

MONTHLY REVIEW

of Financial and Business Conditions

FIFTH
FEDERAL



RESERVE
DISTRICT

Federal Reserve Bank of Richmond, Richmond 13, Va.

December 31, 1947

Business Conditions

FIVE factors stood out in the business developments of the Fifth Federal Reserve District during November as reflected in seasonally adjusted indices. They were: a big improvement in the production of bituminous coal; a moderate advance in department store sales; an unexpected decrease in cotton consumption; a marked decline in building permits; and a substantial increase in business failures.

The adverse elements in November were not of the sort that give a handwriting-on-the-wall of coming events, but it is worthwhile to examine them. The 17 per cent drop in the seasonally adjusted building permits value from October to November came from a very high level in October and still leaves the November figure 40 per cent above the same month of 1946. Then, too, a wide range of fluctuation is characteristic of this industry, so that one month's drop of nearly a fifth could be just one of these erratic moves. On the other hand contract awards for one and two family houses have been falling for some months, which seems to indicate a slackening in the demand for this type of structure. And furthermore new apartments in this area have rentals too high to be carried by families with incomes under \$5,000. When these facts are considered the November drop in permits after seasonal adjustment may have more far-reaching significance.

The increase in the number of business failures, from 11 per cent of the 1935-39 average in October to 52 per cent of the same average in November, raises such questions as these. How could a business ever succeed if it couldn't do so in 1947? Why did failures rise so substantially in a month in which so few company fiscal years end? Are such failures likely to have a tightening affect on bank credit? Is it possible, with normal mark-ups above cost, that prices have risen to where a working inventory cannot be replaced without adding new working capital? No attempt will be made here to answer these questions, but they are presented for your serious considerations.

The drop of 3 per cent in the average daily seasonally adjusted index of cotton consumption from October to November is again as surprising as the failure of this index to rise prior to October with the industry, then as now, loaded with orders. Labor markets' reports from several important mill areas may give some clue to this drop. These reports indicate a substantial labor turnover, with workers

changing jobs frequently in search of better earning power. They indicate further that some seasonal improvement has occurred in the labor supply following the close of the farming season. Even so, there is not enough labor to operate more than a fraction of a third shift, and management is apparently reconciled to operations on the present basis. The production outlook for the next two or three months, therefore, is one of irregular movement not far above or below the October level depending on the degrees of labor turnover and absenteeism.

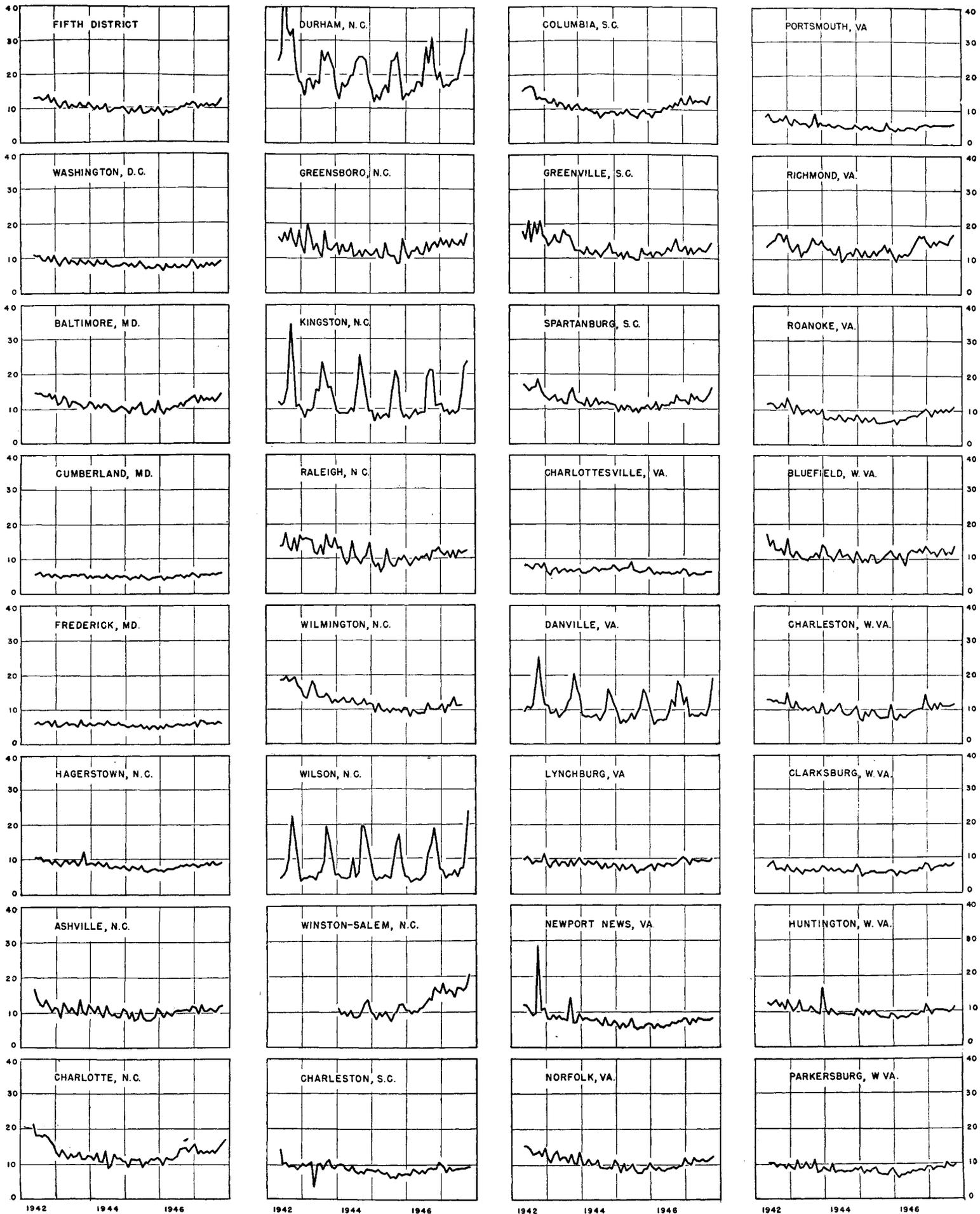
Employment levels in the District continued to increase during November in most states. A seasonal reduction in Maryland food processing industries in October more than offset the increase in employment resulting from settlement of the Bethlehem shipyard strike in that month. Much of the increases in employment in November was due to seasonal requirements, but some small additions were made in non-seasonal industries. Several areas of the District, however, are fully manned, and such small surpluses of labor as exist are migrating to other areas. There are a few areas where housing facilities are still reported as a retardant to new hires, but these are no longer numerous as they were a year ago.

