

MONTHLY REVIEW

BUSINESS AND AGRICULTURAL CONDITIONS



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RICHMOND, VIRGINIA

AUGUST 31, 1925

Business followed seasonal trends in the Fifth District during July and early August, the total volume of trade somewhat exceeding that of July 1924. Correspondents profess to believe that the prospects for a moderately active fall trade are good, and the outlook probably improved during the past month. None of the important business indicators show any fundamental changes since the middle of July.

The Fifth District is largely agricultural, and the prosperity of the farmer is vital. On the whole, present indications are for larger yields in most of the District's leading crops, but the returns this year will be unevenly distributed, and it is highly necessary that business firms survey local conditions carefully in making plans for fall and winter business. The cotton crop of the District is expected to exceed that of 1924, but in Piedmont South Carolina, one of the best business sections of the District, the crop is very poor. On the other hand, southern and eastern South Carolina, which were hard hit during the past two years, have good cotton crops this year,

and the tobacco crop in eastern South Carolina is one of the largest on record. In Virginia, this year's tobacco crop is approximately 40 per cent below the 1924 crop, which was in turn considerably below the ten year average. Virginia's fruit prospects are very poor, and the same may be said for Maryland fruit. Throughout the entire District conditions vary widely from county to county, chiefly depending upon the rainfall the different sections have received. Prices of the chief money crops are not quite up to those of 1924, on the whole. Tobacco prices are approximately the same as last year, and truck crop prices are considerably higher this year, but cotton prices are more than enough lower this year to balance the advance in truck prices. Corn and wheat prices are much higher than last year, but these are not money crops to any considerable extent, and except in Virginia and Maryland will add little to farm income. In sections of the District in which corn and wheat have to be purchased, the higher prices will lower the farmer's net returns from his year's work.

FEDERAL RESERVE BANK OPERATIONS

Member bank borrowing at the Federal Reserve Bank of Richmond increased slightly during the past month, rising from \$47,439,000 on July 15th to \$50,872,000 on August 15th, and the circulation of Federal Reserve notes also increased, rising from \$69,637,000 to \$70,819,000. On the other hand, member bank reserve deposits declined from \$66,150,000 to \$65,378,000 during the period under review. The cash reserves of the Federal Reserve Bank of Richmond rose from \$83,382,000 on July 15th to \$85,559,000 on August 15th. As a result of the several changes in reserves, deposits and note circulation, the ratio of cash to combined note and deposit liabilities rose from 60.97 per cent on July 15th to 61.18 per cent on August 15th.

On August 15th last year the Federal Reserve Bank of Richmond had a reserve percentage of 78.52, compared with 61.18 per cent this year. Cash reserves amounted to \$104,638,000 on August 15, 1924, in comparison with \$85,559,000 on August 15th this year; member bank reserve deposits totaled \$60,867,000 in comparison with \$65,378,000 on the same date this year; and Federal Reserve notes in actual circulation amounted to \$70,050,000 in comparison with \$70,819,000 this year. Last year at this time the Federal Reserve Bank of Richmond was lending only \$33,606,000 to member banks, but this year a total of \$50,872,000 was outstanding on August 15th.

The National Summary will be found on page 8

CONDITION OF SEVENTY-THREE REPORTING MEMBER BANKS IN SELECTED CITIES

ITEMS	August 12, 1925	July 8, 1925	August 13, 1924
1. Total Loans and Discounts (including all rediscounts)	\$503,838,000	\$496,200,000	\$459,537,000
2. Total Investments in Bonds and Securities	131,849,000	137,878,000	119,248,000
3. Total Loans and Investments.....	635,687,000	634,078,000	578,785,000
4. Reserve Balance with Federal Reserve Bank	38,844,000	38,742,000	36,616,000
5. Cash in Vaults.....	16,869,000	14,523,000	13,136,000
6. Demand Deposits.....	356,337,000	354,515,000	337,015,000
7. Time Deposits.....	202,250,000	204,401,000	176,832,000
8. Borrowed from Federal Reserve Bank....	17,498,000	20,473,000	8,205,000

The accompanying table shows the principal items of condition reported by seventy-three identical member banks in thirteen Fifth District cities as of three dates, August 12, 1925, July 8, 1925, and August 13, 1924. Opportunity is thus offered for drawing comparisons between the figures for the latest available date and those reported a month earlier and on the corresponding date last year.

