

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 production, employment, and trade was sustained in June at the May level, although there is usually a decline at this season. Wholesale prices of commodities advanced between the middle of May and the third week of July, reflecting in part the effects of the drought.

Production and Employment The Board's seasonally adjusted index of industrial production increased from 101 per cent of the 1923-25 average in May to 103 per cent in June. Steel production continued at about 70 per cent of capacity in June and the first three weeks of July, although a considerable decline is usual at this season. Output of automobiles declined seasonally. The cut of lumber showed a seasonal rise in June following a substantial increase in the preceding month. Production increased at woolen mills and was sustained at cotton mills, where a decline is usual in June. Output of foods increased.

Factory employment and payrolls showed a slight increase between the middle of May and the middle of June, contrary to seasonal tendency. Steel mills and plants producing machinery employed more workers, and at automobile factories there was less than the seasonal decline. At textile mills employment was unchanged, although a decline is usual in June, while the clothing industries reported a

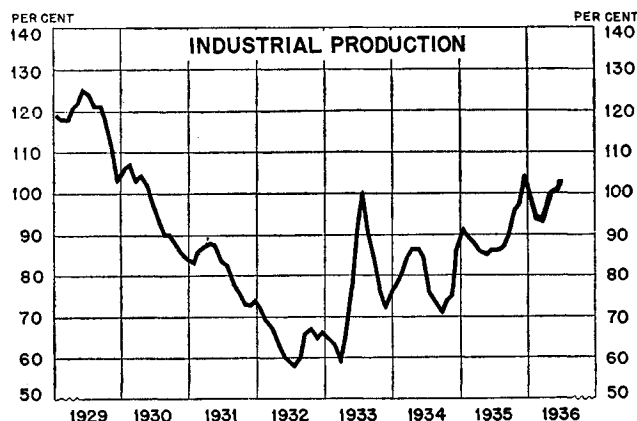
decrease in the number employed.

Total value of construction contracts awarded, as reported by the F. W. Dodge Corporation, increased somewhat from May to June and continued to be substantially larger than a year ago. There was a further increase in residential building.

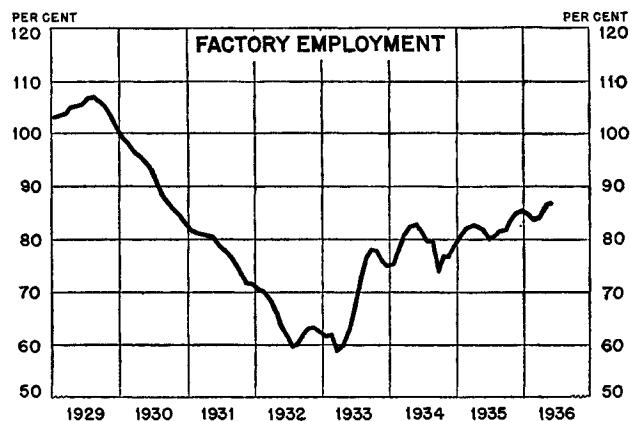
Agriculture Crop estimates by the Department of Agriculture on the basis of July 1 conditions indicated little change from last year for wheat and corn and considerable declines for oats, hay, potatoes, and tobacco. Since July 1 prospects have been reduced by extreme drought over wide areas. Cotton area in cultivation on July 1 was estimated by the Department of Agriculture at 30,600,000 acres, compared with 27,900,000 acres last year and an average of 41,400,000 acres in the years 1928-1932.

Distribution Freight-car loadings increased seasonally in June, and the distribution of commodities to consumers was maintained at the May level. In recent months retail trade as measured by sales of automobiles and by the volume of business of department, variety, and mail order stores was expanded considerably.

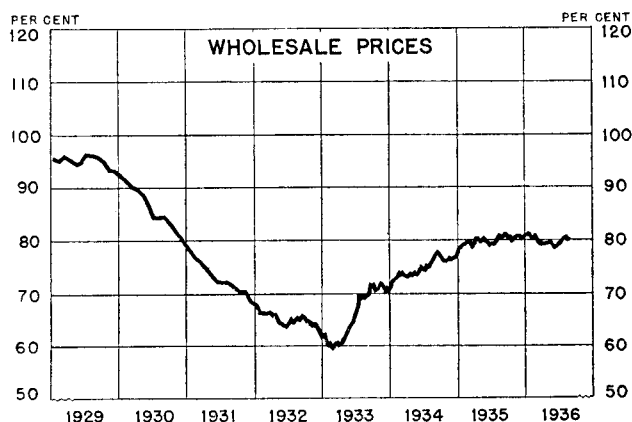
Commodity Prices The general level of wholesale commodity prices, as measured by the index of the Bureau of Labor Statistics, advanced by about 3 per cent between the middle of May and the third week of July, following a decline of about the same amount earlier in the year. Prices of wheat, flour, feed grains, and dairy products advanced sharply, owing primarily to the



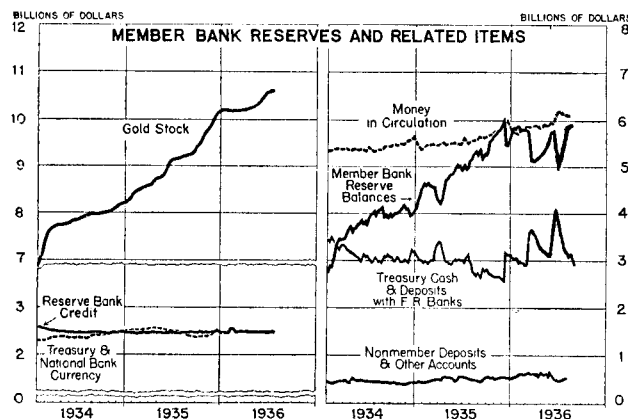
Index number of industrial production, adjusted for seasonal variation. (1923-1925 average = 100.) Latest figure June Preliminary 103.



Index of factory employment, adjusted for seasonal variation. (1923-25 average = 100.) Latest figure June 86.3.



Indexes of the United States Bureau of Labor Statistics. By months 1929 to 1931; by weeks 1932 to date. (1926 = 100.) Latest figure July 18, 80.1.



