

MONTHLY REVIEW

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

FEDERAL RESERVE BANK OF ATLANTA

VOL. 18, No. 6

ATLANTA, GA., JUNE 30, 1933

This review released for publication in
morning papers of June 30

NATIONAL SUMMARY OF BUSINESS CONDITIONS

Prepared by Federal Reserve Board

Industrial activity increased rapidly in May and the early part of June, and there was an advance in the general level of commodity prices. Prices of raw materials traded in on organized exchanges showed wide fluctuations, and a general rapid upward movement, while prices of other commodities as a group showed relatively little increase.

Production and Employment Volume of industrial production, as measured by the Board's seasonally adjusted index, increased from 67 per cent of the 1923-1925 average in April to 76 per cent in May, as compared with 60 per cent in March, 1933. Operations at steel mills continued to increase in May and the early part of June, contrary to seasonal tendency and in the week ending June 24 activity is reported at about 50 per cent of capacity. Output of the automobile industry was larger in May than in April and, according to trade reports, has increased further in June, although a decline is usual at this season. Lumber output in May showed a considerable increase from previous low levels. Activity at textile mills increased sharply to a higher level for the season than in any other month since November, 1929, and output of shoe factories in May was larger than in May of any previous year. Employment in manufacturing industries increased considerably between the middle of April and the middle of May, and the Board's index, which is adjusted to allow for seasonal variations, advanced from 58 per cent of the 1923-1925 average to 61 per cent. Factory payrolls increased by a larger percentage to about 42 per cent of the 1923-1925 average.

Value of construction contracts awarded during May and the first half of June, as reported by the F. W. Dodge Corporation, showed a nonseasonal increase from the extreme low levels prevailing earlier in the year.

Distribution Freight traffic increased from April to May by more than the seasonal amount, reflecting chiefly larger shipments of miscellaneous freight and merchandise. Department store sales, which had increased substantially from March to April, showed little change in May.

Wholesale Prices Wholesale commodity prices, as measured by the weekly index of the Bureau of Labor Statistics, advanced from 60.3 per cent of the 1926 average in the week ending April 15 to 64.5 per cent in the week ending June 17. This increase reflected a rapid rise in the prices of commodities traded in on organized exchanges, including wheat, cotton, wool, hides, lard, sugar, silk, rubber, and nonferrous metals, and also in the prices of flour, textiles, and leather, while prices of petroleum were reduced and most other prices showed relatively little change.

Foreign Exchange The value of the dollar in the exchange market declined by 18 per cent between the middle of April and June 21. On the latter date the noon buying rate on cable transfers for the French franc was 4.81 cents, as compared with a gold par of 3.92 cents, and the English pound was quoted at \$4.16, as compared with a rate of \$3.41 on April 12.

Bank Credit A return flow of \$156,000,000 of currency from circulation and purchase of \$118,000,000 of United States Government securities by the Reserve Banks placed a considerable volume of reserve funds at the disposal of member banks during the five weeks ending June 21. These funds were used in part to reduce further the member banks' indebtedness to the Reserve Banks and the Reserve Banks' holdings of acceptances, and in part were added to the member banks' reserve accounts.

Loans and investments of member banks in 90 leading cities increased by \$175,000,000 in the four weeks ending June 14, representing chiefly a growth of security loans and other loans at New York City banks. Loans to brokers and dealers in securities made by New York City banks increased by \$160,000,000 during the period, while security loans to other customers declined. Net demand deposits at the reporting banks increased by over \$500,000,000, reflecting in part a further growth of bankers' balances, principally in New York City.

Money rates in the open market continued to decline during the period and in the middle of June were only slightly above the lowest levels of recent years. On May 26 the discount rate of the Federal Reserve Bank of New York was reduced from 3 to 2½ per cent and in the following three weeks rates were lowered from 3½ to 3 per cent at the Federal Reserve Banks of Chicago, Boston, San Francisco, Philadelphia, St. Louis and Cleveland. At the other Federal Reserve Banks a rate of 3½ per cent prevails.

SIXTH DISTRICT SUMMARY

Most of the available series of business statistics indicated further gains during May in trade and industrial activity in the Sixth District. Department store sales increased in May over April by 12.8 per cent, and were 1.8 per cent greater in dollar value than in May, 1932. The seasonally adjusted index of daily average sales rose to the highest point since September. For the five months of 1933, department store sales have been 16.6 per cent less than in that part of last year, not allowing for difference in price levels. Wholesale trade increased 14.6 per cent in May over April, and was 21.8 per cent greater than in May, 1932.

Volume of reserve bank credit outstanding at this bank declined further between May 10 and June 14, and was less than

at the same time last year, and total loans of weekly reporting member banks also declined, but their investments increased slightly. Bank debits increased 9.5 per cent in May over April, compared with a decrease of 19.8 per cent at the same time last year.

Building permits at twenty reporting cities increased 87 per cent over the month before, and were 11.4 per cent greater than in May, 1932. Contract awards also increased over April, but were less than a year ago. Weekly statements of the Southern Pine Association indicate that orders continue to be received by mills in excess of their production, and in much greater volume than at this time last year. Consumption of cotton in the three states of this district for which figures are available increased 34.7 per cent in May over April, and was 69.7 per cent greater than in May, 1932, and cotton mills report substantial increases in orders, shipments and production, and in the number of workers employed. Pig iron production in Alabama increased 56.8 per cent in May over April, but continued less than in the corresponding month last year.

FINANCE

Reserve Bank Credit There was a further decline of 14.5 millions of dollars in the total volume of reserve bank credit outstanding at the Federal Reserve Bank of Atlanta between May 10, (figures published in the May Review) and June 14, and total bills and securities held by the bank on that date were smaller by 22.4 millions than on the corresponding Wednesday in 1932. The decline in total holdings of bills and securities since the peak in May amounted on June 14 to 83.4 millions. Between May 10 and June 14 discounts by this bank declined 12 millions and holdings of purchased bills decreased about 6.4 millions, but there was an increase of 4 millions in holdings of United States securities. Compared with figures for the same Wednesday a year ago, discounts on June 14 show a decrease of nearly 22.8 millions, holdings of purchased bills a decrease of 2.2 millions, and holdings of United States securities an increase of 2.6 millions.

