

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

Production, employment, and trade increased further in July, when allowance is made for the usual seasonal changes, and commodity prices continued to advance. Money rates remained at extremely low levels.

Production and Employment Industrial production, which usually declines considerably in July, was maintained at the level of the preceding three months, and the Board's seasonally adjusted index

advanced to 108 per cent of the 1923-1925 average as compared with 103 per cent in June. Output of steel continued at about the June rate, although a sharp decrease is usual, and automobile production declined by less than the usual amount. In the first three weeks of August there was little change in activity at steel mills, while at automobile factories output was curtailed as preparations were made for the production of 1937 models. Output of non-durable products was larger in July than in June, reflecting chiefly a sharp rise in activity at cotton mills and greater than seasonal increases in production at shoe factories, silk mills, and flour mills. At coal mines output increased and crude petroleum continued to be produced in large volume.

Factory employment increased further in July, contrary to seasonal tendency. The number of workers was larger than in June at steel mills, foundry and machine shops, and furniture factories, while at railroad repair shops there was a decline. Among the non-durable goods industries employment increased at textile mills and meat packing plants, and declined less than seasonally at establishments producing wearing apparel. Factory payrolls decreased by a smaller amount than is usual in July.

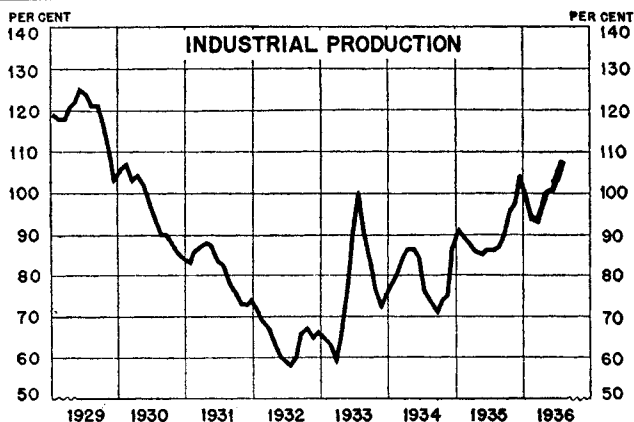
The value of construction contracts awarded increased considerably from June to July, according to the F. W. Dodge Corporation, with large increases reported for both publicly-financed and privately-financed work.

Agriculture Crop prospects declined during July as a result of continued drought. On the basis of August 1 conditions, the corn crop was estimated by the Department of Agriculture at 1,439,000,000 bushels, a reduction of 37 per cent from last season, and estimates for spring wheat, oats, hay and potatoes were also considerably under the harvests of a year ago. The cotton crop was forecast at 12,481,000 bales as compared with 10,638,000 bales last year and an average of 14,667,000 bales during the five years 1928-1932.

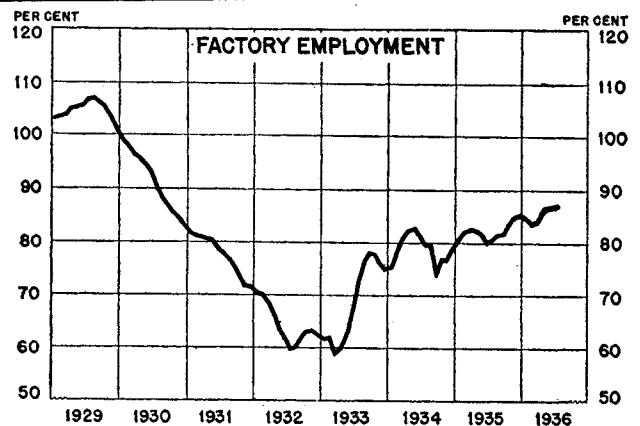
Distribution Retail trade was sustained in July at a higher level than is usual in that month. The Board's adjusted index of department store sales, which allows for a considerable seasonal decline, increased from 88 per cent of the 1923-1925 average in June to 91 per cent in July, and mail order and variety store sales also showed smaller decreases than are usual for the season. Freight car loadings increased in July.

Commodity Prices Wholesale commodity prices continued to advance between the middle of July and the middle of August. Prices of wheat, flour, feed grains, and dairy products rose considerably, owing primarily to the drought, and livestock prices also advanced while cotton declined. There was a considerable increase in the price of steel scrap.

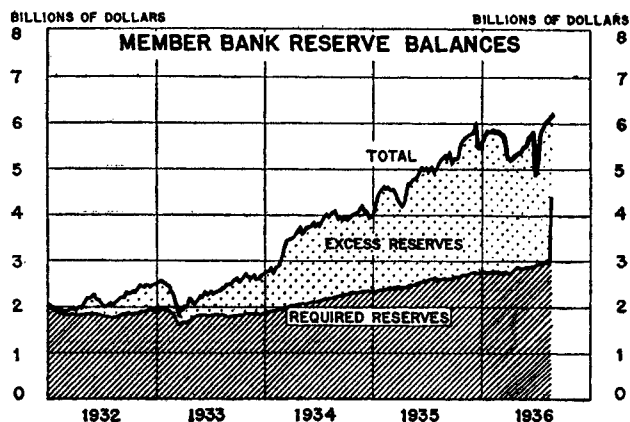
Bank Credit Excess reserves of member banks decreased from \$2,920,000,000 on July 15 to \$1,810,000,000 on August 19. About \$1,470,000,000 of excess reserves were absorbed by the increase of 50 per cent in re-



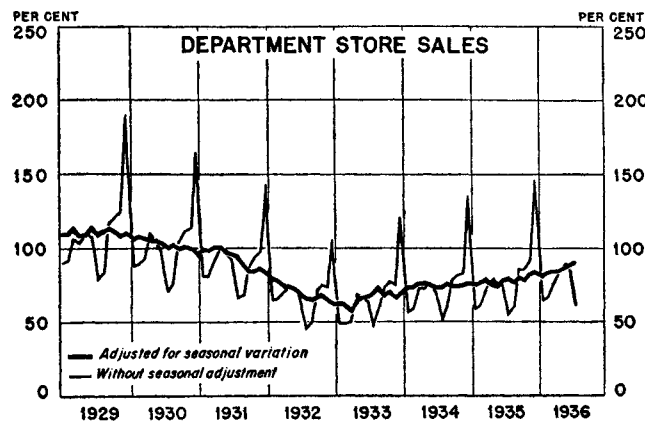
Index number of industrial production, adjusted for seasonal variation, (1923-1925 average = 100.) Latest figure July Preliminary 108.



