Monthly Review

ATLANTA, GEORGIA, OCTOBER 31, 1953

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Federal Reserve Bank of Atlanta

DISTRICT BUSINESS HIGHLIGHTS

Commercial banks report lower volume of new consumer instalment loans each month since July because of declines in personal and other non-automotive loans. Despite these month-to-month decreases, however, outstandings continue to expand.

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Lower Government and private demand deposits reduced total member bank deposits in September, and at banks in leading cities, the decline continued in October.

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Member bank excess reserves increased in September, partly because the deposit decline reduced required reserves. Consequently, there was less need for member bank borrowing from the Federal Reserve Bank.

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Total loans at member banks increased according to seasonal expectations during September, principally because of expansions in commercial and industrial loans.

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Total spending increased from August to September about as much as is usual at this time of the year, an increase evidenced by a rise in bank debits.

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Interest rates on new business loans made by banks in Atlanta and New Orleans in September averaged slightly lower in September than in June, contrary to the customary seasonal movement.

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Farm marketings were up in the third quarter from a year ago with average prices holding fairly stable. Unless prices change, total cash receipts may almost equal last year's.

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Harvesting is costing farmers more this year, although some production items, like feed and hay, are cheaper.

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Department store sales rose more than seasonally in October, according to the preliminary figures, but were below year-ago levels. **Inventories fell** in August from July and rose again in September.

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New car registrations declined slightly in August from July but were well above a year ago, a trend continuing into September.

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Manufacturing employment continues well above a year ago despite a slight month-to-month drop in all lines except transportation equipment and chemical products. Also, manufacturing payrolls continue higher even though the average work week is somewhat shorter than at this time last year.

A Million New Homes Again in 1953

Conditions Underlying Boom Seem To Be Changing

More and more evidence is appearing that the peak of the biggest residential building boom in the history of America has been passed. The floodlights in front of demonstration homes are burning longer into the night, and "Sold" signs are getting bigger as if each sale is becoming more of an accomplishment. It seems likely, however, that when 1953 ends and the new homes are counted, this will have been the fifth consecutive year in which over one million new nonfarm dwelling units were built. Even in comparison with the lush years from 1923 to 1928, the rate of construction of nonfarm homes in the last five years has been high; one out of every ten homes standing today has been built since 1949.

Notwithstanding the 1.1 million new nonfarm dwelling units started this year, a steady decline in the seasonally adjusted number of houses started since February seems to indicate that the peak of such building has been passed and that in the immediate future, the trend of housing starts in the nation will be downward. Although the slowing down in residential building activity has not reached alarming proportions, it has been more pronounced in the Sixth District than in the United States.

Boom Has Been Prop to Business

Signs of an actual or impending decline in home building activity are causing considerable concern, not only to builders and businessmen directly connected with the construction industry, but to others as well. There is no doubt that the housing boom has been one of the three or four major driving forces to the economy since the end of World War II. There is also evidence that the construction industry has represented a greater slice of the economy in the Sixth District than it has in the remainder of the nation. A drop in residential construction activity at this time, therefore, can hardly fail to affect the total volume of business, particularly in the District.

It is apparent that the causes of the decline in residential building are manifold and that they cannot be traced to decisions made in any single area such as Government regulation or monetary policy. Instead, nearly all the major factors determining the volume of home building seem to have been unfavorable for any further increase in the rate of housing construction. Of major importance in explaining the recent decline are conditions surrounding the demand, supply, and financing of new homes.

