

MONTHLY REVIEW

BUSINESS AND AGRICULTURAL CONDITIONS



WILLIAM W. HOXTON, CHAIRMAN AND FEDERAL RESERVE AGENT

RICHMOND, VIRGINIA

APRIL 30, 1925

The business situation in the Fifth Federal Reserve District is more favorable at the end of April than it was at the same time last year, especially in the outlook for the textile industry and for agriculture. In late April last year textile mills were running only part time and manufactured goods were accumulating, and very bad weather had delayed all farm work, but at present the cotton mills are operating full time and are selling their output as made, while favorable weather has enabled farmers to make all their seasonal preparations from ten to twenty days earlier than in 1924. Some unfavorable factors are present, among them being a scarcity of farm labor and a lack of funds with which to hire farm hands, higher fertilizer prices than in 1924, a shortage of feed which forces farmers to buy high priced grains for stock, and lack of sufficient orders to keep coal mines busy. On the other hand, favorable factors appear to outweigh the unfavorable ones. Labor is well employed, and

therefore the purchasing power of the public continues large. Retail trade in March was good, comparing favorably with seasonal average, and wholesale trade was better in most lines than in March 1924. The banks of the District are generally in a strong position and are able to care for any legitimate credit demands that appear likely to arise. Debits to individual accounts prove that a very large volume of business is being done, and commercial failures compare favorably with other years. Building operations continue in record volume, causing increased activity in many allied industries and giving steady employment to both skilled and unskilled labor. Finally, the psychological attitude of the public seems to be favorable for a fairly active business year. There is no disposition to boom business, but there does not appear to be much nervousness or fear of what the next few months have in store.

FEDERAL RESERVE BANK OPERATIONS

Seasonal needs for crop planting increased the demand for credit at the Federal Reserve Bank of Richmond between March 14th and April 15th this year, and the volume of member bank borrowing rose from \$32,082,000 to \$40,652,000. At this season book credit rather than currency is needed, however, and therefore during the month under review the circulation of Federal Reserve notes dropped from \$77,859,000 to \$75,356,000 and member bank reserve deposits rose from \$62,779,000 to \$66,266,000. The changes enumerated reduced the Federal Reserve Bank of Richmond's cash reserves from \$102,985,000 to \$94,039,000, and the ratio of cash to combined note and deposit liabilities declined from 73.08 per cent on March 14th to 64.90 per cent on April 15th.

On April 15, 1924, the volume of member bank paper held by the Federal Reserve Bank of Richmond amounted to \$55,957,000, compared with \$40,652,000 so held on April 15, 1925. Federal Reserve notes in actual circulation totaled \$81,642,000 on the 1924 date and \$75,356,000 this year. Member bank reserve deposits aggregated \$59,505,000 on April 15, 1924, and \$66,266,000 on April 15, 1925. The cash reserves of the Federal Reserve Bank of Richmond totaled \$90,003,000 in April last year and \$94,039,000 this year. The ratio of cash reserves to note and deposit liabilities combined was 60.62 per cent on April 15th last year and 64.90 per cent on the corresponding date this year.

SAVINGS BANK DEPOSITS

Fourteen mutual savings banks in Baltimore had aggregate deposits amounting to \$148,015,204 at the close of business March 31, 1925, compared with \$146,867,172 on February 28th this year and \$142,329,341 on March 31st last year. On March 31, 1923, the same banks reported deposits totaling \$134,954,223; on March 31, 1922, totaling \$125,122,842; on March 31, 1921, totaling \$124,263,612; and on March 31, 1920, totaling \$120,667,494. The largest increase occurred between March 1922 and March 1923, and the smallest gain between March 1921 and March 1922.

The National Summary will be found on page 8

CONDITION OF SEVENTY-THREE REPORTING MEMBER BANKS IN SELECTED CITIES

ITEMS	April 8, 1925	March 11, 1925	April 9, 1924
1. Total Loans and Discounts (including all rediscounts).....	\$ 492,032,000	\$ 484,658,000	\$ 475,886,000
2. Total Investments in Bonds and Securities.....	137,279,000	131,448,000	121,103,000
3. Total Loans and Investments.....	629,311,000	616,106,000	596,989,000
4. Reserve Balance with Federal Reserve Bank.....	39,716,000	38,582,000	35,771,000
5. Cash in Vaults.....	14,222,000	14,389,000	13,236,000
6. Demand Deposits.....	356,567,000	370,132,000	333,307,000
7. Time Deposits.....	187,593,000	188,167,000	165,601,000
8. Borrowed from Federal Reserve Bank.....	18,383,000	11,204,000	30,332,000

In the above table comparative condition figures reported by seventy-three identical member banks are shown as at the close of business April 8, 1925, March 11, 1925, and April 9, 1924, thus affording an opportunity for comparing banking developments during the past month and the past year in the thirteen leading cities of the Fifth Reserve District. While the figures shown in the table reflect conditions on the dates mentioned, they are not necessarily the highest or lowest figures that occurred during the periods under review.

