Monthly Review

ATLANTA, GEORGIA, SEPTEMBER 30, 1953

In This Issue:

Sales to District Farmers

Treasury Demand for Credit

Weakness in the Lumber Market

District Business Highlights

Sixth District Statistics:

Condition of 27 Member Banks in Leading Cities
Debits to Individual Demand Deposit Accounts
Department Store Sales and Inventories
Instalment Cash Loans
Retail Furniture Store Operations
Wholesale Sales and Inventories

Sixth District Indexes:

Construction Contracts
Cotton Consumption
Department Store Sales and Stocks
Electric Power Production
Furniture Store Sales
Manufacturing Employment
Manufacturing Payrolls
Petroleum Production
Turnover of Demand Deposits

Federal Reserve Bank of Atlanta

DISTRICT BUSINESS HIGHLIGHTS

Total member bank deposits were slightly higher at the end of August than a year earlier despite declines reported by some banks in agricultural areas.

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Member bank loans increased in August about as much as could be expected at that time of the year, but preliminary September figures show a smaller increase than in September last year.

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Department store sales rose in August a little more than seasonally but were off moderately from last year. Preliminary data show the decrease continuing into September. **Inventories dropped** more than seasonally in August, halting the advance of recent months.

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Consumer savings in the form of time deposits, shares in savings and loan associations, and ordinary life insurance continue well above year-ago levels.

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Residential contract awards have dropped substantially so far this year from year-ago levels, and the drop has been mainly responsible for the decline in total contract awards.

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Residential real-estate financing continues tight. Although conventional loans may be obtained at higher rates and with larger down-payments, VA and FHA mortgages are difficult to obtain. Older mortgages are selling at a discount.

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Manufacturing employment and payrolls continue to rise more than seasonally chiefly because of sharp expansions in durable-goods production.

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Cash farm receipts were off somewhat from the first six months of 1952 as lower crop and livestock prices more than offset increased sales.

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Cattle slaughter increased more rapidly through July in the District than in the nation, probably because District farmers held cattle last fall in anticipation of price advances that did not materialize. The current large volume of marketings will prevent any improvement in average cattle prices.

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Demand for short-term non-real-estate farm loans continued strong, as indicated by a slight rise in such loans at member banks from year-ago levels.

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Consumer loans outstanding at commercial banks were up slightly at the end of August from the July level even though the amount of new credit extended dipped a little.

Sales to District Farmers

Since District farmers will receive less income this year, they will finger their pennies pretty carefully; they will likely pass up the frills and furbeloes. Cash receipts of 3.1 billion dollars in 1952 show that the District farm market is still a sizable one, however, and so retailers of farm equipment, television sets, and the like have a strong interest in reading the portents in shifting farm prosperity.

The size of the market and prospects for its growth or shrinkage also have meaning for those who supply items for production. Farmers are the chief market for many District manufactured goods. Fertilizer, for example, is used heavily in the District, and much of it is produced by nearly 13,000 workers in about 250 plants in the region. A decided cutback in fertilizer use by farmers could shave the payrolls at those plants. Farm cash receipts, now running about 6 percent behind last year, give some measure of farmers' spending temperatures. Sales managers can see that they are less feverish and wonder about probable sales in District states.

Declines in sales to farmers have usually been associated with slumps in farm income. No event ever exactly repeats itself, but even so, a comparison of sales to farm income in the past may give some indication of future sales under certain income conditions. To make such a comparison useful, however, it is first necessary to understand farmers' needs and spending patterns and the size of the District farm market.

New Needs

At the core of the District's changing agriculture are economic pressures that are forcing farmers to enlarge their businesses. Surrounding and even permeating this core are changes in farmers themselves and the world they live in. Farmers now understand more. Their thinking has been stimulated by influences more closely associated with man's social nature and institutions than with his interest in dollar profits—influences such as better educational facilities, new systems of transportation and communication, and persuasive promotional programs. They read and hear about weed control, specially engineered farm machinery, and labor-saving devices for the home; and they can go to town to see about these things.

In addition to having influenced farmers to buy more of what they were already using, the changing agriculture has created new needs. Seeking to increase their incomes by enlarging and altering their farms and farming methods, for example, farmers have come to rely more heavily on machinery. Only last year, mechanical fingers plucked 13 percent of the cotton grown in Louisiana, whereas in 1949 all but one percent of the crop was picked by hand.