Wednesday figures, January 31, 1934, to July 22, 1936.

drought, and there were increases also in the prices of hogs and pork, cotton and cotton textiles, silk, rubber, copper, and finished steel.

Bank Credit Gold imports, which had been in large volume in May and June, declined in July. Funds held by the Treasury as cash and on deposit with Federal Reserve banks declined, as the result of disbursements in connection with the cashing of veterans' service bonds. Consequently reserve balances of member banks, which had declined in June, rose once more to their previous level.

Total loans and investments of reporting member banks in leading cities, after increasing sharply at the end of May and the early part of June, declined somewhat in the four weeks ending July 15, reflecting largely a reduction in loans to security brokers and dealers in New York City. Balances held for domestic banks increased by \$800,000,000 during the period, as a consequence of redeposit with reporting banks of a considerable part of funds acquired by banks through Treasury disbursements.

SIXTH DISTRICT SUMMARY

Available business statistics for the Sixth Federal Reserve District indicate a further substantial increase in building and construction activities in June, and there were also gains over May in operations at textile mills, and in life insurance sales. Retail and wholesale trade declined over the month by somewhat less than the usual amount, and production of pig iron in Alabama, and of coal in Alabama and Tennessee, also decreased.

Volume of June sales by reporting retail firms declined 10.1 per cent from May, but was 23.3 per cent greater than in June last year, and after adjustment for the usual seasonal movement, the June index rose to the level of March, which was higher than for any other month since December, 1929. For the first half of 1936 total sales have been 12 per cent greater than in the same period last year. Wholesale trade declined 4.3 per cent in June, but was 25.3 per cent greater than a year ago, and for the first half year has been 13.6 per cent greater than in the first six months of 1935. Sales of life insurance increased 1.4 per cent from May to

June and were also 1.4 per cent larger than in June last year, but for the first half year show a decrease of 10.6 per cent compared with the corresponding period in 1935.

At weekly reporting member banks in leading cities of the District total loans and investments increased 13.3 millions of dollars between June 10 and July 15, an increase of 19.2 millions in investment holdings being partly offset by a decline of 5.9 millions in loans. Total loans at the middle of July were 5.6 millions less than a year ago, but investment holdings were 90.9 millions greater. Deposits also increased since early June and were substantially larger than a year ago. At the Federal Reserve Bank there were further increases in reserves, and Federal Reserve note circulation also increased, but holdings of Government securities were slightly reduced.

Employment statistics compiled by the United States Bureau of Labor Statistics indicate that in the six states located wholly or partly in the Sixth District, the number of workers at reporting firms declined 2.1 per cent from the middle of April to the middle of May, but that the amount of a week's payroll declined only one-tenth of one per cent. Number of workers declined in Florida by 11.3 per cent, chiefly in wholesale and retail trade and at hotels, 5.4 per cent in Mississippi largely at shirt factories, fertilizer plants and cotton seed mills, and 1.4 per cent in Georgia principally at cotton and fertilizer mills. The May figures are, however, higher for both employment and payrolls than in May of other recent years. Value of building permits issued in June at reporting cities of the District increased 17.5 per cent over May, was 32.4 per cent greater than a year ago and was the largest total for any month in more than six years. Construction contracts awarded in June were also substantially larger than in the previous month or in June last year. Activity at cotton mills increased somewhat from May to June, evidenced by an increase in the consumption of cotton, and was at a substantially higher level than in June last year. Pig iron production in Alabama declined 10.5 per cent, on a daily average basis, from May to June, but was 47.8 per cent greater than a year ago. Production of coal in Alabama and Tennessee also declined from May, but for the first half of 1936 has been 12 per cent in Alabama, and 5 per cent in Tennessee, greater than in that part of 1935.

FEDERAL RESERVE BANK OF ATLANTA

(In Thousands of Dollars)

	July 15 1936	June 10 1936	July 17 1936
Bills Discounted:			
Secured by Govt. Obligations	\$ 21	\$ 50	\$ 27
All Others	21	21	27
Total Discounts	108	108	169
Bills Bought in Open Market	723	783	1,070
Industrial Advances	98,356	100,209	94,239
U. S. Securities	99,208	101,171	95,505
Total Bills and Securities	230,523	215,153	143,088
Total Reserves	117,498	109,361	99,535
Member Bank Reserve Account	22,464	31,901	1,633
U. S. Treasurer—General Account	145,554	147,601	103,766
Total Deposits	176,915	160,910	127,039
F. R. Notes in Actual Circulation			
Commitments to Make Industrial Advances	287	296	665

FINANCE

Reserve Bank Credit Total holdings of bills and securities by the Federal Reserve Bank of Atlanta declined about two millions of dollars between June 10 and July 15, and were then the smallest since early March.

The recent decrease was principally due to a reduction of nearly 1.9 millions in holdings of United States Government securities, accompanied by small decreases in discounts and industrial advances. Compared with the corresponding Wednesday a year earlier, discounts on July 17 were slightly less, holdings of bills bought in the open market were \$61,000 smaller, and industrial advances had declined \$347,000, but holdings of United States Government securities were greater by more than four millions of dollars.

Total reserves held by the bank increased from 215 millions on June 10 to 238 millions on July 8, but declined about 7.5 millions the following week, when they were 87.4 millions greater than on the corresponding Wednesday last year. When the Treasury began the distribution of checks and adjusted service bonds to veterans at the middle of June, member bank reserve accounts declined 15.9 millions, but Government deposits increased 22.8 millions, by June 17, and Federal Reserve note circulation began to increase. Government deposits declined during the following week, however, by about the amount of the increase, and member bank reserve accounts increased, and by the middle of July member bank reserve accounts were 8.1 millions greater than on June 10. Federal Reserve note circulation had increased to 180.4 millions on July 1 and declined to 176.9 on July 15, and Government deposits were 9.4 millions less than on June 10. All of these items continued to be substantially larger than on the corresponding report date a year ago, as indicated in the accompanying table.

