

MONTHLY REVIEW

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

FEDERAL RESERVE BANK OF ATLANTA

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NATIONAL SUMMARY OF BUSINESS CONDITIONS

Prepared by the Board of Governors of the
Federal Reserve System

Volume of industrial production and employment showed little change in February, and the index of production, which makes allowance for seasonal changes, declined from 98 to 95 per cent of the 1923-1925 average. Distribution of commodities continued at about the January level.

Production and Employment

Daily average output in basic industries was in about the same volume in February as in January. Since usually there is an increase in manufacturing activity at this season, the Board's seasonally adjusted index of factory output showed a decline. Output at mines increased. There was a substantial further decrease in automobile production in February, and the rate of operations at steel mills increased by less than the usual seasonal amount. In the first half of March production of steel expanded seasonally and output of automobiles showed a more than seasonal increase. There was little change in the volume of lumber cut in February, although an increase usually occurs in that month. At woolen mills production increased by about the seasonal amount, while activity at cotton textile mills, which is usually larger in February than in January, decreased, and at silk mills there was a larger than seasonal decline. Output at meat packing establishments also declined. There was a substantial increase in the mining of both anthracite and bituminous coal, while output of crude petroleum declined somewhat.

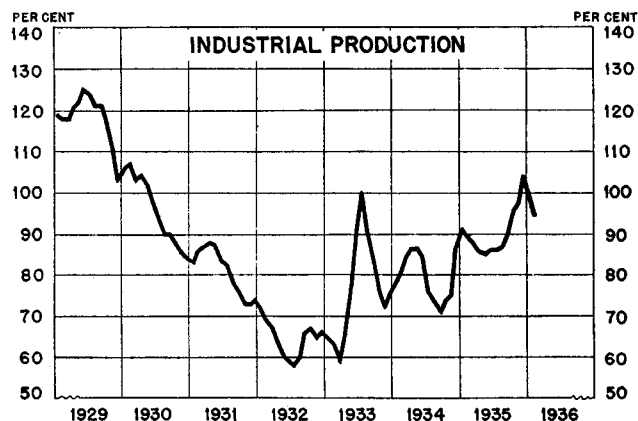
Factory employment increased by less than the usual seasonal amount between the middle of January and the middle

of February. There was little change in the number of workers at steel mills and a decrease in the number employed at automobile factories, although increases are usual in these industries in February. Employment declined at silk and rayon textile mills and showed a smaller than seasonal increase at shoe factories. Increases in employment were reported for railroad repair shops for printing and publishing establishments, and for factories producing wearing apparel. Factory payrolls, which are usually larger in the middle of February than a month earlier, showed no change.

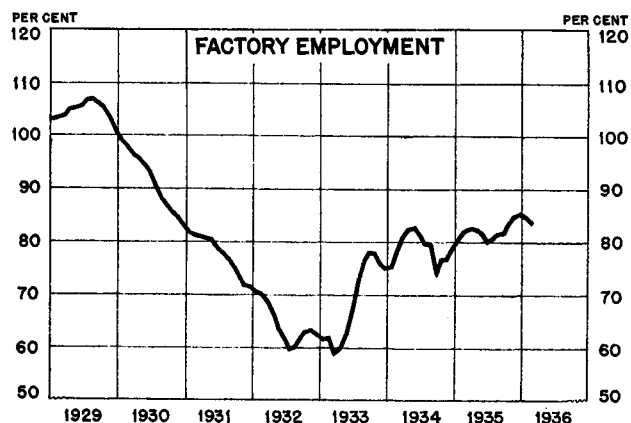
The value of construction contracts awarded, as reported by the F. W. Dodge Corporation, declined further in February. Awards for residential construction showed little change, and there was a decrease in the value of awards of all other contracts, a large part of which are for public projects.

Distribution Department store sales showed little change from January to February and, after allowance for seasonal variation, were at about the same level as that prevailing last summer and autumn. Freight-car loadings increased by a small seasonal amount in February. Loadings of coal were considerably larger than in January, while shipments of miscellaneous freight declined, and the Board's seasonally adjusted index of total loadings remained at the January figure of 70 per cent of the 1923-1925 average as compared with 71 per cent in December and an average of 63 per cent for 1935.

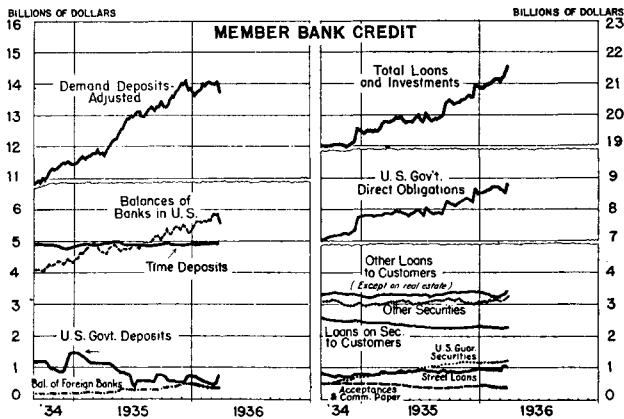
Commodity Prices The general level of wholesale commodity prices declined somewhat during the latter part of February and the first half of March, following a six-months' period of little change. The recent downward movement reflected declines in prices of farm products and foods.



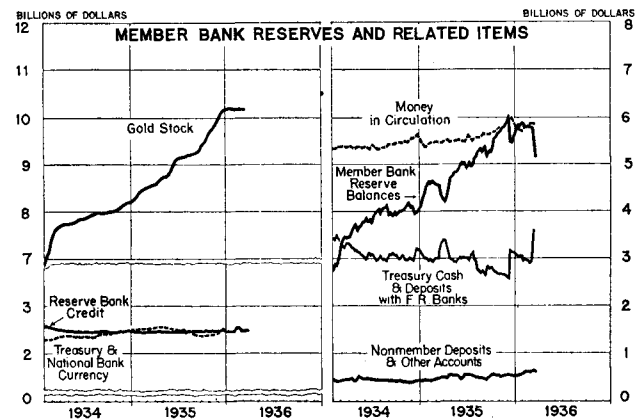
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average = 100.) Latest figure February Preliminary 95.



Index of factory employment, adjusted for seasonal variation. (1923-25 average = 100.) Latest figure February Preliminary 84.0.