The department store trade level in November rose 4 per cent from October on a seasonally adjusted basis, the index number having advanced to within 2 per cent of the peak figure established in June 1947. This sales level in November is indicative of a sustained level of demand, but has not given indication that the consumer market has the strength to generate a renewed up-trend. Rather the seasonally adjusted November sales level and that of the first two weeks of December have indicated nothing more than a continued oscillation around a flat trend.

Department store inventories normally decline from the end of October to the end of November, but these inventories at the end of November this year were larger than a month earlier and on a seasonally adjusted basis the November inventory index rose to about the same level relative to the base period as shown by department store sales. This means that the retail inventory accumulation which has been in progress since September will probably be halted unless a further upward movement in seasonally adjusted sales is shown. New orders fell substantially during November and this seems to verify the intention to flatten out

(Continued on page 5)

ANNUAL RATE OF DEPOSIT TURNOVER — FIFTH DISTRICT



The Use of Index Numbers

4. Bank Debits

Bank debits, technically named debits to individual deposit accounts (excluding interbank), derive their name from accounting terminology. Deposit accounts are liabilities on a bank's statement of condition, and a debit to a liability account means that an amount has been taken away from that account. Now banks don't go around just debiting the accounts of their depositors at random, but do so when their depositors order them to in the form of signed checks. And since checks are drawn against deposit accounts for the purpose of making some kind of payment, their aggregates (reported by the banks as debits) can be used to measure the changes in total money payments for all purposes, except those made with currency or coin, in any community, area, or the nation. It was estimated some years ago by qualified authorities that over 90 per cent of the total value of money payments of the nation were made by check and less than 10 per cent by currency or coin. There may have been some changes in these proportions since the great depression, but bank checks are still by far the major means of making payments.

Debits, therefore, afford an important usable measure of the trend of money transactions, and with proper reservations made for economically meaningless transfer payments and changes in savings and dissavings they would probably reflect the trend of the income of the nation or region. Thus the first use of the index numbers of bank debits is to give the user an empirical tool which, when used in combination with other factors such as payrolls, retail trade, production, and prices, will serve the purpose of pointing the current direction of movement of the national income or the income of a given region. The charts comparing indexes of debits and income payments of the Fifth District states show that the relationship between the two is not perfect but it is close enough for rule of thumb use to determine changes in direction, and sufficiently close to induce further research on the relationships.

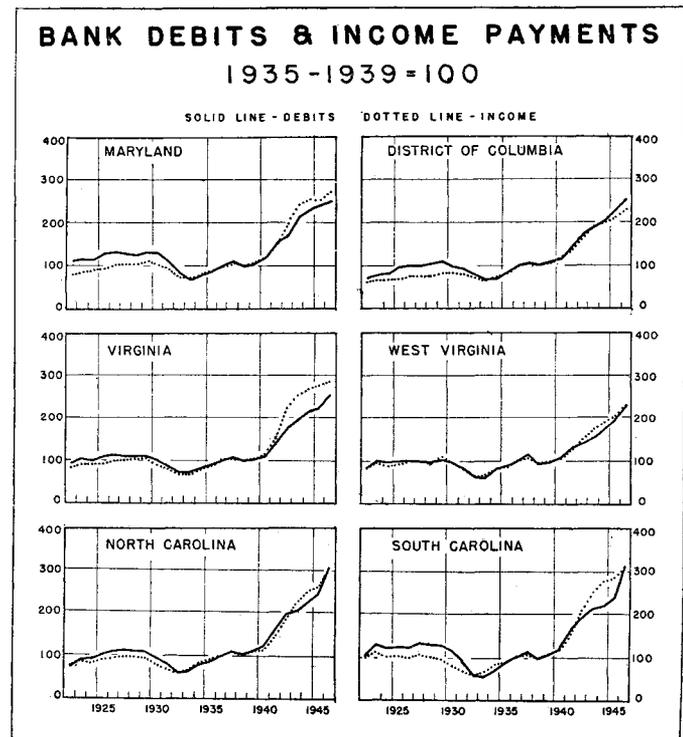
There are reasons why the debits figures should in a general way reflect changes in income or gross product, for in the main they probably represent individual or business transactions made for transferring goods and services. The fact that debits are made in amount several times larger than the end product value of the goods and services transferred does not alter the value of debits as an indicator of the income or product flow, for the duplication in debits' values shown in the many stages of transfer of raw materials through the various stages of fabrication should bear a proportional relationship to changes in the value of the end product.

