

MONTHLY REVIEW

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

FEDERAL RESERVE BANK OF ATLANTA

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BUSINESS CONDITIONS IN THE UNITED STATES

Volume of production and distribution of commodities increased seasonally in September and was larger than a year ago. There was a further advance in the general price level. Loans of member banks in leading cities increased in September and October in response to the seasonal demand for commercial credit.

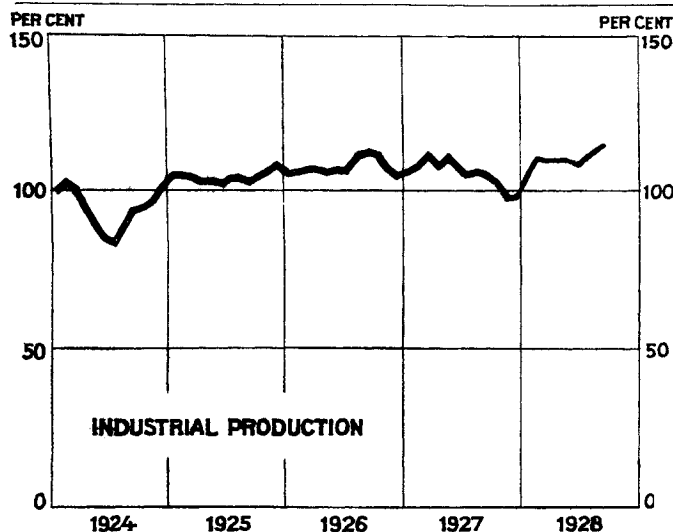
Production Industrial production increased further in September and the output of manufactures was in larger volume than in any previous month. Factory employment and payrolls also increased. Production of iron and steel and of automobiles was unusually large during September and October, although there has recently been some curtailment of operations in these industries. There were also increases in September in the activity of the textile, meat packing and tire industries, and in the output of coal, petroleum, and copper, while lumber production showed a decline. Building contracts awarded, after declining in volume for three months, increased considerably in September and exceeded all previous records for that month. The increase was due chiefly to certain large contracts for industrial plants and subway construction. During the first three weeks of October awards exceeded those for the same period last year, the excess being especially large in the eastern districts. Department of Agriculture estimates of this year's crop yields indicate that the production of all crops in the aggregate will exceed last year's output by about 5 per cent. The corn crop is estimated at 2,903,000,000 bushels or 5 per cent above last year's production. The October 8 estimate indicated a cotton crop of 13,993,000 bales, or 446,000 bales less than was forecast on September 8, compared with a yield of 12,955,000 in 1927.

Trade Department store sales increased considerably in September and were larger than a year ago, reflecting in part the influence of cooler

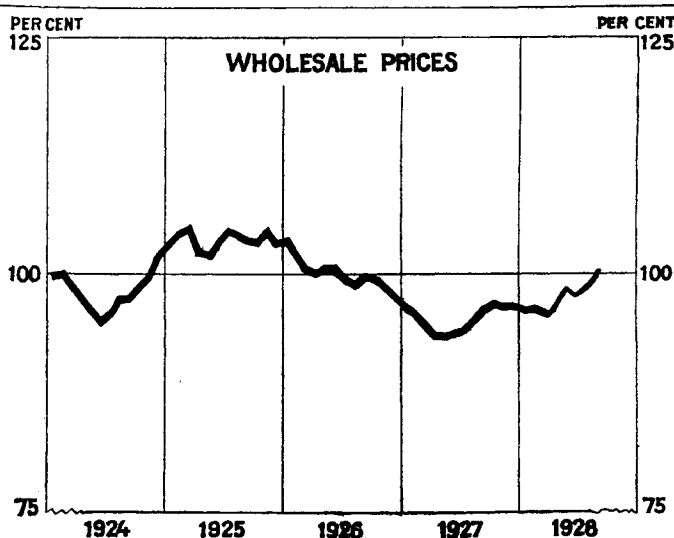
weather. Inventories of department stores at the end of the month were smaller than on the same date of last year. Wholesale distribution in all leading lines except meats was somewhat smaller than in September 1927. Freight car loadings showed more than a seasonal increase in September and continued large in October. Shipments of miscellaneous commodities in recent weeks have continued in larger volume than in previous years.

Prices Wholesale commodity prices increased further in September and the Bureau of Labor Statistics index advanced to 100.1 per cent of the 1926 average. Increases, which were largest in farm products and foods, occurred in nearly all groups except hides and leather and textiles, which showed slight declines. Since the latter part of September there have been decreases in the prices of livestock and meats, grains, wool, and hides and increases in cotton, silk, rubber, and iron and steel.

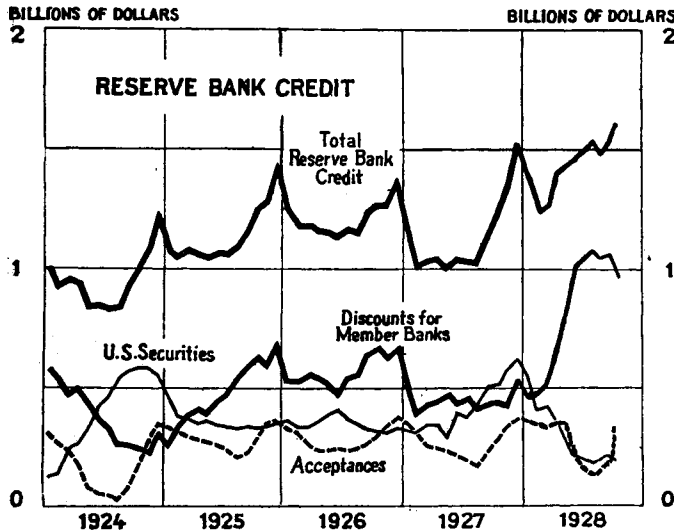
Bank Credit Demand for bank credit for commercial purposes increased between the middle of September and the middle of October reflecting seasonal activity in trade and the marketing of crops. There was also a growth in loans to brokers and dealers in securities though total loans on securities of reporting member banks showed little change. During the four weeks ending on October 24, a growth of about \$40,000,000 in the total volume of reserve bank credit in use was due chiefly to continued increase in the demand for currency, offset in part by a small inflow of gold from abroad. Reserve bank holdings of acceptances increased by about \$140,000,000 during the period, while the volume of discounts for member banks declined by about \$100,000,000. United States security holdings remained practically unchanged. Open market rates on commercial paper and on bank acceptances remained unchanged between the middle of September and the latter part of October, while rates on security loans declined in October.



