Monthly Review

ATLANTA, GEORGIA, JUNE 30, 1956

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Federal Reserve Bank of Atlanta

DISTRICT BUSINESS HIGHLIGHTS

Economic activity in the District is taking a breather as most indicators either mark time or recede slightly. Manufacturing employment and consumer spending and saving are down. Weaknesses, however, are not pronounced enough to signal the end of general stability in the District's economy.

Nonfarm employment, after seasonal adjustment, in April held near the records reached in March.

Manufacturing employment, after seasonal adjustment, rose slightly in April but, according to preliminary estimates, declined in May.

Steel operations in Birmingham in late June remained at depressed May levels because of a continued work stoppage at a major producer's.

Crude petroleum production in Mississippi and coastal Louisiana, after seasonal adjustment, dropped slightly in May from the peak reached in March.

Textile activity, as measured by seasonally adjusted cotton consumption, fell somewhat in May after having increased slightly in April.

The rate of hotel and motel occupancy in greater Miami in May was higher than last May, according to the University of Miami Business Bureau.

Insured unemployment, reflecting the effects of a labor dispute, rose contra-seasonally in May.

Department store sales in June, after adjustment for seasonal variation and trading day differences, were down slightly from May.

Furniture store sales, seasonally adjusted, decreased in May from the April volume.

New car registrations in April were lower than in the previous month and the same month last year.

Trade loans at commercial banks were down contra-seasonally during the last two weeks of May and the first three weeks of June. Loans to both wholesalers and retailers have declined sharply.

Consumer savings were down in May from April as indicated by time deposits and ordinary life insurance sales.

Consumer instalment credit at commercial banks increased in May, with the largest gains recorded in automobile credit.

Check payments, measured by bank debits, rose further in May, after seasonal adjustment, to a point considerably above a year ago.

Total deposits at member banks declined somewhat more than seasonally in May, but, according to preliminary information, increased in June.

Total loans at all member banks increased slightly more than usual during May, and preliminary data reveal a further rise in June.

Business loans at banks in selected cities rose somewhat in June as loans to sales finance companies and to manufacturing and mining and construction firms increased.

Member bank borrowings from the Federal Reserve Bank held near the May high, but excess reserves increased slightly; free reserves, therefore, rose somewhat.

Favorable weather has aided crop development in most areas.

Pork production will continue to rise this year; the spring pig crop was substantially above last year's crop, but the national pig crop was smaller.

Prices of many farm products continued upward through May; orange, hog, and beef cattle prices were up from a month and from a year ago.

Monetary Policy in the First Half of 1956

Credit conditions can be a result of both Federal Reserve policy and economic activity. This is illustrated by what has happened in the first six months of 1956. As the year began, the economy was operating at near capacity. Demands for steel, paper, aluminum, cement, and other key products were so strong that they could not be met from current production. Consequently, prices of many industrial commodities and even some consumer goods were rising. Credit demands were also strong in relation to the credit that was available.

Following a policy of promoting sustainable growth in the economy, the Federal Reserve System took steps to limit forces that might lead to inflation. But as mid-year approached, there were signs that economic activity was slowing down.

Influencing Bank Reserves

To further economic stability, the System depends on its ability to expand or contract the supply of credit and to make credit more costly or less costly. It exercises this function by effecting changes in reserves, upon which the volume of bank credit extended is based. The most direct method of doing this, and one that the System chiefly depends on, is through open-market operations, that is, the buying and selling of Government securities.

Other factors also affect reserves, however, some of which are not subject to such direct Federal Reserve control. These include a flow of currency from the public to the banks, which is usually heavy in the early part of each year. Another is member bank borrowing, which to some degree is subject to System control. One problem of monetary policy, therefore, is to offset or reinforce changes resulting from factors that are subject to little or no control.

During most of this year, System open-market operations have been aimed at keeping reserves under considerable pressure while guarding against sharp or erratic changes. In early 1956, the System sold substantial amounts of securities, which had the effect of offsetting increases in reserves caused by the return flow of currency and the decline in required reserves. Between the end of December 1955, and May 23, 1956, the System on balance sold 1.6 billion dollars of securities, but there were week-to-week changes to take care of such factors as float, that is, checks that are credited but not collected.

Bankers supplemented their reserves by borrowing from the Federal Reserve Banks during this period. At member banks in the nation, average daily borrowings amounted to 937 million dollars in the first five months of this year. That was more than twice the amount for the same months in 1955. In this District, borrowings increased at a smaller rate than in the nation.

