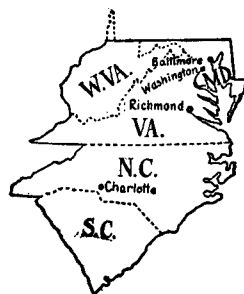


MONTHLY REVIEW

of Financial and Business Conditions

FIFTH
FEDERAL



RESERVE
DISTRICT

Federal Reserve Bank of Richmond, Richmond 13, Va.

August 31, 1947

Business Conditions

PRODUCTION and distribution of goods to consumers were somewhat slower in the Fifth District in July than in June after correction for seasonal variation, based upon past experience in seasonal tendencies. There are numerous evidences, however, that further shifts have taken place in seasonal characteristics this year which will require readjustment in these measures.

For example, shifts have been made in store hours in several cities of the District and these may in part be responsible for a reduction in our seasonally adjusted index of department store sales from 317 per cent of the 1935-39 average in June to 301 per cent in July, or a drop of 5 per cent. Likewise, cotton consumption in the Fifth District, on a seasonally adjusted basis, declined 2 per cent from June, probably due in the main to a greater observance of vacation periods than in recent years. However, new business booked by the mills of the District during July appears to have been adequate to permit capacity production in the next two or three months, and perhaps the rest of the year.

Bituminous coal output nationally (District figures not available) is not yet up to levels established in the early war years. The reduction in hours worked per week under the new contract together with a smaller number of workers makes it doubtful if production will return in the near future to levels established during the war.

The wholesale trades in the District, however, improved their sales for most lines on a seasonally adjusted basis in July as compared with June, and all lines save drugs, dry

goods and tobacco showed sales well above a year ago. These increases from June to July are a reflection of the improved inventory situation of the smaller retailers, and further reflect confidence in the fall trade outlook.

It is interesting, and of substantial importance, to note a further increase in building permits in the District in July over June after seasonal correction. The permit figures in the District, however, have made a better showing since the first of the year than have building contracts. The permits index has shown a steady expansion since February, whereas the contract awards index, though quite erratic, has shown essentially a flat trend thus far in the year. Building materials' prices and labor wage rates are still at their peak with wages here and there still rising. Prudent analysis of these costs invariably leads to the conclusion that they are too high to result in a sustained volume of high constructive activity. Yet the record of permits and contracts in the Fifth District holds at a very high level, which might reflect urgent requirements. New residential construction awards in this District, which slowed down materially in the spring, have since been holding at the reduced levels.

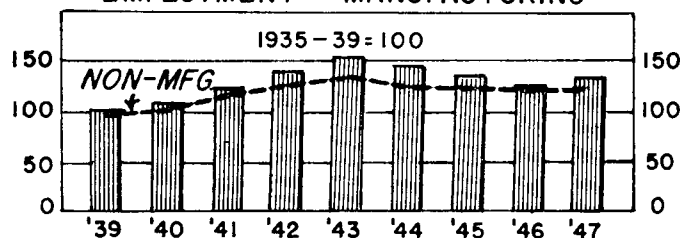
The dollar value of financial transactions as measured by bank debits in July were about the same level after seasonal correction as in June, but 10 per cent above a year ago. July business failures rose sharply from the June level probably due in part to the mid-year accounting period. July failures were still less than half the average monthly number in the years 1935 through 1939.

Fifth District Business in the First Half of 1947

In the first half of 1947 business activity in the Fifth Federal Reserve District was at a high level. Except for a small amount of unemployment in most cities, resulting largely from an inability to match skills and jobs, the labor force was fully occupied over most of the period. In May and June, mostly in June, there were minor employment cut-backs in textile industries, but these were concentrated largely in apparel factories, knitting mills, and sales yarn mills. Non-agricultural employment levels in the District in the first half of 1947, though higher than in the same period of 1946, were lower than in any of the war years, but well above the prewar levels. The lower current level of employment relative to the war years might seem inconsistent with the insignificant amount of unemployment, but such is not the case. There is evidence of an over-all reduction in the District's labor force since 1943 due to out-migrations from war production centers and to a withdrawal of some women and elderly men from the working force.

CHART 1

EMPLOYMENT — MANUFACTURING



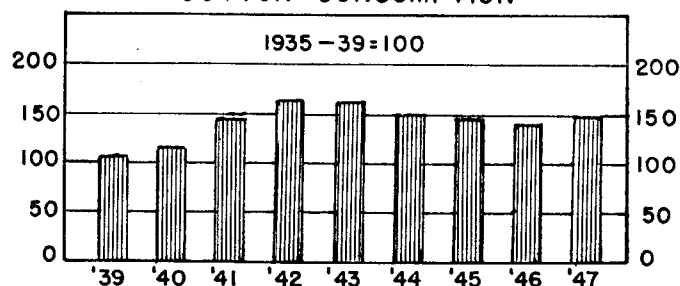
There have been three distinct patterns established in the movement of business indicators of the District from 1939 to the present time. Some of those measuring physical volume are lower in the first half of 1947 than in corresponding periods of the war years. Other indicators measuring physical volume had risen up to the end of the war and then tended to level off, while most of those series representing trade and measured in dollars had continued an uninterrupted ascent through the first half of 1947.

In the charts presented in this article, data in all instances are for the Fifth Federal Reserve District. The figures for the most part are for the first six months of each year, exceptions being employment, lumber production, electric power, and gasoline consumption—the data on these series not being available for the six month period. Of those series representing production in physical quantities and employment figures reflecting in general changes in production volumes, the following observations can be noted.

The cotton textile industry's output in the first half of 1947 was higher than in the same period of 1946, 1945, 1941 and 1939, but lower than in the first half of 1944, 1943 and 1942. There is considerable unbalance in the industry at the present time since numerous fine constructions are in large demand, and, in short supply with resulting high to exorbitant prices being paid for goods which cannot be produced for nine months in the future. Other constructions are in supply with looms operating short

hours or being converted to more profitable constructions. Yarn demands for fine and coarse counts are showing similar tendencies. Of late, demand in general for cotton goods and yarns has broadened to where full production can be expected for the next 90 days.

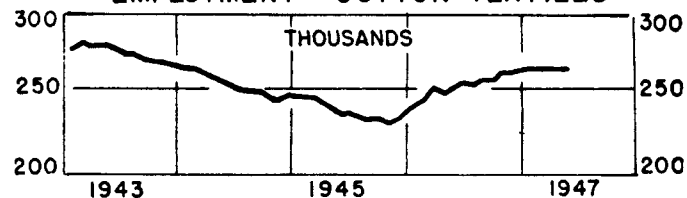
CHART 2
COTTON CONSUMPTION



Employment levels in the basic grey goods and yarns cotton textile industry declined steadily from February 1943 to October 1945, when war industries and selective service caused a constant drain on the industry's manpower. In this period labor turnover and absenteeism reduced the output per man-hour, which caused production to fall more than employment. From October 1945 until March 1947 employment rose to within 5 per cent of the 1943 peak. In this period there was considerable improvement in labor efficiency and a substantial reduction in absenteeism. Employment levels in the industry declined moderately from March 1947 to June 1947, and will probably show a fairly sharp decline in July owing to the greatly broadened adoption of vacations and to the concentration of these in July. Employment levels at the present time (August) are probably back to their spring peak.

Apprehension regarding a substantial loss of export business in cotton textiles may not be well founded, since evidence points to the fact that Great Britain is purchasing large amounts of gray goods from this country to finish and re-export. Such business, which creates foreign exchange for Great Britain, is not likely to be disrupted by dollar shortages except in an extreme emergency. June exports to all countries of cotton goods, including tire cord, declined sharply from May levels but continued well ahead of June 1946.

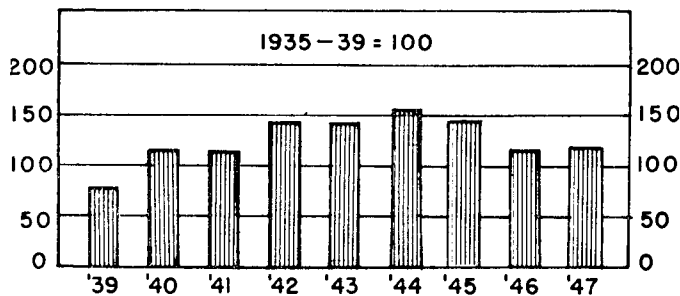
CHART 3
EMPLOYMENT—COTTON TEXTILES



The output of bituminous coal in the first half of 1947 was moderately above that of the same periods in 1946, 1941, 1940, and well above the long strike of the year

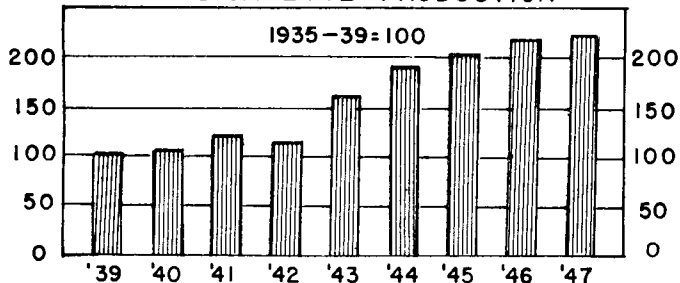
1939, but below similar months of 1942, 1943, 1944, and 1945. The labor agreement in this industry fairly well assures the elimination of organized work stoppages through the winter, but does not assure a level of coal production commensurate with that in the war years, and such an amount of production and more is needed at the present time.

CHART 4
BITUMINOUS COAL PRODUCTION



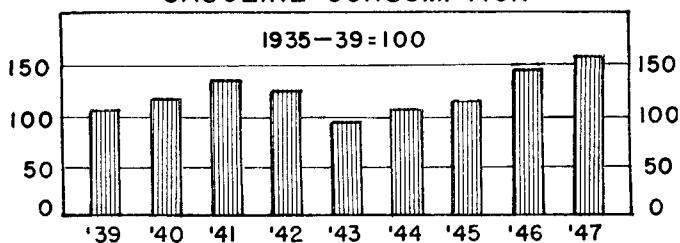
The output of cigarettes has risen in each of the six months periods (except one) since 1939, but is showing a tendency to level off. With all the increase that has taken place in cigarette production there has been only a very moderate increase in the employment in this industry in the Fifth District. Employment in the industry in Virginia has shown a downward trend since 1943, while the gain in North Carolina in the same period has more than offset this loss.

CHART 5
CIGARETTE PRODUCTION



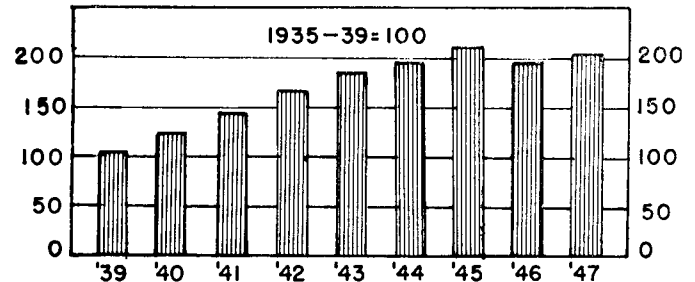
Consumption of gasoline rose through the first half of 1941, and owing to wartime rationing declined sharply in the first halves of 1942 and 1943; started to recover in the first half of 1944; had risen to a new high level by the first half of 1946; and was still higher in the first half of 1947. The rate of increase in gasoline consumption shown since 1944 will probably slow down in future years as the number of old cars and trucks are replaced by newer ones. It is likely, however, that with improved highways in the offing an increase in miles driven would more than offset gains in new car efficiency.