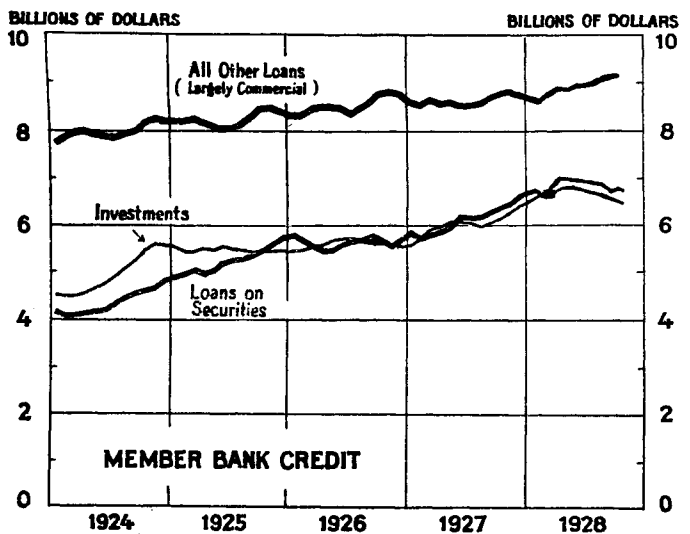
Index numbers of production of manufacturers and minerals combined, adjusted for seasonal variations (1923-1926 average—100). Latest figure, September 114.0.



Index of United States Bureau of Labor Statistics. (1926—100, base adopted by bureau). Latest figure September 100.1.



Monthly averages of daily figures for 12 Federal Reserve Banks. Latest figures are averages of first 28 days in October.



Monthly averages of weekly figures for banks in 101 leading cities. Latest figures are averages for the first three weekly report dates in October.

SIXTH DISTRICT SUMMARY

Seasonal increases in both retail and wholesale trade were indicated in confidentially reported figures for September. Growing crops in some sections of the southeast were damaged by continuous and excessive rains. The lateness of the crops, especially cotton, has been a deterring factor which has been reflected in declining bank deposits in the district. The cotton crop of this district, not including those parts of Tennessee, Mississippi and Louisiana situated in other districts, is estimated at over ten per cent smaller than that of last year. Florida's citrus crop is expected to exceed that of last season by 4.4 million boxes, and sugar production in Louisiana is estimated at nearly 2 1-2 times that of last year.

September volume of retail trade was two per cent greater than in the same month last year, but wholesale trade averaged eleven per cent smaller. Savings deposits of 85 reporting banks at the end of September were less than one per cent greater than a year ago. Debits to individual accounts increased over August, but were nearly thirteen per cent less than in September last year. Loans on securities by weekly reporting member banks in certain cities of the district declined somewhat between September 12 and October 10, and there was a decline in discounts by the Federal Reserve Bank for its member banks during that period. Building permits in September at twenty reporting cities increased over August, but were nearly 23 per cent less than in September last year, and contract awards in the district declined in comparison with both of these periods. Output of cotton mills in the district declined for the month, but orders booked during September showed substantial increases over August and over September a year ago. Pig iron production in Alabama increased about five per cent over August, but was about five per cent smaller than in September last year.

RETAIL TRADE

The volume of sales during September reported by department stores located throughout the sixth district exhibited a further seasonal expansion compared with preceding months, and continued somewhat greater than at the same time a year ago. Stocks of merchandise increased seasonally, but were smaller than a year ago, while collections declined. September sales by 45 reporting department stores averaged 14.4 per cent greater than in August, and were 2.0 per cent greater than in September 1927. For the first nine months of the year, sales by these firms have averaged 2.7 per cent greater than during the same period last year. Stocks of merchandise on hand at the end of September were 9.6 per cent greater than a month earlier, but were 4.1 per cent smaller than a year ago. Accounts receivable at the end of September were 3.8 per cent greater than for August, and 13.6 per cent greater than for September last year. Collections declined 4.4 per cent compared with those in August, and were 7.1 per cent less than in September 1927. The ratio of collections during September to accounts receivable and due at the beginning of the month for 32 firms was 29.0 per cent; for August, this ratio was 30.5 per cent, and for September, 1927, it was 35.1 per cent. For September, the ratio of collections against regular accounts outstanding, for 32 firms, was 31.0 per cent, and the ratio of collections against installment accounts for 9 firms, was 15.3 per cent.

WHOLESALE TRADE

Merchandise distribution at wholesale in the sixth district during September increased seasonally to a point higher than for any month since October last year. Total sales during the month reported by 126 firms in eight different lines averaged 2.3 per cent greater than in August,

CONDITION OF RETAIL TRADE DURING SEPTEMBER, 1928, AT 45 DEPARTMENT STORES

Comparison of Net Sales		Comparison of Stocks		Rate of Stock Turnover		Jan. 1 to Sept. 30 1927 1928	
				September 1927	1928		
Sept. 1928 with Sept., 1927	Jan. 1 to Sept. 30 1928 with the same period in 1927	Sept. 30, 1928 with Sept. 30, 1927	Sept. 30, 1928 with Aug. 31, 1928				
Atlanta (5)	+8.8	+14.8	+17.1	.33	.27	2.75	2.40
Birmingham (5) ..	+6.4	+6.2	-11.2	.26	.22	1.99	1.78
Chattanooga (6) ..	+0.8	-3.2	-1.9	.18	.15	1.69	1.66
Nashville (4)	+12.0	+7.7	+5.0	.25	.24	2.36	2.15
New Orleans (5) ..	-5.2	-3.1	-6.2	.18	.16	1.68	1.51
Other Cities (20) ..	-2.8	-8.6	-3.5	.20	.17	1.94	1.67
District (45)	+2.0	+2.7	-4.1	.22	.20	2.00	1.79

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

but were 11.4 per cent less than in October 1927. September sales of shoes, furniture, dry goods, hardware and groceries increased over August, but decreases were reported in sales of stationery, drugs and electrical supplies. Compared with October last year, current sales of furniture show a small increase, but sales in the other lines show decreases. The index number of wholesale trade, computed from sales reported by most of the firms whose figures are used in the following comparisons, was 96.3 for September, compared with 94.0 for August, and with 109.9 for September 1927. Percentage comparisons of reported figures are shown in the following tables.

Groceries September sales of groceries at wholesale were greater in August except at Vicksburg, but were more than seven per cent less than in September last year. Stocks on hand at the end of the month and accounts receivable at the end of the month, increased over figures for August and were greater than a year ago. Collections increased over August, but were less than in September 1927.