One way the System can influence member bank borrowing is to change the discount rate. By raising the rate and making it more costly for the banks to borrow, the System supplements the pressure on reserves caused by open-market operations. In April, the Federal Reserve Bank of Atlanta and nine other Reserve Banks increased the rates from 2½ percent to 2¾ percent; the San Francisco and Minneapolis Banks increased the rates from 2½ percent to 3 percent.

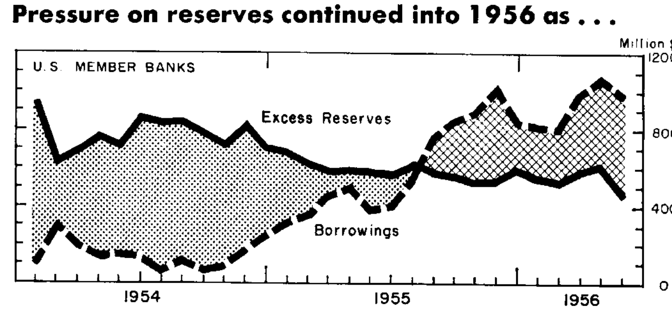
The movement of free reserves is one indicator of the degree to which these actions effected restraint, free reserves being excess reserves less borrowings from the Federal Reserve. Open-market operations to some extent influenced the level of these reserves. In April 1956, for example, free reserves averaged *minus* 460 million dollars, which meant that member banks owed the Reserve Banks more than they held in idle reserves. Last April, on the other hand, free reserves were positively inclined—an indication that bank reserves were under no great pressure.

Monetary Conditions Ease Slightly

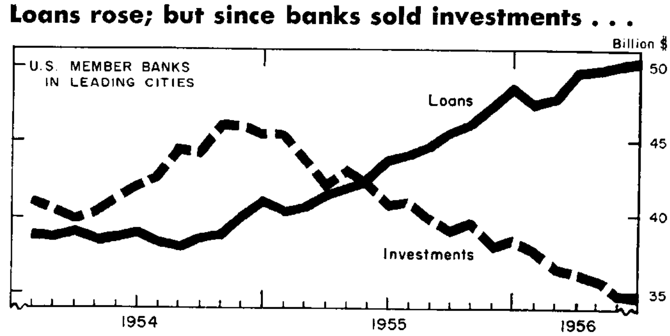
Economic conditions in the late spring of this year became less buoyant. Spending on residential housing failed to turn upward; cutbacks in automobile production became more pronounced; and output of farm machinery and synthetic textiles was curtailed. Industrial commodity prices, moreover, began moving sideways.

Thus, between May 23 and June 20, the System added to reserves by buying 292 million dollars of Government

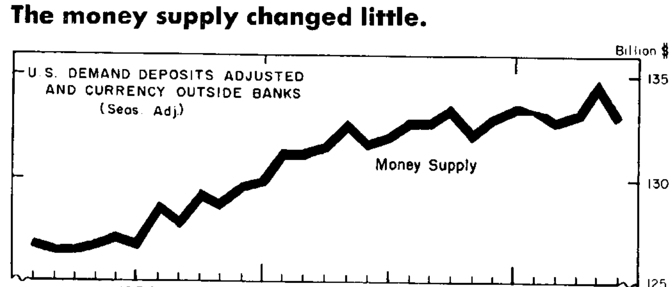
Pressure on reserves continued into 1956 as . . .



Loans rose; but since banks sold investments . . .



The money supply changed little.



securities. Banks found it possible to reduce their borrowings, and free reserves fell from about *minus* 600 million dollars in mid-May to less than *minus* 200 million in mid-June. Security yields also tended to decline.

Pinch Not Too Severe

We can understand the impact of monetary policy more clearly if we see whether credit became more or less available and more or less costly to private borrowers. During the first half of 1956 as a whole, it is clear that *more* rather than *less* credit became available through bank loans. For example, at member banks in the nation's leading cities, total loans between December 28, 1955, and June 6, 1956, rose 1.7 billion dollars, a record gain.

Member banks in leading District cities so far this year have added to their real-estate and consumer loans and have lent more to brokers than they did last year. To satisfy this overall expansion in lending, banks sold large amounts of Government securities.

While banks were lending at a record rate, they were charging more interest. At reporting banks in Atlanta and New Orleans, average interest rates on business loans of $1,000 or more that matured within one year rose from 3.91 percent in December 1955 to 3.98 percent in March 1956. Immediately following the hike in the discount rate was an increase from 3½ percent to 3¾ percent in the prime rate at banks in New York and other cities.