Between March 11th and April 8th, both this year, most of the changes in the items included in the table were seasonal, and were due chiefly to financing the planting of this year's crops. Total loans to customers rose from \$484,658,000 to \$492,032,000 during the month, demand deposits declined from \$370,132,000 to \$356,567,000, time deposits decreased from \$188,167,000 to \$187,593,000, and rediscounts at the Reserve Bank increased from \$11,204,000 to \$18,383,000. Cash in vaults also decreased slightly, falling from \$14,389,000 to \$14,222,000. On the other hand, total investments in bonds and securities increased from \$131,448,000 on March 11th to \$137,279,000 on April 8th, and aggregate reserve balance at the Reserve Bank rose from \$38,582,000 to \$39,716,000, both being unusual gains at a season when the reporting banks' customers are seeking additional credit.

A large increase in deposits between April 9, 1924, and April 8, 1925, enabled the reporting banks to increase their loans to customers and their investments in bonds and securities, and to reduce their rediscounts with the Reserve Bank; at the same time it called for an increase in reserve balances. During the year demand deposits rose from \$333,307,000 to \$356,567,000, and time deposits increased from \$165,601,000 to \$187,593,000, a combined gain of \$45,252,000. Outstanding loans to customers rose from \$475,886,000 to \$492,032,000, an increase of \$16,146,000; investments in bonds and securities rose from \$121,103,000 to \$137,279,000, an increase of \$16,176,000; reserve balances rose from a total of \$35,771,000 to \$39,716,000, an increase of \$3,945,000; and the volume of rediscounts at the Reserve Bank was reduced from \$30,832,000 to \$18,383,000, a decline of \$12,449,000. Cash in vaults rose during the year from \$13,236,000 to \$14,222,000, a gain of \$986,000.

BUSINESS FAILURES IN MARCH

Commercial failures in the United States during March numbered 1,859, naturally exceeding the 1,793 defaults of the short month of February, but decreases appear in comparison with the number for both January and last December, when the totals were 2,317 and 2,040, respectively. March failures this year exceeded the 1,817 failures of March 1924 by 2.3 per cent. In liabilities involved, March 1925 witnessed a total of \$34,004,731, the smallest amount reported since November 1924, which in turn reported the smallest total since September 1923. Liabilities in March this year fell off more than 65 per cent from the record total of \$97,651,026 of March 1924, when a single failure for \$40,000,000 occurred.

In the Fifth District there were 127 bankruptcies in March, with liabilities totaling \$2,640,261, compared with 105 bankruptcies and liabilities of \$42,232,527 in March last year. The number of failures in March 1925 was only 5 per cent greater than in February, although March had 13 per cent more business days in it. March liabilities were lower than for any month since November 1924, and were lower than during any other March since 1920.

DEBITS TO INDIVIDUAL ACCOUNTS IN LEADING TRADE CENTERS

The accompanying table shows total debits to individual, firm and corporation accounts in the clearing house banks in twenty-three leading trade centers of the Fifth Reserve District during three equal periods of four weeks each, ending April 8, 1925, March 11, 1925, and April 9, 1924. These debits figures cover all checks drawn against deposit accounts, irrespective of whether or not the checks pass through the clearing house, and therefore include pay roll checks, checks cashed over the counter, and checks deposited in the banks upon which they are drawn. Debits totals are generally regarded as one of the best indicators of business activity.

The four weeks' period ending April 8, 1925, witnessed total debits amounting to \$1,188,149,000 in the

twenty-three reporting cities, compared with \$1,176,095,000 during the preceding period, ending March 11th, the increase being seasonal and due to income tax payments on March 15th and quarterly settlements on April 1st. Fifteen of the twenty-three cities reported larger figures during the more recent period. Raleigh's