Wednesday figures for reporting member banks in 101 leading cities. Sept. 5, 1934, to March 18, 1936.



Wednesday figures, January 31, 1934, to March 18, 1936.

Bank Credit Excess reserves of member banks decreased by \$650,000,000 during the four weeks ending March 18, and on that date amounted to \$2,400,000,000. This decrease reflected chiefly a transfer of funds to Treasury deposits at the reserve banks in connection with receipt of income taxes and of cash payments for newly-issued government securities.

Loans and investments of reporting member banks in leading cities increased rapidly in March, and on the 18th of the month were \$525,000,000 higher than four weeks earlier. Of this increase \$190,000,000 represented a growth in holdings of direct and guaranteed obligations of the United States Government, and \$80,000,000 an increase in other investments. Security loans both to brokers and dealers and to others increased, and there was a substantial growth in so-called "Other Loans," which include loans for commercial purposes.

Adjusted demand deposits of reporting member banks declined by \$340,000,000 during the four weeks ending March 18. Balances held for domestic banks increased at the turn of the month as banks in the interior sold Government securities in New York in anticipation of maturities. During the week ending March 18 balances declined, partly as the result of banks throughout the country purchasing in the New York market Government securities issued on March 16.

SIXTH DISTRICT SUMMARY

Nearly all of the available series of business statistics for the Sixth District compared favorably in February with that month a year ago, although there were declines from January in some of the series, most of them seasonal in character.

Department store sales increased 16.1 per cent from January to February, and were 16.5 per cent greater than in February, 1935, and at the highest level for that month since 1930. Wholesale trade declined slightly from January, which is not unusual, but was 7.5 per cent above February last year, and was also at the highest level for February since 1930. Debits to individual accounts declined 12.6 per cent from January, about the same as the decrease at that time last year, and were 10.8 per cent greater than in February, 1935.

Total loans to customers at 22 weekly reporting member banks in leading cities of the District increased 3.9 millions

from February 12 to March 11, but their investment holdings of securities declined 11.7 millions. There were further increases during this period in deposits, and in balances held for, and with, correspondent banks. At the Federal Reserve Bank of Atlanta, holdings of United States Government securities increased 6 millions, and there were increases in member bank reserve deposits and in Federal Reserve note circulation, but small declines in discounts and industrial advances.

Statistics of employment and payrolls compiled by the United States Bureau of Labor Statistics show seasonal declines from December to January in both the number of workers employed and in payrolls at reporting firms in the six states located wholly or partly in the Sixth District, but the number of workers reported for January was 3.6 per cent larger than a year ago, and payrolls were 11.3 per cent larger, and both number and payrolls were higher than for January of other recent years. The value of building permits issued at 20 reporting cities in the District in February was 10.1 per cent larger than for January, and was larger by 163.8 per cent than for February, 1935, but total value of construction contracts awarded in the District as a whole declined 35.7 per cent from January, although it was 44.7 per cent larger than for February last year. Residential contracts, however, increased 52.5 per cent from January to February, and were 135.0 per cent greater than a year ago. Consumption of cotton in Georgia, Alabama and Tennessee combined declined from the high level in January, partly because of the shorter month, but was 17 per cent greater than a year ago. Production, orders, shipments and unfilled orders at lumber mills continued substantially greater than in February last year. Coal mining in both

FEDERAL RESERVE BANK OF ATLANTA (In Thousands of Dollars)

	Mar. 11 1936	Feb. 12 1936	Mar. 13 1935
Bills Discounted:			
Secured by Govt. Obligations.....	\$ 55	\$ 162	\$ 129
All Others	12	38	93
Total Discounts	67	200	222
Bills Bought in Open Market	164	163	198
Industrial Advances	870	888	1,075
U. S. Securities	100,209	94,209	94,235
Total Bills and Securities	101,310	95,460	95,780
Total Reserves	199,240	195,070	138,026
Member Bank Reserve Account	122,917	118,564	89,318
Total Deposits	132,761	133,976	100,877
F. R. Notes in Actual Circulation.....	160,756	152,377	125,381
Reserve Ratio	67.9%	68.1%	61.0%
Commitments to make industrial advances	387	398	728

Alabama and Tennessee increased from January to February and was greater than a year ago, and although total production of pig iron in Alabama was smaller than in January, the daily average output increased 1.8 per cent, and February production was 70.8 per cent greater than in February last year. Production of electric power in the six states of the District increased further in January to a new high level.

FINANCE

Reserve Bank Credit Total holdings of bills and securities of the Federal Reserve Bank of Atlanta increased about \$6,000,000 in the four weeks ending March 11, reflecting the purchase of United States Government securities from another Federal Reserve Bank. This change did not affect the volume of reserve funds available to member banks.

Between February 12 and March 11 there were decreases in the small volume of discounts and industrial advances, both of which items also show decreases compared with the corresponding report date a year ago. Total discounts had increased from 37.6 thousands at the close of 1935 to 200 thousands on February 12, but by March 11 declined to 67.3 thousands. Industrial Advances, which were at their highest point at \$1,152,000 on April 24 last year, have declined gradually since that time to \$870,000 on March 11. As a result of the increase during the week ended March 11 this bank's holdings of United States Government securities are at a new high level.

Total reserves held by the bank increased further from 195 millions on February 12, shown in the previous issue of this Review, to 203.7 millions on March 4, but a week later were 199.2 millions, larger by 61.2 millions than at the same time last year. Member banks' reserve deposits rose to 123.2 millions on February 26, but on March 11 were 122.9 millions, greater by 33.5 millions than a year earlier. Total deposits, which were at a new high of 134 millions on February 12, declined slightly during the four weeks following, but were 31.9 millions greater than a year ago.

Federal Reserve notes of this bank's issue in actual circulation increased 8.4 millions between February 12 and March 11, and were 35.8 millions greater than a year ago. Principal items in the weekly statement are compared in an accompanying table.