Spending Patterns

Besides being a business enterprise, the farm is usually a home and a way of life. Decisions about how much of the available income should be used for production and how much for living expenses are often tangled by conflicting hopes for larger profits at year-end and desires for better living at present. The outcomes of family decisions about apportioning their income to satisfy old and new needs and preferences are registered in patterns of purchases for production and family living.

If he is to continue in business, a farmer must spend for production items, and such expenditures are an important outlay on practically all farms. Major items of such expenses in the District are motor vehicle supplies, fertilizers and lime, purchased feed, and hired labor, each of which accounts for from a tenth to a fifth of total farm operation expenses. Spending for farm production varies, of course, by type of farming area. In one important farming area—the Piedmont, where cotton predominates—operating expenses on the average farm in 1952 totaled about 1,900 dollars, or half of gross receipts. Fertilizer purchases represented about 15 percent of the outlay.

Farmers in the Southeast, as in other sections, reach out for production efficiency, and even though their incomes decline, some farmers will continue to spend part of them for machinery and equipment. A study made in 1946 of Illinois farm businesses gives some indication of the proportion of their incomes that farmers spend for tractors, combines, hay loaders, corn pickers, and the like. Although that year was one of material shortages, Illinois farmers with an average disposable income of around 2,500 dollars a year spent about 9 percent of it for farm machinery and equipment and another 4 percent for automobiles. Such spending in the District is undoubtedly less than that in Illinois simply because the Southeast is not so heavily mechanized. It is likely, however, that individual farmers in this region with disposable incomes equal to those of Illinois farmers spend about as much for machinery and equipment.

When families have low cash incomes they are inclined to spend a large proportion of them for living expenses. In the District about half of all rural families get total money incomes below a thousand dollars a year, and in Mississippi, two thirds of the families get less than that. Very few farm families in any District state get a total money income of more than 6,000 dollars a year. Many farm wage workers get particularly skimpy cash incomes.

How District farm families spend that portion of their income allotted to living expenses is shown by the results of a survey of some Mississippi farmers in 1952. Nearly 50 percent of their outlay for family living went for food; 30 percent went for clothing; and 13 percent went for household items. In prosperous times, these families spend for food at about the same rate as do all consumers, but at a faster rate for clothing and household items. In periods of economic decline they hold the level of food spending but reduce other spending more sharply than all consumers.

Low incomes, rather than lack of desire or scarcity of items, account for the relatively small holdings of consumer durables on farms. This state of affairs is borne out by the disparity between farmer ownership of washing machines in the District and in the nation. Only two

Bank Announcements

On October 1 two nonmember banks will begin remitting at par for checks drawn on them when received from the Federal Reserve Bank: The Hubert State Bank, Athens, Georgia, has a capital of $100,000 and surplus and undivided profits of $67,869. Its officers are Mrs. Blanche Hubert Brackett, President; Mrs. Virginia Hubert Kellar, Executive Vice President; John E. Griffin, Cashier; and Robert D. Dearing, Assistant Cashier.

The Riceville Bank, Riceville, Tennessee, has a capital of $15,000 and surplus and undivided profits of $24,310. Its officers are T. B. Isbell, President and Cashier, and R. F. Parkison, Vice President.

fifths of District state farmers owned washers in 1950, whereas nearly two thirds of the farm operators in the nation had this convenience. Undoubtedly the gap has narrowed since then, but the difference is still substantial.

Market Size

Such useful statistics as numbers of farms, spenders on farms, engines to be fueled, and stock to be fed; and figures that show the fatness of farm pocketbooks and the borrowing ability of farmers are helpful guides for salesmen. The bounds of the farm market for manufactured goods are staked out by those markers.

Present farm population in District states is now about 4.8 million, of which about one fifth are wage hands. Most of the farm population in 1953 were residing on about one million farms, but if present trends persist, by 1955 about 3.8 million people may be farming somewhat fewer farms of somewhat larger size. Numbers of farms pretty well fix numbers of farm households, and these are especially important bases for the needs of housefurnishings, home equipment, and dwelling units.

No inventory of the dwellings all these farm people live in or the barns sheltering their stock has been made, nor has the present state of repair been assessed. So the size of the farm building-supplies market is difficult to estimate. With somewhat over half of the nation's farm homes over thirty years old, and with the percentage in the Southeast probably greater, it is safe to say, however, that the majority of the District's farm dwellings are substandard in conveniences and general state of repair. With such a large base for potential sales, therefore, the farm market for consumer durable goods and materials for repair could hold steady even with incomes declining.

