

MONTHLY REVIEW

CREDIT, BUSINESS AND AGRICULTURAL CONDITIONS



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RICHMOND, VIRGINIA

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NINETEEN THIRTY-ONE began with business on a distinctly lower level than in 1930, and January and early February showed no marked tendency in either direction. Some factors improved while others lost ground, but on the whole it is probable that average developments were about on seasonal levels, in comparison with trade of recent months. A large number of banks in the Fifth district are in a stronger position than they occupied a year ago, with lower liabilities and more liquid assets, in spite of a considerable amount of frozen credit in rural sections as a result of drought damage last summer and fall, and lower prices for agricultural products. Demand deposits in member banks are lower than a year ago, but time deposits are higher, probably due to an accumulation of funds awaiting an opportunity for profitable investment. Debits to individual accounts figures in clearing house banks in twenty-four cities during the four weeks ended February 11, 1931, were 9.3 per cent less than debits during the corresponding four weeks in 1930, but price changes during the year accounted for a considerable part of the decline. Employment showed no improvement during the first six weeks of 1931, and construction work for which permits were issued or contracts were awarded was in small volume. Coal production on a daily basis declined somewhat from the December rate of output and was much below the rate of production in January 1930. On the other hand, there were signs of improvement in the textile field, and cotton prices advanced moderately between the middle of January and the middle of February. Cotton consumption in the Fifth district in January, while much below that of January 1930, showed a seasonal increase over December consumption. Tobacco marketing continued in large volume last month, but the quality of tobacco sold was so poor that average prices realized by growers were much lower than last year. Department store sales for January were comparatively good, averaging only 3.7 per cent less than sales in January 1930, in contrast with a National decrease in department store trade with a National decrease in department store trade averaging approximately 7 per cent. Lower commodity prices account for at least a part of the January decline in sales. Wholesale trade in January showed

seasonal gains over December trade, but was much below the volume of business done in January 1930.

In studying various business indices for the Fifth reserve district, the present position of the farmer should be duly taken into account. As a result of last summer's drought and lower prices received in the fall for the leading crops, a large number of farmers are not in the market for any commodities except the bare necessities of life, and little improvement can be expected in agricultural conditions before the next harvest time; the impairment of the credit standing of many farmers will handicap them in planting and growing this year's crops, and inability to finance the usual acreage may tend to reduce production.

Reserve Bank Statement

ITEMS	000 omitted		
	Feb. 15 1931	Jan. 15 1931	Feb. 15 1930
Rediscounts held	\$ 17,743	\$ 23,332	\$ 21,149
Open market paper	2,418	7,384	14,124
Government securities	17,261	17,261	9,902
Total earning assets.....	37,422	47,977	45,175
Circulation of Fed. Res. notes....	84,343	90,569	81,543
Members' reserve deposits.....	59,200	60,892	65,775
Cash reserves	113,072	113,505	113,216
Reserve ratio	77.22	72.71	75.69

Rediscounts for member banks held by the Federal Reserve Bank of Richmond declined \$5,589,000 between January 15 and February 15, both this year, and on the latter date totaled \$3,406,000 less than on February 15 last year. About 75 per cent of last month's decline in member bank borrowing at the reserve bank was in rediscounts for banks in agricultural centers, but approximately 65 per cent of the decrease in rediscounting in comparison with the preceding year was for banks in the larger cities. The Bank decreased its portfolio of open market paper by \$4,966,000 last month, and assets of this character dropped \$11,706,000 during the year. Government security holdings of the Richmond bank remained unchanged from January 15 to February 15 at a figure \$7,359,000 above that of February 15, 1930. The various changes in earning assets during the month and year resulted in a net decrease in total earning assets

of \$10,555,000 between January 15 and February 15, and of \$7,753,000 between February 15 last year and the corresponding date this year.