Financing Important to Building Volume

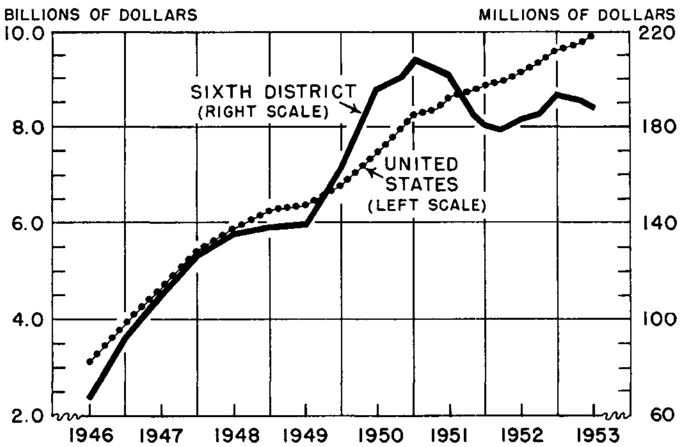
An adequate supply of both short-term construction credit and long-term mortgage credit is necessary to maintain a high volume of home building. Since World War II, the availability of credit has been a particularly strong force affecting the number of new houses because most homes have been built for speculative sale rather than upon order by the prospective owners. Temporary loans to finance construction were available in most cases only if arrangements could be made for long-term mortgage money to be available to future buyers. Thus, the willingness of credit institutions to make mortgage loans has determined, in effect, whether some builders would be able to start construction. In the trade this all-important agreement to extend mortgage credit to future buyers of homes is known as a commitment.

Long-term mortgage funds ordinarily have four important sources: commercial banks, savings and loan associations, life insurance companies, and mutual savings banks. In the District, life insurance companies and mutual savings banks are ordinarily represented by mortgage correspondents so that lack of headquarters for these institutions in this area does not mean that they do not serve District home buyers. Commercial banks and mutual savings banks, as well as life insurance companies, have important alternative outlets for funds other than mortgages. Demands from other users of long-term funds, therefore, have a notable impact upon the availability and terms of long-term mortgage money from these institutional lenders. These "other users" consist of corporations, state and local governments, the Federal Government, and to some extent, unincorporated businesses.

Competition for Long-term Funds. There is little doubt that the demand for long-term funds by all users increased during the first half of 1953. The volume of new securities of state and municipal governments was 11 percent higher than in the first half of 1952; the amount of corporate new money was almost the same as a year earlier; and Federal Government borrowing was almost one-third greater. Also, commercial bank loans failed to decline as much as in previous years. Although the rate of personal saving had increased, resulting in more funds available for lending, the additional demand for long-term funds impinged upon a fairly limited supply. These developments were accompanied by a rise in interest rates.

Substantially increased rates of interest that investors earn on municipal, corporate, and Federal Government obligations resulted from the heavy demand for long-term funds during the first half of 1953. More and more it appeared to lending institutions that mortgages at the then prevailing rates and terms were less attractive than they had been, compared with alternative types of investments. Construction expenditures, however, did not slack off sharply because builders had already obtained commitments for long-term financing, which most financial institutions honored faithfully even though in many cases

Residential Real-Estate Loans of Member Banks



to do so was to their own disadvantage. But commitments from lending institutions for future long-term financing of new homes became increasingly harder to obtain.

The general increase in interest rates in the late winter and spring had its greatest effect upon the supply of funds for VA and FHA mortgages. In view of increases in interest rates on other types of investments, the maximum rates payable on VA and FHA loans no longer seemed quite so attractive to many lending institutions, and many of them became reluctant to make such loans. Maximum rates payable on those types of loans, therefore, were raised during the first week of May 1953. Some reports indicate, however, that lenders still find the VA and FHA loans relatively less attractive than other investments.

VA and FHA loans have been important in the financing of mass housing projects, which have accounted for a substantial proportion of the new homes. Maximum rates on these loans, therefore, together with money market conditions, have had a strong influence on the volume of new home construction. As these rates have become less appropriate to changed money market conditions, more mortgage loans have been made without Government insurance or guarantees.

In the major cities of the District, commercial banks have not been as important as sources of new residential mortgage loans since 1950 as they were before. Changes in credit conditions in the first half of this year, therefore, had little effect upon mortgage money available to builders from that source. Apparently, however, many life insurance companies and mutual savings banks did instruct their loan correspondents in District cities to cut down on commitments to accept requests from prospective home buyers for VA and FHA mortgages. District lenders who had formerly accumulated such mortgages to sell in the market generally found themselves stuck with mortgages that were salable only at a discount.

Only those savings and loan associations that relied almost exclusively upon inflows of their own share funds seemed to be relatively unaffected by the tighter money situation. Most of these associations, of course, raised their rates, along with other lenders, as some of the demand for VA and FHA loans spilled over to conventional loans. Because funds for Federally underwritten loans in the District come largely through insurance companies and mutual savings banks, however, the money situation undoubtedly has been a significant influence upon the volume of District residential construction.

