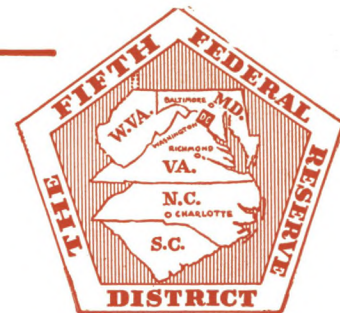
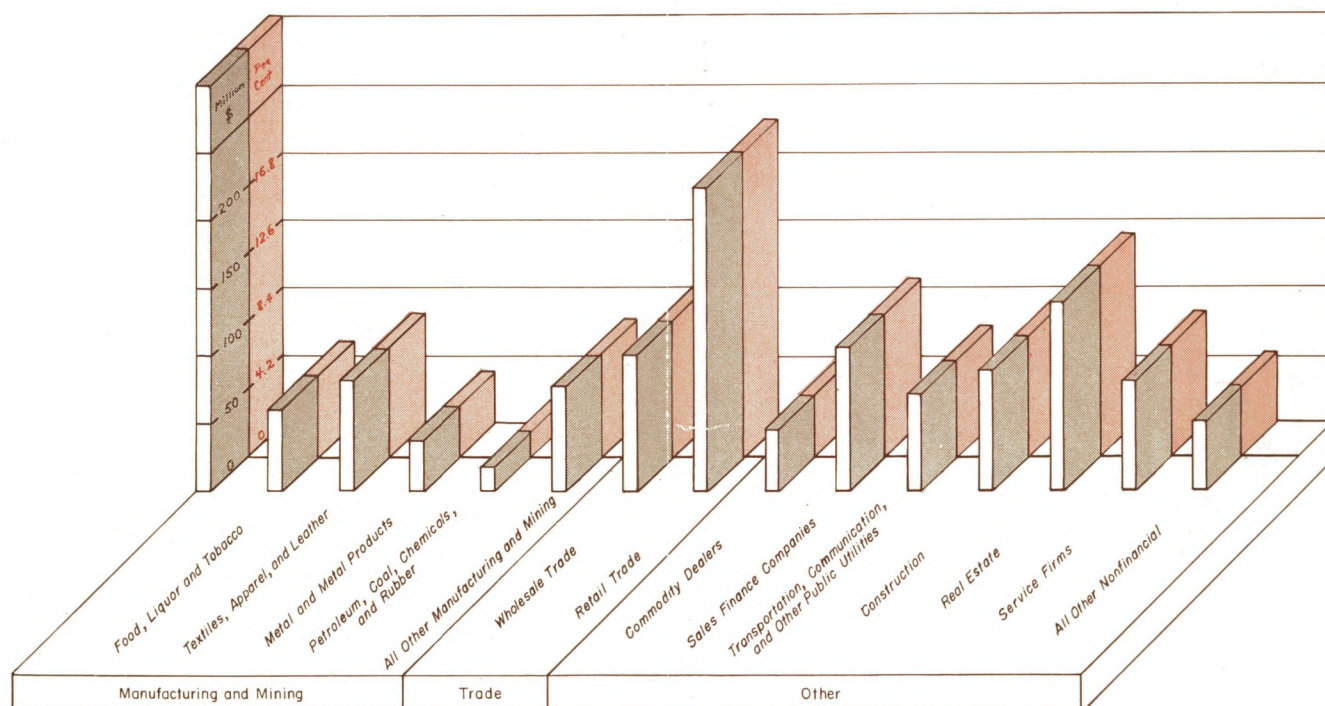


Monthly Review



April 1956

BUSINESS BORROWERS AT FIFTH DISTRICT MEMBER BANKS LOANS OUTSTANDING OCTOBER 5, 1955



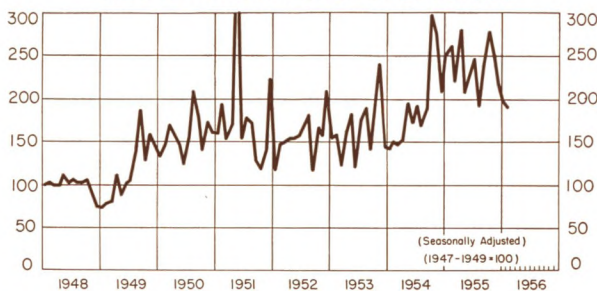
There begins on page 3 the first of a series of reports describing the characteristics of business loans and borrowers at District member banks. The reports are based on a survey of business loans outstanding on October 5, 1955, the District survey being part of a nation-wide survey conducted by the Federal Reserve System. This first article presents the survey findings as to differences among the various size-groups of banks and among the types of borrowers.

Also In This Issue - - -

| | |
|---|---------|
| A Fair Share for Small Business | Page 6 |
| What Will Farmers Plant in '56? | Page 8 |
| Business Conditions and Prospects | Page 10 |
| Fifth District Statistical Data | Page 11 |

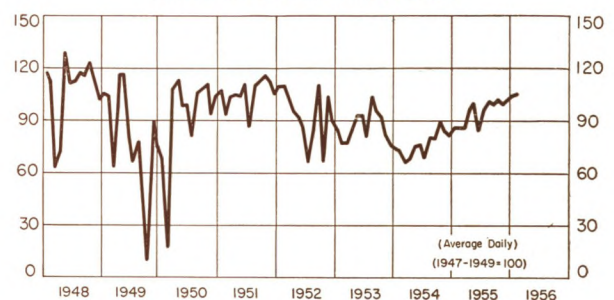
FIFTH DISTRICT TRENDS

TOTAL CONSTRUCTION CONTRACT AWARDS



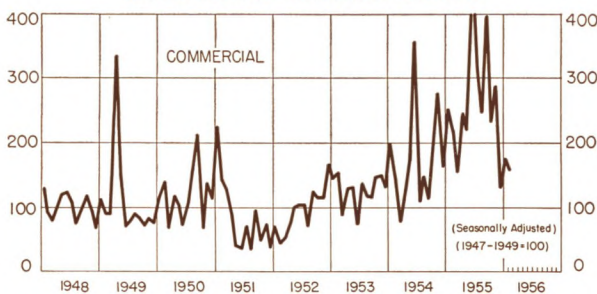
Total construction contract awards in February were 4% smaller than in January after seasonal adjustment, 28% under a year ago, with the first two months down 25%. The chief cause was a sharp drop in commercial and factory awards.

BITUMINOUS COAL PRODUCTION



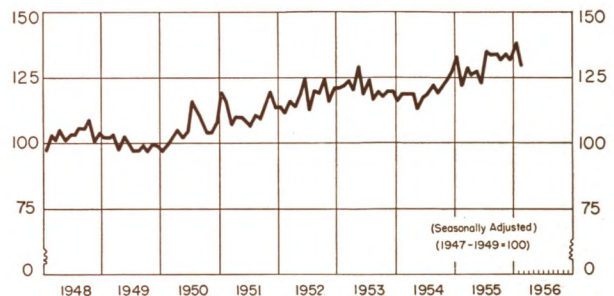
Average daily output of bituminous coal in the Fifth District, sparked by inclement weather and a strong export demand, rose 2% in February over January. February output was 23% higher than a year ago, and the first two months was up 23%.

CONSTRUCTION CONTRACT AWARDS



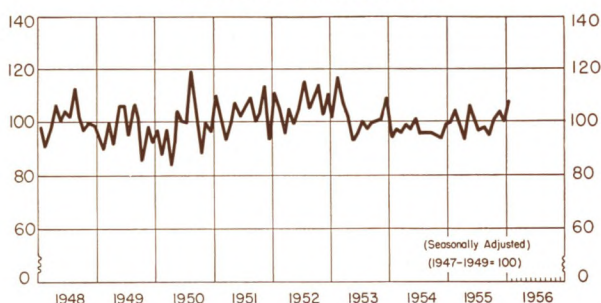
Contract awards for commercial construction on a seasonally adjusted basis declined 9% from January to February leaving February 27% under a year ago and the first two months down 29%.

