

# 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

In March industrial activity continued to increase and payrolls at factories and mines showed a substantial rise. Prices of basic commodities after advancing rapidly in March declined in the first half of April.

**Production and Employment** Industrial production increased from February to March and the Board's seasonally adjusted index advanced from 116 per cent of the 1923-1925 average to 118 per cent.

The rise reflected a sharp increase in output of minerals, chiefly coal, and an increase of somewhat more than the usual seasonal amount in manufacturing. The larger output of coal in March was due in part to stocking by consumers in anticipation of a possible strike at bituminous coal mines on April 1 when the agreement between mine operators and the miners union expired. A new agreement was reached on April 2 but, owing partly to the previous accumulation of stocks, production in the first ten days of April showed a sharp decline. During March activity at steel mills increased seasonally and in the first three weeks of April was over 90 per cent of capacity. In the automobile industry output showed about the usual seasonal increase in March and the first three weeks of April, considerable fluctuations during this period being largely in response to developments in the labor situation. Lumber production expanded

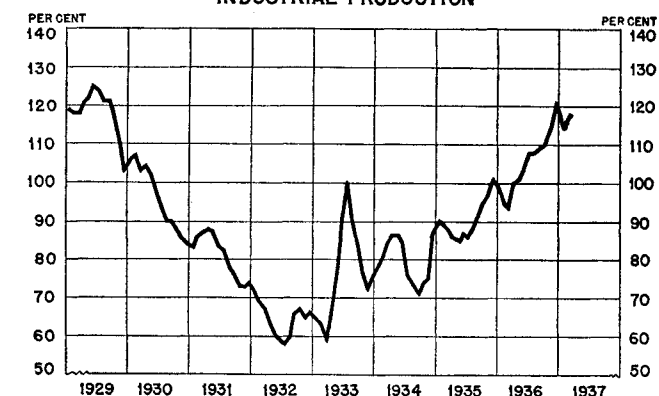
considerably in March, and there was a sharp rise in output of nonferrous metals. Cotton consumption, which has been at an unusually high level in recent months, increased further in March and in actual amount was larger than in any previous month. Production at woolen mills and shoe factories continued in large volume.

Value of construction contracts awarded in March, as reported by the F. W. Dodge Corporation, was at about the same level as in February and substantially higher than a year ago. Privately-financed work increased, while the amount of publicly-financed work continued to decline. The increase in privately-financed projects reflected a larger volume of residential building and of factory and commercial construction.

Employment and payrolls increased by considerably more than the usual seasonal amount between the middle of February and the middle of March. The expansion in payrolls was larger than in employment, reflecting in part a further rise in wage rates. In manufacturing, the principal increases in employment were in industries producing durable goods, particularly steel, machinery, and lumber. The number employed in the production of nondurable manufactures showed slightly more than the usual seasonal rise.

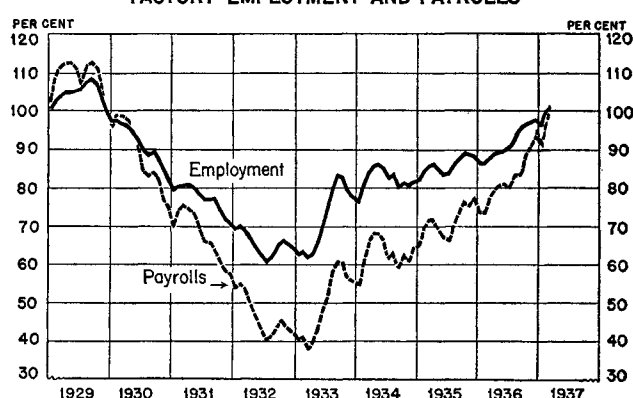
**Distribution** Distribution of commodities to consumers showed about the usual seasonal increase from February to March. Mail-order sales expanded considerably but the rise in department store sales was less than seasonal, considering the early date of Easter this year.

INDUSTRIAL PRODUCTION



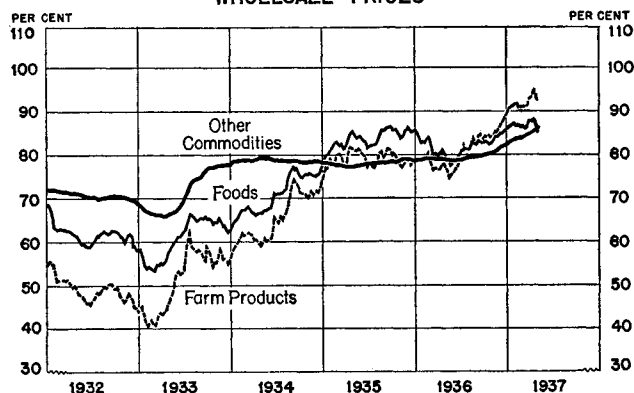
Index of physical volume of production, adjusted for seasonal variation, 1923-1925 average = 100. By months, January, 1929, to March, 1937.

FACTORY EMPLOYMENT AND PAYROLLS



Indexes of number employed and payrolls, without adjustment for seasonal variation, 1923-1925 average = 100. By months, January 1929 to March 1937. Indexes compiled by United States Bureau of Labor Statistics.

## WHOLESALE PRICES



Indexes compiled by United States Bureau of Labor Statistics, 1926 = 100. By weeks, 1932 to date. Latest figure is for week ending April 17, 1937.

### Commodity Prices

Prices of nonferrous metals, steel scrap, rubber, cotton and wheat, which had advanced rapidly in March, declined considerably in the first half of April. Since the middle of March prices of coke, tin plate, and rayon have advanced and there have been smaller increases in a wide variety of other industrial products.

Dairy products have declined, reflecting in part seasonal developments.

### Bank Credit

In the four-week period from March 24 to April 21 excess reserves of member banks increased from \$1,270,000,000 to \$1,590,000,000, reflecting principally disbursements by the Treasury from balances with Federal Reserve Banks and purchases of U. S. Government obligations by the Federal Reserve System. The bulk of the increase in excess reserves was at banks in New York City and Chicago. Total loans and investments of reporting member banks, which had declined sharply in March, reflecting sales of U. S. Government obligations, showed little change in the two weeks ending April 14. Loans to brokers and dealers in securities declined from the middle of March to the middle of April, while other loans, which include loans for commercial, industrial, and agricultural purposes, showed a substantial increase. These loans have increased almost continuously over the past year.