Demand Factors Show Weakness

Stringent financing conditions do not seem to have been solely responsible for the moderate decline in residential construction this year. Certain demand factors have been unfavorable for the sustaining of the peak reached in February: the backlog of demand for homes that was built up during the war has been reduced; new families are no longer being formed at such a rapid rate; and personal income is not growing at the same pace of the earlier postwar years.

Backlog of Demand Falling In April 1947, almost three million married couples were without their own households and presumably were living doubled up with friends or relatives; by April 1952, this number had dropped 46 percent. The three million families in such a situation in 1947 represented 9 percent of the total number of married couples in this country. By 1952, only 4 percent of the married couples did not have their own dwelling places, which was actually a smaller proportion than before the war.

Clearly then, as early as a year and a half ago, the number of families forced by the housing shortage to live doubled up had been greatly reduced; and the situation undoubtedly has eased even more since then, with a consequent diminishing of demand for new homes. It is probable, moreover, that some of the doubling-up is voluntary, as in the case of aged couples living with their children; so the smaller the number of doubled-up families becomes, the less representative it is of the number of families who are in the market for new homes.

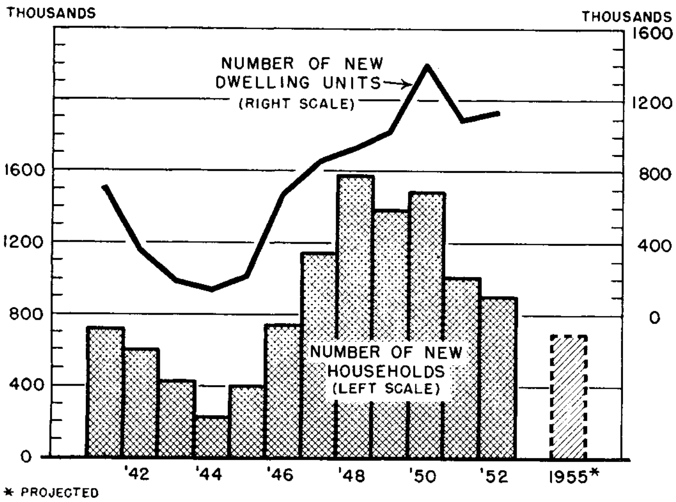
New Family Formation Declining The decline in the backlog of demand for new homes is not the only factor tending to bring about a downturn in home building. In addition, the rate at which new households are being formed is also falling off. The peak of new household formation was reached in 1947 when about 1.6 million new units were set up. Since that time, there has been a rather substantial decline; in the year ended April 1953, only about 950,000 new units were set up.

Estimates based upon population projections indicate that little if any rise in the rate of household formation is expected until around 1965, when the postwar crop of babies reaches marriageable age. The Census Bureau estimated last year that the annual rate of household formation in 1955 will run around 697,000 and in 1960 will be about 624,000. Later data, however, seem to indicate that there may be some upward revision of those figures.

Because population projections indicate a greater rate of growth in the District states than in the nation, it is quite likely that new household formations will be more important as a factor in sustaining housing demand in the Southeast than in most other sections. In addition, the growing urbanization may be expected to add to housing demand in this area.

Personal Income Growth Slowing Down In the decade from 1940 to 1950, the increase in the number of dwelling units in any particular locality, as would be expected, was rather closely associated with the growth in population. Another seemingly important factor in accounting for the increase in dwelling units, however, was the level of income in the particular locality. Percentagewise, in low- and high-income areas experiencing the same rate of growth of population, more new homes were built in low-income areas than in high-income areas. The number of dwelling units in District states, therefore, expanded at a somewhat greater rate than population growth would have indicated. Furthermore, in contrast to the situation in most major cities in other parts of the country, the quality of homes in many District cities, measured in terms of average number of rooms, plumbing facilities, and the like actually improved. It is difficult to gauge the extent of demand for higher quality housing arising from improved income levels. The declining rate of growth of personal income in the nation, however, would not seem to indicate that this factor will give great support in the near future.

