

# MONTHLY REVIEW

*Of Agricultural, Industrial, Trade and Financial  
Conditions in the Sixth Federal Reserve District*

## FEDERAL RESERVE BANK OF ATLANTA

OSCAR NEWTON, Chairman of the Board and Federal Reserve Agent  
WARD ALBERTSON, Assistant Federal Reserve Agent

(Compiled September 18, 1928)

VOL. 13, No. 9

ATLANTA, GA., SEPTEMBER 30, 1928

This review released for publication in  
the Sunday papers of September 30.

### BUSINESS CONDITIONS IN THE UNITED STATES

Volume of industrial and trade activity increased in August, and there was a further advance in wholesale commodity prices. Reserve bank credit outstanding increased in September reflecting in part seasonal demands for currency and credit. Money rates remained firm.

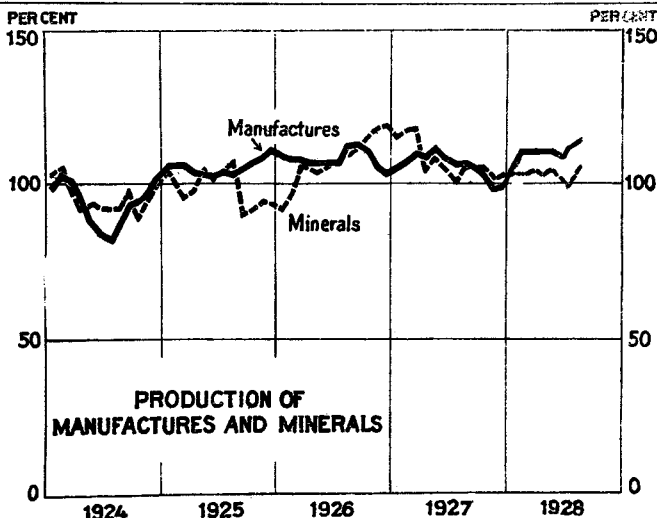
**Production** Production of both manufactures and minerals increased considerably in August, the output of manufacturing plants being larger than at this season of any earlier year. Automobile production was in record volume in August, and available information indicates that output was maintained by many producers at a high level during September. Iron and steel production continued large in August and September, and output of non-ferrous metals increased between July and August. Textile mill activity, which had been somewhat reduced in recent months, also showed a substantial increase. Factory employment and payrolls have increased since midsummer and in August were close to the levels of a year ago. In the building industry there was evidence of recession in a sharp decline after the early summer in contracts awarded, which were in smaller volume during August than in the corresponding month of any year since 1924. In the first three weeks of September, however, awards were somewhat larger than last year. Estimates of the Department of Agriculture for September first indicate that yields of principal crops will be larger than last year and above the average for the preceding five years.

**Trade** Distribution of commodities showed seasonal increases in August, although sales in most lines of wholesale and retail trade did not equal the unusually large sales of August 1927. Department stores stocks increased as is usual in August but continued smaller than a year ago, while inventories in

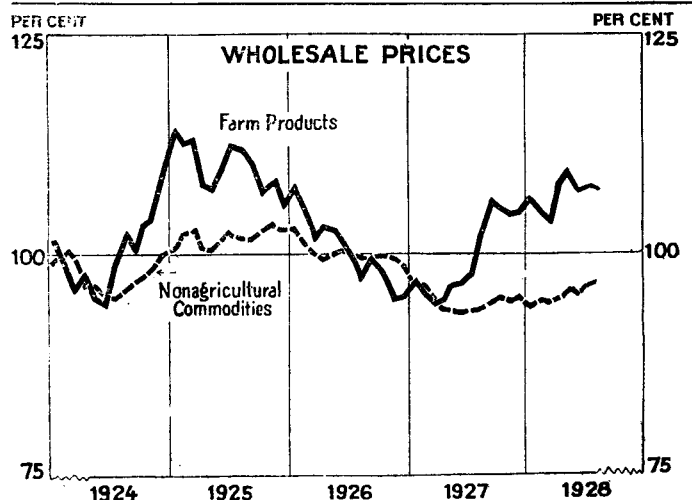
several lines of wholesale trade were somewhat larger than last year. Freight car loadings were in about the same volume in August as a year earlier. Shipments of miscellaneous commodities and grains were larger and those of coal, live stock, and forest products smaller than last year.

**Prices** The general level of commodity prices increased in August and the Bureau of Labor Statistics index, at 98.9 per cent of the 1926 average, was the highest in nearly two years. Increases in August were chiefly in the prices of live stock and live stock products, which are now higher than at any time since 1920. There were also small increases in fuels, metals, and building materials. Grains and cotton showed sharp declines, and there were decreases also in hides, and skins and wool. Since the first of September there have been some declines in live stock and meats, and a sharp further decrease in cotton, while prices of pig iron, copper, and petroleum have advanced.

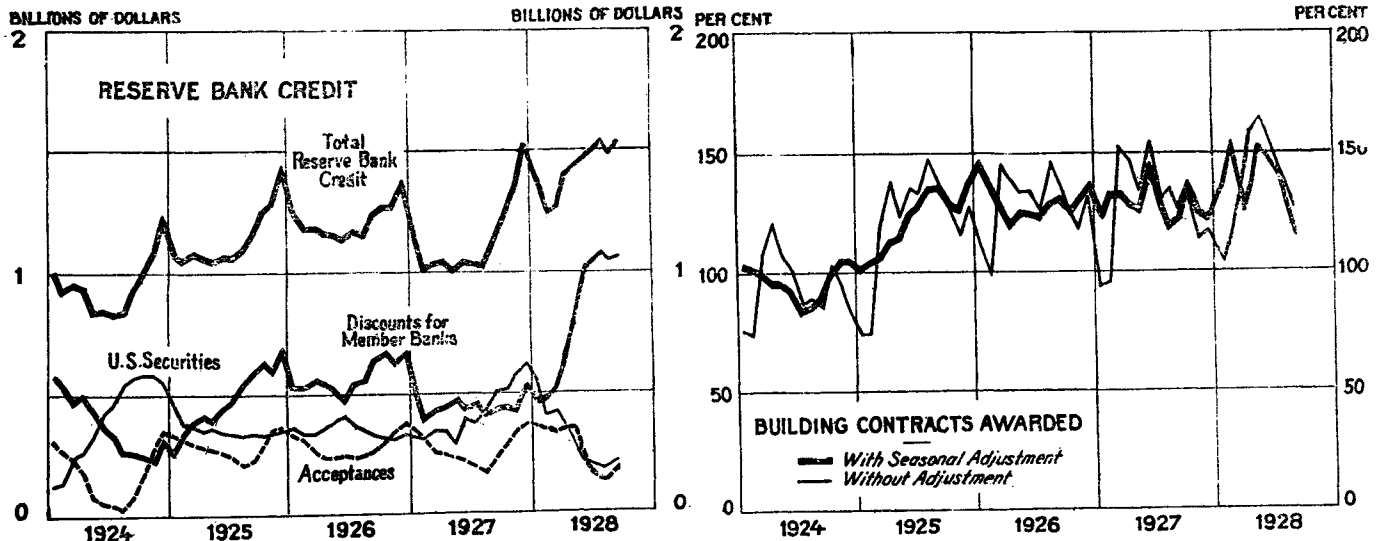
**Bank Credit** Between the middle of August and the middle of September there was a considerable increase in the loans and investments of member banks in leading cities. Part of the increase was in loans on securities and part reflected a seasonal increase in other loans. Deposits of the member banks also increased during the period. Volume of reserve bank credit outstanding increased during the four weeks ending September 19 in response to seasonal demands for currency and growth in member bank reserve requirements. The increase in total bills and securities was largely in holdings of acceptances and in discounts for member banks. During the same period there were further increases in open market rates on collateral loans and on commercial paper while rates on bankers acceptances were reduced from 4% per cent to 4½ per cent.



