis, Eighth.....	79	84	— 6.0	1,945,106	1,308,833	48.6
Minneapolis, Ninth.....	65	90	— 27.8	1,160,571	1,118,598	3.8
Kansas City, Tenth.....	130	96	35.4	1,277,290	1,340,804	— 4.7
Dallas, Eleventh.....	46	111	— 58.6	543,300	2,417,470	— 77.5
San Francisco, Twelfth.....	173	206	— 16.0	3,241,337	4,497,057	— 27.9
<b>Totals.....</b>	<b>1,696</b>	<b>1,673</b>	<b>1.4%</b>	<b>\$ 36,098,804</b>	<b>\$ 79,301,741</b>	<b>— 54.5%</b>

The figures in the accompanying table were furnished by R. G. Dun & Co., and in commenting upon them *Dun's Review* for November 8th says, "A large number of commercial failures in the United States invariably occurs during the closing months of a year, and the October total exceeds that of any previous month since last May. Numbering 1,696, last month's defaults compare with 1,306 in September, while the liabilities rose from \$34,296,276 to \$36,098,804. In point of number, the October failures increased about 30 per cent over those for September, which marked the low level this year, and the indebtedness was heavier by 5 per cent. The failures during October of the current year, though slightly outnumbering those for the same month of last year, involved less than one-half the amount reported for the earlier period, this difference in the indebtedness being accounted for by a falling off in large defaults last month. Thus, there were 48 failures for \$100,000 or more in each case, involving \$15,988,338, whereas in October of last year 81 such defaults occurred, with liabilities of \$60,724,317. For the ten months of 1924, commercial failures numbering 16,922 compare with 15,173 for a similar period last year, and liabilities of \$466,822,260 contrast with a total of \$437,480,368 for ten months of 1923."

The failure record in the Fifth District in October in comparison with October 1923 does not show up as well as the national average, the number of failures increasing 22.0% over those reported in October last year and the liabilities decreasing only 22.1% in comparison with a national increase in number of insolvencies amounting to 1.4% and a national decrease in liabilities of 54.5%. In comparison with earlier months this year, however, the Fifth District shows up well, only three months this year having a smaller number of failures than October, and only one month witnessing a lower total of liabilities.

**TEXTILES**—The textile industry in the Fifth District is slowly working back toward a reasonably satisfactory volume of business. Orders for future delivery were placed in considerably larger volume in October than in September, and the mills manufactured more cloth and yarn, as is evidenced by cotton consumption amounting to 216,322 bales during October in comparison with 177,088 bales used in September this year and 208,938 bales consumed in October 1923. Mills have been showing much interest in spot cotton during the past two or three weeks, and textile executives are expecting the industry to reach a much sounder basis of operation during the next few months. This year's cotton crop is sufficiently large to furnish, for the present at least, adequate raw material at lower prices than prevailed last year, but apparently is not large enough to leave an unduly large surplus. The mills are expecting a better demand for textiles during the next year than was experienced during the past year, the expectation being based upon healthy business conditions in the agricultural West and the industrial East.

**COTTON**—Since our October *Review* was written the trend of spot cotton prices has been upward. From an average of 22.07 cents per pound paid to growers in the Carolinas during the week ending October 18th, the price of cotton rose to an average of 23.63 cents per pound during the week ending November 22nd. The higher prices now prevailing in comparison with last month are generally ascribed to the greater interest in raw cotton recently shown by both domestic and foreign consumers.

The Department of Agriculture's latest cotton report based on the November 14th condition, estimated the year's probable production as 12,992,000 bales as compared with the October 1st estimate of 12,497,000. October weather was practically ideal for the cotton crop, and the condition improved in North and South Carolina. In Virginia the prospects declined slightly during October. North Carolina's crop is now estimated at 760,000 bales in comparison with 1,020,000 bales grown last year, South Carolina's probable production is 720,000 bales compared with 795,000 bales in 1923, and Virginia's estimate is 30,000 bales compared with 50,000 bales last year.

The Census Bureau's ginning report to November 14th showed 11,147,524 bales compared with approximately 8,369,498 bales ginned to November 14th last year, which is about in keeping with the increase in this year's crop.