Many borrowers, moreover, probably did not receive as much credit as they wanted. Some banks screened loan requests more carefully; in some cases they lent less than was requested, and on occasion they may have rejected requests altogether. The credit expansion, consequently, was probably smaller than it would have been in the absence of restraint. By holding down increases in the money supply, the System probably helped keep down price advances. Demand deposits adjusted and currency outside banks, after seasonal adjustment, fell 0.2 percent between the end of December 1955, and the end of May 1956, compared with a rise of 1.5 percent in that period of 1955.

Although some persons found it more difficult to obtain credit, it seems likely that bankers provided some credit to most types of borrowers. Small businessmen, at least in some areas of this District, were apparently accommodated to about the same degree as last year. This is suggested by the data on loan volume—by size of loan, which is associated with size of borrower. For a sample of banks in Atlanta and New Orleans, loans of less than $10,000 made in March 1956 represented nearly the same proportion of total loans as was granted in March 1955.

Influencing Nonbank Lenders

Borrowers did not escape the higher costs and lessened availability of credit when seeking help from nonbank lenders, who also felt the effects of credit conditions and monetary policy. Sales finance companies charged higher interest rates and reduced the maturity of the paper that they financed. In this District numerous sales finance companies, which last year accepted from automobile dealers paper on new cars sold for repayment within 36 months, reverted this spring to financing paper with a maturity of 30 months or less.

Savings and loan associations, mutual savings banks, and real-estate lenders found fixed interest-bearing Government guaranteed mortgages less attractive than previously because yields on corporate, municipal, and Government obligations rose in early spring. Savings and loan associations and life insurance companies made fewer new loans on residential housing in March 1956 than last March. Nevertheless, their volume of loans this year was large compared with any period other than 1955.

The number of new security offerings this year was exceptionally large, reflecting extremely high demands for long-term credit. Prices in the security market, moreover, have been near records during the past six months. Postponements were few, although several state and local governments have put off their borrowing plans.

In conclusion, we find that exceptionally high credit demands for the first half of 1956 as a whole made for less readily available funds and for higher interest rates. Reserve actions reinforced this restraint. By keeping the growth in credit in line with the rising output from new production facilities and from businesses previously operating short of capacity, credit policy helped restrain inflationary pressures and prevented speculative excesses, which ultimately invite recession.

HARRY BRANDT

Bank Announcements

On June 1 the Bank of Jonesboro, Jonesboro, Georgia, a nonmember bank, began to remit at par for checks drawn on it when received from the Federal Reserve Bank. Charles S. Conklin is President; J. B. Pulliam, Executive Vice President; and Vance H. Stevens, Cashier. Capital amounts to $25,000 and surplus and undivided profits $104,154.

Another addition to the par list on June 1 was the nonmember Commercial Bank and Trust Company, Griffin, Georgia, whose President is D. J. Arnold. C. T. Parker is Vice President and Ralph S. Gibson is Cashier. Capital is $200,000 and surplus and undivided profits $684,590.

The State Bank, Griffin, Georgia, a nonmember bank, also began to remit at par on June 1. D. R. Cumming is President; Seaton G. Bailey and S. T. Martin are Vice Presidents; F. Westmoreland is Cashier and J. M. Whiddon, Assistant Cashier. Capital is $200,000 and surplus and undivided profits $684,905.

On June 4 the nonmember Bank of Covington and Trust Company, Covington, Georgia, was added to the par list. The President is J. L. Stephenson. R. R. Fowler is Executive Vice President; J. B. Weaver, Cashier; and C. G. Henderson, Jr., Assistant Cashier. Capital totals $100,000 and surplus and undivided profits $419,000.

On June 11 the newly organized nonmember Southern Bank, Waycross, Georgia, opened for business and began to remit at par. Ralph Herrin is President; Morgan M. Zook, Executive Vice President; N. P. Miller, Vice President and Cashier; and Taylor Zachry, Vice President. Capital is $175,000 and surplus and undivided profits $77,000.

State and Local Governments Continue To Borrow for Construction

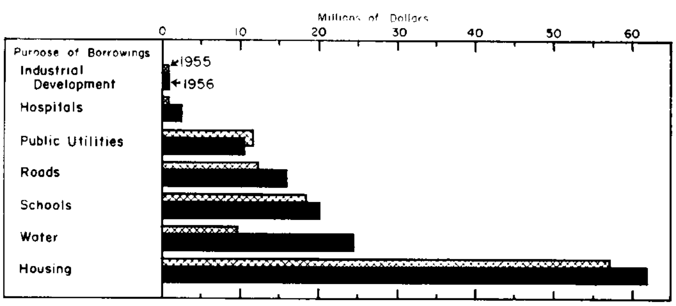
Construction continues to be a bolstering force in the economy of the Sixth District states, primarily because state and local governments are expanding the facilities they provide their citizens. During the first quarter of this year, construction by governmental units and public utilities increased 40 percent, whereas total construction contracts awarded were only 19 percent above the comparable figure for 1955. Obviously, without public construction, total building would have increased only slightly.

