

# MONTHLY REVIEW

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

FEDERAL RESERVE BANK OF ATLANTA

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## NATIONAL SUMMARY OF BUSINESS CONDITIONS

Prepared by the  
Board of Governors of the Federal Reserve System

Volume of industrial production was maintained in September and employment at factories increased seasonally. Distribution of commodities to consumers increased. Commercial loans of city banks showed further growth.

**Production and Employment** Industrial output in September, as measured by the Board's seasonally adjusted index, was 109 per cent of the 1923-1925 average, approximately the level of the two preceding months. Output of steel was about the same as in August and in the first three weeks of October the rate of activity rose to a higher level than at any time since 1930. Automobile production showed a sharp seasonal decline in September and a considerable advance in the first three weeks of October. Production of lumber and cement showed a further rise and increases in activity were also reported at meat packing establishments and at cotton and silk textile factories. At woolen mills there was little change in production although an increase is usual in September. Output of coal increased more than seasonally, and crude petroleum production continued in large volume.

Factory employment increased seasonally in September and payrolls were maintained at the August level. The number employed in most industries producing durable goods continued to increase, while at automobile factories there was a seasonal decline. Employment decreased at woolen mills and showed a smaller increase than is usual at this

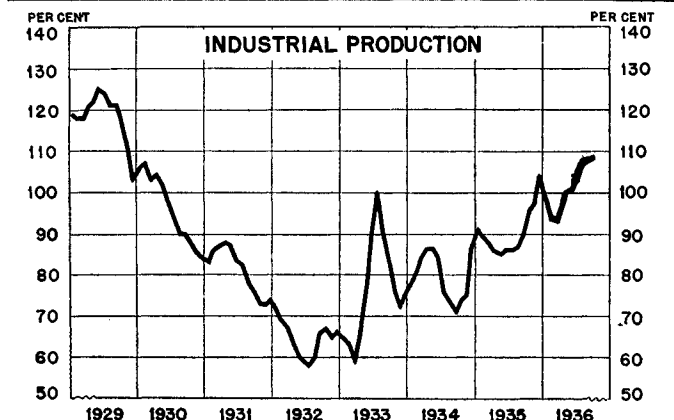
season at cotton mills and at establishments producing women's clothing.

Value of construction contracts awarded, as reported by the F. W. Dodge Corporation, declined somewhat further in September from the relatively high level reached in the middle of the year. There was a decrease in awards for residential building, reflecting chiefly a smaller volume of contracts for apartment construction which in August had included several large publicly financed projects. Awards for non-residential work declined, partly as a result of a reduction in contracts for public works and utilities, which have been in large volume during recent months.

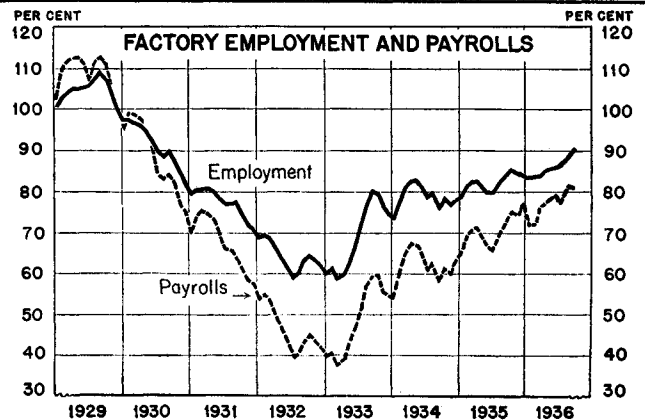
**Agriculture** Crop conditions improved somewhat from September 1 to October 1, according to the Department of Agriculture, but estimates for corn and many other crops are still considerably below the harvests of last year. The cotton crop is estimated at 11,600,000 bales, an increase of 500,000 bales from the estimate made a month earlier and of 1,000,000 bales from the 1935 crop. Total cash farm income, including all government payments, is estimated by the Department of Agriculture at \$7,850,000,000 for the calendar year 1936, as compared with \$7,090,000,000 in 1935.

**Distribution** Distribution of commodities to consumers increased by more than the usual amount in September, following a less than seasonal rise between July and August. Sales at department and variety stores and by mail order houses serving rural areas were in larger volume in September.

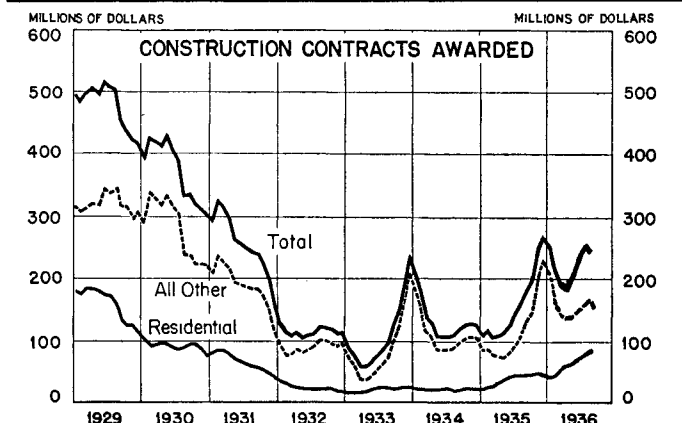
Volume of freight carried by railroads increased, reflecting larger shipments of coal, ore, and miscellaneous freight and a decline in loadings of grain.



Index number of industrial production, adjusted for seasonal variation. (1923-1925 average = 100.) Latest figure September Preliminary 109. August revised 108.



Index numbers of number employed and payrolls, without adjustment for seasonal variations (1923-1925 average = 100). Latest figure September Employment 90.6; Payrolls 81.0. August revised Employment 89.0; Payrolls 81.1.



Three-month moving averages of F. W. Dodge data for value of contracts awarded in 37 Eastern States, adjusted for seasonal variation. Latest figures September Preliminary Total 248.9; Residential 90.4; All Other 158.5.

**Commodity Prices** The general level of wholesale commodity prices has shown little change in the last two months. From the middle of September to the third week in October sugar and butter prices declined, and there were decreases also in prices of hogs and pork, as is usual at this season. Price advances were reported for leather and coke and higher prices for some finished and semi-finished steel products became effective on October 1.