CITIES	TOTAL DEBITS FOR THE FOUR WEEKS ENDING		
	April 8, 1925	March 11, 1925	April 9, 1924
Asheville, N. C.	\$ 24,399,000	\$ 19,627,000	\$ 21,707,000
Baltimore, Md.	374,518,000	353,590,000	341,824,000
Charleston, S. C.	28,807,000	26,094,000	28,073,000
Charleston, W. Va.	35,589,000	31,517,000	33,426,000
Charlotte, N. C.	49,120,000	44,884,000	43,447,000
Columbia, S. C.	19,564,000	21,223,000	22,497,000
Cumberland, Md.	7,866,000	7,746,000	8,766,000
Danville, Va.	7,922,000	8,791,000	8,229,000
Durham, N. C.	19,905,000	20,983,000	19,245,000
Greensboro, N. C.	21,806,000	21,454,000	22,213,000
Greenville, S. C.	20,254,000	24,727,000	20,640,000
Hagerstown, Md.	10,590,000	13,116,000	10,296,000
Huntington, W. Va.	25,424,000	19,850,000	24,083,000
Lynchburg, Va.	18,232,000	17,586,000	18,117,000
Newport News, Va.	7,551,000	7,025,000	6,191,000
Norfolk, Va.	64,361,000	66,238,000	63,333,000
Raleigh, N. C.	25,852,000	55,985,000	27,775,000
Richmond, Va.	119,038,000	124,409,000	111,756,000
Roanoke, Va.	23,255,000	22,899,000	21,759,000
Spartanburg, S. C.	17,078,000	15,967,000	11,593,000
Washington, D. C.	214,393,000	200,455,000	183,796,000
Wilmington, N. C.	21,385,000	21,058,000	21,445,000
Winston-Salem, N. C.	31,240,000	30,871,000	29,626,000
Total	\$1,188,149,000	\$1,176,095,000	\$1,099,837,000

great decrease was due to exceptionally heavy movements of State government funds during the period ending March 11th rather than to any material decline in business activity.

During the four weeks ending April 9, 1924, debits in the twenty-three cities amounted to \$1,099,837,000, in comparison with \$1,188,149,000 reported this year during the corresponding period. Sixteen cities showed higher figures for the 1925 period, all of the decreases except two occurring in the Carolinas.

LABOR—The labor situation has changed little since our March 31st *Review* was written. On the whole, spring demands for labor have not developed to the expected degree, and consequently there is somewhat more involuntary unemployment than was the case a year ago. Road work and public improvements are being carried on in somewhat less volume this spring, but this has increased the supply of labor available for farm work. As a rule there is sufficient farm labor at present to meet all demands, though there are certain sections in which workers are still scarce. Farm wages are slightly lower than the levels of last year. The actual demand for farm labor appears to be somewhat less than in April 1924, farmers as a result of the last crop having less money with which to hire hands and therefore being less inclined to employ high priced help in the face of returns for agricultural products. The industries of the Fifth District are running on full time schedules, and there is very little idleness among factory workers. Construction work is plentiful, and workers in the building trades are fairly well employed, although there is less demand for certain classes of workmen, such as steel and sheet metal workers. Clerical workers continue to show a surplus, while satisfactory domestic help is scarce.

COAL—Lack of market demand continues to handicap coal producers, and the cumulative output of bituminous mines in the United States is now approximately 1,500,000 tons behind the average production during the first three months of the preceding five years. The coal year ending April 1st witnessed the production of 470,844,000 net tons of bituminous coal and 88,189,000 tons of anthracite, compared with 561,212,000 tons of bituminous and 91,700,000 tons of anthracite produced in 1923-1924. Production of bituminous coal was sufficient to meet all demands during the past winter, however, and prices ruled lower than during the preceding year. Soft coal mined in March 1925 was 37,626,000 net tons, the lowest March production since 1921, when only 31,054,000 tons were produced. Transportation facilities were adequate for all demands made by the mines during the winter, and there were no serious tie-ups on account of severe weather. Retail prices have been reduced at many yards during the past two or three weeks, a regular seasonal development with the passing of cold weather.

TEXTILES—The textile mills of the Fifth District are nearly all operating on full time schedules, receiving many hand to mouth orders but few orders for future delivery. Prices of cloth have gone off slightly

during the past month in keeping with the decline in raw cotton, and mill executives state that profits at present prices for cotton and manufactured goods are unsatisfactory. Most executives profess a considerable degree of optimism on the outlook, and textile mill supply houses report good business on machinery which will reduce operating costs or improve production. One large machinery dealer writes that nearly all of his sales are being made to Fifth District mills, although his firm does a nation wide business. A year ago restriction in running time was spreading among the mills in the South, and most of them had large stocks of goods on hand. At present the mills are running full time, and reserve stocks have been reduced to more satisfactory figures.

