

FEDERAL RESERVE BANK

OF ATLANTA.

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

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COMMERCIAL

There has been no outstanding change in business conditions generally in the Sixth Federal Reserve District from those existing at the time of our last report. The fall retail trade is opening up in large volume, and business is brisk in all parts of the district. Many merchants, however, appear to be handicapped by their inability to receive shipments of goods purchased for their fall trade.

The demand for all kinds of drygoods has been good, even though abnormally high prices prevail. The approach of cold weather has no doubt caused increased activity in all lines of wearing apparel. Conditions in the wholesale grocery trade are reported to be fair. The general level of prices of staples has experienced no material change during the past month.

Press reports from Nashville indicate that the General Motors Company has completed arrangements for taking over a large part of the Old Hickory Powder Plant, and will begin operations about the first of next year. It is estimated that this company will employ about 30,000 people. The demand in the southeastern states for the various makes of automobiles manufactured by this company is reported to be several weeks behind, and the establishment of this plant will no doubt enable the company to make prompt deliveries in this territory.

FINANCIAL

Reports indicate that financial conditions throughout the district are satisfactory. In some instances bank deposits are reported to be the largest they have ever been, notwithstanding the active demand for money on account of the moving of crops. Collections are reported fair for this season of the year, and interest rates remain steady.

The question of establishing a Branch Federal Reserve Bank at Nashville has been under consideration for several months, and the Federal Reserve Board has approved the recommendation of the Directors of the Federal Reserve Bank of Atlanta establishing a Branch at Nashville will place the Bank in a better position to serve the financial interests of that part of the district.

On October 21st the Nashville Branch of the Federal Reserve Bank of Atlanta opened its doors for business. The territory to be served by this Branch is comprised of that part of the

State of Tennessee now in the Sixth Federal Reserve District, with the exception of the City of Chattanooga.

AGRICULTURAL

Present indications are that the cotton yield of Georgia will be the lowest since 1896. The boll weevil has covered most of the cotton counties in the State, and has done great damage. The adverse weather has also aided in reducing the crop. Long periods of flooding rains early in the season were followed in August and September by severe drought and heat.

The corn crop of Georgia is also reported to be the poorest in several years. Despite the very material increase in acreage, the total output will be far below that of last season.

The cotton crop of Alabama will show a decreased production this year. The percentage is now estimated at 55% of a normal crop. The boll weevil and unusually wet and cold weather during the early spring, together with unsatisfactory labor conditions, greatly reduced this crop.

Reports from Florida indicate that conditions in the Sea Island cotton market are about the same as previously reported. Some sales have been made recently at about sixty-five cents, but it is thought the price will rise and many are holding out on this account.

The Mississippi corn crop is reported to be the shortest since 1916. The corn acreage was slightly reduced this year, and some of that planted was abandoned and not replanted on account of weather conditions and labor troubles. The acreage planted in sweet potatoes was increased ten per cent., and the indication is the crop will be increased about 800,000 bushels over last year.

The corn crop of Tennessee made a slight improvement during the month of September, the condition on October 1st being reported at 75 percent of normal, compared with a ten year average of 81 percent. The buckwheat crop of upper East Tennessee suffered for moisture, as did late white potatoes. Sweet potatoes are showing up well, and harvesting is going on in some places with good yields and quality.

The Tennessee tobacco crop took on renewed life during September, and what at one time was expected to be a short and poor crop has turned out to be one of the best ever produced in the State. The apple crop is very short this year, and there will be few for winter keeping. An unfavorable season has greatly curtailed the clover seed crop.

FLORIDA LIVE STOCK

The cattle run for the month has been very light, due to the low market during the latter part of September. September receipts of hogs were more than 300% heavier than those of the same month last year, and the quality was very much improved. Pork production is about 125% of that of last year, and hogs are now being turned into the peanut fields.

FLORIDA FRUITS AND VEGETABLES

The estimate of the United States Bureau of Crops of the Florida citrus crop is as follows: Oranges, 6,300,000 boxes; grapefruit, 3,300,000 boxes; limes and other citrus fruits, 50,000. The citrus crop now on the trees will be larger than any previous crop if present indications materialize. The grapefruit market opened the middle of September at \$4.50 per box, but prices have declined to about \$2.75 to \$3.00. A few cars of early oranges have been shipped, the price being around \$3.50 to \$3.75.

LUMBER

The lumber market during the past month has settled somewhat and prices are slightly lower. This is due in part to the slackened demand in the northern states with the approach of cold weather, and the further fact that weather conditions in the producing states have been favor-

able to increased output. The railroads are buying very little, and the export demand has declined. Even though the market is easier and prices have declined slightly, it is not probable there will be any large reduction in prices because stocks are very scant at the mills. The car supply is unsatisfactory.