Index numbers of production of manufactures and minerals, adjusted for seasonal variations (1925-25 average=100). Latest figures, August manufacturers 114; minerals 106.



Index of United States Bureau of Labor Statistics. 1926=100, base adopted by bureau. Latest figures, August; Non-Agricultural Commodities 96.7; Farm Products 107.0.



### SIXTH DISTRICT SUMMARY

Increases were shown in August over July in the volume of trade by both retail and wholesale firms in the sixth district reporting to the Federal Reserve Bank, commercial failures declined, and production by reporting cotton mills increased, but declines were shown in bank deposits, debits to individual accounts, and in building statistics.

August sales by reporting department stores were 12 per cent greater than in July, and, due to increases at Atlanta and Nashville, averaged 1.3 per cent greater than in August last year. Sales by wholesale firms increased nearly 20 per cent in August over July, but continued at a level somewhat below that of a year ago. Commercial failures were smaller by 34 per cent. in liabilities, than in July, and less than half the total for August 1927. Savings deposits of 85 reporting banks were 2.5 per cent greater than a year ago. Debits to individual accounts declined in comparison with July, and were less than for August last year. Both demand and time deposits of all member banks in the district declined in August, and demand deposits were less than a year ago but time deposits were greater. Building permits at reporting cities were less than for July of this year or August, 1927. The production of cotton cloth and yarn by reporting mills in this district increased over July, and were slightly greater than for August last year. Production of both coal and pig iron in Alabama is at a lower level than at the same time last year, but coal output in Tennessee shows an increase over August last year. The September 1 estimates by the United States Department of Agriculture indicate decreases in the sixth district, compared with 1927, in the crops of cotton, corn, wheat, oats, hay, sweet potatoes and peanuts, but increases in tobacco and white potatoes, and fruits.

### RETAIL TRADE

Retail trade in the sixth district exhibited a seasonal increase in August over July, and was greater than in August last year, and stocks of merchandise also increased over July, but were somewhat smaller than a year ago. Sales during August by 45 representative department stores located throughout the district increased 12 per cent over July, and averaged 1.3 per cent greater than in August 1927, due to increases reported at Atlanta and Nashville. For the first eight months of 1928, sales in the district have averaged 2.8 per cent greater than in the corresponding period of last year. Stocks on hand at the end of August were 1.7 per cent larger than a month earlier, but were 1.4 per cent smaller than a year ago. Accounts receivable at the end of August were 3.8 per cent greater than for July, and 15.9 per cent greater than a year ago. Collections during August declined 10.9 per cent compared with those in July, but were 2.6 per cent greater than in August 1927. The ratio of collections during August to accounts receivable and due at the beginning of the month for 32 firms was 30.5 per cent; for July this ratio was 31.6 per cent, and for August last year, 34.2 per cent. For August, the ratio of collections against regular accounts outstanding, for 32 firms, was 32.5 per cent, and the ratio of collections against installment accounts for 9 firms was 16.0 per cent.

### WHOLESALE TRADE

The distribution of merchandise at wholesale in the sixth district exhibited a seasonal increase in August compared with preceding months, but continued in somewhat smaller volume than in the corresponding month last year. August sales were greater than in July in all of the eight reporting lines of wholesale trade, and increases are shown for each reporting city from which three or more

### CONDITION OF RETAIL TRADE DURING AUGUST 1928 AT 45 DEPARTMENT STORES

	Comparison of Net Sales		Comparison of Stocks		Rate of Stock Turnover			
	Aug. 1928 with Aug. 1927	Jan. 1 to Aug. 31 1928 with same period in 1927.	Aug. 31, 1928 with Aug. 31, 1927	Aug 31, 1928 with July 31, 1928	August 1927	1928	Jan. 1 to Aug. 31 1927	1928
Atlanta (5)	+18.9	+15.7	+ 6.7	+ 3.8	.82	.80	2.84	2.15
Birmingham (5)	+ 2.3	+ 6.2	-10.2	- 8.8	.25	.18	1.78	1.68
Chattanooga (6)	+ 9.4	- 8.7	- 2.6	+ 6.6	.17	.15	1.56	1.48
Nashville (4)	+ 1.8	+ 7.2	+ 7.2	+ 2.8	.29	.25	1.98	1.92
New Orleans (5)	+ 2.9	- 2.8	- 2.8	+ 0.8	.16	.14	1.65	1.86
Other Cities (20)	+ 7.9	- 8.7	- 2.9	+ 7.6	.20	.15	1.95	1.52
District (45)	+ 1.8	+ 2.8	- 1.4	+ 1.7	.22	.19	1.88	1.60

NOTE—The rate of stock turnover is the ratio of sales during given period to average stocks on hand.

reports in a line of trade were received. Compared with August 1927, sales during August this year show increases in electrical supplies, stationery and groceries. The combined index number of wholesale trade in the district for August is higher than for any month since last November. Trade conditions in August were, however, affected by bad weather and its adverse effect on crop conditions in some sections. Comparison of reported figures are shown in the tables which follow.

**Groceries** August sales of groceries at wholesale by 31 reporting firms averaged 10.3 per cent greater than in July, and were slightly larger than in August 1927. Stocks on hand were smaller, but accounts receivable larger, than for either of those months. Collections improved in August over July, but were slightly smaller than in August a year ago.