Member Bank Credit Total loans and investments at 22 weekly reporting member banks in leading cities of the Sixth District increased further between June 10 and July 15, because of an increase in holdings of investment securities. Loans declined during this period, but deposits increased. Total holdings of investment securities increased by more than 19 millions of dollars since June 10, and on July 15 were 90.9 millions greater than on the corresponding Wednesday last year. The larger part of the increase over both comparative report dates was in direct obligations of the United States Government, but guaranteed securities and other securities also increased.

Between June 10 and July 15 loans on real estate increased somewhat, and were 3.6 millions greater than a year ago, and loans on securities declined slightly since June 10, but were 4.6 millions greater than a year ago.

CONDITION OF 22 MEMBER BANKS IN SELECTED CITIES

(In Thousands of Dollars)

	July 15 1936	June 10 1936	July 17 1936
Loans and Investments	\$548,245	\$534,954	\$462,961
Loans—Total	219,991	225,880	225,617
On Securities	59,989	60,266	55,340
To Brokers and Dealers	7,198	7,192	4,494
To Others	52,791	53,074	50,846
Real Estate Loans	23,369	22,444	19,787
Acceptances and Com'l Paper Bought	4,929	5,742	5,670
Loans to Banks	967	1,173	1,028
Other Loans	130,737	136,255	144,694
Investments—Total	328,254	309,074	237,344
U. S. Govt. Direct Obligations	208,931	196,524	143,231
Obligations Guaranteed by U. S.	39,661	35,354	26,423
Other Securities	79,662	77,196	67,690
Reserve with F. R. Bank	67,007	61,055	55,601
Cash in Vault	10,154	10,139	8,395
Balances with Domestic Banks	157,196	144,059	129,942
Demand Deposits—Adjusted	305,154	298,644	261,336
Time Deposits	177,147	172,629	172,369
U. S. Govt. Deposits	51,303	43,335	19,785
Inter-bank Deposits: Domestic	197,081	182,200	151,180
Foreign	1,078	1,090	1,037
Borrowings			

Other classes of loans, however, were smaller at the middle of July than a month earlier or a year ago.

Demand deposits-adjusted increased 6.5 millions of dollars between June 10 and July 15, to the highest level on record, and were 43.8 millions greater than at the same time last year. There were further increases in time deposits, which were 4.8 millions greater than on the corresponding Wednesday a year ago, and in Government deposits, which were 31.5 millions greater than a year earlier. Balances maintained by these banks with correspondents increased 13.1 millions since June 10, were at the highest level since March 18 and 27.3 millions greater than a year ago, and interbank deposits also increased 14.9 million dollars since June 10 and were 45.9 millions greater than on the corresponding Wednesday last year. Reserves maintained by these banks with the Federal Reserve Bank of Atlanta increased to a new high level on July 8, but declined slightly the following week.

DEBITS TO INDIVIDUAL ACCOUNTS*

(In Thousands of Dollars)

	June 1936	May 1936	June 1935
ALABAMA—4 Cities	\$120,723	\$122,168	\$108,529
Birmingham	70,204	71,366	63,052
Dothan	2,360	2,030	1,380
Mobile	29,581	29,566	24,950
Montgomery	18,578	19,006	18,647
FLORIDA—4 Cities	124,416	138,207	105,278
Jacksonville	61,957	74,242	56,087
Miami	31,218	31,953	22,873
Pensacola	8,001	7,708	6,268
Tampa	23,240	24,304	24,050
GEORGIA—10 Cities	228,577	230,696	193,477
Albany	3,159	3,290	2,375
Atlanta	149,865	150,515	126,725
Augusta	15,217	17,288	14,062
Brunswick	2,212	2,219	1,890
Columbus	11,353	10,629	8,769
Elberton	963	1,201	737
Macon	12,899	12,130	10,860
Newnan	2,049	1,662	1,327
Savannah	27,977	23,969	24,408
Valdosta	2,883	2,793	2,324
LOUISIANA—New Orleans	187,104	183,646	169,072
MISSISSIPPI—4 Cities	52,824	41,133	37,295
Hattiesburg	3,743	4,148	3,393
Jackson	33,291	21,999	21,912
Meridian	9,652	9,020	6,877
Vicksburg	6,138	5,966	5,113
TENNESSEE—3 Cities	137,205	133,662	120,604
Chattanooga	36,270	35,940	30,097
Knoxville	22,790	24,320	19,530
Nashville	78,145	73,402	70,977
Total—26 Cities	\$850,849	\$849,512	\$734,255

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

Savings deposits at 57 banks located throughout the District at the close of June averaged 2.3 per cent larger than a month earlier, and 2.1 per cent larger than a year ago.

Debits to individual accounts at 26 clearing house centers of the District, shown in an accompanying table, averaged slightly larger in June than in May, and 15.9 per cent greater than in June last year. Debits usually decline from May to June.

AGRICULTURE

The July 1 crop report issued by the United States Department of Agriculture indicates that "drought conditions have reached a point where crop prospects are rather definitely poorer than at this date in any previous year except 1934. Prospects have been declining daily as successive millions of acres of crops were dried out beyond possible recovery, but with much of the South already relieved by rains, and with the bulk of the corn crop in the North Central States small enough to stand considerable dry weather, a nearly average yield is still possible if rains are not too long delayed. . . . The drought has already greatly reduced the production of small grains, early hay crops, and early vegetables, although in most states conditions during the spring months were not as bad as in 1934. The July 1 reports, received before the blistering hot weather of early July, indicated that in addition to the loss of about 10 million acres of the winter wheat seeded last fall, more than eleven million acres of spring wheat and many acres of oats and barley would be abandoned. . . . The condition of tobacco and the condition of sweet potatoes were each the lowest on record for July 1, the condition of potatoes the second lowest, and cotton, peanuts, beans and soybeans have all had an unfavorable start."