During the past month there was a slight increase in the reporting banks' accommodations to their customers, total loans and discounts increasing from \$496,200,000 on July 8th to \$503,838,000 on August 12th, crossing the half billion mark on the latter date for the first time on record. The expansion in loans was accompanied by a reduction in investments in bonds and securities from \$137,878,000 to \$131,849,000 between July 8th and August 12th, and by an increase in demand deposits from \$354,515,000 to \$356,337,000. The reporting banks also reduced their volume of borrowing at the Reserve Bank from \$20,473,000 to \$17,498,000, increased their reserve balances at the Reserve Bank from \$38,742,000 to \$38,844,000, and raised their cash in vaults from \$14,523,000 to \$16,869,000. Between July 8th and August 12th, time deposits declined from \$204,401,000 to \$202,250,000, a more or less seasonal development at vacation time.

In comparison with the figures reported a year ago, August 13, 1924, those reported on August 12th this year were larger in every item. During the year total loans to customers rose from \$459,537,000 to \$503,838,000; total investments in bonds and securities rose from \$119,248,000 to \$131,849,000; reserve balances with the Reserve Bank rose from \$36,616,000 to \$38,844,000; and cash in vaults rose from \$13,136,000 to \$16,869,000. The increases in resources just enumerated were made possible chiefly by an increase in demand deposits from \$337,015,000 to \$356,337,000; a gain in time deposits from \$176,832,000 to \$202,250,000; and an increase in borrowing at the Reserve Bank from \$8,205,000 to \$17,498,000.

SAVINGS DEPOSITS

In five of the past six years, declines in total deposits were reported by fourteen mutual savings banks in Baltimore during the month of July, and this year the total dropped from \$150,220,063 on June 30th to \$149,932,660 on July 31st. On the latter date, however, the aggregate of deposits was 4.6 per cent greater than the total of \$143,285,162 reported by the same banks on July 31, 1924. During the five and one-half years since January 31, 1920, when the Federal Reserve Bank of Richmond began tabulating mutual savings bank figures, deposits in fourteen Baltimore institutions have risen from \$118,733,466 to \$149,932,660 on July 31, 1925, an increase of 26.3 per cent. As pointed out elsewhere in this *Review*, time deposits in reporting member banks in the Fifth District also showed a seasonal decline in July, falling from a total of \$204,401,000 on July 8th to \$202,250,000 on August 12th.

DEBITS TO INDIVIDUAL ACCOUNTS IN LEADING TRADE CENTERS

Debits to individual, firm and corporation accounts in twenty-three leading business centers of the Fifth Reserve District during the five weeks ending August 12, 1925, amounted to \$1,463,403,000, denoting a decline of 6.9 per cent in comparison with total debits amounting to \$1,571,812,000 during the preceding five weeks period, ending July 8, 1925, most of the decline being seasonal and due to the large volume of dividend and semi-annual interest payments on July 1st. The decrease was uniformly distributed, nineteen of the twenty-three cities reporting lower figures for the more recent period. The large increase in Raleigh's figures was caused by movements of State funds rather than to any marked increase in local business transactions.

The reporting cities, with debits aggregating \$1,463,403,000 during the five weeks ending August 12th this year, show an increase of 12.3 per cent over the total of \$1,303,452,000 reported for the corresponding five weeks ending August 13th last year, seventeen of the twenty-three cities registering gains.

CITIES	TOTAL DEBITS FOR THE FIVE WEEKS ENDING		
	August 12, 1925	July 8, 1925	August 13, 1924
Asheville, N. C.	\$ 31,350,000	\$ 36,498,000	\$ 30,452,000
Baltimore, Md.	497,766,000	520,333,000	433,025,000
Charleston, S. C.	23,405,000	25,144,000	24,624,000
Charleston, W. Va.	39,521,000	41,947,000	38,998,000
Charlotte, N. C.	50,959,000	53,075,000	43,576,000
Columbia, S. C.	16,961,000	20,562,000	20,837,000
Cumberland, Md.	11,689,000	10,960,000	10,874,000
Danville, Va.	11,760,000	13,039,000	9,291,000
Durham, N. C.	28,884,000	26,928,000	21,671,000
Greensboro, N. C.	20,647,000	26,790,000	23,462,000
Greenville, S. C.	24,347,000	26,910,000	19,331,000
Hagerstown, Md.	11,975,000	13,658,000	12,653,000
Huntington, W. Va.	29,400,000	30,278,000	28,399,000
Lynchburg, Va.	21,703,000	25,580,000	20,712,000
Newport News, Va.	9,837,000	10,410,000	8,838,000
Norfolk, Va.	70,004,000	82,362,000	81,079,000
Raleigh, N. C.	60,691,000	39,285,000	28,311,000
Richmond, Va.	142,110,000	159,729,000	134,473,000
Roanoke, Va.	28,452,000	30,936,000	26,063,000
Spartanburg, S. C.	15,092,000	16,790,000	13,514,000
Washington, D. C.	257,933,000	300,943,000	215,500,000
Wilmington, N. C.	18,874,000	20,206,000	19,371,000
Winston-Salem, N. C.	40,043,000	39,449,000	38,398,000
District Totals.....	\$1,463,403,000	\$1,571,812,000	\$1,303,452,000

