



FEDERAL RESERVE BANK OF RICHMOND

RICHMOND 13, VIRGINIA

JUNE 30, 1949

Business Conditions

BUSINESS ACTIVITY in the Fifth Federal Reserve District, for the most part, enjoyed a respite during May from the downward trend which had been in evidence since the fall of 1948. Trade figures in particular made a favorable showing with department store, furniture store, and most lines of wholesale trade showing better than normal seasonal performance in May over April. Bank debits, bituminous coal production, public works and utility and residential building contract awards, building permits, cigarette production, and life insurance sales all showed better than seasonal performance in May as compared with April. Cotton consumption by mills of the Fifth District in May showed no change from April after seasonal correction. New passenger automobiles registered in the District in April were 39 per cent higher than a year ago, while business failures in May fell 54 per cent from April on a seasonally adjusted basis.

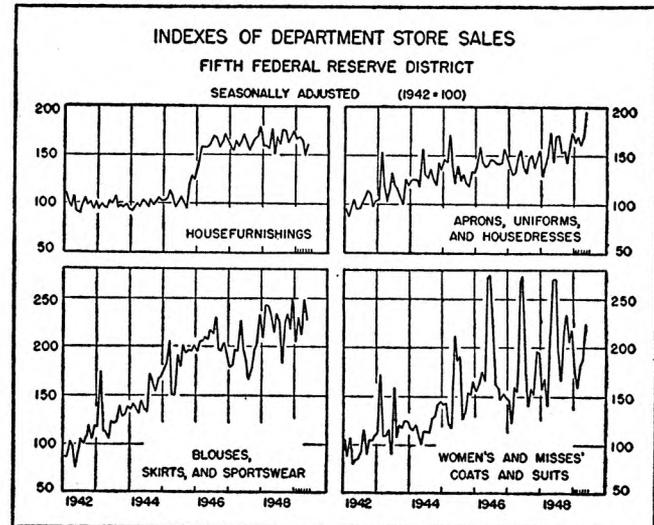
The underlying situation, however, indicates that further curtailment of economic activity in the District would be seen before a period of sustained improvement is witnessed. The employment situation continued to deteriorate in May with declines from the previous month recorded in a large majority of the manufacturing industries. Reduction in hours of labor has had about the same effect on pay rolls as the decline in employment levels.

Cotton Textiles

Although cotton consumption in the mills of the Fifth District in May showed no change from the April level after adjustment for seasonal variation, the mills of Virginia and North Carolina showed increases in this period which were offset by declines in South Carolina. From the peak levels around May 1948 the declines in cotton consumption have occurred most in Virginia mills followed in order by those in North Carolina and South Carolina.

Summer vacations have been announced by numerous mills, and there appears to be a larger number of them shutting down for more than one week than was the case last year.

The goods and yarns market has been showing strong resistance to further price declines; and while purchases have been held to a minimum and mainly for nearby delivery, there has been some broadening of forward purchases of selected constructions. Next month will mark a year that the industry operations have been sliding, and it would seem that if there has been a considerable vol-



ume of hidden inventories, these could have been pushed into consumption channels by this time since the measurable sources of consumption at the retail level have shown no perceptible weakness in this period. It would seem in view of these considerations together with the sharp cut-back in output that a measure of recovery in production would be in order this fall. The degree of recovery, however, must take into account the fact that further shifting is taking place from cotton to rayon tire cord.

Rayon

Shipments of rayon filament yarn and staple fiber in May for the United States were 9 per cent higher than in April, but 35 per cent below May 1948. Relative to a year ago filament yarn shipments in May were down 25 per cent while staple fiber shipments were down 65 per cent. In the first five months of 1949 Viscose filament yarns were down 9 per cent and acetate filament yarns down 22 per cent from like months last year, while Viscose staple was down 46 per cent and acetate staple down 62 per cent in the same period. This would seem to indicate that the areas of Front Royal, Va.; Nitro and Parkersburg, W. Va.; Narrows and Waynesboro, Va. where staple fiber is produced may have cut back more substantially than in other rayon producing areas.

Rayon prices for both viscose and acetate during May were reduced in a range of from 1 cent to 10 cents a pound depending on the denier of the yarn. These declines were followed by a drop of 3 to 6 per cent in dis-

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solving wood pulp price on June 1st. This is an important element of cost in rayon production. High tenacity viscose yarns used for making tire cords were already competitive with cotton for this purpose and the lowered rayon prices seem likely to continue the trend toward rayon usage. In the first five months of 1949 high tenacity viscose and cupra rayon yarn shipments were 15 per cent higher than in like months of 1948 whereas other viscose and cupra yarn shipments were down 29 per cent bringing the total of these yarns down only 9 per cent.

Furniture

Although furniture shipments of southern manufacturers in April were about the same as in March after seasonal correction, new orders likewise adjusted fell 29 per cent in this period thus indicating some further drop in output and shipments. Trade opinion points toward a dearth of new business until the July furniture shows have been held. Based on the retail sales of furniture thus far this year it would appear that some improvement in operations would be a reasonable expectation this fall.

Furniture store sales in the Fifth District rose 17 per cent on a seasonally adjusted basis from April to May to a level 4 per cent ahead of May 1948. Sales in the first five months were 1 per cent behind last year. In the first four months of 1949 the furniture departments of those

stores reporting departmentally throughout the United States showed sales only 4 per cent under similar months last year. This makes it look like either retail furniture sales are in for a considerably bigger drop, or manufacturers sales are in for a rise, or some of both.

Lumber

Employment in this industry is still declining and hours of labor are likewise falling. Together they indicate a reduction in the output of between 20 and 25 per cent from a year ago. Although southern pine prices have been fairly steady for the past month, west coast fir has weakened, and this will probably have a similar effect on southern pine. The southern hardwood market is soft with furniture factories buying very little stock, and the flooring factories cutting back operations.

Construction

New construction contract awards seasonally adjusted in May moved somewhat contrary to trends shown thus far this year in the Fifth District. Commercial building awards, which in the first five months were 57 per cent ahead of a year ago, declined 56 per cent on a seasonally adjusted basis from April to May. Contract awards for factory buildings, which fell 46 per cent in the first five months decreased 68 per cent from April to May after seasonal adjustment.