Most parts of the Sixth District received some rains during June and early July, but serious drought continued in many counties in middle Georgia and in some parts of north Georgia. Heavy rains early in July appear to have broken the drought in most parts of Tennessee. The July 1 estimate by the United States Department of Agriculture indicates an increase of 1.9 per cent in production of wheat in Tennessee this year over that in 1935. The estimates of the corn crop in the six states of the District average 20.1 per cent less than production last year; an increase of 7.4 per cent in Florida being more than offset by decreases in the other five states ranging from 11.4 per cent in Mississippi to 31.3 per cent in Louisiana. Production of oats is estimated to be somewhat larger than last year in Florida, Louisiana, and Mississippi, but decreases in Georgia, Alabama, and Tennessee more than offset these gains, and the total for the six

states is 9.9 per cent less than 1935 production. Tame hay estimates for the six states average 21.3 per cent less than production last year, small increases in Alabama and Florida being outweighed by decreases in the other four states. Estimated production of potatoes and of sweet potatoes is smaller in all six states than in 1935, the averages showing decreases of 20.1 per cent, and 26.6 per cent, respectively. Tennessee farmers up until July 1 had experienced one of the most unfavorable years ever known for growing and transplanting of tobacco plants, and the July estimate indicates a decrease of 21.6 per cent from last year's crop. Conditions were more favorable in the tobacco sections of south Georgia, however, and the crop in that state is expected to be 9.2 per cent larger than in 1935. July 1 estimates of apples average 26.3 per cent less than last year, and estimates of peaches in these six states average 9.9 per cent smaller than 1935 production. Estimates for pears and grapes, however, were 68.1 per cent, and 7.7 per cent, respectively, larger than production last year. Production of sugar cane in Louisiana is estimated at 4,957,000 short tons, an increase of 3.1 per cent over that last year; but production of sugar is estimated at 322,000 short tons, a decrease of 3.3 per cent compared with 1935 production of 333,000 short tons. Louisiana's rice crop is estimated at 15,998,000 bushels, a decrease of 1.3 per cent from last year. The July estimates of citrus fruits in Florida continued the same as for May and June, 17.7 million boxes of oranges and 11.5 million boxes of grapefruit.

The area in cultivation to cotton on July 1 in the six states of this District was 6.9 per cent greater than at that time a year earlier, according to the July 1 report of the United States Department of Agriculture. For the United States as a whole the cotton acreage on July 1 was 9.8 per cent larger than a year ago. Figures for the states of this District are compared in the table.

	Cotton Acreage July 1 1936	1935	Acreage Harvested 1935
Alabama	2,342,000	2,252,000	2,243,000
Florida	89,000	91,000	89,000
Georgia	2,324,000	2,172,000	2,155,000
Louisiana	1,342,000	1,231,000	1,221,000
Mississippi	2,905,000	2,665,000	2,644,000
Tennessee	780,000	743,000	736,000
Total	9,782,000	9,154,000	9,088,000
United States	30,621,000	27,888,000	27,335,000

Cash receipts from the sale of principal farm products, including livestock and livestock products, were larger in May, and in the first five months of the year than in corresponding periods of other recent years. Comparisons by states with last year are shown in the table.

RECEIPTS FROM SALE OF PRINCIPAL FARM PRODUCTS
(In Thousands of Dollars)

	May 1936	May 1935	Jan. to May, Incl. 1936	1935
Alabama	\$ 7,235	\$ 5,531	\$30,333	\$28,738
Florida	10,410	8,612	68,971	57,001
Georgia	5,297	4,571	28,960	27,460
Louisiana	5,957	5,092	23,744	23,253
Mississippi	4,531	4,016	29,025	26,607
Tennessee	6,117	6,365	35,239	37,079
Total	\$39,547	\$34,187	\$216,372	\$200,143

TRADE

Retail Trade The total volume of sales during June by 57 reporting retail firms was 10.1 per cent smaller than in May, but 23.3 per cent greater than in June last year. At the same time a year ago, there was a decrease of 18.4 per cent from May to June. The decline this year was slightly less than usually occurs at that time of year, and after adjustment for the usual seasonal movement the index

SUGAR MOVEMENT—NEW ORLEANS—(Pounds)

	Raw Sugar June 1936	May 1936	June 1935
Receipts	92,041,824	99,241,046	118,988,458
Meltings	88,832,982	85,639,706	85,310,972
Stocks	65,879,518	62,683,951	116,617,768
	Refined Sugar		
Shipments	81,924,603	84,979,823	77,217,997
Stocks	31,353,891	31,989,459	27,382,008

RICE MOVEMENT
(Rice Millers' Association Statistics)

	June	August-June, Incl.
Receipts of Rough Rice*		
Season 1935-36	60,354	7,986,249
Season 1934-35	82,069	7,768,134
Distribution of Milled Rice**		
Season 1935-36	317,538	8,269,711
Season 1934-35	529,429	9,055,777
Stocks:		
June 30, 1936	Rough* 76,779	Milled** 532,306
June 30, 1935	136,989	494,806

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

RETAIL TRADE IN SIXTH DISTRICT—JUNE, 1936
Based on confidential reports from 57 department stores

	COMPARISON OF NET SALES			COMPARISON OF STOCKS			STOCK TURNOVER				COLLECTION RATIO		
	June 1936		Year to date with same period last year	June 30, 1936		Previous month	June		Jan.-June, 1936	Incl. 1935	June 1936	May 1936	June 1935
	with:			with:									
	Same month a year ago	Previous month	Same month a year ago	Previous month	1936	1935							
Atlanta (6)	+23.8	—12.3	+10.4	+ 2.8	— 8.5	.40	.32	2.25	2.15	29.9	27.3	26.9	
Birmingham (5)	+41.8	— 7.1	+24.8	+17.0	— 8.0	.26	.23	1.55	1.57	38.3	37.4	32.5	
Chattanooga (4)	+ 9.8	— 7.6	+ 4.0	+ 7.3	— 7.3	.31	.29	1.59	1.67	31.3	30.3	27.4	
Jacksonville (3)	+33.7	— 8.3	+12.8	— 0.8	— 5.3	.22	.17	1.25	1.12	.....	.....	.....
Miami (3)	+29.3	—16.4	+ 9.9	— 5.8	—10.0	.31	.23	2.53	2.32	.....	.....	.....
Montgomery (3)	+24.4	—13.1	+12.1	+ 0.6	—10.1	.27	.....	1.65	.....	.....	.....	.....
Nashville (4)	+10.2	—24.4	+ 8.4	— 7.3	— 9.6	.35	.23	2.07	1.45	29.1	30.3	30.4	
New Orleans (4)	+25.3	+ 4.1	+15.9	— 6.4	— 6.9	.34	.25	1.80	1.48	40.1	41.7	38.5	
Other Cities (25)	+12.3	—17.3	+ 6.0	+ 1.5	— 6.9	.22	.22	1.43	1.49	31.6	35.5	29.5	
DISTRICT (57)	+23.3	—10.1	+12.0	+ 0.9	— 7.7	.31	.25	1.81	1.66	33.1	33.5	30.6	