Cotton consumption in American mills increased 22% in October in comparison with September, and was only 9,196 bales less than consumption in October 1923. The Census Bureau's report estimated October 1924 consumption at 532,629 bales, compared with 435,216 bales used in September and 541,825 bales consumed in October 1923. Cotton on hand in consuming establishments at the end of October totaled 730,656 bales, compared with 514,537 bales on September 30, 1924 and 1,102,583 bales on October 31, 1923. Public warehouses and compresses held 4,224,854 bales on October 31, 1924, 2,072,956 bales on September 30, 1924, and 3,485,839 bales on October 31, 1923. Cotton consumed in the cotton growing states in October amounted to 373,390 bales, compared with 303,478 bales in September this year and 357,673 bales in October 1923. Imports during October totaled 18,113 bales, compared with 9,654 bales in September and 7,615 bales in October 1923, while exports totaled 947,556 bales in October, 737,016 bales in September and 781,722 bales in October last year.

**TOBACCO**—The Virginia tobacco crop was harvested somewhat later than usual this year, consequently the markets did not open until October. Reports of warehousemen to the Commissioner of Agriculture showed producers' sales of Bright tobacco during October amounting to 12,644,687 pounds, at an average price of \$21.68 per hundred pounds, compared with 9,682,185 pounds sold in October 1923 at an average of \$20.34 per hundred. Only about 2,000 pounds of Dark tobacco were sold last month, all of it at Petersburg. Danville sold 7,249,926 pounds, more than half the state total, and Danville's average of \$23.75 per hundred was also the highest average price. As is usually the case at the opening of the season, the quality of the leaf sold graded low, but the grades averaged slightly better than in October 1923.

One hundred and one North Carolina warehouses sold 67,986,780 pounds of tobacco for growers in October, at an average price of \$23.88 per hundred, compared with 68,617,235 pounds at an average of \$21.52 per hundred sold in October 1923. The Wilson warehouses led in volume of sales with 13,728,920 pounds, but Raleigh's average price of \$29.90 was the highest price. The quality of offerings was somewhat better than in September, but was not above average years.

The South Carolina auction markets sold 39,759,569 pounds during the months of August, September and October. The crop in South Carolina was inferior in quality and sold at a lower price than last year.

September rains stimulated growth in Maryland and that state's tobacco crop will be larger than was expected earlier in the season, but the quality will be rough and common.

**AGRICULTURAL NOTES**—The weather during October and the first half of November was ideal for farm work, and excellent progress was made. Cotton picking is nearly finished, most of the corn has been harvested, and practically all fall plowing and planting has been done. Grain is coming up nicely in the Carolinas, and promises to enter the winter in fine condition, but in Maryland the planting was done later than usual and the grain is rather immature for this season. On account of practically perfect weather conditions at harvesting time, nearly all the leading crops of the Fifth District are yielding larger returns than was expected a month ago, although most yields are still below last year and the ten year average. Cotton prices are distinctly lower than in 1923, and the crop is approximately 18 percent smaller this year. The prices of nearly all other farm products are higher than they were a year ago, but not sufficiently high to make up for the lower yields that generally prevail and it therefore seems certain that the farming population in the Fifth District will have a considerably lower purchasing power next year than they had during the past twelve months. However, the farmers are steadily making progress along the line of making their living at home as far as possible, and low yields do not now work as great hardships as they did a few years ago.