Sales:	Sept. 1928 compared with	
	Aug. 1928	Sept. 1927
Atlanta (3 firms)	+12.7	-10.4
Jacksonville (4 firms)	+ 4.6	- 0.7
New Orleans (6 firms)	+ 2.6	+ 0.0
Vicksburg (3 firms)	-16.3	- 8.4
Other Cities (15 firms)	+ 1.5	-13.2
DISTRICT (31 firms)	+ 1.0	- 7.2
Stocks on hand	+35.3	+ 2.6
Accounts receivable	+ 5.5	+ 2.3
Collections	+ 3.2	-11.6

Dry Goods Sales of dry goods during September at wholesale increased seasonally over August, except at New Orleans, but were in much smaller volume than during September last year. Stocks and collections declined compared with August, but accounts receivable increased. Stocks were somewhat greater than a year ago but accounts receivable and collections were smaller than for September 1927.

Sales:	Sept. 1928 compared with	
	Aug. 1928	Sept. 1927
Atlanta (3 firms)	+ 4.3	-47.0
Nashville (3 firms)	+41.7	-13.3
New Orleans (4 firms)	-22.6	-24.9
Other Cities (15 firms)	+ 3.9	-32.0
DISTRICT (25 firms)	+ 4.4	-23.6
Stocks on hand	- 7.9	+ 2.0
Accounts receivable	+17.2	-10.3
Collections	- 1.2	-35.4

Hardware September sales of hardware at wholesale averaged 4.3 per cent greater than in August, but 5 per cent smaller in volume than in September last year. Stocks were about the same as for August, but smaller than a year ago. Accounts receivable and collections increased over August, but were smaller than for September last year.

Sales:	Sept. 1928 compared with	
	Aug. 1928	Sept. 1927
Nashville (4 firms)	+11.6	- 7.4
New Orleans (5 firms)	+ 2.5	- 2.2
Other Cities (13 firms)	+ 3.0	- 6.0
DISTRICT (27 firms)	+ 4.3	- 5.0
Stocks on hand	- 3.0	- 2.6
Accounts receivable	+ 5.0	- 2.3
Collections	+ 7.5	-11.0

Furniture An increase of 7.3 per cent was shown in sales figures reported for September by 13 wholesale furniture firms, over August, and sales averaged 1.7 per cent greater than in September last year. Increases are also shown over both of those periods under comparison, in stocks, accounts receivable and collections, as indicated in the following percentage comparisons:

Sales:	Sept. 1928 compared with	
	Aug. 1928	Sept. 1927
Atlanta (5 firms)	+26.2	-12.7
Other Cities (8 firms)	+ 3.9	+ 5.5
DISTRICT (18 firms)	+ 7.3	+ 1.7
Stocks on hand	+ 4.9	+16.2
Accounts receivable	+ 8.9	+ 2.1
Collections	+11.3	+ 3.1

Electrical Supplies September sales of electrical supplies at wholesale averaged one-half of one per cent smaller than in August, and 3.3 per cent less than in September 1927. Stocks were somewhat larger than a month ago, but smaller than a year ago. Accounts receivable were larger, and collections were smaller, than for either of these periods.

Sales:	Sept. 1928 compared with	
	Aug. 1928	Sept. 1927
New Orleans (4 firms)	- 3.2	- 5.2
Other Cities (9 firms)	+ 1.1	- 2.2
DISTRICT (13 firms)	- 0.5	- 3.3
Stocks on hand	+ 2.6	- 9.7
Accounts receivable	+ 3.7	+ 6.1
Collections	-14.8	- 3.2

Shoes Sales of shoes at wholesale increased over August, but were smaller than a year ago. Accounts receivable showed similar comparisons, and collections show decreases compared with both periods.

Sales (5 firms)	Sept. 1928 compared with	
	Aug. 1928	Sept. 1927
Accounts receivable	+10.2	-19.2
Collections	+11.5	-12.5
	- 3.6	-27.9

Drugs September sales of drugs by eight reporting firms declined in comparison with August, and were smaller than a year ago. Accounts receivable and collections increased over August, but were less than for September last year.

Sales (8 firms)	Sept. 1928 compared with	
	Aug. 1928	Sept. 1927
Accounts receivable	- 4.7	-15.6
Collections	+ 1.2	- 0.9
	+ 3.7	-14.9

Stationery Sales of stationery at wholesale during September by 4 reporting firms averaged 15.8 per cent less than in August, and 24.4 per cent less than in September last year.

AGRICULTURE

The October crop reports of the United States Department of Agriculture indicate that although during September there were declines in the prospective outturn of some of the leading agricultural crops, the October estimates of all of the principal crops are greater than the 1927 production, excepting in the cases of hay, sweet potatoes and rice.

Figures for the sixth district for October indicate that there were declines during the month in prospective production of corn, oats, tobacco and white potatoes, and that the expected crops of corn, oats and hay are smaller than for last year, while tobacco and white potatoes show increases. The Department's report states that excessive rain during September has hurt all growing crops in the South Atlantic states. In Georgia the estimates of tobacco, white potatoes, fruits and pecans are greater than for last year, but most of the other principal crops show decreases. Most of Florida's staple crops, except sweet potatoes and sugar cane, show increases over last year. In Louisiana the prospects for rice, sweet potatoes and peanuts are less than last year, but increases are indicated in other crops. The corn crop in Tennessee is estimated at 58 1-2 million bushels, compared with 70.7 million bushels last year. Estimated production of some of the principal crops in the sixth district, compared with last year, is shown in the table:

	(000 Omitted)		Percentage Comparison
	October Estimate 1928	1927 Final	
Corn, bu.	140,208	184,477	-24.0
Oats, bu.	10,600	14,282	-25.3
Hay, tons	3,028	3,033	- 0.2
Tobacco, lbs.	153,885	121,134	+31.2
White Potatoes, bu.	15,495	12,303	+25.9

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

Cotton The October cotton report issued by the United States Department of Agriculture forecasts the production during the 1928 season of a cotton crop amounting to 13,993,000 bales, based upon conditions on Oct. 1. This is a reduction of 446,000 bales compared with the September 1 estimate, and is 1,038,000 bales greater than the final ginnings of the 1927 crop. This reduction was due to unfavorable climatic developments of the month. In the South Atlantic states excessive and continuous rains caused heavy losses from boll weevil and boll rot. In the northern portions of the belt below average temperatures prevented development of bolls. In parts of Oklahoma, continued drought has reduced the size of bolls and outturn of lint. On the other hand, a slight improvement has resulted in Mississippi and Louisiana due to favorable weather for maturing the crop. Total figures for the sixth district, not including those parts of Tennessee, Mississippi and Louisiana located in other districts indicate, a crop of 2,535,000 bales, 2.5 per cent smaller than the September estimate, and 10.6 per cent smaller than last year's crop in this district. The lateness of the crop in the states of this district is evidenced by the fact that ginnings up to October 1 amounted to only 38.5 per cent of the estimated crop, while ginnings of the 1927 crop up to October 1 last year were 61 per cent of the final production. October estimates with comparisons, are shown in the table.