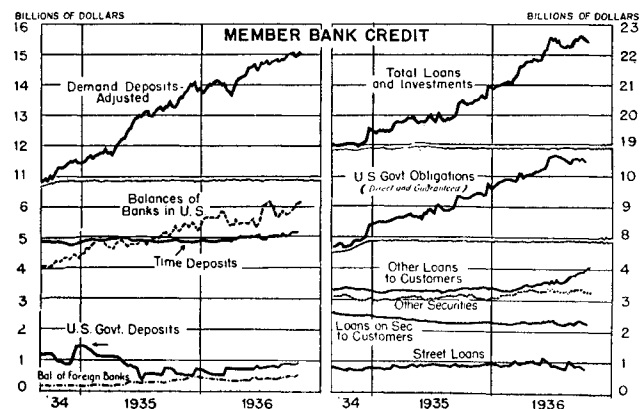
**Bank Credit** Loans of reporting member banks in leading cities, other than loans on securities, continued to increase in September and the first half of October. On October 14 the volume of these loans was more than \$400,000,000 larger than on July 29. About half of this increase was at New York City banks and the remainder principally at banks in western and southern cities. Holdings of United States Government obligations have declined in recent weeks at New York City banks and have increased somewhat at other banks. Deposits of reporting banks have continued to increase.

Excess reserves of member banks increased by \$410,000,000 in the five weeks ending October 21, reflecting a reduction of \$300,000,000 in Treasury holdings of cash and balances at the reserve banks and an increase of \$250,000,000 in monetary gold stock, the effects of which were partially offset by a seasonal increase in money in circulation and a further growth in required reserves.

### SIXTH DISTRICT SUMMARY

Business and industrial statistics for the Sixth Federal Reserve District continued in September with very few exceptions to reflect seasonal improvement over earlier months, and to indicate a level of activity higher than at the corresponding time of other recent years.

September sales by reporting retail firms increased 15.7 per cent over August, and were 22.9 per cent greater than in September last year. For the nine months of 1936, retail trade has been 14.1 per cent greater than in that part of 1935. The decline from May to July was smaller, and the increase from July to September was greater, than the usual seasonal movements, and the index of daily average sales, after adjustment for the seasonal trend, increased for each of the past five months, from 96.3 per cent of the 1923-25 average for April to 123.2 per cent for September, a new high level in this series. The volume of wholesale trade, based upon reports from 79 firms, increased further



Wednesday figures for reporting member banks in 101 leading cities, Sept. 5, 1934, to October 14, 1936. Loans on real estate, loans to banks, and acceptances and commercial paper bought included in total loans and investments but not shown separately.

from August to September by 12.4 per cent, was 26.6 per cent greater than a year ago, and for the first nine months of the year has been 17.2 per cent greater than in that part of 1935. The September index of wholesale trade is higher than for any other month since November, 1929. Debits to individual accounts at banks in 26 clearing house centers increased 11.7 per cent from August to September, and were 27.4 per cent greater than in September last year and were the largest for the month since 1930.

At weekly reporting member banks in leading cities of the District there was a further increase from September 9 to October 14 in total loans and investments amounting to 20.6 millions of dollars, of which 16.3 millions represented increased loans, and about 4.3 millions increased investments. Loans, investments and deposits continued substantially larger than a year ago. At the Federal Reserve Bank of Atlanta there were further increases in reserves, and in deposits and note circulation, but a decrease in the small volume of discounts for member banks and industrial advances.

Residential construction contracts declined in September, but total awards increased 48.3 per cent over August and were more than twice the total recorded for September last year. For the first nine months of the year total awards in the District have amounted to \$177,954,031, larger by 68 per cent than in that part of 1935. Value of building permits issued at 20 reporting cities was slightly smaller than in August but was 77.2 per cent greater than a year ago, and for the nine months totaled \$50,128,020, a gain of 74.1 per cent over that part of 1935 and the largest total for the period since 1929. Further gains, from July to August, are indicated in the latest available figures of employment and payrolls. Consumption of cotton in Georgia, Alabama and Tennessee amounted in September to 206,427 bales, 9.8 per cent larger than in August, 43.8 per cent greater than in September, 1935, and larger than in any other month, except June, 1933, in available records. Coal production increased in Alabama, and was about the same in Tennessee, in September as in August, but was 47 per cent in Alabama, and 38.7 per cent in Tennessee, greater than a year ago. Pig iron production declined by 5.2 per cent in total, but 2 per cent on a daily average basis, from August, but was 53.8 per cent greater than in September last year, and for the nine months of 1936 was larger than in that period since 1931. Electric power production increased further in August, the latest figures available, to a new high level.

FEDERAL RESERVE BANK OF ATLANTA  
(In Thousands of Dollars)

	Oct. 14 1936	Sept. 9 1936	Oct. 16 1935
Bills Discounted:			
Secured by Govt. Obligations	\$ 30	\$ 30	\$ 50
All Others	15	93	23
Total Discounts	45	123	73
Bills Bought in Open Market	108	108	169
Industrial Advances	541	586	1,081
U. S. Securities	99,188	98,356	94,212
Total Bills and Securities	99,882	99,173	95,535
Total Reserves	258,713	242,032	171,482
Member Bank Reserve Account	148,969	145,803	105,569
U. S. Treasurer—Gen. Account	8,084	2,341	1,331
Total Deposits	165,183	152,499	111,392
F. R. Notes in actual circulation	187,381	181,913	149,588
Commitments to make Industrial Advances	304	308	501

## FINANCE

**Reserve Bank Credit** Further increases in reserves, deposits and Federal Reserve note circulation, and a small increase in holdings of United States Securities, offset in part by decreases in discounts and industrial advances, are indicated in weekly statements of the Federal Reserve Bank of Atlanta during September and early October. Total holdings of bills discounted and purchased, industrial advances, and government securities increased \$709,000 from September 9 to October 14 and were 4.3 millions greater than a year earlier. After increasing from 283 thousands to 382 thousands the latter part of August, commitments to make industrial advances declined by October 14 to 304 thousands, which compares with 501 thousands at the same time last year.

