SIXTH FEDERAL RESERVE DISTRICT

Monthly Review

ATLANTA, GEORGIA, AUGUST, 1957

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Federal Reserve Bank of Atlanta

DISTRICT BUSINESS HIGHLIGHTS

Consumers are spending and saving more as their incomes rise to new peaks. Employment holds steady at record levels set earlier this year. Bankers in practically every section of the District are lending more money. Reserve positions of member banks improved somewhat and their borrowings from the Federal Reserve Bank of Atlanta declined.

Personal income, seasonally adjusted, during the first half of 1957 reached an all-time peak as all District states registered increases.

Department store sales in July, seasonally adjusted, established a new record.

Furniture store sales, seasonally adjusted, rose slightly during June and are now as high as they were a year ago.

New car registrations have been stronger in the District than in the nation so far this year.

Gasoline tax collections in June, seasonally adjusted, exceeded both month-ago and year-ago figures.

Spending by check in June, as measured by seasonally adjusted bank debits, declined slightly from the all-time high reached in May.

Consumer prices rose during June for the tenth consecutive month, largely because of seasonal increases in food prices.

Inventories at department stores declined considerably during June.

Consumer savings in the form of time deposits at commercial banks rose more than seasonally during June, but purchases of ordinary life insurance declined.

Nonfarm employment in June remained at about the record level of the preceding five months. Both manufacturing and nonmanufacturing employment were steady.

Factory payrolls also held steady at the May record.

Insured unemployment decreased in June somewhat more than usual for this time of year.

Textile activity, as measured by seasonally adjusted cotton consumption, rose slightly in June, but was still relatively low.

Crude oil production in Coastal Louisiana and Mississippi dropped further in June.

Steel mills maintained steady operations in June, although activity was down from earlier in the year.

Contracts awarded for both residential and nonresidential construction so far this year have been above a year ago.

Value of new and expanded manufacturing plants announced in the second quarter was sharply below both the preceding quarter and a year ago.

Total loans, after seasonal adjustment, rose further during June in each state except Louisiana; according to preliminary data another increase occurred in July for the entire District.

Total deposits, after seasonal adjustment, increased slightly in June with all states except Louisiana contributing to the gain.

U. S. Government security holdings of member banks declined somewhat at all categories of banks during June. Banks in leading cities increased their holdings during July.

Reserve positions of member banks in July were not quite as tight as in June.

Borrowings from the Federal Reserve Bank of Atlanta in July fell from June, when they reached high for 1957.

Financing Pleasure Boats

District Banks Help Finance Family Fun

Fleets of sea-worthy craft manned by weekend admirals and their family crews have invaded the waterways of America. Boat builders estimate that 28 million persons participated in recreational boating more than once or twice last year and spent over 1.2 billion dollars on the sport. Nearly 6 million of these boating enthusiasts actually owned pleasure boats, compared with 5 million in 1953 and 4 million in 1947. The number of boats churning the waters of our country has grown since 1946 at a rate almost twice as fast as the number of cars on our highways.

In our own Sixth District states an estimated 200 million dollars was spent on pleasure boating last year. This is more than was spent for all the new television sets bought during 1956. District residents, it appears, have been taking full advantage of the ever-growing number of man-made lakes suitable for boating. In the last ten years, the Corps of Army Engineers alone added over 300,000 acres of boating waters in the Southeast.

Rising incomes have been one reason for such growth. A second reason has been a change in the class of people interested in boating. Not too many years ago boating, or yachting, as it was called then, was a sport that only millionaires, who owned ocean-going craft and maintained paid crews, could afford. Today, boating is a form of relaxation that the whole family can share in. It is usually referred to as pleasure boating, for pleasure is what cruisers, runabouts, sail boats, and dinghys with outboard motors provide for the families that own them.

A third and perhaps the most important reason for the growth is that boat manufacturers have developed ingenious mass production methods which enable them to price attractive craft within the means of the average family. Finally, banks and other financial institutions are contributing significantly to the growth of boating by their willingness to lend money to boat buyers on instalment terms. Slightly over half of the boats, motors, and trailers bought today are paid for over a 24-month period.

Financing of pleasure boats is the principal concern of this article. District bankers have an estimated 6 million dollars outstanding in support of recreational boating. Because the field is still growing and shows promise of even greater growth in the future, information on the credit needs and practices of the boating industry in our region should prove helpful to those immediately concerned, especially bankers who may be called upon to furnish such credit.

