The Monthly BUSINESS REVIEW

Covering Business and Agricultural Conditions in the Sixth Federal Reserve District

FEDERAL RESERVE BANK of ATLANTA

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VOL. 5 ATLANTA, GEORGIA, AUGUST 25, 1920 No. 8

IMPROVEMENT in the condition of agricultural crops of the District during July had lent encouragement and confidence to business generally. However, late reports of damage to crops by excessive rains the first two weeks in August have been somewhat discouraging. The general trend of prices in principal lines in this District is noticeably downward, although there have been no spectacular developments along this line.

The month of July has seen a continuation of price-cutting and large sales advertised by stores desiring to rid themselves of their stocks, and this has been accomplished only to a limited extent. It is evident that the buying public confidently expects lower prices and is willing to buy only for actual needs until prices reach a lower level. With a return to a lower and more stable price basis, the public will come into the market more actively, and a general stimulation of business will result.

Of interest to the public generally, and especially to banks and the cotton trade, is a statement by the Federal Reserve Board, printed as a part of this review, regarding cotton loans by southern banks, and outlining the views of the Federal Reserve Board on the subject.

A majority of reports received from wholesale grocery firms in the district show substantial reductions in the money volume of sales during July as compared to sales for June. Most reports show increases over sales for July, 1919, ranging from 5 per cent to as high as 65 per cent and 70 per cent. While there may be some occasional reaction, the opinion of the trade generally indicates a gradual decline in prices.

The increase in money volume of sales by reporting wholesale dry goods firms ranges from 16.4 per cent to 114.2 per cent over sales for June. All reports show decreases as compared to July, 1919, ranging from 17.2 per cent to 37.5 per cent. Buying is limited to actual needs, and lower prices are looked for.

Comparison of sales during July and June by wholesale hardware firms vary from a decrease of 9.1 per cent to an increase of 55.4 per cent. Compared to sales for July last year, one report shows a decrease of 25.3 per cent, while a majority of reports show increases, ranging up to 57.2 per cent. While there is some expectation of lower prices later on, there seems to be no immediate prospect of a material change.

Wholesale shoe firms report increases for July over June as high as 50 per cent, while in only one or two cases are decreases shown. Only one report shows an increase over July last year, decreases in other instances ranging from 6 per cent to 28 per cent. The downward tendency is expected to continue, but by a long swing rather than precipitately. Wholesale cancellations of orders during June and July are now to some extent being reinstated.

As a part of this review is printed a statement showing composite results of reports by wholesale firms, and a similar statement showing the condition of retail trade during the month. An increase of 16.3 per cent is shown in net sales, for the District, over July last year. An increase of 45.7 per cent is shown in stocks on hand over the same month last year, and an increase of only 5.6 per cent over stocks at the end of June, 1920.

AGRICULTURE

The condition of the cotton crop in the states of the Sixth Federal Reserve District, on July 25, is shown in the following table:

	July, 1920	June, 1920	July, 1919
Alabama	67%	67%	64%
Florida	64%	63%	50%
Georgia	68%	63%	67%
Louisiana	71%	77%	52%
Mississippi	71%	69%	63%
Tennessee	76%	69%	67%

While the condition of the crop in Georgia showed a gain of 5 per cent, in some parts of the State there was an appreciable decline. The net increase of five points represents approximately 400,000 pounds of lint cotton. The southern portion of the State enjoyed extremely favorable conditions. The dry weather enabled the farmers to get in and cultivate very rapidly. Conditions in the north and northwest part of the State were not so favorable. The boll weevil is now present in practically all of the cotton counties, and is beginning to do very serious damage in the upper belt, and the heavy rains of the last two weeks have no doubt increased its activities in the upper part of the State. While the trend of the crop is upward, the rapid increase of the weevil will in all probability affect this very seriously.

The Florida cotton crop has improved slightly, with prospects of a much larger production than last year. Improvement began with the favorable weather of late June, and has been steady and rapid throughout July. The bottom crop is maturing nicely, with some cotton opening and being picked. Though not as numerous as at this time last year, weevils are reported as present pretty generally over the belt. On the basis of the condition July 25, the estimated production is 24,000 bales, compared to 15,925 bales last year.

The weather conditions in Louisiana during July have been unfavorable, and the crop has deteriorated six points. Excessive rains have prevented work on the crop and caused too much moisture, when warm, sunny weather was needed. The boll weevil, in increasing numbers, has added to the unpromising condition. Some sections report that these pests are more numerous than they have ever been. The quarantine declared by some states against any shipments of cotton products from states infected with the Pink Boll Worm, has been modified to apply only to the sections so infected.

