

MONTHLY REVIEW

CREDIT, BUSINESS AND AGRICULTURAL CONDITIONS



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FEDERAL RESERVE BANK OF RICHMOND

RICHMOND, VIRGINIA

APRIL 30, 1930

MARCH trade in the Fifth Federal reserve district was in seasonal volume in comparison with recent months, but on the whole was not up to the level of trade in March 1929. Deposits in reporting member banks increased during the past month, both demand and time deposits registering gains. At the same time the member banks failed to increase their commercial and agricultural loans as they have usually done at this time of the year. In consequence, they were able to reduce their rediscounts at the Federal Reserve Bank, contrary to the seasonal trend. At the end of March savings deposits in Baltimore savings banks were at the highest figure on record, and time deposits in reporting member banks on April 9th were above deposits of that character on the corresponding date a year earlier. Debits to individual accounts figures, representing payments by check, were seasonally larger during the four weeks ended April 9th than during the preceding four weeks, ended March 12th, and were only 5.7 per cent lower than aggregate debits during the four weeks ended April 10, 1929, in spite of the decline in stock trading and a generally lower level of wholesale prices this year. Business failures in the Fifth district were fewer in number in March 1930 than in March last year, in contrast with an increase for the United States, and although aggregate liabilities involved in March 1930 failures were larger in the Fifth district than the liabilities last year, the increase was much less in percentage than the average increase in the nation. Labor conditions appear to have improved during March and early April, chiefly due to seasonal increase in construction work. Coal production in March was less than in either February this year or March last year, and West Virginia dropped into second place in production of bituminous coal last month. No improvement occurred in the textile manufacturing field last month, and the consumption of cotton by Fifth district mills was materially less than consumption in March 1929, but the percentage of National consumption attained by Fifth district mills was higher in March than in either February 1930 or March 1929, indicating that the mills of the Carolinas and Virginia are doing somewhat better than mills in some other sections. Retail trade in department stores

declined greatly last month in comparison with trade in March 1929, but most of this decrease was due to the difference in the dates of Easter in the two years, and indications are that the loss will at least be cut down materially if not entirely overcome by the April figures. Wholesale trade in March registered seasonal gains over February trade, but fell behind March 1929 trade in nearly all lines. Building permits issued last month in thirty-two leading cities of the Fifth district were somewhat less in aggregate valuation than permits issued in March last year, but nevertheless represented a large volume of work, and contracts actually awarded for construction work in the district totaled nearly a third more than contracts awarded in March 1929. Apparently the general situation in the Fifth district is fairly good except in certain sections dependent upon cotton, and to a less degree in tobacco sections. The tobacco farmers realized fairly good prices for their 1929 crop, and for the present they are much more favorably situated than cotton growers, but official figures indicate a probable increase in tobacco acreage this year in the face of perhaps the largest carry-over of flue-cured or bright tobacco on record.

Reserve Bank Statement.

ITEMS	000 omitted		
	April 15 1930	Mar. 15 1930	April 15 1929
Rediscounts held	\$ 16,185	\$ 17,289	\$ 53,252
Open market paper.....	10,287	12,918	8,599
Government securities	12,640	17,322	2,528
Total earning assets.....	39,112	47,529	64,379
Circulation of Fed. Res. notes....	72,197	77,297	70,518
Members' reserve deposits.....	66,057	65,932	66,034
Cash reserves	111,399	105,262	86,214
Reserve ratio	77.68	72.96	60.73

Effective April 11th, the discount rate on all classes of paper at the Federal Reserve Bank of Richmond was lowered from $4\frac{1}{2}$ to 4 per cent. Rediscounts for member banks held by the Richmond reserve bank declined between March 15th and April 15th by 6.4 per cent, an unusual occurrence at the time of year when crop planting normally increases the demand for credit from country banks and city banks with country bank

correspondents. Rediscounting has, however, increased since April 15th. There was some increase in country bank borrowing between March 15th and April 15th, but the increase was smaller than usual and was more than offset by reduced borrowing by city banks. The holdings of bankers acceptances and Government securities also declined between the middle of March and the middle of April, and the total of earning assets of the Federal Reserve Bank of Richmond was 17.7 per cent lower on the latter date, this being chiefly due to the repayment of temporary Government certificates taken in the income tax payment period. The volume of Federal reserve notes in actual circulation continued a seasonal decline last month, decreasing 6.6 per cent between March 15th and April 15th. Member bank reserve deposits rose slightly between the two dates, but the change was no more than a daily fluctuation. The several changes in the items mentioned, with others of less importance, raised the cash reserves of the Federal Reserve Bank of Richmond by 5.8 per cent between March 15th and April 15th, and increased the ratio of reserves to note and deposit liabilities combined by 6.5 per cent.