The disturbing elements in using debits indexes as an indicator of the trend of income or gross product are the checks drawn for such purposes as moving corporate balances from one office to another; checks drawn in payment for funded debt obligations; checks drawn for tax payments; and those drawn in exchange for investment obligations or speculations. At times, some of these perturbing elements can readily be recognized and compensated for in using debits indexes, such as payments made for securities during each of the war loans. At other times these perturbing influences can be recognized but their influence cannot be isolated. Such cases include the volume of checks originating in stock market speculation and in the Florida land boom of the middle 1920's. Debits arising from financial transactions are naturally of lower volume in the Fifth

District than in districts such as New York where the large financial centers are located.

It should be noted that there has been marked similarity in the changes in debits and income between 1933 and 1946 in North Carolina, West Virginia and the District of Columbia, while considerable variances occurred in the war years in Maryland, Virginia and South Carolina. It should be further noted that debits relative to the 1935-39 average in each state held at a higher level in the 1920's than income payments relative to the same average level, but in all cases the broad trends were similar.

The differences in levels of debits and income in the 1920's relative to 1935-39 averages, as contrasted with relative levels of each since 1933, may reflect the stock speculation of that era, and it may be some indication of a greater importance of the swollen volume of currency in effecting transactions since 1933. The widening divergence in the rates of change of the two series from 1942 to 1945 and the subsequent tendency to reestablish prewar relationships is probably a reflection of increased liquid savings in the war period, and a subsequent increase in the utilization of these savings in effecting transactions.



The second use of bank debits is in computing a rate at which deposit accounts are turned over. Since debits are the check values drawn against deposit accounts it follows that the ratio of monthly debits to deposits adjusted to an annual basis would give the rate at which the deposits are checked out. What the foregoing sentence says is that deposit turnover is computed by dividing the monthly figures of debits by the deposits as of the end of the month, and the resulting ratio is multiplied by twelve. This rate of turnover is called the "velocity of money" in economists' terminology.

These rates of turnover are shown for 32 Fifth District cities on page 2 of this *Review*. Two things stand out in these charts. First, a wide seasonal variation can be noted in cities where tobacco markets dominate the economy. Second, it can be noted that there has been a moderately rising tendency in the rates of turnover in the majority of these cities and this turnover increase has been greatest in cities where deposits have shown the largest declines since the peaks early in 1946, or where the levels of business activity have shown the greatest expansion.

The importance in the rate of deposit turnover at this time is considerable. With deposits of banks in general of this area either tending to stay at a flat level or to decrease as they have over the past year and a half, it would require a higher rate of turnover to permit further expansion in bank debits. The previously mentioned chart on page 2 shows that thus far the increase in turnover rates has not been marked for the District as a whole, but that some cities have shown significant increases. Winston-Salem, Charlotte, Columbia, and Richmond have shown the largest rises in deposit turnover since 1945; lesser rises can be noted in Charleston, South Carolina, Charleston, West Virginia, Norfolk, Roanoke and Baltimore; while most of the other cities show a noticeable rising tendency.

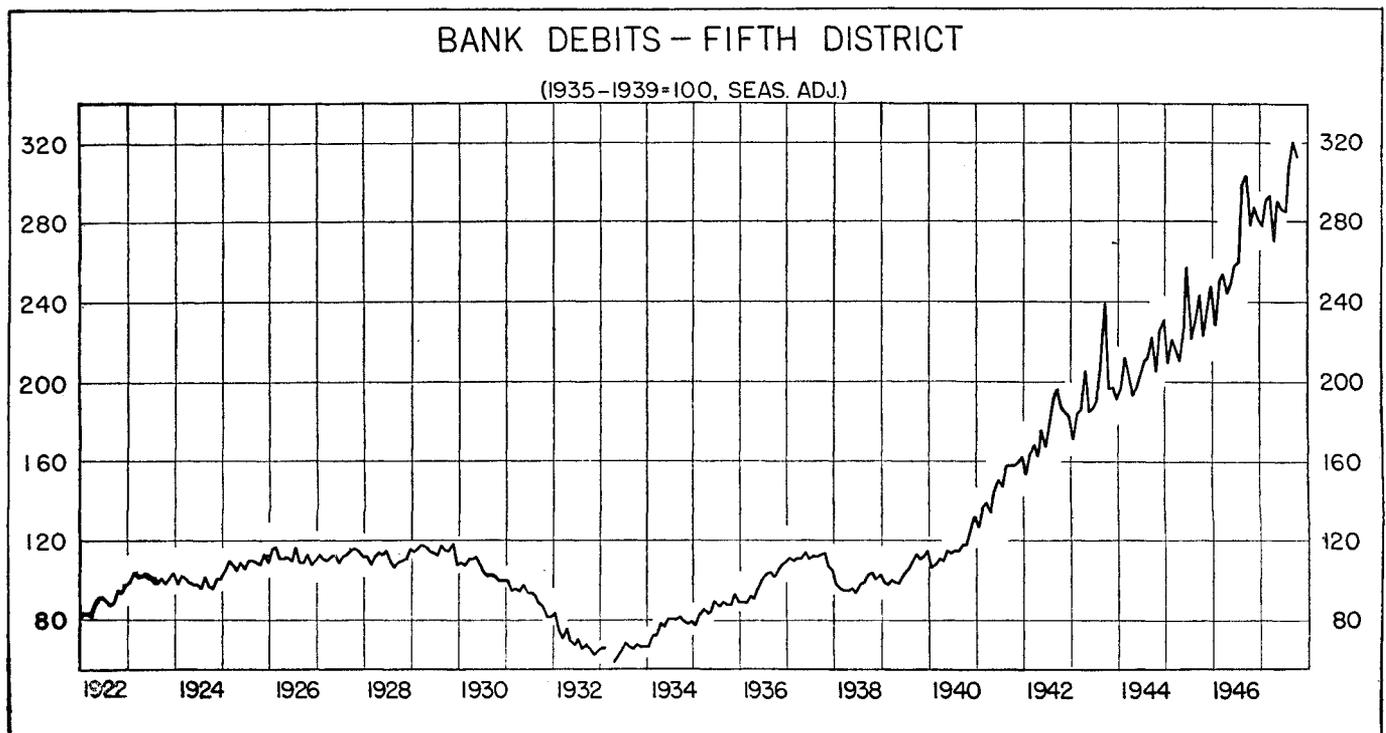
Bank debits in the Fifth Federal Reserve District, as the chart of monthly figures shows, had seesawed around a flat level in 1947 until September when a very marked upward move occurred. This rise has been due to a combination of factors, and does not necessarily signify a change in trend. Retail trade revived in September after seasonal adjustment, but neither September nor October figures have indicated much more than a maintenance of a stable trade level. There was no startling rise in payrolls from August to September, though some small improvement was shown in employment and in fuller working time for several industries which had previously cut back production. Therefore, the sharp rise in seasonally adjusted debits in the District in September and October probably reflects the trans-