From May 10 to June 14 Member Bank Reserve Deposits increased 7.3 millions, and total deposits 3.3 millions, Federal reserve notes in actual circulation declined 8.5 millions, and total reserves held by the bank increased by 17.4 millions. All of these items are larger than for the corresponding Wednesday in 1932.

Principal items in the weekly statement are compared in the table.

FEDERAL RESERVE BANK OF ATLANTA (000 Omitted)

	June 14, 1933	May 10, 1933	June 15, 1932
Bills Discounted:			
Secured by Govt. Obligations	\$ 628	\$ 2,262	\$ 7,661
All Others	8,919	19,437	24,671
Total Discounts	9,547	21,699	32,332
Bills Bought in Open Market	342	6,721	2,585
U. S. Securities	52,678	48,658	50,052
Total Bills and Securities	62,567	77,078	84,969
Total Reserves	131,734	114,289	84,333
Member Bank Reserve Deposits	49,888	42,582	47,087
Total Deposits	58,349	55,065	49,959
F. R. Notes in actual circulation	124,715	133,254	112,921
F. R. Bank Notes in actual circulation	2,195	926	---
Reserve Ratio	72.0%	60.7%	51.2%

In the following table are shown comparisons of important items in the statement for the twelve Federal Reserve Banks combined. There were increases between May 10 and June

14 in holdings of United States securities, in deposits, and in Federal reserve bank notes in actual circulation, but a further decline in the total volume of reserve bank credit outstanding.

FEDERAL RESERVE SYSTEM

	June 14, 1933	May 10, 1933	June 15, 1932
(000 Omitted)			
Bills Discounted:			
Secured by Govt. Obligations	\$ 55,553	\$ 72,082	\$202,225
All Others	198,209	266,159	294,014
Total Discounts	253,762	338,241	496,239
Bills Bought in Open Market	10,200	112,607	65,661
U. S. Securities	1,932,444	1,837,193	1,692,207
Other Securities	3,624	5,464	5,611
Total Bills and Securities	2,200,030	2,293,505	2,259,718
Total Reserves	3,532,790	3,657,728	2,766,475
Member Bank Reserve Deposits	2,281,378	2,089,115	2,101,243
Total Deposits	2,481,003	2,309,541	2,198,428
F. R. Notes in actual circulation	3,118,379	3,349,753	2,575,799
F. R. Bank Notes in actual circulation	113,264	62,805	---
Reserve Ratio	68.3%	64.6%	57.9%

Member Bank Credit Total loans and investments of 17 weekly reporting member banks located in Atlanta, Birmingham, Jacksonville, Nashville, Chattanooga, Mobile and Savannah declined by slightly more than 4 millions of dollars between May 10 and June 14, and were 17.9 millions less than on the corresponding report date in 1932. Total loans reported by these banks on June 14 were smaller by \$24,650,000 than a year ago, but holdings of United States securities show an increase over that date of more than 5 millions of dollars, and holdings of other securities were slightly larger than at that time.

Time deposits held by these weekly reporting member banks declined slightly between May 10 and June 14, and were nearly 8 millions less than a year ago, and demand deposits increased 4.5 millions since May 10, although about 3.5 millions less than a year ago. Bankers' balances increased further during this recent five weeks period, and were greater than at the same time in 1932.

Borrowings by these weekly reporting member banks from the Federal Reserve Bank of Atlanta declined further from 8.9 millions on May 10 to only \$713,000 on June 14, compared with \$4,754,000 on the corresponding Wednesday last year. Comparisons of principal items in the weekly report are set out in the table.

CONDITION OF MEMBER BANKS IN SELECTED CITIES (000 Omitted)

	June 14, 1933	May 10, 1933	June 15, 1932
Loans:			
On Securities	\$ 56,169	\$ 57,967	\$ 62,285
All Others	119,641	121,926	138,175
Total Loans	175,810	179,893	200,460
U. S. Securities	81,077	83,324	75,769
Other Securities	46,997	44,697	45,542
Total Investments	128,074	128,021	121,311
Total Loans and Investments	303,884	307,914	321,771
Time Deposits	126,762	127,333	134,496
Demand Deposits	142,229	137,705	145,709
Due to Banks	57,706	53,678	47,783
Due From Banks	61,338	53,154	49,688
Borrowings from F. R. Bank	713	8,930	4,754

SAVINGS DEPOSITS OF 56 REPORTING BANKS (000 Omitted)

	Number of Banks	May 1933	April 1933	May 1932	Percentage change May 1933 compared with:	
					April 1933	May 1932
Atlanta	3	\$ 28,010	\$ 27,289	\$ 32,201	+2.6	-13.0
Birmingham	3	15,612	15,654	17,416	-0.3	-10.4
Jacksonville	3	11,705	11,632	13,122	+0.6	-10.8
Nashville	4	19,455	19,871	24,438	-2.1	-20.4
New Orleans	6	23,299	22,284	30,139	+0.1	-22.7
Other Cities	37	59,160	58,661	65,445	+0.9	-19.8
Total	56	157,241	155,391	182,761	+1.2	-14.0

Debits to Individual Accounts Total debits to individual accounts at 26 reporting clearing house cities of the Sixth District increased 9.5 per cent from April to May this year, and were 5.5 per cent less than in May, 1932. At the same time last year bank debits declined 19.8 per cent from April to May. Of the 26 reporting cities, 23 reported increases over April, and 11 reported increases over May last year. Monthly totals shown in the table are derived from weekly reports by pro-rating figures for those weeks which do not fall entirely within a single calendar month.