Sales:	August 1928 compared with:	
	July 1928	August 1927
Atlanta (3 firms) .....	+11.7	+ 4.0
Jacksonville (4 firms) .....	+15.4	+ 0.8
New Orleans (6 firms) .....	+ 6.1	+ 3.6
Vicksburg (3 firms) .....	+15.3	+10.0
Other Cities (15 firms) .....	+ 8.0	+ 5.6
DISTRICT (31 firms) .....	+10.3	+ 0.2
Stocks on hand .....	-10.1	-13.2
Accounts receivable .....	+ 4.3	+ 3.3
Collections .....	+ 5.7	- 0.3

**Dry Goods** Sales of dry goods at wholesale increased substantially in August over July, averaging 59.2 per cent greater. Compared with August last year, however, sales in August this year averaged 26.0 per cent smaller, although at New Orleans there was an increase of 11.0 per cent. Stocks on hand declined slightly compared with July, but were somewhat larger than a year ago, and accounts receivable and collections increased over July but were smaller than a year ago.

Sales:	August 1928 compared with:	
	July 1928	August 1927
Atlanta (3 firms) .....	+ 62.3	-48.6
Nashville (3 firms) .....	+55.0	-29.6
New Orleans (4 firms) .....	+126.0	+11.0
Other Cities (15 firms) .....	+ 39.3	-31.3
DISTRICT (25 firms) .....	+ 59.2	-26.0
Stocks on hand .....	- 0.1	+ 3.1
Accounts receivable .....	+ 13.6	-14.5
Collections .....	+ 0.3	-20.2

**Hardware** August sales of hardware at wholesale increased at each reporting city over July, averaging 14.9 per cent greater for the district, but were in smaller volume than in August last year. Stocks were somewhat larger than for either of those months. Accounts receivable and collections show increases over July, but were less than for August a year ago.

Sales:	August 1928 compared with:	
	July 1928	August 1927
Nashville (4 firms) .....	+24.6	- 9.2
New Orleans (5 firms) .....	+ 6.7	- 1.1
Other Cities (18 firms) .....	+17.7	- 6.9
DISTRICT (27 firms) .....	+14.9	- 5.5
Stocks on hand .....	+ 1.4	+ 2.5
Accounts receivable .....	+ 6.4	- 1.5
Collections .....	+ 3.6	-10.3

**Furniture** Sales of furniture at wholesale during August averaged 35.7 per cent greater than in July, and were 9.9 per cent greater than in August last year, although a decrease is shown by reporting firms at Atlanta. Stocks on hand and collections show decreases compared with July but were greater than for August last year, while accounts receivable increased over July, and were somewhat smaller than a year ago.

Sales:	August 1928 compared with:	
	July 1928	August 1927
Atlanta (5 firms) .....	+21.9	-13.1
Other Cities (3 firms) .....	+38.5	+13.3
DISTRICT (13 firms) .....	+35.7	+ 9.9
Stocks on hand .....	- 4.9	+ 9.7
Accounts receivable .....	+ 4.7	- 1.4
Collections .....	-25.6	+ 9.1

**Electrical Supplies** Sales of electrical supplies at wholesale during August showed increases over both the preceding month and the same month a year ago. Stocks were smaller, accounts receivable and collections larger, than for either of those months.

Sales:	August 1928 compared with:	
	July 1928	August 1927
Atlanta (3 firms) .....	+ 1.2	+ 9.9
New Orleans (4 firms) .....	+ 8.2	+23.3
Other Cities (7 firms) .....	+20.3	+ 3.1
DISTRICT (14 firms) .....	+ 8.9	+11.4
Stocks on hand .....	- 3.1	-18.1
Accounts receivable .....	+ 4.1	+ 0.6
Collections .....	+13.1	+ 9.7

Comparisons for the other three lines are shown only for the district as three or more reports were not received in any of these lines from an individual city. All three lines showed increases in sales over July, and sales of stationery were greater than in August last year.

Sales:	August 1928 compared with:	
	July 1928	August 1927
Shoes: sales .....	+46.6	-14.0
Stationery: sales .....	+66.0	+10.0
Drugs: sales .....	+15.5	- 2.4
Accounts receivable .....	+ 7.3	+ 0.4
Collections .....	- 2.3	-14.2

**AGRICULTURE**

The September crop reports of the United States Department of Agriculture indicate that with the approach of the harvest several of the principal crops give evidence of larger production than was expected earlier in the season, but that since last month prospects along the Atlantic Coast have declined, chiefly as a result of excessive rain, and in some parts of the West because of drought. For the country as a whole, the estimated production of wheat, oats, tobacco, potatoes, cotton, rice and peanuts shows improvement over the August 1 estimates. Estimated production of most of the principal crops, excepting hay, sweet potatoes and rice, is greater than yields last year.

Figures for the sixth district indicate that estimated production this year, based upon September 1 conditions, of corn, wheat, oats, and hay, is smaller than last year, but tobacco and white potatoes show increases. Tobacco production in Georgia this year is estimated at 85 million pounds, compared with 59 million pounds produced in 1927, and in Tennessee the crop is estimated at over 81 1-2 million pounds compared with 68 million pounds last year. Production of white potatoes is larger in all states of the district this year than last, but the crop of sweet potatoes is smaller, except in Tennessee. The condition of Florida crops declined as a result of damage from winds and heavy rains, and for most of the staple crops is below last year. Condition of citrus fruits is also lower, but indications still point to a crop materially larger than that of a year ago. In the table are shown the estimated production of some of the principal crops in this district, based on September 1 conditions, compared with yields last year.

	(000 omitted)		Percentage Comparison
	Estimated 1928	Final 1927	
Corn, bu. ....	146,967	184,477	-20.3
Wheat, bu. ....	4,490	4,528	- 0.8
Oats, bu. ....	10,732	14,282	-24.9
Hay, tons .....	2,999	3,141	- 4.5
Tobacco, lbs. ....	159,126	121,134	+31.4
White potatoes, bu. ....	15,603	12,303	+26.8

(NOTE: Parts of Tennessee, Mississippi and Louisiana are situated in other Federal Reserve districts.)

**Cotton** A United States cotton crop of 14,439,000 bales is indicated by the condition of 60.3 on September 1, according to the Department of Agriculture's report. This forecast is 148,000 bales greater than the August estimate. Abandonment after the first of July is estimated at 3.8 per cent leaving 44,916,000 acres to be harvested. In the central portion of the belt, except in Louisiana, prospects improved somewhat but along portions of the Atlantic coast there has been too much rain and in western Oklahoma the crop has deteriorated as a result of drought. The September estimate of cotton production is higher for Alabama, Georgia, Mississippi and Tennessee than the estimate for August, but Louisi-

ana showed a decrease and in Florida estimated production was the same as for August 1st. The estimate of production for the sixth district, not including those parts of Tennessee, Mississippi and Louisiana located in other Federal Reserve districts, is 2,600,000 bales, a decrease of 8.3 per cent compared with last year's crop. Cotton of the 1928 crop ginned prior to September 1 totaled 956,486 bales, as compared with 1,533,577 bales ginned to the same date last season. Estimated production this year compared with 1927 is shown in the table.