CONDITION OF 22 MEMBER BANKS IN SELECTED CITIES
(In Thousands of Dollars)

	Mar. 11 1936	Feb. 12 1936	Mar. 13 1935
Loans and Investments—Total	\$498,790	\$506,504	\$485,678
Loans—Total	214,687	210,743	253,028
On Securities	56,484	52,019	63,778
To Brokers and Dealers	6,579	5,246	8,124
To Others	49,905	46,773	55,654
Real Estate Loans	21,111	21,006	20,385
Acceptances and Com'l Paper Bought	4,994	5,201	5,416
Loans to Banks	614	616	8,501
Other Loans	131,484	131,901	154,948
Investments—Total	284,103	295,761	232,650
U. S. Govt. Direct Obligations	172,538	182,790	141,284
Obligations Guaranteed by U. S.	36,551	39,269	23,741
Other Securities	75,014	73,702	67,625
Reserve with F. R. Bank	68,219	67,576	46,149
Cash in Vault	10,271	9,943	9,342
Balances with Domestic Banks	174,754	157,886	126,003
Demand Deposits—Adjusted	292,969	291,975	252,422
Time Deposits	170,099	170,020	178,559
Inter-Bank Deposits: Domestic	210,940	201,431	144,289
Foreign	1,315	1,214	1,226
Borrowings			

Member Bank Credit There was a decline of 7.7 millions of dollars in total loans and investments held by 22 weekly reporting member banks in leading cities of the District between February 12 and March 11, but on that date they were 13.1 millions greater than on the same report date a year ago. Total loans by these banks declined from an average of 228 millions in December to 209.9 millions on February 26, but rose to 214.7 millions two weeks later when they were 38.3 millions less than on the same Wednesday last year. Between February 12 and March 11 there was an increase of 4.7 millions in loans on securities, and a small increase in real estate loans, offset only in small part by decreases in other loans. The increase during this period of 3.9 millions in total loans partly offset a decline of 11.7 millions in investment holdings by these banks. Holdings of United States Government direct obligations were reduced by about 10.3 millions, and those guaranteed by the United States declined 2.7 millions, while holdings of Other Securities increased 1.3 millions. Compared with the corresponding report date a year ago, investment securities held by these banks on March 11 show a gain of 51.5 millions.

Demand deposits-adjusted increased by less than one million dollars between February 12 and March 11, but were then somewhat less than the average for January and February, and were 40.5 millions greater than at the same time a year ago. Time deposits were slightly higher than four weeks earlier, and about 3.5 millions less than a year ago. Balances carried by these banks with their correspondents increased substantially since February 12 and were about 48.8 millions greater than a year ago, and balances held for correspondents also increased over other recent periods and were about 66.7 millions greater than on the same Wednesday last year. Reserves maintained by these

DEBITS TO INDIVIDUAL ACCOUNTS*

(In Thousands of Dollars)

	February 1936	January 1936	February 1935
ALABAMA—4 Cities	\$108,505	\$135,894	\$ 94,485
Birmingham	61,426	80,568	53,578
Dothan	2,267	2,379	1,877
Mobile	26,822	30,627	20,935
Montgomery	18,490	22,320	18,095
FLORIDA—4 Cities	134,568	142,783	114,069
Jacksonville	60,047	66,956	55,759
Miami	41,496	39,638	30,589
Pensacola	7,282	7,013	5,565
Tampa	25,743	29,176	22,156
GEORGIA—10 Cities	216,172	235,300	197,645
Albany	2,864	3,383	2,661
Atlanta	143,182	154,393	134,080
Augusta	15,943	17,515	14,063
Brunswick	2,030	2,306	1,708
Columbus	10,303	11,910	8,795
Elberton	704	867	681
Macon	10,841	12,525	9,610
Newnan	1,511	1,699	1,386
Savannah	25,990	27,289	22,240
Valdosta	2,754	3,413	2,421
LOUISIANA—New Orleans	173,229	200,589	160,474
MISSISSIPPI—4 Cities	35,702	40,275	33,013
Hattiesburg	3,889	4,092	3,641
Jackson	18,764	19,647	17,312
Meridian	7,398	9,615	6,888
Vicksburg	5,651	6,921	5,177
TENNESSEE—3 Cities	118,453	144,837	110,061
Chattanooga	31,377	41,515	26,133
Knoxville	21,815	26,319	18,549
Nashville	65,261	77,003	65,379
Total—26 Cities	\$786,629	\$899,678	\$709,747

*Monthly totals are derived from weekly reports by prorating figures for those weeks which do not fall entirely within a single calendar month.

banks with the Federal Reserve Bank of Atlanta rose slightly since February 12, and on March 11 were 22 millions greater than a year ago.

Savings deposits at the close of February reported by 57 banks located throughout the District averaged 1 per cent higher than a month earlier, and 5.1 per cent greater than a year earlier.

Debits to individual accounts at 26 reporting cities declined 12.6 per cent from January to February, about the same as at that time a year ago, but were 10.8 per cent greater than in February, 1935. Decreases over the month were reported by twenty-four cities and increases over February last year by twenty-five. The February total is the largest for that month since 1931.

AGRICULTURE

Since the latter part of February weather conditions in the Sixth District have been generally more favorable for farm work in preparation for the season's crops. Planting of spring crops has been delayed somewhat in most sections by the low temperatures in January and February. Heavy rains from March 7 to 9 caused considerable damage to the tomato crop in southern Florida. Loss of acreage is estimated at around 3,500 acres, leaving about 12,000 for harvest. Production has probably been reduced to 1,000,000 bushels, or 28 per cent less than the previous estimate. Potato crop is being dug in Dade County, but no estimate of damage has yet been made.

The March 1 estimate of the Florida orange crop is the same as a month earlier, 16 million boxes, compared with 17.6 million boxes for the 1934-35 season, and the estimated grapefruit production remains at 10.5 million boxes, 31 per cent less than the 15.2 million boxes produced last season. The percentage of large sizes is greater than a year ago, and the quality appears to be excellent. Harvesting of grapefruit will continue with the Marsh Seedless variety forming a larger proportion than in the earlier part of the season.

Sales of fertilizer tax tags in this District increased seasonally from January to February, but were about 11 per

cent less than a year ago, and for the seven months of the season have been only 1.5 per cent larger than in that part of the season before.