To build bridges, schools, and the like, state and local governments obtain most of their funds by selling securities. The relationship, however, is not exact because at times some construction is financed out of tax revenues. Also, governmental units sometimes borrow short-term funds and refinance an issue at a later date with a longer-term issue, particularly in the case of housing. Moreover, some of the securities are issued to refund bonds sold many years ago. Nevertheless, the total of securities issued indicates fairly well the amount of construction that states, cities, and counties are undertaking.

A recent detailed tabulation by this Bank of the securities issued by governmental units in this area revealed that borrowing for public construction increased from 137 million dollars during the first quarter of 1955 to 167 million dollars in the like period in 1956. Although all types of construction financing shared in the gain, the expansion in housing was particularly noticeable and reflected the large amount of residential construction undertaken by governmental units. Borrowing by housing authorities amounted to 68.8 million dollars, compared with 57.2 million last year. In recent years, such borrowing has made up about 40 percent of total borrowing, as many cities have become more interested in clearing slums and in providing an expanding population with adequate housing. To raise the necessary funds, some cities and other governmental units have established housing authorities which issue securities. These issues are attractive to many investors because they are guaranteed either by the Housing and Home Finance Agency or the Public Housing Administration.

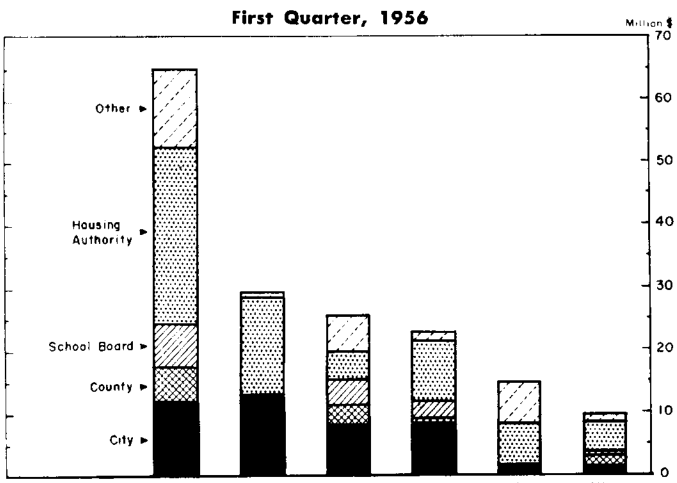
Securities Issued by State and Local Governments; Sixth District States

First Quarter, 1955 and 1956



Type of Borrower

First Quarter, 1956



As in 1955, governmental units in Louisiana had the largest amount of new issues; about half of these were for housing projects, which was about the same proportion in the other states. City governments also were important in contributing to the total. The airport expansion in New Orleans accounted for a large part of the gain. Governmental units in Georgia were expanding facilities, although at a much lower rate than in Louisiana. In Georgia, aside from housing authorities, city governments were the most important type of borrower; their heavy borrowings largely reflected expansions in water and sewerage systems.

The underwriting of such securities is big business for local investment firms and commercial banks, but their share was larger last year than it has been so far this year. Of the securities issued during the first quarter 30 percent were underwritten by southern firms or by syndicates made up largely of southern firms. Last year, 34 percent were underwritten by institutions in this area. The slight decrease reflects gains in housing securities, which are usually underwritten by large northern firms. The amount of housing securities was approximately 20 percent greater for the first quarter of this year than it was in 1955. Furthermore, large issues generally call for syndicate underwriting and therefore appeal primarily to firms and banks in major northern cities. Of the 177 issues during the first three months of 1956, some 23 percent were for over 5 million dollars, compared with only 19 percent in 1955.

Although local firms underwrite some securities originating in the District and elsewhere, they are not large enough to handle all local issues, particularly the more sizable ones. Even if they were, some local governments that have a good credit rating and a national reputation would find it more profitable to offer their securities on the broader national market. A large proportion of local issues consists of Government-guaranteed housing securities, which in any case are not attractive to local underwriters because of their low yield. Many local issues, therefore, are underwritten by non-southern institutions.