Index of factory employment, adjusted for seasonal variation, (1923-25 average = 100.) Latest figure July 87.7.



Wednesday figures of total member bank reserve balances at Federal Reserve banks with estimates of required and excess reserves, January 6, 1932, to August 19, 1936.



Indexes of daily average value of sales. (1923-1925 = 100.) Latest figure July (Preliminary): Adjusted 91, Unadjusted 83.

serve requirements of member banks, which went into effect August 15. This decrease was offset in part by a growth of \$360,000,000 in total reserve balances, reflecting principally large disbursements by the Treasury from its funds held on deposit with Federal Reserve Banks.

After the increase in reserve requirements there remained a large amount of excess reserves widely distributed among member banks. The money market was not affected by the action, and interest rates remained at extremely low levels. In the week ending August 19 a few scattered banks borrowed at the Reserve Banks, but the total amount borrowed was negligible and some banks drew upon their balances with other banks in order to meet the increase in requirements. Deposits of domestic banks with reporting member banks in leading cities declined by \$210,000,000 in the week.

Between July 15 and August 19 loans and investments of reporting member banks in leading cities declined by \$260,000,000, reflecting reductions of \$130,000,000 in loans on securities and of \$160,000,000 in holdings of United States Government direct obligations, partly offset by an increase of \$60,000,000 in other loans to customers. Adjusted demand deposits, which increased to a new high level on July 22, were slightly smaller on August 19.

SIXTH DISTRICT SUMMARY

In the Sixth Federal Reserve District the volume of retail trade declined from June to July by about two-thirds the usual amount, and there were increases in wholesale trade, life insurance sales, building and construction activities, in operations at textile mills, and in coal mining. Production of pig iron in Alabama declined further in July, however, and operations at cotton seed oil mills reached a seasonally low level.

Volumes of sales by 57 reporting retail firms declined 15.4 per cent in July compared with a usual decrease at that time of year of about 22 per cent. July sales were 18.2 per cent greater than in that month a year ago, and at the highest level for July since 1928, and after adjustment for the usual seasonal trend the July index was higher than for any other month since March, 1929. Wholesale trade in the District increased 8.9 per cent from June to July, and was 31.4 per cent greater than a year ago. For the second time in fifteen years, life insurance sales increased from June to July, and the July total was 12.5 per cent

larger than in July, 1935. For the seven months of 1936, retail trade has been 12.7 per cent, and wholesale trade 16 per cent, greater than in that part of 1935, while life insurance sales have been 7.6 per cent smaller.

At weekly reporting member banks in leading cities of the District, loans increased between July 15 and August 12, but investments declined, the result being a small decline in total loans and investments which were, however, about 80 millions greater than on the corresponding Wednesday a year ago. Loans were only slightly larger than at that time, and investments were 79.3 millions greater. Deposits continued to be substantially larger than at the same time last year. At the Federal Reserve Bank of Atlanta there was a slight increase in the small amount of discounts, and reserves, deposits and Federal Reserve note circulation continued greater than a year ago.

Employment statistics compiled by the United States Bureau of Labor Statistics show a further slight decline in both employment and payrolls at reporting firms in this District in June. Small increases in both number of workers and the amount of a week's payroll in Alabama, Mississippi and Tennessee were slightly more than outweighed by decreases in Florida, Georgia and Louisiana. Number of workers declined in June in Florida by 10.5 per cent due primarily to wholesale trade (citrus fruit packing and shipping), hotels, retail trade, canning, and fertilizers; and in Louisiana by 1 per cent, primarily in the canning industry. June figures were, however, higher than for June of other recent years.

The value of building permits issued at twenty reporting cities during July increased 37.8 per cent over June, was 79.6 per cent greater than for July last year, and was the largest total for any month since April, 1929. Construction contracts awarded in July were 75.7 per cent larger than in June and 86.1 per cent greater than in July last year. Increased activity at cotton mills in the District, over June and over July a year ago, is reflected in larger consumption of cotton and in increased production at reporting mills. Coal mining increased slightly in Alabama and 9.5 per cent in Tennessee over June, and was 50.4 per cent in Alabama, and 26.6 per cent in Tennessee, greater than a year ago. Pig iron production in Alabama, however, declined 3.8 per cent from June to July, but was 67.5 per cent greater than in July last year, and for the seven months of 1936 has been 55.9 per cent greater than in that part of 1935.

FEDERAL RESERVE BANK OF ATLANTA
(In Thousands of Dollars)

	Aug. 12 1936	July 15 1936	Aug. 14 1935
Bills Discounted:			
Secured by Govt. Obligations.	\$ 30	\$ 0	\$ 30
All Other	42	21	131
Total Discounts	72	21	161
Bills Bought in Open Market...	108	108	169
Industrial Advances	706	723	1,071
U. S. Securities	98,356	98,356	94,214
Total Bills and Securities	99,242	99,208	95,615
Total Reserves	229,792	230,523	150,653
Member Bank Reserve Account	124,240	117,498	99,945
U. S. Treasurer—Gen. Account.	17,770	22,464	2,192
Total Deposits	147,101	145,554	106,160
F. R. Notes in Actual Circulation	174,831	176,915	132,626
Commitments to Make Industrial Advances	283	287	620

FINANCE

Reserve Bank Credit Total bills and securities held by the Federal Reserve Bank of Atlanta increased slightly between July 15 and August 12, when they were 3.6 millions greater than on the corresponding Wednesday of last year. Between mid-July and August 12 discounts increased slightly, although still negligible in amount, but there was a decline in industrial advances; in comparison with the corresponding report date a year ago holdings of United States securities on August 12 show an increase of 4.1 millions, but discounts, industrial advances and holdings of purchased bills were smaller.