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**BUSINESS INDEXES—FIFTH FEDERAL RESERVE DISTRICT
AVERAGE DAILY, 1935-39=100—SEASONALLY ADJUSTED**

	May 1949	Apr. 1949	Mar. 1949	May 1948	% Change—Latest Month	
					Prev. Mo.	Year Ago
Automobile Registration ¹ .....	.....	179	163	106	+ 10	+ 39
Bank Debits	328	312	332	326	+ 5	+ 1
Bituminous Coal Production	187	179	93	190	+ 4	- 2
Building Contracts Awarded:	287	363	263	365	- 21	- 21
Commercial Construction Contracts	573	1305	346	461	- 56	+ 24
Manufacturing Construction Contracts	133	414	286	418	- 68	- 68
Public Works and Utilities	252	245	219	523	+ 3	- 52
Residential Construction Contracts	315	304	230	313r	+ 4	+ 1
Apartments and Hotels	334	428	278	312	- 22	+ 7
One and Two Family Houses	312	292	263	320	+ 7	- 3
Building Permits Issued	342	285r	222	277	+ 20	+ 23
Business Failures — No.	59	128	101	31	- 54	+ 90
Cigarette Production	255	232r	256	232	+ 10	+ 10
Cotton Consumption	111	111	128	148	0	- 25
Cotton Spindle Hours	115	112	128	152	+ 3	- 24
Department Store Sales ²	317	307	290	322	+ 3	- 2
Department Store Stocks	304	315r	305r	325r	- 3	- 6
Electric Power Production .....	.....	258	277	254	- 7	+ 1
Employment — Mfg. Industries ¹ .....	.....	125	127	135	- 2	- 7
Furniture Orders ³	177	172	241r	241	+ 3	- 27
Furniture Shipments ³	200	217	218r	262	- 8	- 24
Furniture Unfilled Orders ³	253	297	402r	668	- 15	- 62
Furniture Sales — Retail	274	234r	250	263	+ 17	+ 4
Gasoline Consumption .....	.....	.....	203	190	+ 6	+ 13
Life Insurance Sales.....	253	249	256	252	+ 2	0
Wholesale Trade:						
Automotive Supplies ²	344	260	283	408	+ 32	- 16
Drugs	266	268	256	253	- 1	+ 5
Dry Goods ²	166	156	151	198	+ 6	- 16
Electrical Goods ²	90	77	71	89	+ 17	+ 1
Groceries	246	238	247	262	+ 3	- 6
Hardware	139	124	133	138	+ 12	+ 1
Industrial Supplies ²	248	255	279	387	- 3	- 36
Paper and Its Products ²	129	125	134	153	+ 3	- 16
Tobacco and Its Products ²	85	89	84	92	- 4	- 8

¹ Not seasonally adjusted.

² 1938-41=100

³ Revised Series—back figures available on request.

The Growth and Importance of Manufacturing in the Fifth Federal Reserve District

The Census of Manufactures was taken last year covering the year 1947. In 1947 the value added by manufacture of all manufacturing industries in the Fifth Federal Reserve District amounted to \$5,396 million. This was a gain of 205.4 per cent over the previous manufacturing census covering the year 1939. In this same period the value added by manufacture for all manufacturing industries in the United States amounted to \$74,364 million or a gain of 203.7 per cent over 1939. Thus, essentially the manufacturing industries of the Fifth District paced the nation in its gain in this period, the differences in percentage being inconsequential. The value added by manufacture is computed by subtracting the cost of materials and supplies from the value of shipments. Thus, the value added by manufacture measures the value of manufacturing process and is the best representation of the relative importance of manufacturing.

Seven industries in the Fifth District accounted for two-thirds of the total value added by manufacture in that area in 1947. Only three of these seven industries, however, exceeded the gain shown for all manufacturing industries in the District between 1939 and 1947. These were textile mill products, lumber and timber products, and transportation equipment.

Of the eighteen major groups of industrial products into which manufacturing has been subdivided, eight of these industries in the Fifth District showed gains from 1939 to 1947 less than the District average for all products while the remaining ten showed gains greater than the District average. Industries of not very great importance in the manufacturing economy of the District showed some very substantial gains in value added in the period under review. These include rubber products, machinery other than electrical as well as electrical machinery, and instruments. Altogether these industries accounted for only 3.2 per cent of the value added in the District in 1947.

Only two states in the Fifth District, South Carolina and West Virginia, showed a gain in the value added by manufacture from 1939 to 1947 in excess of that shown by the Fifth District as a whole. North Carolina showed a gain only slightly below the District average while gains in other states and the District of Columbia were below the District average.

Relative Importance of Manufacturing in Fifth District States

North Carolina, Maryland, Virginia, South Carolina, West Virginia, and the District of Columbia in 1947 ranked in importance in the order named in their contribution to manufacturing in the Fifth District. But in the gain shown from 1939 to 1947, South Carolina by far exceeded any other state in the District, West Virginia placing second, North Carolina third, Virginia fourth, Maryland fifth, and the District of Columbia sixth.

In the industries showing any considerable importance to the state of South Carolina the gain from 1939 to 1947 exceeded that of any other state in the District or that of the national average; a very substantial gain being made in the state's most important industry, textile mill products. The value added by manufacturing in South Carolina rose 369.3 per cent from 1939 to 1947 to exceed that of all other states in the nation except that of New Mexico.

West Virginia's gain in value added by manufacture between 1939 and 1947 of 211.3 per cent in comparison with 205.4 for the District as a whole was occasioned mainly by the larger than average increase in its chemical industries and by unusually large gains in relatively small industries such as furniture, petroleum and coal manufacturing, and machinery, both electrical and other. In the percentage growth from 1939 to 1947 West Virginia ranked twenty-first among the 48 states and the District of Columbia.

Even though North Carolina's gain in manufacturing, as measured by value added, gained essentially the same as that in the Fifth District or in the nation, the failure of the state's important tobacco industry to gain commensurately with the average of all manufacturing industries acted as a retarding factor on North Carolina's gain. While North Carolina's gain in the textile industries was greater than that in the nation, it was not so large as in South Carolina, Virginia, or the Fifth District as a whole. Though of relatively minor importance in North Carolina's economy, unusually large gains were made in the apparel, paper, fabricated metals, machinery, and transportation equipment industries. The percentage increase in value added by manufacture in North Carolina from 1939 to 1947 ranked twenty-fifth among the states.

The Virginia manufacturing economy, dominated by chemicals, textile mill products, and tobacco manufacturing, showed gains in chemicals and textile industries from 1939 to 1947 better than the District's average of all industries while the tobacco industry gain was substantially less than that shown for all industries in the District or in the nation. Virginia's rank in relative growth among the states was thirty-sixth.

Maryland's manufacturing gain of 171.0 per cent from 1939 to 1947 is considerably less than that in either the District or the nation to rank forty-third among the states. Maryland's important industries are food, transportation equipment, chemicals, apparel, and fabricated metal products in the order named. Food manufacturing in this state showed an increase better than that industry showed in the Fifth District and in the nation. The transportation equipment industry in Maryland showed a gain considerably better than all manufacturing industries in the Fifth District, but poorer than this industry recorded nationally. The state's chemical and apparel

industries gained considerably less in the period under review than these industries gained in either the Fifth District or in the nation.

Manufacturing activity in the District of Columbia consists mainly of printing and publishing and food processing. Printing and publishing in this area gained more between 1939 and 1947 than this industry showed in either the Fifth District or the nation, but the gain ran well behind that of the average of all industries in either the District or the nation. The food processing industry's gain was less than half of the gain showed in all industries in the District and a little more than half as large a gain as that shown in all food manufacturing industries in the nation. The gain in the value added by manufacture in all industries in the District of Columbia from 1939 to 1947 was 130.2 per cent for a rank of forty-eighth.

The value added by manufacture in dollar amounts, the increase from 1939 to 1947, and the percentage of the Fifth District totals are shown in Table 1 for each of the states in this District in comparison with the national total for all industries.