Substantial improvement is shown in the condition of the crop in Mississippi. Based on the condition of 71% of normal, the indicated production for the State will amount to 1,004,000 bales, compared to last year's production of 953,000 bales. While the crop in the northern part of the State (some of which is not in the Sixth Federal Reserve District) being young, made good progress, the older cotton in the southern part shows some actual loss from shedding, boll weevil, and leaching of fertilizers caused by excessive rains. Boll weevils are reported in all counties not touching Tennessee, though no serious damage has thus far been done by them, except in a few counties in the southwest portion and on scattered farms throughout the southern portion. Some fields have heavy infestations, while nearby fields are practically free from the pest. The lateness of the crop and the presence of the weevil in practically all counties constitute a menace to the State's final production should wet weather continue.

The crop in Tennessee also shows decided improvement in condition. While the crop is still two to three weeks late, the growth has been rapid, and the weather generally favorable, except in a few counties where there have been excessive rains. In some counties where there has been too much rain fields are again becoming foul, though most of the crop is well worked. The estimated production for the State is 300,800 bales.

The following table shows the condition and estimated production of other principal crops:

GEORGIA	Condition	Estimated Production
Corn	81%	65,703,000 bushels
Wheat	85%	2,111,000 "
Oats	86%	10,534,000 "
Potatoes	80%	1,562,000 "
Sweet Potatoes	89%	13,172,000 "
Tobacco	88%	20,979,000 pounds
Peanuts	87%	7,392,000 bushels
Apples	74%	1,696,000 "
Peaches	58%	3,676,000 "

FLORIDA

Corn	80%	10,934,000 bushels
Tobacco	93%	4,297,000 pounds
Hay	90%	150,000 tons
Potatoes	----	2,520,000 bushels
Sweet Potatoes	92%	4,400,000 "
Peanuts	90%	4,317,000 "
Oats	----	2,999,000 "
Sorghum	89%	75,000 gallons

LOUISIANA

Corn	87%	41,124,000 bushels
Rice	91%	25,480,000 "
Sugar Cane	74%	2,623,566 tons
Sweet Potatoes	90%	6,993,000 bushels
Hay	92%	518,824 tons
Oats	73%	1,248,000 bushels
Peanuts	85%	89,250 "

MISSISSIPPI

Corn	----	66,400,000 bushels
Sweet Potatoes	----	9,550,000 "

TENNESSEE

Corn	89%	81,896,000 bushels
Wheat	----	4,155,000 "
Tobacco	80%	79,920,000 pounds

The corn crop of Georgia is stated to be far below the average, while sweet potatoes and tobacco promise a much heavier yield. The peach crop did not bear out the early promise, but still produced a respectable number of cars of commercial peaches and a large agricultural crop. Peanuts are in first-class condition and promise a good yield.

Corn in Florida has developed in a very satisfactory manner. The favorable weather in July has resulted in large, well filled ears, and in some parts of the State the crop is reported to be well above the average condition. Hay, peanuts, sweet potatoes, tobacco, velvet beans and sugar cane have improved during the month.

While the corn crop of Mississippi improved four points during July, the major portion of the acreage is late, and still in an uncertain condition. The well drained soils of the southern and central sections, where the crop was planted early, will have bumper yields. Sweet potatoes made excellent development during July, and potatoes of good size and quality are reaching the market. The acreage was also increased during the month by setting vines. Syrup crops promise good yields. The acreage to sorghum for syrup was increased by planting of soils originally intended for other crops. Rains have favored the growth of both sorghum and sugar cane where cultivated and unmolested by worms; however, worms are injuring both crops in many sections.

In Tennessee the corn crop, though shorter in acreage than for last year, is in better condition. Wheat threshings are over, and the yield is a little better than forecasted. Tobacco has made rather slow growth, the crop being mostly late.