During the year between April 15, 1929, and April 15, 1930, rediscounts for member banks held by the Richmond reserve bank declined 69.6 per cent, the decrease being especially marked in city bank borrowing. The reserve bank increased its portfolio of open market paper during the year and also increased its investments in Government securities. These additional investments did not balance the decline in rediscount holdings, however, and total earning assets of the Richmond bank therefore declined 39.2 per cent during the year. The circulation of Federal reserve notes was 2.4 per cent higher on April 15, 1930, than a year earlier, and member bank reserve deposits remained practically unchanged during the period. Decreased earning assets, with only minor changes in other statement items, raised the cash reserves of the Federal Reserve Bank of Richmond by 29.2 per cent and the ratio of reserves to note and deposit liabilities combined by 27.9 per cent between April 15, 1929, and April 15, 1930. It should be understood that the figures in the accompanying table are not necessarily the highest or lowest that occurred during the periods under discussion, but represent conditions on the three report dates only.

Member Bank Statement.

ITEMS	000 omitted		
	April 9 1930	Mar. 12 1930	April 10 1929
Loans on stocks and bonds (including Governments)	\$201,236	\$195,870	\$200,250
All other loans.....	298,330	300,992	327,463
Total loans and discounts.....	499,566	496,862	527,713
Total inv. in bonds and stocks....	158,606	151,534	158,203
Reserve bal. with F. R. bank.....	39,527	39,870	40,248
Cash in vaults.....	11,391	11,168	11,630
Net demand deposits.....	354,093	353,101	360,902
Time deposits.....	246,115	240,171	243,525
Borrowed from Fed. Res. bank..	2,903	5,704	25,258

The above table shows the principal items of con-

dition for fifty-eight regularly reporting member banks as of three dates, thus affording opportunity for comparing the latest available figures, those of April 9, 1930, with the corresponding figures reported a month and a year earlier.

Between March 12th and April 9th, both this year, the reporting member banks increased their outstanding loans by \$2,704,000, approximately one-half of 1 per cent, the increase being in loans on securities. Ordinary commercial and agricultural loans declined somewhat, an unseasonal development at crop planting time and when merchants usually borrow to meet bills for spring merchandise. The reporting banks increased their investments in bonds and stocks by \$7,072,000, or 4.7 per cent, during the month, but reduced their reserve balances at the reserve bank by \$343,000, or a little less than 1 per cent. Cash in vaults rose \$223,000, or 2.0 per cent, between March 12th and April 9th. Deposits showed a total increase of \$6,936,000 during the month, demand deposits rising \$992,000 and time deposits increasing \$5,944,000. The banks further reduced their indebtedness at the reserve bank, retiring 49.1 per cent of the rediscounts reported on March 12th.

Most of the figures shown for April 9, 1930, are lower than the corresponding figures reported on April 10, 1929. Loans on securities rose \$986,000 during the year, but all other loans declined \$29,133,000, a net decrease in total loans and discounts amounting to \$28,147,000, or 5.3 per cent. Total investments in stocks and bonds rose \$403,000 between April 10th last year and April 9, 1930, but aggregate reserve balances of the reporting banks at the reserve bank declined \$721,000. Cash in vaults dropped \$239,000 during the year. Net demand deposits declined \$6,809,000 between the middle of April last year and this, but time deposits rose \$2,590,000. The reporting banks reduced their rediscounts at the reserve bank by \$22,355,000, or 88.5 per cent, during the year, and on April 9th this year were borrowing only \$2,903,000 from the Federal Reserve Bank of Richmond.

Debits to Individual Accounts.

The accompanying table shows aggregate payments by check drawn on the clearing house banks in twenty-four leading trade centers of the Fifth Federal reserve district during three equal periods of four weeks each, ended April 9th and March 12th this year and April 10, 1929, thus affording opportunity for a comparison of the latest available figures with those of the preceding like period this year and the corresponding period a year ago. These figures include all checks drawn against depositors' accounts, whether individuals, firms or corporations, and are considered to be one of the leading barometers of general business activity.

