Monthly Review

ATLANTA, GEORGIA, NOVEMBER 30, 1956

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Federal Reserve Bank of Atlanta

DISTRICT BUSINESS HIGHLIGHTS

Continued gains in employment and additional wage increases are helping keep consumer spending high. Although agricultural income is lagging behind last year, the decline has not been large enough to materially reduce farmers' spending ability. Accompanying the brisk pace in overall business activity has been an increase in bank lending. Moreover, banks are borrowing more from the Federal Reserve Bank.

Total nonfarm employment rose slightly again in October, after adjustment for seasonal variation.

Manufacturing employment, after declining slightly in September, increased in October but was still below the record of last November.

Factory payrolls set a new record in October as more wage increases became effective and the average work-week increased.

Insured unemployment in October continued to decline seasonally.

Production of crude petroleum in Mississippi and coastal Louisiana, after seasonal adjustment, rose in October for the third consecutive month, but was still below this year's earlier record.

Department store sales, seasonally adjusted, increased in November from October, according to preliminary data.

Furniture store sales, seasonally adjusted, were unchanged in October from the preceding month.

Department and furniture store inventories, seasonally adjusted, increased during October.

Spending by check, as measured by seasonally adjusted bank debits, increased somewhat in October, after declining for two months.

The rate of deposit use, as measured by seasonally adjusted turnover of demand deposits, increased slightly in October.

Consumer instalment credit outstanding at commercial banks increased slightly in October from the September level, reflecting gains in loans for automobiles and for repair and modernization.

Consumer prices increased again in October for all major groups except food, which showed no change.

Gasoline tax collections, on a seasonally adjusted basis, declined in October from the previous month.

Total output of crops is down this year, largely because of a decline in cotton production.

Vegetable shipments from Florida through mid-November were substantially below those in the similar period last fall; heavy rainfall damaged maturing crops.

Favorable weather enabled farmers to complete the autumn harvest earlier than usual in most areas; shortages of moisture in some portions of Louisiana, Mississippi, and Tennessee, however, slowed plantings and growth of small grains and pastures.

Deposits at rural banks in predominantly farm areas were greater in September than last September, but were lower than in August.

Total loans at member banks increased seasonally during October; partial data indicate a further seasonal rise during November.

Business borrowings at weekly reporting member banks continued to increase in November, reflecting large increases by commodity dealers and trade firms. Loans to textile firms rose somewhat after remaining stable for several months.

Total deposits at member banks remained unchanged in October in contrast to a usual increase during the month; partial data indicate a rise in November of about seasonal proportions.

Member bank borrowings from the Federal Reserve Bank in November were the highest they have been this year.

Less Money in the Till . . .
Will Cash Shortage Pinch Business?

American businesses are doing more business with less cash lately. Corporation treasurers and small businessmen alike are finding that the heavy expenses accompanying high business activity are putting a strain on their bank accounts. What is causing the pinch and what it will mean for the future are two increasingly important questions as the time for making plans for 1957 draws near.

Highlights on the squeeze on corporate liquidity are:

In the first six months of 1956, cash and U. S. Government securities held by all corporations fell nearly 15 percent.

Hardest hit were firms with the greatest increases in sales and spending programs.

The pinch is not confined to major national companies; even fairly small firms in the Sixth District have felt the squeeze on ready cash.

Some slack remains before the ratio of cash to current debt reaches low prewar levels for all corporations in the aggregate; individual firms are undoubtedly near their minimum.

If the result of the cash shortage is a brake on business spending, it is in line with the intent of Federal Reserve policy.

How Tight is the Squeeze?

Generally corporations count as part of their cash assets their total bank deposits, till money, and also their short-term Government securities, which can be readily sold if necessary. At the end of June 1956, American corporations (excluding banks and insurance companies) had cash of 30.7 billion dollars in their bank accounts and in their cash registers and some 18 billion dollars in Government securities. The total of some 49 billion dollars, impressive though it might sound, was puny, compared with either the volume of business being done or the amount of money corporations owed to others. Furthermore, the total of their liquid assets, or ready cash, was about one-seventh less than the sum they held just six months earlier, at the end of December 1955.

American businesses have had to stretch out their means of payment to cover the greater volume of business being done. At the end of 1954 business firms on the average had 10 cents in ready cash or easily convertible securities for every dollar of sales that they made in that year. At the end of June 1956 only 8 cents in liquid assets was available per dollar of sales on a yearly basis, so much have sales risen and liquid assets fallen.