Many District farmers consider home modernization so important that they buy electrical equipment regardless of income changes. How many farmers get electricity and when they get it, therefore, are important in estimating sales of certain household equipment. In 1940 about 173,000 farms in District states had electricity; by 1952 the number was 872,000. When buying electrical equipment for their homes, farmers' wives seem to place first things first—especially food preservation and water facilities. This inclination is borne out by a home economists' survey of some farm operators in the clay hills of Mississippi. They found that buying of refrigerators and electric water systems was highest the first year after farmers obtained electricity and that buying of washing machines and cook stoves was highest the second year.

Since farmers cannot spend unless funds are available, their ability to get credit, their cash on hand, and their willingness to spend are the sales generators and the most impressive measures of the size of the farm market. In 1952, farm mortgage and production credit outstanding in District states totaled about one billion dollars. After paying off short-term debt and meeting cash expenses, including 303 million dollars in salaries and wages to workers, farmers had a net income of about 1.7 billion dollars. This represented their available funds for paying on mortgages and buying clothing, machinery, equipment, automobiles, and durables. Most of the money they took in was spent—farmers' savings are largely in the form of investments in their businesses.

Sales Prospects

The current decline in farm income will undoubtedly have some effect on sales to farmers. United States Department of Commerce data show that in the past, over-all shifts in farmers' total investments in plant and equipment have varied 10 percent with a 10-percent change in net cash income. For the first six months of 1953 the Department estimates farmers' outlays for plant and equipment to be off about a tenth from a year ago. This is pretty much in line with the Department of Agriculture's estimate of a 10-percent decrease in national net farm income for 1953. With District farm incomes falling, a reduction of similar size in investment outlays is likely for this area.

Some Measures of Size of Farm Market
Sixth Federal Reserve District States

	Farm Population 1952	*Number of Farms 1952*	*Number of Tractors June 1953*	*Income Payments to Agriculture* 1952*	*Short-Term Farm Debt Outstanding June 1953*
				(In Millions of Dollars)	
Alabama	931,678	206,770	74,796	302	76
Florida	225,824	55,223	30,000	306	33
Georgia	933,563	187,109	87,744	366	76
Louisiana	550,443	122,135	54,331	312	42
Mississippi	1,130,123	246,525	89,422	408	76
Tennessee	1,046,690	230,511	86,907	337	57
Six States	**4,818,321**	**1,048,273**	**423,200**	**2,031**	**360**

NOTE: Columns 1, 2, 3, and 5 estimated.
*Gross wages and salaries to agriculture plus net income of farm proprietors.

If cotton yields this year are high, the decline from 1952 in net farm income in the District may be only about 7 percent instead of 10 percent as is estimated for the nation. If that is the case, District state farmers will get a total of about 1.5 billion dollars this year. With District farm wages and salaries totaling about the same as in 1952, the total farm population will likely obtain about 390 dollars per capita this year in contrast to 415 dollars last year. Net income per farm operator is likely to fall from a level of about 1,650 dollars in 1952 to 1,500 dollars this year.

These income figures indicate that farmers' purchasing power is weakening. A look at what happened in the last

Changes in Incomes and Purchases of Farmers During Two Recession Years, 1938 and 1949

United States, Sixth District States, and Selected Farms

Region and Item	Percent Change 1938 from 1937	1949 from 1948
United States		
Income		
Cash receipts and Govt. payments to farmers	—12	— 8
Income payments to individs. in agric.		—24
Gross wages and salaries of agric. workers		— 6
Net income of agric. proprietors		—28
Indicators of purchases		
Rural sales of gen. mdse.	— 6	— 9
Index of farm equip. prod., excluding tractors		—14*
Peanut pickers mfgd.	—78	—36
Manure spreaders mfgd.	—54	—23*
Tractor cultivators mfgd.	—29	—24*
Milking machines mfgd.	—13	—25*
No. of tractors produced for farm use	—31	—11*
Retail sales of tractors and farm equipment		—10
New pvt. farm constr., operators' dwellings	—21	—10*
New pvt. farm constr., serv. bldgs.	—14	— 9*
Value of new farm constr.		—16*
Farm maintenance and repair expenditures		
operators' dwellings	— 4	— 9*
service bldgs.	— 6	— 9*
Sixth District States		
Income		
Cash receipts and Govt. payments to farmers	— 8	— 8
Income payments to individs. in agric.		—22
Gross salaries and wages of agric. workers		— 9
Net income of agric. proprietors		—24
Index of farm income in Miss.		—41
Av. per capita income of the agric. pop.		—22
Indicators of purchases		
Com. fertilizer used on cotton	—15	—24*
Total com. fertilizer used	— 9	+ 9
Index of dept. store sales in Miss.	0	— 4
Index of dept. store sales in a selected rural area of Miss.	— 4	—12
Selected Farms**		
Indicators of purchases		
Annual expenditures of farm families for:		
Food		— 1
Clothing		—10
Medical care		+ 3
Furniture and household equipment		—22

*Percent change for 1950 from 1949. A one-year lag in the effect on income was apparent for these products.

