Monthly Review

ATLANTA, GEORGIA, JUNE, 1957

In This Issue:

Sixth District Statistics:

Sixth District Indexes:

Federal Reserve Bank of Atlanta

DISTRICT BUSINESS HIGHLIGHTS

Consumers are spending freely despite rising prices for most goods. Nonfarm employment continues at an all-time high, although weakness is evident in some industrial sectors. Improved production and rising prices characterize agriculture. Bank loans are rising principally as a result of increases at banks in small cities. Reserve positions at member banks tightened in May, and borrowings from the Federal Reserve Bank of Atlanta increased.

Consumer prices moved upward in April for the eighth consecutive month with all major categories except apparel showing gains.

Department store sales in May, after seasonal adjustment, were unchanged from the preceding month.

Furniture store sales, seasonally adjusted, showed no change in April from March.

Consumer credit outstanding at commercial banks in April registered the largest month-to-month gain of the year, as automobile and personal loans expanded.

Cash sales continue to account for a slightly higher percentage of department store and furniture store sales this year than last year.

Savings, as measured by time deposits at commercial banks and ordinary life insurance sales, increased more than seasonally during April.

Loans to trade concerns, after some declines late in April, began to edge upward during May.

Nonfarm employment in April continued at the record level of the preceding three months; manufacturing employment rose slightly, while practically no change occurred in nonmanufacturing.

Factory payrolls increased in April, but were still below December's record.

Textile activity, as measured by cotton consumption, declined further in April from the preceding month's low rate.

Construction contracts awarded in the first four months of this year were substantially above the same period last year, reflecting gains in both residential and nonresidential building.

Crude oil output in Coastal Louisiana and Mississippi was reduced to the lowest volume since last November, reflecting cutbacks in allowable production.

Steel operations in the South continue to hold at near-capacity levels.

Farm prices rose in April as prices of beef cattle, broilers, rice, vegetables, and cotton improved; prices of broilers, cotton, and eggs, however, were below those last April.

Vegetable shipments from Florida in April were substantially below last April as a result of weather damage to maturing crops.

Livestock output continued to expand in February despite a slight decline in hog production; meat output in the nation, however, declined.

Broiler marketings will continue to expand through the early summer, as chick placements through April were above placements last year.

Farm employment in April was below last April, continuing a downward trend of several years.

Farm land values in March were higher in all states than the previous March; increases were sharpest in Florida and Louisiana.

Loans at banks in smaller District cities continued to expand during April, thereby pushing total loans somewhat higher.

Deposits at member banks, seasonally adjusted, rose sharply in April, but declined at banks in leading cities during May.

Total spending, as measured by seasonally adjusted **bank debits,** rose considerably in April after declining in March.

Reserve positions of member banks during May tightened.

Borrowings from the Federal Reserve Bank of Atlanta in May averaged more than in any other month this year and were greater than excess reserves.

From Pine to Pulp to Paper

Natural Resources for Expanding Industry in District States

The matting of many small fibers together to form a sheet of paper is a fundamentally simple process, but in the United States and more recently in the Sixth District, a vast industry involving the primary tasks of producing the fibers and forming them into paper has been built on it. These closely related tasks, together with the manufacture of a variety of paper products, such as bags, boxes, envelopes, and coated paper, compose the pulp and paper industry.

Since the Chinese first made paper, over 1800 years ago, by beating fibers of the inner bark of the mulberry tree and matting the resulting pulp into a sheet, various materials have provided the essential raw material for paper. In the early part of the nineteenth century, rags were the most important source of fiber, but as methods of making paper improved, demand outran supply and new sources of fiber had to be found. Once practical means of pulping wood were developed, paper makers turned to this source. Almost 70 percent of the fibrous material used in the manufacture of paper in the United States in 1956 was produced directly from wood, and an additional 27 percent came from re-processing waste paper, also essentially woodpulp. The remaining small share was obtained from a variety of materials such as rags, cotton, straw, and flax.

Pulping Processes Make Investments Heavy

Wood can be pulped—that is, reduced to a fibrous state—by mechanical means, chemical means, or a combination of the two. Since the different methods yield pulps with different characteristics and since they are not equally adaptable to all types of wood, the particular method used depends upon the type of wood available and the type of pulp desired.

In mechanical pulping, logs are reduced to fibers by grinding them against huge stones. Appropriately called the groundwood process, this method has the highest yield, since the entire log is reduced to fiber, that is, the basic cellulose fibers, which account for about half the bulk of an average tree, and the woody substance holding them together are utilized. Because it does contain the woody substance, or lignin, groundwood pulp tends to discolor with age and can be used only when coloring is not an important consideration. It is used mostly in the manufacture of newsprint.