Survey Findings

To determine the extent to which and the manner in which banks have moved into boat financing, this Bank conducted a survey of commercial banks in this area. During June, some 135 bankers throughout the Southeast received questionnaires, and over 125 of them responded. This excellent response is in itself witness to the interest in boat financing.

Approximately two-thirds of the banks replied that they do finance pleasure boats. The average banker, however, has been in the field for a fairly short time, less than four years. He entered the field to satisfy demands of his customers and boat dealers. Banks in large cities are much more active in boat financing than those in small towns, probably because of the higher per-capita income in larger cities and the larger volume of business available from metropolitan boat dealers.

Boat financing accounts for a small but growing proportion of total consumer instalment paper outstanding at District banks. Judging from the banks surveyed, it comes to not more than 2 percent of instalment loans. There are a few banks, however, where such financing looms larger. Two banks located near man-made lakes in Georgia, for example, reported that over 7 percent of their instalment loans was in boat paper. Both institutions called these loans a "good source of income." Another banker remarked, "Boat financing is in a stage of development similar to that of television several years ago. This will become most apparent where natural facilities encourage the use of boats."

Typical Terms

Bankers continue to be a cautious breed. Most institutions, upon entering the pleasure boating field, offer conservative terms and agreements to their customers and dealers. The average banker secures a down payment of between 25 and 33 percent on his boat loans and allows his customers between 19 and 24 months to pay off the balance. Under such terms, a 2,000 dollar rig, boat, motor, and trailer, would cost the buyer about 70 dollars a month. The interest charge is usually between 6 and 8 percent. A number of bankers reported terms longer than 24 months. Loans extended through boat dealers tended to be slightly more liberal than direct loans, probably because of recourse agreements with retailers.

Interestingly, terms were most liberal in Florida, where pleasure boating has been popular for a considerably longer period than in other District states. Several South Florida banks listed maturities of 36 months and down payments of between 10 and 19 percent as their usual practice.

Lenders active in boat financing for more than a year were asked, "Have terms changed in any way in the past year?" Three-quarters of those replying indicated there had been no change; the remaining 25 percent referred to an easing of terms in recent months. Competition from other banks and favorable loss experience were given as reasons for the easing. Considerable variation in terms appears by market areas. Banks in tropical Florida typically finance pleasure craft for 36-month periods; those in TVA lake territory extend credit for 24 months. None of the banks noted any tightening of terms because of restrictive monetary policy or a shortage of funds.

Low Losses

The loss and repossession experience of bankers proved to be a highlight of the survey. When asked, "What has been your repossession experience?" 45 percent of the institutions answered, "No repossessions." The others, all of whom reported only nominal repossessions, apparently were able to work out the defaults satisfactorily, for most of them reported, "No losses." Not one banker mentioned losses as a problem.

Because boats are considered luxury items, the average banker is probably more exacting in the credit standards he sets for borrowers. In addition, boat dealers have not been able to put as much pressure on bankers screening credit applications as volume-conscious automobile dealers have. As one banker states, "Boat paper is easily approved or rejected with no 'backlash,' unlike the situation with auto paper."

Dealer Agreements

How about bank-dealer agreements? It appears that they are still in the early stages of development. Only about half of the banks active in retail financing do any floor plan or inventory financing for dealers. Activity in this field probably will continue to increase as banks do more business with dealers and come to a greater realization of their financial needs. As a rule, if a banker expects to obtain durable goods paper in satisfactory volume and of desirable quality, he must be willing to help his dealer finance inventory. Such financing is especially important in the boating field for three reasons: (1) Financing plans on the part of manufacturers are practically non-existent. (2) The business is highly seasonal and inventories must usually be built prior to the selling season. (3) The style factor has become important, and the dealer who is able to show the actual boat to a customer enjoys a definite sales advantage.

Floor plan terms typically are an advance of 90 percent of invoice for 90 days, renewable in three 30-day periods with a 10-percent reduction at the time of each renewal. The interest charge is usually 6 percent simple interest.