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.

number of daily average sales rose from 102.1 per cent of the 1923-1925 average for May to 102.6 per cent in June. This is the same as the index number for March, and is higher than for any other month since December, 1929. June sales declined from May at all reporting cities excepting New Orleans, and of the 57 reporting firms, only five had smaller sales than in June last year. For the first half of 1936, total sales by these firms have been 12 per cent greater than in that period a year ago. Stocks of merchandise on hand at the end of June declined further by 7.7 per cent, but were 0.9 per cent larger than a year ago, and the rate of stock turnover was the same as for May, but continued to be higher, for June and for the half year, than in those periods last year. The collection ratio declined slightly from May, but was higher than for June, 1935. For June this year the ratio for regular accounts was 37.1 per cent, and for installment accounts 16.5 per cent.

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.

A statement by the United States Department of Commerce indicates that daily average sales of general merchandise in small towns and rural areas of the South declined 1 per cent from April to May, as compared with an increase of 1 per cent for the country as a whole, and sales in the South were 21½ per cent larger than a year ago. The average for the country was also 21½ per cent.

Life Insurance Sales of life insurance in the six states of this District increased further in June by 1.4 per cent over May, and were also 1.4 per cent larger than in June last year. In the past thirteen years increases have been reported in June over May in only three instances. For the first half of 1936, sales in these states have been 10.6 per cent less than in that part of 1935. Figures compared in the table are from those compiled by the Life Insurance Sales Research Bureau.

	(In Thousands of Dollars)				
	June 1936	May 1936	June 1935	Jan. to June, 1936	June 1935
Alabama	\$ 3,630	\$ 3,478	\$ 3,982	\$ 19,614	\$ 24,826
Florida	5,467	5,773	4,822	29,461	23,417
Georgia	5,919	6,153	6,216	35,078	40,736
Louisiana	4,918	4,690	4,997	26,924	31,736
Mississippi	2,578	2,196	2,296	13,419	13,605
Tennessee	5,198	5,087	5,066	30,693	34,319
Total	\$ 27,760	\$ 27,377	\$ 27,379	\$ 155,189	\$ 173,639
United States	532,994	503,530	490,263	3,007,255	3,255,496

Wholesale Trade Total sales in June by 79 reporting wholesale firms averaged 4.3 per cent less than in May, but were 25.3 per cent greater than in June last year, and for the first half of 1936 have been 13.6 per cent greater than in that part of 1935. The decline from May to June compares with a decrease of 14.7 per cent at that time last year. The June index number is the highest for that month since 1929. All reporting lines shared the increase over 1935, both for the month and for the half year, and sales of groceries and furniture increased over May. Reported figures are compared in the table.

WHOLESALE TRADE IN SIXTH DISTRICT DURING JUNE, 1936
(Based on confidential reports from 79 firms)

	Number of firms	Percentage Comparisons		
		June 1936 with: May 1936	June 1935	Jan.-June, incl., 1936, with same period last year
All Lines Combined:				
Sales	79	— 4.3	+25.3	+13.6
Stocks	26	— 3.1	+ 5.5	.....
Groceries:				
Sales	18	+ 2.2	+11.6	+ 1.4
Jacksonville	3	—10.2	— 3.8	— 5.5
New Orleans	3	+ 2.1	+12.5	— 4.0
Vicksburg	3	— 3.3	+13.4	+18.6
Other Cities	9	+10.3	+16.7	+ 2.2
Dry Goods:				
Sales	14	—13.3	+27.6	+ 6.4
Nashville	3	—31.1	+14.9	— 0.0
Other Cities	11	— 7.9	+30.9	+ 8.3
Stocks	7	— 1.0	— 4.9	.....
Hardware:				
Sales	25	— 3.7	+27.1	+18.7
Nashville	3	—23.6	+ 5.1	+ 4.0
New Orleans	5	+ 2.0	+41.1	+36.5
Other Cities	17	— 2.9	+23.3	+12.9
Stocks	9	— 2.3	+ 2.8	.....
Furniture:				
Sales	7	+ 1.5	+70.1	+23.3
Atlanta	3	+25.2	+67.6	+17.2
Other Cities	4	— 3.1	+70.7	+31.2
Stocks	5	+ 2.5	+ 7.9	.....
Electrical Supplies:				
Sales	3	—12.5	+54.9	+43.8
Drugs:				
Sales	7	— 0.6	+14.9	+12.1
Stationery:				
Sales	3	— 1.4	+23.1	+11.6

COLLECTION RATIO*

	June 1936	May 1936	June 1935
Groceries	72.5	69.4	66.2
Dry Goods	34.7	39.3	34.1
Hardware	41.7	43.9	38.0
Furniture	38.7	39.9	37.9
Total	44.3	45.9	47.9

*The collection ratio is the percentage of accounts and notes receivable outstanding at the beginning of the month which were collected during the month.