TABLE 1
RELATIVE IMPORTANCE OF MANUFACTURING
IN FIFTH DISTRICT STATES
Value Added by Manufacture

	(Million dollars)		%	% of Fifth Dist.	
	1939	1947	Increase	1939	1947
Maryland	420.6	1,140.0	171.0	23.8	21.1
Dist. of Columbia.....	43.4	99.2	128.6	2.5	1.7
Virginia	376.3	1,052.1	179.6	21.3	19.3
West Virginia	213.3	663.9	211.3	12.1	12.6
North Carolina	544.2	1,646.1	202.5	30.7	30.7
South Carolina	169.3	794.6	369.3	9.6	14.6
Fifth District	1,767.1	5,395.9	205.4	100.0	100.0
United States	24,487.0	74,364.0	203.7		

Source: Census of Manufactures: 1947, Bureau of the Census, Department of Commerce, Series MC-D6 and Series MC100-1

The Growth of Fifth District Manufacturing Industries from 1939 to 1947

The *Census of Manufactures* has thus far classified all manufacturing concerns on a state basis into twenty groups consisting of eighteen broad industrial classifications, a miscellaneous group composed of those industries not falling under any of the eighteen named groups and an "all other" group covering those concerns belonging under the eighteen named groups but which cannot be so reported because of possible disclosure of individual firm operations.

Of the eighteen named groups of industries located in the Fifth District, the increase in the value added by manufacture from 1939 to 1947 was greater in eleven industries and lower in seven than the national average of all industries.

The major group of manufacturing industries in the Fifth Federal Reserve District is textile mill products. These industries accounted for 29.9 per cent of the total value added by manufacture in 1947 in the Fifth District which was considerably more important than the 24.7 per cent recorded in 1939. While textile mill products industries in the Fifth District were gaining 269.9 per cent in the mentioned period, their gain for the nation as a whole was but 193.4 per cent. South Carolina is primarily responsible for the greater part of this increase

in the District with a gain of 404.7 per cent. The growth in Virginia in these industries was greater than that in North Carolina, the increase in Virginia being 287.9 per cent and that in North Carolina 218.9 per cent. The increase in Virginia was greater than the District or national gain for similar industries. The North Carolina gain exceeded that for the nation, but fell behind the Fifth District gain. In Maryland and West Virginia where textile mill products are of relatively small importance to the industry or to the economies of these states, the increase from 1939 to 1947 shown in value added fell far short of the growth in the industry in either the District or the nation.

The second industry of importance in the Fifth District is the chemical industry which includes mainly rayon yarn, fertilizer, and the synthetic chemical industries in the Kanawha Valley of West Virginia. Chemical industries accounted for 11.4 per cent of the total value added by manufacture in the Fifth District in 1947 and 11.6 per cent in 1939. The gain in these industries in the Fifth District from 1939 to 1947 as measured by value added by manufacture was not greatly different from the gain shown in these industries in the nation as a whole, amounting to 196.3 per cent in the District and 194.7 per cent in the nation. West Virginia, South Carolina, and Virginia, however, showed gains of respectively 275.1 per cent, 232.0 per cent, and 206.4 per cent in these industries. These percentages were in excess of the District average of 196.3 per cent.

The gain in food processing industries in the Fifth District compared favorably with the gain of these industries in the nation. The gain in the value added by manufacture from 1939 to 1947 in the Fifth District was 166.2 per cent; in the nation it was 158.9 per cent. These industries in 1947 ranked third in importance in the Fifth District amounting to 8.3 per cent of the total value added by manufacture compared with 9.5 per cent in 1939. All states in the District except West Virginia and the District of Columbia, showed gains in these industries larger than those in the nation.

The fourth ranking industry in the Fifth District is tobacco products which in 1947 accounted for 7.4 per cent of the total value added by manufacture compared with 11.7 per cent in 1939. This industry's selling prices have not been advanced very greatly while its labor and materials costs have risen notably during the period under review. The industry made a gain from 1939 to 1947 in the District of 93.5 per cent and 83.7 per cent in the nation. It is interesting to note that the chief gain in this industry has occurred in North Carolina where the gain in value added was 113.8 per cent, while in Virginia the gain amounted to only 65.5 per cent, less than the national average of 83.7 per cent. Since the supply of leaf tobacco is grown largely in North Carolina, it is apparent that the manufacturing growth in this industry is being made at the source of the raw material.

Lumber and timber products, the fifth industry in importance in the Fifth District, which accounted for 4.5 per cent of the District's value added by manufacture in 1947 and 4.0 per cent in 1939, showed a gain of 241.1 per cent from 1939 to 1947 compared with a na-

tional gain for these industries of 243.8 per cent in this period. Both South Carolina and North Carolina showed a considerably greater gain for these industries in the period under review than either those in the Fifth District or the nation. The gain in Virginia was not greatly different from the national or District average while that in Maryland and West Virginia was substantially below either District or national gain.

Transportation equipment in the Fifth District was our sixth industry in size as measured by value added in 1947, accounting for 4.2 per cent of the District total in 1947 compared with 4.0 per cent in 1939. The gain in this industry from 1939 to 1947 was 222.6 per cent in the District which was below the 230.5 per cent in the nation. The gain in this industry in Virginia is well below either District or national average, amounting to 151.1 per cent in the period under review. While of small importance in the state's economy, the gain from 1939 to 1947 in this industry in North Carolina has been considerably greater than in the nation, amounting to 372.7 per cent in North Carolina compared with 230.5 per cent in the United States.

Stone, clay, and glass industries in 1947 were tied for sixth place with transportation equipment in the relative importance in the District's economy, accounting for 4.2 per cent of the District's value added by manufacture in that year compared with 4.5 per cent in 1939. Although these industries in the Fifth District accounted for a smaller proportion of the manufacturing activity in 1947 than in 1939, their gain in this period in the District exceeded that in the nation. In West Virginia where the industry is fairly important the gain in value added was greater than that in the District as a whole and considerably greater than that in the nation. Larger than average increases were made in this industry in North and South Carolina, but in these areas the industry is of minor importance.

Paper and allied products industries, accounting for 3.6 per cent of the total value added by manufacture in the Fifth District in 1947, increased their importance in the District economy from the 3.1 per cent recorded in 1939. The gain in these industries from 1939 to 1947 was 252.8 per cent in the Fifth District and 223.8 per cent in the United States. In Virginia, where the industry is of most importance District-wise, the gain from 1939 to 1947 was somewhat less than the District average for these industries, but above the growth of the same industries nationally. North Carolina and South Carolina both showed gains around 319.0 per cent in this period.

The printing and publishing industries contributed 3.5 per cent of the Fifth District's total value added by manufacture in 1947 compared with 4.4 per cent in 1939. While the gain in these industries in the Fifth District of 145.5 per cent from 1939 to 1947 was slightly greater than the gain of 141.9 per cent in the United States, their gain was considerably below the average of all manufacturing industries in the District of 205.4 per cent in this period. Slightly better than average increases were shown in the District of Columbia and Maryland where these industries are of greatest importance in this District.

Apparel industries in the Fifth District showed a relative gain in importance from 3.1 per cent of the total value added by manufacture in 1939 to 3.4 per cent in 1947. Their increase in the Fifth District of 240.2 per cent was greater than the District's average of all industries and greater than the 219.1 per cent increase shown for apparel industries in the nation. The largest increases came in North Carolina where the value added was six times greater in 1947 than in 1939 and in Virginia where it was more than four times greater. In Maryland, however, where half of the District's industry is located, the growth of 161.7 per cent was less than in both District and nation.