Total reserves held by the bank increased 16.7 millions between September 9 and October 14, continuing an irregular rise which has been in progress since the latter part of May, 1935. Reserves on October 14 were 70 millions greater than at the beginning of the year, 87 millions greater than on the corresponding report date last year, and more than twice the total at the low point in May, 1935. Member Banks' reserve account, after declining to 95 millions at the middle of June, has shown an irregular increase to approximately 149 millions on October 14, about 43 millions greater than a year earlier, and the highest level on record. Estimated excess reserves of member banks in the District declined from approximately 54 millions of dollars during the first half of August, immediately before the increase in reserve requirements became effective, to about 33 millions during the last half of the month, and increased only slightly in September. Federal Reserve notes of this bank's issue in actual circulation increased to 187.5 millions on October 7, the highest level in a number of years, and declined only slightly the following week, when they were about 38 millions greater than a year ago.

**Member Bank Credit** There was a further increase between September 9 and October 14 in total loans and investments at 22 weekly reporting member banks in leading cities of the District. The October 14 total is 85.7 millions greater than on the corresponding report date last year, and is the largest total for any Wednesday for which comparable figures, which begin shortly after the banking holiday in 1933, are available. The increase between September 9 and October 14, as in other periods since the middle of the year, was principally due to an increase in loans, because investment holdings have not varied greatly from week to week since the latter part of June. Loans on securities declined nearly 4 millions since September 9 and on October 14 were less than on other

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

	Oct. 14 1936	Sept. 9 1936	Oct. 16 1935
Loans and Investments	\$ 579,097	\$ 558,491	\$ 493,380
Loans—Total	245,850	229,508	219,007
On Securities	56,385	60,335	54,221
To Brokers and Dealers	5,046	5,630	4,276
To Others	51,339	54,705	49,945
Real Estate Loans	24,337	24,030	20,469
Acceptances and Com'l Paper			
Bought	5,519	4,956	4,988
Loans to Banks	1,257	896	944
Other Loans	158,352	139,291	138,559
Investments—Total	333,247	328,983	274,373
U. S. Govt. Direct Obligations	210,835	206,774	170,975
Obligations Guaranteed by U.S.	40,643	40,574	32,811
Other Securities	81,769	81,635	70,587
Reserve with F. R. Bank	86,910	89,334	60,229
Cash in Vault	11,614	10,589	8,843
Balances with domestic banks	143,659	136,701	148,848
Demand Deposits—Adjusted	310,393	308,118	279,311
Time Deposits	177,354	177,334	170,679
U. S. Govt. Deposits	53,004	51,544	23,460
Inter-bank Deposits: Domestic	225,487	203,730	187,574
Foreign	1,326	1,193	1,587
Borrowings			

report dates since April 22, although slightly larger than a year ago. "Other Loans," which include those for commercial, industrial and agricultural purposes, increased 19 millions from September 9 to October 14, and were 19.3 millions greater than a year ago. All reported classes of loans were greater than on the corresponding Wednesday last year, and all except security loans had increased since September 9.

Investment holdings of United States direct obligations increased somewhat since September 9 and on October 14 were 39.9 millions greater than a year ago, and there were also increases in holdings of guaranteed securities, and of "Other Securities."

Demand deposits-adjusted on October 14 were higher than on any other report date except the last Wednesday in August. Deposits of other banks, which declined some-

DEBITS TO INDIVIDUAL ACCOUNTS\*  
(In Thousands of Dollars)

	Sept. 1936	August 1936	Sept. 1935
Alabama—4 Cities	\$ 136,359	\$ 115,887	\$ 111,089
Birmingham	71,649	66,639	57,927
Dothan	5,002	3,228	2,984
Mobile	33,138	27,230	27,544
Montgomery	26,570	18,790	22,634
Florida—4 Cities	118,252	114,594	91,538
Jacksonville	61,001	57,386	47,680
Miami	26,331	26,572	19,650
Pensacola	8,055	7,901	6,442
Tampa	22,865	22,735	17,766
Georgia—10 Cities	252,763	247,207	208,247
Albany	4,464	3,606	2,986
Atlanta	159,365	159,629	132,635
Augusta	17,479	15,622	16,725
Brunswick	2,409	2,385	1,705
Columbus	12,606	12,267	10,581
Elberton	1,031	876	948
Macon	16,179	13,621	12,825
Newnan	2,069	2,191	1,728
Savannah	32,724	27,980	24,819
Valdosta	4,437	9,030	3,295
Louisiana—New Orleans	238,507	194,326	168,857
Mississippi—4 Cities	71,397	46,873	44,192
Hattiesburg	4,792	4,181	4,132
Jackson	43,936	28,984	24,523
Meridian	12,956	7,801	9,470
Vicksburg	9,713	5,907	6,067
Tennessee—3 Cities	134,246	132,816	122,788
Chattanooga	37,091	37,271	32,491
Knoxville	24,633	24,668	20,396
Nashville	72,522	70,877	69,901
Total—26 Cities	\$ 951,524	\$ 851,703	\$ 746,711

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

what during the first half of the year, have increased about 50 millions since June, and balances maintained with other banks also increased in recent weeks but were slightly smaller than a year ago. An accompanying table compares principal items in the report.

Debits to individual accounts at banks in 26 reporting centers increased 11.7 per cent from August to September and were 27.4 per cent greater than in September, 1935.

Savings deposits reported by 57 banks located throughout the District were about the same at the end of September as a month earlier, and 2.1 per cent greater than a year ago.

## AGRICULTURE

The October 1st report by the United States Department of Agriculture indicates partial or complete relief from the drought, and better than usual growing conditions during September, and states further that "pastures made one of the most remarkable recoveries on record for any one month, milk production per cow increased from far below average on September 1 to the highest October 1 production since 1928, and prospects for the winter wheat crop now being planted improved greatly. The change in weather came too late to help very many of this year's crops but the late growing season increased the prospective potato crop by 10,000,000 bushels or 3.5 per cent, and the corn crop by 51,000,000 bushels or 3 per cent. There were also slight increases in the production of oats, rice, buckwheat, tobacco, and grain sorghum. . . . As previously reported, the favorable weather improved prospects for cotton in the Central and Eastern cotton-producing States. Considering all crops, prospects improved nearly 2 per cent during September."