DEPARTMENT STORE SALES



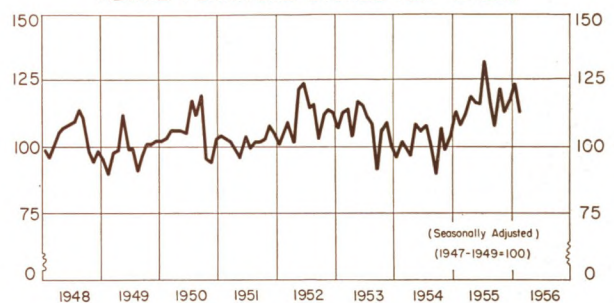
Department store sales, seasonally adjusted, dropped 7% from January to February to a level 6% ahead of a year ago. The first two months' sales were up 5% from last year. Inventories rose 1% on an adjusted basis in February and were 11% higher than a year ago.

CIGARETTE PRODUCTION



Cigarette output in the District during January was 8% higher on a seasonally adjusted basis than in December and 8% higher than in January 1955. February figures in Virginia are up 6% from a year ago according to the Richmond Chamber of Commerce.

RETAIL FURNITURE STORES NET SALES



February sales of retail furniture stores dropped 7% on an adjusted basis from January but were still 5% higher than a year ago, and the first two months were up 8%. February inventories rose 1% and were 16% higher than last year.

Loan Survey Results . . .

Business Loans at Fifth District Member Banks

ROUGHLY 40% of total loans on the books of Fifth District member banks are loans for business purposes. The sum of these loans outstanding at District member banks is estimated to have been \$1,187.4 million on October 5, 1955. It is further estimated that this sum was made up of 77,898 separate loans.

The vital importance of bank lending in the level, and changes in the level, of economic activity is well recognized. Not only are banks by far the largest single category of lender, but they also deal in new money—new purchasing power. The granting of loans by banks generally involves an increase in the total amount of money available for current spending and, since borrowers borrow to spend, a higher level of total spending than if such credit had not been demanded or made available. Because of this significant role of bank credit in the economy, the over-all totals of bank lending are watched very closely as they become available.

Although total loan figures are important indicators of economic developments, the components that make up the totals may be even more significant by pointing to particular segments of the economy. The availability of bank credit to individual segments of the business world, the terms upon which it is available, the pattern of interest rates charged, the type of business firm to which these apply, and numerous other loan characteristics are essential to any adequate analysis of bank lending and its effect upon the nation's economy.

In order to obtain detailed and current information with regard to the characteristics of bank lending to business, this bank, with the cooperation of 101 Fifth District member banks, made a survey of commercial and industrial loans outstanding as of October 5, 1955. This was part of a nation-wide survey conducted by the Federal Reserve System. Some of the basic findings of the District survey are presented in this article. Future articles will deal with the more detailed characteristics of business lending by District member banks as revealed by the survey. The presentation is necessarily a statistical one and the information will be made available primarily in the form of statistical tables. However, the more significant aspects of each table will be commented on briefly in the articles.

Some Differences Among Banks

The distribution of business loans among banks of various sizes is shown in Table 1.

There are 14 member banks in the District with total deposits of \$100 million or more. These 14 banks held just over half the total dollar amount of business loans at all District member banks on October 5, 1955. In contrast to the dollar amount held, the 14 banks held less than one-fourth the total number of loans—indi-

cating very clearly that the very large loans are predominantly with the very large banks. This is due in some measure, of course, to the legal limitation on the amount of credit a bank is permitted to extend to a single borrower, this limitation being related to the bank's capital and surplus.

TABLE 1
BUSINESS LOANS OF MEMBER BANKS
Fifth Federal Reserve District
Estimated—October 5, 1955

| Bank Size (Total deposits in millions of dollars) | No. of Bks. | Amount Outstanding | | Number of Loans | |
|--|-------------------|-------------------------|---------------|--------------------|---------------|
| | | Thousands of dollars | % of total | Number | % of total |
| Over 250 | 3 | 230,871 | 19.5 | 6,933 | 8.9 |
| 100-250 | 11 | 374,267 | 31.5 | 11,086 | 14.2 |
| 50-100 | 13 | 164,992 | 13.9 | 8,443 | 10.8 |
| 20-50 | 38 | 183,229 | 15.4 | 16,940 | 21.7 |
| 10-20 | 50 | 106,743 | 9.0 | 10,176 | 13.1 |
| 2-10 | 265 | 119,056 | 10.0 | 21,930 | 28.2 |
| Less than 2 | 94 | 8,242 | 0.7 | 2,390 | 3.1 |
| Total | 474 | 1,187,400 | 100.0 | 77,898 | 100.0 |

The 94 smallest banks, those with total deposits of less than \$2 million, held less than 1% of the dollar amount of business loans at District member banks, but held 3% of the number of loans. Perhaps a more interesting comparison is with banks having total deposits under \$10 million. Seventy-six percent of all District member banks are in this category; and this 76% held only 11% of the dollar amount of business loans and 31% of the total number of such loans.

A further breakdown by the business of the borrower of loans held by each size group of member banks is given in Table 2.

Retail merchants provided the single largest outlet for business lending on the survey date by the banks in every size group, but were a considerably more important category of borrower for the small banks than for the large ones. The relatively larger borrowings for the financing of retail trade in the Fall of 1955 may well have been a seasonal phenomenon which did not affect the other classes of business borrowers to the same degree at that time.

District member banks' loans to manufacturing and mining firms are largely concentrated in the larger banks. The 14 banks with deposits in excess of \$100 million held 56% of the total of these loans on October 5, 1955. The 359 member banks with deposits under \$10 million held less than 10% of the total. The distribution among banks of this type of borrowing is related in some measure to the geographic location of firms in the industry as well as to the average size of firm doing this sort of business. The smaller banks are generally not located near a concentration of manufacturing or mining firms nor are they able to fully meet the needs of large manufacturers.

TABLE 2
THE PATTERN OF BUSINESS LENDING BY SIZE OF BANK
Fifth District Member Banks
Estimated—October 5, 1955

| Business of Borrower | Bank Size (Total deposits in millions of dollars) | | | | | | |
|---|---|---------|---------|---------|----------|-----------|----------|
| | Less than 2 | 2 - 10 | 10 - 20 | 20 - 50 | 50 - 100 | 100 - 250 | Over 250 |
| | (Amount outstanding—thousands of dollars) | | | | | | |
| All Businesses | 8,242 | 119,056 | 106,743 | 183,229 | 164,992 | 374,267 | 230,871 |
| Manufacturing and mining | 2,279 | 20,839 | 32,494 | 31,366 | 34,705 | 82,646 | 73,888 |
| Food, liquor, and tobacco | 818 | 2,192 | 8,051 | 6,606 | 6,303 | 23,322 | 13,200 |
| Textiles, apparel, and leather | 13 | 2,253 | 4,838 | 8,268 | 8,718 | 24,422 | 34,031 |
| Metal and metal products | 200 | 2,162 | 3,790 | 5,818 | 5,956 | 8,533 | 11,838 |
| Petroleum, coal, chemicals, and rubber | 327 | 3,220 | 941 | 1,956 | 3,731 | 9,409 | 266 |
| All other manufacturing and mining | 921 | 11,012 | 14,874 | 8,718 | 9,997 | 16,960 | 14,553 |
| Trade | 2,408 | 54,213 | 36,947 | 52,922 | 44,381 | 87,364 | 47,197 |
| Wholesale | 274 | 9,753 | 15,385 | 16,340 | 17,220 | 30,130 | 11,859 |
| Retail | 2,134 | 44,460 | 21,562 | 36,582 | 27,161 | 57,234 | 35,338 |
| Other | 3,555 | 44,004 | 37,302 | 98,941 | 85,906 | 204,257 | 109,786 |
| Commodity dealers | 236 | 2,953 | 707 | 7,551 | 1,640 | 23,377 | 8,947 |
| Sales finance companies | 0 | 3,661 | 3,611 | 19,003 | 13,040 | 38,307 | 27,502 |
| Transportation, communication, and other public utilities | 266 | 2,730 | 5,664 | 5,630 | 7,771 | 31,011 | 18,591 |
| Construction | 398 | 7,916 | 6,828 | 15,649 | 11,621 | 28,065 | 18,657 |
| Real estate | 484 | 6,228 | 8,073 | 21,716 | 25,629 | 56,057 | 21,184 |
| Service firms | 1,258 | 14,020 | 7,655 | 20,048 | 15,522 | 15,553 | 7,093 |
| All other nonfinancial | 913 | 6,496 | 4,764 | 9,344 | 10,683 | 11,887 | 7,812 |