BUSINESS FAILURES IN JULY

In the August 8th issue, *Dun's Review* stated that "A progressive reduction in the number of commercial failures in the United States has occurred during the last three months, and the July total of 1,685 is the smallest of the current year. It compares with 1,745 defaults in June, 1,767 in May, 1,939 in April, and with 2,317 last January, the high point of the year. Moreover, last month's total is little more than 4 per cent in excess of the 1,615 failures of July 1924, despite the fact that the number of firms in business has increased substantially since that time. Besides the favorable showing as to the number of defaults, the liabilities for July of the present year—\$34,505,191—are also relatively moderate. They are not only considerably below those for June, but are less than the amounts for all other months this year, excepting March, and are well below the \$36,813,238 for July 1924. Further analysis of the record shows that there were fewer large failures last month than in any previous July since 1919, those having liabilities of \$100,000 or more in each case numbering 42. This compares with 54 such defaults in July 1924, but in that month of 1919 only 7 large failures were reported."

The failure record in the Fifth District during July was less favorable than the national record, 156 insolvencies with liabilities of \$3,207,713 in July 1925 comparing with 123 insolvencies and liabilities of \$2,675,646 in July 1924, increases this year of 26.8 per cent and 19.9 per cent in number and liabilities respectively.

LABOR—In the Fifth Federal Reserve District, unemployment has increased somewhat since July 1st, but is not yet marked in any particular locality. Unskilled labor is not quite in as active demand, and industrial plants are operating on summer schedules. Most of these developments are seasonal, however, many factory managers using the vacation period as an opportunity to overhaul machinery or make other changes that tend temporarily to restrict operations. Farm labor is more plentiful than for several years, and in South Carolina the number of available workers is reported to be slightly in excess of demand. Cotton picking will absorb all surplus by the middle of September, however. Workers in the building trades are not as fully occupied as they were a few months ago in most of the cities of the District, and there are signs that building construction is tending to show somewhat more recession than the normal seasonal decrease, a natural result of two record breaking years in building.

COAL—Since the end of June the production of bituminous coal has been steadily increasing, and during the week ending August 8th reached a daily average of 1,659,000 net tons, a larger figure by 320,000 tons than the daily average of 1,339,000 tons mined during the corresponding week of 1924. The daily rate of production this year has exceeded last year's rate since April 1st and total production to date during the present calendar year now totals 285,493,000 net tons in comparison with 274,615,000 net tons mined during the first seven months of 1924. West Virginia continues to lead all bituminous coal producing states, exceeding its nearest rival by about half a million tons each week. Producers in the southern part of the State are taking an increasingly optimistic view of the situation.

TEXTILES—Since the middle of July there has been a better market for textiles in secondary hands, but practically no improvement in demand has been reported by manufacturers. The Fifth District mills continue to operate less actively than during the winter and spring months, and July cotton consumption was less than that of June, although it continued higher than during the corresponding month a year ago. Correspondents engaged in textile manufacturing express somewhat more optimistic views at present than they did six weeks or two months ago, and a moderately satisfactory volume of business is now expected to develop during the fall months. Stocks of manufactured goods have apparently been kept low, and any increase in demand will have to be passed back to the mills almost immediately.

Cotton consumed in the Fifth District mills during July totaled 189,871 bales, North Carolina mills using 99,947 bales, South Carolina mills 81,197 bales, and Virginia mills 8,727 bales. In June this year the three states consumed 197,998 bales, but in July 1924 they used only 140,863 bales.

COTTON—Between the middle of July and the middle of August, spot cotton prices in the Carolinas fluctuated nervously as numerous crop condition and weather reports were issued by official and private agencies, the change resulting in a net decline. In our *Review* last month we quoted the average price paid in the Carolinas for middling cotton during the week ending July 18th as 24.36 cents per pound. The following week, ending July 25th, the average price declined to 24.09 cents, but rose sharply to an average of 24.98 cents during the week ending August 1st, the rise resulting from the Department of Agriculture's condition report released on July 24th, which report showed a heavy reduction in prospective production under the estimate given in the report released earlier in July. From the middle of July weather reports were somewhat more favorable, however, and during the week ending August 8th the average price of cotton in the Carolinas declined to 23.77 cents, and continued the decline to 23.74 cents during the week ending August 15th, the latest period for which figures are available.