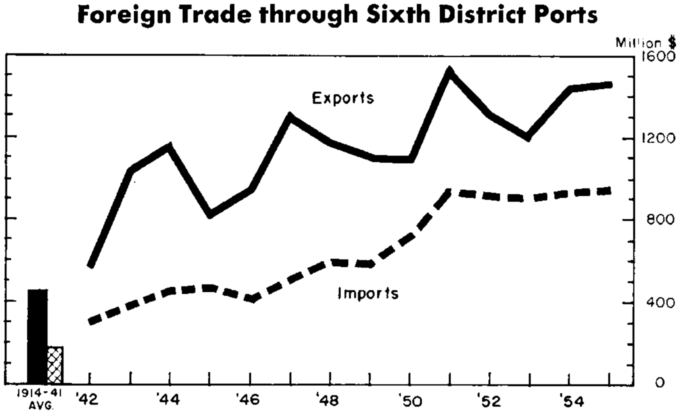
CHARLES S. OVERMILLER

Sixth District Foreign Trade Since World War II

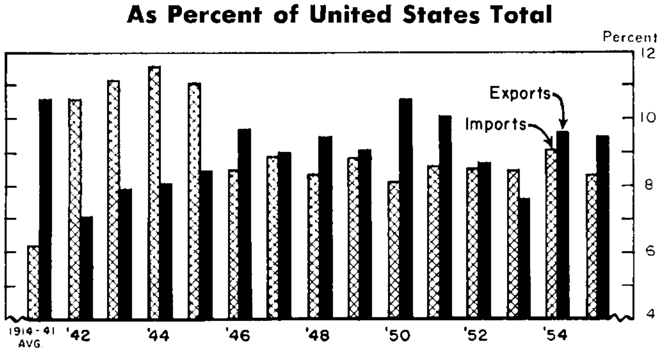
Many people in the Sixth District consider the sea that washes the 1,812 miles of District coastline one of our chief assets. The Atlantic and Gulf waters provide unparalleled facilities for recreation and excellent commercial fishing grounds. They also serve as commercial highways linking this District with foreign markets and sources of supply. The total value of goods and services involved in foreign trade through Jacksonville, Mobile, New Orleans, Savannah, Tampa, and other District ports is greater than that involved in either the tourist or the fishing industry. Besides benefiting District agriculture and industry, foreign trade has increased traffic for inland freight carriers.

During the 20 years immediately preceding World War II, foreign trade through District ports failed to keep pace with that through ports in the nation as a whole largely because of the inability of American cotton to compete successfully in world markets. World War II signaled a halt to this downtrend. Shipments to our armed forces and allies meant a greater diversification and larger volume of trade through southern ports. After the war, individuals with interests in the various port cities of this region voiced strong hopes that the wartime gains could be retained. The attitude expressed by the editors of the *New Orleans Port Record* was typical: "Now with the close of the war, the citizens of New Orleans have determined to capitalize on the strategic position occupied by their port with respect to world trade . . . and have shaped plans to utilize these natural advantages to help develop a still greater flow of trade and travel between the Mississippi Valley and the rest of the world." Ten years have passed since such objectives were voiced. It is now time to look back and see whether the hopes of District port officials have been realized.

Foreign Trade through Sixth District Ports



As Percent of United States Total



The Postwar Pattern

Since 1945, the volume of foreign trade moving through Sixth District ports has been impressive. The dollar volume of custom clearings during 1955 was almost double that of 1945. The import trade has been especially strong. It seems that those who predicted ten years ago that imports would hold the key to the future of District foreign trade were correct. Imports are now 133 percent greater than they were in 1946; exports have grown 53 percent. Historically, this District accounted for between 10 and 11 percent of the nation's exports and a little over 6 percent of its imports. Since the war, this pattern has changed. Southeastern ports are now responsible for approximately 9.5 percent of the nation's exports and 8.5 percent of its imports. Thus, the District's share of national imports and exports is in fairly close balance.

Recent Developments

Statistics compiled by New Orleans port officials reveal that cotton is no longer king among District export products. In 1953, machinery and vehicle shipments replaced cotton as a major category of goods leaving New Orleans. Some observers point out that new industrial plants in this District have contributed to this shift. Recent developments at other District ports are also worthy of note. Mobile, which has always been an important handler of bauxite, manganese and other ores, has recently begun receiving iron ore for the steel mills of Birmingham from Venezuelan mines. Jacksonville and Savannah are now major bases for a concern pioneering in "fishybacking"—the movement of truck trailers overseas aboard LST's and similar craft on a "roll-on, roll-off" basis.

One of the most significant features of the District foreign trade picture has been the dramatic growth of air cargo shipments through Miami. International movements of commodities by air through the resort city are now about 2½ times greater than they were six years ago. Dade County officials expect this trend to continue, especially as the buying power of the 45-million-person Caribbean market grows and as facilities for the production of products for export expand in Miami. The port of Tampa also has a vital stake in the growing Caribbean market.