BUILDING PERMITS—JUNE				
	Number		Value	
	1936	1935	1936	1935
Alabama:				
Anniston	30	20	\$ 45,605	\$ 76,308
Birmingham	341	269	155,983	101,060
Mobile	59	42	50,592	23,020
Montgomery	131	107	622,735	62,785
Florida:				
Jacksonville	575	529	331,169	204,735
Miami	719	534	1,093,648	460,629
Miami Beach	122	77	1,317,537	1,009,262
Orlando	99	59	135,734	65,716
Tampa	213	168	54,089	26,961
Georgia:				
Atlanta	279	287	355,707	257,714
Augusta	76	32	75,668	25,360
Columbus	74	32	60,284	64,204
Macon	153	145	76,683	31,405
Savannah	49	38	61,670	34,274
Louisiana:				
New Orleans	115	89	315,688	1,618,062
Alexandria	68	53	29,315	15,993
Tennessee:				
Chattanooga	418	296	242,786	51,706
Johnson City	12	6	17,200	2,476
Knoxville	95	66	532,868	54,736
Nashville	274	109	299,960	220,336
Total—20 Cities	3,341	2,958	\$5,874,421	\$4,436,742

INDUSTRY

The value of building permits issued at twenty cities in the Sixth District during June was 17.5 per cent larger than the total for May, 32.4 per cent greater than that for June last year, and the largest total recorded for any month since March, 1930. Of these twenty cities, twelve reported increases over May, and seventeen reported gains compared with June, 1935. For the first half of 1936, the value of permits issued at these twenty cities was \$29,426,845, an increase of 71.9 per cent over that period a year ago, 151.6 per cent larger than two years ago, and 400.3 per cent greater than three years ago, and greater than for the first half of any year since 1929. Figures for the month are compared in an 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 Federal Reserve System, increased 30.1 per cent from May to June, was 48.7 per cent greater than in June last year. Residential awards increased 50.7 per cent, and other awards 16.6 per cent, over May, and both groups continued substantially larger than a year ago. For the first half of 1936 residential awards have been 52.4 per cent, other contracts 50.7 per cent, and the total 51.2 per cent, greater than in that part of 1935. State figures show increases over May except in Louisiana, and over June a year ago except in Florida, and for the first half year contracts have been greater in each state than in the same period a year earlier.

BUILDING AND CONSTRUCTION CONTRACTS AWARDED (F. W. Dodge Corporation figures)			
	June 1936	May 1936	June 1935
Sixth District—Total	\$18,886,511	\$14,511,916	\$12,704,842
Residential	8,682,167	5,759,463	3,336,181
All Others	10,204,344	8,752,453	9,368,661
State Totals:			
Alabama	2,474,000	957,400	915,400
Florida	6,011,100	4,960,700	7,591,200
Georgia	4,702,800	3,202,600	1,367,000
Louisiana	2,167,100	2,772,000	1,537,300
Mississippi	4,237,900	2,631,200	527,600
Tennessee	12,768,500	2,629,400	2,001,300

Total awards in the 37 states east of the Rocky Mountains increased 7.9 per cent from May to June, were 57.5 per cent greater than in June last year, and for the first half of 1936 have been 77.7 per cent greater than in that part of 1935.

According to weekly reports to the Southern Pine Association, production at reporting mills continued in June to be greater than a year ago, and in contrast to the May comparisons, orders and shipments were also greater than at the same time last year. For the five weeks ending July 4, production averaged 12.7 per cent, orders 5.4 per cent, and shipments 3.3 per cent, greater than in the corresponding weeks last year, but unfilled orders averaged 21.7 per cent smaller. The Southern Lumberman states that the demand is still principally for housebuilding material, and railroad and industrial buying is slack.

Consumption of cotton by American mills increased 4.8 per cent in June compared with May, and was 44.9 per cent greater than in June, 1935. At the same time last year there was a decrease of 17.8 per cent from May to June. The total for June this year has been exceeded in that month only four times in the past nineteen years, in 1933, 1929, 1927, and 1917. The increase over May consumption was about the same, on a percentage basis, in the cotton states and in other states, but June consumption in the cotton states was 50.7 per cent greater than a year ago, and in other states 19.7 per cent larger. Total consumption in the United States during the eleven months of the current season, August through June, has amounted to 5,736,643, larger by 15.4 per cent than in the corresponding part of the previous season. In the cotton states total consumption in these eleven months has amounted to 4,821,408 bales, and in other states 915,235 bales, larger by 21 per cent in the cotton states, but smaller by 7.1 per cent in other states, than in the corresponding period a year earlier.

Exports of cotton declined 18.3 per cent from May to June, which compares with an increase of 23.6 per cent at that time a year ago, and were 16.7 per cent less than in June, 1935. For the eleven months of the season exports have amounted to 5,806,140 bales, an increase of 31.1 per cent over the corresponding part of the previous season. Exports and consumption combined during this period have amounted to 11,542,783 bales, larger by 22.8 per cent than in the same period a year earlier.

Stocks of cotton held by consuming establishments and in public storage and at compresses combined were 12.9 per cent smaller at the end of June than a month earlier, and 20.7 per cent less than a year ago. Active spindles increased in number in June over May by 0.6 per cent, and over June last year by 1.1 per cent. Census Bureau figures are compared in the table.

Consumption of cotton during June in Georgia amounted to 108,485 bales, in Alabama 58,158 bales, and in Tennessee 13,827 bales, the total of 180,470 bales being 3.7 per

COTTON CONSUMPTION, EXPORTS, STOCKS, AND ACTIVE SPINDLES, UNITED STATES—Bales			
	June 1936	May 1936	June 1935
Cotton Consumed	556,323	530,799	333,982
Stocks	5,512,823	6,327,159	6,953,452
In Consuming Establishments	937,112	1,090,977	884,600
In Public Storage and at Compresses	4,525,711	5,237,082	6,068,852
Exports	287,336	351,734	344,955
Active Spindles—Number	22,957,322	22,828,888	22,703,836
COTTON GROWING STATES—Bales			
Cotton Consumed	469,617	447,936	311,569
Stocks	5,267,868	6,045,549	6,595,614
In Consuming Establishments	805,748	895,325	681,942
In Public Storage and at Compresses	4,462,120	5,150,224	5,913,672
Active Spindles—Number	16,983,252	16,587,592	16,479,572

cent larger than in May, and 45.7 per cent greater than in June last year. It was the largest total for June of any year except 1933. For the eleven months of the season total consumption in these three states has been 1,874,274 bales, greater by 24.7 per cent than in that part of the previous season.

Confidential reports from mills in this District indicate increased production of yarn in June over May, but a decrease in production of cloth, but both were produced in larger quantities than in June last year. Orders increased from May to June and were substantially larger than in June, 1935, and employment averaged 1.6 per cent larger than in May and 7.9 per cent greater than a year ago.