A better way of looking at the liquidity squeeze is to compare the amount of cash assets corporations own with what they owe, excluding, of course, long-term debt, which does not have to be paid immediately. Once again, the straitened circumstances of most business firms become obvious. Right now American corporations, if necessary, could pay off only about 48 cents on the dollar of all current liabilities. At the end of the war, when corporate liquidity was the highest, American firms on the average could have paid off nearly 95 cents of every dollar of current debt.

Part of the difficulty arises because of the stage of the business cycle we are in. Changes in corporate liquidity occur in conjunction with changes in business activity. Corporate liquidity becomes relatively great when business activity has been low for some time. As business improves, heavy requirements of inventories and trade receivables tend to draw cash balances down.

Pinch Felt in District Too

Many Sixth District concerns have also experienced a shortage in cash relative to current debt. This is best seen by looking at the balance sheets of a sample of medium-size firms with headquarters in District states that publish their accounts regularly in financial manuals. These firms, all with public stock issues, now have cash equal to about 60 percent of current debt, compared with about 80 percent last December. At present their cash relative to debt is about the same as that of many large national manufacturing and trade concerns.

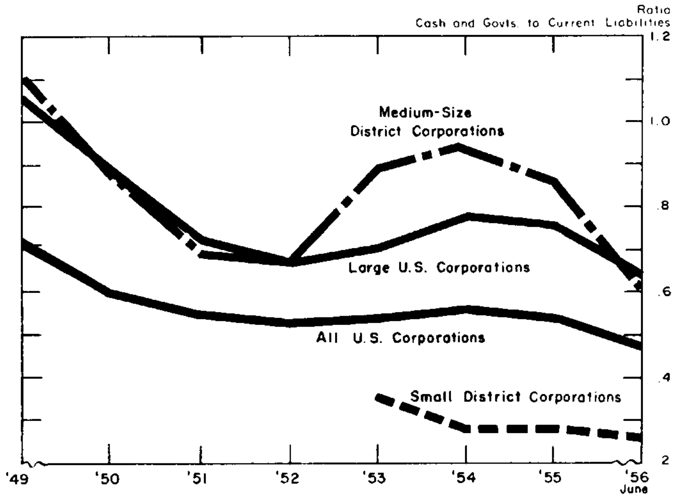
Both the large national firms and the medium-size District firms are considerably more liquid relative to their current debt than is the average national corporation. On the other hand, the first six months of the year saw much greater liquidity restrictions for these local and large national firms. Undoubtedly the national average is heavily weighted both by small firms and by retail establishments which presumably do not require any substantial cash positions. The cash-to-debt ratio of very small District firms apparently changed little in the first six months of 1956, according to the meager data available at the Federal Reserve Bank.

Slimming Diet Not Starvation

Part of the apparent shortage of ready cash on the part of American business has been an optical illusion: Demands have been so large that businesses have not been able to generate enough cash to keep up. In the first half of 1956, retained profits of all American corporations fell below year-earlier levels, and even though depreciation allowances were producing more funds, the cash "throw-off" of American business relative to their total uses of funds dwindled from 53 percent to 41 percent. In 1954, the cash throw-off of American corporations supplied about 95 percent of their total needs for funds.

District corporations also have expanded their use of funds far beyond their ability to generate more from their operations. In 1955, for the sample of 59 medium-size corporations with headquarters in the Sixth District and with public stock issues, 59 percent of the total funds requirements came from retained earnings and depreciation allowances, in comparison with 86 percent in 1954. Small corporations too found their internal sources of funds insufficient for their requirements. For the sample of small District firms shown in the accompanying chart, only 49 percent of needed funds could be supplied from retained earnings and depreciation last year. On the other hand, the sample of 229 national manufacturing and trade concerns (most of them quite large) showed some 70 percent of requirements could be supplied from internal sources.

Corporation liquidity is falling.