fer of funds by retailers and wholesalers for purposes of rebuilding inventories at higher prices, which inventories had been allowed to fall too low for the amount of sales and sales expectations, and to those sporadic large check payments made by corporations or governments, the details of which can rarely be traced.

There has been a fairly broad rise of moderate proportions in the wholesale prices of the manufactured products produced in the Fifth District since August, and this will augment the income of the area in the industries affected for at least several months. Some offsets to the total District income are probable in some agricultural commodities, but on balance there should be a moderately higher over-all income level in the early months of 1948. Debits, therefore, will probably reflect this by holding at a higher seasonal level in the next several months than during the past summer, even though the force of wholesale and retail inventory accumulation may largely have been spent by this time.

Summary

There are two primary uses for the statistics of bank debits, namely, as an indicator of the direction of the dollar volume of business, and for purposes of computing deposit turnover. Both uses are important to the business analysts. The seasonally adjusted index of debits for the Fifth Federal Reserve District broke out of a flat seesaw trend in September and rose notably, and while the level for several months may hold above last summer's level there is yet no indication that a rising trend again has been established. Charts of the turnover of deposits in Fifth District cities show a moderately rising tendency to have existed since 1945 in the majority of centers. The potentialities of debits expansion occurring as a result of a higher rapidity of turnover are substantial, but neither the rate of consumer purchase, nor the rate of formation of capital of this District give indication thus far that a material rise would be seen in the over-all rate of deposit turnover.



AVERAGE DAILY TOTAL DEPOSITS* OF
MEMBER BANKS

	Last half of Oct.		Last half of Nov.	
	\$ thousands	% of U.S.	\$ thousands	% of U.S.
Maryland	1,026,707	.95	1,024,014	.95
Reserve city banks.....	650,847	.60	654,905	.61
Country banks	375,860	.35	369,109	.34
District of Columbia	905,056	.84	898,324	.83
Reserve city banks.....	883,210	.82	876,782	.81
Country banks	21,846	.02	21,542	.02
Virginia	1,331,854	1.24	1,325,583	1.23
Reserve city banks.....	316,039	.30	310,512	.29
Country banks	1,015,815	.94	1,015,071	.94
West Virginia	583,987	.54	586,935	.54
North Carolina	854,828	.79	851,088	.79
Reserve city banks.....	384,470	.35	377,284	.35
Country banks	470,358	.44	473,804	.44
South Carolina	440,744	.41	437,041	.40
Fifth District	5,143,176	4.77	5,122,985	4.74
United States (millions)	107,821	100.0	108,060	100.0

*Excluding interbank demand deposits.

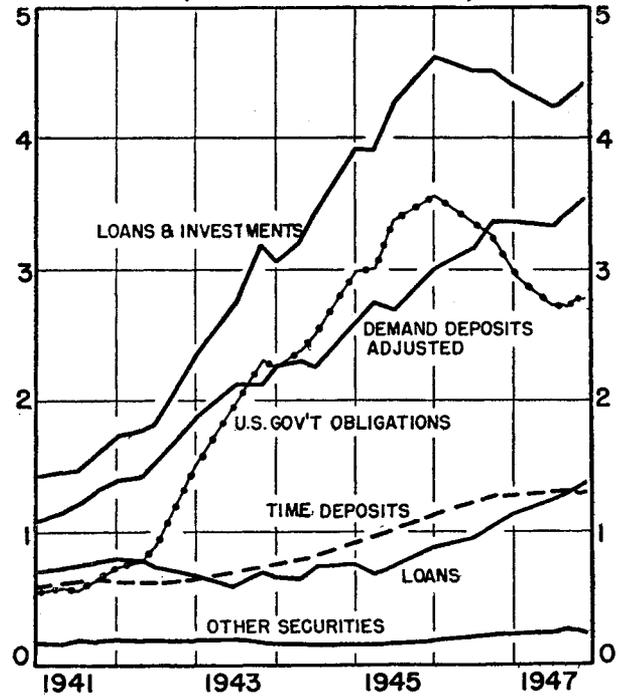
Business Conditions (Continued from page 1)

the inventory rise. Retail furniture store sales in November also rose from October after seasonal adjustment, but here, too, the sales index was still inside the range that has held thus far throughout the year.