Member banks' reserve accounts declined in the two weeks following July 15, but between July 29 and August 12 increased by 11.5 millions of dollars to a new high level, and greater by 24.3 millions than on the corresponding Wednesday last year. Government deposits declined nearly 4.7 millions and were the smallest since the middle of March, but much larger than a year ago, and total deposits held by the bank were about 1.5 millions greater on August 12 than four weeks earlier and 40.9 millions greater than a year ago. Federal reserve notes of this bank's issue in actual circulation increased about twenty millions of dollars between the last Wednesday in May and the first Wednesday in July, principally because of the demand for currency in connection with the cashing of veterans' checks and adjusted service bonds, but declined 8.6 millions during the remainder of July and increased somewhat by August 12, when the total was 42.2 millions greater than a year ago. Total reserves held by the bank on August 12 were slightly less than on the first three Wednesdays in July, but were greater than on any other report dates, being 79.1 millions larger than on the same Wednesday last year. Principal items in the weekly statement are compared in an accompanying table.

Member Bank Credit In the four weeks' period from July 15 to August 12, total loans at 22 weekly reporting member banks in leading cities of the Sixth District increased by \$1,899,000, but their investment holdings declined \$1,969,000, so that total loans and investments showed a net decrease of \$70,000. The total on August 12 was, however, about 80 millions greater than on the corresponding Wednesday in 1935. Loans on securities and holdings of purchased acceptances and commercial paper declined since July 15 but other classes of loans increased. Loans on securities were 3.2 millions, and those on real estate 3.4 millions greater than a year ago, but Other Loans were nearly 5.8 millions less.

Between the middle of July and August 12 holdings of United States direct obligations declined about 2.2 millions,

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

	Aug. 12 1936	July 15 1936	Aug. 14 1935
Loans and Investments	\$ 548,175	\$ 548,245	\$ 468,194
Loans—Total	221,890	219,991	221,212
On Securities	59,501	59,989	56,259
To Brokers and Dealers	5,377	7,198	4,427
To Others	54,124	52,791	51,832
Real Estate Loans	23,523	23,369	20,126
Acceptances and Com'l. Paper Bought	4,730	4,929	5,201
Loans to Banks	1,572	967	1,294
Other Loans	132,564	130,737	138,332
Investments—Total	326,285	328,254	246,982
U. S. Govt. Direct Obligations	206,734	208,931	152,353
Obligations Guaranteed by U. S.	39,028	39,661	26,801
Other Securities	80,523	79,662	67,828
Reserve with F. R. Bank	72,806	67,007	56,997
Cash in Vault	10,835	10,154	9,464
Balances with domestic banks	141,892	157,196	125,069
Demand Deposits—Adjusted	306,075	305,154	267,411
Time Deposits	176,728	177,147	171,545
U. S. Govt. Deposits	51,511	51,303	19,760
Inter-bank deposits: Domestic	185,939	197,081	151,904
Foreign	1,234	1,078	1,075
Borrowings	.....	.....	110

and holdings of guaranteed securities also declined somewhat, but holdings of Other Securities increased. All of these classes of investment securities were held in larger volume than at the same time last year, however, the increase in direct obligations being 54.4 millions, in guaranteed securities 12.2 millions, and in Other Securities 12.7 millions, the total increase being 79.3 millions.

Demand deposits-adjusted increased each Wednesday from the middle of July to July 29, but declined somewhat by August 12 but were 38.7 millions greater than a year ago. Balances maintained with correspondent banks, and those held for correspondent banks, declined from July 15 to August 12 but were substantially larger than at the same time last year. An accompanying table sets out a comparison of the principal items in the weekly report.

DEBITS TO INDIVIDUAL ACCOUNTS*

	July 1936	June 1936	July 1935
Alabama—4 Cities	\$ 124,653	\$ 120,723	\$ 117,747
Birmingham	71,758	70,204	68,971
Dothan	2,259	2,360	1,768
Mobile	30,847	29,581	26,494
Montgomery	19,789	18,578	20,514
Florida—4 Cities	123,912	124,416	108,387
Jacksonville	63,764	61,957	59,372
Miami	29,262	31,218	21,818
Pensacola	7,963	8,001	6,586
Tampa	22,923	23,240	20,611
Georgia—10 Cities	237,327	228,577	201,992
Albany	3,474	3,159	2,368
Atlanta	152,184	149,865	132,457
Augusta	17,389	15,217	14,459
Brunswick	2,492	2,212	2,116
Columbus	11,938	11,353	8,989
Elberton	958	963	717
Macon	13,269	12,899	12,340
Newnan	2,363	2,049	1,760
Savannah	29,957	27,977	24,376
Valdosta	3,303	2,883	2,410
Louisiana—New Orleans	190,540	187,104	171,565
Mississippi—4 Cities	42,059	52,824	36,219
Hattiesburg	3,997	3,743	3,556
Jackson	23,402	33,291	20,180
Meridian	8,254	9,652	6,999
Vicksburg	6,406	6,138	5,484
Tennessee—3 Cities	141,706	137,205	128,414
Chattanooga	38,197	36,270	31,320
Knoxville	24,731	22,790	20,973
Nashville	78,778	78,145	76,121
Total—26 Cities	\$ 860,197	\$ 850,849	\$ 764,324

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

Following the interest period at mid-year, savings deposits at 57 banks located throughout the District declined nine-tenths of one per cent in July, but averaged 2.4 per cent greater than at the close of July last year.

Debits to individual accounts at 26 clearing house centers of the District increased 1.1 per cent in July over June, and were 12.4 per cent larger than in July a year ago.

AGRICULTURE

The August 1 crop report by the United States Department of Agriculture indicates a further material decline in crop prospects in July. It states: "As a result there will probably be light supplies of a number of important food crops and, irrespective of weather conditions during the remainder of the season, there will be a shortage of grain that will necessitate rather heaving marketings of grain-consuming livestock . . . In a fourth of the States, pastures were the poorest on record for August 1 and for the country as a whole they were almost as poor as in August, 1934 . . . The extremely hot weather and drought which prevailed during July over nearly the whole central area stretching from Central Ohio to the Rockies in Montana and southward to the Cotton Belt reduced prospects for corn to 1,439,135,000 bushels. "Production of oats is estimated at 771,703,000 bushels, barley at 145,000,000, grain sorghums at 81,588,000 bushels, and tame hay at 61,853,000 tons. These figures represent declines of 35.5 per cent in oats, 48.6 per cent in barley, 16.4 per cent in grain sorghums and 18.8 per cent in tame hay, compared with 1935 production." The report further states that "August 1 prospects indicated light crops of wheat, rye, buckwheat, beans, potatoes, several commercial truck crops and canning vegetables, and the principal fruits, except pears and citrus. About average crops of rice and sweet potatoes are expected . . . Cotton, unlike most other crops, was favored by weather conditions during July and less than usual damage from the boll weevil is probable.