NAVAL STORES

Both turpentine and rosin show a marked decline during September, due principally to the comparatively larger receipts. On account of the high prices these commodities had reached, no importance is attached to this decline. Both products are again on the up grade. Labor conditions in this industry are decidedly better and operations are now going on in a satisfactory manner.

COAL

Reports from Alabama indicate an increase in the coal output during September over that of August, the production in September being 1,304,482 tons and that of August, 1,109,519 tons. Recent legislation adopted by the State placing a tax on coal has had a depressing effect on the coal operators, and may cause a reduction in the output.

IRON, STEEL AND MISCELLANEOUS INDUSTRIALS

While the steel workers throughout the country have been on a strike for the past few weeks, it is reported the Birmingham district has not been seriously affected. In fact, the production of iron and steel has shown a notable increase. The steel mills are running at full capacity, being supplied with an abundance of satisfactory labor, and report a substantial increased output in September over that of the previous month.

The production of pig iron for September was 195,252 tons, as compared with 169,876 tons in August.

The unfilled tonnage of the United States Steel Corporation for September is reported to be 6,284,638 tons, as against 6,109,103 tons in August.

The small industrial iron manufacturing plants in this territory are well supplied with business and are operating to full capacity.

CLEARINGS—SEPTEMBER

	September, 1918	September, 1919
Atlanta, Ga.	\$217,074,781.25	\$281,836,706.74
Augusta, Ga.	20,763,109.57	24,069,047.93
*Macon, Ga.
Savannah, Ga.	44,666,397.77	42,374,241.61
Jacksonville, Fla.	24,378,845.88	34,923,495.60
Pensacola, Fla.	6,996,113.29	8,733,457.37
Tampa, Fla.	5,327,363.80	7,001,646.30
New Orleans, La.	204,310,058.51	247,306,423.94
Vicksburg, Miss.	1,833,351.67	1,415,545.56
Chattanooga, Tenn.	19,891,917.88	27,950,347.95
Knoxville, Tenn.	11,415,458.37	13,439,595.38
Nashville, Tenn.	66,788,163.84	64,513,611.88
Birmingham, Ala.	28,133,479.00	63,706,695.00
Mobile, Ala.	6,085,629.00	8,872,872.00
Montgomery, Ala.	7,922,609.00	7,839,324.00

BUILDING OPERATIONS—SEPTEMBER, 1919

	Repairs and Additions		New Buildings	
	Number	Value	Number	Value
Atlanta, Ga.	116	\$96,527	175	\$1,016,995
Augusta, Ga.	131	33,205	30	63,800
Brunswick, Ga.	16	1,220	18	61,660
Macon, Ga.	59	15,240	27	46,470
Rome, Ga.	9	3,500	4	110,075
Savannah, Ga.	28	32,790	50	195,700
Waycross, Ga.	1	800	1	1,300
Birmingham, Ala.	272	67,162	112	227,209
*Montgomery, Ala.	—	—	—	—
Anniston, Ala.	17	12,600	4	11,700
Bessemer, Ala.	—	—	13	198,880
Decatur, Ala.	—	—	3	10,600
Florence, Ala.	7	4,100	11	20,635
Gadsden, Ala.	—	—	4	6,000
Mobile, Ala.	8	21,150	18	55,400
Sheffield, Ala.	—	—	2	3,600
Tuscaloosa, Ala.	—	—	9	24,400
Jacksonville, Fla.	31	109,113	30	243,700
Miami, Fla.	4	900	42	93,700
*Orlando, Fla.	—	—	—	—
Tampa, Fla.	81	18,977	23	40,810
Gainesville, Fla.	12	2,438	5	4,000
**Pensacola, Fla.	—	—	106	67,151
Chattanooga, Tenn.	184	61,075	32	107,350
Clarkesville, Tenn.	3	3,150	13	2,635
Knoxville, Tenn.	63	21,034	21	134,666
Nashville, Tenn.	161	51,403	42	296

* Not reporting.

** Combined figures for new construction and repairs.

POSTAL RECEIPTS—THIRD QUARTER, 1919

	3rd Quarter 1918	3rd Quarter 1919
Atlanta, Ga.	\$627,166.74	\$618,411.47
Macon, Ga.	136,142.42	69,045.85
Birmingham, Ala.	—	180,040.53
Bessemer, Ala.	—	8,253.31
Decatur, Ala.	—	3,779.43
Montgomery, Ala.	—	74,897.56
Jacksonville, Fla.	210,129.92	138,101.94
Miami, Fla.	28,829.21	30,265.57
Orlando, Fla.	—	9,019.28
Tampa, Fla.	78,910.72	104,007.61
Chattanooga, Tenn.	226,828.37	112,482.87
Knoxville, Tenn.	103,760.24	89,312.64
Nashville, Tenn.	272,847.71	260,856.08