Source: **Data for all U. S. corporations from Securities and Exchange Commission; for large U. S. corporations from *Federal Reserve Bulletin* June 1955 and 1956: sample includes approximately 250 manufacturing and trade concerns. Data for medium-size District corporations from *Moody's Industrials:* Sample includes manufacturing and trade concerns headquartered in District states; 61 such companies 1949-50 and 59 after 1950. Sample of small District corporations includes 39 manufacturing and trade concerns whose accounts are on file in the Discount Department of the Federal Reserve Bank of Atlanta.**

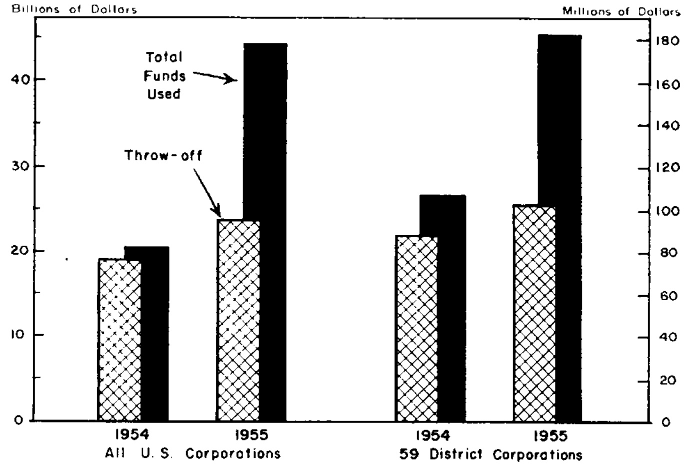
In all cases except that of all U. S. corporations, estimates for June 1956 were prepared from small samples used as basis for projection of relevant figures.

The desire of businesses to spend more money has run head on into current Federal Reserve policy that is seeking to hold down the growth in the money supply. Thus, in spite of the substantial increase in loan demand throughout most of the period, the money supply expanded only about 3 percent in the year ended June 30, 1956, compared with about 5 percent for the previous year. In the first half of 1956 the money supply (deposits and currency) continued to increase very slightly.

All of this, of course, has meant the economy has been served a slimming diet rather than one of starvation. Businesses sometimes have drawn down their bank accounts when they were unable to borrow to fulfill their building programs. That corporations' cash positions have fallen in dollar figures recently in the face of a slightly expanded money supply suggests that other sectors of the economy may be increasing their cash holdings.

Business officials have found it particularly attractive to keep a minimum of money on hand because of the relatively high yields currently available on virtually risk-free, short-term investments. Alert corporate treasurers frequently calculate their immediate needs with a sharp pencil, lending out the remainder of their bank balances to other corporations or security dealers even for a few days in addition to purchasing short-term Treasury securities.

Gain in cash throw-off (retained earnings and depreciation) is not keeping up with rise in funds used.



In part, the ability of corporations to economize on cash assets has been responsible for the increase in the relative turnover of bank deposits that has occurred during most of the year. From December 1955 to August 1956 turnover (checks drawn divided by deposits) had increased over 10 percent. This, of course, tends to offset monetary policy aimed at slowing down the growth in bank deposits: the same deposits do more work.

Will Less Money Mean Less Business?

Obviously there is no neat answer to the question of the ultimate impact of the liquidity squeeze on American business. Some tendencies, however, can be discerned. Banks often ration credit by requiring higher compensating balances when credit is tight. More important, ready cash and easily convertible securities are to nonfinancial businesses what reserve balances are to commercial banks. Although there are no legal limitations on the amount of cash and Government securities that a corporation must keep relative to its liabilities, traditional standards of management tend to keep many businesses from weakening their liquidity positions beyond a certain point. This tendency to observe liquidity standards is particularly important to banks and trade creditors who are continually faced with deciding whether or not credit should be granted.

Unlike many other financial ratios, ratios testing the adequacy of the cash account have no formal rule of thumb. There are traditional differences in liquidity standards among industries, and individual companies within an industry may have widely differing attitudes toward the amount of cash and Governments they desire to maintain. Even so, for corporations as a group, the only period when liquid assets were as small a proportion of current debt as they are today was 1939-41. Many corporations may have considerable slack before they run up against their minimum liquidity requirements; others may have reached that point already. In any case, American businesses will find their liquidity considerations of increased importance in their 1957 spending and financing plans.

THOMAS R. ATKINSON

Bank Financing for Farmers

A technological revolution is underway in District agriculture. More and more farmers are using power-driven machinery, for example, rather than hand labor and animal power; the number of farmers in District states depending solely on tractor power doubled between 1950 and 1954, according to the census of agriculture.

Numerous other changes have accompanied this increased use of machinery: There are fewer farms in District states, and the average farm is larger than it was several years ago. Farming is more competitive and markets for farm products have changed considerably; some are growing, others are shrinking.