	Sept. 1 Estimate	Final 1927
Alabama	970,000	1,191,000
Florida	19,000	17,000
Georgia	1,100,000	1,100,000
Louisiana	560,000	548,000
Mississippi	1,250,000	1,355,000
Tennessee	441,000	359,000
United States	14,439,000	12,955,000

(NOTE: Agricultural data shown above are based upon conditions September 1. No accurate information is available regarding the damage to crops resulting from the storms and heavy rains in some sections since that date.)

**Sugar Cane and Sugar** Weather conditions in the Louisiana cane belt have been generally favorable, although in some sections there was not sufficient rain, and the crop still averages later than usual. Estimated production this year is 166,195 short tons of sugar, compared with 70,792 short tons produced last year.

**SUGAR MOVEMENT (Pounds)**

	August 1928	July 1928	August 1927
<b>Raw Sugar</b>			
Receipts:			
New Orleans	167,622,714	98,863,445	121,181,444
Savannah	24,937,000	9,386,703	6,690,506
Meltings:			
New Orleans	171,906,391	117,458,680	153,439,526
Savannah	39,750,304	23,686,117	19,316,769
Stocks:			
New Orleans	32,339,518	40,280,389	39,849,996
Savannah	6,492,942	21,306,279	21,781,971
<b>Refined Sugar</b>			
Shipments:			
New Orleans	150,282,023	118,829,913	145,068,196
Savannah	35,129,603	32,680,255	29,807,257
Stocks:			
New Orleans	60,231,884	44,741,989	89,833,456
Savannah	16,038,957	11,101,730	7,000,961

**Rice** The condition of rice in Louisiana declined somewhat during August, and the September 1 estimate of production of 15,524,000 bushels, compared with the production of 17,316,000 bushels last year. The acreage this year is estimated at 457,000 acres, compared with 481,000 acres last year. Grass and weeds have adversely affected the stands and yields this year.

**RICE MOVEMENT—Port of New Orleans**

	Aug. 1928	July 1928	Aug. 1927
<b>Rough Rice (Sacks)</b>			
Receipts	24,367	690	122,522
Shipments	20,158	2,020	99,524
Stocks	5,785	1,586	36,887
<b>Clean Rice (Pockets)</b>			
Receipts	47,451	40,293	136,844
Shipments	96,643	35,274	109,951
Stocks	115,470	164,662	203,182

**Rice Millers' Association Statistics**

	August	Season Total
<b>Receipts of Rough Rice (Barrels)</b>		
Season 1928-29	338,269	338,269
Season 1927-28	792,345	792,345
<b>Distribution of Milled Rice</b>		
Season 1928-29	346,076	346,076
Season 1927-28	423,559	423,559
<b>Stocks of Rough and Milled Rice</b>		
September 1, 1928	695,660	
September 1, 1927	1,235,674	

**FINANCIAL**

**Savings Deposits** Total savings deposits at the end of August, reported by 85 banks located throughout the district, declined slightly compared with July, but were 2.5 per cent higher than a year ago. Small increases over July at Birmingham, Jacksonville and Nashville were a little more than offset by decreases at Atlanta, New Orleans and Other Cities. In the table are shown totals for Atlanta, and for Branch

Federal Reserve Bank cities, and reports from banks located elsewhere in the district are grouped under "Other Cities."

(000 Omitted)

	August 1928	July 1928	Comparison 1928 Aug.-July	Comparison 1927 Aug. - '28-'27
Atlanta (7 banks)	\$ 43,115	\$ 43,844r	-1.7	\$ 40,537 + 6.4
Birmingham (4 banks)	25,466	25,226	+1.0	24,760 + 2.9
Jacksonville (5 banks)	29,369	29,680	+1.0	29,240 + 2.5
Nashville (8 banks)	26,381	26,175	+0.8	25,027 + 5.4
New Orleans (7 banks)	47,290	48,095	-1.7	47,303 - 1.1
Other Cities (54 banks)	115,285	116,299	-0.9	113,109 + 1.9
Total (85 banks)	287,506	289,319r	-0.6	280,476 + 2.5

**Debits to Individual Accounts** The total volume of debits to individual accounts at the 26 reporting cities of the sixth district, reflecting the volume of business transactions settled by check, shows a decrease in August of 1.7 per cent compared with July, and was 1.9 per cent smaller than for August 1927. Ten of these cities show increases over August last year, and sixteen show decreases. Monthly totals are derived from weekly figures by prorating figures for those weeks which do not fall entirely within a single calendar month.

(000 Omitted)

	Aug. 1928	July 1928	Aug. 1927
<b>Alabama</b>			
Birmingham	\$ 139,019	\$ 144,839	\$ 141,665
Dothan	2,722	2,937	3,539
Mobile	35,057	37,573	38,451
Montgomery	23,050	23,503	23,934
<b>Florida</b>			
Jacksonville	68,767	71,329	75,017
Miami	24,185	28,047	33,018
Pensacola	7,386	7,432	8,000
Tampa	33,503	37,955	42,614
<b>Georgia</b>			
Atlanta	3,578	3,537	4,773
Augusta	144,292	148,742	141,767
Brunswick	22,380	23,781	24,003
Columbus	4,084	3,914	3,240
Elberton	13,359	12,275	13,530
Macon	793	738	630
Newnan	19,666	20,990	21,480
Savannah	1,640	1,896	1,706
Valdosta	42,151	41,377	49,578
	8,028	5,616	9,732
<b>Louisiana</b>			
New Orleans	310,620	326,052	319,954
<b>Mississippi</b>			
Hattiesburg	7,114	7,284	6,860
Jackson	22,599	24,079	20,107
Meridian	16,343	17,124	19,381
Vicksburg	6,439	7,419	6,379
<b>Tennessee</b>			
Chattanooga	44,739	46,310	44,041
Knoxville	36,460	36,879	34,449
Nashville	112,984	89,557	86,777
Total 26 Cities	\$1,151,458	\$1,171,185	\$1,173,625

**Condition of Member Banks in Selected Cities** Weekly reports received from 31 member banks located in Atlanta, New Orleans, Birmingham, Jacksonville, Nashville, Chattanooga, Knoxville and Savannah indicate that between August 8 and September 12 total loans and discounts of these banks increased \$2,279,000, but there was a decrease of \$8,383,000 in investments, and as a result total loans, discounts and investments during this period declined \$6,104,000.