In the chemical process, wood chips are cooked under pressure to dissolve the woody substance, leaving only the basic cellulose fibers. The main chemicals used—sulphate, sulphite, or caustic soda—act differently on fibers to produce pulp with varying characteristics.

Because huge quantities of logs are handled, pulping processes require a great deal of heavy, expensive equipment. Large revolving drums are used to remove bark by a tumbling action. In the chemical processes, blades mounted on large revolving discs are required to reduce logs to chips for cooking. Screening facilities assure that chips going on to the cooking process are the proper size. Immense storage bins are employed to facilitate a continuous flow of wood chips. The "digesters," where the woody substance is "digested" by the cooking chemicals, are towering pressure cookers capable of handling tons of wood chips at one time. Fumes from this stage of pulp-making, incidentally, are the source of the pulp mill's characteristic odor. The mechanical process requires huge grindstones for pulping logs. Both processes use additional machinery for beating pulp in various ways before delivery to the paper-making machine. The typical pulp mill must make additional large investments to provide the power and water used in these processes.

Paper Making Adds More Investment

In 1956 the nation's paper industry utilized over 22 million tons of woodpulp, which it made from 36 million cords of wood, besides a small amount of imported pulp and about 10 million tons of pulp made from waste paper and other fibers, bringing the total pulp used to over 33 million tons.

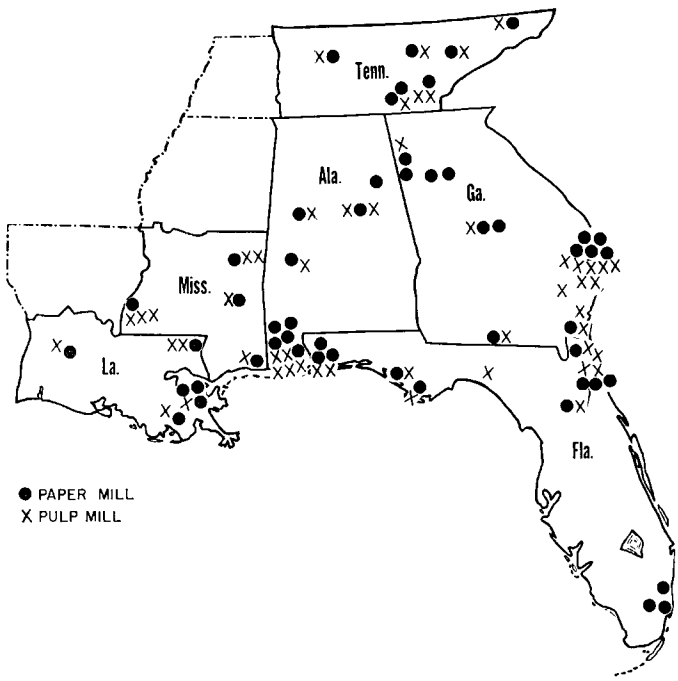
While these figures are impressive, the paper-making machines consuming the large amounts of pulp are even more impressive. The ones most commonly used are called "Fourdriniers," after the English brothers who perfected the first one in the early 1800's. Stretching for as long as 100 yards, the machines receive a watery mixture of pulp at one end and turn out, at the other end, continuous sheets of paper up to 20 feet in width at speeds often exceeding 20 miles an hour. In between, the excess water is drawn off as the pulp is carried along a fast-moving screen to a series of rollers that press it into paper.

From the paper-making section, the paper continues on through the drying section for further removal of moisture and as it comes out of the machine is wound into large rolls. The finished paper is then rewound into smaller rolls of desired widths. Paper machines such as these may cost several million dollars, which is only part of the heavy investment required by the industry. For conversion into paper bags, boxes, or other products, the paper may be shipped to converting facilities at the site of the paper mill or to plants located elsewhere.

District Resources Meet Expanding Demand

Expansion of paper output has enabled this country to increase its consumption from an average of 145 pounds per person in 1920 to about 436 pounds per person in 1956. Between the two dates, population increased from less than 106 million to over 167 million. The ever-widening demand, stemming from both increasing population and new, more intensive uses, has led to a search for raw materials. Even after the pulping of wood became practical, it soon became necessary to branch out from the use of spruce trees, preferred in the industry's early development in this country. To do this, existing pulping processes had to be adapted to other types of trees.

Location and Number of Pulp and Paper Mills
Sixth District, 1956



The Southeast has millions of trees that provide a rich source of pulpwood. In early 1953, the Sixth District states contained nearly 113 million acres of forest land, representing nearly 60 percent of the region's total land area. Nearly two-thirds of the forest land, moreover, contained softwoods, which are the main source of pulpwood.