Demand deposits, after declining in March, increased somewhat in the first half of April, and there was an increase in foreign bank balances, reflecting an inward movement of short-term funds from abroad.

### Money Rates

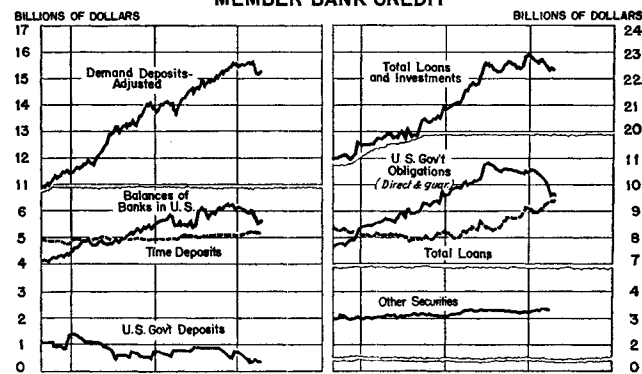
The rate on prime commercial paper advanced from  $\frac{3}{4}$  per cent to 1 per cent in the latter part of March. Bond yields, which advanced sharply in March, showed no pronounced change in the first three weeks of April.

## SIXTH DISTRICT SUMMARY

Business activity in the Sixth Federal Reserve District increased substantially from February to March. Industrial activity also increased in most lines, and all available series of trade and industrial figures compare favorably with March last year.

Department store sales increased 31.1 per cent from Feb-

## MEMBER BANK CREDIT



Wednesday figures for reporting member banks in 101 leading cities, Sept. 5, 1934, to April 14, 1937.

ruary to March, partly because of the longer month and the earlier date of Easter. After adjustment for the number of business days and for the usual seasonal trend, including the earlier date of Easter, the daily average sales index rose 7.1 per cent over that for February, and was at the highest level for March of any year in the series. Stocks at department stores also increased, and were larger than a year ago. Wholesale trade increased 22.6 per cent over February, and was 27.8 per cent greater than in March last year, and the wholesale trade index is the highest for March since 1926. Bank debits to individual accounts were 18.6 per cent larger in March than in February, and 31.2 per cent greater than in March last year.

At weekly reporting member banks in leading cities of the District an increase of 9.6 millions in loans between March 10 and April 14 was more than offset by a decrease of 15.5 millions in holdings of investment securities, and total loans and investments declined 5.9 millions in this five weeks period. Investments held by these banks have declined 32.6 millions since early January, and on April 14 were at the lowest level reported for any Wednesday in thirteen months. Deposits have recently declined somewhat, but continue substantially greater than a year ago.

Building permits issued at twenty reporting cities increased 22.1 per cent from February to March, and were 15 per cent greater than a year ago. The first-quarter total is fractionally less than for that period last year, but larger than for the first three months of other years since 1929. Contracts awarded in the District as a whole increased 69 per cent in March, and total contracts were 45.2 per cent, and residential awards 78.6 per cent, greater than in March last year. The first-quarter total is 17.2 per cent larger than in that period a year ago, and residential contracts were 51.3 per cent greater. Employment and payrolls increased from January to February, and were greater than in February of other recent years. Notwithstanding the longer month, daily average consumption of cotton in this District, and in the United States, increased further in March to a new high level. Coal production declined slightly in Alabama, but increased in Tennessee, in March and in both states was substantially greater than a year ago. Pig iron production in Alabama increased 2.1 per cent, on a daily average basis, over February, was 33.3 per cent greater than a year ago, and at the highest level in nearly seven years.

FEDERAL RESERVE BANK OF ATLANTA  
(In Thousands of Dollars)

	Apr. 14 1937	Mar. 10 1937	Apr. 15 1936
Bills Discounted:			
Secured by Govt. Obligations \$	75	75	50
All Others	7	201	6
Total Discounts	82	276	56
Bills Bought in Open Market...	108	108	164
Industrial Advances	330	350	840
U. S. Securities	109,684	109,941	100,209
Total Bills and Securities	110,204	110,675	101,269
Total Reserves	264,792	268,688	219,388
Member Bank Reserve Account	170,213	175,426	114,490
U. S. Treasurer—Gen. Account.	8,767	5,831	30,301
Total Deposits	185,039	189,724	152,853
F. R. Notes in actual circulation	184,498	184,204	160,867
Commitments to make industrial advances	358	275	379

## FINANCE

**Reserve Bank Credit** Earning assets of the Federal Reserve Bank of Atlanta changed only slightly in the five weeks between March 10 and April 14, when the total was 8.9 millions greater than on the corresponding Wednesday last year. Discounts for member banks were reduced considerably since March 10, there was a small reduction in outstanding industrial advances, and this bank's participation in the System's holdings of Government securities was reduced somewhat. Total bills and securities declined in this period by \$471,000. Following the increase in reserve requirements which became effective March 1, reserves maintained with this bank by members in the district increased by March 10 to 175.4 millions, the highest level on record. They have since declined somewhat, but on April 14 were 55.7 millions greater than a year ago. Daily average figures of deposits and reserves indicate that the average excess of reserves carried by member banks in this district declined from 43.3 millions, or 37.6 per cent, in the last half of February, to 36.4 millions, or 26.6 per cent, in the first half of March after the increase in requirements. In the last half of March both deposits and reserves declined slightly, and the average excess was 35.9 millions, or 26.6 per cent.

Federal Reserve notes of this bank's issue increased slightly since March 10, and on April 14 were 23.6 millions greater than a year ago. After declining about 15 millions following the holidays, to 180.7 millions on January 27, note circulation has fluctuated within a narrow range. Government deposits increased in the latter part of March but have since declined somewhat.