In this District weather conditions during the latter part of September and early October were generally favorable for late crops, but in some localities cotton picking was delayed by rains and there was some damage to cotton in the fields. Estimates by the Department of Agriculture indicate improved prospects, over those on September 1, for tame hay, potatoes, tobacco, peanuts, pecans, apples, rice and sugar cane, and for cotton, but somewhat smaller prospects for corn, sweet potatoes, pears, and grapes. District

### SUGAR MOVEMENT—NEW ORLEANS—Pounds

	Raw Sugar Sept. 1936	Aug. 1936	Sept. 1935
Receipts.....	35,921,039	40,186,982	40,740,165
Meltings.....	72,441,988	57,434,100	64,149,493
Stocks.....	15,734,086	53,304,544	25,698,224

### Refined Sugar

Shipments.....	64,860,361	61,540,729	76,118,057
Stocks.....	24,324,462	23,255,278	18,922,693

### RICE MOVEMENT (Rice Millers' Association Statistics)

	September	August-September Incl.
Receipts of Rough Rice*		
Season 1936-37.....	1,375,452	1,679,859
Season 1935-36.....	929,819	1,201,579
Distribution of Milled Rice**		
Season 1936-37.....	754,300	1,085,775
Season 1935-36.....	590,550	922,012
Stocks:		
September 30, 1936.....	438,267	524,191
September 30, 1935.....	292,982	415,811

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

figures for some of the principal crops are compared in the table.

	(000 Omitted) 1936 Estimates Oct. 1	Sept. 1	1935 Production
Corn, bu.....	147,802	149,414	171,898
Wheat, bu.....	6,157	6,157	5,587
Oats, bu.....	9,345	9,345	10,644
Tame Hay, tons.....	2,292	2,209	2,572
Tobacco, lbs.....	153,631	153,255	147,469
White Potatoes, bu.....	9,699	9,558	12,042

Compared with 1935 production, the increase in wheat is due to a larger crop this year in Tennessee. Corn increased slightly in Mississippi over last year's crop, but declined in the other five states. Increased production of oats in Louisiana, Mississippi and Florida was more than offset by decreases in Alabama, Georgia and Tennessee. A decrease in tame hay in Tennessee more than offset smaller increases in the other five states. Estimates of pecans and peanuts are larger for Georgia, but in other states were either the same as for 1935 or less. The estimate of sugar production in Louisiana increased 7.6 per cent from September to October, when it was 311,000 tons, smaller by 6.6 per cent than in 1935, and the Louisiana rice estimate increased 3.7 per cent, to 17,892,000 bushels, on October 1, larger by 10.4 per cent than 1935 production.

The first estimate of the 1936-37 citrus crop in Florida indicates a total of 37.5 million boxes, of which 21 million boxes are oranges, compared with 18 million boxes produced in the season just ended, and 16.5 million boxes are grapefruit, compared with 11.5 million boxes last season.

**Cotton Production** The October 1 estimate by the U. S. Department of Agriculture indicates an increase of 488,000 bales of cotton over the September estimate, a gain of 4.4 per cent, and a crop larger by 971,000 bales, or 9.1 per cent, than that of 1935. Estimates for the six states of this District average 7.1 per cent higher than for September, and 18.7 per cent greater than 1935 production, as indicated in the table following:

	1936 Estimates Oct. 1	Sept. 1	Percent Change	1935 Production	Percent Change
Alabama.....	1,120	1,093	+2.5	1,059	+ 5.8
Florida.....	30	30	same	31	- 3.2
Georgia.....	1,068	982	+8.8	1,059	+ 0.8
Louisiana.....	711	656	+8.4	556	+27.9
Mississippi.....	1,750	1,601	+9.3	1,259	+39.0
Tennessee.....	401	381	+5.2	317	+26.5
Six States.....	5,080	4,743	+7.1	4,281	+18.7
United States.....	11,609	11,121	+4.4	10,638	+ 9.1

## TRADE

**Retail Trade** September sales and stocks at 57 reporting retail firms in the Sixth District increased over August by slightly more than the usual seasonal amount, and continued greater than in the corresponding month last year. Sales by these firms increased 15.7 per cent over the month, and were 22.9 per cent greater than in September, 1935. The number of business days in September was smaller by one than in August, but larger by one than in September last year, and after adjustment for the usual seasonal trend daily average sales in September were 123.2 per cent of the 1923-1925 average, against 122.7 per cent in August. The adjusted index reached a new high level in September. For the nine months of the year, total sales by these firms have been 14.1 per cent greater than in that part of 1935. Stocks of merchandise on hand at the close of September averaged 12.7 per cent larger

## RETAIL TRADE IN THE SIXTH DISTRICT DURING SEPTEMBER 1936

Based on confidential reports from 57 department stores

	COMPARISON OF NET SALES			COMPARISON OF STOCKS			STOCK TURNOVER			COLLECTION RATIO		
	September 1936		Year to date with:	Sept. 30, 1936		Previous Month	September 1936		Jan.-Sept. Incl. 1935	Sept. 1936	Aug. 1936	Sept. 1935
	Same month a year ago	Previous Month		Same month a year ago	Previous Month		1936	1935				
Atlanta (6).....	+13.9	+ 7.9	+11.5	+ 5.3	+14.6	.41	.39	3.41	3.26	27.3	26.1	26.1
Birmingham (5).....	+17.9	+ 7.2	+24.9	+17.3	+ 9.8	.31	.30	2.38	2.38	30.8	32.4	28.6
Chattanooga (4).....	+10.2	+26.5	+ 4.3	+ 6.9	+ 8.2	.29	.29	2.36	2.47	26.7	28.4	24.2
Jacksonville (3).....	+15.5	+11.8	+16.7	- 2.0	+11.0	.22	.19	1.89	1.62	....	....	....
Miami (3).....	+25.0	+ 2.0	+12.8	+12.0	+15.4	.29	.24	3.46	3.03	....	....	....
Montgomery (3).....	- 6.9	+31.2	+ 8.5	+ 4.9	+15.9	.28	...	2.39	....	....	....	....
Nashville (4).....	+11.4	+12.9	+ 8.7	+ 3.1	+23.3	.31	.24	2.99	2.13	25.2	26.4	26.5
New Orleans (4).....	+58.7	+26.5	+21.3	-11.1	+ 9.8	.45	.26	2.94	2.29	36.3	38.1	36.4
Other Cities (25).....	+12.5	+24.4	+ 7.4	+ 9.5	+13.8	.23	.24	2.07	2.15	27.4	29.0	25.2
DISTRICT (57).....	+22.9	+15.7	+14.1	+ 3.4	+12.7	.34	.28	2.73	2.46	29.4	29.9	27.9

