Monthly Review

ATLANTA, GEORGIA, JUNE 30, 1953

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DISTRICT BUSINESS HIGHLIGHTS

Crops got off to a poor start this spring. Cold, wet weather hurt the cotton crop. Replantings and excessive weed growth pushed farmers' cost up.

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Farm borrowings are at a record level at member banks partly because of lower farm incomes and higher production costs.

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Cattle prices in Southeastern markets broke sharply in June and are likely to slip further.

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Department stores reported lower sales during first two weeks of June than in same period last year, although sales were up the third week. May sales were up substantially from a year earlier. Durable goods sales at many department stores were off from last May, and furniture stores reported sizable declines for the first time in several months.

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The downward trend in textile and apparel prices continued into June, but employment remained stable. Prices for most other District manufactured products edged upward, and employment exceeded last year's.

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Higher total spending in the District, as measured by bank debits to personal and business demand deposit accounts, was noted in May this year although declines occurred in some cities.

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Loan demand continues strong as seasonal low point approaches. Less-than-normal seasonal declines in commercial loans and heavy demand for consumer loans combined to exert pressure for bank funds. District member bank borrowings from Federal Reserve Bank continued strong into June because of tight reserve positions, which may be eased somewhat by a reduction in reserve requirements announced for July.

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Sharp reduction in new commitments for FHA and VA loans by institutional lenders located outside District is causing a slight improvement in demand for conventional housing loans.

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Higher construction contract awards in May for both residential and nonresidential building promised continuing high level employment.

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Higher retail inventories at department and furniture stores, as well as **increased wholesale inventories,** showed up in a contra-seasonal rise in bank loans to trade concerns.

Bankers' Interest in Farm Tenancy

Because of the great importance of agriculture to the economy of the Sixth District, bankers are directing much of their attention to the task of helping farmers increase their earning power. They are seeking new methods of accomplishing this purpose as well as means of improving methods already adopted.

Individual bankers have co-operated with the various state associations and with professional agricultural workers in conducting farm tours, sponsoring farm credit schools, and promoting farm youth activities. An increasing number of bankers have established farm loan departments headed by trained agricultural representatives. Many others have adopted new lending policies and procedures that have enabled farmers to use credit more effectively.

Farmers who own their land and who are not heavily burdened with mortgage debt have made the greatest progress. Sharecroppers, who own no land and virtually no equipment or livestock, have made the least progress. Farmers' tenure status, or the way in which they hold the land they operate, is of vital interest to bankers for two reasons. First, traditional tenure arrangements have retarded progress toward a more prosperous agriculture and thereby have indirectly affected the prosperity of banks. Second, the prevalence of tenancy within the tenure pattern has affected bankers directly by creating some perplexing problems in the extension of credit.

How Tenure Arrangements Have Retarded Agricultural Progress

For many years, farm tenancy has been recognized as one of the South's foremost problems, but revolutionary developments in agriculture are changing the nature of this problem. The cotton economy has given way to a diversified one that is characterized by less reliance upon human labor, increased size of the farm business, increased costs of operation, and greater capital investments. This diversification program includes additions to livestock herds, improvements to land and buildings, higher rates of fertilization, and adoption of new farm practices.

Before these changes in agriculture occurred, tenancy was primarily a social problem. It was accompanied by low levels of living, inadequate education of children, poor health of farm families, and many other undesirable features, but it did fit well into the one-crop cotton economy from an economic standpoint. The economic justifications for the old forms of tenancy, however, have been destroyed. There is less need for a large, cheap labor supply to meet the seasonal peaks that were typical of the cotton economy. Although the old forms of tenancy are outmoded, they still exist side by side with a new type of farming. Their mere presence exerts a deadening effect on agricultural progress at several critical points.

The most strategic point is the adverse effect they have on the development of managerial ability. Most tenants must concentrate upon producing cash crops, such as peanuts, cotton, and tobacco. Under existing leasing arrangements, they do not have an opportunity to establish pastures, expand livestock herds, and develop a well-rounded system of farming. As a result they can acquire skills in crop production, but cannot acquire the higher order of over-all managerial ability that is necessary in successful, modern farming.