Aggregate debits in the reporting cities in the four weeks ended April 9th showed an increase of \$112,768,000, or 9.6 per cent, over total debits in the preceding four weeks, ended March 12th. The increase was seasonal, and was due chiefly to income tax payments on March 15th and quarterly settlements on April 1st, both of these important dates falling in the latest four weeks. Fifteen of the twenty-four cities

CITIES	000 omitted		
	Total debits, four weeks ended		
	April 9 1930	March 12 1930	April 10 1929
Asheville, N. C.....	\$ 27,487	\$ 22,102	\$ 36,002
Baltimore, Md.	430,163	384,451	402,290
Charleston, S. C.....	22,400	20,715	24,900
Charleston, W. Va.....	42,345	37,345	42,290
Charlotte, N. C.....	51,307	45,876	66,001
Columbia, S. C.....	24,486	20,709	30,778
Cumberland, Md.	7,795	8,735	8,730
Danville, Va.	6,251	7,630	7,373
Durham, N. C.....	26,146	25,622	26,190
Greensboro, N. C.....	23,608	20,364	23,127
Greenville, S. C.....	17,544	20,381	21,827
Hagerstown, Md.	9,765	8,929	10,133
Huntington, W. Va.....	20,125	20,172	21,606
Lynchburg, Va.	18,924	21,420	19,204
Newport News, Va.....	10,298	10,256	10,149
Norfolk, Va.	52,897	56,077	62,432
Portsmouth, Va.	4,585	4,869	4,526
Raleigh, N. C.....	21,810	16,383	20,474
Richmond, Va.	122,702	118,328	137,682
Roanoke, Va.	29,124	30,558	28,326
Spartanburg, S. C.....	10,936	12,452	14,286
Washington, D. C.....	247,540	217,768	286,117
Wilmington, N. C.....	15,638	13,196	19,020
Winston-Salem, N. C.....	45,483	32,253	43,308
District Totals	\$1,289,359	\$1,176,591	\$1,366,771

reported larger totals for the April 9th period, but nine cities failed to show the usual increases. The declines in Danville and Lynchburg were partly due to the closing of auction tobacco markets, and the decreases in Greenville and Spartanburg were adversely affected by lessened activity in textile manufacturing. Huntington's decline was very small.

A comparison of debits figures for the four weeks ended April 9th this year with the figures of the corresponding period ended April 10, 1929, shows a decrease this year of \$77,412,000, or 5.7 per cent, a moderately favorable comparison in view of lessened activity in stock trading and a generally lower level of wholesale prices this year. Eight cities reported higher figures for the 1930 period, and six of them—Baltimore, Charleston, W. Va., Greensboro, Newport News, Raleigh and Winston-Salem—showed higher totals than for either the preceding four weeks this year or the corresponding period last year. The decreases in comparison with the 1929 period were very small in Durham, Hagerstown and Lynchburg.

Savings and Time Deposits.

Twelve mutual savings banks in Baltimore gained in deposits during March, and reporting member banks also gained in time deposits. On March 31, 1930, the Baltimore savings institutions had aggregate deposits amounting to \$192,327,234, compared with \$191,063,540 on February 28, 1930, and \$188,299,306 on March 31, 1929. Fifty-eight regularly reporting member banks had time deposits aggregating \$246,115,000 on April 9th this year, compared with \$240,171,000 on March 12, 1930, and \$243,525,000 on April 10, 1929.

Bankruptcies.

Business failures in the Fifth Federal reserve district in March 1930 numbered 126, in comparison with 140 insolvencies in March 1929, a decrease of 10 per cent in contrast to the National increase of 18 per cent. Last month's failures in the Fifth district were less in number than in any other March since 1926. In aggregate liabilities involved, last month's total of \$2,639,100 showed an increase of 21.7 per cent over \$2,167,780 reported in March 1929, but again the district record was much better than the average for the United States, which showed a total increase of 56.4 per cent in liabilities in March 1930 over those for March 1929. In the number of insolvencies reported by *Dun's Review* for March 1930, only three of the twelve reserve districts showed lower figures than for March last year, the three districts being Richmond, Cleveland and Chicago. All districts reported higher aggregate liabilities for the 1930 month, but only three districts, St. Louis, Kansas City and San Francisco, reported smaller increases than that of the Richmond district while eight districts reported larger percentage increases.

Employment.

Conditions in labor circles improved during the past month, chiefly due to seasonal increase in construction work. There was not enough improvement to take care of all workers who were seeking jobs, but in nearly all sections of the district a considerable number of additional workmen were provided for and the number of unemployed was materially lessened. Unemployment statistics are elusive and hard to get, but from the facts which are available it appears that employment in the Fifth district compares favorably with employment in other sections of the country.