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 reported on.

than a month earlier, and 3.4 per cent larger than a year ago, and the rate of stock turnover was also higher for the month, and for the nine months, than in those periods last year. The collection ratio declined slightly from August to September but continued above the corresponding month a year ago. For regular accounts the September ratio was 33.2 per cent, and for installment accounts 14.6 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. The 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 increased 5.5 per cent from July to August, and were 23.9 per cent greater than in August, 1935. For the country as a whole, the increase over July was 8.9 per cent, and over August last year 20.6 per cent.

**Life Insurance** September sales of life insurance in this District declined 6.5 per cent compared with August, but were 10.2 per cent greater than in September last year and the largest September total since 1931. In the past thirteen years September sales have always been smaller than those in August. For the nine months of 1936 sales in these six states have been 5 per cent smaller than in that part of 1935. For the country as a whole the decrease was 4.6 per cent. Figures compared in the table are from those compiled by the Life Insurance Sales Research Bureau.

	(In Thousands of Dollars)				
	September 1936	August 1936	September 1935	Jan. 1 to Sept. 1936	Sept. 1935
Alabama.....	\$ 3,445	\$ 3,493	\$ 2,906	\$ 30,452	\$ 34,573
Florida.....	4,262	4,503	3,760	43,261	41,436
Georgia.....	5,260	6,241	5,233	53,266	58,158
Louisiana.....	4,232	4,923	3,513	41,111	43,636
Mississippi.....	2,278	2,249	2,059	20,197	19,857
Tennessee.....	5,354	5,157	5,059	47,328	50,392
Total.....	\$ 24,831	\$ 26,566	\$ 22,530	\$235,615	\$ 248,052
United States....	426,344	451,612	413,716	4,397,949	4,609,100

**Wholesale Trade** There was a further increase of 12.4 per cent in the volume of wholesale trade in the Sixth District from August to September, when sales by 79 reporting firms were 28.5 per cent greater than in June, and 26.6 per cent greater than a year ago. The September index is higher than for that month of any year since 1929, and is higher than for any month since November of that year. Comparisons of reported figures are set out in the table, and index numbers appear on page 8.

## WHOLESALE TRADE IN SIXTH DISTRICT DURING SEPTEMBER 1936

Based on confidential reports from 79 firms

	Number of Firms	Percentage Comparisons		
		Sept. 1936 with: August 1936	Sept. 1935	Jan.-Sept. 1936, Inc. with same period last year
All Lines Combined:				
Sales.....	79	+12.4	+26.6	+17.2
Stocks.....	26	+5.2	+9.2	....
Groceries:				
Sales.....	18	+5.8	+9.4	+4.7
Jacksonville.....	3	-1.8	-4.4	-4.7
New Orleans.....	3	+3.7	-4.6	-1.7
Vicksburg.....	3	+5.9	+34.7	+24.2
Other Cities.....	9	+10.2	+14.5	+6.1
Dry Goods:				
Sales.....	14	+23.2	+31.8	+14.2
Nashville.....	3	+23.9	+12.7	+7.8
Other Cities.....	11	+23.0	+37.4	+16.0
Stocks.....	7	+2.1	+1.4	....
Hardware:				
Sales.....	25	+11.5	+35.2	+22.0
Nashville.....	3	+7.5	+28.0	+7.7
New Orleans.....	5	+23.3	+45.8	+33.9
Other Cities.....	17	+5.7	+30.4	+18.5
Stocks.....	9	+10.6	+3.6	....
Furniture:				
Sales.....	7	+11.0	+45.3	+36.7
Stocks.....	5	-2.7	+10.1	....
Electrical Supplies:				
Sales.....	3	-1.3	+40.6	+47.5
Drugs:				
Sales.....	7	+19.6	+21.4	+12.8
Stationery:				
Sales.....	3	+37.3	+21.7	+13.0

	COLLECTION RATIO*		
	September 1936	August 1936	September 1935
Groceries.....	71.3	71.2	64.4
Dry Goods.....	39.3	35.8	40.6
Hardware.....	45.3	47.5	39.4
Furniture.....	49.2	36.6	36.0
Total.....	47.7	46.8	46.3

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

## EMPLOYMENT

August figures compiled by the Bureau of Labor Statistics show further increases of 2 per cent in number of workers, and 2.6 per cent in the amount of a week's payroll, over July, at reporting firms in the Sixth District. The August figures were 12.8 per cent larger for number of workers, and 20.2 per cent larger for payrolls, than for August, 1935, and, compared with the low point reached in July, 1932, show gains since that time of 43.7 per cent in number of workers, and 81.1 per cent in the amount of payrolls.

## INDUSTRY

After increasing in July to the highest total for any single month in more than seven years, the value of building permits issued at twenty reporting cities in the Sixth District declined 21 per cent in August, and registered a further decrease of 2.2 per cent in September. The Sep-