**Averages of data for selected account-keeping farms in Ill., Kans., and Minn.

two periods of farm price recession will help in predicting what may happen to sales of farm supplies, machinery, equipment, other durables, and soft goods in the present weak period. District figures for sales of machinery and tractors are not available, but the national figures give some idea of what happened in the District. Farm machinery purchases in the United States, as measured by various indicators, dropped much more at the time of the 1938 dip than during the 1949 recession. In 1949, declines in these indicators of from 11 to 36 percent were associated with decreases of 8 percent in cash receipts and 24 percent in incomes to individuals in agriculture. Of course, in a period of declining farm prices, not all farmers suffer to the same extent, and so some will not cut their spending as much as others.

The present decline in cash farm receipts and income may be harder on machinery sales than the 1949 decline. At that time farmers were investing in machinery at an accelerated rate, thereby tending to hold sales high. Now, however, the wave of new farm investment is receding, and replacement of tractors and equipment is becoming more important even though farmers make such items last a long time.

A recent survey of farm equipment manufacturers in the District by this Bank revealed that slightly more than half of them sold four fifths of their products in the Southeast. About a third of the firms expected sales to be lower in 1953 than last year, and about three quarters of those felt that they would be off between 10 and 20 percent.

Sales of farm supplies are likely to be off during the coming months as farm activity slackens and may not rise seasonally enough next spring to reach past levels. Although sales of fertilizer for use on cotton fell 24 percent when cash receipts of District farmers fell 8 percent in the 1949 slump, total fertilizer sales gained. Fertilizer sales may not actually decline next year, but they are likely to slow down somewhat. Gasoline sales may increase as farmers put more hours on tractors and trucks in an attempt to offset falling prices by expanding output.

Southeastern farmers in recent years of prosperity have proved a lucrative market for durable goods although the fluctuations in sales to them have been great. The farm market for television sets has been broadened by the growth in the number of television stations; there are now 42 either authorized or operating in District states. And with liquefied petroleum gas in use on a tenth of the Southeastern farms in 1949, and more since, sales of home heaters and cook stoves have advanced.

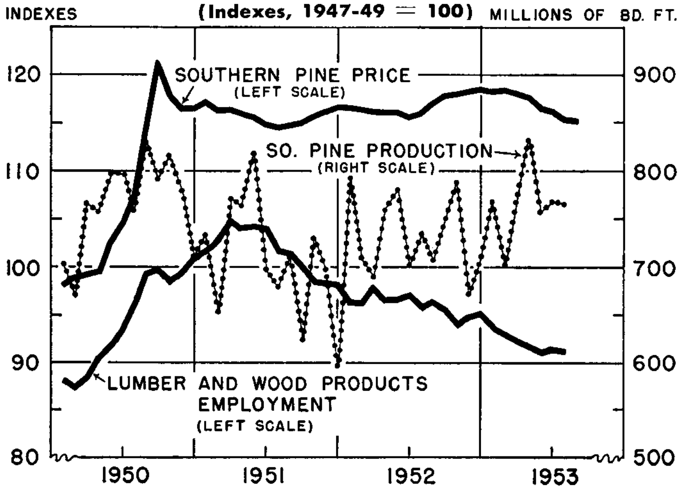
Despite the effects of such market-widening events, the decline in farm income will probably reduce farmers' expenditures for furniture, electric ironers, and many other durables and for soft goods. Spending records from selected account-keeping farms in various parts of the nation show that farm income declines do reduce farmers' expenditures for furniture and household equipment. On those farms, such purchases declined 22 percent in 1949. A drop in agricultural income in a rural state like Mississippi can also reduce department store sales significantly—it was a matter of a 12-percent cut in some farming sections there in 1948-49. Today's farm income shrinkage may bring similar reductions in rural parts of the District.

Farmers' ability to get credit is a bolster to their declining incomes. To date this ability is still fairly great for District farmers taken as a group. Though their equity is being sliced away, the region's farmers are stronger financially than they were before the war, and so they can still borrow considerable sums. They are borrowing heavily for both short-term and long-term purposes. Recent increases in farm mortgage debt indicate that some farmers may be getting cash either to buy with or to put themselves in a more favorable credit position by paying off old debts.