Investments in United States securities during this period decreased \$9,241,000, while holdings of Other Stocks and Bonds increased \$858,000. Total discounts on September 12 this year were \$13,641,000 greater than on the corresponding report date last year. Investments show an increase of \$20,433,000 over the corresponding report date last year due to increased holdings of both United States securities and of Other Stocks and Bonds. Total loans, discounts and investments show an increase of \$34,074,000 over a year ago. Both time and demand deposits of these weekly reporting banks in selected cities on September 12 show decreases compared with a month ago, and with the same time last year, and borrowings of these banks from the Federal Reserve Bank of Atlanta show increases over both of the report dates under comparison. Principal items in the weekly report are shown in the table:

(000 Omitted)

	Sept. 12, 1928	Aug. 8, 1928	Sept. 14 1927
<b>Bills Discounted:</b>			
Secured by Govt. Obligations	\$ 2,895	\$ 4,235	\$ 5,071
Secured by Stocks and Bonds	143,139	132,220	113,509
All Other	359,896	366,696	373,209
Total Discounts	505,430	503,151	491,789
U. S. Securities	59,988	69,229	49,632
Other Stocks and Bonds	71,942	71,084	61,865
Total Loans and Investments	637,360	643,464	603,286
Time Deposits	236,770	237,858	237,854
Demand Deposits	314,403	316,296	339,465
Borrowings from F. R. Bank	52,496	48,783	13,598

**Bank Deposits of All Member Banks** Reports of net demand and time deposits held by all member banks in the district are compiled as of the Wednesday preceding the 14th of each month. Demand deposits in August continued the decline which began in February and reached a point lower than for any month since November 1924. Time deposits in August were less than for the three months immediately preceding, but were greater than for any other month. In the table are shown figures for the year to date, with comparisons.

(000 Omitted)

	Demand		Time	
	1928	1927	1928	1927
January	\$634,598	\$635,846	\$465,326	\$443,142
February	625,307	637,019	461,400	451,322
March	621,048	618,079	465,757	453,357
April	612,186	614,672	467,351	456,010
May	607,138	601,350	471,907	462,732
June	596,668	537,188	471,953	460,112
July	578,233	574,848	475,096	460,957
August	556,721	579,772	471,665	456,919

**Operations of the Federal Reserve Bank** The weekly statement issued by the Federal Reserve Bank of Atlanta for September 12 shows the total of bills and securities held by the bank on that date to be larger than for any other report date since January 1926, and the total of bills discounted by member banks larger than at any time since the latter part of 1923. Discounts for member banks on September 12, both those secured by United States government obligations and "All Others", were greater than on August 8, shown in the preceding issue of the Review, and were greater than on the corresponding report date of last year. Holdings of bills bought in the open market were less than a month ago, but were greater than at the same time last year, while investments in United States securities were greater than a month ago, but smaller than a year ago. Total bills and securities on September 12 were \$4,655,000 greater than on August 8, and were \$45,612,000 greater than a year ago. Both deposits and notes in actual circulation declined in comparison with figures for August 8, and were less than at the same time last year, and cash reserves were at the lowest level recorded since November 1923. Principal items in the weekly statement, with comparisons, are shown in the table:

(000 Omitted)

	Sept. 12, 1928	Aug. 8 1928	Sept. 14, 1927
<b>Bills Discounted:</b>			
Secured by Govt. Obligations	\$ 17,963	\$ 17,599	\$ 3,175
All Other	62,919	57,704	26,763
Total Discounts	80,882	75,303	29,938
Bills Bought in open market	11,386	12,754	7,138
U. S. Securities	5,427	4,983	14,707
Total Bills and Securities	97,695	93,040	52,083
Cash Reserves	97,806	109,461	182,686
Total Deposits	63,723	68,625	68,321
F. R. Notes in actual circulation	125,799	128,771	160,914
Reserve Ratio	51.6	55.5	79.7

**Commercial Failures** According to statistics compiled by R. G. Dun & Co., commercial failures in the United States during August numbered 1,852, with liabilities amounting to \$58,201,830. These totals represent increases of 7.5 per cent in number and of 96.7 per cent in liabilities over July, and increases of 8.4 per cent in number and of 48.5 per cent in liabilities over August 1927. Contrasted with these figures for the United States as a whole, commercial failures in the sixth district during August were fewer in number than in any month since September last year. Liabilities were 34.4 per cent less than in July, and were less than half as great as in August last year. In the

table are shown failures in the United States divided by Federal Reserve districts.

District	Number	Liabilities	Liabilities	Liabilities
	Aug. 1928	Aug. 1928	July 1928	Aug. 1927
Boston	212	\$ 4,050,247	\$ 2,345,127	\$ 2,674,960
New York	318	12,024,156	7,937,412	14,791,080
Philadelphia	87	3,149,500	1,366,704	1,105,859
Cleveland	156	4,231,357	3,248,216	4,276,479
Richmond	114	2,546,548	1,833,607	2,155,805
Atlanta	90	1,310,443	1,997,327	3,019,963
Chicago	311	20,436,606	5,295,071	3,741,123
St. Louis	99	4,765,633	2,288,466	750,216
Minneapolis	46	404,105	496,225	1,819,855
Kansas City	93	915,515	467,828	1,468,395
Dallas	41	628,000	1,072,213	645,620
San Francisco	285	3,739,720	3,197,437	2,745,850
Total	1,852	\$58,201,830	\$29,586,633	\$39,195,953

**Gold Movement** The outward flow of gold from the United States was arrested, at least temporarily in August, when exports of gold declined from 74 millions in July to \$1,698,000 in August, only slightly larger than the figure for August last year. For the eight months of 1928, gold exports totaled \$531,407,000, as against \$33,198,000 during the same part of 1927. Imports of gold during August amounted to \$2,445,000, compared with \$10,331,000 in July, and with \$7,877,000 in August last year, and for the eight months of 1928 have totaled \$95,753,000, compared with \$179,987,000 during the same period last year.

### IMPORTS AND EXPORTS

**United States** Preliminary figures compiled by the United States Department of Commerce indicate increases in both imports and exports of merchandise in August compared with July. Exports in August were greater than in August a year ago, but imports show a decrease. Preliminary figures, with comparisons, are shown below:

	1928	1927
<b>Exports:</b>		
August	\$ 381,000,000	\$ 374,751,000
July	378,768,000	341,809,000
8 months ending with August	3,136,941,000	3,082,853,000
<b>Imports:</b>		
August	\$ 347,000,000	\$ 368,875,000
July	317,804,000	319,298,000
8 months ending with August	2,750,669,000	2,811,348,000

**New Orleans** The value of merchandise imported into the United States through the port of New Orleans during June 1928 (the latest month for which detailed statistics are available) was \$17,833,155 compared with the total of \$16,431,105 for May, and with \$17,795,432 for June last year. Coffee, bananas and creosote oil were imported in larger quantities than in June last year, but some of the other large items show decreases.

Exports of merchandise from the port of New Orleans during June 1928 totaled \$29,388,659, compared with a total of \$30,215,673 for May, and with \$29,106,108 for June a year ago. Increases over June last year were shown in exports of lard, long staple cotton and oak boards.