Coal Production.

The total production of bituminous coal for the country as a whole during the month of March amounted to 35,773,000 net tons as against 39,555,000 tons mined in February 1930 and 39,870,000 tons in March 1929. The decrease last month in comparison with February tonnage was largely seasonal, but the decline under the March 1929 figures indicates a lessened demand for coal this year. Total production of soft coal during the present calendar year to April 12 (approximately 87 working days) amounts to 139,892,000 net tons, a smaller amount than for any other year during the past five. Coal shipped by water through Hampton Roads, Baltimore and Charleston, S. C., in March totaled 2,400,513 net tons, and since January 1, 1930, these ports have shipped 7,282,422 tons, or 70 per cent of total tidewater shipments of bituminous coal.

The March 22nd report of the Bureau of Mines, Department of Commerce, showed production figures by states for February. West Virginia with an output of 9,822,000 net tons dropped into second place, Pennsylvania with 10,130,000 tons ranking first. The three coal producing states of the Fifth district, West

Virginia, Virginia and Maryland, dug 28 per cent of all soft coal mined in February, a higher percentage of the total than the district reported in either January this year or February a year ago.

Textiles.

Conditions in the textile field in the Fifth district changed little during March. Fifth district mills consumed 224,881 bales of cotton last month, in comparison with 216,798 bales used in the shorter month of February 1930 and 274,615 bales consumed in March 1929. North Carolina mills consumed 119,444 bales last month, South Carolina mills used 95,071 bales, and Virginia mills used 10,366 bales, lower figures for the Carolinas but a higher figure for Virginia than the March 1929 figures. Consumption of cotton in the Fifth district last month amounted to 44.2 per cent of National consumption, a higher percentage than 43.8 per cent consumed in February this year and also larger than 43.4 per cent used in the district in March 1929.

Cotton Statistics.

Cotton prices between the middle of March and the middle of April were higher than during the preceding month this year, but continued much lower than the 1929 prices. In our last month's *Review* we quoted the average price for upland short staple cotton, middling basis, on ten leading Southern markets as 14.45 cents on March 14th. From that figure the price advanced to an average of 15.70 cents per pound on April 4th, but the two following weeks witnessed another recession to an average of 15.16 cents on April 18th, the latest date for which figures are available. On April 19, 1929, the average price on the same markets was 18.97 cents, approximately \$19 a bale higher than the price on the corresponding date this year.

Consumption of cotton in the United States in March 1930 totaled only 508,576 bales, compared with 495,204 bales used in the shorter month of February this year and 631,669 bales in March 1929. Total consumption for the eight months of the present season—August 1st to March 31st—amounted to 4,323,617 bales, compared with 4,674,034 bales consumed in the corresponding period ended March 31, 1929. Manufacturing establishments held 1,762,627 bales on March 31st, compared with 1,811,639 bales held on February 28th and 1,729,998 bales on March 31, 1929. Public warehouses and compresses held 4,189,113 bales in storage at the end of March this year, compared with 4,858,609 bales so held a month earlier and 3,176,623 bales on March 31st last year. March exports totaled 477,678 bales, compared with 555,986 bales sent abroad in March 1929. Exports during the eight months of this cotton year totaled 5,770,764 bales, compared with 6,746,104 bales shipped over seas during the corresponding eight months ended March 31, 1929. Spindles active at some time during March numbered 28,898,464, compared with 28,926,580 in February this year and 31,102,784 in March 1929.

Cotton consumption in the cotton growing states totaled 394,847 bales in March, compared with 382,099 bales used in February and 479,328 bales in March

1929. Last month's consumption in the cotton growing states amounted to 77.64 per cent of National consumption, compared with 75.88 per cent of National consumption used in the cotton growing states in March last year. Of the 394,847 bales of cotton consumed in the cotton growing states in March, the Fifth district mills used 224,881 bales, or 56.95 per cent.

Tobacco Marketing.