(Bales)	October 1 Estimate	September 1 Estimate	1927 Final
Alabama	930,000	970,000	1,191,000
Florida	18,000	19,000	17,000
Georgia	1,080,000	1,100,000	1,100,000
Louisiana	580,000	560,000	548,000
Mississippi	1,320,000	1,250,000	1,355,000
Tennessee	385,000	441,000	359,000
United States	13,993,000	14,439,000	12,955,000

Cotton Ginned to October (Bales)

	1928	1927
Alabama	385,754	783,209
Florida	11,251	14,135
Georgia	808,889	744,264
Louisiana	370,727	342,135
Mississippi	561,692	707,557
Tennessee	64,757	62,849
United States	4,961,082	5,944,739

Citrus Fruits The commercial citrus crop in Florida for the season 1928-29 is estimated by the United States Department of Agriculture at 18 million boxes, 11 million boxes of oranges and tangerines, and 7 million boxes of grapefruit. This compares with the commercial movement during the past season of a total of 13.6 million boxes, of which 7.1 million boxes were oranges and 6.5 million boxes were grapefruit. Heavy early bloom was followed by a good setting of fruit and favorable growing conditions during most of the season, but storm damage during August and September materially reduced the crop. The estimate of 18 million boxes is based on information gathered since the mid-September storm.

Sugar Cane and Sugar The October 1 estimate of the Department of Agriculture indicates the production of 2,514,300 short tons of cane on the acreage to be used for sugar, and a prospective production of about 170,105 short tons of sugar, compared with 70,792 short tons of sugar produced last year. Press reports indicate that harvesting would start about the middle of October. The labor supply is satisfactory, and preparations are under way for the planting of the new crop.

SUGAR MOVEMENT (Pounds)

	Raw Sugar Sept. 1928	Aug. 1928	Sept. 1927
Receipts:			
New Orleans	150,874,600	167,622,714	91,852,945
Savannah	29,418,957	24,937,469	20,958,289
Meltings:			
New Orleans	126,605,354	171,906,391	109,775,391
Savannah	17,858,675	39,750,804	34,848,894
Stocks:			
New Orleans	52,604,265	82,839,518	19,933,087
Savannah	18,048,224	6,492,942	7,891,316
	Refined Sugar		
Shipments:			
New Orleans	123,643,702	150,282,023	123,959,902
Savannah	25,154,505	85,129,603	29,328,133

Stocks:	New Orleans	Savannah	53,682,180	6,181,821	60,321,884	16,038,957	75,778,345	8,302,940
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Rice The condition of the Louisiana rice crop on October 1 indicates the production of 16,530,000 bushels this year, compared with the revised estimate of 19,443,000 bushels produced last year, according to the October report of the United States Department of Agriculture. Harvesting began about the middle of September, and weather conditions have been generally favorable for both harvesting and threshing operations.

Rice Movement —Port of New Orleans

	Rough Rice (Sacks)		
	Sept. 1928	Aug. 1928	Sept. 1927
Receipts	54,071	24,357	136,338
Shipments	49,172	20,158	148,065
Stocks	10,684	5,785	25,210

Clean Rice (Pockets)

Receipts	132,301	47,451	236,132
Shipments	147,464	96,643	193,155
Stocks	100,307	115,470	246,159

Rice Millers' Association Statistics (Barrels)

	September 1928-29	September 1927-28	Aug. 1 to Sept. 30
Receipts of Rough Rice	1,197,924	849,908	1,536,193
Season 1928-29	1,197,924	849,908	1,536,193
Season 1927-28	849,908		1,273,467
Distribution of Milled Rice	777,583	849,908	1,123,659
Season 1928-29	777,583	849,908	1,123,659
Season 1927-28	849,908		1,273,467
Stocks of rough and milled rice			
October 1, 1928			1,108,564
October 1, 1927			1,581,097

FINANCIAL

Savings Deposits The total volume of savings deposits at the end of September, reported by 85 banks located throughout the sixth district, was about the same as for August, and less than one per cent greater than at the same time a year ago. Decreases of 1.5 per cent at Atlanta and 1.1 per cent at Jacksonville slightly more than offset fractional increases at other points, and savings at the end of September were two tenths of one per cent less than a month earlier. Compared with September last year, decreases are shown at Atlanta and New Orleans, but these were offset in the district average by increases reported from other points, and the total for the district shows an increase of nearly one per cent. Totals for Atlanta, and for Branch Federal Reserve Bank cities are shown in the table, and reports from banks located elsewhere are grouped under "Other Cities."

(000 Omitted)

	Sept. 1928	Aug. 1928	Comparison Sept.-Aug. 1928	Sept. 1927	Comparison Sept.-'27
Atlanta (7 banks)	\$ 42,453	\$ 43,115	-1.5	\$ 42,991	-1.3
Birmingham (4 banks)	25,489	25,466	+0.1	24,738	+8.0
Jacksonville (5 banks)	29,628	29,969	-1.1	29,255	+1.3
Nashville (8 banks)	29,495	26,381	+0.4	24,863	+6.6
New Orleans (7 banks)	47,325	47,290	+0.1	48,316	-2.1
Other Cities (54 banks)	115,591	115,285	+0.3	114,139	+1.3
Total (85 banks)	286,981	287,506	-0.2	284,302	+0.9

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, increased 1.5 per cent in September over August, but was 12.9 per cent smaller than for September last year. The decrease compared with a year ago may be attributed, at least partly, to the lateness of the crop season and the late marketing of crops. Monthly figures are derived from weekly figures by prorating figures for those weeks which do not fall entirely within a single calendar month.