Even if tenants could acquire this ability, many of them could not use it because they cannot plan ahead for more than one year at a time. Most leases are verbal agreements of one year's duration. Since organization of an efficient farm business requires long-range planning for periods of three to five years, insecurity of tenure is more than a mere inconvenience. It is an effective barrier to the creation of an efficient farm plan and to the execution of that plan.

Should the tenant overcome these obstacles, he faces still another: namely, the difficulty of obtaining command of the amount of capital that is needed in the newer types of farming. Usually, the tenant's family is large and his income is low. As a result, he has little money left over for saving and for accumulating physical forms of capital. To raise his income, he needs more capital, but in order to obtain more capital he first must increase his income.

The difficulties occasioned by lack of managerial ability, insecurity of tenure, and lack of capital apply with even greater force to sharecroppers than they do to other tenants. The main difference between the two forms of renting is that the tenant usually furnishes the tools, the source of power, and a share of the other requirements for producing the crop, whereas the sharecropper furnishes only his labor.

At first glance, the characteristics of tenancy seem to be incompatible with the requirements for successful farming. Although this may be overstating the case, it is certainly true that recent changes in District agriculture have tended to discourage tenancy. Increased opportunities for nonfarm employment have also furthered this movement. In spite of a decline in tenancy, its continued strong influence upon District agriculture must be taken into account by bankers as they develop their lending policies and procedures.

How Tenure Arrangements Have Affected Bank Lending

According to a survey conducted in 1947, tenants accounted for about one fourth of the total dollar volume of all farm-production loans made by member banks. Most of these were short-term loans for the production of cash crops. In making these loans, bankers rely mainly upon their personal knowledge of the tenant and his prospects for making enough money on the crop to repay the loan. They are not concerned with his financial progress or prospects beyond the current crop season. Collateral usually consists of a lien on the tenant's share of the crop and a chattel mortgage on any workstock, other livestock, and machinery. In order to make such loans with reasonable safety, the banker usually has to ask the tenant to pledge all of his assets as security.

The small amount of collateral that the tenant can offer limits the scope of bank lending. Because there is seldom enough security to justify lending more money than is needed for the current crop and for living expenses, lending for projects that cannot be completed during the current season is impractical. The tenant must almost exhaust his borrowing ability to produce the cash crop, and has no credit capacity available for the building of livestock herds, the purchase of new machinery, or other long-term projects.

The lack of collateral also means that bankers must follow a rather rigid procedure in advancing the proceeds of the loan and in collecting the loan. In order to make sure that the loan proceeds are used properly, some bankers go so far as to advance the money only as the production items are purchased. If part of the loan is to buy fertilizer, for example, the banker will advance the money only upon presentation of evidence that the fertilizer has been purchased. Otherwise, a large part of the so-called crop production loans are actually used for living expenses. Collections also are timed so the tenant usually must start repaying the loan as soon as the first portion of the crop is harvested and sold.

Insecurity of tenure, or the fact that the tenant usually has no assurance that he will be on the same farm year after year, also shapes bank lending practices. This may be illustrated by a hypothetical example. Suppose a tenant is now farming 100 acres of good cropland. Assume further that this tenant is capable and industrious and that he has begun to accumulate some machinery and livestock. In order to operate most efficiently, he now needs a new tractor and several other pieces of equipment. On the 100 acres of good cropland, this new equipment would probably be a sound investment. Even though repayment would have to extend over two or three crop seasons, a loan for its purchase probably could be arranged on a sound and safe basis provided there were some assurance that the tenant would continue to have the use of the 100 acres of land. Under most existing leasing arrangements, however, this assurance is not present. If the tenant were forced to move to a farm with only 60 acres of poor land, the machinery might be a burden rather than an asset. That the tenant could repay the loan by selling his livestock or machinery is of little comfort to either the banker or the tenant. No banker would knowingly place himself in the unpleasant position of having to sell a farmer's tools or livestock.

Some tenants, of course, have more security of tenure than is indicated by the usual verbal one-year lease. They live on the same farm year after year, and both landlord and tenant look upon the arrangement as a permanent one. Despite this apparent security, however, bankers often have great difficulty in making loans to this group of tenants for any purpose other than the production of cash crops. In many instances the landlord simply is not interested in developing a diversified farm program. In many more instances the tenant lacks the managerial ability required to succeed with such a program. He may have had little experience in the use and care of expensive machinery or in the management of livestock enterprises.