Number of New Households and Dwelling Units
United States



Bank Announcement

The Metropolitan Bank of Miami, Miami, Florida, a newly organized nonmember bank, opened for business October 21 and began remitting at par for checks drawn on it when received from the Federal Reserve Bank. It has a capital of $1,500,000 and surplus and undivided profits of $500,000. Its officers are T. T. Scott, President; Scott L. Moore, Executive Vice President; Clarence B. Beutel, Vice President and Cashier; Ronald N. Aurswald, Assistant Vice President; and Francisco Grovas, Assistant Cashier.

Supply Factors Also Unfavorable

The apparent lack of strength in the demand for new housing, together with stringent financing conditions, should result in an eased supply situation. Such an easing has not shown up yet in the statistics. At present, construction materials production, nearly 70 to 75 percent greater than in 1939, is at or very near peak levels. Production peaks of lumber, cement, brick, and other building supply products have been reached within recent months. Likewise, construction employment has remained near peak levels for about a year, and building costs are the highest on record.

Non-residential Construction Costs High An increase in building costs at the same time that residential building has been declining is, of course, attributable to the strong demand for labor and materials for non-residential building. In effect, builders of new homes have had to compete with builders of roads, schools, and office buildings and with industry for scarce materials and labor. Indications are that, although non-residential building starts or contract awards may be smaller in 1953 than in 1952, actual expenditures for labor and materials during the year will be just about as great in 1953 as in 1952. Record public construction of roads, schools, and hospitals has been particularly important in sustaining non-residential construction. Throughout the nation, composite building costs are now about 80 percent higher than in 1946; figures for the city of Atlanta indicate that costs have risen about the same in the District as in the nation.

High construction costs, of course, have been reflected in the selling prices of new homes. Thus, despite the apparent declining demand, the seasonal peak in selling prices of new homes has been almost as high this year as in the last two years. Rising building costs during 1953 and stable selling prices seem to have subjected builders to some profit squeeze. According to reports from District cities, this seems to have resulted in a shift by some builders to the construction of higher priced homes.

Home Building and Monetary Policy

If the peak of the housing boom is past, it seems clear that financing conditions have not been solely responsible. Instead, declining demand factors and continued high building costs must certainly bear a major portion of the blame. It is even more clear that stringent supplies of mortgage credit have not been solely the result of general monetary policy but rather, the result of increased competition for long-term funds among corporations, state and local governments, the Federal Government, and business borrowers.

Because of the complexity of factors apparently acting to decrease the volume of residential building, it would seem that efforts to maintain a high volume of home construction must take many channels. In particular, reliance upon the monetary means of stimulating the housing industry would appear to provide only a partial answer to the industry's present problems and one that would create other problems.

Thomas R. Atkinson

Interest Rates Decline After June High

Interest rates charged by commercial banks in the Sixth District, after climbing sharply this spring, are apparently leveling off. Reports from selected District banks in New Orleans and Atlanta show that changed money market conditions have affected customer loan rates as well as Government security rates. It is too early to determine whether the recent change in direction of interest rates marks the beginning of a new trend, but banks and their customers may get some indication of future developments from a review of this year's money market conditions.

Heavy Demand for Funds Raised the Cost of Borrowing . . .

During the early part of the year, most interest rates were rising, with rates on Government bonds and Treasury bills and certificates showing the most pronounced changes as they have been doing since the end of the war. Rates on Government securities increased sharply during the spring to their highest levels this year. The monthly average rate on United States long-term bonds rose from 2.80 percent in January to 3.09 percent in June, and on bills and certificates the increase was even greater. Moreover, rates on business loans were also rising, judging by data from selected banks in Atlanta and New Orleans. During the early part of the year, the average rate on such loans increased about one third of one percentage point, according to quarterly reports covering selected business loans of over $1,000 made during a fifteen-day period. This meant that the cost of borrowing increased nearly 10 percent from January to June.

These increases in rates, which are the sharpest since September 1951, can be attributed to the extremely heavy demand for funds. Not only did corporation and state and local government borrowing increase greatly, but also Government borrowing was heavier than it had been since June 1952. Finally, short-term business borrowing did not decline appreciably from the Christmas peak.

. . . To a Postwar Peak in June, but . . .

Interest rates apparently reached a postwar peak around the first week of June. After that, rates on Government securities began to drop sharply. The average monthly rate on United States long-term bonds fell from the June peak of 3.09 to 2.97 percent in September; and the rates on Treasury bills and certificates experienced a greater decline. Rates charged on business loans actually declined only slightly between June and September, but the cessation of the upward movement, as shown by reports of Atlanta and New Orleans banks, occurred at the time when rates ordinarily increase.