The sulphate process, adaptable to the pulping of resinous woods, made possible the use of the large acreage of Southern pine. Yielding a pulp of great strength, this process was first developed in Sweden and is known as the "kraft" process, from the Swedish word for strength.

Pulp produced from Southern pine is used primarily for the manufacture of wrapping paper, bag paper, and paperboard, where its strength is an assest and its characteristic brownish color is no drawback. A rapid increase in the demand for paper as a packaging and shipping material, therefore, acted as a stimulus to the pulp and paper industry in the Sixth District. Techniques developed for bleaching sulphate pulp broadened its uses. Also, the adaptation of the groundwood process to Southern pine has led to the production of newsprint in this region. Nevertheless, the sulphate process remains the predominant one, accounting for over three-fourths of the District's pulp production in 1955.

In addition to plentiful supplies of wood, the District has the large amounts of water required to manufacture pulp. Since pine tree growth is so dispersed in the District, the location of the water supply has probably been a determining factor in locating particular plants. Without *both* trees and water, the recent expansion of the pulp and paper industry in the Sixth District surely would not have taken place. It represents, therefore, an increased utilization of the region's natural resources.

Twenty-five Years of Rapid Growth

With the necessary raw materials available in large quantities and stimulated by strong economic forces, the District's pulp and paper industry has grown phenomenally in the last twenty-five years. In 1930, the District's production of woodpulp, then concentrated in Louisiana, accounted for roughly 6 or 7 percent of total United States production. Output in the other District states was too small to be shown separately in published estimates. By 1943, when figures for each District state were available, this region accounted for 28 percent of total United States production of woodpulp. By 1955, District production accounted for 38 percent of the United States total, which was nearly five times larger than in 1930. District output rose from roughly 300,000 tons in 1930 to nearly 7.9 million tons in 1955.

Since large amounts of pulp and paper are shipped out of the District for processing elsewhere, value added by the District's industry—the difference between value of shipments and cost of materials used in manufacture—accounts for less of the United States total than is indicated by the figures shown on pulp production. But it, too, reflects the District industry's rapid growth. In 1935, value added by the District's pulp and paper industry accounted for less than 6 percent of the national industry's total. Its proportion rose to more than 11 percent in 1947 and nearly 15 percent in 1954. In the latter year, the pulp and paper industry, with value added amounting to 685 million dollars, ranked fourth among all types of manufacturing in the District, only slightly behind the important textile industry. Its payrolls totaled 272 million dollars in 1954, accounting for nearly 8 percent of the total paid by all manufacturing in the District. Subsequent expansion of the pulp and paper industry probably has increased its importance even more.

With the industry's expansion in the District exceeding that in the nation, an increasing proportion of new capital expenditures occurred here. In 1947, for example, expenditures in the District, amounting to over 58 million dollars accounted for over 14 percent of the total for the nation. In 1954, District expenditures of 149 million dollars accounted for about 28 percent of total new capital expenditures by the nation's pulp and paper industry.

By the latter part of 1956, there were 51 pulp mills and 52 paper mills in the District. The accompanying map shows the largest concentration in Georgia, where 13 mills of each type were located. Florida, with 10 pulp mills and 13 paper mills, was second, but Alabama and the District portions of Louisiana, Mississippi, and Tennessee also had from 11 to 18 mills, with about as many pulp as paper operations in each state. More recently, newspaper announcements tell of additional mills as well as large expansions of existing facilities.

Where There's Pulp, There's Usually Paper

The nearly equal number of pulp and paper mills reflects the industry's high degree of economic integration which brings a pulp mill together with a paper mill at the same location under the same management. In some cases, the economic integration is carried a step further to include at the same site facilities for converting paper into the many end products used today.

Whether such a close dove-tailing of operations is desirable depends, of course, on the economics of a particular firm's operations. Large quantities of uniform grades of paper, such as newsprint or kraft, are more economical to manufacture near the pulp mill. In making some other types of paper, it may be more economical to manufacture the pulp at one site for shipment to other locations. Some small paper mills have specialized operations and find it more economical to purchase their pulp from mills located elsewhere. Also, about 10 percent of the District's pulp output goes for non-paper uses.

Output in some lines of paper has apparently caught up with demand in the United States, with the result that production has eased somewhat since about the middle of 1956. For the long-term view, however, industry observers see further increases in the demand for paper and paper products, stemming from future increases in population and in development of new uses for paper. Investment in new facilities for manufacturing pulp and paper in the Sixth District indicates that this area will share in the benefits of the expected expansion.

PHILIP M. WEBSTER

Bank Announcements

On May 6, the Florida National Bank at Vero Beach, Florida, opened for business as a member of the Federal Reserve System. Ernest J. C. Doll is President; J. L. McKinney, Vice President; and George Elms, Vice President and Cashier. Capital stock totals $150,000 and surplus $75,000.