Bankers who do lend to tenants for other than crop production must have some assurance that the necessary management will be supplied. Some bankers are using their own farm field men for this purpose. These men visit the farm often, counsel the tenant, and keep the lending officer informed in regard to the management of the farm. The most common procedure, however, is for the banker to depend upon the landlord to supply the managerial ability that the tenant lacks.

Landowner's Attitude and Approach Can Improve Tenant's Situation

Regardless of how desirable it might be for every farm to be operated by the owner, much of the farm land in the Sixth District will continue to be operated by tenants. Rather than seek to abolish tenancy, the more constructive approach is to devise a form of tenancy that fits the economic facts of modern agriculture. The case histories that follow are illustrative of this approach. Unfortunately, they are not typical in the sense that the principles involved in them are being widely used. They do, however, contain some constructive ideas that may be useful in devising a new tenure system to replace the outmoded one that is determined largely by custom and tradition. In them the landlord is the essential link between the banker and the tenant.

Sharecropping with a Future

A fairly typical example of the changing character of farming within existing tenure arrangements can be found on a farm in Newton County, Mississippi. Where cotton once reigned supreme, dairy cattle now graze in permanent pastures. Sharecropper arrangements have been continued, but they have been fitted into a new system.

When the present owner took over this 428-acre farm in 1921, the land was severely eroded as a result of continuous cotton production. Yields on the two major crops had fallen to about one third of a bale of cotton and 14 bushels of corn. There were seven Negro cropper families, who contributed the labor and one half of the fertilizer. As was customary, the landlord furnished land, buildings, workstock, equipment, seed, and one half of the fertilizer; supervised all operations; and made major decisions and plans.

By building terraces to check erosion and later by planting legume crops to be turned under as green manure, the owner began to restore the fertility of the soil. He maintained the same cropping system but with higher rates of fertilization. He then bought a few Jersey cows and a cream separator and began selling cream and later whole milk to a nearby cheese plant.

During World War II, he built a dairy barn and stocked it with 15 cows for the production of Grade A milk. The nearest milk outlets—Jackson, Laurel, and Morton, Mississippi—were so far away that marketing was a problem at first. A milk plant established at Newton in 1952, however, solved this problem.

Now, with 80 Holstein cows, the farm is considered one of the largest dairies in the county. The system of farming includes 150 acres in cultivation, 150 acres in permanent pasture, and 128 acres in woodland. As was true of most other cotton farmers in the area, this expansion in dairying came about in an attempt to gain a better land use program. Much of the land not suited to cotton production has been converted gradually to pasture and feed crops. The declining labor supply has forced mechanization on the farm. Now there are only three cropper families, with whom the owner makes a conventional verbal agreement each year.

One difference in the new system of farming is that tractor power has replaced the workstock of the landlord. The landlord is now primarily interested in dairying, but he is forced to continue cotton and corn production on halves in order to hold his tenants, although they are employed most of the time in the dairy operation on a cash wage basis. The continued production not only satisfies the tenants' desire for "money" crops but also gives employment to their wives and children.

A greater emphasis on proper land use, a higher level of fertility, and the continued use of improved cultural practices have increased yields. Cotton production is at the rate of one and one-half bales per acre and corn at about 60 to 75 bushels per acre. Each tenant now produces 50 percent more cotton on five acres of land than he used to produce on 15 acres, and has more free time to work for cash wages. Each tenant also has about 10 acres of corn. He spends the greater part of his time in the operation of the dairy and feed production program, for which he receives about 60 dollars a month in wages. This practically eliminates the necessity of making advances to the tenant. He not only has enough to live on, but also has a saving at the end of the year when his half of the cash crops is sold.

In the discussion of tenure problems with the local banker, it was recognized that this case is an unusual example of progressive farming. The tenants have the advantage of the knowledge and skill of an outstanding farm manager who can provide full employment for their labor. The landlord realizes that he is competing with industry and must provide comparable employment opportunities if he expects to hold labor on the farm. The bank continues to make all financial arrangements with the landowner who, in turn, deals with his tenants. This case shows how the one-crop system can be modified to give a better use of the land and greater employment opportunities to the sharecroppers without drastic changes in tenure arrangements.