	(000 Omitted)		
	May 1933	April 1933	May 1932
Alabama—4 Cities	\$ 90,921	\$ 79,572	\$ 94,065
Birmingham	54,430	49,677	58,900
Dothan	2,121	1,293	1,598
Mobile	19,858	16,546	21,157
Montgomery	14,512	12,056	12,410
Florida—4 Cities	82,921	78,943	81,269
Jacksonville	44,299	42,471	43,126
Miami	16,631	16,051	14,311
Pensacola	4,406	3,664	4,006
Tampa	17,585	16,757	19,826
Georgia—10 Cities	166,039	151,141	169,361
Albany	1,870	1,649	2,308
Atlanta	105,108	96,834	109,723
Augusta	12,938	13,145	12,172
Brunswick	1,523	1,335	1,623
Columbus	7,356	6,725	7,378
Elberton	517	415	564
Macon	9,065	7,526	8,416
Newnan	1,310	1,145	850
Savannah	23,829	20,585	23,934
Valdosta	2,523	1,782	2,393
Louisiana—New Orleans	158,698	137,981	172,409
Mississippi—4 Cities	25,012	24,634	23,987
Hattiesburg	2,783	2,592	2,891
Jackson	12,008	12,428	12,507
Meridian	6,367	6,169	5,521
Vicksburg	3,654	3,445	3,068
Tennessee—3 Cities	86,877	85,262	104,695
Chattanooga	21,395	19,480	26,394
Knoxville	13,426	17,446	21,529
Nashville	52,056	48,336	56,772
Total 26 Cities	\$610,468	\$557,533	\$645,786

AGRICULTURE

Principal features of the agricultural situation during May were the advance in prices of agricultural productions generally, and a reversal of weather conditions which had prevailed in most parts of the district during the month before. The following excerpts of a statement by the United States Department of Agriculture are published as being of important general interest:

“A general advance in prices paid farmers for agricultural commodities raised the farm price index computed by the Bureau of Agricultural Economics from 53 to 62 per cent of its pre-war level during the month ended May 15. This 9-point rise is the largest recorded for any one month since April, 1919, when a brisk upturn in the farm price of grains followed the relaxation of governmental milling regulations. From April 15 to mid-May of this year, grains again led the sharp upturn in farm prices, the sub-index for that group registering a gain of 15 points. Meat animal prices were up 8 points; chickens and eggs, and cotton and cottonseed, both up 6 points; dairy products up 4 points, and the farm price index for certain fruits and vegetables up 2 points. The price paid farmers for wool showed the most phenomenal rise, however, for any individual commodity with an advance of 42 points or 75 per cent for the month. * * * The United States average of prices paid farmers for cotton advanced 34 per cent to 8.2 cents per pound during the month ended May 15. The mid-May farm price was 58

per cent higher than a year earlier and the highest price recorded since July, 1931.”

May was dry and hot in most parts of the district, excepting in Tennessee, where the first half of the month was too wet. In the southern part of Georgia, which had suffered from lack of moisture, rains during the last week of the month improved prospects. The northwestern and north-central parts of the state were still dry early in June and stands were poor and growth unsatisfactory. In Florida, following the excessive rains of April, considerable replanting remained to be done, and by the end of May, due to high temperatures and lack of rain, staple crops were suffering and prospects for the citrus crop were reduced materially as a result of heavy dropping of fruit. Yields of truck crops were also reduced as a result of the dry weather. May weather was more favorable in Louisiana, and planting operations were reported nearly completed by the end of the month. Sugar cane was reported doing well in the cane belt and a satisfactory yield is in prospect.

The condition of peaches declined in this district during May, but on June 1 the prospective production was still greatly in excess of the short crop produced in 1932. Comparisons of the condition, and indicated production, this year with 1932, are shown in the table following:

	Condition (% of Normal)		Production (Bushels) Indicated	
	June 1, 1933	June 1, 1932	1933	1932
	Alabama	51	21	726,000
Florida	54	24	59,000	28,000
Georgia	55	27	4,590,000	1,170,000
Louisiana	37	23	101,000	91,000
Mississippi	47	23	441,000	132,000
Tennessee	25	13	610,000	300,000

Sugar Movement—Raw Sugar (Pounds)

	May 1933	April 1933	May 1932
Receipts:			
New Orleans	165,675,869	101,833,847	115,031,527
Savannah	22,573,443	84,652,156	51,977,345
Meltings:			
New Orleans	140,367,299	92,236,695	132,840,547
Savannah	45,241,372	43,397,760	38,356,991
Stocks:			
New Orleans	60,245,430	35,393,128	90,504,130
Savannah	83,040,260	105,708,189	106,958,447
Receipts:			
New Orleans	126,736,966	104,032,282	119,352,448
Savannah	43,868,249	45,541,819	32,796,163
Stocks:			
New Orleans	47,829,385	39,552,632	77,508,638
Savannah	25,700,737	17,802,864	25,919,777

Rice Movement—New Orleans

	May 1933	April 1933	May 1932
Rough Rice—(Barrels)			
Receipts	40,177	30,597	55,316
Shipments	31,180	15,834	43,720
Stocks	25,602	16,605	26,677
Clean Rice—(Pockets)			
Receipts	63,639	36,872	75,195
Shipments	83,998	19,149	79,628
Stocks	181,233	171,592	127,609

**Rice Millers Association Statistics
(Barrels)**

	May	Aug. 1 to May 31
Receipts of Rough Rice:		
Season 1932-33	627,728	8,885,368
Season 1931-32	703,227	9,150,078
Distribution of Milled Rice:		
Season 1932-33	821,155	8,662,686
Season 1931-32	697,817	8,551,417
Stocks:		
May 31, 1933	604,263	1,045,288
May 31, 1932	511,868	1,312,744

Fertilizer Tag Sales After rising to a seasonal peak in April, which was 27.7 per cent greater than in April last year, sales of fertilizer tax tags in the six states of this district showed a seasonal decline in May but were

slightly more than twice as large as in May, 1932. For the ten months, August through May, tag sales in these six states have averaged 15.9 per cent greater than in that part of the season before, small decreases shown for Florida and Mississippi being more than offset by increases in the other four states. Figures which are compared in the table are from those compiled by the National Fertilizer Association.

	(Short Tons)			
	May 1933	April 1933	May 1932	August 1 to May 31, 1933 Inc. 1932
Alabama	26,400	131,550	3,200	270,350
Florida	31,347	21,092	35,289	338,140
*Georgia	41,112	173,458	5,803	465,091
Louisiana	1,500	11,090	450	52,858
Mississippi	8,377	38,400	3,600	82,682
Tennessee	13,819	27,940	11,882	73,365
*Total	122,555	403,530	60,224	1,282,486

*Figures for Georgia, and the totals, for April and May are subject to revision.

TRADE

Retail Department store sales in the Sixth District recorded Trade a further increase in May compared with earlier months of 1933, and for the first time since April, 1930, current sales were larger than in the corresponding month a year earlier. The increase in May over April was 12.8 per cent, and over May last year 1.8 per cent. May had two more business days than April, and one more than May,

1932, and after adjustment for this factor and the usual seasonal movement, the adjusted index rose from 61.7 per cent of the 1923-1925 average in April to 67.2 per cent in May, compared with 68.2 per cent in May a year ago.