| Business of Borrower | Bank Size (Total deposits in millions of dollars) | | | | | | |
|---|---|--------|---------|---------|----------|-----------|----------|
| | Less than 2 | 2 - 10 | 10 - 20 | 20 - 50 | 50 - 100 | 100 - 250 | Over 250 |
| | (Percentage of total in each bank size group) | | | | | | |
| All Businesses | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Manufacturing and mining | 27.7 | 17.5 | 30.4 | 17.1 | 21.0 | 22.1 | 32.0 |
| Food, liquor, and tobacco | 9.9 | 1.8 | 7.5 | 3.6 | 3.8 | 6.2 | 5.7 |
| Textiles, apparel, and leather | 0.2 | 1.9 | 4.5 | 4.5 | 5.3 | 6.5 | 14.8 |
| Metal and metal products | 2.4 | 1.8 | 3.6 | 3.2 | 3.6 | 2.3 | 5.1 |
| Petroleum, coal, chemicals, and rubber | 4.0 | 2.7 | 0.9 | 1.1 | 2.3 | 2.5 | 0.1 |
| All other manufacturing and mining | 11.2 | 9.3 | 13.9 | 4.7 | 6.0 | 4.6 | 6.3 |
| Trade | 29.2 | 45.5 | 34.6 | 28.9 | 26.9 | 23.3 | 20.4 |
| Wholesale | 3.3 | 8.2 | 14.4 | 8.9 | 10.4 | 8.0 | 5.1 |
| Retail | 25.9 | 37.3 | 20.2 | 20.0 | 16.5 | 15.3 | 15.3 |
| Other | 43.1 | 37.0 | 35.0 | 54.0 | 52.1 | 54.6 | 47.6 |
| Commodity dealers | 2.9 | 2.5 | 0.6 | 4.1 | 1.0 | 6.2 | 3.9 |
| Sales finance companies | 0.0 | 3.1 | 3.4 | 10.4 | 7.9 | 10.2 | 11.9 |
| Transportation, communication, and other public utilities | 3.2 | 2.3 | 5.3 | 3.1 | 4.7 | 8.3 | 8.0 |
| Construction | 4.8 | 6.6 | 6.4 | 8.5 | 7.1 | 7.5 | 8.1 |
| Real estate | 5.9 | 5.2 | 7.6 | 11.9 | 15.5 | 15.0 | 9.2 |
| Service firms | 15.2 | 11.8 | 7.2 | 10.9 | 9.4 | 4.2 | 3.1 |
| All other nonfinancial | 11.1 | 5.5 | 4.5 | 5.1 | 6.5 | 3.2 | 3.4 |

Within the manufacturing and mining group of borrowers, textile, apparel, and leather processors had 70% of their bank loans on the survey date with banks having deposits over \$100 million. The largest banks, those with deposits of over \$250 million, had 15% of all their business loans in this borrower class. The small banks, deposits under \$10 million, had less than

2% of their total business loans in the textile, apparel, and leather group, and the dollar amount outstanding for this class of borrower at these banks accounted for less than 4% of total bank indebtedness of these manufacturers.

Sales finance companies, too, according to the survey results, tend to place their loans with the larger banks. District member banks with deposits over \$20 million (65 banks) put approximately 10% of their funds for business purposes into loans to sales finance companies. The banks with total deposits under \$2 million had no loans of this sort at all on the survey date.

Table 3 indicates very clearly that lower interest rates are charged, on the average, by the larger banks, and that incorporated business borrowers are granted lower rates than unincorporated businesses. The average interest rate on loans maturing within one year is in nearly all cases lower than the rate on loans with longer maturity for the same form of business organization. However, the long-term rate for incorporated business borrowers is frequently lower than the short-term rate for the unincorporated businesses.

TABLE 3
AVERAGE INTEREST RATES BY LOAN MATURITY AND
FORM OF BUSINESS ORGANIZATION
Fifth District Member Banks
Estimated—October 5, 1955

| Bank Size (Total deposits in millions of dollars) | Average Interest Rate | | | |
|--|----------------------------------|---------------------|------------------------------|---------------------|
| | Short-term (one year or less) | | Long-term (over one year) | |
| | Incorpo- rated | Unincorpo- rated | Incorpo- rated | Unincorpo- rated |
| Over 250 | 3.85 | 4.43 | 3.98 | 4.15 |
| 100-250 | 3.99 | 4.30 | 4.31 | 4.91 |
| 50-100 | 4.22 | 4.76 | 4.48 | 4.87 |
| 20-50 | 4.16 | 4.74 | 5.31 | 5.85 |
| 10-20 | 4.25 | 5.11 | 4.93 | 5.23 |
| 2-10 | 5.24 | 5.65 | 6.86 | 7.28 |
| Less than 2 | 5.39 | 5.52 | 5.08 | 6.09 |

TABLE 4
BUSINESS LOANS BY TYPE OF BUSINESS
Fifth District Member Banks
Estimated—October 5, 1955

| Business of Borrower | Amount Outstanding | | Number of Loans | |
|---|----------------------|------------|-----------------|------------|
| | Thousands of dollars | % of total | Number | % of total |
| All Businesses | 1,187,400 | 100.0 | 77,898 | 100.0 |
| Manufacturing and mining | 278,217 | 23.5 | 11,233 | 14.4 |
| Food, liquor, and tobacco | 60,492 | 5.1 | 1,991 | 2.6 |
| Textiles, apparel, and leather | 82,543 | 7.0 | 1,384 | 1.8 |
| Metal and metal products | 38,297 | 3.2 | 1,918 | 2.4 |
| Petroleum, coal, chemicals, and rubber | 19,850 | 1.7 | 1,662 | 2.1 |
| All other manufacturing and mining | 77,035 | 6.5 | 4,278 | 5.5 |
| Trade | 325,433 | 27.4 | 34,159 | 43.9 |
| Wholesale | 100,962 | 8.5 | 5,448 | 7.0 |
| Retail | 224,471 | 18.9 | 28,711 | 36.9 |
| Other | 583,750 | 49.1 | 32,506 | 41.7 |
| Commodity dealers | 45,411 | 3.8 | 511 | 0.7 |
| Sales finance companies | 105,124 | 8.9 | 727 | 0.9 |
| Transportation, communication, and other public utilities | 71,663 | 6.0 | 2,588 | 3.3 |
| Construction | 89,134 | 7.5 | 5,298 | 6.8 |
| Real estate | 139,371 | 11.7 | 5,324 | 6.8 |
| Service firms | 81,149 | 6.8 | 11,687 | 15.0 |
| All other nonfinancial | 51,898 | 4.4 | 6,371 | 8.2 |

Some Differences Among Business Borrowers

Loans for the financing of retail trade accounted for the largest dollar amount outstanding for any single classification of business borrower at District member banks on the survey date—19% of the estimated total

TABLE 5
BUSINESS LOANS BY FORM OF BUSINESS ORGANIZATION
Fifth District Member Banks
Estimated—October 5, 1955

| Business of Borrower | Amount Outstanding (Thousands of dollars) | | Per cent of Industry Total | |
|---|--|----------------|----------------------------|----------------|
| | Incorporated | Unincorporated | Incorporated | Unincorporated |
| All Businesses | 827,813 | 359,587 | 69.7 | 30.3 |
| Manufacturing and mining | 227,350 | 50,867 | 81.7 | 18.3 |
| Food, liquor, and tobacco | 50,281 | 10,211 | 83.1 | 16.9 |
| Textiles, apparel, and leather | 78,366 | 4,177 | 94.9 | 5.1 |
| Metal and metal products | 31,819 | 6,477 | 83.1 | 16.9 |
| Petroleum, coal, chemicals, and rubber | 10,725 | 9,125 | 54.0 | 46.0 |
| All other manufacturing and mining | 56,159 | 20,877 | 72.9 | 27.1 |
| Trade | 196,408 | 129,025 | 60.4 | 39.6 |
| Wholesale | 72,299 | 28,663 | 71.6 | 28.4 |
| Retail | 124,109 | 100,362 | 55.3 | 44.7 |
| Other | 404,055 | 179,695 | 69.2 | 30.8 |
| Commodity dealers | 30,897 | 14,514 | 68.0 | 32.0 |
| Sales finance companies | 102,474 | 2,649 | 97.5 | 2.5 |
| Transportation, communication, and other public utilities | 60,627 | 11,037 | 84.6 | 15.4 |
| Construction | 54,165 | 34,969 | 60.8 | 39.2 |
| Real estate | 93,311 | 46,060 | 67.0 | 33.0 |
| Service firms | 37,267 | 43,881 | 45.9 | 54.1 |
| All other nonfinancial | 25,314 | 26,585 | 48.8 | 51.2 |

of all business loans. Over one-third of the number of business loans were made to these retail merchants. As shown in Table 4, real estate loans were second largest in dollar amount. These loans made up 12% of the dollar total, but the number of individual loans involved amounted to only 7% of the total number of business loans. Sales finance companies and wholesale merchants were the next two largest business borrowers. Sales finance companies, on the average, have larger loans per firm than any of the other types of business borrowers. Total loans of these companies accounted