FLORIDA FRUITS

The citrus fruit crop of Florida for the 1920-21 season will total sixteen million boxes, some five million boxes more than that of the 1919-20 season, according to present estimates. The yield of oranges will be very heavy, while the yield of grapefruit will be lighter than for the past season. The following shows the condition of the fruits:

	July 25, 1920	June 25, 1920	July, 1919
Oranges	89%	90%	89%
Grapefruit	80%	79%	87%
Limes	80%	83%	82%

RICE

The fact that the largest rice crop ever produced is predicted for Louisiana, has caused uneasiness, fearing the price of rice may not justify the very high cost of production. The market has been very quiet, and few sales made, a drop in prices being expected when the new crop comes on the market. Rice on hand from last year is more in volume, and more difficult to dispose of, being of an inferior grade. The new rice is of a very high grade, and is an early crop, the first shipment having been received July 20. General cutting will begin shortly. The heading is reported irregular and the straw short, but very little damage from water maggots has been sustained. The chief concern now appears to be the necessity for dry and sunny weather for harvesting.

ROUGH RICE (SACKS) PORT OF NEW ORLEANS

	July, 1920	June, 1920	July, 1919
Receipts	32,960	54,554	16,724
Shipments	42,401	60,951	12,235
Stock	6,428	15,869	13,606

CLEAN RICE (POCKETS) PORT OF NEW ORLEANS

	July, 1920	June, 1920	July, 1919
Receipts	13,739	34,125	136,772
Shipments	93,398	148,511	229,226
Stocks	173,428	205,598	114,022

SUGAR

A recently published article reports that during the period from January to July, 1920, over a million bags of raw sugar were imported and refined by the sugar-houses on the larger plantations. This phase of the industry has heretofore been confined to the large refineries, but numerous sugar-houses are now being equipped with systems for refining sugars and will refine their own sugars this season.

A good sugar crop is forecasted for Louisiana, with an offering of five cents below the present price on January deliveries. Weather conditions have been favorable and good progress has been made. The sugar-cane borer, however, is doing considerable damage to the crops throughout the State. An effort is being made to import the Cuban fly in large numbers in order to destroy the borer and save a large percentage of the crop. Stubble cane, which comprises about 44% of the crop, is, on the whole, unsatisfactory.

The Cuban pool, which was formed to boost the price of sugar to twenty-four cents, has had very little effect on the market, and Cuban holders appear to be weakening and are now accepting the price paid by the refineries for other sugars. A shipment of 80,600 bags, amounting to 21,036,600 pounds of sugar, has been received at the port of New Orleans from Java. It is the largest cargo ever received, and the first to arrive from that source.

RECEIPT OF SUGAR PORT OF NEW ORLEANS

	July, 1920	June, 1920	July, 1919
Raw Sugars (bags)	560,971	431,893	334,160
White Sugars (pockets)	84,312	115,389	------

LIVE STOCK

Reports do not indicate any determined effort to increase live stock production in Tennessee, but indications are to the contrary. Farmers are discouraged by the high price of feedstuffs, and many will sell part of their stock in the fall.

Heavy losses of hogs are reported from many sections of Mississippi, from cholera and other contagious diseases.

LUMBER

The lumber market is still dominated by the transportation situation; the car shortage is said now to be in its worst stage. The effects on the lumber trade have been intensified by the operation of priority orders in favor of commodities deemed more essential than lumber, and for whose movement practically the entire supply of cars is required.

There was a slight flurry in some quarters prior to the announcement of the freight rate increase. For a while it was believed the iminency of higher freight rates would spur buyers to greater activity, but this has been prevented by the car shortage.

Reports from principal lumber producing sections show that the curtailment of production is becoming more general. Instances were recorded where mills have withdrawn from the market entirely until orders previously accepted can be shipped.

Other than a continued scarcity of cars, the immediate outlook from the standpoint of lumbermen may be regarded as fairly satisfactory. Favorable crop reports have increased the feeling of business confidence, the market is free from the influence of fluctuating prices, and it is expected the demand for the next three months will be heavier than was the case during the early summer. The general tone of prices is firm, though local conditions cause slight deviations from the lists. The market at this time presents the anomalous condition of buyers being willing to pay higher prices provided lumber can be shipped promptly and sellers offering slight reductions because of inability to ship promptly. Railroad demand has not asserted itself to any marked extent, though an encouraging number of inquiries from that source is reported.