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

**Member Bank Credit** Total loans and investments at 22 weekly reporting member banks in the Sixth District declined further in the five weeks period between March 10 and April 14. The decline in this period was about 5.8 millions, and since the high point at 601.5 millions was reached on December 23, the decrease has been 30.2 millions. The recent decrease, as in the previous four week period, was due to a decline in holdings of investment securities, as total loans increased about 9.6 millions since March 10. Loans on securities have recently shown a small decline, but other classes of loans have increased. "All Other Loans", which include those for commercial, industrial and agricultural purposes, increased about 9.5 millions between March 10 and April 14. After increasing steadily during the last half of 1936, to 176.4 millions on December 23, these loans declined by

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

	Apr. 14 1937	Mar. 10 1937	Apr. 15 1936
Loans and Investments	\$ 571,246	\$ 577,125	\$ 537,641
Loans—Total	272,525	262,936	219,336
On Securities	59,980	60,653	55,720
To Brokers and Dealers	7,475	8,641	6,923
To Others	52,525	52,012	48,797
Real Estate Loans	26,464	26,376	21,544
Acceptances and Com'l Paper Bought	4,849	4,809	5,487
Loans to Banks	1,468	804	613
All Other Loans	179,764	170,294	135,972
Investments—Total	298,721	314,189	318,305
U. S. Govt. Direct Obligations	184,339	196,063	201,070
Obligations Guaranteed by U. S.	35,822	36,750	38,766
Other Securities	78,560	81,376	78,469
Reserve with F. R. Bank	97,224	102,977	61,746
Cash in Vault	12,327	11,422	9,675
Balances with domestic banks	126,582	132,959	145,770
Demand Deposits—Adjusted	336,910	341,062	291,624
Time Deposits	178,116	178,030	170,067
U. S. Govt. Deposits	10,220	15,083	42,979
Inter-bank deposits: Domestic	224,718	234,504	196,447
Foreign	1,520	1,209	1,331
Borrowings—at F. R. Bank			
Other		40	

January 20 to 167.4, and have since risen to 179.8 millions, on April 14, the highest level in several years. Real estate loans by these banks have shown a slow and steady growth in recent years. Total loans on April 14 were 53.1 millions greater than a year ago; of this increase, 43.8 millions was in "Other Loans", 4.9 millions in real estate loans, and 4.3 millions in loans on securities.

Holdings of investment securities declined further by 15.5 millions in the five week period ending April 14, the larger part of the decrease being in direct obligations of the United States. Since the first Wednesday of the year, total investment holdings have declined 32.6 millions, and holdings of United States direct obligations have decreased 27.9 millions, and both of these totals were on April 14 less than on any other Wednesday since March 11, last year.

Demand deposits-adjusted, which had increased in March, declined somewhat by April 14, but were 45.3 millions greater than a year ago. Time deposits have recently in-

DEBITS TO INDIVIDUAL ACCOUNTS  
(In Thousands of Dollars)

	Mar. 1937	Feb. 1937	Mar. 1936
Alabama—4 Cities	\$ 161,305	\$ 126,594	\$ 117,985
Birmingham	94,056	73,866	68,737
Dothan	3,253	2,892	2,676
Mobile	38,547	30,905	27,111
Montgomery	25,449	18,931	19,461
Florida—4 Cities	185,982	158,126	144,620
Jacksonville	85,561	73,580	64,447
Miami	57,916	47,897	46,394
Pensacola	9,644	8,068	7,315
Tampa	32,861	28,581	26,464
Georgia—10 Cities	299,374	256,503	228,448
Albany	5,525	4,614	3,200
Atlanta	195,263	172,383	147,772
Augusta	20,044	15,739	16,263
Brunswick	2,963	2,410	2,130
Columbus	16,003	13,208	11,182
Elberton	1,353	1,011	914
Macon	16,348	13,688	12,258
Newnan	3,034	2,001	1,816
Savannah	34,956	28,158	29,911
Valdosta	3,885	3,291	3,002
Louisiana—New Orleans	243,562	210,389	184,202
Mississippi—4 Cities	51,183	45,598	38,834
Hattiesburg	5,538	4,826	4,081
Jackson	25,704	24,354	20,171
Meridian	10,480	9,398	8,574
Vicksburg	9,461	7,020	6,009
Tennessee—3 Cities	166,526	137,311	130,495
Chattanooga	44,783	36,933	34,597
Knoxville	27,706	24,266	23,245
Nashville	94,037	76,112	72,653
Total—26 Cities	\$ 1,107,932	\$ 934,521	\$ 844,584

creased slightly, and were 8 millions greater than at the middle of April last year. Deposits of correspondent banks, which had declined during the first half of last year but had increased 65.4 millions between last June and early February have declined 17.5 millions since that time, but on April 14 were 28.3 millions greater than a year ago. Balances maintained by these banks with their correspondents increased from November to the middle of February, but have since declined and on April 14 were 19.2 millions less than at the same time last year. Principal items in the weekly report are compared in an accompanying table.

Debits to individual accounts at 26 reporting cities increased 18.6 per cent from February to March, and were 31.2 per cent greater than in March, 1936. At the same time last year there was an increase of 7.4 per cent in March. The larger increase this year may be attributed in part to the earlier date of Easter.

## AGRICULTURE

Freezing temperatures during March, and heavy rainfall in March and early April, following the mild weather in January and early February, resulted in damage to early vegetables and truck, peaches and other early crops. In many sections an early bloom of peach trees was brought out by the warm weather, and the freezes in February and March did considerable damage. In the ten Southern peach States the April 1 condition of the peach crop was 46.4 per cent, or 30.2 points below the 76.6 per cent condition reported a year ago. In Georgia the April 1 condition was 41 per cent of normal compared with 75 per cent a year earlier. While the extent of the damage is not yet known, the condition in all ten states is well below that in April, 1936. The condition of early potatoes on April 1 was higher than a year ago in Florida, but lower in the other states of this District. Further damage, according to the report of the Department of Agriculture, "undoubtedly occurred in the early potato areas of Louisiana, Mississippi, Alabama and Florida, following the heavy rain storms of April 5 and 6" which resulted in heavy damage to truck crops in some parts of Florida.

Prospective production of oranges in Florida continues at 21.2 million boxes, and of grapefruit at 17.5 million

boxes, as compared with 18 million boxes of oranges and 11.5 million boxes of grapefruit last season.

Production of winter wheat is expected to be somewhat larger this year in Tennessee, Georgia and Alabama, than in 1936, and for the United States the estimate is 656 million bushels against 519 million bushels last year.