Furniture accounted for 3.3 per cent of the total value added by manufacture in all industries in the Fifth District in 1947 compared with 2.8 per cent in 1939. The increase in these industries in the Fifth District of 256.3 per cent compared with a gain of 229.9 per cent in the nation. This industry in the District is located primarily in North Carolina and secondarily in Virginia and nominally in Maryland, West Virginia, and South Carolina. The gains in both North Carolina and Virginia from 1939 to 1947 of 264.4 per cent and 257.0 per cent respectively were greater than District or national averages for this industry.

Fabricated metal products, accounting for 3.2 per cent of the total value added by manufacture in the Fifth District in both 1947 and 1939, showed an increase of 205.3 per cent from 1939 to 1947 compared with a gain in the United States of 351.0 per cent. This industry, located chiefly in Maryland and West Virginia, and to a lesser extent in Virginia with some representation in all other states of the District, rose most in North Carolina and South Carolina in the period under review and least in the District of Columbia and Maryland. North Carolina and South Carolina showed gains from 1939 to 1947 greater than the national average for the industry with West Virginia, North Carolina, and South Carolina showing gains greater than the District average.

Primary metal products accounted for 2.5 per cent of the total value added by manufacture in the Fifth District in 1947 compared with 3.0 per cent in 1939. The gain in these industries from 1939 to 1947 of 160.5 per cent was less than the national growth in the same industries of 166.3 per cent and in both instances their gains were smaller than the average for all industries in District or nation. Primary metal products in the Fifth District are located mainly in West Virginia and Maryland and to a lesser extent in Virginia. The Maryland figures, however, cannot be shown because they would reveal the operations of one large concern. The gain in primary metal products in West Virginia from 1939 to 1947 was 158.2 per cent. This was less than either District or national average for such industries in this period. The growth in Virginia was 184.4 per cent which was greater than District or national average of these industries.

The machinery industries, both electrical and other, showed increasing importance in the Fifth District's economy between 1939 and 1947. In both cases these industries grew much more substantially than the average of industries as a whole. Electrical machinery industries

accounted for 1.1 per cent of the total value added by manufacture in the Fifth District in 1947 and 0.8 per cent in 1939, while other machinery industries accounted for 1.5 per cent in 1947 and 1.1 per cent in 1939. In Maryland where machinery industries are most important in the District the increase from 1939 to 1947 was less than either District or national average of similar industries. In West Virginia where machinery industries are of considerably less importance than in Maryland, their growth in the same period was 417.2 per cent. The nucleus of a machinery industry had been established in North Carolina by 1939 and by 1947 it had raised the value added by manufacture to \$17 million compared with \$3.9 million in 1939 for a gain of 343.6 per cent.

Petroleum refining together with the manufacture of coal products in the District showed value added by manufacture of \$38 million in 1947 compared with \$14 million in 1939 which made these industries of slightly less importance in the manufacturing set up in the Fifth District in 1947 than in 1939. Increases from 1939 to 1947 in these industries were smaller in the District than in the nation and in both cases the gain was smaller than the average of all manufacturing industries in this period.

Rubber products, though of relatively small significance in the Fifth District, increased in importance from 1939 to 1947 and the gain, 483.0 per cent, compared with a national gain of 154.7 per cent in the same industries.

The relative importance of manufacturing in the Fifth District in 1947 as compared with 1939 has found the textile, food, lumber, transportation equipment, paper, apparel, furniture, machinery, and rubber industries increasing in importance. The chemicals and fabricated metal products industries have just about maintained a similar position in the economy in 1947 as they held in 1939. Tobacco; stone, clay, and glass; printing and publishing; primary metal products; and petroleum refining and coal products manufacturing have failed to maintain as important a position in 1947 as they held in 1939. On the whole the Fifth District's gain has been only slightly greater than that of the United States as a whole. Details are shown in Table 2.

TABLE 2
RELATIVE IMPORTANCE OF MANUFACTURING INDUSTRIES IN THE FIFTH DISTRICT AND THEIR GROWTH FROM 1939 TO 1947

INDUSTRY GROUP	% of Fifth District value added by mfr.		% increase in value added by manuf. 1939 to 1947	
	1939	1947	5th Dist.	U. S.
Textile mill products	24.7	29.9	269.6	193.4
Chemicals & allied products	11.6	11.4	196.3	194.7
Food & kindred products	9.5	8.3	166.2	158.9
Tobacco manufactures	11.7	7.4	93.5	83.7
Lumber & products	4.0	4.5	241.1	243.8
Stone, clay, and glass	4.5	4.2	179.7	169.5
Transportation equipment	4.0	4.2	222.6	230.5
Paper & allied products	3.1	3.6	252.8	223.8
Printing & publishing	4.4	3.5	145.5	141.9
Apparel & related products	3.1	3.4	240.2	219.1
Furniture & fixtures	2.8	3.3	256.3	229.9
Fabricated metals	3.2	3.2	205.3	351.0
Primary metals	3.0	2.5	160.5	166.3
Machinery (excl. electrical)	1.1	1.5	303.4	283.8
Electrical machinery .....	.8	1.1	321.8	313.4
Petroleum & coal products .....	.8	.7	168.6	189.4
Rubber products .....	.3	.5	483.0	154.7
Instruments .....	.1	.1	327.3	224.3
Other	7.3	6.7	185.1	227.5
Total	100.0	100.0	205.4	203.7

Derived from Census of Manufactures: 1947, op. cit.

The Contribution of Fifth District Industries to National Totals

Concerns located in the Fifth Federal Reserve District are major sources of national output of manufactures in two industries. These are tobacco products and textile mill products.

Tobacco Products

Fifth District plants accounted for 62.43 per cent of the United States output of manufactured tobacco products in 1947, which was an improvement over the 1939 contribution of 59.26 per cent. This gain in the Fifth District position was probably caused by the relatively greater growth of cigarettes among the industry's products.

Textile Mill Products

These industries in the Fifth District accounting for 30.20 per cent of the national output in 1947 show marked relative progress over the 23.97 per cent in 1939. This gain in importance of the Fifth District in these industries is probably due mainly to the relatively greater increase in the number of man hours operated in old facilities and to a lesser extent in the expansion of new plant.

Furniture and Fixtures

In 1947 the Fifth District accounted for 12.76 per cent of the total national value added by manufacture in these industries. This was a moderately higher percentage than the 11.82 shown in 1939. The shift in importance was not great in this period and represents mainly a greater availability of labor in the Fifth District in 1947 when this resource everywhere was scarce.

Chemical and Allied Products

Chemical and allied products industries represented the Fifth District's fourth most important contribution to a national industry total. In 1947 these industries in the Fifth District accounted for 11.45 per cent of the same industries in the United States. This was not greatly different from the 11.40 per cent in 1939. It appears that the industrial chemicals of West Virginia were mainly responsible for maintaining the District's position in these industries in 1947 at the 1939 proportion since states where rayon has been important like Maryland and North Carolina show smaller percentages of the chemical industries in 1947 than in 1939. The small gain in Virginia's percentage of the industry total may in part be due to the rayon industry for greater gain had been experienced in this industry in Virginia than elsewhere in the country in the period under review.