To effect these changes and to realize the greatest possible returns from their investments in machinery and equipment, farmers have had to make additional investments in land, buildings, operating supplies, breeding stock, and the like. They not only need more money than they once did, therefore, but now they have to put a larger share of their available funds into intermediate and long-term projects. By supplying some of the necessary capital for financing these changes taking place on District farms, commercial bankers have had an important part in bringing about a more productive agriculture in the area, even though it has meant that they have had to alter their lending practices to some extent.

How much bankers are lending to farmers, how many loans they are making, what the maturities are, what security they are asking, what the interest rates are, and how these data compare with those a decade ago can be learned from the 1947 and 1956 surveys of agricultural loans at all commercial banks made by the Federal Reserve Bank of Atlanta.

Bankers Extend More Credit

Farmers have obtained production credit from banks for current expenses, for intermediate-term investments, for consolidation and payment of other debts, and for "other" purposes, according to survey data. The total amount of farm production credit outstanding at all commercial banks in the District is about three times greater than it was in 1947. This increase, however, is probably overstated to some extent because in 1947 some farm production loans were classified as farm real estate loans. Most of the farm production credit is going to farm owners. This year only 20 percent went to tenants; nine years ago 44 percent went to tenants. It must be remembered, of course, that farm tenancy is also on the decline, which accounts for some of the drop in credit to tenants.

More loans and larger loans is the trend today, compared with 1947, and that is true for all types of farm borrowers. Bankers are making considerably more loans to farmers today than they did nine years ago, with most of the increase occurring because of greater lending for intermediate-term investments and repaying other debts. The average size of farm production loan outstanding not secured by real estate is now 823 dollars, whereas in 1947 it was 420 dollars. The average loan secured by farm real estate today is 2,066 dollars, having risen from 1,609 dollars in 1947. Loans outstanding to cotton producers are averaging about three times larger than they were in 1947 and those to producers of livestock have nearly doubled in size.

Apparently farmers with medium-size operations are the principal borrowers from commercial banks, whereas, according to the earlier survey, the very small farmers used to obtain most of the bank credit. The number of notes with outstanding balances of 1,000-5,000 dollars was 23 percent of all notes this year; in 1947 the number of such notes accounted for only 9 percent of the total. Notes with outstanding balances of less than 250 dollars are only 34 percent of the total today, having declined from 59 percent in 1947. Notes with outstanding balances exceeding 5,000 dollars changed from one to 2 percent of the total in the period under discussion.

Bankers Financed Farm Adjustments

As District farmers have shifted from cotton to other enterprises, bankers have helped supply the necessary funds. Poultry, dairying, beef cattle, fruit and vegetable crops, added or expanded on many farms, have been financed to a great extent with bank credit. Livestock producers, for example, are now obtaining 21 percent of total farm production credit, compared with 11 percent in 1947. Cotton growers, on the other hand, are using less credit; they are now obtaining 20 percent of the total volume of farm production credit—nine years ago their share was 34 percent. General farming is more prevalent in District states today and bankers have provided the money that farmers needed to make the transition. Forty-seven percent of the amount of farm production loans outstanding this year was obtained by general farmers; 28 percent was the share in the earlier survey year.

A look at the growing amount of loans outstanding for intermediate-term investments reveals the extent to which bankers have helped farmers make their intermediate-term adjustments. Currently, 37 percent of the volume of farm production loans outstanding is for intermediate-term investments; this involves 34 percent of the number of outstanding notes. Comparable percentages nine years ago were 26 and 16, respectively. It seems that most of these funds go to farmers as small loans, although to a somewhat lesser extent now than nine years ago. About 69 percent of the outstanding notes for intermediate-term investments have balances of less than 1,000 dollars; in 1947 the percentage was about 78. The percentage of outstanding loans for intermediate-term investments in the 1,000-5,000 dollar loan bracket has grown from 20 to 28.

Security and Maturity

In adjusting their lending policies to meet the need for farm credit, bankers have re-evaluated their requirements regarding security. Real estate is becoming more important, and endorsed notes and chattels are used less than was once the case, particularly when the farmer has few

FARM PRODUCTION LOANS OUTSTANDING, DISTRICT COMMERCIAL BANKS 1947 AND 1956

By Purpose

Purpose of Loan	Percent of Total: Number 1947	Number 1956	Amount 1947	Amount 1956
Current expenses	76	59	68	52
Intermediate-term investments	16	34	26	37
Consolidation or payment of other debts	2	3	3	5
Other	..	4	..	6
Not specified	6	*	3	*
All purposes	100	100	100	100

*Less than 0.5 percent.

