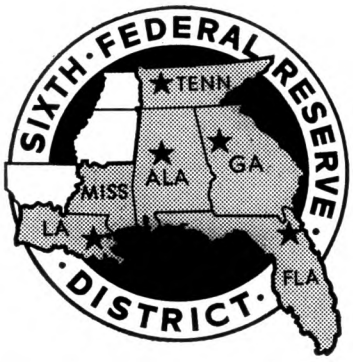

Monthly Review

ATLANTA, GEORGIA, FEBRUARY 28, 1953

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The Sixth District...Its People

Broadly speaking, a region's people are its focal point, for without people there can be no industry, agriculture, or finance. We can say with Rupert P. Vance, "People—what else matters?" We may take a look at ourselves in the Sixth District—of what divergent elements are we composed, native and foreign born, white and nonwhite, men and women, young and old; what are our standards of consumption, our skills, our educations, our employments; and what are our prospects for future population growth and development?

TABLE 1—Population Distribution of the Sixth District States, 1950
(In Thousands)

State	White	Non-white	Urban	Rural	Foreign-born, white
Alabama	2,079	982	1,340	1,720	13
Florida	2,166	605	1,813	957	122
Georgia	2,380	1,064	1,559	1,885	16
Louisiana	1,796	886	1,471	1,211	28
Mississippi	1,188	990	607	1,571	8
Tennessee	2,760	531	1,452	1,839	15
Total	12,371	5,059	8,245	9,186	205

In his *American Social Problems,* Howard W. Odum characterizes the Southeast as the most American part of the nation. "By this is meant," he says, "that part of the nation which, holding on to its historical priority of the 13 original colonies and the tradition of the early settlers, still retains, since the turn of the twentieth century, more of the early 'Americanisms' than any other region. These 'Americanisms' are usually interpreted to mean the largest ratio of native whites of native parents from original upper European stocks, small foreign population . . . agrarian in culture, simple in living in rural isolated life. . . ." This characterization is borne out by the 1950 census.

Table 1 summarizes census data on population distribution for the Sixth District states for white and nonwhite, urban and rural, and foreign-born white. In these states, the census figures reveal that 5 out of every 17 persons were nonwhite and that 9 out of every 17 lived in rural areas. Barely one out of 100 persons in the region was foreign-born. The bi-racial quality of the region's population is its most outstanding characteristic. In Alabama and Georgia, one person out of three is nonwhite, and in Mississippi, the proportion is almost one out of two. In Florida, 22 percent of the people are nonwhite, and in Tennessee, 16 percent.

TABLE 2—Summary of Population Characteristics, 1950, Sixth District States

	Alabama	Florida	Georgia	Louisiana	Mississippi	Tennessee
Total population:						
Number	3,061,743	2,771,305	3,444,578	2,683,516	2,178,914	3,291,718
Percent increase 1940 to 1950	8.1	46.1	10.3	13.5	—0.2	12.9
Median age (years)	25.5	30.9	26.2	26.7	24.6	27.3
Percent 65 years old and over	6.5	8.6	6.4	6.6	7.0	7.1
Percent nonwhite	32.1	21.8	30.9	33.0	45.4	16.1
Persons per household	3.81	3.22	3.75	3.61	3.84	3.67
Married couples—						
Percent without own household	6.7	7.3	7.2	6.7	6.6	7.4
Persons one year old and over—						
Percent in same house, 1949 and 1950	77.2	71.2	75.1	80.5	77.8	77.2
Persons 14 to 17 years old—						
Percent in school	78.0	82.7	73.4	79.1	77.9	77.4
Persons 25 years old and over—						
Median school years completed	7.9	9.6	7.8	7.6	8.1	8.4
Persons 14 years old and over:						
Number in labor force	1,085,226	1,098,781	1,336,924	928,626	756,896	1,199,609
Male—Percent in labor force	77.7	75.2	80.6	75.5	78.7	77.3
Female—Percent in labor force	26.4	31.2	31.7	24.6	24.8	25.7
Civilian labor force—						
Percent unemployed	4.2	4.5	3.4	4.6	3.5	3.9
Employed—Percent engaged in manufacturing	21.8	10.7	23.0	15.1	12.6	21.1
Families and unrelated individuals:						
Median income, 1949 (dollars)	1,580	1,950	1,644	1,810	1,028	1,749
Percent having incomes less than $2,000	58.6	51.1	57.7	53.9	72.4	55.6

Notwithstanding the spectacular growth in recent years of the District's major cities, the region is still predominantly rural in character. Only Florida and Louisiana of the six states have more urban than rural residents. Declining dependence upon cotton, the development of beef-cattle raising and dairying, and the spread of mechanization in agriculture have stimulated a large movement of population from the farm to the city. In the District states, with the exception of Florida and Louisiana, more counties showed losses in population from 1940 to 1950 than counties with gains. Counties or parishes showing losses numbered 43 out of 67 in Alabama, 18 out of 49 in Florida, 98 out of 159 in Georgia, 30 out of 64 in Louisiana, 59 out of 82 in Mississippi, and 37 out of 77 in Tennessee.

Still another striking characteristic of the District's population is its large proportion of young people, markedly larger than that of other regions. According to the 1950 census, 38.0 percent of the people of the South were under 20 years of age, compared with 29.5 percent for the North-

TABLE 3—Per Capita Dollar Income Payments

State or Region	*1930*	*1940*	*1950*	*1951*
Alabama	232	269	840	950
Florida	431	468	1,204	1,284
Georgia	274	316	958	1,103
Louisiana	344	358	1,042	1,135
Mississippi	191	204	702	771
Tennessee	283	316	960	1,064
Six States	284	318	965	1,063
Southern States[1]	279	320	953	1,066
United States	596	575	1,439	1,584

[1]In addition to the six states, includes Arkansas, Kentucky, North Carolina, South Carolina, and Virginia.

east, 35.9 percent for the North Central states, and 33.0 percent for the West.

The median age in 1950 was 32.3 years for the population in the Northeast, 31.1 years in the North Central states, 27.2 years in the South, and 30.6 years in the West. Florida, with a median age of 30.9, and Tennessee, with one of 27.3, are above the median age for the South, but Alabama with 25.5, Georgia with 26.2, Louisiana with 26.7, and Missisippi with 24.6 are below this point.

Standards of consumption in the District as revealed by income payments are indicated in Table 2. For the six states in 1949, median income ranged between a low of $1,028 for Mississippi and a high of $1,950 for Florida. Median income for family and unrelated individuals for the United States was $2,599 and by census areas it was $2,924 for the Northeast, $2,841 for the North Central states, $1,940 for the South, and $2,907 for the West. In Table 3, per-capita income payments for the six states for four selected years are compared with those for all the Southern states and the United States as a whole.

District standards of consumption are inferior to those in the nation, but progress is being recorded. In 1951, per-capita income payments in the Southeast were roughly four times as large as they were in 1930, whereas for the United States they were less than three times as large.