The annual report by the United States Department of Agriculture on farmers' "Intentions to Plant" for the year 1936 indicates that on March 1 farmers intended to plant larger acreages than in 1935 to most of the principal crops, the exceptions being potatoes, grain sorghums, beans, and soybeans. No information is collected on cotton because of prohibitory legislation. The report calls attention to the fact that most farmers had reported their plans before the Soil Conservation Act was passed, and allowance will need to be made for such changes in plans as the administration of the Act may cause.

In the six states located wholly or partly in the Sixth District, increases over the acreages harvested in 1935 are indicated for oats, tame hay, peanuts, tobacco, soybeans and for barley in Tennessee and rice in Louisiana. In Alabama increases are indicated for oats, hay, peanuts, potatoes, and soybeans, no changes in cowpeas, and a decrease in corn. In Florida increases are indicated for corn, hay, peanuts, tobacco, and cowpeas, no change in white potatoes and oats, and a decrease in sweet potatoes. Increased acreages in Georgia are indicated in hay, peanuts, and tobacco, no change in oats and potatoes, and decreases in corn, soybeans and cowpeas. Louisiana figures indicate increases in rice, hay, peanuts, soybeans and cowpeas, no change in white potatoes, and decreases in corn, oats, sweet potatoes, and tobacco. In Mississippi increases are indicated for hay and cowpeas, no change in oats, white potatoes and soybeans, and decreases in corn, peanuts, and sweet potatoes. Tennessee figures indicate increased plantings of corn, oats, hay, barley, tobacco, and soybeans, no change in peanuts, and decreases in potatoes, and cowpeas. Figures in the table are combined totals for the six states of this District.

Crop	(Thousands of Acres)		Percent Change
	Intended Acreage 1936	Harvested Acreage 1935	
Corn	14,644	14,755	- 0.8
Oats	606	593	+ 2.2
Barley (Tennessee)	20	18	+11.1
Tame Hay	3,359	3,220	+ 4.3
Peanuts	1,278	1,139	+12.2
Potatoes—white	198	200	- 1.0
Potatoes—sweet	381	397	- 4.0
Tobacco	205	187	+ 9.6
Rice (Louisiana)	409	382	+ 7.1
Soybeans	371	360	+ 3.1
Cowpeas	524	547	- 4.2

SUGAR MOVEMENT—Pounds

	Raw Sugar		
	Feb. 1936	Jan. 1936	Feb. 1935
Receipts:			
New Orleans	75,318,137	46,093,364	49,262,197
Savannah	63,046,618	59,512,340	63,257,882
Meltings:			
New Orleans	83,980,901	88,554,985	65,554,418
Savannah	49,429,670	59,512,340	43,856,153
Stocks:			
New Orleans	38,705,759	47,388,893	50,050,210
Savannah	13,616,948		71,998,039
	Refined Sugar		
Shipments:			
New Orleans	85,578,677	76,036,094	66,639,941
Savannah	46,179,062	53,076,950	37,692,840
Stocks:			
New Orleans	23,063,135	24,429,576	27,908,608
Savannah	6,505,764	5,452,279	6,956,964

RICE MOVEMENT Rice Millers' Association Statistics

	February	Aug.-Feb. Incl.
Receipts of Rough Rice*		
Season 1935-36	483,100	7,404,363
Season 1934-35	1,279,992	6,543,380
Distribution of Milled Rice**		
Season 1935-36	1,069,756	5,656,404
Season 1934-35	1,053,545	5,702,574
Stocks:		
Rough*		Clean**
February 29, 1936	1,146,356	1,407,452
February 28, 1935	1,183,331	1,378,437

*Barrels of 162 lbs.; **Pockets of 100 lbs.

TRADE

Retail There were gains from January to February in the volume of sales and stocks of reporting department stores in the Sixth District, and in the rate of stock turnover, but the collection ratio declined. All of these items compare favorably with February of last year.

February sales reported by 57 firms averaged 16.1 per cent greater than in January and 16.5 per cent greater than in February, 1935, and for the first two months of 1936 have been 11.8 per cent greater than in those months last year. February had one less business day than January, but one more than in February, 1935, and after adjustment for seasonal movements the February index was higher except for August last year than for any other month since September, 1930. Stocks increased 6.7 per cent from January to February and averaged 4.1 per cent larger than a

RETAIL TRADE IN THE SIXTH DISTRICT DURING FEBRUARY, 1936

Based on confidential reports from 57 department stores

	COMPARISON OF NET SALES			COMPARISON OF STOCKS		STOCK TURNOVER				COLLECTION RATIO		
	February 1936		Year to date with same period last year	Feb. 29, 1936		February 1936	1935	Jan.-Feb. Incl. 1936		Feb. 1936	Jan. 1936	Feb. 1935
	Same month a year ago	Previous month		Same month a year ago	Previous month			1935	1935			
Atlanta (6)	+17.2	+20.8	+10.4	+ 3.9	+ 3.4	.36	.33	.66	.69	33.5	40.0	27.9
Birmingham (5)	+35.0	+24.3	+26.5	+22.1	+ 5.5	.24	.24	.45	.48	36.5	34.1	32.1
Chattanooga (4)	+11.0	- 0.2	+ 6.9	+15.2	+11.3	.22	.22	.45	.48	29.5	31.1	29.4
Jacksonville (3)	+10.5	+14.1	+ 3.4	- 0.8	+ 6.1	.19	.18	.36	.36	.....	.....	.....
Miami (3)	+ 5.4	+16.2	- 8.3	- 1.1	- 4.1	.50	.46	.94	.90	.....	.....	.....
Montgomery (3)	+27.4	+12.8	+10.4	- 1.3	+10.6	.27	.....	.50	.....	.....	.....	.....
Nashville (4)	+19.1	+24.3	+10.0	- 2.8	+11.6	.33	.20	.60	.41	30.0	29.6	29.1
New Orleans (4)	+21.2	+11.4	+21.2	- 1.8	+15.0	.29	.24	.56	.44	40.3	41.0	36.2
Other Cities (25)	+11.3	+13.1	+ 7.5	+ 4.7	+ 4.9	.22	.23	.43	.44	35.0	35.0	32.6
DISTRICT (57)	+16.5	+16.1	+11.8	+ 4.1	+ 6.7	.29	.27	.56	.53	35.1	37.0	31.3

NOTE: The rate of stock turnover is the ratio of sales during given period to average stocks on hand. The collection ratio is the percentage of accounts outstanding and due at the beginning of the month which were collected during the month.

year ago, and the rate of stock turnover was higher for the month and for the first two months of 1936, than for comparative periods a year ago. The collection ratio declined slightly over the month but was higher than for February, 1935.