TABLE 6
BUSINESS LOANS BY MATURITY
Fifth District Member Banks
Estimated—October 5, 1955

| Business of Borrower | Amount Outstanding (Thousands of dollars) | | Per cent of Industry Total | |
|---|--|------------------------------|----------------------------------|------------------------------|
| | Short-term (one year or less) | Long-term (over one year) | Short-term (one year or less) | Long-term (over one year) |
| All Businesses | 916,510 | 270,890 | 77.2 | 22.8 |
| Manufacturing and mining | 224,321 | 53,895 | 80.6 | 19.4 |
| Food, liquor, and tobacco | 52,965 | 7,527 | 87.6 | 12.4 |
| Textiles, apparel, and leather | 68,316 | 14,227 | 82.8 | 17.2 |
| Metal and metal products | 30,321 | 7,975 | 79.2 | 20.8 |
| Petroleum, coal, chemicals, and rubber | 16,749 | 3,101 | 84.4 | 15.6 |
| All other manufacturing and mining | 55,970 | 21,065 | 72.7 | 27.3 |
| Trade | 256,912 | 68,522 | 78.9 | 21.1 |
| Wholesale | 86,962 | 14,000 | 86.1 | 13.9 |
| Retail | 169,950 | 54,522 | 75.7 | 24.3 |
| Other | 435,277 | 148,473 | 74.6 | 25.4 |
| Commodity dealers | 44,262 | 1,148 | 97.5 | 2.5 |
| Sales finance companies | 103,311 | 1,813 | 98.3 | 1.7 |
| Transportation, communication, and other public utilities | 31,798 | 39,865 | 44.4 | 55.6 |
| Construction | 76,477 | 12,657 | 85.8 | 14.2 |
| Real estate | 94,718 | 44,653 | 68.0 | 32.0 |
| Service firms | 49,661 | 31,488 | 61.2 | 38.8 |
| All other nonfinancial | 35,051 | 16,849 | 67.5 | 32.5 |

for nearly 9% of all business loans of the member banks, but the number of loans involved was less than 1% of the total. The average size of each loan to sales finance companies was just under \$145,000.

Reference to Table 5 shows that over two-thirds of business loans by District member banks were to incorporated firms. Over four-fifths of the manufacturing and mining loans were to incorporated firms, with 95% of producers of metal and metal products being of this form of business organization. Retail merchants, the heaviest borrowers, were incorporated in only 55%

(Continued on page 7)

A Fair Share for Small Business

"TWELVE small business firms in Huntington, West Virginia, have pooled their facilities, under Government sponsorship, for bidding and negotiating for defense contracts."

This recent newspaper report went on to point out that the pooling arrangement had been effected with the assistance of the Small Business Administration and was a device designed to give a fair share of defense contracts to small firms that would otherwise be excluded because of their limited production facilities.

Few economic subjects have received as much attention over such a long period of time as have the problems of small business. Since the founding days of this nation, the virtues of small business and its vital advantages to the economy have been universally proclaimed and accepted. Countless articles and speeches have pointed out checks and obstacles to the maintenance or improvement of its position in the business structure of the nation. Equally countless have been the prescriptions for its continued existence and growth. Like the weather, however, it has been easier to talk about small business than to do something about it.

Dual-Type Economy

In recent years it has been contended that the post-war merger movement has continued the progressive concentration of economic power. It has been argued that the postwar economy was developing in such a way that the position of small business was becoming more and more vulnerable at the same time that its importance to the American economic way of life was becoming more and more pronounced.

After the Korean War it appeared likely that a high level of defense expenditures had become a permanent part of the Federal budget. It was obvious that defense procurement, amounting to billions of dollars and absorbing a relatively large share of the total output of goods and services in the nation, had a marked impact on the economy. One very important aspect of this impact is its effect on small business. Obviously, the cause of small business can be very significantly advanced or hindered through the medium of defense procurement.

There was nothing new about this, of course, but it was pointed out again in the dissatisfaction of Congress with the extent and nature of Federal assistance to small business in an economy in which military procurement is a major spending program. It was felt that a new approach had to be made to the problem of giving small business an opportunity to attain its maximum development under such conditions.

One important result was the establishment in 1953 of the Small Business Administration. This is the first peacetime independent Government agency created for

the sole purpose of assisting the small business enterprises of the nation. In charging the new agency with its responsibility, Congress set forth clearly its policy with respect to small business:

"It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the nation."
(Sec. 202, Small Business Act)

Government Contracts

During the last five full fiscal years, small business has obtained 19.1% of the net value of all Defense Department prime contracts awarded in this country. The annual proportion has varied considerably, from 16.2% to 25.1%, depending on the volume of procurement and the product-mix. As explained by the Office of Defense Mobilization, "The volume of procurement of housekeeping items, most readily obtained from small business, tends to be more constant than that of complex weapons which are generally supplied by larger concerns. Thus the small business percentage share tends to be high in times of diminishing procurement and lower in times of heavy procurement."

This is indicative of the difficulty in determining in any given year whether or not small business has received a "fair proportion" of the Government's business. Nevertheless, while what constitutes a fair share is a moot point, there is general agreement that small business is not getting as big a share as is desirable.

In carrying out its responsibility in this direction, SBA's most potent tool is the joint determination program. Under this program, representatives of this agency together with military procurement officers review proposed purchases (for \$10,000 or more) and determine what ones should be set aside for exclusive award to small business. Such earmarked purchases are then called to the attention of small firms capable of supplying the items so that they may bid for the contract if they so choose. These proposed purchases are also listed in "Synopsis of U. S. Government Proposed Procurement, Sales and Contract Awards," published daily by the Department of Commerce.

The two accompanying tables provide a breakdown by states and by industries of contract awards to small business in the Fifth District in 1954 and 1955. These awards resulted from joint determinations made by

SBA and the Department of Defense. The distribution of awards reflects the different industrial structures of the states, with the largest volume of orders being placed in those states with industries able to supply items of relatively great importance to the defense program. This includes such industries as ordnance, electrical equipment, and transportation equipment.

A very important extension of the joint determination program was made in recent months when SBA and the General Services Administration agreed to re-

view purchases of the latter to the end of increasing the share of such business going to small firms. The General Services Administration is the principal buyer of common-use items for the Federal Government.

SBA—DEFENSE DEPARTMENT CONTRACT AWARDS Fifth District—By State

| | 1954 | % of Total | 1955 | % of Total |
|-----------------------------|-------------|---------------|--------------|---------------|
| Maryland | \$2,599,884 | 33.0 | \$ 6,115,992 | 36.7 |
| District of Columbia | 1,739,021 | 22.1 | 1,781,862 | 10.7 |
| Virginia | 2,038,592 | 25.9 | 2,100,346 | 12.6 |
| West Virginia | 1,196 | .02 | 4,541,588 | 27.2 |
| North Carolina | 1,444,267 | 18.3 | 2,082,972 | 12.5 |
| South Carolina | 50,924 | .7 | 57,055 | .3 |
| Total, Fifth District | \$7,873,884 | 100.0 | \$16,679,815 | 100.0 |
| % of United States | 5.9% | | 5.9% | |

Source: SBA Contract Awards Reports.

N. B. The above amounts are net of cancellations of awards made during each period. These are not true totals since awards made in six weeks of 1954 and in four weeks of 1955 were not available.