During March the textile mills in North Carolina consumed 126,967 bales of cotton, South Carolina mills used 93,677 bales, and Virginia mills used 11,007 bales, a total of 231,651 bales in comparison with 191,293 bales consumed in the three states in March last year. Mill consumption in the Fifth District during March this year represented 39.8 per cent of national consumption, compared with 39.5 per cent of national consumption in March 1924.

COTTON—Spot cotton prices in the Carolinas moved downward during the latter part of March and the first half of April, falling from an average of 25.02 cents per pound during the week ending March 21st to an average of 23.77 cents during the week ending April 11th.

On March 20th the Bureau of the Census released its final cotton ginning report for the 1924 season, placing the year's production at 13,618,751 equivalent 500 pound bales, an increase of 3,479,080 bales over the 1923 crop of 10,139,671 bales. The Department of Agriculture's estimate of the 1924 crop last December was 13,153,000 running bales, practically 500,000 bales under the actual production, but the fall weather was so exceptionally favorable for late cotton that an under estimate of the yield was almost inevitable. In the Fifth District, North Carolina grew 823,278 bales in 1924, South Carolina 806,065 bales, and Virginia 38,301 bales, all exceeding the December estimate and South Carolina exceeding her 1923 production. Total yield in the three states was 1,667,644 bales, compared with 1,836,991 bales grown in 1923. The decrease in yield does not tell the whole story, however, the price decline in 1924 in comparison with 1923 causing an even greater reduction in rural income than the lower production. Prices during the period from August to February averaged about 7 1-2 cents per pound less than during the corresponding period the year before, and this decline, with the reduced yield, lowered the growers' receipts in the Fifth District in the neighborhood of \$85,000,000 in comparison with the money they received for the 1923 crop, the loss on seed not included.

Cotton consumed in American mills during March totaled 582,674 bales, compared with 550,132 bales used in February this year and 485,840 bales in March 1924. The report, when released on April 14th by the Census Bureau, proved lower than had been expected, with a resultant depressing effect upon the cotton market. Cotton on hand in consuming establishments on March 31, 1925, amounted to 1,644,793 bales, compared with 1,546,210 bales on February 28, 1925, and 1,503,852 bales on March 31st last year. Public warehouses and compresses held 2,237,115 bales on March 31, 1925, compared with 3,075,140 bales so held on February 28, 1925, and 2,000,552 bales on March 31, 1924. Imports of cotton in March totaled 33,955 bales, compared with 59,984 bales in February and 49,833 bales in March 1924, while March exports totaled 734,697 bales, compared with 811,838 bales in February and 332,168 bales in March last year. Total exports since August 1, 1924, amounted to 6,967,286 bales, compared with 4,682,355 bales during the eight months ending March 31, 1924.

Intentions to plant figures on cotton are not available this year, and the farmers are therefore compelled to guess as to what other planters are thinking on the acreage question. The crop was not profitable to many growers last year, and this year fertilizer prices are higher, labor, though somewhat more plentiful than in 1924, is scarce and money to hire labor is scarcer, and the danger from boll weevils appears to be much greater than last year. On the other hand preparations for planting are much further advanced now than at the same time last year, and rumors of drought in the Southwestern cotton states may stimulate planting in South Atlantic states.

TOBACCO—The 1924 Virginia tobacco crop amounted to approximately 136,391,000 pounds, and sold for nearly \$28,000,000. The 1923 crop amounted to 151,303,000 pounds and sold for \$30,000,000, while the 1922 crop of 156,542,000 pounds brought nearly \$40,000,000. The average price for all types for the 1924 crop was \$20.48 per hundred pounds in comparison with an average of \$19.75 per hundred for the 1923 crop. The greatest increase was in the price of Dark and Sun-cured, with a slight increase for Bright and a decrease for Burley. Total sales of leaf tobacco on open markets amounted to 85,823,349 pounds, of which approximately 7,000,000 pounds came from North Carolina. Danville was the leading market in producers' sales with 31,724,407 pounds, South Boston with 9,109,080 ranking second. Lynchburg led the Dark markets and ranked third among all markets with sales totaling 8,196,141 pounds. All of the Virginia markets except Richmond have closed for the season.

Tobacco beds have been planted, but plants are small as a result of cool weather. Insects are reported to have damaged many of the young plants, and some beds will require replanting. A considerable increase in acreage is expected in the Burley district of Southwest Virginia, and North Carolina's acreage is expected to increase about 11 per cent, just about balancing the decrease in that state last year.

BUILDING OPERATIONS FOR THE MONTHS OF MARCH, 1925 AND 1924.