CHART 6
GASOLINE CONSUMPTION



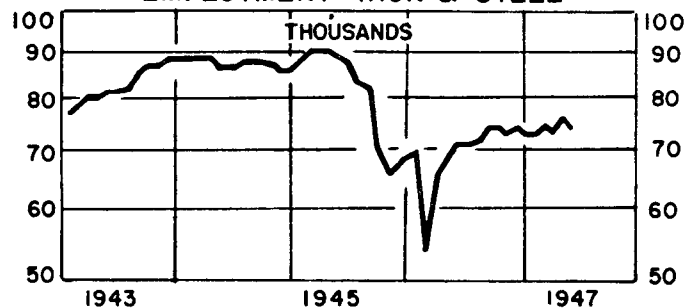
Electric power output rose in the first six months of each year over the corresponding period a year earlier from 1940 through 1945. Requirements of war-industrial and military facilities, out-of-area exports and further growth in outlets caused electric output to expand after the time when industrial production of the area had turned down. Electric power output was reduced only moderately from its first half year peak in 1945 to the first half of 1946, and in the first half of 1947 about half of this loss had been recovered.

CHART 7
ELECTRIC POWER PRODUCTION



The iron and steel industries of the District had employment levels, and very likely production levels, in the first five months of 1947 moderately higher than in the same period of 1946, but considerably below those of similar periods of other years back to 1943. Employment levels of these industries in Maryland were at new high levels in the first five months of 1947, while those of other states were considerably below their peaks. The employment of these industries in Virginia and North Carolina, which had been augmented by war orders, receded sharply during 1945 and have shown little recovery since.

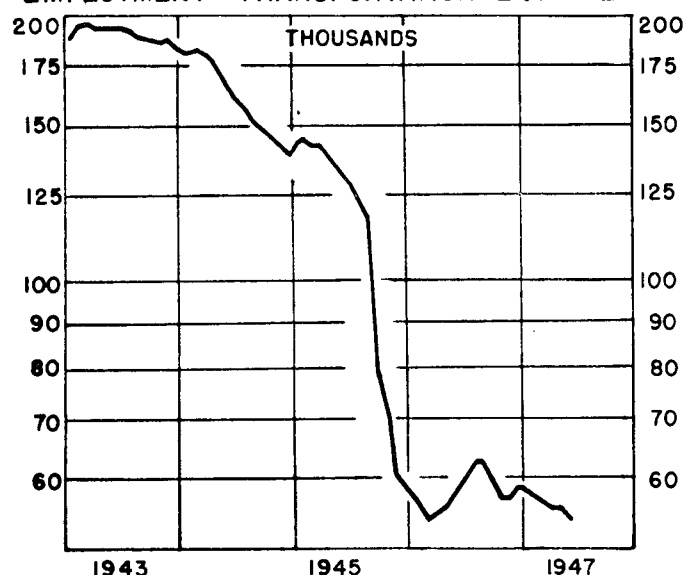
CHART 8
EMPLOYMENT-IRON & STEEL



Transportation equipment industries—aircraft and shipyards—which were responsible for a large part of the wartime gain in employment and income in the District—showed an employment peak in 1943 close to 200,000. By the spring of 1946 these industries were employing less than 55,000. Recovery to 64,000 occurred by the fall of 1946, but the trend has since been downward, present levels being about 54,000. Immediate prospects in both industries point to a still lower level ahead. The employment trends in this industry did not measure satisfactorily the quantity of production during the war period owing to the substantial gains in output per man employed, nor did they represent the employment (or production) at the two navy yards in the District which totaled over 65,000 at peak levels. Based on tonnage of merchant ships and airframes turned out in the District, it appears that pro-

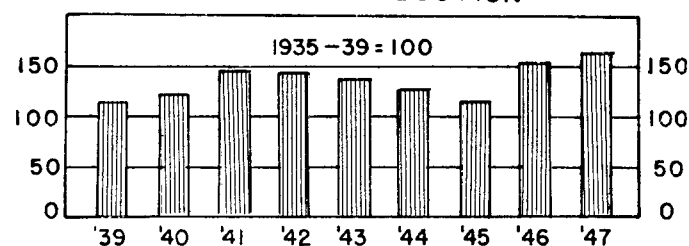
duction volumes peaked sometime later than employment peaked; receded gradually to the end of the war then fell precipitously to the spring of 1946; recovered moderately in the summer of 1946; and have been receding ever since.

CHART 9
EMPLOYMENT—TRANSPORTATION EQUIPMENT



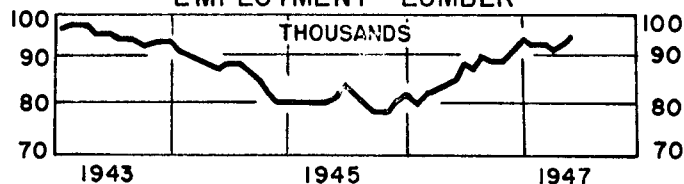
Lumber, though in great demand in the war period, showed a decline in production in the Fifth District in each first half year period from 1943 through 1945 owing to a lack of manpower. This situation was corrected early in 1946 and the District's output by the first half of 1947 had moved up to the highest average monthly rate since 1916, despite the retarding effects of adverse weather during February, March and April.

CHART 10
LUMBER PRODUCTION



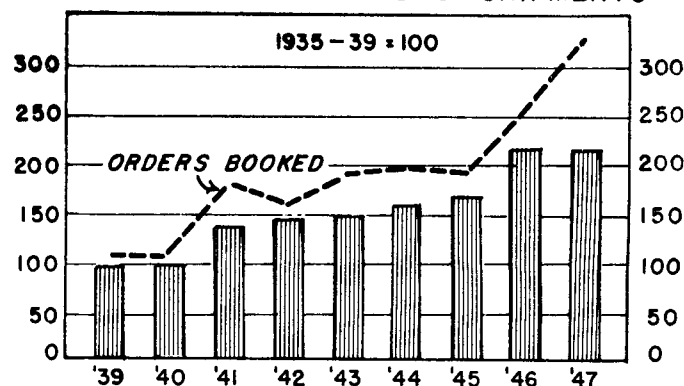
Employment levels in the lumber industry have, in general, maintained similar trends, but there has been a very large increase in output per man employed owing to mechanization of the logging end of the industry. Lumber is still in large demand, but facilities for finishing lumber in the District have not been adequate to accommodate the output of the sawmills and as a result some of the small rough lumber mills have closed down. This, however, has had only a negligible adverse effect on employment levels of the industry in Virginia and West Virginia, and no adverse effects on employment in the Carolinas, employment in the industry in these states having continued an uninterrupted rise since the end of the war. A sharp decline in rough lumber prices occurred in May and early June, but part of the loss has since been recovered.

CHART 11
EMPLOYMENT—LUMBER



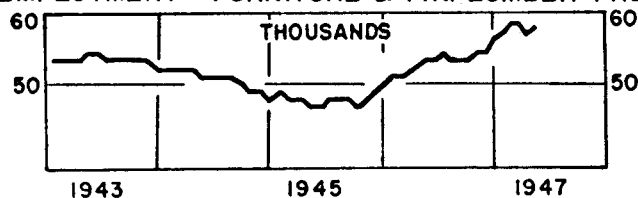
The furniture industry of the District, handicapped during the war by a shortage of manpower and materials, nevertheless continued to expand its shipments throughout the war period and up to the present time. Although shipments are reported in dollars, it is probable that quantity of shipments increased also since furniture prices did not rise proportional to their dollar gain.

CHART 12
FURNITURE MANUFACTURERS' SHIPMENTS



Employment levels in the industry, however, declined from 1943 until the end of the war and this was not offset by increased hours of work. It is apparent, therefore, that a notable gain in output per worker occurred in this period. Virginia furniture industries employ only about half as many workers as those industries in North Carolina, but the rate of employment increase in Virginia has been much more rapid since the war than in North Carolina.

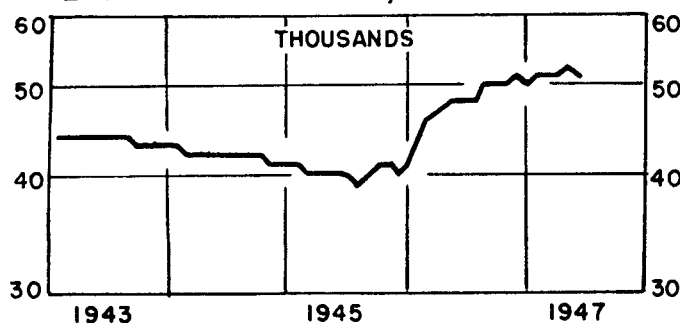
CHART 13
EMPLOYMENT FURNITURE & FIN. LUMBER PROD



Stone, clay and glass industries of the District employing around 50,000 workers have continued to expand employment levels at a slow but steady rate since February 1946. Employment trended downward from the summer of 1943 to the end of the war and then rose sharply up to January and February 1946. Over 60 per cent of the District employment in these industries is in West Virginia where several large glass factories are located and that state has shown no slackening in the employment level thus far this year. Other states of the District have shown an employment let-down in May and June which may be indications of a lessened demand for the products

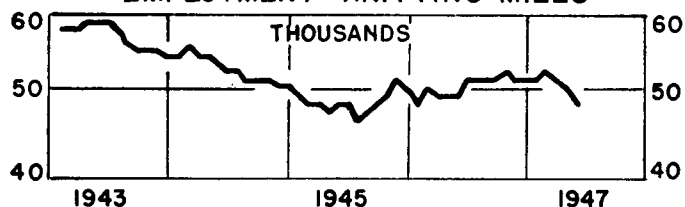
or may be a resumption of seasonal trends. No data on output or sales is available for any of these industries in the District.

CHART 14
EMPLOYMENT—STONE, CLAY & GLASS



The national statistical record on quantity output in knitting mills is not sufficiently applicable to this District to justify its usage. The employment level in knitting mills, however, is shown for the states of North Carolina and Virginia. This industry, employment levels of which declined continuously from 1943 through the end of the war and recovered nearly to the former peak level by the summer of 1946, thereafter leveled off and has undergone a recessionary tendency since February of this year. The reduction in the employment levels has been a reflection of a lessened market demand for the products of the industry, other than underwear items which have been in continuous strong demand. This decline in employment of knitting mills occurred concurrently with the inventory readjustment policy of large retail and wholesale concerns. The latest available figures on employment of knitting mills are for May. It is probable that June figures will have shown some further drop. Market conditions in July changed notably, and it would appear that the production and employment levels of the industry would soon regain such losses as have been sustained earlier this year.

CHART 15
EMPLOYMENT—KNITTING MILLS

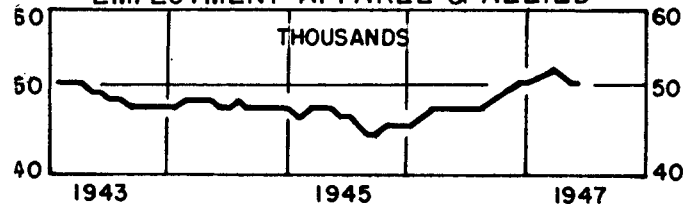


Concerns manufacturing apparel of one sort or another in this District employ in the neighborhood of 50,000 workers at the present time. This is roughly 5,000 larger than in the summer of 1945 and about the same level as prevailed at the peak in 1943. There has been a slight recession in employment in these industries since February of the current year, but this appears to be more of a reestablishment of a seasonal pattern than a basic market weakening. The outstanding feature of the apparel industry in this District has been the substantial and uninterrupted growth in South Carolina since 1943.