On May 10, The State Bank, Griffin, Georgia, was admitted to membership in the Federal Reserve System. S. T. Martin is President; L. E. Abbott, Vice President; Seaton G. Bailey, Vice President; F. Westmoreland, Cashier; and J. M. Whiddon, Assistant Cashier. Capital totals $300,000 and surplus $450,000.

On June 3, the Citizens Bank of Broward County, Hollywood, Florida, opened for business as a nonmember bank and began to remit at par for checks drawn on it when received from the Federal Reserve Bank. Lawrence G. Nusbaum is Chairman of the Board; Henry D. Perry, President; Charles W. Lantz, Executive Vice President; A. Herbert Bluestone, Vice President; Anthony C. Galluccio, Secretary-Treasurer; and Randolph F. Busby, Cashier. The bank has capital of $400,000 and surplus and undivided profits of $185,000.

Managing Other People's Money

Trust Department Operations a Big Business at District Banks

Most persons are familiar with the principal services that commercial banks offer, that is, handling checking and savings account balances and making loans. Few are aware that many banks offer an important service through their trust powers—that of investing funds entrusted to them and of performing specific services for individuals and corporations such as settling estates and acting as agents for corporations in business dealings. On December 31, 1956, the carrying value of trust assets of 35 largest trust departments in the District alone amounted to 2.4 billion dollars, almost half as much as their total assets of 4.2 billion. Trust assets at all member banks in the District probably amount to 3.2 billion dollars, about a third of the amount of total assets.

Trust departments contribute a substantial share of total bank earnings at many banks. In 1956, income of trust departments accounted for more than 5 percent of total income at 18 of the 129 banks reporting trust income. At five banks, it amounted to over 10 percent of the total. These figures reveal something of how important trust departments are to bank management, even though trust earnings contribute a relatively small share of total earnings for all banks—2.6 percent in 1956.

Such data are available for the first time because of a special survey covering the operations of trust departments of 35 member banks during 1956. Twenty-seven of the participating banks submitted comparable breakdowns of earnings and expenses. The results of the survey provide information on the character of the trust business in the District and also on the profitability of trust departments. They also make it possible for an individual bank to compare its own trust operations with those of representative groups of banks.

Fees from the management of estates provided a third of total commissions and fees at the 27 banks reporting detailed income and expense items. Almost as large a proportion, 30.8 percent, came from handling personal trusts. Personal agency functions, including the acting of executor of estates and custodian of assets of individuals, contributed 18.0 percent. The remaining 17.9 percent was about equally divided among corporate trusts, corporate agencies, and pension and profit-sharing trusts.

Trust business in this District is more concentrated in the handling of personal estates than that in New York and New England, for which comparable data are available. As would be expected, New England banks do considerably more personal trust business, whereas New York banks outweigh District banks in the relative importance of corporate trust and agency operations.

After total expenses were deducted, including an estimate of bank overhead allocable to the trust department, net earnings from trust operations in this District amounted to 8.4 percent of total commissions and fees in 1956. Net earnings after taxes came to 3.5 percent. Trust departments are customarily given credit for deposits with the commercial banking department. After this allowance

(1.92 percent), net earnings for the 27 banks amounted to 14.1 percent of total commissions and fees.

Slightly over one-half of the trust departments (14 out of the 27) reported a net profit for 1956 before adjustment for deposit credit. In general, losses were concentrated in the smallest departments, measured according to either income or trust assets, indicating that there is perhaps a minimum size for profitable operations: 8 of the 13 smallest trust departments reported losses, whereas only 4 of the 12 largest had losses. Similarly 10 departments of the 13 with smallest income reported losses, compared with only 2 of the 12 with largest income.