From an average of 12.90 cents per pound, for the month of January, the average price of cotton at the ten designated markets increased by March 30 to 14.91 cents, the highest level since May 31, 1930, when it was also 14.91 cents. Purchases of spot cotton have recently been smaller, but domestic mill stocks are larger than usual at this time of year.

Sales of fertilizer tax tags in the six states of this District increased substantially in March, as they usually do, and were greater than in any month in recent years. March sales were 28.6 per cent greater than a year ago, and for the eight months of the season, beginning August 1, sales in these states have been 27.4 per cent greater than in that part of last season.

Cash receipts from the sale of principal farm products, including livestock and livestock products, and also including Government payments, were 51.9 per cent larger in February this year than last, and for the first two months of 1937 have been 48.4 per cent larger than in that period a year ago, as indicated in an accompanying table.

### CASH RECEIPTS FROM SALE OF PRINCIPAL FARM PRODUCTS Including Livestock and Livestock Products and Government Payments

	(In Thousands of Dollars)			
	February 1937	February 1936	January-February 1937	January-February 1936
Alabama.....	\$ 9,225	\$ 4,806	\$ 16,118	\$ 13,169
Florida.....	15,796	14,047	28,746	24,390
Georgia.....	9,934	5,319	20,393	12,009
Louisiana.....	6,069	2,853	13,825	6,466
Mississippi.....	10,042	6,484	22,929	12,468
Tennessee.....	9,608	6,438	23,944	16,373
Total.....	\$ 60,674	\$ 39,947	\$ 125,955	\$ 84,875

### GRAIN STOCKS ON FARMS—April 1

	(In Thousands of Bushels)					
	Wheat		Corn		Oats	
	1937	1936	1937	1936	1937	1936
Alabama.....	3	4	18,630	20,834	94	129
Florida.....	.....	.....	2,017	2,438	3	11
Georgia.....	250	172	13,530	22,078	834	1,077
Louisiana.....	.....	.....	6,907	9,306	202	122
Mississippi.....	.....	.....	15,980	12,977	104	52
Tennessee.....	316	489	20,690	20,306	129	119
Total.....	569	665	77,754	87,939	1,366	1,500
United States....	71,723	98,978	411,980	816,058	287,745	493,787

### SUGAR MOVEMENT—NEW ORLEANS—Pounds

	Raw Sugar		
	Mar. 1937	Feb. 1937	Mar. 1936
Receipts.....	117,041,848	84,552,697	120,131,749
Meltings.....	114,399,952	74,950,059	109,728,195
Stocks.....	36,623,153	36,501,562	49,055,155
Refined Sugar			
Shipments.....	158,313,909	47,323,468	104,531,115
Stocks.....	4,996,585	42,086,227	16,206,302

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

	March	
	Aug. to Mar. Incl.	
Receipts of Rough Rice*		
Season 1936-37.....	309,044	9,547,177
Season 1935-36.....	232,199	7,636,562
Distribution of Milled Rice**		
Season 1936-37.....	764,737	7,589,669
Season 1935-36.....	979,080	6,635,484
Stocks:		
March 31, 1937.....	Rough 893,409	Clean 1,827,990
March 31, 1936.....	532,528	1,322,233

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

## TRADE

**Retail Trade** Volume of department store sales in the Sixth District rose substantially from February to March. Stocks increased somewhat, and both sales and stocks were greater than in March last year. The collection ratio declined from February, but was higher than for March, 1936.

March sales by 54 reporting retail firms averaged 31.1 per cent larger than in February, and 23.5 per cent larger than in March, 1936. Not only did March have three more business days than February, and one more than in March last year, but Easter was two weeks earlier this year than last, and both of these factors contributed to the increases. After adjustment for the number of business days, and for the earlier date of Easter the index of March sales rose 7.1 per cent over that for February, and was 12.9 per cent higher than for March a year ago. The adjusted index for

## RETAIL TRADE IN THE SIXTH DISTRICT DURING MARCH 1937

Based on Confidential reports from 54 department stores

## COMPARISON OF NET SALES

## COMPARISON OF STOCKS

	March 1937 with:		Year to date with same period last year	March 31, 1937 with:		March 1937	COLLECTION RATIO	
	Same month a year ago	Previous Month		Same month a year ago	Previous Month		February 1937	March 1936
Atlanta (6).....	+24.3	+36.5	+18.0	+18.4	+ 3.7	31.2	36.4	30.6
Birmingham (4).....	+19.2	+26.8	+17.6	+ 9.4	+ 6.0	33.3	40.5	35.6
Chattanooga (3).....	+29.4	+ 9.0	+27.0	+12.0	+ 4.8	35.5	27.9	29.2
Jacksonville (3).....	+22.7	+36.9	+11.9	- 0.4	+ 5.0	....	....	....
Miami (3).....	+21.6	+ 8.8	+14.6	+ 6.9	- 5.7	....	....	....
Montgomery (3).....	+ 9.9	+23.7	+ 8.3	+25.8	+ 7.2	....	....	....
Nashville (4).....	+26.7	+44.1	+17.7	+15.7	+12.3	28.9	28.6	30.1
New Orleans (4).....	+20.1	+39.9	+ 5.4	+14.5	+ 8.1	39.0	36.2r	41.5
Other Cities (24).....	+30.1	+41.2	+18.2	+18.0	+ 4.4	38.0	35.0	34.8
DISTRICT (54).....	+23.5	+31.1	+14.8	+13.4	+ 5.0	34.6	35.2r	34.1

r—Revised. NOTE: 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.

March is the highest for that month in the series, which goes back to 1919. In the first quarter of 1937, sales have been 14.8 per cent larger than in that period a year ago. Stocks increased 5 per cent from February to March and were 13.4 per cent greater than at the close of March, 1936. The collection ratio of 34.6 per cent for March compares with a revised ratio of 35.2 per cent for February, and with 34.1 per cent for March last year. The March ratio for regular accounts was 40.1 per cent, and for installment accounts 15.0 per cent.

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 14.5 per cent from January to February, and were 10.5 per cent larger than in February, 1936. For the United States as a whole the gain over January was 5.9 per cent, and that over February a year ago 11.4 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. The indexes of daily average sales, and of stocks, on page 8, are based upon reports from a smaller number of firms whose figures have been reported over a long period of time.