The volume of Federal reserve notes in actual circulation declined \$6,226,000 between January 15 and February 15, a regular seasonal reduction, but on February 15 this year circulation exceeded that of February 15, 1930, by \$2,800,000. Member bank reserve deposits at the Federal Reserve Bank of Richmond declined \$1,692,000 last month, and at the middle of February were \$6,575,000 less than reserve deposits on February 15, 1930, the year's decrease being chiefly due to lower aggregate deposits in member banks against which reserves must be carried. The several changes mentioned, with others of less importance, lowered the cash reserves of the Richmond bank as of February 15, 1931, only \$433,000 below the January 15, 1931, total and \$144,000 below the total reserve on February 15, 1930. The ratio of cash reserves to note and deposit liabilities combined declined by 4.51 points between January 15 and February 15, this year, and on the latter date was 1.53 points lower than on the corresponding date a year ago.

Member Bank Statement

ITEMS	000 omitted		
	Feb. 11 1931	Jan. 14 1931	Feb. 12 1930
Loans on stocks and bonds (including Governments)	\$166,604	\$171,538	\$192,139
All other loans.....	270,129	274,979	302,464
Total loans and discounts.....	436,733	446,517	494,603
Investment in stocks and bonds..	183,600	177,324	155,109
Reserve bal. with F. R. Bank....	40,319	36,691	37,979
Cash in vaults.....	16,689	14,286	11,147
Demand deposits	333,269	334,505	352,830
Time deposits	246,342	241,731	240,177
Borrowed from F. R. Bank.....	5,226	6,700	7,234

The figures in the above table are totals of the principal items of condition as of the three dates for fifty-four member banks in thirteen of the leading cities of the Fifth Federal reserve district. It should be understood that the figures shown reflect the condition of the reporting banks on the report dates only, and are not necessarily the highest or lowest figures that occurred during the periods under review.

During the four weeks between January 14 and February 11, both this year, loans on stocks and bonds at the fifty-four reporting member banks decreased by \$4,934,000, and on the later date totaled \$25,535,000 less than on February 12, 1930. All other loans decreased \$4,850,000 last month and \$32,335,000 during the year. Total loans, therefore, declined \$9,784,000 in the past four weeks and \$57,870,000 in the year, the latter a decrease of 11.7 per cent. Demand deposits declined by \$1,236,000 last month, and during the past year dropped \$19,561,000, both smaller figures than the decreases in loans. On the other hand, time deposits increases in loans. On the other hand, time deposits in the reporting institutions rose \$4,611,000 between January 14 and February 11, and on the latter date were \$6,165,000 higher than on February 12, 1930. Demand and time deposits combined show a net increase

of \$3,375,000 last month, but during the year aggregate deposits declined by \$13,396,000.

On February 11, 1931, the fifty-four reporting member banks had investments in stocks and bonds totaling \$6,276,000 more than on January 14, 1931, and this item increased by \$28,491,000 during the past year. Aggregate reserve balance of the reporting banks at the Federal Reserve Bank of Richmond rose \$3,628,000 during the past month, and on February 11 was \$2,340,000 above the balance a year ago. Cash in vaults rose materially last month, by \$2,403,000, and reached a point \$5,542,000 above the cash in vaults on February 12, 1930. Borrowing by the reporting banks at the reserve bank on February 11, 1931, was \$1,474,000 less than a month earlier and \$2,008,000 less than a year ago.

Debits to Individual Accounts

CITIES	000 omitted		
	Total debits, four weeks ended		
	Feb. 11, 1931	Jan. 14 1931	Feb. 12 1930
Asheville, N. C.....	\$ 11,109	\$ 10,945	\$ 25,129
Baltimore, Md.	355,670	381,117	367,317
Charleston, S. C.	16,300	17,348	19,840
Charleston, W. Va.....	38,892	45,298	38,612
Charlotte, N. C.....	36,636	39,070	48,045
Columbia, S. C.....	19,459	40,372	22,616
Cumberland, Md.	6,963	7,992	8,030
Danville, Va.	6,151	7,782	9,979
Durham, N. C.....	23,355	22,433	26,105
Greensboro, N. C.....	16,195	20,863	20,173
Greenville, S. C.....	15,028	14,939	20,760
Hagerstown, Md.	7,398	8,227	8,536
Huntington, W. Va.....	16,814	20,293	20,562
Lynchburg, Va.	16,311	19,007	18,190
Newport News, Va.....	10,429	11,133	9,849
Norfolk, Va.	45,172	51,057	56,254
Portsmouth, Va.	4,063	4,191	4,802
Raleigh, N. C.....	20,158	26,529	20,554
Richmond, Va.	122,768	130,355	127,156
Roanoke, Va.	26,711	27,054	30,082
Spartanburg, S. C.....	7,927	12,480	12,357
Washington, D. C.....	209,932	224,103	216,126
Wilmington, N. C.....	10,738	13,234	12,921
Winston-Salem, N. C....	28,575	31,804	38,855
District Totals	\$1,072,754	\$1,187,626	\$1,182,850