By Maturity

Maturities	Percent of Total Amount Outstanding 1947	1956
Less than 6 months	24	11
6 months-1 year	52	49
1 - 2 years	9	7
2 - 3	4	9
3 - 5	5	16
5 - 10	5	5
10 - 15	1	*
15 - 20	*	*
20 years and over	*	3
All maturities	100	100

*Less than 0.5 per cent.

By Size of Loan

Size of Loan	Amount Outstanding, As Percent of Total 1947	1956	Average Interest Rate 1947	1956
Under $250	16	4	8.5	7.8
250-499	15	7	7.8	7.6
500-999	16	12	7.3	7.3
1,000-4,999	34	45	6.6	6.8
5,000-9,999	9	14	5.7	6.0
$10,000 and over	10	18	4.8	5.4
All loans	100	100	6.9	6.6

assets; farmers are now securing about 30 percent of their borrowings for intermediate-term investments with real estate. Comparable data are not available for 1947, because at that time some farm production loans secured by real estate were classified as farm mortgage loans.

Bankers are accommodating farmers further by letting them have the money for longer periods. Today, 16 percent of the farm production notes outstanding have maturities of more than a year; formerly the percentage was 6. Most of this change has occurred in notes maturing in fifteen months to three years.

Maturities have been adjusted on all types of farm production loans—those for current expenses, those for consolidating and repaying other debts, and those for intermediate-term investments; 38 percent of the latter have maturities of more than one year, whereas in 1947 only 8 percent had such long maturities.

Maturities on farm mortgage loans have also been lengthened, particularly in the two-to-five-year range; only about 60 percent of the loans outstanding at present have maturities of less than one year—in 1947 about 76 percent of the loans were in that maturity group. Loans made for buying farm real estate now carry longer maturities; 33 percent are being written to mature in one to five years, 19 percent in five to ten years, and 9 percent in over ten years. Nine years ago, 22 percent of the outstanding volume of such loans matured in one to five years.

The Structure of Interest Rates Has Changed

The average interest rate on farm production loans is now 6.6 percent, little different from the 6.9 percent a decade ago. Within the structure of interest rates, however, there has been a noticeable change. Farmers who are borrowing small amounts—less than 500 dollars—are finding that the rate is lower than that they paid in 1947. Conversely, farmers who are borrowing large sums—5,000 dollars or more—are finding that they have to pay more for the money than they did in 1947.

Thus to maintain or increase income from farm loan portfolios heavily weighted by large loans, bankers are having to charge more for them. At the same time, the shift from small to large loans has altered the risk to the farm loan portfolio sufficiently to induce a higher interest charge on large loans. Lengthened maturities and increased lending for intermediate-term investments have also figured in the changed structure of interest rates.

Commercial bankers have helped to finance the adjustments recently made in District agriculture by lending more funds, especially for capital items, and by lengthening the terms of the loans somewhat. These changes signify an improvement in the service that bankers offer farmers. Further improvement will probably occur as a larger number of bankers judge the merits of their farm loans more on the uses for the funds and the expected income rather than on the security offered.

ARTHUR H. KANTNER and JOHN T. HARRIS

ECONOMIC STUDY No. 6

The Savings and Investment Function of Life Insurance Companies in the Sixth Federal Reserve District, a special study recently completed in the Research Department of this Bank, is available for distribution. The study emphasizes the role of life insurance company investments in the current economic development of the South.

Address requests to: Research Department, Federal Reserve Bank of Atlanta, Atlanta 3, Georgia.

Bank Announcement

The Federal Reserve Bank of Atlanta is pleased to welcome into membership of the System the newly organized Commerce National Bank in Lake Worth, Lake Worth, Florida, which opened for business November 26. The bank's officers are Herbert G. Baur, President; Oliver G. Locher, Executive Vice President and Cashier; George C. Hopkins, Jr., Assistant Cashier. It began operations with capital stock of $350,000 *and surplus of* $100,000.