**Life Insurance** Life insurance sales in the six states of this District increased 25 per cent from February to March, and were 19.8 per cent greater than a year ago, and the highest for March since 1931. The first quarter total for these states is 14.4 per cent larger than in that period last year, compared with a gain of 6.1 per cent for the country as a whole. The figures are from those compiled by the Life Insurance Sales Research Bureau.

## SALES OF NEW PAID-FOR ORDINARY LIFE INSURANCE

(In Thousands of Dollars)

	March 1937	February 1937	March 1936	January-March 1937	January-March 1936
Alabama.....	\$ 4,012	\$ 3,331	\$ 3,430	\$ 10,401	\$ 8,919
Florida.....	5,755	5,237	5,248	15,381	13,317
Georgia.....	7,431	6,179	6,322	18,922	16,867
Louisiana.....	5,761	3,868	4,761	14,060	12,635
Mississippi.....	2,886	2,360	2,328	7,600	6,342
Tennessee.....	6,958	5,263	5,300	17,255	15,014
Total Six States.....	\$ 32,803	\$ 26,238	\$ 27,389	\$ 83,619	\$ 73,094
United States.....	604,257	487,819	525,043	1,554,443	1,464,524

**Wholesale Trade** Volume of Wholesale trade in the Sixth District increased 22.6 per cent from February to March, and was 27.8 per cent larger than in March, 1936, and the index number for March is the highest for any month since October, 1929, and the high-

## WHOLESALE TRADE IN SIXTH DISTRICT DURING MARCH 1937

Based on confidential reports from 70 firms

	Number of Firms	Percentage Comparisons		
		March February 1937	March 1937 with: 1936 period last year	Jan.-Mar., Incl with same period last year
All Lines Combined:				
Sales.....	70	+22.6	+27.8	+27.6
Stocks.....	24	+ 2.0	+20.7	.....
Groceries:				
Sales.....	14	+14.4	+20.0	+15.5
Jacksonville.....	3	+ 3.5	+10.3	+ 2.3
Other Cities.....	11	+17.4	+22.5	+19.5
Dry Goods:				
Sales.....	14	+34.1	+15.9	+20.1
Nashville.....	3	+36.3	- 4.9	+ 3.7
Other Cities.....	11	+33.5	+22.4	+24.6
Stocks.....	7	- 6.5	+19.7	.....
Hardware:				
Sales.....	23	+26.4	+35.1	+35.6
Nashville.....	3	+20.6	+19.4	+24.6
New Orleans.....	4	+22.3	+47.7	+42.8
Other Cities.....	17	+29.4	+32.5	+34.1
Stocks.....	9	+ 3.8	+13.1	.....
Furniture:				
Sales.....	5	+12.4	+23.6	+37.9
Stocks.....	3	+ 0.2	+35.1	.....
Electrical Supplies:				
Sales.....	3	+22.0	+70.3	+74.0
Drugs:				
Sales.....	7	+ 8.1	+ 9.1	+ 8.8

## COLLECTION RATIO\*

	March 1937	February 1937	March 1936
Groceries.....	96.2	79.6	71.0
Dry Goods.....	39.1	33.0	41.5
Hardware.....	51.5	45.8	44.9
Furniture.....	43.2	42.7	43.2
Total.....	58.6	51.0	51.9

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

est for March since 1926. First-quarter sales were 27.6 per cent larger than in that period last year. Reported figures are compared in the table, and index numbers appear on page 8.

**Commercial Failures** The number of business failures in the Sixth District, according to Dun's Review, in March was 38, compared with 21 in February and 29 in March last year, and liabilities for March amounted to \$414,000, against \$251,000 for February and \$411,000 for March, 1936. In the first quarter of 1937 there have been 90 failures with liabilities amounting to \$914,000, against 84 failures with \$801,000 liabilities in that period last year.

## EMPLOYMENT

Employment and payrolls in the Sixth District increased in February over January by 1.0 per cent and 2.1 per

## BUILDING PERMITS—MARCH

	Number		Value		Percentage
	1937	1936	1937	1936	Change in Value
Alabama					
Anniston.....	16	23	\$ 22,570	\$ 12,589	+ 79.3
Birmingham.....	551	397	265,797	198,722	+ 33.8
Mobile.....	58	39	68,387	34,165	+100.2
Montgomery.....	165	126	158,962	63,492	+150.4
Florida					
Jacksonville.....	580	566	575,858	283,694	+103.0
Miami.....	786	669	1,076,237	844,977	+ 27.4
Miami Beach.....	85	87	907,300	879,750	+ 3.1
Orlando.....	93	71	142,724	67,838	+110.4
Tampa.....	204	193	90,438	40,138	+125.3
Georgia					
Atlanta.....	260	292	419,199	806,356	- 48.0
Augusta.....	55	32	53,661	25,923	+107.0
Columbus.....	122	128	107,764	56,740	+ 89.9
Macon.....	119	107	16,679	136,370	- 87.8
Savannah.....	31	29	53,728	47,276	+ 13.6
Louisiana					
New Orleans.....	130	161	471,692	329,315	+ 43.2
Alexandria.....	76	66	47,245	59,010	- 19.9
Tennessee					
Chattanooga.....	372	416	470,051	318,142	+ 47.7
Johnson City.....	6	6	12,348	9,500	+ 30.0
Knoxville.....	156	71	184,168	176,897	+ 4.1
Nashville.....	216	226	396,587	426,519	- 7.0
Total 20 Cities.....	4,081	3,705	\$5,541,395	\$4,817,413	+ 15.0

cent, respectively, at firms reporting to the United States Bureau of Labor Statistics. Number of workers was only slightly less than in December, but payrolls were at the highest point in recent years. February figures compare with that month in other years as follows:

February 1937 Compared with:	Number Employed	Week's Payroll
February 1936.....	+11.2	+21.3
February 1935.....	+13.1	+31.5
February 1934.....	+16.0	+36.3
February 1933.....	+42.0	+95.8
February 1932.....	+30.7	+54.9

## INDUSTRY

The value of building permits issued at twenty reporting cities in the Sixth District increased further from February to March by 22.1 per cent, and was 15 per cent greater than in March, 1936. The March total was the largest for that month since 1930. Seven cities reported decreases from February to March, and four reported smaller totals than for March a year ago. For the first quarter of 1937 total permits issued at these twenty cities have amounted to \$14,017,264, one-fifth of one per cent less than for the corresponding period a year ago, but larger than the first-quarter totals for other years since 1929. Comparisons for the month are shown in an accompanying table.