Weather conditions in the Sixth District were generally favorable during July, although extremely high temperatures were reported in some sections. Rains during July and early August appear to have been sufficient in most sections to relieve the drought. The August 1 estimates indicate improvement in wheat prospects in Tennessee, and in corn in Alabama, Louisiana, Mississippi and Tennessee, and in hay, sweet potatoes, rice and fruits. Compared with 1935 production, this year's crops of wheat, pears, grapes and rice, and of oranges in Florida, are expected to increase, but other important crops show declines, some of them substantial. Comparisons of August 1 estimates with 1935 production of some of the principal crops in this District are shown in the table.

SIXTH DISTRICT

	Aug. 1, 1936 Estimate	1935 Production	Percent Change
Corn, bushels	149,791	171,898	-12.9
Wheat, bushels	6,157	3,587	+10.2
Oats, bushels	9,180	10,644	-13.8
Tame Hay, tons	2,109	2,572	-18.0
Tobacco, lbs.	142,668	147,469	-3.3
White Potatoes	9,533	12,042	-20.8

The estimated production of sugar cane in Louisiana declined from 4,957,000 tons on July 1 to 3,860,000 tons a month later, and is 5.6 per cent smaller than last year's production. The estimate of rice in Louisiana increased

COTTON PRODUCTION—Bales

	Aug. 1, 1936 Estimate	1935 Production	Percent Change
Alabama	1,065,000	1,059,000	+ 0.6
Florida	30,000	31,000	- 3.2
Georgia	910,000	1,059,000	-14.1
Louisiana	678,000	556,000	+21.9
Mississippi	1,710,000	1,259,000	+35.8
Tennessee	403,000	317,000	+27.1
Total—Six States	4,796,000	4,281,000	+12.0
United States	12,481,000	10,638,000	+17.3

SUGAR MOVEMENT—NEW ORLEANS—Pounds

	Raw Sugar July 1936	June 1936	July 1935
Receipts	84,830,571	92,041,824	75,450,267
Meltings	81,051,498	88,832,982	99,239,021
Stocks	65,146,349	65,879,518	92,828,489
Refined Sugar			
Shipments	77,532,153	81,924,603	89,734,376
Stocks	29,188,141	31,353,891	25,757,934

RICE MOVEMENT (Rice Millers' Association Statistics)

	July	Aug.—July Incl.
Receipts of Rough Rice*		
Season 1935-36	20,248	8,006,497
Season 1934-35	13,665	7,781,799
Distribution of Milled Rice**		
Season 1935-36	287,233	8,556,944
Season 1934-35	269,969	9,325,746
Stocks:		
July 31, 1936	71,369	271,010
July 31, 1935	51,384	331,816

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

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

	June 1936	May 1936	June 1935	January—June 1936	January—June 1935
Alabama	\$ 5,811	\$ 7,235	\$ 3,869	\$ 36,194	\$ 32,607
Florida	3,334	10,410	3,646	72,305	60,647
Georgia	7,338	5,297	5,549	36,298	33,009
Louisiana	4,816	3,957	3,238	28,560	26,496
Mississippi	5,910	4,531	4,616	34,935	31,223
Tennessee	7,607	6,117	6,583	42,896	43,662
Total	\$ 34,816	\$ 39,547	\$ 27,501	\$251,188	\$227,644

from 15,998,000 bushels in July to 17,261,000 bushels on August 1, larger by 6.5 per cent than the 1935 crop. No change was indicated in the estimates for oranges and grapefruit in Florida, which continued at 17.7 millions boxes for oranges and 11.5 million boxes for grapefruit.

Cotton The first estimate by the U. S. Department of Agriculture of the 1936 cotton crop indicates the production of 12,481,000 bales, an increase of 17.3 per cent over the 1935 crop. Decreases are, however, indicated for Georgia and Florida, and while the total for the six states located wholly or partly in the Sixth District shows an increase of 12 per cent over last year's crop, the larger part of the increase is in Mississippi, Tennessee and Louisiana which are situated partly in other districts.

TRADE

Retail Trade The volume of retail trade in the Sixth District declined considerably less than usual from June to July. Stock turnover and the collection ratio also declined somewhat, but sales, stocks and collections continue at higher levels than a year ago.

Department store sales in July were 15.4 per cent smaller than in June but 18.2 per cent greater than in July, 1935, and the unadjusted index of July sales was the highest for that month since 1928. After adjustment for the usual seasonal changes, daily average sales of reporting

RETAIL TRADE IN THE SIXTH DISTRICT DURING JULY 1936

Based on confidential reports from 57 department stores

	COMPARISON OF NET SALES			COMPARISON OF STOCKS			STOCK TURNOVER		COLLECTION RATIO			
	July 1936		Year to date with Same month last year	July 31, 1936		July 1936	Jan.-July Incl. 1936	July 1936	June 1936	July 1935		
	with: Same month a year ago	Previous Month		with: Previous Month	with: Previous Month							
Atlanta (6).....	+13.8	-16.4	+10.8	+7.4	+1.2	.34	.31	2.58	2.47	27.1	29.9	26.4
Birmingham (5).....	+34.7	-13.0	+26.0	+22.2	-6.1	.24	.23	1.80	1.82	33.8	38.3	32.3
Chattanooga (4).....	+4.4	-27.2	+4.1	+10.0	-2.1	.23	.24	1.82	1.92	29.9	31.3	29.3
Jacksonville (3).....	+47.8	-6.3	+16.7	-5.1	-8.6	.23	.15	1.48	1.27	.....	.....	.....
Miami (3).....	+20.4	-10.1	+10.7	-3.6	-2.3	.30	.24	2.90	2.59	.....	.....	.....
Montgomery.....	+8.4	-22.9	+11.6	-0.5	-12.4	.23	.....	1.89	.....	.....	.....	.....
Nashville (4).....	+11.2	-18.0	+8.7	-7.0	-7.8	.28	.20	2.37	1.65	29.5	29.1	29.3
New Orleans (4).....	+16.0	-15.0	+15.9	-1.9	-9.8	.31	.26	2.12	1.75	40.1	40.1	38.0
Other Cities (25).....	+14.7	-16.8	+7.0	+2.6	-10.1	.21	.20	1.65	1.71	32.9	31.6	28.9
DISTRICT (57).....	+18.2	-15.4	+12.7	+3.7	-6.1	.28	.24	2.09	1.91	32.1	33.1	30.1