Operations at cotton seed oil mills in this District showed a further seasonal decline in June, and the amount of seed crushed in June was smaller than in any other month in recent years excepting July of 1935 and 1932. Production was also smaller than in June last year. For the eleven months of the current season, however, receipts of seed have been 6.3 per cent and crushings 9.1 per cent, greater than in that part of the previous season, and production of the principal cotton seed products ranged from an increase of 5.4 per cent for crude oil to 11.7 per cent for linters. Stocks of seed at the mills at the close of June were substantially smaller than a year earlier, and supplies of the principal products, except crude oil, were also less. Totals for the country for the eleven months' period also show increases over the corresponding part of the previous season in receipts and crushings of seed, and in production, and decreases in stocks. Census Bureau figures for this District, and for the country, are compared in an accompanying table.

Production of electric power for public use in the six states located wholly or partly in the Sixth District increased 2.7 per cent from April to May and was 16.9 per cent greater than in May last year. The May total is the largest on record. On a daily average basis, however, May output was slightly less than in April, or in February, which were shorter months. For the five months of 1936 total production has been 17.4 per cent greater than in that part of 1935. In May production by use of water power accounted for 66 per cent of the total, in April 66.9 per cent, and in May last year 69.1 per cent, and for the five months' period this year 65.8 per cent, compared with 67.5 per cent a year ago.

Preliminary statistics compiled by the United States Bureau of Mines indicate that bituminous coal production in the United States during June amounted to 29,415,000 tons, an increase of 3.1 per cent over that in May, but 2.3 per cent smaller than in June last year. For the first half

of 1936 total production has been 200,212,000 tons, larger by 5.8 per cent than in that period a year ago.

Weekly statements of the Bureau of Mines indicate that during the four weeks ending June 27 coal production in Alabama averaged 195,000 tons per week, about 7 per cent less than in May but slightly larger than a year ago, and in Tennessee production in the four weeks ending June 27 averaged 71,000 tons per week, about 3 per cent less than in May and 9 per cent smaller than a year earlier. For the year through June 27, Alabama production has totaled 5,689,000 tons and Tennessee output has been 2,417,000 tons, the increases being 12 per cent and 5 per cent, respectively, over the corresponding period in 1935.

Production of pig iron in the United States during June amounted to 2,586,240 tons, a decrease of 2.3 per cent compared with May, but 66.6 per cent greater than in June last year. On a daily average basis, however, production increased nearly 1 per cent over May. Four furnaces were blown in during June, and five were blown out or banked, leaving 145 operating on July 1 compared with 91 active at that time a year ago. For the first half of 1936 total production amounted to 13,528,226 tons, larger by 38.1 per cent than in that part of 1935, and the largest total for the first half of any year since 1930. Alabama production of pig iron declined 13.3 per cent from May to June, and 10.5 per cent in daily average, but was 47.8 per cent larger than a year ago. June production in Alabama was the smallest since November. There was a reduction of two in the number of active furnaces, leaving 10 active on July 1, compared with 7 active at that time last year. Total production in Alabama during the first half of 1936 amounted to 954,156 tons, a gain of 54.3 per cent over the corresponding part of 1935, and larger than for that part of any year since 1931. Press reports indicate only a fair volume of third quarter tonnage has been booked, new commitments being small because of stocks on hand or a tendency to buy only for current needs.

June receipts of both turpentine and rosin at the three principal markets of the District increased seasonally over the month, but were the smallest for June since 1932, and except for that year, were less than in June of any of the past fifteen years. Stocks at the end of June also increased over those a month earlier, and supplies of turpentine were larger than for June of any other year in available statistics, but supplies of rosin were the smallest for June since 1929. Prices of turpentine on the Savannah market have fluctuated within a narrow range in recent weeks, but the average of quotations on the thirteen grades of rosin, which had risen from a low point at \$4.18 per 280 pounds on May 19 to \$4.61 on June 13, increased further to \$5.01 on July 11. An important factor in this increase was the inclusion of naval stores in the Government's Conservation program. Receipts and stocks for the month are compared in the table.

COTTON SEED AND COTTON SEED PRODUCTS

	Sixth District*		United States	
	Aug. 1 to June 30		Aug. 1 to June 30	
	1935-36	1934-35	1935-36	1934-35
Cotton Seed—Tons:				
Received at Mills	1,417,513	1,333,490	3,727,028	3,387,267
Crushed	1,448,330	1,327,649	3,781,682	3,484,589
On Hand June 30	14,716	73,773	34,921	125,339
Production:				
Crude Oil, lbs.	455,303,372	431,915,293	1,152,711,790	1,087,809,891
Cake & Meal, tons ..	647,938	580,698	1,719,399	1,585,213
Hulls, tons	383,318	349,548	980,310	895,453
Linters, bales	327,690	293,416	864,775	789,110
Stocks at Mills, June 30:				
Crude Oil, lbs.**	9,421,779	5,858,009	17,776,062	18,474,064
Cake & Meal, tons ..	59,908	103,551	118,886	223,893
Hulls, tons	9,885	38,115	46,762	91,395
Linters, bales	26,686	33,329	67,938	97,118

*Georgia, Alabama, Louisiana, and Mississippi.

**June stocks of crude oil not included for Alabama or Louisiana, and of linters for Louisiana.

NAVAL STORES MOVEMENT

	Turpentine (1)		Rosin (2)	
	June 1936	June 1935	June 1936	June 1935
Receipts:				
Savannah	14,003	14,144	50,839	51,233
Jacksonville	9,120	13,119	35,159	46,472
Pensacola	4,295	4,865	11,783	13,293
Total	27,418	32,128	97,781	110,998
Stocks:				
Savannah	30,831	33,100	67,975	116,412
Jacksonville	44,973	42,903	51,384	106,004
Pensacola	29,332	27,828	37,233	49,896
Total	105,141	103,831	156,592	272,312