## BUILDING PERMITS—SEPTEMBER

	Number		Value		Percentage Change in Value
	1936	1935	1936	1935	
Alabama					
Anniston.....	32	27	\$ 31,000	\$ 19,574	+ 58.4
Birmingham.....	346	374	191,757	155,836	+ 23.1
Mobile.....	64	33	88,525	36,724	+141.1
Montgomery.....	154	161	54,430	95,802	- 43.2
Florida					
Jacksonville.....	509	556	1,303,612	354,210	+268.0
Miami.....	830	492	1,325,795	469,548	+182.4
Miami Beach.....	128	90	1,136,397	1,069,920	+ 6.2
Orlando.....	116	97	139,130	127,101	+ 9.5
Tampa.....	213	283	53,406	82,207	- 35.0
Georgia					
Atlanta.....	256	234	301,299	186,421	+ 61.6
Augusta.....	70	52	61,323	106,030	- 42.2
Columbus.....	97	113	74,645	71,562	+ 4.3
Macon.....	196	165	101,978	54,933	+ 85.6
Savannah.....	42	18	26,060	23,355	+ 11.6
Louisiana					
New Orleans.....	151	80	377,812	133,415	+183.2
Alexandria.....	88	66	86,093	26,941	+219.6
Tennessee					
Chattanooga.....	436	397	353,524	141,258	+150.3
Johnson City.....	7	5	3,100	2,850	+ 8.8
Knoxville.....	80	78	314,770	270,772	+ 16.2
Nashville.....	266	106	206,436	88,728	+132.7
Total.....	4,081	3,427	\$6,231,092	\$3,517,187	+ 77.2

tember total of \$6,231,092 was, however, 77.2 per cent greater than that for September last year. There were decreases from August at eleven of these cities but only three cities reported totals smaller than for September, 1935. The cumulated total for the first nine months of 1936 amounted to \$50,128,020, larger by 74.1 per cent than for the corresponding part of 1935, and the largest total for that period in any year since 1929.

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 reached in July the highest level since November, 1933, and except for that one month, the largest total in more than six years. From July to August there was a decline, but in September the total increased 48.3 per cent over August, and was more than double the amount for September last year. Residential contracts declined in September, after reaching in August the highest level in more than seven years, but other contracts increased, and both groups were well above September, 1935. Cumulated totals for the nine months of 1936 amount, for residential contracts to 52.4 millions, an increase of 63.7 per cent over that period last year, and for other awards to 125.5 millions, 69.9 per cent greater than in the corresponding part of 1935. State totals increased over August except for Florida and Mississippi, and

BUILDING AND CONSTRUCTION CONTRACTS AWARDED			
F. W. Dodge Corporation figures			
	Sept. 1936	Aug. 1936	Sept. 1935
Sixth District Total.....	\$ 27,140,114	\$ 18,303,000	\$ 12,435,535
Residential.....	5,593,826	8,516,600	4,129,921
All Others.....	21,546,288	9,787,400	8,305,614
State Totals:			
Alabama.....	7,240,600	1,219,200	1,434,200
Florida.....	5,454,300	7,962,500	5,704,300
Georgia.....	3,808,700	2,464,600	1,121,000
Louisiana.....	2,179,100	1,790,600	3,664,500
Mississippi.....	4,193,500	4,818,200	348,000
Tennessee.....	13,694,900	4,066,400	1,750,000

over September last year except for Florida and Louisiana.

Total awards in the 37 eastern states declined 14.9 per cent, and residential contracts declined 19.7 per cent, from August to September, but were 40 per cent, and 92.9 per cent, respectively, greater than in September, 1935.

Press reports indicate a slight slowing up in the demand for Southern Pine lumber during the latter part of September from the high level of earlier weeks, but that mills have well-filled order files, that retail yards continue to be the mills' best customers, and "there has also been a fairly good industrial demand right along." Weekly statements of the Southern Pine Association for the six weeks ending October 10 indicate that orders averaged 21.3 per cent, shipments 19.5 per cent, production 5.2 per cent, and unfilled orders 18.1 per cent greater than in the corresponding period last year. During this period orders averaged 8.5 per cent greater than production, while for the same period a year ago they averaged 5.9 per cent less.

According to Census Bureau figures, American mills consumed 629,727 bales of cotton during September, the largest total for that month in the twenty years for which figures are immediately available. The September total was 9.7 per cent larger than that for August, and 39.7 per cent greater than for September a year ago. In the cotton growing states the increases were 9.7 per cent, and 38.8 per cent, respectively, and in other states 9.4 per cent, and 44.9 per cent, respectively. Consumption in the cotton states accounted for 83.7 per cent of the total in September and in August, and 84.3 per cent in September, 1935.

Exports in September were more than three times the August total, and 17 per cent greater than a year ago, and combined consumption and exports were 58.5 per cent greater than in August, and 44.9 per cent greater than in September, 1935.

With the movement of new crop cotton to market, total stocks increased 50.4 per cent from August to September, but were 2.7 per cent smaller than a year ago. Supplies held by the mills increased 12.8 per cent over August, and those in public storage and at compresses 56.9 per cent, somewhat larger increases in the cotton states being offset in part by decreases in other states.

Spindles active in September increased 80.6 thousand

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

	Sept. 1936	Aug. 1936	Sept. 1935
Cotton Consumed.....	629,727	574,289	450,647
Stocks.....	7,654,733	5,088,943	7,866,205
In Consuming Establishments	848,734	752,219	723,427
In Public Storage and at Compresses.....	6,805,999	4,336,724	7,142,778
Exports.....	569,624	182,487	486,764
Active Spindles—Number.....	23,514,270	23,433,658	28,681,776

## COTTON GROWING STATES—Bales

	Sept. 1936	Aug. 1936	Sept. 1935
Cotton Consumed.....	527,158	480,546	379,850
Stocks.....	7,473,820	4,880,919	7,607,635
In Consuming Establishments	702,811	580,818	582,013
In Public Storage and at Compresses.....	6,771,009	4,300,101	7,025,622
Active Spindles—Number.....	17,318,738	17,269,443	16,772,684

over August, and 832.9 thousand over September a year ago.

September consumption of cotton amounted in Georgia to 121,820 bales, in Alabama to 68,482 bales, and in Tennessee to 16,125 bales, the total for the three states being 9.8 per cent greater than in August, 43.8 per cent larger than in September last year, and greater than for any other month in available records except June, 1933. Confidential reports from mills in the District indicate increases over August in orders, production and employment, and over September last year in all reported items except stocks, which were 13.1 per cent smaller at cloth mills and 27.9 per cent less at yarn mills.