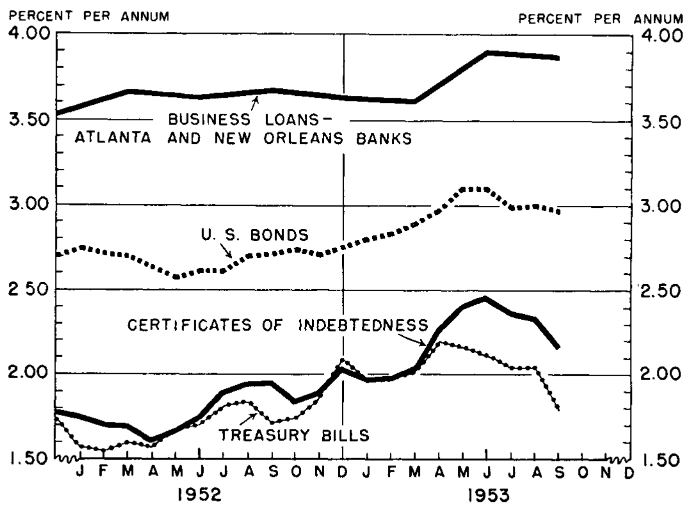
Supply and demand factors that acted to increase rates in the early part of the year seem to have undergone substantial changes since then. The amount of available funds is apparently greater than it had been in the early part of the year, and the demand somewhat lower than it usually is. Early in July, the Board of Governors of the Federal Reserve System reduced reserve requirements, thus freeing 1.1 billion dollars of funds for member banks in the country as a whole and 47 million for banks in this District. More recently, increased security purchases by the System have further eased the cash position of banks. Moreover, continued steady growth in personal savings has added to the supply of loanable funds.

. . . Fall Credit Demands Were Below Expectations

Although banks were well supplied with money to lend to customers this fall, the demand for both short- and long-term funds was somewhat below expectations. Consumer credit outstanding is no longer increasing at the rapid rate of last spring. Business loans, which in the past have contributed heavily to the seasonal credit expansion, have not risen as much as usual. In other postwar years, by the third week of October, commercial, agricultural, and industrial loans for United States weekly reporting member banks have averaged 6.4 percent above the summer low; this year, however, the increase was only 1.7 percent.

The demand for long-term funds was down also. The narrow margin between the present debt and the debt ceiling has restricted Treasury borrowing. Corporations,

Interest Rates



after selling their large spring issues, were borrowing slightly less. Security sales by state and local governments were the only major type of borrowing that was maintained at the springtime level.

In the immediate future, as in the past, the course of interest rates will depend largely upon the demand for funds by governmental units, business, and consumers and upon the supply of savings and the ability of banks to make loans and investments. The recent leveling off of customer loan rates at Atlanta and New Orleans banks is indicative of future developments, therefore, only if the fundamental forces determining interest rates continue in their new direction.

CHARLES S. OVERMILLER

Sixth District Statistics

Instalment Cash Loans

Lender	No. of Lenders Reporting	Volume: Percent Change Sept. 1953 from Aug. 1953	Volume: Percent Change Sept. 1953 from Sept. 1952	Outstandings: Percent Change Sept. 1953 from Aug. 1953	Outstandings: Percent Change Sept. 1953 from Sept. 1952
Federal credit unions	37	+5	+25	+0	+29
State credit unions	19	—2	+28	+1	+34
Industrial banks	9	+1	+29	+1	+29
Industrial loan companies	10	—6	+10	+0	+8
Small loan companies	32	+2	—16	—0	+9
Commercial banks	33	—1	—1	+1	+24

Retail Furniture Store Operations

Item	Number of Stores Reporting	Percent Change September 1953 from August 1953	Percent Change September 1953 from September 1952
Total sales	145	—10	—10
Cash sales	129	—7	—2
Instalment and other credit sales	129	—10	—10
Accounts receivable, end of month	138	—0	+6
Collections during month	138	—5	—1
Inventories, end of month	103	+5	+3