Full recourse agreements, giving the banker the right to return any finance contract to the dealer, are the most common type of dealer arrangement. Almost 90 percent of the banker-dealer agreements were of this type. In automobile financing the practice is somewhat different. Generally, bankers and new car dealers have agreements limiting the liability of the dealer to a specific percentage of the finance contract, usually 10 percent. If no repossessions or losses occur, or if they are nominal, part of the reserve is "kicked back" to the dealer. Funds accumulated in this manner are placed in a special account called the dealer reserve. Non-recourse agreements are also fairly common.

Boat dealers have been unable to secure more liberal arrangements from bankers for a number of reasons. Most important, the typical boat dealer today is a relatively recent entry to the retailing scene; he does not have the financial resources and credit standing in his community enjoyed by the automobile dealer.

Financing Problems of Dealers

Financing is the primary problem in selling, so say boat and motor manufacturers and their dealers. A number of Atlanta dealers tell us that at least 75 percent of their boat sales are on credit terms. The sales manager of a major Florida boat manufacturer states he spends more time trying to arrange retail and wholesale financing for his dealers than selling boats. Several sales finance and consumer finance companies recently began to show considerable interest in underwriting sales of pleasure craft. Possibly, they recognize the parallel between the financing problems of the pleasure boating business today and those of the automobile business of the early 1920's. Some finance companies have already made arrangements with manufacturers to finance their boats and motors on a national scale. Other companies are using selected dealers in the Southeast to test the feasibility of boat financing.

Looking Toward the Future

A recent market survey conducted by the Outboard Boat Club of America revealed why folks buy outboard boats. The fisherman has always been the principal user of such equipment. Now cruising and water skiing as family sports are becoming quite popular. In Georgia, boat purchases for family use rose from 11 percent in 1954 to 24 percent in 1956; in Tennessee they grew from 5 percent to 16 percent, and in Alabama from 7 percent to 16 percent. Such growing markets in our "inland states" bespeak a promising future for pleasure boating in the Southeast.

The luxuries of one generation often become the necessities of the next. The automobile, electric lights, automatic heating, the electric kitchen and laundry are just a few examples. Boating was once the exclusive pleasure of the rich man. Today it is enjoyed by many. District bankers, fully aware of such trends, have taken steps both to share and assist in the development of America's newest family sport, recreational boating. In doing so, they are also furthering the development of a growing group of this region's small businesses. A careful study of the area as a potential outlet for instalment funds seems particularly justified in those parts of the Sixth District where man-made lakes are now being developed.

LEON T. KENDALL

The Cost of Money for Farming

The rate of interest that bankers charge on funds they lend to farmers often stirs debate. With agriculture becoming more commercialized, interest rates are becoming increasingly significant—to both bankers and farmers. Lenders are advancing larger amounts than ever before for investment in our region's farm plant; they are also advancing more funds to farmers to enable them to use their new capital effectively. Thus, the farmer would have to pay out more for interest even if the rate were holding steady. To him, therefore, the cost of borrowing money is an expense that he tries to keep at a minimum. To the banker, on the other hand, interest is a major source of income. For this reason, bankers find it helpful to compare the rates they charge with those of other banks as well as the rate on farm loans with that of other loans. To help bankers keep up with developments in farm credit, the Federal Reserve System made a survey on bank loans outstanding to farmers as of June 30, 1956.

Basically, the cost of borrowing money to farm with is regulated by interest rates prevailing in the general economy. When a banker receives a farmer's request for a loan, he considers the risks and cost of making the loan in relation to his other opportunities for investing the funds. He must decide which investments will bring the greatest returns. In making this decision, he considers such things as the size of the loan, the security offered, and the costs involved in making the loan. Since these factors vary with different types of loans, the banker usually finds that he must charge different rates for different kinds of loans.

Bankers vary interest rates according to the size of the loan more often than with any other characteristic of the loan. Most of the farm loans outstanding at District commercial banks in mid-1956 with an original size of 500 dollars or more, for example, were made for 5 or 6 percent. Notes of less than 500 dollars, however, more often had rates of 7 or 8 percent. The same pattern is evident in average interest rates: On all farm loans interest averaged 6.4 percent; the average rate was highest, 7.6 percent, on notes of less than 500 dollars. As the size of note increased, the average rate declined; it was 5.3 percent on notes of 10,000 dollars and over.