Lumber and Products (excluding furniture)

These industries represented the fifth most important contribution of the Fifth District to a national industry total. In 1947 the industries in the District accounted for 9.65 per cent of similar industries in the United States compared with 9.75 per cent in 1939. Slight gains in percentage of the national total were made in North and South Carolina from 1939 to 1947; Virginia just about maintained the same position, while West Virginia and Maryland more than accounted for the District's small loss in importance.

Stone, Clay, and Glass

The Fifth District's sixth largest contribution to a national industrial group is found in stone, clay, and glass products, of which the large glass plants in West Virginia are most important. As previously noted, the industrial growth of stone, clay, and glass products in both District and nation did not keep pace with that of all manufacturing industries. The Fifth District improved its position in this group of industries from 9.23 per cent of the national total in 1939 to 9.58 per cent in 1947.

Paper and Allied Products

Paper and allied products in the Fifth District accounted for 6.76 per cent of these industries' value added by manufacture in the United States in 1947, which was moderately larger than the 6.20 per cent that the District had in 1939. North Carolina, South Carolina, and Virginia showed increases in their percentages of the national total from 1939 to 1947 of respectively .38 per cent, .29 per cent, and .10 per cent which were offset in part by lower percentages in West Virginia, Maryland, and the District of Columbia of respectively .14 per cent, .05 per cent, and .02 per cent.

The seven industrial groups here covered separately are the only ones in which industries located in the Fifth District accounted for as much as five per cent of the national total for the same industries. Of the remaining eleven industrial groups, the portion located in the Fifth District was a larger percentage of each industry's National total in 1947 than in 1939 except in four industries. There was a fairly significant increase in the District's percentage of the rubber products industry, and an increase worthy of note in the apparel industry.

TABLE 3
FIFTH DISTRICT PERCENTAGE OF EACH U. S. INDUSTRY'S
VALUE ADDED BY MANUFACTURE

INDUSTRY GROUP	1939	1947
Tobacco manufactures	59.26	62.43
Textile mill products	23.97	30.20
Stone, clay and glass	9.23	9.58
Furniture & fixtures	11.82	12.76
Chemicals and allied products	11.40	11.45
Lumber & products	9.73	9.65
Paper & allied products	6.20	6.76
Primary metals	2.42	2.86
Transportation equipment	3.96	3.87
Food & kindred products	4.84	4.98
Printing and publishing	4.40	4.47
Apparel & related products	3.95	4.21
Fabricated metals	4.00	3.48
Rubber products .....	.81	1.84
Petroleum & coal products	2.01	1.86
Machinery (excl. electrical)	1.00	1.06
Electrical machinery	1.51	1.54
Instruments .....	.33	.44
Other	12.27	10.68
Total	7.22	7.25

Derived from Census of Manufactures: 1947, op. cit.

The relative importance of the Fifth District's contribution to the value added by manufacture in each major group of industries in the United States in 1939 and in 1947 is shown in Tables 3 and 4.

TABLE 4
VALUE ADDED BY MANUFACTURE IN THE
FIFTH DISTRICT STATES

INDUSTRY GROUP	Millions of Dollars—1947					
	Md.	D. C.	Va.	W. Va.	N. C.	S. C.
Tobacco manufactures	0.4	.....	143.0	.....	258.0	.....
Textile mill products	24.5	.....	166.8	14.5	846.3	558.7
Stone, clay and glass	33.5	1.4	20.5	134.6	19.5	11.6
Furniture & fixtures	10.1	.....	53.9	3.1	102.4	6.5
Chemicals & allied prod.....	142.6	1.2	219.4	175.9	58.6	16.6
Lumber & products	13.1	.....	63.4	22.5	84.1	59.4
Paper & allied products.....	25.3	5.0	71.9	7.9	47.4	36.9
Primary metals .....	.....	.....	12.8	123.7	.....	.....
Transportation equipment..	150.8	.....	70.8	.....	5.2	.....
Food & kindred products.....	189.8	26.8	88.4	31.0	78.4	34.9
Printing & publishing	54.2	58.6	29.9	13.9	25.4	9.0
Apparel & related products	93.7	.....	49.0	.....	43.4	.....
Fabricated metals	83.2	1.9	26.7	46.1	11.9	1.5
Rubber products	27.1	.....	.....	0.3	.....	.....
Petroleum & coal products	18.0	.....	1.0	18.6	.....	.....
Machinery (excl. electrical)	44.3	.....	6.1	15.0	17.3	.....
Electrical machinery	34.8	0.6	.....	24.5	.....	.....
Instruments	3.7	0.7	.....	0.3	.....	.....
Other	191.1	3.0	28.6	31.9	48.1	59.6
Total	1,140.0	99.2	1,052.1	663.9	1,646.1	794.6

Percentage Increase from 1939 to 1947

INDUSTRY GROUP	Md.	D. C.	Va.	W. Va.	N. C.	S. C.
Tobacco manufactures	33.3	.....	65.5	.....	113.8	.....
Textile mill products	135.6	.....	287.9	130.2	218.9	404.7
Stone, clay, and glass	148.1	-17.7	153.1	193.2	219.7	213.5
Furniture & fixtures	152.5	.....	257.0	416.7	264.4	306.3
Chemicals & allied prods.	148.4	100.0	206.4	275.1	127.1	232.0
Lumber & products	142.6	.....	242.7	152.8	259.4	298.7
Paper & allied products.....	204.8	194.1	237.6	113.5	319.5	319.3
Primary metals .....	.....	.....	184.4	158.2	.....	.....
Transportation equipment	267.8	.....	151.1	.....	372.7	.....
Food & kindred products	174.7	90.1	174.5	152.0	171.3	186.1
Printing & publishing	146.4	159.3	137.3	110.6	151.5	130.8
Apparel and related prod.	161.7	.....	318.8	.....	502.8	.....
Fabricated metals	171.9	111.1	203.4	236.5	561.1	400.0
Rubber products	476.6	.....	.....	*	.....	.....
Petroleum & coal products	106.9	.....	100.0	237.5	.....	.....
Machinery (excl. electrical)	292.0	.....	154.2	417.2	343.6	.....
Electrical machinery	194.9	500.0	.....	965.2	.....	.....
Instruments	311.1	250.0	.....	*	.....	.....
Other	123.8	114.3	150.9	209.7	362.5	626.8
Total	171.0	128.6	179.6	211.3	202.5	369.3

* Withheld to avoid disclosing figures for individual companies.