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.

firms rose from 102.6 per cent of the 1923-25 average in June to 111.3 per cent in July, the highest for any month since March, 1929. Total sales during the seven months of 1936 through July have been 12.7 per cent greater than in that part of last year. Stocks of merchandise on hand at the close of July were 6.1 per cent smaller than a month earlier, but 3.7 per cent greater than a year ago, and the rate of stock turnover was higher for July, and for the seven months of 1936, than during those periods last year. The collection ration declined from 33.1 per cent in June to 32.1 per cent in July, and compares with 30.1 per cent for July last year. The ratio for regular accounts for July was 36.6 per cent, and for installment accounts 14.4 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 only 1 per cent from May to June, and were 15½ per cent greater than a year earlier, compared with an increase of 12½ per cent for the country as a whole.

Life Insurance Sales of life insurance in the six states of this District increased 4.6 per cent from June to July and were 12.5 per cent greater than in July a year ago, and the largest for that month since 1931. Only once before in recent years (in 1933) has an increase been reported from June to July. For the seven months of the year, however, sales in these six states have been 7.6 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)				
	July 1936	June 1936	July 1935	Jan. to July Incl. 1936	1935
Alabama.....	\$ 3,900	\$ 3,680	\$ 3,372	\$ 23,514	\$ 28,198
Florida.....	5,035	5,467	4,839	34,496	33,256
Georgia.....	6,687	5,919	6,087	41,765	46,823
Louisiana.....	5,032	4,918	4,258	31,956	35,994
Mississippi.....	2,251	2,578	2,178	15,670	15,783
Tennessee.....	6,124	5,198	5,077	36,817	39,396
Total.....	\$ 29,029	\$ 27,760	\$ 25,811	\$184,218	\$199,450
United States.....	512,738	532,994	483,491	3,519,993	3,738,987

Wholesale Trade Wholesale trade in the District increased 8.9 per cent from June to July, and was 31.4 per cent greater in dollar volume than in July last year. The 8.9 per cent increase over June com-

pares with an increase of 2.9 per cent at that time a year ago. The index number for July, 72.4 per cent of the 1923-25 average, is the highest for that month since 1929. For the seven months of 1936 sales by reporting firms have been 16 per cent greater than in that part of 1935. Reported figures for the month are compared in the table, and index numbers appear on page 8.

WHOLESALE TRADE IN SIXTH DISTRICT—JULY 1936
Based on confidential reports from 79 firms

	Number of firms	Percentage Comparisons		
		July 1936 with: June 1936	July 1935	Jan.-July, Incl. 1936 with same period last year
All Lines Combined:				
Sales.....	79	+8.9	+31.4	+16.0
Stocks.....	26	+1.0	+5.8	.....
Groceries:				
Sales.....	18	+11.6	+19.1	+3.8
Jacksonville....	3	+20.6	+8.4	-3.8
New Orleans....	3	+18.0	+20.4	-0.8
Vicksburg.....	3	+4.0	+23.9	+19.3
Other Cities....	9	+7.3	+20.8	+4.8
Dry Goods:				
Sales.....	14	+21.0	+31.2	+9.5
Nashville.....	3	+27.3	+37.6	+3.9
Other Cities....	11	+19.6	+29.7	+11.2
Stocks.....	7	+5.5	-4.6	.....
Hardware:				
Sales.....	25	+6.7	+27.9	+20.0
Nashville.....	3	-4.0	+12.7	+5.1
New Orleans....	5	-2.7	+30.6	+35.6
Other Cities....	17	+15.1	+29.0	+15.2
Stocks.....	9	-0.7	+1.1	.....
Furniture:				
Sales.....	7	-1.0	+75.1	+34.0
Atlanta.....	3	+4.8	+78.5	+24.9
Other Cities....	4	-2.4	+74.2	+36.4
Stocks.....	5	+7.1	+9.6	.....
Electrical Supplies:				
Sales.....	3	-0.6	+115.1	+51.1
Drugs:				
Sales.....	7	+9.1	+16.5	+12.7
Stationery:				
Sales.....	3	-7.5	+23.6	+13.1

	COLLECTION RATIO*		
	July 1936	June 1936	July 1935
Groceries.....	78.4	72.5	69.2
Dry Goods.....	37.1	34.7	35.0
Hardware.....	50.1	41.7	35.5
Furniture.....	43.5	38.7	38.4
Total.....	49.1	44.3	46.4

* 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 building permits issued at twenty reporting cities in the Sixth District for the construction of buildings within their corporate limits increased 37.8 per cent from June to July, and exceeded the total for July last year by 79.6 per cent. Of these twenty cities, eleven reported increases over June, and twelve reported amounts larger than for July, 1935. The total of a little more than eight millions of dollars for July is the largest for any month since April, 1929. The cumulated total of \$37,522,951 for the first