The value of building and construction contracts awarded in the Sixth District, according to statistics compiled by the

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

	March 1937	February 1937	March 1936
Sixth District Total.....	\$19,287,400	\$11,411,200	\$13,279,155
Residential.....	8,428,600	4,956,900	4,718,443
All Others.....	10,858,800	6,454,300	8,560,712
State Totals:			
Alabama.....	1,190,300	1,144,400	1,558,600
Florida.....	6,985,100	3,657,800	5,280,400
Georgia.....	3,010,500	2,270,500	1,933,800
Louisiana.....	5,170,700	1,589,900	2,099,500
Mississippi.....	2,961,700	1,698,000	1,019,200
Tennessee.....	4,516,300	3,248,000	4,126,600
37 Eastern States—Total.....	231,245,900	188,257,300	198,761,900
Residential.....	90,167,600	63,003,700	55,220,600
Non-Residential.....	88,601,500	65,625,800	81,243,900
Public Works and Utilities..	52,476,800	59,627,800	62,297,400

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 69 per cent from February, which had the smallest total in a year and a half, to March and was 45.2 per cent greater than in March last year. Residential contracts in March were 70 per cent larger than in February, and 78.6 per cent greater than in March last year. The value of residential contracts in March was larger, except for August last year, than for any other month since May, 1927. In the first quarter of 1937, total contracts amounted to \$53,284,200, a gain of 17.2 per cent over that part of 1936. Residential contracts in the first quarter amounted to \$17,665,800, an increase of 51.3 per cent over that period a year ago, and other contracts increased 5.5 per cent. There were increases from February to March in all of the six states of the District, and over March last year except in Alabama. Cumulative figures for the first quarter show increases over that period a year ago in Florida, Georgia, Mississippi and Tennessee. In the 37 Eastern States total contracts increased 22.8 per cent in March over February and 16.3 per cent over March a year ago, and residential awards increased 43.1 per cent over February and 63.3 per cent over March last year. For the first quarter, total contracts were 19.6 per cent, and residential contracts 87 per cent, larger than in that period a year ago.

Weekly statements of the Southern Pine Association and reports in the press indicate a decline in the volume of lumber buying by both retail and industrial trades from the high level of January and early February. In the five weeks ending April 3 orders averaged 22.7 per cent smaller than in those weeks a year ago, shipments averaged 13.4 per cent less, and unfilled orders 1.5 per cent smaller. Production in this period averaged 0.6 per cent larger than a year earlier. In this five weeks period orders averaged 13 per cent less than production, while a year ago they averaged 13 per cent larger.

March consumption of cotton by American mills amounted to 779,302 bales, according to the United States Census Bureau, the largest total for any month on record. The total was 17.3 per cent larger than that for February, and the gain in the daily average rate was 4.3 per cent. Consumption in the cotton states which accounted for 83.4 per cent of the total, increased 16.1 per cent over February, and in other states 23.4 per cent. Compared with March, 1936, the gain in the cotton states was 37.6 per cent, in other states 63.2 per cent, and for the country, 41.5 per cent. In the eight months of the cotton season, total consumption

## COTTON CONSUMPTION, EXPORTS, STOCKS, AND ACTIVE SPINDLES

	United States—Bales		
	Mar. 1937	Feb. 1937	Mar. 1936
Cotton Consumed.....	779,302	664,439	550,641
Stocks.....	7,116,824	8,021,933	7,906,751
In Consuming Establishments	2,079,862	2,056,144	1,336,529
In Public Storage and at			
Compresses.....	5,036,962	5,965,789	6,570,222
Exports.....	467,706	462,517	404,741
Active Spindles—Number.....	24,638,578	24,536,254	23,181,668

## COTTON GROWING STATES—Bales

Cotton Consumed.....	642,440	553,553	466,775
Stocks.....	6,636,863	7,575,929	7,566,495
In Consuming Establishments	1,711,123	1,719,741	1,113,743
In Public Storage and at			
Compresses.....	4,925,740	5,856,188	6,452,752
Active Spindles—Number.....	17,760,552	17,760,252	17,060,914

has been 5,291,936 bales, a gain of 29.7 per cent over that part of the previous season. Of this total, 4,415,155 bales were consumed in the cotton states and 876,781 bales in other states.

Exports of cotton in March amounted to 467,706 bales, a slight gain over February and 15.6 per cent larger than a year ago, and for the eight months period have totaled 4,365,304 bales, a decrease of 9.3 per cent from last season. Cotton exports in March were valued at \$33,356,000, against \$33,509,000 in February, and \$25,883,000 in March last year, and for the eight months exports have been valued at \$296,450,000, against \$309,627,000 a year ago.

Mills increased their stocks on an average by 1.2 per cent from February 28 to March 31, when they were 55.6 per cent greater than a year earlier. Stocks in public storage declined 15.6 per cent, however, from February and were 23.3 per cent smaller than a year ago. For the tenth consecutive month, the number of spindles active in March increased over February, and was 6.3 per cent greater than in March last year.

In March Georgia cotton mills consumed 150,697 bales, those in Alabama 83,138 bales, and Tennessee 18,518 bales, the total of 252,353 bales being 16.1 per cent greater than in February, 41.3 per cent larger than in March last year, and larger than for any other month on record. Daily average consumption increased 3.2 per cent from February to March to a new high level. For the eight months of the cotton season, total consumption in these states has been 1,741,818 bales, an increase of 30.9 per cent over that part of last season.

Operations at cotton seed oil mills in the district showed a further seasonal decline from February to March, but crushings and production were larger than in March of other years since 1932. Receipts, crushings and production for the season through March continued larger than in the corresponding part of last season, both in this district and in the country as a whole.