Percentage comparisons in the table are based upon figures reported in actual dollar amounts and make no allowance for changes in price levels. Index numbers on page 8 are based upon reports from a smaller number of firms whose figures have been reported over a long period of years.

Statistics compiled by the Department of Commerce indicate that sales of general merchandise in small towns and rural areas of the South declined substantially from December to January, as they might be expected to do, but were 15 per cent greater than in January, 1935, compared with an increase for the country as a whole of 10 per cent.

Life Insurance February sales of life insurance in this District declined slightly from January, and were 17.7 per cent less than a year ago, and less than for February of other recent years. In the United States as a whole the decline from February, 1935, was 13.7 per cent. For the first two months of 1936 sales in this District have been 25.7 per cent, and in the United States 20.3 per cent, less than in that part of 1935. Figures in the table are from those compiled by the Life Insurance Sales Research Bureau.

	(In Thousands of Dollars)				
	Feb. 1936	Jan. 1936	Feb. 1935	Jan.-Feb. 1936	Incl. 1935
Alabama	\$ 2,737	\$ 2,752	\$ 4,372	\$ 5,489	\$ 8,593
Florida	3,950	4,119	4,937	8,069	9,809
Georgia	5,250	5,295	6,073	10,545	14,015
Louisiana	3,915	3,959	4,764	7,874	11,986
Mississippi	1,936	2,078	1,917	4,014	4,427
Tennessee	4,858	4,856	5,464	9,714	12,710
Total	\$ 22,646	\$ 23,059	\$ 27,527	\$ 45,705	\$ 61,540
United States	460,463	479,018	533,784	939,481	1,179,118

Wholesale Trade Although sales of dry goods, furniture and electrical supplies at wholesale increased from January to February, total sales reported by 81 wholesale firms declined 1.4 per cent, but were 7.5 per cent greater than a year ago. The February combined index is the highest for that month since 1930. For the first two months sales have been 6.8 per cent larger than in that part of 1935. Stocks increased 3.1 per cent over the month and were 5.9 per cent larger than a year ago. Reported figures are compared in the table.

WHOLESALE TRADE IN FEBRUARY, 1936

Sixth Federal Reserve District*

	Number of firms	Percentage Comparisons		
		Feb. 1936 with: 1936	Feb. 1935 with same period 1935	Jan.-Feb. Incl. with same period last year
All Lines Combined:				
Sales	81	- 1.4	+ 7.5	+ 6.8
Stocks	27	+ 3.1	+ 5.9	.....
Groceries:				
Sales	18	- 5.8	- 2.3	- 2.0
Jacksonville	3	-13.4	- 6.2	- 5.4
New Orleans	3	- 8.4	- 6.9	- 3.8
Vicksburg	3	+18.1	+14.1	+ 5.0
Other Cities	9	- 8.0	- 2.5	- 1.3
Dry Goods:				
Sales	14	+12.7	- 2.3	- 4.1
Nashville	3	+22.6	-15.9	-14.2
Other Cities	11	+10.4	+ 1.3	- 1.2
Stocks	7	+ 7.6	- 0.2	.....
Hardware:				
Sales	25	-13.3	+10.4	+11.7
Nashville	3	- 7.2	+ 3.3	+ 1.6
New Orleans	5	- 6.7	+26.3	+35.7
Other Cities	17	-17.7	+ 3.3	+ 3.4
Stocks	9	+ 1.6	+ 5.7	.....
Furniture:				
Sales	7	+19.8	+ 9.9	+ 8.8
Atlanta	3	+63.6	- 2.3	-11.3
Other Cities	4	+12.2	+13.5	+14.4
Stocks	5	+ 0.9	+11.8	.....
Electrical Supplies:				
Sales	5	+52.7	+44.8	+41.4
New Orleans	3	+36.7	+72.0	+57.8
Stocks	3	+ 4.7	+12.1	.....
Drugs:				
Sales	7	- 1.6	+19.8	+13.3
Stationery:				
Sales	3	- 9.0	+ 1.0	+ 4.5

COLLECTION RATIO**

	February 1936	January 1936	February 1935
Groceries	62.6	66.9	70.6
Dry Goods	38.0	36.8	38.3
Hardware	38.0	41.2	37.3
Furniture	38.3	37.0	28.9
Electrical Supplies	70.3	59.5	67.0
Total	46.0	45.8	47.4

*Based on confidential reports from 81 firms.
**The collection ratio is the percentage of accounts and notes receivable outstanding at the beginning of the month which were collected during the month.

INDUSTRY

The value of buildings for the construction of which permits were issued during February at twenty reporting cities of the District increased 10.1 per cent over January and was larger by 163.8 per cent than for February last year, and the largest February total since 1929. Since 1929 there have been only three months to record larger totals than that for February this year, namely, March and July, 1930, and April, 1931. Fifteen of these cities reported increases over February, 1935, and five reported decreases. For the first two months of 1936, the total has been \$9,229,911,

BUILDING PERMITS—February, 1936

	Number		Value		Percentage Change in Value
	1936	1935	1936	1935	
Alabama					
Anniston	18	28	\$ 19,121	\$ 12,012	+ 59.2
Birmingham	259	440	81,317	108,874	- 25.3
Mobile	30	33	40,428	36,466	+ 10.9
Montgomery	105	82	65,757	140,913	- 53.3
Florida					
Jacksonville	523	445	250,595	166,199	+ 50.8
Miami	550	395	988,606	220,461	+ 325.7
Miami Beach	70	45	386,840	264,500	+ 46.3
Orlando	45	58	54,331	29,325	+ 85.3
Tampa	155	169	54,390	88,749	- 38.7
Georgia					
Atlanta	155	236	174,455	299,364	- 41.7
Augusta	27	26	118,035	13,491	+ 737.9
Columbus	102	56	58,843	36,629	+ 60.6
Macon	189	150	28,963	23,284	+ 24.4
Savannah	27	16	112,988	28,612	+ 294.9
Louisiana					
New Orleans	87	79	144,950	122,440	+ 18.4
Alexandria	53	45	22,724	6,657	+ 241.4
Tennessee					
Chattanooga	250	180	239,961	43,824	+ 447.6
Johnson City	2	3	2,000	1,100	+ 81.8
Knoxville	42	40	97,763	141,013	- 30.7
Nashville	109	48	1,949,648	50,707	+ 3744.9
Total 20 Cities	2,798	2,574	\$4,836,715	\$1,833,620	+ 163.8

larger by 163 per cent than for those months last year, and the largest for that period since 1929. Comparisons for the month are shown in the accompanying table.