### Grain Exports—New Orleans

Exports of grain through the port of New Orleans during August, and for the new season which began July 1, are about half as great as in the same periods last year, In August corn and barley show increases compared with a year ago, but the outward movement of wheat is substantially smaller.

	August	August	Season	July 1
	1928	1927	to Aug. 31	1927
Wheat, bu	396,671	1,308,399	490,798	1,624,055
Corn, bu	198,635	128,598	454,917	513,864
Oats, bu	60,776	90,787	137,844	216,791
Barley, bu	80,000		80,000	
Total, bu	736,132	1,527,784	1,163,559	2,354,710

### BUILDING

The total value of buildings for which permits were issued at twenty regularly reporting cities of the sixth district during August was \$8,196,057, a decline of 9.4 per cent compared with the total for July, and 9.8 per cent smaller than the total for August last year. Nine of these regularly reporting cities showed increases over August 1927, and eleven reported decreases. The index

number for the district for August is 72.8, compared with 80.4 for July, and with 80.8 for August last year. Total permits issued at these twenty reporting cities during the eight months of 1928 amounted to \$72,713,525, a decrease of 9 per cent compared with the total of \$79,887,951 issued during the same period of 1927.

Contracts awarded in the sixth district during August 1928, according to statistics compiled by the F. W. Dodge Corporation, amounted to \$28,548,300, a decrease of 10.8 per cent compared with July, but 1.3 per cent greater than for August last year. For the eight months of the year, total contract awards in this district have totaled nearly 226 millions, smaller by 13 per cent than during the corresponding period of last year.

Total contract awards in the 37 states east of the Rocky Mountains during August amounted to \$516,970,200, a decrease of 11.4 per cent compared with July, and 6.4 per cent smaller than for August 1927. Of the August total, 41 per cent was for residential buildings, 23 per cent for public works and utilities, 11 per cent for commercial buildings, and 8 per cent for industrial projects.

In the table are shown building permits at reporting cities of this district issued during August, with comparisons. Index numbers appear on page 8.

Alabama	August 1928		August 1927		Per cent change in value
	No.	Value	No.	Value	
Anniston	25	\$ 145,050	30	\$ 25,950	+459.0
Birmingham	629	1,370,412	552	1,300,889	+ 5.3
Mobile	122	273,633	82	142,289	+ 92.3
Montgomery	238	1,000,839	97	187,751	+433.1
<b>Florida</b>					
Jacksonville	363	594,435	521	1,143,519	- 48.0
Miami	215	158,337	244	736,470	- 78.5
Orlando	100	112,121	92	187,440	- 40.2
Pensacola	94	51,523	54	123,045	- 59.8
Tampa	307	604,792	441	341,980	+ 76.9
*Lakeland	7	3,900	16	9,275	- 58.0
*Miami Beach	38	312,061	10	180,400	+ 73.0
<b>Georgia</b>					
Atlanta	335	838,299	439	1,017,634	- 17.6
Augusta	150	89,110	158	147,136	- 39.4
Columbus	58	70,105	72	103,110	- 32.0
Macon	112	104,859	198	200,873	- 47.8
Savannah	59	197,090	60	154,195	+ 27.8
<b>Louisiana</b>					
New Orleans	255	1,017,977	266	1,907,496	- 46.6
Alexandria	72	44,997	72	52,296	- 14.0
<b>Tennessee</b>					
Chattanooga	245	252,452	317	237,184	+ 6.4
Johnson City	21	117,533	24	87,785	+ 33.9
Knoxville	162	543,445	244	602,185	- 9.8
Nashville	237	519,888	363	386,120	+ 34.6
Total 20 Cities	3,849	\$3,196,057	4,326	\$9,090,447	- 9.8
Index No.		72.8		80.8	

\*Not included in totals or index numbers.

## LUMBER

Preliminary figures for the month of August received from 109 subscribing mills by the Southern Pine Association up to the middle of September indicate that August production by these mills was below their three-year average output, and was exceeded by both orders and shipments. Production in August was 4.3 per cent less than the three-year average production by the reporting mills. Orders received by these mills during August were 14.1 per cent greater than production, and exceeded shipments by 3.3 per cent. In July production of mills reporting for that month was 8.5 per cent below the three-year average. Stocks on hand at the end of August were 6.8 per cent less than the three-year relative stocks for these mills. Unfilled orders on hand at the end of August amounted to 82.8 per cent of a month's output at the rate which prevailed in August. The weekly statements of operating time issued by the Southern Pine Association indicate that the average running time of all reporting mills has been below the standard. Production during August was interrupted in some sections of the district by the heavy rains. Preliminary figures for August with comparisons are shown in the table.

	Aug. 1928	July 1928	Aug. 1927
Orders (feet)	109 mills	108 mills	108 mills
	314,351,290	284,497,008	288,440,354
Shipments	304,398,334	284,454,932	284,701,664
Production	275,561,798	264,870,514	275,015,535
3-Year Average Production	289,482,891	289,417,528	289,729,376
Stocks, end of month	679,356,021	728,550,731	736,910,760

3-Year Relative Stocks	728,715,282	680,767,115	739,147,385
Unfilled Orders end of month	228,194,910	216,523,096	190,673,190

## TEXTILES

### Cotton Consumption

With the beginning of the new cotton season, the consumption of cotton in the United States during August, according to statistics compiled by the United States Census Bureau, increased 87,986 bales, or 20.1 per cent over the total for July, which was the lowest level recorded since September 1924. Stocks of cotton held by consuming establishments at the end of August showed a decline compared with the preceding month and with the same month last year. However, stocks held in public storage and at compresses at the end of August were only 704 bales smaller than a month earlier, although substantially less than a year ago. This large decrease compared with a year ago, and the low level of exports for August, are probably due principally to the fact that this season's crop is considerably later than that of last year. The number of spindles active in August in the United States increased 15,484 over active spindles in July, but were fewer by 4,048,896 than in August last year.