(000 Omitted)

	Sept. 1928	Aug. 1928	Sept. 1927
Alabama			
Birmingham	\$ 142,706	\$ 139,019	\$ 164,243
Dothan	4,183	2,722	5,290
Mobile	37,029	35,057	40,450
Montgomery	25,591	23,050	30,997
Florida			
Jacksonville	63,750	68,767	74,123
Miami	20,862	24,185	30,419
Pensacola	7,098	7,386	7,765
Tampa	31,756	33,503	33,766
Georgia			
Albany	4,307	3,578	6,630
Atlanta	151,254	144,292	159,754

Augusta	24,263	22,880	36,692
Brunswick	3,346	4,084	3,561
Columbus	14,652	13,359	16,474
Elberton	948	783	1,535
Macon	21,044	19,666	27,955
Newnan	2,054	1,640	2,699
Savannah	44,425	42,151	63,617
Valdosta	5,729	8,028	8,424
Louisiana			
New Orleans	327,368	310,620	389,444
Mississippi			
Hattiesburg	7,629	7,114	8,870
Jackson	25,482	22,599	26,240
Meridian	17,887	16,343	17,188
Vicksburg	7,544	6,439	8,186
Tennessee			
Chattanooga	49,226	44,739	49,091
Knoxville	34,744	36,460	34,546
Nashville	93,192	112,984	88,240
Total 26 cities	\$1,168,169	\$1,151,468	\$1,841,200

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 September 12 and October 10 total loans and discounts by these banks decreased \$2,276,000. Loans on securities declined about three millions, but there was a slight increase in "All Other Loans". Compared with figures for September 12, investments of these member banks increased nearly fifteen millions about the middle of September, because of increased holdings of United States securities, but on October 10 show an increase of about three and three-quarter millions over the total on September 12. Total loans and investments on October 10 were nearly a million and a half greater than four weeks earlier, and almost 14 1-2 millions greater than a year ago. Both demand and time deposits show declines compared with the corresponding report date last year, but demand deposits increased 2.6 millions compared with the total four weeks ago. Borrowing by these banks from the Federal Reserve Bank of Atlanta increased nearly five millions during the week following September 12, but have since declined nearly ten millions and on October 10 were \$4,955,000 less than on September 12. Principal items in the weekly report are shown in the table with comparisons.

(000 Omitted)

	Oct. 10 1928	Sept. 12 1928	Oct. 12 1927
Bills Discounted:			
Secured by Govt. Obligations	\$ 2778	\$ 2,395	\$ 5,351
Secured by Stocks and Bonds	140,265	143,139	113,439
All Other	360,116	359,396	385,788
Total Discounts	508,154	505,430	504,628
U. S. Securities	63,768	59,988	58,501
Other Stocks and Bonds	71,921	71,942	61,278
Total Loans and Investments	683,833	687,360	624,402
Time Deposits	234,230	236,770	240,216
Demand Deposits	317,020	314,403	343,427
Borrowings from F. R. Bank	47,541	52,496	9,539

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 Wednesday preceding the 14th of each month.

Demand deposits declined further in September and were lower than for any month since November 1924. Time deposits declined in September to a point lower than for any of the preceding five months, April to August inclusive, but were higher than for any other month. In the table are shown figures for each month this year to date, compared with figures for the corresponding period last year.

(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	587,188	471,953	460,112
July	578,233	574,858	476,096	460,957
August	556,721	579,772	471,665	456,919
September	550,543	600,597	466,857	458,129

Operations of the Federal Reserve Bank of Atlanta The weekly statement of the Federal Reserve Bank of Atlanta indicate that the total of bills and securities held by the bank increased about ten million dollars between September 12, figures for which were

shown in the last issue of the Review, and October 3, but declined during the week following nearly 5 3-4 millions. On October 10 this total was \$101,963,000, compared with \$97,695,000 on September 12. Discounts for member banks secured by government obligations increased about six million between these weekly report dates but "Other Bills Discounted" declined, and total discounts show a decline of about three and one-third millions. Investment in bills bought in the open market, and in United States securities, increased during this period. Discounts for member banks and investments, except in United States securities, continue at higher levels than for corresponding report dates a year ago. Increases over figures for September 12 are shown in deposits, and in Federal Reserve notes in circulation, and in cash reserves, but decreases are shown in each of these items compared with figures for October 12, 1927. Principal items in the weekly statement, with comparisons, are shown in the table.

(000 Omitted)

	Oct. 10, 1928	Sept. 12, 1928	Oct. 12, 1927
Bills Discounted:			
Secured by Govt. Obligations	\$ 23,940	\$ 17,963	\$ 3,384
All Others	53,606	62,919	18,121
Total Discounts	77,546	80,882	22,505
Bill Bought in open market	17,667	11,886	2,404
U. S. Securities	6,750	5,427	12,988
Total Bills and Securities	101,963	97,695	38,197
Cash Reserves	98,209	97,806	204,560
Total Deposits	65,098	63,728	78,480
F. R. Notes in actual circulation	128,227	125,799	162,898
Reserve Ratio	50.3	51.6	84.7

Commercial Failures

According to statistics compiled by

R. G. Dun and Company, commercial failures in the United States during September, 1928 numbered 1,635, compared with 1,852 in August, and with 1,573 in September last year. Liabilities of firms failing in September totaled \$33,956,686, a decrease of 41.7 per cent compared with August, but an increase of 3.6 per cent over September 1927. Figures for the sixth district indicate 111 failures in September, compared with 90 in August and with 65 in September last year, and liabilities for September totaled \$1,788,026, compared with \$1,310,443 for August, and with \$1,319,183 for September 1927. September is the third month of 1928 in which liabilities were greater than for the corresponding month last year. In the table are shown failures in the United States divided by Federal Reserve Districts.

District	Number Sept. 1928	Liabilities Sept. 1928	Liabilities Aug. 1928	Liabilities Sept. 1927
Boston	169	\$5,842,687	\$4,050,247	\$2,199,194
New York	297	9,509,984	12,024,156	11,057,845
Philadelphia	66	2,336,345	3,149,500	1,295,236
Cleveland	159	3,715,998	4,231,557	3,212,596
Richmond	119	2,700,762	2,546,548	3,740,478
Atlanta	111	1,788,026	1,310,443	1,319,183
Chicago	224	3,246,073	20,436,606	3,251,574
St. Louis	85	1,009,897	4,765,633	184,910
Minneapolis	67	405,666	404,105	536,329
Kansas City	71	838,906	915,515	851,709
Dallas	41	533,137	628,000	1,053,715
San Francisco	226	2,029,225	3,739,720	4,083,861
Total	1,635	\$33,956,686	\$58,201,830	\$32,786,125

IMPORTS AND EXPORTS

United States

Preliminary figures compiled and published by the United States Department of Commerce indicate that in September exports of merchandise increased over August, and were slightly larger than in September a year ago, while imports declined and were somewhat smaller than in September last year. For the first nine months of this year, exports have been \$54,605,000 greater than in the corresponding period last year, while imports show a decline of \$81,926,000 for this period. Preliminary figures for September, with comparisons, are shown in the table.