BUILDING PERMITS—JULY

	Number		Value		Percentage Change in Value
	1936	1935	1936	1935	
Alabama					
Anniston.....	37	41	\$ 24,185	\$ 77,397	- 68.8
Birmingham.....	362	314	247,905	216,067	+ 14.7
Mobile.....	43	61	78,014	35,225	+121.5
Montgomery.....	176	151	107,575	465,671	- 76.9
Florida					
Jacksonville.....	593	507	296,613	360,240	- 17.7
Miami.....	850	533	1,245,351	476,147	+161.5
Miami Beach.....	126	88	2,238,937	1,028,138	+117.8
Orlando.....	75	95	90,477	272,385	- 66.8
Tampa.....	262	202	84,425	286,145	- 70.5
Georgia					
Atlanta.....	242	320	391,551	219,307	+ 78.5
Augusta.....	34	59	27,285	104,676	- 73.9
Columbus.....	84	96	93,721	113,331	- 17.3
Macon.....	147	186	71,868	60,909	+ 18.0
Savannah.....	43	28	112,266	28,810	+289.7
Louisiana					
New Orleans.....	223	92	666,789	198,153	+236.5
Alexandria.....	53	64	52,564	39,078	+ 34.5
Tennessee					
Chattanooga.....	388	363	149,180	104,290	+ 43.0
Johnson City.....	8	3	3,463	8,300	- 58.3
Knoxville.....	142	67	442,110	57,483	+669.1
Nashville.....	256	121	1,671,827	3,556,633	+370.1
Total—20 Cities.....	4,144	3,390	\$ 8,096,106	\$ 4,507,385	+ 79.6

seven months of 1936 is greater by 73.5 per cent than the total for the corresponding part of 1935, and is larger than for that part of any other 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 Board of Governors of the Federal Reserve System, increased 75.7 per cent from June to July, and was 86.1 per cent greater than in July last year. Residential contracts declined 5.5 per cent compared with June, while other contracts more than doubled. The July total is the largest for any month since November, 1933, and except for that month, since May, 1930. State totals, shown in the table, increased from June to July except in Georgia and Tennessee, and were larger than a year ago except in Georgia.

Total awards in the 37 states east of the Rocky Mountains increased 26.5 per cent, non-residential awards 21.6 per cent, and contracts for public works and utilities 57.5 per cent, from June to July, while residential awards declined 2.1 per cent.

Press reports indicate that there was a falling off in the demand for lumber during the latter part of July, but that prices with a few scattered exceptions are being well maintained. Production, orders and shipments during the first half of 1936 are reported to be the largest for that period since 1930. For the six weeks period ending August 8, weekly statements of the Southern Pine Association for

identical mills indicate that orders averaged 11.6 per cent, shipments 5.3 per cent and production 12.5 per cent greater than in that period last year, while unfilled orders averaged 17.6 per cent smaller.

Consumption of cotton by American mills during the cotton year which ended July 31, amounted to 6,348,423 bales, an increase of 987,556 bales, or 18.4 per cent, over consumption in the previous season, and the largest total since the 1928-29 cotton crop. Consumption in the cotton states totaled 5,334,284 bales, 23.9 per cent larger than in the previous year, and the total in other states was 1,014,139 bales, smaller by 3.9 per cent than in the 1934-1935 year, and smaller than for any other recent year except 1931-32. Consumption in the cotton states accounted for 84 per cent of the total, compared with 80.3 per cent for the previous season. Total exports of cotton during the 1935-36 season amounted to 5,792,566 bales, larger by 20.9 per cent than in the previous season but smaller than in any other cotton year since 1923-24.

July consumption of cotton increased 8.4 per cent over that in June, was 54.4 per cent greater than a year ago and the largest monthly total since June, 1933. The increase in the cotton states over June was 7.4 per cent and in other states 14 per cent, and the increase over July last year in the cotton states was 56.9 per cent, and in other states 42.8 per cent.

Exports of cotton in July amounted to only 156,262 bales, the smallest total for any month since August, 1920. Total consumption and exports during the 1935-36 season were 12,140,989 bales, larger by 19.6 per cent than in the previous season.

Stocks of cotton held by consuming establishments and in public storage and at compresses at the close of July were 12.5 per cent smaller than a month earlier and 26.1 per cent less than a year ago. Spindles active in July increased slightly over June in the cotton states, but declined in other states, and show an increase of 5.4 per cent over July last year in the cotton states, but a decrease of 15.6 per cent in other states. Census Bureau figures are compared in the table.

Consumption of cotton during July amounted in Georgia to 117,769 bales, in Alabama 63,410 bales, and in Tennessee 15,247 bales, the total of 196,426 bales being 8.8 per cent larger than for June and 53.7 per cent greater than in July last year. In only three months during the past nineteen cotton years has this July total been exceeded, in January of this year, and in May and June, 1933. The cumulated total of 2,070,700 bales for the cotton year ending

BUILDING AND CONSTRUCTION CONTRACTS AWARDED
(F. W. Dodge Corporation figures)

	July 1936	June 1936	July 1935
Sixth District—Total.....	\$ 33,311,800	\$ 18,962,363*	\$ 17,895,902
Residential.....	7,226,200	7,648,493*	4,011,481
All Others.....	26,085,600	11,313,870*	13,884,421
State Totals:			
Alabama.....	7,029,800	2,474,000	1,819,300
Florida.....	7,779,400	6,011,100	5,096,500
Georgia.....	3,629,600	4,702,800	7,377,500
Louisiana.....	5,403,000	2,167,100	2,044,200
Mississippi.....	7,696,700	4,237,900	716,800
Tennessee.....	7,923,700	12,768,500	2,111,500

* June figures for Sixth District revised.

COTTON CONSUMPTION, EXPORTS, STOCKS AND ACTIVE SPINDLES

	United States—Bales		
	July 1936	June 1936	July 1935
Cotton Consumed.....	603,203	556,323	390,712
Stocks.....	4,822,185	5,512,823	6,528,477
In Consuming Establishments	898,084	987,112	788,989
In Public Storage and at Compresses.....	3,924,101	4,525,711	5,739,488
Exports.....	156,262	287,336	279,822
Active Spindles—Number.....	22,249,572	22,957,322	22,311,970
COTTON GROWING STATES—Bales			
Cotton Consumed.....	504,321	469,617	321,470
Stocks.....	4,588,287	5,267,868	6,191,111
In Consuming Establishments	708,131	805,748	596,479
In Public Storage and at Compresses.....	3,880,156	4,462,120	5,594,632
Active Spindles—Number.....	17,145,596	16,983,252	16,265,212

with July was 27 per cent greater than in the previous season, and larger than for any other year.

Confidential reports from cotton mills in this District show increases in shipments, production and employment. Production, shipments, orders, unfilled orders and employment were well above the level in July a year ago but stocks on hand were considerably smaller.