The value of building and construction contracts awarded in the Sixth District, according to statistics compiled by the F. W. Dodge Corporation and subdivided into district totals by the Division of Research and Statistics of the Board of Governors of the Federal Reserve System, declined substantially from January to February but was 44.7 per cent greater than in February last year, and for the first two months of the year have been 59 per cent greater than in that part of 1935. Residential awards increased 52.5 per cent over January and were more than double the total for February last year. The residential total for February was smaller than that for December or for March, 1935, but was larger than for any other month since June, 1928. State totals show declines from January except in Mississippi, and increases over February last year in four of the six states. For the two months of 1936, total awards have been larger than a year ago in all of these states except Georgia.

In the 37 states east of the Rocky Mountains February awards amounted to \$142,050,200, smaller by 30.6 per cent than in January, but 89.3 per cent greater than in February last year. All classes of contracts declined in both January and February, but residential awards were 87.6 per cent, non-residential awards 104.5 per cent, and those for public works and utilities 73.5 per cent, greater than for February, 1935.

BUILDING AND CONSTRUCTION CONTRACTS AWARDED
F. W. Dodge Corporation

	Feb. 1936	Jan. 1936	Feb. 1935
Sixth District—Total	\$12,588,490	\$19,581,290	\$ 8,701,970
Residential	4,203,967	2,756,681	1,788,259
All Others	8,385,423	16,824,609	6,913,711
State Totals:			
Alabama	1,542,400	3,753,400	1,705,200
Florida	4,745,300	6,136,500	1,643,900
Georgia	1,860,900	2,310,900	1,626,500
Louisiana	2,994,300	4,691,900	3,546,300
Mississippi	1,422,500	1,325,500	631,700
Tennessee	1,857,400	4,108,400	1,178,500

After receding somewhat during the month of February because of bad weather which almost stopped outside building operations in many sections, the demand for Southern Pine lumber has improved during the first half of March, according to the Southern Lumberman, which adds: "Most of the mills are booked up to capacity and some manufacturers are turning down proffered business as their stocks are too depleted for prompt shipment and there is an increasing unwillingness to take orders for future delivery at current prices. Railroad and car material are also more active." Weekly statements of the Southern Pine Association show that orders booked by reporting mills during the five weeks ended March 7 averaged 24 per cent, shipments 28.6 per cent, production 20.3 per cent, and unfilled orders 63.7 per cent greater than for those weeks a year ago.

Consumption of cotton by American mills declined 12.6 per cent from January to February, but was 7.6 per cent greater than in February last year. The number of working days in February was smaller by one than in January, but larger by one than in February, 1935. February consumption in the cotton states was 13.2 per cent smaller than in January, but in other states only 9.5 per cent less, and in the cotton states consumption was 12.9 per cent greater than a year ago, but in other states 13.3 per cent smaller. Total consumption in the United States, and in the cotton states, in February, was the largest for that month since 1929, while in other states February consumption exceeded that in February, 1932 and 1933, but was smaller than for February of any other recent year. For the seven months of the cotton season total consumption has been 11.3 per cent, and that in the cotton states 16.9 per cent, greater than in that part of the season before, but in other states it has been 11.1 per cent smaller.

February exports of cotton exceeded those a year ago by 4.0 per cent, but were less than in that month of other years since 1930. For the seven months' period exports have been 34.7 per cent greater than in that part of the 1934-35 season. Exports and consumption combined from August 1, 1935, through February, 1936, have totaled 7,907,770 bales, an increase of 23.1 per cent over that period a year earlier.

Total stocks of cotton declined 7.2 per cent from the end of January to the close of February and were 9.1 per cent smaller than a year earlier. Spindle activity increased nearly 1 per cent in "Other States" over January, but declined slightly in the cotton states, and was 6.3 per cent less than in February, 1935.

February consumption in Georgia amounted to 99,674 bales, in Alabama 54,816 bales, and in Tennessee 12,388 bales, and the combined total of 166,878 bales was 15.1 per cent less than in January but 17 per cent larger than in February last year. On a daily average basis the decrease

COTTON CONSUMPTION, EXPORTS, STOCKS, AND ACTIVE SPINDLES, UNITED STATES—Bales

	Feb. 1936	Jan. 1936	Feb. 1935
Cotton Consumed	516,649	591,309	480,339
Stocks	8,652,279	9,319,287	9,515,865
In Consuming Establishments	1,404,476	1,434,392	1,161,075
In Public Storage and at Compresses	7,247,803	7,884,295	8,354,790
Exports	406,022	525,636	390,294
Active Spindles—Number	23,337,070	23,323,958	24,916,758
COTTON GROWING STATES—Bales			
Cotton Consumed	431,591	497,360	382,235
Stocks	8,303,728	8,930,315	9,076,400
In Consuming Establishments	1,179,024	1,211,212	927,764
In Public Storage and at Compresses	7,124,704	7,719,103	8,148,636
Active Spindles—Number	17,208,836	17,250,088	17,433,950

from January was 11.7 per cent, and the increase over February, 1935, was 12.4 per cent. For the seven months of the season, August through February, consumption in these states has amounted to 1,152,027 bales, larger by 24 per cent than during that part of the previous season, and also larger than in that part of other recent years.

Confidential reports from cotton mills in this District reflect a decrease in production over the month, but output of both cloth and yarn was greater than a year ago. Orders reported by yarn mills increased substantially over January, but at cloth mills orders decreased, and both classes of mills reported decreases compared with February last year. Stocks of yarn increased somewhat over the month, but those of cloth declined, and stocks of yarn were 26.8 per cent, and of cloth 31.3 per cent, smaller than a year ago.