The following are prices, f. o. b. mills, (published August 14) as taken from current sales of numerous mills in different parts of producing field, on general run of orders from retailers and the factory trade:

Flooring	$34.00	to	$121.00
Ceiling	37.00	to	68.00
Partition	40.00	to	82.00
Bevel Siding	35.00	to	59.50
Drop Siding	39.00	to	72.00
Finish	72.00	to	98.00
Common Boards	31.00	to	65.00
Fencing	32.00	to	58.00
No. 1 Dimension	32.00	to	45.00
No. 2 Dimension	32.00	to	44.00
Heavy Joists	39.00	to	53.00
Rough Timber	39.50	to	47.50

NAVAL STORES

Appended to this report is a statement of receipts during July and stocks at the end of July of turpentine and rosin at the three principal naval stores markets of the District. Both receipts and stocks on hand are appreciably higher than for the month of June. Receipts of both turpentine and rosin are much higher than for July, 1919 and 1918. Stocks of rosin were smaller than for the same month last year; stocks of turpentine at Pensacola were larger than for the same month last year, but smaller at Savannah and Jacksonville.

There have been some bullish activities on the Savannah market, where turpentine went as high as $1.58½, but on withdrawal of buying the price dropped back to $1.56. It is not believed there will be any great decline before the active trading opens up, as conditions generally do not favor it. There seems to be a general opinion that the late fall and winter will see a probably higher range of values.

Turpentine demand for the current year bids fair to exceed that of last season, contrary to earlier opinions of a part of the trade. Production has increased, but against this is the fact that supplies at the beginning of the season were practically exhausted. Statistically, the situation of the commodity is healthful, and while statistical strength can be rudely and quickly upset by political developments and industrial upheaval, there is apparently no reason to look for any great disturbance. In rosins there is particular strength in domestic and foreign demand alike. Exports are continuous and indications for the first half of the season are for a very satisfactory showing.

LABOR

After a three weeks' strike, the street railway men in New Orleans have returned to work, leaving the adjustment of the controversy to the decision of three Special Masters, selected by the Railway Company, the Union, and the Public, before whom the case will be argued in open court. In the meantime car service has been normally restored, under the conditions of the old contract.

The Metal Trade Workers in New Orleans have also returned to their work, after a strike of eight weeks, accepting ninety cents an hour for mechanics and sixty cents an hour for helpers.

The Painters and Decorators in New Orleans have struck for $1.00 an hour in place of their former wage of seventy-five cents. An offer of eighty cents was made and rejected.

The effect on business and the cost of strikes in New Orleans in the past year have been serious. From July, 1919, to July, 1920, the loss in wages alone is estimated at approximately $3,000,000. It is stated business dropped 33⅓ per cent during the car strike, and while some of it was retrieved by after-the strike activity, much of it was a permanent loss. The Longshoremen's strike, last fall, caused a loss in wages to employees of $500,000, and the Metal Trade Workers' strike, recently adjusted, where 3,000 skilled workmen were involved, resulted in a wage loss of $1,000,000. Practically every phase of business has been affected. The port was seriously hampered by both the Longshoremen's and the Metal Trades Workers' strike. Manufacturers of machinery were forced to sublet many contracts to other cities; work in shipyards was practically at a standstill, and retail business was seriously curtailed by all three strikes because of the loss in wages.

Labor conditions are to some extent unsatisfactory at other points in the District. In the Birmingham coal mines there is a strike of 2,000 to 3,000 miners, and from all points reports show labor to be scarce, high, and inefficient, and especially does this apply to farm labor.

FINANCIAL

Deposits in Florida are reported to be about 20 per cent higher than for the same time last year, and this condition prevails to a certain extent throughout the District. In some instances, however, slight decreases are reported.

Collections are not as good as for the past month or two. Increasing numbers of accounts are being allowed to run past due, collections are harder to make and increased effort is required.

FOREIGN TRADE

Imports at New Orleans for the month of June, 1920, amounted to $31,384,171, more than double the figures for the same month last year, $14,049,139, and which up to this time had been the record month. Exports for June at New Orleans were $36,986,971, compared to $71,113,663 for June, 1919. Specific figures of imports at New Orleans for June, 1920, are as follows:

Commodity	Amount		Value
Sugar	127,866,477	lbs.	$19,415,199
Coffee	30,637,716	lbs.	6,160,843
Sisal	13,058	tons	2,554,342
Burlaps			866,174
Bananas	1,869,884	bunches	-------
Creosote Oil	777,698	gallons	83,883
Cocoanuts	51,040		28,037
Nitrate of Soda	2,695	tons	182,000
Mineral Oil	35,645,400	gallons	444,150
Mahogany	318,000	ft.	36,875
Molasses	8,902,035	gallons	200,296

Congestion both in the port and at the railway terminals continues, and is the cause of the loss of much business. The port is about to lose the sisal imports owing to the lack of wharf space. Some ports in South America may divert their orders for lumber to other southern ports owing to the lack of adequate lumber terminals at New Orleans.