SBA—DEFENSE DEPARTMENT CONTRACT AWARDS Fifth District—By Industry

| | 1954 | % of Total | 1955 | % of Total |
|-----------------------------------|-------------|---------------|--------------|---------------|
| Ordnance | \$ 953,618 | 12.1 | \$ 4,783,469 | 28.7 |
| Electrical equipment | 345,699 | 4.4 | 2,469,911 | 14.8 |
| Textile products | 953,451 | 12.1 | 1,850,662 | 11.1 |
| Transportation equipment | 1,933,318 | 24.6 | 1,562,474 | 9.3 |
| Lumber and wood products | 475,949 | 6.0 | 1,029,998 | 6.2 |
| Chemicals | 432,786 | 5.5 | 465,611 | 2.8 |
| Printing and Publishing | 1,098 | .01 | 410,907 | 2.5 |
| Paper and products | 559,601 | 7.1 | 381,951 | 2.3 |
| Metal products | 775,382 | 9.9 | 360,162 | 2.1 |
| Research and engineering | 50,000 | .6 | 346,633 | 2.1 |
| Food products | 180,112 | 2.3 | 236,683 | 1.4 |
| Furniture and fixtures | 689,515 | 8.8 | 95,084 | .6 |
| Instruments | 72,167 | .9 | 72,517 | .4 |
| Construction | — | — | 35,681 | .2 |
| Stone, clay and glass | — | — | 29,176 | .2 |
| Rubber products | — | — | 12,762 | .1 |
| Other services | 50,000 | .6 | 27,870 | .2 |
| Miscellaneous manufacturing | 401,188 | 5.1 | 2,508,264 | 15.0 |
| Total | \$7,873,884 | 100.0 | \$16,679,815 | 100.0 |

Source: SBA Contract Awards Reports.

N. B. The above amounts are net of cancellations of awards made during each period. These are not true totals since awards made in six weeks of 1954 and in four weeks of 1955 were not available.

Loan Survey Results . . .

Business Loans at Fifth District Member Banks

(Continued from page 5)

TABLE 7
AVERAGE INTEREST RATES BY TYPE OF BUSINESS
AND MATURITY
Fifth District Member Banks
Estimated—October 5, 1955

| Business of Borrower | Average Interest Rate | |
|---|----------------------------------|------------------------------|
| | Short-term (one year or less) | Long-term (over one year) |
| Manufacturing and mining | 4.66 | 6.28 |
| Food, liquor, and tobacco | 4.49 | 5.38 |
| Textiles, apparel, and leather | 4.23 | 5.41 |
| Metal and metal products | 4.78 | 6.91 |
| Petroleum, coal, chemicals and rubber | 4.86 | 7.46 |
| All other manufacturing and mining | 4.91 | 6.13 |
| Trade | 4.79 | 5.32 |
| Wholesale | 4.78 | 5.17 |
| Retail | 4.79 | 5.47 |
| Other | 4.62 | 5.51 |
| Commodity dealers | 4.15 | 4.98 |
| Sales finance companies | 4.25 | 6.50 |
| Transportation, communication, and other public utilities | 4.95 | 6.20 |
| Construction | 5.06 | 6.47 |
| Real estate | 4.65 | 4.49 |
| Service firms | 4.84 | 5.26 |
| All other nonfinancial | 4.38 | 4.90 |

of the cases. Nearly 72% of wholesale merchants were incorporated.

Just over 77% of all the business loans of member banks in the District had maturities of one year or less on October 5, 1955. Loans to commodity dealers and sales finance companies were almost entirely of this short-term category. Over four-fifths of all the loans to manufacturing and mining firms and wholesale merchants were also with maturities of one year or less. The only group of borrowers having more than half their loans with maturities in excess of one year were the transportation, communication, and other public utilities group.

Short-term (one year or less) interest rates charged all classes of business borrowers were lower than rates on longer-term loans with one exception: the short-term rate on business loans secured by real estate was 4.65% while the long-term rate was 4.49%, the lowest of all the long-term rates. Commodity dealers secured the lowest average interest rate on their short-term borrowing.

What Will Farmers Plant In '56?

"THAT is the question." It might well be the \$64,000 question. Actually, it was the information sought by the Department of Agriculture in their recently released annual preplanting survey of prospective crop acreages. According to this report, Fifth District farmers' March 1 intentions point to a moderate 2% acreage reduction from last year as against a 1% cut in the nation.

Growers in Maryland and Virginia will plant about the same over-all acreage as in 1955, but with various shifts in the acreage of particular crops. Combined planted acreage will be down slightly in West Virginia and the Carolinas, with South Carolina showing a cut of some 6%—largest of the District states.

Normally this report is of great importance to farmers, to buyers and traders of farm products, and to bankers because it gives them some idea of what to expect in the way of total production and cash farm income. This year, however, many farmers doubtless could not give very clear-cut answers concerning their planting plans; so, changes from early prospects may be greater than usual.

In addition to the weather—always an important partner on every farm—farmers on March 1 of this year didn't know how new farm legislation being considered by Congress would affect them: Whether there would be a soil bank plan and whether payments for taking land out of production under such a plan would persuade them to participate. They were in the dark about the rates at which the Government would support 1956 crops of cotton, peanuts, corn, and wheat. They didn't know definitely that acreage allotments for some tobacco types were to be increased; nor is it certain that Virginia-Carolina peanut producers fully took into account the allotment increase for Virginia-type peanuts announced on February 21.

Tobacco Acreage Will Be Lower

District farmers' reports as of March 1 indicated that they intended to plant 853,000 acres of all types of tobacco, a reduction of 11% from last year. Should this tobacco acreage be harvested, it would be the smallest since 1943.

On March 2, however, the President signed legislation providing restoration of the cuts in allotments previously proclaimed for burley and fire-cured tobaccos. This same legislation also provided for a 15% increase over the earlier announced allotments for Maryland tobacco. There is no way of knowing, of course, to what extent farmers took into account the possibility of higher acreage allotments when they reported their planting intentions. Since the revised acreage allotments for most fire-cured and burley farms are practically the same as in 1955, the acreage finally planted to these types could be approximately the same

as last year. As now revised, 1956 allotments for these tobaccos are: Virginia fire-cured, 9,745 acres; Virginia burley, 10,947 acres; West Virginia burley, 2,844 acres; and North Carolina burley, 10,085 acres.

For Maryland tobacco, the March 2 announcement revised the 1956 allotment upward to 53,600 acres, about the same as the acreage allotted for 1953—the last year quotas were in effect for this type tobacco.

Flue-cured types are expected to total some 773,000 acres, 11% below the 869,000 acres harvested last year. This is in response to a 12% cut in flue-cured allotments.

Cotton Plantings Down, Peanuts Up

Prospective cotton acreage is not included in the planting intentions report; however, cotton will be grown under allotments again this year. On the basis of 1956 allotments with an allowance for underplanting equal to that in 1955, District cotton plantings this year will total around 1,144,000 acres. For South Carolina, the District's largest cotton-growing state, it will be the smallest acreage since 1871; for North Carolina, the lowest since 1869.

The District's 1956 acreage of peanuts grown alone for all purposes will total around 337,000 acres, 16,000 acres or 5% above last year, if growers carry out their planting plans as of March 1. In Virginia and North Carolina—the important peanut-producing states—increases of 6% and 4% respectively are indicated.

Because Virginia-type peanuts were found to be in short supply, allotments for these types were increased on February 21. This increase brought 1956 District allotments to some 327,000 acres, 6% above 1955's picked-and-threshed harvested acreage. Even so, if planted acreages approximate those indicated in the intentions report, substantial overplanting will result.

Feed-Crop Intentions Vary

Compared with 1955, the survey shows that farmers in this five-state area have planted 2% more Winter wheat and barley and 10% less oats. They expect to increase acreages of hay only slightly but presently plan to cut corn acreage 5%. The intended decrease in corn plantings could well be tied in with the unprofitableness of the hog enterprise during the past year and the continued downtrend in workstock numbers.

Sorghums and soybeans with planned increases of 11% and 12%, respectively, stand out this year as the leaders in acreage expansion. The 22,000-acre jump in District sorghum acreage results from indicated increases in all producing states, with the sharpest expansion (25%) expected in South Carolina. For soybeans, sizable acreage increases are planned in all District states except West Virginia.