In the woolen segment of the apparel industry there has been no slackening in demand for worsted fabrics. Despite the substantial rise in the cost of woolens announced

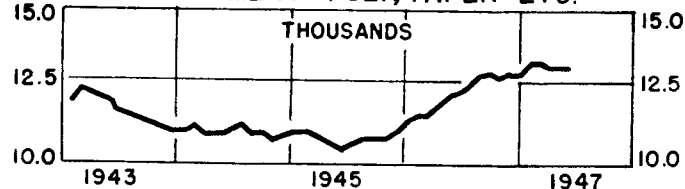
for the fall and winter period, trade indications seem to point to the fact that all production available can be distributed provided the cutters and retailers absorb a good part of this increase. Demand has improved in the work clothing field and production, which had been cut back in the spring and summer, has been recovered.

CHART 16
EMPLOYMENT—APPAREL & ALLIED



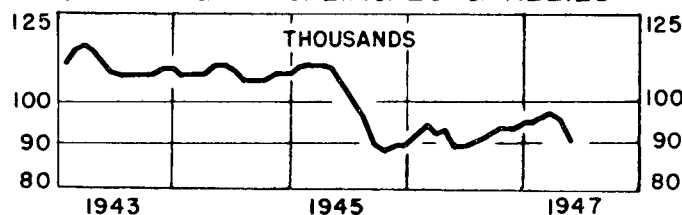
The pulp and paper production in the Fifth District is expanding, though the pulp supply is still a limiting factor in the output of paper. Employment levels in the basic pulp and paper industry have risen about a third since the end of the war. This is largely a reflection of the activation of new mills in North Carolina and South Carolina and the addition of needed workers to short-handed plants. Some paper fabricating industries cut back their employment levels moderately this spring but this was a temporary situation, and production and employment are again apparently approaching new peak levels. These industries at the present time are employing approximately 30,000 people in the Fifth District, and indicated expansion of production facilities will probably augment the employment level considerably over the next several years. Prices of the industry's products are at the highest level ever experienced, having risen approximately a third since the middle of 1946 and about 20 per cent since the termination of OPA.

CHART 17
EMPLOYMENT—PULP, PAPER ETC.



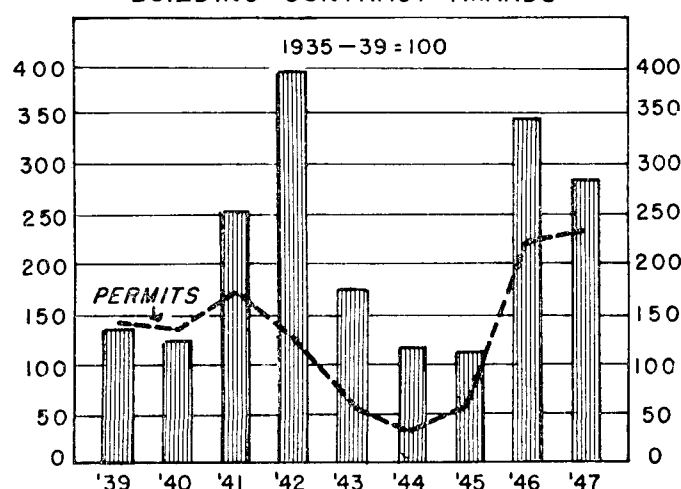
The chemicals and allied products industries of the Fifth District are the second largest employers in the Fifth District's manufacturing industries. Employment in these industries reached a peak in 1943 of 115,000 and held at a level ranging around 105,000 and 110,000 until the end of the European war. Cut backs in ordnance works reduced the employment in chemicals industries to about 87,000 by October 1945, and since that time there has been a gradual increase, seasonal factors considered, to slightly above 90,000. The reductions in employment in ordnance plants were particularly sharp in Virginia and in Maryland, but partial offsets to these reductions have occurred in the rayon industry in Virginia and West Virginia. Except for the strike at the celanese plant in Maryland in June, the employment level in the chemicals industry has been in a steady upward trend thus far in 1947.

CHART 18
EMPLOYMENT—CHEMICALS & ALLIED



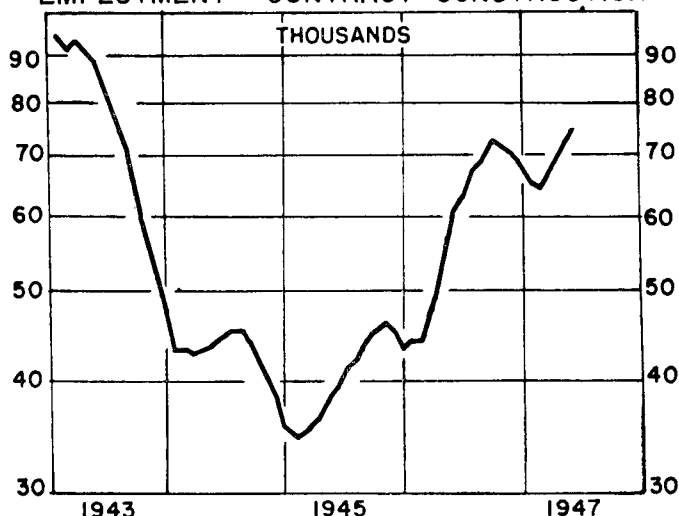
Construction activity as reflected by employment levels in three states of the District for which figures are available was at a new post-war peak by mid-year at a level which was only 18 per cent below the peak of 1943. The employment figures probably overstate the physical volume of construction put in place at the present time in relation to the level in 1943 because of shortages of materials and lower labor productivity. In dollar terms, new construction contract awards in the District in the first six months of 1947 were 18 per cent smaller than in the same period of 1946, but they were more than triple those in the first half of 1945 and two and a half times those in the first half of 1939. In the first half of 1947, awards were only 13 per cent below the peak for corresponding months in 1942. Contrary to the downward trend shown in new contract awards in the United States, the Fifth District level throughout the first six months remained approximately flat. Building permits in the Fifth District during the first six months of 1947 were 3 per cent higher than in the same period of 1946, and at an all-time high for any similar period on record in the District. Although the June figures for permits, after seasonal correction, were only 10 per cent lower than in the recent peak level of March 1946, several large projects were chiefly responsible for that month's showing.

CHART 19
BUILDING CONTRACT AWARDS



The current level of building construction is sufficient to result in a continued expansion in employment levels, seasonal variations considered, through the remainder of this year.

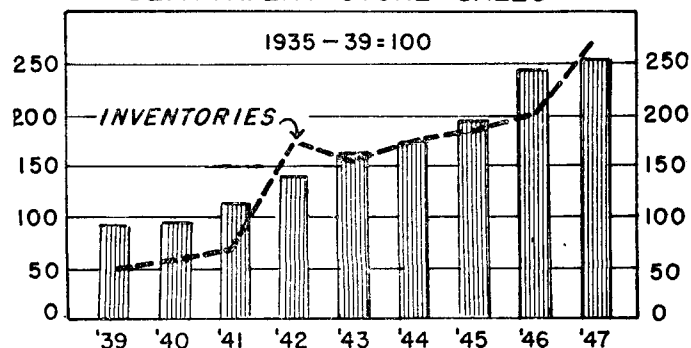
CHART 20
EMPLOYMENT—CONTRACT CONSTRUCTION



Those indicators of business activity in the Fifth District which are measured in dollars, as previously stated, have in the main continued in an almost uninterrupted rise since 1941. With the exception of the sales of wholesale drugs and wholesale dry goods, they were higher in all cases in the first half of 1947 than in the first half of 1946.

Department store sales in the first six months of 1947 were 5 per cent higher than in the same months of 1946 and, according to the seasonally adjusted monthly figures through June, the trend of sales is still upward. Department store inventories which had risen to their record high point in December, after seasonal adjustment, have since declined 17 per cent. Department store stocks have again become low relative to sales and the unexpected sales performance since March has caused the stores to step-up their purchases from manufacturers and wholesalers. These new orders have been the chief motivating factor in reversing the production trend of Fifth District manufacturing industries since the middle of the year. Retailers still are concerned about consumers' reactions to rising prices, but their purchase policies indicate that they anticipate active trade levels in the several months ahead.

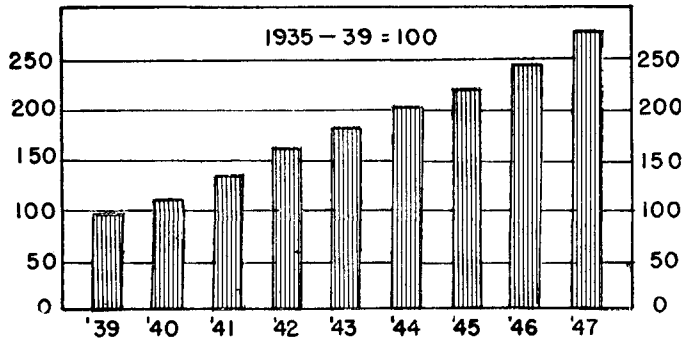
CHART 21
DEPARTMENT STORE SALES



Bank debits, which are a measure of the value of all transactions, in the first half of 1947 were 15 per cent higher than in similar months of 1946, and at an all-time record for these months. However, the seasonally adjusted monthly record of bank debits in the first six

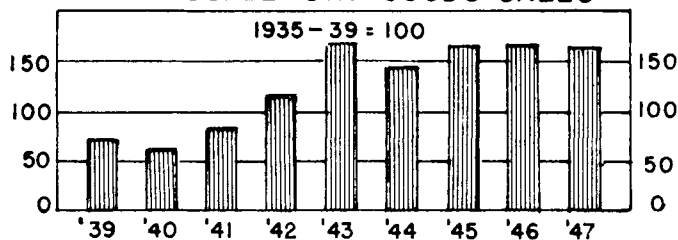
months of 1947 has been essentially at a flat level in contrast with the rising trend in department stores which historically it has so closely paralleled.

**CHART 22
BANK DEBITS**



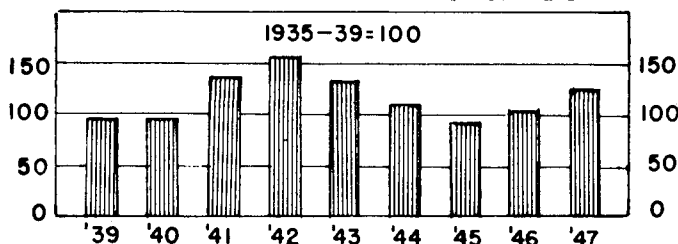
In the wholesale trades of the Fifth District sales of those products which were in supply through the period from 1939 to 1947 have risen without interruption, with the exception of wholesale dry goods. The first half-year of wholesale sales of dry goods concerns established a peak in 1943 which it has not exceeded since, sales in the first half of succeeding years having run on about a flat level a little below the 1943 peak.

**CHART 23
WHOLESALE DRY GOODS SALES**

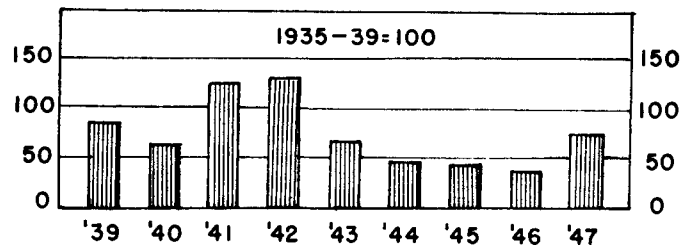


Hardware, electrical goods, industrial and auto supplies were in many cases not produced or in short supply. As a consequence, wholesale sales of these products declined somewhat in the first six months periods of 1942 through 1945. In the first halves of each succeeding year, however, recovery has taken place with automotive and industrial supplies establishing new peak levels in each half-year period. Wholesale hardware and electrical supplies, however, have met with problems of supply and had failed by the first half of 1947 to reach the level of sales of either 1941 or 1942.