Earnings and Expenses of Trust Departments, 1956

Sixth District Member Banks

Item	Banks with Total Income of ($000)					
	Total	Under 100	Over 100	Under 100	100-200	Over 200
		Losses		Profits		
Number of banks	27	7	6	4	4	6
	Percent of total commissions and fees					
Commissions and fees from:						
Estates	33.3	38.7	34.6	60.3	27.3	30.9
Pension and profit-sharing trusts	5.3	1.6	5.0	1.1	3.0	6.8
Personal trusts	30.8	33.8	27.1	29.5	41.8	29.5
Personal agencies	18.0	12.3	18.7	7.7	17.2	19.6
Corporate trusts	4.8	7.0	6.3	1.0	5.6	4.2
Corporate agencies	7.8	6.6	8.3	.4	5.1	9.0
TOTAL INCOME	100.0	100.0	100.0	100.0	100.0	100.0
Total expense	91.6	120.6	128.2	71.0	79.0	78.6
Net earnings before income taxes	8.4	—20.6	—28.2	29.0	21.0	21.4
Income tax charges (—) or credits (+)	—4.9	+4.2	+13.0	—11.7	—11.3	—11.0
Trust department net earnings	3.5	—16.4	—15.2	17.3	9.7	10.4
Allowed credits for deposits	10.6	18.9	17.5	.0	21.2	5.1
Trust department net earnings (adjusted for deposit credits)	14.1	2.5	2.3	17.3	30.9	15.5
	Percent of total expense					
Direct expense:						
Salaries and wages:						
Officers	31.1	38.0	33.8	34.9	33.5	27.1
Employees	26.8	19.3	21.5	24.4	26.5	31.8
Pensions and retirements	3.7	3.4	5.3	4.4	2.5	3.0
Personnel insurance	1.1	1.6	1.0	1.4	1.0	1.0
Other expense related to salaries	1.1	1.6	1.2	.8	1.3	.9
Total expense related to salaries	63.8	63.9	62.8	65.9	64.8	63.8
Occupancy of quarters	4.5	5.1	4.8	9.2	6.7	3.3
Furniture and equipment	2.3	1.9	1.7	2.4	1.5	3.0
Stationery, supplies, and postage	3.8	2.9	3.9	2.5	3.0	4.2
Telephone and telegraph	1.0	1.0	1.2	.9	1.1	1.0
Advertising	2.6	2.6	3.3	1.6	3.1	2.1
Directors' and trust committee fees	1.0	1.3	.5	.8	1.2	1.4
Legal and professional fees	1.2	.7	1.8	. .	.7	1.1
Periodicals and investment services	1.3	2.4	1.2	4.0	1.6	.8
Examinations	.9	.9	1.0	1.8	1.5	.6
Other direct expense	2.9	1.7	3.6	2.5	2.7	2.7
TOTAL DIRECT EXPENSE	85.3	84.4	85.8	91.6	87.9	84.0
Overhead	14.7	15.6	14.2	8.4	12.1	16.0
TOTAL EXPENSE	100.0	100.0	100.0	100.0	100.0	100.0

All ratios were derived from dollar aggregates for each group rather than from individual bank ratios. Ratios to net profits and net losses were computed before adjustment for deposit credits. Ratios not shown for groups with less than three banks.

In using the survey results as a yardstick for measuring profitability, however, it is important to note two exceptions to its accuracy. First, to some degree, the variation in profitability from bank to bank reflects different accounting procedures. More importantly, in an era of "department store banking" it is not always true that the profit-loss position of a particular department is an accurate measure of its worth to the bank. By engendering goodwill among its customers, the trust department may bring business to other departments and thereby add a fillip to total income even though it itself is showing a loss.

W. M. DAVIS

DEMAND DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS

All Commercial Banks, United States
January 31, 1955, and January 30, 1957

Type of Holder	Sixth District		United States	
	1957	1955	1957	1955
	Percentage Distribution of Amount of Deposits			
Domestic business	57	51	59	58
Corporate	43	35	46	44
Noncorporate	13	17	13	13
Nonprofit organizations	4	5	4	4
Farm operators	5	5	5	5
Individuals—personal	33	38	30	31
All other	2	1	3	2
All holders	100	100	100	100
Amount of deposits (millions of dollars)	6,623	5,761	104,400	102,300

Individuals now hold a somewhat smaller proportion of total balances of personal and business checking accounts at District commercial banks than they did two years ago. Businesses, however, have a larger share to their credit.

Data on deposit ownership were revealed by the annual survey of ownership of demand deposits taken as of January 30, 1957. One hundred and forty-one banks, including members and nonmembers, participated by supplying information on over 80,000 individual accounts. Although the main objective of the survey was to obtain information to be used in the making of policy decisions on a national level, the results often prove useful to individual bankers in assessing the composition of their own accounts.

According to the survey, individuals own three out of every four checking accounts at commercial banks, but they account for 33 percent of the dollar volume of total demand deposits of individuals and businesses. Businesses hold 57 percent of total deposits, but less than 10 percent of the total number of checking accounts.

On January 30, 1955, the date of the preceding survey, individuals owned 38 percent of total individual and business deposits in their personal checking accounts. What individuals lost between the two survey dates was gained by business firms whose share of the total in 1955 was 51 percent. The share of demand deposits held by corporations increased somewhat, whereas that held by other types of businesses declined slightly. The share held by farmers remained steady between the two dates.

Some observers may see in these changes signs of weakening consumer demand. This is not necessarily the case, since other factors also have a bearing on spending ability. For example, individuals, as well as other groups, have larger total deposit balances now than they had in 1955. This growth came about as District banks both expanded credit and gained funds from other areas. Furthermore, individuals and businesses are using their checking accounts more extensively than they did in 1955, judging by the increase in the rate of turnover of demand deposits. Finally, individuals hold record amounts of savings, mostly in forms other than demand deposits.