In response to the steadily increasing Latin-American trade through the port of New Orleans, new sailings were scheduled for August for South and Central American points. The Shipping Board has allotted one hundred and eighty-four vessels of the American Merchant Marine Fleet to the Gulf Division, about half of this number being assigned to New Orleans.

COAL, IRON AND STEEL

The shortage of freight cars has grown more serious during the past month, and pig-iron is piling on yards in the District at a rapid rate. Iron and steel movements are greatly delayed, and this inability to remove the product is causing some financial discomfiture. However, sales of pig-iron are still being made with frequently a small tonnage for prompt delivery at $1.00 or $2.00 premium. The output of furnaces continues steady. The intra-district transportation facilities are being given every possible attention, but it is difficult to deliver pig-iron out of the district. No doubt exists that the iron market will continue strong. Indication is given that consumers will need the product for months to come. No relief in the near future is to be seen in the car situation. More than a month's make is estimated to be in the yards, and many consumers are requesting delivery on their contracts. The iron market is considered very strong, the principal difficulty being the inability to deliver. Cast-iron pipe makers are suffering in a similar manner, and have much stock made up and ready to ship.

Home consumption of pig-iron is holding up well, pipe plants, foundries and machine shops, sanitary pipe industries, radiator works and other iron-moulding plants all having splendid contracts in hand.

Steel mills are working at more than 80 per cent, all plants considered. Fabricating and steel-consuming plants are feeling the delays in deliveries. Considerable of the products of the steel mills is to be exported, inquiries being steady.

Coal production in Alabama shows a little improvement, the fight of the operators against any recognition of the union being continued. Strikes are still on in the domestic coal fields, between two and three thousand men being idle. Some new labor is being put to work in the striking mines. Where no union labor is employed, or where the strike has not reached, operation is very strong and production heavy. Several new mines are under project for development during the next few months.

The coke production is far below the demand. This industry also feels the car shortage. Very few contracts have been given consideration in the district in the last few weeks.

CLEARINGS JULY

	1920	1919	Per Cent Increase	Per Cent Decrease
Atlanta, Ga.	$243,812,821	$244,476,445	----	0.3
Augusta, Ga.	15,251,734	16,232,187	----	6.0
Birmingham, Ala.	79,602,791	53,266,485	49.4	----
Chattanooga, Tenn.	35,341,668	27,097,366	30.4	----
Columbus, Ga.	4,252,454	5,476,471	----	22.4
Jacksonville, Fla.	55,771,192	33,836,463	64.6	----
Knoxville, Tenn.	14,398,684	11,849,984	21.5	----
Mobile, Ala.	11,090,303	8,718,449	27.2	----
Montgomery, Ala.	7,639,705	6,789,290	12.5	----
Nashville, Tenn.	91,824,164	62,679,545	46.5	----
New Orleans, La.	262,149,232	251,525,434	4.2	----
Pensacola, Fla.	10,635,288	8,960,307	18.9	----
Savannah, Ga.	34,746,483	36,825,464	----	5.6
Tampa, Fla.	9,929,993	7,299,484	36.2	----
Vicksburg, Miss.	1,627,989	1,415,618	15.0	----

BUILDING OPERATIONS, JULY

	Repairs and Alterations		New Buildings		Increase or Decrease Total Volume Over July, 1919	
ALABAMA	No.	Value	No.	Value		
Anniston	4	$ 2,000	30	$ 51,900	Inc.	$ 22,250
Birmingham	216	46,315	142	247,858	Dec.	313,505
Gadsden	2	2,800	9	24,000	----	-------
Mobile	6	1,400	7	34,500	Dec.	163,000
Selma	4	1,475	5	23,400	----	-------
GEORGIA						
Atlanta	149	303,059	66	928,500	Dec.	302,679
Augusta	99	31,591	27	98,775	Dec.	36,454
Brunswick	3	500	3	1,000	Dec.	29,540
Columbus	4	350	3	42,000	----	-------
Savannah	20	85,525	35	133,600	Dec.	164,865
Waycross	4	1,125	3	500	Dec.	395
LOUISIANA						
New Orleans	41	192,822	44	199,225	Dec.	397,954
Alexandria	31	9,741	.13	131,785	Inc.	106,547
MISSISSIPPI						
Meridian	4	20,550	3	13,600	Inc.	7,845
FLORIDA						
Pensacola	49	12,786	9	14,400	Dec.	37,986
Gainesville	5	1,270	6	5,975	----	-------
Jacksonville	---	------	40	358,587	----	-------
Miami	22	10,200	103	248,900	----	-------
Orlando	25	10,625	33	24,111	----	-------
Palm Beach	2	8,000	4	135,000	----	-------
W. Palm Beach	22	6,760	20	84,975	----	-------