Stocks of merchandise held at the close of May were 3 per cent smaller than a month earlier, and 24.8 per cent smaller than a year ago, and the rate of stock turnover was higher for the month, and for the first five months of 1933, than for those periods last year. Accounts receivable increased 7.1 per cent from April to May, but were 7.9 per cent less than a year ago, and May collections increased 6.7 per cent over those in April but were 13.7 per cent less than in May, 1932.

The ratio of collections during May to accounts outstanding and due at the beginning of the month was 28.3 per cent, for April 26.3 per cent, and for May last year 28.1 per cent. For installment accounts the ratio for May was 15.3 per cent, for April 13.9 per cent, and for May last year 14.5 per cent, and for regular accounts the ratio for May was 29.8 per cent, for April 27.8 per cent, and for May, 1932, 30.1 per cent. Collection ratios for individual cities for May were: Atlanta, 25.9; Birmingham, 22.1; Chattanooga, 26.6; Nashville, 27.2; New Orleans, 36.0; and other cities 26.4.

All of these statistics are based upon reports in actual dollar amounts and the percentage comparisons in the statement, and the index numbers on page 8, make no allowance for changes in the level of prices.

RETAIL TRADE IN THE SIXTH DISTRICT DURING MAY 1933

Based on confidential reports from 36 department stores

	COMPARISON OF NET SALES			COMPARISON OF STOCKS		RATE OF STOCK TURNOVER			
	May 1933 with May 1932	May 1933 with April 1933	Jan. 1 to May 31, 1933 with same period in 1932	May 31, 1933 with May 31, 1932	May 31, 1933 with April 30, 1933	May 1932	May 1933	Jan. 1 to May 31 1932	Jan. 1 to May 31 1933
Atlanta (5)	-2.0	+14.1	-17.6	-21.5	-5.9	.34	.41	1.69	1.65
Birmingham (4)	-5.6	+15.6	-21.2	-28.6	-2.1	.20	.27	1.00	1.11
Chattanooga (4)	+7.9	+21.3	-22.1	-16.6	+5.1	.18	.28	.90	1.04
Nashville (4)	+3.6	+19.1	-8.6	-18.1	-3.5	.22	.28	.94	1.12
New Orleans (5)	+4.5	+11.0	-17.1	-25.9	-3.5	.19	.26	.94	.96
Other Cities (14)	+7.2	+4.9	-12.5	-31.8	-1.7	.17	.28	.85	1.16
DISTRICT (36)	+1.8	+12.8	-16.6	-24.8	-3.0	.22	.29	1.05	1.15

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

Wholesale May sales reported by 104 reporting wholesale Trade firms in the district increased 14.6 per cent over April, at a time of year when they usually decline, and for the first time since October, 1929, were larger than in the corresponding month a year earlier. All reporting lines recorded further increases over April, excepting electrical supplies, which had a large gain in April, due to unusual conditions. Percentage comparisons of reported figures are shown in the table, and index numbers appear on page 8.

WHOLESALE TRADE IN MAY 1933

Sixth Federal Reserve District*

Percentage Comparisons

	Number of Firms	May 1933 with April 1933	May 1932	Jan.-May 1933 with same period in 1932
All Lines Combined:				
Sales	104	+14.6	+21.8	-4.9
Stocks on hand	30	-1.8	-20.1	-----
Accounts receivable	52	+2.3	-5.2	-----
Collections	57	+8.3	+8.1	-----
Groceries:				
Sales	24	+12.8	+12.1	-6.3
Atlanta	3	+11.3	+0.8	-9.3
Jacksonville	4	+12.2	-9.2	-18.4
New Orleans	5	+10.6	+22.8	-4.2
Vicksburg	3	+14.8	+38.0	+14.0
Other Cities	9	+15.2	+14.7	+3.1
Stocks on hand	3	+8.6	-8.8	-----
Accounts receivable	11	-1.6	-1.7	-----
Collections	12	+11.8	+8.6	-----

Dry Goods:				
Sales	16	+13.4	+51.6	+13.7
Nashville	3	+4.3	+39.0	+8.0
Other Cities	13	+18.2	+54.7	+15.1
Stocks on hand	8	-0.0	-16.6	-----
Accounts receivable	9	+6.6	-1.5	-----
Collections	11	+11.4	+34.6	-----
Hardware:				
Sales	26	+25.4	+23.4	-4.1
Nashville	3	+29.0	+11.8	-10.4
New Orleans	5	+31.2	+29.5	+0.3
Other Cities	18	+21.6	+23.4	-4.6
Stocks on hand	10	+0.2	-23.0	-----
Accounts receivable	17	+0.7	-5.2	-----
Collections	17	+5.1	+4.9	-----
Furniture:				
Sales	10	+45.0	+22.2	-26.9
Atlanta	4	+12.1	+12.8	-14.6
Other Cities	6	+57.4	+25.0	-30.1
Stocks on hand	6	-7.9	-7.7	-----
Accounts receivable	7	+8.5	-17.4	-----
Collections	6	+6.0	-9.9	-----
Electrical Supplies:				
Sales	14	-13.3	+47.2	+2.9
New Orleans	4	+43.9	+20.4	-21.2
Other Cities	10	-24.1	+59.8	+14.9
Stocks on hand	3	-15.0	-29.7	-----
Accounts receivable	4	+15.8	-2.6	-----
Collections	4	+1.0	-13.4	-----
Drugs:				
Sales	8	+11.9	+2.8	-14.2
Accounts receivable	4	+0.0	-11.0	-----
Collections	5	+4.3	-4.7	-----
**Stationery:				
Sales	4	+32.6	-25.1	-41.9

*Based upon confidential reports from 104 firms.

**Sales comparisons of stationery during first eight months of 1933 are affected by unusual large sales during those months of 1932.

Life Insurance May sales of new, paid-for, ordinary life insurance in the six states of this district were about the same as in April, showing an increase of only 0.1 per cent, and were 14.1 per cent less than in May last year. Decreases in Louisiana and Tennessee, over the month, offset increases in the other four states. Cumulative totals for the five months of 1933 show a decrease of 21.3 per cent compared with that part of 1932. Figures in the tables are from those compiled by the Life Insurance Sales Research Bureau.