W. M. DAVIS

Sixth District Statistics

Instalment Cash Loans

Lender	No. of Lenders	Volume Percent Change April 1957 from March 1957	Volume Percent Change April 1957 from April 1956	Outstandings Percent Change April 1957 from March 1957	Outstandings Percent Change April 1957 from April 1956
Federal credit unions	37	+7	+18	+1	+16
State credit unions	14	+16	+56	+3	+22
Industrial banks	5	+8	—0	—1	+3
Industrial loan companies	11	—2	+11	+1	+3
Small loan companies	17	+17	+18	+1	+16
Commercial banks	40	+1	+18	+1	+15

Condition of 27 Member Banks in Leading Cities

(In Thousands of Dollars)

Item	May 15, 1957	April 17, 1957	May 16, 1956	Percent Change May 15, 1957, from April 17, 195	Percent Change May 15, 1957, from May 16, 1956
Loans and investments—Total	3,379,328	3,407,015	3,334,460	—1	+1
Loans—Net	1,879,724	1,879,459	1,756,342	+0	+7
Loans—Gross	1,913,588	1,913,832	1,799,740	—0	+6
Commercial, industrial, and agricultural loans	1,035,363	1,035,560	974,613	—0	+6
Loans to brokers and dealers in securities	38,116	36,482	38,257	+4	—0
Other loans for purchasing or carrying securities	51,120	49,941	48,297	+2	+6
Real estate loans	173,299	172,655	158,211	+0	+10
Loans to banks	17,486	24,374	15,230	—28	+15
Other loans	598,204	594,820	565,132	+1	+6
Investments—Total	1,499,604	1,527,556	1,578,118	—2	—5
Bills, certificates, and notes	440,884	482,979	529,777	—9	—17
U. S. bonds	758,167	746,070	737,614	+2	+3
Other securities	300,553	298,507	310,727	+1	—3
Reserve with F. R. Bank	499,348	507,796	505,471	—2	—1
Cash in vault	49,098	50,465	49,878	—3	—2
Balances with domestic banks	275,372	301,139	245,780	—9	+12
Demand deposits adjusted	2,254,668	2,318,269	2,414,440	—3	—7
Time deposits	750,716	738,131	630,353	+2	+19
U. S. Gov't deposits	86,795	83,036	87,068	+5	—0
Deposits of domestic banks	722,499	775,844	697,127	—7	+4
Borrowings	48,250	15,500	30,000	*	+61

*100 percent or over.

Department Store Sales and Inventories*

Place	Sales Percent Change Apr. 1957 from Mar. 1957	Sales Percent Change Apr. 1957 from Apr. 1956	Sales Percent Change 4 Months 1957 from 1956	Inventories Percent Change Apr. 30, 1957 from Mar. 31, 1957	Inventories Percent Change Apr. 30, 1957 from Apr. 30, 1956
ALABAMA	+4	+10	+1	—1	+0
Birmingham	+1	+10	—0	—4	—3
Mobile	+1	+19	+10	..	..
Montgomery	+8	—1	—7	..	..
FLORIDA	+0	+12	+6	+1	+7
Jacksonville	+20	+17	—1	+0	+2
Miami Area	—2	+13	+11	+2	+9
Miami	—1	+4	+2	..	..
Orlando	+2	+20	+4	..	..
St. Ptrsbg-Tampa Area	—0	+8	+3	..	..
St. Petersburg	—7	+12	+6	—2	+12
Tampa	+7	+4	—1	..	..
GEORGIA	+9	+12	—0	+4	+3
Atlanta**	+6	+13	+2	+6	+6
Augusta	+9	+14	—6	..	..
Columbus	+19	+3	—11	—1	—16
Macon	+20	+20	+0	—4	+1
Rome**	+37	+21	—7	..	..
Savannah	+15	+9	—4	..	..
LOUISIANA	+17	+12	—2	—1	+9
Baton Rouge	+18	+32	+16	+6	+37
New Orleans	+16	+11	—5	—4	+4
MISSISSIPPI	+18	+10	—3	—4	—1
Jackson	+9	+2	—4	—5	—4
Meridian**	+33	+13	—5	..	..
TENNESSEE	+19	+23	+4	+0	—3
Bristol (Tenn. & Va.)**	+22	+23	+3	+3	+6
Bristol-Kingsport-Johnson City**	+23	+23	+2	+2	+3
Chattanooga	+15	+19	+1	..	..
Knoxville	+24	+16	—1	—2	—12
Nashville	+17	+32	+11	—1	—2
DISTRICT	+9	+13	+2	+1	+4

*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.