The November developments in the wholesale trades also bear out the fact that retailers inventory policy is one of caution and not one designed to anticipate a rising spiral of prices. Seven of the nine lines of wholesale sales available for this District show sales declines on an adjusted basis from October to November ranging from 3 to 10 per cent.

Prices of most soft goods in wholesale markets rose markedly in November, and other rises are scheduled after

PRINCIPAL ASSETS AND LIABILITIES
FIFTH DISTRICT MEMBER BANKS
(BILLIONS OF DOLLARS)



the turn of the year including further advances in furniture prices. It is not likely that much of these increases can be absorbed by reducing retailers' mark-ups, and therefore their full effect will be seen after January clearance sales. In the light of the trend of soft goods sales in the last several months, it is questionable whether consumers will sustain the dollar trade levels in the spring at seasonal levels comparable with those of the recent past. If such levels are not maintained nationally, the industries producing such goods, which are the mainstay of this District, are likely to feel the effects on their production levels before the middle of next year.

BUSINESS INDEXES—FIFTH FEDERAL RESERVE DISTRICT

Average Daily 1935-39=100—Seasonally Adjusted

	Nov. 1947	Oct. 1947	Sept. 1947	Nov. 1946	% Change Nov. 1947 from Oct. 47 Nov. 46	
Automobile Registration*	.....	125	110	.....	.....	.....
Bank Debits	318	313	321	287	+ 2	+ 11
Bituminous Coal Production*	180	144	161	109	+ 25	+ 65
Building Contracts Awarded.....	.....	317	285r	296	.....	.....
Building Permits Issued.....	280	338	300	200	- 17	+ 40
Cigarette Production	234	253r	238	237	- 8	- 1
Cotton Consumption	145	150	141	152	- 3	- 5
Department Store Sales.....	310	297	303	292	+ 4	+ 6
Department Store Stocks.....	313	281	252	298	+ 11	+ 5
Electric Power Production.....	.....	246	241	215	.....	.....
Employment—Mfg. Industries*	.....	135p	133	134	.....	.....
Furniture Sales—Retail	302	270	295	266	+ 12	+ 14
Life Insurance Sales.....	246	257	250	229	- 4	+ 7
Wholesale Trade:						
Automotive Supplies**	308	332	315	293	- 7	+ 5
Drugs	268	296	286	268	- 9	0
Dry Goods	236	243	287	216	- 3	+ 9
Electrical Goods**	92	98	73	60	- 6	+ 53
Groceries	264	294	289	272	- 10	- 3
Hardware	126	132	153	112	- 5	+ 13
Industrial Supplies**	398	366	357	269	+ 9	+ 48
Paper and Its Products**.....	196	179	181	169	+ 9	+ 16
Tobacco and Its Products**.....	105	114	104	111	- 8	- 5
Business Failures	52	11	37	12	+373	+222

ASSETS AND LIABILITIES—MEMBER BANKS, FIFTH FEDERAL RESERVE DISTRICT

(In thousands of dollars)

	1947 Oct. 6	1947 June 30	1946 Sept. 30
ASSETS			
Loans and investments.....	4,368,069	4,240,670	4,525,888
Loans (including overdrafts).....	1,351,682	1,263,342	1,051,315
United States Government direct obligations.....	2,763,446	2,732,310	3,247,782
Obligations guaranteed by United States Government.....		537	
Obligations of States and political subdivisions.....	105,280	100,297	92,850
Other bonds, notes and debentures.....	138,133	134,715	124,599
Corporate stocks (including Federal Reserve Bank stock).....	9,528	9,469	9,342
Reserves, cash, and bank balances.....	1,553,475	1,391,244	1,490,508
Reserve with Federal Reserve Bank.....	783,108	708,965	739,344
Cash in vault.....	119,301	103,272	110,966
Demand balances with banks in United States (except private banks and American branches of foreign banks).....	418,447	347,707	405,636
Other balances with banks in United States.....	2,622	2,991	1,596
Balances with banks in foreign countries.....	131	83	127
Cash items in process of collection.....	229,866	228,226	232,839
Due from own foreign branches.....	-----	-----	-----
Bank premises owned and furniture and fixtures.....	46,076	45,522	46,540
Other real estate owned.....	731	685	537
Investments and other assets indirectly representing bank premises or other real estate.....	2,671	2,673	2,760
Customers' liability on acceptances.....	1,184	1,146	1,045
Other assets.....	18,061	14,658	15,012
Total assets	5,990,267	5,696,597	6,082,290
LIABILITIES			
Demand Deposits.....	4,272,425	4,000,850	4,432,140
Individuals, partnerships, and corporations.....	3,328,116	3,196,542	3,267,195
U. S. Government: War Loan and Series E bond accounts.....	107,424	34,804	328,724
Other.....		20,834	21,920
States and political subdivisions.....	298,026	302,610	269,338
Banks in United States.....	457,763	375,928	476,418
Banks in foreign countries.....	4,196	4,041	4,926
Certified and officers' checks, cash letters of credit and travelers' checks, etc.	76,900	66,091	63,619
Time Deposits.....	1,320,773	1,313,603	1,275,500
Individuals, partnerships, and corporations.....	1,282,069	1,275,520	1,243,688
United States Government.....	14,396	13,687	13,861
Postal Savings.....	193	192	192
States and political subdivisions.....	18,716	18,685	12,167
Banks in the United States.....	5,399	5,519	5,592
Banks in foreign countries.....	-----	-----	-----
Total deposits	5,593,198	5,314,453	5,707,640
Due to own foreign branches.....	-----	-----	-----
Bills payable, rediscounts, and other liabilities for borrowed money.....	11,597	3,230	5,840
Acceptances outstanding.....	1,541	1,137	1,065
Other liabilities.....	23,431	25,125	26,914
Total liabilities	5,629,767	5,343,945	5,741,459
CAPITAL ACCOUNTS			
Capital.....	114,747	115,090	113,413
Surplus.....	157,445	156,376	146,022
Undivided profits.....	64,487	58,002	58,906
Other capital accounts.....	23,821	23,184	22,490
Total capital accounts	360,500	352,652	340,831
Total liabilities and capital accounts	5,990,267	5,696,597	6,082,290