Wholesale Sales and Inventories*

Type of Wholesaler	Sales: No. of Firms Reporting	Sales: Percent change Sept. 1953 from Aug. 1953	Sales: Percent change Sept. 1953 from Sept. 1952	Inventories: No. of Firms Reporting	Inventories: Percent change Sept. 30 1953 from Aug. 31, 1953	Inventories: Percent change Sept. 30 1953 from Sept. 30, 1952
Automotive supplies	5	+5	—14	5	0	—2
Electrical appliances	5	+9	—31	4	—3	—9
Hardware	9	+4	+5	4	+0	+23
Industrial supplies	20	+4	—0	8	—1	+10
Jewelry	5	+22	+14	3	—6	+8
Lumber and bldg. mat'ls.	3	—2	—7	..	..	..
Plumbing & heating supplies	4	+4	+26	3	+5	+13
Refrigeration equipment	6	—27	+8	6	—3	+4
Confectionery	6	+26	—11	3	+17	+42
Drugs and sundries	13	+9	+8	4	+4	+8
Dry goods	13	+3	+2	9	—3	+21
Groceries—Full-line	46	+10	+1	28	+1	—1
" Specialty lines	9	+17	+6	5	+4	—11
Tobacco products	9	+6	+1	5	—3	—14
Miscellaneous	17	+10	+4	12	+1	+9
Total	170	+7	+2	99	—0	+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: Sept. 1953 from Aug. 1953	Sales: Sept. 1953 from Sept. 1952	Sales: Yr.-to-Date 1953-1952	Inventories: Sept. 30, 1953, from Aug. 31 1953	Inventories: Sept. 30, 1953, from Sept. 30 1952
ALABAMA	+7	—6	+3	+5	+4
Birmingham	+12	—6	+2	+6	+3
Mobile	+1	—4	+9	..	..
Montgomery	—5	—11	+3	..	..
FLORIDA	—3	—1	+5	+4	+8
Jacksonville	—5	—9	—3	+9	+9
Miami	—6	—1	+6	+0	+7
Orlando	+3	+5	+5	..	..
St. Ptrsbg-Tampa Area	+3	—1	+4	..	..
St. Petersburg	+5	—0	+5	+9	+3
Tampa	+2	—1	+4	..	..
GEORGIA	+4	—2	+1	+7	+8
Atlanta**	+5	+3	+2	+7	+9
Augusta	+4	—22	—8	..	..
Columbus	—2	—10	—4	+8	+11
Macon	+8	—1	+2	+9	+8
Rome**	+13	—3	+5	..	..
Savannah**	+1	—12	+2	..	..
LOUISIANA	—0	+2	+5	+21	+9
Baton Rouge	+10	—2	+9	+1	+13
New Orleans	—1	+3	+5	+28	+8
MISSISSIPPI	+9	—6	—0	+4	+9
Jackson	+5	—6	—2	+3	+6
Meridian**	+16	+2	+6	..	..
TENNESSEE	+5	+0	+7	+6	+10
Bristol**	+5	—6	—3	+7	+22
Bristol-Kingsport-Johnson City**	+4	—4	+1	..	..
Chattanooga	+5	+0	+8	..	..
Knoxville	+8	+12	+10	+5	+4
Nashville	+2	—8	+4	+6	+5
DISTRICT	+2	—3	+3	+8	+9

*Includes reports from 125 stores throughout the Sixth Federal Reserve District.
**To permit publication of figures for this city, a special sample has been constructed that 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	Oct. 21 1953	Sept. 23 1953	Oct. 22 1952	Percent Change Oct. 21, 1953, from Sept. 23 1953	Percent Change Oct. 21, 1953, from Oct. 22 1952
Loans and investments—					
Total	2,939,882	2,912,755	2,893,195	+1	+2
Loans—Net	1,273,661	1,228,941	1,167,356	+4	+9
Loans—Gross	1,295,287	1,250,569	1,187,861	+4	+9
Commercial, industrial and agricultural loans	744,836	696,311	671,605	+7	+11
Loans to brokers and dealers in securities	13,690	14,739	16,059	—7	—15
Other loans for purchasing or carrying securities	37,519	38,844	39,976	—3	—6
Real-estate loans	89,963	89,984	94,473	—0	—5
Loans to banks	6.314	6,273	2,712	+1	*
Other loans	402.965	404,418	363,036	—0	+11
Investments—Total	1,666,221	1,683,814	1,725,839	—1	—3
Bills, certificates, and notes	762,877	791,796	744,469	—4	+2
U. S. bonds	636,212	622,743	714,712	+2	—11
Other securities	267,132	269,275	266,658	—1	+0
Reserve with F. R. Banks	505,769	510,765	536.316	—1	—6
Cash in vault	45,978	46,379	47,818	—1	—4
Balances with domestic banks	225,319	217,839	205,123	+3	+10
Demand deposits adjusted	2,139,505	2,111,535	2,097,363	+1	+2
Time deposits	577,163	573,725	556,095	+1	+4
U. S. Gov't deposits	64,704	109,862	129,043	—41	—50
Deposits of domestic banks	648,225	603,019	623,875	+7	+4
Borrowings	36,400	36,900	42,500	—1	—14