Apparently that characteristic is not peculiar to farm loans. Business borrowers at District banks pay 6.1 percent on loans averaging 2,400 dollars, according to a survey made about nine months earlier, and the average rate on all business loans is 4.6 percent. The survey revealed that smaller business loans carry substantially higher interest rates than large loans. It costs about as much to make and service a small loan as it does a large one. Yet if the rate were the same on all loans, the return from lending small amounts probably would not afford satisfactory returns to the banker.

Security has a secondary influence on the rate of interest bankers charge. Unsecured, or open notes, carried significantly lower rates than loans made with any security except those guaranteed by Government agencies. Government guaranteed loans have lower rates because they are, in effect, fully secured. Furthermore, they generally are larger loans with longer-than-average maturities. The low average rate on unsecured loans, however, is more difficult to understand until we see that they were made to borrowers with large net worths: 85 percent of them were made to borrowers with a net worth of 10,000 dollars or more. Moreover these loans were larger than average. Rates on loans secured by endorsements, chattels, and real estate averaged about the same, varying perhaps one-half of one percent.

The method borrowers select to repay their loans apparently directly influences the rate of interest bankers charge. The average rate on all loans repaid in instalments was 8.6 percent, compared with 6.4 percent for single-payment loans. The higher average rate on instalment loans, however, does not represent substantial additions to the cost of borrowing money to farm. This average includes relatively high interest charges on loans made for the most part to finance purchases of automobiles, refrigerators, and other major household durables. On these loans, interest was calculated on the original amount.

Interest Rates on Farm Loans by Size of Bank and Size of Loan

Insured Commercial Banks, Sixth District, June 30, 1956

	Original Size of Loan					
Size of Bank (Total Deposits)	*Under $500*	*$500-999*	*$1,000-4,999*	*$5,000-9,999*	*$10,000 & Over*	*All Sizes*
Under $3 Million	7.6	7.2	6.8	6.2	5.9	6.8
$3.0-$9.9 Million	7.3	7.1	6.5	5.9	5.4	6.3
$10 Million & Over	8.3	7.7	6.9	5.7	5.1	6.2
All Banks	7.6	7.3	6.7	6.0	5.3	6.4

In the case of the instalment loans that can be considered farm production loans, made primarily to finance purchases of farm machinery and equipment, interest was generally calculated on the unpaid balance. This type loan accounted for about two-thirds of the instalment loans made to farmers. Too, these loans were generally larger than instalment loans to finance farmers' consumer goods buying. Here, the average interest rate was 5.6 percent—lower even than on single-payment farm production loans.

The size of bank granting the loan is another factor that apparently influences interest rates. Small banks, those with less than 3 million dollars in deposits, charged an average interest rate of 6.8 percent on their farm loans. Those banks held 38 percent of the farm loans outstanding in mid-1956. Banks with deposits of 3 million-10 million dollars held 35 percent of the farm loans and charged an average rate of 6.3 percent. Larger banks held 27 percent of the farm loans and charged 6.2 percent. The larger banks generally charged 0.6 percent less than the smaller banks.

One would expect small banks to demand higher interest rates from their customers, located as they usually are in smaller towns with little competition from other lenders. The information at hand, however, does not suggest that bankers exploit such opportunities even if they exist.

Farmers' outlay for borrowed money will probably rise further in the next few years. Bankers, however, will likely keep their rates to farmers in line with those to other businessmen. The size of farm loans and the cost of servicing them apparently justify the small differentials that exist between interest rates on farm and business loans. Since larger loans are usually made at lower rates, some farmers could lower their cost of borrowing by concentrating their debts with one lender.

John T. Harris

This concludes a series of articles discussing the farm loan survey made by the Federal Reserve System in mid-1956. Copies of the articles, listed below, are available upon request from this Bank.

Bank Financing for Farmers, *Monthly Review,* October and November, 1956.

Bank Credit for Farmers' Current Expenses, *Bankers Farm Bulletin,* January, 1957.

Bank Credit for Buying Farm Real Estate, *Bankers Farm Bulletin,* March, 1957.

Bankers Finance Intermediate-term Farm Investments, *Monthly Review,* May, 1957.

The Cost of Money for Farming, *Monthly Review,* August, 1957.