Operations at cotton seed oil mills in the District showed a further seasonal decline from January to February, and while receipts of seed were 73.8 per cent greater than in February last year, crushings were 5.1 per cent smaller, and were also less than in February of other recent years. For the seven months of the season, however, crushings have been 15.5 per cent greater than in that part of the season before, and production of crude oil has been 11.1 per cent, cake and meal 17.1 per cent, hulls 13.9 per cent, and linters 18.7 per cent, greater. Stocks of crude oil were larger than a year ago, but supplies of other cotton seed products smaller. Census Bureau figures for this District, and for the United States as a whole, are compared in an accompanying table.

Total production of electric power for public use in the six states located wholly or partly in the Sixth District increased further by 8.6 per cent from December to January, and was 16.3 per cent greater than a year earlier. The January total of 652,014,000 kilowatt hours is a new high total for these six states, larger than for any other month in available records which begin with 1927. The increase over December was shared by all states of the District except Alabama, and that over January, 1935, by all states except Mississippi. Production by use of water power accounted for 65.3 per cent of the total in January, 63.2 per cent in December, and 67.1 per cent in January a year ago.

Weekly statistics compiled by the United States Bureau of Mines indicate that coal production in Alabama averaged 11.7 per cent larger in February than in January, and 8.8 per cent greater than in February a year ago, and Tennessee output averaged 15.9 per cent larger in February than in January and 9.7 per cent larger than in February, 1935. For the two months of 1936, Alabama production has been

13.9 per cent, and that in Tennessee 9.4 per cent, greater than in that part of 1935.

Preliminary figures indicate that total production in the United States in February was 5.0 per cent, and the daily average 10 per cent, greater than in January, and total production was 18.5 per cent, and the daily average 13.8 per cent, greater than in February last year.

Production of pig iron in the United States during February amounted to 1,827,972 tons, a decrease of 9.8 per cent from January, but 13.6 per cent greater than in February, 1935. Daily average production was 63,034 tons, 3.5 per cent smaller than in January but 9.7 per cent larger than a year ago. There were 121 furnaces active on March 1, a gain of 4 during the month, compared with 96 active on March 1 last year.

Alabama production of pig iron in February amounted to 151,198 tons, a decrease of 4.8 per cent from January, but 70.8 per cent larger than a year ago, and daily average production was 5,217 tons, larger by 1.8 per cent than in January and 65 per cent greater than a year ago. Except for December, 1935, the daily average output in February was the largest for any month since June, 1931. No change occurred in furnace activity in Alabama, there having been 12 furnaces active at the beginning of the past three months. A year ago 8 furnaces were active. For the first two months of 1936 Alabama production has been 96.2 per cent larger than in these months of last year, and larger than for that period of any year since 1930. Press reports indicate that February shipments have been somewhat better than in January, but buying continues backward because orders already placed cover immediate needs in most cases. The base price for Alabama pig iron continues at \$15.50 per ton, no change having been made for the next quarter.

February receipts of turpentine at the three principal markets of the District declined seasonally, and were the smallest for any month in fifteen years. Receipts of rosin also declined, but were somewhat larger than for February last year, although less than for that month of other recent years. Stocks of both commodities declined over the month, but were larger than a year ago. Prices of both commodities improved somewhat during the last half of February, compared with earlier weeks, but have receded during the first half of March. Quotations for turpentine on the Savannah market increased slightly to 45 cents per gallon on February 29, but two weeks later had declined to 39¼ cents, and the average of quotations on the thirteen grades of rosin rose from \$4.47 per 280 pounds on February 8 to \$4.57 on February 27, but declined in the three weeks following to \$4.50. Receipts and stocks for February are compared in the table.

	COTTON SEED AND COTTON SEED PRODUCTS			
	Sixth District*		United States	
	Aug. 1 to Feb. 29 1935-36	1934-35	Aug. 1 to Feb. 29 1935-36	1934-35
Cotton Seed—Tons:				
Received at Mills.....	1,324,238	1,281,377	3,564,981	3,281,389
Crushed.....	1,221,064	1,056,856	3,282,706	2,923,812
On Hand Feb. 29.....	148,707	292,453	371,850	580,238
Production:				
Crude Oil, lbs.....	379,555,162	341,750,942	989,369,173	904,215,636
Cake and Meal, tons.....	542,245	463,066	1,485,188	1,327,741
Hulls, tons.....	321,389	282,277	848,090	754,889
Linters, bales.....	271,251	228,457	743,132	649,620
Stocks at Mills Feb. 29:				
Crude Oil, lbs.....	20,483,461	12,335,209	89,497,926	45,564,941
Cake and Meal, tons.....	114,485	124,046	322,211	348,254
Hulls, tons.....	24,374	57,934	154,851	181,738
Linters, bales.....	42,848	57,169	175,991	197,551

*Georgia, Alabama, Louisiana and Mississippi.

	NAVAL STORES MOVEMENT			
	Turpentine (1)		Rosin (2)	
	Feb. 1936	Feb. 1935	Feb. 1936	Feb. 1935
Receipts:				
Savannah.....	625	477	11,457	4,809
Jacksonville.....	632	1,485	10,387	13,534
Pensacola.....	185	273	1,504	1,182
Total.....	1,442	2,235	23,348	19,525
Stocks:				
Savannah.....	41,416	11,572	70,860	58,902
Jacksonville.....	50,249	45,062	99,219	123,662
Pensacola.....	33,620	30,353	52,559	34,925
Total.....	125,285	86,987	222,638	217,489