Aggregate payments by check drawn on clearing house banks in twenty-four cities of the Fifth Federal reserve district are shown in the accompanying table for three equal periods of four weeks, thus affording opportunity for comparison of the latest figures, for the four weeks ended February 11, 1931, with those for the preceding like period this year and the corresponding period a year ago.

Debits during the four weeks ended February 11, 1931, were 9.7 per cent below the aggregate of debits in the preceding four weeks, ended January 14, 1931, but this was largely a seasonal reduction due to the large volume of payments which occur on or around January 1. Only three cities, Asheville, Durham and Greenville, S. C., reported higher figures for the later period, and these three increases were small. In comparison with the figures reported for the corresponding four weeks of 1930, aggregate debits for the four weeks

ended February 11 this year show a decline of 9.3 per cent, a more marked decrease than figures for most recent months have shown. Twenty-two of the twenty-four reporting cities sent in lower 1931 figures, Charleston, W. Va., and Newport News, Va., registering the only increases. Among the larger cities of the Fifth district, Baltimore declined 3.2 per cent, Washington 2.9 per cent, and Richmond 3.5 per cent, all below the average decrease for the district, but Norfolk declined 19.7 per cent, Charlotte 23.7 per cent, and Winston-Salem 26.5 per cent. Asheville reported the largest decline with 55.8 per cent, due to bank failures in that city in November 1930, and Danville was next with a decline of 38.4 per cent, chiefly due to greatly decreased prices paid for this year's tobacco crop and to the effects of the textile strike in the city.

Savings Deposits

For the first time on record, aggregate deposits in twelve mutual savings banks in Baltimore reached the two hundred million dollar mark at the end of January, the exact figure as of the close of business January 31, 1931, being \$200,969,642, compared with \$198,794,363 reported a month earlier and \$190,250,263 reported on January 31, 1930. Time deposits in fifty-four regularly reporting member banks in the Fifth district also rose last month, totaling \$246,342,000 on February 11, 1931, in comparison with \$241,731,000 on January 14 this year and \$240,177,000 on February 12, 1930.

Commercial Failures

Although the number of business failures in January 1931 in the Fifth reserve district was the largest for any month since March 1922 and aggregate liabilities involved were greater than for any other month since April 1930, the district record last month was distinctly better than the National average in both number and liabilities. Bankruptcies in the Fifth district in January 1931 totaled 203, an increase of 10.3 per cent over 184 failures in January 1930, in comparison with a National increase of 20.2 per cent in number of insolvencies last month over the number in January last year. Liabilities in the Fifth district last month totaled \$4,339,019, a relatively high figure, but 3.8 per cent less than \$4,509,938 reported for January 1930. January 1931 showed a National increase of 54.6 per cent in aggregate liabilities, in comparison with those of January 1930.

Employment

The most important change in employment conditions in the Fifth reserve district between the middle of January and the middle of February was the settlement of the strike of textile workers at Danville. The strike began on September 29, 1930, and was abandoned on January 29, 1931, by vote of the strikers. However, this settlement did not lessen materially the number of idle workers in the district, since the mills affected by the strike had been running to some extent with other labor and were unable to re-employ any considerable number of the old force. The past month witnessed no increase in employment in the building trades, construction work continuing in small volume. There was some gain in operating time in textile mills

in January and early February, but the increase was small and gave longer hours of employment to workers already at work rather than taking on additional workers.