Fifth District States' Percentage of Each
U. S. Industry in 1947

INDUSTRY GROUP	Md.	D. C.	Va.	W. Va.	N. C.	S. C.
Tobacco manufactures .....	.06	.00	22.24	.00	40.13	.00
Textile mill products .....	.46	.00	3.13	.27	15.87	10.47
Stone, clay, and glass.....	1.45	.06	.89	5.83	.85	.50
Furniture & fixtures .....	.73	.00	3.91	.22	7.43	.47
Chemicals & allied prod.	2.66	.02	4.09	3.28	1.09	.31
Lumber & products .....	.52	.00	2.52	.90	3.35	2.36
Paper & allied products.....	.88	.17	2.50	.28	1.65	1.28
Primary metals .....	.00	.00	.22	2.14	.00	.00
Transportation equipment..	2.57	.00	1.21	.00	.09	.00
Food & kindred products	2.10	.30	.98	.34	.87	.39
Printing & publishing.....	1.27	1.37	.70	.33	.59	.21
Apparel & related products	2.12	.00	1.11	.00	.98	.00
Fabricated metals	1.69	.04	.54	.94	.24	.03
Rubber products	1.82	.00	.00	.02	.00	.00
Petroleum & coal products	.89	.00	.05	.92	.00	.00
Machinery (excl. electrical)	.57	.00	.08	.19	.22	.00
Electrical machinery .....	.89	.02	.00	.63	.00	.00
Instruments .....	.34	.07	.00	.03	.00	.00
Other	5.63	.09	.84	.94	1.42	1.76
Total	1.53	.13	1.42	.89	2.21	1.07

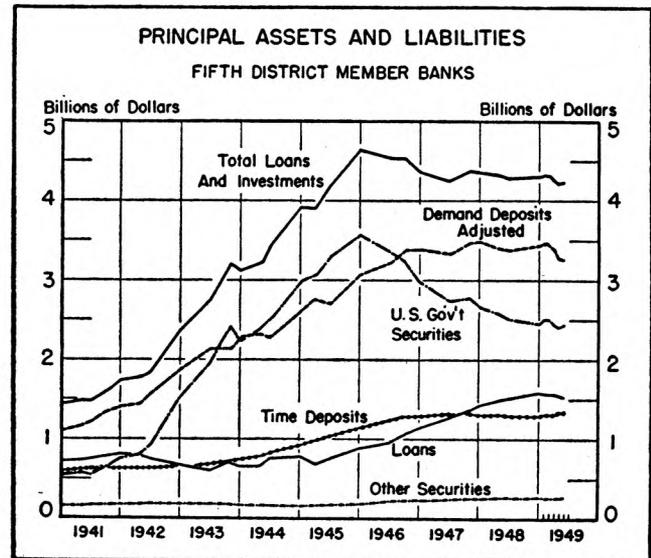
Source: Census of Manufactures: 1947, op. cit.

FEDERAL RESERVE BANK OF RICHMOND

AVERAGE DAILY TOTAL DEPOSITS* OF MEMBER BANKS

	\$ thousands	% of U.S.	\$ thousands	% of U.S.
	Last Half of Apr.		Last Half of May	
Maryland	1,012,032	.96	1,005,446	.95
Reserve city banks	637,620	.60	632,510	.60
Country banks	374,412	.36	372,936	.35
District of Columbia	879,429	.83	885,007	.84
Reserve city banks	856,898	.81	862,118	.82
Country banks	22,531	.02	22,889	.02
Virginia	1,282,990	1.21	1,267,902	1.20
Reserve city banks	305,676	.29	294,760	.28
Country banks	977,314	.92	973,142	.92
West Virginia	606,745	.57	605,224	.57
North Carolina	764,482	.72	742,443	.70
Reserve city banks	349,579	.33	336,139	.32
Country banks	414,903	.39	406,304	.38
South Carolina	422,603	.40	413,164	.39
Fifth District	4,968,281	4.69	4,919,186	4.67
U. S. (millions)	105,805	100.0	105,334	100.0

*Excluding interbank demand deposits.



Business Conditions

Continued from page 2

Public works and utilities contract awards were 31 per cent below a year ago in the first five months of the year; in May the adjusted index was up 3 per cent from April. Residential contract awards rose 4 per cent from April to May on a seasonally adjusted basis, whereas in the first five months of the year they were 23 per cent under a year earlier. Educational buildings which had been generally given an excellent prospect earlier this year showed contract awards in the first five months 39 per cent under the same period last year. Total construction contract awards in May were down 21 per cent from April after seasonal correction and 21 per cent under a year ago. In the first five months of the year total awards were down 16 per cent from similar months last year.

Automobile Registrations

New passenger cars were still moving to users in the Fifth District in substantial numbers in April this year when new registrations were 39 per cent above that month last year and 79 per cent higher than the 1935-39 average. In the first four months of 1939 new passenger car registrations in the Fifth District were 18 per cent higher than in like months of 1948 with West Virginia showing a gain of 31 per cent, North Carolina a gain of 26 per cent, South Carolina a gain of 23 per cent, Virginia a gain of 15 per cent, Maryland a gain of 11 per cent, and the District of Columbia a loss of 4 per cent.

Department Store Sales

Consumer purchases at the department stores in the Fifth District have been in good volume thus far this year even though somewhat below a year ago. The average daily unadjusted index through May averaged 2 per cent under a year ago in dollar sales which probably means that the physical quantity of goods sold has been somewhat higher than a year ago because of declines in prices. In May these sales rose 3 per cent from April after seasonal correction to a level only 2 per cent under a year ago.

For the most part, the decline in sales thus far in 1949 has been the high ticket items of housefurnishings such as major appliances and floor coverings. The chart on page one shows the seasonally adjusted sales of three departments which have been doing fairly well along with the nine departments which form the housefurnishings grouping. The contrasts in trends can readily be seen on this chart. There are additional departments other than the housefurnishings group which show sales occasionally running under the same month a year ago, but when these sales are seasonally adjusted, there are few instances where distinct downward trends are in evidence.

The index of department store stocks, which has recently been revised to take account of the seasonal shifts of a return to a buyer's market fell 3 per cent from April to May to a level 6 per cent below May 1948. In view of the drop in prices it does not appear on an overall basis that the physical quantity of department store stocks is below a year ago. Thus, department stores in this area have not contributed substantially to the reduction in production at the manufacturing level as a result of an inventory reduction.

Bank loans of all member banks in the Fifth District fell 2.9 per cent from December 29, 1948 to May 25, 1949. Member banks in West Virginia, however, show a gain in loans in this period of 3.3 per cent while District of Columbia member banks show a gain of 1.7 per cent. North Carolina member banks show the largest loan drop of 8.7 per cent in the period under review, with South Carolina member banks showing a drop of 6.0 per cent, Maryland member banks a drop of 5.7 per cent and Virginia member banks a drop of 0.5 per cent.

In the weekly reporting banks indications are that the chief causes of the loan drop are the commercial, industrial, and agricultural loans. There has been very little drop in real estate loans of these banks since the year end while "Other" loans which are largely consumer loans have risen.