A New Way on Halves

In Bullock County, Georgia, lives a farmer who has developed a unique system of tenure which is recognized in his county as a "new way on halves." His progressive farm program has resulted in an expansion of the original holdings to the present total of 1,145 acres.

This farmer was a sawmill operator until 1928, when he inherited a 262-acre tract. In the beginning, cotton produced with tenant labor was the only source of income. Later, tobacco and peanut enterprises were added. Each tenant owned his own workstock and equipment and cultivated about 30 acres of land. The customary half-share arrangement was followed; the landlord provided land, buildings, seed, fertilizer, and insecticides.

One of the first improvements instigated by the landlord was to persuade each tenant to have at least one or two milk cows for his own family needs. In order to encourage this practice, the landlord paid one half of the original cost of each animal with the understanding that he was to receive one half of the receipts from the sale of calves produced.

Another early project was the establishment of hog enterprises on a half-share arrangement. The landlord made it possible for the tenant to acquire equal ownership in the brood sows. Since feed for the hogs was produced on halves, other production costs also were divided equally. As an added incentive in this case, the landlord paid the cash costs of establishing additional grazing land for the hog enterprises. Receipts were divided equally. The landlord continued to make cash advances to his tenants until the crops were harvested. The addition of these enterprises not only made better use of the tenants' labor but also practically doubled their incomes.

In 1945, a visit to his banker changed the course of the farmer's program and relationship with his tenants. First, he proposed that the bank finance the purchase of tractors to replace the workstock owned by tenants. At the same time he asked the bank to provide the 75 to 100 dollars a month needed by each of his families for living expenses and fuel costs. Notes were prepared for each tenant with a chattel mortgage on machinery, a crop lien, and the landlord's endorsement as security. The bank advanced the loan proceeds directly to the tenant in monthly instalments and the tenant made his repayments directly to the bank as crops and livestock were sold. This simplified the landlord's bookkeeping and gave the tenant a greater opportunity to build a credit history.

Tenants take pride in owning the tractors and equipment and are more concerned with the operation, repairs, and general care of the machinery. Mechanization also makes it possible for each tenant to cultivate more land and thereby increase his income. He can further supplement his income by performing custom work for neighbors. About 80 acres of land have been allotted to each tenant family. Some of this is land that the owner has rented this year for the first time in order to provide his tenants with all the land they want for cultivation.

Four tenant families and five wage hands, who devote their time largely to the separate farm operation of the landlord, now constitute the labor force on the farm. Tenants are cultivating 60 acres in cotton, 36 acres in peanuts, 13 acres in tobacco, and 354 acres in corn. In addition to milk cows for home use, each tenant has six brood sows. The hired laborers also have a small acreage of cash crops, mainly to provide employment for other members of their families.

The separate operation of the landlord includes 50 acres in small grain and 12 acres in peanuts followed by soybeans, 87 acres in corn, and 40 acres in grass seed. The livestock operations of the landlord consist of 30 brood sows, 30 head of purebred beef cattle, and 190 head of commercial cattle. As a part of his livestock farming, he has 200 acres in improved permanent pasture. The remaining 300 acres is in timber that has been well cared for and is a definite asset to the farm business.

Under the old arrangement, it was difficult to introduce improved farm practices. In recent years this landowner has used his hired labor to begin new practices so that his tenants could see the results. Now he has no difficulty in getting the tenants to apply recommended amounts of fertilizer or to use better seed.

In order to provide security of tenure, a written agreement is drawn with each tenant that establishes the basis for the share arrangement. Although this is an annual agreement, it provides for automatic renewal if both parties are satisfied with the arrangements. The lease also sets forth a procedure by which the tenant or landlord may recover the unexhausted value of investments if the arrangement is not continued.

Insecurity of Tenure Is Being Overcome

The tenure arrangements on these farms contrast sharply with those on the typical tenant-operated farm in the Sixth District. For one thing, these two landowners exhibit a different attitude toward their farms and the tenants who operate them. They have become sufficiently dissatisfied with the old one-crop system to try some new ideas. They have broken with custom and tradition and are basing their tenure systems upon a realistic analysis of facts. By abandoning the one-crop system and building a diversified farm program, they are giving their tenants an opportunity to learn new management techniques.