Coal Production

Bituminous coal production in the United States totaled approximately 38,745,000 net tons in January 1931, in comparison with 39,716,000 tons in December and 49,778,000 tons in January 1930. Total production during the present coal year to February 7 (approximately 263 working days) amounts to 382,894,000 net tons, a much smaller figure than for any other recent year.

In its February 14 report, the Bureau of Mines, Department of Commerce, gave annual production figures of soft coal by states for the past nine years. In 1930 West Virginia mined 120,040,000 tons, the smallest output in that state since 1923, and second for 1930 to Pennsylvania, which mined 122,459,000 tons. Virginia produced 11,115,000 tons last year, and Maryland dug 2,288,000 tons. Total production in 1930 in the Fifth district was 133,443,000 tons, or 28.9 per cent of National production totaling 461,630,000 tons.

Textiles

Textile mills in the Fifth district increased operating time to some extent during January, although not all mills shared in the increase. Cotton consumed by the mills in the district totaled 207,320 bales in January, of which North Carolina mills used 106,691 bales, South Carolina mills 90,402 bales, and Virginia mills 10,227 bales, the latter a surprisingly high figure in view of the strike of textile workers at Danville. January cotton consumption in the Fifth district compares with 184,815 bales used in December and 261,391 bales in January 1930. Consumption in the district was 45.65 per cent of National consumption in January 1931, a higher figure than 45.50 per cent in December and 45.37 per cent in January 1930. Semi-official reports indicate that sales of textiles in January exceeded production for that month, and for a year or more mills have operated on schedules sufficiently restricted to prevent serious accumulation of manufactured goods in their warehouses.

Cotton Statistics

Cotton prices on ten leading Southern spot markets rose somewhat between the middle of January and the middle of February, advancing from an average of 9.29 cents per pound for upland middling cotton on January 16 to an average of 10.14 cents per pound on February 13, the latest date for which quotations are available. On February 14 last year the average price on the same markets was 15.33 cents, approximately \$26 a bale more than on the corresponding 1931 date. The average price has advanced slightly more than \$6 a bale since the middle of December, when the lowest price in fifteen years was reached.

Cotton consumption in the mills of the United States in January totaled 454,188 bales, an increase over 406,207 bales used in December but 21.2 per cent below the January consumption of 576,160 bales in 1930, according to the February 14 report of the Bu-

reau of the Census. Total consumption of cotton in the six months ended January 31 amounted to 2,466,432 bales, against 3,314,345 bales consumed in the corresponding period of the 1929-1930 season. Cotton on hand at manufacturing establishments on January 31, 1931, totaled 1,613,475 bales, compared with 1,659,432 bales on hand a month earlier, December 31, and 1,825,793 bales on January 31, 1930. Public warehouses and compresses held 7,939,454 bales of cotton in storage at the end of January, compared with 8,377,720 bales in storage a month earlier and 5,404,731 bales a year ago. Bales of cotton exported last month totaled 624,631, a smaller figure than 765,835 bales shipped over seas in December or 728,737 bales exported in January last year. January 1931 imports totaled 11,299 bales, compared with 4,461 bales in December and 51,474 bales in January 1930. Cotton spindles active at some time in January numbered 25,611,458, compared with 25,525,820 in December and 29,177,228 in January 1930.

Consumption of cotton in the cotton growing states numbered 359,879 bales in January 1931, against 322,136 bales in December and 450,620 bales in January last year. The cotton growing states used 79.2 per cent of National consumption in January this year, compared with 79.3 per cent in December and 78.2 per cent in January 1930. Of the 359,879 bales used in Southern states last month, the three Fifth district states which manufacture cotton goods, the two Carolinas and Virginia, consumed 207,320 bales, or 57.6 per cent, compared with 58.0 per cent in January last year.