Operations at cotton seed oil mills in this District declined further in July to the lowest level of the season, as they usually do. Crushings of seed, and production, were smaller than in any other month for which comparable figures are available. For the twelve-month period ending with July, however, receipts of seed have been 6.6 per cent, and crushings 7.8 per cent, greater than in the previous season, and output of the principal cotton seed products has shown increases of 4 per cent in crude oil, 10.4 per cent in cake and meal, 8.4 per cent in hulls and 9.6 per cent in linters, over production during the 1934-35 season. Stocks of seed at the mills at the close of the season were substantially smaller than a year earlier, and although mill supplies of crude oil were larger than a year ago, stocks of other principal commodities were smaller. Totals for the country as a whole also show increases for the season in receipts and crushings of seed, and in production, and decreases in stocks. Census Bureau figures for the District, and for the country, 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 declined slightly from May to June, because of the shorter month, but was 19.1 per cent greater than in June last year. The May total for these states is the largest on record. Daily average production, however, recorded an increase of 3.1 per cent from May to June when it was greater than at any other time. Reflecting the effects of dry weather, production in June by use of water power accounted for 51.9 per cent of the total, compared with 65.9 per cent in May, and 65.6 per cent in June a year ago. For the first half of 1936 total production was 17.9 per cent greater than in that part of 1935, and production by use of water power accounted for 63.4 per cent of the total, compared with 67.2 per cent a year ago.

Preliminary statistics compiled by the United States Bureau of Mines indicate that bituminous coal production in the United States increased 9.6 per cent from June to July, when it totaled 32,113,000 tons, and was 43.8 per cent greater than in July, 1935. In the first seven months of

1936 total production amounted to 232,210,000 tons, larger by 9.8 per cent than in that part of last year.

Weekly statements of the Bureau of Mines for the five weeks ending August 1 indicate that production in Alabama averaged only slightly larger than in the four weeks ending June 27, but was 50.4 per cent larger than in corresponding weeks last year, and in Tennessee production averaged about 9.5 per cent larger than in the four weeks ending in June and 26.6 per cent greater than a year ago. For the year through August 1, production in Alabama has been 16.4 per cent, and in Tennessee 8.2 per cent, larger than in that part of last year.

Production of pig iron in the United States during July amounted to 2,594,368 tons, a slight increase over June and, with the exception of May, larger than for any other month since July, 1930. It compares with 1,520,263 tons produced in July last year. Because of the longer month, daily average production declined 2.9 per cent from June to July. Three furnaces were blown in, and two blown out or banked during July, and on August 1 there were 146 active compared with 91 active at that time a year ago. For the first seven months of 1936 total production amounted to 16,122,494 tons, larger by 42.4 per cent than in that part of 1935, and the largest total for the period since 1930.

Pig iron production in Alabama, after reaching in May the highest level since June, 1931, declined 13.3 per cent in June, and 3.8 per cent further in July, but was then 67.5 per cent greater than in July, 1935. July production in Alabama was the smallest since November, but was larger than for other months prior to November back to July, 1931. For the seven months of 1936, Alabama output amounted to 1,096,268 tons, an increase of 55.9 per cent over the corresponding period a year ago, and the largest for that part of any year since 1931. Ten furnaces continued active in July, compared with 5 active a year ago. Press reports indicate a sluggish market, with current buying largely on a spot basis. Steel mills in the district are active, however, and are running behind with their deliveries.

Receipts and stocks of both turpentine and rosin at the three principal markets of the District increased from June to July, but were smaller than for July last year. Press reports indicate that the demand for both commodities showed improvement for several weeks through August 8, but slackened during the following week. Average of quotations on the thirteen grades of rosin on the Savannah market on August 15 was \$6.26 per 280 pounds, compared with \$5.01 on July 11 and a low for the year of \$4.18 on May 9, and the price of turpentine on August 15 was 39½ cents per gallon compared with 36 cents on July 11. Receipts and stocks for the month are compared in the table.

COTTON SEED AND COTTON SEED PRODUCTS

	Sixth District*		United States	
	Aug. 1 to 1935-36	July 31 1934-35	Aug. 1 to 1935-36	July 31 1934-35
Cotton Seed—Tons:				
Received at Mills...	1,423,054	1,335,573	3,742,122	3,418,135
Crushed.....	1,463,365	1,357,972	3,813,935	3,549,891
On Hand July 31...	5,212	45,533	17,762	89,575
Production:				
Crude Oil, lbs.....	460,410,697	442,543,506	1,163,055,575	1,108,582,294
Cake and Meal, tons	655,894	593,881	1,737,950	1,614,345
Hulls, tons.....	387,545	357,421	987,416	913,039
Linters, bales.....	332,207	303,060	873,907	805,083
Stocks at Mills, July 31:				
Crude Oil, lbs.....	4,442,530**	1,956,081**	8,456,614	10,885,604
Cake and Meal, tons	35,407	90,842	68,905	198,367
Hulls, tons.....	5,887	31,327	26,278	76,604
Linters, bales.....	17,726	19,775	44,786	71,292

* Georgia, Alabama, Louisiana, and Mississippi. **Georgia and Mississippi.

NAVAL STORES MOVEMENT

	Turpentine (1)		Rosin (2)	
	July 1936	July 1935	July 1936	July 1935
Receipts:				
Savannah.....	15,814	16,392	56,607	59,629
Jacksonville.....	9,289	13,110	38,291	49,918
Pensacola.....	4,707	5,791	13,750	14,854
Total.....	29,810	35,293	108,648	124,401
Stocks:				
Savannah.....	32,818	39,614	85,690	129,110
Jacksonville.....	46,932	50,758	54,912	123,096
Pensacola.....	28,800	32,259	33,344	59,149
Total.....	108,550	122,631	173,946	311,355