*100 Percent or over.

Debits to Individual Demand Deposit Accounts

(In Thousands of Dollars)

Place	September 1953	August 1953	September 1952	Percent Change: Sept. 1953 from Aug. 1953	Percent Change: Sept. 1953 from Sept. 1952	Percent Change: Yr.-to-date 9 Mos.1953 from 1952
ALABAMA						
Anniston	31,469	29,436	30,282	+7	+4	+3
Birmingham	432,097	416,904	434,646	+4	—1	—0
Dothan	19,762	17,600	19,848	+12	—0	+1
Gadsden	24,616	23,522	23,294	+5	+6	+8
Mobile	184,728	154,942	162,817	+19	+13	+8
Montgomery	103,815	92,838	99,349	+12	+4	+4
Tuscaloosa*	36,263	32,107	30,503	+13	+19	+10
FLORIDA						
Jacksonville	395,261	388,445	377,655	+2	+5	+11
Miami	346,136	337,738	309,616	+2	+12	+15
Greater Miami*	513,449	498,429	469,306	+3	+9	+11
Orlando	77,298	70,335	73,696	+10	+5	+11
Pensacola	53,326	54,605	50,060	—2	+7	+14
St. Petersburg	81,602	77,129	76.243	+6	+7	+9
Tampa	161,807	164,218	155,864	—1	+4	+13
West Palm Beach*	48,322	49,309	45,756	—2	+6	+9
GEORGIA						
Albany	38,462	37,165	32,630	+3	+18	+17
Atlanta	1,358,966	1,193,413	1,175,619	+14	+16	+10
Augusta	87,271	83,432	95,735	+5	—9	—2
Brunswick	11,475	13,738	11,651	—16	—2	+6
Columbus	77,952	77,080	79,832	+1	—2	+0
Elberton	5,608	4,645	5,922	+21	—5	+9
Gainesville*	30,127	24,702	28,568	+22	+5	+4
Griffin*	14,469	12,940	14,315	+12	+1	+7
Macon	78,339	82,402	84,127	—5	—7	+3
Newnan	9,990	9,588	11,167	+4	—11	—8
Rome*	32,062	30,931	28,269	+4	+13	+18
Savannah	129,663	119,814	114,556	+8	+13	+11
Valdosta	18,485	35,066	16,609	—47	+11	+6
LOUISIANA						
Alexandria*	43,304	42.027	47,641	+3	—9	—2
Baton Rouge	126,018	126.284	119,837	—0	+5	+14
Lake Charles	50,988	49,902	52,003	+2	—2	+4
New Orleans	948,636	923,246	881,827	+3	+8	+8
MISSISSIPPI						
Hattiesburg	20,639	20,589	21,696	+0	—5	+4
Jackson	154,106	159,787	177,249	—4	—13	—3
Meridian	33,790	30,286	36,638	+12	—8	+0
Vicksburg	16,706	14,411	16,034	+16	+4	+13
TENNESSEE						
Chattanooga	208,032	207,673	178,429	+0	+17	+21
Knoxville	166,590	154,342	130,323	+8	+28	+24
Nashville	436,961	460,255	382,169	—5	+14	+8
SIXTH DISTRICT						
32 Cities	5,890,594	5,630,830	5,437,423	+5	+8	+9
UNITED STATES						
345 Cities	147.873.000	134,589,000	136,067,000	+10	+9	+8

*Not included in Sixth District totals.