Articles analyzing the farm loan survey information for the nation are available in a reprint Farm Loans at Commercial Banks. *This publication is available from this Bank or from the Board of Governors of the Federal Reserve System, Washington 25, D. C.*

Lumbering Activity Slow

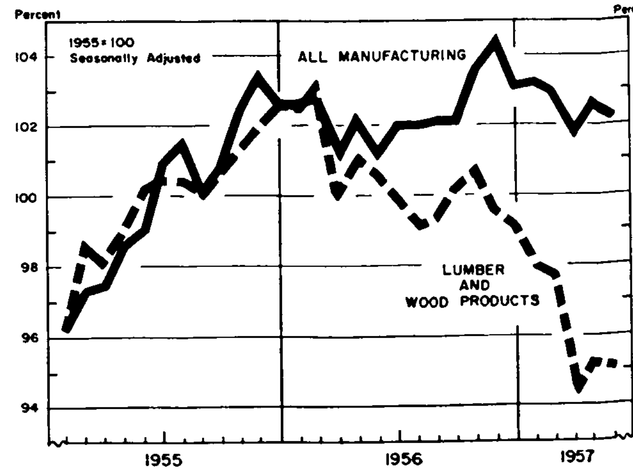
Operators of logging camps and sawmills in Alabama, Florida, Georgia, Mississippi, Louisiana, and Tennessee have been watching their lumbering activities slow down over the last year or so. Their business just hasn't been as brisk as it was when home builders were putting up houses at a record pace. Residential building, their main source of demand, has been declining for nearly two years. For a short time, rising demands from other types of construction sustained lumbering operations in the Sixth Federal Reserve District. The drop in home building, however, soon determined the trend in operations.

We can see from the employment figures in the chart that the drop started in the early part of 1956. Operators of logging camps and sawmills hired more men last fall, but a couple of months later they reduced their crews again. Since March, they have made few changes other than those normal for the time of year.

Our concern with these figures comes from the lumbering industry's importance to this District. It employed about 13 of every 100 factory workers here last year, second only to the textile industry as an employer. If the loggers, sawyers, stackers, and others who are laid off in times of declining activity did not find other jobs, incomes in the region would suffer considerably. Fortunately, however, employers in some other lines hired more people during the recent slump in lumbering. Total manufacturing employment, therefore, has stayed relatively high.

Manufacturing Employment

Sixth District States 1955-57



Besides reducing the number of workers in the crews, lumbermen have also shortened the work-week. In May, the men worked about 40 hours each week, compared with about 41 hours during late 1956. In December 1955, just before the recent downtrend began, they worked an average of 43 hours.

Although putting in a shorter work week in 1956 than in 1955, logging and sawmill workers enjoyed an increase in their average weekly earnings through the first three quarters of last year. Increases in their hourly earnings made this possible. On March 1, 1956, employers increased the minimum wage to one dollar an hour, in accordance with an amendment to the Fair Labor Standards Act. This raised hourly earnings substantially at that time. More gradual increases have occurred since then, probably reflecting continued competitive pressure from higher paying industries in the District.

While paying higher wages, District lumber manufacturers have had to contend with falling prices for their products since April of last year. By June this year, average prices of lumber products important in the Sixth District were about 5 percent below April 1956. Prices of Southern pine, the major product, were down about the same rate, while prices of hardwoods and plywood decreased more. Relatively stable millwork prices offset to some extent these sharper downward tendencies.

Philip M. Webster

Bank Announcement

On July 23 the National Bank of Fort Benning, Fort Benning, Georgia, opened for business as a member of the Federal Reserve System. Officers are Manton S. Eddy, Chairman of the Board; C. W. Pence, President; William A. Lyman, Executive Vice President and Cashier; E. G. Sparks, Assistant Cashier; L. M. McDowell, Jr., Assistant Cashier. The capital stock of the bank totals $200,000 and surplus $150,000.