Since our July 31st *Review* was written, the Department of Agriculture has issued two cotton condition reports, reflecting conditions as of July 16th and August 1st. The July 16th report showed a decided decline in crop prospects, but between that date and August 1st there was comparatively little change. The August 1st report estimated the probable yield this year at 13,566,000 bales, based upon a condition of 65.6 per cent of a normal, compared with an estimate of 14,339,000 bales and a condition of 75.9 per cent on July 2nd this year and a 1924 production of 13,618,751 bales. On August 1st last year the condition of the crop was 67.4 per cent of a normal, approximately 2 per cent above the condition on the same date this year. The August 1st condition in South Carolina was 62 per cent, compared with 79 per cent on June 25th this year and 60 per cent on August 1, 1924; the North Carolina crop was 75 per cent of normal on August 1st this year, compared with 77 per cent a month earlier and 58 per cent a year earlier; and Virginia's condition was 75 per cent on August 1st, compared with 83 per cent on June 25, 1925, and 51 per cent on August 1, 1924. All of the Fifth District cotton states show a higher condition this year than on the corresponding date last year, but the crop in South Carolina is in worse condition in the largest cotton growing counties, and it is therefore very doubtful whether as large a yield will be gathered in that state this year as in 1924.

Cotton consumed in American mills during July totaled 483,898 bales of lint, according to the Census Bureau's report of August 14th. This figure compares with 493,765 bales used in June 1925 and 347,099 bales in July 1924. Total American consumption for the cotton year—August 1, 1924 to August 1, 1925—amounted to 6,178,349 bales, compared with 5,680,099 bales consumed during the twelve months ending July 31, 1924. Cotton on hand in consuming establishments totaled 866,359 bales on July 31, 1925, compared with 1,123,813 bales on hand a month ago and 721,589 bales a year ago. Public warehouses and compresses held 514,196 bales on July 31, 1925, compared with 759,945 bales on June 30, 1925, and 673,925 bales on July 31, 1924. Imports of cotton in July totaled 9,927 bales, compared with 19,957 bales in June 1925 and 6,597 bales in July 1924, while exports during July totaled 202,468 bales, compared with 217,786 bales in June this year and 211,533 bales in July last year. Total exports during the year ending July 31st this year amounted to 8,195,896 bales, compared with 5,772,000 bales sent abroad during the twelve months ending July 31, 1924. Active spindles in July numbered 31,760,596, compared with 32,309,896 in June 1925 and 28,728,754 in July 1924.

Cotton consumed in cotton growing states in July amounted to 327,087 bales, compared with 337,651 bales used in June 1925 and 241,157 bales in July 1924.

North Carolina is expected to produce 1,114,336 bales of cotton this year, compared with 858,017 bales ginned in 1924. Weevil damage prior to August 1st was less serious than had been feared, due chiefly to the dry, hot weather which was unfavorable for weevil development. The dry weather caused excessive shedding of squares and bolls, however, and brought an early maturity while the plants were still small. Stands are rather irregular and spotted, especially in Piedmont counties. The first grown bolls were noticed about three days earlier than last year. South Carolina's 1925 crop is estimated at 849,400 bales, compared with 806,065 bales grown last year. The crop in the Coastal counties and in Eastern Carolina is far better than on August 1, 1924, but conditions in the heavy producing Piedmont counties are distinctly less favorable this year. On clay soils the cotton is very small and has little fruit; in fact, the plant is smaller than usual throughout the entire Piedmont area. The weevil has done comparatively little damage this year.

Picking began in July, and one county reported two bales ginned during the month. Virginia expects to raise 47,000 bales this year, compared with 38,000 bales grown in 1924. The growth of most plants is backward, and the number of bolls considered safe on August 1st was very small. The crop on August 1st was generally in condition to respond quickly to adequate rains, and as the state has received several hard rains since that date, it is probable that Virginia's cotton has distinctly improved.

TOBACCO

NORTH CAROLINA'S tobacco condition on August 1st was 74 per cent of a normal, compared with 81 per cent on July 1st this year and 77 per cent on August 1, 1924. This year's production is forecast at 297,184,000 pounds, which is 18 million pounds, or 7 per cent, above the state's 1924 production, but is 28 million pounds, or 9.5 per cent, below the five year average. Prospects are unusually good in the Coastal counties, the belt running through the northern Piedmont and mountain counties having suffered most from the drought. Plants in this area are "firing" badly, and the color of the tobacco is poor.

SOUTH CAROLINA'S tobacco prospects are excellent, the August 1st condition of 78 per cent comparing with 55 per cent a year ago. The yield is forecast at 65,988,000 pounds, compared with 45,600,000 pounds grown in 1924. The South Carolina markets opened on August 4th, and large sales have been made at satisfactory prices for the better grades. As is usual at the opening of the season, most of the tobacco marketed so far this year has been low grade.

