

FEDERAL RESERVE BANK OF ATLANTA.

Atlanta, Ga., January 25, 1920.

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

BY
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INTRODUCTION

With the passing of the holiday season, and the end of a year marked from beginning to end by unrestricted spending on the part of the individual which amounted almost to reckless extravagance, the public mind is giving more thought to the economic situation. The observance of Thrift Week has served to bring to the minds of many the seriousness of conditions which exist, and it is believed will result in a more united effort on the part of the public to combat the tendency to extravagance. With the increasing prices of clothing, shoes, and articles of food, and the almost constant increasing of rentals, there's great need for universal thrift and for a study by the individual of those features of the economic situation which affect him, and for a concerted effort toward greater production, in order to prevent the conditions which a continuous increase in the price of commodities will bring.

COMMERCIAL

There has been little if any slackening in the wholesale or retail trade during January. Retail buying is more along the line of necessities, however. Since the holiday season there has not appeared the usual after holiday let-up. Reports show that wholesale merchants are receiving orders for spring goods earlier this year than usual. The drygoods business continues very active, with merchandise scarce and prices inclined upward. All manufacturing enterprises report that they have numbers of unfilled orders. In a few cases it was necessary to restrict operations during the coal shortage, and orders accumulated which have not yet been filled. All lines report very limited stocks of goods on hand, and new supplies difficult to obtain.

FINANCIAL

Financial conditions throughout the District continue highly satisfactory. Practically all banks reporting show splendid increases in deposits for the year 1919 over the year 1918. The demand for money is reported as healthy, and the supply has been sufficient to meet all legitimate requirements. It has been an exceptionally good year for the banks and their earnings have been generally satisfactory. Clearings for the month of December, as compared with the previous December, show increases with one exception, and the same is true for the year 1919 as compared with the year 1918, in most instances the increases being very substantial. Collection conditions in all lines are reported satisfactory.

AGRICULTURE

The value of agricultural products raised in Georgia during the year 1919, exclusive of any live-stock, is estimated to be \$613,000,000, by the Co-operative Crop Reporting Service, conducted jointly by the United States Bureau of Crop Estimates and the Georgia State Department of Agriculture. This is more than fifteen millions increase over the previous year, although it was the worst crop season in a decade, and a record for boll weevil damage.

The year has been marked agriculturally by the adding of tobacco and sugar cane to the list of principal crops. The season of 1918 had already seen peanuts and velvet beans become principal crops, and with the continuous spread of the boll weevil further diversification is expected. The early ravages of the insect the past year caused heavy abandonment of cotton, which was largely replaced by food and feed crops.

Below are given figures, published by the United States Department of Agriculture, showing the number of bales of cotton ginned in the States of the Sixth Federal Reserve District prior to January 1, 1920:

Alabama	680,459	Florida	17,515
Georgia	1,637,738	Louisiana	291,222
Mississippi	823,082	Tennessee	239,876

Ginnings of Sea Island cotton prior to January 1 were:

Florida	2,886
Georgia	650

Alabama reports indicate that very little preparation has so far been made for the approaching season's crops. The unfavorable weather conditions have prevented farm work to any great extent.

The crop of sugar cane syrup for the past season is estimated at from 60 per cent to 70 per cent of normal.

The rice crop of Louisiana for 1919 is valued at \$53,000,000, being sold all over the country, and shipped to Cuba, Porto Rico and all Latin-American countries, in addition to large European shipments. The sugar crop has already been sold for high prices, which in a measure has offset the short crop. The estimated value of the 1919 crop, including by-products, is \$50,000,000.

Tennessee reports show 1919 crops to be below normal, except tobacco and hay. Tobacco production is estimated at 20 per cent above that of 1918. Corn and cotton were badly damaged by rain. The wheat acreage is stated to be only 50 per cent of that sowed in 1918, and oats, rye and barley average about 75 per cent of normal, both as to acreage and condition of crop.

Reports from Florida indicate that frosts about the first of January did considerable damage to growing crops in the southern part of the State, the section to which agriculture is practically confined at this season of the year. Every one, however, saved their seed beds, and will replant the stock that has been frosted.