The continued expansion of District foreign trade, despite declines in cotton shipments, seems to indicate that the diversification sought in 1946 has come about. Thus, in this respect, the postwar hopes of promoters of foreign trade in the District have been realized. In another respect, the aspirations of these persons have not been attained, for although the growth of foreign trade through District ports has kept pace with the rate of growth in the nation as a whole, it has not outstripped the national rate. Future commerce through southeastern ports seems tied closely to the course of total American foreign trade.

LEON T. KENDALL

Sixth District Statistics

Instalment Cash Loans

		Percent Change			
		Volume		Outstandings	
		May 1956 from		May 1956 from	
Lender	No. of Lenders	April 1956	May 1955	April 1956	May 1955
Federal credit unions	38	+12	+9	+3	+17
State credit unions	14	+38	+12	+3	+22
Industrial banks	8	+26	+21	+3	+5
Industrial loan companies	10	+13	+19	+1	+8
Small loan companies	33	+5	+4	+0	+7
Commercial banks	31	+6	—9	+1	+14

Retail Furniture Store Operations

	Percent Change May 1956 from	
Item	April 1956	May 1955
Total sales	+20	—1
Cash sales	+11	—5
Instalment and other credit sales	+21	—0
Accounts receivable, end of month	+2	+8
Collections during month	+5	+9
Inventories, end of month	—4	+4

Wholesale Sales and Inventories*

	Percent Change					
	Sales			Inventories		
		May 1956 from			May 1956 from	
Type of Wholesaler	No. of Firms	April 1956	May 1955	No. of Firms	April 1956	May 1955
Grocery, confectionery, meats	48	+9	+20	36	+7	+14
Edible farm products	13	+29	—6	..	..	..
Drugs, chems., allied prods.	16	+9	+18	9	—6	—2
Drugs	8	+2	+24	..	..	..
Dry goods, apparel	6	+18	+13	..	..	..
Automotive	47	+7	+27	..	..	..
Hardware	12	+21	+12	10	—1	+7
Plumbing and heating goods	14	+21	+12	12	—0	+8
Machinery: equip. and supplies	41	—4	+42	23	—1	+25
Industrial	23	—7	+49	11	—2	+32
Iron and steel scrap and waste materials	10	—4	—17	6	+8	+42

*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*

	Percent Change				
	Sales			Inventories	
	May 1956 from		5 Months 1956 from	May 31, 1956, from	
Place	April 1956	May 1955	1955	April 30, 1956	May 31, 1955
ALABAMA	+14	+11	+7	—7	+10
Birmingham	+10	+7	+5	—7	+8
Mobile	+22	+15	+8	..	..
Montgomery	+22	+9	+1	..	..
FLORIDA	+5	+12	+10	—4	+13
Jacksonville	+30	+11	+7	—5	+4
Orlando	+16	+6	+3	..	..
St. Ptrsbg-Tampa Area	—1	+10	+7	..	..
St. Petersburg	—11	+13	+8	—2	+13
Tampa	+9	+8	+6	..	..
GEORGIA	+17	+7	+2	—6	+2
Atlanta**	+15	+6	+1	—7	—2
Augusta	+28	+5	—2	..	..
Columbus	+12	+2	+2	—3	+14
Macon	+27	+15	+6	—7	+1
Rome**	+14	+16	+21	..	..
Savannah**	+18	+13	+5	..	..
LOUISIANA	+17	+17	+9	—5	+6
Baton Rouge	+30	+20	+11	—6	+27
New Orleans	+18	+16	+8	—5	+2
MISSISSIPPI	+15	+11	+6	—7	—1
Jackson	+11	+10	+5	—8	—2
Meridian**	+9	+13	+9	..	..
TENNESSEE	+22	+8	+3	—8	+10
Bristol (Tenn. & Va.)**	+18	+7	+3	—2	+14
Bristol-Kingsport-Johnson City**	+21	+10	+4	..	..
Chattanooga	+21	+8	+3	..	..
Knoxville	+17	+11	+4	—11	+22
Nashville	+29	+6	+3	—5	+5
DISTRICT	+14	+11	+6	—6	+7

*Reporting stores account for over 90 percent of total District department store sales.
**In order 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)