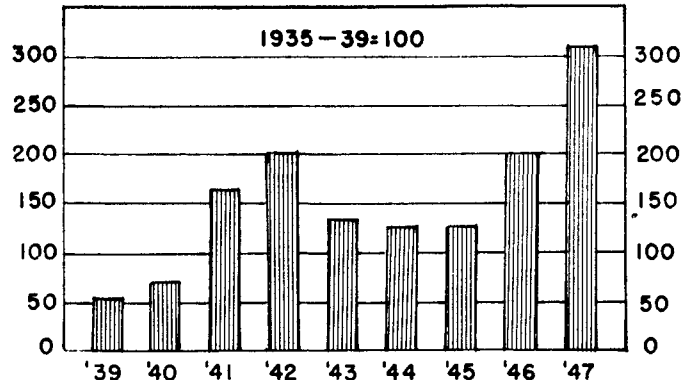
**CHART 24
WHOLESALE HARDWARE SALES**



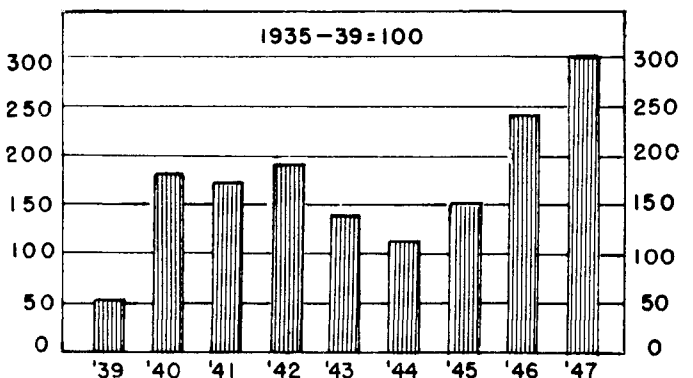
**CHART 25
WHOLESALE ELECTRICAL GOODS SALES**



**CHART 26
WHOLESALE INDUSTRIAL SUPPLY SALES**

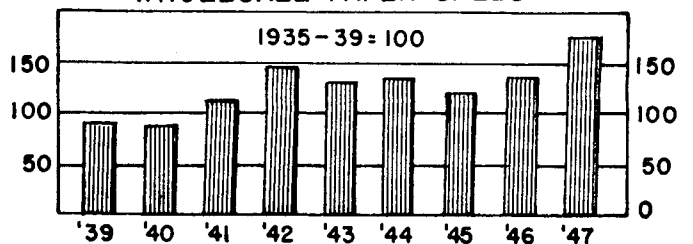


**CHART 27
WHOLESALE AUTOMOTIVE SUPPLY SALES**



Wholesalers' sales of paper products which ran in short supply between 1942 and the end of the war, had risen to a level, by the first half of 1947, 28 per cent above the same months of 1946, and 95 per cent above the same months of 1939.

**CHART 28
WHOLESALE PAPER SALES**



Monthly index numbers, seasonally adjusted, of most indicators of wholesale trade in the District still indicate a rising trend; wholesale tobacco products, drugs and dry goods, however, have flattened off while automotive supplies have reacted since last spring. Wholesale grocery sales as a result of increases in both quantity and price have continued in a rising trend.

CHART 29
WHOLESALE TOBACCO SALES

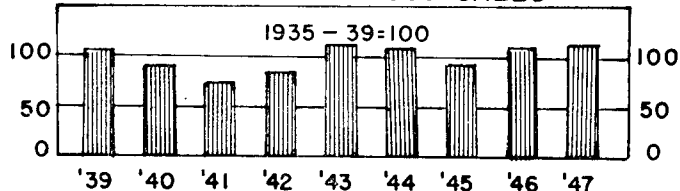


CHART 30
WHOLESALE DRUG SALES

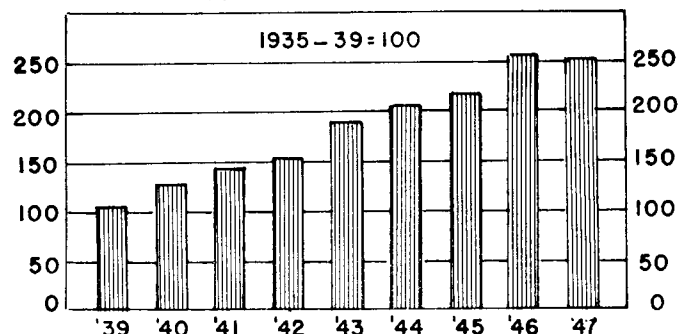
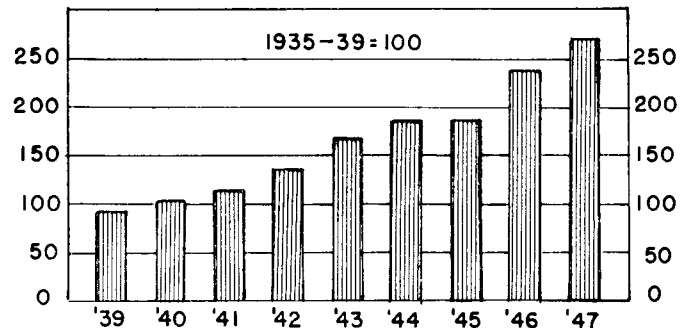
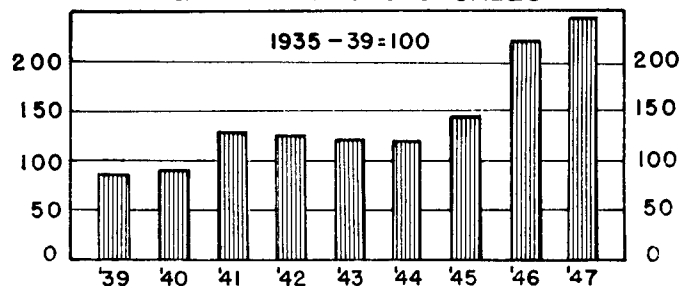


CHART 31
WHOLESALE GROCERY SALES



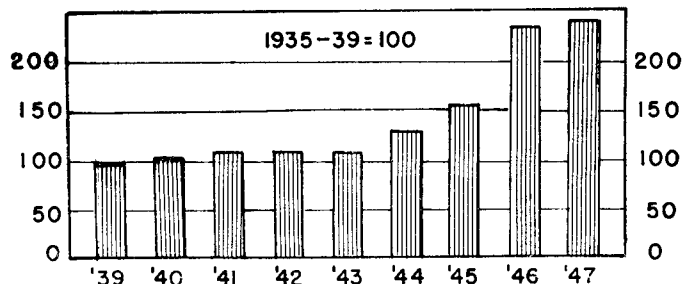
Retail furniture sales in the Fifth District, as a result of prior year shortages and the rapid formation of new families during the war period, have continued in an expansionary trend through the first half of 1947. This high level of sales and the substantial clearance of war-time merchandise from retail inventories has found reflection in an improved level of new orders to manufacturers.

CHART 32
RETAIL FURNITURE SALES



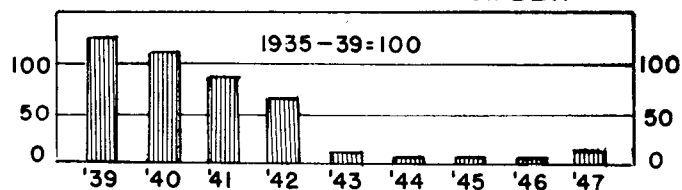
Savings in the form of new life insurance sold in the Fifth District in the first half of 1947 was moderately higher than in the same period of 1946, but considerably below the peak level established in the last half of 1946. The monthly seasonally adjusted life insurance sales, after receding from their peak last fall, have since tended to flatten off at a higher level than in any previous year of record.

CHART 33
LIFE INSURANCE SALES



Business failures rose moderately in the first half of 1947 in the Fifth District, but they are still at an extremely low level and have so far given little evidence of an encroachment of costs or selling prices of marginal concerns. The rise in the number of failures is largely a mortality of newly formed businesses wherein the operators were not sufficiently skilled to have conducted a successful venture even under optimum conditions.

CHART 34
BUSINESS FAILURES — NUMBER



Conclusion

The record of the first six months of 1947 of business activity of the Fifth Federal Reserve District shows, in the main, operations at essentially peak levels. Such industries as cotton textiles and bituminous coal were lower than their wartime records, mainly because of lack of labor, inordinately high prices, and strikes. Cut backs in production, such as occurred between March and June, appear now to have been of a temporary nature, and resumption of full production appears likely for the next several months or perhaps the remainder of the year. Construction activity in the District is holding at a better level than nationally, and contracts already awarded seem adequate to maintain or further expand the employment levels for the rest of the year, seasonal factors considered. Trade, both wholesale and retail, have been quite active and in some cases surprisingly good, and with the maintenance of national employment levels, which appears likely, should continue active through fall and early winter months. Confidence in the ability of concerns to operate profitably over a longer period is evidenced by the fact that plant extension and the purchase of new machinery are continuing at record high levels.

Banking

The four weeks ended August 13 witnessed an at least temporary reversal of the downward trend in total loans and investments of weekly reporting member banks in the Fifth Federal Reserve District. Holdings of government obligations increased by a small amount, while loans resumed their earlier upward movement after a four-month leveling off period. Total loans and investments stood at \$2,534 million on August 13 as compared with \$2,509 million on July 16.

The increase in the volume of loans occurred principally in commercial, industrial and agricultural loans, which increased by \$9 million to \$337 million, and real estate loans, which increased by \$5 million to \$154 million. Loans for purchasing and carrying securities showed no net change for the four-week period, although fluctuating during the period. Loans to banks increased by \$3 million to \$7 million, marking a new high for the thirteen months covered by the new weekly reporting series. Other loans increased by \$1 million to \$160 million, a continuation of the gradual climb that has characterized this group.

The increase in holdings of United States Government obligations came about principally as a result of a \$12 million increase in Treasury bills held by the reporting banks. Holdings of certificates of indebtedness decreased by \$7 million during the four-week period, while holdings of notes increased by \$2 million and portfolios of United States Government bonds remained constant. Below is presented a record of the week to week changes.

HOLDINGS OF UNITED STATES GOVERNMENT OBLIGATIONS WEEKLY REPORTING MEMBER BANKS Fifth District

Date	(Millions of dollars)				Total
	Bills	C. of I.	Notes	Bonds*	
July 16	17	206	87	1,377	1,687
23	24	201	87	1,377	1,689
30	28	196	89	1,378	1,691
August 6	29	198	87	1,379	1,693
13	29	199	89	1,377	1,694

*Includes obligations guaranteed by the United States.

Reserves of Fifth District member banks declined by \$6 million during the four-week period ended August 13. The decline actually represented an easing of the reserve position, since it was brought about by a decrease in reserve bank credit extended locally. Commercial and financial transactions brought an inflow of \$42 million, concentrated principally in the last week of July and the second week of August. Treasury transactions were of a small amount on balance and, in spite of a loss of \$12 million to an increased currency demand, member banks were able to reduce reserve bank credit in every week but one during the four-week period. Float declined by \$9 million, while other locally extended credit increased somewhat. The big reduction, however, was in Treasury bills held by the Richmond bank. The table below shows a recapitulation of factors affecting member bank reserves during the four weeks.

FACTORS AFFECTING MEMBER BANK RESERVES Fifth District

Factors increasing (+) or decreasing (—) reserves:	Change for 4 weeks ended August 13, 1947 (Millions of dollars)
Reserve bank credit extended locally	—36
Commercial and financial transactions	+42
Treasury transactions	—1
Currency transactions	—12
Other factors	+1
Net change in reserve balances	—6

Total deposits of Fifth District member banks, as reflected in average daily deposits, were at a lower level during the last half of July than in the last half of June. A small increase occurred in total member bank deposits in the United States which resulted in the small dollar loss in the Fifth District amounting to a more substantial relative loss, the Fifth District proportion of the total being reduced from 4.75 per cent to 4.71 per cent. All states except West Virginia showed an absolute decline in deposits.