Despite the present decline in incomes, the farm market is still one of the most important markets in this area. Current changes, however, emphasize that those wishing to take advantage of this market must pay increasing attention to farmers' new needs, their spending patterns, their numbers, and most importantly, their prospective incomes. Sales managers and their salesmen must sift and sort this evidence in their hunt for the keys that will unlock the largest number of farm pocketbooks.

ARTHUR H. KANTNER

Weakness in the Lumber Market



Sixth District manufacturers as a group have forged on to new postwar heights in recent months, judging from employment statistics, but the District's second most important industry, lumber, has fallen behind. Lumber employment has dropped persistently since early 1951. About two thirds of the lumber output in the District states consists of softwoods, of which well over 90 percent is Southern pine. Consequently, what happens to Southern pine is generally representative of the District's entire lumber industry.

Physical production in the first seven months of this year, according to the Southern Pine Association, was up 4 percent from a year ago, yet there was no change in the volume of shipments. The net result has been a piling up of inventories, which have risen at an increasing rate; by July the physical volume was 10 percent greater than a year ago. Furthermore, in July, for the first time this year, unfilled orders fell below a year earlier. Mirroring this supply and demand situation has been the steady decline in prices of Southern pine since the beginning of the year. In striking contrast to the situation in the District, total lumber sales throughout the nation were running well ahead of production, with the gap between inventories and sales narrowing noticeably.

The demand for lumber, of course, depends upon the demand for other products; in other words, it is a derived demand. Estimates show that three fourths of the nation's total lumber output finds its way into construction of homes, railroad cars, flooring, and millwork. Housing alone absorbs something like a third of the total, and furniture and fixtures, around 5 percent. But in the District, residential construction contracts awarded during the first eight months of 1953 were off 14 percent from a year ago. During the same period, District furniture store sales skidded 5 percent. It is apparent that these declines have been felt in the lumber industry. Since these two sectors of the economy are not likely to show much improvement in the near future, they will continue to exert a depressive effect upon the District lumber industry.

Basil A. Wapensky

Treasury Demand for Credit

During the last quarter of the year, member banks are usually called upon to supply large amounts of credit for both private and public need. Last year, for example, between September 5 and December 31, member banks throughout the country increased their loans by 3.7 billion dollars and their holdings of Government securities by 1.4 billion. In estimating the demand for bank credit during the remainder of the year, Treasury needs would ordinarily be an important factor, but this year, unofficial reports indicate that this demand will be small.

The major reason for the relatively restricted Treasury activity is that the national debt of 273.3 billion dollars is now only slightly below the ceiling. As a result, the Treasury will be forced to draw down its commercial bank balances and operate with a smaller margin even though it prefers to keep a balance of at least 4.5 billion dollars. Decreasing these bank deposits will simply mean a transfer of funds from Government to private accounts and will cause little change in reserves or deposits. If its deposits drop below a safe minimum, however, the Treasury may be forced to borrow.

Barring a recession and assuming no change in the debt limit before the end of the year, it appears that Treasury activity in the security market will be confined to one refunding operation and possibly a new issue of tax anticipation bills. The only security that will have to be refunded this year is the 2-1/8 note maturing December 1, 1953, in the amount of 10,542 million dollars; less than 10 percent of this issue, however, is held by commercial banks. The refunding of this note can become a serious problem for the Treasury. The new issue, as suggested by Treasury officials, will probably be sold sometime this fall. According to first reports, the amount would be between 2 billion dollars and 2.5 billion. However, because of the small cash redemptions on the 2-percent, September 15 bonds and because of the continued success of the sale of savings bonds, 2 billion dollars in new securities should supply the Treasury with necessary funds. The Treasury may possibly find a way to decrease the amount further.

Another aspect of the influence of Treasury operations on the demand for credit, and one that is somewhat apart from the immediate problem, concerns the Treasury cash budget. This budget, unlike the administrative budget, includes trust-fund operations. For fiscal 1954, receipts should almost equal expenditures; therefore, Treasury cash operations are not likely to produce any significant changes in the money supply. Unless there is a drastic change in economic trends in the remainder of the year, the Treasury credit demand should be met without any serious disturbances to banks or the monetary system.