Insecurity of tenure is being overcome partially by means of written leases that contain provisions for renewal at the end of one year. It should be recognized, however, that contracts and other legal documents are not the essential thing. In the Georgia example, real progress toward security of tenure is being made because the tenants are so well satisfied with their renting arrangements that they simply do not want to move. Since the increased initiative and skill of the tenants are also increasing the landlord's profits, he does not want his tenants to leave. Mutual satisfaction with the leasing arrangement is the real basis for the solution of the insecurity problem.

In both examples, the tenants and sharecroppers are finding new opportunities to accumulate money and physical forms of capital. Although the financial progress of the tenants in the Georgia example has been more dramatic, the fact that the sharecroppers in the Mississippi example were able to save at all may be more significant in the long run. The problem of financial progress is more acute among sharecroppers, and they are further removed from an effective use of bank credit. Even the small savings that have been made by the sharecroppers in the Mississippi example give bankers a foothold on which they can help the sharecropper start to build a credit history that will provide the basis for a really effective use of credit at some time in the future.

Initiative on Part of Banker Also Needed

In these case histories, it was the landlords who seized the initiative and began to create a better form of tenancy. Bankers, however, do not have to wait for landlords to act before they can begin to take some positive steps toward improving tenancy arrangements in the areas they serve. Overcoming tradition and inertia is partly an educational job. As a first step bankers can inform themselves about the tenancy problems of their respective areas. Those bankers or bank directors who have farms of their own can provide an example of what can be accomplished under an enlightened renting arrangement.

The danger of losing tenants and sharecroppers to industry and other sources of nonfarm employment has been one of the strongest incentives to improvement in tenure arrangements. Bankers need not encourage a movement from farms, but they can encourage the development of local industries and other employment opportunities that will help awaken landlords to the need for a better form of tenancy if they are to keep the manpower necessary to operate their farms.

These case histories also suggest other steps that bankers can take in regard to their lending policies: discourage borrowing by tenants who come in each year for a little crop loan but make no financial progress, and encourage borrowing by tenants like the ones on the Georgia farm. Such a policy requires courage, tact, and understanding; but it offers great possibilities, and many bankers are already using it effectively.

An institution that has existed as long as the traditional tenure system of the Sixth District cannot be changed quickly or without considerable experimentation. The case histories cited are concrete evidence of the beginning of such a change. Bankers can encourage this movement by acquiring a better understanding of the tenure problem, by assisting landlords in the experimenting that will be necessary, and by adopting lending policies that encourage tenure improvements. In these ways, they can help remove one of the last big obstacles to farm progress in the South.

Bank Announcements

Beginning July 1, the Bank of Tucker, Tucker, Georgia, a nonmember bank, will remit at par for checks drawn on it when received from the Federal Reserve Bank of Atlanta. This bank has a capital and surplus of $100,000 and deposits of $982,471. Its officers are Reid H. Cofer, President and Cashier; Mrs. Louise C. Cofer, Vice President; and Mrs. Thelma J. Payton, Assistant Cashier.

The Bank of Oak Ridge, Oak Ridge, Tennessee, a newly organized nonmember bank, opened for business and began remitting at par on June 8. This bank has a capital stock of $250,000 and surplus of $50,000. Its officers are T. E. Lane, President; L. H. Skeen, Executive Vice President and Cashier; Frank E. Wilson, Vice President; and Harry S. DeLozier, Assistant Cashier.

Sixth District Statistics

Instalment Cash Loans

Lender	No. of Lenders Report-ing	Volume: Percent Change May 1953 from Apr. 1953	Volume: May 1952	Outstandings: Percent Change May 1953 from Apr. 1953	Outstandings: May 1952
Federal credit unions	35	—0	—1	+3	+36
State credit unions	17	+9	+24	+4	+35
Industrial banks	9	—9	—7	+0	+10
Industrial loan companies	11	+7	—3	+1	+8
Small loan companies	30	+8	—10	+0	+12
Commercial banks	33	+1	—1	+1	+29