ASSETS AND LIABILITIES OF MEMBER BANKS

Fifth Federal Reserve District

July 30, 1947

Preliminary
(Millions of dollars)

ITEMS	Reserve city Member banks	Other member banks	All member banks	Chg. from May 28, '47 all member banks
Assets				
1. Loans and investments	1,939	2,309	4,248	+ 6
a. Loans and discounts	542	727	1,269	+19
b. U.S. Gov't obligations	1,302	1,433	2,735	—11
c. Other securities	95	149	244	— 2
2. Reserves, cash, and bank balances	660	708	1,368	— 7
a. Reserves with F.R. Bank	392	324	716	+17
b. Cash in vault**	44	72	116	—12
c. Balances with banks in U.S.	93	249	342	+11
d. Balances with banks in foreign countries**	*	—	*	
e. Cash items in process of collection	131	63	194	—23
3. Other assets**	40	31	71	— 2
4. Total assets**	2,639	3,048	5,687	— 3
Liabilities and Capital				
5. Gross demand deposits	2,013	1,977	3,990	+ 6
a. Deposits of banks	282	83	365	+ 8
b. Other demand deposits	1,731	1,894	3,625	— 2
6. Time deposits	449	864	1,313	+ 3
7. TOTAL DEPOSITS	2,462	2,841	5,303	+12
8. Borrowings	3	4	7	— 1
a. From F.R. Bank	3	3	6	
b. From others**	—	1	1	
9. Other liabilities**	13	10	23	— 5
10. Total capital accounts**	161	193	354	
11. Total liabilities and capital accounts**	2,639	3,048	5,687	— 3

*Less than \$500,000

**Estimated.

Details may not add to total due to rounding.

AVERAGE DAILY TOTAL DEPOSITS* OF MEMBER BANKS

	Last half of June		Last half of July	
	\$ thousands	% of U.S.	\$ thousands	% of U.S.
Maryland	998,661	.96	989,020	.95
Reserve City Banks	641,976	.62	635,145	.61
Country Banks	356,685	.34	353,875	.34
District of Columbia	920,518	.89	912,988	.88
Reserve City Banks	899,479	.87	892,355	.86
Country Banks	21,039	.02	20,633	.02
Virginia	1,258,887	1.21	1,256,817	1.21
Reserve City Banks	290,604	.28	282,427	.27
Country Banks	968,283	.93	974,390	.94
West Virginia	541,006	.52	548,103	.53
North Carolina	793,555	.77	791,278	.76
Reserve City Banks	360,271	.35	355,358	.34
Country Banks	433,284	.42	435,920	.42
South Carolina	411,725	.40	408,904	.39
Fifth District	4,924,352	4.75	4,907,110	4.71
United States (Millions)	103,729	100.0	104,079	100.0

*Excluding interbank demand deposits.

WEEKLY REPORTING MEMBER BANKS—REVISED SERIES, FIFTH FEDERAL RESERVE DISTRICT¹
LOANS AND INVESTMENTS
(In Millions of Dollars)

Date	Total loans and investments	Loans									Investments						
		Total	Com- mer- cial, indus- trial, and agri- cultural	For purchasing or carrying securities				Real estate loans	Loans to banks	Other	Total	U. S. Government obligations					Other securities
				To brokers and dealers		To others						Total	Bills	Cer- tifi- cates of in- debted- ness	Notes	Bonds ²	
				U.S. Govt. ob- liga- tions	Other se- curi- ties	U.S. Govt. ob- liga- tions	Other se- curi- ties										
1946—July 3.....	2,759	565	227	6	10	80	12	96	3	132	2,194	2,088	24	495	192	1,377	106
July 10.....	2,765	564	229	5	10	78	12	97	4	129	2,201	2,094	32	493	191	1,377	107
July 17.....	2,778	566	233	3	9	76	12	98	5	130	2,212	2,104	38	495	191	1,380	108
July 24.....	2,758	567	231	3	11	75	12	98	4	133	2,192	2,083	22	495	184	1,383	108
July 31.....	2,781	567	233	3	9	73	11	99	5	134	2,214	2,106	44	498	182	1,381	108
Aug. 7.....	2,764	578	242	5	9	73	12	100	5	133	2,186	2,078	42	475	180	1,382	108
Aug. 14.....	2,775	582	244	3	9	73	12	100	6	135	2,192	2,085	46	479	177	1,382	107
Aug. 21.....	2,780	587	249	3	9	72	12	101	6	136	2,193	2,086	48	480	175	1,383	107
Aug. 28.....	2,765	587	254	3	9	68	12	101	5	136	2,179	2,073	43	471	172	1,387	105
Sept. 4.....	2,751	589	258	3	8	67	12	103	3	135	2,162	2,046	47	443	172	1,385	116
Sept. 11.....	2,779	584	262	1	8	59	12	102	3	137	2,185	2,069	70	433	168	1,398	116
Sept. 18.....	2,769	589	268	1	8	56	12	103	3	138	2,180	2,065	59	433	172	1,401	115
Sept. 25.....	2,750	600	276	1	8	56	12	103	5	139	2,150	2,038	43	421	170	1,403	112
Oct. 2.....	2,717	614	282	1	8	57	13	108	5	140	2,103	1,992	39	398	168	1,387	111
Oct. 9.....	2,724	619	287	1	7	57	13	108	5	140	2,105	1,994	37	394	164	1,398	111
Oct. 16.....	2,741	629	293	5	7	57	13	109	3	141	2,113	2,001	33	394	164	1,410	112
Oct. 23.....	2,731	630	298	1	7	56	13	110	3	142	2,101	1,989	26	385	160	1,418	112
Oct. 30.....	2,726	634	303	1	7	56	13	111	3	141	2,092	1,981	26	379	159	1,418	111
Nov. 6.....	2,678	632	301	1	6	56	13	110	3	141	2,046	1,936	25	325	156	1,430	111
Nov. 13.....	2,698	639	305	1	6	56	13	113	3	142	2,057	1,946	30	332	155	1,430	110
Nov. 20.....	2,693	641	307	1	6	56	14	113	4	139	2,052	1,941	23	331	157	1,429	111
Nov. 27.....	2,689	650	305	1	6	56	15	119	3	145	2,038	1,930	24	322	150	1,432	109
Dec. 4.....	2,679	648	311	1	6	57	15	120	2	141	2,032	1,924	24	318	150	1,431	108
Dec. 11.....	2,678	653	310	1	6	56	15	121	1	143	2,025	1,917	23	314	151	1,428	108
Dec. 18.....	2,617	656	310	2	6	54	15	122	1	146	1,961	1,853	15	285	135	1,418	108
Dec. 24.....	2,576	656	313	*	6	52	15	122	2	145	1,920	1,813	12	263	123	1,415	107
Dec. 31.....	2,570	670	321	7	6	48	14	122	3	147	1,900	1,790	20	252	110	1,409	111
1947—Jan. 8.....	2,597	672	321	4	5	46	16	130	1	150	1,925	1,813	38	257	108	1,410	112
Jan. 15.....	2,612	682	329	3	5	46	16	131	1	152	1,931	1,819	33	269	107	1,410	112
Jan. 22.....	2,586	678	330	*	5	43	16	132	*	153	1,907	1,796	12	266	106	1,412	111
Jan. 29.....	2,573	679	331	*	5	41	16	132	1	153	1,894	1,783	3	257	104	1,419	111
Feb. 5.....	2,574	678	332	*	5	40	16	132	1	153	1,896	1,783	25	247	104	1,406	112
Feb. 12.....	2,563	681	332	*	5	40	16	133	1	154	1,882	1,770	22	243	102	1,402	112
Feb. 19.....	2,566	689	333	*	5	40	16	134	5	156	1,877	1,764	19	244	101	1,401	112
Feb. 26.....	2,565	693	335	1	5	40	17	134	6	156	1,872	1,760	15	247	100	1,398	112
Mar. 5.....	2,599	688	332	*	5	39	18	135	2	157	1,912	1,796	69	244	98	1,385	115
Mar. 12.....	2,615	693	336	*	5	39	19	135	2	159	1,921	1,805	70	250	98	1,386	117
Mar. 19.....	2,594	700	341	*	5	38	19	135	2	159	1,894	1,777	55	247	94	1,381	118
Mar. 26.....	2,542	703	342	*	5	38	19	135	2	161	1,839	1,720	13	241	92	1,375	120
Apr. 2.....	2,501	654	337	1	5	39	19	134	2	156	1,848	1,726	12	249	96	1,369	122
Apr. 9.....	2,576	691	337	*	5	37	18	135	2	156	1,885	1,762	33	265	96	1,369	122
Apr. 16.....	2,572	689	334	*	5	37	21	136	2	155	1,882	1,760	31	263	97	1,370	122
Apr. 23.....	2,558	690	333	*	5	36	20	137	2	155	1,868	1,746	23	244	114	1,364	123
Apr. 30.....	2,555	690	333	*	5	36	20	138	2	157	1,865	1,742	24	269	91	1,357	123
May 7.....	2,560	691	335	*	6	36	20	138	2	154	1,870	1,749	32	267	90	1,359	121
May 14.....	2,553	694	335	*	5	35	20	139	1	157	1,859	1,737	20	265	91	1,361	121
May 21.....	2,557	691	331	1	6	35	20	139	2	157	1,866	1,745	24	270	91	1,360	121
May 28.....	2,536	693	331	*	6	35	20	140	2	158	1,843	1,719	15	257	86	1,361	124
June 4.....	2,520	690	327	*	6	36	20	141	2	158	1,830	1,708	23	243	82	1,360	122
June 11.....	2,524	692	327	*	7	35	20	142	2	158	1,831	1,708	17	248	80	1,363	123
June 18.....	2,525	694	329	*	6	36	19	144	2	158	1,831	1,708	17	247	81	1,363	123
June 25.....	2,515	696	329	*	6	36	19	145	3	159	1,819	1,696	22	228	81	1,364	123

¹ For description of the revision see "Monthly Review," July 31, 1947² Including guaranteed obligations.

* Less than \$500,000.