BUILDING OPERATIONS, JULY—(Continued)

TENNESSEE						
Nashville	209	65,455	34	39,345	----	-------
Knoxville	78	25,570	19	114,080	----	-------
Johnson City	---	-----	10	8,600	----	-------

CONDITION OF WHOLESALE TRADE DURING JULY, 1920

Federal Reserve District No. 6

1 (a)—Percentage of increase (or decrease) in net sales for July, 1920, over previous month:

	Groceries	Dry Goods	Hardware	Shoes
Alabama	0.5	44.6	6.4*	22.8
Florida	3.9	107.6	9.2	27.8*
Georgia	2.9	76.0	20.8	41.7
Louisiana	3.4	----	.9	---
Mississippi	13.9*	----	---	---
Tennessee	3.1	----	---	21.0*
District	0.2*	79.1	6.1	3.9

1 (b)—Percentage of increase (or decrease) in net sales for July, 1920, over same month last year:

	Groceries	Dry Goods	Hardware	Shoes
Alabama	20.5	37.5*	25.3*	14.3*
Florida	40.5	17.2*	32.5	6.3*
Georgia	7.9	25.0*	26.4	6.7
Louisiana	42.1	----	49.9	---
Mississippi	.0	----	---	---
Tennessee	19.3	----	---	24.0
District	26.1	26.6*	20.9	9.5*

2 (a)—Percentage of increase (or decrease) in unfilled orders for July, 1920, over previous month:

	Groceries	Dry Goods	Hardware	Shoes
Alabama	26.6*	----	---	---
Georgia	66.6*	12.9*	14.3	36.7*
Louisiana	---	----	10.7*	---
District	46.6*	----	1.8	---

2 (b)—Percentage of increase (or decrease) in unfilled orders for July, 1920, over same month last year:

	Groceries	Dry Goods	Hardware	Shoes
Alabama	2.8*	----	---	---
Georgia	---	50.0	6.6	36.4

* Decrease.
-- Not reported.

MOVEMENT OF COTTON

RECEIPTS—PORTS	Month of Report July, 1920	Preceding Month June, 1920	Year-Ago July, 1919
New Orleans	53,215	64,371	109,922
Mobile	4,180	3,575	9,498
Savannah	51,194	14,035	112,035

RECEIPTS—INTERIOR TOWNS

Atlanta	8,233	8,225	23,121
Augusta	9,560	19,322	22,925
Macon	134	1,335	14,484
Meridian	838	333	1,045
Montgomery	232	376	1,272
Vicksburg	20,278	40	36,043

SHIPMENTS—PORTS

New Orleans	136,888	164,845	151,445
Mobile	3,021	5,312	7,439
Savannah	31,166	38,123	89,798

SHIPMENTS—INTERIOR TOWNS

Atlanta	10,285	12,777	27,277
Augusta	16,271	22,190	34,827
Macon	687	4,298	18,438
Meridian	784	1,250	4,286
Montgomery	506	1,045	3,951
Vicksburg	14,787	397	2,448

STOCKS—PORTS

New Orleans	228,017	320,850	376,121
Mobile	2,543	1,842	25,656
Savannah	58,898	38,890	249,092

STOCKS—INTERIOR TOWNS

Atlanta	13,171	15,223	24,084
Augusta	61,461	75,753	127,897
Macon	4,004	12,532	13,439
Meridian	1,526	1,472	8,609
Montgomery	5,572	5,846	15,902
Vicksburg	5,491	5,853	2,448

MOVEMENT OF SUGAR

	Month of Report July, 1920	Preceding Month June, 1920	Year Ago July, 1919
RECEIPTS			
Savannah	34,684,000 lbs.	38,016,550 lbs.	22,450,000 lbs.
SHIPMENTS			
Savannah	33,623,637 lbs.	35,402,838 lbs.	20,879,456 lbs.
STOCKS ON HAND			
Savannah	1,580,134 lbs.	797,655 lbs.	1,130,358 lbs.