A heavy average of potatoes is being planted. There is a large acreage of cabbage which has not been damaged by the frosts, and is in splendid condition. A large quantity of seed cane is being banked, indicating a large acreage of this product next season.

An increase of several thousand acres in plantings of tomatoes this season is indicated. The recent cold weather damaged the early plantings to about 10 per cent to 20 per cent; these seed beds, however, were also saved, and this acreage will be replanted.

FLORIDA FRUITS

About 35 per cent or 40 per cent of the Florida Orange crop has been shipped, and while prices this season have been much lower than the abnormally high prices which prevailed during last season, results on the average have been very good.

About 40 per cent of the Grapefruit crop has been shipped. Prices up to this time have been disappointing, especially in view of the high costs of producing the fruit and marketing it. While little profit has been realized, the market now is showing more strength, and better prices are expected.

LIVE STOCK

Interest in stock raising continues to increase in all parts of the District, and more pure bred cattle, hogs and sheep are being raised and marketed. In Tennessee the increase for 1919 in cattle and hogs is estimated at 50 per cent over the production of 1918. The Union Stock Yards of Nashville show a net gain of 28 per cent in combined receipts of cattle, hogs, calves and sheep for 1919 over the combined receipts for 1918.

LUMBER

The demand for lumber continues in excess of the supply, and prices continue high. The winter season has thus far been unfavorable to production, which has remained from 20 per cent to 40 per cent below normal. The car supply has also been inadequate during the past few weeks. Retail stocks are low, and prices show a tendency to advance.

NAVAL STORES

Producers of these commodities are engaged in preparing for the coming season's crop. Demand is improving, and if sufficient labor can be obtained the approaching crop will be largely increased over that of last year. Foreign buying is very much restricted, owing to depreciation of exchange. South America and Japan, however, have taken large quantities of naval stores.

FOREIGN TRADE

Conservative estimates have placed the year 1919 as the banner year in the history of the development of foreign trade through the Gulf ports. This condition is confirmed by figures showing the value of imports for the month of November, 1919, as compared with the two previous years at New Orleans:

November, 1917	\$5,845,706
November, 1918	9,933,429
November, 1920	20,676,304

A corresponding increase has been shown for the balance of the year. By commodities, coffee takes the lead with over 52,000,000 pounds, valued at \$11,761,594; sugar is second with 75,000,000 pounds, valued at \$4,210,230.

Work on the New Industrial Canal at New Orleans is being pushed rapidly, the completion of which is expected to further increase both imports and exports.

COAL

The output of coal, except for three or four days during the Christmas holidays, has shown a steady increase since the ending of the Coal Miners' strike. The output for December amounted to 1,825,552 tons, compared to 1,080,810 tons in November. There are no large stocks in this territory, and consequently all grades of coal are in demand.

IRON, STEEL AND MISCELLANEOUS INDUSTRIALS

Reports from Birmingham indicate that the industrial plants in that district are working to capacity, with sufficient orders booked to keep the actively employed for some time. Steel mills, blast furnaces, shipbuilding plants are kept busy, and in many plants double shifts are necessary to keep up with contracts for quick deliveries, and to enable them to meet the needs and requirements of new business.

Pig iron production in Alabama for the year 1919 aggregated 2,096,854 tons, compared with 2,587,852 tons for 1918. The decreased tonnage was caused by difficulties in securing raw materials and the shortage and inefficiency of labor during a part of the year.

RAILROAD SERVICE

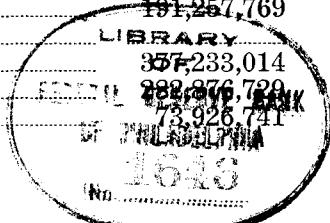
There is a shortage of railroad equipment in which to ship pig iron, and therefore it would very materially unless the railroads could furnishhardly be practicable to increase furnace capacity equipment to move the iron. Unless sufficient cars are furnished to move iron and steel out of this territory, it will materially affect the prosperity of the Iron Masters and severely hurt the general prosperity of this entire community.