Retail Furniture Store Operations

Item	Number of Stores Reporting	Percent Change May 1953 from April 1953	May 1952
Total sales	146	+29	—9
Cash sales	130	+26	+5
Instalment and other credit sales	130	+31	—10
Accounts receivable, end of month	139	+3	+20
Collections during month	139	+4	+11
Inventories, end of month	105	—5	+2

Wholesale Sales and Inventories*

Type of Wholesaler	Sales: No. of Firms Report-ing	Sales: Percent Change May 1953 from April 1953	Sales: May 1952	Inventories: No. of Firms Report-ing	Inventories: Percent Change May 31, 1953, from April 30 1953	Inventories: May 31 1952
Automotive supplies	6	—2	—15	5	—6	—16
Electrical—Full-line	3	+6	+19	.	..	..
" Appliances	5	—11	—10	4	—30	—0
Hardware	11	—5	—4	6	—3	+6
Industrial supplies	17	—3	—1	7	+0	+3
Jewelry	4	+21	+11	.	..	..
Lumber and bldg. mat'ls	4	+9	+11	.	..	..
Plumbing & heating supplies	4	+5	+2	3	—9	+14
Refrigeration equipment	6	+11	+21	6	—30	—28
Confectionery	6	—7	—10	3	—30	+6
Drugs and sundries	11	—3	+2	3	—6	+8
Dry goods	15	—3	—0	10	+0	+19
Groceries—Full-line	43	—7	—7	27	—5	—3
" Voluntary group	3	—19	—11	.	..	..
" Specialty lines	9	—8	—1	5	—15	+8
Tobacco products	12	—3	—4	10	0	+5
Miscellaneous	16	—4	+2	18	+5	+3
Total	175	—4	—2	107	—4	+4

*Based on information submitted by wholesalers participating in the Monthly Wholesale Trade Report issued by the Bureau of the Census.

Department Store Sales and Inventories*

Place	Sales: May 1953 from April 1953	Sales: May 1952	Yr-to-Date 1953-1952	Inventories: May 31, 1953, from April 30 1953	Inventories: May 31 1952
ALABAMA	+12	+3	+7	—7	+11
Birmingham	+6	—2	+3	—7	+7
Mobile	+27	+14	+17	..	..
Montgomery	+16	+6	+8	..	..
FLORIDA	+3	+3	+5	—3	+11
Jacksonville	+27	+3	+0	—9	+5
Miami	+3	+7	+7	—1	+12
Orlando	+5	+2	+7	..	..
St. Petersburg	—21	+5	+6	—3	+13
St. Ptrsbg-Tampa Area	—11	+3	+5	..	..
Tampa	—2	+1	+4	..	..
GEORGIA	+23	+3	+3	—5	+12
Atlanta**	+23	+4	+3	—5	+15
Augusta	+23	—2	—0	..	..
Columbus	+26	—1	—2	—5	+8
Macon	+22	+3	+1	—8	+4
Rome**	+18	+8	+8	..	..
Savannah**	+18	+5	+8	..	..
LOUISIANA	+6	+2	+7	—1	+13
Baton Rouge	+7	+4	+13	—3	+8
New Orleans	+5	+3	+7	—1	+12
MISSISSIPPI	+13	—3	+3	—7	+5
Jackson	+13	—3	—3	—7	+4
Meridian**	+12	+4	+8	..	..
TENNESSEE	+15	+7	+8	—6	+11
Bristol**	+13	—2	—0	—3	+9
Bristol-Kingsport-Johnson City**	+12	+2	+4	..	..
Chattanooga	+17	+10	+9	..	..
Knoxville	+16	+9	+9	+2	+18
Nashville	+13	+5	+8	—10	+8
DISTRICT	+12	+3	+5	—4	+11

