

# FEDERAL RESERVE BANK

## OF ATLANTA.

ATLANTA, GA., May 25th, 1919.

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

— BY —  
**JOS. A. MCCORD,**  
FEDERAL RESERVE AGENT

#### **Commercial.**

Reports from practically all sections of the Sixth Federal Reserve District indicate that business in almost all lines has continued active during the past month. The retail trade is still on the increase, and wholesale merchants also report an increased volume of trade. This applies to all lines, but especially is it true with regard to the dry goods business, and to those lines which during the period of the war were more or less restricted. A large increase has been noticeable in the number of sales by automobile houses and jewelry stores.

#### **Financial.**

The Victory Liberty Loan has been over-subscribed, and with the assurance that this is the last public loan, business men and bankers are laying the foundation for a period of extended and extensive activity in all lines of industry. Deposits in some instances are reported to have decreased due to payments on Victory Notes, while in other cases large increases in deposits are reported. Interest rates remain steady. There has been some liquidation of discounts as a result of scattered sales of cotton.

An extended inquiry throughout the District indicates that the cash sales are considerably larger than before the war, or even a year ago, and there has also been a decrease in the credit sales, not, however, to the extent of the increase in cash sales. Merchants are availing themselves of the privilege of discounting their bills more than ever before, and more sales are being made on thirty days time whereas previously goods were sold on sixty and ninety days time. This is attributed to the increased wages and higher prices received for all products. These reports indicate that there is more money in the hands of the people than ever before.

#### **Foreign and Central American Trade.**

Since the signing of the Armistice, both the export and import trades have increased considerably. The shippers as yet are still governed by Government Allocations, and are unable to make bookings for foreign destinations. In spite of this, however, large shipments of grain, lumber, cotton and foodstuffs are being made. Inland shippers are handicapped as the railroads refuse to accept freight for foreign destinations until cargo space is assured. Relief is promised in the form of more ships in the near future, and in this event trade conditions will be better than ever before. Central American trade is also hampered by lack of ships, but in spite of this large quantities of coffee, sisal and tropical fruits, especially bananas, are being imported.

#### **Agriculture.**

The weather has been favorable for crop planting, practically all cotton and other crops having been planted. Good stands are reported in the southern portion of these states. Excessive rainfall the second and third week of the month, however, with the cool nights following caused

injury to the growth of cotton, as well as other crops, but replanting where imperfect stands have shown up, will place this crop in good condition.

The price of cotton has increased since last report, and if this increase, although slight, continues, it is probable a good deal of the cotton now held by farmers and merchants will be disposed of, causing a release to other lines of business of the money now carried on cotton paper.

Latest reports indicate a general reduction in the cotton acreage in all of the States of the District except Alabama, where a 5 per cent. increase is predicted. Reports state the acreage in Georgia will be cut 20.5%, in Tennessee 18%, in Mississippi, 15%, and in Louisiana from 15 to 20%.

Corn crops are reported in good shape. Fruits and vegetables appear not to have been damaged by recent light frosts, and the outlook is encouraging for large yields. Strawberry crops are excellent and prices satisfactory. The wheat and oats crops are reported fair, with prospects for large yields. It is estimated that the total production in Alabama will be 2,000,000 bushels.

The orange and grapefruit crops for this season have been practically all shipped. The citrus trees are in good condition and there is no unusual sign of the small fruit shedding. The new crop is said to have never been finer and prospects are for a large yield another season.

Tomato shipments from the East coast of Florida have practically closed, and the West coast has just started shipping in a small way. The market is about \$4 to \$4.50 for fancy stock. The potato market is firm at from \$7 to \$7.25. About 75% of the Hastings crop has been moved, and the next two weeks will probably see it completed. It is probable that a steady and possibly higher market will prevail. Potatoes from the Putnam district are now being harvested, and the yield is estimated at about one-third of that of last year, but the prices about four times as good. In the middle of the State the bean and cucumber crops are light and quality only fair. Peanuts, velvet beans and sugar cane in this section are in good condition. Weather conditions on the whole have been very favorable to growing crops.

#### **Labor.**

There is still an appreciable shortage of farm labor throughout the District, though possibly not so acute as formerly reported. In industrial lines the supply of labor seems to be about equal to the demand, although some sections report a shortage and others report a slight surplus.

#### **Live Stock.**

Good reports are received from all of the States in the district regarding increased live stock production. This is further evidenced by the fact that another large packing plant is to be located at Nashville in the near future.

#### **Florida Meats.**

Cattle prices have been steady but at considerably lower level than early March. The run of grass cattle is at least thirty days late as compared with last year. Hog receipts for April show an increase of about 60% over the same month last year, and it is estimated the summer run will show an improvement of about 25%.

#### **Wool.**

There is little activity in the Nashville wool market, due to the unsatisfactory movement of spring clip wool. The cold weather recently prevailing has greatly hampered shearing and Tennessee wool producers have not furnished enough of the product to enliven the market. Dealers believe, however, that the movement will begin to be satisfactory with more favorable weather.

#### **Naval Stores.**

Turpentine has continued to be in active demand and is bringing a very good price. Rosin accumulations have all been taken up by exporters and at better prices than were expected, and receipts are being brought up daily. The statistical position of rosin and turpentine is very strong and seems to be getting better. The new crop is late, but a large movement is looked for from now on.

## Lumber.

In the lumber market during April there was a good demand for boards and planing mill stock, and prices held up well. On dimension lumber the demand was light and prices fell off. During the past two or three weeks the demand for planing mill stock has greatly increased, and the price has advanced to a point where it is now higher than it ever has been. Stocks of boards and planing mill material are low and with the movement for home building being advocated over the entire country, it seems reasonable to suppose that prices of boards and light stock will go higher. The demand for dimension lumber is weak and the price has continued on a downward trend.