**BUILDING OPERATIONS FOR THE MONTHS OF OCTOBER, 1924 AND 1923.**

No.	CITIES	Permits Issued				New Construction		Alterations		Increase or Decrease Total Valuation	Per Cent of Increase or Decrease	No.
		New		Repairs		1924	1923	1924	1923			
		1924	1923	1924	1923							
<b>MARYLAND</b>												
1	Baltimore.....	678	498	1,918	1,276	\$ 2,553,840	\$ 3,130,428	\$ 994,080	\$ 724,560	\$— 307,068	— 8.0%	1
2	Cumberland.....	26	35	12	12	56,355	99,460	4,695	6,460	— 44,870	— 42.4	2
3	Frederick.....	14	4	3	1	44,800	1,520	1,450	75	44,655	2,799.7	3
4	Hagerstown*.....	44		28		58,702		4,290				4
<b>VIRGINIA</b>												
5	Lynchburg.....	25	12	44	34	437,335	10,385	23,184	12,780	437,354	1,888.0	5
6	Norfolk.....	119	186	48	11	213,214	339,110	30,040	1,105	— 96,961	— 28.5	6
7	Petersburg.....	4	5	12	14	5,442	7,210	3,888	2,835	— 715	— 7.1	7
8	Richmond.....	152	160	100	112	490,745	1,755,086	108,387	73,705	—1,229,659	— 67.2	8
9	Roanoke.....	103	137	55	46	161,640	419,430	9,740	16,827	— 264,877	— 60.7	9
<b>WEST VIRGINIA</b>												
10	Bluefield.....	38	54	10	15	82,950	386,250	3,000	15,475	— 315,775	— 78.6	10
11	Charleston.....	45	85	22	31	125,324	275,059	13,700	19,585	— 154,620	— 52.5	11
12	Clarksburg.....	40	28	22	21	38,730	35,515	7,365	21,110	— 10,530	— 18.6	12
13	Huntington.....	166	148	25	42	387,050	366,860	23,590	22,885	20,895	5.4	13
14	Parkersburg.....	41	35	11	17	50,188	67,450	3,165	4,450	— 18,547	— 25.8	14
<b>NORTH CAROLINA</b>												
15	Asheville.....	56	58	69	53	625,400	254,984	25,435	29,960	365,891	128.4	15
16	Charlotte.....	63	53	11	17	635,130	258,865	17,000	13,400	379,865	139.5	16
17	Durham.....	19	13	4	3	126,880	101,150	6,600	5,400	26,930	25.3	17
18	Greensboro.....	81	73	38	44	347,704	378,210	26,739	22,427	— 26,194	— 6.5	18
19	High Point.....	52	56	14	15	117,175	146,875	22,275	10,325	— 17,750	— 11.3	19
20	Raleigh.....	53	47	7	6	195,500	233,395	5,650	9,450	— 41,695	— 17.2	20
21	Salisbury.....	31	17	0	0	49,855	43,550	0	0	6,305	14.5	21
22	Wilmington.....	16	8	12	7	43,650	11,800	35,350	9,750	57,450	266.6	22
23	Winston-Salem.....	102	74	139	119	546,115	266,835	37,720	44,915	272,085	87.3	23
<b>SOUTH CAROLINA</b>												
24	Charleston.....	9	11	21	17	7,275	60,965	15,429	8,972	— 47,233	— 67.5	24
25	Columbia.....	25	30	100	71	208,919	109,614	19,383	15,891	102,797	81.9	25
26	Greenville.....	27	20	21	23	425,458	100,135	20,980	14,286	331,967	290.0	26
27	Spartanburg.....	39	31	48	48	172,162	82,040	15,645	15,947	89,820	91.7	27
<b>DIST. OF COLUMBIA</b>												
28	Washington.....	393	230	464	567	3,666,144	1,931,580	382,092	341,516	1,775,140	78.1	28
<b>Totals.....</b>		<b>2,417</b>	<b>2,108</b>	<b>3,230</b>	<b>2,622</b>	<b>\$11,815,980</b>	<b>\$10,873,811</b>	<b>\$1,856,582</b>	<b>\$1,464,091</b>	<b>\$ 1,334,660</b>	<b>10.8%</b>	

\*Hagerstown figures not included in totals. —Denotes decrease.

NOTE—The figures in the above table reflect the amount of work provided for in the corporation limits of the several cities, but take no account of suburban developments.