Skills of the District's people cannot be precisely measured. In 1922, Frank H. Neely, then Industrial Engineer

TABLE 4—School Enrollment, 1910-50

State	*Percent of children 7 to 13 years old enrolled in school* 1950	1940	1930	1920	1910
Alabama	95.6	92.4	88.5	80.4	66.3
Florida	96.4	93.4	91.7	83.2	70.5
Georgia	96.0	91.9	88.6	79.1	70.5
Louisiana	95.2	92.4	89.4	75.9	58.8
Mississippi	93.2	88.3	91.3	80.1	75.4
Tennessee	94.8	90.8	91.7	85.3	77.2

with the Fulton Bag and Cotton Mills of Atlanta, characterized the industrial workers of the South as potentially good factory artisans. He said, "Their lack of training of hand and mind makes them difficult at first as factory workers, but their knowledge of the English language makes them, *when trained,* a group of the most satisfactory and able artisans." Of the individual Southern worker, Mr. Neely said, "Response is not quick, but when once trained, he develops skill and ability, which added to his native *stability,* enables him to outclass in many cases the workers of other sections of the country."

In 1953, Mr. Neely's characterization of the Southern worker would be about as true as it was in 1922. The District still lags behind other regions in the matter of formal schooling, meaning that a larger proportion of its people than is true of the country as a whole have not had sufficient school training to enable them to read and understand simple written instructions. This handicap is especially true of that group of workers who are 25 years old and over. For the current school age group, however, the region is doing a far better educational job. Moreover, the state and local authorities are now vastly enlarging their educational facilities in a determined effort to provide their young people with opportunities for schooling, whether they be urban or rural, white or black.

Percentage distribution by major occupation groups for the six states for the year 1950 is shown in Table 5. In employments, or in distribution developments among

TABLE 5—Major Occupation Groups, 1950

Group	*Ala.*	*Fla.*	*Ga.*	*La.*	*Miss.*	*Tenn.*
Professional, technical and kindred workers	6.3	8.1	6.2	8.0	5.8	7.2
Farmers and farm managers	15.6	4.0	12.5	10.3	28.9	15.5
Managers, officials, and proprietors, except farm	6.8	11.5	7.1	8.5	6.1	7.2
Clerical and kindred workers	7.3	10.1	8.5	9.8	5.4	9.0
Sales workers	5.6	8.0	6.0	6.4	4.6	6.3
Craftsmen, foremen, and kindred workers	10.8	13.1	10.2	11.5	7.5	11.8
Operatives and kindred workers	18.9	13.3	19.8	15.0	11.9	18.9
Private household workers	5.3	5.2	5.9	5.0	4.6	3.6
Service workers, except private household	5.8	9.7	6.3	8.0	5.0	6.8
Farm laborers, unpaid family workers	4.8	0.9	4.0	2.3	7.3	2.7
Farm laborers, except unpaid, and farm foremen	3.7	6.6	4.3	4.3	5.1	3.3
Laborers, except farm and mine	7.6	8.1	7.5	9.6	6.6	6.1
Occupation not reported	1.5	1.4	1.4	1.4	1.4	1.7

major occupational groups, the District does not differ markedly from other regions. Generally, it may be said that a smaller proportion of the District's people are engaged in professional and technical work than is true of other regions—7.4 percent in this group as against 8.9 percent for the United States. The District has more farmers and farm managers than is true of any other region: 12.7 percent in this group against 2.0 percent in the Northeast, 9.9 percent in the North Central states, and 5.1 percent in the West. Furthermore, it is close to the national average in the percentage of people working as operatives and kindred workers.

Certain assumptions suggest themselves on the District's future population growth and development. The first assumption is that *in the 1960 census, the Southeast, as a region, should show an increase in population.* This assumption can be made if for no other reason than that the census for 1950 showed an increase over that for 1940.

The assumption that population gains will be experienced during the current decade is borne out by the population record for 1951 and 1952. Births in the United States boomed to a new record of 3,833,000 in 1951 and they exceeded 3,900,000 in 1952. At the end of September 1952, the total population was estimated at 157,500,000. The rate of population growth for both 1951 and 1952 exceeded 1.70 percent annually. The District is undoubtedly sharing in this growth.

Secondly, *the shift from an agrarian to an industrial economy will be accelerated in the years ahead.* Existing trends in agriculture, notably the development of livestock raising, dairying, and poultry production, mean that less dependence will be placed upon the raising of cotton, which in the past has been accomplished largely with hand labor. Displaced farm workers will continue to move to the cities, attracted by job opportunities in our expanding industrial establishments. We have only to look at the employment opportunities offered by our expanding industries—in oil, in iron and steel, in coal, in textiles, in pulp and paper making, in chemistry, and in manufacturing in general—to assure ourselves that job opportunities for our population will be found.

Highlighting the opening of new industrial employment opportunities in the South was a news report on employment conditions made in the latter part of 1952. Speaking of current demands for 50,000 additional automobile workers, demands which cannot be filled, the report said: "Formerly, the auto industry used to recruit workers easily in the South, whenever they were needed. But now, production workers have good jobs at home in the South, and the special buses that used to take them to Detroit and back home aren't running."

Finally, *the vigorous attack by the District states on the problem of expanding their educational facilities will raise immeasurably the economic contribution of their workers.* Georgia's Minimum Foundation Program for Education, under which additional millions of dollars are to be spent in building new schools and providing more adequately trained teachers, is an outstanding example of the vigor with which the Southeastern states are attempting to improve the economic potential of their people.

L. B. RAISTY

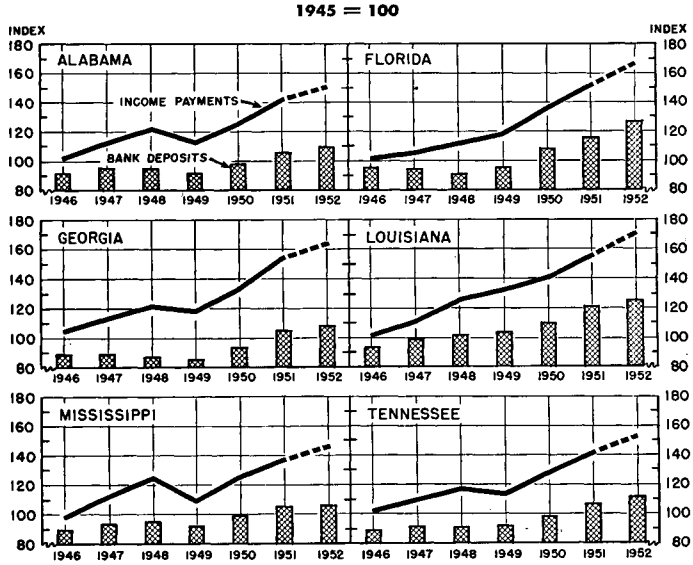
Deposit Growth Parallels Income Expansion

Answers to the question, "How's business?" are usually couched in terms of national aggregates. Even on the side roads of the nation, businessmen are beginning to toss around such terms as "Gross National Product" and "Consumer Purchasing Power." Yet the typical enterprise is usually carried on within a particular locality, which seldom extends beyond the limits of a single state. Statistics on a national level, therefore, do not fully meet the needs of the individual businessman; on the other hand, statistics for specific areas are seldom available. One of the best and most easily accessible indicators of local business conditions is the data on member bank deposits, published monthly by this bank for the six states and for the twenty-seven trade and banking areas of the District.

In the individual states of the Sixth District, the growth of member bank deposits during 1952 largely reflected a continuation of trends that have been evident since the end of World War II. Florida and Louisiana experienced the greatest proportionate rises in bank deposits from 1951 to 1952 as well as the greatest percentage increases since 1945. These states also showed the greatest percentage increases in income payments, both in the entire postwar period and from 1951 to 1952. Finally, Florida and Louisiana actually showed increases during 1949 when there was a general decline in income elsewhere.