Although total production of electric power for public use in the six states of this District declined 5.4 per cent from January to February, and was smaller than for other months since last June, because of the shorter month the daily average rate of production increased 4.7 per cent in February, and had been exceeded only by the daily averages for September and December. The February rate was 9.4 per cent larger than for February last year, and in the first two months of 1937 production has been 6.2 per cent greater than in that part of 1936. In February production by use of water power accounted for 63.9 per cent of the total, in January 66 per cent, and in February last year 64.7 per cent.

#### COTTON SEED AND COTTON SEED PRODUCTS

	Sixth District*		United States	
	Aug. 1 to Mar. 31 1936-37	1935-36	Aug. 1 to Mar. 31 1936-37	1935-36
Cotton Seed—Tons				
Received at Mills.	1,834,731	1,367,000	4,392,789	3,647,196
Crushed . . . . .	1,667,065	1,323,460	4,100,301	3,537,467
On Hand Mar. 31.	173,735	89,073	314,179	199,304
Production				
Crude Oil, lbs. . . . .	515,089,834	412,369,659	1,232,469,925	1,071,133,084
Cake & Meal, tons . . . .	727,352	588,106	1,837,098	1,601,067
Hulls, tons . . . . .	437,704	348,308	1,045,250	914,642
Linters, bales . . . . .	407,761	293,932	1,014,145	803,095
Stocks at Mills, Mar. 31				
Crude Oil, lbs. . . . .	11,079,418	23,265,318	23,657,187	80,670,719
Cake & Meal, tons . . . .	48,950	106,646	138,668	285,387
Hulls, tons . . . . .	49,334	21,650	117,737	131,326
Linters, bales . . . . .	52,203	44,444	174,218	154,998

\*Georgia, Alabama, Louisiana and Mississippi.

In the four weeks ended March 27, coal production in Alabama averaged 283,000 tons per week, a decline of 5.4 per cent from the revised average of 299,000 tons for the four weeks ending in February, according to weekly statements of the United States Bureau of Mines, and Tennessee production averaged 133,000 tons per week, an increase of 12.7 per cent over the revised February average. The March averages show increases of 36.1 per cent for Alabama, and 58.3 per cent for Tennessee, over the corresponding period last year. For the twelve full weeks of 1937, Alabama production has been 25.6 per cent, and that in Tennessee 13.9 per cent, greater than in that part of 1936.

Total production of pig iron in Alabama during March, according to Iron Age statistics, amounted to 220,688 tons, a gain of 13 per cent over February and 36.1 per cent greater than a year ago. Daily average output, because of the longer month, increased only 2.1 per cent over that in February, but the total and daily average were the largest for any month since June, 1930. Alabama production in the first quarter of 1937 has totaled 625,996 tons, larger by 32.6 per cent than in that period last year, and the largest first-quarter total since 1930. One additional furnace was blown in early in March, and at the close of the month sixteen of the eighteen available furnaces were in operation, compared with twelve a year earlier. Base price continues at \$20.38 per ton, according to published quotations. Press reports indicate that both steel mills and blast furnaces in the Birmingham District continue to produce at high speed to meet the demands of customers for deliveries. March production in the United States totaled 3,459,473 tons, a gain of 15.3 per cent over February, and 69.6 per cent larger than a year ago, and the largest monthly total since October, 1929. First-quarter production totaled 9,670,191 tons, 64.2 per cent larger than in the first three months of 1936.

In the Naval Stores year which ended with March, receipts of turpentine at the three principal markets of the District were the smallest since the 1919-1920 season, and receipts of rosin were the smallest since the 1921-22 season with the exception of 1932-33. At the close of March stocks of turpentine at the three markets were smaller than they were one, and two years earlier, and stocks of rosin were the smallest for that date since 1929. Average prices of turpentine at Savannah during the year ranged between a low of 35½ cents per gallon in May and a high at 43 cents in January, and averaged 38½ cents. The average of quotations on the thirteen grades of rosin rose from \$4.37 per 280 pounds early in April last year to a high of \$11.08 on January 8, but declined to \$8.06 on March 27. Receipts and stocks for the year are compared in the table with those for other recent years. The figures are combined totals for Savannah, Jacksonville and Pensacola.

#### NAVAL STORES MOVEMENT

Season:	Turpentine (1)		Rosin (2)	
	Receipts	Stocks	Receipts	Stocks
1936-37 . . . . .	205,421	76,986	872,752	109,057
1935-36 . . . . .	233,110	114,789	976,223	156,291
1934-35 . . . . .	257,679	88,501	1,053,863	259,391
1933-34 . . . . .	258,208	46,010	1,009,402	142,574
1932-33 . . . . .	224,313	63,679	865,733	237,350
1931-32 . . . . .	328,099	73,640	1,182,780	347,591
1930-31 . . . . .	385,093	45,232	1,319,212	266,056
1929-30 . . . . .	391,894	40,068	1,396,212	149,232
1928-29 . . . . .	343,130	48,396	1,214,228	100,722
1927-28 . . . . .	401,732	40,338	1,401,374	123,074
1926-27 . . . . .	310,883	24,668	1,108,452	81,013