### Cotton Consumption—United States (Bales)

	Aug. 1928	July 1928	Aug. 1927
<b>Cotton Consumed:</b>			
Lint	526,729	438,743	634,520
Linters	68,165	62,921	76,210
<b>Stocks in Consuming Establishments:</b>			
Lint	782,068	1,007,017	1,120,784
Linters	132,397	159,894	172,222
<b>Stocks in Public Storage and at Compresses:</b>			
Lint	1,188,861	1,189,565	2,172,945
Linters	38,091	44,589	44,667
Exports	259,489	341,849	340,311
Imports	25,258	18,473	28,041
Active Spindles	28,243,508	28,228,024	32,292,404

### Cotton Growing States (Bales)

	Aug. 1928	July 1928	Aug. 1927
Cotton Consumed	403,888	331,961	464,198
Stocks in Consuming Establishments	428,605	613,618	670,554
Stocks in Public Storage and at Compresses	1,088,949	1,036,133	1,866,166
Active Spindles	17,723,122	17,674,582	17,650,760

### Cotton Cloth

Reports for August were rendered to the Federal Reserve Bank of Atlanta by mills in the sixth district which during August manufactured 31.3 million yards of cotton cloth, an output 14.8 per cent greater than in July. Shipments by these mills increased 10.5 per cent over those in July, and orders booked increased 54.8 per cent. August production and shipments were slightly greater than in August last year, while orders show an increase of 76.2 per cent. Unfilled orders on hand at the end of August increased 2.3 per cent over July, but were smaller than a year ago. Stocks on hand, and number of workers, increased in both instances.

	August 1928 compared with:	July 1928	Aug. 1927
Production	+14.8	+ 0.2	
Shipments	+10.5	+ 1.7	
Orders booked	+54.8	+76.2	
Unfilled orders	+ 2.3	-26.0	
Stocks on hand	+ 3.1	+59.1	
Number on payroll	+ 1.2	+ 1.3	

### Cotton Yarn

August production by cotton mills in the sixth district which produced approximately 7 million pounds of cotton yarn, show an increase of 20.5 per cent over July, and of 1.0 per cent over August 1927. Shipments in August show increases over both periods under comparison. Orders booked in August exceeded those in July but were smaller than in August last year. Unfilled orders declined slightly compared with July and were 10.4 per cent less than a year ago. Stocks were smaller than a month ago, but greater than a year ago, and number of workers increased over both of those periods.

	August 1928 compared with:	July 1928	Aug. 1927
Production	+20.5	+ 1.0	
Shipments	+14.9	+ 2.7	
Orders booked	+23.1	-22.4	
Unfilled orders	- 0.5	-10.4	
Stocks on hand	- 5.2	+23.6	
Number on payroll	+ 0.8	+ 2.1	

**Hosiery** Figures reported to the Census Bureau by 36 identical establishments manufacturing hosiery in the sixth district indicate increases in August over July in production, shipments and orders, but declines in stocks on hand, cancellations and unfilled orders, as evidenced by the totals shown below:

	(Dozen Pairs)	
	Aug. 1928	July 1928
Production	637,380	503,618
Shipments	750,782	560,859
Stock on hand	1,579,453	1,684,978
Orders booked	667,217	607,546
Cancellations	26,275	26,933
Unfilled orders	827,789	946,722

	Cotton Seed and Cotton Seed Products			
	(1) Sixth District		United States	
	Aug. 1 to 1928	Aug. 31 1927	Aug. 1 to 1928	Aug. 31 1927
<b>Cotton Seed, Tons:</b>				
Received at mills	6,692	63,682	169,498	275,505
Crushed	5,704	46,234	73,795	159,856
On Hand Aug. 31	5,579	43,129	117,484	205,438
<b>Production:</b>				
Crude Oil, lbs.		20,863,435	46,167,477	
Cake and Meal, tons		34,760	72,264	
Hulls, tons		20,497	45,334	
Linters, bales		13,948	24,789	
<b>Stocks:</b>		(2)	(2)	
Crude Oil, lbs.		12,333,752	13,497,483	
Cake and Meal, tons		19,794	44,142	
Hulls, tons		26,601	145,084	
Linters, bales		40,103	28,653	

(1) Georgia, Louisiana and Mississippi.  
 (2) Not including stocks held by refining and manufacturing establishments, and in transit to refiners and consumers.

**COAL**

According to statistics compiled and published by the United States Bureau of Mines, the production of bituminous coal in the United States during August totaled 41,108,000 tons, an average of 1,545,000 tons per day for the 27 working days in August. This is an increase of 13.3 per cent in total production over July, part of which may be accounted for in the fact that July had only 25 working days, but the average output per working day in July was 1,451,000 tons. August production this year was smaller by 1.4 per cent than during the same month last year. Weekly figures for Alabama show production at a lower level each week during August this year than last year, while production in Tennessee during August has been greater than during that month last year. Total production during the calendar year to September 8, approximately 212 working days, amounted to 321,699,000 net tons, compared with 363,294,000 tons produced to the same time in 1927. Weekly figures since the beginning of August are shown below with comparisons:

	United States		Alabama		Tennessee	
	1928	1927	1928	1927	1928	1927
Aug. 4	8,757	8,495	290	352	97	92
Aug. 11	9,002	9,093	289	365	104	95
Aug. 18	8,959	9,140	271	337	101	91
Aug. 25	9,276	9,742	279	398	105	98
Sept. 1	9,436	9,760	315	395	99	83
Sept. 8	8,935	8,980	308	346	107	95

**IRON**

According to statistics compiled and published by the Iron Age, the total production of pig iron in the United States during August amounted to 3,136,570 tons, an increase of 2.1 per cent over production in July, and 6.4 per cent greater than the output of 2,947,276 tons in August last year. The index number for August, based upon the monthly average for the three-year period 1923 to 1925 inclusive, was 105.0, compared with 102.8 for July, and

with 98.7 for August 1927. Daily average production in August was 101,180 tons, compared with 99,091 tons in July, and with 95,073 tons in August last year. During August there was a loss of two in the number of furnaces in active operation, and on September 1 there were 133 furnaces active compared with 187 active at the same time a year ago.

Statistics for Alabama indicate that pig iron production in that state during August amounted to 188,896 tons, a slight decline compared with the output of 189,383 tons in July, and 11 per cent less than in August a year ago, which totaled 212,337 tons. The index number of Alabama production in August was 81.3, compared with 81.5 for July, and with 91.4 for August last year. Furnaces in Alabama in active operation on September 1 numbered 15, compared with 16 a month earlier, and with 19 a year ago. Press reports state that pig iron buying in the Birmingham district has been stimulated by the advance in price on August 24 from \$15.50 per ton to \$16.25 per ton, and that some consumers have contracted for the rest of the year at that figure. Inquiries have increased and more interest is being shown in the market than for some time past.

**NAVAL STORES**

Receipts of both turpentine and rosin at the principal markets of the district during August declined in comparison with July, and were smaller than for August a year ago. The decrease is attributed to the heavy rains which fell over a large part of the producing territory in Florida, South Georgia and Southern Alabama about the middle of August, and prevented work for several days. August receipts of turpentine were 8.4 per cent smaller than in July, and 10.6 per cent less than in August last year. receipts of rosin were only two per cent smaller than in July, but were 8.3 per cent smaller than in August 1927. For the Naval Stores season to date, April-August, receipts of both commodities have been somewhat less than last year, but larger than during the same period of any other of the past ten years. Press reports indicate that at the time of the unfavorable weather in the middle of August prices of both commodities showed strength, but the latter part of August prices of both turpentine and rosin sagged, and on September 5 turpentine had reached 45 cents and the various grades of rosin were at the lowest in recent weeks; some recovery was shown during the balance of that week. Receipts and stocks at the three principal markets of the district are shown in the table.