Louisiana has been making the biggest strides in income payments since 1945. In the Sixth District portion of that state, member bank deposits have increased every year since 1946 and deposit growth during the six-year period has run a close second to that in Florida. This postwar boom in Louisiana is characterized by extremely favorable developments in both agriculture and industry. From 1945 to 1952, income derived from agriculture rose at

Member Bank Deposits and Income Payments
1945 = 100



Note: 1952 income payments preliminary

almost twice the rate of increase for all Sixth District states. Construction activity likewise increased in Louisiana considerably more than in the entire District. Recent major oil and sulphur developments have been important in stimulating activity in the extractive industries, particularly in the coastal area south and west of New Orleans.

Florida has shown the greatest increase in member bank deposits since 1945. This is all the more remarkable because from 1945 to 1948 deposits declined continuously. Beginning in 1949, however, substantial increases in deposits of Florida member banks have occurred each year, which more than made up for decreases in the early postwar years. Nearly 60 percent of the increase in income payments in Florida between 1945 and 1952 has been in three fields—the construction, service, and trade industries. The expansion of phosphate mining and the increase in citrus and cattle production have also contributed to the postwar boom. Basic underlying factors important for Florida's prosperity, of course, include the increase in population and the growing popularity of the state as a tourist center.

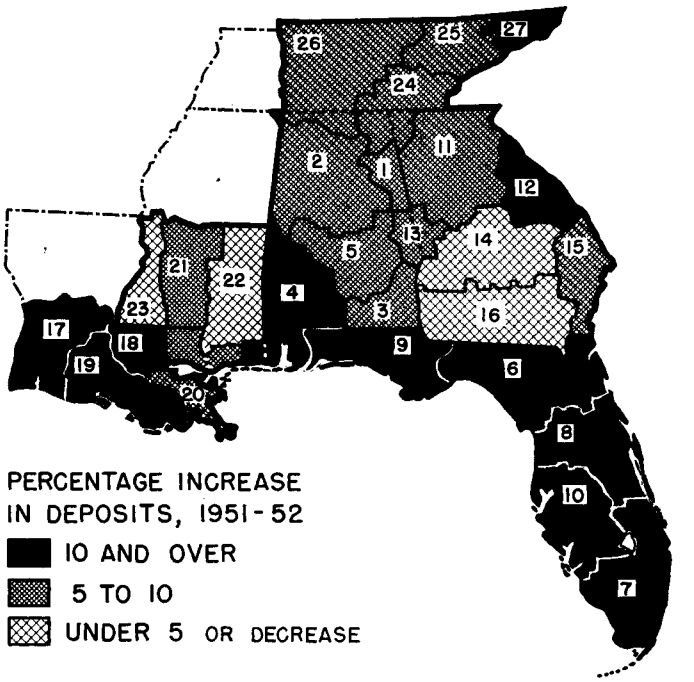
Georgia has shown substantial gains, running second only to Florida over the second half of the postwar period, following the 1949 dip in income payments and deposits. The noticeable improvement from the 1949 low in Georgia has been associated with a substantial pickup in manufacturing activity in the state, as well as an increase in Government payrolls and the favorable agricultural situation during 1950 and 1951.

Tennessee can attribute one-fourth of her postwar increase in income directly to an increase in income derived from manufacturing. In no other District state, has the proportionate gain in income from that source been as large. Of major importance in Tennessee's development has been the expansion in chemical and synthetic fiber production.

Alabama and Mississippi were most severely hit by the decline in income payments during 1949. This may be why their total income payments rose less during the entire postwar period than those in other District states. In Alabama, stoppages in the coal and steel industry in the fall of 1949 were particularly strong forces affecting income payments. From 1945 to 1952, however, income payments in Alabama increased about 50 percent.

Distribution of the District's deposit growth in 1952, by trade and banking area, is shown on the accompanying map. The District portion of Louisiana outside of New Orleans and the entire state of Florida showed deposit increases of 10 percent or more. In addition, the Mobile, Augusta, and Tri-cities areas experienced similarly large increases in deposits. The large growth in deposits in the Mobile area seems to have been associated with increased employment in shipyards and Government activities, as well as with developments in paper, chemicals, and synthetic fiber production. In the Augusta area, deposit growth during 1952 undoubtedly reflected construction activity at the hydrogen bomb plant across the Savannah River in South Carolina. The increase in deposits in the Tri-cities area, including Kingsport, Bristol, and Johnson City, Tennessee, seems largely associated with construction of new industrial plants of which an ordnance plant for the manufacture of guided missiles and several chemical plants appear to be the most important.

Changes in District Member Bank Deposits by Trade and Banking Area



Trade and Banking Area:

1. Anniston-Gadsden
2. Birmingham
3. Dothan
4. Mobile
5. Montgomery
6. Jacksonville
7. Miami
8. Orlando
9. Pensacola
10. Tampa-St. Petersburg
11. Atlanta
12. Augusta
13. Columbus
14. Macon
15. Savannah
16. South Georgia
17. Alexandria-Lake Charles
18. Baton Rouge
19. Lafayette-Iberia
20. New Orleans
21. Jackson
22. Hattiesburg-Laurel-Meridian
23. Natchez
24. Chattanooga
25. Knoxville
26. Nashville
27. Tri-Cities

Various reasons have been given for the relatively small increases and declines in deposits during 1952 in some sections of the District. Two areas in south and central Georgia are primarily agricultural and were affected by adverse weather conditions and falling farm prices. Similar conditions were present in the two areas of lowest increase in Mississippi, where other forces were also adversely affecting business activity. In Newton, for example, fire destroyed a large planer mill and a Government contract with a garment plant ran out, and in Laurel, two industrial plants were idle during the last six months.

Although growing urbanization has been a long-run characteristic of the South's economy, it appears that the greatest development during 1952 as measured by deposit growth took place in areas where middle-size communities are predominant. With the exception of Miami, Jacksonville, and Mobile, the sections surrounding major cities of the District experienced neither the highest nor the lowest rates of increase in deposits.

THOMAS R. ATKINSON

Bargain Day at the Meat Counter

Meat, particularly beef, has been making headline news since July 1952, when cattle prices started to drop sharply. Consumers wait expectantly for bargains at meat markets. Livestock producers, on the other hand, fervently hope for relief from the pain of rapidly shrinking gross incomes. Each group may, in some measure, realize its hopes.

The price of meat went down . . . .

At Atlanta, Georgia, commercial grade beeves, which are in greater supply in the District than beeves of higher quality, held steady at a price of about $29.00 per 100 pounds liveweight from May 1951 to July 1952, when the price began to fall precipitously to reach $20.39 by November. Medium grade 160-180 pound barrows and gilts selling for $17.00 at Atlanta in December 1951 were 75 cents lower in December 1952.

Both wholesale beef and pork prices, following the lead of liveweight prices, have tended down since October 1951, but pork prices have fluctuated more than beef prices. A composite of fresh and cured hog products, including lard, had an average wholesale price of $37.93 per hundred pounds in August 1952. By November the price was $30.59. Although prices of even the best grades of beef on the hoof were falling sharply in late 1952, choice steer carcass beef of the 500-600 pound weight at Chicago declined moderately from $54.56 a hundred in August to $52.40 in November.

Prices of the retail cuts of rib roast and chuck roast at Atlanta held steady or actually advanced. In December 1952, rib roast was selling at 87 cents just as it was in August. Prices of hamburger and frankfurters, made from poorer quality beef, changed promptly. In August 1952, hamburger was 64 cents a pound and frankfurters were 67 cents. By December, hamburger was down to 54 cents and frankfurters were down to 59 cents.