VIRGINIA'S tobacco prospects have somewhat improved since August 1st, on which date the condition of the crop was 50 per cent, with an indicated yield of 82,280,000 pounds compared with 136,500,000 pounds grown in 1924 and a five year average of 143,128,000 pounds. The weather was highly unfavorable in most of the tobacco belt through June and July, and the plant is small, the leaves are short, and in some cases have begun to burn. The hot, dry weather damaged the bright tobacco worse than the dark and sun-cured types. Much land that was intended for tobacco this year was never set out because of the unfavorable weather, and some of the late plantings made practically no growth.

MARYLAND'S tobacco condition on August 1st was 75 per cent of a normal, with an indicated production of 18,750,000 pounds, compared with a 1924 yield of 21,420,000 pounds. During July the condition improved under more favorable weather, and cultivation still continues.

AGRICULTURAL NOTES

MARYLAND. The corn crop in Maryland was reported to be 86 per cent of a normal on August 1st, with a prospective yield of 24,556,000 bushels, compared with 18,538,000 bushels gathered in 1924. The acreage planted in corn this year was 8 per cent larger than last year. The wheat crop turned out well, averaging 21 bushels per acre in comparison with 16.1 bushels the average for the past ten years. The favorable weather during the winter resulted in well-filled heads and plump, heavy kernels. Maryland commercial tomato crops are mostly good, and the stands are well mixed between early, medium and late plants. Early tomatoes are ripening and being picked, but yields have been reduced by the long dry spell. Late tomatoes are blooming and fruiting. The hay yield of the state is expected to be only 485,000 tons this year, compared with 740,000 tons last year. Pastures and hay fields suffered from the persistent drought and intense heat of June. During the latter part of July rains benefited pastures, however. Prospects for apples are poor this year, and the peach crop is only about a third of last year's.

VIRGINIA. Crop conditions throughout Virginia, with the exception of the Southwestern District, improved wonderfully between August 1st and August 15th, according to the Virginia Crop Reporting Service. The outlook was exceedingly unpromising previous to the rains of early August, but during the past two weeks considerable progress has been made toward preparing land for fall crops, and seeding of the late potatoes, crimson clover, turnips, etc., has made excellent progress. Corn prospects are much better than on August 1st, when a forecast of 39,462,000 bushels was made. The rain came too late to help the early corn, and in some sections it was practically a complete failure, but the late crop is now in splendid condition. The corn crop in Southwest Virginia is still in dire need of rain. Virginia's wheat yield turned out better than had been expected, a production of 10,934,000 bushels comparing favorably with 9,628,000 bushels in 1924. The quality of the wheat is also unusually good, and with higher prices this year the crop is estimated to be about \$5,500,000 more valuable than the 1924 crop. The early potato crop was shorter than last year, 16,500 cars shipped comparing with 23,100 cars in 1924, but the price this year averaged more than twice as high, and the 1925 crop therefore brought the growers more money. The late crop has been seriously damaged by dry weather, and a below the average yield is expected. The sweet potato crop was greatly benefited by rains early in August, and is now making satisfactory progress. The outlook for peanuts is exceedingly promising. The apple crop of Virginia is estimated at 7,624,000 bushels, compared with 15,184,000 bushels last year. The peach crop is forecast at 392,000 bushels, compared with 1,218,000 bushels last year.

NORTH CAROLINA. The corn condition in North Carolina was 72 per cent of a normal on August 1st, indicating a production of 41,878,771 bushels, a reduction of 6 per cent under the 1924 yield. The forecast of 9,801,000 bushels of sweet potatoes made on August 1st, was about 5 per cent more than the production last year. Shipments of sweet potatoes have begun, and prices are reported very satisfactory. Hay crops were cut by dry weather, and many pastures have been practically useless for weeks, but rains after August 1st improved the hay and pasture prospects considerably. Apple yields will vary from very short to fair. Commercial orchardists state that the crop is hardly half of last year's production. The quality of the fruit is generally good.

SOUTH CAROLINA. Corn prospects in the northwestern section of South Carolina are the poorest in years, but in other sections the crop varies from fair to good. The average condition on August 1st was 59 per cent, indicating a yield of 22,542,000 bushels compared with 21,862,000 bushels last year. The sweet potato condition of 67 per cent forecasts a crop of 6,964,000 bushels, compared with 6,230,000 bushels in 1924. A production of 1,350,000 gallons of sorghum syrup is indicated, compared with 1,302,000 gallons last year. Peanut prospects are less favorable than a year ago, and the acreage is 30 per cent less than in 1924.