Sixth District Statistics

Instalment Cash Loans

		Percent Change			
		Volume		Outstandings	
		June 1957 from		June 1957 from	
Lender	No. of Lenders	May 1957	June 1956	May 1957	June 1956
Federal credit unions	37	+26	+18	+5	+17
State credit unions	16	+1	+29	+8	+24
Industrial banks	6	+5	—13	—0	+2
Industrial loan companies	12	+8	+9	+1	+4
Small loan companies	24	+36	+56	+4	+18
Commercial banks	37	—7	—8	+1	+12

Condition of 27 Member Banks in Leading Cities

(In Thousands of Dollars)

				Percent Change June 17, 1957 from	
Item	July 17 1957	June 19 1957	July 18 1956	June 19 1957	July 18 1956
Loans and investments— Total	3,407,045	3,367,926	3,303,136	+1	+3
Loans—Net	1,913,596	1,895,307	1,791,500	+1	+7
Loans—Gross	1,947,223	1,929,401	1,816,817	+1	+7
Commercial, industrial, and agricultural loans	1,040,130	1,037,094	963,533	+0	+8
Loans to brokers and dealers in securities	39,232	40,146	36,247	—2	+8
Other loans for purchasing or carrying securities	47,247	50,893	53,905	—7	—12
Real estate loans	171,607	173,356	162,430	—1	+6
Loans to banks	25,374	15,688	29,482	+62	—14
Other loans	623,633	612,224	571,220	+2	+9
Investments—Total	1,493,449	1,472,619	1,511,636	+1	—1
Bills, certificates, and notes	421,864	401,011	453,148	+5	—7
U. S. bonds	767,069	767,422	748,463	—0	+2
Other securities	304,516	304,186	310,025	+0	—2
Reserve with F. R. Bank	508,928	482,847	502,290	+5	+1
Cash in vault	55,100	52,954	51,728	+4	+7
Balances with domestic banks	273,257	275,925	279,387	—1	—2
Demand deposits adjusted	2,260,298	2,252,629	2,362,107	+0	—4
Time deposits	769,431	762,306	649,850	+1	+18
U. S. Gov't deposits	118,835	101,332	78,997	+17	+50
Deposits of domestic banks	730,932	680,186	713,150	+7	+2
Borrowings	31,500	50,750	12,500	—38	*

*Over one hundred percent.

Department Store Sales and Inventories*

	Percent Change				
	Sales			Inventories	
	June 1957 from		6 Months 1957 from 1956	June 30, 1957 from	
Place	May 1957	June 1956		May 31 1957	June 30 1956
ALABAMA	—13	+1	+1	—6	+1
Birmingham	—15	+2	+1	—5	—0
Mobile	—10	+5	+8	..	..
Montgomery	—10	—11	—9	..	..
FLORIDA	—11	+8	+6	—5	+3
Jacksonville	—22	—2	—1	—5	—1
Miami Area	—10	+14	+12	—4	+6
Miami	—10	+2	+1	..	..
Orlando	—8	+14	+7	..	..
St. Ptrsbg-Tampa Area	—9	+4	+4	..	..
St. Petersburg	—11	+10	+8	—3	+7
Tampa	—6	+0	—1	..	..
GEORGIA	—19	—2	+0	—7	—2
Atlanta**	—24	—0	+3	—7	+1
Augusta	—4	—6	—7	..	..
Columbus	—4	—6	—10	—6	—19
Macon	—10	—9	—3	—7	+5
Rome**	—17	—0	—5	..	..
Savannah	—12	—0	—3	..	..
LOUISIANA	—17	—5	—2	—4	+16
Baton Rouge	—22	+12	+15	—4	+38
New Orleans	—17	—8	—5	—5	+13
MISSISSIPPI	—16	—2	—2	—6	—6
Jackson	—20	—8	—4	—5	—9
Meridian**	—9	+2	—4	..	..
TENNESSEE	—17	—3	+2	—8	+1
Bristol (Tenn. & Va.)**	—13	—4	+2	—7	+7
Bristol-Kingsport-Johnson City**	—13	—7	+0	—6	+4
Chattanooga	—17	—1	+1	..	..
Knoxville	—19	—7	—1	—7	—2
Nashville	—17	+2	+8	—7	—3
DISTRICT	—15	+0	+2	—6	+3

*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*

	Percent Change					
	Sales			Inventories		
		June 1957 from			June 1957 from	
Type of Wholesaler	No. of Firms	May 1957	June 1956	No. of Firms	May 1957	June 1956
Grocery, confectionery, meats	57	—14	+2	51	—8	—6
Edible farm products	10	—24	—19	9	+19	0
Drugs, chems., allied prods.	9	—1	+21	..	..	..
Drugs	5	—4	+12	..	..	..
Tobacco	6	—19	—1	6	+14	+20
Paper, allied products	26	—6	—15	26	—4	+2
Automotive	48	—10	+3	48	—1	—8
Electrical, electronic & appliance goods	10	+1	—16	10	—0	—16
Hardware	6	—15	—3	6	—0	—6
Plumbing and heating goods	10	—5	+23	..	..	..
Machinery: equip. & supplies Industrial	23	—7	—7	19	+3	+13
Iron & steel scrap & waste materials	7	+14	—3	..	..	..