Charles S. Overmiller

Sixth District Statistics

Instalment Cash Loans

Lender	No. of Lenders Reporting	Volume: Percent Change Aug. 1953 from July 1953	Volume: Aug. 1952	Outstandings: Percent Change Aug. 1953 from July 1953	Outstandings: Aug. 1952
Federal credit unions	38	+2	+32	+3	+34
State credit unions	14	+14	+48	+3	+33
Industrial banks	8	—0	+3	+0	+7
Industrial loan companies	10	—2	+15	+1	+8
Small loan companies	33	—9	—12	+3	+9
Commercial banks	33	—6	—2	+1	+23

Retail Furniture Store Operations

Item	Number of Stores Reporting	Percent Change August 1953 from July 1953	August 1952
Total sales	133	+10	—5
Cash sales	118	+2	—6
Instalment and other credit sales	118	+11	—5
Accounts receivable, end of month	127	+1	+9
Collections during month	127	+2	+4
Inventories, end of month	96	+1	+3

Wholesale Sales and Inventories*

Type of Wholesaler	Sales: No. of Firms Reporting	Sales: Percent Change Aug. 1953 from July 1953	Sales: Aug. 1952	Inventories: No. of Firms Reporting	Inventories: Percent Change Aug. 31, 1953, from July 31 1953	Inventories: Aug. 31 1952
Automotive supplies	5	+11	+8	4	+9	+11
Electrical—Full-line	3	—4	+1	.	..	..
" Wiring supplies	3	+3	—6	3	—5	+4
" Appliances	6	—17	—28	5	—7	+10
Hardware	10	—4	+8	5	+2	+16
Industrial supplies	19	—4	+15	5	—2	+7
Jewelry	4	+44	—15	.	..	..
Lumber and bldg. mat'ls	9	+12	+11	6	—4	+1
Plumbing & heating supplies	3	+22	+21	3	—5	+14
Refrigeration equipment	6	—10	+37	6	+2	+10
Confectionery	6	—9	—3	3	+21	+35
Drugs and sundries	8	—1	+6	4	+12	+7
Dry goods	15	+42	+4	11	+3	+17
Groceries—Full-line	37	—4	+0	18	+18	+1
" Voluntary group	3	—7	—7	.	..	..
" Specialty lines	8	—11	—1	4	+6	—12
Tobacco products	14	—8	—2	9	+1	+1
Miscellaneous	13	+8	+3	14	—5	+6
Total	172	+1	+3	100	+2	+8

*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: August 1953 from July 1953	Sales: Aug. 1952	Sales: Yr-to-Date 1953-1952	Inventories: Aug. 31, 1953, from July 31 1953	Inventories: Aug. 31 1952
ALABAMA	+15	—3	+4	+5	+3
Birmingham	+20	—3	+3	+5	—2
Mobile	+12	+1	+11	..	..
Montgomery	+17	—2	+5	..	..
FLORIDA	+8	+5	+5	+1	+9
Jacksonville	+11	—1	—2	+2	+6
Miami	+10	+7	+7	—1	+12
Orlando	+10	+4	+5	..	..
St. Ptrsbg-Tampa Area	+0	+2	+5	..	..
St. Petersburg	+2	+0	+5	+2	+1
Tampa	—1	+3	+5	..	..
GEORGIA	+18	—4	+1	+8	+10
Atlanta**	+21	—3	+2	+8	+11
Augusta	+11	—15	—6	..	..
Columbus	+13	—7	—3	+5	+9
Macon	+12	—1	+2	+11	+7
Rome**	+16	—1	+6	..	..
Savannah**	+3	—5	+4	..	..
LOUISIANA	+13	+3	+6	—12	—5
Baton Rouge	+8	+4	+11	+8	+11
New Orleans	+14	+2	+6	—16	—8
MISSISSIPPI	+13	—4	+0	+12	+12
Jackson	+19	—0	—2	+9	+9
Meridian**	+11	+4	+6	..	..
TENNESSEE	+13	+4	+8	+3	+11
Bristol**	+28	—14	—3	+4	+24
Bristol-Kingsport-Johnson City	+27	—4	+1	..	..
Chattanooga	+15	+11	+10	..	..
Knoxville	+5	+2	+9	—5	+8
Nashville	+16	+3	+6	+4	+8
DISTRICT	+13	—1	+4	+1	+7