				Percent Change June 20, 1956, from	
Item	June 20, 1956	May 23, 1956	June 22, 1955	May 23, 1956	June 22, 1955
Loans and investments—Total	3,342,521	3,323,644	3,219,854	+1	+4
Loans—Net	1,770,950	1,762,493	1,503,557	+0	+18
Loans—Gross	1,799,593	1,790,673	1,528,015	+0	+18
Commercial, industrial, and agricultural loans	954,187	952,780	848,360	+0	+12
Loans to brokers and dealers in securities	35,617	35,647	21,051	—0	+69
Other loans for purchasing or carrying securities	49,987	48,538	40,122	+3	+25
Real estate loans	161,411	160,928	137,147	+0	+18
Loans to banks	17,847	18,388	16,721	—3	+7
Other loans	570,848	563,564	464,614	+1	+23
Investments—Total	1,571,571	1,561,151	1,716,297	+1	—8
Bills, certificates, and notes	520,228	510,400	590,250	+2	—12
U. S. bonds	738,698	738,163	794,259	+0	—7
Other securities	312,645	312,588	331,788	+0	—6
Reserve with F. R. Bank	520,274	498,271	498,843	+4	+4
Cash in vault	51,069	51,990	47,094	—2	+8
Balances with domestic banks	270,216	242,437	242,261	+11	+12
Demand deposits adjusted	2,380,738	2,360,242	2,344,378	+1	+2
Time deposits	638,904	630,343	634,625	+1	+1
U. S. Gov't deposits	111,857	118,444	87,281	—6	+28
Deposits of domestic banks	668,100	617,279	619,248	+8	+8
Borrowings	71,000	75,950	36,500	—7	+95

Debits to Individual Demand Deposit Accounts

(In Thousands of Dollars)

				Percent Change		
				May 1956 from		5 Months 1956
	May 1956	Apr. 1956	May 1955	Apr. 1956	May 1955	from 1955
ALABAMA						
Anniston	38,031	34,462	32,448	+10	+17	+15
Birmingham	670,157	628,720	494,507	+7	+36	+32
Dothan	23,751	22,475	20,713	+6	+15	+17
Gadsden	30,888	26,767	27,160	+15	+14	+9
Mobile	252,519	247,890	277,510	+2	—9	+13
Montgomery	138,655	120,345	121,110	+15	+14	+7
Tuscaloosa*	42,056	40,012	38,327	+5	+10	+11
FLORIDA						
Jacksonville	578,736	621,500	505,491	—7	+14	+14
Miami	605,324	616,873	519,261	—2	+17	+14
Greater Miami*	949,026	975,885	833,679	—3	+14	+13
Orlando	136,820	125,484	110,699	+9	+24	+10
Pensacola	73,877	70,071	59,701	+5	+24	+19
St. Petersburg	130,067	133,032	115,437	—2	+13	+7
Tampa	277,518	259,931	234,106	+7	+19	+14
West Palm Beach*	96,194	93,551	75,382	+3	+28	+13
GEORGIA						
Albany	53,236	48,373	48,569	+10	+10	+8
Atlanta	1,518,627	1,483,870	1,426,605	+2	+6	+9
Augusta	93,556	86,628	96,403	+8	—3	—1
Brunswick	16,865	16,035	13,897	+5	+21	+21
Columbus	99,112	92,499	89,636	+7	+11	+9
Elberton	7,456	6,735	5,124	+11	+46	+38
Gainesville*	45,958	41,898	36,662	+10	+25	+23
Griffin*	15,261	14,335	13,670	+6	+12	+10
Macon	107,067	100,599	96,972	+6	+10	+7
Newnan	14,918	12,943	11,605	+15	+29	+11
Rome*	38,838	37,562	36,175	+3	+7	+11
Savannah	154,272	134,911	133,842	+14	+15	+9
Valdosta	24,497	21,861	22,519	+12	+9	+11
LOUISIANA						
Alexandria*	63,173	55,394	49,525	+14	+28	+21
Baton Rouge	165,773	158,895	153,683	+4	+8	+5
Lake Charles	75,196	68,351	67,682	+10	+11	+13
New Orleans	1,227,226	1,081,001	1,104,221	+14	+11	+8
MISSISSIPPI						
Hattiesburg	29,114	26,926	23,111	+8	+26	+20
Jackson	191,315	186,839	177,889	+2	+8	+10
Meridian	35,131	32,379	30,904	+8	+14	+12
Vicksburg	16,753	16,422	17,076	+2	—2	+1
TENNESSEE						
Bristol*	33,436	32,633	29,124	+2	+15	+12
Chattanooga	263,536	267,700	226,303	—2	+16	+14
Johnson City*	35,266	34,206	29,931	+3	+18	+12
Kingsport*	59,868	61,509	61,789	—3	—3	+7
Knoxville	159,530	153,478	155,051	+4	+3	—3
Nashville	568,089	526,814	495,118	+8	+15	+10
SIXTH DISTRICT 32 Cities	7,777,612	7,430,809	6,914,353	+5	+12	+12
UNITED STATES 345 Cities	185,580,000	176,760,000	167,710,000	+5	+11	+10

*Not included in Sixth District totals.