Among the pork cuts, bacon prices fluctuated more than ham prices. In July 1952, when live pork prices started down, pork at wholesale moved up in price and the retail price of sliced bacon advanced to 72 cents a pound, where it stayed until October when it fell to 69 cents and ultimately to 62 cents by December. The price of ham did not rise when live hog prices started falling in 1952, but it did hold at the 69-cent level during August and September and then declined to 67 cents in October. In December, ham was selling for 63 cents. Retail prices of sliced bacon and ham in the last half of 1952 were, in general, above the levels of the same period a year earlier.

In spite of high-level demand and consumption

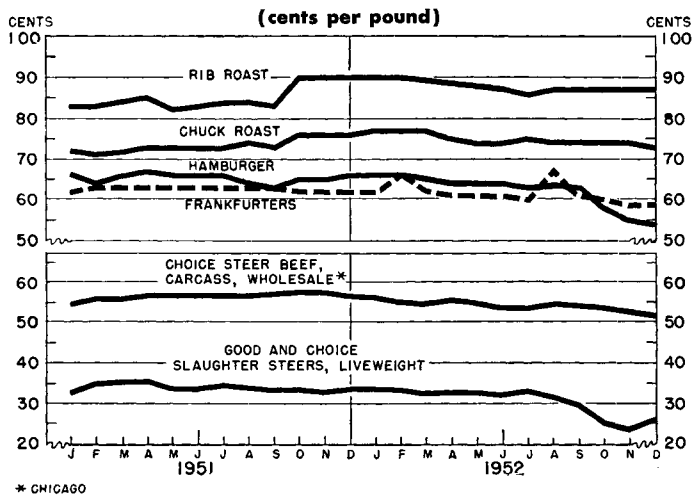
A gradual decline in the general price level since early 1951 has reflected effects of strong forces, notably improved worldwide supply conditions and a slowing down of inflationary pressures. These broad forces naturally affect meat prices, but most important in the recent sharp decline has been the meat supply and demand situation, which determines the price of meat in relation to the general level of all prices. And demand conditions were less potent in the 1952 decline of cattle prices, it would seem, than supply conditions.

The overriding force in high-level food consumption, including meat, is a large disposable income in the hands of many people. Such income in the last quarter of 1952 was running at $1,541 for each of the 157 million persons in the United States; it was $1,457 per person in 1951 and $1,355 in 1950. Of the record disposable income last year, about $406, or approximately 26 percent, was spent on food products. This proportion has varied little since 1946, and if it holds for this year, the prospective larger per-capita disposable income will mean more food dollars spent by the average consumer. Because nearly one-quarter of total food expenditures is for meats, consumer dollar purchases of all meats would no doubt continue high, with emphasis on better quality and choice cuts since consumers switch to these as their incomes rise or prices fall. When consumers move from a low income level to a higher one, they buy more meat, with the amount of increase in their meat purchases depending on the income level they are shifting from.

The net effect of income changes and other influences, such as habitats and sizes of families, on meat use last year was a total red meat consumption of 145 pounds per capita. This was 5 percent above 1951 consumption and one percent above that of 1950. Pork led in consumption last year with 72 pounds used per capita. Beef consumption per person amounted to 62 pounds, veal 7 pounds, and lamb and mutton 4 pounds. The increase in red meat consumption in 1952 occurred in beef, with an 11-percent gain; pork consumption held steady. Each year since 1948 people have eaten more poultry and by 1952 were consuming 36 pounds per person.

By year's end, retail prices of meat were working down in spite of these levels of consumption. Falling retail prices undoubtedly will help increase meat purchases, though less than proportionately, since per-capita con-

Prices of Beef, 1951-52, Atlanta, Georgia
Retail Cuts, Carcass, Liveweight



sumption of livestock food products as a group (all meat, poultry and eggs, dairy products) according to the relationship existing in the period 1922-41 rises about one percent in response to a decline of 1.6 percent in the average retail meat price. Consumption of beef increases one percent with a 1.06 percent decrease in retail price, whereas pork consumption increases one percent with a drop of 1.16 percent in price.

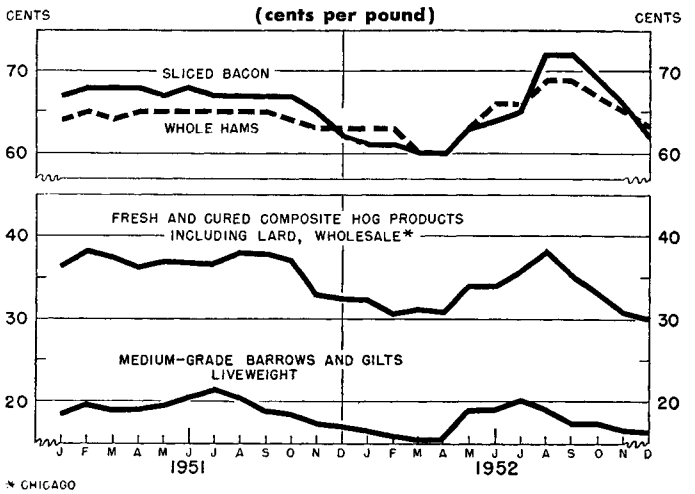
High levels of consumption at high prices, growing population, growing disposable incomes, and more families entering higher income brackets meant a strong consumer demand for meat last year and indicate a continuing strong demand in 1953. They do not support the conclusion that a slackening of consumer demand has been responsible for the decline in cattle prices. But farmers' demand for steers to put into their feed lots for fattening was weak in the summer and early fall months of 1952. They had seen feeding margins per hundred pounds—their return on the feeding operation—shrink from a peak of $10.03 in April 1951 to as low as $0.49 in December 1951 and hover between $1.18 and $2.98 through August 1952. With these prospective margins, feeders chose to delay buying cattle. Circumstances worked to their advantage; dry weather in the range country forced an abnormally heavy sell-off of cattle in late summer, which pushed prices below the normal seasonal decline. Cattle feeders ultimately did step-up their buying to the extent of placing in their feed lots a record number of cattle by January 1—about 16 percent above a year earlier.

Large supplies pushed them lower . . . .

On the supply side, increased production of meat has been prominent in bringing cattle prices down. The amount of meat, liveweight basis, put on the nation's markets was 187 pounds per capita in 1952, up about 8 pounds since 1951 and 9 pounds since 1950. Red meat output, most important in this gain, was being supplemented by a growing poultry production.

Favorable prices leading to an expansion of breeding herds brought about a rise in numbers of cattle on farms starting in 1949. Despite adverse weather in some regions, numbers on farms continued to increase in 1952 and by 1953 amounted to more than 93 million head. The cyclical upswing is still under way and numbers on farms in 1954 and even 1955 will likely be larger. After the normal two-year lag, numbers and pounds of cattle slaughtered started to rise in 1951. National slaughter of cattle and calves was 17.5 billion pounds in 1951 and 19 billion in 1952.

Prices of Pork, 1951-52, Atlanta, Georgia Retail Cuts, Hog Products, and Liveweight



* CHICAGO

The high price of hogs per hundred pounds relative to the price of corn per bushel led to record pig crops in 1950 and 1951. Part of the 1951 crop went to market in 1952, and along with growing beef supplies helped to depress meat prices. Recently, an unfavorable hog-corn price ratio has turned some farmers from pork production; pork supplies, according to farmers' intentions, will be reduced in 1953.