Growers' intention-to-plant reports throughout the

District indicate that both Irish and sweet potato plantings will be reduced this year—Irish potatoes by some 4% and sweet potatoes by 9%. There will be smaller acreages of both types in all states except West Virginia where acres planted to Irish potatoes will remain the same as last year and where sweet potatoes are not grown commercially. The relatively low prices received for the 1955 crop are apparently responsible for the intended reduction in sweet potato acreage.

Plans May Change

Since much uncertainty—particularly with regard to farm legislation being considered by Congress—prevailed when producers reported their planting intentions, District farmers this year may make greater than usual changes in their March 1 plans. This could be especially true if a new farm program is written into law in time to be effective this season.

PROSPECTIVE PLANTINGS OF SPECIFIED CROPS IN 1956

| Crop | Fifth District | | Maryland | | Virginia | |
|------------------|----------------|--------------|------------|--------------|------------|--------------|
| | Indicated | 1956 | Indicated | 1956 | Indicated | 1956 |
| | 1956 | as % of 1955 | 1956 | as % of 1955 | 1956 | as % of 1955 |
| | 1000 Acres | Per Cent | 1000 Acres | Per Cent | 1000 Acres | Per Cent |
| Tobacco* | | | | | | |
| Flue-cured | 773.0 | 89 | ----- | ----- | 87.0 | 88 |
| Va. Fire-cured† | 9.1 | 100 | ----- | ----- | 9.1 | 100 |
| Burley† | 21.6 | 94 | ----- | ----- | 10.1 | 95 |
| Maryland† | 45.0 | 92 | 45.0 | 92 | ----- | ----- |
| Va. Sun-cured | 4.3 | 100 | ----- | ----- | 4.3 | 100 |
| Total Tobacco | 853.0 | 89 | 45.0 | 92 | 110.5 | 90 |
| Cotton‡ | 1,144 | 94 | ----- | ----- | 16 | 89 |
| Corn, All | 4,540 | 95 | 446 | 95 | 826 | 94 |
| Oats** | 1,981 | 90 | 82 | 104 | 240 | 94 |
| Barley** | 326 | 102 | 92 | 102 | 124 | 100 |
| Hay, All* | 4,256 | 101 | 483 | 101 | 1,408 | 102 |
| Peanuts*** | 337 | 105 | ----- | ----- | 123 | 106 |
| Soybeans*** | 1,166 | 112 | 169 | 120 | 264 | 114 |
| Sorghums | 228 | 111 | ----- | ----- | 19 | 112 |
| Irish Potatoes** | 96.2 | 96 | 5.2 | 88 | 32.0 | 97 |
| Sweet Potatoes | 87.2 | 91 | 5.2 | 95 | 20 | 95 |
| Wheat** | 1,079 | 102 | 185 | 96 | 279 | 100 |
| Total (12 Crops) | 16,093.4 | 98 | 1,512.4 | 100 | 3,461.5 | 100 |

| Crop | West Virginia | | North Carolina | | South Carolina | |
|------------------|---------------|--------------|----------------|--------------|----------------|--------------|
| | Indicated | 1956 | Indicated | 1956 | Indicated | 1956 |
| | 1956 | as % of 1955 | 1956 | as % of 1955 | 1956 | as % of 1955 |
| | 1000 Acres | Per Cent | 1000 Acres | Per Cent | 1000 Acres | Per Cent |
| Tobacco* | | | | | | |
| Flue-cured | ----- | ----- | 582.0 | 89 | 104.0 | 89 |
| Burley† | 2.5 | 95 | 9.0 | 92 | ----- | ----- |
| Total Tobacco | 2.5 | 95 | 591.0 | 89 | 104.0 | 89 |
| Cotton‡ | ----- | ----- | 445 | 94 | 683 | 94 |
| Corn, All | 184 | 98 | 2,070 | 96 | 1,014 | 95 |
| Oats** | 76 | 87 | 709 | 94 | 874 | 85 |
| Barley** | 16 | 107 | 64 | 98 | 30 | 111 |
| Hay, All* | 811 | 99 | 1,144 | 103 | 410 | 100 |
| Peanuts*** | ----- | ----- | 200 | 104 | 14 | 108 |
| Soybeans*** | 6 | 86 | 514 | 110 | 213 | 112 |
| Sorghums | ----- | ----- | 144 | 105 | 65 | 125 |
| Irish Potatoes** | 13 | 100 | 37 | 97 | 9 | 90 |
| Sweet Potatoes | ----- | ----- | 41 | 91 | 21 | 88 |
| Wheat** | 41 | 85 | 392 | 107 | 182 | 105 |
| Total (12 Crops) | 1,149.5 | 97 | 6,351.0 | 98 | 3,619.0 | 94 |

† Allotments for these types were increased after March 1.

‡ 1956 cotton data are allotted acreages less an allowance for underplanting equal to that in 1955. Comparison is made with July 1, 1955 acreage in cultivation.

* Acreage harvested.

** Includes acreage planted in preceding Fall.

*** Grown alone for all purposes.

Sources: USDA, AMS: *Crop Production*, December 1955 and March 1956; *The Cotton Situation*, November 1955.

Business Conditions and Prospects

IF the high level plateau of business over the past several months be described as backing and filling, it could be said that February was backing. On a seasonally adjusted basis, the January-February change shows the trade level down, manufacturing production perceptibly easier, construction down, and mineral output up. Total assets of member banks declined during the month and borrowings rose. Bank debits, after seasonal correction, were lower in February than in January. Savings in banks and savings and loan institutions improved moderately during the month while savings bank sales widened gains over a year ago. Unemployment declined further during the month to March 10. Nonagricultural employment level showed no change between January and February, with a drop of 0.3% in manufacturing employment being offset by a rise of 0.2% in nonmanufacturing employment.

Trade

The trade level in the District weakened during February with available trade indicators showing decreases from January. Department store sales, seasonally adjusted, declined 7% in February from January. They remained 6% ahead of February 1955, and the first two months' total was 5% higher than a year ago.

Sales of retail furniture stores, seasonally adjusted, dropped 7% from January to February; but February held 5% higher than a year ago, and the first two months' sales were up 8%. Sales of household appliance stores dropped 4% from January to February to a level 2% lower than February a year ago. The first two months, however, show an increase of 3% over last year.

New passenger automobile registrations for three District states and the District of Columbia show an increase of 3% from January to February. February registrations were 1% ahead of a year ago, and the two months' figures were up 8%. New commercial car registrations in these states for February were 8% higher than January, 24% higher than a year ago, with two months up 27%.

Construction

Total construction contract awards in the District during February were 4% smaller than January after seasonal correction, and 28% smaller than a year ago. In the first two months of the year, total contract awards were down 25%. Residential contract awards, which normally show a rather sharp drop from January to February, rose a little better than 4% this year to raise the seasonally adjusted index for February 18% higher than January. February awards were 29% smaller than a year ago, and the first two months of the year were down 40%.

Awards for public works and utilities construction

showed a counter-seasonal rise of 16% from January to February. These awards were 38% higher than in February 1955, and the two months were up 25%. All other types of awards were either unchanged from January or showed reductions on seasonally adjusted figures ranging to as much as 65% in the case of awards for factory buildings.

February construction contract awards were below a year ago in every category except public works and utilities. Declines ranged from 26% in one- and two-family houses to 62% for apartments and hotels.

Bituminous Coal

Average daily output of bituminous coal during February in the District was 2% higher than in January and 23% higher than a year ago; the first two months of the year were up 23%. Employment in the mines of Virginia was 22.6% higher in February than a year ago. West Virginia showed an increase of 7.6%; and while of relatively little significance in the employment picture, employment in the mines of North Carolina was 2.6% higher than a year ago and in South Carolina up 18.3%. The January-February rise in mining employment was larger than customary at this season of the year in all states except South Carolina.

Manufacturing

February man-hours in the manufacturing industries in all states of the District except Maryland dropped 0.1% from January, but remained 4.4% ahead of February 1955. Man-hours in the durable goods industries were up 1.2% during the month and 7.5% during the year. Nondurable goods industries showed a decrease of 0.6% in man-hours during the month, but an increase of 2.8% during the year.

The individual durable goods industries all showed increases from January to February ranging from 0.4% in the case of machinery (excluding electrical) to 2.5% in stone, clay, and glass industries. Decreases in the nondurable goods industries were largely seasonal in the food and tobacco industries; but the yarn and thread mills showed a counter-seasonal decline in North Carolina, and the paper industries of North and South Carolina both operated at lower rates during February than January. While the chemical industries of Virginia and West Virginia showed increases, those of North Carolina and South Carolina showed decreases.