	1928	1927
Exports:		
September	\$ 426,000,000	\$ 425,267,000
August	379,874,000	374,751,000
9 months ending with September	3,562,725,000	3,508,120,000
Imports:		
September	\$ 321,000,000	\$ 342,154,000
August	346,813,000	363,875,000
9 months ending with September	3,071,576,000	3,158,502,000

New Orleans

The value of merchandise imported into the United States through the port of New Orleans during July 1928 was \$15,465,154, smaller

by 13 per cent than in June, but 2.2 per cent greater than in July last year. Value of coffee, bananas, creosote oil, molasses and jute burlaps was greater than a year ago, but some of the other principal items show declines.

Merchandise to the value of \$25,032,711 was exported through the port of New Orleans during July, about 5 per cent smaller than the total for June. (Figures for July, 1927 are not available.)

Grain Exports—New Orleans

Due to a large volume of barley exported this year, and an increase in exports of rye, grain exports from New Orleans show an increase in September over the same month a year ago. Total exports for the season (July-September), however are 22 per cent smaller than for the corresponding period a year ago.

	September 1928	September 1927	September 1928	September 1927
Wheat bu. _____	1,861,307	1,432,591	1,852,105	\$ 056,646
Corn bu. _____	29,978	175,524	484,895	692,888
Oats bu. _____	2,290	68,077	140,184	284,868
Barley bu. _____	561,666		641,666	
Rye bu. _____	55,714	42,857	55,714	42,857
Total bu. _____	2,010,955	1,722,049	3 174 514	4 076 759

BUILDING

The total value of buildings for which permits were issued at twenty regularly reporting cities of the sixth district during September was larger than for August, but smaller than for September last year. Only seven reporting cities reported increases over September last year, while thirteen reported decreases. The total value of permits at these twenty cities for September was \$8,565,061, an increase of 4.5 per cent over the total for August, but 22.8 per cent smaller than for September 1927. The index number for September was 76.1 compared with 72.8 for August, and with 98.6 for September last year. Total permits issued at these twenty cities during the nine months of 1928 have amounted to \$81,278,568, a decrease of 10.7 per cent compared with the total of \$90,980,860 for the first nine months of 1927.

Contracts awarded in the sixth district during September according to statistics compiled by the F. W. Dodge Corporation, amounted to \$25,988,883, smaller by 9 per cent than the total of \$28,548,300 for August, and 16 per cent smaller than the total of \$30,917,019 for September 1927. For the first nine months of 1928, contract awards in the sixth district have totaled \$251,824,000, a decrease of 10.3 per cent compared with same period of last year.

Total contracts awarded in the 37 states east of the Rocky Mountains during September amounted to \$587,-674,000, exceeding the August total by 13.7 per cent, and 12.7 per cent greater than for September a year ago. Of the September total, 35 per cent was for residential construction, 20 per cent was for public works and public utilities, and 19 per cent for industrial buildings.

In the table are shown building statistics for reporting cities of this district.

	September 1928		September 1927		Percentage Change in Val.
	No.	Value	No.	Value	
Alabama					
Anniston _____	14	\$ 28,100	22	\$ 76,800	-63.4
Birmingham _____	448	1,099,326	526	2,322,025	-52.7
Mobile _____	90	202,230	68	179,105	+12.9
Montgomery _____	231	164,058	140	734,938	-77.7
Florida					
Jacksonville _____	349	579,826	428	1,208,110	-52.0
Miami _____	177	68,898	207	866,282	-81.2
Orlando _____	89	52,795	110	192,425	-72.6
Pensacola _____	113	67,452	135	145,868	-53.8
Tampa _____	306	225,849	417	1,256,962	-82.1
*Lakeland _____	9	16,132	18	17,050	- 5.4
*Miami Beach _____	17	130,698	29	351,438	-62.3
Georgia					
Atlanta _____	325	2,097,427	412	1,237,434	+69.5
Augusto _____	1145	185,294	153	51,341	+260.9
Columbus _____	52	94,834	47	218,603	-56.6
Macon _____	174	131,309	122	75,839	+73.0
Savannah _____	41	91,215	44	194,650	-53.1
Louisiana					
New Orleans _____	210	2,115,698	250	1,219,499	+78.5
Alexandria _____	67	63,604	85	48,166	+32.1
Tennessee					
Chattanooga _____	294	238,626	284	246,528	- 3.2
Johnson City _____	21	37,200	21	61,317	-39.8
Knoxville _____	183	715,494	229	399,372	+79.2
Nashville _____	288	306,331	257	357,595	-64.3
Total 20 cities _____	3,612	8,565,061	3,960	11,092,909	-22.8
Index No. ASER _____		76.1		98.6	-22.8

*Not included in totals or index numbers.

LUMBER

Preliminary figures for the month of September, received by the Southern Pine Association up to the middle of October, from 111 reporting mills indicate that orders and shipments continue greater than production, but that production of reporting mills was not up to the three-year average for these mills. Press reports indicate that the storm in the southeast about the middle of September not only handicapped production in that section but created a demand for material for repair work, especially on the part of the railroads. Orders for the month were 2.3 per cent greater than shipments, and 11.8 per cent greater than the month's production. Production by these 111 reporting mills in September was 11.4 per cent smaller than the three-year average output of these mills. Stocks on hand at the end of September were 9.6 per cent less than the three-year relative stocks of the reporting mills, and unfilled orders on hand at the end of the month amounted to 90.8 per cent of a month's output at the rate which prevailed in September. Preliminary figures for September, with comparisons, are shown in the table.

	(Feet)	Sept. 1928 111 Mills	Aug. 1928 109 Mills	Sept. 1927 99 Mills
Orders _____		287,794,854	314,351,290	265,886,141
Shipments _____		281,338,794	304,398,384	267,752,278
Production _____		257,512,160	275,561,798	257,559,850
3-Year Average Production _____		290,743,786	289,482,891	264,160,855
Stocks, end of month _____		661,794,825	679,356,021	588,096,052
3-Year Relative Stocks _____		731,889,332	728,715,282	696,727,979
Unfilled orders end of month _____		238,855,154	228,194,910	188,701,706

TEXTILES

Cotton Consumption According to statistics compiled and published by the United States Census Bureau, the consumption of cotton in the United States during September amounted to 492,221 bales, a decrease of 6.6 per cent compared with consumption during August, and 21.6 per cent smaller than in September last year. Stocks in the hands of consuming establishments declined in September, and were smaller than a year ago, while stocks in public storage and at compresses more than doubled compared with those in August, as a result of heavy receipts from the new crop, but were materially smaller than at the same time last year. Exports during September increased substantially over August, and were 29 per cent greater than in September last year. The number of spindles active during September declined 16,418 compared with August, and is smaller by 4,171,362 than in September last year.