Sixth District Statistics

Instalment Cash Loans

Lender	No. of Lenders	Percent Change: Volume, Oct. 1956 from Sept. 1956	Volume, Oct. 1956 from Oct. 1955	Outstandings, Oct. 1956 from Sept. 1956	Outstandings, Oct. 1956 from Oct. 1955
Federal credit unions	39	+15	+19	+1	+15
State credit unions	17	+20	+21	+0	+14
Industrial banks	8	—4	+24	—1	+2
Industrial loan companies	11	+15	+9	—1	+7
Small loan companies	18	+8	+18	+1	+5
Commercial banks	31	+12	—2	+1	+9

Retail Furniture Store Operations

Item	Percent Change October 1956 from September 1956	October 1955
Total sales	+9	—6
Cash sales	+9	—6
Instalment and other credit sales	+9	—6
Accounts receivable, end of month	+0	+4
Collections during month	+8	—1
Inventories, end of month	+7	+6

Wholesale Sales and Inventories*

Type of Wholesaler	Sales: No. of Firms	Sales, Oct. 1956 from Sept. 1956	Sales, Oct. 1956 from Oct. 1955	Inventories: No. of Firms	Inventories, Oct. 1956 from Sept. 1956	Inventories, Oct. 1956 from Oct. 1955
Grocery, confectionery, meats	31	+16	+12	30	+3	—0
Edible farm products	6	+33	+26			
Drugs, chems., allied prod.	14	+12	+20	9	+8	+7
Tobacco	12	+4	+8	12	+8	—8
Paper, allied prod.	24	+2	—2			
Automotive	47	+9	+16	46	—1	+27
Electrical, electronic and appliance goods	11	—2	—2	10	+5	—6
Hardware	14	+12	+5	11	+6	+6
Plumbing and heating goods	11	+7	+8			
Machinery: equip. and supplies	27	+12	+18	26	—0	+15
Iron and steel scrap and waste materials	10	+66	+84	8	+27	+63

*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, Oct. 1956 from Sept. 1956	Sales, Oct. 1956 from Oct. 1955	Sales, 10 Months 1956 from 1955	Inventories, Oct. 31, 1956, from Sept. 30 1956	Inventories, Oct. 31, 1956, from Oct. 31 1955
ALABAMA	+1	—1	+7	+13	+18
Birmingham	—4	—2	+6	+16	+18
Mobile	+16	+4	+9	..	..
Montgomery	+3	—5	+3	..	..
FLORIDA	+28	+3	+9	+10	+16
Jacksonville	+29	+2	+7	+4	+8
Orlando	+21	—1	+4	..	..
St. Ptrsbg-Tampa Area	+27	+2	+6	..	..
St. Petersburg	+35	+9	+8	+10	+13
Tampa	+21	—3	+4	..	..
GEORGIA	—0	—1	+2	+5	+7
Atlanta**	—3	+1	+2	+6	+6
Augusta	+10	—6	—1	..	..
Columbus	+8	—10	—1	+3	+9
Macon	—2	—3	+6	—5	+8
Rome**	+6	—9	+15	..	..
Savannah**	+8	—0	+3	..	..
LOUISIANA	+16	+3	+8	+10	+17
Baton Rouge	+13	+15	+12	+8	+29
New Orleans	+19	+0	+6	+11	+16
MISSISSIPPI	+4	—3	+5	+6	+1
Jackson	+5	+2	+6	+6	—0
Meridian**	+6	—11	+5	..	..
TENNESSEE	+7	+0	+5	+10	+3
Bristol (Tenn. & Va.)**	—3	—5	+3	+8	+16
Bristol-Kingsport-Johnson City**	—2	—6	+3	..	..
Chattanooga	+0	—6	+3	..	..
Knoxville	+7	—4	+2	+8	—14
Nashville	+13	+10	+8	+14	+6
DISTRICT	+11	+1	+6	+9	+11

*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)

Item	Nov. 21 1956	Oct. 24 1956	Nov. 23 1955	Percent Change Nov. 21, 1956, from Oct. 24 1956	Nov. 23 1955
Loans and investments—Total	3,370,602	3,364,330	3,325,586	+0	+1
Loans—Net	1,854,020	1,824,010	1,694,397	+2	+9
Loans—Gross	1,882,133	1,851,975	1,718,704	+2	+10
Commercial, industrial, and agricultural loans	1,018,619	995,508	946,125	+2	+8
Loans to brokers and dealers in securities	39,814	37,986	28,615	+5	+39
Other loans for purchasing or carrying securities	52,708	52,598	42,207	+0	+25
Real estate loans	167,879	167,335	159,621	+0	+5
Loans to banks	15,746	17,643	5,387	—11	*
Other loans	587,367	580,905	536,749	+1	+9
Investments—Total	1,516,582	1,540,320	1,631,189	—2	—7
Bills, certificates, and notes	480,767	507,856	555,331	—5	—13
U. S. bonds	728,348	725,043	751,265	+0	—3
Other securities	307,467	307,421	324,593	+0	—5
Reserve with F. R. Bank	534,905	501,875	508,824	+7	+5
Cash in vault	51,871	53,093	51,429	—2	+1
Balances with domestic banks	250,317	238,357	233,010	+5	+7
Demand deposits adjusted	2,322,423	2,330,351	2,363,973	—0	—2
Time deposits	672,938	674,754	628,468	—0	+7
U. S. Gov't deposits	98,139	78,585	93,077	+25	+5
Deposits of domestic banks	700,146	672,670	667,461	+4	+5
Borrowings	74,457	67,757	62,150	+10	+20

