

FEDERAL RESERVE BANK

OF ATLANTA.

ATLANTA, GA., July 25th, 1919.

Monthly Report on Business and Agricultural Conditions in the Sixth Federal Reserve District

— BY —
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COMMERCIAL.

From all parts of the Sixth Federal Reserve District reports indicate practically all lines of business increasingly active. The past few weeks have experienced increases in prices of a number of articles of food and increases are also indicated in reports from dry goods and leather dealers. Retail clothiers and shoe dealers report that an increase in their lines is imminent and will undoubtedly occur within the next thirty or sixty days. In spite of the increased prices, Fall buying has been active and wholesalers are optimistic as to trade for the coming months. The past two or three months have witnessed the opening of many new houses in various lines of business in the cities of the district. A number of large northern and eastern paint manufacturing companies have recently established branches and retail stores and the number of automobile agencies is constantly increasing.

FINANCIAL.

The normal demand for money is reported somewhat lessened by recent sales of cotton and liquidation of cotton paper. Interest rates remain steady and bank deposits in many instances have increased. Collections are reported.

The recent bank consolidations in New Orleans are of interest in financial and business circles generally. The New Orleans National Bank merged with the Hibernia Bank and Trust Company under the latter name. The Canal Bank and Trust Company has absorbed the United States Trust and Savings Bank, and following this, the Canal Bank and Trust Company and the Commercial Trust and Savings Bank were merged, under the name of the Canal-Commercial Trust and Savings Bank, with capital, surplus and undivided profits of \$6,000,000.

Clearings reported in the district show an increase in every case.

CENTRAL AND SOUTH AMERICAN TRADE.

Reports from New Orleans indicate that trade with South and Central American countries is reaching a better and healthier condition than before the War. Agents are now quoting advance bookings, and freight is moving without storage. The shortage in bottoms has been relieved to a large extent by additional allocations of vessels to that port by the Shipping Board and the return to owners of vessels used by the Government in the transport service. Improved port facilities are a factor in attracting trade through New Orleans which has heretofore gone to the Atlantic seaboard.

AGRICULTURAL.

Reports from the Cooperative Crop Reporting Service, conducted jointly by the State and Federal Departments of Agriculture, indicate a decline of 9% in cotton prospects in Georgia during the month. Wet weather and the boll weevil are the prominent factors in this slump. Grass has taken many fields and continuous rains are preventing measures for combating the weevil. Many fields are reported to have been abandoned, while others have been plowed up and planted to other

crops. Georgia's cotton production for the year is estimated at 1,922,000 bales. The condition of the crop in Tennessee is reported as not being good and the production is estimated at 100,000 bales less than last year. While an effort was made to reduce acreage planted to cotton in Tennessee, weather conditions have aided greatly and high prices for tobacco caused much land to be planted in tobacco instead of cotton. In Alabama, and also Mississippi and Louisiana, the crop has been much damaged by continuous rains and fields are full of grass and weeds. Farmers unable to get labor are in many instances compelled to abandon cotton fields which are beyond their control.

A large increase in tobacco acreage in South Georgia is also indicated by the report of the Co-operative Reporting Service, and this is further emphasized by the recent opening of several tobacco warehouses in that part of the State.

Cornfields are in many parts in bad shape, having had too much rain, causing an abundance of grass. This condition is partially offset, however, by the increased acreage in the southern section, but the total production is estimated at less than that of 1917. The rains which have been so adverse to corn have been excellent for sweet potatoes. Potatoes in many cases followed winter grain in newly plowed ground and grass has not interfered.

The report of the Field Agent for Tennessee, of the Department of Agriculture, indicates a decline in the condition of Tennessee's wheat crop since June 1, brought about by continued rains and the general prevalence of rust. Indications are for a yield of 7,600,000 bushels. Numbers of fields which at one time looked promising have been wholly abandoned as not worth cutting.

