

FEDERAL RESERVE BANK OF ATLANTA.

ATLANTA, GA., April 25th, 1919.

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

— BY —
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COMMERCIAL

During the past month there has been an increase in practically all lines of business. Large wholesale dry goods dealers report greater activity, most of the orders being for immediate delivery; this is attributed to the fact that retail merchants have been holding off, buying only for current needs and to the necessity for replenishing their stocks for the Spring and Summer trade. It is predicted that a still further decline in the prices of dry goods may be looked for, not to the extent, however, to which they have already declined.

FINANCIAL

The financial situation prevailing throughout the district is generally reported satisfactory. Deposits in most sections show increases. Interest rates remain steady and there is a constant and healthy demand for money. The banks, however, appear to be in a position to take care of all legitimate business requirements, notwithstanding the large amounts loaned on cotton and on Liberty Bonds. A report from Alabama shows an increase in deposits of State banks during March over the same month last year of \$1,197,192.01 and an increase in loans for the same month of \$9,798,294.89. The National banks also show substantial gains.

AGRICULTURAL

Farming operations in the district have made rapid progress during the past three weeks. Due to continued rainfall, the preparation of ground for planting was considerably delayed and planting was probably between two and three weeks later this year than usual. With a cessation of rain, however, farmers have begun their work with a will, care is being exercised in both preparing the ground and in the planting and all indications point to a good season.

It is estimated that the cotton acreage this year will be from fifteen to twenty percent less than for 1918.

The live stock industry is receiving more attention in all of the states of the district and greatly increased production may be expected the coming season. One packing plant in South Georgia has recently arranged for a large increase in its capacity and three other large packing plants are proposed for the State. Farmers are realizing the benefits to be derived from pure bred stock, which is being purchased in constantly increasing numbers.

A large proportion of the peach crop in the counties of Northeast Georgia was destroyed by a killing frost the first few days of April. The extent of the damage to all crops throughout the State has not been ascertained, but it is thought that some damage was done, especially to early vegetables.

The tobacco market in Tennessee is reported as being active up to the week ending March 31, and this activity left only a small quantity of tobacco in the barns. Prices have been very satisfactory; it is predicted a large crop will be produced next season.

The Director of the Division of Extension of Tennessee reports wheat conditions better than ever before and indications point to a large crop. His interview also indicates that the acreage planted in cotton in Tennessee will be materially reduced and that live stock, including sheep raising, and the production of foodstuffs will increase the coming season.

COTTON EXPORT CORPORATION

Wide interest is being manifested in the movement to organize a Cotton Export Corporation. The question is being discussed at meetings of various kinds throughout the district and every present indication is that it will be carried to a successful end. Committees have been appointed to study the matter and to work out details of operation. The benefits to be derived from such an organization can hardly be overestimated. Not only will cotton prices be stabilized, because of a gradual marketing of the crop the year around, but the producer will have a ready and a certain market at all times for his cotton. Another important result will be the release to other lines of business of large sums which have yearly been tied up in cotton during the marketing season and for some time thereafter.

LUMBER

Buying continues about equal to the output and as a consequence there is no accumulation of stock on hand. It is not believed that supply and demand will show appreciable change for the next sixty days.

REAL ESTATE

Greatly increased activity has been shown in the real estate business during the past month in all of the cities of the district. As a result of the "Own Your Home" campaign there has been an increased demand for homes. With the coming of spring weather construction of a large number of houses has been begun, and it is probable this activity in building will continue throughout the summer.

WOOL

From Nashville it is reported that the wool market is inactive. The situation is not expected to take on any life until the spring clip arrives. Prices have remained practically unchanged.

LABOR

The question of farm labor still is a pressing problem; from all sections comes the report of a shortage. Discharged soldiers do not appear to desire work on the farm, as only a small percentage of those who left the farm to enter military service have returned to their agricultural pursuits, and especially is this applicable to negro soldiers.

In some parts of the district it is reported that there is a demand for labor in the manufacturing industries, while in other sections the supply of labor is equal to the demand.

COAL

Coal production continues at about the same rate as previously reported. The output for March 1919 (two large coal producing companies not reporting) is stated to be 1,436,517 tons, an increase of 285,596 tons over the output for February. The demand for coal at present is very light. Orders for the winter's supply have not begun and some manufacturing plants which have been large users of coal have ceased operations.

IRON AND STEEL

Only 16 of the 32 pig iron furnaces in the Birmingham district are now operating, and others will cease to operate unless a more active demand for pig iron takes place. The output for March was 169,042 tons, as compared with 191,550 tons for February. The pig iron output for January, February and March 1919 is less by 113,533 tons than for the same months last year.

Steel mills are working full time. They have enough orders for steel to keep them actively employed for many months. The unfilled steel tonnage of the United States Steel Corporation in

March is reported to be 5,430,572 tons, compared with 6,010,787 tons in February. There is reported no shortage of labor, or labor complications, in this industry.

NAVAL STORES

Owing to heavy export demand the turpentine market has been very active, and large shipments will be made as soon as transportation can be provided. Prices on rosin are good with very little movement. Owing to unfavorable weather the present crop is several weeks late.