Receipts and crushings of seed, and output of the principal cotton seed products, increased sharply from August to September at cotton seed oil mills in this District and in the United States as a whole, with the movement of the new cotton crop to market. Both receipts and crushings were also greater than in September a year ago. In the first two months of the new season, however, the amount of seed crushed was slightly less than in that period last year, and production was also less, except that of linters which increased 10.4 per cent. Stocks of seed at the mills were 63.5 per cent greater than a year ago, but stocks of manufactured products were smaller. Census Bureau figures for the season 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 further in August by 2.9 per cent over July, and was 20.8 per cent greater than in August last year. The August total of 702 million kilowatt hours is the fourth consecutive monthly total to exceed all previous figures for these states. The cumulated total for the eight months of 1936, January through August, is 19 per cent greater than for that part of 1935. In August production by water power accounted for 52.3 per cent of the total, in July 51.5 per cent, and in August last year 58.9 per cent.

Coal production during the four weeks ending September 26 averaged nearly 3 per cent larger in Alabama, and about the same in Tennessee, as in the previous four weeks, and was 57 per cent in Alabama, and 38.7 per cent in Tennessee, greater than in the corresponding period last

year. Many mines were closed during the last week of September, 1935, in both Alabama and Tennessee. Cumulated production in 1936 through September 26 amounted in Alabama to 8,430,000 tons, and in Tennessee to 3,590,000 tons, larger by 20.8 per cent and 11.0 per cent, respectively, than in the corresponding part of 1935. Preliminary figures compiled by the United States Bureau of Mines indicate that September production of bituminous coal in the United States totaled 36,772,000 tons, 10.6 per cent greater than in August and 46.9 per cent greater than a year ago. For the nine months of 1936, production has amounted to 302,163 tons, an increase of 15 per cent over that part of 1935.

Production of pig iron in Alabama in September amounted to 140,404 tons, a decrease of 5.2 per cent from August, but 53.8 per cent greater than in September, 1935. On a daily average basis, the decline from August was 2 per cent. The September total was the smallest since November last year, but was larger than for September of other years since 1930. Cumulated figures for the first nine months of 1936 amount to 1,384,755 tons, greater by 58.3 per cent than in that part of 1935 and the largest for that period since 1931. Ten Alabama furnaces continued active in September, the same as in the three previous months, compared with 6 active a year earlier. Press reports indicate a marked increase in pig iron shipments with the closing of the third quarter, and that foundries have been buying liberally for the fourth quarter.

Pig iron production in the United States during September amounted to 2,730,293 tons, and in the nine months of 1936 to 21,564,508 tons, increases of 53.7 per cent, and 45.1 per cent, respectively, over those periods last year. There were 155 furnaces active on September 1, an increase of 7 over the month, and 51 over a year ago.

Receipts of both turpentine and rosin at the three principal markets of the District declined further from August to September, but were larger than in September last year, but stocks increased slightly over the month and were smaller than a year ago. Press reports indicate a lagging in demand during September. Quotations on both commodities averaged somewhat lower than in August, and although turpentine prices were lower than a year ago, rosin prices averaged higher.

#### COTTON SEED AND COTTON SEED PRODUCTS

	Sixth District*		United States	
	Aug. 1 to Sept. 30 1936	1935	Aug. 1 to Sept. 30 1936	1935
Cotton Seed—Tons:				
Received at Mills...	793,778	577,264	1,511,724	959,666
Crushed .....	330,319	335,567	695,271	580,645
On Hand Sept. 30...	469,763	287,230	838,379	468,596
Production:				
Crude Oil, Lbs.....	100,302,657	101,297,380	206,042,772	173,211,994
Cake and Meal, tons	144,886	146,527	310,947	258,836
Hulls, tons.....	87,194	90,321	180,614	153,179
Linters, bales.....	76,006	68,873	163,887	122,081
Stocks at Mills Sept. 30:				
Crude Oil, Lbs.....	19,577,140	20,512,256	48,794,470	40,878,094
Cake and Meal, tons	48,222	86,762	126,014	194,210
Hulls, tons.....	24,857	32,107	90,504	85,344
Linters, bales.....	41,085	42,376	78,951	97,068

\*Georgia, Alabama, Louisiana, and Mississippi.

#### NAVAL STORES MOVEMENT

	Turpentine (1)		Rosin (2)	
	Sept. 1936	Sept. 1935	Sept. 1936	Sept. 1935
Receipts:				
Savannah.....	11,427	8,354	43,775	39,168
Jacksonville.....	7,202	6,998	40,954	39,522
Pensacola.....	3,265	3,446	10,964	10,094
Total.....	21,894	18,798	95,693	88,784
Stocks:				
Savannah.....	36,382	38,074	91,043	130,107
Jacksonville.....	46,722	57,952	72,760	122,826
Pensacola.....	31,023	32,247	31,080	37,764
Total.....	114,127	131,273	194,883	310,697