*Includes reports from 124 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	June 24 1953	May 27 1953	June 25 1952	Percent Change June 24, 1953, from May 27 1953	June 25 1952
Loans and investments— Total	2,829,218	2,846,012	2,776,925	—1	+2
Loans—Net	1,216,318	1,227,845	1,121,016	—1	+9
Loans—Gross	1,238,024	1,249,620	1,140,862	—1	+9
Commercial, industrial, and agricultural loans	688,546	701,576	638,530	—2	+8
Loans to brokers and dealers in securities	16,580	16,036	15,769	+3	+5
Other loans for purchasing or carrying securities	38,075	38,245	36,240	—0	+5
Real estate loans	90,804	89,990	91,388	+1	—1
Loans to banks	4,237	7,140	9,700	—41	—56
Other loans	399,782	396,633	349,235	+1	+14
Investments—Total	1,612,900	1,618,167	1,655,909	—0	—3
Bills, certificates, and notes	641,982	638,664	752,183	+1	—15
U. S. bonds	710,919	720,119	653,704	—1	+9
Other securities	259,999	259,384	250,022	+0	+4
Reserve with F. R. Banks	511,364	523,856	504,995	—2	+1
Cash in vault	48,697	48,419	48,421	+1	+1
Balances with domestic banks	229,655	215,000	214,244	+7	+7
Demand deposits adjusted	2,161,411	2,175,985	2,074,837	—1	+4
Time deposits	565,964	566,363	549,908	—0	+3
U. S. Gov't deposits	63,767	39,736	128,398	+60	—50
Deposits of domestic banks	547,911	540,375	548,332	+1	—0
Borrowings	36,500	68,900	18,200	—47	*

*Over 100 Percent

Debits to Individual Demand Deposit Accounts

(In Thousands of Dollars)

Place	May 1953	Apr. 1953	May 1952	Percent Change May 1953 from Apr. 1953	May 1952	Yr-to-date 5 Mos. 1953 from 1952
ALABAMA						
Anniston	30,763	29,273	29,738	+5	+3	+4
Birmingham	435,777	416,067	438,183	+5	—1	—3
Dothan	18,450	17,879	17,955	+3	+3	+0
Gadsden	24,842	24,406	23,670	+2	+5	+7
Mobile	167,495	161,090	162,553	+4	+3	+7
Montgomery	95,702	98,061	99,314	—2	—4	+1
Tuscaloosa*	33,444	34,093	30,357	—2	+10	+5
FLORIDA						
Jacksonville	414,182	424,893	393,722	—3	+5	+11
Miami	362,244	418,873	335,070	—14	+8	+14
Greater Miami*	554,477	636,829	523,664	—13	+6	+11
Orlando	85,853	94,898	84,937	—10	+1	+14
Pensacola	54,284	53,417	49,890	+2	+9	+13
St. Petersburg	87,483	102,061	86,787	—14	+1	+11
Tampa	186,597	193,544	166,181	—4	+12	+14
West Palm Beach*	58,641	67,356	55,314	—13	+6	+9
GEORGIA						
Albany	39,219	39,187	29,519	+0	+33	+17
Atlanta	1,136,251	1,233,077	1,083,470	—8	+5	+7
Augusta	87,275	86,700	91,715	+1	—5	+2
Brunswick	11,395	12,258	11,994	—7	—5	+1
Columbus	77,114	77,162	79,168	—0	—3	—1
Elberton	5,011	4,823	3,683	+4	+36	+15
Gainesville*	26,004	25,545	24,534	+2	+6	+3
Griffin*	13,542	13,459	13,424	+1	+1	+6
Macon	78,969	77,548	78,765	+2	+0	—2
Newnan	10,769	11,352	10,354	—5	+4	—12
Rome*	28,087	27,695	23,432	+1	+20	+15
Savannah	127,896	124,849	124,246	+2	+3	+9
Valdosta	16,559	15,619	17,557	+6	—6	+5
LOUISIANA						
Alexandria*	39,961	42,927	44,056	—7	—9	—2
Baton Rouge	133,817	130,281	125,644	+3	+6	+13
Lake Charles	49,521	54,590	55,010	—9	—10	+7
New Orleans	923,769	915,140	891,560	+1	+4	+7
MISSISSIPPI						
Hattiesburg	21,644	21,143	20,043	+2	+8	+5
Jackson	152,735	159,288	163,271	—4	—6	—1
Meridian	30,469	31,607	31,781	—4	—4	+2
Vicksburg	17,291	16,739	12,970	+3	+33	+13
TENNESSEE						
Chattanooga	203,786	214,403	176,232	—5	+16	+19
Knoxville	155,567	144,943	123,172	+7	+26	+22
Nashville	429,172	428,124	387,226	+0	+11	+6
SIXTH DISTRICT 32 Cities	5,671,901	5,833,305	5,405,380	—3	+5	+7
UNITED STATES 345 Cities	142,173,000	145,641,000	133,032,000	—2	+7	+9

*Not included in Sixth District totals.