(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	Jan. 1937	Feb. 1937	March 1937	Jan. 1938	Feb. 1938	March 1938
<b>Daily Average Sales—Unadjusted</b>						
Atlanta (3 firms).....	145.7	173.4	208.9	115.9	147.8	172.9
Birmingham (3 firms).....	77.5	95.0	106.6	61.2	80.0	92.8
Chattanooga (3 firms).....	63.4	87.7	85.0	56.9	59.0	67.8
Nashville (4 firms).....	62.9	79.3	101.5	53.5	69.2	83.2
New Orleans (4 firms).....	72.8	73.1	87.1	65.4	75.8	75.3
DISTRICT (30 firms).....	84.7	95.1	113.5	71.2	86.1	95.4
<b>Daily Average Sales—Adjusted*</b>						
Atlanta (3 firms).....	194.3	204.0	209.0	154.5	173.9	183.9
Birmingham (3 firms).....	107.6	105.6	105.5	85.0	88.9	96.7
Chattanooga (3 firms).....	80.3	111.0	89.5	72.0	74.7	75.3
Nashville (4 firms).....	83.9	93.3	105.7	71.3	81.4	91.4
New Orleans (4 firms).....	86.7	83.1	90.7	77.9	86.1	82.7
DISTRICT (30 firms).....	107.2	108.1	115.8	90.1	97.8	102.6
<b>Monthly Stocks—Unadjusted</b>						
Atlanta (3 firms).....	107.4	114.9	118.3	91.7	92.3	98.8
Birmingham (3 firms).....	61.9	64.5	68.8	54.9	56.6	62.7
Chattanooga (3 firms).....	52.9	61.5	64.4	50.5	56.2	57.5
Nashville (3 firms).....	51.6	59.6	66.9	47.1	52.6	57.8
New Orleans (4 firms).....	50.1	60.9	65.9	46.8	53.8	57.5
DISTRICT (25 firms).....	63.5	71.5	76.1	57.0	61.6	65.9
<b>Monthly Stocks—Adjusted*</b>						
Atlanta (3 firms).....	118.7	119.7	116.0	99.7	98.1	96.9
Birmingham (3 firms).....	68.8	67.2	67.3	61.0	59.0	61.5
Chattanooga (3 firms).....	59.4	63.4	60.8	56.7	57.9	54.2
Nashville (3 firms).....	59.3	62.7	65.6	54.1	55.4	58.7
New Orleans (4 firms).....	55.1	60.9	63.4	51.4	53.8	55.3
DISTRICT (25 firms).....	69.8	73.0	73.9	62.6	62.9	64.0
<b>WHOLESALE TRADE—SIXTH DISTRICT—TOTAL....</b>	<b>77.7<sup>2</sup></b>	<b>76.5</b>	<b>93.8</b>	<b>59.8</b>	<b>59.0</b>	<b>71.2</b>
Groceries (18 firms).....	56.2 <sup>2</sup>	55.8	63.8	51.9	48.9	53.3
Dry Goods (14 firms).....	62.4	58.8	78.6	46.3	52.2	67.8
Hardware (25 firms).....	93.5	81.5	103.0	69.1	59.9	76.6
Furniture (7 firms).....	79.5	83.6	94.0	51.2	61.3	76.5
Drugs (7 firms).....	98.5	98.2	106.1	91.3	89.8	97.3
<b>LIFE INSURANCE SALES—SIX STATES—TOTAL....</b>	<b>58.5</b>	<b>62.5</b>	<b>78.1</b>	<b>54.9</b>	<b>53.9</b>	<b>65.2</b>
Alabama.....	45.1	49.1	59.1	40.6	40.4	50.8
Florida.....	74.2	88.5	97.2	69.6	66.7	88.7
Georgia.....	57.9	67.4	81.0	57.7	57.2	68.9
Louisiana.....	69.9	61.0	90.9	82.5	61.8	75.1
Mississippi.....	53.8	54.0	66.0	47.5	44.3	53.2
Tennessee.....	53.5	55.9	73.9	51.6	51.6	56.3
<b>BUILDING PERMITS—TWENTY CITIES—TOTAL....</b>	<b>35.0</b>	<b>40.3</b>	<b>49.2</b>	<b>39.0</b>	<b>43.0</b>	<b>42.8</b>
Atlanta.....	21.1	19.4	27.1	18.9	11.3	52.1
Birmingham.....	15.8	35.6	17.9	9.4	5.5	13.4
Jacksonville.....	59.1	43.6	70.0	34.0	30.5	34.5
Nashville.....	17.5	20.7	62.5	82.1	307.3	67.2
New Orleans.....	14.1	21.9	36.6	27.8	11.3	25.6
Fifteen Other Cities.....	47.4	53.6	62.3	53.5	40.8	50.6
<b>CONTRACT AWARDS—SIXTH DISTRICT—TOTAL....</b>	<b>64.4</b>	<b>32.5</b>	<b>55.0</b>	<b>55.8</b>	<b>35.9</b>	<b>37.8</b>
Residential.....	30.5	35.3	60.1	19.6	30.0	33.6
All Others.....	66.9	30.6	51.5	79.5	39.8	40.6
<b>WHOLESALE PRICES—UNITED STATES†</b>						
<b>ALL COMMODITIES.....</b>	<b>85.9</b>	<b>86.3</b>	<b>87.8</b>	<b>80.6</b>	<b>80.6</b>	<b>79.6</b>
Farm Products.....	91.3	91.4	94.1	78.2	79.5	78.5
Foods.....	87.1	87.0	87.5	83.5	83.3	80.1
Other Commodities.....	83.4	84.1	85.5	78.8	79.0	78.9
Hides and leather products.....	101.7	102.7	104.2	97.1	96.1	94.9
Textile products.....	77.5	77.5	78.3	71.7	71.0	70.8
Fuel and lighting.....	76.6	76.8	76.2	75.1	76.1	76.2
Metals and metal products.....	90.9	91.7	96.0	86.7	86.7	86.6
Building materials.....	91.3	93.3	95.9	85.7	85.5	85.3
Chemicals and drugs.....	87.7	87.8	87.5	80.5	80.1	79.3
Housefurnishing goods.....	86.5	87.9	88.4	81.4	81.5	81.4
Miscellaneous.....	76.2	77.3	79.5	67.4	68.1	68.3
<b>COTTON CONSUMPTION—UNITED STATES.....</b>	<b>131.7</b>	<b>129.0</b>	<b>151.3</b>	<b>114.7</b>	<b>100.2</b>	<b>106.6</b>
Cotton-Growing States.....	165.0	161.7	187.6	145.2	126.0	135.8
All Other States.....	65.6	64.2	79.3	54.1	49.0	48.7
Georgia.....	172.1	167.7	193.4	148.8	127.9	135.1
Alabama.....	213.4	206.8	241.8	194.5	159.4	172.0
Tennessee.....	167.7	156.5	186.1	138.2	124.5	142.8
<b>COTTON EXPORTS—UNITED STATES.....</b>	<b>104.8</b>	<b>90.1</b>	<b>91.1</b>	<b>105.7</b>	<b>79.1</b>	<b>78.8</b>
<b>PIG IRON PRODUCTION—UNITED STATES.....</b>	<b>107.5</b>	<b>100.4</b>	<b>115.8</b>	<b>67.8</b>	<b>61.0</b>	<b>68.3</b>
Alabama.....	90.4	84.1	95.0	68.4	65.1	69.8

\* Adjusted for Seasonal Variation.

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