CLEARINGS—DECEMBER

	1918.	1919.
Atlanta, Ga.	\$263,563,026	\$376,294,509
Augusta, Ga.	17,870,124	26,296,574
Macon, Ga.		42,675,783
Savannah, Ga.	30,842,861	65,971,026
Jacksonville, Fla.	33,803,441	50,460,453
Tampa, Fla.	7,715,197	10,033,633
Pensacola, Fla.	8,581,789	8,908,104
New Orleans, La.	268,348,446	366,961,217
Vicksburg, Miss.	2,237,814	2,094,444
Chattanooga, Tenn.	25,037,002	35,593,232
Knoxville, Tenn.	11,260,699	14,117,706
Nashville, Tenn.	74,021,266	110,059,700
Birmingham, Ala.	59,044,888	82,224,685
Mobile, Ala.	7,020,287	10,464,532
Montgomery, Ala.	7,180,199	9,169,247

CLEARINGS YEAR 1918-1919

	1918.	1919.
Atlanta, Ga.	\$2,528,485,083	\$3,290,186,377
Augusta, Ga.	191,257,769	230,462,786
Macon, Ga.		365,957,539
Savannah, Ga.	357,233,014	487,813,232
Jacksonville, Fla.	282,876,729	450,587,496
Tampa, Fla.	13,926,741	97,439,849



Pensacola, Fla.	84,454,644	107,719,830
New Orleans, La.	2,660,460,335	3,170,247,164
Vicksburg, Miss.	21,217,764	22,187,370
Chattanooga, Tenn.	258,822,628	321,417,761
Knoxville, Tenn.	139,393,356	148,051,255
Nashville, Tenn.	746,156,610	863,911,695
Birmingham, Ala.	347,306,278	716,290,927
Mobile, Ala.	77,258,108	101,283,177
Montgomery, Ala.	80,426,537	92,293,748

BUILDING OPERATIONS -- DECEMBER 1919

	Repairs and Additions		New Buildings	
	Number	Value	Number	Value
Anniston, Ala.	5	\$5,350	4	22,000
Bessemer, Ala.	12	3,990	14	36,800
Birmingham, Ala.	198	55,935	109	304,810
Florence, Ala.	2	2,110	3	6,650
Mobile, Ala.	1	1,484	7	19,584
Tuscaloosa, Ala.			3	7,500
Jacksonville, Fla.	14	60,500	22	1,080,150
Pensacola, Fla.	78	9,176	12	43,800
Gainesville, Fla.	5	625	7	5,350
Miami, Fla.	4	1,250	197	301,750
Orlando, Fla.	10	600	64	93,525
West Tampa, Fla.	6	1,010		
Palm Beach, Fla.	6	5,775	9	311,650
Atlanta, Ga.	102	107,866	41	706,028
Augusta, Ga.	93	44,410	22	72,150
Columbus, Ga.			2	3,000
Brunswick, Ga.	3	235	15	13,700
Macon, Ga.	39	23,568	8	10,145
Savannah, Ga.	7	4,400	24	79,075
Knoxville, Tenn.	36	28,393	10	69,375
Nashville, Tenn.	193	77,379	19	74,600
*New Orleans, La.			117	1,199,395
*Meridian, Miss.			3	12,000

*Combined figures for new construction and repairs.

TOTAL VALUE OF PERMITS ISSUED, 1918-1919

	1918.	1919.
Bessemer, Ala.	\$38,600	\$486,421
Birmingham, Ala.	1,793,872	3,969,315
Florence, Ala.	50,776	312,398
Tuscaloosa, Ala.	21,975	99,800
Jacksonville, Fla.	1,145,341	3,591,906
Pensacola, Fla.	315,639	1,095,925
Miami, Fla.	1,250,925	3,152,265
Orlando, Fla.		633,367
West Tampa, Fla.	23,125	21,635
Palm Beach, Fla.		937,025
Atlanta, Ga.	3,572,086	10,442,739
Augusta, Ga.	452,344	1,390,416
Columbus, Ga.	113,500	389,500
Brunswick, Ga.	304,000	342,445
Macon, Ga.		922,438
Knoxville, Tenn.	643,345	2,654,213
Nashville, Tenn.	605,824	2,484,456
New Orleans, La.		5,249,092
Meridian, Miss.	133,000	246,970