The corn acreage in Tennessee shows a considerable decline, due to long continued rains at planting time. In many instances crops have been abandoned, or plowed over and replanted, making much of the crop late. A slight decline is noted in the acreage of white potatoes, while there has been a decided increase in the sweet potato crop. The acreage of tobacco is increased in all parts of Tennessee. Rains, the lateness of the season and some shortage of plants interfered with plantings to some extent in the dark tobacco counties in the middle of the State. The condition of the crop is fair, though much of it is late.

There has been a decided decrease in the acreage planted to peanuts in Tennessee, Georgia and Alabama, caused by low prices, rotting of seed and rains which prevented plantings in some sections and by unsatisfactory marketing conditions last fall.

The present crop of Sea Island cotton is estimated to be about one-third of last year's production which was reported as half a normal crop. The entire belt is infested with the boll weevil and this has caused a sharp reduction in the estimated production.

TENNESSEE LIVE STOCK.

Figures showing receipts of cattles, calves, hogs and sheep on the Nashville Live Stock Exchange indicate a substantial increase, both for the month of May, and for the first five months of 1919, and highly satisfactory prices are being received. The percentage of gain in the combined receipts for the first five months of 1919 over the same period last year is 78. The sheep and lamb season is in full blast, and while prices for lambs and wool are not as high as have been predicted, they are sufficiently high to make sheep raising very profitable. While the hog receipts have almost doubled during the past five months, the demand still exceeds the supply.

FLORIDA FRUITS AND VEGETABLES.

Indications are that the citrus crop will aggregate in boxes 15% or 20% more than the last crop.

During the season up to June 12, 1065 carloads of watermelons were shipped from the State of Florida. This is an increase of 168 cars over shipments for the same period last year.

The tomato season on the West Coast is over. Very satisfactory prices have prevailed and the crop has generally been profitable, although some growers suffered on account of rains damaging their crops.

The estimate of the pineapple crop is in the neighborhood of 100 cars. Very high prices are prevailing.

The acreage of the tobacco crop is slightly increased. There have been no movements up to this time and indications are that prices will be slightly less than last season.

WOOL.

Reports indicate that the Tennessee wool market has been steady, and prices have remained unchanged. Receipts have been good, and the volume of trade shows some increase.

LUMBER.

The past thirty days have seen the lumber market grow in strength, prices advancing in all lines. Heavy timber has suddenly grown stronger and all grades and sizes of yellow pine are bringing higher prices than ever before. Production has been curtailed by unfavorable weather and by the shortage of labor.

NAVAL STORES.

During the month turpentine reached the highest price in the memory of the trade, but has since declined sharply as the urgent demand has been temporarily satisfied. Advances in rosin obtained during the month and it is believed the price has reached the high point, for the present at least, although a further increase may be expected later.

FLORIDA MEATS.

The run of cattle the past thirty days has been confined to grass stock, and has been comparatively light. Market prices are steady. The prospects for heavy shipments of hogs in September are good.

LABOR.

All reports indicate a shortage of farm labor, which in some instances appears to be acute. In one case it is reported in Alabama that as high as three dollars per day have been offered for labor for chopping weeds and grass out of cotton. Many reports indicate that there are still some idle men in the cities and towns, while a great many laborers could be used in farm work and many in other industries.

REAL ESTATE.

The volume of building, both in residences and apartment houses, continues in all of the cities of the district, and no abatement is indicated in the near future, notwithstanding the high prices for lumber and labor. A large number of houses are constantly changing hands and the trade in farm lands has also been active.

COAL

Considerable decrease is shown in coal production in Alabama the past two years, and it is estimated the production for 1919 will be still smaller. Coal produced in June was 1,238,506 tons as compared to 1,269,319 for May.

MISCELLANEOUS INDUSTRIALS.

Pipe plants, foundries and machine shops are receiving orders and are kept busy. This industry shows a marked increase in its operations.

The graphite mines in Alabama during the year 1918 produced 7,795,475 pounds, which sold for about \$1,000,000, this being more than half the total production in the United States, which is reported at 12,861,839 pounds.

IRON AND STEEL.

Pig Iron production in Alabama for June 1919 was 139,159 tons as compared to 137,169 tons in May. Inquiries are brisk in the pig iron market. An increase in price is expected, on account of the active demand and the decreased stock on hand.