The natural increase in beef slaughter resulting from the cycle, the large supply of pork, the record supply of poultry, and the normal seasonal increase in marketings would ordinarily have had a depressing effect on beef prices in late 1952, assuming the level of demand stayed approximately constant. But a sudden upheaval in supply conditions in the last half of the year did major price damage. The forced selling of grass-fed steers from dry areas loaded the market with more than could be absorbed as feeder cattle and slaughter cattle at that time without a severe price break. Such abnormal supplies have a severely depressing effect on farm prices of meat animals, since a one-percent increase in meat production brings a 1.6 percent decrease in the farm price, according to the relationship in the 1922-41 period. Cattle prices under such conditions decline 1.19 percent, and hog prices, 1.54 percent.

And will continue to be a pressure in 1953

Beef prices in 1953 may average somewhat lower than in 1952, more as a result of changes in supply than in demand. With consumer incomes at a high level in 1953, demand for meat should remain strong. Demands for feeder cattle this year will hinge on current and prospective feeder margins. A downward drift in cattle prices with corn under price support would hamper the improvement of feeder margins, and demand for feeder cattle may not, in consequence, be exceptionally strong.

Pork is expected to be in short supply. Recently, hog prices as well as some cattle prices have strengthened. Hog prices may average higher in 1953 than last year, but it remains to be seen whether reduced shipments of hogs will more than offset increased shipments of cattle and bring about a yearly average price for cattle approaching that of 1952. The record numbers of cattle on feed and the anticipated increase of 15 percent in beef slaughter, together with the probable continued growth in poultry meat production, raise some doubt about such an eventuality.

During the early part of the year, the possibility of larger than normal seasonal marketings of fed steers from the record numbers in feed lots may make any springtime rise in average cattle prices a feeble one, even though there may be a strengthening in demand for stockers to replace liquidated herds. Continued adverse weather in the range areas would aggravate the shortage of grass, would renew the selling-off of animals from those areas, and would create once again an abnormal supply situation with its overly depressing effect on cattle prices.

ARTHUR H. KANTNER

Recent Revival in Cotton Textiles

An Appraisal of the Strength of Underlying Forces

A most significant economic occurrence in 1952 for the Sixth Federal Reserve District was the long-awaited recovery in textiles. From an unprecedented peak in activity attained shortly after the Korean War started, the textile business then began to fall off sharply to reach a low point in mid-1952. By December, however, the nation's production—the most comprehensive indicator of total textile activity—had climbed 8 percent from June.

Of far greater importance to the Sixth District than movements in total textile production, however, is the course of cotton textiles, which account for almost 90 percent of the value of total textile output in the District states. In these states, the seasonal adjusted index of cotton consumption was 9 percent higher in December 1952 than in July. Employment, which was relatively more stable in 1952 than in any other year in the last decade, was up 4 percent. Despite these gains, the mills are concerned as to how long the advance will last, which can best be answered by reviewing the nature of the supply and demand forces underlying it.

Why the Revival?

Since textile producers were not threatened with shortages of raw materials, plant and equipment, or labor, they were under no pressure to increase production in anticipation of future demands. The recent rise in production by District cotton textile producers, therefore, resulted entirely from strengthened demand, as indicated by increased consumer and merchant purchases of their products.

There is little doubt that the cotton textile industry has sufficient capacity to meet today's demand with no strain. A commonly used indicator of the size of the country's industry and of its capacity to produce is the number of spindles in place. The number has not changed much since 1941, even though the industry has met a tremendous war and postwar military, civilian, and foreign demand. Judging from this indicator alone, cotton textile productive capacity may even be excessive for current as well as foreseeable requirements.

More basic to the recent recovery than supply is the demand situation. Domestically, civilian demand is by far more important than the military, although during World War II and immediately following the Korean War governmental demand for military purposes was significant.

Personal consumer purchases increased and merchants expanded their inventories. . . .

Undoubtedly, personal consumer demand was the principal source contributing to the revival in the cotton textile industry. By mid-1952, consumers had apparently reduced their inventories, particularly of cotton and other clothing, to the point where replenishment was desirable. Even after allowing for the average seasonal expansion in the period 1946-51, sales of women's apparel and accessories at the nation's department stores in December 1952 were 68 percent higher than in June; sales of men's and boys' wear rose 33 percent; and piece goods and household textile purchases advanced 19 percent.

Slightly lower prices may have contributed to the expansion in retail sales of clothing and other merchandise items made from cotton. According to the Bureau of Labor Statistics' Consumers Price Index, prices of apparel in June 1952 were 3 percent below the post-Korean high.

Stepped-up consumer buying in the last six months of 1952 stimulated inventory accumulation at the retail store level. Following the Korean War boom in consumer spending, department stores throughout the nation, for example, had increased their inventories, including cotton goods, to unprecedented heights. Slackening consumer purchases during most of 1951 and half of 1952 forced merchants to cut down on new orders until inventories had once again reached a satisfactory relationship with sales, a condition achieved in mid-1952. With the pick-up in consumer buying in the last six months of 1952, retailers themselves had to buy merchandise, including goods made from cotton, in order to rebuild their inventories.

But industrial demand and Government buying of cotton textiles were off . . . .

Industrial demand for textile products including cotton was down in the last half of 1952. Cotton textile production for tire cord and fabric, for example, dropped from 40 million pounds in the second quarter of 1952 to 19 million pounds in the third quarter. Press reports indicated a continuation of this decline for the remainder of 1952.

Although the automobile industry will probably consume more synthetic textiles in 1953 than last year because of an expected increase in output of nearly a million motor vehicles, its take of cotton textiles will doubtless be considerably lower. Most of this demand will be met from synthetics, which have virtually displaced cotton in the manufacture of tire cord and fabric. The Government's take of cotton textiles for military purposes was estimated at nearly 10 percent of total output in 1951 and 6 percent in 1952. In 1953, this percentage is likely to be even smaller since the military stockpile is apparently well established.

Competition was keen for foreign markets and sales of textile manufacturers rose seasonally

The physical volume of United States exports of cotton cloth declined rather steadily from the tremendous 1947 record level through the first half of 1952. In July, however, the trend was reversed. By October 1952, the yardage of cotton cloth exports had advanced 30 percent over the physical volume prevailing in June; exports, therefore,

definitely contributed to the revival in the nation's cotton textile industry.

Judging from reports from abroad, United States cotton textile exports are likely to be down in 1953. Japanese, Indian, and English mills have announced intentions of expanding their 1953 exports some 700 million square yards over the 1951 physical volume. Unless foreign demand for cotton textiles were to expand appreciably, the United States stands to lose the market for some of its 802 million square yards which were exported in 1951. Thus 1953 ushers in a period of fierce competition for foreign markets, a condition which American producers have not fully experienced since pre-World War II days.

As a stone thrown into a still pond creates a chain of ripples, so the expansion in consumer buying initiated a series of events. Accumulation of inventories by retailers was reflected in seasonal increases in wholesale sales throughout the nation. Beginning in July 1952, wholesale sales of apparel and dry goods, which include cotton products, started climbing. Wholesalers, in turn, placed orders with manufacturers to build up inventories. Since wholesale sales of finished products rose more rapidly than inventories, part of the inventory accumulation at retail was evidently met out of previously acquired inventories at wholesale.