Sixth District Indexes

1947-49 = 100

	Manufacturing Employment			Manufacturing Payrolls			Cotton Consumption**			Construction Contracts			Furniture Store Sales*/**		
	Aug. 1953	July 1953	Aug. 1952	Aug. 1953	July 1953	Aug. 1952	Sept. 1953	Aug. 1953	Sept. 1952	Sept. 1953	Aug. 1953	Sept. 1952	Sept. 1953	Aug. 1953	Sept. 1952
UNADJUSTED															
District Total	115	114	110r	157	154	142	103	102	110	..	..	..	98	104r	107r
Alabama	108	106r	105r	145	139r	130	100	99	113	167	63	95	108	113r	113
Florida	125	124	118r	166	166	152	..	..	..	183	172	165	103	98	117r
Georgia	116	114	112	159	155r	143	104	104	109	175	152	140	100	108r	111
Louisiana	111	109	104	154	152	135	..	..	..	237	165	109	99	104r	108
Mississippi	113	114r	111	163	160	155	114	126	129	103	103	126	..	..	..
Tennessee	119	118	112r	164	163r	147	104	103	104r	149	171	2737†	84	97r	91
SEASONALLY ADJUSTED															
District Total	115	116	110r	159	161	143	101	107	108	..	..	..	92	100r	100r
Alabama	107	109r	104	145	142r	130	..	..	..	..	..	..	91	106r	95
Florida	134	132	127	180	182	165	..	..	..	..	..	..	86	94	98r
Georgia	115	116r	111	161	162r	144	..	..	..	..	..	..	93	103r	103
Louisiana	109	110	103	152	151	134	..	..	..	..	..	..	91	99r	100
Mississippi	112	115r	109	162	164r	154	..	..	..	..	..	..	..	..	..
Tennessee	117	119	111	166	164	149	..	..	..	..	..	..	76	92r	83

Department Store Sales and Stocks**

	Adjusted			Unadjusted		
	Sept. 1953	Aug. 1953	Sept. 1952	Sept. 1953	Aug. 1953	Sept. 1952
DISTRICT SALES*	119p	130	122r	122p	114	125r
Atlanta[1]	123	119	121r	132	121	129
Baton Rouge	108	115	111r	117	103	119r
Birmingham	110	117	116r	122	104	129r
Chattanooga	121	137	121	134	122	133
Jackson	102	118	107r	115	105	121
Jacksonville	99	114	110	98	99	108
Knoxville	119	121	106r	123	110	110
Macon	128	146	129r	142	127	144
Miami	132p	148	131	108p	111	108
Nashville	109	117	118	113	107	123
New Orleans	120p	127	117r	120p	117	117
St. Ptrsbg-Tampa Area	129	135	129	117p	109	118
Tampa	118	126	119	112	106	113
DISTRICT STOCKS*	148p	141	137r	152p	141	141r

[1]To permit publication of figures for this city, a special sample has been constructed that is not confined exclusively to department stores. Figures for non-department stores, however, 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. 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		
	Sept. 1953	Aug. 1953	Sept. 1952	Sept. 1953	Aug. 1953	Sept. 1952
Construction contracts*	..	..	..	175	148r	693
Residential	..	..	..	186	162r	160
Other	..	..	..	168	137r	1097
Petrol. prod. in Coastal Louisiana and Mississippi**	145	144	140	144	144	139
Turnover of demand deposits*	23.6	24.1	22.9	23.8	22.5	23.1
Index	122.3	125.0	118.9	..	..	..
Mfg. emp. by type	Aug. 1953	July 1953	Aug. 1952	Aug. 1953	July 1953	Aug. 1952
Apparel	139	143	129	141	140	130
Chemicals	121	121	115	118	116	111
Fabricated metals	176	182	148	173	172	146
Food	106	108r	104	107	104	105
Lbr., wood prod., furn. & fix.	91	92	93	92	92	94
Paper and allied prod.	142	143	131	142	142	131
Primary metals	103	104	101	103	103	101
Textiles	99	100r	99	99	99r	100
Trans. equip.	183	173	142	175	168	136
Elec. power prod.**	..	..	..	188	183	167r
Hydro-gen.	..	..	..	87	94	77
Fuel-gen.	..	..	..	280	266	249r

r Revised p Preliminary

† Includes contract for atomic energy project