FEDERAL RESERVE BANK OF RICHMOND

FEDERAL RESERVE BANK OF RICHMOND (All Figures in Thousands)

ITEMS	June 15	Change in Amt. From	
	1949	5-18-49	6-16-48
Total Gold Reserves	\$1,059,052	— 24,746	+ 47,050
Other Reserves	18,122	— 735	+ 2,799
Total Reserves	1,077,174	— 25,481	+ 49,849
Bills Discounted	11,349	— 11,748	— 4,951
Industrial Advances	30	— 8	— 29
Govt. Securities, Total	1,249,315	— 15,772	— 98,223
Bonds	516,819	— 25,029	+ 115,674
Notes	23,053	0	— 102,601
Certificates	452,370	+ 21,107	+ 166,811
Bills	257,073	— 11,850	— 278,107
Total Bills & Securities	1,260,694	— 27,258	— 103,203
Uncollected Items	254,130	+ 26,915	— 33,886
Other Assets	25,690	+ 5,640	+ 1,880
Total Assets	2,617,688	— 31,734	— 85,360
Federal Reserve Notes in Cir.	\$1,539,373	— 5,172	— 69,040
Deposits, Total	806,130	— 38,597	+ 3,373
Members' Reserves	780,661	+ 32,513	+ 48,655
U. S. Treas. Gen. Acct.	513	— 70,174	— 51,844
Foreign	22,545	+ 1,387	+ 6,047
Other Deposits	2,411	+ 451	+ 515
Def. Availability Items	227,133	+ 10,869	— 25,718
Other Liabilities	632	+ 40	— 277
Capital Accounts	44,420	+ 1,126	+ 6,302
Total Liabilities	2,617,688	— 31,734	— 85,360

51 REPORTING MEMBER BANKS—5th DISTRICT (All Figures in Thousands)

ITEMS	June 15	Change in Amt. From	
	1949	5-18-49	6-16-48
Total Loans	\$ 799,556**	— 28,578	— 19,438
Bus. & Agri.	357,285	— 22,494	— 24,127
Real Estate Loans	192,868	+ 209	+ 3,897
All Other Loans	257,695	+ 6,166	+ 9,084
Total Security Holdings	1,673,275	+ 28,822	— 61,459
U. S. Treasury Bills	80,485	+ 18,685	+ 7,343
U. S. Treasury Certificates	193,845	+ 13,069	— 20,102
U. S. Treasury Notes	40,595	+ 925	— 31,647
U. S. Govt. Bonds	1,221,070	— 7,002	— 14,230
Other Bonds, Stocks & Sec.	137,280	+ 3,145	+ 11,863
Cash Items in Process of Col.	232,513	+ 26,329	— 5,625
Due from Banks	171,351*	+ 20,511	+ 8,033
Currency & Coin	62,965	+ 238	— 542
Reserve with F. R. Banks	519,201	+ 26,421	+ 31,759
Other Assets	48,667	— 1,130	+ 7,217
Total Assets	3,507,528	+ 72,613	— 54,489
Total Demand Deposits	\$2,643,126	+ 69,895	— 80,760
Deposits of Individuals	2,040,350	+ 88,351	— 18,366
Deposits of U. S. Govt.	32,864	— 10,590	— 15,071
Deposits of State & Local Govt.	154,645	— 33,974	— 44,625
Deposits of Banks	371,881*	+ 27,438	— 1,476
Certified & Officer's Checks	43,386	— 1,330	+ 1,212
Total Time Deposits	613,669	+ 6,310	+ 12,092
Deposits of Individuals	568,602	+ 2,165	+ 15,701
Other Time Deposits	45,067	+ 8,475	+ 27,793
Liabilities for Borrowed Money	4,525	— 8,400	+ 3,825
All Other Liabilities	21,400	+ 3,257	+ 2,492
Capital Accounts	224,808	+ 1,551	+ 7,852
Total Liabilities	3,507,528	+ 72,613	— 54,489

* Net Figures, reciprocal balances being eliminated.

** Less losses for bad debts.

CONSTRUCTION CONTRACTS AWARDED

STATES	May	% Chg. from	5 Mos. 1949	% Chg. from
	1949	May 1948		5 Mos. 1948
Maryland	\$22,983,000	—23	\$106,246,000	—23
Dist. of Columbia	8,615,000	+82	51,362,000	+43
Virginia	18,031,000	—38	89,256,000	+1
West Virginia	4,501,000	—46	17,699,000	—64
North Carolina	15,863,000	—3	58,135,000	—12
South Carolina	6,970,000	—26	34,581,000	—12
Fifth District	\$77,063,000	—21	\$357,279,000	—15

Source: F. W. Dodge Corp.

DEPOSITS IN MUTUAL SAVINGS BANKS 8 Baltimore Banks

	May 31, 1949	April 30, 1949	May 31, 1948
Total Deposits	\$393,504,008	\$393,725,241	\$392,812,787

DEBITS TO INDIVIDUAL ACCOUNTS (000 omitted)

	May	May	5 Mos.	5 Mos.
	1949	1948	1949	1948
District of Columbia				
Washington	\$ 760,575	\$ 690,280	\$ 3,666,193	\$ 3,546,925
Maryland				
Baltimore	940,594	930,390	4,639,878	4,732,549
Cumberland	20,907	20,275	101,999	98,893
Frederick	16,506	18,264	85,382	90,321
Hagerstown	24,961	26,193	129,516	129,895
North Carolina				
Asheville	41,919	54,348	226,264	242,926
Charlotte	217,302	217,520	1,121,985	1,123,972
Durham	87,806	97,842	415,505	456,127
Greensboro	66,091	70,584	357,776	366,057
Kinston	11,730	10,627	64,260	56,951
Raleigh	113,624	99,729	614,820	501,230
Wilmington	30,885	34,531	153,877	167,918
Wilson	10,915	13,565	71,477	67,712
Winston-Salem	116,553	110,963	588,049	588,019
South Carolina				
Charleston	54,022	54,784	291,033	266,859
Columbia	96,036	89,121	476,383	452,577
Greenville	70,794	77,771	385,321	391,600
Spartanburg	39,948	45,210	221,164	237,169
Virginia				
Charlottesville	20,947	20,715	108,385	106,443
Danville	19,211	23,166	111,193	125,715
Lynchburg	32,418	36,340	176,559	187,325
Newport News	29,694	30,444	158,321	153,310
Norfolk	163,778	184,811	858,588	873,784
Portsmouth	18,381	19,296	94,929	97,500
Richmond	458,660	429,746	2,350,818	2,150,446
Roanoke	86,509	84,339	439,787	411,129
West Virginia				
Bluefield	43,269	37,737	226,122	197,879
Charleston	133,528	128,848	672,605	639,645
Clarksburg	27,979	30,063	143,901	152,734
Huntington	50,092	53,881	285,233	277,155
Parkersburg	23,513	26,608	125,943	128,379
District Totals	\$3,829,147	\$3,767,991	\$19,363,266	\$19,019,104

COTTON CONSUMPTION AND ON HAND—BALES

	May	May	Aug. 1 to	May 31
	1949	1948	1949	1948
Fifth District States:				
Cotton consumed	301,252	401,349	3,428,036	3,969,289
Cotton Growing States:				
Cotton consumed	521,525	693,963	6,029,198	6,989,913
Cotton on hand May 31 in				
consuming establishments	1,089,010	1,645,944		
storage and compresses	5,054,045	2,169,927		
United States:				
Cotton consumed	580,078	785,516	6,742,240	7,926,583
Cotton on hand May 31 in				
consuming establishments	1,277,423	2,006,769		
storage and compresses	5,079,999	2,232,911		
Spindles active, U. S.	19,862,000	21,723,000		

Source: Department of Commerce.

COTTON CONSUMPTION—FIFTH DISTRICT

	N. Carolina	S. Carolina	Virginia	District
May 1949	157,237	134,215	9,800	301,252
April 1949	152,070	138,730	9,521	300,321
May 1948	218,880	163,542	18,927	401,349
5 Months 1949	861,552	721,868	62,109	1,645,529
5 Months 1948	1,127,041	856,281	94,164	2,077,486

Source: Department of Commerce.