At the manufacturing level, it is necessary to use total textile mill sales and inventory data for analysis. The low point in seasonally unadjusted sales of all textile products, including those made from cotton, occurred in July 1952. From that point until the October 1952 peak, sales advanced almost 40 percent. Most of this increase, however, was of a seasonal nature. Despite a quickening in the tempo of textile activity, inventories at the close of 1952 were still somewhat high in relation to sales; manufacturers were carrying about a 2.5 month's supply at current sales levels. The gap between inventories and sales was wider in 1952 than in any other postwar year except 1951.

What Does the Future Hold?

Many cotton textile producers are guardedly optimistic about the short-run future and expect the gains made in the last half of 1952 to continue at least through June. As evidence they point to the greater-than-seasonal increase in textile production and the increases in employment and sales in the final months of 1952. Manufacturers reportedly have a two-month's backlog of orders. The decline in wholesale prices of cotton textile products, moreover, slowed down in the latter part of 1952. These factors seem to indicate a balancing of the supply and demand forces, which has been absent from the market place for over two years.

Consumer demand as reflected by the nation's department store sales may be more of a neutral than a positive factor. Thus far in 1953, sales are up slightly from the like period a year ago, although January and February sales were slightly off from the very high December level.

On the other hand, forces exist which offer little ground for complacency to the cotton textile industry. Military requirements of the Federal Government for cotton textile products are expected to decline. Foreign demand has been trending downward and promises to be more difficult to maintain. In addition, inventories of textile manufacturers are still quite large in relation to sales. A weighing of these factors does not indicate a striking resurgence in textile activity in 1953 and raises some doubt that production can be maintained at the rates experienced in the closing months of 1952.

BASIL A. WAPENSKY

The Discount Rate and Bank Lending

In the middle of January the Federal Reserve Bank of Atlanta, along with the other Federal Reserve Banks, announced that the interest rate at which funds are advanced to member banks was increased from 1.75 to 2.00 percent. This is the first increase in the discount rate since August 1950. The announcement has aroused considerable interest as to reasons for and possible consequences of the change.

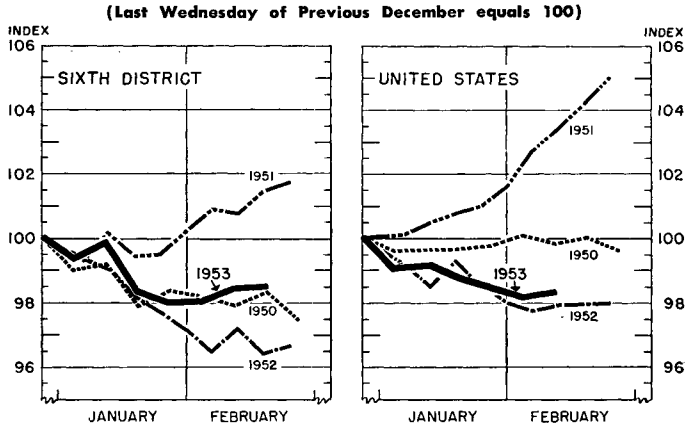
In the past, major factors which seem to have influenced decisions to change the discount rate include the general condition of the economy, the volume of member bank borrowing, and the relation of the discount rate to interest rates on other loans and investments. Discount rate increases have generally occurred in periods of high level business activity and at such times when member banks were borrowing from their Federal Reserve Banks in order to extend credit in amounts greater-than-normal. In addition, discount rate changes have often been made in periods when other interest rates have undergone changes. Traditionally, the discount rate has been maintained above the rate on Treasury bills and other prime short-term paper but below the rates on less than prime market paper and rates charged by banks to their customers.

In the light of past factors seemingly important in explaining changes in the discount rate, it may be worthwhile to examine the situation at the time the decision to raise the rate was made. During the fall and winter months of 1952, employment, production, income, and consumer spending all reached high levels. In addition, a more-than-normal growth in bank loans to customers had occurred after May. Accompanying the increase in bank loans during the fall was an increase in member bank borrowing from the Federal Reserve Banks. Although the seasonal return flow of currency and the decline in loan demand in January resulted in lower levels of borrowing than in December, member banks were still borrowing considerably more than they had in many previous years.

The rate of interest on Treasury bills exceeded the discount rate in December, when it was the highest it had been since 1933. This condition—a higher bill rate than discount rate—had prevailed with isolated exceptions since

Weekly Changes in Commercial Loans at Banks in Leading Cities

(Last Wednesday of Previous December equals 100)



the end of June. Easing of money market conditions after the end of December was reflected in some decline in the bill rate, but it had not resulted in a bill rate lower than the discount rate. It was in this setting that the decision to raise the rate was made.

The increase in the discount rate in January was probably anticipated for several months and many of the effects of the rate change may have actually occurred before rather than after the move was made. Nevertheless, it may be worthwhile to summarize the effects of an increase in the discount rate as if the move were not anticipated. First, of course, the increase in the discount rate means that member banks will find it more costly to borrow from their Federal Reserve Banks. To some banks, the increase in the discount rate may of itself discourage borrowing and further credit expansion. Other banks which find it necessary to borrow in order to expand credit may pass on part or all of the increased cost to their customers. Most banks will find no immediate increase in their cost of operations because they follow a policy of avoiding indebtedness to the Federal Reserve System.

Second, changes in the discount rate often have an indirect effect which is partly psychological. The financial and business community regards changes in the discount rate as being indicative of future System policy and attaches considerable importance to them. Generally, the discount rate has not been changed merely in response to temporary changes in business and economic conditions. Discount rate changes, therefore, are often regarded by bankers and businessmen as indicative of the views of the Reserve banking authorities on the general credit situation. Accordingly, discount rate moves have claimed considerable attention and have at times been followed by effects greater than those which might be accounted for simply because of changes in cost and volume of member bank borrowing.

The most direct effects of a change in the discount rate are felt at times when member banks are borrowing heavily from the Federal Reserve Banks. For this reason, any explanation of discount policy is incomplete without mention of open market operations, which may increase or decrease the necessity for member bank borrowing. Purchases and sales of Government securities by the Open Market Committee of the Federal Reserve System add and withdraw funds from the banking system as a whole and thus bring about conditions in which the individual bank finds itself with too much or not enough reserve funds. When member banks need reserves, they frequently borrow funds from the Reserve Banks. An increase in the discount rate, therefore, could add to the expenses of bank operations. Because purchases and sales of Government securities by the Open Market Committee are made quietly and without publicity, they receive little public attention, but their effect may be fully as important as changes in the discount rate, which receive formal announcements. During the fall, because of the reluctance of the Federal Reserve System to purchase Government securities, the banks turned to borrowing in order to get reserves required to meet increased loan demand.

In recent years, open market operations—purchases and sales of Government securities—have tended to be the most important instrument of general credit control used by the Federal Reserve System. In the future, however, it is possible that discount policy may become increasingly important. Since the Federal Reserve System has lessened its active support of the Government security market, member banks are not being supplied with reserves as freely as in the past. Consequently, banks are likely to find it more necessary to borrow form their Federal Reserve Bank in order to obtain additional reserves. With this development, discount rate changes are likely to take on increased significance.

Changes in the volume of bank lending since the second week in January, when the discount rate was raised, have not been great. In the nation as a whole, commercial, industrial, and agricultural loans of weekly reporting member banks have remained higher than in previous years, but the seasonal downturn during January and the first two weeks of February seems fairly satisfactory considering the high rate of lending in the late months of 1952.