Sixth District Indexes

1947-49 = 100

	Nonfarm Employment			Manufacturing Employment			Manufacturing Payrolls			Construction Contracts			Furniture Store Sales */**		
	Apr. 1956	Mar. 1956	Apr. 1955	Apr. 1956	Mar. 1956	Apr. 1955	Apr. 1956	Mar. 1956	Apr. 1955	May 1956	Apr. 1956	May 1955	May 1956	Apr. 1956	May 1955
SEASONALLY ADJUSTED															
District Total	127	127	122r	117	117	115r	180	178	165r	..	..	..	105p	113r	110
Alabama	116	116	111r	111	108	107r	169	167r	149r	..	..	..	113	109	121
Florida	149	149	143r	149	147	146r	220	216r	201r	..	..	..	109p	119	118
Georgia	127	127	122r	122	122	120r	186	186r	170r	..	..	..	109p	118r	109
Louisiana	121	121	116r	99	99	101r	163	164	155r	..	..	..	114p	120	106
Mississippi	121	122r	120r	122	121	121r	194	198r	185r	..	..	..	..	..	..
Tennessee	120	120	116r	118	117	115r	181	179	167r	..	..	..	89	90	97
UNADJUSTED															
District Total	127	127	122r	117	118	115r	180	180	165r	..	..	..	110p	99r	115
Alabama	116	116	112r	110	110	106r	169	167r	149r	383	265	118	115	101	124
Florida	154	156	148r	152	153	149r	225	231r	205r	358	353	240	112p	104	120
Georgia	127	126	121	122	122	120r	186	186r	170r	326	243	287	116p	105r	116
Louisiana	120	120	115r	97	97	99r	158	159	150r	693	469	343	119p	109	111
Mississippi	120	120	119r	120	120	120r	192	192r	184r	394	170	193	..	..	..
Tennessee	120	119	116r	118	117	114r	179	179	165r	251	154	297	95	81	104

Department Store Sales and Stocks**

	Adjusted			Unadjusted		
	May 1956	April 1956	May 1955	May 1956	April 1956	May 1955
DISTRICT SALES*	146	144	137r	143	136	135r
Atlanta[1]	148	154	145	140	132	138
Baton Rouge	132	121	114r	136	112	117r
Birmingham	125	129	121r	119	116	115
Chattanooga	129	126	124r	132	118	127
Jackson	114	116	108	113	109	107
Jacksonville	125	122	117r	135	112	126
Knoxville	143	141	134r	147	135	138
Macon	151	154	137	147	125	133
Nashville	129	121	127r	140	117	138
New Orleans	146	132	131	137	126	123
St. Ptrsbg-Tampa Area	157	152	148r	138	150	130r
Tampa	132	127	127r	125	124	120
DISTRICT STOCKS*	160	165	149r	161	172	150r

[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 used in computing the District index.

*For Sixth District area only. Other totals for entire six states.

**Daily average basis.

Sources: Nonfarm and 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		
	May 1956	April 1956	May 1955	May 1956	April 1956	May 1955
Construction contracts*	..	..	..	376	316r	253
Residential	..	..	..	332	328r	248
Other	..	..	..	409	306r	256
Petrol. prod. in Coastal						
Louisiana and Mississippi**	166	167	151r	164	170	149r
Cotton consumption**	96	98	100r	97	100	102r
Furniture store stocks*	110p	109r	106	111p	116r	107
Turnover of demand deposits*	22.3	21.1	21.5	21.4	21.3	20.6
10 leading cities	24.0	23.3	23.1	22.7	22.7	21.8
Outside 10 leading cities	18.8	17.4	18.2	17.9	17.4	17.3
	April 1956	Mar. 1956	April 1955	April 1956	Mar. 1956	April 1955
Elec. power prod., total**	..	..	..	275	280	230
Mfg. emp. by type						
Apparel	157	160r	157r	159	160	158r
Chemicals	133	131	129r	134	134	130r
Fabricated metals	154	148	150r	153	152	149r
Food	113	112	112r	109	110	109r
Lbr., wood prod., furn. & fix.	84	83	84r	84	84	84r
Paper and allied prod.	160	158	153r	159	158	152r
Primary metals	107	104	102r	108	105	102
Textiles	94	94	96r	94	95	96r
Trans. equip.	183	182	175r	188	189	180r

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