WEEKLY REPORTING MEMBER BANKS—REVISED SERIES, FIFTH FEDERAL RESERVE DISTRICT¹

RESERVES AND LIABILITIES

(In Millions of Dollars)

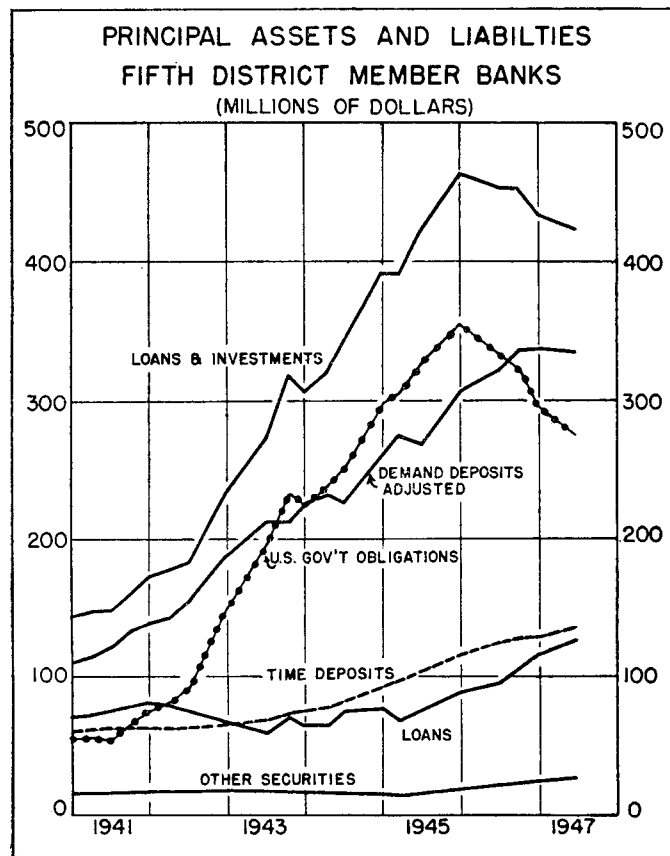
Date	Re-serves with Federal Reserve Banks	Cash in vault	Bal-ances with do-mestic banks	De-mand de-posits ad-justed ²	Demand deposits, except, interbank				Time Deposits, except interbank			Interbank deposits			Bor-rowings	Cap-ital ac-counts	Bank debits ³
					Indi-vid-uals, part-nerships, and cor-pora-tions	States and polit-ical sub-divi-sions	Certi-fied and offi-cers' chks., etc.	U.S. Gov-ern-ment	Indi-vid-uals, part-nerships, and cor-pora-tions	States and polit-ical sub-divi-sions	U.S. Gov-ern-ment and postal sav-ings	Demand		Time			
												Do-mes-tic	For-ign				
1946—July 3.....	467	50	183	1,939	1,896	170	35	337	576	3	11	402	10	4	13	194	666
July 10.....	463	54	184	1,969	1,919	162	36	327	577	3	12	395	8	5	5	195	484
July 17.....	461	53	177	1,969	1,930	160	37	329	579	3	12	403	9	4	2	195	627
July 24.....	455	55	177	1,976	1,937	156	35	317	580	3	12	379	9	4	5	195	581
July 31.....	478	52	185	2,004	1,962	167	37	321	581	3	12	392	9	4	10	195	581
Aug. 7.....	465	53	195	2,008	1,951	164	35	292	582	3	12	402	6	4	5	195	630
Aug. 14.....	479	55	205	2,017	1,984	157	45	301	584	3	12	407	9	4	13	196	619
Aug. 21.....	472	52	183	1,994	1,967	146	35	302	585	6	12	403	8	4	10	196	638
Aug. 28.....	483	56	203	1,999	1,972	148	35	297	585	7	12	422	7	5	12	196	590
Sept. 4.....	473	53	186	1,999	1,944	189	39	240	586	7	12	431	6	5	15	197	571
Sept. 11.....	486	57	209	2,038	2,026	152	35	247	586	8	12	441	4	5	13	197	637
Sept. 18.....	486	54	193	2,014	2,003	152	40	248	587	8	6	452	5	5	9	199	727
Sept. 25.....	469	57	182	1,974	1,956	149	36	250	588	7	6	432	5	5	23	198	676
Oct. 2.....	469	56	176	1,963	1,961	163	38	219	588	7	7	448	7	5	2	198	688
Oct. 9.....	477	59	189	1,975	1,966	154	33	215	593	4	7	468	5	5	2	198	632
Oct. 16.....	483	58	191	1,978	2,017	145	39	220	593	4	7	489	4	5	2	198	684
Oct. 23.....	466	63	141	1,954	1,965	141	40	225	594	4	7	451	10	5	7	199	677
Oct. 30.....	474	62	167	1,961	1,962	141	38	222	594	4	7	448	8	5	7	199	624
Nov. 6.....	456	61	177	1,954	2,001	144	37	167	596	4	7	454	7	5	7	200	678
Nov. 13.....	479	66	195	1,975	2,038	141	45	169	596	4	7	491	8	5	8	200	717
Nov. 20.....	470	61	171	1,964	1,981	147	44	170	593	4	7	464	6	5	9	200	773
Nov. 27.....	469	61	170	1,980	1,995	139	35	173	590	4	7	449	5	5	4	200	518
Dec. 4.....	469	59	188	1,984	1,985	142	40	175	586	4	7	458	8	5	4	200	640
Dec. 11.....	488	66	186	1,997	2,015	143	43	178	586	4	7	454	6	5	8	200	661
Dec. 18.....	484	65	161	2,004	2,008	136	58	89	585	4	7	441	5	5	12	200	804
Dec. 24.....	491	60	156	1,965	1,974	142	45	87	585	4	7	429	7	5	13	200	620
Dec. 31.....	483	64	160	1,967	1,973	155	60	96	585	4	7	432	7	5	*	198	698
1947—Jan. 8.....	489	64	173	2,019	2,005	147	48	77	588	9	7	439	7	5	1	201	757
Jan. 15.....	489	63	212	2,079	2,042	190	42	80	588	9	7	430	7	5	1	200	649
Jan. 22.....	475	63	169	1,983	1,978	153	59	85	590	9	7	430	7	5	6	200	751
Jan. 29.....	458	64	159	1,976	1,938	157	42	89	591	9	7	383	6	5	17	201	659
Feb. 5.....	451	56	161	1,959	1,920	162	41	94	593	9	7	384	5	5	13	200	692
Feb. 12.....	470	62	167	1,967	1,943	167	44	96	594	9	7	391	5	5	18	201	620
Feb. 19.....	459	60	167	1,964	1,934	162	51	98	595	9	7	383	6	4	15	202	1,233
Feb. 26.....	478	61	170	1,972	1,951	165	38	107	596	9	7	384	6	4	16	202	945
Mar. 5.....	478	56	170	1,992	1,976	157	37	111	598	9	7	397	6	4	8	202	1,196
Mar. 12.....	482	63	181	2,024	2,008	164	37	113	597	9	7	401	6	4	10	202	627
Mar. 19.....	480	60	163	2,005	1,975	169	42	94	597	9	7	395	6	4	9	203	720
Mar. 26.....	458	64	161	1,955	1,914	181	38	96	597	9	7	364	6	4	16	204	718
Apr. 2.....	487	59	152	1,978	1,919	186	43	89	597	7	7	367	6	4	13	204	662
Apr. 9.....	468	65	161	2,005	1,951	186	37	92	597	8	7	379	6	4	3	204	526
Apr. 16.....	482	60	159	2,005	1,976	181	47	92	597	8	7	382	6	4	2	199	626
Apr. 23.....	465	63	157	2,011	1,941	190	45	81	597	8	7	346	7	4	11	204	616
Apr. 30.....	470	58	159	2,017	1,949	196	46	74	597	8	8	347	6	4	13	204	586
May 7.....	473	61	154	2,018	1,957	180	43	69	598	8	8	358	6	4	10	204	598
May 14.....	483	62	167	2,021	1,995	190	39	72	598	8	8	363	5	4	14	205	617
May 21.....	470	61	155	2,030	1,977	195	34	67	598	8	8	345	6	4	8	205	665
May 28.....	478	61	148	2,028	1,969	193	35	59	597	8	8	339	5	4	7	205	557
June 4.....	484	60	153	2,037	2,015	175	32	22	598	8	8	359	6	4	5	205	531
June 11.....	479	63	168	2,062	2,036	179	41	25	597	8	8	350	4	4	7	205	599
June 18.....	476	63	168	2,060	2,008	187	55	27	597	8	8	346	4	4	5	206	812
June 25.....	465	64	161	2,044	1,997	188	43	34	596	8	8	325	4	4	9	207	648

¹ For description of the revision see "Monthly Review," July 31, 1947.² Demand deposits other than interbank and U. S. Government, less cash items reported as in process of collection.³ Debits to demand deposit accounts except interbank and U. S. Government accounts.

* Less than \$500,000.

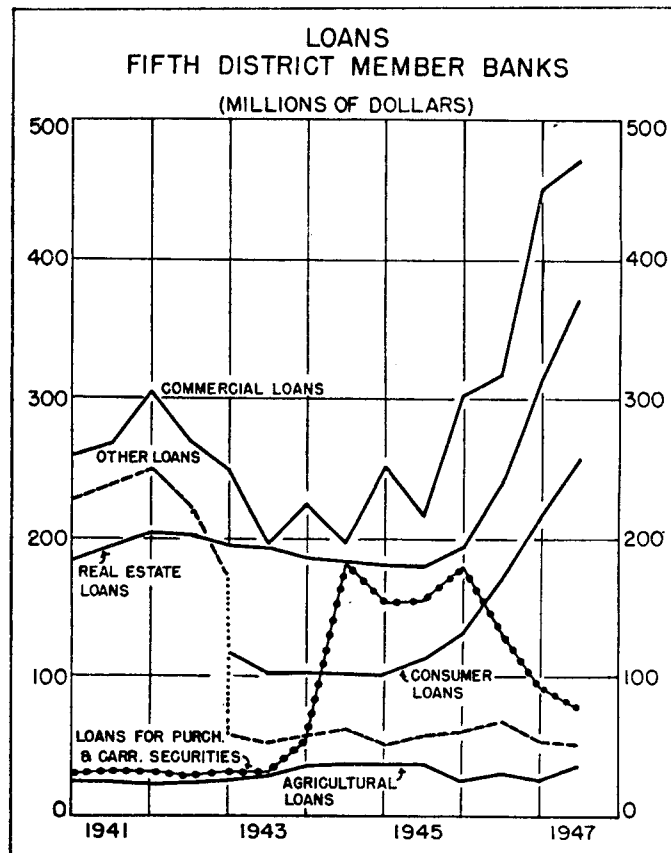
ASSETS AND LIABILITIES OF FIFTH DISTRICT MEMBER BANKS, JUNE 30, 1947

The first six months of 1947 brought a continuation of many of the trends that had previously become evident in the volume and distribution of assets and liabilities of member banks in the Fifth Federal Reserve District. The downward movement of total loans and investments continued as the growth in loans failed to match the decrease in holdings of United States Government obligations. Reserves, cash, and bank balances declined from the December level but showed growth from June 29, 1946. Total deposits continued to shrink as the decrease in War Loan accounts was not equalled by increases in other classes of deposits. Capital accounts continued to increase as profits of the period were retained.



The growth in loans that commenced in mid-1945 continued, although at a somewhat lower rate, as total loans increased to \$1,263 million from \$1,149 million on December 31 and \$954 million on June 29, 1946. The gains were once again concentrated principally in commercial and industrial loans, real estate loans, and consumer loans. Commercial and industrial loans increased from \$215 million on June 30, 1945, to \$317 million on June 29, 1946, and to \$470 million on June 30, 1947, a two-year gain of 119 per cent. Real estate loans increased on a basis nearly as spectacular as the loans to business, starting at \$179 million on the call date immediately preceding VJ day and rising to \$238 million and \$371 million on succeeding mid-year call dates. As may be seen from the chart below, the real gains in this category of loans have occurred since December 31, 1945, the last half of 1945 having shown but a small increase relative to those that have occurred since that date.

The growth of consumer loans commenced in early 1945 at a gradual rate, which has since increased to provide substantial semi-annual increments. The June 30 outstandings of \$258 million amounted to more than two and one-half times the December 31, 1944, figure. Gains occurred during the past six months in all categories of bank-extended consumer credit.



Loans for purchasing and carrying securities showed a further decline from the high level reached in 1944 and 1945. The cessation of war loan drives and the increase in margin requirements reduced the demand for this type of loan and have resulted in successively smaller amounts of outstanding on each call date since December 31, 1945. Non-real estate loans to farmers—including those guaranteed by the Commodity Credit Corporation—stood on June 30 at a level above that of June 29, 1946, but just equal to the outstandings of this type of loan on June 30, 1945. Loans to banks, of relatively small importance at this time, showed a gain over December, but still amounted to less than \$4 million.

The further decline in holdings of United States Government obligations was the outstanding development in member bank investment portfolios during the first half of 1947. Holdings of Governments reached their high at \$3,559 million on December 31, 1945, following the Victory Loan drive. The commencement of the redemption program in March of 1946 initiated a steady downward trend that has continued, reducing the volume of such obligations held to \$2,733 million as of June 30. As was to be expected, the principal decline was in certificates of indebtedness and Treasury notes, the former decreasing by \$129 million and the latter by \$63 million.