	(000 omitted)					
	May 1933	April 1933	May 1932	January-May, 1933	Inc. 1932	Percentage Comparison
Alabama	\$ 3,708	\$ 3,380	\$ 3,797	\$16,973	\$20,026	-15.2
Florida	3,704	3,538	4,348	17,485	22,653	-22.8
Georgia	6,026	5,903	7,819	27,789	37,725	-26.3
Louisiana	4,035	4,376	4,493	18,498	23,143	-20.1
Mississippi	2,343	2,024	2,452	9,003	11,595	-22.4
Tennessee	5,231	5,807	6,234	26,857	33,062	-18.8
Total	\$25,047	\$25,028	\$29,143	\$116,605	\$148,204	-21.3

Commercial Failures Statistics compiled by Dun and Bradstreet, Inc., indicate that in May there were 1,909 business failures in the United States, compared with 1,921 in April, and with 2,788 in May, 1932, and liabilities for May this year were \$47,971,573, against \$51,097,384 for April, and \$83,763,521 for May last year.

In the Sixth District there were 90 business failures in May, 73 in April, and 134 in May last year, and liabilities for May were \$2,570,666, against \$1,401,400 for April, and \$2,351,351 for May, 1932.

Grain Exports—New Orleans (Bushels)

	May 1933	May 1932	July 1 through May 31 1932-33	1931-32
Wheat	10,101	645,652	1,176,956	7,952,719
Corn	21,752	19,265	1,194,515	95,754
Oats	18,127	53,703	353,482	404,099
Barley	-----	-----	-----	112,285
Total	49,980	718,620	2,724,953	8,564,857

INDUSTRY

Building Permits Building permits issued during May at twenty reporting cities in the Sixth District increased substantially over April, to the highest level of the year, and were 11.4 per cent greater than the total for May a year ago. The gain in May over April was 87 per cent, and increases for the month were reported from sixteen of these cities, while eleven cities showed increases over May, 1932. For the first five months of the year total value of permits issued at these twenty cities was \$4,422,700, smaller by 41.3 per cent than in that part of 1932.

Comparisons for the month are shown in the table, and index numbers appear on page 8.

	Number		Value		Percentage change in value
	May 1933	May 1932	May 1933	May 1932	
Alabama:					
Anniston	8	3	\$ 1,400	\$ 260	+438.5
Birmingham	147	137	48,325	77,427	-37.6
Mobile	33	21	24,720	71,803	-65.6
Montgomery	80	70	81,036	25,340	+219.8
Florida:					
Jacksonville	478	369	113,480	133,405	-14.9
Miami	308	313	111,249	104,088	+6.9
Miami Beach	61	25	376,620	186,350	+102.1
Orlando	45	24	19,474	6,990	+178.6
Tampa	168	208	46,975	42,763	+9.8
Georgia:					
Atlanta	202	285	82,097	120,466	-31.9
Augusta	41	76	14,559	24,229	-39.9
Columbus	39	18	222,062	9,196	+2314.8
Macon	136	161	34,426	19,459	+76.9
Savannah	---	16	17,997	13,470	+33.6

Louisiana:					
New Orleans	103	83	159,540	84,554	+88.7
Alexandria	66	62	16,179	18,422	-12.2
Tennessee:					
Chattanooga	72	202	29,074	79,611	-63.5
Johnson City	2	9	600	15,600	-96.2
Knoxville	32	25	60,829	30,450	+99.8
Nashville	127	122	67,527	308,032	-78.1
Total 20 Cities	2,148	2,229	\$1,528,169	\$1,371,915	+11.4

Contract Awards The value of contracts awarded in the Sixth District during May, according to statistics compiled by the F. W. Dodge Corporation, and subdivided into district totals by the Federal Reserve Board's Division of Research and Statistics, increased by 93.4 per cent over the low total for April, but was 24.3 per cent less than the total for May, 1932. The April total was the smallest on record for this district. Residential contracts let in May increased 49 per cent over April, and were 34.8 per cent greater than in May last year, and other classes of awards were nearly two and one-half times as large in May as in the month before, but 41.7 per cent less than a year ago. In May residential contracts accounted for 40.5 per cent of the total, in April 52.6 per cent, and in May last year 22.8 per cent.

State totals for this district show large percentage gains in Florida and that part of Tennessee in the Sixth District, over April, and a smaller increase in Georgia, and Alabama awards were greater than in May last year.

Total awards in the 37 states east of the Rocky Mountains increased by 36.4 per cent in May over April, and were 47.2 per cent less than in May a year ago. Comparisons for this district, and for the individual states, and for the 37 eastern states, are set out in the table.

	May 1933	April 1933	Percentage Comparison	May 1932	Percentage Comparison
Sixth District—Total	\$5,213,956	\$2,695,284	+93.4	\$6,884,095	-24.3
Residential	2,113,088	1,418,091	+49.0	1,568,010	+34.8
All Others	3,100,868	1,277,193	+142.8	5,316,085	-41.7
State Totals:					
Alabama	352,300	378,500	-6.9	320,100	+10.1
Florida	1,723,000	630,400	+173.3	2,213,500	-22.2
Georgia	1,079,500	843,100	+28.0	1,490,600	-27.6
Louisiana	---	317,600	---	1,141,000	---
Mississippi	---	117,800	---	545,400	---
Tennessee(6thDist)	1,494,800	557,400	+168.2	1,764,100	-15.3
United States—Total	77,171,700	56,573,000	+36.4	146,221,200	-47.2
Residential	26,519,700	19,143,600	+38.5	25,556,800	+3.8
Non-Residential	31,659,400	23,806,700	+32.9	58,946,400	-46.3
Public Works and Utilities	19,012,600	13,622,700	+39.6	61,718,000	-69.2

Lumber Further substantial improvement during May is indicated in weekly statements issued by the Southern Pine Association and in press reports concerning the lumber industry. Orders booked by reporting mills increased in May over April and averaged 75 per cent greater than those received by identical mills in May, 1932. Unfilled orders averaged 36 per cent greater than a year ago, while production increased only 10 per cent over that period. During the five weeks ending June 3, orders booked by reporting mills averaged 56 per cent greater than their production. According to press reports the demand is "well distributed as to sources and also as to grades and kinds of stock. Yards everywhere are buying, and special industrial cutting orders are fairly plentiful." Comparisons of Southern Pine figures for recent weeks with those weeks of 1932 are set out in the table.