(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	May	June	July	May	June	July
	1936	1936	1936	1935	1935	1935
Daily Average Sales—Unadjusted						
Atlanta (3 firms).....	178.3	148.7	125.5	165.1	131.0	112.1
Birmingham (3 firms).....	95.3	89.1	77.7	63.4	54.8	48.3
Chattanooga (4 firms).....	82.4	76.2	55.4	74.3	72.1	53.1
Nashville (4 firms).....	101.5	76.7	62.9	86.2	72.4	56.6
New Orleans (4 firms).....	84.3	87.7	74.6	71.9	69.1	60.6
DISTRICT (30 firms).....	103.1	92.3	77.9	84.4	75.3	63.1
Daily Average Sales—Adjusted*						
Atlanta (3 firms).....	189.8	170.9	171.9	147.7	150.6	153.6
Birmingham (3 firms).....	94.4	95.8	106.4	62.8	58.9	66.2
Chattanooga (4 firms).....	80.0	68.6	74.9	72.1	65.0	71.8
Nashville (4 firms).....	91.4	83.4	91.2	77.7	78.7	82.0
New Orleans (4 firms).....	86.9	96.5	108.1	74.1	77.6	87.8
DISTRICT (30 firms).....	102.1	102.6	111.3	83.6	83.7	90.1
Monthly Stocks—Unadjusted						
Atlanta (3 firms).....	98.3	90.2	93.6	94.6	86.6	86.5
Birmingham (3 firms).....	61.8	56.5	53.8	48.8	46.7	41.7
Chattanooga (3 firms).....	53.2	49.3	48.3	50.2	46.0	43.9
Nashville (3 firms).....	51.7	46.8	43.1	63.1	59.9	55.8
New Orleans (4 firms).....	54.7	50.9	46.0	58.2	54.4	46.8
DISTRICT (25 firms).....	62.8	57.9	54.7	62.2	58.2	53.0
Monthly Stocks—Adjusted*						
Atlanta (3 firms).....	97.3	94.0	102.9	93.7	90.2	95.1
Birmingham (3 firms).....	60.6	57.1	56.8	47.8	47.2	43.9
Chattanooga (3 firms).....	52.2	51.4	51.4	49.2	51.1	46.7
Nashville (3 firms).....	51.2	48.2	46.3	62.5	61.8	60.0
New Orleans (4 firms).....	54.2	54.1	48.4	57.6	57.9	49.3
DISTRICT (25 firms).....	61.6	60.9	59.5	61.0	61.3	57.6
WHOLESALE TRADE—SIXTH DISTRICT—TOTAL						
Groceries (18 firms).....	69.4	66.4	72.4	61.7	52.6	55.0
Dry Goods (14 firms).....	49.7	50.8	56.7	51.2	45.3	47.2
Hardware (25 firms).....	56.8	49.3	59.6	52.6	37.4	45.5
Furniture (7 firms).....	76.0	73.2	78.1	64.8	57.6	61.1
Stationery (3 firms).....	73.3	80.6	79.8	58.1	48.5	46.8
Drugs (7 firms).....	46.0	45.3	42.0	39.3	36.8	34.0
DISTRICT (25 firms).....	82.5	81.9	89.4	80.5	71.0	76.7
LIFE INSURANCE SALES—SIX STATES—TOTAL						
Alabama.....	65.2	66.1	69.1	68.0	65.2	61.5
Florida.....	51.3	54.3	57.5	57.2	58.7	49.7
Georgia.....	97.5	92.4	85.1	74.3	81.5	81.8
Louisiana.....	67.1	64.5	72.9	74.7	67.8	66.4
Mississippi.....	74.0	77.6	79.4	88.4	78.9	67.2
Tennessee.....	50.2	59.0	51.5	50.0	52.5	49.8
DISTRICT (25 firms).....	54.1	55.2	65.1	59.8	53.8	53.9
BUILDING PERMITS—TWENTY CITIES—TOTAL						
Atlanta.....	44.4	52.2	72.0	32.1	39.4	40.1
Birmingham.....	43.1	23.0	25.3	13.9	16.7	14.2
Jacksonville.....	12.7	10.5	16.7	6.3	6.8	14.6
Nashville.....	40.3	40.3	36.1	44.9	24.9	43.8
New Orleans.....	60.7	47.3	263.5	72.7	34.7	43.2
Fifteen Other Cities.....	15.5	24.5	51.8	14.1	125.7	15.4
DISTRICT (25 firms).....	58.9	80.6	88.0	41.9	37.1	57.6
CONTRACT AWARDS—SIXTH DISTRICT—TOTAL						
Residential.....	41.3	54.0R	94.9	29.9	36.2	51.0
All Others.....	41.0	54.5R	51.5	27.4	23.8	28.6
DISTRICT (25 firms).....	41.5	53.7R	123.8	31.5	44.5	65.9
WHOLESALE PRICES—UNITED STATES†						
ALL COMMODITIES.....	78.6	79.2	80.5	80.2	79.8	79.4
Farm Products.....	75.2	78.1	81.3	80.6	78.3	77.1
Foods.....	78.0	79.9	81.4	84.1	82.8	82.1
Other Commodities.....	78.8	78.8	79.5	77.6	78.0	78.0
Hides and leather products.....	94.0	93.8	93.4	88.3	88.9	89.3
Textile products.....	69.8	69.7	70.5	69.4	70.1	70.2
Fuel and lighting.....	76.0	76.1	76.2	73.1	74.2	74.7
Metals and metal products.....	86.3	86.2	88.9	86.6	86.9	86.4
Building materials.....	85.8	85.8	88.7	84.9	85.3	85.2
Chemicals and drugs.....	77.7	79.0	79.4	81.2	80.7	78.7
Housefurnishing goods.....	81.5	81.4	81.2	80.6	80.5	80.4
Miscellaneous.....	69.2	69.7	71.0	68.7	68.4	67.7
COTTON CONSUMPTION—UNITED STATES						
Cotton-Growing States.....	103.1	108.0	117.1	91.3	74.6	76.1
All Other States.....	130.8	137.2	147.3	110.7	91.0	94.3
Georgia.....	48.0	50.2	57.3	52.3	42.0	39.9
Alabama.....	132.3	139.2	151.1	112.7	93.1	98.8
Tennessee.....	168.1	169.2	184.4	152.4	123.4	118.3
DISTRICT (25 firms).....	132.5	138.9	163.2	116.1	89.4	108.9
COTTON EXPORTS—UNITED STATES						
DISTRICT (25 firms).....	68.5	56.0	30.4	54.3	67.2	53.9
PIG IRON PRODUCTION—UNITED STATES						
Alabama.....	88.7	86.6	86.8	57.8	52.0	50.9
DISTRICT (25 firms).....	73.4	63.6	61.2	54.1	43.1	36.5

* Adjusted for Seasonal Variation.

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

R-Revised.