The change in the maturity distribution of bonds held largely reflected the nearer approach of maturity dates.

All other types of securities increased from their December level. Obligations of states and political subdivisions showed the greatest percentage gain, increasing from \$92 million to \$100 million, a gain of 8.6 per cent.

Cash assets declined from their level of December 31 although still exceeding the June 29, 1946, figure. The decline in reserves with the Federal Reserve Bank represents, to some extent, at least, the loss of deposits, both dollarwise and relatively, that occurred during the first six months of the year. Similarly, the decline in balances due from other banks may well have arisen from this cause. It may be noted that the corresponding liability item—due to other banks—has decreased for member banks of the District taken collectively.

The decreased deposit liability arose from several causes. While time deposits continued their growth, reaching \$1,314 million, demand deposits in all but one category showed declines. Demand deposits of individuals, partnerships, and corporations declined from their December level, as is usual during the first half of the year, falling from \$3,272 million to \$3,197 million. War

loan accounts continued their decline of the past 16 months, falling to \$35 million or but little more than one-third of their December figure. Demand deposits of banks stood on June 30 at \$380 million or \$96 million below their December level. Demand deposits of states and political subdivisions were the only demand group to show gains, rising from \$273 million to \$302 million.

Time deposits showed gains in all categories except the relatively unimportant deposits of the postal savings system and interbank time balances. The growth in time deposits that commenced in 1942 has continued, although the rate has decreased in the past year.

Total capital accounts increased from \$338 million in December to \$353 million on June 30, a gain of 4.3 per cent. Although capital stock accounts showed a \$1.6 million increase, largely due to sales of additional shares. The bulk of the growth in capital accounts, however, arose from retained earnings.

Summaries of Fifth District member bank call report information may be found on page 14. Any banks desiring summaries of particular items by states or by bank size groups should address inquiries to the Research Department of this Bank.

CLASSIFICATION OF LOANS AND UNITED STATES GOVERNMENT DIRECT OBLIGATIONS MEMBER BANKS—FIFTH FEDERAL RESERVE DISTRICT

(In thousands of dollars)

	1947 June 30	1946 Dec. 31	1946 June 29
Loans	1,263,342	1,149,106	953,751
Commercial and industrial loans, including open-market paper.....	469,840	450,617	316,897
Loans to farmers directly guaranteed by the Commodity Credit Corporation	216	726	2,514
Other loans to farmers.....	36,184	24,157	28,419
Loans to brokers and dealers in securities.....	8,203	17,009	17,735
Other loans for purchasing or carrying securities.....	69,345	75,860	112,521
Real-estate loans: On farm land.....	36,194	29,948	26,736
On residential property	240,385	199,251	151,186
On other properties.....	94,341	82,938	60,316
Loans to banks.....	3,574	2,299	2,986
Other loans to individuals:			
Retail automobile instalment paper.....	32,859	21,238	14,290
Other retail instalment paper.....	9,124	6,134	8,590
Repair and modernization instalment loans.....	11,194	8,346	
Instalment cash loans.....	42,684	31,118	22,143
Single-payment loans	162,465	148,806	125,025
All other loans (including overdrafts).....	46,734	50,659	64,393
United States Government direct obligations.....	2,732,310	2,972,371	3,353,977
Treasury Bills	30,313	31,408	49,722
Treasury certificates of indebtedness.....	391,945	520,969	766,931
Treasury notes	174,302	237,079	402,398
United States savings bonds.....	46,404	48,172	48,738
Other bonds maturing in 5 years or less.....	579,827	507,045	399,032
Other bonds maturing in 5 to 10 years.....	1,203,279	1,318,581	1,419,569
Other bonds maturing in 10 to 20 years.....	195,417	190,939	151,778
Bonds maturing after 20 years.....	110,823	118,178	115,809

ASSETS AND LIABILITIES—MEMBER BANKS, FIFTH FEDERAL RESERVE DISTRICT

(In thousands of dollars)

	1947 June 30	1946 Dec. 31	1946 June 29
ASSETS			
Loans and investments.....	4,240,670	4,352,613	4,527,648
Loans (including overdrafts).....	1,263,342	1,149,106	953,751
United States Government direct obligations.....	2,732,310	2,972,371	3,353,977
Obligations guaranteed by United States Government.....	537	488	1,031
Obligations of States and political subdivisions.....	100,297	92,452	87,749
Other bonds, notes and debentures.....	134,715	128,946	121,827
Corporate stocks (including Federal Reserve Bank stock).....	9,469	9,250	9,313
Reserves, cash, and bank balances.....	1,391,244	1,493,796	1,367,781
Reserve with Federal Reserve Bank.....	708,965	733,924	696,742
Cash in vault.....	103,272	125,931	85,479
Demand balances with banks in United States (except private banks and American branches of foreign banks).....	347,707	368,064	385,357
Other balances with banks in United States.....	2,991	1,762	1,672
Balances with banks in foreign countries.....	83	191	109
Cash items in process of collection.....	228,226	263,924	198,422
Due from own foreign branches.....	45,522	44,896	46,193
Bank premises owned and furniture and fixtures.....	685	760	579
Other real estate owned.....	.....	.....	.....
Investments and other assets indirectly representing bank premises or other real estate.....	2,673	2,693	2,763
Customers' liability on acceptances.....	1,146	986	771
Other assets.....	14,658	13,787	16,772
Total assets	5,696,597	5,909,531	5,962,507
LIABILITIES			
Demand Deposits.....	4,000,850	4,262,543	4,368,090
Individuals, partnerships, and corporations.....	3,196,542	3,271,716	3,084,070
U. S. Government: War Loan and Series E bond accounts.....	34,804	125,117	499,742
Other.....	20,834	21,972	25,320
States and political subdivisions.....	302,610	273,305	268,881
Banks in United States.....	375,928	469,060	424,042
Banks in foreign countries.....	4,041	7,353	9,665
Certified and officers' checks, cash letters of credit and travelers' checks, etc.	66,091	94,020	56,370
Time Deposits.....	1,313,603	1,282,101	1,239,574
Individuals, partnerships, and corporations.....	1,275,520	1,245,481	1,207,381
United States Government.....	13,687	13,360	15,522
Postal Savings.....	192	348	123
States and political subdivisions.....	18,685	17,020	10,942
Banks in the United States.....	5,519	5,892	5,606
Banks in foreign countries.....	.....	.....	.....
Total deposits	5,314,453	5,544,644	5,607,664
Due to own foreign branches.....	3,230	1,631	1,025
Bills payable, rediscounts, and other liabilities for borrowed money.....	1,137	986	789
Acceptances outstanding.....	25,125	24,027	20,900
Other liabilities.....	.....	.....	.....
Total liabilities	5,343,945	5,571,288	5,630,378
CAPITAL ACCOUNTS			
Capital.....	115,090	113,476	112,997
Surplus.....	156,376	150,687	144,311
Undivided profits.....	58,002	51,854	53,113
Other capital accounts.....	23,184	22,226	21,708
Total capital accounts	352,652	338,243	332,129
Total liabilities and capital accounts	5,696,597	5,909,531	5,962,507

FEDERAL RESERVE BANK OF RICHMOND

(All Figures in Thousands)

ITEMS	Aug. 13 1947	Chg. in Amt. From 7-16-47	8-14-46
Total Gold Reserves.....	\$ 945,313	— 46,542	+ 2,406
Other Reserves	13,009	+ 371	— 5,989
Total Reserves	958,322	— 46,171	+ 3,533
Bills Discounted	13,181	+ 3,653	— 14,069
Industrial Advances	0	0	0
Gov. Securities, Total.....	1,484,743	+ 50,736	+ 8,380
Bonds	43,930	— 201	— 2,133
Notes	22,480	+ 22	— 13,844
Certificates	414,142	+ 11,606	— 59,828
Bills	1,004,191	+ 39,809	+ 84,185
Total Bills & Securities.....	1,497,924	+ 54,389	+ 5,689
Uncollected Items	213,046	— 25,273	+ 13,264
Other Assets	14,837	— 1,712	— 10,316
Total Assets	2,684,129	— 18,767	+ 6,274
Fed. Res. Notes in Cir.....	\$1,649,157	— 2,517	— 35,859
Deposits, Total	810,125	— 304	+ 15,572
Members' Reserves	728,475	— 5,639	+ 2,693
U. S. Treas. Gen. Acc.....	57,107	+ 3,986	+ 27,895
Foreign	22,937	+ 2,225	— 11,089
Other Deposits	1,606	— 876	— 3,927
Def. Availability Items.....	188,932	— 15,837	+ 10,661
Other Liabilities	926	+ 372	+ 347
Capital Accounts	34,989	— 481	+ 3,005
Total Liabilities	2,684,129	— 18,767	+ 6,274

CONDITION OF REPORTING MEMBER BANKS—5th DISTRICT

(All Figures in Thousands)

ITEMS	Aug. 13 1947	Chg. in Amt. From 7-16-47	8-14-46
Total Loans	\$ 718,560	+ 17,859	+ 300,091
Bus. & Agri.....	336,807	+ 9,281	+ 144,410
Real Estate Loans.....	153,685	+ 4,841	+ 89,748
All Other Loans.....	228,068	+ 3,737	+ 66,033
Total Security Holdings.....	1,815,854	+ 7,775	+ 164,859
U. S. Treasury Bills	29,430	+ 12,426	— 2,939
U. S. Treasury Certificates	199,490	+ 6,414	— 178,573
U. S. Treasury Notes	89,191	+ 1,861	— 42,789
U. S. Gov. Bonds	1,376,972	+ 20	+ 353,154
Other Bonds, Stocks & Sec.....	120,771	— 118	+ 36,006
Cash Items in Process of Col.....	188,185	+ 6,927	+ 44,925
Due from Banks.....	166,300*	+ 6,086	+ 29,874
Currency & Coin	63,806	+ 2,876	+ 23,894
Reserve with F. R. Bank.....	487,125	+ 8,313	+ 135,028
Other Assets	52,000	+ 2,440	— 24,713
Total Assets	3,491,830	+ 21,796	+ 673,958
Total Demand Deposits.....	\$2,642,170	+ 19,242	+ 475,224
Deposits of Individuals	2,021,765	+ 3,035	+ 587,202
Deposits of U. S. Gov.....	44,886	+ 15,864	— 179,436
Deposits of State & Local Gov.....	171,917	+ 1,203	+ 79,111
Deposits of Banks	362,259*	— 3,337	— 20,024
Certified & Officers' Checks.....	41,343	+ 2,477	+ 8,371
Total Time Deposits.....	617,345	— 816	+ 226,079
Deposits of Individuals.....	597,895	— 817	+ 223,147
Other Time Deposits	19,450	+ 1	+ 2,932
Liabilities for Borrowed Money...	7,500	+ 1,300	— 12,000
All Other Liabilities.....	18,323	+ 1,497	— 77,613
Capital Accounts	206,492	+ 573	+ 62,268
Total Liabilities	3,491,830	+ 21,796	+ 673,958

*Net figures, reciprocal balances being eliminated.