Sixth District Indexes

1947-49 = 100

	Manufacturing Employment			Cotton Consumption**			Construction Contracts			Gasoline Tax Collections			Furniture Store Sales*/**		
	Apr. 1953	Mar. 1953	Apr. 1952	May 1953	Apr. 1953	May 1952	May 1953	Apr. 1953	May 1952	May 1953	Apr. 1953	May 1952	May 1953	Apr. 1953	May 1952
UNADJUSTED															
District Total	114	114	108	106	106	105	..	..	..	158	156	155	106	86	114
Alabama	108	108	104	104	105	104	121	166	150	160	154	152	113	88	118
Florida	135	138	127	..	..	..	224	186	169	166	182	154	108	89	111
Georgia	114	114	112	107	105	105	176	171	242	157	154	150	107	90	121
Louisiana	105	104r	98	..	..	..	460	176	160	134	132	157	107	82	114
Mississippi	114	114	108	141	135	111	118	101	218	194	161	167	..	..	..
Tennessee	116	116	107	108	108	101	104	162	168	147	147	154	91	77	97
SEASONALLY ADJUSTED															
District Total	114	113	108	105	106	104	..	..	..	156	152	153	106	94	114
Alabama	109	106	105	..	..	..	..	..	..	157	152	149	110	91	116
Florida	133	132	124	..	..	..	..	..	..	165	170	153	113	98	116
Georgia	115	114	113	..	..	..	..	..	..	157	150	150	109	96	123
Louisiana	107	106r	100	..	..	..	..	..	..	136	134	160	106	87	112
Mississippi	116	115	109	..	..	..	..	..	..	198	158	171	..	..	..
Tennessee	117	115	107	..	..	..	..	..	..	147	145	154	86	76	91

Department Store Sales and Stocks**

	Adjusted			Unadjusted		
	May 1953	Apr. 1953	May 1952	May 1953	Apr. 1953	May 1952
DISTRICT SALES*	137p	116p	128r	131p	117	123r
Atlanta[1]	143	115	133	136	110	126
Baton Rouge	111	113	103	116	108	107
Birmingham	110	112	108	113	106	111
Chattanooga	136	122	127	136	116	127
Jackson	118	104	115	117	104	114
Jacksonville	120	103	112	127	100	119
Knoxville	132	116	115r	133	115	116r
Macon	150	129	140	144	118	134
Miami	151p	126	136r	130p	126	117r
Nashville	118	115	108	130	116	119
New Orleans	127	114	119	120	114	112
Tampa	124	117	118	116	119	111
DISTRICT STOCKS*	140p	141p	126	141p	148p	127

[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.

*Data for La., Miss., and Tenn. for District part only. 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		
	May 1953	Apr. 1953	May 1952	May 1953	Apr. 1953	May 1952
Construction contracts*	..	..	..	223	173r	187
Residential	..	..	..	202	159r	199
Other	..	..	..	240	184r	178
Petrol. prod. in Coastal Louisiana and Mississippi**	145	142	120	143	144	118
Turnover of demand deposits*	23.8	24.7	23.1	22.4	24.1	21.8
Index	123.5	128.3	119.9	..	..	..
Mfg. emp. by type	Apr. 1953	Mar. 1953	Apr. 1952	Apr. 1953	Mar. 1953	Apr. 1952
Apparel	138	139r	123	139	139r	124
Chemicals	120	118r	113	121	121r	114
Fabricated metals	169	161	143	168	165	143
Food	104	104	105	101	103	102
Lbr., wood prod., furn. & fix.	93	92	94	93	93	94
Paper and allied prod.	140	138	127	138	138	125
Primary metals	107	106r	99	107	107r	100
Textiles	102	100	99	101	101	99
Trans. equip.	160	157r	138	165	163r	142
Elec. power prod.**	..	..	..	174	184	149
Hydro-gen.	..	..	..	112	151	110
Fuel-gen.	..	..	..	232	214	185

r Revised
p Preliminary