All auction tobacco markets in the Fifth district have closed for the season, and final figures on the year's sales are now available. In Virginia sales of producers' tobacco amounted to 126,787,712 pounds, valued at \$22,224,000, compared with 117,254,824 pounds sold during the 1928-1929 season for a total of \$18,923,000. Sales during the season just closed were slightly less than had been estimated earlier in the season, but the quality of the crop was generally good and prices for all types except burley were above those received for the previous year's crop. The average price for all types this season was \$17.53 per hundred pounds, compared with an average of \$16.14 per hundred for the previous crop. Flue-cured sales in Virginia this season totaled 92,949,878 pounds at an average price of \$17.36 per hundred, compared with 85,361,411 pounds sold the previous year for an average of \$17.07 per hundred. It is estimated that approximately 13,000,000 pounds of the flue-cured tobacco sold on Virginia markets this year was brought in from North Carolina and about 12,000,000 pounds came from the same source last year. This credits Virginia with a production of approximately 80,000,000 pounds of bright tobacco in 1929 in comparison with 73,000,000 pounds in 1928. Fire-cured tobacco totaling 22,811,016 pounds was sold on Virginia markets during the season just closed, bringing an average of \$16.87 per hundred pounds, compared with 21,935,250 pounds of this type tobacco sold the previous year for an average of \$10.59 per hundred. Last year's price for fire-cured tobacco was the highest since 1924, when the average was \$19.43. Sun-cured tobacco sold to April 1st amounted to 4,096,688 pounds at an average price of \$13.25 per hundred, compared with 4,941,043 pounds sold last season for \$10.07 per hundred pounds. The weight of the sun-cured leaf was light this year, and sales accordingly turned out considerably below expectations. The Richmond market remained open into April to clean up a small amount of sun-cured tobacco still on farms. Burley sales amounted to 6,930,130 pounds and the average price was \$24.45 per hundred, compared with 5,017,120 pounds sold the previous year for \$30.43 per hundred pounds.

North Carolina tobacco markets sold 481,456,650 pounds of tobacco for growers during the 1929-1930 season, for an average of \$18.40 per hundred pounds, compared with 484,112,867 pounds sold the preceding season for \$18.78 per hundred, the earlier crop bringing the farmers approximately \$2,300,000 more than the 1929-1930 crop. In total sales for the season just closed, Wilson lead with 74,753,642 pounds, Winston-Salem ranking second with 53,934,876 pounds and Greenville third with 46,415,155 pounds.

Tobacco Manufacturing.

Cigarettes manufactured in the United States in March this year numbered 9,165,174,703, compared with 8,689,510,413 cigarettes manufactured in March 1929. Small cigars numbering 33,139,507 manufactured in March also exceeded the March 1929 production of 30,469,000, but other forms of tobacco manufactures fell off in March this year. Smoking tobacco produced last month totaled 27,820,487 pounds, compared with 28,187,757 pounds made in March last year. Large cigars manufactured in March 1930 totaled 454,765,717, compared with 491,304,798 cigars made in March a year ago. Approximately seven and a half billion of the cigarettes manufactured in March were produced in North Carolina and Virginia, compared with a little over seven billion in March 1929. The Fifth reserve district manufactures nearly 82 per cent of American cigarettes.

Agricultural Notes.

In the Fifth reserve district, winter grains came through the winter in good condition except in North Carolina, where an unusually large percentage of the acreage is being abandoned. Wheat is of good color in the other states, and winter freezes did not damage the stands, but the growth is backward. Growth of all crops is late this year, due to the cool weather and in some sections to insufficient rainfall prior to April. Peaches were damaged by frosts and freezes in Virginia and South Carolina, and also to a lesser degree in Maryland, but the prospects for peaches in North Carolina are reported good. Apple buds have been slow in developing, and the crop has therefore escaped damage except in certain sections of Maryland. Pastures are much later than in the spring of 1929, but have improved considerably since April 1st. The early potato acreage is being increased somewhat this season throughout the entire potato growing belt. In the Fifth district early planted potatoes are generally up to a good stand and are doing well. Truck crops were good this spring. Spring plowing and other farm work is well advanced, the cool weather which retarded plant growth offering no obstacle to plowing, cleaning up fields, hauling fertilizer, etc. Reports from some sections of the Fifth district indicate the use of less fertilizer this year than in most years, a condition which possibly will have an important bearing on the harvests next fall. In the cotton sections of the Carolinas the farmers are finding difficulty in financing themselves for the current year's operations, but in the balance of the district farmers are in about the usual financial position.

Building Operations.