Tobacco Marketing

Virginia auction markets sold 33,059,614 pounds of producers' tobacco in January, at an average price of \$9.00 per hundred pounds. Season sales to February 1, including tobacco brought in from other states, totaled approximately 110,000,000 pounds, 93 per cent of the estimated sales for the season. In January 1930 sales of 30,822,463 pounds of tobacco brought the season sales up to 89 per cent of the year's total sales. Flue-cured tobacco sold in January totaled 19,130,171 pounds, at an average price of \$6.37 per hundred, compared with 16,306,242 pounds of this type sold in January 1930, at an average of \$16.46 per hundred. Fire-cured tobacco sales in January were unusually heavy, totaling 7,371,628 pounds, but were below sales of 8,338,601 pounds in January 1930. The average price paid for fire-cured tobacco last month was \$9.26, compared with \$18.13 in January last year. Sales of burley tobacco, all at Abingdon, totaled 5,722,338 pounds last month, and averaged \$17.57 per hundred pounds, sales of this type being the largest for any month on record. Sun-cured sales on the Richmond market totaled 835,477 pounds last month, and the average price received by growers was \$8.16 per hundred pounds. Danville sold 8,298,279 pounds of flue-cured tobacco last month, South Boston sold 4,371,365 pounds of the same type, and Blackstone with 1,819,759 pounds led the fire-cured markets. Danville also led the flue-cured markets in price paid with an average of \$7.34 per hundred pounds, while Black-

stone paid an average of \$13.47 per hundred for fire-cured tobacco, leading the markets for that type. The quality of tobacco sold in January 1931 was poorer than in January 1930. The burley market at Abingdon closed about the middle of February but most flue-cured markets will continue operations until about March 1.

North Carolina auction markets sold 49,097,523 pounds of tobacco for growers in January, at an average price of \$10.66 per hundred pounds, compared with 26,708,007 pounds sold for an average of \$16.80 per hundred in January 1930. Total sales this season, to February 1, amounted to 539,461,542 pounds, compared with 473,047,438 pounds sold prior to February 1, 1930. Winston-Salem sold 11,887,416 pounds in January 1931, leading all markets, while Henderson with sales of 4,816,918 pounds and Wilson with 4,481,376 pounds ranked second and third, respectively. In average price paid, Asheville led with \$16.36 per hundred, but the tobacco sold in Asheville was burley and was not representative of the State's crop. Among the flue-cured markets, Fuquay Springs led in price last month with \$14.64 per hundred pounds, Carthage coming second with an average of \$14.12.

Tobacco Manufacturing

The Internal Revenue Bureau of the Treasury Department issued a report on February 5 giving some interesting figures on taxes collected by the United States on tobacco manufacturing in 1930. Total taxes collected on all tobacco products amounted to \$444,754,712, and of this sum, \$343,885,497, or 77.3 per cent, was paid in the Fifth Federal reserve district, chiefly in North Carolina and Virginia. In comparison with taxes paid to the United States in 1929, those for the country as a whole declined 7/10ths of 1 per cent in 1930, but the taxes paid last year in the Fifth district were 7 per cent above the sum paid in the earlier year. Taxes on cigarettes paid to the United States in 1930 totaled \$358,946,966, of which the Fifth district paid \$313,619,650, or 87.4 per cent. On cigars, the United States collected \$19,403,235 last year, of which the Fifth district paid only \$1,399,213, or 7.2 per cent. Manufactured tobacco, including chewing tobacco, smoking mixtures and snuff, brought in a total to the Treasury of \$66,404,510, of which the Fifth district paid \$28,866,634, or 43.5 per cent. North Carolina was far in the lead in cigarette production with tax payments totaling \$223,168,258, Virginia ranking second with payments totaling \$82,042,504. North Carolina also led in taxes paid on manufactured tobacco, with \$22,877,093, but Ohio ranked second with \$9,915,774. The actual number of cigarettes produced in 1930 in the United States was 119,624,910,000, of which the Fifth district made 104,539,883,000. North Carolina manufactured 77,192,333,000 cigarettes in 1930, and Virginia produced 27,347,501,000 cigarettes.