No.	CITIES	Permits Issued				New Construction		Alterations		Increase or Decrease Total Valuation	Per Cent of Increase or Decrease	No.
		New		Repairs		1925	1924	1925	1924			
		1925	1924	1925	1924							
1	Baltimore, Md.....	777	561	1,027	1,032	\$ 4,725,840	\$ 5,018,100	\$ 591,840	\$ 1,215,720	\$— 916,140	— 14.7%	1
2	Cumberland, Md...	47	48	25	33	135,440	168,700	14,106	66,556	— 85,710	— 36.4	2
3	Frederick, Md.....	21	15	1	2	99,620	46,823	2,000	2,700	52,097	105.2	3
4	Hagerstown, Md...	*49	.....	*20	.....	*254,105	.....	*53,975	.....	.....	.....	4
5	Danville Va.....	*11	.....	0	.....	*229,700	.....	0	.....	.....	.....	5
6	Lynchburg, Va.....	20	31	26	28	128,555	67,136	52,850	40,016	— 74,253	— 69.3	6
7	Norfolk, Va.....	213	101	74	56	432,109	612,295	41,020	92,688	— 231,854	— 32.9	7
8	Petersburg, Va.....	16	10	14	5	26,774	9,220	7,515	1,130	23,939	231.3	8
9	Richmond, Va.....	222	198	79	76	2,102,205	1,325,785	72,394	134,244	714,570	48.9	9
10	Roanoke, Va.....	117	97	61	48	401,966	288,692	14,807	17,010	111,071	36.3	10
11	Bluefield, W. Va...	33	26	8	5	89,400	87,200	3,500	4,450	1,250	1.4	11
12	Charleston, W. Va.	43	71	9	25	989,106	118,554	44,300	200,060	714,792	224.3	12
13	Clarksburg, W. Va	16	50	14	17	224,275	495,081	2,445	6,340	— 6,340	— 54.8	13
14	Huntington, W. Va	†301	180	.....	35	†1,118,667	1,066,368	.....	66,300	— 14,001	— 1.2	14
15	Parkersburg, W. Va	42	50	5	27	76,000	196,400	1,100	6,425	— 125,725	— 62.0	15
16	Asheville, N. C.	65	38	62	59	1,322,002	270,500	23,848	18,018	1,057,332	366.5	16
17	Charlotte, N. C.	73	71	17	14	628,688	656,550	87,419	21,425	38,132	5.6	17
18	Durham, N. C.	35	40	10	4	154,497	238,500	24,360	2,025	— 61,668	— 25.6	18
19	Greensboro, N. C.	77	83	37	36	311,140	341,099	36,585	40,715	— 34,089	— 8.9	19
20	High Point, N. C....	82	49	9	14	250,635	330,150	3,850	4,875	— 80,540	— 24.0	20
21	Raleigh, N. C.....	101	46	22	3	448,115	148,950	7,915	1,700	305,380	202.7	21
22	Salisbury, N. C.....	22	17	16	10	87,100	68,100	2,670	6,375	15,295	20.5	22
23	Wilmington, N. C.	8	10	8	4	14,950	401,000	21,900	5,100	— 369,250	— 90.9	23
24	Winston-Salem, N. C.	96	82	113	93	364,965	460,375	31,315	39,640	— 103,735	— 20.7	24
25	Charleston, S. C.	11	8	18	20	13,450	25,275	4,253	14,197	— 21,769	— 55.2	25
26	Columbia, S. C.	4	36	35	41	5,965	60,701	21,760	9,745	— 42,721	— 60.6	26
27	Greenville, S. C....	28	24	22	14	103,055	269,535	13,770	23,800	— 176,510	— 60.2	27
28	Spartanburg, S. C.	33	40	44	36	129,510	139,330	11,532	11,665	— 9,953	— 6.6	28
29	Washington, D. C.	356	253	285	404	5,054,450	2,962,940	325,466	268,737	2,148,239	66.5	29
Totals.....		2,859	2,235	2,041	2,141	\$19,438,479	\$15,873,359	\$1,464,520	\$2,321,656	\$ 2,707,984	14.9%	

*Hagerstown and Danville figures not included in totals —Denotes decrease

†Includes both new work and repairs

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.