Building permits issued in thirty-two leading cities of the Fifth reserve district in March 1930 and March 1929 are shown in a table elsewhere in this *Review*. Permits issued in March this year were fewer in number and less in valuation than in March 1929, but both the number and estimated valuation registered seasonal increases over the February 1930 figures. On the whole, a relatively large amount of work was pro-

vided for in last month's permits, all classes of work totaling \$13,169,842. In March 1929 total valuation figures in the same thirty-two cities amounted to \$14,112,495, only 6.7 per cent more than the valuation figures of March this year. The features of the current report are the large valuation for Charleston, W. Va., due to a permit for a new State Capitol building, and the comparatively low figures reported by the three largest cities, Baltimore, Richmond and Washington. In addition to the large sum reported by Charleston, W. Va., relatively large amounts were reported by Bluefield, Charlotte, Columbia and Lynchburg. Norfolk showed a gain of more than 100 per cent, but partly due to unusually low figures for March 1929. Salisbury, N. C., and Richmond reported the greatest percentage declines in valuation last month.

Contracts actually awarded for construction work in the Fifth district in March totaled \$43,220,110, an increase of \$10,241,157, or 31 per cent, above contracts totaling \$32,978,953 awarded in March 1929, according to figures collected by the F. W. Dodge Corporation. Of the awards in March this year, \$10,356,810, or 24 per cent, was for residential types of construction, compared with \$14,456,018, or 44 per cent of total awards, for residential work in March last year.

Retail Trade, 35 Department Stores.

	Baltimore	Washington	Other Cities	District
March 1930 sales, compared with March 1929:	—13.1	—14.3	—22.5	—15.4
Jan.-Mar. 1930 sales, compared with Jan.-Mar. 1929:	— 1.5	— 4.7	—13.3	— 5.2
March 31, 1930, stocks, compared with March 31, 1929:	— 1.3	5.9	— 2.8	.9
March 31, 1930, stocks, compared with Feb. 28, 1930:	9.2	10.1	7.3	9.1
Times stock turned in March 1930:	.298	.267	.214	.267
Times stock turned since January 1, 1930:	.800	.773	.587	.740
Percentage of March 1, 1930, receivables collected in March:	24.4	30.1	31.0	27.4

— Denotes decreased percentage.

Department store sales in the Fifth reserve district in March 1930 averaged 15.4 per cent less than sales in March 1929, according to reports received from thirty-five stores. The decrease was due largely to the lateness of Easter this year, which fell on April 20th in comparison with March 31st last year. The weather in March this year was also less favorable for early spring trade, cool weather continuing through the entire month in contrast with a week of mild, balmy weather at the end of March 1929. Although January and February sales this year exceeded sales in the first two months of 1929, the decrease in March sales wiped out the gain of the earlier months, and average sales for the first quarter of 1930 fell 5.2 per cent behind sales in the first quarter of 1929.

Stocks increased seasonally in the reporting stores last month with the receipt of merchandise for the pre-Easter season, and at the end of March were at about the same level as on March 31, 1929. Baltimore and

Other Cities stores reported slightly smaller stocks this year, but Washington stores averaged larger stocks. The rate of stock turnover was seasonally higher in March than in February, but was slower than in March 1929, due to the heavy Easter sales last year. The average rate of turnover from January 1st to March 31st was .740 times this year and .765 times in 1929.

The percentage of collections in March 1930 to total accounts receivable on March 1st was lower by 1.4 per cent than the percentage for March 1929, but was slightly higher than the February 1930 percentage.

Wholesale Trade, 69 Firms.

	27	10	5	15	12
	Groceries	Dry Goods	Shoes	Hardware	Drugs
March 1930 sales, compared with March 1929 sales:	— 1.1	—18.5	— 8.3	—20.0	4.9
March 1930 sales, compared with February 1930 sales:	3.0	— .4	14.4	6.3	7.1
Jan.-Mar. 1930 sales, compared with Jan.-Mar. 1929 sales:	.3	—10.1	2.1	—11.1	— 5.6
March 31, 1930, stocks, compared with March 31, 1929, stocks:	6.9(10#)	—14.4(4#)	14.2(2#)	— 9.2(8#)
March 31, 1930, stocks, compared with Feb. 28, 1930, stocks:	— 2.8(10#)	— 2.0(4#)	— 7.3(4#)	— 1.0(8#)
Percentage of March 1, 1930, receivables collected in March:	62.2(17#)	34.2(7#)	21.6(5#)	31.6(12#)	59.4(9#)

— Decreased percentage. # Number firms reporting.