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

Retail Furniture Store Operations

	Percent Change June 1957 from	
Item	May 1957	June 1956
Total sales	—5	—4
Cash sales	—3	+3
Instalment and other credit sales	—5	—5
Accounts receivable, end of the month	+0	+2
Collections during month	—12	—1

Debits to Individual Demand Deposit Accounts

(In Thousands of Dollars)

				Percent Change		
				June 1957 from		Year-to-date 6 Months 1957 from 1956
	June 1957	May 1957	June 1956	May 1957	June 1956	
ALABAMA						
Anniston	36,133	36,240	42,614	—0	—15	—7
Birmingham	693,551	718,028	652,730	—3	+6	+8
Dothan	22,809	24,870	23,603	—8	—3	+4
Gadsden	33,661	32,583	30,749	+3	+9	+9
Mobile	243,255	270,528	246,584	—10	—1	+16
Montgomery	122,035	142,114	118,505	—14	+3	+6
Selma*	19,365	21,204	19,925	—9	—3	+3
Tuscaloosa*	40,018	41,634	40,864	—4	—2	—1
FLORIDA						
Jacksonville	609,973	648,738	598,284	—6	+2	+6
Miami	653,080	718,441	598,787	—9	+9	+17
Greater Miami*	997,730	1,113,262	908,690	—10	+10	+17
Orlando	152,118	161,944	138,012	—6	+10	+20
Pensacola	83,523	81,621	77,790	+2	+7	+12
St. Petersburg	141,259	154,662	123,115	—9	+15	+19
Tampa	289,951	317,598	280,118	—9	+4	+14
West Palm Beach*	84,580	100,732	77,209	—16	+10	+10
GEORGIA						
Albany	48,986	56,472	51,640	—13	—5	+4
Atlanta	1,604,851	1,629,389	1,489,545	—2	+8	+5
Augusta	83,713	87,364	96,193	—4	—13	—6
Brunswick	17,899	19,568	18,945	—9	—6	+7
Columbus	96,787	101,273	97,936	—4	—1	—2
Elberton	8,008	8,558	6,559	—6	+22	+20
Gainesville*	44,878	44,881	46,261	—0	—3	+3
Griffin*	16,046	16,177	15,444	—1	+4	+2
Macon	99,000	102,268	107,256	—3	—8	—3
Newnan	14,542	15,291	13,398	—5	+9	+8
Rome*	35,804	40,691	37,885	—12	—5	—1
Savannah	165,967	183,852	141,615	—10	+17	+21
Valdosta	21,144	23,186	25,036	—9	—16	+0
LOUISIANA						
Alexandria*	61,072	66,297	61,791	—8	—1	+9
Baton Rouge	169,898	199,571	165,811	—15	+2	+13
Lake Charles	75,588	79,711	77,429	—5	—2	+6
New Orleans	1,179,837	1,363,405	1,136,368	—13	+4	+10
MISSISSIPPI						
Hattiesburg	29,093	30,668	26,942	—5	+8	+8
Jackson	170,000	207,204	184,232	—18	—8	+0
Meridian	35,064	36,580	33,842	—4	+4	+4
Vicksburg	16,825	20,050	16,655	—16	+1	+9
TENNESSEE						
Bristol*	37,350	38,146	36,473	—2	+2	+15
Chattanooga	268,862	274,685	257,663	—2	+4	+4
Johnson City*	36,209	38,052	35,602	—5	+2	+4
Kingsport*	62,806	66,920	61,384	—6	+2	+7
Knoxville	153,949	162,580	156,408	—5	—2	—0
Nashville	572,535	598,358	544,094	—4	+5	+6
SIXTH DISTRICT 32 Cities	7,913,987	8,507,400	7,578,458	—7	+4	+8
UNITED STATES 344 Cities	193,303,000	197,181,000	186,540,000	—2	+4	+7

*Not included in Sixth District totals.