	United States (Bales)		
	Sept. 1928	Aug. 1928	Sept. 1927
Cotton Consumed			
Lint _____	492,221	526,729	627,784
Linters _____	68,526	68,165	80,365
Stocks in Consuming Establishments			
Lint _____	719,981	782,068	1,106,098
Linters _____	68,562	68,165	80,365
Stocks in Public Storage and at Compresses			
Lint _____	2,645,977	1,188,361	3,964,615
Linters _____	40,018	88,091	36,914
Exports _____	814,569	259,489	681,041
Imports _____	13,508	25,258	28,347
Active Spindles _____	28,227,090	28,243,58	32,898,452
Cotton Growing States (Bales)			
Sept. 1928	Aug. 1928	Sept. 1927	
Cotton Consumed _____	381,025	403,838	462,218
Stocks in consuming establishments _____	409,143	428,605	732,318
Stocks in Public Storage and Compresses _____	2,556,264	1,088,949	3,672,929
Active Spindles _____	17,718,716	17,728,122	17,725,348

Cotton Cloth Reports for September were rendered to the Federal Reserve Bank of Atlanta by mills in the sixth district which produced during that month about 24 1-2 million yards of cloth, an output smaller by 6.9 per cent than in August, but slightly larger than a year ago. Shipments increased nearly 2 per cent over August, and both orders booked and unfilled orders show material increases over that month, while stocks on hand declined. September shipments, orders booked and stocks were greater than for the same month a year ago, but the volume of unfilled orders was not as large as at that time. Percentage comparisons of reported figures are shown in the tables:

	Sept. 1928 compared with	
	Aug. 1928	Sept. 1927
Production _____	- 6.9	+ 0.2

Shipments	+ 1.9	+ 12.0
Orders booked	+82.3	+181.5
Unfilled orders	+84.7	- 4.3
Stocks on hand	- 8.0	+ 21.0
Number on Payroll	0.4	+ 1.6

Cotton Yarn September production by cotton yarn mills reporting to the Federal Reserve Bank declined 7.6 per cent compared with their production in August, and was 4 per cent smaller than a year ago. Shipments declined compared with August but were greater than for September a year ago. Orders booked and unfilled orders increased compared with the preceding month, and were greater than at the same time last year. Stocks declined during the month, but were somewhat greater than a year ago.

	Sept. 1928	Aug. 1928.	Sept. 1927
Production	- 7.6	- 4.0	- 4.0
Shipments	- 3.1	+ 8.6	+ 8.6
Orders booked	+104.4	+40.5	+40.5
Unfilled Orders	+34.7	- 4.3	- 4.3
Stocks on hand	- 11.2	+ 5.6	+ 5.6
Number on payroll	+ 1.2	+ 1.8	+ 1.8

Hosiery Figures reported to the United States Census Bureau by 40 identical establishments manufacturing hosiery in the sixth district indicate increases in orders booked during September compared with August, but declines in production, shipments, stocks and in unfilled orders, as indicated by the following totals.

	(Dozen Pairs)	
	Sept. 1928	Aug. 1928
Production	672,724	701,771
Shipments	789,005	809,858
Stocks on hand	1,552,011	1,682,676
Orders	813,861	714,080
Cancellations	27,960	26,275
Unfilled orders	915,568	959,248

Cotton Seed and Cotton Seed Products

	Sixth District		United States	
	Aug. 1 to Sept. 30 1928	1927	Aug. 1 to Sept 30 1928	1927
Cotton Seed Tons:				
Received at mills	810,481	518,544	1,089,236	1,306,919
Crushed	153,716	291,850	494,678	745,181
On hand Sept. 30	161,468	258,158	566,580	651,572
Production:				
Crude Oil lbs.	47,434,612	92,961,080	147,447,154	225,117,924
Cake and Meal tons	63,600	126,520	220,433	352,374
Hulls. tons	48,422	33,247	187,989	214,066
Linters. bales	30,337	48,924	98,447	127,763
Stocks:			(2)	(2)
Crude Oil lbs.	14,007,330	20,252,906	42,249,790	58,826,812
Cake and meal. tons	21,024	44,640	61,360	108,610
Hulls. tons	19,409	38,497	72,572	185,681
Linters. bales	30243	31,353	36,521	30,321

(1)—Georgia, Alabama, 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 September totaled 41,301,000 tons, one-half of one per cent greater than August production, but 1.1 per cent smaller than for September last year. September this year had 24.4 working days compared with 27 in August, and with 25.4 during September 1927. The average production per working day in September was 1,693,000 tons, compared with 1,523,000 in August, and with 1,644,000 for September a year ago. Weekly production figures show that the current output in Alabama continued at a lower level than at the same time last year, but in Tennessee increases are shown each week over the corresponding week a year ago. Weekly figures, with comparisons, are shown in the table.

Week ended	United States (000 Omitted)		Alabama		Tennessee	
	1928	1927	1928	1927	1928	1927
Sept. 8	8,935	8,980	308	363	107	95
Sept. 15	10,197	9,643	309	359	113	98
Sept. 22	10,021	9,371	306	379	109	98
Sept. 29	11,056	10,059	330	333	112	97
Oct. 6	11,028	10,326	330	376	116	95

IRON

Monthly statistics compiled and published by the Iron Age indicate a slightly higher daily average production of pig iron in the United States during September than in August, and an increase in the number of active furnaces.

Due to the fact September is a shorter month than August, production of pig iron during September, totaling 3,062,314 tons, was 2.4 per cent smaller than in August. The daily average output, however, amounting to 102,077 tons per day, was nine-tenths of one per cent greater than the daily average for August, and both total production and daily average were 10.4 per cent greater than for September last year. The index number of September production, based upon the monthly average for the three-year period 1923 to 1925 inclusive, was 102.5, compared with 105.0 for August, and with 92.9 for September, 1927. During September 17 furnaces were blown in, and only three blown out, leaving a net gain on October 1 of 14 for the month. On that date 197 furnaces were active, compared with 179 active on October 1, 1927.

Statistics for Alabama indicate the production during September of 197,367 tons of iron, an increase of 4.5 per cent over the output for August, but 4.8 per cent less than for September last year. The index number for Alabama output in September was 85.0, compared with 81.3 for August, and with 89.3 for September last year. Four Alabama furnaces were blown in during September, and on October 1 there were 19 active, compared with 18 furnaces active at the same time a year ago. The prevailing price at Birmingham continues at \$16.25. Press reports indicate that the weekly volume of new business is holding up well. Buying is principally in moderate lots, and while some consumers have covered their requirements for the balance of the year, there is yet considerable iron to be bought for the fourth quarter.