Agricultural Notes

January and February are between-seasons months on farms, and little work is done, but weather conditions during the past few weeks deserve mention. Last summer's severe drought has not yet been adequately broken in the upper half of the Fifth district, and wells

are dry, streams are nearly as low as in the past summer, and winter grain crops need moisture very badly. Winter crops had little snow cover during the winter, and the ground is so dry that unless heavy rains fall very soon the farmers will have difficulty in preparing land for spring planting, seed will germinate poorly, and the absence of soil moisture will make even short dry spells next summer more than usually harmful. In 1930 crops and trees existed for some time after the drought set in on sub-soil moisture, but this year there is relatively little sub-soil moisture available. Rain during the planting and growing season of 1931 will be needed worse than it was needed last year.

Retail Trade, 37 Department Stores

Richmond	Baltimore	Washington	Oth. Cities	District
January 1931 sales, compared with sales in January 1930:				
— 3.1	— 6.3	1.3	—10.8	— 3.7
Jan. 31, 1931 stocks, compared with stocks on Jan. 31, 1930:				
—19.9	—10.7	—11.4	—12.3	—12.1
Jan. 31, 1931 stocks, compared with stocks on Dec. 30, 1930:				
— 8.0	— 9.0	— 5.3	— 5.3	— 7.0
Number of times stock was turned in January 1931:				
.281	.281	.293	.184	.27
Percentage of Jan. 1, 1931, receivables collected in January:				
34.6	26.5	33.7	29.1	30.0

This month we include figures in the table on retail trade from thirty-seven leading department stores in the Fifth reserve district, and we are able to show individual percentages for Richmond, which we have been unable to do for about two years. The thirty-seven stores sold 3.7 per cent less goods, in dollar amount, in January 1931 than they sold in January 1930, a very favorable comparison with a decline of approximately 7 per cent reported for the United States as a whole. Twelve of the thirty-seven reporting stores showed larger sales figures in January this year than in the same month last year, while twenty-five stores failed to equal their 1930 figures.

Stocks on hand in the reporting stores at the end of January 1931 averaged 12.1 per cent less, at selling value, than on January 31, 1930, and also showed a seasonal decline of 7.0 per cent from stocks as of December 30, 1930, the latter decline being due to the annual January sales held by practically all department stores. Stocks were turned an average of .27 times during January 1931, a higher figure than .244 times reported for January 1930.

Collections in January 1931 averaged 30.0 per cent of outstanding receivables as of January 1, practically the same figure as was reported for January 1930. Richmond showed the highest percentage of collections for this year, with Washington a close second. Baltimore's collection percentage is brought down by the inclusion of more instalment accounts than in either Richmond or Washington.

Wholesale Trade, 65 Firms

Wholesale trade in the Richmond Federal reserve district was seasonally better in January than in December, but compared unfavorably with trade in January 1930. Last month four of the five lines for which data are available showed larger sales than in December, shoes making the greatest gain, but all of the five

24	9	6	15	11
Groceries	Dry Goods	Shoes	Hardware	Drugs
January 1931 sales, compared with sales in January 1930:				
—19.4	—31.0	—31.9	—34.7	— 1.7
January 1931 sales, compared with sales in December 1930:				
— 5.0	2.1	46.5	6.9	22.4
Jan. 31, 1931 stocks, compared with stocks on Jan. 31, 1930:				
—13.4(9*)	—25.4(4*)	—22.4(5*)	— 9.0(8*)	-----
Jan. 31, 1931 stocks, compared with stocks on Dec. 30, 1930:				
2.7(9*)	9.0(4*)	10.5(5*)	3.3(8*)	-----
Percentage of Jan. 1, 1931, receivables collected in January:				
57.7(14*)	34.6(6*)	31.6(6*)	28.7(12*)	57.3(8*)

*Number of reporting firms.

lines reported lower sales than for January last year, drugs with a decrease of only 1.7 per cent making the best record.

Stocks increased seasonally during January and at the end of the month were larger in all four lines for which figures are available than at the end of December, but all lines showed lower stock figures than at the end of January 1930.

January collections of receivables outstanding on the first of that month were better than collections in January 1930 in shoes, but the other four lines reported lower figures this year. All lines reported lower figures for January than for December except drugs, which improved distinctly.