The volume of construction work in the Fifth District for which permits were taken out in October showed less than the normal seasonal diminution in comparison with earlier months this year. The number of permits issued for new work in twenty-seven cities was 2,417, with estimated valuation of \$11,815,980, compared with 2,523 permits valued at \$11,177,158 issued for the same class of work in September, and the September figures were exceptionally high for that month. In comparison with October 1923, the October figures this year were higher in both the number of permits issued and the total estimated valuation of the work, 2,417 permits and \$11,815,980 this year both exceeding the 2,108 permits and \$10,873,811 reported

in October 1923. Sixteen cities reported the issuance of more permits for new work this year and fourteen cities reported higher valuation figures in comparison with October last year. Taking the average of the reporting cities in the several states in the District, the North Carolina cities show up exceptionally well, seven of the nine reporting cities in that state showing more permits in October than a year ago and six of the nine showing higher valuation figures. Among the three largest cities of the District, Baltimore reports an increased number of permits but lower valuation figures, Richmond shows both fewer permits and lower values, while Washington reports large increases this year in both the number and valuation of permits. In combined valuation of both new work and repairs, increases of more than 100% were reported by Frederick, Lynchburg, Asheville, Charlotte, Wilmington and Greenville, the increased valuation for all reporting cities in the District averaging 10.8%.

**LABOR**—Developments in labor circles are following seasonal trends very closely. Demand for unskilled labor for outside work is declining, and the coming of fall is having the usual depressing effect upon construction work, resulting in an increase in the number of skilled workmen who are idle. Building operations are holding up well above the seasonal average, however, and there is probably sufficient work for all laborers who can and will follow the job. In Richmond there is less construction work under way than was the case a year ago, but in other neighboring cities there is probably sufficient employment for Richmond's mobile labor. Tobacco factories are operating at or near capacity, and are consequently employing full quotas of workers. Conditions in the textile field are slowly but steadily improving, and mill operatives are working more nearly full time than at any period during the past year. Inability to secure employment in the cities is driving a few unskilled laborers to the rural districts, and as a result farmers report a slight improvement in the available supply of agricultural workers. Relations between employers and employees seem to be harmonious at present.

**FIGURES ON RETAIL TRADE**  
**As Indicated By Reports from Twenty-nine Representative Department Stores**  
**for the Month of October, 1924.**

	Baltimore	Richmond	Washington	Other Cities	District
Percentage increase in net sales during Oct. 1924, compared with Oct. 1923.....	— 1.9	1.7	— 4.6	— 4.9	— 2.8
Percentage increase in net sales from July 1 through Oct. 30, compared with sales during the same four months of 1923.....	0.3	2.7	2.6	— 1.9	1.0
Percentage increase in net sales during Oct. 1924, compared with average sales during the corresponding month of 1920, 1921 and 1922.....	6.7	29.4	3.7	— 7.8	6.3
Percentage increase in stocks on hand at the end of Oct. 1924, over stocks on hand at the end of Oct. 1923.....	— 2.4	9.0	— 5.4	— 9.9	— 3.4
Percentage increase in stocks on hand at the end of Oct. 1924, over stocks on hand at the end of Sept. 1924.....	9.6	12.1	8.9	5.4	9.0
Percentage of average stocks on hand at the end of each month since July 1, 1924, to average net sales each month during the same period, four month.....	432.4	404.2	420.9	548.3	438.5
Percentage of outstanding orders at the end of Oct. 1924, to total purchases of merchandise during the year 1923.....	5.5	8.4	4.8	5.8	5.6

—Denotes Decrease.

Retail trade in the Fifth District, as reflected in department store sales, was 2.8% less in dollar amount in October than in October 1923, but cumulative sales from July 1st through October exceeded sales during the corresponding four months last year by 1.0%. In comparison with average October sales during 1920, 1921 and 1922, October sales this year showed an increase of 6.3%. Stocks on hand in the reporting stores were 3.4% less valuable on October 31, 1924 than on October 31, 1923, but were 9.0% greater than those on hand at the end of September this year, last month's increase being seasonal. The percentage of average stock on hand at the end of each month since July 1st to average monthly sales during the same period, four months, was 438.5%, and the volume of outstanding orders for merchandise at the end of October amounted to 5.6% of total 1923 purchases.