DEPOSITS IN MUTUAL SAVINGS BANKS

8 Baltimore Banks

	July 31, 1947	June 30, 1947	July 31, 1946
Total Deposits	\$387,125,144	\$387,270,578	\$370,895,368

COTTON CONSUMPTION—FIFTH DISTRICT

(In Bales)

MONTHS	N. Carolina	S. Carolina	Va.	Md.	District
July 1947.....	170,214	147,370	15,252	1,946	334,782
June 1947.....	190,108	157,363	17,424	2,368	367,263
July 1946.....	187,953	141,815	16,903	3,331	350,002
7 Mos. 1947...	1,488,933	1,185,097	128,570	20,359	2,822,959
7 Mos. 1946...	1,450,703	1,088,924	119,630	23,560	2,682,817

COTTON CONSUMPTION AND ON HAND—BALES

	July 1947	July 1946	Aug. 1 to July 31 1947	1946
Fifth District States:				
Cotton consumed	334,782	350,002	4,857,240	4,438,818
Cotton Growing States:				
Cotton consumed	589,400	643,539	8,793,741	8,073,732
Cotton on hand July 31 in				
consuming establishments	1,131,362	1,358,188		
storage & compresses...	848,620	4,341,932		
United States:				
Cotton consumed	977,489	729,603	10,035,304	9,163,207
Cotton on hand July 31 in				
consuming establishments	1,400,077	2,282,384		
storage & compresses...	900,510	4,463,577		
Spindles active, U. S.....	21,415,434	21,578,390		

DEBITS TO INDIVIDUAL ACCOUNTS
(000 omitted)

	July 1947	% Chg. from July 1946	7 Mos. 1947	% Chg. from 7 Mos. '46
District of Columbia				
Washington	\$ 677,472	+ 12	\$ 4,491,391	+ 5
Maryland				
Baltimore	889,580	+ 8	6,090,964	+ 8
Cumberland	21,533	0	142,993	+ 10
Frederick	17,742	+ 13	120,837	+ 20
Hagerstown	24,246	+ 6	168,925	+ 15
North Carolina				
Asheville	43,638	+ 6	305,693	+ 19
Charlotte	196,439	+ 7	1,375,459	+ 22
Durham	95,784	+ 6	643,627	+ 10
Greensboro	61,018	+ 17	429,455	+ 20
Kinston	10,395	+ 11	80,914	+ 18
Raleigh	95,136	+ 25	663,154	+ 32
Wilmington	32,529	+ 9	234,034	+ 7
Wilson	14,973	+ 18	97,943	+ 29
Winston-Salem	111,761	+ 14	774,238	+ 26
South Carolina				
Charleston	50,529	+ 15	344,929	+ 3
Columbia	77,313	+ 7	567,331	+ 18
Greenville	66,876	+ 11	472,158	+ 25
Spartanburg	36,931	+ 10	272,838	+ 25
Virginia				
Charlottesville	20,585	— 6	141,463	— 9
Danville	21,808	+ 7	173,915	+ 24
Lynchburg	34,097	+ 11	233,676	+ 16
Newport News	30,686	+ 29	204,675	+ 29
Norfolk	161,592	+ 16	1,093,941	+ 18
Portsmouth	18,311	+ 7	126,673	+ 8
Richmond	389,298	+ 8	2,750,388	+ 14
Roanoke	75,965	+ 15	504,269	+ 20
West Virginia				
Bluefield	32,639	+ 3	235,897	+ 25
Charleston	119,734	+ 6	810,438	+ 16
Clarksburg	28,200	+ 18	185,694	+ 21
Huntington	46,700	+ 2	327,965	+ 16
Parkersburg	27,693	+ 20	169,590	+ 20
District Totals	\$ 8,531,203	+ 10	\$24,235,467	+ 13

BUSINESS INDEXES—FIFTH FEDERAL RESERVE DISTRICT
Average Daily 1935-39=100—Seasonally Adjusted

	July 1947	June 1947	May 1947	July 1946	% Change July 1947 from June 47 July 46	
Bank Debts	285	286	290	259	0	+ 10
Building Contracts Awarded.....	270	264	330	..	..	..
Building Permits Issued.....	280	275r	213	184	+ 2	+ 52
Business Failures	45	27	14	3	+ 67	+ 1,400
Cigarette Production	243	242r	210r	217	0	+ 12
Cotton Consumption	137	140	139	142	— 2	— 4
Department Store Sales.....	301	317	303	310	— 5	— 3
Department Store Stocks.....	270	270	292	263	0	+ 3
Electric Power Production.....	..	226	235	214	..	..
Employment—Mfg. Industries*	..	131	132	129	..	..
Furniture Orders .....	..	435	243	117	..	..
Furniture Shipments .....	..	330	273	244	..	..
Furniture Unfilled Orders.....	..	742	745	409	..	..
Furniture Sales—Retail	223	300	256	249	—26	— 10
Gasoline Consumption .....	..	..	173	161	..	..
Life Insurance Sales.....	252	232	238	297	+ 9	— 15
Wheat Flour Production.....	..	128	118	122	..	..
Wholesale Trade:						
Automotive Supplies**	295	288	296	239	+ 2	+ 23
Drugs	264	257	244	280	+ 3	— 6
Dry Goods	197	169	154	213	+ 17	— 8
Electrical Goods**	87	83	90	55	+ 5	+ 58
Groceries	287	282	266	246	+ 2	+ 17
Hardware	146	124	126	112	+ 18	+ 30
Industrial Supplies**	287	346	341	237	—17	+ 21
Paper and Its Products**.....	172	194	191	137	—11	+ 26
Tobacco and Its Products**..	110	107	109	116	+ 3	— 5

*Not seasonally adjusted

**1938-41=100

BUILDING PERMIT FIGURES

	Total Valuation	
	July 1947	July 1946
Maryland		
Baltimore	\$ 3,791,145	\$ 2,239,210
Cumberland	70,120	30,930
Frederick	100,825	86,615
Hagerstown	153,780	123,390
Salisbury	172,504	156,947
Virginia		
Danville	437,250	88,350
Lynchburg	248,548	118,522
Norfolk	554,667	564,810
Petersburg	141,100	18,050
Portsmouth	68,290	74,560
Richmond	2,645,450	1,217,263
Roanoke	1,090,945	303,845
West Virginia		
Charleston	496,295	213,595
Clarksburg	69,640	28,810
Huntington	524,715	216,130
North Carolina		
Asheville	255,614	130,830
Charlotte	552,944	601,064
Durham	675,995	227,040
Greensboro	975,863	196,772
High Point	276,344	322,738
Raleigh	642,436	389,490
Rocky Mount	89,150	108,550
Salisbury	144,009	56,630
Winston-Salem	605,877	230,999
South Carolina		
Charleston	137,737	228,889
Columbia	716,195	113,570
Greenville	239,625	271,075
Spartanburg	111,178	129,515
Dist. of Columbia		
Washington	4,451,518	4,960,250
District Totals	\$ 20,439,759	\$ 13,448,439
7 Months	\$119,756,537	\$109,263,711

CONSTRUCTION CONTRACTS AWARDED

STATES	June 1947	% Chg. from June 1946	6 Mos. '47	% Chg. from 6 Mos. '46
Maryland	\$18,928,000	— 62	\$126,570,000	—26
Dist. of Columbia	7,991,000	+ 86	39,905,000	+ 7
Virginia	18,349,000	— 45	102,393,000	—11
West Virginia	14,322,000	+1,486	43,854,000	+14
North Carolina	14,242,000	+ 42	78,490,000	— 6
South Carolina	4,011,000	— 50	31,223,000	—51
Fifth District	\$77,843,000	— 27	\$422,435,000	—17

Source: F. W. Dodge Corp.

RAYON YARN DATA

	July 1947	June 1947	July 1946
Rayon Yarn Shipments, Lbs.....	63,000,000	54,700,000	51,800,000
Staple Fiber Shipments, Lbs.....	18,800,000	16,600,000	15,600,000
Rayon Yarn Stocks, Lbs.....	8,700,000	8,300,000	8,000,000
Staple Fiber Stocks, Lbs.....	7,700,000	6,600,000	2,200,000

Source: Rayon Organon

TOBACCO MANUFACTURING

	July 1947	% Chg. from July 1946	7 Mos. 1947	% Chg. from 7 Mos. '46
Smoking & chewing tobacco (Thousands of lbs.).....	17,077	— 6	108,313	—8
Cigarettes (Thousands)	29,549,414	+16	192,331,724	+5
Cigars (Thousands)	439,108	0	3,144,964	—4
Snuff (Thousands of lbs.)..	3,930	+43	23,569	+3

COMMERCIAL FAILURES

MONTHS	Number Failures District	U. S.	Total Liabilities District	U. S.
July 1947.....	14	299	\$1,360,000	\$ 37,137,000
June 1947.....	11	283	264,000	18,982,000
July 1946.....	1	74	8,000	3,434,000
7 Mos. 1947.....	60	1,931	\$3,521,000	\$132,945,000
7 Mos. 1946.....	12	574	119,000	25,656,000

Source: Dun & Bradstreet

DEPARTMENT STORE TRADE

Richmond	Baltimore	Washington	Other Cities	District
Percentage change in July 1947 sales, compared with sales in July 1946:				
+ 1	— 9	— 1	— 5	— 3
Percentage chg. in 7 months' sales 1947, compared with 7 mos. in 1946:				
+11	+ 5	+ 2	+ 3	+ 5
Percentage chg. in stocks on July 31, '47, compared with July 31, '46:				
+ 1	— 5	+ 1	+10	0
Percentage chg. in outstand'g orders July 31, 1947 from July 31, 1946:				
—53	—43	—44	—27	—45
Percentage chg. in receivables July 31, 1947 from those on July 31, 1946:				
+56	+25	+26	+23	+30
Percentage of current receivables as of July 1, 1947 collected in July:				
36	48	46	51	45
Percentage of instalment receivables as of July 1, '47 collected in July:				
22	25	23	28	24
Maryland Dist. of Col. Virginia W. Virginia No. Carolina So. Carolina				
Percentage change in July 1947 sales from July 1946 sales, by states:				
— 8	— 1	0	+ 1	0
Percentage change in 7 months' sales 1947 from 7 months' 1946 sales:				
+ 5	+ 2	+ 9	+ 7	+ 8

WHOLESALE TRADE—192 FIRMS

LINES	Net Sales July 1947 compared with July 1946	June 1947	Stock July 31, 1947 compared with July 31, 1946	June 30 1947	Ratio July collections to accts. outstand'g July 1
Auto supplies (7)*.....	+41	+19	+100	— 8	90
Drugs & sundries (11)*..	+ 6	+ 9	+ 12	— 1	138
Dry goods (7)*.....	— 7	+23	+ 73	— 5	80
Electrical goods (4)*...	+42	+ 4	...	...	106
Groceries (66)*	+21	+ 5	+ 39	— 3	171
Hardware (7)*	+14	+25	+116	0	105
Industrial supplies (5)*..	+19	—16	+ 50	— 1	102
Paper & products (5)*..	+23	— 7	...	...	115
Tobacco & products (12)*	+ 1	+ 7	+ 2	— 5	139
Miscellaneous (68)* ...	+29	— 1	+ 78	— 2	117
Dist. Avg. (192)*.....	+17	+ 5	+ 58	— 3	122

Source: Department of Commerce.

*Number of reporting firms.

RETAIL FURNITURE SALES

STATES	Percentage Changes in July and 7 Mos. 1947 Compared with July 1946	Compared with 7 Mos. 1946
Maryland (5)*	—19	+12
Dist. of Columbia (6)*....	— 6	— 5
Virginia (20)*	+ 7	+13
West Virginia (10)*	—27	+ 3
North Carolina (16)*	+ 1	+21
South Carolina (10)*	+12	+10
Fifth District (67)*.....	— 8	+ 8
Individual Cities		
Baltimore, Md., (5)*.....	—19	+12
Washington, D. C., (6)*.....	— 6	— 5
Lynchburg, Va., (3)*.....	+11	+14
Richmond, Va., (6)*.....	+ 4	+14
Charleston, W. Va., (3)*.....	—23	—12
Charlotte, N. C., (4)*.....	— 6	+17
Columbia, S. C., (3)*.....	+41	+ 5

*Number of reporting stores.