Building permit figures were received for both March 1925 and March 1924 from twenty-seven identical cities in the Fifth Reserve District. Total permits issued in the reporting cities for new construction during the month numbered 2,859, with estimated valuation of \$19,438,479, compared with 2,235 permits and a valuation of \$15,873,359 issued for similar work in March last year. Seventeen of the twenty-seven cities reported a larger number of permits during the 1925 month, and twelve cities reported higher valuation figures. Permits for alterations and repairs numbered 2,041, valued at \$1,464,520, in March this year, and 2,141 permits and \$2,321,656 in March last year. Combined valuation of both new work and repairs amounted to \$20,902,999 in March 1925 and \$18,195,015 in March 1924, an increase this year of 14.9 per cent. In percentage increase, Asheville, N. C., led with 366.5 per cent, and Frederick, Md., Petersburg, Va., Charleston, W. Va., and Raleigh, N. C., reported increases of more than 100 per cent in valuation. Richmond and Washington reported large increases in both number and valuation, and Baltimore reported a big increase in number of permits but showed a lower total valuation. A very large proportion of the work provided for in permits issued this spring is residence or apartment house construction, which probably accounts for the lower percentage increase in estimated valuation in comparison with the increase in the number of permits issued, residence permits naturally being much lower valued than permits for business or industrial purposes.

AGRICULTURAL NOTES—Farm work is very much farther advanced this year than last in Virginia. Plowing is practically finished, and preparation of land for planting has made excellent progress. Increased acreage of most crops is expected in comparison with 1924, especially in acreage planted in feed crops. Wheat is in fair condition in Virginia, and early sown fields promise good yields, although cool weather retarded development during the first half of April. Corn has not yet been planted on many farms, but if the weather continues favorable a considerable increase in acreage will be made. Pastures have not made much progress during the past two weeks, and many farmers have been forced by feed shortage to turn cattle on the grass too early. Hay prospects appear good, and a large acreage of spring oats has been sown. Fruit prospects are still somewhat problematical. Peaches, plums and cherries have been injured in all parts of the state and prospects are for lower yields than last year, but apple

prospects appear excellent. Trees were in full bloom east of the mountains by April 15th, but in the Shenandoah Valley and the Northern counties the majority of the trees will not be in bloom until between the 20th and 25th. The 1924 apple crop of Virginia was the largest on record, 12,717 cars having been shipped prior to April 15, 1925, in comparison with 9,827 cars the largest shipment of any previous season. There was an excellent strawberry bloom in the commercial sections, and prospects for this crop are very encouraging.

North Carolina has experienced few seasons with such favorable weather as has prevailed this spring, and farm work is consequently much farther advanced than usual. Wheat is in good shape, especially in the Piedmont counties where most of the crop is grown. There have been no reports of any serious damage. Oats, which wintered very badly last year, are reported in fine shape this year, although there was some frost damage in the Piedmont section. Rye acreage was substantially increased this year, and the grain is ranging from fair to good. Prospects for early hay appear good, although the acreage is small. Pastures are doing well, especially in the northern Piedmont and Coastal counties.

Small grain crops are in good condition and very promising in South Carolina, and the outlook for fruit is generally satisfactory, although some damage was done to peaches early in April. Rains in January and mild, dry weather during February and March was favorable for growth of wheat, oats, rye, pastures and home gardens, and the condition of these crops average considerably better than on the same date last year. Commercial Irish potato acreage is much smaller this year than in 1924.

Small grains in Maryland came through the winter in better condition than was expected last fall, and stands run from good to excellent. Pastures are greening up fairly well, and farmers have turned stock on them in some parts of the state.

FIGURES ON RETAIL TRADE
As Indicated By Reports from Twenty-nine Representative Department Stores
for the Month of March, 1925.

	<i>Baltimore</i>	<i>Richmond</i>	<i>Washington</i>	<i>Other Cities</i>	<i>District</i>
Percentage increase in March 1925 sales over sales in March 1924:	10.2	27.9	9.7	8.5	11.4
Percentage increase in sales from January 1st through March over sales during the same three months in 1924:	2.2	14.1	3.3	4.1	3.9
Percentage increase in March 1925 sales over average March sales during the years 1920-1924, inclusive:	1.7	31.3	1.5	— 4.3	4.3
Percentage increase in stock on March 31, 1925, over stock on March 31, 1924:	— 0.4	9.7	— 7.3	— 9.9	— 3.1
Percentage increase in stock on March 31, 1925, over stock on February 28, 1925:	12.7	7.3	8.2	8.7	10.2
Percentage of sales during March 1925 to average stock carried during that month:	27.9	29.2	27.0	20.8	26.8
Percentage of sales from January 1st through March 31st to average stock carried during the three months:	73.8	76.1	76.1	57.4	72.6
Percentage of outstanding orders on March 31, to total purchases of merchandise in 1924:	6.4	7.4	4.8	7.1	5.9

— Denotes decreased percentage; other figures show gains.