PRICES OF UNFINISHED COTTON TEXTILES

	May 1949	April 1949	May 1948
Average, 17 constructions	61.27	62.56	85.18
Printcloths, average (6)	64.42	66.91	96.62
Sheetings, average (3)	55.65	56.79	69.27
Twill (1)	62.47	63.17	116.15
Drills, average (4)	56.11	56.19	72.41
Sateen (1)	81.06	83.63	128.15
Ducks, average (2)	60.10	60.10	63.27

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

Source: Department of Agriculture.

BUILDING PERMIT FIGURES

	Total Valuation	
	May 1949	May 1948
Maryland		
Baltimore	\$ 5,841,510	\$ 4,433,130
Cumberland	46,890	124,040
Frederick	291,902	53,750
Hagerstown	297,050	223,035
Salisbury	67,413	150,492
Virginia		
Danville	420,325	1,437,354
Lynchburg	419,216	219,235
Norfolk	1,772,349	1,271,640
Petersburg	113,443	55,000
Portsmouth	143,794	135,912
Richmond	2,136,891	834,757
Roanoke	662,193	396,016
West Virginia		
Charleston	379,802	451,804
Clarksburg	150,510	321,855
Huntington	436,793	592,244
North Carolina		
Asheville	660,647	301,910
Charlotte	1,805,626	2,695,013
Durham	666,685	429,625
Greensboro	672,275	1,111,025
High Point	611,795	344,623
Raleigh	351,225	393,545
Rocky Mount	145,143	252,800
Salisbury	129,455	111,875
Winston-Salem	2,134,559	504,759
South Carolina		
Charleston	132,580	147,272
Columbia	769,986	389,895
Greenville	982,650	1,391,800
Spartanburg	96,655	156,597
District of Columbia		
Washington	5,388,275	3,527,321
District Totals	\$ 27,727,637	\$ 22,458,324
5 Months	\$101,870,022	\$113,502,173

RETAIL FURNITURE SALES

States	Percentage comparison of sales in periods named with sales in same periods in 1948	
	May 1949	5 Mos. 1949
	Maryland (5)*	+ 3	- 4
Dist. of Col. (6)*	+ 6	+12
Virginia (19)*	- 1	- 5
West Virginia (10)*	+17	-12
North Carolina (12)*	- 8	-14
South Carolina (10)*	+ 2	-11
District (62)*	+ 3	- 3
Individual Cities		
Baltimore, Md., (5)*	+ 3	- 4
Washington, D. C., (6)*	+ 6	+12
Richmond, Va., (6)*	+ 8	+ 1
Lynchburg, Va., (3)*	-15	- 4
Charleston, W. Va., (3)*	- 6	- 4
Charlotte, N. C., (3)*	-11	-25
Columbia, S. C., (3)*	- 8	- 1

*Number of reporting firms.

WHOLESALE TRADE, 176 FIRMS

LINES	Net Sales May 1949 compared with		Stock May 31, 1949 compared with	
	May 1948	April 1949	May 31 1948	April 30 1949
Auto supplies (8)*	-10	+12	-10	- 8
Electrical goods (7)*	- 2	+ 5	-12	-11
Hardware (11)*	-10	+ 4	- 3	-18
Industrial supplies (3)*	-45	- 4	.....	.....
Drugs & sundries (11)*	+ 4	- 5	+ 1	+ 2
Dry goods (12)*	-12	+ 1	-17	- 4
Groceries (55)*	- 4	+ 2	- 1	- 4
Paper & products (6)*	-14	+ 3	.....	.....
Tobacco & products (5)*	+ 5	- 4	+ 4	- 4
Miscellaneous (58)*	- 3	+ 2	+ 4	0
District Totals (176)*	- 5	+ 1	- 5	- 7

Source: Department of Commerce.

* Number of reporting firms.

SOFT COAL PRODUCTION IN THOUSANDS OF TONS

REGIONS	May 1949	May 1948	% Chg.	5 Mos. 1949	5 Mos. 1948	% Chg.
West Virginia	16,114	15,940	+ 1	66,641	63,025	+ 6
Virginia	1,697	2,044	-17	6,949	7,679	-10
Maryland	46	168	-73	327	712	-54
Fifth District	17,857	18,152	- 2	73,917	71,416	+ 4
United States	47,470	56,583	-16	220,117	233,159	- 6
% in District	37.6	32.1	.....	33.6	30.6	.....

Source: Bureau of Mines.

RAYON YARN SHIPMENTS AND STOCKS

	May 1949	April 1949	May 1948
Rayon Yarn shipments	51,300,000	47,800,000	69,900,000
Staple fiber shipments	7,700,000	6,200,000	23,700,000
Rayon Yarn stocks	50,200,000	44,200,000	8,700,000
Staple fiber stocks	20,600,000	19,100,000	3,700,000

Source: Rayon Organon

TOBACCO MANUFACTURING

	May 1949	% Change from May 1948	5 Mos. 1949	% Change from 5 Mos. '48
	Smoking & Chewing tobacco (Thousands of lbs.)	17,051	+ 9	77,520	- 4
Cigarettes (Thousands)	30,892,727	+ 8	142,757,822	+ 2
Cigars (Thousands)	428,357	- 4	2,162,414	- 5
Snuff (Thousands of lbs.)	3,311	- 1	17,078	- 5

Source: Treasury Department.

COMMERCIAL FAILURES

MONTHS	Number of Failures		Total Liabilities	
	District	U. S.	District	U. S.
May 1949	30	776	\$ 746,000	\$ 28,374,000
April 1949	54	877	2,152,000	31,930,000
May 1948	16	426	1,080,000	13,814,000
5 Months 1949	179	3,753	\$5,048,000	\$204,474,000
5 Months 1948	82	2,080	2,192,000	85,175,000

Source: Dun & Bradstreet

DEPARTMENT STORE TRADE

	Richmond	Baltimore	Washington	Other Cities	District
Percentage change in May 1949 sales compared with May 1948:	+ 2	- 5	+ 1	- 3	- 2
Percentage change in 5 mos. sales 1949 compared with 5 mos. in 1948:	- 2	- 4	+ 3	- 3	- 1
Percentage chg. in stocks on May 31, 1949 compared with May 31, '48:	- 5	- 2	- 1	- 8	- 3
Percentage chg. in outstanding orders May 31, 1949 from May 31, '48:	-31	-39	-35	-63	-37
Percentage chg. in receivables May 31, 1949 from those on May 31, '48:	+ 6	+ 2	+14	- 1	+ 7
Percentage of current receivables as of May 1, 1949 collected in May:	33	48	48	47	44
Perctge. of instalment receivables as of May 1, 1949 collected in May:	15	21	20	23	20
Maryland Dist. of Col. Virginia W. Va. N. Caro. S. Faro.					
Percentage change in May 1949 sales from May 1948 sales, by States:	- 5	+ 1	- 1	+ 1	- 8
Percentage change in 5 months 1949 from 5 months 1948 sales:	- 5	+ 3	- 2	+ 1	- 9