FEDERAL RESERVE BANK OF RICHMOND

(All Figures in Thousands)

ITEMS	Dec. 17 1947	Chg. in Amt. 11-12-47	From 12-11-46
Total Gold Reserves	\$1,115,127	-111,317	- 91,194
Other Reserves	15,212	+ 1,793	- 6,458
Total Reserves	1,130,339	-109,524	- 97,652
Bills Discounted	6,545	- 18,687	- 15,714
Industrial Advances	34	+ 4	+ 34
Gov. Securities, Total	1,374,599	+ 32,526	+ 45,938
Bonds	101,900	+ 50,659	+ 56,698
Notes	107,556	+ 40,143	+ 53,852
Certificates	500,099	+ 6,311	+ 54,310
Bills	665,044	- 64,587	- 118,922
Total Bills & Securities	1,381,178	+ 13,843	+ 30,258
Uncollected Items	352,137	+ 110,603	+ 144,073
Other Assets	22,236	+ 6,535	- 13,548
Total Assets	2,885,890	+ 21,457	+ 63,131
Fed. Res. Notes in Cir.	\$1,757,991	+ 17,566	- 28,964
Deposits, Total	818,849	- 41,704	- 2,988
Members' Reserves	758,405	+ 17,155	+ 5,257
U. S. Treas. Gen. Acc.	38,280	- 60,353	- 2,437
Foreign	20,036	+ 1,700	- 4,765
Other Deposits	2,128	- 207	- 643
Def. Availability Items	271,535	+ 44,500	+ 91,866
Other Liabilities	1,310	+ 282	+ 585
Capital Accounts	36,205	+ 813	+ 2,582
Total Liabilities	2,885,890	+ 21,457	+ 63,131

CONDITION OF REPORTING MEMBER BANKS—5th DISTRICT

(All Figures in Thousands)

	Dec. 17 1947	Chg. in Amt. 11-12-47	From 12-11-46
Total Loans	\$ 796,535	+ 22,813	+ 143,864
Bus. & Agri.	389,468	+ 18,925	+ 79,178
Real Estate Loans	168,041	+ 3,239	+ 46,836
All Other Loans	239,026	+ 649	+ 17,850
Total Security Holdings	1,794,373	- 64,064	- 230,526
U. S. Treasury Bills	20,965	- 12,687	- 2,257
U. S. Treasury Certificates	162,752	- 33,816	- 151,575
U. S. Treasury Notes	108,474	+ 8,067	- 42,921
U. S. Gov. Bonds	1,382,939	- 22,845	- 45,378
Other Bonds, Stocks & Sec.	119,243	- 2,783	+ 11,625
Cash Items in Process of Col.	245,200	- 24,964	+ 42,208
Due from Banks	186,271*	+ 5,300	- 246
Currency & Coin	69,428	- 2,459	+ 3,500
Reserve with F. R. Bank	506,243	+ 15,283	+ 18,508
Other Assets	51,927	+ 2,727	+ 4,176
Total Assets	3,649,977	- 50,818	- 18,516
Total Demand Deposits	\$2,814,161	- 15,706	- 24,677
Deposits of Individuals	2,104,076	- 6,375	+ 89,406
Deposits of U. S. Gov.	28,860	- 18,463	- 149,191
Deposits of State & Local Gov.	179,201	+ 2,571	+ 36,344
Deposits of Banks	449,162*	+ 2,617	- 11,338
Certified & Officers' Checks	52,862	+ 3,944	+ 10,102
Total Time Deposits	603,897	- 13,747	+ 3,035
Deposits of Individuals	584,089	- 13,632	- 1,437
Other Time Deposits	19,808	- 115	+ 4,472
Liabilities for Borrowed Money	2,200	- 20,300	- 6,010
All Other Liabilities	18,636	- 2,125	- 2,014
Capital Accounts	211,083	+ 1,060	+ 11,150
Total Liabilities	3,649,977	- 50,818	- 18,516

*Net figures, reciprocal balances being eliminated.

DEPOSITS IN MUTUAL SAVINGS BANKS

8 Baltimore Banks

	Nov. 30, 1947	Oct. 31, 1947	Nov. 1946
Total Deposits	\$388,799,340	\$390,772,905	\$376,973,124

COMMERCIAL FAILURES

MONTHS	Number Failures		Total Liabilities	
	Dist.	U.S.	Dist.	U.S.
November 1947	17	313	\$ 392,000	\$ 16,345,000
October 1947	5	336	91,000	21,322,000
November 1946	4	104	41,000	12,511,000
11 Months 1947	108	3,159	\$4,474,000	\$195,549,070
11 Months 1946	24	989	404,000	53,243,000

Source: Dun. & Bradstreet

DEBITS TO INDIVIDUAL ACCOUNTS

(000 omitted)