Wholesale Sales and Inventories*

Type of Wholesaler	No. of Firms	Sales Percent Change April 1957 from March 1957	Sales Percent Change April 1957 from April 1956	No. of Firms	Inventories Percent Change April 1957 from March 1957	Inventories Percent Change April 1957 from April 1956
Grocery, confectionery, meats	23	+3	+2	21	—7	—12
Edible farm products	11	+1	+7	10	—4	—10
Drugs, chems., allied prods.	6	+2	+21	..	..	..
Tobacco	10	—2	+11	16	—2	+6
Dry goods, apparel	9	—14	+1	7	+8	+23
Automotive	13	+3	+4	13	+4	—1
Electrical, electronic and appliance goods	12	+10	+7	11	—3	+12
Hardware	15	+5	+2	15	+1	—6
Plumbing & heating goods	10	+1	—11	10	—4	+6
Lumber, construction materials	17	+8	+3	16	+4	+17
Machinery: equip. & supplies Industrial	34	—1	+8	28	+0	+7

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

Retail Furniture Store Operations

Item	Percent Change April, 1957, from March 1957	Percent Change April, 1957, from April 1956
Total sales	+0	+2
Cash sales	—6	+4
Instalment and other credit sales	+1	+2
Accounts receivable, end of month	—1	+3
Collections during month	—9	+1

Debits to Individual Demand Deposit Accounts

(In Thousands of Dollars)

	April 1957	March 1957	April 1956	Percent Change April 1957 from March 1957	Percent Change April 1957 from April 1956	Percent Change 4 Months 1957 from 1956
ALABAMA						
Anniston	32,422	35,091	34,462	—8	—6	—5
Birmingham	652,306	702,283	628,720	—7	+4	+8
Dothan	24,707	25,802	22,475	—4	+10	+6
Gadsden	30,392	31,262	26,767	—3	+14	+10
Mobile	277,624	296,171	247,890	—6	+12	+23
Montgomery	126,440	131,428	120,345	—4	+5	+8
Tuscaloosa*	38,922	40,242	40,012	—3	—3	—0
FLORIDA						
Jacksonville	617,037	638,540	621,500	—3	—1	+5
Miami	748,783	712,146	616,873	+5	+21	+18
Greater Miami*	1,173,801	1,126,112	975,885	+4	+20	+18
Orlando	161,364	160,752	125,484	+0	+29	+23
Pensacola	80,908	84,342	70,071	—4	+15	+13
St. Petersburg	157,511	169,625	133,032	—7	+18	+19
Tampa	309,594	324,600	259,931	—5	+19	+16
West Palm Beach*	106,787	104,024	93,551	+3	+14	+11
GEORGIA						
Albany	54,892	52,689	48,373	+4	+13	+6
Atlanta	1,627,646	1,553,551	1,483,870	+5	+10	+4
Augusta	83,918	83,657	86,628	+0	—3	—5
Brunswick	18,508	18,530	16,035	—0	+15	+9
Columbus	93,818	92,707	92,499	+1	+1	—3
Elberton	8,261	7,224	6,735	+14	+23	+21
Gainesville*	45,484	43,215	41,898	+5	+9	+7
Griffin*	15,122	15,263	14,335	—1	+5	—0
Macon	99,147	105,939	100,599	—6	—1	—2
Newnan	14,472	14,978	12,943	—3	+12	+9
Rome*	39,561	35,728	37,562	+11	+5	—1
Savannah	177,476	177,233	134,911	+0	+32	+22
Valdosta	22,040	27,565	21,861	—20	+1	+6
LOUISIANA						
Alexandria*	62,695	65,388	55,394	—4	+13	+13
Baton Rouge	180,363	173,925	158,895	+4	+14	+14
Lake Charles	75,319	80,857	68,351	—7	+10	+9
New Orleans	1,272,165	1,241,701	1,081,001	+2	+18	+11
MISSISSIPPI						
Hattiesburg	29 036	30,489	26,926	—5	+8	+9
Jackson	198,826	193,317	186,839	+3	+6	—0
Meridian	33,641	35,544	32,379	—5	+4	+4
Vicksburg	18,653	16,489	16,422	+13	+14	+8
TENNESSEE						
Bristol*	43,867	39,207	32,633	+12	+34	+18
Chattanooga	277,660	269,296	267,700	+3	+4	+4
Johnson City*	35,927	36,850	34,206	—3	+5	+3
Kingsport*	67,932	77,418	61,509	—12	+10	+7
Knoxville	161,652	153,407	153,478	+5	+5	—0
Nashville	580,265	560,765	526,814	+3	+10	+7
SIXTH DISTRICT 32 Cities	8,246,846	8,201,905	7,430,809	+1	+11	+9
UNITED STATES 344 Cities	192,492,000	197,024,000	176,760,000	—2	+9	+8

*Not included in Sixth District totals.