Consumption of cotton in Fifth District mills dropped 1% after seasonal correction from January to February, but held 8% higher than a year ago. January cigarette production in the District was 8% higher than in December on an adjusted basis and 8% higher than a year ago. February output in Virginia, according to the Richmond Chamber of Commerce, was 2.8% under January, but 6.4% over February 1955.

Banking

Total assets of member banks of the Fifth District dropped \$41 million during February, but were \$119 million ahead of a year ago. Loans and investments were down \$33 million during the month, but up \$178 million over a year ago. Loans rose \$6 million during February and were \$344 million higher than a year ago. Holdings of U. S. Government obligations declined \$35 million during February and were down \$183 million from a year ago. Other security holdings dropped \$4 million, but were \$17 million higher than last year.

Total deposits dropped \$95 million during February, but borrowings rose \$41 million, capital accounts rose \$6 million, and other liabilities were up \$6 million. Time deposits rose \$11 million during February compared with a rise of \$12 million in January and stood at a level \$40 million higher than a year ago.

Commercial, industrial, and agricultural loans of the

weekly reporting banks, after declining seasonally during January and February, rose to a new high level in the third week of March. A similar performance was given in the "other" loans, which are largely consumer loans, while real estate loans have shown little change since January.

Agriculture

Cash income from farm marketings in Fifth District states ran 4% under a year ago in January to mark the third consecutive month of decrease from corresponding months a year earlier. The January decrease in the total was caused by an 11% drop in crop income. Income from livestock and products held at last years level during the month for the first year to year decrease since July 1955.

Cash income in West Virginia and South Carolina was higher in January than a year ago by 2% and 5% respectively, but these gains were more than offset by a 12% loss in Virginia and a 7% drop in Maryland.

FIFTH DISTRICT BANKING STATISTICS

DEBITS TO DEMAND DEPOSIT ACCOUNTS*

| | Feb. 1956 | Feb. 1955 | 2 Months 1956 | 2 Months 1955 |
|-----------------------|--------------|--------------|------------------|------------------|
| Dist. of Columbia | | | | |
| Washington | \$1,412,465 | \$1,199,564 | \$ 2,983,494 | \$ 2,522,945 |
| Maryland | | | | |
| Baltimore | 1,555,461 | 1,423,627 | 3,287,011 | 2,927,148 |
| Cumberland | 23,209 | 21,540 | 50,389 | 44,209 |
| Frederick | 22,307 | 20,468 | 46,459 | 41,773 |
| Hagerstown | 43,603 | 37,853 | 88,930 | 77,614 |
| Salisbury** | 32,884 | 28,786 | 67,806 | 59,608 |
| Total 4 Cities | 1,644,580 | 1,503,488 | 3,472,789 | 3,090,744 |
| North Carolina | | | | |
| Asheville | 69,161 | 60,937 | 142,400 | 131,659 |
| Charlotte | 420,223 | 375,996 | 901,245 | 782,282 |
| Durham | 82,074 | 73,119 | 170,831 | 154,402 |
| Greensboro | 147,384 | 141,486 | 310,628 | 286,758 |
| High Point** | 54,425 | 46,656 | 108,971 | 94,316 |
| Kinston | 21,120 | 20,691 | 45,459 | 46,165 |
| Raleigh | 201,311 | 193,809 | 461,624 | 390,453 |
| Wilmington | 48,257 | 47,148 | 101,719 | 98,103 |
| Wilson | 20,037 | 19,941 | 43,461 | 42,267 |
| Winston-Salem | 183,312 | 160,046 | 375,633 | 321,432 |
| Total 9 Cities | 1,192,879 | 1,093,173 | 2,553,000 | 2,253,521 |
| South Carolina | | | | |
| Charleston | 86,203 | 74,503 | 181,139 | 156,523 |
| Columbia | 186,097 | 155,999 | 391,818 | 323,699 |
| Greenville | 139,642 | 111,622 | 284,248 | 244,586 |
| Spartanburg | 66,493 | 60,267 | 141,842 | 130,722 |
| Total 4 Cities | 478,435 | 402,391 | 999,047 | 855,530 |
| Virginia | | | | |
| Charlottesville | 34,461 | 32,807 | 73,995 | 68,240 |
| Danville | 42,131 | 36,617 | 90,426 | 78,541 |
| Lynchburg | 56,073 | 48,540 | 121,432 | 100,822 |
| Newport News | 59,333 | 50,567 | 120,569 | 100,626 |
| Norfolk | 286,919 | 252,415 | 596,433 | 529,658 |
| Portsmouth | 36,883 | 33,211 | 74,374 | 68,650 |
| Richmond | 640,687 | 597,533 | 1,370,716 | 1,245,715 |
| Roanoke | 138,590 | 116,878 | 292,467 | 239,094 |
| Total 8 Cities | 1,295,077 | 1,168,568 | 2,740,412 | 2,431,346 |
| West Virginia | | | | |
| Bluefield | 51,552 | 39,889 | 114,845 | 83,577 |
| Charleston | 168,139 | 149,464 | 367,642 | 351,620 |
| Clarksburg | 36,255 | 29,034 | 82,928 | 69,900 |
| Huntington | 76,653 | 63,378 | 153,599 | 143,530 |
| Parkersburg | 31,205 | 25,891 | 73,080 | 58,102 |
| Total 5 Cities | 363,804 | 307,656 | 792,094 | 706,729 |
| District Totals | \$6,387,240 | \$5,674,840 | \$13,540,836 | \$11,860,815 |

WEEKLY REPORTING MEMBER BANKS

| | | Changes in Amount from | | |
|--------------------------------------|---------------|------------------------|----------|------|
| | | 1956 | 1956 | 1955 |
| Items | Mar. 14, | Feb. 15, | Mar. 16, | |
| Total Loans | \$1,776,814** | + 32,020 | +201,690 | |
| Bus. & Agric. | 803,822 | + 21,561 | + 83,883 | |
| Real Estate Loans | 330,575 | + 697 | + 22,389 | |
| All Other Loans | 667,768 | + 9,969 | + 98,717 | |
| Total Security Holdings | 1,684,077 | - 1,443 | -147,032 | |
| U. S. Treasury Bills | 85,594 | + 8,005 | - 901 | |
| U. S. Treasury Certificates | 29,742 | + 7,321 | - 19,947 | |
| U. S. Treasury Notes | 298,563 | - 17,872 | - 75,918 | |
| U. S. Treasury Bonds | 992,947 | - 306 | - 45,588 | |
| Other Bonds, Stocks & Secur. | 277,231 | + 1,409 | - 4,678 | |
| Cash Items in Process of Col. .. | 359,019 | + 8,240 | + 18,239 | |
| Due from Banks | 175,619* | - 7,050 | + 4,177 | |
| Currency and Coin | 79,998 | + 3,579 | + 4,880 | |
| Reserve with F. R. Banks | 522,018 | + 20,294 | - 19,600 | |
| Other Assets | 71,707 | + 1,135 | + 5,154 | |
| Total Assets | \$4,669,252 | + 56,775 | + 67,508 | |
| Total Demand Deposits | \$3,511,152 | + 46,068 | + 25,340 | |
| Deposits of Individuals | 2,683,671 | + 47,313 | + 65,569 | |
| Deposits of U. S. Government | 70,854 | - 14,287 | - 33,566 | |
| Deposits of State & Local Gov. | 220,302 | + 16,724 | - 9,004 | |
| Deposits of Banks | 475,096 | - 6,167 | + 5,721 | |
| Certified & Officers' Checks | 61,229* | + 2,485 | - 3,380 | |
| Total Time Deposits | 751,298 | + 11,613 | + 869 | |
| Deposits of Individuals | 678,407 | + 8,482 | + 5,862 | |
| Other Time Deposits | 72,891 | + 3,131 | - 4,993 | |
| Liabilities for Borrowed Money | 26,500 | - 7,000 | + 7,500 | |
| All Other Liabilities | 53,635 | + 3,941 | + 11,191 | |
| Capital Accounts | 326,667 | + 2,153 | + 22,608 | |
| Total Liabilities | \$4,669,252 | + 56,775 | + 67,508 | |

* Interbank and U. S. Government accounts excluded.
** Not included in District Totals.