	Nov. 1947	% Chg. from Nov. 1946	11 Mos. 1947	% Chg. from 11 Mos. '46
District of Columbia				
Washington	\$ 659,690	+ 8	\$ 7,141,331	- 6
Maryland				
Baltimore	903,917	+ 4	9,706,395	+ 8
Cumberland	20,124	+ 2	228,590	+ 9
Frederick	21,669	+ 35	197,910	+ 21
Hagerstown	24,020	- 2	269,090	+ 10
North Carolina				
Asheville	44,593	+ 5	492,237	+ 15
Charlotte	218,856	+ 10	2,224,570	+ 15
Durham	144,633	+ 15	1,237,590	+ 6
Greensboro	67,001	+ 7	691,865	+ 17
Kinston	22,049	+ 15	186,636	+ 2
Raleigh	111,228	+ 25	1,092,804	+ 32
Wilmington	32,521	- 1	368,740	+ 3
Wilson	34,914	- 13	255,798	+ 7
Winston-Salem	126,360	- 1	1,280,507	+ 18
South Carolina				
Charleston	47,789	- 8	548,234	+ 1
Columbia	83,452	+ 8	907,801	+ 15
Greenville	71,365	+ 8	764,305	+ 19
Spartanburg	50,121	+ 22	469,234	+ 21
Virginia				
Charlottesville	20,905	- 2	228,585	- 5
Danville	44,988	- 10	325,807	+ 7
Lynchburg	38,532	+ 13	382,042	+ 15
Newport News	29,335	+ 10	326,033	+ 24
Norfolk	164,086	+ 10	1,769,497	+ 18
Portsmouth	19,721	+ 2	202,342	+ 7
Richmond	401,269	- 13	4,507,188	+ 5
Roanoke	78,551	+ 3	818,802	+ 16
West Virginia				
Bluefield	41,185	+ 23	394,543	+ 22
Charleston	134,950	+ 16	1,316,338	+ 14
Clarksburg	30,051	+ 21	306,049	+ 22
Huntington	50,526	+ 11	532,762	+ 15
Parkersburg	25,884	+ 14	274,017	+ 17
District Totals	\$ 3,764,345	+ 5	\$39,437,642	+ 10

COTTON CONSUMPTION AND ON HAND—BALES

	Nov. 1947	Nov. 1946	Aug. 1 to 1947	Nov. 30 1946
Fifth District States:				
Cotton consumed	381,297	415,238	1,531,190	1,668,412
Cotton Growing States:				
Cotton consumed	672,421	773,200	2,664,039	3,057,881
Cotton on hand Nov. 30 in consuming establishments	1,604,107	1,797,561		
storage and compresses	5,306,246	6,131,953		
United States:				
Cotton consumed	759,498	878,025	3,023,763	3,487,069
Cotton on hand Nov. 30 in consuming establishments	1,858,676	2,118,065		
storage and compresses	5,360,906	6,208,001		
Spindles active, U. S.	21,432,000	21,525,000		

COTTON CONSUMPTION—FIFTH DISTRICT

(In bales)

MONTHS	N. Carolina	S. Carolina	Va.	Dist.
November 1947	205,608	167,827	17,862	381,297
October 1947	222,035	171,025	18,682	411,742
November 1946	224,537	171,096	19,605	415,238
11 Months 1947	2,298,741	1,828,541	199,871	4,327,153
11 Months 1946	2,352,190	1,768,178	194,290	4,314,658

Source: Dept. of Commerce.

PRICES OF UNFINISHED COTTON TEXTILES, IN CENTS

	Nov. 1947	Oct. 1947	Nov. 1946
Average, 17 constructions	92.76	89.96	70.99
Printcloths, average (6)	131.59	125.10	78.53
Sheetings, average (3)	75.73	74.35	64.23
Twill (1)	79.86	79.86	72.72
Drills, average (4)	64.74	63.65	62.53
Sateen (1)	97.61	97.61	96.49
Ducks, average (2)	61.91	61.84	61.52

Note: The above figures are those for the approximate quantities of cloth obtainable from a pound of cotton with adjustment for salable waste.

BUILDING PERMIT FIGURES

	Total Valuation	
	Nov. 1947	Nov. 1946
Maryland		
Baltimore	\$ 4,728,880	\$ 4,689,515
Cumberland	65,725	52,050
Frederick	64,775	21,260
Hagerstown	24,185	109,395
Salisbury	87,930	61,075
Virginia		
Danville	79,234	38,790
Lynchburg	218,347	342,458
Norfolk	779,670	285,620
Petersburg	209,315	39,800
Portsmouth	64,735	41,328
Richmond	1,071,112	1,830,622
Roanoke	373,751	281,605
West Virginia		
Charleston	374,094	239,039
Clarksburg	55,168	14,965
Huntington	302,705	122,374
North Carolina		
Asheville	135,356	97,051
Charlotte	1,558,470	659,781
Durham	928,554	317,300
Greensboro	405,485	218,778
High Point	169,535	101,230
Raleigh	511,400	111,626
Rocky Mount	304,850	59,800
Salisbury	124,600	72,515
Winston-Salem	366,794	137,444
South Carolina		
Charleston	110,082	60,145
Columbia	392,025	48,940
Greenville	208,200	41,800
Spartanburg	93,080	71,390
District of Columbia		
Washington	3,742,892	2,384,375
District Totals	\$ 17,549,949	\$ 12,552,131
11 Months	203,298,740	162,892,164

CONSTRUCTION CONTRACTS AWARDED

STATES	Oct. 1947	% Chg. from Oct. 1946	% Chg. from	
			10 Mos. '47	10 Mos. '46
Maryland	\$32,922,000	+61	\$231,039,000	-11
Dist. of Columbia	4,680,000	+2	64,462,000	+17
Virginia	12,770,000	+8	163,425,000	-2
West Virginia	2,337,000	-62	59,112,000	-7
North Carolina	14,611,000	+13	131,608,000	-18
South Carolina	5,048,000	+54	52,304,000	-45
Fifth District	\$72,368,000	+22	\$701,950,000	-12

Source: F. W. Dodge Corp.