(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	Apr. 1936	May 1936	June 1936	Apr. 1935	May 1935	June 1935
Daily Average Sales—Unadjusted						
Atlanta (3 firms).....	168.6	178.3	148.7	163.3	155.1	131.0
Birmingham (3 firms).....	89.1	95.3	89.1	65.3	63.4	54.8
Chattanooga (4 firms).....	74.4	82.4	76.2	72.7	74.3	72.1
Nashville (4 firms).....	83.9	101.5	76.7	80.0	86.2	72.4
New Orleans (4 firms).....	88.9	84.3	87.7	76.2	71.9	69.1
DISTRICT (30 firms).....	100.2	103.1	92.3	88.0	84.4	75.3
Daily Average Sales—Adjusted*						
Atlanta (3 firms).....	157.6	169.8	170.9	151.2	147.7	150.6
Birmingham (3 firms).....	89.1	94.4	95.8	64.7	62.8	58.9
Chattanooga (4 firms).....	73.7	80.0	68.6	71.3	72.1	65.0
Nashville (4 firms).....	82.3	91.4	83.4	77.7	77.7	78.7
New Orleans (4 firms).....	83.9	86.9	98.5	71.2	74.1	77.6
DISTRICT (30 firms).....	96.3	102.1	102.6	83.8	83.6	83.7
Monthly Stocks—Unadjusted						
Atlanta (3 firms).....	104.6	98.3	90.2	103.7	94.6	86.6
Birmingham (3 firms).....	62.2	61.8	56.5	49.2	48.8	46.7
Chattanooga (3 firms).....	57.9	53.2	49.3	52.4	50.2	46.0
Nashville (3 firms).....	55.9	51.7	46.8	66.1	63.1	59.9
New Orleans (4 firms).....	58.3	54.7	50.9	59.6	58.2	54.4
DISTRICT (25 firms).....	66.4	62.8	57.9	64.9	62.2	58.2
Monthly Stocks—Adjusted*						
Atlanta (3 firms).....	99.6	97.3	94.0	98.8	93.7	90.2
Birmingham (3 firms).....	59.2	60.6	57.1	46.9	47.8	47.2
Chattanooga (3 firms).....	55.1	52.2	51.4	49.9	49.2	51.1
Nashville (3 firms).....	53.3	51.2	48.2	63.6	62.5	61.8
New Orleans (4 firms).....	56.1	54.2	54.1	57.3	57.6	57.9
DISTRICT (25 firms).....	63.2	61.6	60.9	61.8	61.0	61.3
WHOLESALE TRADE—SIXTH DISTRICT—TOTAL	69.3	69.4	66.4	60.5	61.7	52.6
Groceries (18 firms).....	54.1	49.7	50.8	50.8	51.2	45.3
Dry Goods (14 firms).....	62.9	56.8	49.3	56.2	52.6	37.4
Hardware (25 firms).....	73.4	76.0	73.2	61.8	64.8	57.6
Furniture (7 firms).....	72.6	79.3	80.6	58.0	58.1	48.5
Stationery (3 firms).....	39.5	46.0	45.3	36.9	39.3	36.8
Drugs (7 firms).....	87.0	82.5	81.9	80.1	80.5	71.0
LIFE INSURANCE SALES—SIX STATES—TOTAL	64.2	65.2	66.1	68.1	68.0	65.2
Alabama.....	52.1	51.3	54.3	64.5	57.2	58.7
Florida.....	82.9	97.5	92.4	78.7	74.3	81.5
Georgia.....	66.9	67.1	64.5	78.8	74.7	67.8
Louisiana.....	73.9	74.0	77.6	72.3	88.4	78.9
Mississippi.....	52.7	50.2	59.0	51.0	50.0	52.5
Tennessee.....	57.3	54.1	55.2	58.7	59.8	53.8
BUILDING PERMITS—TWENTY CITIES—TOTAL	40.0	44.4	52.2	26.8	32.1	39.4
Atlanta.....	22.9	43.1	23.0	16.5	13.9	16.7
Birmingham.....	12.5	12.7	10.5	10.0	6.3	6.8
Jacksonville.....	46.4	40.3	40.3	23.5	44.9	24.9
Nashville.....	104.0	60.7	47.3	11.4	72.7	34.7
New Orleans.....	26.2	15.5	24.5	15.7	14.1	125.7
Fifteen Other Cities.....	47.2	58.9	80.6	39.2	41.9	37.1
CONTRACT AWARDS—SIXTH DISTRICT—TOTAL	57.8	41.3	53.8	26.6	29.9	36.2
Residential.....	42.9	41.0	61.9	26.5	27.4	23.8
All Others.....	67.7	41.5	48.4	26.7	31.5	44.5
WHOLESALE PRICES—UNITED STATES †						
ALL COMMODITIES.....	79.7	78.6	79.2	80.1	80.2	79.8
Farm Products.....	76.9	75.2	78.1	80.4	80.6	78.3
Foods.....	80.2	78.0	79.9	84.5	84.1	82.8
Other Commodities.....	78.9	78.8	78.8	77.2	77.6	78.0
Hides and leather products.....	94.6	94.0	93.8	86.3	88.3	88.9
Textile products.....	70.2	69.8	69.7	69.2	69.4	70.1
Fuel and lighting.....	76.4	76.0	76.1	72.8	73.1	74.2
Metals and metal products.....	86.6	86.3	86.2	85.9	86.6	86.9
Building materials.....	85.7	85.8	85.8	84.6	84.9	85.3
Chemicals and drugs.....	78.5	77.7	78.0	81.0	81.2	80.7
Housefurnishing goods.....	81.4	81.5	81.4	80.7	80.6	80.5
Miscellaneous.....	68.6	69.2	69.7	68.7	68.7	68.4
COTTON CONSUMPTION—UNITED STATES	112.0	103.1	108.0	91.0	91.3	74.6
Cotton-Growing States.....	142.2	130.8	137.2	109.2	110.7	91.0
All Other States.....	52.1	48.0	50.2	51.5	52.3	42.0
Georgia.....	143.9	132.3	139.2	110.9	112.7	93.1
Alabama.....	182.8	168.1	169.2	153.1	152.4	123.4
Tennessee.....	141.5	132.5	138.9	111.2	116.1	89.4
COTTON EXPORTS—UNITED STATES	68.7	68.5	56.0	62.9	54.3	67.2
PIG IRON PRODUCTION—United States	80.5	88.7	86.6	55.7	57.8	52.0
Alabama.....	70.5	73.4	63.6	49.4	54.1	43.1

*Adjusted for Seasonal Variation.

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