Unfilled Orders—U. S. Steel Corporation

Unfilled orders of the United States Steel Corporation reported through the press, amounted at the end of September to 3,698,368 tons, an increase of 74,325 tons over the preceding month and greater by 550,255 tons, or 17.5 per cent, than at the same time last year.

NAVAL STORES

Receipts of both turpentine and rosin at the three principal markets of the district during September exhibited a further decrease, compared with preceding months, and were smaller than for September last year, but stocks of both commodities increased slightly compared with both periods. Receipts of turpentine decreased about 20 per cent compared with August, and were the smallest reported for September since 1922. Rosin receipts in September decreased 20 per cent compared with August, and were smaller than for September of the two years preceding, but larger than for September of other recent years. Stocks of turpentine at the end of September were slightly greater than for a month or a year ago, and were larger than for any September since 1918. Stocks of rosin showed similar comparisons with August and with September 1927, and while larger than for September of 1925, 1926 and 1927, were smaller than for September 1921 to 1924 inclusive. The naval stores belt of Florida and Southern Georgia were visited again during September with excessive rains which flooded large sections, damaging timber and delaying work, but prices of both commodities during the latter part of September and early October have fluctuated in a narrow range.

	Sept. 1928	Aug. 1928	Sept. 1927
Receipts—Turpentine			
Savannah	16,709	22,980	24,215
Jacksonville	12,040	13,317	15,395
Pensacola	5,563	5,927	6,165
Total	34,312	42,724	45,775
Receipts—Rosin			
Savannah	56,531	81,512	79,217
Jacksonville	44,755	46,913	55,524
Pensacola	15,043	16,932	16,004
Total	116,029	145,357	151,045
Stocks—Turpentine			
Savannah	24,818	23,571	31,480
Jacksonville	26,381	23,286	31,265
Pensacola	22,296	21,447	10,274
Total	73,595	73,304	73,019
Stocks — Rosin			
Savannah	124,795	126,928	130,029
Jacksonville	81,063	77,533	83,157
Pensacola	24,814	23,056	16,240
Total	230,672	227,517	229,426

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.)	July 1928	August 1928	Sept. 1928	July 1927	August 1927	Sept. 1927
Atlanta	99.0	129.7	138.2	88.5	109.1	127.0
Birmingham	85.7	92.7	100.2	86.5	94.9	102.6
Chattanooga	65.8	66.9	85.6	66.1	73.9	84.9
Nashville	71.0	97.6	101.2	66.4	92.4	87.4
New Orleans	68.9	72.9	84.3	67.8	75.1	88.9
Other Cities	75.5	72.3	89.7	78.9	78.5	92.7
DISTRICT	77.0	86.0	99.0	76.0	86.0	97.0
RETAIL TRADE U. S. (1)						
Department Stores	77.7	84.7	106.5	75.	89.0	100.0
Mail Order Houses	119.1	126.8	142.6	93.	105.0	118.0
Chain Stores:						
Grocery	198.5	204.5	199.6	167.	170.0	171.0
5 & 10 Cent	128.4	133.5	143.7	121.	130.0	128.0
Drug	163.8	169.1	164.2	141.	140.0	137.0
Cigar	100.0	104.4	105.0	111.	106.0	106.0
Shoe	115.9	108.8	130.4	109.	101.0	108.0
Wearing Apparel	180.4	196.7	246.4	157.	165.0	198.0
Candy	117.5	122.6	122.4	112.	110.0	119.0
WHOLESALE TRADE 6th DISTRICT						
Groceries	79.2	87.3	88.2	77.2	87.0	94.1
Dry Goods	66.6	103.5	111.4	84.9	143.1	157.4
Hardware	79.2	90.9	95.0	81.2	96.1	104.9
Furniture	81.6	108.4	116.5	72.0	101.3	118.1
Electrical Supplies	86.8	88.5	88.4	79.5	78.0	86.1
Shoes	71.5	104.6	106.4	75.3	121.5	131.7
Stationery	65.1	108.0	87.1	63.2	97.6	157.6
Drugs	78.6	94.0	96.3	105.9	114.9	125.6
TOTAL	97.8	115.2	109.9	80.2	99.7	109.9
WHOLESALE PRICES U. S. (2)						
Farm products	107.1	107.0	108.8	97.6	102.2	105.9
Foods	102.3	104.1	106.9	93.9	94.2	96.5
Hides and leather products	124.4	121.0	120.7	111.7	111.7	112.5
Textile products	96.8	96.3	95.6	94.3	96.2	98.5
Fuel and lighting	82.8	84.6	85.1	84.2	84.1	84.2
Metals and Metal products	98.6	100.4	100.5	97.7	98.0	97.6
Building materials	94.4	94.6	94.7	93.7	92.9	92.1
Chemicals and drugs	94.5	94.7	95.1	95.3	95.4	96.4
Housefurnishing goods	96.9	97.2	97.2	98.0	98.6	98.6
Miscellaneous	80.8	79.3	79.7	89.3	89.9	89.2
ALL COMMODITIES	98.3	98.9	100.1	94.1	95.2	96.5
BUILDING PERMITS 6th DISTRICT						
Atlanta	78.9	54.2	135.6	60.7	65.8	80.0
Birmingham	146.8	92.4	74.2	89.3	87.8	156.6
Jacksonville	79.9	72.3	70.5	155.4	139.0	146.8
Nashville	71.1	82.0	48.3	158.1	60.9	135.2
New Orleans	79.4	79.1	164.3	116.0	148.2	94.7
Other Cities	64.2	70.4	43.2	58.4	60.9	77.5
DISTRICT (20 Cities)	80.4	72.8	76.1	82.1	80.8	98.6
CONTRACTS AWARDED 6th DISTRICT	91.2	81.3	74.0	80.0	80.3	88.1
COTTON CONSUMED:						
United States	86.3	103.6	96.8	112.0	124.6	123.4
Cotton-Growing States	95.0	115.6	109.1	118.9	132.9	132.3
All Other States	67.2	77.3	70.0	96.8	106.5	103.9
Exports	55.6	42.2	132.5	63.3	55.4	102.7
PIG IRON PRODUCTION:						
United States	102.8	105.0	102.5	98.8	98.7	92.9
Alabama	81.5	81.3	85.0	89.9	91.4	89.3
UNFILLED ORDERS—U. S. STEEL CORPORATION	74.8	75.9	77.5	65.8	66.9	65.9

(1) Compiled by Federal Reserve Board.

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