DEPARTMENT STORE TRADE

Richmond	Baltimore	Washington	Other Cities	District
Percentage chg. in Nov. 1947 sales, compared with sales in Nov. 1946:				
+10	0	+2	-1	+3
Percentage chg. in 11 months' sales 1947, compared with 11 months in '46:				
+9	+2	+2	0	+3
Percentage chg. in stocks on Nov. 30, '47, compared with Nov. 30, '46:				
-11	+4	-1	+9	0
Percentage chg. in outstand'g orders Nov. 30, '47 from Nov. 30, '46:				
-36	-13	-3	+8	-14
Percentage chg. in receivables Nov. 30, '47 from those on Nov. 30, '46:				
+44	+19	+30	+18	+27
Percentage of current receivables as of Nov. 1, '47 collected in Nov.:				
33	51	49	54	47
Percentage of instalment receivables as of Nov. 1, '47 collected in Nov.:				
29	31	26	32	28
Maryland Dist. of Col. Virginia W. Virginia No. Carolina So. Carolina				
Percentage change in Nov. '47 sales from Nov. '46 sales, by states:				
0	+2	+8	+12	-2
Percentage change in 11 months' sales 1947 from 11 months' 1946 sales:				
+2	+2	+6	+6	+4

RAYON YARN DATA

	Nov. 1947	Oct. 1947	Nov. 1946
Rayon Yarn Shipments, Lbs.....	62,500,000	65,300,000	58,000,000
Staple Fiber Shipments, Lbs.....	21,400,000	23,100,000	13,000,000
Rayon Yarn Stocks, Lbs.....	8,200,000	9,100,000	9,700,000
Staple Fiber Stocks, Lbs.....	5,500,000	5,600,000	2,500,000

Source: Rayon Organon

WHOLESALE TRADE 212 FIRMS

LINES	Net Sales compared with		Stock compared with		Ratio Nov. collections to acc'ts outstand'g Nov. 1
	Nov. 1946	Oct. 1947	Nov. 30, 1946	Oct. 31, 1947	
Auto supplies (6)*.....	+6	-17	+69	+11	93
Drugs & sundries (10)*.....	-2	-16	+10	0	110
Dry goods (7)*.....	-6	-16	+27	-8	70
Electrical goods (7)*.....	+43	-11	+52	+7	86
Groceries (68)*.....	-2	-17	+25	+3	159
Hardware (12)*.....	+4	-17	+83	+4	100
Industrial supplies (4)*.....	+41	+1	+58	+1	99
Paper & products (6)*.....	+21	-6	.....	.....	104
Tobacco & products (10)*.....	-4	-17	+5	+9	151
Miscellaneous (82)*.....	+14	-15	+34	-1	99
District Avg. (212)*.....	+6	-15	+35	0	104

Source: Dept. of Commerce.

*Number of reporting firms.

TOBACCO MANUFACTURING

	Nov. 1947	% Chg. from Nov. 1946	11 Mos. 1947	% Chg. from 11 Mos. '46
Smoking & chewing tobacco (Thousands of lbs.).....	15,165	-22	186,062	-6
Cigarettes (Thousands).....	27,332,849	-1	311,164,880	+4
Cigars (Thousands).....	495,401	-10	5,178,044	-4
Snuff (Thousands of lbs.).....	2,980	-19	36,765	+1

AUCTION TOBACCO MARKETING

STATES	Producers' Tobacco Sales, Lbs.		Price per Cwt.	
	Nov. 1947	Nov. 1946	1947	1946
North Carolina	148,624,405	152,246,567	\$41.60	\$44.30
Virginia	48,550,701	51,242,982	37.79	43.23
District Total	197,175,106	203,489,549	40.66	44.03
Season through	1,086,372,632*	1,105,348,446*	42.33	50.14

*Includes South Carolina sales in Aug.-Oct.

SOFT COAL PRODUCTION IN THOUSANDS OF TONS

REGIONS	Nov. 1947	Nov. 1946	% Change	11 Mos. 1947	11 Mos. 1946	% Change
	West Virginia	14,587	9,849	+48	154,400	129,050	+20
Virginia	1,857	1,050	+77	18,348	15,335	+20
Maryland	159	135	+18	1,796	1,858	-3
Fifth Dist.	16,603	11,034	+50	174,544	146,243	+19
United States	52,350	37,501	+40	563,392	486,470	+16
% in District.....	31.7	29.4		31.0	30.1	

RETAIL FURNITURE SALES

STATES	Percentage changes in Nov. and 11 months 1947 Compared with	
	Nov. 1946	10 Mos. 1946
Maryland (5)*	+18	+11
District of Columbia (6)*.....	+2	-2
Virginia (20)*	+6	+16
West Virginia (10)*.....	+22	+8
North Carolina (16)*.....	+7	+15
South Carolina (10)*.....	+30	+15
Fifth District (67)*.....	+12	+9
Individual Cities		
Baltimore, Md., (5)*.....	+18	+11
Washington, D. C., (6)*.....	+2	-2
Lynchburg, Va., (3)*.....	+19	+19
Richmond, Va., (3)*.....	0	+13
Charleston, W. Va., (3)*.....	+23	-2
Charlotte, N. C., (4)*.....	+12	+14
Columbia, S. C. (3)*.....	+20	+3

*Number of reporting stores.