Week Ended	Number of Mills	(In thousands of feet)				Unfilled Orders	
		1933	Orders 1932	Production 1933	Production 1932	1933	1932
May 6	101	32,843	22,150	22,923	21,692	76,692	64,768
May 13	107	40,446	23,701	25,104	22,611	83,844	62,760
May 20	103	37,614	22,438	24,719	22,736	83,943	63,453
May 27	110	43,752	23,757	25,652	23,152	93,277	65,185
June 3	98	39,530	18,828	25,879	22,705	90,577	57,764
June 10	102	38,365	24,483	26,650	21,331	96,910	64,214

Cotton Consumption Consumption of cotton by American mills during May increased 31.9 per cent over April, and was 86.8 per cent greater than in May last year. In the cotton-growing states May consumption increased 32.1 per cent over April, and in other states the gain was 31.1 per cent; compared with May last year consumption in the cotton states shows an increase of 78.8 per cent, and in other states a gain of 138.6 per cent. Exports of cotton during May increased 35.6 per cent over April, and were 18.1 per cent greater than in May, 1932.

Cumulative totals for the ten months, August through May, indicate the consumption of 4,838,910 bales in the United States, 13.5 per cent greater than in the corresponding part of the season before. In the cotton states the increase for this period was 14.8 per cent, and in other states 7.4 per cent. For this ten months period exports have been 9.9 per cent less than in that part of the previous season.

Census Bureau figures for May are shown in the table compared with the preceding month, and the corresponding month a year ago.

	Cotton Consumption—Bales		
	United States		
	May 1933	April 1933	May 1932
Cotton Consumed	620,909	470,685	332,372
Stocks	8,715,584	9,519,503	9,077,626
In Consuming Establishments	1,394,607	1,367,936	1,463,126
In Public Storage and at Compresses	7,320,977	8,151,547	7,614,500
Exports	591,647	436,450	500,871
Imports	8,648	7,337	22,664
Active Spindles—Number	24,571,498	23,416,680	21,633,036
	Cotton-Growing States—Bales		
	United States		
	May 1933	April 1933	May 1932
Cotton Consumed	514,221	389,316	287,657
Stocks	7,953,544	8,761,557	8,301,324
In Consuming Establishments	1,104,702	1,100,658	1,146,660
In Public Storage and at Compresses	6,848,842	7,660,899	7,154,664
Active Spindles—Number	17,189,090	16,752,042	16,023,830
	Other States—Bales		
	United States		
	May 1933	April 1933	May 1932
Cotton Consumed	106,688	81,369	44,715
Stocks	762,040	757,946	776,302
In Consuming Establishments	289,905	267,298	316,466
In Public Storage and at Compresses	472,135	490,648	459,836
Active Spindles—Number	7,382,408	6,664,638	5,609,206

Census Bureau figures for Alabama, Georgia and Tennessee, the three states of this district for which these statistics are compiled separately, show an average increase of 34.7 per cent in consumption of cotton in May over April, and a gain of 69.7 per cent over May, 1932. For the ten months of the cotton season consumption in these states has averaged 13.9 per cent greater than in that part of the season before, the increases being: Alabama, 15.3 per cent; Georgia, 14.8 per cent; and Tennessee, 3.0 per cent.

	Cotton Consumption—Bales			
	May 1933	April 1933	May 1932	August 1 to May 31 1932-33
Alabama	67,813	50,590	43,449	528,589
Georgia	115,073	83,954	64,508	861,361
Tennessee	14,885	12,246	8,615	125,936
Total	197,771	146,790	116,572	1,515,886

Cotton Manufacturing May reports from cotton mills in the Sixth District show substantial gains in production, shipments, orders and in the number of workers on payrolls compared with both the previous month, and with May last year. Stocks of both cloth and yarn mills declined. Comparisons of May figures are set out in the table.

	Number of Mills	Percentage change May 1933 compared with	
		April 1933	May 1932
Cotton Cloth:			
Production	18	+20.9	+47.4
Shipments	17	+23.3	+87.5
Orders booked	13	+62.3	+446.4
Unfilled orders	15	+16.7	+131.0
Stocks on hand	16	-10.1	-19.3
Number on payroll	17	+16.1	+26.1
Cotton Yarn:			
Production	12	+30.5	+76.1
Shipments	12	+22.7	+74.7
Orders booked	7	+70.4	+271.9
Unfilled orders	9	+0.6	+31.7
Stocks on hand	11	-11.9	-17.5
Number on payroll	11	+14.1	+36.5

Cotton Seed and Cotton Seed Products While there was a seasonal decline in receipts of seed at cotton seed oil mills in this district during May, and a slight decrease in crushings of seed, production of crude oil, of hulls and of linters increased over April, and production of hulls and of linters exceeded that of May last year. For the season August through May, receipts and crushings of seed, and production of cotton seed products, was less than during that part of the season before, and stocks of seed, and of crude oil and of cake and meal were larger on May 31 than a year earlier. Combined cumulated totals, August through May, for Georgia, Alabama, Louisiana and Mississippi are compared in the first two columns of the table, and totals for the country as a whole are shown in the last two columns.

	Cotton Seed and Cotton Seed Products			
	*SIXTH DISTRICT		UNITED STATES	
	Aug. 1 to May 31 1932-33	1931-32	Aug 1 to May 31 1932-33	1931-32
Cotton Seed, Tons:				
Received at mills	1,300,174	1,804,602	4,434,977	5,517,180
Crushed	1,217,785	1,738,241	4,286,077	5,124,789
On Hand, May 31	129,295	70,142	447,894	400,375
Production:				
Crude Oil, lbs.	393,025,032	570,223,381	1,337,271,231	1,624,387,547
Cake and Meal, tons	529,876	762,129	1,938,871	2,307,690
Hulls, tons	350,389	489,237	1,220,079	1,448,746
Linters, bales	212,273	295,913	679,997	836,215
Stocks at mills, May 31				
Crude Oil, lbs.	20,716,345	19,853,253	53,557,659	60,499,991
Cake and Meal, tons	85,300	51,856	207,175	150,165
Hulls, tons	27,725	81,393	89,242	201,405
Linters, bales	52,953	89,609	174,424	270,527

*Georgia, Alabama, Louisiana and Mississippi.