* Net figures, reciprocal balances being eliminated.
** Less losses for bad debts.

FIFTH DISTRICT STATISTICAL DATA

FURNITURE SALES*

(Based on Dollar Value)

Percentage change with corresponding period a year ago

| STATES | February 1956 | 2 Mos. 1956 |
|-------------------------|---------------|-------------|
| Maryland | +12 | + 6 |
| Dist. of Columbia | 0 | - 1 |
| Virginia | + 2 | 0 |
| West Virginia | +19 | +14 |
| North Carolina | +16 | +13 |
| South Carolina | - 1 | + 5 |
| District | + 6 | + 5 |
| INDIVIDUAL CITIES | | |
| Baltimore, Md. | +12 | + 6 |
| Washington, D. C. | 0 | - 1 |
| Richmond, Va. | - 5 | - 6 |
| Charleston, W. Va. | +11 | + 9 |
| Greenville, S. C. | 0 | +13 |

* Data from furniture departments of department stores as well as furniture stores.

WHOLESALE TRADE

| LINES | Sales in Feb. 1956 compared with | | Stocks on Feb. 29, 1956 compared with | |
|--|----------------------------------|-----------|---------------------------------------|---------------|
| | Feb. 1955 | Jan. 1956 | Feb. 28, 1955 | Jan. 31, 1956 |
| Auto supplies | - 1 | + 2 | + 3 | - 3 |
| Electrical, electronic and appliance goods | - 5 | +15 | NA | NA |
| Hardware, plumbing and heating goods | +11 | - 6 | NA | NA |
| Machinery equipment supplies | +34 | +15 | +14 | + 3 |
| Drugs, chemicals, allied products | + 9 | - 6 | + 2 | - 2 |
| Dry goods | - 3 | + 8 | -21 | - 7 |
| Grocery, confectionery, meats | + 7 | + 9 | - 4 | + 7 |
| Paper and its products | +18 | - 5 | NA | NA |
| Tobacco products | +18 | + 8 | NA | NA |
| Miscellaneous | +17 | + 1 | +12 | 0 |
| District Total | +14 | + 4 | + 5 | - 1 |

NA Not Available.

Source: Bureau of the Census, Department of Commerce.

BUILDING PERMIT FIGURES

| | Feb. 1956 | Feb. 1955 | 2 Months 1956 | 2 Months 1955 |
|-----------------------|--------------|--------------|---------------|---------------|
| Maryland | | | | |
| Baltimore | \$ 7,378,840 | \$ 9,879,812 | \$11,100,330 | \$16,543,057 |
| Cumberland | 60,800 | 217,950 | 82,500 | 264,050 |
| Frederick | 41,600 | 171,955 | 89,350 | 264,155 |
| Hagerstown | 124,975 | 63,070 | 127,375 | 320,670 |
| Salisbury | 290,174 | 84,955 | 374,989 | 199,865 |
| Virginia | | | | |
| Danville | 545,988 | 1,600,408 | 914,293 | 2,000,617 |
| Hampton | 604,499 | 570,135 | 1,038,388 | 1,874,898 |
| Hopewell | 145,885 | 152,305 | 335,164 | 416,558 |
| Lynchburg | 371,640 | 348,021 | 866,595 | 899,064 |
| Newport News | 238,412 | 106,412 | 329,856 | 283,280 |
| Norfolk | 1,404,870 | 992,482 | 2,196,713 | 1,806,298 |
| Petersburg | 174,000 | 163,600 | 419,000 | 334,900 |
| Portsmouth | 416,080 | 217,260 | 717,200 | 591,875 |
| Richmond | 1,969,199 | 684,871 | 3,443,163 | 2,223,215 |
| Roanoke | 1,153,871 | 657,531 | 2,556,604 | 1,821,058 |
| Staunton | 337,925 | 243,500 | 451,550 | 515,370 |
| Warwick | 692,828 | 893,577 | 1,145,567 | 1,553,975 |
| West Virginia | | | | |
| Charleston | 353,567 | 465,002 | 500,352 | 751,917 |
| Clarksburg | 61,032 | 133,555 | 105,738 | 223,422 |
| Huntington | 177,075 | 291,390 | 372,687 | 522,140 |
| North Carolina | | | | |
| Asheville | 461,556 | 282,823 | 581,271 | 385,880 |
| Charlotte | 1,965,425 | 1,145,938 | 4,155,397 | 2,682,193 |
| Durham | 588,007 | 665,735 | 698,591 | 4,097,046 |
| Gastonia | 306,450 | 1,303,550 | 1,344,775 | 1,602,300 |
| Greensboro | 1,758,990 | 812,675 | 2,533,825 | 1,213,815 |
| High Point | 466,645 | 1,063,935 | 1,021,814 | 1,409,435 |
| Raleigh | 1,129,586 | 3,301,158 | 1,852,911 | 4,084,298 |
| Rocky Mount | 178,791 | 283,092 | 629,387 | 619,519 |
| Salisbury | 247,360 | 84,132 | 358,400 | 151,378 |
| Wilson | 740,900 | 288,000 | 914,950 | 494,450 |
| Winston-Salem | 2,035,534 | 1,188,517 | 2,740,863 | 1,934,133 |
| South Carolina | | | | |
| Charleston | 223,294 | 170,791 | 383,317 | 390,012 |
| Columbia | 1,377,772 | 391,151 | 2,575,954 | 952,609 |
| Greenville | 252,500 | 417,350 | 1,146,906 | 907,550 |
| Spartanburg | 179,345 | 379,330 | 487,930 | 457,450 |
| Dist. of Columbia | | | | |
| Washington | 3,388,090 | 5,362,055 | 6,916,057 | 8,501,163 |
| District Totals | \$31,843,505 | \$35,078,023 | \$55,509,762 | \$63,293,615 |

FIFTH DISTRICT INDEXES

Seasonally Adjusted: 1947-1949=100

| | Rich. | Balt. | Wash. | Other Cities | Dist. Total | |
|---|-------|-------|-------|--------------|-------------|------|
| Sales, Feb. '56 vs Feb. '55 .. | +12 | 0 | +14 | +11 | +10 | |
| Sales, 2 Mos. ending Feb. 29, '56 vs 2 Mos. ending Feb. 28, '55 | + 9 | - 2 | +10 | + 8 | + 7 | |
| Stocks, Feb. 29, '56 vs '55 | + 5 | + 5 | +13 | +17 | +11 | |
| Outstanding Orders, Feb. 29, '56 vs '55 | + 6 | - 9 | + 9 | + 2 | + 2 | |
| Open account receivables Feb. 1, collected in Feb. '56 | 30.2 | 50.1 | 42.3 | 36.4 | 40.8 | |
| Instalment receivables Feb. 1, collected in Feb. '56 | 10.4 | 13.0 | 12.1 | 14.8 | 12.4 | |
| | Md. | D.C. | Va. | W.Va. | N.C. | S.C. |
| Sales, Feb. '56 vs Feb. '55 .. | + 1 | +14 | +12 | +17 | + 6 | +10 |

| | Feb. 1956 | Jan. 1956 | Feb. 1955 | Prev. Mo. | % Chg.—Latest Mo. | Yr. Ago |
|---------------------------------|-----------|-----------|-----------|-----------|-------------------|---------|
| New passenger car registration* | — | 151 | 145 | -28 | +19 | |
| Bank debits | 182 | 191 | 168 | - 5 | + 8 | |
| Bituminous coal production* | 106 | 104 | 86 | + 2 | +23 | |
| Construction contracts | 189 | 196r | 262 | - 4 | -28 | |
| Business failures—number | 197 | 137 | 177 | +44 | +11 | |
| Cigarette production | — | 108 | 104 | + 8 | + 8 | |
| Cotton spindle hours | 122 | 123 | 115 | - 1 | + 6 | |
| Department store sales | 129 | 138 | 122 | - 7 | + 6 | |
| Electric power production | — | 192 | 182 | - 3 | + 7 | |
| Manufacturing employment* | — | 111 | 107r | - 1 | + 5 | |
| Furniture store sales | 113 | 122r | 108 | - 7 | + 5 | |
| Life insurance sales | 214 | 202 | 175 | + 6 | +22 | |

* Not seasonally adjusted.

r Revised.

Back figures available on request.