MOVEMENT OF LIVESTOCK

RECEIPTS

	CATTLE			CALVES		
	Month of Report July, 1920	Preceding Month June, 1920	Year Ago July, 1919	Month of Report July, 1920	Preceding Month June, 1920	Year Ago July, 1919
Nashville	5,392	4,569	5,219	2,269	2,690	1,381
Jacksonville	580	877	1,521	----	----	----
Montgomery	8,954	3,786	2,593	271	193	313

PURCHASES FOR SLAUGHTER

	CATTLE			CALVES		
Nashville	2,247	1,830	2,505	1,309	1,584	1,050
Jacksonville	475	774	1,521	----	----	----
Montgomery	1,522	838	----	229	172	----

RECEIPTS

	HOGS			SHEEP		
Nashville	23,940	29,980	30,005	14,385	77,727	37,163
Jacksonville	3,251	3,555	444	311	169	70
Montgomery	4,401	4,850	4,223	281	738	572

PURCHASES FOR SLAUGHTER

Nashville	5,886	5,761	3,443	3,527	1,861	2,680
Jacksonville	1,307	2,350	444	105	----	70
Montgomery	4,286	4,391	----	279	668	----

HORSES AND MULES

RECEIPTS

Montgomery	202	232	51

NAVAL STORES REPORT FOR JULY
FOUR YEARS

Receipts of Turpentine

	1920	1919	1918	1917
Savanah	15,460	7,608	8,000	13,506
Jacksonville	15,809	10,380	11,399	17,728
Pensacola	7,138	5,610	3,747	8,934
Total	38,407	23,598	23,146	40,168

Receipts of Rosin

	1920	1919	1918	1917
Savannah	47,814	23,710	24,892	40,939
Jacksonville	45,539	33,123	35,624	49,772
Pensacola	20,394	19,728	12,686	23,719
Total	113,747	76,561	73,202	114,430

Stocks of Turpentine July 31

	1920	1919	1918	1917
Savannah	13,931	10,826	26,716	29,139
Jacksonville	10,937	9,143	55,884	43,748
Pensacola	6,038	10,294	35,296	37,182
Total	30,906	30,263	117,896	110,069

Stocks of Rosins July 31

	1920	1919	1918	1917
Savannah	39,766	60,360	78,430	84,517
Jacksonville	55,664	119,533	165,460	168,988
Pensacola	40,549	54,946	43,592	83,562
Total	135,979	234,839	287,482	337,067

STATISTICAL REPORT OF SOUTHERN PINE ASSOCIATION FOR WEEK ENDING JULY 30, 1920

(149 Mills Reporting)

	Cars	Feet
Orders on hand beginning of week	18,937	411,216,955
Orders received during week	2,675	58,087,625
Total	21,612	469,304,580
Shipments during week	2,417	52,485,155
Orders on hand end of week	19,195	416,819,425

FOR THE WEEK (149 Mills)

	Total	Average Per Mill
Orders	58,037,625 ft.	389,850 ft.
Shipments	52,485,155 ft.	352,249 ft.
Production	69,879,511 ft.	468,983 ft.
Normal Production	92,977,752 ft.	624,012 ft

Shipments below production for week	17,393,356 ft	=24.89%
Orders above production for week	11,790,886 ft.	=16.87%
Orders above shipments for week	5,602,470 ft.	=10.67%
Actual production below normal	23,099,241 ft.	=24.84%
Shipments below normal production	40,492,597 ft.	=43.55%
Orders below normal production	34,890,127 ft.	=37.53%
Increase in "orders on hand" during week	5,602,470 ft.	= 1.36%

PREVIOUS REPORTS

Week Ending	Mills Reporting	Average Orders (Feet)	Average Shipments (Feet)	Average Production (Feet)	Average Normal Production (Feet)	Total Unfilled Cars
July 9	148	502,927	330,321	421,260	621,231	17,443
July 16	156	492,207	348,414	446,966	630,665	18,499
July 23	144	429,625	359,353	471,134	637,366	18,158
July 30	149	389,850	352,249	468,983	624,012	19,195

STATEMENT BY FEDERAL RESERVE BOARD ON COTTON LOANS

The United States Department of Agriculture recently addressed a letter to the Governor of the Federal Reserve Board, in Washington, in which certain reports which had reached the Department were called to the attention of the Board. These reports indicated that, due to an existing financial stringency, stocks of cotton in the South were being forced on the market at a sacrifice price, that grave fears were entertained by some business men regarding the prospect for satisfactory financial conditions this fall for the gradual movement of the cotton crop, and that it was thought by some cotton dealers that a ruling or other form of instructions from the Federal Reserve Board, which limited loans on cotton to that only which was in process of shipment, was the fundamental prospect for the future.