(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**

<b>DEPARTMENT STORE TRADE—SIXTH DISTRICT</b>	<b>July 1936</b>	<b>Aug. 1936</b>	<b>Sept. 1936</b>	<b>July 1935</b>	<b>Aug. 1935</b>	<b>Sept. 1935</b>
<b>Daily Average Sales—Unadjusted</b>						
Atlanta (3 firms).....	125.5	184.1	203.1	112.1	157.4	188.7
Birmingham (3 firms).....	77.7	87.6	95.4	48.3	58.7	74.2
Chattanooga (4 firms).....	55.4	62.8	82.5	53.1	60.8	78.1
Nashville (4 firms).....	62.9	74.6	87.6	56.6	67.8	81.9
New Orleans (4 firms).....	74.6	89.5	117.7	60.6	68.6	73.4
DISTRICT (30 firms).....	77.9	95.7	115.8	63.1	76.7	91.0
<b>Daily Average Sales—Adjusted*</b>						
Atlanta (3 firms).....	171.9	224.5	201.1	153.6	192.0	186.9
Birmingham (3 firms).....	106.4	109.5	98.4	66.2	73.4	76.5
Chattanooga (4 firms).....	74.9	81.6	86.8	71.8	79.0	82.2
Nashville (4 firms).....	91.2	89.9	95.2	82.0	81.7	89.0
New Orleans (4 firms).....	108.1	114.7	127.9	87.8	87.9	79.8
DISTRICT (30 firms).....	111.3	122.7	123.2	90.1	96.3	96.8
<b>Monthly Stocks—Unadjusted</b>						
Atlanta (3 firms).....	93.6	103.1	119.2	86.5	94.0	114.0
Birmingham (3 firms).....	53.8	56.6	62.4	41.7	39.0	47.7
Chattanooga (3 firms).....	48.3	51.9	56.2	43.9	46.7	52.6
Nashville (3 firms).....	43.1	48.7	60.1	55.8	59.3	65.6
New Orleans (4 firms).....	46.0	48.6	53.3	46.8	48.6	60.0
DISTRICT (25 firms).....	54.7	59.0	66.7	53.0	56.3	65.9
<b>Monthly Stocks—Adjusted*</b>						
Atlanta (3 firms).....	102.9	108.5	108.4	95.1	98.9	103.6
Birmingham (3 firms).....	56.6	59.6	60.6	43.9	41.1	46.3
Chattanooga (3 firms).....	51.4	53.5	54.0	46.7	48.1	50.6
Nashville (3 firms).....	46.3	49.2	56.2	60.0	59.9	61.3
New Orleans (4 firms).....	48.4	49.6	50.8	49.3	49.6	57.1
DISTRICT (25 firms).....	59.5	60.8	62.9	57.6	58.0	62.2
<b>WHOLESALE TRADE—SIXTH DISTRICT—TOTAL</b> .....	<b>72.4</b>	<b>77.6</b>	<b>85.3</b>	<b>55.0</b>	<b>66.3</b>	<b>68.3</b>
Groceries (18 firms).....	58.7	57.2	60.5	47.2	53.7	54.6
Dry Goods (14 firms).....	59.6	88.0	108.4	45.5	75.1	82.2
Hardware (25 firms).....	78.1	83.6	92.0	61.1	68.3	68.1
Furniture (7 firms).....	79.8	91.1	101.1	46.8	60.8	70.0
Stationery (3 firms).....	42.0	46.1	63.3	34.0	44.9	52.0
Drugs (7 firms).....	89.4	87.4	104.6	76.7	83.9	86.1
<b>LIFE INSURANCE SALES—SIX STATES—TOTAL</b> .....	<b>69.1</b>	<b>63.3</b>	<b>59.1</b>	<b>61.5</b>	<b>62.1</b>	<b>53.7</b>
Alabama.....	57.5	51.5	50.8	49.7	51.1	42.8
Florida.....	85.1	76.1	72.0	81.8	74.7	63.5
Georgia.....	72.9	68.1	57.4	66.4	66.5	57.1
Louisiana.....	79.4	77.7	66.8	67.2	65.2	55.4
Mississippi.....	51.5	51.4	52.1	49.8	46.1	47.1
Tennessee.....	65.1	54.8	56.9	53.9	63.1	53.8
<b>BUILDING PERMITS—TWENTY CITIES—TOTAL</b> .....	<b>72.0</b>	<b>56.6</b>	<b>55.4</b>	<b>40.1</b>	<b>32.5</b>	<b>31.3</b>
Atlanta.....	25.3	15.5	19.5	14.2	16.9	12.0
Birmingham.....	16.7	22.7	12.9	14.6	16.7	10.5
Jacksonville.....	36.1	61.7	158.4	43.8	29.0	43.1
Nashville.....	263.5	86.8	32.5	43.2	52.8	14.0
New Orleans.....	51.8	61.7	29.3	15.4	14.4	10.4
Fifteen Other Cities.....	88.0	71.8	70.3	57.6	43.6	47.4
<b>CONTRACT AWARDS—SIXTH DISTRICT—TOTAL</b> .....	<b>94.9</b>	<b>52.2</b>	<b>77.3</b>	<b>51.0</b>	<b>28.6</b>	<b>35.4</b>
Residential.....	51.5	60.7	39.9	28.6	20.0	29.4
All Others.....	123.8	46.5	102.3	65.9	34.3	39.4
<b>WHOLESALE PRICES—UNITED STATES†</b>						
<b>ALL COMMODITIES</b> .....	<b>80.5</b>	<b>81.6</b>	<b>81.6</b>	<b>79.4</b>	<b>80.5</b>	<b>80.7</b>
Farm Products.....	81.3	83.8	84.0	77.1	79.3	79.5
Foods.....	81.4	83.1	83.3	82.1	84.9	86.1
Other Commodities.....	79.5	79.7	79.6	78.0	77.9	77.8
Hides and leather products.....	93.4	93.6	94.6	89.3	89.6	90.9
Textile products.....	70.5	70.9	70.9	70.2	70.9	71.8
Fuel and lighting.....	78.2	76.3	76.1	74.7	74.1	73.0
Metals and metal products.....	86.9	87.1	86.8	86.4	86.6	86.6
Building materials.....	86.7	86.9	87.1	85.2	85.4	85.9
Chemicals and drugs.....	79.4	79.8	81.7	78.7	78.6	80.2
Housefurnishing goods.....	81.2	81.4	81.7	80.4	80.5	80.5
Miscellaneous.....	71.0	71.5	71.3	67.7	67.3	67.1
<b>COTTON CONSUMPTION—UNITED STATES</b> .....	<b>117.1</b>	<b>111.5</b>	<b>122.3</b>	<b>76.1</b>	<b>79.3</b>	<b>87.2</b>
Cotton-Growing States.....	147.3	140.4	154.0	94.3	100.2	110.5
All Other States.....	57.3	54.3	59.4	39.9	37.9	41.0
Georgia.....	151.1	143.6	156.3	98.8	101.0	107.9
Alabama.....	184.4	180.6	199.2	116.3	123.5	142.9
Tennessee.....	153.2	140.2	162.0	108.9	112.8	103.9
<b>COTTON EXPORTS—UNITED STATES</b> .....	<b>30.4</b>	<b>35.5</b>	<b>110.9</b>	<b>53.9</b>	<b>47.0</b>	<b>94.8</b>
<b>PIG IRON PRODUCTION—UNITED STATES</b> .....	<b>86.8</b>	<b>90.8</b>	<b>91.4</b>	<b>50.9</b>	<b>59.0</b>	<b>59.5</b>
Alabama.....	61.2	63.8	60.5	36.5	34.5	39.3

\* Adjusted for Seasonal Variation.

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