In the Sixth District, commercial, industrial, and agricultural loans of weekly reporting banks have declined less during January and February than in 1952, but about the same as they did in 1950. The rate on Treasury bills has fallen from the seasonal peak reached in December despite the increase in the discount rate. New issues of Treasury bills are presently being quoted at a slightly higher yield, however, than the rate at which member banks may borrow from the Federal Reserve Banks. Prime rates quoted by major money market banks have not been increased appreciably and whether or not rates to other than prime borrowers have been advanced cannot be determined until results of the quarterly interest rate survey are received early in April.

There are, undoubtedly, other effects of the recent increase in the discount rate than those mentioned above. Many of the statistical series upon which a judgment might be based are not yet available and even when the record is complete, it is impossible to determine what events might have taken place if the action had not been taken. Some results may take time to become apparent. Finally, in judging the effectiveness of the discount rate increase, it is well to remember the actions of the Federal Reserve System are only one of many factors that affect the economy.

THOMAS R. ATKINSON

Sixth District Statistics

Instalment Cash Loans

Lender	No. of Lenders Reporting	Volume: Percent Change Jan. 1953 from Dec. 1952	Volume: Percent Change Jan. 1953 from Jan. 1952	Outstandings: Percent Change Jan. 1953 from Dec. 1952	Outstandings: Percent Change Jan. 1953 from Jan. 1952
Federal credit unions	36	—9	+26	+0	+31
State credit unions	20	—4	+29	+1	+33
Industrial banks	7	—15	+2	+1	+9
Industrial loan companies	10	—11	+10	—2	+4
Small loan companies	33	—36	+14	+0	+19
Commercial banks	33	—11	+18	—1	+26

Retail Furniture Store Operations

Item	Number of Stores Reporting	Percent Change January 1953 from Dec. 1952	Percent Change January 1953 from Jan. 1952
Total sales	139	—50	+3
Cash sales	124	—46	—10
Instalment and other credit sales	124	—51	+6
Accounts receivable, end of month	132	—4	+33
Collections during month	132	+7	+15
Inventories, end of month	97	+1	—3

Wholesale Sales and Inventories*

Type of Wholesaler	Sales: No. of Firms Reporting	Sales: Percent Change Jan. 1953 from Dec. 1952	Sales: Percent Change Jan. 1953 from Jan. 1952	Inventories: No. of Firms Reporting	Inventories: Percent Change Jan. 31, 1953, from Dec. 31 1952	Inventories: Percent Change Jan. 31, 1953, from Jan. 31 1952
Automotive supplies	6	+5	+4	5	—7	—18
Electrical—Full-line	3	—34	—15	.	..	..
" Wiring supplies	4	+24	—8	4	—8	—2
" Appliances	7	—34	+5	6	+2	+12
Hardware	9	—11	—6	4	—1	—4
Industrial supplies	13	+15	—3	3	+6	—5
Jewelry	4	—75	+28	.	..	..
Lumber and bldg. mat'ls	9	+12	+20	6	+21	—7
Plumbing & heating supplies	4	+12	—10	3	+4	+19
Confectionery	5	—27	—22	.	..	..
Drugs and sundries	10	+25	+15	.	..	..
Dry goods	16	—1	—4	12	+14	+2
Groceries—Full-line	52	+2	—6	42	+4	—2
" Voluntary group	3	+8	—6	.	..	..
" Specialty lines	11	+4	—9	6	+5	—4
Tobacco products	15	—11	+12	9	+8	+4
Miscellaneous	16	—7	—3	20	+8	—1
Total	187	—3	—1	120	+6	—1

*Based on U. S. Department of Commerce figures.

Department Store Sales and Inventories*

Place	Percent Change: Sales: Jan. 1953 from Dec. 1952	Sales: Jan. 1953 from Jan. 1952	Inventories: Jan. 31, 1953, from Dec. 31 1952	Inventories: Jan. 31, 1953, from Jan. 31 1952
ALABAMA	—60	+6	+6	+13
Birmingham	—59	+1	+5	+6
Mobile	—60	+23	..	..
Montgomery	—60	+8	..	..
FLORIDA	—49	+8	+6	+1
Jacksonville	—62	+1	+9	+7
Miami	—45	+11	+5	—4
Orlando	—51	+7	..	..
St. Petersburg-Tampa	—49	+7	..	..
St. Petersburg	—41	+7	+7	+6
Tampa	—55	+7	..	..
GEORGIA	—58	+5	—1	+6
Atlanta**	—56	+4	—4	+5
Augusta	—64	+7	..	..
Columbus	—63	+4	+6	+7
Macon	—61	+7	+6	+1
Rome**	—67	+13	..	..
Savannah**	—60	+17	..	..
LOUISIANA	—52	+9	+7	+14
Baton Rouge	—56	+20	+1	+2
New Orleans	—51	+8	+8	+16
MISSISSIPPI	—60	+2	+2	+4
Jackson	—57	—1	+8	+6
Meridian**	—64	+10	..	..
TENNESSEE	—62	+7	—2	+8
Bristol**	—68	+2	+5	+7
Bristol-Kingsport-Johnson City**	—67	+9	..	..
Chattanooga	—59	+7	..	..
Knoxville	—60	+9	—16	+6
Nashville	—63	+5	+3	+10
DISTRICT	—57	+6	+3	+5

*Includes reports from 122 stores throughout the Sixth Federal Reserve District.
**In order to permit publication of figures for this city, a special sample has been constructed which is not confined exclusively to department stores. Figures for non-department stores, however, are not used in computing the District percent changes.

Condition of 27 Member Banks in Leading Cities

(In Thousands of Dollars)

Item	Feb. 18 1953	Jan. 21 1953	Feb. 20 1952	Percent Change Feb. 18, 1953, from Jan. 21 1953	Percent Change Feb. 18, 1953, from Feb. 20 1952
Loans and investments—Total	2,956,132	2,962,141	2,757,260	—0	+7
Loans—Net	1,221,805	1,219,539	1,072,692	+0	+14
Loans—Gross	1,243,036	1,240,709	1,092,466	+0	+14
Commercial, industrial, and agricultural loans	711,136	709,864	634,296	+0	+12
Loans to brokers and dealers in securities	13,679	14,111	8,857	—3	+54
Other loans for purchasing and carrying securities	36,499	37,163	33,455	—2	+9
Real estate loans	96,507	96,484	86,989	+0	+11
Loans to banks	6,374	9,054	6,291	—30	+1
Other loans	378,841	374,033	322,578	+1	+17
Investments—Total	1,734,327	1,742,602	1,684,568	—0	+3
Bills, certificates, and notes	759,979	760,634	810,565	—0	—6
U. S. bonds	720,134	727,023	639,884	—1	+13
Other securities	254,214	254,945	234,119	—0	+9
Reserve with F. R. Banks	525,578	529,351	515,701	—1	+2
Cash in vault	46,791	48,215	46,274	—3	+1
Balances with domestic banks	233,660	239,611	205,277	—2	+14
Demand deposits adjusted	2,134,754	2,178,205	2,053,051	—2	+4
Time deposits	558,227	554,385	536,562	+1	+4
U. S. Gov't deposits	109,367	72,467	79,048	+51	+38
Deposits of domestic banks	688,937	722,090	628,833	—5	+10
Borrowings	35,750	20,500	12,000	+74	*

*Over 100 percent.