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

No.	CITIES	Permits Issued				New Construction		Alterations		Increase or Decrease of Total Valuation	Per Cent of Increase or Decrease	No.
		New		Repairs		1925	1924	1925	1924			
		1925	1924	1925	1924							
1	Baltimore, Md.....	475	448	845	1,459	\$ 2,802,400	\$ 3,385,920	\$ 845,400	\$ 770,640	\$- 508,760	- 12.2%	1
2	Cumberland, Md...	29	36	10	13	70,015	65,850	12,775	18,865	- 1,925	- 2.3	2
3	Frederick, Md.....	5	2	4	2	164,600	7,350	10,500	1,700	166,050	1,834.8	3
4	Hagerstown, Md...	31	35	17	13	347,705	66,200	52,900	.....	334,405	505.1	4
5	Danville Va.....	*10	.....	*14	.....	*76,342	.....	*17,485	.....	.....	.....	5
6	Lynchburg, Va.....	21	19	14	30	59,065	39,877	.....	86,413	- 57,915	- 45.9	6
7	Norfolk, Va.....	124	120	60	40	511,960	591,888	32,672	175,794	- 223,050	- 29.1	7
8	Petersburg, Va....	1	15	9	5	895	35,121	6,951	2,944	- 30,219	- 79.4	8
9	Richmond, Va.....	143	141	89	84	665,677	603,702	100,722	439,472	- 276,775	- 26.5	9
10	Roanoke, Va.....	78	79	37	38	144,160	278,136	14,600	17,560	- 136,936	- 46.3	10
11	Bluefield, W. Va...	21	20	3	14	74,025	95,850	2,625	48,675	- 67,875	- 47.0	11
12	Charleston, W. Va.	35	50	12	30	93,774	170,344	21,695	75,510	- 130,385	- 53.0	12
13	Clarksburg, W. Va	10	35	8	18	3,200	93,325	2,285	6,470	- 94,310	- 94.5	13
14	Huntington, W. Va.	142	115	9	26	352,465	431,635	8,500	44,625	- 115,295	- 24.2	14
15	Parkersburg, W. Va	18	28	7	7	99,425	33,800	2,950	12,200	6,375	6.6	15
16	Asheville, N. C....	57	37	62	82	333,630	458,723	33,069	17,470	- 109,494	- 23.0	16
17	Charlotte, N. C....	63	52	7	12	375,090	269,585	23,460	18,175	110,790	38.5	17
18	Durham, N. C.....	35	14	17	2	252,506	67,000	22,550	1,800	206,256	299.8	18
19	Greensboro, N. C.	62	66	24	19	314,111	225,315	21,481	26,675	83,602	33.2	19
20	High Point, N. C...	75	46	12	14	254,810	133,350	8,350	6,365	123,445	88.4	20
21	Raleigh, N. C.....	50	86	5	2	191,793	685,097	3,250	1,200	- 491,254	- 71.6	21
22	Salisbury, N. C....	12	22	13	1	141,200	103,125	7,300	50	45,325	43.9	22
23	Wilmington, N. C.	11	21	7	10	48,900	130,300	6,900	42,300	- 116,800	- 67.7	23
24	Winston-Salem, N. C.	68	61	61	87	247,315	152,865	50,705	58,503	86,652	41.0	24
25	Charleston, S. C...	19	3	56	13	57,943	2,900	26,837	9,420	72,460	588.1	25
26	Columbia, S. C....	16	21	51	85	386,490	77,580	15,365	36,661	287,614	251.8	26
27	Greenville, S. C....	14	10	23	13	201,600	71,775	31,610	23,375	138,060	145.1	27
28	Spartanburg, S. C.	33	48	33	27	121,821	247,795	18,015	62,870	- 170,829	- 55.0	28
29	Washington, D. C.	413	300	187	797	5,545,860	6,123,895	270,300	421,515	- 729,250	- 11.1	29
Totals.....		2,061	1,930	1,682	2,943	\$13,862,435	\$14,698,303	\$1,663,077	\$2,427,247	\$-1,600,038	- 9.3%	

* Danville 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.

Twenty-eight Fifth District cities issued 2,061 building permits for new construction in July 1925, with estimated valuation of \$13,862,435, compared with 1,930 permits and valuation figures amounting to \$14,698,303 issued in July 1924. Total valuation of both new work and alterations or repairs totaled \$15,525,512 in July 1925 and \$17,125,550 in July 1924, a decline of \$1,600,038, or 9.3 per cent, during the 1925 month. Fifteen of the twenty-eight cities reported a larger number of permits for new work this year, but only twelve cities reported higher valuation figures. A very large proportion of the permits issued last month were for residence work. There are signs that most of the shortage of homes and apartments that developed during and immediately after the war has been made up. Rents are no longer advancing year by year, but instead are showing some declining tendency in many localities. In Richmond, apartments, flats and houses are available in all parts of the city. There is still an active demand from buyers for good individual small houses, however.