Steel mills are in full operation, but the general situation is more or less in an attitude of waiting, due to present unsettled conditions and to greatly increased cost of operating.

The unfilled tonnage of the U. S. Steel Corporation shows an increase of 410,545 tons, the figure for June 30th being 4,892,855 compared to 4,482,310 tons for May 31st.

It is expected that foreign trade will increase, due to the lifting of embargoes on commercial intercourse with the powers of central Europe, which followed the signing and ratification by Germany of the Peace Treaty.

CLEARINGS—JUNE

	1918	1919
Atlanta, Ga.	\$167,187,191.33	\$226,724,167.19
Augusta, Ga.	9,986,276.07	15,594,672.16
Macon, Ga.	*	81,007,203.73
Savannah, Ga.	24,394,585.63	37,812,267.78
Jacksonville, Fla.	*	31,956,980.97
Tampa, Fla.	5,369,042.71	7,419,229.95
Pensacola, Fla.	10,477,386.00	13,213,128.00
New Orleans, La.	186,581,754.51	250,377,981.60
Vicksburg, Miss.	1,156,018.55	1,694,509.57
Chattanooga, Tenn.	19,968,384.44	26,179,275.90
Nashville, Tenn.	41,038,492.04	57,004,457.24
Knoxville, Tenn.	10,933,826.40	10,939,660.81
Birmingham, Ala.	16,425,874.00	49,601,481.00
Mobile, Ala.	6,167,870.00	8,141,130.00
Montgomery, Ala.	5,390,596.00	6,093,160.00

*Not available.

POSTAL RECEIPTS—SECOND QUARTER 1919

	1918	1919
Atlanta, Ga.	\$571,331.70	\$610,454.76
Macon, Ga.	110,111.31	75,740.41*
Nashville, Tenn.	252,662.46	289,332.31
Chattanooga, Tenn.	199,569.41	140,153.01*
Birmingham, Ala.	180,474.08	197,994.81
Montgomery, Ala.	105,667.40	76,141.96
Anniston, Ala.	62,742.88	17,240.65

BUILDING OPERATIONS—JUNE 1919

	Repairs and Additions Number	Value	New Buildings Number	Value
Atlanta, Ga.	132	\$150,190.00	102	\$1,030,847.00
Augusta, Ga.	142	49,229.00	9	44,468.00
Brunswick, Ga.	26	16,185.00	14	24,875.00
Macon, Ga.	32	23,925.00	30	145,515.00
Rome, Ga.	7	25,950.00	3	6,275.00
Savannah, Ga.	18	6,650.00	46	91,250.00
Waycross, Ga.	3	1,150.00	4	8,200.00
*Columbus, Ga.				
Birmingham, Ala.	225	64,775.00	110	228,502.00
*Montgomery, Ala.				
Anniston, Ala.	14	5,500.00	7	21,000.00
Sheffield, Ala.	0	0	14	56,100.00
Tuscaloosa, Ala.	1	300.00	0	0.00
**Mobile, Ala.			10	22,575.00
Florence, Ala.	6	5,425.00	12	58,541.00
Selma, Ala.	11	1,674.00	2	3,500.00
Jacksonville, Fla.	22	163,050.00	46	285,600.00
Miami, Fla.	7	1,300.00	48	561,600.00
Orlando, Fla.	8	34,250.00	32	64,894.00
Tampa, Fla.	66	21,585.00	33	54,065.00
West Tampa, Fla.	8	230.00	6	4,640.00
**West Palm Beach, Fla.			20	175,000.00
*Gainesville, Fla.				
**Pensacola, Fla.			316	109,794.00
*Chattanooga, Tenn.				
Nashville, Tenn.	307	40,065.00	42	459,400.00
Knoxville, Tenn.	102	59,740.00	14	78,375.00
**New Orleans, La.			75	422,865.00
*Meridian, Miss.				
*Vicksburg, Miss.				
**Alexandria, La.			44	29,777.00

*Not reporting.

**Combined figures for new construction and repairs.