To this communication reply was made by Governor Harding, of the Federal Reserve Board, on July 16, which is quoted in part, as follows:

"I acknowledge receipt of your letter of the 14th instant, in which you refer to the pressure on Southern markets of large stocks of low grade cotton. You say 'It was stated to a representative of this Department that the Federal Reserve Board has issued instructions to member banks not to make loans on cotton unless shipping instructions therefor were shown the bank—in other words, that member banks were forbidden to finance cotton unless it had been already sold for prompt shipment'.

"The Federal Reserve Board has issued no such instructions. It has no power to require member banks to make or to refuse any loans which they may wish to make. Member banks are required only to live up to the requirements of Section 19 of the Federal Reserve Act relating to reserves, and the National banks can engage in all transactions which are permitted under the revised statutes of the United States and of Section 13 of the Federal Reserve Act. State banks which are members retain, under the provisions of Section 9 of the Federal Reserve Act, all of the powers derived from their State charters and continue to be subject to the supervision of their respective State banking departments.

"The Board has not been advised of any circulars issued by the Federal Reserve banks in the cotton growing districts giving advice to member banks as to what loans they should make or decline to make, and the Board would request that you ask your representative who has given you the information conveyed in your letter to me to transmit any such circular, if any are in existence, or else to state how he received his information as to the alleged advice to member banks.

"In order to facilitate the financing of this year's crop, the Board requested Congress early in the year to amend Section 5200 of the Revised Statutes. This section originally restricted loans by a National bank to any one individual, firm, or corporation to an amount not exceeding 10 per cent of the bank's capital and surplus. Congress, however, acted upon the suggestion of the Board, and Section 5200 as amended now provides that for a period of six months out of any consecutive twelve months a National bank may lend to an individual, firm or corporation, up to 25 per cent of its capital and surplus, where loans in excess of the regular 10 per cent limitation are secured by warehouse receipts for readily marketable staples.

"The accumulation of low grade cotton is due in part to the difficulty in making financial arrangements necessary to sell it to the mills in the central European countries, which have always been the principal consumers of low grade cottons. The member banks of the South, no doubt, feel reluctant to carry too large a volume of loans on collateral which is not readily salable.

"You say that 'prior to the enactment of the Federal Reserve Act there were independent banks in the cotton belt which made it a practice to lend on cotton as collateral', and 'that most of these banks are now members of the Federal Reserve system, and their policy as to loans is largely determined by regulations of the Federal Reserve Board'. As a result of the changes in the banking laws made by the Federal Reserve Act, the lending power of all banks has been greatly increased since 1914. The banks in the cotton belt, in cases where they are not overloaned in other directions, can make much larger loans on cotton this fall than ever before. To what extent, however, these banks will be able to rediscount at the Federal Reserve Banks I am unable to say. Section 4 of the Federal Reserve Act requires the Board of Directors of a Federal Reserve Bank to administer the affairs of the bank 'fairly and impartially and without discrimination in favor of or against any member bank or banks' and that said Board 'shall, subject to the provisions of law and the orders of the Federal Reserve Board, extend to each member bank such discounts, advancements and accommodations as may be safely and reasonably made with due regard for the claims and demands of other member banks'. I feel sure, however, that the Federal Reserve Banks will do all that can reasonably be expected of them to aid in the orderly marketing of the cotton crop."

CONDITION OF RETAIL TRADE DURING JULY, 1920

Federal Reserve District No. 6

	Percentage of Increase (or Decrease) (1) Comparison of net sales with those of corresponding period last year.		(2) Stocks at the end of month compared with		(3) Percentage of average stocks at end of each month from July 1 to date, to average monthly sales over same period.	(4) Percentage of outstanding orders at end of month to total purchases during calendar year 1919.
	A July	B July 1 to Date	A Same Month Last Year	B Last Month		
Atlanta	11.1	11.1	28.4	—4.4	311.0	8.3
New Orleans	10.4	10.4	51.9	11.5	379.0	19.5
Birmingham	19.6	19.6	58.3	—0.8	424.0	15.6
Jacksonville	22.8	22.8	9.9	—6.9	241.0	----
Nashville	8.0	8.0	38.9	3.6	437.0	17.7
DISTRICT	16.3	16.3	45.7	5.6	379.0	17.3