**WHOLESALE TRADE**  
**October 1924.**

	Groceries	Dry Goods	Shoes	Hardware	Furniture	Drugs
Number of reporting firms in each line.....	43	15	14	18	7	13
Percentage increase (or decrease) in net sales during Oct. 1924, compared with sales during Sept. 1924.....	8.1	-25.9	- 2.5	-11.1	0.9	0.3
Percentage increase (or decrease) in net sales during Oct. 1924, compared with sales during Oct. 1923.....	3.0	-25.5	-13.4	-19.2	22.5	- 4.5
Percentage increase (or decrease) in cumulative sales from July 1st through Oct. 31, 1924, compared with sales during the corresponding four months of 1923.....	0.6	-14.8	-13.9	-10.8	29.0	1.1
Percentage increase (or decrease) in stocks on hand Oct. 31, 1924, compared with Sept. 30, 1924.....	12.9(11)	- 5.8(8)	- 1.2(7)	3.9(5)	-12.0(3)	
Percentage increase (or decrease) in stocks on hand Oct. 31, 1924, compared with Oct. 31, 1923.....	3.6 (7)	- 8.3(7)	-29.2(6)	5.5(3)	-14.0(2)	

—Denotes decreased percentage.

NOTE:—The number of firms reporting stock figures for the dates compared is shown in parenthesis immediately after the percentage figure.

Wholesale trade reports covering October business were received from 110 firms. Sales in October were greater than in September in groceries, furniture and drugs, but were less in dry goods, shoes and hardware. In comparison with October 1923 sales, those made in October this year were greater in groceries, and furniture, but were less in dry goods, shoes, hardware and drugs. Stock on hand increased during October in groceries and hardware, but declined in dry goods, shoes and furniture. In comparison with October 1923, stock on hand at the end of October this year was greater in dollar value in groceries and hardware, but was less in dry goods, shoes and furniture. Higher prices now prevailing for groceries probably account for the increases in both sales and stocks this year in comparison with the same period in 1923.

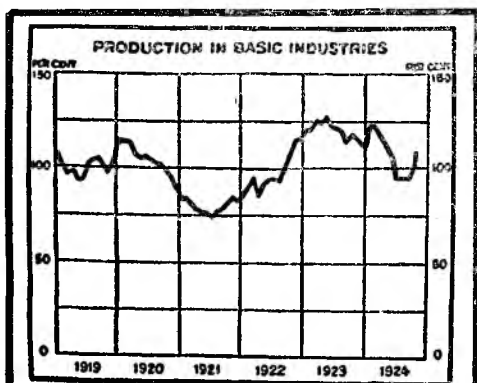
Collections improved slightly during October in comparison with September, but were distinctly slower than in October last year, when 89.9% of the reporting firms classified their collections as either *Good* or *Fair* in comparison with 75.8% so classifying them in October this year. The classifications made by 99 identical firms for October 1923 and October 1924 were as follows:

<i>Lines</i>	<i>October Collections Reported As</i>									
	<i>Good</i>		<i>Fair</i>		<i>Slow</i>		<i>Poor</i>		<i>Total</i>	
	1924-1923		1924-1923		1924-1923		1924-1923		1924-1923	
Groceries .....	7	15	26	17	5	8	2	0	40	40
Dry Goods .....	1	7	9	8	5	0	0	0	15	15
Shoes .....	1	4	5	6	5	1	0	0	11	11
Hardware .....	1	5	9	8	3	1	1	0	14	14
Furniture .....	1	2	5	5	1	0	0	0	7	7
Drugs .....	3	5	7	7	2	0	0	0	12	12
October Totals .....	14	38	61	51	21	10	3	0	99	99

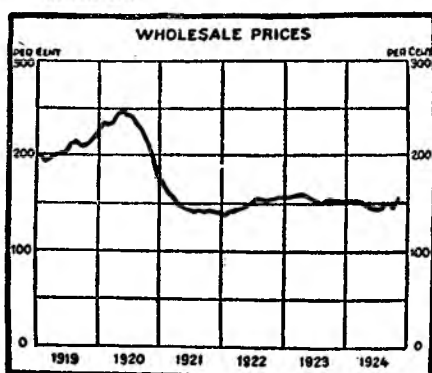
(Compiled November 22, 1924)