FLORIDA MEATS

Cattle prices have suffered a decided decline within the past two weeks. The supply of feed cattle in Florida is almost exhausted for this season. Exceedingly heavy runs in hogs during the winter resulted in lower receipts during March. Spring prices will in all probability reach the fall's top prices.

FLORIDA VEGETABLES AND FRUITS

Of the orange crop there remains to be shipped only a small quantity of the Valencias and those of late bloom. The market is stronger than at the time of last report. Demand for grapefruit is very heavy, and exceeds the supply. The crop is being cleaned up rapidly, and selling at high prices.

The golden heart celery crop has been practically exhausted, and only a limited quantity of green top variety is available. The market is strong, however, and good prices are being asked and received. The market on cabbage is very high. The tomato market is somewhat irregular owing to the uncertainty of the carrying quality of the product. High prices have prevailed on the few cars of potatoes already shipped. Indications point to a strong market throughout the season. The melon crop, while only about 75 per cent. normal, is reported to be in good condition.

VICTORY LIBERTY LOAN.

General satisfaction is being expressed throughout the district with the rate of interest and conditions of the Victory Liberty Loan Notes, and especially with the announcement by the Secretary of the Treasury in a definite statement that this loan is to be the last. It is confidently expected that this loan, like the four preceding it, will be oversubscribed. As an indication, one county in Alabama announced on the 16th of April that its entire quota of approximately a hundred thousand dollars had already been subscribed, and on the 18th a county in Georgia with a quota of about seven hundred thousand dollars also announced its full subscription. Notwithstanding this, however, the campaign will be prosecuted with vigor and with enthusiastic confidence in the result.

It may be said that conditions in this district are satisfactory. With the Peace Treaty signed in the near future, and with the Victory Loan subscribed, all engaged in legitimate enterprise may well look with confidence to the future for an era of prosperity and business activity limited only by our capacity to take full advantage of greatly broadened opportunities.

CLEARINGS—MARCH

	March, 1918.	March, 1919.
Atlanta, Ga.	\$ 196,914,670.00	\$215,669,821.56
Augusta, Ga.	18,947,659.86	12,224,902.68
Macon, Ga.	42,661,709.00
Savannah, Ga.	32,848,324.62	26,272,195.52
Birmingham, Ala.	19,089,670.12	53,364,420.49
Mobile, Ala.	6,651,626.87
Montgomery, Ala.	7,039,831.87
Jacksonville, Fla.	20,433,116.22	38,250,915.85
Tampa, Fla.	6,088,844.19	8,710,896.64
New Orleans, La.	221,903,519.55	220,422,744.77
Vicksburg, Miss.	1,939,409.69	1,515,380.37
Chattanooga, Tenn.	20,442,567.03	22,025,577.76
Knoxville, Tenn.	11,305,304.42	10,829,296.58
Nashville, Tenn.	59,175,217.02	67,075,482.68

BUILDING ACTIVITIES—MARCH, 1919.

	Repairs and Additions		New Buildings	
	Number	Amount	Number	Amount
Atlanta, Ga.	228	\$139,715	80	\$619,575
Macon, Ga.	67	17,103	18	35,135
Rome, Ga.	12	7,525	3	5,475
Savannah, Ga.	7	5,400	20	24,425
Brunswick, Ga.	40	13,600	23	32,610
Anniston, Ala.	12	6,700	7	26,800
Birmingham, Ala.	256	50,520	94	139,245
Montgomery, Ala.	144	20,848	12	13,790
Florence, Ala.	9	9,275	11	19,840
Mobile, Ala.	5	3,000	26	53,950
Tuscaloosa, Ala.	—	—	3	3,260
New Orleans, La.	—	23,798	—	116,000
Knoxville, Tenn.	85	29,648	14	49,612
Nashville, Tenn.	357	40,330	12	170,710
Clarkesville, Tenn.	3	2,570	—	—
Sheffield, Ala.	—	—	4	11,400
Augusta, Ga.	148	20,730	15	40,710
Jacksonville, Fla.	36	116,295	25	58,265
Miami, Fla.	12	4,700	40	7,500
Orlando, Fla.	13	2,355	21	24,775
Tampa, Fla.	58	21,205	21	51,220
West Tampa, Fla.	1	1,500	3	3,650
West Palm Beach, Fla.	—	—	26	301,900
Gainesville, Fla.	8	2,250	1	500
Pensacola, Fla.	111	11,587	8	6,900
Waycross, Ga.	9	1,050	1	1,000

POSTAL RECEIPTS—MARCH,

	March, 1918.	March, 1919.
Atlanta, Ga.	\$ 205,844.89	\$216,691.94
Savannah, Ga.	38,184.24	44,366.39
Jacksonville, Fla.	75,862.68	65,404.69
Tampa, Fla.	—	47,293.54
Nashville, Tenn.	98,410.53	100,677.53
Birmingham, Ala.	67,188.17	74,227.72
Mobile, Ala.	31,103.10	26,905.96
Montgomery, Ala.	42,994.90	30,226.67
Anniston, Ala.	21,329.05	12,568.92
Gadsden, Ala.	15,126.85	16,518.91
Shreve, Ala.	10,209.20	11,304.73
New Orleans, La.	170,169.95	173,859.23