*Over 100 percent

Debits to Individual Demand Deposit Accounts

(In Thousands of Dollars)

	Oct. 1956	Sept. 1956	Oct. 1955	Percent Change: Oct. 1956 from Sept. 1956	Oct. 1956 from Oct. 1955	10 Months 1956 from 1955
ALABAMA						
Anniston	38,534	35,764	37,578	+8	+3	+11
Birmingham	692,096	605,273	610,720	+14	+13	+18
Dothan	24,957	22,743	24,954	+10	+0	+11
Gadsden	33,477	29,698	31,618	+13	+6	+5
Mobile	258,695	218,136	210,712	+19	+23	+12
Montgomery	145,616	116,346	122,316	+25	+19	+7
Tuscaloosa*	44,958	41,103	43,890	+9	+2	+7
FLORIDA						
Jacksonville	555,039	528,981	525,807	+5	+6	+10
Miami	636,791	526,156	497,860	+21	+28	+15
Greater Miami*	1,012,328	795,539	782,028	+27	+29	+14
Orlando	135,983	122,979	105,990	+11	+28	+13
Pensacola	77,991	75,036	65,083	+4	+20	+19
St. Petersburg	138,865	124,667	117,387	+11	+18	+9
Tampa	263,435	241,928	222,407	+9	+18	+15
West Palm Beach*	79,721	68,353	71,675	+17	+11	+13
GEORGIA						
Albany	57,025	51,474	52,703	+11	+8	+8
Atlanta	1,726,492	1,429,817	1,496,815	+21	+15	+8
Augusta	96,841	90,626	94,704	+7	+2	—1
Brunswick	17,811	16,696	16,370	+7	+9	+21
Columbus	98,167	97,537	104,530	+1	—6	+5
Elberton	7,754	7,607	6,461	+2	+20	+37
Gainesville*	46,288	47,809	43,442	—3	+7	+18
Griffin*	17,010	15,534	16,557	+10	+3	+6
Macon	108,092	103,533	98,946	+4	+9	+7
Newnan	15,555	11,900	14,909	+31	+4	+5
Rome*	45,573	37,660	44,659	+21	+2	+4
Savannah	173,481	138,725	138,879	+25	+25	+10
Valdosta	24,455	24,731	23,611	—1	+4	+3
LOUISIANA						
Alexandria*	63,990	60,249	53,417	+6	+20	+20
Baton Rouge	177,819	150,051	154,613	+19	+15	+7
Lake Charles	76,517	74,865	71,515	+2	+7	+12
New Orleans	1,262,484	1,090,369	1,072,189	+16	+18	+10
MISSISSIPPI						
Hattiesburg	29,242	27,590	26,867	+6	+9	+15
Jackson	212,554	189,401	192,144	+12	+11	+8
Meridian	37,264	35,518	32,820	+5	+14	+11
Vicksburg	22,349	18,198	18,428	+23	+21	+6
TENNESSEE						
Bristol*	42,857	33,744	33,635	+27	+27	+13
Chattanooga	280,785	245,472	236,005	+14	+19	+11
Johnson City*	34,429	33,051	33,834	+4	+2	+8
Kingsport*	68,664	60,032	64,131	+14	+7	+5
Knoxville	162,719	144,154	164,977	+13	—1	—6
Nashville	593,422	518,809	528,722	+14	+12	+9
SIXTH DISTRICT 32 cities	8,182,307	7,114,780	7,118,640	+15	+15	+10
UNITED STATES 345 cities	193,140,000	167,154,000	175,848,000	+16	+10	+9

*Not included in Sixth District totals.