Sixty-nine wholesale firms, representing five important lines of trade, sent reports on their March business to the Federal Reserve Bank of Richmond. March sales of groceries, dry goods, shoes and hardware were less than March 1929 sales, but drug sales were larger in the 1930 month. March sales showed seasonal increases over February sales in all lines except dry goods, in which there was a decrease of less than one-half of 1 per cent. Total sales in the first quarter of 1930 in groceries and shoes were larger than sales in the corresponding three months of 1929, but dry goods, hardware and drug sales were lower this year, the decline in drugs being due in large part to unusually large sales in January 1929 as a result of a mild epidemic of influenza.

Stocks on the shelves of the reporting firms declined seasonally in all lines during March, and at the end of the month were lower than on March 31, 1929, in dry goods and hardware. Grocery and shoe stocks were larger on the 1930 date.

Collections in all five lines were better in March than in February this year, the percentage of collections during the month to receivables outstanding on March 1st being larger than the percentages for the earlier month. Dry goods and drug collection percentages in March 1930 were also higher than those for March 1929, but the percentages of collections in groceries, shoes and hardware were lower last month than in the corresponding month a year ago.

(Compiled April 21, 1930)

BUILDING OPERATIONS FOR THE MONTHS OF MARCH 1930 AND 1929.

No.	CITIES	Permits Issued				New Construction		Alterations		Increase or Decrease of Total Valuation	Per Cent of Increase or Decrease	No.
		New		Repairs		1930	1929	1930	1929			
		1930	1929	1930	1929							
1	Baltimore, Md.....	498	631	949	1,249	\$ 2,087,640	\$ 2,853,600	\$ 443,520	\$ 599,520	\$— 921,960	— 26.7%	1
2	Cumberland, Md....	13	21	8	16	12,925	32,476	2,850	24,910	— 41,611	— 72.5	2
3	Frederick, Md.....	19	7	11	2	10,495	6,050	4,160	4,500	4,105	38.9	3
4	Hagerstown, Md....	20	16	4	6	31,482	19,765	8,600	1,505	18,812	88.4	4
5	Salisbury, Md.....	26	16	12	12	57,125	28,000	2,675	4,600	27,200	83.4	5
6	Danville, Va.....	5	8	10	13	2,000	29,000	8,605	7,335	— 25,730	— 70.8	6
7	Lynchburg, Va.....	32	15	20	26	234,425	62,265	30,335	53,969	148,526	127.8	7
8	Norfolk, Va.....	94	64	41	74	369,337	128,615	22,980	39,630	224,072	133.2	8
9	Petersburg, Va.....	5	3	4	6	17,250	7,200	3,300	10,020	3,330	19.3	9
10	Portsmouth, Va....	21	8	26	18	26,200	40,669	17,493	5,350	— 2,326	— 5.1	10
11	Richmond, Va.....	68	128	70	72	246,115	1,554,842	76,235	58,347	—1,290,839	— 80.0	11
12	Roanoke, Va.....	39	53	27	43	130,077	353,399	10,272	12,005	— 225,055	— 61.6	12
13	Bluefield, W. Va...	8	3	2	2	123,000	500	1,050	885	122,665	8,856.7	13
14	Charleston, W. Va.	40	67	10	24	4,116,358	121,692	41,325	29,680	4,006,311	2,646.6	14
15	Clarksburg, W. Va.	12	24	11	19	1,787	51,250	11,325	6,550	— 44,688	— 77.3	15
16	Huntington, W. Va.	23	32	7	10	47,000	34,000	2,550	4,000	11,550	30.4	16
17	Asheville, N. C.....	5	13	49	29	32,700	196,110	22,932	9,830	— 150,308	— 73.0	17
18	Charlotte, N. C....	45	56	32	29	414,935	492,006	12,780	24,823	— 89,114	— 17.2	18
19	Durham, N. C.....	16	24	5	10	164,800	247,947	1,550	36,872	— 118,469	— 41.6	19
20	Greensboro, N. C.	17	40	19	42	88,985	170,120	11,155	13,265	— 83,245	— 45.4	20
21	High Point, N. C...	18	29	2	5	59,350	106,450	800	1,695	— 47,995	— 44.4	21
22	Raleigh, N. C.....	18	22	12	10	40,395	126,084	3,300	4,555	— 86,944	— 66.6	22
23	Rocky Mount, N.C.	12	10	5	2	26,735	103,134	3,145	360	— 73,614	— 71.1	23
24	Salisbury, N. C.....	3	9	1	2	4,225	44,600	500	210	— 40,085	— 89.5	24
25	Wilmington, N. C...	11	9	6	13	90,200	40,600	3,200	12,050	40,750	77.4	25
26	Winston-Salem, N. C.	51	76	52	55	191,000	611,254	35,671	18,400	— 402,983	— 64.0	26
27	Charleston, S. C....	22	24	22	30	56,135	39,571	4,425	19,105	1,884	3.2	27
28	Columbia, S. C.....	14	27	29	26	320,900	91,400	14,640	11,130	233,010	227.3	28
29	Greenville, S. C....	21	26	49	43	128,600	114,000	28,384	29,955	13,029	9.1	29
30	Rock Hill, S. C....	9	15	16	6	32,450	53,365	6,065	14,800	— 29,650	— 43.5	30
31	Spartanburg, S. C.	19	23	14	26	81,441	83,705	4,913	4,935	— 2,286	— 2.6	31
32	Washington, D. C.	71	208	298	396	2,853,800	4,889,725	229,240	314,310	—2,120,995	— 40.8	32
Totals.....		1,275	1,707	1,823	2,316	\$12,099,867	\$12,733,394	\$1,069,975	\$1,379,101	\$— 942,653	— 6.7%	