Electric Power Production of electric power by public utility power plants in the six states of this district declined 4.8 per cent in April as compared with March, and was 6.2 per cent less than in April a year ago. Production by use of water power decreased 5.1 per cent, and by use of fuels 4.2 per cent, over the month, and production by use of water power was 4.6 per cent, and by use of fuels 9.2 per cent, smaller than in April, 1932. Combined totals for the first four months of the year show decreases of 7.4 per cent in total production, 5.1 per cent in production by use of water power and 11.7 per cent in that by use of fuels, compared with the first four months of 1932. An increase of 12.8 per cent for that period occurred in Georgia, but decreases were

recorded for the other five states. Figures which are compared in the table are from those compiled by the United States Geological Survey.

Production of Electric Power (000 k. w. hours)			
	April 1933	March 1933	April 1932
Alabama.....	130,302	134,225	133,251
Florida.....	49,464	53,877	50,780
Georgia.....	92,163	98,301	91,581
Louisiana.....	70,300	70,479	77,735
Mississippi.....	3,889	3,792	4,031
Tennessee.....	78,498	85,502	95,105
Total.....	424,616	446,176	452,483
By use of: Water Power.....	284,304	299,660	297,927
Fuels.....	140,312	146,516	154,556
Fuels Consumed in Production of Electric Power:			
Coal—tons.....	9,252	9,650	9,736
Fuel Oil—bbls.....	184,415	201,598	197,534
Natural Gas—000 cu. ft.....	1,403,431	1,376,172	1,539,104

Note: April figures preliminary—March figures slightly revised.

Bituminous Coal Mining According to preliminary statistics compiled by the United States Bureau of Mines, the production of bituminous coal in the United States increased 14.5 per cent in May over April, and was 21.6 per cent greater than in May, 1932. The daily average gain over April was 7.1 per cent, and over May last year 16.4 per cent, because of the different number of business days. Comparisons for the month are set out in the table.

	Total Production (tons)	Number of Working days	Average per working day (tons)
May 1933.....	22,346,000	26.4	846,000
April 1933.....	19,523,000	24.7	790,000
June 1932.....	17,749,000	26	683,000
May 1932.....	18,384,000	25.3	727,000

Total production during the first five months of 1933 has amounted to 119,748,000 tons, smaller by 5.6 per cent than during that part of 1932.

Figures for Alabama and Tennessee for these weeks ending in May show small declines from April, and weekly production averaged 4.1 per cent less in Alabama than in May, 1932, but in Tennessee it was the same as for that period.

Week Ending:	Alabama (Tons)		Tennessee	
	1933	1932	1933	1932
May 6.....	143,000	140,000	49,000	51,000
May 13.....	141,000	143,000	50,000	52,000
May 20.....	139,000	143,000	49,000	47,000
May 27.....	140,000	152,000	49,000	47,000
June 3.....	-----	131,000	-----	43,000

Pig Iron Production Production of pig iron in the United States, according to statistics compiled and published by the Iron Age, amounted in May to 887,252 tons, a gain of 42.3 per cent over the month before and the largest monthly total since March, 1932. Daily average production increased 37.7 per cent over April, and the number of furnaces active on June 1 was 31.3 per cent greater than a month earlier and the largest since December, 1931.

In Alabama there was an increase of 56.8 per cent in total production of pig iron from April to May, but a decrease of 36.8 per cent compared with May of last year. Daily average output increased 51.7 per cent from April to May, and

there were 4 furnaces active on June 1 combined with 2 active a month earlier, and with 4 at the same time a year ago. Shipments during May, according to press reports, have exceeded production, and while spot sales are light because most foundries have already bought for this quarter, third quarter tonnage is growing and many melters are now covered for that period. The base price for spot iron remains at \$12 per ton. No business is being taken at this time for the fourth quarter.

Comparisons for the month are shown in the table.

	Production—Tons		Furnaces Active* Number
	Total	Daily Average	
United States:			
May 1933.....	887,252	28,621	63
April 1933.....	623,618	20,787	48
August 1932.....	530,576	17,115	46
May 1932.....	783,554	26,276	53
Alabama:			
May 1933.....	48,583	1,567	4
April 1933.....	30,976	1,033	2
August 1932.....	23,292	751	3
May 1932.....	76,918	2,481	4

*First of following month.

Naval Stores May receipt of both turpentine and rosin at the three principal Naval Stores markets of the Sixth District increased seasonally over April, and because of somewhat more favorable weather conditions, than prevailed at the same time last year, May receipts of turpentine were 18.1 per cent, and of rosin 20.7 per cent, greater than in May, 1932. Only twice during the past eleven years have rosin receipts in May been smaller than this year, and only three times during that period have May receipts of turpentine been smaller than this year. Prices of both commodities rose during the first half of May because of increased demand, but the price of turpentine declined from 43¼ cents per gallon on May 31 to 40 cents on June 10, and prices on some grades of rosins also declined somewhat. The higher grades of rosin account for a larger proportion of the total production this year than was the case in 1923. Comparisons of receipts and stocks for the month are set out in the table.

	May 1933	April 1933	May 1932
Receipts—Turpentine (1)			
Savannah.....	14,819	8,478	13,006
Jacksonville.....	13,878	7,849	10,713
Pensacola.....	3,662	1,849	3,691
Total.....	32,359	18,176	27,410
Receipts—Rosin (2)			
Savannah.....	49,532	30,263	43,442
Jacksonville.....	50,624	27,922	37,994
Pensacola.....	10,294	5,187	10,091
Total.....	110,450	63,372	91,527
Stocks—Turpentine (1)			
Savannah.....	10,383	7,022	8,588
Jacksonville.....	40,959	35,273	43,416
Pensacola.....	15,775	16,917	21,892
Total.....	67,117	59,212	73,896
Stocks—Rosin (2)			
Savannah.....	110,861	101,315	172,197
Jacksonville.....	103,589	102,573	163,299
Pensacola.....	12,572	8,638	14,976
Total.....	227,022	212,526	350,472

(1) Barrels of 50 gallons.