	Aug. 1928	July 1928	Aug. 1927
<b>Receipts—Turpentine</b>			
Savannah	22,980	23,690	25,825
Jacksonville	13,817	16,618	15,750
Pensacola	5,927	6,329	6,234
<b>Total</b>	<b>42,724</b>	<b>46,637</b>	<b>47,809</b>
<b>Receipts—Rosin</b>			
Savannah	81,512	78,135	84,188
Jacksonville	46,913	52,033	56,096
Pensacola	16,932	13,082	13,280
<b>Total</b>	<b>145,357</b>	<b>148,250</b>	<b>153,564</b>
<b>Stocks—Turpentine</b>			
Savannah	23,571	19,677	23,880
Jacksonville	23,286	30,385	25,791
Pensacola	21,447	19,183	7,244
<b>Total</b>	<b>73,304</b>	<b>69,245</b>	<b>61,915</b>
<b>Stocks—Rosin</b>			
Savannah	126,923	98,956	114,579
Jacksonville	77,533	59,313	72,241
Pensacola	23,056	19,956	12,063
<b>Total</b>	<b>227,517</b>	<b>178,225</b>	<b>193,883</b>

## MONTHLY INDEX NUMBERS

The following index numbers, except as indicated otherwise, are computed by the Federal Reserve Bank of Atlanta monthly. The index numbers of retail and wholesale trade are based upon sales figures reported confidentially by representative firms in the lines of trade indicated, and the other series of index numbers are based upon figures reported to the bank or currently available through the daily or trade press. These index numbers, except as indicated in the foot-notes, are based upon the monthly averages for the three year period 1923-25 as represented by 100.

RETAIL TRADE 6th DISTRICT (Department Stores.)	June 1928	July 1928	August 1928	June 1927	July 1927	August 1927
Atlanta.....	122.9	99.0	129.7	108.6	88.5	109.1
Birmingham.....	106.1	85.7	92.7	107.0	86.5	94.9
Chattanooga.....	100.0	65.8	66.9	100.6	66.1	73.9
Nashville.....	91.0	71.0	97.6	88.7	66.4	92.4
New Orleans.....	86.2	68.9	72.9	93.0	67.8	75.1
Other Cities.....	100.5	75.5	72.3	96.6	78.9	78.5
DISTRICT.....	98.0	77.0	87.1	99.0	76.0	86.0
<b>RETAIL TRADE U. S. (1)</b>						
Department Stores.....	103.4	77.7	84.7	101.	75.	89.0
Mail Order Houses.....	127.0	119.1	126.8	107.	93.	105.0
Chain Stores:						
Grocery.....	207.1	198.5	204.5	178.	167.	170.0
5 & 10 Cent.....	139.3	128.4	133.5	178.	121.	130.0
Drug.....	161.9	163.8	169.1	136.	141.	140.0
Cigar.....	107.8	100.0	104.4	109.	111.	106.0
Shoe.....	146.7	115.9	108.8	118.	109.	101.0
Wearing Apparel.....	216.1	180.4	196.7	172.	157.	165.0
Candy.....	121.5	117.5	122.6	114.	112.	110.0
<b>WHOLESALE TRADE 6th DISTRICT</b>						
Groceries.....	79.7	79.2	87.3	87.9	77.2	87.0
Dry Goods.....	59.8	66.6	103.5	76.1	84.9	143.1
Hardware.....	81.5	79.2	90.9	82.1	81.2	96.1
Furniture.....	77.3	81.6	108.4	77.4	72.0	101.3
Electrical Supplies.....	84.2	86.8	88.5	78.5	79.5	78.0
Shoes.....	66.2	71.5	104.6	79.0	75.3	121.5
Stationery.....	62.3	65.1	108.0	64.7	63.2	97.6
Drugs.....	99.6	97.8	115.2	105.3	105.9	114.9
TOTAL.....	77.5	78.6	94.0	83.4	80.2	99.7
<b>WHOLESALE PRICES U. S. (2)</b>						
Farm products.....	106.7	107.1	107.0	96.5	97.6	102.2
Foods.....	100.3	102.3	104.1	94.4	93.9	94.2
Hides and leather products.....	123.7	124.4	121.0	107.3	111.7	111.7
Textile products.....	96.3	96.8	96.3	94.3	94.3	96.2
Fuel and lighting.....	82.1	82.8	84.6	84.2	84.2	84.1
Metals and Metal products.....	98.7	98.6	100.4	98.2	97.7	98.0
Building materials.....	93.9	94.4	94.6	94.6	93.7	92.9
Chemicals and drugs.....	94.9	94.5	94.7	95.8	95.3	95.4
Housefurnishing goods.....	97.0	96.9	97.2	98.0	98.0	98.6
Miscellaneous.....	82.2	80.8	79.3	90.2	89.3	89.9
ALL COMMODITIES.....	97.6	98.3	98.9	93.8	94.1	95.2
<b>BUILDING PERMITS 6th DISTRICT</b>						
Atlanta.....	72.7	78.9	54.2	61.2	60.7	65.8
Birmingham.....	114.2	146.8	92.4	113.5	89.3	87.8
Jacksonville.....	80.7	79.9	72.3	131.6	155.4	139.0
Nashville.....	46.1	71.1	82.0	65.4	158.1	60.9
New Orleans.....	63.4	79.4	79.1	76.8	116.0	148.2
Other Cities.....	63.1	64.2	70.4	62.0	58.4	60.9
DISTRICT (20 Cities).....	71.5	80.4	72.8	75.6	82.1	80.8
<b>CONTRACTS AWARDED 6th DISTRICT</b>	81.5	91.2	81.3	88.9	80.0	80.3
<b>COTTON CONSUMED:</b>						
United States.....	100.4	86.3	103.6	130.4	112.0	124.6
Cotton-Growing States.....	112.2	95.0	115.6	135.8	118.9	132.9
All Other States.....	74.5	67.2	77.3	118.3	96.8	106.5
Exports.....	74.5	55.6	42.2	78.4	63.3	55.4
<b>PIG IRON PRODUCTION:</b>						
United States.....	103.2	102.8	105.0	103.4	98.8	98.7
Alabama.....	86.4	81.5	81.3	94.8	89.9	91.4
<b>UNFILED ORDERS—U. S. STEEL CORPORATION</b>	76.2	74.8		63.9	65.8	66.9

(1) Compiled by Federal Reserve Board.

(2) Compiled by the Bureau of Labor Statistics. Base 1926—100.