# BUSINESS CONDITIONS IN THE UNITED STATES.

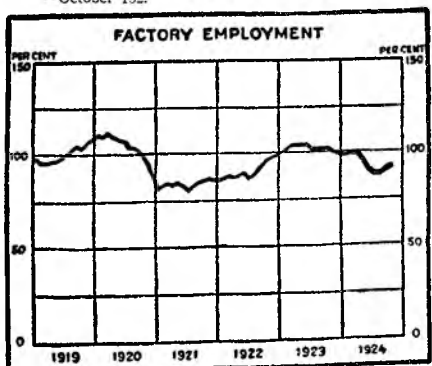
Compiled by the Federal Reserve Board.



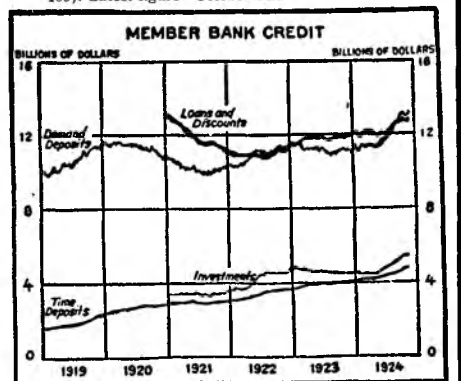
Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest Figure—October 109.



Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau) Latest figure—October 152.



Index of 33 manufacturing industries (1919=100). Latest figure—October 91.5



Weekly figures for member banks in 101 leading cities. Latest figures—November 12th.

**PRODUCTION.** The Federal Reserve Board's index of production in basic industries, adjusted to allow for seasonal variations, increased 6% in October, and was 16% above the low point of midsummer, though still considerably below the level of the early months of this year. Output of iron and steel, cotton and woolen textlies, lumber, and bituminous coal was substantially larger than the month before. Factory employment increased 2% in October, reflecting larger working forces in most of the manufacturing industries. Building contract awards increased and were 14% above a year ago.

Crop estimates by the Department of Agriculture in November showed increases in the expected yields of corn, cotton, tobacco and potatoes. The movement of crops to market in October reached the largest volume in five years and exports of grain and cotton were in greater volume than in the corresponding month of any recent year.

**TRADE.** Railroad freight shipments were larger in October than in any previous month, owing to exceptionally heavy loadings of miscellaneous merchandise and grain. Wholesale trade increased slightly, but was 3% less than in October 1923. Sales of dry goods, shoes and hardware were considerably smaller than a year ago, while sales of groceries and drugs were larger. Department store sales showed a seasonal increase but were 4% less than last year, and sales of mail order houses and chain stores also increased and were in greater volume than in 1923. In preparation for Christmas trade merchandise stocks at department stores increased substantially and were 2% larger than a year ago.

**PRICES.** The wholesale price index of the Bureau of Labor Statistics rose 2% in October as a result of considerable advances in the prices of farm products and feeds, and slight increases in the prices of clothing and chemicals. Fuel and metal prices declined and prices of building materials and house furnishings were practically unchanged. During the first half of November quotations on all grains, cotton, silk, copper, and rubber advanced, while prices of raw sugar and bituminous coal declined.

**BANK CREDIT.** Loans for commercial purposes at member banks in leading cities, which had increased rapidly from the beginning of September to the middle of October, advanced only slightly in the following four weeks. The growth of loans secured by stocks and bonds was also relatively small, notwithstanding great activity in the securities market. Holdings of investments by these banks continued the increase which began in the early months of the year. A large part of the increase in demand deposits during the four weeks ending November 12th, when they were higher than at any previous time, was in bankers' balances, indicating a continued movement of funds to the large centers.

At the Reserve banks an increase in earning assets was the result of larger offerings of acceptances, reflecting firmer money conditions. While discounts and holdings of United States securities remained practically unchanged during the four weeks ending November 19th, the increase in acceptances carried total earning assets to the highest point since the early part of the year. Money in circulation increased in October for the third successive month and the total on November 1st was \$215,000,000 larger than in August.

Money rates continued to show a firmer tendency and by November 23rd were generally from one-quarter to one-half of one per cent higher than in October.