*Includes reports from 123 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

Item	Sept. 23 1953	Aug. 26 1953	Sept. 24 1952	Percent Change Sept. 23, 1953, from Aug. 26 1953	Sept. 24 1952
Loans and investments—Total	2,912,755	2,974,667	2,829,444	—2	+3
Loans—Net	1,228,941	1,224,921	1,132,341	+0	+9
Loans—Gross	1,250,569	1,246,572	1,152,250	+0	+9
Commercial, industrial, and agricultural loans	696,311	686,720	650,654	+1	+7
Loans to brokers and dealers in securities	14,739	14,765	13,169	—0	+12
Other loans for purchasing or carrying securities	38,844	38,433	42,513	+1	—9
Real estate loans	89,984	91,104	91,459	—1	—2
Loans to banks	6,273	12,978	3,144	—52	*
Other loans	404,418	402,572	351,311	+0	+15
Investments—Total	1,683,814	1,749,746	1,697,103	—4	—1
Bills, certificates, and notes	791,796	764,098	722,323	+4	+10
U. S. bonds	622,743	721,900	714,076	—14	—13
Other securities	269,275	263,748	260,704	+2	+3
Reserve with F. R. Banks	510,765	488,495	513,020	+5	—0
Cash in vault	46,379	47,950	48,244	—3	—4
Balances with domestic banks	217,839	209,956	226,363	+4	—4
Demand deposits adjusted	2,111,535	2,161,857	2,044,013	—2	+3
Time deposits	573,725	571,863	554,503	+0	+3
U. S. Gov't deposits	109,862	143,628	152,007	—24	—28
Deposits of domestic banks	603,019	552,431	615,088	+9	—2
Borrowings	36,900	46,000	20,200	—20	+83

*100 percent or over

Debits to Individual Demand Deposit Accounts

(In Thousands of Dollars)

Place	Aug. 1953	July 1953	Aug. 1952	Percent Change Aug. 1953 from July 1953	Aug. 1952	Yr.-to-Date 8 Mos. 1953 from 1952
ALABAMA						
Anniston	29,436	31,038	29,610	—5	—1	+3
Birmingham	416,904	421,753	389,458	—1	+7	—0
Dothan	17,600	16,157	17,008	+9	+3	+1
Gadsden	23,522	24,078	22,547	—2	+4	+8
Mobile	154,942	175,766	147,571	—12	+5	+7
Montgomery	92,838	93,699	88,642	—1	+5	+3
Tuscaloosa*	32,107	33,760	28,095	—5	+14	+9
FLORIDA						
Jacksonville	388,445	424,994	367,262	—9	+6	+11
Miami	337,738	364,794	280,611	—7	+20	+15
Greater Miami*	498,429	546,187	428,097	—9	+16	+12
Orlando	70,335	82,839	74,976	—15	—6	+12
Pensacola	54,605	57,141	48,666	—4	+12	+15
St. Petersburg	77,129	86,725	74,017	—11	+4	+10
Tampa	164,218	179,007	153,054	—8	+7	+14
West Palm Beach*	49,309	53,686	43,443	—8	+14	+10
GEORGIA						
Albany	37,165	38,768	32,977	—4	+13	+17
Atlanta	1,193,413	1,240,640	1,012,341	—4	+18	+10
Augusta	83,432	88,770	88,677	—6	—6	—1
Brunswick	13,738	12,874	11,434	+7	+20	+7
Columbus	77,080	80,383	75,358	—4	+2	+1
Elberton	4,645	4,700	4,429	—1	+5	+1
Gainesville*	24,702	25,692	23,905	—4	+3	+4
Griffin*	12,940	13,671	12,576	—5	+3	+7
Macon	82,402	86,364	79,550	—5	+4	+4
Newnan	9,588	12,226	11,000	—22	—13	—8
Rome*	30,931	30,131	23,574	+3	+31	+19
Savannah	119,814	128,423	108,588	—7	+10	+10
Valdosta	35,066	31,244	36,479	+12	—4	+6
LOUISIANA						
Alexandria*	42,027	43,850	41,320	—4	+2	—1
Baton Rouge	126,284	148,682	113,417	—15	+11	+15
Lake Charles	49,902	49,754	50,159	+0	—1	+5
New Orleans	923,246	952,400	874,542	—3	+6	+8
MISSISSIPPI						
Hattiesburg	20,589	20,427	19,655	+1	+5	+5
Jackson	159,787	161,909	159,049	—1	+0	—1
Meridian	30,286	30,560	29,993	—1	+1	+2
Vicksburg	14,411	15,098	12,662	—5	+14	+14
TENNESSEE						
Chattanooga	207,673	219,125	170,467	—5	+22	+22
Knoxville	154,342	168,695	130,773	—9	+18	+23
Nashville	460,255	429,803	424,017	+7	+9	+7
SIXTH DISTRICT 32 Cities	5,630,830	5,878,836	5,138,989	—4	+10	+9
UNITED STATES 345 Cities	134,589,000	148,128,000	122,200,000	—9	+10	+8

*Not included in Sixth District totals.