Sixth District Indexes

1947-49 = 100

	Nonfarm Employment			Manufacturing Employment			Manufacturing Payrolls			Construction Contracts			Furniture Store Sales*/**		
	Mar. 1957	Feb. 1957	Mar. 1956	Mar. 1957	Feb. 1957	Mar. 1956	Mar. 1957	Feb. 1957	Mar. 1956	Apr. 1957	Mar. 1957	Apr. 1956	Apr. 1957	Mar. 1957	Apr. 1956
SEASONALLY ADJUSTED															
District Total	134	134	130r	119	121	119r	191	191r	182r	..	..	..	111p	111r	113r
Alabama	122	122	119r	110	109	109r	178	177	168r	..	..	..	108p	118r	109
Florida	170	169	158r	169	167	156r	257	267	230r	..	..	..	121p	132r	119
Georgia	130	131	128r	122	122	123r	193	193	186	..	..	..	106p	102r	118r
Louisiana	130	131	124r	102	103	101r	173	175r	167r	..	..	..	130p	141r	120r
Mississippi	125	126	126r	124	126	124r	210	212r	204r	..	..	..	92p	89	104
Tennessee	120	120	120	118	117	119r	188	188	183r	..	..	..	91p	83	90
UNADJUSTED															
District Total	134	134	130r	121	121	120r	193	193r	184r	..	..	..	98p	98r	99r
Alabama	122	122	119r	111	111	111r	178	177	168r	n.a.	320	265	100p	102r	101
Florida	178	178	165r	177	178r	163r	275	286	246r	n.a.	372	353	105p	117r	104
Georgia	129	129	128r	122	122	123r	193	195	186	n.a.	348	243	94p	90r	105r
Louisiana	129	129	123r	100	100	99r	168	168r	162r	n.a.	332	469	118p	120r	109
Mississippi	123	124	123r	123	124	124r	204	207r	198r	n.a.	453	170	83p	77	93
Tennessee	119	119	119	118	118	120r	188	186	183r	n.a.	226	154	82p	70	81

Department Store Sales and Stocks**

	Adjusted			Unadjusted		
	April 1957	March 1957	April 1956	April 1957	March 1957	April 1956
DISTRICT SALES*	146p	149	147r	149p	137	138r
Atlanta[1]	144	153	154	143	134	132
Baton Rouge	132	137	121	142	120	112
Birmingham	121	138	129	123	123	116
Chattanooga	130	133	126	134	117	118
Jackson	105p	110	118r	109p	100	111r
Jacksonville	124	116	121r	125	104	111r
Knoxville	142	140	141	151	122	135
Macon	140	145	155r	144	120	126r
Miami Area	211	222	211	220	224	203
Nashville	142	131	121	149	127	117
New Orleans	125	127	132	133	115	126
St. Ptrsbg-Tampa Area	151	152	152	156	157	150
Tampa City	123	120	127	124	116	124
DISTRICT STOCKS*	173	170r	167r	180	179r	174r

[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		
	Apr. 1957	Mar. 1957	Apr. 1956	Apr. 1957	Mar. 1957	Apr. 1956
Construction contracts*	..	..	..	n.a.	342	316
Residential	..	..	..	n.a.	299	328
Other	..	..	..	n.a.	375	306
Petrol. prod. in Coastal Louisiana and Mississippi**	192	208	165r	196	208	168r
Cotton consumption**	n.a.	86	98	n.a.	91	100
Furniture store stocks*						
Turnover of demand deposits*	22.5	22.7	21.1	22.7	22.9	21.3
10 leading cities	25.1	23.9	23.3	24.5	24.5	22.7
Outside 10 leading cities	18.0	19.2	17.4	18.0	18.8	17.4
	Mar. 1957	Feb. 1957	Mar. 1956	Mar. 1957	Feb. 1957	Mar. 1956
Elec. power prod., total**	..	..	..	298	294	280
Mfg. emp. by type						
Apparel	172	172	169r	172	171	169r
Chemicals	131	132	131	135	133	134
Fabricated metals	166	164r	155r	170	166r	159r
Food	116	117	112	114	116	111r
Lbr., wood prod., furn. & fix.	80	83	85r	81	82	86r
Paper and allied prod.	161	161	160r	161	162	160r
Primary metals	106	107	104	107	108	105
Textiles	89	91	94	90	91	95
Trans. equip.	206	206	188r	214	212	196r

r Revised p Preliminary n.a. Not Available