FIGURES ON RETAIL TRADE

As Indicated By Reports from Twenty-eight Representative Department Stores for the
Month of July 1925

	<i>Baltimore</i>	<i>Richmond</i>	<i>Washington</i>	<i>Other Cities</i>	<i>District</i>
Percentage increase in July 1925 sales over sales in July 1924:	7.4	— 1.5	11.8	5.4	7.5
Percentage increase in sales from January 1st through July over sales during the same seven months in 1924:	1.9	9.7	6.0	1.2	3.8
Percentage increase in July 1925 sales over average July sales during the years 1920-1924, inclusive:	3.1	14.3	20.7	0.5	9.0
Percentage increase in stock on July 31, 1925, over stock on July 31, 1924:	7.0	7.2	— 8.2	— 6.7	0.6
Percentage increase in stock on July 31, 1925, over stock on June 30, 1925:	— 0.9	— 4.1	— 9.3	— 5.6	— 4.2
Percentage of sales during July 1925 to average stock carried during that month:	20.4	21.2	23.9	18.7	21.2
Percentage of sales from January 1st through July 31st, to average stock carried during the seven months:	179.1	179.1	184.7	141.3	175.6
Percentage of outstanding orders on July 31st to total purchases of merchandise in 1924:	5.9	8.8	11.6	6.8	8.3

— Denotes decreased percentage; other figures show gains.

Twenty-eight large department stores in the Fifth District sold 7.5 per cent more goods in July than in July 1924, and 9.0 per cent more than the average during July 1920-1924, inclusive. Cumulative sales from January 1st through July were 3.8 per cent larger than sales during the corresponding seven months last year. Stocks on the shelves at the end of July were six-tenths of 1 per cent greater than on July 31st last year, but were 4.2 per cent less than on June 30, 1925. Total sales during July were 21.2 per cent of stocks carried that month, and cumulative sales since January 1st were 175.6 per cent of average stocks carried during each of the seven months. Outstanding orders for merchandise at the end of July amounted to 8.3 per cent of total 1924 purchases.

WHOLESALE TRADE, JULY, 1925

	<i>42 Groceries</i>	<i>15 Dry Goods</i>	<i>11 Shoes</i>	<i>17 Hardware</i>	<i>6 Furniture</i>	<i>11 Drugs</i>
Percentage increase (or decrease) in sales in July 1925, compared with sales in June 1925:	2.1	3.5	— 9.9	— 0.8	34.1	5.7
Percentage increase (or decrease) in sales in July 1925, compared with sales in July 1924:	10.7	— 3.8	10.4	— 7.0	57.2	6.0
Percentage increase (or decrease) in sales since January 1, 1925, compared with sales during the corresponding seven months of 1924:	4.0	— 7.8	— 3.0	— 7.1	18.8	2.4
Percentage increase (or decrease) in stock on July 31, 1925 compared with June 30, 1925:	3.6(10)	5.1(8)	— 2.5(5)	— 1.8(5)	— 7.8(2)	-----
Percentage increase (or decrease) in stocks on July 31, 1925, compared with July 31, 1924:	4.0(9)	— 14.5(8)	— 21.4(5)	— 14.0(5)	— 2.4(2)	-----

— Denotes decreased percentage.

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

Wholesale trade in July was in larger volume than in June in groceries, dry goods, furniture and drugs, but sales of shoes and hardware declined. In comparison with July 1924 sales, those of July 1925 showed gains in groceries, shoes, furniture and drugs, while declines were reported in dry goods and hardware. Total sales during the first seven months of this year exceeded sales during the corresponding period last year in groceries, furniture and drugs, but sales in dry goods, shoes and hardware were lower than in 1924.

Stocks of goods changed little during July, increasing in groceries and dry goods and decreasing in shoes, hardware and furniture. Stocks at the end of July were lower than a year ago in every line reported upon except groceries, in which there was a small increase.