Debits to Individual Bank Accounts

(In Thousands of Dollars)

Place	Jan. 1953	Dec. 1952	Jan. 1952	Percent Change Jan. 1953 from Dec. 1952	Percent Change Jan. 1953 from Jan. 1952
ALABAMA					
Anniston	31,671	33,844	30,352	—6	+4
Birmingham	466,247	498,477	461,622	—6	+1
Dothan	20,446	20,136	20,445	+2	+0
Gadsden	26,622	26,350	23,993	+1	+11
Mobile	183,242	192,865	163,909	—5	+12
Montgomery	102,277	101,269	99,222	+1	+3
Tuscaloosa*	34,396	37,173	32,779	—7	+5
FLORIDA					
Jacksonville	458,365	445,705	401,988	+3	+14
Miami	419,171	423,193	355,186	—1	+18
Greater Miami*	656,231	634,562	572,213	+3	+15
Orlando	103,714	98,614	83,927	+5	+24
Pensacola	56,002	57,697	48,775	—3	+15
St. Petersburg	114,350	105,198	94,649	+9	+21
Tampa	214,264	220,244	181,953	—3	+18
West Palm Beach*	73,496	70,038	65,879	+5	+12
GEORGIA					
Albany	42,726	47,569	40,001	—10	+7
Atlanta	1,178,662	1,338,521	1,136,241	—12	+4
Augusta	98,380	105,339	90,117	—7	+9
Brunswick	12,943	13,745	13,249	—6	—2
Columbus	86,445	93,663	83,518	—8	+3
Elberton	4,651	5,505	4,550	—16	+2
Gainesville*	24,669	25,905	26,007	—5	—5
Griffin*	13,978	16,611	13,231	—16	+6
Macon	81,743	89,479	89,017	—9	—8
Newnan	12,427	13,009	15,932	—4	—22
Rome*	28,623	29,350	27,398	—2	+4
Savannah	135,916	138,201	122,432	—2	+11
Valdosta	18,616	19,673	14,894	—5	+25
LOUISIANA					
Alexandria*	50,019	49,159	47,492	+2	+5
Baton Rouge	138,331	138,332	125,311	—0	+10
Lake Charles	59,710	57,000	52,485	+5	+14
New Orleans	1,074,668	1,033,692	933,238	+4	+15
MISSISSIPPI					
Hattiesburg	22,334	20,992	22,202	+6	+1
Jackson	237,561	181,738	213,828	+31	+11
Meridian	33,340	32,262	33,605	+3	—1
Vicksburg	33,338	37,186	32,384	—10	+3
TENNESSEE					
Chattanooga	276,004	221,688	217,807	+24	+27
Knoxville	177,093	173,841	153,350	+2	+15
Nashville	416,626	472,267	407,814	—12	+2
SIXTH DISTRICT					
32 Cities	6,337,885	6,457,294	5,767,996	—2	+10
UNITED STATES					
342 Cities	149,004,000	170,648,000	138,520,000	—13	+8

*Not included in Sixth District totals.

Sixth District Indexes

1947-49=100

	Manufacturing Employment			Cotton Consumption**			Construction Contracts			Gasoline Tax Collections			Furniture Store Sales*/**		
	Dec. 1952	Nov. 1952	Dec. 1951	Jan. 1953	Dec. 1952	Jan. 1952	Jan. 1953	Dec. 1952	Jan. 1952	Jan. 1953	Dec. 1952	Jan. 1952	Jan. 1953	Dec. 1952	Jan. 1952
UNADJUSTED															
District Total	114	114	109	106	107	115	—	—	—	155	142	142	82p	151r	78
Alabama	109	109	103	107	107	111	91	193	115	153	140	138	75	177	74
Florida	136	129	125	—	—	—	147	176	137	172	145	149	98	148r	91
Georgia	114	114	113	105	107	118	194	331	121	151	140	135	71p	162r	79
Louisiana	112	114	104	—	—	—	159	579	641	133	120	149	81p	149r	78
Mississippi	114	114	108	130	127	115	135	267	31	146	176	148	—	—	—
Tennessee	113	112	105	105	101	102	130	331	77	165	140	133	65	127	64
SEASONALLY ADJUSTED															
District Total	113	114	107	102	108	110	—	—	—	155	139	142	101p	108r	97
Alabama	107	111	101	—	—	—	—	—	—	156	137	141	100	120	99
Florida	130	130	120	—	—	—	—	—	—	166	146	143	113	117p	104
Georgia	113	113	112	—	—	—	—	—	—	148	140	133	90p	115	101
Louisiana	107	109	100	—	—	—	—	—	—	135	119	151	98p	108r	94
Mississippi	113	113r	107	—	—	—	—	—	—	155	173	157	—	—	—
Tennessee	113	112	105	—	—	—	—	—	—	174	129	140	88	88	87

Department Store Sales and Stocks**

	Adjusted			Unadjusted		
	Jan. 1953	Dec. 1952	Jan. 1952	Jan. 1953	Dec. 1952	Jan. 1952
DISTRICT SALES*	126	130	119r	96	221	90r
Atlanta[1]	130	135	125r	94	213	90r
Baton Rouge	113	111	94r	79	180	66r
Birmingham	110	129	109r	85	208	85r
Chattanooga	125	129	117	94	228	88
Jackson	112	119	110	81	189	79
Jacksonville	108	119	107r	78	205	77
Knoxville	114	127r	105r	85	218	78r
Macon	130	126	122	91	236	85
Miami	127	126	116	125	226	113
Nashville	119	124	113	81	217	77
New Orleans	122	123	115r	99	202	94
Tampa	120	128	112r	97	215	91
DISTRICT STOCKS*	140p	141r	133r	126p	122r	119r

[1]To permit publication of figures for this city, a sample has been constructed that is not confined to department stores. Such non-department stores are not included in the District index.

*Does not include data for all of La., Miss., and Tenn. Other totals for entire six states.

**Daily average basis.

Sources: Mfg. emp., state depts. of labor; cotton consumption, U. S. Bureau Census; construction contracts, F. W. Dodge Corp.; gas. tax, state depts. of rev.; furn. sales, dept. store sales, turnover of dem. dep., FRB Atlanta; petrol. prod., U. S. Bureau of Mines; elec. power prod., Fed. Power Comm. Indexes calculated by this Bank.

Other District Indexes

	Adjusted			Unadjusted		
	Jan. 1953	Dec. 1952	Jan. 1952	Jan. 1953	Dec. 1952	Jan. 1952
Construction contracts*	..	..	..	141	322r	216
Residential	..	..	..	151	151r	140
Other	..	..	..	134	452r	274
Petrol. prod. in Coastal Louisiana and Mississippi**	138	144	128	141	139	130
Turnover of demand deposits*	24.6	22.6	24.0	25.8	24.2	25.2
Index	127.7	117.3	124.6	..	..	..
	Dec. 1952	Nov. 1952	Dec. 1951	Dec. 1952	Nov. 1952	Dec. 1951
Mfg. emp. by type						
Apparel	..	..	..	133	133	120
Chemicals	..	.	..	114	115r	111
Fabricated metals	..	..	..	160	158	135
Food	..	..	..	114	114	108
Lbr., wood prod., furn. & fix.	..	..	..	97	96r	98
Paper and allied prod.	..	..	..	130	130	129
Primary metals	..	..	..	103	102r	99
Textiles	..	..	..	103	102	101
Trans. equip.	..	..	..	152	150	121
Elec. power prod.**	..	..	..	170	159	153
Hydro-gen.	..	..	..	96	58	136
Fuel-gen.	..	..	..	238	251	168

r Revised

p Preliminary