Sixth District Indexes

1947-49 = 100

	Nonfarm Employment			Manufacturing Employment			Manufacturing Payrolls			Construction Contracts			Furniture Store Sales* /**		
	May 1957	April 1957	May 1956	May 1957	April 1957	May 1956	May 1957	April 1957	May 1956	June 1957	May 1957	June 1956	June 1957	May 1957	June 1956
SEASONALLY ADJUSTED															
District Total	134	134	131r	120	120	120r	194	191r	182r	. .	. .	. .	110p	106	110r
Alabama	123	122	117r	113	111	106r	180	177	151r	. .	. .	. .	113p	117r	115
Florida	175	171	162r	174	172	161r	274	264r	243r	. .	. .	. .	118p	112	119
Georgia	130	131	129r	122	122	124r	194	192	188	. .	. .	. .	107p	105r	112r
Louisiana	130	131	127r	101	102	102r	175	174r	167r	. .	. .	. .	128p	117	119
Mississippi	124	125	125r	123	125	124r	205	207r	199r	. .	. .	. .	92p	89	82
Tennessee	119	120	120r	118	119r	121r	188	189	185r	. .	. .	. .	87p	87	89
UNADJUSTED															
District Total	134	134r	131r	120	120	120r	192	191r	180r	. .	. .	. .	114p	111	114
Alabama	123	122	117r	112	111	105r	179	177	152r	n.a.	333	211	121p	119	123
Florida	173	176	160r	174	175	161r	274	269r	243r	n.a.	501	270	121p	114	121
Georgia	130	130	129r	120	121	122	191	192	185r	n.a.	377	331	112p	112	117
Louisiana	129	130	126r	100	100	101r	172	168	163r	n.a.	242	243	135p	123	126
Mississippi	124	124	124r	122	124	123r	205	205r	199r	n.a.	277	185	95p	103	85
Tennessee	120	120	121r	117	118	120r	186	187	183r	n.a.	230	189	93p	93	95

Department Store Sales and Stocks**

	Adjusted			Unadjusted		
	June 1957	May 1957	June 1956	June 1957	May 1957	June 1956
DISTRICT SALES*	155p	153	149r	138p	150	133r
Atlanta1	148	160	143	126	152	121
Baton Rouge	138	154r	118	134	158r	115
Birmingham	125	132	119	114	125	108
Chattanooga	137	131	133	120	134	117
Jackson	108	117	113r	100	116	105r
Jacksonville	130	126	128	114	136	112
Knoxville	143	146	148	132	150	137
Macon	141	142	148r	134	138	140
Miami Area	256p	222	217	208p	213	176
Nashville	141	134	133	130	145	123
New Orleans	131	138	136	117	129	121
St. Ptrsbg-Tampa Area	166	168	153	146	148	134
Tampa City	138	133	132	128	127	123
DISTRICT STOCKS*	169	168	164r	159	169	154r

1To 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		
	June 1957	May 1957	June 1956	June 1957	May 1957	June 1956
Construction contracts*	. .	. .	. .	n.a.	376	255
Residential	. .	. .	. .	n.a.	348	234
Other	. .	. .	. .	n.a.	397	271
Petrol. prod. in Coastal Louisiana and Mississippi**	180	192	165r	179	189	163r
Cotton consumption**	89	88	89r	86	89	86r
Turnover of demand deposits*	22.9	23.5	21.0	22.9	22.6	21.0
10 leading cities	25.9	25.7	23.4	24.7	24.3	22.3
Outside 10 leading cities	18.2	19.3	17.5	18.2	18.3	17.5
	May 1957	April 1957	May 1956	May 1957	April 1957	May 1956
Elec. power prod., total**	. .	297	286	. .	284	275
Mfg. emp. by type						
Apparel	171	168	170r	168	170	167r
Chemicals	136	134	135r	133	135	132r
Fabricated metals	174	172	167r	172	172	165r
Food	116	117	115r	114	113	113r
Lbr., wood prod., furn. & fix.	81	81	86r	81	81	86r
Paper and allied prod.	162	163	162r	161	161	161r
Primary metals	108	107	91	107	108	90r
Textiles	91	91	95	89	90	93
Trans. equip.	218	209r	192r	220	215r	194r

r Revised   p Preliminary   n.a. Not available