Retail trade in March, as reflected in dollar sales of twenty-nine representative department stores in the Fifth District, exceeded March 1924 sales by 11.4 per cent, and averaged 4.3 per cent above sales during the corresponding month of the five year period 1920-1924, inclusive. Cumulative sales from January 1st through March this year exceeded sales during the same three months last year by 3.9 per cent. Stocks on the shelves, at selling prices, were 3.1 per cent smaller at the end of March than at the end of March 1924, but were 10.1 per cent greater than at the end of February this year. The percentage of average sales during March to average stocks carried during the month was 26.8 per cent, while the percentage of total sales since January 1st to average stocks carried each month during the period was 72.6 per cent, indicating a rate of turnover of slightly more than 2.9 times. Outstanding orders for merchandise on March 31, 1925, amounted to 5.9 per cent of total 1924 purchases.

WHOLESALE TRADE
March, 1925.

Percentage increase (or decrease) in sales in March 1925, compared with sales in February 1925:					
43 <i>Groceries</i>	15 <i>Dry Goods</i>	13 <i>Shoes</i>	18 <i>Hardware</i>	6 <i>Furniture</i>	13 <i>Drugs</i>
7.6	5.2	21.8	15.6	-10.7	7.9
Percentage increase (or decrease) in sales in March 1925, compared with sales in March 1924:					
5.6	6.0	9.2	2.6	- 8.3	2.2
Percentage increase (or decrease) in sales since January 1, 1925, compared with the corresponding three months of 1924:					
2.7	-14.6	- 2. 2	- 6.1	6.0	- 0.6
Percentage increase (or decrease) in stocks on March 31, 1925, compared with February 28, 1925:					
- 5.2(10)	0.4(8)	- 2.3(6)	- 1.7(6)	1.4(3)	.....
Percentage increase (or decrease) in stocks on March 31, 1925, compared with March 31, 1924:					
14.2(10)	-22.2(8)	-16.2(6)	- 2.6(6)	- 0.5(3)	.....

— Denotes decreased percentage.

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

One hundred and eight wholesale firms reported on March sales, representing groceries, dry goods, shoes, hardware, furniture and drugs. Increased sales in March in comparison with March 1924 were shown in groceries, dry goods, shoes, hardware and drugs, furniture showing the only decline. March sales also exceeded February sales in all lines except furniture, the greater number of business days in March probably accounting for most of the increases. Cumulative sales from January 1, 1925, through March 31st exceeded cumulative sales during the first three months of 1924 in groceries and furniture, but were less in dry goods, shoes, hardware and drugs.

Stocks carried by the reporting wholesalers were greater in dry goods and furniture at the end of March than at the end of February this year, but were less in grocery, shoe and hardware lines. In comparison with stocks on hand March 31, 1924, stocks on March 31st this year were less in every line reported upon except groceries.

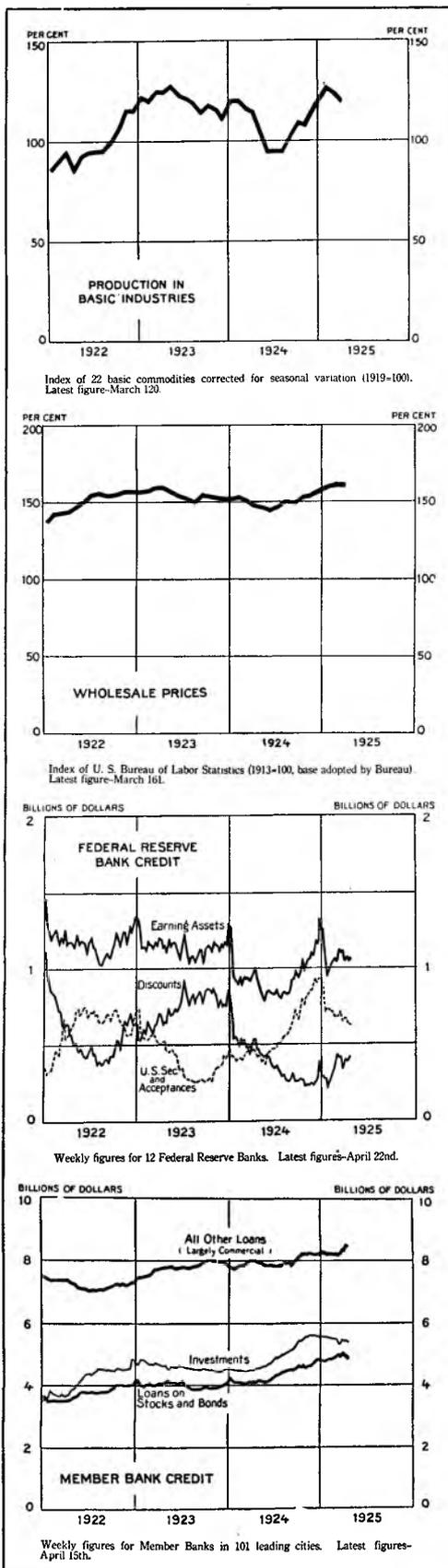
Collections continue slow, but apparently there was a slight improvement during March. Ninety-five firms classified their collections as *Good*, *Fair*, *Slow* or *Poor*, and of these 73.7 per cent were listed as either *Good* or *Fair* in comparison with 72.2 per cent so classified for February 1925 and 75.8 per cent for March 1924. The classifications made by the reporting firms for March 1925 and March 1924 were as follows, exactly the same firms being included both years:

<i>Lines</i>	<i>March Collections Reported As</i>									
	<i>Good</i>		<i>Fair</i>		<i>Slow</i>		<i>Poor</i>		<i>Total</i>	
	1925-1924		1925-1924		1925-1924		1925-1924		1925-1924	
Groceries	6	7	23	25	9	5	0	1	38	38
Dry Goods	0	1	11	7	4	7	0	0	15	15
Shoes	0	0	5	5	6	4	0	2	11	11
Hardware	1	3	9	7	3	3	0	0	13	13
Furniture	1	1	2	3	2	1	0	0	5	5
Drugs	4	4	8	9	0	0	1	0	13	13
March Totals	12	16	58	56	24	20	1	3	95	95
February Totals	12	24	53	52	25	12	0	2	90	90
January Totals	16	22	54	55	20	16	3	0	93	93

(Compiled April 20, 1925)

BUSINESS CONDITION IN THE UNITED STATES.

Compiled by the Federal Reserve Board



Production in basic industries was smaller in March than in the two preceding months, but was as large as at any time in 1924. Distribution of merchandise both at retail and wholesale was in greater volume than a year ago. Wholesale prices, after increasing since the middle of 1924, remained in March at about the same level as in February.

PRODUCTION. The Federal Reserve Board's index of production in basic industries declined in March to a level 5 per cent below the high point reached in January. Iron and steel production and cotton consumption showed less than the usual seasonal increase during March and activity in the woolen industry declined. There was a further decrease in the output of bituminous coal. Increased activity in the automobile industry was reflected in larger output, employment, and payrolls. In general, factory employment and payrolls increased during the month. Value of building contracts awarded in March was the largest on record, notwithstanding the recent considerable reduction in awards in New York City.

TRADE. Wholesale trade in all principal lines increased in March and the total was larger than a year ago. Sales at department stores and by mail order houses increased less than is usual at this time of the year. Stocks of shoes and groceries carried by wholesale dealers were smaller at the end of March than a month earlier, and stocks of dry goods, shoes, and hardware were smaller than last year. Stocks of merchandise at department stores showed more than the usual seasonal increase and were somewhat larger than last year.

PRICES. Wholesale prices of most groups of commodities included in the index of the Bureau of Labor Statistics declined somewhat in March, but owing to an advance of food prices, particularly of meats, the general level of prices remained practically unchanged. Prices of many basic commodities, however, were lower at the middle of April than a month earlier.

BANK CREDIT. Volume of loans and investments at member banks in principal cities continued at a high level during the five-week period ending on April 15. Total loans declined, reflecting chiefly a reduction in loans on stocks and bonds, and also some decrease in loans for commercial purposes. Investment holdings, which early in March had been nearly \$300,000,000 below the high point of last autumn, increased by the middle of April by about half this amount. Demand deposits, after declining rapidly between the middle of January and March 25, increased during the following weeks, but on April 15 were still \$633,000,000 below the maximum reached in January.

At the reserve banks the volume of earning assets on April 22 was about \$75,000,000 below the high point at the end of February, but continued above the level of a year ago. Discounts for member banks were about twice as large in April as at the exceptionally low point in the middle of January, while total United States securities and acceptances held were in smaller volume than at any time during the year.

Somewhat easier money conditions in April were indicated by a decline of one-eighth of one per cent in the open-market rate on 90-day acceptances to 3 3/8 per cent and by sales of prime commercial paper at below 4 per cent.