Construction

Building permits issued for new construction in thirty-two Fifth district cities in January 1931 numbered only 687, with estimated valuation totaling \$2,963,709, compared with 922 permits and estimated valuation of \$8,959,493 issued for similar work in January 1930. Permits for alterations and repairs issued last month numbered 1,243, with valuation amounting to \$1,701,146, in comparison with 1,530 permits and valuation of \$976,365 issued in January last year. Combined valuation figures for all types of construction for which permits were issued in the thirty-two cities in January this year totaled only \$4,664,855, a decrease of \$5,271,003, or 53.1 per cent, under valuation figures totaling \$9,935,858 for January 1930. Only seven of the thirty-two cities reported higher valuation figures for January 1931 than for January 1930, Clarksburg, W. Va., and Columbia, S. C., reporting the only material increases this year.

Contracts awarded in January for construction work in the Fifth reserve district totaled \$21,534,475, including both urban and rural construction, compared with \$27,432,558 for contracts awarded in January 1930, according to figures collected by the F. W. Dodge Corporation. Of the January 1931 total, \$4,493,725 represented contracts for residential types of construction, compared with \$5,289,093 in contracts awarded for residential building in January last year, a smaller amount this year but a slightly larger percentage of total awards.

(Compiled February 20, 1931)

BUILDING OPERATIONS FOR THE MONTHS OF JANUARY 1931 AND 1930.

No.	CITIES	Permits Issued				New Construction		Alterations		Increase or Decrease of Total Valuation	No.
		New		Repairs		1931	1930	1931	1930		
		1931	1930	1931	1930						
1	Baltimore, Md.....	240	382	638	758	\$ 1,048,680	\$ 2,232,960	\$ 306,240	363,840	\$-1,241,880	1
2	Cumberland, Md.....	4	6	1	3	5,975	5,827	2,200	1,500	848	2
3	Frederick, Md.....	5	7	12	8	7,085	28,980	3,498	7,345	25,742	3
4	Hagerstown, Md.....	6	11	1	3	4,425	18,525	180	440	14,360	4
5	Salisbury, Md.....	26	24	6	7	25,675	42,450	1,375	8,550	23,950	5
6	Danville, Va.....	1	4	1	12	50	1,225	100	4,508	5,583	6
7	Lynchburg, Va.....	17	7	14	23	123,533	25,550	14,425	33,085	79,323	7
8	Norfolk, Va.....	53	37	24	49	82,165	214,462	10,785	32,760	154,272	8
9	Petersburg, Va.....	2	2	7	2	22,000	1,400	6,640	925	26,315	9
10	Portsmouth, Va.....	12	12	22	15	18,564	42,435	15,175	6,829	15,525	10
11	Richmond, Va.....	48	61	50	45	111,390	1,030,408	70,095	38,975	887,898	11
12	Roanoke, Va.....	5	33	6	12	10,050	112,767	3,075	60,998	160,640	12
13	Bluefield, W. Va.....	5	1	0	2	690	250	0	525	85	13
14	Charleston, W. Va.....	22	28	8	5	33,116	70,258	10,750	2,250	28,642	14
15	Clarksburg, W. Va.....	6	7	7	2	279,670	4,910	6,350	1,400	279,710	15
16	Huntington, W. Va.....	10	12	1	1	10,620	204,635	10,650	5,000	188,365	16
17	Asheville, N. C.....	2	3	7	33	600	7,330	1,225	59,550	65,055	17
18	Charlotte, N. C.....	16	28	43	18	50,700	91,700	16,307	33,310	58,003	18
19	Durham, N. C.....	4	14	11	3	20,400	79,586	33,030	5,200	31,356	19
20	Greensboro, N. C.....	6	7	20	18	3,230	29,000	8,265	7,130	24,635	20
21	High Point, N. C.....	5	5	4	3	3,380	28,000	1,300	2,600	25,920	21
22	Raleigh, N. C.....	9	20	6	12	4,251	116,350	2,100	12,485	122,484	22
23	Rocky Mount, N.C.....	5	10	0	2	2,090	30,440	0	4,050	32,400	23
24	Salisbury, N. C.....	1	6	0	0	275	9,490	0	0	9,215	24
25	Wilmington, N. C.....	7	10	12	8	8,000	24,900	12,900	5,600	9,600	25
26	Winston-Salem, N. C.....	7	24	28	35	31,490	11,680	11,725	11,670	19,865	26
27	Charleston, S. C.....	11	10	18	33	23,085	7,375	6,963	6,265	16,408	27
28	Columbia, S. C.....	10	26	20	21	318,500	83,700	5,375	16,000	224,175	28
29	Greenville, S. C.....	8	11	21	27	6,000	58,650	9,575	9,470	52,545	29
30	Rock Hill, S. C.....	5	7	6	7	5,675	15,200	3,445	2,625	8,705	30
31	Spartanburg, S. C.....	7	8	14	18	9,865	17,350	3,178	3,010	7,317	31
32	Washington, D. C.....	122	99	235	345	692,480	4,311,700	1,124,220	228,470	-2,723,470	32
	Totals.....	687	922	1,243	1,530	\$ 2,963,709	\$ 8,959,493	\$1,701,146	\$ 976,365	\$-5,271,003	