(2) Barrels of 500 pounds.

MONTHLY INDEX NUMBERS COMPUTED BY FEDERAL RESERVE BANK OF ATLANTA
MONTHLY AVERAGE 1923-1925=100

DEPARTMENT STORE TRADE—SIXTH DISTRICT (1)	March	April	May	March	April	May
	1933	1933	1933	1932	1932	1932
Daily Average Sales—Unadjusted						
Atlanta	104.9	115.1	123.0	131.4	134.3	132.8
Birmingham	42.3	48.4	51.8	61.2	58.6	57.0
Chattanooga	34.6	48.7	54.7	52.2	59.5	52.1
Nashville	48.7	66.4	73.3	65.3	62.8	73.4
New Orleans	35.7	57.4	59.0	58.1	61.1	58.6
DISTRICT	49.6	64.8	67.9	69.3	70.9	68.9
Daily Average Sales—Adjusted*						
Atlanta	112.8	106.6	117.1	132.7	131.7	126.5
Birmingham	44.5	47.9	51.3	60.6	61.7	58.4
Chattanooga	38.9	47.7	53.1	54.9	62.0	50.8
Nashville	54.1	64.5	66.0	67.3	64.1	66.1
New Orleans	39.7	53.6	60.8	60.5	60.5	60.4
DISTRICT	53.9	61.7	67.2	70.7	71.6	68.2
Monthly Stocks—Unadjusted						
Atlanta	71.6	72.8	68.5	85.8	89.6	87.3
Birmingham	37.2	38.4	37.5	54.5	52.1	52.6
Chattanooga	37.9	37.8	39.7	61.7	62.7	47.7
Nashville	53.6	57.2	55.2	72.5	73.9	67.4
New Orleans	51.5	48.6	46.9	67.3	67.3	63.3
DISTRICT	50.4	49.8	48.3	68.0	68.1	64.2
Monthly Stocks—Adjusted*						
Atlanta	70.2	69.3	67.8	84.1	85.3	86.4
Birmingham	36.5	36.6	36.8	53.4	49.8	51.6
Chattanooga	35.8	36.0	38.9	58.2	59.7	46.8
Nashville	52.5	55.0	54.7	71.1	71.1	66.7
New Orleans	49.5	46.7	46.4	64.7	64.7	62.7
DISTRICT	48.9	47.4	47.4	66.0	64.9	62.9
WHOLESALE TRADE—SIXTH DISTRICT—TOTAL						
Groceries	38.2	41.8	47.9	45.1	43.0	40.0
Dry Goods	38.9	36.5	41.2	46.5	42.7	39.7
Hardware	41.8	48.1	54.5	40.6	37.8	34.4
Furniture	35.5	38.1	47.8	41.5	41.4	38.5
Electrical Supplies	22.4	27.9	40.4	37.9	37.0	32.8
Stationery	33.0	70.5	61.1	44.0	44.3	41.9
Drugs	27.1	25.7	34.0	40.0	46.2	45.5
	57.0	56.2	62.9	73.5	65.7	61.1
LIFE INSURANCE SALES—SIX STATES—TOTAL						
Alabama	53.2	59.6	59.6	73.1	68.8	69.4
Florida	49.6	49.8	54.7	64.4	57.5	56.0
Georgia	57.6	59.8	62.6	78.8	70.9	73.5
Louisiana	61.2	64.4	65.7	84.9	81.3	85.3
Mississippi	47.9	69.1	63.7	76.9	75.0	70.9
Tennessee	31.1	46.3	53.6	47.4	52.6	58.1
	58.9	61.7	55.6	73.1	66.7	66.2
BUILDING PERMITS—TWENTY CITIES						
Atlanta	6.2	7.3	13.6	12.5	20.4	12.2
Birmingham	3.3	5.6	5.3	29.9	10.3	7.8
Jacksonville	3.1	2.9	3.3	4.6	6.2	5.2
Nashville	7.6	7.2	13.8	15.5	13.6	16.2
New Orleans	12.4	11.1	10.6	11.0	17.6	48.6
Fifteen Other Cities	5.7	8.1	12.4	10.3	28.1	6.6
	7.1	8.3	19.3	9.9	26.7	11.8
CONTRACT AWARDS—SIXTH DISTRICT—TOTAL						
Residential	11.3	7.7		13.5	19.0	19.6
All Others	12.3	10.1		11.6	13.1	11.2
	10.6	6.1		14.8	23.0	25.2
WHOLESALE PRICES—UNITED STATES†						
ALL COMMODITIES	60.2	60.4	62.7	66.0	65.5	64.4
Farm Products	42.8	44.5	50.2	50.2	49.2	46.6
Foods	54.6	56.1	59.4	62.3	61.0	59.3
Other Commodities	65.8	65.3	66.5	70.9	70.9	70.4
Hides and leather products	68.1	69.4	76.9	77.3	75.0	72.5
Textile products	51.3	51.8	55.9	58.0	56.1	54.3
Fuel and lighting	62.9	61.5	60.4	67.9	70.2	70.7
Metals and metal products	77.2	76.9	77.7	80.8	80.3	80.1
Building materials	70.3	70.2	71.4	73.2	72.5	71.5
Chemicals and drugs	71.2	71.4	73.2	75.3	74.4	73.6
Housefurnishing goods	72.2	71.5	71.7	77.1	76.3	74.8
Miscellaneous	58.9	57.8	58.9	64.7	64.7	64.4
COTTON CONSUMPTION—UNITED STATES						
Cotton-Growing States	97.2	92.6	122.2	96.1	72.3	65.4
All Other States	118.0	111.4	147.2	113.9	89.2	82.3
Georgia	61.5	51.2	67.1	57.0	34.9	28.2
Alabama	115.2	107.7	147.7	106.6	85.9	82.8
Tennessee	152.6	147.2	197.3	153.3	127.2	126.4
	117.2	123.0	149.6	127.0	97.5	86.6
COTTON EXPORTS—UNITED STATES						
	79.4	71.0	96.3	150.8	88.6	81.5
PIG IRON PRODUCTION—United States						
Alabama	18.1	20.9	29.7	32.4	28.5	26.2
	12.0	13.3	20.9	29.3	30.5	33.1

*Adjusted for Seasonal Variation. †Compiled by Bureau of Labor Statistics. 1926=100.