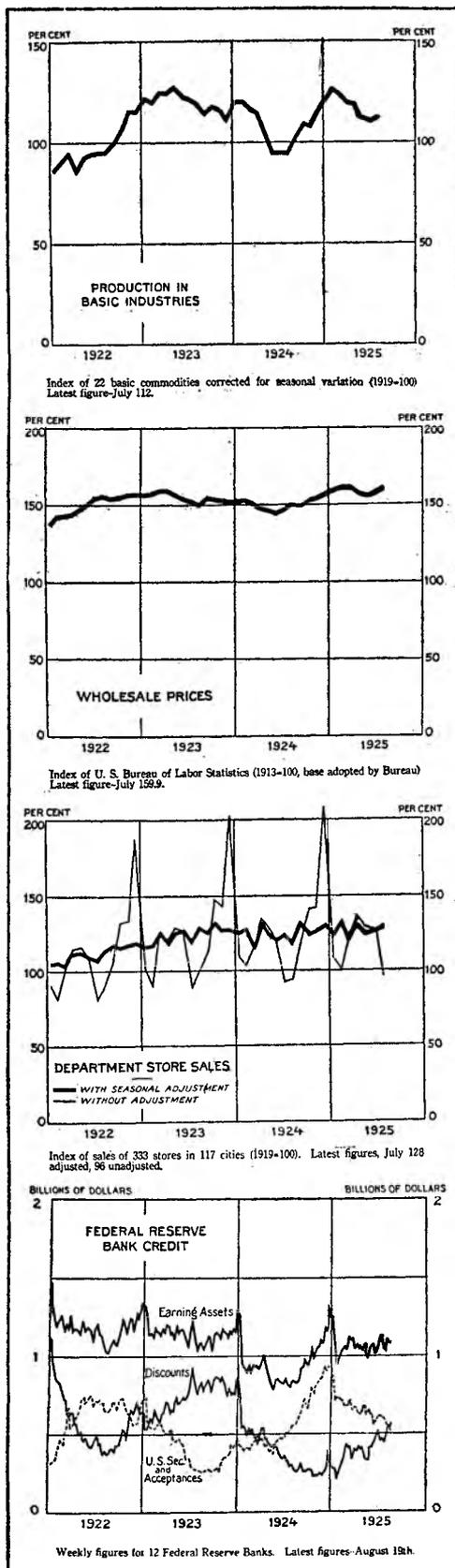
Collections were classified for July as follows:

	<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	
July Totals	10	14	59	57	20	21	4	1	93	93

(Compiled August 21, 1925)

BUSINESS CONDITIONS IN THE UNITED STATES.

(Compiled by the Federal Reserve Board)



Production in basic industries turned upward in July, after a continuous decline since January. Wholesale prices advanced further and the distribution of commodities continued in large volume.

PRODUCTION. The Federal Reserve Board's index of production in basic industries, which makes allowance for usual seasonal variation, advanced by about 2 per cent in July to a point nearly 20 per cent above the low level of a year ago. Increased output was shown for lumber, coal and cement, cotton consumption declined less than usual at this season, while the output of the iron and steel industry and the activity in the wool industry continued to decrease. In nearly all the industries activity was greater than in July of last year. Among industries not represented in the index the production of automobiles, rubber tires and silk continued to be large. The volume of factory employment and earnings of industrial workers declined further in July, seasonal increases in the clothing, shoe and meat packing industries being more than offset by decreases in the other industries. Building contracts awarded in July were in only slightly smaller volume than the exceptionally large total reached in June and the total for the first seven months of this year exceeded that for any previous corresponding period. Estimates of the Department of Agriculture indicated a less favorable condition of all crops combined on August 1st than a month earlier. Expected yields of corn, wheat, rye, tobacco and hay were somewhat smaller than in July, while the indicated production of oats, barley and white potatoes was larger. According to present indications the yields of all principal crops, except corn and barley, will be smaller than last year. The mid-August cotton crop estimate was 13,990,000 bales as compared with a forecast of 13,566,000 bales on August 1st.

TRADE. Freight car loadings during July were larger than in June and exceeded those of any previous July, and weekly figures for August indicated a continued large volume of loadings. Sales at department stores showed less than the usual seasonal decline in July and were 3 per cent larger than a year ago, and mail order sales were considerably above those of July, 1924. Wholesale trade continued at the June level and was 6 per cent above the corresponding period a year ago.

PRICES. Wholesale prices advanced further by nearly 2 per cent in July, according to the index of the Bureau of Labor Statistics. Prices of farm products and of miscellaneous commodities rose over 4 per cent, reflecting chiefly increases in live stock and rubber, while in the other commodity groups price changes were relatively small. The general level of prices in July was 9 per cent higher than a year ago, the rise being chiefly in agricultural commodities. In August raw sugar, potatoes, silk, metals and fuel advanced, while grains, leather, hogs and rubber declined.

BANK CREDIT. Demand for commercial credit at member banks in leading cities increased in August and the volume of commercial loans on August 12th was larger than at any time since the middle of May, but still considerably below the level at the beginning of the year. Loans on securities increased between the middle of July and the middle of August, while the banks' investments showed little change for the period. Discounts for member banks increased at all the Reserve banks in recent weeks and the total on August 19th was the largest in more than a year and a half. The Reserve bank holdings of securities and bills bought in the open market continued to decline, but total earning assets in the middle of August were near the high point for the year. During the latter part of July and the first half of August conditions in the money market were somewhat firmer. The prevailing rate on prime commercial paper, which had remained at 3 3/4 to 4 per cent since early in May, advanced in August to 4 1/4 per cent.