— 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.

*Business Conditions in the United States
will be found on next page.*

BUSINESS CONDITIONS IN THE UNITED STATES

(Compiled by the Federal Reserve Board)

Industrial production declined in March, while factory employment and payrolls showed little change, and wholesale prices continued to decline. There was an increase in construction, as is usual at this season. Interest rates continued to decline in the first three weeks of March, but later became somewhat firmer.

Production.

Production in basic industries declined in March, contrary to the usual seasonal trend. Average daily output of steel, coal and copper decreased substantially, while output of cotton and wool textiles declined at about the usual seasonal rate. Production of automobiles and lumber increased.

For the first quarter of the year, taken as a whole, output of basic industries was considerably smaller than in the unusually active first quarter of 1929 and smaller than in any other first quarter since 1925. In the steel and automobile industries output for the first three months, though smaller than in 1929, was about the same as in the corresponding months in 1928, while in most of the other major industries it was smaller than in either of the two preceding years.

Building contracts awarded increased substantially in March as is usual at this season, according to reports of the F. W. Dodge Corporation. In comparison with a year ago, a large increase in contracts for public works and utilities was more than offset by a decrease in residential building. Average daily awards in the first half of April were somewhat larger than in March, but continued smaller than a year ago.

Employment.

Factory employment and payrolls, which usually increase during March, changed little from February and continued to be considerably smaller than in other recent years. The number of workers employed in the automobile industry increased somewhat less than is usual at this season and reductions in employment and in earnings were reported in the iron and steel machinery, and car building industries.

Distribution.

Freight carloadings, which have been at low levels in recent months, did not show the usual seasonal increase during March. Department store sales continued in smaller volume than a year ago.

Wholesale Prices.

Wholesale prices, which began to decline last summer, continued to move downward in March to the lowest level since 1916, the decline reflecting chiefly sharp decreases in prices of agricultural products. Prices of imported raw materials, such as sugar, coffee, and silk, fluctuated around the low levels reached in February. The price of silver advanced slightly from the low point reached early in March.

In the last week in March and the first week in April there were advances in prices of agricultural products, especially grains and cotton, while the price of steel declined. On April 15, the price of copper was sharply reduced, and in the same week prices of a number of other important commodities also declined.

Bank Credit.

At member banks in leading cities total loans and investments increased in the four-week period ending April 16, reflecting a growth of \$184,000,000 in loans on securities and of \$80,000,000 in investments, offset in part by a further decrease of \$186,000,000 in "all other" loans.

Member bank indebtedness at the reserve banks and total reserve bank credit declined further between the weeks ending March 15 and April 12, reflecting primarily additional imports of gold from the Orient.

In the third week of March money rates in the open market reached the lowest levels since 1924, but in the next three weeks were somewhat firmer. Rates on commercial paper declined to a range of $3\frac{3}{4}$ -4 per cent on March 24 and remained steady at that level; rates on 60-90 day bankers' acceptances were reduced to $2\frac{1}{2}$ per cent on March 20 but later advanced to 3 per cent. Bond yields, after declining during most of March, increased gradually in the first half of April.

During April the rediscount rates of the Federal Reserve Bank of Richmond, Atlanta, St. Louis, Minneapolis, and Dallas were reduced to 4 per cent, the rate prevailing at all of the reserve banks except New York where the rate is $3\frac{1}{2}$ per cent.