Sixth District Indexes

1947-49 = 100

	Nonfarm Employment			Manufacturing Employment			Manufacturing Payrolls		
	Sept. 1956	Aug. 1956	Sept. 1955	Sept. 1956	Aug. 1956	Sept. 1955	Sept. 1956	Aug. 1956	Sept. 1955
SEASONALLY ADJUSTED									
District Total	128	128	125r	118	118	117r	186	183	174r
Alabama	118	116	115	110	109	107	175	164	160
Florida	156	156r	149r	153	153r	146r	238	235	207r
Georgia	128	128	124r	121	122	121r	189	192	181r
Louisiana	122	122	120r	98	99	101r	163	162	155r
Mississippi	125	124	123r	124	124	123r	203	205r	188r
Tennessee	120	120	120r	117	117	118r	181	182	171r
UNADJUSTED									
District Total	128	127	125r	119	118	118r	188	181	175r
Alabama	119	117r	115	113	110	110	181	164	165
Florida	149	147	141r	145	142	139r	223	217r	195r
Georgia	129	129	125	123	123	124r	193	190	185r
Louisiana	123	122	121r	100	100	103r	166	164	158r
Mississippi	126	124	124r	126	126r	125r	209	207r	194r
Tennessee	121	120	120r	118	118	119r	185	180	175r

	Construction Contracts			Furniture Store Sales*/**		
	Oct. 1956	Sept. 1956	Oct. 1955	Oct. 1956	Sept. 1956	Oct. 1955
SEASONALLY ADJUSTED						
District Total	..	..	..	109p	109	120
Alabama	..	..	..	112p	109	131
Florida	..	..	..	116p	114	129
Georgia	..	..	..	112p	117	127
Louisiana	..	..	..	130p	121	124
Mississippi	..	..	..	..	..	..
Tennessee	..	..	..	88p	84	101
UNADJUSTED						
District Total	..	..	..	109p	112r	120
Alabama	266	253	197	110p	122	129
Florida	304	331	235	120p	121	135
Georgia	210	235	222	109p	116	123
Louisiana	252	245	359	126p	121	120
Mississippi	148	152	174	..	..	..
Tennessee	161	181	276	84p	86	97

Department Store Sales and Stocks**

	Adjusted			Unadjusted		
	Oct. 1956	Sept. 1956	Oct. 1955	Oct. 1956	Sept. 1956	Oct. 1955
DISTRICT SALES*	144	157	148	150	152	154
Atlanta[1]	137	162	141	147	170	151
Baton Rouge	130	128	117r	134	133	121r
Birmingham	128	140	136r	128	150	136r
Chattanooga	127	144	140	129	145	142
Jackson	112	127	114	123	132	125
Jacksonville	126	149	128	149	131	152
Knoxville	148	162	160	153	161	165
Macon	134	143	144	140	153	151
Nashville	141	149	133	142	141	134
New Orleans	137	138	142	140	133	145
St. Ptrsbg-Tampa Area	154	157	157	154	136	157
Tampa	129	135	138	131	123	141
DISTRICT STOCKS*	174p	167	157	189p	174	171

[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. All indexes calculated by this Bank.

Other District Indexes

	Adjusted			Unadjusted		
	Oct. 1956	Sept. 1956	Oct. 1955	Oct. 1956	Sept. 1956	Oct. 1955
Construction contracts*	..	..	..	249	259	262
Residential	..	..	..	246	256r	242
Other	..	..	..	251	261r	278
Petrol. prod. in Coastal Louisiana and Mississippi**	165	164	156	164	162	155
Cotton consumption**	98	90	101r	101	91	104r
Furniture store stocks*	116p	112	109	120p	112	114
Turnover of demand deposits*	22.2	21.2	20.0	22.2	21.6	20.0
10 leading cities	23.1	22.8	20.4	24.0	23.0	21.2
Outside 10 leading cities	16.9	18.0	16.0	17.7	18.0	16.8
	Sept. 1956	Aug. 1956	Sept. 1955	Sept. 1956	Aug. 1956	Sept. 1955
Elec. power prod., total**	..	..	..	284	295	273
Mfg. emp. by type						
Apparel	164	162	161r	166	163r	163r
Chemicals	131	134r	130	132	130r	132r
Fabricated metals	159	158	155r	160	155	156r
Food	111	112r	111r	112	113	112r
Lbr., wood prod., furn. & fix.	84	84	85r	84	84	85r
Paper and allied prod.	162	163	155r	163	163	156r
Primary metals	110	100	106	110	100	107r
Textiles	92	92	96r	92	92	97r
Trans. equip.	192	194	194r	190	186	192r

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