(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	Dec. 1935	Jan. 1936	Feb. 1936	Dec. 1934	Jan. 1935	Feb. 1935
Daily Average Sales—Unadjusted						
Atlanta (3 firms).....	283.8	115.9	147.8	271.9	111.9	129.9
Birmingham (3 firms).....	138.6	61.2	80.0	115.7	45.2	55.1
Chattanooga (4 firms).....	123.1	56.9	59.0	118.2	55.1	55.4
Nashville (4 firms).....	141.8	53.5	69.2	136.9	53.3	60.5
New Orleans (4 firms).....	138.1	65.4	75.8	122.8	51.6	62.0
DISTRICT (30 firms).....	157.5	71.2	86.1	145.6	60.5	70.4
Daily Average Sales—Adjusted*						
Atlanta (3 firms).....	172.0	154.5	173.9	164.8	149.2	152.8
Birmingham (3 firms).....	81.5	85.0	88.9	68.1	62.8	61.2
Chattanooga (4 firms).....	78.9	72.0	74.7	75.8	69.7	70.1
Nashville (4 firms).....	84.9	71.3	81.4	82.0	71.1	71.2
New Orleans (4 firms).....	80.3	77.9	86.1	71.4	61.4	70.5
DISTRICT (30 firms).....	92.6	90.1	97.8	85.6	76.6	80.0
Monthly Stocks—Unadjusted						
Atlanta (3 firms).....	92.2	91.7	92.3	75.8	79.9	88.4
Birmingham (3 firms).....	50.7	54.9	56.6	37.0	41.8	46.2
Chattanooga (3 firms).....	45.7	50.5	56.2	39.5	42.6	48.8
Nashville (3 firms).....	58.9	47.1	52.6	58.0	56.7	62.1
New Orleans (4 firms).....	50.4	46.8	53.8	53.0	48.3	54.8
DISTRICT (25 firms).....	58.6	57.0	61.6	55.2	53.6	59.5
Monthly Stocks—Adjusted*						
Atlanta (3 firms).....	106.0	99.7	96.1	87.1	86.8	92.1
Birmingham (3 firms).....	55.7	61.0	59.0	40.7	46.4	48.1
Chattanooga (3 firms).....	51.9	56.7	57.9	44.9	47.9	50.3
Nashville (3 firms).....	65.4	54.1	55.4	64.4	65.2	65.4
New Orleans (4 firms).....	56.6	51.4	53.8	60.0	53.1	54.8
DISTRICT (25 firms).....	65.8	62.6	62.9	62.0	58.9	60.7
WHOLESALE TRADE—SIXTH DISTRICT—TOTAL						
	63.1	59.8	59.0	55.8	56.2	55.2
Groceries (18 firms).....						
	52.1	51.9	48.9	52.1	52.8	50.4
Dry Goods (14 firms).....						
	53.8	46.3	52.2	45.4	47.5	52.1
Hardware (25 firms).....						
	69.0	69.1	59.9	55.3	61.2	54.2
Furniture (7 firms).....						
	61.4	51.2	61.3	53.6	46.1	52.6
Electrical Supplies (5 firms).....						
	118.8	71.8	109.7	82.6	55.7	71.4
Stationery (3 firms).....						
	45.8	45.1	41.1	37.7	41.9	40.7
Drugs (7 firms).....						
	90.6	91.3	89.8	83.4	83.9	79.2
LIFE INSURANCE SALES—SIX STATES—TOTAL						
	72.1	54.9	53.9	78.2	81.0	65.6
Alabama.....						
	60.4	40.6	40.4	73.8	62.2	64.5
Florida.....						
	83.7	69.6	66.7	79.1	82.3	83.4
Georgia.....						
	80.3	57.7	57.2	86.7	86.6	66.2
Louisiana.....						
	80.0	62.5	61.8	89.9	114.0	75.2
Mississippi.....						
	62.9	47.5	44.3	71.4	57.4	43.8
Tennessee.....						
	64.3	51.6	51.6	67.7	77.0	58.1
BUILDING PERMITS—TWENTY CITIES—TOTAL						
	29.2	39.0	43.0	14.9	14.9	16.3
Atlanta.....						
	5.2	18.9	11.3	4.7	6.9	19.4
Birmingham.....						
	9.8	9.4	5.5	7.1	9.6	7.3
Jacksonville.....						
	36.9	34.0	30.5	14.9	24.4	20.2
Nashville.....						
	159.0	62.1	307.3	39.6	8.7	8.0
New Orleans.....						
	21.1	27.8	11.3	3.4	10.5	9.5
Fifteen Other Cities.....						
	27.0	53.5	40.8	19.7	18.9	19.8
CONTRACT AWARDS—SIXTH DISTRICT—TOTAL						
	58.1	55.8	35.9	16.3	32.9	24.8
Residential.....						
	36.6	19.6	30.0	9.3	27.9	12.7
All Others.....						
	72.4	79.9	39.8	20.9	36.2	32.8
WHOLESALE PRICES—UNITED STATES †						
ALL COMMODITIES.....						
	80.9	80.6	80.6	76.9	78.8	79.5
Farm Products.....						
	78.3	78.2	79.5	72.0	77.6	79.1
Foods.....						
	85.7	83.5	83.3	75.3	79.9	82.7
Other Commodities.....						
	78.7	78.8	79.0	78.0	77.7	77.4
Hides and leather products.....						
	95.4	97.1	96.1	85.1	86.2	86.0
Textile products.....						
	73.2	71.7	71.0	70.0	70.3	70.1
Fuel and lighting.....						
	74.6	75.1	76.1	73.7	72.9	72.5
Metals and metal products.....						
	86.8	86.7	86.7	85.9	85.8	85.8
Building materials.....						
	85.5	85.7	85.5	85.1	84.9	85.0
Chemicals and drugs.....						
	80.6	80.5	80.1	78.1	79.3	80.4
Housefurnishing goods.....						
	81.0	81.4	81.5	81.2	81.2	80.7
Miscellaneous.....						
	67.5	67.8	68.1	71.0	70.7	70.1
COTTON CONSUMPTION—UNITED STATES						
	96.8	114.8	100.3	81.0	106.2	92.9
Cotton-Growing States.....						
	121.5	145.3	126.1	96.4	127.4	111.2
All Other States.....						
	47.7	54.4	49.3	50.6	64.1	56.6
Georgia.....						
	124.8	148.8	127.9	90.9	124.5	106.9
Alabama.....						
	167.9	194.5	159.4	121.0	157.9	141.4
Tennessee.....						
	115.0	138.2	124.5	91.8	121.6	106.6
COTTON EXPORTS—UNITED STATES						
	170.9	102.4	79.1	98.3	90.7	76.0
PIG IRON PRODUCTION—United States						
	70.5	67.8	61.2	34.4	49.5	53.8
Alabama.....						
	70.1	68.4	65.1	28.6	29.9	38.1

*Adjusted for Seasonal Variation.

†Compiled by Bureau of Labor Statistics. 1926-100.