## Coal.

Coal production is not up to the standard, due to inactivity of the manufacturing business which, at the present time, is not up to normal. The coal output for April was 1,350,019 tons as compared with 1,436,517 tons for March. It is believed that the coal production will be increased considerably during the next sixty days, as orders for domestic use will begin to be placed.

Cotton mills are not active, running on short time. Pipe plants are beginning to receive orders, and this industry is showing improvement.

## Iron and Steel.

Pig iron trade at the present is dull. The high freight rates heretofore prevailing out of this territory have been a handicap to the manufacturers. The recent ruling by the Interstate Commerce Commission will result in great benefit to the manufacturers of pig iron in Alabama, as it will enable them to compete for trade in northern territory, which has heretofore been impossible. Inquiries for pig iron show an increase and the outlook is for a larger volume of business. The production of pig iron in April was 152,186 tons, as compared with 185,604 tons for March.

The Steel Mills in Alabama are active. Steel rails are being rolled and it is believed that the railroads cannot much longer delay entering the market for a large tonnage, for rails as well as for other equipment.

The unfilled steel tonnage of the United States Steel Corporation in April was reported to be 4,800,865 tons, as against 5,430,572 tons in March.

Considering the district as a whole, business conditions may be considered very satisfactory. The readjustment to peace conditions is taking place, though slowly and with caution. With the declaration of peace, and the lifting of all embargoes on exportations, it may confidently be expected there will be a demand for all of the things that we can produce or manufacture, certainly for a considerable length of time.

## CLEARINGS—APRIL.

	1918	1919
Atlanta, Ga. ....	\$183,227,941.04	\$207,845,363.39
Augusta, Ga. ....	15,013,321.42	12,830,737.10
Macon, Ga. ....		
Savannah, Ga. ....	28,041,535.35	25,689,182.79
Jacksonville, Fla. ....	21,928,843.78	36,032,363.76
Tampa, Fla. ....	6,876,454.30	9,110,271.27
New Orleans, La. ....	240,669,429.78	208,011,539.51
Vicksburg, Miss. ....	1,910,784.04	1,518,708.28
Chattanooga, Tenn. ....	20,519,392.18	21,265,002.35
Knoxville, Tenn. ....	13,034,446.42	12,103,617.62
Nashville, Tenn. ....	58,926,375.53	68,484,268.58
Pensacola, Fla. ....	10,333,928.00	11,688,504.00
Mobile, Ala. ....	6,356,019.34	7,288,945.02
Birmingham, Ala. ....	17,603,409.58	47,407,270.88
Montgomery, Ala. ....	6,857,959.05	7,526,040.00

## BUILDING OPERATIONS—APRIL.

	Repairs and Additions		New Buildings	
	Number	Value	Number	Value
Atlanta, Ga. ....	218	\$ 88,120	125	\$859,100
Augusta, Ga. ....	112	20,086	28	113,737
Brunswick, Ga. ....	19	3,075	27	26,275
Macon, Ga. ....	80	38,746	14	33,900
Rome, Ga. ....	16	5,535	3	5,535
Savannah, Ga. ....	20	16,625	33	33,650
Waycross, Ga. ....	10	2,173	1	1,340
Birmingham, Ala. ....	333	78,636	91	93,900
Montgomery, Ala. ....	137	13,733	13	18,330
Anniston, Ala. ....			4	5,100
Sheffield, Ala. ....			2	4,000
Tuscaloosa, Ala. ....			2	7,900
Jacksonville, Fla. ....	37	72,449	23	61,350
Miami, Fla. ....	5	1,000	73	386,450
Orlando, Fla. ....	6	2,150	19	16,355
Tampa, Fla. ....	77	17,765	15	109,575
W. Palm Beach, Fla. ....			26	280,000
West Tampa, Fla. ....	18	2,524	1	640
Gainesville, Fla. ....	10	2,310	4	15,625
Chattanooga, Tenn. ....	249	156,483		
Nashville, Tenn. ....	373	46,563	31	140,850
Knoxville, Tenn. ....	80	21,945	24	92,950
Clarkesville, Tenn. ....	7	2,000	1	1,500
New Orleans, La. ....	35	54,175	41	156,869
Meridian, Miss. ....	12	10,300	2	18,200
Alexandria, La. ....	34	11,304	28	29,150
Mobile, Ala. ....	4	1,750	12	112,800

## SELECTED MEMBER BANK STATISTICS—SIXTH DISTRICT.

(000's omitted).

	ATLANTA		Branch Cities NEW ORLEANS, JACKSONVILLE, BIRMINGHAM		OTHERS	
	8 Members		21 Members		18 Members	
	April 11	May 9	April 11	May 9	April 11	May 9
U. S. Bonds to secure circulation .....	\$ 3,800	\$ 3,800	\$ 5,085	\$ 5,085	\$ 6,380	\$ 6,615
Other U. S. bonds including Liberty Bonds .....	3,188	3,682	12,319	15,664	14,393	19,340
U. S. Certificates of Indebtedness .....	10,043	10,983	41,202	42,197	19,560	20,701
Total U. S. Securities owned .....	17,031	18,465	58,606	62,946	40,333	46,656
Loans secured by Liberty Bonds and Certificates.....	5,097	5,235	11,676	11,343	5,415	5,439
All other loans and investments, gross .....	58,894	58,233	161,499	154,529	82,515	81,554
Reserve balances with F. R. Bank .....	5,346	7,034	15,972	16,601	7,525	7,952
Cash in Vault .....	2,447	2,504	6,314	6,037	4,958	5,004
Net demand deposits on which reserve is computed.....	43,956	45,755	138,266	139,245	63,941	65,178
Time deposits .....	19,621	21,441	54,909	60,742	34,174	34,072