Sixth District Indexes

1947-49 = 100

	Manufacturing Employment			Manufacturing Payrolls			Cotton Consumption**			Construction Contracts			Furniture Store Sales*/**		
	July 1953	June 1953	July 1952	July 1953	June 1953	July 1952	Aug. 1953	July 1953	Aug. 1952	Aug. 1953	July 1953	Aug. 1952	Aun. 1953	July 1953	Aug. 1952
UNADJUSTED															
District Total	114	114	106r	154	154	134	102	83	105r	..	..	..	103p	93r	108r
Alabama	107	107r	93	141	140	109	99	80	107	63	169	264	113p	90r	109
Florida	124	128	117	166	170	134	..	..	..	172	268	231	98	93	110r
Georgia	114	114	110	154	154	137	104	85	103	152	282	209	107p	100r	119
Louisiana	109	107	102	152	147	134	..	..	..	165	234	319	104p	98r	106
Mississippi	113	113	109	160	161	147	126	118	125	103	94	106	..	..	..
Tennessee	118	117	109	162	161	145	103	84	101	171	305	217	95p	85r	97
SEASONALLY ADJUSTED															
District Total	116	115	108r	161	157	140	107	98	109r	..	..	..	99p	96r	103r
Alabama	110	110	95r	144	142	111	..	..	..	..	..	..	106p	98r	102
Florida	132	132	125r	182	176	147	..	..	..	..	..	..	94	99	105r
Georgia	117	117	112r	161	157	143	..	..	..	..	..	..	102p	99r	113
Louisiana	110	108	103r	151	147	133	..	..	..	..	..	..	100p	106r	102
Mississippi	114	113	110	163	163	150	..	..	..	..	..	..	..	..	..
Tennessee	119	119r	110r	164	161	146	..	..	..	..	..	..	90p	84r	91

Department Store Sales and Stocks**

	Adjusted			Unadjusted		
	Aug. 1953	July 1953	Aug. 1952	Aug. 1953	July 1953	Aug. 1952
DISTRICT SALES*	130p	127r	131r	114p	101r	115r
Atlanta[1]	119	125	123r	121	100	126r
Baton Rouge	115	110	111	103	95	99
Birmingham	117	102	118r	104	87	105
Chattanooga	137	127	124	122	106	110
Jackson	118	110	119	105	88	106
Jacksonville	114	105r	114	99	89r	100
Knoxville	121	118	119r	110	105	108
Macon	146	143	147r	127	113	128
Miami	148	138	138r	111	101	103
Nashville	117	116	114	107	92	104
New Orleans	127	128	124r	117	102	114
St. Ptrsbg-Tampa Area	135	136	132	109	109	107
Tampa	126	125	122	106	106	102
DISTRICT STOCKS*	141p	149r	131r	141p	139r	131r

[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. and payrolls, state depts. of labor; cotton consumption, U. S. Bureau Census; construction contracts, F. W. Dodge Corp.; 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		
	Aug. 1953	July 1953	Aug. 1952	Aug. 1953	July 1953	Aug. 1952
Construction contracts*	..	..	..	146	238r	222r
Residential	..	..	..	159	236	194r
Other	..	..	..	135	240r	244r
Petrol. prod. in Coastal Louisiana and Mississippi**	144	144	135	144	144	135
Turnover of demand deposits*	24.1	24.7	23.1	22.5	23.5	20.8
Index	125.0	128.3	119.9	..	..	..
Mfg. emp. by type	July 1953	June 1953	July 1952	July 1953	June 1953	July 1952
Apparel	143	143r	129	140	139	127
Chemicals	121	119	115	116	115	110
Fabricated metals	182	178r	155	172	172r	146
Food	107	105	106	104	103	103
Lbr., wood prod., furn. & fix.	92	92	93	92	92	93
Paper and allied prod.	143	142	128	142	140	127
Primary metals	104	104r	60	103	103r	59
Textiles	101	101	99	100	101	98
Trans. equip.	173	171	141	168	166	137
Elec. power prod.**	..	..	..	183	183	154
Hydro-gen.	..	..	..	94	99	78
Fuel-gen.	..	..	..	266	261	224

r Revised
p Preliminary