— 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

(Compiled by the Federal Reserve Board)

Industrial activity increased in January by slightly less than the usual seasonal amount, and factory employment and pay rolls declined. Money rates in the open market declined further from the middle of January to the middle of February.

Production and Employment

The Board's index of industrial production, which is adjusted for seasonal variation, showed a decrease of less than 1 per cent in January, compared with declines of 3 per cent in November and in December. Activity in the steel industry, which was at a low level in December, increased during the following month by considerably more than the usual seasonal amount; output of automobiles, which had shown an unusual increase in December, increased less in January than in the corresponding month of other recent years. The cotton and wool textile industries were more active in January, while the output of copper, petroleum, and coal declined.

The number of wage earners employed at factories was smaller in the pay roll period ending nearest the 15th of January than in the preceding month, reflecting in part extended year-end shut-downs. There were large declines in employment at foundries and at establishments producing hosiery, women's clothing, lumber, brick, cement, and tobacco products; employment in the men's clothing, leather, and agricultural implement industries increased somewhat more than usual for the season. Factory pay rolls were considerably reduced in January.

Value of contracts awarded for residential building continued to decline in January, according to the F. W. Dodge Corporation, while contracts for public works and utilities increased. In the first half of February the daily average of contracts awarded for residential building increased.

Distribution

Volume of freight car loadings was reduced further in January, contrary to the usual seasonal tendency, reflecting decreases in shipments of coal, merchandise, and miscellaneous freight. Department store sales,

which always show a sharp reduction from December to January, declined by less than the estimated seasonal amount.

Wholesale Prices

The general level of wholesale commodity prices declined further by 2 per cent in January, according to the Bureau of Labor Statistics. Prices of many leading agricultural products, and of copper, and silver decreased substantially, while prices of cotton and silk advanced. In the first half of February the price of cotton continued to rise and in the middle of the month copper also advanced, while the price of silver declined to new low levels and prices of livestock continued to decrease.

Bank Credit

Volume of credit at member banks in leading cities showed little change from January 14 to February 11, further declines of \$200,000,000 in loans on securities and of \$115,000,000 in all other loans being largely offset by an increase of \$310,000,000 in the banks' holdings of investments.

In the first three weeks of February bank suspensions declined sharply and a number of banks, previously suspended, resumed operations.

Volume of reserve bank credit outstanding decreased by \$175,000,000 between the week ending January 17 and February 14, reflecting a reduction of \$70,000,000 in member bank balances and \$80,000,000 in money in circulation, together with an increase of \$25,000,000 in the stock of monetary gold. The principal reduction has been in acceptance holdings of the reserve banks.

Money Rates

Money rates in the open market continued to decline after the middle of January and by the middle of February were at new low levels. The prevailing rate on prime commercial paper declined to a range of $2\frac{1}{2}$ - $2\frac{3}{4}$ per cent; and the rate on bankers' acceptances was reduced to $1\frac{1}{4}$ per cent, but subsequently advanced to $1\frac{1}{2}$ per cent.